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Congressional Record

PROCEEDINGS AND DEBATES OF THE 95th CONGRESS
FIRST SESSION

VOLUME 123—PART 15

JUNE 7, 1977 TO JUNE 14, 1977

(PAGES 17695 TO 19052)

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UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1977

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PROCEEDINGS AND DEBATES OF THE 95th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Tuesday, June 7, 1977*

The House met at 12 o'clock noon.

Rev. Msgr. Frank J. Hendrick, pastor, St. Agnes Catholic Church, Arlington, Va., offered the following prayer:

Our Father, we stand in wonderment in the presence of Your creation and are grateful that we are a part of it. We are humbled that You have seen fit to give us dominion over all the Earth. Help us to always keep in mind that when we have dominion we also have responsibility. We have come here today in fulfillment of this obligation. We pray that the elected representatives of the people of this great Nation will deliberate earnestly, reflect deeply, and finally enact laws that will insure justice and peace, tranquillity and freedom.

Lord, grant also to the governed the grace to respond with gentleness and fortitude to all just laws that all men might live together in love and harmony.

We ask this through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the Chair could inform the gentleman from Maryland whether at an appropriate time, before beginning the business of the day, a motion for a call of the House might be entertained by the Chair?

The SPEAKER. The Chair will inform the gentleman from Maryland that such a motion might be entertained after a call of the Private Calendar.

Mr. BAUMAN. I thank the Chair, and I withdraw my reservation of objection.

The SPEAKER. Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1232. An act to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.) to extend for two fiscal years the appropriation authorizations for the administration and enforcement of that Act.

The message also announced that the Vice President, pursuant to Public Law 94-280, appointed Mr. LONG, from the Committee on Commerce, Science, and Transportation, to be a member, on the part of the Senate, of the National Transportation Policy Study Commission, in lieu of Mr. Hartke.

MSGR. FRANK J. HENDRICK

(Mr. HARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRIS. Mr. Speaker, I am very proud and honored that our prayer at the opening of today's House session was offered by Msgr. Frank Hendrick, a dedicated priest who is a native Virginian and hard-working apostle of Christ in the diocese of Arlington. As a member of Good Shepherd Catholic Church, which is in the Arlington diocese, I have been impressed with his service to the people of northern Virginia and feel that we are fortunate to have him lead us in prayer this morning.

In recognition of his more than 22 years of service to our Lord, Pope Paul VI in January named Monsignor Hendrick a prelate of honor. He is pastor of St. Agnes Church in Arlington, a demanding, time-consuming job in itself. However, he also is director of Catholic charities for the diocese of Arlington, which involved him in leading the Vietnamese refugee resettlement program in northern Virginia. In addition, he serves as moderator of the Legion of Mary and of the Arlington diocesan chapter of the Catholic Daughters of America.

Monsignor Hendrick was born in Richmond and is a graduate of the University of Richmond. He attended Mount St. Mary's Seminary in Emmitsburg, Md., and was ordained in 1954. After graduating from Catholic University with an M.A. in education, he served as coordinator of the Peninsula Catholic High School in Newport News, Va., and then as principal of Norfolk Catholic High.

Monsignor Hendrick was pastor of St. Jerome's in Newport News, served as a chaplain in the U.S. Army, and then was pastor of St. Ann's Church in Arlington before going to his present assignment at St. Agnes.

Mr. Speaker, Monsignor Hendrick's personal service and sacrifice to the people of Virginia is a full-time commitment. Although he does not speak or expect recognition for his actions, I am pleased to have this opportunity to make my colleagues aware of this dedicated man and am grateful that we could extend an invitation to him to offer today's opening prayer.

EDUCATION OF THE HANDICAPPED AMENDMENTS OF 1977

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6692) to extend certain programs under the Education of the Handicapped Act, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That this Act may be cited as the "Education of the Handicapped Amendments of 1977".

CENTERS AND SERVICES

SEC. 2. Section 627 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 627. There are authorized to be appropriated to carry out the provisions of section 621, $19,000,000 for the fiscal year 1978 and for the succeeding fiscal year, $21,000,000 for fiscal year 1980, $24,000,000 for fiscal year 1981, and $25,000,000 for fiscal year 1982. There are authorized to be appropriated to carry out the provisions of section 622, $22,000,000 for fiscal year 1978, $24,000,000 for fiscal year 1979, $26,000,000 for fiscal year 1980, $29,000,000 for fiscal year 1981, and $32,000,000 for fiscal year 1982. There are authorized to be appropriated to carry out the provisions of section 623, $25,000,000 for fiscal year 1978 and for each of the two succeeding fiscal years, $20,000,000 for fiscal year 1981 and for the succeeding fiscal year. There are authorized to be appropriated to carry out the provisions of section 625, $10,000,000 for the fiscal year 1978, $12,000,000 for the fiscal year 1979, $14,000,000 for the fiscal year 1980, and $16,000,000 for the fiscal year 1981 and for the succeeding fiscal year.".

PERSONNEL TRAINING

SEC. 3. Section 636 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 636. There are authorized to be appropriated for carrying out the provisions of this part (other than section 633) $75,000,000 for the fiscal year 1978, $80,000,000 for the fiscal year 1979, $85,000,000 for the fiscal year 1980, $90,000,000 for the fiscal year 1981, and $95,000,000 for the fiscal year 1982. There are authorized to be appropriated to carry out the provisions of section 633, $2,000,000 for the fiscal year 1978 and the succeeding fiscal year, and $2,500,000 for the fiscal year 1980 and each of the two succeeding fiscal years.".

SPECIAL EDUCATIONAL MODEL PROGRAMS

SEC. 4. Section 641 of the Education of the Handicapped Act is amended by striking out the period and inserting a comma and the following: "including the development and conduct of model programs designed to meet the special educational needs of such children.".

RESEARCH

SEC. 5. Section 644 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 644. For the purposes of carrying out this part, there are authorized to be appropriated $20,000,000 for the fiscal year 1978, $22,000,000 for the fiscal year 1979, $24,000,000 for the fiscal year 1980, $26,000,000 for the fiscal year 1981, and $28,000,000 for the fiscal year 1982.".

INSTRUCTIONAL MEDIA

SEC. 6. Section 654 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 654. For the purpose of carrying out this part there are authorized to be appropriated not to exceed $24,000,000 for the fiscal year 1978, $25,000,000 for the fiscal year 1979, $27,000,000 for the fiscal year 1980, $29,000,000 for the fiscal year 1981 and for each succeeding fiscal year thereafter.".

SEC. 7. The amendments made by sections 2 through 5 shall take effect on October 1, 1977.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Indiana (Mr. BRADEMAS) will just explain the Senate amendment for us.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, all this request does, I may say to the gentleman from Maryland (Mr. BAUMAN), is to clarify the fact that in respect of the Education of the Handicapped Act, model projects or, that is to say, model programs designed to meet the special education needs of handicapped children are covered under section 641 of that act.

Mr. Speaker, section 641 of the Education of the Handicapped Act relating to research and demonstration projects is amended as follows, new matter in italics:

SEC. 641. The Commissioner is authorized to make grants to States, State or local educational agencies, institutions of higher education, and other public or nonprofit private educational or research agencies and organizations, and to make contracts with States, State or local educational agencies, institutions of higher education, and other public or private educational or research agencies and organizations, for research and related purposes and to conduct research, surveys, or demonstrations, relating to education of handicapped children, *including the development and conduct of model programs designed to meet the special educational needs of such children.*

Mr. BAUMAN. Mr. Speaker, let me ask the gentleman, do I understand the minority concurs in this action?

Mr. BRADEMAS. The gentleman is correct.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

JENNET JUANITA MILLER

The Clerk called the bill (H.R. 1405) for the relief of Jennet Juanita Miller.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PATRICIA R. TULLY

The Clerk called the bill (H.R. 2661) for the relief of Patricia R. Tully.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CHRISTOPHER ROBERT WEST

The Clerk called the bill (H.R. 2662) for the relief of Christopher Robert West.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MRS. CHONG SUN YI RAUCH

The Clerk called the bill (H.R. 3081) for the relief of Mrs. Chong Sun Yi Rauch.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MILOS FORMAN

The Clerk called the bill (H.R. 3085) for the relief of Milos Forman.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

FIDEL GROSSO-PADILLA

The Clerk called the bill (H.R. 3090) for the relief of Fidel Grosso-Padilla.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

VELZORA CARR

The Clerk called the bill (H.R. 2563) for the relief of Velzora Carr.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

For what reason does the gentleman from Texas (Mr. WRIGHT) rise?

Mr. WRIGHT. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Maryland (Mr. BAUMAN) would withhold his request so we might have a colloquy at this time. I have sought recognition to see if the gentleman would be amenable to withholding his request with respect to this matter.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield, I do not believe that under the rules that is in order at this point.

The SPEAKER. The Chair will state that no reservation of objection is in order under the rule governing the Private Calendar. The gentleman is correct.

Is there objection to the request of the gentleman from Maryland?

There was no objection.

CMDR. EDWARD WHITE RAWLINS, U.S. NAVY (RETIRED)

The Clerk called the bill (H.R. 1445) for the relief of Cmdr. Edward White Rawlins, U.S. Navy (retired).

There being no objection, the Clerk read the bill, as follows:

H.R. 1445

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, as recommended by the chief commissioner of the Court of Claims in Rawlins, v. United States, 197 Ct. Cl. 972 (1972) (Court of Claims Congressional Reference Case Numbered 1–69) and, notwithstanding any other provision of law, Commander Edward White Rawlins, United States Navy (retired) shall be held and considered to have been promoted to the grade of captain on the active list of the Regular Navy as of July 1, 1947, and to have been retired in that grade on June 30, 1955.

SEC. 2. (a) The Secretary of the Treasury shall, out of any funds in the Treasury not otherwise appropriated, pay to Commander Edward White Rawlins, United States Navy (retired), the amount described in subsection (b) of this section. Such amount shall be in full satisfaction of all claims of the said Commander Rawlins against the United States set forth in the above captioned and referenced case.

(b) The amount to be paid to the said Commander Rawlins pursuant to subsection (a) shall be equal to the difference between (1) the amount the said Commander Rawlins would have received from the Department of the Navy in active duty pay and allowances and retired pay between July 1, 1947, and the day immediately preceding the date of the enactment of this Act had he been promoted to the grade of captain on July 1, 1947, and retired in that grade on June 30, 1955, and (2) the amount of active duty pay and allowances and retired pay he actually received from the Department of the Navy between July 1, 1947, and the day immediately preceding the date of the enactment of this Act.

(c) Effective with respect to any payment of retirement pay made to the said Commander Rawlins on or after the date of enactment of this Act, the Secretary of the Navy shall pay retired pay to the said Commander Rawlins in an amount equal to the amount the said Commander Rawlins would be entitled to receive had he actually been retired in the grade of captain on June 30, 1955.

SEC. 3. No amount in excess of 20 per centum of the amount to be paid to Commander Edward White Rawlins, United States Navy (retired) in accordance with section 2(a) of this Act shall be paid to or received by any attorney for services rendered in connection with the claim of the said Commander Rawlins described in such section. Any person who knowingly violates the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any statute of limitations pertaining to suits against the United States, or any lapse of time, or bars of laches, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon any claim of Commander Edward White Rawlins, United States Navy (retired), of Washington, District of Columbia, arising out of his claim for retroactive active-duty and action-duty pay and allowances and retirement pay due him as a result of nonpromotion to the grade of captain, such nonpromotion allegedly being the probable consequence of improper and inequitable actions within the Department of the Navy.

SEC. 2. Suit upon such claim may be instituted at any time within one year after the date of enactment of this Act. Nothing in this Act shall be construed as an inference of liability on the part of the United States. Except as otherwise provided in this Act, proceedings for the determination of such claim and review and payment of any judgment or judgments on such claim shall be had in the same manner as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code.

AMENDMENT OFFERED BY MR. HARRIS TO THE COMMITTEE AMENDMENT

Mr. HARRIS. Mr. Speaker, I offer a technical amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS to the committee amendment: On Page 3, line 19, strike "and action-duty".

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Commander Edward White Rawlins, United States Navy (retired)."

A motion to reconsider was laid on the table.

MARIA MIRAFLOR CARABBACAN

The Clerk called the bill (H.R. 1392) for the relief of Maria Miraflor Carabbacan.

There being no objection, the Clerk read the bill, as follows:

H.R. 1392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Maria Miraflor Carabbacan may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Francisco Carabbacan, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EUN KYUNG PARK AND SANG HYUK PARK

The Clerk called the bill (H.R. 1440) for the relief of Eun Kyunk Park and Sank Hyuk Park.

There being no objection, the Clerk read the bill, as follows:

H.R. 1440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Eun Kyung Park and Sang Hyuk Park may be classified as children within the meaning of section 101(b)(1)(F) of the Act, upon approval of petitions filed in their behalf by Mr. and Mrs. David L. Palmer, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That neither the natural parents, nor any brothers or sisters of the beneficiaries not specified herein, shall, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OH SOON HEE

The Clerk called the bill (H.R. 1552) for the relief of Oh Soon Hee.

There being no objection, the Clerk read the bill, as follows:

H.R. 1552

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Oh Soon Hee may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by André Prévin, Maria Farrow, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 2. Section 204(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

With the following committee amendment:

On page 1, line 4, strike out the name "Oh Soon Hee" and substitute the name "Oh Soon Yi".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Oh Soon Yi."

A motion to reconsider was laid on the table.

CATHY GEE YUEN

The Clerk called the bill (H.R. 1777) for the relief of Cathy Gee Yuen.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PAZ A. NORONA

The Clerk called the bill (H.R. 1787) for the relief of Paz A. Norona .

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RICKY LEE TRAUTVETTER

The Clerk called the bill (H.R. 2944) for the relief of Ricky Lee Trautvetter.

There being no objection, the Clerk read the bill, as follows:

H.R. 2944

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Ricky Lee Trautvetter shall be held and considered to be the natural-born alien son of Emil W. and Thelma K. Trautvetter, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VELZORA CARR

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent to return to Calendar No. 28, H.R. 2563, and ask for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

There being no objection, the Clerk read the bill, as follows:

H.R. 2563

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of determining any entitlement of Velzora Carr of Fort Worth, Texas, to a survivor annuity under section 8341 of title 5, United States Code, her deceased husband, Allen W. Carr, is deemed to have made a timely election, pursuant to section 5(c) of the Act of January 8, 1971 (Public Law 91-658; 84 Stat. 1963), for the purpose of providing a survivor annuity for Velzora Carr.

SEC. 2. For purposes of chapter 83 of title 5, United States Code, any entitlement of Velzora Carr to a survivor annuity by reason of the first section of this Act shall be effective as of December 19, 1971, the day after the date of death of Allen W. Carr. The aggregate amount to which Velzora Carr may be so entitled for the period before the date of the enactment of this Act shall be paid in a lump sum.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DYING FOR DICTATORSHIP

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO. Mr. Speaker, it was 27 years ago this month that the Korean war started.

More than 5.7 million Americans served in that 3-year "police action." There were nearly 158,000 American casualties—33,629 dead in battle, 20,617 dead from other causes, and 103,284 wounded.

As the following editorial from the Gillette, Wyo., News-Record puts it so well: "Little did we know 27 years ago that our soldiers were dying to establish a dictatorship."

As the editorial says, in support of President Carter's proposed withdrawal of our troops from South Korea, "The time for our departure has been long overdue."

The editorial follows, and I commend its author, Jack Nisselius:

PULL OUT OF KOREA

In the diverse opinions on whether U.S. armed forces should be withdrawn from Korea or not, the question has to be asked about how long a United Nations "police action" should last.

Although many now call the war in Korea a "war", the 1950 order putting UN forces in South Korea referred to it as a police action.

It will be 27 years this month that North Korean forces drove south of the 38th parallel and the soldiers of several nations—but mostly armed forces from the United States—were committed to push the Communist troops back.

Today all of the forces, except those from the U.S. have been sent home, and now President Carter is talking about our troops being withdrawn in the next four to five years.

That is an excellent idea, and the time table could be much quicker than that.

It is recognied that there are some pretty important implications involved in this movement out of Korea. It could have the ring of what happened in 1949 and early 1950 when our State Department declared to the world that Korea was not in the area of U.S. concern.

In a matter of months, the North Koreans attacked, feeling that no one was interested in what would happen to South Korea.

But in the intervening 27 years, the North Koreans along with the Red Chinese were pushed back north of the 38th parallel and the South Koreans have had their chance to choose the type of government they want as well as build up an army to defend themselves.

These are the two things which were primary objectives during the fighting of the 1950's. In fact, the South Koreans now have a dictatorship, which many American soldiers probably did not have in mind as the type of government for which they were fighting.

One opponent of the pull-out of American troops has a good point. He feels that American forces are a part of the balance of power in the Far East. Moving American influence out will cause a need for the Japanese to start building an armed force of their own as a counter-balance to possible Soviet and Chinese expansion.

To this thought President Carter responds that we ought to bring our troops out of Korea and defend any eventualities with a nuclear threat.

Twenty-seven years ago the same nuclear threat idea was forwarded as the thing to do and it was opposed then because it would be "the wrong war, at the wrong place, at the wrong time, and with the wrong enemy."

Such were the words of Gen. Omar Bradley, then the chairman of the Joint Chiefs of Staff, and the reasoning is as sound today as it was in 1951.

The question again comes back. How long do we continue to keep troops in South Korea?

In this case, the time for our departure has been long overdue. When the South Koreans determined the type of government they wanted, the U.S. should have given our troop departure date. We could have assured them of our support in arms and ammunition, but they should have been made to realize that they were the ones who would have to fight for their form of government, life and liberty, should that circumstance come to pass.

Basically, the United States must adopt this form of self-help answer to all little nations in brush fires appealing to us for help to attain their freedom and liberty. We can no longer send our troops to help such nations fight for their independence.

South Korea is a prime example of why we must adopt such a policy. Little did we know 27 years ago that our soldiers were dying to establish a dictatorship.

HELSINKI'S UNFULFILLED PROMISE

(Mr. DODD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DODD. Mr. Speaker, 2 years ago the Soviet Union, by signing the Helsinki final act along with 34 other nations, pledged among other things to stop separating families seeking reunification across political boundaries.

The signatories of the accord are soon going to come together to examine the record of the last 2 years, and we can already state without hesitation that the Soviet Union has failed to make any progress in carrying out the promises that it made in Helsinki. In fact, as recent reports indicate, repression behind the Iron Curtain has grown worse.

The Soviet Union continues to do violence to the human rights of its citizens, and especially its Jewish citizens. To call attention to the U.S.S.R.'s failure to live up to its commitment, I join many of my colleagues in this house in conducting our annual vigil on behalf of those families whose members still remain apart as a result of the discriminatory will of the Soviet state.

Life for the Moisey Polonsky family of Kishinev has never been easy, and for the Polonsky's there is little hope that it will get better. In 1973, Moisey applied for visas allowing his family to join his parents in Israel, but was refused because 5 years had not elapsed since he served in the Soviet army.

Moisey has now been out of the army for 8 years, and he is still waiting for his visas. In addition he has been subjected to continued harassment by Soviet authorities, and according to the latest reports, was fired from his job, and is now unemployed and experiencing increasing financial difficulties.

Mr. Speaker, we who live in freedom cannot ignore the misery of those who are discriminated against by the Soviet state. We must continue to speak out against these acts of repression until the Polonsky family, and all the other families which are in the same situation, are again united and living in peace.

THE MEETING OF PRESIDENT CARTER AND AMBASSADOR YOUNG

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, President Carter meets this afternoon with the U.S. Ambassador to the United Nations and our former House colleague, Andrew Young. I am certain that every American who cares about this Nation and its image in the world community would wish to be present at this meeting.

Unfortunately, it is not possible for these Americans to participate in this afternoon's dialog at the White House. Perhaps by speaking from the floor of the House, I might attempt to speak for many of them in a voice capable of being heard at the other end of Pennsylvania Avenue.

Our world is changing drastically and rapidly; and now is the time for the United States to reassess its foreign policies. Many of us welcomed the appointment of our outspoken colleague to the United Nations. But, as much as this Nation needs to establish new directions in foreign policy, it also must fulfill its role, as a stable ally with consistent commitment to the betterment of all men—black or white, rich or poor, the educated

as well as the uneducated. I would hope that Ambassador Young would consider his responsibilities not only to all of the American people for whom he speaks, but to every person on the face of this Earth whose situation cannot be defined into such simple terms as black or white, rich or poor, right or wrong, free or repressed.

U.N. AMBASSADOR YOUNG

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, should Ambassador Andrew Young take a summer vacation, I respectfully suggest the President name Las Vegas comedian Don Rickles to fill in for him. This would keep the volume of personal and international insults flowing unabated and will guarantee a continuity of offensiveness we have come to expect from this office.

Also, it is very helpful to learn that apparently Playboy magazine is an authentic resource we must turn to for policy pronouncements from this administration.

If anyone has any problem finding Playboy it is usually behind the drugstore counter with its salacious cover obscured.

PRESIDENT CARTER'S PROPOSED SUGAR PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, as the new farm bill has traveled its way through subcommittee and committee in the House and the Senate, we have become accustomed to periodic warnings from the Secretary of Agriculture that the various proposals were too expensive, and that the President just might veto the bill.

President Carter sought to keep the average annual Treasury exposure under the new farm bill to around $2.8 billion. This may or may not be the proper price tag to put on our farm program. But the new plan the President has proposed to bail out U.S. sugar companies has no place in this farm budget. The administration wants to spend nearly one-tenth of what they suggested for total farm programs on aid for sugar growers and processors. It would have been one thing if the administration had included their plans to give sugar interests a quarter of a billion dollars in their farm bill proposals. That way, Congress could have looked at these proposed payments along with payments to other farm producers. The administration chose, instead, to announce this program after the appropriate committees were nearly finished with their debates on the farm program.

The President's sugar program hinges on handing out $250 million to U.S. sugar farmers—all 16,000 of them. Sugar is but one of many farm commodities which has never been included in the traditional farm support program. The President's program changes that—not by the consent of the Congress, but by administrative fiat. If the administration is serious about keeping down the cost of the farm program, I would suggest that they look first toward their own expensive sugar scheme.

IN DEFENSE OF AMBASSADOR YOUNG

(Mrs. FENWICK asked and was given permision to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I would like to say a word on behalf of my friend, Ambassador Young. We have heard criticism here today and in the press, but we all know our former colleague. We know how good is his heart and how high his intentions. Ambassador Young has said himself that some of the things which he has said he now regrets or perhaps did not phrase quite as he would have liked to, but Mr. Speaker, other things needed to be said. We have been long unwilling in this world and in this country to face what racial bias really means and what it has cost in human suffering. Perhaps it is good that someone who has a worldwide audience has a place from which to speak of these things.

FEDERAL EMPLOYEES' POLITICAL ACTIVITIES ACT OF 1977

Mr. CLAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 10) to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri (Mr. CLAY).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 371, nays 26, answered "present" 1— not voting 35, as follows:

[Roll No. 313]

YEAS—371

Abdnor	Armstrong	Bingham	Brooks	Flagedorn	Murtha
Addabbo	Ashley	Blanchard	Broomfield	Hall	Myers, Gary
Akaka	Aspin	Blouin	Brown, Calif.	Hamilton	Myers, Ind.
Alexander	AuCoin	Boggs	Brown, Mich.	Hammer-	Natcher
Allen	Badham	Boland	Brown, Ohio	schmidt	Neal
Ambro	Bafalis	Bolling	Broyhill	Hanley	Nedzi
Ammerman	Barnard	Bonior	Buchanan	Hannaford	Nichols
Anderson,	Baucus	Bonker	Burgener	Harkin	Nix
Calif.	Beard, R.I.	Bowen	Burke, Calif.	Harrington	Nolan
Andrews, N.C.	Beard, Tenn.	Brademas	Burke, Fla.	Harris	Nowak
Andrews,	Bedell	Breaux	Burke, Mass.	Harsha	O'Brien
N. Dak.	Benjamin	Breckinridge	Burleson, Tex.	Heckler	Oakar
Annunzio	Bennett	Brinkley	Burlison, Mo.	Hefner	Oberstar
Applegate	Bevill	Brodhead	Burton, Phillip	Heftel	Obey
			Byron	Hightower	Ottinger
			Caputo	Hillis	Panetta
			Carney	Holland	Patten
			Carr	Hollenbeck	Patterson
			Carter	Holt	Pattison
			Cavanaugh	Holtzman	Pease
			Cederberg	Horton	Pepper
			Chappell	Howard	Perkins
			Chisholm	Hubbard	Pettis
			Clausen,	Huckaby	Pickle
			Don H.	Hughes	Pike
			Clay	Hyde	Pressler
			Cleveland	Ichord	Preyer
			Cochran	Ireland	Price
			Cohen	Jacobs	Pritchard
			Coleman	Jeffords	Pursell
			Collins, Tex.	Jenkins	Quie
			Conte	Jenrette	Quillen
			Conyers	Johnson, Calif.	Rahall
			Corcoran	Johnson, Colo.	Railsback
			Corman	Jones, N.C.	Rangel
			Cornell	Jones, Okla.	Regula
			Cornwell	Jones, Tenn.	Reuss
			Cotter	Kasten	Rhodes
			Coughlin	Kastenmeier	Richmond
			Cunningham	Kazen	Rinaldo
			D'Amours	Kelly	Risenhoover
			Daniel, Dan	Kemp	Roberts
			Daniel, R. W.	Ketchum	Robinson
			Danielson	Keys	Rodino
			Davis	Kildee	Rogers
			de la Garza	Koch	Roncalio
			Delaney	Kostmayer	Rooney
			Dellums	Krebs	Rose
			Derrick	Krueger	Rosenthal
			Derwinski	LaFalce	Rostenkowski
			Dicks	Lagomarsino	Roybal
			Dingell	Latta	Runnels
			Dodd	Le Fante	Ruppe
			Downey	Leach	Russo
			Drinan	Lederer	Ryan
			Duncan, Oreg.	Lehman	Santini
			Duncan, Tenn.	Lent	Sarasin
			Early	Levitas	Satterfield
			Edgar	Lloyd, Calif.	Schroeder
			Edwards, Ala.	Lloyd, Tenn.	Schulze
			Edwards, Calif.	Long, La.	Seiberling
			Eilberg	Long, Md.	Sharp
			Emery	Lott	Shipley
			English	Lujan	Shuster
			Erlenborn	Luken	Sikes
			Ertel	Lundine	Simon
			Evans, Colo.	McCloskey	Sisk
			Evans, Del.	McCormack	Skelton
			Evans, Ga.	McDade	Slack
			Evans, Ind.	McFall	Smith, Nebr.
			Fary	McKay	Solarz
			Fascell	Madigan	Spellman
			Fenwick	Maguire	Spence
			Findley	Mahon	St Germain
			Fish	Mann	Staggers
			Fisher	Marks	Stangeland
			Fithian	Marlenee	Stanton
			Flood	Mathis	Stark
			Flowers	Mattox	Steed
			Flynt	Mazzoli	Steiger
			Foley	Meeds	Stockman
			Ford, Mich.	Meyner	Stokes
			Ford, Tenn.	Mikulski	Stratton
			Forsythe	Mikva	Studds
			Fountain	Milford	Stump
			Fowler	Miller, Calif.	Thone
			Fraser	Miller, Ohio	Thornton
			Frenzel	Mineta	Traxler
			Fuqua	Minish	Treen
			Gammage	Mitchell, Md.	Trible
			Gaydos	Mitchell, N.Y.	Tsongas
			Gephardt	Moakley	Tucker
			Giaimo	Moffett	Udall
			Gibbons	Mollohan	Ullman
			Gilman	Montgomery	Van Deerlin
			Ginn	Moore	Vanik
			Glickman	Moorhead,	Vento
			Goldwater	Calif.	Volkmer
			Gonzalez	Moorhead, Pa.	Waggonner
			Goodling	Moss	Walgren
			Gore	Mottl	Walker
			Gudger	Murphy, Ill.	Walsh
			Guyer	Murphy, Pa.	Wampler

Watkins	Wilson, Bob	Yates
Waxman	Wilson, C. H.	Yatron
Weiss	Wilson, Tex.	Young, Alaska
Whalen	Winn	Young, Fla.
White	Wirth	Young, Mo.
Whitehurst	Wolff	Zablocki
Whitley	Wright	Zeferetti
Whitten	Wydler	
Wiggins	Wylie	

NAYS—26

Archer	Edwards, Okla.	Michel
Bauman	Gradison	Quayle
Butler	Grassley	Rousselot
Clawson, Del	Hansen	Rudd
Conable	Kindness	Smith, Iowa
Crane	McClory	Snyder
Devine	McDonald	Symms
Dickinson	McEwen	Taylor
Dornan	Marriott	

ANSWERED "PRESENT"—1

Leggett

NOT VOTING—35

Anderson, Ill.	Florio	Roe
Ashbrook	Frey	Sawyer
Badillo	Hawkins	Scheuer
Baldus	Jordan	Sebelius
Beilenson	McHugh	Skubitz
Biaggi	McKinney	Steers
Burton, John	Markey	Teague
Collins, Ill.	Martin	Thompson
Dent	Metcalfe	Vander Jagt
Diggs	Murphy, N.Y.	Weaver
Eckhardt	Myers, Michael	Young, Tex.
Flippo	Poage	

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 10, with Mr. MANN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Wednesday, May 18, 1977, the committee amendment in the nature of a substitute was considered as having been read and open for amendment at any point. Pursuant to a motion to limit debate in the Committee of the Whole, all time for debate on the committee amendment in the nature of a substitute and all amendments thereto had expired.

PARLIAMENTARY INQUIRY

Mr. DERWINSKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DERWINSKI. The Chairman just referred to the situation whereby debate was limited, which is under clause 6, rule XXXIII, and under that procedure any Member who has filed and published an amendment is protected in his right to call up the amendment and is entitled to 5 minutes to explain the amendment.

My parliamentary inquiry is: How will the Chair determine the appropriate Member to speak in opposition to the amendment? In other words, what will qualify a Member to speak in opposition to these pending amendments?

The CHAIRMAN. The Chair will endeavor to recognize committee members who are opposed, and if there is more than one committee member desiring to speak in opposition to the amendment, the Chair will seek to recognize the most senior of the committee members. The matter of party affiliation will not be controlling.

Mr. DERWINSKI. I have a further inquiry then, Mr. Chairman.

If there is an amendment covered by clause 6, rule XXXIII, and this is then subject to an amendment, is an additional 10 minutes debate time granted to the proponent of that amendment and in opposition thereto?

The CHAIRMAN. Proper amendments to an amendment will be in order. If the amendment to the amendment has been printed in the RECORD, there will be 5 minutes allowed to the proponent of the amendment and 5 minutes to the opponent of the amendment.

Mr. DERWINSKI. It must have been printed in the RECORD?

The CHAIRMAN. It must have been printed in the RECORD. However, proper amendments to the amendment may be offered, even though they have not been printed in the RECORD, but there will be no debate time allotted to such amendments to the amendment.

Mr. DERWINSKI. I thank the Chairman.

AMENDMENT OFFERED BY MR. CLAY

Mr. CLAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CLAY: Page 33, immediately above line 19, insert the following:

"(3) Nothing in this subsection shall be construed to make lawful those activities by an employee organization, or any officer, employee, or agent thereof, which are unlawful under the Federal Election Campaign Act of 1971, as amended (2 U.S.C. 431 et seq.), or under any provision of title 18, United States Code, or to make unlawful those activities by such organization, or any officer, employee, or agent thereof, which are not unlawful under that Act or such title."

The CHAIRMAN. The amendment having been printed in the RECORD, the gentleman from Missouri (Mr. CLAY) is recognized for 5 minutes in support of his amendment.

Mr. CLAY. Mr. Chairman, I offer this amendment to the Ashbrook amendment which was adopted just before the Committee rose.

Mr. Chairman, printed in today's RECORD is an amendment which I will offer to H.R. 10, the "Hatch Act" reform bill, when the House resumes consideration of that bill. This short and simple amendment has a very limited purpose. It will insure that the Ashbrook amendment to section 7323, which was adopted by the Committee of the Whole, will be consistent with existing law concerning activities of employee organizations, and particularly, concerning permissible and prohibited uses of dues, fees, and assessments by such organizations.

Present law concerning political coercion and the use of union funds for political purposes is contained in the provisions of title 18, United States Code, and the Federal Election Campaign Act of 1971, as amended. To insure that the Ashbrook amendment is construed to be consistent with these provisions of existing law, my amendment provides two things. First, it states that nothing in the Ashbrook amendment shall be construed to permit or make lawful activities which are presently unlawful. This insures that its provisions will not be interpreted to supersede or modify those prohibitions which are now in the law. Second, it states that nothing in the Ashbrook amendment shall be construed to prohibit or make unlawful activities which are not now prohibited under existing law. This insures that it will not be interpreted to provide new prohibitions, that is, prohibitions which are in addition to those already in existing law.

In summary, my amendment insures that the Ashbrook amendment will not permit activities which are now prohibited, or prohibit activities which are now permitted. I do not believe, and I am confident the vast majority of the Members of this House agree with me, that a bill such as H.R. 10, which relates primarily to restrictions on political activity by Federal employees, is an appropriate vehicle for modifying existing, or creating new, prohibitions on the use of union funds for political purposes. My amendment insures that the Ashbrook amendment will not disturb the status quo in this area.

In his statement in the RECORD of May 25, 1977 (pp. 5077, 5078), the gentleman from Ohio explains that, under existing law, union dues may be used for the following purposes: "internal communications by a labor organization to its members and their families; nonpartisan registration and get-out-the-vote campaigns by a labor organization aimed at its members and their families; and the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes." He then argues that his amendment which prohibits the use of union dues "for *any* political purpose" (emphasis added) is not "duly restrictive" since dues could be used for the following purposes: "to print a notice of an upcoming election just as it—a union—would be free to print news of any upcoming event of possible interest to members"; and "to print in its regular internal communications selected votes showing the record of particular candidates on the issues."

Apparently, these two particular activities should not be considered political activities since the use of dues for those activities would not be within the "any political purpose" prohibition. But what about other activities which are presently permissible? Just what is included in "any political purpose"? Clearly, according to the gentleman, the two examples described are not. But what about other types of internal communications such as newsletters urging union members to support a particular bill? Are these permitted under the amendment? Under existing law they clearly are. Section 321 (a) of the Federal Election Campaign Act permits the use of dues for internal communications "by a labor organization to its members and their families *on any subject.*" (The emphasized language was omitted in the gentleman's explanation.)

The Federal Election Campaign Act also expressly permits the use of dues for "nonpartisan registration and get-out-the-vote campaigns" and "the establishment, administration, and solicitation of contributions to a separate seg-

regated fund". Would these now permitted activities violate the Ashbrook amendment's prohibition on the use of dues for "any political purpose"? Presumably the answer is yes since the gentleman, in his explanation, has not included these activities among those which are permitted.

With all due respect, I believe the provisions of the Ashbrook amendment are "duly restrictive" when compared with the restrictions in existing law. The amendment is a drastic departure from the provisions presently on the books. My amendment will insure that the Ashbrook amendment is construed as being consistent with existing law, and not as a radical change in existing campaign financing laws. I strongly urge your support for my amendment.

I believe that public employees, like all other citizens, should be protected from intimidation and coercion, and, further, I believe employee organizations should be subject to the same strong restrictions on political activity that are imposed on corporations and private-sector labor organizations, but both of these goals are already achieved through the body of law stated in title 18 of the United States Code and in the Federal Election Campaign Act.

The Ashbrook amendment raises the real possibility of weakening these prohibitions. At the same time it tends to undermine the uniformity of regulations that presently exist. The gentleman from Ohio (Mr. ASHBROOK) contends that neither of these charges is true. Therefore, it becomes incumbent upon Members of this House to adopt my amendment.

To insure that the Ashbrook amendment is construed to be consistent with provisions of the existing law, my amendment provides for two things. First, it states that nothing in the Ashbrook amendment shall be construed to permit or make lawful activities which are presently unlawful.

Secondly, it states that nothing in the Ashbrook amendment shall be construed to prohibit or make unlawful activities which are now permitted under existing law.

If indeed the intent of the gentleman from Ohio (Mr. ASHBROOK) were as he expressed it, there will be no objection to this clarifying amendment. If indeed the gentleman from Ohio (Mr. ASHBROOK) did not wish to alter, modify, or repeal existing laws, then even he—and especially he—would not object to this amendment.

The language, if permitted to stand unclarified, could be subject to mischievous interpretation. I am confident the majority of the House will agree that H.R. 10, a bill relating to restrictions on political activities of Federal employees, is not the proper vehicle for creating new prohibitions on the use of union funds for political purposes. We are not considering a campaign financing law.

Mr. Chairman, I strongly urge the support of the Members for my amendment.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank the distinguished chairman of the subcommittee for yielding, and I rise in support of the amendment.

I simply want to say that the Ashbrook amendment, which the Clay amendment seeks to modify, is a classic example of a legislative lemon. It looks sweet on the outside, but it tastes bitter on the inside.

The fact is that the Ashbrook amendment would establish a gag rule on legitimate labor organizations which would go way beyond any of the multitudinous prohibitions on the abuse of authority which already exist in the law. Right now, labor unions are already prohibited from using their dues money in order to make contributions to partisan political campaigns, but they are permitted to use their dues money for the purpose of communicating with their own members.

If the Ashbrook amendment is permitted to remain intact, labor unions would be prohibited, for example, from urging their members to register, they would be prohibited from urging their members to vote, and they would certainly be prohibited from urging their members to support those candidates to whom the union is committed.

On the other hand, if the Clay amendment to the Ashbrook amendment is adopted, labor unions will still be prohibited from contributing their dues money to partisan political campaigns, but they will be permitted, as they are under existing law, to use their dues money for the purpose of communicating with their own members.

Mr. Chairman, I would simply suggest that if we are going to permit corporations to use corporate funds for the purpose of communicating with their stockholders, which we do under existing law, the very least we can do is permit labor unions to use their dues money to communicate with their own members as well.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I voted for the Ashbrook amendment, and I did so after a conversation with the gentleman from Ohio (Mr. ASHBROOK), in which I asked him a series of questions, the gist of which was, "Is there anything in your amendment that prohibits Federal employees unions from making statements to their members about political records of Congressmen and the like?" And his answer was, "No."

Therefore, Mr. Chairman, it seems to me that the Clay amendment clarifies and carries out the intent of the Ashbrook amendment, and I support it.

AMENDMENT OFFERED BY MR. ROUSSELOT TO THE AMENDMENT OFFERED BY MR. CLAY

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROUSSELOT to the amendment offered by Mr. CLAY: On page 33 of the bill, H.R. 10, strike out all of the following and insert a period: ", or to make unlawful those activities by such organization, or any officer, employee, or agent thereof, which are not unlawful under that Act or such title."

Mr. ROUSSELOT. Mr. Chairman, I merely offer this simple amendment to the Clay amendment because I believe the Clay amendment contains unnecessary language.

Mr. Chairman, I think in the debate that occurred on the Ashbrook amendment, it was more than clear to all of those who were engaged in that debate that there was no attempt to repeal any present Hatch Act or campaign laws. That is a matter of legislative record.

Therefore, Mr. Chairman, I think this language of the Clay amendment, as I have studied it, is unnecessary and is covered adequately in other parts of the present law or in the campaign law. I do not believe that we need this language, Mr. Chairman.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I just want to point out what the real issue is here today.

We heard some fancy words used earlier in promoting the amendment offered by the gentleman from Missouri (Mr. CLAY) about the necessity for clarifying the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

Yes, Mr. Chairman, the Clay amendment will clarify it right out the window. Quite frankly, the sponsors of this bill have abandoned their propaganda campaign saying that they were concerned about granting political rights to Federal employees and allowing them to enter the political arena. The promoters' true concern, as evidenced by the pending amendment of the gentleman from Missouri (Mr. CLAY), is to grant power to unions who want to politicize the Federal Government service, turn Government employment into an extension of their activities, and cause problems for the taxpayers of the country that have plagued many other nations.

Mr. Chairman, the concern is not for the Federal employee and giving them certain rights. The real concern is for Federal unions, to allow them to get into politics, which they are now prohibited from doing.

Mr. Chairman, only by adopting the amendment offered by the gentleman from California (Mr. ROUSSELOT) and defeating, if it is not adopted, the amendment offered by the gentleman from Missouri (Mr. CLAY), can we really protect Government workers instead of the union bosses.

Mr. CLAY. Mr. Chairman, I strongly oppose the amendment which has been offered by my distinguished colleague from California.

As I have stated on many previous occasions, the Ashbrook amendment changes existing law—it extends far beyond its superficially innocent provision—it seriously limits the extent to which unions and, indeed, nonpartisan

employee organizations may conduct their business.

Employee organizations could not conduct a get-out-the-vote effort, without possibly being charged with a violation of this act. Indeed, a group of employees could not even publish a newsletter for the use of its membership, indicating how elected officials voted on a given issue.

In sum, Mr. Chairman, the Ashbrook amendment is vague, overly broad, and in my judgment, would be subject to an interpretation that could have mischievous and far-reaching results. Accordingly, my amendment simply insures that the language remains consistent with the Federal Election Campaign Act as amended and title 18 of the United States Code. It makes nothing lawful that was unlawful. It makes nothing unlawful that was lawful. That is it—clear and simple.

Now, my distinguished colleague would change all that by undoing the language which maintains the status quo. I object strenuously to his position.

I urge that the proposed amendment be soundly defeated.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, the Rousselot amendment is almost as mischievous as the Ashbrook amendment was the other night.

The amendment really takes us back to a position that the gentleman from Ohio (Mr. ASHBROOK), if the Members will read the RECORD, never intended his amendment to take us to.

This bill, as it was brought to the floor of the House, did not in any way attempt to expand or affect the rights of Federal employee unions in political activity. The bill does not have anything to do with that at all. It has to do with the political activities of individuals. The political activity of all labor organizations are controlled by the Federal election laws and is very carefully circumscribed.

The effect of the Ashbrook amendment, as amended by the gentleman from Tennessee (Mr. CLAY), if it is now amended by the amendment offered by the gentleman from California (Mr. ROUSSELOT) would be to go back to the original prohibition which should have been knocked out on a point of order because it does not belong in this bill, it does not belong in this committee, and it does not belong in this legislation; it belongs to the committee that deals with the Federal election laws and restrictions on labor and other types of activities.

The effect of the Rousselot amendment would be to vitiate what the gentleman from Tennessee (Mr. CLAY) wants to do. What Mr. CLAY is saying, with his amendment, is that we should neither, by this law, enlarge upon the Federal employee unions or restrict them. In fact, what the gentleman says is that the proper place to regulate political activities by Federal employee unions is the same place as for all unions. These issues are addressed by this House when it is considering Federal election laws. In effect we are saying that the Committee on Post Office and Civil Service should not be encroaching upon the jurisdiction of the Committee on House Administration which has jurisdiction over Federal election laws.

But I believe the legislation before us today is in no way intended to affect these rights either by expanding them or contracting them. It is very clear that the effect of the Rousselot amendment would be to prohibit labor organizations from even telling their members that there is going to be an election next Tuesday and advocating that their members turn out and vote.

This clearly could not have been the intent of the Ashbrook amendment or that of anyone who spoke in favor of the amendment because nowhere do they say that that was their purpose.

Mr. Chairman, I would also like to remind my colleagues that nothing in H.R. 10 would in any way expand the rights of Federal employee unions and nothing in the bill would change the prohibitions contained in the Federal Election Campaign Act and title 18 of the United States Code regarding intimidation of employees for the purposes of securing political contributions or votes. Without the Ashbrook amendment public employee unions would still be continued to be barred from making political contributions from their treasury dues moneys just as they are under present law.

I urge the Members of the House to reject the Rousselot amendment and adopt the Clay amendment.

Mr. ERTEL. Mr. Chairman, if the gentleman will yield, I would just like to state for the information of the Members of the House that I have obtained from the Library of Congress, American Law Division, their report that has gone very seriously into the constitutionality of the Ashbrook amendment, and, as a result, I, in my own mind, must contend that the Ashbrook amendment is unconstitutional as proposed.

For instance, when they talk about employee organizations, they do not just include unions, and, as stated in the opinion by the American Law Institute of the Library of Congress, it says that:

> . . . "any employee organization" may be interpreted to include such employee organizations as recreation societies, social clubs, travel groups, and so forth.

This amendment is so broad, and so overly inclusive that anyone looking at it on first blush would have to immediately come to the basic conclusion of the unconstitutionality of the amendment. If it is interpreted constitutionally, it brings it back right to the same provision which is in the existing law today. It seems to me that the Congress has taken an oath to uphold the Constitution of the United States and therefore should not accept an amendment which is clearly unconstitutional, and it would seem to me against the expressed desires of this House.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, it is very clear that the Rousselot amendment would vitiate the intent of the Ashbrook amendment, as Mr. ASHBROOK explained it to me prior to our vote the last time. I believe that the Clay amendment carries out Mr. ASHBROOK's intent as it was explained to me, which was that his amendment was not intended to prohibit communications by a union to its employees about political matters to the extent now permitted by the law.

Therefore, the Rousselot amendment, as I see it, would change the thrust of the Ashbrook amendment as I understand it was intended by the gentleman from Ohio (Mr. ASHBROOK). I am sorry that the gentleman is not here to verify that fact.

Mr. CLAY. Mr. Chairman, I oppose the amendment offered by the gentleman from California (Mr. ROUSSELOT) to my amendment because it takes us precisely back to the Ashbrook amendment and in addition further extends it beyond this superficially innocent provision. This amendment would seriously limit the extent to which unions and nonpartisan employee organizations may conduct their business.

In the amendment which I have introduced, we would go back to the present provisions of the law.

Therefore I urge my colleagues to defeat the Rousselot amendment to my amendment.

Mr. DERWINSKI. Mr. Chairman, I move to strike the last word and I rise to speak against the Clay amendment. However, in so doing, Mr. Chairman, I am going to be as statesmanlike as I can under the confusing circumstances confronting us. The Members appreciate the fact that we are under restraint because of the time limitation that has been imposed upon us. In addition to that, the author of this controversial amendment, the gentleman from Ohio (Mr. ASHBROOK) and the gentleman from New Jersey (Mr. THOMPSON) are engaged in a very important international assignment and we cannot have their wisdom at this point this afternoon.

But I am fearful, Mr. Chairman, that, partly as a means of strategy and partly because of the confusion and disarray that existed on the floor of the House 3 weeks ago, that there is an effort being made to maintain this issue before us as only the Ashbrook amendment. I would like to remind the Members of the House that we are amending H.R. 10. H.R. 10 in is basic form emasculates the time tested, tried and true, Hatch Act.

The Ashbrook amendment is a minor entry into the historic record of this debate. The greatest issue is, Is there anything worth voting for in H.R. 10? I would like to make it clear to the Members that notwithstanding my opposition to the pending amendment, if the amendment offered by the gentleman from Missouri (Mr. CLAY) passes, that is all well and good. The issue before us is the bill itself.

I would like to remind the Members that Common Cause, for one, has written to us advising the House that the

Hatch Act, H.R. 10, in any form is unacceptable. I would like to make it clear that with the confusing parliamentary situation, we have 18 or 19 protected amendments, limted time for debate, that regardless of the final form of this bill, prudent judgment dictates a "No" vote.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

I would like to respond to the charge that somehow some of the amendments that have been offered, including the Ashbrook amendment, are unconstitutional. They, of course, are not. The Supreme Court has spoken on that issue many times and upheld the Hatch Act as it now stands. So the charge of the gentleman from Pennsylvania (Mr. ERTEL), that there is a possibility of the amendments being unconstitutional, of course, is not true, and I am sure he knew it.

Recently in the Abood against Detroit Board of Education decision, the Court held that public employees have a 1st and 14th amendment right not to have compulsory union dues spent by their unions for political purposes. So that was one of the things that the gentleman from Ohio (Mr. ASHBROOK) was trying to address and did very clearly, for those who were on the floor when that was being debated.

I appreciate my colleague, the gentleman from Illinois (Mr. DERWINSKI), making it clear that the Ashbrook amendment is only one part of this overall package to repeal the whole Hatch Act and to do what many of us feel is substantial damage to Federal employees who want to be separate from the political process.

Mr. DERWINSKI. That was a very brilliant statement made by a nonlawyer, may I say.

Mr. ERTEL. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Pennsylvania.

Mr. ERTEL. I thank the gentleman for yielding.

I would like to know if anybody has inquired as to the Ashbrook amendment from the Library of Congress and gotten a written opinion as to its constitutionality, rather than allegations upon this floor that it is constitutional. In fact, what it does is it gags people in a social club who may be employees of the Federal Government, if they pay dues to that social club, from talking about nonpartisan political activities. They cannot speak in a clubhouse.

Mr. DERWINSKI. I will answer the gentleman by stating the gentleman may well be correct. The courts have to decide that. But the issue here is not the Ashbrook amendment but that basically H.R. 10 is a bad bill.

Mr. ERTEL. This is to correct the Ashbrook amendment, and basically we have a Constitution to uphold.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT) to the amendment offered by the gentleman from Missouri (Mr. CLAY).

The question was taken; and on a division (demanded by Mr. ROUSSELOT) there were—ayes 34, noes 36.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. A recorded vote is demanded.

Mr. FORD. Mr. Chairman, a point of order.

The gentleman was not on his feet when the vote was announced and his request comes out of order.

The CHAIRMAN. The request for a recorded vote is in order. No intervening business had transpired.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 131, noes 277, not voting 25, as follows:

[Roll No. 314]

AYES—131

Abdnor	Emery	Moore
Anderson, Ill.	Erlenborn	Moorhead, Calif.
Archer	Evans, Del.	Myers, Ind.
Armstrong	Findley	O'Brien
Badham	Flynt	Pettis
Bafalis	Forsythe	Pressler
Barnard	Fountain	Pursell
Bauman	Frenzel	Quayle
Beard, Tenn.	Goldwater	Quie
Bennett	Goodling	Quillen
Breckinridge	Gradison	Rhodes
Broomfield	Grassley	Robinson
Brown, Mich.	Guyer	Rousselot
Brown, Ohio	Hagedorn	Rudd
Broyhill	Hall	Runnels
Buchanan	Hammer-schmidt	Sarasin
Burgener	Hansen	Satterfield
Burke, Fla.	Harsha	Schulze
Burleson, Tex.	Holt	Shuster
Butler	Hyde	Skubitz
Carter	Ichord	Smith, Nebr.
Cederberg	Jeffords	Snyder
Chappell	Johnson, Colo.	Spence
Clausen, Don H.	Kasten	Stangeland
Clawson, Del	Kelly	Stanton
Cleveland	Ketchum	Steiger
Cochran	Kindness	Stockman
Cohen	Lagomarsino	Symms
Coleman	Latta	Taylor
Collins, Tex.	Leach	Thone
Conable	Lott	Treen
Corcoran	Lujan	Trible
Coughlin	McClory	Vander Jagt
Crane	McDonald	Waggonner
Cunningham	McEwen	Walker
Daniel, Dan	McKay	Wampler
Daniel, R. W.	Marlenee	Whitehurst
Derwinski	Marriott	Whitten
Devine	Martin	Wiggins
Dickinson	Mathis	Wilson, Bob
Dornan	Michel	Winn
Duncan, Tenn.	Milford	Wylie
Edwards, Ala.	Miller, Ohio	Young, Fla.
Edwards, Okla.	Montgomery	

NOES—277

Addabbo	Bingham	Carr
Akaka	Blanchard	Cavanaugh
Alexander	Blouin	Chisholm
Allen	Boggs	Clay
Ambro	Boland	Conte
Ammerman	Bolling	Conyers
Anderson, Calif.	Bonior	Corman
Andrews, N.C.	Bonker	Cornell
Andrews, N. Dak.	Bowen	Cornwell
Annunzio	Brademas	Cotter
Applegate	Breaux	D'Amours
Ashley	Brinkley	Danielson
Aspin	Brodhead	Davis
AuCoin	Brooks	de la Garza
Badillo	Brown, Calif.	Delaney
Baucus	Burke, Calif.	Dellums
Beard, R.I.	Burke, Mass.	Derrick
Bedell	Burlison, Mo.	Dicks
Benjamin	Burton, John	Diggs
Bevill	Burton, Phillip	Dingell
Biaggi	Byron	Dodd
	Caputo	Downey
	Carney	Drinan
Duncan, Oreg.	Krebs	Rangel
Early	Krueger	Regula
Eckhardt	LaFalce	Reuss
Edgar	Le Fante	Richmond
Edwards, Calif.	Lederer	Rinaldo
Eilberg	Leggett	Risenhoover
English	Lehman	Roberts
Ertel	Lent	Rodino
Evans, Colo.	Levitas	Rogers
Evans, Ga.	Lloyd, Calif.	Roncalio
Evans, Ind.	Lloyd, Tenn.	Rooney
Fary	Long, La.	Rose
Fascell	Long, Md.	Rosenthal
Fenwick	Luken	Rostenkowski
Fish	Lundine	Roybal
Fisher	McCloskey	Ruppe
Fithian	McCormack	Russo
Flood	McDade	Ryan
Flowers	McFall	Santini
Foley	Madigan	Schroeder
Ford, Mich.	Maguire	Seiberling
Ford, Tenn.	Mahon	Sharp
Fowler	Mann	Shipley
Fraser	Markey	Sikes
Fuqua	Marks	Simon
Gammage	Mattox	Sisk
Gaydos	Mazzoli	Skelton
Gephardt	Meeds	Slack
Giaimo	Meyner	Smith, Iowa
Gibbons	Mikulski	Solarz
Gilman	Mikva	Spellman
Ginn	Miller, Calif.	St Germain
Glickman	Mineta	Staggers
Gonzalez	Minish	Stark
Gore	Mitchell, Md.	Steed
Gudger	Mitchell, N.Y.	Stokes
Hamilton	Moakley	Stratton
Hanley	Moffett	Studds
Hannaford	Mollohan	Stump
Harkin	Moorhead, Pa.	Thornton
Harrington	Moss	Traxler
Harris	Mottl	Tsongas
Heckler	Murphy, Ill.	Tucker
Hefner	Murphy, Pa.	Udall
Heftel	Murtha	Ullman
Hightower	Myers, Gary	Van Deerlin
Hillis	Natcher	Vanik
Holland	Neal	Vento
Hollenbeck	Nedzi	Volkmer
Holtzman	Nichols	Walgren
Horton	Nix	Walsh
Howard	Nowak	Watkins
Hubbard	Oakar	Waxman
Huckaby	Oberstar	Weaver
Hughes	Obey	Weiss
Ireland	Ottinger	Whalen
Jacobs	Panetta	White
Jenkins	Patten	Whitley
Jenrette	Patterson	Wilson, C. H.
Johnson, Calif.	Pattison	Wilson, Tex.
Jones, N.C.	Pease	Wirth
Jones, Okla.	Pepper	Wolff
Jones, Tenn.	Perkins	Wright
Kastenmeier	Pickle	Wydler
Kazen	Pike	Yates
Kemp	Preyer	Yatron
Keys	Price	Young, Alaska
Kildee	Pritchard	Young, Mo.
Koch	Rahall	Zablocki
Kostmayer	Railsback	Zeferetti

NOT VOTING—25

Ashbrook	Jordan	Sawyer
Baldus	McHugh	Scheuer
Bellenson	McKinney	Sebelius
Collins, Ill.	Metcalfe	Steers
Dent	Murphy, N.Y.	Teague
Flippo	Myers, Michael	Thompson
Florio	Nolan	Young, Tex.
Frey	Poage	
Hawkins	Roe	

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Thompson against.

Mr. Ashbrook for, with Mr. Hawkins against.

Mr. Frey for, with Mr. Murphy of New York against.

Mr. Sebelius for, with Mr. McHugh against.

Mr. HILLIS and Mr. WYDLER changed their vote from "aye" to "no."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. CRANE TO THE AMENDMENT OFFERED BY MR. CLAY

Mr. CRANE. Mr. Chairman I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRANE to the amendment offered by Mr. CLAY: On page 33 of the bill, strike out the words "which are not unlawful".

Mr. CRANE. Mr. Chairman, I rise in opposition to the amendment by the gentleman from Missouri. I only wish the managers of this bill would yield in their opposition to the Ashbrook amendment. After all, the vote in favor of the Ashbrook amendment was rather substantial, 229 to 168, and public opinion poll after public opinion poll has indicated that the American people feel that the influence and power of organized labor needs to be restricted. In fact, a Harris poll done last January, before the common situs vote and before last month's vote on the Ashbrook amendment, showed that, by a 63–25 margin, respondents felt that "unions have become too powerful and should be restricted in the use of their power by law."

Inasmuch as the Hatch Act bill (H.R. 10), if passed, will substantially expand the power of Federal employee unions by giving them political leverage to go with their monopoly position, the American public has every right to be concerned if the Ashbrook amendment is rendered ineffective by reason of additional language that would apply it only to those practices presently unlawful under current statutes. That would leave all existing abuses unaffected and, believe me, using union dues for political purposes is an abuse. As it stands now, the only way a Federal employee can protest the use of his money for political purposes not directly related to his working conditions is to quit the union.

Of course, the situation is even worse for workers in the 30 States that do not have right-to-work laws. In those States, an employee cannot quit a labor union in protest over the use of his union dues even if he wants to; if he does, he quits his job as well. So, rather than defeat the Ashbrook amendment I would hope that the House would view it as a necessary stepping stone to legislation that would prevent the use of compulsory union dues, fees, or assessments for any political purpose whatsoever. I have introduced such legislation (H.R. 6650) and would hope that, if the Ashbrook amendment passes, we would take it up in the near future.

Mr. Chairman, it should be made clear that neither my bill, nor the Ashbrook amendment, will prevent unions or union members from taking a role in politics. Under each, workers would be free to contribute voluntarily to a separate fund which could be used for any legitimate political purpose. All I am saying, and all the Ashbrook amendment says, is that union dues, which are not voluntary and are intended to support the directly job-related activities of the union, should not be used for such purposes. Business cannot charge employees "management dues" and then put the funds to political use, so why should unions be able to put union dues to such a pupose. Political contributions should be just that—contributions—not coerced payments over which the worker has little say and no control.

Mr. Chairman, the original Ashbrook language will not hurt the individual Federal worker. Instead, it will protect him from involuntary political contributions that may otherwise go for purposes with which he disagrees. As a matter of fact, such "contributions" could well go to promoting a cause or candidate that he, himself, might be opposing if the rest of H.R. 10 is passed and he is able to be more politically active.

Mr. Chairman, in light of all these considerations, I hope we would see fit to retain the original Ashbrook language and reject any effort to delete or dilute it.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I appreciate the point the gentleman is making, but would the gentleman, who is a skillful practitioner of the legislative art, not agree with me in this: that regardless of how this bill is amended, it is basically a bad bill? Would the gentleman not agree that with or without Ashbrook, with or without Clay, or with or without the gentleman's amendment or dozens of others that may be flooding about, this is basically a bad piece of legislation?

Mr. CRANE. Mr. Chairman, I listened to my distinguished leader's eloquent comments on that point earlier, and I could not agree with him more wholeheartedly. I believe that this is, in fact, something of a diversion from the more important and overriding question, and that is a recognition of the fundamental wrongs contained in this entire piece of legislation.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. CRANE. I am happy to yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. Mr. Chairman, other than expressing his philosophy about unionism, I do not recall that the gentleman from Illinois (Mr. CRANE) has explained what his amendment does.

Mr. CRANE. Mr. Chairman, what my amendment does is simply to strike language of the amendment offered by the gentleman from Missouri (Mr. CLAY), specifically the words, "which are not unlawful." The gentleman would have known that if he had listened when the amendment was read.

Mr. Chairman, to get back to my point: I am not registering objections to unionism. What I am registering is my objection to the use of involuntarily raised moneys for political purposes. This has nothing to do with an individual's fundamental right of association guaranteed by the Constitution to join a union, and that is a right I would champion and fight to preserve. But one thing which I will fight to undo is the injustice of denying a man the exercise of his rights over his own property, and particularly in that precious area of freedom of speech and freedom of expression which is contained in the political process.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, the gentleman from Ohio (Mr. ASHBROOK) assured me before I voted for his amendment that it was not intended to prevent a union from communicating with its members on matters such as voting records of Members of Congress and the like. Therefore, I concluded that it was not intended to prevent anything that is permitted by present law, and we now wish to make that clear since it was not made clear in the RECORD before.

Mr. CRANE. Mr. Chairman, I think the gentleman has stated the position of the gentleman from Ohio (Mr. ASHBROOK) not incorrectly, and I think that was made clear in the RECORD.

Mr. SEIBERLING. It was not, I say to the gentleman, because it was an off-the-record conversation. We had no time left for debate to put it on the record. The Clay amendment would make the matter clear by putting it in the statute.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, let us focus on just exactly what is before us.

The Ashbrook amendment, which was adopted in haste by this body a few weeks ago at a late hour, was ostensibly aimed, according to its sponsor, at leaving the law as it presently exists. That is what he said it would do.

Yet, Mr. Chairman, here is the language which we found offensive when we examined it more carefully:

No portion of any dues, fees, or assessments levied on the membership of any employee organization shall be used by such organization for any political purpose or by any political, education, or action committee of such organization for any purpose.

Note the words, "for any purpose."

Mr. Chairman, that would be a terribly restrictive gag rule. It would prohibit newsletters, educational publications, any voter registration efforts. None of those things could be performed. The Ashbrook amendment would prohibit an employees' organization from using even educational funds and the prohibition extends against their use "for any purpose."

In an effort to make that comply with the ostensible and reported intent of the author, the gentleman from Missouri (Mr. CLAY), the sponsor and manager of the bill, introduces this amendment which is pending with another amendment to it.

The Clay amendment says:

Nothing in this subsection shall be construed to make lawful those activities . . . which are unlawful under the Federal Election Campaign Act of 1971 . . . or to make un-

lawful those activities . . . which are not unlawful under that Act.

What is fairer than that? That is what the sponsors of the original Ashbrook amendment said they were doing. It could not be more clearly spelled out than in the amendment offered by the gentleman from Missouri (Mr. CLAY).

Now, however, they are trying to play games with it. The amendment we just rejected would have left in the words that would not make lawful anything that was unlawful, but would have taken out the words which would not make unlawful anything which was lawful.

Obviously, they want to make unlawful things which are presently lawful. Properly, we rejected that thinly veiled effort. Now we have a second game being played.

The present amendment to the Clay amendment would strike out "things which are not unlawful." Let us read the text with those words out. It would say:

Or to make unlawful those activities by such organization, officer, employee, or agent thereof under that Act.

In other words, Mr. Chairman, we would not be making them unlawful under "that act," the act of 1971; but we would be making them unlawful under this act.

That is transparent. What they are trying to do is obvious. It should be as plain as the nose on one's face. They still are trying to make unlawful under this bill now before us those things which are presently lawful. We did not let them do it a few moments ago. We rejected that earlier amendment. Now they have an amendment which in effect says, "We are not making these legitimate activities unlawful under that other act; but we make them unlawful under this act."

Let us recall the original language, and review it in context with this amendment: No portion of any dues, fees, or assessments shall be used "for any purpose" by any political, education, or action committee.

Mr. Chairman, no employee organization could tell its members that there was going to be an election. They could not send out a newsletter. They could not pass out voting records showing how Members of Congress had voted on various issues. And the Crane amendment would make those activities unlawful under this bill.

It says, "for any purpose." That is the kind of language that this Crane amendment is intended to preserve, and that is the kind of language that the House did not intend to incorporate in the legislation.

That is the kind of language that would be clarified by the Clay amendment. Therefore, Mr. Chairman, I urge all of us, if we really believe in what we say, to vote against the Crane amendment and to vote for the Clay amendment. Then we will be thoroughly consistent with what we say we are intending to do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. CRANE) to the amendment offered by the gentleman from Missouri (Mr. CLAY).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. CLAY).

The question was taken and the chairman announced that the ayes appear to have it.

RECORDED VOTE

Mr. BAUMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 266, noes 139, not voting 28, as follows:

[Roll No. 315]

AYES—266

Addabbo	Evans, Ind.	Markey
Akaka	Fary	Marks
Alexander	Fascell	Mattox
Allen	Fish	Mazzoli
Ambro	Fisher	Meeds
Ammerman	Fithian	Meyner
Anderson, Calif.	Flood	Mikulski
	Flowers	Mikva
Andrews, N.C.	Foley	Miller, Calif
Annunzio	Ford, Mich.	Mineta
Applegate	Ford, Tenn.	Minish
Ashley	Fountain	Mitchell, Md.
Aspin	Fowler	Mitchell, N.Y.
AuCoin	Fraser	Moakley
Badillo	Fuqua	Moffett
Barnard	Gammage	Mollohan
Baucus	Gaydos	Moorhead, Pa.
Beard, R.I.	Gephardt	Moss
Bedell	Giaimo	Mottl
Bellenson	Gibbons	Murphy, Ill.
Benjamin	Gilman	Murphy, Pa.
Bevill	Ginn	Murtha
Biaggi	Glickman	Myers, Gary
Bingham	Gonzalez	Natcher
Blanchard	Gore	Neal
Blouin	Gudger	Nedzi
Boggs	Hamilton	Nix
Boland	Hanley	Nolan
Bolling	Hannaford	Nowak
Bonior	Harkin	Oakar
Bonker	Harrington	Oberstar
Bowen	Harris	Obey
Brademas	Heckler	Ottinger
Breaux	Hefner	Panetta
Brinkley	Heftel	Patten
Brodhead	Hightower	Patterson
Brooks	Hillis	Pattison
Brown, Calif.	Holland	Pease
Burke, Calif.	Hollenbeck	Pepper
Burke, Mass.	Holtzman	Perkins
Burlison, Mo.	Horton	Pickle
Burton, John	Howard	Pike
Burton, Phillip	Hubbard	Pressler
Byron	Hughes	Preyer
Caputo	Jacobs	Price
Carney	Jenrette	Pritchard
Carr	Johnson, Calif.	Rahall
Cavanaugh	Jones, N.C.	Rangel
Chisholm	Jones, Okla.	Regula
Clay	Jones, Tenn.	Reuss
Conte	Kastenmeier	Richmond
Conyers	Kazen	Rinaldo
Corman	Keys	Risenhoover
Cornell	Kildee	Rodino
Cornwell	Koch	Roncalio
Cotter	Kostmayer	Rooney
D'Amours	Krebs	Rose
Danielson	Krueger	Rosenthal
Davis	LaFalce	Rostenkowski
de la Garza	Le Fante	Roybal
Delaney	Lederer	Ruppe
Derrick	Leggett	Russo
Dicks	Lehman	Ryan
Diggs	Lent	Santini
Dingell	Levitas	Scheuer
Dodd	Lloyd, Calif.	Schroeder
Downey	Lloyd, Tenn.	Seiberling
Drinan	Long, Md.	Sharp
Duncan, Oreg.	Luken	Shipley
Early	Lundine	Sikes
Eckhardt	McCormack	Simon
Edgar	McDade	Sisk
Edwards, Calif.	McFall	Skubitz
Eilberg	McKay	Slack
Ertel	Madigan	Smith, Iowa
Evans, Colo.	Maguire	Solarz
Evans, Ga.	Mann	Spellman
St Germain	Udall	Whitley
Staggers	Ullman	Wilson, C. H.
Stanton	Van Deerlin	Wilson, Tex.
Stark	Vento	Wirth
Steed	Volkmer	Wolff
Stokes	Walgren	Wright
Stratton	Walsh	Yates
Studds	Waxman	Yatron
Thornton	Weaver	Young, Alaska
Traxler	Weiss	Young, Mo.
Tsongas	Whalen	Zablocki
Tucker	White	Zeferetti

NOES—139

Abdnor	Erlenborn	Moorhead, Calif.
Anderson, Ill.	Evans, Del.	Myers, Ind.
Andrews, N. Dak.	Findley	Nichols
	Flynt	O'Brien
Archer	Forsythe	Pettis
Armstrong	Frenzel	Pursell
Badham	Goldwater	Quayle
Bafalis	Gradison	Quie
Bauman	Grassley	Quillen
Beard, Tenn.	Guyer	Railsback
Bennett	Hagedorn	Rhodes
Breckinridge	Hall	Roberts
Broomfield	Hammer-schmidt	Robinson
Brown, Mich.		Rogers
Brown, Ohio	Hansen	Rousselot
Broyhill	Harsha	Rudd
Buchanan	Holt	Runnels
Burgener	Huckaby	Sarasin
Burke, Fla.	Hyde	Satterfield
Burleson, Tex.	Ichord	Schulze
Butler	Ireland	Shuster
Carter	Jeffords	Smith, Nebr.
Cederberg	Johnson, Colo.	Snyder
Chappell	Kasten	Spence
Clausen, Don H.	Kelly	Stangeland
	Kemp	Steiger
Clawson, Del	Ketchum	Stockman
Cleveland	Kindness	Stump
Cochran	Lagomarsino	Symms
Cohen	Latta	Taylor
Coleman	Leach	Thone
Collins, Tex.	Long, La.	Treen
Conable	Lott	Trible
Corcoran	Lujan	Vander Jagt
Coughlin	McClory	Waggonner
Crane	McCloskey	Walker
Cunningham	McDonald	Wampler
Daniel, Dan	McEwen	Watkins
Daniel, R. W.	Mahon	Whitehurst
Derwinski	Marlenee	Whitten
Devine	Marriott	Wiggins
Dickinson	Martin	Wilson, Bob
Dornan	Mathis	Winn
Duncan, Tenn.	Michel	Wydler
Edwards, Ala.	Milford	Wylie
Edwards, Okla.	Miller, Ohio	Young, Fla.
Emery	Montgomery	
English	Moore	

NOT VOTING—28

Ashbrook	Hawkins	Sawyer
Baldus	Jenkins	Sebelius
Collins, Ill.	Jordan	Skelton
Dellums	McHugh	Steers
Dent	McKinney	Teague
Fenwick	Metcalfe	Thompson
Filppo	Murphy, N.Y.	Vanik
Fiorio	Myers, Michael	Young, Tex.
Frey	Poage	
Goodling	Roe	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. Ashbrook against.

Mr. Hawkins for, with Mr. Teague against.

Mr. Baldus for, with Mr. Frey against.

Mr. Florio for, with Mr. Sebelius against.

Mrs. Fenwick for, with Mr. Goodling against.

Mr. RANGEL and Mr. BARNARD changed their vote from "no" to "aye."

Mr. HARSHA changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: Page 30, strike out section 7322(9) of title 5, United States Code, as proposed by the bill, beginning on line 13 and ending on line 3 of page 32 and insert in lieu thereof the following:

"(9) 'restricted position' means any position with respect to which there is in effect a determination by the Commission, by regulation, that—

"(A) the duties and responsibilities of such position require such employee—

"(i) as a substantial part of his official activities, to engage in foreign intelligence activities relating to national security;

"(ii) in the normal course of carrying out such duties and responsibilities—

"(I) to make decisions binding on employees with respect to whom he is a superior with regard to whom shall be the subject of any action which is to be taken by any such employee in connection with the enforcement of any civil or criminal law (including any inspection or audit under any such law);

"(II) to actually carry out any such action; or

"(III) to make a final determination with respect to any such action; or

"(iii) in the normal course of carrying out such duties and responsibilities—

"(I) to make binding decisions on who shall be awarded contracts which are for the procurement of goods or services for the Government and which have substantial monetary value, or who shall be awarded licenses, grants, subsidies, or other benefits, which involve funds or other interests having a substantial monetary value; or

"(II) to supervise individuals engaged in the awarding, administering, or monitoring of such contracts, licenses, grants, subsidies, or benefits; and

"(B) the restrictions on political activity imposed on such employee in such position are justified in order to ensure the integrity of the Government or the public's confidence in the integrity of the Government.

Mr. RYAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RYAN. Mr. Chairman, the only change—the only change—my amendment makes in this bill as reported from the Post Office and Civil Service Committee is to include in the restricted position category, at the discretion of the Civil Service Commission, Federal employees who conduct audits, investigations and/or inspections as a substantial part of their official activities. The test presently set forth in the bill to determine who will be Hatched will still be required under my amendment. The Civil Service Commission must determine that the employee, in a substantial part of his or her official activities, engages in auditing or investigating or inspecting. The bill states:

The restrictions on political activity imposed on such employee in such a position are justified in order to ensure the integrity of the government or the public's confidence in the integrity of the government.

In other words, the Commission is still vested with substantial discretion to balance the need of the public confidence in the Government against Federal employees' loss of political freedom. It will avoid petitions to the administration allowing restricted positions, which allow no judgment to be made.

Let us take a couple of examples in order to illustrate the point. There is the IRS auditor who reviews tax returns in the office. There is the auditor who reviews accounts of business and interviews small taxpayers in the field. There needs to be some distinction made about whether or not they have substantial influence in the course of their work. Likewise, a meat inspector's power will certainly be greater in, say, Montana than in Rhode Island. The Commission should take these variations into consideration as well.

The gentleman from Missouri (Mr. CLAY) has suggested that restriction is unnecessary because investigators, auditors, or inspectors really have no influence with respect to the final outcome of actions or with who is the target. Here, my distinguished colleague and I strongly disagree. I think, with great respect, that emphatically there is a distinction in the law between what is actual authority and what is apparent authority.

The average taxpayer is called in on audit, or the small businessman is visited by an OSHA inspector, and that Government employee is, in fact, the Government. If, later on, he shows up as a member of my campaign committee, that taxpayer or that businessman who has been audited reads something that may be there or may not be there.

I want to remove in this amendment any suspicion about the integrity of the actions taken by Federal employees who have some investigatory responsibility.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from Missouri.

Mr. VOLKMER. As the gentleman knows, I also have an amendment pending presently pertaining to the same situation. I have reviewed the gentleman's amendment, and at this time I would like to ask this body to support the amendment. I want to state that in the event the gentleman's amendment does fail, I plan to introduce my amendment. But, I would also at this time like to clarify just a few things.

Field agents, such as OSHA inspectors or FBI men would be prohibted under this amendment, is that correct, from engaging in political activities?

Mr. RYAN. It is presumed that the Civil Service Commission would do that.

Mr. VOLKMER. But they could under this amendment?

Mr. RYAN. Precisely.

Mr. VOLKMER. Does the gentleman not agree that these types of jobs should be restricted?

Mr. RYAN. That is the whole purpose of my amendment.

Mr. VOLKMER. And some employee with whom I have discussed this, who are in this type of position, want to be able to remain outside?

Mr. RYAN. I think both ethically and morally they would want to be left outside.

Mr. VOLKMER. I thank the gentleman.

Mr. RYAN. I want to make one more point. There is precedent already for this kind of amendment because, in fact, there are already Federal employees who are within the restricted category now, in the present bill. There is nothing new about this. It simply adds the discretionary power to the Civil Service Commission to decide who shall or who shall not be included as a matter of course, as a matter of policy, in sensitive jobs, where we do not want it to appear either on my stationery or supporting me at election time, or on my opponent's stationery or supporting him.

The Federal employees who have these kinds of sensitive positions should remain outside by the very nature of their jobs. If their rights as citizens are proscribed in so doing, they know the nature of the job when they take it. It is part of the job, and they should accept it as such.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. SOLARZ. Mr Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. I thank the chairman of the committee for yielding.

Mr. Chairman, I have great respect for my good friend, the gentleman from California (Mr. RYAN), but I must say that I think we have here another example of an amendment which is justified on one set of grounds but which would in reality go way beyond the purposes for which it is theoretically designed. The fact of the matter is that there would be literally thousands upon thousands of Federal employees who would probably be prohibited from participating in the political process if the Ryan amendment is adopted, employees who nobody could seriously contend occupy a so-called sensitive position.

For example, under the terms of the Ryan amendment, a mine inspector in the Department of the Interior would probably be prohibited from participating in the political process. A meat inspector in the Department of Agriculture would be prohibited from participating in the political process. And a grain inspector in the Department of Agriculture would be denied the right to participate as well.

Mr. Chairman, I would call the attention of the Members to the fact that when this bill was first considered a few weeks ago, we adopted an amendment I offered at that time which prohibits Federal employees from soliciting a contribution from any citizen who comes under the jurisdiction of the agency for which that Federal employee works. As a consequence, a meat inspector for the Department of Agriculture would be prohibited, as the bill is now written, from soliciting a contribution from a butcher whose meat he inspects. But that meat inspector would not be prohibited from soliciting a contribution from the housewife who lives next door, or from the neighborhood druggist down the block, and I do not think they ought to be prohibited from soliciting support from such persons.

The other point that I want to make is that, to the extent that there is any concern that a Federal employee might use his position to divulge confidential information obtained in the course of his employment for partisan political purposes, the Members should know that there is already a plethora of prohibitions against the disclosure of confidential information which are already written into the criminal law of this land and, indeed, which are repeated in the very text of the legislation which we have before us. Consequently, I would submit that there is no justification whatsoever for the extension of the prohibition contained in the amendment offered by the gentleman from California to thousands upon thousands of Federal employees who would be denied the right to participate in an entirely legitimate way in the political process.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from California (Mr. RYAN).

Mr. RYAN. I thank the gentleman for yielding.

Mr. Chairman, according to the Congressional Research Service, there are approximately 80,000 employees, at the most, who would be under this particular provision, out of about 2.8 million employees, and balancing the requirement of the Commission, no more than one-half of those would be actually involved.

Mr. SOLARZ. As I indicated in my remarks, I thought thousands upon thousands would be prohibited. I am glad to hear the gentleman confirm it.

I want to come back to what seems to me to be the fundamental issue. We have already prohibited Federal employees from soliciting contributions from any citizens who come under the jurisdiction of the agency for whom that Federal employee works. I would agree that there should be a prohibition against a mine inspector soliciting contributions from the owner of a mine which he inspects.

But we have already prohibited that. Under the gentleman's amendment the mine inspector would be prohibited from soliciting a contribution from his next door neighbor, who happens to be a housewife, a doctor, a dentist, a tennis pro, or anyone else. I can see no conceivable conflict of interest in that kind of situation.

Mr. RYAN. Mr. Chairman, will the gentleman yield on that same point?

Mr. SOLARZ. I yield to the gentleman from California.

Mr. RYAN. Mr. Chairman, would the gentleman find anything wrong or would he be upset if he were to notice in his next campaign that his opponent had a committee of IRS agents supporting him, and while those IRS agents were simply indicating their political preference, others on his committee might, without ever saying so, use that as a means of directly influencing support for or against the gentleman?

Mr. SOLARZ. If the IRS agents were attempting to solicit support from individuals whose returns they were auditing, that activity would already be prohibited by this bill. If not, I do not see anything wrong with it.

AMENDMENT OFFERED BY MR. CLAY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. RYAN

Mr. CLAY. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. CLAY as a substitute for the amendment offered by Mr. RYAN:

Page 30, strike out section 7322(9) of title 5, United States Code, as proposed by the bill, beginning on line 13 and ending on line 3 of page 32 and insert in lieu thereof the following:

"(9) 'restricted position' means any position with respect to which there is in effect a determination by the Commission, by regulation, that—

"(A) the duties and responsibilities of such position require such employee—

"(i) as a substantial part of his official activities, to engage in foreign intelligence activities relating to national security;

"(ii) in the normal course of carrying out such duties and responsibilities, to make decisions binding on employees with respect to whom he is a superior with regard to who shall be the subject of any action which is to be taken by any such employee in connection with the enforcement of any civil or criminal law (including any inspection or audit under any such law); or

"(iii) in the normal course of carrying out such duties and responsibilities—

"(I) to make binding decisions on who shall be awarded contracts which are for the procurement of goods or services for the Government and which have substantial monetary value, or who shall be awarded licenses, grants, subsidies, or other benefits, which involve funds or other interests having a substantial monetary value; or

"(II) to supervise individuals engaged in the awarding, administering, or monitoring of such contracts, licenses, grants, subsidies, or benefits; and

"(B) the restrictions on political activity imposed on such employee in such position are justified in order to ensure the integrity of the Government or the public's confidence in the integrity of the Government."

Page 38, line 14, after "public office", insert "or who is in a restricted position".

Mr. CLAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment offered as a substitute for the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Chairman, the substitute is a restatement of the definition of restricted positions which was adopted by the committee—it ensures that the committee's intent regarding which positions may be restricted is met. The intent of my substitute to the amendment is stated in some detail in the RECORD of May 24, 1977 beginning on page 16247.

My substitute provides that only those employees with real decisionmaking authority—those who could actually influence investigations, audits, and grants and contracts—could be designated "restricted." The gentleman's does not.

My substitute requires that the Commission, in making such determinations, consider the effect of denying the employee his right to participate in the political process. The gentleman's does not.

Three categories of employees could be designated restricted by my substitute: any employees involved in foreign intelligence relating to national security; employees who hold supervisory positions in civil or criminal investigations and audits; and, finally, employees who actually have the authority to make commitments in the awarding and monitoring of grants and contracts.

My substitute further clarifies that the provisions of subsection (d) of section 7326, candidates for elective office, do not apply to persons holding restricted positions. Since such a person could not run for elective office, that person obviously could not seek elective office by merely going into leave status.

I ask your support for this important clarifying amendment.

Mr. DERWINSKI. Mr. Chairman, I rise in opposition to the amendment offered as a substitute for the amendment.

Mr. Chairman, again recognizing the limitations we face, let me say that the gentleman from Missouri (Mr. CLAY), in describing his amendment, has acknowledged that it is nothing but a restatement of the language in the bill, so it is in fact not a meaningful alternative to the amendment offered by the gentleman from California (Mr. RYAN) but merely a technical procedure to require the psychological advantage of a yea vote.

The facts of life are that if we are concerned with misuse of authority for political purposes by Federal officialdom, we had best vote for the Ryan amendment. The Ryan amendment is very close to the amendment offered by the gentlewoman from Maryland (Mrs. SPELLMAN) in committee which was rejected even though it had at that point the blessing of the administration.

Mr. Chairman, I believe that the Ryan amendment is the practical means by which to approach the legitimate fear that all of the Members should have over misuse of any part of the Federal Establishment for political purposes.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. RYAN. Mr. Chairman, I thank the gentleman for his opposition to the substitute amendment because, in fact, I do not think that it is a substantive amendment.

The basic policy difference that is being discussed here now has to do with who should be left out of a broadened bill for political activity.

My friend, the gentleman from Missouri (Mr. CLAY), has already said that the foreign intelligence officer and those in supervisory positions are included.

What we are arguing about now is a little bit broader kind of category. Whether or not certain federal positions constitute any kind of threat to or weight upon citizens when they exercise their political rights in the community. My

contention is that they do, and by inference, they become a part of the political system. To that extent, they cause, I think, a loss of integrity in the American political system itself. That is a great price to pay for full franchise for a very few people.

Mr. Chairman, the substitute amendment we have here is simply not a substantive amendment. It is, as my friend, the gentleman from Illinois (Mr. DERWINSKI), has said, simply a means of geting an "aye" vote instead of a "no"' vote.

Mr. Chairman, I suggest a "no" vote on this substitute amendment and an "aye" vote on my amendment so that the Members can vote for a significant change in the thrust of this legislation.

Mr. DERWINSKI. Mr. Chairman, I would like to remind the Members of the House that I seem to be the only one among us who remembers the situation that brought the Hatch Act some 40 years ago. At that point Federal employees were misused in both the primary and general election campaigns, and that brought about the correction needed, through the medium of the Hatch Act.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, it is my understanding—the gentleman may correct me if he feels differently—that under the Clay substitute, the Civil Service Commission could not in any way declare field agents for the FBI as restricted positions; is that correct?

Mr. DERWINSKI. That is my interpretation, yes.

Mr. VOLKMER. And that these people would be able to participate in political activities; and of course, once we permit participation in poltical activities, the ones who do so are subject to pressures from the political people themselves; is that correct?

Mr. DERWINSKI. That is correct. As the gentleman from California (Mr. RYAN) pointed out, we tried to correct this problem in committee.

Mr. VOLKMER. Under the original amendment, these people could be—they will not automatically be—declared to be in restricted positions by the Civil Service Commission; is that correct?

Mr. DERWINSKI. That is right, under the language of the Ryan amendment.

Mr. VOLKMER. We could be talking about not only FBI agents, but OSHA inspectors and such people as IRS auditors who are in sensitive positions, so that there could be gross abuse; and if there is no actual abuse, there could be a semblance of abuse because there is opportunity for abuse; the legality is there; is that correct?

Mr. DERWINSKI. Yes.

Mr. VOLKMER. Therefore, there are people who would feel that abuse existed; and we could ruin all of these agencies by permitting sensitive positions to be involved in political activities; is that correct?

Mr. DERWINSKI. Yes. The gentleman from Missouri (Mr. VOLKMER) has put his finger on a very, very sensitive problem that exists in this bill.

Mr. VOLKMER. I just want to say, being from Missouri, that since the inception of the Missouri State Highway Patrol, no member has been able to become involved in any political activity. That policy has worked very well, and I think I would like to see that same type of thing apply to any sensitive position in the Federal Government.

Therefore, Mr. Chairman, I oppose the amendment of the gentleman from Missouri (Mr. CLAY) and support the amendment of the gentleman from California (Mr. RYAN).

Mr. DERWINSKI. Mr. Chairman, to sum up, it is essential to any Member who has any doubt about the implications of this bill, should it pass, that we should vote for the Ryan amendment; we should first vote against the Clay substitute and then vote for the Ryan amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. CLAY) as a substitute for the amendment offered by the gentleman from California (Mr. RYAN).

The amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. RYAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ALLEN

Mr. ALLEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALLEN: Delete all of Section 7325(d), beginning at line 10, page 36, through line 19, page 37, and substitute the following language so as to read:

"(d) (1) In addition to the prohibitions of subsection (a) of this section, an employee holding a restricted position may not take an active part in political management or political campaigns.

"(2) For the purpose of this subsection, 'an active part in political management or in political campaigns' means those acts of political management or political campaigning which were prohibited on the part of employees in the competitive service before July 19, 1940, by the determinations of the Civil Service Commission under the rules prescribed by the President."

Mr. ALLEN. Mr. Chairman and my colleagues, I take my hat off to no one in support of the right of the working people, including the civil service employees, to participate in the political process. It is my purpose to support this bill but I want to eliminate from this bill two sections which I believe are subject to valid criticism.

Actually the two provisions in this amendment are already in the act, but what it does is to eliminate the exceptions that are in between sections Nos. 1 and 2, and they are as follows—in other words, we are talking about FBI agents, Internal Revenue agents, CIA agents, purchasing agents, and so forth. This would knock out this section of the bill that makes certain exceptions to those prohibitions. One of them is that in connection with an election and preceding campaign if none of the candidates is to be nominated or elected at that election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election, and so forth.

Secondly, another employee exemption is permitted by regulations prescribed by the Civil Service Commission and involves municipal election or political subdivision in which such employee resides. These are the kinds of exceptions the bill would permit. For example, Davidson County FBI agents, Internal Revenue agents, and purchasing agents, to become involved in political campaigns, could actively participate, could use their influence toward the election of a mayor or a councilman, and so forth, because all such elections are nonpartisan. If we agree with the proposition that those who hold these sensitive restricted positions should be excluded from participating in political campaigns, then I ask the Members to support this amendment and do away with these exceptions that are presently written into law.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, this is a very serious amendment because the people affected directly by it are already, under the law, before this bill ever came to the floor, permitted to do things that this amendment would prohibit.

There are two notable exceptions, for example, in political activities in the present law for the District of Columbia, for residents of the District of Columbia and for residents of the area immediately around Washington where the vast majority of the population are in fact Federal employees, we have permitted for many years their participation in nonpartisan election campaigns in any way in which any other section would participate. As a matter of fact, if one can imagine trying to call an election in the District of Columbia a democratic process when we block out Federal employees from participating in a nonpartisan election of members of the school board, or any other position that is involved in the District government, we realize that we make a mockery out of everything that the Congress has done in recent years to try to provide some form of democracy in this area.

For the people covered by the gentleman's amendment, he would roll back the clock, if one reads the amendment, before July 19, 1940, to re-Hatch or to Hatch for political activities nonpartisan as well as partisan people who have not been Hatched and who in the wisdom of the Congress in the past have been permitted nonpartisan political activity. It goes much further than anything that has been suggested thus far, and it does extreme violence to the whole purpose of bringing this action up.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentleman for yielding.

I would like to underscore what the gentleman from Michigan (Mr. FORD) just said. It actually makes the Hatch Act much more restrictive than it is now with respect to many people who would like to participate and who currently are permitted to participate where there is a heavy impact of Federal employees. This would in effect take away rights from them and would be completely contrary to what I thought we were trying to do here with respect to revising the Hatch Act.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Tennessee.

Mr. ALLEN. I thank the gentleman for yielding.

We still would not prevent any Federal employee from voting. The language that is in this amendment is already in this act. The only thing that is taken out are these exceptions which we permit the Civil Service Commission to make, or in the case of local elections, that are so-called nonpartisan elections—where there are no Democratic or Republican candidates for offices in metropolitan Davidson County, because they have no party labels. But in Davidson County, Tenn., I do not want Federal employees holding restricted positions to be on political campaign committees for candidates for partisan offices, whether they are politically identified or not.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

I would simply point out to the Members of the House that whether the gentleman from Tennessee (Mr. ALLEN) wants these people to be able to participate in nonpartisan elections or not, the fact is that under the existing law they can participate in nonpartisan elections. If his amendment is adopted, they will no longer have the right to do something which they are already permitted to do under the existing law.

There are disagreements with respect to this bill between my good friend, the gentleman from Illinois, and myself, and others, about whether we should go two steps forward or only step forward. This amendment, however, would take us two steps backward, and I would hope, therefore, since it is so obviously inconsistent with the fundamental purposes of this legislation, that it will be rejected.

Mr. CLAY. Mr. Chairman, I urge defeat of the amendment, and I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. ALLEN).

The question was taken; and on a division (demanded by Mr. ALLEN) there were—ayes 22, noes 30.

Mr. ALLEN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the request of the gentleman from Tennessee (Mr. ALLEN) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 56, noes 344, not voting 33, as follows:

[Roll No. 316]

AYES—56

Allen	Emery	McDonald
Badham	Erlenborn	Mahon
Barnard	Fenwick	Mann
Beard, Tenn.	Findley	Marlenee
Bennett	Ford, Tenn.	Milford
Breckinridge	Fuqua	Myers, Ind.
Broomfield	Gore	Rousselot
Broyhill	Hall	Rudd
Burke, Fla.	Hammer-schmidt	Schulze
Burleson, Tex.	Harsha	Shuster
Carter	Hightower	Spence
Clawson, Del	Ichord	Stanton
Cochran	Jones, Okla.	Taylor
Collins, Tex.	Jones, Tenn.	Waggonner
Daniel, R. W.	Kazen	Whitehurst
Devine	Ketchum	Wiggins
Dickinson	Latta	Wilson, Bob
Dornan	McClory	Winn
Duncan, Tenn.		Wylie

NOES—344

Abdnor	Brown, Calif.	Dellums
Addabbo	Brown, Mich.	Derrick
Akaka	Brown, Ohio	Derwinski
Alexander	Buchanan	Dicks
Ambro	Burgener	Diggs
Ammerman	Burke, Calif.	Dingell
Anderson, Calif.	Burke, Mass.	Dodd
Andrews, N.C.	Burlison, Mo.	Downey
Andrews, N. Dak.	Burton, John	Drinan
Annunzio	Burton, Phillip	Duncan, Oreg.
Applegate	Butler	Early
Archer	Byron	Eckhardt
Armstrong	Caputo	Edgar
Ashley	Carney	Edwards, Ala.
Aspin	Carr	Edwards, Calif.
AuCoin	Cavanaugh	Edwards, Okla.
Badillo	Cederberg	Eilberg
Bafalis	Chappell	English
Baucus	Chisholm	Ertel
Beard, R.I.	Clausen, Don H.	Evans, Colo.
Bedell	Clay	Evans, Del.
Bellenson	Cleveland	Evans, Ga.
Benjamin	Cohen	Evans, Ind.
Bevill	Conable	Fary
Biaggi	Conte	Fascell
Bingham	Conyers	Fish
Blanchard	Corcoran	Fisher
Blouin	Corman	Fithian
Boggs	Cornell	Flood
Boland	Cornwell	Flowers
Bolling	Cotter	Flynt
Bonior	Coughlin	Foley
Bonker	Crane	Ford, Mich.
Bowen	Cunningham	Forsythe
Brademas	D'Amours	Fountain
Breaux	Daniel, Dan	Fowler
Brinkley	Danielson	Fraser
Brodhead	Davis	Frenzel
Brooks	de la Garza	Gammage
	Delaney	Gaydos
		Gephardt
		Giaimo
		Gibbons
		Gilman
		Ginn
		Glickman
		Goldwater
		Gonzalez
		Goodling
		Gradison
		Grassley
		Gudger
		Guyer
		Hagedorn
		Hamilton
		Hanley
		Hannaford
		Hansen
		Harkin
		Harrington
		Harris
		Heckler
		Hefner
		Heftel
		Hillis
		Holland
		Hollenbeck
		Holt
		Holtzman
		Howard
		Hubbard
		Huckaby
		Hughes
		Hyde
		Jacobs
		Jeffords
		Jenrette
		Johnson, Calif.
		Johnson, Colo.
		Jones, N.C.
		Jordan
		Kasten
		Kastenmeier
		Kelly
		Kemp
		Keys
		Kildee
		Kindness
		Koch
		Kostmayer
		Krebs
		Krueger
		LaFalce
		Lagomarsino
		Le Fante
		Leach
		Lederer
		Leggett
		Lehman
		Lent
		Levitas
		Lloyd, Calif.
		Lloyd, Tenn.
		Long, La.
		Long, Md.
		Lott
		Lujan
		Luken
		Lundine
		McCloskey
		McCormack
		McDade
		McEwen
		McFall
		McKay
		Madigan
		Maguire
		Markey
		Marks
		Marriott
		Martin
		Mathis
		Mattox
		Mazzoli
		Meeds
		Meyner
		Mikulski
		Mikva
		Miller, Calif.
		Miller, Ohio
		Mineta
		Minish
		Mitchell, Md.
		Mitchell, N.Y.
		Moakley
		Moffett
		Mollohan
		Montgomery
		Moore
		Moorhead, Calif.
		Moorhead, Pa.
		Moss
		Motti
		Murphy, Ill.
		Murphy, Pa.
		Murtha
		Myers, Gary
		Natcher
		Neal
		Nedzi
		Nichols
		Nix
		Nolan
		Nowak
		O'Brien
		Oakar
		Oberstar
		Obey
		Ottinger
		Panetta
		Patten
		Patterson
		Pease
		Pepper
		Perkins
		Pettis
		Pickle
		Pike
		Pressler
		Preyer
		Price
		Pritchard
		Pursell
		Quayle
		Quie
		Quillen
		Rahall
		Railsback
		Rangel
		Regula
		Reuss
		Rhodes
		Richmond
		Rinaldo
		Risenhoover
		Roberts
		Robinson
		Rodino
		Rogers
		Roncalio
		Rooney
		Rose
		Rosenthal
		Rostenkowski
		Roybal
		Ruppe
		Russo
		Ryan
		Santini
		Sarasin
		Satterfield
		Scheuer
		Schroeder
		Seiberling
		Sharp
		Shipley
		Sikes
		Simon
		Sisk
		Slack
		Smith, Iowa
		Smith, Nebr.
		Snyder
		Solarz
		Spellman
		St Germain
		Staggers
		Stangeland
		Stark
		Steed
		Steiger
		Stockman
		Stokes
		Stratton
		Studds
		Stump
		Symms
		Thone
		Thornton
		Traxler
		Treen
		Trible
		Tsongas
		Tucker
		Udall
		Ullman
		Van Deerlin
		Vander Jagt
		Vento
		Volkmer
		Walgren
		Walker
		Walsh
		Wampler
		Watkins
		Waxman
		Weaver
		Weiss
		Whalen
		White
		Whitley
		Whitten
		Wilson, C. H.
		Wilson, Tex.
		Wirth
		Wolff
		Wright
		Wydler
		Yates
		Yatron
		Young, Alaska
		Young, Fla.
		Young, Mo.
		Zablocki
		Zeferetti

NOT VOTING—33

Anderson, Ill.	Horton	Roe
Ashbrook	Ireland	Runnels
Baldus	Jenkins	Sawyer
Bauman	McHugh	Sebelius
Coleman	McKinney	Skelton
Collins, Ill.	Metcalfe	Skubitz
Dent	Michel	Steers
Flippo	Murphy, N.Y.	Teague
Florio	Myers, Michael	Thompson
Frey	Pattison	Vanik
Hawkins	Poage	Young, Tex.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI: On page 33, immediately following line 18, insert:

"(g) any employee who exercises his rights under this subchapter as a political campaign manager and who fails to carry his assigned precinct, ward, township, county or State for his political candidate or party shall not be discriminated against for his failure to carry out his political assignment and shall not be deprived of any employment, compensation, promotion, or assignment to which he is otherwise entitled."

Mr. DERWINSKI. I would like to point out, Mr. Chairman, that we have gone a long way this afternoon, but without really focusing on the issue before us.

I would like to make it clear that even should my amendment pass, I still intend to vote against the bill. Furthermore, I have one or two other amendments, and if they are adopted, I will still vote against the bill.

But let me point out what this amendment does. What it does is to specify that if a person operating under the new political rights presumably being granted by this bill fails to carry his precinct, if he is a precinct captain or ward or township or county IFA leader at that level, if he is managing a candidate's campaign, his failure to carry for his candidate or party will not be used against him in promotion, transfer, employment, or otherwise.

Why should that be an issue, Mr. Chairman? It should be an issue because if you drive to work as I do in the morning, you hear the Chevy ads that run something like "Baseball, hotdog, apple pie, and Chevrolet."

Mr. Chairman, that is an American tradition. There is one other American tradition, and that is that when one rings the doorbell and asks for help in some fund drive or for some local activity, the man or woman answering will say: "My heart is with you, but I gave at the office."

Mr. Chairman, the Federal employee uses the Hatch Act to say, "My heart is with you politically, but I gave at the office."

Federal employees love the protection of having given at the office. That is why during the last 3 months, as this bill has been slowly working its way out of subcommittee, through the full committee, and to the floor, we have not had any spontaneous contact from Federal employees for this bill. Why? Because they love the protection of the Hatch Act.

Mr. Chairman, people are not drafted to work for the Federal Government. They volunteer, and the moment they become Federal employees, they know they are "Hatched." When one calls on them for support in a partisan political activity, or if one happens to encounter them at a county fair or a church bazaar or wherever he is campaigning, they will pat him on the back and say, "Joe, old boy, you are a great candidate. You have done a great job. My heart is with you, but you know that I am 'Hatched.' " They take pride in being "Hatched." They take pride in being above the political turmoil.

Mr. Chairman, the entire issue in this bill is whether we shall turn 2.7 million Federal employees into a potential political machine. That is the issue. Right now they are properly "Hatched." They are in the civil service. They conduct the business of the Federal Government without any partisanship. Yet, if this bill is passed, the danger of partisan misuse of the Federal bureaucracy faces all of us.

Mr. Chairman, I would suggest again that my amendment—and I will be honest about it—is intended more to make a dramatic point. However, if the Members feel that this Hatch Act, in its basic form as before us now, should be passed—"emasculated" really is a better word—then they ought to adopt my amendment because when this poor little, innocent Federal employee is forced to work a precinct and he cannot produce for the candidates of his party, he should not be discriminated against when he checks into the office and shows his precinct card.

Today, Mr. Chairman, they are electing a mayor in Chicago. In certain wards of Chicago the captains check in; and if they do not carry their precinct by 4 or 5 to 1, they may be demoted or transferred, or whatever else may face them.

We do not want anything like that to happen to our Federal employees. What we are doing in this bill, Mr. Chairman, is potentially turning loose the Federal bureaucracy to be mishandled and manipulated politically.

My amendment, as I say, dramatizes that point. The Members can vote it down. They can vote for it. I believe that one should act according to his conscience, but I am also leaving to the conscience of the Members the heavy, heavy pressure of this awesome bill.

Mr. Chairman, good conscience, good politics, and good government will dictate a vote against final passage of H.R. 10.

Mr. CLAY. Mr. Chairman, I rise in opposition to the frivolous amendment offered by the gentleman from Illinois (Mr. DERWINSKI) and I yield to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I thank the gentleman from Missouri for yielding to me.

In case those few Members who were listening to the distinguished gentleman from Illinois (Mr. DERWINSKI) could not quite believe what they heard, let me simply restate his amendment by reminding the Members that this would prohibit discrimination against any Federal employee who failed to carry his election district during the course of a campaign.

I must say, Mr. Chairman, that while I do agree with my good friend the gentleman from Illinois (Mr. DERWINSKI) in principle, that no Federal employee who does decide to participate in the political process and who fails to carry his ward, or his precinct, or his district, should be discriminated against, I find myself obligated to oppose the gentleman's amendment because it seems to me this implicity sanctions discrimination against those Federal employees who succeed in carrying their districts.

My good friend the gentleman from Illinois (Mr. DERWINSKI), who is a Republican, is obviously much more familiar with the consequences of failure and, obviously, as a Republican, he wants to protect those Federal employees who failed to carry their district, but, I, as a Democrat, am familiar with the consequences of success, and I want to make sure that those Federal employees who do carry their district are not subjected to discrimination which I feel they might be if the gentleman's palpably pernicious proposal were to be accepted.

Mr. DERWINSKI. Mr. Chairman, if the gentleman from Missouri will yield, I have a very polite question: My question is: If my amendment is so frivolous, why did the gentleman from Missouri have to send out a heavyweight to deal with it?

Mr. CLAY. Mr. Chairman, my reply to the gentleman from Illinois is that the gentleman from New York was sent forward to perform a mission, and that mission has been fulfilled. My question to the gentleman is that if he believes in capital punishment to those who lose their precincts does he believe they should be beheaded?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. DERWINSKI).

The question was taken; and on a division (demanded by Mr. SNYDER) there were—ayes 32, noes 55.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ERTEL

Mr. ERTEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERTEL: Page 40, line 3, strike out "; and" and insert in lieu thereof a period.

Page 40, strike out line 4 and all that follows down through line 9.

Mr. ERTEL. Mr. Chairman, the purpose of this amendment is very simple. In the existing bill at the present time there is provision that if a person does not answer a complaint within 30 days, that is taken as an admission of guilt, and all of the consequences flow thereafter. To me that is repugnant to the Constitution of the United States.

The amendment would provide that if he does not answer within 30 days, then he is advised of the consequences of his failure to answer, and there must be an informal hearing to determine if there is a prima facie case of his guilt, and then they could go forward with the adjudication. But just because of the fact that a man fails to answer—whether his attorney forgets to do it or for some other reason—that should not be an admission of guilt. So it is simply a correcting amendment to put this into proper perspective.

It is my understanding that the committee will accept this amendment.

Mr. CLAY. Mr. Chairman, will the gentleman yield?

Mr. ERTEL. I yield to the gentleman from Missouri.

Mr. CLAY. I thank the gentleman for yielding.

The Committee is prepared to accept the amendment, Mr. Chairman.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. ERTEL. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I thank the gentleman for yielding.

We will accept the amendment on this side, since it is another evidence of poor drafting in the committee.

Mr. ERTEL. I thank the gentleman for accepting my amendment. I think this corrects the drafting and, therefore, we should support the act when it is completed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ERTEL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ALLEN

Mr. ALLEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALLEN: Delete from section 7326 subsections (b) and (c) thereof, substituting therefor a new subsection (b), below and change the designation of subsection (d) to "(c)":

"(b) An employee who desires to become a candidate for any elective office must first obtain a leave of absence and shall not work and/or earn compensation or other privileges of employment for a period beginning with the last workday preceding the day said employee shall either qualify as a candidate or announce his or her candidacy for such elective office, and ending with the day after said election, or the day after said employee withdraws as a candidate for elective office, whichever is sooner; and no such employee shall be entitled to use, during this period, any entitlement to sick leave or any other form of leave, except that said employee may be entitled to be paid during the foregoing perod of absence from his employment for any period of accrued annual leave or compensatory time to which he was entitled on the day the foregoing period of absence commences, at the election of said employee."

Mr. FORD of Michigan. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Michigan reserves a point of order.

The Chair recognizes the gentleman from Tennessee (Mr. ALLEN).

Mr. ALLEN. Mr. Chairman, the present language in the bill says:

An employee shall promptly notify the agency in which he is employed upon becoming a candidate for elective office and upon the termination of such candidacy.

This would remain in the bill. The present language in the bill then says:

An employee who is a candidate for elective office shall—

And note this language—

upon the request of such employee, be granted leave without pay for the purpose of allowing such employee to engage in activities relating to such candidacy.

The difference between that language and the language in the bill is that there is not a question about whether they may request a leave of absence.

The amendment that I have offered would say that they must first apply and obtain a leave of absence without pay before becoming a candidate, and that leave of absence without pay shall continue until one day after the election or until such candidate withdraws from the race, whichever comes earlier. During the meantime, such employee who is on leave of absence without pay may receive pay for any vacation time that he has earned or any accumulated days that he has earned. But he could not receive compensation for work during that period because he would be actively campaigning.

One of the criticisms leveled against this bill by the press across the Nation is the question which is asked: Do we want the Federal Government and the taxpayers to be paying salaries to Federal employees who hold civil service positions, protected positions, positions that have tenure, during a period when they are out campaigning? This would say if one wants to become a candidate and he or she is an employee, he or she must first obtain a leave of absence, and then may become a candidate. He may draw his vacation period pay which he has earned and to which he is entitled.

And he may draw whatever accumulated leave he has earned.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the gentleman's amendment.

I tried to offer a similar amendment in the committee and the gentleman's side turned it down, which I think is too bad because I think it is unfortunate to ask for the taxpayers to pay for an individual's salary while he is campaigning for office. Usually in the private sector there is a requirement that people withdraw or take a leave of absence from their job if they are running for public office. Most business organizations, academies, institutions, et cetera, require that. So I think the gentleman's amendment is a reasonable amendment.

Mr. ALLEN. I thank the gentleman from California for his contribution.

Mr. CLAY. Mr. Chairman, will the gentleman from Tennessee yield so I may ask a question of the gentleman from California?

Mr. ALLEN. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Chairman, does the gentleman from California think it is unfortunate that the taxpayers would have to pay for a candidate running for public office if this bill becomes law? I would like to ask the gentleman who pays his salary while he is running for office?

Mr. ROUSSELOT. The taxpayers. The difference is that sitting Members of Congress are still required to carry on their regular legislative and constitutent business responsibilities. Many times Members of Congress are only able to campaign for a month or two before election.

Mr. ALLEN. Mr. Chairman, may I reclaim my time?

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, sitting Members of Congress do not have the job security or protection of civil service laws that federally covered employees enjoy.

Mr. ALLEN. Mr. Chairman, the difference is we are not civil service employees with tenure. We have to run for public office every 2 years, but an employee who has civil service status and who has tenure is in an entirely different situation, and in my judgment if he wants to run for public office he simply applies for a leave of absence and runs, and he can terminate that leave of absence any time he withdraws from a race or the day after the election.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, I appreciate the gentleman explaining it to our colleague. He has had a hard time understanding the difference between a civil service employee and a Member of Congress.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Michigan insist on his point of order?

Mr. FORD of Michigan. Mr. Chairman, pursuant to my reservation of a point of order, I would like to ask the gentleman in the well, the gentleman from Tennessee (Mr. ALLEN), if he could explain to us the meaning of the words beginning on lines 2 and 3 of paragraph (b) of his amendment which read "shall not work and/or earn compensation or other privileges of employment for a period beginning with the last workday preceding the day said employee shall either qualify as a candidate."

What does the gentleman mean that "an employee who desires to become a candidate—shall not work and/or earn compensation" during his leave of absence?

Mr. ALLEN. It means if he is on a leave of absence without pay in order to make a political campaign for office, that he shall not work in the agency nor shall he withdraw pay or be entitled to any other emoluments or compensation during that period until the campaign is over or until he has withdrawn as a candidate.

Mr. FORD of Michigan. Mr. Chairman, I believe on the basis of that explanation I have to insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FORD of Michigan. Mr. Chairman, I raise the point of order on the ground that the amendment offered by the gentleman from Tennessee is in violation of clause 7 of House Rule XVI which provides: "no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment."

Mr. Chairman, the amendment under consideration is far broader than the Act which it attempts to amend and would not only affect the rights of the proposed candidate as an employee of the Federal Government but it also places a restriction on his ability to otherwise provide support for himself and his family, particularly that language that talks about not working or earning any compensation or seeking any privileges of

employment, and for that reason I believe the amendment is subject to a point of order as not germane to the bill before us.

The CHAIRMAN. Does the gentleman from Tennessee desire to be heard on the point of order?

Mr. ALLEN. Yes, Mr. Chairman. The present language of the bill is that:

(b) An employee who is a candidate for elective office shall, upon the request of such employee, be granted leave without pay for the purpose of allowing such employee to engage in activities relating to such candidacy.

(c) Notwithstanding section 6302(d) of this title, an employee who is a candidate for elective office shall, upon the request of such employee, be granted accrued annual leave for the purpose of allowing such employee to engage in activities relating to such candidacy. Such leave shall be in addition to leave without pay to which such employee may be entitled under subsection (b) of this section.

The language is certainly germane. It simply says that instead of him having to apply for the leave of absence—I mean, instead of being permitted to, he shall be required to ask for a leave of absence and during that period the Federal Government will pay him no money other than what he has already earned, or any other emoluments.

I understand the gentleman making the point of order is undertaking to read into the amendment what is not there and that is that it would prevent him from working outside. We are talking about working for the Federal Government and drawing pay from an agency of the Federal Government in which he is a civil service employee.

Mr. FORD of Michigan. Mr. Chairman, in response to the gentleman, that is in effect the way the amendment reads; but, in addition to that, the gentleman has now further explained the amendment making it clear that the gentleman intends that the obtaining of a leave of absence from one's supervisory employer, I assume, is a condition precedent to seeking any elective public office, whether partisan or nonpartisan. I think that goes beyond the scope of this bill. That would amount to a restriction on the ability of an employee to participate in a right or privilege that he has contingent upon receiving permission from another employee and there is no such restriction now or ever before in the Hatch Act, nor in the Hatch Act amendment now before us, as amended, and it is still not germane for that reason.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from Michigan makes a point of order that the language contained in the amendment, which is actually "shall not work and/or earn compensation or other privileges of employment of a period beginning with the last work day preceding the day said employee shall either qualify as a candidate or announce his or her candidacy for such elective office,".

The amendment goes beyond the scope and purpose of H.R. 10, in that it is not limited to compensation from or privileges incremental to Federal employment.

A plain reading of the language indicates that such limitation is not implicit in that language. The amendment would prevent Federal employees from obtaining any compensation, public or private and thus inhibit conduct of an employee that is not political—the earning of compensation, and that is not necessarily connected to Federal employment.

The Chair does not find it necessary to rule on the point concerning leave of absence as a prerequisite. Because of the language with reference to employment, which the Chair might also state could easily be corrected, the pending amendment provides language and regulates conduct beyond the scope of the committee bill and is not germane.

The Chair sustains the point of order.

Mr. ALLEN. Mr. Chairman, I ask unanimous consent to amend the amendment to provide compensation from the Federal Government.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. CLAY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ERTEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when I offered my last amendment, there were two amendments at the desk. Part of the words were deleted.

Mr. Chairman, I ask unanimous consent to modify that amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ROUSSELOT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. ERTEL

Mr. ERTEL. Mr. Chairman, I offer an amendment. This amendatory language is shown on page 17558 of the CONGRESSIONAL RECORD.

The Clerk read as follows:

Amendment offered by Mr. ERTEL: Page 40, strike out line 4 and all that follows down through line 9 and insert in lieu thereof the following:

"(D) advising the employee of the effect of a failure to answer, in writing and within the time allowed therefore, the charges set forth in the notice.".

Page 41, line 2, after "final decision and order." insert the following: "In such case, any final decision that a violation has occured under section 7323, 7324, or 7325 of this title may not be made unless there is a prima facie showing of such violation.".

Mr. ERTEL. Mr. Chairman, the explanation I gave for the previous amendment is identical with this. It is clarifying language, inserting the language into the act so that it would provide the same thing. I believe the committee chairman will accept this amendment.

Mr. CLAY. Mr. Chairman, I accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ERTEL).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN: On page 35, after line 5, add the following new subsection:

"(c) Not withstanding any other provisions of law or this subchapter, no employee may solicit a political contribution from any person he regulates, audits, investigates, or who is the recipient of or applicant for any license, grant, subsidy, contract, or benefit which said employee monitors, reviews, or has decisionmaking authority in respect thereof."

Mr. BAUMAN. Mr. Chairman, the section which I seek to amend has a series of prohibitions governing what Federal employees may do under this bill so far as the solicitation of political contributions. The series of prohibitions deals with various classes of individuals whom they may not knowingly solicit, but the language is silent as to whether or not—at least as I read it—a Federal employee may in fact solicit contributions from a group of persons who, it seems to me, the Congress would want to exempt completely from such activity. Those are the private citizens who must deal with the Federal Government agencies and their employees.

My amendment, therefore, would write in an absolute prohibition against a Government employee soliciting contributions from anyone under that Government employee's jurisdiction, those who are regulated by the Government being audited by the IRS, for example. It includes anyone an agency is investigating or who may have applied for anything from the Government, such as a contract or grant or even one over whom the Government employee has the authority to monitor or review his activities.

It seems to me that this class of citizens above all classes, would be most susceptible to coercion by a request for a political contribution by a government agent. The person solicited in one way or another by his act of giving would have to consider whether he could influence the decision of the Government employee. Certainly he would feel pressured by one he would want to please. I would hope that the language would be acceptable to both sides, since it simply clarifies an area of prohibitions in the bill which needs to be broadened as I have suggested.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Texas.

Mr. ECKHARDT. Does this not apply to all IRS employees? Would it not simply take them out from under this protection, since they could potentially have something to do with almost everyone's income tax return?

Mr. BAUMAN. It would prohibit any agency employee, including the IRS, from soliciting people who they are auditing, investigating or regulating. I would not say that it goes so far as to say that no IRS employee could not make a solicitation of someone he has never met anywhere in his official duties, but it definitely would say that anyone that is in his case files, his department is investigating immediately, should not be subject to solicitation for political contributions for obvious reasons.

Mr. ECKHARDT. I am really asking for information. I did not hear the lan-

guage well enough to know whether it only applies to one against whom one is presently making an investigation or one who would come within the authority.

Mr. BAUMAN. The language does not cover anyone who might possibly come within the employee's authority, but anyone whom he presently regulates. The language says, "no employee may solicit a political contribution from any person he regulates, audits, investigates."

Mr. ECKHARDT. "Regulates" does not mean over whom he has power to regulate.

Mr. BAUMAN. I think one might make an argument that the Commissioner of Internal Revenue could not solicit anyone. But I do not think every agent has authority over everyone in the United States.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. I thank the gentleman for yielding.

Mr. Chairman, we will accept the amendment on this side, although that is not the determining factor. I think the gentleman's amendment points up the basic fear everyone has in this section, which is an inherent fear in everyone's mind that we are opening a Pandora's box which will produce terrible abuses, and the gentleman is only trying to close one of the apparent loopholes in this section.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman for his endorsement.

I would be glad to yield to the gentleman from Missouri to see if he would like to endorse the amendment.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, let me say at the outset that I am entirely in sympathy with the objectives of the gentleman from Maryland (Mr. BAUMAN). I think a Federal employee should be prohibited from soliciting contributions from any individual who is seeking a Federal contract or Federal favor or some other kind of Federal subsidy over which that Federal employee has jurisdiction. But the fact is that we adopted an amendment along these lines when the committee met a few weeks ago, which is in some respects even broader than the amendment offered by the gentleman from Maryland. At that time we adopted an amendment which prohibits any Federal employee from soliciting, accepting or receiving a political contribution from any person who has or is seeking to obtain contractual or other business or financial relations with the agency in which the employee is employed. So to that extent, it goes even further than the amendment offered by the gentleman from Maryland, which would only relate to the solicitation of a contribution by a Federal employee from an individual who is seeking approval for a Federal favor or contract from that employee himself.

The reason that I oppose this amendment is that the gentleman's language would knock out one small, but I think significant, provision of the amendment we adopted a short while ago, which specifically gave the Civil Service Commission the right to establish regulations exempting from these solicitation prohibitions Federal employees who solicit contributions from a member of their own family, where that Federal employee has voluntarily removed himself from any role whatsoever in the adjudication or determination of any request that a member of his family may have for a favor from the agency for which that Federal employee works.

I think there are a small number of citizens who would come under the purview of that existing language which we ought to take cognizance of. So I would, in conclusion, urge the rejection of the amendment on the grounds that we have already adopted an amendment which is, by and large, even broader in its scope and application than the one offered by the gentleman from Maryland, but which has the additional advantage of offering a very limited measure of flexibility to the Civil Service Commission to promulgate regulations which would permit Federal employees from soliciting a contribution from someone in their own family, so long as they remove themselves from any continuing jurisdiction over the request which that family member may have from the agency for which they work.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. CLAY. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, let me direct this to the gentleman from New York (Mr. SOLARZ).

I am not aware that my amendment is drafted in such a form that it would conflict with the language contained in the amendment that has already been adopted and that was offered by the gentleman from New York (Mr. SOLARZ). It would be my impression that it simply provides an additional section rather than repealing the language already adopted.

Mr. SOLARZ. Mr. Chairman, if the gentleman from Missouri (Mr. CLAY) will yield, the gentleman's amendment does not really repeal the language of my amendment, but it supersedes it, because the amendment contains the phrase, "Notwithstanding any other provisions of law or this subchapter, no employee may * * *" and that would obviously have the effect of obviating section 2 of the amendment that we adopted a few weeks ago which specifically gives the Commission power to promulgate regulations exempting from the general prohibition Federal employees who want to solicit contributions from members of their own families.

So in that sense the language of the gentleman's amendment would preclude the possibility of the Commission's promulgating a regulation in that limited circumstance

Mr. BAUMAN. So the gentleman's amendment would permit an exemption in that one case, and mine would not permit any?

Mr. SOLARZ. The gentleman is correct. The only difference between the gentleman's amendment and my amendment is that mine would permit the solicitation of a contribution in that limited case from a family member; the gentleman's amendment would not.

Mr. CLAY. Mr. Chairman, I urge a no vote on the amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

The question was taken; and on a division (demanded by Mr. CLAY) there were—ayes 38, noes 20.

So the amendment was agreed to.

AMENDMENTS OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer amendments, and I wish to make a parliamentary inquiry with respect thereto.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KINDNESS. Mr. Chairman, may I reserve my parliamentary inquiry and make it after the reading of the amendments?

The CHAIRMAN. Certainly, the gentleman may do that.

The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. KINDNESS: Page 28, line 12, strike out "but does not include a member of the uniformed services" and insert "including any member of the uniformed services".

Page 30, line 12, strike out "and".

Page 32, line 3, strike out the period and insert "; and".

Page 32, after line 3, insert:

"(10) 'Secretary concerned' has the same meaning as given such term in section 101(5) of title 37.

Page 35, line 2, strike out "or a member of a uniformed service,".

Page 38, line 14, immediately before the period insert "or by reason of being a member of the uniformed services".

Page 45, before line 8, insert the following:

"(j) The preceding provisions of this section shall not apply in the case of a violation by a member of a uniformed service. Procedures with respect to any such violation shall, under regulations prescribed by the Secretary concerned, be the same as those applicable with respect to violations of section 892 of title 10.

Page 46, after line 12, insert the following:

"(c) The preceding provisions of this section shall not apply in the case of a violation by a member of the uniformed services. Any such violation shall, under regulations prescribed by the Secretary concerned, be subject to the same penalties as apply in the case of a violation of section 892 of title 10.".

Page 47, after line 21, insert the following:

"(d) In the case of members of the uniformed services, the Secretary concerned shall carry out the responsibilities imposed on the Commission under the preceding provisions of this section.".

Page 48, line 17, strike out the close quotation mark and the period.

Page 48, after line 17, insert:

"(c) In the case of members of the uniformed services, the Secretary concerned shall prescribe the regulations the Commission is required to prescribe under this section, section 7322(9), and section 7324(c)(2) and (3) of this title.".

POINT OF ORDER

Mr. CLAY. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Missouri will state his point of order.

Mr. CLAY. Mr. Chairman, I raise the point of order on the grounds that the matter contained in the amendment is in violation of the germaneness rule stated in clause 7 of House rule XVI.

The instant amendment proposes to make the bill applicable to an entirely new class of individuals other than what is covered under the bill.

The reported bill applies only to civilian employees in executive branch agencies, including the Postal Service and the District of Columbia government, who are presently under the Hatch Act.

The amendment seeks to add a totally different class of individuals to the bill; namely, military personnel who are not now covered by the Hatch Act. Accordingly the amendment is not germane to the bill.

Mr. Chairman, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Ohio (Mr. KINDNESS) wish to speak to the point of order?

Mr. KINDNESS. I do, Mr. Chairman.

Mr. Chairman, I understood that I was recognized prior to the reading of the amendment for the purpose of stating a parliamentary inquiry.

The CHAIRMAN. The Chair will state that the gentleman chose to defer his inquiry.

Mr. KINDNESS. Mr. Chairman, I suggest that the gentleman's point of order is out of order.

The CHAIRMAN. The Chair will state that a point of order is now in order and has preference.

Mr. KINDNESS. Responding, then, to the point of order, Mr. Chairman, the bill, as before us at this time, has been expanded in considerable degree by the Clay amendment and by other amendments that have been adopted during the course of the consideration of the bill in the Committee of the Whole.

However, I would point out that the amendment is germane, and I particularly direct the attention of the chairman and the Members to line 12 of page 28 where, in the definition of the word "employee" the words appear, on line 12, "but does not include a member of the uniformed services."

Mr. Chairman, that is the very crux of this whole point. The committee has given consideration, apparently, to the inclusion or exclusion of members of uniformed services under the provisions of this bill. A conscious decision was apparently made; and as reported to the House, this bill has that conscious decision reflected in it not to include members of the uniformed services.

Mr. Chairman, the issue is directly before the House in that form, so that the amendment offered by the gentleman from Ohio is in order, is pertinent, and is germane. It could not be nongermane.

The CHAIRMAN (Mr. MANN). The Chair is prepared to rule on the point of order.

The gentleman from Missouri (Mr. CLAY) makes a point of order that the striking of the language, "but does not include a member of the uniformed services," and the remainder of the amendment broadens the scope of the bill in violation of rule XVI, clause 7.

The gentleman from Ohio (Mr. KINDNESS) argues that because the exclusion from coverage for the military is in the bill and has received consideration, that the germaneness rule should be more liberally interpreted.

An annotation to clause 7, rule XVI, says that, in general, an amendment simply striking out words already in a bill may not be attacked as not germane unless such action would change the scope and meaning of the text. Cannons VIII, section 2921; Deschlers chapter 28, sec. 15.3.

On October 28, 1975, Chairman JORDAN of Texas ruled, during the consideration of a bill H.R. 2667, giving the right of representation to Federal employees during questioning as follows:

In a bill amending a section of title 5, United States Code, granting certain rights to employees of executive agencies of the Federal Government, an amendment extending those rights to, in that case, legislative branch employees, as defined in a different section of that title, was held to go beyond the scope of the bill and was ruled out as not germane.

The class of employees included in this legislation is confined to civilian employees of the Government, and those specifically so stated and described as being civilian employees of the executive agencies, of the Postal Service and of the District of Columbia government, and a reference to the Hatch Act as currently in force indicates that military personnel are not included in that act.

It is obvious that the purpose and the scope of the act before us as referred to in its entirely as amended by this bill, is, "to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes."

The Chair finds that the striking of the language excluding military employees and inserting language covering the military broadens the class of the persons covered by this bill to an extent that it substantially changes the text and substantially changes the purpose of the bill. The fact that the exclusion of military personnel was stated in the bill does not necessarily bring into question the converse of that proposition. The Chair therefore finds that the amendment is not germane and sustains the point of order.

PARLIAMENTARY INQUIRIES

Mr. KINDNESS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Ohio will state his parliamentary inquiry.

Mr. KINDNESS. Mr. Chairman, has the Chairman ruled on that part of the position stated by the gentleman from Ohio that the bill has already been expanded in scope by reason of the inclusion of provisions with respect to government employees very similar in category to those who are in the uniformed services and indeed include some in the uniformed services, I believe?

The CHAIRMAN. The Chair will state that the Chair finds that the general language of the uniformed services is capable of clear interpretation as meaning the military forces of this country.

Mr. KINDNESS. Mr. Chairman, I have another parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KINDNESS. Mr. Chairman, my parliamentary inquiry is this: Is there a way to appeal the ruling of the Chair within the rules of the House?

The CHAIRMAN. Yes, there is.

Mr. KINDNESS. So that I may respectfully appeal the ruling of the Chair at this point?

The CHAIRMAN. If the gentleman from Ohio desires to do so.

Does the gentleman desire to appeal the ruling of the Chair?

Mr. KINDNESS. No, Mr. Chairman, I do not so desire at this point.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: On page 49, after line 15, add the following:

(2) 18 U.S.C. section 1951(b)(2) is amended to read as follows:

"(2) The term 'extortion' means the obtaining of property from another, with his consent, induced by use of actual or threatened force, violence or fear, or under color of official right, notwithstanding that the same acts of conduct may also be a violation of State or local law and notwithstanding that the actual or threatened force, violence, or fear was used in the course of a legitimate labor dispute or in the pursuit of union or labor ends or objectives whether legitimate or not."

And redesignate the following paragraphs accordingly.

The CHAIRMAN. The Chair would inquire of the gentleman from Ohio whether the gentleman's amendment has been printed in the RECORD.

Mr. KINDNESS. The amendment has not been so printed.

Mr. CLAY. Mr. Chairman, reserving the right to raise a point of order, I would like to say that, under the rules, we are entitled to five copies of the amendment and we do not have those copies. I would ask if the author of the amendment could provide us with those copies.

Mr. KINDNESS. The copies are at the desk.

Mr. CLAY. I thank the gentleman, and I withdraw my reservation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The question was taken and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KINDNESS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 219,

answered "present" 1, not voting 23, as follows:

[Roll No. 317]

AYES—190

Abdnor	Flynt	Moorhead, Calif.
Alexander	Forsythe	Mottl
Anderson, Ill.	Fountain	Murphy, Ill.
Andrews, N.C.	Frenzel	Myers, Ind.
Andrews, N. Dak.	Gibbons	Natcher
Archer	Gilman	Nichols
Armstrong	Glickman	O'Brien
Badham	Goldwater	Pettis
Bafalis	Gonzalez	Pressler
Barnard	Goodling	Pritchard
Bauman	Gradison	Pursell
Beard, Tenn.	Grassley	Quayle
Bennett	Gudger	Quie
Bowen	Guyer	Quillen
Breaux	Hagedorn	Railsback
Breckinridge	Hall	Regula
Brinkley	Hammer-schmidt	Rhodes
Broomfield	Hansen	Robinson
Brown, Mich.	Harsha	Rogers
Brown, Ohio	Heckler	Rostenkowski
Broyhill	Hillis	Rousselot
Buchanan	Holt	Rudd
Burgener	Hubbard	Runnels
Burke, Fla.	Huckaby	Ruppe
Burleson, Tex.	Hyde	Santini
Butler	Ichord	Sarasin
Byron	Ireland	Satterfield
Caputo	Johnson, Colo.	Schulze
Carter	Jones, Okla.	Shuster
Cederberg	Kasten	Sikes
Chappell	Kazen	Sisk
Clausen, Don H.	Kelly	Skubitz
Clawson, Del	Kemp	Smith, Nebr.
Cleveland	Ketchum	Snyder
Cochran	Kindness	Spence
Cohen	Lagomarsino	Stangeland
Coleman	Latta	Stanton
Collins, Tex.	Leach	Steiger
Conable	Lent	Stockman
Conte	Levitas	Stratton
Corcoran	Lloyd, Tenn.	Stump
Coughlin	Long, La.	Symms
Crane	Lott	Taylor
Cunningham	Lujan	Thone
Daniel, Dan	McClory	Treen
Daniel, R. W.	McCloskey	Trible
Derwinski	McDade	Van Deerlin
Devine	McDonald	Vander Jagt
Dickinson	McEwen	Waggonner
Dornan	McKay	Walker
Duncan, Oreg.	Madigan	Walsh
Duncan, Tenn.	Mahon	Wampler
Edwards, Ala.	Mann	Watkins
Edwards, Okla.	Marks	Whitehurst
Emery	Marriott	Whitten
English	Marlenee	Wiggins
Erlenborn	Martin	Wilson, Bob
Evans, Del.	Mathis	Winn
Evans, Ga.	Michel	Wolff
Fary	Milford	Wydler
Fenwick	Miller, Ohio	Wylie
Findley	Mitchell, N.Y.	Young, Alaska
Fish	Montgomery	Young, Fla.
	Moore	

NOES—219

Addabbo	Brooks	Drinan
Akaka	Brown, Calif.	Early
Allen	Burke, Calif.	Eckhardt
Ambro	Burke, Mass.	Edgar
Ammerman	Burlison, Mo.	Edwards, Calif.
Anderson, Calif.	Burton, John	Ellberg
	Burton, Phillip	Ertel
Annunzio	Carney	Evans, Colo.
Applegate	Carr	Evans, Ind.
Ashley	Cavanaugh	Fascell
Aspin	Chisholm	Fisher
Badillo	Clay	Fithian
Baucus	Conyers	Flood
Beard, R.I.	Corman	Flowers
Bedell	Cornell	Foley
Bellenson	Cornwell	Ford, Mich.
Benjamin	Cotter	Ford, Tenn.
Bevill	D'Amours	Fowler
Biaggi	Danielson	Fraser
Bingham	Davis	Fuqua
Blanchard	de la Garza	Gammage
Blouin	Delaney	Gaydos
Boggs	Dellums	Gephardt
Boland	Derrick	Giaimo
Bolling	Dicks	Ginn
Bonior	Diggs	Gore
Bonker	Dingell	Hamilton
Brademas	Dodd	Hanley
Brodhead	Downey	Hannaford
Harkin	Miller, Calif.	Russo
Harrington	Mineta	Ryan
Harris	Minish	Scheuer
Hefner	Mitchell, Md.	Schroeder
Heftel	Moakley	Seiberling
Hightower	Moffett	Sharp
Holland	Mollohan	Shipley
Hollenbeck	Moorhead, Pa.	Simon
Holtzman	Moss	Skelton
Horton	Murphy, Pa.	Slack
Howard	Murtha	Smith, Iowa
Hughes	Myers, Gary	Solarz
Jacobs	Neal	Spellman
Jeffords	Nedzi	St Germain
Jenrette	Nix	Staggers
Johnson, Calif.	Nolan	Stark
Jones, N.C.	Nowak	Steed
Jones, Tenn.	Oakar	Stokes
Jordan	Oberstar	Studds
Kastenmeier	Obey	Thornton
Keys	Ottinger	Traxler
Kildee	Panetta	Tsongas
Koch	Patten	Tucker
Kostmayer	Patterson	Udall
Krebs	Pattison	Ullman
Krueger	Pease	Vanik
LaFalce	Pepper	Vento
Le Fante	Perkins	Volkmer
Lederer	Pickle	Walgren
Leggett	Pike	Waxman
Lehman	Preyer	Weaver
Lloyd, Calif.	Price	Weiss
Long, Md.	Rahall	Whalen
Luken	Rangel	Whitley
Lundine	Reuss	Wilson, C. H.
McCormack	Richmond	Wilson, Tex.
McFall	Rinaldo	Wirth
Maguire	Risenhoover	Wright
Markey	Roberts	Yates
Mattox	Rodino	Yatron
Mazzoli	Roncalio	Young, Mo.
Meeds	Rooney	Zablocki
Meyner	Rose	Zeferetti
Mikulski	Rosenthal	
Mikva	Roybal	

ANSWERED "PRESENT"—1

AuCoin

NOT VOTING—23

Ashbrook	Jenkins	Sawyer
Baldus	McHugh	Sebelius
Collins, Ill.	McKinney	Steers
Dent	Metcalfe	Teague
Flippo	Murphy, N.Y.	Thompson
Florio	Myers, Michael	White
Frey	Poage	Young, Tex.
Hawkins	Roe	

Mrs. LLOYD of Tennessee, Mr. LEVITAS, and Mr. BARNARD changed their vote from "no" to "aye."

Mr. ALLEN and Mr. LONG of Maryland changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN: On page 34, lines 10 and 11, strike the words "with respect to whom such employee is a superior."

Mr. CLAY. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Missouri reserves a point of order against the amendment.

Mr. BAUMAN. Mr. Chairman, I am surprised that a point of order would be made against a motion to strike language in the bill. I would be very interested to hear the argument behind that.

But, nevertheless, Mr. Chairman, this section deals with prohibitions against solicitation by Federal employees for political contributions. The particular amendment that is now pending at the desk has the virtue, as the gentleman from Maryland sees it, of further limiting the ability of Federal employees to solicit contributions from a group of persons whom I do not believe should be subjected to the pressure of being asked to give or in any way coerced to give political support or money.

The way the bill is now written, on page 34, line 9 through line 11, it allows an employee of the Federal Government to solicit another employee unless the solicitor is a superior employee. In other words, the boss cannot ask an underling for a contribution under this bill. But there is nothing to prohibit one employee from soliciting another employee. In many instances in the past, the opposition to the repeal of the Hatch Act has been specifically directed to the fact that Government employees would be subjected to great political pressure to give money to the political party which happens to control the Government at the moment. It is my feeling that, while we may grant Federal employees many political acts under the Hatch Act now, I do not feel that any Government employee should be subjected to political contribution pressure, even from coequal employees in the Federal Government. Many times a coequal employee might be a shop steward for the Government union, and certainly a pressure would exist to have the person solicited comply under pain of possible retribution in some form. I think it is fine, if the Members want to amend the Hatch Act, to let employees go out and solicit beyond the confines of Government and its employees. There are still 220 million Americans who do not work for the Government. Let them ask people who may be leigitimately solicited. But let us not subject Government employees to the political pressures from which they have been properly insulated.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. I thank the gentleman for yielding.

Mr. Chairman, the gentleman, as always, has a very profound, penetrating amendment. But I am not so sure exactly, let us say, of the proper ethical fashion in which this is offered, because the gentleman managing the bill put out a list of instructions to all their colleagues indicating they should vote "yes" on Clay, "no" on Ashbrook, "no" on Rousselot, and somehow they skipped these Bauman amendments. The gentleman is coming up with a wonderful amendment on which instructions are yet to be given. I wonder if, given the nature of the floor problem this afternoon, this does not do a disservice to this long list of instructions that has been given some Members, when his amendment is not covered by them. The gentleman's amendment is practical. The gentleman explained it properly. This side of the aisle accepts the amendment.

Mr. BAUMAN. Mr. Chairman, I appreciate the gentleman's concern for the need for voting instructions on the other

side of the aisle. I do fully realize that there may be some who indeed rely on written instructions when they come on the floor. But I have confidence that my colleagues, all having taken the same oath of office when they came here, have some ability to judge. Despite the fact that I have offered the amendment, I think many will support it.

Mr. DERWINSKI. What the gentleman is seeking to do is deal with the great intellectual strength of the House in offering the amendment?

Mr. BAUMAN. Such as it is, yes.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, let me ask the gentleman this question:

Would the gentleman's amendment prevent a typist in the Department of Agriculture who is running for a local school board position from asking her nextdoor neighbor, a friend of long standing, who happens to work for the IRS, for a contribution to her campaign, because they are both Federal employees?

Mr. BAUMAN. Yes. If they were both employees, it would prohibit her from doing that, but there would be nothing that would prevent her campaign manager or a member of her campaign committee from soliciting a contribution. I just do not think that Government employees ought to be strong-arming other Government employees, no matter what their rank or privilege.

Mr. FORD of Michigan. And no matter what the circumstance?

Mr. BAUMAN. No. I think the power of the Government and the employment of people in the Government should not be used for the purpose of soliciting contributions from other employees who may be in some way coerced or intimidated by that fact.

The CHAIRMAN. Does the gentleman from Missouri (Mr. CLAY) insist on his point of order?

Mr. CLAY. No, Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The gentleman from Missouri (Mr. CLAY) withdraws his point of order.

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the distinguished majority leader.

Mr. WRIGHT. Mr. Chairman, this amendment, if adopted, would undo the basic purpose of the bill, which is to permit a Government employee to exercise those rights of citizenship which ought to be granted to every citizen of the United States.

Among those rights of citizenship is the right to favor or oppose, on one's own volition, a candidate for political office. A part of that right is the right to solicit and collect funds for a candidate for political office.

This bill as presently drafted already prohibits coercive or improper or undue influence in the solicitation of those funds. This bill prohibits strong-arm tactics, it prohibits coercive tactics, and it prohibits extortionate tactics. It prohibits any employee from buying or selling votes, and it prohibits any employee from soliciting funds on Government property. It prohibits any employee from soliciting while on official duty or while wearing a uniform of the Government service to which he belongs. It prohibits anyone who is a superior from using the influence of that position to solicit anybody who works under his or her direction.

Mr. Chairman, those are the things against which the Hatch Act was designed originally. That basic purpose is fully preserved in this bill. But if we take out this language as proposed by this amendment, then, as was so aptly pointed out by the gentleman from Michigan (Mr. FORD), we would prohibit any Government employee from soliciting support from any other Government employee, whether or not that employee works for him or her, whether or not that employee works in the same agency, and whether or not that employee is even acquainted with the person making the solicitation. We would take away rights that presently exist.

Mr. BAUMAN. Mr. Chairman, would my friend, the gentleman from Texas, yield?

Mr. WRIGHT. Of course, I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, the gentleman from Texas (Mr. WRIGHT) said it would prohibit them from soliciting support. It would not do that; it would only prevent Government employees from coercing each other for political contributions.

Mr. WRIGHT. Yes, financial support.

Mr. BAUMAN. That is what I am trying to prevent with my amendment, the strong-arming for political financial support from Government employees. I am surprised we would be told that that is the basic purpose of this bill.

Mr. WRIGHT. I understand exactly what the gentleman is trying to do. He is trying to tie the hands of every Government employee to the point where that employee no longer would have this particular right of citizenship that he presently possesses.

Mr. Chairman, there is nothing in the present law that prevents one employee of the Post Office Department, for instance, from soliciting from another employee who does not happen to work for him or her and asking for a contribution to help a candidate. There is nothing in the present law that prohibits a civilian employee of the Navy Department, let us say, from soliciting aid from somebody who works in the Department of Agriculture. There ought not to be such a prohibition.

If we take away that right, we have taken away one of the fundamental rights of citizenship that this bill is designed to protect. Just because a person goes to work for the Government of the United States ought not to rob that person of his or her right to advocate, to raise funds for a candidate, or to solicit support for any candidate he or she wants to support, just so long as this is done as an individual citizen and carries no implication of officialdom.

Mr. Chairman, to deny a citizen this fundamental right was not the purpose of the Hatch Act. The basic purpose of the Hatch Act was to prevent a superior in Government from using his or her position to coerce either private citizens or the vast numbers of governmental employees working under him or her into an army for political purposes. This bill as already drafted continues that stringent prohibition. But for heaven's sake, surely we would be going 180 degrees counter to the purpose of the bill itself if we were to adopt this amendment and prohibit any Government employee from soliciting support for a cause in which that person believes from any other Government employee.

So, Mr. Chairman, I urge the Members to vote against this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BAUMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 156, noes 251, not voting 26, as follows:

[Roll No. 318]

AYES—156

Abdnor	Fuqua	Moore
Anderson, Ill.	Gibbons	Moorhead, Calif.
Archer	Gilman	Myers, Gary
Armstrong	Glickman	Myers, Ind.
Badham	Goldwater	O'Brien
Bafalis	Goodling	Pease
Bauman	Gore	Pettis
Beard, Tenn.	Gradison	Pritchard
Bedell	Grassley	Pursell
Bennett	Guyer	Quayle
Breckinridge	Hagedorn	Quie
Broomfield	Hammer-schmidt	Quillen
Brown, Mich.	Hansen	Railsback
Brown, Ohio	Harsha	Regula
Broyhill	Hightower	Rhodes
Buchanan	Holt	Robinson
Burgener	Horton	Rogers
Burke, Fla.	Hubbard	Rousselot
Burleson, Tex.	Hyde	Rudd
Butler	Ichord	Runnels
Byron	Jacobs	Sarasin
Carter	Jeffords	Satterfield
Cederberg	Kasten	Schulze
Chappell	Kazen	Seiberling
Clausen, Don H.	Kelly	Shuster
Clawson, Del	Kemp	Sikes
Cleveland	Ketchum	Skubitz
Cochran	Keys	Smith, Nebr.
Cohen	Kindness	Snyder
Coleman	Lagomarsino	Spence
Collins, Tex.	Latta	Stangeland
Conable	Leach	Stanton
Corcoran	Lloyd, Tenn.	Stockman
Coughlin	Long, Md.	Stump
Crane	Lott	Symms
Cunningham	Lujan	Taylor
Daniel, R. W.	Luken	Thone
Derwinski	McClory	Treen
Devine	McDonald	Trible
Dickinson	McEwen	Vander Jagt
Dornan	Madigan	Volkmer
Duncan, Tenn.	Marks	Walker
Edwards, Ala.	Marlenee	Walsh
Edwards, Okla.	Marriott	Wampler
Emery	Martin	White
Erlenborn	Mathis	Whitehurst
Evans, Del.	Mazzoli	Wiggins
Fenwick	Michel	Wilson, Bob
Findley	Mikva	Winn
Flynt	Miller, Ohio	Wydler
Forsythe	Mitchell, N.Y.	Wylie
Frenzel	Montgomery	Young, Fla.

NOES—251

Addabbo	Flowers	Nichols
Akaka	Foley	Nix
Alexander	Ford, Mich.	Nolan
Allen	Ford, Tenn.	Nowak
Ambro	Fountain	Oakar
Ammerman	Fowler	Oberstar
Anderson, Calif.	Fraser	Obey
	Gammage	Ottinger
Andrews, N.C.	Gaydos	Panetta
Andrews, N. Dak.	Gephardt	Patten
	Giaimo	Patterson
Annunzio	Ginn	Pattison
Applegate	Gonzalez	Pepper
Ashley	Gudger	Perkins
Aspin	Hall	Pickle
AuCoin	Hamilton	Pike
Badillo	Hanley	Pressler
Barnard	Hannaford	Preyer
Baucus	Harkin	Price
Beard, R.I.	Harrington	Rahall
Bellenson	Harris	Rangel
Benjamin	Heckler	Reuss
Bevill	Hefner	Richmond
Biaggi	Heftel	Rinaldo
Bingham	Hillis	Risenhoover
Blanchard	Holland	Roberts
Blouin	Hollenbeck	Rodino
Boggs	Holtzman	Rooney
Boland	Howard	Rose
Bolling	Huckaby	Rosenthal
Bonior	Hughes	Rostenkowski
Bonker	Ireland	Roybal
Bowen	Jenrette	Ruppe
Brademas	Johnson, Calif.	Russo
Breaux	Johnson, Colo.	Ryan
Brinkley	Jones, N.C.	Santini
Brodhead	Jones, Okla.	Scheuer
Brooks	Jones, Tenn.	Schroeder
Brown, Calif.	Jordan	Sharp
Burke, Calif.	Kastenmeier	Shipley
Burke, Mass.	Kildee	Sisk
Burlison, Mo.	Koch	Skelton
Burton, John	Kostmayer	Slack
Burton, Phillip	Krebs	Smith, Iowa
Caputo	Krueger	Solarz
Carney	LaFalce	Spellman
Carr	Le Fante	St Germain
Cavanaugh	Lederer	Staggers
Chisholm	Leggett	Stark
Clay	Lehman	Steed
Conte	Lent	Steiger
Conyers	Levitas	Stokes
Cornell	Lloyd, Calif.	Stratton
Cornwell	Long, La.	Studds
Cotter	Lundine	Thornton
D'Amours	McCloskey	Traxler
Daniel, Dan	McCormack	Tsongas
Danielson	McDade	Tucker
Davis	McFall	Udall
de la Garza	McKay	Ullman
Delaney	Maguire	Van Deerlin
Dellums	Mahon	Vanik
Derrick	Mann	Vento
Dicks	Markey	Waggonner
Diggs	Mattox	Walgren
Dingell	Meeds	Watkins
Dodd	Meyner	Waxman
Downey	Mikulski	Weaver
Drinan	Milford	Weiss
Duncan, Oreg.	Miller, Calif.	Whalen
Early	Mineta	Whitley
Eckhardt	Minish	Whitten
Edgar	Mitchell, Md.	Wilson, C. H.
Edwards, Calif.	Moakley	Wilson, Tex.
Eilberg	Moffett	Wirth
English	Mollohan	Wolff
Ertel	Moorhead, Pa.	Wright
Evans, Colo.	Moss	Yates
Evans, Ga.	Mottl	Yatron
Fary	Murphy, Ill.	Young, Alaska
Fascell	Murphy, Pa.	Young, Mo.
Fish	Murtha	Zablocki
Fisher	Natcher	Zeferetti
Fithian	Neal	
Flood	Nedzi	

NOT VOTING—26

Ashbrook	Hawkins	Roncalio
Baldus	Jenkins	Sawyer
Collins, Ill.	McHugh	Sebelius
Corman	McKinney	Simon
Dent	Metcalfe	Steers
Evans, Ind.	Murphy, N.Y.	Teague
Flippo	Myers, Michael	Thompson
Florio	Poage	Young, Tex.
Frey	Roe	

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Thompson against.

Mr. Ashbrook for, with Mr. Evans of Indiana against.

Mr. Sebelius for, with Mr. Baldus against.

Mr. Frey for, with Mr. McHugh against.

Mrs. HECKLER changed her vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROUSSELOT: On page 38, strike out lines 1 through 4 and insert in lieu thereof the following:

"(b) Any employee who is a candidate for elective office shall be placed on leave without pay effective beginning on whichever of the following dates is the later:

"(A) the 90th day before any election (including a primary election, other than a primary election in which such employee is not a candidate) for that elective office, or

"(B) the day following the date on which the employee became a candidate for elective office.

Such leave shall terminate on the day following the election or the day following the date on which the employee is no longer a candidate for elective office, whichever first occurs. The provisions of this subsection shall not apply to the extent an employee is otherwise on leave. The Civil Service Commission shall, upon application, exempt from the application of this paragraph any employee who is a candidate for any part-time elective office."

On page 38, in lines 10 and 11, strike out "to which such employee may be entitled" and insert in lieu thereof the following: "of such employee".

Mr. ROUSSELOT. Mr. Chairman, this amendment would require that a Federal employee who is a candidate for election must promptly notify the agency in which he is employed. The agency must place the employee on leave without pay either on the 90th day before the election—primary or general—or on the day following the date on which the employee becomes a candidate, whichever comes later.

An employee is a candidate when he has taken the action to qualify for nomination for election, or election; or has received political contributions or made expenditures; or has given consent for any person to receive political contributions or make expenditures, with a view to bringing about such employee's nomination for election, or election, to such office.

In a 1975 study conducted by the Congressional Research Service's International Law Division, it showed that the following countries require that their Government employees take mandatory leave without pay when they are candidates for political office: Australia, Canada, France, Belgium, Great Britain, Japan, and New Zealand. So this is certainly not an unusual requirement.

Those candidates who are running for election to part-time elective office—for example, county water commissioner, school board, smalltown mayor, and so forth—shall be exempted from the requirement to take leave without pay upon the application of that employee to the Civil Service Commission. It is contemplated that most elective positions at county level or below will be exempted. However, the Commission must make that determination on a case-by-case basis.

The purpose of the amendment is to prevent those who are candidates for full-time elective positions from remaining on the Federal payroll while they are campaigning for political office. I would strongly urge the adoption of this important amendment.

Now, I realize that my colleague, the gentleman from Tennessee (Mr. ALLEN) previously had an amendment that was more inclusive than mine. I did feel that even though the language that the gentleman (Mr. ALLEN) offered did not comply with the germaneness rule. I also did not believe that the Federal taxpayers should be asked to finance Federal employees who are running for fulltime Federal office. Salaries being funded by the Federal taxpayers, at least for a reasonable time of 90 days, in the judgment of many in the House, should not be allowed.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Tennessee, who had a similar amendment that was ruled out of order.

Mr. ALLEN. Mr. Chairman, I would like to ask the gentleman from California (Mr. ROUSSELOT). The gentleman, of course, is familiar with the substitute amendment that I am about to offer to the gentleman's amendment?

Mr. ROUSSELOT. That is correct, and I support it.

Mr. ALLEN. This amendment meets the point of order that was raised against the first wording of it, but it does not require, as the gentleman's amendment would, for someone to take a leave of absence 90 days beforehand, because that varies from State to State.

The amendment says that an employee who desires to become a candidate for any elective office shall first make application, and thereupon shall be granted leave of absence for a period beginning with the last work day preceding the day said employee shall either qualify as a candidate or announce his or her candidacy for such elective office.

Mr. ROUSSELOT. Mr. Chairman, it is my understanding that the gentleman will offer an amendment to my amendment which now will avoid the point of order being made again that was made previously.

I think that I could support that substitute amendment, if the gentleman offers it. I would, of course, prefer the 90-day period.

I would urge my colleagues to support Mr. ALLEN's amendment, if they cannot support mine.

Mr. ALLEN. Mr. Chairman, if the gentleman will yield further, I think 90 days is a little bit harsh, since most States do not require a candidate to

qualify or announce 90 days before an election.

Mr. ROUSSELOT. My amendment states 90 days and/or filing date, and in most cases that is a clear intention to run.

Mr. ALLEN. My amendment would provide they could draw whatever vacation or compensatory time they had earned previous to the day they start campaigning and obtain their leave of absence.

Mr. ROUSSELOT. My intention was to avoid that situation.

Mr. ALLEN. So I think this would be more acceptable, and I think we would meet the objection that has been raised throughout the Nation by the press against the Federal Government paying out taxpayers' money for Federal civil service employees to campaign for public office.

Mr. ROUSSELOT. I will support the substitute amendment, if it is offered.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, in private industry, employees are authorized usually to take a leave of absence, but are not required to. It seems to me that to require a Government employee to take it, which means he is automatically cut off from pay while he is a candidate, is unfair.

Mr. ROUSSELOT. Only if the candidate is running for Federal office: the gentleman is right. There is a real difference between employment in the private sector and employment with the Federal Government—the general taxpayers are supporting the salary of the Federal employee.

Mr. SEIBERLING. I personally ran for Federal office and still was an employee of a private corporation.

AMENDMENT OFFERED BY MR. ALLEN AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ROUSSELOT

Mr. ALLEN. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. ALLEN as a substitute for the amendment offered by Mr. ROUSSELOT: Delete from section 7326 subsections (b) and (c) thereof, substituting therefor a new subsection (b), below and change the designation of subsection (d) to "(c)":

"(b) An employee who desires to become a candidate for any elective office must first make application, and thereupon shall be granted a leave of absence and shall not receive compensation from the Federal Government for a period beginning with the last workday preceding the day said employee shall either qualify as a candidate or announce his or her candidacy for such elective office, and ending with the day after said election, or the day after said employee withdraws as a candidate for elective office, whichever is sooner; and no such employee shall be entitled to use, during this period, any entitlemen to sick leave or any other form of leave, except that said employee may be entitled to be paid during the foregoing period of absence from his employment for any period of accrued annual leave or compensatory time to which he was entitled on the day the foregoing period of absence commences, at the election of said employee."

Mr. CLAY. Mr. Chairman, I would like to rise in opposition to the amendment and to the substitute amendment.

I am beginning to believe that some of these tactics are dilatory. I believe that there is an effort to frustrate the will of this House. I believe that even though the rules prohibit a filibuster, it is becoming quite apparent that there is an effort on the part of some Members to do precisely that. I think this issue has been debated over and over in subcommittee and in full committee. Both the subcommittee and full committee did not see any wisdom in imposing these kinds of unnecessary burdens on Federal employees.

If we did, in effect, adopt either the amendment or the substitute, what we would be saying is that a Federal employee cannot and does not have the right to seek public office. When we talk in terms of requiring a 90-day leave of absence prior to the primary, we are talking in some instances of a Federal employee being off the job for at least a year, because there are primaries that start in February, and primaries in March and in April. If that employee is successful in the primary, he would then have to stay off work through the November election.

I think it is grossly unfair to ask this of a Federal employee who happens to be a member of the Civil Service system, and not ask it of the President of the United States, the Vice President of the United States, or a Member of this House. I think that it is ridiculous for Members offering these amendments to think that they are going to make anyone, anywhere, believe that they are sincere in their efforts to protect Federal employees.

The money that pays Federal employees also pays the Members of this House, and if we want to be consistent in following the arguments of these gentlemen to their logical conclusions, we would have to force the membership of this House to take a leave of absence in order to campaign for office.

Mr. Chairman, I urge defeat of the amendment.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Michigan, a member of the committee.

Mr. FORD of Michigan. There is an important distinction in these two amendments as compared to the amendments that have been offered here all day and 2 weeks ago. There has been a lot of rhetoric about protecting Federal employees from coercion; protecting Federal employees from undue political influence; protecting Federal employees from union dominance, and so forth. But, what is at stake here in these two amendments is the right of a Federal employee, like any other citizen, to seek public office, whether it be a local school board position that pays little or nothing in the form of compenstaion, or anything else.

It has been pointed out on this side that if it was a partisan office in the State of New Hampshire, the principal amendment would have a person giving up his entire compensation for a whole year if he became a candidate and were unlucky enough to win the primary election. He would have to be unemployed for a full year. That indicates that only very wealthy people, supported by special interests, who are Federal employees, are going to be able to participate.

We are not talking any longer about the protection of the employee. We are talking about whether an employee has the right to seek public office. We are not even talking about just Federal office. We are talking about any public office.

The substitute amendment offered by the gentleman from Tennessee is, if it is possible to be so, even worse than the amendment offered by the gentleman from California, because it places in front of the employee a requirement that before the employee can announce his candidacy for public office, whatever that office might be, he or she would have to seek and secure a leave of absence, which would be voluntarily given by that person's supervisor.

If you really want to put persons under the thumb of their supervisor on political matters, you put them in a position where the only way they can run for public office is to have their supervisor's permission. I do not think this House has demonstrated any willingness to go to that form of direct—not subtle, but direct—coercion of Federal employees.

Mr. Chairman, I urge a "no" vote on both amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. ALLEN) as a substitute for the amendment offered by the gentleman from California (Mr. ROUSSELOT).

The question was taken; and on a division (demanded by Mr. ALLEN) there were—ayes 39, noes 74.

So the amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT).

The amendment was rejected.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: Page 28, line 12, strike out "but does not include a member of the uniformed services" and insert "including any member of the uniformed services".

Page 35, line 2, strike out " or a member of a uniformed service,".

POINT OF ORDER

Mr. CLAY. Mr. Chairman, I make a point of order that the amendment is not germane, that it goes beyond the scope of the bill, and that it amends existing law not cited in the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. Mr. Chairman, I carefully listened to the ruling of the Chair on a prior amendment which dealt in greater detail with the subject of members of the uniformed services who

are specificially excluded from this bill but only by the language that is included in this amendment. All this amendment does is to strike language that is in the bill. That has to be germane. It has to be a part of the bill before us, in the most germane sense, the most consistent sense.

I would urge that the point of order is not well taken on its face, because the amendment only strikes language that is in the bill.

The CHAIRMAN. The Chair feels that it covered the point made at this time by the gentleman from Ohio (Mr. KINDNESS) in its first ruling, in which the Chair cited from the House Rules and Manual of the 95th Congress, paragraph 7, of rule XVI and precedents contained in Cannon's volume VIII, sections 2917–2921.

Let the Chair quote the language that the gentleman from Ohio (Mr. KINDNESS) would find to be most favorable. The language is as follows:

In general, an amendment simply striking out words already in a bill may not be ruled out as not germane unless such action would change the scope and meaning of the text.

The Chair would say that the gentleman's position was stronger in the first instance wherein he did supply language, and the Chair feels in making this second ruling that the broadening aspect of the gentleman's initial language is such as to take it out of the scope of the bill. By reversing that language and striking it out and putting it in affirmative terms, as the gentleman now does, the gentleman's amendment is subject to the point of order, and the ruling is the same.

The point of order is sustained, and the amendment is not in order.

Are there further amendments?

PREFERENTIAL MOTION OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BAUMAN moves that the Committee do now rise and report the bill H.R. 10 back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The motion is not debatable.

The question is on the motion offered by the gentleman from Maryland (Mr. BAUMAN).

The preferential motion was rejected.

PARLIAMENTARY INQUIRY

Mr. DERWINSKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DERWINSKI. Mr. Chairman, are we still at the point at which only those amendments published in the RECORD are allowed 5 minutes for debate?

The CHAIRMAN. The gentleman is correct.

Mr. DERWINSKI. I thank the Chair.

Mr. MITCHELL of Maryland. Mr. Chairman, I rise in support of H.R. 10, to permit greater participation by Federal Government employees in the election process. There have been particularly over the last decade, significant steps forward toward full exercise of voting rights by citizens in this country. Many who in the past had been unable to register or to vote, now play a vital role in choosing the Nation's elected officials and in seeing that those representatives work for policies and programs in those voters best interests.

Nonetheless, a parallel phenomenon has been taking place. It is a continuing decline in actual participation in elections. Fewer Americans register and vote now than in the early 1960's. In large part, their apathy toward participation in the political process is the result of a maze of restrictions which discourages that participation. Failure to register and vote is mirrored several times in failure to become involved in politcal campaigns.

Against this background, one can recognize the Hatch Act as one of the most restrictive limitations on citizens' participation in the political process. It applies to only one group of citizens—those who have chosen to work in the Federal Government. It is stringent in prohibiting virtually all forms of participation in political campaigns. It is oppressive in prohibiting the Federal employees from exercising one of the most important means of seeing that their views are heard through elected leadership.

The Hatch Act was passed in 1939 and is long overdue for revison. I believe that experience has shown that the law has been overkill for the problem it addresses. That overkill is that in attempting to insulate Federal employees from political pressures which the Hatch Act has deprived them of basic democratic rights.

H.R. 10 is a reasoned and reasonable response to the problem. It encourages political activity by Federal civil servants, while at the same time explicitly prohibits any coercion and protection against any attempt to have partisan politics impinge on the professional judgment of the civil servant. There is a strong mechanism through the Civil Service Commission both to inform Federal employees of their rights and to adjudicate claims of abuse of an individual's right to his or her political views and the exercise thereof.

It is my view that the bill reported by the Post Office and Civil Service Committee provides a proper balance of rights and protections. It is carefully crafted, under the leadership of Congressman BILL CLAY, to provide that balance.

I want to point out that the Congressional Black Caucus, in its legislative agenda both last year and this, called for reform of the Hatch Act. We see the Hatch Act revision, as I indicated, as an issue of the right to full political participation, certainly not as an issue which primarily affects black Americans. Many black people are, of course, limited by the Hatch Act as Federal employees, and that problem is particularly acute in Washington, D.C. In fact, along with the restriction on home rule and the lack of voting representation in the U.S. Congress, the Hatch Act has helped to keep citizens of the District of Columbia estranged from real control over major governmental decisions which affect their lives.

The experience of Washington, D.C., with respect to the Hatch Act is replicated in numerous communities across the Nation where there is a significant Federal work force. These Federal workers cannot become involved in campaigns to elect the city's mayor and council members, the county supervisors, Members of Congress, or the President. Because of their professions, these are frequently individuals with a sophisticated understanding of politics and of government. Restricting their participation is a loss not only for the civil servants, but for the community as a whole.

For these reasons, I urge my colleagues to vote for passage of H.R. 10 and to vote against amendments which would restrict participation in the political process by Federal civil servants.

Mr. LEDERER. Mr. Chairman, we today will vote on H.R. 10 which will repeal many of the provisions of the Hatch Act. This law has for many years prohibited Federal workers from participating in Federal and local election campaigns and political activities. H.R. 10, while lifting these restrictions, still maintains the prohibition against unfair political pressures being brought on employees by their supervisors and other Government officials.

Regardless of the right or wrong of our vote here today to lift these restrictions, the Hatch Act will be changed when this bill passes the Senate and is signed into law by the President. However, many States and local governments have their own laws which prohibit State and local employees from being politically active. While Federal law does not apply to these employees, they are prevented by their localities from being fully active. With our vote here today, we free Federal employees from their constraints leaving the State and local employees still encumbered.

I call upon my colleagues of the House and the officials of the States and local governments involved to consider the second-class stature of these employees. We have heatedly debated here in the Congress the merits of H.R. 10. But the different treatment between Federal and other governmental employees will exist regardless of these arguments. With the repeal of the Hatch Act restrictions encumbering Federal employee involvement, the State and local government employees need consideration.

Hopefully, these local laws will be changed so that all government employees around the country have the same rights and proscriptions. In this way, all Americans will have the same advantages of taking their place in the political system which maintains our democratic freedoms for all.

Mr. MICHEL. Mr. Chairman, volumes have been written and spoken, pro and con, about repeal of the Hatch Act. Let me not add to the total, but quickly get to the point:

I am in favor of keeping the Hatch Act. I believe there can be no serious doubt that the move to repeal the Hatch Act is designed to give unions excessive political power over Government employees. I think such a move is immoral because it violates the rights of millions of Americans. I am going to vote against

repeal of the Hatch Act, and in doing so, vote for protection of Federal employees.

Today's Washington Post contains a letter to the editor criticizing the Post for favoring the Hatch Act amendment. Listen to what the writer said:

As a long-time civil servant, I can certify that I have heard a colleague of mine, or a subordinate or a superior, assert an interest in openly engaging in partisan campaigns. And as a 12-year faculty member teaching public administration, only a few of my federal-employee students have ever expressed such an interest. Federal employees are not clamoring for "political freedom"; instead, they are grateful for the protection they have had since 1907, when President Theodore Roosevelt issued his executive order (subsequently, in 1939, embodied in statute, called the Hatch Act).

I'm outraged at your editorial. H.R. 10 is a bad bill! Opposing your view are the National Academy of Public Administration, the National Civil Service League, the International Personnel Management Association, the Federal personnel directors, the National Federation of Federal Employees, the Washington Star, WMAL radio, and 88 percent of the persons phoning WRC radio on May 23.

Recently (April 27) Common Cause—after a questionnaire survey of its members—came out flatfooted against nullifying the Hatch Act, saying that H.R. 10 "would undermine the merit system and politicize the civil service."

That seems to me, Mr. Chairman, to sum up the arguments made by those of us who recognize the Hatch Act for what it is: protection for Government employees against abuse of official authority and the pressure of labor bosses. Let us not be deceived by the rhetorical smokescreen being thrown out by those who support H.R. 10. All this talk about the alleged benefits that will come to Federal Government employees if H.R. 10 is passed is nonsense. Everyone here knows what is going on. Everyone knows that what we are being asked to do is to turn over Government employees to unions who favor and work for the election of Members of the majority. That is what this is all about. Let us stop the rhetoric and admit it.

I want to make one more point, Mr. Chairman, the Hatch Act has served this Nation and this Nation's Federal employees for almost 40 years. In a blatant political power-play, those who want to control the political destiny of Federal employees are asking us to, in effect, overthrow this useful, necessary law. If you wonder why the public is fed up with what it sees as the hypocrisy and deviousness of Congress, you need not look any further than what we are being asked to do today.

H.R. 10 is a disgrace. It should be voted down. I am in favor of the Hatch Act and will vote accordingly.

Mr. MANN. Mr. Chairman, the goal of full participation in the political process by every American is obviously a laudable one. But H.R. 10, which seeks the wholesale scrapping of the Hatch Act limitations on political activities by Federal employees, will not further it.

The Spartanburg Herald, Spartanburg, S.C., points out that—

A U.S. Supreme Court decision in 1973 (*Civil Service Commission v. Letter Carriers*, 413 U.S. 548) was a good preachment for retaining the Hatch Act.

The editorial continued—

Public laws and programs should be administered impartially and without the appearance of political bias, said the court. . . . the government workforce should not be made into a political machine; employment and promotions should not be based on political preference; employees should not be pressed into performing political chores.

I believe that whatever popularity H.R. 10 enjoys arises out of a major public misunderstanding regarding the scope of the Hatch Act restrictions. Current law does not—repeat, does not—prohibit political activity by the Federal workforce. On the contrary, the Hatch Act allows Government employees to express their opinions on political subjects and candidates and to engage in nonpartisan political activity. It is only the more active levels of partisan political activity that are barred by the Hatch Act, and those restrictions have proved successful over the years in promoting fair administration of Government policy and freedom against political pressure for Federal employees.

Our colleague, Mr. FISHER of Virginia, representing the Congressional District with the largest number of Federal employees save only the District of Columbia, reports that a majority of his constituency opposes relaxation of the Hatch Act. That is highly significant, Mr. Chairman. Further, it corresponds with concerns expressed to me by some representatives of Federal employee organizations from my own State. They support the idea of full political rights, of course, but are fearful of dropping the safeguards against political coercion contained in the Hatch Act.

During House consideration of H.R. 10, Mr. FISHER offered what I considered to be a workable alternative. Under his amendment, Federal employees would be, first, permitted to engage in political activities at the State and local level; second, permitted to run for part-time State and local offices; and third, prohibited from holding office in a political party. Briefly, it would have permitted Federal employees to fully participate in politics at the State and local levels, while retaining the current prohibition on high level, partisan Federal political activity. That seemed to me to be a reasonable approach which would have continued to insulate the Federal workforce from undue pressures and at the same time, it would have broadened the scope of allowable political activity. Unfortunately, the Fisher amendment was rejected by the House.

I am concerned, Mr. Chairman, about the effect that the proposed bill would have on the civil service or merit system which has served this country and Federal workers so well. As the Supreme Court said in the Letter Carriers decision:

It is in the best interest of the country, indeed essential, that Federal service should depend on meritorious performance rather than political service.

So, Mr. Chairman, I intend to vote against final passage of H.R. 10. This has not been an easy decision—hundreds of my constituents have expressed strong views both pro and con on the legislation, and I am well aware of the deep concern on both sides of the issue. In the end, though, I could not answer to my satisfaction the grave question of whether further expending the permissible area of political activity by Federal employees could be accomplished without jeopardizing the fair administration of Government and the healthy, competitive nature of our civil service system.

Mr. KEMP. Mr. Chairman, I have grave concerns about what may flow from enacting the bill before us. I am convinced repeal of the restrictions against partisan political activity by the 1.7 million employees of the Federal Government will be equivalent to opening Pandora's Box. Many evils are going to rise from it.

Let me be specific.

Federal employees have a vast, personal, and special interest stake in the political process. That process ultimately governs the size and role of Government—in general and right down to their own department or agency; salaries; promotions; and a wide range of benefits—from Government-paid-for cars and transportation to vacations to retirement. If you assume most people act out of their own economic interest, you can see to what their direct involvement in the political process for the first time in four decades will lead.

Federal employees have a vast stake in big government. The larger the government, the greater the number of positions open and into which an employee can move with a promotion. The more Government spends, the greater the likelihood of salary and benefit increases. Thus, it is only logical to assume Federal employees will be campaigning for those candidates who advocate big government.

I am very much worried by this, and I think others—liberals and conservatives—are too.

Liberals should be concerned, because reorganization—making the actions of the bureaucracy more accountable to the people whom Government is designed to serve—will be frustrated.

Liberals and conservatives should be concerned, because tax cuts are next to impossible to enact if expenditures are climbing rapidly in response to the demands of bigger government.

Conservatives should be concerned, because reductions in Federal costs are impossible to achieve when that Government grows.

The Hatch Act—whose provisions this bill would repeal—was enacted in 1939. It was passed at that time, because Congress—and I might point out a Democratic Congress, not a Republican one—had before it extensive evidence of the political coercion of low-level Government employees by their superiors. This evidence was strongest with respect to the Works Progress Administration, the major Federal welfare program of those days.

The chief purpose of the Hatch Act was libertarian—to protect political freedoms—essentially the first amendment rights—of Federal employees subject to possible coercion. The key sec-

tion of the act prohibits employees of executive departments and agencies from using their "official authority or influence" to interfere with or affect the results of an election, from taking "an active part in political management or in political campaigns," or coercing the political action of others.

The Hatch Act has been defended also as helping to prevent political corruption and to promote efficiency and professionalism in the bureaucracy. Deterring direct or indirect political coercion and the politicization of the bureaucracy are probably the primary—and certainly the sufficient—justifications. The most acute Government responsibility is that Government not allow itself to skew the political process. The political debate can never be uninhibited, robust, and wide open—to use the adjectives of the U.S. Supreme Court in New York Times against Sullivan—if Government employees can coerce their colleagues or intimidate the general public. When viewed as an inhibition imposed on Government itself, the Hatch Act is as justifiable as the restrictions—judicially or legislatively created—that prevent the Government from regulating the "free market of ideas."

It does not take that much reflection to realize what the courts called the "chilling" effect that partisan political activity by Government employees—bureaucrats—can have not merely on other Government employees but on members of the public. As the law now stands, a fellow Government employee can shield himself by simply saying, "Sorry, I'm Hatched." That would no longer be true.

Let us look at what it would do with respect to the public.

How would you like to be a Democratic county chairman and have your tax return audited by an IRS employee, who, if this bill passes, is also a Republican official in the State? Or to be a Republican businessman and have your plant inspected by an OSHA or EPA inspector who is the Democratic treasurer in the county?

For the first time in nearly 40 years, politics is about to be intermeshed in the day-to-day functions of Government. If this bill is passed, we are going to be right back to the system where Federal employees' futures are determined by what they did for a party and where decisions of Government at the day-to-day administration level—which is where most of us have our most contact with Government—are being handled by people who have partisan motivations.

At a time when getting politics out of Government is consistent with the reforms the people want, I find it incredible that the new administration—elected because they kept talking about the abuses of Watergate, a perfect example of the intertwining of Government and politics—is now fervently pushing for the enactment of this bill.

Mr. MIKVA. Mr. Chairman, I have supported past attempts to revise the Hatch Act because I believe that Federal employees should be able to participate in the political process.

However, today I will not be voting for passage of H.R. 10, the Federal Employees Political Activities Act of 1977. During the past few months, the perceptions of H.R. 10 held by both the general public and many Federal employees have focused upon the possibility for vast abuse contained in the bill.

I do not know whether this concern is a reflection of the unsavory patronage practices which have occurred in many American cities, or the recent excesses of the Nixon administration, or unhappiness with the Federal Government. But, I do know these perceptions are real and widespread.

If we are to permit Federal employees to engage in political activity then we must first persuade the public and the employees that freedom from coercion exists in both appearance and reality. I suggest the first step toward encouraging broader public support would be to impose tighter restrictions on the solicitation and acceptance of political contributions. For that reason I supported the Bauman amendment to that effect. Equally important is a review of Civil Service practices to insure the hiring and promotion of only the best applicants and employees.

I think it is possible to develop a proposal which will protect Federal employees from coercion. I also think it is possible to develop a proposal which will attract the support of Federal employees. Unfortunately, that possibility has not been realized in H.R. 10. Regretfully, I must vote no.

Mr. CLEVELAND. Mr. Chairman, I rise in wholehearted and enthusiastic opposition to H.R. 10 as an assault on integrity of Government at the Federal level.

It would—in effect—repeal the Hatch Act, authored by a Democratic Senator in response to abuses under a Democratic administration, and destroy the safeguards essential to the protection of the public servant and the public at large.

As this observation suggests, I am concerned over political abuse of the Federal employee as well as abuses potentially perpetrated by Federal employees to the detriment of the public.

Though by no means perfect, existing law has provided a significant measure of protection for nearly 40 years of the public's right to an impartial Civil Service relatively immune to the excesses of partisan political manipulation.

Nothing I have seen in the way of political or bureaucratic performance during more than 14 years in Washington gives me the slightest assurance that abandonment of existing safeguards would not lead to deterioration of public service.

Take the Government employee. I am absolutely convinced that he or she would be at the mercy of subtle but nonetheless effective pressure to engage in partisan politics regardless of personal preference, pressures which would totally defy documentation. If we think a supervisor could not get the message across unmistakably without leaving tracks, we are kidding ourselves.

Or take the interest of the public, which should be paramount to our considerations. The Hatch Act came into being at a time when there were some 900,000 Federal employees, of which a third were under the civil service system. Now there are 2.8 million Federal employees, of which two-thirds are under civil service.

But these figures alone do not begin to suggest the potential for abuse generated by the vast expansion of Government and its reach into innumerable areas of American life.

This expansion in terms of grants-in-aid, contracting, and regulatory activities—in general the power to grant or withhold benefits or penalties—has revolutionized domestic life over the past four decades and more. Inevitably, the potential for mischief in a politicized bureaucracy has expanded commensurately.

We have spent a great deal of time here in Congress trying to reduce improper influence on public decisionmaking through campaign reforms. It would be an ironic reversal if we then followed up by injecting into the political process a malign potential for manipulation of governmental power in the form of abuse of bureaucratic discretion.

We have all heard the campaign claim that x candidate can do more for his constituents than his opponent, the none too subtle suggestion being that he has the key to the Treasury. I could not conceive of any greater encouragement to this implicit bribery of the taxpayer with his own tax money than such a candidate overtly backed by bureaucrats with the power to dispense Federal largess. Government would then indeed have—or appear to have—all the integrity of a banana republic.

Perhaps I am particularly sensitive to this form of potential abuse, because I serve on the Committee on Public Works and Transportation, which oversees agencies dispensing billions of dollars in construction project grants. With such programs administered by civil servants of highest caliber, discretion is essential if only because applications for assistance inevitably exceed many times over the amount of funds available.

As recently as last year, when the local public works program got under way, dissatisfaction on the part of some applicants led to allegations that partisan political considerations had entered into the grant process. I am convinced the allegations were groundless. But I cite the fact merely to suggest to my colleagues the sort of suspicion that inevitably would arise were working-level managers of this and similar programs caught up in partisan politics.

During the Presidential campaign of 1976, President Carter and others struck a responsive chord among the public in their criticisms of the bureaucratic system. Personally, I feel that much of the criticism of Congress stems from our own inability to assure responsiveness of the bureaucracy and adherence to the intent of Congress in carrying out the legislation and the programs we enact.

So I ask this: How much worse would the problem be, and what would be the level of public confidence in both the Congress and the executive branch, if we remove the assurance provided by the

Hatch Act that Government decisions will be made impartially?

This legislation has been criticized as an unjustifiable benefit to public employee unions. Personally, I am reluctant as a general proposition to question motivations. But I do think that the fact that the bill was temporarily removed from consideration after initial acceptance of the Ashbrook amendment—prohibiting use of union dues for political purposes—speaks for itself. This again is at variance with candidate Carter's campaign rhetoric with respect to special interests.

For the foregoing reasons, Mr. Chairman, I urge defeat of H.R. 10.

Mr. STOKES. Mr. Chairman, I rise in support of H.R. 10, the Federal Employees Political Activities Act of 1977. Mr. Chairman, the Federal Employees Political Activities Act was introduced to modify the Hatch Act by easing the broad restrictions on the rights of Federal employees to participate in the electoral process. H.R. 10 would grant Federal and postal workers the same political rights guaranteed State and local government employees—for example, the right to campaign for partisan political candidates of their choice, seek partisan elected office themselves, or actively participate in a political party—however, it retains the prohibitions against the exercise of political activity during working hours, in uniform, or on Federal premises and strengthens existing protections for Federal employees against possible coercion by their superiors, spelling out unequivocally the prohibitions against use of official authority or influence to coerce another Federal employee.

Mr. Chairman, H.R. 10 is an act that is long overdue. The Hatch Act does not justify restrictions on first amendment freedom. The Government has in effect denied free and voluntary political activity by Government employees.

The 1939 Hatch Act was responsive to the abuses which occurred in the 1930's. In 1939, only one-third of the Federal work force of 950,000 was under the merit system. But today this number has increased and two-thirds of the 2.8 million Federal employees are under it. H.R. 10 would strengthen the merit system by preventing a recurrence of the abuses that occurred then and those political abuses uncovered during the Nixon administration. Additionally, the strength and influence of the Civil Service Commission and the professionalism of the civil service are built-in protections for the merit system and insulate it from potential political abuse. Furthermore, the Subcommittee on Civil Service has conducted extensive hearings and carefully studied the matter of employees' political activities. That committee reports that no evidence has ever been revealed that voluntary political activity in any way erodes the integrity of the merit system. Certain activities which might cause erosion are expressly prohibited by H.R. 10. This, combined with the sharp penalties prescribed for violations of this act, makes H.R. 10 a stronger, more equitable vehicle than the present Hatch Act to protect both Federal employees and the public.

H.R. 10 strengthens existing protections for Federal employees against possible coercion by their superiors. The act spells out unequivocally the prohibitions against use of official authority or influence to coerce another employee by mandating speedy investigation of suspected violations, providing for public participation in the adoption of Civil Service Commission regulations to administer the act, and creates an ombudsmanlike office in the Civil Service Commission to advise on permitted and prohibited activities. Unions representing Federal and Postal Service employees would receive no additional political rights and would still be covered under the restrictions on union political activities contained in the campaign.

Mr. Chairman, thirdly, and perhaps most important, H.R. 10 enhances the democratic principles of encouraging voter participation in the democratic process by clarifying and simplifying political activity for Federal employees. It has been virtually impossible to determine with precision what is and what is not prohibited by the 3,000 administrative rulings by the Civil Service Commission regarding political participation by Federal employees. This ambiguity inhibits political participation, because employees are naturally reluctant to risk violations. The act incorporates these decisions thus dispelling the nebulous atmosphere that surrounds the Hatch Act. Additionally, the act brings its administration into the public scrutiny.

Mr. Chairman, H.R. 10 is supported by the administration, the AFL–CIO, the National Association of Letter Carriers, the American Postal Workers Union, the American Federation of Government Employees, the National Treasury Employees Union, and the American Civil Liberties Union. More significant, though, is the finding in a study conducted by American University, completed April 20, 1977, that 53 percent of Federal employees favor changing the Hatch Act while only 28 percent oppose changes along the lines of H.R. 10.

Mr. Chairman, the case for reforming the Hatch Act is a compelling one. The Hatch Act has denied Federal employees and Postal Service employees one of the most basic human rights—the right to participate fully in American political life. I believe that we must restore to these workers their right to participate voluntarily in the political life of the Nation.

Mr. Chairman and my distinguished colleagues, I ask you to support the Federal Employees Political Activities Act of 1977. It is a piece of vital legislation.

Mr. ROUSSELOT. Mr. Chairman, on May 18, 1977, the House of Representatives debated a bill, reported by the Post Office and Civil Service Committee, for 7 hours. As the House reached the end of those 7 hours, it became painfully obvious to the Democratic leadership and the managers of that particular bill, that defeat of the legislation was highly likely. With this realization, the leadership and the bill managers decided to "punt"—in other words, they moved that the committee rise and further discussion of the proposal end before reaching a final vote.

For nearly 3 weeks the proponents of this particular bill have been agitating—in the House and through the government unions—for the removal of several important amendments and the passage of the legislation. Now we find ourselves listening to the same tired arguments from the supporters of this proposal and being subjected to the same "strongarm" tactics from lobbyists for the unions. My colleagues know that I am referring to H.R. 10, the so-called Federal Employee's Political Activities Act of 1977.

Little has changed with regard to H.R. 10 since May 18. In fact, more and more Federal employees have contacted their representatives and let them know that they do not wish to be "un-Hatched" and that they welcome the protection from political coercion and influence which the Hatch Act has provided since 1939. We are all familiar with the abuses which occurred, during a Democratic administration, and led to the enactment of the Hatch Act. Certainly no Member of this body would want to see civil servants once again exposed to the threat of Federal employment and promotion contingent upon who you campaigned for, donated money to, or what party membership was held.

I hope my colleagues have had the opportunity to read the two "letters to the editor" which appeared in today's Washington Post. Both letters pertaining to the repeal of the Hatch Act raise important questions concerning the wisdom of a "yes" vote on H.R. 10. The letters follow:

AMENDING THE HATCH ACT

Your May 23 editorial "Amending the Hatch Act" really puzzles me. You say, "The Hatch Act, after all, denies to millions of government employees a fundamental democratic right to involve themselves in the selection of a government and the making of national policy." I disagree. I have been a federal employee for many years and I have never felt restricted or deprived of any voting rights. I can vote in any local, state, or national election; I can contribute to a campaign fund for a candidate of my choice; I can wear a campaign button, or put a sticker on my car or in my window; I can attend meetings at which candidates are speaking; I can even belong to a partisan club as long as I don't hold an office or make a partisan speech. I can also run for a local office as an Independent if I am so inclined. I can remember when there was no "Hatch Act" and federal and state employees often found it necessary to contribute to state or federal political campaigns in order to keep their jobs. Let's keep the Hatch Act.

WINIFRED SMITH.

Fairfax.

I'm goshdarned mad at your editorial.

Two years ago I testified before Bill Clay and his House subcommittee; your editorial sounds as though he must have written it for you because it uses the same tired old fallacious arguments: 1) The Hatch Act denies to federal employees "a fundamental right to involve themselves in the selection of a government and the making of national policy" (it does no such thing; federal employees can engage in all sorts of political activity—please look up the facts). 2) The Hatch Act "punishes" the wrong federal employees—the subordinates instead of the superiors who might force subordinates "to do things they don't want to do" (there is no clamor by federal employees to engage

overtly in partisan political campaigns, so there is mighty little "punishing"; preventing political superiors from favoring or opposing subordinates who act politically is strictly impossible, even by what you call "special policing").

As a long-time civil servant, I can certify that I have never heard a colleague of mine, or a subordinate or a superior, assert an interest in openly engaging in partisan campaigns. And as a 12-year faculty member teaching public administration, only a few of my federal-employee students have ever expressed such an interest. Federal employees are *not* clamoring for "political freedom"; instead, they are grateful for the protection they have had since 1907, when President Theodore Roosevelt issued his executive order (subsequently, in 1939, embodied in statute, called the Hatch Act).

I'm outraged at your editorial. H.R. 10 is a *bad* bill! Opposing your view are the National Academy of Public Administration, the National Civil Service League, the International Personnel Management Association, the Federal personnel directors, the National Federation of Federal Employees, the Washington Star, WMAL radio, and 88 percent of the persons phoning WRC radio on May 23.

Recently (April 27) Common Cause—after a qestionnaire survey of its members—came out flatfooted against nullifying the Hatch Act, saying that H.R. 10 "would undermine the merit system and politicize the civil service."

LEWIS B. SIMS.

Chevy Chase.

Every Member of the House believes in full and complete civil rights for all people. Civil service employees should be no exception, however, as public servants they function with the eyes of the public on them. The faith of the American people in their Government depends in large part on the integrity and honesty they observe in their Government and its employees. There is no doubt in the public's mind that these employees should be nonpartisan and nonpolitical in the performance of their duties. To repeal the Hatch Act would be to weaken the position of the merit civil service and to threaten the very basis of our system of government.

In conclusion, I urge my colleagues to remember why the Hatch Act was passed in the first place. It was enacted to separate politics from employment. We must continue that tradition which has served the American people well for nearly 40 years.

I also urge my colleagues to heed the testimony presented by George Rappaport, a civil service employee for over 35 years, during hearings on this subject in the last Congress:

If a poll were conducted among informed Civil Service employees it is my judgement that a significant majority of the respondents would prefer to have the major provisions of the Hatch Act unchanged or no change at all.

Mr. Chairman, I will vote no on H.R. 10 and I hope my colleagues will, in their wisdom, do the same.

The CHAIRMAN. Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. MANN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10) to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, pursuant to House Resolution 575, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DERWINSKI. Absolutely, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DERWINSKI moves to recommit the bill H.R. 10 to the Committee on Post Office and Civil Service with instructions to report the same forthwith with the following amendment:

On page 51, in lines 10 and 11, strike out "120 days after the date of enactment of this Act" and insert in lieu thereof "on the first Wednesday following the first Tuesday of October 1978".

Mr. DERWINSKI. Mr. Speaker, we have had a difficult time this afternoon in view of the limitation under which we were proceeding.

I would like to use the time I have in support of the motion to recommit to sum up the problem that the Members face.

First, the motion to recommit provides that the effective date of this bill, if passed, would be "on the first Wednesday following the first Tuesday of October, 1978."

Mr. Speaker, that would spare all of the Members the ordeals of a primary. Mr. Speaker, I offer this motion to recommit, frankly, out of the kindness of my heart because down deep in their own hearts Members know the potential problems that are inherent in this bill if it should pass.

Mr. Speaker, back in 1938 Federal employees were coerced into participation in party primaries. I do not have to tell the Members what the administration was and what the Congress was at the time. Federal funds were diverted into political activities and into primaries and the general election. Because of that, a very wise Congress—and may I say a Congress in self-defense—passed the Hatch Act.

Mr. Speaker, 40 years have gone by. The Hatch Act has withstood three major court tests. It has withstood the passage of time in a practical fashion, so now we have an honest-to-goodness, above-politics Federal establishment.

The only difference between 1938 and 1977, Mr. Speaker, is that now we have 2.8 million civilian Federal employees, and then we had about 350,000 Federal employees. Consequently, the potential political disruption is seven or eight times what it was then.

Another factor I would like to point out is that in the greater Washington area, including the Maryland and Virginia suburbs, we have the greatest concentration of Federal employees who are confronted with all sorts of debate as to whether they want this bill or whether they do not want this bill.

Mr. Speaker, the newest silent majority in the country is the Federal employees, who, by their silence on this measure, are telling us, "Please do not pass this bill."

Recently, radio station WMAL conducted a poll, and they specifically asked the question: "Do you support or do you oppose the Hatch Act, H.R. 10?"

Mr. Speaker, the vote came in 4-to-1 against passage of this bill; and that is in a Federal city with the respondents, for the most part, being Federal employees.

Mr. Speaker, this bill as we now have it before us has been amended 13 times, some amendments with the blessing of the sponsors; some, over their objection.

Now the sponsors cannot recognize their own brainstorm. In fact, it was not recognizable as good legislation, to begin with.

Mr. Speaker, if the Members would like to know how to vote, they received a letter on the 25th of May from some of their colleagues telling them precisely how to vote on every amendment, on the motion to recommit, and on final passage.

I would not think, even at this late hour, of suggesting that anyone vote a certain way because of my eloquence or my interest in this subject. I am suggesting, however, that the Members look at the political facts of life; and the political facts of life are that we could be turning loose a monster, a monster that could devour any one of us if it is turned in that direction. We are also turning loose a force against its will because there is no evidence, direct or indirect, that the average Federal employee wants to be anything but "Hatched."

Mr. Speaker, the Members can vote the motion to recommit up or down. I have no real pride of authorship; but I have pride in the effective functioning of our Government. I have pride in the fact that the U.S. Government, as huge, as costly, as cumbersome as it is, is still the

best in the world. It is a great government service because it is not misused politically.

Mr. Speaker, we have 2.8 million Federal employees who are dedicated, conscientious career people. They have been above politics, and they want to stay above politics.

They have plenty of rights under the present law: They can vote, they have limited campaign activity, they can contribute, they can do many things. But, Mr. Speaker, they also are protected from coercion. They are protected from intimidation. You and your constituents are protected from any coercion or any intimidation that this bill would bring to bear. This bill was lifted from the floor unceremoniously some three weeks ago because of amendments and, given the fact that it has been further amended this afternoon, so that its dear sponsors can hardly recognize the child, plus the fact that the other body has shown great disinterest in this matter, I would suggest that the most practical, the political thing to do is vote against H.R. 10. That will be one of the greatest, most courageous, most farsighted votes you have ever cast. Your Federal employees will love you for it and they will support you in November of 1978.

Mr. UDALL. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, I am, with great trepidation, rising to oppose the gentleman from Illinois (Mr. DERWINSKI) particularly when that gentleman comes to us today garbed in those early bright colors of summer. But, Mr. Speaker, the gentleman from Illinois is wrong and his motion to recommit ought to be defeated and this bill ought to pass.

You know, a lot of times in public life we have conflict between values and I must admit there is a conflict here. Can we on the one hand protect the rights of 3 million American citizens who happen to work for the Federal Government, and their families, to participate in the political life of our country? And that is an important value, because we have been shutting more and more people out of our public processes. But, can we protect those values, and at the same time, give the American people another value which is honest, nonpolitical administration of the laws of our land? The authors of this bill think that we can do both. I might add that we have struggled for years to try to do both and we have had to back off last month and come back today. Our forces were a little bit in disarray the last time we brought this up. The gentleman from Missouri (Mr. CLAY) and the gentleman from Michigan (Mr. FORD) the sponsors of this bill, have done a good job. I know that the gentleman from California, JOHN ROUSSELOT, has helped us improve the bill and he has tried very hard, as well as the gentleman from Maryland (Mr. BAUMAN) so that maybe the bill is a little bit better than we started.

Let me add that there was a bad situation in 1938. There was great danger that a large army of Government employees could be used politically. But I believe that we overreacted and we shut people out of the political life of our country. The bill is a little bit better balanced.

Yes, Mr. Speaker, there is lack of interest, I will say, on the part of some Federal employees. I do not believe that every single Federal employee is panting in his office this afternoon to run out with a nominating petition if this legislation is passed. The plain fact is that Federal employees are like most people, most of them do not care. There is a small group of Federal employees who would like to carry petitions, who would like to get active in campaigns, who would like to be precinct committeemen, who would like to run for the school board. That is the small group of Federal employees to whom we are reaching out with open arms and saying we want to be involved in the political life of this Nation.

We have ample protection against possible coercion.

The bill prohibits the use of official authority or coercion with the right to vote or not to vote. The bill prohibits the use of funds to influence votes. It prohibits solicitation of political contribution by superior officials. It prohibits the making of political contributions in Government rooms or buildings. It prohibits political activity while on duty in Federal buildings or while in a Federal uniform.

So, Mr. Speaker, I believe we have been able to strike a balance in this bill that we can do both. That we can protect the political lives of these 3 million Americans and at the same time protect the interest of American people in nonpartisan, nonpolitical administration of our Government.

So I urge the Members not to vote for the motion to recommit.

We would have had Federal employee participation, private participation of those who wanted to do so, in 1974. We would have had it in 1976 and it was vetoed after passage in the House by a wide margin. We ought to have it in 1978, but if we pass the recommittal motion, we will only have it in time for the last few weeks of the general election, and they will be shut out of most of the 1978 process. Let us get this job done. It is overdue. A good, balanced bill has been written here. I think it ought to be passed and the motion to recommit ought to be defeated.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken.

Mr. DERWINSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 244, nays 164, not voting 25, as follows:

[Roll No. 319]

YEAS—244

Addabbo	Andrews, N.C.	Baucus
Akaka	Andrews, N. Dak.	Beard, R.I.
Alexander	Annunzio	Bedell
Allen	Applegate	Benjamin
Ambro	Ashley	Bevill
Ammerman	Aspin	Biaggi
Anderson, Calif.	Badillo	Bingham
Blouin	Hannaford	Ottinger
Boggs	Harkin	Panetta
Boland	Harrington	Patten
Bolling	Harris	Patterson
Bonior	Hefner	Pattison
Bonker	Heftel	Pease
Bowen	Hightower	Pepper
Brademas	Hillis	Perkins
Breaux	Holland	Pike
Brinkley	Hollenbeck	Preyer
Brodhead	Horton	Price
Brown, Calif.	Howard	Rahall
Burke, Calif.	Hubbard	Railsback
Burke, Mass.	Huckaby	Rangel
Burlison, Mo.	Hughes	Reuss
Burton, John	Jacobs	Richmond
Burton, Phillip	Jenrette	Rinaldo
Byron	Johnson, Calif.	Risenhoover
Caputo	Johnson, Colo.	Rodino
Carney	Jones, N.C.	Roncalio
Carr	Jones, Okla.	Rooney
Cavanaugh	Jones, Tenn.	Rose
Chisholm	Jordan	Rosenthal
Clay	Kastenmeier	Rostenkowski
Cochran	Keys	Roybal
Conte	Kildee	Russo
Conyers	Koch	Ryan
Cornell	Kostmayer	Santini
Cornwell	Krebs	Scheuer
Cotter	Krueger	Schroeder
Coughlin	Le Fante	Seiberling
D'Amours	Lederer	Sharp
Danielson	Leggett	Shipley
Davis	Lehman	Simon
Delaney	Lent	Skelton
Dellums	Levitas	Smith, Iowa
Derrick	Lloyd, Tenn.	Solarz
Dicks	Luken	Spellman
Diggs	Lundine	St Germain
Dingell	McCormack	Staggers
Dodd	McDade	Stark
Downey	McFall	Steed
Drinan	McKay	Stokes
Early	Maguire	Stratton
Eckhardt	Marlenee	Studds
Edgar	Mathis	Thornton
Edwards, Calif.	Mattox	Traxler
Eilberg	Mazzoli	Tsongas
Emery	Meeds	Tucker
Ertel	Meyner	Udall
Evans, Colo.	Mikulski	Van Deerlin
Evans, Ga.	Miller, Calif.	Vanik
Fary	Mineta	Vento
Fascell	Minish	Volkmer
Fish	Mitchell, Md.	Walgren
Fithian	Mitchell, N.Y.	Walsh
Flood	Moakley	Waxman
Flowers	Moffett	Weaver
Ford, Mich.	Mollohan	Weiss
Ford, Tenn.	Moorhead, Pa.	Whalen
Fowler	Moss	White
Fraser	Motti	Whitley
Gammage	Murphy, Ill.	Wilson, C. H.
Gaydos	Murphy, Pa.	Wilson, Tex.
Gephardt	Murtha	Winn
Giaimo	Natcher	Wirth
Gibbons	Neal	Wolff
Gilman	Nedzi	Wright
Ginn	Nix	Yates
Glickman	Nolan	Yatron
Gore	Nowak	Young, Alaska
Gudger	Oakar	Young, Mo.
Hamilton	Oberstar	Zablocki
Hanley	Obey	Zeferetti

NAYS—164

Abdnor	Clausen, Don H.	Findley
Anderson, Ill.	Clawson, Del	Fisher
Archer	Cleveland	Flynt
Armstrong	Cohen	Foley
AuCoin	Coleman	Forsythe
Badham	Collins, Tex.	Fountain
Bafalis	Conable	Frenzel
Barnard	Corcoran	Fuqua
Bauman	Crane	Goldwater
Beard, Tenn.	Cunningham	Gonzalez
Bellenson	Daniel, Dan	Goodling
Bennett	Daniel, R. W.	Gradison
Breckinridge	de la Garza	Grassley
Brooks	Derwinski	Guyer
Broomfield	Devine	Hagedorn
Brown, Mich.	Dickinson	Hall
Brown, Ohio	Dornan	Hammer-schmidt
Broyhill	Duncan, Oreg.	Hansen
Buchanan	Duncan, Tenn.	Harsha
Burgener	Edwards, Ala.	Heckler
Burke, Fla.	Edwards, Okla.	Holt
Burleson, Tex.	English	Holtzman
Butler	Erlenborn	Hyde
Carter	Evans, Del.	Ichord
Cederberg	Fenwick	Ireland
Chappell		

Jeffords	Montgomery	Sisk
Kasten	Moore	Skubitz
Kazen	Moorhead, Calif.	Slack
Kelly	Myers, Gary	Smith, Nebr.
Kemp	Myers, Ind.	Snyder
Ketchum	Nichols	Spence
Kindness	O'Brien	Stangeland
Lagomarsino	Pettis	Stanton
Latta	Pickle	Steiger
Leach	Pressler	Stockman
Lloyd, Calif.	Pritchard	Stump
Long, La.	Pursell	Symms
Long, Md.	Quayle	Taylor
Lott	Quie	Thone
Lujan	Quillen	Treen
McClory	Regula	Trible
McCloskey	Rhodes	Ullman
McDonald	Roberts	Vander Jagt
McEwen	Robinson	Waggonner
Madigan	Rogers	Walker
Mahon	Rousselot	Wampler
Mann	Rudd	Watkins
Markey	Runnels	Whitehurst
Marks	Ruppe	Whitten
Marriott	Sarasin	Wiggins
Martin	Satterfield	Wilson, Bob
Michel	Schulze	Wydler
Mikva	Shuster	Wylie
Milford	Sikes	Young, Fla.
Miller, Ohio		

NOT VOTING—25

Ashbrook	Hawkins	Roe
Baldus	Jenkins	Sawyer
Collins, Ill.	LaFalce	Sebelius
Corman	McHugh	Steers
Dent	McKinney	Teague
Evans, Ind.	Metcalfe	Thompson
Flippo	Murphy, N.Y.	Young, Tex.
Florio	Myers, Michael	
Frey	Poage	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. Teague, against.

Mr. Hawkins for, with Mr. Ashbrook against.

Mr. Murphy of New York for, with Mr. Frey against.

Mr. Evans of Indiana for, with Mr. Sawyer against.

Mr. Baldus for, with Mr. Sebelius against.

Until further notice:

Mr. Dent with Mrs. Collins of Illinois.

Mr. Jenkins with Mr. Metcalfe.

Mr. Florio with Michael O. Myers.

Mr. McHugh with Mr. Roe.

Mr. Corman with Mr. LaFalce.

Mr. BUTLER changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations or influences, and for other purposes.".

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CHANGES IN SECTION NUMBERS, CROSS REFERENCES, AND TECHNICAL AND CONFORMING CORRECTIONS IN ENGROSSMENT OF H.R. 10

Mr. CLAY. Mr. Speaker, I ask unanimous consent that the Clerk, in engrossing the bill H.R. 10, be authorized and directed to make such changes in section numbers, cross references, and other technical and conforming corrections as may be required to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the bill H.R. 10, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES FOR FISCAL YEAR 1978

Mr. SISK submitted a privileged report (Rept. No. 95-395) on the House resolution (H. Res. 615) to accompany H.R. 7556, making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM THE CLERK OF THE HOUSE—UNITED STATES OF AMERICA, EX REL. W. EDWARD THOMPSON, ET AL., VERSUS PAUL PENDERGAST, ET AL.

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., June 7, 1977.

HON. THOMAS P. O'NEILL, Jr.,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: On October 28, 1976 two citizens commenced an action in the United States District Court for the District of Columbia against the Clerk, Sergeant-at-Arms and Assistant Sergeant-at-Arms of the House of Representatives. *United States ex rel. W. Edward Thompson, et al. v. Paul Pendergast, et al.* (D.D.C. Civ. Action No. 76-2006). By this action, relators sought to recover under the False Claims Act, 31 U.S.C. §§ 231 *et seq.*, funds allegedly wrongfully claimed from the government by defendants, employees of the House of Representatives.

On December 30, 1976 the General Counsel to the Clerk filed a motion on behalf of the defendants to dismiss the action for lack of subject matter jurisdiction pursuant to Rule 12(b)(1) of the Federal Rules of Civil Procedure and for failure to comply with the procedural and jurisdictional requirements of the False Claims Act.

After an oral hearing, and on the basis of the foregoing motion, the Court granted the defendants' motion and entered an appropriate order.

I have the honor to transmit the aforementioned Memorandum—Order of the Court and I present the matter for the consideration of the House.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

Enclosure.

The SPEAKER pro tempore. Without objection the memorandum-order of the court will be printed in the RECORD.

There was no objection.

The memorandum-order follows:

[U.S. District Court for the District of Columbia, Civil Action No. 76-2006]

United States of America, ex rel. W. Edward Thompson, et al., Plaintiffs, against Paul Pendergast, et al., Defendants.

MEMORANDUM-ORDER

By this action, relators seek to recover under the False Claims Act, 31 U.S.C. §§ 231 *et seq.*, funds which have allegedly been wrongfully claimed from the government by defendants, present and former employees of the House of Representatives.[1] The basis for their action is an article published in the *Washington Post* concerning primarily the activities of a Congressman who was the subject of a government investigation. It appearing to the Court that this legislation and the amendments thereto were not intended to authorize suits by relators who have no information or facts of their own but rather have obtained information simply from governmental investigations and newspaper articles and that the instant action being based on the above-mentioned newspaper article is beyond the purview of this legislation, *see United States ex rel. Sherr v. Anaconda Wire and Cable Co.*, 57 F. Supp. 106, 108 (S.D.N.Y. 1944), *affirmed*, 149 F. 2d 680 (2nd Cir. 1945), it is by the Court this 6th day of June, 1977,

Ordered that defendants' motion to dismiss be, and hereby is, granted; and it is further

Ordered that this action be, and hereby is, dismissed.

GENERAL LEAVE

Mr. PURSELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from New York (Mr. GILMAN).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE CONTINUING PLIGHT OF THE AMERICAN FARMER

(Mr. HIGHTOWER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HIGHTOWER. Mr. Speaker, Monday's Wall Street Journal features an editorial calling for President Carter to veto the farm bill. The Sunday Washington Star column by Jack W. Germond

[1] Relators assert three causes of action in their complaint, the first of which is expressly based on the False Claims Act. While the basis for the two additional causes of action they seek to recover on behalf of the United States is not clear from the complaint, it could only be the False Claims Act.

and Jules Witcover pointed out the most politically expedient bill to veto at this time is the farm bill. I quote:

Simple arithmetic says there are fewer farm state votes. . . .

When a group has only 4 percent of the population, I guess we are just going to kick them around. Do not worry that this 4 percent feeds the other 96 percent plus a large part of the rest of the world. Do not worry that if we keep breaking the backs of the family farmer we will put food and fiber production into the hands of a few. Do not worry that food as a weapon in a hungry world will make the use of oil as a weapon look like a kid's cap pistol.

The statement has been made that the Senate bill is inflationary. What about the price the farmer pays for fuel, for parts, for labor, for tractors, combines, plows—all aspects of the farmer's cost of production have increased many times what he receives for his products. Much has been said about the price of wheat 2 years ago. Wheat is now one-half the $4 a bushel the farmer received then and the price of bread is higher than it was at that time. That is the price the consumer pays. That is what is inflationary.

The Wall Street Journal says the farmer has not done as well during the past 2 years as he did under the first years of the present policy. There has been no Government money spent under this policy to pay deficiency payments. Now that the farmer is in trouble nobody wants to help him. Give us a good farm bill as long as it is not needed. We quit the parity concept of farm prices several years ago. Under parity farm products would have the same price relationship to other products as they had in 1914. If we had parity prices today, wheat would be $5 a bushel.

The editorial points out that the policy has been good for almost everyone but the farmer. In their own words, spectacular. U.S. agricultural exports have tripled since 1972. The United States in 1975 accounted for over 40 percent of the world's wheat exports, over 60 percent of the world's corn exports, and 76 percent of the world's soybeans. By meeting a call for all out production, the American farmer has glutted his own market and finds himself up the creek without a paddle. The world is in better shape as far as available food, the U.S. balance of payments are better only because of agricultural exports, and my farmers are today cutting wheat that is costing them from $3.50 to $4.00 a bushel to produce and it is selling at country elevators all over my district for as little as $1.85 a bushel.

The country bankers, the retailers, the local communities can tell you how well the farmer is doing—they depend on him for their living also. Tell the families that have put 20 years of work and love and living on the auction block how inflationary a farm bill is that at the best is 50 cents to a dollar under their cost of production.

And while you are telling, tell the American housewife how much she will pay for bread when the agland trusts and the Federal Government are producing the wheat.

STATUS REPORT PURSUANT TO HOUSE RESOLUTION 252

(Mr. FLYNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FLYNT. Mr. Speaker, in accordance with the policy of the Committee on Standards of Official Conduct, I include in today's RECORD as a part of my remarks the first status report on the investigation presently in progress, pursuant to House Resolution 252.

This report does not include names of witnesses who have been subpenaed or witnesses for whom subpenas have been authorized but not issued. The report does not contain statements which have been made by witnesses or the names of individuals concerning whom statements have been made by one or more witnesses. Such information will be forthcoming at the proper time but then only after an affirmative vote of seven members of the committee in accordance with the rules of the House of Representatives.

This report is current as of May 31, 1977. Additional investigative actions have been taken and further conferences, interviews, and consultations have been conducted and have taken place during the period June 1 through June 7, 1977. These actions will be included in the next report.

The committee reserves the right to expand or otherwise modify this report. The report which follows is included in the CONGRESSIONAL RECORD in the verbatim form in which it was received from the special counsel to the committee.

The status report in its entirety follows:

STATUS REPORT ON KOREAN INFLUENCE INVESTIGATION AS OF MAY 31, 1977

The Committee on Standards of Official Conduct has hired a Special Staff, for the sole purpose of carrying out the Committee's mandate, under House Resolution 252, to investigate allegations that the Government of the Republic of Korea—directly and through agents—sought to influence Congressional action by conferring things of value on Congressmen, members of their families and their staffs. The scope of the investigation is set forth in this Committee's resolution of February 8, 1977, a copy of which is attached. The Committee has retained a Special Counsel, Philip A. Lacovara, Esq., to organize and supervise the investigation and to select a Special Staff for that purpose. The Special Staff now consists of twelve lawyers and investigators (a number which will eventually reach approximately fifteen) and five people performing secretarial and other support functions. A list of the professional staff members, the dates on which their employment commenced and a brief description of their high qualifications is attached to this report.

As may be seen, only two of the professionals have been employed for as long as two months. Nonetheless, in the short period of its existence, the Special Staff has made exceptional progress. A computerized information retrieval system has been set up which contains not only the information available in the public press, but also the information developed by the Special Staff. The Committee has approved a comprehensive Manual of Offenses and Procedures prepared by the Special Counsel, describing the nature of the possible violations being investigated and the standards to which the Committee believes Members of the House of Representatives should be held. Contacts have been made and meetings held with, and in some cases, information obtained from, the Department of Justice, which has been investigating similar allegations for over one year, and the Department of Agriculture, the Securities and Exchange Commission, the United States Customs Service and the Federal Reserve Board each of which has investigated portions of the allegations which this Committee is investigating. Meetings have been held with representatives of the National Security Council, the Central Intelligence Agency and the State Department each of which is, we believe, in possession of documentary information of relevance to our inquiry. In the case of the Central Intelligence Agency, agreements have been negotiated for the receipt of classified material and some such material has already been reviewed by members of the Special Staff. In the case of the Department of State, over two hundred documents have been received and/or reviewed. We are hopeful of similar cooperation from the National Security Agency and the National Security Council.

The Committee's ordinary policy is to seek to obtain information from witnesses through voluntary cooperation rather than through coercive process. Nonetheless, at its two meetings since the active commencement of this investigation, the Committee has authorized the issuance of 51 subpoenas for testimony and 27 subpoenas calling for the production of documentary evidence. In addition, members of the Special Staff have conducted personal interviews of 65 witnesses, including inter alia, employees of the United States Government, former employees of the Government of the Republic of Korea, Members and former Members of Congress, staff people for such Members and former Members, and business associates of Tongun Park and others. Numerous other prospective witnesses have been contacted by telephone to arrange for interviews. An order of immunity has been obtained from the United States District Court for the District of Columbia so that testimony might be compelled from a witness who has refused to testify on self-incrimination grounds. Approximately 3,500 documents have been obtained and reviewed from Members and former Members of Congress, banks, credit card companies, the telephone company, various private businesses and other private parties. Finally, the Committee has obtained some six hundred documents, the possessor of which had sought to destroy them with a paper shredding machine, and is in the painstaking process of attempting to reconstitute them.

The bulk of the investigative work remains to be done. On the basis of information already in the possession of the Special Staff or to be developed by the staff through other means, large numbers of former and present Members of Congress and their staff members must be questioned, in some cases under oath; and documentary evidence must also be obtained from them. Even larger investigative chores remain with respect to non-Congressional documents and witnesses. Perhaps most importantly, efforts must be made to obtain the presence and truthful testimony of Tongsun Park and others not presently available to testify.

The Committee contemplates holding public hearings at the earliest possible date—perhaps as early as the end of the summer. However, hearings cannot responsibly be held and will not be held until a very thorough investigation is completed. Premature hearings might result in unwarranted injuries to reputations of persons allegedly involved in misconduct, and would in any event result in a poorly organized presentation of the facts to the public.

Special Counsel: Philip A. Lacovara, former Deputy Solicitor General and former Counsel to Watergate Special Prosecutor Leon Jaworski and Archibald Cox.

SPECIAL STAFF COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Personnel already hired:

1. John W. Nields, Jr., Chief Counsel, former Senior Law Clerk to Associate Justice Byron R. White, U.S. Supreme Court. Former Assistant United States Attorney, Southern District of New York. Starting Date: April 4, 1977.

2. Jeffrey Harris, Deputy Chief Counsel, former Chief, Attorney General's Investigation Review Unit. Former Assistant United States Attorney, Southern District of New York. Starting Date: April 16, 1977

3. David H. Belkin, Deputy Chief Counsel, former Special Counsel, Branch Chief, Supervisory Attorney, Securities and Exchange Commission. Starting Date: May 2, 1977

4. Thomas M. Fortuin, Counsel, former Assistant United States Attorney, Southern District of New York. Starting Date: April 11, 1977

5. Barbara Ann Rowan, Counsel, former Assistant United States Attorney, Southern District of New York. Starting Date: May 12, 1977

6. Martha Talley, Counsel, former Counsel to Senate Select Committee on Intelligence. Starting Date: April 18, 1977

7. Andrew C. Tartaglino, Chief Investigator, former Director, Interpol Liaison Staff, Department of Justice. Former Deputy Director and Chief Inspector of Drug Enforcement Administration and its predecessor agencies. Starting Date: April 4, 1977

8. Robert A. Bermingham, Investigator, former Chief, Foreign Liaison Unit, Federal Bureau of Investigation. Starting Date: April 18, 1977

9. Harold Gossett, Investigator, Special Agent, Federal Bureau of Investigation. Starting Date: May 11, 1977

10. Michael A. Waniewski, Investigator, former Special Agent, Drug Enforcement Agency and its predecessor agencies. Starting Date: May 18, 1977

11. Robert B. Bucknam, Investigator, former Staff Investigator, District of Columbia Public Defendant Service. Starting Date: April 18, 1977

12. John H. Desmond, Investigator, former Chief Investigator, Office of the Special Prosecutor Pennsylvania, Department of Justice. Starting Date: May 2, 1977

COMMITTEE RESOLUTION AS AMENDED FEBRUARY 8, 1977

(Motion by Mr. BENNETT (contingent upon House adopting H. Res. 252))

Whereas the House, pursuant to H. Res. 252, adopted February 9, 1977, authorized and directed the Committee on Standards of Official Conduct to conduct a full and complete inquiry into allegations that the Government of the Republic of Korea directly or indirectly has sought or is seeking to exert influence upon Members of the House of Representatives through the conferral of anything of value on Members, their immediate families, or their associates, and to render appropriate reports; and

Whereas the Committee has legislative jurisdiction and general oversight responsibilities under clauses 1(t) and 2 of rule X of the Rules of House of Representatives with respect to the Code of Official Conduct of the House of Representatives, which is set forth in rule XLIII of the House of Representatives; and

Whereas clause 4(e)(1) of rule X of the Rules of the House of Representatives entrusts the Committee with additional responsibilities: Now, therefore, be it

Resolved, That the Committee on Standards of Official Conduct promptly initiate a thorough development and examination of the facts that indicate whether or not the present Code of Official Conduct or the Federal law, rules, regulations and other standards of conduct applicable to the conduct of Members of the House of Representatives in the performance of their duties and the discharge of their responsibilities are adequate (1) to protect the House of Representatives against the exertion of improper influence by or on behalf of foreign governments and (2) to prohibit Members from receiving anything of value under circumstances which conflict, or appear to conflict, with their obligations to perform their constitutional duties without regard to private gain or benefit.

SEC. 2. For purposes of making the determination referred to above, the Committee will consider allegations that Members and employees of the House of Representatives and other Federal officers and employees have received anything of value from the Government of the Republic of Korea, nonaccredited Korean Government officers or agents, or any private Korean citizens, organizations, or institutions.

SEC. 3. Whenever, at any time during the course of the inquiries referred to above, or after their completion, the Committee determines that it has information indicating that any individual Member, officer or employee of the House has violated the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to the conduct of that Member, officer or employee in the discharge of his responsibilities, the Committee on its own initiative may undertake an investigation relating to the official conduct of that Member, officer or employee.

SEC. 4. The Committee shall proceed in accordance with Committee Rule 9 of the Committee's Rules of Procedures relating to the service of a statement of alleged facts and violation upon the Member, and the Member's opportunity to answer and to submit appropriate motion. All further proceedings relating to the individual Member shall be conducted in accordance with the Committee's Rules of Procedure and H. Res. 252.

SEC. 5. For the foregoing purposes, the Committee will retain outside special counsel to advise the Committee on the design and conduct of the inquiries and to propose the members of a special professional staff. The special staff will be separate and distinct from the Committee's permanent staff. In conjunction with the special staff, outside special counsel and the Staff Director of the Committee will have the following authority and responsibility: to supervise the gathering, organization, and assessment of pertinent information; to propose and participate in appropriate hearings; to represent the Committee before other departments or agencies of the government, including the courts; to prepare a report to the Committee on the basis of the information finally developed; and to suggest changes for the Committee's consideration in the Code of Official Conduct or in federal laws or regulations. In any investigation or hearings conducted pursuant to Section 4 of this Resolution and Committee Rules 9 and 10 of the Committee's Rules of Procedure, the special staff, under the direction of the outside special counsel and the Staff Director, shall exercise the responsibilities that otherwise would be performed by the Committee's permanent staff.

SEC. 6. The outside special counsel, the Staff Director and the special staff, in conducting any inquiries or investigations on behalf of the Committee pursuant to this resolution, will comprehensively and diligently pursue all information related to the subject matter of the inquiries and investigations authorized herein. The activities of both present and former Members of the House of Representatives may be included, to the extent relevant. Relevant evidence, whether testimonial or documentary, as well as information that may lead to the discovery of relevant evidence, will be sought by the outside special counsel, the Staff Director and the special staff, irrespective of the location, status, or office of the person who may be in possession of the evidence or information.

SEC. 7. Subpoenas and interrogatories may be issued, upon application by the special staff, in accordance with H. Res. 252, adopted February 9, 1977, and may be made returnable at the offices of the special staff. Depositions may be taken by any member of the committee at any place in the District of Columbia, or wherever the witness resides, transacts business or may be found, as directed in the subpoena. No subpoena shall be issued, or deposition or interrogatory taken, unless authorized by a majority of the members voting, a majority being present.

SEC. 8. In developing information through the inquiries referred to above, the Committee will cooperate with any other Committee of either House with jurisdiction over related matters.

SEC. 9. Upon the completion of any inquiries and investigations conducted pursuant to this resolution, the Committee shall report to the House of Representatives in accordance with H. Res. 252.

SEC. 10. The Chairman, in consultation with the outside special counsel, will promulgate procedures to protect against the unauthorized disclosure of confidential information obtained by the committee and the special staff.

THE HERMOSILLO DECLARATION ON NARCOTICS TRAFFICKING

The SPEAKER pro tempore (Mr. WRIGHT). Under a previous order of the House, the gentleman from New York (Mr. GILMAN) is recognized for 60 minutes.

Mr. GILMAN. Mr. Speaker, as a member of the congressional delegation that attended the 17th Mexico-United States Interparliamentary Conference held in Hermosillo, Sonora, Mexico, on May 26-31, 1977, a delegation that was led by the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT) and the distinguished Senator from Texas, Senator BENTSEN, I presented a paper on narcotics that stressed the need for Mexico and the United States to intensify their efforts to interdict drug trafficking and to eradicate the supply of opium production. In addressing our Mexican colleagues, I emphasized that heroin trafficking and opium production are not problems peculiar to the United States and to Mexico but are global problems requiring concerted action by the international community and noted that—

The deadly heroin that tortures the minds and debilitates the bodies of all mankind, especially the youth of the world, knows no

national boundaries. There is an urgent need for our two great nations and for all heroin producer and user nations to intensify efforts to eradicate from the international market this evil menace and to stamp out the corrupt criminal influences that is affecting all society.

My Mexican colleagues, the distinguished Deputies Enrique Ramirez y Ramirez and Victor Manzanilla, and my distinguished colleague from Texas, Mr. DE LA GARZA, enthusiastically responded to my remarks and provided the leadership that resulted in the adoption by the Conference of the Declaration of Hermosillo on Narcotics Trafficking at the International Level.

The Hermosillo Declaration "condemns without reservations of any kind, the illegal cultivation of all plants that may be used to obtain substances which, when employed in narcotics, cause grave and often irreparable damage to the people's health."

The declaration further states that—

It is the responsibility of the public institutions and competent authorities of our nations to become deeply involved, reinforce and extend to the utmost the fight against the cultivation, traffic, use and abuse of drugs, and to this end adopt all the legislative, judicial, political and economic measures that will lead to the eradication of this far-reaching problem.

We thus make a cordial and urgent appeal to all governments and peoples of the world to take a stand against narcotics traffic once and for all and to establish a system for international cooperation, essential for a decisive fight against an illegal and criminal activity that represents a degenerative threat to the culture of the nations of the world and to the general well-being of mankind.

We therefore recommend and demand that energetic, preventive, prosecuting and punitive measures be taken to discourage the cultivation of drug producing plants in order to suppress narcotics traffic.

Mr. Speaker, this declaration provides our two great nations with an opportunity to intensify our joint efforts in interdicting narcotics trafficking, in eradicating the supply of opium production and in stamping out the criminal elements in our societies whose sordid international business transactions are corrupting public officials and private citizens of all nations.

A joint communique, signed by the heads of the delegations of both Mexico and the United States, was also issued, stating that—

Both delegations, by the "Declaration of Hermosillo" manifested their irrevocable decision to cooperate with their respective governments in order to intensify and reinforce the fight against the growing, use and traffic of drugs and to this end adopt any legislative measures that may lead to the total erradication of this serious evil that is a scourge of humanity.

I applaud my distinguished colleagues from Mexico for taking the initiative in proposing the Hermosillo Declaration, especially since poppy cultivation is such a sensitive issue to the nation. As the prime supplier of illicit heroin entering the United States, much work between our two nations in fulfilling the declaration's objectives remains to be accomplished. The Hermosillo Declaration is a significant policy objective, but neither this Nation nor any nation can rely solely upon well-intentioned declarations or resolutions to stamp out heroin trafficking. We must do more than issue declarations and postage stamps deploring the evils of drug abuse. The international community must translate its well-intentioned words into constructive action. In this regard, I trust that this Nation's Federal law enforcement agencies and the State Department will implement the objectives of the Hermosillo Declaration by intensifying their efforts to cooperate not only with Mexico but with other nations in seeking to prevent heroin, the scourge of all mankind, from entering the bloodstreams of young people throughout the world.

Although an estimated 80 to 90 percent of all heroin in the United States originates in Mexico, there are recent reports of increased opium production from the Golden Triangle of Thailand, Laos, and Burma. Heroin addiction in Canada and Western Europe—largely from opium produced from the Golden Triangle—has reached epidemic proportions, and some opium producer nations, especially Thailand, are experiencing the devastating effects of increased heroin addiction within their societies.

The world's consciousness must be awakened and the horrors of drug abuse must be fully exposed if the "war on narcotics" is to be fought and won and the heroin peddlers incarcerated. Hopefully, the Hermosillo Declaration will contribute to this awakening process and hopefully, other nations will join Mexico and the United States in subscribing to the Declaration's principles.

Within the next few weeks, I expect to introduce a concurrent resolution, expressing the sense of the Congress in adopting the principles of the Hermosillo Declaration, and in this regard I would welcome the thoughts and support of my colleagues.

Mr. Speaker, in the interest of bringing to the attention of my colleagues the work of the 17th Mexico-United States Interparliamentary Conference as it relates to narcotics trafficking, I include the complete text of my statement, together with a copy of the Hermosillo Declaration in full at this point in the RECORD:

STATEMENT OF THE HONORABLE BENJAMIN A. GILMAN, MEMBER OF CONGRESS (26TH DISTRICT, NEW YORK) BEFORE THE 17TH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE HELD IN HERMOSILLO, SONORA, MEXICO, MAY 27, 1977

COMMITTEE I—POLITICAL AFFAIRS—TRAFFIC IN NARCOTICS

Mr. Chairman, distinguished legislators from Mexico and the United States, I welcome this opportunity to participate in the deliberations of the 17th Mexico-United States Interparliamentary Conference.

Last year, when this bilateral conference met in the United States, my colleague, the distinguished Chairman of the House Select Committee on Narcotics Abuse and Control, Congressman Lester Wolff, and I jointly stated that "One of the most critical issues confronting the bilateral relations between our great countries is the significant traffic of narcotics crossing our border."

While the unresolved problem of illicit drug trafficking continues to impact the relationship between our two nations, the level of cooperation between our countries has progressed. United States law enforcement officials have repeatedly expressed to me the excellent spirit of cooperation that exists between our nations, especially with regard to the Mexican poppy eradication program and border enforcement operations. United States helicopter pilots maintain that their Mexican counterparts, who perform dangerous herbicide spraying operations over rugged Mexican terrain, are the most capable spray pilots in the world.

Mr. Chairman, it would be a serious error to regard narcotics trafficking as a problem peculiar to the United States or to Mexico. To the contrary, this insidious business is a global problem requiring the concerted action by all of the members of the international community. The highly organized, heavily financed illicit drug industry is adversely affecting the minds and bodies of young people throughout the world, regardless of whether these citizens are from heroin producer or user nations, or from developed or less developed nations.

While eradicating the production and interdicting the traffic of illicit drugs is a difficult and frustrating task, it does provide our two great nations with an opportunity to undertake the initiative of exercising the leadership needed for awakening the consciousness of the global public to the dangers of drug abuse. Our joint, cooperative efforts could serve as a model in demonstrating to the international community that cooperative efforts can be effective in reducing the supply of heroin, the scourge of all mankind, in the international market.

All of us recognize, Mr. Chairman, that narcotics traffickers are part of international criminal syndicates whose tentacles reach into every facet of a nation's society, corrupting public officials and private citizens, undermining the administration of justice, and eventually destroying the decency, moral values and the very roots of that society. Organized crime is a highly sophisticated network whose merchants of death operate multibillion dollar international businesses and whose heroin sales in the United States are greater than the gross sales of 34 of the 50 largest corporations in the world. One sector of the international criminal community reportedly grosses $48 billion from narcotics, gambling, loan sharking, prostitution and other illicit activities. Legitimate businesses frequently serve as front organizations for the laundering of revenues from their illegal operations. Both of our nations have experienced the corruptive influences in government and in law enforcement of organized crime, thereby providing further persuasive reasons why our two nations should intensify their cooperative efforts in eradicating the production and trafficking of narcotics and in locking up the criminal engaged in that sordid business.

In the United States, narcotics trafficking amounts to an estimated $10 billion in annual sales and was the cause last year of approximately $17 billion in drug-related crimes. 800,000 Americans, mostly our youth, have become drug addicts and nearly 5,000 of them died last year from an overdose of drugs. During the early 1970's there were very few known, reported Mexican heroin addicts; in 1975, according to one high ranking Mexican official, the Mexican addict population was reportedly estimated in the range of 1,000 to 5,000, further illustrating that opium-producing nations are not immune or insulated from organized crime and the deadly effects of narcotics peddling.

In 1972, 38 percent of brown Mexican heroin entered the United States; today between 80 percent and 90 percent of the heroin being sold on the streets of the United States originates in Mexico, which has recently replaced Turkey as the main heroin supplier of the American market The wholesale price tag for Mexican heroin

last year was estimated to be between 1 to 2 billion dollars.

It has been recently reported that Southeast Asia, particularly the Golden Triangle of Thailand, Laos and Burma, is increasing its heroin production. Heroin addiction in Canada and Western Europe has reached epidemic proportions to such an extent that Canadian, British, French, and Dutch law enforcement officers have joined their colleagues in Thailand, a nation that has an addict population estimated between 300,000 and 600,000, in trying to eradicate opium production.

And reports from the Middle East indicate an increase of drug abuse and poppy cultivation with Iranian officials acknowledging a 1976 addict population of 400,000.

Mr. Chairman, distinguished colleagues, my point is obvious: narcotics trafficking and opium production is not limited just to our common borders. While we recognize that the narcotics issue is affecting our bilateral relations, at the same time we also recognize that this is not just a border problem, but is a global problem. The deadly herein that tortures the minds and debilitates the bodies of all mankind, especially the youth of the world, knows no national boundaries. There is an urgent need for our two great nations and for all heroin producer and user nations to intensify efforts to eradicate from the international market this evil menace and to stamp out the corrupt criminal influences that is affecting all society.

Both of our nations are spending substantial sums of money and utilizing massive amounts of manpower and equipment to curb narcotics trafficking and to eradicate the poppy fields. On May 17th, 1977, the U.S. House of Representatives overwhelmingly passed H.R. 5742, authorizing the expenditure of $645 million by the Drug Enforcement Administration over the next three years, including the hiring of 300 additional agents. Since 1970, the United States has provided Mexico approximately $39 million to help finance its anti-narcotics operations, and reports from our Mexican Embassy estimate that Mexico spent $37 million in 1975 for its narcotics control efforts, for which we are most grateful. Over the years scores of brave Mexican and American law enforcement officers have made the supreme sacrifice in the performance of their duties. Mexican federal prosecutors have initiated numerous prosecutions against heroin traffickers, and since December 1976, Mexican soldiers and federal narcotics agents have been involved in a nationwide effort to eradicate thousands of poppy fields.

The cooperation between our nations has paid off in substantial dividends. Peter Bensinger, the Administrator of the U.S. Drug Enforcement Administration, has lauded the cooperation of the Mexican Government (see Appendix A) and recently testified before the House Subcommittee on Health and the Environment that during one aspect of the Mexican eradication program in 1976:

"28,280 poppy fields (covering approximately 6,710 hectares) were destroyed. Had this crop been harvested, it could have produced approximately 78 tons of heroin (six percent pure). During Phase I of the 1977 program (from January 1 through April 10, 1977), 25,479 poppy fields (approximately 6,222 hectares) were destroyed. This combined crop ultimately could have resulted in the movement of 73 tons of six per cent-pure heroin to the United States."

I have been informed that if this 1976–77 production of 151 tons of heroin had entered the United States, the estimated street value would have been a staggering 12.6 billion dollars.

Last February, Mexican agents seized 300 pounds of pure cocaine and 11 pounds of high grade heroin worth an estimated street value of about $73 million.

Mr. Chairman, these successes are significant, but the "war on narcotics" is far from over. The multiple growing seasons for opium cultivation, the more than 1,000 clandestine airfields, the barren, rugged terrain along our common border, and the ease by which small smuggling vessels can enter our coastal waters undetected make the task of interdicting illicit drugs an extremely difficult, frustrating job.

As a member of the House Select Committee on Narcotics Abuse and Control, along with Chairman Wolff, and Representative J. Herbert Burke of Florida, the ranking minority member of the Select Committee, and Representatives Kika de la Garza of Texas, James H. Scheuer of New York, Glenn English of Oklahoma, and Cardiss Collins of Illinois, I recently inspected the 2,000 mile Mexican-American border from the San Ysidro port of entry in California to Brownsville, Texas, together with their neighboring Mexican ports and communities of Tijuana, Nogales, Ciudad Juarez and Metamoros. We saw at first-hand the complexity and difficulty of interdicting narcotics trafficking among the 165 million individuals and over 48 million vehicles that crossed our common border in 1976. (These statistics do not include the movement of planes and boats that unload their smuggled contraband onto our shores.)

U.S. law enforcement officials estimate that between 8 to 10 tons of heroin is being sold throughout the United States, which at a 6 percent purity level would amount to a street value of about 6.7 billion dollars. Only about 1,000 pounds (or one-half a ton) of heroin is seized annually before finding its way into the bloodstreams of our young people.

Border enforcement operations are also impeded by the smuggling of weapons and stolen vehicles into Mexico in exchange for drugs. These illicit operations have contributed to gang warfare and other acts of terror in Mexico for control over the drug market and other criminal activities.

Narcotics interdiction in Mexico is further complicated by the fact that Mexico has become a transshipment State for cocaine originating from Peru, Bolivia, Ecuador and Colombia. Although 301 kilos of cocaine either coming from Mexico or en route to Mexico were seized in 1976, the amount of cocaine transhipped through Mexico that was seized during the first four months of 1977 skyrocketed to 341 kilos.

We have made great strides in improving our enforcement effort but much more work needs to be done by our two nations if we are to eliminate narcotics trafficking and destroy the poppy fields. In this regard, I recommend to my distinguished colleagues at this interparliamentary session that our two nations continue to work together to induce Mexican farmers to substitute cash crops for opium poppies and to develop the techniques through which the United States could assist in this endeavor. An income substitution and incentive program would provide Mexican farmers with benefits to themselves and to the economies of both nations, and it would at the same time remove heroin from the international market. Such a program would not only supplement existing Mexican-American interdiction programs but would also help eliminate the poverty for many farmers and the temptations of easy money from organized crime.

The United Nations Fund for Drug Abuse Control (UNFDAC) devotes a considerable amount of its resources to crop substitution programs that could benefit Mexico.

Since the inception of UNFDAC in 1971, the United States has contributed $18 million (or nearly 80 percent) of the $23.6 million received from over 60 nations. Mexico, which is a member of the United Nations Commission on Narcotic Drugs, has not contributed to the Fund. Within the Latin American community, only Brazil and Chile have made token contributions. Mr. Chairman, no nation has the resources to single-handedly provide the funds and the equipment to interdict narcotics trafficking and to eradicate opium production. Only through cooperative efforts by producer and user nations will inroads against narcotics abuse be obtained. In this regard, Mexico has the opportunity to exercise its immense prestige throughout the world, and especially within the Western Hemisphere, to encourage our Latin American neighbors to contribute to UNFDAC, thereby providing an effective vehicle for waging "war" against the international criminal syndicates whose profits thrive on the misery of the addicted and whose corruptive influences undermine heroin producer and user nations alike.

The consciousness of the world's public must be awakened to the growing danger of drug abuse and to realize that cooperative global efforts are urgently needed in order to bring narcotics trafficking and production under control.

In this regard, I recently received a letter from Dr. J. G. deBeus, the Executive Director of UNFDAC, who stated that the Fund is attempting to cut off the supply of drugs at their source and to develop crop substitution and community development programs. He wrote:

"The Fund is now concentrating its efforts on the remaining producing countries and has, on the basis of experience, increasingly come to the conclusion that one cannot simply forbid the growing of opium poppy without offering the very poor poppy farmer an alternative, and if possible a better way of gaining his livelihood. This means that in practice our crop replacement programmes in South Asia—and the same may apply in future to coca replacement in Latin America—are more and more taking on a character of development aid."

He further stated:

"The most effective way of combatting this flow of drugs is to support the crop replacement and community development programmes aimed at replacing the production of these drugs by that of food and other useful products."

In April and May of this year, Norway and Sweden announced that they would provide funds for UNFDAC's crop substitution programs, Mr. Chairman, we are beginning to see that more and more nations are recognizing the need for international cooperative action to stem the flow of narcotics trafficking and opium cultivation. And here again, I would urge my colleagues from Mexico to support the UNFDAC programs, which could directly assist a proposed Mexican-American crop substitution program.

On November 20, 1976 our select Committee met with his Holiness Pope Paul VI who issued the following statement expressing concern with regard to Narcotics:

". . . the time has come to unite all the powers at our disposal, in order to put an end to this scourge that is such a real danger for the future of humanity." [For a complete text of the Pope's message see Appendix B.]

Finally, Mr. Chairman, I would like to bring to my colleagues attention the proposal initiated last year by President Luis Echeverria Lopez, to create a Mexican-American commission that would coordinate our bilateral efforts over the entire spectrum of drug abuse, including reducing the demand for narcotics. This proposal, which was suggested to President Echeverria by Congressman Wolff and myself when we visited Mexico in January of 1976, received the enthusiastic endorsement of President Gerald Ford.

Unfortunately, the proposal, to create two parallel commissions, has not been implemented, notwithstanding that its basic concept was endorsed by the Presidents of both Mexico and the United States and was recommended by our respective delegations at the 16th bilateral interparliamentary conference. On March 15th, 1976, in a speech before the Center for Inter-American Relations, my colleague, Congressman Lester Wolff, set the record straight regarding the extensive discussions that we had with President Echeverria on January 6, of last year. I am referring to his remarks as they appear in a report of the House Committee on International Relations, entitled *The Shifting Pattern of Narcotics Trafficking: Latin America,* Report of a Study Mission to Mexico, Costa Rica, Panama and Columbia (January 6–18, 1976, page 46) (emphasis added):

"Other than the use of herbicides, the most constructive option for narcotics control is the formation of a joint working force in Mexico and the U.S. . . . A permanent action-oriented working group coordinating the activities of two parallel commissions. The commissions would coordinate the narcotics regulatory, educational, rehabilitative and informational agencies. In these commissions we would focus all of our bilateral programs. The idea was proposed by President Echeverria in a meeting with Congressman Ben Gilman and myself on January 7, 1976.

". . . on Saturday evening, the President rejoined our discussion and moderated for a full 6 hours until 1:00 a.m. *The result was his endorsement of parallel commissions with a joint executive committee.*

"I am happy to inform you that I was able to receive a translation today of President Ford's secret letter to President Echeverria expressing our President's view of the proposal. President Ford states:

"I receive your initiative with pleasure and consider it a proposal of major importance."

In expressing the concern of the White House for these critical problems, Dr. Peter G. Bourne, Special Assistant to President Carter, has requested me to convey to our Mexican colleagues at this conference: "Congratulations for success in eradicating opium poppy cultivation and for the Mexican high level of commitment to the program. . . . Heroin trafficking affects both our countries. . . . It is important that we work together on this problem."

Within the context of close cooperation, Dr. Bournes notes that "one of our major policy thrusts is to emphasize the humane medical treatment of the victims of drug abuse worldwide," and he urges us to explore areas in drug treatment and rehabilitation where we could share our knowledge.

In commenting on the importance of adequate treatment and rehabilitation programs, Dr. Robert DuPont, Director of the National Institute on Drug Abuse stated:

"Treatment and rehabilitation programs are needed to take care of existing drug problem people. These programs should be incorporated in a national strategy and have uniform procedures and standards which can only be set from a Federal level. Treatment is also one of the best sources of information on the extent of the problem faced in a country. Further, a high-level coordinating body, usually established in legislation, is needed in most countries to set policies and coordinate the efforts of various agencies."

Under the leadership of two new administrations, President Jose Lopez Portillo and President Jimmy Carter, our two governments should intensify their efforts against an enemy that is corrupting both our societies. As Congressman Wolff and I stated last year with regard to the Echeverria proposal:

"Hopefully, the implementation of this agreement will bring an end to mere rhetoric and will launch a concrete action-oriented plan. The effectuation of this critical, joint working group must be brought about without any delay. The ultimate success of our combined endeavor lies in the coordination of the various plans of our two governments."

In Summary, Mr. Chairman, I respectfully request that my colleagues consider and adopt resoltuions endorsing the following:

1. Establish a joint Mexican-American commission to coordinate the anti-narcotics activities of our two countries, including . . . and I am quoting from President Echeverria's letter on narcotics cooperation to President Ford (see page 37 of the above cited Report by the House Committee on International Relations) . . . the proposing of "solutions that would enable our two governments to embark on new lines of action and expand the coordination of their efforts."

2. Provide income substitutes and other incentives to Mexican farmers to discourage poppy cultivation.

3. Explore techniques through which the United States can expand its assistance to Mexico's narcotics eradication program and provide increased Mexican support to assist the United States in more effectively patrolling our common borders and coastal harbors.

4. Encourage Mexico to support UNFDAC, particularly its crop substitution program.

5. Encourage the exchange of information and expertise between U.S. and Mexican public health officials in order to improve the treatment and rehabilitation of drug addicts.

Eradicating the production and interdicting the trafficking of illicit drugs, together with reducing the demand for these deadly products, constitute one aspect of a host of intricate issues that affect our bilateral relations. Friends and neighbors help one another in meeting difficult economic and social problems. I am aware of the many pressing issues that concern my colleagues from Mexico: the unreasonably high unemployment, a burgeoning population explosion, sharp poverty levels, trade and tariff problems, currency devaluation . . . to mention just a few issues that quickly come to mind. Our governments need to place Mexican-American relations in the broadest possible context free from compartmentalized discussion of important but isolated issues, and we need to explore ways (and in what areas) that both our nations can assist one another in a more effective manner.

Mr. Chairman, on behalf of my colleagues in the drug abuse field, I want to thank the people of Mexico and its distinguished President for their cooperation . . . for assisting us, a target nation of narcotics trafficking, in trying to stem the tide against the influence of organized crime and the narcotics peddlers of human destruction that affect both our nations.

APPENDIX A

U.S. DEPARTMENT OF JUSTICE,
DRUG ENFORCEMENT ADMINISTRATION,
Washington, D.C., May 24, 1977.

Hon. BENJAMIN A. GILMAN,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. GILMAN: I was sorry to hear that you did not receive my letter dated May 18, 1977, regarding your participation at the Mexico-United States Interparliamentary Conference.

As you know, the Drug Enforcement Administration has received excellent cooperation from the Mexican Government in jointly attacking the traffic of Brown Heroin into the United States. In fact, the fine cooperative relationship between our governmental authorities could serve as an example around the world. Not only have the Mexicans worked so closely with us in the eradication program but cooperation along the Mexican border has increased tremendously. Oscar Flores, Mexico's major drug law enforcement official, has done an outstanding job during his short tenure in office. I feel the most important aspect of our bilateral relationship with Mexico is this spirit of candidness and open cooperation, official to official, police officer to police officer.

My best wishes for a pleasant trip to Mexico and I look forward to seeing you upon your return.

Sincerely,

PETER B. BENSINGER,
Administrator.

APPENDIX B

PAPAL ENDORSEMENT OF ANTI-NARCOTIC EFFORT, NOVEMBER 20, 1976

We extend a cordial welcome to all of you who make up a United States Congressional Delegation on drug abuse and control.

Convinced as we are of the many deleterious effects of narcotics on society, we have on various occasions spoken on this topic. And today we wish to express our sincere encouragement of your efforts directed at the extirpation of drug abuse.

This reality of our day has truly ravaged society, and in particular our youth. At stake is the very question of human dignity. The problem is one of multiple human dimensions, in which the person is profoundly affected in the exercise of intellect and will, in the fulfillment of his or her true role as a human being, and finally in the attainment a high spiritual destiny.

For these reasons we willingly lend our support to the endeavors that are aimed at combating this evil and at providing those services that are so necessary for rehabilitation. Likewise deserving of attention are the important factors of prevention and timely education.

As the roots of the whole complex problem are studied, there emerges more clearly than ever the need for severe legal measures to be taken against those who traffic systematically in drugs for the sake of profit. We have already expressed the conviction that the narcotic problem would not exist "at least in its present proportion if there did not also exist a whole network of responsible conspirators: The clandestine producers and drug peddlers" (Address of December 18, 1972). and in our Bicentennial Message to the American Bishops we reiterated the "hope that immense forces of good would exert pressure against the unworthy activities of those who are greatly responsible for the corruption of youth" (AAS 68, 1976, p. 413).

Of supreme importance is the mobilization of public opinion, coupled with the wide diffusion of accurate information on the many ramifications of drug abuse. The time has come to unite all the powers at our disposal, in order to put an end to this scourge that is such a real danger for the future of humanity.

We hope that you will be able ever more effectively to coordinate your efforts with those being made outside your own country. May the combined forces of the international community of this generation be remembered as history records the incessant struggle for true human dignity.

And because we know that human efforts are insufficient in themselves, we ask Almighty God to bestow his light and strength on you and on all who are working for this great cause.

DECLARATION OF HERMOSILLO ON COMBATING TRAFFIC IN DRUGS AT THE INTERNATIONAL LEVEL

Whereas: The legislators of the United States and Mexico attending the Seventeenth Interparliamentary Meeting held in Hermosillo, Sonora, have made a detailed study of the circumstances directly fostering the growing illicit traffic in narcotics between our two countries and on the world level, as well as of the historical events that have in-

clined large sectors of the population to the use of such drugs, as a result of our deliberations, and as the legitimate direct representatives of our two peoples, we hereby

Declare: It is the will of the peoples and governments of the United States and Mexico to:

Energetically and definitively condemn, without reservations of any kind, the illegal cultivation of all plants that may be used to obtain substances which, when employed as narcotics, cause grave and often irreparable damage to people's health;

Tenaciously and untiringly prosecute by every posslibe means—within the context of our respective countries' Constitutions and laws—the traffic in such drugs both within and across our borders, and establish effective and far-reaching cooperation to that end among the authorized agencies of our two governments as well as among non-governmental institutions and civic groups.

We further declare that in addition to the economic conditions leading to the increased consumption production and traffic in drugs in the United States of America and in Mexico, events and situations have occurred throughout the world since the beginning of the 20th Century that have resulted in the creation of an atmosphere of skepticism, discouragement and apprehension. This in turn has fostered the large-scale use and abuse of narcotic drugs by large numbers of our populations and particularly by young people; the inhuman traffic in such substances is mainly handled by organized crime.

The world's youth, dismayed and apprehensive because of the successive world, regional and local wars in this century; the threat of nuclear warfare; the deterioration of living conditions; social insecurity; unemployment; discrimination of various types, and the lowering of educational and cultural levels, has been tempted to respond to this situation by seeking means of escape in a flight from hostile reality, and to lose faith in life and in their own destiny. All this has made them easy prey to the proliferating drug addiction and other serious deviations and vices that afflict humanity in our times.

Drug traffic and the illegal sale of narcotics are particularly harmful to certain regions of the world but are not exclusive problems of any one country or social-political regime. Heroin and other harmful drugs do not respect boundaries and attack or threaten to a greater or lesser degree every nation and especially the youth of all countries.

For these reasons, both Mexican and U.S. legislators, faithfully interpreting our feelings, our concern and the most fervent desire of our peoples declare that it is the responsibility of the public institutions and competent authorities of our nations to become deeply involved, reinforce and extend to the utmost the fight against the cultivation, traffic, use and abuse of drugs, and to this end adopt all the legislative, judicial, political and economic measures that will lead to the eradication of this far-reaching problem.

We thus make a cordial and urgent appeal to all governments and peoples of the world to take a stand against narcotics traffic once and for all and to establish a system for international cooperation, essential for a decisive fight against an illegal and criminal activity that represents a degenerative threat to the culture of the nations of the world and to the general wellbeing of mankind.

We therefore recommend and demand that energetic, preventive, prosecuting and punitive measures be taken to discourage the cultivation of drug producing plants in order to suppress narcotics traffic. But at the same time we draw your attention to a historic need for offering our youth, faced with the threatening specter of wars, nuclear extermination, unemployment, oppression, social injustice and the denial of freedom and opportunities for progress and a productive life, a firm alternative of peace, jobs, creativity, justice and freedom that presents a vital new perspective and new horizons for human fulfillment, so that youth, reconciled by the promise of a dignified, vigorous and just life, will turn its back on demoralization and moral disintegration, which lead to drug addiction and other self-destructing habits of mankind.

The U.S. and Mexican legislators hereby subscribe to this Declaration of Hermosillo to salvage the morality, health and the joy of living of our peoples.

HERMOSILLO, SON., *May 28, 1977.*

SEVENTEETH UNITED STATES-MEXICAN INTERPARLIAMENTARY MEETING HELD IN HERMOSILLO, SONORA, MEXICO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. DE LA GARZA) is recognized for 15 minutes.

Mr. DE LA GARZA. Mr. Speaker, very briefly, I will take part of this time to advise the Members of the House that we have just returned from the 17th United States-Mexican Interparliamentary Meeting, which was held in Hermosillo, Sonora, which is a State on the west coast of Mexico.

At that meeting we discussed, as we do yearly—meeting one year in Mexico and the next year in the United States—matters of mutual concern and problems affecting our two countries. We discussed several matters that have presented problems in the past, and let me say that we are proud that solutions have been reached between the two countries in several areas.

At this last meeting, Mr. Speaker, I think the culminating point and the most important result—aside from the fact that the two countries meet and that we can discuss our problems in a friendly and frank manner—was the joint declaration of the two delegations meeting at Hermosillo on the subject of combating traffic in drugs at the international level.

Mr. Speaker, at this point I include in the RECORD the Declaration of Hermosillo on Combating Traffic in Drugs at the International Level, as follows:

DECLARATION OF HERMOSILLO ON COMBATING TRAFFIC IN DRUGS AT THE INTERNATIONAL LEVEL

Whereas: The legislators of the United States and Mexico attending the Seventeenth Interparliamentary Meeting held in Hermosillo, Sonora, have made a detailed study of the circumstances directly fostering the growing illicit traffic in narcotics between our two countries and on the world level, as well as of the historical events that have inclined large sectors of the population to the use of such drugs, as a result of our deliberations, and as the legitimate direct representatives of our two peoples, we hereby

Declare: It is the will of the peoples and governments of the United States and Mexico to:

Energetically and definitively condemn, without reservations of any kind, the illegal cultivation of all plants that may be used to obtain substances which, when empoyed as narcotics, cause grave and often irreparable damage to people's health;

Tenaciously and untiringly prosecute by every possible means—within the context of our respective countries' Constitutions and laws—the traffic in such drugs both within and across our borders, and establish effective and far-reaching cooperation to that end among the authorized agencies of our two governments as well as among non-governmental institutions and civic groups.

We further declare that in addition to the economic conditions leading to the increased consumption production and traffic in drugs in the United States of America and in Mexico, events and situations have occurred throughout the world since the beginning of the 20th Century that have resulted in the creation of an atmosphere of skepticism, discouragement and apprehension. This in turn has fostered the large-scale use and abuse of narcotic drugs by large numbers of our populations and particularly by young people; the inhuman traffic in such substances is mainly handled by organized crime.

The world's youth, dismayed and apprehensive because of the successive world, regional and local wars in this century; the threat of nuclear warfare; the deterioration of living conditions; social insecurity; unemployment; discrimination of various types, and the lowering of educational and cultural levels, has been tempted to respond to this situation by seeking means of escape in a flight from hostile reality, and to lose faith in life and in their own destiny. All this has made them easy prey to the proliferating drug addiction and other serious deviations and vices that afflict humanity in our times.

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For these reasons, both Mexican and U.S. legislators, faithfully interpreting our feelings, our concern and the most fervent desire of our peoples declare that it is the responsibility of the public institutions and competent authorities of our nations to become deeply involved, reinforce and extend to the utmost the fight against the cultivation, traffic, use and abuse of drugs, and to this end adopt all the legislative, judicial, political and economic measures that will lead to the eradication of this far-reaching problem.

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The U.S. and Mexican legislators hereby subscribe to this Declaration of Hermosillo to salvage the morality, health and the joy of living of our peoples.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from New York.

Mr. WOLFF. Mr. Speaker, I thank the gentleman for yielding.

First, let me say as chairman of the Select Committee on Narcotics Abuse and Control that our very distinguished member of that committee, the gentleman from Texas (Mr. DE LA GARZA), who was instrumental in getting this joint declaration approved, is due the gratitude of the entire Nation for his efforts in achieving this objective.

This is a very significant step forward in our fight against illegal narcotics coming into the United States. Recently we were made aware of the fact through various intelligence sources that some 75 percent of all the illegal heroin coming into the United States has its origin in Mexico, but as a result of the cooperation that the Mexican Government is now giving, we are making very important strides in cutting back on the amount of drugs coming in from Mexico.

I must say as well that the gentleman from Texas (Mr. DE LA GARZA) has achieved another step forward in this fight against this scourge that has plagued our Nation through this joint declaration, looking toward increased cooperation and looking toward working very closely with the new Government that has been installed in Mexico, and, more importantly, working on a joint basis with the Mexican parliamentary body.

Mr. Speaker, I wish to say publicly that the select committee is very proud of the job that the gentleman from Texas (Mr. DE LA GARZA) and the gentleman from New York (Mr. GILMAN) did in accomplishing this objective and working toward this joint declaration reached at Hermosillo.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman from New York (Mr. WOLFF).

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague's yielding.

I want to compliment Mr. DE LA GARZA and the gentleman from Texas (Mr. WRIGHT) for the leadership that they gave our delegation to Mexico. They especially made sure that the issues which we felt as a parliamentary body were important to the Nation were given an adequate hearing in the three different groups which were formed to provide for discussion on these issues.

As the gentleman knows, the problem of a so-called unchartered or undocumented workers continues to be raised in many committees of the Congress. The President of Mexico himself addressed the issue in remarks that he made to our U.S. delegation at the Presidential palace; and it was because of the leadership of the gentleman from Texas (Mr. DE LA GARZA) and of the majority leader, the gentleman from Texas (Mr. WRIGHT), that we were allowed the full time to debate the issues and that we were able to come to the resolution which the gentleman is submitting to the House now. Thereby we were given a chance to make sure that our point of view was given full consideration.

Additionally, Mr. Speaker, my colleague, the gentleman from New York (Mr. GILMAN), was able to provide a complete analysis of the problem of American prisoners in Mexican prisons. I wish to express my appreciation for the leadership that was provided by our two colleagues from Texas on this issue.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman from California (Mr. ROUSSELOT).

Mr. Speaker, I must, in all honesty, admit that the leadership of our distinguished colleague, the gentleman from New York (Mr. WOLFF), the chairman of the Select Committee on Narcotics Abuse and Control, initiated what we hope is the end resolution of the legislative body on behalf of the executive branch, and now we will continue to implement it. However, it was the gentlemen from New York (Messrs. WOLFF and GILMAN) who initially had the first contact, as Members of this legislative body, with the Government of Mexico, with the President of Mexico, and former President of Mexico; and as has been mentioned before, the gentleman from New York (Mr. GILMAN) made a masterful presentation at this meeting that set the tone which gave us the background to come forward with this declaration which I consider to be one of the most important declarations ever given by the legislative branches of the Government of Mexico and of the United States.

With that, Mr. Speaker, I wish to add a personal note to what my colleague, the gentleman from California (Mr. ROUSSELOT), stated. I, too, am grateful for the excellent leadership afforded by the leader of our delegation, the gentleman from Texas (Mr. WRIGHT), and on behalf of the other body, by the Honorable LLOYD BENTSEN, who led the other body's delegation.

With that, Mr. Speaker, I thank my colleagues for these few moments.

Mr. BURKE of Florida. Mr. Speaker, I thank the gentleman for yielding. I wish to associate myself with his remarks and to support the Hermosillo Declaration on Narcotics Trafficking at the International Level.

As a delegate to the 17th Mexico-United States Interparliamentary Conference, I was pleased to participate in these important deliberations in the committee I served on with Mr. DE LA GARZA and Mr. GILMAN. I commend the delegates from Mexico and especially the distinguished Deputies, Enrique Ramirez y Ramirez and Victor Manzanilla, and the distinguished gentleman from New York (Mr. GILMAN) and the distinguished gentleman from Texas (Mr. DE LA GARZA) for their active leadership which resulted in the adoption of the Hermosillo Declaration on Narcotic Control and Abuse.

As the ranking minority member of the Select Committee on Narcotics Abuse and Control I was happy to be able to participate in the discussions in Hermosillo. Recently I inspected with Mr. GILMAN and Mr. DE LA GARZA the 2,000 mile Southwest border from San Ysidro, Calif., to Brownsville, Tex., where we saw first-hand the enormous difficulties that the Mexican and American law enforcement officials encounter in their daily attempts to interdict narcotics trafficking and to eradicate the heavy illicit supply of heroin that continually crosses our common border.

When placed in the context of these difficulties and the complexities of narcotics interdiction and eradication, the Hermosillo Declaration becomes an important policy objective, for it strongly indicates the awareness by Mexico of the necessity for us to eradicate the cultivation of poppies growing within its borders and the deadly opium coming into the United States which is estimated as 80 to 90 percent of all the heroin entering this country. Our Nation, in turn, has the opportunity to become more sensitive to the domestic and social needs of our southern neighbor. The Hermosillo Declaration, not only symbolizes the friendship that exists between our two nations, but also provides an opportunity for us to exercise our joint resources in interdicting narcotics trafficking and eradicating the supply of opium production.

I thank my colleagues who participated with me; in the Mexican Conference and their interest in stopping the illegal narcotics trafficking between our two nations. I especially congratulate Mr. GILMAN for his participation at the 17th Mexican-American Interparliamentary Conference and for his outstanding contribution and work as a member of the Select Committee on Narcotics Abuse and Control in working to halt this dangerous threat to our way of life—and that of the free world.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE SUPREME COURT AND DISCRIMINATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALKER) is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, in the Washington Post of June 6, 1977, noted columnist William Raspberry discusses the direction the Supreme Court seems to be taking in its rulings on cases involving "affirmative action" and discrimination. I want to share this column with you and my distinguished colleagues.

If Mr. Raspberry's assessment of the Court's direction is correct, it will mean a return to a more meaningful treatment of individuals on their own merits rather than treating people as components of a group. There is no more noble cause than civil rights and guaranteeing equal op-

portunity for all, but the concentration by some people in Government and in the courts on the protection and/or advancement of some groups has created a situation where the rights of other individuals may have been subverted. A more individualistic approach by the Supreme Court will continue to allow relief for the wronged, but it will not have the sweeping effect of past rulings.

In closing, I call to my colleagues' attention Mr. Raspberry's comments on the cases of two overweight medical students. Mr. Raspberry's explanation of the circumstances in these cases clearly highlights the issue I have been discussing.

Mr. Raspberry's article follows:

[From the Washington Post, June 6, 1977]

A NEW DIRECTION IN DISCRIMINATION RULINGS?

(By William Raspberry)

I'm not sure I understand what the U.S. Supreme Court meant when it said, in a 7-2 ruling last Tuesday, that seniority systems which perpetuate racial discrimination are constitutionally acceptable.

But I do think I perceive a pattern in the court's rulings in the whole area of affirmative action, and it is this: (1) that remedies for discriminatory actions must not be imposed at the expense of those who had no hand in the discrimination—even if they benefited from it, and (2) that discrimination is remediable only for individual victims, not for groups.

Whether this is in fact where the court is headed will become a good deal clearer after it rules on the Bakke "reverse discrimination" case involving the University of California Medical School at Davis.

Last week's ruling held that a seniority system which tends to perpetuate discrimination that took place prior to the 1964 Civil Rights Act is constitutional, so long as it does not deliberately foster discrimination. The question, said the court, is whether the intent is to discriminate. Presumably it is up to the victim to prove intent.

The decision ran counter to the unanimous position of six federal appellate courts that have considered the question of seniority lists that favor white employees hired during periods when minority applicants were denied jobs on racial grounds.

The court did reaffirm its holding of March 1976, that it is proper to grant retroactive seniority to persons who can show they would have been hired earlier but for discrimination. But again, that speaks to individuals only.

Statistical evidence of discrimination, the court seems to be saying, is admissable only for purposes of establishing the fact of discrimination against individuals. Group remedies, the virtual heart of affirmative action programs, appear to be a thing of the past, particularly if the remedies work a disadvantage on "innocent" beneficiaries of past discrimination.

There may be a rough analogy in the cases of two female medical students, one black and one white, who were dismissed from their medical schools for reasons of personal appearance, including obesity. One of those cases, that of Charlotte Horowitz, is now pending before the Supreme Court.

Without getting into the merits of the two dismissals, it is a fact that neither student proposed a statistical study to determine the percentage of fat women in the population in order to see whether they are fairly represented in professional schools.

And although fat girls are likely to be the offspring of overweight parents, who may also have been discriminated against, no one has proposed that the cumulative effects of generations of obesity should be compensated for now.

Both women are claiming discrimination against them—and are demanding remedial action for them—as individuals.

But anti-fat discrimination has not been the problem in America that race and sex discrimination have been. Further, obesity, unlike color or gender, is frequently an alterable condition.

Still, it seems to be the mindset of the court that while victims of discrimination may constitute a group (blacks, females, or unkempt overweights), remedies must be for individuals.

There are difficulties with last week's seniority decision, even in the case of individual workers. As Justice Marshall wrote in a dissent, in which he was joined by Justice Brennan:

"The Court holds, in essence, that while after 1965 (when the Civil Rights Act was passed) these incumbent employees are entitled to an equal opportunity to advance to more desirable jobs, to take advantage of that opportunity they must pay a price: They must surrender the seniority they have accumulated in their old jobs.

"For many, the price will be too high, and they will be locked into their previous positions. This equal opportunity will remain a distant dream for all incumbent employees."

THE UNDIPLOMATIC MR. YOUNG'S ASTOUNDING MALAPROPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. BROOMFIELD) is recognized for 5 minutes.

Mr. BROOMFIELD. Mr. Speaker, if a person preoccupied with obsessions of race is a "racist," the undiplomatic Mr. Andrew Young should certainly qualify as an authority on the subject.

He appears to be so consumed in his own obsession that he has become paranoid that everyone else suffers one complexion or another of his own malady.

Recently our Ambassador to the United Nations and former colleague of the House, Andy Young, charged that President Ford was a "racist." In a hearing before the International Relations Committee today, the Ambassador redefined racist as an "insensitivity to cultural differences"—an insensitivity that he believed has created great difficulties for the United States in dealing with nonwhite problems throughout the world.

These kinds of redefinitions, which have been occurring with some frequency within the new administration, are of great concern to me. Most of us believe—along with Webster's Dictionary—that the word "racist" implies that one possesses a belief that race is a primary determinant of human traits and capacities and that racial differences produce an inherent superiority of a particular race.

Because I believe that most of us are more aware of this definition of racist, than Mr. Young's redefinition, which was put forth before our committee today, I am deeply disturbed. Characterizing President Ford as a racist is an insult to a great man and to the vast majority of the American people. Those of us who served in Congress with Jerry Ford know that he is above all a decent and unprejudiced person. These loosely defined statements are detrimental not only to one's personal integrity but also to the American people and our bipartisan foreign policy. That Mr. Young has gone on to describe the past four Presidents of the United States as his idea of practicing "racists" may help to put his remarks into perspective, but they are hardly befitting the spokesman for the United States in the Assembly of the United Nations.

Defining the human factors in our foreign policy is not—as the new administration is finding out—an easy one. In particular, sensitivity to the human factors in diplomacy has assumed increasing importance in light of the administration's emphasis upon international human rights. Moreover, this emphasis has taken on additional significance as our Ambassador to the United Nations continues to work with the leaders of the Third World and in particular, the nations of Africa. Defining the policy, let alone the terms "human rights" and "racism" can be exceedingly difficult as the President is realizing.

The frequency of such loosely defined and sweeping statements as Ambassador Young's statements, which in fact cannot always be agreed upon by top spokesmen in the administration, are of great concern to me and are detrimental to the creation of a strong, bipartisan foreign policy.

I believe that if we are to establish a concrete and credible American foreign policy, we must attempt to maintain a sense of decency and consistency in the kind of definitions and policies that we Americans are espousing and speak in terms that are understood by all.

CANADA AND THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, from May 27 to the 31st, the Canada-United States Inter-Parliamentary Group held its 18th meeting in Victoria, British Columbia. As cochairman of the U.S. delegation, I am pleased to report to the House that this particular meeting was exceptionally productive. We frankly discussed a wide range of issues and also made significant strides toward making the interparliamentary group a more effective instrument for promoting understanding between our nations.

A significant innovation at this year's session was the decision to begin our meetings with a substantive speech by a member of the delegation from the host country. The Honorable Martin O'Connell, Member of Parliament, and cochairman of the Canadian delegation, set a high standard for such speeches in his opening remarks on May 28.

In his remarks, Mr. O'Connell spoke candidly and eloquently of the present domestic situation in Canada and its possible impact on relations between our two countries. In addition, he forth-

rightly discussed a number of bilateral issues between our two countries and stressed the excellent working relationship between the executive branches of both countries in working out problems of mutual interest. Mr. O'Connell, however, raised a significant question about the adequacy of our institutions, and particularly in the Congress, to take into account, in our day-to-day legislative decisions, the mutual commitment of our countries to the continued development of good relations.

Mr. Speaker, Mr. O'Connell's speech is a major statement of United States-Canadian relations. Its message is especially directed to Members of Congress and I commend the speech, in its entirety, to the attention of the House:

REMARKS OF HON. MARTIN O'CONNELL, M.P., COCHAIRMAN, CANADIAN SECTION, CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP 18TH ANNUAL MEETING

It is an innovation in our meetings that we begin this year with a broad statement by a member of each delegation of the domestic situation in each country and the state of the relationship between our two countries. We welcome this because it gives us an opportunity to get an overview of what is happening which we may miss if we go at once into three committees and then report back to a plenary session the findings of each particular committee. So I will try to assess our domestic situation as it may affect relationships between Canada and the United States. I will also highlight certain bilateral issues, and then comment on the adequacy of the means we as Parliamentarians and Congressmen have to consult each other prior to actions being taken which impact the other country without due consideration of the other's interests. Do we have an early warning system at our level; that is, the non-executive level—the level of Congress and Parliament?

In Canada, a number of stresses have been building up for a decade and have now come to a head simultaneously. Changes in population growth; a dynamic economic development in the west; a relative decline and weakening of the industrial heartland in Ontario and Quebec, and a profound social revolution now some 15 years old in Quebec (the so-called quiet revolution), all of these developments have eroded the old national consensus. We face a series of severe challenges to the status quo and I suspect that we will have to make some significant changes in our federal structure and in our economy if we are to emerge with our unity confirmed.

The most dramatic and therefore newsworthy of the challenges to our federation was the election last November in Quebec of a party committed to separating that province from Canada. The Parti Québecois muted its objective of separation by offering, if elected, to proceed to independence in two stages. First, it would hold a referendum on the question of separation, and secondly, only if that mandate were confirmed would it take direct steps to try to achieve independence. This device for allaying the fears of a majority of the Quebec electorate of a separation of Quebec from Canada, together with a strong and widespread resentment against the former government of the province, combined with support for independence among perhaps one-quarter of the Quebec electorate to allow the election of the Parti Québecois with a strong majority. As friends of Canada, you have an obvious and legitimate interest in what has come to be called the national unity issue in our country.

It would be comforting for me to be able to say that, if seen in its proper perspective, there is little to be concerned about in the longer view. But this is not so. Even if one admits that all federations, yours as well as ours, generate jurisdictional frictions as well as regional tensions and difficulties; and even if one concludes that Quebeckers were basically voting only for good government, or against bad government, and not in favour of separation; and even if one accepts that the great majority, not only of Quebeckers but of all Canadians, are strongly committed to national unity and, finally, even if we confirm that we have both the commitment and the flexibility to solve our problems in a way that maintains Canada as a single federal country—even if we accept all this, we are still left with the realization that we face the most fundamental crisis in our history.

That which helps make this crisis so fundamental is the simultaneous convergence of basic economic, politcial and cultural factors. Not only, therefore, are we in Canada bound to be preoccupied with these Challenges; but also the measures we may feel obliged to take, not least to cope with the economic aspects of these problems, will likely influence relationships between our two countries. This is so because our economies are so directly related to each other in terms of trade, in terms of investment, in terms of technological dependency, and in terms of parent subsidiary relationships more pervasive than in any other country of the world. We may be led to take decisions some Americans may not like. For this reason we need a better early warning system. And I hope you will make an effort to understand the critical conditions in our country which make adjustments necessary. You may find adjustments throughout the range of our economic relations; in technology transfer, in tariffs that inhibit the further processing of primary products in the west and in central Canada to cite only two examples. You may find our adjustments for example in a range of cultural questions that arise because of our desire to reinforce a sense of national identity; for example, in measures we have taken in Canadian radio and television programming. I know that some of you have felt certain measures to be directed against the United States. This is not our intention.

I can only ask you to understand that the objective of these measures is to reinforce a sense of unity and identity in our country. We work at it. And we think you believe that these are important objectives for the United States as well as for us. We do ask you, therefore, to understand that we may indeed be on the threshold of going through internal changes in our political constitution and the way our economy works more profound than have affected our country since Confederation. I know that, for our part, we will be trying to find a balance between essential accommodation of the internal pressures in the economy, in political and in cultural matters, and our desire to maintain at the same time an open market and the closest possible relationship with the United States of a kind that preserves the foundations of that relationship.

Let me now give you a few examples of problems that have been resolved in an ideal way, thus illustrating both the closeness of our association and our willingness and ability to take each other's interests into account.

Perhaps the best recent example is Canada's decision to provide additional gas supplies and energy to the United States last winter when you met an unanticipated and severe cold spell. This decision was not bargained against some other objective or some other issue. It was not linked. We did not treat our gas as a "bargaining chip" to use a term employed a couple of times in a recent Senate debate. It was the appropriate thing to do and was dealt with on its own merits and in its own context.

Of a different order, we in Canada have been pleased indeed with the manner in which the United States in dealing with the Garrison Diversion Project in North Dakota. This was a project that Canadians feared would have damaging ecological effects in Manitoba. You took our concerns into account on their merits, and in their own setting. We did not link them into a multi-issue deal in which one objective was dealt off against another.

One can point to former irritants that now are fading into the background as understanding emerges of the objectives sought and of the manner of operating a new policy. For example, I believe that our Foreign Investment Review Act has ceased to cause you concern. Is it now true also that misunderstandings that arose when we felt obliged to cut back oil are subsiding. You no doubt perceive that Canada took reasonable measures to protect its own legitimate interests in an energy crisis and at a time when we realized our reserves were rapidly diminishing and were very much smaller than they were thought to be only a few years ago. We observe the strenuous efforts you are making to conserve energy supplies, and we believe that you are acting in your best interests and that both of us do so in ways that avoid taking advantage of each other's predicament.

These are examples of a rational discipline exercised in each country as it translates domestic pressures and interests into policies that can profoundly affect the other. A rational discipline of this kind is based necessarily on close communications and a willingness, indeed a desire, to take into account the interests and needs of the other, and to do this with each issue viewed in its own context. It is based on mutual trust.

I feel that is the spirit in which we begin our three days of meetings. Consider for a moment a few agenda items. There is the intricate question of establishing boundaries on the oceans where our respective extended jurisdictions will meet for the first time as the result of decisions taken by our two countries to declare a 200-mile economic zone outward from our shores. This entails much negotiating, government to government, and much understanding on the part of Parliamentarians and Congressmen. There is the question of raising the tolls on the St. Lawrence Seaway, a matter we deem urgent though we recognize your differing attitudes and needs. There is the question of protecting the environment, both in the air and in the water, and the problems we believe we may encounter with an oil tanker route from Alaska to the northern States. On your part, we know you have serious concerns about Canadian drilling in the Beaufort Sea and we each have concerns about the potential pollution of flooding that may be caused in the many rivers that cross our borders; the Flathead River, the Skagit and the Richelieu, to mention a few.

If I were to highlight a current and even urgent issue which may be a friction issue, though hopefully not, I would choose the problem of bringing your oil and gas from the Arctic to southern markets. Your requirements do enter into our decisions, and their timing. For our part, we ask you to recognize that the exploitation of oil and gas in Canada's far north and in Alaska has substantially different social and economic implications. For example, you have found enormous quantities of oil and gas in Alaska and believe that there are equally large fields not yet identified. By contrast, the total amount of gas discovered and proven in Canada's Mackenzie Delta is small. It amounts to less than the discovery of new gas in each of the last three

years in Alberta alone. Nor have we found oil in commercially viable quantities in the Mackenzie Delta. Accordingly, with the currently high rates of discovery of gas in Alberta we have, in Canada's temperate zone, at least 25 years of gas supply at current rates of consumption, even if we maintain our present level of exports to the United States. Yet we do want to give full consideration to your needs, to get your oil and gas to your markets, possibly overland through Canada.

Another difference relates to the situation regarding native claims in the north; you have settled but we have not. The Canadian public is sensitive to native claims. It wants justice done here, not only with respect to land claims but also with respect to the social as well as environmental and ecological impacts of a massive industrial project like a pipeline.

And finally, the north, because it is so large in relation to southern Canada plays, I venture to say, a more central part in Canadian politics than I presume Alaska may do in the United States. The time of our north has come.

All this is to say that our perception of the urgency of piping our arctic gas southward is different from yours. At the same time, and I reiterate, as a good neighbour we cannot fail to be concerned about your urgent requirements. Prime Minister Trudeau has assured President Carter that we will try to make our decision within the time frame laid down by Congress so that your President can take that decision into account when he makes his decision. But this is not going to be easy for us. We await our National Energy Board report two months hence and have just now received the report of the Berger Commission recommending a ten-year moratorium before a Mackenzie Valley pipeline would be built, if at all. It will not be easy. The impact of what we decide to do will have major significance for the whole of our country.

I think it is fair to state that in general our relations at the highest levels have not been better for over a decade. Our Prime Minister and your new President have met both in Washington and at the recent summit conference in London. They apparently hit it off well together and each has made it clear that he attaches personal importance to maintaining good relations. President Carter has been continuing the good work undertaken by President Ford. To improve even further the excellent relationships between our two governments or administrations, we ourselves have just established in our external affairs department a new bureau to deal exclusively with Canada and United States relations not only with respect to bilateral questions but also with respect to world problems.

But there is also Congress with its own initiatives in legislation and its strong role in foreign affairs, answering to its constituency in a way that, because of our different parliamentary system, we do not. You may, for example, go along with your administration or you may not go along with it. Our Parliament does go along or if it can't, we have an election and we get a new administration and a new Parliament that will work together. I raise this because I think we ought to put on the table a question I feel is worth raising in the context of the relationship between our two countries as it may be influenced by Congress acting on its own with or without initiatives by the Administration.

It is more difficult for us to characterize Congress's perception of Canada than is the case when we consider your administration perception of Canada. I say this without wanting in the least to give offence. Let me ask, is it fair to say that there is not the same ongoing commitment—is it possible indeed to have the same operational commitment, on the part of Congress, to the development of good relations with Canada as is maintained by United States administrations?

If this is so, is it so, in part, because Congress by its very nature finds it difficult to develop a unified policy? I think in Parliament we would find it very difficult to do so. Each of you must respond to the pressures within his own district or state, and it is usually, one presumes, only when problems arise in one part or another of the country in relation to Canada that you find yourself pressed to take a position.

Let me illustrate with two recent issues involving Congress which seem typical of the process to which I refer. One was the unanimous resolution to the two Houses of Congress condemning the practice of harvesting baby seal pelts in Canada; and the other concerns the decision of Congress to modify the tax regulations regarding the treatment of convention expenses. This latter decision was probably taken without much thought of its impact in Canada. Yet by mid-April of this year, we calculated that it had already cost us $24 million in cancelled U.S. convention business. Multiply this by three, which is the normal calculation of other dollars spent by delegates, and you have a $75 million loss in the first quarter. The estimated loss for the whole year is between $100 and $200 million and may be greater because many of these associations are North American in their membership and Canadians find it important to attend whether they are held in Canada or in the United States. So they will continue to attend the conventions, but now they will be held in the United States, and this at a time when the balance of spending by tourists is already some one half billion dollars in your favour.

This is one aspect of the question I am raising; that is, the difficulty of consultation when the action taken is Congressional action. We do not seem to have appropriate mechanisms equivalent in some way to those that we have when the decisions are taken by our respective administrations.

Having once taken your decision on conventions, it becomes difficult to reverse it or to make an exception for Canada. So, when Canada authorities raise the issue, it is suggested that we have to pay for some exceptions by making some change in one of our laws or regulations to which you find objection.

For the moment, some United States leaders seem to have fixed on a Canadian law concerning the treatment of advertising expenses for U.S. broadcasting stations which have in the past profited from selling advertising in Canada. It is suggested that both are tax measures and that they may therefore be compared, although otherwise they have nothing in common.

Let me suggest that this is a bargaining game that neither of us can win. For two countries with so many relationships, there is no end to the linkages which could be made.

We have always felt that each issue should be examined on its own merits and that we have enough respect and trust in each other to be able to do this. That in fact seems to be the normal course we do take when resolving issues between us. This then is the second aspect of the question I wanted to raise: that is, not viewing each issue solely in its own context but moving it into a context where it is related to issues and thus where difficulties spill over into each other and indeed cause problems across the whole spectrum of our relationship. We say that we do not wish to link issues one to the other and we therefore hope that we will be able to encourage means of prior discussion with respect to Congressional action so that these closely entwined connections will not be unduly bruised because of the way our respective systems operate.

In summary, I am sure we agree that there are many matters which cannot be left exclusively to our two administrations or executives. Many of the issues which affect our relationship are determined by Congress. We hope that our discussions during the next three days will help both delegations to see our specific problems in the larger context. I hope that on Monday afternoon we will revert again to the broader picture and discuss among ourselves how the issues that we have examined in each of the three working committees relate to the larger question of relations between our two countries. Perhaps discussions will lead us to modify the picture we have of the relationship. Perhaps our discussions of the things that we share will help us gain a better perspective of the problems which divide us and thus help us resolve them in a just way.

INVESTIGATION AND HEARINGS PLANNED ON POSTAL SERVICE SANCTIONING OF OVERSEAS MAIL OPENING BY CUSTOMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. PREYER) is recognized for 5 minutes.

Mr. PREYER. Mr. Speaker, the Supreme Court approved in a 6 to 3 decision on Monday a practice of the last several years under which the Postal Service permits the Customs Service to open thousands of letter and packages from abroad without a search warrant. The stated object of the openings is to intercept contraband.

The Court found this practice was constitutional under the same rationale that permits Customs to inspect the luggage of travelers returning from overseas.

While this mail opening may be constitutional, there are serious questions of privacy and individual rights which the Congress should assess inasmuch as this program now will presumably continue.

My Government Operations Subcommittee on Government Information and Individual Rights has responsibilities in the fields of privacy and individual rights, and also has oversight jurisdiction over the Postal Service. Accordingly, I am instructing the staff to begin an investigation of these mail-opening practices sanctioned by the Postal Service. The staff would be interested in receiving details of any complaints any Member has received about the opening of mail from overseas by the Customs Service for no apparent reason. When Customs opens mail, their procedures require that a rubber-stamped notation of the opening be placed on the envelope.

I anticipate that hearings on these questions will be scheduled for early summer.

METRIC CONVERSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BENJAMIN) is recognized for 5 minutes.

Mr. BENJAMIN. Mr. Speaker, on Wednesday when the House considers

H.R. 7557, appropriations for the Department of Transportation and related agencies, I intend to offer an amendment to that bill prohibiting the use of any funds contained in the bill to convert the manual on uniform traffic control devices or any traffic control device from the U.S. customary—(English)—system of measurement exclusively to the international—(metric)—system of units of measurement or to provide for the replacement of any traffic control device for purposes of conversion only.

I will offer this amendment for the very reasons so eloquently set forth by my esteemed colleague, Mr. WILLIAM F. WALSH, of New York, who referred to his concern and proposal in his special order of June 6 which appears on pages 17550–17551 of the CONGRESSIONAL RECORD.

Mr. WALSH proposes to prohibit the use of any funds in H.R. 7557, to modify any sign relating to any speed limit, any distance, or any other measurement on any highway for the conversion of such sign to the metric system of measurement.

My amendment will be offered as a substitute for this proposal.

I have the greatest respect for my colleague from New York and I support his general position concerning metric conversion by Government mandate. However, I have several reservations concerning his proposed amendment. My objections to his proposal are as follows:

First. Under Mr. WALSH's amendment, conversion to the metric system by the Department of Transportation and related agencies during fiscal year 1978 would be completely prohibited. This prohibition would be effective regardless of the extent and nature of any proposed conversion system.

Such a result violates the U.S. policy to enable the voluntary conversion to the use of the metric system. (Sec. 3, Public Law 94–168.)

Second. The Walsh amendment does not include language concerning the national manual on uniform traffic control devices which is adopted by reference as standards and specifications, policies and guides by the FHWA at 23 CFR 625.3(c)(1) which is published at 42 FR 6 (Jan. 3, 1977).

Third. The amendment does not address itself to the problem of the replacement of existing signs or the placement of new ones.

It is limited to only highways as defined in 23 U.S.C. 101; it is limited to signs and does not encompass all traffic control devices.

Thus, while I appreciate Representative WALSH's position, I would prefer a more realistic approach to the problem to be cured—that is, to allow the introduction of metrication voluntarily and gradually by a long term transition and with the economics that must be effected.

My amendment would enable the use of the dual system as new signs are needed and subsequently, probably in 7–14 years from now, complete conversion of the traffic control system.

It does not mandate. It does not incur horrendous cost. It does recognize the possibility of conversion in the future.

EIGHT BANK HOLDING COMPANIES REPORT QUESTIONABLE OR IMPROPER PAYMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, Mr. Harold M. Williams, Chairman of the Securities and Exchange Commission, has responded to my request for a full investigation of questionable or illegal corporate payments by banking institutions by listing eight bank holding companies which have reported making "questionable or improper payments" in recent years.

Mr. Williams listed the following bank holding companies which have voluntarily disclosed questionable or improper payments:

First. First Commercial Banks, Albany, N.Y.;

Second. First Union Corp., Charlotte, N.C.;

Third. Mercantile Bancorporation, St. Louis, Mo.;

Fourth. Northwest Financial Corp., North Wilkesboro, N.C.;

Fifth. Security New York State Corp., Rochester, N.Y.;

Sixth. Tennessee Valley Bancorp., Inc., Nashville, Tenn.;

Seventh. Union Commerce Corp., Cleveland, Ohio; and

Eighth. Western Bancorporation, Los Angeles and San Francisco.

Mr. Speaker, I have made similar requests for investigations of such payments last July 22 to the Comptroller of the Currency and the Federal Reserve Board. The Comptroller of the Currency had replied that its operations were not designed to detect questionable payments or practices, that it was unaware of such practices, and indicated that no specific inquiry had been undertaken or was contemplated. The Federal Reserve Board has failed to provide an answer to my inquiry other than a pro forma acknowledgement.

The Securities and Exchange Commission has informed me that their staff is making informal inquiries to six bank holding companies to determine whether there had been any violations of Federal securities laws through improper or questionable payments.

While I am pleased by this response to my earlier requests, I am hopeful that the SEC will be able to eventually broaden this inquiry to include a larger sample of banks and bank holding companies. To accomplish this task, it will be necessary for the bank supervisory agencies—the Federal Reserve and the Comptroller of the Currency—to cooperate fully.

In my July 22, 1976, and March 22, 1977, letters to the Securities and Exchange Commission, I asked that the following questions be explored as they relate to banks and bank holding companies:

Have such organizations through cash payments or contracts used individuals affiliated with or representing, directly or indirectly, foreign governments to establish or conduct their businesses?

Have such organizations made political contributions directly or indirectly from corporate funds to government officials, individuals, or political parties both foreign and domestic?

Have such organizations made loans on favorable terms or extended credit to individuals, groups, or officials mentioned in the two previous questions?

Have any banks, bank holding companies or their subsidiaries used hidden loan transactions or made questionable loans such as writing off a loan as a loss, or accepting inflated property for payment, to domestic or foreign officials, companies, or political parties and candidates?

Mr. Speaker, I would like to insert in the RECORD at this time a copy of my letter of March 22 to the SEC and Mr. Williams' reply of May 5, 1977:

WASHINGTON, D.C.,
March 22, 1977.

Honorable RODERICK HILLS,
Chairman, Securities and Exchange Commission, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, I wrote to you on July 22, 1976 regarding the possible involvement of United States banks in your investigation of "questionable and illegal corporate payments and practices." That letter requested an investigation by the S.E.C. of this matter and you reviewed that request. However, your working relationship with the banking agencies precluded your undertaking the assignment at that time. You stated, however, that "if they are unable or unwilling to conduct such an inquiry, we are prepared to determine what, if any, illegal activities exist with regard to those entities having public shareholders."

To date, the Comptroller of the Currency has replied to my request for such a study by the banking agencies. The Federal Reserve System has not replied, even though my letter to them is dated July 22, 1976, and the Board's interim response is dated August 4, 1976. The Comptroller's reply—copy of which is enclosed—indicated that he was unaware of any such practices and any violations of law were referred to the Justice Department.

In light of newspaper articles concerning the disclosures by Union Commerce Corporation (a one-bank holding company in Ohio) and the Tennessee Valley Corporation (a multi-bank holding company) of such practices, I am now requesting that you undertake the study mentioned in my July letter. The issue of bank loans to lesser-developed countries also raises the possibility that such practices may be prevalent and should be known to stockholders and the public.

Have such organizations through cash payments or contracts used individuals affiliated with or representing, directly or indirectly, foreign governments to establish or conduct their business? Have such organizations made political contributions directly or indirectly from corporate funds to government officials, individuals, or political parties both foreign and domestic? Have such organizations made loans on favorable terms or extended credit to individuals, groups, or officials mentioned in the two previous questions? Have any banks, bank holding companies or their subsidiaries used hidden loan transactions or made questionable loans such as writing off a loan as a loss, or accepting inflated property for payment, to domestic or foreign officials, companies, or political parties and candidates?

Your consideration of this request will be appreciated and I, of course, will offer you any assistance that I can.

Sincerely yours,

FERNAND J. ST GERMAIN,
Chairman.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., May 5, 1977.

HON. FERNAND J. ST GERMAIN,
Chairman, Subcommittee on Financial Institutions Supervision, Regulation and Insurance, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN ST GERMAIN: This is in further response to your letter, dated March 22, 1977 requesting that the Commission undertake an investigation of the involvement in the practice of questionable or illegal corporate payments and practices by publicly-owned banks and bankholding companies in the United States.

The Commission believes that the entire subject of questionable or illegal corporate payments is a matter of grave national concern. The Commission's substantial efforts to deal with this problem are well documented in our May 12, 1976 Report to the Senate Banking Committee. Since that date, approximately 311 additional corporations have made disclosures of questionable or illegal payments and related practices engaged in both in this country and abroad. In all, more than 400 corporations, many of them among the largest in the Nation have made disclosures of these so-called questionable practices.

To date the Commission has instituted 33 enforcement actions for violations of the federal securities laws in connection with this type of improper activity. The Commission's enforcement actions in this area are continuing and there are numerous on-going investigations presently being conducted by the staff of the Commission.

In its May 12th Report to the Senate Banking Committee and for the past year, the Commission has urged the passage of legislation to deal with these improper corporate practices.

The enactment of this legislation will demonstrate a strong, affirmative Congressional endorsement of the need for accurate corporate records and effective internal control measures, and the unacceptability of deception or obstruction of auditors. In addition, the Commission has issued proposed rules on the subject of improper or questionable payments. I have attached a copy of these proposed rules.

Recently the Commission has proposed a re-examination of the Commission's proxy rules relating to shareholder communications, and shareholder participation in the corporate electoral process. Attached is a copy of the release soliciting public comment on these proposals.

Another initiative undertaken by the Commission was encouraging the New York Stock Exchange to require all listed companies to establish audit committees composed of outside directors. Through these efforts the Commission has endeavored to implement a greater accountability of the management of major publicly-held corporations.

The Commission shares your concern about the possibility of banks and bankholding companies engaging in improper or questionable payments. The presence of such activities would be a serious matter and if violations of the federal securities laws have occurred or are about to occur the Commission is prepared to take whatever actions are appropriate to stop such violations. The Commission believes that improper payments would constitute a misuse of the privilege and benefits conferred upon banking institutions.

During the past two years, the following banks or bankholding companies have voluntarily disclosed that they have made questionable or improper payments: First Commercial Banks, First Union Corporation, Mercantile Bancorporation Inc., Northwest Financial Corporation, Security New York State Corp., Tennessee Valley Bancorp. Inc., Union Commerce Corporation, and Western Bancorporation. We are currently reviewing these disclosures and the nature of the investigation conducted by these companies to determine pursuant to our responsibilities under the federal securities laws whether any Commission action is warranted.

In addition, the staff of the Commission, as part of its vigilance in the area of questionable payments, made informal inquiries into six bankholding companies in order to determine whether they, or subsidiary banks held by them, had violated the federal securities laws by making improper or questionable payments. These inquiries, which are presently ongoing and therefore non-public, seek information relating to among other things:

1. The creation and maintenance of any fund or account containing corporate monies which was not recorded on the books and records of the bank;

2. The identity of any entry in excess of $1,000 in the books and records of the bank or its subsidiaries where the monies represented by such entry have been used for any purpose other than that shown on the respective books and records;

3. Any payments or contributions, directly or indirectly from corporate funds, to a political party or a candidate for public office;

4. Any payments or conferral of benefits, directly or indirectly from corporate funds, to any official or employee of a domestic or foreign government or government agency;

5. The receipt by the corporation or a corporate employee of any payment or other emolument in return for any agreement or understanding by the bank or its subsidiaries to do business with the maker of such payment;

6. The names and addresses of all persons, groups, or entities employed by, affiliated with, or representing, directly or indirectly any recipient of business of the bank, where it or its subsidiaries, representatives, or other persons acting on its behalf, have paid, or entered into any contracts or agreements to pay, or have otherwise provided or agreed to provide any other emoluments which aggregate or are in excess of $1000 in any fiscal year;

7. Any loan, domestic or foreign, improperly posted as to maturity and rate of interest, loans granted in amounts, on terms or in a manner which did not comply with established lending practices, loans with respect to which there is more than normal risk of collectibility, incorrectly identified guarantors of foreign loans, and items of income and expense relating to foreign activities not properly reflected in corporate accounts;

8. Monies paid by borrowers, or others, or the bank and its subsidiaries in connection with foreign loans made by the bank to persons or entities which may have been loan brokers, but involved payments to or for the benefit of officials or agents of a foreign government;

9. Sums of money transmitted through the bank's facilities for foreign persons or entities to persons or entities whom the bank failed to identify and where the purpose of these transactions could not be determined; and

10. Any report of the results of any investigation or study of the aforementioned by any committee of the Board of Directors, Audit Committee, or other internal or external group, person, or committee.

To date, the informal inquiries have not produced any evidence that the entities involved have engaged in the practices described above. However, the inquiries are not complete and the staff of the Commission intends to pursue these and other inquiries vigorously for any evidence of violations of the federal securities laws.

I hope that the foregoing information will be of use to the Subcommittee. Please feel free to contact me if you believe it would be helpful for appropriate members of the Commission's staff to meet with the staff of the Subcommittee to discuss the foregoing in greater detail, or if the Commission can be of further assistance.

Sincerely,

HAROLD M. WILLIAMS,
Chairman.

MODERNIZING THE LAW OF ANTITRUST JUDGMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I have today introduced a bill to aid the private enforcement of the antitrust laws by extending the common law of collateral estoppel to litigated antitrust judgments. My bill does that simply by repealing section 5(a) of the Clayton Act, 15 United States Code section 16(a)—a section that, ironically enough, was originally intended to aid private plaintiffs who "followed in the footsteps" of a successful antitrust lawsuit by the Government.

Section 5(a), which was enacted in 1914, aided private plaintiffs by giving the findings of fact and conclusions of law determined in the Government suit prima facie evidentiary effect in subsequent, private treble damage actions. Thereby, the 1914 Congress hoped that private plaintiffs would not have to relitigate the entire Government case in order to redress their injuries, and that the courts would not be burdened by retrying the very same issues that had already been thoroughly litigated and finally adjudicated in the earlier Government action.

There is no doubt that section 5(a) was, initially, a considerable aid to private plaintiffs. It was a great improvement over the law as it stood before 1914, because in those times, the judge-made doctrine of collateral estoppel was narrow and limited—so limited, in fact, that a Government antitrust victory was of no help whatever to a subsequent private plaintiff. Everything that was established in the Government suit was entirely irrelevant in the later private action; it had no evidentiary effect at all, much less the prima facie weight finally authorized in 1914 by section 5(a).

But in the last 63 years, the courts themselves have abandoned the restrictive 19th century doctrine of mutuality that so limited the subsequent, collateral effect of Government antitrust judgments. Judicial reevaluation has now moved the doctrine of collateral estoppel well beyond where it stood in 1914.

I believe that section 5(a) has outlived its usefulness. It no longer favors antitrust plaintiffs—instead, it disfavors them, in comparison to plaintiffs in other areas of the law.

By repealing section 5(a), this bill thus extends to antitrust plaintiffs the same common law of collateral estoppel that now applies to all other kinds of plaintiffs throughout our State and Federal courts. It would neither favor antitrust plaintiffs, nor disfavor them. It would simply give them equal treatment in this concededly technical, but nevertheless important area of the law.

This legislation is not a novel proposal. For years, scholars have suggested that the evolution of the collateral estoppel doctrine has made section 5(a) an inequitable anomaly in the law.

The Subcommittee on Monopolies and Commercial Law will shortly begin hearings on this bill.

MEMORIAL DAY 1977—SURFSIDE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, during the Memorial Day recess when I returned to my home district in Miami, I had the privilege to attend a Memorial Day ceremony in Veterans Park, Surfside, Fla.

At this inspiring ceremony a thought-provoking and excellent address was given by Col. James F. Morris, Jr., which helped to remind all of us present of the true spirit and meaning of this holiday, We are indebted to Col. James F. Morris, Jr., a retired lieutenant colonel in the Air Force who now resides in Surfside, for this meaningful and stirring tribute to our nation's soldiers who died in battle.

I insert Colonel Morris' patriotic address at this point in the RECORD:

MEMORIAL DAY 1977—SURFSIDE

(By Col. James F. Morris, Jr.)

"With words we make promises, plight our faith, praise virtue. Promises may not be kept; plighted faith may be broken: and vaunted virtue be only the cunning mask of vice. We do not know one promise these men made, one pledge they gave, one word they spoke: but we do know they summed up and perfected, by one supreme act, the highest virtues of men and citizens. For love of country they accepted death, and thus resolved all doubts, and made immortal their patriotism and virtue."

These words were spoken in the National Cemetery at Arlington, Virginia, on May 30, 1868, the first formal observance of Decoration Day. They are the words of a Member of the House of Representatives, General James A. Garfield, later to become President James A. Garfield, gunned down in the line of duty by an assassin's bullet.

In a sense they are words of prophecy. The government's promises have not been kept, the faith has been breached, and all too often we have seen the cunning mask of greed and vice. We wonder sometimes if these men, to whom we pay honor today, may not have died in vain. When some elected officials break their promises, breach the faith, and consider the survivors of our wars too expensive to exist, while granting themselves huge pay raises, there is cause to be concerned for the future of this Nation. When some of our elected officials are on the payroll of a foreign nation, the same nation where our men stand guard and die, the cunning mask of vice leers at us over the broken, butchered bodies of our soldier dead. Kipling said of Tommy, the British soldier, "Tommy ain't a bloomin' fool—you bet that Tommy sees". The same can be said of the G.I. of today. He sees the words in the press and hears them on radio and TV berating him for being a fat cat! Is this his reward for the sacrifice of his young life? He sees that some in Congress cannot be trusted to represent him. He has been told that no contract exists between him and Congress. To our dismay, but understanding, he seeks representation outside the Government—with a labor union. I now digress for a moment of tribute to my personal representative, and your personal representative in the Congress of the United States, the Honorable Claude Pepper. We in the 14th District, military and civilian alike, are fortunate in that we always have had an advocate in the Honorable Claude Pepper. Through him we always have had a voice in Government, which we well know and appreciate. Just last week, we who are senior citizens, while sitting in the comfort of our homes, were seen and heard through the indefatigable efforts of our representative and advocate, the Honorable Claude Pepper to whom we owe and give a sincere, heartfelt "thank you".

Others are not as fortunate as we. Those of us who placed our trust in Government, who kept the faith, and who served with dedication have been pleading with Congress to reestablish its credibility in order to prevent unionization of the military, but to no avail. The media compounds the evil. The only response by some members to our plea is a promise "to pass a law" banning military unions. They know, that even if passed, such a law will not and cannot be enforced. How strong and dangerous is the unrest in the ranks may be guessed from the following:

A survey of active duty personnel conducted by students of the Air Force Institute of Technology (AFIT) indicated that of those polled, 30 percent would join a union; 40 percent would not; 30 percent were undecided; 95 percent of the officers polled and 90 percent of the airmen believe their benefits are being eroded; and 56 percent of the officers and 62 percent of the airmen believe that a union could prevent the erosion of their benefits.

A number of related questions were asked on the survey. The results leave little doubt that officers and airmen believe the overall environment is hostile to military personnel and that a military union could effectively represent their interests. The sad state of the relationship between Congress and the Armed Forces is of concern to all of us who honor and respect the sacrifices of those for whom we grieve. We call upon Government at all levels to reestablish its credibility, cleanse itself, and destroy that cunning mask of vice that exists at every level of Government, or the day may not be far off when this sacred day will exist only as a memory in the hearts of the survivors as they bend to earth under the whip of a tyrant.

We give all glory, laud, and honor to these our comrades who sacrificed their young lives on the altar of war for us. Weak men though we be, may we never betray that sacrifice so freely given.

JIM O'BRIEN ADDRESSES SENIOR CITIZENS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the men who has fought for a better life for the aging and all the beneficiaries of social security for many years, most effectively and charmingly, is James Cuff O'Brien, who has long been with the United Steelworkers Union. Jim O'Brien always speaks with moving eloquence and deep dedication because his warm heart is always compassionate for those who need help. A typical Jim O'Brien speech is the moving introduction to a speech he subsequently delivered on May 18 to the Idaho State Council of Senior Citizens' convention at Rexford, Idaho. It will delight not only the people of Idaho but the people of the west generally and will especially delight the senior citizens and all those who are concerned about the cause of the 22 million senior citizens in our country. I ask, therefore, Mr. Speaker, that Jim O'Brien's introduction to the speech he delivered to the Idaho State Council of Senior Citizens' convention at Rexford, Idaho, be incorporated in the RECORD following these remarks:

ADDRESS TO THE IDAHO STATE COUNCIL OF SENIOR CITIZENS' CONVENTION

(By James Cuff O'Brien)

Dear Friends: Greetings from President Nelson Cruikshank of the National Council of Senior Citizens. I am pleased to be able to substitute for him today.

How consistent should be our self-awareness that pride is a fickle master. It has been a cherished and proudly held belief of mine that, for an easterner, I am an expert on the West. Indeed, as far back as 1966, I did what I conceived to be a powerful paper, in political terms, entitled "The West and How to Win It."

Yet today I delight in the opportunity you have furnished me to participate in a community function in your State with its grandeur, traditions and majesty. Humbled by the awareness that I was limited in knowledge, possessed of no first hand experience and dependent on my admiration for such distinguished sons of Idaho as Senator Frank Church and Secretary-Treasurer of the State AFL-CIO Bob McFarland for any claim I could make at all to an association with your Commonwealth.

But, indeed, if, and I have no reason to doubt it, your people have the remarkable qualities and gifts of character, vision and the idealism that motivate Frank and Bob, you are then blessed not only with the towering strength of your mountains but the eternal strength of a strong and determined citizenry.

Well then, on to matters for which this gathering was convened. Our President, Mr. Carter, on his visit to Westminster Abbey just past urged upon the Dean of the Cathedral that he move to have included in the poet's corner, with the greats of English literary creativity, Dylan Thomas, the gifted and troubled Welshman who is Mr. Carter's favorite poet. Thomas wrote, among many other great lines, "Do not go gentle into that good night, old age should burn and rage at the close of day." Whether or not Mr. Carter is familiar with that particular work, I don't know but, if he is, I believe he should reflect on it and, if he is not, I shall consider it my duty to try and see he becomes acquainted with it. Much more than I would haxe expected and, so frequently, it is embarrassing, I am asked in the field when Nelson Cruikshank will be starting his service as the U.S. Commissioner on Aging or Advisor to the President on Aging. Whether as individual roles or a combined position, the sad situation is that I must respond to the interest here today as I have had to elsewhere, that we have no certitude at all that President Cruikshank will have any key role in this administration. While the stories circulated have varied widely and, indeed, there were times that, in spite of the urgent efforts of Frank Church, and almost an

honor role of Americans with reputation and respect in aging, counseling the White House on the wisdom, necessity and obligation to act on Nelson's appointment, the reactions of the White House have been frail, feeble, and at fault.

I cannot dwell too long on the details but every activist in aging knows that the President, in unequivocal language, at least a half dozen times, pledged himself during his campaign to have in residence in the White House an Advisor on Aging. Mr. Carter's long delay in this, and the embarrassment and indignity are to be deplored. Not the least tragic element in the situation is that it took the combined efforts of many important people to convince Nelson Cruikshank that he had a duty to accept what seemed the inevitable invitation to serve as the Nation's top public servant on aging as he would have much preferred to see someone such as the distinguished former Commissioner of Social Security, Robert Ball, in the role.

Once the affirmative was obtained from Nelson, however, and the White House so informed, it is shabby and insensitive to have left him in public inconclusiveness and unsettled suspense while a well-meaning, but noncommanding, Republican holdover lingers at the gate.

"Then let us not put down the pennant—
it must fly.
We have the patience to stand by.
But if at last there comes the date,
When no longer can we hesitate,
Beware the flames, the blast of fire
That can result from pent-up ire.
Old not us when we deploy
The opposition to destroy."

This is James O'Brien, not Dylan Thomas, but I feel Mr. Thomas would agree and I wish the President would contract that spirit.

I dipped into Irving Stone's classic book on "Men to Match my Mountains" and thought this verse of value:

"Bring me men to match my mountains,
Bring me men to match my plains:
Men with empires in their purpose
And New eras in this brains."

Appropriate indeed for the West and does it not also describe your purpose, your endeavors, the definition of the combination of commitment you have made to social action and your concern to make ours a better society for young and old alike.

CARTER'S AUGEAN STABLE: "SPRING CLEANING" NEEDED IN THE FEDERAL BUREAUCRACY

(Mr. RICHMOND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RICHMOND. Mr. Speaker, the Washington Post recently published a list of the various agencies, departments, committees, commissions, corporations and other divisions which comprise the Federal bureacracy in the United States. Compiled by President Carter's staff, Post National Staff Writer Robert G. Kaiser notes that even this official list is not a complete account of the bureaucracy's full reach.

The Federal Government has gotten so big, Mr. Speaker, that no one within it is able to tell us how big it is. There is no single document within the bureaucracy which lists such information. For example, in addition to the Executive Office of the President, there are 11 departments with a total of 80 divisions and even more subdivisions. There are more than 1,000 advisory committees and numerous other so-called functional units.

Included in this list, Mr. Speaker, are several governmental agencies I have never even heard of. For example, can anyone tell me the function of the "International Agreement Regarding the Maintenance of Certain Lights in the Red Sea," or the "Southeast Regional Federal-State Committee on Electric Reliability," or the "Interagency Bird Hazard Committee?" This list of Government committees is appalling, to say the least. Although I realize many of these committees are necessary, I question the decentralization and lack of organizational cohesion within the Federal bureaucracy. By creating so many uncoordinated divisions within divisions, we have alienated ourselves, from the Government.

We have created a monster—a monster that feeds upon itself. We must do something now, and I believe President Carter's proposal to reorganize the bureaucracy is a good first step. But we must not simply shuffle offices around. We must cut waste, streamline programs, and increase efficiency.

I hope my colleagues will take the time to look at the following listing of the Federal bureaucracy as published in the Washington Post. It is indicative of the amount of work the administration is facing in its quest to stop the growth of this terrible monster we have created.

The material follows:

[From the Washington Post, May 8, 1977]

CARTER'S AUGEAN STABLE

(By Robert G. Kaiser)

Editorial writers and politicians have been complaining about "big government" for years, but a few members of President Carter's staff have finally done something about it. They have put it down in black and white, and here it is.

"We have met the enemy," Walt Kelly's Pogo said, "and he is us." The same thought must have crossed the minds of the people working on "The President's Reorganization Project" when they finished compiling this list of departments, agencies, commissions, boards, committees and "other organizational units" in the federal government.

They aren't even sure they found it all. The official introduction to this list—written in prose Pogo would recognize—includes this caveat: "It is important to emphasize that this categorization of organizational elements does not constitute an exhaustive accounting of the whole Federal Government."

"We were unable to obtain any single document containing a complete and current listing of government units which are part of the federal government," the compilers of this list admitted. Nobody knows the whole truth.

Where do we go from here? In the campaign last fall Jimmy Carter promised to reorganize, rationalize and reform. He has already proposed a new Department of Energy—an addition to the list, but one that would wipe out several other "units" listed here.

Next, Carter promises, he will reorganize his own executive office of the President. Harrison Wellford, once one of Ralph Nader's "Raiders" and now an employee in the Office of Management and Budget in charge of reorganization, admitted to a group of reporters the other day that this target was picked partly because it looked relatively easy.

But Wellford hadn't bargained on the friends of the Office of Telecommunications Policy, for one. And if he's having trouble in the backyard of the President who came to office promising reorganization, what will happen when he gets to the Interagency Committee for Underground Electric Power Transmission?

EXECUTIVE OFFICE OF THE PRESIDENT

Council of Economic Advisers.
Council on Environmental Quality.
Council on International Economic Policy.
Council on Wage and Price Stability.
Domestic Council.
Economic Policy Board.
Energy Resources Council.
Federal Property Council.
Intelligence Oversight Board.
National Security Council.
Office of Drug Abuse Policy.
Office of Management and Budget: Office of Federal Procurement Policy.
Office of Science and Technology.
Office of Special Rep. for Trade Negotiations.
Office of Telecommunications Policy.
President's Foreign Intelligence Advisory Board.
White House Office.

DEPARTMENT OF AGRICULTURE

Office of the Secretary.
Agricultural Marketing Service.
Agricultural Research Service.
Agriculture Stabilization and Conservation Service.
Animal and Plant Health Inspection Service.
Cooperative State Research Service.
Economic Research Service.
Extension Service.
Farmer Cooperative Service.
Farmers Home Administration.
Federal Grain Inspection Service.
Foods and Nutrition Service.
Foreign Agricultural Service.
Forest Service.
National Agricultural Library.
Office of the General Sales Manager.
Packers and Stockyards Administration.
Rural Development Service.
Rural Electrification Administration.
Soil Conservation Service.
Statistical Reporting Service.
The Food Safety and Quality Service.

DEPARTMENT OF COMMERCE

Office of the Secretary.
Assistant Secretary for Science and Technology: National Bureau of Standards, National Technical Information Service, Office of Telecommunications, Patent and Trademark Office.
Chief Economist: Bureau of the Census, Bureau of Economic Analysis.
Domestic & International Business Administration.
Economic Development Administration.
Maritime Administration: United States Merchant Marine Academy.
Nat. Fire Prevention and Control Administration: Nat. Academy for Fire Prevention and Control.
National Oceanic and Atmospheric Administration: National Ocean Survey, National Marine Fisheries Services, National Weather Service, Office of Coastal Zone Management, Office of Sea Grant.
Office of Minority Business Enterprise.
Regional Action Planning Commissions: Coastal Plains Regional Commission, Four Corners Regional Commission, New England Regional Commission, Old West Regional Commission, Ozarks Regional Commission, Pacific Northwest Regional Commission, Southwest Border Regional Commission, Upper Great Lakes Regional Commission.
United States Travel Service.

DEPARTMENT OF DEFENSE

Office of the Secretary.
Armed Forces Institute of Pathology.
Armed Forces Radiobiology Research Institute.
Armed Forces Staff College.
Civilian Health & Medical Program of the Uniformed Services.
Defense Advanced Research Projects Agency.
Defense Audit Service.
Defense Civil Preparedness Agency.
Defense Communications Agency.
Defense Contract Audit Agency.
Defense Intelligence Agency.
Defense Investigative Service.
Defense Logistics Agency.
Defense Mapping Agency.
Defense Nuclear Agency.
Defense Security Assistance Agency.
Defense Systems Management College.
Department of Defense Dependents School.
Manpower Data Center.
National Defense University: Industrial College of the Armed Forces, The National War College.
Nat. Security Agency/Central Security Agency.
Office of Information for the Armed Forces.
Organization of the Joint Chiefs of Staff.
Tri-Service Medical Information System.
Uniformed Services Univ. of the Health Sciences.
United States Atlantic Command.
United States Court of Military Appeals.
United States European Command.
United States Pacific Command.
United States Readiness Command.
United States Southern Command.
Department of the Air Force: Office of the Secretary, Aerospace Defense Command, Air Force Institute of Technology, Air University (USAF), Military Airlift Command, Strategic Air Command, The Air Force Reserve, The Air National Guard of the United States, United States Air Force, United States Air Force Academy.
Department of the Army: Office of the Secretary, Corps of Engineers, Board of Engineers for Rivers and Harbors, California Debris Commission, Mississippi River Commission, Panama Canal Enterprise, Panama Canal Authority, The Army National Guard of the United States, The Army Reserve, United States Army, United States Military Academy.
Department of the Navy: Office of the Secretary, Office of Naval Petroleum Reserves, The Marine Corps Reserve, The Naval Reserve, United States Marine Corps, United States Naval Academy, United States Navy.
Army and Air Force Exchange Service.
Army and Air Force Motion Pictures Service.
The Soldiers Home.
United States Naval Home.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Secretary: Office of Consumer Affairs, Office of Inspector General, Office of Civil Rights.
Education Division: Office of the Assistant Secretary for Education, Fund for the Impvt. of Postsec. Educ., National Center for Education Statistics, Office of Education, Office of Bilingual Education, Office of Career Education, Office of the Commissioner, Office of Consumers' Education, Office of Environmental Education, Office of Libraries and Learning Resources, Bureau of Education for the Handicapped, Bureau of Elem. and Sec. Education, Bureau of Occupational and Adult Education, Bureau of Postsecondary Education, Bureau of Student Financial Assistance, Community College Unit, Office of Indian Education, Teacher Corps, National Institute of Education, Museum Services Institute.
Health Care Financing Administration: Bureau of Health Insurance, Bureau of Quality Assurance, Medical Services Administration, Office of Long Term Care.
Office of Human Development: Administration on Aging, National Clearinghouse on Aging, Architectural and Transportation Barriers Compliance Board, Public Services Administration, Rehabilitation Service Administration, Office of Child Development Children's Bureau.
Public Health Services: Office of Population Affairs, President's Exec. Council on Physical Fitness and Sports.
Center for Disease Control: Nat. Institute for Occup. Safety and Health.
Food and Drug Administration: Bureau of Biologics, Bureau of Drugs, Bureau of Foods, Bureau of Med. Devices & Diagnostic Products, Bureau of Radiological Health, Bureau of Veterinary Medicine, National Center for Toxological Research.
Alcohol, Drug Abuse and Mental Health Admin.: Nat. Instit. on Alcohol Abuse and Alcoholism, National Institute on Drug Abuse, National Institute of Mental Health.
Health Resources Administration: National Center for Health Services Research, National Center for Health Statistics.
Health Services Administration: Bureau of Community Health Services, Bureau of Medical Services, Indian Health Service.
National Institutes of Health: Fogarty International Center, Lister Hill Nat. Med. Cir. for Biomed. Communic., National Cancer Institute, National Eye Institute, National Institute on Aging, Nat. Inst. on Allergy and Infectious Diseases, Nat. Inst. of Arthr., Metab. and Dig. Diseases, National Heart, Lungs, and Blood Institute, Nat. Institutes of Neurolcgical and Communicative Disorders and Stroke, National Institute of Dental Research, Nat. Instit. of Envir. Health Sciences, National Institute of General Medical Sciences, National Library of Medicine.
Social Security Administration, Assistance Payments Administration, Office of Program Operations, Bureau of Disability Insurance, Bureau of Retirement and Survivors Insurance, Bureau of Supplemental Security Income, Bureau of Hearings and Appeals.
Office of Child Support Enforcement.
American Printing House for the Blind.
Gallaudet College.
Howard University.
National Technical Institute for the Deaf.

DEPT. OF HOUSING & URBAN DEVELOPMENT

Office of the Secretary.
Board of Contract Appeals.
Community Planning and Development.
Federal Disaster Assistance Administration.
Federal Housing Administration.
Federal Insurance Administration.
New Community Administration.
New Community Development Corporation.
Office of Consumer Affairs and Regulatory Functions.
Office of Fair Housing.
Office of Housing.
Office of Interstate Land Sales Registration.
Office of Policy Development and Research.

DEPARTMENT OF THE INTERIOR

Office of the Secretary.
Alaska Power Administration.
Board of Geographic Names.
Bonneville Power Administration.
Southeastern Power Administration.
Southwestern Power Administration.
Bureau of Indian Affairs.
Bureau of Land Management.
Bureau of Mines.
Bureau of Outdoor Recreation.
Bureau of Reclamation.
Defense Electric and Power Administration.
Fish and Wildlife Service.
Geological Survey.
National Cartographic Information Center.
Mining Enforcement and Safety Administration.
National Park Foundation.
National Park Service.
National Trust for Historic Preservation.
Ocean Mining Administration.
Office of Territorial Affairs.
Office of Water Research and Technolgy.
United States National Committee on Geology.

DEPARTMENT OF JUSTICE

Administrative & Policy Director Offices.
Bureau of Prisons.
National Institute of Corrections.
Community Relations Service.
Drug Enforcement Administration.
Federal Bureau of Investigation.
Immigration and Naturalization Service.
Law Enforcement Assistance Administration. Nat. Inst. for Law Enfor. and Crim. Justice, Off. of Juvenile Just. & Delinquency Prevention, Nat. Inst. for Juv. Just. & Delinq. Prev., Nat. Crim. Just. Information & Statistics Service.
Legal Divisions: Antitrust, Civil, Civil Rights, Criminal, Land and Natural Resources, Tax Division.
United States Attorneys.
United States Marshals Service.
Board of Immigration Appeals.
Solicitor General.
United States Pardon Attorney.
United States Parole Commission.
Watergate Special Proscution Force.

DEPARTMENT OF LABOR

Office of the Secretary.
Benefits Review Board.
Bureau of International Labor Affairs.
Bureau of Labor Statistics.
Employees' Compensation Appeals Board.
Employment Standards Administration: Office of Federal Contract Compliance Programs, Office of Workers' Compensation Programs, Wage and Hour Division, Women's Bureau.
Employment and Training Administration: Bureau of Apprenticeship Administration, Off. of Comprehensive Employment Devel., Unemployment Insurance Service, United States Employment Service.
Labor-Management Services Administration.
Occupational Safety and Health Administration.
Office of the Administrative Law Judges.
Pension-Welfare Benefit Programs.
Wage Appeals Board.

DEPARTMENT OF STATE

Office of the Secretary.
Agency for International Development.
Bureau of Oceans & Internat. Environmental & Scientific Affairs.
Bureau of Security and Consular Affairs: Passport Office, Visa Office.
Coord. for Human Rights & Humanit. Affairs.
Inspector General, Foreign Assistance.
Foreign Service Grievance Board.
Foreign Service Institute.
Under Secretary for Security Assistance.

DEPARTMENT OF TRANSPORTATION

Office of the Secretary.
Federal Aviation Adminstration: Metropolitan Washington Airports.
Federal Highway Administration: Bureau of Motor Carrier Safety, National Highway Institute.
Federal Railroad Administration: Alaska Railroad Administration, Minority Business Resource Center, Transportation Test Center.
Material Transportation Bureau.
National Highway Traffic Safety Administration.
United States Coast Guard: United States Coast Guard Academy.
United States Coast Guard Reserve.
Urban Mass Transportation Administration.

DEPARTMENT OF THE TREASURY

Office of the Secretary: Office of Equal Opportunity Programs, Office of the Treasurer.

of the United States, Office of Revenue Sharing.
Bureau of Alcohol, Tobacco, and Firearms.
Bureau of Engraving and Printing.
Bureau of Government Financial Operations.
Bureau of the Mint.
Bureau of the Public Debt.
Federal Law Enforcement Training Center.
Internal Revenue Service.
Office of the Comptroller of the Currency.
United States Customs Service.
United States Savings Bonds Division.
United States Secret Service: Executive Protective Service, Treasury Security Force.

NON-CABINET EXECUTIVE AGENCIES

The following list includes major independent governmental units which administer substantive programs and operate as autonomous bodies.

ACTION: Peace Corps, VISTA.
Administrative Conference of the United States.
Advisory Council on Historic Preservation.
American Battle Monuments Commission.
American Revolution Bicentennial Administration.
Appalachian Regional Commission.
Board for International Broadcasting.
Central Intelligence Agency.
Civil Aeronautics Board.
Commission on Civil Rights.
Commodity Futures Trading Commission.
Community Services Administration.
Consumer Product Safety Commission.
District of Columbia Government.
Energy Research and Development Administration: Asst. Admin. for Solar, Geothermal and Advanced Energy Systems, Asst. Admin. for Conservation, Asst. Admin. for Environmental and Safety, Asst. Admin. for Fossil Energy, Asst. Admin. for National Security, Asst. Admin. for Nuclear Energy.
Environmental Protection Agency: Asst. Admin. for Air and Waste Mgmt., Asst. Admin. for Enforcement, Asst. Admin. for Research & Devel., Asst. Admin. for Toxic Substances, Asst. Admin. for Water & Hazardous Materials, Interagency Testing Committee, Office of Technical Assistance.
Equal Employment Opportunity Commission.
Farm Credit Administration.
Federal Communications Commission.
Federal Election Commission.
Federal Energy Administration.
Federal Home Loan Bank Board.
Federal Maritime Commission.
Federal Mediation and Conciliation Service.
Federal Power Commission: Bureau of Natural Gas Bureau of Power.
Federal Reserve System: Board of Govs. of the Fed. Res. System.
Federal Trade Commission.
Foreign Claims Settlement Commission.
General Services Administration: Automated Data & Telecommunications Service, Federal Preparedness Agency, Federal Supply Service, National Archives and Records Service, Admin. Committee of the Federal Register, Office of the Federal Register, Public Buildings Service.
Indian Claims Commission.
Intelligence Community Staff.
Interstate Commerce Commission.
National Aeronautics and Space Administration.
Nat. Center for Productivity and Quality of Working Life.
National Credit Union Administration.
National Foundation on the Arts & Humanities: Fed. Council on the Arts & the Humanities, National Endowment for the Arts, National Endowment for the Humanities.
National Labor Relations Board.
National Mediation Board: National Railroad Adjustent Board.
National Science Foundation: National Science Board.
National Transportation Safety Board.
Nuclear Regulatory Commission: Office of Nuclear Material Safety and Safeguards, Office of Nuclear Reactor Regulation, Office of Nuclear Regulatory Research.
Occupational Safety & Health Review Comm.
Postal Rate Commission.
Railroad Retirement Board: Bureau of Retirement Claims, Bur. of Unemployment and Sickness Insur.
Renegotation Board.
Securities and Exchange Comission: Municipal Securities Rule Making Board.
Selective Service System.
Small Business Administration.
Smithsonian Institution: Assistant Secretary for History and Art, Assistant Secretary for Museum Programs, Assistant Secretary for Public Service Assistant Secretary for Science, John F. Kennedy Center for the Performing Arts, National Gallery of Art, Office of the Secretary, Woodrow Wilson Internat. Cir. for Scholars.
U.S. Arms Control and Disarmament Agency.
U.S. Civil Service Commission: Board of Legal Examiners, CSC Board of Actuaries, Distinguished Civilian Service Award Board, Federal Executive Institute, Federal Labor Relations Council, Federal Service Impasses Panel, Internat. Orgs. Employees Loyalty Board, President's Comm. on Personnel Interchange, President's Commission on White House Fellowships.
United States Information Agency.
United States International Trade Commission.
Veterans Administration: Board of Veterans Appeals, Contract Appeals Board, Department of Medicine and Surgery, Department of Veterans Benefits, National Cemetery System, Veterans' Canteen Service.
Water Resources Council: Great Lakes Basin Commission, Missouri River Basin Commission, New England River Basins Commission, Ohio River Basin Commission, Pacific Northwest River Basins Commission, Upper Mississippi River Basin Commission.

OTHER COMMITTEES, COMMISSIONS, AND BOARDS

The following list includes units which collect information, perform studies, administer programs, or carry out advisory and review duties:

Advisory Board on Child Abuse and Neglect.
Advisory Commission on Intergovernmental Relations.
Advisory Council on Employment of the Handicapped.
Agricultural Policy Committee.
Annual Assay Commission.
Board of Foreign Scholarships.
Collective Bargaining Committee in Construction.
Committee on Executive, Legislative, and Judicial Salaries.
Commission on Federal Paperwork.
Commission of Fine Arts.*
Commission on Presidential Scholars.
Committee on Fire Training and Education.
Committee for Purchase from the Blind and Other Severely Handicapped.
Construction Industry Collective Bargaining Commission.
Coordinating Council on Juvenile Justice and Delinquent Prevention.
Copyright Royalty Tribunal.
Delaware River Basin Commission.
District of Columbia Law Revision Commission.
Emergency Loan Guarantee Board.
Franklin Delano Roosevelt Memorial Commission.
Harry S. Truman Scholarship Foundation.
Japan-United States Friendship Commission.
Joint Federal/State Land Use Planning Commission for Alaska.
Lowell Historic Canal District Commission.
Low-Emission Vehicle Certification Board.
Marine Mammal Commission.
Migratory Bird Conservation Commission.
National Archives Trust Fund Board.
National Capital Planning Commission.
National Center for Education Media and Materials for the Handicapped.
National Center for the Prevention and Control of Rape.
National Center for Child Abuse and Neglect.
National Clearinghouse for Drug Abuse Information.
National Clearinghouse on Aging.
National Commission on Electronic Fund Transfers.
National Commission on Employment and Unemployment Statistics.
National Commission on Libraries and Information Service.
National Commission on Manpower Policy.
National Commission on New Technological Uses of Copyrighted Works.
National Commission on the Observance of International Women's Year, 1975.
National Commission on Unemployment Compensation.
National Council on Organized Crime.
National Drug Abuse Center for Training and Resource Development.
National Health Planning Information Center.
National Historical Publications and Records Commission.
National Institute for Occupational Safety and Health.
National Organized Crime Planning Council.
National Park System Advisory Board.
National Planning and Advisory Council, White House Conference on Handicapped Individuals.
National Selective Service Appeal Board.
National Study Commission on Records and Documents of Federal Officials.*
National Transportation Policy Study Commission.*
Navajo and Hopi Indian Relocation Commission.
Operations Advisory Group.
President's Commission on Employment of the Handicapped.
Privacy Protection Study Commission.*
Student Loan Marketing Association.
Susquehanna River Basin Commission.
Temporary Committee on Financial Oversight of District of Columbia.
United States Metric Board.
United States National Commission for UNESCO.
Veterans Day National Committee.
Washington Metropolitan Area Transit Authority.

*Units are covered by the Federal Advisory Committee Act and are included in the Advisory Committee total.

ADVISORY COMMITTEES

(number by agency)

Agency and committees	
Administrative Conference of the U.S.	1
Advisory Committee * on Federal Pay	1
Agency for International Development	4
Architec. & Transp. Barriers Compliance Board	1
Arms Control and Disarmament Agency	1
Civil Aeronautics Board	1
Civil Service Commission	4
Commission on Fine Arts	1
Commission on Civil Rights	51
Commodity Futures Trading Commission	1
Community Services Administration	1

* As defined by the Federal Advisory Committee Act, P.L. 92-463, as of March 1, 1977.

Consumer Product Safety Commission	3
Council on International Economic Policy	1
Council on Environmental Qualtiy	1
Department of Agriculture	109
Department of Commerce	93
Department of Defense	60
Dept. of Health, Education, and Welfare	352
Department of the Interior	49
Department of Justice	10
Department of Labor	23
Department of State	39
Department of the Treasury	25
Department of Transportation	30
Department of Housing and Urban Devel.	2
Energy Research and Devel. Admin	15
Environmental Protection Agency	16
Export-Import Bank of the U.S	1
Federal Communications Commission	20
Federal Election Commission	1
Federal Employee Pay Council	1
Federal Energy Administration	14
Federal Home Loan Bank Board	2
Fed. Mediation and Concil. Service	2
Federal Power Commission	1
General Services Administration	18
Interstate Commerce Commission	1
Joint Board for Enrollment of Actuaries	1
Marine Mammal Commission	1
National Aeronautics and Space Administration	29
National Credit Union Administration	1
Nat. Comm. on Electronic Fund Transfers	1
Nat. Comm. on New Uses of Copyrtd. Wks.	1
National Endowment for the Arts	14
National Endowment for Humanities	7
National Labor Realtions Board	1
National Science Foundation	53
Nat. Stu. Comm. on Recs. & Docs. of Fed. Offls	1
Nat. Transportation Policy Study Commission	1
Nuclear Regulatory Commission	2
Office of Management and Budget	3
Office of Science and Technology Policy	2
Office of the Spec. Rep. for Trade Negotiation	1
Office of Telecommunications Policy	3
Privacy Protection Study Commission	1
Railroad Retirement Board	1
Securities and Exchange Commission	3
Small Business Administration	66
United States Information Agency	1
United States Water Resources Council	1
Veterans Administration	28

WHOLLY OWNED GOVERNMENT CORPS

Commodity Credit Corporation.
Export-Import Bank of the United States.
Farmers Home Corporation.
Federal Crop Insurance Corporation.
Federal Housing Administration.
Federal Prison Industries, Inc.
Federal Savings and Loan Insurance Corporation.
Government National Mortgage Association.
Inter-American Foundation.
Legal Services Corporation.
Overseas Private Investment Corporation.
Panama Canal Company.
Pennsylvania Avenue Development Corporation.
Pension Benefit Guaranty Corporation.
Regional Agricultural Credit Corporation.
Saint Lawrence Seaway Development Corporation.
Tennessee Valley Authority.
Virgin Island Corporation.

MIXED-OWNERSHIP GOVERNMENT CORPS

Central Bank for Cooperatives and the Regional Banks for Cooperatives.
Consolidated Rail Corporation.
Federal Deposit Insurance Corporation.
Federal Home Loan Banks.
Federal Home Loan Mortgage Corporation.
Federal Intermediate Credit Banks.
Federal Land Banks.
Federal National Mortgage Association.
National Railroad Passenger Corporation.
Rural Telephone Bank.
Securities Investor Protection Corporation.
United States Railway Association.

QUASI-OFFICIAL AGENCIES

National Academy of Sciences: Institute of Medicine, National Academy of Engineering, National Research Council.
National Institute of Building Sciences.
The American National Red Cross.
United States Postal Service: Citizen Stamp Advisory Committee, Mailers Technical Advisory Committee.

INTERNATIONAL ORGANIZATIONS

This list includes units which assist in the development and execution of foreign policy and trade goals. While not normally considered integral parts of the Executive Branch, these units often involve commitments of Executive Branch resources and United States members are appointed by the President or his representative.

Bilateral Organizations

International Boundary Comm., U.S. and Canada.
Internat. Bound. and Water Comm., U.S. & Mexico.
Internat. Joint Comm., U.S. and Canada.
Joint Brazil-United States Defense Commission.
Joint Mexican-United States Defense Commission.
Perm. Joint Board of Defense—U.S. and Canada.

Multi-National Organizations

Asian Development Bank.
Australia, New Zealand and U.S. Treaty Council.
Central Treaty Organization.
Colombo Plan Council for Tech. Coop. in So. and Southeast Asia.
Customs Cooperation Council.
Food and Agriculture Organization.
General Agreement on Tariffs and Trade
Hague Conference on Private International Law.
Indus Basin Development Funds.
Inter-American Defense Board.
Inter-American Development Bank.
Inter-American Institute of Agriculture Sciences.
Inter-American Tropical Tuna Commission
Intergov. Committee for European Migration.
Intergov. Maritime Consultative Organization.
International Agreement Regarding the Maintenance of Certain Lights in the Red Sea.
International Atomic Energy Agency.
Internat. Bank for Reconstruction and Devel.
International Bureau of Expositions.
Internat. Bur. of the Perm. Court of Arbitration.
Internat. Bur. for the Public. of Customs Tariffs.
International Bureau of Weights and Measures.
International Center for the Study of the Preservation and Restoration of Cultural Prop.
International Civil Aviation Organization.
International Coffee Organization.
Internat. Comm. for the Conserv. of Atlantic Tuna.
Internat. Comm. for the NW Atlantic Fisheries.
International Cotton Advisory Committee.
Internat. Council of Scient. Unions and Assoc. Unions: International Astronomical Union, International Union of Biochemistry, International Union of Biological Sciences, International Union of Pure and Applied Chem., International Union of Crystallography, International Union of Geodesy and Geophysics, International Geographical Union, Internat. Union of the Hist. and Phil. of Science, International Mathematical Union, International Mathematical Union, International Union of Physiological Sciences, International Union of Pure and Applied Physics, International Union of Radio Science, Internat. Union of Theor. and Applied Mechanics, International Union of Geological Sciences, Internat. Org. of Pure and Applied Biophysics, International Union of Nutritional Sciences, International Union of Pharmacology.
International Criminal Police Organization.
International Development Association.
International Finance Corporation.
International Fisheries Commission.
International Hydrographic Organization.
International Institute for Cotton.
Internat. Inst. for the Unif. of Private Law
International Labor Organization.
International Lead and Zinc Study Group.
International Monetary Fund.
International North Pacific Fisheries Commission.
International Pacific Halibut Commission.
International Rubber Study Group.
International Secretariat for Volunteer Service.
International Seed Testing Association.
International Telecommunication Union.
International Whaling Commission.
International Wheat Council.
International Wool Study Group.
Interparliamentary Union.
North Atlantic Assembly.
North Atlantic Treaty Organization.
North Pacific Fur Seal Commission.
Organ. for Economic Coop. and Devel.
Organization of American States.
Pan American Health Organization.
Pan American Institute of Geography and History.
Pan American Railway Congress Association.
Perm. Internat. Assoc. of Navigation Congresses.
Postal Union of the Americas and Spain.
South Pacific Commission.
Southeast Asia Treaty Organization.
U.N. Education, Scientific & Cultural Organization.
United Nations Special Programs.
Universal Postal Union.
World Health Organization.
World Intellectual Property Organization.
World Meteorological Organization.
World Tourism Organization.

INTERAGENCY COMMITTEES

The following list contains interagency and interdepartmental committees established by presidential letter, message, announcement, executive order, or secretarial order, or interagency agreement. These units have representatives of two or more government agencies and generally are chaired by a government employee. The committees serve as vehicles for exchange of information and coordination of agency programs in a specific area. Staff and other resources for each committee are usually drawn as needed from the agency or department which chairs the committee.

There is no complete inventory of these committees; however, the following list has been compiled from private sources. It is not an exhaustive accounting and may be incomplete or include units no longer functioning.

Ad Hoc Commit. for Implem. of PL 89-306 (ADP).
Adjustment Assistance Coordination Committee.
Advisory Board on Child Abuse and Neglect.
Annual Reporting Work Group.
Arkansas River Compact Committee.
Arthritis Advisory Committee.
Atlanta Federal Safety Council.
Board of Advisers to the Fund for the Improvement of Postsecondary Education.
Cabinet Committee to Combat Terrorism.

Cabinet Committee on Drug Abuse Prevention, Treatment and Rehabilitation.
Cabinet Committee on International Narcotics Control, Subcom. on Treatment and Prevention.
Civil Service Commission Board of Examiners—Health Scientist Administration Panel.
Comm. for Control of Epilepsy and Its Consequences.
Committee on Foreign Investment in the U.S.
Committee on Human Resources and Community Devel. of the Fed. Coordinating Council on Science, Engineering and Technology.
Committee on the Process of Determining Student Loan Special Allowances.
Commit. for Implem. of Textile Agreements.
Commit. for Recovery of Archeological Remains.
Coordinating Committee for Missouri River Basin Main Stem Reservoir Operation.
Dallas-Fort Worth Area Federal Safety Council.
Development Coordinating Committee.
East-West Foreign Trade Board.
EMS Fin. and Admin. Interagency Work Group.
EMS Training Programs Interagency Work Group.
EPA/FDA Task Force on Overlapping Responsib. and Author. for Water and Water Safety.
Equal Employment Opportunity Coord. Council.
Fed. Coord. Council for Science, Engineering and Technology.
FDA–USDA Interagency Mycotoxin Committee.
FDA/EPA Liaison Committee.
Federal Agency Training Group.
Federal Interagency Committee on Education (Three interagency Subcommittees).
Federal Field Committee for the Powerplant Siting Advis. Commit., Delaware River Basin Comm.
Federal Field Committee for the Susquehanna River Basin Commission.
Federal Interagency Coordinating and Liaison Committee for Voluntary Action.
Federal Safety Council of Chicago.
Federal Safety Council, Greater New York Area.
Fed. Task Force on Southwest Energy Devel.
Guam Intergovernmental Work Group.
HEW–HUD Work Gp. on Min. Property Standards for Housing the Elderly and the Handicapped.
Interagency Advanced Power Group.
Interagency Advisory Committee on Compensation for Motor Vehicle Accident Losses.
Interagency Advisory Committee on Consumer Product Information.
Interagency Advisory Committee on Customs Cooperation Council Matter.
Interagency Advis. Commit. on Security Eqpment.
Interagency Advisory Committee on Water Data.
Interagency Advisory Group.
Interagency Advisory Group Committee on Adverse Actions and Appeals.
Interagency Advisory Group Committee on Automation and Statistics for Personnel.
Interagency Advis. Gp. Commit. on Devel. & Tng.
Interagency Advisory Group Committee on Equal Employment Opportunity.
Interagency Advisory Group Committee on Federal Civilian Personnel Statistics.
Interagency Advisory Group Committee on Grade Escalation.
Interagency Advis. Gp. Commit. on Job Qualific. System for Trades and Labor Occupations.
Interagcy. Advis. Gp. Com. on Labor-Mgt. Rels.
Interagency Advisory Group Committee on Leave and Hours of Duty.
Interagency Advisory Group Committee on Manpower Analysis and Planning.
Interagency Advisory Group Committee on Merit Promotion Policy.
Interagency Advisory Group Committee on Personnel Management Evaluation.
Interagency Advisory Group Committee on Position Classification and Pay.
Interagency Advisory Group Committee on Selective Placement Programs.
Interagcy. Adv. Gp. Comm. on Stud. Employmt.
Interagency Advisory Group Committee on Veterans Employment Programs.
Interagency Air Cartographic Committee.
Interagency Aircraft Noise Abatement Program.
Interagcy. Archit.-Engin. Prog. Rev. Commit.
Interagency Arctic Research Coord. Committee.
Interagency Audio-Visual Study Group.
Interagency Bird Hazard Committee.
Interagency Board of U.S. Civil Service Examiners for Washington, D.C.
Interagency Board of U.S. Civil Service Examiners for San Francisco Bay Area.
Interagency Botulism Research Coord. Commit.
Interagency Call Reports Committee.
Interagency Civil Defense Committee.
Interagency Classification Review Committee.
Interagency Clean Car Advisory Committee.
Interagency Collaborative Groups on Environmental Carcinogenesis.
Interagency Committee on Antarctica.
Interagcy. Commit. on Arkansas-White-Red Basins.
Interagcy. Commit. on Automatic Data Processing.
Interagcy. Commit. on Automatic Data Processing and Chesapeake Bay Study Advis. Comm.
Interagency Committee on Auto Theft.
Interagency Committee on Civil Aviation Security.
Interagency Committee on Coal Exports.
Interagcy. Commit. to Coord. Mine Health Research.
Interagency Committee on Drug Control.
Interagency Committee on Economic Regulation.
Interagcy. Commit. on Emerg. Med. Services.
Interagency Committee on Energy Conservation.
Interagcy. Commit. on English Lanuguage Teaching.
Interagency Committee on Excavation Technology.
Interagency Committee on Federal Activities for Alcohol Abuse and Alcoholism.
Interagcy. Commit. on Food Items for Hospitals.
Interagency Committee for the Purchase of United States Savings Bonds.
Interagency Committee on Foreign Trade Commodity Classification.
Interagency Committee on Foreign Trade Statistics.
Interagcy. Commit. on Handicapped Employees.
Interagency Committee on Immigration.
Interagency Committee for Improvement in Procurement and Management of Property.
Interagency Committee on Laboratory Medicine.
Interagency Committee on Manpower Research.
Interagcy. Commit. for Marine Envir. Prediction.
Interagency Committee on Marine Science and Decade Planning Group.
Interagcy. Commit. on Marine Science and Engin.
Interagcy. Commit. on Measurmt. of Real Output.
Interagency Committee on Medical Records.
Interagcy. Commit. on Nat. Blood Prog. Resrch.
Interagcy. Commit. on Nat. Def. Exec. Reserve.
Interagency Committee on Pacific Southwest.
Interagency Committee on Population Matters.
Interagency Committee on Population Research.
Interagency Committee on Railroad Reorganization.
Interagcy. Commit. on Recombin. DNA Research.
Interagency Committee for the Review of Federal Supply Schedules.
Interagency Committee on Silver Dollar Disposal.
Interagency Committee on Southeast Basins.
Interagency Committee on Standards Policy.
Interagcy. Commit. on Timber Sales Procedures.
Interagency Committee on Timber Sales.
Interagency Committee on Transportation Security.
Interagency Committee on the Trust Territory of the Pacific Island.
Interagency Committee for Underground Electric Power Transmission.
Interagency Committee on Uniformed Services Retirement and Survivor Benefits.
Interagency Committee on the UNEP International Referral System.
Interagency Committee on Wage and Price Stabilization in the Construction Industry.
Interagcy. Commit. for World Weather Prog.
Interagency Consumer Educ. and Info. Liaison.
Interagency Coordinating Committee for the National Cancer Program.
Interagcy. Coord. Commit. on Ark. Riv. Basin.
Interagency Coordination Committee: Earth Resources Survey Program.
Interagency Coordination Committee for the Upper Mantle Project.
Interagency Council on Corrections.
Interagency Council on Minor Bus Enterprise.
Interagency Discrepancies in Shipment Committee.
Interagency Economic Adjustment Committee.
Interagency Emergency Planning Committee.
Interagency Emergency Preparedness Committee.
Interagency Emergency Transportation Committee.
Interagency Exhibits Committee.
Interagency Group on International Aviation.
Interagency Group on Law of the Sea.
Interagency Housing Rental Rate Committee.
Interagency Indochina Task Force.
Interagency Liaison Group on International Organization Recruitment.
Interagency Map and Publications Acquisitions Committee.
Interagency Medical and Nonperishable Subsistence Supply Management Committee.
Interagency Motor Equipt. Mgt. Commit.
Interagency Nat. Def. Exec. Reserve Commit.
Interagency Ocean Disposal Prog. Coord. Commit.
Interagency Panel on Early Childhood Research and Development.
Interagency Panel for Research and Development on Adolescence.
Interagency Petroleum Statistics Task Group.
Interagency Primate Steering Group.
Interagency Procurement Policy Committee.
Interagency Propulsion Committe.

Interagency Qual. Contr. and Reliab. Commit.
Interagency Review Committee on Aviation Cost Allocation Study.
Interagency Sci. Prods. Eval. Commit.
Interagency Solid Fuels Advisory Committee.
Interagency Staff Committee on Public Law 480.
Interagency Study of Environmental Impact of Oil and Gas Development on the Atlantic Outer Continental Shelf and in the Gulf of Alaska.
Interagency Task Force in Air Quality and State Implementation Plans for Sulfur Oxide Control Technology Assessment Panel.
Interagency Task Force Committee on Signing and Marking.
Interagency Task Force on Coal.
Interagency Task Force on Comprehensive Programs for School Aged Parents.
Interagency Task Force on Defense Indicators.
Interagency Task Force on Energy Conservation, Research and Development and Demonstration in the Buildings Area.
Interagency Task Force on Energy Information.
Interagency Task Force on Geothermal Energy.
Interagency Task Force on Inadvertent Modifications of the Stratosphere.
Interagency Task Force on LNG Siting and Safety.
Interagency Task Force on Minority Construction Contracting.
Interagency Task Force on Natural Gas.
Interagency Task Force for the Offshore Nuclear Power Plant Study.
Interagency Task Force on Standard Form 23A: General Provisions (Construction Contract).
Interagency Task Force on Trails.
Interagency Technical Committee.
Interagency Tech. Commit. on Heart, Blood Vessel, Lung and Blood Diseases and Blood Resources.
Interagency Trans. and Traffic Mgt. Committee.
Interagency Working Committee on Coal Exports.
Interagency Working Group on Early Actions (Project Independence)
Interdepartmental Committee for Applied Meteorological Research.
Interdeptl. Commit. for Atmospheric Sciences.
Interdepartmental Committee on Internal Security.
Interdeptl. Commit. for Meteorol. Services.
Interdepartmental Committee for Radiation Preservation of Foods.
Interdeptl. Commit. to Review the SST Program.
Interdeptl. Commit. on the Status of Women.
Interdepartmental Committee on Visual and Auditory Materials for Distribution Abroad.
Interdepartmental Committee on Education and Work Initiative.
Interdepartmental Information and Referral Task Force (Older People).
Interdepartmental Intelligence Conference.
Interdepartmental Jewel Bearings Committee.
Interdepartmental Lithographic Wage Board.
Interdepartmental Materials Advisory Committee.
Interdepartmental Placement Committee.
Interdepartmental Savings Bond Committee.
Interdepartmental Screw Thread Committee.
Interdepartmental Task Force on Concerted Services in Tng. and Educ. in Rural Areas.
Interdeptl. Task Force on Research in Aging.
Interdeptl. Work Group for Rev. of Costs Alloc.
Interdeptl. Workers' Compens. Task Force.
Interdepartment Radio Advisory Committee.
Interference Reduction Group Joint Freq. Alloc.
Interglacial, Panel on the Present.
(Intergovernmental Relations) Tahoe Regional Planning Compact Advis. Planning Comm.
Interior Defense Planning Committee, FPC.
Joint Work Group on Nutrition Surveys.
Lower Mississippi Region Comprehensive Study.
Methadone Treatment Policy Review Board.
National Advisory Council on International Monetary and Financial Policies.
National Bureau of Standards, Human Research Ethics Committee.
National Commission on the Financing of Postsecondary Education.
National Coordinating Committee for WIN.
National Diabetes Advisory Board.
NIDA/Criminal Justice Advisory Group.
Nat. Occup. Info. Coord. Committee.
Nat. Petrol. Council Commit. on Energy Conserv. Electric Utility Task Force.
Occupational Manpower Info. Coord. Committee.
Policy Board, Nat. Ctr. for Toxicol. Research.
President's Interagcy. Commit. on Export Expan.
Public Service Communic. Satellite Prog. Commits.
Regional Preparedness Committees.
San Francisco Bay Area Chapter (Federal Safety Council).
School Reporting Committee.
SSA Data Acquisition and Response System Policy Committee.
Southeast Regional Federal-State Committee on Electric Reliability.
Southeastern Regional Reliability Council.
Strategy Council (Drug Abuse Office and Treatment Act of 1972).
Task Force to Dev. Voc. Educ. Info. System.
Task Force on Questionable Corporate Payments Abroad.
Tennessee River Basin Comprehensive Study.
Textile Trade Policy Group.
Title IV Coordination Committee.
Trade Policy Committee.
Transportation Work Group.
Western Conference of Public Service Commission Electric Power Subcommittee.
Work Equity Work Group.
Working Group on Epidemiology.
Working Group for Veterinary Drug Regulation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. CORMAN (at the request of Mr. WRIGHT), after 3:45 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PURSELL) to revise and extend their remarks and include extraneous material:)

Mr. GILMAN, for 60 minutes, today.
Mr. WALKER, for 10 minutes, today.
Mr. BROOMFIELD, for 5 minutes, today.
Mr. BURKE of Florida, for 10 minutes, today.

(The following Members (at the request of Mr. WEISS) and to revise and extend their remarks and include extraneous matter:)

Mr. FASCELL, for 10 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. PREYER, for 5 minutes, today.
Mr. BENJAMIN, for 5 minutes, today.
Mr. DE LA GARZA, for 15 minutes, today.
Mr. ST GERMAIN, for 5 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. BINGHAM, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DINGELL, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,207.50.

Mr. RICHMOND and to include extraneous matter notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,610.

Mr. DINGELL, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $885.50.

Mr. DINGELL, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $724.50.

Mr. ROUSSELOT, remarks immediately preceding Committee of the Whole rising.

(The following Members (at the request of Mr. PURSELL) and to include extraneous matter:)

Mr. FINDLEY.
Mr. DEVINE.
Mr. SARASIN.
Mr. KETCHUM.
Mr. LENT in two instances.
Mr. QUAYLE.
Mr. SNYDER in two instances.
Mr. MCCLORY.
Mr. BROOMFIELD.
Mr. SYMMS.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. FASCELL in two instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. BRODHEAD in two instances.
Mr. DRINAN in 12 instances.
Mr. EDWARDS of California in two instances.
Mr. CLAY.
Mrs. BURKE of California in two instances.
Mr. EDWARDS of California in two instances.
Mr. RICHMOND.
Mr. MCDONALD.
Mr. ASHLEY.
Mr. WAXMAN.
Mr. WALGREN.
Mr. WOLFF.
Mr. KREBS.
Mr. MURTHA in two instances.
Mr. EILBERG.
Mr. HEFTEL in two instances.
Mr. DANIELSON.

Mr. YOUNG of Missouri.
Mr. LEHMAN.
Mr. LEDERER.
Mr. PANETTA in three instances.
Mr. SANTINI.
Mr. ROGERS in five instances.
Mr. CARNEY.
Mr. FRASER.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 955. An act to amend the Federal Crop Insurance Act; and

S. 1240. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1978.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 8, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1640. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Air National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1641. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of a proposed amendment to the regulation governing the guaranteed student loan program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1642. A letter from the Chairman, National Transportation Safety Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1643. A letter from the Vice Chairman, Equal Employment Opportunity Commission, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1644. A letter from the Comptroller General of the United States, transmitting a report on Government regulatory activity (PAD–77–34, June 3, 1977); to the Committee on Government Operations.

1645. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of February 1977, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1646. A letter from the accountant for the American Symphony Orchestra League, Inc., transmitting the audit report of the organization for the year ended March 31, 1977, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1647. A letter from the Comptroller General of the United States, transmitting a report on the Air Force practice of repairing parts when serviceable replacement parts are available (LCD–77–202, June 7, 1977) jointly, to the Committees on Government Operations, and Armed Services.

1648. A letter from the Comptroller General of the United States, transmitting a report on the operation of the Impoundment Control Act of 1974 during its first 2 years, together with recommendations for improvements (OGC–77–20, June 3, 1977); jointly, to the Committees on Government Operations, and Rules.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 3. A bill to strengthen the capability of the Government to detect, prosecute, and punish fraudulent activities under the medicare and medicaid programs, and for other purposes; with amendment (Rept. No. 95–393, Pt. I). Ordered to be printed.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7200. A bill to amend the Social Security Act to make needed improvements in the programs of supplemental security income benefits, aid to families with dependent children, child welfare services, and social services, and for other purposes; with amendment (Rept. No. 95–394). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 615. Resolution waiving certain points of order against H.R. 7556. A bill making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95–395). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON of Texas (for himself and Mr. BLOUIN):

H.R. 7637. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. CARTER (for himself, Mr. MURPHY of New York, Mr. DUNCAN of Tennessee, Mr. HUBBARD, Mr. YOUNG of Alaska, Mr. JONES of Tennessee, Mr. LUJAN, Mr. CHARLES WILSON of Texas, Mr. SHIPLEY, Mr. DERWINSKI, Mr. BYRON, Mr. QUILLEN, Mr. DELANEY, Mr. BEARD of Tennessee, Mr. PATTERSON of California, Mr. STANGELAND, Mr. SAWYER, Mr. HANLEY, Mr. HANNAFORD, Mr. WALSH, Mrs. BURKE of California, Mr. BROWN of Michigan, Mr. BURLESON of Texas, Mr. ADDABBO, and Mr. BURGENER):

H.R. 7638. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. DRINAN:

H.R. 7639. A bill to amend title 5 of the United States Code for the purpose of removing the restriction on the use of recording clocks to record time of employees of executive departments in the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. FARY:

H.R. 7640. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. HANNAFORD (for himself, Mr. MOORHEAD of Pennsylvania, and Mr. PATTERSON of California):

H.R. 7641. A bill to declare a national policy on investment in the private sector of the U.S. economy; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HARRINGTON (for himself, Mr. BADILLO, Mr. BINGHAM, Mr. BRODHEAD, Mr. CARNEY, Mr. CONTE, Mr. DOWNEY, Mr. DRINAN, Mr. EDGAR, Mr. FAUNTROY, Mr. FLORIO, Mr. GILMAN, Mr. LE FANTE, Mr. LUNDINE, Mr. MCKINNEY, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. MITCHELL of New York, Mr. MOAKLEY, Mr. NIX, Mr. RODINO, Mr. SEIBERLING, Mr. THOMPSON, Mr. TRAXLER, and Mr. TSONGAS):

H.R. 7642. A bill to establish a national system of regional capital development banks to provide venture, modernization, and expansion capital for private enterprises for the purposes of increasing employment, expanding production, and enhancing the quality of life in various regions of the United States; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. HECKLER of Massachusetts (for herself, Mr. HARRINGTON, Mr. EARLY, Mr. TSONGAS, Mr. MOAKLEY, Mr. BURKE of Massachusetts, Mr. DRINAN, Mr. MARKEY, Mr. STUDDS, Mr. O'NEILL, Mr. CONTE, and Mr. BOLAND):

H.R. 7643. A bill to name the Veterans' Administration hospital located at 200 Springs Road, Bedford, Mass., the Edith Nourse Rogers Memorial Veterans' Hospital; to the Committee on Veterans' Affairs.

By Mr. KOCH (for himself, Mr. BONKER, Mr. BOWEN, Mr. EDWARDS of California, Mr. EILBERG, Mrs. HOLT, Mr. JENRETTE, Mr. KOSTMAYER, Mr. LE FANTE, Mr. LONG of Maryland, Mr. MITCHELL of New York, Mr. MOORHEAD of California, and Mr. ZEFERETTI):

H.R. 7644. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LONG of Louisiana (for himself, Mr. KINDNESS, Mrs. FENWICK, Mr. WEISS, Mr. BADILLO, Mr. MOAKLEY, Mr. GILMAN, Mr. CONTE, Mr. RICHMOND, Mr. VENTO, Mr. WHITLEY, Mr. GRASSLEY, Mr. PEASE, Mr. KOCH, and Mr. JEFFORDS):

H.R. 7645. A bill to amend the Interstate Commerce Act to establish timing requirements and penalties with respect to the settlement of property damage claims, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. REUSS:

H.R. 7646. A bill to promote the accountability of the Federal Reserve System; to the Committee on Banking, Finance and Urban Affairs.

By Mr. RODINO:

H.R. 7647. A bill to amend the Clayton Act to aid the private enforcement of the anti-

trust laws, by extending the common law of collateral estoppel to litigated antitrust judgements; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 7648. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or for his dependents; to the Committee on Ways and Means.

By Mr. TSONGAS (for himself, Mr. BAUCUS, Mr. BLANCHARD, Mr. BONKER, Mr. BROWN of Michigan, Mr. DUNCAN of Oregon, Mr. EDGAR, Mr. EVANS of Indiana, Ms. FENWICK, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. PATTISON of New York, Mr. QUAYLE, Mr. RONCALIO, Mr. SIMON, Mr. STUDDS, Mr. UDALL, Mr. VENTO, and Mr. WYLIE):

H.R. 7649. A bill to reorganize the executive branch of the Government by consolidation of functions and to increase efficiency and coordination in the area of disaster assistance, emergency preparedness, mobilization readiness, and for other purposes; to the Committee on Government and Operations.

By Mr. VANIK:

H.R. 7650. A bill to create a national system of health security; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. VOLKMER (for himself, Mr. GEPHARDT, Mr. YOUNG of Missouri, Mr. SKELTON, Mr. CLAY, and Mr. BURLISON of Missouri):

H.R. 7651. A bill to amend the Tariff Schedules of the United States; to the Committee on Ways and Means.

By Mr. DODD:

H.J. Res. 507. Joint resolution authorizing the President to proclaim the third week in June of each year as National Veterans' Hospital Week; to the Committee on Post Office and Civil Service.

By Mr. CHARLES H. WILSON of California (for himself, Mr. HANLEY, Mr. FORD of Michigan, Mr. METCALFE, Mr. ADDABBO, Mr. AMBRO, Mr. BINGHAM, Mr. CORNWELL, Mr. DE LA GARZA, Mr. ERTEL, Mr. EVANS of Georgia, Mr. GUDGER, Mr. HYDE, Mrs. LLOYD of Tennessee, Mr. LONG of Maryland, Mr. MCDONALD, Mr. MADIGAN, Mr. MITCHELL of New York, Mr. MOAKLEY, Mr. PATTERSON of California, Mr. PICKLE, Mr. QUIE, Mr. ROYBAL, Mr. THORNTON, and Mr. WAXMAN):

H. Con. Res. 240. Concurrent resolution expressing the sense of the Congress that the U.S. Postal Service should not reduce the frequency of mail delivery service; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

176. By the SPEAKER: Memorial of the Legislature of the State of Montana, relative to requiring the labeling of beef as to origin; to the Committee on Agriculture.

177. Also, memorial of the Legislature of the State of Wisconsin, relative to aiding farmers in maintaining a decent income, expanding and expediting disaster assistance, and preserving the family farm; to the Committee on Agriculture.

178. Also, memorial of the Senate of the State of Tennessee, relative to the status of the Concord, Tenn., Post Office; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLAY:

H.R. 7652. A bill for the relief of Priscilla C. Leezy; to the Committee on the Judiciary.

By Ms. HOLTZMAN:

H.R. 7653. A bill for the relief of Jackson Mormiston Edwards Cuffy and Merle Adrianne Cleopatra Edwards Cuffy; to the Committee on the Judiciary.

By Mr. LENT:

H.R. 7654. A bill for the relief of the New York Institute of Technology; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

121. The SPEAKER presented a petition of the Arizona State AFL-CIO, Phoenix, Ariz., relative to an investigation of the National Labor Relations Board's 28th Region, which was referred to the Committee on Education and Labor.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7557

By Mr. BENJAMIN:

On page 34, after line 10, insert the following new section:

"SEC. 316. None of the funds in this Act shall be used to convert the Manual or Uniform Traffic Control Devices or any traffic control device from the U.S. Customary System of measurement exclusively to the International System of Units of measurement or to provide for the replacement of any traffic control device for purposes of conversion only."

By Mr. GRASSLEY:

Page 34, after line 10, insert the following:

"SEC. 316. None of the funds appropriated or otherwise made available to the Federal Highway Administration in this act shall be obligated or expended for the conversion to traffic signs which carry exclusively metric symbols."

By Mr. WALSH:

On page 34, line 1, insert the following new section and number succeeding sections accordingly:

"SEC. 315. No funds appropriated pursuant to this Act may be expended to modify any sign relating to any speed limit, any distance, or any other measurement on any highway (as defined in section 101 of title 23, United States Code) for the conversion of such sign to the metric system of measurement (as defined in section 4 of the Metric Conversion Act of 1975 (15 U.S.C. 205c)."

SENATE—*Tuesday, June 7, 1977*

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the Honorable ROBERT MORGAN, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

O Lord, whose we are and whom we serve, make us to remember that every word we say and every action we take in this place affects the lives of people beyond our vision or comprehension. Then grant to us compassionate hearts for the needy, keen business minds for guiding the economy, humanitarian concern which makes for social stability, and fidelity to the enduring standards of nationhood. Unite the diverse peoples of this Nation with their leaders in common endeavor for that better order of life which is yet to come. And keep us ever faithful to Thee, the Creator, Redeemer and Judge of our lives.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 7, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ROBERT MORGAN, a Senator from the State of North Carolina, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. MORGAN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, June 6, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I believe the nominations on the Executive Calendar, under Department of State, down through and including Calendar Order No. 249, have been cleared. I ask unanimous consent that the Senate go into executive session to consider those nominations through Calendar Order No. 249.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, and I shall not object, I am pleased that the majority leader is asking the Senate to go into executive

session to consider the confirmation of these nominees. I assume, and I ask the majority leader specifically whether or not it is so, that includes Calendar Order No. 219, Mr. Lawrence S. Eagleburger?

Mr. ROBERT C. BYRD. Yes, it does. It encompasses 219, 247, 248, and 249.

After that, I ask unanimous consent that the Senate proceed to consideration of Calendar Order Nos. 251, 252, and 253 under New Reports.

Mr. BAKER. Mr. President, continuing my reservation, I say to the majority leader that I am delighted to have that information. I am particularly glad to know that Mr. Eagleburger's nomination has been cleared for confirmation on this side of the aisle. It has been on the calendar for some time, and that had been a matter of some concern to me. Therefore, I shall have no objection to the course of action that the majority leader has outlined on our going into executive session.

Mr. ROBERT C. BYRD. Mr. President, I am informed now that all the nominations on the calendar have been cleared with the exception of Calendar Order No. 250. I ask unanimous consent that the Senate proceed to the consideration of all such nominations.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, and I shall not object, my calendar shows that all the calendar numbers shown are cleared on this side. I wonder if the majority leader would mind if I ask unanimous consent that the names of the nominees may be included in the RECORD as if I had named them?

Mr. ROBERT C. BYRD. I shall ask to have the clerk to name them seriatim.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the nominations.

There being no objection, the Senate proceeded to the consideration of executive business.

The second assistant legislative clerk read the following nominations, which, without objection, were considered and confirmed:

DEPARTMENT OF STATE

Lawrence S. Eagleburger, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Federal Republic of Yugoslavia.

Malcolm Toon, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Arthur A. Hartman, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

Patricia M. Derian, of Mississippi, to be Coordinator for Human Rights and Humanitarian Affairs.

Richard K. Fox, Jr., of Minnesota, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

Arthur W. Hummel, Jr., of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan.

Marvin L. Warner, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Jean Price Lewis, of Virginia, to be an Assistant Administrator of the Agency for International Development.

Abelardo Lopez Valdez, of Texas, to be an Assistant Administrator of the Agency for International Development.

INTERNATIONAL ORGANIZATIONS

Richard N. Cooper, of Connecticut, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Alternate Governor of the Asian Development Bank and U.S. Alternate Governor of the African Development Fund.

Sam Young Cross, Jr., of Virginia, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years.

Herbert Salzman, of the District of Columbia, to be the representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Albert W. Sherer, Jr., of Connecticut, a Foreign Service officer of the class of Career Minister, for the rank indicated while serving as the head of the U.S. Delegation to the preparatory meeting in Belgrade of the Conference on Security and Cooperation in Europe (CSCE) commencing June 15, 1977, and thereafter as a member of the U.S. delegation and head of the delegation's working group at the main CSCE meeting in the autumn, to be Ambassador.

Melissa F. Wells, of New York, to be the representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Thomas Byron Crawford Leddy, of Virginia, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years expiring October 22, 1979.

NOMINATIONS IN THE DIPLOMATIC AND FOREIGN SERVICE PLACED ON THE SECRETARY'S DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations on the Secretary's desk in the Diplomatic and Foreign Service be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no further use for my time.

AUTO EMISSION STANDARDS

Mr. BAKER. Mr. President, on May 25, I filed an amendment to S. 252 which would modify the mobile source emission standards of that bill. The purpose of that amendment is to eliminate interim emission standards which will require the industry to manufacture nationwide obsolete engine systems—that is, emission systems which do not meet final standards. By doing so research and development can be focused on production of systems to meet final standards more expeditiously.

Mr. President, I ask unanimous consent that a comparison of S. 252, the industry proposal and my amendment be printed in the RECORD at this point.

There being no objection, the comparative table was ordered to be printed in the RECORD, as follows:

	S. 252			Baker amendment			Riegle/Griffin		
	HC	CO	NO_x	HC	CO	NO_x	HC	CO	NO_x
Year:									
1979	1.5	15.0	2	1.5	15.0	2	1.5	15	2
1979	.4	3.4	[1] 2	1.5	15.0	[1] 2	1.5	15	2
1980	.4	3.4	1	.4	3.4	[2] 1	.4	9	2
1981	.4	3.4	1	.4	3.4	[2] 1	.4	9	2
1982	.4	3.4	1	.4	3.4	1	.4	9	[3] 1

[1] 10 percent of vehicles of major automobile manufacturers must meet 1980 standard.
[2] NO_x may be set at 2 gr for innovative engine systems or innovative emission systems not using precious metals if these systems will meet fuel efficiency standards under the Energy Policy and Conservation Act and can meet the 1 NO_x standard in 1982.
[3] A waiver to 2 is provided if air quality permits.

Mr. BAKER. Mr. President, there has been considerable discussion of the issue of fuel penalties associated with emission schedules. The relationship is a complex one and the assumption cannot be made that emission standards are inversely proportional to fuel economy.

In fact as technologies have shifted to meet more stringent standards, fuel efficiency has increased. This happened in 1976 with the introduction of conventional catalyst systems.

It is expected to happen again with the introduction of the three-way catalyst system.

One major automobile manufacturer, Ford Motor Co., in its submission to the Energy Subcommittee of the House Interstate and Foreign Commerce Committee analyzed carefully the effect of emission standards upon both technology selection and fuel economy.

Mr. President, I ask unanimous consent that the following comparison of

my amendment to S. 252 and to the Riegle/Griffin amendment as to fuel efficiency be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF BAKER PROPOSAL TO OTHER AMENDMENTS PENDING IN THE SENATE—FUEL ECONOMY [1]

[In percent]

	S. 252, as base	Riegle/Griffin, as base
1979	+8	Same
1980	Same	+2
1981	Same	+2
1982	Same	(2)

[1] Based upon Ford Motor Co. testimony before Energy Subcommittee of House Interstate and Foreign Commerce Committee; assuming selection of least cost technology in each instance.

[2] Same to 1 percent.

Mr. BAKER. Mr. President, my proposal is thus more fuel efficient than either alternative during the period when adjustment of emission standards may impact most significantly upon fuel efficiency. Ultimately refinement of final emissions technology is expected to eliminate any fuel economy impact.

REGULATION AND LICENSING OF PRIVATE SECURITY FORCES

Mr. BAKER. Mr. President, the Washington Post yesterday published an article on the need to provide adequate regulation and licensing of private security forces. This article was written by Mr. Ira A. Lipman, of Memphis, president of Guardsmark, Inc., a corporation which specializes in training and placing security personnel. Mr. Lipman is well known throughout the Nation as an expert on crime prevention. He is author of a book on this subject and a director of the National Council on Crime and Delinquency.

In the article, Mr. Lipman comments on the dangers inherent in a large private guard force with little supervision. He makes a number of suggestions designed to upgrade the quality of security forces, and I call his remarks to the attention of my colleagues.

Mr. President, I ask unanimous consent that the text of Mr. Lipman's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CRACKING CRIME BY GUARDING THE GUARDS

(By Ira A. Lipman)

Rising crime has created a tremendous need for private security officers to protect lives and property in the face of decreasing public police protection. In fact, in some cities the private-guard force outnumbers the public police force. But, unlike their public counterparts, security guards are poorly screened and need little or no training in order to carry a gun and wear a badge. Even an ex-con can get a job as a private security guard.

There are instances on record of felons or untrained and even illiterate people entrusted with the responsibility for protecting the public and millions of dollars in assets. In fact, there have been too many cases where private security guards have been arrested for assault and battery, arson, robbery and even murder. So far this year, several major crimes that received national attention were committed by private security guards. And who can forget when a security guard in New Jersey a few years ago entered a building and shot a dozen people, systematically working his way from the top floor to the basement, before turning the gun on himself?

Private security guards also tend to be older, less educated and more transient than the public force. With low wages and lax hiring policies, what can be expected? Consider the stereotype of a bank guard—a tired old man in a poor-fitting uniform, almost too feeble to pull the gun out of his holster, let alone stop a robbery.

The Department of Justice conceded in a report in 1971 (based on a Rand study of the security guard industry) that the potential for problems in this area was great and that regulation of security guards was minimal, inconsistent and, at worst, completely absent.

Since then, some states have enacted, or at least introduced, legislation that addresses itself to the overwhelming problem—the average security guard is, for one reason or another, as much a threat to peace and order as he is an instrument for protecting it.

Yet, the existing legislation, enacted or proposed, has focused its attention so myopically on contract security firms that it is either totally ineffective or stiflingly restrictive. Rarely do any of these laws suggest regulation of or competency requirements for those companies and institutions that hire and supposedly train their own security personnel—despite the fact that 70 per cent of the total private guard population is in-house.

Well-meaning steps in the right direction are the guidelines recommended recently by the Task Force on Private Security, a federal commission. The proposal specifies, among other things: (a) licensing of all contract security firms, (b) experience and/or competency requirements for registering security personnel and (c) establishing minimum criteria for training.

The main problem with the proposal is its exemption of in-house guards who make up the bulk of the security population. This is only one-third of the security personnel who should be policed. What is really required is an active, progressive, imaginative proposal covering the competency and training of all security personnel—in-house, proprietary, or contract security personnel, not just one out of these—with strict requirements for self-policing and enforcement.

In the interest of public safety, any organization providing security forces must meet the inherent responsibilities for minimizing the possible hazard to society. Some of the private security contractors are making concerted efforts to upgrade the quality of the ground investigations, psychological testing and other measures to reduce hiring mistakes.

Unfortunately, this is done by only a small number of the 6,000 or so guard services in this country. Most guard services give a man a gun, a badge and a minimum wage with no training, and they immediately produce a saleable "rent-a-cop," usually offered for hire through the yellow pages. It's a burgeoning field, a $6-billion-a-year industry.

Security, however, is not an untrained employee or a hired gun or a janitor who divides his time with other activities. Security is a serious responsibility that must be implemented in a thorough, professional manner to provide protection for the property and individuals involved. Untrained, unqualified private "police" have no more place in the criminal justice system than vigilantes and lynch mobs, and the term "justice" demands that the rules, like the law, be applied blindly, and to all.

Mr. BAKER. Mr. President, I have no requirement or requests for the remainder of my time under the standing order; so I yield it back.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with statements therein limited to 2 minutes each.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:17 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House has passed without amendment the bill (S. 955) to amend the Federal Crop Insurance Act.

The House disagrees to the amendment of the Senate to the bill (H.R. 6823) to authorize appropriations for the U.S. Coast Guard for fiscal year 1978, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. MURPHY of New York, Mr. BIAGGI, Mr. STUDDS, Mr. OBERSTAR, Ms. MIKULSKI, Mr. RUPPE, and Mr. TREEN were appointed managers of the conference on the part of the House.

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 2437. An act to amend the Act of April 17, 1954, which preserved within Manassas National Battlefield Park, Virginia, important historic properties relating to the battles of Manassas, and for other purposes;

H.R. 2502. An act to extend certain oil and gas leases by a period sufficient to allow the drilling of an ultradeep well;

H.R. 3447. An act to amend chapter 83 of title 5, United States Code, to grant an an-

nuitant the right to elect within one year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant;

H.R. 4585. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1978; to facilitate the transfer of cases from the Indian Claims Commission to the United States Court of Claims; and for other purposes; and

H.R. 6893. An act to amend title 4 of the United States Code to make it clear that Members of Congress may not, for purposes of State income tax laws, be treated as residents of any State other than the State from which they were elected.

At 1:55 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that:

The House has passed the bill (S. 106) to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes, with amendments in which it requests the concurrence of the Senate.

ENROLLED BILLS SIGNED

The Speaker has signed the following enrolled bills:

S. 955. An act to amend the Federal Crop Insurance Act.

S. 1240. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1978.

The enrolled bills were subsequently signed by the President pro tempore.

PETITIONS

The presiding officer laid before the Senate the following petitions which were referred as indicated:

POM-211. House Joint Resolution No. 96 adopted by the Legislature of the State of Montana urging the Congress of the United States to enact legislation requiring the labeling of all beef as either "Domestic Beef" or "Imported Beef"; to the Committee on Agriculture, Nutrition, and Forestry:

"HOUSE JOINT RESOLUTION No. 96

"Whereas, it has come to the attention of the American public that billions of pounds of beef are imported into this country, annually for domestic consumption; and

"Whereas, such beef imports are compounding the problems that are facing the beef producers of this country; and

"Whereas, such competition has forced many cattle producers out of the beef business; and

"Whereas, we believe that the American consumer has the right to know whether or not the beef that he or she is purchasing is domestic beef or imported beef; and

"Whereas, presently the American consumer has no way of knowing whether the beef that he or she buys is domestic beef or imported beef; and

"Whereas, we believe that the passage of legislation which would require the labeling of beef as either domestic beef or imported beef" would speak directly to this pressing situation and would alleviate somewhat the overall financial problems now facing the beef producers of this country.

"Now, therefore, be it resolved by the Senate and the House of Representatives of the State of Montana:

"That we do urge the Congress of the United States to take immediate action toward the passage of S. 297 and H.R. 3130 which would require the labeling of all beef as either domestic beef or imported beef and insure that imported beef is subject to the same inspection requirements as domestic beef and meat products.

"Be it further resolved, that copies of this resolution be sent by the Secretary of State to the President of the United States Senate, the Speaker of the United States House of Representatives, the Chairman of the United States Senate Agriculture and Forestry Committee, and to each member of Montana's Congressional Delegation."

POM-212. A resolution adopted by the Senate of the Commonwealth of Massachusetts memorializing the Congress of the United States to reaffirm its findings and declarations of policy set forth in the Communications Act of 1934 and to prohibit the Federal Communications Commission from taking or continuing action inconsistent with the said findings and declaration of said act; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION

"Whereas, The Massachusetts Senate is vitally concerned with the quality and cost of telephone service to the general public and to the citizens of the Commonwealth of Massachusetts in particular; and

"Whereas, In recent decisions, the Federal Communications Commission has pursued a policy of authorizing lines, facilities and services of specialized common carriers to duplicate the line, facilities and services of others telecommunications common carriers, which policy is resulting in higher charges for users of telephone exchange service by decreasing the interstate revenues that otherwise would contribute to the common costs of providing telephone services, fosters an inefficient and wasteful duplication of telecommunication lines and facilities, impairs the technical integrity of an integrated nationwide telecommunications network, and has an adverse impact on the stabilization of consumer price levels and the maintenance of a productive economy; and

"Whereas, The Federal Communication Commission has also pursued a policy of extending its jurisdiction over terminal and station equipment used in providng telephone exchange service so as to preempt the authority of the state regulatory commissions, including those of the Commonwealth of Massachusetts, and to divert revenues that would otherwise accrue to the benefit of the local basic residential telephone service customers; and

"Whereas, In recognition of the adverse effects of these described actions of the Federal Communications Commission upon the several states, and in recognition of the violations effected by said described actions of the findings and declarations of policy set forth in the Communications Act of nineteen hundred and thirty-four, there have been introduced in the ninety-fifth Congress, first session, bills known as the Consumer Communications Reform Act of nineteen hundred and seventy-seven as House of Representatives Bill No. 8 and Senate Bill No. 530, and other bills of similar nature which would remedy and assure widely available high quality service to all of the nation's telephone users, and would further regulate the requirements for the authorization of construction of new interstate facilities or the furnishing of new services by specialized common carriers; now therefore, be it

Resolved, That the Massachusetts Senate endorse and approve the purposes and objectives of said bills, House of Representatives Bill No. 8 and Senate Bill No. 530, which have been introduced in the House of Representatives and in the Senate of the United States, respectively, and respectfully urges the elected representatives of the various states to support the enactment thereof of said Consumer Communications Reform Act of nineteen hundred and seventy-seven; and be it further

Resolved, That the Federal Communications Commission be directed by the President of the United States to delay further implementation of the above described adverse policies until Congress has reaffirmed its policy by its action on said act; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the presiding officer of each branch of Congress, to each member of Congress from the Commonwealth, and to the Honorable Lionel Van Deerlin, Chairman of the Subcommittee on Communications."

POM-213. House Joint Resolution No. 94 adopted by the Legislature of the State of Montana requesting Federal funding in the amount of $86 million for the national magnetohydrodynamic energy extraction program; to the Committee on Energy and Natural Resources:

"HOUSE JOINT RESOLUTION No. 94

"Whereas, the magnetohydrodynamic method of extracting energy from coal is more efficient than methods currently in use; and

"Whereas, it is less harmful to the environment than current methods, creating less air pollution and entailing the use of significantly lesser amounts of water; and

"Whereas, Montana is currently participating in the national MHD program.

"Now, Therefore, be it resolved by the Senate and the House of Representatives of the State of Montana:

"That federal funding in the amount of $86 million is requested for the development of the national magnetohydrodynamic energy extraction program.

"Be it further resolved, that copies of this resolution be sent by the Secretary of State to Walter Mondale, Vice-President of the United States, and to Montana's Congressional Delegation."

POM-214. House Joint Resolution No. 83 adopted by the Legislature of the State of Montana requesting the Congress of the United States to appropriate moneys for the complete reconstruction of Fort Union Trading Post; to the Committee on Energy and Natural Resources:

"HOUSE JOINT RESOLUTION No. 83

"Whereas, there are very few national parks in Eastern Montana; and

"Whereas, the National Park Service has designated Fort Union Trading Post as a national historic site with plans to completely reconstruct the fort; and

"Whereas, the reconstruction of Fort Union Trading Post will increase the tourism attractiveness of Eastern Montana and improve the economy of the area; and

"Whereas, United States Senators Quentin Burdick of North Dakota and Lee Metcalf and John Melcher of Montana have introduced S. 491 in the United States, calling for an appropriation of $8.5 million to completely reconstruct Fort Union Trading Post National Historic Site.

"Whereas, United States Representatives Ron Marlene of Montana and Mark Andrews of North Dakota have introduced a similar bill, H.R. 3471, in the United States House of Representatives, calling for an appropriation of $8.5 million to completely reconstruct the Fort Union Trading Post National Historic Site.

"Now, therefore, be it resolved by the Senate and the House of Representatives of the State of Montana:

"That the Congress of the United States is

requested to appropriate $8.5 million to the National Park Service to completely reconstruct Fort Union Trading Post;

"Be it further resolved, that the Secretary of State is directed to send a copy of this resolution to the members of the North Dakota and Montana Congressional Delegations, the Chairman of the United States Senate Energy and Natural Resources Committee, the Chairman of the United States House of Representatives Interior and Insular Affairs Committee, and to the Leadership of the United States Senate and the United States House of Representatives."

POM-215. Assembly Joint Resolution No. 34 adopted by the Legislature of the State of Nevada urging the President and Congress to reevaluate the importance of completing the Humboldt River and Tributaries Project and to provide money to complete advanced planning studies; to the Committee on Environment and Public Works:

"RESOLUTION

"Whereas, The Humboldt River and Tributaries Project was authorized in the Flood Control Act of 1950 (Public Law 81-516, 81st Congress, 2nd Session) to provide flood control and to enhance the opportunities for irrigation along the Humboldt River and its tributaries; and

"Whereas, Various technical conditions were not satisfied at the local level and the project was classified as "deferred" in 1954; and

"Whereas, The project was reactivated in 1974 and substantial amounts of money, time and energy were expended by both state and federal authorities to investigate the effects of the project if completed; and

"Whereas, The United States Office of Management and Budget removed the necessary funding for the completion of the planning phase of the project from the executive budget for fiscal year 1977-1978 without consulting state or local officials; and

"Whereas, The worsening drought cycle which continues to plague the West further illustrates the critical importance of water conservation and storage; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada, jointly. That the legislature of the State of Nevada hereby urges the President of the United States and the Congress to reevaluate the importance of the Humboldt River and Tributaries Project to the people of Nevada; and be it further

"Resolved, That not more than $250,000 be appropriated to complete the final planning stages of the project; and be it further

Resolved, That if the project is approved, all existing water rights be fully honored in accordance with the Humboldt River Adjudication and that any individual rancher or group of ranchers may, upon following a proper procedure, elect:

"1. To receive his or their water as it is now being received; or

"2. To have all his or their water, or any part of it, stored in reservoirs of the project for future use; and be it further

"Resolved, That a copy of this resolution be prepared and transmitted forthwith by the legislative counsel to the President of the United States, the Vice President of the United States as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"Resolved, That this resolution shall become effective upon passage and approval."

POM-216. House Concurrent Resolution No. 58 adopted by the Legislature of the State of Louisiana memorializing the Congress of the United States to exempt from any tax gasoline used for farming or fishing and exempt from any increased fuel cost used to manufacture fertilizer; to the Committee on Finance:

"A CONCURRENT RESOLUTION

"Whereas, agriculture and fishing has always been the backbone of the American economy; and

"Whereas, the American people are highly dependent on the continued economic stability of American agriculture and fishing; and

"Whereas, increased taxes on gasoline will seriously jeopardize the American agricultural and fisheries economic systems by increasing a basic modern farming and fishing cost; and

"Whereas, American farming techniques are highly dependent on the use of low-cost artificial fertilizers; and

"Whereas, an increase in the cost of natural gas and other fuels used in manufacturing fertilizers would create an excessive burden on the American agricultural economic system; and

"Whereas, it is in the best interest of the American farmers, fishermen and consumers to exempt farms and farm vehicles transporting agricultural products to market or fishing vessels from any added gasoline taxes, and to exempt natural gas and other fuels used in the manufacture of fertilizer from any increased taxation.

"Therefore, be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the Congress of the United States is memorialized to exempt from any increased taxes gasoline used on farms and by farm vehicles transporting agricultural products to market or by fishing vessels and to exempt from any increased cost natural gas and other fuels used in manufacturing fertilizers.

"Be it further resolved that copies of this Resolution shall be transmitted to the president of the United States Senate, the speaker of the United States House of Representatives, and to members of the Louisiana congressional delegation."

POM-217. Assembly Joint Resolution No. 30 adopted by the Legislature of the State of Nevada memorializing the Congress of the United States to refrain from enacting any law which would establish Federal supervision over public retirement systems or require public employees to enroll under social security; to the Committee on Governmental Affairs:

"RESOLUTION

"Whereas, The proposed Public Employee Retirement Income Security Act, H.R. 13040, which was introduced in Congress on April 5, 1976, would have established federal jurisdiction over the supervision of public retirement systems in the areas of vesting, portability and funding; and

"Whereas, There is presently a proposal before the Subcommittee on Social Security of the House Ways and Means Committee which would require all persons covered by public retirement systems to enroll under Social Security in addition to their present coverage; and

"Whereas, Mandatory enrollment under Social Security, in addition to the present coverage provided to public employees by the public employees' retirement systems, would increase the annual cost to public employees and their respective public employers by approximately $30 million per year to enroll those employees in an additional federal program which has an unfunded liability of approximately $2.1 trillion; and

"Whereas, There is presently a proposal under consideration by a congressional committee to require that all public retirement systems invest 20 percent of their assets in housing investments with the provision that the public systems would have 10 years from the date of passage to reach the 20 percent of portfolio participation level; and

"Whereas, The public employees' retirement system of the State of Nevada presently has a policy of investing up to 10 percent of portfolio in mortgage and real estate investments with a return of over 10 percent which would not be possible with investments in housing because the return is considerably lower; and

"Whereas, The public employees' retirement system and the legislators' retirement system of the State of Nevada have been required to participate in an indepth analytical study on behalf of a special task force committee of Congress which is studying all public employee retirement systems throughout the nation; and

"Whereas, There have been substantial improvements in the public employees' retirement system of the State of Nevada during the past 3 years, such as an increase in investment income from $9 million to $28 million per annum, an increase in average annual yield from 4.04 percent to 8.77 percent and a reduction of unfunded liability from $366 million to $233 million, which indicates that federal supervision of the system is not needed; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada, jointly, That the legislature is very strongly opposed to any federal legislation that would establish federal jurisdiction over or supervision of any public retirement system in Nevada; and be it further

"Resolved, That the legislature is very strongly opposed to any federal legislation that would require mandatory enrollment of public employees under Social Security or place any investment restrictions on public retirement systems in Nevada; and be it further

"Resolved, That copies of this resolution be transmitted forthwith by the legislative counsel to the President of the United States, to the Vice President as presiding officer of the Senate, to every member of the Senate and House of Representatives and to the congressional task force which is studying public retirement systems; and be it further

"Resolved, That this resolution shall become effective upon passage and approval.

POM-218. Senate Joint Resolution No. 3 adopted by the Legislature of the State of Nevada requesting the Congress of the United States to submit to the State legislatures an amendment to the U.S. Constitution which would limit Federal appropriations for any fiscal year to Federal revenues estimated for that year, except during national emergencies; to the Committee on the Judiciary:

SENATE JOINT RESOLUTION

"Whereas, The national debt now amounts to hundreds of billions of dollars and is increasing enormously each year as federal expenditures grossly exceed federal revenues; and

"Whereas, Payment of the increased interest on this ever-expanding debt imposes a tremendous burden on the taxpayers of this country; and

"Whereas, Continuous deficit financing by the Federal Government supports inflationary conditions which adversely affect the national economy and all Americans, particularly those persons with fixed or low incomes; and

"Whereas, Constantly increasing use of deficit financing has enabled the Federal Government to allocate considerable sums to programs which in many instances have proved to be wasteful and nonbeneficial to the public; and

"Whereas, Limiting federal expenditures in each fiscal year to revenues available in that year, except during national emergencies, will result in greater selectivity of federal programs for the benefit of the public; and

"Whereas, The annual federal budgets continually reflect the unwillingness or inability of both the legislative and executive branches of the Federal Government to balance the budget and demonstrate the necessity for a constitutional restraint upon deficit financing; and

"Whereas, Under article V of the Constitution of the United States, the Congress may propose amendments to the federal Constitution whenever two-thirds of both houses deem it necessary; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That this legislature respectfully requests the Congress of the United States to submit to the legislatures of the several states an amendment to the United States Constitution which would require that, in the absence of a national emergency, the total of the appropriations made by the Congress for each fiscal year may not exceed the total of the estimated federal revenues for that year; and be it further

"Resolved, That the legislature of the State of Nevada proposes that the legislatures of each of the several states request the Congress to submit the constitutional amendment proposed in this resolution; and be it further.

"Resolved, That a copy of this resolution be immediately transmitted by the legislative counsel to the President of the Senate and the Speaker of the House of Representatives of the United States, to each member of the Nevada congressional delegation and to the presiding officer of each house of the legislatures of the several states; and be it further

"Resolved, That this resolution shall become effective upon passage and approval."

POM-219. Senate Joint Resolution No. 24 adopted by the Legislature of the State of Nevada memorializing the Congress of the United States to authorize and appropriate money for a veterans' hospital in Clark County, Nev.; to the Committee on Veterans Affairs:

"SENATE JOINT RESOLUTION No. 24

"Whereas, It is estimated that there are 53,000 veterans living in Clark County who have honorably served their country; and

"Whereas, By 1980, approximately 62,500 veterans will reside in Clark County; and

"Whereas, These figures demonstrate that the number of military personnel who are retiring in southern Nevada as well as those persons who are entitled to the medical and dental benefits offered by federal hospitals is increasing substantially; and

"Whereas, The closest veterans' hospitals for these persons are in Reno and Los Angeles, which makes hospital care for them an extreme inconvenience and hardship; and

"Whereas, The increase in the cost of medical care and the crowded conditions of private and public hospitals in southern Nevada create an unconscionable burden upon those men and women who have served their country; and

"Whereas, There are no Veterans' Administration hospitals readily accessible to those deserving persons; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That the legislature of the State of Nevada hereby respectfully memorializes the Congress of the United States to authorize and appropriate the necessary money for a veterans' hospital in Clark County, Nevada; and be it further

"Resolved, That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Vice President of the United States as presiding officer of the Senate, to the Speaker of the House of Representatives and to all members of the Nevada congressional delegation; and be it further

"Resolved, That this resolution shall become effective upon passage and approval."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUDDLESTON, from the Committee on Agriculture, Nutrition, and Forestry:

Without amendment:

H.R. 3416. An act to amend section 316(c) of the Agricultural Adjustment Act of 1938 to provide that leasing of flue-cured tobacco acreage-poundage marketing quotas after June 15 of any year be permitted only between farms on which at least 80 per centum of the farm acreage allotment was planted for such year (Rept. No. 95-240).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

John C. West, of South Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John C. West.

Post: United States Ambassador to Saudi Arabia.

CONTRIBUTIONS, AMOUNT, DATE, AND DONEE

John C. West, $1,000, 1972, Ernest F. Hollings, United States Senator.

John C. West, $500, 1972, Kenneth L. Holland, United States House of Representatives.

John C. West, $1,000, 1975-1976, Jimmy Carter for President.

John C. West, $250, 1976, Sanford for President Committee.

John C. West, $250, 1976, Kenneth L. Holland, United States House of Representatives.

Lois R. West, wife, $500, 1976, Jimmy Carter Campaign.

John C. West, Jr., son, $540, 1976, Jimmy Carter for President.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform of the pertinent contributions made by them. To the best of my knowledge the information contained in this report is complete and accurate.

JOHN C. WEST.

Subscribed and sworn (or affirmed) before me this 20th day of April A.D., 1977, at Camden, South Carolina.

MARY JEAN TODD.

Commission expires 2-16-82, Notary Public for South Carolina.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 2437. An act to amend the act of April 17, 1954, which preserved within Manassas National Battlefield Park, Virginia, important historic properties relating to the battles of Manassas, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2502. An act to extend certain oil and gas leases by a period sufficient to allow the drilling of an ultradeep well; to the Committee on Energy and Natural Resources.

H.R. 3447. An act to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within one year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant; to the Committee on Governmental Affairs.

H.R. 4585. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1978; to facilitate the transfer of cases from the Indian Claims Commission to the United States Court of Claims; and for other purposes; to the Select Committee on Indian Affairs.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, June 7, 1977, he presented to the President of the United States the following enrolled bills:

S. 955. An act to amend the Federal Crop Insurance Act.

S. 1240. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1978.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PROXMIRE:

S. 1628. A bill to eliminate discrimination against female members of the Armed Forces of the United States by expanding the job classifications to which female members may be assigned; to the Committee on Armed Services.

By Mr. LAXALT:

S. 1629. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Human Resources.

By Mr. HUMPHREY (for himself, Mr. ANDERSON, and Mr. MCGOVERN):

S. 1630. A bill to amend the Rural Development Act of 1972 (Public Law 92-419) and for other purposes; to the Committee on Agriculture, Nutrition, adn Forestry.

By Mr. THURMOND:

S. 1631. A bill for the relief of Chakrapani Sethumadhavan; to the Committee on the Judiciary.

By Mr. HAYAKAWA:

S. 1632. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for the review of certain determinations made relating to food; to the Committee on Human Resources.

By Mr. DECONCINI (for himself and Mr. ABOUREZK):

S. 1633. A bill to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. DOMENICI:

S. 1634. A bill to convey all interests of the United States in certain real property in Sandoval County, N. Mex., to Walter Hernandez; to the Committee on Energy and Natural Resources.

S. 1635. A bill to continue for 3 years the construction grants program of the Federal Water Pollution Control Act; to the Committee on Environment and Public Works.

By Mr. ABOUREZK (for himself, Mr. HATFIELD, Mr. GLENN, Mr. RIBICOFF, Mr. METCALF, and Mr. SPARKMAN):

S. 1636. A bill to amend the American Folklife Preservation Act to extend the authorization of appropriation contained in such Act; to the Committee on Rules and Administration.

By Mr. MATHIAS:

S. 1637. A bill to provide for Federal standards to more effectively protect the public against asbestos contamination; to the Committee on Environment and Public Works.

By Mr. BURDICK:

S. 1638. A bill to provide for the establishment of a national cemetery in the State of North Dakota; to the Committee on Veterans' Affairs.

By Mr. HANSEN:

S. 1639. A bill for the relief of Shenn-Song Theresa Lee; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 1628. A bill to eliminate discrimination against female members of the Armed Forces of the United States by expanding the job classifications to which female members may be assigned; to the Committee on Armed Services.

Mr. PROXMIRE. Mr. President, the purpose of this bill is to authorize the Secretary of Defense to expand the job classifications to which women members of the Armed Forces may be assigned. It specifies a number of areas, now closed by statute, policy, or tradition, that could be made available to women. Further, it authorizes the Secretary of Defense to open up any other assignments necessary to help eliminate discrimination against women in the Armed Forces without adversely affecting the ability of the military departments to carry out their respective missions.

At present, there is no consistent policy regarding women members of the Armed Forces. This results in a number of conflicting policies regarding women in the services. What this bill will do is centralize policy in the hands of the Secretary of Defense. It will let him define "combat" and "combat mission" for the services, and to provide for the more efficient use of women in the Armed Forces.

As it is proposed, the bill has a section that applies to each of the services. The bill would permit Navy women to have permanent assignments on hospital ships, transport ships, and ships used for similar or related purposes, and temporary assignment on all other vessels not likely to be used in combat. This was incorporated from a request from the Secretary of the Navy to Congress to modify title 10, section 6015, in this fashion.

Regarding women in the Air Force, the bill would provide opportunities for them to serve as pilots, navigators, and missile launch officers. The Air Force is currently training women to be pilots and navigators and, so far, feels that the women are performing very well. In the pilot's training programs, every woman who entered is expected to successfully complete it. Yet, women in the Air Force are prohibited by title 10, section 8549 from serving as pilots in combat aircraft. And, to the Air Force, every aircraft is potentially a combat plane. This amendment would allow women to serve in the aircraft not likely to be used in combat missions. Therefore, it leaves open a wide range for women in terms of flying support missions.

Women are currently prohibited from serving as missile launch officers based on policy, not legislative statute. Opening up this area would provide another career option for women in the Air Force.

The Army is not governed by legislative restrictions, but rather by policy and tradition. And these have changed over time regarding the role of women. What this bill will do is make one more MOS available to women, as well as set a precedent for placing women in more combat support positions.

This bill does not say that women will have to go into combat. But it will place women in new job classifications where there is no immediate danger. It will enable each of these women to enhance her career, as well as to do a great service to her country. This need to open more doors to women comes from the necessity to utilize this valuable resource, as well as from the movement for social and human equality.

By Mr. LAXALT:

S. 1629. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Human Resources.

Mr. LAXALT. Mr. President, I am today introducing legislation to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities. My bill would amend the National Labor Relations Act in such a way as to remove any compulsion for membership in a labor organization as a condition of employment irrespective of any labor-management agreement to that effect.

The Constitution of the United States guarantees certain individual rights. The freedom of association grants to all people the right to join or not to join any organization. The legislation I am proposing insures this freedom. I want to give every American the right to join a union if he so desires to but also the right to earn a living if he does not wish to join a union. It is clearly an abridgment of an individual's freedom if in order to gain employment, he is compelled to join a labor organization.

It is difficult to see how unions which have developed as organizations of self-help to free labor from oppressive policies, can justify their present program of using the employer's control of jobs to force workers to join organizations with which they may not wish to associate.

The Railway Labor Act, 1926, 1934; the Wagner Act, 1935; and the Taft-Hartley Act, 1947, established in all industries subject to Federal law the right of employees to "self-organization" and to bargain collectively through representatives of their own choosing"—and the right to exercise these rights free from employer "interference, influence or coercion." Yet how can there be "self-organization" or "representatives of their own choosing" when workers are compelled to join unions against their will? How can there be freedom from employer "interference, influence, or coercion" when every employee is forced by his employer to join the particular union with which the employer has made a union shop agreement?

The compelling issue here is an individual's freedom of choice. However, there are certain economic factors that should not be overlooked. A report entitled "A Study of the Business Climate of the States," issued by the Fantus Co. in August 1975 disclosed that of the 10 States with the most favorable business climate, all except for 1 had "right-to-work" laws. Conversely, of the 10 States with the least favorable business climate, none had right-to-work laws. The Heritage Foundation issued a report last month that also showed a favorable correlation between those States with right-to-work laws and the rate of increase in manufacturing jobs over a given period of time in those States. The Heritage Foundation Report concluded that—

> It is fairly obvious that right-to-work laws produce an economic climate that facilitates prosperity for employees, employers, and the entire community.

Many of the benefits and improved conditions workers now enjoy have no doubt been attained through union influence. Indeed this bill should not be considered "antilabor legislation." How can a proposal be antilabor when it gives a worker the freedom from employed coercion. It seems ludicrous for the unions to claim that it is against the interests of the worker to be free from employer compulsion on such a vital issue as whether or not to join a union.

A "union security" agreement does not in effect provide the worker with security. Rather it renders him dependent upon a tyrannical control of his livelihood exercised by the union and the employer. The only party made secure by such an agreement is the labor organization itself.

In the case that upheld the constitutionality of Arizona's right-to-work law (335 U.S. 538), Justice Frankfurter quoted from Justice Brandeis who held that:

> The ideal condition for a union is to be strong and stable, and yet to have in the trade outside its own ranks an appreciable number of men who are non-unionists. In any free community the diversity of character, of beliefs, of taste—indeed mere selfishness—will insure such a supply, if the enjoyment of this privilege of individualism is protected by law.

In the same case, Brandeis was quoted as saying that due to social, economic and legal objections to union security agreements "the insistence upon it has been a serious obstacle to union progress."

An individual's freedom of choice is one that Americans hold in high esteem. If a worker does not wish to join a union, he should be allowed that right without being subject to losing his job. Quoting

once again from the "Arizona Right-to-Work Case" (335 U.S. 538), Justice Brandeis summed up the mood of the American people toward union security agreements:

They will not consent to the exchange of the tyranny of the employer for the tyranny of the employee.

I believe that passage of my bill will reaffirm this American spirit that holds individual liberties in high regard and has a preference for persuasion over coercion.

Mr. President, I ask unanimous consent that the text of my legislation be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1629

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7 of the National Labor Relations Act is amended by striking out "except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of employment as authorized in section 8(a)(3)"

(b) Section 8(a)(3) of such Act is amended by striking out all of section 8(a)(3) after "labor organization" the first time it appears and inserting in lieu thereof a semicolon.

(c) Section 8(b)(2) of such Act is amended by striking out everything after "subsection (a)(3)" and inserting in lieu thereof a semicolon.

(d) Section 8(f) of such Act is amended by striking out clause (2), and by redesignating clauses (3) and (4) as (2) and (3), respectively.

SEC. 2. The Railway Labor Act is amended by striking out section 2, Eleventh, thereof.

By Mr. HUMPHREY (for himself, Mr. ANDERSON, and Mr. McGOVERN):

S. 1630. A bill to amend the Rural Development Act of 1972 (Public Law 92-419) and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NATIONAL RURAL DEVELOPMENT BANK

Mr. HUMPHREY. Mr. President, I am today introducing a bill which is designed to enhance the economic stability of the rural areas of this great Nation. This bill, which would amend the Rural Development Act of 1972, would authorize the creation of a National Rural Development Bank.

I am pleased to have Senator ANDERSON and Senator McGOVERN as cosponsors of this bill.

I have come before this body many times in the past to elaborate before my colleagues on the needs for rural America. Those needs are never more glaring than they are today.

I would like to share two statistics with my colleagues. The first is that 56 million—about one in every four—Americans live in rural areas. The second statistic is that 14.4 percent of the families of rural America live in poverty. I submit that this Nation cannot afford to tolerate this situation.

Recent news articles report a credit crunch in rural areas. This rural credit squeeze comes while there is a glut of money in the lending institutions of America's cities.

The institution that this bill would create would aid already established banks and other credit institutions in funding private and public development throughout the rural portion of this country.

The National Rural Development Bank that this legislation establishes would be an economic stabilizer for rural America. It would channel capital into rural areas for nonfarm development purposes that are essential to the economic health of the countryside.

It is a fact of our economic life that small, rural communities do not have the necessary wherewithal to achieve development because of a lack of capital. There hardly is enough for small, everyday loans, let alone the large loans that are frequently necessary to attract small firms which might produce a handful of jobs.

A 1971 Presidential Task Force on Rural Development recognized this need and urged the creation of a credit institution to provide rural areas with greater access to private capital.

The National Rural Development Bank, as proposed in this bill, would serve as a basic source of financial assistance to institutions which have purchased, refinanced, discounted or rediscounted nonfarm rural development loans made by local rural banks and local financial institutions to these institutions when the need arises.

The cost of this bill would be small in relation to its benefits. The bill authorizes $200 million annually for the next 10 years. This money would be spent by the Secretary of the Treasury to purchase capital stock in the Bank.

Our rural areas need to have the capital necessary to encourage the kind of economic growth that is so desperately needed to reverse, once and for all, the drain of people and resources from rural areas to the Nation's cities.

This is an idea that should soon be implemented. I note that the Senator from Texas (Mr. BENTSEN) will be chairing hearings June 7 and 15 on the economic problems of rural America. Also, I note that the Senator from Iowa (Mr. CLARK) will be chairing oversight hearings on the implementation of the Rural Development Act of 1972 on June 14 and 16. I am certain that these hearings will demonstrate the need for an institution similar to the one outlined in this bill.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Rural Development Act of 1972 (Public Law 92-419) is amended by adding at the end thereof the following:

"TITLE VII—RURAL DEVELOPMENT ACT AMENDMENTS OF 1977

"SUBTITLE A—FINDINGS, PURPOSES, AND DEFINITIONS

"SEC. 701. TITLE AND FINDINGS AND PURPOSE.—(a) This title may be cited as the "Rural Development Act Amendments of 1977."

"(b) The Congress hereby finds that—

"(1) farming and forestry form the backbone of the rural economy; yet the community services and facilities and the income earning opportunities needed by farm and forestry people to increase their incomes and raise their quality of life are shared with all other residents living in rural areas and rural communities who must also participate in their financial support.

"(2) adequately to raise farm family and forestry income and increase the accessibility to farm and rural residents of high-quality community facilities and services requires all the resources in local rural communities to be used at maximum effectiveness and efficiency;

"(3) the conduct of industry, business, and commerce, as well as farming and forestry, contributes to the jobs and income earning opportunities needed to provide the tax base to establish and maintain adequate rural facilities and services; the same circumstances are essential to expanding the service loads and hence the ability of rural electrification and telephone systems to pay overhead costs for service for farmers and other rural residents and repay indebtedness on Government and Government-insured and -guaranteed loans;

"(4) prosperous, productive, and attractive rural communities are essential to the well-being of farm and other rural families and of a free nation because a more general, better balanced geographic distribution of the Nation's population is essential to the prosperity, general welfare, and domestic tranquillity of the urban as well as the rural communities of the United States;

"(5) to attain a more general, better balanced geographic distribution of the Nation's population requires a reversal of the long-term trend of migration from rural to urban areas;

"(6) to reverse the flow of population from rural to urban areas and achieve a more general, better balanced geographic distribution of the Nation's population, it is necessary to atttain a more general, better balanced geographic distribution of profitable private economic enterprises, income earning opportunities, and high-quality public community facilities, services, and public works;

"(7) additional capital investment and financial resources in rural areas are essential to the establishment and operation of the private economic enterprises, public works, and community facilities and services necessary to achieve a more uniform geographic distribution of economic enterprises, jobs, and increased rural income;

"(8) much of the needed investment must come from outside of rural areas and communities;

"(9) much of the outside investment and credit needed by rural areas will be made available by the Nation's existing network of commercial and investment banks, the Farm Credit System, and other local rural financial institutions, and by other private enterprise and local and State governments buttressed and supplemented by the direct, insured, and guaranteed loans, technical assistance, and grants provided by the Consolidated Farm and Rural Development Act and other titles of the Rural Development Act of 1972;

"(10) however, because the size of investment or credit required by the sponsors of significant rural development projects often exceeds the regulated lending limits and investment standards of existing local rural financial institutions and individuals even when a part of the loan is insured or guaranteed under the Consolidated Farm and Rural Development Act, existing arrangements do not fully provide to local rural investors and financial institutions the li-

quidity, flexibility, and usable financial resources they require to be fully responsive to expanding rural development investment and credit needs;

"(11) moreover, the individual potential investor, public or private, who wishes to construct and operate a significant rural development project does not have an independent access to investment funds and capital, if these are not currently available from existing credit and investment individuals and institutions.

"(c) It is the policy of Congress to meet this need by establishing a local-lender-and-borrower-owned facility that will provide equity-participation investment funds to sponsors of rural development projects and financial assistance to local lenders and to those with whom loans extended by local lenders are refinanced, discounted, rediscounted, or to whom such loans are sold.

"(d) It is therefore the purpose of this Act to provide for a permanent rural development investment and financial institution that will organize and make available a stable, continuous, and dependable source of financial resources that will provide equity-participation investment, loans, and the discounting, rediscounting, refinancing, and purchase of loans extended by local rural financial institutions to the residents of rural areas, rural corporations, agricultural producer organizations and other cooperatives (except where able to obtain needed credit from the banks for cooperatives under the Farm Credit Act of 1971), rural industrial, and business enterprises, quasi-public bodies in rural areas, rural counties, and municipalities, Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, and other units of rural local general and special purpose government that will establish, contruct, and operate private and public facilities, works, and services in rural areas and will provide remunerative employment to increasing numbers of rural residents.

"SEC. 702. DEFINITIONS.—As used in this title—

"(a) The term 'rural area' means all the territory of a State, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam that (1) is not within the outer boundary of any standard metropolitan statistical area, as designated by the Office of Management and Budget and (2) in addition, all territory within any such standard metropolitan statistical area that is also within counties, towns, plantations (in Maine), and townships having a population density of less than two hundred persons per square mile, as determined by the Secretary of Agriculture according to the latest decennial census of the United States.

"(b) The term 'rural development purpose' means any project undertaken by any private industrial or business enterprise or by any multistate region, State, multijurisdictional general purpose planning and development district, or local government or instrumentality thereof, that contributes or will contribute to giving highest priority to attainment of the objectives of the revitalization and development of rural areas as provided in section 901(a) of the Agricultural Act of 1970 (Public Law 91-524), or the enhancement of any rural community or rural area as a place to live and make a living. Such term specifically includes, but is not limited to, projects that provide increased employment or income for or directly benefit rural residents and that—

"(1) establish or improve public works or community services, or facilities;

"(2) encourage private investment in, or promote the establishment and expansion of, industrial or commercial enterprises, including but not limited to, investor-owned and cooperative marketing and other service associations and enterprises;

"(3) provide manpower development and training;

"(4) improve the quality and accessibility of rural community facilities and services;

"(5) promote the conservation, development and proper utilization of natural resources;

"(6) establish and improve public educational facilities, including but not limited to community and junior colleges, vocational and technical schools, and other institutions of higher education, and encourage the development of improved educational methods;

"(7) establish and improve land, water, and air transportation systems and services for goods and passengers;

"(8) assist in the solution of problems related to law enforcement activities;

"(9) establish decent, safe, sanitary, and comfortable housing;

"(10) establish and improve health care and preventative practice facilities and services, including but not limited to, facilities for vocational rehabilitation, and generally promote improved health and nutrition of residents of rural areas;

"(11) provide direct financial incentives to industry to create jobs in rural areas; and

"(12) establish and improve facilities and services that will enhance the quality of the environment and provide abatement and control of pollution.

"(c) The term 'rural development project' means an organized proposal or activity with an identifiable legal sponsor that will or does contribute to the attainment of one or more rural development purposes.

"(d) The term 'local general government' means the government of a municipality, county, town, or township as such terms are defined and used by the United States Bureau of the Census.

"(e) The term 'regional office,' when used in connection with the Bank, means the office that serves the rural part of the geographical area located within a uniform region established by the President of the United States for coordination of Federal agencies.

"(f) The term 'Board' means the National Rural Development Bank Board established under subtitle B of this title.

"(g) The term 'Bank' means the National Rural Development Bank established under subtitle C of this title.

"(h) The term 'Participant' means any local rural bank or other local rural financial institution designated as a Participating Rural Development Financial Institution under subtitle D of this title.

"(i) The term 'Supporting financial institution' means any person or financial institution within the United States that has purchased, discounted, rediscounted, or refinanced all or part of a rural development loan extended to an eligible sponsor by a Participant.

"(j) The term 'rural development loan' means an identifiable unit of credit or other financial assistance extended to an eligible sponsor to construct and operate a rural development project.

"(k) The term 'Governor' means the executive officer of the Bank.

"(l) The term 'financial assistance' means (1) the purchase of legal obligations and the discount, rediscount, and refinancing of any note, draft, or other obligation and similar legal instruments evidencing and securing the repayment of a secured rural development loan advanced by a local rural financial institution for the establishment or operation of any project required to attain a rural development purpose, irrespective of whether such loan is insured or guaranteed in whole or in part by an instrumentality of the Federal Government; (2) the providing of funds for joint-venture equity investment in rural development projects; and (3) the extending of loans to sponsors of rural development projects who are unable to obtain needed credit from other existing financial institutions.

"(m) The term 'joint-venture equity investment' means the investment of funds jointly with another private or public rural development project sponsor to establish and operate a rural development project.

"(n) The term 'eligible sponsor' means—

"(1) any of the following who propose to or are engaged in establishing or operating a rural development project:

"(A) public and quasi-public bodies;

"(B) cooperative associations as defined in the Agricultural Marketing Act (42 Stat. 388; 12 U.S.C. 1141j(a), if such associations are unable to borrow from the banks for cooperatives;

"(C) other cooperatives:

"(D) corporations;

"(E) partnerships;

"(F) individual proprietors;

"(G) multijurisdictional general purpose areawide planning and development substate districts established by the legislature or Governor of a State;

"(H) persons and firms;

"(I) owners or potential owners of rural homes;

"(J) municipalities;

"(K) resource conservation and development project sponsors under title III of the Bankhead-Jones Farm Tenant Act;

"(L) sponsoring associations carrying out projects under the Watershed Protection and Flood Prevention Act;

"(M) corporate entities established by sponsors of concerted education and training service projects carried out jointly by the Department of Agriculture, the Department of Health, Education, and Welfare, and the Department of Labor;

"(N) cooperative associations furnishing to farmers and rural residents services and facilities for harvesting, storing, processing (including preservation or preparation of edible products for market), transporting or marketing agricultural commodities or products, consumer purchasing services, or the processing or marketing of other products of farmers or rural residents, or other cooperatives or self-help enterprises;

"(O) councils of government established under State law if rural areas are included within their jurisdiction;

"(P) private associations;

"(Q) local development districts organized under the Appalachian Development Act;

"(R) Economic Development Districts organized under the Economic Development Act of 1965;

"(S) technical vocational schools; and

"(T) Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups; and

"(2) whose proposed or operating project is declared eligible based upon—

"(A) review of the proposed project by the governing body of the multijurisdictional, areawide, general purpose planning and development district, if any, established by the legislature or Governor of the State concerned and a certification by such body that the proposed private or public facility, work or service is not inconsistent with the current areawide general purpose development plan, if any, for the multijurisdictional district;

"(B) determination that the private or public facility, work, or service provided by the project will be located in and operate primarily in a rural area to increase the employment of or for the benefit of rural residents and that the proposed project promises to make a net increase in the number of jobs, quality of life, or median family income in the rural area served;

"(C) determination that the proposed undertaking is not inconsistent with the Federal, State, or local laws or regulations relating to protecting the quality of the environment.

"(o) The term 'voting stockholders' means any Participant, any borrower, and any Joint-venture-cosponsor who has purchased and owns voting stock in the Bank.

"(p) The term 'Joint-venture-cosponsor' is an eligible sponsor who joins with the Bank in making a joint-venture equity investment in a rural development project under provision of Subtitle E.

"SUBTITLE B—NATIONAL RURAL DEVELOPMENT BANK BOARD

"SEC. 801. The NATIONAL RURAL DEVELOPMENT BANK BOARD; NOMINATION AND APPOINTMENT OF MEMBERS; ORGANIZATION AND COMPENSATION.—(a) There is hereby established a National Rural Development Bank Board (hereinafter referred to as the 'Board') composed of eleven appointed, three ex officio and ten elected members. The appointed members shall be appointed by the President, by and with the advice and consent of the Senate, not more than six of whom shall be from the same political party nor more than one of whom shall be from any State. In making appointments to the Board the President shall select persons who are especially qualified to serve on the Board because of their education, training, and experience, shall attempt to provide a fair representation on the Board of the different geographic regions of the United States and the several economic interests in rural development-farming, labor, business, banking, cooperatives, local government, and private economic enterprise both profit and not for profit. The representative of the Secretary of Agriculture on the Farm Credit Board, the Governor of the Farm Credit Administration and the Governor of the Bank shall be ex officio members of the Board and shall not be eligible to vote. One elected member shall be chosen by voting stockholders of the rural area served by each regional office of the Bank.

"(b) All members of the Board shall be citizens of the United States and not less than seventeen members, exclusive of ex officio members, shall be legal residents of rural areas in which the Bank is authorized by this Act to extend financial assistance for projects to carry out rural development purposes.

"(c) The Board shall elect a chairman and vice chairman from among its appointed and elected members. The Board shall elect a Secretary from among its members or from outside its membership. Such officers shall be elected for terms of one year and shall hold office until their successors have been elected.

"(d) No member of the Board, other than the ex officio members shall, while serving as a member of the Board, be an officer or employee of the United States or of the Bank or of the Farm Credit System.

"(e) Appointed and elected members of the Board shall serve for terms of six years, except that (1) a person appointed to fill an unexpired term shall serve only for the remainder of the term for which his predecessor was appointed, and (2) with respect to the first members appointed and elected to such Board, four shall be appointed and four elected for terms of six years, four shall be appointed and four elected for terms of four years, and three shall be appointed and two elected for terms of two years. A vacancy on the Board shall not affect the power of such Board to act and shall be filled in the same manner as originally filled. Members shall serve until their successors are duly appointed and qualified.

"(f) The Board is authorized to establish its own rules of procedure for conducting its business, except that a majority of all members of such Board shall constitute a quorum for the transaction of its business.

"(g) Each appointed and elected member of the Board shall receive $200 a day for not more than one hundred days of meetings each year and all members shall be reimbursed for travel and reasonable expenses incurred in attending meetings of such Board and in discharge of their official duties without regard to laws with respect to allowances which may be made on account of travel and subsistence expenses of officers and employed personnel of the United States. Nothing in the preceding sentence shall be construed to limit the number of days of meeting each year to one hundred days.

"(h) The Board shall hold at least six regularly scheduled meetings a year and such additional meetings at such times and places as it may determine. Special meetings shall be held at any time at the call of the chairman or by any three members of such Board.

"SEC. 802. POWERS OF THE BOARD.—The Board shall establish the general policy for the guidance of the Bank in carrying out this Act; may require such reports as it deems necessary from the Bank; and provide for the examination of the condition of and general supervision over the performance of the powers, functions, and duties vested in the Bank and in Participants, which, in the judgment of the Board, relate to matters of broad and general supervisory, advisory, or policy nature. The Board shall function as a unit without delegating any of its functions to individual members, but may appoint committees and subcommittees for studies and reports for consideration by such Board. It shall not operate in an administrative capacity.

"SEC. 803. The Board shall make an annual report to the Congress on the condition of the Bank, including analytical program evaluation and cost effectiveness studies, and recommendations it deems necessary to improve the operation of the Bank in providing supplementary investment required to attain rural development purposes of this Act.

"SUBTITLE C—NATIONAL RURAL DEVELOPMENT BANK

"SEC. 901. ESTABLISHMENT; TITLE.—There is established a National Rural Development Bank (herein called Bank) as a federally chartered instrumentality of the United States subject to policies of the Board. Its charter may be modified from time to time by the Board in any manner not inconsistent with the provisions of this Act as may be necessary or expedient to implement this Act.

"SEC. 902. CORPORATE EXISTENCE; GENERAL CORPORATE POWERS.—The Bank shall be a body corporate, subject to the supervision of the Board and shall have power to—

"(1) adopt and use a corporate seal;

"(2) have succession until dissolved under the provisions of this Act or other Acts of Congress;

"(3) make contracts;

"(4) sue and be sued;

"(5) acquire, hold, dispose, and otherwise exercise all the usual incidents of ownership of real and personal, tangible and intangible property necessary or convenient for its business;

"(6) operate under the policy direction of the Board;

"(7) prepare and disseminate information to the general public on use, organization, and functions of the Bank and to investors on merits of its securities;

"(8) require appropriate bonds or other provision for protection of the assets of the Bank against losses occasioned by employees;

"(9) prescribe rules and regulations necessary or appropriate for carrying out the provisions of this Act;

"(10) prescribe its bylaws, subject to approval of the National Board, and provide in such bylaws for—

"(A) the classes of its stocks and the manner in which such stock shall be issued, transferred, and retired;

"(B) the election or appointment of its officers and executive employees;

"(C) property acquired, held, or transferred;

"(D) the conduct of its general business; and

"(E) the exercise and enjoyment of the privileges granted to it by law;

"(11) deposit its securities and its current funds with any member bank of the Federal Reserve System, and pay fees therefor and receive interest thereon as may be agreed. When designated for that purpose by the Secretary of the Treasury, it shall be a depository of public money, except receipts from customs, upon such regulations as may be prescribed by the Secretary; may be employed as fiscal agent of the Government, and shall perform all such reasonable duties as a depository of public money or financial agent of the Government as may be required of it. No Government funds deposited under provisions of this subsection shall be invested in loans or bonds or other obligations of the bank;

"(12) buy and sell obligations of or insured or guaranteed by the United States or of any agency thereof, or securities backed by the full faith and credit of such agency, and make such other investments as may be authorized by the Board.

"(13) delegate to Participants and Joint-venture-cosponsors such functions vested in or delegated to the Bank, as it may determine appropriate;

"(14) exercise by its authorized officers, employees, or agents all such incidental powers as may be necessary or expedient to carry out the business of the Bank;

"(15) purchase, refinance, or discount rural development loans and participations in such loans made by local rural financial institutions from such institutions and from other financial institutions that have purchased, discounted, or refinanced such loans; and

"(16) make joint-venture equity investment in rural development projects.

"SEC. 903. APPOINTMENT OF GOVERNOR; SALARY AND EXPENSE ALLOWANCE.—(a) The Governor shall be appointed by, and serve at the pleasure of, the Board.

"(b) The compensation of the Governor shall be at established by the Board, includes allowance for his necessary travel and subsistence expenses and per diem in lieu thereof.

"SEC. 904. COMPLIANCE WITH BOARD ORDERS.—The Governor shall be responsible, subject to the supervision and control of the Board, for carrying out the functions of the Bank and the policies of such Board. He shall carry out all orders and directives received by him from the Board. All acts of the Governor shall be conclusively presumed to be in compliance with the orders and directives of such Board.

"SEC. 905. RURAL DEVELOPMENT BANK ORGANIZATION.—The Governor is authorized, in carrying out the powers and duties now or hereafter vested in him by this Act and Acts supplementary thereto, to establish and to fix the powers and duties of such officer to serve within regions, divisions, and instrumentalities as he may deem necessary to insure the proper and efficient administration of the functions of the Bank. The Governor shall have authority to appoint and employ such personnel as may be necessary to carry out the functions of the Bank, including

"(b) The compensation of the Governor shall be at the rate prescribed for positions in level IV of the Executive prescribed for positions in level V of the Executive Pay Schedules provided for under subchapter II of chapter 53 of title 5, United States Code. The powers of the Governor may be exercised by him through such officers and employees of the Bank as he may designate. The Governor shall provide on a reimbursable basis such administrative management services, other than public information, for the Board as shall be mutually agreed upon.

"SEC. 906. ADMINISTRATIVE EXPENSES.—The Bank may, within the limits of funds available therefor, make necessary expenditures for personnel, services, and rent at the seat

of Government and elsewhere; contract stenographic reporting services; purchase and exchange of law books, books of reference, periodicals, and newspapers; expenses of attendance at meetings and conferences; purchase, operation, and maintenance at the seat of Government and elsewhere of motor-propelled passenger-carrying vehicles and other vehicles; printing and binding; and such other facilities and services, including temporary employment by contract or otherwise, as it may from time to time find necessary for the proper administration of the provisions of this Act.

"SEC. 907. ENUMERATED POWERS.—The Bank shall, in addition to the corporate powers enumerated in section 902, have the following powers, functions, and responsibilities in connection with the provision of financial assistance to Participants, to Joint-venture-cosponsors, and to those who have purchased, discounted, or refinanced rural development loans extended by Participants:

"(a) Make studies of rural lending and investment needs, the need for better geographic distribution of population and economic opportunity, appraisal and credit standards, and credit requirements of rural industrial and commercial enterprise;

"(b) develop acceptable national and regional standards, procedures, and appraisal forms; and

"(c) prescribe price and cost levels to be used in such standards, joint venture investment, appraisals, and lending.

"SEC. 908. GOVERNANCE OF POLICIES, PROGRAMS, AND PROCEDURES OF THE BANK.—(a) The Board shall establish and promulgate policies and regulations, not inconsistent with provisions of this Act, to govern the policies, programs, and procedures of the Bank. The Bank and its Governor shall be conclusively presumed to be acting in accordance with such policies and regulations in all their actions and decisions.

"(b) The policies of the Bank, for so long as the Secretary of the Treasury holds stock in such Bank for the United States shall be subject to prior approval by the Secretary of the Treasury.

"SEC. 909. FINANCIAL AND OTHER SUPERVISION.—The Bank, Participants, and Joint-venture-cosponsors shall be subject to the supervision of the Farm Credit Administration with respect to all procedures relating to financial examinations, including audits. The Board shall arrange with the Federal Farm Credit Board to utilize the services of the Farm Credit Administration examiners for investigative, accounting, and administrative auditing of the work of the Bank in an orderly, efficient, and effective manner. The Farm Credit Administration is authorized to provide such services on a mutually agreeable reimbursable basis.

"SEC. 910. EXAMINATIONS AND REPORTS; AUDITS.—(a) Except as provided in this title, each office and division of the Bank, Participants, and Joint-venture-cosponsors, at such times as the Board may determine, shall be examined and audited by examiners of the Farm Credit Administration on a reimbursable basis but in no event shall any such institution be examined and audited less frequently than once a year. If the Board determines it to be necessary or appropriate, the required examinations and audits may be made by independent certified public accountants, certified by a regulatory authority of a State, in accordance with generally accepted auditing standards. Upon request of the Governor of the Bank, credit examiners shall also make examinations of any organization other than a national bank, to which, or with which, the Bank contemplates extending financial assistance or delegating authority under this title. For the purposes of this title, examiners of the Farm Credit Administration shall be subject to the same requirements, responsibilities, and penalties as are applicable to examiners under the National Bank Act, the Federal Reserve Act, the Federal Deposit Insurance Act, and other provisions of law and shall have the same powers and privileges as are vested in such examiners by law. A report of each audit of the Bank or other institution for any fiscal year shall be made by the Farm Credit Administration through the Board to the President of the United States and to the Congress not later than six months following the close of such fiscal year. The Farm Credit Administration shall be reimbursed by the Bank for the cost of performing such audits.

"(b) The Bank, Participants, and Joint-venture-cosponsors shall be subject to audit by the General Accounting Office at such times and to such extent as the Comptroller General shall determine.

"SEC. 911. CONDITIONS OF OTHER BANKS AND LENDING INSTITUTIONS.—The Comptroller of the Currency is authorized and directed, upon request of the Farm Credit Administration, to furnish for the exclusive and confidential use of the Board such reports, records, and other information as he may have available relating to the financial condition of national banks through, for, or with which the Bank has made or contemplates making discounts, loans, or delegations of power.

"SEC. 912. CONSENT TO THE AVAILABILITY OF REPORTS AND TO EXAMINATIONS.—Any organization other than State banks, trust companies, and savings associations shall, as condition precedent to security discount privileges or delegated powers with the Bank for the exclusive and confidential use of the Bank, file with such Bank its written consent to examination by Farm Credit Administration examiners as may be directed by the Farm Credit Administration; and State banks, trust companies, and savings associations may be required in like manner to file a written consent that reports of their examination by constituted State authorities may be furnished by such authorities upon the request of the Farm Credit Administration.

"SEC. 913. REPORTS OF CONDITIONS OF INSTITUTIONS RECEIVING LOANS OR DEPOSITS OR REDELEGATED POWERS.—The executive departments, boards, commissions, and independent establishments of the Government of the United States, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Board of Governors of the Federal Reserve banks are severally authorized under such conditions as they may prescribe, upon request of the Farm Credit Administration, to make available to the Bank in confidence all reports, records, or other information relating to the condition of any Participant or Joint-venture-cosponsor to which the Bank has or is contemplating extending financial assistance or for which it has or contemplates using as a custodian of securities or other credit instruments, or which it is using as or contemplates using as a depository, or to which it has or contemplates delegating powers under this Act. The Federal Reserve banks in their capacity as depositories, agents, and custodians for bonds, debentures, and other obligations issued by the Bank or book entries thereof are also authorized and directed, upon request of the Board to make available for audit all appropriate books, accounts, financial records, files, and other papers.

"SEC. 914. JURISDICTION.—The Bank, Participants, and Joint-venture-cosponsor shall for the purposes of jurisdiction be deemed to be a citizen of the State, commonwealth, or District of Columbia in which its principal office is located. No district court of the United States shall have jurisdiction of any action or suit by or against any private financial institution exercising delegated powers under this title, upon the ground that it was incorporated under this title or that the United States owns any stock thereof, nor shall any district court of the United States have jurisdiction, by removal or otherwise, of any suit by or against such institution except in cases by or against the United States or by or against any officer of the United States and except in cases by or against any receiver or conservator of any such institution appointed in accordance with the provisions of this Act.

"SEC. 915. STOCK ISSUANCE; RETIREMENT; FRANCHISE TAX.—(a) The Bank shall issue stock which shall be purchased by the Secretary of the Treasury on behalf of the United States as an initial investment in the stock of such Bank to help such Bank to inaugurate financial assistance operations. During the time such stock is outstanding, the pertinent provisions of the Government Corporation Control Act shall be applicable to the Bank. Notwithstanding the requirements for annual audits and annual reports to the Congress contained in sections 202 and 203 of the Government Corporation Control Act the operations of the Bank shall also be subject to audit by the General Accounting Office at such times and to such extent as the Comptroller General shall determine.

"(b) For any year or part thereof, in which the Secretary of the Treasury holds any stock in the Bank, such Bank, before declaring any dividends, shall pay to the United States as a franchise tax a sum equal to the lower of (1) 25 per centum of its net earnings for the year, or (2) a rate of return on such investment calculated at a rate determined by the Secretary of the Treasury equal to the average annual rate of interest on all public issues of debt obligations of the United States issued during the fiscal year ending next before such tax is due, multiplied by the percentage that the number of days such stock is outstanding is of three hundred and sixty-five days. Such payments shall be deposited in the miscellaneous receipts of the Treasury.

"SEC. 916. SUBSCRIPTION BY THE UNITED STATES OF CAPITAL.—The Secretary of the Treasury shall purchase stock of the Bank on behalf of the United States to the extent of appropriations made pursuant to section 1204.

"SEC. 917. CAPITALIZATION OF THE BANK.—Subject to the provisions of this Act, and approval of the Board, the Governor is authorized to issue from time to time and to have outstanding voting and nonvoting capital stock of an aggregate par value of not to exceed the par value of stock purchased by the Secretary of the Treasury plus not to exceed 2 per centum of the amount of outstanding financial assistance and joint-venture equity investment.

"SEC. 918. BANK STOCK; VALUE; SHARES; VOTING; DIVIDENDS.—(a) The capital stock of the Bank shall be divided into shares of par value of $5 each and may be of such classes as may be determined by the Board.

"(b) Voting stock of the Bank shall be held only by such Participants as obtain financial assistance from the Bank and Joint-venture-cosponsors, which stock shall not be transferred, pledged, or hypothecated except as authorized pursuant to this Act. Any Participant or Joint-venture-cosponsor may elect to receive nonvoting stock in lieu of voting stock.

"(c) Nonvoting stock may be issued to the Secretary of the Treasury and may also be issued to Participants. When a Participant reduces its total outstanding indebtedness to the Bank, or when a Joint-venture-cosponsor has retired the Bank's investment, its voting stock may be converted at par value, or such greater value as the Bank may from time to time determine, into nonvoting stock, or may be redeemed in cash or as a credit to extinguish final indebtedness at such value as the Bank may from time to time determine. Nonvoting stock or other evidences of indebtedness of the Bank held by the Secretary of the Treasury may be retired at any time, subject to approval of the Board, and shall be

retired each year to the extent of the availability of earnings in accordance with the provisions of this Act.

"(d) The earnings of the Bank shall be determined in accordance with approved accounting principles and practices, as established by the Board subject to examination under policies of the General Accounting Office. Earnings shall be distributed as follows:

"First, not less than 10 per centum of net earnings for the year shall be paid into the reserve fund of the Bank until said reserve fund shall equal 150 per centum of outstanding stock.

"Second, not less than 10 per centum of net earnings for the year shall be paid into the capital surplus fund of the Bank.

"Third, the franchise tax shall be paid as required by section 915(b) for any year in which any stock is held by the Secretary of the Treasury.

"Fourth, not less than 10 per centum of net earnings shall be used for retirement of nonvoting stock and other evidences of indebtedness of the Bank held by the Secretary of the Treasury.

"Fifth, dividends shall be paid on nonvoting stock held by investors other than the Secretary of the Treasury at a rate not exceeding the average cost of the Bank of funds obtained through issuance of bonds, debentures, and other evidences of indebtedness in its funding operations.

"Sixth, dividends shall be paid on voting stock of the Bank as determined by the Board.

"(e) Dividends shall not be payable on any stock held by the Secretary of the Treasury.

"SEC. 919. POWER TO BORROW, ISSUE NOTES, BONDS, DEBENTURES, AND OTHER OBLIGATIONS.—The Bank, subject to supervision of the Board, shall have power to issue its own notes, bonds, debentures, or other similar obligations, fully collateralized by the notes, mortgages, joint-venture equities and security instruments it holds in the performance of its functions under this Act in such sums, maturities, rate of interest, and terms and conditions of each issue as it may determine.

"SEC. 920. AGGREGATE OF OBLIGATIONS; SECURITY.—(a) No issues of long-term notes, bonds, debentures, or other obligations by the Bank shall be approved in an amount which, when added to the amount of other bonds, debentures, long-term notes, or other similar obligations issued and outstanding, exceeds twenty times the capital and surplus of the Bank, or such lesser amount as the Board shall establish by regulation.

"(b) The Bank shall have on hand at the time of issuance of any long-term notes, bonds, debentures, or other similar obligations, and shall at all times thereafter maintain, free from any lien or other pledge, notes, and other obligations representing rural development loans made, refinanced, rediscounted, or purchased under the authority of this Act, equities in joint-venture equity investments, obligations of the United States or any agency thereof direct or fully guaranteed, other readily marketable securities approved by the Board, or cash, in an aggregate value equal to the total amount of long-term notes, bonds, debentures, or other similar obligations outstanding for which the Bank is primarily liable.

"SEC. 921. LIABILITY OF THE BANK.—(a) The Bank shall be fully liable on notes, bonds, debentures, or other obligations issued by it.

"(b) The United States shall not be liable or assume any liability directly or indirectly thereon.

"SEC. 922. BONDS AS INVESTMENTS.—The bonds and other similar obligations issued under the authority of this Act shall be lawful investments for all fiduciary and trust funds and may be accepted as security for all public deposits. Any obligation issued by the Bank pursuant to this Act shall be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission, to the same extent as securities which are direct obligations guaranteed as to principal or interest by the United States.

"SEC. 923. PURCHASE AND SALE BY FEDERAL RESERVE SYSTEM.—Any member of the Federal Reserve System may buy and sell bonds, debentures, or other similar obligations issued under the authority of this Act, and any Federal Reserve bank may buy and sell such obligations to the same extent and subject to the same limitations placed upon the purchase and sale by said banks of State, county, district, and municipal bonds under section 14(b) of the Federal Reserve Act (12 U.S.C. 355).

"SEC. 924. PURCHASE AND SALE OF OBLIGATIONS.—The Bank may purchase its own obligations and may provide for the sale of obligations issued by it, through a fiscal agent or agents, by negotiation, offer, bid, or syndicate sale, and to deliver such obligations by book entry, wire transfer, or such other means as may be appropriate.

"SEC. 925. INVESTMENTS AND GUARANTEES.—The Bank is authorized to—

"(1) buy and sell securities it has guaranteed or whose mortgages it has insured or in which it has invested;

"(2) invest funds not needed in its financing operations in such property and obligations as it may determine;

"(3) guarantee securities in which it has invested for the purpose of facilitating their sale; and

"(4) guarantee and insure rural development loans made by other lenders.

"SEC. 926. VOLUNTARY LIQUIDATION; INSOLVENCY; RECEIVERSHIP; AND CONSERVATORS.—(a) The Bank shall not go into voluntary liquidation without the consent of the Board and with such consent may liquidate only in accordance with regulations prescribed by the Board.

"(b) Upon default of any obligation by the Bank such Bank may be declared insolvent and placed in the hands of a conservator or a receiver appointed by the Board and the proceedings thereon shall be in accordance with regulations of the Board regarding such insolvencies.

"SEC. 927. FINANCIAL ASSISTANCE PROVIDED.—(a) The Bank is authorized to extend financial assistance to eligible sponsors, Participants, and such financial institutions as have extended financial assistance to Participants in accordance with provisions of this Act.

"(b) The Bank is authorized to invest its funds in joint-venture equity investments in rural development projects.

"(c) The Bank shall develop criteria to assure that projects assisted by it are not inconsistent with the comprehensive planning, if any, for the development of the substate multijurisdictional general purpose planning and development districts in which such projects are proposed to be located, and to assure that such projects will not be disruptive of Federal programs which authorize assistance for the development of like or similar projects in the same rural area.

"(d) Financial assistance extended under this section may not exceed the total capital cost of the project to be financed.

"(e) In any case in which the Bank undertakes to provide assistance to a State or local government under subsection (a) for the construction of a project for which any other department or agency of the Federal Government (under another law of the United States) will also provide funds—

"(1) the assistance provided by the Bank under subsection (a) may be in the full amount needed by the State or local government to finance such project (including the amount of the funds which will be provided by such other department or agency), but the funds to be provided by such other department or agency with respect to such project shall become payable (notwithstanding any contrary provision in the law under which they are payable) to the Bank in lieu of being paid directly to such government; and

"(2) the Bank may accept in return (A) an obligation or obligations of such State or local government covering only the difference between such full amount and the amount of the funds which are payable with respect to such project by such other department or agency, plus (B) a commitment from such other department or agency to pay the funds which are to be provided by it and are payable to the Bank as described in paragraph (1), in order to insure that such State or local government will not have to include within its debt limit that portion of the indebtedness incurred for the financing of such construction which is attributable to funds provided by such other department or agency.

"SEC. 928. INTEREST RATES AND OTHER CHARGES.—Financial assistance provided by the Bank shall bear interest at a rate or rates, and on such terms and conditions, as may be determined by the Board from time to time. In setting rates and charges, it shall be the objective to provide the types of financial assistance needed on a sound business basis at the lowest reasonable cost, taking into account the cost of money to the Bank, the necessary reserves, capital surplus, and expenses of the Bank, and the orderly retirement of the capital subscriptions of the United States. The security documents may provide for the interest rate or rates to vary from time to time during the period of the assistance in accordance with the rate or rates currently being charged by the Bank.

"SEC. 929. SECURITY.—Financial assistance extended by Regional Banks shall be secured by all of the best available security owned or to be acquired by the beneficiary as may be required adequately to secure the obligation.

"SEC. 930. DELEGATION OF DUTIES AND POWERS TO PARTICIPANTS AND JOINT-VENTURE-COSPONSORS.—The Bank is authorized, by order, rule, or regulation to delegate to any Participant, Joint-venture-cosponsor, or Supporting financial institutions who extend financial assistance to any Participant such of the duties, powers, and authority of the Bank with respect to such Participant or the officers and employees thereof, in the rural area wherein such Participant is located, as may be determined to be in the interest of effective administration. Any Participant, or other person to which any such duties, powers, or authority may be delegated, is authorized and enpowered to accept, perform, and exercise such duties, powers, and authority as may be so delegated to it.

"SEC. 931. AGREEMENTS FOR SHARING LOSSES.—The Bank may enter into agreements with Participants, Joint-venture-cosponsors, and eligible sponsors for sharing the gains and losses on financial assistance extended and joint-venture equity investments made under this Act.

"SEC. 932. NATURE OF OBLIGATIONS.—(a) All obligations issued by the Bank shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or of any officer or employee thereof.

"SEC. 933. TAX STATUS.—The Bank shall be subject to Federal, State, and local taxes as provided in this section.

"(a) The real property and tangible personal property of such Bank shall be subject to Federal, State, and local taxation to the same extent, according to its value, as other similar property held by other persons is taxed.

"(b) The income of the Bank and from any obligations purchased by such Bank from any Federal, State, or local governmental or quasi-governmental body, and any

obligation issued by such Bank shall be subject to Federal, State, and local taxation to the same extent as the income of obligations of private corporations are taxed.

"(c) The Bank shall be liable for the franchise tax as provided by section 915.

"(d) Notwithstanding the foregoing provisions of this section, the Bank shall not be subject to Federal, State, or local income taxes for any period in which capital stock in such Bank is held by the Secretary of the Treasury for the United States.

"SUBTITLE D—PARTICIPATING RURAL DEVELOPMENT FINANCIAL INSTITUTIONS

"SEC. 1001. DESIGNATION.—Any National or State bank, savings institution, credit union, or other financial institution making loans in rural areas for rural development purposes, shall, upon application, be considered for designation as a Participating Rural Development Financial Institution, referred to in this Act as a "Participant".

"SEC. 1002. FUNCTIONS OF PARTICIPANTS.—Any Participant and any Supporting financial institution, is authorized, subject to provisions of this Act, to obtain financial assistance from the Bank and to issue obligations for purchase by the Bank and to perform such other duties as the Bank may delegate and the Participant or Supporting financial institution agrees to undertake.

"SEC. 1003. PURCHASE OF CAPITAL STOCK.—(a) Any Participant may purchase voting capital stock in the National Bank in an amount (at par value) equal to not less than 1 per centum and not more than 10 per centum of the amount of the financial assistance received from the Bank.

"(b) Participants are authorized to purchase voting stock of the Bank.

"(c) Any of the institutions listed in section 1002 may purchase nonvoting stock in the Bank equal to at least 1 per centum and not more than 10 per centum of the financial assistance received.

"SEC. 1004. GOVERNANCE OF PARTICIPANTS.—With respect to all evidence of financial assistance and other obligations which a Participant shall present to the Bank, the policies, rules, regulations, and procedures followed shall be in accordance with the rules and regulations established by the Board. The designation of any institution as a Participant may be canceled by the Bank. Any Participant whose designation has been canceled under this section may appeal the cancellation to the Board. The decision of the Board shall be final. The Board shall establish appropriate rules and regulations and review bodies to implement exeditious, orderly, and fair consideration of appeals filed by Participants objecting to canceled designations or other matters related to their relationship to the Bank.

"SEC. 1005. TERMS AND CONDITIONS.—The terms and conditions under which financial assistance may be made available to Participants, directly or through other financial institutions, shall be established by the Board. Such terms and conditions may vary depending on the rural development purpose for which such assistance is to be used and the practices of the supporting regional financial institutions involved.

"SEC. 1006. A Participant, as a condition of eligibility for financial assistance with respect to any rural development loan it has extended, shall require the deposit by the borrower of such loan of 5 per centum of the amount of that part of the loan for which the financial assistance of the Bank is requested. Such amount shall be utilized by the Participant to purchase on behalf of the borrower voting capital stock of the Bank and shall transmit such stock to the borrower.

"SUBTITLE E—JOINT-VENTURE EQUITY INVESTMENT IN RURAL DEVELOPMENT PROJECTS

"SEC. 1101. JOINT-VENTURE-COSPONSORS; INVESTMENT IN JOINT-VENTURES WITH ELIGIBLE SPONSORS.—(a) The Bank is authorized, subject to regulations approved by the Board, to make investments in rural development projects proposed or established by Joint-venture-cosponsors directly, or through a Participant.

"(b) The Board shall establish standards and criteria to govern the making of investments in joint-ventures with Joint-venture-cosponsors.

"SEC. 1102. The Bank and the Joint-venture-cosponsor with whom the Bank has entered into a joint-equity investment in a rural development project shall share in the profits of the project in the same ratio as the amounts of their several investments.

"SEC. 1103. Such joint-venture rural development projects shall be subject to all Federal, State, and local taxes.

"SEC. 1104. No rural development project shall be eligible for joint-venture investment by the Bank if the project can otherwise obtain necessary credit or investment for the full amount of the investment from any other source on reasonable terms.

"SEC. 1105. The investment made by the Bank in joint-venture projects shall not exceed the extent to which the total cost of the project exceed the amount that can be obtained elsewhere on reasonable terms.

"SEC. 1106. The joint-venture agreement between a Joint-venture-cosponsor and the Bank shall provide—

'(1) that such Cosponsor will, as soon as financially able, purchase the investment of the Bank, and

"(2) the control over the joint-venture shall be apportioned between the Bank and the eligible sponsor in accordance with the relative amounts of investment of each in the project.

"SEC. 1107. A joint-venture cosponsor may purchase not less than 1 per centum and not more than 10 per centum of the Bank investment in a joint-venture of voting capital stock of the Bank.

"SUBTITLE F—GENERAL

"SEC. 1201. AMENDMENTS TO OTHER LAWS.—(a) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"'(95) Governor of the National Rural Development Bank.'

"(b) Section 5316 of title 5, United States Code is amended by adding at the end thereof the following:

"'(132) Deputy Governor of the National Rural Development Bank.'

"(c) Paragraph Seventh of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof a new sentence as follows: 'Notwithstanding any other provision in this paragraph, the association may purchase the stock, bonds, or other obligations of the National Rural Development Bank created pursuant to the authority of the Rural Development Act Amendments of 1977."

"SEC. 1202. SEPARABILITY.—If any provision of this Act, or the application thereof to any person or in any circumstances, is held invalid, the remainder of this Act, and the application of such provision to other persons or in other circumstances shall not be affected thereby.

"SEC. 1203. RESERVATION OF RIGHT TO AMEND OR REPEAL.—The right to alter, amend, or repeal any provision or all of this Act is expressly reserved.

"SEC. 1204. APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of the Treasury not to exceed $200,000,000 annually for not to exceed ten years for the purchase of capital stock of the National Bank."

By Mr. HAYAKAWA:

S. 1632. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for the review of certain determinations made relating to food; to the Committee on Human Resources.

Mr. HAYAKAWA. Mr. President, in addition to my bill S. 1034, which will provide a temporary solution to the saccharin issue, I am introducing today a bill to cope with the fundamental problems resulting from the Delaney clause. The Delaney clause raises more questions than it answers. It leaves no room for scientific discretion. There is no give and take in its provisions and there is no room for a cost-benefit analysis. Finally, there is the question of the relevance of experiments that find cancer in animals. Accordingly, the aim of my bill is to modify the Delaney clause of the Food, Drug, and Cosmetic Act by the establishment of a review panel. Under the provisions of my bill the Delaney clause will only become operative after an affirmative action by the review panel has been taken. I hope my colleagues on both sides of the aisle will study and support this bill.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 409(c)(3) of the Federal Food, Drug, and Cosmetic Act is amended by inserting "and such tests have been approved by the review panel established under subsection (j)" after "safety of food additives".

SEC. 2. Section 409 of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following new subsection:

"(j)(1) There is established within the Department of Health, Education, and Welfare a Safety Review Panel (hereinafter referred to as the 'Panel'). The Panel shall consist of not less than 5 members appointed by the Secretary of which 1 member shall be be appointed from persons who represent industry, 1 member shall be appointed from persons who represent labor, and 3 members shall be appointed from among persons nominated by the Director of the National Academy of Sciences. The members shall serve at the pleasure of the Secretary.

"(2) Members of the Panel who are not officers or employees of the United States shall receive for each day they are engaged in the performance of the duties of the Panel compensation at a rate not to exceed the daily equivalent of the annual rate in effect for GS–18 of the General Schedule, including travel time; and all members while so serving away from their homes or regular place of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the government service employed intermittently.

"(3) The Secretary shall make available to the Panel such staff, information, and other assistance as it may require to carry out its activities.

"(4) The Panel shall be responsible for evaluating and approving the results of tests conducted under paragraph (3) of subsection (c) of this section with regard to food substances which may induce cancer in man or animal.".

"(5) Regulations promulgated under section 409(c)(3)(A) of this Act shall not be effective until the Panel has made a determination that such regulations are necessary.".

By Mr. DECONCINI (for himself and Mr. ABOUREZK):

S. 1633. A bill to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes; to the Select Committee on Indian Affairs.

Mr. DECONCINI. Mr. President, the Yaqui Indians are descendants of the ancient Toltecs who ranged from what is now the city of Durango in Mexico, north to southern Colorado, and west to California. Ruins of communities built by the ancestors of the Yaquis and other Pueblo Indians are found in New Mexico and other areas of the Southwest. The immediate ancestors of the Yaqui settled in the Yaqui River region and numbered over 35,000 during the time of Cortez. After more than a hundred years of peace with the Spanish missionaries, increased silver mining and the immigration of Spanish workers and soldiers brought social change and conflict. From 1740 on, thousands of Yaquis moved north to what is now Sonora, Mexico and southern Arizona to work in the silver mines, where they excelled as both miners and craftsmen. In 1825 the Spanish Government moved to parcel Yaqui land and provoked a rebellion that resulted in intermittant war with the Spanish and Mexican Governments that lasted 100 years.

The U.S. boundary line, fixed and located by agreement with Mexico, divided the Indian territories occupied by Pimas, Papagos, Apaches, Yaquis, and other Indians. This occupancy was recognized by both countries. Between 1880 and 1910, thousands of Yaquis were given asylum in the Arizona territory by the United States. The last band of Yaquis fighting the Mexican Government surrendered in 1926 in Arizona. During the Spanish-American War, the Yaquis offered to form a U.S. regiment to fight the Spanish. And, although not allowed to fight during World War I, many Yaquis enlisted and fought in World War II.

Widely scattered throughout the United States, many of the Yaqui Indians settled together near Tucson in what came to be known as Pascue Village. Their historically strong social organization, cultural traditions, religious rituals, and unique language have survived and remain viable among those proud people yet today. Their religious ceremonies have become famous. The Yaqui Easter ritual is a major tourist attraction in Tucson.

In 1964, the Congress transferred 202 acres of Federal land near Tucson to the Pascua Yaqui Association through Private Law 88-350. However, while providing the land, the law restricted the Yaquis from receiving services under other Federal Indian laws.

Since 1964 the Yaquis have planned their own villages, completed 98 houses, a community center, and a new church with the help of small grants from OEO, CETA, and ONAP and from private foundations. The Yaqui Construction Co., a profitmaking venture, builds houses both in and outside of the Village.

Despite this progress, the land leasehold arrangement under Public Law 88-350, and the lack of Indian status with the Federal Government prevent the Yaquis from participating in the many programs needed for economic development that are now being provided to other Indian tribes. Also, they have been seriously affected by the lack of medical services, and are denied access to available services on nearby Indian reservations. The same is true for educational programs. The average educational level is eighth grade with a high school dropout rate of 99.5 percent. There are many educational problems inherent in a trilingual—Yaqui, Spanish, English—community, and special educational services are necessary. The Yaquis have an unemployment rate of 65 percent.

The bill I am introducing amends the act of June 18, 1934 (48 Stat. 484) and changes the legal status of this old and venerable tribe. It recognizes the people of the Pasqua Yaqui Association, and future members, as approved by the Secretary of Interior, as Indians.

The bill would make the Yaqui Indians eligible for all services provided to other American Indians through any agency, including the Bureau of Indian Affairs and the Indian Health Services. The bill also provides for the transfer of the property described in Private Law 88-350 from the Association to the U.S. Secretary of the Interior to be held in trust for the Pasqua Yaqui Indians as a reservation, and section 4 of the act of October 8, 1964 (78 Stat. 1197) would be repealed.

Inclusion of the Pasqua Yaquis as American Indians was recommended by Task Force Ten: Terminated and nonfederally recognized Indians, in its final report to the American Indian Policy Review Commission.

I urge, Mr. President, passage of this legislation to remedy past inequities and ask unanimous consent that the text be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Pascua Yaqui Indian people who are members of the Pascua Yaqui Association, Inc., an Arizona corporation, or who hereafter become members of such Association in accordance with its constitution and bylaws approved by the Secretary of the Interior, are recognized as, and declared to be, eligible, on and after the date of the enactment of this Act, for the services and assistance provided to Indians because of their status as Indians by or through any department, agency, or instrumentality of the United States, or under any statute of the United States, including services and assistance provided to Indians because of their status as Indians by or through the Surgeon General of the United States Public Health Service or the Secretary of Health, Education, and Welfare under the Act of August 5, 1954, as amended (42 U.S.C. 2001-2004), or any other statute of the United States, or for any other health services or assistance provided by or through the Indian Health Service of the Department of Health, Education, and Welfare to Indians because of their status as Indians.

(b) The provisions of the Act of June 18, 1934 (48 Stat. 484), as amended, are extended to such members described in subsection (a).

(c) The Secretary of the Interior is directed, upon request of the Pascua Yaqui Association, Inc., an Arizona corporation, and without monetary consideration, to accept on behalf of the United States and in trust for the members described in subsection (a), the title to the real property conveyed by the United States to such association under the Act of October 8, 1964 (78 Stat. 1196), and such trust land shall be the reservation of such Pascua Yaqui Indians.

(d) The minerals identified in section 3 of the Act of October 8, 1964 (78 Stat. 1197), and owned by the United States, are hereby declared to be held in trust for the Pascua Yaqui Indians described in subsection (a), subject to all valid rights in existence on the date of the enactment of this Act, and effective upon the date of the transfer of title provided for in subsection (c).

(e) Section 4 of the Act of October 8, 1964 (78 Stat. 1197), is hereby repealed.

By Mr. DOMENICI:

S. 1635. A bill to continue for 3 years the construction grants program of the Federal Water Pollution Control Act; to the Committee on Environment and Public Works.

Mr. DOMENICI. Mr. President, I would like to make several comments on the bill I am introducing. This bill is a straightforward 3-year authorization for the construction grants program of the Federal Water Pollution Control Act.

I recognize that this is a simple bill, and as such, it appears to have little glamor. However, the origins of this bill tell a tale of congressional failure that does little credit to the legislative branch. In 1972, the Congress passed an ambitious body of amendments that reshaped the Nation's water pollution control efforts. As part of a revitalized, aggressive national program to enhance the quality of our waters, the 1972 amendments authorized $18 billion in funding for wastewater treatment facilities.

Authorizations for this badly needed program ran out at the start of fiscal year 1977. Already States are beginning to run out of money with many ongoing projects coming to a standstill. By the end of the current fiscal year, it is expected that well over one-half of the States will have exhausted their funds, New Mexico included.

Earlier this year, the House and Senate met in conference to deal at least in part with this issue. The result was a deadlock. No additional funds were authorized. Without assessing blame between the two Houses, it is clear that an important national program has been done a disservice. At a time when the Congress is attempting to regain power that it has acceded to the executive branch over the past several decades, the outcome of the House-Senate Water Pollution Control Act conference strikes a disquieting note. Having sounded the clarion call for a new era in water pollution control, the Congress now appears unable to follow through on its part of the job of providing adequate and timely funding for the very programs it has set in motion.

From the limited perspective of my own State, several important projects are grinding to a standstill. One of these is an interceptor in the south valley of

Albuquerque. This area, one of the metropolitan areas oldest regions, has had a history of poor sanitation which has led to a public health problem. Much of the ground water in the area has been contaminated. This important project is a cornerstone in improving the quality of life to many of the valley's residents. This project is now coming to a halt because of congressional somnolence. I am sure that my south valley tragedy is being repeated many times across the country.

To those who feel that other changes are needed in the law, I would say that I concur. However, first things first. The Congress has imposed strict deadlines on both private industry and municipalities to reduce their pollution. Along with such an imposition comes a corresponding duty on the Congress to live up to its part of the bargain. The construction grants program badly needs a transfusion of funding. My bill does precisely that, using the latest available needs data. I urge my colleagues to join with me and rapidly enact this critical piece of legislation.

I ask unanimous consent that my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 207 of the Federal Water Pollution Control Act, as amended (86 Stat. 839), is amended by striking the period at the end of the sentence and adding ", and for each of the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979, subject to such amounts as are provided in appropriation Acts, not to exceed $4,500,000,000.".

SEC. 2. The first sentence of subsection (a) of section 205 of the Federal Water Pollution Control Act (86 Stat. 837) is amended by striking out "June 30, 1972," and inserting in lieu thereof "June 30, 1972, and before September 30, 1976.".

SEC. 3. Such section 205 is further amended by adding at the end thereof the following new subsection:

(a) Sums authorized to be appropriated pursuant to section 207 for each fiscal year beginning after September 30, 1976, shall be allotted by the Administrator on October 1 of the fiscal year for which authorized, except that for the fiscal year beginning September 30, 1976, sums may be allotted at any time during the fiscal year. Sums authorized for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979, shall be allotted in accordance with the following table:

"State	*Proportional share*
Alabama	0.0121
Alaska	.0037
Arizona	.0071
Arkansas	.0071
California	.0794
Colorado	.0088
Connecticut	.0105
Delaware	.0032
District of Columbia	.0016
Florida	.0432
Georgia	.0203
Hawaii	.0089
Idaho	.0051
Illinois	.0488
Indiana	.0260
Iowa	.0136
Kansas	.0088
Kentucky	.0155
Louisiana	.0110
Maine	.0064
Maryland	.0282
Massachusetts	.0312
Michigan	.0422
Minnesota	.0201
Mississippi	.0103
Missouri	.0230
Montana	.0022
Nebraska	.0052
Nevada	.0035
New Hampshire	.0085
New Jersey	.0370
New Mexico	.0029
New York	.1156
North Carolina	.0191
North Dakota	.0014
Ohio	.0644
Oklahoma	.0084
Oregon	.0137
Pennsylvania	.0428
Rhode Island	.0051
South Carolina	.0129
South Dakota	.0024
Tennessee	.0152
Texas	.0412
Utah	.0039
Vermont	.0029
Virginia	.0205
Washington	.0191
West Virginia	.0185
Wisconsin	.0206
Wyoming	.0012
Virgin Islands	.0007
Puerto Rico	.0120
American Samoa	.0004
Trust Territories	.0016
Guam	.0008

If the sums allotted to the States for a fiscal year are made subject to a limitation on obligation by an appropriation Act, such limitation shall apply to each State in proportion to its allotment.

(b) For the fiscal years 1977, 1978, and 1979 no State shall receive less than one-third of 1 per centum of the total allotment under the first paragraph of this subsection, except that in the case of Guam, Virgin Islands, American Samoa, and the Trust Territories, not more than forty one-hundredths of 1 per centum in the aggregate shall be allotted to all four of these jurisdictions. For the purpose of carrying out this paragraph there are authorized to be appropriated, subject to such amounts as are provided in appropriation Acts, not to exceed $40,000,000 for each of the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.".

By Mr. ABOUREZK (for himself, Mr. HATFIELD, Mr. GLENN, Mr. RIBICOFF, Mr. METCALF, and Mr. SPARKMAN):

S. 1636. A bill to amend the American Folklife Preservation Act to extend the authorization of appropriation contained in such Act; to the Committee on Rules and Administration.

EXTENDING THE AUTHORIZATION FOR THE AMERICAN FOLKLIFE CENTER

Mr. ABOUREZK. Mr. President, on behalf of Senator HATFIELD and four other Senators, I am today introducing legislation that would extend the authorization to be made available for the American Folklife Center in the Library of Congress.

The Congress approved this legislation at the end of the 1st session of the 94th Congress, and the bill was signed into law on January 2, 1976. The legislation for the first time put the Congress on record as supporting the need for the recognition and preservation of our American heritage. In addition, the Congress mandated the American Folklife Center to present American folklife to the people.

At the time of passage, the Congress provided the Center an authorization through fiscal year 1978. Although the Center still has almost 16 months remaining in its authorization, much of its work requires long lead times in identifying worthwhile projects, and planning time. For that reason, as well as others, we thought it advantageous to place this legislation before the Senate at this time. The Congress will have ample time to consider the merits of the request and act so as to provide the Center with necessary advance knowledge of funding levels.

Mr. President, the Librarian of Congress, charged with the administrative responsibility for the Center, has written the chairman of the Senate Rules Committee, providing him with a detailed explanation in support of this proposed legislation. I ask unanimous consent that the letter and material from the Librarian of Congress, as well as text of the bill, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the American Folklife Preservation Act (20 U.S.C. 2107) is amended by striking out "and" immediately after "1977," and inserting immediatley before the period at the end thereof the following: "$685,000 for the fiscal year ending September 30, 1979, $1,065,000 for the fiscal year ending September 30, 1980, and $1,355,000 for the fiscal year ending September 30, 1981".

THE LIBRARIAN OF CONGRESS,
Washington, D.C., March 29, 1977.

Hon. HOWARD W. CANNON,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR SENATOR CANNON: As you know, authorization for the American Folklife Center expires at the end of fiscal 1978. An extension of this authorization will therefore be needed during this session. I am enclosing draft language for such a bill as well as narrative describing the current program of the Center and its future plans.

In the brief period of the Center's operation it has begun energetically to provide coordination and assistance in the field of American folklife and to sponsor model projects.

The amounts recommended for the new authorization act would, we believe, enable the Center to carry out a multi-faceted program that will have a national impact on the preservation and enhancement of this segment of American culture.

We will be happy to provide you or your staff with any supplementary information that is necessary.

I appreciate your support of this and other Library programs.

Sincerely yours,

DANIEL J. BOORSTIN,
Librarian of Congress.

The American Folklife Center is directed by law, P.L. 94-201, to "preserve and present American folklife" through programs of research, documentation, archival preservation, live presentation, exhibition publica-

tion, dissemination, training, and other activities involving the many folk cultural traditions of the United States. In the brief period of the Center's operation it has begun energetically to carry out its mandate with programs that provide coordination, assistance, and model projects for the field of American folklife.

Staff operations began for the Center with the arrival of its Director in August 1976. By the end of the current fiscal year the full initial complement of staff (8) will be employed. The Center's Board has met three times to date. The authorization for the Center during its first phase of operation expires at the end of fiscal year 1978. The budget for fiscal year 1978 is now being considered by the Committees on Appropriations in the House of Representatives and the Senate.

The Center projects an orderly expansion of its activities responding to the needs of agencies and people concerned with American folklife in its manifold aspects. To achieve its objectives it has developed a plan of operation that provides for a small, versatile professional staff at the Library of Congress which manages activities throughout the Nation both directly and through the Center's contractual authority. Accordingly, though the Center's staff needs will grow with the expansion of activities to be supervised, most of each year's budget will go into the consultant and contractual services which directly provide programs and services to the field itself.

In its first six months of activity the Center has begun a variety of programs that foreshadow its long-range program plans. It held in January 1977 a major conference on "Ethnic Recordings in America: A Neglected Heritage," which was complemented by an exhibit on ethnic recordings and a concert of ethnic music. In March it cosponsored with the National Endowment for the Arts a conference on "Folk Cultural Programs in State Government." It has successfully launched an Equipment Loan Program and begun experimenting with offering consultant services to the field. It has sponsored outdoor concerts at the Library of Congress. And it has recently undertaken, in cooperation with the Illinois Arts Council, a major project to locate, survey, document, and assist the many ethnic arts traditions current in the area of Greater Chicago.

The proposed new authorization calls for a substantial increase in the Center's programs and activities, particularly those with broad public impact and outreach throughout the Nation. The initial programs of the Center have evoked nationwide inquiries and requests for assistance. Since American folk culture has received little expert attention from the federal government, from local and state governments, or from the private sector, the need is great for the sort of coordination, assistance, and leadership the Center can provide. Its activities to date suggest that the Center can use efficiently and effectively the funds proposed for expanded authorization.

This report sets forth in detail the budgetary plans and programmatic directions of the American Folklife Center under the proposed reauthorization. The budget projections are presented in two major categories: I. *Administration,* including salaries and support services for the daily operation of the Center at the Library of Congress; and II. *Programs and Services,* the budgetary instrument for flexible and efficient development of the Center's national programs. It should be noted that, according to these projections, the Center's direct programming funds listed under "Programs and Services" will increase in proportion to the "Administration" costs in the next period of authorization: more of the total expenditures will go directly into nationwide folklife projects.

AMERICAN FOLKLIFE CENTER

	Fiscal year—					
	1978	1979	1980	1981	1982	1983
New positions		3	3	4	4	0
I. Administration	228,040	331,000	414,000	525,000	617,500	657,000
A. Salaries and benefits	200,000	260,000	320,000	415,000	495,000	520,000
B. Travel	6,000	20,000	30,000	35,000	40,000	45,000
C. Communications	3,000	4,000	4,500	5,000	5,000	6,000
D. Printing and reproduction	11,040	35,000	45,000	55,000	60,000	60,000
E. Office supplies	3,000	4,000	4,500	5,000	5,500	6,000
F. Equipment	5,000	8,000	10,000	10,000	12,000	20,000
II. Programs and services	120,960	354,000	651,000	830,000	980,500	1,066,000
A. Coordinative leadership for the field		65,000	124,000	172,000	210,000	256,000
B. Assistance to the field		134,000	235,000	320,000	366,500	392,500
C. Model projects in the field		155,000	292,000	338,000	404,000	417,500
Total	349,000	685,000	1,065,000	1,355,000	1,598,000	1,723,000

I. ADMINISTRATION

A. *Salaries and Benefits.* The Center is operating during its first period of authorization with eight permanent employees, supplemented by contractual support for specific projects. The projected expansion of the budget for programs and services should be accompanied by an orderly growth in the Center's professional and administrative staff, who will be planning, organizing, and supervising the many projects implemented through the "Programs and Services" budget.

The Center staff, aside from the Director and Deputy Director, are organized according to the following job categories: (a) *folklife specialist* (GS–11 or GS–12, according to experience), the basic category for the Center's professional staff, employing people with serious training and experience in folklore, folklife, and folk cutlural programming; (b) *senior folklorist* (GS–14), featuring the same range of professional interest but advanced scholarly or administrative experience; (c) *research assistant* (GS–7), employed for research capability in support of the wolklife specialists to plan, research, and develop various programs and projects; (d) *administrative assistant* (GS–9), employed to organize the flow of office business as the number of simultaneous projects increases; and (e) *secretarial and clerical* (GS–4 and GS–5), providing basic secretarial, typing, filing, and other office services.

The staff increases proposed are as follows:

FY 1979: GS–12, folklife specialist; GS–7, research assistant; GS–5, clerical.

FY 1980: GS–11, folklife specialist; GS–9, administrative assistant; GS–5, clerical.

FY 1981: GS–14, senior folklorist; GS–11, folklife specialist; GS–7, research assistant; GS–4, clerical.

FY 1982: GS–11, folklife specialist; GS–7, research assistant; GS–5, clerical; GS–5, clerical.

FY 1983: No additional personnel, cost of living adjustment.

B. *Travel.* Because of the nature of the Center's field and outreach activities the proposed travel budget for the agency is increased. Regular contact with communities throughout the fifty states and territories is desirable and necessary if the Center is to be effective in its countrywide assistance and leadership.

C. *Communications.* Includes modest sums for postage, telephone, and related office services.

D. *Printing and Reproduction.* The Center's authorizing legislation specifically cites the need for publication and dissemination as a crucial part of its total program to broaden the impact of its research, information gathering, documentation of American folk cultural traditions, symposia, and other noteworthy projects.

Printing and reproduction costs apply not only to the publication of the written word but to publications employing photography, recordings, and other media.

E. *Office Supplies.* Modest sums are budgeted for routine office supplies and materials.

F. *Equipment.* The largest expenditures for equipment go toward furnishing the Center with documentary media equipment. It is used both by the Center staff in its field documentation of American folk traditions, and in an already inaugurated Equipment Loan Program, which makes professional media equipment and consultation available to organizations, communities, and individuals throughout the country for documenting their folk cultural traditions with the best of modern technology.

II. PROGRAMS AND SERVICES

Programs and Services is subdivided for planning and budgeting purposes into three broad missions within the Center's mandate: A. *Coordinative Leadership for the Field;* B. *Assistance to the Field;* and C. *Model Projects in the Field.* "The field," in this formulation, means American folklife, both as a discipline of study and as a direct national constituency.

A. *Coordinative Leadership for the Field.* This broad goal includes coordination of folklife activities for the Center's national constituency; coordination of folklife activities within the Federal Government; and coordination of the folk cultural endeavors of the Library of Congress as a cultural institution.

1. *Coordination for the National Field:*

In its first six months the Center has arranged and hosted two national conferences pertaining to American folklife that serve as models for future activity in this category. The first was a major conference on "Ethnic Recordings in America: A Neglected Heritage," which brought together conferees from around the country and was augmented by an exhibit on ethnic recordings and a special concert of ethnic music at the Library of Congress. The second was a smaller work-

ing conference, jointly sponsored by the Center and the National Endowment for the Arts, which brought together representatives of many states to reflect and plan on the subject of "Folk Cultural Programs in State Government." The success and impact of both these conferences, and the clear indication from conferees that they look to the Center for this sort of coordinative guidance for the field, has led the Center to propose as part of each year's program one or two major conferences and four or five smaller working conferences on various timely subjects pertaining to American folklife. The conferences will be held both at the Library of Congress and at locations throughout the country, a provision that will insure broad regional and national impacts for the events.

A conference on Texas folk cultural activities is now being planned for the fall of 1977, in conjunction with a meeting of the Center's Board in San Antonio.

Future conferences now being considered include such subjects as "Film and American Folklife," "Appraising the Folk Festival Movement," "Toward a Handbook of American Folklore." Such conferences coordinated by the Center serve a significant and needed service in bringing together persons interested in aspects of American folklife.

As another example of national coordination, the Center is planning a directory of state government activities in American folklife, to follow the federal folklife directory now in preparation. In its new period of authorization the Center plans to carry this coordinative information gathering and dissemination a step further by publishing a series of separate state directories on all folklife activities—governmental, organizational, and private—in each of the Nation's states. At the end of this ambitious project. The Nation will have access for the first time to carefully researched information on the full spectrum of its folk cultural activities.

2. Coordination for the Federal Government:

The Center has a special coordinative duty within the Federal Governmental structure because of the involvement of so many agencies in special facets of American folklife without broad and coherent planning. The preparation of a Directory of Federal Activities; it is to be published by the fall of 1977, and should be regularly revised and updated.

In addition, the Center plans to direct special research efforts on various areas of federal involvement in American folklife. Some illustrative topics: Federal Recreation Programs and the Nation's Living and Outdoor Museums; The Effects of Federal Crafts Programs on Folk Crafts Traditions; or The Implications of Environmental Legislation and Impact Statements for Folk Cultural Preservation. Such research projects will bring to bear the Center's special expertise on general Federal activities that touch the Nation's folk traditions.

3. Coordination for the Library of Congress:

The Center should serve as an active stimulant and participant in an expanded program of acquisitions for the Library of Congress in the areas of printed publications, manuscripts, recorded sound, still photography, film and videotape documenting American folklife as well as folk cultural traditions around the world. As the Center grows it anticipates larger involvement in archival activities, and it looks to the Library for complementary growth of its total institutional commitment to folklife as a subject area.

B. *Assistance to the Field.* This major goal represents the Center's commitment to serve the field of American folklife by offering assistance in folklife projects and programs in response to requests from local and state communities, and educational institutions. The experience of the Center to date suggests that there is a groundswell of requests from the field for assistance in developing or improving the quality of folklife programming at the community, state, and regional levels. The desire to foster and present American folklife at the community level is strong; what is lacking is the knowhow for locating and presenting local folk cultural resources in meaningful and effective ways. The Center can provide the necessary help and guidance.

"Assistance to the Field" as a goal is subdivided into project assistance; technical assistance; and research and reference assistance.

1. *Project Assistance:*

The Center has just begun a major project to survey, document, and analyze the ethnic arts traditions of Chicago and to prepare recommendations to the Illinois Arts Council for development of long-range state programs in this area. The project came about at the request of the Illinois Arts Council, a state agency charged by its legislature with the responsibility for developing state programs in ethnic arts. This major effort, in cooperation with a state agency, is illustrative of the sorts of projects through which the Center can provide its expertise and organizational abilities to assist agencies, organizations, and people concerned with folklife. The Chicago ethnic arts project is valuable in itself, even if it has no wider impact; but the Center plans through publication and dissemination of information to make it, and similar major projects, models of activity which can be replicated or adapted for use in other states and regions.

With adequate funding the Center plans to make such project assistance a major service which will extend its activities and influence throughout the many areas and regions of the Nation, urban or rural, small or large. Where interest and initiative has been generated at the local level, the Center can respond to these constituent needs. American folklife is quintessentially a local or regional expression, and the Center must provide its assistance at the grassroots.

The plan for reauthorization includes two or three such major projects in assistance to the field each year.

2. *Technical Assistance:*

In its first six months the Center has begun experimenting with short consultancies to complement its large assistance projects. A recent visit by the Director to an eight-county area of southern Georgia, for example, came at the request of community organizations anxious to find ways to employ their own local folk cultural resources in developing cultural programming for the area—festivals, school programs, publications, museums, local media, and other forums. The Center is planning to move to a full-fledged program of such short-term consultancies as a basic component in its total program of assistance to the field.

A key program of technical assistance is the Equipment Loan Program, described above, which in its short trial period is proving to be a consultant program as well as a lending program: the Center lends not only its professional equipment but, at the same time, makes available the short-term services of its professional media specialist. On a recent visit to southeastern Illinois, for example, the Center's media specialist supplied the equipment, trained local project workers to use it, and assisted them on techniques of field recording during visits to local folk musicians. The Center anticipates extensive use of the Equipment Loan Program and the accompanying consultant services in the future.

3. *Research and Reference Assistance:*

When the staff of the Center is somewhat larger it will be able to address more systematically the burgeoning requests by letter, telephone, and personal visit for simple research or reference assistance on folklife subjects. To this end the Center hopes to develop a Reference Collection of bibliographies, finding lists, indices, dictionaries, handbooks, atlases, journals, as well as books and monographs. The Center Reference Collection will constitute a prime resource for reference assistance and for researching the materials that flow into the Center.

C. *Model Projects in the Field.* Unlike the goal "Assistance to the Field," where the Center responds to requests initiated from the field, the goal "Model Projects in the Field" embraces all those projects initiated by the Center itself—projects where the Center through active leadership can establish national models for the preservation, presentation, and study of our Nation's folk cultural traditions. These model projects can be subdivided into three categories: research, publications and media dissemination, and live presentations and exhibits.

1. *Research:*

One of the challenging aspects of the mandate of the legislation establishing the Center is its charge to combine research with public service. Many of the projects already categorized will include a research component, but it is important to create a separate category for projects where the essential feature is basic research itself. The Center plans to engage in a few select research projects in its new period of authorization. Presently under consideration, for example, is an effort to gather, document, and organize existing materials pertaining to Native American myth, legend, story-telling, and other narrative forms. Such a research project will be of enormous benefit to the scholarly world, and the Native American communities themselves will benefit in such areas as curriculum development for schools, development of tribal archives, and in many other ways.

2. *Publication and Media Dissemination:*

Publication and media dissemination of information and research and important parts of the Center's program, through which its model projects can exert wider influence upon the academic and educational world, on folk communities themselves, and on the general public. For example, the Center plans to follow its successful conference on Ethnic Recordings in America: A Neglected Heritage" with a seminal book on the subject, which will create a wider awareness and understanding of this important cultural resource. The Center anticipates publishing two or three books or monographs each year.

In addition to books, the Center hopes to undertake the publication of a quarterly journal as a forum for scholarly and timely essays on aspects of American folklife and as a vehicle for informing its constituency of current research and program activities within the field.

Non-print media are equally important in the Center's program. It plans to develop a series of long-playing recordings documenting American folk cultural traditions, with special attention to recordings of the spoken word which present the variety of language, dialect, and verbal expression in America's many folk traditions. And in fiscal year 1979 the Center hopes to begin its first documentary film on American folklife, developed and produced with concern for professional and scholarly standards of documentation and film presentation. This will be the first of a projected series of American folklife films produced and distributed by the Center.

3. *Live Presentations and Exhibits:*

The Center has already experimented with concerts presenting fine traditional musicians at the Library of Congress—both inside, in Coolidge Auditorium, and outside, on Neptune Plaza—and anticipates a regular series of comparable live presentations in the future. It also plans a major public series presenting films of American folklife, combined where possible, with live presentation of the people being featured in the film. Hopefully these presentations can be taken

to locations outside of Washington. Finally, the Center may be involved in the development of local and regional festivals. One plan for a joint effort in this area, for example, is currently being discussed by people in the Center, the National Endowment for the Arts, and the Smithsonian Institution.

To complement the programs involving live presentation of folk cultural traditions, the Center plans to embark upon a concerted program of major and minor exhibits featuring American folklife, both at the Library of Congress and on tour around the country. The traveling exhibit can be a major contribution because of the dearth of thoughtful and well-presented folk cultural exhibits in hundreds of local and community museums, galleries, and other public institutions. The Center hopes to begin with one major exhibit a year, perhaps helping to inaugurate the new Madison Library, then move to two a year toward the end of the new period of authorization. These efforts will be supplemented by a variety of smaller special exhibits at the Library and elsewhere. Exhibits will of course be preceded by extensive research and preparation and accompanied by published catalogs.

By Mr. MATHIAS:

S. 1637. A bill to provide for Federal standards to more effectively protect the public against asbestos contamination; to the Committee on Environment and Public Works.

Mr. MATHIAS. Mr. President, I introduce a bill to provide Federal standards to more effectively protect the public against asbestos contamination.

Asbestos is a component of a broad array of products widely used in our daily lives. It is used as insulation, in roofing and siding, and as casings and fire retardants for electric motors and pipes. In our homes we find asbestos in ironing board covers, draperies, rugs, pot holders, stove and lamp wicks. It is used as a processing filter in the making of fruit juices, acids, beer and medicines. It is in electrical wiring in our homes and cars, in the seals and gaskets of home appliances. It is a reinforcement and filler in plastic products around the home and office. In short, it has found its way into virtually every building, home, factory, farm, or machine in use today.

Workers in direct contact with asbestos material, are protected by standards of the Mine Enforcement and Safety Administration and by the Occupational Safety and Health Administration.

There are no controls or standards, however, for the amount of asbestos contaminant in the air we breathe and in the water we drink. We are surrounded by asbestos, which is a carcinogen, in our daily lives. The scientific community is not in agreement about the extent of the danger asbestos might pose in our lives.

It is this lack of agreement and the general lack of public awareness of the potential health hazard in our midst which prompts me to offer my bill here today. It calls upon the appropriate Federal agencies to develop the knowledge and standards needed to protect the health of our citizens from this contaminant.

The one thing we do know for sure is that concentrated exposure to and breathing of asbestos-contaminated air can lead to a form of lung cancer called mesothelioma. It is a rare but fatal cancer, which does not develop symptoms in a victim until 30 years after exposure. No treatment or cure is currently available.

In the general population, the death rate due to mesothelioma is 1 in 10,000. Among uprotected asbestos workers it can kill 1 out of 10 workers.

The growing concern for the health of our citizens and our knowledge of latent environmental carcinogens points to the need for a thorough exploration of this subject by the Federal Government. I urge my colleagues' support for this bill.

Mr. President, I ask unanimous consent that an editorial from the Washington Post and two articles on the asbestos threat in Montgomery County appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONTGOMERY TO CURB USE OF ASBESTOS

(By Janis Johnson)

Montgomery County has decided to temporarily stop using crushed stone from a local quarry and to begin oiling heavily traveled roads in an effort to keep potentially cancer-causing asbestos fibers from polluting the air.

Montgomery County Executive James P. Gleason said yesterday he was taking these precautionary measures for the next 30 days because preliminary Environmental Protection Agency tests supported earlier studies that found that crushed serpentinite rock used on roads contains potentially hazardous concentrations of the asbestos fibers.

If the EPA has not ordered the county to reduce the level of asbestos pollutants within 30 days, Gleason said the county will resume use of crushed stone from the Rockville Crushed Stone Co., which supplies rock for most county roadbeds. The stone is mixed with asphalt to pave roads.

Since last fall, county officials have been trying to find out how serious a problem they face from the asbestos fibers, but Gleason said that as of yesterday, "unfortunately we still do not have the answer."

"If there is a problem—and we cannot emphasize this enough, we are not saying there is a problem—then we will do anything to reduce the health hazard to this county," he said.

"We think it is the EPA's legal responsibility to tell us the dimension of our problem," he said.

In preliminary tests conducted at four Montgomery County sites last April, the EPA found that some air samples contained as much as 400 times as much absestos per cubic meter as the average for urban areas in the nation.

However, no one really knows what that means since there are no agreed upon standards for safe and unsafe asbestos exposure.

"This still leaves the county in the position that we can neither move in one direction or another," Gleason said.

Initially, he said, 55 miles of county roads will be oiled at a cost of $85,000, and "we will be prepared to embark upon a much more extensive program of either removing rock from roads or sealing (the road surfaces) upon receipt of an order from the EPA."

If necessary, the county could use limestone or other kinds of stone to replace the serpentinite rock already used to pave some portions of the county's road system.

William Hussman, chief administrator for the county, said that county school and park and planning officials have promised to take similar action in the next 30 days to contain the asbestos-filled dust. Hussman said school officials have estimated it will cost $1,000 for each of 130 school sites to remove crushed stone spread around swings and other playground equipment. He said gravel in parks and school parking lots should also be covered.

Permanent resurfacing or replacement of roads could cost up to $2 million initially with an additional $1 million in maintenance expenses each year, Gleason said.

EPA spokesmen here and in the Philadelphia regional office said "substantive decisions" are expected next week.

The EPA released its preliminary test findings to the county last Wednesday at a meeting convened by Gleason.

A second meeting with EPA officials next Wednesday at the National Institutes of Health is expected to produce more extensive information about the county's problem.

Yesterday, Gleason complained that the EPA has said it may take a year to determine permissible levels of asbestos in the air.

"We don't think that's right," said Gleason. "We think the citizens of this county are entitled to some action" immediately, he said.

[From the Washington Post, May 14, 1977]

ASBESTOS AND ROCKY ROADS

A lot of people in Montgomery County are worrying over a highway-safety problem that became apparent last year: the possibility that road gravel may be a source of dangerous asbestos-laden dust. This is more than a local concern because serpentinite, the stone involved, is found and used in road-building in many states.

Some things are known. The serpentinite, produced here by the Rockville Crushed Stone Company, contains about 1 per cent asbestos fibers. Asbestos causes mesothelioma, a rare form of cancer, which may appear 20 even 40 years after exposure. Authorities do not yet agree, however, about *how* dangerous the gravel dust may be and what protective measures are required. The Environmental Defense Fund has emphasized the risk to children who use playgrounds covered with serpentinite or wait for school buses along gravel roads. EDF wants the federal Environmental Protection Agency to force the county to stop using the gravel and resurface 125 miles of unpaved roads, a job that could cost $7 million over five years.

Most county, state and EPA officials regard such steps as premature. Until analysis of air samples has been completed this summer, they say, they cannot even be sure how much asbestos dust is really in the air. Moreover, EPA has not decided how much, if any, of this kind of air pollution should be allowed. County officials and Rep. Newton Steers (R-Md.) have urged the Federal agency to set a standard, but that process is bound to be controversial.

One might think that all this could be more rapidly resolved, especially in an area where so many talented scientists work and live. As in most environmental pollution cases, though, hard answers cannot be found—except by waiting a few decades to see how many victims appear. Thus policies have to be based on prudence and a careful assessment of risks and costs. Montgomery County has already stopped using the types of serpentinite gravel that generate the most dust. The next step, in our view, should be to resurface affected play areas and at least the more heavily used gravel roads. Other jurisdictions that have been using serpentinite should take such precautions, too, with help from the states, where needed. It may not be necessary or possible to stop using this stone altogether, but there's no reason to leave so many bits of it lying around.

U.S. ASBESTOS TESTS FIND LARGE AMOUNTS IN MONTGOMERY AIR

(By Susan Axelrod)

Preliminary results from federal tests "tend to confirm" a nationally known cancer expert's finding that the air in part of Mont-

gomery County contains a concentration of asbestos fibers hundreds of times higher than the highest level found in a 1969 survey of 49 cities.

Montgomery County Executive James P. Gleason said yesterday he was told earlier this week of the results of air samples taken at Quince Orchard Road in Gaithersburg by officials from the U.E. Environmental Protection Agency.

Gleason said the EPA officials indicated the results were similar to levels found by Dr. Irving J. Selicoff during tests he conducted last fall.

Selicoff's tests found 150 micrograms of the cancer-causing fibers per cubic meter of air at the intersection of Route 28 and Travilah Road in Rockville. The 1969 study of 49 cities found the highest concentration of asbestos fibers in the air in those cities to be .092 micrograms.

Thus, Selicoff's figure—and apparently that of the EPA—is more than 1,500 times greater than the highest city level in the 1969 survey.

EPA tested the air at six locations in April. Only the findings from the Quince Orchard Road site have been evaluated.

Precise figures from the EPA tests were not immediately available, but an EPA spokesman said the results "were in the general range" of Selicoff's study.

Gleason said yesterday he is "giving EPA 30 days to produce some final answers" concerning standards for judging safe levels for asbestos and that during the 30-day period the county will top using serpentinite rock from the Rockville Crushed Stone quarry, where much of the stone used to pave county roads is purchased.

Quarry general manager James Topper said he would have no comment on the county's moratorium.

In addition, Gleason said that as a temporary measure the county will cover with used oil 55 miles of heavily traveled roads now paved with serpentinite rock.

The action, expected to cost $85,000, is being taken to seal in asbestos particles, which are carried through the air after being released from the rock once it is crushed.

Gleason said he also has spoken with Board of Education and Park and Planning officials in an effort to have the crushed stone currently in schoolyards and county playgrounds removed or covered.

Asbestos is one of the highest cancer-causing agents known.

Gleason said the county is "prepared to act" should EPA order it either to resurface nearly 125 miles of county roads now paved with serpentinite rock or to seal the roads.

Transportation officials have said resurfacing would cost $1 million initially and $1 million annually in maintenance for the next five years.

Last month the Environmental Defense fund (EDF) warned EPA it would be sued if EPA did not order Montgomery County to stop using rock from Rockville Crushed Stone and to resurface or otherwise make safe the county roads paved with the asbestos-carrying material.

Gleason said EPA officials "indicated they were prepared to take rather strong action against Montgomery County," but an EPA spokesman said no decision had yet been made.

The county executive said the moratorium on rock from Rockville Crushed Stone and the temporary sealing efforts were not being made "to head EPA off at the pass, but to bring them to the pass."

Asbestos has been listed as a hazardous air pollutant under the federal Clean Air Act and regulations set up by EPA prohibit the use of two types of asbestos-carrying materials in roadway resurfacing.

However, according to EDF, "due to an oversight" on the part of EPA, the regulations do not prohibit the use of stone like the kind quarried in Rockville.

EPA is moving toward amending its regulations to include serpentinite rock, but it is estimated that national standards may not be set for six months to a year.

"We don't think that's right," Gleason said. "We are attempting to get prompt answers to the immediate question and prompt decisions from the federal government."

The preliminary EPA results were made approximately two weeks after EDF threatened its lawsuit. Because it now "looks like they (EPA) are going to do something, we won't sue yet," EDF scientist Leslie Dach said yesterday. "We'll wait to see what they're going to do."

If EPA fails to act within 30 days, Gleason said the county "will go right back to where we were. . . . I think it's EPA legal responsibility to tell us the dimension of our problem. If there is one, we'll do something about it."

County officials are scheduled to meet Wednesday with officials from National Institutes of Health, EPA, EDF and Rockville Crushed Stone. Selicoff and other scientists familiar with asbestos and its effects are expected to attend.

ADDITIONAL COSPONSORS

S. 31

At the request of Mr. DOMENICI, the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 31.

S. 123

At the request of Mr. INOUYE, the Senator from Oregon (Mr. HATFIELD) was added as a consponsor of S. 123.

S. 247

At the request of Mr. GOLDWATER, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 247.

S. 297

At the request of Mr. PACKWOOD, the Senator from California (Mr. HAYAKAWA) was added as a cosponsor of S. 297.

S. 434

At the request of Mr. INOUYE, the Senator from North Carolina (Mr. MORGAN) was added as a cosponsor of S. 434.

S. 650

At the request of Mr. BELLMON, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 650.

S. 779

At the request of Mr. BURDICK, the Senator from New Hampshire (Mr. DURKIN) was added as a cosponsor of S. 779.

S. 834

At the request of Mr. SCHWEIKER, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 834.

S. 961

At the request of Mr. CRANSTON, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 961.

S. 1280

At the request of Mr. CLARK, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1280.

S. 1412

At the request of Mr. HUMPHREY, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1412.

S. 1495

At the request of Mr. PACKWOOD, the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 1495.

S. 1523

At the request of Mr. PROXMIRE, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 1523.

S. 1611

At the request of Mr. CULVER, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 1611.

SENATE RESOLUTION 182

At the request of Mr. DOLE, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of Senate Resolution 182.

SENATE RESOLUTION 183—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF A REPORT

(Referred to the Committee on Rules and Administration.)

Mr. DOMENICI (for Mr. CHURCH and himself) submitted the following resolution:

S. RES. 183

Resolved, That there be printed for the use of the Special Committee on Aging seven thousand and nine hundred copies of its report to the Senate, "Kickbacks Among Medicaid Providers," June 1977.

SENATE RESOLUTION 184—SUBMISSION OF A RESOLUTION AMENDING RULE XV OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD submitted the following resolution:

S. RES. 184

Resolved, That Rule XV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph: "The demand for the reading of an amendment when presented to the Senate for consideration, including House amendments, may be waived on motion decided without debate when the proposed amendment has been identified by the clerk and is available to all Members at their desks in printed form.".

Mr. ROBERT C. BYRD. Mr. President, I submit a resolution to amend rule XV to dispense with the reading requirement of amendments when called up for consideration if they have been printed and are available to all Members at their desks.

In recent years the Senate has established the practice of not reading amendments in their entirety when they are available to all Senators in printed form; the practice is to identify them by author, number of the printed amendment, and the portion of the bill to which it is directed. Occasionally, a single Member might demand the full reading of an amendment even though he is holding the printed amendment in his hand, but this would appear in most instances to be a delay tactic; obviously, if the amendment has not been printed but is in penciled or typewritten form, it should be read so that the Members would know what they are being called upon to consider.

SENATE RESOLUTION 185—SUBMISSION OF A RESOLUTION TO AMEND RULE III OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD submitted the following resolution:

S. RES. 185

Resolved, That paragraph 1 of Rule III of the Standing Rules of the Senate is amended by striking out all after the words "unless by unanimous consent" and inserting in lieu thereof the following: "or on motion decided without debate. Motions to correct the Journal shall be privileged, shall be confined to an accurate description of the proceedings of the preceding day, and debate thereon shall be limited to twenty minutes to be equally divided and controlled between the mover thereof and the Majority Leader or his designee.".

Mr. ROBERT C. BYRD. Mr. President, I submit a resolution to amend rule III, relative to the reading of and the amendments to the Journal. The resolution proposes to make in order a motion to suspend the reading of the Journal without debate if and when it cannot be done by unanimous consent. It would also add additional language to the rule to confine any corrections in the Journal to an accurate description of the proceedings of the Senate of the preceding day and the debate of such corrections would be limited to 20 minutes, to be equally divided and controlled between the mover thereof and the majority leader or his designee.

The present rule requires the reading of the Journal unless dispensed with by unanimous consent only; under such requirement a single individual Senator is able by objecting to the suspension of the reading to delay Senate action on important matters upon which the Senate is called upon to take action. The language confining or limiting the kind of corrections would restrict any amendments to bona fide corrections.

SENATE RESOLUTION 186—SUBMISSION OF A RESOLUTION TO AMEND RULE XXVII OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD submitted the following resolution:

S. RES. 186

Resolved, That Rule XXVII of the Standing Rules of the Senate is amended by adding at the end thereof the following: "The demand for the reading of a conference report when presented may be waived on motion decided without debate when the report is available to all Members at their desks in printed form.".

Mr. ROBERT C. BYRD. Mr. President, I submit a resolution to amend rule XXVII, relative to the reading requirements of conference reports when submitted for consideration. This resolution would make in order a motion which would waive the reading of a conference report when presented for consideration if that conference report is in printed form and available to all Members, at their respective desks.

In recent years the Senate has established a practice of not reading conference reports, particularly when they have been printed and are available to each Member, and when they are read it is on the insistence of one or a very few Senators unless, of course, they have not yet been printed.

This proposed change would put into the rules this practice because it would not prevent the requirement that a conference report be read when it has not been printed and available to all Members in printed form.

SENATE RESOLUTION 187—SUBMISSION OF A RESOLUTION TO AMEND RULE XVIII OF THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD submitted the following resolution:

S. RES. 187

Resolved, That Rule XVIII of the Standing Rules of the Senate is amended:

(1) by inserting after "Question" in the caption a semicolon and following: "GERMANENESS";

(2) by inserting "1." before "If"; and

(3) by adding at the end thereof the following new paragraph:

"2. (a) At any time during the consideration of a bill or resolution it shall be in order to move that no amendment other than the reported committee amendments (if within the jurisdiction of the reporting committee) which is not germane or relevant to the subject matter of the bill or resolution, or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. Such a motion shall be highly privileged and shall be decided without debate.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of three-fifths of the Senate present and voting, then any amendment not already acted on (except amendments within its jurisdiction proposed by the committee which reported such bill or resolution) which is not germane or relevant to the subject matter of such bill or resolution, or to the subject matter of an amendment proposed by the committee which reported such bill or resolution, shall not be in order. A motion to reconsider the vote by which such motion was so agreed to or was not so agreed to shall not be in order.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may, prior to ruling on any such point of order, entertain such debate as he considers necessary in order to determine how he shall rule on such point of order. Appeals from the decision of the Presiding Officer on such points of order shall be decided without debate.

"(d) The provisions of this paragraph shall not apply to amendments subject to the rules of germaneness and relevancy contained in paragraph 4 of rule XVI and paragraph 2 of rule XXII.".

Mr. ROBERT C. BYRD. Mr. President, this resolution proposes to amend rule XVIII of the Standing Rules of the Senate to make in order a motion to require that amendments offered to a pending measure be germane. Such a motion would be privileged and decided without debate by a three-fifths majority vote.

This proposed amendment to the rules would permit the Senate in its wisdom to consider bills or resolutions without having to act on nongermane amendments or so-called riders offered from the floor. Any amendments within its jurisdiction reported by the committee reporting the bill would be in order under any circumstances. Likewise, any bill or resolution would be open to nongermane amendments until the Senate should adopt a motion by a three-fifths vote to prohibit any further nongermane amendments.

The adoption of such an amendment to the rules would not mean that there would no longer be any nongermane amendments added to a bill or resolution when it is under consideration by the Senate. The germaneness procedure during the consideration of any bill or resolution would remain the same as under the existing rules, namely: First, when operation under a unanimous consent agreement to that effect; second, consider a general appropriations bill which requires germaneness of amendments under paragraph 4 of rule XVI, and third, when considering a bill or resolution under cloture—unless, of course, the Senate should by a three-fifths vote adopt a motion as provided in this resolution to require that amendments to a pending bill or resolution be germane.

Again I emphasize that a committee could propose germane or nongermane amendments within its jurisdiction to a bill it reported and germane or nongermane amendments would be in order until such a motion should be adopted by a three-fifths vote, unless they should be barred by a unanimous consent agreement, barred by paragraph 4 of rule XVI in considering a general appropriations bill, or prohibited during the consideration of a measure under cloture.

These proposed changes in the rules would in no way restrict debate or the consideration of a measure in any other way, but it would allow the Senate in its wisdom by a three-fifths vote to prohibit the calling up of nongermane amendments to a bill or resolution during its consideration by the Senate.

AMENDMENTS SUBMITTED FOR PRINTING

CLEAN AIR ACT—S. 252

AMENDMENT NO. 364

(Ordered to be printed and to lie on the table.)

Mr. ANDERSON. Mr. President, I am submitting today an amendment to S. 252, the Clean Air Act Amendments of 1977.

As a new member of the Committee on Environment and Public Works, I am extremely interested in the many significant issues in the proposed amendments to the Clean Air Act.

An issue of particular concern to me is the limitation in section 209 of the waiver from the State preemption provision for automobile emission standards only for the State of California. Under the present law, only California is permitted to require cars sold in the State to be equipped with more restrictive emission control equipment than equipment required in all other States.

I do not quarrel with granting Cali-

fornia the option of requiring stricter emissions from mobile sources so to protect the health and welfare of its citizens. It is my belief that all States should be given the same option. I support the Federal Government setting national pollution control standards, as is the case with automobile emissions. However, I also believe the Federal Government should grant the States the flexibility to set higher standards to protect public health, if the State desires the additional control measure.

Accordingly, I circulated to my colleagues on the Environment and Pubilc Works Committee during markup of the Clean Air Amendments of 1977, language that would amend the State preemption provision of section 209 to extend the option of the California waiver to other States. I intended to offer the amendment if the committee delayed the emission standards in S. 252 beyond model year 1980, in order that the States that did not want to suffer the additional delays would have an option. I did not offer the Section 209 amendment since the committee did not change the sections of S. 252 affecting automobile emissions standards from last year's Senate position. I may offer this amendment on the Senate floor should action be taken to delay automobile emission standards, as was done in the House last week.

The language in my amendment is permissive and would allow only the present two-car strategy to extend to other States. The technology is available, as nearly 10 percent of U.S. automobile production is for California cars and could be expanded for other markets.

In adopting the preemption of State authority to set automobile standards in 1967, Congress assumed that rapid cleanup of the automobile would occur. Four delays have occurred in the implementation of the original standards. If substantial additional delays are enacted by Congress, the original assumption of section 209 was faulty and States should regain the power to accelerate cleanup efforts, if they desire to do so.

Again, I believe communities and States with substantial cleanup problems should be allowed the option of protecting the public in their jurisdiction by requiring accelerated cleanup. My amendment would merely extend to mobile sources the policy in section 116 of the Clean Air Act for stationary sources.

My amendment provides an approach that would be simple to administer and simple for the automobile companies to meet. Only one choice will be available to States that use the authority granted: they may choose the California standards and only those standards. No additional certification of different kinds of cars will be required and no new standards will be created.

Several arguments could be advanced against a section 209 amendment and are readily answered, as follows:

First. This amendment would interfere with the national marketing pattern of the automobile companies. The manufacture of engines with additional controls will add complexity to production patterns.

Rebuttal.—The emission control systems have already been developed to meet the California standards. All that is required in many cases is the addition of an air pump and changing the adjustments on carburetor settings, and so forth. Assembly lines are already organized so that engines produced for the California market are clearly marked as they move along the assembly line. This amendment would simply mean a few more plants would be manufacturing such engines. Significant changes in the tooling requirements of the industry are not needed.

Second. Adjoining cities across State lines with different standards would create impossible marketing and enforcement problems.

Rebuttal.—California has solved this problem by using registration as enforcement mechanism, and this has worked well. Cars registered in the State with the more stringent standards would have to meet such standards. This imposes no significant additional burden in the registration process.

Third. Adoption of more stringent standards by many States could lead to unemployment caused by poor auto sales.

Rebuttal.—This point has never been proven in any way. The cars sold in California are fully marketable, and car sales have not slumped in that State. Car sales depend directly on the health of the economy. No other factor approaches the significance of the status of the economy in determining car sales. If the proper systems are selected, more stringent emission standards do not lead to cars with poor fuel economy, driveability, or other characteristics that makes them undesirable.

Fourth. Substantial cost will be added to automobiles.

Rebuttal.—The average increase in costs for cars in California is approximately $22 per car. This is a small price to pay for additional cleanup, and in any event, the decision is one the State should have the right to make since it will undoubtedly have such cost information presented to it during deliberations regarding the adoption of more stringent standards.

Fifth. Fuel economy losses will occur.

Rebuttal.— This depends entirely on the kind of system selected to meet the standards. When Volvo, Saab, and other manufacturers chose to use improved systems, they not only met the California standards, but achieved improved fuel economy. If poor technology is used and adjustments are made which cause fuel penalties, then some fuel economy loss will occur. This need not happen, if the industry chooses the most appropriate approach to meeting standards.

In any event, the mandatory fuel economy standards in Federal law will help provide another impetus for causing the industry to adopt improved technology that improves fuel economy and at the same time reduce emissions.

This amendment is supported by the National Governor's Conference Subcommittee on Clean Air Management, as indicated by a letter from Gov. Jay S. Hammond to Chairman RANDOLPH, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNOR'S CONFERENCE,
March 22, 1977.

Hon. JENNINGS RANDOLPH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RANDOLPH: It is my understanding that Senator Wendell Anderson will offer an amendment in the Committee on Environment and Public Works to S. 252 which would permit States the option of requiring that all new automobiles sold within their jurisdictions meet the emission standards in effect for vehicles sold in California.

The thrust of the Anderson Amendment while discretionary, could provide interested States with an additional tool and effective alternative to socially-descriptive transportation control strategies for combating serious air pollution problems.

While the State of Michigan dissents from this view, I strongly urge your support for adoption of the principle of the Anderson Amendment as an integral part of S. 252.

Your serious consideration of this position would be deeply appreciated.

Sincerely,

JAY S. HAMMOND,
Chairman, National Governors' Conference Subcommittee.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the text of my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 104, after line 22 insert the following new section and renumber following sections accordingly:

SEC. 35. Section 209(b) of the Clean Air Act is amended by adding the following: "Whenever such a waiver has been granted with respect to vehicles or engines manufactrued during a model year, any other State for any region of which transportation control measures are necessary for the attainment or maintenance of any national primary ambient air quality standards may adopt identical standards to those for which a waiver is made under this subsection."

Mr. ANDERSON. Mr. President, the Washington Star on June 1, 1977, commented on the House action on the Clean Air Act, including the prospect of action by individual States to protect public health, if the Congress approves significant delays in auto emission standards. I request unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 1, 1977]

THE "DIRTY AIR" ACT?

Perhaps the best way to describe the House action on Clean Air Act amendments is to say the lawmakers struck a blow for dirty air.

After voting on Wednesday to allow a substantial increase in air pollution in national parks and other protected areas, the House on Thursday knuckled under to the auto companies, the auto unions and other motoring interests and passed legislation to delay and weaken controls on auto exhaust emissions.

The Wednesday amendment permits construction of power plants near national parks and forests where the pristine air quality was protected by the Clean Air Act of 1970. The amendment was prompted by plans to build the huge Intermountain Power Project in Utah near several national parks, which is

designed to provide electric power for the Los Angeles area.

The amendment almost surely will result in lowering the air quality in some Western areas and will make the large national recreational areas less attractive to visitors, but whether it will have a significant effect on the nation's health is at least debatable.

The more significant amendment was to delay and weaken controls on auto exhaust fumes, which are by far the biggest source of air pollution. In an effort to control this pollution, the 1970 act established limits on the amounts of hydrocarbons, carbon monoxide and nitrogen oxide that could be emitted by autos and established a timetable for the auto industry to meet the limits.

The exhaust standards were supposed to have been met by 1975 but auto makers, pleading that they haven't had time to develop the necessary technology, obtained three delays from Congress. The House amendment approved Thursday not only grants further delay to the 1980–81 models but more than doubles the carbon monoxide and nitrogen oxide limits established in the 1970 act.

Perhaps the U.S. auto industry can explain why it can't meet the Clean Air Act's emission standards when some foreign auto makers can.

Maybe it can also explain why it can produce cleaner cars for sale in California, where state standards are stiffer than national, and can't produce them for nationwide sale.

We're inclined to think there's more than a grain of truth in the comment Thursday by Rep. Henry Waxman of California, who said of the auto companies: "If they had spent the money to meet the standards instead of lobbying, we wouldn't be here fighting this fight and we'd have healthier people across the country."

If the Senate, like the House, lets the industry off the hook, the alternative may be for the states to follow California's lead in protecting Americans' lungs.

AMENDMENT NO. 365

(Ordered to be printed and to lie on the table.)

Mr. DOLE (for himself, Mr. CURTIS, Mr. HATCH, Mr. LUGAR, Mr. BELLMON, Mr. HAYAKAWA, Mr. TOWER, and Mr. ZORINSKY) proposed an amendment intended to be proposed by them jointly to S. 252, a bill to amend the Clean Air Act.

Mr. DOLE. Mr. President, this amendment is offered to alleviate the disastrous economic impact of the regulations proposed by EPA on January 13, 1977 upon country elevators and the farmers they serve.

The regulations, as proposed, would have a costly impact on the U.S. grain marketing system. The total cost because of capital investments needed to reduce grain dust emissions, has been established to be as much as 3 to 6 cents per bushel.

The major portion of cost would occur at country elevator points. These costs will be passed back through the market system affecting adversely farm income. The Council of Wage and Price Stability on April 4, 1977, reported that transportation delays alone occurring in moving grain from farm to port would cost $67 million annually if the EPA regulations are implemented as proposed. These costs associated with transportation delays are in addition to the capital investment costs and would be incurred because of a requirement that each railcar be uncoupled separately and dumped inside a totally enclosed building.

This added cost of the EPA regulations will increase the marketing costs of this country's basic raw food commodity and this Nation's greatest export commodity. Higher marketing costs would make us less competitive if passed forward. If passed backward through the system, they will hurt farmers who are already receiving disastrously low prices.

This amendment will save marketing costs for the country elevators located in rural areas and small towns and the farmers they serve. The costs required by the proposed EPA regulations simply cannot be afforded by the small operators and would be passed back to the farmers since competition is such that it cannot be added to the price of grain. Wheat farmers are in an especially dire economic state because of depressed wheat prices. Wheat prices in Kansas are less than $2 per bushel—down about 50 percent from last year. Many wheat farmers face possible bankruptcy.

The proposed regulations fail to weigh the effects of these costs. A 3-cents-per-bushel increase would mean an annual cost of about $250 million to move the 8.25 billion bushels of grain moved annually from the farm to market. At the same time, the proposed EPA regulations would affect less than a 4-percent reduction in grain dust emissions according to EPA's own estimates.

I do not believe the American farmer and consumer are willing to pay these additional costs for such an ineffectual EPA effort. We owe it to them to be prudent in reducing the economic impact of the proposed regulations. I have no objections to developing more reasonable regulations to reduce dust in the terminal and export facilities that handle much larger volumes of grain. It is my understanding that the EPA did not initially intend to include the country elevators. This amendment would simply exempt those facilities with a storage capacity of less than 2.5 million bushels. Thus, the small country elevators would be exempt but not the larger terminal elevators or export point facilities.

I ask for your support on this needed amendment to protect our country elevators from going out of business or having tremendous economic burdens thrust upon them and the farmers they serve by EPA.

AMENDMENT NO. 366

(Ordered to be printed and to lie on the table.)

Mr. NELSON. Mr. President, when S. 252, the Clean Air Act Amendments of 1977, is brought to the floor, I intend to offer an amendment to the auto emissions section extending the compliance schedule for American Motors Corp., AMC, by approximately 2 years.

Everyone, including the Environment and Public Works Committee and the Environmental Protection Agency, agrees that AMC requires more time to comply with the committee's proposed abatement schedule. The only question is how much more time?

It is agreed by everyone that American Motors has a special problem because, unlike the big three automakers, it does not design and build its own pollution control systems. It must purchase this technology from General Motors, GM, Ford, or Chrysler. Once they have purchased the technology, they must modify and adapt the system to their own product line. This requires between 1 and 2 years. Consequently, AMC is unavoidably behind in the pollution abatement timetable from the very beginning. The Environmental Protection Agency has informed my office that AMC should not be expected to meet the schedule established for GM, Ford, and Chrysler because AMC must purchase its pollution abatement technology and adopt it to their equipment. That imposes an unavoidable time lag on AMC.

This amendment establishes an interim compliance schedule for "any manufacturer whose sales, by corporate identity, for model year 1976 was less than 300,000 light duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers." Generally speaking, this amendment gives AMC approximately 2 additional years to comply with the auto emission limitations proposed by S. 252, standards that are, in my judgment, necessary to protect public health.

Such an extension will have no adverse impact on the environment or public health and American Motors has given me its assurances that it can comply with this interim schedule.

After reviewing all the evidence on this subject, it seems to me that: Frist, the technology exists to achieve the emission limitations prescribed in S. 252; second, the limitations of .41/3.4/1 are necessary to protect public health; third, by using advanced design and engineering, the big three can achieve these standards in the time frame outlined by the committee's bill without a fuel economy penalty; and fourth, on the merits of the question, American Motors needs more time to comply.

We have an ironic situation here. The smallest, most financially troubled company—AMC—says it can comply with the provisions of S. 252 in 1982. Thus, there is no reason why the big three cannot do it in 1980.

I ask unanimous consent that the text of this amendment and a table comparing the provisions of S. 252 and S. 919 to this language be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 366

On page 94, line 5, after "Sec. 21," insert "(a)".

On page 94, between lines 20 and 21, insert the following:

(b) Paragraph (1) of such section is further amended by inserting at the end thereof the following:

"(C) Notwithstanding the provisions of subparagraphs (A) and (B), in the case of any manufacturer whose sales, by corporate identity, for model year 1976 was less than 300,000 light duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet emission standards in the 1975 and subsequent model years was and is primarily de-

pendent upon technology developed by others and purchased by such manufacturers, the regulations under subsection (a) shall contain standards providing that with respect to light duty vehicles and engines manufactured by such manufacturer—

"(i) for model year 1979 emissions of hydrocarbons shall not exceed 1.5 grams per vehicle mile, emissions of carbon monoxide shall not exceed 15.0 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile;

"(ii) for model year 1980 emissions of hydrocarbons shall not exceed .41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 9.0 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile;

"(iii) for model year 1981 emissions of hydrocarbons shall not exceed .41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 9.0 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile; and

"(iv) for model year 1982 emissions of hydrocarbons shall not exceed .41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 1.0 gram per vehicle mile.".

AUTO EMISSION TIMETABLE AND LIMITATION COMPARISON

[Grams per mile]

Model year	Hydrocarbons					Carbon monoxide					Nitrogen oxides				
	S. 252	S. 919	Baker	Nelson	Carter	S. 252	S. 919	Baker	Nelson	Carter	S. 252	S. 919	Baker	Nelson	Carter
1978	1.5	1.5	1.5	.....	1.5	15.0	15	15.0	.....	15.0	2	2	2	.....	2.0
1979	.41	1.5	1.5	1.5	.41	3.4	15	15.0	15.0	9.0	2 (1)	2	2	2	2.0
1980	.41	.41	.41	.41	.41	3.4	9	3.4	9.0	9.0	1	2	1 (2)	2	2.0
1981	.41	.41	.41	.41	.41	3.4	9	3.4	9.0	3.4	1	2	1 (2)	2	1.0
1982	.41	.41	.41	.41	.41	3.4	9	3.4	3.4	3.4	1	1 (2)	1	1	1.0 (.4)
1983	.41	.41	.41	.41	.41	3.4	9	3.4	3.4	3.4	1	1 (2)	1	1	1.0 (.4)

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION—S. 1340

AMENDMENTS NOS. 367 AND 368

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted two amendments intended to be proposed by him to the bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration.

MINE SAFETY ACT—S. 717

AMENDMENT NO. 369

(Ordered to be printed and to lie on the table.)

STATE PLANNING AGREEMENTS ESSENTIAL TO MINE SAFETY BILL

Mr. HELMS. Mr. President, today I am submitting an amendment to S. 717, the Federal Mine Safety and Health Act of 1977. This amendment is necessary in order to maintain State planning agreements, which would no longer be allowed if S. 717 is passed in its present form.

These State planning agreements authorize the several States, in cooperation with the Department of Interior, to establish and enforce their own health and safety standards. They are provided for under section 16 of the Federal Metal and Nonmetallic Mine Safety Act, which S. 717 would repeal. Section 16 of the Metal Act requires the Secretary of the Interior to cooperate with the official mine inspection and safety agencies of the States, in order to promote cooperation and coordination between the Federal and State Governments in the enforcement of the act.

Accordingly any State which desires to develop and enforce health and safety standards in mines which are located in the State and are subject to the Metal Act may submit a State plan for the development of such standards and their enforcement. If the State plan is acceptable to the Secretary, the State accepts primary responsibility for the enforcement of mining safety regulations within its jurisdiction.

Since the enactment of the Metal Act in 1966, six States—Arizona, Colorado, New Mexico, North Carolina, Utah, and Virginia—have established State-administered mine and quarry safety programs. The report of the Committee on Human Resources accompanying S. 717 makes no mention of these programs and offers no evidence to justify their termination. Nor has the Mining Enforcement and Safety Administration—MESA, which enforces the Metal Act, testified that State planning agreements should be discontinued.

In short, S. 717 simply sweeps these agreements into limbo, and no one knows why.

Mr. President, the Senate should be aware that these State planning agreements have been highly successful. They have been successful not only from a practical standpoint, but also from a constitutional one. They are consistent with our federal scheme of government and strengthen the process of decentralization. They help us to maintain a division of power between the national and the States levels of government. Under our Constitution, those powers that are not granted to the Federal Government are reserved to the several States and to the people who reside therein. Let us not forget that these reserved powers are the State police powers—that is, the power to provide for the health, safety, and welfare of the people. These State planning agreements do just that: They allow the States and the Federal Government to work together in a common endeavor to protect the health and safety of the miners.

For these reasons, I question whether it is either wise or proper to push the States aside in this mutual effort to reduce injuries in our mines. This view is shared by State officials in North Carolina who have direct, personal experience with the existing system of mine safety inspections. Urging retention of State planning agreements, Mr. John C. Brooks, North Carolina's Commissioner of Labor, rightly insists that programs to protect the health and safety of miners can best be administered through State and Federal cooperative arrangements. He writes in a recent letter to me,

I am convinced that the preservation of a Federal system of government requires that we extend to the sovereign states the opportunity to administer nationwide legislation whenever possible, as it is here.

If the States are unable to administer a good health and safety program in the mines, then the proponents of S. 717 might be justified in their effort to abolish State planning agreements. But I have seen no evidence which even remotely suggests that the States cannot or should not continue to carry out such programs.

Indeed, those States with planning agreements have already demonstrated that they can successfully administer a mining safety program. North Carolina's safety record is in fact truly outstanding. According to the Mining Enforcement and Safety Administration—MESA, the injury frequency rate in 1976 for all mining operations except coal was 15.27—that is, there were 15.27 disabling injuries in the mines for every million man-hours worked. North Carolina is proud of the fact that its injury frequency rate, according to MESA, is one of the lowest in the Nation. In 1976, it was 9.32 per million man-hours.

Mr. President, the burden of proof is on the supporters of S. 717 to explain why a fine State planning agreement such as the one in North Carolina must be discontinued.

The committee report accompanying S. 717 does not offer one scintilla of evidence which would support termination of the North Carolina agreement. On page 8 of the report, the committee simply concludes that:

The Committee's oversight of the enforcement and administration of the mine safety laws has demonstrated that the Department of Interior has been seriously deficient in past years in its enforcement and administrative responsibilities under these statutes.

But this does not apply to the State of North Carolina because North Carolina's administration of mine safety laws has not been deficient. Our safety record contradicts any such conclusion.

No more convincing are the statistics offered by the committee in support of S. 717, which appear on page 7 of the committee's report. The report states, at the bottom of the page, that:

The following table of the rates of fatal and serious non-fatal occurrences in our na-

tion's mines since these laws became effective evidence the need for a legislative solution.

What follows is a table of figures which, in my judgment, arouse considerable skepticism.

In the first place, there is no mention in the report as to the source of these statistics. What is their origin? Certainly not the Mining Enforcement and Safety Administration, because they differ quite substantially from MESA's figures. According to the report, for example, the disability injury rate for the entire mining industry in 1976 was 30.51. But MESA does not publish a rate for the entire industry. How, then, did the committee arrive at this figure?

In the second place, the 1976 disability injury rates for the coal and metal and nonmetal mines, as presented in the report, are considerably higher than those published by MESA. The MESA Safety Review states that the 1976 disabling injury frequency rate per million manhours in the coal mines was 36.41.

The committee report offers a figure of 39.31. The MESA Safety Review states that the 1976 disabling injury frequency rate per million man-hours in the metal and nonmetal mines, including mills, was 15.27. The committee report offers a figure of 19.12, excluding the mills. Are MESA's figures incorrect or the committee's? Is the 1976 disability injury rate for metal and nonmetal mines in North Carolina less than 50 percent lower than the national average or more than 50 percent lower?

Mr. President, reasonable men can differ on the accuracy of certain statistics. The point here is that the committee report on S. 717 contains no written or statistical evidence which would warrant the abolition of State planning agreements. To be sure, no matter whose statistics are used, the injury frequency rate in North Carolina is substantially lower than the national average.

For these reasons, I urge my fellow colleagues to support the amendment I am submitting which allows these successfully run agreements to continue. My amendment simply continues the provisions of the Metal Act that appear under section 16.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 369

On page 143, insert the following between lines 2 and 3:

"STATE PLANS

"SEC. 117. (a) In order to promote sound and effective coordination in Federal and State activities, within the field covered by this Act, the Secretary shall cooperate with the official mine inspection or safety agencies of the several States.

"(b) Any State which, at any time, desires to develop and enforce health and safety standards in mines located in the State which are subject to this Act shall submit, through a State mine inspection or safety agency, a State plan for the development of such standards and their enforcement.

"(c) The Secretary shall approve the plan submitted by a State under subsection (b), or any modification thereof, whenever the State gives evidence satisfactory to the Secretary that under such plan—

"(1) the State agency submitting such plan is the sole agency responsible for administering the plan throughout the State and contains satisfactory evidence that such agency will have the authority to carry out the plan: *Provided*, That the Secretary may, upon request of the Governor or other appropriate executive or legislative authority of the State responsible for determining or revising the organizational structure of State government, waive the single State agency provision hereof and approve another State administrative structure or arrangement if the Secretary determines that the objectives of this Act will not be endangered by the use of such other State structure or arrangement,

"(2) such agency has adequate legal authority to enforce existing health and safety standards for the purpose of the protection of life, the promotion of health and safety, and the prevention of accidents in mines in the State that are subject to this Act, which are, in his judgment, substantially as effective for such purposes as the mandatory standards designated under section 6(b) and which provide for inspection at least annually of all such mines, other than quarries and sand and gravel pits,

"(3) the agency has adequate qualified personnel necessary for the enforcement of the plan,

"(4) the State will devote adequate funds to the administration and enforcement of such standards,

"(5) reasonable safeguards exist against loss of life or property arising from mines which are closed or abandoned after the effective date of this Act, and

"(6) the agency shall make such reports to the Secretary, in such form and containing such information, as the Secretary shall from time to time require.

"(d) The Secretary shall, on the basis of reports submitted by the State agency and his own inspection of mines, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Secretary finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), he shall notify the State agency of his withdrawal of approval of such plan and upon receipt of such notice such plan shall cease to be in effect.

"(e) The provisions of section 8(b) and 9(b) of this Act shall not be applicable in any State in which there is in effect a State plan approved under subsection (c).".

NOTICES OF HEARINGS

ASSISTANT ATTORNEYS GENERAL

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 17, 1977, at 1 p.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

John M. Harmon, of North Carolina, to be an Assistant Attorney General (Legal Counsel) vice Antonin G. Scalia, resigned

James W. Moorman, of California, to be an Assistant Attorney General (Land and Natural Resources Division) vice Peter R. Taft, resigning

Any persons desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

U.S. ATTORNEYS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 17, 1977, at 1 p.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

James R. Burgess, Jr., of Illinois, to be U.S. Attorney for the Eastern District of Illinois for the term of 4 years vice Henry A. Schwartz, deceased

Thomas P. Sullivan, of Illinois, to be U.S. Attorney for the Northern District of Illinois for the term of 4 years vice Samuel K. Skinner, resigning

Any persons desiring to offer testimony in regard to these nominations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

NOMINATION OF ROLAND MORA TO BE DEPUTY ASSISTANT SECRETARY OF LABOR

Mr. CRANSTON. Mr. President, I announce for myself and for the chairman of the Committee on Human Resources (Mr. WILLIAMS) that a joint hearing will be held by the Committee on Veterans' Affairs and the Committee on Human Resources on Thursday, June 9, to consider the nomination of Roland Mora of California to be Deputy Assistant Secretary of Labor for Veterans Employment. The hearing will be held in room 4232, Dirksen Senate Office Building at 9:30 a.m. Individuals or organizations interested in testifying or in submitting testimony in regard to this nomination should contact Jack Wickes of the Veterans' Affairs Committee (224–6293) or Martin Jensen (224–3656) of the Committee on Human Resources.

PUBLIC PARTICIPATION IN FEDERAL AGENCY PROCEEDINGS—S. 270

Mr. ABOUREZK. Mr. President, the Judiciary Committee will hold a day of hearings on S. 270, the "Public Participation in Federal Agency Proceedings Act of 1977," at 10:30 a.m. in room 6226 of the Dirksen Senate Office Building.

Those who wish to testify or submit a statement for inclusion in the record should contact the committee.

ADDITIONAL STATEMENTS

OSHA THE CLOWN

Mr. TOWER. Mr. President, recently I introduced S. 1605 to defer proposed OSHA cotton dust standards which potentially could destroy a great part of the cotton ginning industry in my State, leading to reduced cotton production and higher consumer costs.

On May 15, the Amarillo Sunday News-Globe, which serves the high plains cotton area of Texas, discussed these standards in an editorial of considerable merit.

Those of us who have witnessed and lamented OSHA's forays into the agricultural sector are not surprised by the title of that editorial, "OSHA the Clown." As my colleagues will recall, Mr. Presi-

dent, this is the same agency that proposed installation of outdoor toilets within 5 minutes' walking distance for farmhands, a requirement that would have placed 21 million porta-johns in Texas pastures and fields. No wonder, then, that many of us view OSHA as a bungling buffoon.

Were it not such a serious matter, the proposed cotton dust standard would be laughable because of its absurdity. But I can assure you, Mr. President, that destruction of the billion-dollar cotton-producing industry in my State is no laughing matter.

The News-Globe suggests that Congress "immediately revamp the entire OSHA operation and curb some of its powers." In the House of Representatives legislation has been introduced to abolish OSHA entirely, an idea whose time may yet come if OSHA persists in its habits.

I think it is clear that Congress at least has the responsibility of curbing OSHA's impulses temporarily while the facts surrounding this cotton-dust situation are determined by independent research.

To gain time to establish the facts, and to prevent the unjustified impact of OSHA's regulations on cotton producers and ginners is the object of the bill which I have introduced.

Hopefully, consideration of the editorial in the Amarillo News-Globe will assist in convincing the Senate of the necessity for enactment of S. 1605. I believe the editorial deserves the attention of the Senate, and I ask unanimous consent that a copy be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Amarillo Sunday News-Globe, May 15, 1977]

OSHA THE CLOWN

While many federal agencies of the alphabet-soup variety (HUD, HEW, EPA, to name a few) are best known for their frequent stupid, irresponsible and costly rules and regulations, there are few that can hold a candle to OSHA.

This meddlesome, nit-picking agency—formally known as the Occupational Health and Safety Administration—periodically goes on the prowl to harrass businesses and industries Each time OSHA comes out with a proposal we feel it reaches the epitomy in asininity. But OSHA just gets worse every time it opens its collective mouth.

Now OSHA is after the cotton ginners, producers and warehousemen, without, as usual, having all the facts. And Texas cotton men are protesting loudly.

The agency has proposed standards that would require OSHA-regulated machinery to be installed in cotton gins to reduce an employe health hazard—byssinosis, a lung disease—and that would require all gin workers to submit to periodic medical examinations.

These standards, if implemented, would mean an additional $100,000 to $400,000 in equipment costs for each of the 800 cotton gins in Texas, according to Rep. George Mahon, one of those to testify at a public hearing last week in Lubbock.

One would assume that byssinosis is a serious threat to gin wokers since OSHA wants to put such strict standards on gins and force ginners to shell out so much money for equipment. Right? Wrong.

There are no well-documented studies which provide conclusive evidence that there is indeed a serious problem in cotton gins, cotton seed mills, warehouses and compresses, Mahon said. And Texas Agriculture Commissioner Reagan Brown said Texas medical officials have not even reported the disease occurring among gin workers in the state.

So where did OSHA get the idea that byssinosis is a problem and that it needs to oversee the cotton industry? Possibly from another industry, the textiles. OSHA studies found that more than 20,000 workers in textile mills have been stricken with byssinosis—and we agree with the agency in that something needs to be done to better protect these workers.

But no studies were conducted in cotton gins, warehouses or compresses. In fact, Grover Wren, deputy director of health standards for OSHA and the man who helped write the proposals for standards on cotton gins, had never set foot inside a cotton gin until after the proposals were written. This, regrettably, is the way OSHA seems to operate most of the time.

In recent months OSHA has: (1) proposed placing toilet and hand-washing facilities within a five-minute walk of where farm or ranch hands are working, (2) published a booklet on "Safety With Beef Cattle," which cautioned ranch hands that manure could be slippery and that they shouldn't wear tennis shoes when handling cattle, and (3) proposed that noisy industries spend $10.5 to $18.5 billion to quieten machines rather than furnish employes with earmuffs at $10 per person.

And now OSHA proposes to set standards for the cotton industry to prevent a disease when there is no proof that the disease exists.

We suggest Congress immediately revamp the entire OSHA operation and curb some of its powers. OSHA was formed with a commendable purpose, but it has strayed afar. It has, in effect, become the clown of the federal agencies. But businessmen, farmers, ranchers and industrialists don't find it amusing.

IOWA'S WILDLIFE MANAGEMENT HERITAGE

Mr. CULVER. Mr. President, one of our greatest national resources is the varied and abundant species of fish and wildlife which are available for the enjoyment of millions of Americans. The many varieties of wild turkey, quail, snow geese, deer, and buffalo—to name but a few examples—provide outstanding recreational pleasures to all of us.

As chairman of the Senate Subcommittee on Resource Protection which oversees the U.S. Fish and Wildlife Service, I believe we have made great strides in the conservation of our wildlife resources. Effective wildlife management practices require an indepth knowledge of habitat requirements, mating habits, and population dynamics, and over the years we have come to recognize the importance of developing professional techniques for assessing the impact of adverse environment changes on wildlife.

As a recent publication by Iowa State University, ISU, noted, the State of Iowa was an early leader in efforts to provide a more scientific, factual approach to wildlife management. The Nation's first cooperative wildlife research unit was established at ISU in 1932 at the urging of the nationally famous cartoonist J. N. "Ding" Darling. When Darling later became Chief of the U.S. Bureau of Biological Survey, he developed a national program of fish and wildlife research units based on Iowa's pioneering work.

These research units provide needed analysis of wildlife habitat and preservation practices and also training for graduate students in this field. They play a signficant role in improving our understanding of wildlife management. The article by the Agricultural and Home Economics Experiment Station at Iowa State University clearly describes Iowa's contributions in this area, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILDLIFE: OUR NATURAL NEIGHBORS

Iowa's early settlers found a landscape rich in wildlife. Extensive areas of dense prairie grasses supported large herds of buffalo and antelope. In the state's wooded areas, wild turkey, bob-white quail, and ruffed grouse lived in abundance. The marshes and potholes of northern Iowa provided ideal breeding grounds for millions of waterfowl. Deer, mink, beaver, bear, prairie chickens, and many other species of fish, bird, and mammal life shared Iowa's varied habitats.

But since the first pioneers settled in Iowa, the landscape and its wild inhabitants have changed drastically. Although overhunting played an important part in the elimination of some species, gradual changes in habitat and an increasing human population were the dominant factors influencing the fate of Iowa's original wildlife populations.

The large game—elk, buffalo, and antelope—were the first to disappear. By the early 1900s, populations of the main native game birds—wild turkeys, ruffed grouse, and prairie chickens—also were greatly reduced. And, although deer at first prospered when heavily timbered tracts were opened up by early settlers, hunting pressure, several severe winters, and continued agricultural development eventually reduced the original stock to a few remnants by the turn of the century.

Public interest and concern about wildlife increased as it became evident that continuation of past trends would lead to extermination of many species. Hunting regulations, often complete prohibitions against hunting, were adopted in many states to protect dwindling game populations. But more importantly, people began to recognize the relationships between human activities, habitat changes, and the ability of wildlife to survive. As human use of the landscape intensified, human intervention became necessary to assure the survival of many wildlife species.

The need and public demand for conserving our wildlife resources soon revealed that little information about the biology and management of wildlife was available. Habitat requirements, even for many common species, were known only in a general, qualitative way. The effects of food supply, disease, predation, climate, and various human activities on wildlife populations were largely unknown. Techniques for estimating animal numbers and their ages were crude and inaccurate.

Iowa was a leader in early efforts to put conservation and wildlife management on a more solid factual footing. At the suggestion and urging of J. N. (Ding) Darling, nationally prominent cartoonist and an ardent conservationist, the nation's first cooperative wildlife research unit was established at Iowa State University in 1932. The University, the state's then Fish and Game Commission, and Darling himself contributed support to the new venture. From the beginning, the program of the wildlife unit was designed, not only to conduct needed research studies, but also to provide training for graduate students.

When Darling went to Washington in 1934 as Chief of the U.S. Bureau of Biological Survey, he extended the concept developed in Iowa to a national program. Joint funding of wildlife research units came from the federal government, state fish and game commissions, land-grant colleges, and a private organization now known as the Wildlife Management Institute. Initially, the cooperative research units did not conduct fishery research. The Iowa unit, however, added research on fish to its program in 1942, and federal legislation in 1960 established a national cooperative fishery research program similar to the earlier wildlife program.

In addition to the staff and students directly associated with the fishery and wildlife research units in Iowa, many ISU faculty members cooperate on related research. The Iowa Agriculture and Home Economics Experiment Station coordinates funding and provides administrative support for the various research projects on fish and wildlife resources.

Much past and current research in Iowa has focused on the ecology, population dynamics and life history of the important wildlife species in the state. In other studies, scientists have developed or tested specific techniques used in carrying out management programs. Assessing the impact on wildlife of changes in their environment has been a major research concern in recent years.

THE CONCORDE

Mr. PERCY. Mr. President, the unknown impact of the Concorde has generated a great deal of debate on whether or not it should be allowed to land in the United States on a regular basis. Before we can make a reasonable judgment on this issue we need to know the facts. For that reason, former Secretary Coleman authorized Concorde landings at Dulles International Airport in Virginia and Kennedy International Airport in New York, for a 16-month trial period. A year ago, Concorde flights from London and Paris began using Dulles Airport. The Concorde has yet to land at JFK Airport.

During the test period, noise levels and other environmental impacts are being evaluated. Transportation Secretary Brock Adams has stated that once the Dulles test flight data have been analyzed, a public hearing will be held to review the findings. I support this approach, one in which fact will replace rhetoric. By allowing factual debate to occur, everyone of us will be able to assess the pluses and minuses of Concorde.

Recently, the Washington Star published an article by Thomas Love on the shift in the public's opinion of Concorde operations at Dulles Airport. Its approval rating has increased. This information may be of interest to the New York residents living within the potential flight pattern of the Concorde. Not only is a fair trial of Concorde service a reasonable approach, but also it is beneficial to our relations with our close allies, Great Britain and France, who have invested considerable funds and prestige in the Concorde.

Mr. President, I ask unanimous consent that the article entitled "Public's Opinion of Concorde Has Improved" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, May 23, 1977]

PUBLIC OPINION OF CONCORDE HAS IMPROVED

(By Thomas Love)

After operating into Dulles Airport for seven months, the Concorde supersonic jet transport gained some friends and lost a few enemies.

At a briefing marking a year of Concorde operations at Dulles, the Federal Aviation Administration said today that a comparison of public opinion surveys conducted among people living near Dulles in May, when Concorde flights began at the airport, and December 1976 showed that approval of the Anglo-French plane rose from 46 to 50 percent.

At the same time, those people disapproving of the Concorde dropped from 37 percent to 26 percent of those questioned.

About 55 percent of those interviewed in the second survey said they had actually heard the Concorde. Of these, 10 percent reported the experience changed their opinion if Concorde—a slight majority being swayed in favor of the airplane.

The surveys also showed that a higher percentage of people had no opinion on the controversial plane after its operations began than before, 23 percent to 17 percent.

A third poll was conducted earlier this month, but the results are not yet available.

Charles R. Foster, director of the Federal Aviations Office of Environmental Quality, said noise and emission testing during the Concorde operations produced results very close to those predicted by the government.

Because these results were so close to those in the environmental impact statement on which former Transportation Secretary William Coleman based his decision to allow Concordes into the United States, Foster said there appears to be no reason to change that decision.

Part of that decision was to allow Concorde into New York's John F. Kennedy Airport, where such flights are being strongly protested by area residents.

However, in response to a question on whether Concordes should be allowed in JFK, Foster reiterated the FAA's position that "local people and airport proprietors should be very involved" in such decisions.

Although the over-all noise of the Concorde makes it about twice as loud as the noisiest subsonic jets, testing showed that the plane produces five times as much low-frequency energy as other planes. Foster said a large number of complaints about the Concorde were based on house vibration caused by such low-frequency noise.

Emission testing showed that the Concorde was in fact dirtier than other aircraft—sometimes nearly twice as dirty—but in many tests subsonic planes were dirtier than the Concorde had been in other tests.

Tests of corbon monoxide showed that although the Concorde admitted more pollutants than other planes, the pollution quickly dissipated and could not have been measured as far away as the Dulles terminal or 80 feet above the runway during taxing.

In tests for nitrous oxides the Concorde produced up to .63 parts per million while other planes showed a maximum of .54 ppm. However, at 650 feet from the runway, the highest Concorde reading was .6 ppm, while the highest reading for subsonic planes was less than .3 ppm, according to tests.

The latest opinion survey on the Concorde showed that more women than men opposed the plane, most high-income people favored it, and people who used airplanes frequently were more likely to back the plane.

WATER AND PUBLIC POLICY

Mr. HUMPHREY. Mr. President, for years our Nation has been using a precious resource without regard for the future. As a consequence, the citizens of this great country will have to begin meaningful usage patterns, or options available to future generations will effectively be foreclosed.

The resource I am talking about is not oil, but water. What is generally not clearly understood about water is that it also is, in many respects, a nonrenewable resource.

This is demonstrated in the fact that in parts of the Great Plains and in other areas of this country water is being used at a much faster rate than this resource can be replenished.

Today I would like to share with my colleagues a report from the May 31 issue of the Wall Street Journal. This article, entitled "Running Dry," by Joseph M. Winski, is one of the most perceptive reviews on this situation that I have seen thus far.

There is no doubt as to the gravity of this problem. The facts are clearly known. We are using our water supplies much faster than they can be renewed. If we continue to use water at the current rate in the Texas panhandle, for example, water supplies there could be depleted by the end of this century. To allow this to happen would be to overlook the needs of future generations. To allow that to happen would be unconscionable.

Superficially, there seems to be no alternative to this problem but to begin to sacrifice. Fortunately, that may not be the case. There are, for example, irrigation technologies currently being designed that could significantly reduce the water that is needed for irrigation. This is extremely important because of the fact that irrigation demands are among the highest for water.

There are a number of groups and organizations, both public and private, that are deeply involved in this whole question. The U.S. Water Resources Council will soon issue a report which will discuss the water situation at great length. In my own State, the Upper Midwest Council is preparing an inquiry into regional problems. Both reports should shed some light as to the complexity of this problem as well as to possible solutions.

The 95th Congress may choose to cope with what can be called our water dilemma. I believe that exposure of Mr. Winski's excellent article will help stimulate the type of public discussion that I believe should soon take place.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WESTERN FARMERS FEAR CUTBACKS IN IRRIGATION AS WATER SUPPLIES FALL

(By Joseph M. Winski)

IMPERIAL, NEBR.—Nobody expected so many people to turn out for such a meeting, but there they were, more than 500 of them packing into the Chase County High School gymnasium. The meeting was held in late March, when most Americans were worrying about the energy crisis.

But another crisis was worrying the people in southwestern Nebraska. They were more concerned about water than oil.

Gene Haarberg, chairman of the Upper Republican Natural Resources District, got right to the point. Studies by the three-county conservation body, he said, reveal a "critical threat to the long-range supply of water in the district. . . . There seems to be

an inadequate groundwater supply to meet foreseeable needs."

Groundwater—water accumulated over the years in underground "aquifers" of porous stone and sand—and surface sources, such as rivers and lakes, provide our water supplies. In layman's terms, having a groundwater problem means that the water table—the top of the underground supply—is falling.

Declining water tables are by no means limited to southwestern Nebraska, or even to agricultural areas. Many Chicago suburbs have had to drill deeper and deeper for water in recent years; and in April, 18 water-short communities got permission to turn to Lake Michigan for water. Phoenix, Ariz., one of the largest cities almost completely dependent on underground water, has long been coping with a falling water table.

LONG-RANGE THREAT

But in many key agricultural areas, the groundwater problem is planting the seeds of serious future woes. Although geologists say the East is in fairly good shape, they warn that the entire Western half of the U.S.—source of much of the nation's food—is dotted with areas where the water table is declining fast. In addition to southwestern Nebraska, agricultural areas affected include at least three other sections of Nebraska, the Texas panhandle, eastern Colorado and western Kansas. (Those four states, plus neighboring Oklahoma, account for about 23% of the farm product in the contiguous 48 states.)

In these and other areas of the Great Plains and Corn Belt, some wells already have dried up and have had to be drilled deeper or replaced by new ones. These outlays raise the cost of producing foodstuffs. Even worse, some farmers have had to reduce irrigated acreage and thus production.

In recent years, groundwater problems have been aggravated in these areas by below-normal precipitation. Moreover, declining water tables could greatly exacerbate future droughts by reducing alternative supplies; such is already the case in the current drought in California, where farmers are suffering partly because they haven't enough well water to rely on in times of need.

And when the water is gone—and geologists say it may be gone in much of the Plains by the turn of the century—a sizable chunk of this country's most productive farmland will revert to dryland status. Without major innovations in dry farming, that land will be able to produce far less.

WORLD-WIDE IMPACT

So the decline in underground water supplies poses a long-term threat to this country's agricultural output and to the farming sector's important contribution to U.S. export earnings. And for the fast-expanding, hunger-threatened population of much of the world, the impact eventually could be grim indeed.

The water problems, which usually had been regarded as regional matters, have grown serious enough to attract more attention from the federal government. While federal agencies long have provided surface water for irrigation through their dam-building activities, the U.S. Geological Survey currently is focusing on the declining water tables. For example, it is conducting a $4 million study of the Madison Formation, a vital aquifer serving parts of Wyoming, Montana, South Dakota and Nebraska.

What is basically causing these problems is the rapid growth of irrigation from wells in these agricultural areas, geologists say. In Nebraska, for example, the number of registered irrigation wells more than doubled between 1966 and last Jan. 1 to 55,078. Nebraska now irrigates more land than any other state except California and Texas, and it is adding eight or nine new sprinkler irrigation systems a day.

The effect of such rapid expansion of irrigation, says Thadis W. Box, dean of the College of Natural Resources at Utah State University, "is no different from the oil shortage; we're dealing with a finite resource, and we are mining that resource." Water is said to be "mined" when it is taken from the aquifer faster than the aquifer is recharged by precipitation.

CONSERVATION PROPOSAL

Such are the problems facing the people of Chase, Dundy and Perkins counties in southwestern Nebraska, where the number of irrigation wells has surged from only 399 in 1966 to more than 2,300 today. The March meeting was called to hear testimony on a proposal that the state declare the district an official "control area," in which strict water-conservation regulations must be enforced. Most of these measures would deal with curbing irrigation and reducing the amount of water lost through it.

The problems are so difficult to cope with partly because of the vast benefits that irrigation has conferred on Nebraska's agriculture and overall economy. Once primarily a dryland wheat state, Nebraska now has a burgeoning livestock industry because irrigation has enabled corn and other feed grains to grow well in the once too-dry soil. And every dollar increase in agricultural output from irrigation generates nearly $8 in new business activity in the state, Theodore Roesler, a University of Nebraska economist, estimates.

However, irrigation consumes water prodigiously. Unlike industrial or domestic water-using processes, from which 90% or more of the water can be retained for reuse, most irrigation water is lost to the local area. About 20% runs off and away from the land on which it is applied, and some is lost through evaporation. The biggest loss, however, is through plant transpiration. According to one estimate, an acre of corn can absorb 3,000 gallons of water from the soil daily. Most of this moisture escapes through the plants' leaves as water vapor.

Even with normal precipitation, heavy irrigation drains water from the acquifer faster than nature replaces it. Such losses show up in declines in water tables. Measurements at a recorder well near Imperial indicate that the area water table was a stable 57 to 58 feet below ground from 1964 to 1968. By 1975, the table had fallen to 69 feet below ground, and by last January it was down to 76½ feet. "Water is being mined in the district," Mr. Haarberg says.

Because of the water-table drop, the Natural Resources District estimates, 60 to 65 local irrigation wells had to be lowered last year, and 10 to 12 were replaced. Another 60 to 65 wells providing water for homes had to be replaced, too.

In view of the obvious problem, most people in the area favor some kind of controls on irrigation. What they don't agree on, though, is the type of controls and where in the district they should be applied.

Lew Reese, a cattle raiser near Champion, just southwest of Imperial, says the sandy soil on his land is "trapping our water," and the water table serving his four irrigation wells hasn't dropped much. So he testified at the meeting that he doesn't want controls in his area.

Mr. Reese says that a lot of other farmers at the meeting shared his opinion "that controls shouldn't be forced down our throats," but that they didn't speak out because of the "intimidating" formality of the hearings. "You had to go up front to a microphone and say your piece and then stand there and answer questions from all those state guys. Farmers don't like that sort of thing," he says.

INTERESTED VISITORS

Among those strongly favoring district-wide controls are some people who didn't even live there. They are farmers to the southeast, around McCook, who get irrigation water from the Enders Reservoir between Imperial and McCook. They contend that, because seepage from the aquifer feeds the reservoir, the big increase in irrigation pumping in the district has reduced the water they are getting from Enders.

The streamflow through irrigation canals from the reservoir, which irrigates 22,000 acres, now provides only nine inches of water per acre, down from 18 inches a few years ago, the McCook farmers say. They add that at least a foot of irrigation water is needed in the summer to grow corn. "So you've got a lot of fellows who are pretty upset," says Willard Schlagel, a director of two irrigation districts to the southeast that rely on Enders. He says the reduced flow from Enders already has cut back by 20% the irrigated acreage in his districts.

Nebraska State Sen. Jack Mills, a Democrat from Big Springs who has sponsored legislation to deal with the water problems, says the Enders Reservoir could be dry by 1990 if action isn't taken. But the problem involves sticky legal areas, he adds, because Nebraska law deals separately with use of surface water and groundwater. It doesn't recognize—as geologists and the farmers below Enders plainly do—the connection between groundwater levels and the flow of surface water.

"There's going to be a spasm of legal suits over water rights in the next few years," says William Holland, an Omaha attorney whose law firm has been hired by the McCook-area farmers to represent them in the Enders dispute.

CROP LOSS FORECAST

In the meantime, says Jack Maddux, who raises more than 3,000 head of cattle on his 10,000 acres downstream from Enders, "We're running out of water down here, and when it's gone we'll just have to go back to dryland farming." He estimates that an acre of unirrigated land would yield 25 bushels of corn or sorghum, compared with 110 to 125 bushels from good irrigated soil. "We wouldn't be handling much cattle then," he says.

"We should have done something about this 15 years ago," Mr. Maddux continues. "We've been behaving just like those guys in Texas."

Everybody discussing water problems sooner or later refers to "those guys in Texas"—specifically, to irrigators in that state's panhandle. It is frequently cited by geologists as the best example of an area where irrigation water has performed an agricultural miracle but has been squandered in the process. The high plains around Plainview, Texas, are believed to contain the largest contiguous block of irrigated land in the world; one four-county section is more than two-thirds irrigated. But water surveys by the U.S. Geological Survey almost routinely report, as they did in April, that "a new all-time low was again recorded" for the Plainview water table.

"It's a classic case of exploiting resources for short-term gains," Utah State's Mr. Box says. A few years back, he told a Plainview Rotary Club the area should consider the implications of using "a nonrenewable resource to grow crops that make a few people rich at the expense of succeeding generations." That blunt talk didn't go over very well, Mr. Box says. A local newspaper, editorializing on his remarks, described him as "the Communist professor."

Now, some geologists give the Texas panhandle 20 to 25 years before it runs out of recoverable groundwater.

TROUBLE IN KANSAS

Although the Texas case has been the most publicized, "There are some areas in western Kansas that aren't in a whole lot better shape," says Keith Lebbin, executive director of the Western Kansas Groundwater Management District No. 1. Irrigation "has created a drastic reduction in our water supply," he says, adding that some areas of the aquifer underlying western Kansas have

been mined of more than 65% of the original supply.

A government survey shows that the western Kansas water table declined an average of 3½ feet last year. At one well in Grant County, southwest of Scott City, the water level fell 125 feet between 1966 and 1976. A Scott County well dropped 60 feet in the same period.

In reaction, the Western Kansas District has restricted well spacing—new wells must be at least half a mile from existing ones—and water runoff. It also is trying other conservation measures.

At his desk in Scott City, Mr. Lebbin looks over an application for an irrigation permit. The farmer already has drilled the well and bought irrigation equipment, apparently on the assumption that getting the permit is a mere formality. It once was, Mr. Lebbin says, "but we aren't doing things that way anymore." Because the farmer wants a permit that would violate spacing regulations, Mr. Lebbin says, "It's too bad, but I'm just gonna have to recommend we turn this fella down."

LEGAL MANEUVERS

Around New Hampton, in northeastern Iowa, there isn't much irrigation, and some local residents would like to keep it that way. Last October, Frank Holschlag, attorney for surrounding Chickasaw County, obtained a temporary injunction—later overturned—against state issuance of more irrigation permits there.

"It's a question of giving more water to some people and preventing others from having enough," he explains. "Say you're a farmer with 5,000 hogs that you water from a 300-foot well," Mr. Holschlag explains. "Then some guy drills a 320-foot well into the same water table you're tapping. If he draws the table down and your well goes dry, you're out of luck. You essentially have to sit there and watch a quarter-million-dollar inventory die on you."

The attorney says such fears have turned the irrigation controversy in Chickasaw County into "a small civil war," with neighbors and even family members divided on the issue.

Kenneth Hurst, a local farmer, was planning to drill an irrigation well, his wife says, "but the neighbors got real upset about it." So the Hursts withdrew their application. And when Gerald and Russell Lauers decided to apply for a permit, they unexpectedly met resistance from a certain nearby farmer; their own father, Bernhard. "Everybody's just worried sick about their well going dry—that's why my husband was against it," Mrs. Lauers says. The sons applied anyway and are waiting for their permit.

AFGE PLANS FOR MILITARY UNIONIZATION

Mr. THURMOND. Mr. President, the movement toward unionization of the military continues. Recently, a memorandum, subject: Report and Recommendation—Organizing the Military; from: the National Executive Council Military Committee; to: the National Executive Council, American Federation of Government Employees, March 7, 1977, came to my attention. This memorandum certainly assumes that the referendum presently underway will approve union organization of our military. It is my hope that the Senate will soon see fit to prohibit unionization of our Armed Services.

I ask unanimous consent that the memorandum mentioned be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

[From the American Federation of Government Employees, Washington, D.C., March 7, 1977]

Memorandum: 14/Military.
To: The National Executive Council.
From: The National Executive Council Military Committee.
Subject: Report and Recommendation—Organizing the Military.

The Committee met in the National Headquarters on February 14 and 15, 1977, to complete its responsibility for review of the feasibility of AFGE's organizing the uniformed military of the United States, and to prepare this report and recommendation to the Council.

Since the December NEC meeting, the Committee has had the opportunity to review, consider and study many contrasting published and unpublished views regarding this subject. We've heard from a number of interested parties, both in and out of the Union and the military. Also considered, in depth, were the many possible options and potential problems and benefits. Following these presentations and deliberations, the Committee has arrived at the following several conclusions.

1. Organizing the uniformed military is not only feasible, it appears to be inevitable. AFGE, as the largest and leading Federal Union, is the logical choice to take the lead in this endeavor.

2. Properly managed and represented, the unionization of the military, focused upon peacetime living and working conditions outside combat command channels, could and should strengthen the military command and control structure. We feel this to be a key selling point of the program. It is imperative, if this program is to be successful, that we dispel the "Steward in the foxhole" image projected by those in opposition to organization of the military, and emphasize that in time of war or congressionally declared National Defense emergency, the Union's recognition would be suspended.

3. It is anticipated there will be three areas of representation:

STEWARD OR NR REPRESENTATION

This would include first line grievance matter, including promotions. It would not involve tactical operations but, relate to living and duty assignments not of a direct combat nature. Subjects include:

Housing,
Leave,
Foreign Service,
Education and Training,
TDY,
Travel Allowances,
Commissary and PX Privileges,
Recreational Facilities,
Parking,
Day Care,
Dress and Hair Codes,
Political Rights and their Exercise,
Police, Fire, and Traffic Regulations,
Health and Dental Care,
Efficiency Ratings,
Promotions,
EEO Matters (womens' rights),
Safety,
Reprimands or Discipline under Art. 15 USMJ (NR and/or attorney assistance will be provided where needed).

LEGAL REPRESENTATION

Legal representation will be provided primarily in connection with administrative boards and uniform code of military justice proceedings. Discharge boards are of two basic types operating on "he could if he would but can't", and "he could if he wants but won't" standards for discharge. There are also boards of inquiry and investigation, fitness for duty and correction of military records where representation may be required. UCMJ proceedings involve essentially military discipline under Article 15 UCMJ (so called non-judicial punishment) and summary special and general courts martial. Counsel appearing in serious cases, in special and general courts martial are required to be certified to practice before the military courts. Two of our attorneys on the present legal staff possess these qualifications. It is highly specialized and we have numerous contacts in the specialized bar and foresee no problem retaining assistance as needed. Costs will be equivalent to our standard retainers under the legal rights fund.

Legislative and Policy Representation: This will be offered by the National Director or the President of AFGE or his designee at his discretion. The subjects will include:

Pay—(Through principally the Pay Council. Thus this is derivative and is a provided service for which AFGE should claim appropriate credit.)

Retirement—This is a problem and policy positions must be worked out on 20 year versus 30 year military retirement, double dipping, service credits, and related benefits.

Benefits—This is another problem area for AFGE. Health care, insurance, commissary privileges, standby travel, etc., are under intense cost pressures.

4. AFGE membership should be open to all members of the active military service.

5. AFGE military members should, as nearly as possible, have the same rights, privileges and benefits afforded any other AFGE member.

6. Military members' per capita tax and initiation fees should be the same as for civilian members.

7. In regard to formation of military locals, we are bound by the appropriate provisions of the AFGE Constitution.

Article III, Section 3 provides in part that, "Locals shall have full power to elect or reject applicants for membership."

Article XVI provides for the formation of locals. Sections 1, 2 and 3 are quoted below in their entirety.

Section 1. This Federation may have locals in each city or town in which the Secretary-Treasurer of the Federation, under authority of the Executive Council, issues a charter. Each local shall bear the name, "American Federation of Government Employees, Local No. . . . ," each local to bear a number in order of seniority as to date of organization.

Section 2. When necessary, in the judgment of the Executive Council of the Federation, additional locals may be chartered in cities, towns, or municipalities where locals already exist.

Section 3. Ten or more eligible governmental employees shall constitute a local to be formed in any locality.

We should provide that separate military locals may be established, or if present an existing AFGE local may elect to accept military members.

8. Initially, at least one position should be established in the National Office as a military coordinator to guide and direct the organizing effort. We anticipate very rapid growth in the military membership so as to generate a self-supporting—self-sustaining operation.

Based on the above and other factors, it is the unanimous recommendation of the members of the Committee: That AFGE move to conduct a referendum of its Locals to see if they concur or not concur in directing the National President to proceed with organization of the uniformed military services. The membership shall be provided with a total outline of the proposed program. Prior to this poll in the May edition of The Government Standard, equal space shall be given the proponents and opponents of such a program. The results of the membership referendum or poll shall be announced publicly by no later than October 1st.

REBUTTAL TO "AUTO EMISSION FACTSHEET"

Mr. RIEGLE. Mr. President, Senator GRIFFIN and I have prepared a rebuttal to several statements we find either misleading or inaccurate in Senator MUSKIE's May 25 "Auto Emission Factsheet."

I urge my colleagues to review this information carefully in preparation for the Senate floor debate on the Clean Air Act later this week.

Mr. President, I ask unanimous consent that this analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

RIEGLE-GRIFFIN REBUTTAL TO SENATOR MUSKIE'S "AUTO EMISSION FACTSHEET"

AUTO EMISSION CONTROL STANDARDS

Health impact

The Muskie analysis says that the Riegle/Griffin bill, S. 919, to be the basis of our amendment of S. 252, would "relax the carbon monoxide and oxides of nitrogen standards, resulting in a severe adverse effect on public health." This is untrue.

The Council on Environmental Quality, in their annual report for 1976, states, "Differences in prospective tailpipe emissions levels do not greatly influence the projected year when the CO standards will be met. For example, if the current 49-state emission standards of 15 grams per mile were retained, achievement of the air quality standard might be delayed a year or two, and, until then, CO concentrations in the air would be only 1–3 parts per million more than if the 3.4 grams per mile standard were in effect." The CO air quality standard is 9 parts per million. CEQ is saying that it might go to 10–12 parts per million if a 15 gpm standard were retained. Since exposure to 100 parts per million for several hours is necessary to induce even headaches or reduce mental-acuity, such exposures are far from having a "severe adverse effect on public health."

As regards NO_x, the World Health Organization has stated, "It has not yet been shown that the concentrations in ambient air of oxides of nitrogen other than nitrogen dioxide gave any significant biological activity." The same document from WHO also says, "It has not been possible to associate observed increases in the frequency of chronic respiratory illnesses with measured level of nitrogen dioxide."

Nitrogen oxide standard

The Muskie analysis discussion of the nitrogen oxide standard needs to be considered in the light of the WHO statements noted above. Additionally, the same WHO document notes that a study to evaluate the effect of nitrogen dioxide on the incidence of acute respiratory diseases in children, was made but, "the probable contribution of other pollutants such as sulfur acid aerosals, nitric acid fumes, and suspended nitrates made it difficult to contribute this excess to nitrogen dioxide." This study dealing with children, on which the Muskie analysis bases its allegation, is the five-year-old CHESS study, which Representative George Brown, Chairman of the House Subcommittee on Environment and the Atmosphere, last year, after conducting hearings into the CHESS studies, declared unfit as a basis for any estimates.

As a matter of fact, the latest health studies, those done at Yale University last Fall, state that, "An emission standard for NOx of 1.0 grams per mile would eliminate excess incidence of acute respiratory illness by 1981 . . . or have roughly the same effect as the 0.4 grams per mile standard." Further, a professor of medicine and epidemiology at the Yale University Lung Research Center testified before the Muskie Subcommittee on February 11, 1977, that, "Any excess morbidity of chronic lung disease, *if it occurs at all*, due to air pollution in a typical U.S. industrial town, is exceedingly difficult to document with objective data."

Oxidant standard and carbon monoxide standard

There is concurrence that there are adverse health effects associated with oxidants, but there is substantial disagreement among those associated with air chemistry as to whether or not the simultaneous reduction of HC and NOx will increase or decrease oxidants. Some say that the Muskie strategy will aggravate health effects due to oxidants.

As regards carbon monoxide, the Muskie analysis allegations are totally unfounded. He is right in saying that "in sufficiently high concentrations, CO can cause deaths." But, the concentration to which he refers begins at 600 parts per million. The air quality standard is 9 parts per million and is exceeded infrequently and not by much. Several studies emanating from EPA in the last year have indicated that there may be 1 to 13 excess cardiac deaths due to CO between 1980 and 2000. Since 1.2 million people die of cardiac arrest annually, a figure of 1 to 13 in 24 million is a statistical absurdity to begin with.

The Muskie analysis cites monitoring data from New York which indicates CO levels of 200–400% above the health standard (18–36 ppm). Even if these numbers were accurate, we are still in the "no symptom" area of exposure and it is now recognized that the New York monitoring data is too high by a factor of about 25%, since the data was taken for some years without making a necessary correction for water vapor.

Employment

As regards employment, the Muskie Statement is incomplete and incorrect. Any EPA projections as to new jobs in the auto industry are not based on the effect of standards but on the population growth. What the EPA indicates in their May 19th 3-Agency study is that some 15,000 jobs in a manufacturing area will be lost. A recent EPA memo to Secretary Blumenthal of Treasury states the job loss would be 20,000.

According to the Bureau of Labor Statistics, for each manufacturing job lost, 3.3 jobs are lost in associated industries. At the Muskie level, then some 50,000 jobs are prejudiced and at the Hart level, .4 NO_x, some 100,000 jobs may be lost.

Fuel economy

The Muskie analysis grossly misstates the final Riegle/Griffin standards as .41/9.0/2.0, when in fact they go to .41/9.0/1.0 only two years later than the Muskie proposal and only one year later than the earliest that EPA says that they can be met. He also states that the purpose of the Riegle/Griffin standards is to allow the auto companies to continue to use existing technology. Both Ford and General Motors have made public commitments to phasing in three-way catalysts beginning in 1978 and going across the board, if field experience is satisfactory, prior to 1982.

This is dependent upon progress made by the catalytic converter manufacturers who have testified in Congress this year that their device will be ready for the nationwide fleets by model year 1982 if they can bring the loading of the precious metal rhodium in the converter down to the South African mine ratio of 19 to 1.

The fuel penalty of the Muskie standards in S. 252 have been previously pointed out. Muskie, relative to Riegle/Griffin standards, would waste 14.33 billion gallons of gasoline 1979 through 1985, or 134,000 barrels of oil per day, according to calculations based on various government analyses. This would be unnecessary waste with no quantifiable health improvements due to the overly stringent auto pollution control levels. This calculation is based on the projected 10 percent fuel penalty, a middle ground position. EPA and auto manufacturers estimate tighter emission standards than the current standards for 1977 to 1.5 HC, 15.0 CO, and 2.0 NO_x would result in a fuel penalty range of from 5 to 20 percent. The calculation assumes that no waiver or suspension would be granted under Riegle/Griffin for NO_x in the 1982 and subsequent model years. This calculation is conservative.

Costs

With regard to costs, the Muskie Statement is again incorrect. He notes that the 1977 Volvo has added a three-way catalyst system at an additional cost of $25–$50, but it does not say that this is added to a car which already has electronic fuel injection, which is an item which itself adds $200–$300 to the cost of cars not presently so equipped. Nor does he indicate that meeting his standards will require an additional oxidation catalyst at a cost of about $170. He alludes to a 10% better fuel economy because of this expensive added equipment, but the 10% fuel economy gained was for Volvo's 1977 car over their 1976 car. The 1977 Volvo uses about 11% more fuel in miles per gallon than its United States competitor of comparable weight. EPA has said that it may take more time past 1981 to "meet these standards with good fuel economy." At best, the three-way catalyst system—when perfected—will approach a 0–5% fuel economy penalty. Further, Volvos are expensive cars that sell for between $6,900 and $10,200.

EPA on March 28, 1977 sent a memo to the Secretary of the Treasury indicating a sticker price increase of about $240 per car over 1977 cars to cover the cost of equipment required by the Muskie bill and a cost of $105 per car more than the Riegle/Griffin proposal. (EPA's staff has increased that estimate to $170.)

Auto emission standards

The Muskie analysis says their proposal will allow production of 1978 and 1979 automobiles. The EPA technical analysis of April 1977 indicates that the Muskie proposal can be met only with "a delay in introduction of new models" in 1979. Such delays involve major layoffs and unemployment.

The Muskie analysis indicates that the automobile is a significant contributor to air pollution levels. To put this in perspective, let us turn to the NAS study so often quoted. NAS says "Automobile emissions may account for as much as one-fourth of one percent of the total urban health hazard." Also, "Some fraction in the range of one-tenth to one-fourth of the health hazard imposed by present (1973) air pollution is attributable to automotive emissions."

The Muskie analysis also lists some percentages for net changes in automotive emissions since 1970. Since 1970, controls on emissions by 83% in the case of HC, 83% in CO and 38% in NO_x.

Technological feasibility

The Muskie analysis, "The auto industry can meet the requirements of the Senate bill."

Reference to individual prototype cars which have some tests showing numbers below the 1980 standards is irrelevant. To begin with, in order to assume the risk of production at a given standard, a manufacturer must have certification cars whose test numbers meet each of the three standards with a factor for production variance of roughly 30%. For instance, the certification data car limit for a .41 (HC) standard has been .32; for a 3.4 (CO) standard, the certification data car limit has been 3.09; for a .4 (NOx) standard with technology not involving catalytic control of NOx and, hence, small deterioration factor, the certification data

car limit is .396, but with the catalytic control it will be similar to the numbers associated with CO and HC. Also, the cars, in order to meet the federal standard, must never have a test data point above the standard during the 50,000 mile durability run. The cars to which Muskie refers had not reached 50,000 miles. The Buick, for example, failed before 20,000 miles.

The statement, "All of the U.S. auto companies have stated that they can meet the final 1980 standards in S. 252," is accurate, but totally misleading. None of them have stated that they could meet them in 1980. The farthest that any auto manufacturer has gone is a Ford statement that they will try to make all cars meet the standards in 1980, but their testimony clearly shows that they don't expect to do that for all models. The EPA technical analysis of April 1977, which is based on comprehensive information about product plans, development work, and test data from all of the manufacturers, foreign and domestic, indicates that the 1980 Muskie standards cannot be met until 1981 and that they "could be more reasonably met in 1982–83." They preface that remark with the statement that as regards 1981, "more time may be required for the development of systems that meet these standards with good fuel economy." (Page 2–9, Automobile Emission Control: EPA Emission Control Technical Division, April 1977.)

The Muskie analysis would do well to share with us other information as to the 1980 standards it proposes which appear in the EPA analysis. Because of the inclusion of a 3.4 CO standard, Muskie's 1980 standards, according to the EPA analysis, will have the following undesirable aspects:

(1) ". . . will tend to be more complicated and costly than the basic three-way catalyst system to meet 9.0 CO."

(2) Achievement of good drivability at the 3.4 CO level may be more difficult than at 9 CO." and, as a result, "in-use vehicles could be maladjusted in an attempt to improve drivability with possible losses of emission control capability," as happened with the 1973–74 models.

(3) Also, since control of CO at the 3.4 level will require a downstream oxidation catalyst (additional cost about $170) in addition to the three-way catalyst, "sulfuric acid emission can be expected to increase."

WARRANTY OF EMISSION CONTROL SYSTEMS

The Muskie Statement in regard to this issue is correct and misleading. The Anti-Trust division of the Department of Justice in its March 1977 comments on TPA's proposed regulations regarding the automobile performance warranty expressed concern that the warranty could lead to increased consumer costs and other anti-competitive results beyond those necessary to attain the desired environmental goals. The House Small Business Committee, after extended hearings and analysis of the Clean Air Act emission control warranty, reached the same conclusions and found that the present warranty provisions could seriously jeopardize the continued existence of many small businesses which engage in automotive maintenance and repair work.

In the Department of Justice comments it was pointed out that an expanded comprehensive warranty of this type would significantly impede the ability of independent service stations and garages to compete with the service departments of dealers franchised by the national automobile manufacturers. Monopolistic concentration in the automobile aftermarket could increase substantially, and the advantage of free competition could be lost.

In short, the Riegle/Griffin amendment addresses the problem of how to reduce the widely recognized anti-competitive effects of the federally mandated automobile emission control performance warranty. The question should have been addressed even earlier. It is noteworthy that during debate of the Clean Air Act performance warranty provision in the Senate last year, unquestionably the most knowledgeable member of the United States Senate regarding antitrust matters, my predecessor, Senator Philip Hart, was in firm support of reduction of the performance warranty to 18 months/18,000 miles as the only solution to the problem.

The Muskie analysis is clearly incorrect in its assertion that the warranty provisions of the Riegle/Griffin amendment "eliminates any financial incentive for manufacturers to produce an emission control system which functions for the car's life since their financial exposure would only be for 18,000 miles." The amendment does not in any respect reduce or otherwise affect the production warranty which is also mandated under the Clean Air Act.

Although the Riegle/Griffin amendment only addresses the performance warranty, it is important to note here briefly that the provisions of the production warranty which are already in effect adequately protect the consumer with mandated durability enforced through EPA recall. Under the production warranty, 207(a) of the Act, the vehicle manufacturer must warrant that the emission control system is designed, built and equipped in a manner that will enable it to comply with emission regulations which exist at the time the vehicle was first sold and that it is free from defects in materials and workmanship that would cause the system to fail to conform the applicable regulations for its useful life, which is defined in the Act as five-years or 50,000 miles, whichever occurs first.

Vehicle manufacturers will still be required to produce a durable system in order to pass the 50,000 mile EPA certification test under the production warranty. The amendment proposes no change in the length of the production warranty. Under the production warranty the EPA not only certifies that the car's emission control system will last for 50,000 miles, but if a substantial number of systems fail during their on-the-road operation, the EPA can recall the entire lot for repair at the manufacturer's expense. Reduction of the performance warranty will not let the manufacturers "off the hook" regarding the requirement to produce a durable emission system. On the contrary, the potentially huge liability that would be incurred by the manufacturer in the case of a large recall provides a substantial economic incentive to manufacturers to produce reliable and durable emission control systems.

The Muskie analysis also states incorrectly that the United Auto Workers are in favor of maintaining the 5 year/50,000 mile performance warranty. The UAW strongly supports the Riegle/Griffin bill which reduces the performance warranty to 18,000 miles in 18 months and which leaves the production warranty at 5 years and 50,000 miles.

UNIONIZATION OF THE MILITARY

Mr. THURMOND. Mr. President, a friend recently sent me copies of editorials from two newspapers in the Commonwealth of Pennsylvania. The Johnstown Tribune-Democrat, April 8, 1977, opposes unionization of the military. Secretary of Defense Harold Brown, is chided for his lack of concern over the threat facing the military. Commenting on AFGE polling its locals to determine the wishes of the members, the Tribune-Democrat cautions:

We do not know how the balloting will turn out, but the secretaries of the branches of the American military should not be standing around waiting for the results.

The second editorial appeared in the Scranton Tribune, April 29, 1977. In a very succinct way, the point is made that unions and the armed services are not compatible:

Our message to those union organizers panting to organize the military is simple: Do your panting outside the confines of military bases.

I ask unanimous consent that both editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Johnstown (Pa.) Tribune-Democrat, Apr. 8, 1977]

HALT MILITARY UNION

Although it is somewhat understandable that Defense Secretary Harold Brown wants to play it cool in regard to unionization of the country's armed forces, he had better have a contingency plan at the ready.

Mr. Brown has told the Senate that drastic laws designed to ban unions within the military might cause more problems than they solve. His thinking seems to be that if overreaction to the unionization of the military is detected, the prounion forces will redouble their efforts.

And, of course, that could happen, for resistance often triggers greater effort on the part of an adversary.

However, the secretary of defense and all others connected with providing the nation with a capable military force had better be more than a little concerned about the prospects of a unionized armed service.

At the risk of oversimplification, let it be stated that a unionized army just won't work in the United States; and the same goes for the other branches of the service. Unions are a part of the American scene—the civilian scene. They serve well as bargaining agents for the people they represent.

But the people in the armed forces are part of an entirely different environment. There, the privileges of the civilian American become somewhat restricted because of the need for a different, sometimes double, code of discipline—one military and the other civilian when the military people are in civil surroundings.

In the armed forces, life is authoritarian; although grievances may exist, there is no room for the union-provided bargaining table or unionism's ultimate device, the strike. No one need waste words on describing the situations that might develop in the military were bargaining and striking to be authorized.

As it has every right to do, the American Federation of Government Employes (AFL–CIO) will poll its 280,000 members to see whether they want the union to try to establish locals in the armed forces. We do not know how that balloting will turn out, but the secretaries of the branches of the American military should not be standing around waiting for the results. As should the people in the armed forces be when it comes to defending the nation, the secretaries had better be prepared.

[From the Scranton (Pa.) Tribune, Apr. 29, 1977]

SOLDIERS AND SHOP STEWARDS

It's in the American nature to cordially dislike first sergeants and wet-behind-the-ears second lieutenants. Show me an ex-GI who never dreamed about punching out a superior officer and I'll show you a Milquetoast in the flesh.

Most men who entered the service did not plan a career of it. The draftees, particularly, were there because they had to be and were

anxious to get it over with and get home to civilian pursuits.

So most of us absorbed the abuse—real or imagined—dished out by surly sergeants and lightweight lieutenants. We did it in the knowledge that one day this thing would be over and we'd head home. We griped, we hurried up and we waited, we took our TS cards to the chaplain and we knew, deep in our hearts, that the Army system was far from perfect . . . that it could use some refinement (and not of the bent pinkie variety).

But there are few ex-GIs today—unless they happen to be union organizers—who will say nice things about the plan to unionize the military. We feel it is an idea whose time has NOT arrived! Even, in reflection, when we think about how we could have arbitrated the issue of KP with that top kick if we had been unionized way back when. Or when we think about weekend passes growing into weeklong passes if the AFL-CIO had been marching alongside of us back in the 40s!

Columnist Smith Hempstone views the peacetime military man as a man imbued with a calling, much like that of a priest. "Like the priesthood, it requires a greater sense of mission and dedication to duty than to become, say a lathe operator, it is scarcely compatible with collective bargaining, overtime pay and closed shops," he wrote.

Hempstone hastens to point out: "This is not to say that a citizen forfeits his constitutional rights when he dons his country's uniform. A soldier has rights, but they necessarily are modified by his mission." A soldier is not a teamster and in moments of discomfiture on the battle field he needs the services of a medic more than he needs the services of a shop steward.

When a decision is made to "go over the top" only one man can make it. Forming a grievance committee to go tell off the boss would be nothing short of catastrophic at such a moment.

Our message to those union organizers panting to organize the military is simple: Do your panting outside the confines of military bases.

S. 790—THE ENVIRONMENTALIST VIEW

Mr. CHAFEE. Mr. President, among those that more strongly recognize the need to recover a portion of the Federal subsidy to the barge industry is the environmental community. Two of these groups, the National Audubon Society and Environmental Action, recently sent letters to Members of the Senate, supporting waterway user charges and urging further study on the proposal to rebuild Locks and Dam 26 at Alton, Ill. The current issue of the Sierra Club Bulletin contains an article, "Waterway User Charges, Striking A Blow For Free Enterprise." Mr. President, I ask unanimous consent that these letters and the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL AUDUBON SOCIETY,
Mauckport, Ind., May 9, 1977.

DEAR SENATOR: While the confrontation between the Corps of Engineers and the railroad industry over Lock & Dam 26 at East Alton, Illinois has drawn the attention of Senators in the upper midwest, this issue has undoubtedly come "closer to home" as a question of user fees for barges has been found lying at the crux of the lock and dam issue.

We ask that you objectively consider several points of concern of this 370,000 member conservation organization. For until they are resolved the National Audubon Society remains opposed to Congress authorizing the construction of a new lock and dam at East Alton.

As we have watched the Ohio River take new shapes following the duplication of locks and maintenance of a 12 foot channel, considerable consternation has evolved in the minds of landowners along the river and conservationists in the area who knew the river before and after the 12 foot channel. Law suits filed by landowners, who have lost their land due to bank slumping from the higher waters, are still pending. Water turbidity is incessantly high. The multi-use concepts that are used to rationalize the existence of most public use projects on federal lands are ignored for the most part as the Ohio River has become a huge, sterile ditch—maintained by the federal government for one special interest, the barge industry.

When one directs his thoughts to Lock & Dam 26, most available information in times past has created an enigma that attempts to portray Lock & Dam 26 as just another replacement lock, a simple problem with a simple solution, a project that centers strictly in East Alton and in the public's best interests. But the (completed) Ohio River situation is a parallel case in point to the Upper Mississippi (in its fetal stage), because the total issue is not Lock & Dam 26 but rather Lock & Dam 26 through locks and dams northward on the Mississippi River to Minneapolis and on the Illinois River to Chicago. Without all locks up river from East Alton duplicated, a new Lock & Dam 26 makes no sense!!

The National Audubon Society seriously questions the environmental consequences and economic rationales thus far exposed in this issue.

(1) To avoid getting the "cart before the horse" we urge Congress to recover 100% of its subsidies to the barge industry by establishing user fees, since Lock & Dam 26 will constitute a subsidy of $10,800 per tow through that facility once rebuilt. A balance between the transportation powers is needed before considering the project further.

(2) We would urge for a study on the impacts of Lock & Dam 26 (rebuilt and replaced) on the whole transportation system. In 1974 the Corps of Engineers claimed Lock & Dam 26 was "in satisfactory condition and operationally adequate". Then with renewed interest for the 12 foot channel concept on the Upper Mississippi River and thus an opportunity to quadruple the tonnage of barge commerce on the Upper Mississippi and Illinois Rivers, interest in the southernmost lock began. While the U.S. Department of Transportation (September, 1975) found the Corps had not shown a need for a new lock, it was still being sought by the Corps (if a new-duplicate-lock and dam system upstream was to be built and political friends in Illinois, Iowa, Minnesota and Wisconsin maintained). Yet the GAO (November, 1976) has firmly stated that $85 million will adequately repair Lock & Dam 26 and extend the life of the lock 50 years.

We would further add that a thorough transportation study will reveal that there remains 260-485 million tons capacity of unused rail annually between the grainbelt and the Gulf. The full use of our rail system *vs.* a $400 million expenditure in one dam and countless others on the Mississippi and Illinois Rivers is too much a clash between economics and politics, rather than what is best for a balanced transportation industry and a quality environment.

(3) Before project authorization a complete study of the environmental impacts of present and future navigation on the navigable portions of the Upper Mississippi and Illinois Rivers is necessary. This study should be conducted by the U.S. Fish and Wildlife Service, not the Upper Mississippi River Basin Commission as had been suggested.

Until these three points have been adequately dealt with, the National Audubon Society remains opposed to Congressional authorization of rebuilding Lock & Dam 26.

Sincerely,

MYRON J. SWENSON,
Central Midwest Representative.

ENVIRONMENTAL ACTION,
Washington, D.C., May 17, 1977.

DEAR SENATOR: I am writing on behalf of Environmental Action and its members to voice our strong support for President Carter's position on the related issues of commercial navigation charges and the proposed expansion of Locks and Dam 26 on the Mississippi River.

Testifying for the Administration before the Senate Subcommittee on Water Resources, Secretary of Transportation Brock Adams made the following recommendations:

That no decision be made on Locks and Dam 26 until an 18 month field investigation into cheaper repair proposals has been completed.

That a commercial navigation fee designed to recover 100% of operation, maintenance, and rehabilitation costs be imposed on the barge lines.

That the user fee also recover all or part (50% was the final agreement) of the costs of the new construction.

That any bill on Locks and Dam 26 prohibit the Army Corps of Engineers from dredging a 12' channel on the Mississippi.

The last three recommendations of the Administration are embodied in Senate bill S. 790 which should see floor action this month. We are supportive of S. 790 on those points but are strongly opposed to its failure to include the 18 month investigation which the Administration had requested.

The common sense of these proposals is obvious.

Many studies have indicated that the facilities at Locks and Dam 26 could be repaired for a mere fraction of the half a billion dollars that the Corps would need to carry out their expansion plans. However, the Corps has said that there are safety problems involved with these repair proposals. The Administration, then, has replied reasonably and wisely in saying "Let's find out." It is this that the 18 month field investigation would do. We strongly urge that you put this provision back in the bill when it reaches the floor.

With regard to commercial navigation charges, this need has been recognized for decades. Indeed, every administration from Franklin Roosevelt to Jimmy Carter has recommended that barges pay the cost of their right of way.

Under current laws, users of the nation's inland waterways are not required to pay any of the construction, maintenance, or operation costs associated with their right of way. Those costs, which the DOT has said are nearing one billion dollars every year, are paid entirely by federal taxpayers. Barges are the only transportation mode in the nation which receive such a deal. They are the only industry in the nation which gets its physical plant costs totally from the federal government.

Allowing barges to run for free has a number of adverse environmental impacts:

Most importantly, it has brought about the construction of and the demand for, many unneeded and environmentally unsound navigation projects, being requested by the barge industry for no better reason that that they know the federal treasury will foot the bill.

Locks and Dam 26 and the Duplicate Locks Project on the Illinois River which accompanies it are just two examples of this. Even more graphic illustrations can be seen in the continued controversy over the Tennessee-Tombigbee barge canal and the Red River Canal project.

Our conclusion is that no sane businessperson would invest their own money in these projects. Imposition of a commercial navigation charge would probably bring a hasty reconsideration of Tenn-Tomm's necessity from the supposed beneficiarcies. We believe that there would be no better test of user fees necessity.

It is for this reason that any decision on Locks and Dam 26 must await the imposition of a user charge. Before we invest nearly half a billion dollars in this project we must know whether or not the beneficiaries would be willing to put up the money. We think that the feasibility to repair would greatly improve if private engineers had to be hired by the barge owners to come to a solution at Locks and Dam 26.

Another problem with the 100% subsidy is that increased barge traffic which results from navigation "improvements" contributes to increased water pollution. Again, this is one of the great fears at Locks and Dam 26 as evidenced by testimony from both the State of Illinois, the State of Wisconsin, and the US Environmental Protection Agency.

Because barges are allowed to run for free, they can charge an artificially low rate. This not only means more barges contributing to pollution through spillage, discharge, etc., but more development moving toward the river to take advantage of the transportation savings. Thus, greatly increased industrial and domestic effluent discharges and more pollution. This process has already occurred on the Ohio River.

Lastly, it is clear that commercial navigation fees would help restore needed balance to a tangled and inefficient national transportation system. Such, indeed, is the conclusion of everyone concerned—The Corps, the DOT, OMB, the Department of Commerce, most unions and farmers groups, taxpayer unions, public interest and consumer advocates and the President.

The Administration approach to these two matters is responsible and well thought out. This could well be one of the most important environmental votes you will cast this year. We strongly urge that you actively support the Carter Administration's proposal on the floor of the Senate.

Sincerely,

LEONARD ARROW,
Transportation Project.

WATERWAY USER CHARGES: STRIKING A BLOW FOR FREE ENTERPRISE

(By Lee Lane)

Barges and towboats plying the nation's rivers float on a stream of federal subsidies. American taxpayers pay virtually all the costs of building, maintaining and operating the 25,000 miles of inland shallow-draft navigation channels and related facilities used by large companies to transport such bulk commodities as coal, grain and chemicals, which account for most domestic barge traffic. These subsidies now amount to more than $400 million a year. Competing modes of shipping, mainly the railroads, operate at a distinct disadvantage. The waterway subsidy allows barge operators to price their services well below actual costs. This is not possible for railroads, which may receive federal loan guarantees, but still must pay for the construction and maintenance of their lines. Along many routes, railway shipment would be preferable were it not for the waterway subsidy. Moreover, by subsidizing barge traffic in those instances where railroads would serve as well or better, the government in effect is increasing unnecessarily the total cost of transportation. This is grossly inefficient as well as inequitable. Shippers react to the price of transportation to them, not its total cost to society. As a result, the productivity of the transportation system and of the economy as a whole is diminished.

Yet aside from the fact that anyone might wonder why certain corporations merit such public support at the expense of others, why should environmentalists in particular be concerned about the federal waterway subsidy? Because it encourages more barge traffic and hence more canal construction than might otherwise occur. This, in turn, means that more miles of natural riverine environments are destroyed. If the companies that use the canals had to pay for their construction and operation, fewer would be built. Environmentalists therefore advocate reinstating free enterprise in the waterway shipment industry in the form of a user charge for each segment of inland waterway. Such a fee, while discouraging unnecessary new segments and unprofitable ones that now exist, would preserve the economically efficient sectors of the water-transport industry as a viable component of the national commercial transportation system. It would also save many of our remaining natural rivers from destruction.

The environmental consequences of waterway construction and operation are notorious. Natural river courses are modified to facilitate barge movements, often transforming substantial stretches into stagnant reservoirs and ditches. Waterborne nutrient flows may be disrupted, diminishing the biological productivity of downstream waters and marshes. The entire nature of rivers can be changed as ecologic, aesthetic and recreational values are all sacrificed to accommodate the demands of moving freight.

A list of proposed extensions of the inland waterway system reads like a who's who of environmentally disastrous projects:

The Cross-Florida Barge Canal, if completed, would destroy the floodplain forest of the Oklawaha River Valley. The water quality of the canal would be poor, and that of the region's groundwater would be threatened by the project's invasion of the fragmented limestone aquifer.

The Tennessee-Tombigbee Waterway in Alabama and Mississippi would cut through a mountain ridge, dividing the Tennessee and Tombigbee rivers, to provide a shorter route for barges to the Gulf of Mexico. The project would require removing more than 280 million cubic yards of earth, more than was taken from the divide cut of the Panama Canal. This earth would be used to fill more than fifty valleys, and its low nutrient value would ensure poor revegetation and future erosion problems. The free-flowing Tombigbee River, home to an unusually large number of fish species, would be turned into a series of slackwater pools. Some of the rarer species may not survive.

The Corps of Engineers proposes to turn the meandering 550-mile Trinity River in Texas into a 335-mile ditch, cutting off 180 biologically rich and picturesque meanders in the process. The system of locks, dams, reservoirs and channels would seriously disrupt the downstream flow of nutrients to rich coastal marshes. One element of the project, the Wallisville Barrier Dam, is to be built across a salt marsh at the mouth of the Trinity. If completed, it would eliminate more than 12,000 acres of estuary, prime nursery ground for numerous ocean fish and shellfish.

New extensions of the inland waterway system, such as those above, produce the worst environmental damage, but operation and maintenance of existing segments also degrade water quality and destroy fish and wildlife habitat. On the Missouri River, for example, continuing construction of bank- and channel-stabilization structures has caused the loss of fifty percent of the original surface area of the river. Much of this loss comprised ecologically important backwaters, areas that determine whether a river is a rich resource or a biological desert.

On the Upper Mississippi River, the navigation channel is maintained by means of a system of locks and dams, as well as continual dredging. Spoil-disposal practices, along with the dredging itself, have caused such severe problems with regard to water quality and habitat that both Minnesota and Wisconsin have been forced to sue the Corps of Engineers, which maintains the channel.

Barge operations themselves are not free from environmental problems. The giant propellers of towboats increase harmful turbidity by churning up bottom sediments, thereby destroying the organisms living there, which are the base of the food chain on which a river's fish, waterfowl and other inhabitants depend. Barge traffic further degrades water quality through spillage of chemical and petroleum products and, in some cases, the illegal pumping of wastes into the rivers. Much of the opposition by environmentalists to an expanded Locks and Dam 26 on the upper Mississippi stems from the damage increased barge traffic will cause.

Most waterways, of course, are constructed and maintained by the U.S. Army Corps of Engineers, which supposedly conducts a cost-benefit analysis of each project to determine whether it should be built. The answer, however, always seems to be "yes," partly because there is a powerful bureaucratic imperative to justify and expand one's activities, partly because neither the corps nor the corporations have to pay the costs of new construction. In this context, "evaluation" becomes an exercise in creative accounting. In 1973, the National Water Commission observed that many projects were still being commenced even though they could not withstand objective economic analysis. In some cases, the decision to proceed was based on such excessive optimism that, initial costs aside, even the operation and maintenance expenses for some projects were not economically justified. But instituting a user charge, such new projects would automatically be consigned to the wastebasket, if they were ever proposed in the first place.

To be effective, the waterway-user charge should (1) recover 100 percent of the costs of building, operating and maintaining commercial navigation facilities, and (2) be computed for each individual waterway segment rather than for the system as a whole.

In the past, the Department of Transportation has recommended that only some fraction of the total costs of waterways be recovered from users, a system based more on political expediency than logic since the amount to be charged would be arbitrary. Inasmuch as the federal government has already spent $3.2 billion constructing the shallow-draft inland waterway system, surely the large corporations that are the primary beneficiaries of this past generosity can afford to pay for new construction and future operation and maintenance.

The charges should be levied for each segment rather than for the system as a whole because the cost to the public of operating different segments varies widely. To take the extreme cases, federal costs range from .13 mills (1000 mills = $1.00) per ton-mile on the lower Mississippi to 114.8 mills per ton-mile on Oregon's Willamette River. To assess user fees by simply averaging the costs of the two, for example, means that the most efficient and inexpensive segments of the waterway system in effect are subsidizing those that are least efficient and most expensive. This is not only economically wasteful, but environmentally harmful because the least profitable segments, those that cost the most to build and maintain, tend to be those that required the greatest amount of landscape alternation—earthmoving, cutting, filling, dredging and so on—the more engineering required, the more expensive a project will be. Moreover, the first segments of the system to be built were naturally the most obvious choices, the ones that yielded the most benefits for the least costs. The more recent projects often tend to be out-

landish proposals—such as the Tennessee-Tombigbee Waterway—that are built only because the federal government, rather than private enterprise, is footing the bill.

Several members of Congress have objected to segmented charges because such a system would close in whole or part several existing segments. To make such a claim, however, is tantamount to admitting that those segments are unneeded and uneconomical, that the taxpayers' costs exceed the users' benefits. In fact, about fifty percent of the federal operation and maintenance costs come from segments that account for only three percent of the total tonnage shipped. Yet in the perverse logic of pork-barrel politics, the more inefficient a segment is, the more likely it is that the member of Congress concerned will oppose the waterway-user charge.

A number of arrangements, however, might prove persuasive. For example, the federal government might match, at some predetermined ratio, subsidy payments by interested states and communities, thus covering the deficit between uneconomic waterways' user-charge revenues and their federal operation and maintenance expenditures. As with the railroad branch-line subsidy arrangement, the federal portion could be phased out gradually, leaving the decision about continuing public support to the local areas enjoying the benefits. The federal share could be financed from the sale of federal barge and tow-boat licenses on that segment, relieving the burden on the general taxpayer.

If the direct beneficiaries of waterway development were required to pay the costs of building and maintaining such projects, they would be given far more careful scrutiny. The 1973 National Water Commission Report pointed out that "cost sharing requirements would be effective in eliminating political pressures from a group seeking a project for no other reason than that they expect it to be paid for by the federal treasury."

The scale of the potential savings is very large. A 1975 survey found that there were $6.6 billion in inland-waterway projects under active consideration and another $656 million in abeyance because of litigation. If anything, these figures understate the situation, for corps projects show a propensity for cost overruns. A study by Senator William Proxmire indicated that of 178 major civilian Corps of Engineers projects, eighty-three have experienced cost overruns of 100 percent or more. If the bill for these projects were being paid by the politically powerful water-development interests rather than the average taxpayer, the corps might become more ingenious in devising effective cost controls and less bullish about proposed new waterway developments.

Obviously, environmental and economic logic overwhelmingly favor the imposition of waterway-user charges, but what are the prospects for passing such legislation in the near future? Probably better than ever, though the struggle will be long and difficult at best.

Last year, largely at the insistence of Senator Peter Domenici (R-New Mexico), a user-charge provision was attached to the Water Resources Development Act of 1976 as a necessary condition for his supporting authorization to expand the controversial Locks and Dam 26 on the upper Mississippi. The committee actually passed the user charge, which was later deleted, along with the authorization, by amendment on the Senate floor. Already this year, Domenici has introduced similar legislation and in his capacity as ranking minority member of the Water Resources Subcommittee has pledged to fight for the legislation. He argues that if the barge companies want a new Locks and Dam 26, they should pay for it; and his view may very well prevail again in the Public Works Committee. This year, however, jurisdiction over user charges is shared with the Surface Transportation Subcommittee of Senator Russell Long's (D-Louisiana) Commerce Committee. A long-time advocate of waterway expansion, Long is expected to oppose imposition of adequate user charges vigorously. Even if a user-charge proposal were to survive both committees, it would face strong opposition on the Senate floor. Opposition in the House, both in committee and on the floor, is expected to be very stiff.

Some waterway interests, fearing that total opposition to user charges may block chances for authorization of an expanded Locks and Dam 26, have tempered their positions, so that now they are willing, it seems to support "modest" or "reasonable" charges. It may be that the real battle will not be over whether user charges are imposed, but over what will constitute "adequate" charges. Environmentalists and economists will continue to work for charges that will recover all costs of building, maintaining and operating the inland-waterway system and that will be apportioned so that income from efficient segments cannot be used to subsidize construction of economically marginal and environmentally disastrous ones.

EDUCATION FOR OUR HANDICAPPED CHILDREN

Mr. MATHIAS. Mr. President, I wish to express my great satisfaction with the Senate's passage of S. 725, the extension of programs under the Education of the Handicapped Act.

This legislation provides continuing authority for those programs which back up the Federal commitment to teaching handicapped children. I have a great personal interest in that commitment since working in 1974 during enactment of Public Law 93-380 for the addition of the formula for funding education of handicapped children. That law and Public Law 94-142, which is its successor, provide money to States based upon the number of handicapped children they serve.

Before enactment of the Mathias amendment to the Education of the Handicapped Act, court cases and Federal policy had unequivocally established the principle that handicapped children have the right to a full and appropriate education. Earlier, schools had either shunted aside the handicapped, providing them with segregated classrooms and inadequate teaching, or had discouraged them from attending class altogether. Those practices were ended by court mandate and Federal law, but the States were not financially prepared to undertake the responsibility newly created by those mandates. The resources just were not there.

The Mathias amendment authorized entitlement grants to States computed on the number of children they were serving. It required that part of the money going to States be used to identify handicapped children early enough so that proper diagnosis, treatment and identification of educational needs could be done. Public Law 93-380 also required States to make plans which identified the techniques they would use to find handicapped children kept out of schools and establish a systematic approach to the goal of providing educational opportunities for all handicapped. Public Law 94-142 requires that those goals be accomplished by September of 1980.

I am grateful to the Senators who supported this effort on behalf of handicapped children. The financial commitment initiated by the Mathias amendment is being broadly expanded over the next 5 years. By 1982 the Federal Government will be authorized to provide 40 percent of the per-pupil cost of educating each handicapped child. This is a commitment to morality and equality in our educational policy. More than that, it is a commitment to the intelligent use of all our human resources. Children who are educated to the fullest extent of their abilities now will be using those abilities when they grow up. They will become productive members of our economy, not burdens on family and society.

There are over 8 million handicapped children in the United States. It is estimated that half of them are not getting an adequate education. Nearly 2 million are not even in the school system. The support programs which we have provided enable the States and local schools to find these children and to develop their talents.

Despite this progress formidable challenges remain. The States are beginning to understand more fully what they will be required to do next year and in the years to come. Congress has a duty to listen and respond to the States as they implement the complex programs required by Public Law 94-142. Maryland's record in the education of the handicapped is unexcelled and I have great respect for the experts in Maryland who have made suggestions for improving Public Law 94-142. In particular, the special educators and administrators are concerned that the efforts in Maryland and in other States not be hamstrung by excessive bureaucracy. One of their main concerns is the burden of paperwork which this law requires.

They understand the need for data to compute funding, to measure progress and to make improvements in the law. The problem they see is that the extra administrative burden of Federal rules and regulations may impair their ability to provide quality education to handicapped children. I believe that their views should be heard in an adequate forum and I intend to provide that forum.

Chairman MAGNUSON of the Labor-HEW Subcommittee on Appropriations has authorized hearings in Maryland on the paperwork problem created by Public Law 94-142 and its regulations. On July 25 in Annapolis, I invite Maryland administrators and teachers to come together with officials from the Department of Health, Education, and Welfare to discuss the need for the data and the burden this paperwork imposes. Such a discussion could lead to greater understanding on each side and to suggestions for improving the law.

I also intend to take an active part in improving other parts of the law. Because the count of served children was unexpectedly low last year, nearly $70 million appropriated for handicapped children may go unspent. The July 25 hearings may suggests ways that the formula could be improved to get this

money to children. One way would be to establish criteria for a more precise count.

The present system calls for counting all children served, regardless of the way in which they are being served. A child who requires two services is counted the same way as a child getting six, although there is a clear difference in the expense for those two children. The Federal law should reflect more exactly the relationship between cost of services and the money granted to States. I hope that Public Law 94-142 can be amended accordingly.

We cannot afford to let the lives of any of our children go to waste and I intend to maintain my commitment to handicapped children.

SENATE SELECT COMMITTEE ON INTELLIGENCE

Mr. INOUYE. Mr. President, this is the first year that the Senate has authorized moneys for the intelligence activities of the United States. This authorization has been reported out by the Senate Intelligence Committee in S. 1539.

It would have of course been desirable for the Senate upon vote to send the bill to a counterpart committee in the House of Representatives. Unfortunately, no counterpart committee presently exists in the House. It is my understanding, however, that the House leadership is in the process of creating such a committee, and there is reason to believe that a counterpart committee will be in existence in the coming months.

In the absence of a counterpart House committee, the chairman of the Armed Services Committee, Senator STENNIS, has very kindly agreed to permit any differences between the House and Senate authorization be handled in the House-Senate conference on the military authorization bill. This has been done with the understanding that it does not constitute a precedent.

As was intended in Senate Resolution 400, the Select Committee on Intelligence has members who also serve on the Armed Services Committee. Senator HART and Senator GOLDWATER, with the other conferees, will act on behalf of both the Armed Services Committee and the Senate Select Committee on Intelligence with regard to intellignce matters in the conference with the House Armed Services Committee.

This first year of the authorization has been a pioneering effort. Practically every procedure has been done for the first time. There have been some difficulties encountered along the way, but we have been able to resolve these difficulties satisfactorily. I want to thank Senator STENNIS and the Armed Services Committee for their cooperation and helpfulness in fulfilling the intent of the Senate.

COMMENDING OSHA ON ITS 90 PERCENT FEDERAL FUNDING PROPOSAL FOR ONSITE CONSULTATION

Mr. DOMENICI. Mr. President, I wish to applaud the recent OSHA proposal to boost Federal funding for onsite consultation from 50 percent to 90 percent.

One of the first priorities among employers since the inception of OSHA has been for consultation to be made available at the worksite to assist company owners and managers in understanding OSHA standards and eliminating dangers in their work environments. The need is especially great among small businesses that wish to comply, but are overwhelmed by the prodigious regulations.

The first day of the 95th Congress I introduced S. 21 which would provide for 100-percent federally funded programs whereby a consultant would visit a workplace at the request of the employer, investigate possible hazards, and submit to the employer a written report containing recommendations for eliminating any dangers disclosed in the consultation visit. Twenty-four Senators have cosponsored this legislation.

The Senate report to the Labor-HEW Appropriations Act for the 1977 fiscal year contained the committee's opinion that States have been deterred from entering into onsite consultation programs because they were only 50-percent federally funded. The remainder of the expense had to be borne by the States.

I am extremely pleased that the Labor Department has seen fit to incorporate into its proposal both the thrust of my bill and the committee's philosophy for a revised onsite consultation program.

Currently there are two 50-percent federally funded onsite consultation programs. The first is working in 22 out of 23 States with their own State plans. These State plans include onsite consultation provisions. The second program is available to States without State plans. At the present time 13 States are participating and have contracted with the Federal Government to provide onsite consultation to employers. This contracting program was begun by the Occupational Safety and Health Administration in 1975 to place States without approved section 18(b) State plans on an equal basis with States with approved plans.

Under the proposed version of the onsite consultation program, all States would be eligible to contract with the Federal Government for onsite consultation under section 7(c)(1) of the Occupational Safety and Health Act as the 13 States have already done. States would do this by dropping onsite consultation provisions from their current State plans and contracting with the Government. This would be necessary because the new regulations prohibit States from participating in both plans. In addition, section 23(g) of the Occupational Safety and Health Act limits onsite consultations programs included in State plans to 50-percent Federal funding, whereas section 7(c)(1) places no limit on the amount of Federal funding permitted.

The Federal proposal would, as also specified in S. 21, require the consultant to submit a written report to the employer on the findings of his visit. In the report the consultant would refer to whichever occupational safety and health standard applies to the specific employer. He may also offer advice and technical assistance during and after the onsite consultative visit on how to eliminate or control safety and health hazards in the workplace. He may provide descriptive materials on approaches, means, techniques, et cetera, commonly utilized for eliminating or controlling hazards. The consultant would also advise the employers on additional sources of assistance. These provisions will be extremely helpful in eliminating the problem frustrating so many employers of not knowing how to remove a hazard once it has been identified by OSHA.

A key feature of the proposal, which I wholeheartedly endorse, is the requirement that States under contract have to establish an internal monitoring system which would evaluate the performance of every consultant semiannually, and require actual on-the-job evaluation. New qualifications for consultants are also proposed.

Mr. President, although the OSHA proposal does not quite meet my objective of a 100 percent federally-financed onsite consultation program for employers who are most in need of technical assistance in complying with OSHA, I feel it is a positive and commonsense leap in the right direction, and I am very happy to be able to report on it.

CANNERS PROVIDE ENERGY SAVINGS THROUGH CONSERVATION

Mr. RANDOLPH. Mr. President, it is my understanding that the National Canners Association has told the Federal Energy Administration that its member companies utilized energy almost 10 percent more efficiently during 1976 than during the year of 1972.

This gain in energy efficiency is based on reports from 82 members participating in the canning industry's voluntary energy conservation reporting program. The improved energy efficiency results from a comparison of Btu's required to produce each pound of canned food product.

Canners actively participating in the effort produced approximately 8 percent more processed food in 1976 than in 1972, but utilized 2 percent less total energy. The canners, it is believed, consumed 10 percent less energy per pound of product in 1976 compared with 1972.

Estimates are that the canners' energy cost last year was $96.9 million. Energy-saving steps resulted in a reduction of $10 million from their fuel bills.

It is indicated that the 82 canners used 51 trillion Btu's in 1972 and 49.9 trillion Btu's last year for a net saving of 1.1 trillion Btu's. Total food production increased 1.6 billion pounds, from 20.2 billion pounds in 1972 to 21.8 billion pounds in 1976.

The canning industry states that use of natural gas and coal declined from 1972 to 1976 and the use of fuel oils—both middle distillates and residual oils—increased.

Canners have achieved the increased energy efficiency through a number of conservation measures. These included turning off unneeded lights and motors, adding insulation to buildings and steam lines, and capturing heat for reuse.

Other measures included cutting water use for raw product handling and periodically checking steam-using equipment such as blanchers, retorts, cokers, and kettles for proper temperature and absence of leaks.

Regular maintenance of transportation vehicles and farm equipment is included in the energy conservation by canners. The use of rail and piggyback transportation and the substitution of diesel for gasoline-operated engines has also created increased energy efficiency.

MISSOURI VALLEY CONGRESSMEN AND THE NEW DEAL, 1933–36

Mr. CURTIS. Mr. President, Mr. Philip A. Grant, Jr., of the Department of History of Pace University in New York City, has written a paper entitled, "Missouri Valley Congressmen and the New Deal, 1933–36." Mr. Grant's article tells of the record of some of the men who served with distinction in the House of Representatives and in the Senate from the Missouri Valley during that period. I think it is appropriate that it be incorporated in the CONGRESSIONAL RECORD, and I ask unanimous consent that Mr. Grant's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MISSOURI VALLEY CONGRESSMEN AND THE NEW DEAL, 1933–36

On March 9, 1933 the Seventy-Third Congress was called to order. Summoned into emergency session by newly inaugurated President Franklin D. Roosevelt, this Congress was to enact an impressive array of major laws and thus begin the momentous era of the New Deal. Between March 9, 1935 and the formal adjournment of the Seventy-Fourth Congress on June 20, 1936, the nation was destined to undergo the most sweeping domestic reform movement in its entire history, experience a wide variety of severe economic and social problems, and witness the ominous rise of totalitarian aggression in Europe, Africa, and the Far East.

During this historic thirty-nine month period, a number of congressmen from the Missouri Valley Region were serving in the House of Representatives and United States Senate. Without exception these gentlemen were closely identified with high priority legislation. Indeed the congressmen from the Missouri Valley had a profound impact on the sequence of dramatic developments which corresponded with the First Administration of Franklin D. Roosevelt.

Among the prominent congressmen during these eventful years were four members of the House of Representatives from widely separated districts in the Missouri Valley. They were William A. Ayres of Kansas, Clarence Cannon of Missouri, Edgar Howard of Nebraska, and William Lemke of North Dakota.

Ayres, an articulate Democrat from a heavily Republican state, was to serve nine terms in the House. Between 1931 and 1934 he was a senior member of the powerful Committee on Appropriations and Chairman of the Naval Appropriations Subcommittee. Ayres' subcommittee chairmanship assumed increasing significance after the failure of the 1930 London Disarmament Conference and the passage of the 1934 Naval Parity Act. Indeed the Kansan exercised the primary responsibility of determining how much money would be expended on the Navy and Marine Corps at the time that our government had made an unqualified commitment in behalf of naval expansion. In August 1934 Ayres relinquished his seat in Congress to accept President Roosevelt's appointment to the Federal Trade Commission.

Acknowledged as Congress' foremost authority on parliamentary procedure, Cannon would eventually be elected to twenty-one consecutive terms in the House. Like Ayres, he was a veteran member of the Appropriations Committee. Cannon was Chairman of the Subcommittee on the District of Columbia, 1931–1935, and the Subcommittee on the Department of Agriculture, 1935–1941. While chairing the former subcommittee, he was the unofficial mayor of a city that was both the nation's capitol and the most rapidly growing urban community in the United States. In the latter capacity the Missourian had to decide the extent to which the multitude of new and diverse federal farm programs would be funded.

A former Lieuenant-Governor of Nebraska, Howard represented twenty-two rural counties in northeastern Nebraska. A specialist in the problems of the American Indian, he was Chairman of the House Committee on Indian Affairs, 1933–1935. Howard's most widely acclaimed legislative contribution was the Indian Reorganization (Wheeler-Howard) Act of 1934, a comprehensive statute designed to completely overhaul the relationship between the United States government and the hitherto chronically neglected Indian tribes.

A lawyer by profession, Lemke had served his political apprenticeship as Attorney-General of North Dakota. He was one of his state's two congressmen-at-large, thus representing one of the nation's most populous and spacious districts. An outspoken leader of the bipartisan congressional farm bloc, Lemke also strongly espoused a bank owned and operated by the federal government and the immediate cash payment of a bonus to World War I veterans. His most noteworthy successes were the Federal Farm Bankruptcy (Frazier-Lemke) Acts of 1934 and 1935, each of which suspended farm mortgage foreclosures. Conversely, Lemke's most widely publicized failure occurred in 1936, when the House defeated the controversial Agricultural Indebtedness (Frazier-Lemke) Bill. Although originally a loyal supporter of Roosevelt's New Deal, Lemke in 1936 was nominated by the Union Party to oppose the President's re-election.

Three other Congressmen from the Missouri Valley during the First Roosevelt Administration were Representative Clifford R. Hope of Kansas and Senators Lynn J. Frazier of North Dakota and Peter Norbeck of South Dakota. Hope, Frazier, and Norbeck were to spend an aggregate total of sixty-three years on Capitol Hill.

A former Speaker of the Kansas House of Representatives, Hope in March 1933 was commencing his fourth of fifteen terms in Congress. Serving perhaps the nation's most thoroughly agricultural district, it was quite appropriate that he was the ranking Republican on the Committee on Agriculture. Hope played an active role in shaping every one of the numerous landmark farm bills passed by Congress between 1933 and 1936, and was especially conspicuous in the deliberations culminating in the Agricultural Adjustment Act, the Farm Credit Act, and the Soil Conservation and Domestic Allotment Act. Although generally sympathetic to federal involvement in agriculture, he vigorously opposed such southern-oriented measures as the Cotton Control (Bankhead) Act and the Tobacco Control Act.

Previous to entering Congress, Frazier had served as Governor of North Dakota. Between 1927 and 1933 he had been Chairman of the Senate Committee on Indian Affairs. Frazier, as a member of the Committee on Agriculture and Forestry, was primarily interested in alleviating the distress of the farmers in his state and throughout the country. As previously mentioned, he co-authored the farm bankruptcy and farm refinancing bills. Like Lemke, he staunchly supported an official government bank and generous benefits for veterans. Finally, Frazier was a vociferous proponent of an expanded federal program of social security.

A former Lieutenant-Governor and Governor of South Dakota, Norbeck had been elected to his third term in the Senate in 1932. He had been Chairman of the Committee on Banking and Currency between 1927 and 1933. Strongly favoring banking reform and the strict regulation of stock exchanges, Norbeck was designated to serve on the House-Senate conference committees having jurisdiction over the Truth-in-Securities Act and the Banking Act of 1935. Moreover, he authored the legislation to complete the famous Mount Rushmore National Memorial.

The three most illustrious congressmen from the Missouri Valley between 1935 and 1936 were Senators Gerald F. Nye of North Dakota, George W. Norris of Nebraska, and Burton K. Wheeler of Montana. Nye, Norris, and Wheeler certainly rank among the most innovative public servants of the past half century.

Nye had never held political office prior to being sworn in as a member of the Senate in 1925. From 1927 to 1933 he was Chairman of the Committee on Public Lands and Surveys. Vitally concerned with maintaining a sound federal land policy, Nye was one of the congressmen most instrumental in the passage of the Taylor Grazing Act of 1934. His foremost interest, however, were in the field of foreign affairs. An ardent isolationist, Nye strongly advocated legislation to prevent war profiteering and steadfastly opposed American participation in the Permanent Court of International Justice (World Court). He also introduced a series of resolutions to restrict passports, forbid foreign loans, and prohibit the export of arms in wartime. Although these resolutions were not adopted individually, in most respects they were incorporated into the Neutrality Act of 1935. Nye's most celebrated activity occurred between 1934 and 1936 as Chairman of the Special Committee to Investigate the Munitions Industry.

Norris, whose House and Senate career parelleled the administrations of seven presidents, was outranked in continuous seniority by only one of the five hundred and thirty-one members of Congress. He had been Chairman of the Committee on Agriculture and Forestry, 1921–1926, and the Committee on the Judiciary, 1926–1933. In 1932 Norris had attracted nationwide attention by co-authoring both the Anti-Injunction (Norris-LaGuardia) Act and the Twentieth (Lame Duck) Amendment to the Constitution. A fervent and longstanding supporter of public power, he had been urging federal development of the Muscle Shoals facilities for an entire decade. Norris' efforts were rewarded in May 1933, when his proposal, the Tennessee Valley Bill, was signed into law by President Roosevelt. Three years later, Norris, a passionate spokesman of the American farmer, co-authored the Rural Electrification (Norris-Rayburn) Act.

Wheeler had served six years as United States Attorney for Montana during the Administrations of President Woodrow Wilson. First elected to the Senate in 1922, he was Chairman of the Committee on Indian Affairs, 1933–1935, and the Committee on Interstate Commerce, 1935–1947. As a leader of the Senate's silver bloc, Wheeler worked tirelessly to assure a federal policy favorable to that metal. Also keenly interested in rail and highway transportation, he played a key role in the passage of two important New Deal statutes, the Emergency Transportation Act and the Motor Carrier Act. Wheeler's most

meaningful contribution was rendered in 1935, when he co-authored the Public Utility Holding Company (Wheeler-Rayburn) Act, a measure which probably constituted the most wholehearted attempt ever to regulate a particular industry. The high esteem in which the people of Montana held Wheeler was evident in November 1934 when the Senator was re-elected by 71.2% of the popular vote.

The ten aforementioned members of the House of Representatives and United States Senate were chosen by the citizens of the various states of the Missouri Valley to serve in Congress during one of the most turbulent and exhilirating periods in the country's history. Between March 9, 1933 and June 20, 1936 each of these gentlemen compiled records of genuine accomplishment. Although the Missouri Valley accounted for less than seven percent of the nation's population, its congressmen exerted profound and disproportionate influence on Capitol Hill.

NEW REPORTS OF GENOCIDE IN COMMUNIST COUNTRIES

Mr. PROXMIRE. Mr. President, recently I pointed out that both non-Communist and Communist nations have perpetuated the crime of genocide. I stressed that genocide is not a partisan issue. Today I would like to direct the attention of the Senate to new reports of genocide in Cambodia.

An article in the May 30 Newsweek magazine states that—

The practice of Buddhism has been deemed punishable by death and the country's saffron-robed monks have been defrocked or executed as "parasites."

Sources indicate that the Cambodian Government is directing a brutal campaign against all individuals who resist the socialist transformation of the country. The Newsweek account records refugee horror stories that—

Because doctors are afraid to demonstrate their educational background for fear of being branded "counter-revolutionary," such diseases as cholera are treated by medics with coconut milk and Pepsi-Cola. Promiscuous young men are beaten to death with hoe handles while their girl friends are forced to watch. Minor crimes like listening to the radio, wearing Western dress or practicing astrology can bring execution. Intelligence estimates say that as many as 2 million Cambodians may have been killed by the Communist regime.

We must not ignore such atrocities. Whether a Communist or a non-Communist country commits genocide, it is our responsibility to condemn those acts. Mr. President, I ask that we go on record against these crimes by signing the Genocide Convention.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I wish to report that, according to U.S. Census Bureau approximations, the total population of the United States as of June 1, 1977, is 217,057,750. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,524,663 since June 1 of last year. It also represents an increase of 152,428 since May 1, 1977, that is, in just the last month.

Over the year therefore, we have added enough additional people to fill the combined cities of Omaha, Nebr., Long Beach, Calif., Birmingham, Ala., and Buffalo, N.Y. And in just 1 short month, our population has grown enough to more than fill the city of Colorado Springs, Colo.

THE UNIVERSAL VOTER REGISTRATION ACT OF 1977

Mr. PERCY. Mr. President, the Universal Voter Registration Act of 1977 is one of the most controversial measures now under consideration in Congress. Although the legislation has been introduced with the intent of increasing participation in elections, I believe the drawbacks in the bill far outweigh the merits.

One of the weaknesses in the bill is the premise that election day registration will increase voter turnout. The causes of voter apathy are far more complex than voter registration laws alone. It is unlikely, in my judgment, that eligible though apathetic voters would be more inclined to vote simply because of election day registration.

What is most disturbing about this proposal is its potential for actually facilitating vote fraud. One purpose of voter registration laws that require registration prior to election day is to establish accurate voter rolls. It would be counterproductive to short circuit this system by establishing election day registration.

Mr. John Hanly, chairman of the Chicago Board of Election Commissioners, and a distinguished Democrat, stated his concern regarding this bill in testimony before the House Administration Committee on April 6, 1977:

While I support the objectives of H.R. 5440, I regret to inform you that the provisions of subsection 6(a) mandating registration at the polling place on election day will set the cause of honest elections back many years. It will erode the integrity of our elections since it is totally lacking in any safeguards on the front end at the time of registration and voting. Further, it will congest and disrupt our polling places and certainly turn off, if not away, the voter who is civic minded enough to bother to get registered in the normal way.

Mr. Thomas F. Roeser, a leading Republican and chairman of Project LEAP—Legal Elections in All Precincts—the Chicago-based nonpartisan election watchdog organization, registered his concern about the bill in testimony before the Senate Committee on Rules and Administration on May 6, 1977:

The experience of Project LEAP with the Chicago process, including our formerly severe problems with fradulent registrations and "ghost" voters, led our Board of Directors to repudiate legislation which would set up an on-site, instant, universal voter registration system—no matter how good it sounds. We call this concept a mislabled reform that will set anti-vote-fraud efforts back 20 years by throwing away the safeguards that guard the integrity of the ballot box. We are here to oppose not only this particular bill, but also the *concept* of on-site registration, because with instant registration there is no way to prevent a fraudulent vote from being cast and counted.

In a statement issued April 12, the nonpartisan Association of Election Commission Officials of Illinois, stated reservations about the bill:

Dignified and orderly elections do not just happen; they are the result of the preliminary work done by election officials at election headquarters days and weeks in advance in order to simplify, as much as possible, the work of the precinct judges and clerks on election day. The additional forms, procedures, personnel training and substantial cost required to handle registrations at the polls on election day would be entirely out of proportion to the benefits derived.

Two editorials, one from the March 24 edition of the Chicago Daily News and one from the April 28 edition of the Chicago Tribune, make some excellent observations on this bill. I ask unanimous consent that these editorials be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. PERCY. Mr. President, I believe most eligible voters who take the time to meet voter registration deadlines understand the safeguards inherent in pre-election-day registration. In our attempt to increase voter participation, we should be vigilant in our efforts to help assure that we do not actually weaken rather than preserve and strengthen our democratic system.

EXHIBIT 1

[From the Chicago Daily News, Mar. 24, 1977]

"NO" ON QUICKIE REGISTRATION

As part of his election reform package, President Carter on Monday sent Congress a bill to allow citizens to register at their polling places just before they vote on election day. We have endorsed another of Carter's proposals, the one calling for direct popular election of Presidents, but on quickie registration, we say no.

It is true that broadening the franchise is a democratic ideal and that only a shamefully small majority of Americans eligible to vote do so—53 per cent last year. And there is little question that the bother of having to preregister discourages many citizens from voting. But quickie registration would open the door to widespread fraud, and we doubt that eliminating a bother is worth the price.

Preregistration is not, in the first place, all that much a bother, certainly not enough to call for federal intervention. All that's required is that a citizen present himself and prove his eligibility—only once if he doesn't move—before a county registrar or, on regularly prescribed dates, at his local polling place. Citizens who have enough interest to vote should have enough to preregister, and if they lack it, they are unlikely to add much wisdom to the outcome of elections they vote in.

With preregistration, there is time for election officials to publish lists of eligible voters, lists that can be canvassed and purged of ineligibles before election day by poll authorities, civic watchdog agencies, newspaper investigators and individuals who take their citizenship seriously. That is no small protection in a place like Chicago, where the dead often continue to vote and the election day slogan is "vote early and vote often."

Proponents in Washington who favor election-day registration hold that fraud will be discouraged by the stiff penalties permitted in the administration bill—a maximum of five years in prison and a fine of up to $10,000. But we take little comfort in stiff allowable penalties. Judges who so often let off killers and embezzlers with wrist-slaps are unlikely to be harsh with

small-time politicians finagling votes in a climate where fraud is routine.

The administration package was presented by Vice-President Walter Mondale, who comes from a state where quickie registration is a fact. He said: "Over 450,000 Minnesota citizens were registered on election day in 1976, yet not a single charge of fraud was filed."

Well, Mr. Mondale, Minnesota isn't Illinois, and Minneapolis isn't Chicago. We have as much civic pride as anyone, but we say Chicago ain't ready for this kind of election reform. And neither are a lot of other places in this big country.

[From the Chicago Tribune, Apr. 28, 1977]

THE "INSTANT HONESTY" VOTE BILL

John M. Hanly, chairman of the Chicago Board of Elections Commissioners, was in Washington this week on an urgent mission. He wanted to destroy some illusions, and we hope he succeeded.

Mr. Hanly testified Tuesday before the House Administration Committee on a bill to allow "instant" voter registration nationwide. The idea—which is warmly endorsed by the Carter administration—is to let citizens register and vote at the same time in federal elections. All they would have to do is show some acceptable identification, such as a driver's license. The bill would also appropriate about $48 million to encourage adoption of this system throughout the country.

In Mr. Hanly's view and ours, this Simple Simon plan would be a disaster. As he told the committee, this bill would "set the cause of honest elections back many years" and bring in a new era of "graveyard voting, tombstone voting, voting the family dog."

In addition, as Mr. Hanly observed, the change would throw the city's polling places up for grabs. More than 6,000 additional persons from both parties would have to be recruited to handle registrants along with voters, creating a monumental jam in many Chicago and suburban precincts.

A second Chicago witness, Cook County Clerk Stanley Kusper, also opposed the bill, but only on grounds that it would cause administrative headaches. Mr. Kusper did not think it would revive vote cheating—which is strange, considering the 75 federal indictments for vote fraud that followed the March, 1972, primaries. Perhaps he thinks everyone has turned honest in the last five years.

No doubt most supporters of this bill are idealists convinced that, since most voters are honest, all must be. Such believers presumably do not live in big, party-controlled cities like Chicago, where vote frauds are a tradition and smart political operators would take advantage of a wide-open system almost as a matter of course.

"Idealist" is not the word we'd use, however, for people like Rep. Joseph Ammerman [D., Pa.], a committee member who launched a sneering attack on Mr. Hanly's testimony. He called it "a typical Republican effort to have a low voter turnout" [Mr. Hanly is a Democrat], and speculated that he just didn't relish the extra work this bill would require. Cheap, partisan gibes like this reflect no credit on the backers of this bill or their motives.

In its place, Mr. Hanly calls for a law establishing permanent registration centers in each neighborhood—in public libraries, for example. That would make registration easier without turning it into a meaningless and easily-abused formality. We urge Congress to take his realistic view instead of gambling on instant honesty. At this time if not at all other times, the nation should accept instruction on how to run honest elections from the chairman of the Chicago Board of Election Commissioners.

IN APPRECIATION OF ERNIE WOLFE

Mr. MATHIAS. Mr. President, I am happy to count myself among the many Members of the Senate who look to our senior citizens for the guidance and wisdom which comes with their age and experience.

Since the month of May 1977 has been designated Senior Citizens Month, many groups around the country called attention to the contributions made by the extraordinary men and women in the senior citizens movement.

In Maryland, the Montgomery County Commission on Aging honored Ernest Joseph Wolfe for his many achievements over the years by naming him the recipient of its first annual award at a ceremony at Forest Glen Senior Center in Silver Spring.

Montgomery County Executive James P. Gleason presented Mr. Wolfe with a plaque that designated him "Older American of the Year". The citation reads "In recognition of exceptional and persistent efforts to create a better living environment for the elderly citizens of Montgomery County, Maryland."

Mr. Wolfe was born in 1891 in Manitoba Springs, Colo., but spent most of his life in the East. He received a degree in economics from Cornell University in 1918, but taught at Columbia University, where he also received his masters degree.

He was the founder of the Takoma Park Senior Citizens Club in 1967, a forerunner of the 84 senior clubs now existing in Montgomery County.

Ernie Wolfe is perhaps best known for conceiving the idea and obtaining Federal funding for the county to construct Takoma Towers retirement apartments in 1971. Since then, he has initiated similar plans for the Leafy House retirement apartments, now under construction, a cooperative enterprise of the County's Housing Opportunities Commission and Retirement and Nursing Homes, Inc., an organization he founded within the National Association of Retired Federal Employees.

I am happy to share with my colleagues these details of the remarkable achievements of a remarkable Marylander. Ernie Wolfe sets an example for all of us.

APPROACH TOWARD CUBA COULD HURT U.S. POSITION

Mr. TOWER. Mr. President, last week the United States and Cuba agreed to exchange what the Department of State calls "interest sections" of a diplomatic nature, marking another step down the road to diplomatic recognition of Cuba.

Coupled with the Senate Foreign Relations Committee determination to remove some of the trade barriers which exist between the two countries, the establishment of these "interest sections" is of serious concern.

The President and many Members of the Senate are intent on normalizing relations with Cuba. The difficulty lies, however, with the circumstances under which this might be accomplished and the timing of these efforts, particularly regarding the need to satisfy certain preconditions.

Over the past 16 years, Cuba has been one of the bitterest and most intractable foes of the United States, save the Communist Vietnam regime. Beginning with efforts to export Marxist revolution in our own hemisphere, continuing with efforts to undermine the relationship of Puerto Rico and the United States, and presently exhibiting the same meddlesome efforts in Africa, Castro has repeatedly confronted the United States. Military adventurism in Angola and Ethiopia convince this Senator that Cuba is unconcerned about its actions and their impact on relations with this country.

I would say this to my colleagues: There may likely be a time when normalization or relations with Cuba will be appropriate—perhaps even desirable from this Nation's standpoint.

But that time is not now, and certainly will not be appropriate until the aforementioned conduct is curtailed. Despite the assurances which the President's advisors seek to give us that complete diplomatic relations are a long way off, I would say to the administration that we are not as far off as we were at the beginning of last week, before it was decided to allow the exchange or interest section staffs.

I, for one, do not intend to stand silently by and watch the President give away the position of the United States in relation to Cuba, even if he does it slowly and with assurances that all will be well in the end. It is no greater loss to give something away quickly than to do so slowly and methodically.

The question of United States-Cuba relations was recently the subject of an editorial column appearing in the Fort Worth Star-Telegram. Written by former Ambassador to Yugoslavia Laurence H. Silberman, the article pinpoints the wrongness of assumptions underlying the administration's Cuba policy. The article also points out the inconsistency of the President's foreign policy toward Communist governments and the likely results of that policy.

The analysis which Mr. Silberman provides is illuminating, and I would urge my colleagues to read it. To that end, Mr. President, I ask unanimous consent that a copy of the article "Approach Toward Cuba Could Hurt U.S. Position" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

APPROACH TOWARD CUBA COULD HURT U.S. POSITION

(By Laurence H. Silberman)

(NOTE.—Laurence H. Silberman is former Ambassador to Yugoslavia.)

WASHINGTON.—President Carter's admirable stance toward the Soviet Union (human rights, increased funding of Radio Liberty and Radio Free Europe, a firm strategic-arms negotiating position) contrasts sharply with his approach to two third-world Communist states, Cuba and Vietnam.

The administration is moving toward recognition of both countries under conditions unfavorable to the United States. This could result in another blow to an already seriously declining American position in the third world.

Recognition of Cuba could not come at a worse time. We sought to quarantine Cuba's influence in Latin America by our diplomatic hostility and economic blockade, but Fidel Castro responded with a dazzling end run into southern Africa—an adventure that, with minimal efforts, we probably could have converted into a Castro disaster, if only we (Congress) had had the stomach for it.

Not content with demolishing our efforts to limit his influence in other countries, Castro has attacked our own territorial integrity by singlehandedly making Puerto Rican independence a major multilateral issue. The third world well understands that Castro's support for the "decolonialization" of Puerto Rico is a ploy designed to put pressure on us to abandon our economic blockade and recognize Cuba.

We learned recently that the Ford administration started quiet discussions with Cuba but abruptly dropped them after the Angolan expedition. To seriously bargain now for recognition while thousands of Cuban troops are in Southern Africa is not only to ratify past Cuban policy; it is an unnecessary confession of our weakness.

Similarly, our upcoming negotiations with Vietnam in Paris are a thinly disguised retreat from a reasonable United States position: no discussion of recognition (or agreement to Vietnam membership in the United Nations) until Vietnam fully accounts for Americans missing in action—a position that candidate Carter reaffirmed.

Although it is unlikely that we will learn anything new should the Vietnamese be forthcoming, their compliance would constitute a tacit abandonment of their absurd claims for war reparations—essential if diplomatic relations are to be soundly based.

Notwithstanding the President's rejection of notions of American war guilt, it seems likely that the outcome of the Paris negotiations would include certain tangible economic advantages for Vietnam. And concessions such as extension of credit—without which trade is out of the question—would generally be seen as partial satisfaction of the Vietnamese claims.

Those supporting the administration's policy toward Cuba and Vietnam argue that United States relations with both will induce them to widen their distance from the Soviet Union. This is an illusion. No one has a greater interest in American diplomatic and economic relations with Cuba and Vietnam than Moscow, which would love to lighten the economic burden of supporting both.

There is, in fact, little likelihood that either Cuba or Vietnam would significantly moderate anti-American policies after United States recognition; they are both, after all, Communist states whose neopolitical positions, unlike China's or even Yugoslavia's dictate a close Soviet relationship.

It should be remembered that our change of policy toward Yugoslavia in the 1950s, and China in the 1970s, came after both countries displayed independence of, indeed hostility to, the Soviet Union. By contrast, recognition of Cuba and Vietnam now would simply prove that those two countries could have the United States cake and eat it, too.

Then how to explain Mr. Carter's policy? Politically, just as his hard line toward the Soviet Union satisfies the Jackson wing of the Democratic party, a soft approach to Vietnam and Cuba serves to pacify the McGovern group in the party. Furthermore, establishing diplomatic relations with any country suggests "progress" in foreign affairs (particularly after the Kissinger-Nixon dramatic opening to China).

But perhaps the crux is the administration's overall approach to the third world. In recent articles, several of Mr. Carter's senior appointee's, noably Zbigniew Brzezinski, his adviser on national security affairs, urged that the United States avoid confrontation with dictatorial Marxism in the third world because, they contended, egalitarianism (presumably forcibly imposed) as opposed to libertarianism is the wave of the future, particularly in the southern half of the globe.

Although such ideological defeatism does not square with the Presidents' own emphasis on universal human rights, it may explain why his administration appears so flabby in dealing with Cuba and Vietnam while remaining firm with Moscow.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Frank M. Tuerkheimer, of Wisconsin, to be U.S. Attorney for the Western District of Wisconsin for the term of four years vice David C. Mebane, resigning.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, June 14, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

MARIHUANA LAW REFORM

Mr. JAVITS. Mr. President, as the Senate knows, legislation introduced by myself and Senators CRANSTON, BROOKE, and NELSON would decriminalize up to 1 ounce of marihuana possession and use at the Federal level, substituting a maximum civil penalty of not more than $100. S. 601 is now pending in the Senate Subcommittee on Juvenile Delinquency and I am hopeful that hearings will be held on the bill in the near future.

I was extremely disappointed that the New York State assembly recently voted to recommit legislation similar to my bill. I understand that there is strong support to reconsider the New York bill before the legislature adjourns in 2 weeks. Leaders in the State assembly and Senate and Gov. Hugh Carey all remain optimistic that New York will follow the leadership of nine other States in undertaking this long overdue reform. The support of President Carter and Dr. Peter Bourne, his Special Assistant for Health Affairs, has given our efforts at the Federal level a significant boost.

Mr. President, an extremely interesting article by nationally syndicated columnist William F. Buckley which appeared in the Washington Star and other papers on May 20th, "A Cry From the Heart," deserves to be read by our colleagues in the Congress. It is directed at the opposition to the New York State reform by the New York State Conservative Party. I ask uunanimous consent that it be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, according to a Gallup poll last month, the percentage of Americans who have tried marihuana has doubled during the last 4 years, with one adult in four having now tried the drug at least once. It reported that 24 percent of U.S. adults, 18 and older are in this category. The overall figure is double what it was in 1973 and six times what it was in 1969 when the Gallup poll's first survey of marihuana use found only 4 percent had tried it.

I ask unanimous consent that the complete results of the Gallup poll to which I have referred be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. JAVITS. Mr. President, in the last few years, public attitudes toward marihuana have shifted significantly so that favoring its decriminalization has become even a politically viable position. We now have an opportunity to eliminate harsh and unfair criminal penalties which—as long as they remain on the books—have the potential to ruin thousands of lives arbitrarily and without substantive justification. I hope that the Senate will begin serious consideration of S. 601 as soon as possible.

EXHIBIT I

[From The Washington Star, May 20, 1977]

A CRY FROM THE HEART

(By William F. Buckley, Jr.)

The Conservative party of New York State is, of all political parties, the closest to my heart for reasons ideological, historical, and personal, and that party is now engaged in making a bad mistake, with national implications. Herewith a cri de coeur, from a godfather-godson of that party.

In New York, as in so many states, there are draconian penalties for smoking marijuana. Three years ago, visiting Attica prison, I spotted alone in his cell a 21-year-old former student, busted in some rural county, and sentenced by a literal-minded judge to two years in jail for smoking marijuana.

During the late sixties and early seventies, the public mood changed to the extent of opposing jail sentences for marijuana users. However a referendum in California in 1972, proposing decriminalization for marijuana users, was defeated and it was wearily assumed that America would set out resolutely, as in some of the surviving prohibition counties, to maintain primarily a law on the books, while regulating flounting it.

My guess is that you could walk into a police station in New York City dragging on a marijuana cigarette without getting arrested. But there is always that judge out there, before whom a marijuana user is occasionally paraded, who simply leafs through the statutes and prescribes the legislated penalty. It is to shelter the occasional victim that a reform bill has been put together in Albany which bill, at the last reading, is threatened by concerted lobbying against it by the Conservative party.

Serphin Maltese, executive director of the party, is correct in pointing out that there is increasing evidence of the danger of marijuana. Dr. Nicholas Pace, president of New York City's Council on Alcoholism, writing in the New York Times designates alcohol as the single most dangerous drug now consumed in the United States, but tells us that marijuana could better it.

It cannot be over-emphasized that to seek a reform in the laws is not to encourage the use of marijuana: the one proposition does not follow from the other, any more than it follows that the stricter the penalty, the more infrequent the use. The proscription of marijuana smoking by law has failed as unmistakably as national prohibition failed.

What is needed isn't such laws as are currently on the books in New York, which punish possession of as little as one-quarter ounce of marijuana with up to one year in jail, and up to seven years for greater amounts. What's needed, as Dr. Pace suggests, is something on the order of the Sacramento Citation-Diversion Program, which requires youths arrested for possession to take a drug information study course upon the completion of which their arrest records are "wiped clean."

Any explicitly conservative party is especially vulnerable to the charge of unthinking traditionalism, and it is awful to think of

the contempt the party will earn itself if it succeeds in its current endeavor.

It is said that the Conservative party seeks an opportunity to show its muscle. If so, an analysis by John Stuart Mill is relevant. He said in a speech in Parliament, "I never meant to say that the Conservatives are generally stupid. I meant to say that stupid people are generally conservative. I believe that is so obviously and universally admitted a principle that I hardly think any gentleman will deny it. Suppose any party, in addition to whatever share it may possess of the ability of the community, has nearly the whole of its stupidity, the party must, by the law of its constitution, be the stupidest party; and I do not see why honorable gentlemen should see that position at all offensive to them, for it insures their being always an extremely powerful party."

But there are other ways to achieve power, and these should be elected.

EXHIBIT 2

ONE HUNDRED-PERCENT INCREASE SINCE 1973—ONE AMERICAN IN FOUR HAS TRIED MARIJUANA

(By George Gallup)

PRINCETON, N.J.—The percentage of Americans who have tried marijuana has doubled during the last four years, with one adult in four having now tried "grass" at least once.

In the latest Gallup survey of marijuana use in America, 24 per cent of the nation's adults, 18 and older, report they've sampled the substance at least once. Half, 12 per cent, can be considered recent users, having last tried it during the past year.

The overall usage figure is double what it was in 1973 and six times what it was in 1969 when the Gallup Poll's first survey of marijuana use found only 4 percent had tried it.

MOST LIKELY USERS

As has consistently been the case, young adults in the latest survey are more likely to be users than those in any other population group. Fully 56 per cent of those under 30 years of age (and 59 per cent of those between 18 and 24) say they have tried marijuana. Among people between 30 and 49 years old the percentage who have tried it (16 per cent) is less than one-third that of young people. And with those over 50 years old only 5 per cent have indulged.

Sex and education background present interesting contrasts. Men (31 per cent) continue to be more likely to have tried marijuana than women (17 per cent). And those with college training include more who have used it (36 per cent) than people whose education stopped at the high school level (23 per cent) or grade school level (5 per cent).

One of the largest and most interesting differences is that between whites and nonwhites. In 1973 the percentage of whites and non-whites who had tried marijuana was about the same. Today, the level among nonwhites (36 per cent) is significantly higher than that of whites (22 per cent).

To determine what percentage of Americans have used marijuana at least once, the following question was asked:

"Have you, yourself, ever happened to try marijuana?"

The following table shows how the use of marijuana has climbed since 1969:

Ever tried marijuana?

(Percent saying "Yes")

	Percent
Today	24
1973	12
1972	11
1969	4

And here are the latest national findings as well as those by major population groups:

EVER TRIED MARIJUANA?

[In percent]

	Today	1973	Change since 1973
National	24	12	+12
Men	31	16	+15
Women	17	8	+9
Whites	22	12	+10
Nonwhites	36	13	+23
College	36	22	+14
High school	23	12	+11
Grade school	5	2	+3
Under 30-yr old	56	36	+20
18 to 24 yr	59	41	+18
25 to 29 yr	51	26	+25
30 to 49-yr old	16	5	+11
50 yr and older	5	2	+3

CURRENT USERS

A second question in the current survey sought to determine what percentage of Americans are presently using marijuana.

Analysis of the results indicates half those who say they have tried marijuana at least once have done so during the last year. Among the various population groups, those with the highest overall percentage of users are also most likely to have the highest percentage of current users—young people, the college-educated, men, and non-whites.

Here is the question asked followed by the results:

"About how long ago did you last try marijuana?"

WHEN LAST TRIED MARIJUANA?

[In percent]

	During the last—			Ever used
	Week	Month	Year	
National	6	8	12	24
Men	7	9	14	31
Women	4	5	9	17
Whites	4	5	10	22
Nonwhites	13	16	20	36
College	10	12	20	36
High school	4	6	10	23
Grade school	1	1	1	5
Under 30 yr	15	20	30	56
18 to 24 yr	17	22	36	59
25 to 29 yr	11	15	20	51
30 to 49 yr	2	3	7	16
50 yr and older	(1)	(1)	1	5

[1] Less than 1 percent.

Tomorrow the Gallup Poll will report how the public believes marijuana affects the individual—whether people believe it is a relatively benign substance or, in fact, is addictive and leads to the use of hard drugs such as heroin.

The results reported today are based on personnel, in-home interviews with 1,521 adults, 18 and older, in more than 300 scientifically selected localities during the period April 1–4.

SPACE TELESCOPE AND THE GAO

Mr. GOLDWATER. Mr. President, the NASA budget for the fiscal year 1978 provides $36 million to begin construction of a space telescope.

Because a telescope in space is not restricted by the Earth's atmosphere, it will provide a view of the universe not possible with ground-based telescopes. A very high priority has been given to the space telescope by the scientific community.

Congress has been receiving a steady flow of information over the last 4 years about the space telescope while it was in the study phase. There is no question this project is thoroughly justified and may unlock secrets that can be of great benefit on Earth.

On May 4, 1977, the General Accounting Office issued a report on the space telescope which, among other things, belabors the obvious.

It belabors the obvious, because it suggests there may be technical problems. In any R. & D. program, where we push the state of the art, there are bound to be technical problems.

One of the reasons we fund high-level technology is that we increase our knowledge in solving technical problems.

Taking risks, solving problems, and good management have given America a strong technological base—one that can be destroyed if we fail to keep pushing.

When problems arise, there is a set procedure in solving them. First, you define and understand them. Second, you develop technology to solve them. Third, management controls the development program by monitoring progress and aggressively solving problems as they occur. This process is being followed by NASA in creating the space telescope.

The GAO nitpicks NASA's cost estimate for the space telescope. For example, the GAO estimate includes $96 million for inflation during the development program. The NASA development estimate of $435 to $470 million presented to the Commerce Committee specifically excludes inflation. No one is misled.

How realistic is it to predict inflation? Particularly when that factor is not within NASA's control. What is important is that we understand the basis of the estimate so we can monitor it as the job progresses.

With respect to operations costs, $10 to $15 million annually is supportable within the annual budgets for NASA's physics and astronomy program.

Now, the space telescope has been examined in detail to define the project and to identify the problems. These NASA studies provide reasonable confidence of project success and within the cost estimate. If we do not like what we see at any point in the development phase, we can stop it, because all of NASA's activities require an annual authorization.

Finally, the GAO leaves us with this "Catch-22" proposition: It dwells on the negative to the extent that, should it be followed, no research and development project would ever be initiated because the inherent uncertainties of a research and development project could never be resolved because the project would never be undertaken.

OIL POLLUTION LIABILITY AND COMPENSATION

Mr. KENNEDY. Mr. President, I am pleased to see that the Commerce Committee will hold hearings this Thursday and Friday on oil pollution liability and compensation. A variety of acts, including S. 182, which I introduced in January, provide vehicles for the equitable assessment of the costs of cleaning up oil spills and compensating for the damages that they inflict.

The bill which I introduced makes owners and operators of vessels and offshore facilities and the licensees of deep-

water ports liable for discharges of oil. It also establishes a Federal Oil Pollution Liability and Compensation Administration to administer a Federal Oil Pollution Compensation Fund. The fund would be provisioned through a nickel per barrel fee till the fund accumulates $250 million.

Mr. President, I think that liability and compensation provisions would go a long way to reinforcing the safety precautions contained in S. 682, the Tanker and Vessel Act of 1977, which passed the Senate on May 26. They would also more equitably assess the costs when future mishaps occur.

I think that these are very necessary additions to our tanker safety arsenal. They are first of all, prophylactic measures. They make the owners and operators of vessels and offshore facilities and the licensees of deepwater ports liable for the damages that they occasion. This provides them with an incentive to always be watchful for ways in which they can go beyond legislative mandates to incorporate safety features in the construction and operation of their tankers and facilities. Rather than requiring administrators to play a cat and mouse game through attempts to update regulations as they discover the existence of new technology—or new ways in which owners, operators, or licensees are attempting to circumvent existing regulations—we give a powerful economic incentive to these people to self-regulate in an effective manner.

Second, it is a matter of simple fairness that those who have had no part in creating a problem should not have to pay for the damage it imposes. Those who are damaged should be compensated. The fishermen who may see their crop wiped out and their livelihood suspended; those who run resorts who may see their beaches covered with slime and their guests head for the mountains, are not at fault and should not have to pay for the damage inflicted on them. These provisions would mandate that those who mess up our environment should pay for the cleanup. These people reap the profits of transporting oil and it is only right that they should internalize the costs.

I look forward to favorable consideration of liability and compensation provisions, including those included in S. 182, by the Commerce Committee.

TESTIMONY ON INDIAN WATER CLAIMS LEGISLATION

Mr. GOLDWATER. Mr. President, it recently was my privilege to appear before the Senate Select Committee on Indian Affairs at hearings it conducted on S. 905, legislation relating to Indian water right claims in the State of Arizona.

Mr. President, the issues raised in the hearings have sweeping application throughout the entire Southwestern and Western United States and those issues should be carefully reviewed by all Senators, not just those from the State directly affected. The precedent of settling Indian water claims by legislation, rather than by agreement or in the courts, could have tremendous ramifications in numerous other States where Indian tribes are asserting sizable claims against non-Indian water users.

Moreover, the impact of S. 905 and other legislation which may follow in its line, is not limited to Indian water claims, but involves irrigation, reclamation projects, and hydroelectric power generally.

In view of its wide scope and in order to alert my colleagues to the many problems arising out of this type of legislation, I ask unanimous consent that my statement on S. 905 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BARRY GOLDWATER OF ARIZONA BEFORE THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. Chairman, thank you for the opportunity to testify on S. 905, the Indian Water legislation. Now, during my 20-plus years of service in the Senate, I have devoted much time to working wtih Indian tribes for laws, funds and programs that will up-lift the rights and lives of Indian peoples. This has included everything from obtaining hot and cold water for the kitchen sinks of Indian homes to helping tribes acquire their own reservations.

Because I have worked so long for Indian proposals, I find it difficult to oppose legislation being sought by the central Arizona tribes. And I want to make it clear that I don't oppose the purpose of the bill. I endorse the goal of improving the economic self-sufficiency of the tribes.

But let me explain what the bill, despite its good purpose, would actually do.

First, it would reverse previous court decisions which many persons believe have settled the surface water rights of three of these tribes.

As one of the original members of the Interstate Stream Commission, I remember that one of the first findings the Commission made was that the surface water rights of the Salt River, Fort McDowell and Gila River Indian Reservations had already been decided.

The cases involved are called the Kent and Gila River decrees, both of which were subsequent to the Supreme Court decision in the Winters case.

Second, the bill would not settle the water right claims of the five reservations. Contrary to what the title of the bill says, section 301 would leave open for court suit the claims of all five reservations both to ground waters and to surface waters for purposes other than farming. Also, it would leave open all claims of the Gila River Indian Community to the surface waters of the Salt River.

Third, the bill would transfer over one million acre feet of water, all of which is currently in use for irrigating lands on the reservations. This is 92% of the dependable water supply in the three counties where the reservations are located. It is in addition to 160,000 acre feet of rights the reservations already have.

Now, 300,000 acre feet of this would come from wiping out the Wellton-Mohawk Reclamation Project, which I shall discuss in a moment. But even with closing down Wellton-Mohawk, the bill would require that an additional 700,000 acre feet of water be diverted from existing uses to the reservations.

That is more than all the firm supply of the Salt and Verde Rivers put together. The bill would require taking all of the non-Indian agricultural rights on these rivers, plus the Gila, and transferring them to the five reservations. In addition, 270,000 acre feet of water would have to be taken from the urban supply of Maricopa County. This would literally destroy the economy of Maricopa and Pinal Counties and disrupt the lives of hundreds of thousands of people, both Indian and non-Indian.

Fourth, the bill would jeopardize the existence of much wildlife and at least eleven species of birds in Arizona, including the Southern Bald Eagle and Yuma Clapper Rail, both of which are on the Federal endangered species list. The Arizona Game and Fish Department has sent the Committee a statement expressing their serious concern that fish and wildlife resources have not been considered in the bill at all as it stands.

Fifth, the bill would condemn Yuma County, Arizona, into becoming an economically-depressed area. In order to get some of the water required for transfer to the reservations, the bill provides for abandonment of the Wellton-Mohawk Reclamation Project at Yuma.

This project is a major part of the economy of South-Western Arizona. War veterans were given preference in establishing family farms on the project. If it is closed, over 9,500 persons would be forced to relocate. School houses, churches, residences, commercial buildings, improvements on farms—all would be seized and abandoned. The land would return to the desert.

At today's prices, it would cost over $220 million to compensate persons for damages resulting from destroying the project. On top of this, the government would lose all of its original investment, now worth $100 million.

The economic effect of the buy-out is even greater. The farmland which would be condemned is now producing $40 million worth of agricultural products annually. Major crops include alfalfa, cotton, bermuda seed, wheat and citrus. There also is a $50 million livestock industry there.

Using the standard economic multiplier recommended by the University of Arizona, this means more than $450 million of commerical activity annually to Yuma County. Of this amount, $94 million in taxes were paid to the Federal, State and County governments.

And, I might add that retirement of the Wellton-Mohawk project would not eliminate the need to build what is falsely called a billion dollar desalting compex. Actualy, the Bureau of Reclamation estimates the Yuma Desalting Complex will cost $255 million.

Even if the Wellton-Mohawk Project were eliminated, the entire $255 million would not be saved. It will still be necessary to construct part of the desalting plant.

It must be remembered that the question of retiring the project was studied and rejected by Special Ambassador Brownell during the negotiations with Mexico. The agreement that was reached is a national obligation and the improved relations with Mexico provide benefits to the United States as a whole. To close down the project would put the entire burden of compliance upon residents of Yuma County, who represent a fraction of the beneficiaries from the agreement with Mexico.

In comparison to the so-called savings from dropping the project, the total cost of the bill—destroying the project, acquiring firm water rights, constructing water delivery systems, and so forth—will exceed $2 billion.

On a State-wide basis, it would force the relocation of 40,000 non-Indians. It would bring bankruptcy to hundreds of small business persons. It would return many thousands of acres of presently productive farmland to desert waste, while obligating the U.S. taxpayers to subsidize the development of new farmland.

Mr. Chairman, I have suggested the tribes sit down with other water users and seek to develop a fair solution to their water needs by agreement. There are ways to improve the economic life of Indians on the five reservations, but it can be done without destroying a major portion of the economy of Arizona.

KNOM WINS SCRIPPS-HOWARD AWARD

Mr. GRAVEL. Mr. President, radio station KNOM in Nome, Alaska, has won a distinguished journalism citation from the Scripps-Howard Foundation, and I would like to call particular attention to this award in the RECORD.

The task of keeping up with news and current events is hard enough in an isolated community like Nome. Indeed, there is probably nowhere else in the United States where physical isolation is as inescapable a fact of life as it is in Nome and throughout northwest Alaska.

KNOM is one of several radio stations which, under unusual hardship, serve as a lifeline of information for the people of this area.

But beyond the physical isolation, there is another kind of isolation: The gradual isolation of the Native people of this region from their ancient culture.

KNOM's service in this area is especially outstanding and is cited by Scripps-Howard. The station's programing helps in the adjustment to modern American society at the same time that it airs and thus helps preserve many of the outstanding stories of the cultural past.

KNOM very much deserves the Scripps-Howard citation, and I ask unanimous consent that an account of the award that was published in the Tundra Times of Fairbanks be printed in the RECORD at this point.

There being no objection, the account was ordered to be printed in the RECORD, as follows:

NOME RADIO STATION KNOM WINS DISTINGUISHED JOURNALISM CITATION

Nome radio station KNOM has won a Distinguished Journalism Citation from the Scripps-Howard Foundation. In presenting the award, Foundation president Matt Meyer commended the station for "meritorious efforts in dealing with the assimilation of Alaska Natives into American life."

With the citation comes honorable mention in the Roy W. Howard Public Service Award competition for 1976, for which 772 radio stations had been considered.

Specifically honored were KNOM's production efforts for 1976, including the daily series "Northwest Community College Word of the Day," sixty-two episodes of "Eskimo Stories and Legends," 850 subjects treated by "KNOM Encyclopedia," and hundreds of "Native Heritage", health, alcoholism, sanitation, safety and other public service spot announcements.

Presentation of the engraved citation was to have been made at an awards luncheon April 19th at the Union League Club in New York City, but, understandably, none of the KNOM staff was able to attend. The citation arrived by mail this week.

About to enter its sixth year of service to Western Alaska, the 10,000 Watt KNOM is staffed by unpaid volunteers. The station is educationally oriented and broadcasts no commercials, funded instead by individual contributions and the donated salaries of five registered nurses who work at Norton Sound Regional Hospital in Nome and live as volunteers.

The station is owned by the Catholic Bishop of Northern Alaska.

CHARLES LINDBERGH

Mr. GOLDWATER. Mr. President, on May 20, it was my distinct honor and privilege to deliver a talk in New York City honoring Charles A. Lindbergh on the occasion of the 50th anniversary of his historic flight across the Atlantic. I say without hesitation that it was one of the more difficult speeches I have ever been called upon to make. For to me, it seemed important to express exactly what the Lindbergh flight signified. I found that in thinking back on it, I regarded Lindbergh as something more than just a great American hero; that my feelings for him was deeply inbedded in my love for aviation and my love for my country.

Mr. President, Charles Lindbergh almost single-handedly revolutionized the concept of flight in this world. His contribution to the history of aviation and the development of America in a new age cannot be overestimated. I ask unanimous consent that my speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LINDBERGH SPEECH

(By Senator BARRY GOLDWATER)

We assemble tonight to honor Charles Lindbergh and the fiftieth anniversary of his historic flight across the Atlantic. That crossing made him an instant hero. An obscure National Guard colonel from Missouri became a celebrity unrivaled in my lifetime, and perhaps in our 200 year history.

But I do not want to talk about that kind of world renown which was bestowed upon him. Certainly Lindbergh did not want glory. He never sought fame. He resisted it all the rest of his 73 years.

I would rather talk about Lindbergh, the quiet patriot, the real Lindbergh that we rarely if ever hear about. He had the kind of grit that sustained the men at Valley Forge, that kept the wagons moving westward, that enabled families to clear forests and survive hardships of earlier America.

He had the fortitude of the men and women who built this Nation.

And, he had the kind of backbone, I am sorry to say, that too many of us have forgotten is still vital to America today.

This talk I give tonight is not easy for me. It is not just another speech. It has no politics in it. If it is anything, it is an attempt to express something that Lindbergh signifies to me, and that I find difficult to put into words—a great love and feeling for my country.

It is something that he had throughout his life.

To me, at least, we do not gather tonight to celebrate any great single achievement of Charles Lindbergh.

We could do that, of course. We could spend hours, even days, eulogizing him. He almost single-handedly revolutionized the concept of the use of flight. When you ride on one of the great airlines, you are of the new breed. You are part of the air age. And you owe that to him. He brought flight to the common man.

We could well speak of his technical accomplishments. He designed, and supervised the building of the Spirit of Saint Louis. He selected the kind of engine he wanted for the trans-Atlantic crossing. He worked out a detailed navigation plan.

How he prepared himself was professional—skillfully and carefully done. The flight itself did not impress Lindbergh. He knew he could make it. He planned it all out.

We could well speak of his great contributions to the knowledge of aero-dynamics, which all of us who followed him now enjoy, grow with, and profit by.

Or we could cite his substantial contributions to conservation of the beautiful things in the world.

It is not Lindbergh the hero that I want to honor tonight. Rather, it is Lindbergh the devoted American.

I believe he would appreciate the celebration of the fiftieth anniversary of his flight only if it would lead to something—to dedication of the advancement of America, to intangible things of spirit, and not to material rewards.

If there ever has been a time when we needed a Charles Augustus Lindbergh in our 200 years as a republic, I suggest that the time is now—tonight.

Honoring him requires that we think of some of the simple, basic, honest facts and truths of living that have made America the greatest country in the world.

It requires reminding all of us that his achievements are not the products of an over-patronizing Federal Government.

It will cause us to remind ourselves that there is no magic about being a successful American—nor is there any magic about being free.

As I fly West towards my home and look down upon what was once called the great American desert, I think of the men and women who developed America. I think of those magnificent foreigners who left their homes to come across the sea—who came to our shores to learn that freedom is a gift of God.

They are the men who fought the British so our country could be born, and they could create our noble concept of government.

I think of men like Captain John Glover and his Marblehead Regiment, whose wife was ill and his business in Massachusetts was failing. But he and his boatmen were there to ferry George Washington's little army across the Delaware on that cold and stormy Christmas night.

Or of Henry Knox, the fat Boston bookseller, who brought down the cannons from Canada in an incredible, midwinter achievement, which enabled the Colonists to lift the siege of Boston and later to drive the British from New York.

I think of the men who gave us the steam engine, the railroads, the telephone, of Edison who made electricity useful. And of the Wright brothers who gave us wings.

And on those flights West, I look down on our Great Plains, on the Rockies, and at the Donner Pass. I wonder—what kept them going?

But I know. They were the Lindberghs of their times. They had guts, determination, and faith.

Lindbergh's incredible 33 and a half hours across the ocean were the embodiment of those three essentials of our lives and our progress.

That's what tonight is all about. That's what we really must remember, relish, and even cherish in our hearts.

We are still free, but liberty is not guaranteed for us because we are Americans. Freedom is for us to keep, but we can keep it only with those qualities of guts, determination and faith that brought us to where we are.

Let us pray to God to give us generations of Lone Eagles to inspire us, to work for and with us, and to lead us to preserve this splendid United States of America.

GOVERNMENT OPENNESS

Mr. KENNEDY. Mr. President, during his campaign, President Carter was a vigorous and outspoken advocate of opening the processes of the Federal Government and encouraging an increased flow of information to the public. This openness policy, which has also become a fundamental principle of the Carter administration in theory, serves two basic purposes: It increases public understanding and confidence in gov-

ernmental processes and institutions, and it helps keep Government officials honest and alert.

One area where openness can do much to assure the public that governmental decisions are being made on the basis of a balanced input to decisionmakers involves the logging of communications between Government officials and those wishing to influence agency actions. This is a subject on which I have introduced legislation (S. 316) and conducted hearings during the last Congress—on predecessor legislation, S. 1289.

My bill sets up a straightforward but sophisticated scheme for the recording and disclosing of contacts made with high-level agency officials on matters of important policy or on subjects of ongoing proceedings. Following its introduction early in the last Congress, a number of agencies—notably the Consumer Product Safety Commission, the Federal Energy Agency, and the Food and Drug Administration adopted or implemented their own internal logging procedures. A number of others viewed the principle favorably, while specific officials in a variety of agencies voluntarily adopted logging procedures for themselves.

I was extremely pleased to learn that President Carter will soon be announcing a Government-wide Executive order requiring logging of outside communications. Mr. Robert J. Lipshutz, Counsel to the President, announced this impending action appropriately at an Openness in Government Conference late last month, and the Justice Department is apparently putting the finishing touches on the order right now.

While this does not eliminate the need for legislation—since there may be some question regarding the authority of the President to impose logging requirements on members of independent regulatory agencies—it does provide a welcome and constructive presidential initiative in this key area of Government openness. I am looking forward to implementation of the Executive order on logging with great enthusiasm.

I was also interested to note recently two articles in the Washington Post dealing with a related subject—protection and encouragement of whistleblowing.

The first article reported HEW Secretary Califano's action to curb abuses in the Department's procurement practices. In announcing new procedures for the agency, Deputy Assistant Secretary Thomas McFee said:

> We want the procurement officer to know that he can blow the whistle and he'll be backed up.

This reference to whistleblowing is not a new one for the Carter administration, for the President himself, while campaigning last fall, voiced support for protecting and encouraging Federal employees who stand up for what is right and denounce waste, inefficiency, and illegality in the Government.

The lead paragraph in another article in the same paper reported that the Senate Intelligence Committee is drafting a charter for the intelligence agencies "under a powerful new Director for National Intelligence with both budget-making and whistleblowing authority." This time, it is the Congress recognizing the importance of building into even the most sensitive of governmental institutions an escape valve for bringing to congressional or public attention agency wrongdoing.

Mr. President, during the last Congress, I introduced, and the Administrative Practice and Procedure Subcommittee, held hearings on legislation to provide new legal remedies for Government employees who blow the whistle on improper or unlawful official activities. The bill, which was opposed by various spokesmen of the prior administration, afforded protection for employees who disclosed to Congress or the public either public information—as defined by the Freedom of Information Act—or information regarding Government wrongdoing. While the legislation was not acted upon because of widespread agency opposition, clearly the concept is alive and well in the 95th Congress. And while the abuses of Watergate may be farther behind us, the need for this kind of legislation is alive as well.

In light of the President's commitment to open Government and to encouraging personal accountability of Government employees, the Congress should renew its examination into providing procedural protections for Government employees who disclose information to the public. I, thus, intend to reintroduce legislation on this subject as soon as I have a more concrete indication of the administration's conclusions and approach.

If our governmental institutions are to be responsible and accountable to the American people, then the employees who make those institutions run on a daily basis must also be individually responsible and accountable for what goes on in their agencies. This can be possible only if the Congress makes clear that we will support and protect those who have the courage to speak out, without fear of retaliation from their supervisors. That is why a Government Employee's Disclosure Act is needed.

A NEW TYPE OF WAR

Mr. GOLDWATER. Mr. President, a relatively new magazine, Aerospace International, being published in Europe, is edited and supplied with articles by the best military brains that are available in those countries that are friendly to us. They have advanced many concepts and thoughts, I might say, on weaponry, the use of weaponry, but the article that they have come up with in their latest issue is one that I think all Members of Congress, in fact, all readers of the CONGRESSIONAL RECORD should be acquainted with. It is not exactly a new concept of warfare because it has been tried before throughout history, but never has the time seemed so right, for such an approach to national or international turmoil seems fraught with the possibilities of success. Knowing of the interest that Members of Congress have in this matter, I ask unanimous consent that this article entitled, "A New Type of War" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NEW TYPE OF WAR

(By Stefan Geisenheyner)

In the framework of our study of the future tactical fighter's requirements, we have attempted to describe a war scenario as it can conceivably be expected for a conflict in the '90s. This scenario, which is based on the presently discernible trends in advances in weaponry, attempts to predict the impact this might have on the design parameters of future aircraft and their tactics. As we are a technical magazine, the reader must expect us to approach a tentative solution to most questions about a battlefield of tomorrow from a technical point of view only. But there are numerous other factors involved which might change our "technically feasible" scenario decisively.

There is, for instance, the distinct possibility that a future war might be fought on the subversive level. It has been claimed that such a war is largely impossible in civilized and industrialized nations and that the chances of an aggressor winning it are virtually nil. Jungles are supposedly needed to hide in after hit-and-run attacks—but what hiding places are better than the "jungles" which constitute our modern cities? The best example is Northern Ireland where a civil war without any end in sight has been raging for years, nurtured and supported by powers unknown.

Indeed, many specialists suggest that the environment prevalent in modern industrialized nations is more conducive to subversive war than that of rural communities. This primarily so, because a relatively high and steadily increasing level of education for the general populace has become evident. The modern economy requires well trained and flexible personnel to run it. This education, however, is largely one-sided, highly specialized and unfortunately rarely includes social sciences. The full understanding of the latter might preclude a susceptibility to subversive thoughts. Such people then, trained to use their brains only for their working activities, can be much more easily influenced by demagogues than can the more generally educated person or the farm boy whose education has been scanty. This was clearly observed in the U.S. during the Vietnam conflict. The deserters, dissenters and active terrorists originated almost 100 percent in the densely populated and industrialized regions of the nation and belonged to these "half-educated" groups.

With a properly launched propaganda campaign as preparatory measure, an enemy nation can thus very well influence the younger part of the population of a country to be "attacked" by subversive war. In particular, the young people, who are still impressionable, are likely to fall prey to promises made that after a change in government, there would be virtual paradise. Some of these "converts" are willing to go to war to change their social environment and are even ready to place their lives on the line for such an ideal. It goes without saying that the latter group of people are extremely dangerous. Besides being highly motivated, they are fanatics and, furthermore, can often boast a good technical education which allows them to manufacture makeshift weapons from readily available resources.

It is easier to ruin the economy and the persistence of a nation to resist by acts of terrorism than by an aerial bombing campaign. In fact, the latter can even strengthen the resolution of the populance to fight as was demonstrated in Vietnam and in Germany during World War II. Subversive warfare on the lowest level, on the other hand, can be much more effective. It might start with the destruction of electrical power lines, polluted water supplies, and the murdering of government officials. Well placed anti-tank rockets aimed at fuel tank farms,

which are usually located in readily accessible places, can produce a holocaust. Industry is extremely vulnerable to sabotage as are railroads, airfields and ships. The attack on the transport infrastructure of a nation will inevitably lead to violent reactions of the society hit. An internal war of very few against a multitude has begun and the "few" are hard to discover. And no strict curfew or passport control will help.

When the "attacked" country has been thrown into the proper turmoil, nobody can trust his neighbor, and the economy inevitably begins to deteriorate. When poisonings, bombings and selective assassinations of foreign embassy personnel have reached a peak, the stature of the nation has reached a low in the world. Then the time is ripe for a cry for "help" to the subversively attacking nation. It is highly unlikely that the attacked country's armed forces will still be intact enough to resist the "rescuing" armed forces who promise to bring law and order to the country by crossing the border in strength. The dependable defending units are occupied guarding vital installations—which might never be hit—and the allies will either look on (Portugal is an example here) or they will be having similar unrest problems themselves. Naturally a direct border between attacker and the attacked nation is a premise for this scenario but a sea frontier need not be an obstacle as the Angola affair demonstrated.

Under such circumstances who is then to decide that a war has really started? Who is willing to commit a nation to a counter-attack on the nation which has presumably started the subversive war? How many nations of the world community will cry aggression if military action against a neighbor is taken by the nation attacked via subversive war? This is how a modern war might be fought and won by the aggressor, largely without the help of tanks, aircraft and missiles.

The scenario pictured here is possibly not as far-fetched as the one we used as basic fictional background for the tactical fighter for tomorrow. Subversive war is a real danger, but this does not preclude that a nation has to be armed on all possible fronts for future wars if it values its independence. It has to be ready to defend itself on the psychological as well as on the hardware level. On the latter the tactical fighter for the late '80s and the '90s as a successor to present aircraft is an absolute necessity because it provides the needed deterrence factor to prevent at least a shooting war. Deterrence has to be evident on the psychological level as well, and this is not easy to do, as it deals with most intangible factors: the human brain, its desires, frustrations and motivations.

GARRISON DIVERSION IRRIGATION PROJECT

Mr. YOUNG. Mr. President, it would be difficult for anyone in Congress to understand the bitter feeling that exists among North Dakota people over the manner in which Secretary of the Interior Andrus, working with the Audubon Society, gutted the Garrison diversion irrigation project in North Dakota—a project the State of North Dakota has been working on since statehood.

All the changes made by Secretary Andrus working with the Audubon Society, were strongly opposed by the State of North Dakota. In fact, the State had no voice in this change.

Mr. President, neither did the Congress have any voice in this change. If I know anything about the law, it is that only Congress can change the provisions under which Congress authorized this project in 1965.

Mr. President, to give you some idea of the feeling in North Dakota, I ask unanimous consent to have printed in the RECORD various and sundry editorials and a letter to the editor by Mr. R. L. Dushinske, executive vice president of the North Dakota Water Users Association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Minot Daily News, June 4, 1977]

CIRCUMVENTING CONGRESS

We commend a Sierra Club leader named Bruce Hamilton for perceiving the obvious. He suggests that the recent out-of-court settlement between the Interior Department and the National Audubon Society in a lawsuit brought by the latter to halt construction of North Dakota's Garrison Diversion project could be a precedent for further finagling of the same sort.

Hamilton, the Sierra Club's northern plains representative, writes in a publication called the High Country News that the Interior-Audubon deal to hold up Garrison work for more environmental studies proved "there's more than one way to beat a belligerent Congress." He noted that Audubon had expected a difficult court battle until the Carter Administration took office and new "sympathetic agency heads" transformed the Garrison case into a friendly one.

The Sierra Club spokesman feels this illicit partnership was more than a "one-night stand." For Hamilton went on: "If Congress remains pig-headed about funding their (sic) worst pet pork-barrel projects, maybe we should consider more suits and friendly out-of-court settlements with the administration."

A little background: Garrison Diversion had the full support of the Kennedy, Johnson, Nixon and Ford administrations. The project was authorized in 1965, and has been funded by every Congress since then. Now, just who is being "belligerent" and "pig-headed"?

The farcical out-of-court settlement ignored the rights of the state of North Dakota, which was an intervening defendant in the case, and circumvented the constitutional doctrine of separation of powers. Appointed officials in the federal bureaucracy made book with private citizens to stage an end-run around the elected members of Congress.

These same flim-flam tactics could be used to stop water development projects all around the country. All you have to do is start a friendly lawsuit and find an agreeable judge. And that is probably what will happen unless Congress stands up and reasserts its rightful prerogatives.

[From the Bismarck Tribune, June 4, 1977]

AUDUBON'S SECRET RECORDS

A former Bismarcker now living in Devils Lake, Lynn M. Hoghaug, has given articulate expression to a suspicion concerning the national Audubon Society.

The Audubon Society has been a leader in the campaign to destroy the Garrison Diversion project, devoting large amounts of money to the effort. It has had considerable success, notably in negotiating a "settlement" that is really an Audubon victory of its suit to halt work on the project.

Just exactly what is the real purpose of the Audubon Society in its campaign to kill Diversion, Hoghaug wonders? Could the Society be serving secret purposes? And who, really, is financing the Audubon campaign?

Hoghaug suggests, as others have speculated before him, that Audubon may be conspiring to block use of Missouri River water for irrigation so that the water can be used, instead, for industrial projects benefitting not North Dakota but eastern areas.

It is not within us to believe that the Audubon Society would deliberately and knowingly betray its trust in such a way, though stranger things have happened; and, more to be considered, there always is the possibility that it is being unwittingly misused for nefarious purposes. Over the years, it has developed an enviable reputation for honest zeal for the protection of this country's rich heritage of natural resources. It would hurt to see it be besmirched.

Hoghaug suggests that Audubon might put his suspicions to rest by producing answers to certain questions, showing where the money it is spending comes from and where it is going. What contributions has it received in excess of $1,000 from what corporations, for example? What stocks and bonds has it received as gifts, or bought, from energy-related companies and their executives? What is the relationship between Audubon Society board members and various corporations and foundations?

Apparently the Audubon Society does not make full disclosure of its financial records, showing who is giving it money and how it is using that money. This of itself suggests that it has something to conceal. If it develops that substantial amounts of money being used to fight irrigation in the West are coming from sources devoted to the propagation of opposing interests, the suspicious Hoghaug expresses would seem to be supported.

The Audubon Society could easily dispel any false suspicions by making these records public. If it refuses to do so, Congress could resort to the same subpoena route it has used to gather information from other reluctant witnesses. There is no reason any agency with such vast influence on federal legislation and national policy should be able to operate from a base of secrecy. Nor, we suspect, would the Audubon Society want to. Surely it will have no objection to answering all the questions Hoghaug has asked relative to who pays this fiddler and calls his tunes.

[From the Fargo Forum, June 5, 1977]

WHAT ABOUT IMPACT OF UNFINISHED GARRISON?

The National Audubon Society, by making a deal with the environmentalists newly installed by President Jimmy Carter in the Interior Department, has managed to put a "hold" on continued construction of all phases of North Dakota's Garrison Dam and Irrigation project.

The deal, converted into a court order by the U.S. District Court in the District of Columbia, calls for new impact statements to be completed by January 1978.

The Department of Interior, under direct orders of President Jimmy Carter and the guidance of Secretary of Interior Cecil Andrus, wants to junk the project. But to get the new environmental impact statement prepared, the job has to be done by the three federal agencies which have been in on the project from the outset. The court agreement lets the Audubon Society participate in writing the new impact statement, but now the society wants to dictate the individuals who will do the work for the federal agencies.

The society understandably wants "new faces" on the federal study team, and not those individuals from the Bureau of Reclamation, the Fish and Wildlife Service and the Interior Department itself who have participated in prior studies which gave a go-ahead to the project.

In view of the injection of new, ardent environmentalists into key positions in the Department of Interior, there would be no

question but what the new impact report will be critical of the project. President Carter doesn't permit his underlings to voice dissent once he has made up his mind on a course of action.

While officials of the state of North Dakota and Garrison supporters in Congress are trying to figure out ways to overturn the Audubon Society-Interior Department agreement, it would be well for North Dakota to realize that the Carter administration is stacking the deck against the state's best interests. The new impact statement undoubtedly will support the views of the Audubon Society, because that is the way that Carter wants it to come out.

If North Dakota waits until next January before it tries to answer the new impact statement, it will be too late. North Dakota should start writing its own impace statement, not on the project itself but on what will happen to the environment if the project is not completed.

The McClusky Canal is virtually complete, but it has no fresh water coming in, and no place to discharge the normal flow from rainwater and seepage that will make the ditch an ideal mosquito breeding ground. There will be a dozen or more cities without a long-range water supply for municipal purposes. There will be no recharge available for underground aquifers which are pumped dry by irrigators who otherwise would use Garrison diversion water.

The drastic impact of an uncompleted Garrison could be far worse than all the horrors which the Garrison detractors now imagine. But North Dakota will have to write this impact statement itself; the state will get no help from the Carter administration or the Audubon Society.

[From the Grand Forks Herald, June 4, 1977]

THE HERALD'S COMMENTS—NORTH DAKOTA LOBBYISTS

A group of North Dakotans is in Washington this week to lobby for full funding of the Garrison Diversion Project—despite the Carter Administration's efforts to scuttle it.

Governor Arthur Link, members of the legislative oversight committee for the project and representatives of the Garrison Diversion Conservancy District hope to visit with every member of the House of Representatives before the week is over.

They want members of Congress to understand just what has happened in regard to the big irrigation and municipal water supply project. And they want to put into perspective the part it plays in the overall Missouri Basin development, for which North Dakota has sacrificed so much.

Governor Link has written each member of Congress personally in advance of this week's visit to set the stage for the talks. In the letters, Link has made his bluntest criticism yet of the Carter Administration's handling of the project.

"In effect," he said, "the administration is refusing to execute the law directing construction of the Garrison Diversion Project. Instead, it is offering additional unnecessary studies and alternatives. This is unacceptable to North Dakota.

"As a former member of Congress, I am disheartened that the will of Congress can be frustrated in such a manner. As a governor, I am shocked by this negative approach to federal/state relations."

As teams of two North Dakotans call on each member of the House this week, we pray that they may plead North Dakota's case forcefully and successfully.

[From the Devils Lake World, June 1, 1977]

BACK DOOR TACTICS STOP DIVERSION PROJECT

(By Don Gackle)

The Garrison Diversion project may have been dealt a fatal blow when the Department of the Interior and the National Audubon Society reached an agreement which stops at least temporarily the project, except for completion of the McClusky Canal.

All other construction and acquisition of land would be halted pending preparation of a comprehensive environmental impact statement for the entire project and for alternatives. This is to be completed by Jan. 1 after which Congress would be asked to reauthorize, scuttle or modify the project.

While Garrison Diversion is a goal long-sought by North Dakotans, particularly its leaders, the unprecedented agreement (involving an agency of the executive branch, A U.S. District Court judge and a private organization) affects relatively few North Dakotans directly. The project which once envisioned irrigation waters for a million acres of North Dakota farmland, since cut to 250,000 acres, is small in comparison with the total land area of the state or with the total number of residents of the state.

A relative handful of farmers were planning to draw water from the project's systems of canals. And perhaps most notably, a few cities had hopes that their water shortage problems would be relieved by the diverted waters from the Missouri River. But while the leaders of those cities might be uptight about the turn of events, most citizens are only mildy concerned because they haven't been hurt enough by water shortages, at least yet.

Even though the numbers of North Dakotans directly affected are few, there are many who live in this state who are more than mildly disturbed. They're wondering, and understandably so, what right an agency of the executive branch of government has to negotiate out of court with a private organization on a project authorized by Congress. They're wondering where a federal judge gets his authority to set aside the wishes of Congress, backed by at least three Presidents, to appropriate funds for any project.

And they're, wondering about a President whose campaign answer to questions was "Trust me." They're wondering whether that trust was misplaced. They're wondering whether his election really has meant a new day in open government

Disturbing and disheartening is the way the project was shelved. The issue raised last week isn't whether the project should be stopped or whether it should go ahead . . . but who should determine the project's future and how should it be decided. It should not be in the "dark of night" through a "slick political maneuver," as Congressman Mark Andrews has charged.

When President Carter was elected and when he announced that former Idaho Gov. Cecil Andrus was his selection to replace North Dakotan Thomas S. Kleppe as Secretary of Interior, no one quite realized that Garrison Diversion would be adversely affected. But the alert observers soon feared what was to come when over-zealous environmentalists began to occupy chief positions in the Interior Department. It's apparent that North Dakota's Democrat leaders have been ineffectual in their dealings with the Carter Administration (a fact also borne out by the Administration's proposed farm program).

But any attempt to add politics to the Garrison Diversion issue would be a mistake. The project has been supported enthusiastically for years by both the North Dakota Republican and Democrat parties and by virtually all of their leaders. If the state is to salvage even part of the project now, continued bipartisan cooperation among state political leaders is essential.

Despite the gloom which enveloped diversion backers after the out of court settlement of the Audubon Society's suit against the Interior Department, the fight in support of Garrison Diversion apparently will go on, first in the halls of Congress and then, if necessary through the courts. The North Dakota Legislature earlier this year appropriated $250,000 to be used for court action in behalf of the project if necessary.

Before leaving the Garrison Diversion subject, perhaps there are lessons that should be learned. Agencies of the federal government were often times abusive, haphazard and dictatorial in their acquisition of land for the project, in their dealings with some affected persons. That kind of action encouraged the growth of opposition which began with but a handful. Through perseverance of that small group and because of the insensitivity of government, the threat to the project grew. Perhaps at another time in our history, when environmental concerns were held by just a few, the project would have gone ahead despite the opposition.

[From the Grand Forks Herald, June 5, 1977]

LETTER TO ANDRUS

MINOT, N. DAK.—An open letter to Secretary of the Interior Cecil Andrus:

As a citizen and former governor of Idaho, you must recognize the major part water has played in the orderly progress of the arid and semi-arid West.

Thus it was with alarm and apprehension that the West viewed your acquiescence to the President's order to deny funds to 19 water resources projects which have the authorization of Congress.

The hasty review before a board stacked with environmental advocates and known critics of development did nothing to restore our faith.

Equally disheartening was your failure to live up to your responsibilities and duties as administrator of the Department of Interior by capitulating to the opposition and negotiating an out-of-court settlement of the Audubon Society suit to halt the Garrison Diversion Unit for yet another environmental impact statement. This must have shaken the morale of a highly-regarded bureau that has painstakingly developed this beneficial project over a period of 30 years as an integral part of the Pick-Sloan Missouri Basin Program, authorized in the Flood Control Act of 1944.

You apparently ignored the fact that the project's environmental impact statement already has run its course through the federal courts which rejected a challenge of the EIS adequacy both at the district and appeals levels.

Likewise ignored were the legal contracts between the United States, the state of North Dakota and the Garrison Diversion Conservancy District, plus the moral obligation to carry out the bargain for the state's share of the benefits of the Pick-Sloan Missouri Basin Program.

We seem to remember a quotation in the press that your administration would take a balanced approach to any conflicts between the environmental cause and economic benefits. In allowing the Audubon Society to dictate the terms of the settlement, the scales was over-balanced all one way.

R. L. DUSHINSKE,
Executive Vice President, North Dakota Water Administration.

A CONGRESSIONAL DECISION IS NEEDED ON THE FUTURE OF THE TELECOMMUNICATIONS INDUSTRY

Mr. GOLDWATER. Mr. President, in March, the Senate Subcommittee on

Communications held a series of oversight hearings on public policy for telecommunications common carriers. Although no specific legislation was the subject of these hearings, the entire thrust of the subcommittee's inquiry related to what industry structure is most likely to achieve the social goals which should be set for the telecommunication system. This is exactly the question that I and several of my colleagues wish to have answered by Congress instead of by the Federal Communications Commission.

We have introduced legislation, S. 530, which would bring the fundamental issues raised at the recent oversight hearings before Congress for a resolution. We are asking that Congress, and not the FCC, decide the way in which telecommunications service is to be furnished in the future.

We believe Congress should examine whether or not recent FCC policies of injecting competition into the telecommunciations field are justified or will actually result in a wasteful duplication of services, higher home telephone costs for the average American, and a decrease in the introduction of basic new technology as contrasted with superficial product differentiation.

Mr. President, at the Senate oversight hearings, Mr. Richard E. Wiley, Chairman of the FCC, hailed the Commission's policies as having led to the introduction of numerous types of new consumer equipment. However, he failed to make any distinction between the frills of mere product differentiation and the introduction of new technology flowing from basic research. There is a considerable difference between the introduction of the transistor, for example, and the placing on the market of a telephone desk set with a new color scheme.

In other words, the FCC has failed to notice the difference between types of changes. What the Commission should be asking is: Does the so-called innovation merely increase demand and satisfy some exotic taste, or does it offer a scientific or technological breakthrough by which solutions to problems are radically changed and concepts which were previously not feasible may become feasible?

One of the major arguments which the FCC is using to justify its present policies of bringing additional companies into what has traditionally been the field of service offered by the telephone industry is that this competition will bring about substantial and major innovations. But any fair review of the historical record will show that the telephone companies have been introducing innovations of technology on their own initiative throughout the entire 100 years of their industry.

In my opinion, this tradition of self-generating innovations within the telephone industry has been a constant process brought on by that industry's fascination with and constant efforts to develop new technology. The truth is that the FCC's so-called competition policies might stifle progress by making the independent and Bell System companies turn less to basic research and more to product frills.

As examples of some of the new services coming onto the market within the regulated telephone industry, and which have nothing at all to do with FCC policies, I might mention the digital loop system which is being introduced right now into rural areas, such as Arizona. This system converts speech into pulses and is used to connect individual phones to the central office. It replaces the system of connections that formerly were carried by waterproof cables holding one pair of wires for every customer's telephone.

The cost of providing the traditional type of connections has increased from $150 to $250 over the last 10 years. The new digital method is much less expensive and will hold down customer costs, while providing an improved quality of sound reproduction to rural customers.

Mr. President, it is particularly important to note that this innovation occurred in the least lucrative market which exists in the telephone industry. The rural field is a service area where only the telephone companies compete among themselves and it demonstrates that outside competition is not required to produce innovations in telephone service.

Another example I should mention is the new switching system which the telephone companies will introduce by 1980 to interconnect different telephone companies. This system will be able to handle 150 calls per second and is needed in order to provide the service Americans are accustomed to receiving as the numbers of long-distance calls that are being placed increase by several millions daily in the future. It should be known that Western Electric spent an entire year's net profit on developing this machine which will serve the public, a unique testimony to the importance put on new technology by the telephone industry.

Another new system being introduced is called common channel interoffice signaling—CCIS. This remarkable system will allow connection of telephones anywhere in the country within 2 seconds and improve the efficiency of the entire telephone network by 30 percent.

In brief, as I understand it, it will hold calls off of the regular communications network during the few moments it takes for each phone to be picked up at the receiving end, and it will remove from the regular circuit calls that are generating busy signals at the receiving end. In this way, the regular circuits can be used only for actual communications.

Mr. President, I believe the record will clearly show that the telephone industry has carried out a systematic program of true innovation for many decades and that the real result of actions by the FCC, if it continues and extends its present policies, will be to decrease rather than increase systems innovations and technological breakthroughs. Certainly, the issue is of such great importance to the public that we in Congress should determine the facts and make a decision, rather than delegating our responsibility to unelected Commission officials.

Mr. President, some of the points in difference between the telephone industry and the Federal Communications Commission are clearly discussed in a rebuttal which the American Telephone & Telegraph Co. has filed with the Subcommittee on Communications recently in response to Chairman Wiley's testimony. The informative paper concisely states the fundamental issues which both the Bell System and the 1,618 independent telephone companies wish to have considered by Congress, and in order that my colleagues may have it available before the hearings are published, I ask unanimous consent that the paper be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

A.T. & T. REBUTTAL TO TESTIMONY OF FCC CHAIRMAN WILEY AT SENATE SUBCOMMITTEE ON COMMUNICATIONS HEARINGS OF MARCH 21, 1977

In his appearance before the Senate Subcommittee on Communications, Richard Wiley, Chairman of the FCC, constructed a picture of the telecommunications industry that—while not inaccurate in many of its specific statements—is incomplete in many areas. Left unchallenged, these omissions could cause serious misunderstandings regarding the nature of the industry which has served the public interest for many years. Therefore, it seems imperative that an effort be made to clarify the record.

The most significant of Chairman Wiley's omissions arose in his discussions of consumer rights, technological development and implementation, and the regulatory role in coping with the potential effects of competition on the residential consumer.

CONSUMER RIGHTS

Chairman Wiley's testimony assumed an a priori acceptance that the recent actions of the FCC in introducing its brand of "competition" into the telecommunications industry have been in the public interest, or as he refers to it, in response to unmet consumer rights. This matter lies at the very center of the controversy now before Congress, namely, that in a matter of such national importance as the way in which telecommunications service is to be furnished in the decades ahead, the public—through its elected representatives—rather than the FCC or the telephone industry should decide what is in its interest.

Throughout his testimony, Mr. Wiley failed to recognize the contribution that the principles of accountability, universality, and systemic integrity have made to providing this country with widely-available, low-cost, high-quality telecommunications service which is universally recognized as the best in the world. This could leave the false impression that these principles—which have been embraced by the industry and sanctioned by state and Federal regulators and are responsive to Congressional policy as enunciated in the Communications Act of 1934—are no longer applicable and should be cast aside in favor of the FCC's view of what national telecommunications policy should be.

A closer look at Chairman Wiley's contention that FCC policies have been designed to meet consumer rights reveals that the consumers benefitted by those decisions are primarily big businesses. The potential impact of those same decisions on the residential body of consumers—approximately 65 million people—has not been accounted for in the decisions to date. Only in the last few years has this potential impact been made the subject of a proceeding, Docket 20003, and very recently in the establishment of a Joint Federal-State Board proceeding to study the separations procedures in light of FCC policies.

From AT&T studies it appears inevitable that, in spite of Mr. Wiley's concern for consumer rights, present policies may result in

residential subscribers paying more for basic home telephone service.

Despite Mr. Wiley's protestations to the contrary, the FCC has yet to develop any comprehensive study of what is in the long-range best interests of all consumers, nor has it come up with the means to determine whether its decisions are advancing the public interest. Rather, what has been taking place is a series of piecemeal decisions made with little or no idea of how they might impact on the public interest. The validity of this assertion can be found within the FCC itself. As FCC Commissioner Benjamin L. Hooks has said of these actions:

"How did we get from *Carterfone* to the 'Consumer Communications Reform Act of 1976'? The answer, I believe, is a classic case of a policy developing and defining a regulatory agency rather than *vice versa*. It is a policy which—although portending the most radical changes in the telephone system in this century—was not postulated, discussed or debated in a great public forum or a national rule making where the public or the Congress could observe and comment. Rather, without any general outcry that anything was dramatically wrong with our present telephone system—customarily thought to be the best and cheapest in the world—a series of fragmentary, innocuous little decisions were made. Thus, in a process, I have called "creeping revisionism," the FCC is far down a road with only the slightest conception of how it got there and only the foggiest idea of where that road will lead." [1]

And even more recently, another commissioner in a dissenting vote on another "competition"-related decision, said:

"I have supported virtually all of the Commission's actions favorable to a competitive environment in the telecommunications industry. I continue to favor competition in the non-monopoly services, including the private line services. I do not believe, however, that it serves any useful public purpose to rewrite the dictionary in an effort to persuade ourselves that we are not beginning to intrude into areas in which the Commission has categorically stated that it did not wish to intrude." [2]

Chairman Wiley himself expressed doubts about the effectiveness of FCC "competitive" actions in November 1975 when he said:

". . . I am disappointed by the failure of some specialized carriers to fulfill their promise to provide new and innovative services . . ." [3]

In a recent concurring statement on another FCC "competitive" decision, Chairman Wiley indicated that the FCC lacks a clear idea of how to pursue its own public interest goal when he said:

"I concur in the Commission's rejection of Sprint Option IV and SPLS Option III. Quite candidly, neither of these proposed services falls neatly within the traditional definitions of either private line services or MTC/WATS. The problem, of course, is that applying definitions in this area is particularly difficult when new proposals strain the boundary lines in ways not previously conceived. Under such circumstances, consistency in definitional decisions can sometimes be a considerably challenging task." [4]

In his testimony, Mr. Wiley alleged that the conventional methods of regulation were incapable of causing telephone companies to respond to consumer needs; therefore, the new "competitive" regulatory approach was necessary. Much of his testimony indicated that, contrary to his assertions, the FCC actions have not been based on an overall determination of how consumers can best be served but comprise instead a piecemeal unplanned approach to future industry development. Examples of this haphazard approach are found in his references to Docket 20003, the Uniform System of Accounts, and the new Joint-Board Docket. Docket 20003, established to evaluate the economic impact of the FCC's competitive decisions, was not initiated until 1974, well after the FCC had embarked on its "Competitive" course. Mr. Wiley stated that the Uniform System of Accounts is not appropriate to a "competitive" environment, but the FCC has just begun, again long after the establishment of that environment, to review present accounting methods and suggest alternatives. Finally, the FCC's recent call for a joint-board to study the impact of FCC "competitive" decisions on the financial health of Independent telephone companies is indicative not only of its failure to assess the possible consequences of its actions prior to taking them, but of its concession that such consequences are likely.

Mr. Wiley's comments on each of these items individually and collectively indicate that far from making a prior determination that conventional methods of providing service were incapable of responding to consumer needs, the FCC is attempting to justify its new direction after the fact under the guise of meeting consumer rights. It is precisely because of our fundamental difference with the FCC as to what the public interest is that the telephone industry is seeking Congressional resolution.

TECHNOLOGICAL DEVELOPMENT AND IMPLEMENTATION

Chairman Wiley described four basic technological developments which have been key to the evolution of telecommunications: microwave radio transmission, digital and computer electronics technology, solid state electronic circuitry, and rocketry or communications satellites. While the Bell System has never claimed to be the source of all technological innovation—even in the communications field—Chairman Wiley's discussion fell far short in describing the role that the Bell Laboratories has in fact played. The following discussion indicates some of the contributions made by Bell Labs to the development of the technologies addressed by Chairman Wiley.

Microwave radio transmission

Mr. Wiley asserted that microwave radio transmission was developed during World War II as part of the development of radar and that the Bell System failed to make use of it for long distance service until pressured by others, including the government.

A look at how the technology actually developed reveals that microwave radio transmission in the United States is, an outgrowth of Bell System work in radio transmission beginning with the first radio telephone circuit from Montauk to Wilmington, Delaware, in 1915. Development work continued until the Second World War when work for the government forced Bell Labs to suspend efforts to develop microwave relay systems for Bell System use. However, the advances in microwave technology already achieved were important to the Labs' work for the military in radar and other advanced electronic systems.

In April 1944, Bell Labs announced plans to develop an intercity microwave system "as rapidly as the war situation permits." A special project group was set up for this purpose in December 1944. And in 1947 the first Bell System experimental microwave relay system began operation.

It is also interesting to note that the four primary inventions in the early development of microwave radio technology are attributed to six inventors, four of whom were affiliated with Bell Labs. A fifth inventor later joined Bell Labs.

Digital and computer electronics

Chairman Wiley stated that digital electronics technology was developed primarily outside the telecommunications industry and that the first digital electronic computer was the UNIVAC which was delivered to the U.S. Census Bureau in 1951. Even though other industries have made numerous and significant contributions to digital electronics technology, Chairman Wiley has almost completely ignored the contribution of Bell Labs.

In fact, the first electrical digital computer using binary devices was put into service by Stibitz and Williams at Bell Labs in 1939. Bell Labs' invention of the transistor in 1948 started the evolution of the technology that is the basis for today's electronic computers, and the first all solid state digital computer was developed by Bell Labs in 1954.

The Bell System began using digital transmission in its working system in 1962, long before anyone else produced any similar system.* Six years of extraordinary effort resulted in the successful embodiment of the new solid state electronics into this digital transmission system which now permeates our entire metropolitan and suburban network, substantially reducing the costs of short-haul transmission.

Solid state electronics

Chairman Wiley briefly discussed the importance of solid state circuitry, which is the basis of modern electronics as well as important telecommunications developments such as electronic switching and communications satellites. Once again, Mr. Wiley's discussion omitted the contribution of Bell Labs, even though the entire electronics industry is based largely on Bell Labs' invention of the transistor in 1948. Bell Labs' innovation did not stop with the transistor. One example is Bell Labs 1956 development of the oxide masking technique which made integrated circuits possible. Later, Bell Labs invented magnetic bubble devices and charge coupled devices which may well be basic to future advances in low cost computer storage systems.

Communications satellites

In discussing rocketry and communications satellites, Mr. Wiley completely ignored the fact that the Bell System proved the feasibility of satellite communication in its Telstar satellite experiments in 1962. Perhaps even more significant was Chairman Wiley's failure to mention the regulatory delay of the FCC in authorizing the Bell System to use its satellite technology and the FCC's ban on the use of Bell System satellites to provide competitive private line services until its system has been in service for three years.

REGULATORY ROLE IN COPING WITH POTENTIAL EFECTS OF COMPETITION

In discussing the role of the FCC in creating a competitve environment and in coping with the potential effects of competition on the residential subscriber, Chairman Wiley delineated his view of the limited nature of

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[1] Competition in the Telecommunications Industry, Hearings before the Subcommittee on Communications of the Committee on Interstate and Foreign Commerce, House of Representatives, 94th Congress, 2nd Session (1976) p. 184.

[2] James H. Quello, Dissenting Statement in re SPRINT and SPLS Tariff Filings, February 3, 1977.

[3] Richard E. Wiley, Speech before the 87th Annual Convention of the National Association of Regulatory Utility Commissioners, Boston, Mass., November 3, 1975, p. 8.

[4] ———, Concurring Statement in re SPCC SPRINT and MCI SPLS Private Line Tariffs, February 3, 1977.

*This was more than a decade before Datran used intercity digital transmission.

competition and the FCC's inability to see any adverse economic impact that cannot be readily ameliorated.

Competition in the supply of terminal equipment is obviously here to stay. The Bell System's concern is that the quality and affordability of service not be adversely affected. Chairman Wiley charged that there has been no substantial evidence of technical or economic harm resulting from customer-provided equipment. This ignores evidence presented to the House Subcommittee on Communications last September as well as other evidence including numerous FCC filings and results of a New York Public Service Commission staff study which found that economic harm to residence subscribers might result from increased interconnection of customer-provided equipment.

Mr. Wiley defended the FCC's registration program by stating that connecting arrangements are unnecessary as the equipment will have appropriate protective circuitry and be registered with the FCC. What Chairman Wiley did not discuss was how maintenance problems should be handled. In fact, he said:

"From the standpoint of who is going to repair it (terminal equipment) when it breaks down, our registration program is not designed to insure that every piece of equipment is going to properly work right just as we don't guarantee that every television set that is sold is going to function properly in the consumer home. What it is saying, is that the equipment will not harm the network." [5]

It is difficult to believe that Mr. Wiley seriously meant what he said, since shortly thereafter he stated:

"We think that local service is extremely important, every American citizen ought to be entitled to low-cost residential telephone service that works." [6]

These statements, on their face, are mutually inconsistent. It is not possible to assure consumers of basic service "that works" when there is no intent to assure that the instrument—which the consumer uses with the service—continues to work. Furthermore, to draw an analogy between the interaction of telecommunications terminal equipment and a television set with their respective networks is at best inappropriate. This comparison fails to recognize the two-way operation of the vast majority of telecommunications terminal equipment which, unlike television sets, activates the complex telephone network. A malfunctioning television set affects only the recipient, while malfunctioning telecommunications equipment can, perhaps even unbeknown to the one causing the problem, affect the service of other subscribers.

Chairman Wiley supported the adequacy of the FCC's registration program by pointing out that the telephone companies do not require their customers to use connecting arrangements. Again, significant information was omitted. It should be noted that the National Academy of Sciences study—commissioned by the FCC—found real potential for harm to the network from a proliferation of customer-provided equipment. Furthermore, the argument that telephone companies do not require their customers to use connecting arrangements goes right to the heart of the matter. When the telephone companies provide the equipment, they retain responsibility for the service and guarantee its quality from end to end.

With regard to intercity services, Chairman Wiley reiterated that competition has been introduced in select areas—not in regular long distance (MTS) or WATS—to meet alleged unmet customer demands. There are several problems with this argument. It ignores the effects of cross-elasticity, that is, the substitutability of private line services for MTS and WATS. It also ignores the fact that competition has not fostered new services for the customer but has fostered wasteful duplication of facilities. In fact, regulatory actions have led to an arbitrary allocation of the market.

In discussing the economic impact of competition, Mr. Wiley asserted that no evidence of economic harm to the residential subscribers has been presented by the telephone companies and that the FCC's Docket 20003 First Report suggests that the residential subscriber may be subsidizing other customers. The Bell System has made studies which show one possible consequece of current regulatory policies could be higher home telephone rates.[7]

The study methodology and procedures have been reviewed and commented upon by Arthur Andersen & Company, National Economic Research Associates, and economists Andrew F. Brimmer and Paul W. McCracken.

As for residential customers subsidizing others—this is impossible. Residential rates for basic service do cover their direct costs of switching and trunking local calls. However, according to the November 1975 Residential Cost Study, residential revenues fell short—on an annualized basis—by $4.6 billion of covering the costs of the residential access lines which are used for both local and long distance calling. Therefore, it is not possible for residential rates to subsidize business customers or competitive services.

We have suggested that Congress select an independent authority to evaluate the validity of Bell System studies or conduct its own studies. AT&T is convinced that the results will verify its already stated conclusions.

Chairman Wiley also charged that the Stanford Research Institute (SRI) analysis of the FCC's Docket 20003 First Report and the T&E analysis of the material compiled in that docket supports the FCC's conclusions. Although the SRI analysis does not wholly support the Bell System position, it certainly does not support the FCC conclusions. In fact, it indicates that there is substantial evidence that there will be some significant degree of economic harm to the general body of ratepayers resulting from loss of contribution, cross-elasticity between private line services and MTS and WATS, and loss of some of the benefits of economies of scale. Furthermore, SRI finds the FCC's claims that there are benefits to be gained by competition in telecommunications to be inconsistent with the evidence as well as with some other claims the FCC makes concerning competition.

In discussing the rates and costs issue, Mr. Wiley charged that AT&T has not adequately cost supported its Hi-Lo, WATS, and DDS tariff filings. AT&T filings, however, have been fully supported both with data and by economic theory. For example, DDS rates were filed in contemplation of the full digital network and were designed to produce rate stability for users of the full digital system—and those rates were designed to be fully compensatory on any reasonable costing basis. It is disappointing to be faulted on rate levels when AT&T is convinced that, given the opportunity to expand the digital network as planned, those rate levels are proper. The real effect of the Commission's decision is to artificially impose higher rates on users for the interim period required to attain a fully developed service, and in the meantime to give competitors an artificial protective umbrella. AT&T has asked the FCC to reconsider its decision and to find that the existing record fully supports the lawfulness of the DDS tariff in all respects or, should the record be reopened, to afford it the opportunity to meet extra-record assertions on the record and to remedy the inadequacies in the record. The Department of Defense has joined in requesting reconsideration and has taken issue with the decision on five counts.

CONCLUSION

The FCC is an agency established by the Congress to assure that communications services are widely available and affordable and to regulate the providers of those services. The FCC has, however, made a number of decisions that AT&T feels are going to restrict the availability and/or the affordability of telecommunications services. Many of these decisions also have changed regulation from an even-handed application of regulatory policies to a heavy-handed imposition of different ground rules on the various providers.

Mr. Wiley began his statement with a discussion of the financial health of the industry in an apparent attempt to show that regulatory decisions have not had adverse economic consequences. Even though Mr. Wiley's statement on the financial health of the industry stands true, it does not address the economic impact question. At no time has the Bell System or the industry warned of financial collapse or even faltering as a result of competition. The industry can survive. Indeed, the Bell System would expect to prosper in a truly competitive environment which, unlike the present situation, was fair for all parties. The real question concerns the economic impact on the residential customer. Congress should not be handed a false security blanket with the implication that all is well because the Bell System had another billion dollar quarter. All is not well if consumers are going to have to pay more—and some may have to pay more than they can afford—for essential communications services.

Because of the complexity of the issues and the severity of the consequences to the consumer, we are impelled to ask Congress to call a halt to the further implementation of these decisions until it can determine and express where the public interest lies and how it can best be served.

(This concludes additional statements submitted by Senators today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The time for morning business has expired.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10 o'clock having arrived, the Senate will now resume consideration of S. 1523, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 1523) to amend the Housing and Community Development Act of 1974; to extend housing assistance and mortgage insurance programs; and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on the adoption of amendment No. 335, offered by the Senator from Missouri (Mr. EAGLETON).

[5] Oversight Hearings on Domestic Telecommunications Common Carrier Policies, United States Senate Committee on Commerce, Science and Transportation, Subcommittee on Communications, March 21, 1977, Transcript p. 64.

[6] *Ibid.*, p. 65.

[7] See the 1975 Residential Cost Study, which was submitted to the Senate Subcommittee on Communications with the testimony of John D. deButts on March 21, 1977.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged equally against both sides on the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I yield 3 minutes to the distinguished Senator from Texas (Mr. TOWER).

Mr. TOWER. Mr. President, I commend the distinguished Senator from Missouri for taking the initiative in this matter. He presented it to our committee, where, unfortunately, the proposition failed; but I think it is proper that it be brought up again at this time.

As we all know, currently, no federally insured financial institution can make a loan to purchase a home which is to be newly constructed in a known flood hazard area unless the purchaser has flood insurance on the home.

In order for the purchaser to obtain flood insurance, the community must be participating in the program. If the community is not participating in the program, no flood insurance can be purchased, and consequently, no loans can be made for new construction in flood hazard areas.

This amendment would replace the sanctions with a strong disclosure system. This amendment would allow a lender to make a loan if it informs the purchaser in advance that:

The property is or will be located in a flood hazard area;

Whether or not flood insurance is available; and

In the event of a disaster caused by a flood, whether or not Federal disaster relief will be available.

The intent here is to fully inform the purchaser of the risk he is taking.

If he absolutely knows the risk involved, the choice should be up to him as to whether or not he wants to take it. I think such disclosure will have the effect of making people think twice about whether or not they want to purchase the particular home. Additionally, there is nothing in this amendment that would preclude the lender from requiring, on its own, as a condition to making the loan, that flood insurance be purchased.

Furthermore, there is nothing in this amendment that would preclude the FHA, VA, Farmers Home Administration, or any other Federal agency from requiring that before any assistance is given through a mortgage insurance, loan or grant program, flood insurance will have to be purchased by the buyer of the property. This amendment relates solely to conventional loans, and does not affect Federal agency administrative policy.

We have received no testimony since the inception of the flood insurance program that any financial institution has closed its doors due to losses it incurred due to flooding of properties on which it held the mortgages. I do not think that it is or should be the purpose of our financial institutions to be the police for a program such as this.

I support the flood insurance program, but I also support the right of the individual to decide what risks he or she might want to take. I think a system of strong disclosure, rather than sanctions, would accomplish both.

Mr. EAGLETON. Mr. President, I thank my distinguished colleague from Texas for his support and for his interest in this important subject matter.

Mr. President, I ask unanimous consent that the name of Senator DOLE be added as a cosponsor of this amendment.

The DEPUTY PRESIDENT pro tempore (Mr. HUMPHREY). Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask unanimous consent that two members of my staff, Jack Lewis and Mark Abels, have the privileges of the floor during the pendency of this bill.

The DEPUTY PRESIDENT pro tempore. Without objection, the request is granted.

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum, with the time to be charged to neither side.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

Mr. EAGLETON. Mr. President, I amend that request. I suggest the absence of a quorum with the time to be charged equally to both sides but on the bill.

The DEPUTY PRESIDENT pro tempore. All right. Without objection, it is so ordered. The clerk will now call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I am prepared to conclude my presentation on this flood insurance matter, then I will yield back the remainder of my time.

However, before yielding the floor, I want to respond briefly to two points that were raised yesterday by Senators PROXMIRE and BROOKE.

The first opposition argument is that under my amendment communities will stay out of the flood insurance program and rely instead on Federal disaster relief. That is the argument of Senator PROXMIRE.

In answer to that, I do not really have to go any further than the clear words of the amendment itself. It states categorically that any community which opts not to participate in flood insurance is ineligible for Federal flood disaster assistance. It is unambiguous; it is clear, precise and definite. If a city opts not to go into the program, it is foreclosed from getting flood disaster relief.

The second opposition argument I want to respond to is that allowing some communities to decide for themselves whether to come into this program would cost the taxpayers billions of dollars. That is the second argument of Senator PROXMIRE.

The only conceivable basis for that incredible assertion could be the erroneous assertion that nonparticipating communities would receive disaster aid. Again I want to make it clear in terms of the words of my amendment that far from costing the taxpayers any money, my amendment would save tens of millions of dollars in unnecessary Federal subsidies to private insurance companies.

Mr. President, the real issue in this debate is whether Congress is going to accept the notion that a conventional loan from a private bank or savings and loan institution is a form of Federal assistance simply because the bank is insured by FDIC. If we are going to allow our banking laws to become a tool for enforcement of Federal programs of this kind, then I think we can forget about local government, because there will be virtually no limit on the ability of the Federal Government to intervene.

ADDITIONAL STATEMENTS SUBMITTED ON AMENDMENT NO. 335

Mr. BAKER. Mr. President, I wish to express my firm support for the amendment offered by Senators EAGLETON and TOWER to add a new section to amend the Flood Disaster Protection Act of 1973.

Under the present law, local financial institutions are prohibited from making loans relating to property within a HUD designated special flood area unless the community where in the property is located is participating in the national flood insurance program. Although I sympathize with the goals and objectives of that program, the aforementioned provision has worked to the disadvantage of numerous communities in Tennessee that are considered potential flood areas. Indeed, there are 290 such communities in Tennessee which are under sanctions for their failure to adopt the appropriate land use ordinances. I believe that the sanctions currently imposed should be lifted so that private banks can make conventional loans to finance construction in the designated flood areas and those areas can benefit from the same development as other communities not designated as possible flood areas.

The borrower would be completely aware of the hazards or risks of investing in such an area and would indicate a willingness to accept that risk by applying for the loan. For these reasons, I shall support the pending amendment.

Mr. BENTSEN. Mr. President, in 1976, the American people sent a clear message to Congress. They want the Federal bureaucracy's tendency to expand and intrude tamed. They want local communities to run and be responsible for their own affairs. And they are tired of Federal bureaucrats who seek to protect Americans from themselves.

The Eagleton amendment which I have cosponsored responds to the desire of the American people to "get the government off their backs." It will restore some measure of local self-determination to the Federal flood insurance program. The Eagleton amendment simply says that the people in a local community are a far better judge of their own interests than some bureaucrat in the Department of Housing and Urban Development.

Under the Flood Disaster Protection Act of 1973, a community designated by HUD as having a flood hazard must participate in the Federal insurance program or be subject to sanctions. The

sanctions prevent private mortgage lending by thrift institutions chartered and/or regulated by the Federal Government. This effectively prevents Americans who want to build houses in affected areas and who fully understand the risks from doing so. The Eagleton amendment simply deletes the sanction which bars private lending in affected areas.

There are those who claim that this amendment torpedoes the entire Federal flood insurance program. It does not. As one who lives on the flood plains of Texas and owns property in the flood plain along with thousands of my fellow citizens, I support that program and the Eagleton amendment includes safeguards which preserve the program's integrity. For example, the amendment does not affect that section of the Flood Disaster Protection Act which prohibits Federal assistance for acquisition or construction purposes being made available for use within special flood hazard areas of nonparticipating communities. It prohibits flood related disaster assistance to communities who fail to participate in the program. Finaly, it requires that lenders in affected areas disclose to potential borrowers that Federal flood disaster assistance will be unavailable in the event of a flood.

The Eagleton amendment does no harm to the main features of the Federal flood insurance program. What it will do is get the Federal Government "off the backs" of the 240 communities in Texas and many elsewhere who are presently under sanction.

Mr. President, it is time for the Congress to recognize that Washington does not have all the answers to our country's problems. And it is time for the Congress to reassert one of America's basic principles—that the individual is the best judge of his own interests. Passage of the Eagleton amendment by us in the Congress will send a message to the American people that we understand this and are being responsive to the message they sent us in 1976.

Mr. SCHMITT. Mr. President, I am a cosponsor of the Eagleton amendment to S. 1523 because I am firmly convinced of the need to permit communities to run themselves as much as possible. By forcing the local levels of government to accept the decisions of Federal officials regardless of the cost to the local community, is to set up an unnecessary bureaucratic control that works against the best interests of all Americans. Many of the communities which have been told by the Department of Housing and Urban Development that their past efforts to develop their physical assets are all wasted are not prepared to take such a decision from Washington sitting down. Carlsbad, N. Mex. is one such community. The people of Carlsbad have felt the sting of Federal land use controls, but they are not the only ones. Many cities across this Nation are faced with a similar plight. The citizens of Cape Girardeau, Mo., for example, have been faced with a similar decision by Federal officials, but they are fighting this decision in the courts.

I have conferred with officials of the Department of Housing and Urban Development on the methods employed to define the hundred year flood zones used as a standard in these flood zone evaluations. While these people in Washington make every attempt to define a good hundred year flood zone, there are of course questions as to who is more knowledgeable about what is best for the development of a community—the residents of that community or officials of the Federal Government in Washington. I would have to answer that the local residents and officials would know best.

Mr. President, I want it clearly understood that I support the concept of flood insurance for the Nation. But individual communities should have the opportunity to decide whether they would benefit more from the flood insurance or not participating and not having the advantage of Federal disaster relief. Under the Eagleton amendment this would be their choice. We do not propose to exempt anyone from the flood insurance program and then permit them to ask for taxpayer assistance for damage that they might sustain. We should recognize, however, that there are instances when the cost to a particular community from participating in the flood insurance program are so great as to outstrip any benefit that might be obtained. We should not preclude economic development of areas which for specific reasons stand apart in their needs for protection from floods. By prohibiting loans from federally insured depository institutions to communities not participating in the land use programs proposed by Federal officials, we are ensuring that these areas will be subject to economic discrimination which is totally unjustified.

Mr. President, I urge my fellow Senators to support the Eagleton amendment to permit local governments to make rational choices on behalf of their citizens.

Mr. DOLE. Mr. President, I have joined my colleagues from Missouri in their amendment to remove the private bank sanction from the enforcement mechanism of the Federal flood insurance program. This is a matter of great concern to the Senator from Kansas, since Kansas has 161 cities under the FIA sanctions. It has caused serious problems in certain communities by forcing compliance with a program they do not feel they need. If a community chooses not to participate in the program, conventional financing becomes unavailable under the flood insurance program as it exists today. It is that sanction that the amendment would eliminate.

In addition to problems in Kansas, there is another reason why this Senator is concerned and that is my own underlying beliefs about government. Basically, the bank sanction is based on the faulty, even silly, notion that bureaucrats in Washington know more about the risk of flooding in a local community than the local banker, or local city fathers, do. That kind of thinking is patently absurd on its face, but has found its way into much of our legislation. The amendment would remove one example of such thinking from the statute books.

I find even more reason for passing this amendment in the specific fact that even HUD admits that there are many inaccuracies in the basic assumptions about the flood risks and where their insurance is needed.

This Senator is opposed to overregulation by the Federal Government and opposes efforts by the Government to inject itself into more and more local matters. Now we have the Federal Government telling local bankers when they should and should not loan money based on inaccurate assumptions about the risk of local flooding. We have the Federal Government telling city fathers how to handle their flood problems, and mandating that they participate in the Federal flood insurance upon penalty of losing conventional financing for construction. As we all know, local conditions vary in ways that cannot be compensated for by any bureaucrat unfamiliar with the local situation.

It has been argued that this sanction is necessary to force people to participate in the program. Well, if the benefits of the program are not enough to make people or communities sign up voluntarily, maybe we had ought to reconsider the entire program.

Likewise, it has been argued that the Federal Government stands to put out substantial amounts of money in the form of disaster relief if communities do not participate in the program. If there were a substantial Federal budgetary interest here, then that might affect my own feelings about the situation. But there is nothing in this amendment which would remove the provisions of the bill that make a community ineligible for Federal disaster relief if they fail to participate. The argument that there is a substantial monetary interest on the part of the Federal Government is largely specious.

Once, again, I want to commend the committee for their work in this area. I trust that given the resources and the ability of the members of this committee that you will be table to present us with an amendment which will address the concerns of the Senators who support the blind trust concept and want to see it used properly.

Mr. EAGLETON. Mr. President, I am prepared to yield back the remainder of my time if the manager of the bill is prepared to do likewise.

Mr. PROXMIRE. I yield back the remainder of my time.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time. I believe the yeas and nays have been ordered.

The DEPUTY PRESIDENT pro tempore. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Missouri. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BUMPERS (after having voted in the affirmative). Mr. President, on this vote, I have a pair with the distinguished Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. CRANSTON. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana

(Mr. METCALF), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Maryland (Mr. SARBANES), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Maine (Mr. HATHAWAY), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG), and the Senator from Florida (Mr. STONE) are absent on official business.

Mr. STEVENS. I announce that the Senator from Utah (Mr. GARN), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent to attend a funeral.

On this vote, the Senator from Utah (Mr. GARN) is paired with the Senator from Oregon (Mr. HATFIELD).

If present and voting, the Senator from Utah would vote "yea" and the Senator from Oregon would vote "nay."

The result was announced—yeas 49, nays 36, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—49

Allen	Ford	Melcher
Baker	Goldwater	Nunn
Bartlett	Gravel	Percy
Bayh	Griffin	Randolph
Bellmon	Hansen	Riegle
Bentsen	Hatch	Roth
Byrd, Harry F., Jr.	Hayakawa	Sasser
	Helms	Schmitt
Cannon	Hollings	Scott
Chiles	Huddleston	Stennis
Curtis	Inouye	Stevens
Danforth	Jackson	Talmadge
DeConcini	Johnston	Thurmond
Dole	Laxalt	Tower
Domenici	Magnuson	Wallop
Eagleton	Mathias	Young
Eastland	McClure	

NAYS—36

Abourezk	Glenn	Moynihan
Anderson	Hart	Nelson
Biden	Heinz	Packwood
Brooke	Humphrey	Pell
Burdick	Javits	Proxmire
Byrd, Robert C.	Kennedy	Ribicoff
Case	Leahy	Schweiker
Chafee	Lugar	Sparkman
Clark	McGovern	Stafford
Cranston	McIntyre	Stevenson
Culver	Metzenbaum	Weicker
Durkin	Morgan	Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bumpers, for.

NOT VOTING—14

Church	Long	Pearson
Garn	Matsunaga	Sarbanes
Haskell	McClellan	Stone
Hatfield	Metcalf	Zorinsky
Hathaway	Muskie	

So Mr. EAGLETON's amendment was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HUDDLESTON). The Senate will be in order. Senators will please take their seats and cease conversations.

Under the previous order the Senator from Rhode Island (Mr. CHAFEE) is recognized to call up an amendment.

Will the Senator withhold until the Senate is in order?

The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent that Mark Gorman of my staff have the privilege of the floor during this discussion.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 358

Mr. CHAFEE. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) for himself, Mr. HUMPHREY, Mr. CRANSTON, Mr. JAVITS, Mr. KENNEDY, and Mr. PELL, proposes amendment No. 358:

At the appropriate place in the bill, insert the following:

SEC. . Section 236(f)(3) of the National Housing Act is amended—

(1) by striking out "is authorized to make, and contract to make, additional assistance payments" in the second sentence and inserting in lieu thereof "shall make and contract to make additional assistance payments as required under this subsection first, from the reserve fund established pursuant to subsection (g) of this section, and second, if such fund is not sufficient, to the extent authorized in appropriation Acts from amounts available under subsection (i)"; and

(2) by striking out "only if the Secretary finds that the increase in the cost of utilities or local property taxes is" in the last sentence and inserting in lieu thereof "unless the Secretary finds that the increase in the cost of utilities or local property taxes is not".

Mr. CHAFEE. Mr. President, this amendment has to do with the section 236 operating subsidy program, which was enacted by Congress in 1974. I am pleased to announce that Senators HUMPHREY, CRANSTON, JAVITS, KENNEDY, and my distinguished colleague from the State of Rhode Island (Mr. PELL) join me as cosponsors of this effort.

Mr. President, when Congress originally adopted section 236 of the National Housing Act in the late 1960's, it was to further our national housing policy objective to provide a "decent home and suitable living environment for every American family." The focus of the program was to assist families with incomes so low they could not otherwise decently house themselves.

What this so-called 236 program does is encourage the private business sector to invest in our national housing policy goals. It authorizes HUD to provide developers with interest reduction payments to reduce the mortgage interest to as low as 1 percent. It also authorizes HUD to pay mortgage insurance on these low-income housing projects.

In return for doing this, the owner of the project agrees to keep the rent for the tenants low. When Congress set this up, Mr. President, it was intended that those tenants in the 236 housing would pay 25 to 30 percent of their adjusted monthly income for rent. Adjusted monthly income, we can roughly say, is the income left after taxes and certain deductions for dependents are made. So, from 25 to 30 percent of that aftertax income was to be used for the rents in the 236 housing.

What has happened over the past several years is that there have been such increases in local real estate taxes and in energy costs, primarily the cost of fuel oil, that HUD has had to approve rather substantial increases in the rents paid by the tenants in order for the owner of the project to break even.

For example, in my State of Rhode Island, and I suspect this is true elsewhere, some 70 percent of the tenants are paying over 30 percent of their aftertax income for rents. Mind you, the goal was to have it between 25 and 30 percent. In Rhode Island, 70 percent of the people are paying over the 30 percent.

These rent increases that have been approved by HUD have come about, as I say, because of the escalating costs in two areas, in utilities and in real estate taxes, both of which are beyond the control of the owner of the project; and they are certainly beyond the control of the tenant.

HUD has estimated that 60 percent of the inflation in the operating expenses for these projects is attributable to the increase in these two particular areas. The owners of the projects are increasingly unable to meet their expenses because they cannot raise rents high enough to meet the expenses, either because HUD is reluctant to give them approval or the tenants just plain cannot afford it, and many of these projects have gone into default.

I point out to the Senate that in September of 1976 there were over 55,000 units of 236 housing in default.

What is 55,000 out of a half million units which are in default? That is something like 12 percent. What has happened is that HUD, in some instances, has sold the units. In other words, HUD is trying to get out of the project, and the net loss to the Federal Government and to the American taxpayer has been some $43 million for the sale of only 4,681 of the 55,000 units in default.

The irony of this situation, Mr. President, is that Congress did pass an operating subsidy program in 1973 that would help many of these projects that are currently in trouble. The only difficulty is that HUD has refused to honor the operating subsidy that is provided in the language. The money that is provided—there is some money, oddly enough, available to provide this subsidy. Over $50 million, which HUD has built up over the years in a fund which comes from excess rent moneys from the low-income projects, is in this fund currently.

(Mr. BURDICK assumed the Chair.)

Mr. CHAFEE. My amendment, Mr. President, would make it mandatory for HUD to provide this operating subsidy for the difference between what the original operating expenses were and the increases in property taxes and utilities since the original figure was arrived at.

One might say, well, why should HUD get into doing all this? The act presently provides that they should do it, and HUD has refused to do it. It is my understanding that HUD has been brought to court some nine times by different developers who have had the energy to do it, and nine times HUD has lost.

Is this a giveaway program? No, it is not, Mr. President, because under the language which currently exists in the act, HUD can only step in with this operating assistance in the event that the rents are over 30 percent of the tenant's income, as we have previously defined it. If the tenants are not being charged up to the full 30 percent, then HUD does

not have to provide this subsidy. If they are over the 30 percent, HUD will step in with the assistance so that the project will not go into default, or primarily so that the owner will not have to keep boosting and boosting the rents in order that he can make these unanticipated increased payments that result from the increase in energy costs and the increase in local real estate taxes.

Mr. President, we have estimates that this will cost some $50 million a year, which seems to me a modest sum for attempting to achieve the very goal of the act as originally set forth, which was to provide decent housing for these low-income people.

One might ask, whom are we helping with this program? Are we helping the developers of the projects? No, Mr. President, they are not the people we are helping. We are helping two groups. Primarily, we are helping the tenants, who are being caught in this squeeze of increased real estate taxes and increased fuel oil costs. They are the primary group.

A second group is—and it seems to me to make some sense to give some thought to this—American taxpayers, because when they do foreclose on these projects, they sell them at a very substantial loss.

So, Mr. President, I urge the passage of this amendment.

This subsidy that we are talking about will make up for a very basic shortcoming in the 236 program, which is a lack of flexibility to meet economic change. Furthermore, it will give Congress and the Department of Housing and Urban Development time to examine the program, with a view toward making these projects viable in today's market.

I do understand that in some sections of the country HUD has been compelled to grant this subsidy. They are doing it in a few projects, but they do not seem to be consistent. They are only doing it in accordance with court decrees. So I think it is time we get this subsidy program underway.

I know that the distinguished chairman and the ranking minority member of the committee have given some thought to hearings on this proposal in the future. Naturally, I would be most interested in hearing their views. But it seems to me that it is the kind of matter that we ought to get on with, unless, of course, there is some compelling reason to the contrary, which I have not yet had the opportunity to hear.

Mr. HEINZ. Mr. President, will the Senator yield?

Mr. CHAFEE. How much time does the Senator from Pennsylvania desire?

Mr. HEINZ. No more than 5 minutes.

Mr. CHAFEE. Mr. President, what time do we have on this?

The PRESIDING OFFICER. The Senator has used 11 minutes of his 30 minutes. He has 19 minutes remaining.

Mr. CHAFEE. I yield 5 minutes to the junior Senator from Pennsylvania.

Mr. HEINZ. Mr. President, first I would compliment the Senator from Rhode Island on his amendment. If the Senator from Rhode Island sees fit to add my name as a cosponsor to his amendment, I would appreciate it greatly.

Mr. CHAFEE. I am delighted to add the name of the Senator as a cosponsor.

Mr. HEINZ. I support the amendment, Mr. President; and I would like to reinforce one point the Senator from Rhode Island made in his statement about the enormous cost the Federal Government can and does bear when we fail to provide the necessary assistance to the tenants in these 236 projects.

In my former congressional district, the 18th Congressional District of Pennsylvania which I was privileged to represent for 5 years as a Member of the House of Representatives, there was a very substantial 236 project that got into a variety of financial difficulties. As a result, the Department of Housing and Urban Development was about to foreclose on the project when it became financially insolvent.

They were faced at that point with two alternatives. One alternative was simply to close the project, to board up windows, to evict all tenants, in which case several dozens of families, hundreds of people, would have been thrown out into the streets.

HUD would have stopped receiving any payments at all from the project. It would have become an eyesore, an abandonment; taxes would have accumulated on it that they would have failed to pay to the local government.

When I learned about the jeopardy of that project, I became very concerned and interceded with HUD to have them change the project into a condominium. They did so. But even so, it is not free of costs to the Federal Government.

What happened was that HUD had to write down the value of the project by over $1 million; I forget the exact amount. While we were able to save much needed housing and a community of people were able to continue to live there, the result was that because the project became financially insolvent the Federal Government still lost money.

I think the objective of the Senator from Rhode Island (Mr. CHAFEE) is very carefully thought through. What he is proposing to do here is to avoid financial insolvency which can either lead to abandonment or to a substantial write-off nationally, involving many, many millions of dollars.

For that reason I commend him on his amendment, and urge my colleagues to support him in his efforts.

I thank the Chair.

Mr. PROXMIRE. Mr. President, I have some reservations about this amendment, but I think it has very considerable merit.

It certainly tries to meet a very serious problem.

As I understand it, there are a number of projects in this country in which the courts directed HUD to make payments in order to prevent the projects from being closed down and to make payments in order to bring them into conformance with the law. The $54 million is available, but HUD has resisted making those payments. I understand there is a different attitude in HUD since the new administration has taken over.

But there is a modest modification that I would suggest to the Senator from Rhode Island that he might consider.

As I understand it, the amendment of the Senator from Rhode Island would simply authorize the Secretary to proceed to make these payments, but we feel that it might safeguard the taxpayer if the following sentence were added to the Senator's amendment:

> That such payment shall be used by the project owner solely to reduce the basic rental charges established for the project.

The purpose of adding that language would be to make sure that the funds were used for the very purpose for which the Senator from Rhode Island and the Senator from Pennsylvania have been pleading, so that the people who occupy these quarters would be able to rent within 30 percent of their after-tax income and the project would be able to continue.

I might add that this provision is in the House bill in a different, less acceptable form than the Senator from Rhode Island has suggested. I think if he could accept this suggestion, I would be happy to support the amendment. I understand the Senator from Massachusetts would not oppose the amendment if it is modified.

If he would agree to that kind of a very limited modification, I think perhaps we could accept the amendment.

Mr. BROOKE. Mr. President, if the Senator would yield I would like to speak briefly on this matter.

I chaired hearings in Boston on April 18 of this year to hear testimony on the serious problems in HUD-assisted multifamily housing built under the section 221 and section 236 programs.

In Boston alone, there are currently 115 projects built under these two housing programs.

The PRESIDING OFFICER (Mr. CLARK). Did the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. PROXMIRE. Yes. The Senator from Massachusetts may have whatever time he requires on the amendment.

Mr. BROOKE. Mr. President, most of these projects are in serious financial difficulty.

HUD has already foreclosed or assumed ownership of about 47 of these developments, with over 3,400 housing units. As many as 7,000 tenants in Boston may be faced with substantial rent increases beyond their ability to pay, or be forced to move out of their homes. And this problem is by no means restricted to Boston, as the distinguished Senator from Rhode Island has stated. There are serious problems in Detroit, Chicago, Philadelphia, San Francisco, and many other cities across the country.

At the hearings in Boston, I heard testimony which indicated that HUD was selling HUD-owned projects to private purchasers and receiving a return of 3 to 7 cents on each dollar of its original investment. And when these projects were sold by HUD, the rental subsidies to low- and moderate-income tenants were terminated. These tenants could then be faced with the prospect of rent increases beyond their ability to pay or be displaced from their apartments. And many of these projects were sold in "as-is" condition, with no provision made for rehabilitation or repair of these deteriorating projects.

In fact, there was testimony that projects actually deteriorated under HUD

ownership, and that management was often very poor and unresponsive to the tenants. Mr. President, this is shocking. I believe that HUD should be the model for maintenance and management of these troubled projects. Instead, we have heard that HUD management and maintenance is frequently far worse than prior to HUD's assuming ownership of these projects.

I think that good management and decent maintenance of these projects are essential if we are to resolve the problems of HUD-assisted housing. Of course, there are many other problems, particularly that operating costs have far exceeded tenant incomes during the past few years. I have asked the chairman to hold hearings in the near future on this national problem of HUD multifamily projects.

The committee report on this bill includes language which urges HUD to change its own policies and practices regarding these projects. It states that HUD should not follow its policy, which is published in regulations, of selling off projects at the earliest possible time. Instead, HUD should retain these projects until management and maintenance are up to an adequate level. If this means rehabilitation or major repairs, these should be done by HUD. Then, when HUD sells these projects, it would assure that HUD will receive a better return on its investment—and protect the FHA insurance fund—and that living conditions for tenants are improved. Upon sale, HUD should assure that tenants and future tenants will be protected from rent increases beyond their ability to pay through the use of section 8 or other subsidies.

The Chafee amendment, as I understand it, is addressed only to section 236 operating subsidies. This amendment would require HUD to implement the section 236 operating subsidy program. Congress authorized a limited operating subsidy program in the 1974 Housing and Community Development Act to cover increases in utility costs and property taxes for tenants paying over 30 percent of their incomes for rent. Substantial increases in operating expenses have led to defaults on a number of these projects.

HUD has decided not to implement this program, and has been taken to court in at least a dozen cases brought by tenants. The Supreme Court has agreed to review two of these cases.

It has been HUD's policy to seek other means to aid projects and tenants, such as section 8 subsidies in loan management projects. HUD maintains that this program would be difficult to administer, particularly because of the need for income recertifications for tenants living in the projects.

Legal services groups have strongly favored this amendment. They argue that many tenants are paying more than 50 percent of their adjusted income for rent. Funding would be available to pay these subsidies for 1 year from the section 236 reserve fund.

This is a short-term partial solution to a much more serious problem. I point this out to the Senator from Rhode Island, because it addresses only section 236 projects and not projects built under section 221(d)(3), and they are having similar problems. I hope we will not continue to look at these problems in a patchwork manner and devise a program to resolve the whole problem.

I commend the Senator from Rhode Island for his initiative because, apparently, HUD is not willing to look at this problem as a whole and develop a comprehensive solution.

I am sure that has caused my colleague to offer this amendment which does a patchwork job, and does assist those tenants paying rents beyond their ability to pay in section 236 projects, which has been a very serious problem.

HUD has said that it will be working with Congress to develop a viable subsidy mechanism for section 236 and section 221(d)(3) projects. I have asked the committee to hold further hearings in Washington on the entire problem of troubled multifamily projects. I thought it would be wise to defer action until these hearings had been completed.

I understand that Senator JAVITS was considering a more comprehensive amendment on section 236 operating subsidies, similar to provisions in the House-passed bill. It would broaden the subsidy to include other operating costs as well as property taxes and utilities.

On the whole, though, I agree that this approach, with the modification that the chairman of our committee has offered, will be extremely beneficial. I believe the modification has been accepted by the Senator from Rhode Island, is that correct?

Mr. CHAFEE. Yes.

The proposed modification is as follows:

That such payment shall be used by the project owner solely to reduce the basic rental charges established for the project.

Mr. CHAFEE. Mr. President, what I would like to do, when the Senator from Massachusetts has concluded his remarks, is to have a quorum call, the time for which would not be charged to either side, so that we could discuss the situation which has been brought up by the proposal just set forth.

Mr. BROOKE. The Senator speaks of the modification which the Senator from Wisconsin has suggested?

Mr. CHAFEE. Yes, it is a similar amendment that Senator SPARKMAN has considered. I do not think it has been proposed. He indicated that it would be easier on the administration.

So, at a convenient time, I will suggest such a quorum call.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. JAVITS. Two things: One, the Senator mentioned a number of cities where this is a pressing problem. We have a very pressing problem in the State of New York, with the so-called Mitchell-Lama projects, and that is the reason Representative Hanley offered his amendment in the House. Mitchell-Lama assisted by section 236 are covered by present law but those not so assisted are not covered. The Hanley amendment would broaden the coverage to include State and local projects not assisted by section 236 and would broaden the operating subsidy to include other operating costs such as maintenance. Whatever amendment we adopt here will give us an opportunity in conference to shape the appropriate remedy.

I was contemplating an amendment more inclusive, with the other sections to which the Senator has referred. However, for the very reasons that the Senator is supporting the approach we are taking here now, I am not going to put that forward. I will go with Senator CHAFEE; because I, too, believe that we will get further, once we have these hearings and a factual base for our situation, to get relief in cooperation with HUD. Even if it takes another month or 2, it is always better to get the agency to work with you, rather than have it feel that something has been forced down its throat. The Senator has read my mind perfectly.

I stand with the Chafee amendment, as it may be modified by amendments to it, for reasons I have stated.

I express the gratitude of these people of my State to the Senator from Massachusetts for the indefatigable way in which he has pursued these issues relating to percentage income spent by the poor and the near poor on projects in which rents are federally supported in one way or another. It has been an inspiration. It has been a long-standing cause. He has pursued it most ably. But what is even more important, he has pursued it most justly to the people concerned and to the people of the United States.

Mr. BROOKE. I thank our distinguished colleague for his very generous remarks.

Mr. President, I suggest the absence of a quarum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. I yield to the Senator unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. CHAFFEE. I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that Peter Holmes of my staff have access to the floor during the debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 356

Mr. CHAFEE. Mr. President, first I would like to say that I am delighted to have Senator HEINZ as a cosponsor of this amendment.

Senator JAVITS is also a cosponsor of the amendment.

Mr. President, I would also say that we have had the splendid assistance of Senator SPARKMAN in arriving at some of the conclusions here.

I now send to the desk a modification of section (1) of my amendment.

The PRESIDING OFFICER. Without objection, the amendment will be so

modified. The clerk will state the modification.

The assistant legislative clerk proceeded to read the modification.

Mr. CHAFEE. Mr. President, I ask unanimous consent that further reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

In lieu of the language to be inserted by amendment No. 358 insert the following:

On page 41, between lines 9 and 10 insert the following:

"SEC. 209. Section 236(f)(3) of the National Housing Act is amended by striking out the second and third sentences and inserting in lieu thereof the following:

(1) 'The Secretary is authorized to make, and shall contract to make to the extent of the moneys in the reserve fund established under subsection (g) and to the further extent of funds authorized in appropriation Acts, an additional monthly assistance payment to the project owner up to the amount by which the sum of the cost of utilities and local property taxes exceeds the initial operating expense level. Such payment shall be used by the project owner solely to reduce the basic rental charges established for the project. Any contract to make an additional monthly assistance payment shall be for a one-year period and shall be amended annually to provide, to the extent approved in appropriation Acts, for continuation of the contract and for an appropriate adjustment in the amount of the assistance payment.'"

(2) Striking out "only if the Secretary finds that the increase in the cost of utilities or local property taxes is" in the last sentence and insert in lieu thereof "unless the Secretary finds that the increase in the cost of utilities or local property taxes is not".

Mr. CHAFEE. Mr. President, I have had a chance to discuss this modification with the distinguished chairman of the committee and the distinguished ranking member. It is my understanding that this modification to section (1) of my amendment is acceptable, with section (2), as printed in the amendment, remaining as is.

On that basis I believe we are ready for a vote if the manager of the bill is.

Mr. PROXMIRE. Mr. President, this change in language I think improves the amendment administratively.

We have checked this out with HUD. They feel it would be easier to administer the amendment with this modification which has been suggested. I congratulate the Senator from Rhode Island on the amendment. I think it is a good amendment and will accomplish something that should be done, and I am happy to support it.

Mr. President, I yield back the remainder of my time.

ADDITIONAL STATEMENT SUBMITTED ON MR. CHAFEE'S AMENDMENT

Mr. CRANSTON. Mr. President, the purpose of the proposed amendment is to require HUD to use the reserve fund to pay operating subsidies to tenants in section 236 projects.

Congress in 1974 enacted the section 236 operating subsidy provision (12 U.S.C. 1715 z-1(f)(3) and (g)) to benefit both landlords and tenants of section 236 housing by making money available from HUD to cover the escalating cost of property taxes and utilities, so that projects could remain viable while rents remained at an affordable level as mandated by the 236 program. Specifically, Congress intended to subsidize any increase in taxes and utility costs which resulted in a tenant paying more than 25 to 30 percent of his or her adjusted monthly income for rent.

Despite compelling indications that Congress intended that the operating subsidy program be implemented, the former Secretary of HUD refused to pay such subsidies except when required to do so by court order. As a result of these actions, 40 lawsuits have been filed across the country seeking to compel HUD to pay these subsidies on the behalf of tenants and project owners. At least 10 district courts and two circuit courts of appeal have now ruled that such subsidies be paid. No court has ruled to the contrary.

The prior Secretary contended that Congress granted her discretion to refuse to implement the operating subsidy program. That contention has been unanimously rejected by every court that has decided this issue and by the Congress.

HUD's failure to implement the section 236 operating subsidy program is jeopardizing the financial stability of the owners of 236 housing and the future tenancy of approximately 232,000 lower-income tenants of these projects who are entitled to these benefits. Without the benefit of the subsidy, many section 236 owners are unable to meet rapidly increasing operating expenses which are beyond their control, and are placed in dire financial straits and threatened owners of 236 housing and the future tenants, on the other hand, are faced with the choice of either vacating the housing or paying rents that far exceed 25 to 30 percent of their income by cutting back on food, medical care, clothing and other necessities of life. It has been reported to me that in California there are section 236 tenants who pay upwards of 90 percent of their income for rent. Prior to the filing of a law suit by the Sacramento Legal Service HOME Project, one Myrl Burns, age 66, had an adjusted income of $119.60 from social security, her rent was $116.22 including utilities—thus she spent 97 percent of her income for shelter.

HUD admits that there is money available in the reserve fund to make additional assistance payments to all section 236 projects nationwide for at least a year. As of December 1976, the reserve fund contained $54.4 million and is accumulating at the rate of $1 million a month.

While I recognize that Congress and HUD will be working on a long-term and expanded solution to this problem, ininclding the problems of 221(d)(3) projects, certainly relief should be made available to these tenants while this process is going on since funds are available specifically for that purpose. This amendment is modest, it deals only with increased rents due to property taxes and utility costs and mandates the use of existing funds that are unavailable for any other purpose. Also, it does not have any budgetary impact.

EXTENDING OPERATING SUBSIDIES FOR SEC. 236 HOUSING

Mr. HUMPHREY. Mr. President, I am pleased to be a cosponsor of the amendment to the section 236 program offered by my colleague from Rhode Island, Mr. CHAFEE. The least we can do today is require the Department of Housing and Urban Development to implement the operating subsidy program under section 236 which we enacted in 1974.

It is my view that the operating subsidy program should be expanded. And, while we are not considering such a proposal in the Senate, I hope the Senate conferees will agree to the extension of this program that was passed by the House.

Mr. President, in the nearly 10 years since Congress created the 236 program, our national economy and the housing industry have been confronted with escalating costs and a severe energy crisis. Our program to assist low- and moderate-income families by providing a mortgage interest subsidy has become completely inadequate. Over these recent years, families have had to devote larger and larger proportions of their family income to basic shelter costs. At some of these projects families are spending 35, 40, and 50 percent of their monthly disposable income for rent. Even these amounts, these rents, in project after project, have become inadequate not only for making mortgage payments, but for assuring proper maintenance. We are thus confronted by a situation in which rents are rising inexorably at the same time that services necessarily are declining. Project after project constructed only recently and with the aid of our section 236 program, are slipping into slums.

All operating and maintenance costs have increased significantly in the years since the first housing was built under the 236 program. The cost of operating a two-bedroom apartment of a modest size and design is almost $200 per month. There are very few families, and certainly none who could be said to have low or moderate income, who can afford this level of rent.

When we consider the expenses of family housing—projects which have large apartments and, therefore, a large number of children—we are met with incredible levels of rent. I beleive that we should require HUD to implement a program of operating subsidies and that this program ought to include increases in maintenance and administration costs. The cost of extending this subsidy would be very small in comparison to the costs of mortgage defaults and the difficulties imposed upon families who seek decent housing—and who seek to continue to live in decent housing.

In 1974 the Congress responded to the growing problems by adopting an operating subsidy for 236 projects that covered the most rapidly rising costs—that is, the real property taxes and the utility costs.

And after we had done this, we were faced with intransigence by the administration—a stolid and unaccountable refusal to use the program. The result was default after default on the mortgages insured by HUD under the 236 program.

The losses on insurance commitments have been staggering.

My colleagues have mentioned the lawsuits that were brought against HUD. HUD lost each time. But the problem remains that despite the losses in court, HUD has still not implemented the program. It is time we got some action from HUD with this program and that is why I urge all of my colleagues to support the Chafee amendment.

I believe that a program of subsidy for low- and moderate-income housing projects must include operating and maintenance expenses. This is the direction our Federal Government must take to assure that disproportionate amounts of family income are not spent just for housing. Again I request that the Senate conferees agree to accept the House-passed provisions which will help to solve this serious problem.

Mr. PELL. Mr. President, as a cosponsor of this amendment, I join my distinguished colleague, Senator CHAFEE, in an effort to clear up a 3-year controversy over the section 236 operating subsidy program. Although some would prefer to wait and study the matter further, I believe the time has come for the Senate to reconfirm its intent that HUD activate this program.

Mr. President, when Congress passed the operating subsidy program in 1974 it was clear that HUD was mandated to provide operating subsidy funds for section 236 housing projects experiencing substantial cost escalations. Nine U.S. district courts and two circuit courts of appeals have confirmed this intent, yet HUD still persists in resisting this program. Progress has been made under the new administration, but I believe this amendment should clear the air at long last concerning the intent of Congress on this issue.

HUD's opposition to the operating subsidy program, primarily under the previous administration, has caused serious disruption of the lives of tenants in section 236 projects. The effect on 236 tenants is demonstrated clearly in a letter I received from an attorney representing a group of 236 tenants in Rhode Island. I ask unanimous consent that this letter be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

RHODE ISLAND LEGAL SERVICES, INC.,
Newport, R.I., February 18, 1977.

Senator CLAIBORNE PELL,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PELL: I am writing in the hopes that you will, on behalf of a substantial number of your constituents, make known your views to the new Secretary of Housing and Urban Development concerning the release, by that Department, of operating subsidy funds for federally subsidized 236 projects. As you know, the Section 236 program was designed to induce private enterprise to involve itself increasingly in the low and moderate income housing market. The program was intended to deal with both new construction and substantially rehabilitated buildings, providing owners with considerable personal tax advantages as well as continuing governmental subsidies to the operation of the project for the life span of the mortgage, thus hopefully assuring the holding of rents at a sufficiently low level to be easily affordable by low to moderate income families. In fact, however, the control of rents is predicated upon, the developer's ability to control costs to the project. Thus, in a period of skyrocketing inflation, when the greatest of cost increases are in property taxes and utilities, particularly in this region of the country, the existing financial mechanisms are insufficient to allow HUD or the developer to control costs, and thus rents.

Therefore, as you no doubt recall, Congress enacted, in 1974, a provision of the Housing and Community Development Act which directly altered the Section 236 program by the addition of another subsidy. This subsidy, whose statutory authority is embodied in 12 United States Code 1715z-1(f)(3) and (g), was intended to compensate the project owner, on behalf of those tenants paying in excess of 25% of their income, in a project where utilities were not included, or in excess of 30% of their income, in projects where utilities were included, for rent. Where these tenants were paying an excessive portion of their income for rent due to increases in taxes and utilities costs, HUD was to pay a subsidy to the developer on behalf of these tenants, such that their rents would be restored to a level consonant with their ability to pay. The statutory language required HUD to implement this program by February of 1975. To date, except under the spur of pending litigation, there has been no implementation of this program.

Throughout the country, low-income tenants in federally subsidized Section 236 projects have been litigating in the Federal District Courts the question of HUD's obligation to release these funds. The Secretary of HUD in the previous administration had consistently taken the position that it was within her discretion whether to implement the operating subsidy program. Federal District Courts in 12 jurisdictions upheld the tenants' position that her duty was a mandatory one, and not within her discretion. That notwithstanding, the Secretary continued to withhold these funds. On June 8, 1976, Judge John Pratt of the Federal District Court for the District of Columbia issued an Order on behalf of a nationwide class of low-income tenants in Section 236 projects, requiring the Secretary of HUD to implement the operating subsidy program as soon as practicably possible. The Secretary, in October of 1976, obtained a stay of that decision from the Supreme Court, pending a full hearing of the case by the Circuit Court of Appeals for the District of Columbia. In the intervening four months, HUD did nothing to implement the operating subsidy program.

In the interim, while HUD has failed to comply with its clear statutory duty, low-income tenants, those intended by Congress to be the beneficiaries of this subsidy, have been suffering, and have in many cases had to vacate their homes, or to sacrifice other necessary expenses in order to be able to pay their rent. Many of these tenants, particularly those on pensions or other fixed incomes, are paying 70 to 80% of their income for rent, and these heavy rents are largely if not entirely due to increases in taxes and utilities.

In a recent decision, Judge Day of the District Court for the District of Rhode Island, ordered on a Motion for Preliminary Injunction that tenants should not have to be assessed those cost increases which were clearly designed for operating subsidy relief. While Judge Day's Order in that case has provided a temporary relief to the tenants, his decision has the effect of shifting the financial burden to the developer. Albeit, the developer is more easily able to bear the costs than the low-income tenant, and, in the context of those cases which Judge Day was hearing, the developer had shown and could show no substantial financial hardship, still on a long-range basis, the continuing refusal of HUD to release these moneys altogether with the tenants continuing inability to afford the costs, will jeopardize the financial viability of individual Section 236 projects as well as the integrity of the program itself as designed by Congress. I am presently representing a tenants' association at a Section 236 project in Middletown, Rhode Island. A request on behalf of that project for a rent increase is pending before HUD at the present time. It appears from an initial review of their financial data that this rent increase is largely if not entirely due to increases in taxes and utilities. That project is already in serious financial distress, largely as a result of protracted vacancies due to the Navy's departure from the Newport area, and it is likely that this particular project will not be able to voluntarily bear the burden of carrying these costs for tenants who aren't able to afford to pay them. That then poses, for tenants, one of two choices, either they litigate in the Federal District Court to ensure that they will not be charged for this cost that should be paid by the government, or they are required to give up their homes. In view of the fact that a repeated series of Court decisions have found that HUD is required to implement this program and has funds sufficient to do so, these choices now confronting the tenants seem rather harsh.

On behalf of the several thousand low-income tenants that are residing in Section 236 projects in Rhode Island, it is hoped that you will strongly urge Mrs. Harris to take immediate action to release the operating subsidy funds, or will consider initiating action before the Congress to clear up any remaining questions that HUD may have after a long series of Court decision on their obligations with regard to the operating subsidy programs.

I would be happy to provide you with any additional information you may require on the operating subsidy program and its effect on low-income tenants. Thank you for your consideration of this matter.

Very truly yours,

BETSY E. GROSSMAN.

Mr. KENNEDY. Mr. President, this amendment requires HUD to implement the section 236 operating subsidy. We know that many tenants in section 236 projects are paying as much as 90 percent of their adjusted income for rents. These tenants desperately need help.

We know that sponsors need this subsidy to keep housing projects from going into default and foreclosure. And we know that HUD does not want these foreclosures.

The assistance which this amendment provides is modest—it would provide subsidy only to the extent that rent increases are caused by property tax and utility increases. These cost increases cause rent increases and the increased rents are more than 30 percent of tenant income.

Funds are currently available for this purpose. Funds for this amendment would come from the fund in which excess rent moneys from low-income projects accumulate. There is currently over $50 million in this fund. This amendment does not require any future budgetary impact.

This amendment does nothing new. It simply requires HUD to implement a program that was created in the 1974 act. This is a short-term partial solution to a big problem. Inflation has pushed the costs of subsidized housing far beyond the ability of modest-income tenants to pay. We must devise a viable

subsidy mechanism to keep all subsidized housing within the reach of modest-income tenants.

I have joined with Senator CHAFEE in offering this amendment because I feel that it will help compensate for a basic shortcoming in the 236 program and provide flexibility in meeting spiralling costs.

This amendment is designed to provide relief to needy persons now. I urge my colleagues to support this amendment.

Mr. CHAFEE. Mr. President, I would like to thank the distinguished senior Senator from New York (Mr. JAVITS) for his very fine assistance in this amendment, because it is a matter of deep concern to him and, of course, to the chairman and the ranking minority member of the committee.

On that basis, Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment, as modified, of the Senator from Rhode Island.

The amendment, as modified, was agreed to.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 357

Mr. GRAVEL. Mr. President, I send an amendment to the desk and ask for immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. GRAVEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, between lines 13 and 14, insert the following new section, and redesignate the following paragraphs accordingly:

(b) Section 2 (b) of such Act is amended by adding at the end thereof the following: "Because of prevailing higher costs, the Secretary may, by regulation, in Alaska, Guam, or Hawaii, increase any dollar amount limitation on mobile homes or mobile home lot loans contained in this subsection by not to exceed 50 per centum.

Mr. GRAVEL. Mr. President, this amendment provides the HUD Secretary with discretionary authority to raise the FHA insurance ceilings for mobile homes and mobile home lots by 50 percent for the noncontiguous areas of the United States, namely, Alaska, Hawaii, and Guam. The Secretary would also have authority to extend the maturity of any loans subject to the higher limitation by not to exceed 5 years.

I want to underscore, Mr. President, that this is discretionary authority. It is not mandated authority. I think that should be very clearly understood.

In the State of Alaska there have been no loans made under the title I mobile home loan insurance program. When a program like that comes into existence for the Nation and it is not utilized in a State, there must be some indication that there is something wrong with the program as it applies to that State.

So, Mr. President, that is the reason for this amendment. I am going to go into a lot of detail as to why this amendment is necessary, but I think what cries out to very simple logic, without any great deal of investigation, is the fact that there has not been one single loan under this program in my State.

Mobile homes which are imported to Alaska for sale bear extraordinary transportation and setup costs. These costs place the price of a mobile home well over the FHA loan ceiling of $12,500 for a single-wide unit and $20,000 for a double-wide unit.

In 1975, a single-wide unit for delivery in Fairbanks sold for $19,248 and a double-wide unit for $31,459. That was 1975, 2 years ago.

Mr. President, for homes costing less than $20,000 in Alaska 100 percent, Mr. President, are mobile homes. There is not a stick-built house in Alaska under $20,000. So, 100 percent of the people of moderate income and the poor do not have available to them a Federal housing program because "it's a mobile home."

For houses of $30,000 and less that represents 80 percent of the housing market in Alaska. Eighty percent of the poor and of the moderate income must be satisfied by mobile homes; and, as I stated earlier, not one of them was able to utilize this Federal housing program.

So we have a situation, Mr. President, where through intent, by accident, or through insensitivity of the Department of Housing and Urban Development, and of the U.S. Government, 80 percent of the people owning a house of the value of $30,000 or less, and 100 percent of the people owning a house worth $20,000 or less, do not get any Federal support in the State of Alaska. To my mind that is unconscionable.

Mobile homes provide decent and affordable living quarters for many low- and moderate-income people in Alaska. Site-built housing in Alaska is now costing $59,000 or more. Such housing is simply not available to a family whose income is less than $24,000.

Rental housing now costs $450 per month or more.

This housing is available to a family whose income is less than $24,000 a year. Sure, the poor people or the moderate-income people can go out and pay $450 a month. They can make that extra appropriation of their income, putting aside clothing and putting aside food, which is also expensive in Alaska. They can do that, but, of course, they do not enjoy the same thing as those in a higher-income bracket, where they can turn around and pay in some equity and take advantage of inflation so that when they sell their home, they have a nest egg that is built up. No; the poor and the moderate-income people in Alaska do not get that opportunity.

Mobile home housing is attainable by a family whose income is less than $24,000 per year; however, conventional financing has strained many families' financial situation because of the large monthly payments required due to loans of short-term duration. Imagine the situation we have in Alaska, where the poor and the moderate-income people who are supplied 100 percent with housing by mobile homes, have to finance their housing on a 7-year or a 10-year basis. Imagine what the payments are in that regard. That means if you make $50,000, $60,000 or $100,000 a year in Alaska, you can buy yourself a $100,000 home. With your $100,000 home you can get 50-year financing. But if you are poor, or if you are moderate-income, you have to pay your housing off in 7 years.

That is a terribly responsive Federal Government we have.

I remind our colleagues that $24,000 per year is not an excessively high income in Alaska.

For the HUD section 8 housing assistance payment program $15,000 is used to define low income for a family of four. Mind you, here is what HUD is saying, that their own computations show that $15,000 income is enough. Under another title to qualify as low income. Now $15,000 in Springfield, Mass., where I was born, may be a lot of money and may not be poverty, or it may not be poverty in Madison, Wis., but it sure as heck is poverty in Alaska.

Also under HUD's own computations, $18,000 is the median income for a family of four in Anchorage, Alaska.

Mr. President, the Bayh amendment proposed to recognize cost increases for mobile homes which have occurred in the Continental United States since 1975 when the last increase was made. I supported the Bayh amendment. However, even with the Bayh amendment the loan ceilings will continue to be insufficient for the noncontiguous areas of the United States: namely, Alaska, Hawaii, and Guam. My amendment proposes to give the Secretary some flexibility, although I might say that I have some reservations about giving the Secretary flexibility in this area because I have not seen what I would call admirable judgment to this point in time, either from the prior administration or from this administration.

If the Senate adopts this amendment, the loan ceilings may increase to a maximum of $24,000 for a single-width unit and $36,000 for a double unit. I will have some figures which show that the recommendation of the HUD office in Alaska for a single-width unit was $25,000 and I will have an insertion later to show that the HUD office in Anchorage, Alaska, was recommending $40,000 for a double-width unit. So the increase we are going to show here, the great largesse, is really not going to break any records based upon what the need is.

On the mobile home lot program the ceiling would be increased from $5,000 for an undeveloped lot and $7,500 for a developed lot to a maximum of $7,500 for undeveloped lots and $11,000 for developed lots. The maturity could extend from 15 years to 20 years and from 20 years to 25 years for single and double units, respectively.

There is clear precedent in existing law for this type of adjustment. Section 214 of the National Housing Act provides that the Secretary may make a 50-per-

cent adjustment in any ceiling for any mortgage insurance program for constructed housing in Alaska and Hawaii. What that means, Mr. President, to really underscore the issue is that, if a family can afford a $100,000 home, if they have an above-moderate income, or if they are wealthy, in Alaska they can get Federal assistance for housing. They can get it in Alaska, Hawaii, and Guam. But if they are poor and have to buy a mobile home because stick-built houses have been priced out of the market for moderate- and low-income people, they do not enjoy that great succor from the beneficent Federal Government.

This amendment merely seeks to extend that adjustment we have in housing to mobile homes. Without a functional, Government-insured loan program—and I underscore functional because this mobile home loan program has not been functional in Alaska; nobody has been able to take advantage of it—potential buyers will finance their mobile homes through conventional loan programs, as I have stated, at 7-year repayment programs and at higher interest rates than would otherwise be the case. The inability to purchase a home prevents families from building an equity in a house over time. I urge the adoption of this amendment.

Mr. President, I want to go into another facet of my amendment which I really think deserves to be aired. I believe HUD owes the people of Alaska an apology.

When I introduced my amendment in the form of a bill, obviously the committee had to inquire of HUD as to what they thought of my proposal. So HUD sent out a letter. Of course, as is always the case, the committee relied upon that letter. That is why the committee did not bring this amendment to the floor as part of their bill. That has required me to come to the floor and propose this amendment.

I would like to read what I think is one of the most insensitive and naive letters I have ever read coming out of an agency. I would recommend that Mrs. Harris, the Secretary of HUD, begin to look into her department and, I hope, exercise a little bit of leadership, because I have not seen that take place as yet. Let me read a couple of paragraphs of this letter and then let me show what my investigation has brought forward as to what the facts really are.

I underscore that this letter is the basis upon which an entire State, Alaska—and without investigation I am sure also Hawaii, and further without investigation on my part I am sure Guam—is being denied a program which is supposed to serve the moderate and the low-income people of this Nation. Categorically, the Carter administration, which is supposed to be sensitive to the poor, through this letter disenfranchises the poor of my State, of Hawaii, and Guam.

Here is HUD's letter in response to the bill I introduced. I skip one paragraph:

The proposal you describe appears to resemble that set out in S. 763, the bill you introduced on February 24, 1977. It is not currently clear how much the demand for mobile homes in Alaska has been caused by the construction of the Alaskan pipeline, and how much reflects a long-term, stable demand for these units. Since many Alaska localities do not require permits for the installation of mobile homes, data on these purchases is not available on an area-by-area basis for much of the State. The limited evidence available indicates that pipeline construction has been responsible for a dramatic increase in mobile home purchases in recent years.

Let me clearly state, as an addendum to this paragraph of the letter, this is about as perceptive and as much in depth as a person would receive who has only received Time magazine for the last 3 years about Alaska's problems in housing. I go to the next paragraph:

Attempting to meet the demand for mobile homes which the pipeline construction has stimulated would involve a high risk of insurance losses for HUD.

What that means is that there might be some high risks for the poor in Alaska and, therefore, we do not want to even think of making an intelligent investigation in case we might be able to assist the poor and the moderate-income people in Alaska.

Usually, the completion of such construction—

And that is about all they know about Alaska, that a pipeline was built—

Usually, the completion of such constuction in a given region of Alaska has led to a sharp reduction in the number of jobs.

Brilliant observation.

Many recent mobile home purchasers have lost their jobs . . .

Another brilliant observation on the part of HUD.

and have been unable to find new ones in the vicinity. They therefore have frequently moved to other States and ceased making their mobile home loan payments.

This is a statement by an official from the Office of the Secretary of HUD.

I would like to know where that person received that information. Maybe he ought to read a little more carefully as to how the pipeline was built, where we had camps all along the pipeline, where people were housed right at the pipeline. We had an increase of 15,000 people and most of those people came from outside of Alaska. They came up there and they did not live in trailers. They lived in housing provided by the Alyeska Pipeline Co. Their homes were in Tulsa, Okla.; Madison, Wis,; Springfield, Mass.; Boston, Mass., Erie, Pa.; Los Angeles, Calif.; and Texas. That is where their houses were.

They used to commute to Alaska. They would work for 4, 5, or 6 weeks and they would take 3 weeks off and fly home. They did not buy a mobile home in Alaska. Those are not the people who have walked away from their mobile home payments. But, this is the Deputy General Counsel of the Department of Housing and Urban Development making the statement.

Many recent mobile home purchasers have lost their jobs and have been unable to find new ones in the vicinity.

They therefore have frequently moved to other States and have ceased making their mobile home loan payments.

In fact, all of these mobile homes have not been financed by HUD. How do they know they walked away from their payments? HUD has not taken one ounce of risk in Alaska. How can they make a statement like this?

Under such circumstances, the lending institution must repossess the unit, and if it can resell it at all, must usually do so at a price well below the outstanding indebtedness.

This is a statement of a person who is totally unknowledgeable about what is happening in Alaska. I have a letter from the HUD Anchorage office which gives the facts as to what actually is happening as a result of inflation in Alaska, with mobile homes of people who are leaving Alaska, who can sell those mobile homes for more than they paid for them to begin with.

Under FHA title I insurance, 90 percent of the losses realized by a lender may be included in the insurance claim if the lender is unable to sell the unit or must sell it at a loss.

I ask unanimous consent that the letter be printed in the RECORD as if read in its entirety.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE GENERAL COUNSEL OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C., May 4, 1977.

Hon. MIKE GRAVEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRAVEL: This is in further response to your April 8, 1977 letter requesting the views of this Department on the introduction of legislation to allow upward adjustment of cost ceilings for Title I programs affecting mobile homes in non-contiguous regions.

The proposal you describe appears to resemble that set out in S. 763, the bill you introduced on February 24, 1977. It is not currently clear how much of the demand for mobile homes in Alaska has been caused by the construction of the Alaska pipeline, and how much reflects a long-term, stable demand for these units. Since many Alaska localities do not require permits for the installation of mobile homes, data on these purchases is not available on an area-by-area basis for much of the State. The limited evidence available indicates that pipeline construction has been responsible for a dramatic increase in mobile home purchases in recent years.

Attempting to meet the demand for mobile homes which the pipeline construction has stimulated would involve a high risk of insurance losses for HUD. Usually, the completion of such construction in a given region of Alaska has led to a sharp reduction in the number of jobs. Many recent mobile home purchasers have lost their jobs and have been unable to find new ones in the vicinity. They therefore have frequently moved to other States and ceased making their mobile home loan payments. Under such circumstances the lending institution must repossess the unit, and if it can resell it at all, must usually do so at a price well below the outstanding indebtedness. Under FHA Title I insurance, 90 percent of the loss realized by a lender may be included in the insurance claim. If the lender is either unable to sell the unit or must sell it at less than the appraised value, the claim instead includes 90 percent of the amount by which the appraised value is below the original purchase price. According to HUD's Anchorage Area Office, many mobile homeowners in the Fairbanks area, where a major segment of the pipeline was completed last year, walked away from these units.

Data on whether there is a significant stable, long-term mobile home demand in

Alaska probably will not be available until several months following completion of the pipeline. Until HUD has such data, the Department cannot support legislative initiatives to raise the mobile home limits applicable to the State.

This Department will continue to monitor events in Alaska and in other states in an effort to assure that mobile home loan limits bear a realistic relationship to prices reflecting long-run market conditions.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

S. LEIGH CURRY, Jr.,
Acting Deputy General Counsel.

Mr. GRAVEL. Mr. President, I ask unanimous consent that two following letters from the HUD office in Anchorage also be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEDERAL HOUSING ADMINISTRATION,
Anchorage, Alaska, October 19, 1976.

Hon. MIKE GRAVEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRAVEL: We are enclosing, for your information, a summary of our comments and recommendations regarding the recently proposed financing program for mobile homes and lots.

If we can provide any additional information which would be of help to you in any way, please let us know.

Sincerely,

ROGER A. RIDDELL,
Director.

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT,
Anchorage, Alaska, May 16, 1977.

Mr. RICHARD AKS,
Office of Senator MIKE GRAVEL, *United States Senate, Dirksen Senate Office Building, Washington, D.C.*

DEAR RICHARD: I was astounded to hear the statement attributed to this office that "People were walking away from their trailer homes in Fairbanks." To the best of my knowledge, the statement is without foundation. A condition such as stated could exist when a house or a mobile home becomes too expensive to own and further strengthens the argument that the process should be changed to allow people to own mobile homes easier than that of our present regulations.

A home or trailer unit which is hard to own is also hard to sell. Nothing should prove this statement more than HUD's own experiences where they have had problems of people walking away from their homes when the market failed to reflect the need of the people. One of the benefits of the inflationary trend we have had here in Alaska is the fact that we have been able to help people sell their homes, rather than suffering from a foreclosure when they got in financial difficulties, usually realizing a profit from their home rather than their losing an equity. Of course, this is only possible during an inflationary trend and in a fairly tight market, but good underwriting principles are the same regardless of the market conditions, and the key is "easy ownership, affordable to income."

We face a condition where the home builders and the home building industry here in Alaska have priced themselves out of the median income competitive market. This market can only be served at the present time by the modular type constructed home or prefabricated home often today miscalled a mobile home.

I regret there are no exact statistics available on mobile home sales in Alaska. From the best data available, mobile home units entering the North Star Borough (Fairbanks area) were estimated as follows: (The following figures were estimated on information from the City Building Division of Fairbanks, the Borough Assessing Office, the North Pole City Manager's Office, and the Department of Labor Statistics.)

Year	Units	Nonagriculture wage and salary employment—Fairbanks area
1970	350	14,450
1971	250	14,650
1972	200	15,600
1973	300	15,500
1974	600	19,750
1975	600	31,200
1976	55	[1] 31,950

[1] Through September 1976.

The above table shows that as the pipeline neared completion additional mobile home units were not imported for resale.

Exact figures are even more difficult to acquire in the Anchorage area prior to 1976 in that Anchorage was a port of entry and of resale for a large portion of the mobile home market here in Alaska. During 1976, sales in the metropolitan area of Anchorage were tabulated through the tax office and averaged 38 per month at a fairly uniform rate throughout the year.

Historically, mobile homes have accounted for approximately 10% of the new growth homes in Anchorage each year. There is a strong demand for the mobile or modular home at the present time limited primarily only by the difficulty in restrictions of financing.

I urgently request support of the Senator's legislation which will facilitate home ownership here in Alaska. I do wish to caution, however, that the standards of insulation established under Public Law 93-383, Section 604(d) are insufficient to stand the severity of Alaska's environment north of the range.

If I may be of further assistance, please advise.

Sincerely,

ROGER A. RIDDELL,
Director.

Mr. GRAVEL. I wish to read some parts of these letters. Maybe I can have the attention of my colleagues on this, because I think it is very important, since we are charged with supervising the activities of HUD. If the Senators had some appreciation of the callousness that we have suffered from HUD, I hope that they would, maybe, press HUD to be a little more responsive to Members of the Senate who have a legislative proposal.

I want to put people in HUD on notice that I think the head of the HUD office in Alaska has exercised a great deal of courage by what he is saying in this letter. I wish to put Mrs. Harris on notice that if there are any changes without any consultation with me, there will be a great deal of attention by me on the Senate floor to activities of HUD through the exercise of my powers as a U.S. Senator.

Here is the second paragraph of a letter of Roger Riddell, director of the HUD Anchorage office. He says:

* * * the proposed loan program will not be of any real help to Alaskans seeking housing.

That means the loan program for mobile homes as it now exists.

If special loan limits and terms could be provided that are in line with the prevailing price levels in Alaska, the program could be useful in providing a reasonable method for Alaskans to purchase mobile homes to be located on individually owned lots.

I think the Senator from Massachusetts was out of the Chamber when I stated that there is the test of the program. The test in Alaska has been that not one person has used this program. That ought to be an indication to HUD that there is something wrong.

I read from another letter, sent to me by Roger Riddell on May 16 when he knew this amendment was in trouble. I read his first paragraph:

I was astounded to hear the statement attributed to this office—

Attributed by HUD's central office in Washington—

that "people were walking away from their trailer homes in Fairbanks." To the best of my knowledge, the statement is without foundation. A condition such as stated could exist when a house or a mobile home becomes too expensive to own and further strengthens the argument that the process should be changed to allow people to own mobile homes easier than that of our present regulations.

So the letter, sent by the HUD central office is proof itself that something should be changed in order to accommodate people's needs, if they are walking away from homes—if they are walking away.

A home or trailer unit which is hard to own is also hard to sell. Nothing should prove this statement more than HUD's own experiences where they have had problems of people walking away from their homes when the market failed to reflect the need of the people. One of the benefits of the inflationary trend we have had here in Alaska—

One of the only benefits, I submit—

is the fact that we have been able to help people sell their homes, rather than suffering from a foreclosure when they got in difficulties, usually realizing a profit from their home, rather than losing an equity. Of course, this is only possible during an inflationary trend—

Which has been the case in Alaska—

and is in a fairly tight market—

Which has also been the case in Alaska—

but good underwriting principles are the same regardless of the market conditions, and the key is "easy ownership, affordable to income."

We face a condition where the home-builders and the homebuilding industry here in Alaska have priced themselves out of the median income competitive market. This market can only be served at the present time by the modular type constructed home, or prefabricated home often today miscalled a mobile home.

He says it is miscalled. I want to underscore that. I wish we had never called them mobile homes because I think the name of "mobile home" so prejudices this type of financing of housing in the minds of some people in HUD, who do not understand what is happening in this country, that they still think of a trailer as something you hook up to the back of your sedan and go marching

down the road. That is no longer what a trailer is. That certainly is not what a mobile home is. I hope that some people at HUD will get sensitive and get educated to what the changes in housing have been in this country.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. BROOKE. The Senator makes a very strong case. We had a rather lengthy debate yesterday on the amendment offered by the distinguished Senator from Indiana (Mr. BAYH) on this matter. As the Senator from Alaska knows, we did increase the limits on mobile homes but did not extend the maturity.

Mr. GRAVEL. I say to my colleague, they forgot to extend maturity. I would like to see it done today.

Mr. BROOKE. That is right; we decided not to extend maturity.

The chairman and I are both certainly sympathetic to the unique problems in Alaska. I certainly would agree with the Senator that the people of your State have serious problems as far as the HUD central office is concerned, based upon what he has said on the floor this morning.

As I understood the Senator's amendment, it is addressed to the $12,500 limit for single-wide and the $20,000 limit on double-wides, and he wants to extend maturity 5 years on both. Is that correct?

Mr. GRAVEL. Yes.

Mr. BROOKE. If I do my mathematics correctly, that means the Senator would now want a figure of $18,750. Is that correct?

Mr. GRAVEL. No, we would go on top of the Bayh amendment. That would be the original amendment. I think if we went on top of the Bayh amendment, the amount would be $16,000.

Mr. BROOKE. The Bayh amendment went up from $12,500, but the Senator's amendment was not predicated on the Bayh amendment. It was predicated on the original figure of $12,500. So if we went up 50 percent, that would take it up to $18,750. Is that correct?

Mr. GRAVEL. Yes, that would happen.

Mr. BROOKE. And on double-wide, it would take it from $20,000 to $30,000. Is that correct?

Mr. GRAVEL. Yes. Will the Senator yield for one insertion at this point?

Mr. BROOKE. Yes.

Mr. GRAVEL. The HUD office in Anchorage, which, of course, is at variance with the ideas of the central office, recommends that "based upon the foregoing information"—I shall insert this in the RECORD—"we recommend the following loan: single wide, $25,000; double wide, $40,000."

We are not even asking that much, based upon competent authority and knowledgeable people who are in the housing business. I have backed down to 50 percent. That is all we are asking. I have already compromised that position in the hope that I could get it accepted on the floor.

Mr. BROOKE. In view of the Senator's very pressing problem in Alaska—and I commend him for offering this amendment, because he does have a very serious problem—I certainly would be willing to accept an $18,750 limit for single-wides, $30,000 for double-wides, with no extension of maturity, as was the case with the Bayh amendment.

Would that be acceptable to the Senator from Alaska?

Mr. GRAVEL. I do not understand why we would want to begin to negotiate from that point of view. The Bayh amendment recognized an increase in the cost of mobile homes nationwide since 1975. It was in response to the nationwide situation.

In Alaska, when you raise the dollar value on homes for housing for the wealthy people in Alaska, you have given them an increment of 50 percent above. What I am asking of the Senate is to do the same thing that we are doing for the wealthy in Alaska for the poor in Alaska and for the moderate income people in Alaska. We are not asking, I think, for a great deal.

So I would think it only fair, if it was felt there was merit in the Bayh proposal which was accepted yesterday to raise the national situation, when the situation in Alaska for housing as compared to the national situation is 50 percent more.

All I am asking is the same thing for mobile homes, where 100 percent of the housing under $20,000 is mobile homes and where 80 percent under $30,000 is mobile homes. I do not think it is unreasonable.

Mr. BROOKE. But I do not see——

The PRESIDING OFFICER. The time of the Senator from Alaska has expired.

Mr. GRAVEL. Will the Senator yield me whatever time I need for colloquy?

Mr. BROOKE. Yes.

Mr. GRAVEL. I think my colleague is trying, which I think would be all right under normal circumstances, to tie it to figures.

That is less money, and we have been hurt. We have been punished enough. I think proof of the punishment is that I ask my colleague how long this program for mobile homes has been in existence in the United States of America? Can my colleague or the staff tell us for the record?

It is 8 years, I am told. Since 1969.

Does the Senator know how many loans we have had in Alaska since 1969 under this program? Zero.

Does the Senator know what this means? It means we have the Congress design the program to help the moderate income and the poor people in every State of the Union except Alaska, Hawaii, and Guam.

Mr. BROOKE. Maybe that is because you do not have any poor people in Alaska.

Mr. GRAVEL. I beg the Senator's pardon.

Mr. BROOKE. That is because you do not have any poor people in Alaska.

Mr. GRAVEL. I will tell my colleague that we have a Native infant mortality rate three times the national average. We have a few poor people in Alaska. Not everybody is filthy rich in oil. The oil, basically, belongs to the State of Alaska, the total State.

I will bring up figures later when I move to my amendment on Native housing, which again has been an unconscionable situation based on HUD. I think it is unfair because we have poor people in Alaska, much poorer people.

When they are poor in Springfield, Mass., it is tough. But in Barrow, Alaska, it is a hell of a lot tougher because it is 60 below.

Mr. BROOKE. I take it that what the Senator is saying is that he feels that whatever the national limits are, Alaska should be 90 percent higher. Is that correct?

Mr. GRAVEL. That is exactly what it is in site-built housing, and I have shown statistically the only people that benefit from site-built housing in Alaska are the upper-income people.

I am just trying to do a little bit for the poor people in Alaska.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. GRAVEL. I am happy to.

Mr. PROXMIRE. Will the Senator from Massachusetts yield?

Mr. BROOKE. Yes.

Mr. PROXMIRE. I want to join the Senator from Massachusetts in commending the Senator from Alaska on his strong arguments for his amendment. I think it does have a lot of merit.

There are some problems, of course, with this amendment, as the Senator from Alaska knows and the Senator from Massachusetts indicated.

We would like to consider this kind of a compromise, if the Senator from Alaska would consider it: This amendment would, as the Senator from Massachusetts pointed out, increase the opportunity to provide for mobile homes by 50 percent above the level in the lower 48, although the lower 48 has been raised by an amendment we adopted yesterday. At least, in the Senate bill, it would be raised, by the Bayh amendment.

Therefore, as the Senator from Massachusetts pointed out, this is an extraordinarily generous provision. I would suggest to the Senator from Alaska that he consider the following:

That we accept that increase of 50 percent, but that we not accept the extension of the maturity for 5 years.

Yesterday, we refused to accept this proposal by the Senator from Indiana. We accepted the increase, but not the maturity. We did it for a very good reason.

The reason is that there has been no economic study made, according to all the data we have, of the life of these mobile homes. A strong argument is that after 20 years, they are not worth very much, if anything, and that those who hold the mortgage would, therefore, not have any effective collateral.

At any rate, studies are being undertaken now. We expect to have the results of that within a year or so and then we can return to this and do it in a way which is informed and fair.

As a matter of fact, I would resist the amendment of the Senator from Alaska, oppose it, if it were not for the fact that it is, as I understand it, permissive.

The language says:

Because of prevailing higher costs, the Secretary may, by regulation——

It does not say "shall."

in Alaska, Guam, or Hawaii, increase any dollar amount limitation on mobile homes or mobile home lot loans contained in this subsection by not to exceed 50 per centum.

For that reason, I think it is one that can be practically accepted and worked out.

Would the Senator agree to vote now on his amendment on those terms?

In other words, that we accept the 50 percent, if that is acceptable to the Senator from Massachusetts and that we delete the last two lines of the amendment extending the maturity, so that the maturity remains the same, recognizing the fact we will consider extending all these maturities within the next year or so after the study is made available.

Mr. GRAVEL. I appreciate the effort of my colleagues here to work out a compromise. Let me ask this question:

First, under my amendment, the maturity extension is also permissive. So if the Secretary does not feel it should be extended, she does not have to extend it. But I recognize the difference of having to go to a vote and getting it accepted by the leadership here.

I say this: I think that HUD has been derelict in its duty in not having found out the life expectancy of these units. I have lived in a mobile home. I have sold some. I developed a mobile home lot in Alaska, the first one where we had land and underground utilities. So I know something about it.

I can detect from their letter that, one, they do not know anything about it, and two, they have got a prejudice against it.

When they have a prejudice against this type of housing, they have a built-in prejudice against the poor and moderate-income people in this country. I am absolutely indignant and distraught over the whole issue.

But can the Senator assure me—not HUD, because I have no confidence that they will be responsive based upon their track record—that he will press for a study to be made by HUD, or a study made by Congress, since apparently there is too much prejudice over there to understand what is happening in this country in mobile home housing?

This is not just in Alaska. This is a fundamental change taking place in the size of units throughout the Nation.

Can the Senator assure me we will get this study, and it will not just be some language in this report and that is the end of it? Because I would feel constrained at the next opportunity, if there is no study made, to really come back and try to bring that about.

Mr. PROXMIRE. I am assured by my staff—I saw the language yesterday—that a study is underway. It is being undertaken. We will have hearings on it.

Mr. GRAVEL. By HUD or by the committee?

Mr. PROXMIRE. The study is being made by HUD.

Mr. GRAVEL. And the committee will have——

Mr. PROXMIRE. It is very complicated, as the Senator knows. He is eminently correct. This has been a neglected area. It should have been studied long ago.

But it is extraordinarily complicated. When we say "mobile home," some are no more than tin cans.

Mr. GRAVEL. Right.

Mr. PROXMIRE. Some are very sound, stable homes that are every bit as good as or better than some conventional homes.

So I think that study has to be able to differentiate the situation and give us some basis on which we can have a finding extend the terms.

I am happy to assure the Senator that that study will be made and that we will follow up and hold hearings on it.

Mr. GRAVEL. I will accept that assurance.

Mr. BROOKE. Mr. President, I do not think this is a compromise at all. I see this as giving the Senator from Alaska the full force and effect of his amendment.

The Senator's amendment now would be 50 percent above what we agreed upon and accepted in the Bayh amendment.

The Senator says this should be so because of the unique circumstances in Alaska, and we all agree that the conditions are unique. But it is continuing a precedent of 50-percent increases for Alaska on all housing programs.

Mr. GRAVEL. We are not setting a precedent. That is the law right now, that it be 50 percent for housing above the national average. It was recognized by a prior Congress.

Mr. BROOKE. Are we going to be faced with this all the time? I wonder whether this is what the Senate wants to do, that whenever a bill is considered, we are going to add 50 percent for Alaska, Hawaii, and Guam. I am not sure that we have data to support it.

I know that Alaska has problems and that the problem would be solved if we increase limits to 50 percent above the rest of the Nation. Because we decided that the national limits had to be increased, the Senator from Alaska is seeking 50 percent above that level. Yesterday, we did not accept the extension of maturity because we have no data to support it. No study has been made by HUD or by the committee. We do not know what the potential problems would be, or, what the resale value of these homes will be. After 20 years, do they deteriorate? What is the depreciation? Many problems are involved in the extension of maturity. That is why we did not accept that portion of the Bayh amendment yesterday.

I see it, this is really not a compromise, but I am not going to belabor the point.

I just wanted to point out for the record that this is a matter that might plague us in the future. If the distinguished chairman is willing to go along with it, I will not seek a vote on the amendment because its effect is permissive and not mandatory; the Secretary will have some discretion in this area. If the Secretary finds that should be the case, then the Secretary can raise the limits to that higher ceiling.

Having said that, I join the chairman in the acceptance of this amendment—that is, the first part of the amendment, as I understand it now, which will allow the Secretary to raise limits 50 percent above the Bayh amendment on both single wide and double wide mobile homes, without any extension of maturity.

Mr. GRAVEL. Mr. President, I modify my amendment, which is at the desk, to delete the third line from the bottom, after "not to exceed 50 percent." Where there is a period, insert the quotation marks and delete "and extend the maturity on a loan subject to such increased limitation by not to exceed 5 years."

The PRESIDING OFFICER (Mr. BUMPERS). The amendment is so modified.

The amendment as modified is as follows:

On page 41, between lines 13 and 14, insert the following new section, and redesignate the following paragraphs accordingly:

(b) Section 2(b) of such Act is amended by adding at the end thereof the following: "Because of prevailing higher costs, the Secretary may, by regulation, in Alaska, Guam, or Hawaii, increase any dollar amount limitation on mobile homes or mobile home lot loans contained in this subsection by not to exceed 50 per centum."

Mr. GRAVEL. Mr. President, will the Senator yield me some time, in order to make more points with respect to HUD?

Mr. PROXMIRE. Yes, I yield. I hope we can dispense with this amendment quickly and move on to another amendment and dispense with it quickly. I think we can reach a compromise on that.

I yield the Senator whatever time I have remaining on the amendment.

Mr. GRAVEL. I thank the Senator. I will make it brief.

Mr. President, I really wanted to put HUD on notice that I felt it was quite unconscionable to send a letter to the committee, which really is a disservice to the committee chaired by Senator PROXMIRE, to give him this kind of shoddy information. That is the reason why I have become so indignant over the issue.

I ask unanimous consent to have inserted in the RECORD information indicating what is the existing law which was passed back in 1949, to show we are not plowing any new ground today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL HOUSING ACT

SEC. 214. If the Secretary of Housing and Urban Development finds that, because of higher costs prevailing in Alaska, Guam, or Hawaii, it is not feasible to construct dwellings or mobile home courts or parks on property located in Alaska or in Guam or Hawaii without sacrifice of sound standards of construction, design or livability, within the limitations as to maximum or maxima mortgage amounts provided in this Act, the Secretary may, by regulations or otherwise, prescribe, with respect to dollar amount, a higher maximum or maxima for the principal obligation of mortgages insured under this Act covering property located in Alaska or in Guam or Hawaii in such amounts as he shall find necessary to compensate for such higher costs but not to exceed, in any event, the maximum or maxima otherwise applicable (including increased mortgage

amounts in geographical areas where cost levels so require) by more than one-half thereof. No mortgage with respect to a project or property in Alaska or in Guam or Hawaii shall be accepted for insurance under this Act unless the Secretary finds that the project or property is an acceptable risk, giving consideration to the acute housing shortage in Alaska or in Guam or Hawaii: *Provided*, That any such mortgage may be insured or accepted for insurance without regard to any requirement in any other section of this Act that the Secretary finds the project or property to be economically sound or an acceptable risk. Notwithstanding any of the provisions of this Act or any other law, the Alaska Housing Authority or the Government of Guam or Hawaii or any agency or instrumentality thereof shall be eligible as mortgagor or mortgagee, as the case may be, for any of the purposes of mortgage insurance under the provisions of this Act. Upon application by the mortgage (1) where the mortgagor is regulated or restricted pursuant to the last sentence of this section or (2) where the Alaska Housing Authority or the Governor of Guam or Hawaii or any agency or instrumentality thereof is the mortgagor or mortgagee, for the insurance of a mortgage under any provisions of this Act, the Secretary is authorized to insure the mortgage (including advances thereon where otherwise authorized), and to make commitments for the insuring of any such mortgages prior to the date of their execution or disbursement thereon, under such provisions (and this section) without regard to any requirement that the mortgagor shall be the owner and occupant of the property or shall have paid a prescribed amount on account of such property. Without limiting the authority of the Secretary under any other provision of law, the Secretary is hereby authorized, with respect to any mortgagor in such case (except where the Alaska Housing Authority is the mortgagor or mortgagee) to require the mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation to such an extent and in such manner as the Secretary determines advisable to provide reasonable rentals and sales prices and a reasonable return on the investment.

Mr. GRAVEL. I would like to touch on one figure, to show what happened in the marketplace for mobile homes, as to how far out of the ball park HUD was.

The number of mobile home units that came into Alaska in 1970, of which we have very good records, was 350. At the peak of pipeline construction, which was 1974–75, it went from 350 units to 600 units for those 2 years. But in 1976, last year, when construction tailed down to almost nothing, where it is now, the number of units that came into Alaska was 55.

The inference of HUD is that we are a bunch of idiots up there and do not understand when a job is going to be terminated.

What happened, obviously, in our marketplace was exactly that people were smart enough to recognize that if you do not have jobs, you do not buy housing units. That is proved by the facts.

Mr. President, I ask unanimous consent that a mobile home financing plan submitted by the Alaska region, which deals with the figures and is based upon the information they picked up, in addition to dealing with maturity, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MOBILE HOME FINANCING, COMBINATION AND MOBILE HOME LOT LOANS (FEDERAL REGISTER, VOLUME 41, NO. 150, TUESDAY, AUGUST 3, 1976)

The proposed amendments to Title I of the National Housing Act indicate a recognition of the need for more usable and effective financing mechanisms for mobile homes and lots.

The proposed program will not provide a workable financing mechanism in the state of Alaska. Among the reasons why the program may not be expected to work in Alaska are the following:

1. Maximum loan limits. The limits established for this program are substantially below the typical purchase prices for both mobile homes and for lots anywhere in Alaska. Unless higher loan limits are provided, the program will not meet the needs of mobile home purchasers or owners in this state.

Typical sales prices of mobile homes delivered in Anchorage are:

Single-wide (12' x 60' to 14' x 70') $20,000 to $26,000.

Double-wide (24' x 52' to 28' x 60') $31,000 to $45,000.

Typical sales prices of lots suitable for location of mobile homes are:

"Undeveloped" (no on-site improvements) $10,000 to $20,000.

"Developed" (individual driveway, concrete pad, etc.) no actual sales.

Based upon the foregoing information, we recommend the following loan limits for the state of Alaska:

Single-wide mobile home without lot	$25,000
Double-wide mobile home without lot	40,000

Borrower's minimum investment without lot:

12 percent of first $10,000;
10 percent of next 15,000; and
9 percent of excess over $25,000.

Loan limits continued:

Single-wide mobile home plus lot	$40,000
Double-wide mobile home plus lot	55,000
Undeveloped lot	15,000
Developed lot	20,000

Borrower's minimum investment:

5 percent of first $20,000;
10 percent of amount over $20,000; and
10 percent of price of lot for lot only.

2. The maximum terms of the loans proposed will result in monthly payments greater than typical purchasers can afford. The program would have a much broader base if it were modeled after Title II Insured Mortgage terms and conditions rather than Title I. With new mobile home construction standards now in effect, it should be possible to reasonably project the physical life of recently constructed mobile homes to be approximately the same as factory built modular homes currently being financed with 30-year loans. Economic life is controlled by factors external to the property and, therefore, is subject to normal analysis.

We recommend a maximum loan term of at least 20 years not to exceed 80 percent of the remaining economic life for mobile homes built in compliance with the new HUD standards.

3. Lending institutions in Alaska may continue to ignore the Title I programs as they have done in the past. There would likely be substantial utilization of such a loan program in Alaska only if there were an effective secondary market for these loans. We recommend that FNMA enter the Title I mobile home market.

4. In the long term, mobile homes could make a very significant contribution to satisfying the housing needs of lower and moderate income families. Once they are attached to a site that is owned in fee or controlled through a long term lease, they should be considered real property and treated as such for all legal, financial and taxation purposes.

Mr. GRAVEL. Mr. President, I thank the managers of the bill for putting up with my indignation. It was not meant for them, because I hold them in extremely high esteem. But I must say that I do not have that same esteem for the Department of HUD and the leadership of HUD today.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

The amendment, as modified, was agreed to.

Mr. GRAVEL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 358

Mr. GRAVEL. Mr. President, I send to the desk my next amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL), on behalf of himself, Mr. BAYH, and Mr. BARTLETT, proposes an unprinted amendment numbered 358:

At the end of the bill, add the following new title:

TITLE —

SEC. 01. This title may be cited as the "Indian and Alaska Native Housing and Community Development Act".

FINDINGS AND PURPOSE

SEC. 02. (a) The Congress finds and declares that—

(1) there are substantial numbers of Indians and Alaska Natives living in inadequate and substandard housing;

(2) the concentration of substandard housing among Indians and Alaska Natives is higher than among any people in the United States;

(3) the lack of adequate housing has contributed to poor health conditions among Indians and Alaska Natives and other social and economic problems;

(4) Federal efforts undertaken thus far have not achieved the goal of providing adequate housing and community development activities for Indians and Alaska Natives;

(5) existing Federal programs and available resources could be marshaled to meet the housing and community development needs of Indians and Alaska Natives;

(6) administrative problems are impeding efforts to implement these programs and to meet the housing and community development needs of Indians and Alaska Natives.

(b) It is the purpose of this Act to provide decent, safe, and sanitary housing for all Indians and Alaska Natives.

OFFICE OF INDIAN AND ALASKA NATIVE PROGRAMS

SEC. 03. (a) The Department of Housing and Urban Development Act is amended by adding after section 4 the following new section:

"OFFICE OF INDIAN AND ALSAKA NATIVE PROGRAMS

"SEC. 4A. (a) There shall be in the Department an Office of Indian and Alaska Native Programs (hereinafter referred to as the 'Office'), through which the Secretary shall

carry out functions relating to Indian and Alaska Native housing and community development.

"(b) The Office shall be headed by a Director for Indian and Alaska Native Programs (hereafter referred to as the 'Director') to whom the Secretary shall delegate within sixty days after enactment of this section all delegable duties relating to housing and community development for Indians and Alaska Natives. The Office shall be organized as the Secretary determines to be appropriate in order to enable the Director to carry out the functions and responsibilities of the Office effectively, except that the functions of the Director shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Director.

"(c) The purpose of the Office shall be to consolidate responsibility for and to deliver Federal housing and community development programs affecting Indians and Alaska Natives. The Office shall—

"(1) administer, under the supervision and direction of the Secretary, all departmental programs that may affect Indians and Alaska Natives; and

"(2) assure the delivery of these programs in coordination with the Department of Interior, Department of Health, Education and Welfare, and other Federal agencies that may affect Indian and Alaska Native housing and community development programs.

"(d)(1) The Secretary shall within one hundred and twenty days after enactment submit to Congress a report which shall include—

"(A) a description of the actions the Director has taken since enactment and the actions which will be taken to meet the goal set forth in the Indian and Alaska Native Housing and Community Development Act, together with specific timetables for achieving the goal; and

"(B) recommendations for such legislative and administrative action as he deems appropriate if it appears that the law, regulations, or administrative actions interpose obstacles to achieving the goals.

"(2) The Secretary shall, not later than December 1 of each year, submit to Congress an annual report which shall include—

"(A) a description of the actions of the Office during the current year, a projection of its activities during the succeeding years, and the relationship of these activities to the goals set forth in the Indian and Alaska Native Housing and Community Development Act;

"(B) estimates of the cost of the projected activities for succeeding fiscal years;

"(C) a statistical report on the conditions of Indian and Alaska Native housing; and

"(D) recommendations for such legislative, administrative actions and other actions, as he deems appropriate.

"(3) The Secretary shall on the 1st day of February, May, and August submit to Congress a report which describes the actions taken by the Director during the quarter to meet the goals set forth in the Indian and Alaska Native Housing and Community Development Act.

"(e) In order to carry out the objectives of this section, the Director is authorized to make grants or contracts with public and private institutions, agencies, organizations and individuals.

"(f) As used in this section, the term 'Indians and Alaska Natives' includes persons who are members of any Indian tribe, band, nation or organized group or community of Indians or Alaska Natives which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.".

Mr. GRAVEL. Mr. President, this amendment is designed to set up within the Department of Housing and Urban Development an administration and program relating to Indian and Alaska Natives. It provides for the creation of an Office of Indian and Alaska Native programs, to be headed by a Director of such programs who will report directly to the Secretary of Housing and Urban Development. Consolidation will help alleviate the confusion and inefficiency that prevent HUD from providing decent, safe and sanitary housing for native Americans.

I am sure that my colleagues are aware that the nature, scope and magnitude of problems confronting native Americans today are of grave proportions.

I wish to underscore that this obviously will deal with native Americans all over the United States, not just the State of Alaska. By all known socioeconomic indicators, native Americans are the most underprivileged group in the United States. Much of the blame for this condition can be placed on substandard housing. For example, the mortality rate for Indian and Alaska Native infants compares favorably with the national average for the first 28 days of life, but jumps to over twice the national average for the next 2 months of life. According to the Indian Health Service, the cause for the alarming increase is the substandard housing to which infants are brought from IHS hospitals.

They leave the hospital, where they have a normal life expectancy, and go out into the housing of their socioeconomic status, and their mortality rate doubles.

Similarly, the crowded living conditions, inadequate protection from the elements and poor sanitation conditions contribute to infectious diseases, alcoholism, accidental death, juvenile delinquency, and other social ills. The incidence of tuberculosis is 6½ times the national average among native Americans. Tuberculosis is primarily indigenous to tightly crowded housing conditions. For this sector of our population, the incidence of tuberculosis is 6½ times the national average.

By any objective measure, Indian housing is inadequate and defective. Over two-thirds of all Indian families live in homes which lack running water, and about half of the homes lack indoor toilets. This approaches a situation that existed back in the 1930's in this country. Over 40 percent of these Indian families live in overcrowded homes with more than one person per room. The result is the disease, injury, and increased infant mortality cited previously.

Despite the severity of this problem, the Federal Government has not been responsive to the needs of the Indian and Alaska Native people. The Department of Housing and Urban Development has been particularly ineffective in meeting the needs of native Americans.

Data indicates that HUD's commitment for each of the years 1973 to 1976 was less than 15 percent of the established need. Moreover, the number of HUD units completed for occupancy amounted to less than 8 percent of the established need per year. Statistics also show that as the need for new units increased, the actual number of HUD units completed for occupancy has steadily declined.

Now, this is in the face of a recognized need, and they are going backward under HUD's leadership.

Mr. President, I ask unanimous consent that a table comparing Indian housing needs and HUD accomplishments from 1968 to 1976 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—INDIAN HOUSING NEEDS AND HUD ACCOMPLISHMENTS, FISCAL YEARS 1968-76

	BIA inventory new units needed	HUD units construction started	HUD units completed for occupancy	HUD commitment
Fiscal year:				
1968	48,866	1,206	992	
1969	51,182	1,049	1,523	6,000
1970	46,544	3,763	1,206	6,000
1971	49,840	4,974	2,160	6,000
1972	48,313	3,111	2,889	6,000
1973	47,071	2,675	3,788	6,000
1974	46,556	2,638	3,499	6,000
1975	[1] 51,065	2,170	3,429	9,723
1976	58,288	3,507	2,695	9,723
Total		25,093	22,181	

[1] Reflects an expanded area served by BIA over previous years.

Source: HUD Office of Indian Policy and Programs 1977.

Mr. GRAVEL. Mr. President, one of the major reasons for this problem is poor administration on the part of HUD. There is no magic as to why the failures occurred. Responsibility for Indian and Alaska Native programs at HUD is divided among the Assistant Secretaries for Housing, Community Planning and Development, Neighborhoods and Consumer Protection, and Policy Development and Research. There is a lack of clarity as to what responsibilities are performed by regional and area offices. In many instances, there is little or no knowledge of the culture or traditions of native Americans. The result has been a squandering of Federal resources and an overall lack of accountability for the success or failure of the program.

This is something that our colleague from Wisconsin has championed. He has been more vigilant than anyone else in this Congress in trying to ferret out its squandering, and it is right here in this area.

The results in the field have been particularly appalling. HUD-constructed housing requires repairs running to millions of dollars. This is after HUD has just finished the program. For example, in region 9, HUD officials estimate a third of HUD Indian housing will require repairs totaling $3 million. The other major Indian program region, region 8, estimates that repairing defective HUD Indian housing will cost over $4 million.

Who is responsible? Are you going to blame the people out there who are living in the houses? Is that who we are going to take our wrath out on? Or are we going to take it out on the incompetence of the Federal bureaucrats?

HUD Indian regulations have created great animosity in the field. The Indian housing handbook places considerable managerial burdens on Indian housing authorities on the mistaken assumption that these authorities have access to the expertise and professional staffing available to urban public housing authorities.

There is a lack of flexibility in the implementation of the program.

Here our colleague from Wisconsin, I know, is going to shudder when I give him the figures. While HUD officials are appalled—and I am sure we are all appalled—that housing for Alaskan Natives is running $80,000 per unit—and if you saw the units you would not believe it: $80,000 for a little old three-room building—the Director of the HUD Anchorage office tells me that, and I quote, "One of the greatest problems we face is trying to convince our policymakers that extravagant use of water is nonessential for a sanitary home."

Now, do you know what extravagant use of water is? That is flush toilets; that the waterborne sewage is an uneconomical and energy-wasting manner of handling sewage.

We have been trying to feed into the heads of HUD that maybe you could have chemical toilets rather than running these expensive sewer systems that beef the cost of a shack up to $80,000 a unit, that maybe they could buy a chemical toilet and put it in a corner of a house and you could take care of your sewage problems that way.

Do you think we have had any success? Heck, no. They have got to have those sewerlines that just make the costs unreasonable.

You step from an airplane in Anchorage, Alaska, when you come from the bush, from the Bethel area, and what do they have facing you right as you come off the plane?

Right off the airport terminal they have a little toilet, a chemical toilet, for the whole world to see how we can get rid of crap intelligently. But do you know something? The HUD officials who take their trips to Alaska stepping off the planes unfortunately come on another airline. They do not come off the smaller airlines that go into the bush of Alaska, and so they do not see that little Johnny there, and do not see how to dispose of waste in an enlightened manner.

We have sent them brochures over the years; we have sent them to officials and said:

Look at this little Johnny, it can get rid of crap in an intelligent and economical way.

But do you think they would do anything about it? Heck, no. That would take a little bit of imagination, and from what I can perceive in HUD and the leadership of HUD they do not have that kind of imagination.

So our housing cost for a three-room house, almost a tarpaper shack, is $80,000 a unit.

Of course, Members of Congress get distraught and indignant, and the GAO performs a study.

The causes for HUD's failure have been studied extensively since 1971. These studies include a GAO report to Congress in 1971 entitled "Slow Progress in Eliminating Substandard Indian Housing"; various regional Indian housing studies; the National Indian Housing Conference in Scottsdale, Ariz., in 1974, the HUD Secretarial Task Force on Indian Programs in 1975, a staff report of the Senate Subcommittee on Indian Affairs entitled "Report on Indian Housing Effort," done 1975, and "The Indian Housing Effort in the United States" published by the American Indian Policy Review Commission in 1976. We have more studies than we can say grace over.

You would think that HUD, with all of these studies, would have gotten the message from the studies and from our own President Carter, who has really said he wants to wage a war on waste.

Well, he should start by talking to Mrs. Harris and giving her the word, because it has not gotten that far.

Every one of these efforts have resulted in a call for consolidation of Indian programs into one central office.

Now the Ralph Nader Center for the Study of Responsive Law has issued yet another report calling for a central office or Indian programs reporting directly to the Secretary.

Mr. President, this amendment, which has been modified since it was introduced because of opposition to an Assistant Secretary position—and I have tried to accommodate the committee in this regard—what my amendment now does is declare the congressional policy, our policy, to provide decent, safe, and sanitary housing for all Indian and Alaska Natives. That has not been understood by the Federal bureaucracy; it has not been understood by HUD, so Congress has got to go on record making that fundamental statement, that it is our policy to have decent, safe, and sanitary housing for Indians throughout the United States, and Alaska Natives included.

In order to achieve that, we request the creation of an Office of Indian and Alaska Native Affairs within HUD to be headed by a Director, not an assistant secretary, by one person who is responsible, who can take his report to the Secretary and not be kicked from pillar to post, as he has been kicked for the last 10 or 20 years.

This amendment also consolidates all HUD Indian and Alaska Native programs in the newly created office.

In addition to consolidating all of this activity within HUD, in this amendment we ask them to report back to Congress. We want the Secretary to report back to Congress on the action taken by HUD to meet the goals that we have set in policy. We want her to do it within 120 days after this act becomes law. That is not too soon to attend to these poor people who have been disenfranchised over the years.

Then this amendment requires that the Secretary submit a yearly report and quarterly progress reports to Congress.

This amendment simply consolidates an effort that has gone unconsolidated. By accepting this amendment, Congress can play a leadership role in the effective delivery of decent housing for native Americans.

Mr. President, I ask unanimous consent, in the interest of brevity, to have printed in the RECORD some questions and answers which show that under the existing administration we have gone backwards. I am chagrined to say, and I am sure that President Carter would be similarly chagrined to find out that we have gone backwards. We have placed this issue even further down in the area of inattentiveness. This will be brought out in the questions and answers.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS ON INDIAN HOUSING

(1) Doesn't an Office of Indian Policy and Programs exist at HUD?

Under the previous administration, there was an office of Indian Policy and Programs headed by a Departmental Advisor who reported to the Assistant Secretary for Consumer Affairs and Regulatory Functions. Although the advisor served a purely advisory role, Indian groups looked upon that position as their avenue for input. In reality, decision making was far removed from that position, being centered in the Assistant Secretaries for Housing, Community Planning and Development and others.

Many Indian groups who dealt with that office have been dismayed to learn that, under the new Administration, it no longer provides advice directly to the Assistant Secretary for Neighborhoods and Consumer Affairs, but is part of the Office of Voluntary Associations and Special Programs, which is three steps removed from the Assistant Secretary.

I would like to point out that under the previous administration, HUD had a Departmental Advisor on Elderly and Handicapped Programs, who held a position roughly equivalent to the Indian Programs person. However, the presence of concerted political pressure by advocacy groups for the handicapped forced HUD to act quickly in the case of handicapped housing. A Task Force was appointed in March and just last week the Secretary announced the creation of a new Office of Independent Living for the Disabled, to be headed by a Director who will report directly to Assistant Secretary for Housing, Mr. Simons.

(2) Isn't it true that Secretary Harris has appointed someone at HUD to undertake a thorough examination of Indian Housing programs?

It is true that the Secretary has named someone who is "in charge" of Indian housing and has asked for a review and recommendations for the improvement of these programs. However, that person, as I understand it, wears many other hats in addition to Indian housing and is unable to devote full time and energy to this problem. In addition, no timetable has been established for the completion of this review and it seems unfair to continue these programs and spend money inefficiently, when we can legislate a partial solution.

Even with this appointment, confusion still exists. A housing authority in Alaska has contacted me concerning their inability to get a decision on a proposed waiver of regulations under the Indian housing program. My staff has discovered that the memorandum requesting the waiver has bounced back and forth between the Assistant Secretary for Housing and the Counselor to the Secretary. There has been a delay of almost one month because HUD has been unable to decide who can decide on this matter. Construction season only lasts three months in Alaska and this type of delay is unfair.

(3) Why is it so important to act now?

One of the most basic reasons for acting now is that the committee bill contains a one percent set-aside for Indian tribes in the

Community Development Block Grant Program. It is vitally important that these monies, almost 35 million dollars, be administered in conjunction with the regular Indian housing program to build a community infrastructure as well as decent housing for Indians and Alaska Natives.

As HUD stands now, the CD funds go to one Assistant Secretary and the housing assistance funds go to another. That point further underscores the need for the Director of this new Office to work with and report directly to the Secretary.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. GRAVEL. I yield.

Mr. BROOKE. I commend the Senator from Alaska. He made a very strong, convincing, and persuasive case. I commend him for changing his amendment from the Assistant Secretary to a Director of the Office of Indian and Alaskan Native Affairs, because, as he very well knows, creation of a new assistant secretaryship could mean all sorts of problems. But I think the Senator from Alaska is absolutely right when he demands that we get a report from HUD; and we find out what HUD is doing to improve this situation, because he has pointed out so very clearly that the Indian and Alaskan problems have not been adequately addressed and must be dealt with by HUD.

I think the case is clear, and with the change concerning the title of the office, I am certainly willing to accept the Senator's amendment. I commend him for making this effort in behalf of Indians and Alaskans, who have been injured by neglect for too long a period of time.

Mr. GRAVEL. I appreciate the statement of my colleague in that regard, and I thank him.

Mr. PROXMIRE. Mr. President, I join my friend from Massachusetts in commending the Senator from Alaska in supporting the amendment.

This is, as I understand it, not only for Indians in Alaska, but for Indians throughout our country. It would set up an office to deal with a problem which is a multimillion-dollar problem, involving probably around $15 million, perhaps more, a year. It obviously is not being handled satisfactorily at the present time.

There is a great deal of militance on the part of Indians all over the country, both in Alaska and elsewhere. Therefore, I think that this is a good amendment. I have had an opportunity to read it and read it carefully, and I am happy to accept it.

If the Senator is ready to yield back the remainder of his time, I yield back the remainder of my time.

Mr. GRAVEL. I certainly am.

Mr. PROXMIRE. We will take the amendment.

Mr. GRAVEL. I thank the Senator in that regard.

I state for the record that I appreciate the patience of my colleagues and I hope they will understand that my indignation was, again, not directed at them, because I consider them both very fine leaders in this field. My indignation was sincerely directed at HUD and the cavalier and insensitive way that they have handled these two issues.

I thank my colleagues very deeply for their support.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

Mr. GRAVEL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 359

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes unprinted amendment No. 359.

Mr. JAVITS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, line 15, strike out "(D)" and insert in lieu thereof "(E)".

On page 44, line 16, strike out "a new subparagraph" and insert "new subparagraphs".

On page 44, line 17, after "(C)" insert "and (D)".

On page 45, line 3, strike out the closing quotation marks and the period.

On page 45, between lines 3 and 4, insert the following:

"(D) involve, in the case of a two-family dwelling, a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in an amount not to exceed $46,000 ($54,000 in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require); and".

Mr. JAVITS. Mr. President, the purpose of this amendment is to deal with a question of mortgage limits on two-family dwellings which are under the section 235 program. The limits which I seek to raise are not raised at all by the bill. The limits are today, for two-family houses in normal cost areas, $28,000, and in high cost areas $36,000.

I seek to raise the normal cost area figure to $46,000 and the high cost area figure to $54,000.

Mr. President, this particular amendment tracks what the committee itself thinks is a grave deficiency in HUD. It is stated at page 27 of the committee's report that—

HUD regulations have not, however, permitted assistance for two family dwellings. Many central city neighborhoods consist of dwellings built originally for single family occupancy which are too large for today's smaller families but are very suitable for owner occupancy with a rental unit. HUD should make Section 235 assistance available to such neighborhoods by authorizing assistance for two family dwellings.

I point out that the mortgage limits, Mr. President, were increased by the bill for single-family dwellings where there are five in the family or more from $29,000 for the normal cost areas to $40,000 and from $33,000 for high-cost areas to $46,000.

So it is certainly logical that the two-family houses which the committee itself feels have been overlooked should get these higher mortgage limits.

A good example happens to be in Boston and New York. In New York we have brownstones which are now mostly two-family dwellings, and that results in doubling the housing stock as it originally was constructed, and in Boston I understand—and Senator BROOKE will correct me—there is housing called double-deckers.

Mr. BROOKE. Four-deckers.

Mr. JAVITS. Four-deckers, which also deal with the same problem.

So while realizing that, if the committee is kind enough to accept the amendment, when we come to conference the committee may have to adjust it based on problems which it may face in the total hierarchy of mortgage limits, at least it will bring the matter to the conference so that it can be dealt with. Apparently, we think, it was just overlooked, as it has not been dealt with in the bill.

Mr. PROXMIRE. The Senator is absolutely correct. This was overlooked by the committee.

The Senator is a kind of 16th member of the committee. He is so alert and so conscientious about housing legislation that he has done this before, and I am very grateful to him for doing it. It was an oversight. I am happy to accept the Senator's amendment.

What it does is simply put multiple-family section 235 housing on the same basis as we have already applied for single-family section 235 housing in S. 1523. Of course, I think that the amendment is correct and equitable, and I am happy to support it.

Mr. JAVITS. I thank the Senator.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BROOKE. I also commend the distinguished Senator from New York. I agree he is like a member of the Banking, Housing, and Urban Affairs Committee, because he does backstop us on many occasions, and this certainly is one.

As the chairman has said, this was an oversight. I refer to our committee report on page 27 which says that:

HUD regulations have not, however, permitted assistance for two family dwellings. Many central city neighborhoods consist of dwellings built originally for single family occupancy which are too large for today's smaller families but are very suitable for owner occupancy with a rental unit. HUD should make Section 235 assistance available to such neighborhoods by authorizing assistance for two family dwellings.

So, even though we recognized it in the report, we did not make the appropriate change in the bill. I think that this amendment is a very worthy amendment and I commend our distinguished colleague for introducing it.

He certainly points out clearly that in his State of New York, certainly in Massachusetts, and elsewhere, we suffer from these low mortgage limits, because we just cannot build housing at the same price as in some other parts of the country. So I am very pleased to support the amendment.

Mr. JAVITS. I thank our colleague, and I am prepared to yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The

question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 360

Mr. JAVITS. Mr. President, I send another amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes unprinted amendment No. 360.

Mr. JAVITS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 52, line 8, strike out "(c)" and insert in lieu thereof "(d)". On page 52, line 12, strike out "(d)" and insert in lieu thereof "(e)". On page 52, between lines 7 and 8, insert the following:

(c)(1) Section 313(b)(B) of such Act is amended by inserting after "$42,000" the following: "($49,000 in the case of any property with respect to which assistance payments pursuant to section 8 of the United States Housing Act of 1937 are being or will be made and which is located in any geographical area which the Secretary authorizes an increase on the basis of a finding that cost levels so require".

(2) Section 313(b)(D) of such Act is amended by inserting after "Secretary" the following: "and $55,000 in the case of any property with respect to which assistance payments pursuant to section 8 of the United States Housing Act of 1937 are being or will be made and which is located in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require)".

Mr. JAVITS. Mr. President, this presents two parts of a technical problem. Again, knowing our colleagues who are managing the bill as well as I do, I know they will help me to screen out what they feel is desirable and what they feel is undesirable, if there is any part of it which they find unsatisfactory.

Our problem relates to the low average per unit amount which can be computed into the so-called Ginnie Mae tandem plan which carries the names of a very distinguished Republican, Senator BROOKE, and a very distinguished Democrat, Senator CRANSTON.

This program presently limits mortgages which can be purchased by GNMA to those not exceeding an average amount of $42,000 per unit. We have found that in respect of section 8 housing where we dealt with multifamily projects suitable for large families in high-cost areas this amount is too limited.

Therefore, we propose that in those high cost areas the average be raised to $49,000. That is one part of the amendment.

The other part of the amendment, which is also confined to section 8 housing, deals with the sales price of such housing, which is now limited in the law to $52,000 in high cost areas. For the same reasons I argued in respect of the first part of this amendment, we believe that it should go up to $55,000 for section 8 housing in high cost areas.

I would like to submit both parts of this amendment to my colleagues and hope very much they will agree to the amendment.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BROOKE. I would like to ask a question about the second part of the Senator's amendment. The $55,000 figure is the sales price and not the mortgage limit?

Mr. JAVITS. That is correct.

Mr. BROOKE. Again I commend our colleague for introducing this amendment. As sponsor of the GNMA tandem program, along with the Senator from California (Mr. CRANSTON), the $42,000 limit is just not adequate, as the Senator from New York has pointed out, in today's high cost areas. I believe the Senator has performed a great service in introducing this amendment. This amendment would increase the mortgage limits from $42,000 to $49,000, and, in the second section, increase the sales price limit to $55,000. I want to be sure of that. I think to increase it any higher would be getting into the super high cost range, and I think that would be a mistake.

I would certainly recommend to the chairman that we accept this amendment as in keeping with the intent of the GNMA tandem program.

Mr. PROXMIRE. May I ask a question of the Senator from New York? As I understand it, there are two constraints on this amendment. This amendment would go only to section 8?

Mr. JAVITS. That is correct; and only in high cost areas.

Mr. PROXMIRE. In high cost areas designated by the Secretary?

Mr. JAVITS. That is correct.

Mr. PROXMIRE. That is helpful. But at the same time, section 8 is a low- and moderate-income program.

Mr. JAVITS. That is correct.

Mr. PROXMIRE. I am concerned about a program that increases in the first part the $42,000 to $49,000. That is not the sales price but it is the mortgage.

Mr. JAVITS. That is correct. It is the average mortgage, because that is the way the Ginnie Mae will take it.

May I say this to the chairman——

Mr. PROXMIRE. No. 1, that seems like a large increase, and, No. 2, most people in the country, I believe, would regard that as being very high for a low- or moderate-income family.

Mr. JAVITS. I agree, but it must be juxtaposed to the $42,000. We have $42,000 now and we have had these unbelievable increases. I agree with the chairman; $49,000 is high, but so is $42,000. We must juxtapose it to that.

I would say to the Senator from Wisconsin that we will deal with it in conference. Really, we are simply taking this thing into conference to look at it from the point of view of the total hierarchy which occurs in Ginnie Mae purchases. But unless we set some appreciable figure we are not meeting the problem, because we start from a high base. We cannot avoid that.

Mr. PROXMIRE. The basic difficulty is that the whole section 8 program, which is supposed to be oriented toward low- and moderate-income people, qualifies a very large proportion of the entire country for section 8. But we have only been able to fund it, and we are only going to be able to fund it, from a practical and realistic standpoint, to permit a tiny proportion, maybe 3, 4, or 5 percent, of the people to get the benefits of this program. By increasing the mortgage from $42,000 to $49,000, it seems to me we may be getting people into this program who are relatively well-to-do. People with very low incomes would not be able to get into the program because there just is not enough money to fund a very large proportion of the people. It must be confined to a small number.

I believe most people would argue that the assistance should go to people with low incomes. The emphasis should be placed in that area, rather than on the moderate-income people who are buying a house with a mortgage of $49,000, which, with downpayment requirements, is probably a $65,000 or $60,000 house.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. BROOKE. I agree with the Senator. I have discussed this with Senator CRANSTON who is on the floor. This program is intended for moderate-income people. What the Senator's amendment would do would be to keep from pricing the program out of high-cost areas. In high-cost areas, the program could not be used at all unless the limits were raised.

Mr. PROXMIRE. We are not talking just about Alaska and Hawaii. We are talking about New York City, about Chicago, and about Boston.

Mr. JAVITS. That is where it is needed.

Mr. PROXMIRE. Does the Senator mean that people who need section 8 housing assistance have to pay $60,000 for a house in New York City and Boston?

Mr. JAVITS. That is very much within the range of what is happening. It is unfortunate, but that is what is happening.

May I point this out: the Senator speaks of the fact that we will appropriate only a small amount compared to the aggregate need, but we will not allocate it all to the high cost areas. Even in the high cost areas this is an authorization; it is not a mandate. The limit of $42,000 remains in the normal cost area. HUD will allocate it accordingly. But if we are going to help the high cost area at all, that is really what I am arguing about, we have to raise the limit.

What I am pointing out to the Senator, and I believe I know his thinking, is that we feel the figure should be $49,000 When he and Senator BROOKE have this in conference they will undoubtedly review it across the board in connection with all the mortgage limits and they will adjust it to what they feel it should be,

whether it is $1,000 less or not. At least, this will give them the order of magnitude which is required to meet the situation.

Mr. BROOKE. If the Senator will yield, all the amendment would do is open up this program to high cost areas. It is purely discretionary. If we are going to be realistic, we have to raise the limits.

Mr. PROXMIRE. I want to help the high-cost areas, but I also want to be sure that we do not provide funds for high-income people, or relatively high-income people, when we are not providing them for the overwhelming majority of moderate- or low-income people.

Mr. BROOKE. I could not agree more with the Senator from Wisconsin. We want to maintain this program for moderate-income people, but we certainly want moderate-income people in high-cost areas to be able to use this program.

Mr. PROXMIRE. I have considerable reluctance about this amendment, but under the circumstances I am willing to take it to conference and see what we can work out in this regard. I understand the House does not have this provision in their bill.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 361

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN) proposes an unprinted amendment No. 361.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

At the bottom of page 35, add the following:

SEC. 111. Section 702(a) of the Housing and Urban Development Act of 1970 is amended—

(1) by redesignating clauses (3) through (7) as clauses (4) through (8), respectively; and

(2) by inserting after clause (2) the following:

"(3) an examination of the housing and related community development problems experienced by cities undergoing a growth rate which equals or exceeds the national average;".

Mr. BENTSEN. Mr. President, I ask unanimous consent that the Senator from Texas (Mr. TOWER) and the Senator from Minnesota (Mr. HUMPHREY) be added as cosponsors of my amendment No. 361.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, this amendment adds a new clause to section 703(a) of the Housing and Urban Development Act of 1970 requiring the President's biannual urban growth report to include "an examination of the housing and related community development problems experienced by cities undergoing a growth rate which equals or exceeds the national average."

If we examine the language of the 1970 act we see that it mandates a study of urban growth problems from a national perspective. What I have tried to do is to change the point of the perspective to the cities themselves, the problems these growing cities are likely to try to see if we can avoid some of the problems that are being suffered now by some of the older cities. We need to see if we can anticipate the kinds of problems these growing cities are likely to have.

The National League of Cities has endorsed my amendment. The League feels that it will provide the kind of information that will be very important to these growing cities. I strongly urge favorable consideration by the manager of the bill and the manager for the minority.

Mr. PROXMIRE. Mr. President, I understand this is a study to be carried out by the President as part of the urban growth report. Certainly, the problems of growing cites are unusual. Unfortunately, too many of our cites are not growing. In some parts of the country, they are. In the southern and western parts of our country I understand they are. But in most of our country, the cities are contracting. I think this study will be most useful. We do not have information on growing cities. I am sure the problems are unique and unusual and have likely been neglected, because we were so concerned with the deteriorating cites.

I am very happy to support this amendment. I think it is a good proposal.

Mr. BENTSEN. I thank the chairman of the committee.

Mr. BROOKE. As I understand it, this is not a new study. This is an expansion of an ongoing study on urban growth which is being concluded by the President. The Senator from Texas would expand that study to include an in-depth look at the growing cities. Is that correct?

Mr. BENTSEN. That is correct, in that it is an expansion of the ongoing study to look at the problem of urban growth from the perspective of the city itself, how it is being affected.

Mr. BROOKE. As I understand it, the National League of Cities supports this study.

Mr. BENTSEN. That is correct.

Mr. BROOKE. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

Mr. BENTSEN. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments?

The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I ask unanimous consent that Richard Lodge of my staff have the privilege of the floor during discussion and voting on S. 1523.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT 362

Mr. SASSER. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. SASSER) (for himself, Mr. HUDDLESTON, Mr. NUNN, Mr. TOWER, and Mr. WALLOP) proposes an unprinted amendment numbered 362.

Mr. SASSER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, strike out lines 6 and 7 and insert in lieu thereof the following: "paragraph as the average of the ratios between—".

On page 19, line 17, strike out "; or" and insert in lieu thereof a period.

Beginning with page 19, line 18, strike out all through page 20, line 3.

On page 20, beginning with the semicolon on line 7, strike out all through the word "paragraph" on line 23.

On page 23, strike out lines 9 and 10 and insert in lieu thereof the following: "paragraph as the average of the ratios between—".

On page 23, line 21, strike out "; or" and insert in lieu thereof a period.

Beginning with page 23, line 22, strike out all through page 24, line 7.

Beginning with the semicolon on page 24, line 11, strike out all through the word "subparagraph" on page 25, line 3.

At the bottom of page 35 add the following new section:

SEC. . The Secretary of Housing and Urban Development shall establish and act as chairperson of a Task Force on Small Cities. The Task Force shall conduct a study and, not later than one year after the date of enactment of this Act, report to the President and to the Congress its recommendations on the formation of a national policy on the developmental needs of small cities. In carrying out its functions, the Task Force shall (1) take steps to improve the data available about small cities, (2) suggest means of reducing the duplication in government programs in jurisdictions which affect small cities, and (3) consider all of the relevant differences and similarities between small and large cities, particularly in the areas of housing, growth, development patterns, infrastructure, education, energy needs, and social development. In addition, the Task Force shall include in its report alternative verifiable formulae to be used in the distribution of discretionary balance funds available for allocation to small cities under title I of the Housing and Community Development Act of 1974.

Mr. SASSER. Mr. President, the amendment which I call up today does just two things. First, it strikes a new and premature dual formula for distributing discretionary balances for community development. These discretionary

balances are reserved for cities and towns in which less than 50,000 people live.

Second, the amendment would create a task force on small cities to be chaired by the Secretary of the Department of Housing and Urban Development. This will help redress the historical lack of understanding the Federal Government has shown for small cities, where 45 percent of our urban population now lives.

The dual formula for small cities is one part of what is referred to as the Lundine amendment, after the name of its subcommittee sponsor in the House. The Lundine amendment contains several equitable features, including the multiyear funding provision, which is supported by small city mayors across the country. Multiyear funding will give a greater sense of order and predictability to the grant process at HUD; it will permit small cities to plan for more than a year at a time. I am a strong supporter of multiyear funding.

But the Lundine amendment also creates a formula which is not supportable by the evidence. While I do not want to take up too much of the Senate's time, I want the proposed dual formula to be understood by this body.

The proposed small city dual formula is similar to a formula which is proposed to be used to allocate block grants to big cities. The Lundine amendment I think erroneously assumes that the needs and problems in the small cities of America are the same as those in New York, Chicago, and Los Angeles.

Any time we enact a dual formula, we give a city the higher of the two amounts which are derived from two sets of calculations. Even the old math tells us that a dual formula will always cost us more than if we were to use one of the formulae by itself.

No additional funds have been allocated to pay for the dual formula. This is the key to understanding this dilemma. The dual formula, therefore, provides that the amount of money to be allocated for each State will be prorated downward. This means the formula can never work as its authors intended. In fact, we are somewhat uncertain as to exactly how much money will be available.

During the last 3 years, small communities have received less than anticipated funding as a result of the heavy drain from discretionary balances by urban counties.

Available HUD computer estimates show that only a portion of the total impact this pro-rating downward will have upon individual State balances. The available figures are for rural nonmetropolitan small cities which are located outside of the Census Bureau's standard metropolitan statistical areas.

But no one knows how the standard metropolitan area small cities of less than 50,000 will fare. The reason is a mechanical one—HUD cannot seem to get the right census tapes spliced together properly in a timely fashion. They say they might have the results in a couple of weeks; but by that time, Mr. President, it is entirely possible that President Carter will have already signed this bill into law.

I mean to make the situation as plain as possible. We are operating in what planners would call a virtually data-free environment.

Defining needs is always troublesome. It is a complex but important task. The best we can probably hope for is successive approximations toward an equitable distribution based on need. But the dual formula moves away from and not toward our goal of equitable distribution. Let me cite two glaring examples.

Puerto Rico receives community development assistance according to this formula, just as the 50 States do. The current unemployment rate in Puerto Rico is 17.6 percent. This unacceptable figure is more than double the national average.

Despite its unemployment, and despite other obvious indicators of community development need, Puerto Rico loses more money as a result of the Lundine formula than any one of the States. It will lose $5½ million from its available discretionary balance for small cities. And we do not know, because of HUD's computer problems, how much the dual formula would affect the balances available to Puerto Rico's large cities like San Juan.

On the other side of the coin, a State which gains the most—almost $7 million—from the dual formula, has an unemployment rate of only 4.1 percent, which is substantially below the national average.

I think the problem of the construction of this formula is evident from these examples. This formula would tend to have a redistribution effect. Twenty-seven States and Puerto Rico will lose money to satisfy the formula's demands.

My amendment has the endorsement of the National League of Cities. I read a supportive telegram from the Georgia Municipal Association, which represents 410 communities in the President's home State.

Hon JAMES R. SASSER,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.:

On behalf of 410 member cities of the Georgia Municipal Association we sincerely appreciate your proposed amendment to eliminate dual-formula for discretionary balances and applaud the study of small city community development needs. We sincerely hope that the Senate will see the logic and equity of your amendment.

Sincerely,

GERALD THOMPSON,
President.
W. ELMER GEORGE,
Executive Director.

Mr. President, I have argued that small cities are unique. But it was Lewis Mumford who said:

Democracy in any active sense begins and ends in communities small enough for their members to know and face each other.

Not enough real thought is being given to the needs of our small cities. Our Nation has no coherent policy toward their distinctly different development needs. The information which we legislators have to use in making informed judgments is clearly inadequate to the task.

A task force on small cities within HUD would be very timely. With a worldwide shortage of fossil fuels a few years ahead of us, energy dislocations could severely affect the Nation's rural small cities, which are the focal points of our agricultural sector.

With Government programs to assist small cities located in at least seven different agencies, we must work to reduce possibly wasteful duplications of effort.

And, with funding formulas like the proposed dual formula being based on supposition and estimation, we must come up with new formulas which are based on research and careful thought.

It is really not a question of who loses or gains relatively small amounts of money. It is a question of whether the Senate ought to consent to a formula change which is less equitable than what HUD proposed originally. To one which would be even more eccentric than what we've had in the past.

By creating the task force on small cities to gather information which can help to produce a better formula, we would be affirming an important philosophical principle—sometimes we must delay making major decisions. If we do not do this, we shall continue to drift. And we shall risk making a decision which we may live to regret.

I do not argue in favor of the status quo, but it was Lord Falkland who once said:

When it is not necessary to change, it is necessary not to change.

The dual formula for small cities is not supported by evidence. It is based upon the assumption that small cities have the same needs as large cities. Mr. President, I think this is a false assumption. My amendment calls for an answer to this issue before Congress acts. I merely say that something as important and meaningful to so many people and towns should not be disturbed without good, sound reason. There is not here that good, sound reason.

I might say that my amendment has the endorsement of Mayor Tom Bradley of Los Angeles, who is a former president of the National League of Cities. It also has the endorsement of the chairman, Walter Olinsky, and the vice chairman, Mayor Ann Critchton, of the Committee on Community Development of the National League of Cities.

Mr. President, I ask unanimous consent that their telegrams relating to the task force be printed in the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ATLANTA, GA., *June 2, 1977.*

Hon. JAMES R. SASSER,
U.S. Senate,
Washington, D.C.

On behalf of 410 member cities of the Georgia Municipal Association we sincerely appreciate your proposed amendment to eliminate dual-formula for discretionary balances and applaud the study of small city community development needs. We sincerely hope that the Senate will see the logic and equity of your amendment.

Sincerely,

GERALD THOMPSON,
President.
W. ELMER GEORGE,
Executive director.

BALTIMORE, MD., *June 3, 1977.*

Senator JAMES R. SASSER,
U.S. Senate,
Washington, D.C.

DEAR JIM: The following is a copy of my telegram to Senators Sarbanes and Mathias dated June 3, 1977.

On Monday, Senator Sasser of Tennessee will offer an amendment to delete the Lundine formula from the Community Development Act. In its place, he will call for a task force study on how small cities can be aided on the basis of need as the dual formula now does for large cities. I ask your support to Senator Sassers amendment for three reasons. First, the Lundine formula applies only to nonmetro area cities. The impact of this as a matter of equity needs study and is unclear and untested.

Second, no adequate study of the Lundine formula has been made that is comparable to the Brookings analysis of the new dual formula.

Thirdly the Lundine formulr remains unfunded while the dual formula for big cities is, in fact, thank God, funded.

As chairman of the National League of Cities Community Development Committee I have worked long and hard to create an equitable formula based on need for our smaller cities. The National League of Cities does not believe, and I don't believe, that there is enough information available to intelligently support the Lundine amendment and strongly recommend that the course of actien being suggested by Senator Sasser represents the more intelligent and appropriate method to achieve equity.

Sincerely,

WALTER S. ORLINSKY,
President, Baltimore City Council.

Mr. SASSER. Mr. President, the Task Force on Small Cities will be created on the date President Carter signs the Housing and Community Development Act of 1977. It will be required to make a thorough report to Congress at the end of a year. At that time, it would be dissolved.

It is the intention of the amendment that the task force work diligently to resolve the existing uncertainties and the lack of a data base, both of which hamper our efforts toward fairness and equity.

One of the problems the task force should resolve is the lack of adequate census information about small cities and towns. With the 1980 census only 3 years away, we must take steps to insure that the data base on small cities will be improved. All the Government has to do is to ask some intelligent questions. But if we do not act quickly, we shall have lost our chance for another decade.

Another of the tasks which must be performed is a thorough identification of the similarities, and especially, the differences between small and large city needs. I know it sounds bizarre. It does to me as a layman in these matters, but there has been very little careful evaluation of the different needs of small and large cities.

So the task force should conduct such an evaluation. I do not want to make a confining list of what factors the task force should consider, but at a minimum, we should expect that it considers these areas: Community development; need for public works; infrastructure; water and sewer systems; solid waste disposal; quality and age of housing; education; recreation; energy consumption; poverty; social development; growth patterns; and migration patterns.

Under the provisions of my amendment, each proposed formula would have to be verifiable—statistically and empirically.

I must reemphasize the proposed dual formula is unverified.

As Ann Creighton, the mayor of Decatur, Ga., put it to one of my staff last week:

We don't know if the Lundine formula meets needs. We're simply guessing. We have nothing to base it on.

It is interesting to note that as we permit hold-harmless to phase out because it bears little relationship to need, we are enacting a new formula which bears even less relationship to need.

I would also expect that the task force begin exploratory planning to help the rural small cities of this country cope with any agricultural dislocations which result from changing patterns of energy consumption in the years ahead. Some experts indicate that a continued migration southward is probable because of the South's warmer temperatures and more abundant natural resources. There is a sunbelt phenomenon today, and some energy experts close to Dr. Schlesinger predict it will continue. These energy questions must be closely studied.

The task force should also consider whether the creation of one instrument of Government to help small cities would be desirable. Some people think it would be. According to the Congressional Research Service, at least seven agencies within the Government administer programs to assist small cities. There used to be a special office within the Department of Housing and Urban Development just for small cities. This office was the proposal of a former Congressman from my State, Mr. Joe Evins.

Unfortunately, the office was reorganized out of existence by the administration of Richard Nixon. I would hope the task force and the administration consider reorganizing such an office back into existence.

Accordingly the task force should evaluate present patterns of Federal funding to small cities. It should at least take steps for the better coordination of existing programs in such agencies as the Economic Development Administration and the Farmer's Home Administration. And it should recommend whether it might not be preferable to combine all of these programs and functions into one agency under one roof.

I would also hope that those appointed to the task force represent a broad range of perspectives and interests. We want to have the representatives of both rural and metropolitan cities, people from housing groups, and from Government agencies like the Economic Development Administration and the Farmer's Home Administration, which are concerned with small cities. The Secretary may even want some expertise in the experiences of developing areas from the Agency for International Development in the State Department.

We should also emphasize the need to identify alternatives. Too often, it seems, we in the Congress are given only recommendations, political prescriptions, and conclusions with which to work. But we must have alternatives if we are to make wise decisions in the best interest of all the people.

It is also important that the assumptions which are made by the task force be explicitly identified.

The dual formula is just one example of the reigning tendency to regard the full range and extent of our Nation's cities, both large and small, as though they were only one homogeneous mass. We have always been a pluralistic, dynamic, and regionaly diverse Nation. It was James Madison who first called the United States an extended republic. We are even more of one today than we were back when he was writing the Federalist Papers.

Because of the nature of our policy, it is all the more unreasonable that we are stereotyping small city needs and aspirations with inflexible formulas and uniform assumptions.

Mr. President, a General Accounting Office report puts the entire issue in perspective. Small cities currently get 20 percent of community development block grant money. But GAO says, based on need, that amount should more realistically be about 34 percent. The task force should pursue this finding. We must devote more attention to the needs of small communities.

Senator BENTSEN will chair subcommittee hearings on rural poverty this week in the Joint Economic Committee. The Senator has indicated that 13.6 percent of the rental units in rural America lack indoor plumbing, compared with 1.1 percent of the big city units. This is unacceptable. We can do better for our people.

The Senator also indicates that residents of rural areas generally suffer badly by comparison with their city cousins. He gives the examples of housing, transportation, income, and other measures of economic well-being.

Fifty-six million Americans live in rural areas, and Senator BENTSEN has indicated that the rural poverty differential is owing to the rural people's lack of clout and lack of lobbyists.

A vote for my amendment is a vote for justice for American small cities and towns. My amendment replaces a logically deficient formula with a temporary instrumentality of Government which will help end governmental guesswork about small communities once and for all.

The task force has its work cut out for it. My amendment makes no authorization for it and it does not even specify that it have a full-time staff. But in view of what I have said today, I would sincerely hope that Secretary Harris give serious consideration to designating some of her Department's best and most perceptive people to assist the members of the task force.

Only when the task force makes its recommendations to Congress will we ever be able to make more than a poorly educated guess about the best way to allocate community development funds to small cities. Now the findings of the task force could even show that the Lundine

formula is the best we can hope for in this imperfect world. But I doubt it.

We should expect a lot from this task force, and so should the underserved people in small towns throughout our land. This amendment represents the great spirit of compromise.

Mr. President, I reserve the remainder of my time.

Mr. PROXMIRE. Mr. President, as I understand it, there are 30 minutes on each side on this amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. I yield the entire 30 minutes to the Senator from New Hampshire to handle as he sees fit.

The PRESIDING OFFICER (Mr. SARBANES). The Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I thank my chairman.

Mr. President, I am opposed to the amendment offered by the able Senator from Tennessee (Mr. SASSER).

During the Banking Committee's consideration of the Community Development Act extension, we were confronted with a substantial dilemma regarding the funding and allocation mechanisms contained in the 1974 act.

In the 1974 act categorical grants were replaced by block grant funding and several older categorical programs were combined. In order to assure a continued level of funding for all prior participating cities, Congress established a hold-harmless provision by which all cites were assured of the average funding levels they had previously received from 1968 through 1972. This hold-harmless provision applied regardless of the size of individual city. Furthermore, this hold-harmless provision applied for the first 3-year period of community development and by law would expire over a 3-year period commencing in fiscal year 1978 at one-third a year.

When the administration submitted proposed changes to the Community Development Act first President Ford and later President Carter recommended that hold-harmless be replaced by the use of a second allocation formula in which each city could choose the larger amount of funding received either by the old formula contained in the 1974 act—poverty 50 percent, population 25 percent, and overcrowded housing 25 percent—or the new proposed second formula—growth lag 20 percent, and poverty 30 percent, and very importantly 50 percent for age of housing.

The problem with the proposed second formula presented to Congress by both administrations was that it would apply to only large entitlement cities having populations of over 50,000 or urban counties with 200,000 or more in population.

No consideration was given to smaller cities throughout the country having populations of 50,000 or less, and, Mr. President, there are a lot more of those than there are of the other kind. The committee felt that such a distinction between larger entitlement cities and smaller cities funded on a discretionary basis was unfair and could not be logically justified.

During the committee markup I offered amending language which is included in S. 1523 to resolve on a more permanent basis funding for smaller cities. I proposed, and the administration agreed, that Congress adopt an approach to smaller cities funding similar to the funding mechanism for larger entitlement cities, but that smaller city funding remain discretionary.

The purpose of the amendment is to give all smaller cities the opportunity to participate in community development activities, if the basic needs requirements of the act can be met. This is primarily that the community development activities principally benefit low- and moderate-income individuals. This is a needs program, not general revenue sharing. I cannot stress this too strongly.

The second funding formula adopted by the committee for smaller cities is similar to what the administration recommended for larger entitlement cities. The second formula for smaller cities is somewhat different, however, in that "population"—as is contained in the original formula—is substituted for "growth lag." This was necessary because HUD was unable to determine growth lag for smaller cities. With regard to the application of a second formula to smaller cities this is completely justified on the same grounds used for applying a second formula to large cities. Age of housing is accepted by HUD and the committee as the best single criteria for community development needs. Certainly the needs of an older and deteriorating city of 45,000 people—and we have many in the Northeast—is just as worthy of aid as a city of 60,000. In order for the community development program to be equitable to all citizens, cities of varying size should be treated as equally as possible. While large aging cities have substantial community development problems the same statement is true for numerous older cities with populations of under 50,000. Arbitrary population distinctions cannot logically be used to support dual formulas for one type and not the other. Reason requires no less, it seems to this Senator, as we look at this entire problem of community development throughout this great country.

Mr. President, I would like to ask the distinguished Senator from Tennessee a question.

Does the Senator agree that the community development program is a needs program, rather than a general revenue-sharing program?

Mr. SASSER. I respond to my distinguished colleague from New Hampshire by saying yes, I do agree, it is a need program rather than a revenue-sharing program.

One of the reasons why I oppose the so-called formula is that I do not think we have at this time adequate data to ascertain whether or not we can supply the actual needs of small cities.

Mr. McINTYRE. Will the distinguished Senator agree with the committee that the best test we could apply to community development, in a single criterion, would be the age of housing?

Mr. SASSER. I would not agree with that recommendation of the distinguished committee. My view is that poverty should be the weightiest criterion in making the measure.

I remind the Senator from New Hampshire that in smaller cities there are many aged homes which are adequate and which do not need expensive refurbishing, as we find in many of the major metropolitan areas. I think there is a tradition among people in smaller cities to care more for their homes and their housing.

Mr. McINTYRE. Mr. President, the administration and the Banking Committee disagree with the answer of the distinguished Senator from Tennessee. The criterion that seems to hit closest to the mark with respect to community development is aged housing.

I call attention to the fact that two formulas now proposed would give to my good friend from Tennessee the opportunity to go to the area that he thinks is the most important—poverty—because that formula would keep poverty in as part of the makeup of the formula.

Mr. President, I come from New England. New England, I believe, along with other sections of the Northeast, was really the first completed section of this great country, and we have aged housing. I make no bones about the fact that we are attempting to change this formula from the sunbelt areas of new populations and new cities and turn around to where it should be going now, back to areas that were the first parts of this country. That is why the aged housing formula was taken and applied in committee, to make up the integral part of a new formula to be available, to assist the cities of the Northeast and the Midwest to begin the communtiy development they need so badly.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I ask unanimous consent that the names of the Senator from Texas (Mr. BENTSEN) and the Senator from California (Mr. CRANSTON) be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I yield to the distinguished Senator from Texas (Mr. BENTSEN) such time as he desires.

Mr. BENTSEN. Mr. President, I congratulate the distinguished Senator from Tennessee for his foresight in this amendment.

I say to my friend from New Hampshire that my great, great grandparents built their home in New Hampshire. That home still stands. It is a lovely home in an apple orchard in New Hampshire, one that is lived in today.

I say to my friend from New Hampshire: Come down to my part of the country, where we have the lowest per capita income in the United States, in south Texas. Go to one of the small, new homes, in which 7, 8, or 10 kids live in crowded conditions.

I think that poverty is the primary criterion that should be used in trying to decide where housing is needed. Kids are living in inadequate housing, even in the sunbelt area of the country.

The Senator from New Hampshire can-

didly stated that he is trying to refigure the formula to move the funds back to the Northeast. I understand some of the problems of the Northeast and of the great cities of our country, and I am sympathetic to them. But I want to see us address the whole problem rather than do it just on a regional basis.

I have just had some hearings in the Joint Economic Subcommittee on Rural America. Sixty million people live in rural America, but what kind of housing do they have? They have one-third of the homes in this country, but they have more than half of the substandard housing in America. The median family income is $3,000 a year below that of their urban counterparts. The number of them now living in poverty is almost 50 percent greater than the number of their urban counterparts in the major cities.

Mr. President, the Housing and Community Development Act of 1977 is a very complex piece of legislation. There are a number of different formulas proposed to allocate funds to a variety of jurisdictions. But the bill's complexity does not mask the fact that it contains some serious inequities. The amendment offered by Senator SASSER seeks to correct one of these inequities and that is why I support its adoption.

The committee bill includes a "dual formula" for the distribution of discretionary funds to metropolitan and nonmetropolitan area small cities and towns. The second part of that dual formula is the same as that proposed for larger cities except population replaces growth lag. However, like the second element in the dual formula for larger cities, the second small city formula weights the factor: Age of housing as the most significant determinant of need.

I have been in some new houses and looked at their construction. Compare them with the kind of construction we had 20 years ago and 40 years ago and 60 years ago, the kind of artisans we had who took care in building them, and the kind of material put into them. Many of them were superior to the homes presently being built.

Mr. President, Senator SASSER's amendment would delete the small city dual formula. It recognizes the fundamental reality that the needs of small cities are not necessarily the same as those of large ones. And equally important, the Sasser amendment takes issue with the dubious proposition that age of housing is a better proxy for community development need than poverty.

I strongly support the establishment of a Small Cities Task Force called for in the Sasser amendment. This morning, the Economic Growth Subcommittee of the Joint Economic Committee began a series of hearings to investigate the problems of economic development in our rural areas. As cochairman of the Economic Growth Subcommittee, I initiated the idea for these hearings because it is my view that the Federal Government pays too little attention to the problems of small communities in rural America. Our hearings are not complete, but they have already established two points germane to the Sasser amendment. First, many small communities in rural America have serious problems which are not being adequately addressed by Federal community development policy. Second, programs designed to help our Nation's large urban areas may be completely ineffective in meeting the needs of small rural communities.

The evidence which our Economic Growth Subcommittee has already heard justifies the need for a Small Cities Task Force established by the Sasser amendment.

Mr. President, I strongly urge adoption of this amendment because America's small cities and towns need the attention a Small Cities Task Force will give to them and because the best determinant of community development need is poverty.

I am delighted to support the Senator's amendment.

Mr. PROXMIRE. Mr. President, will the Senator yield me a couple of minutes?

Mr. McINTYRE. I yield.

Mr. PROXMIRE. Mr. President, I strongly support the Senator from New Hampshire. He is absolutely right. The committee carefully considered this issue and recognized that there is merit in what Senator SASSER has proposed. He would stay with the old allocation formula, as I understand it, weighted 50 percent for poverty and 25 percent for housing overcrowding and population, respectively.

We decided in our committee, as the Senator from New Hampshire has stressed strongly, that we should consider the deterioration of housing as reflected by the age of housing and that we should consider, though we did not adopt as part of the formula, growth lag, which we have suffered in our major cities. I think that anybody with eyes to see and a heart to feel, who has traveled in our cities in this country, recognizes the tremendous problems we have in the northeastern part of our country and the midwestern part of our country. The dual formula adequately recognizes the tremendous resurgence in the economy of the South and the West. I think that resurgence is splendid. We congratulate them on it.

As a matter of fact, the Senator from Texas just had an amendment adopted which provided for studying the problems of growth. I wish we had that kind of problem in our major and smaller cities in the Middle West and the Northeast. We do not have it.

I think, Mr. President, what the Senator from New Hampshire has said in opposition to the Sasser amendment makes sense.

I do think there is one part of the Sasser amendment that is excellent. I think it would be good to have the study he proposes. I am sure the Senator is not interested in deleting the first part of his amendment that would strike the formula and just settling for the study, but I wish he would do that because I think then we might be able to take his amendment. However, I am sure he will not do this, so I will not press him too hard on it, but I do want to congratulate him on that part of his amendment.

I think the study would be most helpful. At the same time, I think the fundamental issue here, 95 percent of the amendment here, is the change of formula that would reallocate the funds from what the committee decided were those areas of the country the greatest need, based primarily on age of housing, to the areas of our country which are prospering, which have far lower unemployment levels, which are doing very well, and we hope and pray will continue to do well.

Mr. President, I thank the Senator.

Mr. BENTSEN. Mr. President, will the Senator yield 5 minutes to me?

Mr. SASSER. I yield the Senator from Texas 5 minutes.

Mr. BENTSEN. Mr. President, I would like to address particularly the remarks of the Senator from New Hampshire concerning the changing of the formula to try to put more of the funds into the Northeast.

I have noticed that in our consideration of the Housing and Community Development Act, like our recent debates on energy, food stamps, and other domestic issues, that they focus attention on an alarming tendency toward aggressive regionalism in the U.S. Senate.

In a nation as vast and populous, as geographically, culturally, and historically disparate as ours, regional differences are inevitable. They are part of the democratic process. Regional concerns were obvious and compelling 200 years ago when our system of government was negotiated and established. Our great national trauma, the Civil War was fought over issues rooted in economic and political regionalism. Regional loyalties inherent in the American experience have determined elections, created prejudices, and influenced legislation throughout our history.

I acknowledge and accept the fact that there is a regional aspect to every national problem. Whether the issue be food, a national energy policy, the creation of jobs, or community development, certain areas of the country stand to suffer or benefit from legislation more than others. Such regions have a right and an obligation to press their concerns.

However, an uncompromising, assertive regionalism that pits one part of the country against another in protracted competition for a larger slice of the Federal pie serves neither the best interests of a particular region nor the Nation. America today does not need, and cannot afford, the sort of antagonistic regionalism in which one area attempts to solve its problems at the expense of another. To the extent our difficulties are distorted through a prism of regionalism, our ability to deal with them as a nation is diminished accordingly.

I am sure everyone in this chamber fully understands that the problem of our cities, particularly the cities of the Northeast, is a vital issue of overriding national concern. This consensus, however breaks down when we attempt to identify the causes of the problem and to propose remedies.

Anyone remotely familiar with the history of the United States understands that the Northeast and portions of the Midwest industrialized—prospered—while other areas of the country remained primarily rural and agricultural. Millions of Americans immigrated to the

urban centers of the Northeast. Throughout our history, the Northeast has led the country in per capita income.

Today this imbalance is being incontestably and irreversibly redressed. There is an obvious movement of population away from the Snowbelt and into the Sunbelt. Many of the industries that for over a century provided the foundation of the Northeast's industrial prosperity have become outdated or inefficient. Massachusettts, for example, has lost more than 200,000 jobs during the past 30 years.

The Northeast and other regions face an obvious requirement to update their industrial capacity, to establish new and more efficient industries. The rest of the country should help, and is prepared to help. We recognize that our future, and our prosperity, is irrevocably linked to that of the Northeast and the Midwest. We shall thrive and succeed as a nation, not as isolated pockets of affluence scattered among devastated regional economies.

That is why this Senator from Texas, in proposing that the investment tax credit be raised from 10 to 12 percent, was motivated by a desire to help regions, such as the Northeast, to rebuild their industrial infrastructure, create more employment opportunities and to prosper.

If we are to approach national problems on a rational and national basis, it must be understood that there is no regional conspiracy to "do in" the Northeast or the Midwest. The Sunbelt is not to blame for the current problems of the Northeast any more than the Northeast is culpable for the historical low per capita incomes that have existed for so long in the South and Southwest.

Perhaps the basic point in contention between the Northeast, Midwest and other regions of the country is the thesis that these regions pay out more in taxes—some $31 billion—than they receive back from the Federal Government, while the South and West enjoy a surplus in this equation. If one accepts this argumentation, it is relatively easy to establish a hypothesis holding that the Northeast's problems are at least partly attributable to the fact that the region is being bled by the Government to the advantage of other areas.

Representative MICHAEL HARRINGTON makes an effective presentation of this argument in a recent issue of the "Empire State Report," and points out that the Northeast-Midwest Economic Advancement Coalition is activity attempting to stem what it sees as an "economic outflow" in its dealings with Washington.

The most recent manifestation of this attitude is the debate over the formula to be used in calculating a city's allocation for assistance under the Housing and Community Development Act. The Northeast would clearly prefer a formula that would maximize its share of available resources.

Mr. President, at some time it might be useful for the Senate to consider the question of alleged imbalances in tax expenditures and returns among the various regions of the country. Representative HARRINGTON'S study, for example, overlooks the fact that we have a progressive system of taxation and areas with the highest per capita income—such as the Northeast—will naturally contribute a greater share of our tax revenues, and I congratulate them on their high per capita income. After the payment of Federal taxes, per capita income in the Northeast is still $720 higher than in the Sunbelt—the South.

The figures I have seen neither refute nor endorse convincingly the thesis that certain areas of the country receive less than their fair share of Federal expenditures.

An article by Gurney Breckenfeld in this month's Fortune magazine, however, does counter the argument that the Sunbelt is to blame for the problems of the Northeast. Citing figures from the Commerce Department's Economic Development Administration, Breckenfeld points out in the period 1969 to 1972, 2,634,000 new jobs appeared in the Sunbelt—South: 35 percent because of the birth of new companies, 64 percent because existing companies expanded, and a mere 1.2 percent because of inmigration.

A Harvard-MIT Joint Center for Urban Studies team headed by David Birch studied the same 1969 to 1972 period and found that, on average, about 8 percent of all jobs in any community disappear every year, almost entirely because companies fail or lay off workers. The Birch study found the loss rate to be steady across the Nation; it was almost identical in New York City and Phoenix, in Detroit and Miami.

The important point, however, is not the question of a balance between revenues and expenditures or allegations of regional avarice. Rather, it is how we, as a Nation composed of various regions, can best deal with urban and other problems that have been caused by a process of historical, sociological and economic evolution.

The easy answer is to insist that the Government should do more, that other regions are not contributing their fair share to the resolution of these problems. I note that this contention was specifically rejected by James Howell, president of the Council for Northeast Action and senior vice president of the First National Bank of Boston, who pointed out that,

> The solution to our problems comes down almost exclusively to opening up our cities to fresh private sector capital investment—not more government spending.

Dr. Howell rejected the notion that Federal spending policies had speeded the economic decline of the Northeast, stating:

> We don't want more federal money. We can't use it if you gave it to us.

He charged that the Northeast's problems are largely due to overreliance on Government spending programs, noting that of the 5.9 million citizens in Massachusetts, 1.2 million receive Government welfare checks.

Dr. Howell went to elaborate lengths to reject the notion that the South is to blame for the Northeast's urban problems. He said that Government policies that have made private investment difficult are the real culprits.

While I personally agree with much of what Dr. Howell has to say, I did not take the floor to argue for any specific strategy to resolve our difficult domestic problems. Rather, I am suggesting that this is one Nation, indivisible, and it should act as one. Regionalism, when vigorously and consistently pursued, has the potential to destroy our national unity. And unity, the ability of this great Nation to work together and solve problems, has always been one of our greatest assets.

The economies, and the destinies of the various regions of this country are irrevocably intertwined. We are only as rich as our poorest region. I earnestly suggest that the U.S. Senate consider taking a step back from regional confrontation and carefully examine the opportunities for national cooperation. We have demonstrated, time and again, that a concerned and united America is capable of solving any problem and meeting any challenge.

I thank the distinguished Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished Senator from Texas for his eloquent and extraordinarily perceptive statement.

Mr. President, the highly respected Brookings Institution, in a study issued not too long ago, made the statement:

> In fact the nonmetropolitan areas have a higher incidence of both overcrowded housing and poverty than do the metropolitan areas.

I think this statement certainly substantiates the statement made by the distinguished Senator from Texas, and I thank him for his comments.

I yield 3 minutes to the distinguished Senator from Kentucky.

Mr. HUDDLESTON. I thank the Senator.

The PRESIDING OFFICER. The Senator has only 3 minutes remaining. Does the Senator yield 3 minutes to the Senator from Kentucky?

Mr. SASSER. I yield 2 minutes to the distinguished Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. HUDDLESTON. I thank the distinguished Senator from Tennessee.

And I am pleased to join in cosponsoring this amendment. I commend him for offering it for consideration by this body.

This amendment relates to the manner of distributing community development discretionary funds for cities of 50,000 population or less. Under existing law, discretionary funds are distributed to the States on the basis of population, extent of poverty—counted twice—and the extent of housing overcrowding. Under the committee bill, a State would receive the greater amount of the entitlement under this older formula or a formula based on age of housing—counted 2½ times, poverty—counted 1½ times and population. In other words, age of housing stock, which concededly is an important factor in determining community development needs in larger cities, would also apply as the foremost factor in this second possible formula for smaller cities.

There is, however, no present data to

indicate that this should be done. For my own part, I do not believe the problems of our Nation's large cities are the problems of our smaller cities. I do not believe the needs of our Nation's major cities are the needs of our smaller cities. Consequently, I do not see at this point why the factors in the formula for distributing funds among our smaller cities should be determined on the basis of major city problems and needs.

Reasons which led to the adoption of a dual formula for entitlement cities and urban counties should not be transposed to smaller cities without cause, as the case appears to be here. For that reason, I believe that we should retain the existing formula—at least for the time being—and while doing so, provide for a study of the small city situation and alternative means of meeting it.

Some 60 percent of the people in my State of Kentucky live in areas of less than 50,000. Many of these areas are rural. Many are considered low-income areas. Many have special community development requirements and needs—but they are not the requirements and needs of a New York, a Detroit or a Louisville. To treat them as major cities is to misconceive their character and the situations with which they must deal. I believe we must recognize the differences which exist between these small cities and large ones. I believe we must make the necessary distinctions. That is why I support this amendment and urge colleagues to do so.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Tennessee has 1 minute remaining. The Senator from New Hampshire has 17 minutes remaining.

Mr. McINTYRE. Seventeen minutes.

Mr. SASSER. I inquire, does the Senator from New Hampshire intend to use the remainder of his time?

Mr. McINTYRE. I have the intention of using most of it. If I have 2 or 3 minutes, I will be happy to yield them to the Senator.

But before yielding to the distinguished ranking member of the Banking Committee, in answer to the response of my good friends from the State of Texas and the State of Tennessee, it is not my intention, coming from New England and New Hampshire, to raise any specter or any villainous character known as regionalism, but simply to point out, Mr. President, that in this particular bill we are talking about community development and in community development we have come up with a formula this year that changes somewhat from the previous formula and injected into that formula is an indicator called aged housing. Aged housing does favor the older parts of this Nation which are the East the Northeast and the Middle West.

I am happy to yield 5 minutes to the distinguished Senator from Massachusetts.

Mr. BROOKE. I thank my distinguished colleague.

Mr. President, the Senator from Texas said this is one country and that we should not succumb to regionalism and I quite agree with him.

The formula which was adopted by the Banking, Housing, and Urban Affairs Committee was not concerned with regionalism. It was concerned with only equity and fairness.

This is not a revenue-sharing program, but the Senator from Texas and the distinguished proponent of this bill speak of it as though it were a revenue-sharing program. We are not concerned with welfare programs. We are talking about community development funds and what is the most equitable way to allocate those funds.

Under the program adopted by the committee for small cities, all States will gain. Of course, there will be some redistribution. All of the States will receive increased allocations ever their current levels. The Senator's State will not lose as the result of the committee's action.

I point this out, Mr. President, to support my contention, that this is not a regional question. This is not "sunbelt" versus "frostbelt." We have had that issue before us in other bills. But it certainly is not present here. Under the formula proposed by the committee, such States as Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, South Dakota, and Wisconsin will receive increased allocations and these are not Northeastern States. These are not the so-called frostbelt States. These are States that would benefit from this formula for one reason and one reason only. That is because they have old housing, and that is the basic factor in this new formula.

As I pointed out in my opening statement on this bill, age of housing has been shown to be an extremely effective indicator of community development need. That is exactly the issue before us—which States have the greatest community development need. Aged housing also correlates well with a number of other factors, such as high tax effort and loss of tax base, which are symptomatic of distressed communities. The new formula that was agreed to in committee will make substantial progress toward directing funds at our neediest small cities, particularly those which are phasing down from their "hold-harmless" levels.

If we were here concerned with revenue sharing, I could understand some of these sectional arguments, which have been advanced. But we are talking about what can we do to equitably distribute the limited community development funds. We agreed to a formula which at long last shows a recognition of aged housing and as an important factor and in determining need.

So when Senators get up on this floor and talk about frostbelt, and sunbelt, Northeast, West, and South, they are not addressing themselves to the issue that is before the Senate at the present time.

The issue before us is strictly community development need.

And that is a national question, not a regional question. The only way to do it fairly and equitably is to use age of housing as a vital factor in the formula, and that is what we have done. I have shown that the States which do benefit from this formula are not all located in the Northeast. Certainly we cannot say Kansas is in the frostbelt, that Kansas is more of a rural, agricultural State, but it has aged housing. That is why it benefits under the formula.

I want to assure the distinguished sponsor of this amendment that if this amendment should carry, it would be a backward step as far as equity in allocation of community development funds is concerned in this country. This is true not only so far as the Northeast is concerned, but it would be a backward step for the country.

Therefore, I must hope that the Senator's amendment will be rejected by the Senate.

I thank my distinguished colleague for yielding.

Mr. McINTYRE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from New Hampshire has 10 minutes remaining and the Senator from Tennessee has 1 minute remaining.

Mr. McINTYRE. I yield myself so much time as I may need to back up what the distinguished Senator from Massachusetts has been saying.

I believe it is very important for the Senate as a whole to realize that no State will receive less under this formula. There will be adjustments. The adjustments will be leaning toward those areas which are in need, which is the whole essence of this amendment we have offered and which the bill now presents. It will be leaning toward the indicator of age of housing rather than population and poverty, which will still play a part.

I have in my hand a memorandum from the Department of Housing and Urban Development, Community Planning and Development. I ask unanimous consent that the entire schedule be printed in the RECORD at this point. I will read into the RECORD for emphasis that under recipient categories, under standard metropolitan statistical areas, discretionary balance, metro, in 1977 fiscal year $100 million; in 1978, they would go to $174 million; in 1979, they would go to $240 million, and in 1980, to $315 million.

Under the term nonmetro areas, under discretionary balance, nonmetro, in 1977 it is $323 million; in 1978, it would go to $450 million; in 1979, it would go to $580 million, and in 1980, it would go to $696 million.

There being no objection, the schedule was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
COMMUNITY PLANNING AND DEVELOPMENT

ESTIMATED FUND ALLOCATION PATTERN OVER THE PERIOD FISCAL YEAR 1973 THROUGH 1980 USING THE PROPOSED DUAL FORMULA APPROACH

[In millions of dollars]

Recipient categories	Fiscal years			
	[1] 1977	[1] 1978	[1] 1979	[1] 1980
SMSA's	$2,513	$2,820	$2,929	$3,033
Metro cities	1,917	2,186	2,241	2,310
Urban counties [2]	322	346	383	408
Small hold harmless	174	114	55	----

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
COMMUNITY PLANNING AND DEVELOPMENT—Continued

ESTIMATED FUND ALLOCATION PATTERN OVER THE PERIOD FISCAL YEAR 1973 THROUGH 1980 USING THE PROPOSED DUAL FORMULA APPROACH—Continued

[In millions of dollars]

Recipient categories	Fiscal years			
	[1] 1977	[1] 1978	[1] 1979	[1] 1980
Discretionary balance (metro)	$100	$174	$240	$315
Nonmetro areas	578	617	663	696
Small hold harmless	255	167	83	
Discretionary balance (nonmetro)	323	450	580	696
Secretary's fund	57	63	68	71
Total basic program	3,148	3,500	3,650	3,800
Categorical program financial settlement fund	100	100	100	100
Urban development action grants		400	400	400
Total CDGB funds	3,248	4,000	4,150	4,300

[1] Based on an SMSA set-aside as follows: 1977—$200; 1978—$350; 1979—$265; 1980—$250.
[2] Based on urban county configuration as in fiscal year 1976.

Mr. PROXMIRE. Mr. President, will the Senator yield for an observation?

Mr. McINTYRE. I yield.

Mr. PROXMIRE. I point out, as the Senator from New Hampshire has emphasized so well, as well as the Senator from Massachusetts, that we did not simply take some kind of a factor like age of housing out of the air. This was done on the basis of a study by the Brookings Institution and studies by HUD, studies that confirmed the importance of age of housing as the best indicator of need.

The fact is that age of housing, as I understand it, would not be in the Sasser amendment. It was not taken into consideration before 1974. We acted on the basis of studies, not on the basis of saying we want more for Wisconsin, more for New Hampshire, or less for someplace else. It was based on studies which HUD and the committee had felt for a long time we should have undertaken, so that we knew what we were doing, so that we met the need in the most effective, honest, and efficient way. That is why I think what the committee has done does represent an improvement in terms of equity.

Mr. McINTYRE. First of all, as the chairman knows, the old formula remains for those cities which want to go in that direction. It also should be stated for the record that the amendment that I offered in the committee at the time was an amendment that was supported not only by the administration but by HUD itself.

Mr. PROXMIRE. I thank the Senator.

Mr. McINTYRE. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from New Hampshire has 5 minutes remaining.

Mr. McINTYRE. I will be happy to yield 2 minutes to the distinguished Senator from Tennessee to go with the 1 minute he has. That gives him 3 minutes in all.

The PRESIDING OFFICER. The Senator from New Hampshire has 3 minutes remaining and the Senator from Tennessee has 3 minutes.

Mr. SASSER. I thank my able friend from New Hampshire for yielding me additional time.

I might say, Mr. President, that the fatal flaw in this whole formula is the misconception that what is good for the major metropolitan areas of this country is also good for the small cities of this country.

Today we are simply proposing an amendment which would give the Senate the option at a later date, after a thorough review by a commission of small cities, and after we have assembled the necessary data, to make a rational decision as to what the needs of the small cities actually are. Then we could come back and propound a formula which would be effective in meeting the needs of the small cities of this country.

I believe I would disagree that a formula which is helpful to the major metropolitan areas of this country, which might be experiencing extensive urban decay in a manner different from that of the smaller cities, would also be beneficial to the smaller cities of this country.

This amendment is not written in stone, Mr. President. We are simply delaying acting on a second formula until a later date, until we have adequate data to know in which way we ought to go, to know what would be the decision which would be to the benefit of the smaller cities of this country.

Mr. President, I ask unanimous consent that the distinguished Senator from Tennessee (Mr. BAKER) and the distinguished Senator from Arizona (Mr. DECONCINI) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. PROXMIRE. May I say after the time has expired we will ask for a quorum call to get the yeas and nays.

Mr. McINTYRE. Mr. President, in conclusion I would just like to say that community development is a program based on need. Its purpose is to assist in providing housing and community services for low- and moderate-income citizens. If a dual formula approach is adopted for large cities based on need, then allocation of discretionary funds for small cities should also be determined by dual formula needs approach. Simple equity requires applying the proposed dual formula approach on allocating funds to all cities regardless of size. The criterion should be need and not population, not city size. Under the amendment that is now being debated, individual grants to individual small cities would still be on a discretionary basis. This amendment would only direct discretionary funds in those States having the greatest needs; that is, the older communities.

Mr. President, HUD supports the dual formula approach to smaller cities as contained in the McIntyre amendment that the distinguished Senator from Tennessee now hopes to delete from the bill. Secretary Harris, in her April 19, 1977, appearance before the full Committee on Banking, said:

> As a part of the Department's ongoing effort to improve its legislative program, we have come to recognize the need for modifications in our small city strategy. To this end, the administration does not object to the two concepts favorably reported by the House Housing and Community Development Subcommittee, namely a dual formula approach to the distribution of metropolitan and nonmetropolitan balances.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. SASSER. I yield back the remainder of my time.

Mr. TOWER. Mr. President, I support this amendment to the Housing and Community Development Act of 1977, S. 1523.

Very simply, this amendment retains the existing method and formula for determining the allocation of funds for community development programs in nonurban areas.

We heard much testimony from witnesses to the effect that we should keep funding for rural communities at its present levels. Most wanted to permanentize "hold-harmless" allocation for small towns. Short of this, however, they wanted to give a priority in funding to those who had participated in the community development program in the past. Additionally, if we did not permanentize hold-harmless, they wanted some assurances that HUD would have the authority to make multiyear commitments to these nonurban communities.

I agree with most of my colleagues that too often we give too little thought to smaller communities when considering HUD legislation. Consequently, I supported and am pleased to note that the Banking Committee adopted provisions which would authorize multiyear commitments to smaller towns and would give priority in funding to those communities that are presently carrying out a comprehensive community development program.

What I do object to, however, is adding a second method by which the funds for rural areas are to be distributed. This amendment would keep the formula that we have used for the past 3 years. The second method proposed in the bill was not alluded to at all in hearings and I do not think we received testimony on it at all.

Additionally, the new formula strongly discriminates against poor people. Whereas the first formula contains a 50 percent factor for poverty, the second formula has only a 30 percent factor for poverty. I find this astounding, as the primary purpose of the Housing and Community Development Act is to primarily benefit persons of low and moderate income.

Please note that the total amount of dollars going to nonurban areas by virtue of this amendment remains absolutely unchanged. Nonurban areas will receive exactly the same amount as contemplated by the bill. What does change is the manner in which these funds are distributed. It would retain the existing

formula which places the greatest emphasis on the amount of poverty in a particular community. I think the emphasis should remain with lower-income families. This is what the program is all about.

I urge your support of this amendment.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BROOKE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT 363

Mr. PROXMIRE. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. Is this an amendment to the amendment?

Mr. PROXMIRE. This is an amendment to the bill.

Mr. BROOKE. Mr. President, I ask unanimous consent that the vote that has been ordered on the Sasser amendment occur not before the hour of 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I should have asked unanimous consent first that, under the present circumstances, in view of the fact that the pending amendment is the Sasser amendment, that it be set aside until 2 p.m. and that we proceed with the consideration of an amendment which I am sending to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendment of the Senator from Wisconsin.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes unprinted amendment 363.

Mr. PROXMIRE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 41, between lines 9 and 10, insert the following:

Section 604 of the Housing and Community Development Act of 1974 is amended by adding at the end thereof a new subsection (h) as follows:

"(h)(1) The Secretary is authorized and directed to exclude from the coverage of this Act any structure which the manufacturer certifies, in a form prescribed by the Secretary, to be:

"(a) designed only for erection or installation on a site-built permanent foundation;

"(b) not designed to be moved once so erected or installed; and

"(c) designed and manufactured to comply with a nationally recognized model building code or an equivalent local code, or with a State or local modular building code recognized as generally equivalent to building codes for site-built housing, or with minimum property standards adopted by the Secretary pursuant to Title II of the National Housing Act.

"(2) The Secretary may, as a part of such certification process, require manufacturers to secure written assurances from the purchasers of structures subject to such certification that the purchased structure will be permanently attached to a site-built foundation."

Section 610(a) of the Housing and Community Development Act of 1974 is amended by striking the word "or" at the end of paragraph (4); by striking the period and adding "; or" at the end of paragraph (5); and by adding at the end of section 610(a) the following new paragraph (6):

"(6) issue a certification pursuant to subsection (h) of section 604, if such person in the exercise of due care has reason to know that such certification is false or misleading in a material respect."

Mr. PROXMIRE. Mr. President, this amendment would meet a problem that has been of great concern to a number of homebuilders, particularly some of the most efficient low-cost homebuilders in the country. That is the situation now, where modular construction—that is, building of homes by prefabricating them, doing most of the building in factories, and then transporting the house to the site to have it erected there—is a very efficient way to build housing. It is a method of housing production that has reduced costs. It is a technology that has made fine houses available to people with modest incomes.

Unfortunately, this kind of modular construction has been pulled under the wing of the Mobile Home Construction and Safety Standards Act. That was certainly not the intention of the Congress. As one of the authors of that bill, I certainly had no intention of including modular homes in this particular category.

Coverage by the act has been a very serious problem for the manufacturers. It has inhibited their production. It has raised their costs substantially. I have had a number of protests about it. I am sure it raises the cost for many people with moderate incomes who would like to buy modular homes that are constructed very largely in the factory and then shipped to the site.

I was concerned about this, so I sought an opportunity to discuss this with the Secretary of HUD. Of course, they are anxious to be sure that any amendment we offer that would exempt modular homes would insure that such housing be so constructed as to preserve the present protection of consumers who buy mobile homes.

For that reason, we have drafted the amendment which I have just sent to the desk. It would provide an exclusion for modular homes under circumstances that would meet the HUD standards.

I have a letter from the Secretary which I will read in part. It is dated June 3:

A small percentage of modular structures is constructed and transported in such a way as to come within the definition of "mobile home" set out in section 603(6) of the 1974 Act. To the extent that modular units meet that definition, HUD's position has been that the statute confers regulatory authority over them. It was the Department's view that Congress did not intend to regulate any part of the modular housing industry pursuant to Title VI. Accordingly, HUD has exempted, by interim regulation, those modular homes meeting the definition of mobile homes from the Title VI standard. The current interim exemption regulation is due to expire on June 30, 1977.

These regulations were developed on an interim basis because, while modular units meeting the definition of "mobile home" are subject to the Act, they are structures for which no standard has yet been developed under Title VI. HUD has not felt free to exclude this small portion of the modular industry by permanent regulation because the definition contained in the statute clearly includes such units.

This Department would not object to amending Title VI to provide a means for manufacturers of modular housing to assure that such structures are not subject to the Mobile Home Construction and Safety Standards Act. However, we are concerned that proposed amendment language altering the definition of "mobile home" might have negative effects on the Secretary's ability to regulate the mobile home industry. A change in the definition might permit a process of self-exclusion to occur, or might create a situation in which manufacturers could "shop" for preferred building standards.

We suggest instead a certification process, supervised by the Secretary, under which modular housing manufacturers currently subject to the Act secure automatic exclusion from its coverage, upon certifying that their structures met the statutory standards for such exclusion.

Then the Seretary sent me the amendment I am offering here. It is really a HUD drafted proposal:

The enclosed draft amendments would permit the Secretary to retain necessary control over the process of determining what structures are covered by the Act, while providing modular home manufacturers with a simple and inexpensive process under which they might secure exclusions in appropriate cases.

The Office of Management and Budget has advsed that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Mr. President, this amendment would assure the modular industry, the factory manufacturing industry which has made such good progress in holding down the cost of quality homes, an opportunity to proceed without being inhibited in a way that Congress never intended, but in which they are, indeed, inhibited.

I hope that this amendment will be accepted.

Mr. BROOKE. Mr. President, I have studied the amendment and I have read the letter from the Secretary of HUD. I think it is a sound amendment and I would support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

UP AMENDMENT NO. 364

Mr. PROXMIRE. Mr. President, I send another amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an unprinted amendment No. 364.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 63, lines 16, 17 and 18, strike "section 102(a)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970" and insert in lieu thereof, "section 102(7)(A)(i) of the Developmental Disabilities Services and Facilities Construction Act".

Mr. PROXMIRE. Mr. President, I will explain the amendment.

This is a minor technical amendment. It changes the rural housing language.

The committee adopted language in that title to clarify Congress intent that handicapped persons shall be fully eligible to participate in the programs of the Farmers Home Administration. The bill presently defines "handicapped person," in part, as one who is "a developmentally disabled individual as defined in section 102(a)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970."

The amendment which I am offering today would define developmental disability with reference to section 102(7)(A)(i) of the Developmental Disabilities Services and Facilities Construction Act. That section—which is broader than that now cited in the bill—would add autism to that list of mental disabilities covered by the term "handicapped person."

It is a small, minor amendment, but obviously an amendment which is equitable and desirable. I hope the Senate will accept the amendment.

Mr. BROOKE. Mr. President, I have read the amendment. It is a technical amendment, and it does improve the bill. I support the amendment.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MOYNIHAN). The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Tennessee. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

Mr. STEVENS. I announce that the Senator from Utah (Mr. GARN) and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Missouri (Mr. DANFORTH) is absent on official business.

I further announce that the Senator from Kansas (Mr. PEARSON) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from Utah (Mr. GARN) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 43, nays 45, as follows:

[Rollcall Vote No. 174 Leg.]

YEAS—43

Allen	Eastland	Nunn
Baker	Ford	Packwood
Bartlett	Goldwater	Randolph
Bellmon	Gravel	Roth
Bentsen	Hansen	Sasser
Biden	Hart	Schmitt
Bumpers	Hatch	Scott
Byrd, Harry F., Jr.	Helms	Sparkman
Byrd, Robert C	Hollings	Stennis
Cannon	Huddleston	Stevens
Chiles	Inouye	Talmadge
Cranston	Johnston	Thurmond
DeConcini	Laxalt	Tower
Domenici	Matsunaga	Wallop
	McClure	

NAYS—45

Abourezk	Hayakawa	Muskie
Anderson	Heinz	Nelson
Bayh	Humphrey	Pell
Brooke	Jackson	Percy
Burdick	Javits	Proxmire
Case	Kennedy	Ribicoff
Chafee	Leahy	Riegle
Clark	Lugar	Sarbanes
Culver	Magnuson	Schweiker
Curtis	Mathias	Stafford
Dole	McIntyre	Stevenson
Durkin	Melcher	Weicker
Glenn	Metzenbaum	Williams
Griffin	Morgan	Young
Hathaway	Moynihan	Zorinsky

NOT VOTING—12

Church	Haskell	McGovern
Danforth	Hatfield	Metcalf
Eagleton	Long	Pearson
Garn	McClellan	Stone

So Mr. SASSER's amendment was rejected.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Mr. Gene Lawrimore of the staff of Senator THURMOND be given the privileges of the floor during the remainder of the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Now, Mr. President, I understand we will have at least four more amendments, perhaps more.

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. I understand the sequence is likely to be something like this, of course, depending on what Senator gets recognized. The expectation is that Senator BUMPERS would call up his amendment first. There will probably be a vote on that, a rollcall.

Senator JOHNSTON will follow Senator BUMPERS. Senator BUMPERS would expect to take at least a full hour, at least that is a possibility. Senator JOHNSTON will follow Senator BUMPERS, and he expects to take 15 minutes to a side, 30 minutes, and probably a rollcall vote.

Then Senator HATHAWAY will have an amendment which would take about 20 minutes. Whether there is a vote or not is hard to determine. Probably there will be.

Then Senator MUSKIE will have an amendment for which 4 hours is allotted. We do not expect him to take that long, but that is what the unanimous-consent agreement provides.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. MUSKIE. My guess would be that we would get to my amendment maybe at 4 to 4:30, optimistically.

Mr. PROXMIRE. Optimisticaly, 4 to 4:30.

Mr. BROOKE. Senator TOWER has an amendment.

Mr. PROXMIRE. He has an amendment which, I presume, will follow that of Senator MUSKIE.

Mr. BROOKE. Senator WILLIAMS has an amendment.

Mr. PROXMIRE. Senator WILLIAMS, yes; he has an amendment. That will not take much time.

Mr. CURTIS. Mr. President, will the Senator yield? I have an amendment, but it may develop that it will be offered by someone else. But one amendment in which I am interested will be offered.

Mr. PROXMIRE. The amendments will be by Senators TOWER, WILLIAMS, CURTIS, CRANSTON and, of course, Senator BUMPERS. It looks like a long night.

The PRESIDING OFFICER. The Senator from Arkansas.

UP AMENDMENT NO. 365

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS) for himself, Mr. MCCLELLAN, Mr. BENTSEN, Mr. MCGOVERN, Mr. DOLE, Mr. DOMENICI, and Mr. ALLEN, proposes an unprinted amendment numbered 365.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, line 12, change the period to a comma, and add the following: "and by adding at the end thereof the following:

"*Provided, however,* that each metropolitan city or urban county shall be entitled to an annual grant whose aggregate amount is at least 80 per cent of the aggregate amount of the grant to which the metropolitan city or urban county was entitled in the preceding fiscal year, any other provision of this Act notwithstanding. If appropriations are not sufficient to fund fully allocations to metropolitan cities and urban counties made under this section, 60 per cent of the funds necessary to fund such allocations shall be transferred from funds provided for use in accordance with section 103(a)(2) of this title, and 40 per cent of the funds necessary to fund such allocations shall be transferred from funds provided for use in accordance

with section 107 of this title, to a maximum of $15 million and $10 million, respectively."

Mr. BUMPERS. Mr. President, this amendment deals with the hold harmless provision which was put in the 1974 Housing and Community Development Act.

I am today proposing an amendment to S. 1523, the Housing and Community Development Act of 1977, that would relieve dozens of cities of a serious burden imposed on them by the allocation of funds to metropolitan cities and urban counties under the act. I submit the amendment for the Senator from Arkansas (Mr. MCCLELLAN) and myself.

Fiscal year 1978 will mark the beginning of the end for "hold-harmless" funding under the Housing and Community Development Act of 1974. For 3 years, hundreds of communities have been receiving funds in excess of their entitlement under the formula in the 1974 act. These hold-harmless supplements will be phased out over a period of 3 years, ending in fiscal year 1980. This could be a severe blow to the many cities and counties that have grown used to a predictable amount of Federal aid; but fortunately, the Committee on Banking, Housing, and Urban Affairs has recognized that any statutory definition of "need" can be only a crude measuring stick, at best.

The committee, at the suggestion of the administration, has provided a second formula that is more sensitive to the needs of certain cities, and has in addition provided for an "impaction" adjustment that takes into account the special needs of cities with very old housing stocks. The results, I think, are generally satisfactory; most cities will receive community development block grants that meet a rough test of distributory justice. Only a few cities will be entitled to less than 80 percent of the grants to which they were entitled in fiscal year 1977.

For those cities, however, the generally equitable nature of the new formulas will be of little consolation. Particularly hard hit will be those cities that participated in the model cities program. For some of those cities, the phasing out of model cities funds began shortly after the passage of the 1974 act. The model cities program was treated differently from the other Federal programs affected by the hold-harmless provisions of the 1974 act. The phasing out of model cities funds was to begin as soon as a city had received the equivalent of 5 years of full model cities funding; in the 6th year, a city would receive 80 percent of its annual model cities funding, in the 7th year, 60 percent, and in the 8th year, 40 percent.

In the cases of both Texarkana, Ark., and Texarkana, Tex., the 5-year period for model cities funding expired shortly after enactment of the 1974 act, and phasing out of model cities funds began at that time. CDBG funding for Texarkana, Ark., has declined, as a result, from $2.372 million in fiscal year 1975, to $1.992 million in fiscal year 1976, to $1.613 million in fiscal year 1977. In fiscal year 1978, the phaseout of model cities funds will end, and the phasing out of other hold-harmless funds will begin. The results will be catastrophic. Instead of dropping by a little less than $400,000—the amount by which CD grants to Texarkana, Ark., have been dropping since the program's inception—the entitlement for fiscal year 1978 will be $803,000 below the 1977 figure, a decline of 49.8 percent. Texarkana, Tex., will suffer a loss almost as large, from $2,053,000 to $1,224,000—a decline of 40.4 percent.

No other cities will suffer percentage declines of such magnitude, but an analysis of figures provided by the Banking Committee has revealed that 58 cities in 28 States and the District of Columbia will suffer losses of more than 20 percent from fiscal year 1977 levels. In many cases, the dollar losses will far exceed even the sizable losses of the two Texarkansas. For example: New Haven, Conn., will lose more than $5 million; Washington, D.C., will lose almost $9 million; Wichita, Kans., will lose almost $3 million; New Bedford, Mass., will lose almost $3 million; Flint, Mich. will lose almost $2 million; Poughkeepsie, N.Y., will lose $3.5 million; Lawton, Okla., will lose $1.7 million; Wilkes-Barre, Pa., will lose more than $2 million; Pawtucket, R.I., will lose $1.5 million; Spartanburg, S.C., will lose more than $1 million; Edinburg, Tex., will lose more than $1 million; Norfolk, Va., will lose $4.5 million.

Mr. President, it is tempting to shrug off these drastic reductions in CD funds. After all, it could be argued, many of these cities had ample warning that they were scheduled to lose Federal aid; participants in model cities, in particular, had reason to know that the Federal spigot would not be left open forever. Such arguments are outweighed by the simple fact that municipal finance today is, for most cities, a terribly chancy business. Even if they have the will, cities frequently do not have the money to take up the slack left when a Federal program ends. And for even the healthiest of cities, the abrupt withdrawal of hundreds of thousands—or millions—of Federal aid dollars cannot help but be a shock. An abrupt withdrawal may create difficulties that a gradual reduction would not.

There is one additional consideration. We should be slow to insist that cities accept drastic reductions in aid because measurements of "needs" are simply not that precise, as the Banking Committee has in effect admitted through its multiple-formula approach. A gradual reduction in aid may reduce the damage that can be done by a misreading of needs; we should not wield the ax with gusto unless we are absolutely certain that we are hitting the right target.

Fortunately, the cost of exercising such restraint need not be high, within the context of this bill. Under my amendment, every metropolitan city and urban county would be assured of an allocation equal to at least 80 percent of its allocation in the preceding fiscal year. According to my calculations, only $22,532,100 in additional entitlements would be required to bring every metropolitan city and urban county to that level in fiscal year 1978.

The question remains, of course, where this additional money should come from. Under my amendment, funds would be taken, to the extent necessary, from amounts otherwise set aside for metropolitan discretionary balances and the Secretary's discretionary fund. I know of no "fat" anywhere in the CD program, but it seems appropriate to me that discretionary funds should yield when necessary to meet the requirements of entitlement allocations. An entitlement, by definition, is a special claim on public moneys; by contrast, no one can be said to have a special claim on funds to be awarded at their keeper's discretion.

To be sure, the discretionary funds serve a valuable purpose, and drains on them should be held to a minimum. To avoid the possibility of serious reductions in the two discretionary funds, my amendment imposes a cap of $25 million on the amount of money that can be transferred—$15 million from the metropolitan balances, and $10 million from the Secretary's fund.

Mr. President, my amendment is designed to cure a minor blemish on this generally praiseworthy bill. It will not undermine the principle that need should be the criterion for community development assistance, nor will it upset the balance among the different components of the program. It is, instead, a recognition of our own fallibility in determining need, and an act of compassion toward all those local governments that catch cold whenever we sneeze.

Mr. President, I ask unanimous consent that, immediately following my remarks, there be printed in the RECORD a table showing: First, the metropolitan cities whose CD funds under S. 1523 will be reduced by more than 20 percent in fiscal year 1978, when compared with fiscal year 1977; second, the percentages by which their aid will decline; and, third, the amounts that must be added to present formula entitlements for fiscal year 1978 in order to assure each city of funding equal to 80 percent of its fiscal year 1977 entitlement. These amounts would be added to those cities' entitlements by my amendment.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. BUMPERS. Mr. President, in 1974, the Housing and Community Development Act contained a provision that there would be a hold harmless clause put in so that the cities would not lose their new entitlements under the new formulas over a period of about 3 years.

This bill this year in 1977 says that cities that have been receiving more money than they were entitled to under the 1974 act because of the hold harmless clause will now begin to lose the excess above those entitlements over the next 3 years. In effect, it means that a city that has been receiving a substantial amount of money above the entitlement will lose a third of that money in 1978, conceivably a third in 1979, and a third in 1980.

Presumably at that time, all the cities in this country would then be at the formula entitlement level.

That is fine and good as far as it goes, but there is another element in the equation which wreaks literal disaster on a lot of innocent cities in this country, and that is the group of cities that have had model cities programs.

I have circulated a list among all of our colleagues to show all of the cities in this country that will benefit or that will at least lose less under this amendment. While I have not had a chance to check to see how many of those have been former model cities cities, I would venture a guess that a majority of them have in fact been in that category.

Mr. President, the cost of this amendment is minimal. I have calculated it to be about $22.5 million. In my opinion, never before could this body buy simple justice as cheaply as this.

For example, in my State, and, of course, I am not above provincialism, I will tell Senators the thing that piqued my interest in it was that in Texarkana, Ark., and Texarkana, Tex., the 5-year period for model cities funding expired right after the enactment of the 1974 act.

Since that time, community development block grant funds for Texarkana, Ark., have declined from $2.372 million in 1975 to $1.992 million in 1976, to $1.613 million in 1977.

In 1978, the phaseout of model cities funds will end; and the phasing-out of other hold-harmless funds will begin, and the results to Texarkana, Ark., and Texarkana, Tex., are going to be disastrous.

Texarkana, Ark., alone will lose another $400,000, and the total for both cities is over $803,000; and Texarkana, Ark., and Texarkana, Tex., combined are not really that big. So the effect is going to be devastating.

Let me give Senators a list of how it is going to affect some other cities:

New Haven, Conn., will lose more than $5 million. Washington, D.C., will lose almost $9 million. Wichita, Kans., will lose another $3 million. New Bedford, Mass., will lose $3 million. Flint, Mich., will lose $2 million. Poughkeepsie, N.Y., will lose $3.5 million. Lawton, Okla., will lose $1.7 million. Wilkes-Barre, Pa., will lose $2 million. Pawtucket, R.I., will lose $1.5 million. Spartanburg, S.C., will lose $1 million. Edinburg, Tex.—and I daresay I know Edinburg, Tex., and I doubt that it has 20,000 people—will lose $1 million. Norfolk, Va., will lose $4.5 million.

Mr. President, I am not proposing to increase the authorization of this bill to take care of this $22.5 million. Instead, I have taken what is the best of all possible solutions to solve a very drastic problem. I am proposing that 60 percent of the amount necessary to fund this proposal come from the so-called metropolitan fund balances. That is a fund in this bill of approximately $175 million, and 60 percent of the amount to fund this, if I am calculating correctly, is roughly $14 million; but in no event will that fund be charged with more than $15 million of the cost necessary to fund this amendment.

The other 40 percent of the funds would come from the 2 percent discretionary funds that go to the Secretary.

I am not sure exactly what she gets under that category, but it is 2 percent, and I have heard two estimates. One is $70 million and the other is $80 million. I will simply say that the Secretary's 2 percent discretionary funds under this bill are between $70 million and $80 million. The balance would be funded from that discretionary fund.

The point I am trying to make is that by tapping those two funds the effect that it would have on any cities in this country is minimal, marginal, would hardly be felt, and the alternative to not adopting this amendment is to say that 58 cities in this country are going to be virtually devastated so far as community development is concerned.

Mr. President, I reserve the remainder of my time. I tried to state this amendment as succinctly as I could.

Let me state the most salient part of the proposal, and that is this: Under this bill as it is now written all cities that are receiving more than the formula would entitle them to receive are going to be phased out of that excess at the rate of one-third a year. Some of them, of course, will be phased out the first year; for some of them it will take all 3 years to phase them down to the entitlement level. But in addition to that, every model city in the country that had received 5 years' full funding is being phased out, and in my State, Texarkana, Ark., is one of them that long since received 5 years' full funding in model cities. In addition to that, those people are being phased out at the rate of 20 percent a year.

The effect of those two phaseouts is just too traumatic for many cities in this country to withstand and still have any semblance of a community development program.

I urge colleagues during the remainder of the time available to acquaint themselves with the chart I have put on every Senator's desk showing the effects of the amendment, and to read the Dear Colleague letter.

I reserve the remainder of my time.

Mr. President, I ask unanimous consent that Richard Arnold and Mike Barrier of my staff be accorded the privilege of the floor during the debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Senator from New Hampshire (Mr. DURKIN) be added as a cosponsor to my unprinted amendment No. 365.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT 1

	Percentage decrease	Cost to hold at 20 percent (thousands)	Total loss without amendment (thousands)
Alabama: Huntsville	29.3	$304.8	$961
Arizona: Scottsdale	20.7	12.8	379
Arkansas:			
Little Rock	21.8	98.8	1,196
Springdale	20.8	6.2	161
Texarkana	49.8	480.7	803
California:			
Compton	23.2	142.8	1,034
Fresno	25.6	503.9	2,306
Napa	25.7	127.9	576
Richmond	33.0	442.9	1,123
Connecticut:			
Hartford	24.4	$425.9	$2,362
New Britain	23.9	163.1	1,000
New Haven	29 7	1,734.9	5,303
New London	33.8	857.0	2,099
Waterbury	27.5	426.6	1,563
Washington, D.C.	21.8	738.0	8,947
Florida: Titusville	20.1	.96	193
Idaho: Boise City	28.7	430.0	1,418
Illinois:			
Bloomington	24.6	100.0	533
Rock Island	23.4	66.1	454
Springfield	22.8	126.4	1,031
Indiana: Gary	20.5	29.5	1,211
Iowa: Sioux City	21.0	39.3	823
Kansas: Wichita	26.0	652.2	2,830
Maine:			
Lewiston	34.4	321.5	769
Portland	26.4	290.7	1,200
Massachusetts:			
Malden	28.2	372.8	1,282
New Bedford	29.9	941.0	2,840
Springfield	26.1	516.6	2,210
Michigan:			
Clinton	21.1	16.5	318
Flint	24.0	304.3	1,824
Lansing	27.3	452.3	1,690
Minnesota: St. Paul	28.0	1,507.0	5,268
Mississippi:			
Biloxi	25.4	212.4	998
Gulfport	20.7	16.4	483
New Mexico: Albuquerque	23.2	270.8	1,967
New York:			
Binghampton	26.2	317.4	1,339
Poughkeepsie	33.5	1,405.6	3,492
Syracuse	21.8	207.0	2,505
North Carolina:			
Asheville	28.6	242.7	807
Charlotte	20.3	28.5	1,927
High Point	28.7	305.1	1,008
Winston Salem	21.6	76.0	1,028
Ohio:			
Middletown	28.7	465.7	1,534
Toledo	20.9	91.8	2,133
Oklahoma: Lawton	29.2	546.3	1,736
Oregon: Salem	23.0	95.5	731
Pennsylvania:			
Easton	27.9	245.5	866
Lancaster	25.0	184.5	920
Scranton	25.8	449.3	1,998
Wilkes-Barre	31.6	901.1	2,455
Rhode Island: Pawtucket	30.0	519.9	1,556
South Carolina: Spartanburg	31.5	433.2	1,186
South Dakota: Sioux Falls	22.3	70.5	683
Texas:			
Edinburg	32.8	456.8	1,169
Grand Prairie	25.5	181.3	839
Texarkana	40.4	418.8	829
Waco	29.1	422.8	1,354
Virginia: Norfolk	28.4	1,333.7	4,507
Total		22,532.1	

ADDITIONAL STATEMENTS SUBMITTED ON MR. BUMPERS' AMENDMENT

Mr. DOLE. Mr. President, the Senator from Kansas joins his colleague from Arkansas in an amendment to ease the shock which will be felt in certain entitlement communities when the "hold-harmless" funds are phased out. In certain communities this drop in funds is so large that it imperils the orderly administration of the community development program and could seriously injure those communities.

In my home State of Kansas, the city of Wichita would lose 26 percent of its community development funds. That is a very serious reduction and could have serious consequences for the city. This amendment would limit that reduction to 20 percent for fiscal year 1978.

The committee is committed to doing away with the hold-harmless approach and phasing out these funds. This amendment does not do serious damage to that commitment, but merely breaks the fall for the communities who will experience greater than 20 percent cuts under the committee's bill as it now stands.

The Senator from Kansas notes that this amendment will affect 58 cities in 28 States, and is not a matter which is localized in Kansas or in Arkansas. There are a large number of cities that will face serious reductions under the committee bill.

In light of this, I enthusiastically support the amendment and urge its adoption.

Mr. BENTSEN. Mr. President, I rise to offer my support for the amendment of the junior Senator from Arkansas. His amendment reduces the hardship which numerous cities face as a result of substantial decreases in community development funds to which they will be entitled under the pending bill. The Bumpers amendment provides that no city's entitlement will decline by more than 20 percent in any one year.

The problem Senator BUMPERS addresses in his amendment has its origins in the 1974 Community Development Act. Under that act, a community was able to receive funds in excess of its entitlement provided by the funding formula. These hold-harmless supplements are now to be phased out over the next 3 years. A number of cities, including four in my State—Texarkana, Waco, Grand Prairies, and Edinburg—stand to lose substantial amounts of their community development funds as a result of the phaseout. Senator BUMPERS has already pointed out that 58 cities in 28 States are in a similar position.

Some of the losses which these cities will experience will be nothing short of devastating. Texarkana, Tex. will find itself with a 40.4 percent decline in community development funds. Such a loss is bound to cause irreparable damage to its community development program. Texarkana and the other 57 affected cities should be given the opportunity to adjust to the new fiscal realities they face so that they can continue a well planned, comprehensive community development effort. I would like to emphasize that what the Bumpers amendment would do is to temper the severe shock which 58 cities are about to receive from the Federal Government. It meets the test of elementary justice.

Mr. President, the Banking and Urban Affairs Committee went to elaborate lengths to meet its estimate of the needs of the older cities of the Northeast and Midwest. It added two additional parts to the formula for entitlement funding. The 58 cities adversely affected by the pending bill only ask that they be permitted some time to adjust to reductions in their funding level. They are not asking that those levels be maintained. I think their request is most reasonable and accordingly, I urge adoption of the Bumpers amendment.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time for the quorum call be taken out of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, this is one of those rare occasions when a speech on the floor is so effective that it changes the minds of Senators. I discussed this amendment with the distinguished Senator from Massachusetts. We agree that the amendment has very considerable merit. The amendment is not in the House bill. We recognize that there may very well be a serious inequity with the phase-out of hold harmless, the double phase-out, as the Senator so well put it.

As the Senator has pointed out, it would not take money from any other city. It would, however, do something that concerns me very much: It would reduce the discretionary authority of the Secretary. I believe this kind of program works best when we have a competent Secretary, and I think we do, although I voted against her confirmation. She has the discretion to exercise judgment, at least in some areas. We reduced this discretion greatly in the urban development action grant areas. We are reducing it in another area here.

Nevertheless, under the circumstances, I believe the Senator has met a need which the bill does overlook, a hardship which would be worsened if the bill were to pass in its present form. I am willing to accept the amendment.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BUMPERS. I yield.

Mr. BROOKE. I just want to be certain. As I understand the Senator's amendment, it would cost no more than $25 million. Is that correct?

Mr. BUMPERS. Our calculation is that it would be roughly $22.4 million.

Mr. BROOKE. Of course, this money would come from the discretionary balances for smaller cities. The Senator is well aware of that, and that is the problem. On the other hand, I believe the Senator does address a formula inequity by this amendment. This would not involve a large shift of funds. I did want to be certain that it will cost no more than the $25 million. The Senator assures me that his calculation is about $22.4 million.

Mr. BUMPERS. That is our calculation.

Mr. BROOKE. As I look at it, most of the States across the country have cities which would fare better under the Senator's amendment.

I believe it is a sound amendment, and I would join with the chairman in supporting it.

Mr. BUMPERS. Mr. President, there are very few times when a Senator has an opportunity to leave this Chamber and go home at night gratified for his success. I am gratified. I sincerely appreciate the acceptance of this amendment by the floor managers. I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum and I ask that the time not be taken from either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I ask unanimous consent that Mr. Robert Boyd, Mr. William Stringer, and Mr. Charles McQuillen, all members of the Senate Budget Committee staff, be granted the privileges of the floor during the consideration of S. 1523.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 353

Mr. HATHAWAY. Mr. President, I call up my amendment No. 353 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY), for himself, Mr. ANDERSON, Mr. FORD, Mr. METCALF, Mr. LEAHY, and Mr. BUMPERS, proposes an amendment numbered 353.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, line 24, strike out the closing quotation marks and the second period, and after line 24 insert the following new subsection:

"(i) Not less than 25 per centum of the funds made available for grants under this section shall be used for cities under fifty thousand population which are not central cities of a standard metropolitan statistical area.".

Mr. HATHAWAY. Mr. President, this amendment would require that not less than 25 percent of the funds made available for the urban development action grants—UDAG's—provided for by new section 119 of the Housing and Community Development Act, shall be used for

grants to cities under 50,000, which are not central cities of a standard metropolitan statistical area.

This amendment thus insures that a designated minimum of these UDAG funds be reserved for dispersal solely among our Nation's smaller cities which, without this protective feature, would be highly unlikely to receive UDAG awards.

IMPACTION CONCEPT OF THE WILLIAMS-BROOKE FORMULA

At the outset, I would stress to my colleagues that this amendment is drafted carefully so as not to disturb the concept of impaction funding of certain metropolitan cities and urban counties under the criteria of the so-called Williams-Brooke formula contained in new sections 106(b)(1)(C) and 106(b)(2)(C).

The 1974 act formula allocated funds to metropolitan jurisdictions on the basis of poverty—counted twice—population, and housing overcrowding.

The administration sought this year an alternative formula—the so-called dual formula—which allowed a metro jurisdiction to be allocated funds alternatively on the basis of age of housing, weighted 0.5; growth lag, 0.2; and poverty, 0.3. This formula took into account the severe needs of our older urban areas more deeply affected by stagnation and decay.

The administration also sought, in addition to the dual formula, a separate $400 million authorization for UDAG's.

The Senate Banking Committee, while it adopted the dual formula, added a third modification—the Williams-Brooke formula—to allow further additional funding to be allocated to a metro area on the basis of the concentration of pre-1940 housing contained in its boundaries relative to the proportion of such units in all metropolitan areas.

The committee's investigation concluded that this pre-1940 housing statistic correlated highly to the symptoms of urban decay which the CD program was directed toward remedying.

The Banking Committee determined at the same time to fund the increment called for by the Williams-Brooke formula, over and above the dual formula total, out of the $400 million authorization originally sought by the administration for the UDAG concept.

Since the Williams-Brooke formula offered an excellent means to target additional funds to metro areas which were, by any definition, severely distressed consistent with the goals of UDAG's, it was reasonable and appropriate that this formula should look to the $400 million for funding of its additional allocation, and that it be given priority in the dispersal of such funds.

The Senate bill, in new section 103(c) requires this initial utilization of the $400 million, but makes clear that all amounts, left over after application and allocation of the Williams-Brooke formula be poured over into section 119 for separate, discretionary grant awards by the Secretary of HUD. In the committee report, it is estimated that Williams-Brooke will require $112 million in fiscal year 1978, $198 million in fiscal year 1979, and $277 million in fiscal year 1980. Thus, for purposes of UDAG grants pursuant to new section 119, balances of $288 million in fiscal year 1978, $202 million in fiscal year 1979, and $123 million in fiscal year 1980 will be available. My amendment requires, of these latter amounts not less than 25 percent go to cities of less than 50,000 which are not central cities of SMSA's.

THE GOALS OF UDAG'S AND THE NEED FOR PROTECTING SMALLER CITIES

The stated purpose of new section 119 is to provide additional funding, above and beyond any formula determinations, to, and I quote from section 119—

. . . severely distressed cities and urban counties to help alleviate physical and economic deterioration through reclamation of neighborhoods having extensive housing abandonment or deterioration, and through community revitalization in areas of population outmigration or stagnating or declining tax base. Grants made under this section shall be for support of severely distressed cities and urban counties that require increased public and private assistance in addition to the assistance otherwise made available under this title and other forms of Federal assistance.

This section, in other words, gives to the Secretary of HUD the discretion and authority to make additional, incremental grants to those cities which need Federal help most, and which are most likely to generate positive results from receiving such funds.

Consistent with these goals, applicant cities for such assistance must provide documentation of their prior demonstrated results in providing housing for low- and moderate-income individuals and in providing equal opportunity to such individuals.

Further detailed documentation is required of the level of economic distress, the age of housing stock, residential abandonment, average income, population out-migration and stagnating or declining tax base.

To be successful in competing for such funds, a city must describe a concentrated urban development action program setting forth its efforts and plans to alleviate its physical and economic distress and its efforts and success in attracting private funding to achieve these goals.

Section 119 thus intends that the additional funds it provides be devoted to those cities most in need and which are most likely to leverage such funds to the greatest possible advantage, and to produce synergistic beneficial results.

SMALL CITIES AND SECTION 119

By its terms, section 119 in no way excludes small cities from competition for UDAG grants. In fact, it is my understanding, Secretary Harris has testified before the Senate Banking Committee, that every effort would be made to encourage small cities to apply for these grants and that awards would be made. This testimony is gratifying. For it is clear to every analyst of our Nation's housing needs that those residing in nonmetropolitan areas, in those cities having less than 50,000 in population, are faced with particularly severe housing problems. In this regard, I would like to cite a couple of statistics for the benefit of my colleagues.

In 1973, the Joint Center for Urban Studies of Harvard-MIT estimated that there were 13.1 million households suffering from "housing deprivation" and of these more than 5 million, or 38 percent, were nonmetropolitan.

The incidence of substandard housing in nonmetropolitan areas was 3½ times that in metropolitan areas in 1974.

Further, a more recent study of the General Accounting Office disclosed the following facts about the needs of our nonmetropolitan areas. While only 27 percent of our Nation's population lived outside standard metropolitan statistical areas, 40 percent of the Nation's poverty and 31 percent of the overcrowded housing was concentrated in these areas.

The need is clear, and I am sincerely hopeful that Secretary Harris' expressed intentions will find their way into established and implemented policy. But I cannot help being extremely skeptical that UDAG funds will in fact be allocated to our Nation's smaller cities in proportion to their needs.

THE ROLE OF GRANTSMANSHIP

I reach this conclusion reluctantly, but necessarily. For it is quite clear that the range and complexity of the criteria to be applied for determination of eligibility for and award of UDAG grants are such that only the most sophisticated and fully staffed city management teams are likely to be successful in this competition. To pretend otherwise is rather like a skier hoping for snow in July.

Only those cities which have been extensively involved in Federal programs in prior years, and have developed an extensive data base and program expertise will be in a position to supply and document the programs and justifications called for in section 119.

STRUCTURE OF CD FAVORS CITIES OVER 50,000

Cities of over 50,000 population have an inherent advantage in this regard in that they are entitlement jurisdiction under the community development formula. This means they have received a formula entitlement under the Housing and Community Development Act of 1974 in each and every year since its passage, and under the pending measure would receive further entitlements through 1980. Thus, they have hired and will be able to continue to employ a cadre of professionals well versed in the intricacies of grantsmanship.

Cities of under 50,000 have no such built-in experience. Under the 1974 act, they have been forced to compete among themselves for limited discretionary balances of CD funds, left over after the entitlement jurisdictions have cut out their most substantial piece of the CD pie. Under the 1974 act only 20 percent of the CD funds were set aside for nonmetro jurisdictions. The Senate had, pursuant to my amendment, passed a measure requiring a 25 percent nonmetro setaside but the 20 percent figure came out of conference.

Smaller cities located within so-called metro counties have received an additional 5 percent of CD funds overall.

Thus, cities of less than 50,000, both inside and outside metropolitan areas, have received approximately 25 percent of CD funds over the last 3 years.

But because nonmetropolitan cities are nonentitlement jurisdictions, they must, under existing law, compete rather fiercely among themselves for the discretionary balances of CD funds. To quote from a February 4, 1977 study of the Congressional Research Service of the Library of Congress, prepared by Michael Angelasto, on page 13:

For the discretionary localities, funding is on the same basis as in many categorical programs—apply and hope for the best.

In this regard, another CRS study, dated February 23, 1977, and prepared by Sandra S. Osbourn, stated that:

The competitive nature of this process is illustrated by the fact that in FY 1976, preapplication (for non-metro discretionary balances) were received from 5,248 potential recipients. HUD invited 1,403 of these applicants to submit full applications.

In other words, less than one in three nonmetro jurisdictions seeking CD funds made the first cut.

I am pleased to note that the pending measure expands the funding for nonmetro discretionary balances, and also supplies the administration's dual formula to the allocation of such funds. These are improvements over the prior setup and should result in a narrowing of the gap between the documented needs of nonmetropolitan areas and the implemented policy to meet those needs.

But unless the UDAG program is amended to specifically require a setaside of not less than 25 percent of its funds for communities of less than 50,000 which are both inside and outside SMSAS, it will be inconsistent with the policy expressed with regard to the CD program generally, and will be totally out of phase with the needs of our Nation as a whole and the citizens of our smaller communities in particular.

Mr. President, I have discussed this matter with the floor manager of the bill as well as the ranking minority Member, and I believe they agree with the amendment and are willing to accept it.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. I yield such time as the Senator from Massachusetts may require.

Mr. BROOKE. Mr. President, as I understand it, this amendment would create a setaside of 25 percent of the funding under the urban development action grant program for smaller cities and towns.

Under the committee bill, there is no population cutoff for UDAG eligibility. HUD Secretary Patricia Harris has indicated that certain smaller cities would receive funding under UDAG if they demonstrate the same distress as larger cities.

In addition, the committee bill provides a new mechanism for funding basic discretionary grants to smaller communities.

It is HUD's intent to meet the needs of smaller cities equitably through comprehensive grants and UDAG grants, when needed. Obviously, HUD has objected to any setaside of funds for any particular group of cities.

It would appear to me that this is a sound amendment, even though I would agree that HUD makes a sensible argument. A similar amendment, as I understand it, did pass overwhelmingly on the House floor, because it was offered as an amendment which recognized the needs of smaller communities. Is that correct?

Mr. HATHAWAY. The Senator is correct. Contained in the House-passed version, there is an amendment similar to the pending one, but it is not exactly the same since they do not have the Williams-Brooke impaction amendment on the House side.

Mr. BROOKE. But the thrust was the same?

Mr. HATHAWAY. The thrust was the same, right.

Mr. BROOKE. All things considered, Mr. President, I think it is a sound amendment. I shall support it if the chairman of the committee will join with me in accepting this amendment.

Mr. PROXMIRE. Mr. President, I am happy to accept the amendment. I yield back the remainder of my time.

Mr. HATHAWAY. Mr. President, I extend my appreciation both to the Senator from Wisconsin and the Senator from Massachusetts.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. HATHAWAY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BROOKE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 343

Mr. TOWER. I call up my amendment No. 343 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Texas (Mr. TOWER), for himself, Mr. STONE, and Mr. CRANSTON, proposes an amendment:

On page 6 line 24, after "distressed" insert "areas in".

On page 7, line 1, after "alleviate" insert "and prevent".

On page 31, line 9, strike out "to" and insert in lieu thereof "for use in".

On page 31, line 10, after "distressed" insert "areas in".

On page 31, line 10, after "alleviate" insert "and prevent".

On page 31, line 15, after "of" insert "activities in".

On page 31, line 16, after "distressed" insert "areas in".

On page 32, line 4, before "cities" insert "areas in".

On page 32, line 4, after "cities" insert "and urban counties".

On page 33, line 25, before "city" insert "distressed areas of the".

Mr. TOWER. Mr. President, I ask that the names of Senators BENTSEN and BARTLETT be added as cosponsors. The amendment is currently cosponsored by Senators CRANSTON and STONE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, under this bill, we are making available up to $400 million per year for the next 3 years for the proposed urban development action grant, UDAG, program. This program is supposed to provide funds to "distressed" cities and urban counties. No one has told us which cities and counties are to be considered distressed, however, but it will be those which suffer loss of population, declining tax base, and housing abandonment.

What this fails to do, however, is take into consideration the vast cores of poverty and slums in our cities which will not be defined by HUD as being distressed. Many cities, such as Houston, Miami, Atlanta, San Francisco, and a host of others, will probably not be considered to be distressed. But, does this mean they have no significant urban problems? Does this mean that abandonment is not occurring in parts of these cities? Does it mean that in certain areas people are not moving out and that the tax base is not declining? Does it mean that businesses are not moving out of certain areas of these cities?

Of course not. I submit that in parts of these cities I have mentioned you can find just as much decay, just as much abandonment, and just as much a loss of jobs as you can find in any other city that HUD will term "distressed."

And that is just the point. This bill strongly discriminates against those cities and counties that will not be termed "distressed," but, in fact, have areas within their borders that are just as needy as any other community. But the people living in these areas will not receive 1 penny of assistance from the UDAG program, regardless of their need. They cannot because, although they might live in distressed areas of a city, they do not live in a distressed city.

I hope to correct this inequity by this simple amendment. It would make distressed areas of cities eligible for assistance rather than just making distressed cities eligible. The HUD Secretary will still have complete discretion as to where the funds will be used. In fact, it will give her greater flexibility in implementing this program. Now she will be able to act in areas of real need, regardless of whether or not she would have termed the city or county to be distressed.

This is a very important amendment that could provide assistance to thousands of low-income families if adopted.

I urge its adoption.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require.

This amendment was considered in

committee. As I recall, it voted 11 to 4 against the amendment.

The amendment does have appeal, particularly as articulated by the distinguished Senator from Texas.

Mr. TOWER. If the Senator will yield, it was 8 to 5.

Mr. PROXMIRE. I stand corrected.

What this amendment does is provide when we have a prosperous city, which is thriving, with low unemployment, doing extremely well, of high income and with income rising, but has some distressed parts in which there are people who are poor and out of work, that HUD would be directed to provide some money.

Mr. TOWER. If the Senator will yield, HUD is not directed, it would be discretionary with the HUD Secretary.

Mr. PROXMIRE. The Senataor is again correct.

HUD would be directed to use their discretion in providing funds from the urban development action grants, which are designed primarily for really distressed cities.

We have a very small amount of money available for urban development action grants when we consider the enormous urban problems we have in this country and when we consider the plight of big cities like New York, Detroit, Cleveland, Philadelphia, Boston, Milwaukee, and other cities.

Obviously, we are not going to be able to do more than make a small effort in the direction of correcting some really unfortunate situations.

If we provide that in addition to this, the Secretary shall take into consideration the needs of the distressed parts of a thriving city, it seems to me that we are diluting funds that should go, that are limited and badly needed, for the cities truly distressed.

I hope that the Senate will not accept this amendment. I would hope, under the circumstances, that the Senate would not proceed to further deplete that urban development action grant fund.

That fund started out as a $400 million fund. Senator WILLIAMS proposed an amendment which provided that some of that would go directly to cities. I think he provided that a very substantial amount—as a matter of fact, in the third year, $300 million of that $400 million—would be given to various cities on a formula basis.

Senator HATHAWAY has just had an amendment accepted by the Senate that would provide that 25 percent of the urban development action grants would be made available to small cities. Now, it was 25 percent of what was left. But this means that the amount of money that is available in this fund is very small.

I submit that if we have any real expectation of helping the truly distressed cities in this country that we should reject the amendment of the Senator from Texas and provide that at least what is left, the small amount left, be made available to the most distressed cities and urban counties in our country.

Mr. BROOKE. Mr. President, if the Senator will yield, I would just like to correct the RECORD. It is not that I am particularly proud of authorship, but Senator WILLIAMS did not vote for that amendment. I offered the amendment which funded impaction out of the UDAG fund, as the Senator from Wisconsin will remember; if he refreshes his recollection.

Mr. PROXMIRE. I stand corrected for the third time on this amendment.

Mr. BROOKE. Senator WILLIAMS did not want the money taken out of UDAG.

Mr. PROXMIRE. Yes. The original amendment was from the Senator from New Jersey. The Senator from Massachusetts provided the amendment to direct that the funding for the Williams "impaction" formula would come out of UDAG.

Mr. BROOKE. It would come out of UDAG. UDAG was further softened today on the Senate floor by the amendment of the Senator from Maine (Mr. HATHAWAY).

So we are talking about limited funds for the UDAG program.

I think, if my memory serves me well, that I voted with the distinguished Senator from Texas on this amendment in Committee. I had some reservations about it then, but he was very articulate and very persuasive in presenting his case in Committee. I still have some reservations about it, and one of the questions is what is the definiton of "distressed area"? I just do not know what these areas could cover.

Do we mean a neighborhood, a census tract, or some other geographic area? I am sure that most cities have some distressed areas, but are we going to take this money and spread it to include every city in the country. If every city would be eligible for this funding, do we not run the risk that there would be such a limited amount of money that is actually going to the distressed cities that the program is not worthy of our consideration?

I would ask the Senator what he defines these areas to be.

Mr. TOWER. Let me first ask the Senator from Massachusetts how he defines the distressed cities and can he name those for us?

Mr. BROOKE. I am sure that you do not have any in Texas. We will start off with eliminating Texas, because they do not have any distressed cities.

Mr. TOWER. That leaves 49 other States.

Mr. BROOKE. Milwaukee is distressed by virtue——

Mr. TOWER. Certainly not by virtue of the Senator from Wisconsin.

Mr. BROOKE. Not at all. The Senator from Wisconsin accepted this designation of Milwaukee.

I have several distressed cities in Massachusetts, such as New Bedford and Fall River. I do not know whether I should call Boston a distressed city, but it certainly has great problems of distress.

I could go on. There are many distressed cities in the country and I think they could be easily defined. But when we begin to discuss distressed areas, there are serious problems of definition.

Would we start with a distressed neighborhood?

Mr. TOWER. Well, the Senator defines community development areas; that is no different than defining distressed areas of the city under that proposal.

I might point out that I was almost in tears when the distinguished Senator from Wisconsin talked about denying this pitiful amount of money to some of the more adversely impacted cities in this country. But then suddenly it occurred to me under the new dual formula and the new impaction adjustment formula, already the less progressive cities in the country, less perhaps some of those that have been referred to, are getting more money as it is.

Now I wonder in some instances if we are not encouraging poor management in some of these cities by continually opening the Federal Treasury and devising formulas that weigh in favor of them.

In the distinguished Senator from Massachusetts' home town of Boston, they do have the second highest per capita expenditure by the city government of any city in the country, second only to New York. I can understand that they have problems. I suggest that sometimes better management on the part of cities might help ameliorate some of the problems they have, but I do not want to point a finger and get into that.

We do have distressed areas in Texas. I would not say that every city in Texas is well managed. The fact is that there are some very abjectly distressed areas in some of our Texas cities, particularly those along the border, where the unemployment rate may be in the neighborhood of 11, 12, or 13 percent or higher. I think those people are just as distressed as somebody who lives in a much larger city, such as New York or Boston. All I am pleading for is that we apply this to distressed areas.

Mr. BROOKE. It seems to me that under our community development block grant program we have provided sufficient money for distressed areas.

Mr. TOWER. Yes. But the cities to which the Senator refers also benefit under that. What I am saying is that some cities are going to get a double dip, so that they get it out of community development and UDAG.

Mr. BROOKE. That is correct, because they qualify as distressed cities. That is why the Secretary is seeking funding for UDAG—to aid the distressed cities. But if we have relatively well-to-do cities getting UDAG money, that would supplement their regular community development money, which should be used to assist low and moderate income people in distressed areas. What are these wealthier cities doing with their community development funds?

Mr. TOWER. What are they doing?

Mr. BROOKE. I do not know.

Mr. TOWER. What are they doing to improve their own lot? What is New York City doing?

Mr. PROXMIRE. Plenty.

Mr. TOWER. They have a long way to go.

Mr. PROXMIRE. They have done more than any other city in the last 50 years. New York has done more in the last 2 years than any other city.

Mr. TOWER. They could not go any-

where but up. Look at where they started.

I submit that every city that has a distressed area should be a beneficiary of this program. Why should it go only to certain cities?

Mr. PROXMIRE. To Beverly Hills and Grosse Point?

Mr. BROOKE. They should be the beneficiary of a program, and they are. These types of communities are beneficiaries of the regular community development program. But should they be a beneficiary of the "distressed cities" program called UDAG? That is the whole question.

Mr. PROXMIRE. This amendment overlooks three things. No. 1, as the Senator has pointed out—and this goes to the heart of the bill—the wealthy cities like Houston are the beneficiaries of the community development program. No. 2, they are the beneficiaries of a far more generous revenue-sharing program. It provides billions of dollars a year. No. 3, they are the beneficiaries of a situation in which they have a higher property tax, revenue or income tax. At any rate, they have the benefit of having a generally more prosperous community.

If the Senator will look at page 32 of the bill, he will see the the definitional regulations to which HUD has to conform in defining a distressed city:

> The Secretary shall issue regulations establishing criteria in accordance with the preceding sentence and setting forth minimum standards for determining the level of physical and economic distress of cities for eligibility for such grants, which standards shall take into account factors such as the age and conditions of housing stock, including residential abandonment, average income, population outmigration, and stagnating or declining tax base.

Mr. TOWER. All these things are occurring in cities that are not overall distressed.

Mr. PROXMIRE. The Senator is correct. The Secretary of HUD has indicated that HUD is very much opposed to this amendment. The administration is opposed to this amendment because it feels that HUD has a huge job to do now in the distressed cities and urban counties that would conform to the guidelines we set down here.

Mr. TOWER. But we are not mandating anything here. We are leaving it to her discretion. Obviously, I think we could expect that most of the money would go to cities that, as such, are distressed; but there may be some instances of distressed cities that would not come under the fundamental criteria. Why not apply the same formula to an area within a city as to a city?

Mr. PROXMIRE. Is not the only justification we have for spending the Federal taxpayers' money to help those who are in distress, who really need help and need it urgently and desperately and are not strong enough to help themselves?

Mr. TOWER. Somebody who is distressed in Houston is just as distressed as somebody in Milwaukee. I will take that back, because the climate is better down there, although the availability of beer perhaps is not quite what it is in Milwaukee. [Laughter.] There may be some other factors. It is nicer to live in Texas than almost any place else in the world, so perhaps that is a poor analogy.

Mr. BROOKE. So Texas does not need any UDAG money. That is the point.

Mr. PROXMIRE. The Senator has made a good point against his amendment.

Mr. TOWER. They are impoverished in more pleasant circumstances in the South than in the North, but that is another problem.

Mr. BROOKE. I do not know of any pleasant poverty conditions.

Mr. TOWER. The point is that somebody who is unemployed, who is living in a hovel, somebody who is in an area with inadequate schools, inadequate garbage pickup, an area afflicted adversely by out-migration and abandonment, is just as distressed and just as disadvantaged whether he lives in one city or another, despite the overall economic condition in that city or that State.

If you say it is to be for distressed cities rather than specific areas, if you are going to shotgun the thing, why not take whole States instead of just confining it to cities? Then there would be some States that could come under it which have cities that might not come under the program otherwise.

Mr. BROOKE. I say to the distinguished chairman that perhaps the strongest argument that the distinguished Senator from Texas makes for this amendment is that it is permissive and not mandatory. It would be left to the Secretary's discretion to decide whether the Secretary would find that a distressed area should be funded under UDAG. I guess that is what the Senator from Texas is saying.

Mr. TOWER. That is right. Let a city come to the Secretary and plead its case, if it is not a distressed city but contains within it an applied area, and the Secretary then can make the determination.

Mr. BROOKE. The fear I have is that you would have a well-to-do city, that might have a distressed neighborhood or a small area on the other side of the railroad tracks, apply and qualify for these funds. The funds would be taken away—since there would be limited funds—from a distressed city, such as Milwaukee, which really needs the funds. If we had unlimited money, that might not be a problem.

However, as I said, the strongest case the Senator makes is that this amendment is permissive. If the Secretary does not find, in her wisdom, that there is a distressed area that warrants the use of UDAG funds—and I believe it would be a question of priority so far as the Secretary of HUD would be concerned—then the Secretary could decline to award these funds.

Mr. PROXMIRE. On that basis, we could justify almost anything.

The Secretary of HUD is much opposed to this amendment. It puts the Secretary in the position of being under pressure. The Secretary should recognize that we do not pass legislation simply for exercise. The Secretary would, under the Tower amendment, allocate some money to cities that are not distressed but to neighborhoods that are distressed. Otherwise, I am sure the Senator from Texas, an extraordinarily able Senator, would not waste his time and our time in offering this amendment, if he did not expect money to go to cities such as Houston and others that are prosperous but have areas within them that are not prosperous.

The principle that the Senator's amendment violates—I feel very strongly about this, and I think most Senators do—is that we should be very careful about spending the taxpayers' money and spend such money only where the case is very strong, where there is a need. The fundamental, basic responsibility is that of the city itself. It should solve its own problems. It should not come to the Federal Government.

In spite of that, we give to well-to-do cities in the form of revenue sharing and community development money, and now the Senator would take distress money and give it to these prosperous cities. This is about the best place I can imagine to draw the line.

Mr. TOWER. If the Senator wants to assume that Milwaukee is a distressed city——

Mr. PROXMIRE. The Senator keeps mentioning Milwaukee. It is a fine city; it is not distressed. There are some areas which are distressed. I do not even think Milwaukee will come under the UDAG criteria. It is a far better city than Houston or Dallas. There is no comparison. [Laughter]

Mr. TOWER. I can understand that everybody is envious of Texas, but we will not dwell on that right now.

Let us take any distressed city. There are affluent areas in all cities, be they overall distressed.

So actually the Secretary has to make a determination about a distressed area within a city that may have its own affluent neighborhoods. If you say Boston is distressed you cannot say Boston does not have some affluent neighborhoods.

Mr. BROOKE. No; I think the Secretary would have criteria for determining a distressed city, and these are spelled out in the bill itself; is that correct?

Mr. PROXMIRE. That is correct.

Mr. BROOKE. It is spelled out in the bill.

Mr. TOWER. It applies to a city. Every city has its affluent and its blighted areas.

Mr. BROOKE. Yes, but it would depend upon the condition of the city itself.

Mr. TOWER. Then a determination has to be made about what percentage of that city is blighted.

Mr. BROOKE. Some determination would have to be made by the HUD Secretary.

Mr. TOWER. So it is not any particular section.

Mr. BROOKE. But a determination has to be made. That is what I am trying to say.

Mr. TOWER. A city certainly would not be encouraged under some of these formulas to have a more expanded tax base, which they would not do because in doing so they would have gone out and taken in various other areas and minimized the size and percentage of impact

of the blighted area on the total socio-economic situation of a city in a core city area.

Mr. BROOKE. But UDAG is a discretionary program in and of itself.

Mr. TOWER. Well, my proposal does not eliminate the discretionary aspect of it.

Mr. BROOKE. Not at all. It would just increase the number of cities eligible for the program.

Mr. TOWER. It gives it more flexibility.

Mr. BROOKE. I would say it would just further dilute the limited funds that are available for the national program. That is the whole program.

Mr. TOWER. Well, the idea is not just to help geographic areas but to help people, and distressed people are distressed wherever they may be.

Mr. BROOKE. That is why we have welfare, food stamps, public housing, and all of the other programs which help people. But we are now trying to help certain entities. We are trying to help municipalities.

Mr. TOWER. All distressed people are equal but some are more equal than others.

Mr. BROOKE. No, that is not what I am saying at all. I am merely saying——

Mr. TOWER. That is the way it occurs to me.

Mr. BROOKE. Every program helps people. I mean, that is what we are talking about. Helping people is our business. But I am just saying that here we have a specific limited program for distressed cities, and the only reason we have this program is because we found there were certain cities in the country that qualified as distressed cities and they had needs over and above their regular community development block grants.

Mr. TOWER. That is why we gave them the UDAG program, gave them the dual formula, and the impaction adjustment formula, so that they have already that amount of money. That is already recognized. Now you want to give them another dip out of the pot.

Mr. BROOKE. We want to give them another dip because the circumstances they are in require another dip, because they are found to be in a distressed condition. That is why the UDAG program was proposed in the first place.

Mr. TOWER. The fact of the matter is that virtually every formula for every program we enact around here is weighted in behalf of, let us say, the least progressive, the most static, cities in a particular area of the country. They have already received priority treatment under so many different programs it is almost unimaginable. I think it is high time we recognized the fact that there are distressed people in other areas of the country.

Mr. BROOKE. If you are going to use that kind of reasoning, you can say that you are going to give operating subsidies to people living in housing that costs $100,000. It is not our purpose to do that. These people are fortunate either by education or skill or talent and are able to afford a $100,000 home, so our programs in housing are limited to those people who unfortunately cannot afford to live, if you can find one today, in a $15,000 home, and the same reasoning applies to the cities. It is not our purpose to help a thriving, wealthy city like Dallas or Houston, Tex. The per capita income of those cities and their growth rate would certainly mean that they could not qualify as distressed cities. That is not true of Milwaukee.

Mr. TOWER. If you want to get on a per capita income comparison I could show you some figures that may surprise you.

Mr. PROXMIRE. Mr. President, will the Senator yield for an observation? We were to take 2 or 3 minutes on this amendment. We have taken almost half an hour out of our time.

Mr. TOWER. I am sorry. I was under the impression it was a noncontroversial amendment when I offered it and I thought the managers of the bill would accept it because it is so eminently reasonable, and I could not conceive of its not being accepted.

However, I am prepared to bring it to a vote, if that is what the Senator would like to do.

Mr. PROXMIRE. I would like to do it if we can.

Mr. BROOKE. Could we have a voice vote on this?

Mr. TOWER. I think we should have a rollcall.

ADDITIONAL STATEMENTS SUBMITTED ON MR. TOWER'S AMENDMENT

Mr. BARTLETT. Mr. President, I am a cosponsor of amendment 343 introduced by the Senator from Texas Mr. TOWER.

This amendment makes a minor change in the program providing grants to severely distressed cities and urban counties. It adds language to include severely distressed areas that are located within a city.

These pockets of deterioration and economic distress confront many of the cities of this Nation. Even though a city may not qualify as totally distressed, it may well have specific areas which cannot recover without outside assistance.

This problem was recognized in the Local Public Works Act, and it is my belief that this similar provision should be included in the Community Development Act section on severely distressed areas.

The Public Works Employment Act of 1976, Public Law 94–369, specifically provided for projects that were directed at a certain neighborhood, and allowed the applicant to use the unemployment rate for that neighborhood to justify the project.

Mr. President, I ask unanimous consent that the language of section 108(e) of Public Law 94–369 be inserted at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

(e) The unemployment rate of a local government shall, for the purposes of this Act, and upon request of the applicant, be based upon the unemployment rate of any community or neighborhood (defined without regard to political or other subdivisions or boundaries) within the jurisdiction of such local government, except that any grant made to a local government based upon the unemployment rate of a community or neighborhood within its jurisdiction must be for a project of direct benefit to, or provide employment for, unemployed persons who are residents of that community or neighborhood.

Mr. BARTLETT. This same provision was included in the Public Works Employment Act of 1977, Public Law 95–28. This continuing recognition of the significance of blighted areas in these two public laws is a fact which should be considered in the revisions that are provided in this legislation.

I believe that the broad use of city areas in section 108 of S. 1523 fails to recognize that community development needs often are centralized, and the addition of my amendment would provide the flexibility to the Secretary of Housing and Urban Development to look at urban blight more specifically when reviewing new applications.

I hope that this amendment will be accepted, thereby recognizing the extensive review done by the Senate Environmental and Public Works Committee, and providing the necessary flexibility to target funds for severely distressed areas.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. TOWER. I am prepared to yield back the remainder of my time.

Mr. PROXMIRE. I am prepared to yield back my time.

The PRESIDING OFFICER. The yeas and nays have been ordered. The question is on agreeing to the amendment of the Senator from Texas. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), and the Senator from Michigan (Mr. RIEGLE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

I further announce that, if present and voting, the Senator from Michigan (Mr. RIEGLE) would vote "Nay."

Mr. STEVENS. I announce that the Senator from Utah (Mr. GARN), the Senator from Oregon (Mr. HATFIELD), and the Senator from New York (Mr. JAVITS) are necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent to attend a funeral.

On this vote, the Senator from Utah (Mr. GARN) is paired with the Senator from Oregon (Mr. HATFIELD). If present and voting, the Senator from Utah would vote "Yea" and the Senator from Oregon would vote "Nay."

The result was announced—yeas 36, nays 53, as follows:

[Rollcall Vote No. 175 Leg.]

YEAS—36

Abourezk	Eastland	Nunn
Allen	Goldwater	Sasser
Baker	Hansen	Schmitt
Bartlett	Hatch	Scott
Bellmon	Helms	Sparkman
Bentsen	Hollings	Stennis
Byrd, Robert C.	Inouye	Stevens
Chiles	Laxalt	Talmadge
Cranston	Matsunaga	Thurmond
Curtis	McClure	Tower
DeConcini	McGovern	Wallop
Dole	Morgan	Zorinsky

NAYS—53

Anderson	Glenn	Metzenbaum
Bayh	Gravel	Moynihan
Biden	Griffin	Muskie
Brooke	Hart	Nelson
Bumpers	Hathaway	Packwood
Burdick	Hayakawa	Pell
Byrd, Harry F., Jr.	Heinz	Percy
	Huddleston	Proxmire
Cannon	Humphrey	Randolph
Case	Jackson	Ribicoff
Chafee	Johnston	Roth
Clark	Kennedy	Sarbanes
Culver	Leahy	Schweiker
Danforth	Lugar	Stafford
Domenici	Magnuson	Stevenson
Durkin	Mathias	Weicker
Eagleton	McIntyre	Williams
Ford	Melcher	Young

NOT VOTING—11

Church	Javits	Pearson
Garn	Long	Riegle
Haskell	McClellan	Stone
Hatfield	Metcalf	

So Mr. TOWER'S amendment was rejected.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Georgia.

UP AMENDMENT NO. 366

Mr. TALMADGE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Georgia (Mr. TALMADGE) proposes an unprinted amendment numbered 366.

Mr. TALMADGE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, line 12, strike out "and".

On page 30, line 20, strike the final period and insert in lieu thereof a semicolon and the word "and".

On page 30, between lines 20 and 21, insert the following:

(5) by striking out, in the first sentence of subsection (h), as redesignated, the following: "may, at the option of the issuing unit of general local government or designated agency," and inserting in lieu thereof "shall";

(6) by striking out, in the second sentence of subsection (h), as redesignated, the following: "In the event that taxable obligations are issued and guaranteed, the" and inserting in lieu thereof "The"; and

(7) by striking out, in subsection (j), as redesignated, the following: "such unit or agency has elected to issue as a taxable obligation pursuant to subsection (h) of" and inserting in lieu thereof "is guaranteed pursuant to".

Mr. TALMADGE. Mr. President, this amendment would eliminate a provision of the Housing and Community Development Act of 1974, which authorized the making of Federal guarantees for certain tax-exempt obligations issued by local public bodies for specific urban renewal efforts. I have been advised that this program has not been implemented because of collateral requirements and restrictive conditions which have made the guarantee program unattractive to local public agencies. Those requirements and conditions would be removed by the pending legislation, S. 1523.

The Public Debt Act of 1941 prohibits the Federal Government from directly issuing tax-exempt obligations. Permitting Federal guarantees of tax-exempt obligations issued by other public entities would clearly be inconsistent with this longstanding Federal policy. The pending legislation would, in effect, allow the Federal Government to do indirectly what it is prohibited from doing directly, and would create a tax-exempt obligation of greater value than virtually all other Government obligations or municipal bonds.

Creating an obligation that is exempt from Federal income taxation and then allowing that obligation to be secured by the full faith and credit of the Federal Government results in a security that is of greater desirability in the marketplace than obligations issued by the U.S. Treasury.

Such a federally guaranteed tax-exempt security would also be superior to all other tax-exempt obligations issued by State and local governments. Thus, other State and local tax-exempt obligations might have to be issued at higher interest rates to effectively compete for funds. This could increase the borrowing costs of States and local governments for their financing of schools, roads, hospitals, and other high priority public activities.

On at least 14 occasions since 1970, Congress has enacted legislation specifically prohibiting Federal guarantees of tax-exempt obligations and has chosen other means of subsidizing municipal borrowings.

I ask unanimous consent that a list of those specific statutes be printed in the RECORD at this point.

There being no objection, the list of statutes was ordered to be printed in the RECORD, as follows:

STATUTES WHICH PRECLUDE FEDERAL GUARANTEES OF TAX-EXEMPT OBLIGATIONS

1. Loans for modernization and construction of hospitals and other medical facilities; P.L. 91-296, June 30, 1970, 42 U.S.C. 291j-7(e).[1][2][3]

2. New community debentures; P.L. 91-609, December 31, 1970, 42 U.S.C. 4514.[2][3]

3. Water and waste facility loans sold out of the Agricultural Credit Insurance Fund; P.L. 91-617, December 31, 1970, 7 U.S.C. 1926(a)(1).[2][3]

4. Farm Credit Administration member institution guarantees; P.L. 92-181, December 10, 1971, 12 U.S.C. 2204.

5. Academic facilities loan insurance; P.L. 92-318, June 23, 1972, 20 U.S.C. 1132c-5.

6. Washington Metropolitan Area Transit Authority obligations; P.L. 92-349, July 13, 1972, D.C. Code 1-1441 note.[2][3]

7. Loans sold out of the Rural Development Insurance Fund; P.L. 92-419, August 30, 1972, 7 U.S.C. 1929a(h).[2]

8. Vocational rehabilitation facilities mortgages; P.L. 93-112, September 26, 1973, 29 U.S.C. 773(c).

9. National Railroad Passenger Corporation guaranteed obligations; P.L. 93-146, November 3, 1973, 45 U.S.C. 602(g).

10. Loan guarantees for initial operating costs of health maintenance organizations; P.L. 93-222, December 29, 1973, 42 U.S.C. 300e-(c)(3).[2]

11. Loan guarantees to assist the economic development of Indians and Indian organizations; P.L. 93-262, April 12, 1974, 25 U.S.C. 1451.

12. State housing finance and State development agency obligations; section 802 of P.L. 93-383, August 22, 1974, 42 U.S.C. 1440.[2]

13. Guarantees of obligations issued by coastal State and local governments to finance projects associated with the development of Outer Continental Shelf energy resources; section 7 of P.L. 94-370, July 26, 1976.[2][3]

14. Guarantees of Virgin Islands Bonds; P.L. 94-392, August 19, 1976, 48 U.S.C. 1574(a).[2]

Mr. TALMADGE. Mr. President, I have discussed this amendment with the distinguished floor manager of the bill and also the distinguished ranking minority member. I understand it is agreeable to them. I hope the Senate will agree to it.

Mr. PROXMIRE. If the Senator will yield, I would like to congratulate the Senator from Georgia on an excellent amendment. We should have caught that problem on our committee. We have perpetuated a situation which developed 3 or 4 years ago which provides for tax exemption for guaranteed obligations. It is kind of a double provision which would mean, of course, at a tremendously low interest rate, a great advantage, as the Senator said.

This has been opposed by every economist I know, and every tax expert. They all know the inequity of it. I am happy to support it, and not only support it but support it enthusiastically.

Mr. BROOKE. I join in support of this amendment, Mr. President. I believe it is a sound amendment. I commend the Senator for offering it. I believe it is so sound that we should have had it in our bill originally.

Mr. TALMADGE. The bill as drafted would enable a bondholder to have his cake and eat it, too.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to my distinguished colleague on the Finance Committee.

Mr. CURTIS. I commend the distinguished Senator from Georgia for his amendment. I think it is correct and very timely. This is a rather far-reaching matter. It could affect other areas of legislation relating to the tax-exempt

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[1] Superseded by P.L. 93-641, January 4, 1975, 42 U.S.C. 300q.

[2] Statutes which authorize guarantees of *taxable* municipal obligations.

[3] Statutes which authorize interest subsidies on guaranteed *taxable* municipals.

status of obligations. I commend the distinguished chairman of the committee in charge of this bill and the distinguished ranking member for recognizing that. Were this subject ever to be pursued, it should be made something of considerable notice and hearings.

Mr. TALMADGE. I agree. I thank my distinguished colleague. I thank the distinguished manager of the bill and the distinguished ranking minority member. I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BROOKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. MUSKIE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. JOHNSTON. I yield.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the following members of the Senate Budget Committee staff be granted the privileges of the floor during the debate and votes on S. 1523: Mr. McEvoy, Ms. Williams, Mr. Brown, Mr. Twomey, Mr. Campbell, Ms. Hewlett, Mr. Cook, Mr. Merrill, Mr. Storey, Mr. Tannenbaum, Mr. Sneed, and Mr. Brandon.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 367

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Mr. JOHNSTON) proposes an unprinted amendment numbered 367.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 54, between lines 7 and 8, insert the following:

MORTGAGE INSURANCE IN MILITARY IMPACTED AREAS

Proposed revision to the provisions of Section 318, Title III of the "Housing and Community Development Act of 1974", P.L. 93-383 (88 Stat. 633, 685).

Section 238 of the National Housing Act is amended by striking out subsection (c) and inserting a new subsection (c) in lieu thereof as follows:

"(c) Notwithstanding the provisions of this or any other Act, and without regard to limitations upon eligibility contained in any section of this title, the Secretary is authorized, upon application by the mortgagee, to insure under any section of this title a mortgage executed in connection with the construction, repair, rehabilitation, or purchase of property located near any installation of the Armed Forces of the United States in federally impacted areas in which the conditions are such that one or more of the eligibility requirements applicable to the section under which insurance is sought could not be met, if the Secretary finds that: (1) the benefits to be derived from such use outweigh the risk of probable cost to the Government, and (2) the Secretary of Defense certifies that there is no intention insofar as can reasonably be foreseen to curtail substantially the personnel assigned or to be assigned to such installation. The insurance of a mortgage pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund. The Secretary is authorized (1) to establish such premiums and other charges as may be necessary to assure that the mortgage insurance program pursuant to this subsection is made available on a basis which, in the Secretary's judgment, is designed to be actuarially sound and likely to maintain the fiscal integrity of such program and (2) to prescribe such terms and conditions relating to insurance pursuant to this subsection as may be found by the Secretary to be necessary and appropriate, and which are to the maximum extent possible, consistent with provisions otherwise applicable to mortgage insurance and payment of insurance benefits."

Mr. JOHNSTON. Mr. President, the proposed amendment to S. 1523 simply accomplishes what Congress intended to accomplish when it passed section 318 of the Housing and Community Development Act of 1974. Section 318 added a new subsection (c) to section 238 of the National Housing Act. This subsection (c) was intended to obtain the assistance of HUD to promote the construction of housing in military impacted areas.

Historically, HUD had determined that mortgage loans near remote military installations lacked economic soundness. Congress believed in 1974 that passage of section 318 would overcome HUD's persistent refusal to insure mortgage loans in such areas. However, the then Secretary of HUD, Carla Hills, who personally supported the intent of section 318, concluded that the statutory language of section 318 was defective and that the intent of the legislation could not be fulfilled. Our proposed amendment corrects this language deficiency. The amendment explicitly states that the Secretary of HUD is authorized to provide mortgage insurance in military impacted areas without regard to limitations upon eligibility contained in the National Housing Act.

The broad discretion of our amendment has been wisely tempered by two preconditions to utilization of the mortgage insurance authority. The first condition requires that the Secretary of HUD determine an overall beneficial economic impact to the Government before mortgage insurance in military impacted areas is provided. The second condition requires the Secretary of Defense to provide certification reasonably establishing the long-term viability of a given military installation.

Our proposed amendment to the National Housing Act is intended to meet a serious housing problem being encountered by lower grade military and civilian personnel near hard-core military bases in largely rural, isolated communities.

As a result of the Army program to create three new active divisions within its existing force structure, the small communities of Leesville, La.; Hinesville, Ga.; and Seaside-Salinas, Calif., have been inundated with new military families in the lower pay grades for whom adequate low- and moderate-income housing is not being provided by the private sector. A similar situation exists in the case of the new Navy strategic submarine activity in Kitsap County, Wash. The lower grade levels for the military families have placed an unexpected burden on the surrounding housing stocks.

The purpose of the amendment is to permit the Secretary of Housing and Urban Development to provide mortgage insurance in those special defense impact regions where the private sector developers have been unable to provide adequate low- and moderate-income housing.

The proposed amendment is needed to correct a major low-moderate income housing problem for communities adjoining military installations. As a result of the extensive military base closures and realinements throughout the Nation, private sector developers have understandably been reluctant to provide low-moderate income housing in rural and small communities especially on a rental basis. A special mortgage insurance feature is required to overcome the possibility of unexpected losses through no fault of the housing developer.

It is important to note that these new bases do not involve unit relocations from other Defense facilities throughout the Nation. In this instance, the Department of Defense is staffing these new division forces and strategic submarine activities with other personnel savings within its existing structure. The lack of adequate housing for our military personnel and their families has been cushioned in part by the construction of onpost military housing. However, the onpost military does not include the most junior military personnel; nor has this military family housing been adequate to meet the total housing impact in these small communities.

The housing situation in these several communities is serious and reflects several common features: Exorbitant rentals for existing low-moderate income housing, a proliferation of poorly served trailer parks, and unreasonably long commuting patterns. Please permit me to describe the conditions in the several impacted communities:

Leesville, La.: This small community of 8,900 persons is accommodating a buildup of 14,500 military personnel and their families at Fort Polk. There has been no new multifamily housing constructed in the area. To date, the housing demand has been accommodated only by poorly served trailer parks with a minimum rental of $250 per month for a two-bedroom trailer unit. The Leesville area has a deficit of 3,300 off-base residential housing units which are not

being built as a result of the uncertain military housing market.

Hinesville, Ga.: This town of 6,000 persons together with the surrounding Liberty County—18,000 persons—have received the primary impact from the 13,400 new military personnel at Fort Stewart. Despite the efforts of the Economic Adjustment Committee in providing sewer, water treatment, and other municipal facilities to the area, private developers have not responded with new low-moderate income housing due to the previous cyclic nature of the base. Again, the need is being met largely through inadequate trailer parks, with many cases of families having to share common trailer units in order to meet the monthly rental costs involved. Over 60 percent of the building permits issued in Liberty County in 1976 were for trailers; the others were nearly all high income single family residences. In contrast with a need of 3,200 off base low-moderate income residential units, there were only 40 multifamily building permits issued last year.

Seaside and Salinas, Calif.: The housing problem about Fort Ord has been cushioned in part by the larger communities in the region. Seaside for instance has a population of 35,900 persons; Salinas a population of 58,800 persons. Still, the low- and moderate-housing problems have been very difficult with a deficit of 2,325 residential housing units to serve the new Fort Ord buildup population.

Kitsap County, Wash.: The new Trident Support Site will attract a population of 27,000 persons to the largely rural county—population of 116,000 persons. The military buildup will require approximately 6,700 new off-base residential units of which nearly 5,400 units are needed in the low and moderate income sector. Adequate higher income single-housing units are being constructed. The appreciation in housing values in Kitsap County is currently running at nearly 12 percent annually. Private sector developers have been reluctant to enter the low-moderate income housing market.

Unless reasonable market assurances can be secured, our lower grade military personnel with families will continue to experience poor and unsatisfactory housing conditions with exorbitant charges for even the most modest mobile home units.

The proposed amendment to section 238 of the National Housing Act is intended to correct this serious low-moderate income housing problem for our lower grade military personnel by providing the necessary mortgage insurance against an unexpected closure of the nearby military base through no fault of the individual developer. This mortgage insurance program would be financially sound and would resolve the uncertainty in the low-moderate housing market near military bases.

By authorizing HUD to insure mortgages in military impacted areas, our amendment could also reduce planned outyear expenditures by the Department of Defense by well over $200 million. For example, future military housing requirements in the three military impacted areas, the naval complex at Bangor, have been projected at over 6,700. Estimating future Department of Defense expenditures for housing at an average of $40,000 per house, the total Defense expenditures for military personnel alone—without HUD participation—would be well over $260 million. Part, if not all, of the future housing expenditures could be avoided if Federal mortgage insurance were available to developers who would build housing either for rent or sale. Even in the case of some future defaults, there would be less financial impact on the Federal Government than if the Department of Defense constructed all housing with appropriated funds.

Off-base military housing units strengthen the private sector and stimulate increased economic activity in local communities. Off-base military housing broadens local tax bases and promotes local community development. Off-base military housing reduces Federal budgets and increases Federal revenues.

This is a greatly needed amendment. A similar version was passed as a part of the House bill last year. The easiest answer to anybody's opposition is that it is only discretionary and not mandatory. I hope my good friend from Wisconsin will accept the amendment.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require.

My first reaction to this proposal was negative. I felt HUD opposed the proposal, because they had been burned before. This is something DOD did not want to touch. DOD did not want to take the risk and should not. I felt the DOD was in a better position to take the risk, or judge whether there is a risk or not.

The more I got into the question, the more I became convinced that the Senator from Louisiana is making a sound amendment. After all, the experts in housing are in HUD. They are not always as competent as we would like them to be, but they are the experts for the Government. They know housing; the DOD does not.

I think the Senator has put together an amendment which would tap both HUD and DOD and keep them in the act, and do it in a sound way.

I want to be as clear as I can about the provisions of the amendment. As I understand, and as the Senator has reiterated, it would be discretionary with HUD.

Mr. JOHNSTON. That is correct.

Mr. PROXMIRE. It would require action by both the Department of Defense and the Secretary of HUD before the provision could be used.

Mr. JOHNSTON. It requires certification by the Secretary of Defense and a determination by the Secretary of HUD——

Mr. PROXMIRE. The Secretary of HUD would have to find that the public benefits outweigh the cost?

Mr. JOHNSTON. That is correct.

Mr. PROXMIRE. The Secretary of Defense has to certify that there is a reasonable certainty that base personnel will remain at the site. Of course, we can never be sure. As the Senator from Louisiana, I am sure, recognizes, it is often very much in the public interest to close bases. Sometimes that has to be done on reasonably short notice. Nevertheless, the Department of Defense would certify, at the time that they made the certification, that it is its expectation that the base would continue.

I think this amendment would help. It should be utilized with caution and viewed as a reasonably limited program, but I think that, under these circumstances, I am perfectly willing to accept the amendment and to do our best in conference with the amendment.

Mr. JOHNSTON. I thank the distinguished chairman of the Committee on Banking and Housing.

Mr. BROOKE. I shall have to ask some questions. I must confess that I am not as convinced as the distinguished chairman.

Why should we insure those cases? The Senator from Louisiana said that in Louisiana, for example, they were bringing 14,500 military personnel to this very small town. I can understand all the problems that go with that. But why should HUD insure this housing?

Mr. JOHNSTON. Well, I think HUD should have a greater interest in insuring military housing loans than civilian loans. Military people are both citizens and employees performing a Federal function; so it seems to me that the Federal Government has a dual interest in their housing.

Indeed, if we do not establish some method for getting private industry involved in providing housing in these military impacted areas, then we are left with two alternatives. One is to allow military and military associated civilians to remain in substandard housing or trailers with excessive rental fees. The second is to require the Government to pay 100 percent of the cost of housing. It seems to be preferable to get private money, insured by Government, involved in providing housing needs in these areas. In addition, if there ever were bases that ought to be permanent, they should be the ones that I mentioned.

Mr. BROOKE. Are they not able to get this private money without Government insurance? That is my point. These are not destitute people we are talking about.

Mr. JOHNSTON. Many of them are very poor. They have no greater access to capital than people in other parts of the country do. We give HUD insurance in all other parts of the country. Why not provide HUD insurance in military impacted areas?

We have found through experience, and I know my distinguished friend from Massachusetts has also found, that HUD insurance programs are a very good way to get housing on line, to insure that housing is built, built to good standards, provided to Americans who need housing. We simply want to make that same program available to military personnel.

Mr. BROOKE. Is this not a greater risk for Government insurance?

Mr. JOHNSTON. As a matter of fact, I think that there should be less risk be-

cause installations like Fort Polk or the Trident missile base, or Fort Ord or Fort Stewart are permanent bases and the investment of the Government, I think, should certify their permanence.

If they are permanent bases, then the permanency of the payroll in the town to support the housing is better than in other towns where a factory can close or housing patterns can change or industry can move out.

If there is a greater risk, then the Secretary of HUD is authorized—not required, but authorized—to charge an additional premium for the insurance, and accounting can be done separately for these special types of military housing.

Frankly, I do not think that premiums are necessary and I do not think it would be particularly prudent to do so. But if the Secretary of HUD feels that premiums are necessary and that there are greater risks, then the Secretary may charge the additional premium and account separately for it.

Mr. BROOKE. The Senator will remember that we had a rash of military installations closing across the country recently. In fact, in my own Commonwealth of Massachusetts, we had a serious threat of the closing of Fort Devens, which really serves all New England.

Fortunately, that decision has been reversed, but at least it was on the list.

What assurance do we have regarding maintaining these installations and keeping them open and avoid the risk of closing these bases?

Say we had been in this program and then moved out of Fort Devens. The people around Ayer and Leominster, and all the surrounding towns and cities, would have suffered severely, as we would have all suffered because of this.

What provision does the Senator have in his amendment to protect against that?

Mr. JOHNSTON. Before the Secretary of HUD can exercise his or her discretion, there must be a certification from the Secretary of Defense that there is a reasonable certainty that this particular base will remain where it is.

So the Secretary of HUD has to get that certification from Defense. The Secretary of HUD can also look at the base and determine from the Government investment there and from the nature of the installation whether or not the installation is likely to be permanent.

Take, for example, the Trident base in Washington. If ever there were a permanent installation, that ought to be one. The investment there is simply gigantic.

The investment at Fort Polk in my State is also large. The Government has invested over $40 million for a hospital alone.

This is not the kind of money we spend and then move out the next day.

Mr. BROOKE. Yes, but we are talking about an extended period of years. I take it these mortgages would be 25- or 30-year mortgages.

Mr. JOHNSTON. That is correct.

Mr. BROOKE. At the minimum, 20- to 30-year mortgages.

Can the Secretary of Defense give any sort of reassurance on that basis?

At best, all the Secretary of Defense could say is that in his opinion it is reasonable to expect, given the investment that has been made at that particular base, or because of the strategic location of that base that this particular installation could reasonably qualify as being permanent.

Now, is the Senator asking for a particular definition of permanency in his amendment?

Mr. JOHNSTON. Well, here is the language of the amendment:

> The Secretary of Defense certifies that there is no intention insofar as can reasonably be foreseen to curtail substantially the personnel assigned or to be assigned to such installation.

So the Secretary of Defense gives the assurance as best as can reasonably be foreseen, which is all any human being can do.

But the Senator points out a real problem. I think the bases I have described are permanent. But if you were in the mortgage lending business and some builder came to you and said, "I want to build some private housing up at the Trident base in Washington and I want to borrow some money," you say, "Fine, it's HUD-insured, isn't it?" He says, "No, HUD says that they cannot provide mortgage insurance because they are not sure whether the base will be permanent."

What are you going to say? "No, I cannot make such a mortgage loan."

Now, we are not saving the Government money by failing to provide this mortgage insurance. To the contrary, we are costing the Government money because the Government is then going to have to go in and build those housing units itself, 100 percent.

Keep in mind, first, that private capital, which is only insured by HUD, will construct the needed housing. Second, that the individual homeowner is himself liable and HUD is only secondarily liable as the insurer.

So there first has to be a default in the mortgage payment, a primary obligation of the homeowner, in order for the Government ever to have to pay anything.

It seems to me it is a very good investment and a very cheap way to get the best housing for military personnel.

Mr. BROOKE. The Senator said "closing of the base." I think he used the word "curtail," because sometimes a base may not be closed, but it will be cut back to such an extent that it is almost closed anyway.

Could the Senator read that language again since I do not have a copy of it before me?

Mr. JOHNSTON. All right. It provides that the Secretary of HUD can exercise his discretion if he finds "first, the benefits to be derived from such use outweigh the risk of probable cost to the Government, and second, the Secretary of Defense certifies that there is no intention insofar as can reasonably be foreseen to curtail substantially the personnel assigned or to be assigned to such installation."

Mr. BROOKE. I thank the Senator.

Is any language such as the Senator is proposing in his amendment in the House bill?

Mr. JOHNSTON. In the House bill of last year, a similar, not identical, amendment passed.

Mr. BROOKE. That was lost in conference?

Mr. JOHNSTON. Yes, that is correct.

Mr. BROOKE. That is the one dropped in conference.

Mr. JOHNSTON. Lost in conference with the Senate.

Mr. BROOKE. And dropped in conference.

Mr. JOHNSTON. That is right.

Now, as I understand it, the House bill has not worked its way through. I have the language——

Mr. BROOKE. The House bill is passed. I did not know whether it was in the bill.

Mr. PROXMIRE. It is not.

Mr. BROOKE. It is not in the bill.

Mr. JOHNSTON. The distinguished chairman says that it is not.

Mr. PROXMIRE. Yes. If we adopt the amendment of the Senator from Louisiana, we would put the matter in conference.

Mr. BROOKE. In conference?

Mr. PROXMIRE. Yes.

Mr. BROOKE. I thank the distinguished Senator from Louisiana. I wanted to have this colloquy with him, which I hope has been beneficial. I will support my chairman in acceptance of this amendment.

Mr. JOHNSTON. I thank the Senator.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back his time, also?

Mr. JOHNSTON. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXPORT ADMINISTRATION AMENDMENTS OF 1977—CONFERENCE REPORT

Mr. PROXMIRE. Mr. President, I submit a report of the committee of conference on H.R. 5840 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. MELCHER). The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5840) to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to

strengthen the antiboycott provisions of the act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the RECORD of May 18, 1977 in the proceedings of the House of Representatives.)

Mr. PROXMIRE. Mr. President, this conference report is the result of a bill that passed the Senate and passed the House and was subject to very substantial debate.

The Export Administration Amendments of 1977 improve the administration of export controls and strengthen antiboycott provisions of existing law by attempting to limit the Arab boycott of Israel.

The Senate is well aware of the Arab boycott of Israel and its various forms: The primary boycott of Israel by the Arabs, the secondary boycott where the Arabs attempt to restrict the trade of American firms with Israel, and the tertiary boycott where the Arabs attempt to restrict the trade of American firms with other American firms because they may have Jewish managers or Zionist tendencies.

This legislation was hotly contested as it developed on the one hand by the Jewish organizations and those of us who fought for the principle of free trade and those in the business community and others who cautioned that a stand on principle would benefit no one and result in only a loss of trade and jobs in the American community.

Negotiations between the Jewish organizations and the Business Roundtable culminated in an agreement on the basic differences with both sides giving up substantial ground on the questions of unilateral selection and compliance with local law. The compromise agreement was included in the Senate-passed version of the bill with the House receding to the Senate amendment in conference.

Mr. President, I intend to vote in favor of the adoption of this conference report despite my reservations over some of the provisions of the legislation. The legislation moves in the direction of eliminating the operation of the Arab boycott of Israel on Amercan companies, although many of us believe it does not go far enough.

The compromise contained in the conference report avoids what would have been a deeply divisive issue over a matter concerning which legislation is imperative at this time.

The one highly controversial part of the report deals with the attempt to limit the Arab boycott of Israel. Fortunately, a compromise was worked out between the Business Roundtable, which have an interest in trade with the Arabs, and Jewish groups, which have a very deep interest in Israel. There was a very statesmanlike and well-balanced compromise. I felt it was giving up too much to the Arab boycott. Nevertheless, I was able to support it, as were all members of the conference. The conferees for both the House and the Senate, as was pointed out, did sign the conference report. I am hopeful that the Senate can accept it. As I understand it, this has been cleared on the minority side.

Mr. BROOKE. Mr. President, it has been cleared with the minority. However, I point out for the record that both in the committee and on the floor of the Senate, I hoped we would have had a stronger bill than we ended up with. It was a compromise, as the chairman said, with the Roundtable and with Jewish organizations.

I think we did give up more than we should have, but let us hope that it will be an effective piece of legislation. I join in moving the adoption of the conference report.

Mr. JACKSON. Mr. President, I should like to inquire about the conferees' intent with respect to the section governing export of Alaskan oil. Is it the intent that the export of Alaskan oil will be prohibited during the time period provided for congressional review of the President's findings concerning the need to export Alaskan oil?

Mr. PROXMIRE. It certainly is. If we did not prohibit exports of Alaskan oil during the period provided for congressional review, the review would be a mockery. The current law is deficient because it allows exports to take place while Congress is reviewing the President's findings. The conferees clearly intend to prohibit exports until the 60-day congressional review period expires, or until both the Senate and the House have taken action approving exports. Obviously if either House disapproves the energy action by a simple resolution, the exports pursuant to the particular energy action will not be allowed.

Mr. McINTYRE. I concur with the comments of the distinguished chairman of the committee. The reference to section 551 of the Energy Policy and Conservation Act is intended to insure that exports will be prohibited during the review period. The section prohibits an "action" from taking effect until the end of the review period unless, prior to the expiration of the review period, each House of Congress approves a resolution affirmatively stating, in substance, that such House does not object to such action.

Mr. JACKSON. The legislation prohibits exports unless the President makes and publishes an express finding which will be composed of several parts. One of the parts requires that exports, "will be made only pursuant to contracts which may be terminated if the petroleum supplies of the United States are interrupted or seriously threatened." What is the intent of the conferees concerning who will have the authority to determine that petroleum supplies have been "interrupted" or are "seriously threatened?"

Mr. PROXMIRE. The finding is one that will have to be made by the President. It is our intent that he will have the authority to determine when the petroleum supplies of the United States are interrupted or seriously threatened.

Mr. McINTYRE. I again concur with the distinguished chairman of the committee. It obviously would not be our intent to have one of the North Slope producers or pipeline coowners make the finding. The President must be able to make the finding.

Mr. JACKSON. I have one last inquiry. As the Senator knows, the Senate Committee on Energy and Natural Resources has had oversight jurisdiction in this area due to our general energy jurisdiction. If the President were to make the necessary findings under this section and send an energy action to Congress for review, would the chairman of the Banking Committee concur that such an energy action would properly come under the Energy and Natural Resource Committee's jurisdiction?

Mr. PROXMIRE. I concur that the energy action would properly be referred to the Committee on Energy and Natural Resources.

BOYCOTT LEGISLATION AS APPLIED TO CHINA

Mr. SCHMITT. Mr. President, I have read the measure now under debate, and as I read the bill, it clearly covers boycotts besides the Arab boycott of Israel. I am also concerned about whether it might cover a possible future boycott, for example, by the People's Republic of China against the Republic of China, the latter being in Taiwan. The language of the bill would seem to cover that action but I am concerned that the executive branch might take the view that there is only "one China" and, therefore, the bill might be construed so as not to apply to the Chinese situation. I ask the Senator as to whether I have any legitimate concern over these issues.

Mr. HEINZ. By its language, the bill is not restricted to the Arab boycott of Israel and, as a matter of fact, is intended to cover all other boycotts, present or future, that fall within its terms. A future boycott by the People's Republic on the mainland against the Republic of China on Taiwan, would certainly fall within the terms of the bill. I can see the Senator's point, and I assure the Senator that the intent of this bill would be to include any possible future boycott by the People's Republic against the Republic of China, or vice versa. The bill is not intended to get into such international legal technicalities as the Senator has described.

The PRESIDING OFFICER (Mr. MATSUNAGA). Without objection, the conference report is agreed to.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

The Senate continued with the consideration of the bill (S. 1523) to amend the Housing and Community Development Act of 1974; to extend housing assistance and mortgage insurance programs; and for other purposes.

AMENDMENT NO. 361

Mr. MUSKIE. Mr. President, I call up my amendment 361, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maine (Mr. MUSKIE) for himself and Mr. BELLMON, proposes amendment numbered 361.

Mr. MUSKIE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it so ordered.

The amendment is as follows:

On page 40, delete lines 14 to 24.
On page 41, delete lines 1 to 9.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the names of Senators BIDEN, DOMENICI, and ZORINSKY be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, S. 1523, the bill before the Senate, would authorize and extend a broad range of housing and community development programs. These programs and the problems they address have been of particular concern to me throughout my tenure in the Senate. Providing decent housing for all Americans, and improving the quality of life in our cities are goals that must be high on our national agenda.

These goals deserve our full attention. The problems are complex. They do not yield to easy solutions. Housing programs by their nature require a sizable share of our national resources. Community development programs cannot be both effective and wavering. These programs require a steady, long-term national commitment. We must make our commitments knowing that we are in for the long haul. We must make our choices with our eyes open.

With that statement, Mr. President, I regret that I must oppose one particularly unfortunate provision of S. 1525. I refer to section 208 of the bill, and I ask unanimous consent that section 208 be printed in the RECORD.

There being no objection, section 208 was ordered to be printed in the RECORD, as follows:

SEC. 208. Section 7 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following:

"(o) In determining, for a fiscal year, the amount of budget authority which is necessary to provide for the liquidation of housing assistance contracts entered into under the United States Housing Act of 1937; section 101 of the Housing and Urban Development Act of 1965; sections 235 and 236 of the National Housing Act; section 402 of the Housing Act of 1950; and section 802 of the Housing and Community Development Act of 1974, the Secretary shall utilize estimates based on (1) the amount of payment requirements to liquidate housing assistance contracts which were already in effect at the beginning of that year; and (2) the amount of payment requirements to liquidate housing assistance contracts estimated to be entered into during that year. The total amount of budget authority determined by the Secretary under the preceding sentence shall be final for the purpose of section 201 of the Budget and Accounting Act, 1924, and the Congressional Budget Act of 1974.".

Mr. MUSKIE. Mr. President, section 208 of this bill, in effect, amends both the Congressional Budget Act and the Budget and Accounting Act of 1921. The latter is a concern of the Governmental Affairs Committee, and the former, the Budget Act, is of concern to both the Governmental Affairs Committee and the Budget Committee. Section 208 would have the effect of significantly and, in my judgment, drastically changing the way in which we count budget authority for housing in the congressional budget resolution. For that reason, I believe that section 208 should have been referred to either or both of the other committees, so that they might evaluate it because of its importance and significance. However, I think the issues are pretty clearly drawn with respect to section 208, and I have no objection to getting at the substance of the provision here this afternoon.

Section 208 removes tens of billions of dollars of federally assisted housing programs from congressional control by hiding the future year costs of these programs. For this year alone, some $34 billion in housing contract obligations would show as less than $60 million in the budget. The real costs of our decisions would be obscured.

As chairman of the Senate Budget Committee, I am deeply concerned that this bill would hide the true budget impact of these long-term Federal obligations through cosmetic shifts in accounting that would obscure the real costs of these programs. The administration also has voiced its strong opposition to this change in accounting which violates sound budgetary practice.

In yesterday's RECORD, Mr. President, I included letters from Budget Director Bert Lance and from Secretary Patricia Roberts Harris, the Secretary of Housing and Urban Development, expressing their opposition to section 208.

Mr. President, under the current method which is required by law and supported by the administration and comptroller general, the full cost of these 15- to 40-year contract obligations is shown in the budget for the year in which the contracts are signed. Under S. 1523, only the first year costs of these long-term obligations would appear in the budget in the year the obligation is incurred. The remainder of the contract costs would appear as uncontrollable costs in future years.

The present method has been used since 1975 throughout the Federal Government. It was adopted in the summer of 1975 after considerable debate regarding the fiscal year 1976 HUD-independent agencies appropriation bill. At the time, there was deep concern that the Director of the Office of Management and Budget, at the time James Lynn, was proposing a change in budget authority in order to build up opposition to Housing Assistance programs. Mr. Lynn wanted to show budget authority by multiplying housing contract authority by 40 years, when most of the contracts would be signed for much shorter periods of time.

As the distinguished Senator from Wisconsin, the chairman of the Committee on Banking, Housing, and Urban Affairs and the floor manager of the bill, knows, the Senate Budget Committee supported the Senate Banking Committee in resisting the Lynn position or any other position not consistent with sound budgetary practices. The Comptroller General conducted a study of the matter at that time and issued a ruling that defined sound budgetary practice. Specifically, he ruled that the budget must reflect the full cost of the housing assistance contracts in the year in which the obligation was entered to conform with the Congressional Budget Act; however, he ruled that the full cost should be based on the length of each proposed contract—not necessarily 40 years in all cases. The appropriations committee followed this practice in the HUD-Independent Agencies Appropriations Act for fiscal year 1976 and in all subsequent HUD-independent agencies appropriations measures to reflect the full costs of these obligations.

Mr. President, section 208 reverses this sound budgetary practice, which was instituted by the Comptroller General in 1975, and should be opposed for the following reasons:

First, section 208 of S. 1523 would, in effect, remove assisted housing programs from the effective control of the Congress as a whole. Assisted housing programs fall within function 600—income security—a function which includes large entitlement programs that are sensitive to changes in the national economy. Section 208 would produce an assisted housing budget authority number comprised of two things only: First, uncontrollable outlays from prior year contracts; and second, the relatively small first year outlays that would result from new contracts in the budget year. Thus under section 208, the controllable fiscal year 1978 budget authority for housing resulting from full funding of S. 1523 would be only about $0.3 billion. Within that amount, the entire section 8 program would have controllable budget authority of only $0.05 billion. Nevertheless, the bill would authorize over $1.2 billion in new annual contracts in fiscal year 1978 and some $34 billion worth of outlays over future decades. Let me repeat, if section 208 is adopted, a budget showing only $50 million in the 1978 budget resolution would trigger obligations of some $34 billion over future decades.

The congressional budget process could not affect the contract authority or those future outlays unless it became a "line item" process. The controllable budget authority for housing assistance, that is, the $50 million to which I just referred, would simply be too small in relationship to the budget totals to permit effective congressional review. With a level of $50 million in outlays, there would be no way for the congressional budget process to control a proposed $34 billion in Federal obligations. The proposed change would also weaken the ability of the Appropriations Committee to control these programs. By misrepresenting the budgetary impact of housing programs, the new method makes these programs uncontrollable, unresponsive to current year congressional decisions.

Second, section 208 would threaten the effectiveness of the budget process. The congressional budget process, much more than the executive budget process, is unavoidably tied to decisions on numbers in the budget document. If those numbers are deceptive or if that document's structure is flawed, the congressional budget process is pervasively weakened as a vehicle for directing Federal resources. Thus an ongoing concern of the Budget Committee must be the technical task of refining the structure of the budget and making it a more informative and useful tool for the Congress and the public. Incongruities of budgetary practice should not distort the design of Federal programs or bias the selection of financing mechanisms. The Budget Committee has a duty to improve and strengthen the budget process. Section 208 weakens the budget process.

Third, section 208 of S. 1523 would undercut Congress ability to consider the multiyear implications of current year decisions. The present method of calculating budget authority highlights the fact that current year housing contracts will produce uncontrollable outlays for at least 15 and as many as 40 years in the future. According to CBO current policy projections, which assume new contract authority of about $1 billion annually, outlays for assisted housing will grow from $2.5 billion or 0.6 percent of total outlays in fiscal year 1977 to over $7.5 billion or 1.3 percent of total outlays in fiscal year 1982. Assuming levels of contract authority proposed in S. 1523, the 1982 outlays would be significantly higher than that figure. The growth of uncontrollable outlays from prior year authority would continue for several decades if contract authority is kept constant at present levels.

The impact of section 208 would be enormous if HUD maintained a constant or gradually increasing level of new contract commitment as it is expected to do. In fiscal year 1991, 15 years after the start of the section 8 program, some of the original contracts will begin to expire. Thereafter, new contract authority would increasingly replace expiring contract authority.

Therefore, about fiscal year 2005 or 27 years from now, uncontrollable outlays for assisted housing would level off somewhere between $30 billion and $40 billion a year. By fiscal year 2005, the Federal Government would have been legally committed to a total of as much as $1 trillion in outlays. Under section 208 only about $1.5 billion of these commitments would have appeared as controllable budget authority. Under the method now in use, all of those commitments would have been subject to congressional review and vote before the contracts for them were signed.

Fourth, the present method provides a reasonable, readily understandable way to indicate roughly the total Federal outlays that may result from the expected use of contract authority. It relates the size of budget authority closely to current year decisions and indicates the approximate magnitude of future year outlays resulting from those decisions. Of course, total future outlays may actually turn out to be somewhat higher or lower than the budget authority figure. More sophisticated procedures might use computers to estimate outlays under given long-term economic assumptions, but there is no way to be certain that those estimates would be more accurate. Federal outlays under section 8 will vary depending on the average income of tenants at the start of the contract, the rate of inflation in fair market rents, and the rate at which tenant incomes keep up with inflation. The program design makes it difficult to estimate precisely the outlays that will result from current year decisions. But the projected level of budget authority is likely to be close to the mark, and it should not be ignored altogether just because absolute precision is not possible.

Fifth, enactment of section 208 of S. 1523 would establish a dangerous precedent that could lead other special interest groups to develop new ways to disguise the budgetary impact of programs under their jurisdiction. Section 208 should not have been reported from the Banking Committee. The Governmental Affairs Committee and the Budget Committee have responsibility for changes in the Federal accounting system and the Budget Act. This section of S. 152 proposes a capricious, deceptive definition of budget authority. The Banking Committee has itself designed housing programs using long-term contracts so that current year decisions will affect Federal outlays for decades to come. The designers of Federal housing policy were convinced that housing programs require these long-term obligations. That belief is not unwarranted. Housing is a costly capital good with a long economic life. Therefore, if the Federal Government is to assist low-income families to have decent housing, it must make long-term commitments that can be relied upon by tenants, developers, investors, and the many others involved in providing or using an assisted housing unit. If the Congress intends in its current year decision to provide those future year outlays, then its intent should be reflected appropriately in the level of budget authority. Enactment of section 208 of S. 1523 could encourage many other special interest groups to pressure congressional committees to both make and mask multiyear commitments. The example should not be set.

Mr. President, let there be no doubt that the precedent established by section 208 will be seized on to rip major loopholes in the Federal budget. At this very hour, there is circulating in the Defense Department a rent-a-ship proposal employing the very tactics to disguise the Defense budget which section 208 employs for this housing bill.

The proposal is for the Navy to have support ships built for the fleet which will be put in private ownership and leased back by the Navy. The hooker is that the Navy would show on the budget only the one-year cost of the ship's lease, even if the lease ran for many years. This is precisely the proposal the Senator from Wisconsin is advancing for housing. Under the Senator's proposal, the rent-a-ship proposal would allow the Navy to build and pay for, for example, $25 billion worth of ships, even though only $1 billion of that commitment would show up in the budget the year the irrevocable commitments to the $25 billion are made.

Thus, just as in housing, under the Senator's proposal, the Defense budget would begin to build up huge future-year costs for actual obligations to which the Federal Government was committed regarding ships. But only a small fraction of these costs would be reflected on the budget in the year the irrevocable, major commitments were made.

Mr. President, I ask unanimous consent that an excerpt from Shipyard Weekly, published by the Shipbuilders Council of America, which describes the rent-a-ship concept, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SHIPYARD WEEKLY,
Washington, D.C., May 19, 1977.

"BUILD AND CHARTER" PLAN ADVANCED BY MILITARY SEALIFT COMMAND

In context of preparations for FY '79 DOD legislative package, Navy Department has placed before Pentagon and Office of Management and Budget (OMB) "build and charter" proposal which would be applicable initially to procurements of fleet oilers (AO), fleet ocean tugs (T-ATF) and surveillance ships (T-AGOS) coming under cognizance of Military Sealift Command (MSC). Assuming concurrence, it is understood concept would ultimately extend to all naval fleet auxiliary vessels.

MSC—and predecessor Military Sea Transportation Service (MSTS)—has heretofore been restricted to charter contracts of no more than five years, with renewal options in five-year increments. Current proposal would statutorily authorize charter to Navy of vessels "not now in being" for periods of up to 30 years after construction in U.S. private shipyards and delivery to U.S. Government. Financing of "build and charter" projects would be through working capital funds or other Navy funds for ship operating expenses. In late 1975, similar approach was turned down by OMB on grounds "it would provide authority to enter into contracts obligating the United States to make outlays from appropriations for which budget authority is not provided in advance."

Mr. MUSKIE. I call special attention to the fact that the Office of Management and Budget has been opposing the rent-a-ship concept on exactly the same grounds that the President opposes section 208 of the housing bill—that it violates sound, honest, and above board accounting practices.

Sixth, and finally, enactment of section 208 would endanger future support for low-income housing assistance programs. The Banking Committee claims that large budget authority numbers have precipitated opposition to housing programs. The committee claims that showing the full runout cost of housing programs has placed them at an unfair disadvantage in the budget process. There is no evidence that this is the case. Large budget authority numbers have not dissuaded Congress from supporting a rapid growth in housing programs in recent years. In the debate on the first budget resolution for fiscal year 1978, the Senate by a margin of 3 to 2 increased

budget authority for assisted housing by $6.2 billion above the Budget Committee's recommendation.

In the 3 years in which we have been involved in the congressional budget process, Mr. President, Congress has approved between $75 billion and $80 billion for assisted housing.

Clearly, housing has fared no worse than other programs; in fact, it has fared much better than many. The Budget Committee does not arrive at budget targets by arbitrarily adding or cutting blocks of outlays or budget authority with no perception of the operation of underlying programs. Those who have recommended cuts in housing budget authority have done so because of their judgment about the operating problems within the Department of Housing and Urban Development, the ability of housing programs to effectively absorb additional Federal resources, and the proper levels of future year outlays. Although there may be serious disagreement on these matters, the concerns of Senators will not be silenced by simply making budget numbers appear smaller.

In fact, opposition may be increased by charges of budget gimmickey. Under the current method, budget authority levels, though large, would tend to increase each year in proportion to the rest of the budget. Although outlays rise much more rapidly, supporters of housing programs can point to the past appropriation of large amounts of budget authority as clear evidence of congressional intent that those large outlays should occur. Under the Banking Committee method, budget authority for housing programs each year would rise rapidly, almost uncontrollably, and dramatically out of proportion to that of other programs. Supporters of housing could not justify new budget levels with previous budget decisions. Opponents could bring the rise of housing budget authority into line with that of other programs only by obliterating new commitments. Large changes in program activity would be needed to produce small changes in budget authority. Housing assistance programs cannot tolerate such instability.

Those are the reasons, Mr. President, which I thought it should be spread out clearly for the record because they are essential to an understanding of the implications of section 208 for the budget process.

I appreciate the patience of my good friend from Wisconsin in listening to me for these 25 minutes.

At this point I yield to my good friend from Oklahoma, the distinguished ranking minority member of the Budget Committee, who shares these views with me and whose support has been so indispensable to the success of the budget process.

Mr. BELLMON. Mr. President, I thank my friend and distinguished chairman of the Budget Committee. I have joined him in the position he has taken on this amendment.

I have to say that having admired the Senator from Wisconsin for years, particularly on his stand favoring fiscal responsibility, I am hopeful he may see the merit in our position and perhaps even agree to accept the amendment before we are through.

Mr. President, I strongly support S. 1523. I feel that the goals of this legislation are laudable and that by expressing concern for one or two specific sections of this bill I do not intend in any way to detract from what I consider to be the excellent intent of the legislation.

In fact, I have every intention of supporting this bill on final passage because I do support the goals intended here.

But let me express grave concern about section 208 of this bill. This section would drastically change the way we account for budget authority for housing. This may appear to be a purely technical budget issue, but it is in fact a truth-in-budgeting matter of great importance and impact far beyond a mere technicality. The accounting change which would be mandated by this section of S. 1523 would have us recognize in this year's budget only the first year impact of housing commitments. But this first year cost is far short of the total liability. The total liability would involve outlays not just the first year but also an additional 15 to 40 years, depending upon the different types of housing involved in the package. Each future year's cost of this package would, under the new method of accounting merely show up in the future year's budget as "uncontrollable" costs. At the present time, the full amount of the commitment is subject to prior congressional review since the full commitment is put in the budget before the contracts are signed. Under the new method, we would only see the tip of the iceberg, and would then be shocked and helpless each year when the "uncontrollable" costs show up in the budget.

Mr. President, we have already heard much about uncontrollable costs in the budget. The distorted accounting practices as suggested by S. 1523 would add to the problem significantly.

Mr. President, I should point out that this week we are publishing the first of our weekly scorekeeping reports for fiscal year 1978. It should be noted that in this first report we have a budget with estimated outlays of $461 billion. Yet we are already committed to spend $217.6 billion due to prior year congressional actions. The $217.6 billion is committed before the first appropriations bill or entitlement legislation has even come to the Senate floor.

Mr. President, I believe the significance of that should be carefully studied by each Member of the Senate. What we are saying here is that because of prior year actions, we are already committed to spend almost 47 percent of the budget. This is the amount of uncontrollables that are in the budget due to prior years' actions by the Congress. If we go along with section 208 of S. 1523 we would further complicate our problem by adding more commitments based on prior year actions.

Supporters of section 208 believe that housing programs are hurt by the current practice of showing the entire budget authority to be committed at the time the commitment is made. But the evidence is to the contrary. Housing programs have done extremely well during the last 2 years while the budget process has been in effect. This can be demonstrated as recently as 1 month ago, when a floor amendment which added housing funds to the budget resolution passed easily.

Housing programs have grown, Mr. President, from $17 billion in fiscal year 1976 to $34 billion in fiscal year 1978. That is a doubling in only 2 years. So there is no evidence that the present method of handling the funding and reporting of housing programs budget authority is in any way restraining Congress from making the necessary funds available for housing programs.

I fail to see the danger in the present practice, but I can easily see the extreme danger of the change that is suggested in section 208.

First of all, the accounting change is misleading and would give a distorted picture. When we make a housing commitment, we are not just committed for the first year costs; we are committed to the full amount to liquidate the contracts, and sometimes these contracts run from 15 to 40 years.

Second, failure to recognize the true costs at the outset of programs merely adds to the uncontrollability of the budget in future years and reduces our ability to establish spending priorities, since so much of our resources turn out to be committed in advance.

Third, distorted accounting and trickery here will invite deception from other sources. Other committees will surely try imaginatively to hide the true costs of their programs. This will invite the ultimate collapse of our efforts to control the Nation's economy.

Mr. President, there is virtually universal support for the current method of accounting for budget authority and, in my judgment, virtually no support for this proposed change. The HUD position is clearly stated in Secretary Harris' letter when she says, "The Department opposes section 208."

OMB's position is clearly stated in a June 2 letter from Director Lance, where section 208 is described as a serious threat which would seriously mislead and destroy scorekeeping.

So, Mr. President, both these highly placed administration officials, the Secretary of HUD and the Director of OMB, are on record opposing section 208. Apparently, they see no danger in handling the reporting of the BA under the present rules and established policy, and they do not want to move to a new system which they feel would be dangerous. I certainly share with them that feeling.

Mr. President, I strongly urge support for the Muskie amendment, which would delete this change and which would maintain the present practice of accounting.

Mr. BROOKE. Mr. President, will the Senator yield for a question?

Mr. BELLMON. I am happy to yield to my friend.

Mr. BROOKE. I have the greatest respect for the Senator from Oklahoma, and certainly for the Senator from Maine, who is proposing this amendment. With the exception of the Senator from Maine, because he voted against it

in committee, would the Senator from Oklahoma agree that when the Budget Committee looked at the housing budget in considering the budget resolution, the reason for its reasoning behind the committee action so far as this program was cut in housing funds was the high run-out costs due to the accounting method for computing budget authority.

Mr. BELLMON. Is the Senator referring to the committee action on the floor in opposing the Proxmire amendment?

Mr. BROOKE. In the committee.

Mr. BELLMON. In the committee?

Mr. BROOKE. I think it was a vote of 8 to 1, if I am not mistaken.

Mr. MUSKIE. If the Senator will yield, the vote was 7 to 5. The reason given by Senator CHILES, who was the sponsor of the amendment, was his concern for recent operating problems within HUD and for the growth of future outlays. This concern led him to favor a level of operations in housing programs in fiscal year 1978 that would require a lower budget authority number. That was his argument. I wish he were here in the Chamber. He intended to be here. He would describe his argument better than I. I voted against his amendment, as the Senator from Wisconsin has correctly pointed out. But Senator CHILES' amendment was not based on the issue that the level of budget authority was too high.

Senator CHILES did not see the justification for the level of operations the administration requested, for as much as the Banking Committee requested, or for as much as I supported. That was the reason, may I say to the Senator. The Senator might disagree with the judgment of the Budget Committee but the judgment was not just based on the size of the budget authority numbers.

Mr. BROOKE. And the Senator from Maine disagreed with the judgment of his Committee on Community Development as well. I thought it was the view of other members of the committee that the enormously large budget figures for housing troubled him.

Mr. MUSKIE. It was really a major operating problem, as he saw it.

Mr. BELLMON. The problem was that HUD had not been able to get the 400,000 units committed which are allowed by the present funding. He felt we could cut back and not restrain the activities of the Department.

Mr. BROOKE. My point is it is very misleading, and I believe we in housing suffer from it, when the cost figures are run out for up to 40 years. These amounts do not apply to the fiscal 1978 budget at all. The Senator is talking about 40 years down the road. When we look at it in 1978——

Mr. BELLMON. If we do not account for it in 1978, when do we account for it?

Mr. BROOKE. But it is not the true picture. It is 1978, 1979, and all the way down the road to 2017. That is the point I am trying to make. I thought it was the existence of the numbers which really caused the Senator to vote as he did in committee. That is why I was asking the Senator, rather than the distinguished Senator from Maine, who did oppose cutting the housing budget in committee. But he tells me his vote was on the basis that he believed that the programs were justifiable, whereas Senator CHILES did not believe so.

Mr. PROXMIRE. If the Senator will yield, I believe the Senator from New Mexico made this point with great effect on the floor. He made a speech which I believe turned around a lot of Senators. He got a lot more votes on his amendment, which tried to knock out the $6.1 billion, than anyone expected him to get. It was our fault that he was not answered. The point the Senator made was we are not talking about $200 million, the effect for 1 year, but $6 billion.

Mr. DOMENICI. That is correct.

Mr. PROXMIRE. It was not put in context. The Senator was talking about $6 billion in a budget that would not be $450 billion, but a budget that would be $15 trillion, 15,000 billion dollars over a period of 30 years. Put the $6 billion into that context and it is less than one-tenth of 1 percent.

I talked to a number of Senators and they were very impressed by the Senator from New Mexico. They were so impressed they said, "Bill, I am sorry, but I have to leave you on this one. Senator DOMENICI was right. Six billion dollars is a whale of a lot of money. That is an amount which seems uncontrollable, and I am just not going to go down that path of $6 billion."

I am sure that they were not thinking of the fact that it is $6 billion in a context of $15,000 billion.

Mr. DOMENICI. I did not win on the amendment.

Mr. PROXMIRE. When it is put in that context, it is a little different.

Mr. DOMENICI. I did not win, I say to the Senator.

Mr. PROXMIRE. The Senator almost did win.

Mr. BROOKE. They were looking at it in the context of fiscal year 1978.

Mr. DOMENICI. I want to answer that shortly, because I knew that is what the Senators were going to talk about.

I want to say that, from my own standpoint in the committee, when I voted, I do not think it is pride on my part to say that I think that, after 3 years on the Committee on the Budget, I understand what budget authority means. I understand that $6.5 billion in budget authority for housing does not necessarily mean very much in outlays next year, but it means that we are committed to $6.5 billion precisely as prescribed in the Budget Act.

Mr. BROOKE. That is true.

Mr. DOMENICI. The problem I have with the amendment is that I do not think that, in a housing bill, we should mandate what budget authority is when we have a substantive law, that affects both Houses of Congress, that defines budget authority. I think if the committee has a case for people not understanding what budget authority means—and I seriously doubt that people do not understand it and I hope the Senators know that the technicians that are advising us clearly understand it. We are not hung up on a few million dollars in budget authority.

When the Senators come before us representing the authorizing committee, we clearly understand that part of it is 15 years, part of it is 40. If the committee would like us to put more in our report, I am sure the good chairman would agree that when it puts function 600 in for budget authority for housing, we will put five paragraphs in it if they like, saying one-third of it is for 15 years, one-third is for 30 years, and one-third is for 40 years, and I think everyone is capable of understanding.

I think the chairman and the ranking member have expressed the substantive points and have tried to talk with the Senators here on the floor about their concerns. As the younger member of that committee—one who, perhaps, is not as inhibited as they—I think it is almost incredible, I say this to both of my good friends, that they would come here with a housing bill and define budget authority as they did. Look at what they are asking for. Look at the substantive committees, which write authorizing legislation, that do not like the fact that we are reporting 10 years of what it is going to cost for their bill. They come down here, and on the 190th page of a bill, they put in here, in section 293, that for budget authority purposes for this bill, they are only going to report 1 year instead of the 10. And it passes.

Well, that is not right. We have a Budget Act that has definitions in it that we adopted. What budget authority is very precise. It is precisely what we have been putting in under Function 600 for housing.

The committee should not come along, in a housing bill—and I am not here to argue or to move to strike it on parliamentary grounds because I think it is a good exercise. I think all the Senators ought to understand that if we let an authorizing committee that concerns itself with housing come along here and, in section 208, say what this committee is saying—and, listen here, they did not just say, "Let us change the way we do it." They said, "Here's how we want it done, and when we finish adding it up, it is almost outlays per year."

Nobody reports budget authority on the basis of outlays. Maybe some people do not understand that. I believe the committee believes that most staff people understand it. I believe they believe that most technicians on the Budget Committee understand it. I think they must believe that we understand it at this point.

That is really why I stayed down here. I do not have as much to say as they do. I hope no one understands that my argument is against the programs in this bill. I hope no one understands the Muskie amendment to be against programs in this bill. I think the committee ought to take it as a challenge to explain its budget authority when it comes to us and when it comes to the floor.

The committee knows how to do that. If budget authority is a 40-year commitment and they come down here during the budget process, just tell them that and say, "If you want to be against housing, just go along with cutting budget authority here."

We will understand that.

But it cannot be that they can come along with a bill and say, "We are going to dictate budget authority in it to suit us because we are afraid people are going to misunderstand the old way they are doing it"—the way dictated by the law, the way dictated by everyone that has anything to do with good accounting practices. We just cannot sit here and say, because there may be some misunderstanding, that this particular committee, with the most wonderful motives in the world, because they are providing housing and community development and new kinds of projects, ought to come down here and tell us that.

The Senator from Oklahoma said, I think, in his most casual way, that he really hoped Senators would agree to the amendment and agree to delete this section. I almost thought maybe he was just sort of chiding the committee. But as I stand up here, I am saying, "I think you ought to."

I do not think the committee ought to make the Senate vote on the Muskie amendment. I think they have made their point that Senators ought to concern themselves a lot about what budget authority means in housing. Today we are reminding them that it is apt to be a very big figure because it is 40-year commitments and 30-year and 15-year commitments. But I do not think that, in good conscience, they ought to dictate a budget authority figure that will be included in this next budget the way they have chosen to do it here.

I think it is presumptious and, excuse me for saying it, I think it is self-serving. And excuse me for saying it, but I honestly do not believe that an authorizing committee should do that.

I would suggest to Senator STENNIS, on Armed Services, if this works, let him put some very smart people into cutting budget authority in the military. He can take those 10-year contracts and show them as two and put in a definition for shipbuilding and say that, for purposes of BA only, they put in 2 years and put in an authorizing committee.

I do not think it is right. I, for one, say to Senators that I believe the Senate is beginning to understand budget authority. I do not believe we are going to lose good housing programs because of budget authority being a big figure. I do not think that we should be changing a traditional, legalized budget authority definition in a bill that authorizes the very programs that the Senators are talking about.

Mr. BROOKE. Maybe the Senator ought to review budget authority generally. I think that ought to be done. I think the Senator has made a clear case that we ought to review budget authority.

Mr. DOMENICI. Perhaps.

Mr. BROOKE. Obviously, if we were to vote budget authority for 1979, 1980, 1981, 1982, 1983, and 1984, it would not be contained in the fiscal 1978 budget. Is that not correct?

Could the Senator answer that question?

Mr. DOMENICI. I did not understand the question.

Mr. BROOKE. If we were to vote authorizations for 1979, 1980, 1981—say, 5 years—it would not be contained in the fiscal 1978 budget.

Mr. DOMENICI. Of course it would. Of course it would. If we have a bill that has a 5-year authorizing life and has $500 million a year for each of 5 consecutive years——

Mr. BROOKE. But it would not be included in the 1978 budget.

Mr. DOMENICI. Of course, it would show up in budget authority for 1978 if it has a 5-year life and is authorized.

Mr. BROOKE. I ask the chairman, would that show up in the 1978 budget?

Mr. MUSKIE. Would the Senator restate his question? His face was turned away from me and I did not hear clearly.

Mr. BROOKE. If we were to authorize, say, for 5 years, starting in 1979, would that show up in the 1978 budget?

Mr. MUSKIE. I think the Senator needs to make a distinction between multiyear authorization bills, which authorize the appropriation of budget authority in subsequent years, and contract authority, which authorizes an agency this year to sign contracts that trigger future outlays. If we have multiyear authorization bills with specific numbers of budget authority in each of, say, 5 years, the Congress can still control those 5 years through the budget and appropriations process. But we cannot control contracts once they are signed. Under section 208, once we approve the $1.2 billion in annual contract authority that is involved, there will be only $60 million, roughly, in outlays in 1978. Outlays thereafter would be entirely outside of the control of the budget process of each year for 15 years, 30 years, or 40 years.

Mr. BROOKE. But in the example I gave, it would not control the appropriations process.

Mr. MUSKIE. The difference between the two is this: that with respect to the use of contract authority, they are not subject to control through the appropriations process after they are signed. Under current practice budget authority is controlled in the appropriations process before the contracts are signed.

But under section 208 of the committee's bill, contract authority would be released to administrative agencies that could result in outlays of $34 billion; only $54 million of which would be reflected in appropriated budget authority that year.

Once that contract authority is released to the appropriate agencies, it is not subject to control by the Appropriations Committee.

That is the difference.

Mr. DOMENICI. I wonder if the Senator from Massachusetts will let me just finish this statement and then I will be delighted to yield.

I am trying to make a point that we are really dealing with substantive budget law. That is why I have said what I did. I think it is substantive budget law and I will read section 3, subparagraph 2, under definitions. I believe the committees that worked so long and hard on the budget process when they defined this area meant precisely the area we are talking about here:

(2) The "term budget authority" means authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds.

I think that is the difference that we should not be changing in a housing bill when it is part of the substantive budget law.

If they would like us to review budget authority in general, that is the prerogative of the institution, or the committee. But I repeat that to do that in the bill I really believe is a very dangerous precedent and the Housing Committee ought to seriously consider whether they want to set that precedent for authorizing committees.

I thank the Senator for yielding to me.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require.

Mr. President, this is not a matter of bookkeeping. It is not a matter of simply deciding what terms to use.

This is a matter of whether or not we are going to have effective housing in the future. I feel very strongly about that.

I give those who support the Muskie amendment full credit for sincerity. But I feel very strongly that if we continue this present method of calculating budget authority for housing programs that housing will be at a very serious disadvantage.

It is the committee's view that the present method for calculating budget authority, established by the Office of Management and Budget under the previous administration in 1975, is inadequate and ought to be changed.

In testimony before the Appropriations Committee earlier this year, HUD Secretary Harris put her finger on the critical weakness of the present method. She said:

The current budget accounting practice tends to exaggerate the costs of the Department's programs relative to other Federal programs, and it tends to distort the real financial impact of HUD programs on the Federal Treasury.

Later on, the Secretary of HUD, who is a good soldier, was brought in line with the rest of the administration who opposed the provision in the bill, as Senator MUSKIE made clear.

But the judgment of the Secretary as far as housing was concerned was very clear at the time she testified. She thought the present method would hurt housing.

The Committee on Banking, Housing, and Urban Affairs has been troubled by the new budget accounting practice since it was introduced 2 years ago. In April 1975 I wrote to Congressional Budget Director Rivlin that the new method for calculating budget authority was "unrealistic, inaccurate, and unfair, and I recommended that a study be undertaken to determine: First, how future expected outlays for housing assistance programs should be calculated, and second, how budget authority for all other Federal programs should be calculated in order to provide a satisfactory and equitable comparison of program expenditures."

I should say that the burden of my

speech here today is that housing is discriminated against, compared to other programs that also have a runout and are not required to provide that runout when budget authority is considered by the Budget Committee and the Senate.

In the months since then, I have continued to hear from groups like the National Association of Home Builders, the AFL–CIO, the National Housing Conference, the Mortgage Bankers Association, the National Association of Housing and Redevelopment Official, the Coalition for Low-Income Housing, the U.S. League of Cities and Conference of Mayors that the budget accounting guidelines under which HUD is operating are misleading and unfair. They feel it is unfair to housing and I think they are right.

Mr. President, I want to make it very clear that section 208 of the committee bill aims to provide, for housing programs, cost figures which are comparable to those used for other programs.

We do not want housing to be singled out for special consideration. We want it on the same basis as other programs.

The committee bill does not seek to duck the issue of housing costs. It seeks equal treatment for housing—not preferred treatment. The committee bill, in brief, directs HUD to prepare its budget to reflect in its request for new authority: First, all payments required to liquidate past contributions for contracts and second, all projected payments required to liquidate contracts entered into during the year ahead.

The committee intends that HUD would provide, in addition to its requests for authority to make payments, estimates of future payments that would be required under various assumptions regarding types of housing assistance provided, family income, and rent charges over appropriate time periods.

The committee believes that this method of accounting will enable the committees of the Congress most immediately involved in assessing the costs and benefits of housing programs—the Committees on Banking, Housing and Urban Affairs, Appropriations, and the Budget—to compare the short-term, as well as the long-term costs of providing housing assistance with the costs of providing new weapons systems, the costs of increasing benefits for veterans, the costs of building more highways and roads, the costs of providing more aid for U.S. shipping, and the costs of carrying the national debt.

Mr. President, we all know that the Federal Government will authorize this year millions and even billions of dollars for programs that will require additional appropriations next year and for years thereafter. Most Federal programs involve commitments for funding for more than 1 year, and many have operating costs in addition to the amounts authorized.

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, the Chair makes a good point.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Wisconsin is entitled to be heard.

Mr. PROXMIRE. Mr. President, let me repeat, most Federal programs involve commitments for funding for more than 1 year, and many have operating costs in addition to the amounts authorized.

Yet, with the exception of housing assistance, these commitments and required future obligations are ignored in the Federal budget. In contrast, under the Nixon-Ford guidelines still being used by OMB, the HUD budget shows that the administration is requesting almost $33 billion in fiscal year 1978 for housing. But the $33 billion requested by HUD this year includes estimates of what will be required to run the program 10 years, 20 years, 30 years, and even 40 years from today. Only housing for low- and moderate-income persons, among Federal assistance programs, is budgeted in 1978 for costs that may be incurred in the year 2017.

As I pointed out a minute ago, if we assume that we spend about $500 billion in every budget from now on—an unrealistic assumption since it is conservative since that means no real growth in the budget for the next 90 years—that money translates into $20 trillion.

What we are doing is putting the amount we appropriate for housing into a $20 trillion context. But as the debate indicated before on the floor and in the Budget Committee and elsewhere, it is talked about constantly in terms of this year's amount, next year's amount, and the amount that is coming up in the very near future.

A proposal for $1 million in new contract authority for public housing or new State-financed section 8 housing for lower income families is now required to be expressed in the budget as $40 million in budget authority. This figure takes into account payments that may be made over the next 40 years, including estimated increases in rents resulting from inflation.

Mr. President, I have asked why housing programs have been singled out for special treatment in the budget. There are those who say it is a historical carryover from the Nixon-Ford era, and there is strong evidence that this is the case. As you will remember, President Nixon shut down all of our Federal housing programs in 1973, when a moratorium was put on publicly assisted housing, despite congressional protest. His HUD Secretary at that time, James Lynn, supported the moratorium on housing and ignored his pledge to the Congress that he would carry out the programs that were authorized to achieve our national housing goals. Mr. Lynn was then appointed Director of the Office of Management and Budget.

He carried his fight against housing with him. It was he who, in 1975, ordered HUD to report budget authority as it now does. It is his directive that continues today to be followed by the OMB and by the Congressional Budget Committees. The antihousing bias of the Nixon-Ford administration should not be continued. To eliminate this bias, the committee has adopted section 208.

It is also argued that housing's special treatment in the budget merely reflects two facts: First, that housing programs do involve multiyear commitments, and second, that housing commitments are legal contracts.

Mr. President, these two facts are correct. Housing programs do require multiyear commitments and legal contracts. This is because they operate through the voluntary actions of private lenders, home builders, construction workers, property owners, and local governments and agencies, and require a significant amount of money over a long period of time.

But these two facts do not really explain housing's unique treatment for budget purposes in the Federal or congressional budget.

Mr. President, we need to take a commonsense attitude toward this problem of out-year expenditure commitments. The purpose of highlighting 30- or 40-year housing costs in budget authority is to give visibility to spending in future years that is dependent on and required by funding this year. The argument is that we need such visibility to make sound economic decisions.

Now let us see what this same philosophy would mean if applied consistently to other parts of the budget.

Take the military for example. We funded the CVAN–71 *Nimitz* class aircraft carrier in 1 year—not counting long leadtime items which are always a year in advance. The total cost of the carrier in terms of procurement and research and development will be about $2 billion.

Now everyone knows when they vote for approval of the carrier that it is going to be used—operated for 30 years—otherwise there is absolutely no justification for purchasing it.

We do not buy that carrier to spend $2 billion and then let it sit there and be admired. We buy it to use it, and to use that carrier costs money. It costs far more than the carrier costs.

When the U.S. Government buys that carrier, it is incurring additional costs down the road. In the case of CVAN–71 the 330-year life cycle costs will be $15.5 billion in constant dollars. Are we required to take notice of that in the budget when it comes before us? No, we are not. But we are required to do so with respect to housing. This includes research development, procurement, manpower, operation and maintenance, and the aircraft that go on board.

Why should we count these costs? Because an aircraft carrier cannot go to sea without personnel on board and it will not be effective without aircraft on board and we certainly do not intend to leave it tied up at the dock for 30 years. We are committed to these costs in future years as surely as we are to any housing program.

The B–1 bomber is another good example for it brings different issues into consideration. At some point, maybe this week or next, the President is going to decide on how many B–1's this country does or does not need. Obviously, I hope he stands by his campaign pledge and decides against any B–1's. But for the sake of argument let us assume he decides on a figure of 150 B–1's.

Congress then examines the President's request and gives the go-ahead. Due to the single year funding rule, we fully purchase a group of aircraft every year. We purchase 5 B–1's or 20 F–14's for example.

Each year when we vote on these small purchases we know that they only represent a fraction of the total program buy. The rest are included in the 5-year defense program. Yet these additional procurement costs do not show up in any budget resolution figures.

Congress may cut that projected purchase or add to it but at any one time, as with housing, the out-year program represents a future commitment of this Government. If Congress cuts back, there might be contract disputes and termination costs to be paid by the Government, as there would be with a cutback in housing contracts under some conditions. As a matter of fact, the Government is being sued for hundreds of millions of dollars, billions of dollars, in shipping claims by shippers who claim we have to go through with a contract on a multiyear basis.

The point is we are fooling no one by only counting 1 year's cost of the B–1 in every budget. The total program will cost $24 billion in R. & D. and procurement alone. And this understates the full costs to the Government that will be incurred by operating these aircraft over their normal 20-year life. If you consider this total obligation of the Government, the B–1 will cost over $40 billion in constant, uninflated dollars. We will have to spend these dollars if the original purchase of the B–1 is to make any sense at all. Why are not these costs—to be borne by future taxpayers as sure as any housing program—also included under budget authority in the budget resolution?

If we applied the same approach to the 53 major acquisition items currently on the selected acquisition reporting system with a cost of over $144 billion, the runout costs would be astronomical—maybe $500 billion or more.

The similarity with the housing situation would then be clear. If we cut the five B–1's in this year's budget we would not be saving $2 billion in procurement but several billion more in out-year expenditures relating to these aircraft. If we cut out the aircraft carrier, we would not only show a $2 billion decrease in budget authority in 1 year but a total budget authority reduction of $15.5 billion.

The same approach applies to army ground equipment such as the new XM–1 tank. We could purchase the XM–1 tank fleet for $4.84 billion and store them in warehouses—although even that would cost money. But that is not the purpose for buying new tanks. They will be put in the field. It makes no sense to buy them and store them away. They will be used and when that happens there will be additional costs. We cannot escape that fact. The XM–1 tank program will have a projected life cycle cost in constant fiscal year 1977 dollars of $11.4 billion. Yet, nowhere is that fact of life represented in the budget authority figures of the budget resolution.

Therefore, if we are going to make housing a target for cuts because a small cut in any one year carries with it a very large reduction in out-year budget authority, why should not the same hold true for the Defense Department where the commitments are every bit as solid—maybe even more so, since they represent a national security requirement? Why should it not also apply to the social security program or the turnover of the national debt or to many ongoing HEW programs or to those multiyear contracts that are funded technically on a year-by-year basis but have the same effect as a multiyear procurement?

What we object to is the fact that 40 year housing money has to compete with 1 year money for other programs in the budget ceiling.

What this means is that housing will be the first program to be cut and the last program to be restored or funded. Here is why.

Suppose new budget authority were $10 billion too high. The $10 billion could be cut in one of two ways. It could be reduced by a painful cut of $1 billion in each of 10 different programs—education, military pay, health research or job programs, for example. Or, because housing money is calculated on a 40-year basis, a cut of only $250 million in public housing funds or funds for new construction under section 8 would accomplish the same $10 billion reduction.

Given this choice, the temptation to cut housing instead of other programs will be overwhelming. Small cuts in housing outlays can mean 40 times the amount of cuts in budget authority for other programs.

And I am not talking theoretically, either, because that is precisely what happened this year on the budget resolution.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. PROXMIRE. I will yield in a moment.

Housing was a sitting duck for the cuts, and a $200 million cut ended up looking like a $6.2 billion cut.

That point was made over and over by Senator DOMENICI on the floor, with great effect. I talked to a number of Senators who said "Bill, I can't go with you. Six billion dollars is a whale of a lot of money. It means we are obligated to spend that in the future."

That argument by the Senator from New Mexico was most effective and picked up votes he otherwise would not have had.

Conversely, because an increase in most housing programs must be multiplied by 40 years, housing will stand at the end of the line when the priorities are determined.

And we found that out too when we restored that money. Senator after Senator came to us and said, my God I have to vote for a $6.2 billion increase in budget authority just to restore about $150 million.

(At this point, Mr. ZORINSKY assumed the chair.)

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I promised to yield to the Senator from Florida.

Mr. MUSKIE. Will the Senator yield?

Mr. CHILES. I yield.

Mr. MUSKIE. Mr. President, will the Senator yield for a minute?

On the other hand, may I say to the Senator, I heard the other argument——

Mr. PROXMIRE. I beg the Senator's pardon, I did not hear that.

Mr. MUSKIE. I heard the other argument, "Look, it is only $50 million this year so we do not have to worry about the long-term costs. It won't unbalance the budget; it is only $50 million this year."

I can just hear, if section 208 is approved, at future hearings that "You have only $50 million." which is what this $34 billion program would look like in this year's budget if section 208 were adopted. The argument would be "only $50 million this year," to justify $34 billion in long-term commitments.

I think we are mature enough in this body to look at the facts. The facts are that housing does cost money; it does involve long-term commitments. Why should we be afraid to look at the facts and acknowledge them rather than conceal them? Decisions of this kind ought to be made on the facts, and that is what the budget process is all about.

Mr. PROXMIRE. May I say to the Senator from Maine that I have no objection to that. The Senator from Maine makes a very powerful argument, and the Senator from Florida, too, on this issue. There is a lot of sense. All I want to do is to put housing on the same basis as everything else—on the same basis as social security, as the B–1 bomber, as the aircraft carrier. It is not now on the same basis, and the Senator knows it is not.

Mr. MUSKIE. Mr. President, if the Senator will yield, the Senator is talking about apples and oranges. I will put in the RECORD on the Senator's time this table prepared by the GAO which will inform the Senator of the programs in the budget that are treated the way housing is treated.

I ask unanimous consent that that table be included in the RECORD. There are three pages of programs that are handled the same way that housing is under the present law.

There being no objection, the schedule was ordered to be printed in the RECORD, as follows:

SCHEDULE OF ACCOUNTS THAT APPEAR TO RECORD FULL EXTENT OF COMMITMENT

The following accounts appear to provide full funding of long-term commitments. This schedule was prepared primarily from discussions with agency budget offices. The accounts have not been fully studied or verified by us.

AGENCY, BUREAU, ACCOUNT/REFERENCE (FISCAL YEAR 1978 APPENDIX)

Dept. of Transportation: Coast Guard, "Acquisition, Construction, and Improvements" (69–0240–0–1–406) p. 545.

Comments

BA represents full amount for construction etc. for projects commenced in the year of the recorded BA.

FAA: "Facilities, Engineering, and Development" (69–1303–0–1–405) p. 552.

Comments

BA represents full amount for construction etc. for projects commenced in the year of the recorded BA.

Urban Mass Transportation Administration: "Urban Mass Transportation Fund," (69-4119-0-3-404) p. 581.

Comments

BA represents full amount for construction etc. for projects commenced in the year of the recorded BA.

Department of Justice: Bureau of Prisons, "Buildings and Facilities," (15-1003-0-1-753) p. 497.

Comments

Full amount of BA necessary to complete the cost of constructing a facility is requested in the budget year.

Department of State: "Acquisition, Operations, and Maintenance of Buildings Abroad," (19-0535-0-1-152) p. 520.

Comments

Full amount of BA necessary to complete the cost of constructing a facility is requested in the budget year (except for the new embassy in Moscow which is being funded incrementally).

Department of Commerce: Maritime Administration, "Ship Construction," (13-1708-0-1-406) p. 214.

Comments

Full BA necessary to pay the subsidy of an individual ship's construction is requested in the budget year.

Department of Agriculture: [1]

Soil Conservation Service, "Conservation Operations," (12-1000-0-1-302) p. 152.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

Soil Conservation Service:

"River Basin Surveys and Investigations," (12-1069-0-1-301) p. 154.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Watershed and Flood Prevention Operation," (12-1072-0-1-301) p. 156.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Great Plains Conservation Program," (12-2268-0-1-302) p. 158.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Watershed Planning," (12-1066-0-1-301) p. 155.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Resource Conservation and Development," (12-1010-0-1-302) p. 159.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

Forest Service:

"Forest Protection and Utilization," (12-1100-0-1-302) p. 172.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Construction and Land Acquisition," (12-1103-0-1-302) p. 175.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Forest Roads and Trails (Liquidation of Contract Authority)," (12-2262-0-1-302) p. 176.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Forest Roads," (12-2263-0-1-302) p. 177.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

[Cooperative Range] "Rangeland Improvements," (12-5207-0-2-302) p. 179.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Forest Service Permanent Appropriation", (12-9922-0-2-302) p. 180.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Trust Funds-Cooperative Work", (12-8028-0-7-302) p. 183.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

Agricultural Stabilization and Conservation Service: "Water Bank Program" (12-3320-0-1-302) p. 125.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Forestry Incentives Program", (12-3336-0-1-302) p. 127.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

"Agricultural Conservation Program", (12-3315-0-1-302) p. 124.

Comments

Multi-year contracts receive BA recordings for the full amount of the contract in the year of the contract signing.

Department of Defense:

Navy: "Shipbuilding and Conversion, Navy", (17-1611-0-1-051) p. 245.

Comments

Full BA for ships programmed and funded in the budget year.

Environmental Protection Agency: "Abatement and Control", (68-0108-0-1-304) p. 628.

Comments

Full amount of BA necessary to complete the cost of constructing a facility is requested in the budget year.

"Construction Grants", (68-0103-0-1-304) p. 630.

Comments

BA appears to fully fund commitments. (Proposed legislation for a 10-year program of $4.5 billion per year appears not to fully fund the proposed total Federal commitment.

See EPA "Construction Grants" on page 3 of other schedule.)

[1] Agriculture accounts with high use of multi-year contracts. In many cases, the dollars associated with multi-year contracts represents only a portion of the account total.

Mr. PROXMIRE. Are these all comparable programs? Do they include social security, for example?

Mr. MUSKIE. This is the GAO's analysis of comparable programs. Some of the programs the Senator referred to are not comparable to housing, and I would be glad to get into a lengthy discussion on that, but this is the GAO's analysis.

Mr. PROXMIRE. The Banking Committee, of course, does not take the position that the information should be concealed in any way, shape, or form. It should be made clear that we recognize that we ought to know about these long-run costs, but in a form of information not as unique numbers in the budget, so that housing is put into a different position than these other long-run commitments, these uncontrollable commitments.

Mr. MUSKIE. But housing is not put in a different position.

Let me ask the Senator a question: Suppose you were chairman of the Senate Budget Committee. The chairman of the Banking, Housing, and Urban Affairs Committee came before you and asked for a $34 billion housing program. The only control you had over it was in the form of the outlays in the given year, and you decided, in disagreement with the chairman of the Banking Committee, that you cannot afford $34 billion, you can only afford $20 billion. If you cannot control it through the budget authority, which would be the case if section 208 passes, then just what does the chairman of the Budget Committee do with respect to outlays in that year to get a reduction from $34 billion to $20 billion in the housing program? There is absolutely no way of doing it. If the Senator can suggest a way for it to be done so that we can control it, then I might look at section 208 differently. But there is absolutely no way of doing it. You cannot reduce the outlays.

You cannot control the size of the program through outlays. Outlays are largely the spendout from prior-year contracts. So there would be no way, absolutely no way, for you as chairman of the Budget Committee to exercise a different judgment than the chairman of the Banking, Housing, and Urban Affairs Committee with respect to what the size of the housing program ought to be.

Mr. PROXMIRE. Well, my problem, Mr. President, is that the controllable outlays in the budget, according to the best calculation we can make, are about $112 billion; uncontrollable are about $322 billion. Housing represents $3 billion for controllable outlays or about 2.5 percent. It represents $3.6 billion of uncontrollable outlays or about 1 percent.

As I have already stated, the enormous amount we spend relative to housing and social security, the very large amount we spend in the military area, does not have the same runout treatment. You can say it is apples and oranges, but the fact is it is a commitment, as we know. When we buy an aircraft carrier we do not just buy it and

let it sit around, we use it. We have to figure out what the long-term costs are.

For housing to be almost the only budget item to get the 15- or 20- or 40-year treatment—it is not done for social security, the public debt is not included—puts it in an impossible position to compete with other needs.

Let us take another example of why housing is discriminated against in the budget ceiling resolution. Take social security. In the Ford budget for fiscal year 1978, social security payments are estimated at $89 billion. Budget authority under the Carter budget for social security was $87.4 billion. But we have a law on the books on social security. Under present law, according to individuals my staff has talked to in the Social Security Administration only today, a rough ball park estimate is that the Government, under law, is obligated to pay out about $15 trillion over the next 40 years to social security recipients.

That is the law, it is on the books; it is an obligation. It will no doubt be paid. In fact, because of inflation probably a great deal more will be paid, but only this 1-year figure of $89 billion is in the Ford budget, and slightly less in the Carter budget, are used for the projections of social security budget authority under income security in the budget resolution ceiling.

Now why is housing calculated at 40 years and social security at 1 year

As the old saying goes, some programs are more equal than others.

As I say, Mr. President, the burden of my position is that we simply want to have housing treated fairly and equitably with other programs that are expensive, that cost billions of dollars. As I pointed out, housing does represent a relatively very, very limited part of the costs. It is the same situation as if you had an individual who is going to buy a house, a $35,000 house, with a 35-year mortgage at 9 percent.

The cost of the interest on that house is about $66,000. The cost of that house is $35,000. Most people, if told that they are going to have to pay $100,000 when they may have an income of $20,000 or $25,000, would, of course, say, "Impossible. No way. It cannot be done."

But because we have grown used to buying houses and because we think in terms of what we can afford in terms of monthly payments, housing is able to proceed.

What I am concerned that we are doing here is providing for that $100,000 cost in relationship to an individual with a modest income, and we are providing that that cost must be met in comparison with 1-year costs in the budget with respect to military, social security, and these other programs.

What we object to is that in the budget resolution, housing money calculated at 40 years has to compete with other money calculated at 1 year.

What we object to is that housing money is put in the budget at 40 years because there is a contractual relationship but the public debt and social security—which are also either solid contractual obligations or are required payments by law, are excluded.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MUSKIE. I yield 5 minutes to the Senator from Florida and more if the Senator desires it.

Mr. CHILES. Mr. President, I understand the distinguished Senator from Massachusetts was saying that the way in which we attempted to cut the housing figure in the Budget Committee was based on the fact of the high number for the housing budget authority. I have also heard that discussed. That was part of the argument that was used on the floor.

The Senator from Florida was the one who proposed reducing the numbers in the Budget Committee, and I think he had something to do with trying to argue that item unsuccessfully on the floor.

What we were talking about at all times was never the total number, Mr. President, of what that number was, but actually we were talking about units.

The logic of our argument was that there were sufficient units in the pipeline to meet the needs for the next year, and that there would be sufficient holdover units in the next year, and we argued at all times on the basis of what the building construction had been over the past year, what adding 25 percent to that, and then doubling that, would do over the next couple of years, and we always talked about units.

We always talked about units. At no time were we trying to use billions of dollars, and we did not try to approach it from that way.

It would seem that certainly the Banking and Housing Committee was successful in attacking the budget resolution and adding to that figure in the Chamber.

I listened with great interest to the argument of the distinguished Senator from Wisconsin in regard to the fact that this is treating housing differently from anyone else. I listened to the cost of the B-1 bomber and of an aircraft carrier. But I shall take the other side of that argument. If the Senator is successful and if the Banking Committee is successful, we should understand what will happen. I wish the distinguished chairman of the Budget Committee would listen to this point. If the Banking Committee is successful in amending the Budget Act, and that is exactly what they are doing now to say that they will reflect their numbers, they will only put in the budget outlay and the budget authority numbers for the first year that they go into a purchase downstream, and they never will have to reflect what the total cost downstream would be, then I want him to understand what is going to happen to the B-1 bomber if the Armed Services Committee says:

> We should be treated the same way. Why should you treat housing different from the way you treat the B-1 bomber?

Under the logic of the Senator from Wisconsin, the Armed Services Committee could come in here now and say:

> Wait a minute now. You are allowing housing. You are only talking the budget outlay and you are taking budget authority for the first year. It is unfair to put in these high figures because it is paying off all in 40 years. Why should we have to do this with the B-1 bomber? We should not be charged with the outyear numbers. We should only be charged with the budget authority and the budget outlay for the first year.

Then the B-1 bomber, which is supposed to cost for a buy of $24 billion, will only be reflected as $150 million because that is the budget authority and the budget outlay for the first year. I think the Armed Services Committee can say as the Senator from Wisconsin has now said:

> We want fair treatment. We want to be treated equally. So we should not have to portray all of these outlandish numbers because that bomber is going to cost something over this long period of time. Why should we be treated that way? That is unfair to us.

It seems to me that what we are talking about in this body is trying to provide information. That is what the Budget Act is all about. And why should we be afraid of portraying information about what costs are going to be, whether it is the B-1 bomber or something else? Will the Senator agree that, if we had such an amendment as this adopted to carry this one through for other committees to be able to amend their authorization bill—and I am surprised that a point of order does not lie—they should be entitled to it just as much as the Banking and Housing Committee?

Mr. MUSKIE. As I indicated earlier in my presentation, may I say to the Senator, there is now actively under consideration with the Department of Defense a rent-a-ship proposal.

Mr. CHILES. Yes.

Mr. MUSKIE. It could be handled exactly that way. They are built on this precedent. There is nothing to prevent it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUSKIE. I yield 5 more minutes to the distinguished Senator.

Mr. CHILES. I thank the Senator.

Mr. PROXMIRE. Mr. President, will the Senator yield on this point?

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. HOLLINGS. I thought the Senator was asking me. I am asking him. I am trying to give a golden fleece award. May I have time to make that award?

Mr. CHILES. I yield.

Mr. PROXMIRE. I wish to make a point to the Senator. There is no place in the budget authority ceiling for the full cost of the B–1 bomber now; none. Instead, it is broken down in this way. The President makes a commitment to buy, say, 150 of these bombers. However, DOD decides that it will first buy 5 or 10 or 15 B–1 bombers. That is all that is included in the budget authority. Furthermore, there is one other point.

Mr. CHILES. Under the logic of the Senator from Wisconsin, though, if this amendment is adopted, the Armed Services Committee will not have any problem in the future. They will simply come in and they will put in the budget

authority for the first year's buy and they will put in the budget outlay for the first year's buy. Hereafter they will say, "We do not have to come back to you any more." We said everyone knows the B–1 bomber fleet is to be 224 bombers. That has all been disclosed.

Mr. PROXMIRE. They have to come back every single year to get the additional appropriation just as we have to come back every year.

Mr. CHILES. But they do not in housing. Once that contract authority goes out, that is it. They do not have to go back. So they would be free.

Mr. PROXMIRE. Take the aircraft carrier; that is a better example. Aircraft carrier cost is $2 billion, but we know that the cost of maintaining and operating that carrier is going to be $15 billion in uninflated dollars.

Mr. MUSKIE. Will the Senator yield on that point?

Mr. PROXMIRE. I yield.

Mr. MUSKIE. Public housing contracts involve procurement of the housing. If the Senator will look on page 71 of his own committeee report, the operating subsidies which are comparable to the maintenance of a carrier——

Mr. CHILES. That is right.

Mr. MUSKIE (continuing). Are listed annually and controllable annually.

Mr. CHILES. They are not included.

Mr. MUSKIE. They are separate from the procurement side.

Mr. CHILES. They are not included in these numbers. Maybe we should include those in the maintenance of the aircraft carrier and the operating cost of the B–1 bomber.

Mr. PROXMIRE. I would have no objection. What we are talking about is having disclosure which we agree should be made. At no point have we said we want to conceal anything. We also said we do not want housing to be singled out to be put under the ceiling while these other programs, social security and most of the military programs are not effectively put under the ceiling in the same way.

Mr. CHILES. I think the argument that the Senator is making and the logic that one can make could be used by the Armed Services Committee right now to take out the B–1 bomber, aircraft carriers and any other down-range procurement from under any of the ceiling and control we now have. That is the danger the Budget Committee sees in this type of amendment. The Senator from Wisconsin knows this. Less than 25 percent of our budget is controllable. So in any one year if we start trying to do something to reduce the budget, we cannot do anything in any given year, because that 25 percent is mostly manpower, whether it is the military or the civilian work force. That is about the only thing we go and cut in one year. So if we are going to get any kind of control, we have to look at the outyears. For the first time on the Budget Committee we are trying to realize and trying to educate the Senate and Congress a little bit that we do have to be concerned with an item of budget authority because that is what is influencing those outyears. How many times has the Senator from Wisconsin heard a program passed in this body and someone said this is only going to cost $15 million this year, well knowing 5 years and 10 years down the line that program was in the billions of dollars already?

So we voted for that program without realizing or without making ourselves think of what we were doing to a process down the years.

Mr. PROXMIRE. I cannot understand what the Senator is attacking in our position. We would not conceal that information. We would disclose it. We would make it clear how much the total obligational authority would be. We simply say that this should not be put under the budget ceiling since other programs are not. I discussed not only the military programs, but it is true of the social security program as well.

Mr. MUSKIE. The Senator is so wrong in so much of what he says about what is under the ceiling and is not. It is incredible. I have, I think, about an hour left. I could not cover it all in an hour. The Senator refers to the social security as an example. Social security is an entitlement program. There is nothing to prevent Congress in any year from changing those entitlements down or up. There is no contract obligation. But once you sign these contracts to construct housing, you either meet the contracts or buy them out and Congress has no other choice.

Mr. BROOKE. Will the Senator yield at that point?

Mr. MUSKIE. The Senator from Florida has the floor.

Mr. CHILES. I yield.

Mr. BROOKE. Could we leave the B–1 bomber and come back to housing for a minute?

Would the Appropriations Committee still have to appropriate money for these 15-year to 40-year contract?

Mr. MUSKIE. The Senator is asking the question of me? Under the present law, I believe the answer is no. The appropriation is made up front before the contracts are signed.

Mr. BROOKE. So you are not certain about the appropriations process?

Mr. MUSKIE. That is correct. The Senator is asking me about the B–1 bomber?

Mr. BROOKE. No.

Mr. MUSKIE. What is the Senator asking about?

Mr. BROOKE. Housing. In other words, with section 208 in the bill, the $54 million would have to be appropriated. There is no question about that. That is correct?

Mr. MUSKIE. Yes. But under the present law the entire $34 billion is counted as budget authority to reflect the true cost of the program. Neither the present law nor section 208 provides for further control after the contracts are signed.

Mr. BROOKE. But it still would require appropriations approval.

Mr. MUSKIE. To liquidate the contracts which have been signed.

Mr. CHILES. But if they did not, the Government would be sued, would they not?

Mr. MUSKIE. Once the contracts are signed, the Government has no choice, unless it wants to be sued, but to liquidate the contracts.

Mr. BROOKE. But does not the Appropriations Committee have to approve the contract before the contract is signed?

Mr. MUSKIE. Under section 208, budget authority would be only for the first year. Let me read section 208.

Mr. BROOKE. I understand the first year. I am talking about beyond that.

Mr. MUSKIE. Section 208 says:

> The Secretary shall utilize estimates based on (1) the amount of payment requirements to liquidate housing contracts which were already in effect at the beginning of that year; and, (2), the amount of payment——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUSKIE. I yield myself an additional 5 minutes.

> . . . the amount of payment requirements to liquidate housing assistance contracts estimated to be entered into during that year.

Mr. BROOKE. The Senator is referring to page 41 of the bill?

Mr. MUSKIE. I am.

Mr. BROOKE. That refers, again, to budget authority. I think the Senator is confusing budget authority with appropriations. It says:

> The total amount of budget authority determined by the Secretary under the preceding sentence shall be final for the purpose of section 201 of the Budget and Accounting Act, 1921, and the Congressional Budget Act of 1974.

My point is the Appropriations Committee still——

Mr. MUSKIE. The definition of budget authority is contained in the previous sentence of section 208.

The way this bill reads, in the first concurrent resolution for 1978 the total budget authority under the definition in section 208 would be $3.3 billion. As it is now contained in the first concurrent resolution, it is $34.0 billion. The difference is that the Senator's provision reflects liquidation of contracts only, not future contracts.

Mr. BROOKE. The point I am trying to make, and I understand what the Senator has pointed out, is that none of this money can be spent without prior approval of the contracts by the appropriations process. Is that correct?

Mr. MUSKIE. Under the present system the Appropriations Committee appropriates budget authority and approves the level of new contract authority. Now they are both controllable. Under section 208, only the contract authority would be controllable.

Mr. BROOKE. All right.

Mr. MUSKIE. And that part would not show in the budget resolution. It would completely escape control of the congressional budget process.

Mr. BROOKE. That is the point I have been trying to make. It would still be subject to the control of the appropriations process.

Mr. MUSKIE. Not to the same extent.

Mr. BROOKE. All right, not to the same extent. But they are still controlled by the Appropriations Committee. That is the point.

Mr. MUSKIE. All we will be looking at when we look at the budget resolution is what it costs to liquidate contracts that are already out of control. There will be no way in the budget resolution, if section 208 is adopted, to control the size of the housing program through the budget resolution.

Mr. BROOKE. I agree with that. There is no question about that.

Mr. CHILES. On the Senator's problem about appropriations being able to look at it, they look at it every year, just as we look at the medicaid bill and medicare. On the first of the year we find out what the bill is and we have to pay it. There is no question in saying we will decide not to pay it. The contract is there. Yes, it is there, and it just comes off the top every year. So it has to be appropriated, but it is just appropriated off the top. If we decided one year we did not want to pay it, the Government would just be sued.

Mr. BROOKE. The contract is there but it is not valid until it is approved.

Mr. CHILES. Under the Senator's amendment it is valid from the first time we pass this. Then that contract is valid. It becomes in force. Even though 40 years from now we are paying for them, it is valid and it is there.

Mr. BROOKE. That is the point of disagreement. The Senator says it is valid, and we are stuck with it, no matter what. The Appropriations Committee has no jurisdiction, except to go along with what has already been done. That is what the Senator is saying?

Mr. CHILES. That is correct.

Mr. BROOKE. We are saying it differently. We are saying that the Appropriations Committee does have the authority and that before they approve it, there is no valid, binding contract. That is the difference. We ought to iron out this disagreement before we go further. That is the whole problem. If there is no control by the appropriations process essential, then both the Senator from Wisconsin and I would support your amendment. We both serve on the Appropriations Committee, as does the distinguished Senator from Florida. We think there should be control by the Appropriations Committee. We think that under section 208 we preserve that control and the Senator says we do not.

Mr. BELLMON. Will the Senator yield?

Mr. BROOKE. Yes.

Mr. BELLMON. Is the Senator saying that if the Housing Authority entered into contracts under this, that 5 years from now the Government can choose not to honor those contracts?

Mr. BROOKE. I am not saying that at all.

Mr. BELLMON. No matter what the Appropriations Committee does, those contracts are binding on the Government.

Mr. BROOKE. I am saying that the contracts must be approved by the Appropriations Committee.

Mr. BELLMON. The Appropriations Committee has no choice. Once these contracts are entered into and we appropriate money, we can be sued.

Mr. BROOKE. Before they are entered into, they must be approved by the Appropriations Committee.

Mr. BELLMON. But once entered into, the contracts are valid for their entire life.

Mr. BROOKE. Once the contracts are signed and entered into, then we are obligated to that contract. There is no question about that. It is a valid and binding contract. But prior to that time, the Appropriations Committee must approve that contract, before it becomes binding and valid.

Mr. BELLMON. But the only way for the Congress to know the impact of those contracts is for the budget authority.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. Mr. President, I yield such time as the Senator may desire.

Mr. BROOKE. I do not know how we will resolve this question. We differ on it. I do not know who can get us out of this dilemma.

Mr. HOLLINGS. The Senator can get out of the dilemma by dropping the section.

Mr. BROOKE. That is not the way to get out of the dilemma. We want to get out of the dilemma that housing is in by keeping section 208 in the bill. We are trying to reach an agreement as to whether the Appropriations Committee has to approve the contract prior to the contract becoming binding and valid. The Senator from Wisconsin and I believe it does. Senator CHILES believes we do not have that authority. We think we do have that authority.

Mr. HOLLINGS. I say to my distinguished friend from Massachusetts, why does he not show the full amount? It seems to me he would be proud of the full amount they are putting up for housing.

Mr. BROOKE. It is not the purpose of section 208 to conceal anything. I think the chairman has made that crystal clear. That is not the purpose of this section in this bill at all. We want to reveal what we are obligated to spend in fiscal 1978, 1979, 1980, and 40 years from now. But we do not want it to be charged to fiscal 1978. That is the point. We do not want it to appear that we are spending this money in fiscal 1978, because we are not.

Mr. HOLLINGS. That would be the budget authority for the particular year involved.

Mr. BROOKE. The budget authority.

Mr. HOLLINGS. But it would be the full amount that would be authorized and the Senator is saying only the annual amount.

Mr. BROOKE. That is right, precisely. Why should we have that burden in housing, when no other program suffers from that handicap?

Mr. HOLLINGS. Because of the contractual obligations in any other department, any Defense Department authorization, and the Senator and I were just talking about the aircraft carrier, we can cut that off. Once we get a contract under the law, or budget authority for housing, that is not cut off. That is an obligation.

Mr. BROOKE. After the Appropriations Committee approves of the contract.

Mr. HOLLINGS. The contracts are made under the budget authority.

Mr. BROOKE. A contract is not made based on the budget authority. The contract is not binding until such time as the Appropriations Committee has approved of that contract. We just do not create budget authority and, therefore, have a binding contract.

Mr. CHILES. But the Appropriations Committee only approves an appropriation for a year. So, again, the committee has taken away from the scrutiny of anyone the determination of what the full cost is going to be over the life of the contract.

Is that not what the Budget Act is supposed to be about, to allow Congress to look and see what it is spending, not just in the year, but in the out years?

Why else would we include budget authority as a part of the Budget Act? If we are talking about just appropriations, then we just deal in outlay, 1 year.

What we found, and it is why I thought we needed a Budget Act, was that we could not control the spending of the Government by dealing in 1 year. Only 25 percent of it is controllable to start with. So we cannot deal in outlay. We had to look into the out years. That is what we are trying to do.

Mr. PROXMIRE. Will the Senator yield for a question?

Mr. BROOKE. Yes.

Mr. PROXMIRE. Is it not true that the Appropriations Committee does not deal in outlays at all? The Appropriations Committee deals in budget authority. Obligational authority is what we are talking about.

Mr. BROOKE. That is correct.

Mr. PROXMIRE. That can be many years. When the Appropriations Committee acts, it can provide for a weapons system or a housing program or whatever for 10 years, 20 years, or whatever. The contract cannot be signed, it is not valid until that appropriation process is gone through by Congress.

Mr. BROOKE. I cannot understand the Senator from Florida when he says the Appropriations Committee can only act for 1 year. Just by the nature of its jurisdiction, it can act for 5, 10, 15, 20 or 25 years and beyond, and has. But it still has to approve the contract before it becomes valid.

Mr. CHILES. By the nature of the way we were operating, we had that deficit every year—good years, bad years; it did not make any difference. That is why we decided we were going to try to discipline ourselves a little bit by passing a Budget Act that would require us to look into the out years and be responsible, a little bit, for what our actions were going to be in the out years. Now we are going to go back and take away from that. We are going to say, "No, all you have to do is look at what you do in 1 year, forget about everything else; that does not count. You do not have to look at that. Let us just look at this year, what we are doing this year, and forget that we

are making a 40-year obligation. Just do not think about that."

Mr. BROOKE. We are not asking the Senate to forget that we are making a 40-year obligation, nor are we concealing that fact.

Mr. CHILES. We had a debate, and I think a very meaningful debate, on the amendment by the Senator from Wisconsin to add $7.2 billion. He was successful. But we had a debate as to whether we needed that number of units, what would be necessary.

The Senator is right. When we take this figure out, we shall not have any more debates like that. We will just look at what we are spending in a year. And we shall also look at that deficit number for everything, because every other committee is going to come in and say, "We are entitled to this, too." Armed Services is going to say, "We are entitled to this. Why should we have to put out all the numbers of what the B–1's are going to cost us? We can just put in one year. That is all we need to do."

Every other committee can do the same thing. Agriculture will be able to do that on the farm bill. They can say, "Why should we be treated differently from housing? We are entitled to put in just the first year."

Mr. HOLLINGS. Will the Senator yield for a unanimous-consent request?

Mr. MUSKIE. May I ask how much time I have?

The PRESIDING OFFICER. The Senator from Maine has 57 minutes.

Mr. MUSKIE. I yield 5 minutes to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the Senator, on the one hand, is not fully briefed, but, on the other hand, is fully experienced. What I am saying is, having worked on budgets with my distinguished colleague from Wisconsin and with the Senator from Massachusetts on the Committee on Appropriations, we know that we never make appropriations unless there is budget authority. I do not know what that ring dang dolly was doing, going on down in the pit about outlays and budget authority. There can be no outlay unless there is budget authority.

The one thing we have learned to do, under the budget process in the Budget Committee, is treat these amounts cumulatively. When we look at it and project, even staff, for example, were frightened. The distinguished chairman of the Committee on Armed Services looked, for example, not at the 1-year cost, if the Senator from Wisconsin please, but the cumulative cost of where we were headed in military pensions, to the tune of an annual $33 billion by the year 2000. That frightened him.

The 1-percent kicker—we were not worried about the $87 million last year. It just did not make that much difference. But as Einstein said, the greatest invention of man was compound interest. We found that by 1980, that 1-percent kicker alone was going to cost the Government $3.8 billion.

So we have learned to look in a cumulative fashion at all of these accounts, whether they be housing, defense, or pensions. And we found certain gimmickry.

We have learned that the executive branch, every time, downplays the veterans' cost, because they know that Congress is going to take a look. Our distinguished colleague from California, as a member of the Budget Committee, realizing this, increased the veterans' cost to be more realistic. We have a higher amount in there.

We could have taken the executive branch unemployment compensation figure and saved a billion dollars and balanced the budget there. There are always easy ways to do it.

One of the easiest, of course, is what they do with offshore drilling revenues. Until we got into the energy crisis, that was one of the real valid purposes, I guess, for the Secretary of the Interior, because you could call him up. He was your oil friend. He was like a rich uncle; how much do you need? $2 billion? $4 billion? $8 billion? We could say we are going to have $8 billion worth of sales, and put it in and come to the joint session, and we would have a balanced budget.

In the face of trying to clean up gimmickry and look cumulatively and realistically, so we can see all the costs, here comes a sleeper. We call these "rabbits" at the State level. I have learned from my distinguished friend from Wisconsin to call them golden fleece awards. Or, in this case, the golden wool award. It pulls the wool over the eyes of the public. Section 208 would be candidate No. 1 for that award, in my opinion.

We even had our distinguished friend support a rules change. It sounded so difficult to catch and learn and imbibe and realize the actual cost on each one of these particular appropriations measures that the distinguished majority leader felt there ought to be a rules change so that, on the face of every one of these, there should be the actual cost to the Government and everything else.

We have been trying to play cat and mouse too long. We have been trying to catch up.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PROXMIRE. I yield 1 minute more.

Mr. HOLLINGS. Just 1 minute. We have a good practice and a good trend going. We have the staffs working together, Armed Services and Appropriations and the Budget. We are working with the Senator's distinguished committee and committee members. We are not trying to ask that Housing and Urban Development, which I really enjoyed serving on and only gave up to serve with my distinguished friend on Appropriations, be penalized in any fashion. But we have to put down the actual costs there and the budget authority and the contractual obligation to the Government. Because, yes, you can stop when you contract out. After R. & D., then you draw the plans and go ahead and make the initial commitments and what have you, you can stop an aircraft carrier. You can stop a B–1 bomber. And they both may be stopped. But once you commit and direct housing and those appropriations are made over the years, they are cumulative. We have made it already and they are being paid out. In the 5th year, we are still making all these 30- to 40-year payouts.

We have got to reflect that in the particular budget.

The PRESIDING OFFICER. The time has expired.

Who yields time?

SEVERAL SENATORS. Vote! Vote!

Mr. BELLMON addressed the Chair.

Mr. PROXMIRE. Mr. President, I yield the Senator whatever time he may require.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BELLMON. Mr. President, it is hard for me to believe that the Senator from Wisconsin is serious about this amendment. The Senator from Wisconsin is one of the most respected Members of the Senate when it comes to matters of fiscal responsibility.

Section 208 of this bill, if it prevails and the policy spreads to other programs, is absolutely going to be the undoing of our bringing fiscal spending under control.

I ask the Senator from Wisconsin to seriously consider accepting the amendment to delete section 208.

If this amendment does not carry, for all practical purposes, much that has been done in the last 2 years to get a handle on Federal spending will be destroyed.

SEVERAL SENATORS. Vote! Vote!

ADDITIONAL STATEMENT SUBMITTED ON AMENDMENT NO. 361

Mr. DOLE. Mr. President, the Senator from Kansas rises to support the amendment to S. 1523 proposed by the distinguished Senator from Maine.

The issue here is quite clear. The Budget Act of 1974 required that each bill or resolution considered by Congress be analyzed for its impact on the budget, providing an estimate of budget outlays which result from the proposed measure and the total of new budget authority. Under the act, the term "budget authority" means authority "to enter into obligations which result in immediate or future outlays of Government funds." Outlays, on the other hand, was the term intended to define the expenditures or net lending with respect to a single fiscal year. Essentially then, the Budget Act passed by Congress in 1974 required Congress to consider the costs of each measure that came before it, both for the first fiscal year of implementation, and for commitments to future-year expenditures.

Section 208 of the housing bill would redefine budget authority so that only those payments required to liquidate housing assistance contracts in a given year would be included. This approach is simply contrary to one of the basic principles of the Budget Act which requires consideration of the long-term cost of each proposal, and it renders the term "budget authority" meaningless in the housing area.

As the chairman of the Senate Budget Committee well knows, he and I do not always agree on spending measures, and on occasion we have debated the merits of certain programs because of these costs. We agree, however, on the prin-

ciple that these costs should be available for analysis, review, and debate—not hidden in some clever accounting technique which obscures the real costs of a legislative proposal.

Mr. President, the Senator from Kansas does not want to see the budget process weakened in a way which would hide the future year costs of federally assisted housing programs. I urge support for the amendment by the distinguished Senator from Maine.

Mr. BIDEN. Mr. President, one section of the housing legislation before the Senate today presents a budget control issue—not a housing issue. This is section 208 which would prohibit the display in the budget of the total spending commitment we make for up to 40 years when we adopt a new housing program as we are doing right now. Once the program is adopted, and contracts for housing assistance can be signed, those costs are virtually uncontrollable. So the time to show them in the budget is before the program starts—so that we understand clearly what we are doing.

The bill before us today would only show in each year's budget the costs of carrying out housing programs in that year. That may sound reasonable at first. However, the catch is that by the time those annual costs begin to appear in the budget they are uncontrollable costs, based on legally enforceable contracts to provide housing. It won't do us much good to know at that time about the uncontrollable effect of an action we took years earlier.

I have learned one important thing about Federal budget control since I came to the U.S. Senate. Senators can offer amendments on the floor to cut spending, and occasionally succeed. Senators can vote against individual spending bills, but they are seldom defeated. Individual Senators can come to the floor to fight extravagance, but their impact on a $450 billion budget is seldom great. The only real way to restrain spending is to strengthen the processes and procedures for reviewing and controlling spending. That is what we did when we passed the Budget Reform Act that created the congressional budget process. We are working now on spending control legislation that will be another step in establishing a process that can operate to control spending.

What faces us today is another process or procedural sort of issue. The question is not do we favor housing programs. I do. I just voted a few weeks ago to add over $6 billion for housing to the congressional budget. The question today is how can we best present the budget authority for housing programs in the budget so that everyone will know how much we propose to spend.

You do not have to be against housing programs to want to show clearly how much they cost. I believe that people who favor decent housing should want the money to show.

The housing legislation now before the Senate would change the way in which budget authority for new housing programs is shown in the budget and in appropriation bills. Instead of showing the total cost of the program being adopted at the time it is adopted—some of the costs stretching over as long as 40 years—it is proposed to show only the cost each year as those costs have to be met.

It will no longer be possible to look at a budget document and say:

If I vote for this budget I will be committing the country to pay so many dollars for housing programs.

The best that the budget will show is how much must be paid out that year for the commitments of the past. This figure, the current year pay-out already shows as an outlay figure for the current year in the budget, so we know what it is and what its affect on the deficit is. There is no sense in making the budget authority figure the same. Budget authority is supposed to show commitments to spend, over whatever period of time. It should not arbitrarily be limited to reflect only the current year cost.

It has been argued that there are other programs that do not reflect all future costs in the budget authority figure. I do not want housing to suffer a disadvantage in comparison with other programs by having its costs exaggerated as compared to those programs. However, without getting into the specifics, I do not think that that is a reason to delete future housing commitments from the budget. It may be a reason to add some of the other commitments to the budget where we can see them as well.

However, we should not start the precedent for each committee to determine how its programs will be handled in the budget, which is what is being done here. In fact, this precedent could lead to a race among various committees to secure more and more "favorable" budget treatment.

If there are inequities in the way that program costs are shown, what is needed is a study by the committee that looks at such issues across the board—Government Affairs. I would certainly propose that this be done. Such a study will determine whether there is something unreasonable in the way the budget authority for housing programs is shown in relation to other programs. It will determine whether, perhaps, we need even more information about other programs in the budget. It can provide a comprehensive look at the problems of showing program costs when those programs run over a number of years and come up with a solution that will enhance budget review.

So I come back to where I started. The best way of controlling spending is through assuring good processes and procedures for reviewing spending. The question of how budget authority shall be shown for long-term programs is an important procedural question that should be answered for all programs after careful study—not just for housing programs in isolation. This is not a housing issue before us today. It is a question of how best to show the costs. I support our housing programs, but I also support showing the costs fairly and squarely. Therefore, I hope we can remove this section from the housing legislation before us and have a serious study of the issue by the Committee on Government Affairs.

Mr. PROXMIRE. Mr. President, I yield back my time.

Mr. MUSKIE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ABOUREZK (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator from Michigan (Mr. RIEGLE). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withdraw my vote.

Mr. CRANSTON. I announce that the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), and the Senator from Michigan (Mr. RIEGLE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "nay."

Mr. STEVENS. I announce that the Senator from Utah (Mr. GARN), the Senator from New York (Mr. JAVITS), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from Utah (Mr. GARN) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 70, nays 18, as follows:

[Rollcall Vote No. 176 Leg.]

YEAS—70

Allen	Durkin	McClure
Baker	Eagleton	McGovern
Bartlett	Eastland	Muskie
Bayh	Ford	Nelson
Bellmon	Glenn	Nunn
Bentsen	Goldwater	Packwood
Biden	Griffin	Pell
Bumpers	Hansen	Percy
Burdick	Hart	Randolph
Byrd, Harry F., Jr.	Hatch	Ribicoff
Byrd, Robert C.	Hatfield	Roth
Cannon	Hathaway	Sasser
Chafee	Hayakawa	Schmitt
Chiles	Heinz	Schweiker
Church	Helms	Scott
Clark	Hollings	Stafford
Cranston	Huddleston	Stennis
Culver	Jackson	Stevens
Curtis	Johnston	Talmadge
Danforth	Kennedy	Tower
DeConcini	Laxalt	Wallop
Dole	Leahy	Young
Domenici	Lugar	Zorinsky
	Magnuson	

NAYS—18

Anderson	Mathias	Proxmire
Brooke	Matsunaga	Sarbanes
Case	McIntyre	Sparkman
Gravel	Melcher	Stevenson
Humphrey	Metzenbaum	Weicker
Inouye	Moynihan	Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Abourezk, for.

NOT VOTING—11

Garn	McClellan	Riegle
Haskell	Metcalf	Stone
Javits	Morgan	Thurmond
Long	Pearson	

So Mr. MUSKIE's amendment was agreed to.

UP AMENDMENT NO. 368

Mr. CRANSTON. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California (Mr. CRANSTON), for himself, Mr. PACKWOOD, Mr. HATFIELD, and Mr. TOWER, proposes an unprinted amendment numbered 368.

The amendment is as follows:

At the appropriate place in the bill insert the following: That section 208 of the Housing and Community Development Act of 1974 be amended by inserting after the words "United States Housing Act of 1937" the following: ", including the right to renewal of such lease to the maximum term permitted by law,".

Mr. CRANSTON. Mr. President, when the Housing and Community Act of 1974 was under consideration, I introduced an amendment on March 8, 1974, that clarified the status of existing section 23 contracts. This amendment was adopted.

Unfortunately, I am here 2 years later to accomplish the same task.

My amendment clarifies and reinforces the congressional intent in section 208 of the Housing Act that HUD should not interfere with the continuity of a contractual agreement between an owner and a local housing authority and should permit such agreements to be renewed up to the maximum term prescribed by law.

At present, HUD is permitting section 23 lease renewals only for occupied units or units to be reoccupied within 30 days and such renewals must expire by June 30, 1978—or by June 30, 1979 with HUD approval. This policy contravenes the intent of section 208 as spelled out in the legislative history by me and representations by HUD at the time of the enactment of the 1974 act. Concurrent Resolution p5982, March 8, 1974.

HUD is urging public housing authorities to convert their section 23 units to section 8 units. They are also urging that conversion should be accomplished without eviction of families receiving section 23 assistance. However, public housing authorities are finding that many owners are refusing to convert because of the increased management responsibilities that they would have to undertake if they converted from a section 23 unit to a section 8 unit. In addition, there is no assurance that section 8 units will be available for tenants now under section 23 leases, or there may be a lack of available section 8 funds for conversion.

This HUD policy may therefore deprive existing beneficiaries of their subsidies contrary to the intent of section 208.

I understand HUD has no objection to this amendment and that it can be accepted. I would like to point out it is cosponsored by Senators PACKWOOD, HATFIELD, and TOWER.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. CRANSTON. Certainly.

Mr. PROXMIRE. The Senator is correct. HUD does not object to this. The House has accepted this amendment. I understand that all it would do would be to clarify the right of owners to renew their leases under section 23 so they would not be forced into section 8 automatically and, therefore, be forced into a new management arrangement.

Mr. CRANSTON. That is right.

Mr. PROXMIRE. So I am happy to support the amendment. I think it is a good amendment.

ADDITIONAL STATEMENT SUBMITTED

Mr. PACKWOOD. Mr. President, I would like to rise in support of this amendment today by my distinguished colleague Mr. CRANSTON—an amendment which I am privileged to have cosponsored.

As you know, Mr. President, in many areas of the country, including my State of Oregon, the section 23 lease housing program has provided an effective and flexible alternative to the section 8 program for solving the housing needs of low-income families. The Department of Housing and Urban Development, unfortunately, has not appreciated the program's viability and has acted by regulation to terminate it prematurely. The purpose of this amendment is to halt this hasty action by the Department.

Generally, section 23 leasing programs are implemented based on long-term annual contributions contracts under which the Federal Government provides a specified maximum number of dollars annually to the local public housing authorities for an extended period of time. Based on this contractual commitment, the housing authorities then enter into long-term lease commitments with owners of residential housing and assume management responsibility. In many instances, the owner makes substantial improvements to the property in order to qualify for the lease.

HUD, however, has issued regulations which interfere with the continuity of this contractual agreement between owner and the local housing authority by imposing an artificial cutoff date to the section 23 program. At present, HUD is permitting section 23 lease renewals only for occupied units or units to be reoccupied within 30 days, and such renewals must expire by June 30, 1978—or by June 30, 1979, with HUD approval.

The purpose behind HUD's action is to force public housing authorities to convert their section 23 units to section 8. The Department is also urging that conversion be accomplished without eviction of families receiving section 23 assistance. Unfortunately, many public housing authorities are finding that owners are refusing to convert because of the increased management responsibilities they must undertake, if they convert from the section 23 program to the section 8 program. In some instances, there are also no assurances that section 8 assistance will be available for tenants now under lease. The result of this stalemate is that thousands of families in the Northwest alone may be faced in the very near future with little or no housing security.

The amendment proposed today is a simple one. In essence, it allows contracts between owners and local housing authorities to be continued to the maximum extent permitted by law. Although the proposed amendment is not intended to give owners any additional rights under a section 23 lease, it does make clear that the rights already reserved to owners under section 208 of the 1974 Housing and Community Development Act include whatever right an owner may have under the provision of a section 23 lease to renewal of that lease up to the maximum term specified in the lease.

Certainly, this will not signal a rebirth of the section 23 leased housing program, but it will allow local housing authorities to fulfill during the transition to the section 8 program their legal obligations to owners of residential units and their moral obligation to families currently living in section 23 housing. For this reason, I urge support of this amendment.

Mr. CRANSTON. I yield back my time.

Mr. PROXMIRE. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

UP AMENDMENT NO. 369

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following:

SEC. —. (a) Section 1306(b) of the National Flood Insurance Act of 1968 is amended by striking out clause (2) and inserting in lieu thereof the following:

"(2) in the case of any residential property for which the risk premium rate is determined exclusively in accordance with the provisions of section 1307(a)(1), additional flood insurance in excess of the limits specified in clause (i) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable such insured or applicant to receive coverage up to an amount of $150,000 under the provisions of this clause;

"(3) in the case of any residential property for which the risk premium rate is determined exclusively in accordance with the provisions of section 1307(a)(1), additional flood insurance in excess of the limits specified in clause (ii) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable any such insured or applicant to receive coverage up to an amount of $50,000 under the provisions of this clause;

"(4) in the case of business property owned, leased, or operated by small business concerns for which the risk premium rate is determined exclusively in accordance with the provisions of section 1307(a)(1), addi-

tional flood insurance in excess of the limits specified in subparagraph (B) of paragraph (1) shall be made available to every such owner, lessee, or operator in respect to any single structure, including any contents thereof, related to premises of small business occupants (as that term is defined by the Secretary), up to an amount equal to (i) $250,000 plus (ii) $200,000 multiplied by the number of such occupants which coverage shall be allocated among such occupants (or among the occupant or occupants and the owner) in accordance with the regulations prescribed by the Secretary pursuant to such subparagraph (B), except that the aggregate liability for the structure itself may in no case exceed $250,000;

"(5) any flood insurance coverage which may be made available in excess of the limits specified in paragraph (1) (or allocated to any person under subparagraph (B) of such paragraph), or in excess of the limits for which provision is made under paragraphs (2), (3), or (4), shall be based only on chargeable premium rates under section 1308 which are not less than the estimated premium rates under section 1307 (a) (1), and the amount of such excess coverage shall not in any case exceed an amount equal to the applicable limit so specified (or allocated) under paragraph (1), or, when paragraphs (2), (3), or (4) are applicable, an amount equal to the maximum coverage available by virtue of such paragraphs; and

"(6) the flood insurance purchase requirements of section 102 of the Flood Disaster Protection Act of 1973 do not apply to the additional flood insurance limits made available under paragraphs (2), (3), or (4).".

(b) Section 1362 of such Act is amended—

(1) by inserting "(a)"after "Sec. 1362.";

(2) by striking out clause (3) and inserting in lieu thereof the following:

"(3) incurred significant flood damage on not less than three previous occasions over a five year period of time and on each occasion the cost of repair, on the average, equaled or exceeded 25 percent of the value of the structure at the time of each flood event or was damaged substantially beyond repair by flood while so covered,"; and

(3) by adding at the end thereof the following:

"(b) When any real property referred to in paragraph (1) and (2) of subsection (a) has sustained damage as a result of a single casualty of any nature under such circumstances that a statute, ordinance or regulation precludes its repair or restoration or permits repair or restoration only at a significantly increased construction cost, the Secretary may enter into negotiations with the owner of the property or interest therein for the purchase of such property for the uses and purposes of this section.

"(c) Whenever, as a result of damage from any casualty, the repair, reconstruction, or substantial improvement of any single-family dwelling structure located within a regulatory floodway and insured under the flood insurance program is deemed by the Secretary to be made more effective from the standpoint of prudent flood plain management by elevation of the structure so it will not interfere with the flow of water from the base flood within such regulatory floodway, the Secretary is authorized to make a low-interest loan at a rate of 2 per centum per annum, repayable in 10 years, to the owner of any such structure for the purpose of so elevating the structure. There is authorized to be appropriated for purposes of implementing this subsection not to exceed $4,500,000.

"(d) The Secretary is authorized to issue such regulations as may be necessary to carry out the purposes of this section."

(c) Section 1363 of such Act is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) When, incident to any appeal under subsection (b) or (c), the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Secretary shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Secretary in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There are authorized to be appropriated for purposes of implementing this subsection, not to exceed $250,000."

(d) Section 201 of the Flood Disaster Protection Act of 1973 is amended by adding at the end thereof the following:

"(e) The Secretary is authorized to establish administrative procedures whereby the identification under this section of one or more areas in the community as having special flood hazards may be appealed to the Secretary by the community or any owner or lessee of real property within the community who believes his property has been inadvertently included in a special flood hazard area by the identification. When, incident to any appeal under this subsection, the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Secretary shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Secretary in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There are authorized to be appropriated for purposes of implementing this subsection not to exceed $250,000."

Mr. WILLIAMS. This is in response to problems that have develop under the administration of the flood insurance program.

Mr. President, the preceding debate has made clear that there is room for improvement in the operation of the national flood insurance program.

I believe strongly in the concept and design of the program, but along with many of my colleagues, I recognize that there are certain problems which can and should be resolved immediately. In the past, where the Congress has become aware of specific flaws, it has promptly enacted remedial legislation. We have another opportunity today.

Experience indicates the need for further legislative changes to correct deficiencies in the flood insurance program in four specific areas.

Briefly, the amendments would: First, increase the ceilings on flood insurance coverage for residential and small business properties; second, broaden the negotiated purchase section of the program; third, provide low interest loans to facilitate reconstruction in floodways in compliance with Federal standards; and fourth, provide Federal reimbursement for costs associated with successful appeals of wrongful inclusion in a floodway.

Mr. President, let me explain each of these points in more detail.

INCREASE AVAILABLE INSURANCE COVERAGE

Under the present law, a homeowner can only obtain a maximum of $70,000 of insurance on his house through the regular program. This is so even though the house may be worth $100,000 or more. If the house is destroyed, the homeowner is left with a $30,000 loss on his investment.

To better reflect today's real estate and property values and expand coverage accordingly, my amendment would increase the ceiling of insurance coverage on residential structures to $150,000 and on the contents to $50,000. In the case of small business property, $250,000 worth of flood insurance would be available. Virtually all homes and small businesses will, therefore, be covered fully and adequately. Of course, actuarial rates would prevail for the additional insurance coverage desired and made available under this bill.

ELEVATION AND FLOOD PROOFING LOANS

Under the present law, if a home is destroyed 50 percent or more and an owner wishes to rebuild, the entire cost of bringing the house into compliance with the elevation regulations must be borne by the homeowner. But the homeowner cannot always afford the cost of elevating their property, nor should the Federal Government expect them to absorb the increased costs necessary to comply with Federal construction standards.

The purpose of my amendment is to authorize the Secretary to make a low-interest loan to assist them in complying with the mandatory elevation and construction standards. The interest rate would not exceed 2 percent per annum, repayable over a 10-year period. $4.5 million is authorized to fund the loan program.

NEGOTIATED PURCHASES

I believe it is also necessary to make provisions for these people who reside in the floodway who are constantly flooded and unable to sell their homes and for still other homeowners who may not be permitted to rebuild substantially damaged structures by virtue of a State statute or ordinance.

In the first example of repeated flooding, the Federal Government is constantly paying for their losses through the insurance program. This is property that never should have been developed in the first place. As a result of its development, however, the homeowner is repeatedly victimized by flooding and unable financially to move to a safer site because he is unable to sell the frequently flooded property.

The second situation is best typified by the conditions which existed briefly in New Jersey and exists elsewhere around the country. Some States have proposed and adopted regulations which prohibit all reconstruction of substantially damaged structures in a floodway, areas which are essential for the free flow of water during a flood. Under the Federal

program, reconstruction of substantially damaged structures is permitted as long as the structure is floodproofed or elevated.

A result of the more severe State law, the real estate market was shaken by fears that the value of property in a flood plain would decline precipitously. Moreover, many residents envisioned the absolute ban on reconstruction as tantamount to condemnation; their property and homes were rendered useless and worthless by Government fiat.

Mr. President, good flood management control—an objective of the Federal insurance program—does not require and should not allow this inequitable and unconscionable result.

To redress these inequities, my amendment would strengthen and expand the negotiated purchase section of existing law—section 1632—in two ways. First, it would be expanded to permit the Secretary to enter into negotiations to buy the property of homeowners who have sustained damage from flooding on three or more occasions over a 5-year period. Second, if a home is substantially beyond repair as a result of a casualty or if a repair or restoration is precluded by reason of statute, ordinance or regulation, the amendment would also authorize the Secretary to enter into negotiations to purchase the property.

REIMBURSEMENT FOR SUCCESSFUL APPEALS

The final problem addressed by the amendment is the procedures of existing law concerning appeals about the accuracy of the maps delineating the flood plain. Drawing maps of areas subjected to flooding cannot be an exact science. As a result there frequently are errors, most often in the emergency program.

As the law now stands, the individual homeowner or the town—if it agrees to cooperate—must bear the engineering and surveying costs of proving that the map is inaccurate. This is unfair. The amendment would provide for reimbursement for successful appeals. The homeowner, of course, still faces a risk if he is unsuccessful, but if he has a good case he should be fully reimbursed. And this approach will discourage frivolous appeals.

Mr. President, I believe these amendments will help restore and maintain property values and revive confidence in the real estate market through insuring that each homeowner's investment will be fully protected. If every homeowner is protected fully from any eventuality of financial loss from flood or fire, I believe we can anticipate that property in the flood plain will be restored to its true value. And if this is done, we will be encouraging participation in the national flood insurance program.

These areas I have outlined have been four of the major difficulties that have developed in the administration of this program, and I know those who have expressed their concern about the administration find that this will go a long way in making it a more effective, better and more equitable insurance program.

It has the administration's support, and, I believe, the Senator managing the bill with such distinction supports it, too.

Mr. President, these are nationwide problems and the solution, likewise, must come from the Congress. Correcting these deficiencies is the purpose of the amendments I am offering today with Senator CASE. Congressman ANDY MAGUIRE, a prominent and effective member of New Jersey's congressional delegation, has been instrumental in developing these proposals and his role is acknowledged. They are supported by the administration.

Mr. President, I ask my colleagues to support these necessary improvements in our flood insurance program.

Mr. PROXMIRE. Mr. President, it is my understanding, as the Senator said, that the administration, HUD, does support this. We have had an opportunity to look at it. I think it improves the bill substantially. I particularly like the last feature that provides that those who are found to be in the right when they protest would have the costs paid, and I think that is only fair and proper. I am happy to support the amendment.

Mr. WILLIAMS. I appreciate that.

I can say again, as I stated in my remarks, I am joined in offering this amendment by my senior colleague. We should also make mention of the cooperation we have had in developing this of the Congressman from New Jersey, ANDREW MAGUIRE.

Mr. CASE. I thank my colleague. This is a very worthy amendment.

Mr. PROXMIRE. I am happy to accept the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield to me?

Mr. WILLIAMS. I yield.

Mr. HARRY F. BYRD, JR. In listening to the comments from the Senator from New Jersey and the Senator from Wisconsin, the amendment appears satisfactory.

The only reason I rise at all is that I had a call today that Senator WILLIAMS would present an amendment which would be very detrimental to certain States.

Mr. WILLIAMS. This is not the amendment.

Mr. HARRY F. BYRD, JR. This is not the amendment. I thank the Senator.

Mr. PROXMIRE. The amendments the Senator has just heard are New Jersey specials. [Laughter.]

Mr. President, I yield back my time.

Mr. WILLIAMS. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

AMENDMENT NO. 336

Mr. MATHIAS. Mr. President, I call up amendment No. 336.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS) proposes amendment No. 336:

At the appropriate place in the bill, insert the following: That section 1810(a)(6) of title 38, United States Code, is amended to read as follows:

"(6) To purchase a one-family residential unit in a condominium housing development or project, if such development or project is approved by the Administrator under such criteria as he shall prescribe.".

Mr. MATHIAS. Mr. President, my amendment would permit the Veterans' Administration to guarantee home mortgages for the purchase of homes converted to condominiums. The VA will only guarantee home loans for new condominiums and not condominium conversions. This is an inequitable situation which excludes from VA guarantee many substantial homes and apartment buildings which have been converted from rental to the condominium form of ownership.

The apparent reason for excluding condominium conversions from VA loan eligibility was an interpretation by VA that it was not the congressional intent to permit VA loans for this purpose. This amendment serves to correct this mistaken impression. I need not reiterate the numerous statistics on our inflationary housing market and the fact that three-fourths of our Nation's families cannot afford the median-priced new home today. The condominium form of homeownership offers one way for some of those people to participate in homeownership because frequently the financing terms and sales price are less expensive than the terms for a conventional fee simple house.

As of March 1975, there were 125,000 condominium conversions in this country, most of them concentrated in the Boston-Washington corridor. This is less than 10 percent of the total housing stock nationwide.

Nevertheless, they are a housing resource which should be made available with all of the financing and ownership options available which are also available for the purchase of a conventional home.

Many of our veterans have not been able to afford a home and are currently renters. This amendment would provide them with one homeownership option which could make owning a home within their financial means.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield to the distinguished Senator from California.

Mr. CRANSTON. Do I understand correctly that pursuant to this amendment the Administrator may prescribe criteria for the approval of developments and projects?

Mr. MATHIAS. The Senator is exactly correct.

Mr. CRANSTON. Is it also true, then, that the Administrator of Veterans' Affairs will be free to establish as appropriate standards the same standards as have been established by the Secretary of Housing and Urban Development?

Mr. MATHIAS. The Senator is also correct about that.

Mr. CRANSTON. I thank the Senator.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I have read the Senator's amendment, and I

think it is a very sound amendment. I support it and urge the chairman of the committee to accept this amendment.

Mr. PROXMIRE. Mr. President, I support the amendment.

I have had a chance to look it over. I understand it is not opposed by the administration. I think it is a very helpful amendment.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

Mr. MATHIAS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 370

Mr. BELLMON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BELLMON) proposes unprinted amendment No. 370.

At the bottom of page 48, line , insert the following: new subsection:

"(c) Section 203(i) of such Act is amended by striking out '$16,200' and inserting in lieu thereof '75 per centum of the limit on the principal obligation applicable to a single family residence under subsection (b) of this section'."

Mr. BELLMON. Mr. President, my amendment is a very simple one. In 1969 the National Housing Act established a maximum of $16,200 for FHA loans on property outside of an urban area. This amount is set forth in section 203(i) of the National Housing Act. Although the loan limit amount for FHA loans inside urban areas has been increased before and the committee has asked for an increase for $45,000 to $60,000 in this bill, there has never been an increase in the amount for single family loans outside the urban areas.

Mr. President, I think we are all aware of the increased costs of construction and I think we can anticipate further increases in the cost of construction in the years ahead.

My amendment would provide that the loan limit on such single family dwellings contemplated under section 203(i) would be 75 percent of the $60,000 amount recognized by the committee as needed for urban housing. It is interesting to note that under the current law, the loans made under section 203(i) or the $16,200 figures are as follows: 1972, 26 loans for a total of $364,700; 1973, 16 loans for a total of $221,650; 1974, 14 loans for a total of $202,000; 1975, 3 loans for a total of $43,650; and 1976, no loans made.

So for all practical purposes the present program is not operative.

Mr. President, I think these figures demonstrate the need to increase the amount and an increase of 75 percent of the recognized $60,000 figure is not unreasonable. This would establish a limit in single family dwelling under section 203(i) of $45,000. I submit that this increase is long overdue. The house bill is at the 75 percent figure. The Senate should adopt this amendment so that rural residents can share more equitably in the Nation's housing program.

Mr. PROXMIRE. Mr. President, if the Senator will yield, this amendment has a great deal of merit and appeal. All it would do is provide that FHA may at its discretion insure—and there is no subsidy involved; it is simply a matter of insurance—rural homes up to 75 percent of mortgage insurance limits for urban homes.

Mr. BELLMON. That is right.

Mr. PROXMIRE. I think we should be aware of the very large increase this represents, however. The present limit is $16,200. This would go to $45,000. So it is a very large increase.

As the Senator pointed out there has not been an increase since 1969, and we have had a great deal of inflation. HUD, I understand, wants to hold it down to about a 50-percent percentage, in other words, about $32,000, a 100-percent increase over what it was.

But I think on the basis of the merits that the amendment of the Senator from Oklahoma is sensible. The House of Representatives went this far, as I understand it.

So I am willing to accept the amendment.

If the Senator is ready to yield back the remainder of his time, I yield back the remainder of my time.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCLURE. Mr. President, will the Senator from Wisconsin yield the Senator from Idaho 5 minutes on the bill?

Mr. PROXMIRE. I am happy to yield 5 minutes to the Senator from Idaho.

Mr. McCLURE. I thank the Senator for yielding.

Mr. President, I take this time not to prolong the debate in any way but to explore one area that has not thus far been explored in the debate on the legislation.

My understanding is that there is no change in the ultimate housing goals for this country.

Some years ago we identified a need in this country for 25 million housing units, and that was projected over a 10-year period at the rate of 2.5 million housing units per year. I do not think the committee has yet revised that goal either downward or upward. I think we still think that is the optimum number that we should be trying to achieve.

Am I correct in that statement?

Mr. PROXMIRE. The Senator is almost exactly correct. The 1968 Housing Act provided for 26 million housing starts as the goal over a 10-year period, or 2.6 million a year. We have been below that. But that is the goal.

Mr. McCLURE. We have never quite achieved that goal. At one time we got over 2 million housing starts per year and some people are assuming that that may be optimum. I am not expressing an opinion on that.

Mr. PROXMIRE. There is overwhelming concurrence that it should be in the neighborhood of 2.3 million to 2.6 million. The latest studies, including those that were made by past administrations and by university people, by the industry and by others, all agree housing starts should be in that area.

Mr. McCLURE. The reason I raise this point is that the management of our national resources is essential to the attainment of that goal.

We look at the annual allowable cut on the Federal forest lands, whether it be in the U.S. Forest Service lands or in the Bureau of Land Management lands. There is not a sufficient amount of timber being made available to the timber companies to make it possible to meet that goal of 2 million or even 2.3 million housing starts per year for more than 2 or 2½ years.

Mr. PROXMIRE. The Senator makes a very vital point. The problem is that whenever we get into this area of around 2 million housing starts timber prices start rising to the ceiling and inflation has a profound effect in retarding the kind of housing we would like to have. I think the Senator's point is very well taken.

Mr. McCLURE. That has been compounded, in addition, with the studies on wilderness areas and the de facto wilderness areas that have effectively removed all of those areas from any future sales of timber within those areas.

If we should be successful in getting our housing starts up to the 2 million housing starts per year for the next couple of years, we would begin again to run into terribly high inflationary rates and shortage of supply.

Mr. President, it is worthy of note as we debate the pending Housing and Community Development Act of 1977, that tied closely to our goal of decent housing for every American is the necessity for prudently managing those resources that contribute to housing construction. I refer to the management of our national forests and the part they play in providing a sustained yield of timber of approximately 10 to 11 billion board feet of timber for our housing and other forest products needs. Our national forest system of 187 million acres provides a variety of multiple use activities, including recreation, grazing, watershed, mineral production, wildlife habitat in addition to a sustained yield of fiber.

Over 20 percent of the commercial forest land is in a roadless area category in the national forests. While the bulk of these lands are figured in to the sustained yield allowable cut for the sale of national forest timber, unless they have been cleared through the filing of an environmental impact statement, this land is not available for development for timber management. Many areas are under administrative appeal because of the roadless area conflict, and this has placed a strain in many areas of Idaho and elsewhere to continue an orderly timber harvest plan. The 44th Legislature of the State of Idaho addressed this issue with the House Joint Memorial No. 6, and I ask that unanimous consent be given for in-

cluding it in the RECORD. This situation has raised concern over community stability, as well as job continuity because of this issue.

Assistant Secretary of Agriculture, Dr. M. Rupert Cutler has proposed that the roadless area issue be moved off dead center, and timely decisions be made to separate those roadless areas that should be considered for wilderness designation or study, from those roadless areas that should be returned to opportunity for full multiple use.

This process I have briefly described has a direct bearing on our ability to provide a volume of reasonably priced forest products from our national forest system to contribute to our housing needs. At the present time we have published figures based on our productive lands from our national forest system that indicate the sustained yield volume of wood available for use. In arriving at a national goal of national forest wilderness to be carved from the 187 million acres, it is important to carefully assess how this process will impact our ability to meet our very important national housing goals.

Both the Office of Management and Budget and the Secretary of Agriculture have responded to my request for information concerning the management and funding of the Forest Service to meeting the demand for timber products. I ask unanimous consent that their letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 10, 1977.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLURE: This is in response to your letter to the Director concerning the demand for forest products in 1977 and 1978 and for views on how the Federal Government can best respond in funding timber management programs on national forests and other public lands.

The planned national forest timber sale program was formulated in consideration of the following factors:

(1) the anticipated demand for lumber and plywood including the housing sector,

(2) the anticipated supply from private lands, other public lands and from uncut timber under contract on national forests,

(3) environmentally acceptable opportunities to harvest timber,

(4) opportunities to sell timber at a price sufficient to cover selling costs including costs of sale preparation and administration, and appropriate share of road costs, reforestation, and mitigation of adverse impacts on other resource values,

(5) community dependency on national forest timber sales, and

(6) use of timber sales as a productive investment in future timber production.

The 10.8 and 10.5 billion board feet program planned for fiscal year 1977 and 1978 together with the nearly 30 billion board feet of uncut timber under national forest contract, and the expected supply from other public and private lands is believed to be appropriate to meet the anticipated demand in 1977–1978 time frame.

This Office fully agrees with you that housing policy and Federal timber management policy should be closely coordinated and has attempted to accomplish such coordination. We recognize that improvements are needed and that information has not been available in sufficient detail to make these determinations with precision. Efforts will continue to be made to improve the information base and will hopefully lead to improvements in the future.

I hope this information is helpful. Please let us know if we can be of further assistance.

Sincerely,

HUBERT L. HARRIS, JR.,
Assistant to the Director
for Congressional Relations.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 24, 1977.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLURE: Thank you for your recent letter concerning the management and funding of the Forest Service to meeting the demand for timber products. You also expressed your hope that planning for housing starts and timber management can be coordinated.

We believe that the Recommended Renewable Resources Program sent to Congress last year represents a desirable longrun path to follow in meeting the Nation's demand for timber. The Program was based on the Renewable Resources Assessment which provided a physical inventory and a description of the overall resource situation facing the Nation. This dscription dealt with the problems and opportunities, potential supply and likely demand, including housing starts, and a view of prices related to various levels of timber output.

As you know, the demand for timber and the annual National Forest timber harvest has risen steadily over the longrun but is typically cyclic in the shortrun, being quite sensitive to business and building cycles. A rapid change, upward or downward, in the demand for some products such as lumber and plywood, will result in a quick and sharp fluctuation of price. Response of industrial production may significantly lag upward price fluctuation because of limitations on mill capacity, logging equipment, or immediately available labor and raw materials.

Shortrun increases in demand must be met by accelerating harvest of standing timber, or by an increased price. Attempts have been made to dampen or reverse rapid, sharp price increases by placing additional National Forest timber on the market. These efforts lagged behind demand that had already brought about the price increases. Typically, the additional timber is purchased by industry at a high price when the demand has already peaked, or nearly so, and product prices have started to fall.

Ideally, the supply of National Forest timber offered to industry should increase prior to an upward swing in demand. This would indicate a need to have a constant supply of timber prepared for sale. Thus the backlog of Federal timber under contract and available to industry would increase to the point where Federal timber dependent industry could respond to actual or expected rapid increases in demand by expanding production to full capacity and yet have reasonable expectations of a continuing supply of timber for future production.

To meet expected demands in the coming fiscal year and subsequent years, National Forest timber sale offerings could be expanded approximately 10 percent each year steadily rising to the sustained yield capacity. This of course is dependent on a fully financed and staffed program of sale preparation and the concurrnt transportation system construction.

The steadily increasing annual program following the path outlined by the Renewable Resource Program, in our view, is the way the Federal Government can best respond in the management and funding of the Forest Service to meeting the demand for timber products.

Sincerely,

BOB BERGLAND,
Secretary.

Mr. MCCLURE. Mr. President, I ask unanimous consent that House Joint Memorial No. 6 in the House of Representatives of the State of Idaho be printed in the RECORD.

There being no objection, the House joint memorial was ordered to be printed in the RECORD, as follows:

HOUSE JOINT MEMORIAL NO. 6

We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the First Regular Session of the Forty-Fourth Idaho Legislature, do hereby respectfully represent that:

Whereas, a variety of external pressures which seem heavily weighted toward wilderness classification of lands in the commercial timber base, are exerted in decision arenas today; and

Whereas, substantial lands have already been committed to the wilderness classification; and

Whereas, remaining acreages are essential for development of recreation, timbering, mining, and grazing in the Nezperce National Forest; and

Whereas, further erosion of the potential base for multiple use development will seriously threaten the economic health of the surrounding communities; and

Whereas, in 1978, specific units under consideration for wilderness designation in the Nezperce National Forest would remove an additional 435 thousand acres from potential use, with a loss in allowable cut of approximately 15 million feet; and

Whereas, if the current study areas are authorized as wilderness, the potential annual yield from the Nezperce National Forest will decline from 144.5 million feet to an estimated 60 million feet; and

Whereas, present mill capacities are 110–120 million board feet annually; and

Whereas, further reductions will result in direct loss of not less than 130 jobs in 1978, with serious impact throughout the economy of the region; and

Whereas, over $500,000 is returned annually to the schools and roads of the region as a result of the refund to counties from forest receipts, of which timber contributes the major portion; and

Whereas, current planning procedures, with numerous appeals and subsequent delays, tie up large areas for indefinite periods of time; and

Whereas, adequate protection of forest areas should be balanced by protection of the interests of the citizens who reside in the nearby communities, as well as the goals and directions desired by the people of the State of Idaho.

Now, therefore, be it resolved by the members of the First Regular Session of the Forty-fourth Idaho Legislature, the House of Representatives and the Senate concurring therein, that it is the finding of the Legislature that consideration should be given to the diversity of needs of the residents of this State, and specifically of the area dependent upon the balanced management of the Nezperce National Forest. We urge the decision makers to reject excessive demands for designations of wilderness areas, and to insure responsible compromise between the desires for preservation and multiple use. We find that the withdrawal of additional areas now under consideration in the Nezperce National Forest, would adversely impact the region and have serious consequences on the future economic health of the area.

Be it further resolved that the Chief Clerk of the House be, and he is hereby authorized

and directed to forward copies of this Memorial to John McGuire, Chief, Forest Service, United States Department of Agriculture, the President of the Senate, and Speaker of the House of Representatives of the Congress of the United States, and the members of Congress representing the State of Idaho.

Mr. McCLURE. Mr. President, I think we should all understand that we are never going to make those housing starts actually available in the market place for more than 2, 2½, or perhaps 3 years at the most unless we resolve this question of how we manage the timber resource upon the public lands. It is a serious question.

But unfortunately we do not seem to address it until we have gotten to the point where, as the Senator from Wisconsin noted, the price gets so high that it begins to have a very serious financial deterrent upon the building of houses.

I know my good friend, the Senator from Minnesota, shares that feeling. I have heard him express it in the markup sessions as we were dealing with the Forest Management Practices Act last year.

I think, Mr. President, we must all recognize that this sets a limit and unless we find some way to resolve the environmental impasse or the impasse because of environmental pressures on the decisionmaking process we are not going to have enough timber to meet our housing goals.

I thank the Senator from Wisconsin for yielding this time.

Mr. HATFIELD. Mr. President, will the Senator yield 2 minutes?

Mr. PROXMIRE. Mr. President, I yield 2 minutes to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I would just like to underscore what the Senator from Idaho has said, and to call attention of the chairman and the ranking Republican member of the Committee on Banking, Housing and Urban Affairs that over the past few years, when we have seen the tobogganing and roller coaster effect of timber prices, we have found the Banking Committee calling the timber operators in, in the course of public hearings, to demand why the timber prices increased. This has become a sort of routine that has been followed.

Let me explain why it has happened this way. We have, under resource planning procedures, identified 13 billion board feet as the level for the allowable cut. Yet in 1975, of that 13 billion board feet, we had only 11.5 billion board feet programed or funded, that is, for the national forests to make available. That dropped in 1976 to 11.3 billion board feet. In 1977 it dropped to 10.7 billion board feet, and this administration has asked, for the 1978 fiscal year, for only 10.2 billion board feet, out of a total allowable cut of 13 billion board feet, at the same time that the housing demands are going up.

This is the circumstance in which we find, then, at a little bit later time, when the pressure of public demand is on, because of the outcry against high lumber prices when there is a high requiremnt for lumber products for building purposes, that we will again have a hearing, and will wonder again why this has occurred.

I would only like to take this opportunity to say to the Senator from Wisconsin and the Senator from Massachusetts that this is what we can expect, unless we are able to put these forests back into the kind of management established by the careful, orderly criteria of the resource planning RPA group.

I would simply add that the House of Representatives, in this session so far, has funded at 11.5 billion board feet, and we are hoping we can hold that in the Appropriations Committee in the Senate, at least to try to close the gap between the number of board feet we are programing for sale, and to keep that gap from increasing, in relation to the increased demand for housing.

I appreciate what the Senator from Idaho has done, because I think it is incumbent upon us not only to set lofty ideals and goals, but to recognize it takes material to build houses, and that material availability is directly related to the national Government's forest management practices as presently carried out.

UP AMENDMENT NO. 371

Mr. BROOKE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. ANDERSON). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. BROOKE) proposes an unprinted amendment numbered 371.

Mr. BROOKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 13, line 6, immediately after "nonprofit organizations" insert "or entities organized under Section 301 (d) of the Small Business Investment Act of 1958."

Mr. BROOKE. Mr. President, I rise to offer an amendment which would basically clarify the right of MESBIC's to receive funding under the community development block grant program of the Housing and Community Development Act, if this is acceptable to the relevant localities who participate in the program. This amendment is essentially a refinement of the "eligible activity" language in section 104. This refinement, as I understand it, would be accepted by HUD in its interpretation of the regulations for the community development program. And, this language was included in the House-passed version of the bill.

I feel that this amendment is important for two reasons. First, section 301(d) of the Small Business Investment Act of 1958, as amended, which is the authoritative statute for the MESBIC's program, stresses the need for the creation of entities which will contribute to a well-balanced national economy by aiding those who have been hampered by social and economic disadvantages. This particular goal is not antithetical to the purposes of the act which we are now considering.

Second, it is also critical that we clarify and codify the prerogative of localities to use the community development program to strengthen viable and competitive MESBICs. This is, today, even more important when we realize the financial disadvantages which affect MESBICs.

For example, as a result of the losses that banks and other lending institutions have suffered in the last 3 years, the criteria for securing loans have increased. One of these increases is the requirement of from 30- to 50-percent equity on the part of the potential borrower instead of the former 15 to 30 percent. This situation greatly aggravates and exacerbates the problems of minority business developers throughout this Nation in increasing sources of equity capital so that they may participate more fully in the ritual economic and community development activities.

A partial solution to this problem is achieved by this amendment. This minor classification would allow MESBIC's to benefit from the more favorable 3 to 1 leverage under the C–D program rather than the present 2 to 1 leverage from the Small Business Administration. It is important to emphasize, again, that such community development funds should be primarily used to capitalize viable MESBIC's, not provide direct startup funds for new businesses. HUD may desire, through regulations, to insure that these funds go to viable MESBIC's by limiting the utilization of community development funds to those MESBIC's which already have a private-public funding level of $750,000 or so. But, in any event, the basic provision for this purpose must be clearly given to HUD by this Congress.

Mr. President, I ask that this clarifying, technical amendment be accepted. It is my understanding that the chairman of the committee is willing to accept the amendment.

Mr. PROXMIRE. Mr. President, as I understand it, this is a very helpful amendment. It clarifies something we intended to include in the bill. We intended to have minority enterprises included under community development corporations, to be made eligible for CD funding. As the Senator says, I think, the House of Representatives has already accepted this proposal.

Mr. BROOKE. That is correct.

Mr. PROXMIRE. Therefore, I am happy to support the amendment. I yield back the remainder of my time.

Mr. BROOKE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I understand that the Senator from Tennessee (Mr. SASSER) has an amendment.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

UP AMENDMENT NO. 372

Mr. SASSER. Mr. President, I call up an amendment which I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. SASSER) proposes an unprinted amendment numbered 372:

At the bottom of page 35, add the following new section—

Mr. SASSER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the bottom of page 35 add the following new section:

SEC. . The Secretary of Housing and Urban Development shall establish and act as chairperson of a Task Force on Small Cities. The Task Force shall conduct a study and, not later than 1 year after the date of enactment of this Act, report to the President and to the Congress its recommendations on the formation of a national policy on the developmental needs of small cities In carrying out its functions, the Task Force shall (1) take steps to improve the data available about small cities, (2) suggest means of reducing the duplication in government programs in jurisdictions which affect small cities, and (3) consider all of the relevant differences and similarities between small and large cities, particularly in the areas of housing, growth, development patterns, infrastructure, education, energy needs, and social development. In addition, the Task Force shall include in its report alternative verifiable formulae to be used in the distribution of discretionary balance funds available for allocation to small cities under title I of the Housing and Community Development Act of 1974.

Mr. SASSER. Mr. President, this afternoon the Senate rejected, by a vote of 45 to 43, an amendment which I offered to the Housing and Community Development Act of 1977. I am pleased, though, that 43 Senators chose to support me in my efforts to slow down the process a little in order that we might have more substantive information upon which to base the decisions we make with regard to this particular legislation.

The amendment which have sent to the desk tonight is taken from the text of the amendment which was defeated this afternoon. It is acceptable to the Department of Housing and Urban Development, and it is acceptable to the distinguished chairman of the Committee on Banking, Housing and Urban Affairs (Mr. PROXMIRE).

This amendment creates a task force on small cities to be chaired by the Secretary of Housing and Urban Development. Its intent is amply described in my statement from this afternoon; so I shall not take up much more of the Senate's time today discussing it.

This amendment is a rational response to the lack of data which is available to the Congress and the bureaucracy on the very different needs small communities have for community development funds. The task force to be chaired by the Secretary would be charged with several important functions.

First, it would be charged with taking positive actions to improve upon the lack of data which is available to us about the unique needs of our smaller communities.

Second, it would propose steps to end the duplication of governmental agencies which assist small cities.

Third, it would perform a comprehensive evaluation of the similarities and the differences between the needs of small and large cities. This has never been done before to my knowledge.

Fourth and finally, it would suggest several formula alternatives to Congress. Each formula alternative would have to be backed by empirical and statistical evidence which would prove that it represents an equitable means of allocating our short supply of community development funds.

Mr. President, my amendment would give Congress the information which it needs to do justice to the Nation's small cities. Today we set aside 20 percent of our community development funds for small cities. But a recent GAO report suggests that a more equitable figure, based on need, would be 34 percent. The problem of rural poverty deserves our attention and the attention of this task force.

The task force on small cities has its work cut out for it. We should expect a lot from this task force, and so should the underserved residents of our smaller cities. This task force should help to end governmental guesswork about small communities once and for all.

I ask for the adoption of the amendment.

Mr. PROXMIRE. Mr. President, I have had an opportunity to discuss this amendment. I think it is a very logical and appropriate amendment. We need it. We need information on the small cities and the need they have for these funds. We have had studies in the past, but not specifically aimed at small cities, and certainly not with the kind of guidance which the Senator from Tennessee properly provides.

I am happy to accept the amendment.

Mr. BROOKE. Mr. President, we debated the amendment at great length this morning. I believe it serves a useful purpose. I support the amendment.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. If all time has been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 373

Mr. PROXMIRE. Mr. President, if there are no further amendments, I have three technical amendments which I send to the desk as one amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE) proposes an unprinted amendment No. 373.

The amendment is as follows:

On page 10, after line 7 insert the following: Section 103(c) is amended to read as follows:

"Any amounts appropriated under this section shall remain available until expended and any amounts authorized for any fiscal year under this section but not appropriated for such year may be appropriated for any succeeding fiscal year.".

On page 37, after line 24, insert the following:

"(3) Section 8 of such Act is amended by adding the following new subsections at the end thereof:"

On page 37, line 25, strike "(j)" and insert "(i)".

On page 38, line 8, strike "(k)" and insert "(j)"

On page 32, line 4, after "cities" insert "and urban counties".

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. PROXMIRE. Mr. President, the first amendment would restore in the 1977 Community Development Act language that appears in the current law that was enacted in 1974. It would provide that amounts authorized would remain available during the 3-year period in the present legislation. This continuing authority would not increase or decrease the dollar authorizations of the bill, but would simply provide a more flexible schedule for appropriations actions.

On the second amendment, through a drafting oversight language stating that the two new sections which the bill would add to section 8 of the U.S. Housing Act of 1937 was omitted. This amendment will correct that oversight and, in addition, the amendment would redesignate the two new sections as paragraphs (i) and (j) of section 8 in order to conform the present order of paragraphs in section 8.

The third amendment, the final amendment, would be a conforming amendment to require the Secretary to issue regulations covering both cities and urban counties under the urban development action grant program. Urban counties would be eligible for funding under that program.

Accordingly this amendment would make clear that the regulations of the program should apply to urban counties as well as cities.

Mr. President, I yield back the remainder of my time.

Mr. BROOKE. Mr. President, I yield back all my time. I support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

ADDITIONAL STATEMENTS SUBMITTED ON S. 1523

Mr. WILLIAMS. Mr. President, the legislation now before the Senate is the most significant and compresensive housing and community development measure to be considered by Congress in

3 years, and I wholeheartedly support its passage.

The distinguished chairman of the Senate Banking Committee, Mr. PROXMIRE, should be applauded for his diligence and his fairness in guiding the committee through the extensive hearings and markup sessions needed to produce this legislation.

My distinguished colleagues on the committee deserve equal commendation for the fine contributions they made to the shaping of this responsible and effective bill.

The legislation's several titles embrace virtually the whole spectrum of Federal housing and community development efforts.

Included are provisions to reauthorize and revise the community development block grant program, to extend and improve our major assisted housing programs, to expand homeownership opportunities for the average American family, and to address more fully the housing needs of rural residents.

I would like, however, to focus on several sections of the bill which I believe deserve special attention.

Doubtless, the most far-reaching changes provided for in the bill involve the community development block grant program.

First enacted in 1974, this program consolidates several categorical aid programs, such as urban renewal and model cities, into a flexible system of block grants to localities.

The program's major purpose is to combine Federal dollars with local leadership and initiative in order to carry out a comprehensive attack against the slums and blight that plague so many of our communities both large and small.

Under the present community development program, metropolitan cities and urban counties receive block grants according to a formula containing three factors—population weighted at 0.25, poverty weighted at 0.50, and housing overcrowding weighted at 0.25.

In addition, some of these communities are designated as "hold harmless" communities.

This means that they receive funds above their formula allocations in order to hold them at the funding level they maintained under the old categorical aid programs.

Beginning in fiscal year 1978, hold harmless communities will be reduced in funding until in fiscal year 1980 they will receive block grants according to the basic formula alone.

Numerous studies, such as one conducted for HUD by the Brookings Institution, have concluded that the present formula does not adequately consider the problems of older, declining communities.

Analyses have shown that the factors of the present formula are actually more attuned to the conditions found in newer, more rapidly growing communities.

Thus, if the block grant program remains unchanged, many of the most distressed cities will receive a shrinking share of block grant allocations as their hold harmless grants phaseout and as such formula factors as population and housing overcrowding allocate increasing amounts to newer cities.

To correct this funding imbalance, the legislation we consider today incorporates a new dual formula to allocate block grants.

Metropolitan cities and urban counties would receive funds according to either the present formula or a new formula alternative, whichever provides the greater allocation.

This new formula alternative uses the factors of population growth lag weighted at 0.20, poverty weighted at 0.30, and the number of pre-1940 housing units weighted at 0.50.

These factors more accurately reflect the needs of communities which suffer from extensive physical deterioration, a weakening tax base, and population loss.

The dual formula is therefore designed to consider the problem of both newer, growing communities as well as older, declining ones.

While the dual formula vastly improves the present funding mechanism, it is imprecise in its measurement of the impact of old housing on a community.

It fails to consider that a community with a large proportion of old housing stock has greater need than one with a small proportion of such housing.

To improve the dual formula's sensitivity to the intensity of a community's need, the legislation includes a new measurement of need called "impaction" which I sponsored along with the distinguished ranking minority member of the Senate Banking Committee, Mr. BROOKE.

Impaction is a mathematical adjustment to the age of housing factor in the new alternative formula which allows the formula to take into account not only a community's number of old housing units, but also the community's proportion of old housing units as compared to the proportion of such housing in all metropolitan areas.

The impaction adjustment is meant to assure that additional resources are targeted to communities which have excessive concentrations of old housing stock because these communities tend to have a greater degree of physical deterioration and related problems than the typical community.

Under the legislation, communities would receive the higher of their allocation under the basic dual formula or the dual formula with the impaction adjustment.

No community would get less money under impaction than it would get under the dual formula without the impaction adjustment.

Preliminary estimates determined according to data supplied by HUD indicates that up to 200 cities in up to 30 States may benefit from impaction.

The figures further illustrate that of the Nation's 15 neediest cities, as ranked by HUD, 12 of them receive sums under impaction that are substantially higher than they would get from the basic dual formula alone.

Because impaction provides added help to distressed communities without taking money away from other communities, it requires additional funding.

Impaction would be phased-in at 50 percent of its cost in fiscal year 1978, 75 percent of its cost in fiscal year 1979, and 100 percent of its cost in fiscal year 1980.

According to preliminary estimates, impaction would distribute over $600 million to the neediest communities in the country over the next 3 fiscal years.

The legislation reflects the decision of the Senate Banking Committee to fund impaction from within the new discretionary Urban Development Action Grant program, UDAG, proposed in the bill.

UDAG is designed to provide generally one-time, discretionary grants to needy communities for the purpose of undertaking specific, comprehensive neighborhood reclamation and economic development projects that would otherwise go unfunded.

Impaction can effectively supplement the UDAG concept, strengthening our effort to assist trouble communities while maintaining UDAG's special flexibility to respond to unique community development opportunities.

Since the additional amounts provided by impaction are entitlements, our neediest communities would be guaranteed added help on a continuing basis.

Communities receiving additional money under impaction can proceed with long-range plans for comprehensive community development projects secure in the knowledge that funding for their projects will actually be available.

This certainty of funding can also prevent much of the disappointment that many cities might experience if UDAG were the only source of additional money.

UDAG was originally designed for only a limited number of communities—as few as 40 per year according to HUD officials.

As provided by the Senate Banking Committee impaction would distribute additional assistance to many more needy communities, while as much as $600 million or more would still be available for action grants during fiscal years 1978–80.

The bill contains a new guaranteed loan provision with which impaction can be used to great advantage.

Under the bill, the HUD Secretary would be allowed to guarantee loans up to three times the amount of a community's block grant.

The added amounts provided by impaction would permit a community to secure a larger guaranteed loan than it could secure with its basic block grant alone.

This would expand the capacity of our neediest communities to engage in large-scale rehabilitation and economic development projects.

The cities of this country lie at the heart of our economic and social system.

Their strength and vitality are closely tied to that of the Nation as a whole.

The recisions in the community development block grant program contained in today's legislation will mean a more dynamic, effective approach to the rescue of those communities which suffer

the most from declining economies and decaying physical conditions.

The bill we are now considering also contains important provisions, which I sponsored, to spur new construction under the section 8 leased housing program, and to remove barriers to the success of the section 202 housing program for the elderly and handicapped.

One section would provide statutory set-asides of enough section 8 authority to assist about 49,000 units financed by State housing finance agencies—HFA's, and to assist about 30,000 units of section 202 housing, for fiscal year 1978.

HFA's have played a crucial role in the construction of new units assisted by the section 8 program.

To date, HFA's are responsible for about 38 percent of the section 8 reservations and have produced almost 50 percent of the program's construction starts.

A statutory set-aside of section 8 funds HFA's would allow these agencies to continue to make solid contributions to a more productive section 8 program.

A statutory set-aside of section 8 funds to cover 30,000 section 202 units to be approved for fiscal year 1978 is needed, because HUD has not properly implemented congressional intent that sufficient section 8 subsidies be made available for approved section 202 units.

As a result, the section 202 program, which has already experienced repeated delays, is threatened with still further delay.

The legislation's set aside of section 8 funds for section 202 units will insure that the problems experienced to date with the availability of section 8 subsidies for section 202 units will not be repeated for fiscal year 1978.

In line with this provision, the Senate Banking Committee has also made clear that HUD should make section 8 subsidies available to section 202 units approved for fiscal year 1976 and 1977, but not yet constructed.

Another section of the legislation would eliminate HUD's present requirement that section 202 units conform to mortgage limits established for the section 231 FHA multifamily program.

These mortgage limits are so restrictive and so inappropriate that unless they are removed numerous section 202 sponsors will be forced to abandon their projects, cut back on such facilities as common dining rooms, or seek other means to finance their projects.

The section 231 program is a totally inappropriate model for the section 202 program.

It was never intended to provide the kind of special facilities that has helped to make the section 202 program such an excellent response to the housing needs of the elderly and the handicapped.

Also, the high default rate of the section 231 program contrasts sharply with the success of the section 202 program which produced over 44,000 fine units prior to the 1973 housing moratorium with only 1 project default.

The elimination of section 231 mortgage limits from the section 202 program will clear away yet another obstacle now blocking the path to an active workable section 202 program.

Mr. President, the Housing and Community Development Act of 1977 demonstrates that Congress remains firmly committed to the goal of decent shelter and wholesome living environments for all our people which it established almost 30 years ago.

Today's legislation is another milestone along the road to the achievement of that goal and I urge its adoption.

Mr. KENNEDY. Mr. President, the Housing and Community Development Act of 1977 is vital to the future of our cities. If we take a hard look at the condition of our major urban centers across this Nation, we see that they are the victims of false promises and unfulfilled commitments. Title I of this legislation contains a program which is vital to rebuilding our Nation's cities—the community development block grant program. The impaction formula contained in this bill is essential to the rebirth of older cities. The problem with the community development block grant program has been the method of allocating Federal funds to those cities with the greatest need. Too often in the past too much Federal aid went to areas with the least need. And too little Federal aid went to areas with the greatest need.

If we are to bring our urban centers across this Nation back to life, the method we use to distribute Federal funds is critical. I commend the distinguished members of the committee for their efforts in this regard. They have come to grips with a very difficult problem and have suggested a very viable solution which targets aid to areas of greatest need.

The key factors of poverty, growth lag, and concentration of older housing stock are reflected in the allocation of funds under the impaction formula.

This legislation is geared to relieve the burden of poverty in our cities. This legislation is geared to provide a renewed commitment to the revitalization of urban areas. With the cooperation of Congress and the administration, I feel that we can move forward in accomplishing that task.

When Patricia Harris presented the administration's program for housing and urban development for fiscal year 1978, she outlined for us in a clear manner the housing problems which are at the heart of community development.

Five million American homeowners have housing costs which require more than 25 percent of their income. Another 10.5 million Americans spend 25 percent or more of their income on rent. And in 1975 about 60 percent of American families could not afford to buy a median priced new home.

National attention has been focused on this problem because of a study conducted by the MIT-Harvard Joint Center for Urban Studies. The center's revised housing forecast is distressing news for most Americans. Since 1970 the sales price of new housing, homeownership costs, and rental housing operating costs have risen sharply. And it is clear that these cost increases of the 1970's are not going to be turned around in the near future. These problems are felt most keenly by the poor and the disadvantaged. And they are the ones who experience other housing problems firsthand.

The total of 2.3 million U.S. households had no bathroom, or share a bath with another household; 1.4 million households have an incomplete or shared kitchen; 4.5 million have leaky roofs; almost a million have plumbing facilities which break down frequently; almost 4 million live in overcrowded households.

Because of the magnitude of these housing problems and their impact on low- and moderate-income families, I am pleased that title II—housing assistance and related programs—authorizes additional contract authority to fund approximately 400,000 additional assisted housing units for lower income American families through section 8 assistance payments and conventional public housing programs.

I am especially encouraged by the set-aside of 30,000 units in section 8 funds for the section 202 housing for the elderly and handicapped program. The distinguished members of the Committee on Banking, Housing, and Urban Affairs have taken a step forward in guaranteeing the viability of the 202 program.

This set-aside provision is particularly important in view of the fact that today more than 3 million elderly or 13 percent of all older Americans are in need of assisted housing. And that number is not going to get smaller. The proportion of persons aged 65 and over is continuing to grow. Their percentage of the total population has increased from 4.1 percent in 1900 to 10.5 percent in 1975. That represents an increase from 3 million to over 22 million persons. In the next 50 years, that number will increase to 51 million persons or 17 percent of the total population.

The housing problem which the elderly face is compounded by the fact that many elderly persons live on fixed incomes. For every year since 1966 a larger percentage of persons aged 65 and over has been below the low-income or poverty level. In 1974 about 16 percent of the elderly were living below the low-income level.

Over 6 million elderly persons live in dilapidated, deteriorating, and substandard housing. The fact that the elderly are already spending a third or more of their income for housing makes it unlikely that the elderly will be able to improve their housing situation without some help.

I am encouraged by the commitment of the Carter administration that the challenge of providing decent housing for our elderly—who so desperately need it—will be met. In the past the 202 program which would provide housing for the elderly and handicapped has been surrounded by regulatory jams and open hostility.

That situation was truly an outrage and a scandal. I look forward to the implementation of a 202 program which genuinely meets the needs of our older and handicapped Americans, and com-

plies with the original intent of Congress.

Mr. President, it is obvious that the Federal Government cannot meet the housing and community developments needs of this Nation on its own. It must cooperate with and work in partnership with other groups. The job of rebuilding our Nation's neighborhoods and cities is so great that it cannot be left to the Government alone.

Title IV of this bill encourages federally regulated financial institutions to help meet the credit needs of local communities. The Community Reinvestment Act represents a major effort to restore our urban communities without exorbitant cost to the Federal Government.

Lending institutions have the capital and expertise to help do the job. We have to look to the private sector to keep credit flowing to our older communities. Private efforts and public programs are doomed without bank capital.

The Community Reinvestment Act makes the responsibility clear. Lenders have an obligation to meet the credit needs of their local communities. This provision reaffirms the obligation of federally chartered or insured financial institutions to serve the convenience and needs of their service areas. This title reasserts a long-standing policy—a policy which is essential to our urban neighborhoods.

The Housing and Community Development Act of 1977 goes a long way in addressing the real needs of our cities. It reflects the commitment of Congress to urban centers across this Nation. I strongly urge my colleagues to join with me in supporting this critical legislation.

Mr. SCHMITT. Mr. President, I will cast my vote for S. 1523, the Housing and Community Development Act of 1977, with the understanding that the leadership will support in conference a 1-year delay in the effective date of the provisions of title IV of this act. Such a delay will provide the administration with an opportunity to study, on a comprehensive basis, the loan requirements and other needs of our cities, before the burdensome regulations implicit in title IV take effect.

Mr. DURKIN. Mr. President, I rise in support of S. 1523, the Housing and Community Development Act of 1977, one of the most important pieces of legislation to come before this Congress.

Adequate housing is a basic human need, one which we have too long ignored. Strides were made in the 1960's to balance our previous lack of attention, but we still have a long way to go. Urban blight is still around us, and I know that none of us can be comfortable until adequate dwellings are universal.

The bill reauthorizes the community development block grant program, a program which is generally recognized as tremendously successful by all concerned—the Federal Government, the local communities, and all the people in those communities. Fortunately, some of the problems which plagued the programs which were combined into the community development program have not reappeared within the program itself. The reason for this is obvious—the simplification of the procedures and processes and the emphasis on the local role in determining the best means to community development.

Two major changes in the allocation of community development funds in this bill deserve special mention. First, under the so-called "impaction formula" added by the Senate Banking, Housing and Urban Affairs Committee, the proportion of a community's housing stock which was built prior to 1940 becomes a major factor in determining a community's allocation of funds. This is eminently sensible, for the proportion of old housing in a community is the best indicator of need for development funds.

Secondly, the bill makes it clear that communities too long neglected—those with under 50,000 population—will receive a fair shake when moneys are distributed for community development. An unfortunate myth has grown over the years that small communities do not have problems. While it is true that I and the people of my State believe, with justification, that our relatively small cities are great places to live, we also realize that we have some less than adequate dwellings and less than adequate facilities in our towns. The leaders of these communities have developed first class community development programs to make them stronger, and it pleases me immensely to know that under this bill, their programs stand an equal chance to be funded along with those of large cities.

The bill contains some other excellent provisions which may have been glossed over. The costs of homes have been rising precipitously due to inflation and other factors during the past several years. In 1974, the average new home sales price was $38,900, while it is now approximately $48,000.

The bill takes this into account by increasing the maximum loan amounts for mortgages insured under the National Housing Act by the Federal Housing Administration from $45,000 to $60,000. Couples which may have been stymied in their attempts to get federally insured loans because their new homes cost too much should no longer face that problem if this bill is passed.

Similarly the downpayment requirements for FHA loans have been too high, discouraging young and moderate income people from buying homes. The bill decreases the downpayments on FHA insured loans which will remove this impediment. I know many of my constituents will be extremely pleased with this provision.

Title IV of the bill, the Community Reinvestment Act, makes clear our opposition to the odious practice of "redlining," by which banks refuse to provide adequate loan moneys to certain areas of their own communities. Banks have the obligation to contribute to community development, and I welcome this aspect of the bill which gives Federal authorities positive means of insuring that banks are meeting that obligation.

Rural housing is another important concern of mine and this bill. It extends and authorizes moneys for rural housing programs for the Farmers Home Administration. The distinction the bill creates between direct loan programs and loan guarantee programs is important for it will insure that funds are directed to low and moderate income persons, as well as those with above moderate incomes who have access to private credit.

The five basic Federal housing programs for low and moderate income families are extended by this bill. While there can be no doubt there have been problems with these in the past, neither can there be any doubt they have generally contributed to better housing conditions for those that need them most. I welcome the provisions in the bill which help to direct the funds to those most in need, and commend the Senate committee for its continued oversight of these important programs.

In closing, I would like to praise the Senators who were instrumental in developing this excellent legislation, especially my distinguished colleague Senator THOMAS MCINTYRE, who laid the foundations for the elements of the bill which help to direct moneys toward small communities which are so important in a State such as our own, New Hampshire.

Mr. HEINZ. Mr. President, I rise today in support of the Housing and Community Development Act of 1977. I support this bill because we must further our commitment to help families obtain a decent home in a safe and healthy environment. The Housing and Community Development Act of 1977 will provide many of the necessary tools and resources for achieving these objectives.

As a member of the Banking, Housing and Urban Affairs Committee I think it would be helpful to take a few minutes to review the work of the committee on the bill. This year the committee had before it a number of issues which had to be resolved if the needs of our communities were to be adequately addressed. Primary among these considerations was the basic allocation system employed for the distribution of community development funds to metropolitan cities and urban counties.

The initial formula for allocation of funds adopted by the Congress in 1974 has been the subject of much impartial analysis and scrutiny. As we entered the third year of operation of the community development program, and with the phase down of "hold harmless" to begin in fiscal 1978, it was imperative that the Banking Committee reassess and revise the formula to reflect the diverse conditions and varying community development needs of our nation's major cities and urban counties.

The dual formula which has been proposed in the 1977 act substantially addresses the differing needs and characteristics of our urban areas. It also compensates for the inevitable inequities created by the operation of a single formula. On the one hand, through the application of the initial formula, which takes into account population, poverty and housing overcrowding, the developmental needs of our nation's growth oriented commu-

nities are addressed. While on the other, by employing such factors as age of housing stock, poverty and growth lag, the needs of the nation's older urban areas are recognized.

In the final days of markup of the bill the Banking Committee added a third allocation option. Known as "impaction" this factor recognized that there is a high degree of correlation between the percentage of a communities housing stock which is aged and the physical, economic and social decline of the community. Since benefits accrue to communities across the nation through the implementation of the "impaction" provision, I would hope that this provision as well as the dual formula proposed by the Banking Committee will be adopted by this body.

A second major issue of concern which was equitably addressed by the committee deals with smaller communities in metropolitan and nonmetropolitan areas. Over 750 smaller cities, which had previously participated in HUD categorical programs, were protected by a hold harmless provision. In fiscal 1978 the protection extended to these jurisdictions was to begin phasing out.

Without restructuring the discretionary programs, these communities were going to be faced with several immediate problems: First, the loss of assured funding; second, the potential curtailment of ongoing physical development programs; and third, competition for funding with thousands of other small communities.

The potential problems faced by the so-called hold harmless communities had been made more difficult by the procedure employed by HUD in allocating funds under the discretionary programs over the past 2 years. Past HUD policy tended to be one of "spreading the wealth" and funding as many small communities as possible during each funding cycle. Additionally, HUD gave preference to communities with "urgent" needs which resulted in a high proportion of 1-year single-shot programs.

The resulting actions taken by the Banking Committee represent a compromise. In my judgment, these actions go a long way to establish a small-city strategy within the context of the community development program. Smaller communities which have had previcus participation in the prior categorical programs as well as needy communities which have not been able to avail themselves of community development funds, will find the revised discretionary program contained in the act substantially better equipped to address long-term community development needs.

There are three new provisions which improve upon the past method for distributing funds to small communities. First, metropolitan and nonmetropolitan discretionary funds will be allocated to States on the basis of a dual formula similar to that adopted by the committee for entitlement communities. This allocation system will result in a more equitable distribution of funds among States based on the differing physical and demographic conditions of their smaller cities.

Second, metropolitan balances will now be aggregated on a statewide rather than metropolitan basis, similar to how the nonmetropolitan balance currently operates. Hopefully, this will allow HUD to target funds to the neediest communities in metropolitan areas.

Third, the committee amended the present discretionary allocation mechanism to authorize the Secretary of HUD to make multiyear commitments to smaller communities based on need, past and present performance, and the willingness to carry out a comprehensive community development program.

These changes from current law represent refinements in the program based on the experience of the past 2 years. I believe that these modifications will enable HUD to better target resources to those communities with the greatest needs and will result in the more productive use of the funds available for smaller communities. I would hope that this body would see fit to approve the expanded small city program contained in the 1977 Housing and Community Development Act.

Finally, and most importantly, I believe that the Banking Committee has taken great strides in beginning to establish a national policy of neighborhood conservation and revitalization. This new policy cannot be found in a single title or section of the bill. Rather, like the neighborhoods which it attempts to assist, it is multifaceted. This new policy initiative does not represent a radical departure from past programs and policies. It continues to build on the programs of the past while it expands our efforts into some new areas. When taken in totality, it does, however, begin to provide a framework at the national and local levels for additional actions which assist urban conservation and neighborhood revitalization.

In my view, we at the national level have in the past too narrowly focused our attention in this area totally on the public sector. We all realize that the role local elected officials play in neighborhood is critical. Public policies and actions can stimulate the revitalization or accelerate the decline of these neighborhoods.

I believe that we now know also that the ultimate decline, stagnation or revitalization of our neighborhoods is influenced by at least two other actors: the citizens of the neighborhoods themselves and the commitment of the local financial institutions. It is through the involvement of citizens and lenders, in addition to local officials, that we are beginning to develop a neighborhood conservation policy.

The Housing and Community Development Act of 1977 strengthens the capability of local governments to expand their neighborhood revitalization and conservation efforts by providing additional resources and by linking neighborhood conservation more closely to community housing efforts. The Banking Committee has substantially increased the authorization level for the section 312 rehabilitation loan program for fiscal 1978. The 312 program has, since its creation in 1964, been the mainstay of many local conservation efforts. In addition, the committee has added a neighborhood conservation provision to the housing assistance plan which calls upon local governments to formulate neighborhood revitalization strategies in conjunction with their overall housing strategy.

The bill also expanded activities eligible for funding under community development to include the making of grants to neighborhood based nonprofit organizations to carry out neighborhood revitalization or community economic development projects. This provision recognizes the substantial resources which citizens can make available to local governments in augmenting local revitalization efforts.

The bill also calls upon local financial institutions to play a greater role in neighborhood conservation. Title IV of the act we have before us today contains a new provision which reaffirms the obligation of federally chartered or insured financial institutions to serve the convenience and needs of their communities. Implicit in this section is that financial institutions will increase the availability of mortgage credit to those areas of many communities which have historically found access to financing for home improvements as well as mortgage loans difficult to obtain.

Title IV makes it clear that we are not asking financial institutions to engage in unsound credit practices. It is also clear in the act that this policy statement reaffirming the public obligation of financial institutions is not an attempt to allocate credit. It does represent an attempt, however, to focus the attention of lenders on the role they must play if neighborhood revitalization is to become a reality on a national basis instead of a unique occurrence in a few communities.

I am pleased to represent a State in which the private sector has initiated several successful neighborhood conservation efforts. In my home city of Pittsburgh several financial institutions voluntarily joined together to redress past redlining practices. Their action became the pilot program for the widely acclaimed Neighborhood Housing Services program run by the Federal Home Loan Bank Board and operating in neighborhoods in over 25 cities.

One of the most innovative neighborhood conservation programs has been developed in Pennsylvania's largest city and is known as the Philadelphia mortgage plan. The plan has attracted national attention as an effective way to make mortgage loans available in even the most severely distressed innercity neighborhoods. Presently 14 lending institutions are participating in the plan and over the last 2 years they have made more than 1,700 mortgages worth $19.1 million.

It is this kind of positive action which I firmly believe the community reinvestment title of the Housing and Community Development Act of 1977 seeks to encourage.

As a nation I do not believe that we can solve our basic social and economic

problems without concentrating our efforts on restoring the health of our cities. The provisions I have outlined in the Community Development Act begin to focus our attention and our resources—both public and private—on this important goal. I would hope that all of these provisions will be adopted into law and that this body will speedily pass the bill before us today.

Mr. BAKER. Mr. President, yesterday the Senate rejected an amendment aimed at eliminating title IV of the Housing and Community Development Act of 1977. In my view, that was a mistake.

That title is referred to as the community reinvestment provision and is intended to end the practice of "red-lining" by various financial institutions. It would attempt to do so by requiring regulated financial institutions to demonstrate that their deposit and credit capacities serve "the convenience and needs of the communities in which they are chartered to do business." The appropriate Federal financial supervisory agencies would be charged with the responsibility of reviewing the efforts of the respective institutions and prompting them to do better when those efforts are found wanting.

I generally sympathize with the objective of the community reinvestment provision, for it is clear that steps must be taken to encourage the investment and expenditure of funds in low- and moderate-income areas that have deteriorated to the point where they constitute high credit risks. Indeed, it is easy to see how such deterioration can become inevitable when banks and savings and loans reach the conclusion that they will no longer extend credit in the community because the risk has reached some subjective level.

And yet, forcing financial institutions to allocate credit on a basis which contravenes their own reasonable criteria is one of the worst ways to deal with the problem, in my judgment. Not only does it inject the Government unnecessarily into the business of regulating how and to whom loans are made by individual financial institutions, but it also imposes a new burden of paperwork on both the banks and the regulatory agencies. That is why the Chairman of the Federal Reserve Board and the Comptroller of the Currency are opposed to title IV of the bill.

All regulated financial institutions have a fiduciary duty to their customers to protect their deposits and savings by making credit available on a sound and reasonable basis. To require those institutions to exceed or violate their criteria in order to meet certain community needs is unfair to the bank's customers who have a direct interest in the soundness of their bank's loans. Moreover, it creates an exception to the thrust of most Federal financial regulation which is to prevent marginal and high risk loans.

Finally, it provides an additional reason for new banks to seek State rather than Federal charters. An increasing number of banks are relinquishing their Federal charters for purely economic reasons in favor of State charters. Some of the advantages of such a move are that there is no requirement for the deposit of funds in the Federal Reserve Bank, there are often higher loan percentage provisions, and there is less burden in terms of paperwork. If the community reinvestment provision becomes law, reducing the discretion of financial institutions to make loans according to their own criteria, it will add another reason for existing banks to surrender their Federal charters and new banks to seek State charters.

At a time when many businesses are suffering from an abundance of Government regulation and redtape, it behooves us to reject yet another attempt to effect economic and social change through new Federal regulations. Rather, I suggest that we consider other means of achieving the same result.

One such method might be to use the tax system to encourage investment in certain low- and moderate-income areas. In recent years, the tax code has been amended with respect to the time allowed for amortization, and carrying losses accrued as a result of development projects undertaken in marginal economic areas. A positive addition to those recent changes might be an investment tax credit of perhaps 10 percent provided to developers and builders who are willing to construct low- and moderate-income housing in the so-called red-lined areas. Those most adept at undertaking development projects would be provided the necessary economic incentive which they now do not have. Moreover, this program could be implemented at a very low administrative cost and minimal distortion of the normal market forces.

For those reasons, I am considering legislation in this regard. It would constitute a superior means of dealing with the limited willingness on the part of the financial institutions to make loans in redlined areas and the reluctance of developers to venture into communities that are deteriorating economically. In addition, it could diminish the dangerous drift toward Federal control of credit allocation.

IMPORTANCE OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT TO IOWA

Mr. CULVER. Mr. President, I wish to express my support for S. 1523, the Housing and Community Development Act of 1977.

This bill will have a significant, positive impact upon the cities and towns in the State of Iowa. The proposed "dual formula" combined with the "housing impaction" formula will result in increases exceeding $3.5 million in fiscal year 1978 for the eight entitlement communities in our State. This means that more than 25 percent of Iowa's total population and 45 percent of the State's urban population will unquestionably experience increased ability to address their urban problems.

The use of these two formulas will better assist the Department of Housing and Urban Development in determining actual degree of need based upon the level of housing deterioration. In the State of Iowa, over 60 percent of the current housing stock was built before 1940. This serves to point out the burgeoning need for aggressive and adequate urban programs that can provide the mechanisms necessary to undertake preventive programs rather than continually creating crisis-oriented programs to assist our urban poor and deteriorating urban neighborhoods.

The combination of the "dual formula" and the "housing impaction" formula will, I believe, provide a firm foundation for our urban places in their efforts to find adequate resources to hedge against galloping housing deterioration. Passage of S. 1523 will mean that Iowa's eight entitlement communities will experience increased community development resource allocations of 27.7 percent in fiscal year 1978, 46.6 percent in fiscal year 1979, and 62.8 percent in fiscal year 1980, representing a total of $16,797,000 in new funding.

I also want to express support for the provision that authorizes HUD to make multiyear funding commitments to communities under 50,000 carrying out comprehensive community development programs. This amendment will give credibility and strength to the discretionary system of program allocations to our many smaller communities. In Iowa, we have 10 hold-harmless cities under 50,000 which will experience significant program reductions during the next 3 fiscal years.

As you may know, I have expressed concern in the past regarding the treatment of our smaller hold-harmless cities. I believe that this provision represents a substantial effort to reconcile the hold harmless phaseout problem. It once again gives appropriate recognition to a city's ability to perform, and gives significant weight to a city's demonstrated record of performance regardless of size. It also gives hope to Iowa's many small communities undertaking longer term community development activities requiring multiyear funding commitments.

The provision which permits the use of community development block grant funds to provide financial assistance to private entities to acquire for rehabilitation and to rehabilitate privately owned properties, represents a significant step forward in our efforts to use resources in our battle against housing decay. Many Iowa communities, both large and small, either already have, or are in the process of creating, nongovernmental entities with the authority to provide housing alternatives for our low- and moderate-income urban residents. The inclusion of this new eligible activity will allow these communities to actively support these public/private efforts financially. There are several Iowa examples of such efforts now underway or in the formative stage. One which immediately comes to mind is the rehabilitation and revitalization effort in Des Moines, Iowa's capital city. In this case, there has been a cooperative effort by city, county, and private real estate and financial institutions, catalyzed by the Iowa League of Women Voters, to establish a locally supported "urban homesteading" program in various Des Moines center-city neighborhoods. The provision of this new eligible activity will permit the use of community development block

grant funds in further underwriting the success of this most interesting and laudable program.

The Housing and Community Development Act of 1977 is a substantive piece of legislation that will dramatically affect the present and future for our urban poor and our young families. It provides the foundation for improved alternative techniques to address our center city and small city problems as well as new methods through the graduated payments mortgage program to help young, moderate-income families purchase housing they can afford. The utility of the Housing and Community Development Act of 1977 makes it compare favorably in substance and flexibility with the 1974 act.

Mr. President, I hope that the Senate will act quickly and affirmatively on S. 1523.

Mr. METZENBAUM. Mr. President, I rise today to offer my support of the Housing and Community Development Act, a bill which I have cosponsored and one which addresses the critical housing needs of our major urban areas. This bill for the first time recognizes that the crisis of our cities—a phrase that has become all too commonplace—is in many ways a crisis in housing.

In my own State of Ohio, cities such as Youngstown, Dayton, Cleveland, Akron, Columbus, to name only a few, all suffer from inadequate and substandard housing. These cities are only symptomatic of the much larger national problem. Today we face one of the worst periods of urban decay in our Nation's history. Low-income families are being forced to live in substandard housing, senior citizens are being sent to nursing homes because adequate housing facilities that meet their special needs are simply not available, and young couples, who hold out great promise to our cities' revitalization, are priced out of the housing market altogether. Ironically, this period of urban decay in our cities occurs at a time when our housing needs are the greatest.

Certain provisions of this bill, Mr. President, attempt to rectify inequities in the allocation of Federal dollars to the States. These are important provisions, and I support them strongly. Too often in the past, vitally needed housing dollars have not gone to the areas that need them the most—our urban centers. By including factors such as poverty levels, decline in population growth, and the amount of pre-1940 housing stock, this new formula offers the promise of help for our older cities. Under this new approach, cities in the Northeast and Midwest will no longer be penalized because their populations have flocked to the suburbs or to other parts of the country.

For years, my own State, Ohio, has not been receiving its fair share of housing funds. We have been punished by virtue of a low growth rate. Because we are only 45th in the rate of growth, we are 47th in the money received from the Federal Government. In other words, when our cities got old and poor, a "Catch-22" formula for Federal money was inflicted on them. Just when they most needed aid, the Federal Government turned them away. While Ohio is sixth largest in population and the State with the greatest number of cities of more than 50,000 people, today it receives only $80 million a year—a mere 2 percent of the total funds available under formulas used in existing housing laws.

Under the new formula in this bill, Ohio would receive an additional $40 million in the first year, and by 1980 the community development and discretionary funds would more than double, bringing Ohio its equitable share of Federal housing assistance. This additional funding would provide Ohio housing with a much needed "shot in the arm," and while this amount will still not fully redress the past years of neglect and decay, it is an important first step in reviatlizing our cities.

Mr. President, our cities have for too long paid the price for short-sighted Federal policies which encouraged the building of homes in newer parts of the country, at the expense of our troubled urban areas. This new housing bill finally recognizes the importance of our urban centers. By providing increased funding for these areas, cities will be able to help stem the tide of decay and deterioration that has increasingly led to their downfall.

I want to note, Mr. President, that while this bill aids the forgotten Northeast and Midwest, it does not do so at the expense of the rest of the Nation—opportunities are provided for all Americans, in all parts of the country. Young and moderate-income families will have a chance to own their own homes through reduction in downpayments and through lower monthly mortgage payments. Homesteading provisions will enable many people to own homes in our cities. Expanded credit, to those who need it most in local communities, will further the repair of decaying facilities—and rural housing and housing for the elderly and handicapped will once again be given much needed aid under the Community Reinvestment Act.

In short, Mr. President, "opportunity"—a word that many Americans have eliminated from their vocabularies in frustration and despair—is being revitalized by the promise of help to our Nation's cities in the Housing and Community Development Act of 1977. I strongly urge my colleagues to support this vitally needed legislation.

Mr. MATHIAS. Mr. President, this bill marks the first housing authorization under the new administration. It contains housing production goals which we can achieve, even if they are somewhat short of our national goals set forth in the 1968 Housing Act of 600,000 housing units per year.

It recognizes that we should not put all our eggs in one basket by relying solely on the section 8 program to meet the needs of low- and moderate-income families. The public housing program is also continued, as it should be, as another proven vehicle for housing our Nation's poor. Careful management, good locations, and housing with a range of bedroom options are key ingredients for any successful public housing program.

In the past, this program has helped countless Americans by providing them a home when their incomes were low; when they had fallen on hard economic times; or when they were just beginning their married lives. It has served as a stepping stone home for many upwardly mobile Americans, including our own President.

But we should not deceive ourselves that the public housing program today serves the same purpose it did during the twenties and thirties.

Public housing residents now, particularly those in our Nation's cities are often people on fixed incomes. Because they have small children at home or lack job skills, they have difficulty in finding work.

They do their best to keep their families together and see that their children are educated and fed, under extremely trying circumstances. Both the economics of their tight family budgets in these inflationary times and the nature of many of our big city high-rise public housing "projects" make raising children and just surviving a formidable task.

The situation I have just described is predominantly a social welfare problem, rather than a housing problem. If there were day care, if there were job training, if there were jobs, these families would be better able to share in the promise of America. I pledge my best efforts to create the opportunities these families need.

The Housing and Community Development Act makes substantial changes in the community development block grant program. Its focus has been shifted to those population centers with the most serious income and housing deficiencies.

From a local perspective, one's own housing problems often appear overwhelming, but from a national perspective, there are particular areas where the need is greatest and the problems most severe. I believe the alternate formula approach in this bill equitably shares the $4 billion authorized among our Nation's communities.

At all government levels, we must learn to tighten our belts and carefully plan our budgets so that expenditures have the greatest payoff. I am confident this will continue at the local level as mayors seek creative ways to use their community development block grants.

I am particularly pleased to see an authorization for the section 312 rehabilitation loan program which has proven to be the workhorse of neighborhood revitalization throughout the country.

Many of the program's greatest successes are evident in the Nation's older cities of the East and Midwest. I am especially proud of the accomplishment of Maryland's city of Baltimore.

The activity in home rehabilitation going on in Baltimore today through section 312, Neighborhood Housing Services, Urban Homesteading, and the city's own REAL loan program is remarkable. Everywhere people are out working on their houses, putting them back in shape, and restoring their neighborhoods.

To complement this rediscovery of city living, the city of Baltimore is aggressively pursuing a downtown and waterfront commercial revitalization program. A new skyline is emerging in Baltimore which symbolizes the renewed vitality of its citizens and city government.

A unique partnership has been formed between the public and private sectors to turn the city around. The effects of that partnership are visible everywhere one looks. A good deal of this new look to Baltimore has been made possible by grants from HUD, the biggest of which is the community development block grant.

I urge my colleagues to visit Baltimore to see what creative use can be made of HUD and other Federal programs with energetic local leadership.

Mr. President, I ask that an article describing the planning and redevelopment of Baltimore's Old Town Mall which appeared in the March 1977 issue of Practicing Planner appear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BALTIMORE'S OLD TOWN MALL A PROTOTYPE OF URBAN NEIGHBORHOOD COMMERCIAL REHAB

(By Michael A. Calvert, AIP)

SMALL BUSINESS ADMINISTRATION LOANS USED BY MERCHANTS. CITY PROVIDED PUBLIC IMPROVEMENTS, UNIFIED PLAN

Neighborhood commercial revitalization should be a part of neighborhood rehabilitation, but it is often overlooked or underfunded. The condition of a neighborhood retail area has a lot to do with how a residential neighborhood sees itself, and with eventual upgrading and maintenance.

If new HUD Secretary Patricia Harris' views are implemented into the community development block grant program, it may become easier politically to integrate neighborhood residential and commercial rehab. She has said she favors more targeting of funds and has mentioned urban economic development goals.

The aggregate sales, employment and assessed value of community shopping areas in large cities are likely to exceed the comparable figures for the downtown retail area.

In Baltimore, we are currently engaged in the planning or early implementation of 12 neighborhood commercial rehabilitation programs. We learned may of our lessons with the first one, known as the Old Town Mall, which began as an urban renewal project in the 1960s.

In addition to HUD's urban renewal, Model Cities and Section 312 rehabilitation programs, a significant key to our success with Old Town Mall was extensive use of U.S. Small Business Administration Section 502 loans. These are given to local development companies of local residents and businessmen for rehabilitation of private business establishments.

A city can help in the formation of a company as we did. In fact, the Old Town Mall experience with SBA's 502 loan program was the major prototype which led to a brand new SBA program called Urban Commercial Neighborhood Revitalization Program. The latter is geared specifically to revitalization of rundown commercial strips similar to Gay Street before it became Old Town Mall.

This article explains how we went about changing Gay Street into Old Town Mall. It describes the planning and rehab process with details which offer insight and advice to planners in other cities.

Old Town

The Old Town area was the site of one of three original settlements from the Eighteenth Century which later coalesced to become Baltimore. Shops and houses clustered on narrow streets in an irregular pattern around a public market. Since the 1940s, the shopping area and the surrounding neighborhoods have suffered a drastic decline.

By 1960, low income blacks had replaced the predominantly white working class residents of earlier periods. In 1969, the average family income was $2,835, lowest of any of Baltimore's renewal areas. Less than one of ten houses was occupied by a homeowner. Landlords had permitted the pre Civil War rowhouses to deteriorate, and Old Town could accurately be described as a slum. Nearby blocks had been cleared and replaced by public housing. Several hundred low income families were concentrated in the blocks adjacent to Gay Street.

Not surprisingly, as the surrounding area deteriorated, the Old Town shopping area also declined. The stores began to look shabby and neglected, although the merchants kept their buildings safe and structurally sound. Assessed valuation of the stores dropped by 18% in the five years between 1963 and 1968. The narrow streets were poorly suited to accommodate the ever increasing traffic and parking. The shopping street itself became a one way arterial serving afternoon commuters as well as delivery trucks, service vehicles, buses and shoppers' cars. The result was a noisy, congested and generally unpleasant environment.

The merchants had adjusted to their low income market; and, in spite of the limited purchasing power available, the Old Town shopping area continued to attract a large volume of retail sales. The core of the shopping area remained economically sound. There were more than 100 stores in four blocks offering furniture, apparel, other goods and convenience items. The merchants, led by two junior department stores, served a trade area of approximately 26,000 households.

Established businesses were profitable, but no new businesses were opening. More and more vacant stores and marginal businesses appeared during the 1960s. A great majority of the established merchants were white, many the second or third generation to do business there; however, there were a few black businessmen. Most of the merchants had lost faith in the future of the area, and were merely hoping for a few more years of operation at an acceptable volume. The riots which accompanied the assassination of Dr. Martin Luther King in 1968 resulted in relatively little damage in Old Town, but the impact upon the merchants' attitudes was devastating. Nevertheless, a small group of merchants with a major stake in the future of Old Town petitioned the city for assistance.

Planning for renewal

The merchants' pleas dovetailed nicely with the city's plans for this part of Baltimore. In 1966 a thorough community renewal program had been developed by the city planning commission and the Baltimore urban renewal and housing agency. This study called for a series of urban renewal and code enforcement projects in East Baltimore to complement existing public housing and renewal projects and the extensive Johns Hopkins Hospital complex. One of these projects was adjacent to Old Town, and planning was nearly completed there. Partially in response to the merchants' interest, Old Town was designated the next urban renewal project in this area.

In Baltimore, the planning commission approves the designation of projects, and it reviews urban renewal plans for conformance with the master plan, capital improvement program, subdivision regulations and the zoning ordinance. In 1968, the Department of Housing and Community Development (HCD) was formed and given responsibility for a wide range of activities including urban renewal, code enforcement, inspection, zoning enforcement and public housing. The HCD planning division works with residents businessmen and property owners to prepare urban renewal plans within the framework of the master plan developed by the planning commission. The HCD planners also coordinate implementation of urban renewal projects.

HCD planners began the planning process for Old Town in 1968. The project included much more than the commercial strip. It encompassed 35 blocks, mostly derelict wholesale and industrial properties intermixed with deteriorated row houses. There were a few blocks of houses suitable for rehabilitation. The shopping area was only one component of a neighborhood which required almost complete reconstruction. Planning for the shopping area was undertaken as part of a planning program for the entire Old Town area.

Participation

The newly formed Model Cities Neighborhood Council was given responsibility to elicit citizen participation. A sustained effort was made by community organizers, and a group of interested residents formed a planning review committee. The planning process was openly conducted in publicized community meetings called by the committee. A core group of residents regularly participated.

The merchants association appointed a member to represent it at these meetings. The representative tactfully refrained from wrangling about issues which did not directly affect the shopping area, but he fully supported the residents' decisions on these was made by community organizers, and a tacit understanding of each group's "sphere of influence" was established. For instance, the residents deferred to the merchants on the location of parking areas within the commercial area; but it was understood that no residential areas would be converted to parking. There were special meetings with merchants on rehabilitation standards and other matters of special concern to them; but the residents were always invited, and some were usually present. In this manner the predominantly white merchants and the black residential community worked together in development of the Old Town urban renewal plan.

The plan itself was developed in the course of biweekly community meetings in 1968 and 1969. Surveys of socioeconomic characteristics and building conditions were conducted. This information and data on traffic volumes, vacancies and public facilities were presented at the planning meetings. Problems were defined and possible solutions were discussed. The planners prepared alternative schemes and one major aspect of the schemes was reviewed, debated and altered at each meeting. Eventually, consensus developed on most issues; and an overall plan evolved through this planning process.

Parking

When planning began, parking was a key issue to the merchants. As lack of parking is the most obvious difference between older shopping areas and suburban shopping centers, they were convinced more parking was their primary need. There was surprise when surveys showed that existing street spaces and a small parking lot were not being fully utilized. Further analysis indicated that parking spaces on nearby side streets were not being used because access from major streets was indirect, the narrow streets were congested, the distance to the stores was

perceived greater than it was due to lack of visual connection, and the side streets were relatively unsafe. In spite of the unused parking spaces, the planners believed that there was a great need for more accessible, convenient and safe parking areas with a visual connection to major streets and the stores. These qualitative aspects of parking are surprisingly subtle, but they are very important to success.

The city's off street parking commission agreed to provide metered lots on sites cleared through urban renewal and made available at a reduced price. The commission recognized that inexpensive meters probably would not generate enough revenue to repay the cost of operation and debt service, but the subsidy can be justified on the basis that tax revenues from the stores are sustained by the parking. (The lots, which were landscaped and screened by brick walls, were developed at a cost in excess of $2,000 a space. They are producing revenue to repay about 60% of the debt service on the bonds.)

Traffic

Analysis of traffic patterns showed that through traffic could easily be rerouted around the shopping area. In fact, planners demonstrated that bypassing this congested area would actually improve traffic flow. Alleys behind the stores existed or could be provided for service and deliveries.

A pedestrian mall was an obvious option. The narrow street (only 45 feet separated the buildings) and the almost exclusively retail character of the street made the mall an attractive option. The architectural firm of O'Malley & Associates was retained to develop a schematic design for the mall.

The merchants, however, were skeptical. They worried about loss of visibility to passing motorists and bus riders. They also worried about the loss of the parking spaces in front of their stores; and they were concerned that vandalism, loitering, and crime would be unmanageable on a mall. The planners and the architectural consultant reviewed each of these problems with the merchants. We pointed out that a majority of the passing motorists and bus riders were commuters who lived at some distance and were unlikely to shop in Old Town. The loss of direct exposure would be compensated by distinctive graphics on a tower on the mall. Signs with mall identification on major streets near the mall would direct motorists to parking areas. Police pledged to put foot patrolmen on the mall and use the emergency vehicle lane for cruisers. Gradually, review of each of these problems led to acceptance of the concept of the pedestrian mall.

Consolidating stores

The length of the mall was determined partially by the location of major streets and other physical planning factors, but the economic viability of the stores to be retained was the main consideration. Vacancies and marginal users, particularly at the fringes of the shopping area, indicated that there was more space available than the market could support. With the assistance of a marketing consultant, a decision was made to reduce the total floor area by approximately one-third through acquisition and clearance as part of the urban renewal project. The viable businesses on the fringe moved into the core of the shopping area that was to become the mall. Property values of the remaining properties were shored up by the change in the supply and demand ratio of available commercial space. The increased demand encouraged owners to invest in rehabilitation of their stores.

Although it is easily overlooked, consolidation of the shopping area is one of the most important elements in the development of Old Town Mall.

Mandatory rehab

The planners also were interested in rehabilitation of the stores, particularly the facades. It made no sense to construct a new mall if the shabby stores were not to be rehabilitated. The planners pointed out that the owners of stores would directly benefit from public expenditures for construction of the mall, development of the new parking areas and the overall redevelopment of the Old Town area. The planners offered to contribute these public improvements to the renewal effort on the condition that the store owners and merchants agreed to rehabilitate their buildings. The merchants agreed, and the ordinance to approve the Old Town plan provided for mandatory rehabilitation standards.

The planners considered creation of a special assessment district as a method of recouping some of the public investment and obtaining financial participation of the merchants in the project. However, the merchants were not prepared to acquiesce to another tax, and the political prospects of this idea were not good.

O'Malley and Associates also was retained to draft special standards for the stores. The architects called for recapturing the worthy architectural qualities of the original nineteenth century buildings and the pedestrian scale of the narrow space between the stores. They proposed to strip away false fronts, tawdry "modernizations" and obtrusive overhanging signs. The cornices, shutters and other decorative elements would be highlighted. The special standards related to the exterior facades, but it was made clear to the merchants that all codes would be enforced as part of the rehabilitation procedure.

The merchants would have preferred a pseudo suburban design, perhaps unified facade panels with a continuous canopy. However, they gradually came to recognize the merits of rehabilitation in an historical manner, particularly when they were advised that this option was far less expensive. The planners favored this because the relatively low cost of minimal compliance enhanced the likelihood that rehabilitation would be completed on all the stores. This is important, because just a few noticeably unrehabilitated stores can almost completely destroy the overall appearance of a shopping area.

Merchants' reactions

Surprisingly, the mandatory standards were attractive to many merchants who were willing to rehabilitate their stores, but who doubted that their neighbors would do so without mandatory controls. In many cases, merchants were disturbed less by the cost of rehabilitation than by the thought that their neighbors might do nothing and benefit from rehabilitation by others. The thought of a "free ride" for some merchants was almost unbearable.

Assurances that the city would inspect every property, issue notices and prosecute to enforce compliance if necessary, was helpful in obtaining the merchants' support. There is also an enforcement provision in the Old Town plan which permits the city to acquire a store through condemnation if the owner cannot or will not rehabilitate. This provision has been used only on one occasion when an unstable individual obtained a fire damaged store.

Store owners also were concerned about the impact of expenditures for rehabilitation on property tax assessment. With the assessor's assistance, however, the planners were able to convince the merchants that assessments would not be increased merely because improvements were made. Only when actual sales and rents indicated a rise in property values would assessments be raised. (An eager assessor increased the assessment of the first merchant to get a permit by the cost of rehabilitation, but he was successfully overruled when planners and merchants protested.)

The planners refused to arrange for tax abatement. With the other public contributions to the project it was not necessary, and the city is entitled to recoup some of its investment if public improvements have enhanced the value of stores on the mall. Indeed, one of the objectives of the urban renewal program is to build the tax base.

About half of the stores on the mall are not owned by businessmen who occupy them. There was some concern about enforcement where owners had delegated maintenance responsibility to tenants through a lease agreement. However, this did not pose any significant problems. By laws, owners are responsible for meeting the standards and, if they have delegated this to the tenant, it is their responsibility to enforce their agreement through civil action. The city need not wait for this to be resolved to take legal action against the owner. In practice, owners and tenants simply renegotiated leases to take into account the rehabilitation undertaken by the tenant or the owner.

Finally, the promise of low interest government loans through HUD's Section 312 program was probably essential to obtaining the merchants' support for the mandatory rehabilitation standards. The terms (3% for 20 years with prepayment privileges) certainly were attractive.

Implementation

After 18 months of planning and meeting, the urban renewal plan was submitted to the planning commission and the city council. At public hearings there was no opposition from merchants or property owners in the shopping area. The plan was approved and 18 months later HUD funded Old Town as a Title I urban renewal project in June, 1971.

Implementation began with the public improvements by the city as promised. This was reassuring to some merchants who were still skeptical that the city would or could do what had been promised. Adjacent to Old Town Mall, the city acquired and cleared the first parking lot site and provided a metered parking lot. During this period, O'Malley and Associates were preparing architectural plans for the mall. The plans called for new brick paving, benches, trees, lights, a clock tower, a fountain and a permanent stage for community events. In addition, there was extensive utility work involved. The mall itself cost approximately $2.6 million and was constructed in two phases.

A special project coordinator was hired by the city to coordinate the contractor's activities with the merchants' needs; and numerous problems were avoided or, at least, minimized.

SBA section 502

As the time to begin the rehabilitation program approached, HUD's 312 loan program was not funded for commercial areas because it was included in President Nixon's 1973 moratorium on various programs. The planners searched for alternatives and discovered the Small Business Administration's Section 502 loan program. This program had been used primarily for industrial and economic development in rural areas, but with the help of the National Development Council, the program was adapted to economic development of inner city shopping areas. After lengthy negotiations with SBA officials, Old Town Mall became the first project of this type to be financed by the SBA.

The program provides for loans to a local development corporation which makes loans to individual small businessmen. (By SBA's definition, a landlord is not a small businessman eligible for these loans.) These loans can be used for fixtures, equipment, purchase of business or buildings as well as rehabilitation

of buildings. The terms are attractive (currently 6⅞% interest for 15 to 25 years, and a merchant may borrow up to 90% of the amount to be invested). SBA calls for participation of a governmental or civic organizaion as well as the borrower in each urban neighborhood project. On Old Town Mall, the City of Baltimore provided low interest loans for part of the remaining 10% of the cost of each project. The borrowing merchant provided the balance.

Happily, the Section 312 loans also became available just as the rehabilitation program began. These loan programs were complementary, in that Section 312 serves property owners, including landlords, but not tenants, while Section 502 serves tenants and merchants who own their stores, but not landlords. Section 312 loans are available at 3% interest for 20 years, but they can only be used for rehabilitation. Most of the merchant owners who made loans chose the SBA 502 program because of its flexibility, even though the interest rates are higher.

After meetings and letters explaining the procedure to the merchants, inspectors visited every property and issued formal legal notices with yet another letter explaining design review and loan application procedures. Coordination of inspectors, designers, loan advisors and construction managers was facilitated because they are all within Baltimore's consolidated HCD agency. Staff planners worked closely with each property owner to interpret how his building could be rehabilitated in accordance with the standards. All notices required that violations be corrected in a manner approved by the planners. Arrangements were made to have planners review all permits in this area. The project coordinator assisted merchants in preparing applications for loans.

The strategy was to work first with progressive merchants who voluntarily began rehabilitation. Their success in obtaining financing and actually rehabilitating their stores prompted a large number of skeptical merchants to begin the process in earnest. Finally, a few recalcitrant merchants were isolated and pressured into complying by threats of court action which were much more credible when most of their neighbors had complied. Merchants who had rehabilitated became zealous supporters of rehabilitation, and demanded that their neighbors also be required to comply. In the two years the mall was under construction, all but a few of the 84 stores had rehabilitated or were in the process of obtaining financing. Approximately $2.1 million was invested in rehabilitation by the owners. About $1 million was financed through the SBA 502 program, and about $175,000 through HUD's 312 program. The balance was through the owners' resources. In most cases, merchants and owners had no difficulty in obtaining financing.

Public relations

Another aspect of implementation involved promotion of the mall. During construction the public was reassured that the stores were open for business. Upon completion there was a grand opening and a program began to give Old Town Mall a better image. A special effort was made to encourage community groups to use the mall to promote the mall. The project coordinator was responsible for working with the merchants association and the community to organize jazz festivals, puppet shows, modern dance, bake sales, etc. Hopefully, these initial promotions will establish a pattern for promotions and community use of the mall, which is equipped with a permanent stage and a plaza. The mall is intended to be not just a shopping area, but a center of community life.

Adjacent neighborhoods

The plan called for new and rehabilitated housing in addition to revitalization of the shopping area. As mentioned before, both aspects were seen as complementary.

Several blocks of deteriorated row houses intermixed with commercial buildings were cleared for new housing. A highrise public housing building for the elderly has been constructed at the north end of the mall. The residents not only appreciate the convenience, they enjoy the hustle and bustle as the shoppers come and go to the mall. A Section 236 apartment development on one side of the mall is nearing completion. In Old Town and adjacent urban renewal areas, more than 600 new apartments and townhouses are under construction.

On the other side of the mall, an entire block of 1830's row houses on Stirling Street has been rehabilitated in a historically authentic manner through Baltimore's homesteading program. The houses were offered for $1 each, and an integrated group of middle income people responded enthusiastically. With the assistance of low interest city and federal loans, these brave homesteaders invested an average of $27,000 each. Additional housing rehabilitation is planned for sale to families with more modest incomes. New housing is also planned on sites formerly occupied by commercial buildings.

The Old Town plan also provided for a new consolidated fire house, a new high school stadium and several playgrounds. These public facilities, a new community high school near Old Town and redevelopment in adjacent urban renewal areas have transformed several neighborhoods in this part of Baltimore. Old Town Mall is the centerpiece in this transformation.

Evaluation

It's too soon to really evaluate Old Town Mall.

Evaluation of the impact of the project upon sales is difficult to gauge due to fluctuations in the economy. Another variable which clouds the picture is the relocation of several hundred households from the immediate area at about the same time the mall was constructed. Now, these households are being replaced as new housing developments are being completed. In spite of the above, merchants report that their sales did not suffer significantly during construction and that they are now experiencing increases comparable to those of merchants downtown and in other shopping areas. The number of vacant stores has decreased, and many of the marginal businesses have been replaced by sound businesses. Several new stores have opened on the mall; and it is fair to say that most, if not all, of them would not have come to Old Town without the mall. The most skeptical merchants' attitudes have swung from pessimism to at least guarded optimism. Many are enthusiastically optimistic. Those who formerly thought the area was dying slowly now believe that Old Town Mall has a secure future. Many believe there is excellent potential for growth.

Community residents enjoy the mall activities, shop there more now and are pleased by the availability of some new stores and somewhat better merchandise and services. The number of black owned businesses has increased from about 10% to more than 30%, largely as a result of federal loan programs to stimulate minority business development.

The city invested about $3 million of federal funds in the mall, parking areas and related improvements. A much larger amount was invested in the surrounding areas. This investment stimulated an additional $2.1 million by store owners and created a stable, or possibly growing, tax base in this area. The mall is an important element in the revitalization of the neighborhoods in this part of Baltimore. Old Town Mall is an asset which reinforces the Stirling Street homesteading project, the elderly housing and other renewal projects in the area.

For more information, contact the author at the Baltimore Department of Housing and Community Development, 222 East Saratoga Street, Baltimore, Maryland 21203. 301/396-4233.

(This concludes additional statements submitted on S. 1523.)

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I appreciate the chairman giving me this opportunity to say just a few words. I am not offering an amendment, but I simply want to rise, as we are about to complete this bill, to compliment the chairman and the ranking minority member for the excellent job that has been done not only in handling the bill here on the floor, but through the committee. This is one of the most complete and complex housing bills I believe we have ever had presented to us. It is a very fine bill that we are asking the Senate to approve at this time. It has required good work.

I believe every member of the Banking, Housing, and Urban Affairs Committee would testify to the diligence and the cooperation that was given by the entire membership of the committee under the leadership of our chairman, the Senator from Wisconsin (Mr. PROXMIRE), and the very able ranking minority member, Mr. BROOKE.

I simply wanted to state my pleasure and congratulate the whole committee, the whole Senate, but particularly the leaders, in presenting this very fine, complete, and complex housing bill. I think it is a great day in the Senate for the cause of housing.

Mr. PROXMIRE. Mr. President, I cannot think of anybody who served in the Senate in the years I have been here, and I have been here 20 years, who has been more identified with constructive housing legislation than the Senator from Alabama. He is Mr. Housing. He is chairman of our Housing Subcommittee.

Although he is chairman of the Foreign Relations Committee, too, which, of course, occupies much of his time, he has been an extremely diligent member of the committee as well as by far the best informed member and the member whom I believe all of us look to for advice and guidance on housing.

Whatever merit this bill may have, the Senator from Alabama certainly deserves great credit for it.

Incidentally, the past housing bills we have passed over the last 30 years have all had his mark. They have been primarily Sparkman bills. I am delighted to have that commendation from the Senator from Alabama and I treasure it.

Mr. BROOKE. Will the Senator yield for 30 seconds?

Mr. PROXMIRE. I yield.

Mr. BROOKE. Mr. President, I just want to thank the distinguished Senator from Alabama (Mr. SPARKMAN) for his most generous words. I would like to say to him that this is my 11th year on this

committee, and he has been my tutor and inspiration. Any work we have done in housing certainly has come from the great leadership he has given to us and to the members of the committee.

I am just so grateful to have had the opportunity to serve under him as chairman of the full committee and as chairman of the Housing Subcommittee.

Mr. ROBERT C. BYRD. Mr. President, I wish to add my commendations to those that have been previously expressed by Mr. SPARKMAN, who has had a long, and interesting, and colorful, and successful, and very useful career in the area of housing legislation, when he complimented Mr. PROXMIRE and Mr. BROOKE on the performance that both have contributed with respect to the passage of the housing measure today, with respect to the conduct of the hearings and the studies that went into the reporting of the bill, and with respect also to their fine display of managership in connection with that today on the floor.

I compliment all Senators on both sides of the aisle who contributed their services and their wisdom to the legislation.

Mr. BAKER. Mr. President, I join the distinguished majority leader in extending my congratulations to the distinguished manager of the bill and the distinguished minority manager of the bill, Mr. BROOKE.

They have performed a good service for the Senate and the country in moving this bill expeditiously to the point of passage by the Senate.

I would like to pay a special tribute to and thanks to the distinguished junior Senator from Massachusetts for his expert handling of this matter in committee and on the floor and to express the appreciation of all his colleagues for that handling.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be discharged from further consideration of H.R. 6655, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6655) to amend certain Federal laws pertaining to community development, housing, and related programs.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

The Senate proceeded to consider the bill.

Mr. PROXMIRE. Mr. President, I move to strike all after the enacting clause and insert in lieu thereof the text of S. 1523, as amended by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wisconsin.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Michigan (Mr. RIEGLE), and the Senator from Delaware (Mr. BIDEN) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

I further announce that, if present and voting, the Senator from Michigan (Mr. RIEGLE) and the Senator from North Carolina (Mr. MORGAN) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Kansas (Mr. PEARSON) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from New York (Mr. JAVITS) would each vote "yea."

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Utah (Mr. GARN).

If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Utah would vote "nay."

The result was announced—yeas 79, nays 7, as follows:

[Rollcall Vote No. 177 Leg.]

YEAS—79

Abourezk	Eagleton	Melcher
Allen	Eastland	Metzenbaum
Anderson	Ford	Moynihan
Baker	Glenn	Muskie
Bartlett	Gravel	Nelson
Bayh	Griffin	Nunn
Bellmon	Hart	Packwood
Bentsen	Hatch	Pell
Brooke	Hatfield	Percy
Bumpers	Hathaway	Proxmire
Burdick	Hayakawa	Randolph
Byrd, Harry F., Jr.	Heinz	Ribicoff
	Hollings	Roth
Byrd, Robert C.	Huddleston	Sarbanes
Cannon	Humphrey	Sasser
Case	Inouye	Schmitt
Chafee	Jackson	Schweiker
Chiles	Johnston	Sparkman
Church	Kennedy	Stafford
Clark	Leahy	Stennis
Cranston	Lugar	Stevens
Culver	Magnuson	Stevenson
Danforth	Mathias	Talmadge
DeConcini	Matsunaga	Weicker
Dole	McClure	Williams
Domenici	McGovern	Zorinsky
Durkin	McIntyre	

NAYS—7

Curtis	Laxalt	Wallop
Hansen	Scott	
Helms	Tower	

NOT VOTING—14

Biden	Long	Riegle
Garn	McClellan	Stone
Goldwater	Metcalf	Thurmond
Haskell	Morgan	Young
Javits	Pearson	

So the bill (H.R. 6655), as amended, was passed, as follows:

That this Act may be cited as the "Housing and Community Development Act of 1977".

TITLE I—COMMUNITY DEVELOPMENT

SEC. 101. Section 102(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "the Trust Territory of the Pacific Islands; and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States" in paragraph (1) and inserting in lieu thereof "and the Trust Territory of the Pacific Islands";

(2) by inserting before the period at the end of paragraph (4) a semicolon and the following: "except that any city which has been classified as a metropolitan city under clause (B) of this paragraph shall continue to be so classified until the decennial census indicates that the population of such city is below fifty thousand";

(3) by inserting in paragraph (6) "either" before "(B)" and by inserting before the period at the end thereof the following: "or (C) has a population in excess of one hundred thousand, a population density of five thousand persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of Census";

(4) by redesignating paragraphs (10), (11), (12), and (13) as paragraphs (18), (19), (20), and (21), respectively; and

(5) by inserting after paragraph (9) the following new paragraphs:

"(10) The term 'age of housing' means the number of existing housing units constructed in 1939 or earlier based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

"(11) The term 'extent of growth lag' means the number of persons who would have been residents in a metropolitan city or urban county, in excess of the current population of such metropolitan city or urban county, if such metropolitan city or urban county had had a population growth rate between 1960 and the date of the most recent population count referable to the same point or period in time equal to the population growth rate for such period of all metropolitan cities.

"(12) The term 'housing stock' means the number of existing housing units based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

"(13) The term 'allocation amount' means—

"(A) for the purpose of section 106(b)(1)(C), the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either the average of the ratios in section 106(b)(1)(A) or the sum of the weighted ratios in section 106(b)(1)(B); and

"(B) for the purpose of section 106(b)(2)(C), the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either the average of the ratios in section 106(b)(2)(A) or the sum of the weighted ratios in section 106(b)(2)(B).

"(14) The term 'adjustment factor' means the ratio between the age of housing in the metropolitan city or urban county and the predicted age of housing in such city or county.

"(15) The term 'predicted age of housing' means the arithmetic product of the housing stock in the metropolitan city or urban

county multiplied times the ratio between the age of housing in all metropolitan areas and the housing stock in all metropolitan areas.

"(16) The term 'adjusted age of housing' means the arithmetic product of the age of housing in the metropolitan city or urban county multiplied times the adjustment factor.

"(17) The term 'Indian tribe' means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village, of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) or under the State and Local Fiscal Assistance Act of 1972 (Public Law 92-512).".

SEC. 102. (a) Section 103(a)(1) of the Housing and Community Development Act of 1974 is amended by striking out everything after the first sentence and inserting in lieu thereof the following: "There are authorized to be appropriated for these purposes not to exceed $3,500,000,000 for the fiscal year 1978, not to exceed $3,650,000,000 for the fiscal year 1979, and not to exceed $3,800,000,000 for the fiscal year 1980. Any amount authorized for any fiscal year under this section but not appropriated for such year may be appropriated for any succeeding fiscal year.".

(b) Section 103(a)(1) of such Act is amended by inserting "and Indian tribes" immediately after "units of general local government".

(c) Section 103(a)(2) of such Act is amended to read as follows:

"(2) Of the amounts appropriated pursuant to paragraph (1), $50,000,000 for each of the fiscal years 1975 and 1976, and $200,000,000 for the fiscal year 1977, not more than 50 per centum of which amount may be used under section 106(d)(1), and $350,000,000, $265,000,000, and $250,000,000 for the fiscal years 1978, 1979, and 1980, respectively, of which amounts not more than $175,000,000, $25,000,000, and no amounts may be used under section 106(d)(1) in the fiscal years 1978, 1979, and 1980, respectively, shall be added to the amount available for allocation under section 108(d) and shall not be subject to the provisions of section 107.".

(d) Section 103(b) of such Act is amended by—

(1) striking out "for the fiscal year 1977," and inserting in lieu thereof "for each of the fiscal years 1977, 1978, 1979, and 1980,"; and

(2) striking out "to units of general local government having urgent community development needs which cannot be met" and inserting in lieu thereof "for the financial settlement and, to the extent feasible, the completion of projects and programs assisted under the categorical programs terminated in section 116(a), primarily urban renewal projects assisted under the Housing Act of 1949, as amended, to units of general local government which require supplemental assistance which cannot be provided".

(e) Section 103 of such Act is amended—

(1) by striking out subsection (d);

(2) by redesignating subsection (c) as subsection (e); and

(3) by inserting after subsection (b) the following:

"(c) In addition to the amounts available under subsections (a) and (b), there are authorized to be appropriated not to exceed $400,000,000 for each of the fiscal years 1978, 1979, and 1980, which shall be available for the purpose of allocations determined pursuant to section 106(b)(1)(C) or section 106(b)(2)(C) to the extent that allocations so determined exceed the higher of the amounts otherwise determined under section 106(b) or under section 106(g), as the case may be. Any amount so appropriated which remains after application of the preceding sentence shall be available for the purpose of assisting severely distressed cities and urban counties which require supplemental grant assistance under section 119 in order to alleviate excessive physical and economic deterioration through neighborhood reclamation and community revitalization. Any sums appropriated under this subsection shall not be subject to section 106(a).

"(d)(1) If the amount of appropriations pursuant to subsection (a)(1) for any fiscal year is less than the amount authorized under subsection (a)(1), the Secretary is authorized and directed to utilize amounts appropriated under subsection (c) to the extent necessary to make available for allocation the total amount authorized under subsection (a)(1).

"(2) If the amount of appropriations pursuant to subsection (c) and available for any fiscal year is less than the total amount necessary for the purpose referred to in the first sentence of such subsection, the Secretary shall ratably reduce the amount by which each metropolitan city's and urban county's allocation under section 106(b)(1)(C) or (b)(2)(C) exceeds its allocation or amount as determined under section 106(b)(1)(A) or (B) or section 106(b)(2)(A) or (B) or under subsection (g).

"(3) Any amounts appropriated under this section shall remain available until expended and any amounts authorized for any fiscal year under this section but not appropriated for such year may be appropriated for any succeeding fiscal year.

SEC. 103. (a) Section 104(a)(4) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and" at the end of subclause (B);

(2) by striking out the semicolon at the end of subclause (C) and inserting in lieu thereof a comma; and

(3) by adding at the end thereof the following:

"(D) identifies housing stock which is in a deteriorated condition or which is likely to deteriorate and provides for the reclamation of such housing stock where feasible through the use of a broad range of techniques for housing restoration by local government, the private sector, or community organizations, including—

"(i) acquisition and rehabilitation of blighted properties for use as scatter-site conventional public housing;

"(ii) acquisition and rehabilitation of blighted properties for resale to owner-occupants with or without subsidy;

"(iii) acquisition and rehabilitation of blighted multifamily properties for resale to a tenant cooperative or nonprofit owner;

"(iv) use of qualified local organizations to acquire and restore properties with some degree of subsidy, such as block grant assistance for writedown, or subsidized loans;

"(v) acquisition or sale of blighted properties for resale to families at nominal or below-market prices, under a homesteading program;

"(vi) use of the Neighborhood Housing Service program or other similar program to upgrade neighborhoods, increase degree of home ownership, and improve degree of code compliance;

"(vii) technical assistance and cooperative involvement of local financial institutions to facilitate purchase and restoration of target units by subsidized and unsubsidized owner-occupants;

"(viii) any other acceptable use of Federal, State, local or community funds or programs for the purpose of reclaiming blighted but salvageable housing and stabilizing neighborhoods; and

"(ix) use of code enforcement program as a means for upgrading neighborhoods,

"(E) includes adequate provisions to insure that the preponderance of families benefiting from subsidized housing rehabilitation are of low- and moderate-income, and that a reasonable proportion of rehabilitated units are set aside to give tenants displaced as a result of the rehabilitation activity an opportunity to relocate in their immediate neighborhood, and

"(F) designates, to the maximum extent practicable, one or more concentrated neighborhood revitalization areas in which housing rehabilitation and neighborhood revitalization will be concentrated.".

(b) Section 105(a) of such Act is amended by inserting after "under this title" the following: "shall consist of activities which carry out a comprehensive strategy for meeting the community development and housing needs and priorities identified pursuant to section 104, giving primary attention to activities benefiting low and moderate income persons and neighborhoods. These activities".

(c) Section 104(b)(2) of such Act is amended—

(1) by striking out "low- or moderate-income" in the first sentence and inserting in lieu thereof "low and moderate-income"; and

(2) by striking out all after "urgency" in the second sentence and inserting in lieu thereof "because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.".

(d) Section 104(c)(3) of such Act is amended by inserting after "the requirements of this title" the following: "with specific regard to the primary purpose of principally benefiting persons of low and moderate income".

(e) Section 104(a)(2)(B) is amended by inserting after "needs" a comma and the following: "including activities designed to revitalize neighborhoods for the benefit of low- and moderate-income persons,".

(f) Section 104(a)(6) of such Act is amended to read as follows:

"(6) provides satisfactory assurances that, prior to submission of its application, it has (A) prepared a citizen participation plan which provides citizens an opportunity to participate in the development of the application, encourages the submission of views and proposals, particularly by residents of blighted neighborhoods and citizens of low and moderate income, provides for timely responses to the proposals submitted, and schedules hearings at times and locations which permit broad participation; (B) provided citizens with adequate information concerning the amount of funds available for proposed community development activities and housing activities, the range of activities that may be undertaken, and other important requirements, and (C) held public hearings to obtain the views of citizens on community development and housing needs, but nothing in this clause (6) shall be construed to restrict the responsibility and authority of the applicant for the development of the application and the execution of its community development program.".

(g) Section 104 of such Act is amended by adding the following new subsection at the end thereof:

"(i)(1) The Secretary may, in making funds available to the recipients of grants under this title, permit any such recipient to receive funds, in one payment, in an amount not to exceed the total amount designated in the recipient's application, and approved by the Secretary pursuant to this section, for use by the recipient for establishing a rehabilitation loan fund which is to be established in a private financial institution and which is to be used to finance rehabilitation activities that are part of the recipient's community development program. The Secretary may, as a condition of making

such payment, require that the rehabilitation loan fund be utilized for the making of loans to finance rehabilitation activities in a manner consistent with this Act. Rehabilitation activities authorized under this section shall begin within forty-five days after the Secretary has made such payment.

"(2) The Secretary shall establish standards for such cash disbursements which will insure that the deposits result in appropriate benefits in support of the recipient's rehabilitation program. These standards shall be designed to assure that the benefits to be derived from the local program include at a minimum one or more of the following elements, or such other criteria as determined by the Secretary:

"(A) Leverage of community development block grant funds so that participating financial institutions commit private funds for loans in the rehabilitation program in amounts substantially in excess of deposit of community development funds;

"(B) commitment of private funds for rehabilitation loans at below-market interest rates or with repayment periods lengthened or at higher risk than would normally be taken;

"(C) provision of administrative services in support of the rehabilitation program by the participating lending institutions; and

"(D) interest earned on such cash deposits shall be used in a manner which supports the community rehabilitation program.

At the time of application, the Secretary shall review and approve all agreements with lending institutions which receive funds for community rehabilitation programs. Such approval shall be made on a case-by-case basis, and upon a determination by the Secretary that the agreement with the lending institution meets minimum benefit as listed in this paragraph.".

SEC. 104. (a) The parenthetical expression in section 105(a)(4) of the Housing and Community Development Act of 1974 is amended to read as follows: "(including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation, of privately owned properties)".

(b) Section 105(a)(8) of such Act is amended by striking "economic development,".

(c) Section 105(a) of such Act is further amended—

(1) striking out "or" at the end of clause (12);

(2) striking out the period at the end of clause (13) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(14) activities which are carried out by public or private nonprofit entities when such activities are necessary or appropriate to meeting the needs and objectives of the community development plan described in section 104(a)(1), including (A) acquisition of real property; (B) acquisition, construction, reconstruction, rehabilitation, or installation of (i) public facilities, site improvements, and utilities, and (ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; (C) planning; and (D) assistance to local development corporations for activities eligible under this title; and

"(15) grants to neighborhood-based nonprofit organizations or entities organized under section 301(d) of the Small Business Investment Act of 1958 to carry out a neighborhood revitalization or community economic development project in furtherance of the objectives of section 101(c).".

SEC. 105. (a) Section 106(a) of the Housing Community Development Act of 1974 is amended by striking out "(2) or (3)" and inserting in lieu thereof "(1) or (2)", and by adding at the end thereof the following: : *Provided*, however, That each metropolitan city or urban county shall be entitled to an annual grant whose aggregate amount is at least 80 per centum of the aggregate amount of the grant to which the metropolitan city or urban county was entitled in the preceding fiscal year, any other provision of this Act notwithstanding. If appropriations are not sufficient to fund fully allocations to metropolitan cities and urban counties made under this section, 60 per centum of the funds necessary to fund such allocations shall be transferred from funds provided for use in accordance with section 103(a)(2) of this title, and 40 per centum of the funds necessary to fund such allocations shall be transferred from funds provided for use in accordance with section 107 of this title, to a maximum of $15,000,000 and $10,000,000, respectively.".

(b) Section 106(b) (1), (2), (3), and (4) of such Act are amended to read as follows:

"(b)(1) The Secretary shall determine the amount to be allocated to each metropolitan city which shall be the greatest of—

"(A) an amount that bears the same ratio to the allocation for all metropolitan areas as the average of the ratios between—

"(i) the population of that city and the population of all metropolitan areas;

"(ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and

"(iii) the extent of housing overcrowding in that city and the extent of housing overcrowding in all metropolitan areas;

"(B) an amount that bears the same ratio to the allocation for all metropolitan areas as the sum of the weighted ratios of—

"(i) the extent of growth lag in that city and the extent of growth lag in all metropolitan cities;

"(ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and

"(iii) the age of housing in that city and the age of housing in all metropolitan areas; or

"(C) an amount that bears the same ratio to the allocation amount for all metropolitan cities as the sum of the weighted ratios of—

"(i) the extent of growth lag in that city and the extent of growth lag in all metropolitan cities;

"(ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and

"(iii) the adjusted age of housing in that city and the age of housing in all metropolitan areas.

"(2) The Secretary shall determine the amount to be allocated to each urban county which shall be the greatest of—

"(A) an amount that bears the same ratio to the allocation for all metropolitan areas as the average of the ratio between—

"(i) the population of that urban county and the population of all metropolitan areas;

"(ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and

"(iii) the extent of housing overcrowding in that urban county and the extent of housing overcrowding in all metropolitan areas;

"(B) an amount that bears the same ratio to the allocation for all metropolitan areas as the sum of the weighted ratios of—

"(i) the extent of growth lag in that urban county and the extent of growth lag in all metropolitan cities and urban counties;

"(ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas;

"(iii) the age of housing in that urban county and the age of housing in all metropolitan areas; or

"(C) an amount that bears the same ratio to the allocation amount for all urban counties as the sum of the weighted ratios of—

"(i) the extent of growth lag in that urban county and the extent of growth lag in all metropolitan cities and urban counties;

"(ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and

"(iii) the adjusted age of housing in that urban county and the age of housing in all metropolitan areas.

"(3) In determining the average of ratios under paragraph (1)(A) and (2)(A), the ratio involving the extent of poverty shall be counted twice; in determining the sum of the weighted ratios under paragraphs (1)(B) and (2)(B), the ratios involving the extent of growth lag, the extent of poverty, and age of housing shall be weighted as 0.20, 0.30, and 0.50, respectively; and in determining the sum of the weighted ratios under paragraph (1)(C) and (2)(C), the ratios involving the extent of growth lag, the extent of poverty, and the adjusted age of housing shall be weighted as 0.20, 0.30, and 0.50, respectively.

"(4) Notwithstanding any other provision of this subsection—

"(A) the amount by which the allocation of any metropolitan city or urban county determined under paragraph (1)(C) or (2)(C) exceeds the allocation of that city or county as such allocation would be determined under paragraph (1)(A) or (B) or (2)(A) or (B) of this subsection or under subsection (g) shall be reduced by 50 per centum in fiscal year 1978 and by 25 per centum in fiscal year 1979; and

"(B) the aggregate amount by which all allocations determined under paragraph (1)(C) or (2)(C) exceed the allocations or amounts as such allocations or amounts which would be determined under paragraph (1)(A) or (B) or (2)(A) or (B) or under subsection (g) shall not exceed amounts appropriated under section 103(c).".

(c) Section 106(b)(5) of such Act is amended by striking out "receive" and inserting in lieu thereof "are entitled to", and by inserting before the period at the end thereof a comma and "or (C) which receive grants for comprehensive community development programs under subsection (d)(2)."

(d) Section 106(c) of such Act is amended—

(1) by striking out "During the first three years for which funds are approved for distribution to a metropolitan city or urban county under this section" and inserting in lieu thereof "With respect to funds approved for distribution to a metropolitan city or urban county under this section during fiscal years 1975, 1976, and 1977"; and

(2) by inserting "only for such funds approved for distribution in fiscal years 1975, 1976, and 1977" immediately after "adjusted".

(e) Section 106(d) of such Act is amended to read as follows:

"(d)(1) Any portion of the amount allocated to metropolitan areas under the first sentence of subsection (a) which remains after the allocation of grants to metropolitan cities and urban counties in accordance with subsections (b) and (c) and any amounts added in accordance with the provisions of section 103(a)(2) shall be allocated by the Secretary, first, for grants to metropolitan cities, urban counties, Indian tribes, and other units of general local government within metropolitan areas to meet their hold-harmless needs as determined under subsections (g) and (h), and for grants to units of general local government which have been approved for annual funding for comprehensive community development programs under paragraph (3), and, second, in accordance with the provisions of paragraph (2).

"(2) Any portion of such amount which remains after applying the provisions of paragraph (1) shall be utilized by the Secretary for grants to units of general local gov-

ernment within metropolitan areas (other than metropolitan cities and urban counties) and States for use within metropolitan areas, allocating for the metropolitan areas of each State the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this paragraph as either—

"(A) the average of the ratios between—

"(i) the population of the metropolitan areas in that State and the population of the metroplitan areas in that State and the population of the metropolitan areas of all States;

"(ii) the extent of poverty in the metropolitan areas in that State and the extent of poverty in the metropolitan areas of all States; and

"(iii) the extent of housing overcrowding in the metropolitan areas in that State and the extent of housing overcrowding in the metropolitan areas of all States; or

"(B) the average of the ratios between—

"(i) the age of housing in the metropolitan areas in that State and the age of housing in the metropolitan areas of all States;

"(ii) the extent of poverty in the metropolitan areas in that State and the extent of poverty in the metropolitan areas of all States; and

"(iii) the population of the metropolitan areas in that State and the population of the metropolitan areas of all States.

In determining the average of the ratios under subparagraph (A), the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under subparagraph (B), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the etxent of poverty shall be counted one and one-half times, and the ratio involving population shall be counted once. The Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under this paragraph and the total of the amounts available under such paragraph, make a pro rata reduction of each amount allocated to the metropolitan areas in each State under such paragraph so that the metropolitan areas in each State will receive an amount which represents the same percentage of the total amount available under such paragraph as the percentage which the metropolitan areas of the same State would have received under such paragraph if the total amount available under that paragraph had equaled the total amount which was allocated under that paragraph. In computing amounts under this paragraph, there shall be excluded metropolitan cities, urban counties, Indian tribes, and units of general local government which are entitled to grants pursuant to paragraph (1).

"(3) If the Secretary approves a grant to a unit of general local government which has a comprehensive community development program with provision for lower income housing, the Secretary may make multiyear commitments to any such unit of general local government for specified grant amounts, subject to the availability of appropriations. In determining whether to make such a commitment to a unit of general local government, the Secretary shall give due consideration to past and present performance and shall fund those units of general local government which are presently carrying out a comprehensive community development program with entitlements under subsection (h) before making new commitments. The Secretary shall establish for each participating unit of general local government an annual entitlement at an amount meaningful in relation to the size of the unit, the program identified, capacity to perform, prior and present funding levels under this title, age of housing, poverty, and impact on the unit's growth or national policy or direct Federal program decisions. In funding units of general local government presently receiving entitlements under subsection (h), the Secretary shall include as part of any commitment made and based on a comprehensive community development program, funding amounts assured under subsection (h) for fiscal years 1978 and 1979. Notwithstanding any other provision of this paragraph, the Secretary may accept and approve commitments for annual entitlements based on comprehensive community development programs commencing in future fiscal years subject only to the availability of appropriations.".

(f) Section 106(e) of such Act is amended—

(1) by striking out "during such program period" and inserting in lieu thereof "within a reasonable time"; and

(2) by striking out "during the same period".

(g) Section 106(f) of such Act is amended—

(1) by striking out subsection (f)(1) and inserting in lieu thereof the following:

"(f)(1) Of the amount approved in an appropriation Act under section 103(a) for grants in any year (excluding the amount provided for use in accordance with sections 103(a)(2) and 107), 20 per centum shall be allocated by the Secretary—

"(A) first, for grants to units of general local government and Indian tribes outside of metropolitan areas to meet their hold-harmless needs as determined under subsection (h), and for grants to units of general local government which have been approved for annual funding for comprehensive community development programs under paragraph (2); and

"(B) second, any portion of such amount which remains after applying the provisions of subparagraph (A) shall be utilized by the Secretary for grants to units of general local government outside metropolitan areas and States for use outside metropolitan areas, allocating for the nonmetropolitan areas of each State the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this paragraph as either—

"(i) the average of the ratios between—

"(I) the population of the nonmetropolitan areas in that State and the population of the nonmetropolitan areas of all States;

"(II) the extent of poverty in the nonmetropolitan areas in that State and the extent of poverty in the nonmetropolitan areas of all States; and

"(III) the extent of housing overcrowding in the nonmetropolitan areas in that State and the extent of housing overcrowding in the nonmetropolitan areas of all States; or

"(ii) the average of the ratios between—

"(I) the age of housing in the nonmetropolitan areas in that State and the age of housing in the nonmetropolitan areas of all States;

"(II) the extent of poverty in the nonmetropolitan areas in that State and the extent of poverty in the nonmetropolitan areas of all States; and

"(III) the population of the nonmetropolitan areas in that State and the population of the nonmetropolitan areas of all States.

In determining the average of the ratios under clause (i) of subparagraph (B), the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under clause (ii) of subparagraph (B), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio of involving population shall be counted once. The Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under subparagraph (B) and the total of the amounts available under such subparagraph, make a pro rata reduction of each amount allocated to the nonmetropolitan areas in each State under such subparagraph so that the nonmetropolitan areas in each State will receive an amount which represents the same percentage of the total amount available under such subparagraph as the percentage which the nonmetropolitan areas of the same State would have received under such subparagraph if the total amount available under such subparagraph had equaled the total amount which was allocated under such subparagraph. In computing amounts under this paragraph, there shall be excluded Indian tribes and units of general local government which are entitled to grants pursuant to subparagraph (A).

"(2) If the Secretary approves a grant to a unit of general local government which has a comprehensive community development program with provisions for lower income housing, the Secretary may make multiyear commitments to any such unit of general local government for specified grant amounts, subject to the availability of appropriations. In determining whether to make such a commitment to a unit of general local government, the Secretary shall give due consideration to past and present performance and shall fund those units of general local government which are presently carrying out a comprehensive community development program with entitlements under subsection (h) before making new commitments. The Secretary shall establish for each participating unit of general local government an annual entitlement at an amount meaningful in relation to the size of the unit, the program identified, capacity to perform, prior and present funding levels under this title, age of housing, poverty, and impact on the unit's growth of national policy or direct Federal program decisions. In funding units of general local government presently receiving entitlements under subsection (h), the Secretary shall include as part of any commitment made and based on a comprehensive community development program, funding amounts assured under subsection (h) for fiscal years 1978 and 1979. Notwithstanding any other provision of this paragraph, the Secretary may accept and approve commitments for annual entitlements based on comprehensive community development programs commencing in future fiscal years subject only to the availability of appropriations.";

(2) by redesignating paragraph (2) as paragraph (3);

(3) by striking out "during such period" in paragraph (3), as redesignated, and inserting in lieu thereof "within a reasonable time"; and

(4) by striking "during the same period" in such paragraph.

(h) Section 106(g)(2) of such Act is amended—

(1) by striking out "(b) (2) or (3)" and inserting in lieu thereof "(b) (1)(A) or (2)(A)";

(2) by inserting ", as computed under subsection (b) (1)(A) or (2)(A)," immediately before "shall" in paragraphs (i) and (ii).

(i) Section 106(i) of such Act is amended—

(1) by striking "population, poverty, and housing overcrowding"; and

(2) by striking out "receive" and inserting in lieu thereof "are entitled to".

(j) Section 106(j) of such Act is amended—

(1) by striking out "not later than thirty days prior to the beginning of any program period" and inserting in lieu thereof "by such date as the Secretary shall determine"; and

(2) by inserting "for hold-harmless grant for a single year" immediately after "eligibility".

SEC. 106. (a) Section 107(a) of the Housing and Community Development Act of 1974 is amended—

(1) by striking out "and 1977" and inserting in lieu thereof "1977, 1978, 1979, and 1980,";

(2) by striking out "2 per centum" and inserting in lieu thereof "3 per centum";

(3) by striking out "and units of general local government" in paragraph (5) and inserting in lieu thereof ", units of general local government, and Indian tribes";

(4) by striking out "and" in paragraph (5), striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding the following new paragraph at the end thereof:

"(7) to Indian tribes.".

(b) Section 107 of such Act is amended by adding the following new subsection at the end thereof:

"(d) No grant may be made under this section to an Indian tribe unless the applicant provides satisfactory assurances that its program will be conducted and administered in conformity with title II of Public Law 90-284. The Secretary may waive, in connection with such grants, the provisions of section 109 and section 110.".

SEC. 107. Section 108 of the Housing and Community Development Act of 1974 is amended—

(1) by striking out subsections (a) and (b);

(2) by redesignating subsections (c), (d), (e), (f), and (g) as subsections (f), (g), (h), (i), and (j), respectively:

(3) by inserting before subsection (1), as redesignated the following:

"(a) The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to guarantee and make commitments to guarantee the notes or other obligations issued by units of general local government, or by public agencies designated by such units of general local government, for the purposes of financing acquisition of real property or the rehabilitation of real property (including such related expenses as the Secretary may permit by regulation) to serve or be used in carrying out activities which are eligible for assistance under section 105 and are identified in the application under section 104. Notes or other obligations guaranteed pursuant to this section shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary.

"(b) No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this section would thereby exceed an amount equal to three times the amount of the grant approved for the issuer pursuant to section 106.

"(c) Notwithstanding any other provision of this title, grants allocated to an issuer pursuant to this title (including program income derived therefrom) are authorized for use in the payment of principal and interest due (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) on the notes or other obligations guaranteed pursuant to this section.

"(d) To assure the repayment of obligations and charges incurred under this section and as a condition for receiving such guarantees, the Secretary shall require the issuer to—

"(1) enter into a contract, in a form acceptable to the Secretary, for repayment of obligations guaranteed hereunder over a period not in excess of six years;

"(2) pledge any grant approved or for which the issuer may become eligible under this title; and

"(3) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabiilated property.

"(e) The Secretary is authorized, notwithstanding any other provision of this title, to apply grants pledged pursuant to paragraph (d) to any repayments due the United States as a result of such guarantees.";

(4) by adding at the end of subsection (h), as redesignated, the following: "However, notwithstanding any other provisions of this section, the total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to subsection (a) shall not at any time exceed $3,500,000,000 or such higher amount as may be authorized to be appropriated pursuant to sections 106 and 107 for a given fiscal year."; and

(5) by striking out, in the first sentence of subsection (h), as redesignated, the following: "may, at the option of the issuing unit of general local government or designated agency," and inserting in lieu thereof "shall";

(6) by striking out, in the second sentence of subsection (h), as redesignated, the following: "In the event that taxable obligations are issued and guaranteed, the" and inserting in lieu thereof "The"; and

(7) by striking out, in subsection (j), as redesignated, the following: "such unit or agency has elected to issue as taxable obligation pursuant to subsection (h) of" and inserting in lieu thereof "is guaranteed pursuant to".

SEC. 108. (a) Section 104(a) of the Housing and Community Development Act of 1974 is amended by inserting "or section 119" immediately after "106".

(b) Title I of the Housing and Community Development Act of 1974 is further amended by adding the following new section at the end thereof:

"GRANTS FOR SEVERELY DISTRESSED CITIES AND URBAN COUNTIES

"SEC. 119. (a) In order to promote the primary objective of this title of the development of viable urban communities, of the total amount of authority approved in appropriation Acts under section 103(c), the Secretary is authorized to make urban development action grants to severely distressed cities and urban counties to help alleviate physical and economic deterioration through reclamation of neighborhoods having excessive housing abandonment or deterioration, and through community revitalization in areas of population outmigration or stagnating or declining tax base. Grants made under this section shall be for the support of severely distressed cities and urban counties that require increased public and private assistance in addition to the assistance otherwise made available under this title and other forms of Federal assistance.

"(b) Urban development action grants shall be made only to cities and urban counties that have, in the determination of the Secretary, demonstrated results in providing housing for persons of low- and moderate-income and in providing equal opportunity in housing and employment for low- and moderate-income persons and members of minority groups. The Secretary shall issue regulations establishing criteria in accordance with the preceding sentence and setting forth minimum standards for determining the level of physical and economic distress of cities and urban counties for eligibility for such grants, which standards shall take into account factors such as the age and condition of housing stock, including residential abandonment, average income, population outmigration, and stagnating or declining tax base.

"(c) Applications for assistance under this section shall—

"(1) include documentation of eligibility for grants in accordance with the standards described in subsection (b);

"(2) describe a concentrated urban development action program setting forth a comprehensive action plan and strategy to alleviate physical and economic distress through systematic change, which program shall be consistent with the community development program described in section 104(a)(2) and the housing assistance plan described in section 104(a)(4), and, where it exists and is in effect, the Overall Economic Development Plan (OEDP) as provided for in section 202(b)(10) of the Public Works and Economic Development Act of 1965. Such program shall be developed so as to take advantage of unique opportunities to attract private investment, stimulate investment in restoration of deteriorated or abandoned housing stock, or solve critical problems resulting from population outmigration or stagnating or declining tax base;

"(3) include the activities to be undertaken in the urban development action program, together with the estimated costs and general locations of such activities; and

"(4) indicate public and private resources which are expected to be made available toward achieving the action plan and strategy described in paragraph (2).

"(d) To the extent that the application requirements of section 104(a)(4) have been satisfied in connection with a grant made pursuant to section 106, such requirements shall be determined to have been met for purposes of this section.

"(e) In making grants under this section, the Secretary shall establish selection criteria which may include, but are not limited to, demonstrated performnace of the city or urban county in housing and community development programs; impact of the proposed urban development action program on the special problems of low- and moderate-income persons and minorities; extent of financial participation by other public or by private entities; impact on the physical, fiscal, or economic deterioration of the city or urban county; extent to which the program describes activities representing a special or unique opportunity to meet local priority needs or the objectives of this title; feasibility of accomplishing the program in a timely fashion within the grant amount available; and comparative degree of physical and economic distress among applicants.

"(f) In addition to activities authorized under section 105(a), an urban development action program may also include such additional community development and neighborhood development and conservation activities as the Secretary may determine to be consistent with the purposes of this section.

"(g) No assistance shall be provided for business loans or industrial development under this section unless the Secretary shall first determine that such assistance is not available under the Public Works and Economic Development Act of 1965.

"(h) The Secretary shall allocate the amounts available for grants under this section in a manner which achieves a reasonable balance among programs that are designed primarily (1) to restore seriously deteriorated neighborhoods, (2) to reclaim for industrial purposes underutilized real property, and (3) to renew commercial employment centers.

"(i) Not less than 25 per centum of the funds made available for grants under this section shall be used for cities under fifty thousand population which are not central

cities of a standard metropolitan statistical area.".

SEC. 109. (a) Section 312(c)(4)(A) of the Housing Act of 1964 is amended—

(1) by striking out "the amount of a loan which could be insured by the Secretary of Housing and Urban Development under section 220(h) of the National Housing Act" and inserting in lieu thereof "$27,000 per dwelling unit"; and

(2) by striking out "under such section".

(b) Section 312(d) of such Act is amended by striking out "and not to exceed $100,000,000 for the fiscal year beginning on October 1, 1976" and inserting in lieu thereof "not to exceed $100,000,000 for the fiscal year beginning on October 1, 1976, and not to exceed $60,000,000 for the fiscal year beginning on October 1, 1977".

(c) Section 312(h) of such Act is amended by striking out "1977" each place it appears and inserting in lieu thereof "1979".

SEC. 110. The second sentence of section 701(e) of the Housing Act of 1954 is amended by striking "and not to exceed $100,000,000 for the fiscal year 1977" and inserting in lieu thereof "not to exceed $100,000,000 for the fiscal year 1977, and not to exceed $75,000,000 for the fiscal year 1978".

SEC. 111. (a) The Secretary of the Department of Housing and Urban Development, in consultation with the Secretary of the Department of the Treasury, shall prepare a report which analyzes the fiscal crisis confronting many urban areas. It shall include but not be limited to the following:

(1) the number and characteristics of cities presently suffering from or nearing fiscal stress;

(2) causes of fiscal stress;

(3) specific recommendations and options which are or should be available to the Federal, State, and local governments for preventing and/or reversing fiscal stress.

(b) This report shall be transmitted to Congress no later than March 1, 1978.

SEC. 112. Section 703(a) of the Housing and Urban Development Act of 1970 is amended—

(1) by redesignating clauses (3) through (7) as clauses (4) through (8), respectively; and

(2) by inserting after clause (2) the following:

"(3) an examination of the housing and related community development problems experienced by cities undergoing a growth rate which equals or exceeds the national average;".

SEC. 113. Section 208 of the Housing and Community Development Act of 1974 is amended by inserting after the words "United States Housing Act of 1937" the following: ", including the right to renewal of such lease to the maximum term permitted by law,".

SEC. 114. The Secretary of Housing and Urban Development shall establish and act as chairperson of a Task Force on Small Cities. The Task Force shall conduct a study and, not later than 1 year after the date of enactment of this Act, report to the President and to the Congress its recommendations on the formation of a national policy on the developmental needs of small cities. In carrying out its functions, the Task Force shall (1) take steps to improve the data available about small cities, (2) suggest means of reducing the duplication in government programs in jurisdictions which affect small cities, and (3) consider all of the relevant differences and similarities between small and large cities, particularly in the areas of housing, growth, development patterns, infrastructure, education, energy needs, and social development. In addition, the Task Force shall include in its report alternative verifiable formulae to be used in the distribution of discretionary balance funds available for allocation to small cities under title I of the Housing and Community Development Act of 1974.

TITLE II—HOUSING ASSISTANCE AND RELATED PROGRAMS

SEC. 201. (a) The first sentence of section 5(c) of the United States Housing Act of 1937 is amended—

(1) by striking out "and" immediately following "July 1, 1975," the first time it appears; and

(2) by inserting immediately after "on October 1, 1976," the following: "and by $1,116,620,000 on October 1, 1977,".

(b) Section 5(c) of such Act is amended by inserting after the third sentence the following: "Of the additional authority to enter into contracts for annual contributions provided on October 1, 1977, and approved in appropriation Acts, the Secretary shall make available not less than $42,500,000 for modernization of low-income housing projects, not less than $197,139,200 for low-income housing projects permanently financed by loans from State housing finance or State development agencies, as defined in section 802(b)(2)(A) of the Housing and Community Development Act of 1974, and not less than $120,000,000 for low-income housing projects permanently financed by loans from the Government of the United States pursuant to section 202 of the Housing Act of 1959. During fiscal year 1978, the Secretary may use not more than $136,000,000 of the contract authority authorized under this section for dwelling units in projects owned by the Secretary or covered by mortgages which are insured under title II of the National Housing Act and are threatened with foreclosure or which have been assigned to the Secretary..

(c) Section 8(c)(4) of such Act is amended by striking out the following: "(i) if the unoccupied unit is in a project insured under the National Housing Act, except pursuant to section 244 of such Act, or (ii)".

(d)(1) Section 8(d) of such Act is amended by adding the following new paragraph at the end thereof:

"(3) Notwithstanding any other provision of law, with the approval of the Secretary, the public housing agency administering a contract under this section with respect to existing housing units may exercise all management and maintenance responsibilities with respect to those units pursuant to a contract between such agency and the owner of such units.".

(2) Section 8(e)(2) of such Act is amended by adding the following new sentence at the end thereof: "In approving any public housing agency to assume all the management and maintenance responsibilities of any dwelling unit under the preceding sentence, the Secretary may do so without regard to whether such agency administers the housing assistance payment contract for that unit.".

(3) Section 8 of such Act is amended by adding the following new subsections at the end thereof:

"(i) In providing assistance in accordance with this section, in communities which have a less than adequate rental vacancy rate for nonseasonal and available rental units appropriate for occupancy by persons of low and moderate income, including large families, the Secretary shall give priority to the utilization of new or substantially rehabilitated housing, and in other communities shall give priority to the utilization of the existing housing stock.

"(j) The Secretary shall not contract to make, or make, assistance payments under this section involving occupied dwelling units where the families will continue in occupancy unless the local public housing authority certifies to the Secretary that special considerations, including but not limited to, size and composition of families, age of occupants, and cost and availability of alternate housing, make the utilization of such dwelling units appropriate.".

(e) Section 9(c) of such Act is amended—

(1) by striking out "and" immediately following "on or after July 1, 1976,"; and

(2) by inserting immediately before the period at the end thereof a comma and the following: "and not to exceed $708,100,000 on or after October 1, 1977".

(f) The Secretary of Housing and Urban Development shall conduct a study of payments in lieu of taxes made under section 6(d) of the United States Housing Act of 1937 and report to the Congress on the status and adequacy of such payments not later than twelve months after the date of enactment of this section.

SEC. 202. Section 202(d)(3) of the Housing Act of 1959 is amended by inserting before the period at the end thereof the following: ", which cost shall be determined without regard to mortgage limits applicable to housing projects subject to mortgages insured under section 231 of the National Housing Act".

SEC. 203. Section 213(d)(1) of the Housing and Community Development Act of 1974 is amended by inserting after the first sentence the following new sentence: "The Secretary shall assure, to the maximum extent practicable in carrying out the national housing and community development objectives, that funds available for each housing assistance program referred to in subsection (a) shall be allocated or reserved in accordance with goals described in local, State, or other housing assistance plans approved by the Secretary pursuant to section 104, and shall be utilized to meet needs reflected in data referred to in the preceding sentence.".

SEC. 204. Section 235(b)(2)(A) of the National Housing Act is amended by inserting "or section 221(d)(3)" immediately after "financed with a mortgage insured under section 213".

SEC. 205. The second sentence of section 501 of the Housing and Urban Development Act of 1970 is amended by inserting immediately before the period at the end thereof a comma and the following: "and not to exceed $60,000,000 for the fiscal year 1978".

SEC. 206. Section 1376(c) of the National Flood Insurance Act of 1968 is amended by inserting immediately before the period at the end thereof a comma and the following: "and not to exceed $108,000,000 for the fiscal year 1978".

SEC. 207. Section 810(g) of the Housing and Community Development Act of 1974 is amended by striking out "and not to exceed $5,000,000 for the fiscal year 1978" and inserting in lieu thereof "and not to exceed $15,000,000 for the fiscal year 1978".

SEC. 208. Section 236(f)(3) of the National Housing Act is amended—

(1) By striking out the second and third sentences and inserting in lieu thereof the following: "The Secretary is authorized to make, and shall contract to make to the extent of the moneys in the reserve fund established under subsection (g) and to the further extent of funds authorized in appropriation Acts, an additional monthly assistance payment to the project owner up to the amount by which the sum of the cost of utilities and local property taxes exceeds the initial operating expense level. Such payment shall be used by the project owner solely to reduce the basic rental charges established for the project. Any contract to make an additional monthly assistance payment shall be for a one-year period and shall be amended annually to provide, to the extent approved in appropriation Acts, for continuation of the contract and for an appropriate adjustment in the amount of the assistance payment.".

(2) By striking out "only if the Secretary finds that the increase in the cost of utili-

ties or local property taxes is" in the last sentence and inserting in lieu thereof "unless the Secretary finds that the increase in the cost of utilities or local property taxes is not".

of section 604, if such person in the exercise of due care has reason to know that such certification is false or misleading in a material respect.".

SEC. 209. Section 604 of the Housing and Community Development Act of 1974 is amended by adding at the end thereof a new subsection (h) as follows:

"(h)(1) The Secretary is authorized and directed to exclude from the coverage of this Act any structure which the manufacturer certifies, in a form prescribed by the Secretary, to be:

"(A) designed only for erection or installation on a site-built permanent foundation;

"(B) not designed to be moved once so erected or installed; and

"(C) designed and manufactured to comply with a nationally recognized model building code or an equivalent local code, or with a State or local modular building code recognized as generally equivalent to building codes for site-built housing, or with minimum property standards adopted by the Secretary pursuant to title II of the National Housing Act.

"(2) The Secretary may, as a part of such certification process, require manufacturers to secure written assurances from the purchasers of structures subject to such certification that the purchased structure will be permanently attached to a site-built foundation.".

SEC. 210. Section 610(a) of the Housing and Community Development Act of 1974 is amended by striking the word "or" at the end of paragraph (4); by striking the period and adding "; or" at the end of paragraph (5); and by adding at the end of section 610(a) the following new paragraph (6):

"(6) issue a certification pursuant to subsection (h) of section 604, if such person in the exercise of due care has reason to know that such certification is false or misleading in a material respect.".

SEC. 211. Section 1810(a)(6) of title 38, United States Code, is amended to read as follows:

"(6) To purchase a one-family residential unit in a condominium housing development or project, if such development or project is approved by the Administrator under such criteria as he shall prescribe.".

TITLE III—MORTGAGE CREDIT

SEC. 301. (a) Section 2(a) of the National Housing Act is amended by striking out "June 30, 1977" in the first sentence and inserting in lieu thereof "October 1, 1978".

(b) Section 2(b) of such Act is amended by adding at the end thereof the following: "Because of prevailing higher costs, the Secretary may, by regulation, in Alaska, Guam, or Hawaii, increase any dollar amount limitation on mobile homes or mobile home lot loans contained in this subsection by not to exceed 50 per centum.

(c) Section 217 of such Act is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

(d) Section 221(f) of such Act is amended by striking out "June 30, 1977" in the fifth sentence and inserting in lieu thereof "September 30, 1978 (June 30, 1977, in the case of a mortgage insured under the provisions of subsection (d)(2))".

(e) Section 235(m) of such Act is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

(f) Section 236(n) of such Act is amended by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

(g) Section 244(d) of such Act is amended—

(1) by striking out "June 30, 1977" in the first sentence and inserting in lieu thereof "September 30, 1978"; and

(2) by striking out "October 1, 1977" in the second sentence and inserting in lieu thereof "October 1, 1978".

(h) Section 245 of such Act is amended by striking out "September 30, 1977" where it appears and inserting in lieu thereof "September 30, 1978".

(i) Section 809(f) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

(j) Section 810(k) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

(k) Section 1002(a) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

(l) Section 1101(a) of such Act is amended by striking out "June 30, 1977" in the second sentence and inserting in lieu thereof "September 30, 1978".

SEC. 302. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709–1), is amended by striking out "June 30, 1977" and inserting in lieu thereof "October 1, 1978".

SEC. 303. The National Flood Insurance Act of 1968 is amended—

(1) in section 1319, by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978"; and

(2) in section 1336(a), by striking out "September 30, 1977" and inserting in lieu thereof "September 30, 1978".

SEC. 304. (a) Section 203(b)(2) of the National Housing Act is amended by striking out "$45,000", "$48,750", and "$56,000" wherever they appear and inserting in lieu thereof "$60,000", "$65,000", and "$75,000", respectively.

(b) Section 222(b)(2) of such Act is amended by striking out "$45,000" and inserting in lieu thereof "$60,000".

(c) Clause (A) of the third sentence of section 234(c) of such Act is amended by striking out "$45,000" and inserting in lieu thereof "$60,000".

(d) Section 235 of such Act is amended—

(1) by striking out, in the last proviso in subsection (b)(2), "$25,000", "$29,000", "$29,000", and "$33,000" and inserting in lieu thereof "$34,000", "$40,000", "$40,000", and "$46,000", respectively;

(2) by striking out, in subsection (i)(3)(B), "$25,000", "$29,000", "$29,000", and "$33,000", and inserting in lieu thereof "$34,000", "$40,000", "$40,000", and "$46,000", respectively;

(3) by striking out "and" at the end of subparagraph (B) of subsection (i)(3); and

(4) by redesignating subparagraph (C) of subsection (i)(3) as subparagraph (E) and inserting immediately following subparagraph (B) new subparagraphs (C) and (D) to read as follows:

"(C) involve, in the case of a dwelling unit other than a condominium or cooperative unit, a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in an amount not to exceed $34,000 ($40,000 in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require), except that with respect to any family with five or more persons the foregoing limits shall be $40,000 and $46,000, respectively;

"(D) involve, in the case of a two-family dwelling, a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in an amount not to exceed $46,000 ($54,000 in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require); and".

SEC. 305. (a) Section 203(b)(2) of the National Housing Act is amended—

(1) by striking out, in clause (i) of the first sentence, all the parenthetical language which begins "(but, in any case";

(2) by striking out clauses (ii) and (iii) in the first and second sentences and inserting in lieu thereof in each sentence "and (ii) 95 per centum of such value in excess of $25,000."; and

(3) by inserting immediately after the second sentence the following: "Notwithstanding any other provision of this section, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, the principal obligation of the mortgage shall not exceed 90 percentum of the entire appraised value of the property as of the date the mortgage is accepted for insurance, unless construction of the dwelling was completed more than one year prior to the application for mortgage insurance, or the dwelling was approved for guaranty, insurance, or direct loan under chapter 37 of title 38, United States Code, prior to the beginning of construction.".

(b) Section 222(b)(3) of such Act is amended by striking out clauses (ii) and (iii) and inserting in lieu thereof "and (ii) 95 per centum of such value in excess of $25,000;".

(c) The third sentence of section 234(c) of such Act is amended by striking out clauses (A)(ii) and (A)(iii) and inserting in lieu thereof "and (ii) 95 per centum of such value in excess of $25,000,".

(c) The third sentence of section 234(c) of such Act is amended by striking out clauses (A)(ii) and (A)(iii) and inserting in lieu thereof "and (ii) 95 per centum of such value in excess of $25,000,".

SEC. 306. (a) Section 203(c) of the National Housing Act is amended by inserting before the first proviso a colon and the following: *"Provided,* That the premium charge fixed for insurance under subsection (n) is not required to be the same as the premium charges for mortgages insured under the other provisions of this section, but in no case shall premium charges under subsection (n) exceed 1 per centum per annum".

(b) Section 203 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(o)(1) Notwithstanding any other provision of this section or any other section of this title, the Secretary is authorized to insure, and to commit to insure, under subsection (b) of this section as modified by this subsection a mortgage which meets both the requirements of this subsection and such criteria as the Secretary by regulation may prescribe to further the purpose of this subsection, in any community where the Secretary determines that—

"(i) temporary adverse economic conditions exist throughout the community as a direct and primary result of outstanding claims to ownership of land in the community by an American Indian tribe, band, or Nation;

"(ii) such ownership claims are reasonably likely to be settled, by court action or otherwise;

"(iii) as a direct result of the community's temporarily impaired economic condition, owner occupants of homes in the community have been involuntarily unemployed or underemployed and have thus incurred substantial reductions in income which signif-

icantly impair their ability to continue timely payment of their mortgages;

"(iv) as a result, widespread mortgage foreclosures and distress sales of homes are likely in the community; and

"(v) fifty or more individual homeowners were joined as parties defendant or were members of a defendant class prior to December 31, 1976, in litigation involving claims to ownership of land in the community by an American Indian tribe, band, or nation.

"(2) A mortgage shall be eligible for insurance under subsection (b) of this section as modified by this subsection without regard to limitations in this title relating to a mortgagor's reasonable ability to pay, economic soundness, marketability of title, or any other statutory restriction which the Secretary determines is contrary to the purpose of this subsection but only if the mortgagor is an owner occupant of a home in a community specified in paragraph (1) who, as a direct result of the community's temporarily impaired economic condition, has been involuntarily unemployed or underemployed and has thus incurred a substantial reduction in income which significantly impairs the owner's ability to continue timely payment of the mortgage. The Secretary is authorized to encourage or afford directly to or on behalf of mortgagors whose mortgages are insured under subsection (b) as modified by this subsection forbearance, assignment of mortgages to the Secretary, or such other relief as the Secretary deems appropriate and consistent with the purpose of this subsection. The Secretary, in connection with any mortgage insured under subsection (b) as modified by this subsection, shall have all statutory powers, authority, and responsibilities which the Secretary has with respect to other mortgages insured under subsection (b), except that the Secretary may modify such powers, authority, or responsibilities where the Secretary deems such action to be necessary because of the special nature of the mortgage involved. Notwithstanding section 202 of this title, the insurance of a mortgage under subsection (b) of this section as modified by this subsection shall be the obligation of the Special Risk Insurance Fund created pursuant to section 238 of this title.".

(c) Section 203(i) of such Act is amended by striking out "$200" and inserting in lieu thereof "75 per centum of the limit on the principal obligation applicable to a single family residence under subsection (b) of this section".

SEC. 307. (a) Section 223(f) of the National Housing Act is amended—

(1) by inserting "or hospital which is subject to a mortgage insured under section 242" before the period at the end of the first sentence; and

(2) by striking out "property" in the second sentence and inserting in lieu thereof "multifamily housing project".

(b) Sections 232(d)(4) and 242(d)(4) of such Act as amended by inserting "or section 1521" after "section 604(a)(1)".

SEC. 308. (a) The caption of section 245 of the National Housing Act is amended to read as follows:

"GRADUATED PAYMENT MORTGAGES"

(b) Section 245 of such Act is amended—

(1) by inserting "(a)" after "SEC. 245.";

(2) by striking out "on an experimental basis" in the first sentence;

(3) by striking out the second sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of this title, the outstanding principal balance of a mortgage or loan insured pursuant to this section may not at any time exceed (1) 97 per centum of the appraised value of the property covered by the mortgage determined as of the date the mortgage is accepted for insurance, or (2) if the mortgagor is a veteran and the mortgage is to be insured in accordance with the provisions of section 203 of this title, such higher percentage of appraised value as is provided for purposes of determining the maximum mortgage amount eligible for insurance under section 203(b)(2) in the case of veterans."; and

(4) by adding at the end thereof the following: "(b) To be eligible for insurance under this section, a mortgage or loan shall—

"(1) be executed by a mortgagor or borrower who shall have paid on account of the property at least 10 per centum of the Secretary's estimate of the cost of acquisition in cash or its equivalent;

"(2) have a maturtiy not to exceed thirty years; and

"(3) meet the requirements of section 203(b) of this title for insurance, except as such requirements are specifically modfiied by the provisions of this section.

"(c) Any mortgage or loan insured pursuant to this section which contains or sets forth any graduated mortgage provisions (including but not limited to provisions for adding deferred interest to principal) which are approved under this section and applicable regulations, shall not be subject to any State constitution, statute, court decree, common law, or rule of public policy limiting the amount of interest which may be charged, taken, received, or reserved, or the manner of calculating such interest (including but not limited to prohibitions against the charging of interest on interest), if such statute, court decree, common law, or rule would not apply to the mortgage or loan in the absence of such graduated payment mortgage provisions.".

SEC. 309. (a) Section 313(a)(1) of the National Housing Act is amended by adding at the end thereof the following: "To the extent feasible and consistent with the primary purpose of this section to stabilize housing production, the Secretary may direct the exercise of the authority conferred by this section to promote homeownership opportunities for low- and moderate-income families.".

(b) Section 313(a) of such Act is amended by adding at the end thereof the following:

"(3) In carrying out the authority conferred by this section, the Secretary may require the Association to utilize a part of the authority to purchase mortgages under this section for the purchase of mortgages executed to finance the rehabilitation or acquisition and rehabilitation of housing in older or declining neighborhoods to the extent such action is feasible and consistent with the primary purpose of this section, and for the purpose of this paragraph, the Secretary is authorized to prescribe such regulations as may be appropriate.

"(4) The Secretary shall allocate the authority to purchase mortgages under this section on the basis of a formula which takes into account unemployment and housing needs of the housing market areas of the Nation.".

(c)(1) Section 313(b)(B) of such Act is amended by inserting after "$42,000" the following: "($49,000 in the case of any property with respect to which assistance payments pursuant to section 8 of the United States Housing Act of 1937 are being or will be made and which is located in any geographical area which the Secretary authorizes an increase on the basis of a finding that cost levels so require".

(2) Section 313(b)(D) of such Act is amended by inserting after "Secretary" the following: "and $55,000 in the case of any property with respect to which assistance payments pursuant to section 8 of the United States Housing Act of 1937 are being or will be made and which is located in any geographical area where the Secretary authorizes an increase on the basis of a finding that cost levels so require)."

(d) Section 313(g) of such Act is amended by adding at the end thereof the following: "The Association's purchases and commitments under this section during fiscal year 1978 may not exceed $7,500,000,000.".

(e) Section 3(b) of the Emergency Home Purchase Assistance Act of 1974 is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1978".

SEC. 310. (a) Beginning in calendar year 1979, the Secretary of Housing and Urban Development shall prepare and publish annually prototype housing costs for one- to four-family dwelling units for each housing market area in the United States, as determined by the Secretary. Prototype housing costs for an area shall be determined on the basis of the Secretary's identification and estimate of reasonable construction and other costs (including reasonable allowances for the cost of land and site improvements) for that area of various types and sizes of new one- to four-family dwelling units designed for various segments of the housing market of the area, as determined by the Secretary. In determining prototype housing costs, the Secretary is authorized to take into account the need for durability required for economic maintenance of housing, the need for amenities suitable to assure a safe and healthy family life and neighborhood environment, the application of good design and quality in architecture, and the need for maximum conservation of energy, as well as the advice and recommendations of local housing producers.

(b) The Secretary is authorized to take such action as may be necessary to develop, aggregate, and evaluate data and other information required for the timely development, implementation, and maintenance of the prototype housing cost system referred to in subsection (a).

SEC. 311. (a) The first undesignated paragraph of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by striking out "$55,000" and inserting in lieu thereof "$65,000".

(b) The second and third undesignated paragraphs of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) are amended by striking out "$10,000" and inserting in lieu thereof "$15,000".

(c) Section 10(b) of the Federal Home Loan Bank Act (12 U.S.C. 1430(b)) is amended by striking out "$55,000 (except that with respect to the dwellings in Alaska, Guam, and Hawaii the foregoing limitation may, by regulation of the Board, be increased by not to exceed 50 per centum)" and inserting in lieu thereof the following: "the dollar limitation under the first proviso of the first sentence of section 5(c) of the Home Owners' Loan Act of 1933, as amended,".

SEC. 312. (a) Section 2(b)(1) of the National Housing Act is amended by striking out "$12,500 ($20,000" and inserting in lieu thereof "$16,000 ($24,000".

SEC. 313. Section 242(c) of the National Housing Act is amended adding the following sentence: "No mortgage insurance premium shall be charged with respect to the amount of principal and interest guaranteed by the Department of Health, Education, and Welfare under title VII of the Public Health Service Act.".

SEC. 314. (a) Section 202(b) of the Flood Disaster Protection Act of 1973 is amended to read as follows:

"(b) In addition to the requirements of section 1364 of the National Flood Insurance Act of 1968, each Federal instrumentality described in such section shall by regulation require the institutions described in such section to notify (as a condition of making, increasing, extending, or renewing any loan secured by property described in such section) the purchaser or lessee of such property of whether, in the event of a disaster caused by flood to such property, Federal disaster

relief assistance will be available to such property.".

(b) Section 3(a)(4) of such Act is amended by striking out all after "mortgages or mortgage loans" and inserting in lieu thereof the following: "but shall exclude assistance pursuant to the Disaster Relief Act of 1974 (other than assistance under such Act in connection with a flood);".

SEC. 315. Section 238 of the National Housing Act is amended by striking out subsection (c) and inserting a new subsection (c) in lieu thereof as follows:

"(c)(1) Notwithstanding the provisions of this or any other Act, and without regard to limitations upon eligibility contained in any section of this title, the Secretary is authorized, upon application by the mortgagee, to insure under any section of this title a mortgage executed in connection with the construction, repair, rehabilitation, or purchase of property located near any installation of the Armed Forces of the United States in federally impacted areas in which the conditions are such that one or more of the eligibility requirements applicable to the section under which insurance is sought could not be met, if the Secretary finds that: (A) the benefits to be derived from such use outweigh the risk of probable cost to the Government, and (B) the Secretary of Defense certifies that there is no intention insofar as can reasonably be foreseen to curtail substantially the personnel assigned or to be assigned to such installation. The insurance of a mortgage pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund.

"(2) The Secretary is authorized (A) to establish such premiums and other charges as may be necessary to assure that the mortgage insurance program pursuant to this subsection is made available on a basis which, in the Secretary's judgment, is designed to be actuarially sound and likely to maintain the fiscal integrity of such program and (B) to prescribe such terms and conditions relating to insurance pursuant to this subsection as may be found by the Secretary to be necessary and appropriate, and which are to the maximum extent possible, consistent with provisions otherwise applicable to mortgage insurance and payment of insurance benefits.".

TITLE IV—COMMUNITY REINVESTMENT

SEC. 401. This title may be cited as the "Community Reinvestment Act of 1977".

SEC. 402. (a) The Congress finds that—

(1) regulated financial institutions are required by law to demonstrate that their deposit facilities serve the convenience and needs of the communities in which they are chartered to do business

(2) the convenience and needs of communities include the need for credit services as well as deposit services; and

(3) regulated financial institutions have continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered.

(b) It is the purpose of this title to require each appropriate Federal financial supervisory agency to use its authority when examining financial institutions, to encourage such institutions to help meet the credit needs of the local communities in which they are chartered consistent with the safe and sound operation of such institutions.

SEC. 403. For the purpose of this title—

(1) the term "appropriate Federal financial supervisory agency" means—

(A) the Comptroller of the Currency with respect to national banks;

(B) the Board of Governors of the Federal Reserve System with respect to State chartered banks which are members of the Federal Reserve System and bank holding companies;

(C) the Federal Deposit Insurance Corporation with respect to State chartered banks and savings banks which are not members of the Federal Reserve System and the deposits of which are insured by the Corporation; and

(D) the Federal Home Loan Bank Board with respect to institutions the deposits of which are insured by the Federal Savings and Loan Insurance Corporation and to savings and loan holding companies;

(2) the term "regulated financial institution" means an insured bank as defined in section 3 of the Federal Deposit Insurance Act or an insured institution as defined in section 401 of the National Housing Act;

(3) the term "application for a deposit facility" means an application to the appropriate Federal financial supervisory agency otherwise required under Federal law or regulations thereunder for—

(A) a charter for a national bank or Federal savings and loan association;

(B) deposit insurance in connection with a newly chartered State bank, savings banks, savings and loan association or similar institution;

(C) the establishment of a domestic branch or other facility with the ability to accept deposits of a regulated financial institution;

(D) the relocation of the home office or a branch office of a regulated financial institution;

(E) the merger or consolidation with, or the acquisition of the assets, or the assumption of the liabilities of a regulated financial institution requiring approval under section 18(c) of the Federal Deposit Insurance Act or under regulations issued under the authority of title IV of the National Housing Act; or

(F) the acquisition of shares in, or the assets of, a regulated financial institution requiring approval under section 3 of the Bank Holding Company Act of 1956 or section 408(e) of the National Housing Act; and

(4) the term "primary savings service area" means a compact area contiguous to a deposit facility from which such facility obtains or expects to obtain more than one-half of its deposit customers.

SEC. 404. In connection with its examination of a financial institution, the appropriate Federal financial supervisory agency shall—

(1) assess the institution's record of meeting the credit needs of its primary savings service area consistent with the safe and sound operation of such institution; and

(2) take such record into account in its evaluation of an application for a deposit facility by such institution.

SEC. 405. Each appropriate Federal financial supervisory agency shall include in its annual report to the Congress a section outlining the actions it has taken to carry out its responsibilities under this title.

SEC. 406. Regulations to carry out the purposes of this title shall be published by each appropriate Federal financial supervisory agency, and shall take effect no later than one hundred and eighty days after the date of enactment of this title.

TITLE V—RURAL HOUSING

SEC. 501. (a) Section 513 of the Housing Act of 1949 is amended—

(1) by striking out "June 30, 1977" in paragraphs (b), (c), and (d), and inserting in lieu thereof "September 30, 1978"; and

(2) by striking out "$80,000,000" in paragraphs (b) and (c) and inserting in lieu thereof "$105,000,000".

(b) Section 515(b)(5) of such Act is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

(c) Section 517(a)(1) of such Act is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

(d) Section 523(f) of such Act is amended—

(1) by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1978"; and

(2) by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978";

SEC. 502. (a) Section 517(e) of the Housing Act of 1949 is amended by inserting after the first sentence the following: "The guaranteed loan program under this title shall be operated separately from the insured loan program operated under this title and no funds designated for either such program may be transferred to any other program.".

(b) Section 517 of such Act is amended by adding at the end thereof a new subsection as follows:

"(n) Loans guaranteed under this section shall be made only to borrowers with above-moderate incomes.".

"(c) Section 521(a)(1) of such Act is amended by adding at the end thereof the following: "Any loan guaranteed under this title shall bear interest at such rate as may be agreed upon by the borrower and the lender.".

SEC. 503. Section 501(e) of the Housing Act of 1949 is amended by striking out the second sentence and inserting in lieu thereof the following: "Such payments shall be disbursed by the Secretary at the appropriate time or times for the purposes for which such payments are made, and after October 1, 1977, if the prepayments made by the borrower are not sufficient to pay the amount due, advances may be made by the Secretary to pay these costs in full, which advances shall be charged to the account of the borrower and bear interest and be payable in a timely fashion not to exceed two years, as determined by the Secretary.".

SEC. 504. Section 509 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(c)(1) The Secretary is authorized, after October 1, 1977, with respect to any unit or dwelling newly constructed during the period beginning eighten months prior to the date of enactment of the Housing and Community Development Act of 1977 and purchased with financial assistance authorized by this title which he finds to have structural or other conditions not in conformance with such standards as he has prescribed under subsection (a), to make expenditures for (A) correcting such defiects, (B) paying the claims of the owner of the property arising from such defects, or (C) acquiring title to the property, if such assistance is requested by the owner of the property within eighteen months after financial assistance under this title is rendered to the owner of the property or, in the case of property with respect to which assistance was made available within eighteen months prior to the date of enactment of the Housing and Community Development Act of 1977, within eighteen months after such date of enactment. Expenditures pursuant to this subsection may be paid from the Rural Housing Insurance Fund.

"(2) The Secretary shall by regulations prescribe the terms and conditions under which expenditures and payments may be made under the provisions of this subsection."

SEC. 505. Section 514(f)(3) of the Housing Act of 1949 is amended to read as follows:

"(3) the term 'domestic farm labor' means persons who receive a substantial portion (as determined by the Secretary) of their income as laborers on farms situated in the United States, Puerto Rico, or the Virgin Islands and either (A) are citizens of the United States, or (B) reside in the United States, Puerto Rico, or the Virgin Islands after being legally admitted for permament residence therein.".

SEC. 506. Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(5) after October 1, 1977, and as approved in appropriations Acts, to make advances authorized by section 501(e); and

"(6) after October 1, 1977, and as approved in appropriations Acts, to make the expenditures authorized by section 509(c).".

SEC. 507. (a) Title V of the Housing Act of 1949 is amended—

(1) by striking out "elderly persons" in section 501(a)(3) and inserting in lieu thereof "elderly or handicapped persons or families";

(2) by striking out "that he is an elderly person in a rural area without an adequate dwelling or related facilities for his own use," in section 501(c)(1) and inserting in lieu thereof "that the applicant is an elderly or handicapped person or family in a rural area without an adequate dwelling or related facility for its own use,";

(3) by striking out "elderly persons and elderly families" in subsections (a) and (b) of section 515 and inserting in lieu thereof "elderly or handicapped persons or families";

(4) by striking out "elderly persons and elderly families" in section 521(a)(1) and inserting in lieu thereof "elderly or handicapped persons or families"; and

(5) by inserting "or handicapped" after "elderly" in clause (i) of the last sentence of section 521(a)(2)(A).

(b) Section 501(b)(3) of such Act is amended to read as follows:

"(3) For the purposes of this title, the term 'elderly or handicapped persons or families' means families which consist of two or more persons, the head of which (or his or her spouse) is at least sixty-two years of age or is handicapped. Such term also means a single person who is at least sixty-two years of age or is handicapped. A person shall be considered handicapped if such person is determined, pursant to regulations issued by the Secretary, to have an impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his ability to live independently, and (C) is of such a nature that such ability could be improved by more suitable housing conditions, or if such person is a developmentally disabled individual as defined in section 102(7)(A)(i) of the Developmental Disabilities Services and Facilities Construction Act. The Secretary shall prescribe such regulations as may be necessary to prevent abuses in determining, under the definitions contained in this paragraph, eligibility of families and persons for admission to and occupancy of housing constructed with assistance under this title. Notwithstanding the preceding provisions of this paragraph, such term also includes two or more elderly (sixty-two years of age or over) or handicapped persons living together, one or more such persons living with another person who is determined (under regulations prescribed by the Secretary) to be essential to the care or well-being of such persons, and the surviving member or members of any family described in the first sentence of this paragraph who were living, in a unit assisted under this title, with the deceased member of the family at the time of his or her death.".

SEC. 508. (a) Section 515(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: "However, specifically designed equipment required by elderly or handicapped families shall not be considered elaborate or extravagant.".

(b) Section 515(d)(1) of such Act is amended by adding at the end thereof the following: "; and such term also means congregate housing facilities for elderly or handicapped families who require some supervision and central services but are otherwise able to care for themselves; such housing for the handicapped may be utilized in conjunction with educational and training facilities;".

(c) Section 515(d)(3) of such Act is amended to read as follows:

"(3) the term 'congregate housing' means housing in which (A) some of the units may not have kitchen facilities, and (B) there is a central dining facility to provide wholesome and economic meals for elderly or handicapped persons or families.".

SEC. 509. Section 517 of the Housing Act of 1949, as amended by section 602(b), is amended by adding at the end thereof the following new subsection:

"(o) At least 60 per centum of the amount of loans made pursuant to sections 502 and 515 shall benefit persons of low income.".

SEC. 510. Section 506(d) of the Housing Act of 1949 is amended to read as follows:

"(d) In order to carry out this section, the Secretary shall establish a research capacity within the Farmers Home Administration which shall have authority to undertake, or to contract with any public or private body to undertake, research authorized by this section.".

SEC. 511. Section 521(a)(2)(A) of the Housing Act of 1949 is amended by striking out "may" wherever it appears, except in clause (i), and inserting in lieu thereof "shall".

SEC. 512. (a) Section 520 of the Housing Act of 1949 is amended by striking out all that follows "in excess of 20,000" through "area, and (B)" and by inserting in lieu thereof "and".

(b) The amendment made by subsection (a) of this section shall apply to any application filed with the Secretary of Agriculture on or after January 1, 1975, for any assistance under title V of the Housing Act of 1949 or for technical services under such title.

SEC. 513. (a) Title V of the Housing Act of 1949 is amended by adding at the end thereof a new section 528 to read as follows:

"SEC. 528. All property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title other than property used for administrative purposes shall be subject to taxation by a State, commonwealth, territory, possession, district, and local political subdivisions in the same manner and to the same extent as other property is taxed: *Provided, however,* That no tax shall be imposed or collected on or with respect to any instrument if the tax is based on—

"(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

"(2) any notes or lien instruments administered under this title which are made, assigned, or held by a person otherwise liable for such tax; or

"(3) the value of any property conveyed or transferred to the Secretary, whether as a tax on the instrument, the privilege of conveying or transferring, or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to impart notice, or prevent the enforcement of its provisions in any State or Federal court.".

(b) Notwithstanding any other provision of law, no State, commonwealth, territory, possession, district, or local political subdivision which has received, prior to the date of enactment of this Act, tax payments from the Department of Agriculture based on property held by the Farmers Home Administration shall be liable for, or be obligated to refund, the amount of any such payment, which, if it had been made after the date of enactment of this Act, would have been authorized by the provisions of section 528 of the Housing Act of 1949, and no officer or employee of the United States shall incur or be under my liability by reason of having made or authorized any such payments.

(c) The provisions of new section 528 set forth in subsection (a) above shall be effective as of January 1, 1977.

SEC. 519. (a) Section 1306 (b) of the National Flood Insurance Act of 1968 is amended by striking out clause (2) and inserting in lieu thereof the following:

"(2) in the case of any residential property for which the risk premium rate is determined exclusively in accordance with the provisions of section 1307 (a) (1), additional flood insurance in excess of the limits specified in clause (i) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable such insured or applicant to receive coverage up to an amount of $150,000 under the provisions of this clause;

"(3) in the case of any residential property for which the risk premium rate is determined exclusively in accordance with the provisions of section 1307 (a) (1), additional flood insurance in excess of the limits specified in clause (ii) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable any such insured or applicant to receive coverage up to an amount of $50,000 under the provisions of this clause;

"(4) in the case of business property owned, leased, or operated by small business concerns for which the risk premium rate is determined exclusively in accordance with the provisions of section 1307(a)(1), additional flood insurance in excess of the limits specified in subparagraph (B) of paragraph (1) shall be made available to every such owner, lessee, or operator in respect to any single structure, including any contents thereof, related to premises of small business occupants (as that term is defined by the Secretary), up to an amount equal to (i) $250,000 plus (ii) $200,000 multiplied by the number of such occupants which coverage shall be allocated among such occupants (or among the occupant or occupants and the owner) in accordance with the regulations prescribed by the Secretary pursuant to such subparagraph (B), except that the aggregate liability for the structure itself may in no case exceed $250,000;

"(5) any flood insurance coverage which may be made available in excess of the limits specified in paragraph (1) (or allocated to any person under subparagraph (B) of such paragraph), or in excess of the limits for which provision is made under paragraphs (2), (3), or (4), shall be based only on chargeable premium rates under section 1308 which are not less than the estimated premium rates under section 1307(a)(1), and the amount of such excess coverage shall not in any case exceed an amount equal to the applicable limit so specified (or allocated) under paragraph (1), or, when paragraphs (2), (3), or (4) are applicable, an amount equal to the maximum coverage available by virtue of such paragraphs; and

"(6) the flood insurance purchase requirements of section 102 of the Flood Disaster Protection Act of 1973 do not apply to the additional flood insurance limits made available under paragraphs (2), (3) or (4).".

(b) Section 1362 of such Act is amended—

(1) by inserting "(a)" after "Sec. 1362.";

(2) by striking out clause (3) and inserting in lieu thereof the following:

"(3) incurred significant flood damage on not less than three previous occasions over a five year period of time and on each occasion the cost of repair, on the average equaled or exceeded 25 per centum of the value of the structure at the time of each

flood event or was damaged substantially beyond repair by flood while so covered,"; and

(3) by adding at the end thereof the following:

"(b) When any real property referred to in paragraph (1) and (2) of subsection (a) has sustained damage as a result of a single casualty of any nature under such circumstances that a statute, ordinance or regulation precludes its repair or restoration or permits repair or restoration only at a significantly increased construction cost, the Secretary may enter into negotiations with the owner of the property or interest therein for the purchase of such property for the uses and purposes of this section.

"(c) Whenever, as a result of damage from any casualty, the repair, reconstruction, or substantial improvement of any single-family dwelling structure located within a regulatory floodway and insured under the flood insurance program is deemed by the Secretary to be made more effective from the standpoint of prudent flood plain management by elevation of the structure so it will not interfere with the flow of water from the base flood within such regulatory floodway, the Secretary is authorized to make a low-interest loan at a rate of interest of 2 per centum per annum, repayable in ten years, to the owner of any such structure for the purpose of so elevating the structure. There is authorized to be appropriated for purposes of implementing this subsection not to exceed $4,500,000.

"(d) The Secretary is authorized to issue such regulations as may be necessary to carry out the purposes of this section."

(c) Section 1363 of such Act is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) When, incident to any appeal under subsection (b) or (c), the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Secretary shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Secretary in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There are authorized to be appropriated for purposes of implementing this subsection, not to exceed $250,000."

(d) Section 201 of the Flood Disaster Protection Act of 1973 is amended by adding at the end thereof the following:

"(e) The Secretary is authorized to establish administrative procedures whereby the identification under this section of one or more areas in the community as having special flood hazards may be appealed to the Secretary by the community or any owner or lessee or real property within the community who believes his property has been inadvertently included in a special flood hazard area by the identification. When, incident to any appeal under this subsection, the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services in the effecting of an appeal which is successful in whole or part, the Secretary shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Secretary in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There are authorized to be appropriated for purposes of implementing this subsection not to exceed $250,000.".

TITLE VI—INDIAN AND ALASKA NATIVE HOUSING AND COMMUNITY DEVELOPMENT

SHORT TITLE

SEC. 601. This title may be cited as the "Indian and Alaska Native Housing and Community Development Act".

FINDINGS AND PURPOSE

SEC. 602. (a) The Congress finds and declares that—

(1) there are substantial numbers of Indians and Alaska Natives living in inadequate and substandard housing;

(2) the concentration of substandard housing among Indians and Alaska Natives is higher than among any people in the United States;

(3) the lack of adequate housing has contributed to poor health conditions among Indians and Alaska Natives and other social and economic problems;

(4) Federal efforts undertaken thus far have not achieved the goal of providing adequate housing and community development activities for Indians and Alaska Natives;

(5) existing Federal programs and available resources could be marshaled to meet the housing and community development needs of Indians and Alaska Natives;

(6) administrative problems are impeding efforts to implement these programs and to meet the housing and community development needs of Indians and Alaska Natives.

(b) It is the purpose of this Act to provide decent, safe, and sanitary housing for all Indians and Alaska Natives.

OFFICE OF INDIAN AND ALASKA NATIVE PROGRAMS

SEC. 603. (a) The Department of Housing and Urban Development Act is amended by adding after section 4 the following new section:

"OFFICE OF INDIAN AND ALASKA NATIVE PROGRAMS

"SEC. 4A. (a) There shall be in the Department an Office of Indian and Alaska Native Programs (hereinafter referred to as the 'Office'), through which the Secretary shall carry out functions relating to Indian and Alaska Native housing and community development.

"(b) The Office shall be headed by a Director for Indian and Alaska Native Programs (hereafter referred to as the 'Director') to whom the Secretary shall delegate within sixty days after enactment of this section all delegable duties relating to housing and community development for Indians and Alaska Natives. The Office shall be organized as the Secretary determines to be appropriate in order to enable the Director to carry out the functions and responsibilities of the Office effectively, except that the functions of the Director shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Director.

"(c) The purpose of the Office shall be to consolidate responsibility for and to deliver Federal housing and community development programs affecting Indians and Alaska Natives. The Office shall—

"(1) administer, under the supervision and direction of the Secretary, all departmental programs that may affect Indians and Alaska Natives; and

"(2) assure the delivery of these programs in coordination with the Department of the Interior, Department of Health, Education and Welfare, and other Federal agencies that may affect Indian and Alaska Native housing and community development programs.

"(d)(1) The Secretary shall within one hundred and twenty days after enactment submit to Congress a report which shall include—

"(A) a description of the actions the Director has taken since enactment and the actions which will be taken to meet the goal set forth in the Indian and Alaska Native Housing and Community Development Act, together with specific timetables for achieving the goal; and

"(B) recommendations for such legislative and administrative action as he deems appropriate if it appears that the law, regulations, or administrative actions interpose obstacles to achieving the goals.

"(2) The Secretary shall, not later than December 1 of each year, submit to Congress an annual report which shall include—

"(A) a description of the actions of the Office during the current year, a projection of its activities during the succeeding years, and the relationship of these activities to the goals set forth in the Indian and Alaska Native Housing and Community Development Act;

"(B) estimates of the cost of the projected activities for succeeding fiscal years;

"(C) a statistical report on the conditions of Indian and Alaska Native housing; and

"(D) recommendations for such legislative, administrative actions and other actions, as he deems appropriate.

"(3) The Secretary shall on the 1st day of February, May, and August submit to Congress a report which describes the actions taken by the Director during the quarter to meet the goals set forth in the Indian and Alaska Native Housing and Community Development Act.

"(e) In order to carry out the objectives of this section, the Director is authorized to make grants or contracts with public and private institutions, agencies, organizations and individuals.

"(f) As used in this section, the term 'Indians and Alaska Natives' includes persons who are members of any Indian tribe, band, nation or organized group or community of Indians or Alaska Natives which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.".

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendment to H.R. 6655.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator also ask unanimous consent that S. 1523 be indefinitely postponed?

Mr. PROXMIRE. Mr. President, I do, indeed. I thank the Chair for calling that to my attention.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of John C. West to be

Ambassador to the Kingdom of Saudi Arabia.

This nomination was reported by the Foreign Relations Committee today, I understand unanimously.

Both of the South Carolina Senators (Mr. HOLLINGS and Mr. THURMOND) have asked that the nomination be called up and the 1-day rule be waived. That is the purpose for my unanimous-consent request.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I simply want to say that the nomination and its disposition today has been cleared on this side of the aisle with the ranking member of the Foreign Relations Committee (Mr. CASE) and with the distinguished senior Senator from South Carolina (Mr. THURMOND).

I would like to add my own views briefly on the subject. I think it is a great nomination and I am pleased that the majority leader sees fit to present it for confirmation today.

Mr. SPARKMAN. Mr. President, may I say, I realize, of course, he is going to one of the most important posts in all the world, Saudi Arabia.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

NOMINATION OF JOHN C. WEST, OF SOUTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SAUDI ARABIA

The second assistant legislative clerk read the nomination of John C. West, of South Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

Mr. HOLLINGS. Mr. President, I rise to urge the confirmation of the nomination of the Honorable John Carl West to be Ambassador to Saudi Arabia. Governor West has just been approved by the Senate Foreign Relations Committee.

Simply put, this is one of the finest Ambassadorial nominations that I can recall. Governor West brings to this assignment the knowledge, the experience, and the sound judgment to make an outstanding contribution to our relationship with this most important of the Arab nations.

I have known John West since the late 1930's when, as incoming cadets, we entered the Citadel, the Military College of South Carolina. We graduated in the same class. After the war, we both attended the University of South Carolina Law School, and we are each alumnus of that fine institution. In the mid-1950's, John entered State politics and began a dozen year's service in the South Carolina Senate. In 1966 he was elected Lieutenant Governor and, in 1970, Governor of our State.

His years as Governor were distinguished. The annals of our State record great forward strides in education, in business and commerce, and in human relations, during his term. These were not easy years to be at the helm, but we in South Carolina were fortunate for the steady hand at the top. The progress of our State in these years came to national attention, and so too did our Governor who became known as an articulate and forward-looking statesman alive not only to the needs of his State but to the interests of all Americans.

I could go into great detail as to the specifics of John West's accomplishments as Governor, but I know the Senate has much business to discharge, and I do want to say a few words about the nominee's qualifications for the important post which he will hopefully soon assume.

Governor West comes to this nomination not only with extensive knowledge about the area to which he is being assigned, but also with real, practical experience in dealing with the leaders of that part of the world. There will not be any need to provide the new Ambassador with a picture-book of who's who out there—he already knows most of them, and has for years. Arab leaders got to know John West when he was Governor. They visited with him in the Governor's Mansion as part of his efforts to draw investment to our State, and he visited them in the Middle East. During a 1975 journey, he received a private audience with the royal family in Saudi Arabia, one of many contacts made, including also a discussion with King Hussein of Jordan.

In the years since he left office, the Ambassador-designate has continued to develop his knowledge of the area, and the contacts he has made in the course of his business activities are the kind of contacts a can-do Ambassador must have if he is to be successful out there. There has been no conflict-of-interest, but there is an important dividend for the national interest. This kind of knowledge John West will take to Saudi Arabia goes far beyond what the State Department briefing books contain. Here is a nominee who can bring to the State Department the knowledge of what the situation really is and how the place actually operates, and this is just the kind of input we need to have about this land which is so important and yet about which we know so very little. That Phi Beta Kappa key which John West holds will be valuable in helping him unlock the realities of the Middle East. But that practical experience will help even more.

A successful Ambassador must also know the folks in charge at home. Too many first-class professional diplomats and Foreign Service people have gone out with all the credentials and all the knowledge, but lacked a pipeline into the Secretary of State and the President's offices. With John West that is another problem already solved. He is a personal friend of the President and has not only known him, but worked closely with him, since they served contemporaneously as Governors of their neighboring States. Is it any wonder the Saudis are so enthused about this nomination, knowing as they do that the American Ambassador can get right to the top any time he needs to do so.

In addition to the President, Governor West is well known to foreign policy makers, past and prsent. He serves as chairman of the board of trustees of the Southern Center for International Studies. This is a group fathered by former Secretary of State Dean Rusk. One of the Governor's fellow board members is our present Secretary of State, Cy Vance. In December of last year, the Southern Center held a meeting at The Citadel, in Charleston. Dean Rusk and Bill Rogers, each a former Secretary of State, were there. Cy Vance was to have attended but had just been chosen for his new capacity. General Goodpaster, Howard Baker, CLEMENT ZABLOCKI, and others attended. The man they selected to be the moderator for this program, to lead the discussion of important international issues, was John Carl West.

I find the type of criticism being leveled by a few people at this nomination nothing short of offensive. What it boils down to, if you stop to look, is that John West is unqualified because he has the ear of the President and the Secretary of State—because he knows the people who make the Saudi world run—because he has had, in private life, some strictly above-board and totally legitimate business contacts in the nation to which he is now being sent. In short, he does not have the union card that one or two bureaucrats insist is the only way you can become an Ambassador. I say "Thank God" for the difference. In John West we have a man of experience, judgment, and integrity who can bring to this post an authority and a presence that it has not heretofore had. I have no hesitation in predicting that the nominee will be a truly outstanding Ambassador, with the qualities that can bring freshness and innovation and wisdom to a very sensitive post. So I come here today with enthusiasm, and I proudly urge the speedy confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL PAYMENT FOR WATER AND WATER SERVICES AND SANITARY SEWER SERVICES

Mr. ROBERT C. BYRD. Mr. President, there is one measure on the Unanimous-Consent Calendar that has been cleared for action by unanimous consent.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 211.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1322) to revise the basis for estimating the annual Federal payment to the District of Columbia for water and water services and sanitary sewer services furnished to the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1322) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the District of Columbia Public Works Act of 1954, approved May 18, 1954, is amended as follows:

(1) Section 106(b) of such Act (D.C. Code, sec. 43-1541(b)), is amended to read as follows:

"(b) For the purpose of effectuating the provisions of subsection (a) of this section, there shall be included annually in the budget estimates of the Mayor (beginning with the budget estimates for the fiscal year beginning October 1, 1977) the estimated value, as determined by the Mayor, of the water and water services to be furnished to the United States during the fiscal year for which the budget estimates are prepared, based on the rates for water and water services that will be in effect during such fiscal year. There shall be appropriated annually to the District, subject to subsequent adjustment within two fiscal years, out of any money in the Treasury not otherwise appropriated, a sum corresponding to the estimated value of water and water services to be furnished to the United States: *Provided,* That nothing contained in this subsection shall be deemed to relieve the United States of its obligation to make payments to the District for water and water services furnished prior to October 1, 1977: *Provided further,* That, notwithstanding any other provision of law, outstanding payments for water and water services furnished by the District prior to October 1, 1977, shall be advanced and paid, subject to subsequent adjustment within two fiscal years, to the District by the United States on October 1, 1977.".

(2) Section 212(b) of such Act (D.C. Code, sec. 43-1611(b)), is amended to read as follows:

"(b) For the purpose of effectuating the provisions of subsection (a) of this section, there shall be included annually in the budget estimates of the Mayor (beginning with the budget estimates for the fiscal year beginning October 1, 1977) the estimated value, as determined by the Mayor, of the sanitary sewer services to be furnished to the United States during the fiscal year for which the budget estimates are prepared, based on the rates for sanitary sewer services that will be in effect during such fiscal year. There shall be appropriated annually to the District, subject to subsequent adjustment within two fiscal years, out of any money in the Treasury not otherwise appropriated, a sum corresponding to the estimated value of sanitary sewer services to be furnished to the United States: *Provided,* That nothing contained in this subsection shall be deemed to relieve the United States of its obligation to make payments to the District for sanitary sewer services furnished prior to October 1, 1977: *Provided further,* That, notwithstanding any other provisions of law, outstanding payments for sanitary sewer services furnished by the District prior to October 1, 1977, shall be advanced and paid, subject to subsequent adjustment within two fiscal years, to the District by the United States on October 1, 1977.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-229), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

The bill would allow the District of Columbia to collect the amount of money owing from the Federal Government for water and sewer services in its next fiscal year's budget. At the present time, there is a 2-year delay in such payment before the District is reimbursed for these services.

BACKGROUND AND NEED FOR LEGISLATION

The Federal Government is the single largest customer of the city's water and sewer services, using some 18 percent of the water consumption. Under current law, a period of more than 2 years elapses between the time that services are rendered by the District and the time that payment is received from the Federal Government. As a result of the delay, other water and sewer services users tend to pay higher rates than they would if the Federal Government made its payments on time.

EXISTING PAYMENT PROCEDURES

Special Federal payments to the District's water and sanitary sewage works funds in lieu of charges for water and water services and sanitary sewage services are authorized by the District of Columbia Public Works Act of 1954.

The District provides such services to numerous Federal facilities in the city and in surrounding jurisdictions. The Federal Government is charged on the basis of actual consumption at the rates in effect for other users of the services.

The present law requires the city to base its annual budget estimates for the Federal payments on the actual amount of services furnished during the most recent fiscal year for which actual usage can be determined.

Because of that requirement as it relates to the requirements of the appropriations process, the Federal payment for water and sewer services appropriated to the District for a given fiscal year is for services provided approximately 2 years earlier and is not related to the actual costs of providing services to Federal facilities in the year in which the appropriation is made.

For example, the Federal payment for such services appropriated for the current fiscal year was based on actual services provided to Federal facilities during fiscal year 1975, at the rates then in effect.

EFFECT ON WATER AND SEWER CHARGES

The delay in receipt of the Federal payment, together with the rising costs of providing water and sewer services, have produced higher rates for other users than would be in effect if the Federal Government paid on time.

Water and sewer services rates have been set to cover the budgeted costs of furnishing services to all users in a given year. The Federal payment appropriated for that year, however, did not cover the current costs of services because it was based on services furnished two years earlier.

Therefore, water and sewer rates were set high enough not only to cover budgeted costs for non-Federal users, but also to cover that part of the cost attributed to services to Federal facilities that was not covered by the Federal payment appropriation.

As a result, in fiscal years 1973 and 1974, District residents paid approximately $730,000 more each year than they would have been required to pay if the Federal payments had been current. They paid about $1.9 million more in 1976 and $640,000 more in 1977 than they would have if the Federal Government had been paying on time.

LOSS OF INTEREST EARNINGS

Another cost to the District is the loss of the interest that could be earned if the Federal payments for water and sewer services were made on time. If the $20 million owed by the Federal Government were available to the District for investment, the District could have earned $1 million in interest annually.

PROPOSED PAYMENT PROCEDURES

The bill eliminates those adverse financial effects by placing the Federal payment for water and sewer services on a current basis.

Under the proposal, annual budget estimates for the Federal reimbursement will be based on the amount of services expected to be provided during the fiscal year for which the payments are appropriated. Actual usage at Federal facilities will be determined annually. Any necessary adjustments between the estimates and actual consumption will be made within the following 2 fiscal years.

The proposal to put the Federal payments for water and sewer services on a current basis is consistent with District actions to improve taxpayer equity and cash flow by changing the payment dates for a number of major District taxes. Beginning with the 1978 tax year, financial institutions, utilities, insurance companies, major real property taxpayers, and personal property taxpayers will generally be required to pay their taxes in full when assessed rather than in semiannual installments.

TRANSITION TO NEW METHOD

The District has proposed that the transition to the new payment method be made with the appropriation for fiscal year 1978. In that year, the Federal Government will make payments for water and sewer services furnished by the District in fiscal years 1976, 1977, and 1978.

On the basis of actual services provided during fiscal year 1976 and estimates of services to be provided during fiscal years 1977 and 1978, the payment to be appropriated for fiscal year 1978 is $28,116,000.

The District's financial plan for fiscal year 1978 includes a Federal payment for water and sewer services of $28,116,000. The Administration's 1978 budget estimates also provide for a payment in that amount.

HEARING AND COMMITTEE VOTE

The Subcommittee on Governmental Efficiency and the District of Columbia held a hearing on S. 1061 on April 27, 1977. The Committee on Governmental Affairs unanimously ordered the bill reported on May 12, 1977, after discharging the subcommittee from further consideration of the legislation.

CONGRESSIONAL BUDGET OFFICE ESTIMATE AND COMPARISON

No estimate and comparison of costs has been received by the committee from the Director of the Congressional Budget Office, pursuant to section 403 of the Congressional Budget and Impoundment Control Act of 1974. See cost estimate below by this committee.

REGULATORY, PRIVACY, AND PAPERWORK IMPACT

In accordance with rule XXIX of the Standing Rules of the Senate, this legislation will have no additional, regulatory, paperwork, or privacy impact.

COSTS

The enactment of this proposed legislation will involve no added costs to the District of Columbia government nor to the Federal Government.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Arms Control, Oceans and International Environment be authorized to meet during the session of the Senate on Wednesday, June 8, 1977.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, June 10, 1977.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD BILL AT DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 6893 a bill to amend title 4 of the United States Code to make it clear that Members of Congress may not, for purposes of State income tax laws, be treated as residents of any State other than the State from which they were elected, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

COAST GUARD AUTHORIZATIONS

Mr. ROBERT C. BYRD. Mr. President, this request has been cleared with Senator EASTLAND, Senator SARBANES, Senator MATHIAS, and the minority.

Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6823.

The PRESIDING OFFICER (Mr. ANDERSON) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill H.R. 6823) to authorize appropriations for the U.S. Coast Guard for fiscal year 1978, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. INOUYE, Mr. LONG, Mr. STEVENS, and Mr. GRIFFIN conferees on the part of the Senate.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 252 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately after the two leaders or their designees have been recognized under the standing order on tomorrow, the Senate proceed to the consideration of S. 252, a bill to amend the Clean Air Act, as amended, which is the next measure already ordered to be acted upon by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the Senate will immediately proceed to the consideration of S. 252, the Clean Air Act legislation. There is a time agreement on that measure.

The Senate will be in late tomorrow, early Thursday, late Thursday if necessary, to complete action on the measure. If the measure is not completed by the close of business on Thursday, the Senate will be in early on Friday and stay in late on Friday, in the effort to complete action on that bill before the week is out.

The Senate should be able to complete action on that measure in 2 days, or 3 days at most; but if it is not completed by Friday evening, I think the Senate would face the prospect of being in on Saturday to complete action on that measure. I hope that will not be necessary.

Mr. BAKER. Mr. President, since I am on the Environment and Public Works Committee, from whence this bill came, and am familiar to some extent with its provisions and the controversies that are likely to arise, I say to the majority leader that I share his hope that we can finish this bill by Thursday, certainly by Friday. It is my expectation that the debate on the measure may go faster than we had at first thought.

I believe that with a good, long day of debate tomorrow and with diligence on Thursday, we should be able to finish this bill even by late afternoon or early evening on Thursday.

I urge those on my side of the aisle to offer their amendments, if they have amendments, as promptly as possible, so that we can get about the business of disposing of the bill.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader for his statement.

I, likewise, express the hope that Members on my side of the aisle who have amendments will proceed to call them up as soon as possible.

I share with the distinguished Senator from Tennessee the hope that action can be completed on the Clean Air Act on Thursday.

RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President. if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to; and at 7:13 p.m. the Senate recessed until tomorrow, Wednesday, June 8, 1977, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 7, 1977:

DEPARTMENT OF THE TREASURY

Azie Taylor Morton, of Virginia, to be Treasurer of the United States, vice Francine Neff, resigned.

IN THE AIR FORCE

Lt. Gen. Wilbur L. Creech, xxx-xx-xxxx FR, U.S. Air Force, for appointment as senior U.S. Air Force member of the Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7, 1977:

DEPARTMENT OF STATE

Lawrence S. Eagleburger, of Virginia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Federal Republic of Yugoslavia.

Malcolm Toon, of Maryland, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Arthur A. Hartman, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

Patricia M. Derian, of Mississippi, to be Coordinator for Human Rights and Humanitarian Affairs.

Richard K. Fox, Jr., of Minnesota, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

Arthur W. Hummel, Jr., of Maryland, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan.

Marvin L. Warner, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Jean Price Lewis, of Virginia, to be an Assistant Administrator of the Agency for International Development.

Abelardo Lopez Valdez, of Texas, to be an Assistant Administrator of the Agency for International Development.

INTERNATIONAL ORGANIZATIONS

Richard N. Cooper, of Connecticut, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Alternate Governor of the Asian Development Bank and U.S. Alternate Governor of the African Development Fund.

Sam Young Cross, Jr., of Virginia, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years.

Herbert Salzman, of the District of Columbia, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Albert W. Sherer, Jr., of Connecticut, a Foreign Service officer of the class of career minister, for the rank of Ambassador while serving as the head of the U.S. delegation to the preparatory meeting in Belgrade of the Conference on Security and Cooperation in Europe (CSCE) commencing June 15, 1977 and thereafter as a member of the U.S. delegation and head of the delegation's working group at the main CSCE meeting in the autumn.

Melissa F. Wells, of New York, a Foreign Service officer of class 2, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Thomas Byron Crawford Leddy, of Virginia, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years expiring October 22, 1979.

DEPARTMENT OF STATE

John C. West, of South Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE DIPLOMATIC AND FOREIGN SERVICE

Diplomatic and Foreign Service nominations beginning Donald Fraser Ramage, to be a Foreign Service officer of class 3, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America, and ending James T. Kelley, to be a Consular Officer of the United States of America, which nominations were received by the Senate and appeared in the Congressional Record on May 25, 1977.

EXTENSIONS OF REMARKS

RELIABILITY OF SAFETY EQUIPMENT

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. BUCHANAN. Mr. Speaker, I call attention of my colleagues to a recent article in the May 30, 1977, issue of Iron Age magazine concerning the reliability of personal protective safety equipment and the Occupational Safety and Health Administration's role in assuring it.

We are, of course, all concerned about the safety and health of workers and concerned about the ability of everyone including OSHA to spot unreliable equipment. Not having that capability, in effect, puts workers in unnecessary danger.

Occupational safety and health laws require that certain types of safety equipment be worn by workers, but OSHA apparently has not found a way to determine if such equipment is, indeed, safe.

It is for this reason that I commend to the attention of my colleagues the article by Mr. Bowers:

BLURRED RESPONSIBILITY CLOUDS THE SAFETY ISSUE

(By Edwin W. Bowers)

(Is the safety equipment U.S. workers wear on the job as good as it could be? Answers depend on who's talking.)

As he had done so many times before, 54-year-old Matteo LoPiccolo donned his safety helmet and went into the ditches. While he worked, a frozen lump of earth fell, striking his helmet. The accident seemed minor.

It wasn't.

Matteo LoPiccolo's fellow workers stared in disbelief at the shattered helmet and blood.

In a short time Matteo LoPiccolo was dead.

Investigators say that what hit him was soft earth—it disintegrated on impact—and weighed less than 8 lbs.

Death resulted from a compound skull fracture and lacerated brain complicated by Mr. LoPiccolo's already-poor health. He had a perforated ulcer and a weak and inflamed abdominal cavity.

Nevertheless, there is one overriding question in this widely-discussed case. Why didn't Matteo LoPiccolo's helmet protect him? As with any such accident the answer is complex and will probably never be fully resolved.

No one can say for certain how well protected American workers are.

There are safety equipment manufacturers who assert the American worker is the best-protected worker in the world. But nearly everyone concedes it's possible faulty safety products are scattered throughout the American economy.

Was the death of Mr. LoPiccolo, a Detroit construction worker who died at a site at Toledo, an exception? Or is it spotlighting a critical situation?

Just like the accident that killed him, the answers are numerous and complicated.

The Industrial Safety Equipment Association (ISEA), spokesman for the industry, says the heart of the problem is the vagueness of government standards.

Those standards were, for the most part, developed by the American National Standards Institute (ANSI).

Donald Peyton, ANSI executive vice president, says: "I tend to agree they may not be clear and this is a problem constantly. But, remember, just because one person says the standards are not clear does not mean it's true."

But enough people in Washington are saying the standards are unclear that there have been calls for Federal control of the current National Voluntary Consensus Standards program.

Others, in industry, blame "tentative and imprecise" Federal intervention for adding to the controversy.

Over the past several years the National Institute of Occupational Safety and Health (NIOSH), Morgantown, W.Va., has been testing personal protective equipment and issuing "Pass or Fail" statistics. Officials there termed the number of failures "alarming."

Testifying on Capitol Hill, NIOSH director Dr. John Finklea revealed that 25 of 76 men's safety shoes tested by his agency received failing marks, 15 of 20 models of women's safety shoes did not pass and only three of 21 Class B industrial safety helmets passed the applicable ANSI Standard Z89.2.

"Although manufacturers assert their products meet the standard," Dr. Finklea says, "most employers, especially small businessmen, have no way to determine whether they actually meet the required performance standards.

"All too often it is only after a tragic accident that the employer discovers the equipment he relies on is inadequate to protect his employees."

That was the problem in Mr. LoPiccolo's case. "We try to keep things as safe as possible," reports Nick Mancinelli, who was Mr. LoPiccolo's partner. But, he says, as an employer he really doesn't know just how safe the gear is that he gets from his supplier.

"How does anybody know?" he asks.

That is the problem.

Many people believe that because the product is tagged with an OSHA label, it must be OSHA responsibility to see that the product meets standards.

OSHA cannot certify that each label-bearing item really meets those standards.

In short, the OSHA sticker is not a guarantee.

"Our inspectors can only visually check to see if employees are wearing the prescribed equipment," says an OSHA spokesman. "They can't tell if what is being worn will hold up if an accident occurs. The equipment being worn could be bad and we couldn't tell."

Neither NIOSH nor OSHA can certify the safety of products. "We have no authority by law to tell someone to stop making something or to make it a certain way. That's not our business," says Dr. Donald Campbell. Dr. Campbell is the NIOSH safety expert overseeing safety equipment testing at Morgantown.

"Our publications with the pass-fail statistics only give out data to manufacturers, users and buyers. We have no stick, no club other than to let the buyer know what the situation is.

"If the consumer wants to buy something that is inferior, that's his point of view. Right now, pressures of the marketplace are—and should be—a very effective way of maintaining quality of safety equipment."

John Moran, Dr. Campbell's superior, disagrees. "As far as publishing this data in our reports, it really doesn't do any good. The effect has been that it has done no good."

At least one manufacturer strongly challenges the data NIOSH publishes—and his customers seem to agree with him.

NIOSH claims one of the Eastern Safety Equipment Company's helmet types flunked the agency's two impact tests. NIOSH published that information.

Eastern vice president A. H. Jacobson refutes the test results. "Let's begin at the beginning," he says. "We make an excellent product and our customers know it."

As evidence of customer support, he adds, "Quite frankly, NIOSH publishing that data has not hurt us economically at all."

Mr. Jacobson estimates, conservatively, that his company has one million safety helmets in use in the field. "We have had no reports of anyone being injured because of our helmets or any problems of that type," he says.

"We took great exception to the NIOSH results and we sent a published rebuttal paper to our customers which was very well accepted," Mr. Jacobson recalls. "Our own test results differed substantially from those of NIOSH.

"We cannot account for their results. We don't know how they tested because we were not permitted to be there while they tested."

Mr. Jacobson takes vigorous exception to any charges that American safety equipment manufacturers would make inferior products

by intent. "I don't think that exists in our industry."

He agrees, however, that it's possible inferior products could be out on the market and that there's no way they can be checked. "There may be occasionally something that gets out there which shouldn't be out there.

"But this does not mean that this happens continuously, frequently or on a large scale. It just doesn't happen."

He concludes, "I think some sort of certification program would be advisable."

The closest thing to "certification" so far is the makers' assertion that the product meets either the ANSI standard or the OSHA standard.

However, if the product does not meet standards, what can be done about it?

Very little.

Both OSHA and ANSI concede all they can do is file a complaint with the Federal Trade Commission against the maker for false and deceptive advertising.

"We would probably investigate," an attorney in the FTC's Marketing Practices Division said. "We don't really have a systematic enforcement program in that area."

Another official in the FTC's National Advertising Division pointed out the agency does have authority to go to court, obtain injunctions and, "if the court agreed," to stop sales immediately.

But both officials admit the FTC has no way of knowing whether a product does not meet the standards unless someone brings it to the government's attention.

What can a businessman do to make sure the safety equipment he buys is safe enough for his employees?

Safety experts in government advise employers not to rely solely on ANSI or OSHA labels.

If in doubt, they advise, the employer should do his own testing or have random samples of safety equipment from stock tested by independent laboratories.

Also, they say, each employer should find out as much as possible about existing safety gear standards.

Write to OSHA in Washington, NIOSH in Morgantown, West Virginia, ANSI in New York. Employers should find out what standards are supposed to apply to equipment, who the makers are and what tests have been carried out.

Standards are no panacea; it's practical reality and use that determines whether a product will stand up.

Purchasing agents and safety directors should work in tandem to find safety problems and determine what equipment is needed, the safety experts say. To say merely that a company needs a certain number of helmets, goggles or shoes is not enough.

For equipment manufactuers, the experts have this bit of advice—test, test and re-test. And have validated test data documentation on hand.

Manufacturers should insist on being included in any government—NIOSH—projects involving testing or evaluating their equipment. If the manufacturer doesn't agree with what they've done, he should say so. Legal experts are now discussing challenges to the legitimacy of previously-published NIOSH test results.

It's possible to challenge the existing standards. Most everyone agrees many standards are too vague.

NIOSH's Mr. Moran is explicit. "We found that ANSI standards, in some cases, were written sufficiently soft so that if we were to take a given product and require that full tests be done, and four different laboratories did the testing, we'd get four different results.

"The way standards are written," he charges, "it appears to me to be done to ensure that all participating manufacturers' products make it."

The vagueness of the standards is the "heart of the problem as we see it," says Mr. Wilcher.

Virtually everyone is calling for a "certification" program. Currently there is none. Mr. Wilcher says the industry is "going to take a position on certification in the very near future."

"Any system of standards that is adopted by a Federal authority requires a certification program," says Mr. Peyton.

"I think a certification program is advisable," says Mr. Jacobson, "provided the manufacturer has an opportunity to be involved. I don't think it's wise to have a program where the government says you are 'naughty' and leaves it at that. In other words include us in the program."

There are two programs under consideration in Washington that will affect the safety equipment and standards setting industries.

First, reliable sources at OSHA tell *Iron Age* the agency is trying to set up a national sampling program. Under the plan (which, it must be emphasized, has only been discussed within the inner circles of OSHA) inspectors would collect, either from employers' supply sections or from retailers, safety equipment in its original carton and bring it to Morgantown for testing. This would be done on a nationwide basis, sources say.

Publicly, OSHA is striving mightily to change its course and image. At a press conference Labor Secretary Ray Marshall said the agency is going with a "common sense" approach to safety and health. "The business community has claimed that OSHA was far too restrictive," he said. "Labor has been concerned that OSHA hasn't done enough about health problems. Both are right."

Announcing "new directions," OSHA Chief Dr. Eula Bingham said, "We are going to start encouraging compliance officers to suggest ways to abate violations. We are going to encourage them to answer questions and share any specialized knowledge with employers."

Dr. Bingham said OSHA will begin withdrawing and simplifying the large number of safety regulations intended to guard against minor injuries.

"We are trying to do two things," Mr. Marshall said. "First, get the monkey of unnecessary and complex government regulations off the backs of small business. Then, focus our limited resources on the most serious health and safety problems faced by American workers."

The Senate Antitrust and Monopoly Subcommittee is considering legislation that would set up uniform procedures for organizations that develop voluntary industrial standards, and for groups that test and certify products against the standards.

The American National Standards Institute believes it is unnecessary. "The legislation will maim the hell out of the voluntary consensus standards system," says Mr. Peyton. "And remember, that system has given the U.S. the most technologically-advanced standards in the world at virtually no cost to the taxpayer."

The legislation, says ANSI, will effectively put the Institute out of business and "Federalize" the U.S. voluntary standards system. "It would replace the voluntary system with an expensive bureaucratic system that would stifle voluntary standards development and substitute the judgments of government officials for consensus," he claims.

Adds Mr. Peyton: "The voluntary system can react a helluva lot faster than the government. We're not saying we don't want the government involved. What we're saying is everybody should be involved. But let's not have the government dictating what should and shouldn't be done as far as standards writing is concerned."

"We're encouraging OSHA and NIOSH and the industry itself to develop better performance oriented standards," says Mr. Wilcher.

Also, ISEA has written to OSHA urging that a Standards Advisory Committee be set up.

"By and large the equipment made by the members of the industry is conforming with the ANSI standards and is safe," Mr. Wilcher insists. "We're not getting reports from the field that people are being injured at a rate anywhere near what those NIOSH test reports indicate."

The ANSI did indeed take action when NIOSH issued the Pass-Fail booklets.

"We sent letters to every one of those manufacturers who got 'Fails' and asked why," says Nixon Tarnowsky. He is ANSI's safety and health standards program administrator. "They all claimed they had test data in their files that proved the equipment did meet the standards. Many manufacturers asserted that the testing procedures used by NIOSH on the helmets, for example, were not the ones called for in the standard."

"OUR TASK IS TO MAKE LIFE SAFER, NOT HARDER"—OSHA'S EULA BINGHAM

Experts believe there are two pressure points which insure that safety equipment is, indeed, safe.

The first is filing with the Federal Trade Commission (FTC), charging unsafe equipment makers with false advertising. The second is product liability court law. "We consider that to be a significant preventative," says Donald Peyton. He is executive vice president of the American National Standards Institute (ANSI).

"And I think," he adds, "that all responsible manufacturers think so too."

Several nationwide, multi-industry efforts are underway asking for legislative action to "treat" the causes and symptoms of the current product liability crisis.

Foremost among these is a Special Committee for Workplace Product Liability Reform. The group includes among its members the National Machine Tool Builder's Assn. and National Tool, Die & Precision Machining Assn.

Also developing is a National Product Liability Council and a new action group within the U.S. Chamber of Commerce.

The Chamber group says the vast majority of businessmen believe the product liability crisis will worsen over the next few years. A Chamber poll, to which 141 business men responded, showed 132 of them believing the situation, including availability and affordability of insurance, will grow worse.

Product liability problems are so complicated as to threaten the survival of the average small business. As part of its "new directions" program, the Occupational Safety and Health Administration (OSHA) is naming a Special Assistant for Small Business.

Also, OSHA is expanding its consulting program to make sure small businesses have access to professional help. OSHA chief Dr. Eula Bingham says her agency is also testing the possibility of using extension services, university centers and private organizations to provide consultation services.

"No longer will small businesses have to hire lawyers to interpret OSHA regulations," Labor Secretary Ray Marshall says. Dr. Bingham says OSHA will eliminate "unnecessary rules and simplify regulations.

"One of the greatest sources of criticism of OSHA in the past has been the more than 5000 consensus safety standards," she says. "These include many so-called 'Mickey Mouse' rules that burdened employers without really protecting workers.

"We are now combing through these standards. We shall eliminate outdated regulations, revise and simplify necessary regulations that are needlessly detailed, complicated or unclear.

"Right away, we shall end penalties for violations of standards that have nothing to do with worker health or safety by expanding and clarifying the use of de minimus citations."

Secretary Marshall claims the new directions signal that OSHA is "going after the whales instead of the minnows."

"I intend to consult closely with business, labor and the general public," says Secretary Marshall. "Many in the small business community have complained that they are overwhelmed with the paperwork involved in complying with OSHA regulations.

"Labor unions and public interest groups have attacked OSHA for its slow pace of regulation, and for the inadequacies of its enforcement efforts. There is much validity to many of these charges."

"As regards small business," says Dr. Bingham, "I think it's time we got serious about a program of cooperation. Our task is to make life safer for employees, not make life harder."

John B. Moran: "Publishing the data really doesn't do any good."

Dr. Donald Campbell: "We have no authority by law to tell someone to stop making something."

CARIBBEAN NUCLEAR TREATY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. FASCELL. Mr. Speaker, on May 26 President Carter signed an important protocol to the Treaty of Tlatelolco which is designed to limit the deployment of nuclear weapons in the hemisphere. Signing of the protocol extends the U.S. commitment to keep nuclear weapons out of South America to the Caribbean. The President is to be commended for taking this action in line with his commitment to lessen the dangers of nuclear proliferation and war.

On May 28, the Miami Herald published an editorial commenting on the signing of the protocol and its significance to our hemisphere policy, which I wish to call to the attention of the House:

[From the Miami Herald, May 28, 1977]

CARIBBEAN TREATY IS A GOOD START

President Carter must have meant it when he said that he intended to offer more than lip service to the cause of better relations with Latin America. His pen has served to sign a treaty keeping nuclear weapons out of all U.S. bases in the Caribbean, even as Secretary of State Vance was signing a treaty with Mexico settling a boundary dispute.

Ridding the immediate neighborhood of the ultimate weapon is, as Mr. Carter maintains, "a commitment of worldwide significance."

There is some truth to the adage that the end depends upon the beginning. The President is heavily committed to nuclear management in the interest of peace just as he was, under water yesterday, to nuclear power for submarines.

But there must be a start. Where better than in the Good Neighborhood, where signatories to this, a protocol to the 1967 Tlatelolco treaty, also involves as signers or prospective signers Britain, Holland, 21 Latin American nations (not including Cuba and Guyana) and France, a hold-out. Nuclear sanitation thus would extend to all of Latin America.

The agreement with Mexico, which provides for a land swap straightening out the natural boundary of the Rio Grande, has been under negotiation since 1970. So, like glue, does diplomacy flow.

Both actions are a strong sign that the Carter administration will take itself seriously in Latin America. If this is so in the follow-up, which must also take into account Senate ratification of the Tlatelolco protocol, there may truly begin a new era in U.S.-Latin American relations, so full of promises and words as substitutes for deeds.

EDWARD R. CLECKNER RECEIVES "SILVER BEAVER AWARD"

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. CARNEY. Mr. Speaker, I would like to pay tribute to Mr. Edward R. Cleckner of 162 Market Street, Cortland, Ohio, upon receiving the Silver Beaver Award, one of the highest awards in Scouting.

The Silver Beaver Award is based on the record of service in the Boy Scouts of America, the activities in other fields exclusive of Scouting, and the record of noteworthy service of exceptional character to boyhood.

I commend Mr. Cleckner, better known as "Ed", on his outstanding contribution to Scouting and on his untiring assistance to youths in the Western Reserve Council of the Boy Scouts of America for the past 50 years. At this time I would like to insert a newspaper article into the RECORD, regarding the recent annual Boy Scouts of America Appreciation and Recognition Banquet which honored Mr. Cleckner.

The article follows:

Mr. Ed. Cleckner, 162 Market St., Cortland, was recently awarded the coveted Silver Beaver Award at the Western Reserve Council's annual BSA Appreciation and Recognition Banquet at the Greek Orthodox Youth Center.

The award is the highest honor accorded an adult scouter by the National Council of Boy Scouts of America.

Cleckner, joined scouting in 1924 as a tenderfoot earning the Eagle Award in 1932. He has earned numerous awards and merit badges during his 50 years in scouting. He organized the largest Seas Scout Ship in the world in Pearl Harbor in 1944 and served as the skipper for two years.

He was the 1975 recipient of the AFL-CIO George Meany Award. He is a committeeman of Local 717 I.U.E., member of the Council Executive Board, IUE-GM Conference Board and Trumbull County Federation of Labor. He is also a member of Howland Rotary Club, Trumbull County Fair Board, International Club of Houston, Texas and is on the board of several corporations and civic organizations.

Cleckner, a graduate of Allegheny High School in Cumberland, Maryland, has attended various colleges and universities including Randolph Macon Military School, Kenyon College and Ohio State University.

Having a large collection of Indian artifacts, he has spoken to numerous clubs and organizations concerning the subject. Most of the artifacts in his collection have come from areas surrounding Mosquito Lake. He is a member of the Archeological Society of Ohio and the Historical Society.

Mr. Cleckner was awarded the Silver Beaver Award for his noteworthy service of exceptional character to boyhood through his constant service to all youth in the council area through his untiring work on the District and Council level.

SERIOUS DOUBTS ABOUT THE DETAILS AND STRATEGY BEHIND THE PRESIDENT'S MOST RECENT STRATEGIC ARMS LIMITATION MOVES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. KEMP. Mr. Speaker, on April 5, I took the floor, indicating I thought the President deserved the support of Congress and the American people in what was his first major encounter with the Soviets in strategic arms limitation talks. I need not remind this body that, upon his instructions, our arms negotiators took a position clearly in American interests, insisting all arms matters be dealt with and no loopholes left open, and making sure the Soviets understood our linked commitment to the cause of human rights.

There has been much discussion since then about what went on in Moscow at those talks, and a legitimate question has been raised over whether the principal arms negotiator, Paul Warnke, went beyond the President's authority in agreeing in principle to a mileage limitation on the U.S. cruise missile which, in effect, would prevent us from continuing with the program.

But two more general questions have been raised. The first concerns what is in the President's mind right now as to Soviet interests and strategy, and the second concerns the extent to which the President is genuinely committed to the substance of an agreement which would not work disadvantages to the United States.

Several days ago, in a meeting with top Senate leadership, the President outlined what he thought were Soviet interests, concerns, and objectives, thus the Soviet strategy. That recitation alarmed those Senators, because it mirrored the latest in Soviet propaganda, including an attempt on their part to excuse their buildup in Eastern Europe on the grounds of so-called rising West German militarism. Several other specifics raised by the President also reflected points in the Soviet's latest propaganda offensive. My point—and that of columnists who have raised the matter—is not that the President has been brainwashed by the Soviet strategists, but rather that his national security advisers and arms negotiators may have used some of these points in softening the President's position. Insiders make no attempt to cover the fact that the President had taken a harder line position prior to the Moscow talks which broke down than the positions of his Secretary of State, arms negotiator, and national security adviser. As a matter of fact, the breakdown in those talks served their

interests, because it enabled them to make inferences to the President that he was wrong and they were right, therefore, he ought to move more in their direction.

The second point was raised in the newspapers this past weekend. It deals with the apparent versus substantive components of President Carter's initiatives. The point made is that while the President runs out with a tough initial position, he is satisfied for a compromised final one, as long as it makes him and his administration look good with major segments of the American voters.

Rowland Evans and Robert Novak, in a column in yesterday's Washington Post, raise serious doubts about the details and strategy behind the President's most recent SALT actions. I think it warrants a very close examination by the Congress, because, especially in light of what I have just said, I think it shows the President now going in the wrong direction. It poses the question whether the President and his negotiators are now more concerned over a public relations coup by the signing of a new treaty than by the contents of that treaty. Specific concessions offered by the American negotiators can be interpreted only in that light.

The column follows:

DOUBTS ABOUT SALT DETAIL AND STRATEGY

(By Rowland Evans and Robert Novak)

Concern about the competency of U.S. negotiators on SALT is raised by this remarkable fact: The new U.S. proposal put forth in Geneva sets a "ceiling" on production of the Soviet Backfire bomber at a far higher level than the Russians can possibly achieve.

The failure by Secretary of State Cyrus Vance to reveal the proposed "ceiling" to a Senate subcommittee May 26 might indicate self-doubt by U.S. policymakers about its worth. But defense-oriented members of Congress suspect duplicity less than incompetency. As details of Vance's session in Geneva with Soviet Foreign Minister Andrei Gromyko have become known, doubt has grown whether the United States knows what it is doing in the arms-controls talks.

It is debatable just how much of a retreat is represented by the proposal submitted at Geneva and rejected by Gromyko. If the Russians finally accept top-secret details as described to the senators by Vance (which is dubious), the treaty surely would be ratified by the Senate. What is worrisome for the long haul are deficiencies in both grand strategy and petty details.

The heart of the concern is the fact that just one month after President Carter's bold, tough but still reasonable SALT package was tabled in Moscow, concessions were offered in Geneva. The inescapable conclusion is that, contrary to Carter's repeated public assurances that he is in no hurry, the old compulsive U.S. urge for some agreement—any agreement—has returned. The intractable Soviet position at Geneva suggests the Kremlin expects that the American compulsion to back down will yield still more American concessions.

The theory that U.S. negotiators are more interested in the idea of a treaty than what is in it is supported by bargaining over the Backfire bomber. The U.S. proposal accepts the Soviet claim that the Backfire is medium-range and should not be counted in the limit on strategic weapons, even though many experts believe it can reach North America without refueling.

Accordingly, the secret proposal offered in Geneva would "limit" annual Soviet production. Precise figures are top secret, but intelligence estimates of actual Soviet production are but a small fraction of the "ceiling." Furthermore, there is no chance Soviet production could even approach this level during the proposed three years of the limit.

Unlike the Backfire's range, its production is not disputed inside the CIA or anywhere else in the national security bureaucracy. The only reasonable assumption, then, is that the SALT negotiators are guilty of inexcusable sloppiness. Nor is the Backfire the only such instance.

Testifying before Sen. Henry M. Jackson's subcommittee, Vance emphasized curbing development of the Soviet Union's huge SS-18 missile. But Pentagon experts feel this shows the U.S. negotiating team is behind the times technologically, The greater menace today is the smaller SS-19, untouched by the proposal.

More significantly, Vance was questioned closely by the senators on whether it would be remotely possible to verify the proposed ban on mobile long-range missiles. U.S. negotiators seem unconcerned that Soviet intermediate-range mobile missiles could be converted to long-range without anybody knowing it.

This helps breed skepticism in the Senate about Vance's reassurances regarding the principal obstacle to a SALT II agreement: the U.S. cruise missile. While supposedly postponing testing of land-based and sea-based cruise missiles, the United States does not intend the proposed language to actually block the new wonder-weapons such as the Tomahawk sea-based cruise missile. Whether this is really so may determine the extent of Senate treaty opposition.

But even if the Senate is convinced that the cruise missile is not endangered, nagging doubts persist about the overriding U.S. purpose. A three-year ban on testing certain cruise missiles and the MX mobile missile would be more acceptable if the time were used to improve the overall strategic position leading to negotiation of a comprehensive SALT III treaty. But there is seemingly no such broad strategy underlying the big push for a SALT II agreement.

Noting U.S. haste, the Russians are characteristically intransigent. For instance, they want restrictions on the U.S. cruise missiles and MX to last for eight years while restraints on Soviet weapons last for only three.

The present SALT climate, therefore, could not be further removed from the Carter administration's hard-nosed beginning in Moscow. Walking backwards, U.S. negotiators offer substantial concessions on their own arms, while asking largely meaningless restrictions on Soviet arms. The Russians, patiently awaiting a treaty granting them maximum advantage, have not yet compromised an inch. This climate, rather than the substance of what happened in Geneva, is the source of disquiet in the Senate.

CONGREGATION SHAAREI TEFILA LAUDS GOLDSTEINS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. WAXMAN. Mr. Speaker, I should like to call to the attention of my colleagues and the general public an event of great importance soon to occur in my district. On June 8, Congregation Shaarei Tefila—one of the largest and most respected orthodox synagogues on the west coast—will pay tribute to Alan and Adell Goldstein.

I have known Alan and Adell Goldstein and the other members of the Goldstein family for many years. I have watched the family grow in size, in scope of business activities and, most importantly, in the role its members play as philanthropists and community leaders.

Currently, Alan Goldstein is serving as president of the Samuel A. Fryer Hebrew Academy and as a member of the board of directors of both Rambam Torah Institute and the Los Angeles chapter of the National Council of Synagogue Youth. Alan and Adell, along with the rest of the family, have played a major role in supporting the Chabad-Lubavitch movement, the Ponevezer Yeshiva in Israel, and many other educational and religious institutions.

Dedicated involvement in the Los Angeles Jewish community has not prevented the Goldsteins from making a major contribution to the well-being of the entire community. Alan Goldstein has done an outstanding job as a city of Los Angeles commissioner on the Community Redevelopment Agency.

Both Alan and Adell Goldstein have been extremely active in professional organizations in the health field. Alan is a board member and vice chairman of the Consumer Liaison Committee of the California Association of Health Facilities, Los Angeles chapter.

I trust the Shaarei Tefila banquet honoring the Goldsteins will give these outstanding young people some idea of the extent to which our community appreciates their many praiseworthy accomplishments.

THE MINUTE MAN AWARD

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. MURTHA. Mr. Speaker, on May 21, 1977, at a ceremony held at the Naval Training Center, Johnstown, Pa., as part of the observance of Armed Forces Week, HTC Bernard J. Kessler, of 110 Euclid Avenue, Johnstown, was presented the Minute Man Award by the Conemaugh Valley Reserve Officers Association.

This award was made to Bernard J. Kessler in recognition of his many displays of patriotism and should serve as an example to all Americans.

He was chosen as a candidate for the award from the many programs he has participated in in the tricounty area of Armstrong, Cambria, and Indiana.

Mr. Kessler is a graduate of the former Johnstown Catholic High School and entered the Navy in 1944. He has served as a member of the Naval Reserve for 32 years and won an award as Petty Officer of the Year in 1976 from the Naval Reserve. He is presently the public relations officer for the U.S. Naval Reserve District and a member of District 26, Veterans of Foreign Wars; Post 155, VFW: Cambria County Council

VFW; and West End Post 954, Catholic War Veterans.

This outstanding American is a past commander of Post 155 and Cambria County Council. He currently is deputy chief of staff of the VFW, Department of Pennsylvania and Americanism Chairman of Post 155, Cambria County Council, and District 26.

Mr. Kessler was employed at the Johnstown plant of the Bethelehem Steel Corp. and is now a letter carrier for the Johnstown Post Office. He and his wife, the former Mary Jo Coshun, are the parents of two daughters.

It gives me great pleasure to commend Mr. Kessler for his years of service and to congratulate him on the occasion of this award. I know I speak for the people of my district when I wish him many additional years of good health during which he may continue to contribute toward the welfare and safety of us all.

FORCED RETIREMENT—A CONVENIENT FORM OF AGE DISCRIMINATION

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. DRINAN. Mr. Speaker, forced retirement has been sustained through the heretofore unquestioned premise that it was necessary to make room for younger workers and the fallacious view that reaching age 65 brought with it the onset of incompetence. The choice to continue working past age 65 has for the most part been limited to the powerful—corporate executives, labor leaders, celebrated artists, and those in the advantageous positon of being self-employed. But for most of the rank and file of American workers there is no choice.

When CBS testified before the Select Committee on Aging, I was most interested in one of the few exceptions made to their policy of mandatory retirement at age 65. At Steinway Piano Co., which is owned by CBS a policy of "continued indefinite employment" exists. The justification is that "it has become increasingly difficult to replace older workers who make our pianos." Obviously there is little doubt that these older workers can continue the highly skilled and tedious work involved in the making of musical instruments. Yet the company expressed great concern that a change in the overall policy of forced retirement would require individual decisions about the ability of a worker to continue at his or her job.

Although it may be convenient to continue mandatory retirement it cannot be justified. No matter how masqueraded in form, forced retirement based on age alone must be dealt with as the discrimination based on age, which, in essence, it is.

Early this year I introduced legislation, H.R. 3504, which would include age as a protected category under the Civil Rights Act thus making it unlawful to withhold employment or terminate employment based on the sole criteria of age. The House Education and Labor Subcommittee on Employment Opportunites recently began hearings on legislation which would protect the right of choice of older workers in the highly personal decision of retirement.

I was pleased to have the opportunity to appear before the subcommittee and the text of my statement follows:

TESTIMONY OF CONGRESSMAN ROBERT F. DRINAN BEFORE THE SUBCOMMITTEE ON EMPLOYMENT OPPORTUNITIES, JUNE 2, 1977

Mr. Chairman and Members of the Subcommittee, I am grateful for the opportunity to participate in this important hearing on legislation to protect older workers from the loss of their jobs based on the sole, arbitrary, criteria of age. Mandatory retirement is the most visible form of age discrimination which exists in our society today and regardless of the form it takes, age discrimination must be seen as no less objectionable than discrimination based on race, religion or sex. Whatever justifications were accepted in the past for the gross generalizations inherent in mandatory retirement are no longer morally, scientifically or economically supportable.

Congressional concern for the problem of age discrimination in employment emerged in the early 1950's although it was not until 1964 that any Federal initiative was taken. In that year through Executive Order, public policy on Federal contracts was amended to include a ban on age discrimination. In 1967 the Congress moved further through enactment of the Age Discrimination in Employment Act with its stated purpose "to promote employment of older persons based on their ability rather than age." Although the enacted legislation protected only those workers between ages 40 and 65 from discrimination in employment based on age, it is important to note that the initial intent was to allow the Secretary of Labor the authority to raise the upper age limit. Then Secretary of Labor, Willard Wirtz, had called this authority "desirable to protect those workers above 65 who want and need work which they are fully capable of performing and also to foster manpower utilization." Unfortunately no provision for raising the upper limit of 65 for protection under the Act was included in the final version of this legislation and the law ironically reinforced the acceptance of 65 as the mandatory retirement age. In 1967, the year ADEA was passed, the rate of participation in the work force of men between the ages of 65–69 was 43.4 percent. By 1971 this had dropped to 39.4 percent.

The roots for the enshrinement of mandatory retirement practices are not as deep in our traditions as some might think. In 1870 only one-fourth of men over 65 were not actively working. One hundred years later three-quarters of that age group were unemployed. The growth of formalized retirement appears to have been generated by two factors, first, an increase in longevity and second, a decline in the age at which workers were perceived to make their best contributions. The growth of the factory system unquestionably accelerated the process of retirement. Older men and women were thought to be unable to maintain the pace of assembly line production.

With the emergence of forced retirement this nation also witnessed a rapid increase in poverty among the aged and as the twentieth century unfolded inequality of income between age groups grew steadily greater. Even as race and sex discrimination were slowly reduced in recent years, the inequality of income between age groups continued to grow.

The sanctification of 65 as the retirement age came in 1935 with enactment of the Social Security law. It is reported that this figure was borrowed from Germany, where Otto von Bismarck arbitrarily chose 65 as the age of eligibility for that country's first social welfare system in the year 1889. Apparently the choice of age 65 as the cornerstone for eligibility under the Social Security retirement benefit program was made with little thought at all. Former Secretary of HEW, Wilbur Cohen, one of the drafters of the Social Security law, has written:

"The simple fact is that at no time in 1934 did the staff or members of the Committee on Economic Security deem feasible any other age than 65 as the eligible age for the receipt of old age insurance benefits. There is therefore, very little material available to analyze the economic, social, gerontological or other reasons for the selection of this particular age."

A Harris Survey published in 1975 under the title "The Myth and Reality of Aging in America" reported that by 86 to 12 percent the public agreed that "Nobody should be forced to retire because of age if he wants to continue working and is still able to do a good job". Equally important was the Survey's revelation that only 37% of the hiring and firing decision-makers feel a fixed retirement age for everyone makes sense.

These facts alone should signal action in the Congress to legislate away mandatory retirement. It makes less and less sense and is no longer in our own best interest.

In the past several years there have been a proliferation of court cases challenging the constitutional validity of laws and policies affecting the mandatory retirement of public employees. Most recently the Supreme Court dismissed the age discrimination suit of Lt. Colonel Robert Murgia who was forced to resign from the Massachusetts State Police when he reached the mandatory retirement age of 50, even though he served in an administrative capacity and a rigorous medical examination had shown him to be in excellent health.

Even in rejecting the constitutional claim of Lt. Colonel Murgia the Court was not blind to the grim situation of mandatory retirees. For at the end of its opinion it did acknowledge:

"We do not make light of the substantial economic and psychological effects premature and compulsory retirement can have on an individual; nor do we denigrate the ability of elderly citizens to continue to contribute to society. The problems of retirement have been well documented and are beyond serious dispute."

Unless the Congress acts it appears that mandatory retirement will continue to hold sway. It is not realistic to look to the states for the protection that the courts and Congress have so far been unwilling to provide. Although there has been some heartening activity on the state and local level such as the recent decision of Los Angeles, this nation's second largest city, to prohibit forced retirement for their municipal employees and the action of Mayor Wes Uhlman in Seattle to abolish mandatory retirement throughout the city's municipal workforce, this course of change has been slow and a spotty proposition as well.

Recently I was privileged to be joined by my esteemed colleague, the Chairman of the Select Committee on Aging, Congressman Claude Pepper for a day of hearings on mandatory retirement in Massachusetts. Legislation to provide protection against mandatory retirement has been introduced in the Massachusetts Legislature for the last couple of years but it remains stalled in committee The principal sponsor of the state legislation told the participants at the Massachu-

setts hearing that action on the Federal level such as the enactment of legislation to protect Federal employees from forced retirement, the Pepper bill, H.R. 1115, would serve as a model and precedent for state action and provide the much needed impetus for a change in our national view of aging.

One of the witnesses poignantly told the Committee that "65 is a much misunderstood age". One cannot doubt that by telling people their work and usefulness is done at age 65 or 70, we can pretend to have any understanding of what that age means. Forced retirement means for too many a loss of integrity, a hasten in their decline and the beginning of financial insecurity. As one group of experts wrote in 1952 "The lack of self-maintaining work in old age is a symbol of social failure, a visible justification for the generally inferior social status afforded to the aged of society."

Even the highly cautious American Medical Association has taken a resolute position on the detrimental effects of forced retirement. In their words:

"At a certain chronological age—most often 65—forces outside of medicine inflict a disease or disability producing condition upon working men and women that is no less devastating than cancer. tuberculosis, or heart disease. This condition enforced idleness robs those affected of the will to live full well-rounded lives, deprives them of opportunities for compelling physical and mental activity and encourages atrophy and decay. It robs the worker of his initiative and independence."

There is a growing body of powerful evidence to refute any past claim to the proposition that older workers can't perform. The U.S. Senate Committee on Aging reported findings of a New York public service study in 1973 which showed that workers over 65 are "about equal to" and sometimes "noticeably better" than younger workers in job performance. They were shown to be more punctual, had fewer on-the-job accidents and were less often absent from work. Besides this and other studies the U.S. Department of Labor in reporting on job performance of older workers found that "large proportions of workers in the older groups exceeded the average performance of younger workers". Scientific studies have also shown that intellectual ability continues through the 70's and 80's.

Given the available breadth of data on these aspects of aging, the sustaining logic of mandatory retirement which is based on the incompetence of old age, fails.

Another concern in the removal of mandatory retirement practices is the contention that we must make room for younger workers. The answer to the employment needs of the young cannot rest in a shift of that burden from the shoulders of the young to those of older Americans. The problem remains, only the victim changes. It is our responsibility to provide jobs for all Americans who wish to work.

We must also recognize that this nation is experiencing a steady increase in its older population coupled with a birth rate that has fallen sharply. One prominent question that keeps coming up is whether the next generation of workers will be able to support the social security and retirement benefits of the emerging older population. It is perhaps that economic expediency which will best serve to foster liberalization or removal of forced retirement practices.

It was suggested based on 1972 figures that the cost of mandatory retirement at the time was a loss of $3.4 billion dollars in our national product. Because of the diminished income of those manditorily retired, they also have diminished buying power and provide diminished revenues.

One commentator succinctly noted that the elderly are the only outcast group we can all expect to join. Compulsory retirement is lodged in our way of doing things yet so were segregation and sexism. Older Americans are engaged in a struggle for their civil rights and it is up to us to provide the protection of law so that discrimination in employment will not be tolerated be it based on race, religion, sex or age.

THE BOUNDARY WATERS WILDERNESS ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. FRASER. Mr. Speaker, since its introduction in January, the Boundary Waters Wilderness Act, H.R. 2820, has generated a great deal of interest at both the local and national levels. The bill would extend full wilderness protection to the 1 million-acre boundary waters canoe area in northeastern Minnesota by forbidding logging, motorboating, snowmobiling, and mining in the entire area.

I would like to call my colleagues' attention to a number of endorsements our bill has received, including supporting statements from the Governor of Minnesota, the Honorable Rudy Perpich, the Chicago Tribune, the Board of Minnesota League of Women Voters, and the Minneapolis Tribune. The materials follow:

[From the Minneapolis Tribune, Apr. 20, 1977]

PERPICH SUPPORTS BWCA PROTECTION ACT

(By Steven Dornfeld)

Gov. Rudy Perpich said Tuesday night that he will support federal legislation introduced by U.S. Rep. Donald Fraser to provide greater protection to the Boundary Waters Canoe Area (BWCA) is northeastern Minnesota.

Perpich said during a public call-in program over Minnesota Public Radio's six-station network that he favors the Minneapolis Democrat's bill over one introduced by U.S. Rep. James Oberstar, a Chisholm Democrat who represents the governor's home congressional district.

"I just think the Fraser bill is a better bill," Perpich told a reporter afterward. "It affords better protection."

Environmentalists have been concerned for some time because the U.S. Forest Service has allowed logging, snowmobiling and motor-boating in certain areas of the one-million-acre BWCA. Fraser's bill, which has their support, would prohibit such activities.

Oberstar's bill, which is backed by many residents of northeastern Minnesota, would expand the BWCA by about 120,000 acres and divide it into two zones—a wilderness area that would be afforded complete protection and a recreational area where logging, snowmobiling and motor boating would be permitted.

[From the Chicago Tribune, Apr. 18, 1977]

THE BOUNDARY WATERS' FUTURE

On the border between northeastern Minnesota and western Ontario is the Boundary Waters Canoe Area, a unit of the National Wilderness System and part of the Superior National Forest. Its million acres are adjacent to the Quetico Provincial Park in Canada. Together, the BWCA and the Quetico comprise a uniquely large and unspoiled area of northern lakes and forests. The wilderness status of the Canadian portion is effectively protected by law. But the American portion is under siege.

When the Wilderness Act was passed in 1964, the BWCA was included, but as a "special case" with loopholes for logging and access to motorboats [since extended to include snowmobiles]. The status of BWCA is ambiguous, and there is a consensus that it needs clarification by new legislation.

But of what kind? Two contrasting answers are sponsored by two Minnesota Democratic congressmen. Rep. Donald M. Fraser of Minneapolis would firmly designate all million acres of the BWCA as wilderness, with no special loopholes. Rep. James L. Oberstar of Chisholm would lop off 40 per cent of the BWCA as a "national recreation area," available to wide variety of exploitation incompatible with the wilderness concept. Four segments of the BWCA that Rep. Oberstar would detach are on the Canadian border.

The controversey is a classic instance of conservation vs. exploitation, but there are special dimensions in this instance which strengthen the conservationist cause. One is that although loggers and snowmobiles have innumerable other areas, in Minnesota and beyond it, in which to do their things, those who value a northern lakes and forest wilderness have no comparable area other than BWCA-Quetico in which to satisfy their wishes. Another is that wilderness seekers coming to the BWCA are so numerous that they refute any notion that a BWCA wilderness is locked away from extensive human use.

There are 16 million acres of commercial forest in Minnesota outside the BWCA. The debated stands of virgin forest in the BWCA constitute only one per cent of the potential commercial timber in that one state. The counterparts in other states of those who covet the spruce and pine in the BWCA have reconciled themselves to a pulp mix of more aspen, birch, and balsam and less spruce and pine. The real question is not whether or not timber interests should be considered [they should be] but whether or not they should be allowed to cut almost everywhere in the national forests.

Recent public use figures for the BWCA suggest that those who approach this controversy preoccupied with money have considerable reason to side with the conservationists. Of more than a million visitor-days in the BWCA in 1974, 68 per cent were spent by paddlers of canoes. Outfitting canoe trips is a major industry in Ely. Snowmobilers (most of them local people) accounted for only one per cent of the usage, and motorized boaters for only 28 per cent. Here is one area in which canoeists outnumber other people.

About 15 per cent of the visitor-days were spent by residents of Illinois, and many by people still father away from the BWCA. Quite aside from conserving a unique habitat, a case can be made that in this instance wilderness designation would be both popular and profitable.

Failure to enact the policy of the Fraser bill would subject the BWCA to immediate diminution. It would seriously erode the wilderness character of those parts of the present BWCA that even Rep. Oberstar would protect.

In our increasingly crowded, polluted, noisy, and paved world, legislative changes affecting the Boundary Waters Canoe Area should defend rather than impair its wilderness status.

LEAGUE OF WOMEN VOTERS OF MINNESOTA,
St. Paul, Minn., April 27, 1977.

MRS. RUTH CLUSEN,
President, League of Women Voters of the United States, Washington, D.C.

DEAR MRS. CLUSEN: There are two bills pending in Congress concerning the Boundary Waters Canoe Area (BWCA). One bill has been introduced by Rep. James Oberstar

of Minnesota's 8th Congressional District; the other by Rep. Donald Fraser of our 5th Congressional District. These two bills could decide the fate of the BWCA.

Representative Oberstar's bill would allow logging and use of recreational vehicles in portions of the Wilderness Area. Representative Fraser's bill would prohibit such activities and give the Boundary Waters Canoe Area the status of all other areas covered by the 1964 Wilderness Act.

The League of Women Voters of Minnesota's Action Committee and Board have thoroughly studied both bills. We have decided to support Representative Fraser's bill for the following reasons:

1. There is no other area like it in the contiguous 48 states.

2. It is the only wilderness area not given full protection by the 1964 Wilderness Act. At that time logging practices were not so disruptive to an area, and the enormous increase in outdoor recreation was not foreseen.

3. Research shows that sufficient timber exists outside the BWCA to supply wood and jobs for northeastern Minnesota with adequate opportunities for expansion as demand warrants it.

4. The Fraser bill would bring the U.S. portion of the BWCA into conformity with the Canadian portion.

5. In rejecting the "snowmobile suit," the Judge ruled that the exempting language in the 1964 Wilderness Act was "so conflicting as to be meaningless."

The decision of the Board of the League of Women Voters of Minnesota was based primarily on the League of Women Voters of the United States' Land Use position, "Recognizes that land is a finite resource and ownership implies stewardship." The League of Women Voters of the United States' position is supplemented by our state position, "recognizes fragile or historic land, renewable resource lands, and natural hazard lands as critical areas, and subject them to at least minimal control."

Before deciding to take a position on the bills, the League of Women Voters of Minnesota's Action Committee and Board asked for input from the local Leagues closest to the BWCA—Duluth, Grand Rapids, Hibbing, Mid-Mesabi, and Silver Bay. All these Leagues are in the 8th Congressional District, where Rep. Oberstar's bill should be more favored. Hibbing and Mid-Mesabi responded—Hibbing did a telephone poll of some of their community, and Mid-Mesabi polled their members. Mid-Mesabi members favored Oberstar's bill (19) over Fraser's (15), with six undecided. So, even in Mr. Oberstar's district, there is sentiment favoring the Fraser bill.

Enclosed is a new brochure published by the Friends of the Boundary Waters Wilderness. The brochure details much of the history of the BWCA and the reasons for supporting Fraser's bill, H.R. 2820.

It is our understanding that hearings on the Boundary Water bills will be held within the next two months. The League of Women Voters of Minnesota has written its Congressional Delegation requesting their support of the Fraser bill. Our two delegates to National Council will reiterate that support when interviewing our Congressmen during a "Day on the Hill."

The Boundary Waters Wilderness is indeed a national issue. We realize that staffing and "people power" are in short supply at the League of Women Voters of the United States' office. However, we do request that LWVUS speak in favor of the Fraser bill when hearings are held. As stated earlier, the outcome may well decide the fate of the Boundary Waters Wilderness. We enlist and urge your assistance.

Sincerely,

HARRIETT HERB,
Executive Director.

[From the Minneapolis Tribune, Apr. 13, 1977]

FOR FRASER'S BWCA PROTECTION BILL

"The controversy surrounding the future of the Boundary Waters Canoe Area has gone on for too long," says Rep. James Oberstar. We agree. But we don't think Oberstar's solution is the best one.

Last year, Oberstar introduced a bill that would enlarge the BWCA, but split it into separate wilderness and recreation areas. He reintroduced that bill this month—modified somewhat. The wilderness area, for instance, has been enlarged to 653,000 acres and the multipurpose recreation area cut to 498,000 acres. But the split remains, and so do provisions that would continue to allow violations of the BWCA's essential wilderness purpose.

That purpose, in our view, would be protected better by Rep. Donald Fraser's bill, which has also been reintroduced in the House. Fraser's bill would extend full wilderness protection to the BWCA's entire 1 million acres; it would ban commercial logging, motorboating, snowmobiling, mineral exploration and mining. Fraser says his bill "recognizes both the strong concern of Minnesotans that the wilderness characteristics of the BWCA be preserved and the national concern that our country's only lakeland ecosystem and canoe wilderness not be further compromised."

The controversy surrounding the future of the BWCA *has* gone on too long. Fraser's bill offers the best solution.

TO WHOM IT MAY CONCERN: The Lake City Senior Citizens Organization has a membership of about 300. These people are a cross section of the local population. Many of them have fished and hunted in the northern Minnesota area. They are opposed to any activity which would destroy the wilderness character of the area. Particularly are they opposed to the idea that making the area a recreation area to serve senior citizens be used as an argument favoring such use. They also resent having projects sponsored in their behalf without being consulted.

We seniors have lived to see too many natural areas destroyed in the name of someones pet project. We do not want our name lent to this effort to invade the last wilderness we have. We do not want to travel these lands anymore but we do hope that they can be preserved for our children and grandchildren for generations to come. In this spirit we support the Fraser bill and grant free use of this letter to be used in rebuttal for those who may argue that we want a recreational area in the present BWCA.

Sincerely,

HENRY A. FINNEY,
Past President, Lake City Senior Citizens.

RESOLUTION

Whereas: The Boundary Waters Canoe Area (BWCA) of Northeastern Minnesota is our only lakeland wilderness, unique in the National Wilderness System, one-third larger than all of the other National Wilderness Areas in the eastern United States combined, and our second largest wilderness, and

Whereas: It is the last large and relatively complete example of the northern coniferous ecosystem in the United States providing unique opportunities for recreation, wildlife, research, education, and inspiration, and

Whereas: The BWCA sustains more recreational use than any other unit of the National Wilderness System and there is increasing use of our present wilderness to obtain wilderness experiences and there is legislation now before Congress which would actually remove 40 percent of the BWCA from wilderness status, and

Whereas: Motors, logging, and mining are incompatible with wilderness, and

Whereas: The Canadian Province of Ontario has resolved these conflicts within the adjacent Quetico Provincial Park by making wilderness the overriding goal through the elimination of logging and motors, and

Whereas: Wilderness is a vanishing and important resource and the BWCA is a national wilderness treasure and should be protected as such for future generations,

Be it therefore resolved: That the *Lake City Senior Citizens Organization* stands firmly committed to full wilderness protection for the entire Boundary Waters Canoe Area (protection afforded to all other units in the National Wilderness System) and the elimination of logging, motorized travel, and the threat of mining or mining exploration as embodied in the Fraser bill (HR 2820); and

Be it further resolved: That the *Lake City Senior Citizens Organization* is strongly opposed to any legislation which would remove portions of the BWCA from wilderness designation.

[From the Duluth News-Tribune May 8, 1977]

WILDERNESS TREASURE IN NEED OF PROTECTION

(EDITOR.—Friends of the Wilderness endorse the Fraser Minnesota Canoe Wilderness Bill and urges its quick enactment. Our organization prefers the status quo to accepting any part of the Oberstar bill on the same subject.)

The Fraser and Oberstar bills relating to the future form, management and administration of our Boundary Waters Canoe Wilderness are strangely antipodal bills. It is hard to see how the Oberstar bill has any place at all in the now more than half-century tradition, honored, admired and respected across the country, of this unique natural area that has become priceless to our state and to the region that it distinguishes.

As independent observers acquainted with the canoe wilderness since its infancy, for more than 50 years, we note the Fraser bill is carefully drawn, authoritative and sequential, and that its new provisions as the public use escalates are urgent for the continued essential protection and perpetuation of this special region that so fortunately adjoins the twin Ontario Quetico Park to the north, doubling this canoe wilderness area.

We also note the Oberstar bill seems superficially drawn, dissimulative, supernumerary and evasive, despite which it starkly and without real explanation or reason takes great chunks out of this incomparable wilderness' middle and both ends, and opens them indiscriminately to the most incompatible mechanical and other uses as well as logging.

There is no way the canoe wilderness could survive this wanton butchery and amputation for which there is not even a genuine real local demand. One must ask in wonder, why does anyone want to destroy this great wilderness which, to mangle a metaphor, lays such golden eggs? Suppose it had never been created, and protected and preserved. Who would want it so desperately then?

Ironically, this pre-eminent wilderness is the only one among the nation's now eightscore or so under the Wilderness Act, that is denied the full protection of the Wilderness Act. The few hastily inserted words in the original act that have accomplished this exception for the last dozen years must now finally be exercised. The Fraser bill bestows this imperative full and impartial protection under the Wilderness Act.

Our president recently gave us the facts on our diminishing energy resources, and the rich red iron ore that we not so long ago thought was bottomless is gone, leaving only hideous and useless open chasms and dirt and rock dumps throughout northern Minnesota.

The prodigious pine forests that we thought inexhaustible are gone, too, replaced by a scrubby second growth. The canoe wilderness yet remains actually more majestic today that it was half a century or more ago, when some of us who are still extent and still in the fight saw it for the first time.

It's not something to be sold off for the price of a beer or two, and the Fraser Bill—known as the Boundary Waters Wilderness Act (H.R. 2820)—will save and protect this precious area forever. We need the Fraser Bill and let's get it enacted into law this session.

May our wilderness canoe country—Minnesota's greatest treasure—live unspoiled, forever and forever.

WILLIAM H. MAGIE,
Executive Secretary,
Friends of the Wilderness.

DULUTH.

STATEMENT ON THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. SARASIN. Mr. Speaker, I was in complete agreement with the legislation before us on June 3. The extension of the Comprehensive Employment and Training Act was essential if our local cities and towns were to be able to meet the needs of their unemployed citizens.

During our committee consideration of CETA, we discussed at length various changes that might be made in the law. Our ultimate conclusion, however, was that we simply did not have the time to devote to the technical or structural changes, nor did we really have all the facts at our disposal. Given the expiration date of these portions of CETA, we felt it would be far wiser to grant a simple extension and then renew our investigative efforts.

The House passed this extension by a wide margin. When it reached the Senate, a number of amendments were added in committee, several of which were not acceptable to our committee, particularly given the time frame in which we have to operate. In recognition of this and the fact that time was of the essence, the Senate deleted all but one change in our original legislation.

As in the CETA amendments passed last year, the Senate measure included what amounts to a hold harmless for prime sponsors. This will allow them to maintain their existing numbers of employees, and to secure replacements as attrition occurs. It is imperative that we give public service employees some semblance of security while at the same time insure that the prime sponsors move toward our optimal choice—the selection of employees on the basis of our new criteria. It is important that we give our citizens who have been without work for a long period of time and who have exhausted their unemployment benefits the first opportunity for a public service job. At the same time, we also recognized the need of prime sponsors for a smooth transition from the old to the new criteria.

The measure sent us by the Senate was an acceptable piece of legislation, one that deserved the overwhelming support we gave it. Now we can avoid a time-consuming conference and insure that the prime sponsors can get about their business of helping their unemployed citizens.

REMEMBERING JOHN FITZGERALD KENNEDY

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. DRINAN. Mr. Speaker, the citizens of Brookline, Mass., recently celebrated the 60th anniversary of the birth of their native son, John Fitzgerald Kennedy. On hand that day were a number of distinguished guests who spoke quite movingly of how John F. Kennedy had touched their lives in a very special way. Today I would like to share their remembrances of JFK with my colleagues:

What a wonderful afternoon it is for such an auspicious occasion. I'm Bob Cochrane of the Board of Selectmen of the Town of Brookline. On this the sixtieth anniversary of his birth, Brookline hails her most distinguished son, John Fitzgerald Kennedy, thirty-fifth President of the United States. We welcome you to this occasion.

I, myself, feel particularly comfortable in this time frame having been a classmate of his older brother, Joseph, at Harvard for I saw both of these lads, somewhat from a distance, I might say. He was the youngest President ever to take office, and alas, the youngest to die by the hand of the forces of hate. He gave us hope through his insistence on the rights of all mankind, his deep sense of compassion, and his unique grasp of history and all it has to teach us. But above all, it was his tremendous courage; deeply rooted in the faith of his fathers which enabled him to bring all of these qualities to bear in the affairs of men and nations.

His mother, Rose, dean among mothers, informs us that it was about 3 p.m., 60 years ago that she brought Jack forth into this world in this house. So it is particularly fitting that we gather here at this particular time to do him honor. We welcome you as you join us in this privilege.

To start things off, I will ask the Rev. Monsignor Francis J. Sexton, Pastor of the Ascension of Saint Mary Church to give the invocation:

Almighty and eternal God, as we gather to commemorate the 60th anniversary of the birth of our 35th President, John F. Kennedy, we give you thanks for all that President Kennedy meant to our country and to the world. Lord, you gave him to us at a critical moment in time. With the assistance of your amazing grace, he grew to the stature demanded by the times—a man of ever youthful enthusiasm, of keen mind, of generous heart, of clear vision. He became the voice of mankind to interpret the issues of the day and to help lead our generation toward an era of relaxing tension and humane hopes. In challenging words and noble deeds, he inspired a confused America and a bewildered world to seek new frontiers of liberty, progress, and peace.

O God, who gave the United States and the world the incomparable leadership of John Fitzgerald Kennedy, grant that his untimely death—never to be forgotten—may prompt us to refresh our spirits and stir our hearts for the task which lies ahead of us. May we love and serve you, our God, our country, and all mankind to the end that John Fitzgerald Kennedy's vision may become a reality for all. Amen.

Bob Cochrane: The Brookline High School Band under the direction of Edward J. Madden will lead us in the Star Spangled Banner.

It gives me great pleasure at this time to introduce my fellow Selectman, Mr. Judah M. Stone, and the Executive Secretary of our Board of Selectmen, Mr. Richard Leary, who so ably pulled together all of the strings that were necessary for this celebration. Included on the Committee with him were: Nancy Smith from the Historical Society, Jean Kramer of the Historical Commission, Robert Sperber, Superintendent of Schools, and Mr. John Heath of the National Park Service.

Rev. Francis Caswell will share with us the reflections on John Fitzgerald Kennedy's activities while a student at the Dexter School. Rev. Caswell graduated from Salem High School in 1915, Harvard College Cum Laude with the class of 1919, and the Episcopal Theological School in Cambridge. He was ordained in 1925 and taught at the River School from 1925 to 1938 where he was also Assistant Headmaster. He was appointed Headmaster of the Dexter School in 1938, a position which he filled with distinction 'till 1964. Rev. Caswell devoted a large part of his professional life to Brookline affairs. He served 29 years as a trustee of the public library from 1947–1976. He is a life-long member of the Brookline Historical Society, and served as its President from 1974–1975. He was Associate Rector of Saint Paul's Church in Brookline for 30 years and is now a Canon of Saint Paul's Cathedral in Boston. A man of high ideals; always willing and eager to share with those who wish to profit by his wisdom and experience. A man of genial humor, warm sympathy, and kindly human interest. He continues to exemplify, through boundless energy, in looking after the needs of the elderly and shut-ins, the great precept of service to one's fellow man. I am particularly pleased that Rev. Caswell, whose professional career was devoted to the education of boys, including myself, is here today. I look forward, as I know you do, to his reflections on Jack's years as a young lad in Brookline.

REVEREND CASWELL'S ADDRESS

After such an introduction—I can hardly wait to hear myself speak. Thank you Bob. This speech is going to be not more than five minutes—if I can—they told me to be brief.

Mr. Cochrane, Members of the Cloth and of the Government—National and State—and of the town. In my capacity as Headmaster Emeritus of the Dexter School, I have been asked to say a few words about John Fitzgerald Kennedy, whose sixtieth birthday we celebrate today.

Jack and his older brother, Joe—when I think of the one, I always think of the other—they were inseparable, in spiritu. They spent more than four years at the school before the family moved to New York in 1926. We were having some discussion as to dates, but I think it was late in 1926 at which time Joe was in grade five and Jack in grade four. During that period the school was located on a five acre lot at the corner of Freeman and St. Paul Street where the Dexter Park Apartments, that's a plug, now stand. Undergraduates from Harvard came over from Cambridge each afternoon and assisted in the athletic program. Miss Myra Fisk, of blessed memory, who had been the Director of Lower Noble and Greenough School for many years on the same site became the first head of the new Dexter School, grades 1–6 inclusive, which was officially incorporated in 1926. Joseph P. Kennedy, proud father of the boys, was one of the first trustees.

On Prize Day 1938, Miss Fisk retired and I became the Headmaster. I retired in 1964. In August of 1944, I was sitting in my office at the school when a limousine drove up to the front door. Three men got out. One was quite tall, frail, and seemed to walk with difficulty. When I greeted them, the lame one smiled—and what a smile he had—and said, "I am Jack Kennedy, class of 1929. I'm a patient at the Chelsea Naval Hospital. Since it is such a very pleasant day, I thought I would like to stroll on the Dexter playing

fields on which my brother, Joe, and I spent so many very happy hours." Every year since then, as long as he lived, and on his birthday, May 29th, I have sent him greetings on one of the official Dexter postcards. He has duly acknowledged each one, and from time to time, in spite of his busy schedule, has come to the school to take a fond look at this scene of his childhood.

When Jack became President of the United States one of our energetic Dexter mothers, whose husband and two sons had been captains of three Harvard crews—bet you can't guess the name of the woman, you probably will work on it—calmly telephoned to the White House and asked the secretary if she would kindly find out if the President had been a Massasoit or a Mohawk when he was at Dexter School. Those are two groups the boys are divided into.

The request was so unusual and sounded sort of brazen—that the secretary asked her to hold awhile while she wrote out the question and handed it to the President while he was in conference with some members of his cabinet. In his most statesman-like manner he simply wrote—"I was a Massasoit." The mother came back and she has never been the same since. I have two interesting mementos which I brought today for your inspection after the exercises. The first one is a photograph taken in 1929 of the Dexter football players. All 30 of them with their coaches—all in their official gear.

The school never played outside games, but the boys were divided into two clubs and competed with each other in all sports, the Massasoits and the Mohawks. Under this system, every boy played in every scheduled game—health permitting—there were no benchwarmers. The names of all the players and coaches are on the attached list. Most of them have had distinguished careers. I recommend the list and invite your personal viewing after the exercises. The first one is a photograph of all thirty boys and their names as you will recognize them here—one of them is my personal doctor.

I won't tell you who he is—he'll think I'm giving him a plug or something. The second exhibit is a memorial stamp issued in memory of President Kennedy. Let me read you the inscription. These are a series of stamps. There are eight stamps. This is what it says—"This is a memorial stamp issue dedicated to the memory of the late President Kennedy and is a reproduction of the famous picture showing him wearing his Dexter "D". It was issued by Argemon, a shiekdom on the Persian Gulf which is a member of the confederation of similar shiekdoms. covering an area of some 32,000 sq. miles with a population of about 86,000. Now that's about four times bigger than Massachusetts and here they've enlarged the middle stamp and put it here. I can't give this away, but I would like to have you look at it afterwards; it's a very valuable piece.

Mr. Chairman, that's all I have to say. I thank you for giving me the opportunity of speaking today and I close with a fervent prayer of genuine gratitude to God thanking him for the life of John Fitzgerald Kennedy.

This is a small quotation which I found in a book I have and I will quote it now—John Fitzgerald Kennedy wasn't in the quotation and I will quote it now.

Who walked in our common ways,
With the seal of a king on his brow;
Who lived as a man among men his days
And belongs to the ages now."
May light perpetual shine upon him. Amen.
He was a good man.

BOB COCHRANE. We will hear again from the Brookline High School Band. The Waverly Oaks March, by Ed Maddin.

INTRODUCTION OF CONGRESSMAN DRINAN

And now we approach the main event. Our speaker of the day was educated at Boston College where he received an A.B. degree in 1942 and a M.A. in 1947. He went on to Georgetown University Law Center where he received a LLB degree in 1949 and a LLM in 1959. He also received a Doctor of Theology Degree from Gregorian University in Rome in 1954. He had entered the Society of Jesus in 1942, and was ordained in 1953. Our Congressman was admitted to the District of Columbia Bar in 1950, the Massachusetts Bar in 1956; and was admitted to practice before the U.S. Supreme Court in 1955. He served as Dean of the Boston College Law School from 1956–1970 and was visiting professor at the University of Texas Law School from 1966–1967. Fr. Drinan was elected to the 92nd Congress in November, 1970 and was re-elected in 1972, 74, and 76. He is currently a member of the House Judiciary Committee and the House Government Operations Committee. Of particular interest to Brookline residents is his membership on the Select Commitee on Aging which recently held a hearing on the mandatory retirement age at the Collidge Corner Library. He is the author of numerous publications including: "Religion, the Courts, and Public Policy," "Democracy, Dissent and Disorder," "Vietnam and Armageddon," and soon to be published; "America's Commitment to Israel."

Congressman DRINAN has been most helpful to the town of Brookline by securing federal funds out of the community development program, which is our major community effort to upgrade the housing stock in our town. As I have already mentioned, he has also assisted on our programs for the elderly and his office is always most cooperative in furthering the town's interests. It is therefore with great pleasure that I present to you our speaker of the day, Congressman ROBERT F. DRINAN.

(Congressman DRINAN's speech on this occasion may be found in the June 6, 1977 CONGRESSIONAL RECORD on page 17683.)

BOB COCHRANE. We have also with us today, who I'd like to take a bow, one of our own representatives to the great and general court, Mr. John Businger.

In the course of planning the celebration it was felt by the Committee of the National Park Service a resolve from the Town Board of Selectmen would be appropriate for posting in this historic house. And so I wish to present to Mr. James Brown, Superintendent for the National Park Service in this area, this resolve.

A RESOLVE ON THE OCCASION OF THE SIXTIETH BIRTHDAY ANNIVERSARY OF PRESIDENT JOHN F. KENNEDY

Whereas Sunday May 29th is the 60th birthday anniversary of our late beloved President John F. Kennedy who spent the early years of his life as a resident of Brookline, and

Whereas in his formative years John F. Kennedy evidenced the enthusiasm, the resourcefulness and the warm human understanding which portended the richness of the future which was to be his, and

Whereas this native son of Brookline, a statesman and a leader was universally acclaimed for his ideals and principles dedicated to the cause of world peace and the freedom of all men regardless of race, color, or creed, and

Whereas John F. Kennedy cast a unique imprint on the Office of the President by being the first to be elected at so young an age; the first to reach literally for the moon and beyond; the first to pronounce that all racial segregation and discrimination must be abolished as a matter of right; the first to meet our adversaries in a potential nuclear confrontation; the first to take a solid step towards nuclear arms control; and the first to die at so young an age.

And whereas he was a sterling symbol of hope and promise to the youth of the country, who found in the Peace Corps a unique opportunity to help the people of poor nations develop their resources and by volunteering to help others in this way, provided the highest response to President Kennedy's inaugural challenge, "Ask not what your country can do for you, ask what you can do for your country.", and

Whereas the illustrious career of this man and the political life of our state and nation as well as his outstanding service to the country in time of war has cast a lasting impression on a grateful nation,

Be it therefore resolved that we the undersigned Members of the Board of Selectmen, on behalf of the citizens of Brookline, reconize on the occasion of his sixtieth birthday anniversary, that President John F. Kennedy's achievements greatly exceeded his years and evoked a spirit of the American people that characterizes his era of hope. Hope for a life of decency and equality, hope for a world of reason and peace and hope for the American destiny. Signed: Robert C. Cochrane, Jr., Eleanor Meyerson, Edward Novokoff, Judah M. Stone, and Stephen B. Goldenberg, Board of Selectmen.

Mr. Brown it's my pleasure to present this to you.

STATEMENT OF MR. JAMES BROWN

We in the National Park Service manage this national historic site in a trust relationship with the owners; the people of the United States, so I am very pleased to accept this resolve on your behalf. It will become part of our permanent record so that future visitors here will know of Brookline's tribute to John Fitzgerald Kennedy on this day. Thank you very much.

STATEMENTS OF DAVID KENNEDY AND DAVID POWERS

BOB COCHRAN. We knew that the Kennedy family would want to be represented and they are, and we are very honored to have with us, David Kennedy, son of the late Robert Kennedy.—David——

DAVID KENNEDY. I'd just like to thank you all for coming and thank you very much.

BOB COCHRAN. And we have another, you might say, member of the family; at least he was a close friend and aide to the late Jack Kennedy, David Powers.

DAVID POWERS. Mr. Chairman, Monsignor Sexton, Rabbi Citron, Congressman Drinan, distinguished guests, Members of the Brookline High Band, ladies and gentlemen. I had the pleasure and privilege of being by President Kennedy's side in every campaign—the tenements of Boston through the streets of Charlestown in 1946 and then the 39 cities, 312 Massachusetts towns in 1952 and in the Presidential primaries throughout the farms of Wisconsin and the hills of West Virginia. And then during the 1960 election from Maine to Alaska, and in the history of American politics I know of no man who campaigned as long; displayed more courage; or made as many sacrifices to become President than John F. Kennedy. He was a marvelous man to campaign with because he never complained.

I was with him at the New York Hospital for Special Surgery, right after he received the last rites of the Catholic Church, and we returned to Palm Beach during that period of rest and relaxation, and one day he asked me to change his bandage, and the hole in his back was big enough for me to put my fist in, and when I said, "Jack, that must hurt pretty awful," I shall always remember his reply. He said, "Dave, I don't have time to be here on my back. I am going back in the Senate in a few months. There is only a short time for me to do everything which has to be done and I intend to do it or die trying.

And I can always remember the day outside the plant at six in the morning in Wisconsin, February of 1960. The tempera-

ture's about 16 above zero and he positioned himself beside the clock and I'm standing outside the plant passing out Kennedy buttons and literature. And it was freezing cold and it was the only time in my life I felt like a traitor. I got frozen cold all the way up to my hips and I started to think—If I had this young man's money I'd be somewhere where it was warm. And then, finally it was over. And in the semi-darkness and the freezing cold of Milwaukee, I could hear that great Boston voice "I'm Senator John F. Kennedy, candidate for President." And then at nine o'clock we walked across the street to a variety store and he ordered two cups of coffee and I noticed his right hand. He had been wearing a glove on his left hand and it was frozen blue from the cold. It was twice the size of his left hand and it was streaked with dry blood.

Where in the semi-darkness he was getting a lot of fingernails instead of a firm handclasp. And as he sipped the cup of coffee he said, "You know, Dave, they have pretty good coffee here, don't they?"

I always thought that he saved one of his best speeches for Massachusetts. He returned here to the legislature 11 days before he took the oath of office as the 35th President and he said that day, "Our success or failure in whatever office we may hold will be measured by the answer to four questions. First, were we truly men of courage—with the courage to resist public pressure as well as private greed. Secondly, were we truly men of judgement with enough wisdom to know what we do not know and enough candor to admit it. The third, were we truly men of integrity, men who neither financial gain nor political ambition could divert from the fullfillment of our sacred trust. And finally, were we truly men of dedication devoted solely to serving the public good and the national trust. And all his life he set an example of the courage and the judgement and the integrity and the dedication that he displayed during those two years and ten months and two days that he was our president.

I would like to tell you in closing about some of the happy days of his life. I always thought that next to the wedding to Jackie and the birth of Caroline and John that four of the happiest days of his life were spent in Ireland. And when we drove down O'Connel Street in Dublin, every man, woman, and child turned out to see their cousin from America. And just the day before he had driven by the Wall and 1,500,000 Germans turned out to see this young President. But it was a different type of greeting. They knew that President Kennedy and the United States of America stood between West Berlin and Khrushchev. But in Ireland they were welcoming home a cousin. And President Kennedy was always great for comparing and that night at Phoenix Park he said, "Dave, how did this motorcade in Ireland compare to some of our other motorcades?" I said, "Mr. President, it's a combination of Bunker Hill Day in Charlestown and St. Patrick's Day in South Boston. And like a big kid he said, "You know I would love to be running over here," and I said, "Mr. President, you're the only one I know that could beat DeValera in his own precinct." And you know, he was thrilled by the Guard of Honor at the cemetary where 16 executed leaders of the Easter Rising of 1916 are buried. And he said, "You know, I would love to have the Guard of Honor perform like this at the Tomb of the Unknown Soldier." And flying back from Dallas on that tragic day, I told Jackie about his wish. And working through President DeValera they did perform at Arlington Cemetery, only it was at the funeral of John F. Kennedy. After the funeral I met with President DeValera, I had been the liaison between the White House and the Irish Government for this trip and we had become quite friendly. And he told me—he said that in Ireland they compared the death of President John F. Kennedy to the death of Owen Rowe O'Neil, Ireland's great liberator whom Thomas Davis wrote about—"We're sheep without a shepherd, when the snow shuts out the sky, Oh, why did you leave us—why did you die?"

INTRODUCTION OF RABBI CITRON

BOB COCHRANE. I'm so glad you made it Dave, it seems almost as though Jack suddenly walked through here unbeknownst to anybody. And now we will formally close the ceremony with a closing prayer by Rabbi Paul J. Citron, Associate Rabbi of Temple Israel, Boston.

RABBI CITRON. Source of Life: for those who dream dreams, and for those who rise up to point the way, we are grateful. We are ennobled by the men and women whose own inspiration challenges us to fulfill our highest human potential. When we respond to their call and partake of their vision, we transcend our little world of self; we find immeasurable worth in the upbuilding of community. Such is the message of the life of John F. Kennedy.

As we depart this hour of commemoration for President Kennedy, we rededicate ourselves to his ideals: to do more than what is expected of us though less may be acceptable; to dare to grow and to progress despite the comfort of the status quo; to create strength from adversity; to make the pursuit of acquisition yield to the practice of compassion and justice.

For President Kennedy's life, for his example, and for the blessing of his memory, we say:

Magnified and sanctified be Your great name, O God. Amen.

GRANT'S MARCH TO BE REENACTED

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. FINDLEY. Mr. Speaker, the 1861 military march of Ulysses S. Grant from Springfield to Naples, Ill., which launched Grant upon his long career as soldier and President, will be reenacted June 10, 11, and 12 by the 7th Illinois Cavalry, reactivated, which will lead several hundred horses and wagons on a 2-day trip. Plans for the historic event, sponsored by the Grant's March Association and the 7th Cavalry, include a full dress military ball in Springfield on June 9, a Civil War band concert in Jacksonville, and a gala celebration in Naples on the Illinois River.

Coordinating the 4 days of celebration are Carroll Hall, Sangamon County; Pat McHatton, Morgan County; Naples Mayor Robert Miller, Scott County; route coordinator Phil Wagner, Springfield; and the commanding officer of the 7th Cavalry, Col. Al Mavis. Many other local officials and groups are assisting in the event. Special historical guidance is provided by Illinois State archivist Dr. Wayne Temple and historians George Cashman and Richard Kahne. Springfield's Judge Harlington Wood, Jr., now on the U.S. Court of Appeals, will serve as grand marshal of the reenactment.

Colonel Mavis told me they will be tracing the exact route General Grant took with his newly formed 21st Illinois Regiment, stopping at many of the centennial farms along the way. This is the part of Illinois which, in 1861, Grant called "one of the most beautiful countries in the world."

The internationally noted Lincoln artist Lloyd Ostendorff of Ohio has designed historic markers to be placed along the route followed in 1861 by then Colonel Grant and the Illinois 21st Regiment as they marched from Camp Yates in Springfield to Naples on the Illinois River. The original artwork, commissioned by Mrs. John Mack, Sr., of Springfield, will be donated for public display to the new Springfield library.

I am privileged to represent the 20th District of Illinois and this dedicated group of citizens who devote themselves to preserving American history and demonstrating through their reenactments the lifestyles and values upon which our Nation has endured.

HARVEY AND MARGARET JOHNSON—50 YEARS

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. DANIELSON. Mr. Speaker, a respected community leader in my district, Harvey Johnson, former California State legislator, and close personal friend is being honored along with his wife, Margaret, by family and friends, on the occasion of their 50th wedding anniversary, Saturday, June 11, 1977.

On this occasion, I wish to call to the attention of my colleagues the outstanding record of Harvey Johnson, who was a member of the California State Assembly for 12 years, retiring from that body in 1974.

While in the assembly he served as chairman of the government organization committee, vice chairman of the judiciary committee, and as a member of the agriculture, fish and game, livestock and dairies, water, and joint legislative retirement committees. He was also a member of the California Council on Criminal Justice and chairman of the intergovernmental relations committee.

Harvey Johnson has been active in community affairs, as well, serving on local school boards, as trustee of his church, the PTA, Boy Scouts, Rotary Club, and in Bar Association leadership positions. He was also a member of the board of trustees of the City of Hope, the El Monte Historical Society, and the El Monte-South El Monte Chamber of Commerce.

Harvey and his wife, Margaret, who taught in local schools for 25 years, have raised a fine family. Family members who will join in the anniversary festivities will include their daughter, Betty; two sons, Bill and Dick; two daughters-in-law, Donna and Roberta; seven

grandchildren and two great-grandchildren.

Mr. Speaker, on June 11, 1977, Harvey and Margaret Johnson will celebrate their golden wedding anniversary. They tell me that it seems like just yesterday that they had their first date, for the junior-senior prom at Sabetha, Kans., High School. I am sure you all join me in thanking them for their contribution to America and in wishing them many more years of health and happiness.

REMOVAL OF OCEAN DISPOSAL SITE WOULD COST PHILADELPHIA AN ADDITIONAL $5 MILLION IN 4 YEARS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. EILBERG. Mr. Speaker, a proposal to move Philadelphia's ocean disposal site farther out to sea will cost Philadelphians $5 million more in the next 4 years, according to Philadelphia Water Commissioner Garmen F. Guarino.

Testifying at a public hearing held by the Environmental Protection Agency at Toms River, N.J., Guarino objected to a proposal that Philadelphia dispose of its digested sewage sludge at a point 106 miles out in the deep ocean. At present, the city places its sludge at a site 50 miles southeast of Delaware Bay.

Guarino said that the more remote, deepwater site would:

Require longer barge trips, with risk to vessel and crew from changeable weather patterns;

Triple the cost of barging from the present $45 per ton to $135 or more;

Require the use of an additional barge, which probably would not be available for 1 to 3 years while sludge piles up in already full plant lagoons;

Create some risk of ocean contamination since it takes longer for sludge to recycle or biodegrade in deeper waters; and

Risk the movement of some sludge to neighboring shores since little is known about current flows at the 106-mile site.

By contrast, Guarino said that the ocean site now used by the water department is well known and currents pose no problem. He noted that oceanic experts have studied the site extensively and have given it a clean bill of health.

Guarino said:

Their studies have shown no significant buildup of metals (at the present site) either in sediments or organisms which can be attributed to City dumping. Nor has there been any harmful buildup of bacteria or viruses, or other significant effects on organisms around the dumpsite.

Guarino said that a disposal site used by Philadelphia for 12 years in the vicinity of Cape May was reopened to shell fishing only 2 years after the city ceased dumping there. He predicted that this will also happen when the city stops dumping at its present site.

Noted the Commissioner:

There has been no damage to the Maryland or the Delaware shore, no decline in tourism, no loss to the fishing industry or any other costs imposed upon the residents of those areas.

Guarino said that his department is working hard to phase out ocean disposal altogether by 1981. Thus it is:

Building a sludge market by giving away sludge for soil conditioning, doing a market study, reducing controllable metal sources, and developing plans for a recycling center;

Preparing for greater diversion of sludge to other outlets, with plans to dewater 17,000 tons in the coming year and to spread 1,900 tons on land as part of a pilot project; and

Finding new ways to use diverted sludge. Such methods will include composting, land reclamation, creation of building materials and sods. These methods are now, or will soon be, the subject of pilot projects.

FOURTH CONGRESSIONAL DISTRICT RESIDENTS RESPOND TO QUESTIONNAIRE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. LENT. Mr. Speaker, I recently sent to the residents of the Fourth Congressional District my seventh annual questionnaire. I am pleased to say that my constituents responded in record numbers, as I received in excess of 23,000 responses. I enclose the results of the questionnaire in the RECORD at this point, for the benefit of my colleagues:

RESULTS OF SEVENTH ANNUAL QUESTIONNAIRE

(1) Do you favor a permanent tax cut instead of the $50 rebate? Yes, 91.3 percent; No, 8.69 percent.

(2) Should the U.S. sell nuclear technology to other countries? Yes, 11.67 percent; No, 82.32 percent.

(3) Do you favor a return to the military draft to replace or supplement the "all volunteer" army? Yes, 47.31 percent; No, 52.68 percent.

(4) Do you favor legislation requiring a balanced federal budget and forbidding deficit spending? Yes, 77.62 percent; No, 22.37 percent.

(5) Should the U.S. extend diplomatic recognition and rehabilitative aid to Vietnam? Yes, 22.43 percent; No, 77.56 percent.

(6) Do you favor taxpayer financing of Congressional campaigns, similar to federal financing of Presidential campaigns? Yes, 46.79 percent; No, 53.2 percent.

(7) Do you favor national health insurance for catastrophic long-term illness even if it means increases in federal spending and taxes? Yes, 72.74 percent; No, 27.25 percent.

(8) Do you favor legislation to require the re-use and recycling of beverage containers? Yes, 91.13 percent; No, 8.86 percent.

(9) Do you favor raising the limit on the amount of income a retired person can earn without reducing social security benefits? Yes, 93.62 percent; No, 6.37 percent.

(10) In order to ease U.S. dependence on foreign oil, would you favor a federal energy program that included: (a) rationing gasoline and oil? Yes, 54.55 percent; No, 45.44 percent; and (b) increasing the prices of gasoline and oil? Yes, 27.4 percent; No, 72.59 percent.

DIEGO GARCIA, SI! CANAL ZONE, NO! PORQUE? WHY?

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. SNYDER. Mr. Speaker, I am puzzled. And I do not think I am alone in my bewilderment.

Why is the United States rushing to give away our strategic Canal Zone together with the Panama Canal that links the Atlantic and the Pacific Oceans, while rushing to complete our new base on tiny Diego Garcia island in the middle of the Indian Ocean?

I am especially intrigued by the reasons reported in the press as underlying Diego Garcia's strategic importance to us—reasons that are no more compelling than parallel reasons for not surrendering the Canal Zone to Panama.

In a Washington Post story last April 7 headlined "Tiny Atoll Is Keystone of U.S. Policy in Indian Ocean," the following two paragraphs appeared:

In arguing for the necessity of Diego Garcia, former Deputy Assistant Secretary of Defence James H. Noyes said two years ago that the Soviet Union had drastically increased the size of its naval facility at Berbera in Somalia, on the east coast of Africa.

The Pentagon's basic argument on the need for Diego Garcia is that U.S. ships are required to protect vital oil-supply routes from the Middle East and the Persian Gulf to the West. More than half of the world's seaborne oil is said to be moving through the Indian Ocean at any given moment.

Mr. Speaker, have President Carter and his White House, State Department, and Pentagon advisers forgotten that the Soviet Union is operating strategically placed submarines and other naval vessels out of nearby Communist Cuba bases—posing a direct threat both to vital shipping routes utilizing the Panama Canal and to our Canal Zone military installations as well as to our mainland?

Have the President and his advisers, in their rush to divest the American people of their strategic defenses, and their ownership and investment in the Canal Zone amounting to some $7 billion, ignored the fact that the Panama Canal soon will be transiting tankers with enormous quantities of Alaskan oil vital to our domestic economy and defense needs destined for our gulf coast refineries under the eyes of those Caribbean-based Soviet warships?

Mr. Speaker, I ask my colleagues to look harder than ever at the administration's current negotiations to give the Canal Zone and Panama Canal to Panama—a tiny country that could not even defend herself against an attack by Castro's battle-tested African expeditionary forces.

I ask my colleagues to compare this suicidal policy that would emasculate us strategically in our own backyard, in our

own two contiguous oceans, with the contrary policy of going all out on Diego Garcia in the Indian Ocean on the other side of the world—in the face of the very same Soviet naval threat.

PRESIDENT CARTER MUST ACCEPT THE BLAME FOR AMBASSADOR YOUNG

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. BAUMAN. Mr. Speaker, United Nations Ambassador Andrew Young has become one of the greatest single embarrassments in the area of U.S. foreign policy. He has systematically attacked numerous nations and people as being racist" including two former Presidents of the United States. He has cavorted across the African Continent repeatedly embracing and approving of Communist dictators and endorsing the Cuban military presence.

President Carter cannot escape the responsibility for this continued madness in our foreign policy. As President he must and he should remove Mr. Young immediately. If there is to be a standard of conduct applied to officials of the Government which excludes an Earl Butz from the Presidential Cabinet for private utterances, the same kind of remarks made in public by Mr: Young should be met with a similar solution—immediate dismissal.

I include at this point an editorial from the Washington Post:

[From the Washington Post]

ANDREW YOUNG IS NOT THE PROBLEM

Q. Aren't there any examples of things you did that weren't absolutely right?

A. There are a lot of those in my life. Not speaking out for the cessation of the war in Vietnam. The fact that I didn't crusade at a very early stage for civil rights in the South, for the one-man, one-vote ruling. It might be that now I should drop my campaign for President and start a crusade for black-majority rule in South Africa or Rhodesia. . . .

We commend the above exchange, taken from Jimmy Carter's Playboy interview last fall, to those puzzling over one of the most absorbing and—to many—vexing conundrums of the Carter administration: Why doesn't the President discipline or fire Andrew Young, the erratic and often self-indulgent U.S. ambassador to the United Nations? We will not burden you with the full record of Mr. Young's diplomatic indiscretions and idiosyncracies. It is perhaps enough to note that (not for the first time) he has just called some of this country's oldest friends "racists" and dismissed out of hand the administration's official objections to the latest Communist power play in Africa. Any other presidential appointee would have been out quicker than you can say "John K. Singlaub."

Is it because of personal friendship that Mr. Young survives? Is it political obligation, reinforced by a sense of the cost a President might incur for forcing out—or even hushing up—the most conspicuous black in his administration? Is it because of an offensive and patronizing double standard that allows unique liberties to blacks in high office?

Perhaps. But a larger part of the answer, we suspect, is suggested by the passage, quoted above, from the Playboy interview. To take the President at his word, he was slow to rally to the cause of racial justice in the American South; and this failure filled him with a sense of guilt sufficiently deep to suggest to him the possibility of an alternate career: "I should . . . start a crusade for black majority rule in South Africa. . . ." If this is so, then his attitude toward Andrew Young becomes a good deal clearer. He feels a disciple's respect and humility before an apostle. He keeps him on not out of indulgence but because he agrees with him profoundly on what they both regard as central to this country's approach to Africa. To look for daylight between them is absurd, as is made clear by Mr. Carter's latest vote of confidence in Mr. Young's performance, reprinted For the Record on this page today.

No more than any person can a President be denied his motives. What he is accountable for, however, are his policies. It is here that he can be faulted. The improvisations and insults and affectations of moral superiority and personal importance that mark the style of Andrew Young too often mock responsibile diplomacy. And the substance of the Carter policy for Africa, proceeding as it does from a vision of white racism born in the American South, seems both superficial and unnecessarily risky. It is grossly interventionist. It does not acknowledge the special historical and political circumstances of the African South. It encourages blacks to demand power and whites to yield it without suggesting how this is to be done—and how soon—and without offering safeguards and guarantees to blacks in the short run or to whites in the long run.

So we do not think Mr. Young is the problem. Those who question the administration's Africa policy should look first to President Carter and to his own evident motivation. Guilt can be a powerful and legitimate human impulse. Whether it translates into wise policy is something else again.

ANTI-ARAB BOYCOTT LEGISLATION

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. BRODHEAD. Mr. Speaker, the Michigan Department of the Jewish War Veterans of the United States has long been active in efforts to safeguard human rights. Most recently, the Department initiated and coordinated a petition drive urging swift passage of comprehensive anti-Arab boycott legislation. Thousands of Michigan residents signed this petition, a testimony to the high priority Michiganites place on ending religious discrimination in the marketplace.

I have presented this petition to the Speaker of the House of Representative. I understand that copies have also been presented to the Michigan State Legislature.

This country has long been guided by commonly shared ideals, including the freedom of religion, freedom of association and freedom of trade. For the past several years, the Arab states have grossly violated these ideals by engaging in a systematic boycott directed against American citizens and companies. Arab pressure on American business to comply with the boycott has steadily increased. Today the Arab blacklist includes more than 1,500 American firms and individuals.

I have strongly supported antiboycott legislation. Besides violating the freedom of religion, the Arab boycott forces American businesses to become tools of the foreign policies of other nations. The boycott is repugnant to our principles and most not be tolerated by our Nation.

I wish to commend the Jewish War Veterans of Michigan and its Commander, Robert J. Perliss, for their fine efforts in alerting the people of Michigan to this problem and in gaining support for remedial measures. I urge my colleagues to act swiftly and decisively in enacting strong antiboycott legislation.

INVESTMENT POLICY ACT OF 1977

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. HANNAFORD. Mr. Speaker, today I am introducing legislation which addresses the need for a national policy on investment in the private sector of our economy. In recent years, the strength of our free enterprise system has been seriously put to test; and it is certain that guidelines already established in the areas of monetary and budget policies should also be extended to reflect a national and long-term interest in promoting our economy's output and productivity. This legislation recognizes that adequate investment capital in the private sector to provide greater employment opportunities and economic expansion is vital to maintaining this Nation's standard of living.

NEED FOR A COMPREHENSIVE NATIONAL INVESTMENT POLICY

Mr. Speaker, now more than ever it is imperative that the posture of our private enterprise system be analyzed carefully and its future assessed in terms of the impact of current policies. All too often, it becomes convenient to legislate for short-term solutions, while ignoring longer-term implications. However, the emerging problems of our Nation with respect to housing, urban preservation and rehabilitation, pollution controls, environmental standards, and energy independence, to mention a few, can be remedied only by a strong private enterprise system.

Mr. Speaker, recent trends in investment and productivity reveal disturbing declines. A Congressional Budget Office study entitled, "Sustaining a Balanced Expansion" discloses that the growth in private plant and equipment has tumbled from 4.3 percent per year from 1965–70 to 3.3 percent per year from 1970–75, and is expected to fall to 2.5 percent per year for the period 1975–77. In the face of this decline, we must also realize the expanding nature of our labor force and the serious implications this entails in terms of productivity.

A comparison of international economic growth rates, moreover, shows that from 1960–73, in comparison to other industralized countries the United States and the United Kingdom ranked at the bottom of the scale. The U.S. growth rate was 4.1 percent with France and Japan leading by 5.9 and 10.9 percent, respectively.

Country:	*Percentage Economic Growth 1960–73*
United States	4.1
Canada	5.1
France	5.9
West Germany	5.4
Italy	4.8
Japan	10.9
Netherlands	5.6
United Kingdom	3.8

Source: "Tax Policy and Capital Formation," report of the Task Force on Capital Formation of the Committee on Ways and Means, April 1977.

Furthermore, the U.S. growth rate of capital during the period 1960–73 and the contribution of capital to overall economic growth during that period gives rise to questions of the future vitality of the private sector, the extent of Government financial assistance, and the ability of our Government to finance its own needs if Federal receipts from conventional revenue sources become insufficient. A recent study by the Senior Seminar in Foreign Policy of the State Department asserts that—

The main area in which the U.S. might learn from British experience is that the focus of government policies on short-term measures to reduce unemployment of inflation (or manage payments crises) results in a stop-go cycle reducing growth without addressing such basic determinants of long-term growth as saving and investment rates.

This report goes on to say that—

Many of the signs of the relative economic decline which has now become a major concern in the UK are also present in the U.S., although the level of public awareness in the U.S. is still low as it was in the UK a decade ago.

[In percent]

Country	Capital growth	(1)
United States	4.0	1.6
Canada	4.9	2.2
France	6.3	2.6
West Germany	7.0	3.6
Italy	5.4	2.3
Japan	11.5	5.0
Netherlands	6.6	3.4
United Kingdom	4.6	2.2

Source: Ibid.

[Capital includes plant, equipment, housing, inventories, land and consumer durables.]

[1] Contribution of capital growth to overall economc growth.

WHAT THE ACT PROVIDES

Mr. Speaker, title II of the Investment Policy Act of 1977 states:

It is the policy and responsibility of the Federal Government, in cooperation with State and local governments, to use all practical means consistent with other essential considerations of national policy to provide sufficient incentives to assure maximum investment in private enterprise in order to increase the production of goods, the providing of services, the employment of workers, the opportunity for profit, and the payment of taxes.

This declaration of national policy puts before us the importance of long-range planning which is in the best interests of the Nation—consumers, small and large businesses, and Federal, State, and local government.

Title III advocates an improvement and coordination of "Federal plans, functions, programs, policies and resources" to optimize conditions for economic growth both in terms of individual and business productive capacity. It is also specified that the Council on Wage and Price Stability shall submit to Congress an Investment Policy Report assessing current and future needs and that the President transmit to Congress additional recommendations in this area. The framework is thus prepared, Mr. Speaker, for comprehensive national planning without the burden of a new bureaucracy or added costs.

National investment policy in the private sector can no longer be ignored. Along with the distinguished cosponsors of this legislation, Congressmen WILLIAM MOORHEAD and JERRY PATTERSON, I urge this Congress take the necessary action to pass this worthwhile legislation.

THE JOHN PHILIP SOUSA MEMORIAL BAND SHELL

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. WOLFF. Mr. Speaker, I had the privilege on Sunday, June 5 of attending the inaugural concert of the 1977 season at the John Philip Sousa Memorial Band Shell, Port Washington, N.Y.

The John Philip Sousa Memorial Band Shell project was officially begun in 1963. It was at this time that one of Port Washington's most community minded citizens, Mrs. William V. (Gay) Pearsall began seeking support for a band shell dedicated to John Philip Sousa, the eminent composer of march music.

By late 1966, sufficient funds were available to begin construction of the band shell. The project was coordinated by American Legion Post No. 509 of Post Washington and its auxiliary.

On June 11, 1967 the dedication of the band shell took place. On that beautiful Sunday afternoon I was honored to be able to take part in the dedication ceremonies. I was joined in the festivities by Mrs. Helen Sousa Abert, John Philip Sousa's daughter, and Mrs. Pearsall.

This past Sunday, for the 11th consective year I was able to attend the opening performance of the concert season. This year's concert was dedicated to Sousa, and among the songs performed was his famous "Liberty Bell March." I immensely enjoyed the wonderful music of the John Philip Sousa Junior High School Band, and the Paul D. Schreiber High School Band.

To the people living in the Port Washington area, the Sousa Band Shell has provided 11 years of musical enjoyment and entertainment. I am glad to have had the opportunity to have attended this season's opening concert, as well as past concerts, and I look forward to attending future performances at the band shell with my friends and neighbors.

STEEL'S CASE: QUITE RESPECTABLE

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. WALGREN. Mr. Speaker, the following article appeared in the Pittsburgh Post Gazette on Wednesday, June 1, and I would like to take this opportunity to share it with my colleagues.

The article follows:

STEEL'S CASE: QUITE RESPECTABLE

(By Jack Markowitz)

There are two ways to react to the steel industry's new public campaign against imports.

One is to take a breath, say, "Bah, protectionism!" and forget about it. This is what a lot of otherwise intellectually respectable folk will do. Assume that another fat cat industry has gotten itself disgracefully bloated and now has to go whining to Washington for "food stamps for the rich."

The other way is to wade through steel's case against imports in detail, conveniently reduced to printed form by the American Iron and Steel Industry. In those statistical thickets a novel sensation comes over the free trader. He realizes that, incredibly, steel has a case: a situation not covered in the harmonious and time-honored advantage enjoyed by what is really cheapest and best in the commerce between nations.

The case begins with the fact that Japan and the European Economic Community have experienced rapid growth in their home markets since World War II—but have used exports, especially steel exports, to increase their total output and employment. In short, they've produced more steel than they need at home in order to sell it abroad, mainly in the U.S., to buy the other products they do need at home.

So far so good. If they could make and deliver steel cheaper than American mills can, under free trade principles they deserve the business.

But here's how they do it in Japan. Government, banks, and the mills together have adopted a three-part strategy to develop a steel industry for larger than needed in the home islands. First the industry is spurred to build gigantic plants, taking full advantage of economies of scale. Second, enormous capital inputs are arranged, primarily in the form of bank loans. Third, government and business leaders agree to maintain high operating rates to protect the industry's highly leveraged—that is, heavily in debt—financial position.

For example, Japanese steel companies have debt equalling about 83 per cent of total capital, way above the U.S. average and far too risky for American free enterprise banks. Japanese "city" banks are heavily overloaned, but look to the government's central bank to finance them. The Japanese system also effectively guarantees the jobs of regular employes in an industry like steel.

And so, with high interest charges and relatively inflexible payroll, the Japanese mills are immediately threatened with losses if steel orders fall off and operating rates go down.

Their answer to the dilemma is an extremely aggressive export program that operates against the cycle in their home market. When business slumps, they ship more overseas to maintain high enough operating rates in their mills to cover the "variable costs" of full operation, even if they have to sell product—overseas only—below their "average costs" of total operation. Meanwhile, they get full price in a protected home market.

Thus, when metal is in excess supply, they can undercut American producers by 15 to 20 per cent in this market; when business improves at home, the foreign supply dwindles and a steel shortage (such as 1974's) develops here, with the imports costing $60 to $100 a ton more than the domestic product.

The European steel producers employ similar techniques in principle, though for various reasons less effectively than the Japanese, and the competitive state of this market is such that American mills cannot meet the import price without cutting prices to all their important customers—and losing money.

In spite of inherent cost advantages here (with abundant raw materials and proximity to markets outweighing the disparity in labor rates) America's private enterprise mills since 1960 have essentially been denied the market growth to justify big new efficient plant expansions. The steel-government-banking combos overseas add up to market-grabbing competition never foreseen in the benign theories of free trade.

The AISI study, prepared by consultants Putnam, Hayes & Bartlett Inc., of Newton, Mass., notes the startling fact that, absent the incentives of a growing market, "the U.S. has become the only large industrial nation which lacks the capacity to produce 100 per cent of its domestic requirements."

Without the ground rules to justify capacity expansions here, more imports in the short run have to mean "greater reliance on offshore sources in the long run," the report warns.

And when that in turn implies periods of inevitable shortage ahead, as soon as the early 1980's; when U.S. customers can be cut off in favor of steel users overseas; and in an era when war has not yet become impossible and steel remains a critical strategic material—then indeed the steel industry is posing a challenge to U.S. policymakers that can't just be brushed off by saying, "Phooey, protectionism!"

PERSONAL EXPLANATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. LEHMAN. Mr. Speaker, I was on a leave of absence from June 1 to June 3. Had I been present on those days, I would have voted as follows:

Rollcall No. 292, "yea."
Rollcall No. 293, "aye."
Rollcall No. 294, "aye."
Rollcall No. 295, "yea."
Rollcall No. 296, "yea."
Rollcall No. 297, "yea."
Rollcall No. 298, "no."
Rollcall No. 299, "no."
Rollcall No. 300, "aye."
Rollcall No. 301, "no."
Rollcall No. 302, "yea."
Rollcall No. 303, "no."
Rollcall No. 304, "nay."
Rollcall No. 305, "yea."

OUR PAPER TIGERS ON THE RHINE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. McDONALD. Mr. Speaker, there is a growing concern over the imbalance of forces in Europe relative to NATO versus the Warsaw Pact. American forces there have serious problems as regards receiving new weapons with which to match the Soviet buildup. Other nations have similar problems and the London Daily Telegraph recently wrote about those of the British Army of the Rhine—BOAR. Since the BOAR is a significant part of the NATO deterrent in Germany, this item should be read by every Member of Congress, as it reflects on a worsening situation as regards free world defenses. This item from the Telegraph of May 15, 1977, follows:

OUR PAPER TIGERS ON THE RHINE

(By R. H. Greenfield)

It has become something of a cliché to describe the British Army as "The Professionals," and as "the best army in Europe"—a cliché it pays the present Government to foster. But military efficiency, as last week's N.A.T.O. summit perceived, depends on weaponry as well as willpower, on spares and stores as well as smartness, on training time as well as toughness. And for all Mr. Callaghan's fulsome talk of "quality, keenness and efficiency," serious military strategists are becoming increasingly worried.

The British Army is professional—yes. Hard-working and keen—most certainly. But militarily efficient, in the hardheaded sense understood by the Russian Army? To those who have eyes to see, it is looking—cut by cut—more like a paper tiger.

While the Prime Minister may have had neither the time nor the inclination during his recent visit to probe too deeply into the true effectiveness of his country's defences, I have twice toured Rhine Army in the past few months (on the last occasion just a few days before Mr. Callaghan's own trip). What I found was disquieting.

A field artillery regiment I visited was reconverting from infantry to gunners after a stint in Northern Ireland, getting back to the highly technical business of modern gunnery for the first time in almost 12 months. Officers and key N.C.O.s were under such pressure from welfare duties, adventurous training, courses and administrative paperwork that many were able to take less than half their proper leave. Despite this sacrifice, a number were forced to go on expensive technical training courses inadequately prepared.

But Rhine Army's problems do not stop at too few men trying to cope with too many jobs, while the Government waits hopefully for Northern Ireland to return to normal. Its weapons and equipment are now beginning to show their age; new material is trickling through with astonishing slowness; there is a worrying shortage of ammunition, replacements and spares.

Artillerymen were wondering when—indeed if—they will get new guns with the range, mobility and lethal effect to cope with a fast-moving modern armoured battle against divisions equipped with the latest Russian tanks.

The British Army is still having to cope with the unpredictabilities of the Chieftain's now notorious L60 engine, while digesting the news that the planned Anglo-German successor to Chieftian has been cancelled. Tank men want to know whether Chieftain will now be re-engined and re-equipped, or replaced—or left to soldier on.

In the meantime, deliveries of the now not-so-new laser rangefinder are lagging. In some regiments only the troop commander's tank has one, while the remaining tanks continue to use a ranging machine-gun incapable of exploiting the full range of the main 120mm. gun.

Other vehicles also have their problems. Going round a R.E.M.E. workshop, I was told of Land-Rovers waiting months for spares. As an economy, vehicles that would normally have been replaced were being kept in service. These of course need more spares than usual, but the troubles at Leyland have created a shortage. For some of the older vehicles the engineers often find it easier to make their own spares.

Nor are shortages confined to old equipment. They extend to items like Cymbeline, the Army's latest mortar-locating radar. Warsaw Pact forces are thick with mortars, and Cymbeline would play a vital role in pinpointing them. A year ago the radar electronics pack on one vehicle broke down. It was replaced by the spare and sent back to Britain for servicing. When I was there recently, the rack for the replacement was still empty.

How would the troops have performed had war broken out last week? A gunner colonel told me that everything would have worked, but not as fast or as smoothly as it should have done.

The pressures showed up again in N.A.T.O.'s Canadian Army Trophy competition for tank gunnery, in which the British team came fourth behind the Canadians and the conscript armies of West Germany and Belgium. Yet Britain claims to have the best tank gun in the world, and the advantages of a long serving all-volunteer force.

It would be grossly unfair to a dedicated and seasoned Army to suggest that they are demoralised, or that they would not fight gallantly if called upon to do so. What these researches do suggest, however, is that the British Army is once again being starved of manpower, equipment and logistic resources. Not so long ago the rest of N.A.T.O. looked to the British Army as the standard for others to emulate. Now it is regarded as a force of decreasing significance—too small, too overworked, too overstretched and underequipped to give of its best. Yet it still stands astride any invader's main road into Western Europe.

If the Warsaw Pact ever does attack, it will strike with great force and at great speed, and the less prepared N.A.T.O. is, the more likely such an attack will be. The next war we fight we shall fight with what we stand up in. As all our N.A.T.O. allies have noticed, what Rhine Army now stands up in is beginning to look more than a little threadbare. Perhaps Mr. Callaghan should go back to Germany and take a closer look. The defence of the realm is, after all, the first priority of any Government—if I may offer him another cliché.

APPROVAL OF LEVITAS AMENDMENT TO DEPARTMENT OF ENERGY ORGANIZATION ACT

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. KETCHUM. Mr. Speaker, I wish to take this opportunity to express my deep gratification for the House's approval of the Levitas Amendment to the Department of Energy Organization Act last week.

Under the proposal the House prudently voted to retain the right of veto in the promulgation of rules and regulations by the Department of Energy. By instituting a tight rein over the immense authority of the newly created Department, the Congress now will be able to exercise this veto on matters it finds to overstep congressional intent. The purpose is not to become involved in the day-to-day affairs of the Department but to insure that it is held accountable to Congress for any major excesses.

For too long this Body has delegated vast powers to unelected officials while neglecting to fully maintain vitally needed checks on the decisions of these bureaucrats. It has only been through the passing of time that we have become fully aware of the broad implications of our past oversights. Through this measure we have taken another step in stemming the tide of an unwieldly Federal bureaucracy.

Mr. Speaker, I commend my colleagues for adopting this farsighted course, and I look forward to the effective implementation of this truly significant mandate.

MEDICAL FREEDOM OF CHOICE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. SYMMS. Mr. Speaker, it has recently come to my attention that there has been some misunderstanding regarding the American Medical Association and their interest in a bill that I have introduced, H.R. 54, the medical freedom of choice bill. I have never purposely tried to mislead or misinform anyone when talking about this bill, and I am sorry if recent statements have been less than clear.

In 1974, the American Medical Association House of Delegates called for the repeal or amendment of the 1962 Kefauver-Harris amendments to the Food, Drug and Cosmetic Act "so as to make safe and effective drugs readily available." It is my understanding that the House of Delegates had passed a similar resolution in 1973 also.

The medical freedom of choice bill, that I have introduced, repeals the "effectiveness" provisions from the 1962 amendments in a definite attempt to make safe and effective drugs readily available.

Over the past year and a half, I have brought to light the fact that the AMA had taken the position on the 1962 amendments that I have now taken. In statements that I have made I always tried to clairify that the AMA had not endorsed the medical freedom of choice bill specifically, but that they had endorsed—at least in the past—the broad concept of the bill.

The AMA has not specifically endorsed H.R. 54. If recent statements have been considered misleading, I can assure both the American Medical Association and the Members of Congress that such statements were not intentional and I apologize for not making them clearer.

ANOTHER SYMPTOM OF THE DROUGHT

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. PANETTA. Mr. Speaker, the drought in many of our Western States is causing a panic situation which can have serious long term effects. The panic I am referring to is the search of new sources of water. Now that it is quite evident that sufficient water supplies will not be available to get us through the summer, there is a feeling of desperation that is spreading throughout the West. The cry to drill more wells is being heard in every town meeting where the drought is occurring. In my own State of California, over 8,000 new wells are being drilled in the Central Valley alone. And in Monterey County, well drilling is increasing every year. In 1974, 200 permits were issued; 1975, 330 wells were drilled, and in 1976, 484. The trend is clear.

Obviously, ground water is a valuable source that must be relied upon. But uncontrolled well drilling can have harmful side-effects. It must be recognized that there is not a limitless suppy of water below the ground. Geologists are already predicting that groundwater may be gone in much of the Great Plains region by the turn of the century. Also, lower water tables mean a need for increased energy sources to power the pumps which lift the water out of the ground, this in a time when we already have serious shortages of hydroelectric power. In addition, depleting the land of its water adds to the salinity of the soil, thus impairing its agricultural productivity.

These are just a few of the drawbacks to seeing well drilling as the only answer to current water shortages. To meet the drastic water shortages the West is now experiencing, we need as comprehensive a plan for water as we are now considering in energy. And many of the same approaches are required: better management of present resources, development of alternative resources such as reclamation and desalinization, and improved methods of water conservation.

I would like to share with my colleagues a recent article that appeared in the Wall Street Journal, outlining the urgency of the problem. I insert this article in the RECORD:

RUNNING DRY: WESTERN FARMERS FEAR CUTBACKS IN IRRIGATION AS WATER SUPPLIES FALL

(By Joseph M. Winski)

IMPERIAL, NEBR.—Nobody expected so many people to turn out for such a meeting, but there they were, more than 500 of them packing into the Chase County High School gymnasium. The meeting was held in late March, when most Americans were worrying about the energy crisis.

But another crisis was worrying the people in southwestern Nebraska. They were more concerned about water than oil.

Gene Haarberg, chairman of the Upper Republican Natural Resources District, got right to the point. Studies by the three-county conservation body, he said, reveal a "critical threat to the long-range supply of water in the district. . . . There seems to be an inadequate groundwater supply to meet foreseeable needs."

Groundwater—water accumulated over the years in underground "aquifers" of porous stone and sand—and surface sources, such as rivers and lakes, provide our water supplies. In layman's terms, having a groundwater problem means that the water table—the top of the underground supply—is falling.

Declining water tables are by no means limited to southwestern Nebraska, or even to agricultural areas. Many Chicago suburbs have had to drill deeper and deeper for water in recent years; and in April, 18 water-short communities got permission to turn to Lake Michigan for water. Phoenix, Ariz., one of the largest cities almost completely dependent on underground water, has long been coping with a falling water table.

LONG-RANGE THREAT

But in many key agricultural areas, the groundwater problem is planting the seeds of serious future woes. Although geologists say the East is in fairly good shape, they warn that the entire Western half of the U.S.—source of much of the nation's food—is dotted with areas where the water table is declining fast. In addition to southwestern Nebraska, agricultural areas affected include at least three other sections of Nebraska, the Texas panhandle, eastern Colorado and western Kansas. Those four states, plus neighboring Oklahoma, account for about 23% of the farm product in the contiguous 48 states.)

In these and other areas of the Great Plains and Corn Belt, some wells already have dried up and have had to be drilled deeper or replaced by new ones. These outlays raise the cost of producing foodstuffs. Even worse, some farmers have had to reduce irrigated acreage and thus production.

In recent years, groundwater problems have been aggravated in these areas by below-normal precipitation. Moreover, declining water tables could greatly exacerbate future droughts by reducing alternative supplies; such is already the case in the current drought in California, where farmers are suffering partly because they haven't enough well to rely on in times of need.

And when the water is gone—and geologists say it may be gone in much of the Plains by the turn of the century—a sizable chunk of this country's most productive farmland will revert to dryland status. Without major innovations in dry farming, that land will be able to produce far less.

WORLDWIDE IMPACT

So the decline in underground water supplies poses a long-term threat to this country's agricultural output and to the farming sector's important contribution to U.S. export earnings. And for the fast-expanding, hunger-threatened population of much of the world, the impact eventually could be grim indeed.

The water problems, which usually had been regarded as regional matters, have grown serious enough to attract more attention from the federal government. While federal agencies long have provided surface water for irrigation through their dam-building activities, the U.S. Geological Survey currently is focusing on the declining water table. For example, it is conducting a $4 million study of the Madison Formation, a vital aquifer serving parts of Wyoming, Montana, South Dakota and Nebraska.

What is basically causing these problems is the rapid growth of irrigation from wells in these agricultural areas, geologists say. In Nebraska, for example, the number of registered irrigation wells more than doubled between 1966 and last Jan. 1 to 55,078. Nebraska now irrigates more land than any other state except California and Texas, and it is adding eight or nine new sprinkler irrigation systems a day.

The effect of such rapid expansion of irrigation, says Thadis W. Box, dean of College of Natural Resources at Utah State University, "is no different from the oil shortage; we're dealing with a finite resource, and we are mining that resource." Water is said to be "mined" when it is taken from the aquifer faster than the aquifer is recharged by precipitation.

CONSERVATION PROPOSAL

Such are the problems facing the people of Chase, Dundy and Perkins counties in southwestern Nebraska, where the number of irrigation wells has surged from only 399 in 1966 to more than 2,300 today. The March meeting was called to hear testimony on a proposal that the state declare the district an official "control area," in which strict water-conservation regulations must be enforced. Most of these measures would deal with curbing irrigation and reducing the amount of water lost through it.

The problems are so difficult to cope with partly because of the vast benefits that irrigation has conferred on Nebraska's agriculture and overall economy. Once primarily a dryland wheat state, Nebraska now has a burgeoning livestock industry because irrigation has enabled corn and other feed grains to grow well in the once too-dry soil. And every dollar increase in agricultural output from irrigation generates nearly $8 in new business activity in the state, Theodore Roesler, a University of Nebraska economist, estimates.

However, irrigation consumes water prodigiously. Unlike industrial or domestic water-using processes, from which 90 percent or more of the water can be retained for reuse, most irrigation water is lost to the local area. About 20 percent runs off and away from the land on which it is applied, and some is lost through evaporation. The biggest loss, however, is through plant transpiration. According to one estimate, an acre of corn can absorb 3,000 gallons of water from the soil daily. Most of this moisture escapes through the plants' leaves as water vapor.

Even with normal precipitation, heavy irrigation drains water from the aquifer faster than nature replaces it. Such losses show up in declines in water tables. Measurements at a recorder well near Imperial indicate that the area's water table was a stable 57 to 58 feet below ground from 1964 to 1968. By 1975, the table had fallen to 69 feet below ground, and by last January it was down to 76½ feet. "Water is being mined in the district," Mr. Haarberg says.

Because of the water-table drop, the Natural Resources District estimates, 60 to 65 local irrigation wells had to be lowered last year, and 10 to 12 were replaced. Another 60 to 65 wells providing water for homes had to be replaced, too.

In view of the obvious problem, most people in the area favor some kind of controls on irrigation. What they don't agree on, though, is the type of controls and where in the district they should be applied.

Lew Reese, a cattle raiser near Champion, just southwest of Imperial, says the sandy soil on his land is "trapping our water," and the water table serving his four irrigation wells hasn't dropped much. So he testified at the meeting that he doesn't want controls in his area.

Mr. Reese says that a lot of other farmers at the meeting shared his opinion "that controls shouldn't be forced down our throats," but that they didn't speak out because of the "intimidating" formality of the hearings. "You had to go up front to a microphone and say your piece and then stand there and answer questions from all those state guys. Farmers don't like that sort of thing," he says.

INTERESTED VISITORS

Among those strongly favoring district-wide controls are some people who didn't even live there. They are farmers to the southeast, around McCook, who get irrigation water from the Enders Reservoir between Imperial and McCook. They contend that, because seepage from the aquifer feeds the reservoir, the big increase in irrigation pumping in the district has reduced the water they are getting from Enders.

The streamflow through irrigation canals from the reservoir, which irrigates 22,000 acres, now provides only nine inches of water per acre, down from 18 inches a few years ago, the McCook farmers say. They add that at least a foot of irrigation water is needed in the summer to grow corn. "So you've got a lot of fellows who are pretty upset," says Willard Schlagel, a director of two irrigation districts to the southeast that rely on Enders. He says the reduced flow from Enders already has cut back by 20% the irrigated acreage in his districts.

Nebraska State Sen. Jack Mills, a Democrat from Big Springs who has sponsored legislation to deal with the water problems, says the Enders Reservoir could be dry by 1990 if action isn't taken. But the problem involves sticky legal areas, he adds, because Nebraska law deals separately with use of surface water and groundwater. It doesn't recognize—as geologists and the farms below Enders plainly do—the connection between groundwater levels and the flow of surface water.

"There's going to be a spasm of legal suits over water rights in the next few years," says William Holland, an Omaha attorney whose law firm has been hired by the McCook-area farmers to represent them in the Enders dispute.

CROP LOSS FORECAST

In the meantime, says Jack Maddux, who raises more than 3,000 head of cattle on his 10,000 acres downstream from Enders, "We're running out of water down here, and when it's gone we'll just have to go back to dryland farming." He estimates that an acre of unirrigated land would yield 25 bushels of corn or sorghum, compared with 110 to 125 bushels from good irrigated soil. "We wouldn't be handling much cattle then," he says.

"We should have done something about this 15 years ago," Mr. Maddux continues. "We've been behaving just like those guys in Texas."

Everybody discussing water problems sooner or later refers to "those guys in Texas"—specifically, to irrigators in that state's panhandle. It is frequently cited by geologists as the best example of an area where irrigation water has performed an agricultural miracle but has been squandered in the process. The high plains around Plainview, Texas, are believed to contain the largest contiguous block of irrigated land in the world; one four-county section is more than two-thirds irrigated. But water surveys by the U.S. Geological Survey almost routinely report, as they did in April, that "a new all-time low was again recorded" for the Plainview water table.

"It's a classic case of exploiting resources for short-term gains," Utah State's Mr. Box says. A few years back, he told a Plainview Rotary Club the area should consider the implications of using "a nonrenewable resource to grow crops that make a few people rich at the expense of succeeding generations." That blunt talk didn't go over very well, Mr. Box says. A local newspaper, editorializing on his remarks, described him as "the Communist professor."

Now, some geologists give the Texas panhandle 20 to 25 years before it runs out of recoverable groundwater.

TROUBLE IN KANSAS

Although the Texas case has been the most publicized, "There are some areas in western Kansas that aren't in a whole lot better shape," says Keith Lebbin, executive director of the Western Kansas Groundwater Management District No. 1. Irrigation "has created a drastic reduction in our water supply," he says, adding that some areas of the aquifer underlying western Kansas have been mined of more than 65% of the original supply.

A government survey shows that the western Kansas water table declined an average of 3½ feet last year. At one well in Grant County, southwest of Scott City, the water level fell 125 feet between 1966 and 1976. A Scott County well dropped 60 feet in the same period.

In reaction, the Western Kansas District has restricted well spacing—new wells must be at least half a mile from existing ones—and water runoff. It also is trying other conservation measures.

At his desk in Scott City, Mr. Lebbin looks over an application for an irrigation permit. The farmer already has drilled the well and bought irrigation equipment, apparently on the assumption that getting the permit is a mere formality. It once was, Mr. Lebbin says, "but we aren't doing things that way anymore." Because the farmer wants a permit that would violate spacing regulations, Mr. Lebbin says, "It's too bad, but I'm just gonna have to recommend we turn this fella down."

LEGAL MANEUVERS

Around New Hampton, in northeastern Iowa, there isn't much irrigation and some local residents would like to keep it that way. Last October Frank Holschlag, attorney for surrounding Chicasaw County, obtained a temporary injunction—later overturned—against state issuance of more irrigation permits there.

"It's a question of giving more water to some people and preventing others from having enough," he explains. "Say you're a farmer with 5,000 hogs that you water from a 300-foot well," Mr. Holschlag explains. "Then some guy drills a 320-foot well into the same water table you're tapping. If he draws the table down and your well goes dry, you're out of luck. You essentially have to set there and watch a quarter-million-dollar inventory die on you."

The attorney says such fears have turned the irrigation controversy in Chickasaw County into "a small civil war," with neighbors and even family members divided on the issue.

Kenneth Hurst, a local farmer, was planning to drill an irrigation well, his wife says, "but the neighbors got real upset about it." So the Hursts withdrew their application. And when Gerald and Russell Lauers decided to apply for a permit, they unexpectedly met resistance from a certain nearby farmer: their own father, Bernard. "Everybody's just worried sick about their well going dry—that's why my husband was against it," Mrs. Lauers says. The sons applied anyway and are waiting for their permit.

A BILL FOR THE RELIEF OF PRISCILLA C. LEEZY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. CLAY. Mr. Speaker, today I introduced a private bill for the relief of Mrs. Priscilla C. Leezy of St. Louis.

Mrs. Leezy and her late husband Edward Leezy were married for more than 31 years. Mr. Leezy, after over 30 years of marriage, began suffering from job-related depression. He subsequently left home and divorced his wife. After receiving treatment, Mr. Leezy remarried his

former wife. Less than 1 year later, he died.

As a result of this divorce, and Mr. Leezy's demise less than 1 year after their remarriage, Mrs. Leezy is being denied the widow's survivor benefits that her husband spent over 35 years in the Federal civil service system earning. As one who functioned in the traditional role of a wife and mother, never holding a job, this annuity would go a long way toward allowing Mrs. Leezy to maintain the dignity and grace she so richly deserves in her remaining years.

This bill, if passed, would aid a woman who was unreasonably victimized by circumstances not of her own making. Supporting this endeavor are my colleagues, Congresswomen LINDY BOGGS, YVONNE BRATHWAITE BURKE, SHIRLEY CHISHOLM, CARDISS COLLINS, MILLICENT FENWICK, MARGARET M. HECKLER, MARJORIE S. HOLT, BARBARA JORDAN, MARTHA KEYS, MARILYN LLOYD, HELEN S. MEYNER, BARBARA A. MIKULSKI, MARY ROSE OAKAR, PATRICIA SCHROEDER, and GLADYS NOON SPELLMAN.

ENERGY LEGISLATION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. DINGELL. Mr. Speaker, at this point I would like to introduce into the RECORD for inclusion in the Extensions of Remarks the subcommittee prints being used as markup vehicles for title I, parts B (Appliance Standards); C (Energy Efficiency for Schools and Hospitals); and D (Natural Gas).

The subcommittee prints are as follows:

COMMITTEE PRINT, JUNE 3, 1977

(Showing Title I—Part B, Subpart 1, Energy Efficiency Standards for Certain Consumer Products, with Changes Proposed by the Staff of the Subcommittee on Energy and Power)

H.R. 6831

(Mr. WRIGHT introduced the following bill; which was divided and initially referred for a period ending not later than July 13, 1977, as follows: sections 101 through 109 and sections 201 through 603 to the Committee on Interstate and Foreign Commerce; sections 110 through 131, and, concurrently with the Committee on Interstate and Foreign Commerce, those portions of subpart 1 of part A of title I relating to financial assistance to residential customers defined in section 101, to the Committee on Banking, Finance and Urban Affairs; section 701 to the Committee on Government Operations; sections 721 through 746 to the Committee on Public Works and Transportation; title II to the Committee on Ways and Means; and sections 2 through 4 concurrently to all of the above committees)

A bill to establish a comprehensive national energy policy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Energy Act".

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PART B—ENERGY EFFICIENCY OF CONSUMER PRODUCTS

Subpart 1—Energy Efficiency Standards for Consumer Products Other Than Automobiles

Sec. 201. Energy efficiency test procedures.
Sec. 202. Energy efficiency standards.
Sec. 203. Technical and conforming amendments.
Sec. 204. Effect of other laws on procedures.

PART B—ENERGY EFFICIENCY STANDARDS FOR CONSUMER PRODUCTS

Subpart 1—Consumer Products Other Than Automobiles

ENERGY EFFICIENCY TEST PROCEDURES

SEC. 201. (a) Section 323(a)(3) of the Energy Policy and Conservation Act (42 U.S.C. 6293(a)(3)) is amended—

(1) by striking out "Except as provided in paragraph 6), the" and inserting in lieu thereof "The"; and

(2) by striking out the last sentence and inserting in lieu thereof the following: "Except as provided in paragraph (6), such proposed test procedures shall be published not later than August 31, 1977.".

(b) Section 323(a)(4) of such Act (42 U.S.C. 6293(a)(4)) is amended—

(1) in subparagraph (A), by striking out "(A) Except as provided in paragraph (6), the" and inserting in lieu thereof "The";

(2) in subparagraph (A), by adding at the end thereof the following: "Except as provided in paragraph (6), such test procedures shall be prescribed not later than December 30, 1977."; and

(3) by striking out subparagraph (B).

(c) Section 323(a)(6) of such Act (42 U.S.C. 6293(a)(6)) is amended to read as follows:

"(6) The Administrator may delay the publication of proposed test procedures under paragraph (3) or the prescription of test procedures under paragraph (4) for a type of covered product (or class thereof) if he determines that he cannot, within the applicable time period, publish proposed test procedures or prescribe test procedures applicable to such type (or class) which meet the requirements of subsection (b), and he submits to the Congress a report of such determination together with the reasons therefor, and also publishes such determination (and reasons) in the Federal Register. In any such case, he shall publish such proposed test procedures or prescribe such test procedures as soon as practicable, but in no event later than 90 days after the date specified in paragraph (3) or (4), as the case may be.".

(d) Section 323(a) of such Act (42 U.S.C. 6293(a)) is amended by adding at the end thereof the following:

"(7)(A) Not later than 3 years after prescribing a test procedure under this section (and from time to time thereafter), the Administrator shall—

"(i) conduct a reevaluation in order to determine whether such procedure should be amended, and

"(ii) make, and publish in the Federal Register, such determination.

In conducting such reevaluation, the Administrator shall take into account such information as he deems relevant, including technological developments relating to the energy efficiency of the type (or class) of covered product involved and the manufacture of such product.

"(B) If the Administrator determines under subparagraph (A) that a test procedure should be amended, he shall publish proposed test procedures incorporating such amendments and afford interested persons an opportunity to present oral and written data, views, and arguments. Such comment period shall not be less than 45 days. The Administrator may thereafter prescribe test procedures incorporating such amendments.

ENERGY EFFICIENCY STANDARDS

SEC. 202. (a) Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended to read as follows:

"SEC. 325 (a)(1)(A) The Administrator shall, by rule, prescribe an energy efficiency standard for each type (or class) of covered product specified in paragraphs (1) through (13) of section 322(a).

"(B) The Administrator may, by rule, prescribe an energy efficiency standard for any type (or class) of covered products of a type specified in paragraph (14) of section 322(a), if he determines, for the purposes of this section, that—

"(i) the average per household energy use within the United States by products of such type (or class) exceeds 150 kilowatt-hours (or its Btu equivalent) per year for any consecutive 12-calendar-month period ending before such determination;

"(ii) the aggregate household energy use within the United States by products of such type (or class) exceeds 4,200,000,000 kilowatt-hours per year for any such consecutive 12-calendar-month period; and

"(iii) substantial improvement in the energy efficiency of products of such type (or class) is technologically feasible; and

"(iv) the application of a labeling rule under section 324 applicable to such type (or class) is not likely to be sufficient to induce manufacturers to produce, and consumers and other persons to purchase, covered products of such type (or class) which achieve the maximum energy efficiency which it is technologically feasible to attain, and which is economically justified.

"(C) Not later than 2 years after the date of the enactment of this subparagraph, the Administrator shall publish in the Federal Register a list of those types (and classes) of covered products which he considers may be subject to standards authorized to be prescribed under subparagraph (B).

"(2) No standard for a type (or class) of covered product shall be prescribed pursuant to paragraph (1) if—

"(A) a test procedure has not been prescribed pursuant to section 323 with respect to that type (or class) of product, or

"(B) there is in effect a determination by the Administrator that the establishment of such standard will not result in significant conservation of energy.

For purposes of section 327, a determination under subparagraph (B) with respect to any type or class of covered product shall be treated the same as if there were standards prescribed for such under this section for such type (or class).

"(3) Energy efficiency standards for each type (or class) of covered product prescribed under this section shall be designed to achieve the maximum improvement in energy efficiency which the Administrator determines is technologically feasible and economically justified. Such standards may be phased in, over a period not in excess of 3 years, through the establishment of intermediate standards, as determined by the Administrator.

"(4) In determining whether a standard is economically justified under paragraph (3), the Administrator shall consider, after receiving any views and comments furnished with respect to the proposed standard under section 336—

"(A) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standards,

"(B) the savings in operating costs throughout the estimated average life of covered products in the type (or class) sub-

ject to such standard which is likely to result from the imposition of such standard,

"(C) the total energy savings likely to directly result from the imposition of the standard,

"(D) the increase in the initial charge for, or the expenses of maintenance, repair, or use of, such covered products which is likely to result from the imposition of the standard.

"(E) the total cost, per Btu, in obtaining the energy savings likely to result from imposing the standard, computed for such type (or class) of covered product by dividing the average charges and expenses referred to in subparagraph (D) by the energy saving (expressed in Btu's) referred to in subparagraph (C).

"(F) any lessening of the utility or the performance of the covered products likely to result from the imposition of the standard,

"(G) the impact of any lessening of competition determined by the Attorney General is to be likely to result from the imposition of the standard, and

"(H) any other factors the Administrator considers relevant.

For purposes of subparagraph (F), the Attorney General shall, not later than 60 days after the publication of a proposed rule prescribing an energy efficiency standard make a determination whether any impact from any lessening of competition would be likely to result from such standard and transmit such determination in writing to the Administrator, together with his analysis of the nature and extent of such impact. Any such determination and analysis shall be published in the Federal Register.

"(5)(A) Subject to subparagraph (B), the Administrator may, on application of any manufacturer, exempt such manufacturer from the application of all or part of the requirements of any rule prescribing an energy efficiency standard under this subsection for any period which does not extend beyond the date which is 24 months after the date such rule is prescribed, if the Administrator finds that the annual gross revenues to such manufacturer for the preceding 12-month period from all its operation (including the manufacture and sale of covered products) does not exceed $8,000,000.

"(B) The Administrator may not exercise the authority granted under subparagraph (A) with respect to any type (or class) of covered product subject to an energy efficiency standard established under this section unless he has made a finding, after consultation with the Attorney General, that a failure to allow for exemptions of manufacturers under subparagraph (A) would be likely to result in a substantial lessening of competition.

"(6)(A) A rule prescribing an energy efficiency standard for a type of covered product (or class) shall specify a level of energy efficiency higher or lower than that which otherwise applies (or would apply) for such type or class for any group of covered products which have the same function or intended use if the Administrator, in his discretion, determines products within such group—

"(i) consume a different kind of energy from that consumed by other covered products within such type (or class), or

"(ii) have a performance-related feature which is not part of other products within such type or class,

justifying a higher or lower standard from that which applies (or will apply) to other products within such type (or class). In determining under this subparagraph whether a performance-related feature justifies the establishment of a higher or lower standard, the Administrator shall consider such factors as the utility to the consumer of such a feature, the capacity of the product resulting from, or which constitutes, such feature, and such other factors as he deems appropriate.

"(B) Any rule prescribing a higher or lower level of energy efficiency under subparagraph (A) shall include an explanation of the basis on which such higher or lower level was established.

"(7) In prescribing energy efficiency standards under this subsection, the Administrator shall give priority to the establishment of energy efficiency standards for types of products (or classes thereof) specified in paragraphs (1), (2), (5), (6), (9), (12), and (13) of section 322(a).

"(8)(A) Not later than 5 years after prescribing an energy efficiency standard under this section (and from time to time thereafter), the Administrator shall—

"(i) conduct a reevaluation in order to determine whether such standard should be amended in any manner, and

"(ii) make, and publish in the Federal Register, such determination.

In conducting such reevaluation, the Administrator shall take into account such information as he deems relevant, including technological developments with respect to the manufacture of the type (or class) of covered product involved, and the economic impact of the standard.

"(B) If the Administrator determines under subparagraph (A) that a standard should be amended, he shall publish a proposed rule incorporating such amendments and afford interested persons an opportunity to present oral and written data, views, and arguments. Such comment period shall not be less than 45 days. The Administrator may thereafter prescribe a rule incorporating such amendments.

"(b) Any energy efficiency standard shall be prescribed in accordance with the following procedure:

"(1) The Administrator shall (A) publish an advance notice of proposed rulemaking which specifies the type (or class) of covered products to which the rule will apply, and (B) invite interested persons to submit, within 45 days after the date of publication of such advance notice, written presentations of data, views, and argument relevant to the establishing of such an energy efficiency standard.

"(2) An advance notice of proposed rulemaking under paragraph (1) shall be published by the Administrator—

"(A) in the case of types of covered products (or classes thereof) of the types specified in paragraph (1), (2), (5), (6), (9), (12), and (13) of section 322(a), not later than 30 days after a test procedure with respect to that type of covered product (or class thereof) has been prescribed, or 45 days after the date of the enactment of this subparagraph, whichever is later; and

"(B) in the case of types of covered products (or classes thereof) specified in paragraphs (3), (4), (7), (8), (10), and (11) of section 322(a), not later than 30 days after a test procedure with respect to that type (or class) of covered product has been prescribed, or one year after the date of the enactment of this subparagraph, whichever is later.

"(3) A proposed rule which prescribes an energy efficiency standard for a type (or class) of covered products may not be published earlier than 60 days after the date of publication of advance notice of proposed rulemaking for such type or class. The Administrator shall determine the maximum improvement in energy efficiency that is technologically feasible for each type (or class) of covered products in prescribing such standard and if such standard is not designed to achieve such efficiency, the Administrator shall state in the proposed rule the reasons therefor. After the publication of such proposed rulemaking, the Administrator shall afford interested persons, in accordance with section 336, an opportunity to present oral and written comments (including an opportunity to question those who make such presentations, as provided in such section) on matters relating to such proposed rule, including—

"(A) whether the standard to be prescribed is economically justified (taking into account those factors which the Administrator must consider under subsection(a)(4));

"(B) whether the standard will achieve the maximum improvement in energy efficiency which is technologically feasible;

"(C) if the standard will not achieve such improvement, whether the reasons for not achieving such improvements are adequate; and

"(D) whether such rule should prescribe a level of energy efficiency which is higher or lower than that which would otherwise apply in the case of any group of products within the type or class to be subject to such standard.

"(4) A rule prescribing an energy efficiency standard for a type (or class) of covered product may not be published earlier than 60 days after the date of publication of the proposed rule under this section for such type (or class), except that such rule shall be published as soon as practicable after publication of the advanced notice, but in no event later than 2 years after such publication. Such rule shall take effect not earlier than 180 days after the date of its publication in the Federal Register. Such rule (or any amendment thereto) shall not apply to any covered product the manufacture of which was completed before the effective date of the rule or amendment as the case may be.

"(c) An energy efficiency standard prescribed under this section shall include test procedures prescribed in accordance with section 323, and may include any requirement which the Administrator determines is necessary to assure that each covered product to which such standard applies meets the required minimum level of energy efficiency specified in such standard.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 203. (a) Section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is amended—

(1) in paragraph (1), by striking out "(or class thereof)" and all that follows and inserting in lieu thereof: "(or class thereof), the Commission determines under the second sentence of subsection (b)(5) that labeling in accordance with this section is not technologically or economically feasible."; and

(2) in paragraph (2), by striking out "(or class thereof)" and all that follows and inserting in lieu thereof: "(or class thereof), the Commission determines under the second sentence of subsection (b)(5) that labeling in accordance with this section is not technologically or economically feasible or is not likely to assist consumers in making purchasing decisions.".

(b) Section 324(c)(5) of such Act (42 U.S.C. 6294(c)(5)) is amended by inserting "including instruction for the maintenance, use, or repair of the covered product," after "energy consumption," in the matter following subparagraph (C).

(c) Section 326 of such Act (42 U.S.C. 6296) is amended by adding at the end thereof the following:

"(d) For purposes of carrying out his responsibilities under this section, the Administrator may require, by rule or order or such other means as is available to him under this part, each manufacturer of covered products to submit such information or reports of any kind or nature directly to the Administrator with respect to energy efficiency of

such covered products, and with respect to the economic impact of any proposed energy efficiency standard, as the Administrator determines may be necessary to establish test procedures and energy efficiency standdards for such products and to insure compliance with the requirements of this part. The provisions of section 11(d) of the Energy Supply and Environmental Coordination Act of 1974 shal apply with respect to information obtained under this subsection to the same extent and in the same manner as it applies with respect to energy information obtained under section 11 of such Act.".

(d)(1) Section 336(a)(1) of such Act (42 U.S.C. 6306(a)(1)) is amended by striking out "(1)" and by striking out "325(a) (1), (2), or (3)" in the first sentence thereof and inserting "325(a)" in lieu thereof.

(2) Section 336(a)(1)(B) of such Act (42 U.S.C. 6306(a)(1)(B)) is amended by striking out "paragraph (1), (2), or (3) of" in the first sentence thereof.

(3) Section 336(a) of such Act (42 U.S.C. 6306(a)) is amended by striking out paragraph (2).

(4) Sections 336(b) (1) and (2) of such Act (42 U.S.C. 6306(a) (1) and (2)) are each amended by striking out "section 323 or 324" and inserting in lieu thereof "section 323, 324, or 325".

(e) Section 336(b) of such Act (42 U.S.C. 6306(b)) is amended by striking out paragraph (5).

(f) Section 338 of such Act (42 U.S.C. 6308) is amended by adding at the end thereof the following new sentence: "Each such report shall specify the actions undertaken by the Administrator in carrying out this part during the period covered by such report, and those actions which the Administrator was required to take under this part during such period but which were not taken, together with the reasons therefor.".

(g)(1) Section 333(a) of such Act (42 U.S.C. 6303(a)) is amended by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)".

(2) Section 333(c) of such Act (42 U.S.C. 6303(c)) is amended by striking out "section 323(d)(2)" and inserting in lieu thereof "section 323(c)".

(3) Section 335(a) of such Act (42 U.S.C. 6305(a)) is amended by inserting after "or rule," in the last sentence thereof the following: "or order such Federal agency to perform such act or duty.".

EFFECTS ON OTHER LAWS AND PROCEDURES

SEC. 204. The procedures applicable under part B of title III of the Energy Policy and Conservation Act (42 U.S.C. 6291 and following) shall not—

(1) be considered to be modified by any other provision of law unless such other provision specifically amends such part (or provisions of law cited therein), or

(2) be considered to be superseded by any other provision of law unless such other provision does so in specific terms, referring to such part, and declaring that such provision supersedes the provisions of such part.

COMMITTEE PRINT, JUNE 7, 1977
Part C

PART C—ENERGY CONSERVATION PROGRAM FOR SCHOOLS AND HEALTH CARE FACILITIES

AMENDMENT TO THE ENERGY POLICY AND CONSERVATION ACT

STATEMENT OF FINDINGS AND PURPOSES

SEC. 301. (a) The Congress finds that—

(1) the Nation's nonrenewable energy resources are being rapidly depleted;

(2) schools and health care facilities are major consumers of energy, and have been especially burdened by rising energy prices and fuel shortages;

(3) substantial energy conservation can be achieved in schools and health care facilities through the implementation of energy conservation maintenance and operating procedures and the installation of energy conservation measures; and

(4) public and nonprofit schools and health care facilities in many instances need financial assistance in order to make the necessary improvements to achieve energy conservation.

(b) It is the purpose of this part to authorize grants to States and to public and nonprofit schools and health care facilities to assist in identifying, and implementing energy conservation maintenance and operating procedures and in evaluating, acquiring, and installing energy conservation measures to reduce the energy use and anticipated energy costs of school and health care facilities.

SEC. 302. Title III of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART F—ENERGY CONSERVATION PROGRAM FOR SCHOOLS AND HEALTH CARE FACILITIES

"DEFINITIONS

"SEC. 391. For the purposes of this part—

"(1) The term 'building' means any structure which includes a heating or cooling system, or both, the construction of which was completed on or before April 20, 1977.

"(2) The term 'energy conservation measure' means an installation or modification of an installation which is primarily intended to reduce energy consumption or allow the use of a more desirable energy source, including—

"(A) insulation of mechanical systems and the building structure;

"(B) additional glazing, reductions in glass area, reflective glass coatings, and other window modifications;

"(C) automatic energy control systems;

"(D) equipment required to operate variable steam, hydraulic, and ventilating systems adjusted by automatic energy control systems;

"(E) solar space heating or cooling systems or any combination thereof;

"(F) solar water heating systems;

"(G) furnace or utility plant and distribution system modifications including—

"(i) replacement burners designed to reduce the firing rate or to achieve a reduction in the amount of fuel consumed as a result of increased combustion efficiency,

"(ii) devices for modifying flue openings which will increase the efficiency of the heating system,

"(iii) electrical or mechanical furnace ignition systems modifications, including replacement of standing gas pilot lights, and

"(iv) utility plant system conversion measures including conversion of existing oil- and gas-fired boiler installations to alternative energy sources, including coal;

"(H) caulking and weatherstripping;

"(I) lighting fixture retrofits, to the extent that such retrofit reduces the watts per square foot level for illumination and conserves energy;

"(J) energy recovery systems;

"(K) cogeneration systems which produce steam, heat, or other forms of energy as well as electricity for use primarily within a building or a complex of buildings owned by a school or health care facility and which meet such fuel efficiency requirements as the Administrator may by rule prescribe; and

"(L) such other energy conservation measures as the Administrator may, from time to time, by rule, determine appropriate.

No lighting fixture retrofit which increases the general illumination level of a facility shall be treated as an energy conservation measure under this paragraph unless the Administrator finds that such increase is necessary to conform to any applicable State or local building code, or, if no such Code applies, such increase is deemed desirable by the Administrator.

"(3) The term 'health care facility' means a public or nonprofit institution which is either—

"(A) a hospital including general, tuberculosis, and other types of hospitals, and related facilities, such as laboratories, outpatient departments, nurses' home facilities, extended care facilities, facilties related to programs for home health services, self-care units, and central service facilities operated in connection with hospitals, and also including education or training facilities for health professional personnel operated as an integral part of a hospital, but does not include any hospital furnishing primarily domiciliary care, or

"(B) a facility for long-term care (including a skilled nursing or intermediate care facility) providing inpatient care for convalescent or chronic disease patients who require skilled nursing or intermediate care and related medical services—

"(i) which is a hospital (other than a hospital primarily for the care and treatment of mentally ill or tuberculous patients) or is operated in connection with a hospital, or

"(ii) in which such care and medical services are prescribed by, or are performed under the general direction of, persons licensed to practice medicine or surgery in the State.

"(4) The term 'public or nonprofit institution' means an institution owned and operated by—

"(A) a State, a political subdivision of a State or an agency or instrumentality of either, or

"(B) an organization exempt from income tax under sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1954.

"(5) The term 'school' means a public or nonprofit institution which—

"(A) provides, and is legally authorized to provide, elementary education or secondary eduction, or both, on a day or residential basis;

"(B)(i) provides, and is legally authorized to provide, a program of education beyond secondary education, on a day or residential basis;

"(ii) admits as students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate;

"(iii) is accredited by a nationally recognized accrediting agency or association; and

"(iv) provides an educational program for which it awards a bachelor's degree or higher degree or provides not less than a two-year program which is acceptable for full credit toward such a degree at any institution which meets the requirements of clauses (i), (ii), and (iii) and which provides such a program;

(C) provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (i), (ii), and (iii) of subparagraph (B); or

(D) is residential child care institution.

"(6) The term 'school facilities' means buildings housing classrooms, laboratories, dormitories, athletic facilities, or related facilities operated in connection with a school.

"(7) The term 'State' means a State, the District of Columbia, and at the discretion of the Administrator, Puerto Rico, or any territory or possession of the United States.

"(8) The term 'State energy agency' means the State agency responsible for developing State energy plans pursuant to section 362 of this Act, or, if no such agency exists, a State agency designated by the Governor of such State to prepare and submit the State plan required under section 394 of this part.

"(9) The term 'State school facilities agency' means an existing agency which is broadly representative of public institutions of higher education, private nonprofit institutions of higher education, public elemen-

tary and secondary schools, private nonprofit elementary and secondary schools, public residential child care institutions and private nonprofit residential child care institutions, public vocational educational institutions, private nonprofit vocational institutions, and the interests of handicapped persons, in a State or, if no such agency exists, an agency which is designated by the Governor of such State which conforms to the requirements of this paragraph.

"(10) The term 'State health care facilities agency' means an existing agency which is broadly representative of the public hospitals, the private nonprofit hospitals, public facilities for long-term care, and private nonprofit facilities for long-term care in a State, or, if no such agency exists, an agency designated by the Governor of such State which conforms to the requirements of this paragraph.

"(11) The term 'preliminary energy audit' means any survey of a building that is conducted in accordance with rules issued by the Administrator and—

"(A) identifies the type, size, and energy use level of such building and the major energy using systems of such building;

"(B) determines appropriate energy conservation maintenance and operating procedures, and

"(C) indicates the need, if any, for the acquisition and installation of energy conservation measures,

except that for the purposes of section 393 (1), such term shall mean a survey which identifies the type, size, and energy use level of such building and the major energy-using systems of such building.

"(12) The term 'energy conservation project' means an undertaking to acquire and to install one or more energy conservation measures in a school or health care facility.

"(13) The term 'energy conservation project costs" includes only costs incurred in the design, acquisition, construction, and installation of energy conservation measures.

"(14) The term 'technical assistance program' means a program carried out in accordance with rules issued by the Administrator which provides assistance to schools and health care facilities—

"(A) to conduct specialized studies identifying and specifying energy savings and related cost sayings that are likely to be realized as a result of modification of maintenance and operating procedures in a building, or as a result of the acquisition and installation of one or more specified energy conservation measures in such building, or as a result of both, and

"(B) the planning of specific remodeling, renovation, repair, replacement, or insulation projects related to the installation of energy conservation measures in such building.

"(15) The term 'technical assistance program costs' means costs incurred for the use of existing personnel or the temporary employment of other qualified personnel (or both such types of personnel) necessary for a technical assistance program.

"(16) The term 'energy conservation maintenance and operating procedures' means modification or modifications in the maintenance and operations of a building, and any installations therein, which are designed to reduce energy consumption in such building and which require no significant expenditure of funds.

"GRANT AUTHORIZATION

"SEC. 392. (a) The Administrator is authorized to make grants to—

"(1) States to assist in conducting preliminary energy audits pursuant to section 393,

"(2) States, schools, and health care facilities in payment of technical assistance program costs, and

"(3) schools and health care facilities in payment of energy conservation project costs incurred in connection with energy conservation projects.

"(b)(1) Except as provided in paragraph (2), the Federal share of the costs incurred in connection with any preliminary energy audit, any technical assistance program, or any energy conservation project shall not exceed 50 percent thereof and the remainder of the costs shall be provided from sources other than Federal funds.

"(2) Funds available to the Administrator under section 396(a)(3) may be used to pay up to 90 percent of the program or project costs for technical assistance programs or energy conservation projects if the Administrator determines that such project meets the criteria of a class of severe hardship as such class is determined, by rule, by the Administrator taking into account climate, fuel costs, or fuel availability, ability to provide the required matching non-Federal funds, and such other factors that he deems appropriate.

"PRELIMINARY ENERGY AUDITS

"SEC. 393. The Administrator shall, by rule, not later than sixty days after the date of enactment of this part—

"(1) prescribe guidelines for the conduct of the preliminary energy audits required for the development of State energy plans, including a description of the type, number, and distribution of preliminary energy audits of schools and health care facilities that will be required to provide a reasonably accurate evaluation of the energy conservation needs of all such facilities in each State,

"(2) prescribe guidelines for the conduct of preliminary energy audits that may be required in determining which schools and health care facilities qualify for grants for technical assistance programs and energy conservation projects under a State plan, and

"(3) prescribe rules governing the allocation among the several States of funds for grants for preliminary energy audits taking into account the population and climate of such States and such other factors as he may deem appropriate.

In the case of States which, without the use of financial assistance under this part, conduct preliminary energy audits which fulfill the terms of the guidelines issued by the Administrator and which are approved by the Administrator as a part of the State energy plan of such State pursuant to section 394(c), the funds allocated to purposes of this subsection shall be added to the funds available for technical assistance programs or energy conservation projects for such State and shall be in addition to amounts otherwise available under the allocation for such purposes pursuant to paragraph (1) of section 396(a).

"STATE PLANS

"SEC. 394. (a) The Administrator shall, by rule, not later than one hundred and twenty days after the date of enactment of this part, prescribe guidelines for the development of State plans for the implementation of technical assistance programs for, and the implementtaion of energy conservation projects in, schools and health care facilities in such State. The guidelines may be amended from time to time by the Administrator after due notice and shall include—

"(1) a description of the factors to be considered by the State energy agency in determining which technical assistance programs and energy conservation projects will be given priority in making grants pursuant to this part, including such factors as climate, fuel availability and fuel cost, and energy conservation goals,

"(2) a description of the criteria to be used in establishing a State program to identify persons qualified to conduct preliminary energy conservation audits, and carry out technical assistance programs and implement energy conservation projects, and

"(3) a description of the types of energy conservation measures deemed appropriate for each region of the Nation.

"(b) The Administrator shall invite the State energy agency of each State to submit, within ninety days after the effective date of the guidelines prescribed pursuant to section 394(a), or such longer period as the Administrator may, for good cause, allow, a proposed State plan for such State. Such plan shall include—

"(1) a description of the energy conservation needs of the schools and health facilities of such State,

"(2) a program for identifying persons qualified to conduct preliminary energy audits, carry out technical assistance programs, and install energy conservation projects,

"(3) a description of the number and type of school and health care facilities in such State that may qualify for financial assistance for technical assistance programs and energy conservation projects under the Administrator's guidelines,

"(4) a recommendation as to the types of technical assistance programs and energy conservation measures considered appropriate for schools and health care facilities in such State, together with an estimate of the costs of carrying out such programs and acquiring and installing such projects in each year for which funds are appropriated,

"(5) a statistical survey of schools and health care facilities identifying the type, size, and energy use levels of such buildings and their major energy using systems, and an estimate of the energy savings that may result from the modification of maintenance and operating procedures and installation of energy conservation measures in such facilities,

"(6) a description of the policies and procedures to be followed in the allocation of funds among eligible technical assistance programs and energy conservation projects within such State, including recommendations as to how priorities should be established between schools and health care facilities, and among competing proposals taking into account such factors as cost, energy consumption and energy savings, and

"(7) procedures for assuring that certifications will be obtained from the appropriate State health facilities agency and State school facilities agency, respectively, that the proposed State plan is consistent with existing programs for health and education facilities, respectively, in such State pursuant to subsection (b) of section 395.

"(c) Each State energy plan shall be reviewed and approved or disapproved by the Administrator not later than ninety days after receipt by the Administrator. A State energy agency may submit a new or amended plan at any time after the submission of the original plan if the agency obtains the consent of the Administrator.

"CONFORMANCE WITH STATE PROGRAMS

"SEC. 395. (a) Applications of states, schools, and health care facilities and State plans pursuant to this part shall be consistent with—

"(1) related State programs for educational facilities in such State, and

"(2) State health plans under sections 1524(c)(2) and 1603 of the Public Health Service Act, and shall be coordinated through the review mechanisms required under sections 1523(4) and 1523(5) of the Public Health Service Act and section 1122 of the Social Security Act.

"(b) No application of a State, school, or health care facility under this part shall be approved by the Administrator unless the

State health facilities agency and the State school facilities agency, respectively, for such State shall have certified that it conforms to the requirement of this section.

"ALLOCATION OF FINANCIAL ASSISTANCE

"SEC. 396. (a) The Administrator shall provide grants for carrying out technical assistance programs and energy conservation projects from the sums appropriated for any fiscal year under section 398 (b) and (c) only upon annual application and shall allocate the sums appropriated for that fiscal year in the following manner:

"(1) eighty percent among school and health care facilities in the several States in accordance with a formula to be determined by the Administrator, by rule, taking into account population and climate of each State, and such other factors as the Administrator may deem appropriate;

"(2) ten percent among schools and health care facilities in the several States, as the Administrator shall determine, after taking into account the availability and cost of fuel or other energy used in, and the amount of fuel or other energy consumed by, schools and health facilities in the several States, and such other factors as the Administrator may deem appropriate; and

"(3) ten percent for making grants in excess of fifty percent of program or project costs as authorized by section 392(b).

"(b) Funds allocated in projects and programs in any State for a fiscal year under this section but not obligated or expended in such fiscal year shall be available for reallocation under subsection (a) of this section in any subsequent fiscal year for which an appropriation is made pursuant to this part.

"(c) Notwithstanding any other provision of this section, the total of grants made in any year to schools and health care facilities in any one State under this part shall not exceed 12.5 percent of the total appropriation for such grants in that year.

"APPLICATIONS

"SEC. 397. (a) Applications of State, schools, and health care facilities for financial assistance under this part shall be made annually, shall be submitted to the Administrator by the State energy agency, and shall contain, or shall be accompanied by, such information as the Administrator may reasonably require.

"(b) Applications for technical assistance programs and energy conservation projects shall include a listing and description of technical assistance programs and energy conservation projects proposed to be funded within such State during the fiscal year for which such application is made, and such information concerning expected expenditures as the Administrator may, by rule, require.

"(c) The Administrator shall not provide financial assistance to States, schools, or health care facilities for technical assistance programs or energy conservation projects unless the application for a grant for such program or project has been submitted through, and been approved by the appropriate State health care facilities agency, or State school facilities agency, respectively, and has been approved by the State energy agency.

"(d) The Administrator shall not provide financial assistance under paragraph (2) or (3) of section 392(a) unless the State has provided reasonable assurances that it has—

"(1) established procedures to assure that all programs and projects conform to the State plan for such State as approved by the Administrator,

"(2) established procedures to assure that funds made available under this part will be expended for energy conservation project costs and technical assistance program costs in compliance with the requirements of this part and with rules promulgated under this part;

"(3) established procedures to insure that funds will be allocated among eligible applicants on the basis of relative need, taking into account such factors as cost, energy consumption, and energy savings;

"(4) established procedures for implementation of energy conserving maintenance and operating measures in those facilities for which projects are proposed;

"(5) implemented a program to identify persons qualified to conduct audits, to carry out technical assistance programs, and implement energy conservation projects;

"(6) established policies and procedures designed to assure that financial assistance provided under this part will be used to supplement, and not to supplant, State, local, or other funds, and, to the extent practicable, to increase the amounts of such funds that would be made available in the absence of Federal funds for carrying out this part;

"(7) established procedures to provide reports to the Administrator in such form and containing such information (including information for evaluation purposes) as the Administrator may reasonably require and to keep such records and furnish access thereto as the Administrator may find necessary to assure the correctness and verification of such reports; and

"(8) established procedures to insure that equitable consideration is given to all eligible public or nonprofit institutions regardless of size and type of ownership.

"AUTHORIZATION OF APPROPRIATION

"SEC. 398. (a) For the purpose of making grants to States to conduct preliminary energy audits pursuant to sections 392(a)(1) and 393, there is hereby authorized to be appropriated not to exceed $20,000,000 for the fiscal year ending September 30, 1978, and $5,000,000 for the fiscal year ending September 30, 1979, such funds to remain available until expended.

"(b) For the purpose of making technical assistance grants to State, schools, and health care facilities pursuant to section 392(a)(2), there is hereby authorized to be appropriated not to exceed $60,000,000 for the fiscal year ending September 30, 1978, $45,000,000 for the fiscal year ending September 30, 1979, and $20,000,000 for the fiscal year ending September 30, 1980, such funds to remain available until expended.

"(c) For the purpose of making energy conservation project grants to schools and health care facilities pursuant to section 392(a)(3), there is hereby authorized to be appropriated not to exceed $220,000,000 for the fiscal year ending September 30, 1978, $250,000,000 for the fiscal year ending September 30, 1979, and $280,000,000 for the fiscal year ending September 30, 1980, such funds to remain available until expended.

"(d) For the expenses of the Administrator in administering the provisions of this part, there are hereby authorized to be appropriated such sums as may be necessary for each fiscal year in the three consecutive fiscal year period ending September 30, 1980, such funds to remain available until expended.

"ADMINISTRATION

"SEC. 399. The Administrator is authorized to prescribe such rules as may be necessary in order to carry out the provisions of this part.".

TECHNICAL AMENDMENTS

SEC. 303. (a) Section 1502 of the Public Health Service Act is amended by adding at the end thereof the following new paragraph:

"(11) The promotion of an effective energy conservation and fuel efficiency program for health care facilities to reduce the rate of growth of demand for energy.".

(b) Section 1532(b)(2) of the Public Health Service Act is amended by deleting the period after "made" and inserting in lieu thereof: ", or in the case of non-substantive changes, provision for a shortened review period."

(c) Section 1532(c)(9)(A) of the Public Health Service Act is amended by deleting the comma after "construction" and inserting in lieu thereof: ", including the costs and methods of energy provision.".

(d) Section 1532(c) of the Public Health Service Act is amended by adding at the end thereof the following new paragraph:

"(10) The special circumstances of health care facilities and the need for conserving energy.".

COMMITTEE PRINT: JUNE 4, 1977

[TECHNICAL REVISION OF TITLE I—PART D, NATURAL GAS]

[Prepared by the Staff of the Subcommittee on Energy and Power.]

H.R. 6831

Mr. WRIGHT introduced the following bill; which was divided and initially referred for a period ending not later than July 13, 1977, as follows: sections 101 through 109 and sections 201 through 603 to the Committee on Interstate and Foreign Commerce; sections 110 through 131 and, concurrently with the Committee on Interstate and Foreign Commerce, those portions of subpart 1 of part A of title I relating to financial assistance to residential customers defined in section 101, to the Committee on Banking, Finance and Urban Affairs; section 701 to the Committee on Government Operations; sections 721 through 746 to the Committee on Public Works and Transportation; title II to the Committee on Ways and Means; and sections 2 through 4 concurrently to all of the above committees.

A bill to establish a comprehensive national energy policy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Energy Act".

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* * * * *

PART D—NATURAL GAS

FINDINGS AND PURPOSES

SEC. 401. (a) The Congress finds that—

(1) during the early history of this Nation's petroleum industry, natural gas was a byproduct of the production of crude oil, was not readily marketable, and was often treated as waste, and flared;

(2) the natural gas market changed dramatically through the course of the last 40 years as a national distribution system was built to deliver natural gas to commercial and industrial consumers throughout the Nation;

(3) the Congress enacted the Natural Gas Act in 1938 to protect consumers and to provide a regulatory structure through which interstate pipelines and natural gas producers could be assured an opportunity to earn a fair rate of return;

(4) in 1954, the Supreme Court held that the Natural Gas Act applied to the wellhead sale of natural gas in interstate commerce thereby subjecting producers selling natural gas in interstate commerce, but not those selling natural gas within the same State in which it was produced, to a regulatory standard based upon a determination of historic production costs;

(5) since 1973, the different between the price of natural gas and the price of crude oil on a Btu basis has widened with the continuation of cost-based regulation of natural gas and with a fourfold increase in world oil prices;

(6) estimates of the proven reserves of natural gas have declined while demand for this premium and relatively inexpensive fuel has increased;

(7) at the same time as proven reserves have declined and demand has risen, increasing proportions of new supplies of natural gas have moved to the unregulated intrastate market, resulting in growing critical shortages in the interstate market of the fuel which provides 30 percent of the Nation's energy; and

(8) a new system of natural gas pricing is needed to eliminate the distortions created by the existence of two separate markets for natural gas, to reflect the costs and risks associated with finding new supplies of natural gas, as well as the costs associated with reliance upon alternative fuels in the absence of new supplies of natural gas.

(b) The purposes of this part are—

(1) to bring the natural gas market into better balance by reducing the demand for natural gas and increasing the supply through the establishment of a uniform and incentive-based pricing system for new natural gas that provides fair and equitable producer revenues and protects consumers;

(2) to deal with short-term shortages of natural gas through extension of the allocation provisions of the Emergency Natural Gas Act of 1977; and

(3) to provide for the conservation of natural gas by pricing natural gas to low priority users at a level which will provide incentives for conservation and conversion to other, more plentiful, fuels.

DEFINITIONS

SEC. 402. As used in this part—

(1) The term "Commission" means the Federal Power Commission.

(2) The term "person" includes the United States and any State, and any political subdivision, agency, or instrumentality of either.

(3) The term "natural gas" has the same meaning as such term has under section 2(5) of the Natural Gas Act.

(4) The term "old natural gas" means natural gas other than new natural gas.

(5) The term "new natural gas" means natural gas—

(A) which is produced from a new lease on the Outer Continental Shelf; or

(B) which is produced (other than from the Outer Continental Shelf)—

(i) from a new well—

(I) which is 2.5 statute miles or more (horizontal distance) from any old well, and

(II) the completion location of which is in a newly discovered reservoir; or

(ii) from a new well the completion location of which—

(I) is 1,000 feet or more deeper than the deepest completion location of any old well which is within 2.5 statute miles (horizontal distance) of such new well, and

(II) is in a newly discovered reservoir.

(6) The term "Outer Continental Shelf" has the same meaning as such term has in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

(7) The term "new lease" means a lease, entered into on or after April 20, 1977, of submerged acreage—

(A) which was not leased before April 30, 1977; or

(B) which was leased before such date, under a lease which terminated or was abandoned under a lease which terminated or was abandoned before such date and was not in effect on such date.

(8) The term "new well" means a well the surface drilling of which was begun after April 20, 1977.

(9) The term "old well" means any well other than a new well.

(10) The term "completion location" means the subsurface location from which crude oil or natural gas is or has been produced from a reservoir.

(11) The term "horizontal distance", with regard to an old well and a new well, means the distance, measured horizontally and without regard to topography, between—

(A) the surface location of the old well, and

(B) the closest point of the completion location of the new well vertically projected to the same elevation as the surface location of the old well.

(12) The term "reservoir" means a porous and permeable underground formation containing a natural accumulation of producible crude oil, natural gas, or both, confined by impermeable rock or water barriers and characterized by a single natural pressure system.

(13) The term "new contract" means any contract, entered into after April 20, 1977, for the sale of natural gas which was not previously subject to an existing contract.

(14) The term "rollover contract" means any contract, entered into after April 20, 1977, for the sale of natural gas that was previously subject to an existing contract which expired at the end of a fixed term specified by such existing contract.

(15) The term "existing contract" means any contract for the sale of natural gas entered into on or before April 20, 1977.

(16) The term "current Btu related price" means the most recently published Btu related price calculated pursuant to section 403.

(17) The term "United States" includes the Outer Continental Shelf.

(18) The term "inflation adjustment" means, with respect to any calendar quarter, the amount determined by dividing—

(A) the first revision of the implicit price deflator, for the calendar quarter which immediately precedes such calendar quarter, seasonally adjusted, for the gross national product as computed and published by the Department of Commerce; by

(B) the implicit price deflator, for the first calendar quarter of 1977, seasonally adjusted, for the gross national product as computed and published by the Department of Commerce.

(19) The term "Mcf" means, with respect to natural gas, 1,000 cubic feet of natural gas measured at a pressure of 14.73 pounds (avoirdupois) per square inch and a temperature of 60° Fahrenheit.

(20) The term "Btu" means British thermal unit.

(21) The term "newly discovered reservoir" means any reservoir which was first penetrated by a well the surface drilling of which commenced after April 20, 1977.

CALCULATION OF THE CURRENT BTU RELATED PRICE

SEC. 403. Within 30 days after the date of the enactment of this Act, and on a monthly basis thereafter, the Commission shall calculate and publish in the Federal Register the current Btu related price. Such Btu related price shall be computed by dividing—

(1) the average per barrel domestic refiner cost of acquiring crude oil during the preceding 3 calendar months (exclusive of entitlement obligation or amounts attributable to the tax, if any, imposed by section 4996 of the Internal Revenue Code of 1954) produced in the United States, other than crude oil transported through the trans-Alaska pipeline (within the meaning of section 8(g)(2)(A) of the Emergency Petroleum Allocation Act of 1973), by

(2) a Btu conversion factor of 5.8 million Btu's per barrel.

SALES OF NEW NATURAL GAS

SEC. 404. Except as provided in sections 409 and 413, the maximum lawful price for any first sale of new natural gas produced in the United States and delivered during any calendar month which begins on or after the date of the enactment of this Act shall be the current Btu related price at the time of such deliveries.

SALES OF OLD NATURAL GAS UNDER EXISTING CONTRACTS

SEC. 405. (a) Except as provided in sections 409 and 413, the maximum lawful price for any first sale of old natural gas produced in the United States and sold under an existing contract shall be the product of multiplying—

(1) the inflation adjustment; by

(2) the lesser of—

(A) if applicable, the just and reasonable price established by the Commission and applicable to sales of natural gas under such contract on April 20, 1977 (without regard to any appeal of such price determination pending on April 20, 1977), or

(B) the greater of—

(i) $0.18 per million Btu's, or

(ii) the price applicable on April 20, 1977, under such existing contract.

SALES OF OLD NATURAL GAS UNDER NEW CONTRACTS

SEC. 406. Except as provided in sections 409 and 413, the maximum lawful price for any first sale of old natural gas produced in the United States and sold under a new contract shall be $1.45 per million Btu's multiplied by the inflation adjustment.

SALES OF OLD NATURAL GAS UNDER ROLLOVER CONTRACTS

SEC. 407. (a) Except as provided in sections 409 and 413, and subject to the limitations of subsection (b), the Commission shall, by rule, prescribe the maximum lawful price for any first sale of old natural gas produced in the United States and sold under a rollover contract.

(b)(1) In the case of any first sale of old natural gas to which the provisions of this section apply, if such old natural gas was committed or dedicated to interstate commerce on April 20, 1977, the maximum lawful price prescribed by the Commission under this section may exceed the maximum lawful prices permitted under the previous existing contracts to the extent that such prices are necessary to permit the recovery of increased costs in order to maintain production of such natural gas, but in no event may any such price exceed $1.45 per million Btu's multiplied by the inflation adjustment.

(2) In the case of any first sale of old natural gas to which the provisions of this section apply, if such old natural gas was not committed or dedicated to interstate commerce on Apri 20, 1977, the maximum law-

ful price prescribed by the Commission under this section may exceed the maximum lawful prices permitted under previous existing contracts to the extent that such prices are necessary to permit the recovery of increased costs in order to maintain production of such natural gas, but in no event may any such price exceed—

(A) The product of multiplying the inflation adjustment by $1.45 per million Btu's if the contract price applicable on April 20, 1977, was less than or equal to $1.45 per million Btu's; or

(B) The current Btu related price, if the contract price applicable on April 20, 1977, was greater than $1.45 per million Btu's.

(c) For purposes of this section, the term "committed or dedicated to interstate commerce" shall not be construed as applicable to any old natural gas which was sold under a limited term certificate of 5 years or less, a temporary emergency contract pursuant to section 7(c) of the Natural Gas Act, or a contract authorized by section 6 of the Emergency Natural Gas Act of 1977.

EFFECTIVE DATES OF RULES WITH RESPECT TO MAXIMUM LAWFUL PRICES

SEC. 408. The Commission shall promulgate and make effective rules required to be prescribed under section 407 within 60 days after the date of the enactment of this Act. Such rules shall apply to deliveries of natural gas with respect to the first sale of which section 407 applies and which occur on or after such date of enactment.

SPECIAL PRICING PROVISIONS

SEC. 409. (a) The Commission may, by rule, prescribe a maximum lawful special price, applicable to the first sale of high cost natural gas produced in the United States. Such special price may exceed the applicable maximum lawful price established by section 404, 405, or 406, or prescribed under section 407, to the extent that such special price is necessary to provide reasonable incentives for the production of high cost natural gas.

(b) For purposes of this section, the term "high cost natural gas" means natural gas produced—

(1) from submerged acreage located beneath more than 500 feet of water;

(2) from a completion location more than 15,000 feet (true vertical depth) below the surface location of the well;

(3) from geopressurized brine; or

(4) under such other conditions as present extraordinary risks or costs.

(c) In the case of a first sale of natural gas with respect to which the seller bears all or part of the cost of gathering, processing, liquefaction, or transportation of such natural gas, the Commission may, by rule, provide for an adjustment to the maximum lawful price established by section 404, 405, 406, or prescribed under section 407 or subsection (a) of this section to reflect such cost borne by such seller.

INCREMENTAL PRICING OF NATURAL GAS

SEC. 410. (a)(1) Not later than 90 days after the date of the enactment of this Act, the Commission shall by rule, provide that, to the maximum extent practicable, the amount by which the average cost of natural gas delivered after such date of enactment to any pipeline company exceeds the product of the average cost of natural gas delivered to such company during the 12-calendar-month period ending immediately before the date of the enactment of this Act, multiplied by the inflation adjustment, shall be initially allocated to the rates and charges of such pipeline company applicable to sales of natural gas to—

(A) low priority users served by such pipeline company, and

(B) local distribution companies for resale to low priority users served by such local distribution company,

until the rates or charges applicable to such low priority users, served by such pipeline company or such local distribution company, equal the reasonable cost of substitute fuels (as determined by the Commission) to such low priority users.

(2) Not later than 90 days after the date of the enactment of this Act, the Commission shall, by rule, provide that, to the maximum extent practicable, the dollar amounts allocated to any local distribution company pursuant to subparagraph (B) of paragraph (1) shall be allocated by such local distribution company to the rates and charges of such company applicable to sales of natural gas to low priority users.

(3) The rule required to be prescribed under paragraph (1) shall, to the maximum extent practicable, provide that after the rates and charges of a pipeline company applicable to sales of natural gas to—

(A) low priority users served by such pipeline, and

(B) local distribution companies for resale to low priority users served by such local distribution company,

equal the reasonable cost of substitute fuels (as determined by the Commission) to low priority users, served by such pipeline company and such local distribution companies, further increases in the average cost of natural gas delivered to such pipeline company shall be allocated to the rates and charges of such pipeline company applicable to sales of natural gas to all customers of such pipeline company.

(b) For purposes of this section:

(1) The term "low priority user" means any user other than a high priority user.

(2) The term "high priority user" means any person who—

(A) uses natural gas in a residence, or

(B) uses natural gas in a commercial establishment in amounts of less than 50 Mcf on a peak day.

(3) The term "pipeline company" means any person engaged in the business of transporting natural gas by pipeline other than as a local distribution company.

(4) The term "local distribution company" means any person engaged in the business of transportation and local distribution of natural gas and the sale of natural gas for ultimate consumption.

ADMINISTRATIVE PROCEDURE, ENFORCEMENT, AND JUDICIAL REVIEW

SEC. 411. (a)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, issued under this part.

(2) Notice of any proposed rule or order described in paragraph (1) which is substantive and of general applicability shall be given by publication of such proposed rule or order in the Federal Register. In each case, a minimum of 30 days following the date of such publication and prior to the effective date of the rule shall be provided for opportunity to comment; except that the 30-day period for opportunity to comment prior to the effective date of the rule may be reduced to no less than 10 days if the Commission finds that strict compliance would seriously impair the operation of the program to which such rule or order relates and such findings are set out in such rule or order.

(3) In addition to the requirements of paragraph (2) and to the maximum extent practicable, an opportunity for oral presentation of data, views, and arguments shall be afforded and such opportunity shall be afforded prior to the effective date of such rule or order, but in all cases such opportunity shall be afforded no later than 45 days, and no later than 10 days (in the case of a waiver of the entire comment period under paragraph (2)), after such date. A transcript shall be made of any oral presentation.

(4) Any officer or agency authorized to issue rules, regulations, or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the other purposes of this Act as may be necessary to prevent special hardship, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules, regulations and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (b) or other applicable law when such denial becomes final. The officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(b) Any person aggrieved by any rule prescribed, or order issued, by the Commission under this part may obtain judicial review of such rule or order in the United States Court of Appeals for the District of Columbia Circuit pursuant to the provisions of chapter 7 of title 5, United States Code.

(c)(1) It shall be unlawful for any person—

(A) to violate any provision of this part; or

(B) to violate any rule prescribed, or any order issued, under this part.

(2)(A) Whoever violates any provision of this part or any provision of any rule prescribed, or order issued, under this part shall be subject to a civil penalty, which may be assessed by the Commission—

(i) with respect to any activity relating to the production, gathering, sale, transportation, or distribution of natural gas, of not more than $20,000 for each violation; and

(ii) with respect to any activity not referred to in clause (i) of this subparagraph, of not more than $2,500 for each violation.

(B) Whoever willfully violates any provision of this part or any provision of any rule prescribed, or order issued, under this part shall be imprisoned not more than one year for each violation, or—

(i) with respect to any activity relating to the production, gathering, sale, transportation, or distribution of natural gas, shall be fined not more than $40,000 for each violation;

(ii) with respect to any activity not referred to in clause (i) of this subparagraph, shall be fined not more than $10,000 for each violation;

or both such imprisonment and fine.

(3) For purposes of this subsection each day of violation shall be treated as a separate offense.

(4) Any individual director, officer, or agent of a corporation who knowingly and willfully authorizes, orders, or performs any of the acts or practices constituting in whole or in part a violation of any provision of this part or any provision of any rule prescribed, or order issued, under this part shall be subject to penalties under this subsection without regard to any penalties to which that corporation may be subject under paragraph (2), except that no such individual director, officer, or agent shall be subject to imprisonment under paragraph (2) unless he also has knowledge, or reasonably should have knowledge, of notice of noncompliance received by the corporation from the Commission.

(d)(1) In order to obtain information to carry out its authority under this part and to enforce compliance with the requirements of this part, the Commission may—

(A) sign and issue subpenas for the attendance and testimony of witnesses and the production of books, records, papers, and other documents;

(B) require any person, by general or special order, to submit answers in writing to interrogatories (including requests for reports or for other information) and such answers shall be made within such reasonable period, and under oath or otherwise, as the Commission may determine; and

(C) secure, upon request, any information from any Federal department or executive agency.

(2) The Commission may not exercise authority under subparagraph (C) with respect to information, in the possession of a Federal agency, the disclosure of which to another Federal agency is expressly prohibited by law.

(e) In the case of any refusal to obey a subpena, or to obey an order of the Commission issued under subsection (d), the appropriate United States district court may, upon petition of the Commission issue an order requiring compliance with such subpena or order of the Commission and any failure to obey such an order of the court may be punished by the court as a contempt thereof.

(f)(1) The Commission shall have power to issue procedural rules in enforcing compliance with the provisions of this part and rules prescribed and orders issued under this part.

(2) The Commission shall have power to further define terms used in this part consistent with the definitions set forth in, and the purposes of, this part.

(3) The Commission shall have power to prescribe rules, applicable to any first sale to which the provisions of section 404, 406, 407, or 409 apply, relating to contract terms other than price, including contract duration, conditions of termination, and delivery obligations.

(g)(1) Except as provided in paragraph (2), the Commission may, by rule, prescribe a maximum lawful price applicable to any sale of natural gas other than sales to which the provisions of sections 404, 405, 406, 407, and 409 apply if it determines such maximum lawful price is necessary to prevent circumvention of any provision of such sections.

(2) Paragraph (1) shall not apply to any sale for resale of natural gas if such sale is subject to the provisions of the Natural Gas Act.

UNENFORCEABLE CONTRACT PROVISIONS

SEC. 412. (a) No natural gas price determined under this part may be taken into account for purposes of applying any provision of a contract which determines, or permits renegotiation of, the price of any natural gas or terminates such contract, on the base of any sale of natural gas not sold under such contract or any sale of crude oil or any refined petroleum product.

(b) Any contractual provision—

(1) prohibiting the sale or commingling of natural gas subject to such contract with natural gas subject to the provisions of the Natural Gas Act, or

(2) terminating, or granting any party the option to terminate, any obligation under any such contract as a result of such sale or commingling,

is hereby declared against public policy and unenforceable with respect to the first sale of any natural gas to which the provisions of section 404, 406, 407, or 409 apply.

RELATIONSHIP TO THE EMERGENCY NATURAL GAS ACT OF 1977

SEC. 413. Nothing in sections 404 through 407 and section 409 shall apply to any price for the sale of natural gas which is allowed under section 4 of the Emergency Natural Gas Act of 1977.

JURISDICTION OF THE COMMISSION UNDER THE NATURAL GAS ACT

SEC. 414. (a)(1) Section 1 of the Natural Gas Act (15 U.S.C. 717(b)) is amended to read as follows:

"(b)(1) Except as provided in paragraph (2), the provisions of this Act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use and to natural-gas companies engaged in such transportation or sale.

"(2) The provisions of this Act shall not apply—

"(A) to any other transportation or sale of natural gas;

"(B) to the local distribution of natural gas;

"(C) to the facilities used for such distribution;

"(D) to the production or gathering of natural gas;

"(E) to any first sale of natural gas to which the provisions of section 404, 406, 407, or 409 of the National Energy Act apply; or

"(F) to any person to the extent to which such person makes a first sale of natural gas to which the provisions of section 404, 406, 407, or 409 of the National Energy Act apply.".

(2) Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by striking out subsection (6) and inserting in lieu thereof the following:

"(6) 'Natural-gas company' means a person engaged in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of such gas for resale, but does not include any person to the extent that such person makes a first sale of natural gas to which the provisions of section 404, 406, 407, or 409 of the National Energy Act apply.".

(b) Section 1(b) of the Natural Gas Act, as amended by subsection (a), is further amended by adding at the end thereof the following new paragraph:

"(3)(A) Except as provided in subparagraph (B), the provisions of this Act shall apply to—

"(i) any facility owned and operated by a natural-gas company or an affiliate thereof for the manufacture of pipeline-quality gas for the purposes of transportation in interstate commerce or sale in interstate commerce for resale for ultimate public consumption,

"(ii) the transportation in interstate commerce or sale in interstate commerce for resale for ultimate public consumption of pipeline quality gas, and

"(iii) any natural-gas company affiliate engaged in such manufacture, transportation, or sale.

"(B) The provisions of this Act shall not apply to the mining, production, transportation, sale, delivery, or any other activity related to the furnishing of hydrocarbon-containing material (other than natural gas) to a natural-gas company or its affiliate for the production of such pipeline-quality gas.

"(C)(i) If, before the date of the enactment of this paragraph any natural-gas company or its affiliate was engaged in the manufacture of pipeline-quality gas from hydrocarbon-containing material, the Commission shall issue a certificate for such manufacture of such pipeline-quality gas without requiring further proof that the public convenience and necessity will be served by such manufacture, and without further proceedings pursuant to this Act or any other provision of law.

"(ii) If, before the date of enactment of this paragraph, a certificate of public convenience and necessity has been issued by the Commission authorizing the transportation in interstate commerce of pipeline-quality gas manufactured from hydrocarbon-containing material or the sale in interstate commerce for resale for ultimate consumption of such pipeline-quality gas, the Commission shall issue a certificate for such transportation or sale for resale without requiring further proof that the public convenience and necessity will be served by such transportation or sale for resale and without further proceedings pursuant to this Act or any other provision of law.

"(iii) Application for such a certificate shall be made to the Commission by such natural-gas company or its affiliate within 90 days after such date of enactment. Pending the determination of any such application, the continuance of such manufacture, transportation, or sale for resale, shall be lawful.

"(D) For purposes of this subsection, the term 'pipeline-quality gas' shall mean a mixture of hydrocarbons in a gaseous state (i) the principal ingredient of which is methane and (ii) which is interchangeable and compatible with natural gas as determined, by rule, by the Commission.".

CONFORMING AMENDMENTS TO THE NATURAL GAS ACT

SEC. 415. (a) Section 4(a) of the Natural Gas Act (15 U.S.C. 717c(a)) is amended by adding at the end thereof the following new sentence: "For purposes of this section, any price for any first sale of natural gas, to which the provisions of part D of title I of the National Energy Act apply, shall be deemed just and reasonable if such price does not exceed the maximum lawful price established in, or prescribed under, such provisions.".

(b) Section 5(a) of the Natural Gas Act (15 U.S.C. 717d(a)) is amended by adding at the end thereof the following new sentence: "For purposes of this section, any price for any first sale of natural gas, to which the provisions of part D of title I of the National Energy Act apply, shall be deemed just and reasonable if such price does not exceed the maximum lawful price established in, or prescribed under, such provisions.".

(c) Section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)) is amended by adding at the end of the first paragraph thereof the following new sentence: "The Commission may not deny a certificate of public convenience and necessity under this section solely on the basis of the price for any first sale of natural gas, to which the provisions of part D of title I of the National Energy Act apply, if such price does not exceed the maximum lawful price established in, or prescribed under such provisions.".

AMENDMENTS TO THE EMERGENCY NATURAL GAS ACT OF 1977

SEC. 416. The Emergency Natural Gas Act of 1977 is amended—

(1) in section 2, by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) The term 'pipeline' means any person engaged in the transportation of natural gas.";

(2) in section 2, by redesignating paragraphs (5), (6), and (7) thereof as (3), (4), and (5), respectively;

(3) in section 4(a)(1), by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

"(A) any pipeline to make emergency deliveries of, or to transport, natural gas to

any other pipeline or to any local distribution company for purposes of meeting such requirements; or";

(4) in section 4(a)(1), by redesignating subparagraph (C) thereof as subparagraph (B);

(5) in section 4(a)(1), by striking out "April 30, 1977" and inserting in lieu thereof "April 30, 1979";

(6) in section 4(a)(2), by striking out "interstate" wherever it appears;

(7) in section 4(a)(3), by striking out "interstate";

(8) in section 4(d), by striking out "interstate pipeline, intrastate";

(9) in section 4(f)(2)(A), by striking out "by August 1, 1977, to the maximum extent practicable" and inserting in lieu thereof "as expeditiously as practicable,";

(10) in section 7, by striking out "interstate" wherever it appears;

(11) in section 9(C), by striking out "August 1, 1977" and inserting in lieu thereof "April 30, 1979"; and

(12) in section 12(b), after "October 1, 1977,", by inserting "October 1, 1978, and June 1, 1979,".

WORLD PRESS FREEDOM COMMITTEE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. FASCELL. Mr. Speaker, in recent years the Soviets and others have made a concerted effort at numerous international meetings to discredit Western news agencies and to attack the principle of a free press as it is understood in the United States and other democratic societies. To counter such efforts, the news media of this country have taken a commendable and imaginative initiative by forming the World Press Freedom Committee. The committee, composed of 24 national and international journalistic organizations, will take action both to counter Soviet efforts and to reverse disturbing trends in many third world countries which would make the press a servant of governments.

The chairman of the World Press Freedom Committee is George Beebe, associate publisher of the Miami Herald, who has played an active role in defending the role of a free press at UNESCO's 1976 General Assembly and at a recent UNESCO meeting in Florence, Italy. I commend Mr. Beebe and other members of the committee for their actions and wish them every success. As chairman of the Subcommittee on International Operations, I have serious reservations about the adequacy of our Government's current efforts in establishing and implementing an effective U.S. communications policy in the international area. This will certainly be a major issue for consideration during the subcommittee's hearings on public diplomacy which are scheduled to begin later this month.

Mr. Speaker, I include as a part of my remarks, two articles from the Miami Herald of April 27, 1977. The first article is by Mr. Beebe, and describes the nature of the global problems confronting the concept of a free press. The second article describes more fully the organization and objectives of the World Press Freedom Committee:

WEST MUST FIGHT TO KEEP PRESS FREE

(By George Beebe)

The UNESCO colloquium in Florence last week convinced delegates from the West that we are fast losing the global war in the field of communications.

What was billed as a conference on the "Free and Balanced Flow of Information," largely was a series of attacks on the U.S. news agencies and the Western media.

This was led by the Communist and leftists, who exert great influence on UNESCO.

Two of the three position papers prepared for the conference by UNESCO officials were biased against the West.

As the agency always explains it: "These papers do not represent our position. We just survey problems as we see them."

The calibre of the delegate list was disturbing. These were few newspapermen of statute from over the world. Instead there was a surplus of government officials, news agency representatives and several young radicals.

The minister of information from Tunisia made the keynote address—as well as a lengthy closing address.

Amir Taheri of Tereran spoke up: "In the future we need a meeting of newsmen and not government-appointed delegates."

The Communists as always were arrogant, non-communicative, disruptive and offering no suggestions of worth.

They worked incessantly to gain strong positions in debate and in final reports of the three commissions that operated at this assembly.

They also made sure that everyone was aware of their programs in Hungary, East Berlin and soon in Bulgaria in which students from Latin America, Africa and Asia are brought to these countries for journalistic training.

The Soviets also continued their campaign to propagandize the Third World into believing that the Western wire services are imperialistic, and unfairly manipulating the image of the developing countries.

In this effort they are scoring some successes, although some Third World countries are not yet convinced that this is true.

The Associated Press, United Press International and other Western news agencies conceded that there is an imbalance of news in the Third World, but blamed it to a degree on the difficulty of finding dependable native correspondents, and the lack of communication lines.

"We are not a capitalistic tool, as some of you have charged here, and we are beholden to no one," said John Koehler of The Associated Press.

There were several bright spots.

German Ornes of the Dominican Republic, prominent in the Inter American Press Association, headed a commission on the imbalance of news.

It received the greatest attention of the delegates, and following two days of debate in which the West was outnumbered, he maneuvered a final report without conclusions.

The Soviets reluctantly accepted the stalemate.

In a second commission discussing "Development of National Information Sources," I told of an announcement planned for Monday at the American Newspaper Publishers Association convention of an extensive program of cooperation with the Third World media.

This was challenged by delegates of East Germany, Yugoslavia and Libya, because "it is not fully explained."

So I explained it fully—and threw the Soviet bloc members into a flurry of concerned activity.

Serguei Lossev, director general of Tass Agency in Moscow, came hurriedly to ask: "What is this program? How much money will you spend? Where will you operate?"

I told him we had considerable money and would operate anywhere in the world where our cooperation was needed.

Later he asked The Associated Press to help him get a list of World Press Freedom Committee affiliates.

It was obvious that the Soviets were bothered to learn that the private sector will underwrite a cooperative program that could offset their "training" effort.

Amadur Mahter M'Bow, director general of UNESCO in Paris, long has been an outspoken critic of the Western media and news agencies.

He has forced many anti-media proposals onto the UNESCO agenda. M'Bow meets soon with what he terms the "seven wise men," a special committee to consider revisions of a Soviet declaration calling for government control of media, which was sidetracked at Nairobi last November.

Also coming up from UNESCO for future consideration are an international code of ethics for journalists, and an international right of reply declaration.

While the subjects sound laudable, too often they are but disguises for sneaking in devious proposals, such as the Soviet government control plan buried deep in a document entitled:

"Draft Declaration on Fundamental Principles Governing the Use of the Mass Media in Strengthening Peace and International Understanding and in Combatting War Propaganda, Racism and Apartheid."

It was the consensus of the Western delegates that the most appropriate word for summarizing the future media outlook is "frightening."

That is, unless the West takes the offensive away from the Communists by meeting some of the needs of the Third World media.

(George Beebe, associate publisher of The Miami Herald, was one of 60 delegates at an UNESCO colloquium in Florence. As chairman of the World Press Freedom Committee, he headed a delegation to the UNESCO conference in Nairobi in 1976, which helped to sidetrack a Soviet proposal that would have placed much of the world's media under government control.)

PRESS GROUP TO FIGHT COMMUNIST INFLUENCE

SAN FRANCISCO.—A program to defend free interchange of communication throughout the world, and to give greater assistance to Third World media, was announced here Tuesday.

The World Press Freedom Committee, composed of 24 national and international journalistic organizations, will spark a campaign to offset Communist efforts to gain control of the media in much of the world.

A development committee for this program will be headed by Jack R. Howard, chairman of the executive committee of the E. W. Scripps Co., and Scripps-Howard Broadcasting Co.

George Beebe of The Miami Herald is chairman of the World Press Freedom Committee, which will fight the trend to confine international wire service reporters to the use of government news agency handouts.

It also will launch a major campaign of cooperation with the Third World media, which has fallen behind in modern processes used by the Western media.

In a speech to the American Newspaper

Publishers Association, Clayton Kirkpatrick, editor of The Chicago Tribune, said Howard "has invited a distinguished group of news media leaders to join him in an effort to raise at least $1 million to put the World Press Freedom Committee solidly into a sustained campaign for defending and promoting free communications all over the world."

Kirkpatrick was a member of the U.S. delegation to the 19th general conference of UNESCO in Nairobi, Kenya, last fall. At that meeting, a proposed declaration on the use of mass media, which many journalists consider an international sanction for government control of media activities, was tabled by a vote of 78–15. But it remains on the agenda for the next UNESCO general conference in Paris next year.

Kirkpatrick described concerted attacks against press freedoms in two-thirds of the world, led in many cases by the Soviet Union.

"The Russians and their Iron Curtain allies seek to foster news media controls worldwide because control of media is a major element in their political system, and they want their system to penetrate the world.

"The Third World nations are strongly drawn to controls because for the most part they have fragile and authoritarian governments lacking a secure popular base. In the presence of Western-style free journalism, they feel threatened," he said.

"The techniques tested at Nairobi should be employed in the coming struggles for free communication. We need a missionary effort," Kirkpatrick said.

He said the new World Press Freedom Development committee will be an aggressive participant in world conferences in the news media. Other tasks will be to support educational seminars on the free press and provide assistance in areas such as improving press production efficiency.

Other members of Howard's committee include:

Kirkpatrick; William R. Hearst Jr., chairman of the executive committee, Hearst Corp.; Herbert S. Schlosser, president, National Broadcasting Co.; Richard Salant, president, CBS News; Leonard H. Goldenson, chairman, American Broadcasting Co. Inc.; Paul Miller, chairman, Gannett Newspaper; Helen K. Copley, chairman, Copley Press Inc.; Lee Hills, chairman of the board, Knight-Ridder Newspapers Inc.; Harold W. Andersen, president and publisher, Omaha World-Herald; George Chaplin, editor, Honolulu Advertiser; Arch L. Madsen, president, Bonneville International Corp., and Leonard Marks, Cohn and Marks, Washington, D.C.

NEW NEIGHBORHOODS FROM OLD: A DESIRE TO RE-CREATE THE PAST

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. RICHMOND. Mr. Speaker, I have noticed a trend within our cities lately which indicates that rebirth of many downtrodden, unpopulated inner-city areas is imminent. People are finding that life in the city is not so bad after all, and they are making these beliefs known by moving back into urban areas. And once there, they are beginning to experience the comfort of the neighborhood atmosphere. They care about their neighborhoods, and they want to improve them.

One neighborhood within my urban district of Brooklyn, N.Y., is a case in point. Adjacent to the middle-class neighborhood of Carroll Gardens is a dirty, abandoned building, which once housed the Doehler Die Co. But many Carroll Gardens residents, aspiring to improve and revitalize their neighborhood, are looking toward the Doehler building as a starting point for their renovation efforts.

These people are fostering a new attitude that is emerging in many inner-city areas. They care about their neighborhoods, and they are determined to improve them. I know my colleagues will find interest in this truly remarkable and enlightening story about the residents of Carroll Gardens which recently appeared in the New York Times:

DRAB FACTORY IN BROOKLYN MAY EMERGE AS CINDERELLA

(By Fred Ferretti)

It squats just off the Gowanus Canal, on what is the southeastern point of the triangular little enclave of South Brooklyn known as Carroll Gardens.

It is nine stories big, a factory that still bears the name of the Doehler Die Company, which was once its prime tenant. It is almost a city block square, dirty gray and ugly, almost empty, partly vandalized, with a disreputable-looking water tower sitting atop its roof, a neighborhood eyesore.

But to a variety of people the Doehler building is quite something else.

To Salvatore John (Buddy) Scotto, the president of the Carroll Gardens Association, the factory building is the key to the future preservation of Carroll Gardens as a viable ethnic neighborhood of New York City.

To the Rev. George Voiland, pastor of St. Mary Star of the Sea Roman Catholic Church in the area, the factory can spur the rebirth of the church community, which has become fragmented in years past.

To John Zucotti, First Deputy Mayor of New York, who lives in Carroll Gardens in a row brownstone, the factory represents "a worthy gamble, the kind of thing we ought to be doing all over the city."

To Jerome Kretchmer, a former administrator of the city's Department of Environmental Protection, and Austin Laber, an attorney, who are partners in a company called "The Recycling for Housing Partnership," the factory represents a chance to extend to Brooklyn the kind of cooperative renovations they have been doing in the SoHo and TriBeCa areas of Manhattan, and to make a handsome profit for their labors.

What has interested all of these men is the possibility, once remote, now real, that the Doehler Die building will become a U-shaped cooperative apartment complex with 125 flats of more than customary size, grouped about a central courtyard, apartments scaled to family living and design to entice former residents back to Carroll Gardens as well as to bring in new people to the neighborhood.

Two blocks of Carroll Gardens—which is loosely bounded by DeGraw Street and Cobble Hill to the north, the Gowanus Canal to the east, Hamilton Avenue on the south and the Brooklyn-Queens Expressway and the waterfront on the west—have already been designated historic landmark sites: President Street and Carroll Street between Smith and Hoyt Streets. And a great effort has been made on many of the streets off its spine, Court Street, to re-create the turn-of-the-century look of the gardens.

Mr. Scotto and Father Voiland have been not only the leaders of the community's efforts in obtaining these designations but also the spurs for the Doehler effort.

Father Voiland says, "What has destroyed cities in the past has been the loss of communities. We have to create communities, not buildings. We don't build communities when we put up highrises filled with people who don't see each other. We must put people together so they share life. They must live together, feel safe together, and that's where I'm at."

Mr. Scotto says, "What we have to do is keep this community, which is just building up again, from coming apart. We turned it around and we intend to keep it turned."

Mr. Scotto is an undertaker in Carroll Gardens and resisted efforts to move away from the neighborhood where he was raised to go to Long Island. In the last decade or more he has been what Father Voiland calls "the Garibaldi of Carroll Gardens," urging, cajoling, forcing people to stay; joining political clubs when he had to: changing his registration from Republican to Democrat—and back again—when he felt he had to increase his political clout, always with the goal of "making people conscious of their neighborhood."

About a year ago, Mr. Scotto met Mr. Kretchmer at a social function and the former city official told him that he and Mr. Laber were in the business of creating co-ops out of former commercial buildings under the terms of the city's J–51 tax statute.

Under this statute, adopted by the city in January 1976, real estate tax abatements and exemptions can be granted for from 12 to 20 years for projects in which commercial properties are recycled or rundown buildings rehabilitated for apartment-residential use. The city's Housing and Development Administration oversees the program.

"I told him we had a building for him to rehabilitate," Mr. Scotto said in a recent interview. He generated support from Father Voiland, who also did some selling of Mr. Kretchmer, who after looking over the Doehler building with Mr. Laber went about planning for the venture.

Five months of negotiations brought the building option to Kretchmer-Laber for $700,000 to be paid over a lengthy period of time.

The cooperative, designed by Davis, Brody & Associates, which will be built by Kretchmer-Laber jointly with HRH Construction Corp., was budgeted at $5 million. Lengthy negotiations with a local bank, the Independent Savings Bank, set up by City Council Majority Leader Thomas Cuite, who has made known his support for the neighborhood project, and with the Bowery Savings Bank, produced a partial mortgage of $2.9 million.

Though both the sponsors and Mr. Scotto and Father Voiland are convinced that they will be able to sell the apartments, ranging from four-bedrooms and duplexes to studios, their optimism was only partly shared by the banks.

So Mr. Kretchmer and Mr. Laber went to the Housing and Development Administration and proposed that a construction loan of $1.4 million be made under the so-called participation loan program. Under this program, a portion of Community Development Funds is set aside each year for low-interest mortgages which, with bank loans, create low-income housing.

What Messrs. Kretchmer and Laber were proposing was a variation that would apply the provisions to a middle-income cooperative, with the stipulation that they would repay the loan within 18 months with funds gathered from the sale of the apartments.

The H.D.A. agreed, but with the stipulation that the sponsors come up with an alternative plan—under which the project could become a low-income complex with rent subsidies—in order to safeguard the money. Mr. Kretchmer and Mr. Laber drew up this contingency plan, sent it to H.D.A., and say that the city agency has agreed to accept it, thus clearing the way for the loan.

It is their fear that the community will

react negatively to the latter portion of the funding and Mr. Scotto and Father Volland agree that this possibility exists. Carroll Gardens is a bastion of the middle class—50 percent Italian-American, 11 percent Irish-American, 11 percent Hispanic, 11 percent black.

Though the priest calls this "a fantastic city mix," which it indeed is, there is in the community a resentment among those traditional residents, typified by the Italians, toward the newer immigrants to the gardens, the blacks and Hispanics.

And the feeling is that advertising the project as low-income could provoke more resentment because to many, "low income" means minorities or is a euphemism as telling as "changing neighborhood."

But Mr. Scotto thinks this is not a real concern. "The people here know what they're about," he says. "We've brought our neighborhood back and the words, the ideas don't scare us." He says that there is no doubt in his mind that the cooperative, once completed, will be fully rented and quickly.

Which is why, he says, he and Father Volland have pledged $10,000 of their own money to Mr. Kretchmer and Mr. Laber to obtain an extension on the contract.

Each man has already sent $3,000 to the sponsors. They will be repaid, without interest, by the developers. "So what," says Mr. Scotto. "It's not the interest we want. Nor are we worried about the money. Why we want it that cooperative."

And, says Father Volland, "If the community doesn't stabilize, what good are my church resources? If we 'repeople' that end of Carroll Gardens, we will have a community as it once was."

OUR ENERGY NEEDS

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. ASHLEY. Mr. Speaker, as chairman of the Ad Hoc Committee on Energy that you appointed to deal with the President's National Energy Act, I assumed that most Americans, like all Members of the Congress and the administration, knew that we have come to depend more and more on imported petroleum for our energy needs. The urgency of the President's message and your prompt and unprecedented action resulted, in no small part, from the realization that this increasing dependence was a threat to our economy and our national security.

Therefore, it is with some shock, Mr. Speaker, that I call to the attention of my colleagues a survey that was completed recently by the respected public opinion polling organization headed by George Gallup.

Mr. Gallup found that one out of two Americans did not know that we import any oil whatsoever, much less the true fact that we are importing about half of all our petroleum needs.

Of those who knew that we do import oil, 52 percent of Mr. Gallup's sample, only one out of six had a correct estimate of how much we have to import. A third of the people simply did not know.

The words the President speaks, the words we in Congress speak, the public awareness campaigns that the Government and private industry finance on television, radio, newspapers, magazines, billboards, and just about any communications medium known to man—they all seem to be falling on deaf ears.

Mr. Speaker, may I suggest to my colleagues in the House and to concerned citizens everywhere: We had better find a cure for that deafness, and we had better find it quick.

Herewith, the detail on Mr. Gallup's findings:

THE GALLUP POLL

(By George Gallup)

PRINCETON, N.J.—If Americans were taking an examination on the energy problem, many of them would flunk.

Only half the public, 52 percent, knows that America must import oil to satisfy its energy demands. And of these, only one third (or 9 percent of all adults) have an accurate idea of how much petroleum the U.S. imports—42 percent last year and 47 percent for the first three months of 1977. The remainder either have the impression there is enough oil produced domestically (33 percent) or do not venture a guess (15 percent)—right or wrong.

Regionally, residents of the Northeast and Midwest are more cognizant of the fact we must import a good deal of our oil than are people living in warmer climates of the South and West.

Here is the first question asked followed by the key findings:

"From what you have heard or read, do you think we produce enough oil in this country to meet our present energy needs or do we have to import some oil from other countries?"

DOMESTIC PETROLEUM PRODUCTION

[In percent]

	Produce enough	Must import	Don't know
National	33	52	15
Men	31	60	9
Women	34	45	21
College	27	62	11
High school	35	51	14
Grade school	34	39	27
East	30	56	14
Midwest	30	58	12
South	36	46	18
West	36	47	17

This question was asked of those who said we must import some of our oil:

"About how much—that is, what per cent—of the oil used in this country do we presently import from other countries?"

PETROLEUM IMPORT ESTIMATES (BASED ON THOSE WHO SAY WE MUST IMPORT OIL)

[In percent]

	1-19	20-39	40-49	50-79	80-100	Don't know
National	4	19	17	24	2	34
Men	3	24	22	28	2	21
Women	4	14	11	20	3	48
College	3	23	17	36	1	20
High school	5	27	19	20	2	37
Grade school	2	19	13	10	1	55
East	5	19	16	26	2	32
Midwest	4	17	17	22	3	37
South	2	22	21	24	(1)	31
West	4	20	14	24	4	34

[1] Less than 1 percent.

The findings reported today are based on personal interviews with 1,506 adults, 18 and older, taken in more than 300 scientifically selected localities during the period April 29–May 1.

SMALL BUSINESS CHALLENGES CARTER ACCUSATIONS

HON. DAN QUAYLE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. QUAYLE. Mr. Speaker, recently President Carter saw fit to label the opposition to the Agency for Consumer Advocacy as "selfish special interest groups," and implied that "big business" was attempting to deny the consumer his rights by thwarting this legislation.

Those of us who have worked on this issue are well aware that opposition to the ACA is strong and widespread, and cannot be limited to one segment of American life. Many diverse groups understand that this Agency is nothing but an additional, useless layer of bureaucracy, which may by its structure do a great deal of harm.

The National Federation of Independent Business, the Nation's largest organization of small businesses, was appropriately irritated by Carter's recent allegations. For the RECORD, I would like to insert their statement regarding these charges. From my work on the Small Business and Government Operations Committees, I can sympathize with their position on this issue, and commend it to my colleagues:

SMALL BUSINESS LEADS BATTLE TO BEAT NEW CONSUMER BUREAUCRACY

The campaign by "professional consumers" to paint the battle over creation of a new consumer agency as big business versus the American public is filled with untruths, half-truths and distortions, charged an angry official of the nation's largest small business organization.

James D. "Mike" McKevitt, Washington counsel for the National Federation of Independent Business (NFIB), said small business "is tired of biting its tongue" while supporters of another consumer agency pit big business against consumers.

"This is a cruel hoax," McKevitt said. "Small business is against the bill and at the forefront of the battle to stop it. As a matter of fact, so is most of the farm community."

"Any reporter worth his salt can check and find out that small business actually is leading the fight against the bill. If they don't believe it, just ask Congress. They know."

McKevitt called upon the leaders of the movement supporting the bill—Ralph Nader and Esther Peterson, the President's Special Assistant for Consumer Affairs—to make their effort a responsible one, free of accusations, personal attacks and based solely on the issues. "Let's take the high road . . . that's the American way," said McKevitt.

McKevitt said he believes that President Carter and the American public are being misled on the consumer agency issue. He volunteered to meet with the President at any time to present the other side of the coin—the story that small businessmen have to tell.

"I couldn't believe my eyes when I read the President's comments in the paper," McKevitt said of news accounts of President Carter's meeting with press Wednesday to discuss the consumer agency bill.

"Did he really accuse America's business community of forming selfish special interest groups to spread misinformation about his proposed consumer agency?" asked McKevitt. "If he did, he better recheck his facts and take a hard look at the tactics used by Ms. Peterson."

McKevitt made it clear that small business doesn't always agree with big business. He cited NFIB's recent battle against big business interests over the tax bill. "We're not in the pocket of big business," he said. "We're not in Ralph Nader's pocket. We're not in labor's pocket. We speak out independently on all major issues."

McKevitt was surprised at news accounts that quote Ms. Peterson as predicting victory. "She better not count her chickens before they're hatched," he said. "She'd be out of business right now if she hadn't persuaded Vice President Mondale to make wake-up calls to Members shortly before the House Government Operations Committee voted the bill out, 22-21."

McKevitt said recent tactics used by Ms. Peterson and supporters of the bill indicate "they are panicking because they know they may lose the battle."

"Ms. Peterson can throw out all of those meaningless polls she wants," McKevitt said. "All Americans are pro-consumer and will favor any general concept they believe is geared to help consumerism. That goes for small businessmen too. But just because some sly politician puts the word 'consumer' into a bill, doesn't make it good legislation."

A poll of NFIB membership, which consists of more than 500,000 small, independent businesses, indicates that 86 percent oppose the bill, McKevitt said, "They know that this is bad legislation. The American public is beginning to realize that it is bad legislation."

McKevitt claimed that attempts to make a big deal out of labor's support for the consumer agency bill is a sham. "It's easy for labor to support the bill; they're exempt," McKevitt said. "Isn't labor a special interest group? Doesn't labor's actions have a great deal of impact on the American consumer?"

McKevitt also said the parading of a few businessmen and the releasing of a few names supporting the consumer agency is just a publicity gimmick that ignores the basic fact that most of this nation's business and farm community, big and small, is united against it.

"White House publicity releases claiming that the proposed consumer agency is just a small agency which will police other agencies is naive," McKevittt said. "America's small businessmen have been burned too many times by similar proposals. Just ask them about OSHA."

"Small businessmen have their fingers on the pulse of this nation and its problems," McKevitt said. "We have too much government now . . . we don't want to create more bureaucracy just so professional consumers can have a home in the government."

HUMAN RIGHTS IN HAITI: BABY DOC HAS HIS OWN STYLE OF TERROR

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. KOCH. Mr. Speaker, Nat Hentoff of the Village Voice has written an excellent article concerning the tragic status of human rights in Haiti. What becomes clear from the article is that Baby Doc has taken pains to avoid the blatant, savage, out-in-the-open atrocities of his father. By cosmetically improving the situation, Baby Doc hopes to lure tourism and foreign business back to Haiti. But the fact remains that Haiti is an intensely repressive society. I urge that my colleagues read this article. I might add that Haiti continues to receive military and economic assistance from the United States.

The article by Nat Hentoff follows:

BABY DOC KING OF THE ZOMBIES NOW

(By Nat Hentoff)

There is an element of fashion in human rights. Certain murderous governments attract horrified attention—Chile, Iran, Uruguay—as they should. But others somehow never get into vogue. Indonesia, for instance. And Haiti.

Years back, I used to listen to Carline, a Haitian married at the time to a friend of mine, as she talked about her country. Ordinarily she was a woman so high-spirited that I sometime came to visit just to get a charge of good feeling. But when Carline spoke of home, it was always about death. The death of members of her family, of friends. Sometimes, she guessed, it happened in prison. For many just "disappeared." And sometimes in the street, at the ever eager hands of the *Tonton-macoutes*, the goon-militia, their eyes hidden behind their constant sunglasses. "They beat people," Carline would say, "to pieces. Do you understand that?"

For a brief time, Haiti did come into a certain amount of disfavor in some countries professedly sensitive to human rights. It was during part of the savage reign (1957 to 1971) of Francois "Papa Doc" Duvalier. His terror squads killed so wantonly that tourists, indifferent to the chronic poverty, would blanch at such sights as bodies tied to chairs lining the roadside on the way to the airport. Some vacation memory! Anyway, John F. Kennedy spoke most censoriously, tourism dropped, and the *Tonton-macoutes* kept tearing "suspect" citizens apart.

Papa Doc had made himself president for life and sometimes seemed to believe the title carried immortality with it. If so, he was greatly disappointed; and in 1971 Papa Doc was succeeded by his 19-year-old son, Jean-Claude. (Also known, of course, as Baby Doc.) Since then, there has been ceaseless internecine intriguing for power, and in 1976, a palace "coup" brought into ascendance a number of "hardliners" who had prospered under Papa Doc. His widow, Simone (Maman Duvalier), approved and probably helped orchestrate the power shift. A tough old bird, she was supposed to be dying of leukemia in 1973 but refused. Her son can't wait to mourn.

It is difficult to be certain about how much power President Baby Doc still has, but he is not without some. In any case, the coup did not especially matter in terms of the leprous state of human rights in Haiti. Whether it's Papa Doc, Baby Doc, or Maman, nothing really changes. Well, that's not entirely true. Under Papa Doc, the *Tonton-macoutes*, sunglasses in place, would come for a victim at high noon. Baby Doc and his associates, however, have a keener sense of public relations. Now, caring for the tourists' digestions, the killers come at dawn while everybody is asleep.

Indeed, public relations seems to be working for Baby Doc. A February 1976 article in *Harper's* represented much current conventional wisdom. The terror so vigorously cultivated by Papa Doc, the piece said, has been reduced "to the minimum deemed necessary to maintain the existing order." Gradually, this more "civilized" Haiti is being seen as a place where certain American companies can make reasonably easy profits (even taking into account the high built-in cost of graft endemic to both Papa Doc's and Baby Doc's governments). For instance, there was a fawning interview with Baby Doc in the January 19, 1976, *Encore* in which that forward-looking leader of his country invited American firms to come on down because "Haitian labor costs practically nothing."

Tourism, moreover, is on the rise again. Here (and continuing next week) is a guide to the Haiti of Baby Doc for tourists. It's also for members of Congress to keep in mind when they have to deal with appropriations for this land so rich in human blood.

Amnesty International, to begin with, estimates there may be as many as 3000 political prisoners in Haiti. But that figure could be misleading in terms of the actual numbers continually being arrested. Many people just disappear, leaving no trace, and so are not counted. Furthermore, says Amnesty, "10 per cent of arrested Haitians die in the first days after detention and about 80 per cent do not last more than two years."

They succumb to torture, arbitrary executions, plain brutality, and disease. Haiti, observes Amnesty International, has "one of the highest mortality rates among prisoners in any country" because its prison conditions are "among the most inhuman in the world."

This is Baby Doc's Haiti, mind you.

Political prisoners are not allowed access to lawyers but that's no great loss because no lawyers in Haiti would dare defend a political prisoner, and anyway in most cases there are not even mock judicial procedures. Rarely are prisoners released because the Haitian government does not want them poisoning the minds of potential tourists and perhaps giving the American Congress wrong ideas. So they die in prison, one way or another, sooner or later. But their families are seldom told. Instead, those waiting are left in an agonizing emotional limbo, and with a lot of legal complications besides. Even after death Baby Doc turns the screw.

Tourists should certainly ask to see Fort Dimanche, where many political prisoners are entertained. They are kept in groups of five or six in cells 10 feet by seven. There are no beds or washing facilities. The cells are never cleaned, and so the floors, where the prisoners sleep, are infested with insects. Liquids are scarce, so scarce that the prisoners often have to drink their own urine. There are no latrines incidentally. Baby Doc supplies metal cans that are emptied when full.

A good many prisoners, Amnesty International reports, are "kept naked in underground dungeons for years in complete darkness. Mutilation, castration, introduction of a hot iron in the anus are methods of torture . . ." So are electric shock, whipping, and the "jack"—with arms and feet tied, the prisoner's bound arms are forced between his legs, and his four limbs are then locked by a

transversal stick. It makes heavy, sustained beating a lot easier.

Last year an Argentinian expert on Latin American human rights (giving his name would do him no good in his own country) wrote: "The Duvalier family dictatorship has physically eliminated thousands of Haitians, assassinating entire families . . . More than a million Haitians are spread all over the world, while five million countrymen are dying little by little inside the country, facing the complicit silence of world public opinion that does not seem to realize the suffering of the Haitian people."

Baby Doc, by the way, like his grand old dad, is also president for life. And one of his most devoted supporters is Heyward Isham, the American ambassador in Port-au-Prince. Does Jimmy Carter know? Does Jimmy Carter care? Ask him.

ARE HUMAN RIGHTS ELSEWHERE OUR BUSINESS? YES—AND HERE'S WHY

HON. JOHN KREBS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. KREBS. Mr. Speaker, since the situation in South Africa will continue to draw ever-increasing attention from the rest of the world, I would like to share the following editorial by one of this Nation's most independent newspaper editors, Tom Henion, of the Advance-Register in Tulare, Calif. It should make particularly interesting reading for the apologists of the apartheid regime of South Africa: [From the Advance-Register, June 2, 1977]

ARE HUMAN RIGHTS ELSEWHERE OUR BUSINESS? YES—AND HERE'S WHY

Maybe you, too, have wondered if President Carter has been right to put the issue of human rights in other lands above almost all else.

Maybe you, too, have been dismayed by the abrasive remarks made, in South Africa in particular, by Andrew Young, the United States ambassador to the United Nations.

Maybe you, too, have pondered what seemed to be an unanswerable question: Are we doing the right thing to interfere, so heavy-handedly, in the affairs of another sovereign nation? After all, apartheid was and is a way of life in South Africa. And even though we may not relish the thought of a preponderantly black country controlled by a comparative handful of whites, isn't that South Africa's business and not ours?

If you, too, have been beset by those doubts, read now the story of a single black woman relayed from Johannesburg by the Associated Press. It provides the clearest picture yet of the true meaning of black oppression in South Africa. It tells us more lucidly than almost anything else could why we must continue our crusade for the rights of all humans no matter where they live, or forever forfeit our claim to being a compassionate people with concern for others than ourselves.

The story is that of Winnie Mandela.

She is a black in a land that views its overwhelming black majority as a totally inferior race.

Her husband is Nelson Mandela. He is the president of South Africa's outlawed African National Congress. He has been imprisoned since 1964, serving a life sentence for sabotage.

The sentence may or may not be justified. But Nelson Mandela is not the story. Winnie Mandela is the story. What the government of South Africa has done to her since her husband's conviction is beyond the bounds of all human decency.

For 19 months, while here husband languished in prison, Mrs. Mandela was held in jail on a charge of subversion. In 1970, she was tried on the charge and acquitted. In almost any other land—certainly in any country that has any respect whatever for the rights of the individual—that would have made her a free person, eligible to resume her rights as a citizen in good standing.

Not in South Africa. Even though she had been cleared by the court, Mrs. Mandela was, in effect, "found guilty" by the government. She was declared to be one of an estimated 150 "banned" persons in South Africa.

That meant she could not be quoted in the press, attend public gatherings, leave her home at night or on weekends, or have visitors other than relatives without official permission.

Until last month it was bad enough. Mrs. Mandela was permitted to live with her two daughters in the heart of Johannesburg's sprawling black township, Soweto. Her personal rights were restricted, but she had most of the conveniences of modern living. Her house had electricity, carpets, a bathroom, a kitchen filled with modern appliances and a telephone. She commuted daily to a $400-a-month job in the accounts section of a white-owned firm in Johannesburg.

But on May 16, security police removed Mrs. Mandela to the village of Brandfort, 160 miles from Johannesburg. She now lives in a house without electricity, bath or hot water. Her neighbors are 3,500 blacks whose language she does not speak, and 1,900 whites with whom she may not associate. She may not leave the town limits.

Why? There is only silence from the government except for a statement by security police that it was considered "better" that Mrs. Mandela leave Soweto, where considerable rioting erupted last year.

It is obvious, of course, that she is being punished for the sins, real or trumped up, of her husband.

How can anyone ignore such a "secondary conviction" of an innocent human being if he truly believes in a world where all people, if not totally free and equal, are at least entitled to the fundamental rights inherent with membership in the human race?

How can he feel anything but utter contempt for a government that would treat any human being the way South Africa is treating Winnie Mandela?

One must wonder if that kind of treatment is accorded to a person who was found innocent of a criminal charge, what kind of diabolical punishment she might have received had she been found guilty.

Winnie Mandela's case is only one, of course, among countless thousands of persecutions of blacks in South Africa.

But even by itself it should be enough to rally any who believe in the basic dignity of the human race to the side of President Carter in his crusade for the decent treatment of all peoples, no matter what their color or religion, no matter where they might live, and no matter what their economic status in life.

ALASKAN NATURAL GAS: PART I

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. MURTHA. Mr. Speaker, over the next few weeks, I plan to insert a number of articles and background materials into the RECORD for my colleagues' information on the development of Alaskan natural gas reserves.

The article that follows from Industry Week of May 23, 1977, outlines the present decisionmaking situation. I would add to the information that the Federal Power Commission staff report supported the Arctic gas pipeline route, but said the El Paso Alaska Co. route was a viable alternative.

CANADA MAY SWAY GAS LINE CHOICE

The U.S. government's multi-step procedure for choosing from among three competing pipeline projects for delivering Alaska natural gas to the Lower 48 states may, it turns out, be a moot exercise. Ultimately, the decision may be dictated by Canada.

Even as the U.S. heads toward its choice, parallel decision-making machinery is grinding in Canada on how—and how fast—that country should develop its gas reserves in the Mackenzie River delta in the Northwest Territories. What Canada decides could determine, or at least limit the options for, the Alaska natural gas delivery system finally approved by the White House and Congress.

That possibility looms larger as the result of developments this month in the double-track decision process.

SPLIT VOTE

In the U.S., the Federal Power Commission (FPC) made its long-awaited recommendation to President Carter: a divided, 2 to 2 decision in favor of each of two pipeline routes through Canada.

One route, proposed by Arctic Gas Pipeline Co. and backed by FPC Administrative Law Judge Nahum Litt (IW, Feb. 14, Page 23), calls for a line from Alaska's North Slope to the Mackenzie delta. There it would pick up Canadian gas and follow the Mackenzie River south.

The other proposal, by Alcan Pipeline Co., a subsidiary of Northwest Pipeline Co. and several Canadian firms, contemplates a route through Canada along the Alcan highway to the U.S.

The commission rejected a third proposal: El Paso Alaska Co.'s plan to build an "all-American" line through Alaska to the port of Valdez on the state's southern coast. There the gas would be liquefied and hauled by tanker to California.

NOT SO FAST

Meanwhile, a special Canadian commission, headed by British Columbia Judge Thomas Berger, has weighed in with a recommendation that would appear to harm chances for adoption of Arctic Gas's proposal. The panel urged a ten-year delay in construction of a pipeline in the Mackenzie delta to allow time for settlement of native lands claims. Even after ten years, said the commission, no pipeline should be built linking the delta with Alaska; the environmental damage would be too severe.

If the Canadian government adopts the Berger recommendation, the Arctic Gas route would be out of the running. Conceivably, however, Canada could veto a pipeline through the country altogether; the Alcan project, too, crosses areas which are the subject of native claims.

In that event, the only alternative left for the U.S. would be to adopt El Paso's proposal—the one rejected by the FPC.

The next move will be made by Canada. In early July its National Energy Board is expected to come out with its recommendation on Mackenzie delta gas development plans and pipeline routes. Armed with that report, as well as the Berger commission's input, the Canadian cabinet will make a final decision. It will come by September, Canadian Prime Minister Pierre Trudeau has promised President Carter.

Mr. Carter is required by law to act on FPC's proposal and make a recommendation to Congress by Sept. 1, although he is permitted to request an extension to Dec. 1. Congress then has 60 days to act.

TO BE (DEFENDED) OR NOT TO BE (DEFENDED)? THAT IS THE (PANAMA CANAL) QUESTION!

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. SNYDER. Mr. Speaker, have we in the Congress been had?

For several years, the American people have been bombarded with State Department propaganda that the Panama Canal could not be defended.

And—the only way to keep it "open, secure, efficient and neutral," was to give it to Panama, together with the Canal Zone.

Stories from Panama City, June 2, reported U.S. negotiators have drafted an agreement with Panama's negotiators that would surrender the zone and waterway as of December 31, 1999.

However, the reports said a second agreement had been reached providing for the "neutrality" of the canal.

For months the news media has reported the chief stumbling block in treaty negotiations has been the matter of "guaranteeing the neutrality" of the canal—in other words, its defense—after we turned it over to Panama. Official leaks to the press revealed the United States wanted the right to come in and defend it, if necessary, while Panama said it wanted the OAS or UN to do that.

As a matter of fact, Panama's dictator, Omar Torrijos, reportedly fired his last Foreign Minister, Aquilino Boyd, because of differences over this matter of defense of the canal.

So it is evident that some agreement must have been reached on defense of the canal if a second pact has been drafted.

Mr. Speaker, President Carter as a candidate often stated he would not soon give up "practical control" of the Panama Canal. Unless Mr. Carter has completely reversed himself, I conclude that Torrijos has agreed to let the United States defend the canal after Panama takes it over.

This brings me to the point.

Mr. Speaker, if under a new treaty Uncle Sam is going to defend the Panama Canal, then I ask, why the official baloney for the past few years that it was no longer possible for us to defend it?

Which is it to be?

What are we to believe?

Can we defend the Panama Canal, or can't we?

Were we told repeatedly the United States could not defend the canal only to brainwash us into accepting surrender of the vital waterway to a weak country that commonsense tells us cannot defend it?

Mr. Speaker, have we been had?

It certainly will be a ludicrous official policy contradiction for the administration now to tell us that the United States, indeed, will continue to defend the Panama Canal, and its installations, after having insisted we must give them to Panama on the grounds that otherwise we could not defend them!

CONGRESS MUST ASSURE A STRONG CIA

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. McCLORY. Mr. Speaker, in recent years a small number of former employees of the Central Intelligence Agency have capitalized on information which came to them in the course of their former employment by revealing names and identities of individuals with whom they had contact. Books, television shows, lectures and other means of communication have been employed for profit by these faithless individuals. In additon, many others including some in public life have drawn attention to themselves by utilizing this information.

It is, of course, improper for our Federal Government to conceal information from the people which they are entitled to have. On the other hand, the unauthorized disclosure of the names and identities of individuals engaged in intelligence activities in behalf of our Nation or any other friendly nation thereby jeopardizing their safety or diminishing their ability to perform their essential services should be treated for what it is—an offense against our Nation.

Mr. Speaker, one of the most dedicated Americans of our time who retired recently as Assistant Secretary of Defense and who previously served for 27 years with the Central Intelligence Agency, including 8 years as Chief of all of the Agency's Soviet Operations, is John M. Maury. Mr. Maury, now retired from public life, has written a number of useful articles regarding the CIA and its role in our Nation.

In a recent article entitled "Don't Cut Up the CIA Into Useless Pieces," Mr. Maury—without apologizing for some of the abuses and miscalculations of the CIA—comes down hard on the need for legislation against those who betray the CIA and our Nation. The concluding paragraphs of this article which appeared in the March 27 issue of the Washington Star follow:

[From the Washington Star, March 27, 1977]

DON'T CUT UP THE CIA INTO USELESS PIECES

(By John M. Maury)

Now is not the time for further investigations, recriminations and reorganizations. It is the time to look forward and see what can be done to ensure that past mistakes are not repeated and that the new administration has the best intelligence support that modern technology and human ingenuity can devise.

But it can hardly expect such intelligence so long as the most sensitive secrets of the intelligence community can be revealed with impunity by publicity-hungry politicians, disgruntled former employees or an irresponsible press. The irony is that we have federal criminal statutes protecting such secrets as corn crop statistics and internal revenue data, but detailed information on some of our most sensitive intelligence operations can be safely made public by disgruntled former employes of the intelligence community, openly violating with impunity their solemn oaths of secrecy which were a condition of their employment. Moreover, if information is leaked to the press, even the identity of the leaker is zealously protected under the prevailing interpretations of the First Amendment.

Therefore if the new administration wants to help itself by helping the intelligence services to do the kind of job which the national interest requires, it can do no better than give its support to the passage of legislation which will provide effective criminal penalties for the unauthorized disclosure by intelligence personnel of sensitive intelligence sources and methods.

This is not to suggest anything as drastic as the British Official Secrets Act, or the security laws of most of the European democracies, under which any disclosure of classified material could bring severe criminal penalties. But under our present laws only communications intelligence enjoys meaningful protection.

In cases involving the disclosure of any other intelligence sources or methods it is necessary to prove beyond a reasonable doubt the defendant's intention to harm the United States or aid a foreign power—and as any trial lawyer knows, intentions are almost impossible to prove conclusively.

The intelligence officer who seeks to betray his organization—and his country—normally risks prosecution only if he is apprehended in the act of delivering classified material to a known agent of a foreign intelligence service. He can accomplish the same purpose with impunity by leaking his information to an overeager press, or peddling it to a publicity-hungry congressman.

Or better still, he can write books and articles, do TV talk shows and become a celebrity on college campuses throughout the country. He thus serves his foreign masters in two important capacities. He is a productive espionage agent whose personal security is assured by the protection of our First Amendment; and he is a valuable propagandist—an "agent of influence" disseminating through journalistic, political, TV and academic channels information designed to discredit and destroy our own intelligence agencies.

In passing the National Security Act of 1947 the Congress recognized the unique sensitivity of information on intelligence sources and methods by specifically charging the director of central intelligence with responsibility for protecting such information. However, the law did not provide him with the means to carry out this responsibility.

What is now proposed is a law similar to that applying to "Restricted Data" under the Atomic Energy Act. It would cover only information specifically designated by the director of central intelligence and the heads of the other intelligence agencies as relating to intelligence "sources and methods"—the identities of agents or the details of technical collection systems. It would have no application to other categories of classified material. And it would be binding only on those individuals who, by virtue of employment or a contractual relationship with an intelligence agency, voluntarily assumed, by sworn commitment, the obligation to protect source and method information.

In pressing for such legislation, it may be appropriate to recall the comment of Gen. Washington who, precisely 200 years ago, penned the following words in a letter to Col. Elias Dayton: "The necessity for procuring good intelligence is apparent and need not be further urged—all that remains for me to add

is that you keep the whole matter as secret as possible. For upon secrecy, success depends in most enterprises of the kind and for want of it, they are generally defeated however well planned."

THE ENERGY CRISIS—FACT OR FANTASY?

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. YATRON. Mr. Speaker, in formulating its energy proposals, the Carter administration solicited the comments of 320,000 individual American citizens through the mass mailings early in March. With the same end in mind, I would like to call to the attention of my colleagues, a talk presented on January 13, 1977, to the Reading Rotary Club by Mr. James Stoudt, president of Gilbert Associates, Inc.

Mr. Stoudt and Gilbert Associates have been intimately involved in energy research and development for many years. He is highly respected both in Reading and in professional circles for his keen perception and unsurpassed public spirit. I have found Mr. Stoudt's Rotary presentation, a condensed version of which follows, to be an excellent statement of the difficult questions and potential answers which we must consider as we deliberate on energy policy in the months ahead:

THE ENERGY CRISIS—FACT OR FANTASY?

(By Mr. James Stoudt)

The Energy Crisis. Is it a fact or is it a fantasy conceived by those of us in the energy business to rip off the public? It is my purpose today to convince you without a shadow of doubt it is real. I am convinced—my challenge at this luncheon is to convince you in the brief span of time of one-half hour without suffocating you with dry statistics or simply entertaining you with rhetoric.

Energy is a vitally important subject to us all. Our high standard of living today largely results from the tremendous increase in the use of hydrocarbon energy to replace the muscle power of man and animal . . .

For the first time in our history, we are faced with depletion of fuels. Also, for the first time, we do not have 50–60 years to make a leisurely shift to another energy resource.

Can the United States achieve "energy independence" in the reasonable near future from interruptible, high-cost foreign sources of energy?

In my opinion, the answer, based on present technology, environmental restrictions and demographic forecasts, is no—at least not in this century.

But there are some realistic ways this country can achieve "energy security" by the year 2000.

By 2000, U.S. population will be about 262 million, an increase of 23 percent from today's 214 million.

To support this growth, U.S. energy demand, without vigorous conservation, will increase from 71 quads in 1975 to about 174 quads in the year 2000. (QUAD—A Quadrillion BTU's. The energy equivalent of 180 million barrels of oil or 46 million tons of coal.) If we don't develop existing and new energy resources, the U.S. faces a potential "energy gap" of 148 quads as production capacity now in place deteriorates and demand keeps rising.

If those are the facts, lets look now at the "energy gap" we face and our "most probable" forecast of the options that could help the U.S. eventually achieve energy security.

The largest and most obvious offset to the gap ahead is conservation—with estimated savings of about 30 to 31 quads.

Hydroelectric power, geothermal steam, solar, ocean thermal and tides, and synthetic fuels, all together would total perhaps another 24 quads of energy by the end of the century.

Unfortunately, when you put all these estimates together and exclude increasingly expensive foreign oil, the U.S. will still face an "energy gap" in the year 2000 of about 93 quads per year. That's the equivalent of 46 million barrels of oil per day—seven times more oil than the U.S. is now importing.

Short of a miracle, there simply are no magic "rabbits in the hat."

There are only two options that could make the difference. They are America's two most abundant resources: coal and nuclear power.

We have coal to last for over 200 years . . . more energy than the oil of all the Mideast countries put together! And if the United States had 200 large nuclear power plants in operation today, instead of only 55, we would be saving the equivalent of all the foreign oil we are now importing! If that's the case, why don't we stop debating and get on with the job before it's too late?

Obviously, there are many complicated reasons. But when you dig down through the press releases, the petitions and the testimony two major ones stand out.

First, the rate at which the use of coal can be increased is limited by the infrastructure of the mining and transportation industries, mine safety laws and envronmental problems related to strip mining.

Even if there were enough coal miners, much of the coal that could be mined could not be burned because of current Federal and state air pollution restrictions.

The second obstacle on the road to energy security has to do with nuclear power. As a result of continuing environmental delays and the lack of a national energy policy, the U.S. nuclear program is in a holding pattern today. The technology is here. And in spite of the emotional charges of the anti-nuclear critics, a recent Harris poll showed that 63 percent of the general public favors the construction of more nuclear plants. During the year 1975, 20% of our citizens faced the question at the voting booths in seven states and voted 2 to 1 in favor of nuclear power.

We believe it is long overdue, that government officials publicly endorse the overwhelming judgments of the scientific and technical community that the nation needs nuclear power . . . and that the needs far outweigh the risk involved.

There is insufficient time in today's meeting to fully describe and counter the arguments against nuclear power. However, let me quickly run through a few major points.

One of the arguments advanced by the critics is that nuclear power is really more expensive than other methods of power generation.

The facts are that the installation costs are higher than an oil or coal-fired plant. But the operating economies outweigh them.

As a result, it costs an average of 1¢ less per KWH produced. In 1975, nuclear power represented a saving in U.S. generating costs of more than $2 billion when compared to burning fossil fuels.

The danger of radiation—Even if this country had 1,000 nuclear power plants in operation, the average American would receive less than one additional millirem of radiation each year. Let me put this in focus by advising you that you receive 4 millirems on a single round trip flight to the west coast.

The nuclear waste problem—The fact of the matter is that most of the waste now in storage (over 90 percent) is from the government's weapons programs.

The high-level waste from one year's operation of a large nuclear power plant of 1,000 megawatts capacity could be solidified into a four foot cube. On simpler terms, the total waste generated to supply one person's electrical energy for a year would weigh the same as (but be smaller than) one aspirin tablet. Incidentally, using coal, would result in 375 lbs of ash. Waste storage in glassified form, for which the technology is known, is relatively simple. It's more a political than a technical problem.

Another favorite issue of the critics that's constantly in the news is safety.

They claim that nuclear power plants are unsafe and offer a long list of frightening "what-ifs" as proof of their arguments.

They overlook the fact that in the last 20 years, the commercial nuclear industry has supplied, worldwide, over one trillion kilowatt hours of electricity . . . accumulating well over 700 reactor years of experience.

They refuse to admit that never in the history of technology has any major new development been carried out with such little hazard to the public. The mishaps that have occurred, although widely publicized, have resulted in no radiation fatality or injury to any member of the public.

The point is that nothing is absolutely safe. Everything in life ultimately is a trade-off between the risks involved and the benefits available.

It eventually comes down to a question of judgment. But reaching the needed consensus in a democratic society such as ours is a difficult thing, especially today . . .

Can you and I as citizens and businessmen do anything to improve the process?

I believe so. We can do two things.

We can step up our efforts to increase the public's understanding of the cold facts versus the emotional fiction about energy. In spite of what the critics may say, this is not simply a question of corporate gain or loss. It is, in fact, a matter of national survival!

The second thing all of us can do, I believe, is to work even harder with leaders in business, labor and with our elected representatives in government in the development of a comprehensive national energy policy . . .

Our concerns, in the national interest, must be crystallized into constructive patterns of action—not an endless, nonproductive argument. If we, as a nation, keep nibbling at the energy problem like timid rabbits, we're going to run out of time and energy just as surely as the sun comes up every morning.

Long-term, there is little disagreement that conservation, more efficient energy conversion processes and technical advances to tap new energy sources will eventually fill the "energy gap" ahead. And we should pursue them all.

But we don't have the 20 to 30 years needed to make them work.

So, short-term, at least until the twenty-first century, we must stop dreaming about windmills and magic tricks and rely on our two most abundant energy resources—coal and nuclear power.

There is simply no other way to get there from here!

THE DANGERS OF STERILIZATION PROGRAMS

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. YOUNG of Missouri. Mr. Speaker, the danger of involuntary sterilization

in American-funded programs in other nations was recently brought to the attention of Congress. But many persons do not realize that this danger is also present in the United States.

Last November, the General Accounting Office released a report which stated that 3,406 American Indian women were sterilized between 1973 and 1976. The report further stated that, in many of these cases, these women were not made aware of the irreversible nature of the sterilization operation and the alternatives to such a serious step.

To me, this is a frightening situation. I do not believe that anyone has the legal or moral authority to deprive a woman of her right to bear children without her fully informed consent. And the American people must be informed of the highly questionable sterilization practices that exist in this country.

One person who has studied this problem for many years, and has a unique perspective on the issue, is Dr. Connie Uri, a Los Angeles physician who is a Choctaw and Cherokee Indian. In an informative interview with Gail Marks Jarvis of the National Catholic Reporter, Dr. Uri outlined her experiences with the sterilization practices of the Indian Health Service. The following are excerpts from that interview:

MANKATO, MINN.—On a November day in 1972, a 26-year-old Indian woman entered a Los Angeles, Calif., doctor's office, and asked the doctor to give her a womb transplant. "A surprising request," the doctor thought. But not nearly as shocking as the history that provoked the request.

The woman told the doctor that she had heard about kidney transplants, and she desperately needed a womb because her future husband and she wanted to have children.

She had been "sterilized" for birth control purposes six years earlier with a complete hysterectomy. At the time she was an alcoholic with two children in foster homes. A doctor convinced her that to make the best of her life she should be sterilized. So, she did as the doctor advised.

But, at 26 years old, the woman was no longer an alcoholic. She was in love with a man and they were planning to marry.

She was devastated when she learned womb transplants are impossible. And the distress she and her husband suffered because of her inability to have children later led to a divorce.

"At first I thought I had discovered a case of malpractice," Dr Uri said. "There was no good reason for a doctor to perform a complete hysterectomy rather than a tubal ligation on a 20-year-old, healthy woman."

Later Uri learned that the incident was not an isolated one. She continued to hear from women who complained they agreed to sterilizations under duress or without information about the irreversible nature of the operation.

Dr. Uri, along with a group of Indian women (many of whom are employed by the government) have been conducting their own "quiet investigation." They have observed IHS procedures and interviewed numerous women who have been sterilized, Uri said.

Their investigation, along with the GAO report, has led Uri to believe that more than a quarter of all American Indian women have been sterilized, leaving only about 100,000 women of child-bearing age who can have children.

"It is an extreme problem because there are so few Indians in existence; less than a million of us," she said. "We are not like other minorities. We have no gene pool in Africa or Asia. When we are gone, that's it."

Uri does not believe sterilizations are prompted by a government plan to exterminate American Indians. Rather, Uri said, they result from "the warped thinking of doctors, who think the solution to poverty is not to allow people to be born. They have the wrong concept of life. They think to have a good life, you must be born into a middle-class standard of living. But most people in the world are not born into wealth. And I wouldn't have been born if this was a prerequisite for life."

A much more intelligent approach would be for the government to adjust the factors which cause Indian poverty and to provide jobs and day care facilities, Uri added. "Instead, the doctors sterilize the women who then go back to poverty."

Very few Indian women ask to be sterilized, Uri said. "In almost every situation, the woman is talked into it in a very authoritarian or coerced manner." It is easy to do because the women have so much faith in the doctor, Uri said.

One woman told Uri that she went to the doctor after suffering from severe headaches. The doctor told the woman her head hurt because she was afraid of becoming pregnant, and advised sterilization. The woman agreed, but the headaches persisted. She later learned she had a brain tumor, said Uri.

Another woman with three children went to the doctor to be treated for stomach problems. "The doctor immediately assumed the woman was vomiting because she was pregnant, and yelled at her, 'Why the hell don't you get your tubes tied so you won't get sick anymore'."

A large number of women agree to sterilization operations because they are afraid their children will be taken from them if they refuse. Many also believe welfare benefits or services may be withheld from them, Uri said.

To avoid this misunderstanding, the IHS is required to inform women that their benefits will not be withheld, and that numerous other birth control measures are available to them. But, IHS records lacked evidence that the women had been provided this information before agreeing to the operations, the GAO found. The IHS reportedly is now conforming with these requirements, a GAO spokesman said.

Most Indian women are sterilized at the time they are giving birth and their consent is often taken while they are heavily sedated, Uri contends. "Almost every woman having a cesarean section is bound to be sterilized."

Consent received under such circumstances would violate federal regulations requiring women to be given a 72-hour waiting period between the time of consent and the operation.

Most Indian women do not realize the permanent effects of the operation when they give their consent, Uri adds.

"And when they do realize they can't create life, they feel castrated and psychological problems result. It dawns on different women at different times. For some, the realization does not strike until many years later, but when it does, they often have a total nervous breakdown, try to commit suicide, go into prostitution or become alcoholics."

Families are torn apart by the woman's distress, and husbands often resent the operations done without their consent, Uri said.

A CALM VOICE OF REASON

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. PANETTA. Mr. Speaker, in any society there are certain issues which excite so much emotion that informed and reasoned discussion of them is almost impossible. In our society, one such issue is the question of mandatory busing for the purpose of achieving racial balance in our schools. Even communities reknowned for their civic virtue and enlightened racial attitudes have been known to come apart at the seams when confronted with a court order to bus.

It is supremely gratifying, therefore, to find an opinion leader in one's own community taking the lead on this issue in a balanced, thoughtful, dispassionate manner that is designed not to incite but to educate. The Salinas Californian, a major daily newspaper of my home district, recently offered an editorial view of the busing question that is a model of commonsense and common decency. I commend it proudly to the attention of my colleagues:

ETHNIC BUSING FOR OUR SCHOOLS PROBLEM

Words raise emotions:
Busing.
Segregation.
Neighborhood schools.
Integration.
Ethnic imbalance.
Equal opportunity.

Until 1977, such words meant only some faraway place. They earlier were named Little Rock, Ark., Birmingham, Ala. Today it's Boston, Mass.

Such words conjure up ugly things: armed confrontations, excessive fear for life and limb, boycotts, shouted unprintable epithets, painful schisms between previous friends.

But, these ugly things were big city problems, or southern problems to begin with, certainly not Monterey County problems.

"Were", that is.

Today, it's no longer true.

North Monterey County Unified School District trustees, are wrestling with a problem which finds them forced to act within a reasonable time to counteract a lawsuit aimed at integrating their schools.

The lawsuit is based on the enrollment statistics for the North County's six schools where ethnic minority percentages range from 9 per cent at Echo Valley School to 94 per cent at Gambetta School.

Salinas has a comparable situation in its 13 schools when the minority element percentages vary from 8.9 per cent at University Park to 82.45 per cent at Sherwood School.

This places two basic concepts at odds:

The law. Both U.S. and California Supreme Court decisions plainly state separate but equal schools are inherently not equal and are illegal.

The Neighborhood School. America for generations has fostered this concept and planning has enhanced it by homes being built around schools, particularly elementary. The children could walk to them easily. Parents could have close contact with the teachers and school programs.

It simply was grass-roots America bound together by the Parent-Teacher Association and, more recently, Parent clubs.

Every American subscribed to this concept for their children in the nation's early rural days. Most still do today.

But, that policy now runs counter to this law:

Although a school board's establishment of and adherence to a neighborhood school policy may, on its face, represent the implementation of a neutral constitutionally permissible classification scheme—the result is still segregated education and harmful to ethnic minorities.

So what then?

CHOICES

When faced with a legal violation, one pleads guilty then follows the law.

First, in many cases, however, you may seek alternatives as near equal to what the law requires as possible. That's part of human nature.

This is what North County residents who oppose busing have been trying to do.

Their efforts at getting involved to seek a solution when they don't want their children to leave their own neighborhoods are praiseworthy.

Conversely, they must search their hearts and make sure the motives are commensurate with American ideals and brotherhood.

There is a good practical argument to be made against busing: it may not produce better education.

Busing, also, costs money, in North County's case about $59,000. This is less than a lot of districts because about 80 per cent of current students already ride a bus.

And, special programs, particularly bilingual ones, would cost much more money if shifted in small amounts to every district school, instead of concentrated at, say, Gambetta School in Castroville, or Sherwood School in Salinas.

Further, keeping close touch with your neighborhood school is the most natural thing in the world and strongly woven into the American lifestyle.

There is a compelling counter-argument, however, and this is the stand the U.S. and state courts have unequivocally taken.

Isolating any minority keeps it locked up in its own cultural cocoon. And, we all know you can't learn to fly until you break out.

We must equip all to compete in an achievement oriented society.

This is the foundation of the court's reasoning:

Mixing minorities with majorities.

This de-isolation of the minorities puts them in competition with the same people they will compete with for jobs in adult life.

And, even earlier, those they will be students with in junior high and senior high.

And placing every citizen or resident into the mainstream is what the American dream is all about, isn't it?

We are not all born equal.

We are just born.

Our heritage and environment determines, in large part, how far we go in this life.

Those who read or viewed "Roots" felt this strongly.

Those who read the story of some of Salinas' own minority people, and the struggle they had when they first arrived in Salinas, received the same vibrations.

But we can't just go to church on Sundays and be a Christian one day a week.

We can't just give lip service to minorities and not put our action where our mouth is.

We have to be self-critical and honest every day of the week?

What do we do, first?

SOLUTION

We solve the busing problem by involvement . . . an openness to adverse views . . . an end to indifference.

And we must obey and respect the law.

Abraham Lincoln wrote, "Don't violate our laws. Retain a respect for law—let it become the political religion of our nation."

An Alisal High student wrote in 1968, ". . . When adults of today's society boast of evading the law, they are helping to destroy what was made to protect them.

"When our protection is destroyed, we are in complete chaos. We know what adults can do to alleviate the situation. They can become better citizens."

Yes, we can.

We, like the rest of America, support the neighborhood school concept.

But, if it comes to a choice, and it has, we support the American dream even more: equal opportunity for every individual.

To achieve this, we need community leadership.

In North County, Citizens for Neighborhood schools, was formed and the idea of supporting a tax override election to alleviate overcrowding by building a new school was broached.

But, as trustees pointed out, even construction of a new school would not end the busing necessity.

A new school would require changed attendance boundaries, and not everyone is going to like it.

And, the site is the key to offset the current ethnic imbalance, plus the extent of new busing required.

By such an action, North County only has bought time. And if its override tax falls through, they're back at square one.

"Simply, a new school isn't the full answer.

Ethnic busing, in some form, is *coming*, both for North County and Salinas.

Even the opponents admit that, though they feel certain actions will delay it.

The minority view and ultimate fate was aptly stated by one person at a North County meeting:

A woman told the audience that parents must face up to the district's racial problems, or else the courts will force action.

"Do you think all this is going to die if we drag our heels on it? I believe the handwriting is on the wall and we can't ignore it."

It is.

Unless . . .

"Unless the local school board initiates and implements reasonably feasible steps to end school segregation in its district, and so long as such steps produce meaningful progress in the alleviation of segregation and its harmful consequences, we do not believe the judiciary should intervene in the desegregation process." (Crawford vs. the Board of Education of the City of Los Angeles, 1976)

Salinas County School District currently does not face the lawsuit North County does. That doesn't mean. however, Salinas has to wait. It should, rather, take the initiative and begin a comprehensive study.

If the local boards do not implement such a course of action, the courts will. Period.

North County and Salinas residents are proud of our home rule. For more than 100 years we've conducted our own business within the law. The Salinas Californian has total faith we will abide by the law and calmly solve this challenge.

We, with this heritage, certainly do not want court-ordered rules imposed upon us. That's alien to our independent nature.

Although we may prefer the neighborhood concept—and that includes some minority people, too—the law requires balancing out the majority with ethnic minorities.

And, the law, not people, is the ultimate ruler in this republic.

As Irvine's Dr. W. Ballentine Henley once said, "the price of freedom is law."

If we want freedom, we have to have law. And respect for the law is the only way to preserve freedom.

THE TAX REDUCTION ACT OF 1977 HAS INCREASED TAXES ON SINGLE PERSONS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. KOCH. Mr. Speaker, single persons in this country suffer blatant discrimination under the present tax code. I have introduced legislation, H.R. 850, which would end that discrimination, and over 100 Members of the House have joined in sponsoring that legislation. Yet, as incredible as it may seem, Congress has passed and the President has recently signed into law a tax cut bill which will have the effect of raising taxes on singles. Under the conference agreement on the tax bill, the standard deduction was set at $3,200 for marrieds and $2,200 for singles.

Earlier, Congressman JIM CORMAN had led the effort to raise the standard deduction for singles to $2,400, but the House-Senate conference rejected that figure. I am greatly concerned that the tax committees in both House and Senate simply do not sympathize with the plight of singles. I believe that those of us who support tax equity for singles must appeal directly to the President. I am planning to send a letter to the President, asking that he include a tax equity provision for single persons in his tax reform proposal which he is now preparing. I hope that all of the cosponsors of H.R. 850 will join me in this letter.

I want also to append a letter which I received from a constituent which succinctly details the objections which single people have to the new tax bill. The letter follows:

NEW YORK, N.Y., *May 24, 1977.*

Re Federal Income Tax Discrimination Against Single Persons

Representative EDWARD I. KOCH,
Longworth Office Building,
Washington, D.C.

DEAR REPRESENTATIVE KOCH: I note in the latest tax changes that single persons, already heavily discriminated against in the Federal tax laws, will be further put upon, in that:

1. Singles with incomes above $13,750 lose as much as $200 in the standard allowance. For single persons with $30,000 of income before taxes, this means a tax rise of $90.

Representative Ullman, Chairman of the House Ways and Means Committee, writes me that the task force on the equalization of tax laws will be reactivated in the next Congress.

It is clear that single persons are now heavily discriminated against in the tax laws and that the new laws add to that inequality.

I do not have to ask how you feel about this. I would like to know what I can do, as a single person, to help attain equality in tax treatment, as I am being crushed with taxes: I am single and do not own a house. At my income of a year prior to taxes, any "new" money I earned is now taxed at the combined (Federal, State and City) rate of 56% (!) This means that of $1.00 of "new" money I earn, I get to keep 44¢. This is not only discriminatory, but confiscatory.

Sincerely,

R. C. MORSER.

SMALL MINER DECRIES MINERAL MYOPIA

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. SANTINI. Mr. Speaker, last week Congressman ABRAHAM KAZEN, chairman, Mines and Mining Subcommittee, conducted field investigation hearings in Elko, Nev., on proposed BLM surface management regulations.

Mr. Kenneth E. Anderson, a "small miner," testified before our committee.

By way of definition, a "small miner" does not describe all miners under 5 feet in height. He is a representative of all of those persons who are either prospecting or mining for a mineral resource and are doing so alone or as a member of a small group.

The "small miner" has been responsible for over 80 percent of the active mining operations in the U.S.A. today. Further, 64 percent of the nonfuel mining operations in our country today are conducted by nine or fewer men.

Mr. Anderson is expressing his very real fears and objections to the irrational and arbitrary rulemaking process that has placed both his and other small miner's livelihood, and this Nation's mineral capacity in jeopardy. He says it very well:

STATEMENT—CONGRESSIONAL HEARINGS

This country is being strangled to death by a never ending series of bureaucratic regulations that are unrealistic and unjustified. Many of these rules cause more problems than they solve and these surface management rules are a perfect example. They are basically and absolutely wrong.

First, it is wrong to cover any mineral showing regardless of its present economic value. All old workings, large or small, provide a window for future development and save the geologist the problem of drilling extra holes or stripping new areas to get the information previously exposed. It seems that the people who make our laws and regulations need to be informed that strip mining and open pit mining are entirely different. The type of deposits and method of mining are entirely different. Strip mining is generally used to recover sedimentary type minerals such as coal that occurs in a definite bed or zone and normally maintains a more consistant quality over large areas than many of the other minerals. This means that an operation can be planned and conducted so that recoveries are relatively complete and the mining area can be covered up without loss of large quantities of future resources.

With the metallic minerals and many industrial minerals the grade and mineralogy vary considerably in any mineral district due to geology and metallogenic factors. At any given time only those minerals and portions of the ore zone that are presently economic are mined. Inumerable changes in technology and economic conditions make the previously left section of a mineral district a valuable source of resources. Every mineral district goes through these cycles. This is why a strip mine might be reclaimed if the terrain will allow it, but an open cut operation should never be covered up or you will deprive the next generation of the resources necessary for civilized life.

The announced purpose of these rules is to minimize environmental disturbance. These will not achieve this purpose, in fact they will only cause more disturbance to the land. There is no practical way that dumps and tailings can be returned to their original source without disturbing new ground and if the property is contoured in from surrounding areas even more natural land will be disturbed. This would be another basic wrong.

It would also be wrong to spend time, energy and valuable resources to recover land unless the value justified it. It is not only wrong but outright criminal to waste resources that will be desperately needed for other purposes on projects that will cost 50 to 100 times the value of the land recovered. This cost will ultimately have to be paid by you and every other person in this country.

Now we ask you for the sake of our children and the future of this country go back to Washington and tell your colleagues and the other powers that be a few basic facts of life.

We miners are not out here ripping and tearing and raping the countryside. We're only trying to recover the resources you need to survive, and we use only a minute portion of the land—calculations indicate only a small fraction of one percent.

And to all those souls who think we take advantage of the 1872 Mining Law for our own fun and profit, tell them to come out and give it a try. They will find the odds are damn long and that they had better make their moves count. Whether you use a pick and shovel or a bulldozer, the man who digs any more than necessary won't have to wait for the bureaucrats to shut him down, the economics will do it in short order. Only the government has been able to postpone the inevitable day of reckoning and carry on unnecessary and uneconomic projects.

Too many people of this country have forgotten that the very existance of life on this planet is dependent on the recovery of the products of the earth. If the production of the farms, ranches, mines and forests and the sea are restricted the quality of life will be diminished proportionately. The population of this earth is ever expanding and they all want to eat and share in the good things of life, so until we can control population and learn to recover and recycle all mineral products the need for resources will be ever more demanding. The only hope to meet these needs is our free enterprise system. If we continue the destructive harassment of the people and industries who produce the resources of this nation the Heritage that you will leave your children and mine will not be pristine environment, but a life of poverty and oppression.

KENNETH E. ANDERSON.

ARE POLICE STATE ID CARDS IN OUR FUTURE?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. EDWARDS of California. Mr. Speaker, proposals for making the social security card an identity instrument for employment have grave privacy and political freedom implications. I commend to my colleagues the following article from the June 5, 1977, Los Angeles Times:

ARE POLICE STATE ID CARDS IN OUR FUTURE?

(By Trudy Hayden)

The transformation of the Social Security card into an identity document prerequisite for employment would bring this country perilously close to the adoption of an internal passport. For, despite disclaimers by its proponents of any such intention, a document of personal identification required for obtaining legal employment is in fact, if not in name, a domestic passport.

To thwart attempts at forgery, such a card would have to carry unique personal identifiers such as photograph and signature—perhaps also fingerprints. Coded to show the bearer's legal authority to work, it would function as an "employment passport." Worse yet, employers would be forced to serve as agents of the government for the purpose of determining each applicant's identity and legal right to work.

It has been argued that an identity card system would be no more than is presently required for employment, since workers must now give employers their Social Security numbers. But those numbers are no more than accounting devices, ensuring proper crediting of contributions to the Social Security system. The proposed Social Security card/identity document, on the other hand, would be the final step in this country's alarming recent movement toward a universal identifier. Over the past fifteen years, the Social Security number has been imprinted on everything from bank accounts, school records and personnel files to fishing licenses.

The American people have come to perceive the incessant demands for disclosure of this number not only as an intrusion on the right of privacy in itself, but also as a symbol of all that is threatening in modern data collection practices: the use of information as a mechanism for social control. And so, in the Privacy Act of 1974, Congress, heeding the growing public anxiety, placed a moratorium on new uses of the Social Security number by federal, state, and local agencies. Congress reserved the power to authorize new uses after January 1, 1975.

Thus the move toward a universal identifier seemed to have been checked. But in the Tax Reform Act of 1976. Congress authorized state and local governments to require disclosure of the Social Security number for tax law implementation, motor vehicle registration, driver's license systems and—of greatest concern—general public assistance programs. This law represented an attempt to cope with a vexing, seemingly intractable social dilemma. The idea was to track down deserting parents through the Parent Locator Service and to uncover "welfare cheaters."

But now Congress has an even more difficult problem: preventing employment of illegal aliens to stem illegal immigration. In both instances, the supposed solution lies in a mechanism that seriously undermines the privacy of every person—citizen or alien.

An "employment passport" would be the one common document possessed by most American adults, and would be presumed to be the one reliable proof of identification. How long would it then be before we would allow the police to stop people on the street or in their cars and demand to see these identity cards? The legal groundwork for this step has already been laid: a 1973 Supreme Court ruling permits the police to conduct a full search of both motorist and car when the motorist has been arrested for a traffic violation.

If we have an identity document which can be marked to indicate the bearer's entitlement to work, how long would it be before we begin marking the document to show other entitlements—or disabilities? It is quite likely, for example, that arguments would be made for noting on such a document criminal convictions or welfare-recipient status. And what more formidable method of social control could be devised than police confiscation of the identity card on which one's livelihood—or even freedom to walk the streets—may depend, or the coding of the card to make the bearer ineligible for certain privileges, benefits or basic civil rights and liberties?

In the late 1940s Congress contemplated the adoption of another kind of universal identifier, a national birth-certificate number. But when 24 states said they would refuse to participate in the plan, the proposal was killed. Although opposition to the formal adoption of a national identity document is still widespread, care must be taken to avoid the gradual, inadvertent development of such a document. The present proposals for tamper-proof Social Security cards for all workers, combined with legislation forbidding the hiring of workers whose cards are not coded to indicate their right to employment, will accomplish just such a result.

There are no two ways about it: Damage to the right of privacy and the political freedom of all persons in the United States is an unacceptable price to pay for an attempt (and one of uncertain effectiveness at that) to reduce illegal immigration.

HOUSE OF REPRESENTATIVES—WEDNESDAY, JUNE 8, 1977

The House met at 10 o'clock a.m.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ALEXANDER) laid before the House the following communication from the Speaker:

WASHINGTON, D.C., *June 8, 1977.*

I hereby designate the Honorable BILL ALEXANDER to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker.

PRAYER

Rev. John G. Marvin, pastor of the Chevy Chase Presbyterian Church, Washington, D.C., offered the following prayer:

Let us pray: Lord God, we thank Thee for our roots, driven deep into the soil of England. Bless our mother country and her Queen as they celebrate the silver jubilee of her reign. As we pray for Elizabeth, Queen of England, we pray for Rosalynn Carter, First Lady of the United States. Protect her from harm as she returns from Latin America and continue to speak through her lips.

Lord, we thank Thee for our roots, planted firmly in representative government. Here in this place "we are surrounded by such a cloud of witnesses," who dedicated themselves to this Nation's greatness and godliness.

Now, Eternal God, match us for these times for "unto whom much has been given, much shall be required." Set before us the needs of the world. Jolt us out of an easy affluence to a deep concern for our brother's need here at home, and a Third World stretching endlessly before us.

Lord, think through our minds, speak through our lips, walk in our shoes, and burn in our hearts; until "the day breaks and the shadows flee away." Then may we hear Thy voice saying, "Well done." Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5840) entitled "An act to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the antiboycott provisions of that act."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6823) entitled "An act to authorize appropriations for the U.S. Coast Guard for fiscal year 1978, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. INOUYE, Mr. LONG, Mr. STEVENS, and Mr. GRIFFIN to be the conferees on the part of the Senate.

A TRIBUTE TO AMBASSADOR YOUNG

(Mr. MARTIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MARTIN. Mr. Speaker, our ubiquitous, fun-loving United Nations Ambassador Andrew Young is at it again. He has now turned his flippant lip to semantics, proposing out of his vast experience with the subject a new definition of the word "racist." Instead of the familiar derogatory concept which branded those who perpetrated injustice against minorities, we now learn from our Ambassador to the world that "racist" means simply "white man." Somehow, that definition lacks the old zip.

Ambassador Young has lost no time making clear that every past U.S. President has been a "racist" in his view. So far there appears only the possible exception of the present incumbent, which may account for the patronizing attitude displayed by President Carter toward his spokesman.

Two former Presidents are alive and can defend themselves, but Ambassador Young should be ashamed of his slur on the memories of Presidents Lincoln, Kennedy, and Johnson, each of whom did far more to advance rights of minorities than has our Ambassador.

President Carter quickly fired General Singlaub for publicly disagreeing with him on withdrawing our troops from South Korea. It is difficult to decide whether President Carter is using a different standard for Mr. Young out of some political obligation, or whether President Carter actually agrees with the outrageous insults Ambassador Young has so carelessly cast about.

If he is obliged to immunize Mr. Young, then he ought to promote him into a less visible job. If, on the other hand, he secretly shares the opinions of his United Nations Ambassador, then it follows that we should no longer criticize the apparent spokesman, but should turn our objections toward the one who is the ventriloquist.

WITHDRAWAL OF ORDER ON METRIC ROAD SIGNS

(Mr. GRASSLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRASSLEY. Mr. Speaker, it was with great pleasure that I was informed this morning by the Department of Transportation Federal Highway Administrator, Mr. William M. Cox, will withdraw the administration's notice of proposed rulemaking to force the total conversion of our Nation's highway and road signs to metric measurements only. This action would in reality be banning all signs which expressed distances of measurements in terms of miles or miles per hour.

On June 1, I brought to the attention of this House the letter which I sent to Administrator Cox outlining the reasons why those rules not only exceeded the authority granted to the agency under the statute they cited, but in six ways directly violated congressional intent.

I congratulate the Administrator for correcting this unfortunate situation; and in light of his good faith in this matter I will not today present the amendment to the Department of Transportation appropriations bill to prevent funds under that act from being used to pursue this plan.

AMENDING TITLE XIII OF FEDERAL AVIATION ACT OF 1958 TO EXPAND THE TYPES OF RISKS WHICH THE SECRETARY OF TRANSPORTATION MAY INSURE OR REINSURE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6010) to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes, with a Senate amendment, thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 7, after the line which follows line 10, insert:

SEC. 8. Section 406(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1376) is amended by deleting the period at the end thereof and by adding the following: "; *Provided*, That nothing in this section shall prohibit the Board from making payments as compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, for the period August 1, 1973, through July 31, 1975, where such payments have already been provided by Board order, to the holder of a certificate authorizing the transportation of mail by aircraft, to the account or for the benefit of any air carrier designated an 'air taxi operator' by the Board, which provided air transportation between points named in the holder's certificate in satisfaction of an express condition to the suspension by Board order of the holder's certificate authority to engage in air transportation between those points. In no event shall such payments differ from the amount previously provided by such Board order.".

The SPEAKER pro tempore. The Clerk will report the House amendment to the Senate amendment.

The Clerk read the House amendment to the Senate amendment, as follows:

Strike out the matter proposed to be in-

serted by the Senate amendment and in lieu thereof insert the following:

SEC. 8. (a) Section 403(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1373 (b)(1)) is amended by striking out "to ministers of religion on a space available basis." and inserting in lieu thereof "on a space-available basis to any minister of religion, any person who is sixty years of age or older and retired, any person who is sixty-five years of age or older, and to any handicapped person and any attendant required by such handicapped person. For the purposes of this subsection, the term 'handicapped person' means any person who has severely impaired vision or hearing, and any other physically or mentally handicapped person, as defined by the Board. For purposes of this subsection, the term 'retired' means no longer gainfully employed as defined by the Board.".

(b) Within six months after the date of enactment of this section, the Board shall study and report to Congress on the feasibility and economic impact of air carriers and foreign air carriers providing reduced-rate transportation on a space-available basis to persons twenty-one years of age or younger.

SEC. 9. Section 401(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(d)) is amended by adding at the end thereof the following new paragraph:

"(4)(A) Notwithstanding any other provision of this Act, any citizen of the United States who undertakes, within the State of California, the carriage of persons or property as a common carrier for compensation or hire with aircraft capable of carrying thirty or more persons pursuant to authority granted by the public utilities commission of such State is authorized—

"(i) to establish service for persons and property which includes transportation by such citizen over its routes in California and transportation by an air carrier or foreign air carrier in air transportation; and

"(ii) subject to the requirements of section 412 of this title, to enter into an agreement with any air carrier for the establishment of joint fares, rates, and services for such through service.

"(B) The joint fares or rates established under clause (ii) of subparagraph (A) of this paragraph shall be the lowest of—

"(i) the sum of the applicable fare or rate for service in California approved by such Public Utilities Commission and the applicable fare or rate for that part of the through service provided by the air carrier or foreign air carrier;

"(ii) a joint fare or rate established and filed in accordance with section 403 of this Act; or

"(iii) a joint fare or rate established by the Board in accordance with section 1002 of this Act.".

SEC. 10. (a) The first sentence of section 403(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1373) is amended to read as follows: "No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff—

"(1) of any air carrier, or foreign air carrier, directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of property in air transportation, except after sixty days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section; and

"(2)(A) of any air carrier, or foreign air carrier, if such rate, fare, or charge is for the carriage of persons in air transportation, or (B) of any air carrier, or foreign air carrier, not directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of property in air transportation, except after forty-five days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section.".

(b) The first sentence of section 1002(g) of such Act (49 U.S.C. 1482) is amended by inserting "at least fifteen days before the day on which such tariff would otherwise go into effect" immediately after "and delivering to the air carrier affected thereby".

SEC. 11. (a) The amendment made by subsection (a) of section 10 of this Act shall apply to any tariff change filed by any air carrier or foreign air carrier in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this section.

(b) The amendment made by subsection (b) of section 10 of this Act shall apply to any tariff change filed by any air carrier for interstate or overseas air transportation in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this section.

SEC. 12. (a) Section 406(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1376(b)) is amended by adding at the end thereof the following new sentence: "In determining compensation for any local service air carrier for the year 1966 in accordance with the provisions of this subsection, the Board shall apply Local Service Class Subsidy Rate III-A as set forth in Board Order E-23850 (44 CAB 637 et seq.), except that the Board shall not apply that part of such order which requires the Board to take into account any decrease in the Federal income tax liability of such carrier for such year resulting from any net operating loss carryback pursuant to section 172 of the Internal Revenue Code of 1954.".

(b) In the event that the Civil Aeronautics Board in determining the amount of compensation to be paid to any local service air carrier for the year 1966 in accordance with the provisions of section 406(b) of the Federal Aviation Act of 1958 took into account any decrease in the Federal income tax liability for such air carrier for such year resulting from any net operating loss carryback pursuant to section 172 of the Internal Revenue Code of 1954, the Board shall redetermine the compensation to be paid to such air carrier in accordance with section 406(b) as amended by this section, and shall make payment to such air carrier of any amount owed to such carrier as provided in such redetermination.

SEC. 13. Section 406(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1376) is amended by deleting the period at the end thereof and by adding the following: ": *Provided*, That nothing in this section shall prohibit the Board from making payments as compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, for the period August 1, 1973, through July 31, 1975, where such payments have already been provided by Board order, to the holder of a certificate authorizing the transportation of mail by aircraft, to the account or for the benefit of any air carrier designated an 'air taxi operator' by the Board, which provided air transportation between points named in the holder's certificate in satisfaction of an express condition to the suspension by Board order of the holder's certificate authority to engage in air transportation between those points. In no event shall such payments differ from the amount previously provided by such Board order.".

Mr. ANDERSON of California (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Is there objection to the first unanimous-consent request of the gentleman from California?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, I do so in order that the gentleman from California can offer some explanation.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. ANDERSON of California. I thank the gentleman for yielding.

Mr. Speaker, on May 17 the House overwhelmingly by a vote of 388 to 8 passed H.R. 6010 which extended and modified the aviation insurance program which began in 1951. This legislation broadened the scope of the program and extended it for a 5-year period.

The Senate on May 27 passed this identical bill, but with an amendment to provide authority for an experiment in small community air service conducted from August 1, 1973, to July 3, 1975.

Under the experiment, Air Midwest, a commuter carrier, substituted service for Frontier Airlines in Dodge City, Great Bend, and Hutchinson, Kans., and, therefore, received subsidy for performing its service obligations.

The U.S. Court of Appeals for the District of Columbia found that the CAB did not have the authority, and now the Board is seeking reimbursement.

This amendment, which was added in the Senate, would grant authority for the experiment and thereby relieve the CAB of the duty to seek reimbursement.

In other words, it contains H.R. 26 and H.R. 27, two bills which passed the House February 22, 1977, H.R. 26 unanimously and H.R. 27 also unanimously, by a vote of 433 to 0. H.R. 26 provides leadtime to airline customers that air fares are changing and H.R. 27 provides authority to approve reduced air fares for the elderly and the handicapped.

I discussed the measure with the gentleman from Ohio (Mr. HARSHA) last night. We expected the bill to come up last night. Also I discussed it with Congressman SNYDER, the ranking minority member of the subcommittee who expected to be here this morning, and he said to go ahead, that it is all right.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from California for his explanation and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. DON H. CLAUSEN. Mr. Speaker, although I am not a member of the Aviation Subcommittee, as a member of the full Committee on Public Works and Transportation and because of my deep interest in aviation, I have attended most of the hearings of that subcommittee.

Mr. Speaker, as you know, H.R. 6010 passed this body on May 17 by a vote of 388 to 8. The Senate adopted our language but added a meritorious amendment to take care of an experiment en-

gaged in by Air Midwest. Finally, by this action today, we are placing in conference with the Senate two additional bills which unanimously passed this body on February 22. H.R. 26 which is designed to insure that customers of airlines receive adequate notice of changes in airline fares and also makes equitable adjustments in the 1966 subsidy program for local service air carriers, should be readopted.

By our action here today we are also incorporating into this legislative vehicle H.R. 27 which would permit the Civil Aeronautics Board to approve reduced air fares on a standby basis for persons 60 years of age or older, and for the handicapped. CAB would also be required to study the economic feasibility of reduced fares for youth. Under existing law CAB can approve reduced fares for groups such as the elderly and handicapped only in extraordinary circumstances. H.R. 27 would increase CAB's authority to approve these fares and allow CAB to approve the fares if they meet the normal economic tests for discount fares.

H.R. 27 would also permit intrastate airlines in California to offer through ticketing and baggage service for passengers who wish to connect from an interstate airline to an intrastate airline. An example is a passenger who wishes to use PSA, an intrastate carrier, between Long Beach and San Francisco and then connect to Western Airlines, an interstate carrier, to travel to Seattle. Under existing law the sale of a through ticket to this passenger would be considered a sale of interstate transportation requiring CAB authorization. Thus far the CAB has been unwilling to approve the sale of through tickets in these circumstances and passengers using intrastate and interstate carriers must purchase separate ticket and carry their own baggage between airlines.

H.R. 27 would allow intrastate carriers operating in California to offer through ticketing and baggage service in cooperation with interstate airlines. The State of California was selected because it has the most highly developed system of intrastate transportation and is a logical State for an experiment with through services. H.R. 27 contains provisions which would prevent the intrastate carriers from using their new authority to raise fares above the level established by the California Public Utilities Commission.

H.R. 27 is identical to H.R. 15026 which passed the House 400 to 1 on September 21, 1976.

I urge my colleagues to support this legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 6010.

The SPEAKER pro tempore (Mr. ALEXANDER). Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 6010, EXPANDING TYPES OF RISKS SECRETARY OF TRANSPORTATION MAY INSURE OR REINSURE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6010) to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes, with a House amendment to the Senate amendment, insist on the House amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. ANDERSON of California, JOHNSON of California, RONCALIO, HARSHA, and SNYDER.

AMENDING DISASTER RELIEF ACT OF 1974

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6197) to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out [1978".] and insert: *1980".*

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. DON H. CLAUSEN. Mr. Speaker, reserving the right to object, I assume the chairman will be given an explanatory statement and I yield to the chairman for that purpose.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Speaker, Public Law 93–288, the Disaster Relief Act of 1974, authorized such sums as may be necessary to carry out the Federal disaster program for a term of 3 years. That authorization expires this year. H.R. 6197, as passed the House, would extend the authorization for an additional year through fiscal year 1978. It would also authorize emergency assistance by the Corps of Engineers for drought-stricken areas.

The Senate amendment to H.R. 6197 extends the authorization for the disaster program from 1 year to 3 years through fiscal year 1980.

Mr. Speaker, the Committee on Public Works and Transportation is amenable to this change and I urge the passage of the bill.

However, I would like to point out that committee's acceptance of the Senate amendment should not be construed to preclude oversight of the disaster program with a view toward making changes at a later date.

Mr. DON H. CLAUSEN. Mr. Speaker, further reserving the right to object, at the time the House first passed H.R. 6197, we provided for a 1-year extension of the Disaster Relief Act. At that time, we recognized that it would be timely to make a full review of the adequacy of the program and responsiveness to needs. That still is a high priority for the Committee on Public Works and Transportation. A 3-year authorization will not hinder this review. The fact that we have acquiesced in a 3-year extension rather than a 1-year extension included in H.R. 6197 does not mean we will not be conducting active oversight of the program. In fact, quite the opposite is the case. Just as I indicated on May 15 that the time has come to begin oversight hearings on needed changes to the law, I still hold that view and the chairman of the full committee and the chairman of the subcommittee have indicated to me that this is consistent with their views. We have not been satisfied with all aspects of the agency's implementation of the act and we do intend to take an active role in such oversight.

The administration of the act has resulted in a level of displeasure within our committee. I call your attention to the statement by my colleague, the ranking minority member of the full committee, BILL HARSHA. The Disaster Relief Administration should be on notice—Congress sets the policy.

All should be on notice that nothing in this 3-year extension precludes or is intended to preclude legislative corrections which our oversight hearings determine to be necessary.

Mr. ROBERTS. Mr. Speaker, I assure the gentleman from California that we will maintain our oversight.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. DON H. CLAUSEN. Mr. Speaker, I yield to the chairman of the full committee, the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, I rise in support of the action taken by our subcommittee chairman.

Mr. Speaker, I want to commend the gentleman from Texas (RAY ROBERTS) chairman of the Subcommittee on Water Resources, for his leadership in bringing H.R. 6197 to the Members today. I also want to commend the gentleman from Ohio, WILLIAM HARSHA, the ranking minority member on the full committee, and the gentleman from California, DON CLAUSEN, the ranking minority member of the Subcommittee on Water Resources, for their support.

Mr. Speaker, H.R. 6197 is an extension of authorization for appropriations for Public Law 93–288, the Disaster Relief Act of 1974. The enactment into law of Public Law 93–288 represented an effort on the part of the Congress to bring about a streamlined and more effective Federal response to the catastrophes which befall our Nation each year.

In the 3 years since passage of the Disaster Relief Act of 1974 the program has not been without its problems. However, I believe that on the whole we have

in Public Law 93–288, a viable, workable aid to our Nation as it attempts to cope with disasters and emergencies.

H.R. 6197 as passed by the House extended authorizations for appropriations for the disaster relief program for one year. As passed by the Senate, this authority is extended for a period of 3 years. This 3-year extension is acceptable to our committee. I would also like to add, Mr. Speaker, my concurrence in the statement of the gentleman from Texas (Mr. ROBERTS) that extending the authorizations for the program for an additional 3 years in no way will preclude our committee from holding extensive oversight hearings on the program to determine what changes may be necessary.

Mr. Speaker, I urge passage of the bill.

Mr. HARSHA. Mr. Speaker, I wish this body to know that I have agreed to the Senate amendments with great reluctance and it should be obvious to the Members of this body from winter-damaged States why that reluctance exists.

When H.R. 6197 was passed by this body to extend the Disaster Relief Act of 1974, we approved a 1-year extension. We put aside substantive amendments and pushed through the bill with only minor changes in order to keep the disaster relief program alive. And I assure you that those of us on the Public Works and Transportation Committee only did so with great restraint because of the way this act has been administered by the Federal Disaster Assistance Administration.

In the other body, H.R. 6197 was amended to a 3-year extension. I could not in good conscience allow passage of a 3-year extension without letting my colleagues in the other body know my feelings on this issue.

The problem that I and Members of this body from States such as Michigan, Pennsylvania, Indiana, and parts of New York have with the administration of this act was well stated by the Governor of my own State of Ohio, the Honorable James A. Rhodes. After Ohio endured the longest consecutive period of below freezing temperatures ever recorded during the worst winter in her history—and the most damaging—and yet was repeatedly denied major disaster designation by the President, Governor Rhodes was prompted to ask, "What is a disaster?" As he stated in a letter dated April 21, 1977:

> The test that was apparently applied in other States and foreign countries, if applied to Ohio, would seem to leave no question that millions of dollars of damage to roads and highways, hundreds of thousands of dollars of loss in agricultural production, the breakdown of numerous water systems, and the loss of several lives, would be a 'disaster'....

Yet, a major disaster designation was repeatedly denied in Ohio, as it was to Indiana, Michigan, and Pennsylvania. Only a limited emergency was declared which authorized only snow removal assistance in the affected areas. But, as was pointed out in hearings before our committee, clearly there is no such thing as a limited emergency.

The legislative history of the 1974 act shows that when it was adopted, the conference report stated that it was the "intention of the conferees that the provision of section 305 shall allow the President to undertake whatever action he considered necessary to avert a disaster when conditions do not warrant the full application of assistance under a major disaster declaration, or when a major disaster threatens and special expedient actions can be taken to avert or lessen its probable effect."

The Administrator admitted this interpretation is correct but acknowledged that FDAA is not carrying out the law in this fashion.

The emergency declaration letters issued last winter for Penslyvania, Michigan, Ohio, and Indiana were specific as to the kind of help authorized which we feel is a direct contradiction to the intent of Congress.

When this body passed H.R. 6197, I brought to your attention the displeasure of our committee to the way it is being administered. I repeat that displeasure now and I assure this body that we do intend to pursue the matter further in oversight hearings later this year unless the executive branch starts carrying out the law. I therefore recommend the acceptance of the Senate amendments with the understanding that we shall be watching the further administration of this program very closely.

Mr. DON H. CLAUSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the matter just discussed, H.R. 6197.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT ON S. 521, JOHN F. KENNEDY CENTER ACT AMENDMENTS

Mr. MINETA. Mr. Speaker, I call up the conference report on the Senate bill (S. 521) to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 2, 1977.)

Mr. MINETA (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman from California is recognized for 30 minutes.

Mr. MINETA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to report that the House and Senate conferees have agreed to the conference report on S. 521, a bill to amend the John F. Kennedy Center Act authorizing funds for the repair and reconstruction of the Center and I strongly recommend it to my colleagues. The Kennedy Center which is the second most visited memorial in Washington has made this city one of the cultural centers of the world. Therefore, it is imperative that work begin immediately in order to allow the Center to remain open to the public and avoid further deterioration to the building.

The conference agreement authorizes $4.7 million to be appropriated to the Secretary of the Interior, acting through the National Park Service for repairing, renovating, and reconstructing the John F. Kennedy Center for the Performing Arts to correct leaks in the building. The Senate accepted the House language authorizing $4.7 million instead of $4.5 million contained in the Senate bill. While the House receded on the point of authorizing funds directly to the Board of Trustees of the Kennedy Center, the Senate accepted language stating that no contract is to be entered into for property or services necessary to carry out this provision unless the contract has been approved by the Board. The language authorizing the appropriation to the Department of the Interior is consistent with the 1977 Supplemental Appropriations Act, therefore, this language will enable the appropriation to be obligated and the necessary and urgent repairs to commerce without delay. It should be pointed out, that the House Public Works and Transportation Committee feels it is imperative that the Kennedy Center Board of Trustees be given a specific, responsible role, in this legislation and in any future legislation dealing with the Center. The committee believes it is appropriate that the Board share in the decisions and responsibility of matters affecting the Center.

On other features of the conference report, the Senate accepted House language directing that no funds shall be expended under any incentive type contract but rather shall be expended under a contract only after advertising and competitive bidding for the property or services to be provided by such contract.

Further, the conferees have strongly requested in the report that the Board of Trustees and the Secretary of the Interior each submit a report to the Committee on Public Works and Transportation of the House and the Committee on Environment and Public Works of the Senate by July 1, 1977, and monthly thereafter, on the progress being made on the work authorized by this legislation. The report shall include a listing of expenditures to date, by category, and will identify any change in projected plans, cost or required work which will help eliminate any unforseen difficulties.

In addition, the House receded to the Senate amendment adjusting the authorizations for appropriations for the

fiscal year ending September 30, 1978, to the Department of the Interior for maintenance for the nonperforming art functions due to the fact that further evidence is needed as to the appropriate level of funding.

The managers on the part of the House on the conference report do point out that they have been advised that to prevent further damage and deterioration of the existing structure and facilities at the John F. Kennedy Center, the Board of Trustees has expended funds from its own resources in the neighborhood of approximately $86,000. The conferees commend the Board for this positive action and wish to point out that if there are any funds remaining from the $4.7 million authorized for the repair of the roof and the facilities adjacent thereto that those remaining funds up to and including the sum of $90,000 may be available to reimburse the Kennedy Center Board.

At this time, I would like to commend the chairman of the Committee on Public Works and Transportation, the gentleman from California (Mr. JOHNSON), the ranking minority member, the gentleman from Ohio (Mr. HARSHA), and the ranking minority member of the Subcommittee on Public Buildings and Grounds, the gentleman from New York (Mr. WALSH), for their time and efforts spent on bringing this conference to a meaningful and constructive conclusion.

I urge enactment of the conference report on S. 521.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, I agree with the distinguished gentleman from California.

The conferees on S. 521 have agreed to authorize $4.7 million to the Secretary of the Interior, acting through the National Park Service, to make the renovation and repairs to the Kennedy Center occasioned by leaks in the roof. The conference report sustains the House authorization of $4.7 million.

However, as part of the conference agreement, the Board of Trustees of the Kennedy Center must now share the responsibility of scrutinizing each contract before execution and approving final payment on contracts for repairs with the Department of the Interior.

It is the intent of the conferees that the final payment referred to is intended to be that payment representing the bulk of the work actually done and not any amounts which may be set aside in escrow for final settlement of minor claims.

This shared responsibility should lead to better oversight on the contracts that are executed.

Like the House version, the conference amendment retained the language requiring only fixed-price contracts after advertising and competitive bidding.

Finally, it is the desire of the conferees that the Secretary of the Interior and the Board of Trustees each submit a progress report to the Committee on Public Works and Transportation of the House and the Committee on Environment and Public Works of the Senate by July 1, 1977, and monthly thereafter.

It is not intended that the report be comprised of a general report of a single total expenditure for that month, but instead should include a meaningful itemization.

The report contemplated would contain, for example, expenditures for the categories of consultants, architects, personnel for labor, personnel for administration, materials and the timetable for completion.

Mr. Speaker, I would also like to point out to my colleagues that the conferees were in a situation dealing with extraordinary legislation, and the methodology chosen for its resolution should in no way be construed to diminish the jurisdiction of the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation over the John F. Kennedy Center for the Performing Arts.

Mr. Speaker, I support fully the conference report and I urge the passage of the bill so that we may allow the Board and the Park Service to commence the necessary repairs and reconstruction which will arrest further deterioration and correct existing damage on a facility that is important to this Nation.

Mr. Speaker, I would especially like to extend my congratulations to the chairman of the Committee on Public Works and Transportation, the gentleman from California (Mr. JOHNSON), and to the chairman of the subcommittee, the gentleman from California (Mr. MINETA). They have supported the House version and were a credit to the House and to the conferees. It has been a pleasure to work with them.

Mr. Speaker, I urge adoption of this conference report.

Mr. JOHNSON of California. Mr. Speaker, I rise in support of the conference report on the bill, S. 521, a bill to amend the John F. Kennedy Center Act, authorizing urgently needed funds for repair, renovation, and reconstruction of the Center. The Kennedy Center is a memorial to the late President Kennedy. It is the second most visited memorial in Washington. It is, therefore, essential that these repairs be provided for as expeditiously as possible to avoid further deterioration and to correct existing damage.

This conference report is the result of some difficult negotiations between both bodies. As one of the conferees, I would like to commend the chairman of the Subcommittee on Public Buildings and Grounds, the gentleman from California (Mr. MINETA), and its ranking minority member, the gentleman from New York (Mr. WALSH), for the time and effort they have spent on this report.

This conference report sets up a constructive association between the Center and the Park Service. The Park Service will be responsible for the reconstruction of the John F. Kennedy Center for the Performing Arts, but the Board is charged with the responsibility of approving every contract entered into for the services necessary and shall also approve the final payment for work performed. It is the clear intent of the members of the Committee on Public Works and Transportation that, in this legislation and in any future legislation dealing with the Center, that the Board play a specific, responsible role, so that when specific duties are placed on it by the Congress, they should be carried out in such a fashion that if a report were requested of all activities under the law, it would be available to the Congress and the committee in the future. I might point out that such a report on the repair work is strongly suggested on this project from managerial standpoints. The report would come from the Board and from the National Park Service.

I strongly urge the passage of this conference report.

Mr. MINETA. Mr. Speaker, I yield back the balance of my time.

Mr. WALSH. Mr. Speaker, I yield back the balance of my time.

Mr. MINETA. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. (Mr. ALEXANDER). The question is on the conference report.

The question was taken.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 291, nays 90, not voting 52, as follows:

[Roll No. 320]

YEAS—291

Abdnor	Byron	Fenwick
Addabbo	Caputo	Findley
Akaka	Carney	Fish
Alexander	Carr	Fisher
Allen	Carter	Flood
Ammerman	Cederberg	Flowers
Anderson, Calif.	Chappell	Flynt
	Chisholm	Foley
Anderson, Ill.	Clausen, Don H.	Ford, Tenn.
Andrews, N.C.		Forsythe
Andrews, N. Dak.	Clay	Fowler
	Cleveland	Fraser
Annunzio	Cochran	Frenzel
Applegate	Cohen	Fuqua
Ashley	Coleman	Gaydos
Aspin	Conable	Gephardt
Badillo	Conte	Giaimo
Barnard	Corman	Gibbons
Baucus	Cornell	Ginn
Beard, R.I.	Cotter	Gonzalez
Beard, Tenn.	Cunningham	Gore
Bedell	D'Amours	Gradison
Bellenson	Danielson	Gudger
Benjamin	Davis	Guyer
Biaggi	de la Garza	Hagedorn
Blanchard	Delaney	Hamilton
Blouin	Derrick	Hanley
Boggs	Derwinski	Hannaford
Boland	Dicks	Harkin
Bonior	Dingell	Harrington
Bonker	Dodd	Harsha
Bowen	Downey	Heckler
Breaux	Drinan	Hefner
Breckinridge	Duncan, Oreg.	Heftel
Brinkley	Duncan, Tenn.	Hightower
Brodhead	Early	Hillis
Brooks	Eckhardt	Holland
Broomfield	Edgar	Hollenbeck
Brown, Calif.	Edwards, Ala.	Holtzman
Buchanan	Edwards, Calif.	Horton
Burgener	Eilberg	Howard
Burke, Calif.	Emery	Huckaby
Burke, Fla.	English	Hughes
Burke, Mass.	Erlenborn	Ichord
Burlison, Mo.	Evans, Colo.	Johnson, Calif.
Burton, John	Evans, Del.	Johnson, Colo.
Burton, Phillip	Fary	Jones, N.C.
Butler	Fascell	Jones, Okla.

Jordan	Murtha	Sisk
Kasten	Myers, Gary	Slack
Kastenmeier	Myers, Michael	Smith, Iowa
Kazen	Natcher	Smith, Nebr.
Keys	Neal	Solarz
Kildee	Nedzi	Spellman
Kostmayer	Nix	Staggers
Krebs	Nolan	Stanton
Krueger	Nowak	Stark
LaFalce	Oakar	Steed
Le Fante	Oberstar	Stokes
Leach	Obey	Stratton
Lederer	Ottinger	Studds
Leggett	Panetta	Taylor
Lehman	Patten	Thone
Levitas	Patterson	Thornton
Lloyd, Calif.	Pattison	Traxler
Lloyd, Tenn.	Pease	Treen
Long, La.	Pepper	Tsongas
Lundine	Perkins	Tucker
McClory	Pettis	Udall
McCloskey	Pickle	Ullman
McCormack	Pike	Van Deerlin
McDade	Preyer	Vanik
McEwen	Price	Vento
McFall	Pritchard	Volkmer
McKay	Quie	Walgren
Madigan	Reuss	Walsh
Maguire	Rhodes	Watkins
Mahon	Richmond	Waxman
Mann	Rinaldo	Weaver
Marks	Risenhoover	Weiss
Mathis	Roberts	Whalen
Mazzoli	Rodino	White
Meeds	Rogers	Whitehurst
Meyner	Roncalio	Whitley
Mikulski	Rose	Whitten
Mikva	Rosenthal	Wiggins
Milford	Rostenkowski	Wilson, C. H.
Miller, Calif.	Roybal	Wilson, Tex.
Mineta	Ruppe	Wirth
Minish	Ryan	Wolff
Mitchell, N.Y.	Sarasin	Wright
Moakley	Scheuer	Wylie
Moffett	Schroeder	Yates
Mollohan	Seiberling	Yatron
Moore	Sharp	Young, Mo.
Moorhead, Pa.	Shuster	Young, Tex.
Mottl	Sikes	Zablocki
Murphy, Pa.	Simon	Zeferetti

NAYS—90

Archer	Hammer-	O'Brien
Armstrong	schmidt	Pressler
AuCoin	Hansen	Pursell
Badham	Harris	Quillen
Bafalis	Hubbard	Rahall
Bauman	Hyde	Regula
Bennett	Jacobs	Robinson
Brown, Mich.	Jenrette	Rousselot
Brown, Ohio	Jones, Tenn.	Rudd
Broyhill	Kelly	Runnels
Burleson, Tex.	Ketchum	Santini
Clawson, Del	Kindness	Satterfield
Collins, Tex.	Lagomarsino	Schulze
Corcoran	Latta	Shipley
Coughlin	Lent	Skelton
Crane	Long, Md.	Snyder
Daniel, Dan	Lott	Spence
Daniel, R. W.	Lujan	Stangeland
Devine	Luken	Steiger
Dickinson	McDonald	Stockman
Dornan	Marlenee	Stump
Edwards, Okla.	Marriott	Symms
Ertel	Martin	Trible
Evans, Ga.	Mattox	Waggonner
Fithian	Michel	Walker
Frey	Miller, Ohio	Wampler
Glickman	Montgomery	Winn
Goldwater	Moorhead,	Wydler
Goodling	Calif.	Young, Alaska
Grassley	Myers, Ind.	Young, Fla.
Hall	Nichols	

NOT VOTING—52

Ambro	Fountain	Poage
Ashbrook	Gammage	Quayle
Baldus	Gilman	Railsback
Bevill	Hawkins	Rangel
Bingham	Holt	Roe
Bolling	Ireland	Rooney
Brademas	Jeffords	Russo
Cavanaugh	Jenkins	Sawyer
Collins, Ill.	Kemp	Sebelius
Conyers	Koch	Skubitz
Cornwell	McHugh	St Germain
Dellums	McKinney	Steers
Dent	Markey	Teague
Diggs	Metcalfe	Thompson
Evans, Ind.	Mitchell, Md.	Vander Jagt
Flippo	Moss	Wilson, Bob
Fiorio	Murphy, Ill.	
Ford, Mich.	Murphy, N.Y.	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Conyers.
Mr. Teague with Mr. Flippo.
Mr. Mitchell of Maryland with Mr. Gammage.
Mr. Brademas with Mr. Ashbrook.
Mr. Dent with Mr. Russo.
Mr. Evans of Indiana with Mr. Gilman.
Mr. Murphy of New York with Mr. Dellums.
Mr. St Germain with Mr. Jeffords.
Mr. Rooney with Mr. McKinney.
Mr. Rangel with Mr. Cavanaugh.
Mr. Ireland with Mr. Metcalfe.
Mr. Hawkins with Mr. Cornwell.
Mr. Jenkins with Ms. Holt.
Ms. Collins of Illinois with Mr. Quayle.
Mr. Fiorio with Mr. Diggs.
Mr. Ford of Michigan with Mr. Murphy of Illinois.
Mr. Markey with Mr. Fountain.
Mr. McHugh with Mr. Roe.
Mr. Baldus with Mr. Kemp.
Mr. Ambro with Mr. Skubitz.
Mr. Moss with Mr. Sawyer.
Mr. Koch with Mr. Bob Wilson.
Mr. Bingham with Mr. Steers.
Mr. Bevill with Mr. Sebelius.
Mr. Railsback with Mr. Vander Jagt.

Mr. LOTT changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the Senate bill S. 521.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1978

Mr. STEED. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union, for the consideration of the bill (H.R. 7552) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1978, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Ohio (Mr. MILLER) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7552, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Oklahoma (Mr. STEED) will be recognized for 1 hour, and the gentleman from Ohio (Mr. MILLER) will be recognized for 1 hour.

The Chair recognizes the gentleman from Oklahoma (Mr. STEED).

Mr. STEED. Mr. Chairman, it is a pleasure to have the honor to bring the first of 13 appropriation bills to the House today. The bill we have here represents some pretty steady and hard work that has been going on since January. We are able to be here with a completed product today because of the fine cooperation I have had from the other members of the subcommittee and from the very efficient staff we have. I think we have brought to the floor one of the better versions of this part of the Federal budget that we have been able to present in a long time.

The bill we have today covers new obligational authority in the amount of $7,547,103,000, which is $46,393,000 under the revised budget request. It was a little bit complicated to get these figures in balance because we had the transition period last year and we have had a supplemental, and then we have had a change in administration, with the budget we originally started with being revised by the new administration. So with all of these several changes, we now have gotten it down to these final figures.

In addition to the new obligational authority recommended in the bill, additional significant sums were made available each year for the same agencies under permanent authority which do not require consideration of the Congress during the annual appropriation process. The principal items in this category include payment of interest on the public debt, which alone is anticipated this year to reach $45.9 billion, and interest on the Internal Revenue Service refunds of income tax payments, payment of some claims and judgments, payments in connection with the civil service retirement and disability fund, and payment to Puerto Rico and the Virgin Islands for Internal Revenue and Customs collections. Also included is an item for the Presidential election campaign fund. It is estimated that the fiscal year 1978 requirement for funds for these purposes will increase over the fiscal year 1977 total by approximately $5.2 billion.

The amounts recommended in the bill in the form of new obligational authority, together with the funds provided under the permanent authority that I have just mentioned, will provide approximately $76.7 billion for the 1978 fiscal year. In addition to the agencies whose funds are derived from direct appropriation and from permanent authority, there are other agencies that operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriation process

or, as a matter of fact, from any regular oversight by the Congress. For example, the U.S. Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Therefore, only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by the national banks, is exempt from congressional review because such assessments are not considered under the law to be Government funds.

In addition, the exchange stabilization derives its income principally from handling charges imposed on purchases and sales of gold for the account of the fund, profits on foreign exchange transactions, and interest on investments. It is also exempt from annual review of the Congress.

The personnel side of this picture is very interesting. Of all the appropriation bills we have funded, I think this one has a larger percent of its total outlay devoted to the payment of salaries and benefits than any other. For example, in the Postal Service with their total budget of $14 billion, 88 percent of it goes for salaries and personnel benefits. So it is true that most of this $7.6 billion that we have had before us is in the form of pay for personnel.

The fiscal year 1978 budget proposed a net reduction of 1,123 permanent positions below fiscal year 1977 for the agencies covered in the bill, and, of course, this does not include the people who are carried under the Postal Service's budget. Under the other part of the bill, the committee allowed 126,373 permanent positions, a net reduction of 1,123 from the fiscal year 1977 budget, and a reduction of 364 below the budget request.

We have in our report some details of these items, the funds, the sources of them, and the uses of them, and also the distribution of personnel. When and if we put the Postal Service into this we are talking in the neighborhood of somewhere around 800,000 people who are involved in the funds in this bill in terms of their pay.

We have held very close to the budget. As Members know, the Treasury Department is the largest single part of this bill and they always have a very tight budget. It is the heart of the Federal Government because this is the Department that collects most of the revenues that the Government uses to operate with. It also performs many of the basic functions of the Government, such as paying all the Government's bills.

There are many interesting facets of that. This year we were told it will require 687 million checks to pay the Government's bills. I think there is something like $175 million in this bill this year just to take care of the Federal debt. So there is $175 million to pay for managing of the public debt.

We have tried to keep the bill as tight as we could. We have tried to save wherever we could. I know there are two or three items in here on which there is some disagreement about whether they should be here or not, but I would like to call the attention of the House to the fact that we try to fund the programs that are approved by the Congress and so this is the reason why some of these controversial items are in here. They are the law and this committee has tried to carry out the mandate of the Congress.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

Since we are making funds available in this appropriation for GSA, I would like to inquire of the chairman concerning the SBA set-aside program as it affects GSA Federal Supply Service procurements. It has recently been called to my attention that in at least one procurement that this set-aside program is operating to the detriment of the Federal Government. I am referring specifically to the procurement of approximately 4,300 power tools to which SBA has assigned a 100 percent set-aside. The result of this set-aside will be that GSA must pay approximately $176,000 more than the $245,000 cost it would have faced without the small business set-aside. This results in an increase of approximately 72 percent. What I would like to know, Mr. Chairman, is whether it is our intention by our action today to provide funds for GSA use in connection with SBA set-aside programs that force the Government to pay almost double the price for a procurement?

A SPECIFIC EXAMPLE IS GSA SOLICITATION FTAP-B4-95024-A

Item	Quantity	Small business set-aside prices	Large business prices	Difference	Total
1	1,200	88.80	48.25	40.55	$48,660.00
2	2,851	95.74	54.75	40.99	116,862.49
6	68	183.10	132.50	50.60	3,440.80
8	98	297.36	220.00	77.36	7,581.28
Added cost to GSA					176,544.47

Mr. STEED. Mr. Chairman, I would say as we fund the GSA programs, since they are the largest buyer of any Government agency, we expect them to utilize their buying power to supply Government needs at the lowest possible price.

I am a member of the Committee on Small Business and I am a very strong supporter of the set-aside program, but I do not think anybody intended it to be used for purposes of abuse.

I am glad the gentleman called this to our attention. I can assure the gentleman that we will be calling on the GSA for an explanation of this particular matter.

I might even go further than that and suggest to the chairman of the House Committee on Small Business that they also take a look at this, because there may be other instances of abuses of the set-aside program.

I think we can all agree on this. It is a good program, but for the very fact we believe in the program we ought to do everything we can to make sure it is properly administered.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, in reading the report on the Customs Service, I notice that there are allowed 206 additional positions, which add up to a total authorization of 14,032 permanent positions for fiscal year 1978.

Will the chairman tell me how many vacancies there are at this time?

Mr. STEED. The best information, or the latest information we have is that they have about 500 positions that are funded, but unfilled at this time.

There is a problem about personnel. We were faced with a general order from the President to restrict filling vacancies to three out of every four vacancies throughout the Government. Then we were faced with an order from the Office of Management and Budget canceling all the unfilled slots in all the agencies of Government. It cost the Custom Service right off about 110 slots that we had funded.

Then there is an order from the Secretary of the Treasury that Treasury can only fill one out of every four vacancies, unless they made special case for more than that.

In talking with the people down there, of course, they have their problems of getting their whole team coordinated and getting themselves oriented for their new responsibilities.

Secretary Blumenthal tells me he is making studies of manpower utilization.

I have talked with Customs and the Secret Service, and the Internal Revenue Service where the large part of manpower in Treasury is concentrated. Until they have had a chance to get a better handle on this whole problem than they have now, we did what we thought would be the fairest and safest thing and we will keep our options open for further considerations.

Mr. KAZEN. Mr. Chairman, if the gentleman will yield further, I would hope that the gentleman and the committee would stay behind the Treasury Department to see that these positions in the Customs Service, particularly, are filled, that there be no vacancies.

Mr. Chairman, coming from a border country, as I do, representing quite a bit of the U.S. border with Mexico, I can very definitely state there is a need for more customs inspectors. The large number of tourists and the tremendous amount of commerce that passes through the Ports of Laredo and Eagle Pass, for instance, and I know this is equally true from Brownsville to California, that this amount of commerce requires many, many more customs inspectors than are now provided.

Every time we talk to these people, they tell us that they just do not have the authorization or the appropriations; but here the chairman is telling us something different. I would hope that the Treasury Department would put these inspectors on, because this is the one Service that really pays for itself. I forget now what

the figures are, Mr. Chairman, but the gentleman from Oklahoma has them just as well as I do, but they show that each one of these inspectors generates much more income to the Treasury of the United States than what it costs to have them on the payroll.

Mr. STEED. Mr. Chairman, I say to the gentleman, as the gentleman knows, this subcommittee has been vitally concerned for many years with this customs problem, because it is a growing requirement. We have many Members who want ports of entry established in places that we do not have them now to accommodate their constituents. We are under heavy pressure to expand the preclearance of customs in Canada and the Bahamas, so it is not a static situation. The need for manpower is more or less automatic, because they cannot control their work. I do not think Customs is to blame for the fact these vacancies are unfilled.

I think they are the victims of some policies that have put them in a bind. I call the gentleman's attention to page 11 of the report, the last paragraph, which says:

> The committee allows the 206 additional positions requested, together with all existing vacancies, for a total authorization of 14,032 permanent positions for fiscal year 1978, and directs the Department to take action as early as practicable to fill these positions.

So, the gentleman can see that we are trying to do everything possible.

Mr. KAZEN. I would hope that the Department would take the recommendation of the committee because, as the chairman well knows, in Laredo, for instance, we have just built another international bridge. That is an additional gateway between the two countries, and we are undermanned. We need these additional people. I would hope that the people downtown would take notice of this fact, follow the chairman's recommendation, fill these vacancies and get some additional Customs inspectors down there as soon as possible.

Mr. STEED. In my conversations with them, I am led to believe that they will meet this problem, and I feel very encouraged about this.

Mr. KAZEN. I thank the gentleman.

Mr. PATTEN. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from New Jersey.

Mr. PATTEN. I would point out that we gave Immigration many millions of additional dollars to help control the borders.

Mr. STEED. Yes, the whole border operation of both the Department of Justice and the Department of the Treasury is being improved, and we have every reason to hope that conditions are going to be a lot better in the months ahead.

Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of Ohio. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all I would like to thank our staff people, who indeed have worked very hard to bring this bill to the floor. We will have a number of problems before the bill is completed, as I understand, because of some of the items that have been passed around to the desk just in the last few minutes. Apparently, points of order will be offered against various sections of the bill.

There are several things I would like to convey to my colleagues. We have in this bill approximately $175 million to the Bureau of Public Debt. Now, that means that we must cover the national debt as it rolls over. Every hour, some part of it will be rolling over. Today, it will be very close to $800 billion, and if we start to figure what that amounts to and bring it down to the least common denominator, that is about $130 million a day interest that we are paying on the national debt. I think this needs to be brought out.

We are not going to control the national debt by this piece of legislation, but we are appropriating funds that will pay for rolling over that national debt. What creates the debt? It has been created by the votes that were cast right here on the House floor.

I might give an example. It certainly is not in this bill, but it does create a problem. We approved a HUD bill that will allow subsidies to be paid by the Federal Government of $873 per month in rent, and that can be increased 20 percent by the regional directors of HUD, which means that the taxpayers of the United States can be paying, for a four-bedroom, elevator-type apartment in New York City, $1,049 per month subsidy. I think that we need to show this in the record.

As I said, that is not a part of this bill, but it is a part of why we have a national debt and why we have to have a Bureau of Public Debt. That alone will cost the taxpayers about $175 million this year just to administer our public debt.

I have at least four amendments that I am going to offer when we get into the 5-minute rule and the amendment time, but I would like to add one other thing when I am talking about the national debt. It may be a little hard to believe, but we have helped, as an example, through our foreign assistance program, West Germany. We have helped Japan. Today West Germany has purchased a part of our national debt. Now that they are in the black, they own more than $20 billion of our national debt, and we are paying the interest to West Germany. We are paying interest to Japan on the approximately $10 billion total amount that they own of our national debt. Also, France owns, has purchased, over $6 billion of our national debt.

Yes, we have inquired about this, and we find that some of the OPEC nations are purchasing our national debt. We send the funds to the OPEC nations for energy and crude oil and they, in turn, use part of those funds in order to purchase part of our national debt.

So we need to take a look at the total picture when we are voting for spending bills here on the House floor.

I would like to mention at least a few of the amendments I intend to offer, and one is on the White House staff. That particular amendment would say that none of the funds appropriated or otherwise made available in this act shall be obligated for salaries or expenses of more than 413 employees of the White House office, including permanent, temporary, contract, term, and intermittent employees, and employees detailed from or to the White House office. There is a reason for that. I think most of the Members are aware that our President, in his campaign, said that he is going to reduce the White House staff by about one-third. I heard in the fireside chat which the President delivered that he is reducing the White House staff, that he is requesting the agencies to do the same. They came before the subcommittee that is reporting now on the House floor, and his people requested additional funds for the White House staff.

I believe, if we are going to tell the American people in a campaign promise or in a fireside chat that we are going to reduce, then we should attempt to reduce.

My amendment would reduce just 15 percent—I think that is being fair—only one-half of what the President has stated that he would reduce the White House staff. We are putting a cap on the number of employees that would be allowed there.

I have another amendment, and this amendment would be one that would reduce OMB by 32 employees. I am not sure whether those Members who are on the floor now were on the floor when we had a supplemental that came through, and it stated there would be 32 employees added to OMB, at a cost of $1.6 million, and that was to carry those 32 employees to October 1, when our regular fiscal year 1978 budget would start.

If we are going to reduce the staff, we should not be adding staff. And those 32 employees were to be used for reorganization of the Federal Government. I am certainly not opposed to reorganization, because we need reorganization; but since there are more than 600 staff members in OMB, we should be able to find 32 slots there where we can hire people to reorganize the Government.

So that amendment will be offered to strike the 32 employees.

One of the other amendments would strike the Council on Wage and Price Stability. Here we have an organization that is staffed by very talented people, and I have no quarrel with the personnel. However, I believe that although there is a job to be done, it is being done in many other departments right now, and that we do not need the Council on Wage and Price Stability. One of the items that has been considered by the Council on Wage and Price Stability, as an example, resulted in a recommendation to our U.S. International Trade Council that we allow color televisions to be shipped in because it would create problems of inflation if we did not.

I think that we should look at this program, because sometimes we create problems of unemployment in this country because we allow some manufactured product to be shipped in. The Council's recommendation then went on to say that it would still be cheaper to take care of those employees, and what they

mean by that, in other words, is unemployment compensation.

What we are doing through such suggestions is this: We are saying to the American people that it is easier not to work than it is to work. If we offer them the food stamp program, if we offer them the rent subsidy program, if we offer them unemployment compensation and offer them all the other programs—and there seems to be no limit to them—it means that the people who would normally be working find it is better for them not to be working and get on some type of revenue program from the Federal Government.

So the Wage and Price Stability Council, I feel, should be stricken from the bill. We should let the other departments and agencies and commissions that are working on the same programs come forth with their recommendations to the President.

Mr. Chairman, I have another amendment that I will offer. That amendment would strike the National Center for Productivity and Quality of Working Life. It is to be abolished effective October 1, 1977; nevertheless, we always find that we have an authorization program that comes up to extend the life of many of these programs.

Now, the title sounds very good: National Center for Productivity and Quality of Working Life. But again the same thing applies. If we have all these types of national programs that allow individuals to do as well by not working as by working, why should they be interested in increasing productivity?

We have a lot of problems, and one of them concerns productivity. As a matter of fact, it has been shown that the production per employee in this country is really one of the lowest in the world, one of the lowest of all the other industrial nations. That perhaps means that we should have a National Center for Productivity; yet I think what we are doing again by offering so many programs is making sure that people are not going to be interested in producing because they find there is an easier way to live without working.

Mr. Chairman, I wanted to convey just these few thoughts to the Members. When I say that I feel we should strike these two particular programs, the National Center and the Council, I realize, on the other hand, that both of those organizations have very talented people. However, I believe there is a place in Government for those people. They could fill some of the slots that are going begging right now, and they could be transferred over. I have no quarrel with the personnel in these organizations, but I believe that we could do better if we moved along without some of the commissions and committees we have now.

In this Treasury-Postal Service-Executive Office appropriation bill there are some 62 departments, agencies, committees, and commissions that come to us for their funding. They continue to grow every year, and my purpose is to try at least to hold the number down to a reasonable figure.

Mr. Chairman, I reserve the balance of my time.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ADDABBO), a member of the committee.

Mr. ADDABBO. Mr. Chairman, I rise in support of H.R. 7552, the appropriations bill for the Treasury, Postal Service, and general government appropriation bill for fiscal year 1978.

As usual, the subcommittee chairman Mr. STEED and the ranking minority member Mr. MILLER have led the subcommittee through an exhaustive set of hearings this year, and the result of all that work is, I believe, a bill that should gain the support of most members here. I also commend Tex Gunnels and staff on their work.

The subcommittee has examined many aspects of how the Government functions and I think it only fair that most members of the subcommittee are increasingly worried about the increasing costs of running the Government. The hearings make clear that Congress in the year ahead must watch the growth of Government with a hard eye. We have seen how difficult it is to cut positions just by watching the difficulty President Carter is having in making good his pledge to cut down on White House staff. During the campaign he promised a cut of the White House staff by 30 percent and he has not been able to keep that pledge.

That this is true does not mean that the President has forsaken his pledge. Far from it. He has said repeatedly that organizational problems accounted for much of this and as the White House staff settles into a routine, the cuts will eventually occur.

I am just as concerned about the activities undertaken by the departing administration at the end of last year and the beginning of this year. A number of political employees were transferred to civil service status so that they would be able to remain on the Government payroll long after the political party that brought them here was gone from office. That is a bad practice and must not be repeated in the future, no matter which political party is leaving office. The integrity of the civil service can easily be compromised in that way, and the obvious dangers do not need to be repeated here.

The most controversial department whose operations are funded in this bill is obviously the Postal Service. Under the new reorganization act, the Postal Service provides its own budget out of postage and service income, and the function of the Congress is to provide the difference needed in the form of a subsidy.

In my view and in the viewpoint of a growing number of Americans, we are subsidizing more and getting less from the Postal Service. The question really cannot be addressed here but it ought to be noted: the Postal Service is doing a dismal job of delivering the mail in this country and it is costing the American taxpayer more and more. We in the Congress must act soon if we are to retain a viable mail delivery system in the United States. To be reformed, we must redo the system from the top so that it will be responsive to the needs of the population.

I am particularly pleased that the bill allows 206 additional positions for the U.S. Customs Service which is hard pressed to contend with the acts of smuggling and particularly of illegal drugs. Those positions are desperately needed.

Overall, I would say this is a distinctly responsible bill which meets the needs of the departments so that they can perform their functions but which limits as much as is possible the growth of the Federal Government. I urge the Members to support the measure.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. PATTEN), a member of the committee.

Mr. PATTEN. Mr. Chairman, it is a pleasure to serve on this committee. It is so different from some of the other committees.

We meet the people who are running the Government. The White House people come in with respect to their budget, as do other agencies of Government, such as the Office of Management and Budget, the Treasury Department through which the Government is financed, the Secret Service, Internal Revenue, and the Customs people.

There is not much controversy over this bill. I will not take time to answer the Republican minority, one of whom made a Republican speech here about the President increasing his staff in the White House. I think the President will make a good accounting on the conservative financial side before his term is over, and we are going to help him.

Again, Mr. Chairman, it is a pleasure to serve on the Subcommittee on Treasury—Postal Service—General Government; and I want everyone to know that I have really enjoyed it.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, as chairman of the Subcommittee on Employee Ethics and Utilization I had originally scheduled White House bill on April 6, 1977. I had postponed the hearing because Mr. Richard Harden at the White House said they could not prepare anything by then. We spoke to him in mid-March. It is not like this was warning enough—Harden worked for Nixon and Ford previously, has been to the Hill to testify on the former White House bills, and is hardly unfamiliar with the issue or the consequences of not having it resolved.

We wrote to Carter officially on April 7—2 days after Congressman HARRIS sent him a copy of the bill and asked for his comments. We received the attached copout letter from Counsel Lipshutz on April 15. We had our hearing on April 26—which the committee was well aware of—and on May 5—one day after the White House came up with figures and reported the bill to the Post Office and Civil Service Committee. On May 11, the last full committee meeting, the bill was unable to be voted out because the committee was quorumless.

On all occasions where there has been discussion of the matter by either Congressman HARRIS' office or my office, we have pleaded—nearly—that the White

House at least put forth a counterproposal which made some sense if they did not like the committee bill. They have ignored us.

Where is the White House reorganization which they said would be out in June? I have yet to see it.

WASHINGTON, D.C., *April 7, 1977.*

HON. JIMMY CARTER,
President of the United States,
Washington, D.C.

DEAR JIMMY: The Subcommittee on Employee Ethics and Utilization, which I chair in the House Post Office and Civil Service Committee, has jurisdiction over authorization bills for the White House staff.

A couple of weeks ago, my Subcommittee Counsel spoke with Robert Linder of your staff with regard to the fact that the Subcommittee would be taking up a bill on this subject this month. The bill (in draft form) has already been passed along to you by Representative Herb Harris for your examination. Because the Budget Act requires all authorization bills to be reported to the House by May 15, we have little time left to act.

Our hearings will begin at 9:30 a.m. on April 26 in room 311 of the Cannon House Office Building. I request that appropriate representatives from the White House be present and testify with regard to Representative Harris' bill, as well as any other needs you see for the White House staff at this time.

If you have any questions, please feel free to contact me or Charles Knull, Subcommittee Counsel, at 225–4025.

With kind regards,
Sincerely,

PATRICIA SCHROEDER,
Chairwoman.

THE WHITE HOUSE,
Washington, April 15, 1977.

HON. HERBERT E. HARRIS II,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: The President has asked me to reply to your letter of April 5 with an enclosure of a copy of draft legislation which you propose to introduce, concerning the authorization of the White House appropriation bill.

Representative Patricia Schroeder has asked that we testify on your bill when hearings are held April 26 before the Subcommittee on Employee Ethics and Utilization. As I stated in a letter to Representative Schroeder, the President has requested a study to be conducted with the objective of reorganizing the entire Executive Office of the President, including the White House staff. This study will be completed in June. Pending the outcome of the study it will be impossible for us to comment in any definitive way on the size or structure of the staff.

We realize the constraints of the Budget Act which requires all authorization bills to be reported by May 15. We want to cooperate in every way possible. However, until we are able to make a proposal, we believe that any authorization language should support the language in our appropriation bill. We have already testified before the Senate and House appropriation committees this year on the President's budget and that same language has been approved by the Congress during the past several years. We do not believe that we should try to change the language before the reorganization study is completed.

We look forward to working with you on this matter and if we can be of further assistance please let me know.

Sincerely,

ROBERT J. LIPSHUTZ,
Counsel to the President.

Mr. STEED. Mr. Chairman, if the gentlewoman will yield, let me say that this is not the first time that we have had this problem. We have tried to solve it before. But I want to congratulate the gentlewoman from Colorado (Mrs. SCHROEDER) on the effort that she has made in this matter and nowhere would the gentlewoman be applauded harder for her success in this regard than we would because it would be of help to us if we can get this done. However, Mr. Chairman, no one can be more convinced than I am that the job of the President of the United States is the toughest job on the face of the Earth, so that we cannot do anything but harm to everybody if we commit any act that would make his job any more difficult than it would otherwise have to be.

We have to realize he needs help, and we must make sure that he gets the help he needs. So I think that this is a very positive thing we are trying to do here. We have to abide by the rules of the House which provide that until there is legislation, any effort we make to help the President is subject to a point of order—and we have Members who are very insistent on sticking to the rules—so we know that the only way we can provide the help under the existing situation is to have it knocked out by a point of order here, or left out, which we have tried to do here as much as we could by the subcommittee.

The other body will restore it, and then we will have to bring it back in disagreement and go through all that exercise to make it possible to do a very simple thing providing this support.

Since there is a new regime, I am not objecting to having to do that again this year, although I am disappointed that we were not able to make any more progress than we have. Personally, my attitude would be just to let it go and not come back with the items from the other body, because we are either going to straighten this out or we are going to have to let the chips fall where they will. That is the attitude I have now.

Mr. HARRIS. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentlewoman for yielding.

I want to join with my colleague and compliment her for the energy and initiative she has taken to get her bill scheduled before the subcommittee and to urge, as we all have, the White House to testify on it. I wish to join with her on this point.

I do intend to make a point of order on these sections this afternoon as they come up, as I did last year and the year before. I do think the whole problem of detailees, the whole problem of appropriating over $17 million for staff without any authorization, or a very meager authorization some 40 years ago indicates, I think, it is terribly important that we make this point.

If we have learned anything from past Government, it is that Congress cannot sit back with regard to authority authorizing staff and then afterwards wonder what happened to our cabinet form of government. This is a very fundamental fight we are making and one I think we have to pursue.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLER of Ohio. Mr. Chairman, I yield 2 additional minutes to the gentlewoman from Colorado.

Mrs. SCHROEDER. If I might just respond to both the gentleman from Oklahoma (Mr. STEED) and the gentleman from Virginia (Mr. HARRIS), I just want to say that I really do think this is a nonpartisan issue, and I really do appreciate the Appropriations Subcommittee helping us and attempting to get this authorization bill. I know they want an authorization bill as much as we do. I do not think it is partisan. I think it is good management on the part of Government, which I think we all should be for, because I think everybody is getting more and more concerned about management.

Mr. MILLER of Ohio. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentlewoman for yielding.

I, too, believe it is not partisan. It is a matter of attempting to find a way to have the proper authorization so that we do not have points of order against the bill. We have had problems continuously, and I wish the gentlewoman the best of luck in solving this problem.

Mrs. SCHROEDER. I thank the gentleman.

Mr. Chairman, I yield back the remainder of my time.

Mr. MILLER of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, I would like to say that I intend to offer a point of order on five specific paragraphs in title III of the bill, dealing with the Executive Office of the President.

It is obvious that these paragraphs approve funding in an appropriation bill for activities for which the Congress has not passed authorizing legislation. Specifically, H.R. 7552, which makes appropriations for the Department of the Treasury, the Postal Service, and the general Government and includes funds for fiscal year 1978 for the operations of the White House and several of its activities. Legislation authorizing these specific activities has not been enacted.

During the last session, this House took the necessary action to authorize these activities by approving legislation to clarify the authority for employment of personnel in the White House, the Domestic Council, and to meet unanticipated needs.

The purpose of that bill, H.R. 6706, was to establish clear legislative authority for staff support, administrative expenses, maintenance, and operation of the White House Office of the President, the Executive Residence at the White House, the executive duties and responsibilities of the Vice President, and the Domestic Council. That bill died in the other body.

This year, the Committee on Post Office and Civil Service was unable to maintain a quorum on May 11, so it could not report H.R. 6326, a bill to clarify existing authority for employment of personnel in the White House Office.

We are not faced here today with a new situation. In the past, both the gentle-

man from Michigan (Mr. DINGELL) and the gentleman from Virginia (Mr. HARRIS) have insisted upon compliance with the House rules when this appropriation bill was before the House.

Authorizing legislation is necessary before we can approve these kinds of expenditures.

Mr. Chairman, I support the views just expressed by the gentlewoman from Colorado (Mrs. SCHROEDER) and the gentleman from Virginia (Mr. HARRIS). If I could have the attention of the gentleman from Virginia, there are five specific paragraphs that will be subject to a point of order. I just want to be sure we have our signals straight. Does the gentleman intend to offer his points of order on those five items?

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentleman for yielding.

It would be my intention to offer a point of order with regard to title III. It would be the first section of the title, "salaries and expenses"; the next section, "operating expenses"; the next section, "official residence of the Vice President, operating expenses"; and the next section "special assistance to the President, salaries and expenses."

I will probably reserve a point of order with regard to the section entitled "Domestic Council" on page 10.

Mr. DERWINSKI. That is fine. Then our signals are straight.

May I take this opportunity to emphasize that within our Committee on Post Office and Civil Service I hope we can work together to produce the necessary authorizing legislation.

I think we can do so in the spirit of bipartisanship that the gentlewoman and the gentleman have noted.

Mr. MILLER of Ohio. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I take this time to propound several questions to the gentleman from Ohio and maybe to the chairman of the committee if that be necessary.

As I understand it, the gentleman from Ohio is going to offer an amendment which would limit the number of employees on the White House staff to 413. Is that correct?

Mr. MILLER of Ohio. Yes, the gentleman is correct. It would limit them to 413 for the White House.

Mr. WYLIE. What about the loan of employees from other departments? I know that in the past there have been occasions when employees came over from the Agriculture Department or from other departments and were in effect at the White House on a full-time basis but they did not show up as employees on the White House staff. Does the gentleman's amendment take care of that situation?

Mr. MILLER of Ohio. The amendment will take care of that because it will include the permanent, temporary, contract term, and intermittent employees and employees detailed from or to the White House office, so it will limit the total to 413. Again that is only what the President said he would ask for.

Mr. WYLIE. When the gentleman says employees detailed to or from the White House, is there a time limitation period which applies to personnel on loan? For example, let us assume a person is detailed from the Department of Energy for 5 days, would that person be included in your amendment?

Mr. MILLER of Ohio. He would be included in the amendment because he would be included under the temporary section of the amendment.

Mr. WYLIE. And the gentleman thinks employees detailed on a temporary basis should be included in his amendment?

Mr. MILLER of Ohio. If they are in to give advice for 5 days they would not have to be on the payroll of the White House.

Mr. WYLIE. But should such a person be reported as being on duty at the Whte House?

Mr. MILLER of Ohio. They would be reported. I am not sure under our Federal statutes whether it is necessary to report 5 days of duty at the White House and I doubt very much if it is. It is done all the time. So we are talking about extended times under the contract and the temporary and the permanent and the intermittent and the detailed employees.

Mr. WYLIE. I notice also in the report that the Commission on Executive, Legislative, and Judicial Salaries has no appropriation for fiscal year 1978. The Commission on Federal Paperwork has no appropriation for 1978. The Commission to Review National Policy Toward Gambling has no appropriation. The National Commission on Supplies and Shortages has no appropriation.

I now ask the gentleman from Oklahoma, the chairman of the subcommittee, if that means that those Commissions are terminated as of this fiscal year?

Mr. MILLER of Ohio. I would like to yield to the chairman of our Treasury, Postal Service, and General Government Subcommittee for one reason, because he happens to be a member of the Commission on Paperwork which will expire at the end of fiscal year 1977.

Mr. STEED. Mr. Chairman, I can assure the gentleman that the reason these items are not in here is that they are terminating. No request was made and the committee then had no request before it to consider. So I think the gentleman can rest assured that without any funds after October 1 all these activities will be terminated.

Mr. WYLIE. I neglected to mention the National Study Commission on Records and Documents of Federal Officials. Is any additional legislation required to make certain that these Commissions do in fact go out of existence?

Mr. STEED. No, all of them are created under specific authority for existence to a certain time and as far as I know, no legislation is pending to extend them, so they will expire.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MILLER of Ohio. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. WYLIE. I yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Chairman, there are just hundreds of advisory groups scattered through the Government and they have been told that the administration is making a major effort to phase out a lot of them. By last count they had gotten into 300 or so, but they have several hundred more to go. This is just the tip of the iceberg when we talk about all these committees, councils, and offices.

Mr. WYLIE. Mr. Chairman, if the gentleman will respond further, I am glad to hear the gentleman say that; but it is a fact that the number of Federal employees has remained almost constant over the last 10 years at about 2.1 million. What happens to the employees of these Boards and Commissions that are or will be terminated?

Mr. STEED. Well, of course, many things do. Basically, most of them find a vacancy elsewhere in the Government and their experience is made use of in some agency that has use for them. We all know when this activity terminates that there is a responsibility to the employee, too.

Mr. WYLIE. Mr. Chairman, does the gentleman think the termination of these agencies will result in a reduction in the number of Federal employees? That is really what I am asking.

Mr. STEED. No, not really. In effect it does not reduce the number, but it just keeps it from increasing more than it otherwise would.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for his response and candid observation.

Mr. STEED. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, I want to pay my high compliments to the very hard work that the subcommittee obviously undertook and completed in having this appropriation measure before us. I simply do not want to let the occasion go by without commenting on the appropriations for the U.S. Postal Service. I appreciate the hard work that people who work as mail carriers and clerks and in other capacities perform for this agency; however, when it comes to management of that operation, there is a great deal of room for improvement. I would hope as time goes on, the Congress and this House especially, decides to do something about it.

Mr. Chairman, I receive more complaints about the U.S. Postal Service than I do about any other agency of the Federal Government. Every single post office within my district is the subject of criticism from constituents who find that the business practices, the management practices, are so antiquated, that people waste hours upon hours in trying to get the most minuscule type of information and service such as to where they can get a piece of mail when notification has been left for them. There seems at times to be not only antiquated management, there seems to be no management whatsoever. The Postal Service supposedly was created to provide a more efficient operation and yet in the course of these last

few years we have seen the cost of postage go up to the point where it is now 13 cents for a first-class stamp and we have recently heard from the Post Office Director that, in fact, he will be coming in and asking for an increase in that cost. At the same time, he wants to cut off Saturday postal service and cut off and close down some of the smaller post offices.

It seems to me that it should be obvious that the Congress made a serious mistake when this independent agency was created. At a time when we are giving the Postal Service this additional $2 billion, I think it ought to be indicated for the record that many of us believe that we must begin to think seriously about remedying the situation.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I gather the gentleman is unhappy with the Postal Service, which I think is a feeling that 434 other Members here would share.

I do not detect in the gentleman's comments any specific remedy, at least, not directed to any parts of this bill.

Mr. WEISS. As my distinguished colleague knows this is my first experience with this whole budget appropriation process. I simply want to take the occasion, during this general debate, to underscore my unhappiness with the quality of service being provided. Hopefully, in the course of the next year with the assistance of the gentleman and of other Members that are unhappy, we will be able to develop some legislative remedy.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, the Treasury-Postal Service appropriations bill for 1978, as reported by the Appropriations Committee, is fully consistent with the first budget resolution and with the allocations made by the Appropriations Committee pursuant to section 302 of the Congressional Budget Act.

The bill would appropriate $7,547 million, $242 million less than the amount allocated to the subcommittee by the full Appropriations Committee. This balance is sufficient to fund anticipated requirements for supplemental appropriations that we will have to consider later in the year for claims and judgments; the most recent estimate of appropriations that may be required for these claim payments is $186 million. Thus, the pending bill is without objection from the point of view of the congressional budget process.

In reviewing this bill, the Committee on Appropriations appears to have done its usual painstaking and professional job of reviewing the requirements of the departments and agencies funded in the bill. In most cases, the committee has identified specific areas in which economies can be made.

Mr. Chairman, this is the first regular appropriations bill to be considered by the House for fiscal year 1978. On behalf of the Budget Committee, I wish to commend the distinguished chairman of the House Committee on Appropriations, the chairmen of the several subcommittees, and all members of the committee on the cooperation they have shown in the timely reporting of appropriations measures for fiscal year 1978. As we all know, the fiscal discipline exerted in connection with the congressional budget process cannot be effective unless all committees—and particularly the Appropriations Committee—adhere to the rigorous timetables that we in Congress have set for ourselves. The pressure of work, the uncounted hours, the voluminous and detailed written material and justifications that the Appropriations Committee must consider in discharging its responsibilities make the achievement of adherence to the timetable truly awesome. The regular appropriations bills, with minor exceptions, are marked up, reported, and ready for action by the whole House. We can hope that the other body will also act expeditiously, so that all major spending legislation will have been enacted shortly after Labor Day, the second and binding budget resolution adopted, and the Government can begin the next fiscal year without experiencing the uncertainties and inefficiency which so often bedeviled us in the past years under the unsatisfactory continuing resolution procedure.

Mr. Chairman, I urge adoption of this measure.

Mr. STEED. Mr. Chairman, on behalf of myself and the members of the subcommittee, I want to express our appreciation to the gentleman from Connecticut for his kind words, and to say that we appreciate the very excellent cooperation he has given us all year long, and the work he has helped us with in getting this product here today.

Mr. HANLEY. Mr. Chairman, I rise in support of the appropriations for the U.S. Postal Service. I also want to commend Chairman TOM STEED for doing an excellent job in overseeing many of the financial aspects of the Postal Service. It is a hard and thankless job, and it has been a pleasure to work with him through the years.

I believe that the Postal Service must have the appropriation pending before us today in order to avert even worse disaster. However, my support of this appropriaiton certainly does not indicate approval of current postal policies.

I believe strongly that significnat changes must be made in the Postal Reorganization Act. We are now working on legislation which will be introduced within the next few days which will reform postal reform.

In many ways, the Postal Service has become insensitive to the needs and desires of our constituents. All of our files are filled with stories of unanswered complaints, arrogant behavior, inflexible policies which ignore reality, and many other problems.

We made a serious error in 1970 by removing the Postmaster General from accountability to elected officials. Return to Presidential appointment may not be a panacea, but it will restore the principle of accountability which is basic to all democratic governments.

Since the only positive function performed by the Board of Governors during the past 6 years has been appointment of the Postmaster General and his deputy, the Board should also be abolished.

Another important area of reform is in the area of postal finance. In 1970, we established a formula of 10 percent of the 1971 appropriation—or $920 million—as the appropriate level of funding for the public service functions of the Postal Service. This amount was scheduled to begin to decline in 1979 to the point where the Postal Service was supposed to reach relative sufficiency by 1984.

This was a mistake for several reasons. First, in an inflationary economy, $920 million has proven to be inadequate. What was enough in 1972 is not enough now—for any of us. Second, we inadequately recognized at the time the vast importance of the Postal Service to the public. The public interest in efficient, economical mail delivery is great enough to warrant greater and continuing appropriations. Third, we gave up too much financial control. In addition to a permanent appropriation for all revenues received by the Postal Service, we also provided permanent authorization for the funds directly appropriated to the Postal Service by Congress. This was too much. While I agree with the concept that the Postal Service should receive automatically all revenues generated by the sale of stamps and services, we need stronger control over other moneys going to the Postal Service. We need periodic authorization of appropriations in order to involve as many Members as possible in setting postal policy.

These are only two of the important issues which will be broached in the legislation which will be forthcoming soon. I am looking forward to working with all the Members of this House in hammering out significant postal legislation during this Congress.

Mr. STEED. Mr. Chairman, I have no further requests for time. I reserve the balance of my time.

Mr. MILLER of Ohio. Mr. Chairman, I have no further requests for time, and reserve the balance of my time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For expenses necessary for the White House Office as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109, at such per diem rates for individuals as the President may specify and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be accounted for solely on the certificate of the President); and not to exceed $10,000 for official entertainment expenses to be available for allocation within the Executive Office of the President; $17,580,000.

POINT OF ORDER

Mr. HARRIS. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. Mr. Chairman, I make a point of order against lines 21 through 25, on page 7, and lines 1 through 10, on page 8, which is entitled, "The White House Office Salaries and Expenses."

This provision is in violation of clause 2, rule XXI. Clause 2, rule XXI provides:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress.

Mr. Chairman, I would like to speak on the point of order.

The CHAIRMAN. The gentleman from Virginia (Mr. HARRIS) is recognized on his point of order.

Mr. HARRIS. Mr. Chairman, today there has been called up again appropriations with respect to funding White House activities which are not authorized by the law. We have had this situation in previous Congresses, when again I made, and other Members have made, points of order on this.

I would like to indicate to the Chair that this becomes an extremely important point, not just to adhere to the rules of the House that we do not appropriate except when we authorize specifically for positions, but it becomes important to the whole form of Government that we are dealing with here.

I would like to suggest to my fellow Members that, by allowing Government to slip behind walls and not be out where the members of the Cabinet are identified with the responsibilities, where the heads of departments are identified with responsibilities, we do a very, very bad thing; and this is what, in large part, we have allowed to be done by inaction on the part of Congress. What this Member has tried to do is to introduce legislation that specifically authorizes the staff and expenses necessary for the President. We have urged the White House to tell us what it is that they do want, how they do react to this legislation. We have not received a response from them. We have in fact, in subcommittee hearings where we reported out the bill, received virtually no information from them.

Mr. Chairman, this is not a question of who is President at the particular time, whether it was last year, whether it is this year, or whether it is 2 years from now. It is a question of whether this Congress assumes its responsibility to authorize for those positions which it intends to appropriate for. I think it is very important that we tell the White House now that we are dead serious about this and that we intend to insist on getting authorization legislation passed.

I would like to point out, finally, Mr. Chairman, that this House of Representatives did pass a bill last year. It was not acted upon by the other body. I think it is important to make it clear to the administration that if the bill does not get clear through and signed, we are simply not going to appropriate for it.

This is not just a technical point of order, Mr. Chairman. This is a very important point of theory of government here, and I think this Congress has to insist upon it.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. STEED) desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Oklahoma is recognized.

Mr. STEED. Mr. Chairman, I would like to call attention to the fact that under title 3, sections 105 and 106, there is authority for the President to have a staff. The technicalities involved in some of this may be in question, and since we have this problem and since we know the President does not need any help down there, I concede the point of order on the whole thing.

The CHAIRMAN. The gentleman concedes the point of order, and the point of order is sustained against the paragraph.

The Clerk will read.

The Clerk read as follows:

EXECUTIVE RESIDENCE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence, to be expended as the President may determine, notwithstanding the provisions of this or any other Act, and official entertainment expenses of the President to be accounted for solely on his certificate, $2,157,000.

POINT OF ORDER

Mr. HARRIS. Mr. Chairman, I make a point of order against this portion of the bill on the same basis as my last point of order.

The CHAIRMAN. The gentleman from Virginia makes a point of order against the paragraph on the same basis as before, as a violation of clause 2, rule XXI.

Does the gentleman from Oklahoma (Mr. STEED) wish to be heard on the point of order?

Mr. STEED. Mr. Chairman, since we do not need this item in the bill any more, I concede the point of order.

The CHAIRMAN. The gentleman from Oklahoma (Mr. STEED) concedes the point of order, and the point of order is sustained.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise for a point of clarification on the last point of order that was made.

Would the gentleman from Virginia describe for us in what area of the legislation and on what lines of the bill he has raised his point of order?

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Chairman, I thank the gentleman for yielding.

What was just read by the clerk is this: Executive residence, operating expenses, in the sum of $2,157,000. It was upon that item that I made my second point of order.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, furnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, $61,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such actvities.

POINTS OF ORDER

Mr. HARRIS. Mr. Chairman, I make a point of order against this portion of the bill on the basis previously stated.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. STEED) desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman.

Mr. Chairman, in this case there is authorization for the item. In the 93d Congress, Senate Joint Resolution 202, passed July 12, 1974, provides for the inclusion of this item in the bill. It is Public Law 93–346.

The CHAIRMAN. Let the Chair direct a question to the gentleman from Virginia (Mr. HARRIS) so that the gentleman may clarify his point.

Against what portion of this paragraph does the gentleman make his point of order?

Mr. HARRIS. Mr. Chairman, we are dealing with official entertaining expenses in this item, and that is not authorized under law.

The CHAIRMAN. To what line is the gentleman referring? Will the gentleman from Virginia (Mr. HARRIS) explain it so we will know to what specific lines of the paragraph he directs his point of order?

Mr. STEED. Mr. Chairman, if I may be heard, I believe the gentleman from Virginia (Mr. HARRIS) made the point of order against the entire item.

Mr. HARRIS. Mr. Chairman, this is the item on the Official Executive Residence of the Vice President, Operating Expenses.

The CHAIRMAN. Let the Chair state to the gentleman from Virginia (Mr. HARRIS) that there is authorization for appropriations for the official residence of the Vice President, if that is the point the gentleman is attempting to address in this matter. Therefore, that portion of the paragraph would not be subject to a point of order.

Mr. HARRIS. I thank the Chair.

The CHAIRMAN. The Chair, therefore, overrules the point of order.

Mr. DERWINSKI. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman from Illinois (Mr. DERWINSKI) will state his point of order.

Mr. DERWINSKI. Mr. Chairman, let me read this to be sure we are speaking of the same item.

I make a point of order against the language of the bill on page 8, lines 20 through 25, and on page 9, lines 1 and 2. That item is entitled "Official Residence of the Vice President—Operating Expenses," and this language violates rule XXI, clause 2, of the Rules of the House. That is the basis for the point of order.

Mr. Chairman, if I may be heard further, we have had previous points of

order sustained against this item, and, in fact, in last year's appropriation bill a similar point of order was sustained.

The CHAIRMAN. Let the Chair state that the present occupant of the chair was the occupant of the chair last year and considered the proviso starting on line 25 of page 8 and continuing through line 26 and lines 1 and 2 on page 9. On that basis the point of order was sustained. However, the earlier designation, as the Chair understood the statement of the gentleman from Virginia (Mr. HARRIS), would not follow, because basically there is authority for the Vice President's residence.

That is the reason the Chair is giving ample opportunity to the Members to clarify the point of order. A point of order was in fact sustained on the proviso mentioned last year. I understand the gentleman from Illinois (Mr. DERWINSKI) is making a point of order based on that proviso.

Mr. STEED. Mr. Chairman, if I may be heard on the point of order, if we read section 3 of this act, it says that the Secretary of the Navy shall, subject to the supervision and control of the Vice President, provide for the staffing, upkeep, alteration, and furnishing of an official residence and grounds for the Vice President.

Mr. Chairman, I do not know what more authority we need.

The CHAIRMAN. The Chair will state that in line with the like ruling last year, a paragraph in a general appropriation bill containing funds for the official residence of the President and of the Vice President and providing for advances repayments or transfers of those funds to other departments or agencies—not just to General Services Administration—was conceded to change existing law and was ruled out as being in violation of clause 2, rule XXI.

Therefore, on the basis of the proviso, the point of order is sustained against the entire paragraph.

The Clerk will read.

The Clerk read as follows:

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For expenses necessary to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS–18, compensation for one position at a rate not to exceed the rate of level II of the Executive schedule, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, including hire of passenger motor vehicles, $1,327,000.

POINT OF ORDER

Mr. HARRIS. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman from Virginia will state his point of order.

Mr. HARRIS. Mr. Chairman, I make the point of order that the provisions of this paragraph are in violation of clause 2, rule XXI.

Although there is an authorization of $10 million per year, the section does say "For expenses necessary" and does appropriate $1,327,000.

Mr. Chairman, I do not believe that that is authorized by law, and I think it is subject to a point of order.

Mr. BAUMAN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Maryland on the point of order.

Mr. BAUMAN. Mr. Chairman, I rise in support of the point of order.

Mr. Chairman, the gentleman has made a point of order.

Although he has not mentioned the language on line 12, which states, "Without regard to the provisions of law," and so forth, that language is what makes the entire section defective because that is legislation under an appropriation bill.

Mr. Chairman, in Deschler's Procedure, chapter 26, paragraph 9.5, similar language was used as the basis for sustaining a point of order.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. STEED) desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman.

We concede the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is conceded and is therefore sustained against the paragraph.

The Clerk will read.

The Clerk read as follows:

COUNCIL ON WAGE AND PRICE STABILITY

SALARIES AND EXPENSES

For expenses, including compensation for the Deputy Director at a rate not to exceed the rate for level V of the Executive schedule, necessary for the Council on Wage and Price Stability as authorized by the Council on Wage and Price Stability Act of 1974 (Public Law 93–387 as amended by Public Law 94–78) $2,100,000.

POINT OF ORDER

Mr. LEVITAS. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman from Georgia will state his point of order.

Mr. LEVITAS. Mr. Chairman, I wish to make a point of order against the language that appears on page 10, lines 1 through 8, pursuant to clause 2, rule XXI, on the basis that the appropriation contained within that language is not authorized by law. The authorization under Public Law 94–78 expires on September 30, 1977.

Mr. Chairman, there has been in the past and will continue to be this year great controversy about the continuation of this Council, and I make a point of order against that language.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. STEED) desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman.

When we marked up the bill, we were told that this would be authorized by the time the bill came up. Since it is not, we concede the point of order.

The CHAIRMAN. The gentleman from Oklahoma (Mr. STEED) concedes the point of order.

The point of order is therefore sustained.

The Clerk will read.

The Clerk read as follows:

DOMESTIC COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the Domestic Council, including services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS–18; and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; $1,850,000.

POINT OF ORDER

Mr. HARRIS. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman from Virginia will state his point of order.

Mr. HARRIS. Mr. Chairman, I make the point of order that this provision is in violation of clause 2, rule XXI.

Clause 2, rule XXI, provides:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law.

Mr. Chairman, the Domestic Council here has not been authorized. We understand that it is under review; but there is, in my opinion, no authorization for this type of council, as is provided on page 10, lines 11 through 17.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. STEED) desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman.

This item is authorized, as mentioned in lines 11 and 12, title 5, section 3109, of the United States Code.

However, Mr. Chairman, there is some question about it, and it is under legislative review.

Therefore, we concede the point of order.

The CHAIRMAN. The gentleman from Oklahoma (Mr. STEED) concedes the point of order.

Therefore, the point of order is sustained against the entire paragraph.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to make the point that, since we now have achieved the purposes for which at least we, the members of the Committee on Post Office and Civil Service, are here, it now behooves us to go to work on the authorizing legislation so that this does not become an annual complication for the members of the Subcommittee on Appropriations. As ranking member, Mr. Chairman, I state my willingness to cooperate in a nonpartisan, objective fashion.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. As the gentleman from Illinois knows, we have reported out of the subcommittee one bill which would provide the authorization. I appreciate the help and support of the gentleman from Illinois in the full committee and we will, I promise, be very diligent on this. We have been working very hard on it for at least 2 years.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Virginia, Mr. HARRIS, one of the great political descendants of Thomas Jefferson.

Mr. HARRIS. Mr. Chairman, I thank the gentleman from Illinois not only for yielding to me but for his great judgment.

Mr. Chairman, the House today is being called on to violate its own rules and repeat its past mistakes. H.R. 7552 includes appropriations for a number of items for which there is no law. I believe it is wrong to write a blank check with public funds. I believe it is wrong to appropriate funds for purposes unknown. I am making a point of order against the section of the bill entitled "The White House Office, Salaries and Expenses," on pages 7 and 8.

SETTING PARAMETERS BEFORE SPENDING FUNDS

I realize that the distinguished chairman of the appropriations subcommittee which prepared this bill, Mr. STEED of Oklahoma, is very sensitive to this point and aware of the need for a law. I commend him for his leadership and the report language on page 4 in which the committee urges the Office of Management and Budget to submit legislation at an early date.

As a member of the House Post Office and Civil Service Committee, the substantive committee with jurisdiction over personnel matters for our Federal agencies, I have worked for over 2 years to get needed legislation enacted.

Let me make it clear: I am not today necessarily quarreling with the number of staffers contemplated in this bill nor the President nor past Presidents. What I am trying to do is ask this House to adhere to its own rules. I believe that the principle enunciated in House rule XI is a sound one, that Congress must first "lay down the rules" and set limits in law before we spend taxpayer dollars. By accepting the sections of this bill, for which there is no authorizing law, we will be contradicting this principle.

KEEPING POLICYMAKING IN THE CABINET

There is an underlying policy question that this Congress must address as well, and that is whether we are going to establish clear legislative authority for staff support, administrative expenses, maintenance, and operation of the White House Office of the President as we do for other executive branch agencies.

On April 19, I introduced H.R. 6326 which addresses this need. The House Post Office and Civil Service Subcommittee on Employee Ethics and Utilization held hearings on April 26, and reported the bill to the full committee on May 5, 1977, but no action was taken for a lack of a quorum. Administration witnesses testified that they were not prepared to address the specific provisions of the bill until a study to reorganize the entire Executive Office of the President is completed.

The Office of Management and Budget indicated that this study would be completed in June; the subcommittee has not yet received this report.

In the 94th Congress, the House passed legislative authority for the White House Office—H.R. 6706—but this bill died in the Senate. The House did make this very commendable effort. I do not know why the other body did not act. I do not know when OMB will complete its study.

CURRENT AUTHORITY MINIMAL

The current limits set out in our law are quite limited. In essence, the President is authorized to hire 14 assistants in the White House Office. The Post Office and Civil Service Committee has summarized the law as follows:

Sections 105 and 106 of title 3, United States Code, contain permanent legislative authority for the President to fix the compensation of six Administrative Assistants, and eight other secretaries or other immediate staff assistants in the White House Office, at rates of basic pay not to exceed the rate of Executive Level II.

Section 107, of title 3, United States Code, provides that employees of executive departments and independent establishments may be detailed from time to time to the White House Office for temporary assistance.

Section 3101 of title 5, United States Code, contains permanent legislation with general authorization for all executive agencies to employ such number of employees as the Congress may appropriate for from year to year. Such employees are subject to the provisions of title 5, relating to the classification of positions and the fixing of pay under the General Schedule. These general provisions are a permanent authorization for funds to be appropriated for employees in the White House Office and the Executive Branch employees of the Vice President, subject, of course, to the restrictions of 5 U.S.C.

There is no permanent legislative authority for official reception, entertainment, and representation expenses.

Section 103 of title 3, United States Code, authorizes the appropriation of travel expenses for the President "'not exceeding $40,000 per annum" to be expended at the discretion of the President and accounted for on his certificate solely.

Part II of Reorganization Plan No. 2 of 1970 established the Domestic Council and provides that the staff of the Council shall be headed by an Executive Director who shall be an assistant to the President and shall perform such functions as the President may direct.

We all know that the number of personnel working in the White House far exceeds this authorized number. Again, I am not today discussing the merits of 200, 400, or 600 individuals in the White House. I am concerned that our negligence—in both the executive and legislative branches—let the White House staff grow to extreme proportions, so much so that at one time in recent years there were 600 people working behind the White House walls. Five years ago, the Post Office and Civil Service Committee took notice of this burgeoning growth, starting in 1955, and published its report, under the leadership of my colleague from Arizona, Mr. UDALL, entitled "A Report on the Growth of the Executive Office of the President."

And we learned the hard way—via Watergate—about the inherent dangers of power in an unelected "palace guard." Our system of Government is a Cabinet Government. Our Cabinet officials are appointed by the President and confirmed by the Senate, a sound system insuring accountability to the people. Policy decisions of Government rest with the President and his Cabinet—not an unknown group of advisors and assistants unaccountable to the people. We can never again let our Government slip away. We can never again allow such concentrated power to grow and grow unbridled and become isolated away from the people. Exercising control over staffing and budgeting for the White House through the orderly processes of the legislature is the answer. This has nothing to do with who might be President at a particular point in time. It is a fundamental question affecting the basic framework of our Government.

In short, do we write a blank check; do we let power grow unchecked? Or do we face up to our responsibilities and legislate boundaries and principles before we appropriate. Today, I vigorously urge the latter course.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For expenses necessary for the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $1,500 for official reception and representation expenses, $28,830,000.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio: On page 11, line 12, strike out the period and insert the following:

: *Provided*, After December 31, 1977, none of the funds appropriated or otherwise made available in this Act shall be obligated or expended for salaries or expenses of more than 650 permanent employees of the Office of Management and Budget.

Mr. MILLER of Ohio. Mr. Chairman, the appropriations request for the Office of Management and Budget included 32 persons for Government reorganization. In the face of promises to reduce the size of Government, particularly within the executive branch, we must reject this increase. A reduction of 32 persons is less than a 5-percent reduction from the fiscal year 1977 level of 682 persons, which is 64 persons over the fiscal year 1976 level. We are not opposed to reorganization, but we are opposed to the increase in staff.

The Office of Management and Budget has not been reduced in size consistent with the statement that the size of the bureaucracy would be reduced. The 32 persons requested for reorganization are above the level necessary for efficient operation.

This amendment simply will require the President to use personnel from within OMB for his reorganization activities, rather than provide for 32 additional personnel.

Americans expect a 30-percent reduction in the size of the White House staff, and they are looking for a similar reduction from the Executive Office. For OMB to add 32 persons to make plans to reduce the size of Government seems inconsistent with their expectations.

The problem with putting permanent people on the staff for reorganization, or anything else, is that they tend

to stay as permanent employees. And this happens within all administrations, whether they be Republican or Democrat.

Even if a President has no desire to expand the size of Government, the inertia of the action too often requires that Government grows.

We urge that you adopt this amendment to slow the growth of that office.

I am aware that in the supplemental we had 32 positions which were allowed. I am aware that $1.6 million was allowed. But it is time now that we do reduce because we have the information here, as an example, in the Washington Star of Monday, February 21, wherein it tells that President Carter will cut the White House staff 30 percent and that this would also be the Executive Offices because the President also mentioned in his nationally televised fireside chat the necessity for Government reform and reorganization and that under that paragraph the place to start is at the top, the White House, and "I am reducing the size of the White House staff by nearly one-third and requesting the other agencies to do the same."

I just believe that we can reduce. Now is the time, and I hope that the Members will support the amendment.

Mr. STEED. Mr. Chairman, I rise in will support the amendment.

I dislike disagreeing with my colleague who has worked so hard with me to help bring this bill out. But I do have to oppose this amendment and call the attention of the Members to the fact that this is merely a continuation of something that has already been approved and is in operation. I think that this task force that is now functioning in the Office of Management and Budget, for which these 32 positions remain available, is the best hope we have of getting any real economy in this whole governmental program, because it is through their work that we can hope to eliminate duplication, consolidate agencies, and have some blueprints brought here to the Congress that will enable us to really accomplish what the gentleman from Ohio so ardently desires—and I think all of the rest of us do, too. I think that this would be changing horses in the middle of a stream. It would be a very unwise move, so I would hope that the Members will support the committee in defeating this amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding.

The gentleman does recall the President's statement that he clearly intended to reduce the White House staff by one-third?

Mr. STEED. Oh, yes.

Mr. ROUSSELOT. Does the gentleman think that the President is probably going to fulfill that?

Mr. STEED. This amendment has nothing whatever to do with that. This is not White House staff; this is the Office of Management and Budget, and that department down there has the very difficult job of getting the next budget for the government ready. If they are going to have any reorganization that is worthy of the name, they have got to have this extra help. This is a temporary proposition. These jobs are not permanent in the Office of Management and Budget.

Mr. ROUSSELOT. But does the gentleman not think that the President meant what he said when he talked about reducing the budget?

Mr. STEED. That has nothing to do with the Office of Management and Budget.

Mr. ROUSSELOT. It is a very important part of the White House.

Mr. STEED. It is a specific function separate and apart from what goes on at the White House.

Mr. ROUSSELOT. So what the gentleman is saying is that he really did not meant it.

Mr. STEED. I am sure if he does not get this extra help that this program of getting a reorganization plan for the Government will not be possible to achieve. I cannot believe that the gentleman wants to do anything that would prevent us from getting some consolidation and elimination of a lot of this duplication. That is what this Task Force is going to do.

Mr. ROUSSELOT. Will the gentleman yield further?

Mr. STEED. Yes.

Mr. ROUSSELOT. My recollection is that the President stated that most of the problems he has had in having to increase his staff have related to answering letters; they really have not related to the Office of Management and Budget.

Mr. STEED. This manpower we are talking about here has nothing to do with anything going on at the White House. This is a special Task Force to bring to the Congress through the President a recommendation on consolidating the agencies of government and eliminating duplication, and, hopefully, showing us how we can get a true reduction in bureaucracy.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

Is it not true that anyone who is sitting in an office and has been sitting in an office for 8 years is not going to be able to do away with his own position or anyone else's position, because for 8 years he has asked that those positions be funded? The only way that we can objectively look at those positions, at the man sitting in that office for 8 years, is by bringing in new outside employees to carefully screen each and every position in each and every department to see if the position must remain and must continue to be funded.

Mr. STEED. That is right, and that is exactly what this Task Force we are talking about here is set up to do.

Mr. AMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Pennsylvania.

Mr. AMMERMAN. I thank the gentleman for yielding.

I think that any reasonable person does not expect that the President in the first month or 3 months or 6 months of a 4-year term is going to be able to do everything that he has pledged to do during his campaign in that term. Any reasonable person is going to expect—and I think that the people of the United States are reasonable—that the President should have a reasonable time to accomplish these things. This byplay is just political hogwash.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding.

I think it should be clarified that the President has the 3 months, the 4 months, the 5 months, the 6 months, the 7 months, the 8 months, and the 9 months, because what we are talking about now is the fiscal year 1978 budget that starts October 1. So the President has three-quarters of the year in order to rearrange and fulfill his promise.

Mr. STEED. Mr. Chairman, if the Members want to get some real reorganization brought about in the Government they must defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), $617,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of sections (a) and (c) of such Act.

AMENDMENT OFFERED BY MR. KOCH

Mr. KOCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOCH: Page 23, line 25 strike out "$617,000" and insert in lieu thereof "$469,000, of which no more than $21,000 shall be available for office staff and related expenses for former President Nixon.".

Mr. BAUMAN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. KOCH. Mr. Chairman, the amendment that I have offered would reduce that amount appropriated for former President Nixon.

The appropriations bill before us includes appropriations to former Presidents under the authority of the Former Presidents Act. The Former Presidents Act was designed to give our Chief Executives upon leaving office some measure of financial security and an annual stipend to be used for the maintenance of an office and the employment of staff assistants. Although I share the views of many others who regard the Former Presidents Act as a worthwhile piece of legislation, I question the propriety of appropriating substantial sums of money to former Presidents who have admitted that they have not paid their Federal income tax.

The current bill appropriates $617,000, of which $235,000 is appropriated to former President Nixon.

There is an amount of $66,000 for his pension. I am in no way, in any way at all, attacking his pension.

My amendment addresses itself to the $169,000, which is the amount appropriated to former President Nixon for his staff and office. In 1974 when former President Nixon was the subject of income tax investigation it was ascertained at that time that he owed the Federal Government $432,000 in back taxes. That included payments for the years 1969 through 1972. The amount for the year 1969 totaled $148,000. The statute of limitations had run for that portion and, therefore, could not be collected by way of a lawsuit; however, the former President in a manner that was commendable at the time stated in a formal White House statement made April 4, 1974, that he would pay the entire amount that had been fixed by the IRS. Let me read that statement:

The President believes—

This is the statement issued by the White House—

that his tax counsel can make a very strong case against the major conclusions set forth in the committee's staff report. However, at the time the President voluntarily requested the committee to conduct its examination of his tax returns, he stated that he would abide by the committee's judgment. In view of the fact that the staff report indicates that the proper amount to be paid must be determined by the Internal Revenue Service, he has today instructed payment of the $432,787.13 set forth by the Internal Revenue Service, plus interest.

This statement draws no conclusions on guilt or innocence. It makes clear the President's intent to pay the entire amount that was owing. Subsequently, as stated on page 19 of book X of the "Statement of Information" prepared for the House Judiciary Committee during its hearings on the impeachment of former President Nixon:

On April 17, 1974, the President and Mrs. Nixon paid by check the amount of deficiency and penalty for 1970, 1971 and 1972, totaling $284,706.16. On June 19, 1974 the staff was informed by William E. Williams, Deputy Commissioner of the Internal Revenue Service, that the President had not yet paid the 1969 deficiency of $148,080.97 and that no date has been set for such payment.

According to this statement of Information prepared for the House Judiciary Committee, it is clear that as of June 19, 1974 the $148,000 had not been paid.

It happens that the President has still not paid the $148,000. Therefore, what this amendment does is very simple. It simply says that that amount shall be deducted from the $169,000 that is set aside in this bill for his staff and office. This amendment is supported by a number of Members of the House, but in particular the people on the Appropriations Committee who signed the additional views are myself, the gentleman from Montana (Mr. BAUCUS), the gentleman from Washington (Mr. DICKS), and the gentleman from Ohio (Mr. STOKES). I refer to the committee report and our additional views.

This amendment is also offered by Mr. CLAY, Mr. EILBERG, Mr. MITCHELL, Mr. MOAKLEY, Mr. MOSS, Mr. PEASE, Mr. RAHALL, Mr. RISENHOOVER, Mr. ROSENTHAL, and Mr. STARK. We all believe that the former President should repay the 1969 taxes. Since the funds that Mr. Nixon receives for office supplies and staff salaries are obtained from income taxes of U.S. citizens, he should pay his own outstanding debt. Although the statute of limitations had run for the $148,000, freeing Mr. Nixon of any legal obligation to pay these taxes, it does not free him of his moral obligation to pay these taxes and he did publicly state that he would pay all that he owed.

Earlier this year, I undertook an investigation into the status of Mr. Nixon's unpaid taxes. I wrote Representative AL ULLMAN, chairman of the Joint Committee on Internal Revenue Taxation, and William E. Williams, Acting Commissioner of the Internal Revenue Service. The correspondence I had with them is appended at the end of this statement. They both stated that the status of the tax account of the former President was a personal matter between the former President and the IRS and that they could not disclose facts concerning the status of the former President's tax account. Subsequently, I wrote Herbert J. Miller, Jr., former President Nixon's attorney, inquiring into the status of the former President's payment of income taxes for 1969. In that letter to Mr. Miller, I specifically mentioned the possibility that an amendment would be offered on the floor of the House to reduce former President Nixon's allotment under the Former Presidents Act for fiscal year 1978 by $148,000. A portion of my letter to Mr. Miller reads as follows:

If former President Nixon has paid the amount owing or made arrangements with the IRS to do so, under some formal plan of payment, it is necessary that I be so advised. Otherwise, I must assume that the monies are still outstanding and that the former President is using the statute of limitations as a defense. If the latter is not the case, do let me know immediately as the Appropriation Committee's markup on the Former Presidents Act begins next week.

Shortly thereafter, I received a letter from Mr. Miller. He stated that the information I sought was a matter between the former President and the IRS. His letter goes on to cite expenses incurred by the former President since he left office and concludes by stating:

It is my understanding that Mr. Nixon hopes to be able to pay whatever tax deficiency may still exist for 1969 even though he has no legal obligation to do so and even though the circumstances I have described above make it impossible for him to do so at this time.

The reference above was to expenses that Mr. Nixon had incurred over the past several years. Since the time of the letter we have learned that former President Nixon, by virtue of his television interviews with David Frost is expected to earn as much as $2 million.

It is clear to me from Mr. Miller's response that the amount owing for 1969 taxes is still owing. If any payment has been made, or if a formal agreement has been made to make payment in the future, the former President has had several months to inform the Congress. In light of the fact that the former President knew that this amendment was to be offered on the floor of the House, I believe the burden to come forward with the facts was on him.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. KOCH was allowed to proceed for an additional 3 minutes.)

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, what does the letter say?

Mr. KOCH. The gentleman's letter?

Mr. MILLER of Ohio. Yes, if it is my letter.

Mr. KOCH. It is not the letter of the gentleman from Ohio.

Mr. MILLER of Ohio. That is right. I would like that cleared up. It was not a letter from me.

Mr. KOCH. The gentleman from Ohio (Mr. MILLER) is not former President Nixon's attorney, is that not correct?

Mr. MILLER of Ohio. That is correct. I wanted to clear that up.

Mr. KOCH. I concur. The gentleman from Ohio (Mr. MILLER) definitely is not the sender of that letter. It was the individual who was and currently is, as I understand it, the attorney for former President Nixon.

Now, I want to make it that our amendment insures that the amounts appropriated to the widows of former Presidents and to former President Ford would be unaffected.

I think it is important at this point to make clear that the nonpayment of the $148,000 for 1969 taxes is only one of the reasons that one could vote favorably on this amendment. The fact that Mr. Nixon will in all likelihood earn as much as $2 million from the David Frost interviews, and the fact that circumstances forced him in his own words to "impeach himself," are additional legitimate reasons for supporting the amendment we are offering today.

The Congress has the power to appropriate funds in its discretion. The legislators who wrote and passed the Former Presidents Act in 1958 in their wildest dreams never intended to subsidize a former President who is earning $2 million from television rights, was forced to impeach himself, and who has refused to pay $150,000 that while President he promised the American people he would pay. We believe this issue is beyond politics and beyond our personal feelings about the former President, whatever they may be. We simply support the principle that Federal funds should not be appropriated to a former President who has not fulfilled such a basic promise as payment of his back taxes.

I make this point in light of the fact that currently, in the moral sense and in his own words former President Nixon owes $148,000 for taxes that were due the Federal Government. So, what I am urging is that in the same light that we reduce appropriations for a variety of purposes from time to time on this floor, that we reduce the appropriation in the manner in which my amendment suggests. Former President Nixon will still get his $66,000 pension. He will still get

$21,000 to run an office, and we will get back $148,000 which he owes this Government.

At this point I wish to insert in the RECORD the correspondence with Chairman ULLMAN, the IRS, and former President Nixon's attorney, Mr. Miller.

FEBRUARY 22, 1977.

Hon. AL ULLMAN,
Chairman, Joint Committee on Internal Revenue Taxation, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that in April 1974, former President Nixon announced he would pay his entire then outstanding debt of $432,787.10 to the Internal Revenue Service, resulting from the re-examination of his past returns. I believe that at the present time he owes $148,000.00 which cannot be collected because of the statute of limitations, although he stated he would pay the entire amount.

The statute of limitations, while protecting him from a law suit to recover the money, should not be used as a shield to provide for a setoff against that amount where the government provides him with additional funding. In prior appropriations, we have provided him with approximately $200,000.00 and I believe that a comparable amount will appear in the FY 1978 Budget. It is my intention as a member of the Appropriations Committee to offer an amendment to set off and thereby reduce the appropriation for him by the amount of the outstanding tax. In order to prepare my amendment, I need to know the exact amount of the tax due, although barred by a statute of limitations. I would hope that the Joint Committee would have that information in its records as a result of its investigations of the matter, and that you would provide me with that figure as well as any statements received from former President Nixon bearing upon his offer to pay outstanding taxes, notwithstanding the statute of limitations.

Sincerely,

EDWARD I. KOCH.

JOINT COMMITTEE ON TAXATION,
Washington, D.C., March 10, 1977.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: This is in reply to your letter to Chairman Ullman regarding the exact amount of the tax due from former President Nixon for the taxable year ending December 31, 1969, and any statements received from former President Nixon bearing upon his offer to pay Federal income taxes and interest for the taxable year ending December 31, 1969, notwithstanding the statute of limitations.

As you know, on December 8, 1973, former President Nixon made public his Federal income tax returns and asked the Joint Committee on Internal Revenue Taxation to examine these returns with respect to two transactions. On December 12, 1973, the Joint Committee met in executive session and decided to conduct a thorough examination of former President Nixon's Federal income tax returns for the years 1969 through 1972 and to submit a report to the President and the Congress on its findings.

For the taxable year ending December 31, 1969, the staff recommended an increase in the President's Federal income taxes in the amount of $171,055. Also, the staff indicated in its recommendations that since taxable year 1969 was closed by the 3-year statute of limitations and any payment by the President would be voluntary, the increase of $171,055 did not include interest paid. The staff pointed out, however, that if interest were to have been included, the interest would have amounted to $40,732, to April 3, 1974.

Regarding any payment by former President Nixon for the $171,055 recommended increase, I am precluded by the tax laws from disclosing this information. Generally, before tax information can be disclosed to a committee of the Senate or the House of Representatives (other than the House Committee on Ways and Means, the Senate Committee on Finance, and the Joint Committee on Taxation), there must be a written request to the Secretary of the Treasury from the chairman of a committee specially authorized by a resolution of the Senate or the House of Representatives to inspect any return or return information.

It is my understanding that former President Nixon had made certain public statements indicating that, notwithstanding the statute of limitations with respect to the recommended 1969 Federal income tax increase, he would pay the Treasury the amount recommended by the staff. Other than public statements to the media, I am not aware of any statements received from former President Nixon bearing upon his offer to pay the 1969 recommended increase.

Sincerely yours,

BERNARD M. SHAPIRO.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 21, 1977.

Hon. WILLIAM R. WILLIAMS,
Acting Commissioner, Internal Revenue Service, Washington, D.C.

DEAR MR. WILLIAMS: Former President Nixon announced in April, 1974 that he would pay his entire then-outstanding debt of $432,787.10 to the Internal Revenue Service resulting from the re-examination of his past returns. It is my understanding that at the present time he owes $148,000 which cannot be collected because of the statute of limitations. While the statute of limitations protects him from a lawsuit to recover the moneys, it would not protect him from a set-off. By that I mean that were he to receive, as he has in the past under an appropriations bill, moneys expected to be in excess of $200,000, the U.S. could in my judgment set-off and reduce that amount by the sum of $148,000 due to the United States Government by Former President Nixon.

I have inquired into this matter with the Joint Committee on Taxation which was unable to provide me with the information bearing upon the amount owed in back taxes by then-President Nixon. While I understand that the payment of taxes is a private matter, in this instance it has a direct bearing on how I plan to vote and amendments I may offer within the Appropriations Committee and on the Floor of the House, relating to appropriations to former President Nixon for FY 1978 under the Former President's Act. I would appreciate your having a member of your staff contact me at the earliest possible moment so that I can have this matter clarified.

Thank you so much for your cooperation and I look forward to hearing from you.

Sincerely,

Hon. EDWARD I. KOCH,

INTERNAL REVENUE SERVICE,
Washington, D.C., April 28, 1977.

Committee on Appropriations, House of Representatives, Washington, D.C.

DEAR MR. KOCH: In response to your letter of April 21, 1977, members of my staff called Ken Kay of your office to discuss the issues raised in your letter. Mr. Kay asked for this confirmation in writing of the fact that Section 6103 of the Internal Revenue Code prevents our disclosing the status of tax payments or possible existence of liability or amount thereof regarding former President Richard Nixon, or any other taxpayer, in these circumstances.

We appreciate your inquiry, the opportunity to discuss it with your office, and hope that we can be more helpful in the future.

With kind regards.

Sincerely,

JOHN L. WITHERS,
Acting Commissioner.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 21, 1977.

HERBERT J. MILLER, Jr., Esq.,
Miller, Cassidy, Larroca, & Lewin, Washington, D.C.

DEAR MR. MILLER: I am writing to you in your capacity as attorney for Former President Richard M. Nixon. I would like to inquire as to the status of the Former President's payment of income taxes, which he indicated in April, 1974, that he would pay the government, even though he was not legally compelled to do so because the statute of limitations had run. As I understand it, then-President Nixon announced that he would pay $432,787.10 to the Internal Revenue Service, the amount which the Internal Revenue Service had determined to be owed the government after disallowing certain past deductions. It is also my understanding that former President Nixon has still not paid $148,000 of the amount that he would pay.

I have asked the Joint Committee on Taxation and the Internal Revenue Service whether former President Nixon has paid the $148,000, but neither was able to provide me with the information. While I understand that the payment of taxes is a private matter, in this instance then-President Nixon made a public commitment to pay the entire sum of $432,787.10. Whether or not the entire amount has now been paid has a direct bearing on how I intend to vote and what amendments I may offer within the Appropriations Committee and on the floor of the House, relating to appropriations to former President Nixon for Fiscal Year 1978 under the Former President's Act. I am considering reducing the amount former-President Nixon would receive under the former President's Act by $148,000, which would be a set-off of the amount of taxes that has not been paid.

If former-President Nixon has paid the amount owing or made arrangements with the IRS to do so under some formal plan of payment, it is necessary that I be so advised. Otherwise, I must assume that the moneys are still outstanding and that the former President is using the statute of limitations as a defense. If the latter is not the case, do let me know immediately as the Appropriation's Subcommittee markup on the Former President's Act begins next week.

Sincerely,

EDWARD I. KOCH.

MILLER, CASSIDY, LARROCA & LEWIN,
Washington, D.C., April 26, 1977.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: In response to your letter concerning the tax liability of the former President, please be advised that as far as I, his lawyer, am concerned, the information you seek is a matter between the former President and the Internal Revenue Service. I cannot help comment, however, on the fact that the former President has, since leaving office, incurred substantial medical bills, not only because of his own illness, which almost resulted in his death, but also because of the recent illness of his wife, Pat.

Further, no one knows better than I the tremendous legal fees that he has incurred due to the vast amount of litigation concerning Congress unprecedented enactment of the Presidential Recordings and Materials Preservation Act. No other President, upon leaving office, has had to bear such enormous costs to preserve the integrity of

Presidential confidences from wholesale intrusion. In addition to these legal expenses, and because of inadequate budget allowances from Congress, former President Nixon has had to pay nearly $200,000 for additional staff to answer his public mail and other obligations arising from his former official position.

In any event, it is my understanding that Mr. Nixon hopes to be able to pay whatever tax deficiency may still exist for 1969, even though he has no legal obligation to do so and even though the circumstances I have described above make it impossible for him to do so at this time.

Sincerely yours,

HERBERT J. MILLER, Jr.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

Mr. BAUMAN. Mr. Chairman, I will make a point of order just to get the Chair's ruling.

The language of the amendment offered by the gentleman from New York appears to me, by presenting a cut of an overall amount of money, to present the Administrator of the General Services Administration with the dilemma as to exactly where the cut is to be allocated, because in the report it is indicated that this particular fund not only goes for former Presidents Nixon and Ford, but also to widows of former Presidents Eisenhower, Truman, and Johnson.

It appears to me that the Administrator is going to have to make some ministerial judgments as to where this cut will be made. That will require additional decisions that he is not now required to make. Therefore, it is in violation of the rule against legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from New York desire to be heard?

Mr. KOCH. Yes, Mr. Chairman. I have such a high regard for the gentleman from Maryland that I know he has not read this amendment. Otherwise, he would not have said that. The reason I say that is that the amendment, which is a very simple amendment, reads as follows:

Strike $617,000 and insert in lieu thereof $469,000, of which no more than $21,000 shall be available for office staff and related expenses for former President Nixon.

So, there is no discretion on the part of those administering this expenditure. It is very clear how that shall be done.

The CHAIRMAN. The Chair is prepared to rule.

In the opinion of the Chair, the amendment offered by the gentleman from New York (Mr. KOCH) amounts to a negative restriction or limitation on the funds in the bill and therefore is in order.

The Chair overrules the point of order.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment. Just a little while ago, we had a good demonstration on the House floor of what happens whenever an appropriations committee is faced with the lack of authorization. Now, the exact opposite is true.

We have legislation here which mandates this committee to fund the expenses of former Presidents and of widows of former Presidents, and this we have tried to do. We have treated the involved people with equality. We have two former Presidents involved, and what we have done is in strict accord with the law as the Congress has enacted it.

Let us get something straight: Former President Nixon owes no taxes. The statute of limitations has already run, so that is not in question here. So, let no one kid himself, we are not going to collect a red cent in any taxes he may have owed or still owes by approving this amendment. All we are going to do is, because it involves some taxpayers' money that he would not get anyway because the part of this bill where he personally gets for his pension is not covered by this amendment. The only thing we are going to do is to hamstring the people who need to be in contact with the former President, so we are going to penalize the people that pay the taxes. We are not going to collect any taxes.

I think we all know what really motivates this sort of thing. If people sincerely think that the former President involved should be punished, there is a legislative way to achieve that, and I would think that those who feel that strongly should have been acting in that area instead of waiting until this late hour in an appropriation bill to try to do something.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from New York (Mr. KOCH).

Mr. KOCH. I thank the gentleman for yielding.

Mr. Chairman, let me take up two points. First, it is not extraordinary for Members on this floor to try to reduce expenditures. Generally that is looked upon with favor on that side of the aisle and occasionally on this side of the aisle. So I would assume there should not be any great uproar.

Mr. STEED. Mr. Chairman, it is perfectly proper to try to understand the motive that is being made in the reduction. I do not think we need to kid each other. We understand what is going on here.

Mr. KOCH. If the gentleman will yield further, the gentleman said that in effect we are not getting back money from former President Nixon by deducting this $148,000 we are giving him for a special purpose. I would suggest to the gentleman that when we give $148,000—in this case $169,000—to the former President, we are taking taxpayers' money and we are giving it to him.

If we do not do what this amendment suggests, he is going to be $148,000 richer, richer in the sense that he may have to spend that money out of his own pocket.

Mr. STEED. Mr. Chairman, I would have to disagree with the gentleman there, because the only reason we put this money in the bill, in the first place, the only reason it is authorized, in the first place, is that it is true, and the Congress accepted that as being true, that a former President has a great deal of involvement with the public and that he needs staff and other benefits for him to perform ongoing public responsibilities. That is what this money goes for. Mr. Nixon does not get a cent of it personally.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of the distinguished gentleman from Oklahoma (Mr. STEED), because obviously former Presidents have responsibilities which are necessary to carry out. That is why the Congress in its wisdom provided the finances to help them do that job. If we are going to do it this way, I think it is very unfortunate. I would call it sort of political nitpicking. It may read fine in The New York Times tomorrow. It may be helpful for the gentleman from New York if he is running for Mayor of New York City. But let me say this: I think this is political nitpicking at its worst.

Mr. KOCH. Mr. Chairman, will the gentlemen yield?

Mr. STEED. I yield to the gentleman from New York (Mr. KOCH).

Mr. KOCH. I thank the gentleman for yielding.

Mr. Chairman, I want to remind the gentleman on that side of the aisle that I sought to reduce the appropriation for President Nixon on the other occasion it appeared before this House, unsuccessfully at that time. I think there is something wrong with providing these moneys to a former President who, in his own words, said he had "impeached himself." That is what he said on David Frost's show.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, let me say that I do not consider these funds to be funds for the former President. I consider that they are funds to carry out responsibilities that the former President has. Whether it is former President Ford, whether it is former President Nixon—and we had it for former President Johnson—any former President has these kinds of responsibilities that he must carry out. They are really for the public. He does not get any of this personally. So I think it is very unfortunate to have this kind of an amendment which I do not think really accomplishes anything except, as I say, a little more political nitpicking.

Mr. MILLER of Ohio. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, it has been made quite clear that the funds that are being requested and appropriated here are to be used to employ people to answer mail for a former President. That was the purpose that was stated by the gentleman from New York (Mr. KOCH), who offered the amendment a few minutes ago, and he indicated that someone would be richer by that amount of money.

That money will be spent for the purpose that has been stated—to hire staff who will in turn answer the mail. Every President has had such a staff, and it is something we have provided at least in the last several decades. We have done that because it is something that is necessary, since our former President can

answer certain questions that many of us cannot answer. I think it is important that we make it clear that we should allocate the dollars in this instance just as we have to other former Presidents.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I will gladly yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, I suggest to the gentleman from Ohio (Mr. MILLER) that there is a vast difference between former President Ford, for whom we all have a high regard and who is entitled to everything that this House wants to give him, and former President Nixon, who left his office in such a state that he himself said not very long ago that he impeached himself.

I do not think that we have the same obligation to former President Nixon vis-a-vis other former Presidents as for instance, President Ford, to conduct an outgoing President's office. I think that when we give former President Nixon $21,000, that is $21,000 too much. Nevertheless, if my amendment is agreed to, he will still have $21,000 of Government funds to conduct his business, notwithstanding the fact that at this point, by virtue of what he did in that office, he will receive $2 million in the private sector for having told us on the David Frost Show what he did when he was the President, and abused that high office.

Mr. MILLER of Ohio. Mr. Chairman, if I may regain my time, in the New York Times of Thursday, May 26, 1977, the article goes on to state the fact that former President Nixon gave papers worth nearly $600,000 dating from his days as Vice President to the National Archives. He was questioned by Mr. Frost at that time, and the answer as reported in the Times was this:

> All I did was this: I ordered the papers to be delivered to the archives, I said, "Now, follow the proper procedures and take whatever deductions the law allows." That's the last instruction I gave. The instructions, as far as I recall were oral, and the only action that I took was to sign the tax return with no knowledge whatever that it was not in order.

Mr. KOCH. Mr. Chairman, will the gentleman oblige me by yielding once more?

Mr. MILLER of Ohio. I will be glade to yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, all we are doing here is holding former President Nixon to his own promise to this country. He said in June of 1974—and his lawyer said it this year, in 1977—that the former President recognizes his debt and wishes to pay it. Nevertheless, it has not been paid.

I believe that before we give him $169,000 we ought to offset $148,000 which he owes by his own admission.

Mr. MILLER of Ohio. Mr. Chairman, if the gentleman will allow me to reclaim my own time, let me make it clear that if we were giving the former President $169,000. I would support the gentleman's amendment.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I just want to say to the gentleman from Ohio (Mr. MILLER) that Richard Nixon may have been wrong in a great number of things he did and said, but this debate proves without a doubt he was certainly wrong when he said, "You won't have Richard Nixon to kick around any more."

Mr. MILLER of Ohio. Mr. Chairman, I thank the gentleman for his contribution.

Mr. BAUCUS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, in view of the last comment, I think it is correct to say that the proponents of this amendment in no way enjoy taking this action. Nobody likes taking something away from anybody at any time.

However, in our judgment it is our duty as legislators to uphold the integrity and the honesty and morality of the office of the President.

President Nixon, when he was President, publicly stated that he owes the money. Sure, the statute of limitations may have run, but that is an irrelevant technicality when it comes to upholding the morality and integrity of the office of the President. All Americans expect that they not only will pay but they should pay the taxes that they legitimately owe. They certainly expect the President, the leader of their country, also to pay the taxes that he publicly says he owes.

If this amendment were to carry—and I believe it will, as it should—the people who want to know about the President's papers are still going to get that information. There is always going to be a way to pay for secretaries to go through records so that the people will know what the President's records are at that time.

Not only that, this amendment applies only for 1 year. In future years President Nixon will still have sufficient funds to go through his records. In any event, as the gentleman from New York has pointed out, from the David Frost interviews there is enough money for President Nixon to have funds to provide staff support.

Mr. Chairman, if we ask the American people what is right here, what is really right, I think there is no doubt in our minds that the American people would say that a former President who publicly admits that he owes back taxes should pay those taxes.

Mr. McEWEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address an inquiry to my friend and colleague, the gentleman from New York (Mr. KOCH), the sponsor of this amendment.

If the gentleman were questioning the use of these funds and saying that they were not being used for proper purposes or that they were not being used for the hiring of clerks, to put it in congressional terms—that is what we are talking about, staff to handle correspondence—or that they were being used by this former President or any former President or any former President's widow for purposes other than what is authorized and being appropriated for here, I would understand the gentleman.

However, Mr. Chairman, I find this is a unique argument that my colleague, the gentleman from New York, advances.

If I may draw a parallel with Congress, it seems to me that what the gentleman is suggesting is that if he or I had a tax liability that we had not met, it would be proper to reach into our congressional staff funds and take the money out of those funds to satisfy the tax liability. I fail to understand how the Member in that case would be punished.

I grant that he might, if he wanted to run for reelection, but I do not think the former President is planning any election campaign.

Those who are being punished are the citizens who are writing to a Congressman or, in this case, to a former President, hoping to get a reply to whatever their inquiry might be.

Mr. Chairman, I see an exact parallel. Therefore, I ask this question of my colleague, the gentleman from New York (Mr. KOCH): Would the gentleman suggest that we set this as a precedent, that if a Member of this body has an unmet tax liability, we should then take funds out of his telephone allowance, his allowance for stationery, or his allowance for the hiring of clerks to satisfy that obligation?

Is that what the gentleman is suggesting?

Mr. KOCH. Mr. Chairman, if the gentleman will yield, that is a very intelligent question. Let me address myself to it.

When we give to a former President an emolument—that is what this is; it is an emolument—we are not providing him with the staff. He is hiring staff, and we are paying for it. When we give him, as we do, the ability to write claims at our expense, that is exactly the same as if we were giving him money by way of a paycheck because if we were not to give him that money, then he has to take it out of his own pocket.

Mr. McEWEN. Or perhaps he would not do it all. Would not the gentleman recognize that he might not be able to respond in that way?

Mr. KOCH. I am addressing myself to the gentleman's question.

What I am saying is that when we get a former President who tells us that he wants to pay and he is going to pay—he said that in 1974; and we have his lawyers saying it in 1977 on behalf of the former President—the payment should be made.

Mr. McEWEN. I do not address myself to that subject. My question does not relate to that subject at all. I am not asking about whether he agrees to pay or whether he should pay. I am saying, is this the way to collect it, out of clerical hiring funds?

Mr. KOCH. If the gentleman will yield further, I am saying that if a Member of this House found himself in that same position of refusing to pay and if the Government had no other way to obtain the moneys I would not hesitate to say that the same analogy applies and that we should not give that Member airplane fare, for example. Let him take expenses out of his own pocket if, in fact, he refuses to pay.

I am saying that we have exhausted every means of collecting the 1969 taxes from the former President. There is no way of our securing that from him by way of a lawsuit because the statute of limitations has run. Yet, he has the effrontery on two occasions, once himself in 1974 and then through his lawyer this year, to say, yes, he is going to pay it.

I say let us hold United States President to his public promise.

Mr. McEWEN. I do not think we are talking about $169,000 for airplane travel. I think we are talking about staffing the office of a former President.

I just say, Mr. Chairman, and colleagues, I think it would be an alarming precedent if we were to say that we would collect an individual's obligations out of public funds that are provided for a public purpose. If my colleague, the gentleman from New York (Mr. KOCH) wants to attack what he calls an emolument, and which I have understood, in this subcommittee, to be funds for the function of a former President so as to respond to inquiries, and so forth, the gentleman may do so, but the gentleman's amendment, if you were to ask me, appears to be a little ridiculous to say that we will take it out of public funds to pay a private bill.

Mr. AMMERMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I do not think anyone doubts that probably the most pressing business before the staff of ex-President Nixon has been his work in preparing for the David Frost interviews, which have repaid him well. I think it is most appropriate that we deduct $148,000. He can make up the $148,000 from his proceeds from the David Frost interviews.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. KOCH).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KOCH. Mr. Chairman, on that I ask for a division and, pending that, Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from New York (Mr. KOCH) for a division.

The question was taken; and on a division (demanded by Mr. KOCH) there were—ayes 19, noes 34.

Mr. KOCH. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures provided by section 6-104.4 (b) of Armed Services Procurement Regulation, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

Mr. SYMMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to make a comment on the legislation, that there is one thing about the IRS that has seriously bothered me. It is a very difficult problem, but I think it is one I would like to encourage the committee to look into when the IRS comes before the committee, that is the informer or bounty payments. I think most of us do not have any objection to the IRS going after big gangsters; but I personally am sick and tired of the harassment the IRS makes of the middle class citizens of the country working hard, trying to pay their taxes and come to find out that if they turn in their neighbors, they get a bounty, if the neighbor is guilty.

I understand they paid up to $500,000 last year for informers' pay. I was wondering if anybody on the committee could tell me where that money goes?

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, while I am not on the committee, but speaking for my own committee, this money goes to take care of big crooks in this country, to try to track down those that are the big gamblers and gangsters and so forth. I think it is essential for the IRS to do their job.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Chairman, this is not an unusual situation that develops in a bill of this sort. I can understand the gentleman's concern.

What I would like to do when this matter comes up next year, we will let the gentleman know when this particular agency is going to be before us and we would like the gentleman's cooperation to make sure any questions the gentleman has will be answered. We will accept any material anyone wants to submit and get answers to it. Maybe we can find out all about this, so the gentleman will be at least satisfied that it is a good program or can determine what kind of improvements are needed to change it.

Mr. SYMMS. Mr. Chairman, I thank the chairman of the subcommittee for that assurance.

I would like to say to the Committee that in my opinion the IRS is probably the most harassing dictatorial trouble-causing agency, that does more damage to the American people, than any other agency. I know we have to raise our taxes, but, nevertheless, when they are out there assuming everybody is guilty before they are proven innocent, I get a little sick and tired of the treatment people receive from these looters and plunderers.

I would hope we could establish a legislative record in the future with the IRS to knock off the harassment, to do their job and not make a police state out of this society in America.

The CHAIRMAN. The Clerk will read.

(The Clerk continued to read.)

Mr. STEED (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. Are there any points of order to title VI?

The Chair hears none.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio:

"The National Center for Productivity and Quality of Working Life is hereby abolished effective October 1, 1977, and the funds appropriated or otherwise made available in this Act shall not be obligated or expended for its activities."

Mr. ADDABBO. Regular order, Mr. Chairman. We are past that point in the bill.

The CHAIRMAN. The Chair will state that is correct, that that portion of the bill has already been passed. Therefore, the amendment would not be in order.

Mr. MILLER of Ohio. Only title VI was in order, is that correct?

The CHAIRMAN. That is the understanding of the Chair. The request was for title VI only.

Mr. MILLER of Ohio. I thank the Chairman.

The CHAIRMAN. Are there any other amendments? If not, the Chair recognizes the gentleman from Oklahoma.

Mr. STEED. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7552) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1978, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MILLER of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of Ohio moves to recommit the bill H.R. 7552 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 359, nays 45, not voting 29, as follows:

[Roll No. 321]

YEAS—359

Abdnor	Brown, Calif.	de la Garza
Addabbo	Brown, Mich.	Delaney
Akaka	Brown, Ohio	Dellums
Allen	Broyhill	Derrick
Ambro	Buchanan	Derwinski
Ammerman	Burgener	Devine
Anderson, Calif.	Burke, Calif.	Dickinson
	Burke, Mass.	Dicks
Anderson, Ill.	Burleson, Tex.	Diggs
Andrews, N.C.	Burlison, Mo.	Dingell
Andrews, N. Dak.	Burton, John	Dodd
	Burton, Phillip	Dornan
Annunzio	Butler	Downey
Applegate	Byron	Drinan
Armstrong	Caputo	Duncan, Oreg.
Ashley	Carney	Duncan, Tenn.
Aspin	Carr	Early
AuCoin	Carter	Edgar
Badham	Cavanaugh	Edwards, Ala.
Badillo	Cederberg	Edwards, Calif.
Bafalis	Chappell	Edwards, Okla.
Barnard	Chisholm	Eilberg
Baucus	Clausen, Don H.	Emery
Beard, R.I.		English
Beard, Tenn.	Clawson, Del	Erlenborn
Benjamin	Clay	Evans, Colo.
Bevill	Cleveland	Evans, Del.
Biaggi	Cochran	Evans, Ga.
Bingham	Cohen	Fary
Blanchard	Coleman	Fascell
Blouin	Collins, Ill.	Findley
Boggs	Conable	Fish
Boland	Conte	Fisher
Bolling	Conyers	Fithian
Bonior	Corcoran	Flood
Bonker	Corman	Flowers
Bowen	Cornwell	Flynt
Brademas	Cotter	Foley
Breaux	Coughlin	Ford, Mich.
Breckinridge	D'Amours	Ford, Tenn.
Brinkley	Daniel, Dan	Forsythe
Brodhead	Daniel, R. W.	Fountain
Brooks	Danielson	Fowler
Broomfield	Davis	Fraser
Frenzel	Madigan	Ruppe
Frey	Mahon	Ryan
Fuqua	Mann	Santini
Gaydos	Markey	Sarasin
Gibbons	Marks	Satterfield
Ginn	Marlenee	Sawyer
Goldwater	Marriott	Scheuer
Gonzalez	Martin	Schroeder
Gore	Mazzoli	Schulze
Gradison	Meeds	Seiberling
Grassley	Metcalfe	Sharp
Gudger	Meyner	Shipley
Guyer	Michel	Sikes
Hagedorn	Mikulski	Simon
Hamilton	Mikva	Sisk
Hammer-schmidt	Milford	Skubitz
	Miller, Calif.	Slack
Hanley	Mineta	Smith, Iowa
Hannaford	Minish	Smith, Nebr.
Harrington	Mitchell, N.Y.	Snyder
Harris	Moakley	Solarz
Harsha	Mollohan	Spellman
Heckler	Montgomery	Spence
Hefner	Moore	St Germain
Heftel	Moorhead, Calif.	Staggers
Hightower		Stangeland
Hillis	Moss	Stanton
Holland	Murphy, Ill.	Stark
Hollenbeck	Murphy, N.Y.	Steed
Holtzman	Murphy, Pa.	Steiger
Horton	Murtha	Stockman
Howard	Myers, Gary	Stokes
Hubbard	Myers, Michael	Stratton
Huckaby	Myers, Ind.	Studds
Hyde	Natcher	Stump
Ichord	Neal	Taylor
Ireland	Nedzi	Thone
Jenkins	Nichols	Thornton
Jenrette	Nix	Treen
Johnson, Calif.	Nolan	Trible
Johnson, Colo.	Nowak	Tsongas
Jones, N.C.	O'Brien	Udall
Jones, Okla.	Oakar	Ullman
Jones, Tenn.	Oberstar	Van Deerlin
Jordan	Obey	Vander Jagt
Kastenmeier	Ottinger	Vanik
Kazen	Panetta	Vento
Kemp	Patten	Volkmer
Ketchum	Patterson	Waggonner
Keys	Pattison	Walgren
Kildee	Pease	Walsh
Koch	Pepper	Wampler
Krebs	Perkins	Watkins
Krueger	Pettis	Waxman
LaFalce	Pickle	Weaver
Lagomarsino	Pike	Whalen
Latta	Pressler	White
Leach	Preyer	Whitehurst
Lederer	Price	Whitley
Leggett	Pritchard	Whitten
Lehman	Quie	Wiggins
Lent	Rahall	Wilson, C. H.
Levitas	Rangel	Wilson, Tex.
Lloyd, Calif.	Regula	Winn
Lloyd, Tenn.	Reuss	Wirth
Long, La.	Rhodes	Wolff
Long, Md.	Richmond	Wright
Lott	Rinaldo	Wydler
Lujan	Risenhoover	Wylie
Luken	Robinson	Yates
Lundine	Rodino	Yatron
McClory	Rogers	Young, Fla.
McCloskey	Roncalio	Young, Mo.
McCormack	Rose	Young, Tex.
McDade	Rostenkowski	Zablocki
McEwen	Roybal	Zeferetti
McFall	Rudd	
McKay	Runnels	

NAYS—45

Alexander	Goodling	Miller, Ohio
Archer	Hall	Moffett
Bauman	Hansen	Mottl
Bedell	Harkin	Pursell
Bennett	Holt	Quillen
Burke, Fla.	Hughes	Roberts
Collins, Tex.	Jacobs	Rousselot
Cornell	Kasten	Shuster
Crane	Kelly	Skelton
Cunningham	Kindness	Symms
Ertel	Kostmayer	Traxler
Fenwick	McDonald	Tucker
Gammage	Maguire	Walker
Gephardt	Mathis	Weiss
Glickman	Mattox	Young, Alaska

NOT VOTING—29

Ashbrook	Flippo	Le Fante
Baldus	Florio	McHugh
Beilenson	Giaimo	McKinney
Dent	Gilman	Mitchell, Md.
Eckhardt	Hawkins	Moorhead, Pa.
Evans, Ind.	Jeffords	Poage
Quayle	Rosenthal	Teague
Railsback	Russo	Thompson
Roe	Sebelius	Wilson, Bob
Rooney	Steers	

The Clerk announced the following pairs:

Mr. Le Fante with Mr. Ashbrook.
Mr. Thompson with Mr. Gilman.
Mr. Teague with Mr. Bob Wilson.
Mr. Evans of Indiana with Mr. Beilenson.
Mr. Hawkins with Mr. McKinney.
Mr. Baldus with Mr. Steers.
Mr. Giaimo with Mr. Jeffords.
Mr. Flippo with Mr. Dent.
Mr. Florio with Mr. Quayle.
Mr. Moorhead of Pennsylvania with Mr. Russo.
Mr. Mitchell of Maryland with Mr. Rosenthal.
Mr. McHugh with Mr. Roe.
Mr. Eckhardt with Mr. Railsback.
Mr. Rooney with Mr. Sebelius.

Mr. ALEXANDER changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENROLLMENT OF H.R. 7552

Mr. STEED. Mr. Speaker, I ask unanimous consent that the Clerk may make corrections in the numbering of sections in the enrollment of the bill just passed, H.R. 7552.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

GENERAL LEAVE

Mr. STEED. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4746, WATER RESOURCES RESEARCH AND TECHNOLOGY DEVELOPMENT ACT OF 1977

Mr. UDALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4746) to extend certain authorities of the Secretary of the Interior with respect to water resources research and saline water conversion programs, and for other puposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arizona? The Chair hears none, and appoints the following conferees: Messrs. MEEDS, UDALL, MILLER of California, KREBS, WEAVER, LUJAN, and MARRIOTT.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1978

Mr. McFALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7557) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1978, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from Massachusetts (Mr. CONTE) and myself.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. McFALL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7557, with Miss JORDAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from California (Mr. McFALL) will be recognized for 1 hour, and the gentleman from Massachusetts (Mr. CONTE) will be recognized for 1 hour.

The Chair recognizes the gentleman from California (Mr. McFALL).

Mr. McFALL. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, we submit for your consideration today the bill, H.R. 7557, making appropriations for the Department of Transportation and related agencies for fiscal year 1978.

Before discussing the specifics of the bill, I want to express my appreciation to the other members for their cooperation during the detailed hearings on the bill. This year we had five new members on the subcommittee, the gentleman from Indiana (Mr. BENJAMIN), the gentleman from Iowa (Mr. SMITH), the gentleman from New York (Mr. ADDABBO), the gentleman from Colorado (Mr. EVANS), and the gentleman from Illinois (Mr O'BRIEN). They all brought new thoughts to the deliberations of the committee.

My three other Democratic colleagues, the gentleman from Oklahoma (Mr. STEED), the gentleman from New York (Mr. KOCH), and the gentleman from Oregon (Mr. DUNCAN), continued their excellent service to the committee, the Congress, and the country.

I especially want to thank the distinguished ranking minority member from Massachusetts (Mr. CONTE) and the gentleman from Alabama (Mr. EDWARDS) for their active participation and support in developing this legislation.

The committee developed a hearing record contained in five volumes amounting to nearly 5,000 pages. We heard testimony from 11 Members of Congress and 160 officials from the executive branch.

The committee, I believe, has carefully reviewed the programs of the Department of Transportation and related agencies, and is recommending what we consider to be sufficient funds to enable these agencies to help meet the requirements of our Nation's transportation system.

SUMMARY OF THE BILL

The bill includes a total of $14,281,372,000, of which about $6.1 billion is new budget authority and $8.1 billion is liquidating cash. The total amount of new budget authority is $31,633,000 below the budget.

The bill provides funds for about 132,000 positions, including nearly 39,000 military personnel for the Coast Guard. This is an increase of about 1,100 positions over the current level. Nearly all of these new positions are for the operation and maintenance of the air traffic control system and for the increased responsibilities of the Coast Guard.

SELECTED MAJOR RECOMMENDATIONS

I would call the attention of the members of the committee to the summary of page 4 of the report. The major recommendations are as follows:

First. The appropriation of $1,808,300,000 for the operations activities of the Federal Aviation Administration, $11,450,000 less than the budget request;

Second. An increase of $90,000,000 over the budget for the safer off-system roads program;

Third. The appropriation of $871,865,000 for operating expenses of the Coast Guard;

Fourth. Approval of the full budget request of $400,000,000 for the Northeast corridor improvement program;

Fifth. A general provision providing for obligations of not to exceed $7,445,000,000 for Federal-aid highways;

Sixth. The appropriation of $633,500,000 for Federal grants to Amtrak, an increase of $32,800,000 over fiscal year 1977;

Seventh. A general provision providing for commitments of not to exceed $2,307,000,000 for the urban mass transportation fund, including the full budget requests for capital and formula grants;

Eighth. An increase of $29,283,000 over the budget for debt service of the bonds of the Washington Metropolitan Area Transit Authority;

Ninth. The appropriation of $200,000,000 for railroad rehabilitation and improvement financing funds; and

Tenth. A program level of $774,000,000 for projects substituted for Interstate System projects, including a direct appropriation of $424 million.

OFFICE OF THE SECRETARY OF TRANSPORTATION

Madam Chairman, the bill provides appropriations of $57.4 million for the Office of the Secretary of Transportation. I know that the Members share my pleasure at having our former esteemed colleague, Brock Adams, as Secretary of Transportation. He has an outstanding background in the field of transportation, and I am sure that he will be able to utilize his talents to work with the Congress in improving our Nation's transportation system.

Of the funds recommended for this office, $24 million would be for transportation planning, research, and development. Nearly one-half of these funds are for transportation policy development. We believe that the recent publication of National Transportation Trends and Choices provides a much needed discussion of national transportation issues. We are hopeful that Secretary Adams will be able to continue and improve on this effort.

COAST GUARD

The Coast Guard is one of the oldest and finest organizations in our Government. It has a reputation for operating a trim ship and for being cost conscious.

Under our recommendations, operating expenses for the Coast Guard would be reduced by $3,396,000 from the budget, a reduction of less than one-half of 1 percent. We have provided funds for all of the requested new positions and added seven positions over the budget for the Portage search and rescue station near Hancock, Mich.

For acquisition, construction, and improvements, we recommend $218,802,000. This includes $70,848,000 for the medium-range surveillance aircraft program and $55.3 million for the medium endurance cutter replacement program. In addition, the Coast Guard will have about $20.7 million of currently deferred appropriations available for obligation in fiscal year 1978. Most of these funds will be used to begin a multiyear procurement program for short-range recovery helicopters.

We did not approve the funds requested for an aircraft simulator. Although we endorse the use of simulator training, we did not feel that the Coast Guard had thoroughly evaluated the possibility of obtaining this training from the private sector.

In the area of navigational safety, we have provided a $10 million increase to accelerate and expand the Coast Guard's vessel traffic systems program.

For the Federal Government's share for bridge alterations, we are recommending $15.1 million for the continuation of six on-going projects. These projects are listed on page 11 of the report.

We have approved the full budget requests for retired pay, reserve training, and State boating safety grants and have made only a minimal reduction in R.D. T. & E. We have been very impressed with the extent to which Coast Guard reservists are being employed to support Regular Coast Guard activities. In the last fiscal year more than 3 million manhours of training were performed by reservists in nearly all of the major operational activities of the Coast Guard.

We did not include the $5 million requested to increase the balance in the pollution fund, because we think the Coast Guard should have sufficient funds to meet its responsibilities in this area during the upcoming fiscal year.

FEDERAL AVIATION ADMINISTRATION

Madam Chairman, we recommend the sum of $1,808,300,000 for operations of the Federal Aviation Administration. This provides for all personnel engaged in the operation and maintenance of the air traffic control system, as well as all

supporting services and administrative costs and most of the regulatory personnel in FAA.

Our recommendation is $70.5 million more than the amount appropriated for similar activities in fiscal year 1977. We have approved 613 new positions to alleviate any personnel shortages which might exist in air traffic control tower staffing. We are concerned about the increasing payments FAA is required to make to the Department of Labor for the Federal employees compensation programs. These costs are increasing at a rate in excess of 60 percent a year. Our report contains some suggested administrative changes in the program and we expect the FAA to cooperate with the Department of Labor in implementing these proposals.

The bill includes $209 million for facilities and equipment for the Federal airway system. This is $3.6 million less than the budget request. We are recommending $7 million for the VORTAC modernization program. This is $13 million less than requested.

We were reluctant to fully fund this request because a final determination regarding the extension of this system as an international standard beyond 1985 still has not been made. This reduction is offset by the addition of more than $13 million for navigational and tower safety equipment.

We denied FAA's request for two flight simulators because we believed this training could be provided by the private sector at less cost.

For the R. & D. programs of FAA, the bill includes $80.8 million in trust funds and about $16 million in General Treasury funds. We have not approved FAA's request to continue the Aerosat program but have recommended $1 million for a feasibility study of this program.

We have approved obligation levels of $540 million for airport development grants and $10 million for airport planning grants. We were concerned about the limited data the Department provided to support its $540 million development grant request. We would expect that in future years, FAA will have better data to support this request.

With respect to the Metropolitan Washington airports, the committee has approved $21,273,000 for operation and maintenance and $5 million for major capital improvements.

FEDERAL HIGHWAY ADMINISTRATION

Madam Chairman, highways provide by far the largest portion of transportation services used in this country. About 88 percent of all intercity travel and 98 percent of all urban passenger trips are by the highway mode. The mobility provided by our highway network is a cornerstone of the American way of life.

For the Federal-aid highways program, we are recommending a program level of $7.445 billion. This, I believe, is an acceptable level for the Budget Committee and the Public Works Committee, as well as for the executive branch. To liquidate the obligations incurred under contract authority for Federal-aid highways, the bill includes a cash appropriation of $5.85 billion. The bill also includes liquidating cash appropriations of $45 million for off-system roads, $20 million for highway-related safety grants, $10 million for the Great River Road, and $20 million for the right-of-way revolving fund.

For those highway programs financed with direct appropriations, we are recommending a total of $282,986,000, an increase of $123,981,000 over the budget. Most of this increase is for the safer off-system roads program. These funds will be made available to the States for general highway improvements, the correction of safety hazards, and the replacement of bridges. The bill also includes the full budget request of $75 million for low-cost safety improvements at public railway-highway grade crossings which are not located on any Federal-aid system.

We have also approved the full budget request for those railroad-highway crossings demonstration projects authorized by the Federal-Aid Highway Act of 1973, as amended, and the National Mass Transportation Assistance Act of 1974. We believe the recommended appropriation, plus the estimated carryover funds, should be adequate to permit all of these projects to progress on schedule.

For administrative expenses of the Federal Highway Administration, the bill includes a limitation of $159.5 million. This is a reduction of $2,566,000 below the budget.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

In the field of highway safety, we recommend $77,253,000 for the traffic and highway safety program. This is an increase of about $1 million over the current year's level and includes the full amount requested to meet the Department's responsibility for preparing and issuing automotive fuel economy standards.

The other activity under this administration is a grant-in-aid program for State and community highway safety. We recommend $112 million to liquidate obligations already incurred under this program and also recommend a limitation of $129 million in obligations to be made in fiscal year 1978.

FEDERAL RAILROAD ADMINISTRATION

For rail transportation programs, we are recommending nearly $1.4 billion. Almost half of these funds are for Federal grants to Amtrak. This is an increase of $32.8 million over the current subsidy level. The amount recommended includes $488.5 million for operating expenses.

This should be sufficient for the entire fiscal year if Amtrak will make effective use of its route and service criteria employing the procedures described in the committee report.

A total of $79 million is recommended for rail service assistance, including $67 million for branch line subsidies. In addition, we have approved virtually the full amounts requested for railroad safety and research and development.

In the rail area, two other programs are particularly important. The bill includes $400 million for the Northeast Corridor improvement program, the same level as proposed in the budget. When this project is completed, we will have a first-class, high-speed railroad serving the most densely populated corridor in the United States connecting Washington, Baltimore, Wilmington, Philadelphia, Trenton, New York, New Haven, Providence, and Boston. The Federal Railroad Administration is charged with the control and implementation of the program which will cost an estimated $1.75 billion over 5 years. As stated in last year's report, we expect the FRA to keep the committee fully informed on the status of the project and any problems which might arise affecting the cost or integrity of the program.

The other rail program I want to highlight is the recommended $200 million for the purchase of railroad redeemable preference shares and $600 million for the guarantee of privately placed loans and obligations. The recommended funding levels are substantially higher than the current year and will provide for a substantial amount of Federal aid for America's railroad system. Members will recall this program was authorized in title V of the Railroad Revitalization and Regulatory Reform Act of 1976. This recommended funding will hopefully provide the essential support to help the railroads recover from the worst period of economic decline experienced in many years and at the same time allow, in some cases, for a rationalization of the railroad system. This is important if we are going to be successful in keeping the railroads in the private sector of the economy.

URBAN MASS TRANSPORTATION ADMINISTRATION

Madam Chairman, we recommend $20 million for administrative expenses of the Urban Mass Transportation Administration. Although we are not recommending any new positions, the amount provided should be sufficient to fully fund UMTA's 57 unfilled positions.

For research, development, and demonstrations we are recommending $67 million, an increase of $5.8 million over the current year. Most of these funds are for improved bus and urban rail transit, an advanced GRT—group rapid transit—system which is to be tested at Pueblo, Colo., and for service and methods demonstrations which attempt to improve mass transit by a better utilization of existing technology.

Under our recommendations, there will be a total of $774 million available for transit or highway projects which are substituted for Interstate System segments. These are all general Treasury funds and include a direct appropriation of $424 million and $350 million of obligations under prior year contract authority.

In addition, the bill provides for an obligation level of $2.307 billion for UMTA programs in fiscal year 1978. The breakdown of this amount is contained on page 39 of the committee report. We have provided the full amounts requested for capital and formula grants and have added $5 million for technical studies and $10 million for rail service operating payments.

As stated in our report, we are concerned about the various types of commitments which UMTA has made in the past. We have included language which will enable the Department, the com-

mittee, and the Congress to have adequate information prior to large scale commitments for fixed guideway transit systems. This language is not intended to place the committee in the position of approving these projects on a line item basis—this is the responsibility of the Department of Transportation.

MATERIALS TRANSPORTATION BUREAU

This year we have established a separate appropriation for the Materials Transportation Bureau. This Bureau is responsible for the establishment of safety standards for the transportation of hazardous materials We are recommending a total appropriation of $8.1 million for the Bureau. This includes $4.8 million for operations, $900,000 for research, and $2.4 million for grants to States for gas pipeline safety.

RELATED AGENCIES

Title II of the bill provides $307,099,000 for seven transportation related agencies. This includes the full budget requests for the National Transportation Safety Board and the Civil Aeronautics Board.

For the Interstate Commerce Commission, we are recommending $60,525,000 and 2,205 positions. This is an increase of 12 positions over the President's request. We believe that these additional positions, together with those positions currently allocated to vacant or soon to be vacant Commissioners' offices, can be used by the new Bureau of Investigations and Enforcement to enhance the ICC's compliance program.

The bill includes $70.5 million for operating expenses and $2.13 million for the capital program of the Panama Canal Zone Government.

For the U.S. Railway Association we are recommending an appropriation of $10 million. On pages 48 and 49 of the report we have included a status report on the first year's operation of ConRail.

We are recommending an increase of $29.283,000 over the budget for interest payments for the bonds issued by the Washington Metropolitan Area Transit Authority. This represents 80 percent of the debt service for fiscal year 1978. The balance is to be provided by the participating local jurisdictions.

Finally, we have approved the full budget request for the National Transportation Policy Study Commission.

Madam Chairman, I believe we have brought a balanced and carefully considered bill to the committee and urge its adoption.

Mr. CONTE. Madam Chairman, let me begin by expressing my appreciation for the cooperative manner in which all the members of the Transportation Subcommittee have worked together on this bill. All the members of the subcommittee have worked extremely hard, and are to be commended for their diligence.

As the ranking minority member, I would especially like to pay tribute to our chairman, Mr. McFALL. We have worked as a team on this bill, rather than on a partisan basis. As I said to Secretary Adams when we began our hearings on this bill, there is no difference between the two parties in terms of their commitment to providing safe, efficient transportation.

The bill which we are considering meets that commitment, and was carefully worked out in order to meet our national transportation needs at the lowest possible cost. We are $31.6 million below the President's budget on this bill, after carefully examining every item in extensive hearings.

The chairman has aready mentioned most of the major items in this bill. I would just like to highlight a few of the major areas in which there were particular concerns.

TRANSPORTATION SAFETY—OFFICE OF THE SECRETARY

One of the most frustrating aspects of our hearings was listening to office after office describing their transportation safety responsibilities and functions. We found that in this bill, within and affiliated with the Department of Transportation, there are 3 agencies concerned with aviation safety; 5 offices and agencies concerned with pipeline safety; 5 agencies concerned with marine safety; 9 offices and agencies concerned with highway safety; 7 agencies concerned with railroad safety; and 11 offices and agencies concerned with hazardous materials safety.

We, therefore, included language in our report requesting the Secretary of Transportation to make an objective evaluation of the agencies involved in transportation safety and to make recommendations for their reorganization. This is a major area in which some significant streamlining could be done.

We reduced the budget for the Office of the Secretary by $8.6 million. It is expected that significant savings can be realized from the anticipated reorganization of the Secretary's office, and that additional savings are realized from programs which are no longer funded through this office.

One of the things that I have been talking about since I joined the transportation subcommittee is the need for a national transportation policy, and we have requested the Secretary to continue to develop such a comprehensive policy.

COAST GUARD

For the Coast Guard, we have included $1.3 billion, which is $17 million below the budget request. I have been involved with the Coast Guard since my first days in Congress, 19 years ago; I served on the Treasury Appropriations Subcommittee when the Coast Guard was under that Department, and have served on the Transportation Subcommittee since the Coast Guard was shifted to the Department of Transportation. The Coast Guard has always brought in a tight budget, and the reductions we have made are largely technical changes.

On March 1, the Coast Guard began enforcement of the Fishery Conservation and Management Act of 1976, the so-called 200-mile limit. As a cosponsor of this measure, I was concerned about the ability of the Coast Guard to meet its responsibilities in this area. I believe that the $90 million appropriated for this purpose over the past 2 fiscal years is adequate for the increased needs in this area, and that enforcement efforts are moving ahead smoothly.

The reductions which were made in the Coast Guard were due to expected slippage in the operation of new shore stations; to the fact that Coast Guard personnel can continue to use public health service hospitals; and to the committee's belief that prior year appropriations reductions were justified and should not be compensated for this year.

We have provided additional funds to reduce the average duty week for personnel assigned to search and rescue stations, and have recommended that the Coast Guard make greater use of auxiliary and reserve units for search and rescue operations in order to decrease further the number of duty hours per week for search and rescue personnel.

For Acquisition, we have $218.18 million, $7.8 million below the budget request. This amount includes funds for the procurement of the medium-range surveillance aircraft program and the full request for the medium endurance cutter replacement program.

We have also included the full $15.1 million budget request for the alteration of bridges which have become obstructions to the water-borne commerce of the United States.

FEDERAL AVIATION ADMINISTRATION

For the Federal Aviation Administration, we have included $2.1 billion, a $38.5 million reduction below the budget request. These reductions are again primarily technical adjustments and in no way reflect program level reductions.

For operations, we are $11.4 million below the budget request. The bulk of this reduction is derived from estimated productivity gains which can be achieved through the automation of radar data processing.

We have also included $22.3 million for payments by the FAA to the Federal employees compensation program of the Department of Labor, $1.2 million less than the budget request. I was able to have language included in the Labor-HEW appropriations bill report, requesting the Labor Department to evaluate its procedures under this program, paying special attention to air traffic controllers.

We had testimony to the effect that there were serious abuses of this program. It appears, for example, that large numbers of air traffic controllers were certified for benefits under this program by one psychiatrist. The whole program has problems, and we have also included language in this report concerning the need for cooperation between the Labor Department and the FAA to bring this compensation program under control.

For FAA facilities, engineering, and development, we provided $14.3 million, $3.7 million below the budget. The major item we did not approve here was $3.3 million requested for the B-727 flight simulator. It appears that such equipment is available in the private sector and that procurement of this amount would be an unnecessary expenditure of Federal funds.

We have included $209 million for the installation of new equipment and the construction and modernization of facilities for the Federal airway system. Under this item, we provided $7 million

to replace certain radar equipment with solid state components. This represents something of a reduction in the rate which FAA had proposed to replace this equipment, but the committee felt that this will be sufficient to meet the most urgent replacement needs, especially in light of the fact that a number of potential replacement systems are under consideration by the FAA. Once a decision on a replacement is made, I think the committee will be more disposed to move ahead with this program.

For grants to aid for airports, we provided a liquidating cash appropriation of $325 million. Estimated current year obligations are being incurred at a slower rate than that anticipated in the budget, and therefore less than expected amounts of liquidating cash will be necessary for next year.

We have also provided for a limitation on obligations for development grants under contract authority of $540 million, which is the same as the budget request. This amount is more than adequate to cover anticipated needs for this fund.

We are also urging the FAA to move forward with its flight service station modernization program.

FEDERAL HIGHWAY ADMINISTRATION

We are recommending under the Federal Highway Administration a limitation of $159.5 million for general operating expenses, which is $2.6 million below the budget. This reduction will not have an effect on any program.

For railroad-highway crossing demonstration projects we are recommending $5.1 million. This program involves the relocation of railroad lines from the central area of cities, the elimination or protection of public ground-level railroad-highway crossings, and the construction of overpasses and underpasses. The recommended appropriation, plus the estimated carry-over, will provide for the anticipated obligation level of $28.1 million for next year. For crossings along the Northeast Corridor, we will have a carry-over of almost $14.4 million. This program is necessary for the success of the Northeast corridor project, and so we are recommending that the State matching requirement be waived if appropriate in order to stimulate greater participation in the program. It won't do us any good to spend $1.75 billion on the Northeast Corridor unless we can get these railroad crossings into shape.

For off-system railway-highway crossings, we have provided the full request of $75 million. These funds are available to the States on a 90/10 Federal/State basis, and will significantly help reduce injuries and fatalities at dangerous rail crossings.

For safer off-system roads, we are providing $90 million for general highway improvements, safety hazard correction, and bridge replacement.

For traffic control signalization demonstration projects, we have recommended $30 million. This program, for which there was no budget request was first funded in the stimulus bill. The money is supposed to be used to help increase the capacity of existing highways.

In fact, Madam Chairman, it appears that the purpose of this program is to place a stop light on every corner in the United States. It is ridiculous to have so many stop lights. I am all in favor of highway safety, but when it comes down to a light on practically every corner and driveway, then I think we have gone too far. And in next year's hearings I intend to demand a full accounting for the accomplishments of this program.

Finally, and perhaps most important in this section, we are recommending a limitation of $5.85 billion for the liquidation of contract authority for the Federal-aid highway program, and a limitation of $7.445 billion for obligations which can be incurred under this program.

The reason for the slight reduction in the liquidating cash account is that obligations this year are being incurred at a slower rate than was anticipated by the 1978 budget. Therefore less liquidating cash will be necessary next year.

I am sure my colleagues will remember the fight we had last year in placing a limitation on obligations as well. This ceiling, which was contained in the budget resolution, will not permit the department to distort the priorities in the Federal highway legislation. This provision is similar to that which was enacted last year, and it is unlikely that we will even bump up against the ceiling.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

For the National Highway Traffic Safety Administration, we include $78.4 million, $6.3 million below the budget request. We have included the full amounts for seat belt usage demonstrations, and analysis of air bag equipped vehicle accidents, while making small reductions in some other safety programs. These reductions will not affect program levels, but will simply provide for the continuation of these valuable programs at a steady pace.

FEDERAL RAILROAD ADMINISTRATION

For the Federal Railroad Adminstration, we have provided. $1.39 billion, which is $112.8 million below the budget request. That includes $19.1 million for railroad safety, $55 million for railroad research and development, and $79 million for rail service assistance.

We provided the full request of $400 million for the Northeast corridor improvement program, which will upgrade the corridor sufficiently to provide rapid passenger transit service between Washington, D.C., New York, and Boston.

For Amtrak, we have provided $633.5 million, which is $21.5 million below the budget request. As my colleagues know, I have been one of the strongest advocates of Amtrak. But there comes a time when we have to realize that funding some of these unprofitable routes is like pouring corn down a rat-hole. We have provided sufficient funds to meet the operating and capital needs for passenger transit in this country, given our desire that Amtrak use its route service criteria, and guidelines provided by the committee, to eliminate those routes which will not cover an adequate portion of their avoidable costs.

We have also included $25 million for debt retirement and $25 million for installment payments for the purchase of the Northeast corridor by Amtrak from ConRail.

We have also included $200 million for the railroad rehabilitation and improvement financing fund to provide for much-needed railroad rehabilitation.

This amount, when combined with the $120 million we have provided this year, will make a start on the $7 billion of deferred maintenance estimated by the ICC. I might mention that this is a major place where we can see some employment impact from our transportation expenditures, which was why I included $50 million for this program in the economic stimulus bill.

URBAN MASS TRANSPORTATION ADMINISTRATION

For the Urban Mass Transportation Administration, or UMTA, we have provided $551 million. This includes $40 million for rail service operating payments and $350 million in contract authority under previous withdrawals from the Interstate Highway System, of which $200 million is for Boston.

We have recommended a general provision limiting total commitments to $2.3 billion, which will provide adequate funds for our vital mass transportation programs. We have also recommended an appropriation of $424 million for transit or highway projects which are substituted for interstate system projects including $132 million for the city of Chicago which I was pleased to support for my good friends from Illinois.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

For the limitation on administrative expenses for the St. Lawrence Seaway Development Corporation, we have provided the full request of $1.1 million.

MATERIALS TRANSPORTATION BUREAU

For the Materials Transportation Bureau, we have provided $8.1 million. This includes $900,000 for research and development to support the hazardous materiels and pipe line safety regulatory programs of the Bureau, and $2.4 million for grants-in-aid to State agencies for State natural gas pipeline safety programs.

NATIONAL TRANSPORTATION SAFETY BOARD

For the National Transportation Safety Board, we have provided the full request of $14.7 million. This amount will permit the NTSB to continue its responsibilities for improving transportation safety by conducting special investigations and evaluating the effectiveness of other transportation safety programs. This is one of the areas to which the Secretary should devote special attention in reorganizing the transportation bureaucracy.

CIVIL AERONAUTICS BOARD

For the Civil Aeronautics Board, we have provided $95.9 million. This includes the requested $72.5 million for payments to certificated air carriers to make air transportation available to certain smaller communities which would otherwise not be served.

INTERSTATE COMMERCE COMMISSION

For the Interstate Commerce Commission, we have included $60.5 million, a $1 million reduction from the budget request. This includes $800,000 for the office of rail public counsel. Along with 15 of my colleagues, I have sent a letter to the President requesting the rapid ap-

pointment of someone for the rail public counsel position.

It has been my belief that the ICC is one of the worst regulatory agencies in the Government, in terms of bureaucracy and inability to move on a decision. I think the ICC has a long way to go in reforming its procedures, and I strongly believe that the small reduction we have made in their budget should only be the beginning if things do not shape up.

PANAMA CANAL

For the Panama Canal, we have provided $72.6 million for operating expenses and capital outlays. The operating expenses account represents an advance of funds that are repaid to the U.S. Treasury through charges for services furnished or from revenues of the Panama Canal Company. The capital account will finance necessary improvements to educational facilities, hospitals, and clinics in the Canal Zone Government area.

U.S. RAILWAY ASSOCIATION

For the U.S. Railway Association, we have recommended the requested $10 million. During the next fiscal year, the USRA will conduct the litigation for the Government over the reorganization of the bankrupt railroads in the Northeast and Midwest, as well as oversee ConRail's progress towards financial viability.

During the first 9 months of its operation, ConRail surpassed its financial and rehabilitation goals, and despite the poor weather conditions this winter appears able to continue on or ahead of schedule in its rehabilitation efforts. I am sure that all of my colleagues are pleased with this progress, and we will be anxiously awaiting future quarterly reports.

One issue which has been raised recently in connection with ConRail is that of proposed route abandonments. Although ConRail is forbidden to abandon any routes until April 1, 1978, by the 4–R Act, there is some evidence that a preliminary list of routes under analysis for abandonment exists.

I would hope that the USRA, in its oversight of ConRail operations, would encourage ConRail to release its list of routes which will be proposed for abandonment as soon as possible, so that local communities and shippers will have the maximum possible time to put together their cases for the economic viability and continued operation of these routes.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

For the Washington Metropolitan Area Transit Authority, we have provided the requested $2.7 million for the design and construction of special facilities for the handicapped. This will be the final appropriation for this purpose.

We have also included $48.7 million for a Federal subsidy for interest payments for the bonds isued by the WMATA and for debt service interest on these bonds. Because of the mounting costs of this program, we have directed in our report that these funds not be made available until the WMATA and the Department of Transportation reach an agreement on the future financing of the Washington Metro system.

NATIONAL TRANSPORTATION POLICY STUDY COMMISSION

Finally, for the National Transportation Policy Study Commission, we have provided $2 million. This amount will be sufficient for the Commission to meet its statutory reporting date of December 31, 1978.

In summary, Madam Chairman, we have brought in a bill which is $31.6 million below the budget for new obligational authority, and well within the budget resolution targets. It is a responsible bill, yet one that is responsive to our Nation's transportation needs. I urge my colleagues on both sides of the aisle to support this bill.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the bill providing appropriations for the Department of Transportation in fiscal 1978, and I want to compliment the subcommittee chairman, Mr. McFALL, and the ranking minority member, Mr. CONTE, for a job well done once more. I would also like to commend the staff for their work.

I am convinced that the bill offers a sensible and balanced approach to the Nation's transportation needs. You will note on page 4 of the report that we have provided $400 million for the Northeast corridor improvement program, $633 million for Amtrak, $200 million for railroad rehabilitation and improvement funds, $871 million for operating expenses of the Coast Guard, and $1.8 billion for the Federal Aviation Administration.

The Members must keep in mind that the operations of the Coast Guard will expand greatly in the coming year because of congressional passage of the 200-mile-limit bill. The Federal Aviation Administration has won approval from the committee for 613 of 790 new control towers that were requested which brings with it an increase of over 1,000 new positions over a 2-year period. That should increase safety in air travel.

I am especially pleased that the budget for the Urban Mass Transportation Administration has been increased in this bill from the 1977 appropriations of $12.6 million to $20 million. That demonstrates, rightfully so, the committee's growing awareness of the Nation's need for mass transit systems. I am not so sure that the committee would not have been proper in increasing that amount even higher, but it is nevertheless an acceptable increase for an agency which I believe must play a larger role in the Nation's transportation system year by year.

Additionally, UMTA is appropriated an additional $67 million over and beyond administrative costs for research and development programs, as well as $1.75 billion for capital grants, technical studies and liquidation of contract authority.

I should note that the committee has approved the administration's request for $515 million for rail modernization program grants. Those funds will go to eight urban areas, including New York, New Jersey, Chicago, Cleveland, Pittsburgh and Boston, as well as Philadelphia and San Francisco.

The bill also provides modest budget increases for the National Transportation Safety Board, the Civil Aeronautics Board, the Interstate Commerce Commission, and costs for the Panama Canal.

At a later time when amendments are in order, Congressman KOCH and myself intend to offer an amendment which will—if approved—ease the problems for the residents of New York City who resist the efforts of the Federal Government to shove the Concorde supersonic jetliner down their throats at Kennedy International Airport. I would urge you to take the time to read the separate views which are on page 54 of the report. I would hope that Members who are not affected by this issue might keep in mind during debate of the issue that the same principle might apply to their own home areas someday soon.

Mr. CONTE. Mr. Chairman, I want to compliment my good friend from New York. He knows that I have a very warm spot in my heart for the Coast Guard, having served on the committee when the Coast Guard was under jurisdiction of the Treasury. When it was transferred to the DOT, I got off that Treasury committee reluctantly and moved over to the Transportation Subcommittee simply because the Coast Guard had been transferred over.

This is my 19th year handling the Coast Guard budget. I have been to nearly every Coast Guard station in the world, and I can remember when Vaughan Gary was chairman of the committee and the gentleman from New York was on that committee. The Coast Guard was the orphan, shall we say, of the services. All the secondhand aircraft and ships from the Navy or from the Air Force came down to the Coast Guard. We instituted that program to modernize the Coast Guard, and today we can be proud that it is on the same level as all the other services.

Mr. ADDABBO. I am happy the gentleman brought this matter forth, because it was important and self-sacrificing what the gentleman had done. I know he made a great sacrifice, being one of the ranking minority members on the Treasury-Post Office Subcommittee, and was very important and responsible. That is especially so in that the Coast Guard has so important a role in drug interdiction. Again, I commend the gentleman.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I rise to ask whether the committee might be able to find some answers to questions in relation to interstate highways.

I drive a stretch of 25 miles about four nights a week, from Timonium to the Pennsylvania line. All last year there was a crew of about 10 surveying that interstate highway. This year they are putting

up the most beautiful 6-foot high fencing one would ever want to see on either side of the highway. The questions I have been trying to get answers to go like this:

I understand that maintenance is falling behind on interstate highways in our areas that have bad winters 50 percent faster than they can repair them. My concern is this: Did the Federal Government, regulations of the Federal Government, mandate that kind of fencing along that highway? It involves hundreds of thousands of dollars, I am sure. If the Federal Government's regulations mandate it, does the State then have to pay for the erection of that fence and the kind of cost involved when we have all of the maintenance problems?

Mr. CONTE. Is it fencing in the center of the highway or on either side?

Mr. GOODLING. It is on either side.

The problem is that it is a 6-foot fence. It is a beautiful fence. Deer and pheasants probably cause more of the accidents and they will go over the fences. The groundhogs go under and squirrels and cats go over. Maybe it is a Federal regulation which has mandated this expenditures at a time when there is so much work to be done on maintaining highways and the States do not have the money to do it.

Mr. CONTE. I agree with the gentleman. Our interstate highways are in a deplorable condition. Unless something can be done, the Interstate Highway System is going to be antiquated before it is finished. Not only is the maintenance of the highways a problem, but the condition of our bridges is also deplorable.

Mr. GOODLING. Bridges, particularly.

Mr. CONTE. The bridges are in desperate need of being shored up and repaired.

In regard to fences, I believe that may be mandated by Federal law.

Mr. GOODLING. Does the gentleman think that it is Federal funds then that are being used?

Mr. CONTE. I think they are Federal funds, yes, by all means.

Mr. GOODLING. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Madam Chairman, I yield 5 minutes to my good friend, the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Madam Chairman, I rise for two purposes. The first is to compliment the Subcommittee on Transportation of the Committee on Appropriations for the job which they have done. It indeed is a responsible job, a comprehensive job, and one which deserves the commendation of this House.

The second reason I rise is to make comments on two particular points which I think deserve consideration in the months ahead by this Congress and by the American people. The first is to point out that we should recognize that when we spend money on transportation in America, the result almost invariably is the creation of new public assets. This is vastly different from spending taxpayers' money and then having nothing to show for it. Indeed, when we spend money on transportation, we improve a basic service. I hope, therefore, that we can and will enthusiastically embrace this appropriation bill today.

The second and the last point I would like to make—and I make this point from the perspective of the ranking member of the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation, which is the authorizing committee, and also from the perspective as the Chairman of the National Transportation Policy Study Commission—is this, Madam Chairman: That there are very clear signs emerging to show that the level of spending to keep up America's basic transportation system is inadequate.

I believe that in the months ahead we are going to see in this country an emerging national issue focusing on the inadequacy of the funds which are being spent on transportation.

Madam Chairman, whether we look at our highways, at our bridges in America—today, for example, there are over 39,000 deficient bridges, and over 100 bridges collapsed in America just last year alone—whether we look at our mass transit system so badly needed for our cities; whether we look at our waterways and the inadequacies of many of the locks and dams, regardless of the direction in which we look, we can find staggering unmet needs.

Therefore, Madam Chairman, I would suggest to the House that in the months ahead we are going to see this issue emerge and are going to find that as we focus on it, the seriousness of this matter will, indeed, deserve the increased attention of this body.

Madam Chairman, I believe the Committee on Appropriations and the Subcommittee on Transportation have done a commendable job, but they can only operate within the limits of the tools which we give them. I believe that it is going to be the duty of the authorizing committees of this House, to provide additional financial tools to the Transportation Subcommittee on Appropriations in the years ahead so that we can meet the growing unmet transportation needs of America.

By these comments, Madam Chairman, I hope to alert the House to the seriousness and to the significance of the transportation financial problems which we will be facing in the months and years ahead.

Mr. CONTE. Madam Chairman, I yield 5 minutes to the gentleman from New York (Mr. WALSH).

Mr. WALSH. Madam Chairman, I thank my colleague, the gentleman from Massachusetts (Mr. CONTE), for yielding; and I will try to be very brief.

Later on today I intend to offer an amendment to this legislation which would prevent the use of any of the funds contained in this bill for the conversion of the highway signs of this Nation to the metric system. I am doing this because of the concern that I have for the amount of money that it has been estimated this program will cost, somewhat in excess of $100 million.

Madam Chairman, I cannot get a firm estimate from the Federal Highway Administration, but that is the estimate that I have read about. I do not know where it comes from. As far as I know, the Federal Highway Administration has made no exact estimate of the cost of this conversion.

As we know, this plan has now been changed by the Highway Administration. I talked with Lester Lamm, the Executive Director, this morning; and although my amendment may seem irrelevant in the light of the program announced by the Department of Transportation, namely, to withdraw the proposed metrication procedures indefinitely, that decision is not binding, and they can reinstate the proposal at any time. For that reason, I intend to offer the amendment.

Madam Chairman, it seems that as a result of the docket that they advertised in the Federal Register, a great deal of opposition has come in to the Federal Highway Administration. I would like to read a couple of quotes from the American Automobile Association. They head it "Kill the Kilometers!" Their statement says:

> That seems to be the initial reaction to the Federal Highway Administration's proposal to convert highway signs to the metric system.

Again, Madam Chairman, it is headed, "Kill the Kilometers!"

Further, they have indicated that their studies and their contacts with the Federal Highway Administration lead them to believe that the program and the plan have generated an enormous amount of mail from the public. The majority of the comments have been submitted by individual citizens who appear to be unalterably opposed to the changeover.

Madam Chairman, I would like to point out to the Committee, too, that I have also introduced legislation before the Committee on Public Works and Transportation, on which I serve, which is known as H.R. 6742, which deals with this matter. This is in the omnibus highway bill. The committee is currently holding hearings on legislation for the Nation's highways and urban mass transportation system.

I have every reason to believe that my bill on this subject may be included in that legislation. However, it is my understanding that the legislation may not be acted on until the second session of this Congress.

Because of that time frame I do not want to be in a positon of locking the barn door after the horse has disappeared. But I do not want the Department of Transportation to continue to convert signs across the Nation and then, as a result of the enactment of H.R. 6742, requiring that they be removed at the expense of the taxpayers.

Mr. SHUSTER. Madam Chairman, will the gentleman yield?

Mr. WALSH. I will be happy to yield to my friend the gentleman from Pennsylvania immediately after I make this one observation. That is, Madam Chairman, that I just had a call this morning from another Congressman who has advised me that apparently that metrication has already begun and that there is in fact a sign on the Baltimore-Washington Expressway that has already been so changed.

I now yield to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Madam Chairman, I thank the gentleman for yielding and I would add that in addition to the onerous cost of some $100 million, as has been estimated, is it also not true that a conversion to the metric system could create absolue chaos on our highways because we have no assurance that the highway traveling public would be able to interpret and convert to the metric system?

Mr. WALSH. Madam Chairman, I am glad that the gentleman from Pennsylvania has brought that out, and that is the fact that the safety factor here is tremendous. In fact, in the testimony I presented to the committee, we did discuss and stress the importance of safety in this regard. This is of particular importance on our superhighways where one has to concentrate on his driving and then if we have to convert to the metric system as we are driving along this could well prove really very difficult.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McFALL. I yield 2 additonal minutes to the gentleman from New York.

Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from California.

Mr. McFALL. Madam Chairman, I thank the gentleman from New York for yielding to me. The gentleman from New York has brought up a very important question, one which has caused some considerable controversy lately and it is well that we should discuss it. The gentleman from New York (Mr. WALSH) and the gentleman from Pennsylvania (Mr. SHUSTER) are both on the Public Works and Transportation Committee and hold very important positions on that committee. I am sure the gentleman from New York (Mr. WALSH) will want to pursue the matter.

I also believe the discussion we are holding here today will serve two purposes.

First, we are giving much needed guidance to the Federal Highway Administration as to the policy with regard to these signs. I have been told that they are going to withdraw the proposed rule. If anything is done, I am confident FHWA will seriously consider what has been said here today.

Second, we have brought this matter to the attention of the authorizing committee. This is a legislative matter and it is entirely appropriate that the authorizing committee proceed to inquire of the Department concerning this matter. FHWA has always been very responsive to the desires of the Congress. They have received many comments on this matter; most of these have been very critical. I am very sure FHWA will hear the comments that have been made and will not act in a manner inconsistent with the comments that have been made.

Mr. WALSH. Madam Chairman, I thank the chairman of the subcommittee, the gentleman from California (Mr. McFALL). I highly respect his judgment. The gentleman has been here a lot longer than I have been.

Mr. McFALL. The gentleman from New York speaks of quantity and perhaps not of quality.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. McFALL. I yield 1 additional minute to the gentleman from New York.

Mr. WALSH. Madam Chairman, with all due respect to the gentleman from California, I do believe that we ought to keep the feet of the Federal Highway Administration to the fire on this matter because they could bring this up at any time. The fact is they brought it up this time without any justification, without any authority, and are actually countervening the intent of this Congress. It was the purpose of the Congress in passing the metric conversion bill to assure that this was to proceed on a very, very slow basis and after an educational program had been developed.

So, Madam Chairman, I do intend to proceed to offer my amendment. I hope the amendment will prevail. I think in that way we will have a double-barreled approach and maybe guarantee that they will go along with what the Congress wants them to do on this matter.

Mr. McCLORY. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Illinois.

Mr. McCLORY. Madam Chairman, I thank the gentleman for yielding to me.

As one Member who has long been a supporter and a sponsor of a program for an orderly and primarily voluntary conversion to the metric system, I would like to ask the gentleman from New York a question.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. McFALL. I yield 1 additional minute to the gentleman from New York.

Mr. McCLORY. Madam Chairman, if the gentleman will yield still further, I assume that the position of the gentleman from New York is that he is not opposing the voluntary program of conversion to the metric system but that the gentleman wishes to go forward in a consistent way and that the gentleman desires an educational program to accompany the highway metric conversion program?

It is my understanding that in the State of New York, the gentleman's State, there is already authority for mandating that there shall be on the speedometers a dual system with respect to kilometers and miles with regard to the speedometer markings. I, frankly, feel myself that the conversion is going to be very easy. It is going to be very simple for people to understand. It does not pose nearly the problems that are anticipated. The countries that have experienced this changeover have found that the public accepts it and learns it much more readily than is expected.

I thank the gentleman again for yielding.

Mr. WALSH. I thank the gentleman from Illinois for his comments. But I would like to point out that in Great Britain they are still trying to make this conversion after almost a decade, and they are proceeding very, very slowly. Many of the people are unhappy about it.

In connection with the New York State program, a sign went up on the New York State Thruway which has nothing to do with any Federal highway moneys at all; it is strictly the State. And already my office this morning has been flooded with calls in Syracuse because of that one sign that has gone up on the New York State Thruway. There is also an editorial in the Syracuse Post-Standard this morning opposing it.

I am not against metrication, but I think it should proceed in a very orderly fashion consonant with a plan that is developed by the Metric Board. At the present time we do not have a Metric Board. I do not think we should go ahead with any metrication until we get a Metric Board established and a plan developed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONTE. Madam Chairman, I yield 2 additional minutes to the gentleman from New York.

Mr. GOODLING. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

I think the gentleman really proved my position when I voted against the voluntary approach to the metric system, because at that particular time I said I did not see how a voluntary system could be anything but disorder. I think that is exactly what is happening. I do not believe there can be a voluntary conversion to the metric system without having total disorder.

Mr. WALSH. I think we ought to give them a chance. It will help industry. I do not want to be against the metric system, but I think we need to go along in accordance with a well-designed plan.

Mr. McCLORY. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

Industry, business, and educational institutions are far ahead of the government, I would say, with regard to the program of metric conversion. I would agree with the gentleman that the confusion which exists now is primarily because of the delay in establishing the Metric Conversion Board, the 17-member board, which when established can help coordinate a program to get all of the different segments of our society to convert in an orderly, in a comprehensive, and in a primarily voluntary manner, as I say. I am certain that when that occurs, the confusion will disappear and the order will reappear.

Mr. WALSH. I thank the gentleman.

I thank the ranking minority member, Mr. CONTE, and the chairman, Mr. McFALL, as well for their comments.

Mr. McFALL. Madam Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Madam Chairman, the transportation and related agencies appropriations bill for 1978, as reported from the Committee on Appropriations, is generally consistent with the first budget resolution and with the alloca-

tions made by the Appropriations Committee pursuant to section 302 of the Congressional Budget Act.

The bill would appropriate $6,138 for the various departments and agencies during fiscal year 1978—allowing for $345 million in previously enacted authority—$53 million less than the amount allocated to the subcommittee. The bill as reported is $32 million less than President Carter's request—which represents a modest funding increase in all transportation modes from the current year levels.

In reviewing this bill, the Committee on Appropriations has exercised fiscal discipline in respect to specific spending limits and within an overall philosophical perspective as well. The committee has in a very thorough and professional review recommended a number of specific reductions as well as a number of areas deserving serious and indepth review for problems such as program duplication. The varying detailed program increases and reductions reflect the great effort and care expended by the committee in discharging their responsibilities.

From a philosophical perspective, the committee recommendations for modest increases for all modes reflects the desire of the House, as outlined by the leadership, to spend a great deal of time and effort in studying the complex transportation issues which have been underscored by the energy crisis. For instance, in the area of surface transportation, the House Subcommittee on Surface Transportation will be holding year-long hearings to assess what changes are required in our present surface transportation programs. Other fiscal issues, such as transportation funding mechanisms, multiyear program projections, and overall program priorities will require strenuous investigation.

Madam Chairman, the bill as presented provides for the present requirements and allows the Congress as a whole to proceed with its overall transportation review and future initiatives. I urge adoption of the measure.

Mr. McFALL. Madam Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. Madam Chairman, if the gentleman from New York, my distinguished colleague, Mr. WALSH, does offer his amendment to preclude any funding under the Federal Highway Administration for metrication, I would join him in part and disagree in part and offer a substitute amendment. Since 1866, when the United States was one of the original signatories to the Convention of the Meter, we have had a voluntary and not mandatory authorization to convert to metrication in the United States. For various reasons, we have not proceeded on that track. However, in 1975, the Metrication Conversion Act was adopted by the Congress. The purpose of that act was to devise, implement, plan, coordinate, and educate regarding voluntary metrication.

Pursuant to that act, on April 27 of this year, the Federal Highway Administration did propose a rule, under FHWA docket 77-7, which sought instant metrication. If the comments had been favorable during the early part of the response period which ends on June 13, the Federal Highway Administration would probably have proceeded to convert its Manual on Uniform Traffic Control Devices. This document, published periodically by the Federal Highway Administration costs approximately $4.90 per copy and more than 300,000 copies are published for a minimum cost of $1.5 million.

The manual, if the rule had been adopted, would have been entirely in metrics. There would not have been a dual system. In other words, the customary system or the English system, as it is known, would not have been part of that publication, and I suspect the reader or user would have to acquire conversion tables for its use.

The rule also proposed to convert all traffic control devices, throughout the United States, funded by the Federal Government. This would also have been instant metrication. In other words, the miles per hour signs would have been removed and the kilometers per hour signs would have replaced those en masse during the period July 1, 1978 through December 31, 1979.

Like my colleague from New York, I do not support instant metrication. My problem with the gentleman's amendment is that he forecloses any options of the Federal Highway Administration. However, I do concur with him in the belief that we should have the formation of the U.S. Metric Board, consisting of 17 members to be appointed by the President that will have the responsibility of coordinating, planning, and educating the Nation in terms of the inevitable system of metrication, before the FHWA proceeds further.

I also agree that Federal Highway Administration activity, without the Board, is somewhat precipitous and should be curtailed. However, I do not believe that this is the forum to turn back metrication. We should encourage an enlightened approach using a transition format encouraging economics, education, understanding, and acceptance.

The Ohio plan, on which the foregoing proposed rule was predicated, did not advocate instant metrication. While Canada will invoke instant metrication this summer, the United States, being a much larger and heterogeneous country is not prepared to do so. Besides Canada's experience will afford us the opportunity of observing our smaller neighbor to the north and we can then determine what problems they incur in order that we may avoid those problems in the United States.

By virtue of my substitute, I hope to accomplish several objectives.

First. If any manual is published through funding provided in this bill, the manual must have the dual system, the customary English system and the metric system. The dual system provides a very worthwhile educational process as well as a practical informational and instructional tool.

Second. With respect to traffic control signs that have suffered through normal wear and tear—generally 7 to 14 years—I provide for the possibility of replacement with the dual system. This would provide the motorist with an appreciation of miles per hour versus kilometers per hour and minimize the impact and trauma of conversion. In other words, I would give the Federal Highway Administration, under the substitute amendment, the flexibility to utilize the dual system in the manual and traffic control signs.

I hope that we do not foreclose the options of the Federal Highway Administration to deal with metrication on a practical and gradual basis. If we do, there certainly will be that day of reckoning when the ultimatum will be—convert immediately and at great cost.

My colleague hopes to postpone the inevitable. I hope to cushion the shock. At the appropriate time, we will be able to decide whether we accept the Walsh amendment, incomplete and harsh, or the Benjamin substitute, an avenue of understanding and education through coordinated and practical transition. I yield back the balance of my time.

Mr. McFALL. Madam Chairman, I yield 1 minute to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I think I speak for most of the members of the Transportation Appropriations Subcommittee when I express my deep concern about the failure of the Federal Aviation Administration to rapidly respond to the obvious need to modernize flight service stations.

In this bill, we included specific language which limits the number of flight service stations that can be decommissioned. A year ago, we provided nearly $30 million for modernization of flight service stations and testimony before the subcommittee this year indicated that very little of that money had actually been obligated by FAA.

While it is true that the principal functions of flight service stations are not specifically essential to airline operations, we must realize that service such as weather observations, dissemination of weather information and the filing and relay of instrument flight patterns are of great use to some airlines and other services are vital to other users.

FAA has consistently said that it wants to improve these services while slowly reducing the manpower needs of the flight service stations. This is a laudable goal and one which ought to be supported by the Congress. But, the Congress having supported the concept and provided the money to implement it, ought to insist that FAA set about doing what it says it will do.

At heart, what we are talking about are the programs that either insure or hinder the safety of air travel. I know that all of us here strongly support the need for constant improvement of the programs that help to increase safety for persons who travel by air. I know that the responsible officials at FAA are more concerned than even we are on that issue. But I must point out again that it has been the FAA that has been lagging on this issue, not the Congress, and it is time that we insist that these vital programs be modernized as they need to be.

Mr. CEDERBERG. Madam Chairman, the bill H.R. 7557 that we are consid-

ering would provide $6.1 billion in new budget obligational authority for the programs of the Department of Transportation and related agencies in fiscal year 1978. This is a reduction of $31,633,000 below President Carter's budget request, and $273,249,666 more than what has been appropriated for the current fiscal year.

Appropriations to liquidate contract authorizations totaling $8.1 billion are also recommended. This places the grand total of all appropriations in this bill at $14,281,372,000.

It is important to note the effect that the new budget authority in this bill will have on the impact on the Federal deficit in future fiscal years. The outlay figures are estimated to be: $4.183 billion for fiscal year 1978, $1.036 billion for fiscal year 1979, $563 million for 1980, $162 million for 1981, and $193 million for 1982.

I would like to highlight several parts of this bill.

The bill provides $633,500,000 for Amtrak. This is a reduction of $21,500,000 below President Carter's budget request. Of special significance here is the report language which directs Amtrak to discontinue rail passenger service where expected revenues are not equal to or greater than 25 percent of expected avoidable costs, and where the services have existed for at least 2 years. I concur with the concern expressed over the hopelessly uneconomical service Amtrak is providing on some of its lines and hope that this will be a start toward a reduction in the recent increases in operating subsidies.

The bill provides $283 mililon for the Federal Highway Administration. This is $124 million above the budget request. The committee has added an unrequested $90 million for the safer offsystem roads program, $20 million for highway crossing projects, $30 million for traffic control signalization demonstration projects, $3.35 million for access highways to public recreation areas on certain lakes, and $2.25 million for an intermodal urban demonstration project.

I commend the committee on its recommendation that funding be withheld from the Washington Metro System until an analysis of alternatives is completed on unbuilt segments. We have all become alarmed by the growing cost overruns associated with Metro, and I hope that an analysis of alternatives will be required by the Department of Transportation on other systems.

I am also pleased to see that the bill recommends a net increase of 864 positions for the Federal Aviation Administration, as opposed to the budget request of an additional 1,110. As my colleagues are aware, a matter which concerns me a great deal is the ever-increasing number of authorized permanent positions.

Supplemental requests in the January budget would have funded 8,219 additional permanent positions. The Carter budget requests considered in the supplemental appropriations bill of 1977 provided an additional 1,492 positions. This was in addition to the Carter increase of 1,007 permanent positions in the economic stimulus appropriation bill. In the bill currently before us the original Ford budget requested an additional 686 permanent positions, Carter's revisions increased this request to 1,147 positions, and the committee's recommendation I am pleased to report should only result in a total increase of 389 permanent positions.

Finally, I wish to commend the ranking minority member of the Transportation Subcommittee, Mr. CONTE, on the report language for which he was largely responsible, which expresses concern over the duplication in the areas of safety research and evaluation, oversight, promotion, standards promulgation, and accident investigation. The committee requests the Secretary of Transportation to make a recommendation which will eliminate this duplication where possible. The committee also intends to conduct its own investigation into this matter. I will look forward to the results of this investigation along with the rest of my colleagues.

Mr. FRENZEL. Madam Chairman, I rise in support of H.R. 7557, the Department of Transportation Appropriations for 1978. The committee under the able leadership of the gentleman from California has again done a good job of striking a balance between the need to make necessary improvements in our transportation systems and the need to curb the inflationary impact of increased spending. The bill calls for an increase of less than 5 percent over the amount appropriated in the current fiscal year and it is $58 million below the budget request.

The bill contains several features which deserve our support. I am pleased that the committee is continuing to place emphasis on the search for new solutions to our continuing urban transportation problems. The new systems research and development program and the service and methods demonstration programs combine the most promising elements of both new and conventional transit technology in the search for better ways to satisfy the market demand for improved transit service.

The need to provide more attractive and cost-effective transit options is urgent. Since the early 1960's the Federal Government has spent nearly $10 billion to stimulate transit ridership. Despite this substantial expenditure, ridership in 1976 was actually down 4 percent from 1970. The ridership trends so far this year are no less discouraging. In the first 4 months of 1977 ridership is down 1.5 percent over the comparable period last year.

Our ridership problems are now beginning to be overshadowed by the enormous growth in transit operating deficits. While operating deficit figures for 1976 still have not been released, during the period 1970–75, when ridership declined, deficits rose 491 percent. It is this disappointing track record that has no doubt led President Carter to adopt a cautious approach toward construction of more conventional capital intensive transit systems. It makes little sense to invest additional billions in transit systems that generate huge operating deficits and little or no increases in ridership.

We cannot afford to delay the search for more attractive and cost-effective transit options. I hope the committee will place even greater emphasis on research and development in the future.

The committee has also moved to establish some badly needed performance standards for Amtrak passenger service. Federal subsidies to Amtrak in the past 5 years have totaled $2 billion or an average of $25 for every passenger carried. Despite these huge subsidies travel times and derailments have increased while on-time performance has slipped a dismal 74 percent. At present passenger loadings, the privately run intercity bus fleet is over twice as fuel efficient as is Amtrak. It is time we began to focus our limited resources on those high-density corridors where passenger train service can effectively compete with other available transportation modes, while curtailing service that is hopelessly uneconomical.

I understand that an amendment may be offered to prohibit the Concorde supersonic aircraft from landing at Kennedy Airport in New York. Since this matter is currently before the U.S. Court of Appeals, I feel it would be inappropriate for Congress to interject itself at this time. I intend to vote against the amendment.

On the whole, this is a good bill and I urge its adoption.

Mr. DON H. CLAUSEN. Madam Chairman, I rise in support of H.R. 7557, the Department of Transportation and related agencies appropriations bill. This measure has been carefully drafted by the Appropriations Committee and I would like to commend to my colleagues' attention several important programs funded by this legislation. Of particular note is funding for the replacement of Brazos Bridge on the Napa River, the importance placed on a national transportation policy, the highway safety program, and funding for the Fishery, Conservation and Management Act of 1976.

Brazos Bridge is a navigational hazard and its replacement will permit large oceangoing barges to travel up beyond the bridge in order to provide an economic transportation alternative for the industrial concerns in the south Napa area. We have worked long and hard for the completion of this bridge and this funding will go further in providing a shot in the arm to this area.

I am also pleased to note the emphasis placed on a national transportation policy. As author of the economic growth center highway concept I have long advocated the importance of developing a balanced, integrated and coordinated transportation system. In the publication, "The Geography of Survival," it is pointed out that it makes no sense for 70 percent of Americans to live on 2 percent of our land. The enormous costs to the public and the private sector of the economy stemming from congestion and lack of mobility in our cities is pointless when viewed in the context of the potential transportation can play in determining the patterns of population distribution.

DOT took a look at the question in preparing the 1972 highway needs report and found that if a significant amount of

projected increase in population nationwide were absorbed by smaller urban centers, the total cost to the economy could be reduced. What this says is that a transportation plan can have far broader importance than just moving people from point A to point B. It can set in motion the economic forces that can and will achieve balanced growth and with this in mind, I strongly support the funding for an improved national transportation planning and decisionmaking program.

This past month our Subcommittee on Surface Transportation, in Public Works and Transportation, has been holding hearings on the highway and mass transportation programs. Just yesterday we were discussing the importance of the highway safety program and today I am pleased to see the Appropriation Committee's emphasis on the construction, reconstruction, and improvement of public highways, not on the Federal aid-highway system, the correction of safety hazards and the replacement of bridges. It is on these roads and the Federal-aid secondary road system where the death rate is the highest and I commend my colleagues for their recognition of the need for improved highway safety.

The committee has also provided for funding for enforcement of our 200-mile fishing limit established by the Fishery Conservation and Management Act of 1976. Patrol of our newly established fishing limit began on the very first day after the law took effect. Since then, a comprehensive program to detect violations, verify permits and catch statistics, as well as conduct an educational service to promote a better understanding of the regulations and the law has been underway.

The U.S. Coast Guard has done an outstanding job of monitoring foreign fishing activities to prevent violation of quotas and to assist us in reaching our goal of complete protection of our marine resources based on the principle of "optimum sustainable yield."

I urge my colleagues to support the funding for the Coast Guard's activities and the remainder of this carefully developed appropriations package.

Mr. CARR. Madam Chairman, I would like to explain my vote today on the Koch amendment to the transportation appropriations. I voted "No" notwithstanding the fact that I agree with the objective of the gentleman from New York and my good friend Mr. KOCH. I have long opposed the development of SST commercial transport on both environmental, economic, and energy grounds. It ought to be the policy of this Government to discourage the development, production, and the commercial introduction of SST technology. Yet, I am also equally opposed to passing substantive policy in the form of limitations in appropriations bills. Therefore, notwithstanding my opposition to SST's, I voted "No" on the Koch amendment.

Mr. McFALL. Madam Chairman, I have no further requests for time.

Mr. CONTE. Madam Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

COAST GUARD

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed twelve passenger motor vehicles, for replacement only; and recreation and welfare; $871,865,000 of which $205,977 shall be applied to Capehart Housing debt reduction: *Provided*, That the number of aircraft on hand at any one time shall not exceed one hundred and seventy-nine exclusive of planes and parts stored to meet future attrition: *Provided further*, That amounts equal to the obligated balances against the appropriations for "Operating expenses" for the two preceding years shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this apppropriation.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIAGGI: On page 3, line 7, strike $871,865,000" and insert in lieu thereof "$878,865,000".

POINT OF ORDER

Mr. CONTE. Madam Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Massachusetts will state the point of order.

Mr. CONTE. Madam Chairman, the amendment under rule XXI, clause 2, the amendment of the gentleman from New York is out of order because it has not been authorized. The authorization for this is pending and the House has requested a conference on this.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. BIAGGI. Yes, Madam Chairman. Madam Chairman, the gentleman from Massachusetts is not addressing himself to a point of order. It is really a question of procedure. We have had the budget resolution in this House, which is a relatively new process. It has imposed a burden on the various committees. We have had extensive hearings on the authorization; I mean extensive hearings, and we have given a great deal of energy and labor to this authorization bill.

The House passed the authorization bill almost unanimously.

I might suggest that prior to the authorization being approved by this House, the Appropriations Subcommittee had its own hearings. There is confusion and mayhem in this operation.

The fact is this House authorized it. There may be a conference pending, but let us deal with the realities of life. Are we going to provide the Coast Guard with what we feel it rightly deserves?

Mr. CONTE. Regular order, Madam Chairman. The gentleman from New York is not speaking to the point of order.

The CHAIRMAN. The gentleman from New York will confine his remarks to the point of order.

Mr. MURPHY of New York. Madam Chairman, the gentleman from Massachusetts raises the point of order that the authorizing process has not yet completed itself. If that is the case, nothing in this appropriation bill has yet gone through the authorizing process, whether it be on the question of the Coast Guard or the question of the FAA or otherwise.

Of course, if this is the practice and procedure, that then will dictate on a point of order throughout this entire month as we address ourselves to all the appropriations. As a consequence, I would think with a budget process we, therefore, under this procedure are giving carte blanche to the Committee on Appropriations to, in effect, become an authorizing committee as well.

Mr. McFALL. Madam Chairman, will the gentleman yield?

Mr. BIAGGI. I am delighted to yield to the gentleman from California.

Mr. McFALL. Madam Chairman, as I understand it in this bill, everything is authorized except Coast Guard's operating expenses, A.C. & I. and R.D.T. & E.

Mr. BIAGGI. We have the ACI, we have research and development. As a matter of fact, I have three amendments to offer.

Mr. McFALL. Madam Chairman, appropriations for these three items are not authorized.

Mr. BIAGGI. Right.

Mr. McFALL. The gentleman chairs the Coast Guard subcommittee. If the gentleman decides he does not want anything in the Coast Guard and wants to make a point of order against the Coast Guard, that is the gentleman's right. The gentleman has my permission.

Mr. BIAGGI. Madam Chairman, the gentleman does pose an interesting position. The answer to that question is going to determine the method in which this House proceeds from here on in.

Now, we have an authorizing process or we do not. If we do not, then I suggest that we eliminate this. Let me say, I am dealing practically with a serious problem.

If we are going to have these esoteric points of order, then I will play the game. You make your point of order, and I will make mine.

Mr. McFALL. The gentleman has my permission to make a point of order if he wants to make it.

The CHAIRMAN. The Chair is ready to rule if the further discussion will cease; and if further discussion is to continue, Members will please confine their remarks to the point of order.

Mr. BIAGGI. Madam Chairman, I will address myself to the point of order.

The point of order now is whether or not there is any authorization. I will stick to that point of order, and if the Chair maintains that the point of order is a valid one, then I would only concede that it is valid. If that be a valid point of order, then it is precedent for a subsequent point of order which I will offer immediately after this one is settled.

The CHAIRMAN. The Chair is ready to rule.

The Chair has before it the amendment which is offered by the gentleman from New York (Mr. BIAGGI). That amendment simply changes an unau-

thorized appropriations figure in the bill, striking that figure and inserting in lieu thereof another. The gentleman does not seek, in his amendment, to earmark these additional funds at all.

Under the precedents, then, where an amendment only seeks to change an unauthorized amount permitted to remain in the bill by failure to raise a point of order or by a waiver, and does not add any legislative language or earmark for a specific unauthorized project, that amendment is in order. (Deschler's ch. 25, sec. 2311.)

Therefore, the point of order is overruled and the gentleman is recognized for 5 minutes.

Mr. BIAGGI. Madam Chairman, I would like to commend the Committee on Appropriations for the careful and detailed work which has obviously been necessary to produce the product before you today. I note, for instance, that in the committee report, the committee's recommendations on the commerce and transportation functions of the President's budget are approximately $400 million less than the Budget Committee targeted in the first concurrent resolution on the budget. Such a reduction indicates to me that the Appropriations Committee has worked overtime in attempting to meet the President's announced future goals to balance the Federal budget. At the same time, it is my belief that the proposals in H.R. 7557, as they relate to appropriations for the Coast Guard, have chosen to overlook the total needs of that service in the acquisition of necessary equipment and personnel to carry out its many and varied missions and responsibilities.

I need not remind the House that in previous considerations of the Coast Guard budget, it has been generally recognized that the Coast Guard is one agency which operates at a high level of efficiency in returning benefits for the money available to it. Statements attesting to that fact have been repeatedly made, not only by members of the authorizing committee but also by members of the Appropriations Committee. And yet, Mr. Chairman, the proposed appropriations levels of this bill do not reflect those concerns.

The Committee on Merchant Marine and Fisheries, through its Subcommittee on Coast Guard and Navigation, worked long and hard in reviewing the Presidential budget request for Coast Guard funding. It came to the uniform conclusion that, while there were many areas where additional funds could be adequately utilized, there were two specific areas where the need stood out above all the rest. The first of these relates to the pollution control and marine safety programs of the Coast Guard, and the second of these relates to the Coast Guard's ability to assist marine commerce in its ability to move during the ice season.

The Coast Guard's vessel and aircraft fleets are overaged and, as they approach obsolesence, are more and more expensive to maintain. They are being replaced in all categories, but we cannot afford to slow down those replacement plans as has been done repeatedly in the past, not only requiring more personnel and funds to keep them going, but resulting in higher costs for replacements as the replacement programs are delayed.

If we expect the Coast Guard to perform all of the many missions which the Congress has decreed, we simply must provide it with the necessary tools to do so.

While I am sympathetic to the many problems facing the Appropriations Committee, I cannot agree with it that this bill adequately reflects Coast Guard needs.

In the series of amendments which I propose to offer to this bill, the first amendment relates to an increase in operating expenses. In this budgetary item, the Merchant Marine and Fisheries Committee authorized an increase of approximately $7.5 million. The other body, in considering the authorization bill, added an additional $12 million—H.R. 7557 in effect reduces the budgetary request by approximately $3.5 million. The amendment which I am proposing would add $7 million to the figure in the appropriations bill. This would, at least partially, provide for badly needed funds in additional personnel for marine safety and environmental protection. In addition, it would provide for funds to replace property damaged during the recent severe winter season. In each case, the amounts to be added are minimal—$3 million would provide for an additional 150 personnel, and $4 million for restoration of damaged and missing aids to navigation and repairs to vessels and shore facilities.

On the latter item, it is mandatory that the damaged property be replaced or repaired. Unless at least part of the restoration costs are provided for in this bill, they must be taken care of by reprograming other funds from Coast Guard programs. There is no question that this can be done, but there is also no question that to require it would mean delays in necessary replacements or reduction in services that we cannot afford.

As to the additional personnel, this is directly related to the need to improve on Coast Guard capabilities in handling its responsibilities under the Marine Environmental Protection and Marine safety programs. In March 1977, the President reflected his concern in these two areas, and recommended specific initiatives relating to reforming ship construction and equipment standards, improving crew standards and training, development of a more meaningful tanker boarding program and management information system, and the improvement of the Coast Guard to respond to oil pollution emergencies.

While announcing his plans to undertake these initiatives, the President did not attach a specific price tag. It is my understanding that the Office of Management and Budget is still considering the exact needs for this expanded program. The $3 million which I propose to add here is at least a part of those needs—and a minimal part. I need not remind the House of the grounding of the *Argo Merchant* and other pollution incidents which occurred last winter. If we are to prevent a continuation of such accidents and are to provide the necessary capability to respond to them, we simply need the personnel to do the job. This amendment will at least partially accomplish that need, and any demonstrated additional requirements can be handled in subsequent supplemental appropriations.

I urge the support of all Members for this needed amendment.

Mr. McFALL. Madam Chairman, I rise in opposition to this amendment and the next two amendments that the gentleman from New York has. I do this with some reluctance because I have a great respect for the gentleman from New York. He is one of my good friends, and I know he does a remarkably good job on the authorizing committee. But the gentleman from New York has three amendments. The first amendment contains about $7 million, the next amendment contains nearly $85 million, and the next amendment contains $2 million. They add up to about $94 million on which there are almost no budget requests from the administration. These items were not presented to the Appropriations Committee. The Coast Guard did not tell us that they were required, so we were in a position where we did not know about this and we were unable to consider it for our bill. I realize that the authorizing committee works hard. They have held hearings on this matter and they have received information on it. But we have not in our committee.

This amendment would add $7 million.

We provided for operation and maintenance of the Coast Guard $871,865,000. We have increased it over last year some $33½ million. Surely the Coast Guard, it would seem to this Member, ought to be able to have enough money to operate, with $871 million. If they want to send up budget amendments, certainly we would consider those in a supplemental.

If there is an emergency need, we can have a reprograming.

The Coast Guard operates a trim ship. We look at the Coast Guard with sympathy every year, and we think there is adequate money in this bill for the Coast Guard to conduct its operations. Certainly we ought not to be adding, by these three amendments, some $94 million, which would take the bill over the budget request of the President.

Mr. MURPHY of New York. Madam Chairman, I rise in support of the amendment.

Madam Chairman, I have the greatest respect for the chairman of the Subcommittee on Transportation of the Commitee on Appropriations, and I respect his remarks. However, I would like to pay an accolade also to the chairman of the Subcommittee on Coast Guard and Navigation of the Committee on Merchant Marine and Fisheries, the gentleman from New York (Mr. BIAGGI), in recognition of the tremendous job he and his subcommittee have done on the authorization for the Coast Guard this year.

We are dealing in the gentleman's first amendment with a very modest $7 million increase, $3 million of which is for personnel. Unfortunately, because of the budget process, the House simply did not have time to consider the authorizing legislation prior to this appropriation action. That will not be the case next year,

of course, in the next session of Congress, because with the rapidity of organizing the Congress in a non-Presidential year, we will not face those problems.

To state the situation simply, every item that the gentleman from New York (Mr. BIAGGI) is asking for has passed both authorizing committees in both the Senate and the House. Of the total amount, $3 million is for a very modest increase of 150 personnel.

When the gentleman says that the Coast Guard is a stellar service, I agree with him. However, I want the gentleman to know that the history of the Coast Guard is that it was taken out of Treasury and tossed over to the Department of Transportation. Its budget is obviously subjected to that of the Department of Transportation. The Department of Transportation is subjected to the overriding influence and the advice and consent of the Office of Management and Budget, and someone there has placed a big redline on the programs that we know are so vital to the need for the Coast Guard's operation.

Last year we added 200 miles of ocean responsibility on all three of our coasts when we enacted the 200-Mile Fisheries Act, and we have given the Coast Guard a great responsibility to police this area. The House overwhelmingly supported the GIFA fishing agreement which we brought in on an emergency basis at the request of the administration earlier this year. The Coast Guard has the responsibility to board Russian, Bulgarian, Polish, Spanish, English, Japanese, and Korean fishing vessels. We have given them a tremendous additional mission, a mission which the Committee on Appropriations has not taken into account.

The gentleman knows something about the problems of the tremendous ice movement this year along the shorelines, and he knows there has been a tearing out of piers. There is a modest sum included to replace those piers in the Chesapeake Bay and the Delaware River. Virtually every navigation aid was torn up, requiring additional personnel, additional equipment, additional manning, and additional money to go out and replace those navigational aids.

In addition, we know that we have a tremendous mission regarding oilspill liability. This winter we have had tankers breaking up from Florida up to Gloucester. The responsibility of the Coast Guard to try and protect our shoreline is another function that comes from the gentleman's committee. This modest increase, represented by this amount of $7 million, $3 million of which is for vitally needed personnel, is something the Coast Guard did not ask for because they were directed not to ask for it.

Madam Chairman, I think we should support the amendment.

Mr. BIAGGI. Madam Chairman, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from New York.

Mr. BIAGGI. Madam Chairman, I appreciate the gentleman's remarks in support of my amendment.

The fact of the matter is that the $3 million for the 150 personnel represents a single step which is reflective of the President's initiative in this area. I predict there will be 1,000 men required after OMB implements the President's policy.

In addition to that, let me state that the $4 million we are talking about is a figure we arrived at after the Coast Guard testified. There was $6½ million worth of damage, and there was a motion on the committee floor to give them the $6½ million. I objected to that and resisted the motion, and the committee gave them $4½ million. That was given in connection with replacing and repairing aids to navigation.

Madam Chairman, we are pecunious in this area, and by our actions we jeopardize the safety of vessels. These figures are barebone figures. They represent the thinking of a very responsible committee, one that devoted itself to these problems day in and day out.

I appreciate the fact that the Committee on Appropriations has not been given the testimony, but that is only the fault of this new final process we have adopted. Until we get it straightened out, we should look at it closely and proceed in proper order. If we do not do that and remain sticklers for exact order, we will never get these things done in time and we will never provide the kind of appropriations that are necessary for this service.

Mr. RUPPE. Madam Chairman, will the gentleman yield?

Mr. MURPHY of New York. I yield to the ranking minority member of the full Committee on Merchant Marine and Fisheries, the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Madam Chairman, I thank the gentleman for yielding.

I do certainly support the amendment of the gentleman from New York (Mr. BIAGGI).

The CHAIRMAN. The time of the gentleman from New York (Mr. MURPHY) has expired.

(By unanimous consent, Mr. MURPHY of New York was allowed to proceed for 2 additional minutes.)

Mr. RUPPE. Madam Chairman, will the gentleman yield further?

Mr. MURPHY of New York. I yield to the gentleman from Michigan.

Mr. RUPPE. As I was about to say, Madam Chairman, I think that, as far as the Coast Guard personnel are concerned, the gentleman does bring up a very valid point, one that I am sure has been addressed by this subcommittee on a number of occasions.

In any event, the Coast Guard has received additional responsibilities on a number of occasions; and I think they have been very reluctant to step forward before the authorization and the appropriation committees to seek the additional personnel with which to carry out those additional caseloads and workloads. I think they are held back probably by the Department of Transportation, so that, to some extent, it is the work of this committee to, I think, step forward and fight for the additional personnel needed by the Coast Guard since the Coast Guard is not carrying the battle itself.

Therefore, Madam Chairman, I applaud the gentleman for his remarks with respect to this question.

Mr. BONIOR. Madam Chairman, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Michigan.

Mr. BONIOR. Madam Chairman, I want to commend the gentleman from New York and my colleague, the gentleman from Michigan (Mr. RUPPE) for raising this issue with the House.

I also want to point out that other than the oil-spill liability question and the 200-mile limit which have placed additional burdens on the Coast Guard, the recreation boating industry has increased so much in this country that that, too, constitutes an extra burden. In Michigan alone we have had an increase from 600,000 registered boats to almost 1 million boats in a 5-year period, which places an additional burden on the Coast Guard.

Madam Chairman, I do not think that they can perform their duties at the level of the appropriation under which they have been operating.

Again, Madam Chairman, I commend the gentleman from New York (Mr. BIAGGI) for offering his amendment.

Mr. MURPHY of New York. Madam Chairman, perhaps the most striking problem is in the Great Lakes this year with extra ice and, of course, a lack of icebreaking ability plus the shoreside damage to structures throughout all of the States bordering the Great Lakes, which was most dramatic this vear.

Mr. DUNCAN of Oregon. Madam Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Madam Chairman, it is unfortunate that this amendment has seemed to pose a controversy between the Subcommittee on Appropriations and the authorizing committee. I suggest that there really is none.

Madam Chairman, I think that the Subcommittee on Appropriations needs to bow to no one in the respect that it has for the Coast Guard or in our determination to see that the Coast Guard has the wherewithal to carry out its mission. The authorization committee is quite correct: We have imposed upon the Coast Guard grave additional burdens with the 200-mile limit.

Madam Chairman, I come from the State of Oregon. The fishermen are looking to the 200-mile limit law to do a lot of things that I do not think it could possibly do for them. I think it is absolutely essential that we give the Coast Guard at least the basic amounts of money to enable it to do as much as it can. If we do not, we are going to have a lot of disappointed fishermen in the State of Oregon, and I do not want to face it.

Further, Madam Chairman, I want to point out to the House that it does not make any difference which budget comes to the floor, there are those who think it is not enough. I have reached the point with respect to a lot of them where I no longer know how much is enough and how much is too much.

I do know that this committee has treated the Coast Guard generously. This was not a case of a cut from last year. We gave them $33 million more, for a total of $871 million. We gave them an increase of 303 positions for a total of

5,539 civilian and 37,475 military personnel—and the gentleman says it isn't enough. How much is enough?

Madam Chairman, everybody has conceded that there has been no request for these sums from the administration. No one on the authorizing committee, I think, can accuse the Committee on Appropriations of not listening and responding sympathetically to the request of the Coast Guard. I suppose there is no agency which gets as much for its dollars as does the Coast Guard, and I would fully expect the chairman, if he has not already, during my absence from the floor, to give assurances to this House that as additional requests are made and justified by evidence that they are required, you will find this subcommittee in the forefront of the effort to see that the Coast Guard is funded properly.

In the meantime, in the absence of that testimony, I do not think we any more should turn the appropriation function over to the authorizing committee than we should expect the authorizing committee to turn over to the Committee on Appropriations its functions.

Madam Chairman, this committee has worked long and hard, as did the authorizing committee. I ask that the Members of the House support the committee and its chairman.

Mr. STUDDS. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, I think the House finds itself in a most unfortunate situation which is of the making of neither the Committee on Appropriations nor the authorizing Subcommittee on the Coast Guard. We find ourselves, I think, in a bind primarily because of the time restrictions imposed upon us by the new budget procedure. We are going to face in the appropriation bills in the next 10 days a great many cases like the one we now face where appropriations must be brought before the House prior to the authorizing legislation having become law.

The one thing I would ask that the Members of this committee at this point do is to look quite carefully and with discrimination at each of the amendments to be offered by the gentleman from New York (Mr. BIAGGI) and to judge each of them on their own merits. The amendment pending at the moment is a meritorious amendment. It adds funds for 150 personnel for the Coast Guard. Those personnel are intended to be divided between the new program which was announced within the last month by Secretary Adams for the inspection of every foreign tanker entering the ports of this country—and no Member of this House needs to be reminded that that program is absolutely essential. The *Argo Merchant* might not have arrived as she did, when she did, had this provision been in force and effect—the other is for the use of oil spill strike teams. I would remind my colleagues that there is one on the east coast of the United States at Elizabeth City.

That is what three of the $7 million is for in this amendment.

The other $4 million in the amendment is to restore equipment and aids to navigation lost by the Coast Guard due to the severe ice conditions of the past winter, conditions which could not have been predicted by anyone.

We have lost vessels during the course of the winter simply because the ice had moved the aids to navigation out of their normal positions and the captains of the vessels had no way of knowing where they were. This is a very important and needed program.

So, Madam Chairman, I would urge, with no feeling of hostility to the Subcommittee on Appropriations, because, as I say, the bind we find ourselves in is of the making of neither that committee nor the other, but due to the unfortunate fact of the legislative procedure we are involved in at the moment.

As I say, I would ask the Members to look carefully and independently at each of the amendments offered by the gentleman from New York (Mr. BIAGGI). I would particularly urge that they look with favor upon the amendment now pending.

Mr. PRITCHARD. Madam Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Washington.

Mr. PRITCHARD. Madam Chairman, I thank the gentleman from Massachusetts for yielding to me and I just want to associate myself with the remarks the gentleman has made. I am glad the gentleman has pointed out that this is not the result of the fault of the committee but rather it is a matter of the time restraints we have been placed under through the new budget procedure.

I believe that there have been some very unusual circumstances that make it imperative that we add this very small amount of money. I believe all of the Members know of the great additional burdens we are placing upon the Coast Guard and how important it is that the Coast Guard function at its very maximum.

So, Madam Chairman, again I want to compliment the gentleman from Massachusetts (Mr. STUDDS) for the remarks he has made and to associate myself with the gentleman in support of the amendment offered by the gentleman from New York (Mr. BIAGGI).

Mr. OBERSTAR. Madam Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Madam Chairman, I believe the fact that we have to keep in mind is that these funds that are requested in this and the subsequent amendment to be offered by the gentleman from New York are going to be used for the benefit of the nation. As the gentleman pointed out earlier, we will have to provide them in a supplemental appropriation at a later date. The point is that the Coast Guard does the very best they can, with the limited funds available. It is the Congress and the members of this committee here who have given to the Coast Guard the responsibilities and the extra burdens that have been laid upon them. So it is a question of whether we will provide the funding now or later and I believe we might as well do it now. I strongly support this and the succeeding amendments to provide adequate funding for the Coast Guard.

Mr. STUDDS. I thank the gentleman for his comments.

Mr. CONTE. Madam Chairman, I rise to speak against the amendment.

Madam Chairman, I want to say, first of all, that I sympathize with my good friend, the gentleman from Massachusetts (Mr. STUDDS). He gave the most logical argument that I have heard. I do not agree with my good friend, the gentleman from New York, who threatened us with a point of order on the other sections of the amendment if my point of order is upheld.

But let me say this to my good friend, the gentleman from Massachusetts: I hope this amendment is defeated. Certainly we will work with the Coast Guard, with the Senate, when we go to conference and see if we can work this thing out. I would be very sympathetic to this amendment and to the second amendment, but not to the third amendment.

Let me say this, that I, too, am concerned about the oil spills, as is the gentleman from Massachusetts. When we had the hearings on the Coast Guard, on page 257 of part I of the hearings, I asked Admiral Siler:

> The Secretary——

meaning Secretary Adams——

> recently established a special Task Force on the situation involving recent oil spills from tankers. What do you think is the long-range solution for this problem?
>
> Admiral SILER. The Secretary's special task force is participating in an OMB comprehensive agency study effort aimed at developing solutions to the complex problems associated with the transportation of oil by ships. Areas being examined include liability, crew qualifications, conventions and law, ships and ship systems, and response capability. The results of this study are expected to lead to administration recommendations for coping with the problems. They should be announced in the near future.

Then I expanded and we discussed oil spills, and then I said at the lower part of the page:

> Is the solution to the oil spill problem simply in better enforcement of existing safety and environmental laws? Does your budget adequately provide for the resources necessary for tightening such enforcement?
>
> Admiral SILER. It is felt that increased enforcement of existing safety and environmental protection laws and regulations will lead to major improvements in reducing accidental spillage from tankers. Increasing the enforcement of laws and regulations will necessitate an increase in resources. The President's amendments to the 1978 budget provide initial resources for an expanded enforcement program. This resource problem is being addressed in the OMB and DOT study effort mentioned in response to an earlier question.

We are working very closely with the Coast Guard, and we will do well by the Coast Guard, believe me. As I said, there is not a Member in this House—not a Member in this House—who has served longer handling the Coast Guard budget than the gentleman in the well. This in my 19th year. We have always, always been sympathetic to the Coast Guard. As I mentioned earlier when perhaps the gentleman was not here, when

the Coast Guard got all the hand-me-downs from the Navy and the Air Force, Chairman Vaughan Gary and I initiated a new procurement policy for new ships, helicopters, planes, and the equipment for the Coast Guard. We stopped the hand-me-downs from the Navy and from the Air Force.

I have a lot of admiration for my friend, the gentleman from New York (Mr. MURPHY) and I have a lot of admiration for my friend, the gentleman from New York (Mr. BIAGGI). But if they had listened to this committee, the Coast Guard today would have their medium-range surveillance planes; they would have them in force out there patrolling the waters, enforcing the 200-mile limit. But they do not have them because the authorization committee stopped that procurement.

Mr. MURPHY of New York. Madam Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York. He and I have debated this issue many times.

Mr. MURPHY of New York. I thank the gentleman for yielding.

If we had done what the Committee on Appropriations had agreed to do based on the usual collapse by the Coast Guard to accept an outmoded, outdated, ancient aircraft, sure, we could have done that and it would have cost the taxpayer over the 20-year life of the program twice as much as he will pay because this committee insisted that the Coast Guard procure on a competitive-bid basis and also go into the new series of jet engine. As a consequence, the overall economy for that 20-year medium-surveillance program will reap the benefits for the taxpayers. We felt it was better to wait 2 years and have them do it right.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. CONTE. I would answer my good friend, the gentleman from New York, because he and I have been having a running debate on this, but I say to him not so, because the Coast Guard wanted that airplane, they felt it was good, and the taxpayers would have saved at least $74 million. In our Coast Guard hearings, on page 466, we found that the increase in the cost of the MRS program from 1976 to the present was $74 million; from $289 million to the present $363 million. And one of the major reasons for the increase was the delay forced by the authorizing committee.

And now we are going to face an amendment by the authorizing committee on Finnish icebreakers.

I urge the defeat of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BIAGGI).

The amendment was agreed to.

Mr. BUCHANAN. Madam Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. BUCHANAN was allowed to speak out of order.)

CALLING ON SOVIET UNION TO RELEASE BAPTIST PASTOR GEORGI VINS

Mr. BUCHANAN. Madam Chairman, last fall both this House and our colleagues in the other body overwhelmingly passed a resolution calling on the Soviet Union to release Baptist Pastor Georgi Vins and, in the spirit of Helsinki, to permit Christians and other religious believers within the Soviet Union to worship according to the dictates of their consciences.

At that time, Georgi Vins was ill, his health having been ruined by an earlier imprisonment. Today, Mr. Speaker, Georgi Vins, who is but 49 years old, lies near death in a Soviet prison hospital.

For this reason, I have contacted Soviet Ambassador Anatoly Dobrynin to urge that the Soviet Union, in the spirit of Helsinki and as a humanitarian gesture, release Georgi Vins. Likewise, our United Nations Ambassador Andrew Young has assured me of his intention to bring Georgi Vins' plight to the attention of the Soviet Ambassador to the United Nations.

While his prison sentence has 2½ years to run, there is every indication that this will become a death sentence and that Georgi Vins, like his father before him, will die in a Soviet prison camp unless he is immediately released.

Principle 7 of basket 1 of the Helsinki Final Act provides that the signatory nations "will recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience."

Yet Georgi Vins' crime, the crime for which he will now apparently die, is that of carrying on the work of a Baptist pastor, teaching the Bible and telling others of his faith.

If the Soviet Union is truly the humanitarian nation and adherent to the Helsinki Final Act, which it claims to be, it cannot but agree to release Georgi Vins.

Mrs. FENWICK. Madam Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Madam Chairman, I thank the gentleman for yielding and I join in the expression of his views. I pray that we will obtain favorable consideration of this case, this man who really is a martyr for his religious beliefs.

Mr. CONTE. Madam Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Madam Chairman, I too join with my good friend, the gentleman from Alabama, and compliment him for bringing this to the attention of the House out of order. I join him in his remarks.

Certainly the case of Georgi Vins is one of the most tragic examples of violating human rights in the Soviet Union.

This valiant man, who was imprisoned simply for preaching the gospel and practicing his religion.

I joint with the gentleman from Alabama in urging the Soviet Union to abide by principle seven of basket one of the Helsinki Final Act.

In the name of humanity, I urge that Georgi Vins be released, so that this dangerously ill pastor does not die in prison.

The CHAIRMAN. Are there other amendments to this section?

There being none, the Clerk will read.

Mr. CONTE. Madam Chairman, a point of order on the section under rule XXI, clause 2, because the "acquisition, construction, and improvements" have not been authorized.

The CHAIRMAN. The acquisition, construction, and improvements paragraph.

Mr. CONTE. The entire section.

PARLIAMENTARY INQUIRY

Mr. CONTE. Madam Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CONTE. Madam Chairman, is the Clerk through reading "operating expenses"? If not, I would like to raise a point of order against that section.

The CHAIRMAN. The Clerk has read the "operating expenses" paragraph of the bill.

Mr. CONTE. Madam Chairman, am I in order to raise a point of order against that section?

The CHAIRMAN. Not against the "operating expenses" paragraph, that is the paragraph which has been read and has been amended, and the point of order would come to late.

Mr. CONTE. All right, then I am out of order.

The CHAIRMAN. The gentleman from Massachusetts will be seated and the Clerk will read.

The Clerk read as follows:

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; $218,802,000, to remain available until September 30, 1980.

POINT OF ORDER

Mr. CONTE. Madam Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CONTE. Madam Chairman, I raise a point of order under rule XXI, clause 2, "acquisition, construction, and improvements," in the Coast Guard has not been authorized.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. McFALL. Madam Chairman, I would concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order and the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for basic and applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $22,000,000, to remain available until expended.

POINT OF ORDER

Mr. CONTE. Madam Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CONTE. Madam Chairman, I raise a point of order under rule XXI, clause 2, that this has not been authorized.

The CHAIRMAN. Does the gentleman from California wish to be heard on the point of order?

Mr. McFALL. Madam Chairman, I would concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order and the point of order is sustained.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act; purchase of four passenger motor vehicles for replacement only and purchase and repair of skis and snowshoes: $1,802,700 000, of which $275,000,000 shall be derived from the Airport and Airway Trust Fund, for the purposes of subsection (e) of section 14 of the Airport and Airway Development Act of 1970, as amended, and subject to the conditions of that subsection, together with $5,600,000 to be derived by transfer from the appropriations for "Civil supersonic aircraft development termination" and "Civil supersonic aircraft development": *Provided*, That there may be credited to this appropriation, funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities.

AMENDMENT OFFERED BY MR. KOCH

Mr. KOCH. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOCH: On page 6, line 9, strike the period, insert a colon and the following:

"*Provided further*, That no funds appropriated under this Act may be obligated or expended for air traffic control in connection with any civil supersonic aircraft engaged in scheduled or nonscheduled commercial service at John Fitzgerald Kennedy International Airport, New York, unless such aircraft is in compliance with noise standards established for subsonic aircraft by the Federal Aviation Administration under Federal Aircraft Regulation (FAR) Part 36, as in force and effect on June 1, 1976."

Mr. KOCH. Madam Chairman, this is a very clear-cut amendment. It relates to the Concorde. The port authority in the States of New York and New Jersey has said that it does not wish to permit the Concorde, the English-French SST, to land at Kennedy Airport. The prior Secretary of Transportation, Mr. Coleman, had designated Dulles and Kennedy Airports as the two places where the Concorde could land. Since Dulles is under the direct jurisdiction of the FAA, permission to land the Concorde was granted by the Federal authorities.

Kennedy Airport is under the direct jurisdiction of the New York-New Jersey Port Authority, and the port authority made a decision that it did not wish the Concorde to land. That decision represented the considered judgment of the local officials of New York and New Jer-Jersey.

What happened was that a court overruled the port authority. It said that it must allow the Concorde to land. That matter is on appeal. The Federal court found that the Federal Government had preempted the local authority. The appeals court before which the case presently lies asked the Federal Government whether or not, in fact, it had preempted and the Justice Department advised that it had not, but said that the port authority was being "unreasonable" in banning the Concorde at Kennedy. Those are the facts, and I do not think anyone can controvert them.

What we now have is a situation where the port authority, the locality, has decided that it would be wrong to permit a plane to land that is not able to meet the noise standards that apply to other planes—and that it would be wrong to waive them for the Concorde. It is interesting to know that when the Concorde has landed or taken off at Dulles, it has failed to meet the noise levels that were predicted for it to meet and which it was supposed to meet in order for it to ultimately get permanent permission to land. It has completely failed to meet the noise levels established for subsonic jets of its size, and its noise is twice the sound of what would be acceptable under the FAA rules for subsonic jets.

That is the way the decibels operate. It is not just simply one, two, three; they are multiplied, and the Concorde noise levels are twice what they would be if they were to come within the noise levels that are permissible for new subsonic jets.

What is it, then, that our amendment says? Our amendment says that where the Governor of the State, the mayor of the city, the city council, and the port authority, all having direct jurisdiction over this particular airport, have said that the Concorde shall not land, then a court should not require the landing. The effect of this amendment would be to prohibit the Concorde from landing because we would not provide the necessary funds for the air traffic controllers to land the plane.

I urge my colleagues to support this amendment, because they would want our support in a comparable situation, where the local authorities have expressed themselves, and where the President has said that he has not preempted local authority—yet, the local authority is being told that it must land the Concorde.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent Mr. KOCH was allowed to proceed for 1 additional minute.)

Mr. KOCH. If the Members believe, as I do, that where there is not a Federal airport, but an airport owned and operated by a local authority, that such local authority shall control in these situations—if Members want that to apply to them, then I urge them to support this amendment.

Mr. McFALL. Madam Chairman, I rise in opposition to the amendment offered by my good friend and colleague, the gentleman from New York (Mr. KOCH). I do not enjoy disagreeing with my friend from New York, who does such a remarkably good job on the subcommittee and in the Congress. I know that he offers this amendment with all sincerity. He represents the city of New York where this problem is paramount. It is an important issue for him and his constituency and I know that he offers to this House an intelligent discussion of this problem. I regret that I must oppose his amendment.

Madam Chairman, the gentleman's amendment would apply the FAR 36 noise standard to the Concorde despite the fact that the overwhelming majority of our own domestically built aircraft do not meet the FAR 36 standard. Such action would, in my view, unfairly discriminate against the Concorde. The Concorde engines and airframe were designed in 1965. The first Concorde prototype began flying in March of 1969. FAR 36 noise regulations were issued in late 1969.

This standard was meant to apply to airplanes designed after that time such as the Douglas DC–10. the Lockheed L–1011 and the later models of the Boeing 747 aircraft. The first generation 747 does not meet the standard. The DC–8, the 707, 727, and 737 do not meet the FAR 36 standard for takeoff noise or approach landing noise. The Douglas DC–9 does not meet the approach landing noise standard. Eighty percent of the U.S. civil aviation fleet does not meet the standard. Like the Concorde, these planes were designed and in production before the FAR 36 standard was issued. The amendment would not apply to these domestic subsonic jets, but only to the Concorde. In my view such action would be arbitrary and grossly unfair.

I would ask the Members to review the noise level data which has been taken on the Concorde during the test period at Dulles Airport. It is true that some of the Concorde scores on the noise measurement scales are higher than the scores for certain American jets. But the report also shows that the 707 and the DC–8 are as loud or louder on landing approach as the Concorde. And on takeoff, the Concorde is not significantly louder than the DC–8. So, in reality, the results are mixed. If you examine the data, you will find the Concorde noise levels are not significantly different than the vast majority of American aircraft in scheduled service.

I visited Dulles Airport on May 27 of this year and saw the elaborate noise monitoring system which is being used to assess Concorde's noise impact. We also went out to the end of the runway and watched and heard the Concorde take off. It was a warm, sunny day. I was standing about 150 feet from the Concorde when it left the runway. The Concorde is a loud airplane. But in my opinion, it is not really much louder than the other planes I have heard. The noise produced by the Concorde is very different from the noise generated by other jet aircraft. The Concorde produces a great deal of low frequency noise which accounts for its ratings on the noise measurement scale. The subsonic jets generate a great deal of high frequency noise which I personally find much more annoying. Studies have indicated that most people find high frequency noise much more annoying than low frequency noise.

As part of the monitoring program at Dulles, two opinion surveys have been conducted—the first one in May of 1976,

before the Concorde began operations and the second one in December of 1976. In the first survey, 36.9 percent disapproved while 62.4 percent either approved or had no opinion. The second survey, taken after 7 months of Concorde operations, indicated that 26.2 percent disapproved while 73.4 percent either approved or had no opinion.

These results tend to substantiate the view that after people see and hear the Concorde, they realize that the accounts they get from the media and others are distorted against the Concorde. The Concorde is really not significantly different from other jet airplanes except perhaps it is more striking in its appearance. The limited evidence that we have would tend to indicate that Corcorde operations into and out of Kennedy Airport would have no significant impact on the noise levels in and around the airport.

Madam Chairman, I received a letter on June 6 of this year from our former colleague, Secretary Adams. I include the text of the letter in the RECORD at this point.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C.

HON. JOHN J. MCFALL,
Chairman, Subcommittee on Transportation, House Appropriations Committee, House of Representatives, Washington, D.C.

DEAR MR. MCFALL: You have asked for the views of this Department on an amendment Representative Koch intends to propose to the Transportation Appropriations Bill that would, in effect, bar operations of Concorde supersonic transport aircraft at JFK International Airport (JFK). The Department strongly opposes enactment of such a provision.

After carefully considering all relevant information, former Secretary William T. Coleman, Jr., on February 4, 1976 decided that a limited, sixteen-month demonstration of Concorde operations at JFK and Dulles Airports should be undertaken. The demonstration was designed to provide additional data on the environmental effects of SST flights.

Because the characteristics of the communities surrounding JFK differ markedly from those surrounding Dulles, and because of the large potential market for Concorde service at New York, that City was selected as an appropriate place for a Concorde test. However, former Secretary Coleman observed in his decision that if for any legal reason the JFK part of the demonstration could not go forward it "would greatly diminish, but in my opinion would not destroy, the validity of the demonstration."

I share the former Secretary's opinion that a test at JFK is the proper course to enable us to develop an appropriate noise rule for supersonic transport.

It will be unfortunate, indeed, if we do not have the information on noise effects in a densely populated area as we move into the final stages of our rulemaking process. I would emphasize that a limited demonstration of Concorde operations at JFK will not in any way commit the Department to authorizing permanent operating rights for Concorde at the end of the test period. On the contrary, the data we get from the demonstration will be invaluable for the formulation of overall noise standards. As has been the practice with the Concorde demonstration at Dulles, the Department will issue monthly reports regarding the noise characteristics of flights to and from JFK and the complaints received.

I think it is also important for the Congress to consider that the JFK test anticipated by the Coleman decision has been endorsed as well by the new Administration. The landing rights for Concorde are a factor with serious implications for the bilateral U.S.-U.K. air services negotiations now under way in London. Any Congressional action to ban Concorde now will undoubtedly have an adverse effect on our ability to secure an agreement on continued air service between the U.S. and the U.K. prior to the June 22 expiration of current operating rights.

As you know, the issue of whether the Port Authority can by local determination continue its Concorde ban is now before the United States Court of Appeals for the Second Circuit. A decision is expected in the near future. In our view, Court determination of the validity of the ban is an appropriate mechanism for resolving the current controversy. Action by the Congress before a full and impartial hearing of the issues would be unwise.

Sincerely,

BROCK ADAMS.

Madam Chairman, in the letter the Secretary of Transportation expresses his strong opposition to this amendment and any similar amendments. The Secretary makes two important points which we should consider here today. First, the Department and the FAA are currently in the middle of an important rulemaking on appropriate noise standards for supersonic aircraft. A test of the Concorde at Kennedy Airport would produce valuable data about the noise effects of supersonic transports in densely populated urban areas. While the current tests going on at Dulles Airport will be valuable, Secretary Adams reiterates former Secretary Coleman's view that a prohibition on tests at Kennedy Airport would greatly diminish the validity of the demonstration.

Secretary Adams also believes that this amendment would have a serious adverse impact on our current bilateral negotiations with Britain to secure a new air service agreement. The current agreement expires on June 22 of this year. Action of this kind could only have a chilling effect on these important negotiations.

The issue of the New York-New Jersey Port Authority's power to ban the Concorde is currently before the U.S. Court of Appeals for the Second Circuit. Legal briefs by the parties involved have just recently been filed. A decision is expected in the very near future.

In view of all these facts, I strongly believe the amendment offered by the gentleman from New York (Mr. KOCH) is unwise and inappropriate at this time. The Congress should wait until the outcome of the appeal is known and the aviation agreements with the British have been finalized.

Madam Chairman, I urge my colleagues to vote "no" on the amendment.

Mr. O'BRIEN. Madam Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Madam Chairman, I would like to offer an additional comment to those that have been made by the distinguished chairman of the subcommittee, the gentleman from California (Mr. MCFALL), relative to permitting the tests to proceed. It seems to me that one aspect of this issue has not been touched upon, and I will use sort of a personal experience to tell the Members why I feel the way I do about the Concorde.

My wife and I spent 7 days in Paris during the Easter recess—at the expense of taxpayer O'BRIEN, I might add—and during that particular trip we met with two distinguished members of the French Parliament. One member was Maurice Couve de Murville, former Minister of Foreign Relations for France, former Ambassador to the United Nations, former Ambassador to the United States and the Soviet Union, and a very eloquent patrician of the ultraconservative stripe. The other gentleman was Gaston DeFerre, for 25 years mayor of Marseilles, who is next March expected to lead an attempt to gain control of Parliament on behalf of the Socialist coalition. These are two gentlemen who appear to me to be far more adversary to one another than, say, the minority leader and the Speaker of the House.

We discussed a number of issues with each of them, including energy, oil, the Arab-Israeli conflicts, and many of the other problems that beset the world today, but to these two gentlemen such issues were far less significant than one particular issue. There was only one matter about which they were really concerned, and that was the Concorde.

They made the point that France is our oldest ally.

They made the point that they merely want to run a test. They made the point that they want to see if they can make the aircraft work.

Madam Chairman, I might also add that as recently as a week ago, and during the past 30 days, the New York Times and the Washington Post and Star have all supported the notion of allowing the test to be made.

My own personal opinion is that the aircraft itself is not economic, and that no nation can really afford to fly it. However, it is my suggestion that if we do not allow it to land, at least on a test basis, and then, if it fails to succeed financially, in the heart and mind of every Frenchman will be the conviction that we, the Congress of the United States, brought it down without even giving it a chance.

Mr. ADDABBO. Madam Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from New York.

Mr. ADDABBO. Madam Chairman, I think the gentleman for yielding.

Madam Chairman, I was wondering whether the gentleman from Illinois (Mr. O'BRIEN) reminded these members of the French Parliament that love our friendship so much, and who have always been our ally, that they were the first ones to throw us out of the NATO bases in France? And did the gentleman also remind them that they closed their airports at given hours to our American airlines in order to protect the sleeping hours of the French people, and that they are not nearly as respectful of the lives and health of the American people?

Did the gentleman remind these French Ministers of Parliament of those facts?

Mr. O'BRIEN. No. I do not deny that the French, Latin, and mercurial, are sometimes opposed to us, but when the chips are down in a conflict, they always seem to wind up on our side. It is just my notion that we ought to think very carefully before we forbid the

French at least to make test landings at Kennedy.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, I am all for the French conducting a test, but will the gentleman tell me what they can learn by landing this plane at Kennedy Airport that they are not learning by landing the plane at Dulles Airport? What result can they possibly get by landing at Kennedy Airport that they are not getting by landing at Dulles Airport?

Mr. O'BRIEN. Madam Chairman, I am not sure that I can answer that question, but I suspect that if I were Mr. DeFerre or Mr. DeMurville, I would say that "You can speculate all you want about landing at Dulles or O'Hare or any other airport, but that is not the same as landing at Kennedy."

Landing at Kennedy means something to the Frenchmen. I do not think that we can argue them out of their conviction and demand for a test.

Mr. WYDLER. Madam Chairman, if the gentleman will yield further, let me just explain this to the gentleman: Maybe the gentleman does know about this; maybe he does not, but since the tests started at Dulles Airport the Federal Aviation Administration installed about $1 million of equipment to measure the noise that this plane makes on landing and takeoff. They installed many noise monitors at many different points. Some of those noise monitors were placed, at my request, exactly where the noise monitors are at Kennedy Airport. Therefore, we have all the readings we will ever get or need now or in the future. We already have all of that information in our possession.

The information shows us that on the takeoff this plane would violate the noise requirements of the New York Port Authority at Kennedy Airport.

We know that now, and I am only suggesting to the gentleman that this talk about a test is not true. They are going to call it a test, but it is landings and takeoffs in commercial operations.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. O'BRIEN) has expired.

(By unanimous consent, Mr. O'BRIEN was allowed to proceed for 1 additional minute.)

Mr. WYDLER. Madam Chairman, will the gentleman yield further?

Mr. O'BRIEN. I yield to the gentleman from New York.

Mr. WYDLER. As I was saying, Madam Chairman, these landings and takeoffs are going to go on, and once they get in, they will never come out. I think the gentleman will appreciate that fact.

Does the gentleman think they will ever get out once they get in with "tests"?

Mr. O'BRIEN. I have the notion that the effectiveness of the New York delegation is such that if they do not meet the test, they will indeed be forced out, if the economics of the operation alone do not force them out.

I just do not think we can turn them down without giving them some semblance of a test.

Mr. WYDLER. We are giving them a test at Dulles Airport, and that is the point I am trying to get over to the gentleman. This argument about the test is not valid. They have had their test.

The point is that they want to ignore that test and make commercial landings and takeoffs at Kennedy Airport.

Does the gentleman really believe that they would be willing to run tests at Kennedy Airport without paying passengers on the airplane? Does he believe that for a minute?

Mr. O'BRIEN. I do not think so, no. I think they certainly would want paying passengers. I think they are entitled to that.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. O'BRIEN) has again expired.

(On request of Mr. RYAN and by unanimous consent, Mr. O'BRIEN was allowed to proceed for 1 additional minute.)

Mr. RYAN. Madam Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from California.

Mr. RYAN. Madam Chairman, I would just like to point out to my very distinguished colleague and very good friend, the gentleman from Illinois (Mr. O'BRIEN), that my Subcommittee on Energy, Environment, and Natural Resources held some hearings 2 weeks ago at Kennedy Airport in New York. Among those we asked to testify was a man named Morgan, who was the regional Administrator for the FAA for the entire Northeast.

I think I can almost repeat the dialog exactly. I asked him, "If you have test results that you can get at Charles De Gaulle Airport in Paris and if you have test results that you can get at Heathrow Airport in London, and if you have test results tht you can get at Dulles Airport in Washington, D.C., what particular unique kind of feature is there in the so-called testing program at Kennedy Airport in New York?"

He tried, I think, to avoid the question on two separate occasions and finally said—and this is his word—"Nothing."

The CHAIRMAN. The time of the gentleman from Illinois (Mr. O'BRIEN) has again expired.

(On request of Mr. MCFALL and by unanimous consent, Mr. O'BRIEN was allowed to proceed for 1 additional minute.)

Mr. McFALL. Madam Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from California.

Mr. McFALL. Madam Chairman, if we were to make a decision based on the test results from Dulles Airport, as has been suggested, most probably then we would allow the Concorde to land at Kennedy Airport. The test results at Dulles Airport are very similar to the impact contemplated in the environmental impact statement. Secretary Coleman concluded on the basis of that statement that Concorde flights would have a negligible impact on total aircraft noise levels.

Mr. O'BRIEN. Madam Chairman, the gentleman makes a good point.

Mr. WYDLER. Madam Chairman, will the gentleman yield to me on that point?

Mr. O'BRIEN. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, I wish to make this point in answer to that: Surely, people get used to noise. It is true. We wear them out, tire them out; and after a while they say, "Oh, well, that is what is happening."

Of course. That is the same thing which they are trying to do with the Kennedy operation. They tell us there will be just a little bit more noise; but when people are subjected to noise beyond the point at which they can stand it and we tell them that instead of making conditions better at the airport, we are going to make them worse, that is why the people get very excited and very disappointed in their congressional body.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. O'BRIEN) has again expired.

(By unanimous consent, Mr. O'BRIEN was allowed to proceed for 1 additional minute.)

Mr. O'BRIEN. Madam Chairman, I think the gentleman from New York (Mr. WYDLER) makes an excellent point.

One of the reasons I think there is an acute problem in New York is that all the landings and takeoff's are in and out, around the clock. I can understand the gentleman's anxiety about that.

Out here, on the contrary, as I recall it, the aircraft cannot start out before 7 in the morning and they have to be in by 11 o'clock at night.

The Concorde, I think, would be bearing some of the noise burden that belongs on our other aircraft, and some of the anxiety and criticism leveled at the Concorde may in truth be the result of conventional air traffic patterns that New Yorkers have to put up with because of the subsonic aircraft.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. O'BRIEN) has again expired.

(On request of Mr. ADDABBO and by unanimous consent, Mr. O'BRIEN was allowed to proceed for 2 additional minutes.)

Mr. ADDABBO. Madam Chairman, will the gentleman yield?

Mr. O'BRIEN. I yield to the gentleman from New York.

Mr. ADDABBO. Madam Chairman, I do not want to impinge upon the gentleman's time, and I do not like to refute my chairman of the subcommittee, but Dr. McLucas of the FAA testified before our subcommittee and stated:

> After the airplane had been operating a number of months, we ran the survey again and found there were less people who strongly objected to the Concorde after it operated than before.
>
> There were slight percentage differences and this does not tell you whether it is a good or bad thing to do. Again, it is again a very subjective reaction.

Dr. McLucas also said that the Concorde was operating out of Dulles Airport at 10 decibels above par 36 of our noise rule, which is close to 119 decibels.

Mr. O'BRIEN. Madam Chairman, I do not dispute that point, but if the Con-

corde fails, and I think it will economically, the French will blame us with some justification if we do not let it land at Kennedy for the short term of the requested test.

Mr. MURPHY of New York. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I reluctantly oppose a Member of the New York delegation, but I feel on an issue such as this that perhaps we may be able to look at it in a different perspective.

My colleague from Queens, Mr. ADDABBO, and I had adjoining congressional districts for many years. I had the distinction of participating with that gentleman at a community gathering at Kennedy International Airport on the question of aircraft noise. I want to assure the Members in this Chamber that they have never been to a more interesting, vocal, and dynamic meeting, where the citizens of a community have expressed themselves on the question of noise abatement, aircraft landing patterns, and a host of other things relative to life for those who live in the vicinity of an airport. This was before the supersonic jet age.

Madam Chairman, I remember one gentleman, and he was getting red faced and redder and redder as he spoke his final words, who said:

> Every night at 11:30 I wait for the 11:30 plane to come in, because, after that plane has landed, then I can go to sleep.

He continued and said:

> The other night I lay there from 11:30, all night I laid there, because the 11:30 plane did not come in.

And it was a fact that the plane did not come in that night. But he had become so accustomed to that type of life in his vicinity that he could not sleep.

But, Madam Chairman, I would say that the patterns and air traffic in and around Kennedy airport area have been changed through the efforts of my colleague, the gentleman from Queens, Mr. ADDABBO, to make and minimize to the very absolute extent possible the discomfort to those citizens in that area.

If we look at the history of the SST we know that as it approaches the airport, or the coastline of the United States, it becomes subsonic. It becomes subsonic about 50 miles out, and it is a subsonic aircraft as it comes in to land. At Kennedy it actually has about maybe 2,300 yards of land before it actually hits the runway. But the patterns have been designed to minimize any noise that the aircraft itself might have.

The chairman of the subcommittee has carefully pointed out the acceptance of this aircraft at the Dulles Airport. The two landings and two takeoffs daily at Kennedy Airport are the extension of a 16-month test, and I might add a test for this aircraft to come into the New York area.

I have always considered New York as not only the greatest gateway to America, as the Statue of Liberty for decades has symbolized, but that Kennedy Airport is also the aerial gateway to America. For the United States and for New York to close its gateway in the air traffic area, I think, is not wise.

New York City, of course, is well known for the economic problems that it has. By closing off the greatest technological breakthrough in aircraft conception in our century, we are closing off from New York the opportunity to participate in this breakthrough. There are other cities in America who are asking the French and the British, please send your aircraft to our cities; we want to be the aerial gateway to America.

We have watched the air traffic routes being awarded from Miami to London and now to Paris and, of course, the reciprocal action has been the movement of air traffic from Paris and London to Miami, bypassing the aerial gateway of New York, hurting and harming the economy of New York.

My colleague, the gentleman from Massachusetts (Mr. CONTE), the ranking minority member, has often expressed to us what he feels Kennedy Airport should be used for. I think it should be used as its historical role: The aerial gateway to America. Every person who lands in one of those aircraft will create 15 jobs downstream in the New York area. It is good for the economy of New York. If we carefully analyze this amendment, we have a State Governor preempting not just the President of the United States but we have him preempting the port authority.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. MURPHY of New York was allowed to proceed for 4 additional minutes.)

Mr. MURPHY of New York. We have a port authority agreed to by the Congress that involves two Governors and the legislatures of two States, and we are preempting that. I do not know what we are doing, whether we are reversing ourselves now on this question of preempting. When we do our oil spill liability, we are preempting the States with Federal legislation, as we historically have done.

The question is here: Where does the Federal Government stand? We have route awards. We have international agreements. I think that a two-takeoff and two-landing daily test in this aircraft for 16 months is reasonable and remember this: This is the first generation of a viable, economic supersonic transport; these are the first generation engines; they almost meet the environmental protection standards. I will include in the RECORD at this point those standards as the Department of Transportation has written them and as the EPA has written them. They almost meet these standards. The next generation of aircraft engines certainly will meet them in the supersonic area. I think it is most unwise for New York—and I think it would be unwise for the Congress—to preempt this test.

Mr. ADDABBO. Madam Chairman, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

In relation to that red-faced constituent, who is still there and who is now going to slow down the Kennedy Airport, would the gentleman say that he must be made the guinea pig for the wants and needs of the British and the French? Must he give up his health, his every waking or sleeping hour to an additional noisemaker, something that could destroy the ozone, but, more important, cause noise and damage to his house? Must he be subjected to this for the benefit of the British and French? And where?—where will we get these 15 jobs? The French airlines have done away with American mechanics; they have imported their own.

Mr. MURPHY of New York. I brought up our red-faced friend and dated the meeting purposely so that it was carefully predicated on the fact that we were dealing with conventional aircraft of a jet variety of that type prior to the supersonic age. This is not a New York problem; this is a national problem. Airfields and airdromes and air developments have been located normally in rural areas away from people. But as we have seen the urban growth and urban sprawl, we have seen people move in and around the airdromes. We passed the Airport and Airways Development Act in the Commerce Committee about 5 years ago, and I think $355 million is in this legislation, and it shows the dedication of Congress to air transit safety and development.

The purpose, of course, is to get the safest arrangements, but also to go into the environmentally sound areas. The fact that people have historically moved in and around the airdrome itself does not mean the airdrome should be closed down.

Mr. ADDABBO. Madam Chairman, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Madam Chairman, the gentleman knows the area very well. He has campaigned through the area and he knows that 80 or 90 percent of the people in and around Kennedy Airport were there before Kennedy Airport. When it was a field those people were living there. And the airport has come to them and now must they endure this second and worse test also?

Mr. MURPHY of New York. I have to respectfully disagree with the gentleman. It was originally Idlewild Airport and it was called Idlewild, because it was in the Idlewilds of Jamaica. It was originally conceived and built through dredging and landfill in what was originally a swamp area.

Mr. ADDABBO. And it was filled toward where the people were not living. Idlewild was in the swamps of Jamaica Bay and it was constantly filled in until this Congress passed a law that it could not be expanded any further.

Madam Chairman, the amendment to prohibit Federal funds from being used at John F. Kennedy International Airport if the Concorde is allowed to fly there might seem to some in this Chamber to be an issue limited only to a small segment of the population. But in truth this amendment should be supported by every Member with the foresight to see

that some day soon, his home area might well be threatened too.

What is at stake in the Concorde controversy in New York is whether a facility owned and operated and financed by the tax dollars of the people of the States of New York and New Jersey, can be forced to accept a plane which violates the law of those States, against its will.

In essence, the French and British manufacturers of the plane are being supported and urged on in this battle by the Federal Aviation Administration, an arm of the Federal Government, against the people of New York. The desire of the French and the British, supported by the representatives of the Federal Government, is to force on to the people of New York a plane which cannot and does not meet basic noise level regulations. These noise standards are not oppressive standards to meet—many of our people, myself among them, complain they are too high already. But the Concorde cannot even meet these standards and the Federal Government would force the New York and New Jersey Port Authority to disregard this.

I do not think it right that the Federal Government should seek to supercede the rights of States to set basic standards for machines that have such huge capacity for disruption and pollution. It is not a discriminatory standard. Every American and every foreign airline has to meet these standards. If a plane can meet those standards, it is allowed to use the facilities of the airport. If a plane cannot meet those standards, it is not allowed to land at the airport. There is no logical reason why those standards ought to be violated.

Yet, we see officials of the U.S. Federal Government going out of their way to make the push for the Concorde in New York. Why is this so?

We may assume that FAA officials ignore their own findings of the test results of noise at Dulles International Airport, because they are by nature boosters of the industry rather than the regulators Congress wants them to be. This is not a new problem with FAA and it is one that the Congress has yet to deal with realistically.

Then we have the stalwarts at the State Department who, out of fear of offending two friendly nations, would let the American population suffer any sacrifice, no matter how odious. They have unsuccessfully sought to sell the proposal that Americans, because the United States is a signatory of the Chicago convention, no longer have the right to determine their own standards regarding airports and the planes that operate in our skies.

Well, I do not think the Congress ought to let those from the FAA boosters club or the State Department appeasement club have their way with American citizens whose tax dollars not only support the facilities in New York, but pay the salaries of those who would sacrifice the rights of American citizens for the benefit of foreign manufacturers.

I believe this amendment ought to be adopted by the House as protection to the people of New York whose lives will be sorely depressed by the Concorde flying into Kennedy, and as a warning to our own Federal officials that the Congress intends that they represent Americans instead of others.

This amendment would do nothing more than protect the citizens of New York against the intrusive designs of Federal officials who should not have intervened in the controversy in the first place. It would substantiate the rights of States to set and maintain their own minimum standards and it would assure that any future threats of unwarranted intervention by the Federal Government into the decisions of States and communities will not go unchallenged by the Congress which truly represents the people of this land.

Mr. ROSENTHAL. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, the most thoughtful comments that have been made in opposition to the amendment have been made by the gentleman from Illinois (Mr. O'BRIEN).

All of us have to take into account the concerns of the British and the French and I do take them into account. But I wonder if we have forgotten the fact that both the International Airport of London and the International Airport of Paris are closed for evening hours. In other words, they have unilaterally violated the international air traffic convenants so that American international carriers have to fix their schedules so that they are compatible with the sleeping hours of the airport neighbors both in London and in Paris.

I myself think that is a very good idea. I think we should do that here in the United States. But there is a much more important lesson to be learned from that. Each nation has its own national integrity to preserve and it was a British-French economic decision they made together. The question is if they want to concern themselves with the comfort and tranquility of their airport neighbors, which is their right to do, do we equally have that same right?

I think the gentleman from New York (Mr. ADDABBO) has clearly made the point it is not only a right that the State's airport neighbors have, but concomitantly we have the obligation to support that right, and that obligation occurs in the Federal testing of an airplane that simply has not yet met Federal standards.

There is not one person who has spoken in opposition to this amendment who has suggested responses to these questions: What can we learn at Kennedy Airport that we have not learned at Dulles? What can we learn at Kennedy that we have not learned at Dulles?

The only argument that has been made in response to that question is that the French are a special people, that they will be offended if they are not permitted to land in the premier city of the world, and they are entitled to have their product, good or bad or otherwise, tested in New York City.

We in New York certainly do not want to lose the title of the premier city, but there is something much more important and it is that the citizens surrounding the airport in New York are entitled to the same rights, privileges, and immunities as the citizens surrounding the airports in Paris and London.

I might be willing if we can work this out legislatively to have a trade off. Let us have a trade off. Maybe if we want to let them land in the United States in an urban area at airports such as Kennedy and Dulles and O'Hare and San Francisco and Dallas-Fort Worth, let us close the airports down at 10 o'clock the same way that National is closed down at 10 o'clock.

I think those who are in opposition to this amendment are enamored with the glamour of the Concorde. The glamour of the Concorde is something to be appreciated; but the everyday lifestyle of the airport neighbors is something equally to be appreciated.

I am very candid, if we could learn something at Kennedy that we cannot at Dulles, then I would not support this amendment. But there is no point to these tests. I think we should be frank about it.

We are dealing with the honor of the French. Win, lose, or draw, they want to come into the Kennedy Airport. The question is, Do the citizens around Kennedy Airport have anything to say? I would suggest to all of us, they have the ultimate decision. In this country of ours, citizens have the ultimate decision. Those associated with the aerospace industry, whether foreign or domestic, cannot usurp the rights of the citizens of this country.

Mr. DUNCAN of Oregon. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Madam Chairman, the gentleman has made a very eloquent and impressive argument on behalf of the gentleman's constituents and likewise made a concession with respect to the testing. I do not claim much for the testing theory. I have no doubt, of course, that the proprietors of this aircraft intend it to succeed commercially.

Madam Chairman, I happen to agree with the gentleman from Illinois who spoke on this. I think the Concorde is a dodo bird. I do not think it will be flying 3 years from now.

Mr. ROSENTHAL. I think we all agree with that.

The CHAIRMAN. The time of the gentleman from New York has expired.

(At the request of Mr. DUNCAN of Oregon, and by unanimous consent, Mr. ROSENTHAL was allowed to proceed for an additional 2 minutes.)

Mr. DUNCAN of Oregon. Madam Chairman, if the gentleman will yield further. I am not as knowledgeable as the gentleman from New York about this; but I have no objections to time limits being imposed on arrivals and departures, as the French and British have done for the convenience of neighbors. It is perfectly reasonable and my understanding is that the landings at Dulles are limited to between 7 a.m. and 10 p.m. It will be the same at Kennedy.

Mr. ROSENTHAL. I do not think I made that point clear. Certainly, we can restrict it to daylight hours. If they have the right to deny American air carriers

the right to land at certain times, then we have a concomitant right to limit it in this test.

Mr. DUNCAN of Oregon. Madam Chairman, if the gentleman will yield further, the question is not our right. The question before us is the wisdom of exercising this right.

If the gentleman will yield further on the question of testing, I am not an expert, but I am told that the tests at Dulles, are conducted immediately under the approach pattern and the takeoff pattern and on the perimeters of the field. I am told that the regulations of the Port Authority of New York provide for 112 perceived noise decibels in the area surrounding it. That requires a different type of test than has taken place at Dulles. I am further advised that the proprietors of this aircraft have conducted tests in France and Africa, placing their noise perception machinery in locations similar to the ones required by the port authority and met the requirements of the New York Port Authority. So there is an advantage to having a test in a metropolitan environment?

The CHAIRMAN. The time of the gentleman from New York has again expired.

(By unanimous consent, Mr. ROSENTHAL was allowed to proceed for an additional 2 minutes.)

Mr. DUNCAN of Oregon, Madam Chairman, will the gentleman yield further?

Mr. ROSENTHAL. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. So that we would be getting something we are not getting at Dulles already.

Mr. ROSENTHAL. They can move at Dulles. They can move the testing pattern around the runway and out in the community. They can do that in any one airport, as they are doing it in France and Britain. What else can they do at Kennedy?

Mr. DUNCAN of Oregon. Madam Chairman, if the gentleman will yield further, the tests in France and Africa, indicate the airport can meet the requirements of the port authority, so why not in all fairness give them a chance to show it?

Mr. ROSENTHAL. If they can test them at these other airports, what else can they learn at Kennedy?

Is it not really an exercise in Macho? They have to get into Kennedy, win, lose or draw.

Mr. DUNCAN of Oregon. The point is that those tests in other places indicate they can meet the requirements of the New York Port Authority. Why not try it at Kennedy?

Mr. ROSENTHAL. There is nothing to be gained. We can take the tests of the engineers and put them on the table.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, there is no question in anybody's mind that the noise tests at Dulles are extensive. There is not one noise testing machine. There are probably about 20. They are not just at the end of the runway. They are 5 and 10 miles from the field; but what those reports from Dulles have shown month after month is this, that the noise levels of the Concorde SST would violate the noise levels that are established at Kennedy Airport.

They clearly show that. They do not show that it is close. They show that the noise levels are twice as loud as is allowed at Kennedy Airport.

Mr. ROSENTHAL. Is that dependable equipment that is at Dulles Airport?

Mr. WYDLER. It is the world's best equipment.

Mr. ROSENTHAL. What else can we learn by testing the same piece of equipment at Kennedy Airport?

Mr. WYDLER. They do not want to test at Kennedy. They want to start commercial operations.

Mr. MILFORD. Madam Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. BIAGGI. Madam Chairman, will the gentleman yield?

Mr. MILFORD. I yield to the gentleman from New York.

Mr. BIAGGI. Madam Chairman, I am pleased to rise as a cosponsor to this amendment which is of critical importance to the people of New York City. This action today has been forced upon us by the unnecessary meddling of the Federal Government in a matter which should primarily be a local issue; namely, whether to grant landing privileges to the Concorde at John F. Kennedy Airport in New York.

The Port Authority of New York and New Jersey, vested with the authority to regulate matters concerning Kennedy Airport, has been making vigorous attempts to prohibit SST landing rights at Kennedy. Their efforts have been consistently sabotaged by the Federal Government. Thus, the necessity for this amendment today.

The amendment would prevent any funds contained in the Department of Transportation appropriations bill from being used for SST landings at Kennedy Airport. The amendment applies to SST's which do not meet established FAA noise standards for subsonic aircraft.

Based on studies conducted in those areas where the Concorde has been granted landing privileges, the aircraft has consistently exceeded local minimum noise level regulations. At Dulles Airport, for example, where the SST has been operating for the past year, the SST exceeded acceptable noise levels during both landings and takeoffs. In London, the Concorde has exceeded the statutory noise levels regulated by the Noise Advisory Council on almost 75 percent of their takeoffs.

It is therefore apparent that the concerns about the SST and its noise levels have been justified. We are very much aware of the impassioned opposition of many people who live in and around the area of Kennedy Airport, to granting landing privileges for the SST. We acknowledge the strong opposition to the Concorde which has been expressed by many of New York State's highest elected officials. We are well aware that this amendment could represent the very last hope in the effort to prohibit the SST from assaulting and possibly damaging the hearing of New York City's residents.

The people of New York have been forced to live with excessive aircraft noise for many years. We Members, who are sponsoring this amendment today, have been working on the development of noise-abatement policies to quell these problems. The addition of the Concorde to the fleet of noise-generating aircraft would constitute very real hazards to the health and well-being of New Yorkers. We must exercise our powers here today for the benefit of the people of New York.

This Nation has survived quite well without the Concorde. Based on the obvious health and pollution hazards posed by the aircraft, it is safer to say that we can continue to live without it. For the men, women, and children of New York City whose lives would be disturbed daily by the noise produced by the SST, we must vote for this amendment today.

Mr. MILFORD. Madam Chairman, I rise in opposition to the proposed amendment. Congress has voted time and again to allow the Concorde to land in the United States and yet, we are still being bombarded by various amendment schemes to keep it out. The arguments have been the same. There was first an attack on the Concorde because of alleged pollutant levels. When the facts were known, we learned that there would be a negligible effect on air quality. In fact, Secretary Coleman concluded that this factor was insignificant in his decision to grant U.S. landing rights.

Next there was the absurd claim that the airplane would run out of gas before reaching the United States. Well, I am sure the thousands of passengers who have landed safely at Dulles during the past year, chuckle every time they recall their "close call."

Now we have a proposal to deny funds for the air traffic control of Concorde. On its face this sounds like the most dangerous idea I can imagine. I would ask my colleagues if they would really feel good about flying home each week, knowing that there are other aircraft in the landing pattern with them, which are not under surveillance by anyone on the ground. It sounds like a wild game of Russian roulette in the sky to me.

Of course, the situation would never come to this. What the author is really attempting to do is to bar the Concorde from New York altogether, and this has been tried before. As I am sure my colleagues are painfully aware, it has been tried many, many times before.

Two administrations have determined that the Concorde should have a chance to prove itself. Both Houses of Congress have voted repeatedly on the question. The courts have upheld the Federal Government's right to grant landing rights. So this amendment flies in the face of every previous consideration of this issue.

Let me suggest that there are better ways to deal with the problems of supersonic flight than by making the Concorde a scapegoat. There is a constructive way. With the data we gain from the authorized 16-month trial, we will be able to define the problems in an objective, nonhysterical manner and then we will be

able to consider realistic solutions. At the same time, we must also be doing our homework on supersonic technology. The sooner we get to work in this area, the sooner we will have quiet clean advanced supersonic transports.

Almost all new technology is accompanied by a certain degree of risk and a substantial public concern. But the innovation that allows for new technology also enables control of its environmental consequences. There is no doubt in my mind that this Nation's commitment to protection of the environment will ensure that supersonic transportation, if given a fair and reasonable chance, will be environmentally acceptable. We must, of course, be willing to do our share.

Passing an amendment such as this is not doing our share. It is a step backward in time. We would be throwing away an important technology because we have not yet perfected it. In addition, we would be making a mockery of our previous deliberations and votes on Concorde which considered all the problems concerning supersonic travel in great depth.

As a final note I would like to share a recent observation. Having visited both France and the United Kingdom just last week, I found the people in those countries to be very concerned about our actions regarding Concorde. I was surprised to find that the issue is important even to the man in the street. Believe me it is a matter of great national pride and they are watching us very closely.

I urge my colleagues to quickly reject this amendment.

Mr. ADDABBO. Madam Chairman, will the gentleman yield?

Mr. MILFORD. I yield to the gentleman from New York.

Mr. ADDABBO. Madam Chairman, I know that the gentleman is a pilot and has been a pilot for many years. If the gentleman were given permission to fly this plane, which would be given just a minimal amount of gas to get him from one airport to another, would he consider that a dangerous plane to fly?

Mr. MILFORD. I would answer the gentleman in this manner: We have laws that clearly specify the minimum fuel requirements that any commercial flight must have in traveling from point to point and that requirement is being met by the Concorde.

Mr. ADDABBO. I was at a briefing at Dulles and received a briefing from the people, the proponents of the Concorde, and they said they can meet the noise requirements at Kennedy Airport by reducing their fuel load, and they also could not be held into a landing pattern because their fuel load would be monitored just to get them to Kennedy Airport. Would that be a safe condition?

The CHAIRMAN. The time of the gentleman from Texas (Mr. MILFORD) has expired.

(By unanimous consent, Mr. MILFORD was allowed to proceed for 1 additional minute.)

Mr. MILFORD. Madam Chairman, to answer the gentleman's question, it is totally safe; because in reducing the fuel load, they have to counter by reducing pay load. And again I will remind the gentleman that this is very closely controlled by law. Full reserve requirements are safety standards required by the FAA. Unless a commercial air carrier flight has adequate fuel and fuel reserves, it would be prohibited from making any flight.

Mr. ADDABBO. If the gentleman will yield further, would the Concorde be controlled by FAA or by France's regulations?

Mr. MILFORD. It is controlled by both.

Mr. WOLFF. Madam Chairman, will the gentleman yield?

Mr. MILFORD. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. I thank the gentleman for yielding. Knowing the great expertise the gentleman in the well has with flying, is the gentleman aware by the statement made by the Airline Pilots Association that they would not fly the aerobatics that are required to take that aircraft off from Kennedy in order to meet the requirements of noise, in other words, a 25° turn at 100 feet off of the ground on takeoff?

The CHAIRMAN. The time of the gentleman from Texas (Mr. MILFORD) has again expired.

(On request of Mr. WOLFF and by unanimous consent, Mr. MILFORD was allowed to proceed for one additional minute.)

Mr. MILFORD. Madam Chairman, I would inform the gentleman that the turn he is speaking of is almost identical to the same turn all commercial air carriers make at National Airport when they turn and go down the river after takeoff.

Mr. WOLFF. If the gentleman will yield further, how high off of the ground are you at that time?

Mr. MILFORD. From 100 to 200 feet when you begin your turn.

Mr. WOLFF. No, sir. There is a requirement that you are at least 350 feet to 500 feet in order to make that turn, not 100 feet.

What would happen to the Concorde in the event that there was a wind shear at takeoff at 100 feet off the ground while making a 25-degree turn?

Mr. MILFORD. The same thing that would happen to the commercial planes flying out of National, should they encounter a shear condition.

Mr. WOLFF. Is the gentleman willing to permit that aircraft to travel, with the risk that has to be taken, with passengers in the aircraft and people on the ground?

Mr. MILFORD. I submit there is no risk involved because when an aircraft reaches flying speed; which one must do before it can fly; there is no particular danger in executing a 20° to 30° bank and turn.

Mr. CONTE. Madam Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. GOLDWATER. Madam Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Madam Chairman, this Concorde business is reaching the point where the very reputation of this body is being seriously questioned by two of our oldest allies. It makes me wonder how many times the Concorde question must be debated. How often do we have to accommodate and placate the opponents of the Concorde. It sort of reminds me of the football coach who is behind 60 to 0 in the fourth quarter and has the audacity to warn the opposing coach that unless he stops running up the score, he will put in his first team.

Whether some of my colleagues like it or not, the Concorde is here to stay. The tragedy is that it is a foreign built supersonic aircraft rather than American.

The Concorde represents well over a $3 billion investment by Great Britain and France. Over 13 years of research and development have gone into the Concorde program.

Should we now arbitrarily cut off the United States market for the Concorde, we are in effect telling our European allies that the U.S. House of Representatives is reverting to the discredited idea of protectionism that existed in some of this Nation's darkest economic periods.

We must not forget that this country is the world's leader in aviation despite efforts by anti-science, anti-technology groups to make it otherwise. Our planes have enjoyed landing rights at foreign airports, and the United States was an original signatory to the Convention on International Civil Aviation of 1944.

Once we get into the business of telling our allies that they cannot land the Concorde at U.S. airports, our allies can reciprocate by not granting us landing rights, or by not purchasing our jet transport aircraft. I do not have to remind my colleagues what kind of effect this would have on American jobs and our balance of payments.

The United States does not have the option of deciding whether there will or will not be programs like the Concorde. We do have the option of participating or we can just sit back and watch while the rest of the technologically advanced nations carry on without us.

But is this type of negativism going on here today that will eventually spell the end of U.S. dominance of the world's jet transport fleet. Even casual observation of the tempo of negotiations abroad by U.S. aircraft and engine manufacturers, and of the design and production agreements already in force, gives clear indication that no major future transport aircraft/engine program is possible without significant overseas involvement—not as subcontractors but as partners.

Madam Chairman, our continued position of world leadership is contingent upon a policy of fostering aviation technology. We must not abandon this effort. The supersonic transport aircraft represents the very culmination of years and years of research both in this country and abroad. It is unfortunate that Congress decided to abandon America's entry into supersonic aircraft development, and it would be a further mistake if we turned our backs on the Concorde.

Supersonic aircraft are here to stay. We cannot turn back the clock. Hopefully, we will wake up and get back in the arena. In the meantime, let us not penalize our allies who have the foresight to get into the arena. I urge rejection of the amendment.

Mr. CONTE. Madam Chairman, I rise in opposition to this amendment to prohibit the landing at John F. Kennedy Airport of any supersonic airplane which cannot meet the noise limitations established for subsonic jets. This amendment is blatantly discriminatory, would establish a double standard for supersonic as opposed to subsonic aircraft, and could seriously damage our international relations with longstanding allies.

Madam Chairman, there is an interesting historical precedent for the kind of action being taken today by the proponents of this amendment. Back in 1829 the Governor of New York, Martin Van Buren, wrote a letter to President Andrew Jackson, expressing his belief that the Government should "protect the American people from the evils of railroads."

Van Burden explained: "Railroad carriages are pulled at the enormous speed of 15 miles per hour by engines which snort their way through the countryside setting fire to crops, scaring the livestock, and frightening women."

If this New Yorker had had his way, railroads would have been banned in 1829. Mr. Chairman, the proponents of this amendment also seek to return us back in history, to an era when supersonic passenger travel was little more than a wild pipedream rather than the reality it is today.

Madam Chairman, the advocates of this amendment are attempting to reverse a Federal district court ruling that New York improperly blocked a federally authorized 16-month trial of the SST at Kennedy Airport.

As the Justice Department said in its brief to the second circuit court of appeals, the New York-New Jersey Port Authority was "arbitrary and unreasonable" in banning the SST without a trial. And the proponents of this amendment want to do the same thing.

The most important reason to defeat this amendment is that it discriminates arbitrarily against the Concorde, and imposes a standard upon its operations which subsonic aircraft do not have to follow.

This amendment would prevent the landing at Kennedy Airport of any supersonic airplane which cannot meet FAA noise limitations for subsonic jets. But it completely ignores the fact that as of last January, fully 74 percent of the U.S. commercial fleet did not meeet FAA noise standards. Under the aviation noise abatement policy announced by the Department of Transportation and the Federal Aviation Administration last November, all U.S. commercial airplanes will not be in compliance with noice regulations until 1985.

In light of the fact that U.S. carriers do not have to comply with FAA noise standards for all airplanes until 1985, it seems grossly unfair to require the Concorde to comply with that standard today.

The present Concorde production run of 16 aircraft was underway at the time the FAA noise standard, known as "FAR-36," was promulgated. The manufacturers of the Concorde are aware, and concede, that beginning with aircraft number 17 they will have to comply with our noise standards. Thus, since two craft were test prototypes, there will never be more than 14 Concordes in commercial operation that do not meet FAA noise standards. That compares to more than 1,500 American subsonic aircraft that do not meet the standard, including early model 747's, and most 727's, 737's, 707's, and DC-8's. Compare the nuisance effect of some 1,500 of these overly noisy aircraft to the effect of only 14 Concordes, making many fewer American takeoffs and landings.

Madam Chairman, this amendment would impose a standard on the Concorde that is not now required of subsonic aircraft.

In addition, the FAA is presently involved in an action which directly affects possible Concorde operations. The agency is drafting a notice of proposed rulemaking that would set SST noise standards which will determine appropriate levels for Concorde operations and for future SST's. The notice will be issued early this fall, and public comments will be solicited and considered in final rulemaking.

This amendment, by imposing subsonic standards on supersonic aircraft, is preempting the FAA's rulemaking authority. Such an action is at best premature and uncalled for. Since the administration is still evaluating the impact of Concorde operations, congressional action of this sort would foreclose the present systematic procedure designed to reach a decision in an impartial manner with full opportunity for public participation. Should Congress disagree with this decision, there is nothing to preclude it from directing a different course of action later, if necessary.

In a submission of last April, the manufacturers indicated that they could comply with Kennedy Airport noise level regulations. But under the terms of this amendment, the Concorde would be judged without ever having been given the opportunity to land in New York. It is impossible to judge the Concorde by New York noise standards on the basis of measurements taken at Dulles Airport. It is unreasonable to deny an airline the opportunity to prove that their aircraft can meet the necessary standards. This amendment denies that opportunity.

The few Concorde flights that are involved are just not that bad. NASA data shows that the vibrational impact of a Concorde is comparable to closing a door, and is far less than that caused by a vacuum cleaner.

In addition, the noise of the Concorde is a low rumble, rather than the high-pitched whine which is so annoying in subsonic jets.

Finally, the timing of this amendment could not be worse. We are presently negotiating a new bilateral air services agreement with the British Government. The present agreement will expire on June 22. If we were to ban the Concorde now, the British might well find it politically impossible to sign a new agreement, and air service to Britain could conceivably stop on June 22.

In short, Madam Chairman, this nongermane amendment to an appropriations bill is hardly a deliberative or fair way of handling the Concorde issue. Many anti-Concorde bills have been introduced and referred to the appropriate authorizing committees. And that is where the issue should be dealt with.

Madam Chairman, this amendment is grossly inequitable, and I urge its overwhelming defeat.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

(On request of Mr. WOLFF and by unanimous consent, Mr. CONTE was allowed to proceed for 1 additional minute.)

Mr. WOLFF. Madam Chairman, will the gentleman yield?

Mr. CONTE. I will be glad to yield to the gentleman from New York.

Mr. WOLFF. Madam Chairman, let me ask the gentleman this question:

Is it not true that Logan International Airport in the gentleman's State has banned the Concorde?

Mr. CONTE. I believe the gentleman is correct.

Mr. WOLFF. Madam Chairman, I thank the gentleman.

Mr. CONTE. However, Madam Chairman, let me say that I certainly do not agree with the Port Authority of Boston in that decision.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has again expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 1 additional minute.)

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, to say that we are preempting the FAA rulemaking procedure just simply ignores the fact that the FAA has not made any rules regarding the supersonic transport. They have been suggested to them by the Environmental Protection Agency. They do nothing, and then they stand back and say, "Don't you do anything either because it is our responsibility."

That is not a reasonable attitude, is it, I ask the gentleman?

Mr. CONTE. I would get after the FAA if I were the gentleman, as we have in our committee.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

(On request of Mr. ADDABBO and by unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. ADDABBO. Madam Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. ADDABBO. Madam Chairman, the clap of the hand and the other noise sounds as though they came from the same place from which Judge Pollock made his decision, from the quiet solitude of a Fifth Avenue apartment miles away from Kennedy Airport.

Madam Chairman, the gentleman has alluded to rules that the FAA will make.

In the hearings of this subcommittee I asked Dr. McLucas the following question: "Does that mean you are going to

change the rules to accommodate the Concorde or the SST or change noise level allowances, et cetera?"

Dr. McLucas answered: "When you ask will your rule accommodate the Concorde, we have in the past used the concept that noise rules must be technologically feasible and economically reasonable."

Madam Chairman, this does not take into consideration the peace of the people or anything else if it is not economically reasonable; and we all know that it is not economically reasonable to operate the Concorde. The FAA rules will be to satisfy the Concorde, and not the people who live near the airport.

Mr. CONTE. Madam Chairman, let me say this to the gentleman: First of all, the gentleman who just took his seat knows of my admiration for him, and I feel for him and for the district that he represents, which is in such close proximity to the airport.

Mr. ADDABBO. Madam Chairman, if the gentleman will yield further, I suggest that he feel for my people who have to live there, not for me.

Mr. CONTE. They are great people, I know; and I have met a lot of them through the gentleman from New York (Mr. ADDABBO). They are wonderful people, but I am trying to give the gentleman a logical argument and that is that the subsonic jets are greater in number, are making a lot more noise, and are more irritating to the ear than the Concorde will be.

I say let us give it a chance.

Mr. WYDLER. Madam Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. WYDLER. Madam Chairman, the gentleman made light of the fact that one can compare this noise, under certain conditions, to a lawnmower.

Would the gentleman like to live with a lawnmower going in his house? That is what he is talking about.

Mr. CONTE. I would not want to live in any house with either a lawnmower or an airplane inside it. But there is a big difference between an occasional flight and any talk of living in the same house with such an aircraft.

Mr. RYAN. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, I would like to appeal not to those who already are in support of the Koch amendment and not to those who are opposed to the Koch amendment, because for those people who have made up their minds already, there is a kind of emotional conviction to which a rational approach simply cannot be made. It will not have any effect.

However, Madam Chairman, with respect to those Members who are here and who are still listening and who want to find some way out of this dilemma, perhaps I can state a different point of view. Let me explain what my point of view is.

Madam Chairman, it is very simple, and it is very defensive. I represent the San Francisco International Airport where very probably the Concorde will come next on an "experimental" basis. Of course, it is experimental; but we all know that the word "experimental" is simply a means by which SST proponents can get that airplane in that airport and then have people begin to accept it, not because the number of objections they receive at the airport are fewer, but because reasonable people living in the houses try to take reasonable actions. Once they have complained about the Concorde, they do not complain every day. They do not want to drive around the airport every day. That would create difficulties, and their inherently courteous instincts restrain them.

They do not drive around the airport and cause trouble, create difficulties. They do not do that.

But, let me tell you what it is like to live near an airport. And I say this very objectively because I live near one—and if you live in North Dakota or if you live in rural Missouri or if you live in one of the many places in this country that will never have this kind of a noise problem then, of course, it becomes like the distinguished gentleman from Massachusetts (Mr. CONTE) who spoke before me and who called it the noise of a vacuum cleaner. Emphatically, it is not the noise of a vacuum cleaner.

Let me give an illustration of what the noise is like living near an airport with jet aircraft. Please bear in mind that I am comparing current aircraft use. One of the greatest misunderstandings in this bill about this aircraft, the Concorde, is the level of noise. The aircraft that takes off out at Dulles Airport has produced 129 decibels, perceived noise decibels. What is a "perceived noise decibel" and what are 129 as opposed to 112; 112 is the FAR–26 regulation which must not be violated by newly manufactured aircraft.

There is not much difference you say. True? False. That is the most persistent and tragic misunderstanding here today.

Whatever your vote is on this amendment, you must at least know what the facts are, and the facts are that you measure perceived noise by logarithmic measurement, so that every 10 points on the decibel scale doubles—doubles—and I shout the word, trying to recreate the doubling of sound in this Chamber. I cannot double the volume of my voice, even by shouting. The noise of the SST doubles from 112 to 122, that is double the volume of the noise. And we have 129 versus 112. That is the point I want to make to you now. For God's sake at least recognize what you do when you vote to put that Concorde in any airport. Consider those people who live around an airport. They are subjected to your decision day after day, for weeks and months and years, because it is more comfortable to accommodate the British and the French. I do not mind accommodating the British and the French, but not to the extent of seriously disrupting the lives of millions of people in this country who live around airports.

Let me close with a story that occurred to me years ago and that changed me from being a simple representative of those who are concerned about noise around airports to a person with the convictions of a religious fanatic. But, seriously, in the fact that it affected me and my family, I want you to know about it.

Years ago when my son was small—and he is now 20 years old—he had a very high fever. He was up for 2 nights and, of course, we were up with him. Finally after 2 days and nights we were able to get him to sleep. We had been frightened for his life, because the fever was so high. As I say, finally we got him settled down and to sleep about 11 o'clock at night. I went to bed, having sat up with him for most of those 2 days. Shortly after I went to sleep, a new jet aircraft, and this was about 1960, took off and flew over the house at, I guess about a 500-foot altitude, not 100 feet as this jet aircraft takes off at Kennedy. It was very low.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. RYAN was allowed to proceed for 3 additional minutes.)

Mr. RYAN. The plane flew over so low that it rumbled the house and rattled the dishes. It woke me up, startled. It took me a few minutes, after cursing under by breath, to try to go back to sleep when I heard a noise in the other room where my son slept—no cry, no sound, just a kind of noise. I went into his darkened room, and he was standing up in his crib—he was about 2½ years old—with both hands on the rail of his crib, his mouth wide open, his eyes staring. He was screaming so loud that no sound would come. He was frightened; he was terrified. Why? Why? Because it was necessary for that aircraft to take off. We have never gotten used to the sound of regular jet aircraft. And now you want us to accept a noise so loud that there is physical pain from a source more than twice as loud.

The people are there at Kennedy Airport. The kids are there. They are there in a million different conditions around a dozen different airports in this country where they will be affected by the Members' decision here, now, on this. It is not a minor decision; it is a major decision. Do not make it lightly and do not make it with the wrong assumptions about the effect it will have on the lives of people. It will have a major effect. If you believe that that pain is still necessary, so be it; vote for it. But, for God's sake, do not vote for it on the basis of some kind of an assumption that it is less than serious, that it will have less than a heavy impact on people's lives around those airports, or, as a matter of fact, that it does not matter and they will get used to it.

Is it necessary for these good people to complain daily so that the FAA will not begin to say the noise is acceptable? If the Members want to have tens of thousands of people around Kennedy Airport and around San Francisco and other airports, driving around every Sunday when they have some time off, driving by airports, raising hell, being mean, being tough and ornery, doing the kind of things that will make us all unhappy, perhaps that will get the attention of Congress. That is what the hippies did in the 1960's. They did get

our attention. As a result, many things changed. I do not advocate that kind of action, but we understand that kind of action. That is us; that is me; who live around airports.

Mr. ZEFERETTI. Madam Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from New York.

Mr. ZEFERETTI. I thank the gentleman for yielding.

I would like to commend the gentleman for his remarks. I rise in support of the amendment.

Madam Chairman, I would like to take this opportunity to reaffirm my position to allowing the supersonic Concorde airliner to land at the Kennedy Airport in New York City.

The recent court ruling permitting such actions is clearly a decision that was made without the consent or support of the people of the New York City area, who have been protesting such flights for many months.

Let me remind my colleagues that several years ago, Congress declared that the American taxpayer would not subsidize, at any cost, a U.S. version of the SST plane. I believe that Congress was wise in its decision to prevent our involvement in such a controversial program.

Why must we now aid in subsidizing an economically disastrous undertaking by the British and French Governments? It is merely a British-French attempt to entice the U.S. Government to bail out their financial boondoggle by providing them with the best market for their planes.

It should not be accomplished at the expense of the health of the 12 million Americans of the New York-New Jersey metropolitan area.

There is a strong possibility that the atmosphere and air we breathe may be permanently altered or harmed by the fumes of the SST. It may also cause permanent damage to the ozone layer of the environment, leading to a significant increase in the incidence of skin cancer and other diseases.

In addition, the noise levels of the aircraft are earsplitting, so much so that homes around Dulles Airport outside Washington have been known to rattle and shake during landing and takeoff.

But the most important argument is the fact that the people in the New York-New Jersey area simply do not want SST flights in their area. Should they not have some say in protecting their area from the problems caused by the SST? I urge my colleagues to hear the voice of the people and support the amendment offered by my fellow Members from New York.

Mr. SCHEUER. Madam Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from New York.

Mr. SCHEUER. I thank the gentleman for yielding.

I congratulate the gentleman for an outstanding statement. I want to congratulate him also for the tremendously informative hearings that he held in New York City several weeks ago and for the splendid job that he did chairing those hearings.

Mr. RYAN. I thank the gentleman for his comments.

Madam Chairman, I should like to point out just once more that the FAA Regional Administrator in response to a direct question from me—and Members who were here said in response to that direct question—"What is special about this experiment at Kennedy?" He said, "Nothing."

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Ms. HOLTZMAN, and by unanimous consent, Mr. RYAN was allowed to proceed for 2 additional minutes.)

Ms. HOLTZMAN. Madam Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. I thank the gentleman for yielding.

I want to commend the gentleman for his statement in opposition to the landing of the SST at Kennedy Airport. I think it is very important as we prepare to vote on this amendment offered by my distinguished colleague, Mr. KOCH, that Members understand what is at stake here: Whether or not to have a test about something when we already know the answer.

What possible rationale can justify this duplication? The explanation, I am told, is that we should not discriminate against a plane. What about human beings? What about the people who live around the airport?

The gentleman from California has described very eloquently the serious and harmful psychological effects of that sort of noise. Are we telling the American people they have to take the SST regardless? I do not think we can afford to do that, and I do not think the Congress should do that.

I do not think there is any justification whatsoever for forcing the people in New York City to accept the SST for testing when we can get the answers on the SST from tests that have been conducted and will be conducted elsewhere. A test in New York City is superfluous from a scientific point of view and unbearable from a human point of view. In any case, we already know that the SST is far too noisy and far too unsafe and far too inefficient.

Mr. RYAN. I thank the gentlewoman.

Perhaps it is best to close by just making this comment: If the Members recall, about 7 or 8 days ago there was a picture in the newspapers of the President and his daughter seeing the President's wife and the daughter's mother off on a plane for South America on a diplomatic trip. In the picture, if the Members will remember, both the President and the President's daughter had their fingers in their ears to avoid the pain of the noise of that aircraft taking off.

I will tell the Members that this aircraft we are talking about now is more than twice as painful in noise volume to those who live around the airport, or who are subjected to it on a regular basis. If the President's daughter and the President can express their pain by sticking their fingers in their ears, no more eloquent comment can be made.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SCHEUER. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Madam Chairman, I am the east coast counterpart of the Congressman from California (Mr. RYAN). I represent Kennedy Airport; not only the gulls flying about the airport but several hundred thousand living and breathing people who reside in the environs of Kennedy Airport, in a dozen or more communities, perched right on its borders.

I would like to clear up a few points that have been confused this afternoon. On the question of our discriminatory treatment of the British, it simply "ain't so," Madam Chairman. In 1969, when the British and the French were considering going into production of their prototype, they did so in the full knowledge of our newly promulgated FAR–36 regulation establishing noise maximums. The British and French were trying to tough it out, Madam Chairman, hoping they could breach our regulations as well as our peace and well-being just as they were successful in doing with Heathrow Airport.

This Concorde does not meet the noise maximum at Heathrow. Now, the British may own Heathrow and the Concorde but they do not own us or Kennedy or the land on which 660,000 people live and work, land that the Department of HUD tells us will become unfit for human habitation when the Concorde noise is added to the existing subsonic jet noise at Kennedy Airport.

The British and French knew all this in 1969. They knew they were manufacturing a plane that could not meet our noise maximums but they went ahead and mass produced the plane anyway.

Second, on the question of discrimination, this Congress not many years ago voted against the development of a U.S. supersonic transport manufactured by American corporations, employing American labor, that would have provided a tremendous stimulus to our economy. The reason we did this was because the proposed SST was an environmentally unacceptable aircraft, because it would denigrate and demean and diminish the quality of life for millions of Americans; perhaps 6 or 7 percent of all Americans, those of us who live in large metropolitan areas near major airports.

Now we are telling the manufacturers and owners of aircraft built before FAR–36 in 1969 that they have to spend several billions of dollars in retrofitting their aircraft in order to conform with FAR–36.

So we did not let our own American manufacturers develop their supensonic passenger jet because it could not meet those standards and we are now requiring our subsonic jet airline operations to meet those standards at a cost of several billion dollars first to the companies and ultimately, of course, to the traveling public, through increased fares.

Thus, we can project into the future that our airports and the neighborhoods surrounding them will become quieter as a result of the retrofitting of our 707 and DC–8 aircraft, and with the fact that the new whisperjets, the DC–10's and the

747's do meet these standards and are truly quiet jets. We can reasonably expect a long-term trend of quieter airports.

Why, then, in the name of heaven, should we let Concorde come in—a plane that was built with the knowledge of our standards—and enable the British and the French to profit at the expense of American jobs, at the expense of American jobs, at the expense of American corporate profits, and at the expense of enormous pain and suffering of millons of Americans who live around national airports?

There is no question of discrimination involved here.

Mr. McFALL. Madam Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from California.

Mr. McFALL. Madam Chairman, I know the gentleman would want to have the Record correct on this issue. The Concorde was flying in 1969.

Mr. SCHEUER. A prototype was flying. They had not gone into mass production.

Mr. McFALL. As I stated earlier, the Concorde's engines were designed in 1965. The first Concorde began flying in March of 1969; the second Concorde began flying in April of 1969. The technology for this aircraft was designed, built, and in operation before FAR-36 became effective in late 1969.

Mr. SCHEUER. The gentleman is correct, they were flying a prototype, they were testing it. It is the most extensively tested aircraft in world aeronautical history. But our FAR-36 standards were published before they made the decision to go into mass production. They should have gone back to the drawing boards and solved the problems of degrading the environment through noise. I am sorry they decided to tough it out. It was, however, their decision.

The CHAIRMAN. The time of the gentleman from New York (Mr. SCHEUER) has expired.

(By unanimous consent, Mr. SCHEUER was allowed to proceed for an additional 2 minutes.)

Mr. SCHEUER. Madam Chairman, third, I would like to discuss the necessity of these tests. We have heard time and again this afternoon of the needlessness of these tests. Let me underscore what the gentleman from California (Mr. RYAN) stated: William Morgan, head of the regional office of the FAA in New York, who strongly supported the tests, when we cross-questioned him 2 weeks ago at Kennedy Airport admitted clearly, unequivocably, and without any question that there was no additional information that would come out of Kennedy Airport about Concorde noise that could not be adduced from the tests at Dulles, from the tests at Heathrow, and from the tests at Charles DeGaulle; no additional useful information whatever will come out of these tests. It is purely, and exclusively a commercial operation of flight passengers for profit.

Madam Chairman, fourth, let me turn to the proposals that the British and the French have made to the Port Authority to land and take off with less than maximum payloads, with less than maximum fuel loads. Yes, theoretically it could be dangerous to take off and make a sharp climbing turn at 100 feet; but I can state, as a licensed commercial pilot, it "ain't" going to happen. No trained professional pilot in possession of his senses will do a dangerous maneuver of that kind, because no matter what the requirements are at the airport, no matter what their understanding with the FAA on landing and take off procedures may be, the pilot is the captain of that aircraft and if he does not think it is safe to make that steep climb at 100 feet, he simply will not do it and endanger his passengers, his crew, and his aircraft. All the evidence that the British and French are giving to the Port Authority about how they can land and take off over water with these drastically reduced pay loads and fuel loadings will simply go down the drain. The pilot will be flying over occupied areas longer, because he will not take chances with his crew and passengers, nor should he.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(By unanimous consent, Mr. SCHEUER was allowed to proceed for 1 additional minute.)

Mr. SCHEUER. Madam Chairman, lastly, on the question of complaints, let me state that in the Dulles area they have had complaints since the start of these tests equal to one complaint per household.

Yes, people are getting tired of complaining. Does that mean they like it? No.

Does it mean they get used to it? No.

What it means is that they have come to believe that Government is unresponsive, that Government is insensitive, that there is nobody left out there who is listening, that the Government machinery is too vast, too unconcerned, too insensitive to the needs of individuals, of families, of neighborhoods, and of communities. That is the only thing that the absence of continuously rising rates of complaint means.

If we were elected, as I am sure many of us were, to make the Government more responsive, and accountable to the people, to make the Government more involved, to make the Government more concerned with the condition of common, ordinary folk, we would not be telling them that just because they do not complain or holler or scream or yammer, just because they have given up on the establishment, we are going to ignore their needs. We would respond by passing this amendment and keeping Concorde and its shattering, devastating noise, out of our close-in metropolitan airports. We would give them a one way ticket back to the drafting boards to design the environmentally acceptable supersonic passenger jet that we will all welcome with open arms and gladdened spirits—from whatever manufacturer or airline—foreign or domestic.

Last year when I spoke in favor of this amendment, I heard many of my colleagues argue in opposition to it on the basis that the Federal Government had not yet acted on this issue—that this amendment was too drastic for that time. Since last year, of course, the Department of Transportation has come out in favor of a 16-month test period, the Concorde has been landing at Dulles, the port authority has issued a temporary ban on the Concorde landing at Kennedy, and the Circuit Court of Appeals is reviewing the legality of the port authority's ban.

Madam Chairman, I submit that now is the time to pass this amendment. The Federal Government has taken definitive action in favor of the Concorde forces. Reprinted below are some recent clippings from the New York Times, the New York Post, and Newsday as well as a statement all detailing the events of the past weekend as I kept in constant contact with the Carter administration as they drafted their brief for submission to the Circuit Court of Appeals in New York:

[From the New York Times, June 6, 1977]

U.S. TO DETAIL STAND ON CONCORDE FLIGHTS IN COURT BRIEF TODAY—EXPECTED TO REAFFIRM THAT APPROVAL OF KENNEDY TESTS BY WASHINGTON DOES NOT RULE OUT LOCAL BAN

(By Richard Witkin)

The Carter Administration, in its first entry into the court battle in New York over the Concorde supersonic jetliner, will detail today its position on test flights to Kennedy International Airport. Authoritative sources said the brief would reiterate the stand that Federal authorization of the flights did not rule out a ban on them by the Port Authority of New York and New Jersey.

However, the sources said the Government would also restate its firm support of a testing period for the Concorde at Kennedy. One key official said the Government would inject legal views going beyond those requested in three questions put to it last week by the United States Court of Appeals for the Second Circuit.

The total effect of the Federal brief—whether it will hurt the Concorde cause or provide help—could hinge on what is contained in the additional legal opinions. A final Appeals Court decision is expected in the next week or 10 days.

The Administration's legal brief was universally viewed as potentially significant because it compelled the Government, for the first time, to provide the detailed legal underpinnings to its views on the Concorde.

STATEMENT BY SCHEUER

One of those revealing the Administration's stand on the appellate court's questions was Representative James H. Scheuer, a New York Democrat who is a leader in the fight to keep out the Concorde. His Brooklyn-Queens district contains Kennedy Airport, and Concorde flights are adamantly opposed by thousands of his constituents, primarily because of the jarring noise of its engines.

Mr. Scheuer said in an interview:

"President Carter, Secretary of State Cyrus Vance and Transportation Secretary Brock Adams have bitten the bullet. They do not seek to pre-empt the Port Authority in its decision-making. They will not preempt it from keeping the Concorde out of Kennedy for reasons of noise and safety, so long as their finding is reasonable and does not discriminate. I am guardedly optimistic that this is the beginning of the end for Concorde at J.F.K."

SIDESTEPPING EXPECTED

Other sources suggested that Mr. Scheuer was perhaps taking too much comfort from the Administration's mere restatement, in dealing with the three questions, of earlier positions taken outside court proceedings. They indicated that the Government's discussion of legal issues on which it was not queried could be helpful to the supersonic airliner. Much depended, they said, on how

the three Appeals Court judges reacted to the arguments.

One of the three court questions will be sidestepped, however, according to Mr. Scheuer. That is whether the tentative ban imposed by the Port Authority in March 1976, a month after the Transportation Department authorized Concorde flights to this country, conflicted with any treaty obligations.

The reason for not going into the treaty issue, according to the Representative was twofold. First, he said, the Government felt an answer was unnecessary because the issue had not been dealt with by the Federal District Court in Manhattan in its decision May 11 that declared the ban illegal. The court found that the ban on the supersonic airliner was in "irreconciable conflict" with Federal laws and actions.

Second, Mr. Scheuer said, the Government felt that it was inappropriate to go into the matter because the United States and Britain were trying to negotiate a new agreement on commercial air between the two countries. The 30-year-old existing agreement expires June 22 in accord with notice served last June by the British Government. The British feel the old pact left them with an unfairly small portion of the business.

TWO OF COURT'S QUESTIONS

Last week there was concern that the talks might have to be recessed for an extended period and that the outside chance of an interruption of service starting June 22 was no longer so remote. However, the atmosphere of gloom was relieved Friday when some progress in the talks was reported. It was agreed to resume negotiations next Thursday.

In addition to the treaty issue, the two questions posed by the court were: One, did the Government believe it had the power to "pre-empt" local actions interfering with Concorde flights? Two, did the February 1976 Federal decision approving a 16-month test of Concorde operations represent an exercise of that power to pre-empt—in other words, to foreclose—any contrary action?

Mr. Scheuer said he did not know the answer to the first question. But there was no doubt, he added, about the answer to the second question.

This would be a firm reaffirmation of the position repeatedly taken by President Carter and Transportation Secretary Adams that the Federal Government had not, in fact, pre-empted the Port Authority's right to impose legally proper restrictions on the Concorde. The longstanding Federal reluctance to pre-empt local moves reflects concern that such action would expose the Government to huge damage suits from airport neighbors.

It was Mr. Adams' predecessor, William T. Coleman, Jr., who in February 1976 first authorized the 16-month test of Concorde flights to Kennedy and to Washington's Dulles International Airport. Flights to Dulles began last May.

The Port Authority banned the plane from Kennedy pending a study of at least six months of operations to other cities. The British and French took the issue to Federal District Court, which overturned the ban. A series of stays of the court ruling, which keep the ban in effect temporarily, have been granted pending the appellate court's finding.

[From Newsday, June 6, 1977]

CARTER WILL NOT INTERFERE ON SST

(By Irving Long)

President Carter will not intervene in the dispute over Concorde landings at Kennedy Airport, it was announced yesterday.

A spokesman for the British government said "the British and French obviously have had their case weakened by Carter's decision" but predicted that the fight would be carried to the Supreme Court.

The Port Authority of New York and New Jersey has banned the supersonic British-French jet from Kennedy and the two countries appealed to the federal courts to overrule the decision and to the President to intervene.

In papers to be filed in the Circuit Court of Appeals in Manhattan today, Carter is expected to assert that he has the power to pre-empt decisions of the Port Authority but to say that he will not exercise that power and—by deferring—will leave the issue to the courts.

Reaction to Carter's decision varied.

Rep. James Scheuer, a Democrat whose district includes part of Queens, said that he had received a telephone call from the White House yesterday advising him that Carter would not intervene in the controversy, although personally he would like to see a year-long test of the plane.

Scheuer said Carter aides planned to notify the Manhattan court today that the President would not impose his desires on the Port Authority. If the court agrees to keep the federal government out of it—and that is still a big "if," according to the British Consulate—the final decision would be left to the Port Authority. The authority approved a one-year ban on SST flights into Kennedy last spring.

Scheuer said the federal government would submit a three-point brief that will:

Ask that the court not discuss international treaty obligations because the Circuit Court ruling did not mention that aspect of the controversy and because the United States is currently negotiating with the British on landing rights in many parts of the world.

State that the Carter administration favors a one-year test on the Concorde at Kennedy.

State "definitely, categorically and unequivocally" that, despite that position, administration officials do not intend to pre-empt the Port Authority.

A White House press spokesman confirmed the accuracy of Scheuer's statements but added that certain points included in the papers to be filed today "might be subject to different interpretations."

When he made his decision not to use the powers of his office to clear the way for the SST, Carter reportedly expressed a concern that "some way should be found to soften the blow" for the British and the French.

He reportedly felt that suggestions might be made that those two countries move to challenge the SST ban on grounds other than the contention that the federal government should pre-empt local authorities on matters involving international air traffic. Other possible grounds might be that the ban contravenes U.S. treaties with foreign countries, or that the ban is discriminatory in that 80 per cent of the subsonic craft now using Kennedy exceed the noise standards imposed by the State Legislature last year.

The spokesman indicated that British lawyers might "swing over" to those arguments, now that the President has scuttled their contention that the federal supremacy clause in the Constitution pre-empts the state's right to regulate international air traffic.

"We have won. President Carter has come through for us," said Carol Berman of Lawrence, of the Emergency Coalition to Stop the SST.

No one felt that the anti-SST cause was hurt by the Carter decision, but most opponents believed the battle is not over yet. Generally, there were two schools of thought: First, that Carter was not really saying anything different from what he had said all along, and that the status quo had thereby been maintained, or second, that while the battle was by no means over, the cause of the British and French had indeed been weakened.

"It's not over," Scheuer said. "It will go on for months in the courts. But this has got to be considered a very encouraging development."

Rep. Norman Lent (R-East Rockaway) said, "The suit will continue to proceed through the courts, yes. But this is a very encouraging development."

State Sen. John D. Cuemmerer (R-East Williston) said: "This question of preemption gets us into a very cloudy situation, and Carter certainly is not helping any. The President does have the power to stop the SST. But, as far as I can tell, all he's doing is maintaining the status quo."

A spokesman for the Port Authority also expressed the opinion that the status quo was being maintained by Carter.

Financial responsibility for noise damage suits is another important federal consideration in both the case of the Concorde and that of the nation's conventional jets. The judges involved in the Concorde case, attorneys for the Port Authority and the Concorde proponents repeatedly have raised the question of who will pay for any noise damage suits that arise from Concorde operations. But they have stated no clear conclusions.

No matter what the outcome of the case on the appeals court level, it probably will go to the Supreme Court. If the Concorde backers lose, they are expected to launch a new federal court case attempting to show that the Port Authority ban discriminates against a specific aircraft—the Concorde.

U.S. District Court Judge Milton Pollack lifted the Port Authority ban on the Concorde May 11. The order was stayed, until a three-judge panel presided over by Irving R. Kaufman, chief judge of the Second Circuit Court of Appeals, hears a Port Authority appeal.

Kaufman's court posed a number of questions to the State Department and Department of Transportation, including: Does the federal government think it has the power to supersede the Port Authority's ban on Concorde flights at Kennedy? Did the Department of Transportation and the Federal Aviation Administration exercise such power? And does the State Department believe the ban violates U.S. air treaty agreements with Britain and France?

[From the New York Times, June 7, 1977]

U.S. BRIEF OPPOSES PORT AUTHORITY BAN ON CONCORDE FLIGHT

(By Richard Witkin)

The Carter Administration urged a Federal appeals court yesterday to rule out the ban by the Port Authority of New York and New Jersey on test flights of the supersonic Concorde airliner, declaring that the agency's actions had been "unfair, dilatory, arbitrary and unreasonable."

In its first entry into the court struggle in New York over the airliner, the Government reaffirmed its traditional position that a local airport operator had legal power to impose its own noise rules.

But in a legal brief submitted to the Court of Appeals for the Second Circuit, in Manhattan, the Government said the power had to be exercised in a reasonable and nondiscriminatory way. It said these criteria might have been violated by the Port Authority's delays in giving the Concorde a chance to prove its acceptability, and by its extended refusal to make a final ruling on a federally authorized 16-month test of Concorde flights to Kennedy International Airport.

BAN CALLED "ILL-ADVISED"

Expressing concern over the nation's effort to gain technical knowledge about supersonic operations and about the maintenance of good will of its British and French allies, the Government said:

"The United States believes that the Port Authority's ban on Concorde test flights at Kennedy Airport is unfortunate and ill-advised."

The strong Administration stand for admitting the plan inevitably heartened Concorde supporters and disappointed opponents. But both sides stressed that there was no assurance what would be the effects of the Administration's arguments on the three-judge appeals panel that must take the next action on the 15-month-old Concorde ban.

ANSWERS ARE AWAITED

The court is considering an appeal by the Port Authority of a May 11 decision by a Federal District Court in New York City that the ban on Concorde test flights was illegal. The effect of that decision has been stayed—the ban remains in effect—pending the outcome of the appeals process.

The Port Authority and other parties have until Wednesday to file answers to the Government brief, and a final appeals court decision is expected within a week or 10 days. Whichever side wins, a further appeal to the United States Supreme Court is expected.

There was no immediate comment from the Port Authority on the stinging criticisms administered it by the Government.

A spokesman for the Concorde forces said: "I think this is the best thing that has happened to us." He said the Carter Administration had done a masterful job in finding a formula whereby the appeals court could overturn the Concorde ban while still not undercut the long-standing Federal position that local airport operators have the power to impose noise standards.

A bitter reaction came from Representative James H. Scheuer, Democrat of New York, who had received the impression from Government officials over the weekend that the brief would be much more helpful to the anti-Concorde forces. Mr. Scheuer, whose Brooklyn-Queens district contains Kennedy airport, said:

"They may have been telling me the truth but they certainly weren't telling me the whole truth."

It was with some reluctance that the Administration entered the case at all. The reason for its reluctance was that, while it favored Concorde test flights to the United States, it did not want to assert the supremacy of Federal laws or actions over the airport operator's right to impose noise standards. This stand has been maintained for decades, largely because of concern that "pre-emption" of the local authority to impose rules could expose the Government to enormous damage suits from outraged airport neighbors.

But the appeals panel—Chief Judge Irving R. Kaufman, and Judges Walter R. Mansfield and Ellsworth A. Van Graafeiland—forced the Government into the case by formally posing three questions to it; did it have the power to pre-empt local authority, had it in fact pre-empted when the British and French were authorized in February 1976, to conduct a 16-month trial of Concorde flights to Washington and New York, and was there any conflict between the Port Authority ban and United States treaty obligations.

In its reply brief, the Government said it did not have the power to pre-empt—to tell a local airport operator what noise rules to impose—and that it had not pre-empted in this case. It was largely on the pre-emption issue that Judge Milton Pollack, in Federal District Court had ruled the Port Autority ban illegal about a month ago.

On the treaty issue, the Government ducked that question, arguing that an expression of views might "impede a satisfactory resolution" of current British United States negotiations on a new treaty covering air service between the two countries.

The Government, not happy with Judge Pollack's reliance on pre-emption, but supporting Concorde service to New York (service to Washington began last May), devised a formula for upholding the "result" of Judge Pollack's decision through use of different legal arguments.

It noted that the Port Authority had initially imposed the ban pending a study of six months of operations elsewhere, yet had repeatedly put off a final decision. It expressed the view that this was "unreasonable, arbitrary action."

"Furthermore," the Administration said, "the refusal of the Port Authority to make a determination on Concorde's acceptability becomes even more unreasonable and offensive in view of the latest efforts by the airlines to satisfy the agency's noise concerns." This was a reference to the recent compromise proposal whereby more than 90 percent of takeoffs would be made on runways that would take the plane promptly over the ocean and thereby minimize the noise on nearby communities.

In its conclusion, the brief said:

"We believe its [the Port Authority's] actions have been unfair, dilatory, arbitrary and unreasonable. If this Court should agree, a basis independent of that found [in the District Court] would serve to allow the Concorde to operate at Kennedy on a trial basis and would lead to affirmance of the result reached by the lower court."

[From the New York Post, June 8, 1977]

PA: ACTION ON SST "MATTER OF WEEKS"

(By Michael Rosenbaum)

The Port Authority today responded to federal charges that it was stalling on the SST, saying a final decision could be made in "a matter of weeks."

A PA spokesman, John Tillman, was responding to yesterday's charges by the federal government that the PA was "unfair, arbitrary, dilatory and unreasonable" in delaying Concorde test flights.

Those charges were contained in briefs filed in a federal court suit over the PA ban.

Consultants hired by the PA last year to gauge the impact of Concorde flights at Washington, London and Paris airports can complete their studies "within a relatively short period of time, a matter of weeks," Tillman said.

"Then it would be up to the [PA] Board of Commissioners to analyze the data and reach a decision," he said. Tillman would not predict whether the decision would favor or oppose the SST.

RULING EXPECTED

The U.S. Court of Appeals is expected to rule in a week to 10 days on whether the bistate agency has the authority to ban test flights of the supersonic jet at Kennedy. But all parties to the case predict any decision will be appealed to the U.S. Supreme Court.

On March 11, 1976, the PA board voted unanimously to ban the Concorde at JFK pending a minimum of six months of tests of the jet's impact at Dulles airport in Washington.

Two months later the agency—which operates Kennedy airport—hired two consulting firms to conduct studies at Dulles, Heathrow Airport in London and DeGaulle Airport in Paris.

The studies analyze not only the plane's noise levels, but also "community reaction" of residents near the three airports and "social environmental and economic factors," Tillman said.

When the consultants are ready, he said, "they will give the commissioners total input of data on both sides and let them decide."

COMPLEX SUIT

The complex litigation before the federal court and the PA's own decision-making process, Tillman said, are "on parallel tracks. The litigation is on one runway and the tests on another."

Instead of waiting for a PA decision, British and French airlines asked the U.S. District Court to permit test flights from Kennedy. On May 11, Judge Milton Pollack ruled the PA ban unconstitutional because the federal government had already approved the flights.

The PA then asked the Court of Appeals to overturn Pollack's decision.

Yesterday, the Carter Administration—in papers requested by the court—urged the three member panel to permit flights into Kennedy, charging that the PA's ban was "unfair and unreasonable."

But the government's brief conceded, that the PA had the authority to make its own decision on the flights, as long as the decision was not "discriminatory."

Stuart Eizenstat, the President's chief domestic policy adviser and architect of the brief, told The Post that the brief was consistent with the Administration's prior position on the SST.

"It's been the policy of this Administration," he said, "that the plane ought to land, but we could not impose it on New York. The plane should be given a test flight to determine whether it meets noise standards, but we have no legal authority to impose" that opinion.

RESPONSES DUE

The appeals court yesterday gave the PA, British and French airlines until tomorrow to file their briefs on the dispute. Spokesmen for the Air France and BOAC all declined to comment on the government's brief, saying they would respond in court.

The Carter Administration's backing of the SST was a mild disappointment to Concorde opponents here, but it did not diminish their hopes that the court will sustain the PA ban on the jet.

The Administration's brief "supports to the hilt" the PA's contention that it, not the federal government, has the power to decide whether the Concorde should land here, said William Denson, lawyer for a group of Nassau County communities near Kennedy, where residents oppose the landings.

"The only disappointing aspect", he said, "is that the government is trying to placate the British and French."

FOES VIEW

John Marid, co-chairman of the Emergency Coalition to Stop the SST, termed the government position "productive in most respects."

"When you analyze it," Means said, "it indicates that the government agrees that there be no federal pre-emption of the PA's authority to make the final decision on the jet.

Rep. James H. Scheuer (D-Bklyn-Queens), sharply attacked the Carter administration for its stand. "It's a harsh, vindictive, savage and grossly unfair attack on the Port Authority," he said.

Scheuer said he had been told by top Carter Administration officials over the weekend that the government would support the PA's ban on the Concorde.

Declaring, "I can understand the King's English," Scheuer insisted he had not misunderstood the officials. "I was grossly misled. They didn't tell me the whole truth," he said.

Eizenstat disputed Scheuer's charges. "Scheuer was told on several occasions that the Administration would reaffirm its position [that the Concorde should be permitted at JFK]. He was also told not to say anything to the press about it.

THE WHITE HOUSE AND THE CONCORDE

From the moment that the Circuit Court of Appeals ordered the Federal government to state its position on allowing the Concorde to land at Kennedy Airport, I began again to press the Carter administration to support the Port Authority's position that it alone had the right to determine whether the Concorde can land at JFK Airport.

In fact, my Administrative Assistant, Reuven Savitz, called me in Tel Aviv where I was participating in a fact finding mission of the Armed Services, to alert me to the

latest developments. He reached me just as I was leaving Tel Aviv, so I immediately placed a call from the Air Force Plane to the White House to speak to President Carter. The White House switchboard immediately put me through to Plains, Georgia, where the President was spending the Memorial Day weekend. At that point, an aide to the President said he could not speak to me on an open telephone line, but would speak to me when I could reach a "secure" telephone. Undoubtedly, Mr. Carter assumed that I wanted to "jawbone" him about Israel and the Middle East and therefore, didn't want to talk on a regular phone.

As soon as I returned to the United States, I called one of the President's assistants, and told him that I wanted to talk to the President about Concorde.

Throughout the week, starting on Sunday, May 30th, and through Sunday, June 6th, I was in constant contact with key aides to the President, the Secretary of State and the Secretary of Transportation. I talked with three high level White House and State Dept. officials who were working on this issue.

By Thursday, June 2nd—after critical discussions among the National Security Council, and the President's Domestic Council—I was informed that the President was being given a briefing paper on the entire issue. At that point, I again asked to see the President. A leading assistant to the President assured me that as soon as the President was ready to deal with the Concorde issue, the White House would contact me. I continued calling to press for the Port Authority's ban on the Concorde.

At midday on Friday, June 3rd, I received a series of calls from the officials with whom I had been in contact informing me that the Carter administration was going to support the Port Authority's legal right to decide whether or not any particular plane might land at JFK or not. I was told the Federal Government was going to state that it would not "preempt" the Port Authority's rights. These officials told me, also, that the Administration would continue to affirm their belief that the Concorde should be allowed into JFK Airport. I specifically asked one of the President's top aides if I might make this information public and was told that would be perfectly alright.

There remained, however, one point that was still undecided in the Administration's position. That was the question of whether international treaties served to force the Port Authority to accept the plane.

Throughout the weekend of June 4th and into Sunday, June 5th, I was informed that no decision had been made.

At about noon on Sunday, I received a call from the White House saying they had decided not to even address the treaty question.

On Sunday, June 5th—the Carter administration's position, was: The Federal government would like the plane to be allowed into JFK Airport, however, they do not claim to preempt the Port Authority's right to decide to keep the plane out and they choose not to discuss treaty obligations since Judge Pollack's decision to allow the plane into JFK did not state that it was because of United States treaty obligations. I was told that so long as the Port Authority's findings banning the Concorde were reasonable and did not discriminate, then the federal government would not claim to interfere with the Port Authority.

I was assured that I was free to make this information public. I was, of course, encouraged by these administration decisions and I conveyed this to the public through the media.

On Monday, June 6th, I asked for a copy of the final court brief that was being submitted to the Federal Circuit Court in New York.

I was stunned to see that while all of the points that I had been told about during the week end were in the brief, there was a major section, of which I had been kept in the dark, harshly attacking the Port Authority for discriminating against the Concorde.

I was, thus, grossly misled—consciously or unconsciously, it doesn't matter—by the people in the White House and the State Department who may have thought they were telling me the truth, but certainly didn't tell me the whole truth.

They told me that the President would support the test period, but that he would not interfere with the Port Authority decision. But when the Administration brief calls the Port Authority decision "unfair, dilatory, arbitrary, and unreasonable", this is totally inconsistent with a position of non-interference. I can understand the King's English and I was simply misled; whether by design or not is not important.

For an administration which prides itself on being open and forthcoming with the Congress and the public which has asked us all why not "the best," this performance certainly wasn't "the best".

Mr. LENT. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in support of this amendment.

Madam Chairman, I want to urge my colleagues in the strongest possible language to support the Koch amendment to prohibit SST landings at Kennedy International Airport in New York.

My colleagues and I who have cosponsored this amendment believe it is justified and should be included in the legislation we are now considering.

Despite the fact that evidence of Concorde's excessive noisiness has been mounting with every study done on the subject, the British and French have persisted in their legal challenges to force this airplane down the throats—or should I say ears—of the residents of Long Island and New York City.

The British Government itself has concluded that Concorde is excessively noisy. The Department of Transportation's study of the airplane during the Dulles tests indicates that it is excessively noisy. And French and British citizens who live near airports in which Concorde now operates have testified to the hardship the airplane causes.

I want to point out that this amendment would not bar Concorde or other SST's from using other U.S. airports.

It does bar Concorde landings at Kennedy airport. It does so, because the people who live near this airport do not want the plane to land there. These peoples' will has manifested itself through the proper official channels—the New York-New Jersey Port Authority—and the officials of the port authority have been rightly sensitive to the needs of these people in resisting the granting of landing rights to Concorde.

But our allies across the Atlantic have persisted in their effort to have the Federal Government disregard the will of the people, and allow this latter-day Spruce Goose to plague Long Island and its people.

As the body of the Federal Government closest to the needs of our people, it is incumbent on us to act now to uphold the principle of the right of local self-determination. The administration has told the Second Circuit Court of Appeals that former Secretary Coleman's Concorde decision did not preempt the port authority's right to make a final decision on Kennedy, and I believe that the Congress must now act to end the undue pressure which has been put on the port authority to accede to the pro-Concorde demands. We must decide this issue on the basis of what is good for the people of Long Island and the New York metropolitan area, not what is good for the Concorde.

I urge an affirmative vote on this amendment.

Mr. WOLFF. Madam Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from New York.

Mr. WOLFF. Madam Chairman, I take it that all of us here are aware of the statement made by Secretary Coleman last year at the hearings when he said that the fuel injection system of that aircraft created a number of questions as to whether the Concorde could be licensed as an American aircraft because of the dangers and hazards involved.

Mr. LENT. That is correct.

Mr. RICHMOND. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in support of the amendment. I would like to associate myself with the concise and eloquent remarks of my colleagues, the gentleman from New York (Mr. KOCH), the gentleman from New York (Mr. ROSENTHAL), and the gentleman from New York (Mr. ADDABBO).

Madam Chairman, I would like to bring out the fact that this amendment is not only important to people living in New York City and other metropolitan areas, this amendment is important to people living throughout the country, because it also involves States' rights. Here we have an airport that is owned, supported and operated by the States of New York and New Jersey. The Federal Government ought not to involve itself in local affairs of this nature. I believe anybody living outside of any metropolitan area with the threat of Concorde's noise pollution can well support this amendment, because it clarifies their own States' rights.

In addition, it has been brought to my attention, that if this amendment does not pass, the U.S. Government would possibly be liable for millions of dollars in suits. I think we ought to support the Koch-Addabbo amendment and again reaffirm the rights of States to have jurisdiction over their own domestic affairs.

Mr. WEISS. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I stand in favor of Congressman KOCH's amendment to prohibit the funding under H.R. 7557—the Department of Transportation Appropriation—of air traffic control activity connected with the possible landing of the Concorde SST at Kennedy International Airport for the purpose of test flights.

The Concorde is a link in a long chain of events—a truly incredible story: Starting with the U.S. venture into civil supersonic aircraft development to the gradual reduction of that program to permission being granted in January 1976 for Concorde test flights.

In 1962 an $11 million appropriation

was authorized for a U.S. SST development effort and by 1971 we had spent over $1 billion for producing an SST. But in 1971 Congress voted to terminate the whole SST program on the basis that the SST was hazardous to public health, dangerous to the environment, excessively expensive, and lacking in profitability.

In the 5-year period that preceded Congressional approval of test landings of the Concorde most Members of Congress and the general public thought that the United States had completely abandoned its SST development effort. This spring I discovered, almost by accident, however, in reading the report attached to a NASA authorization measure that the SST was still receiving funds. The House floor debate which occurred as a result of my revelation may be read in the RECORD of March 17 (pp. 7858–7887).

The situation, we have since learned, is even more shocking. In response to my inquiries on this matter NASA has advised me that since fiscal year 1973 it had spent $54 million on this hidden SST project.

For almost a year now the Concorde has been landing at Dulles Airport—a Federal facility. The question of the hour is whether the same landing privileges will be advanced to the Concorde at Kennedy International Airport in New York.

What is to be gained by testing the Concorde at Kennedy Airport that has not been gained at the Dulles tests? Many of my colleagues today have attested to the fact that the Dulles tests have proved that the Concorde is louder than most subsonic jets landing in American airports today. Therefore we know the results and we know that the Concorde is too noisy. And if there is any doubt about this from the objective test results there is no doubt from the reaction of the people of New York—especially Queens—that the Concorde is unwelcomed.

Kennedy Airport is an airport facility under the authority of the New York/New Jersey Port Authority and they have decided that no tests in addition to the Dulles test are warranted for them too decide whether or not to allow Concorde to land in New York. The original question of landings at Dulles was different—it was a Federal facility and thus up to Federal authorities to decide. But the Kennedy landings is a clear-cut local decision and Congress would be best to abide by this fact. To ignore the local voices in this situation is to invite a similar kind of problem in other localities.

I urge my colleagues to support this amendment to prohibit Concorde landings at Kennedy Airport—I know of no better time for the Federal Government to defer to the expertise of local authorities.

Madam Chairman, I yield to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Madam Chairman, in a very brief concluding way, let me say this: The arguments against this amendment are that those who stand up and say that we should take the Concorde want to save us from ourselves. And yet, when the gentleman from Massachusetts was asked about the airport in his State, very forthrightly, very honestly, very candidly, he said, "We don't want it."

When the gentlemen from California get up and support the Concorde in New York, they do not have it in California.

What we are saying is this: Do not save us from ourselves. Normally, when the Federal Government has a project, a demonstration project, people come running in saying, "Give it to us, give it to us," because normally it means that the Federal Government is giving something and people fight for it. Not with this. There are very few people who want this. We do not want it; do not impose it on us.

Now, there is a locality that wants it. Newark wants it. The mayor of Newark has said that they want it. Let me explain. Newark happens to be run by the port authority. That is the point I want to make. The Port Authority of New York and New Jersey has jurisdiction over that airport. The mayor and the people of the city of Newark want it because there are no homes at that airport. It is an airport without the homes, such as we have.

The gentleman from New Jersey can be assured that if he does not want it, he does not have to have it. I am with him on that; he can make his own decision. I am just suggesting to the Members that there are, apparently, one or more airports that do want it. Give it to them, but do not give it to us.

AMENDMENT OFFERED BY MR. CONTE AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. KOCH

Mr. CONTE. Madam Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE as a substitute for the amendment offered by Mr. KOCH: On page 6, line 9, strike the period, insert a colon and the following:

"*Provided further*, that no funds appropriated under this Act may be obligated or expanded for air traffic control in connection with any civil aircraft engaged in scheduled or nonscheduled commercial service at John Fitzgerald Kennedy International Airport, New York, unless such aircraft is in compliance with noise standards established for aircraft by the Federal Aviation Administration under Federal Aircraft Regulation (FAR) Part 36, as in force and effect on June 1, 1976."

POINT OF ORDER

Mr. YATES. Madam Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. Madam Chairman, I make a point of order against the amendment on the grounds that it is legislation on an appropriation bill, because of the qualification of the use of the term "civil aircraft." Therefore, it is not in order.

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard?

Mr. CONTE. I do, Madam Chairman.

It is self-evident that the amendment only strikes two words from the amendment offered by the gentleman from New York (Mr. KOCH).

POINT OF ORDER

Mr. MILFORD. Madam Chairman, I would address a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. MILFORD. I would address a point of order, Madam Chairman, in that this is a limitation. The gentleman's amendment is a limitation.

The CHAIRMAN. There is an amendment already pending offered by the gentleman from New York (Mr. KOCH). The substitute for that amendment which has been offered by the gentleman from Massachusetts in effect only eliminates two words in the pending amendment. Therefore, it adds no legislation to the pending amendment and the point of order is overruled.

Mr. CONTE. Madam Chairman, I will just briefly explain my amendment. After hearing the gentleman from New York (Mr. KOCH) and after hearing that passionate speech made by the gentleman from California (Mr. RYAN), I was so moved that I have changed my mind.

I agree that the people of New York should not be subjected to the excessive noise caused by the landings at Kennedy Airport of aircraft that do not meet FAA noise standards.

This amendment will simply prohibit any aircraft that do not comply with the FAR–36 standard from landing at Kennedy.

Any aircraft that violates FAR rule 36 on noise levels should not be allowed to land at Kennedy. The gentleman from New York and his constituents should not be subjected to this, and I am with him. I hope my amendment is adopted.

Mr. KOCH. Madam Chairman, I rise in opposition to the amendment.

Madam Chairman, let me say this to my colleagues in the House: I understand the levity, and I understand what the gentleman is seeking to do. I implore the Members to consider the arguments that were made in a serious way. We are not talking about something in the abstract. The gentleman's amendment obviously is intended to carry the mater to the absurd and close down the airport. That is what that amendment does.

Mr. CONTE. Madam Chairman, I take issue with that.

Mr. KOCH. Madam Chairman, I refuse to yield. Let me finish, and then I will be happy to yield and debate the matter with the gentleman.

That amendment would shut down the airport, and I believe that the gentleman knows that that is the effect of it.

I am just simply saying to the Members that this is a serious body which is intended to deal with legitimate problems. We have come to the Members with a problem. We have said, "Let us decide in our area, just as you should decide in your area, where it is not a Federal installation. It is a State installation. Do not impose it on us." If anyone wants to have the Concorde at Logan, if anyone wants to have it in California, or anyplace in this country, there is no one who says "nay." What we are saying is, "Do not impose it on us."

Therefore, I urge the Members to vote down the Conte amendment and then to support the amendment which I offered initially about an hour or so ago, which I believe has been supported by all of the arguments. I urge this on the Mem-

bers in the same way that a Member will stand, on occasion, on this floor and say, "Do not disappoint us in our area." And, believe me, we will help you then.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE) as a substitute for the amendment offered by the gentleman from New York (Mr. KOCH).

The question was taken; and the Chairman being in doubt, the Committee divided, and there was—ayes 22, noes 28.

Mr. CONTE. Madam Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. KOCH).

RECORDED VOTE

Mr. McFALL. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 128, noes 274, not voting 31, as follows:

[Roll No. 322]

AYES—128

Addabbo	Fithian	Myers, Gary
Ambro	Ford, Mich.	Myers, Michael
Anderson, Calif.	Gaydos	Nedzi
	Gilman	Nix
Archer	Grassley	Nolan
Aspin	Hanley	Nowak
Badillo	Harrington	Oakar
Baucus	Harris	Obey
Beilenson	Harsha	Ottinger
Benjamin	Holland	Patten
Bennett	Hollenbeck	Pike
Biaggi	Holtzman	Pursell
Bingham	Horton	Rangel
Blouin	Howard	Richmond
Bonior	Hughes	Rinaldo
Bonker	Hyde	Rodino
Brademas	Jacobs	Rosenthal
Brodhead	Jeffords	Rostenkowski
Brown, Calif.	Keys	Roybal
Burke, Calif.	Kildee	Ryan
Burton, John	Koch	Scheuer
Burton, Phillip	Kostmayer	Schroeder
Caputo	Krebs	Seiberling
Chisholm	Lagomarsino	Sharp
Clay	Le Fante	Solarz
Collins, Ill.	Lederer	Spellman
Conyers	Lent	Staggers
Corcoran	Long, Md.	Stark
Coughlin	Maguire	Stokes
Delaney	Markey	Studds
Dellums	Mikulski	Traxler
Dingell	Mikva	Tsongas
Downey	Miller, Calif.	Udall
Drinan	Miller, Ohio	Volkmer
Early	Mineta	Walsh
Edgar	Minish	Waxman
Edwards, Calif.	Mitchell, Md.	Weaver
Eilberg	Moakley	Weiss
Ertel	Moffett	Wolff
Evans, Colo.	Moorhead, Calif.	Wydler
Evans, Del.		Yates
Fary	Moss	Zeferetti
Fenwick	Mottl	
Fisher	Murphy, Pa.	

NOES—274

Abdnor	Beard, Tenn.	Burleson, Tex.
Akaka	Bedell	Burlison, Mo.
Alexander	Bevill	Butler
Allen	Blanchard	Byron
Ammerman	Boggs	Carney
Anderson, Ill.	Boland	Carr
Andrews, N.C.	Bolling	Carter
Andrews, N. Dak.	Bowen	Cavanaugh
	Breaux	Cederberg
Annunzio	Breckinridge	Chappell
Applegate	Brinkley	Clausen, Don H.
Armstrong	Brooks	
Ashley	Broomfield	Clawson, Del
AuCoin	Brown, Mich.	Cleveland
Badham	Brown, Ohio	Cochran
Bafalis	Buchanan	Cohen
Barnard	Burgener	Coleman
Bauman	Burke, Fla.	Collins, Tex.
Beard, R.I.	Burke, Mass.	Conable
Conte	Johnson, Calif.	Quillen
Corman	Jones, N.C.	Rahall
Cornell	Jones, Okla.	Regula
Cornwell	Jones, Tenn.	Reuss
Cotter	Jordan	Rhodes
Crane	Kasten	Risenhoover
Cunningham	Kastenmeier	Roberts
D'Amours	Kazen	Robinson
Daniel, Dan	Kelly	Rogers
Daniel, R. W.	Kemp	Rose
Danielson	Ketchum	Rousselot
Davis	Kindness	Rudd
de la Garza	Krueger	Runnels
Derrick	LaFalce	Ruppe
Derwinski	Latta	Santini
Devine	Leach	Sarasin
Dickinson	Leggett	Satterfield
Dicks	Lehman	Sawyer
Diggs	Levitas	Schulze
Dodd	Lloyd, Calif.	Shipley
Dornan	Lloyd, Tenn.	Shuster
Duncan, Oreg.	Long, La.	Sikes
Duncan, Tenn.	Lott	Simon
Edwards, Ala.	Lujan	Sisk
Edwards, Okla.	Luken	Skelton
Emery	McClory	Skubitz
English	McCloskey	Slack
Erlenborn	McCormack	Smith, Iowa
Evans, Ga.	McDade	Smith, Nebr.
Fascell	McDonald	Snyder
Findley	McEwen	Spence
Flood	McFall	St Germain
Flowers	McKay	Stangeland
Flynt	Madigan	Stanton
Foley	Mahon	Steed
Ford, Tenn.	Mann	Steiger
Forsythe	Marks	Stockman
Fountain	Marlenee	Stratton
Fowler	Marriott	Stump
Fraser	Martin	Symms
Frenzel	Mathis	Taylor
Frey	Mattox	Thone
Fuqua	Mazzoli	Thornton
Gammage	Meeds	Treen
Gephardt	Metcalfe	Trible
Giaimo	Meyner	Tucker
Gibbons	Michel	Ullman
Ginn	Milford	Van Deerlin
Glickman	Mitchell, N.Y.	Vander Jagt
Goldwater	Mollohan	Vanik
Gonzalez	Montgomery	Waggonner
Goodling	Moore	Walgren
Gradison	Moorhead, Pa.	Walker
Gudger	Murphy, Ill.	Watkins
Guyer	Murphy, N.Y.	Whalen
Hagedorn	Murtha	White
Hall	Myers, Ind.	Whitehurst
Hamilton	Natcher	Whitley
Hammer-schmidt	Neal	Whitten
	Nichols	Wiggins
Hannaford	O'Brien	Wilson, Bob
Hansen	Oberstar	Winn
Harkin	Panetta	Wirth
Heckler	Patterson	Wright
Hefner	Pattison	Wylie
Heftel	Pease	Yatron
Hightower	Pepper	Young, Alaska
Hillis	Perkins	Young, Fla.
Holt	Pettis	Young, Mo.
Hubbard	Pickle	Zablocki
Huckaby	Pressler	
Ichord	Preyer	
Ireland	Price	
Jenkins	Pritchard	
Jenrette	Quie	

NOT VOTING—31

Ashbrook	Johnson, Colo.	Sebelius
Baldus	Lundine	Steers
Broyhill	McHugh	Teague
Dent	McKinney	Thompson
Eckhardt	Poage	Vento
Evans, Ind.	Quayle	Wampler
Fish	Railsback	Wilson, C. H.
Flippo	Roe	Wilson, Tex.
Florio	Roncalio	Young, Tex.
Gore	Rooney	
Hawkins	Russo	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr Teague against.
Mr. McHugh for, with Mr. Eckhardt against.
Mr. Hawkins for, with Mr. Baldus against.
Mr. Florio for, with Mr. Gore against.
Mr. Russo for, with Mr. Sebelius aaginst.
Mr. Fish for, with Mr. Broyhill against.
Mr. Roe for, with Mr. Ashbrook against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. McFALL (during the reading). Madam Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order against the remainder of the bill? There being none, are there any amendments?

AMENDMENT OFFERED BY MR. WALSH

Mr. WALSH. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALSH: On page 34, line 1, insert the following new section and number succeeding sections accordingly:

"SEC. 315. No funds appropriated pursuant to this Act may be expended to modify any sign relating to any speed limit, any distance, or any other measurement on any highway (as defined in section 101 of title 23, United States Code) for the conversion of such sign to the metric system of measurement (as defined in section 4 of the Metric Conversion Act of 1975 (15 U.S.C. 205c)."

Mr. WALSH. Madam Chairman, although we actually have accomplished the purpose of this amendment I think we should go ahead and proceed with the amendment in the proper fashion. Just this morning the Federal Highway Administration announced they were calling off their plan to change the signs on the Nation's highways to the metric system. I still feel it is very necessary that we do continue with this amendment, which simply provides that no funds in this bill will be allotted for the purpose of changing the Nation's highway signs to the metric system. It is a very simple amendment and I do urge its adoption.

Mr. McFALL. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the chairman of the committee.

Mr. McFALL. Madam Chairman, the gentleman and I had a discussion during the general debate when some of the Members were not present. I would oppose the gentleman's amendment. The Federal Highway Administration is not going to go ahead with the signing of the highways with the metric system, so the amendment is not really necessary. They are not going to expend any funds to do what the gentleman does not want them to do. I would oppose the amendment because I think we can accomplish the purpose that the gentleman has without really adopting an amendment to the bill.

First of all, the gentleman has said that the Federal Highway Administration is not going to go ahead and do this. Second, we discussed this in the general debate. What really should be done is that the authorizing committee, of which the gentleman is a member, ought to have hearings with the Federal Highway Ad-

ministration to work out how to accomplish this.

The gentleman would agree, I think that at some future time we are going to have to have signs that express mileages on our highways in metric terms, because we are going to have a metric system.

I would suggest that the gentleman's committee, under the gentleman from California (Mr. JOHNSON), hold hearings and give the Federal Highway Administration some guidance on how to do this.

Perhaps the gentleman feels his amendment should be agreed to but I would hope we would not include it.

Mr. WALSH. I would comment on the chairman's observations. I highly respect the observations of the chairman and I am persuaded by his eloquence.

Is there assurance in his statement that there will be careful oversight on the part of the authorization committee that no funds will be expended for this purpose?

Mr. McFALL. Madam Chairman, if the gentleman will yield, I cannot speak for the authorizing committee. There are several members of the authorizing committee here on the floor who might want to discuss this. I observed the ranking minority member on the subcommittee, the gentleman from Pennsylvania (Mr. SHUSTER), on the floor a little while ago. Perhaps the gentleman from New Jersey (Mr. HOWARD), who is chairman of that subcommittee, would have a viewpoint on this.

The CHAIRMAN. The time of the gentleman from New York has expired.

(At the request of Mr. McFALL, and by unanimous consent, Mr. WALSH was allowed to proceed for an additional 5 minutes.)

Mr. HOWARD. Madam Chairman, will the gentleman yield?

Mr. WALSH. I am glad to yield to the gentleman from New Jersey.

Mr. HOWARD. Madam Chairman, I know the interest the gentleman has about this activity and I appreciate the testimony the gentleman has given to the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation for this bill and on the appropriation bill, but I do feel certain that the views expressed by the gentleman from New York and many others are very valid and will be a part of the authorizing legislation that our committee will bring to the floor during this Congress. As far as I can possibly assure the gentleman in that area, I certainly give my assurance of support and confidence that this will be handled to the gentleman's satisfaction in this Congress by the authorizing committee.

Mr. WALSH. Madam Chairman, I am persuaded by the comments of the gentleman from New Jersey.

I would like to yield to the gentleman from California (Mr. McFALL).

Mr. McFALL. Madam Chairman, I am sure the gentleman from Massachusetts (Mr. CONTE) would agree that we will discuss this matter with the Federal Highway Administration and ask them not to go ahead with this until such time as they get some kind of direction from the authorizing committee. I am sure that they have made that decision already for themselves.

Mr. CONTE. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Massachusetts.

Mr. CONTE. Madam Chairman, I agree, we will meet with the Federal Highway Administration and tell them how we feel very strongly not to proceed with this; after all, they have to come up next year for their budget, until the authorization committee has an opportunity to come up with something.

Mr. McCLORY. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Illinois.

Mr. McCLORY. Madam Chairman, I just hope that no steps we are taking here today will prevent the Federal Government from participating in some kind of orderly conversion to metric units for use on our Nation's highways. There are 22 States which already have undertaken to convert their State highway signs to indicate speeds and distances in both metric and traditional units.

In addition, Governor Ray of Iowa is heading up an interstate committee, on which all of the 50 States will be represented. This interstate committee is working on the subject of coordinating interstate signs and State highway signs, so that we can in an orderly and comprehensive way provide for this gradual and voluntary conversion to the metric system, including the metric system on highway signs designating speeds and distances.

Madam Chairman, I would hope that no action would be taken here today that would interfere with what the Congress has already authorized to be done under the Metric Conversion Act, which the 17-member Metric Conversion Board will be implementing as soon as it gets into business.

Mr. JONES of Oklahoma. Madam Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Madam Chairman, I just want to commend the gentleman from New York. I had a similar amendment that I was going to offer to prohibit funds being spent in the next fiscal year for purposes of mandatory conversion.

I agree with the chairman of the subcommittee and the ranking Republican member that an orderly changeover will have to be made in future years; but to spend $100 million for a mandatory change at this time, I think, is unwise and certainly unnecessary at a time when we are working toward a balanced budget, or trying to.

I would hope the gentleman would proceed with the amendment and that it would pass. I think it is important to have this as part of the statutory law, that none of these funds be spent for this purpose.

The Department of Transportation, when they first made their recommendations of these proposed regulations, indicated that Congress was mandating it. Congress has never mandated such a regulation and I think we should mandate they not spend money for that purpose.

Mr. WALSH. Madam Chairman, in view of the assurances I have received from members of both committees, I think we have accomplished our purpose here and I withdraw my amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Madam Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. ROSENTHAL: On page 34, after line 10, insert the following new section:

SEC. 316. None of the funds provided in this act shall be available for the planning or execution of programs for any construction or improvements at Flushing Airport in New York City.

Mr. ROSENTHAL. Madam Chairman, I have a very, very small amendment which involves a very, very small airport in my district, but it is enormously important to me and to my constituents. I offer this amendment on behalf of myself and the gentlemen from New York (Mr. BIAGGI and Mr. ADDABBO).

This little airport is known as a feeder airport. It has been there for 40 years, and is called Flushing Airport. It is about 2 miles from the runways of LaGuardia, and it parks 80 aircraft. It is surrounded by homes and apartment houses. Anybody who wanted to build an airport on this location today would be committed within 24 hours.

All this amendment says is that the FAA may not grant any money for improvement or extension of this airport. In the last 5 months, there have been three accidents with airplanes taking off from this airport. Two weeks ago Sunday, a small four-seater plane took off and hit into the side of a private house about a mile from the airport. One person was killed and three were injured.

Mr. McFALL. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from California.

Mr. McFALL. I thank the gentleman for yielding to me. I was going to rise in opposition to the amendment, but I am not going to do that. The FAA has indicated, however, that they consider Flushing Airport an important general aviation reliever facility for the New York metropolitan area. The availability of sites to perform as effective reliever airports for this area is virtually nonexistent. According to the FAA, Flushing has operated very effectively as a reliever airport for many years and is capable of continuing this role in the metropolitan airport system.

Although there was a recent accident at the airport, the facility has a good safety record during its more than 40-year history. FAA has indicated that the airspace and traffic procedures have been reconfigured and that traffic control has been improved.

I am advised that the city is expected to submit a request for Federal grant assistance.

In view of the fact that the National

Transportation Safety Board is making an investigation of this and will determine whether or not this is a safe airport, I am not going to oppose the gentleman's amendment. However, it is not really very good practice to go around closing airports or inhibiting the expansion of airports by amendments on this floor.

But, because the gentleman has so much interest in this airport, and because of the problem up there, and until we can get a report from the National Transportation Safety Board, I will not oppose the amendment. But, if it turns out that we have a real problem, and if the Senate disagrees on this when we get further information, then I would reserve the right to judge this differently.

Mr. ROSENTHAL. I thank the gentleman for his enthusiastic support.

Mr. CONTE. Madam Chairman, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Massachusetts.

Mr. CONTE. Madam Chairman, I, too, have been convinced by the persuasive arguments of the gentleman from New York, and I certainly have no objection to this amendment. I do reserve the right, however, when we get into conference, to look at the word "improvements," because that could be a dangerous thing. For example, we would not want to prevent the repair of a big hole in a runway out there.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ROSENTHAL).

The amendment was agreed to.

Mr. BENJAMIN. Madam Chairman, I move to strike the requisite number of words.

During the course of general debate I indicated that if the gentleman from New York (Mr. WALSH) would offer his amendment regarding the metrication of Federal highway control devices, I would offer a substitute amendment. Since he has withdrawn that particular proposal, I join with him and with the gentleman from Iowa (Mr. GRASSLEY), to indicate to both the authorizing subcommittee and Appropriations Subcommittee our continued concern regarding instant metrication and its affect on traffic control devices and the manual on uniform traffic control devices.

I hereby respectfully request of these subcommittees that they communicate with the Federal Highway Administration and dissuade the Administration from any persistence to instantly metricate traffic control devices as well as the manual. I also ask that strong consideration be given to the dual system in terms of its obvious educational process for our Nation as well as to avoid the cost that was indicated by the gentleman from New York.

I accept the assurances of the subcommittee chairmen that they will continue to monitor the concern expressed here and thank them for their consideration.

I yield back the balance of my time.

Mr. GRASSLEY. Madam Chairman, will the gentleman yield?

Mr. BENJAMIN. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Madam Chairman, I would like to compliment the gentleman from Indiana (Mr. BENJAMIN) for his leadership in this area, and also the gentleman from New York (Mr. WALSH) for bringing this to the attention of the Congress, in the first instance. I think that the activity of both gentlemen had a lot to do with the agency revising the rules. I want to thank the gentlemen.

Madam Chairman. My amendment of the amendments of Mr. WALSH and Mr. BENJAMIN prevents funds appropriated under this act from being used to force the total conversion of our highway and road signs into metric measurements only.

The amendment is made necessary by an announcement of the Federal Highway Administration in April that it is proceeding with rulemaking to prohibit the usage of highway signs which express distances or speeds in miles or miles per hour. Only those signs which use metric measurements would be allowed.

The problems with such a force conversion are obvious:

Motorists will be forced with the expense of converting their speedometers.

All highway signs must be converted or replaced with heavy financial burdens placed upon Federal, State, and local governments.

Highway maps and atlas' must be replaced.

Officials of my own State's department of transportation are concerned with safety difficulties of such a sudden switch.

In addition to the obvious problems created by the conversion there is an equally important threshold question of whether the FHWA is acting within the scope of its authority in promulgating these regulations.

In its notice of proposed rulemaking the Agency relied only upon the Metric Conversion Act of 1975 as authority for its action. Yet an investigation of that statute reveals that not only does it not grant such authority, the action of the highway administration appears to be in violation of the intent of the act.

Throughout the legislative history of the act we find its proponents stressing time and time again in hearings and floor debate that the Metric Conversion Act could in no way be said to force costs upon anyone, and was entirely voluntary in nature. The action of the Highway Administration is both costly and compulsory and thus violates the spirit and intent of the very statute upon which it bases its action.

I want to make it clear that the question here is not whether metric signs will appear upon our Nation's highways. Such marking signs do appear in 24 States presently. Those signs have been placed voluntarily with the consent of the Highway Administration, and they exist not as the only marking available, but along with signs in the customary system. That is the kind of voluntary phase-in which meets the requirements of this act.

If these amendments had been pursued this would have not been a "test vote" on the merits of metric conversion. It is, however, a test vote on whether the U.S. Government will continue to abide by the policy enunciated in the Metric Conversion Act of 1975 that the ongoing metric conversion which is taking place in the private sector will continue to proceed on a voluntary basis with planning and coordination supplied.

It was with great pleasure that I was informed this morning by the Department of Transportation that the Administrator of the Federal Highway Administration, Mr. Cox, withdrew the Administration's notice of proposed rulemaking to force the total conversion of our Nation's highway and road signs to metric measurements only.

On June 1, I brought to the attention of this House the letter which I sent to Administrator Cox outlining the reasons why those rules not only exceeded the authority granted to the agency under the statute they cited, but in six ways directly violated congressional intent.

I congratulate the Administrator for correcting this unfortunate situation; and in light of his good faith in this matter I will not today present the amendment which was printed in yesterday's RECORD to the Department of Transportation appropriations bill to prevent funds under that act from being used to pursue this plan.

The CHAIRMAN. There being no further amendments, the Chair recognizes the gentleman from California (Mr. MCFALL).

Mr. MCFALL. Madam Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, MS. JORDAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7557) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1978, and for other purposes, had directed her to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MILLER of Ohio. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of Ohio moves to recommit the bill, H.R. 7557, to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The questions is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. McFALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 391, nays 11, not voting 31, as follows:

[Roll No. 323]

YEAS—391

Abdnor	Clausen,	Gammage
Akaka	Don H.	Gaydos
Alexander	Clawson, Del	Gephardt
Allen	Clay	Giaimo
Ambro	Cleveland	Gibbons
Ammerman	Cochran	Gilman
Anderson,	Cohen	Ginn
Calif.	Coleman	Glickman
Anderson, Ill.	Collins, Ill.	Goldwater
Andrews, N.C.	Conable	Gonzalez
Andrews,	Conte	Goodling
N. Dak.	Conyers	Gore
Annunzio	Corcoran	Gradison
Applegate	Corman	Grassley
Archer	Cornell	Gudger
Ashley	Cornwell	Guyer
Aspin	Cotter	Hagedorn
AuCoin	Coughlin	Hall
Badham	Cunningham	Hamilton
Badillo	D'Amours	Hammer-
Bafalis	Daniel, Dan	schmidt
Barnard	Daniel, R. W.	Hanley
Baucus	Danielson	Hannaford
Bauman	Davis	Harkin
Beard, R.I.	de la Garza	Harrington
Beard, Tenn.	Delaney	Harris
Bedell	Dellums	Harsha
Beilenson	Derrick	Heckler
Benjamin	Derwinski	Hefner
Bennett	Devine	Heftel
Bevill	Dickinson	Hightower
Biaggi	Diggs	Hillis
Bingham	Dingell	Holland
Blanchard	Dornan	Hollenbeck
Blouin	Downey	Holt
Boggs	Drinan	Holtzman
Boland	Duncan, Oreg.	Horton
Bolling	Duncan, Tenn.	Howard
Bonior	Early	Hubbard
Bonker	Edgar	Huckaby
Bowen	Edwards, Ala.	Hughes
Brademas	Edwards, Calif.	Hyde
Breaux	Edwards, Okla.	Ichord
Breckinridge	Eilberg	Ireland
Brinkley	Emery	Jacobs
Brodhead	English	Jeffords
Brooks	Erlenborn	Jenkins
Broomfield	Ertel	Jenrette
Brown, Calif.	Evans, Colo.	Johnson, Calif.
Brown, Mich.	Evans, Del.	Jones, N.C.
Brown, Ohio	Evans, Ga.	Jones, Okla.
Buchanan	Fary	Jones, Tenn.
Burgener	Fascell	Jordan
Burke, Calif.	Fenwick	Kasten
Burke, Fla.	Findley	Kastenmeier
Burke, Mass.	Fish	Kazen
Burleson, Tex.	Fisher	Kemp
Burlison, Mo.	Fithian	Ketchum
Burton, John	Flood	Keys
Burton, Phillip	Flowers	Kildee
Butler	Flynt	Kindness
Byron	Foley	Fraser
Caputo	Ford, Mich.	Koch
Carney	Ford, Tenn.	Kostmayer
Carr	Forsythe	Krebs
Carter	Fountain	Krueger
Cavanaugh	Fowler	LaFalce
Cederberg	Frenzel	Lagomarsino
Chappell	Frey	Latta
Chisholm	Fuqua	Le Fante
Leach	Nedzi	Skelton
Lederer	Nichols	Skubitz
Leggett	Nix	Slack
Lehman	Nolan	Smith, Iowa
Lent	Nowak	Smith, Nebr.
Levitas	O'Brien	Snyder
Lloyd, Calif.	Oakar	Solarz
Lloyd, Tenn.	Oberstar	Spellman
Long, La.	Obey	Spence
Long, Md.	Ottinger	St Germain
Lott	Panetta	Staggers
Lujan	Patten	Stangeland
Luken	Patterson	Stanton
Lundine	Pattison	Stark
McCory	Pease	Steed
McCloskey	Pepper	Steiger
McCormack	Perkins	Stockman
McDade	Pettis	Stokes
McEwen	Pickle	Stratton
McFall	Pike	Studds
McKay	Pressler	Stump
Madigan	Preyer	Taylor
Maguire	Price	Thone
Mahon	Pritchard	Thornton
Mann	Pursell	Traxler
Markey	Quie	Treen
Marks	Quillen	Trible
Marlenee	Rahall	Tsongas
Marriott	Rangel	Tucker
Martin	Regula	Udall
Mathis	Reuss	Ullman
Mattox	Rhodes	Van Deerlin
Mazzoli	Richmond	Vander Jagt
Meeds	Rinaldo	Vanik
Metcalfe	Risenhoover	Volkmer
Meyner	Roberts	Waggonner
Michel	Robinson	Walgren
Mikulski	Rodino	Walker
Milford	Rogers	Walsh
Miller, Calif.	Rose	Watkins
Mineta	Rosenthal	Waxman
Minish	Rostenkowski	Weaver
Mitchell, Md.	Rousselot	Weiss
Mitchell, N.Y.	Roybal	Whalen
Moakley	Rudd	White
Moffett	Runnels	Whitehurst
Mollohan	Ruppe	Whitley
Montgomery	Ryan	Whitten
Moore	Santini	Wiggins
Moorhead,	Sarasin	Wilson, Bob
Calif.	Satterfield	Wilson, C. H.
Moorhead, Pa.	Sawyer	Winn
Moss	Scheuer	Wirth
Murphy, Ill.	Schroeder	Wolff
Murphy, N.Y.	Schulze	Wright
Murphy, Pa.	Seiberling	Wylie
Murtha	Sharp	Yates
Myers, Gary	Shipley	Yatron
Myers, Michael	Shuster	Young, Alaska
Myers, Ind.	Sikes	Young, Fla.
Natcher	Simon	Young, Mo.
Neal	Sisk	Zablocki

NAYS—11

Armstrong	Kelly	Motti
Collins, Tex.	McDonald	Symms
Crane	Mikva	Wydler
Hansen	Miller, Ohio	

NOT VOTING—31

Addabbo	Hawkins	Sebelius
Ashbrook	Johnson, Colo.	Steers
Baldus	McHugh	Teague
Broyhill	McKinney	Thompson
Dent	Poage	Vento
Dicks	Quayle	Wampler
Dodd	Railsback	Wilson, Tex.
Eckhardt	Roe	Young, Tex.
Evans, Ind.	Roncalio	Zeferetti
Flippo	Rooney	
Florio	Russo	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Sebelius.
Mr. Teague with Mr. Ashbrook.
Mr. Hawkins with Mr. Broyhill.
Mr. McHugh with Mr. Dicks.
Mr. Eckhardt with Mr. McKinney.
Mr. Baldus with Mr. Quayle.
Mr. Dent with Mr. Roncalio.
Mr. Russo with Mr. Steers.
Mr. Florio with Mr. Vento.
Mr. Flippo with Mr. Dodd.
Mr. Rooney with Mr. Roe.
Mr. Evans of Indiana with Mr. Railsback.
Mr. Zeferetti with Mr. Wampler.
Mr. Addabbo with Mr. Wilson of Texas.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 7557, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1978, and on the Koch amendment, and to include pertinent extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to make the following announcement. We will take up the rule on H.R. 7010, compensation for victims of crime. At the conclusion of the rule we will adjourn for the evening.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 7636, MAKING APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1978

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Report No. 95–398), on the resolution (H. Res. 616) waiving certain points of order against the bill (H.R. 7636) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6666 TO AMEND THE LEGAL SERVICES CORPORATION ACT TO PROVIDE AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL FISCAL YEARS

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Report No. 95–399), on the resolution (H. Res. 617) providing for the consideration of the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 7589 MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION FOR THE DEPARTMENT OF DEFENSE FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1978

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Report No. 95–400), on the resolution

(H. Res. 618) waiving certain points of order against the bill (H.R. 7589) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1978, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF H.R. 7010, PAYMENT OF COMPENSATION TO PERSONS INJURED BY CERTAIN CRIMINAL ACTS AND OMISSIONS

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 601 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 601

Resolved, That upon the adoption of this resolution it shall be in order to move, section 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93-344), clause 2(1)(3)(A) of rule XI, and clause 7 of rule XIII to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7010) to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The Chair recognizes the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may use.

Mr. Speaker, House Resolution 601 provides for the consideration of a bill (H.R. 7010) to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions and for other purposes.

This is a 1 hour open rule which waives three points of order which could prevent consideration of the bill if sustained. In the opinion of the Committee on Rules all are technical and none of the waivers appear to be controversial.

Section 401(b)(1) of the Congressional Budget Act of 1974 prohibits consideration of any bill containing new entitlement authority which could take effect before the first day of the fiscal year which begins during the calendar year in which the bill is reported. H.R. 7010 is clearly an entitlement within the meaning of the act.

The Committee on Judiciary has agreed to offer an amendment on the floor which will insure that the entitlement provision cannot take effect before October 1, 1977. The amendment will bring the bill into full compliance and, on the basis of this agreement, the Committee on Budget has supported a waiver of the point of order and the Committee on Rules has reported a resolution containing the waiver.

Clause 2(1)(3)(A) of rule XI provides that reports of committees shall contain oversight findings and recommendations. Of course, the Victims of Crime Act establishes an entirely new program. Since the program does not yet exist, the Committee on Judiciary could hardly exercise any oversight at this point. The committee intends to exercise vigorous oversight and a simple statement like the one I am making contained in the committee report would have satisfied the requirement of the rule. It is a purely technical waiver and I am aware of no possible controversy.

Clause 7 of rule XIII requires any report to contain a cost estimate. This was added to the rules of the House by the Legislative Reorganization Act of 1970 and has been rendered largely obsolete by enactment of the Congressional Budget Act creating the Congressional Budget Office. The act added to the rules of the House a rule (clause 2(1)(3(B) of rule XI) which requires all committee reports to contain a cost estimate prepared by the Congressional Budge Office. Since CBO has greater professional expertise in this area, the old rule is usually complied with by a single sentence stating the committee reporting the bill accepts the CBO estimate as accurate. The violation of the rule occurs simply because the report does not contain a statement conceding the CBO estimate. It should be noted that a detailed cost estimated by CBO is included in the report (H. Rept. 95-337) on pages 11 through 14 inclusive. While the Committee on Judiciary neglected to include a statement that it accepts the estimate, it does agree and notes that the departmental estimate is in the same range. This waiver is quite technical and presents no controversy at all.

Mr. Speaker, the Committee on Judiciary is to be commended for its work. The bill (H.R. 7010) is an excellent approach to a complex problem. It attempted to assist 20 States which have established programs to compensate victims of crime and it will encourage other States to establish similar programs. But it does so with the minimum possible level of Federal involvement.

Mr. Speaker, the bill establishes standards to eliminate opportunities for abuse or excessive payments. It prohibits the use of the program in lieu of insurance. It makes the Federal Government the last resort for payment after insurance and attachment of any resources of the criminal.

But the entire program will be run by States and no direct Federal involvement is created by this bill.

This is an excellent bill. The general concept has been before Congress for many years and the other body has acted affirmatively on similar measures in the past.

Mr. Speaker, I am sure even opponents of the bill would agree that the rule if reasonable and establishes a fair procedure for the consideration of the bill. Mr. Speaker, I urge the adoption of the rule.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 601 is a 1-hour, open rule providing for the consideration of H.R. 7010, the Victims of Crime Act of 1977. Mr. Speaker, this rule contains three waivers, two of which would have been unnecessary if the committee had taken more care in preparing its report. The first waiver, mentioned at line 2 of the rule, is of section 401(b)(1) of the Budget Act which prohibits consideration of any new spending authority which would take effect prior to the beginning of the fiscal year. This waiver is necessary because subsection 2(c) of the bill, beginning on line 22 of page 2, provides an automatic entitlement of travel, transportation and per diem expenses to the members of the Advisory Committee on Victims of Crime. Since this advisory committee presumably could be in operation before October 1 of this year, the waiver became necessary. I would hasten to add, though, that the waiver does not apply to the grants made available to victims of crime. Under section 9 of the bill, the compensation grants to victims of crime does not begin until fiscal year 1978.

The second and third waivers in this rule are of two requirements in the House rules that certain information be included in a committee report on a bill. The first waiver is of clause 2(L)(3)(A) of rule XI which requires that oversight findings and recommendations required pursuant to each committee's responsibilities under clause 2(b)(1) of rule X be separately set out and clearly identified. The committee report contains no reference to oversight findings or recommendations, and a section of the report must be devoted to these, even if the committee has done no oversight or made any previous recommendations.

The other waiver on a report requirement is of clause 7 of rule XIII which requires a committee cost estimate in the report for the fiscal year in which the bill is reported and for each of the 5 succeeding fiscal years, or the duration of the authorization, and a comparison with any cost estimate submitted by the executive branch. The committee report is in technical violation of this requirement since, while it does contain a cost estimate submitted by the Congressional Budget Office on pages 11 through 14, there is no independent cost estimate of the committee. You will note on page 12 of the report, the CBO estimates for fiscal years 1978, 1979, and 1980, are $22 million, $29 million, and $35 million, respectively, or approximately $20 million under the committee authorization level in each fiscal year.

Mr. Speaker, H.R. 7010 is a bill authorizing grants to qualified State crime victim compensation programs at a 50-percent matching level for State crime victims and 100-percent compensation for victims of Federal crimes. Moreover, its establishes criteria for State programs to qualify for a Federal grant, and sets certain limitations on Federal grants. The bill authorizes $150 million over 3 years, including $40 million in fiscal 1978,

$50 million in fiscal 1979, and $60 million in fiscal 1980. The program would be administered by the Attorney General in consultation with a nine-member Advisory Committee on Victims of Crime. The advisory committee has a 2-year life span, will be appointed by the Attorney General, with seven of the nine members drawn from officials of States having qualified programs, and each advisory committee member would be appointed to a 1-year term.

This bill is not without controversy. Dissenting views have been filed by nine of the members of the Judiciary Committee. In their view, the bill is an example of selective largesse rather than a result of any absolute Government liability to its citizens, and they thus find it "illogical, arbitrary and unfair." They see the Government's primary responsibility as crime prevention rather than victim compensation, and they especially object to compensating victims of State crimes since the Federal Government has no responsibility for the enforcement of State laws. And with respect to compensation of Federal victims, the authors of the dissenting views point to the anomaly of only compensating those Federal crime victims in States having approved or qualified programs. In other words, many Federal victims of crime will receive no compensation at all under this bill by virtue of their living in States without qualified programs.

The Carter administration has recommended a 25-percent rather than 50-percent Federal matching contribution to State crime victims. The authors of the dissenting views point out that even this represents a 25-percent increase in some 20 States which are already footing the full bill for their own victims of crime programs.

Proponents of the bill point to the success of such programs in the 20 States which now have victims-of-crime compensation laws, including my own State of Illinois. They note that this was a recommendation of the President's Commission on Law Enforcement and the Administration of Justice. They also argue that there is a Federal interest in assisting States in compensating victims of crime, just as the Federal Government now assists State criminal justice systems through the Law Enforcement Assistance Administration. To quote from the committee report:

> If Federal funds can go to the States to help them apprehend and try criminals, and imprison them when convicted, then Federal funds can go to the States to help them assist the innocent victims of crime.

Mr. Speaker, as the Republican spokesman from the Rules Committee on this bill, I think I should point out that the Republican Policy Committee adopted a policy statement on Monday which recognizes that victims of crime "should be treated with compassion and justice," and that "compensating victims of crime can be a legitimate governmental activity." At the same time, the statement emphasizes that the "offending party" should be held responsible for the losses incurred by innocent victims, that the ultimate costs of this legislation could be much greater than the authorization levels might lead us to believe, that there is potential for fraud, and that the Federal is being asked to compensate State crime victims even though it has no responsibility for State law enforcement.

Mr. Speaker, despite the controversy surrounding this bill, there was no direct testimony in the Rules Committee opposing the granting of this rule. I think the rule should be adopted so that we can hear out the full arguments from both sides and moreover consider amendments which Members are prepared to offer. I therefore urge adoption of this rule.

Mr. McCLORY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I merely want to state that although I do not want to extend the debate on the rule, I hope however that in general debate tomorrow we will not be hurried into any improvident or unwise action. The measure authorized to be debated under this rule provides a new Federal program which, of course, like all Federal programs starts off relatively modestly. The victims of crime bill will—if passed—involve the Federal Government in programs that presently are administered entirely by the States.

I hope we will think very, very carefully about this and I hope we will reject this legislation when it comes up for consideration tomorrow.

Mr. ANDERSON of Illinois. I thank the gentleman from Illinois (Mr. McCLORY) for his contribution.

He has of course correctly identified one of the primary concerns held by opponents of this legislation, which is, that meritorious as it may be in its concept and intent and purpose, it might be another example of one of those Federal programs that simply become so utterly swollen and gargantuan in proportion that we would rue the day that we have launched the Federal Government on this program with respect to crimes, and it covers State crimes incidentally and not just Federal crimes.

Mr. Speaker, despite the controversy that surrounds this legislation, which has now been adverted to by the gentleman from Illinois, there was no direct testimony in the Committee on Rules that opposed the granting of the rule. Therefore, I think it should be adopted, so that we can hear out the opposing sides of this argument and consider the amendments that I am sure will be offered when the bill is read for amendment.

Mr. Speaker, I would urge adoption of the rule.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, this is in many ways a historic moment, historic because we are all on the launching pad for a brand-spanking new program, and like missiles it is going to go up in its cost, go right out of sight, and will never come down.

My friends over here, the Democrats, surely are going to find it very difficult to fulfill the promise of President Carter to balance the budget if they refuse to cut existing programs and then add on new ones. Well, this is a new one, brand new. The cost is uncertain.

I feel sometimes I sound like an anarchist up here, being against so many things; but I want to assure this House I am not. I am prepared, like all of us, to vote for appropriations within the legitimate sphere of Government, and particularly the Federal Government; but here is a case where there is no justification at all for the Federal Government getting involved. I hope I will not have to take the time tomorrow to convince this House. This is an opportunity right now to put this bill to rest. The best thing we can do tonight before we go home is to vote no on this rule and put to rest a very bad and extremely expensive idea.

I hope we vote against the rule.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, I hate to ask this question, because it does sound farfetched; but would it be possible if this bill were passed and was the law of the land that two men who happened to be friends and drinking together in a bar somewhere decide, "You punch me and I'll punch you and we'll both file claims against the Federal Government."

Mr. WIGGINS. Mr. Speaker, only if they both lied about it, and I would not be surprised if they did.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WYDLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 312, nays 79, not voting 42, as follows:

[Roll No. 324]

YEAS—312

Abdnor	Bonker	Conyers
Addabbo	Bowen	Corcoran
Akaka	Brademas	Corman
Alexander	Breaux	Cornell
Allen	Breckinridge	Cornwell
Ambro	Brinkley	Cotter
Ammerman	Brodhead	Coughlin
Anderson, Ill.	Brooks	D'Amours
Andrews, N.C.	Brown, Mich.	Daniel, Dan
Andrews, N. Dak.	Brown, Ohio	Danielson
	Buchanan	Davis
Annunzio	Burke, Calif.	de la Garza
Applegate	Burke, Mass.	Delaney
Ashley	Burlison, Mo.	Dellums
Aspin	Burton, Phillip	Derrick
AuCoin	Byron	Derwinski
Barnard	Caputo	Dicks
Baucus	Carney	Diggs
Beard, R.I.	Carr	Dingell
Bedell	Carter	Downey
Benjamin	Cavanaugh	Drinan
Bennett	Cederberg	Duncan, Oreg.
Bevill	Chappell	Duncan, Tenn.
Biaggi	Chisholm	Early
Bingham	Clay	Edgar
Blanchard	Cochran	Edwards, Ala.
Blouin	Cohen	Edwards, Calif.
Boggs	Coleman	Eilberg
Boland	Collins, Ill.	Emery
Bolling	Conte	English

Ertel	Lederer	Rhodes
Evans, Colo.	Leggett	Richmond
Evans, Del.	Lehman	Rinaldo
Evans, Ga.	Lent	Risenhoover
Fary	Levitas	Rodino
Fascell	Lloyd, Calif.	Rogers
Fenwick	Lloyd, Tenn.	Rose
Fish	Long, La.	Rosenthal
Fisher	Luken	Rostenkowski
Fithian	Lundine	Roybal
Flood	McCloskey	Ruppe
Flowers	McCormack	Ryan
Foley	McDade	Santini
Ford, Mich.	McFall	Sarasin
Ford, Tenn.	McKay	Sawyer
Forsythe	Madigan	Scheuer
Fountain	Maguire	Schroeder
Fowler	Mahon	Schulze
Fraser	Mann	Seiberling
Frenzel	Markey	Sharp
Frey	Marlenee	Sikes
Fuqua	Mathis	Simon
Gaydos	Mattox	Sisk
Gephardt	Mazzoli	Skelton
Gilman	Meeds	Skubitz
Ginn	Metcalfe	Slack
Glickman	Meyner	Smith, Iowa
Gonzalez	Mikulski	Smith, Nebr.
Gore	Mikva	Solarz
Gradison	Milford	Spellman
Gudger	Miller, Calif.	Spence
Hagedorn	Mineta	St Germain
Hamilton	Minish	Staggers
Hammer-schmidt	Mitchell, Md.	Stangeland
	Mitchell, N.Y.	Stanton
Hanley	Moakley	Stark
Hannaford	Moffett	Steed
Harkin	Moore	Stockman
Harrington	Moorhead, Pa.	Stokes
Harris	Mottl	Stratton
Harsha	Murphy, Ill.	Studds
Hefner	Murphy, N.Y.	Stump
Heftel	Murphy, Pa.	Thone
Hillis	Murtha	Thornton
Hollenbeck	Myers, Gary	Traxler
Holtzman	Myers, Michael	Treen
Horton	Myers, Ind.	Trible
Howard	Natcher	Tsongas
Hubbard	Neal	Tucker
Huckaby	Nedzi	Udall
Hughes	Nichols	Ullman
Hyde	Nolan	Van Deerlin
Ireland	Nowak	Vander Jagt
Jacobs	O'Brien	Vanik
Jeffords	Oakar	Volkmer
Jenrette	Oberstar	Walgren
Johnson, Calif.	Obey	Walker
Jones, N.C.	Ottinger	Walsh
Jones, Okla.	Panetta	Watkins
Jones, Tenn.	Patterson	Weaver
Jordan	Pattison	Weiss
Kasten	Pease	Whalen
Kastenmeier	Pepper	Whitley
Kazen	Perkins	Wilson, C. H.
Kelly	Pickle	Winn
Kemp	Pressler	Wirth
Keys	Preyer	Wolff
Kildee	Price	Wright
Koch	Pritchard	Wylie
Kostmayer	Pursell	Yates
Krebs	Quie	Yatron
Krueger	Rahall	Young, Alaska
LaFalce	Rangel	Young, Mo.
Le Fante	Regula	Zablocki
Leach	Reuss	

NAYS—79

Anderson, Calif.	Gibbons	Montgomery
	Goldwater	Moorhead, Calif.
Archer	Goodling	
Armstrong	Grassley	Patten
Badham	Guyer	Pettis
Bafalis	Hall	Pike
Bauman	Hansen	Quillen
Burgener	Hightower	Roberts
Burke, Fla.	Holland	Robinson
Burleson, Tex.	Holt	Rousselot
Butler	Ichord	Rudd
Clausen, Don H.	Jenkins	Runnels
	Ketchum	Satterfield
Clawson, Del	Kindness	Shuster
Cleveland	Lagomarsino	Snyder
Collins, Tex.	Latta	Steiger
Conable	Long, Md.	Symms
Crane	Lott	Taylor
Cunningham	Lujan	Waggonner
Daniel, R. W.	McClory	White
Devine	McDonald	Whitehurst
Dickinson	McEwen	Whitten
Dornan	Marks	Wiggins
Edwards, Okla.	Marriott	Wilson, Bob
Erlenborn	Martin	Wydler
Flynt	Michel	Young, Fla.
Gammage	Miller, Ohio	
Giaimo	Mollohan	

NOT VOTING—42

Ashbrook	Findley	Roncalio
Badillo	Flippo	Rooney
Baldus	Florio	Russo
Beard, Tenn.	Hawkins	Sebelius
Beilenson	Heckler	Shipley
Bonior	Johnson, Colo.	Steers
Broomfield	McHugh	Teague
Brown, Calif.	McKinney	Thompson
Broyhill	Moss	Vento
Burton, John	Nix	Wampler
Dent	Poage	Waxman
Dodd	Quayle	Wilson, Tex.
Eckhardt	Railsback	Young, Tex.
Evans, Ind.	Roe	Zeferetti

The Clerk announced the following pairs:

Mr. Teague with Mr. Sebelius.
Mr. Thompson with Mr. Wampler.
Mr. Baldus with Mr. Quayle.
Mr. Hawkins with Mr. Ashbrook.
Mr. McHugh with Mr. Broyhill.
Mr. Dent with Ms. Heckler.
Mr. Russo with Mr. McKinney.
Mr. Florio with Mr. Findley.
Mr. Rooney with Mr. Steers.
Mr. Zeferetti with Mr. Broomfield.
Mr. Flippo with Mr. Railsback.
Mr. Eckhardt with Mr. Beard of Tennessee.
Mr. Badillo with Mr. Waxman.
Mr. John Burton with Mr. Moss.
Mr. Evans of Indiana with Mr. Vento.
Mr. Nix with Mr. Beilenson.
Mr. Roncalio with Mr. Bonior.
Mr. Charles Wilson of Texas with Mr. Dodd.
Mr. Shipley with Mr. Brown of California.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT DURING 5-MINUTE RULE TOMORROW

Mr. PREYER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Government Information and Individual Rights of the Committee on Government Operations may be permitted to sit during the 5-minute rule tomorrow, Thursday, June 9, 1977, at 9 a.m., if the House is meeting under the 5-minute rule at the time, to conduct an investigative hearing at which Attorney General Griffin Bell will appear.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ROUSSELOT. Reserving the right to object, Mr. Speaker, does the gentleman assure us that there will be no mark-up of any bills and that the subcommittee will be meeting strictly for a hearing?

Mr. PREYER. Mr. Speaker, the gentleman is correct. It will be strictly for a hearing.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PROPOSED AMENDMENT TO H.R. 7636

(Mr. McCORMACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, tomorrow when H.R. 7636, the interior appropriations bill for fiscal year 1978, comes before the House, I shall submit an amendment to add approximately $40 million to the level proposed by the committee in the field of energy conservation.

Mr. Speaker, the details of this amendment will appear in the Extensions of Remarks today.

COMMONSENSE ON RACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALKER) is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, in Newsweek magazine on January 24, 1977, columnist George Will took an enlightened look at the Federal Government's efforts in the area of affirmative action. As I have mentioned on previous days, I firmly support efforts to promote equal opportunity for all; however, the use of goals and/or quotas to further the progress of one group of individuals at the expense of others is a matter of grave concern to me. Quotas are discriminatory no matter who implements them.

I urge my colleagues to pay particular attention to the last half of Mr. Will's very intelligent treatment of this subject.

Mr. Will's column follows:

COMMONSENSE ON RACE

(By George F. Will)

The Supreme Court has just handed down a decision about the perennial American problem, race. The Court said nothing astonishing. Indeed, what is astonishing is that confusion about the nation's premises is so substantial and widespread that the court was compelled to say what should be obvious. The Court, in effect, said this: the fact that a suburb is predominantly white does not impose upon it a constitutional duty to alter its racial composition.

Arlington Heights is a predominantly white suburb of Chicago. In 1971, a Chicago development corporation decided to build subsidized housing there for low- and moderate-income tenants. But the decision was contingent upon Arlington Heights' rezoning a particular tract of land to permit multiple-family dwellings. The rezoning request was debated at several well-attended hearings, and then refused.

The developer and several individuals sued. The district court upheld the refusal, noting that the record of the hearings indicated that it was based on two legitimate reasons. First, construction of the housing project would depress property values in a neighborhood where people had purchased property in the expectation that such construction would not occur. And this expectation was reasonable because Arlington Heights' longstanding policy was not to permit multifamily dwellings in such areas.

Next, the court of appeals agreed that the rezoning refusal was not racially motivated, but said the "ultimate effect" of the refusal was "racially discriminatory" because it had a disproportionate impact on blacks. Based on family income, blacks constituted 10 percent of the Chicago-area residents eligible for such subsidized housing, although blacks constitute a much lower percentage of the Chicago-area population.

TRADITIONAL ZONING

The court of appeals even declared that Arlington Heights was "exploiting" the growth of its area by allowing itself to re-

main so predominantly white. The court found intolerable the discriminatory effect of the community's refusal to take affirmative action (revision of zoning policy) likely to increase the number of black residents. So the court ruled that the community's adherence to its traditional zoning policy violates the equal-protection clause of the Fourteenth Amendment.

The Supreme Court's rejection of this tortured argument was refreshingly crisp. The Court held that even when an official policy bears more heavily on one race than another, proof of a discriminatory purpose is required to prove a violation of the equal-protection clause.

The Court cited its own reasoning in a 1976 case involving two blacks whose applications to become District of Columbia policemen had been rejected. They challenged the constitutionality of a standard government literacy test on the ground that a higher percentage of blacks than whites failed the test. This meant, they said, that the test violated their right to "due process." But the court noted that the two blacks "could no more successfully claim that the test denied them equal protection than could white applicants who also failed." And the Court stated the principle that was to govern the Arlington Heights case: the racially disproportionate impact of a policy is without constitutional significance unless there is proof of a racially discriminatory purpose.

PANDORA'S BOX

The Court could hardly have ruled otherwise. If it had, it would have imposed on government a bizarre and paralyzing new constitutional duty: before government could take any significant action, it would have to establish that the action probably would not have a disproportionate "racial impact." And in the immortal words of the late Ernest Bevin, "If you open up that Pandora's box you'll find a lot of Trojan horses inside."

The principle the Supreme Court affirmed in the Arlington Heights case is no more than common sense. But common sense is more than can confidently be expected from government today. After all, in the Arlington Heights case the court of appeals tried to impose on a town the sort of "affirmative action" that is odious when imposed on employers whose payrolls do not have a government-approved racial or sexual composition. That is, the court said, in effect, that Arlington Heights' traditional zoning standards must be changed because they help produce a community with the "wrong" racial statistics.

Today the government is pressuring many employers, such as universities, to end "underutilization" of this or that racial or ethnic or sexual group, and to bring their faculties and student bodies into line with this or that Federal agency's statistical notion of justice. Such "affirmative action" decrees are the most serious violations of academic freedom in U.S. history. They abridge the academy's most fundamental freedom, the freedom to select its professorship solely in accordance with standards of scholarly excellence. And in attempting to regulate the racial and ethnic composition of student bodies, Philistines from the government have tried to abridge the freedom of the university to control its curriculum. Sidney Hook has reported this example:

"At one Ivy League university, representatives of the Health, Education, and Welfare Department demanded an explanation of why there were no women or minority students in the graduate department of religious studies. They were told that a reading knowledge of Hebrew and Greek was presupposed. Whereupon the representatives of HEW advised orally: 'Then end those old-fashioned programs that require irrelevant languages. And start up programs on relevant things which minority group students can study without learning languages'."

COLOR-BLIND JUSTICE

Such know-nothingism is a stench in the nostrils of reasonable people, and not just because it repudiates the principle that government should be color-blind. It also repudiates the premise of our legal system and political order. That tenet is this: justice can only result from considering the rights and interests of individuals. The idea behind "affirmative action" programs is this: justice results from government's assigning rights and benefits to racial and ethnic groups.

Government is telling universities that they must take "affirmative action" to alter the racial and ethnic composition of their faculties and student bodies in order to approximate what the government considers the "right" balance of government-approved groups. In the Arlington Heights case, the court of appeals ruled, in effect, that that suburb has a constitutional duty to take "affirmative action" (to revise its zoning policy) in order to acquire a racial composition pleasing to that court. That the Supreme Court thwarted the court of appeals is gratifying. That the Supreme Court had to thwart it is depressing.

COMMUNITY DEVELOPMENT PROGRAM FUNDS SHOULD BENEFIT THE MOST NEEDY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, with the passage of the 1974 Housing and Community Development Act there was a major change in the method to provide funds to local communities for what was then called urban renewal. The 1974 bill proposed community development programs that would no longer be funded through categorical grants, but would be funded through block grant or revenue sharing type programs in the belief that the decisionmaking process on how to spend Federal money locally could best be determined by those at the local level rather than in Washington.

I expressed concern about this approach back in 1974 and this year when the Housing and Community Development Act was again considered, I brought out statistics to show that in the 2 years that the CD program had been in operation these funds were not being spent to alleviate the serious problems for which the program was originally established. The 2-year study showed that in the first year, 34 percent of the community development funds were expended for the national objective of preventing or eliminating slums, blight or deterioration, while the second year shows that only 17 percent was used for that same purpose.

This same 2-year study shows that CD activities in the first year were located away from low and moderate income areas and toward middle and high income areas, and data from the second year shows that this trend is intensifying, with the proportion in low and moderate income tracts dropping from 51 percent to 44 percent.

During debate on this year's housing bill, both in the committee and on the House floor, I attempted to amend the bill to include language that would require a community to expend a certain portion of its community development funds on low and moderate income people for whom the legislation was originally intended. I was not successful, but I am pleased to report that the Assistant Secretary for Community Planning and Development recently issued a memo to all of the HUD field offices responsible for reviewing the community development applications to be sure that the main thrust of their application is to benefit those people who are most needy within the community.

My concern is not only how the community development money is being used, but also the fact that no one but the most affluent among us can now afford to own their own home. I refer to this problem in the following remarks which I made at a recent meeting of Texas real estate brokers:

There are about 206 million Americans, and most of us—some 150 million—live in cities. Ironically, though, the central cities are hardly growing at all. People are moving into metropolitan areas—moving from the cities into the suburbs, and from the countryside into the suburbs. There is a tremendous amount of movement, and it creates immensely complex problems for those of us who have the responsibility to try and create programs that alleviate the problems, and help meet the needs of all those people. All this movement creates problems, too, for those who—like you—have responsibility for trying to find decent housing at a decent price, to accommodate those who are trying to move.

The sad thing is that in recent years we have not been building enough housing to meet the nation's needs. We have been falling short by about 20 per cent, and the result has been a tight market. It is not unusual to see places where the cost of a house increases by twelve per cent a year—and in California the increase can be 20 per cent or more. Part of this is because everything costs more, but a good part of the problem is that there is far more demand than there is housing.

In any tight demand situation of this kind, the poor and the lower income get squeezed out. But the experience of the last few years has been so devastating that it is not just the poor who get squeezed out—it is all but the most affluent among us.

In 1970, nearly half of all Americans could afford to go out and buy a new home. At that time you could buy the median priced home for $23,000 or so. You could live in a house for $217 a month or so. But that is no longer true. Today the median price new home costs better than $44,000 and it takes at least $400 a month to own that kind of home. Only one American family in four can afford to buy a new home today.

In 1970, housing for the low and moderate income family was a real need—and it was a need that could be met. But today, with three-fourths of the nation's families priced out of the housing market, efforts to meet the needs of the moderate and low income families have been all but forgotten. We are in the midst of a genuine housing crisis—for the price of housing is now increasing twice as fast as our annual incomes.

Even though a tremendous amount of growth is taking place in the South and Southwest, and even though perhaps half of all the new houses that will go up in the next ten years will be built in the south and west, we will still have serious housing probems in these parts of the country.

The fact is that we won't have enough housing built in the state to take care of all our needs. For we need not only enough houses to take care of newly formed families—we also need houses to replace old

units that are beyond repair and ready for the scrap heap.

There is a housing shortage—and not just for the poor. But it is the poor—and by definition that includes more than a reasonable share of minority group persons—are the ones who suffer first, most and the longest.

Here in Texas, the last census showed that there are 390,000 black families. A little more than half these families lived in their own homes, and most lived in urban areas.

The median value of a black-owned home in Texas at that time was just $7800. One-third of the black-owned homes in this State were built before 1939. Another third was build in the 1950's. The age of this housing alone suggests that blacks—and this is largely true for other minorities as well—suffer far more from a housing shortage than other segments of society. The poor are the ones who live in old and dilapidated houses; the poor are the ones who need the greatest amount of housing help. But with the cost of housing going up and out of sight, and with perhaps half of the whole nation's families needing subsidies or help of some kind or another to obtain housing—it is easy to see that the housing crisis for the poor will not end at any time soon.

Consider this: in 1974 there were 29 million American families eligible for some form of housing assistance. Of all those people, only two million—one out of fifteen eligible families—got any help.

In the face of continually rising needs, during the last ten years, the amount of publicly owned low rent housing started actually declined. In 1966 this country built 31,000 public housing units. In 1975 we built only 11,000.

In all the years that we have had loans and grants to provide rehabilitation for houses, there have only been 57,000 units rehabilitated.

In 1975 we handed out $2 billion to cities and towns in the form of community development block grants. Out of that whole $2 billion, just one dime out of a dollar went to provide rehabilitation loans and grants. Cities used a dime for rehabilitation, and a nickel for tearing down houses—and since you know it costs less to clear a site than to rehabilitate it, you know that the net result was less housing for poor people—not more.

We are spending $15 billion a year or so in this country on urban development programs of all kinds—but we are reaching only one out of every fifteen families that need help in getting housing.

For all the fancy titles and programs we have—section 8, section 235, section 236, and all the rest—the fact is that we are not doing enough, for the range of need continues to grow, rather than shrink.

Part of the problem is that money that should be going for housing is being used for other things.

In the community development block grant program in 1975, cities spent as much of the money for administration as they did for completing urban renewal projects. They spent twice as much for public works as they did for housing rehabilitation. That's a matter of special interest, because in the usual course of things, those public works jobs would have been paid for out of local revenues. In other words, the Federal government has turned from programs that subsidize people to programs that subsidize governments. In the face of growing housing needs, badly needed housing funds are being diverted to programs that should be financed through other means. That is why we can spend billions, and still end up with less in terms of housing resources than we had previously.

We have all kinds of programs: we have deep subsidies, we have shallow subsidies, and we have in between subsidies. But in no case do we have enough of any of them to meet anything like the need that exists.

Half our population cannot afford to buy a new home.

The answer is not to tell people to look at old houses, because only 36% of the people can afford to buy even an older home.

The answer is to give housing assistance programs enough resources to really do the job.

And there are possibly ways to help, besides through outright subsidies.

Most of you, being self-employed, or at least acquainted with people who are, know about the Keogh Plan. This plan allows you to put money into a savings account and deduct that money from your income, for tax reporting purposes. When you retire, you pay tax only on what you draw down. It's a powerful incentive to save.

It seems to me that we could have a similar plan to encourage home ownership. Young families today have a very hard time coming up with the payment to buy a house—as you well know. One way to resolve this would be to have a tax-free savings account for first-time home buyers. They could pay into this account say, up to $2500 a year, limited to a maximum of $10,000. This account could be used only for buying a house and no person could ever have more than one account. It would be a one-time only nest egg.

This kind of thing involves only a very shallow subsidy—what people in Washington like to call a modest tax expenditure. It is one way of getting young families into a home, and one way of stimulating the market.

Surely there are other ideas.

But the need is great—and our resources are inadequate. We need ideas of all kinds, and we need the resources to put people into houses.

The country is in a real crisis; we may be a well-housed nation, but our housing supply is far short of our needs. The result is that families are living in crowded conditions, and houses that are fine today are being broken down by the stress; and neighborhoods are going downhill under the pressure of too many people in too few houses, living on too little income and paying too much rent. Beneath our prosperous facade, we are becoming an ill-housed nation, going back into a condition that everyone rightfully believed had been beaten back in 1970.

Certainly we have seen progress in the last ten years, and in the last twenty. Minority groups are making progress; society is opening up opportunities that did not exist before.

But the prosperity and opportunity exist for all too few. For every fine new suburb, there is still an old slum. And for every family that gets some kind of help, there are fifteen others who are just in as much need, and have no assistance.

This is the reality that we have to deal with. Federal programs are there, and some of them even work. But they are not enough, they don't work enough, and they don't provide enough. The programs that work, need more resources. We need new ideas, as I have suggested.

Most of all, we need thoughtful and concerned citizens who will say—I want my own home, and I want a decent home. It may be modest, but it ought to be tight in the winter, and it ought to be soundly built, and it ought to be a place that I can be proud of.

That is a modest enough dream.

It was a dream that seemed in our grasp, when Lyndon Johnson was in office. It is a dream that seems far distant now—and yet, if we came close before, surely we have not forgotten how to get there again!

CHANGING THE IMMIGRATION LAW REGARDING MARIHUANA OFFENSES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN), is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, today Mr. DODD of Connecticut and I are introducing legislation that would liberalize the harsh sanctions in our immigration laws against anyone who has been convicted of a marihuana violation, including the most minor. Under present law, a person who has been convicted of any marihuana offense cannot be admitted to this country. He has no right to a hearing to show the offense was a minor one or committed when he was very young. The Attorney General has no discretion to waive the bar in compelling circumstances. Likewise a noncitizen in this country, who is convicted of any marihuana offense, is subject to deportation and is barred from readmission to the country.

The only remedy for a noncitizen, who has been convicted of a marihuana offense, is a private bill in the Congress, which must pass both Houses and be signed by the President, like any other piece of legislation.

Since private bills are not easy to come by, many Americans are seriously affected. If the noncitizen spouse or child of an American citizen has been convicted on a marihuana charge, the American must make the impossible choice between family and country.

Such harsh sanctions are out of line with the trend and treatment of unanimous violations in this country.

Several States have decriminalized the possession of marihuana and others have drastically reduced the penalties. Moreover, the present situation imposes an undue burden on the Congress; decisions like these are better made in an administrative setting.

Our bill would eliminate conviction for possession of marihuana, distribution of marihuana for no remuneration, or conspiracy to commit either of these acts as bars to admission or grounds for deportation. Of course, the would-be immigrant would still have to meet all other standards for admission.

Since cases involving conviction for sale or conspiracy to sell marihuana are much more serious, our bill would not afford blanket admission in these circumstances. Indeed, it would not allow any admission at all, unless the Attorney General, after a hearing, found extenuating circumstances and agree to waive the provision.

I urge passage of this bill.

The text follows:

H.R. 7667

A bill to amend the Immigration and Nationality Act to provide that in certain instances aliens convicted of marihuana offenses shall not be denied admission to, or deported from, the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That (a) section 212 of the Immigration and Nationality Act is amended by adding at the end thereof the following new subsection:

"(k)(1) An alien shall not be excluded from the United States under paragraph (23) of subsection (a) of this section on the ground that such alien—

"(A) has been convicted of distributing or conspiring to distribute marihuana for no remuneration, or

"(B) has been convicted of selling or conspiring to sell marihuana,

if after a hearing or hearings the Attorney General, in his discretion and pursuant to such terms, conditions, and procedures as he may by regulations prescribe, has consented to the alien's applying or reapplying for a visa and for admission to the United States.

"(2) An alien shall not be excluded from the United States under paragraph (23) of subsection (a) of this section on the ground that such alien—

"(A) has been convicted of possessing or conspiring to possess marihuana, or

"(B) is known or believed to be or to have been an individual who distributes marihuana for no remuneration.".

(b) Section 241 of such Act is amended by adding at the end thereof the following new subsection:

"(g)(1) An alien shall not be deported under subsection (a)(4) or (a)(11) on the ground that such alien—

"(A) has been convicted of distributing or conspiring to distribute marihuana for no remuneration, or

"(B) has been convicted of selling or conspiring to sell marihuana,

if after a hearing or hearings the Attorney General, in his discretion and pursuant to such terms, conditions, and procedures as he may by regulations prescribe, determines that such alien shall not be deported.

"(2) An alien shall not be deported under subsection (a)(4) or (a)(11) on the ground that such alien has been convicted of possessing or conspiring to possess marihuana.".

(c) Section 101(a) of such Act is amended by adding at the end thereof the following new paragraph:

"(42) The term 'marihuana' means marihuana as defined in section 102(15) of the Controlled Substances Act.".

FARMERS SUFFER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, I want to call to the attention of my colleagues the desperate situation which confronts agriculture in the State of Florida.

Last winter saw our State suffer a bitter freeze, and our farmers were unable to overcome that disaster when a serious drought hit. Since Florida is a major producer of food for America, the effects are going to be far reaching.

I have contacted the Secretary of Agriculture to urge that every possible disaster agricultural program be utilized, but even at best, the situation is such that many farm families may not be able to survive this crisis.

Obviously, that which affects the farmer is going to affect the towns and cities, and our unemployment rate in Florida is already at an intolerable level. Much attention has been focused on the drought which has hit the West, and rightly so, but I want to note that the situation in my State is also critical.

Cattle, feed grains, and pastures have been particularly hard hit in my area.

This past weekend I visited some of the areas hardest hit, and the situation is as bad as any time I can remember. Many farmers have completely exhausted their hay supply for their cattle, and serious damage is going to result from overgrazing the parched pastures.

Jackson County is a good example. Here peanuts are a major crop. I find that only three-fourths of the crop was even planted, and over half of that failed to mature. This is not just an isolated instance, the problem exists all over the State.

Emergency loans and programs already on the books can help. There is no complete solution, but I feel we owe it to these hard-hit families to do all that we can to help them over this hurdle.

U.S. CANAL ZONE AND PANAMA ARE U.S. TERRITORY AND PROPERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, in the course of my activities in support of continued undiluted U.S. sovereign control over the U.S. Panama Canal and its protective frame of the Canal Zone, I have received many hundreds of letters from all the States of the Union and abroad. The ratio of those supporting my position to those opposing it are more than 550 to 1, which is simply overwhelming.

One of the finest letters so far received was from Dr. N. M. Carmardese, M.D., of Norwalk, Ohio, who is giving it wide distribution.

In order to bring Dr. Camardese's letter to the attention of all Members of the Congress, I quote it as part of my remarks:

MAY 26, 1977.

PANAMA CANAL IS U.S. PROPERTY!

Congressman DANIEL J. FLOOD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FLOOD: Thus said the purchase agreement.

Thus say 99.6% of the American people—proven by a representative vote of approximately 40,000 (forty thousand) American citizens in Northwest Ohio.

Panama Canal is U.S. Property—morally, legally, and historically.

99.6% of American people surely must have sufficient wisdom, knowledge, and understanding of right reason, morality, history, law, self-protection, world affairs, and protection of U.S. interests—the American Heritage—and freedom for U.S. and the world.

Will American "Leaders" abide by the "will" of the American people?

Will American "Leaders" fulfill their constitutional mandates?

Will American "Leaders" abide by "perpetual", valid, contractual agreements?

Will American "Leaders" not compromise principle for the sake of ephemeral, destructive, situation ethic?

Will American "Leaders" stand firm in the face of bullying threats from tyrannical dictatorial bullies?

Will American "Leaders" stand erect and firm for the sake of American interests and worldwide freedoms?

Will American "Leaders" do that which ought to be done—namely—Retain Permanently U.S. properties?

Will American "Leaders" quit being deceived by irresponsible "world conquerors"—and dictatorial bullies?

Will American "Leaders" keep their oath they have taken to uphold the U.S. Constitution?

If the answer is YES—to all the above—as it ought to be—then—the Panama Canal will remain U.S. property—as it is!

If the answer to the above is "no!"—then—the American people are "deceived" by their own, so-called "leaders."

'Tis later than it has ever been before in the history of the life and age of American freedom and world freedom.

America—the best country God gave the plundered by too many of our own so-called world—EVER—is too often decived and "leaders."

'Tis time to call a halt to destructive, worn-out, failure-proven "social inventions"—and return America to fundamental principles and the precepts of God, Constitutional Government, the Dignity of the Individual, Individual Responsibility, and preserve the great American Heritage bestowed upon us by Almighty God, espoused by our glorious Founding Fathers, and defended by hundreds of thousands of Americans with their blood and lives.

"This time to stand for righteousness and deft and defeat "evil"—evil being that which demeans the Dignity of the Individual based upon God-given freedoms, Natural Law, and Constitutional Government.

Gentlemen—leaders—take heed! Upon your shoulders will rest the possible bloodshed of future conflagrations and the loss of U.S. and world freedom—when it will have been you—as history will record—who will have deceived principles—truth—and the Dignity of the Individual—and have rather—succumbed to ephemeral popularity, situation ethics, and Socialistic and Communistic pressures. You will have—again—aided the enemy—as has been done so many times in the past—who will eventually destroy and bury the U.S.—and puff out the light of freedom in the world.

Do not let it happen—for—99.6% of the American people request this from you.

On May 3, 1977, approximately 40,000 people were surveyed with the aid of two newspapers—namely, the Norwalk Reflector and the Sandusky Register. Approximately 543 replies were received. Of these 541 were unanimously in favor of H.R. 92—Congressman Flood's resolution to keep the Panama Canal. Only two were negative. Interestingly there were also 69 students at a local school who wished to express their opinions—totally in favor of Congressman Flood's resolution.

Please help protect American interests and American freedoms.

God speed!

Respectfully,

N. M. CAMARDESE, M.D.

CONGRESSIONAL TALENT BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 5 minutes.

Mrs. BOGGS. Mr. Speaker, the Congressional Clearinghouse on the Future, which some of us formed in April 1976 to share information related to the future, has created a Congressional Talent Bank. The purpose of the talent bank is to help committees and subcommittees implement rule X, section 2(b)(1) which states that "all committees and subcommittees—except Budget and Appropriations—shall, on a continuing basis, undertake future research and forecasting on matters under the jurisdiction of that committee."

The talent bank is composed of persons from corporation planning departments, university futures research programs, private consulting firms specializing in trend analysis and forecasting,

and the private sector—citizens who are in some way interested in and committed to thinking about the future.

Participants in the talent bank are volunteers who have expressed an interest in looking at legislation from the point of view of the future. They have indicated the following areas of expertise: aerospace, defense, arts, humanities, economics, business, employment, education, energy, engineering environment food and population, international relations, medicine and health, rural development and agriculture, social needs and human rights, telecommunications and computers, transportation, and urban affairs and housing. The number of individuals participating grows as the clearinghouse staff identifies individuals who are working in these areas with an emphasis on the future.

Our committees and subcommittees can use this new Talent Bank in several ways, Mr. Speaker. Some of our suggestions are:

Witness lists can be provided with an indication of each individual's background and area of expertise.

Quick, easy-to-read responses to specific inquiries can be delivered to staffs within a week or two after the initial request. Background information will be made available when needed.

Informal meetings with Talent Bank participants can be arranged for Members of Congress and their staffs. These sessions may span whatever length of time is deemed necessary by those participating.

With the help of other support agencies on the Hill, foresight hearings to explore emerging issues and alternative policy options can be arranged with the Talent Bank participants and the clearinghouse.

Mr. Speaker, the beginning of interest in foresight has been evidenced in several ways in the House of Representatives. The Honorable LLOYD MEEDS recently held foresight hearings in his Subcommittee on Water and Power Resources of the Interior Committee to look at the long range effects of the current water shortage in the West.

The Honorable CARL PERKINS' Subcommittee on Elementary, Secondary, and Vocational Education of the Education and Labor Committee recently held foresight hearings to consider the impact of demographic trends on the future of elementary education. Joseph Coates from the Office of Technology Assessment presented some revealing data identifying likely results 8 years ahead of policies and demographic patterns evident today.

In the areas of energy, the environment, small business and rural development, our colleagues have begun to ask questions relating to the future, and we can expect to see more foresight hearings in the 95th Congress.

Mr. Speaker, the Congressional Talent Bank participants are ready and willing to work with all committee and subcommittee staffs who seek their expert knowledge. This exciting new tool can be tremendously helpful to us as we begin to assume our foresight responsibilities in the Congress.

HONORING MIKE MONRONEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. STEED) is recognized for 5 minutes.

Mr. STEED. Mr. Speaker, as a Member of the Congress from Oklahoma for 30 years, 12 in the House and 18 in the Senate, A. S. Mike Monroney achieved a distinguished record of public service few have equalled.

He gained national recognition in many fields—congressional reform, for example, and soil conservation. But in no other area has he made such a substantial contribution to the progress of our country as in aviation.

As chairman of the Senate Aviation Subcommittee Senator Monroney sponsored landmark legislation.

In 1958 he became the author of the Federal Aviation Act, establishing the Federal Aviation Agency to provide unified and independent control of air traffic and air space for both civil and military aviation.

He was author of such measures as the Federal Aid to Airports Acts of 1955 and 1959, 1961 and 1964, the permanent certification of Feeder Airlines Acts of 1957 and 1961, and legislation setting up the ground rules for supplemental carriers, small business segment of aviation, in 1960 and 1962.

No one else contributed as much to the development of the great FAA Aeronautical Center at Oklahoma City. Since its foundation just after World War II it has grown to an installation of 4,000 employes largest civilian aviation operation of its type in the Nation.

For much of this Senator Monroney's farsightedness is responsible.

I am, therefore, proud together with the entire Oklahoma congressional delegation, to introduce a bill to designate the FAA Aeronautical Center at Oklahome City as the Mike Monroney Aeronautical Center.

Senators DEWEY F. BARTLETT and HENRY BELLMON are sponsoring the legislation in the Senate, and in the House I am joined in doing so by Congressmen JAMES R. JONES, GLENN ENGLISH, TED RISENHOOVER, WES WATKINS, and MICKEY EDWARDS.

Mike Monroney's active interest in aviation goes back at least to the days just after he graduated from the University of Oklahoma School of Journalism when he served from 1924 to 1929 as aviation editor of the Oklahoma News.

In that capacity he actively promoted public interest in the State in aviation. For instance, he accompanied W. S. "Cheebie" Graham, founder of the first aviation school in Oklahoma, on a flight from Troy, N.Y., to Oklahoma City in a Waco 9. This flight took 3 days and included landings in pastures for refueling.

Monroney interviewed Charles A. Lindbergh at Lambert Field, St. Louis, when the pilot returned from his famous solo flight to Paris in May 1927.

An admirer of Wiley Post, Monroney contributed $12.50 to a fund raised to back the Oklahoma aviator's round-the-world flight in 1933. Many years later, incidentally, as Senator, Monroney was active in changing the name of Tulakes Airport at Oklahoma City to Wiley Post Field.

A friend of Will Rogers, Monroney also led in the move to rename the commercial airport at Oklahoma City in his honor.

After entering Congress in 1939, Monroney played a key role in the establishment of Tinker Air Force Base at Midwest City and of Douglas Aircraft plants in Oklahoma City and Tulsa.

During the disarmament wave which followed World War II, Senator Monroney led the fight in the House of Representatives against drastic cuts in Air Force appropriations and consistently battled for an adequate national air defense.

Senator Monroney has received many honors and awards for his distinguished service in the field of aviation. In 1961, he won the Wright Brothers Memorial Trophy, one of aviation's highest honors. He was chosen by a seven-member committee headed by Jacqueline Cochran, then president of the National Aeronautic Association on the basis of "more than three decades of public service dedicated to the advancement, safety and equitable regulation of aviation in this country, first as a Member of the House of Representatives, and then as a United States Senator."

S. G. Tipton, president of the Air Transport Association and one of the trophy committee members who nominated Senator Monroney cited as some examples of his aviation leadership:

His continuous emphasis on air safety, his pressure for further advancement in the art of air navigation and traffic control, his leadership in the field of air cargo development, and the foresight which has put him in the vanguard of aircraft development throughout the country for over a decade.

Among previous winners of the coveted award were Charles A. Lindbergh in 1949 and Gen. James H. Doolittle in 1952.

In 1964, Senator Monroney won the Tony Jannus Award for outstanding contributions to the scheduled airline industry. Two years later, he was honored by his hometown of Oklahoma City as "Mr. Aviation" during a weekend dedication of the new Will Rogers World Airport terminal. In an article in National Aviation magazine in December 1961, which featured a photograph of Senator Monroney on its cover. The Oklahoman was described as "Dean of Aviation on Capitol Hill." The article quoted Senator Stuart Symington of Missouri as saying that Monroney was the authority in the Senate on civilian aviation.

I first met Mike Monroney about 1930 when he was with the Oklahoma News and I was a reporter for the Daily Oklahoman. He had founded, with Dave Shackleford, the Oklahoma City Gridiron show, and I had a supernumerary part in it. Much later, we served together in the House for 2 years, 1949 and 1950. During his 18 years in the Senate we worked as members of Oklahoma's congressional team. In our long association I have had many occasions to observe and take part in his effective efforts to advance our State and Nation.

HELP FOR HOSPITALIZED PENSIONERS

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, I am introducing a bill today that will correct an inequity that has existed in our veterans' laws for almost 20 years.

In 1959, the Congress passed Public Law 86–211, which was an attempt to revamp and liberalize the veterans' pension system, in order to make it a fairer program based on need. One of the minor portions of that law was a provision that cut off virtually all of an unmarried pensioner's stipend after he had completed 2 calendar months of hospitalization, or institutional or domiciliary care. This section of the law was not a part of the bill as it passed the House, but rather was appended to the act by the other body at the request of the Veterans Administration.

The rationale of cutting off a pensioner's stipend, as stated by the Senate committee report, was that the veteran was receiving a duplication of benefits. The report stated that—

> When a veteran is receiving all essential care in kind, as he does when hospitalized by the Veterans Administration or as a member of a Veterans Administration domiciliary, the need for a money supplement to the basic essentials of daily living—food, shelter, and clothing—is greatly reduced.

Thirty dollars a month was allotted to provide a veteran adequate funds for minor luxuries. This stipend was later raised to $50.

I find no fault with cutting off the benefits of a pensioner who becomes permanently hospitalized, or who requires Veterans' Administration care for such a period that his other obligations for such items as rent and utility fees are ended. However, I believe the 2-month cutoff date now in effect creates more problems than it solves. A pensioner who is temporarily hospitalized must in most cases continue to pay for rent and upkeep on an outside domicile. I am informed that it is not uncommon for such an individual, who has a low income in the first place, to find himself without even a place to live upon his release from temporary hospitalization. Surely no lawmaker ever intended such a fate to befall our elderly and totally disabled veterans who qualify for pension.

Accordingly, I am introducing a bill today that will extend the period of hospitalization required prior to a pension cutoff to 6 calendar months, which was the time period in effect before the enactment of Public Law 86–211 in 1959. I invite my colleagues to join me in support of this legislation.

INTRODUCTION OF BILL RE SACCHARIN BAN

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, I am today introducing legislation to effect an 18-month provisional moratorium on the proposed ban on saccharin. By its terms the National Academy of Sciences is directed to make a complete assessment of the present capability to tell whether or when substances which have been found to cause cancer in animals may also cause cancer in humans when the same substance is either added to foodstuffs. It also mandates a look into the evaluation of risks and benefits and the means, if they exist, for making such evaluations. These evaluations are to be made available by the end of one year with recommendations for legislative and administrative action.

During the provisional moratorium, the Secretary may not move to ban saccharin or substances containing it based on animal testing. Authority to prescribe labeling is not affected.

The bill I am introducing differs in some respects from the one introduced previously by the chairman of the Subcommittee on Health and the Environment and the ranking minority member of that same subcommittee in two important respects. The ultimate intent of both bills is, I am sure, the same. Because the assessment which is required of the National Academy of Sciences would include toxicity, as well as carcinogenicity, the provisional moratorium should apply to actions based upon either of these conditions, and my bill does so.

A further difference between the bill now being introduced and H.R. 7795 concerns the possible basis for restrictions promulgated during the 18-month period. The original bill would allow the Secretary to institute a ban based upon animal tests performed after the effective date of the legislation but prior to the complete evaluation which the bill contemplates. This would leave open the possibility of a new situation in regard to saccharin which would be a complete rerun of the present problem. By including in the moratorium all animal testing both before and after enactment, we will have a chance to obtain the very best, latest and most authoritative assessment by the Academy.

The bill does not bar the possibility of restrictions based upon conclusive tests involving humans.

In my opinion the bill speaks to the present situation in the most effective way. There has been no doubt in my mind for some time that some kind of legislative action is necessary to reflect the intent of Congress and what clearly seems to be the overwhelming opinion of the American public.

A TIME HONORED CONCERN FOR DRUG ABUSE

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Speaker, at this time in our history when the drug abuse problem is so prevalent, it is extremely refreshing to hear the concern that one young man feels on this issue. Reginald Curry, a junior at Marshall High School, Marshall, Tex., and one of Marshall's outstanding students, recently won first place in the Gulf Coast Region Oratorical Speech Contest and his topic was "Time Honored Concern for Drug Abuse." I would like to call attention to his speech, as follows, for it presents a most unique evaluation of the problem that plagues our society today:

TIME HONORED CONCERN FOR DRUG ABUSE

(By Reginald Curry)

Down through the years, many parents have watered their flowers with carelessness and hatred. Their children have done the same. But, who's to blame, the Spring? No.

I am a flower, and like any flower and child, it must be nourished. Now, if my parents nourish me with waters of carelessness and hatred, what else would I know? After awhile, it is spring. This is the season of the year, or more applicable, the time in my life when I begin to grow. As I grow and become stronger and stronger in my hatredness, and begin killing, stealing, fighting, cursing, and using drugs, am I responsible for what I was taught? Am I to blame? Or, is it the parents who say and act as though it takes too much time to teach a child to live free of the influence of drugs? Or, is it these parents who later regret it because they did not realize that, if they did not take the time to do it right, there would be no time to do it over?

For this reason, will you listen? And I mean Listen, because we have a very serious problem, one that must be solved now, a problem that if not solved in this generation, we may not have another chance. "Drug Abuse," the tragedy that the American society has been trying to solve for quite a long while; "Drug Abuse," the tragedy that will exist for another long while, if our society continues to procrastinate time and does not detect then act upon the reason why. Or, should I say the reasons why drug abusers are engaging in this effort to escape reality? What reasons do drug abusers have to escape reality? One reason is that these people are not satisfied. They look to escape the problems of reality through injecting needles into veins, swallowing pills, and inhaling dangerous odors. The abuser looks to these dangerous drugs to solve each problem, simply because we turn away in interpersonal contacts with family members or friends. Parents in homes, schools, and churches, as a rule, no longer have the time. Finally, after failing to win someone's attention, or someone who will at least try to listen, care and understand, they decide that the next most available choice is the use of drugs. This is not problem of urban America alone; instead, it is a problem for suburbia and rural America, as well.

Drug abuse attacks the nation's most valuable and precious resource; its youth; it creeps quietly into homes and destroys the bonds of families. We must show more concern and become more aware and actively alert as drug abuse moves silently into neighborhoods, and erodes those ties that make for strong communities.

Society must demonstrate Christian concern for these thousands of people who need help so badly. Do you care? You say, "Yes, yes I care." Do you understand? You say, "Sure, sure I understand. But how am I to help these thousands of people and I'm Just One?....

To stick a pin in your balloons of excuses, I say . . . fortunately, there is not one of you here who is any different from me. We are all cells in our society. You are a single cell, and I am a single cell in a body of three billion cells. The body is Mankind.

Of the many billions of cells in my body, there is just one set of cells which enables me to see. But, if this particular group of cells had the power to refuse to carry out its responsibility, my sight would be impaired. Just as I am a cell in my community, and if I, as a single cell failed to fulfill my concern about drug abuse in my community,

it would be further handicapped in this instance.

Being just one may be more easily understood if I used a more popular illustration.

There is an imaginary chain surrounding the entire world. As we are members of the world, we are the links in this chain. Of the numerous links in this chain, each of us is just one. Yes, each is just one link in the chain of humanity and this places a special emphasis upon us as one significant link, one concerned and reliably functioning link. But you ask, "How do we function reliably in a world with such tragic problems as drug abuse and other crises? The solution lies in reenforcing our links of concern with fortitude, and reminding ourselves of that if we do not take the time to live life right, we will not have the time to live life over.

I'm just one, and each of you is just one concerned person who is, or who should be destined to see the day, when every addict of today is freed from the hook of drug abuse.

Christopher Columbus was just one; and yet, his perseverance linked an Old World with a great New World.

George Washington Carver and the peanut were just one, numerically. Nevertheless, countless derivities from the peanut are a result of Dr. Carver's determined efforts and concern to contribute to the betterment of his fellowman.

Thomas Alva Edison's invention of the electric light bulb, illuminated the entire world. Whether it be night or day, his luminous discovery projects a special spotlight that we may more easily see both the pleasant as well as the many tragic once unseen problems which this light shines upon.

I'm just one and I cannot see everything. But, just because I'm just one does not mean that I should refuse to see and act upon the problems which I can do something about. Let us not reject our responsibilities of seeing. To understand why we should not, let me draw your attention to an incident which brings this matter into perfect focus: During a blind speaker's address, the speaker gave his listeners an opportunity to ask questions. One listener, without thinking, asked, "Isn't it awful to be blind?" The speaker replied modestly, saying, "No, not so bad as to have two good eyes and see nothing." After having heard this question and answer session, I sat for a quiet moment and began to think of all the times I had ignored the problems which surround me, and all the times I had said to myself, I am not hooked on drugs, so why should I worry about those who are." Yes, I have two good eyes, but, I just would not see.

Considering this incident, I pray that in times to come, God will grant unto me and all of you . . . the power to perceive all kinds of problems more clearly; the courage and conviction, to make amends and thus become a worthy link in the chain of humanity. Moreover, we as God's children are His time clocks, as well. Some of us have been wound at birth more tightly than others of us. Furthermore, none of us know when our individual clocks will stock ticking. For this reason, we should ask ourselves, "If we do not take the time and concern to do things right, will we have the time to do them over?" I believe that the rendering of useful service in our communities is the common duty of Mankind; and, only in the purifying fire of sacrifice is the effect of selfishness consumed, and the greatness of the human soul set free. Realizing that we cannot do all things, we can join concerned efforts relentlessly, to strengthen and influence society by examples, for the improvement of Mankind . . . by helping those in need to live free of the influence of drugs, because if we fail to take the time to do it now, we may not have the time to do it later.

LEAVE OF ABSENCE

(By unanimous consent, leave of absence was granted to:)

Mr. GILMAN (at the request of Mr. RHODES), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PURSELL) to revise and extend their remarks and include extraneous material:)

Mr. HILLIS, for 60 minutes, on June 30, 1977.

Mr. WALKER, for 10 minutes, today.

(The following Members (at the request of Mr. AKAKA) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.
Mr. FUQUA, for 5 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mrs. BOGGS, for 5 minutes, today.
Mr. STEED, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KOCH, to extend his remarks during consideration of the Koch amendment to H.R. 7552, and to extend his remarks during consideration of Koch amendment to be offered to H.R. 7557 and include extraneous matter.

Mr. ERLENBORN and to include extraneous matter with remarks on H.R. 7552.

(The following Members (at the request of Mr. PURSELL) and to revise and extend their remarks and include extraneous matter:)

Mr. FRENZEL in three instances.
Mr. DORNAN.
Mr. PRITCHARD.
Mr. COHEN.
Mr. PRESSLER.
Mr. MITCHELL of New York.
Mr. FINDLEY.
Mr. CRANE.
Mr. ABDNOR.
Mr. JEFFORDS.
Mr. ROUSSELOT in two instances.
Mr. BROWN of Ohio.
Mr. O'BRIEN.
Mr. RUPPE.
Mr. GILMAN in two instances.

(The following Members (at the request of Mr. AKAKA) and to include extraneous material:)

Mr. HAMILTON.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. GAYDOS.
Mr. WAXMAN in two instances.
Mr. ROYBAL.
Mrs. BURKE of California.
Mr. ECKHARDT.
Mr. BRODHEAD.
Mr. MCDONALD in four instances.
Mr. SHARP.
Mr. BROOKS in three instances.
Mr. TEAGUE in two instances.
Mr. KOCH in three instances.
Mr. FRASER in two instances.
Mr. BEILENSON.
Mr. STEED.
Mr. SCHEUER in two instances.
Mr. HEFTEL.
Mr. BONKER.
Mr. RICHMOND.
Mr. ZABLOCKI in five instances.
Mr. FISHER in 10 instances.
Mr. MCCORMACK.
Mr. WOLFF.
Mr. DELANEY.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 6692. An act to extend certain programs under the Education of the Handicapped Act.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 521. An act to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 2992. An act to authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act of 1973 as amended;

H.R. 4390. An act to authorize appropriations for continuation of construction of distribution systems and drains on the San Luis Unit, Central Valley project, California, to mandate the extension and review of the project by the Secretary, and for other purposes;

H.R. 5040. An act to authorize additional appropriations for the Department of State for fiscal year 1977;

H. R. 5306. An act to amend the Land and Water Conservation Fund Act of 1965, and for other purposes; and

H.R. 6774. An act to make certain technical and miscellaneous amendments to provisions relating to higher education contained in the Education Amendments of 1976.

ADJOURNMENT

Mr. AKAKA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, June 9, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1649. A letter from the President of the United States, transmitting amendments to the fiscal year 1978 budget requests for the Department of Defense-Civil and ACTION (H. Doc. No. 95–170); to the Committee on Appropriations and ordered to be printed.

1650. A letter from the Chairman, Privacy Protection Study Commission, transmitting notice of the Commission's intention to submit its final report to the President and Congress during the week of July 11, 1977; to the Committee on Government Operations.

1651. A letter from the Comptroller General of the United States, transmitting a report on the audit of the financial transactions of the House Beauty Shop for calendar year 1976, pursuant to the Legislative Branch Appropriation Act, 1970 (83 Stat. 347); to the Committee on Government Operations.

1652. A letter from the Chairman, Federal Election Commission, transmitting a copy of a letter sent to the Office of Management and Budget concerning zero-based budgeting, pursuant to section 310(d)(1) of the Federal Election Campaign Act of 1971, as amended; to the Committee on House Administration.

1653. A letter from the Chairman, Federal Election Commission, transmitting a copy of the Commission's report to the Office of Management and Budget on its activities under the Privacy Act during calendar year 1976, pursuant to section 310(d)(2) of the Federal Election Campaign Act of 1971, as amended; to the Committee on House Administration.

1654. A letter from the Director, Defense Security Assistance Agency, transmitting quarterly reports on commercial and governmental military exports, pursuant to section 36(a)(2)–(9) of the Arms Export Control Act; to the Committee on International Relations.

1655. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal year 1979; to the Committee on Interstate and Foreign Commerce.

1656. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968 to authorize appropriations for fiscal year 1979; to the Committee on Interstate and Foreign Commerce.

1657. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended (79 Stat. 915); to the Committee on the Judiciary.

1658. A letter from the Acting Assistant Administrator, Advocacy and Public Communications, U.S. Small Business Administration, transmitting a report on a study of small business by the Office of Advocacy, pursuant to section 206 of Public Law 94–305; to the Committee on Small Business.

1659. A letter from the Secretary of Agriculture, transmitting a global assessment of world food production, pursuant to section 408(c) of the Agricultural Trade Development and Assistance Act, as amended; jointly, to the Committees on Agriculture, and International Relations.

1660. A letter from the Comptroller General of the United States, transmitting a report on reducing submarine supply support costs without impairing readiness (LCD–76–237 June 7, 1977); jointly, to the Committees on Government Operations, and Armed Services.

1661. A letter from the Comptroller General of the United States, transmitting a report on U.S. direct investment in South America's Andean Common Market (ID–76–88 June 7, 1977); jointly, to the Committees on Government Operations, Banking, Finance and Urban Affairs, and International Relations.

1662. A letter from the Comptroller General of the United States, transmitting a report on the evaluation of the U.S. early warning system in the Sinai (ID–77–11, June 6, 1977); jointly, to the Committees on Government Operations, and International Relations.

1663. A letter from the Comptroller General of the United States, transmitting a report on Amtrak's incentive contracts with the railroads (CED–77–67, June 8, 1977); jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHARLES H. WILSON of California: Committee on Armed Services. H.R. 6796. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; with amendment (Rept. No. 95–349, Pt. II). Ordered to be printed.

Mr. ZABLOCKI: Committee on International Relations H.R. 6796. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (Rept. No. 95–349, Pt. III). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Finance and Urban Affairs. Report on allocation of budget authority and outlays for fiscal year 1978 (Rept. No. 95–396). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. Report on allocation of budget totals for fiscal year 1978 (Rept. No. 95–397). Referred to the Committee of the Whole House on the State of the Union.

Mr. MEEDS: Committee on Rules. House Resolution 616. Resolution waiving certain points of order against H.R. 7636. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95–398). Referred to the House Calendar.

Mrs. CHISHOLM: Committee on Rules. House Resolution 617. Resolution providing for the consideration of H.R. 6666. A bill to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes (Rept. No. 95–399). Referred to the House Calendar.

Mr. DODD: Committee on Rules. House Resolution 618. Resolution waiving certain points of order against H.R. 7589. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95–400). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD of Rhode Island:

H.R. 7655. A bill to require the Architect of the Capitol to cause all exterior wood surfaces of the U.S. Capitol Building to be suitably painted; to the Committee on Public Works and Transportation.

By Mr. BRINKLEY:

H.R. 7656. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

H.R. 7657. A bill to provide for the installation of telecommunications devices for the deaf in agencies of Federal, State, and local governments, in offices of Members of Congress, and in other locations; jointly, to the Committees on Government Operations, and House Administration.

By Mr. BRINKLEY (for himself, Mr. ABDNOR, Mr. ROBERTS, Mr. HAMMERSCHMIDT, Mr. SATTERFIELD, Mr. EDWARDS of California, Mr. CORNELL, Mr. BARNARD, Mr. CARNEY, Mr. WALSH, Mr. TEAGUE, Mr. MONTGOMERY, Mr. DANIELSON, Mr. WOLFF, Mr. MOTTL, Mr. HEFNER, Mr. HANNAFORD, Mr. BEARD of Rhode Island, Mr. EDGAR, Mr. ALLEN, Mr. HALL, Mr. APPLEGATE, Mrs. HECKLER, Mr. WYLIE, and Mr. HILLIS):

H.R. 7658. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing; to the Committee on Veterans' Affairs.

By Mr. BRINKLEY (for himself, Mr. GUYER, Mr. HANSEN, Mr. SAWYER, and Mrs. SPELLMAN):

H.R. 7659. A bill to amend title 38 of the United States code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing; to the Committee on Veterans' Affairs.

By Mr. CORCORAN of Illinois (for himself, Mr. GUDGER, Mr. BENJAMIN, Mr. PURSELL, Mr. CUNNINGHAM, Mr. MARRIOTT, and Mr. LAGOMARSINO):

H.R. 7660. A bill entitled "The College Tuition Tax Relief Act of 1977"; to the Committee on Ways and Means.

By Mr. CORNWELL:

H.R. 7661. A bill to establish a program for repairing and replacing unsafe highway bridges; jointly, to the Committees on Public Works and Transportation, and Ways and Means.

By Mr. DANIELSON:

H.R. 7662. A bill to amend the Administrative Conference Act; to the Committee on the Judiciary.

By Mr. DEVINE:

H.R. 7663. A bill to direct the Institute of Medicine of the National Academy of Sciences to conduct a 1-year review and evaluation of all available information respecting the toxicity and carcinogenicity of food additives, including information respecting the ability to predict the effect on humans of food additives found to cause cancer in animals and whether there should be a weighing of risks and benefits in making regulatory decisions respecting such additives, and to direct the Secretary of Health, Education and Welfare to permit the continued use of saccharin as a food, food additive, drug, and cosmetic for 18 months; to the Committee on Interstate and Foreign Commerce.

By Mr. GOODLING (for himself, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. WALKER, Mr. KREBS, Mr. SIMON, Mr. FLORIO, Mr. WHITLEY, Mr. EMERY,

Mr. MITCHELL of New York, Mr. MADIGAN, Mr. ALLEN, Mr. BEDELL, Mr. MURPHY of Pennsylvania, Mr. BADILLO, and Mr. BENJAMIN):

H.R. 7664. A bill to establish under the direction of the Secretary of Housing and Urban Development a State-administered program providing financial assistance to individuals and families for the purpose of purchasing and installing solar heating (or combined solar heating and cooling) equipment; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 7665. A bill to reinstate the 6-month hospitalization, institutional, or domiciliary care period required prior to reducing the stipend of a pensioner who has no dependents; to the Committee on Veterans' Affairs.

By Mr. HAMMERSCHMIDT (for himself, Mr. BADHAM, and Mr. RUDD):

H.R. 7666. A bill to amend title 38 of the United States Code to deny veterans' benefits to certain individuals whose discharges from service during the Vietnam era under less than honorable conditions are administratively upgraded under temporarily revised standards to discharge under honorable conditions; to the Committee on Veterans' Affairs.

By Ms. HOLTZMAN (for herself and Mr. DODD):

H.R. 7667. A bill to amend the Immigration and Nationality Act to provide that in certain instances aliens convicted of marihuana offenses shall not be denied admission to, or deported from, the United States; to the Committee on the Judiciary.

By Mr. HYDE (for himself, Mr. QUAYLE, and Mr. EMERY):

H.R. 7668. A bill to have an inscription and appropriate medals, ribbons, and tributes placed upon the crypt at the National Cemetery at Arlington, Va., reserved for an American soldier who lost his life in Southeast Asia during the Vietnam era, and whose identity is unknown; to the Committee on Veterans' Affairs.

By Mr. MITCHELL of Maryland (for himself, Mr. BADILLO, Mr. CONYERS, Mr. DE LUGO, Mr. FAUNTROY, Mr. HANNAFORD, Mr. LE FANTE, Ms. LLOYD of Tennessee, Mr. MINETA, Mr. PANETTA, and Mr. WINN):

H.R. 7669. A bill to amend the Small Business Investment Act of 1958, to change the title and duties of the Associate Administrator for Finance and Investment of the Small Business Administration, and for other purposes; to the Committee on Small Business.

By Mr. MOLLOHAN:

H.R. 7670. A bill to amend the National Flood Insurance Act of 1968 to extend coverage under the flood insurance program to include losses from landslides as well as losses from mudslides; to the Committee on Banking, Finance and Urban Affairs.

H.R. 7671. A bill to amend title II of the Social Security Act to modify the provisions defining insured status for purposes of disability benefits and the disability freeze in the case of workers who become disabled while young; to the Committee on Ways and Means.

By Mr. GARY A. MYERS (for himself, Mr. LAGOMARSINO, Mr. NIX, Mr. MOAKLEY, Mr. CONTE, Mr. EDGAR, Mr. GOODLING, Mr. JENRETTE, Ms. MIKULSKI, Mr. SOLARZ, Mr. BEDELL, Mr. BAUCUS, and Mr. GILMAN):

H.R. 7672. A bill to amend the Motor Vehicle Information and Cost Savings Act to require the Environmental Protection Agency to compute realistic automobile fuel consumption rate statistics based on actual road tests; to the Committee on Interstate and Foreign Commerce.

By Mr. QUILLEN:

H.R. 7673. A bill providing that the tax treatment of certain transportation expenses between a taxpayer's residence and place of work shall be determined without regard to Revenue Ruling 76-453; to the Committee on Ways and Means.

By Mr. STEED (for himself, Mr. JONES of Oklahoma, Mr. ENGLISH, Mr. RISENHOOVER, Mr. EDWARDS of Oklahoma, and Mr. WATKINS):

H.R. 7674. A bill to designate the Mike Monroney Aeronautical Center; to the Committee on Public Works and Transportation.

By Mr. WHITEHURST (for himself and Mr. ABDNOR):

H.R. 7675. A bill to authorize the Small Business Administration to make grants to support the development centers in order to provide small business with management development, technical information, product planning and development, and domestic and international market development, and for other purposes; to the Committee on Small Business.

By Mr. WOLFF:

H.R. 7676. A bill to restore to certain institutions of higher learning their rights to determine academic standards of progress with respect to veterans and to provide counseling to veterans whose educational assistance allowance is discontinued under certain circumstances and for other purposes; to the Committee on Veterans' Affairs.

By Mr. YATES:

H.R. 7677. A bil to designate the Indian Dunes National Lakeshore as the Paul H. Douglas Indiana Dunes Lakeshore; to the Committee on Interior and Insular Affairs.

By Mr. CARNEY (for himself, Mr. HILLIS, Mr. ROBERTS, Mr. HAMMERSCHMIDT, Mr. BRINKLEY, Mr. APPLEGATE, Mr. BARNARD, Mr. HANSEN, Mr. TEAGUE, Mr. SATTERFIELD, Mr. EDWARDS of California, Mr. BEARD of Rhode Island, Mr. MONTGOMERY, Mr. HEFNER, Mr. ALLEN, Mr. WYLIE, Mr. ABDNOR, and Mr. GUYER):

H.R. 7678. A bill relating to the assignment of retired military personnel to the American Battle Monuments Commission; to the Committee on Veterans' Affairs.

By Mr. DANIELSON:

H.R. 7679. A bill to amend title 28, United States Code, to provide for actions against insurers on claims against persons entitled to diplomatic immunity; to the Committee on the Judiciary.

By Mr. ENGLISH:

H.R. 7680. A bill to require that imported honey and honey products made in whole or in part of imported honey be labeled "imported," to provide for the inspection of imported honey products, to require that imported honey and honey products comply with certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

By Mr. FORD of Tennessee (for himself, Mr. BEDELL, Mr. BENJAMIN, Mr. BLOUIN, Mr. CAPUTO, Mr. CORNWELL, Mr. ERTEL, Mr. FARY, Mr. FAUNTROY, Mr. JEFFORDS, Mrs. LLOYD of Tennessee, Mr. MAZZOLI, Ms. MIKULSKI, Mr. MOAKLEY, Mr. NOLAN, Mr. PANETTA, Mr. RAHALL, Mr. SCHULZE, Mr. SIMON, Mr. WALGREN, Mr. CHARLES H. WILSON of California, and Mr. CHARLES WILSON of Texas):

H.R. 7681. A bill to amend the Small Business Act to provide that the Small Business Administration shall, in assisting small business concerns in the sale of materials and services to the Federal Government, give special preferences to small business concerns with 100 or fewer employees; to the Committee on Small Business.

By Mr. GONZALEZ:

H.R. 7682. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 7683. A bill to amend title 28, United States Code, to improve certain procedures in class actions, and for other purposes; to the Committee on the Judiciary.

By Mr. LUKEN:

H.R. 7684. A bill to amend the Flammable Fabrics Act to require the Secretary of Commerce to study the necessity and feasibility of establishing Federal standards relating to fire prevention and control; jointly, to the Committees on Interstate and Foreign Commerce, and Banking, Finance and Urban Affairs.

By Mr. McCORMACK (for himself, Mr. BAUCUS, Mr. GRASSLEY, Mr. JENRETTE, Mr. MARTIN, and Mr. PANETTA):

H.R. 7685. A bill to encourage energy conservation in residences and in use of electric vehicles; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. COHEN, Mr. CORNWELL, Mr. FASCELL, Mr. KOSTMAYER, Mr. KREBS, Mr LAFALCE, Mr. MAZZOLI, Mrs. MEYNER, Mr. PATTERSON of California, Mr. ROBINSON, Mr. ROSE, Mr. ROSENTHAL, Mr. WAXMAN, and Mr. ZEFERETTI):

H.R. 7686. A bill to amend title II of the Social Security Act to require that procedures be established for the expedited replacement of undelivered benefit checks, to require that decisions on benefit claims be made within specified periods and to require that payment of benefits on approved claims begin promptly; to the Committee on Ways and Means.

By Mr. ANNUNZIO:

H. Con. Res. 241. Concurrent resolution providing for the printing of 100,000 additional copies of the subcommittee print of the Subcommittee on Consumer Affairs of the Committee on Banking, Finance, and Urban Affairs entitled "Give Yourself Credit: Guide to Consumer Credit Laws"; to the Committee on House Administration.

By Mr. PATTEN:

H. Con. Res. 242. Concurrent resolution to express the commitment of the American people to human rights and a thorough discussion of all violations of the Helsinki Final Act at the Belgrade Conference on European Security and Cooperation; to the Committee on International Relations.

By Mr. MOORHEAD of Pennsylvania:

H. Res. 619. Resolution directing the Committee on International Relations to conduct hearings to determine the nature and extent of any U.S. involvement in the hostilities in Northern Ireland; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

179. By the SPEAKER: Memorial of the Legislature of the State of Arizona, relative to exit visas for the Alexander Roisman family living in the Soviet Union; to the Committee on International Relations.

180. Also, memorial of the Legislature of the State of New York, relative to environmental cancer; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 7687. A bill for the relief of Elaine D. Bola (also known as Elaine Camingue); to the Committee on the Judiciary.

By Mr. JENRETTE:

H.R. 7688. A bill for the relief of Chakrapani Sethumadhavan; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

122. By the SPEAKER: Petition of the town planning board, town of Southampton, Long Island, N.Y., relative to the National Agricultural Land Policy Act; to the Committee on Agriculture.

123. Also, petition of board of directors, Central Susquehanna Valley Chamber of Commerce, Sunbury, Pa., relative to consideration of the Consumer Communications Reform Act of 1977; to the Committee on Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6666

By Mr. BUTLER:

Beginning on page 3 of H.R. 6666, strike all of "Sec. 5" (lines 21 and 22 on page 3 and lines 1 through 6 on page 4) and insert the following new "section 5".

SEC. 5. Section 1007(a)(6) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(6)) is amended by striking the following language, "from political activities of the type prohibited by section 1502(a) of title 5, United States Code, whether partisan or nonpartisan;" and insert in lieu thereof the following, "from taking an active part in political management or in political campaigns or from directly or indirectly coercing, attempting to coerce, or advising a person to pay, lend, or contribute anything of value to a political party, committee, organization, agency, or person for political purposes, whether partisan or nonpartisan;".

On page 9, beginning on line 21, strike all of "Sec. 10" down through line 11 on page 10.

By Mr. McCLORY:

On page 5, line 24, strike the following words: "eligible clients or".

H.R. 7073

By Mr. LEVITAS:

On the first page, after line 11, add the following new section:

SEC. 2. Section 25(a) of the Federal Insecticide, Fungicide, and Rodenticide Act is amended by adding the following new paragraph at the end thereof:

"(4) RULE AND REGULATION REVIEW.—

"(A) CONGRESSIONAL REVIEW.—Notwithstanding any other provision of this Act, simultaneously with promulgation or repromulgation of any rule or regulation under this Act, the Administrator shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. Except as provided in subparagraph (B), the rule or regulation shall not become effective, if—

"(i) within 90 calendar days of continuous session of Congress after the date of promulgation, both Houses of Congress adopt a concurrent resolution, the matter after the resolving clause of which is as follows: 'That Congress disapproves the rule or regulation promulgated by the Administrator of the Environmental Protection Agency dealing with the matter of , which rule or regulation was transmitted to Congress on .', the blank spaces therein being appropriately filled; or

"(ii) within 60 calendar days of continuous session of Congress after the date of promulgation, one House of Congress adopts such a concurrent resolution and transmits such reslution to the other House, and such resolution is not disapproved by such other House within 30 calendar days of continuous session of Congress after such transmittal.

"(B) EFFECTIVE DATE.—If at the end of 60 calendar days of continuous session of Congress after the date of promulgation of a rule or regulation, no committee of either House of Congress has reported or been discharged from further consideration of a concurrent resolution disapproving the rule or regulation, and neither House has adopted such a resolution, the rule or regulation may go into effect immediately. If, within such 60 calendar days, such a committee has reported or been discharged from further consideration of such a resolution, or either House has adopted such a resolution, the rule or regulation may go into effect not sooner than 90 calendar days of continuous session of Congress after its promulgation unless disapproved as provided in subparagraph (A).

"(C) For the purposes of subparagraphs (A) and (B) of this paragraph—

"(i) continuity of session is broken only by an adjournment of Congress sine die; and

"(ii) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of 30, 60, and 90 calendar days of continuous session of Congress.

"(D) IDENTICAL NEW RULE.—The Administrator may not promulgate a new rule or regulation identical to one disapproved pursuant to this paragraph unless a statute is adopted affecting the agency's powers with respect to the subject matter of the rule or regulation.

"(E) NEW RULE ON SAME SUBJECT MATTER.—If the Administrator proposes a new rule or regulation dealing with the same subject matter as a rule or regulation disapproved pursuant to this paragraph, the Administrator shall comply with the procedures required for the issuance of a new rule or regulation.

"(F) EFFECT OF CONGRESSIONAL INACTION.—Congressional inaction on or rejection of a resolution of disapproval shall not be deemed an expression of approval of such rule."

H.R. 7556

By Mr. FRASER:

Page 15, line 5, strike "$76,075,000" and insert therein: "$76,514,000".

By Mr. VOLKMER:

Page 25 after line 7 insert the following:

SEC. 209. None of the funds appropriated under this Title may be used for the enforcement of any prohibition on the distribution of saccharin in interstate commerce.

H.R. 7558

By Mr. VOLKMER:

Page 41 line 19, after "$273,019,000" insert ", except that no funds appropriated under this paragraph may be used for the promulgation or enforcement of any prohibition on the distribution of saccharin in interstate commerce."

SENATE—*Wednesday, June 8, 1977*

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, we thank Thee for painful national memories of the raw wilderness, of poverty and depression, and the solemn lessons of scarcity. And we thank Thee also for the good earth yielding water and coal and oil, and for pioneer ingenuity in transforming Nature's gifts into such plenteous goods and services as to share with others. May our abundance not obscure Thee, nor our marble walls mute Thy voice, nor distance hide from us the needy. Save us from the worship of gold and the idolatry of the dollar sign. Keep us sensitive to Thy commandments, lest we walk the paths of strange deities. And what we pray for ourselves, we pray for our fellow citizens. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 8, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HARRY F. BYRD, JR., thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Tuesday, June 7, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSFER OF MEASURES TO THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are a number of measures on the General Orders Calendar which are ready for passage by unanimous consent. I ask that they be transferred to the Unanimous Consent Calendar. They are

Calendar Order Nos. 216, 218, 220, and 221.

The ACTING PRESIDENT pro tempore. They will be so transferred as requested by the majority leader.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I have no further use of my time.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, if the Senator from Oklahoma desires some time now I will be happy to yield to him some of my time under the standing order.

Mr. BARTLETT. I thank the distinguished Senator from Tennessee.

THE MIKE MONRONEY AERONAUTICAL CENTER

Mr. BARTLETT. Mr. President, I send a bill to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the bill.

The bill (S. 1640) was read the first time by title, and the second time at length, as follows:

S. 1640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the Federal Aviation Administration Aeronautical Center, Oklahoma City, Oklahoma, shall hereafter be known and designated as the "Mike Monroney Aeronautical Center". Any reference in a law, map, regulation, document, record, or other paper of the United States to such Center shall be held to be a reference to the Mike Monroney Aeronautical Center.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

Mr. ROBERT C. BYRD. Reserving the right to object to the immediate consideration of the bill, I will not object. The distinguished Senator from Oklahoma (Mr. BARTLETT) talked to me about this measure on yesterday, and my policy committee staff has run it through the usual channels. We find no objection on the part of any Senator on the Public Works Committee or other Senators who might have some particular interest. Therefore, I am very glad to withhold an objection to the request for immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the bill.

Mr. BARTLETT. Mr. President, I thank the distinguished majority leader.

I am very thrilled to have this opportunity to introduce on behalf of my colleague, Mr. BELLMON, who is here, and myself, legislation to name the Federal Aviation Administration Aeronautical Center located in Oklahoma City after the distinguished Senator Mike Monroney, who served in this body for such a long time with distinguished service, and who also served in the House.

Much of the progress of modern American aviation is based on efforts by Mike Monroney during his term in this Senate, and it is only fitting that the Aeronautical Center to which he contributed so much should bear his name.

I will not restate all of his efforts, but I will outline a few of his activities in relation to aviation.

Mike Monroney's interest in aviation did not begin with his appointment as chairman of the Aviation Subcommittee in 1955. Between the years 1924 and 1929, he was the aviation editor of the Scripps-Howard Oklahoma News, and brought the first civil aircraft to Oklahoma.

He was vitally interested in commercial uses for aircraft, and one of his early stories was an interview with Charles Lindbergh, after his return from Europe, about commercial transatlantic flights. He continued his efforts when he entered the House of Representatives in 1939 by promoting the location of Douglas aircraft plants in Tulsa and Oklahoma City, as well as the construction of Tinker Air Force Base in Oklahoma City.

He entered the Senate in 1950, and in 1955 he authored the legislation which established the present long-term Federal participation in airport development. At the same time, he initiated legislation to establish an independent Aviation Administration, and in 1958 he saw his efforts come to fruition in the Federal Aviation Act.

He was also instrumental in saving small supplemental air carriers by leading the effort, in 1960, to pass Public Law 86–661. Similar efforts by Mike Monroney led to the defeat of a bill which would have prevented the small supplemental lines from carrying first-class mail.

It is my belief that there is no better means of honoring Mike Monroney than to name the Federal Aviation Center after him. This is a center that had its beginnings immediately after World War II. The Civil Aviation Administration Center was located at the old Army Air Corps site at Will Rogers Field in 1946, and employed 50 persons. The present FAA Aeronautical Center has grown to 4,000 employees and now occupies a multimillion-dollar facility which is leased from the city of Oklahoma City. It is the largest civilian aviation operation of its type in the Nation, and provides my State with a multimillion-dollar payroll.

The basic services provided by this Center are national in scope and consist of centralized training; aircraft maintenance and modification; supply and warehousing; aeromedical research; aircraft and airmen records; computer services; and airway engineering support.

The Center houses and furnishes administrative support for tenants such as the Transportation Safety Institute, U.S. Coast Guard Institute, and the Flight Standards National Field Office. Also, the Center provides, through approximately 110 reimbursable agreements, various aircraft maintenance, material, and training service for other Government agencies such as the U.S. Air Force, the U.S. Navy, U.S. Army, Nuclear Regulatory Commission, U.S. Forestry Service, General Services Administration, and the U.S. Weather Service.

Besides the 4,018 authorized positions at the Aeronautical Center, there are 125 Coast Guard personnel, military and civilian, and 3 Federal Railway Administration employees. The total budget of the Center presently is $176,000,000. One item should be noted. The buildings in which the Center is located are owned by the Oklahoma City Airport Trust Authority and are leased to the FAA. Therefore, the bill which Senator BELLMON and I are introducing only renames the Center and not any of the buildings in which the Center is located.

I have also discussed the bill with Mayor Patience Latting, and the renaming has the support of Oklahoma City.

I hope my fellow Senators will join in supporting this legislation and, thereby, show our respect to Mike Monroney for his past efforts. The Mike Monroney Aeronautical Center will stand as a continuing factor in the ever-growing aviation industry.

Mr. President, I ask unanimous consent that a short biography of Mike Monroney be printed at this point in the RECORD.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

SENATOR A. S. MIKE MONRONEY BIOGRAPHICAL INFORMATION

Born: Oklahoma City, Oklahoma—March 2, 1902.

Politics: Democrat.

Education: Attended Oklahoma City Public Schools. Graduated from University of Oklahoma, B.A. degree, 1924. Honorary degrees: Colgate University, 1948, University of the South, 1950.

Religion: Member, St. Paul's Episcopal Church, Oklahoma City. Member, The Cathedral Chapter, Washington National Cathedral.

Business, Professional, Political Career: After five years as a newspaper reporter and political writer, spent ten years operating a small business. Elected to House of Representatives, 1938 and re-elected five times. Co-author with Senator Robert M. LaFollette of Legislative Reorganization Act of 1946. Elected to United States Senate, 1950. Re-elected, 1956, and 1962.

Fraternities: Phi Gamma Delta, Sigma Delta Chi, and Phi Beta Kappa.

Civic Clubs: Past President, University of Oklahoma Alumni Association, Oklahoma City Rotary Club and Oklahoma State Furniture Association.

Awards: Collier's Award for Distinguished Congressional Service, 1945, particularly for work on legislative reorganization, international cooperation and domestic stabilization. University of Oklahoma citation for Distinguished Service, 1948. B'nai B'rith Americanism Award, 1953. Wright Brothers Trophy for service to aviation, December 1961. Tony Jannus Award for contribution to scheduled airline industry, 1964.

Senate Committees: Appropriations, Chairman of the Legislative Subcommittee, Member of Defense, Deficiencies and Supple-

mentals, Independent Offices, Public Works, and Treasury-Post Office-Executive Offices Subcommittees; Commerce, Chairman Aviation and Automobile Marketing Subcommittees; Member of Communications and Federal Power Investigation Subcommittees; Post Office and Civil Service, Chairman.

Legislative Activities: (1) Organization of Congress. Co-author of Reorganization Act of 1946 and has since worked to keep number of committees limited and operation streamlined. Co-chairman in 1965 of new Senate-House Committee studying organization of Congress for possible improvement.

(2) Aviation. Author of Federal Aviation Act of 1958, establishing FAA to provide unified and independent control of air traffic and airspace for both civil and military aviation. Author of Federal Aid to Airport Acts of 1955, 1959, 1961 and 1964, and Permanent Certification of Feeder Airlines Act, 1957, and 1961. Sponsor of moves to modernize and expand nation's civil and military air cargo equipment and capacity. Author of legislation setting up ground rules for Supplemental Carriers, small business segment of aviation, 1960 and 1962.

(3) Education. Author of Monroney-Clark Federal-Aid-to-Education amendment providing matching federal funds to states for either school construction or teachers' salaries. Author of two-year extension of Federal Aid to impacted School Districts, and National Defense Education Act, 1961.

(4) Water Resources. An original sponsor of upstream flood control program, supporting balanced use of small and large dams in river valley developments. Advocate of measures to improve water quality.

(5) Mineral Resources. Leader of eight successful efforts to prevent elimination or reduction of 27½% depletion tax allowance on oil and gas. Leader of opposition to federal regulation of independent natural gas producers. Co-author of Small Producers Lead and Zinc Stabilization bill, 1961. Leader of efforts to limit excessive oil imports.

(6) Health and Welfare. Advocate of Hill-Burton hospital construction to make hospitals available in rural as well as city areas. Supporter of National Institute of Health programs aimed at death toll from cancer, heart disease, and suffering from arthritis, allergy and mental illness. Supporter of Kerr-Mills bill to aid states in health care for aged in low income brackets. Sponsor of legislation enacted 1962 which permits $30-a-month income for citizens on old age assistance.

(7) Defense. Advocate of powerful, balanced defense as deterrent, including airlift to stop brushfire wars without sole reliance on nuclear weapons. Supporter of all basic anti-Communist legislation passed by Congress to prevent internal subversion since first elected in 1938.

(8) Foreign Aid. Author of Senate Resolution 264 proposing an International Development Association (IDA), 1958, as an affiliate of the World Bank to provide long term loans of both hard and soft currency at low rates of interest for less developed countries. The Monroney Bank, after Senate approval and study by the Administration, was recommended by the United States to the World Bank in August, 1959, approved by the Bank's governors from 68 nations in October, 1959, and established September 26, 1960. By 1963, 90 nations had subscribed capital of $984,400,000. Former member of the House Select Committee on European Recovery.

(9) Small Business and Consumers. Author of Automobile labeling Act of 1958 to take mystery out of new car prices and improve sales. Earlier, conducted extensive hearings which contributed to major reforms in automobile dealer-manufacturer relationships, and stimulated refunds on automobile insurance overpayments. Former member of Senate Select Committee on Small Business.

(10) Public Finance. Member of Banking and Currency Committee in House of Representatives for 12 years, and in Senate for 4 years. Consistent opponent of statutory increases in interest rates as harmful both to business and the consumer.

(11) Communications. Advocate of free flow of accurate information from all branches of government to public, of freedom of the press with accompanying responsibility, and of adherence by TV-Radio industry to public service standards inherent in licensed use of air waves. Sponsor of legislation for free TV "great debate" by presidential candidates, 1960.

(12) Agriculture. Supporter of 90 percent of parity for farmers, soil conservation programs and other measures aimed at improving farm economy. Strong advocate of adequate financing of rural electric and telephone cooperatives.

(13) Housing. Advocate of liberalized government loan and guarantee programs aimed at stimulating building and making adequate houses available to all, regardless of income.

Mr. BELLMON. Mr. President, I am pleased to join my colleague, Senator BARTLETT, in supporting legislation to name the Federal Aviation Administration Aeronautical Center in Oklahoma after former Senator Mike Monroney.

Known as Mr. Civil Aviation, Senator Monroney served as chairman for the Commerce Committee's Aviation Subcommittee from 1955 through 1968.

While aviation's technological "miracles" were achieved in large part in the three or four decades before Senator Monroney's stewardship of the aviation subcommittee, a vast number of the advances for aviation as a common carrier, as a viable economic entity, and as an important influence on American development came during the Oklahoma Senator's tenure. Senator Monroney's leadership contributed greatly to the progress made by civil aviation in becoming the Nation's primary commercial transportation system.

His efforts helped to make American civil aviation the safest in the world. His work produced the Federal Aviation Administration, one of the most respected governmental agencies in existence today. This respect comes from air passengers as well as the pilots, mechanics and other air personnel that it oversees. Senator Monroney's leadership assured that small supplemental airlines would retain a competitive ability that has guaranteed Americans first-rate service.

Throughout his 30 years of service in both Houses of Congress, Senator Monroney strengthened civil aviation so that it could become the American traveler's quickest, most trusted, and most efficient mode of transportation.

His work earned him Collier's Award for Distinguished Congressional Service and the admiration of his Oklahoma constituents.

Senator Monroney today continues his support for civil aviation. Many of the activities to which he devoted much of his life's work are thriving. Among these is the Federal Aviation Administration Aeronautical Center in Oklahoma City. This splendid installation has come to be the West Point of the world so far as civil aviation training, supply, and support is concerned. Commercial as well as private aviation has been singularly served by this institution. Its existence as well as the high quality of its work is largely due to the foresight and the leadership of Mike Monroney. I believe the Senate is well justified in taking the lead in naming the Federal Aviation Administration Aeronautical Center in Oklahoma City after our former colleague, Mike Monroney.

The Mike Monroney Aeronautical Center will from this day on stand as a living tribute to the service and dedication of one of our former members who saw in civil aviation the possibility for bringing peoples of this country and the world closer together.

I am pleased to join with my colleague, Senator BARTLETT, in recommending this action.

Mr. BARTLETT. I thank the distinguished Senator from Oklahoma for his remarks.

When this subject was first mentioned in Oklahoma as a possibility, naming the aeronautical center the Mike Monroney Aeronautical Center, it was met with unanimous support and enthusiasm.

When I mentioned this to the distinguished Senator from West Virginia (Mr. RANDOLPH) he said he knew that every member of his committee, without his asking them, would want to support this legislation. In due time every member of his committee was canvassed on both sides of the aisle, and his statement was supported by the fact that each individual did want to support this legislation.

Many Members of this body served with Mike Monroney in the House of Representatives and in the Senate for many years, knew him as a gentleman, as a fine distinguished American, and above all a good friend.

So it is with real pleasure that Senator BELLMON and I introduce this legislation.

Mr. BAKER. Mr. President, I will take only a moment. I simply wish to say that Mike Monroney was a colleague of mine when I first came to the Senate. He was a great help to me as a young Senator even though he was on the other side of the aisle. He was always courteous, thoughtful, and helpful.

I came to admire and respect him not only as a colleague but as a neighbor. He and Mrs. Monroney lived two houses from my wife and me here in Washington. We have come to treasure that relationship as well.

So I particularly commend the Senators from Oklahoma for offering this measure at this time.

Mr. BARTLETT. I thank the distinguished Senator from Tennessee for his kind remarks.

Mr. President, I move passage of S. 1640.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

TRANSFER OF A MEASURE TO THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there is one additional measure on the General Orders Calendar that is cleared for action by unanimous consent. It is Order No. 217. I ask that the clerk transfer that measure to the Unanimous Consent Calendar.

The ACTING PRESIDENT pro tempore. It will be so transferred.

ORDER FOR RECOGNITION OF SENATORS BIDEN AND ROTH TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow both Mr. BIDEN and Mr. ROTH be recognized each for not to exceed 15 minutes following the recognition of the two leaders or their designees.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

Mr. BAKER. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:52 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House agrees to the amendments of the Senate to the following bills:

H.R. 6197. An act to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978; and

H.R. 6692. An act to extend certain programs under the Educat.on of the Handicapped Act.

The House has passed the bill (S. 1468) to amend the Energy Supply and Environmental Coordination Act of 1974, with amendments in which it requests the concurrence of the Senate.

The House has passed the bill (S. 1474) to authorize certain construction at military installations, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 1392. An act for the relief of Maria Miraflor Carabbacan;

H.R. 1440. An act for the relief of Eun Kyung Park and San Hyuk Park;

H.R. 1445. An act conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Comdr. Edward White Rawlins, U.S. Navy (retired);

H.R. 1552. An act for the relief of Oh Soon Yi; and

H.R. 2563. An act for the relief of Velzora Carr.

At 1:20 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 521) to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks.

At 2:35 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the Speaker has signed the enrolled bill (H.R. 6692) to extend certain programs under the Education of the Handicapped Act.

The enrolled bill was subsequently signed by the President pro tempore.

At 6:01 p.m., a message from the House of Representatives delivered by Mr. Berry announced that:

The House disagrees to the amendment of the Senate to the bill (H.R. 4746) to extend certain authorities of the Secretary of the Interior with respect to water resources research and saline water conversion programs, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. MEEDS, Mr. UDALL, Mr. MILLER of California, Mr. KREBS, Mr. WEAVER, Mr. LUJAN, and Mr. MARRIOTT were appointed managers of the conference on the part of the House.

The House has passed the bill (H.R. 2944) for the relief of Ricky Lee Trautvetter, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The Speaker has signed the enrolled bill (S. 521) to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks.

The enrolled bill was subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC–1449. A letter from the Secretary of Agriculture transmitting, pursuant to law, a global assessment of world food production and needs updated for fiscal year 1977 (with an accompanying report); to the Committee on Agriculture, Nutrition, and Forestry.

EC–1450. A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, the final determination under the Indian Claims Commission Act in respect to the consolidated claim cases in dockets numbered 64, 335, and 338 (with accompanying reports); to the Committee on Appropriations.

EC–1451. A letter from the Deputy Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report that accounts have been apportioned on a basis which indicates the necessity for supplemental appropriations for the fiscal year 1977; to the Committee on Appropriations.

EC–1452. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of 10 construction projects to be undertaken by the Air National Guard (with an accompanying report); to the Committee on Armed Services.

EC–1453. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of five construction projects to be undertaken by the U.S. Army Reserve (with an accompanying report); to the Committee on Armed Services.

EC–1454. A letter from the President of the Export-Import Bank of the United States transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during April 1977 to Communist countries (as defined in Section 620(F) of the Foreign Assistance Act of 1961) (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–1455. A letter from the Chairman of the Federal Power Commission transmitting, for the information of the Senate, a copy of the publication, "All Electric Homes in the United States, 1976" (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–1456. A letter from the Chairman of the Federal Power Commission transmitting, for the information of the Senate, a copy of the publication the "Federal Power Commission Reports: Opinions, Decisions, and Orders," Volume 41, covering January 1, 1969, through June 30, 1969 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–1457. A letter from the Chairman of the Board of the United States Water Resources Council, National Conference on Water transmitting, for the information of the Senate, a report on the National Conference on Water, held in St. Louis, Missouri, May 23–25, 1977 (with accompanying reports); to the Committee on Environment and Public Works.

EC–1458. A letter, dated June 2, 1977, for the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–1459. A confidential report letter from the Comptroller General of the United States transmitting, pursuant to law, a report on two coproduction programs—F–5E Aircraft in Taiwan and M–16 Rifle in the Philippines (with an accompanying report) (ID–76–84); to the Committee on Governmental Affairs.

EC–1460. A letter from the Vice-Chairman of the Equal Employment Opportunity Commission transmitting, pursuant to law, a report on the proposal to establish a new system of records, in accordance with Privacy

Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–1461. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Military Jury System Needs Safeguards Found in Civilian Federal Courts" (PFCD–76–48) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1462. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act No. 2–42, "An Act to provide for garnishment and similar proceedings against the government of the District of Columbia for the enforcement of child support and alimony obligations" (with accompanying papers); to the Committee on Governmental Affairs.

EC–1463. A letter from the Chairman of the Privacy Protection Study Commission transmitting, for the information of the Senate, that the Commission intends to transmit its final report to the President and Congress during the week of July 11, 1977; to the Committe on Governmental Affairs.

EC–1464. A letter from the Comptroller General of the United States transmitting, pursuant to law, the annual report on the activities of the United States General Accounting Office during the 15-month period ended September 30, 1976 (with an accompanying report); to the Committee on Governmental Affairs.

EC–1465. A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to provide for an additional Assistant Secretary in the Department of the Treasury (with accompanying papers); to the Committee on Governmental Affairs.

EC–1466. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Review of the Impoundment Control Act of 1974 After 2 Years" (OGC–77–20) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1467. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Government Regulatory Activity: Justifications, Processes, Impacts,, and Alternatives" (PAD–77–34) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1468. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Air Force Continues to Repair Parts When Serviceable Parts are Available: (LCD–77–202) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1469. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of a document which has been transmitted to the Federal Register concerning the Guaranteed Student Loan Program (with an accompaying report); to the Committee on Human Resources.

EC–1470. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting pursuant to law, copies of orders suspending deportation, as well as a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

EC–1471. A letter from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a report on the administration of the Freedom of Information Act during the calendar year 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–1472. A letter from the Chairman of the Federal Election Commission transmitting, pursuant to law, a copy of correspondence concerning the Commission's zero-base budgeting system which it has sent to the Office of Management and Budget (with accompanying papers); to the Committee on Rules and Administration.

EC–1473. A letter from the Acting Assistant Administrator of Advocacy and Public Communications for the U.S. Small Business Administration transmitting, pursuant to law, a copy of their report "The Study of Small Business" (with an accompanying report); to the Select Committee on Small Business.

EC–1474. A letter from the President of the National Academy of Sciences transmitting, pursuant to law, a copy of the report entitled "Health Care for American Veterans" (with an accompanying report); to the Committee on Veterans Affairs.

EC–1475. A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Maritime Administration covering fiscal year 1976 and the transition quarter (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1476. A letter from the Secretary of Transportation transmitting, pursuant to law, the Third Annual Report covering the Department's gas and liquid pipeline safety activities for 1976 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–1477. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "U.S. Direct Investment in South America's Andean Common Market" (ID–76–88) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1478. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Submarine Supply Support Costs Can Be Greatly Reduced Without Impairing Readiness" (LCD–76–237) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1479. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report entitled "Site Selection Study for the Main Research Facility of the National Institute for Occupational Safety and Health" (with an accompanying report); to the Committee on Human Resources.

EC–1480. A letter from the Librarian of the Library of Congress transmitting, pursuant to law, a report reviewing the activities of the Library of Congress, including the Copyright Office, for the fiscal year ended June 10, 1976, and the transition (with an accompanying report); to the Committee on Rules and Administration.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

POM–220. Senate Joint Resolution 16 adopted by the Legislature of the State of Wisconsin memorializing Congress and the U.S. Department of Agriculture to expedite measures to aid farmers in maintaining a decent income, expand disaster assistance and preserve the family farm; to the Committee on Agriculture, Nutrition, and Forestry:

"1977 SENATE JOINT RESOLUTION 16

"Whereas, agriculture is a key element of Wisconsin's economy and rural life is an important component of our state's heritage and culture; and

"Whereas, Wisconsin farmers and other agricultural producers have been victimized by high production costs, low income, natural disasters and government red tape; and

"Whereas, Wisconsin milk producers and cheese manufacturers are threatened by the growing distribution and sales of imitation cheese products which can be made only with imported caseinates; and

"Whereas, young people interested in farming have been especially hard-hit by the high costs associated with farm acquisition and start-up; now, therefore, be it

"Resolved by the senate, the assembly concurring, That the legislature of the state of Wisconsin urges Congress and the Department of Agriculture to enact the following agenda for agricultural action designed to aid farmers in maintaining a decent income, expand and expedite disaster assistance and preserve the family farm:

"(1) Increase dairy price supports to a level which guarantees farmers an adequate return on their investment;

"(2) Increase federal aid to farmers who have lost their crops because of adverse weather;

"(3) Reduce the red tape and bureaucratic delays associated with federal relief to farmers;

"(4) Increase the amount of federally backed credit available to young people wishing to pursue a career in farming;

"(5) Make domestic dairy products more competitive with subsidized imported dairy products;

"(6) Exact quotas on imported caseinates which are used in the manufacture of imitation cheese products; and

"(7) Improve the operation of the U.S. farmers' home administration which has performed woefully in its assigned responsibility of helping farmers recover from the effects of bad crop years; and, be it further

"Resolved, That duly attested copies of this resolution be transmitted to the Honorable Bob S. Bergland, Secretary, Department of Agriculture, to the secretary of the U.S. Senate, to the chief clerk of the House of Representatives and to each member of the congressional delegated from this state."

POM–221. Resolution No. 1359–77 adopted by the Council of the City of Cleveland, Ohio memorializing the United States Congress to pass a pending bill providing for new Community Development block grant criteria which would greatly benefit the older Northern Cities, including the City of Cleveland; to the Committee on Banking, Housing and Urban Affairs.

POM–222. Resolution No. 877–77 adopted by the Council of the City of Cleveland, Ohio memorializing the Congress of the United States to delete certain provisions from Senate Bill 689, relating to the deregulation of free entry and exit features which would be detrimental to small air carriers; to the Committee on Commerce, Science, and Transportation.

POM–223. Senate Joint Resolution No. 32 adopted by the Legislature of the State of Utah memorializing the Congress of the United States in investigating telephone competition and interconnection, to consider the effects of any legislative action in the area on telephone rates applicable to the general public; to the Committee on Commerce, Science, and Transportation.

"SENATE JOINT RESOLUTION No. 32

"Whereas, increased competition within the telecommunications industry and its effect on basic residential telephone rates is a matter of great public concern; and

"Whereas, much discussion has been generated regarding the possible benefits of such competition to the large users of telephone communications services and to the manufacturers of customer-provided devices; and

"Whereas, these discussions have indicated that the widespread use of private transmission services and customer-provided devices may cause increased costs for residual telephone service, with the result that much if not all the increased costs will, of necessity, be paid by the utilities' small business and residential customers, including persons in lower income groups and those on fixed incomes; and

"Whereas, it is the duty of every public utility servicing Utah customers to furnish such adequate, efficient, just and reasonable service, instrumentalities, equipment and facilities as are necessary to promote the safety, health, comfort and convenience of its patrons; and

"Whereas, it has come to the attention of the members of this legislature that the United States Congress has had under its consideration legislation concerning possible limitations on competition in the telecommunications industry.

"Now, therefore be it resolved, that the 42nd Legislature of the State of Utah does hereby express its interest and concern regarding the Congressional investigation into telephone competition and interconnection.

"Be it further resolved, that Congress is requested to include in its deliberations a full inquiry into the possible economic impact of any action it may contemplate, with the view of providing complete assurance that its action will not have an adverse effect on telephone rates applicable to the general public, and particularly to low-income individuals and small businesses, so that the public interest will be served.

"Be it further resolved, that the Federal Communications Commission is requested to delay full implementation of its policies fostering competition until Congress has had the opportunity to complete its investigation and to develop national policy.

"Be it further resolved, that copies of this resolution be forwarded to the President and Vice-President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, to each member of Utah's Congressional Delegation, to the Chairman of the Federal Communications Commission, and to the Governor of the State of Utah."

POM-224. Resolution No. 99 adopted by the Legislature of the Territory of Guam relative to stating the position of the Fourteen Guam Legislature on Senate Bill 1068; to the Committee on Energy and Natural Resources:

"RESOLUTION No 99

"Whereas, Senate Bill 1068 was introduced in the United States Senate on March 21, 1977; and

"Whereas, said bill, if it becomes law, would require the government of Guam to pay to the United States an amount equal to thirty percent (30%) of income taxes paid on Guam; and

"Whereas, the people of the territory of Guam fully recognize and are thankful for the many benefits they receive from their relationship with the United States, including the large variety of federal programs and funds available to and expended on Guam; and

"Whereas, the pepole of Guam fully recognize that with such privileges come responsibilities; and

"Whereas, the people of Guam have always demonstrated their patriotism and willingness to contribute to the well-being and defense of the United Sates; and

"Whereas, in a 1976 political status referendum the people of Guam expressed their desire to remain an integral part of the United States, and in fact to establish a closer relationship with the United States, including the right to select a voting representative to Congress and to vote for the President of the United States, such representation being an integral part of the right to taxation; and

"Whereas, while the people of Guam have neither a voting representative in the Untied States Congress nor the right to vote for the President of he United States, they are nonetheless subject to various federal laws, controls and restrictions, among them being the Jones Act which requires all shipping between Guam and the United States to be in American bottom ships, statutes requiring that all air carriers servicing Guam be first approved by the bureaucracy in Washington, and many other federal laws and regulations which work to Guam's extreme economic disadvantage and with little or no benefit to the United States; and

"Whereas the people of Guam have, through their elected representatives, constantly sought over the years to have those federal constraints which particularly affect the economic viability of the territory removed in order that the people need not seek or depend upon federal assistance to the extent they now must; and

"Whereas, Guam's distance from the Continental United States and its lack of natural resources have also acted to hinder the establishment of an industrial or manufacturing base and the development of the economy; and

"Wheras, because of the almost total reliance upon imports, from the U.S. Mainland, the cost of living on Guam is extremely high, as witnessed by the 15 percent Cost of Living Allowance granted to off-island federal employees; and

"Whereas, the alteration of certain federal constraints upon Guam would result in a tremendous positive economic impact for the people of Guam, with the lack of natural resources and the distance from the U.S. Mainland offset by an attractive duty-free and customs status, the deregulation of airlines resulting in an increase in tourism, the removal of the Jones Act resulting in more reasonably priced American products and the increased jobs, productivity and wages resulting in a more healthy and balanced economy for all the people; and

"Whereas, because of the relatively small population, small land mass and geographic location of Guam, the Congress of the United States can alter federal laws and regulations applicable to Guam with little or no adverse impact upon the United States; and

"Whereas, the Congress of the United States has the power to improve Guam's ability to develop into a viable economic unit, thereby rendering the territory of Guam capable of fully contributing its fair share of income tax to the United States Treasury; now, therefore, be it

"Resolved, that the members of the Fourteenth Guam Legislature hereby go on record as endorsing the concept of the territorial government of Guam paying a portion of its income tax collections to the United States provided that the people of Guam are granted full voting franchise as citizens of the United States; and be it further

"Resolved, that the members request that representatives of the Federal government and the territory of Guam conduct a joint examination of the several federal laws, controls and restrictions which presently constrain economic development in the territory of Guam with the goal being to provide Guam with the economic tools with which it may help itself; and it further

"Resolved, by the members that the portion of income tax collections to be remitted to the United States be determined after thorough discussions between representatives of the territory of Guam and representatives of the Federal government; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; the President Pro Tem of the Senate; the Honorable Dewey F. Bartlett, United States Senator and Sponsor of Senate Bill 1068; the Speaker of the House of Representatives; Representative A. B. Won Pat; the Director, Office of Territorial Affairs, Interior Department; and the Governor of Guam."

POM-225. House Resolution No. 54 adopted by the House of Representatives of the Commonwealth of Pennsylvania asking support of adequate research and development funding for nuclear, coal, and alternate energy resource development; to the Committee on Energy and Natural Resources:

"HOUSE RESOLUTION No. 54

"Whereas, The House of Representatives of the Commonwealth of Pennsylvania believes that the Nation's security and future well-being depends upon the availability of jobs and energy; and

"Whereas, The availability of industrial employment depends upon the development of new sources of energy capable of providing increased productivity; and

"Whereas, The living conditions for all the residents of the United States are directly related to an abundance of energy for their comfort, convenience and mobility; and

"Whereas, Electricity is a flexible mode for distributing energy; and

"Whereas, The electric utility industry has indicated an increasing dependency upon nuclear fuel to provide an adequate future supply of energy; and

"Whereas, The United States Energy Research and Development Administration is revising its fiscal year 1978 budget request; and

"Whereas, The said administration is considering cutting back its funding for development of the fast breeder nuclear reactor by $199,000,000 and nuclear fusion power by $80,000,000; and

"Whereas, Such cuts may delay the development which could adversely affect our future critical supply of electricity; and

"Whereas, There is a great need to also increase total research and development funds to fully support other energy resource alternatives; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania calls upon the President and the Congress of the United States to insure that adequate funding exists for the timely development and commercialization of these energy sources; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, his assistant for energy matters, the presiding officers of the Senate and House of Representatives of the Congress of the United States, each of the Senators and Congressmen from Pennsylvania and to the Administrator of the United States Energy Research and Development Administration for their review and comment."

POM-226. House Resolution No. 67 adopted by the House of Representatives of the Commonwealth of Pennsylvania calling for the establishment of import quotas on those foreign-made goods and commodities which are adversely affecting the economic well-being of our domestic corporations and businesses of the United States; to the Committee on Finance:

"HOUSE RESOLUTION No. 67

"Cheap labor and government subsidies in foreign countries makes it possible to produce various goods and commodities there and sell them here at prices lower than the price required for those produced in Pennsylvania and her sister states. Flooding of the markets of the United States with such foreign made items results in the loss of jobs for our workmen. The only effective way to prevent such harmful activities is to establish and enforce import quotas; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania calls on the President of the United States to direct his special representative for trade to develop voluntary trade restraints in the various goods and commodities, including, but not limited to shoes, textiles, wearing apparel, mushrooms and steel. Should this

fail, the House of Representatives calls on the President of the United States and the Congress of the United States to establish quotas on the importation of the aforementioned goods and commodities into this Nation and strictly enforce the application of the quotas set for the protection of the welfare of the citizens of the United States and its industries engaged in the manufacture and production of the various goods and commodities under such quotas; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, the presiding officers of the Senate and House of Representatives of the Congress of the United States and each of the Senators and Congressmen from Pennsylvania for their review and comment."

POM-227. Senate Resolution No. 28 adopted by the Senate of the State of Tennessee urging the U.S. Postal Service to reevaluate its decision to establish Concord, Tennessee 37720 as a substation of the Knoxville Post Office; to the Committee on Governmental Affairs:

"SENATE RESOLUTION No. 28

"Whereas, The U.S. Postal Service in 1974 issued an order making the Concord Post Office a substation of the Knoxville Post Office; and

"Whereas, Such change means that Concord-Farragut residents are being addressed at Knoxville, Tennessee 37922 instead of Concord, Tennessee 37720; and

"Whereas, The change has created considerable concern within the West Knox County area served by the Concord station; and

"Whereas, The area is one of the fastest growing areas in the State of Tennessee, having experienced tremendous growth in the past six years; and

"Whereas, The Concord community is a community itself, having its own telephone office and system, water system (First Utility District), a new sewage plant, the largest school in Knox County, one of the largest voting precincts in the state (covering Farragut, Concord, Cedar Bluff, Hardin Valley, Blue Grass and part of Rocky Hill), over 300 miles of rural roads, at least 200 places of business, ranging from the very small to the very large, between 20,000 and 30,000 patrons on the routes, a new post office building constructed in July, 1967, which is now already too small, Concord Park with full facilities, Concord Sail Boat Club and Concord Boat Dock; and

"Whereas, The Concord community is large enough to warrant its own post office, just as other surrounding communities have their own post offices, such as Mascot, Powell, Alcoa, New Market and Kodak, which have not been merged into the Knoxville office; now, therefore,

"Be it resolved by the Senate of the Ninetieth General Assembly of the State of Tennessee, That we request the postal service to reconsider its action in light of the overwhelming sentiment of the affected community and the need to safeguard its identity and reestablish the Concord Post Office as a separate entity, and that we reaffirm our position on this matter, as set forth in Senate Resolution No. 13 of 1975 and Senate Resolution No. 58 of 1976.

"Be it further resolved, That a copy of this resolution be sent to U.S. Representative John Duncan, U.S. Congress, Washington; Senator James R. Sasser, U.S. Senate, Washington; Senator Howard Baker, Jr., U.S. Senate, Washington; Postmaster General E. T. Klassen, Headquarters, U.S. Postal Service, Washington; News Desk, West Side Story, 6718 Kingston Pike, Knoxville, Tennessee 37919; News Desk, Knox County News, 5617 Kingston Pike, Knoxville, Tennessee 37919; News Desk, Knoxville News Sentinel, 210 W. Church Street, Knoxville, Tennessee 37902; Mr. Don Whitehead, 76 Enchanting Boulevard, Naples, Florida; Mrs. E. S. Bevins, Route 6, Kingston Pike, Concord, Tennessee 37922; Vice-President Walter Mondale; House Speaker Thomas P. O'Neill, Jr.; and Mrs. Al Black, Northshore Drive, Concord, Tennessee 37922."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration:

Without amendment:

S. Res. 188. An original resolution to amend Rule XLIX of the Standing Rules of the Senate (Rept. No. 95-241).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

Alfred Edward Kahn, of New York, to be a member of the Civil Aeronautics Board.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 1392. An act for the relief of Maria Mirafior Carabbacan; to the Committee on the Judiciary.

H.R. 1440. An act for the relief of Eun Kyung Park and Sang Hyuk Park; to the Committee on the Judiciary.

H.R. 1445. An act conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Commander Edward White Rawlins, U.S. Navy (retired); to the Committee on the Judiciary.

H.R. 1552. An act for the relief of Oh Soon Yi; to the Committee on the Judiciary.

H.R. 2563. An act for the relief of Velzora Carr; to the Committee on the Judiciary.

H.R. 2944. An act for the relief of Ricky Lee Trautvetter; to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BARTLETT (for himself and Mr. BELLMON):

S. 1640. A bill to designate the Mike Monroney Aeronautical Center; considered and passed.

By Mr. THURMOND:

S. 1641. A bill to amend title 39 of the United States Code to provide that certain matters not be considered as letters for purposes of the private express statutes; to the Committee on Governmental Affairs.

By Mr. CRANSTON (by request):

S. 1642. A bill to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes; to the Committee on Veterans' Affairs.

S. 1643. A bill to amend title 38, United States Code, to eliminate the requirement for inspections of the mobile home manufacturing process by the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

By Mr. PACKWOOD:

S. 1644. A bill to amend the Internal Revenue Code of 1954 to permit heads of households to use the standard deduction used by married persons; to the Committee on Finance.

By Mr. THURMOND:

S. 1645. A bill to amend the Automobile Information Disclosure Act in order to broaden the application of such Act to include certain recreational vehicles and vans; to the Committee on Commerce, Science, and Transportation.

By Mr. WALLOP:

S. 1646. A bill directing the Secretary of the Interior to amend a certain oil and gas lease; to the Committee on Energy and Natural Resources.

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 1647. A bill to authorize the Secretary of Agriculture to permit general recreational access and geothermal explorations for six months within a portion of the Bull Run Reserve, Mount Hood National Forest, Oregon; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURKIN:

S. 1648. A bill to amend the Federal Power Act to provide for the encouragement of the licensing and development of small hydroelectric power projects in connection with existing dams on the waterways of the United States, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA:

S. 1649. A bill for the relief of the heirs, successors, or assigns of Sadae Tamaboyashi to the Committee on the Judiciary.

S. 1650. A bill to reduce certain excise taxes imposed on air transportation; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 1641. A bill to amend title 39 of the United States Code to provide that certain matters not be considered as letters for purposes of the private express statutes; to the Committee on Governmental Affairs.

Mr. THURMOND. Mr. President, I am greatly concerned with the generally deteriorating quality of mail service, coupled with the ever-increasing postal deficits which indicate that substantial changes will have to be made in the Postal Service. These changes must be made if our mail system is to avoid becoming a never-ending drain on the public purse, and if it is going to continue to meet the needs of the American people. Specifically, my primary concern with Postal Service operations centers around the operations of the private express statutes, the laws that govern the "postal monopoly" over letters. Recent Postal Service actions have expanded the scope of such laws to the point where they cover items that I believe should not be considered "letters"—data processing materials and correspondence between companies with a subsidiary or affiliate relationship. These regulations have had an adverse effect on U.S. businesses, both in terms of increased mail-

ing costs and a reduction in the efficiency of business operations.

One effect of these Postal Service regulations on the private express statutes has been to make it unlawful for businesses to contract with private courier services to deliver mail to their affiliates, subsidiaries, plants or divisions, on a regular basis, or to deliver their data processing materials to or from a processing center, except pursuant to the terms of a time-sensitive data processing suspension provided in the Federal regulations. The rapid and dependable transmission of data processing materials and intracorporate communications are essential for the efficient functioning of U.S. businesses. Experience has shown that the Postal Service's regulations have increased the cost of business mail operations, and have disrupted the efficient transmission of data processing materials and intracorporate communications.

Mr. President, I rise today to submit a proposal which is basically designed to add to the law those items that are not to be considered "letters" for purposes of the private express statutes. In addition, the proposal would incorporate into the law "letters of the carrier" exception presently found in the Postal Service's regulations. This exception generally permits a company to use its own employees to deliver mail between a company and any person. Another subsection of this proposal would clarify the authority of the Postal Service to permit the carriage of "letters" outside the mails otherwise than as provided under the law upon an administrative determination that such carriage is consistent with the public interest.

Mr. President, the problems that businesses have incurred as a result of the Postal Service's regulations stem from a number of factors. First, if businesses contract with a private courier service, to carry intracorporate mail on a regular basis, or data processing materials on a regular basis, the businesses must pay postage, in addition to the costs of the courier, or else be in violation of the law. Second, many businesses have had to adjust mail delivery schedules to come within the time limitation of the data processing suspension, resulting in additional cost for expedited service. Third, businesses have incurred increased costs as a result of switching to alternative means of communications, such as telephone, facsimile machines, etc. Fourth, some businesses have started costly in-house mail operations under the "letters of the carrier" exception. Businesses incur the intangible expense of lost productivity due to delays in mail deliveries by the Postal Service. Of course, it is the consumer who ultimately must bear these unnecessary increased costs of doing business.

The effective functioning of modern businesses depends to a large degree on the rapid transmission of information. The increased costs that businesses must bear, as a result of the Postal Service's regulations, are particularly objectionable because the Postal Service cannot provide the rapid and dependable service that businesses require—in effect requiring businesses to pay the Postal Service for a service it cannot provide.

Mr. President, enactment of this proposal will have a number of advantages for business, the Postal Service and the general public.

First and foremost, it will make clear once and for all what items are not included under the "postal monopoly." Second, the Postal Service would be prevented from arbitrarily determining the extent of its own "monopoly" over letters. Third, elimination of the restrictions on private carriage of data processing materials and intracorporate communications will enable businesses to reduce costs and increase productivity. Fourth, the enforcement burdens on the Postal Service, both operational and financial, will be reduced because of greater certainty as to what the law required. Business attitudes toward postal authorities should improve. Fifth, the elimination of mail that required special handling, because of its bulk or need for rapid delivery, will enable the Postal Service to streamline its operations. Finally, the general public could benefit from business cost savings and from a more efficient Postal Service.

Mr. President, I would like to stress that this proposal will not repeal the private express statutes, but would merely clarify and enhance their coverage. It would make clear that data processing materials and intracorporate correspondence are not to be included in the "postal monopoly." While such exclusion is likely to have an impact on postal revenues, I believe that any such impact will be de minimis. In any event, there is no practical justification for including such items within the coverage of the private express statutes.

The Postal Service is reluctant to limit the scope of its "monopoly" because it fears the resultant loss of revenues. Indeed this was one of the reasons that it declined to include a suspension for "interoffice communications" in its current regulation. The loss of revenues that is likely to result from enactment of this proposal should not be substantial. As I mentioned, most of the items that are excluded from the "postal monopoly" are already excluded under the Postal Service's own regulations; therefore, no revenue loss will result with respect to those items. Likewise, time-sensitive data processing materials can now be carried out of the mails under a suspension of the Postal Service's regulations, or by a company's own employees. Since such materials constitute the great bulk of data processing materials, this proposal should have only a minimal revenue impact with respect to such materials. Also, any diversion of revenues, as a result of the intracorporate communications exclusion, should not be great since such correspondence accounts for only a small percentage of postal volume. Moreover, businesses which now receive adequate postal service are not likely to switch to private couriers, or other alternative means of delivery.

Mr. President, I believe that favorable consideration of my proposal by this body will remove an artificial impediment to efficient business mail operations without unduly affecting the level of Postal Service revenues. Moreover, to the extent that businesses reduce mailing costs and increase productivity, such provision will be fully consistent with the widespread congressional-sentiment to eliminate governmental policies that are inflationary or unduly burdensome to American businesses or the public.

Mr. President, I send this bill to the desk and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 601 of title 39, United States Code, is amended to read as follows:

"§ 601. Items not letters; letters carried out of the mail

"(a) As used in this chapter and in sections 1693 through 1699 of title 18, the term 'letter' shall not include any—

"(1) telegrams;

"(2) newspapers, periodicals, books, catalogs, directories, mircofilms and other microforms, magnetic tapes, and other similar materials;

"(3) checks, drafts, promissory notes, stock certificates, bonds, securities, other negotiable and non-negotiable financial instruments, insurance policies, and title policies when shipped to, from, or between financial institutions;

"(4) abstracts of title, mortgages, deeds, leases, articles of incorporation, papers filed in lawsuits or formal quasi-judicial proceedings, and orders of any court;

"(5) letters being sent in bulk, to or from storage or to destruction;

"(6) letters being sent in bulk from a printer or other supplier to his customer;

"(7) written or printed matter enclosed with cargo or merchandise, including invoices, circulars, advertising, labels, instructions, and messages printed on the merchandise or container;

"(8) data processing materials, including electromechanical or electronic processing materials and all other types of materials that are ready for data processing or for conversion into a form ready for data processing, and the output of data processing when sent back from the processing center to the location from which the data processing materials originated;

"(9) any intracorporate communications, including communications between corporations which are members of an affiliated group of corporations; and

"(10) any other means of communication which, as of January 1, 1977, was not in existence or was not generally considered to be a letter.

"(b) A letter may be carried out of the mails when—

"(1) it is enclosed in an envelope;

"(2) the amount of postage which would have been charged on the letter if it had been sent by mail is paid by stamps, or postage meter stamps, on the envelope;

"(3) the envelope is properly addressed;

"(4) the envelope is so sealed that the letter cannot be taken from it without defacing the envelope;

"(5) any stamps on the envelope are canceled in ink by the sender; and

"(6) the date of the letter, of its transmission or receipt by the carrier is endorsed on the envelope in ink.

"(c) Notwithstanding the provisions of subsection (b), the sending or carrying of letters outside the mails is permissible if

(1) they are sent by or addressed to the individual carrying them, or (2) they are sent by or addressed to an officer or employee of a carrier, including an officer or employee of an affiliate or subsidiary of a carrier, on the current business of such carrier.

"(d) In addition to letters described in subsections (b) and (c), the Postal Service may permit the carriage of letters outside the mails if it determines that such carriage is consistent with the public interest.".

(b) The table of sections for chapter 6 of title 39, United States Code, is amended by striking out the item relating to section 601 and inserting in lieu thereof:

"601. Items not letters; letters carried out of the mail.".

By Mr. CRANSTON (by request):

S. 1642. A bill to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes; to the Committee on Veterans' Affairs.

ADMINISTRATION PENSION BILL

Mr. CRANSTON. Mr. President, at the request of the administration I am today introducing S. 1642, a bill to amend title 38 of the United States Code to increase the rates of disability and death pension, and to increase the rates of dependency and indemnity compensation for parents, and for other purposes.

Mr. President, I ask unanimous consent that the letter of transmittal and the text of the bill be printed in the RECORD.

There being no objection, the letter of transmittal and the bill were ordered to be printed in the RECORD, as follows:

VETERANS ADMINISTRATION, OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, D.C. May 16, 1977.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill, "To amend title 38 of the United States Code to increase the rates of disability and death pension, and to increase the rates of dependency and indemnity compensation for parents, and for other purposes." It is requested that it be introduced and considered for enactment.

The measure, to be cited as the "Veterans and Survivors Pension Adjustment Act of 1977," would:

(1) Provide an increase of approximately 6.7 percent in rates of disability and death pension under current law, including the additional amount authorized for dependents;

(2) Increase by approximately 6.7 percent the rates of dependency and indemnity compensation (DIC) payable to parents;

(3) Increase by the same percentage the maximum income limitations applicable to pensioners and parents entitled to DIC under current law, and for beneficiaries under the protected pension law;

(4) Increase by the same percentage the amount of additional pension and DIC payable to those recipients so entitled based upon aid and attendance or housebound status; and

(5) Increase additional allowances for recipients of wartime death compensation by the same percentage based upon need for regular aid and attendance.

The current pension program under chapter 15 of title 38, United States Code, provides monthly non-service-connected disability or death pension for otherwise eligible veterans of the Mexican border period, World War I, World War II, the Korean conflict, and the Vietnam era, and their surviving spouses and children. Benefits are provided on a sliding scale according to income and family status, with the greatest amounts of pension payable to those with the greatest need. Basic disability pension rates for veterans range from $5 to $209 per month with a maximum annual income limitation as high as $4,760, according to number of dependents. The applicable monthly rate is increased by $155 if the veteran is in need of the regular aid and attendance of another person, or by $57 if he is permanently housebound but not entitled to the aid and attendance allowance.

Additionally, where a veteran's entitlement to pension is denied or terminated because of income in excess of the statutory limitation, and such person is in need of aid and attendance, the monthly aid and attendance allowance is paid at a reduced rate but not if the veteran's annual income exceeds the applicable limitation by more than $500. Furthermore, the rate of pension otherwise payable to a veteran is increased by 25 percent upon his attaining age 78.

The death pension rate for a surviving spouse without a child ranges from $5 to $125 per month, with a maximum annual income limitation of $3,540. In the case of a surviving spouse with one child, the monthly rate can go as high as $149, with a maximum annual income limitation of $4,760. There is an allowance of $24 per month for each additional child. The basic monthly rate is increased by $74 if the surviving spouse is in need of regular aid and attendance. For children, where no surviving spouse is entitled, monthly death pension of $57 is payable for one child, and $24 for each additional child, the total payable in equal shares. There is an unearned annual income limitation of $2,890 applicable to a child where no surviving spouse is entitled.

The rates of pension and limitations on annual income are different with respect to persons who were receiving pension on June 30, 1960, and who continue to receive benefits under that prior system pursuant to the savings provisions of section 9(b) of the Veterans' Pension Act of 1959 (Public Law 86-211). Applicable annual income limitations are $3,100 for a veteran unmarried and without a child, a widow without a child or a child alone; and $4,460 for a veteran married or with a child, and for a widow with a child.

Under chapter 13 of title 38, United States Code, monthly dependency and indemnity compensation payments are made to surviving spouses and certain parents and children of veterans who die of a service-connected cause. Parents' benefits are provided on a sliding scale based on annual income. The income limitations vary according to whether there are one or two parents, and in a case of two parents, whether they are living together or apart. The maximum annual income limitations are $3,540 for an only parent and for each of two parents living apart, and $4,760 for two parents (including in some cases an only parent who has remarried). The current monthly rates range from $5 to $142 for an only parent, from $5 to $100 for each of two parents not living together, from $5 to $142 for an only parent who has remarried.

Sections 101 through 105 and 201 of the draft bill would provide rate increases of approximately 6.7 percent, including additional allowance for aid and attendance and for housebound status, for pensioners and parents entitled to DIC, effective January 1, 1978. Amendments found in these sections would also increase maximum income limitations from $3,540 to $3,775 in the case of veterans or surviving spouses without dependents and for a single parent, and from $4,760 to $5,080 for pensioners with dependents or for parents living together or with a spouse under current law. Further, they would increase corresponding maximum income limitations from $3,100 to $3,300 and from $4,460 to $4,760 for veterans and surviving spouses entitled to pension under the prior pension law. The maximum unearned income limitation for children entitled under current pension law would be increased from $2,890 to $3,080.

Section 301 would amend 38 U.S.C. 322(b) so as to increase the aid and attendance allowance for a surviving spouse or parent receiving death compensation based on service-connected death prior to January 1, 1957, from $74 to $79.

Section 302 provides that the act shall take effect January 1, 1978.

It has been the policy of the Government to recommend benefit increases for disability and death pension and parents' DIC programs periodically in order to insure that our programs remain responsive to changing economic conditions. It is, therefore, our position that increases designed to offset the decline in purchasing power due to inflation should be based on changes in the Consumer Price Index (CPI). Since these benefits were last increased on January 1, 1977, the cost of living has risen approximately 2.2 percent through March, as measured by the CPI. In our budget estimation for fiscal year 1978, we proceeded on an assumption that the CPI would increase by 5.3 percent for the period January 1, 1977, to January 1, 1978. It now appears likely that the increase will be somewhat higher, and we have prepared this draft proposal to correspond with the most recent anticipated increase in the CPI for the above-stated period.

It is estimated that the cost of the draft bill provisions, for the 9 months during fiscal year 1978 in which they would be effective, would be approximately $131.2 million. For the succeeding 4 fiscal years, the estimated costs, in millions, would be $170.2, $163.2, and $158.7, respectively. It should be noted that the cost estimates for the 5.3-percent pension increase contained in the budget revisions submitted by the Administration on February 22, 1977, were overstated, in part, because of an incorrect formula structure and, in part, because of now changed assumptions concerning the size of this year's prospective Social Security increases which affect our cost and caseload projections.

Advice has been received from the Office of Management and Budget that enactment of this legislative proposal would be in accord with the program of the President.

Sincerely,

MAX CLELAND, *Administrator.*

S. 1642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Veterans and Survivors Pension Adjustment Act of 1977".

TITLE I—VETERANS' AND SURVIVORS' PENSIONS

SEC. 101. Section 521 of title 38, United States Code, is amended—

(1) by amending the table in section (b)(1) to read as follows:

"The monthly rate of pension shall be $197 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
0	0	$300
$.03	$300	500
.04	500	700
.05	700	900
.06	900	1,100
.07	1,100	1,700
.08	1,700	3,775";

(2) by striking out "$3,540" in subsection (b)(3) and inserting in lieu thereof "$3,775";

(3) by amending the table in subsection (c)(1) to read as follows:

"The monthly rate of pension for a veteran shall be— $212 if he or she has 1 dependent; $217 if he or she has 2 dependents; and $222 if he or she has 3 or more dependents; reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
0	0	$500
$.02	$500	700
.03	700	1,000
.04	1,000	2,000
.05	2,000	3,000
.06	3,000	3,200
.07	3,200	3,600
.08	3,600	5,080";

(4) by striking out "$4,760" in subsection (c)(3) and inserting in lieu thereof "$5,080";

(5) by striking out "$155" in subsections (d)(1) and (2) and inserting in lieu thereof "$163"; and

(6) by striking out "$57" in subsection (e) and inserting in lieu thereof "$61".

SEC. 102. Section 541 of title 38, United States Code, is amended—

(1) by amending the table in subsection (b)(1) to read as follows:

"The monthly rate of pension shall be $133 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
0	0	$300
$.01	$300	600
.03	600	900
.04	900	1,100
.05	1,100	1,800
.06	1,800	2,700
.07	2,700	3,775";

(2) by striking out "$3,540" in subsection (b)(3) and inserting in lieu thereof "3,775";

(3) by amending the table in subsection (c)(1) to read as follows:

"The monthly rate of pension shall be $159 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
0	0	$700
$.01	$700	1,100
.02	1,100	1,600
.03	1,600	2,400
.04	2,400	2,900
.05	2,900	5,080";

(4) by striking out "$,760" in subsection (c)(2) and inserting in lieu thereof "$5,080"; and

(5) by striking out "$24" in subsection (d) and inserting in lieu thereof "$26".

SEC. 103. Section 542 of title 38, United States Code, is amended—

(1) by striking out "$57" and "$24" in subsection (a) and inserting in lieu thereof "$61" and "$26", respectively; and

(2) by striking out "$2,890" in subsection (c) and inserting in lieu thereof "$3,080".

SEC. 104. Section 544 of title 38, United States Code, is amended by striking out "$74" and inserting in lieu thereof "$79".

SEC. 105. Section 4 of Public Law 90-275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $3,300 and $4,760 instead of $3,100 and $4,460, respectively.".

TITLE II—DEPENDENCY AND INDEMNITY COMPENSATION FOR PARENTS

SEC. 201. Section 415 of title 38, United States Code, is amended—

(1) by amending the table in subsection (b)(1) to read as follows:

"The monthly rate of dependency and indemnity compensation shall be $152 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
0	0	$800
$.03	$800	1,000
.05	1,000	1,200
.06	1,200	1,500
.08	1,500	3,775";

(2) by striking out "$3,540" in subsection (b)(3) and inserting in lieu thereof "$3,775";

(3) by amending the table in subsection (c)(1) to read as follows:

"The monthly rate of dependency and indemnity compensation shall be $107 reduced by—	For each $1 of annual income of such parent	
	Which is more than—	But not more than—
0	0	$800
$.02	$800	1,100
.05	1,100	2,000
.06	2,000	2,600
.07	2,600	3,775";

(4) by striking out "$3,540" in subsection (c)(3) and inserting in lieu thereof "$3,775";

(5) by amending the table in subsection (d)(1) to read as follows:

"The monthly rate of dependency and indemnity compensation shall be $102 reduced by—	For each $1 of the total combined annual income	
	Which is more than—	But not more than—
0	0	$1,000
$.02	$1,000	2,000
.03	2,000	2,900
.04	2,900	3,600
.05	3,600	3,900
.06	3,900	5,080";

(6) by striking out "$4,760" in subsection (d)(3) and inserting in lieu thereof "$5,080"; and

(7) by striking out "$74" in subsection (h) and inserting in lieu thereof "$79".

TITLE III—MISCELLANEOUS AND EFFECTIVE DATE PROVISIONS

SEC. 301. Section 322(b) of title 38, United States Code, is amended by striking out "$74" and inserting in lieu thereof "$79".

SEC. 302. The provisions of this Act shall take effect January 1, 1978.

By Mr. CRANSTON (by request):

S. 1643. A bill to amend title 38, United States Code, to eliminate the requirement for inspections of the mobile home manufacturing process by the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

ADMINISTRATION MOBILE HOME MANUFACTURING BILL

Mr. CRANSTON. Mr. President, at the request of the administration I am today introducing S. 1643, a bill to amend title 38, United States Code, to eliminate the requirement for inspections of the mobile home manufacturing process by the Administrator of Veterans' Affairs.

Mr. President, I ask unanimous consent that the letter of transmittal and the text of the bill be printed in the RECORD.

There being no objection, the letter of transmittal and the bill were ordered to be printed in the RECORD, as follows:

VETERANS ADMINISTRATION,
Washington, D.C., February 22, 1977.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a bill "To amend title 38, United States Code, to eliminate the requirement for inspections of the mobile home manufacturing process by the Administrator of Veterans Affairs" with the request that it be introduced in order that it may be considered for enactment.

Section 1819 of title 38, United States Code, which was enacted as part of the Veterans' Housing Act of 1970, authorizes the Administrator of Veterans Affairs to guarantee loans made to veterans for the purchase of mobile homes.

In granting this authority to the Administrator, the Congress required, in subsection (i), that mobile home units purchased with the assistance of VA guaranteed loans meet or exceed standards for planning, construction, and general acceptability to be prescribed by the Administrator.

Subsection (i) further provides that "For the purpose of assuring compliance with such standards, the Administrator shall from time to time inspect the manufacturing process of mobile homes to be sold to veterans and conduct random onsite inspections of mobile homes purchased with the assistance under this chapter."

Paragraph (a) of the draft bill would delete the inspection requirement from section 1819(i) of title 38, United States Code.

On August 22, 1974, the National Mobile Home Construction and Safety Standards Act of 1974 (Title VI of Public Law 93-383) was enacted. Under section 604 of that Act, the Secretary of Housing and Urban Development is directed to establish Federal mobile home construction and safety standards. Section 610 of the Act prohibits the sale in interstate commerce of new mobile units that do not conform to these standards. The Act further provides, in section 614, for the Secretary to conduct inspections necessary to enforce such standards.

The Veterans Administration has adopted the standards issued by the Secretary for purposes of section 1819(i) of title 38, United States Code. We believe the inspections conducted by the Department of Housing and Urban Development under section 614 of the National Mobile Home Construction and Safety Standards Act of 1974 will be sufficient to insure that new mobile homes sold to veterans will be properly manufactured. We believe requiring VA personnel to conduct additional plant inspections would amount to a duplication of effort without tangible benefit to veterans.

The Veterans Administration notes that the Department of Housing and Urban Development does not conduct random onsite inspections of mobile homes. As we interpret the legislative history of Public Law 91-506, which created the VA's mobile home program, the onsite inspections were to serve a twofold purpose. This was, to insure that veterans received qualify products, and to evaluate the program in order for the VA to provide data to the Congress on whether the mobile home program, which was originally scheduled to terminate July 1, 1975, should be continued beyond that date.

The Veterans Administration believes that the National Mobile Home Construction and

Safety Standards Act of 1974 will insure that veterans receive mobile homes of a sufficiently high quality.

In 1974, the Congress indicated its belief that the value of the mobile home program had been established by repealing the termination date for that program when it enacted Public Law 93-569.

We, therefore, believe onsite inspections no longer serve a useful purpose.

Paragraph (b) of the draft bill would amend section 1819(k) of title 38 to remove the failure of a mobile home manufacturer to permit VA inspections as a basis for suspension from the VA program. This is a technical change in conformity with the proposed deletion of the VA inspection requirement. VA would retain the authority to suspend mobile home manufacturers whose units did not meet the Federal standards as well as those who fail or are unable to discharge their obligations to veterans.

Section 1819(m) of title 38 requires the Administrator to include in his annual report to the Congress a statement on the operation of the mobile home program, including the results of inspections. Enactment of the draft bill would make this latter requirement obsolete, and thus paragraph (c) of the draft bill contains a technical amendment to remove that requirement.

It is proposed that this amendment take effect October 1, 1977, which is the first day of the next fiscal year.

We estimate that enactment of this proposal would result in a cost saving of $117,000 in fiscal year 1978, and a 5-year cost saving of $628,800. The detailed 5-year cost estimate for this proposal is as follows:

5-year cost-estimate

Fiscal year	GOE	Fund [1]	Total
1978	−$117,000	$--	−$117,000
1979	−121,200	--	−121,200
1980	−125,500	--	−125,500
1981	−130,100	--	−130,100
1982	−135,000	--	−135,000
Total	−628,800	--	−628,800

[1] Loan guaranty revolving fund.

We request tht this bill be introduced and recommend its favorable consideration.

The Office of Management and Budget advises that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

Sincerely,

RICHARD L. ROUDEBUSH,
Administrator.

S. 1643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1819 of title 38, United States Code, is amended:

(a) by striking out the last sentence in subsection (i); and

(b) by striking out all of subsection (k) following the word "financing", and inserting in lieu thereof, "of any mobile homes constructed by a manufacturer which fails or is unable to discharge its obligations under the warranty required by subsection (j) of this section; or in the case of mobile homes which are determined by the Administrator not to conform to the standards prescribed pursuant to subsection (i) of this section."; and

(c) by striking out in subsection (m), "the results of inspections required by subsection (i) of this section,".

SEC. 2. This Act shall take effect October 1, 1977.

By Mr. PACKWOOD:

S. 1644. A bill to amend the Internal Revenue Code of 1954 to permit heads of households to use the standard deduction used by married persons; to the Committee on Finance.

TAX EQUITY FOR PARENTS WITHOUT PARTNERS

Mr. PACKWOOD. Mr. President, today I am introducing a bill to give our 5 million heads of households the $3,200 standard deduction available to married persons. Currently, heads of households use the $2,200 standard deduction for single persons.

This proposal was adopted by the Senate Finance Committee on March 17, 1977, in its action on the Tax Reduction and Simplification Act of 1977, H.R. 3477. The Senate retained this important provision in its action on H.R. 3477. However, it was deleted from the Senate bill by the conference committee on May 3, 1977.

It is indefensible that we discriminate against heads of households. Heads of households are unmarried persons who provide a household for a dependent. They are usually divorced or widowed women caring for minor children. Shockingly, our tax law singles out these financially pressed persons with special tax penalties.

Prior to the Tax Reduction Act of 1975, heads of households could use the standard deduction used by married couples. Beginning with that act, however, heads of households were given a smaller standard deduction than married couples. In 1975 the standard deduction for heads of households was $300 smaller than for married couples—maximum of $2,300 versus $2,600. In 1976 the standard deduction for heads of households was $400 smaller than for married couples—maximum of $2,400 versus $2,800.

That was bad enough. But the Tax Reduction and Simplification Act of 1977 gives heads of households a standard deduction $1,000 less than for married persons. Under that act, the standard deduction for married couples is $3,200, compared to $2,200 for heads of households. This 1977 law, supposedly a tax cut bill, increases taxes on 337,000 heads of households by an average of $44.50.

We should not place tax penalties on heads of households. They have even greater financial pressures than married couples. The average family income for heads of households for 1975 was $8,295. The comparable figure for married persons was twice that much—$16,775. Eighty-two percent of heads of households are women; 22.2 percent are nonwhite. Practically no heads of households units have two earners, yet almost 50 percent of married couples have two earners. And by definition, all heads of households units have a dependent—usually a minor child or elderly parent.

Given these facts, it is a surprise that we discriminate against heads of households in the Tax Code. We discriminate against them by giving them a smaller standard deduction than we give married couples. Also, we tax them at higher rates than married couples. Current law has one set of tax rates for married couples, and a different, higher rate for heads of households.

Some persons say this bill is a "divorce incentive." For example, the argument has been made that a married couple with two children might get divorced, with each parent taking one child, to take advantage of two standard deductions.

This is a ridiculous argument. I just cannot believe that very many people will make fundamental life decisions based on the size of the standard deduction.

The bill I am introducing today is endorsed by the American Association of University Women, the League of Women Voters, Parents Without Partners, the National Organization for Women, the Women's Lobby, the Committee of Single Taxpayers, and the National American Singles Association. It was approved by the Senate Finance Committee and the full Senate in 1977 as a part of H.R. 3477.

The revenue loss of this bill is $602 million per year at 1977 income levels.

I hope the Congress can act on this bill without unnecessary further delay.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STANDARD DEDUCTION FOR HEADS OF HOUSEHOLDS.

(a) IN GENERAL.—Subsection (b) of section 1 of the Internal Revenue Code of 1954 (relating to the rates of tax on individuals) is amended by striking out the text thereof and inserting the following:

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $3,200	No tax.
Over $3,200 but not over $4,200	14% of the excess over $3,200.
Over $4,200 but not over $5,200	$140, plus 16% of excess over $4,200.
Over $5,200 but not over $7,200	$300, plus 18% of excess over $5,200.
Over $7,200 but not over $9,200	$660, plus 19% of excess over $7,200.
Over $9,200 but not over $11,200	$1,040, plus 22% of excess over $9,200.
Over $11,200 but not over $13,200	$1,480, plus 23% of excess over $11,200.
Over $13,200 but not over $15,200	$1,940, plus 25% of excess over $13,200.

"If the taxable income is:	The tax is:
Over $15,200 but not over $17,200	$2,440, plus 27% of excess over $15,200.
Over $17,200 but not over $19,200	$2,980, plus 28% of excess over $17,200.
Over $19,200 but not over $21,200	$3,540, plus 31% of excess over $19,200.
Over $21,200 but not over $23,200	$4,160, plus 32% of excess over $21,200.
Over $23,200 but not over $25,200	$4,800, plus 35% of excess over $23,200.
Over $25,200 but not over $27,200	$5,500, plus 36% of excess over $25,200.
Over $27,200 but not over $29,200	$6,220, plus 38% of excess over $27,200.
Over $29,200 but not over $31,200	$6,980, plus 41% of excess over $29,200.
Over $31,200 but not over $35,200	$7,800, plus 42% of excess over $31,200.
Over $35,200 but not over $39,200	$9,480, plus 45% of excess over $35,200.
Over $39,200 but not over $41,200	$11,280, plus 48% of excess over $39,200.
Over $41,200 but not over $43,200	$12,240, plus 51% of excess over $41,200.
Over $43,200 but not over $47,200	$13,260, plus 52% of excess over $43,200.
Over $47,200 but not over $53,200	$15,340, plus 55% of excess over $47,200.
Over $53,200 but not over $55,200	$18,640, plus 56% of excess over $53,200.
Over $55,200 but not over $67,200	$19,760, plus 58% of excess over $55,200.
Over $67,200 but not over $73,200	$26,720, plus 59% of excess over $67,200.
Over $73,200 but not over $79,200	$30,260, plus 61% of excess over $73,200.
Over $79,200 but not over $83,200	$33,920, plus 62% of excess over $79,200.
Over $83,200 but not over $91,200	$36,400, plus 63% of excess over $83,200.
Over $91,200 but not over $103,200	$41,440, plus 64% of excess over $91,200.
Over $103,200 but not over $123,200	$49,120, plus 66% of excess over $103,200.
Over $123,200 but not over $143,200	$62,320, plus 67% of excess over $123,200.
Over $143,200 but not over $163,200	$75,720, plus 68% of excess over $143,200.
Over $163,200 but not over $183,200	$89,120, plus 69% of excess over $163,200.
Over $183,200	$103,320, plus 70% of excess over $183,200.".

(b) WITHHOLDING.—Paragraph (1) of section 3402(f) of such Code (relating to withholding exemptions) is amended—

(1) by striking out "and" at the end of subparagraph (F),

(2) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof a semicolon and the word "and", and

(3) by adding at the end thereof the following new subparagraph:

"(H) in the case of an employee who is the head of a household (as defined in section 2(b)) and who elects the application of this subparagraph, an additional zero bracket allowance.".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act apply with respect to taxable years beginning after the date of enactment of this Act.

By Mr. THURMOND:

S. 1645. A bill to amend the Automobile Information Disclosure Act in order to broaden the application of such act to include certain recreational vehicles and vans; to the Committee on Commerce, Science, and Transportation.

Mr. THURMOND. Mr. President, I rise today to propose legislation requiring the manufacturers of vans to place a disclosure sticker on these vehicles, much like the current requirement for automobiles. This measure would afford protection to the increasing number of purchasers of this popular motor vehicle.

Mr. President, the increase in passenger van sales in the past 5½ years has been most impressive. According to one study by the U.S. Bureau of Economic Analysis, in the passenger van class of new car deliveries in the United States, the 1976 total of 120,000 was nearly double the 1971 total of 62,000. In 1971, van sales amounted to 0.7 percent of total domestic sales; by 1976, this ratio had exactly doubled to 1.4 percent. Of the total U.S. market in 1971, van sales accounted for 0.6 percent; by last year, this proportion had also doubled to 1.2 percent.

In calendar year 1976, sales of van and cutaway chassis body types in the 10,000 pound and below gross vehicle weight class totaled 522,815, up more than 144,000 sales from 1975.

It is easy to conclude from these statistics that the rise in popularity and sales of passenger vans in recent years has been a boon to the automobile industry. At the same time, both consumers and business have reaped many benefits from this rise. Van buyers include both recreation-minded citizens—especially younger motorists—and many small businessmen, such as florists and subcontractors. In the spirit of full disclosure which has been fostered by the consumer movement, I think it fitting that this body give my proposal its careful and favorable consideration.

Mr. President, the initiative for this legislation came from Ms. Becky Hucks, an employee of mine for the last 3½ years, and one whose spirit of cooperation and administrative expertise have been invaluable to me from her first day of work. On behalf of Ms. Hucks and of all future van purchasers, I strongly urge my colleagues to give this measure their speedy approval.

Mr. President, I send this bill to the desk and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Automobile Information Disclosure Act (15 U.S.C. 1231 et seq.) is amended by inserting in section 2(c) after the words "station wagon" a comma and "or any recreational vehicle or passenger or parcel delivery van with a gross vehicle weight (combined vehicle and load) of 10,000 pounds or less".

SEC. 2. The amendment made by this Act shall be effective after 90 days following the date of enactment of this Act.

By Mr. DURKIN:

S. 1648. A bill to amend the Federal Power Act to provide for the encouragement of the licensing and development of small hydroelectric power projects in connection with existing dams on the waterways of the United States, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DURKIN. Mr. President, a keystone of the various energy proposals we are debating is the idea that our Nation should take advantage of every possible energy resource which is available. At this moment, hundreds of streams in New Hampshire, New England, and the rest of the country flow over existing dams which are not equipped with turbines to generate electricity. In many cases, these small dams could be converted to produce power without adversely affecting the environment.

Today I am introducing the Small Hydroelectric Power Projects Act of 1977 to help clear the way for wider development of this resource. It authorizes the Federal Power Commission—FPC—to begin a program of cost-sharing loans and grants to assist hydroelectric projects of less than 15 MW across the country. In addition, it requires the FPC to simplify its licensing procedures for these hydroelectric developments.

There is no doubt that this program is appropriate now. It has the potential for displacing up to 1 million barrels per day of oil—oil which in the Northeast is imported. As a complement to study, research, and development efforts, it offers the opportunity to begin shifting away from scarce fossil fuels now.

When next winter sets in and fuel prices again begin their annual upward sweep, we will be held accountable to the promises we all made during this year's freeze. This bill offers an opportunity to take real steps to offset our dependence on foreign sources. It gives us the chance to begin creating a secure energy future for our Nation. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Hydroelectric Power Projects Act of 1977".

SEC. 2. Part I of the Federal Power Act is amended by adding at the end thereof the following new section:

"SEC. 30. (a) The Congress declares that, because of the impending shortages of fossil fuels and the urgent need to develop environmentally acceptable sources of electric energy to meet the future needs of the Nation, the public interest requires the rapid development of the hydroelectric potential of the numerous existing dams on the Nation's waterways which are not being used to generate electric power, if such development can be shown to be technologically and environmentally feasible and economically beneficial to the recipient of any grant or loan under this section.

"(b) The Federal Power Commission shall establish a program to encourage municipalities, electric cooperatives, industrial development agencies, nonprofit organizations, and persons to undertake the development of small hydroelectric projects, and take such steps as may simplify and expedite the licensing procedures under this Act in connection with such projects.

"(c) The Commission shall make grants of up to fifty percent of the project costs of each small hydroelectric project (and may make commitments to make such grants) on a finding by the Commission that such projects will—

"(1) promote the installation of similar projects by exhibiting the technical and economic feasibility of the generation of electric energy by such projects and of the use of such energy;

"(2) encourage the design, production, and marketing of appropriate generating, control, and related equipment for the development of such projects; and

(3) result in gathering and making available to the general public information regarding design, costs, equipment, and operations which will encourage the installation of other such projects.

"(d)(1) To encourage the development of small hydroelectric projects, the Commission may make low interest loans of up to fifty percent of project costs of small hydroelectric projects proposed by municipalities, electric cooperatives, industrial development agencies, nonprofit organizations, or persons.

"(2) Loans pursuant to this subsection shall be made only on a finding by the Commission that—

"(A) the project will carry out the purposes of this section;

"(B) the municipality, electric cooperative, industrial development agency, nonprofit organization, or person proposing the project does not have available alternative financing which the Commission deems appropriate to carry out the project; and

"(C) in the case of persons, industrial development agencies, and nonprofit organizations, that the operation of the project will result in substantially increasing employment or preventing a substantial loss of employment in the area to be served by the project.

"(3) Loans made pursuant to this section shall bear interest at the discount or interest rate used at the time the loan is made for water resources planning projects under section 80 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d-17(a)) and the terms of such loans shall be no less than twenty-five and no more than fifty years, as the Commission deems appropriate.

"(4) Amounts repaid under loans made pursuant to this subsection shall be deposited into the Treasury as miscellaneous receipts.

"(e) The Commission shall encourage applicants for licenses for small hydroelectric power projects to make use of public funds and other assistance for the design and construction of fish and wildlife facilities which may be required in connection with any development of such project.

"(f) In making grants and loans and issuing licenses for small hydroelectric power projects, the Commission shall encourage joint participation, to the extent otherwise permitted by law, by municipalities, electric cooperatives, industrial development agencies, nonprofit organizations, and persons.

"(g) The Commission shall take such steps as are necessary to require each utility within its jurisdiction to establish conditions of service which require that any small hydroelectric power project shall be provided with backup generation service from a utility and shall have the right to sell surplus electric energy to such utility.

"(h) Notwithstanding any other provision of law, licensees of small hydroelectric power projects may not be charged for the water used to operate projects which are licensed under this Act unless there is a consumptive use of such water to the detriment of rights in such water existing before the date of such license.

"(i) Licensees of small hydroelectric power projects shall furnish the Commission with such information as the Commission may require regarding equipment and services proposed to be used in the design, construction, and operation of projects licensed pursuant to this Act and the Commission shall have the right to forbid the use in such project of any such equipment or services it finds inappropriate for such project by reason of cost, performance, or failure to carry out the purposes of this section. The Commission may make public information it obtains under this subsection.

"(j) Notwithstanding any other provision of this section, the amount of any loan or grant under this section to any project (including any other amount of Federal funds loaned or contributed for such project) shall not exceed seventy-five percent of the total project cost.

"(k) There is hereby authorized to be appropriated for each of the fiscal years ending before October 1, 1980—

"(1) $50,000,000 for grants made pursuant to subsection (c); and

"(2) $50,000,000 for loans made pursuant to subsection (d).".

SEC. 3. Section 3 of the Federal Power Act is amended by adding at the end thereof the following new paragraphs:

"(17) 'small hydroelectric power projects' means any project of not more than twenty thousand horsepower (fifteen thousand kilowatts) of installed capacity.

"(18) 'electric cooperative' means any cooperative association eligible to receive loans under section 4 of the Rural Electrification Act of 1936 (7 U.S.C. 904).

"(19) 'industrial development agency' means any agency which is permitted to issue obligations the interest on which is excludable from gross income under section 103 of the Internal Revenue Code of 1954.

"(20) 'project costs' means the cost of all facilities of a project.

"(21) 'private utility' means any person engaged in transmission, or distribution, or both, of electric energy for profit.

"(22) 'non-profit organization' means any organization which is described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1954 and exempt from tax under section 501(a) of such Code (but only with respect to a trade or business carried on by such organization which is not an unrelated trade or business, determined by applying section 513(a) to such organization)."

SEC. 4. Section 10(e) of the Federal Power Act (16 U.S.C. 803(e)) is amended by inserting before the period at the end thereof the following: ": *Provided further,* That, for licenses involving Government dams issued subsequent to December 31, 1975, the annual charge shall be no more than one dollar for each kilowatt of installed capacity".

By Mr. MATSUNAGA:

S. 1650. A bill to reduce certain excise taxes imposed on air transportation; to the Committee on Finance.

Mr. MATSUNAGA. Mr. President, today I am introducing a bill which would reduce the taxes now imposed on airline passengers and shippers. By reducing the air fare for travelers and the freight cost for air shippers, this measure will encourage the use of commercial airlines; as a result, it will not only benefit consumers and travelers but also give a needed boost to the air transportation industry.

In 1970, Congress decided to embark on a 10-year program to modernize and expand the Nation's airport and airways system. To fund this program, Congress created the Aviation Trust Fund. The trust fund would receive the revenues generated from an 8-percent tax on domestic passengers, a 5-percent tax on cargo way bills, and a $3 per person international departure tax.

The revenues from these excise taxes have provided substantial benefits for the Nation. Airports and airways are no longer as congested as before; and safety as well as convenience have been improved. Last session, Congress reviewed and revised the basic airport and airways program to raise the authorized level of appropriations to meet a higher level of need.

Despite the increased appropriation for the coming years, it is apparent that the excise taxes imposed on passengers and shippers will generate far more revenues, than the program requires. For the fiscal year 1977, the trust fund will have a surplus of $1.8 billion. In fiscal year 1980, the trust fund will have an increased surplus of $2.8 billion.

The trust fund more than adequately meets all present and future anticipated needs for the program; and I believe that the projected surplus should be returned to air passengers and shippers through a tax reduction. My proposal therefore, would decrease the 8-percent tax on domestic passengers to 5 percent; it will reduce the 5-percent tax on cargo way bills to 3 percent; and it will reduce the $3 per person international departure tax to $2.

The reduced excise taxes will still provide the trust fund with more than adequate funds to meet the program needs. Even after paying for the expanded airport and airways system program, it is

estimated that the trust fund will have a $1.8 billion surplus in fiscal year 1977 and a $1.2 billion surplus in fiscal year 1980. The excise tax reduction will not in any way jeopardize the solvency of the fund.

On the other hand the tax reductions will mean lower cost for air travelers and shippers. For example, on a round trip coach flight from New York to Honolulu, a passenger will save $10.82 in excise taxes. On a round trip coach flight from New York to Los Angeles, a traveler will save $7.65 in excise taxes. Shippers will also find the cost of air freight cheaper, because of the reduced excise taxes. On a 1,000-pound shipment of general commodities from California to Honolulu, a shipper will save $7.40. On a shipment of 1,100 pounds of vegetables from California to Honolulu, a shipper will save $3.20. Because reduced tax rates will mean lower freight costs for shippers, the end result will be lower prices for consumers.

Reduced tax rates will also encourage greater use of air freight as opposed to surface transportation. Under the proposed legislation, on a shipment of 1,100 pounds of delicious papaya from Hawaii to the mainland, the shipper will save $3.75. The lower rates for Hawaiian produce air shipped to the mainland will of course mean lower prices. This will encourage and create a broader market for Hawaiian fruits and thereby increase the shipments of Hawaiian produce to the mainland.

Mr. President, I am confident that lower air fares and air freight costs will benefit not only the people in Hawaii and California but people all over the Nation. Last session, the Commerce Committee recommended that these user taxes be reduced. The time is now appropriate for the Congress to act upon that recommendation and reduce these taxes.

ADDITIONAL COSPONSORS

S. 1353

At the request of Mr. THURMOND, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 1353.

S. 1464

At the request of Mr. THURMOND, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1464.

S. 1567

At the request of Mr. HELMS, the Senator from Texas (Mr. Tower) was added as a cosponsor of S. 1567.

SENATE JOINT RESOLUTION 53

At the request of Mr. TALMADGE, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of Senate Joint Resolution 53.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. CRANSTON, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Illinois (Mr. STEVENSON), the Senator from Iowa (Mr. CLARK), the Senator from Alaska (Mr. STEVENS), the Senator from Kansas (Mr. DOLE), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of Senate Concurrent Resolution 26.

AMENDMENT NO. 365

At the request of Mr. DOLE, the Senator from North Dakota (Mr. YOUNG) and the Senator from Kansas (Mr. PEARSON) were added as cosponsors of amendment No. 365.

SENATE RESOLUTION 188—ORIGINAL RESOLUTION REPORTED TO AMEND RULE XLIX OF THE STANDING RULES OF THE SENATE

(Placed on the Calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 188

Resolved, That paragraph (1) of Rule XLIX is amended to read as follows: "1. No officer or employee of the Senate may receive, solicit, be a custodian of, or distribute any funds in connection with any campaign for the nomination for election, or the election, of any individual to be a Member of the Senate or to any other Federal office. This prohibition does not apply to two assistants to a Senator, at least one of whom is in Washington, District of Columbia, who have been designated by that Senator to perform any of the functions described in the first sentence of this paragraph and who are compensated at an annual rate in excess of $10,000 if such designation has been made in writing and filed with the Secretary of the Senate and if each such assistant files a financial statement in the form provided under Rule XLII for each year during which he is designated under this Rule. The Secretary of the Senate shall make the designation available for public inspection.".

AMENDMENTS SUBMITTED FOR PRINTING

FOREIGN ASSISTANCE ACT—S. 1520

AMENDMENT NO. 370

(Ordered to be printed and to lie on the table.)

Mr. TALMADGE. Mr. President, recently I brought to the attention of my colleagues a problem which shared jurisdiction for Public Law 480 among committees of the House of Representatives would create for dispensation of the amendments to Public Law 480 originally reported by the Committee on Agriculture, Nutrition, and Forestry in S. 275. I proposed a strategy which would minimize the complications in the consideration of amendments to Public Law 480 in conference with the House of Representatives. At that time, I proposed, and the Senate accepted, an amendment to the farm bill, S. 275, to strike those amendments which, after consultation with the committees involved, were agreed to correspond to the area of jurisdiction of the House International Relations Committee. I also indicated that I would offer the same amendments as a new title to S. 1520, the bilateral foreign economic assistance bill, which was recently reported by the Senate Foreign Relations Committee.

I now lay before my colleagues the amendments which were deleted from S. 275 in the form of an amendment to S. 1520. Specifically, these amendments would do the following:

First. Substitute the International Development Association's poverty criterion, currently $520, for the $300 gross national product per capita monetary limit in identifying the countries to which 75 percent of the volume of U.S. concessional food aid provided under title I of Public Law 480 is required to be allocated in each fiscal year; provide an additional basis for waiving the "75/25" requirement upon a determination that the quantity of food aid otherwise required to be allocated to such countries cannot be effectively used to carry out the humanitarian purposes of title I; and authorize the Secretary of Agriculture, rather than the President, to exercise the waiver authority with respect to such requirements;

Second. Provide that not less than 5 percent of the value of title I agreements in each fiscal year be made available from sales proceeds and loan repayments to the Secretary of Agriculture to finance facilities to aid in the distribution and consumption abroad of U.S. agricultural commodities;

Third. Add a new food for development program under title III which would further define the "grantback" authority now provided under section 106(b)(2) of the act whereby certain specified uses by the recipient country of the proceeds from the sale of agricultural commodities furnished under title I are considered as payments to the United States;

Fourth. Increase to 1,500,000 metric tons—from 1,300,000 tons—the minimum quantity of agricultural commodities to be distributed in fiscal year 1978 under title II of Public Law 480, of which not less than 1,300,000 metric tons are to be made available to voluntary agencies and the world food program, with such quantities being increased by 50,000 metric tons each subsequent year;

Fifth. Permit payment of transportation costs to points of entry other than the seaports of the recipient country;

Sixth. Repeal the prohibition on the financing of title I sales made by exporters which trade with North Vietnam and the prohibition, unless waived by the President, on title I sales to the United Arab Republic and to countries which trade with Cuba or North Vietnam;

Seventh. Restrict title I assistance going to countries which engage in a consistent pattern of violation of human rights and all assistance under the act going to countries which have expropriated U.S. property;

Eighth. Limit the sale of title II commodities in cases other than emergency relief to the generation of funds to improve program effectiveness and to increase the availability of food to the neediest people in recipient countries;

Ninth. Require the Secretary of Agriculture to make a determination that

adequate storage facilities are available and that food assistance will not act as a disincentive to food production in a potential recipient country before food shipments may be authorized;

Tenth. Make several revisions in the reporting requirements under the act.

The Committee on Agriculture, Nutrition, and Forestry held hearings on Public Law 480 in conjuction with omnibus farm legislation February 22 through March 15, 1977. The Subcommittee on Foreign Agricultural Policy also has held numerous hearings on Public Law 480 over the past several years. The committee carefully considered the amendments to Public Law 480, which I now offer as an amendment to S. 1520, and reported them favorably to the Senate in title XI of S. 275 on May 16, 1977. To assist the Senate in its consideration of these provisions, I ask unanimous consent that certain excerpts from the report of the Committee on Agriculture, Nutrition, and Forestry on that bill be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM THE REPORT OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY ON S. 275 RELATING TO THE PROPOSED AMENDMENT TO S. 1520

BACKGROUND AND NEED

America's foreign food assistance is provided under the authority of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954.

Public Law 480, popularly called the Food for Peace program, consists of two operative titles.

Under title I, the Commodity Credit Corporation, a public lending institution within the U.S. Department of Agriculture, finances on favorable terms the sale of U.S. agricultural commodities to developing nations.

Title II provides authority for the President to buy American farm products and donate them to American voluntary agencies, the World Food Program, and other multilateral agencies, or to foreign governments for distribution abroad to needy individuals.

The authorization for food donations and concessional financing of sales of agricultural commodities will expire on December 31, 1977.

The objectives of the program are outlined in section 2 of the Act. Broadly stated, they are: expanding international trade; developing and expanding overseas markets for American farm products; preventing or alleviating malnutrition and hunger throughout the world; encouraging economic development and improving food production in less developed countries; and providing an additional outlet for the products of American farms and ranches, especially in times of surplus; and advancing the objectives of U.S. foreign policy.

The emphasis on any one objective will vary as circumstances vary. Frequently, several objectives are served at the same time.

Public Law 480 traditionally has been used to increase the exports of U.S. agricultural commodities and support farm income by providing concessional financing for countries unable to buy on a commercial basis.

The program also has supported market development activities in both recipient countries and other countries where Public Law 480 earnings could be used. Title I has been the primary means of achieving this objective although the program under title II has market development implications.

Another objective of the program is to promote economic development in less developed countries.

Under title I agreements, the funds generated by the Public Law 480 commodities are used by the recipient government to promote economic development, including agricultural self-help projects. Commodities donated under title II are often used for food-for-work projects which are part of overall development plans.

In recent years, Public Law 480 shipments have averaged slightly above $1 billion, down from a high of $1.5 billion in the mid-sixties. However, considerably smaller quantities are being shipped due to substantially higher prices for the commodities programed. Whereas the annual average volume of shipments between 1968 and 1972 was over 11 million metric tons, the average between 1973 and 1975 fell to about 5.5 million metric tons.

Development of title I sales agreements

Each sales agreement under title I begins with a request for commodities from a foreign government or private trade entity. The request is generally submitted to the U.S. Embassy in the recipient country and is then transmitted directly to Washington, accompanied by recommendations of Embassy officials. The Department of Agriculture analyzes the submission and develops a program proposal which provides for commodity quantities, levels of required commercial imports from the United States and friendly countries (usual marketing requirements), self-help measures, and uses of sales proceeds.

The proposed program is submitted to the Interagency Staff Committee on Public Law 480 (ISC), chaired by Agriculture and with representatives from Treasury, State/AID, Defense, Commerce, and the Office of Management and Budget. Once Committee approval is obtained, the proposed credit terms are submitted to the National Advisory Council on International Monetary and Financial Policies and consultations with friendly third countries are undertaken. At the same time, congressional agriculture committees are informed of the proposed program. Instructions are forwarded to the concerned U.S. Embassy authorizing negotiations by the Ambassador or his designees with officials of the recipient government.

Long term credit sales agreements.—Long term credit sales agreements are of two types: dollar credit and convertible local currency credit. Under dollar credit agreements the importing country makes a specified down payment in dollars for foreign currency on commodity delivery if such a payment is provided for in the agreement, and repays the balance in dollars in approximately equal annual installments over a period of up to 20 years. A grace period of up to 2 years may be provided, during which payments are not required. Interest rates during the grace period are a minimum of 2 percent, rising to 3 percent thereafter. All sales agreements negotiated with private trade entities are dollar credit agreements.

Under convertible local currency credit agreements, credit installments are paid in dollars (or in foreign currencies at the option of the United States). Payments are made for a period of up to 40 years, with a maximum grace period of 10 years. Minimum interest rates are the same as those for dollar credit agreements. Down payments in dollars of foreign currency may also be required in this type of agreement.

Local currency sales agreements.—Under this type of agreement, the importing country pays in its own currency, on delivery of the commodity, the full commodity value deposited to a U.S. Government account in the importing country. Under the law, no new local currency sales agreements were signed after December 31, 1971. These sales, which resulted in large amounts of U.S.-owned currency, were phased out over a period of several years. Public Law 480 sales are now made only on credit terms. This means that except for early payments in local currency requested by the United States for certain purposes, all local currencies generated by Public Law 480 sales are owned by the recipient country.

While the Commodity Credit Corporation finances the sale and export of agricultural commodities, actual sales are made by private U.S. suppliers to foreign importers, government agencies, or private trade entities.

Section 401 of the Act provides that the Secretary of Agriculture must determine that commodities included in sales agreements are available for concessional exports. In determining availability, the Secretary must consider U.S. productive capacity, domestic requirements, farm and consumer price levels, adequacy of carryover stocks, and anticipated exports for dollars.

TITLE II—FOREIGN DONATIONS

Donations of agricultural commodities are carried out under title II. The President is authorized to determine requirements and furnish agricultural commodities, on behalf of the people of the United States of America, to meet famine or other urgent or extraordinary relief requirements; to combat malnutrition, especially in children; to promote economic and community development in friendly developing areas; and for needy persons in maternal/child health, school feeding, and food-for-work programs outside the United States.

Title II of Public Law 480 enables the United States to share on a people-to-people basis its food with underfed, malnourished, unemployed, underemployed, and disaster-stricken populations of developing nations around the world.

The legislation authorizes title II donations up to $600 million annually, plus carryover from previous years' authorizations. Of this amount, up to $7.5 million may be used each year to purchase foreign currencies accruing under title I. This can be used to finance activities designed to insure more effective use of the donated food or to promote community and other self-help activities designed to alleviate the need for such assistance.

Food donations may be made available to friendly governments, inter-governmental organizations such as the World Food Program, and American nonprofit voluntary agencies such as CARE, Catholic Relief Services, Church World Services, and the American Joint Jewish Distribution Committee. In addition food is contributed to the United Nation's Relief and Works Agency (UNRWA), and to UNICEF in support of child feeding programs, and other intergovernmental organizations.

Title II program administration is shared by the Agency for International Development (AID) and the United States Department of Agriculture (USDA). Program operations are the responsibility of AID. The Department of Agriculture determines the types, quantities and the value of commodities available, and participates in the programing process. USDA also has responsibility for arranging ocean transportation for all title II commodities, except those shipped by the voluntary agencies and since January 1977, one half of World Food Program shipments. This responsibility encompasses scheduling when and where ships will arrive to insure the most efficient use of commodities. In unusual situations, USDA also aids the voluntary agencies in booking ocean transportation.

Title III provides authority for the barter or exchange of agricultural commodities for such strategic or other materials for such purposes as stated in the Act.

Title IV contains general provisions including the determination of such agricultural commodities and quantities thereof which would be available for disposition under the Act; definition of an agricultural commodity; a farmer-to-farmer exchange provision; and other sundry provisions.

Throughout the 25-year history of Public Law 480, the Committee on Agriculture, Nutrition, and Forestry has maintained active oversight of the activities conducted under this authority and has periodically recommended substantial legislative modifications. Most recently, a number of operation issues have come to the attention of the Committee.

One of the most pressing concerns is the need for greater flexibility in title I programing to permit adequate and timely adjustment of shipments to changing availabilities and needs. Section 111 of Public Law 480 requires that 75 percent of all food commodities made available under title I financing authority be provided to countries with an annual per capita GNP of $300 or less. This provision was enacted in a period of tight supply of basic food commodities worldwide and was intended to assure priority in title I programing to the poorest nations. However, as supplies of basic agricultural commodities have moved from shortage to surplus, this restriction encourages "over programing" to the poorest nations regardless of their need or the effect of excess supply on indigenous food production in such countries. On the other hand, the current law has only limited authority to reallocate title I financing outside the formula provided and, as a result, it has been necessary to deny or delay title I programing to nations which need such assistance but which fell above the specified poverty criterion. Furthermore, inflation over the past several years has substantially altered the criterion in terms of its relationship to the GNP of nations in "constant" terms.

PUBLIC LAW 480 TITLE II—SUMMARY

[In thousands of dollars]

Region/country	Fiscal year 1976 and 1TQ—total (actual)	Fiscal year 1977 estimated total	Fiscal year 1978 projected			
			Total	Voluntary agencies	World food program	Government-to-Government
Grand total	486, 376	537, 476	565, 904			
Total—Commodity	378, 142	401, 206	410, 788			
Subtotal—All regions	378, 142	310, 512	277, 488	208, 550	65, 000	3, 938
Near East	47, 963	51, 559	49, 185	29, 442	17, 839	1, 904
Latin America	93, 057	69, 150	50, 316	41, 231	8, 131	954
Africa	72, 218	54, 744	51, 204	27, 310	22, 814	1, 080
Asia	164, 894	135, 059	126, 783	110, 567	16, 216	
Emergency/unallocated		90, 694	133, 300			
Cereals		54, 427	37, 100			
NFDM		36, 267	96, 200			
Section 204 purchase of title I currencies	1, 308	2, 000	2, 000			
Ocean transportation	106, 926	134, 270	153, 116			

Existing legislative provisions restrict Public Law 480 to countries that trade with Cuba or Vietnam. Compliance involves making sure that private firms in potential recipient countries do not conduct trade, no matter how small, with either of these countries. Often, records of such trade are poorly kept or difficult to obtain. Therefore, such determination frequently and by practical necessity must be subjective in nature. In addition to difficulties in adequately and fairly administering these provisions, such restrictions would appear inconsistent with the current policy of easing tensions between the United States and these nations.

Similarly, the requirement of a Presidential waiver for title I sales to the United Arab Republic (Egypt and Syria) would seem incongruous in light of the current diplomatic climate in the Mideast. Such a determination frequently results in unnecessary delays and adds considerably to the complexity of program administration.

The inadequacy of storage and distribution facilities and systems in Public Law 480 recipient countries has posed a problem to efficient use of programed commodities. Resultant damage and waste in certain instances not only have denied needy people of food but have brought adverse publicity to the program. There is real need, not only for additional storage and distribution facilities in Public Law 480 countries, but also for tighter administrative controls so that all commodities furnished under the program can be efficiently utilized without waste or damage from inadequate storage or poor distribution facilities.

The marketing infrastructure in many developing nations also represents an important constraint on the expansion of United States agricultural exports. The development of storage, handling and distribution facilities in such countries therefore would benefit not only needy countries in assuring increased availability of food but could assist our own farm producers in the development of foreign markets.

The World Food Conference of 1974 recommended that greater emphasis be placed upon the linkage of food assistance to increased food production in food deficit developing countries. Congress has also urged that food assistance be concomitant with self-help measures by such countries to raise their level of economic development. In December of 1975, Congress enacted general provisions which would permit the President to waive repayment of a loan obligation under title I of Public Law 480 to the extent that the proceeds raised by the sale of commodities supplied under such loan would be applied to specifid development purposes. The Committee has conducted extensive review of this approach toward strengthening this concept and better addressing the objectives of using title I financing as a development resource.

Continuity of assistance has increased the difficulty of providing for a greater development impact in the use of resources made available under Public Law 480. Food assistance commitments beyond one year would enable Public Law 480 recipient countries to pursue their agricultural development plans with the knowledge that food assistance on a multiyear basis will be made available provided they carry out agreed self-help programs.

As U.S. voluntary agencies and other program sponsors seek to rebuild title II programing after the precipitous cutback from between 2 and 2.5 million tons in the 1960's to around 1 million tons in the mid-1970's, the Committee has reviewed the need to provide for an appropriate minimum level of title II programing.

Not only does the minimum tonnage requirement assure vulnerable groups of needy people in developing countries of a stable supply of food for improved nutrition, it also permits charitable groups and others who distribute donated commodities and products to better plan programs and acquire adequate staffing geared to a steady commodity flow.

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Committee Consideration

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Sections 102 and 103(d) of Public Law 480 place limitations on title I sales to countries or exporters which trade with Cuba or Vietnam. The administration of these provisions has caused difficulty and delays in programing and were viewed as incongruous with recent changes in United States foreign policy. Therefore, the Committee deleted the part of section 102 which prohibits title I financing of the sale and export of agriculture commodities for any exporter engaged in trade with North Vietnam. The Committee also deleted the restrictions in section 103 (d) on title I sales to any nations trading with Cuba or North Vietnam and those applying to sales to the United Arab Republic.

* * * * *

In order to provide greater flexibility in the allocation and programing of title I concessional financing and better respond to the actual needs of developing countries and changes in the world supplies of food commodities, the Committee adopted several amendments to the title I allocation formula provided for under section 111.

The high rate of inflation throughout the world has eroded the value in real economic terms of the $300 per capita gross national product (GNP) criterion under which title I financing is allocated. While the actual poverty level has changed little, if any, in developing countries, the present allocation criterion, made more restrictive by inflation, is rapidly reducing the number of eligible nations. Therefore, the Committee agreed upon an amendment to change this criterion to an adjustable and internationally accepted base; the poverty criterion of the International Development Association of the International Bank for Reconstruction and Development (World Bank) was selected. The current poverty criterion of the International Development Association is a per capita GNP of $520 or less. However, this criterion may be adjusted periodically to reflect inflation or other economic factors.

The Committee also provided broader authority to the Secretary of Agriculture to reallocate some portion of the title I financing reserved for countries which meet the poverty criterion if he determines that such quantity cannot be effectively used to carry out the humanitarian or developmental purposes of title I. It is the intention of the Committee that such waiver authority be utilized in the initial allocation of title I financing to eligible countries if, after a reasonable effort is made to provide title I financing to the poorest nations, the Secretary of Agriculture finds that such financing could not be effectively used by such countries for humanitarian or development purposes.

The Committee added a new section to title I which would authorize the Secretary of Agriculture to use not less than 5 percent of the proceeds generated from the sale of title I commodities to be used to develop handling, distribution, storage, and other facilities to encourage the sale and distribution of United States agricultural commodities. The President would be permitted to accept some portion of the loan repayment under this provision in foreign currencies as a currency use payment which could then be used to fund projects in the developing countries such as improvement of port facilities, or port and inland storage facilities.

The inadequacy of such facilities represents not only a major constraint on the expansion of markets for United States farm commodities but a threat to the food security of developing countries, especially in cases where disasters or crop shortfalls necessitate the movement of large quantities of food commodities into a developing nation within a limited period of time. Furthermore, the improvement of such facilities would help reduce the costs of food distribution in such countries by providing for greater bulk handling capabilities and improving the general efficiency of the distribution system. The provision would, therefore, offer a unique opportunity to strengthen the market development as well as the humanitarian benefits of title I.

* * * * *

The Committee adopted an amendment which would restrict title I financing to any country which has demonstrated a consistent pattern of gross violations of internationally recognized human rights, unless such assistance would directly benefit needy people. The amendment would also require that reports on the administration of this provision be submitted to the appropriate committees of the Congress.

* * * * *

The minimum quantities of food commodities which would be provided under the title II grant program each year was increased from 1.3 to 1.5 million metric tons by the Committee. Of this amount, the minimum which would be distributed through United States nonprofit voluntary agencies and the World Food Program was increased from 1.0 to 1.3 million metric tons. In response to the failure of the Administration to meet the current minimum level in fiscal year 1977, the Committee has modified language of the law from "distributed" to "make available." This change is intended to mean that discretion over whether such minimum quantity is actually provided would be passed from the administering U.S. agency to program sponsors. The Committee also adopted a provision which would increase both minimum quantities by 50,000 tons for each fiscal year beginning in 1978 through 1982. Therefore, the title II overall minimum would reach 1.75 million metric tons and the subminimum for voluntary agencies and the World Food Program would reach 1.55 metric tons by 1982. This increase would restore the program closer to the historical levels of between 2 and 2.5 million metric tons which are provided under title II prior to 1974.

* * * * *

The Committee has found that the payment of overland freight expenses to other than landlocked countries would be advantageous in terms of meeting emergency needs, securing proper shipping services and for cost and program efficiency reasons. To provide for these needs, the Committee adopted an amendment to section 203 of Public Law 480 which would authorize the payment of overland freight to countries in such cases.

* * * * *

Presently, very broad authority is provided under Public Law 480 to permit the sale of title II commodities by the recipient government. However, the Committee feels that the sale of title II commodities seriously dilutes the capabilities of title II to meet the humanitarian food needs of the poorest individuals in developing countries. The Committee, therefore, adopted an amendment to section 206 of Public Law 480 which limits the sale of title II for other than emergency relief to the generation of funds which would be used to improve the effectiveness of title II distribution programs and increase the availability of food aid to the neediest individuals in the recipient country.

It was the Committee's intention in amending section 206 to assure that title II commodities reach the poorest and often the least accessible people within the recipient countries by providing this type of financial support, both for logistical expenses and for tools, equipment, and other related expenses.

The previous uses of local currency proceeds specified in section 206 and now changed by this amendment would still be provided for under title II of this Act. This would be consistent with current practice of authorizing in exceptional cases sales of food by voluntary agencies and the World Food Program.

* * * * *

The Committee adopted an amendment which would expand title III of Public Law 480 by adding a new Food for Development program. This provision would further define the "grantback" authority provided under section 106(b)(2). The President could designate under specific eligibility criteria developing nations for a Food for Development program. Participants in a Food for Development program would submit a multi-year proposal for the use of proceeds of the sale of title I commodities to improve food distribution, agricultural production, rural development, and related developmental activities. Proceeds so utilized would be credited against title I loan repayment obligation. Funds under this title would be used to supplement, but not replace funds otherwise available under other development programs, and bilateral and multilateral development assistance. The use of commodities chiefly for development projects such as "food-for-work" programs could also be credited against the title I loan obligation as part of a Food for Development agreement.

The Food for Development authority replaces the "grantback" provisions provided under the 1975 amendments to Public Law 480. However, the ceiling on the use of this authority of 15 percent of the value of all title I agreements entered into during each fiscal year would apply to agreements entered into under title III. In addition, it would provide for multi-year programs subject to availability of commodities as provided under section 401 of Public Law 480.

The purpose of the Food for Development program is to provide an option to title I concessional financing under which incentives are provided to the recipient government to take effective steps aimed at increasing and expanding rural and agricultural development so that the well-being of the poor in these countries will be enhanced. The committee feels that this amendment would help strengthen the linkage between food aid and agricultural and rural development. It would insure that the incentive of additional concessionality on title I loans would be a part of a carefully developed plan to increase the resources available for development activities. It is the sense of the Committee that the authority should be used cautiously and such programs should be expanded only after a few pilot projects have been proven successful.

* * * * *

The lack of adequate storage facilities in a recipient country has caused spoilage and loss of commodities supplied under Public Law 480 in certain countries. To address this problem, the Committee adopted an amendment which requires a determination by the Secretary of Agriculture—before any financing or commodities may be provided—that adequate storage facilities are available in the recipient country and that the distribution of such commodities will not act as a disincentive to farm production.

* * * * *

The Committee proposed several changes to streamline and improve the reporting requirements under Public Law 480. One amendment would revise section 408(b) of Public Law 480. Section 408(b) now requires the President to submit a report to Congress of planned programing of food assistance for each fiscal year, a global assessment of food production and needs, self-help steps being undertaken by food deficit countries, steps being taken to encourage other countries to increase food aid, and the relationship between food assistance provided under Public Law 480 to other forms of foreign assistance provided to each country by the United States and other donors. The amendment would transfer the reporting requirement responsibilities to the Secretary of Agriculture to avoid unnecessary involvement of the Executive office and would eliminate the reporting requirements on matters other than planned programming of food assistance and the global assessment of food production and needs.

Another amendment would combine the follow-up report required under section 408(c)—which provides for a revised global assessment of food production and needs and food aid programing under title I—with section 408(b) and require such updated reports on a quarterly basis.

The Committee also added a new provision requiring that the President submit to Congress a comparative cross country evaluation of programs conducted under title II and title III beginning October 1, 1978, and each 5 years thereafter.

It is intended that this report should analyze both successes and failures in the development and implementation of programs and projects under title II and title III with an aim of identifying key factors that can assist in improving the developmental impact of Public Law 480 programs. The evaluations should be comparative analyses of similar projects under both title II and III and should identify the criteria for selecting and evaluating projects. Possible examples of types of activities to be reviewed include rural food for work projects, nutritional education activities, and maternal child health delivery systems.

* * * * *

The Committee adopted a provision which would extend the current prohibition of food assistance to countries which have expropriated American property, which currently applies to title I, to all activities conducted

under Public Law 480. Authority was provided to the President to waive this restriction with respect to urgent humanitarian relief requirements which result from natural disasters for purposes of assistance under title II, but such assistance would not be permitted beyond 90 days following waiver determination.

STATISTICAL BACKGROUND INFORMATION RELATING TO TITLE XI OF S. 275—PUBLIC LAW 480

Table I shows the value of shipments in total for each title of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) since the inception of the program. Tables II, III and IV show the volume of commodities shipped during each year.

Table V includes planned programs of assistance under title I of Public Law 480 for the 1978 fiscal year. Table VI, lists the most recent World Bank statistics on the per capita gross national product of individual countries.

TABLE I.—VALUE OF U.S. FARM PRODUCTS SHIPPED UNDER PUBLIC LAW 480 ANNUALLY, FISCAL YEARS 1955–78

[In thousands of dollars]

Fiscal year	Total	Title I	Title II
1955	384, 425	197, 584	186, 841
1956	984, 903	737, 236	247, 667
1957	1, 525, 062	1, 308, 283	216, 779
1958	981, 033	757, 292	223, 741
1959	1, 017, 286	856, 402	160, 884
1960	1, 115, 866	973, 104	142, 762
1961	1, 316, 366	1, 095, 449	220, 917
1962	1, 495, 498	1, 246, 768	248, 730
1963	1, 456, 269	1, 192, 805	263, 464
1964	1, 417, 993	1, 148, 043	269, 950
1965	1, 570, 487	1, 331, 739	238, 748
1966	1, 345, 879	1, 079, 357	266, 522
1967	1, 270, 818	1, 003, 450	267, 368
1968	1, 279, 464	1, 029, 326	250, 138
1969	1, 038, 590	773, 853	264, 737
1970	1, 055, 815	815, 221	240, 594
1971	1, 022, 963	743, 018	279, 945
1972	1, 082, 741	679, 000	403, 741
1973	957, 361	667, 400	289, 961
1974	858, 291	575, 376	282, 915
1975	1, 098, 057	763, 620	334, 437
1976 and transitional quarter	1, 338, 012	1, 003, 464	334, 548
1977 estimate	1, 206, 226	800, 000	406, 226
1978 estimate	1, 210, 746	800, 000	410, 746

TABLE II.—ANNUAL VOLUME OF TOTAL PUBLIC LAW 480 SHIPMENTS, FISCAL YEARS 1955–78

[Metric tons/metric tons grain equivalent]

Fiscal year	Total		Wheat/ wheat products	Feedgrains	Rice	Vegoil	Nonfat dry milk	Blended foods	Other
	Grains	Nongrains							
1955	3, 101, 948	316, 518	2, 367, 143	720, 652	14, 153	50, 550	128, 663		137, 305
1956	9, 207, 440	863, 128	4, 788, 590	4, 159, 119	259, 731	242, 734	204, 673		415, 732
1957	12, 965, 169	1, 306, 159	8, 569, 600	3, 427, 439	968, 130	311, 445	224, 155		770, 559
1958	8, 253, 239	975, 320	6, 003, 928	1, 969, 213	280, 098	233, 645	289, 945		451, 730
1959	10, 438, 493	1, 049, 794	7, 727, 448	2, 396, 688	314, 357	351, 938	296, 028		401, 828
1960	13, 543, 473	781, 798	9, 925, 183	3, 044, 478	573, 803	339, 214	175, 468		267, 116
1961	15, 458, 030	884, 040	11, 942, 490	2, 858, 001	657, 539	284, 059	242, 900		357, 081
1962	17, 686, 602	1, 091, 605	13, 670, 392	3, 594, 941	421, 269	361, 816	278, 036		451, 753
1963	16, 055, 762	1, 310, 815	13, 538, 967	1, 902, 349	614, 446	298, 209	335, 048		677, 558
1964	15, 637, 926	1, 138, 072	13, 425, 887	1, 537, 718	674, 321	336, 957	300, 794		500, 321
1965	17, 307, 701	1, 103, 331	15, 365, 608	1, 376, 408	565, 685	472, 206	209, 236		421, 889
1966	17, 390, 714	766, 714	14, 720, 342	2, 310, 984	359, 388	320, 004	217, 835		228, 875
1967	12, 994, 477	962, 670	8, 327, 216	3, 838, 942	828, 319	342, 853	137, 911	87, 926	393, 980
1968	13, 503, 784	1, 048, 277	10, 733, 351	2, 062, 828	734, 605	400, 798	134, 550	117, 912	395, 017
1969	8, 911, 786	1, 084, 672	6, 891, 311	1, 027, 391	993, 084	367, 737	142, 655	187, 824	386, 456
1970	10, 008, 604	929, 589	7, 629, 266	1, 432, 333	947, 005	330, 546	138, 000	149, 287	[1] 311, 756
1971	8, 927, 958	906, 879	6, 619, 919	1, 384, 963	923, 076	379, 001	150, 534	178, 251	199, 093
1972	8, 993, 769	911, 864	6, 448, 026	1, 484, 342	1, 061, 401	380, 663	125, 582	265, 783	139, 836
1973	6, 637, 482	663, 526	4, 051, 217	1, 589, 315	996, 950	217, 738	27, 637	269, 314	148, 837
1974	2, 916, 470	352, 517	1, 421, 616	934, 234	605, 620	118, 857		182, 347	51, 313
1975	4, 520, 424	303, 414	3, 435, 390	321, 783	763, 251	70, 208	44, 334	192, 800	15, 572
1976 and transition quarter	6, 215, 921	435, 083	4, 843, 730	396, 775	975, 416	177, 161	34, 513	150, 268	73, 141
1977 estimate	5, 433, 251	540, 120	4, 231, 901	551, 350	650, 000	229, 565	67, 070	202, 363	41, 122
1978 estimate	5, 962, 240	552, 760	4, 949, 156	363, 084	650, 000	247, 785	71, 204	195, 600	38, 171
Cumulative total	252, 146, 286	20, 280, 080	191, 627, 677	44, 685, 339	15, 833, 270	6, 866, 178	3, 976, 722	2, 160, 242	7, 276, 888

[1] Category total does not reflect 9,000 cattle hides.

TABLE III.—ANNUAL VOLUME OF PUBLIC LAW 480 TITLE I SHIPMENTS, FISCAL YEARS 1955–78

[Metric tons/metric tons grain equivalent]

Fiscal year	Total		Wheat/ wheat products	Feedgrains	Rice	Vegoil	Nonfat dry milk	Blended foods	Other
	Grains	Nongrains							
1955	2, 538, 993	49, 074	1, 905, 547	633, 219	227	31, 938	454		16, 682
1956	8, 591, 868	453, 221	4, 386, 181	4, 081, 809	123, 878	226, 250	5, 572		211, 399
1957	11, 865, 059	971, 051	7, 879, 042	3, 133, 974	852, 043	310, 568	1, 099		659, 384
1958	6, 850, 599	609, 823	5, 133, 522	1, 485, 650	231, 427	233, 645	22, 214		353, 964
1959	9, 205, 472	772, 226	6, 860, 157	2, 058, 673	286, 642	351, 938	37, 548		382, 740
1960	12, 091, 543	632, 428	8, 945, 858	2, 660, 787	484, 898	339, 214	28, 275		264, 939
1961	13, 113, 956	644, 950	10, 286, 984	2, 266, 050	560, 922	280, 384	22, 230		342, 336
1962	15, 157, 212	693, 416	11, 991, 169	2, 765, 968	400, 075	313, 403	15, 885		364, 128
1963	13, 712, 446	839, 807	11, 691, 087	1, 407, 548	613, 811	251, 158	19, 988		568, 661
1964	13, 269, 830	746, 122	11, 563, 364	1, 032, 145	674, 321	313, 946	14, 892		417, 284
1965	15, 311, 342	771, 159	13, 861, 892	883, 765	565, 685	366, 005	10, 561		394, 593
1966	15, 030, 755	423, 219	12, 833, 194	1, 838, 173	359, 388	196, 092	7, 492		219, 635
1967	10, 999, 412	613, 083	6, 987, 321	3, 183, 772	828, 319	219, 358	1, 196		392, 529
1968	11, 721, 976	674, 262	9, 392, 327	1, 595, 044	734, 605	300, 575	4, 967		368, 720
1969	7, 093, 259	669, 314	5, 388, 589	721, 038	983, 632	290, 278	8, 675		370, 361
1970	8, 160, 618	566, 069	6, 152, 320	1, 068, 756	939, 542	249, 925	5, 386		[1] 310, 758
1971	6, 989, 468	501, 207	5, 204, 369	862, 023	923, 076	292, 932	9, 182		199, 093
1972	6, 823, 904	343, 478	4, 797, 553	1, 212, 774	813, 577	193, 526	10, 116		139, 836
1973	4, 699, 244	257, 016	2, 461, 441	1, 273, 759	964, 044	106, 225	1, 954		148, 837
1974	1, 700, 210	110, 352	716, 304	378, 286	605, 620	65, 324		1, 788	43, 240
1975	3, 553, 140	44, 927	2, 779, 456	14, 433	759, 251	29, 355			15, 572
1976 and transition quarter	5, 238, 220	175, 830	4, 228, 212	34, 592	975, 416	117, 241		3, 605	54, 984
1977 estimate	4, 246, 000	217, 786	3, 396, 000	200, 000	650, 000	180, 000		7, 400	30, 386
1978 estimate	4, 800, 680	214, 216	4, 000, 680	150, 000	650, 000	181, 000			33, 216
Cumulative total	212, 765, 206	11, 994, 036	162, 842, 569	34, 942, 238	14, 980, 399	5, 440, 280	227, 686	12, 793	6, 313, 277

[1] Category total does not reflect 9,000 cattle hides.

TABLE IV.—ANNUAL VOLUME OF PUBLIC LAW 480 TITLE II SHIPMENTS, FISCAL YEARS 1955-78

[Metric tons/metric tons grain equivalent]

Fiscal year	Total		Wheat/ wheat products	Feedgrains	Rice	Vegoil	Nonfat dry milk	Blended foods	Other
	Grains	Nongrains							
1955	562,955	267,444	461,596	87,433	13,926	18,612	128,209		120,623
1956	615,572	409,907	402,409	77,310	135,853	16,473	199,101		194,331
1957	1,100,110	335,108	690,558	293,465	116,087	877	223,056		111,175
1958	1,402,640	365,497	870,406	483,563	48,671		267,731		97,766
1959	1,233,021	277,568	867,291	338,015	27,715		258,480		19,087
1960	1,451,930	149,370	979,325	383,700	88,905		147,193		2,177
1961	2,344,074	239,090	1,655,506	591,951	96,617	3,675	220,670		14,745
1962	2,529,390	398,189	1,679,223	828,973	21,194	48,413	262,151		87,625
1963	2,343,316	471,008	1,847,880	494,801	635	47,051	315,060		108,897
1964	2,368,096	391,950	1,862,523	505,573		23,011	285,202		83,037
1965	1,996,359	332,172	1,503,716	492,643		106,201	198,675		27,296
1966	2,359,959	343,495	1,887,148	472,811		123,912	210,343		9,240
1967	1,995,056	349,597	1,339,895	655,170		123,495	136,715	87,936	1,451
1968	1,808,808	374,015	1,341,024	467,784		100,223	129,583	117,912	26,297
1969	1,818,527	415,358	1,502,722	306,353	9,452	77,459	133,980	187,824	16,095
1970	1,847,986	361,520	1,476,946	363,577	7,463	80,621	132,614	147,287	998
1971	1,938,490	405,672	1,415,550	522,940		86,069	141,352	178,251	
1972	2,169,865	568,836	1,650,473	271,568	247,824	187,137	115,466	265,783	
1973	1,938,238	406,510	1,489,776	315,556	32,906	111,513	25,683	269,314	
1974	1,261,260	242,165	705,312	555,948		53,533		180,559	8,073
1975	967,284	258,487	655,934	307,750	4,000	41,353	44,334	172,800	
1976 and transition quarter	977,701	259,253	615,518	362,183		59,920	34,513	146,663	18,157
1977 estimate	1,187,251	322,334	835,901	351,350		49,565	67,070	194,963	10,736
1978 estimate	1,161,560	338,544	948,476	213,084		66,785	71,204	195,600	4,955
Cumulative total	39,381,080	8,286,044	28,785,108	9,743,101	852,871	1,425,898	3,749,086	2,147,449	963,611

TABLE V.—PUBLIC LAW 480 TITLE I—SALES PROGRAMS

[In thousands of metric tons and millions of dollars]

Country	Fiscal year 1976 plus transition quarter	Fiscal year 1977 (estimate)	Fiscal year 1978 proposal									
			Total	Wheat/wheat flour		Rice		Other grains		Vegoil		Total food, metric tons	Nonfood, amount
				Metric tons	Amount	Metric tons	Amount	Metric tons	Amount	Metric tons	Amount		
300 per capita GNP or less:													
Afghanistan	$2.6												
Bangladesh	171.2	$67	$94.2	450	$53.1	100	$26.7			25	$14.4	575	
Egypt	190.8	197	129.9	1,000	118.0							1,000	$11.9
Ethiopia	3.4	3	3.0	25	3.0							25	
Guinea	7.7	2	4.9	10	1.1	10	2.7			2	1.1	22	
Haiti	4.7	11	6.4	30	3.5					5	2.9	35	
India	71.9	40	87.9	500	59.0					50	28.9	550	
Indonesia	90.3	124	87.4	175	20.7	250	66.7					425	
Mali													
Pakistan	104.2	37	63.0	125	14.7					84	48.3	209	
Sri Lanka	20.5	40	21.0	133	15.7	20	5.3					153	
Sudan		6	7.1	60	7.1							60	
Tanzania	6.5	8	6.5					60	$6.4			60	
Zaire	12.8	19	12.1			25	6.7	50	5.4			75	
Subtotal	686.6	554	523.4	2,508	295.9	405	108.1	110	11.9	166	95.6	3,189	11.9
Over $300 per capita GNP:													
Chile	52.0	15											
Honduras	2.1	2	1.8	15	1.8							15	
Israel	15.5	7	8.3	70	8.3							70	
Jamaica	1.3		2.1	3	1.5					1	.6	4	
Jordan	11.8	5	5.9	50	5.9							50	
Korea	139.7	79	109.3	550	64.9	45	12.0	40	4.3			635	28.1
Lebanon			8.8	50	5.9					5	2.9	55	
Morocco	9.7	5											
Philippines		13	19.2										19.2
Portugal	23.6	50	29.8	75	8.9	50	13.4					125	7.5
Peru			4.1	35	4.1							35	
Senegal		7	2.7			10	2.7					10	
Syria	24.1	15	15.6			35	9.3			4	2.3	39	4.0
Tunisia	2.8	5											
Zambia	1.2	5	4.2	16	1.9					4	2.3	20	
Subtotal	283.8	208	211.8	864	103.2	140	37.4	40	4.3	14	8.1	1,058	58.8
Lebanon		7											
Total	970.4	769	735.2	3,372	399.1	545	145.5	150	16.2	180	103.7	4,247	70.7
Reserve		31	64.8	435	50.2	55	14.6					490	
Grand total	970.4	800	800.0	3,807	449.3	600	160.1	150	16.2	180	103.7	4,737	70.7

NOTES

[1] Fiscal year 1976 plus transition quarter amounts represent value of shipments.

[2] Fiscal year 1977 and 1978 dollar figures are based on current price projections. Fiscal year 1978 proposed allocations are illustrative and subject to change contingent upon commodity availability, prices, and future program needs.

[3] Jamaica—Tonnage under "Wheat" column represents fortified blended foods.

[4] Lebanon—For fiscal year 1977, certification waiving the 75/25 ratio food allocation on humanitarian grounds has been sent to Congress. For fiscal year 1978, proposed program covered under "over $300 per capita GNP" category.

TABLE VI.—PER CAPITA GROSS NATIONAL PRODUCT AT MARKET PRICES—AMOUNT (1974) AND AVERAGE ANNUAL GROWTH RATES (1960–74 AND 1965–77)

[Countries with populations of 1,000,000 or more. GNP per capita rounded to nearest US$10]

Country	GNP per capita		
	Amount U.S. dollars	Growth rates (percent) 1960–74	1965–74
Switzerland	7,870	2.9	2.9
Sweden	7,240	3.2	2.8
United States	6,670	2.9	2.4
Denmark	6,430	3.8	3.4
Germany, Federal Republic of	6,260	3.7	3.9
Canada	6,190	3.7	3.5
Norway	5,860	3.7	3.4
Belgium	5,670	4.5	4.9
France	5,440	4.4	4.8
Australia	5,330	3.2	3.4
Netherlands, the	5,250	4.0	4.1
Finland	4,700	4.6	5.2
Libyan Arab Republic	4,440	12.5	6.5
Austria	4,410	4.4	5.0
New Zealand	4,310	2.1	1.8
Japan	4,070	8.8	8.5
German Democratic Republic [12]	3,950	3.1	3.0
United Kingdom	3,590	2.3	2.2
Israel	3,460	5.3	5.8
Czechoslovakia [12]	3,330	2.4	2.5
Saudi Arabia	2,830	8.4	9.2
Italy	2,820	4.2	4.0
Poland [13]	2,510	4.0	4.5
Spain	2,490	5.8	5.4
U.S.S.R. [12]	2,380	3.8	3.4
Ireland	2,320	3.6	3.6
Singapore	2,240	7.6	10.0
Puerto Rico	2,230	5.3	4.7
Hungary [12]	2,180	3.2	2.9
Greece	2,090	6.8	6.5
Venezuela	1,960	2.4	2.2
Bulgaria [13]	1,780	4.5	3.5
Trinidad and Tobago	1,700	2.1	2.2
Portugal	1,630	7.4	7.6
Hong Kong	1,610	6.6	5.4
Argentina	1,520	2.8	2.9
Yugoslavia	1,310	4.9	5.4
Iran	1,250	6.7	7.7
South Africa	1,210	2.9	2.5
Jamaica	1,190	3.6	4.5
Uruguay	1,190	.5	.8
Iraq	1,110	4.0	4.8
Romania	1,100	NA	8.0
Mexico [3]	1,090	3.3	2.8
Lebanon [4]	1,070	3.1	3.7
Panama	1,000	4.1	3.7
Brazil	920	4.0	6.3
Costa Rica	840	2.9	3.7
Chile	830	1.7	1.3
China, Republic of	810	6.5	6.9
Turkey	750	3.9	4.3
Peru	740	2.0	1.8
Algeria	730	1.3	4.5
Angola	710	3.7	3.2
Cuba [12]	710	−.9	−.6
Malaysia	680	3.9	3.8
Nicaragua	670	3.0	1.5
Dominican Republic	650	3.1	5.5
Tunisia [5]	650	3.9	5.4
Mongolia [12]	610	.8	1.8
Guatemala	580	3.3	3.8
Syrian Arab Republic	560	4.0	4.2
Albania [12]	530	4.4	5.0
Zambia	520	2.3	1.0
Rhodesia	520	1.9	3.5
Paraguay	510	2.0	2.5
Colombia	500	2.6	3.4
Ecuador	480	2.4	2.1
Korea, Republic of	480	7.3	8.7
Papua New Guinea	470	4.2	4.1
Congo, People's Republic of the	470	2.8	4.0
Ivory Coast	460	3.5	2.7
Jordan	430	.9	−2.5
Morocco	430	1.8	2.8
Ghana	430	−.2	.3
El Salvador	410	1.8	1.0
Liberia	390	2.2	4.1
Korea, Democratic People's Republic of [12]	390	4.4	3.5
Mozambique [1]	340	2.8	3.5
Honduras	340	1.6	2.2
Senegal	330	−1.1	−.9
Philippines	330	2.4	2.7
Thailand	310	4.6	4.3
China, People's Republic of [12]	300	5.2	4.6
Mauritania	290	3.8	1.3
Nigeria	280	2.9	6.0
Egypt, Arab Republic of	280	1.5	1.0
Bolivia	280	2.5	2.2
Cameroon	250	4.4	2.8
Togo	250	4.4	2.8
Uganda	240	1.8	.7
Sudan [1]	230	1.7	4.3
Yemen, People's Democratic Republic of [16]	220	NA	−4.3
Central African Empire	210	.4	.8
Kenya	200	3.2	3.5
Sierra Leone [7]	190	1.6	1.4
Madagascar	180	.1	.3
Yemen Arab Republic [1]	180	NA	NA
Indonesia	170	2.4	4.1
Haiti	170	−.1	.7
Tanzania [8]	160	2.6	2.3
Zaire	150	2.6	2.9
Viet Nam, Socialist Republic of [12]	150	.3	−.8
India	140	1.1	1.3
Lesotho [1]	140	4.2	3.7
Sri Lanka	130	2.1	2.0
Pakistan	130	3.4	2.5
Malawi	130	3.9	4.7
Benin, People's Republic of [1]	120	.7	.8
Guinea	120	0	.1
Niger	120	−1.8	−3.8
Afghanistan	110	.5	1.1
Nepal	100	.4	0
Ethiopia	100	2.2	1.5
Chad	100	−1.2	−1.5
Bangladesh	100	−.5	−1.9
Burma	100	.7	.8
Burundi [1]	90	1.3	1.3
Somalia [1]	90	−.3	1.1
Upper Volta	90	−.1	−.5
Rwanda [1]	80	−.2	1.4
Mali	80	.9	.4
Cambodia [14]	70	−2.7	−6.2
Bhutan [1]	70	−.3	−.2
Lao People's Democratic Republic [16]	70	1.8	2.0

[1] Estimates of GNP per capita and its growth rate are tentative.
[2] For estimation of GNP per capita, see technical note p. 22.
[3] Estimate of GNP per capita does not reflect the significant devaluation of the peso in August 1976.
[4] GNP per capita estimated on the 1972–74 base period.
[5] GNP per capita growth rate relates to 1961–74.
[6] GNP per capita growth rate relates to 1969–74.
[7] GNP per capita growth rate relates to 1964–74.
[8] Mainland Tanzania.

Source: World Bank.

Mr. TALMADGE. Mr. President, I am pleased to offer these amendments which have received full consideration and were reported in substantially identical form in title XI of S. 275 by the Committee on Agriculture, Nutrition, and Forestry. Since the Committee on Agriculture, Nutrition, and Forestry continues to have sole jurisdiction for Public Law 480, I would expect, and have so indicated to the chairman of the Committee on Foreign Relations, that the Committee on Agriculture, Nutrition, and Forestry, would act as manager of this or any other amendments to S. 1520 relating to Public Law 480. The Committee on Agriculture, Nutrition, and Forestry would also expect to act on behalf of the Senate in any conference with the House of Representatives on such provisions.

The amendments would greatly improve the effectiveness of our food for peace program. I, therefore, offer these amendments for the consideration of my colleagues and urge their positive attention when they come before the Senate in the consideration of S. 1520.

Mr. President, I ask unanimous consent that the full text of the amendment, and a section-by-section analysis of the amendment, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 370

On page 1, between lines 4 and 5 insert "Title I".

On page 1, line 6, strike out "2" and insert in lieu thereof "101".

On page 13, line 22, strike out "3" and insert in lieu thereof "102".

On page 14, line 19, strike out "4" and insert in lieu thereof "103".

On page 16, line 2, strike out "5" and insert in lieu thereof "104".

On page 16, line 15, strike out "6" and insert in lieu thereof "105".

On page 17, line 2, strike out "7" and insert in lieu thereof "106".

On page 17, line 22, strike out "8" and insert in lieu thereof "107".

On page 18, line 8, strike out "9" and insert in lieu thereof "108".

On page 18, line 11, strike out "10" and insert in lieu thereof "109".

On page 18, line 21, strike out "11" and insert in lieu thereof "110".

On page 19, line 4, strike out "12" and insert in lieu thereof "111".

On page 19, immediately after line 18 insert a new title II as follows:

TITLE II—REPEAL OF PROHIBITION ON FINANCING OF TITLE I SALES MADE BY EXPORTERS TRADING WITH NORTH VIETNAM

SEC. 201. Section 102 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by striking of ": *Provided*," and all that follows through the end of the section and inserting in lieu thereof a period.

CONFORMING AMENDMENT; REPEAL OF PROHIBITIONS ON TITLE I SALES TO COUNTRIES WHICH TRADE WITH CUBA OR NORTH VIETNAM AND ON TITLE I SALES TO THE UNITED ARAB REPUBLIC

SEC. 202. Section 103 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(1) by striking out "and in section 106 (b)(2)" in subsection (b) and inserting in lieu thereof ", title III, and section 112"; and

(2) by striking out ", or (3)" and all that follows through "United Arab Republic under title I of this Act" in subsection (d).

CONFORMING AMENDMENT

SEC. 203. Section 106(b)(2) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(1) by inserting ", pursuant to the provisions of title III of this Act, for," in the first sentence thereof immediately after "carry out programs" and striking out the word "of" before "agricultural development"; and

(2) by inserting immediately after "section 103(b) of this Act," the following: "when specifically provided for under a Food for Development program pursuant to title III of this Act,".

ALLOCATION OF TITLE I AGREEMENTS

SEC. 204. Section 111 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended—

(1) by striking out the first three sentences and inserting in lieu thereof the following: "Not more than 25 per centum of the food aid commodities provided under this title in each fiscal year shall be allocated and agreed to be delivered to countries other than those meeting the poverty criterion established for International Development Association financing and which are affected by inability to secure sufficient food for their immediate requirements through their own production or commercial purchase from abroad, unless (1) the Secretary of Agriculture certifies to the Congress that the use of such food assistance is required for humanitarian food purposes, or (2) the Sec-

retary of Agriculture certifies to the Congress that the quantity of commodities which would be required to be allocated under this section to countries which meet International Development Association poverty criterion could not be used effectively to carry out the humanitarian purposes of this title. A reduction below 75 per centum in the proportion of food aid allocated and agreed to be delivered to countries meeting International Development Association poverty criterion and affected by inability to secure sufficient food for their immediate requirements through their own production or commercial purchase from abroad which results from significantly changed circumstances occurring after the initial allocation shall not constitute a violation of the requirements of this section."; and

(2) by striking out "President" in the last sentence and inserting in lieu thereof "Secretary of Agriculture".

FACILITIES TO AID DISTRIBUTION AND CONSUMPTION OF UNITED STATES FARM COMMODITIES; HUMAN RIGHTS

SEC. 205. Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof new sections 112 and 113 as follows:

"SEC. 112. From the sales proceeds and loan repayments under this title not less than the equivalent of 5 percentum of the total value of all agreements shall be set aside and made available to the Secretary of Agriculture to finance projects, in cooperation with other appropriate agencies, that will aid in the utilization, distribution, storage, transportation, or otherwise increase foreign consumption of and markets for United States agricultural commodities: *Provided*, That the Secretary of Agriculture may release such amounts so set aside as he determines cannot be effectively used to carry out the purposes of this section.

"SEC. 113. (a) No agreement may be entered into under this title to finance the sale of agricultural commodities to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges, or other flagrant denial of the right to life, liberty, and the security of person, unless such agreement will directly benefit the needy people in such country. An agreement will not directly benefit the needy people in the country for purposes of the preceding sentence unless either the commodities themselves or the proceeds from their sale will be used for specific projects or programs which the President determines would directly benefit the needy people of that country. The agreement shall specify how the projects or programs will be used to benefit the needy people and shall require a report to the President on such use within six months after the commodities are delivered to the recipient country.

"(b) To assist in determining whether the requirements of subsection (a) are being met, the Committee on Agriculture, Nutrition, and Forestry of the Senate or the Committee on International Relations of the House of Representatives may require the President to submit information demonstrating that an agreement will directly benefit the needy people in a country.

"(c) In determining whether a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation of such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross, or groups or persons acting under the authority of the United Nations or of the Organization of American States.

"(d) The Secretary of Agriculture shall transmit to the Speaker of the House of Representatives and the President of the Senate, in the annual presentation on planned programming of assistance under this Act, a full and complete report regarding the steps taken to carry out the provisions of this section.".

MODIFICATION OF TITLE II MINIMUM QUANTITY REQUIREMENT

SEC. 206. Section 201(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended to read as follows:

"(b) The quantity of agricultural commodities which shall be available under this title for fiscal year 1978 shall not be less than one million five hundred thousand metric tons, of which not less than one million three hundred thousand metric tons shall be made available to nonprofit voluntary agencies and the World Food Program and such quantities shall be increased by fifty thousand tons for each subsequent fiscal year through 1982, unless the President determines and reports to Congress, together with the President's reasons, that such quantities cannot be used effectively to carry out the purposes of this title: *Provided*, That such minimum quantities shall not exceed the total quantities of commodities determined to be available for disposition under this Act pursuant to section 401, less the quantities of commodities required to meet famine or other urgent or extraordinary relief requirements.".

REIMBURSEMENT OF TRANSPORTATION COSTS

SEC. 207. Section 203 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(1) by striking out ", or, in the case of landlocked countries," and inserting in lieu thereof a semicolon; and

(2) by inserting immediately after "points of entry abroad" the following: "in the case of (a) landlocked countries, (b) where ports cannot be used effectively because of natural or other disturbances, (c) where carriers to a specific country are unavailable, or (d) where a substantial savings in costs or time can be effected by the utilization of points of entry other than ports".

SALE OF TITLE II COMMODITIES TO INCREASE PROGRAM EFFECTIVENESS

SEC. 208. Section 206 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by striking out "purposes specified in section 103 of the Foreign Assistance Act of 1961" and inserting in lieu thereof "increasing the effectiveness of the programs of food distribution and increasing the availability of food commodities provided under this title to the neediest individuals in recipient countries".

FOOD FOR DEVELOPMENT PROGRAM

SEC. 209. Title III of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by (1) redesignating sections 301, 302, and 303 as sections 308, 309, and 310, respectively, and (2) inserting immediately before section 308 the following new sections:

"SEC. 301. (a) In order to establish a strong relationship between United States food assistance and efforts by developing countries to increase the availability of food for the poor in such countries and improve in other ways the quality of their lives, the President is authorized to encourage the use of the resources provided by the concessional financing of agricultural commodities under this Act for agricultural and rural development, including voluntary family planning, health, and nutrition programs, by permitting the funds accruing from the local sale of such commodities which are used for such purposes to be applied against the repayment obligation of governments receiving concessional financing under this Act. The agreement between the United States Government and an eligible developing country government which provides for repayment of the obligation to the United States accruing from the concessional sale of United States agricultural commodities by the use of funds from the sale of such commodities in the participating country for specified development purposes shall be called a Food for Development Program.

"(b) The overall goal of assistance under this title shall be to increase the access of the poor in the recipient country to a growing and improving food supply through activities designed to improve the production, protection, and utilization of food, and to increase the well-being of the poor in the small farm and rural sector of the recipient country. Assistance authorized under this title shall be used for activities which effectively assist small farmers, tenants, sharecroppers, and agricultural laborers, by expanding their access to the rural economy through services and institutions at the local level, including integrated health delivery systems, increasing employment opportunities, spreading productive investment and services to small towns and outlying rural areas, and otherwise providing opportunities for the poor who are dependent on agriculture and agriculturally related activities to better their lives through their own efforts.

"SEC. 302. (a) Whenever the President, in consultation with the Government of a developing country, determines that such developing country meets the criteria specified in subsection (b) of this section and could usefully benefit from the sale of United States agricultural commodities (including processed and blended foods) for the purposes of generating funds or distributing such commodities for agricultural and rural development, and improving food distribution and use within such country, the President may designate such country as eligible for a Food for Development Program.

"(b) In order to be eligible for a Food for Development Program under this section, a country must (1) have a need for external resources to improve its food production, marketing, distribution, and storage systems; (2) meet the criterion used to determine basic eligibility for development loans of the International Development Association of the International Bank for Reconstruction and Development; (3) have the ability to utilize effectively the resources made available by the sale of food commodities under this section for the purposes specified in section 301 of this Act; and (4) indicate the willingness to take steps to improve its food production, marketing, distribution, and storage systems.

"SEC. 303. (a) A country designated as eligible and wishing to participate in a Food for Development Program shall formulate, with the assistance (if requested) of the United States Government, a multiyear proposal which shall be submitted to the President. Such proposal shall include an annual value or amount of agricultural commodities proposed to be financed under the authority of title I of this Act pursuant to the provisions of this title, and a plan for the intended uses of commodities or the funds generated from the sale of such commodities, on an annual basis for each year such funds are to be disbursed. Such proposal shall also specify the nature and magnitude of problems to be affected by the effort, and shall present targets in quantified terms, insofar as possible, and a description of the relationships among the various projects, activities, or programs to be supported.

"(b) The multiyear utilization proposal for any Food for Development Program shall include, but not be limited to, a statement of how assistance under such a program will be integrated into and complement that

country's overall development plans and with other forms of bilateral and multilateral development assistance, including assistance made available under section 103 of the Foreign Assistance Act or under any other title of this Act.

"(c) Prior to implementing any utilization proposal for a Food for Development Program, it must be shown to the satisfaction of the President that such assistance is intended to complement, but not replace, assistance authorized by the Foreign Assistance Act of 1961, or any other program of bilateral or multilateral assistance, or under the development program of the country desiring to initiate a Food for Development Program.

"SEC. 304. (a) Whenever a utilization proposal has been agreed upon by the President and the participating country, the Commodity Credit Corporation is authorized to furnish credit under the authority of title I of this Act to the participating country for the purchase of a specific annual value of agricultural commodities to be delivered over a period of from one to five years, subject to the availability of commodities under section 401 of this Act.

"(b) Notwithstanding any other provision of this Act, no payment except as provided for under this title shall be required of the recipient government as a part of any agreement to finance the sale of agricultural commodities pursuant to a Food for Development Program.

"SEC. 305. Funds generated from the sale of agricultural commodities by any participating country under this title shall be held in a special account, where practicable, to be disbursed for the purposes described in the approved Food for Development Program of such country. The amount of funds disbursed for such purposes and in accordance with the agreement, shall be deemed payments for the purposes of section 103(b) of this Act.

"SEC. 306. Not more than one year after the initial delivery of commodities to any country under this title and each year thereafter for the period of agreement, the government of the participating country, with the assistance (if requested) of the United States Government, shall submit a comprehensive report to the President on the activities and progress achieved under the Food for Development Program for such country, including, but not limited to, a comparison of results with projected targets, a specific accounting for funds generated, their uses, and the outstanding balances at the end of the most recent fiscal year. Such annual report may also include recommendations for modification and improvement in the Food for Development Program of such country. The President may suspend shipments under a Food for Development Program if the President finds that the terms of the agreement are not substantially being met.

"SEC. 307. Each year the President shall review the disposition of all agreements providing for the use of the proceeds from the sale of agricultural commodities pursuant to this title for which such funds were not fully disbursed the preceding year. The results of such review shall be included in the annual report to the Congress required under section 408(a) of this Act.".

ADEQUACY OF FACILITIES TO STORE PUBLIC LAW 480 COMMODITIES AND EFFECT OF SHIPMENTS ON AGRICULTURAL PRODUCTION IN RECIPIENT COUNTRY

SEC. 210. Section 401 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by inserting "(a)" after "SEC. 401." and adding at the end thereof a new subsection (b) as follows:

"(b) No agricultural commodity shall be financed or otherwise made available under the authority of this Act except upon a determination by the Secretary of Agriculture that (1) adequate storage facilities are available in the recipient country at the time of exportation of the commodity to prevent the spoilage or waste of the commodity and (2) the distribution of the commodity in the recipient country will not result in a disincentive to domestic production in that country.".

REVISION OF REPORTING REQUIREMENTS; PROGRAM EVALUATION REPORTS

SEC. 211. Section 408 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by amending subsections (b) and (c) to read as follows:

"(b) No later than the beginning of each fiscal year, the Secretary of Agriculture shall submit to Congress a global assessment of food production and needs, and planned programing of food assistance under title I for the coming year. The Secretary shall submit, at the beginning of each subsequent quarter, a report showing the current status of planned programing of food assistance under title I for the current fiscal year.

"(c) Beginning October 1, 1978, and at each five-year interval thereafter, the President shall submit to Congress a comparative cross-country evaluation of programs conducted under titles II and III. Such evaluations shall cover no fewer than five countries sampled from the developing regions (Asia, Africa, Latin America, and the Caribbean), and shall assess the impact, achievements, problems, and future prospects for programs under these titles.".

PROHIBITION AGAINST FURNISHING ASSISTANCE

SEC. 212. Section 410 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by striking out "under title I of this Act" and inserting in lieu thereof "under this Act whether such assistance is given directly to any country or indirectly to it through any nonprofit voluntary agency or the World Food Program: *Provided*, That the President may waive this restriction with respect to assistance given under title II to meet urgent humanitarian relief requirements as a result of natural disasters in such countries but such assistance may not be extended beyond ninety days following such determination".

EFFECTIVE DATE

SEC. 213. The provisions of this title shall become effective October 1, 1977.

SECTION-BY-SECTION ANALYSIS OF AMENDMENT NO. 370

Amendment No. 370 would add a new title II to S. 1520. The new title makes amendments to the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480).

Repeal of prohibition on financing of title I sales made by exporters trading with North Vietnam

Section 201 repeals that portion of section 102 of title I of Public Law 480 which prohibits financing of the sale and export of agricultural commodities for any exporter engaged in trade with North Vietnam.

Repeal of prohibitions on title I sales to countries which trade with Cuba or North Vietnam and on title I sales to the United Arab Republic

Section 202 repeals (1) the restriction in section 103(d)(3) against title I sales to any nation engaged in trade with Cuba or North Vietnam, and (2) the restriction in section 103(d)(4) against title I sales to the United Arab Republic.

The section 103(d) restrictions in present law include a Presidential waiver authority which has been used regularly to permit title I sales to countries trading with Cuba or North Vietnam and to allow shipments to Egypt.

Conforming amendments

Section 203 amends section 103(b) of title I so as to add the uses provided in title III "grantback" (development programs) and section 112 (facilities to aid distribution and consumption of United States farm commodities) to those for which the generation of foreign currencies through payment for commodities is authorized.

Section 203 also amends section 106(b)(2) of Public Law 480 to emphasize the use of "grantback" as provided in the new development program provisions of title III.

Allocation of title I agreements

Section 204 revises section 111 of title I, the so-called "75/25" requirement. Under existing law, not more than 25 percent of title I food commodities may be allocated and agreed to be delivered to countries with an annual gross national product per capita of more than $300, as used in the World Bank's annual report. The only basis for varying from the "75/25" requirement on the initial allocation is a certification by the President to Congress that the food commodities are needed for humanitarian purposes in a country falling within the 25 percent category. There may be a variation from the "75/25" requirement resulting from "significantly changed circumstances" occurring after the initial allocation.

Section 204 amends section 111 by substituting for the $300 GNP per capita monetary limit the International Development Association's (IDA) poverty criterion (currently $520), used in determining eligibility for its most lenient lending terms. An additional basis for waiving the "75/25" requirement is authorized upon determination that the quantity of commodities which would otherwise be required to be allocated to countries in the 75 percent category could not be used therein effectively to carry out the humanitarian purposes of title I. The Secretary of Agriculture, rather than the President, is authorized to exercise the two waiver provisions. Both waivers may be used either prior to or during the fiscal year.

The provision for a reduction below 75 percent under "significantly changed circumstances" recognizes the possibility of (and can apply only in case of) significant developments relating to programing for countries in the 75 percent group which occur after the initial allocation for a fiscal year, which were unforeseen at the time of allocation, which were beyond the control of the programing officials, and which force a cancellation or substantial reduction in Public Law 480 allocation to those countries.

Significantly changed circumstances within the meaning of this provision must be directly related to Public Law 480 programing for the 75 percent group involved. They may include unexpected changes in U.S. foreign policy considerations because of developments in those countries, unforeseen technical or administrative difficulties which arise during the negotiation of an agreement, or substantial changes in the availability of or need for commodities are the initial allocation.

Facilities to aid distribution and consumption of United States farm commodities; human rights

Section 205 provides that not less than 5 percent of the value of all title I agreements in each fiscal year shall be made available from the sales proceeds and loan repayments to the Secretary of Agriculture to finance projects which will increase the foreign consumption of and markets for U.S. agricultural commodities.

Section 205 also adds to title I a new section 113 concerning human rights.

Section 113 provides that no title I sales agreement may be made with any country which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges,

or other flagrant denial of the personal right to life, liberty, and security, unless such assistance will directly benefit the needy people in that country To benefit needy people of that country, the title I commodities or the proceeds from their sales must be used for specific projects or programs which the President determines will directly benefit such needy people. The agreement must specify how the project or programs will be used for this purpose, and shall require a report to the President on such use within 6 months after delivery of the commodities.

Modification of title II minimum quantity requirement

Section 206 amends section 201(b) of title II to increase the total minimum tonnage under such title from 1,300,000 metric tons to 1,500,000 metric tons. The minimum quantity within that amount to be distributed through non-profit voluntary agencies and the World Food Program is increased from 1,000,000 metric tons to 1,300,000 metric tons. The President, however, may determine that such quantity cannot be used effectively to carry out the purposes of the title. The reasons for such a determination are required to be reported to Congress. The increases apply to fiscal year 1978. These levels shall be increased by 50,000 metric tons for each subsequent fiscal year through fiscal year 1982.

Reimbursement of transportation costs

Section 207 amends section 203 of title II to allow for the payment of overland transportation costs to countries whose normal ports of entry cannot be used effectively when natural or other disturbances impede such use; when shipping services to the country are unavailable; or when substantial savings in costs or time can be effected by the utilization of points of entry other than the country's own ports.

Sale of Title II commodities to increase program effectiveness

Section 208 amends section 206 of title II. The amendment provides for use of the local currency proceeds generated from sales of food donated to governments in order to make available additional resources to assure the effective distribution of food and to increase the availability of food commodities provided under title II to the neediest individuals in recipient countries.

Food for development program

Section 209 amends title III by renumbering the existing sections as 308 through 310 and inserting new sections 301 through 307.

Section 301(a) authorizes the President to encourage the use of resources provided by concessional sales of agricultural commodities under Public Law 480 for agricultural and rural development, including voluntary family planning, health, and nutrition programs, by permitting the funds from the sale of such commodities or the use of the commodities themselves for these purposes to be applied against the repayment obligations which the receiving country would otherwise have to make the United States. The agreement between the United States and the recipient country for such purposes is to be called a Food for Development Program.

New section 301(b) provides that the goal of the assistance under title III shall be to increase the access of the poor in the recipient country to a growing and improving food supply through activities directed at improving the production, protection, and utilization of food and to increase the well-being of these people on small farms and in rural areas. The assistance shall be used for activities which benefit small farmers, tenants, sharecroppers, and landless laborers through services and institutions, including integrated health delivery services, increasing employment opportunities, spreading productive investment, and other similar services of benefit the poor.

The food for development authority is a refinement of the "grantback" provisions provided under the 1975 amendments to Public Law 480. It retains the ceiling on the use of this authority of 15 percent of the value of all title I agreements entered into during each fiscal year. In addition, it provides for multi-year programs, subject to the availability of commodities as provided under section 401 of the title IV.

New section 302(a) authorizes the President to designate a country as eligible for a Food for Development Program when he determines that the developing country meets certain specified criteria and could benefit from the sale of U.S. agricultural commodities (including processed and blended foods) for the purposes of generating funds or distributing such commodities for agricultural and rural development and improving food distribution.

New section 302(b) provides that, in order to be eligible for a Food for Development Program, a country must (1) have a need for external resources to improve its food production, marketing distribution and storage systems, (2) meet the criterion used to determine basic eligibility for development loans of the International Development Association of the International Bank for Reconstruction and Development, (3) have the ability to utilize effectively the resources made available by the sale of U.S. food commodities for the purposes set forth in section 302(a), and (4) indicate a willingness to take steps to improve its food production, marketing, distribution, and storage systems.

New section 303(a) requires that a country designated as eligible and wishing to participate in a Food for Development Program must formulate, with the assistance (if requested) of the United States Government, a multi-year proposal which shall be submitted to the President. The proposal shall include an annual value or amount of agricultural commodities proposed to be financed under the authority of title I and a plan for the intended uses of commodities or the funds generated from the sale of such commodities, on an annual basis for each year such funds are to be disbursed. The proposal shall also specify the nature and magnitude of problems to be affected by the effort, present targets in quantified terms, insofar as possible, and a description of the relationships among the various projects, activities or programs to be supported.

New section 303(b) requires that the multi-year proposal for any Food for Development Program include a statement of how assistance under the program will be integrated into and complement that country's overall development plans and with other forms of bilateral and multilateral development assistance, including assistance made available under section 103 of the Foreign Assistance Act or under any other title of Public Law 480.

New section 303(c) states that, in his review of any utilization proposal for a Food for Development Program, the President shall be satisfied that such assistance is intended to complement, but not replace, assistance authorized by the Foreign Assistance Act of 1961, or any other program of bilateral or multilateral assistance, or under the development program of the country desiring to initiate a Food for Development program.

New section 304(a) provides that whenever a utilization proposal has been agreed upon by the President and the participating country, the Commodity Credit Corporation may furnish credit under the authority of title I of Public Law 480 to the participating country for the purchase of a specific annual value of agricultural commodities to be delivered over a period of from 1 to 5 years, subject to the availability of commodities under section 401 of title IV.

New section 304(b) provides that, except as provided for under title III, no payment shall be required of the recipient government to finance the sale of agricultural commodities pursuant to a Food for Development Program.

New section 305 requires that funds generated from the sale of agricultural commodities by any participating country under title III be held in a special account, where practicable, to be disbursed for the purposes described in the approved Food for Development Program. The amount of funds disbursed for such purposes (and in accordance with the agreement) shall be considered payments for the purposes of section 103(b) of title I.

New section 306 provides that not more than one year after the initial delivery of commodities to any country under title III and each year thereafter for the period of agreement, the government of the participating county shall submit a comprehensive report to the President on the activities and progress achieved under the Food for Development Program, including a comparison of results with projected targets, a specific accounting for funds generated, their specific uses, and the outstanding balances at the end of the most recent fiscal year. The annual report may also include recommendations for modification and improvement in the Food for Development Program of such country. The President shall consider suspending shipments under a Food for Development program if he finds that the terms of the agreement are not substantially being met.

New section 307 requires that each year the President review the disposition of all agreements providing for the use of the proceeds from the sale of agricultural commodities under title III for which such funds were not fully disbursed during the preceding year. The results of the review shall be included in the annual report to the Congress required under section 408(a) of title IV.

Adequacy of facilities to store Public Law 480 commodities and effect of shipments on agricultural production in recipient country

Section 210 requires the Secretary of Agriculture to determine—that before a sale of any agricultural commodity may be financed or otherwise made available under Public Law 480 that adequate storage facilities are available in the recipient country and that the distribution of the commodity will not serve as a disincentive to domestic agricultural production in the recipient country.

Revision of reporting requirements; program evaluation reports

Section 211 amends section 408 of title IV which contains the principal reporting requirements of the Act. The amendment is intended to simplify and streamline the requirement for a global assessment of food production and needs, while maintaining a more timely flow of information to Congress. The total amount of information required by section 408(b) is reduced; however, the frequency of reporting is increased from twice annually to quarterly.

Section 211 also requires beginning October 1, 1978, and at each 5 year interval thereafter, that the President submit to Congress a comparative cross-country evaluation of programs conducted under titles II and III. The evaluations shall cover no fewer than five countries sampled from the developing regions (Asia, Africa, Latin America, and the Caribbean), and shall assess the impact, achievements, problems and future prospects for programs under such titles.

Prohibition against furnishing assistance

Section 212 amends section 410 of title IV relating to the suspension of assistance to the government of any country which, among other things, expropriates property owned by any United States citizen or business. The amendment expands the current law to include all assistance under Public Law 480. The existing prohibition applied only to assistance provided under title I. The amendment allows for a waiver of the restrictions with respect to title II only in the case of urgent humanitarian relief requirements which result from natural disasters. In the event of a waiver, no assistance shall be provided in excess of 90 days of food requirements.

Effective date

Section 213 provides that title II of the bill shall become effective October 1, 1977.

CLEAN AIR ACT—S. 252

AMENDMENTS NOS. 371 THROUGH 375

(Ordered to be printed and to lie on the table.)

Mr. HATCH submitted five amendments intended to be proposed by him to the bill (S. 252) to amend the Clean Air Act, as amended.

AMENDMENT NO. 378

(Ordered to be printed and to lie on the table.)

Mr. SCOTT submitted an amendment intended to be proposed by him to the bill (S. 252), supra.

AMENDMENT NO. 379

(Ordered to be printed and to lie on the table.)

Mr. METZENBAUM (for himself, Mr. RANDOLPH, Mr. BAYH, and Mr. HEINZ) submitted an amendment intended to be proposed by them jointly to the bill (S. 252), supra.

INTERNATIONAL MULTILATERAL DEVELOPMENT INSTITUTIONS—H.R. 5262

AMENDMENTS NOS. 376 AND 377

(Ordered to be printed and to lie on the table.)

Mr. SCHWEIKER submitted two amendments intended to be proposed by him to the bill (H.R. 5262), the Omnibus Multilateral Development Institutions Act of 1977.

NOTICES OF HEARINGS

VOCATIONAL REHABILITATION (PUBLIC LAW 93-112) AND EDUCATION FOR ALL HANDICAPPED CHILDREN ACT (PUBLIC LAW 94-142)

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on the Handicapped, I announce that our subcommittee has scheduled hearings on the Vocational Rehabilitation Act (Public Law 93-112) and the Education for All Handicapped Children Act (Public Law 94-142). The hearings will be held on Monday, June 20, 1977; Tuesday, June 21, 1977; and Wednesday, June 22, 1977, in room 4232, Dirksen Senate Office Building starting at 9:30 a.m.

Persons wishing to testify should contact Mrs. Patria Forsythe, staff director, 10-B Russell Senate Office Building, (202) 224-9075.

ADDITIONAL HEARING DATES

Mr. PROXMIRE. Mr. President, the Senate Committee on Banking, Housing and Urban Affairs will hold hearings on the Renegotiation Act on June 10 and June 17, in addition to the dates previously announced. The previously announced dates are June 13 and June 14.

CAREER EDUCATION IMPLEMENTATION INCENTIVE ACT

Mr. PELL. Mr. President, I wish to announce that the Subcommittee on Education, Arts, and Humanities of the Committee on Human Resources will hold a hearing on S. 1328, the Career Education Implementation Incentive Act of 1977, on June 14. The hearing will be held in room 4232 of the Dirksen Senate Office Building at 10 a.m.

Individuals or organizations wishing to submit material for the record should contact Jean S. Frohlicher, counsel of the subcommittee, room 4230, Dirksen Senate Office Building, Washington, D.C. 20510 (area 202-224-7666).

ADDITIONAL STATEMENTS

"CONSUMER" BILL VIOLATES BASIC DEMOCRACY

Mr. THURMOND. Mr. President, I have received a great deal of correspondence, the writers of which unequivocally oppose S. 1262, a bill to create the Agency for Consumer Advocacy. These constituents recognize that while examples can be cited to suggest that Government is not sufficiently concerned with consumer problems, the fact is that numerous consumer representatives can be found functioning throughout the Government. These representatives are in addition to the Office of Consumer Affairs headed by a special assistant to the President.

One study estimates that there exist over 400 units of the Federal Government administering over 900 consumer related activities. Thus, it appears that the Government has committed an impressive number of units and activities to consumer protection. This Congress, then, should give very careful consideration whether such activities are inadequate and what can be done to make them adequate before it creates this proposed new agency.

Mr. President, in addition to the added bureaucracy possibly engendered by this proposal, the potential for the abuse of power is prevalent. One newspaper article from the Greenville News, Greenville, S.C., points out this danger particularly well. In order that my colleagues may benefit from this account, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"CONSUMER" BILL VIOLATES BASIC DEMOCRACY

Leon Jaworski, the special prosecutor of the Watergate scandals, took apart the Agency for Consumer Protection as proposed by President Carter and found it more of a threat than protection for American citizens. His written testimony to the House Government Operations Committee studying the mis-named protection bill is devastating.

The former special prosecutor, now practicing law, notes that the administrator of the proposed agency would have extraordinary powers to investigate within and without government subject to no higher authority, not even the President or Congress. He puts it this way:

The agency "would be vested with authority so broad that it could easily be turned to the political advantage of those who control it. There are no checks sufficient to harness that authority."

The bill contains no criteria to determine the interest of consumers. "Definition of the national interest is the most difficult and most fundamental objective of government; and ultimate responsibility for its accomplishment is placed by the Constitution upon the elected members of Congress and the President. I have severe reservations about the delegation of so broad and basic a role to one unelected official."

The lack of an effective check against abuse is compounded by lack of provision for a term of office or for circumstances under which the administrator may be removed.

Jaworski concludes that "it is contrary to the most fundamental of our democratic principles to vest in one unelected person the authority to represent, legally and politically, the interests of all the people."

In other words, the consumer protection agency would be an instrument of totalitarianism. Applauding the bill's goal to make government more responsive to people's needs, Jaworski says he "cannot understand why the least desirable alternative to achieve it has been selected."

Having previously paid our disrespect to the pending bill, we hope the warning issued by the well-respected Leon Jaworski helps to kill the measure in its present form.

THE PRESIDENT'S ARMS TRANSFER POLICY

Mr. HUMPHREY. Mr. President, President Carter recently unveiled his administration's new policy aimed at curbing the uncontrolled transfer of conventional arms to countries other than our traditional allies.

I want to take this opportunity to praise the President for what I consider a most historic and long overdue effort to come to grips with a very serious problem.

In announcing his new policy, the President pointed out:

The virtually unrestrained spread of conventional weaponry threatens stability in every region of the world. Total arms sales in recent years have arisen to over $20 billion, and the United States accounts for more than one half of this amount. Each year, the weapons transferred are not only more numerous, but also more sophisticated and deadly. Because of the threat to world peace embodied in this spiraling arms traffic, and because of the special responsibilities we bear as the largest arms seller, I believe the United States must take steps to restrain its arms transfers.

I do not think we should delude ourselves into believing that the President's goal can be achieved overnight. I know the President realizes we have a very complicated problem on our hands. But the President is moving to bring this matter under control, and I applaud him for establishing the parameters under which future arms sales will be determined.

The President also addressed the concern any allies might have as to how this policy might affect them. He noted:

To implement a policy of arms restraint, I am establishing the following set of controls, applicable to all transfers except those to countries with which we have major defense treaties (NATO, Japan, Australia, and New Zealand). We will remain faithful to our treaty obligations, and will honor our historic responsibilities to assure the security of the state of Israel. These controls will be binding unless extraordinary circumstances necessitate a Presidential exception, or where I determine that countries friendly to the United States must depend on advanced weaponry to offset quantitative and other disadvantages in order to maintain a regional balance.

Mr. President, I ask unanimous consent that the President's statement on conventional arms transfer policy be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT—CONVENTIONAL ARMS TRANSFER POLICY

The virtually unrestrained spread of conventional weaponry threatens stability in every region of the world. Total arms sales in recent years have risen to over $20 billion, and the United States accounts for more than one half of this amount. Each year, the weapons transferred are not only more numerous, but also more sophisticated and deadly. Because of the threat to world peace embodied in this spiralling arms traffic, and because of the special responsibilities we bear as the largest arms seller, I believe that the United States must take steps to restrain its arms transfers.

Therefore, shortly after my Inauguration, I directed a comprehensive review of U.S. conventional arms transfer policy, including all military, political, and economic factors. After reviewing the results of this study, and discussing those results with members of Congress and foreign leaders, I have concluded that the United States will henceforth view arms transfers as an exceptional foreign policy implement, to be used only in instances where it can be clearly demonstrated that the transfer contributes to our national security interests. We will continue to utilize arms transfers to promote our security and the security of our close friends. But, in the future, the burden of persuasion will be on those who favor a particular arms sale, rather than those who oppose it.

To implement a policy of arms restraint, I am establishing the following set of controls, applicable to all transfers except those to countries with which we have major defense treaties (NATO, Japan, Australia, and New Zealand). We will remain faithful to our treaty obligations, and will honor our historic responsibilities to assure the security of the state of Israel. These controls will be binding unless extraordinary circumstances necessitate a Presidential exception, or where I determine that countries friendly to the United States must depend on advanced weaponry to offset quantitative and other disadvantages in order to maintain a regional balance.

1. The dollar volume (in constant FY 1976 dollars) of new commitments under the Foreign Military Sales and Military Assistance Programs for weapons and weapons-related items in FY 1978 will be reduced from the FY 1977 total. Transfers which can clearly be classified as services are not covered, nor are commercial sales, which the U.S. Government monitors through the issuance of export licenses. Commercial sales are already significantly restrained by existing legislation and Executive Branch policy.

2. The United States will not be the first supplier to introduce into a region newly-developed, advanced weapons systems which would create a new or significantly higher combat capability. Also, any commitment for sale or coproduction of such weapons is prohibited until they are operationally deployed with U.S. forces, thus removing the incentive to promote foreign sales in an effort to lower unit costs for Defense Department procurement.

3. Development or significant modification of advanced weapons systems solely for export will not be permitted.

4. Coproduction agreements for significant weapons, equipment, and major components (beyond assembly of subcomponents and the fabrication of high-turnover spare parts) are prohibited. A limited class of items will be considered for coproduction arrangements, but with restrictions on third-country exports, since these arrangements are intended primarily for the coproducer's requirements.

5. In addition to existing requirements of the law, the United States, as a condition of sale for certain weapons, equipment, or major components may stipulate that we will not entertain any requests for retransfers. By establishing at the outset that the United States will not entertain such requests, we can avoid unnecessary bilateral friction caused by later denials.

6. An amendment to the International Traffic in Arms Regulations will be issued, requiring policy level authorization by the Department of State for actions by agents of the United States or private manufacturers which might promote the sale of arms abroad. In addition, embassies and military representatives abroad will not promote the sale of arms and the Secretary of Defense will continue his review of government procedures, particularly procurement regulations, which may provide incentives for foreign sales.

In formulating security assistance programs consistent with these controls, we will continue our efforts to promote and advance respect for human rights in recipient countries. Also, we will assess the economic impact of arms transfers to those less-developed countries receiving U.S. economic assistance.

I am initiating this policy of restraint in the full understanding that actual reductions in the worldwide traffic in arms will require multilateral cooperation. Because we dominate the world market to such a degree, I believe that the United States can, and should, take the first step. However in the immediate future, the United States will meet with other arms suppliers, including the Soviet Union, to begin discussions of possible measures for multilateral action. In addition, we will do whatever we can to encourage regional agreements among purchasers to limit arms imports.

S. 790—THE REPORT OF THE CONGRESSIONAL BUDGET OFFICE

Mr. STAFFORD. Mr. President, the Congressional Budget Office recently completed a study entitled "Financing Waterway Development: The User Charge Debate." This is but one of many recent studies and reviews on this issue. As I believe that my colleagues will want to be aware of the many and various studies on waterway user charges, the need for more balance in our national transportation system, I ask unanimous consent that the summary and the conclusions of this CBO study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FINANCING WATERWAY DEVELOPMENT: THE USER CHARGE DEBATE

SUMMARY

The Federal Government builds, operates and maintains a network of inland waterways which barge operators use to carry about 11 percent of domestic freight. While there is general agreement that federal development and operation of waterways should continue, there has been recurring debate in the Congress on how these activities should be financed. Currently, federal expenditures are financed with general revenue. A frequently proposed alternative is to have direct waterway users pay at least part of the federally-incurred costs. User fees could be paid via a fuel tax, a tonnage fee, or some similar mechanism.

In the 94th Congress, the debate on the authorization for a Corps of Engineers project near Alton, Illinois rekindled interest in the issue of how to finance the waterways. As a result, the Senate Committee on Environment and Public Works is now considering an Alton authorization and user charge package (S. 790) which would both authorize a single-lock project at Alton and establish a system of user fees. The Carter Administration will also propose a user charge in the form of a fuel tax.

Major issues

Resolution of the question of waterway user charges requires examination of several key questions. The Congressional Budget Office has analyzed the available studies bearing on these questions including two important recent investigations of the likely impact of user charges on the barge industry. The major issues and the CBO findings on these issues include:

Issue: Do domestic waterway carriers now receive special treatment, particularly when compared with their competitors—railroads, trucks and pipelines?

Findings: Barge operators are the only domestic freight carriers who pay no part of the expense of building or maintaining their rights of way. Federal subsidies are equal to about 41 percent of all barge revenues, compared with 3 percent for railroads, 1 percent for trucking companies, and no subsidy at all for pipelines.

Issue: Would reducing the existing subsidy through introduction of user charges severely damage the financial position of waterway carriers?

Findings: A unique aspect of this year's debate on waterway user charges is that, for the first time, detailed studies are available of the impact of user charges on barge companies. One study concludes that the barge industry would lose 10 percent of its existing traffic to competitors if fees were charged for access to specific waterways. The fees would vary according to the costs of operating and maintaining each waterway segment. If fees were uniform across segments the study concludes that traffic losses could reach 12 to 15 percent. A second study estimates that the diversion of cargo would range from

7.1 percent to 9.5 percent. Both studies assumed fee levels that would cover all costs of operation and maintenance but none of the costs of construction. Both studies also assumed that railroads and other competing carriers would not raise their rates by amounts equal to the increases in barge rates following introduction of user charges.

The converse of these findings, of course, is that the waterway subsidy makes it possible for barge operators to hold rates at levels low enough to divert between 10 to 15 percent of cargo that might otherwise move by rail, truck, or pipeline.

Issue: Can the subsidy that gives barge operators a competitive edge over rail, truck, and pipeline be justified on secondary grounds such as energy efficiency and promotion of economic development?

Findings: Waterway representatives argue that barge transportation should be encouraged by a subsidy because it is more energy efficient that its competitors. Relative energy use varies greatly in specific circumstances because of differences in size, speed, and type of shipments for barges, railroads, pipelines, and trucks. In the eleven reports surveyed by CBO, estimates of energy use for domestic water transportation generally fell in the range of 500 to 700 BTU's per ton-mile, while the usual range for rail freight was 300 to 700 BTU's and 400-500 for oil pipelines. Estimates of fuel use by truck is significantly greater than those for other modes.

Waterway interests also argue that subsidized barge transportation serves as a magnet for industrial location and thereby as a stimulus for economic development. However, the locational inducement of subsidized waterways is offered along some 15,000 to 25,000 miles of water-side areas in both large and small, rich and poor communities. Such a pervasive inducement cannot precisely lure industry to areas most in need of economic development. At best, the subsidy can be viewed as providing a locational advantage to all water-served areas. If these areas are generally depressed, the subsidy has the potential of serving as a developmental tool for this large region by attracting industries from other sections of the country. Unless this regional economic development is the goal, other policy tools such as business loans and public infrastructure grants are more obviously precise than a nationwide subsidy.

CONCLUSIONS

Inland water transportation is the only domestic, intercity freight mode whose users do not pay any of the costs of building and maintaining their rights-of-way. As a result, barge rates are significantly lower than would otherwise be the case. Lower freight rates that are made possible by federal subsidies have resulted in less traffic and lower revenues for railroads, pipelines and trucks. Barge transportation is not the only freight mode that is subsidized, but the Federal subsidy provided to inland waterways is substantially larger as a percentage of revenues than those of its closest competitors.

The waterway subsidy can be justified if it is an effective way to achieve national goals. A waterway subsidy can be used to pursue the goals of energy conservation and economic development. However, it is not clear that a nationwide waterway subsidy is a sufficiently precise policy tool for achieving these goals. Furthermore, there are other ways to achieve these goals.

The waterways subsidy lacks precision for energy goals because it encourages all barge transportation, whether or not it is more energy efficient than other systems. The waterway subsidy is not a precise economic development tool because it is not used selectively to aid communities that most need development.

The alternative policy for energy conservation is to allow low fuel costs reflected in low rates to naturally attract shippers to the fuel-efficient mode. For economic development, policy tools such as business loans and grants that can be targeted to areas most in need could be used as an alternative to the waterway subsidy.

For the first time, detailed studies are available that indicate the magnitude of the impact of user charges designed to recover some federal costs. Based on these studies, it is likely that limited waterway cost recovery will mean traffic diversions from barge operators from 10 to 15 percent. Traffic diverted to other modes because of user charges could force the barge industry to reduce the number and size of barge lines. The expected impact of user charges on consumer prices appears to be negligible.

If the Congress decides to impose user charges, several specific types are available. The key issue in the choice of a user charge is whether it should be nationally uniform or varied by river segment. According to DOT, a segment specific charge probably would drive all traffic from seven low traffic river segments; the remaining segments would not be severely affected. A uniform fee would more evenly spread the potential waterway traffic losses across all river segments.

RURAL ECONOMIC DEVELOPMENT

Mr. HUMPHREY. Mr. President, yesterday the Subcommittee on Economic Growth and Stabilization of the Joint Economic Committee held the first of 2 days of hearings on the economic problems of rural America. This hearing, under the leadership of the Senator from Texas (Mr. BENTSEN), demonstrated once again the need for a more intensive approach by the Federal Government in solving the problems of rural America.

The first of yesterday's witnesses was the distinguished Deputy Secretary of Agriculture, the Honorable John White. Mr. White, the former Commissioner of Agriculture for the State of Texas, is one of the Nation's leading authorities on this topic.

Secretary White's statement was an eloquent and compelling litany of the serious economic problems that face the 56 million Americans who live in our Nation's rural areas. Secretary White made the following points that I would like to share with my colleagues:

Despite the recent growth in rural employment, wages in rural areas are significantly lower than in urban areas.

The average rural family makes $3,000 less than the average urban family.

There is a significantly higher rate of poverty in rural areas than in urban areas.

Even though rural areas account for only one-third of the Nation's houses, 51 percent of the substandard housing in this country is located in rural areas.

By almost any measure of economic well-being—housing, transportation, energy, jobs, incomes—rural Americans are worse off than their urban counterparts.

Part of the problem is that rural areas do not receive an equitable share of Federal assistance. They do not have highly paid lobbyists, the well-known mayors, or the media clout.

Congress and the administration do not hear about rural problems, because rural areas are not as well organized. We tend to forget that rural communities need as much help as urban communities do.

A quarter of our Nation's population lives in rural areas, but in fiscal year 1975 rural areas received only 11.7 percent of employment and training funds under the Comprehensive Employment and Training Act, only 4.9 percent of summer youth corps funds, less than 10 percent of FHA and VA insured housing loans, and 12.6 percent of defense contracts.

In his testimony, Secretary White indicated that this administration will be far more sensitive to the needs of rural America. The Secretary indicated that legislation is currently being developed to include proposals to expand Government loan guarantee programs to stimulate credit for private businesses in rural areas, to improve the delivery of Federal programs in rural areas, and to channel added help to the poorest rural communities.

These kinds of initiatives, in addition to the type of institution called for in my national rural development bank bill that I introduced yesterday, are the kind of medicine that rural America needs.

Mr. President, Secretary White's statement is a new ray of hope for rural America, and I ask unanimous consent that the text be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY JOHN C. WHITE, DEPUTY SECRETARY OF AGRICULTURE

Thank you very much, Mr. Chairman, for giving us the opportunity to testify before this Committee and participate in these hearings on rural economic problems.

The backbone of a strong rural America is a strong agricultural system. In most rural areas, farmers are the main source of economic activity for a community.

We recognized this in our proposals on basic farm legislation. We're fully aware of the problems which farmers are having because of tight credit, extremely depressed grain prices and continually escalating production costs.

Our legislative programs are designed to give farmers much needed long-term economic stability—through price support loans, income support payments, farmer-held grain reserves, and expanded international trade efforts. They're also designed to ensure that we have adequate domestic food supplies in times when our production is cut back by drought or other disaster.

Our basic programs must eliminate the boom-and-bust income cycle which farmers have faced in the past—and generate sound economic growth for all parts of agriculture for the future.

Another initiative before Congress deals with the broad area of human nutrition and food assistance. Encouraging good food consumption strengthens the markets for farmers' production.

I mention these programs in the context of a healthy agricultural system being the base for a prosperous rural America.

In addition to these basic programs we must support rural development efforts. I'm

here to state the commitment of President Carter and Secretary Bergland to help our rural citizens.

The Rural Development Act authorized a series of programs which would significantly improve the economic and social well-being of 60 million Americans who live in rural areas. It also authorized the Secretary of Agriculture to coordinate all rural development activities throughout the Federal Government. This Administration believes that it is necessary to place a great deal more emphasis on this most important function than occurred in the previous Administration.

We have proposed two broad objectives for rural development. They are to emphasize improved productivity and higher incomes for rural residents, and to target aid to reach higher levels of self-sufficiency—to achieve better availability of food, housing, sanitation, education, transportation, and medical care for all people, particularly our elderly and low-income citizens.

To meet these objectives, there must be an adequately funded, comprehensive, and coordinated focus within the Department of Agriculture for the allocation and delivery of necessary resources.

There are some alarming trends in rural America which can be reversed by sound rural development programs.

For instance, we know:

In spite of an overall reversal in the tendency of rural people leaving for the cities, many rural counties are continuing to lose population.

In spite of employment growing faster in rural areas, job opportunities are more limited and wages are lower.

Even though median family incomes are rising faster in rural areas than in urban areas, rural families still make $3,000 less than their urban counterparts.

Even though rural poverty is declining, there is a 50 percent higher rate of poverty in rural areas than in urban cities; and

Even though rural areas account for only one-third of the nation's houses, 51 percent of the substandard housing of the United States is in rural areas.

Frankly, Mr. Chairman, we need to find out the reasons for these alarming facts. We don't know now who is being bypassed in rural development programs, what the unmet needs are, where they are, how they vary by region, what community services are most deficient, what private industry is doing in rural America—or what it should be doing, or what the quality of the existing services and facilities are, even if we can find out how many services exist.

Last Friday, we met with President Carter and reviewed our budget priorities for Fiscal Year 1979. We received his concurrence to conduct jointly with the Office of Management and Budget a series of studies to help us determine how we can be more efficient and responsive to the needs of rural America.

We need information to evaluate what we are now doing—to determine what our programs should be in the future.

Even though we are not prepared to outline specific legislative proposals, we do want to discuss some broad possibilities to strengthen rural development in areas which we don't believe were adequately addressed by the previous Administration.

One is in the financing area—government loan guarantees, loans with no interest subsidy, and loans with indexed interest rates to stimulate the flow of private capital into rural areas.

This financial aid could be used to increase farm ownership and help more young people enter farming. It could extend home ownership to low-income and our rural elderly who have marginal ability to buy a home. It could expand and diversify the employment opportunities in rural areas. It could be used for community facilities, or transportation.

A second possibly is the coordination and improved delivery of Federal programs in rural areas. The studies which we are doing, combined with what we already know about duplicating staffs and programs, make this an extremely high priority effort. We know that our small towns and cities cannot support the wide range of personnel necessary to deal with separate agencies for housing, water, sewage, business and industry financing, community facilities, planning, transportation, and health.

The Department of Agriculture has existing delivery systems for rural areas through several agencies including Farmers Home Administration, ASCS, and the Extension Service. They also have the added benefit of being familiar with the concerns and attitudes of our rural citizens.

A third potential area is in the targeting of grants to the poorest communities to assure that their elderly and low-income residents have needed services.

We believe these three areas have considerable potential. In the housing area alone, for each billion dollars loaned for residential construction, more than 44,000 jobs are created. Each time a new industry comes to a rural, economically-depressed area, it creates new jobs in that area.

Targeting Federal assistance by using some very specific noninflationary criteria can raise the economic activity of severely depressed areas.

These possible efforts can actually reduce the drain on Federal and State government budgets by bringing people into a productive role in our economy. The potential exists to reduce the costs of income maintenance programs for food stamps, health care, housing supplements, unemployment compensation, etc.

Another important factor in favor of using several types of financial aid is the minimal cost to the Government. Only in the grant area is the Government cost equal to 100 percent of the assistance.

Subsidized loans have only a small cost by comparisons, while unsubsidized loans and loan guarantees have almost no cost.

Another issue we must be concerned about in rural development is the need to be aware of the problems of growth-impacted communities. Aid which brings about too much development too rapidly can create serious economic and social problems. There are some rural communities which have experienced a 15 percent population growth rate and serious problems as they try to absorb that new population. Our review and future programs must guard against this.

Mr. Chairman, it's not possible to discuss comprehensive rural development without addressing energy and its relationship to our food production ability. We must examine the impact on all segments of our economy if we lose even a part of it, because of an energy policy.

There were news reports this past week that the water tables in portions of five Western states have dropped significantly in recent years. Substantial parts of these areas depend on irrigation to grow crops. The five states of Nebraska, Kansas, Colorado, Texas, and Oklahoma produce 23 percent of the farm products in the United States. Geologists tell us we're taking water from underground sources faster than rain replaces it. There are some predictions that many western areas—including the fertile Texas panhandle region of our home state—may run out of irrigation water by the end of the century.

Right now there's considerable discussion about the merits of a coal slurry pipeline to move coal from Wyoming to other parts of the United States. The argument is that this method is more energy efficient transportation than by rail. It's also contended that it's needed to help solve our energy problems. I think this is something in the overall context of rural development that we need to examine.

The Administration does support the concept of coal slurry pipelines, but with strong environmental safeguards.

Using water for a coal slurry to the detriment of water for agricultural irrigation is one issue which will receive full consideration from the Administration in the formulation of its policy.

We appreciate the opportunity to appear before you this morning. I want to reiterate our commitment to be the lead Department in efforts to strengthen rural America—to provide greater opportunities—and a better quality of life for all rural Americans.

I will be happy to answer any questions which you have.

THE 200TH ANNIVERSARY OF THE ARRIVAL OF LAFAYETTE AND DEKALB IN AMERICA

Mr. THURMOND. Mr. President, on February 9, 1974, the South Carolina General Assembly passed a concurrent resolution expressing the support of the general assembly for the celebrations to be held in Georgetown on June 12 and in Charleston on June 13, 1977, in honor of the 200th anniversary of the arrival of Lafayette and DeKalb in America.

On behalf of the junior Senator from South Carolina (Mr. HOLLINGS) and myself, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

"H. 3067

"A concurrent resolution expressing the support of the General Assembly for the celebrations to be held in Georgetown on June 12 and in Charleston on June 13, 1977, in honor of the Two Hundredth Anniversary of the arrival of Lafayette and DeKalb in America.

"Whereas, Marquis de Lafayette of France and Baron DeKalb, a native of Germany, first arrived in America on June 13, 1777, when they landed on the South Carolina coast near Georgetown and then went to Charleston; and

"Whereas, the South Carolina American Revolution Bicentennial Commission in cooperation with the Town of Georgetown and the City of Charleston, the United States Postal Service, the Old Exchange Commission, the Armed Forces of the nation, the Highway Department and the Patriot's Point Authority is planning a celebration at Georgetown on June 12 and in Charleston on June 13, 1977, in honor of Lafayette and DeKalb; and

"Whereas, the ceremonies in Georgetown and in Charleston are to commemorate these two great heroes of the American Revolution and to express appreciation to our French and German heritage; and

"Whereas, seventeen states have counties named for Lafayette and seven states have a county named for DeKalb. Now, therefore,

"Be it *resolved* by the House of Representatives, the Senate concurring:

"That the General Assembly expresses its support of the Lafayette and DeKalb ceremonies scheduled for Georgetown on June 12 and for Charleston on June 13, 1977, and that it commends the celebrations and activities to the people of South Carolina and the nation."

PROGRESS BEING MADE IN RECOVERING ENERGY AND VALUABLE MATERIALS FROM SOLID WASTES

Mr. RANDOLPH. Mr. President, it has been aptly said that necessity is the mother of invention.

That adage comes readily to mind in considering the Nation's solid waste disposal problem. Perhaps "innovation" may be a somewhat more precise term for describing the end result in this instance. There can be no question about the applicability of the "necessity" half of the truism.

It has become increasingly obvious in recent years as towns and cities throughout the country have tried, with only limited success in many cases, to prevent excessive accumulation of trash and garbage.

Complicating their efforts have been the difficulty in finding and maintaining environmentally acceptable disposal methods and the increasing scarcity of available sites for sanitary landfills, especially in heavily-populated urban areas.

There has at the same time been a growing realization that much valuable material was being thrown away in the process that could be salvaged for reuse, or possibly even converted into a practical new energy source through advances in research and technology.

It was that combination of circumstances which led to passage in 1970 of the first Resource Recovery Act.

As you know, Mr. President, that legislation was updated last October with passage of the Resource Conservation and Resource Recovery Act which became Public Law 94–580.

I had the responsibility of sponsoring that bill which gives States a larger role in planning and coordinating local and regional recovery programs while providing Federal assistance in carrying them out.

While I believe it will take Federal involvement to realize the full potential of the concept, it is also important to understand how much progress has already been achieved through initiatives of private industry and governmental agencies at the State and local levels.

The first recovery system was established on a demonstration basis in Franklin, Ohio, in 1971 and processed only 35 tons of refuse a day in its first year.

By early last year new recovery from waste systems had started operations in Ames, Iowa; Nashville; Saugus, Mass.; and South Charleston in our State of West Virginia. Before the year was over major new plants were in the shakedown phase at Chicago, Milwaukee, and New Orleans. Construction had started on facilities at Akron, Ohio; Bridgeport, Conn.; Hempstead and Monroe County; New York and Lane County, Oregon.

The demonstration phase of a new plant in San Diego County, California, is to be initiated soon, probably later this month.

Final contracts for construction and future operation of recovery facilities are expected soon in Dade County, Florida, and Newark, N.J. and each of those plants is expected to process about 3,000 tons of waste daily when in full operation.

A variety of techniques and purposes are represented by these developments. The Milwaukee and Chicago plants are designed to recover ferrous metals and to produce refuse-derived fuel. The recovery I operation in New Orleans will combine ferrous metal separation with aluminum, glass, and paper recovery. The San Diego facility will feature a pyrolysis unit and at Dublin, Ga., a combination of newspaper interests will finance construction of a plant for recycling of newsprint.

The National Center for Resource Recovery, Inc., based in Washington represents another major involvement of private business and industry in the effort to produce positive benefits from waste disposal. A nonprofit enterprise financed through corporate, public and private gifts, the center is designed to provide technical and educational support for development and implementation of new recovery processes. In cooperation with the city of New Orleans, it conceived the recovery I project and has developed an equipment test and evaluation facility, a large-scale pilot plant in this area for investigation of mechanical processes to recover and reuse waste material. The plant is operated in cooperation with the District of Columbia's Department of Environmental Services.

There have inevitably, Mr. President, been some setbacks as well as successes in the effort to make the recovery concept a viable reality.

Last January Monsanto Enviro-Chem Systems decided to withdraw from a pyrolysis demonstration project in Baltimore. Soon thereafter Union Electric Co. announced it was dropping plans for a major facility in St. Louis for energy production from waste.

These developments were, of course, disappointing. They should not be viewed as major defeats for the program, however, because each produced some positive as well as negative results despite the industrial pullouts.

In St. Louis a 3-year demonstration program had already been completed which indicated the feasibility of burning shredded waste as a pulverized coal supplement in a conventional boiler.

The withdrawal decision reportedly was based on other corporate financial commitments and on problems created by local resistance to siting of a waste transfer station involved in the project.

The technology developed in the demonstration program will be available for revival of the project there or inception elsewhere.

In Baltimore the pyrolysis process plant was completed in 1975 and tests had already been undertaken before mechanical and environmental problems developed which led to the withdrawal decision. Reportedly the principal difficulty there stemmed from trying to scale production up from a demonstration project level of 35 tons a day to 1,000 tons a day without an intermediate stage.

Even without the industrial involvement, the city of Baltimore plans to utilize the plant to the extent possible and will benefit from the results of the research, development and testing that has already taken place.

Those pluses would not have been accomplished, Mr. President, if there had not been a public and private partnership willing at the outset to explore new ground in the field of solid waste disposal. Despite the temporary setbacks, I am convinced that they will produce long-range benefits for the program in conjunction with the findings from other projects and should be viewed in that context.

Mr. President, I think we can safely say that we are well on the way to making resource recovery produce certain rich rewards for our economy and environment.

THE ACADEMIC FREEDOM ACT OF 1977

Mr. THURMOND. Mr. President, I have before me an excellent editorial from the May 17, 1977, Salt Lake City, Utah, Deseret News which reveals the need to reduce the Federal regulation of our Nation's colleges.

The editorial endorses S. 1361, which has been introduced by Senator JESSE HELMS, myself, and a number of other Senators. S. 1361 would reduce the governmental strangehold which the Federal Government now has on the colleges across our Nation.

I am hopeful, Mr. President, that the Human Resources Committee will be able to schedule early hearings on this bill, and if that is impossible, that Senator HELMS will be able to offer it as an amendment to a pending bill. As stated in the editorial, our colleges and universities are in grave danger from unwise regulation.

The editorial particularly recognizes the strong voices of Senator HELMS, Senator GARN, Senator HATCH, and Senator MCCLURE in the battle against Federal overregulation. Mr. President, I have worked with each of these distinguished legislators on this and other matters, and I know of their deep concern about the runaway bureaucracy and unrealistic and punitive Government regulations.

Mr. President, I commend the editor of the Deseret News for his keen insight, and in order to share this excellent editorial with my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REDUCE FEDERAL RULE OVER NATION'S COLLEGES

The U.S. Congress should quickly approve the proposed "Academic Freedoms Act of 1977" introduced recently by Sen. Jesse Helms, D-N.C., and cosponsored by Utah senators Jake Garn and Orrin Hatch and Idaho senator James A. McClure.

The legislation is sorely needed lest federal regulation turn into strangulation of our colleges and universities, both public and private.

A growing accumulation of bureaucratic federal regulations poses severe economic and academic problems for educational institutions. The situation became more critical in 1975 when the Department of Health, Education and Welfare (HEW) ruled that any school that enrolls students who receive federal grants or scholarships in effect receives federal aid.

This assertion by HEW, Sen. Helms states, has allowed HEW "without congressional authorization, to direct almost every aspect of university life in almost every college in the United States."

He quotes Dr. Dallin H. Oaks, president of Brigham Young University and director of the American Association of Presidents of Independent Colleges and Universities, as follows:

". . . if an educational institution has received even indirectly, a single dollar of federal money, every decision, activity, facility, educational policy or communication of that institution is subject to review and regulation by the department . . . (HEW) has therefore taken the position that if a college or university receives some direct or indirect financial assistance for its department of chemistry it must accept government supervision of all its other academic departments, its dormitories, its admissions and financial aid policies, and every other aspect of its operations."

HEW virtually sends armies of auditors across the country to make certain colleges and universities are following federal dictates and to initiate punitive measures if they are not. It's estimated that the cost to institutions of higher education to meet federal regulations amounted to $2 billion in 1976, a sum equivalent to the total amount received from private contributions that same year.

Two years ago the University of Utah found that it cost $100,000 a year to meet provisions of just one federal mandate, the affirmative action program. It estimates the recently published regulations covering handicapped persons will cost $1 million a year.

Dr. T. H. Bell, Utah commissioner of higher education who served nearly three years as deputy and U.S. Commissioner of Education (in HEW), agrees that the problem is serious.

There are certain states and institutions, Bell says, that abuse federal programs. Then legislators and agencies make regulations to control the abuse. Rules written to catch five percent handicap the other 95 percent, he says.

The Helms bill would:

—limit the power of federal bureaucrats to force compliance with regulations by threatening to withhold funds.

—restrict regulations to those activities that receive federal funds directly, not to a college as a whole.

—restrict fund terminations to only those programs that do not comply with federal rules, not all programs.

—define scholarships, loans and other direct student assistance as not constituting aid to the institution the tudent attends.

—exclude from federal regulations any college in which federal assistance constitutes five percent or less of its annual budget.

—strengthen existing prohibitions against federal control over curriculum, administration and personnel to cover recent bureaucratic rulings.

The Helms bill is a needed first step in restoring academic freedom to our colleges and universities. They are in grave danger, not only from federal regulation, but from unwise state regulation as well. If their freedom to seek the truth continues to be inhibited, our freedom as citizens will be in jeopardy.

An even safer solution than proscribing the federal government's propensity to regulate, would be to get it out of education altogether and turn that important function back to the states as the Constitution clearly indicates.

Back in the 1950s those who warned against federal control of education turned out to be talking about tiger troubles in pussycat terms. It's time to take the tiger off the back of education.

EQUIPPING EXISTING DAMS TO GENERATE POWER

Mr. DURKIN. Mr. President, while the Senate debates whether our Nation should in the future rely heavily on coal, oil, natural gas, or nuclear power, it is important to remember that other energy sources could give us critical help right now. One promising possibility is to equip existing dams on smaller rivers so that they generate power. The number of sites which could become energy producers without adverse environmental impacts may number in the thousands across New Hampshire, New England, and the Nation. The Energy and Natural Resources Committee already has recognized the potential importance of this "low-head" hydroelectric resource by adopting an amendment to this year's nonnuclear ERDA authorization bill (S. 1340) to begin a demonstration program in this area.

Two excellent articles on this subject by Senior Editor John Oakes recently have appeared in the New York Times. I believe my colleagues would benefit from reading them as the Senate considers this year's critical energy legislation. Therefore, Mr. President, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THINKING SMALL

(By John B. Oakes)

In his bravest political action since becoming President, Jimmy Carter stuck a knife into one of the most sacred of Congressional sacred cows—and aroused corresponding Senatorial fury—in trying to eliminate 19 major water-resources projects for the excellent reason that they "now appear unsupportable on economic, environmental and/or safety grounds."

Scattered from northern Maine to central Arizona, these projects would cost the nation over $5 billion to complete, not counting the incalculable environmental and social damage some would do by flooding farms and forests, by destroying rivers and by setting short-term priorities that could lead to long-term disaster. But when the President said he intended to cut them out of the 1978 budget and also to re-evaluate the remaining 300 such projects that Congress had previously approved, the roof fell in on Mr. Carter.

The Senate promptly voted, by a nearly two-thirds majority, to block the President from making these cuts; it thereby implicitly rejected his expressed desire to develop with Congress "a coherent water resource policy." The trouble is that Congress doesn't really want a "coherent water resource policy." It never did. It prefers to trade votes for special-interest projects in one part of the country for those in another, regardless of their merits.

This cynical point was well illustrated by Senator Moynihan of New York, a freshman who learns fast. "We shall be grateful for the support of those states we support," he intoned as he voted for the 19 (mainly Western) projects while acknowledging that they would "result in a great flow of funds out of the Northeast"—not to mention their adverse environmental and other effects on the nation.

One of the smaller of the boondoggles Mr. Carter would like to eliminate, for example, costing a mere $70 million, is estimated even by its sponsor, the Bureau of Reclamation, to produce only 89 cents in return for each dollar spent in providing more irrigation for some 100 Wyoming and Colorado ranches.

One of the larger (but by no means the largest) involves construction by the Army Corps of Engineers of two huge hydroelectric dams near the Canadian border in Maine, at the mind-boggling cost of well over a half-billion dollars. Everybody knows that New England needs a cheaper supply of energy than it is getting now, but not everyone agrees with Senator Muskie that this unbelievably costly and environmentally devastating Dickey-Lincoln project (which would flood out more than 250 miles of free-flowing rivers along the Canadian border) is the best way—or even a remotely acceptable way—of getting it.

At a recent energy conference in Washington, every conceivable source of energy supply, except one, was discussed—oil, gas, coal, shale, nuclear, wind, sun, etc. The sole exception was hydro-power. The reason it was ignored is that virtually every large-scale power site is either already in use or—like Dickey-Lincoln—is unsuitable for development on compelling economic and/or environmental grounds. But what is overlooked by most energy experts as well as by pork-barrel-minded legislators is the ready availability of thousands of small sites where, at relatively little cost and in relatively little time, electrical generation on a small but practical scale can be easily supplied, with minimal environmental damage.

To start with, there are estimated to be some 3,000 small dams on mill streams throughout New England and in other parts of the country as well, which have long since been abandoned but which could easily be restored and fitted with modern turbines and generators to supply local needs. In fact, recent engineering developments make it feasible to generate electricity with far less velocity than had ever before been thought practical—and with far smaller turbines.

One expert who hasn't overlooked these possibilities is David E. Lilienthal, former chairman of the Tennessee Valley Authority and of the Atomic Energy Commission, whose name is almost synonymous with huge power projects.

"As one who has been responsible for and an advocate in past years of very large structures," says Mr. Lilienthal, "I'm in a position to say objectively that great size, in this area at least, is no longer a complete economic advantage. . . . This is particularly true where a dam is already in place on smaller streams but is not equipped with turbines. Such in-place dams exist by the thousands and not alone in the Northeast."

Small hydro plants based on such existing dams or locks—and on irrigation canals in the West—could make an appreciable contribution to the energy supply of local communities, industries and rural enterprises, Mr. Lilienthal points out. The "eco-

nomics of scale" no longer necessarily applies—another sacred cow gone to pasture.

If President Carter can make elimination of Dickey-Lincoln stick—and if David lienthal can make his pint-sized power plants go—Americans may yet begin to realize that "thinking big" is not necessarily the answer to all the problems of growth. "Thinking small" may sometimes have its merits too.

TAKING THE WATERS

(By John B. Oakes)

Tucked away in one paragraph of the 28-page fact sheet issued last month by the White House on President Carter's national energy program is this intriguing statement:

"The President has directed the Corps of Engineers to report within three months on the potential for additional hydropower installations at *existing* dams throughout the country—*especially at small sites.*" (emphasis added).

With these words Mr. Carter somewhat rectified his failure to make any mention, in his previous addresses to the nation and to Congress, of this long-neglected source of supplementary energy production that is relatively cheap, readily available and environmentally acceptable.

Mr. Carter may have deliberately played down the potentialities of small-scale hydroelectric power because he did not wish to risk confusing it in the public's mind with those large-scale power and water-control projects on which he has been locked in battle with Congress.

There is no relation, however, between the two. One involves generation of electric energy through rehabilitation of small dams and installation of small plants to serve local needs on a decentralized basis without seriously damaging the regional ecology. The other is typified by such ruinous pork barrels as Dickey-Lincoln in the State of Maine—so hideously expensive that it is doubtful that they can ever become economically justifiable, quite aside from the permanent environmental damage they cause.

But it is quite a different story with small-scale hydropower. During the 19th and early 20th centuries, thousands of dams were built for a variety of purposes on millstreams and small rivers throughout the country, particularly in New England and New York. They powered grist mills, saw mills, paper mills; and eventually some were fitted out with installations for local generation of electric power, which ultimately fell into disuse or were altogether removed when large-scale power plants and regional distribution systems began to absorb the market.

It is these sites—plus many untapped navigation and flood-control dams in the Middle West—that afford a valuable and available source of easily, quickly and cheaply developed hydroelectric power. Ronald A. Gorso, an official of the Federal Power Commission, estimates that if only 10 percent of the 50,000 existing small dams in the United States were developed to an average capacity of 5,000 kilowatts—which is very small indeed—the resultant hydroelectric production could save the equivalent of 180 million barrels of oil a year, about 6 percent of present oil imports. Put another way, these small dams could produce 24,500,000 kilowatts, increasing the present supply of hydroelectric power in the United States by more than one-third.

Representative Richard L. Ottinger of New York's 24th District points out that in this state alone there are more than 600 such untapped dams, which—if only 10 percent of them were put to work at that small 5,000 kw. capacity—could provide the equivalent of the total electric consumptions of a city bigger than Albany. And on almost every tumbling stream of New England, there stand today several of these ancient dams—3,000 in all—harking back to a simpler past, when their water power was tamed to turn the mill wheels of another day. If small generators were installed in but 10 percent of these, they could produce enough electricity to supply a population equal to that of Boston.

From the investigations already conducted by such public agencies as the Federal Power Commission and by such private ones as the Development and Resources Corporation (headed by David E. Lilienthal, former chairman of T.V.A.), enough is already known about potential hydroelectric generation at small sites to warrant immediate and intensive Federal encouragement of this use of a permanently renewable natural resource.

Here is where Congress comes in. One way to encourage small-scale hydro-power technology, to which American manufacturers have given scant attention, would be through Federal grants to demonstrate various new techniques in small-scale power development. Another might be through low-interest loans for rehabilitation of existing dams and installations of small turbines and generating plants. Another might be through a form of investment tax credit.

The real problem isn't identifying the sites, as Mr. Carter seems to think, or in determining whether small-scale hydro production is economically feasible. It is even possible now to produce power from flowing streams where there is virtually no fall of water.

The real problem is overcoming the inertia of old patterns of thought and the hostility of old vested interests, especially of the power companies. As President Carter says, this is a time for innovation—and the irony is that in this case, innovation means going back to first beginnings with modern technology now waiting to be used.

THE CONFIRMATION OF JOHN C. WEST TO BE AMBASSADOR TO SAUDI ARABIA

Mr. BUMPERS. Mr. President, I rise to commend this body for its judicious confirmation of the Honorable John Carl West to be Ambassador to the Kingdom of Saudi Arabia.

In John West we have a remarkable combination of attributes. He fully satisfies the requirement for expertise in the area of the world to which he is going. He has rare qualities of statesmanship and diplomacy that have already won him friends worldwide—including notably the Arabs. Furthermore, John West is a close friend of President Carter, having been a neighboring Governor when Jimmy Carter was Governor of Georgia.

I am sure President Carter would admit that he was challenged to the utmost by the example being set by his colleague to the immediate North—Gov. John C. West of South Carolina. I know exactly how he must have felt, for, a thousand miles West in Arkansas, I, too, heard the people say:

If you're going to be as good a governor for the people of Arkansas as John West is for the people of South Carolina, you'd better get moving.

Even while he was Governor, John West was establishing his credentials as a man who knew his way around the Arab world. He received Arab leaders in the Governor's Mansion in Columbia, and was in turn received by the royal families of Saudi Arabia and Jordan. Thus, John West will not fly East as a stranger.

Mile for sandy mile, there is probably no piece of foreign soil on this globe so inextricably bound up with our economic security as the Kingdom of Saudi Arabia. Thus, it is with great personal pleasure that I have joined in the confirmation of this good friend to represent our Nation in the strategic Middle East.

WHITNEY BENEFITS

Mr. WALLOP. Mr. President, I have received an enlightening and thoughtful letter from Mr. Henry Burgess of Sheridan, Wyo. In his letter, Mr. Burgess outlines the significant contributions made in the Sheridan area by Whitney Benefits, a nonprofit corporation committed to increasing the quality of life in Wyoming.

Several years ago, Whitney Benefits made a substantial commitment to develop their coal properties along the Tongue River in Wyoming. The royalties were to be used to continue the wide variety of community programs supported by the organization.

The future of this philanthropic organization has now become inextricably linked to the controversial alluvial valley mining provision which will soon be discussed in the House-Senate conference committee on the Federal surface mining reclamation law. A ban or restriction on alluvial valley mining, which does not recognize the good faith commitment made by individuals and organizations, such as Whitney Benefits, would deprive thousands of Wyomingites the very special educational and recreational opportunities envisioned by the founder of Whitney Benefits, Edward A. Whitney.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SHERIDAN, WYO.,
May 20, 1977.

Senator MALCOLM WALLOP,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WALLOP: As a member of the Board of Directors of Whitney Benefits, Inc., I have been asked to bring to your attention some of the history of Whitney Benefits.

Mr. Whitney was an early settler of Sheridan, Wyoming, having come here in the 1890's and commenced a banking business. He was most famous for helping individuals acquire livestock when they had homesteads even though they might not have been a risk which his bank could handle. Over the years, Mr. Whitney accumulated a considerable amount of property. He remained a bachelor all of his life, which probably helped in his accumulation of property.

Shortly after 1909, Fred H. Blume, who served on Supreme Court of Wyoming for a longer period of time than any Justice has ever served on a State Supreme Court, and who was then practicing law in Sheridan, undertook to write a Will for Mr. Whitney which is a most remarkable document.

Mr. Whitney requested that his estate be accumulated and reinvested until the amount of the estate had reached one million dollars. At that time, he wanted a trust created in the form of a corporation to administer the assets and to spend the income for three purposes.

One of the purposes was to furnish education for needy students on the basis that the funds advanced would be interest free loans, and when repaid would be available then for loans in the future to other worthy students. As a result of this student loan policy there has never been a child who has completed a high school level of education in Sheridan County who could not obtain either a college degree or schooling at some trade school. Many of the persons who were assisted in their educational achievements by the Whitney fund have, upon their death, left substantial bequests to Whitney to be used for the academic fund. Since the educational loan program was instituted there have been 2,530 students from Sheridan County who have received $3,020,800 in educational loans.

As you are well aware, the costs of education have been skyrocketing in the last seven or eight years, and the Whitney funds have been heavily committed for the student loan program.

As a businessman in a small town, Mr. Whitney was aware of the need for physical exercise of the town people and there were no facilities available for them in Sheridan. He was also impressed by the fact that most of the country people when they came to Sheridan had no place where their families could meet and there were no public restrooms. Therefore, he provided in his Will that the fund be used for the construction and maintenance of a gymnasium and other athletic facilities and such facilities were to contain public restrooms where the families could meet after their shopping and where restrooms would be available. As a result of this direction, Whitney cooperated with the Sheridan County Young Men's Christian Association in the construction of a Whitney YMCA building in Sheridan, Wyoming. These facilities now contain a gymnasium, which can be utilized for two basketball courts, volleyball, wrestling, and it has a running track on the second floor where every day literally scores of people jog in all kinds of weather. The facility also has three handball courts, a swimming pool, which has spawned one of the top swimming teams in the Rocky Mountain area, a large meeting room with a portable stage, and four rooms for the public to hold meetings. This facility is supported and maintained jointly by the YMCA and Whitney Benefits. The Whitney building has become a vital and important part of the cultural life of this community.

The third purpose of the Whitney Will was to fund and operate an agricultural college in Sheridan. This college now exists in the form of the Sheridan Junior College, which was initially constructed by funds contributed by Sheridan County citizens through a bond election, by a donation from Frederick Thornerider, and by a donation from Whitney Benefits. Annually, Whitney Benefits tries to make some contribution to the college. The Junior College has a dental hygiene technician school which was initially funded by and is now supported by Whitney Benefits.

The growth of these activities, with the increase in population of this community, are putting a severe strain upon the financial resources of Whitney Benefits. The assets of Whitney have been invested and closely managed but the rate of return has not been able to keep abreast of all of the financial requests for the three purposes of the Whitney fund. As an example, in the year 1976, 83 students received $236,749 in interest free loans, the Whitney share of the building fund maintenance for 1976 was $39,968, and no contributions were made to the college for 1976.

Mr. Whitney lived in Sheridan County in the era of the County's greatest development of coal mines, when there was an interurban streetcar line connecting up five mining camps in which some 10,000 persons resided. He had acquired a tract of land by the foreclosure of a mortgage on the unsuccessful operations of a rancher. The ranch was well known to have coal, it was adjacent to an underground coal mine and the coal deposit was visible from the banks along Tongue River. When this mortgage was foreclosed, the homesteader continued to reside upon the premises leasing it from Whitney Benefits and later the property was sold by Whitney Benefits to the son of the financially unsuccessful homesteader of the land. When sold, the deed had contained a reservation providing that Whitney Benefits could reenter the premises, mine and remove the coal, and that it would pay damages to the owner for improvements, fences, and irrigation ditches only, and that if the then landowner and Whitney Benefits could not agree upon the amount of damages that the matter would be determined by the District Court of Sheridan County. Not only was the reservation explicit, but it was unique in drafting to cover the contingency of whether or not the coal owner could mine the surface.

When the activity of coal became great in this area, Whitney Benefits offered its coal lands for lease at a public auction held in the Courtroom of the District Court in Sheridan County, Wyoming. The high bidder was the Peter Kiewit Sons' Company. The property was leased to the high bidder; Kiewit Company has now drilled the property, and from the drilling it would appear that the royalties which can be produced from Whitney's coal will total some fourteen million dollars. It is now ready to mine that coal.

Whitney needs the royalty money to continue to maintain its contribution to the welfare of the youth of the community, both through the facilities of the gymnasium, swimming pool, tennis courts, racketball courts, and meeting facilities as well as making available interest free loans for their education, and supporting the Junior College. These additional funds will be "plowed" back into investments which will enable the program of Whitney to be continued.

There has been no greater contribution to the cultural heritage of this community nor has any contribution been made by an individual which has done more to touch the lives of people in this community than Whitney Benefits.

We urge that you keep in mind in your endeavors the affect upon this community of Whitney Benefits and that the production of coal from the Whitney Mine will materially increase the quality of life in this area.

Yours very truly,

HENRY A. BURGESS.

COAL VERSUS NUCLEAR POLLUTION

Mr. GRAVEL. Mr. President, under the headline "Coal Held More Hazardous Than A-Plants," this morning's Washington Post discusses a White House document which allegedly argues that the levels of coal conversion proposed by the President would result in more radioactive pollution than all the working nuclear powerplants in the United States today. While I have not seen the report and therefore do not know the assumptions it makes, I would urge my colleagues to review this report with skepticism when it is made available.

In particular, I wish to call the Senate's attention to an article in the September 1976 issue of the ASHRAE Journal by Robert O. Pohl, professor of physics at Cornell University. In this article, entitled "Radioactive Pollution" Professor Pohl argues that the health effects of nuclear power industry pollution are much more poorly understood than is often believed. Furthermore, he points out that past comparisons of the pollution impacts of coal and nuclear fuel have failed to take into account certain important isotopes and have calculated health effects only in relation to the year of energy generation rather than taking into consideration the half-life phenomenon of nuclear materials.

I ask unanimous consent that both Professor Pohl's article and the item of June 8, 1977, from the Washington Post be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COAL HELD MORE HAZARDOUS THAN A-PLANTS

(By Thomas O'Toole)

If pollution controls are not strictly adhered to, President Carter's plan to switch the nation's industries to coal could result in annual contamination of the atmosphere with 10 million tons of sulfur dioxide, 600 million tons of carbon dioxide and as much nitrogen oxides as the country's 110 million cars exhaust, a White House document reveals.

Changing over to coal could also mean release of untold tons of soot, which among other things contains a chemical called benzopyrene—identified as one of the main carcinogens in cigarette smoke. Typically, American coal also contains breathable bits of 14 toxic metals, including lead and arsenic.

Finally, the amount of coal President Carter wants industry to convert to would contain enough of isotopes of radium and thorium possibly to contaminate the air with more radioactivity than all the working nuclear power plants in the United States do today.

"No matter how you look at it," said John F. O'Leary, administrator of the Federal Energy Administration and the man who will direct coal conversions for President Carter, "a coal-fired plant is more hazardous to health than a nuclear-fired plant."

In a document still not released by the White House, the Office of Energy Policy and Planning estimates that by 1985 the President's plan to convert factories and power plants to coal will involve the burning of an additional 200 million tons of coal a year.

The document indicates that the White House would accept pollution control standards that would result in more than half the anticipated soot and sulfur dioxide exhaust being scrubbed out.

It is possible, although expensive, to eliminate more than three-quarters of these pollutants.

Cities, states and the Environmental Protection Agency could enforce higher pollution standards.

President Carter plans to force most of these coal conversions, asking for legislation to prohibit new factories from burning oil or natural gas, to tax old factories that continue

to burn oil and natural gas and give tax rebates to those voluntarily turning to coal.

The White House estimates it can force conversions to coal that will save the equivalent of 3.3 million barrels of oil a day.

And while the White House concedes that reluctant industries will pay as much as $40 billion in taxes the next eight years to keep burning oil and gas, it also claims the rest of industry will receive $38 billion in tax rebates for investing in coal.

The White House document, also concedes that the cost of converting to coal will be steep because it will involve installing scrubbers to remove some soot and sulfur from coal's exhaust gases. But the White House claims the factories putting in the scrubbers will get their money back in tax rebates.

The document also notes solid waste disposal problems. At an average-sized (one million kilowatt) coal-fired electric plant, ash acculates at the rate of 30 pounds a second.

This compares with the year-long wastes of a nuclear-fired plant which, although extremely toxic, fill a volume of two cubic meters, according to Dr. Bernard L. Cohen of the University of Pittsburgh. A volume of two cubic meters would fit under a dining room table.

Finally, the White House says that while conversions to coal will be expensive the price of coal will be low enough to keep electric rates down. The White House estimates that coal conversions will result in only a 2.5 per cent increase in electric rates in the U.S. over the next eight years.

The technical problems in removing nitrogen oxides regulations have not been set for these exhaust products, according to the document. It also notes that carbon dioxide, an inevitable pollutant of coal, does no harm to health but it does build up in the atmosphere in a way that raises the earth's temperature over the next 50 years.

That still leaves the questions of radioactivity and toxic metal exhaust, which are far more difficult to control in a coal burning plant than sulfur and soot exhausts.

A Clark University study estimated that when coal plants are located near large cities the exposure to radioactivity is 50 times greater than for nuclear plants the same size.

The Nuclear Regulatory Commission said last year "there is some uncertainty" about whether toxic metals can be controlled in coal exhausts. It listed 14 toxic metals in coal exhausts: arsenic, antimony, cadmium, lead, selenium, manganese, thallium, beryllium, chromium, nickel, titanium, zinc, molybdenum and cobalt.

Radioactive Pollution

(Robert O. Pohl)

Radioactive materials cannot be sensed by humans. They often have very long decay times and any adverse health effects they create are almost always so much delayed that a cause/effect relationship is difficult to establish. It is, therefore, not too surprising that opinions differ widely about the risks posed by radioactive pollution, not only among the public, but even within the scientific and engineering community. In this paper, an attempt will be made to clarify an important aspect of radioactive pollutants, namely their persistence and resultant buildup in the environment, and to review critically earlier estimates of the potential importance of radioactive pollution. For simplicity, the only source considered will be routine emissions from the nuclear fuel cycle, although this choice does not imply that these are believed to be more important than releases resulting from accidents, criminal acts, or war.

Radioactivity and Health

Certain atomic species in the world around us are radioactive. This means that they are unstable and will decay from one species to the other with simultaneous emission of ionizing radiation. This decay follows an exponential time dependence characterized by a half-life, γ; if at a certain time some number of atoms is present, then after the time interval γ only one half of them will be left; the other half will have decayed, after the time 2γ, one quarter will be left, and so on. Uranium in nature is radioactive. What is left from it on earth is what has not decayed since it was created. Two different kinds of uranium exist which differ only by their masses. Atoms differing only by their masses—and not in their chemical nature—are called isotopes and are distinguished by their mass numbers. The isotope of uranium with the mass number 238, (U–238), with a half-life of 4.5 billion years, constitutes 99.3 percent of the naturally occurring uranium. the rest is uranium–235, with the shorter half-life of 0.71 billion years. Both isotopes decay in a series of steps, each forming a so-called decay chain of radioactive isotopes of different chemical species. These isotopes have half-lives ranging from milliseconds to hundreds of thousands of years. In both decay chains, the last link is a stable species, an isotope of lead. Two of the links in the decay chain of uranium-238 will be important in the later discussion. Thorium–230, with the half-life 76,000 years, which decays via one intermediate step into the chemically inert gas radar–222, the half-life of which is 3.8 days.

Some radioactive species are also created continuously in nature out of stable atoms, carbon–14 and hydrogen–3 (called tritium), for example, by bombardment of stable atoms with cosmic rays in the upper atmosphere.

Finally, radioactive atoms are also produced artificially when heavy atoms like uranium-235 or plutonium-239 are split (fissioned) into lighter atoms, like strontium and cesium, in a nuclear reactor or in nuclear explosions, by a process in which very much energy is released.

A person exposed to ionizing radiation will absorb a radiation dose. Its unit of measurement is the rem,* or millirem ($=$ m rem $=$ 10^{-3} rem). The term dose *rate* is defined as the ratio of the dose absorbed divided by the time during which it was absorbed; a common unit is millirem/year (m rem/y). Every person on earth is constantly exposed to a background of ionizing radiation resulting from naturally occurring radioactive atoms and from cosmic rays. The average dose rate from these sources is 100 m rem/y. The damage done to mankind by this radiation cannot at present be observed with certainty, but can be extrapolated on the basis of experiments performed at higher radiation doses, using the linear, non-threshold relationship between dose and health effects recommended for purposes of radiation safety[1, 2]. Thus, the Environmental Protection Agency[3] has estimated that among a population of the size of the U.S. ($\sim$200 million) each year 10,000 people will either die prematurely from radiation-induced cancer, or will be born with serious genetic defects like mongolism ($\sim$0.1% of all live births). These numbers do not contain non-fatal cancer cases, believed to occur as often as fatal ones; nor do they contain genetic defects leading to fetal mortality, genetically related diseases, or to general increases in the level of ill health. The EPA calls all cases of radiation-inducted cancer deaths and serious genetic damage *"serious health effects."* We will follow the same practice, although the term appears somewhat euphemistic.

A relatively large fraction of the serious health effects caused by the natural radiation background results from radon-222 formed by radioactive decay in the soil close enough to the surface that it can escape into the atmosphere and be carried over long distances. Based on information summarized in Refs. 1 and 3, this isotope is estimated to clause 4,000 deaths through lung cancer in the U.S. every year.[4]

At present the most significant man-made addition to the natural radiation background comes from atmospheric explosions of nuclear weapons. They resulted in an average dose rate of 13 m rem/y for every person on earth in 1963. By 1970, this rate had decreased to 4 m rem/y (Ref. 2, p. 19). Some of the long-lived isotopes, like carbon-14, with a 5730 year half life, will result in additions to the background dose rate for thousands of years.[5] Widespread concern about this pollution was important in bringing about a major reduction of these weapons tests in 1962.

Right now, the nuclear power industry is expanding rapidly, and is expected to fission, between now and the end of the century, several thousand times more uranium and plutonium than was fissioned in all atmospheric nuclear tests to date. Hence, we must ask ourselves whether existing technology is adequate in holding down routine emissions of radioactive materials to an acceptably low level.

Routine Emissions From the Nuclear Fuel Cycle

A nuclear reactor generates hundreds of different isotopic species. A complete assessment of their potential health impact requires an understanding of their indivdual release fraction, the pathways and environmental buildups in the biosphere, including rejection or enrichment as the atoms move through the food chain, and individual toxicity. This poses formidable problems, and hence we will presently restrict this study to only four radioactive species, for which adequate information is available: Krypton-85 (half-life 10.7 y), tritium (half-life 12.3 y), carbon-14 (half-life 5730 y), and radon-222 (half-life 3.8 days). The first three are generated in the reactor and with present technology will be mostly released as gases to the atmosphere at the fuel reprocessing plant. Radon-222 is actually not generated in the reactor, but is a member of the decay chain of uranium-238. Before mining the uranium bearing ore, it is safely contained in the rock. Under current practice, the mill tailings are left in the form of piles of fine sand unprotected above ground after the uranium has been extracted. Some of this radon can now escape into the atmosphere and increase the radiation exposure of people. Hence, this radon is also a product of the nuclear fuel cycle.

Fig. 1 (not reproduced) shows the time *rate, i.e.*, the number of serious health effects caused, per year, by isotopes produced in generating one unit of energy (1 GW(e) y).* These health impact rates, as we

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*Radiation doses are usually measured as the energy deposited in a medium divided by its mass, with the unit rad = 0.01 Joule/kg. For purposes of radiation protection, doses are often expressed as their "Radiation dose Equivalent Man," with the units rem = (0.01 Joule/k) × (a modifying factor); this modifying factor takes into account the different biologic effectiveness of different kinds of radiation, and is usually a number ranging from one to ten. Details in Ref. 2, pgs. 216 and 86.

Numbered footnotes at end of article.

GW(e)y=1 gigawatt year=8760X10 kw(e)h of electrical energy, approximately the amount of electrical energy used presently by one million people in the U.S. each year. Presently installed nuclear generating capacity is $\sim$40 GW(e).

will call them, which have the unit #/GW (e)y/y, will decrease with time. An exponential decay is represented by a straight line on the logarithmic vs. linear plot of Fig. 1, as is evident for krypton-85 and tritium. For carbon-14, the time dependence of the health impact rate is more complicated. Initially, a large fraction of the carbon-14 disappears from the biosphere by mixing with the deep oceans, with a mixing half-life estimated to 40 y. Thereafter, the decrease of its health impact rate is determined by the radioactive half-life of this isotope, resulting in an only slightly inclined line on the time scale of Fig. 1. The health impact rate of randon-222 is also practically constant, because the radon is formed through the decay of thorium-230, whose half-life is 76,000 years, and hence the radon production rate as well as its health impact rate will decrease only with this long half-life.

The four isotopes together cause the health impact rate 0.012/GW(e)y/y during the first year after their generation. This means that these effluents, during the first year after the generation of 1 GW(e)y of electrical energy, will cause, on the average, 0.012 serious health effects, or correspondingly more, if more energy is produced. This is a small number, considering the benefit derived from this energy, but it is of course only the equivalent of an installment payment. During the second year after the release, a slightly smaller number of serious health effects will be caused, since some of the radioactivity has disappeared. In order to determine how many serious health effects are to be expected from the same effluents up to a certain time t, we have to add all yearly contributions up to that time or, in other words, we have to determine the area under each curve in Fig. 1 from the time zero to the time t. For instance, after several decades, *i.e.*, several half-lives of krypton-85 and tritium, these isotopes have done practically all their damage, causing the so-called *health impact* of 0.034 and 0.077 serious health effects/GW(e)y, respectively. After 100 years, the carbon-14 is expected to have claimed 0.15 cases, and after one half-life (5730 y), approximately 0.9 cases. Finally, since the health impact rate remains practically constant for the randon during the first one thousand years, 3.6 lung cancer fatalities will be caused in that time by the tailings produced while generating 1 GW(e)y. After one half-life (76,000 y) the number has grown to 200, and when all thorium has decayed, a health impact of 400 lung cancers/GW(e)y will have been caused by this species. A comparison of these numbers with the small health impact rates in Fig. 1 brings out one crucial problem associated with nuclear pollution: The "installment payments" in terms of health effects per year may be small, but extend over very long periods of time. Another problem will be mentioned later.

Let us next inspect how scientists previously estimated the health impacts from nuclear pollution on the general public. Numerous studies can be found in the literature, all claiming to have considered all radioactive species of importance in the nuclear fuel cycle[6-12]. Sagan[6] estimated that 0.006 cancer fatalities/GW(e)y were to be expected (inclusion of genetic defects, as done in this paper, would approximately double this number). Lave and Freeburg[7] calculated between 0.04 and 0.19 cancer deaths/GW(e)y. Rose and Walsh[8] published a value of 0.03 serious health effects/GW(e)y, while Cohen[9] estimated 0.01 cancer deaths/GW(e)y; Wilson and Jones[10] arrived at 0.008 cancer deaths/GW(e)y. In a recent review of the merits of nuclear energy, Bethe[11] stated 0.02 deaths/GW(e)y (probably from cancer). In reviewing several studies of the health impact of nuclear energy, Comar and Sagan[12] quoted 0.01–0.16/GW(e)y as the range of cancer deaths, in agreement with the values quoted above. Most of these studies also contained estimates of the health impact on the general public of electrical energy produced by burning coal, and concluded that its health impact was approximately one thousand times larger than that of nuclear energy, mainly as result of air pollution by sulfur oxides. Comar and Sagan[12] quote the range 1.6—111 premature deaths/GW(e)y from coal. The width of this range is explained largely by the different assumptions made regarding the use of sulfur removal from the stack gas.

We note that all the numbers of nuclear pollution, with the exception of one of the values quoted by Lave and Freeburg, are much smaller than the one we listed for the four isotopic species alone. One reason for this is that all authors had failed to consider the effects of carbon-14 and radon-222. Comar and Sagan confirm this, but assert that these isotopes have no significant impact on the discussion, in obvious contrast to our conclusions. A closer inspection of the original studies,[6-10] however, reveals another, fundamentally far more important reason: These authors estimated the total radiation dose received by the population in a given year, and then referred the health effects expected from this dose to the electrical energy produced during that year. The name given to this quantity is often obscure, like "premature deaths per year associated with operation of a one-gigawatt power plant," but sometimes quite unmistakably "deaths/GW(e)y." (The only exception is Ref. 7, in which the health impact is properly calculated for krypton-85, although not for tritium). Put in simple language, this is almost the same as quoting the annual installment payment instead of the full price of an object! Since one of the most worrisome aspects of nuclear pollution is its longevity, clearly we cannot accept a calculation of an installment payment in lieu of its full cost.

The same procedure causes a much smaller error when applied to the calculation of the health effects from coal, because the chemical pollutants involved have shorter lifetimes, and coal has been burned at a relatively constant rate for times longer than these lifetimes. Hence a fairly steady state has been reached, and every year we are suffering not only the instantaneous effects from the coal burned during that year, but also the delayed effects from previous years. Consequently, the annual costs are close to the full costs in this case.

Another subject worth mentioning is the radioactivity set free in coal fired plants, which is often brought up in discussions. This radioactive pollution, however, which results from the uranium and its decay chain in the coal, is more than compensated by the fact that the carbon in coal is free of the radioactive carbon–14 because of the coal's age ($\sim 10^8$ y). Hence the burning of coal also dilutes the carbon–14 in the biosphere, in human tissue, in the food we eat, etc., and hence reduces the ionizing radiation from this isotope.[13]

Let us return to the discussion of the health impact of radioactive pollutants from the nuclear fuel cycle. As we saw with the example of radon–222, adding up installment payments over several half-lives of the parent isotope thorium–230 involves exceedingly long time spans. Although this author would prefer to treat those health effects, as long as they are predictable, exactly as if they were occurring on a short time scale, and to avoid them whenever this is technically and economically feasible (which appears to be the case for both radon–222 and carbon–14[4,5]), people may argue against accepting such a long-term responsibility which is without precedent. Quite apart from this basically moral aspect of the longevity of nuclear pollutants, it must be realized, however, that if one is faced with installment payments extending over very long periods of time, then each new commitment will add to the sum of the installment payments to be paid for previous commitments. This buildup is the other important aspect of the longevity of radioactive pollutants which we referred to earlier.

Again, we will use the radon gas only as an example: After mining supplies for 1 GW(e)y, we will have to pay with 0.0036 cancer deaths every year (FIG. 1). After the second year's supply has been mined, annual payments will rise to 0.0072, and so on. If, as has been projected, by the year 2000 some 2×10^6 tons of uranium oxide will have been mined to generate the cumulative amount of 12,000 GW(e)y of electrical energy in the U.S., then the annual lung cancer fatality rate calculated from the accumulation of unprotected piles (over one billion tons of tailings) will be in excess of 40/y, which is close to ½% of the rate of serious health effects in the U.S. estimated to result from the entire natural radiation background ($\sim$10,000/y). Of course the mining will not stop in the year 2000, and so the death rate caused by the man-released radon will rise, until we run out of minerable uranium, or change to a safe disposal of the tailings, for instance by mixing them with cement and burying them in abandoned mines. Hence, even if people reject long-term responsibility, the environmental buildup of long-lived pollutants should not be taken lightly, although their health impact rates may be comparable to, or even smaller than those resulting from short-lived pollutants.

The health impacts of krypton-85 and of tritium have been well known for many years. Surprisingly, though, carbon-14 has only recently been recognized as an important pollutant in the nuclear fuel cycle, although its important role in atmospheric nuclear explosions has been known for a long time[1] (it contributed an estimated 15% of the worldwide radiation dose rate resulting from the weapons testing fallout in 1969, or 0.6 m rem/y for every person on earth (Ref. 2, p. 18). Similarly, the importance of radon-222 as a world-wide pollutant resulting from the nuclear fuel cycle has only recently been recognized, although the toxicity of this isotope had long been established. This is a sobering thought leading to the question, how many other radioactive pollutants may have been overlooked so far.

Some of the most toxic radioactive isotopes, those of plutonium, are produced in copious quantities, even in the non-breeding light-water moderated reactors, which are presently used in this country. The EPA has estimated that during the generation of one GW(e)y of electrical energy, 240 kg of plutonium-239 ($\tau = 24{,}000$ y) and 90 kg of plutonium-240 ($\tau = 6{,}589$ y) are produced.[14] This Agency has also estimated the health impact of all plutonium isotopes together with the other actinides (neptunium, americium, and curium), which exist in smaller quantities in the spent fuel, during the first 100 years after their discharge from the reactor.[14] A simplified model was used in which all but one millionth of the actinides handled in the nuclear fuel cycle would either be recovered for subsequent fissioning in a reactor, or would be buried in a disposal site which would guarantee isolation from the biosphere for times of the order of a million years. It was also assumed that one half of the fraction released (i.e., one part in two million) would be deposited on the solid and that one millionth of that amount would remain airborne and available for inhalation through wind motion. With this model, the EPA estimated an average health impact rate of approximately 0.005/GW(e)y/y.

Numbered footnotes at end of article.

Although this is similar to the rates shown in Fig. 1, it must be viewed with caution, since many of the parameters that went into the calculation are very poorly known. Furthermore, the model itself of the actinide releases into the environment may be in serious error, as will be demonstrated wtih the following examples.

†From spent fuel containing 30 tons of plutonium produced in British Magnox reactors, 98.3% were recovered. 0.4% stayed in the high level waste and the fuel cladding, and are stored until a method for ultimate disposal has been found: 0.3% were discharged to the sea with liquid wastes, and 1% "stayed with a variety of solid wastes.[15] It was not stated what fraction of this 1% would eventually find its way to a permanent disposal site.

†In the limited U.S. experience with commercial waste, gained solely at the reprocessing plant in West Valley, New York, 97.6% of the ~200 kg plutonium processed was recovered 1.86% are presently stored in the high level liquid waste at the site; 0.2% were buried with contaminated equipment and material in shallow soil at the site; the balance of 0.34% is in unknown location.[16]

In both cases, approximately 1 percent of the plutonium handled has not been recovered, nor is it in a form in which it could be buried at a permanent disposal site, when and if such a place is found. In fact, if some of this material is left where it is right now, say in the burial site at West Valley, it must be only a question of time, perhaps decades, or even a hundred years, in any event, times short relative to the half-lives of these isotopes, until it will reappear as a delayed effluent from previous fuel cycles. What its damage will be to humans from that time on, nobody can foresee.

In light of these facts, the assumption of releases ranging from one part in a million to even two parts in a billion (2 in 10^9), as officially estimated by the former Atomic Energy Commission,[17] must be viewed with great skepticism.

This example should suffice, it could be extended to other long-lived isotopic species, like iodine-129, technetium-99, zirconium-93, or cesium-135, all of which are generated in large quantities in a reactor, are known to be toxic, and have half-lives exceeding hundreds of thousands of years. Unfortunately, present knowledge is inadequate to make any reliable estimates of their impacts.

CONCLUSIONS

Our knowledge of the health impact of pollution resulting from the nuclear power industry, even during normal operation, is much poorer than is usually asserted:

The widely published claims that the public health effects resulting from routine emissions are between 0.01 and 0.1 serious health effects per gigawattyear, and hence are at least a thousand times smaller than those resulting from air pollution by the burning of coal, cannot be true, for two reasons:

(a) The authors of these claims have ignored at least two of the more important isotopes, radon-222 and carbon-14, which are presently released to the environment, and thus contribute greatly to the health impact of nuclear energy.

(b) The health effects calculated in the earlier work cover only those which occur during the year in which the energy is generated. This means, figuratively speaking, that the authors have confused an annual installment payment with the full cost. This is unacceptable.

The contribution to the health impact of nuclear energy arising from the single isotopic species radon-222 emanating from the mill tailings is estimated to 400 lung cancer deaths/GW(e)y, larger even than the most pessimistic estimates of the health impact of energy from coal through atmospheric pollution. We have no assurance that other long-lived isotopes do not contribute comparable amounts to the health impact of nuclear energy.

The discussion of the health impact of radon-222 raises the fundamental moral question—how far into the future our responsibility extends. If such a long-term responsibility is rejected, then we must at least try to predict the environmental buildup of radioactive pollutants, in order to avoid unacceptable and irreversible levels of radiation dose rate. To this end, greater efforts are needed to determine how rapidly the long-lived isotopes, whose current health impact rates may be relatively small, will build up in the environment to cause radiation levels which must be considered unacceptable.

With plutonium used as an example, we have shown that delayed releases from a variety of inadequately protected locations containing long-lived radioactive materials in low concentrations may substantially exceed routine releases from operating nuclear facilities. The potential health consequences from this source of pollution seem to have been largely ignored so far, and should be explored in detail.

FOOTNOTES

[1] *Ionizing Radiation, Levels, and Effects*, Report of the United Nations Scientific Committee on the Effects of Atomic Radiation, (UNSCEAR Report), United Nations, 1972.

[2] *The Effects on Populations of Exposure to Low Levels of Ionizing Radiation* (BEIR Report) National Academy of Sciences, Washington, 1972.

[3] *Environmental Analysis of the Uranium Fuel Cycle*, U.S. Environmental Protection Agency, Report EPA–520/9–73–003–B, Oct. 1973.

[4] R. O. Pohl, "Nuclear Energy: Health Effects of Thorium-230," Search 1976 (to be published). 7. 345 (1976).

[5] R. O. Pohl, "Nuclear Energy: Health Impact of Carbon-14," submitted to Radiation and Environmental Biophysics.

[6] L. A. Sagan, "Human Costs of Nuclear Power," Science *177*, 487 (1972).

[7] L. B. Lave and L. C. Freeburg, "Health Effects of Electricity Generation from Coal, Oil, and Nuclear Fuel," Nuclear Safety *19*, 409 (1973).

[8] D. J. Rose, "Nuclear Eclectic Power," Science *184*, 351 (1974), quoting D. W. Walsh, "A quantitative Analysis of the Social Costs of Nuclear Power," M.S. Thesis, MIT 1974, unpublished.

[9] B. L. Cohen, "Perspectives on the Nuclear Debate," Bull Atomic Scientists *30*, 35 (October 1974).

[10] R. Wilson and W. J. Jones, *Energy, Ecology, and the Environment*, Academic Press 1974, page 351.

[11] H. A. Bethe, "The Necessity of Fission Power," Scientific American *234*, 21, January 1976.

[12] C. L. Comar and L. A. Sagan, "Health Effects of Energy Production and Conversion," Annual Review of Energy *1*, 581 (1976).

[13] J. E. Martin, "Comparative Population Radiation Dose Commitments of Nuclear and Fossil Fuel Electric Power Cycles," Proc. of the Eighth Midyear Topical Symposium of the Health Physics Society, Knoxville, Tenn, October 21–24, 1974, to be published.

[14] *Environmental Radiation Dose Commitment: An Application to the Nuclear Power Industry*, U.S. EPA report EPA–520/4–73–002, February 1974.

[15] Simon Rippon, "Towards a Better Understanding of the Plutonium Problem," Nucl. Eng. Intern. *19*, 975 (1974).

[16] Steven M. Sass, Nuclear Fuel Services, Inc., in a letter dated Oct. 6, 1975, to Andrew Reynolds, Federal Energy Administration.

[17] *Environmental Survey of the Uranium Fuel Cycle*, WASH–1248, U.S. Atomic Energy Commission, April 1974, page S–15 (as corrected according to errata sheet).

ALLOCATIONS BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. CANNON. Mr. President, I ask unanimous consent that a report from the Senate Committee on Rules and Administration pursuant to section 302(b) of the Congressional Budget and Impoundment Control Act of 1974, distributing the committee's allocations under the first concurrent resolution of the fiscal year 1978 budget, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMITTEE ON RULES AND ADMINISTRATION

REPORT TO THE SENATE PURSUANT TO SEC. 302(b) OF THE CONGRESSIONAL BUDGET ACT OF 1974; ALLOCATIONS OF 1ST CONCURRENT RESOLUTION AMOUNTS FOR FISCAL YEAR 1978

[In millions of dollars]

Programs	Fiscal year 1978			
	Direct spending jurisdiction		Entitlement programs that require appropriations action	
	Budget authority	Outlays	Budget authority	Outlays
Function 250: Resolution total to be allocated	(1)	(1)	0	0
Smithsonian Institution trust funds (permanent indefinite)	0.058	0.058	0	0
Function 500: Resolution total to be allocated	5	5	0	0
Oliver Wendell Holmes devise fund (LC) (permanent, indefinite)	.025	.024	0	0
Gift and trust fund accounts, nonrevolving (LC) (permanent, indefinite)	4.776	4.776	0	0
Function 800: Resolution total to be allocated	35	0	0	0
Presidential election campaign fund (permanent, indefinite)	35	0	0	0
Total amount to be distributed	40	5	0	0
Controllable	0	0	0	0
All other	40	5	0	0

[1] Under $500,000.

OUR UNEMPLOYED VIETNAM VETERANS

Mr. DURKIN. Mr. President, unemployment among our Vietnam-era veterans remains dangerously high. Unemployment for these veterans ages 20 to 24 is 16.4 percent, compared to 12.3 percent of all persons in that age bracket. For ages 25 to 30, the veterans unemployment rate is 9.2 percent—0.9 percent higher than the national average. As Members of the U.S. Congress, we ought to be ashamed to repay these veterans who have given so much to our Nation with empty promises.

Earlier this year, in an attempt to provide more than simply empty words, I introduced a number of bills to make necessary improvements in the GI bill. It is my sincere hope that these bills

will provide the post-Korean veterans with the full educational opportunity necessary to find worthwhile employment.

Mr. President, an excellent editorial appeared on Monday, May 30, 1977, in the Washington Post which raises many of these same issues. I ask unanimous consent that a copy of that editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THOSE WHO SERVED

Among those reflecting upon the meaning of Memorial Day, we would assume, are approximately eight million veterans of the Vietnam years. For many of them, it comes as one more painful reminder that this country still lacks a comprehensive program to deal with their needs and entitlements. It cannot have escaped their notice that a nation capable of prolonged discussion and strong emotion on the merits of amnesty for no more than 10,000 young men who did not serve—by evading the draft—is strangely incapable of dealing equitably with those who served, including two and a half million who actually went to Vietnam and 400,000 who suffered wounds. To examine some of the current attitudes about Vietnam-era veterans is to see graphically why so many of them feel ignored or frustrated. It is also to understand why those who are trying to help them are finding it so difficult.

There is, to begin with, the GI Bill itself. At the moment, many of the most needy veterans are denied meaningful access to educational assistance. The GI Bill was inadvertently structured to provide benefits to veterans with access to low-cost public institutions. The problem is that many states and cities have few, if any, of these institutions. Sen. Alan Cranston, chairman of the Veterans Affairs Committee, has spoken of this unfairness and has pledged to "explore the matter and to come up with a remedy." Unfortunately the leadership of the House Veterans Committee and, surprisingly, the new aministrator of the Veterans Aministration, Max Cleland, have not made a similar commitment. Another group with limited access includes some veterans who are married and have children; for them, the GI Bill's allowances are too low to be meaningful. Veterans with less than high-school educations are often left out also. Still another group is the one comprised of veterans who fought during the years 1966 to 1972; they were discharged at a time when benefits in many states were effectively so low that the most needy could not afford to go to school.

A second problem is the lack of attention given to the personal adjustment problems of Vietnam veterans, especially the disabled. Many came home unthanked and unnoticed for their sacrifice. Being forgotten became one of the heaviest emotional burdens, particularly as South Vietnam collapsed and the country's leaders were content, as President Ford urged, to put Vietnam behind us. One of the government's failures is that it hasn't conducted the research to learn how widespread the emotional problems may be. One unofficial VA estimate holds that one out of five new veterans suffers serious and prolonged readjustment problems.

From these examples alone—and there are others—it is clear that, despite the efforts of a few public officials as well as some of the more alert veterans groups, there is no coherent national policy for dealing with the problems of returned service personnel. It is not as though solutions are unknown, or that teachers, counselors and others are unwilling to work individually with the veterans. An article on the opposite page today tells the story of a few people involved in programs that are as worthwhile on the local level as they are deserving of support from higher levels.

In other words, it can be done—it just isn't being done enough.

At the moment, Congress is considering an across-the-board increase in GI benefits. This approach, as a recent report to the National League of Cities and the U.S. Conference of Mayors notes, is far from ideal: It may overcompensate those veterans who already are receiving too much, while others will remain without access to schooling. Rep. Lester Wolff (D-N.Y.), along with 75 cosponsors, has introduced legislation that would accelerate the availability of GI Bill benefits. This bill and another—providing tuition equalization—deserves immediate attention.

Evidence suggests that the veterans have a number of supporters scattered throughout Congress. But it is the responsibility of the President to pull together that support, as well as coordinate the energies of his own administration. In January, the Secretary of Labor, with considerable fanfare, announced a $1.3 billion program to provide more jobs for veterans. Four months later, unemployment among veterans remains high with veterans groups still awaiting signs of effective followup. One issue that has aroused the anxiety of these groups is that the mandatory veterans quotas—ones assuring that the jobs go to veterans rather than others—have been dropped from the administration's bill now on its way through Congress.

The President has spoken movingly of the plight of the Vietnam veterans. But his actions—the efforts to provide a form of amnesty for deserters and veterans with "bad paper" discharges, the hastily assembled jobs program—fall short of the sort of comprehensive, high-priority approach that is needed. Today, as always, we salute those who served and suffered in all wars—and, above all, those who gave their lives. But our urgent concern is with the veterans of the Vietnam years—and with the unfinished business of that war.

NATIONAL COUNCIL OF SENIOR CITIZENS ENDORSES CARTER ADMINISTRATION'S SOCIAL SECURITY FINANCING PROPOSALS

Mr. WILLIAMS. Mr. President, social security is one of our Nation's most important institutions.

In one way or another it touches the lives of almost every American family.

Social security is also the primary source of support for the vast majority of older Americans.

In a very real sense social security is family security, protecting workers and their families from loss of earnings because of retirement, death, or disability.

It is essential, therefore, that this vital institution be built upon a solid financial base.

On May 9 President Carter submitted an 8-point plan to strengthen the financing of social security.

These proposals, it seems to me, merit the close and careful attention of Members of Congress. They represent a comprehensive and thoughtful response to one of the priority issues before this Congress.

It may, of course, be necessary to make some modifications in the administration's package. However, President Carter's 8-point plan provides a solid base to restore the financial integrity of social security.

The National Council of Senior Citizens—one of the leading advocates on behalf of the elderly—has endorsed the President's social security financing proposals.

Nelson Cruikshank, the septuagenarian spokesman for NCSC has urged an all-out campaign to make these proposals a reality. Mr. Cruikshank's eminence in the aging field is well known, and earlier this week President Carter bestowed upon him an even higher recognition. The President appointed Mr. Cruikshank chairman of the Federal Council on Aging. He will also serve as special counselor to the President. I wholeheartedly endorse this appointment knowing that Nelson Cruikshank will be a valuable asset to the President.

Mr. President, recently the executive committee of the National Council of Senior Citizens issued a statement urging swift approval of the administration's social security proposals. I commend this statement to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NCSC ENDORSES CARTER SOCIAL SECURITY PLANS

WASHINGTON, D.C., May 10—The Executive Committee of the National Council of Senior Citizens today urged swift Congressional approval of President Carter's social security proposals as "meriting the support of Americans of all ages."

Meeting here to map plans for NCSC's Biennial Legislative Conference, June 6 to 8, in Washington with 5,000 delegates, the Executive Committee called the President's recommendations "constructive and practical—both in terms of our own dependence on the soundness of the system and its ability to meet society's obligations in the future."

NCSC President Nelson H. Cruikshank said the Carter proposals would "restore the financial integrity of America's social security system, the nation's first bulwark against poverty in retirement."

He urged NCSC's 3800 clubs, representing over three million senior citizens, to wage "an all-out campaign to bring these common-sense proposals into reality.

"We must end the scare stories and show all Americans, young and old, they have nothing to fear in the future as they advance in years," Cruikshank added.

The President's proposals, which were submitted to Congress on Monday, would use resources from the federal general revenues to underwrite the trust funds for social security taxes lost during periods of severe unemployment.

It would also increase funding by removing the ceiling on the amount of an individual's wage or salary on which the employer pays social security taxes. Relatively small increases would be imposed on the amount of wage or salary on which employees pay such taxes.

"One reason that President Carter won the support of older Americans last fall," the Committee said, "was his pledge to restore public confidence in social security and to protect the integrity of the Trust Funds. Not only do these proposals fulfill that pledge, but they do it without placing the burden of additional payroll taxes on employees—taxes which fall heaviest on low-income workers.

"The President's program fulfills his commitment to the American people," said the

National Council leaders. "We urge the Congress to enact it as swiftly as possible."

UNITED NATIONS' FAILURES TO DEFEND HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, I want to call the attention of the Senate to a recent article in the Washington Post. The article, which appeared on May 22, 1977, discusses the failure of the United Nations to take meaningful action against countries which have abridged the human rights guaranteed in the United Nations Charter.

The article points out that the United Nations has been unable or unwilling to take any action against countries which violate human rights. The only organs which might implement the United Nations' commitment to promote "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction" are restricted to the areas of decolonization and apartheid. The limited machinery which does exist for protecting human rights is restricted, as the Post emphasizes, "to those areas in which the new majority has a direct political interest." And the post of a high commissioner for human rights who would monitor complaints and attempt to remedy serious grievances, a suggestion proposed over 10 years ago, has never been created. The inability of the United Nations to fulfill the obligations expressed in its charter becomes all the more deplorable when it is observed that the more vicious forms of human rights violations have been increasing in the past few years.

It is important that we take cognizance of the past failure of the United Nations to defend human rights. For, Mr. President, we must place much of the blame for that failure upon ourselves.

The United States was the architect of a United Nations founded on the principle of protecting universal human freedoms. Too often, however, this country has been hypocritical in its positions on human rights. President Carter acknowledged our tarnished record in his speech before the United Nations earlier this year. The Washington Post reported that—

> Carter indicated that he was acutely aware of the fact that, since the 1950s, the U.S. had abdicated any meaningful responsibility for advancing human rights at the U.N., even to the point of refusing to ratify the Genocide Convention and other key human rights treaties . . . The failure to become a contracting party to critical international instruments had challenged the credibility of American concern and raised charges of hypocrisy.

We cannot erase our past record of alternately ignoring and championing human rights. Nor can we change the United Nations overnight into an effective mechanism for protecting those rights. We can, however, improve our posture with regard to several salient issues. Let us, as a first step, move quickly to ratify the Genocide Convention and join 83 other nations in condemning that crime.

Mr. President, the cause of human rights demands our support. Ratifying the Genocide Convention is a necessary step to demonstrate our concern for protecting the inalienable rights of all men. To do less, or to hesitate, is inexcusable.

ENERGY

Mr. JOHNSTON. Mr. President, in a time when the energy problem is of concern to all who are engaged in this country's legislation, I would like to compliment the outdoor advertising industry which has quietly been playing an important role in alerting the Nation to the need for conserving energy. Many of my colleagues will recall seeing billboards in their home districts, or miniature posters here in Washington, displaying the great design which illustrated the planet Earth partially covered by a gasoline gage which pointed to the empty mark. Underneath the illustration was the headline "What Then?"

This unique and demonstrative program was the product of the private sector. The Ogilvy & Mather Advertising Agency, together with the outdoor advertising industry, represented by the Institute of Outdoor Advertising, a marketing arm of the Outdoor Advertising Association of America, ran a nationwide contest, offering a prize for the best energy poster. The "What Then?" campaign was the result of this program, the cost of which, as related, was borne by the outdoor advertising industry. Over $1 million worth of advertising space was donated throughout the country.

So effective were these "What Then?" posters that the Federal Government presented to Ogilvy & Mather and the Institute of Outdoor Advertising its Energy Conservation Excellence Award. The impact of the posting program and the award led the Federal Energy Administration to request additional public service help from the outdoor advertising industry.

In an effort to immediately cooperate with the FEA's request, a new design has been selected for a summer/fall program. The poster is being directed to the traveling motorist. The new design, a grass green background with the message "Keep Off The Gas," is now being displayed in front of the District Building here in Washington, D.C. As in the "What Then?" campaign, the outdoor advertising industry, through the stewardship of the Outdoor Advertising Association of America, has printed and will display 7,000 posters throughout the Nation. The space is being donated, as in the previous campaign, by the individual companies on a voluntary basis throughout America.

Federal Energy Administrator John F. O'Leary personally described the original poster program, "What Then?" and the new, "Keep Off The Gas", poster campaign as being "important in assisting the administration to educate the American public on conservation—this Nation's most important source of energy."

Today, with the cost of Government increasing in unprecedented proportions, it is a pleasure to report to the country and my colleagues my appreciation for this significant contribution by the outdoor advertising industry, the Outdoor Advertising Association of America, the Institute of Outdoor Advertising, and the Ogilvy & Mather Advertising Agency in assisting the conservation program in this great country.

THE FISCAL YEAR 1978 BUDGET DEFICIT

Mr. MUSKIE. Mr. President, in a story appearing in the Washington Post on June 8, 1977, Budget Director Bert Lance is reported to have told a group of bankers, investors, and business leaders that the deficit for fiscal year 1978 will be about $7 billion higher than originally expected, due primarily to congressional spending.

This statement attributed to the Budget Director is simply not true, Mr. President. Let me set the record straight.

It is true that the deficit for fiscal year 1978 contained in the congressional first budget resolution, Senate Concurrent Resolution 19, is about $7 billion higher than the President's latest fiscal year 1978 estimate submitted to Congress in April of this year. But the higher deficit is entirely attributable to a more realistic estimate of budget revenues by the Congress as compared to the administration. Spending in the congressional budget is in fact lower than the administration estimate.

I ask unanimous consent, Mr. President, that a table setting forth the key figures be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiscal year 1978 budget

[In billions of dollars]

	Administration estimate (April 1977) *	First budget resolution (S. Con. Res. 19)
Revenues	403.8	396.3
Outlays	461.7	460.95
Deficit	57.9	64.65

* Adjusted to exclude refundable tax credits, to conform to congressional practice.

Mr. MUSKIE. These figures show, Mr. President, that the higher deficit in the congressional budget is due to a lower estimate of revenues of $7.5 billion—not to greater congressional spending.

Of the $7.5 billion difference in the revenue estimates, about $4 billion is due to the Tax Reduction and Simplification Act which was strongly supported by the President. The higher administration estimate does not take account of this bill, which was signed into law by the President on May 23, about a month after the administration revenue estimate was prepared.

The remaining $3.5 billion difference in the revenue estimates is due to the differing economic assumptions of the administration and the Congress and to small technical estimating differences. Congress assumed what we believe is a

more realistic view of the economy than the administration, and as a result the congressional revenue estimate is lower. Regardless of who is right about the performance of the economy, Mr. President—the Congress or the administration—the fact is that the difference is not caused by profligate congressional action.

In sum, the statement attributed to the Budget Director is wrong. Congress is not adding to the President's budget—indeed, it proposes to spend less. The increased deficit in the congressional budget is due to revenues estimates that the Congress believes are more realistic than those of the administration. The Congress should not and will not sacrifice truth in budgeting to stay within Presidential estimates it considers unrealistic.

It is regrettable that errors such as this occur. I hope that Mr. Lance will set the record straight promptly.

Mr. President, I ask unanimous consent that the Washington Post article to which I have referred be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LANCE CRITICIZES BANKS FOR PRIME RATE JUMP

NEW YORK, June 7.—President Carter's chief budget official today criticized bankers again for raising their prime lending rates, but sought to reassure them and other business leaders about the administration's overall economic policies.

Bert Lance, director of the Office of Management and Budget, repeated Carter's pledge to balance the budget by 1981, spoke proudly of the reduction in unemployment, promised less red tape and inconsistency in government regulations, and expressed his hope for "a steadily declining rate of inflation."

"I have not yet seen anything (since the Carter administration began in January) that indicates to me that we can't balance the budget by fiscal year 1981," Lance told about 200 bankers, investors and business leaders at an economic seminar.

The balanced budget would be achieved even though the 1978 deficit will be about $7 billion higher than the level originally expected ($58 billion), he said. According to Lance, the increase is due primarily to congressional spending.

Lance said Carter, unlike previous presidents, has begun discussions about the 1979 budget in the spring. "We're now actively working on the '79 fiscal year budget process . . ." Lance said. "To my knowledge, no President has been willing to spend a great deal of time in the spring on the budgetary process. They usually wait until the fall.

"President Carter has given us a total of 25 hours over a three-week period in June to sit down with (him and) the Cabinet officers and agency heads and go through the budget."

Last week, Lance criticized bankers for raising the prime interest rate from 6¼ to 6¾ per cent in early May. The prime is the rate a bank charges its best corporate customers for loans and is not directly linked to consumer loan rates.

Bankers have said they are raising their prime rates because the price they pay for money is going up. But Lance repeated his criticism today, that he sees no justification for the increase.

He said the Ameriacn people blame inflation on two factors: huge budget deficits and high interest rates.

Asked about reports that, despite his criticism, the prime rate soon might be boosted to 7 per cent, Lance said: "That shows the amount of influence I have."

Lance also:

Said that the Council on Wage and Price Stability, which has no power to order rollbacks, should be retained and strengthened. He added that a strong name is needed to head the council "standing between labor and management."

Expressed pleasure that the unemployment rate is down to 6.9 per cent. But he cautioned that there "still are significant problems in the area of unemployment."

Refused to predict the rate of inflation three years from now, but added that the administration's goal is a steadily declining rate of inflation.

WORLD ENVIRONMENT DAY

Mr. PELL. Mr. President, last Wednesday, June 1, was World Environment Day; and a ceremony commemorating that event was held at the Department of State. On that occasion, the Honorable Douglas M. Costle, the Administrator of the U.S. Environmental Protection Agency, made some very perceptive remarks which I would like to share with my colleagues today.

Mr. Costle pointed out that although economists and political scientists have talked for a number of years about the "interdependence" of nations, it is only recently that that concept has been taken to include environmental protection. Mr. Costle adds—and I fully agree with him—that "international environmental cooperation is not only desirable, it is imperative. The plain fact is, pollution knows no boundaries."

As chairman of the Foreign Relations Committee's Subcommittee on Arms Control, Oceans and International Environment, I am delighted that Mr. Costle highlighted the need for international cooperation "to halt the environmental degradation of our fragile planet." His catalog of examples of specific problems is similar to the one I developed in introducing Senate Resolution 49 this past January 25. In that resolution, I proposed that the United States take the initiative to convene an international conference to negotiate a treaty requiring the preparation of an International Environmental Impact Statement whenever a major project, action, or continuing activity could reasonably be expected to have a significant adverse effect on the physical environment or environmental interests of another nation or a global commons area.

In proposing such a treaty, it was my intention to raise international consciousness concerning the threats to the environment inherent in the search for solutions to such problems as food, energy, and climate change. In my view, it is essential to begin the process of establishing international rules of the game in carrying out activities which could harm the international environment.

The objectives outlined by Mr. Costle are similar to my own, and I commend his remarks to my colleagues. Mr. President, I ask unanimous consent that the full text of Mr. Costle's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY THE HONORABLE DOUGLAS M. COSTLE

ENVIRONMENTAL INTERDEPENDENCY

It's a privilege for me to be here, and I am delighted to join with you to mark World Environment Day.

The topic I have been asked to discuss is something of a mouthful—environmental interdependency. But the idea is fairly simple and obvious.

For a number of years economists and political scientists talked about the "interdependence" of nations. They usually referred to the many ways nations depend upon each other for raw materials, markets, energy and so forth.

Recently, environmental protection has been added to that list. Environmental cooperation has long been considered desirable and was formalized at the United Nations Environmental Conference in Stockholm in 1972.

But it has now become apparent that international environmental cooperation is not only desirable, it is imperative. The plain fact is, pollution knows no boundaries.

Consider our fragile earth from the vantage point of an orbiting astronaut.

Russell L. Schweickart, who orbited the earth in Apollo 9, described his feelings this way:

"You look down there and you can't imagine how many borders and boundaries you crossed again and again and again. *And you don't even see them.*"

He also said:

"When you go around (the earth) in an hour and a half you begin to recognize that your identity is with that *whole thing.*"

Environmental interdependency means, simply, identifying—like the astronaut—with that "whole thing." The plain fact is, pollution generated in one country inevitably affects its neighbors and often affects other nations some distance away.

Examples are abundant:

In January, 1974, during one 12-day period, the tip of the Scandinavian peninsula was the focus of winds from Britain, France, Germany, Portland and The Netherlands, depositing some 4,000 tons of sulphate over 8,000 square miles of southern Norway. All of this pollution apparently originated across geopolitical boundaries.

In central Europe, the idea of a "Blue Danube" remains today only a romantic memory. One Czechoslovakian petrochemical plant alone today discharges more than 80 gallons of chemical waste into the Danube *per second*, and it is only one of hundreds of pollution sources along the 1725 mile river, running from Southern Germany to the Black Sea. A planned expansion of that plant will increase discharge to a level equivalent to that of a city of 1.2 million inhabitants. The anti-pollution enforcement machinery that exists to check this pollution has not been effective.

From the astronauts' perspective, the tangled maze of political boundaries, legal jurisdictions, and geographical frontiers does not exist.

It is this perspective, coupled with an increasing awareness of our interdependency, that we will need to gain if we are to effectively control and ultimately halt the environmental degradation of our fragile planet.

EPA is thought by many to be a strictly domestic body. In fact, our international activity is extensive.

We most actively cooperate, of course, with our neighbors, Canada and Mexico. What we do, especially along our borders, can have very real impacts on our neighbors. And these impacts can be profound.

For example, without modification, the Garrison Irrigation Project in North Dakota threatens to produce flows of nutrients and pesticides that could endanger Canadian waters, including Lake Winnipeg.

Similarly, the coal-fired power plant at Coronach, Saskatchewan will have impacts on the air in northeastern Montana and on the quality of the Poplar River, which flows from Canada into the United States.

And most of us are familiar with the problem of salinity in the Colorado River, which runs into Mexico from the United States.

The catalogue of similar transnational pollution problems along our northern and southern frontiers is long. The point is that: controlling pollution in these areas requires close cooperation with our neighbors.

In Europe and in other parts of the world where the countries are smaller and closer together, the necessity for cooperation is even more apparent.

Even where countries are not contiguous or share a common waterway, environmental regulations in one nation can directly affect other national interests. For example, the newly enacted Toxic Substances Control Act will compel foreign chemical exporters who wish to market their products in the United States to comply with our regulations.

I think most of you are aware that our domestic regulations for the control of aircraft noise can generate problems with foreign carriers and their governments.

And our automotive emissions regulations bring us into continuous contact with foreign manufacturers whose products must conform to U.S. specifications before they are offered for sale here.

On a global scale as well, cooperation between nations on environmental issues is gaining in importance. Because all nations share the world's oceans and its resources, we are seeking to ensure that adequate environmental safeguards are built into the Law of the Sea Treaty.

We are also concerned about threats to the atmospheric ozone layer. Man's activities, especially the release of chlorofluorocarbon gases, threaten the ozone layer, and ultimately all nations will need to cooperate if the danger is to be avoided.

International pollution problems have added a new dimension to diplomacy and have defined new areas of potential conflict.

The United States and Canada have pioneered in the resolution of transboundary environmental conflicts. Fortunately, we had a strong legal base from which to build. The authors of the 1909 Boundary Waters Treaty between the United States and Canada were foresighted enough to include a provision that neither country would pollute the other "to the injury of health or property." That treaty also established the International Joint Commission, a body enjoying the status of an international organization.

At the same time, the U.S. and Canadian Governments have chosen to resolve many of their transboundary problems directly rather than referring them to the commission.

Here, too, new ground is being explored with each case handled.

Each country has shown itself sensitive to environmental impacts across the frontier. We have given Canada our pledge that we would take whatever action might be necessary to protect her waters from the run-off effects of the Garrison project.

Our Canadian friends have consulted with us in establishing the safety features for their offshore drilling project in the Beaufort sea. They are also cooperating with us in providing environmental safeguards on other projects, such as the open pit coal mine being planned on a tributary of the Flathead River and the power plant on the Poplar River, both on the northern border of Montana.

Our relations with Canada also provide a model of how two countries can work together to protect a shared water resource from environmental degradation.

By the nineteen-sixties it had become apparent to both the United States and Canada that the Great Lakes, the greatest fresh water system in the world, were becoming dangerously polluted and that, if they were to be preserved, effective joint action would have to begin soon. Officials of the two governments set about drawing up an agreement that would establish the programs necessary to arrest the deterioration of the Great Lakes water quality and create conditions that would preserve the lakes as a vital resource for future generations.

The Great Lakes Water Quality Agreement was signed in 1972 to provide the institutional mechanisms through which the two countries share scientific and regulatory expertise in a project vital to them both.

The task has not been easy, and successes have not come quickly. But water quality is improving. It will take many more years and billions of dollars more before the goals are reached. But we have made a good start and have demonstrated what can be accomplished when good neighbors set about a common task together.

In addition to our work with Canada and Mexico, the United States has formal environmental agreements with the Soviet Union, Japan, and Germany, under which joint projects are carried out. Our work with the Soviet Union, alone, encompasses some forty-one projects in a large number of fields.

Multilaterally, our most active forums are the Organization for Economic Cooperation and Development (OECD), and the Committee on Challenges of Modern Society, an adjunct of NATO, where there are over forty active projects at the moment. We also work closely with the United Nations Environmental Program, the World Health Organization and the environment programs of a number of other international organizations.

The purpose of these joint endeavors, whether bilateral or multinational, is to share intellectual and financial resources so that we can all find early solutions to our common environmental problems.

World-wide environmental cooperation remains in its infancy. As our scientific knowledge increases, as our perspective of this fragile globe takes on the view of the astronaut, the task we face ahead will require the common efforts and good will of all the nations of the world. We cannot do it alone. No less than our best efforts will be required to meet the great challenge of world environmental protection.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

UP AMENDMENT NO. 367

Mr. JOHNSTON. Mr. President, when I introduced unprinted amendment No. 367 to S. 1523 during discussions of the Housing and Community Development Act of 1977, I failed to state that Senators LONG, MAGNUSON, JACKSON, and NUNN were cosponsors. These Senators were extremely helpful in explaining and obtaining support for the amendment. I wish to thank the distinguished gentlemen for their cosponsorship and humbly request that they excuse this oversight.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Virginia Dill McCarty, of Indiana, to be U.S. attorney for the Southern District of Indiana for the term of 4 years vice James B. Young, resigning.

James C. Murphy, Jr., of Georgia, to be U.S. marshal for the Southern District of Georgia for the term of 4 years vice William M. Johnson.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, June 15, 1977, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

James G. Barton, of Texas, to be U.S. Marshal for the Eastern District of Texas for the term of 4 years vice J. Keith Gary, resigned.

Patrick H. Molloy, of Kentucky, to be U.S. Attorney for the Eastern District of Kentucky for the term of 4 years vice Eldon L. Webb, resigning.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, June 15, 1977, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there morning business? If not, morning business is closed.

CLEAN AIR AMENDMENTS OF 1977

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 252, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 252) to amend the Clean Air Act, as amended.

The Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works with amendments.

The ACTING PRESIDENT pro tempore. The time for debate on this bill is limited to 8 hours, to be equally divided and controlled by the Senator from Maine (Mr. MUSKIE) and the Senator from Vermont (Mr. STAFFORD), with 2 hours on any amendment in the first degree, except an amendment by the Senators from Michigan (Mr. RIEGLE and Mr. GRIFFIN) on which there shall be 6 hours debate, and two amendments to be offered by the Senator from Nevada (Mr. CANNON) and the Senator from Colorado (Mr. HART), on which there shall be 4 hours debate each, and with 30 minutes on any amendment in the second degree, debatable motion, except a motion to recommit with instructions to be offered by the Senator from Alabama (Mr. ALLEN), on which there shall be 90 minutes debate, appeal, or point of order.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged equally against both sides on the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that during debate and voting on S. 252, the Clean Air Amendments of 1977, the following staff members of the Committee on Public Works be granted the privilege of the floor; John Yago, Leon Billings, Philip Cummings, Karl Braithwaite, Charlene Sturbitts, Richard Harris, Haven Whiteside, Ronald Katz, Bailey Guard, Katherine Cudlipp, Richard Herod, Harold Brayman, John Freshman, Lee Rawls, Peter Gold, Kevin Cornell, Don Smith, and Vic Maerki.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I yield myself such time as I may take.

I bring before the Senate a bill which has evolved in the Committee on Environment and Public Works over the past 3 years.

As many Members will recall, 1976 Clean Air Amendments were approved by this body on August 5, 1976, only to be killed by a filibuster, also in this Chamber, on the last day of the 94th Congress. On that day, I stated that there would be no quick fix this year for the auto industry which had participated in killing the amendments that gave them the relief they needed to produce 1978 cars.

When the 95th Congress convened, I nevertheless took the more responsible course, and held hearings at which every party who so requested was given the opportunity to testify. I have expedited this legislation in every possible way.

But I warn all of the interests affected by this bill that no more quick fixes will be forthcoming. I will not consent to splitting off any portion of this legislation, should delay tactics be used by any Member of the Senate. Any such action cannot reasonably be construed as a simple need for more time to assess the bill. This bill is almost identical to the 1976 legislation. In fact, the two most controversial provisions, nondegradation and auto emissions, are in every significant detail identical to last year's bill.

Moreover, the committee report has been available since May 12, a period of 4 weeks.

S. 252 is the product of 18 days of hearings and 58 markup sessions since 1975. But this bill is, in a larger sense, the product of a lengthy learning experience we have had with the implementation of environmental laws.

During the 14 years that I have been chairman of the Senate Pollution Subcommittee, I have watched the evolution of environmental laws.

We began simply. We authorized the development of the Federal expertise necessary to understand the scope of environmental problems. We established programs to assess the development of State and local regulatory programs. We established a rudimentary Federal enforcement capability to deal with those environmental problems which did not respect jurisdictional boundaries. And, we began the process of regulating auto emissions—a task which required a Federal presence.

Our knowledge expanded. The public became more aware of environmental problems. The Congress attempted to respond to the public demand for a significant greater level of performance in the pollution control effort.

In 1970 we enacted the landmark Clean Air amendments, which had three basic objectives: First, to achieve air quality which would protect public health; second, to establish specific regulatory requirements and precise timetables for achievement of those requirements; and third, to establish long-term public policy goals for air quality programs.

The Clean Air Act was the result of our belief that public confidence had to be restored in both the progress and the results of these programs. For too long, promises had been made and results had not been delivered. Autos which purportedly met stiff standards on the production line failed to comply after minimum mileage. Enforcement actions were tedious—the results ranged from limited to nonexistent. Examples of failure are too numerous to mention.

We had a choice: We could continue and try to improve past initiatives or we could change course and experiment with innovative methods which might achieve results at a more rapid pace.

The Clean Air Act of 1970 was a new departure.

We knew our goals. They had been established in 1967 when Congress asserted a national interest in achieving health-related air quality standards in our own Nation's urban-industrial areas and in maintaining clean air in regions in which air was still pristine.

The question we addressed in 1970 was how to achieve these goals—how to move from rhetoric to regulation; how to maintain public confidence.

We proposed and saw enacted in 1970 two basic tools—controls on emissions and establishment of deadlines. Emission controls replaced air quality standards as the enforcement mechanism; and deadlines provided the public with a basis against which to judge progress. For autos, this translated into stautory emission standards and fixed deadlines.

The 1970 amendments have brought considerable progress in controlling air pollution. On the Nation's 22,000 largest stationary sources accounting for 80 percent of all stationary source pollution, 19,800 were in compliance with emission regulations or were meeting compliance schedules by mid-1976.

Between 1940 and 1970, controllable particulate emissions increased 15 percent, sulfur dioxide increased 50 percent, carbon monoxide and hydrocarbons emissions more than doubled, and nitrogen oxide emissions quadrupled.

Since 1970, these increases have been curtailed. Total emissions of some pollutants have been reduced. We should take pride in these accomplishments. But in most cases, these improvements will be temporary. By mid-1975, the national ambient air quality standards for all pollutants had been fully achieved in only 91 of the Nation's 247 air quality control regions. Emissions from new growth will reverse this progress unless further efforts are made to control pollution.

The real test of pollution control comes now—years later. Whether or not the legitimate gains made can be held is uncertain. Those victories and those precedents are now under attack.

Many believe that the Clean Air Act is basically a sound law. I share that belief. Its premises—the protection of public health and welfare from the adverse effects of dirty air and the maintenance of clean air in areas where air quality has not been degraded—have been broadly accepted.

In order to assure the Congress that the requirements of the 1970 act were justified, the Senate Public Works Committee contracted with the National Academy of Sciences for a $500,000 study of air quality standards. That study was presented September 1, 1974. Its analysis has been confirmed time and time again by EPA and independent health scientists, most recently in February 1977.

The Academy reached these conclusions:

First. Evidence accumulated since the enactment of the 1970 amendments supports the ambient air quality standards which were promulgated as a result of that act;

Second. Safety margins related to health associated with those standards are only marginally adequate;

Third. Susceptible groups in the population which may be adversely affected by unhealthy air constitute about 40 million people;

Fourth. Best estimates indicate that air pollution causes 15,000 excess deaths per year, 15 million days of restricted activity per year, and 7 million days spent in bed; and

Fifth. Health effects of automobile pollution alone cause 4,000 deaths per year and 4 million illness restricted days per year.

The Nation still experiences the problems which led Congress to adopt the firm approach of the 1970 amendments:

In the summer of 1975, the State of Iowa experienced its first air pollution alert.

In the summer of 1975, the Washington, D.C., area suffered its highest recorded single-day level of photochemical smog in history. The 8-day alert was the area's second longest ever.

There is no industry in Washington, D.C. This is auto related air pollution.

A study released in August of 1975 by the Environmental Protection Agency reported that in small towns in Maryland, Ohio, and Pennsylvania, air quality standards are exceeded about 50 percent of the time. On the basis of these studies, the Administrator of the Environmental Protection Agency concluded that—

> It may be necessary to expand to an area-wide (multi-State) basis some of the pollution control measures now in effect only in urban areas.

In July 1976, EPA notified 45 States that their implementation plans were inadequate to achieve one or more of the health standards. This means that many States which appeared to be making progress toward clean air are actually dirtier than first thought, and have much further to go to achieve clean air.

In 1973, EPA projected for the city of Baltimore, Md., that total hydrocarbon emissions would go down 65 percent and total carbon monoxide emissions would be reduced 35 percent by 1977. However, actual mid-1977 figures show that the total of hydrocarbons and carbon monoxide from vehicles has actually grown more than 200,000 tons, a combined increase of 35 percent.

The New York Times reported on November 20, 1975, that as many as 30 industrial plants in the Pittsburgh area cut back operations to alleviate emergency levels of air pollution which were the highest concentrations ever recorded in Allegheny County since the establishment of its monitoring system in 1971. An alert is called when the air quality index reaches 100; the readings from November 17 through 20 reached 249.

Over the past 3 years, at least 261 cities have experienced violations of the public health standard for one or more auto-related pollutants. I would like to include at the end of my statement a list of those cities which shows exactly how severe the violations have been.

The Environmental Protection Agency has determined that at least 14 excess deaths occurred during the 4-day episode, as a result of the emergency particulate levels. In addition, hospitals received increased complaints of headaches, choking, and stinging eyes. Those with respiratory ailments, pregnant women and infants were warned to stay indoors.

This situation closely parallels the 1948 Donora, Pa., episode during which 20 persons died and nearly half of the area's 13,839 residents became ill. Both incidents provide a striking example of the continuing problems that remain in achieving healthful air in this country.

The continuing smog in the Los Angeles, Calif., basin provides evidence that once air pollution levels are allowed to rise, extreme efforts are required to reverse such conditions.

At the same time, the pollution control requirements required by the Clean Air Act and other environmental statutes provide new jobs. At a time when the economy has 7 percent of the work force unemployed, additional expenditures required by Federal regulations create jobs. The effect will be to hire workers who would otherwise remain on unemployment compensation.

Statistics of the employment produced by pollution control programs have been collected by the Council on Environmental Quality. CEQ concluded from these studies that "over 1 million jobs were associated with air and water pollution programs last year." This analysis indicates that $1 billion generates 70,000 jobs directly and indirectly. Some estimates place the employment impact as high as 82,000 jobs per $1 billion.

Other studies estimating the overall impact of air and water pollution control requirements have idicated that impact on inflation will be minimal, and the impact on economic growth and unemployment will be positive.

I raise these two questions because many of the attacks on the goals of the Clean Air Act are keyed to opposite conclusions.

A study done by Chase Econometric Associates in January 1975 indicates that when averaged over the decade ending in 1982, the Consumer Price Index will have risen only two-tenths of 1 percent, because of pollution control expenditures. The gross national product was 1.6 percent higher in 1975 due to pollution control expenditures. The effect is projected to diminish by 1982, when the gross national product will be virtually unaffected. The net effect of pollution control expenditures is characterized in the Chase econometric report as "being rather modest." While some specific companies and facilities may have substantial costs, it is useful to place such individual costs against the more comprehensive background supplied by the Chase econometric study. As further background on the employment aspects of these expenditures, the appendixes contain a February 1976 report entitled "Pollution Control and Employment" prepared by the Council on Environmental Quality.

The basis of the Clean Air Act remains valid. Poor air quality still affects the health of millions of Americans. Cleanup efforts are reversing these conditions, the air quality goals have been reconfirmed by panels of experts, and the positive economic impact has been demonstrated.

The challenges to the premises of the act have been limited, but there has been a campaign to eliminate the regulatory and enforcement tools necessary to achieve those public policy objectives.

The bill before the Senate reflects these conflicting pressures. For example, we voted to give cities more time—more time to utilize new transportation modes—more time to improve existing public transit systems—more time to provide transportation alternatives. We had to do this because the problem of auto pollutants is far worse than we envisaged in 1970 and control is elusive.

At the same time, we voted to give the auto industry 2 more years to achieve statutory standards—2 years to overcome technical problems—to begin to deal with the fuel economy problem—and to recover from the economic troubles of 1974–75.

I had hoped that we would not have to give the auto industry that much time—that they could have produced some clean cars in 1978—that we would have had an opportunity to test our new technology for a couple of years before it was required across the board. But that approach did not prevail.

We also revised the enforcement sections of the act—revisions which are encouraging. We voted to provide more time for stationary sources to achieve applicable emission limits. But, in return for a new outside deadline of July 1, 1979, which for some polluters is only an 18-month extension, we have proposed two new penalty features.

A difficult issue which the committee was asked to resolve was the question of nondegradation. As I have indicated, this controversy involves the extent to which national policy requires protection of air quality in clean air areas. This policy was an essential element of the Air Quality Act of 1967.

The committee voted to make specific the requirement that clean air areas be protected. We determined that each new major plant should be required to use the best pollution control technology available and that the impact of each new plant's emissions should be evaluated against a national nondegradation standard.

The committee confirmed that new air pollution sources have a special responsibility to preserve air quality values, both to avoid a repetition of the past air pollution mistakes that now plague our urban areas and to protect the capacity of our clean air resource to provide margins for future growth.

This decision was a victory for environmental quality. It comes at a time when Congress is being asked to sacrifice environmental initiative for economic recovery even though there is little demonstrable relationship between the two.

The members of the committee heard allegations that the Clean Air Act and other environmental legislation pose unacceptable limits on this country's capacity to grow. The committee examined these allegations and found them false.

Mr. President, I would like the record to show that an economic growth policy which abandons environmental objectives would be a foolish course. The Nation must have clean growth. The studies conducted by the Environmental Protection Agency indicate that adequately controlled facilities of all industrial categories can meet the nondegradation requirements in these amendments.

If the price of clean growth, however, is to restrain the size of particular activities pending the development of new pollution control technologies or new production procedures, then new technologies and processes can and will be developed in order to take advantage of the economies of scale. A great Nation's growth cannot be measured only in terms of new production capacity; it will ultimately be measured by how well growth preserves the quality of areas the American people cherish.

Conversely, if environmental objectives are abandoned simply to accommodate the economies of scale, new pollution control technologies will not be developed, and the result will be environmental chaos. The effect of failure to take account of the environmental implications of future growth is well demonstrated in the chart entitled "Added Emissions Over 1975". This is shown in Attachment A.

This chart shows that, if electric generating capacity increases at a rate of 6 percent per annum and new fossil fuel-fired powerplants only meet EPA's new source emission performance standards, there will be an additional 7 million tons of sulfur oxides actually discharged to the atmosphere each year.

Even with a more moderate growth rate of 4.8 percent per annum, there will be an increase in emissions of 5 million tons of sulfur oxides per year between now and 1990, again assuming that only new source performance standards are required. If the States act aggressively to require more strict control, then—but only then—added emissions of sulfur oxides can be less than 3 million tons per year.

I would like to underscore this point. Even if the most moderate growth rate is projected and even if the States are most aggressive in the application of technological requirements as allowed by the committee bill, there will still be an increase of 2.8 million tons per year of sulfur oxides to the atmosphere nationally.

The second part of this chart which will be displayed in the Chamber in the course of debate, which relates to nitrogen oxides indicates similar trends, though in that chart we have had to factor in the implications of various auto emission control strategies.

I only note that there is but a small increase in the emissions of NO_x when new statutory NO_x standards for automobiles in this bill are compared with the old standards. But, if the auto industry proposals to freeze at 1977 NO_x standards was adopted, there would be 23 million additional tons per year.

However, a combination of 1.0 grams per mile auto NO_x standard proposed in this bill and an effective stationary source control program would limit the additional of oxides of nitrogen emissions to 9 million tons per year by 1990. Emissions in 1990 would approximately double their present level. That is, under the committee bill.

These projections show that, under almost any level of expected growth, the Nation will face increasing emissions of sulfur oxides, nitrogen oxides, and other pollutants. Thus, it is essential to select a strategy that reduces the increase as much as possible.

So that even the committee bill does not eliminate any increase. It simply reduces it. And those that would soften the requirements would increase the pollutants above present levels.

If we have learned anything from our environmental effort to date, I would hope at least that we have learned that we have to achieve a net reduction in gross national emissions to the atmosphere as soon as possible.

Application of the best available control technology is a strategy that can do this. As incorporated in this bill, prevention of significant deterioration and application of best available control technology combine to provide a strategy which will leave room for future growth and thus to facilitate growth, not a strategy to limit growth.

The environmental effects of air pollution, Mr. President, will be discussed in more detail later; however, the facts on the record clearly suggest that subtle and irrevocable changes are being made in man's basic life support system as the result of uncontrolled dispersion of pollutants into the environment. Almost without exception, research into the effects of dispersal of these pollutants has given us more, rather than less, evidence of adverse effects. To ignore these problems because they are not fully understood is to court catastrophe.

The National Academy of Sciences report of March 1975 concluded that controls to avoid such broad adverse effects are justified. It only takes one disaster of the scope of the current "Kepone" crisis, Mr. President, to demonstrate that environmental damage once done may be irreversible.

Clearly, the burden of environmental protection should rest with those who use environmental resources. The cost of control ought to be borne by those who produce the problem. The polluter should bear the responsibility to show that use of the environment for dispersal of wastes is free from risk.

The structure of these amendments supports these objectives. Let me discuss some specific issues regarding the committee bill.

NEW EMISSIONS IN AREAS EXCEEDING STANDARDS

This year the issue that drew the greatest attention during the working sessions of the committee was the issue of new emissions in areas exceeding standards. The provision contained in the bill reported by the committee last year dealt only with the expansion of existing facilities in such areas.

The committee this year determined that a broadening of that provision was necessary so that new sources, without any existing facilities in the area, could still enter the area and construct new facilities under carefully limited procedures and meeting stringent requirements. The committee adopted a provision which provides protection for air quality while at the same time allowing new sources to be constructed.

This new provision—section 13 of the bill—has five key features:

First. Where State plans have not attained the standards, new, more stringent plans must be submitted by January 1, 1979;

Second. Existing sources in such areas must use all reasonably available controls;

Third. New facilities must meet the lowest achievable emission rates;

Fourth. Emissions from each new source must be more than offset by reductions from existing sources; and

Fifth. The Administrator may waive the offset requirement if the State meets criteria specified in the provision and agrees to achieve annual reductions in emissions in the area sufficient to provide for attainment of the standards within the deadline established.

This provision relates directly to two other important parts of the air pollution control strategy. These are automobile standards and transportation control measures. The relaxations given to the auto industry in past years are a substantial part of the reason that many areas of the country presently exceed standards. Further relaxation of auto standards will make the siting of new sources in such areas extremely difficult and even impossible in some cases. Such delays would also place increasing pressure on the utilization of transportation control measures.

The provision dealing with new emissions in polluted areas is directly related to the transportation control provisions contained in section 7 of the bill. All States with inadequate plans must submit revised plans by January 1, 1979. Such plans must contain measures that will provide for attainment of the standards by 1982. In the case of oxidant and carbon monoxide, where the case is clearly made that a further extension is necessary, the State may be given up to July 1, 1987 to comply with the standards for oxidant and carbon monoxide. In gaining such extensions, all reasonable transportation control measures must be adopted, and review of alternative sites for proposed facilities must also be contained in the new source review process.

Control of pollution in urban areas depends on strict control of the automobiles, improving control technology on stationary sources, and incorporating all reasonable transportation control measures to minimize unnecessary travel and pollution. These are all important elements in attaining clean air and cannot be considered separately.

In December of 1976 EPA published its policy requiring new sources to gain offsets from existing sources prior to approval for construction. This concept of requiring offsets was incorporated in the clean air amendments presented to the Senate last year. The offset requirement in those amendments was limited to existing sources. The owner was required to clean up its existing sources so as to make room for the expansion. That concept was broadened in EPA's regulations, and continues in the requirements of the bill before the Senate.

The 1970 Amendments to the Clean Air Act clearly anticipated the need for a policy regarding the review and approval or disapproval of new sources making application for construction in

areas dirtier than ambient standards. The requirement is specific in the law.

A State implementation plan must provide for attainment and maintenance of the primary and secondary standards. In order to assure attainment, the plan must have a procedure for review, prior to construction, of the location of new sources. The procedure for review must contain "adequate authority to prevent construction or modification of a new source which will prevent" the attainment or maintenance of national ambient air quality standards.

The 1970 amendments required attainment of the standards as expeditiously as practicable but not later than 3 years after the date of approval of the State implementation plan. For most States, that deadline was May 31, 1975.

When the Administrator obtains information that the plan is inadequate to achieve the standards, he must require its revision, and that revision must call for a new attainment date, no later than 3 years after the date the revision is approved.

The pieces of this policy fit together smoothly in the 1970 amendments. There is little room for ambiguity. The relevant provisions are all included in section 110 and are subsections (a)(2)(A), (D) and (H); and (a)(4)(A).

For the first 4 years after the 1970 amendments, States and EPA conducted rather spotty review of new sources in dirty air areas. In 1975 EPA began discussing with its regional offices and States the need to provide coherence in new source review.

EPA then published in December 1976, an interpretative ruling for immediate national guidance and a notice of proposed rulemaking on regulatory changes involving preconstruction review of new or modified air pollution sources. The policy would make industrial growth possible in heavily polluted areas.

The bill before the Senate contains greater flexibility than the EPA regulations governing new sources. The entire EPA offset policy can be waived for a more flexible system of annual reductions in emissions if the State meets the requirements for such a waiver. This adds important flexibility to this policy. Second, even when the offset policy requirement of case-by-case tradeoffs is being utilized, one of the key elements of such policy has been modified. The EPA regulations require that any existing source involved in a tradeoff must first apply reasonably available control technology. Only credit that occurs for cleanup beyond such reasonably available control technology can be credited toward an offset for the new source. This would place sources in a guessing game of looking forward to anticipate what kind of control would qualify as reasonably available control technology.

The Senate bill makes an important modification in this policy. The only controls required on existing facilities are those contained in the existing State implementation plan. Any controls that clean the source beyond the levels required in a State plan can then be credited toward the new source. This will allow considerable flexibility for new sources compared to the present EPA regulations.

As an example, in the next 2 years, prior to the submission of revised plans by States, a new source can find existing sources that are not regulated at all under the present State implementation plan. It can then clean up these sources or arrange for the State to require such cleanup. The reduction will be credited to the emission offset applying to the new source. This will serve to help identify previously unknown sources of emissions and give an incentive to industry to assist in the effort of finding and controlling such sources.

For many sources having difficulty finding offsets under the present EPA regulations, this provision could well mean the difference between approval and denial of the source's application.

The waiver which would allow States to set aside the offset policy may only be issued by the Administrator if the State has an adequate inventory of sources. While all States have some kind of inventory, very few, if any, yet have the kind of inventory necessary to qualify for such a waiver at present, though many are improving those inventories.

One of the great difficulties in attaining the oxidant standard, which is the smog that dominates cities such as Washington, Los Angeles, and Houston, is that many of the stationary sources that emit hydrocarbons that eventually form smog have not even been identified. The present EPA emission offset policy has led to the discovery of many such sources. These sources have been proposed to be cleaned up as emission offsets for new emissions. They were previously unknown as sources of hydrocarbons. Two examples include transfer operations in the tanker transportation of petroleum products and the use of a water base instead of volatile solvents in asphalt products.

States must make more substantial effort than has occurred in the past to actually identify all sources of hydrocarbons—as well as other pollutants—prior to the Administrator granting the approval of a waiver from the tradeoff policy. The Administrator must carefully monitor the program of any State that receives a waiver, and should notify the State at any time he deems it necessary that it is in jeopardy of losing its waiver. If upon any annual assessment—annual assessments are required—the State has not met the proper annual emission reductions, the Administrator has no choice but to revoke the waiver and reinstitute the new source review policies applicable.

The committee had considerable discussion about the requirements that would apply during the period that a waiver was granted to a State. The committee determined that it was essential that the State be required to make emission reductions that would provide for attaining the standards within the time required. If a source can attain the standards by 1982, then annual reductions must be sufficient to lead to the attainment of the standard by that date. If an area has received an extension to 1987 under section 7 of the bill, then the annual reductions must be sufficient to attain the standard by that date. Only by requiring such a clear connection between the health standards and the deadlines can enforcement of the act be effective.

Discussion in the committee was extensive about the desirability of simply assuring progress toward standards. During that time the committee received a letter from Mr. Douglas Costle, the Administrator of the Environmental Protection Agency. Mr. Costle said the following:

> Concern has been raised as to whether one such criteria which requires that emissions in the region "be reduced on an incremental basis so as to assure reasonable further progress toward attainment of the applicable standard within the time required," in effect postpones indefinitely attainment of the national ambient air quality standards. I would strongly oppose any amendment which would eliminate a date certain by which national health standards must be attained, because such an amendment would limit our ability to protect public health.

Attached to this letter was a legal memorandum prepared by the General Counsel of EPA. That memorandum cited the necessity for firm final deadlines for compliance with health standards. Such final deadlines have been important to successful litigation against polluters in the past. The final paragraph of that memorandum summarizes the necessity of having firm final deadlines:

> "It is clear from the *Union Electric* case and *Train v. NRDC*, 95 S.Ct. 1470 (1975), that the Supreme Court found the Act to be of a technology forcing character primarily because of its firm deadlines. And it is clear that the Court in *Texas v. EPA*, 499 F.2d 289 (5th Cir. 1974) would not have upheld stringent vapor recovery regulations for ship and barges, for which the Court (per Bell, J.) recognized that the "necessary technology is not presently available," were it not for the Act's "absolute command that the national ambient air quality standards be met by 1977." 499 F.2d at 312, 317. In fact, Judge Bell's decision required EPA to postpone certain measures not deemed reasonable by the Court until the final statutory attainment date. This decision bolsters our concern that if the firm statutory deadlines are nullified, every air pollution control measure imposed by EPA or a State would be held hostage to legal challenges and possible reversals on grounds of judicially-perceived "reasonableness." The net effect could only be further delays in ever attaining the Act's health standards.

The new source review policy announced by EPA December 21, 1976, was greeted with a storm of protest from industry. Many claimed that such careful scrutiny of new sources would make it impossible for such facilities to be built.

The record of the past few months disproves such charges. During the deliberations of the committee on this issue. Members heard first that this policy was going to kill the siting of a large General Motors assembly plant in Oklahoma City. Because of the paint spraying and coating operations in the assembly plant, the facility would emit 3,100 tons of hydrocarbons per year. But rather than "killing" this facility at the Oklahoma loca-

tion the EPA policy actually led to a strong effort by the local chamber of commerce which persuaded oil companies in the area to control storage tanks and other petroleum facilities so as to provide a tradeoff for new emissions. The plant has been approved.

The committee heard that a Volkswagen assembly plant planned for Pennsylvania would also be killed by these requirements. But only after the committee reported the bill, word came that the State of Pennsylvania had found that by switching to a latex base asphalt in highway construction, enough new controls of hydrocarbons could be obtained so as to make room for the Volkswagen plant.

The committee has heard that the Sohio proposal for building storage facilities for Alaskan pipeline oil in Los Angeles could not be built under EPA's policy. Yet every month or so we hear of additional sources that have been "discovered" which could be controlled as part of an offset for the new Sohio plant. If enough such new discoveries occur, the plant can be built.

The tradeoff policy will provide a unique incentive to discover and control previously uncontrolled emissions. With the large number of sources that still remain uncontrolled, the tradeoff policy will provide a useful incentive to discover and control such sources.

Under the committee bill, no new sources may be built in the State after July 1, 1979, if the State is not in compliance with the steps required by these amendments.

The bill places strong guidance upon the State to control emissions from new and existing facilities in areas exceeding standards. The State may only approve new sources if the State is following, implementing, and enforcing the requirements of the State implementation plan that is approved or promulgated by July 1, 1979. This requirement is contained in the new section 113(G)(d).

This does not mean that all sources in the area must be in compliance; that might be a desirable goal, but it would also mean that any single source, if not on its compliance schedule, could preclude growth for the entire area. The enforcement procedures of the act, and the amendments setting forth delayed compliance penalties contained in these amendments before the Senate, are addressed to the problem of such recalcitrant sources.

The provisions governing new emissions in these areas do require that sources with existing facilities have such sources in compliance or on approved compliance schedules. The Clean Air Act requires that Federal facilities comply with State plans. This provision means that for any agency with pollution control problems, its facilities in the State must also be on approved compliance schedules prior to construction of new facilities. This is consistent with the requirements contained under section 118 of the act and the amendments to that section contained in the bill presently before the Senate.

The committee report identifies the intent of the committee regarding case-by case analysis of new sources. It is important that even in the period after new plans are approved in 1979, States adopt procedures which allow clear accounting systems for the emissions of new sources compared to reductions from existing sources. While the specific tie of one particular new source with specific existing source reductions at identifiable sites is not necessarily required in this post 1979 period, the State is required to keep a strictly controlled "balance sheet" which shows that no more new sources are approved than can be accommodated within the growth margins allowed under the State plan. This is the only mechanism that will assure that the State plan actually does lead to attainment of the standard within the time required. Otherwise, States will continue to "overdraw" the credit account derived from reducing emissions on existing facilities.

This entire process of allocating air as a scarce resource is new. It is a change in outlook that must become dominant if we are to attain clean air. We cannot continue to add emissions in areas that are already exceeding standards and pretend that such areas will ever protect public health. The committee provisions, while allowing greater flexibility than the EPA requirements, establish controls more stringent than the new source review process that existed prior to the December 1976 ruling by EPA. We must not return to the old days of inattention to such important balance sheet accounting in the allocation of air resources.

A State may use a mechanism other than the case-by-case review method to accommodate growth if its plan provides for an overall improvement in air quality and emissions on an annual basis at a rate sufficient to provide for attainment by the new deadlines. Under this provision, a State must show that the total allowable emissions under its plan are less than current actual emissions and will be reduced still further each year so that air quality standards will be met by the dates required.

In calculating total allowable emissions, the State or the source will identify the total of emissions allowed under the State's plan from facilities which are covered by emission limitations. For those facilities or portions of facilities which are not covered by emission limitations, the allowable emissions will be the actual emissions from the unregulated portion of the facility prior to the construction request.

The committee adopted the term "lowest achievable emission rate" as the technology-based requirement for new sources or modifications in nonattainment areas in recognition of the fact that, given the risks to public health in such areas, additional pollution sources must be required to minimize their emissions. New sources and modifications must employ systems which achieve the greatest emission reductions possible, even if such systems may be more costly than other less effective systems. In setting new source standards of performance, EPA historically has given considerable weight to cost factors. In the committee's opinion it would be an inappropriate policy to permit costs to be weighted as heavily in defining control requirements in nonattainment areas where public health is at risk. In establishing control system requirements for new modified sources in nonattainment areas, the Administrator is to consider the costs of such systems only to a very limited extent. For example, certain control requirements might be deemed not achievable if the proponent of the source was able to demonstrate that the costs of such controls were so high that the proposed facility could not be operated at a profit.

The new amendment would allow a new source if the new facility uses the best available control technology, if existing sources meet all applicable emission limitations, and if total cumulative emissions will be sufficiently less to represent reasonable progress toward attainment of the standards. Sources resisting compliance will now have an incentive to end that resistance, since the desire to expand at existing facilities is based upon the economics of industrial expansion.

When the owner of sources in an area exceeding health standards applies for approval of a new source in the area, it is important to assure that all applicable emission limitations are met at existing facilities owned by that owner. The statutory language is quite clear. The amendment requires that all of the State requirements be met. These include limitations on visible emissions and opacity levels as well as all other types of emission limitations contained in the State requirements. The bill language makes no distinction between emission limitations which relate to the primary standard and other emission limitations. Such a distinction is not authorized.

State implementation plans usually contain a unified set of requirements and frequently do not make distinctions between the controls needed to achieve one kind of ambient standard or another. To try to separate such emission limitations and make judgments as to which are necessary to achieving national ambient air quality standards assumes a greater technical capability in relating emissions to ambient air quality than actually exists.

A Federal effort to inject a judgment of this kind would be an unreasonable intrusion into protected State authority. EPA's role is to determine whether or not a State's limitations are adequate and that State implementation plans are consistent with the statute. Even if a State adopts limits which may be stricter than EPA would require, EPA cannot second-guess the State judgment and must enforce the approved State emission limit.

In fact, in many areas where this provision will be used, such as steel facilities, it is highly possible that even when all applicable emission limitations contained in the State implementation plan have been met, the ambient standard may still be exceeded. This is particularly

true where both opacity limitations and limitations on visible emissions are used as a means of enforcing emissions reductions to attain ambient standards. Any attempt to make a distinction between emission limitations on this basis would, in all likelihood, have the effect of undermining pollution control efforts at such facilities. That is one reason the statutory language makes no such distinction.

A key aspect of the amendment allowing new sources in the period prior to July 1, 1979 is the requirement that reasonable further progress toward attainment of the standard must result from the new scheme. This means that further control of existing facilities, development of further production process controls, and new innovative control techniques must be applied on all sources, including all "fugitive" emissions, before the condition of "nothing further" is met. It is also the intent that "reasonable further progress" means pollution control will reduce emissions at a rate that will lead to attainment of the ambient standards in the time required.

III

EXTENSIONS FOR OXIDANT AND CARBON MONOXIDE CONTROL

Transportation and land use controls were authorized as air pollution control mechanisms by the 1970 act. The Congress recognized that air pollution problems of many urban centers were the cumulative result of development patterns encouraged and sustained by the private use of automobiles.

We knew in 1970 that air pollution problems were extensive in many areas and would require the use of these controls in ways that could require substantial changes. The Senate report in 1970 said this:

> Land use policies must be developed to prevent location of facilities which are not compatible with implementation of national standards.
>
> Transportation policies must be developed or improved to assure that the impact of pollution from existing moving sources is reduced to the minimum compatible with the needs of each region. Construction of urban highways and freeways may be required to take second place to rapid and mass transit and other public transportation systems. Central city use of motor vehicles may have to be restricted.

When carried out properly, such controls are a positive tool. The requirements of the 1970 act could have been the stimulus for beneficial uses of land and transportation in environmentally campatible ways.

This opportunity was not seized. The Administrator initially allowed States to put aside development of transportation control plans. That action was overruled by the U.S. Court of Appeals for the District of Columbia on January 31, 1973. States adversely affected by mobile source-related pollutants were required to develop and submit transportation control plans which provided for the achievement of primary ambient air quality standards no later than 1977, the final date in the statute. This belated effort to require transportation controls and land use regulations to prevent further deterioration in air quality resulted in many EPA promulgations in the absence of adequate State action. This caused a furor.

In addition, the limited time available for submission of plans, the controversial nature of many of the measures contained in the plans, and the magnitude of the pollution problem in many metropolitan areas made this task extremely difficult.

In order to adjust the transportation control requirements to the difficulties of implementing such policies, the committee has adopted an amendment which provides more flexibility, more local involvement, more time, and more State discretion in fashioning these strategies. The bill requires the adoption as rapidly as practicable of all reasonable transportation control measures in areas where such measures are necessary.

Under the 1977 amendments, the States will establish and the Administrator will approve designation of areas which fall under four different classifications. The first classification will be areas where transportation control plans will be required. The second and third categories are covered by section 110(c) of existing law and the last category will be nondegradation areas.

States are required to involve local communities in the selection of strategies contained in transportation control plans.

The key tests are that all reasonable requirements are contained in the plan and are implemented as expeditiously as practicable. If the State plan does not meet these tests, the Administrator shall promulgate an implementation plan for the area after consultation with State and local elected officials.

A new provision would allow the States to apply to the courts for a stay of any provision of such an EPA promulgated plan, pending review of that plan in the courts. Grants of 100-percent funding are available to local planning organizations to help implement this provision.

In order to assure that this new flexibility and additional time are used effectively, the Secretary of the Department of Transportation is required to withhold highway funds for projects after January 1, 1979 if the Governor has not submitted a revised implementation plan where such revision is required.

In the event that a State—or region—does not implement the requirements of an approved plan, the Secretary is required to decrease by 15 percent annually the highway funds for any project in the region in question. Other Federal agencies must assure that the funds provided for federally approved projects are expended so as to conform with approved transportation control plan requirements.

The control requirements in this provision have been integrated with requirements for improved State plans dealing with all sources, so that review of new sources and transportation controls are treated in a consistent fashion. For oxidant and carbon monoxide control, the new subsection 110(h) will allow limited extensions to 1987 where necessary for these two pollutants.

Adjusting the Clean Air Act to provide a more acceptable plan of implementing transportation controls was frustrating. The committee recognized that relaxation of deadlines would cause millions of people to be exposed to unhealthy levels of air pollution. Yet, to continue with the present deadlines could create equally unacceptable adverse public health and welfare implications.

The committee action is a compromise assuring that reasonableness will guide transportation control strategies. Further relaxation would not provide adequate public health protection at an early enough date. Any further compromise of transportation control requirements would allow unhealthy levels of pollution in cities for far too long.

The selection of measures to be used is to be made initially by State and local governments. The bill does not specify the "reasonable measures" to be adopted. However, the Administrator cannot reject any measure selected at the State or local level because he considers it to be unreasonable. If it is adopted by the State or regional agency, then it is reasonable.

Conversely, the Administrator may determine that all reasonable measures have not been adopted. In this case the Administrator is required to promulgate additional reasonable measures. The court will ultimately rule on any disagreement between the affected State or local agency and the Administrator as to the reasonableness of an EPA proposal.

The definition of what is a reasonable measure will relate to the adverse social and economic impact that would occur through its use.

While it is not possible to completely define this concept, it is possible to provide some boundaries. The adverse impact must be widespread and general. It must also be of sufficient duration to cause substantial difficulties. Some dislocation and disruption frequently occurs during the beginning stages of any control program or any change in transportation patterns. This interim impact is not justification for ruling that a measure is unreasonable. The adverse impact must be of a continuing nature. The difficulties that initially occur during the transition period during implementation of strategies are not sufficient to meet this test.

The committee bill injects additional flexibility into the initial planning process by requiring local involvement in the development of transportation control plans at the outset, with a more limited EPA role throughout. We have shifted much of the burden to the States and localities in an effort to overcome past failures.

Many of the transportation control plans now in existence for the communities have been tested in the courts. It is not the intent of these new amendments to interfere with or void any requirements which have been upheld by the courts or which were not timely challenged under the existing law.

Several decisions invalidating certain transportation control measures promul-

gated by EPA were appealed to the Supreme Court. After briefing and argument of the cases, the Court declined to decide them on the merits. The Court noted that EPA intended to revise the regulations in certain respects, vacated the judgments below, and remanded the cases for further proceedings. As a result, some of the basic legal issues in this area have not been finally resolved.

In view of the time that has elapsed since enactment of the 1970 amendments, it is regrettable that legal uncertainties have held up implementation of inspection and maintenance programs and other necessary measures. EPA's authority to promulgate transportation control measures requiring the States to take action, where necessary, and to compel compliance with such requirements, where necessary, is clear in sections 110 and 113 of existing law. Although this is a delicate area of Federal-State relations, it is appropriate to require affirmative State action in the field of transportation controls where this proves necessary to protect the public health.

By providing roads and highways that facilitate and encourage extensive use of motor vehicles, the States have played a substantial, if unintentional, role in causing the pollution problems that result. And, as a practical matter, State and local governments are in a better position than EPA to attack those problems, which involve millions of motor vehicles, through inspection and maintenance programs and similar measures.

In addition, the scheme contemplated by the act is a reasonable approach to this problem, one that is designed to involve the least possible intrusion into State affairs consistent with the task that is necessary. The 1970 amendments were carefully drawn to provide the States with maximum flexibility and discretion in developing plans under section 110 of the act, so long as the essential objective—attainment and maintenance of the national ambient air quality standards—was met. Thus, the States may make the basic policy choices, if they wish, in developing inspection and maintenance programs and similar measures; Federal promulgation is required only if the States default.

For all these reasons, I hope that further progress in this area will not be stalemated by legal uncertainties, and I urge EPA to continue to press for implementation of the necessary programs.

It should be noted that the various mechanisms provided to induce voluntary State implementation of approved or promulgated measures, such as cutoffs of highway funds for failure to implement such measures, are intended to provide alternatives to injunctive actions under section 113, thus allowing the Administrator to avoid compulsion where he believes that implementation can be assured by other means.

The Administrator will be receiving plan revisions which may call for his action prior to the publication of the information documents required by these new amendments. In such cases, the Administrator is not required to wait for the publication of the information documents. Information has been gathered over the last 4 years on transportation control measures. That information will serve as the basis for the Administrator's decision until it is replaced by the new information documents.

The plans submitted by States must be reviewed by the Administrator under section 110(a) of existing law. This means that the Administrator must review and approve or disapprove transportation control plans within 4 months after submittal. In addition, the date for submission of new plans is an outside date. The Administrator may seek earlier submission where it is appropriate. This authority is to be exercised only where processes are already underway which would make an earlier submission more appropriate.

For example, the January 1976 letter received by the committee from the Environmental Protection Agency during consideration of these amendments, indicated that transportation control plans were under development in nine cities where such plans were not previously required. All of these cities received notice of the need for action in 1973. The data which has been developed to justify the provisions contained in such plans would be obsolete and would have to be gathered again if submission of control plans is not required prior to 1978.

LAND USE

The reported bill revises the basis on which land use controls are to be used to assure that land use decisions be made at the local level. The 1976 amendments place EPA's authority to promulgate land use regulations in a new perspective. Land use questions are to be resolved at the State and local level. Federal action is to occur only when the State fails to act or there is a demonstrated inadequacy in the State program to achieve or maintain a health-related level of clean air.

Even this restricted authority does not extend to land use planning in any conventional sense. While EPA may require land use controls for maintenance of primary air quality standards or for prevention of further deterioration from such standards, this authority only applies in the absence of appropriate State action. It does not require Federal planning. At most, the Federal role will be limited to an examination of the air quality impact of a particular site location decision.

The Administrator is required to consider the potential energy, environmental, and economic impact of such controls prior to their imposition. This is new guidance provided in the 1977 amendments. It does not affect the review of new stationary sources under the existing requirements of section 110 of the present law.

These amendments provide the assurance that improper land use controls will not be authorized under the Clean Air Act. It also assures that proper land use controls can and must be used where necessary to protect public health. Specific decisions regarding construction of a facility must be reviewed to examine the associated effects of that facility. This is not a requirement for land use planning, but a requirement for examining the air quality impact of land use decisions. That is an important distinction.

LONG-RUN BENEFITS

The proper design of communities and transportation systems can yield numerous benefits. In addition to significant air quality improvements, it can mean less money spent traveling because destination points are less scattered and more accessible. It can mean less commuting from home to office and thus less consumption of scarce energy. It can mean increased freedom for residents who have access to adequate public transportation. It can mean reduced costs for supplying sewer connections and other basic services.

A study conducted of the Washington, D.C. metropolitan area stresses that if new growth is directed to the areas where the new mass transit system is being constructed, the air pollution impact of new growth could be drastically reduced. Such action could yield a 50-percent reduction in the increased vehicle miles traveled projected for the Washington, D.C. area. The sober side of that calculation is that, unless such policies are encouraged, pollution in the area will be much worse than at present even with clean cars.

IV

NONDEGRADATION

A nondegradation policy was articulated first in Federal water pollution law. That was in 1965. The concept was incorporated in the 1967 Air Quality Act, which stated that a basic purpose of the act was to "protect and enhance the quality of the Nation's air resources." Guidelines to prevent degradation of clean air were issued in 1969. The statutory basis for those guidelines was not altered by the 1970 clean air amendments.

In 1971, EPA proposed new guidelines to prevent significant deterioration for air quality implementation plans, but this requirement was deleted before final guidelines were promulgated. A court challenge followed.

On June 2, 1972, the U.S. District Court for the District of Columbia upheld the interpretation given by the 1969 guidelines that the Clean Air Act required protection of clean air in addition to enhancement of air quality in dirty air regions. That action was upheld by the circuit court of appeals and affirmed by the Supreme Court on June 11, 1973.

EPA promulgated regulations to prevent significant deterioration in December, 1974. These were promptly challenged in court by industry and environmental groups.

During hearings in 1973, 1974 and 1975, the committee was urged to clarify and resolve this issue through legislation rather than leaving the matter to the courts.

In July, 1973, National Coal Association president, Carl Bagge, testified:

This is far too significant an issue to be determined, as it has been thus far, on narrow legal grounds by the judiciary. Its economic and social implications are so broad that it cannot and should not be determined by an independent regulatory agency in a rulemaking proceeding as has been proposed. This is an issue which can only be resolved if we seek to achieve a common commitment which is responsive to our national goals, by

the Congress of the United States. For this is truly a political issue of such importance that it must be resolved in the political crucible. Only then can it be examined and deliberated on by the entire range of national interests as represented in our legislative process. The fundamental issues raised by today's inquiry demand no less.

On behalf of the American Petroleum Institute, Howard Hardesty testified:

It is the Institute's conviction that unless this issue is quickly and intelligently resolved, efforts to strengthen our economy and develop a stronger domestic energy base will be stymied.

This bill attempts to respond to the appeals of these and other witnesses. The committee unanimously agreed as to the importance of preventing significant deterioration of air quality in clean air areas. The committee also unanimously agreed that the prevention of deterioration of clean air areas should be resolved by the Congress and not by the courts. Having reached these conclusions, the committee worked for many months to develop a consensus regarding the most useful method for prevention of deterioration.

The provisions in the bill:

First. Place primary responsibility and authority with the States, backed by the Federal Government;

Second. Apply only to new major emitting facilities, not affecting existing facilities;

Third. Require that large new sources use the best available technology to minimize emission, determined by each State on a case-by-case basis;

Fourth. Provide a margin of safety to protect national ambient air quality standards, assuring prudent consideration of any major emitting facility that may threaten that air quality;

Fifth. Require the Federal Government, as a property owner, to protect the values related to air quality on certain Federal lands under the stewardship of various Federal agencies;

Sixth. Eliminate the so-called "buffer zones" that were hypothesized around various land classifications;

Seventh. Affect only those areas where air quality is cleaner that the present primary or secondary standards;

Eighth. Establish a permit process, managed by the State, which is included in an analysis of the air quality impact of new major emitting facilities;

Ninth. Require that the permit application should include data on background air quality and potential associated growth in order to better understand the overall air quality implications of the new facility; and

Tenth. Establish that there should be a nationally applicable maximum level of change in the air quality of clean air regions—the so-called class II increments—which would be a measure in the change in air quality permitted in any given area as a result of the operation of one or more new major emitting facilities.

The committee made only four changes this year in the nondegradation provision that passed the Senate last year. First, the committee further enhanced the State's power under this provision by eliminating the concurrence of the Federal land manager when a State wants to designate a Federal land area as a class I area. Second, new national parks created after the passage of these amendments would begin as class II areas, and the State would have the power to redesignate the area as class I with no further action required from the Federal Government.

Third, the committee agreed that a source with combined pollution of actual emissions—after pollution controls were adopted—which totals less than 50 tons per year would not be required to be counted against the class II increments. And fourth, federally recognized Indian tribes were given the authority to redesignate the classification of their tribal lands.

The committee bill requires each State to identify the air quality of existing air quality control regions or portions thereof for each pollutant. The States must submit this information to the Administrator within 4 months.

The regional designation of ambient levels of each regulated pollutant is preliminary to all State regulatory programs. It is therefore essential that the identification process proceed in the timely fashion required by the Senate bill.

If the air quality levels of a region or portion of it exceed the primary standard for a pollutant, it is subject to the requirements for nonattainment areas, which may include transportation control planning under existing section 110, as amended by section 7 of the committee bill.

An area in which air quality levels for sulfur oxides or particulates are better than the ambient standards would be subject to the nondegradation process of the bill—section 6. The State would be required to adopt and enforce as part of its implementation plan provisions to prevent significant deterioration of air quality.

For the most part, there is sufficient information available to determine which air quality control requirements apply to which portions of each State. In the absence of information to the contrary, a region would be assumed clean and thus subject to the significant deterioration provisions.

The bill's procedures to prevent significant deterioration apply only to new major emitting facilities and do not affect existing facilities or new facilities which are not specified as major by this bill or by subsequent EPA regulations.

Major emitting facilities are only those 29 industrial sources identified by category in the statute—or later identified by EPA—and which have the potential to emit more than 100 tons of a pollutant per year. These do not include houses, dairies, farms, highways, hospitals, schools, grocery stores, and other such sources.

Just as sources in class II areas must be reviewed to assure that emissions do not cause or contribute to significant deterioration in class I areas, sources in other areas must be reviewed to assure that they do not cause or contribute to significant deterioration in nondegradation areas.

The Federal role is sharply restricted in implementing this policy. The Environmental Protection Agency has responsibility to: First, approve the new source review process established by the State; second, seek injunctive relief or other judicial relief as necessary to prevent the issuance of a permit for a new source if it does not comply with the specific statutory requirements related to significant deterioration; third, resolve interstate disputes; and fourth, notify appropriate Federal land managers when an adverse impact may occur in a class I area. Once the State adopts a permit process in compliance with this provision, the Environmental Protection Agency role is to seek injunctive or other judicial relief to assure compliance with the law.

Much confusion has been generated about so-called buffer zones that encircle the class I regions. This bill eliminates the inflexibility of current EPA regulations by establishing the class I increments solely as a means of determining where the burden of proof should lie as to adverse impact on air quality values. Like the class II numbers, the class I increments are an index of the change in air quality. They do not, in any way, establish a final basis for approval or disapproval of a permit application. Thus, any maps which describe buffer zones as a result of the Senate bill distort the impact of these amendments.

Decisions regarding each new facility will be made by a State depending on the information presented in each permit application. Whether or not there is a Federal interest related to class I areas will be established on a case-by-case basis. The decisions which the Federal land manager and the States make as a result of the analysis of impact on class I areas and the extent to which any parties appeal the results of the class I increment test and the decisions reached during such an appeal are flexible. I repeat: there are no arbitrary buffer zones.

If the Federal land manager certifies that the air quality values of the class I areas in question will not be adversely affected by sulfur dioxide or particulate emissions from a new major emitting facility, the source can be given approval to build even if the class I increments would be exceeded. Conversely, if the Federal land manager convinces the State that the air quality-related values would be adversely affected, the State must deny approval even if the class I increments would not be exceeded.

This approach is flexible. It provides a basis for determining the air quality values of Federal lands which are to be protected. And it requires a balancing judgment to be made on a case-by-case basis.

The committee did not extend the use of nondegradation increments to pollutants other than sulfur oxides or particulates. The lack of adequate information on the implications of covering other criteria pollutants precluded such a requirement. The committee did, however, agree that the best available control technology requirements should be applicable to all pollutants emitted from any new major emitting facility so that the maxi-

mum degree of emission reduction would be achieved in order to minimize potential deterioration. And the committee did authorize a study by EPA of increments applicable to other pollutants in order to establish a basis for future congressional action.

Again, I refer my colleagues to the charts, with particular reference to the chart entitled "Added Emissions Over 1975." These statistics show various air pollution trends under differing growth and control technology assumptions—attachment A.

One purpose of the committee provision to prevent significant deterioration is to try to reverse the current trend in air pollution. The lower segment of this chart which shows oxides of nitrogen trends is particularly interesting.

Under the nondegradation provision, each new facility in a nondegradation area is required to comply with the best available control technology for all pollutants emitted. This is critical if the growth trend for oxides of nitrogen is to be slowed. Current new source performance standards for power plant NO_x emissions are inadequate. For many other industries, standards do not even exist. As the chart shows, virtually any set of assumptions which relies on current new source standards for NO_x results in a significant increase in total national emissions.

Conversely, in combination with aggressive auto controls, the application of best available control technology for oxides of nitrogens can begin to restrain the upward trend in emissions.

These charts indicate the importance of an effective nondegradation provision. Although total emissions of sulfur oxides have declined about 15 percent between 1970 and 1974 as reported by the Council on Environmental Quality, analysis of future trends shows that this decline will soon be reversed.

This chart shows that emissions will climb again as the number of new stationary sources grows. Although it will be difficult to make progress, we can and must at least minimize the increase. If the States insist on the best available control technology instead of being satisfied with the inadequate new source performance standards for sulfur oxides, there can be 3.2 million fewer tons of sulfur oxides in 1990, even in the high growth scenario.

There were numerous other issues associated with nondegradation which are important to an understanding of this legislation.

ENVIRONMENTAL IMPLICATIONS

The nondegradation provision provides needed environmental protection which the existing ambient air quality standards do not provide. If the national secondary ambient air quality standards were revised to protect against these damages, achievement of the secondary standards in dirty air areas would be extremely difficult.

Secondary standards were envisioned as a goal for clean-up of dirty air areas. They were intended to identify the degree to which pollution needed to be reduced to stop damage to crops, household plants, buildings, and general esthetic deterioration. Secondary standards as promulgated did not address ecological and esthetic values. EPA apparently assumed that if secondary standards had been established to protect these values, their achievement in dirty air areas would have been virtually impossible in any reasonable time frame.

The nondegradation provisions is intended to provide protection against harmful environmental effects not anticipated by secondary standards and to assure that a single, new major emitting facility will not consume the entire regional air resource thus barring any future growth.

For example, if the secondary standards were the only restraint on new sources in clean air regions, visibility which is now 100 miles or more in some areas could deteriorate to 12 miles. If humidity is high, visibility would be reduced even further. While visibility may not be important in dirty air areas, it has high public value in many clean air regions and should have been protected by secondary standards.

Another example of the inadequacy of secondary standards is the increasing number of studies indicating that pollutants are transported for much greater distances than previously thought. This means that emissions from sources in rural areas contribute to urban pollution problems and vice versa. In its report to the Senate Public Works Committee of March 1975, the National Academy of Sciences expressed concern that emissions as far away as 300 miles could contribute to unhealthy air in major cities.

Sulfur oxides and nitrogen oxides increasingly are returning to the ground in the form of acid rain which damages valuable water and soil resources. A conference was held in the summer of 1975 in Columbus, Ohio, where many scientists expressed concern over this impact.

Norway has experienced a substantial decline in its fishery resources which has been attributed to acid rain. A 20-year study in Scandanavia indicates that acid rain has killed fish and caused an ecological change. Forest growth and yield have declined. Fish populations have been adversely affected by acid rain in 75 percent of the high elevation lakes of the Adirondack Mountains.

Pollution at less than the concentrations accepted by the national secondary standards has been proved to damage vegetation. Acute injury to spruce trees has been reported when average concentrations of sulfur dioxide were only two-thirds the level allowed by the ambient secondary standards. Studies indicate that other crops are also damaged at concentrations less than the secondary standards, including wheat, potatoes, spinach, apples, and white pine.

Exposure to low-level concentrations of pollutants has health effects. Studies done in Japan since the establishment of the primary standards in the United States indicate that air pollution concentrations lower than the national standards cause increases in reported illnesses. The National Cancer Institute estimates that 60 to 90 percent of cancer is environmentally caused. The ambient standards as presently established do not include consideration of these facts.

The nondegradation amendment is intended to help reduce overall emissions and thus provide protection against these kinds of adverse impacts.

TECHNOLOGICAL IMPLICATIONS

One of the cornerstones of a policy to keep clean air areas clean is to require that new sources use the best technology available to clean up pollution. It is important to assure that new, improved technology is applied as it is developed. And it is important to provide incentives to improve pollution control systems.

To encourage this result, the bill requires the use of pollution control systems which achieve the maximum degree of continuous emission reduction, determined by the States on a case-by-case basis. The States are authorized to take into account energy, environmental, and economic impacts and other costs in reaching their determination. Such an approach should provide greater emission reductions and allow more rapid application of improved technology than would otherwise occur through uniform application of the new source performance standards periodically promulgated—and seldom changed—by the Environmental Protection Agency.

The record to date under the new source performance standards approach has been disappointing. The most glaring example occurs in the control of coal-fired powerplants—the largest and fastest growing stationary source of sulfur oxides and particulates. The adequacy of these standards is exemplified by the fact that pollution control for particulates achieved at the Four Corners powerplant in New Mexico is already 14 times cleaner than required by the new source performance standards promulgated by EPA. In addition, the new San Juan plant in New Mexico, scheduled to begin operation in 1977, is expected to achieve cleanup of particulates which is 30 times better than required under EPA's new source performance standards. These facts were presented in our hearings last April. For sulfur oxides, the San Juan plant is expected to be almost 10 times cleaner than required by EPA's new source performance standards.

Because of the gap that exists between actual "best available technology and what has been required under new source performance standards, individual States have established emission limits which exceed the new source performance standards of sulfur dioxide which are more restrictive by an order of magnitude.

At present there are only 18 source categories for which new source performance standards have been promulgated—less than half of the biggest sources that should be covered. Though some of these were promulgated as long ago as 1971, none have been revised to take into account improved technology which has

been developed, and only one is under active consideration for such a revision.

Much of the advancement of pollution control technology has occurred at new plants located in clean air regions. This has been due to the efforts of States interested in preserving clean air. The Federal standards, on the other hand, were based upon burning poor quality coal with stack gas cleaning. While this may be necessary in areas where dirty coal will be used, it is certainly not an adequate basis for national policy. In addition, although cleaner coal is burned in many areas, the impacts of resulting emissions are still substantial.

A typical new 1,000 megawatt coal-fired powerplant using clean coal and no control technology for sulfur oxides emits 144 tons per day when operating at full load. When controlled with technology currently being used today, these emissions can be reduced to 14 tons per day.

In some cases the new source standards mean that requiring the "best technology" will result in no improvement in emission control at all—a disappointing result from a requirement which was designed to maximize the protection of air resources and minimize the need to retrofit facilities in the future.

One objection which has been raised to requiring the use of the best available pollution control technology is that a technology demonstrated to be applicable in one area of the country is not applicable at a new facility in another area because of difference in feedstock material, plant configuration or other reasons. For this and other reasons, the committee voted to permit emission limits based on best available technology on a case-by-case judgment at the State level. This flexibility should allow such differences to be accommodated and still maximize the use of improved technology.

Reliability of new pollution control technologies has also been challenged, particularly against sulfur oxides emission control systems.

An EPA study on scrubber development issued in May of 1977, it was reported that 122 flue-gas desulfurization systems with a rating of 50,000 megawatts are either operational, under construction, or planned in the United States. The efficiency of these systems in removing sulfur dioxide was reportedly to be in the range of 80 to 90 percent. Although the older systems did have problems, developments have reached the stage where these systems are clearly a viable means of pollution control. And evidence available to the Environmental Protection Agency and the committee indicates that sulfur oxide control systems are, in fact, more reliable than electric generating equipment.

ECONOMIC IMPLICATIONS

The economic objections raised against the nondegradation provisions are not new. They are restatements of old arguments used by industry against other attempts to improve the lives of Americans.

When we fought for improved wages for workers, industry said that they could not afford it.

Now when we are fighting for an improved environment, industry says that it cannot afford it.

The chart on projected capital investment for selected major industries through 1985 shows that the added capital investment required for pollution control is modest—attachment B.

And if an expenditure of an additional 2.3 to 2.6 percent—the maximum estimated by an FEA–EPA study of the various significant deterioration policies being considerd by the Congress—is required, it is not an unreasonable price to assure that air quality in clean air areas remains clean. Not only would such an investment protect the public against the long-term ecological impacts of increasing levels of overall pollution, but also such a policy would reduce public exposure to low levels of pollutants which may lead to chronic health effects.

The FEA study found that total operating costs for powerplants, including air pollution controls through 1990, would be $1.335 trillion. The Senate nondegradation provision could add a maximum $16.5 bilion or 1.1 percent to operating costs if the States insisted on the use of the best and most expensive pollution control systems. The minimum increase would be zero, using new source performance standards, if States could justify such modest efforts. The actual cost would obviously be somewhere in between.

The impact on the consumer, in both direct costs and indirect costs attributable to the increased prices of goods manufactured through the use of electricity, would be modest. Again, if the States require the most stringent levels of control and expensive techniques, the maximum consumer cost would be $2.33 or 2.3 percent additional costs per month during the year showing the greatest cost.

The direct impact on consumers in electric bills would, under the most rigorous scenario, be $1.17 per month additional cost in the year 1990. This is approximately a 1.1 percent increase.

Some opposition to meeting stringent environmental goals is based on a desire to balance these goals against the cost of installing pollution control equipment. This is a distorted view of economics. It places the cost of pollution on those who receive the damage: the asthmatic who has more attacks, the child who has bronchitis or a more serious respiratory disease, and the farmer whose crops yield less. These people are now bearing the costs of air pollution.

According to the National Academy of Sciences, a single large source such as a powerplant may cause $20 million to $50 milion in pollution-related costs per year.

Another important economic question relating to nondegradation policy is the impact on national coal development—and the goal of energy independence.

There is a great deal of justifiable concern about potential decline in the use of eastern and midwestern high sulfur coal. The EPA/FEA analysis indicates that the nondegradation requirements would have a beneficial effect for the marketing of eastern and midwestern coal.

The report concludes that many plants, especially those in the Midwest which formerly were planning to import oil or rely on Western low-sulfur coal in order to meet the requirements of the Clean Air Act, will find it more economical to blend local medium-sulfur coal with high sulfur and install a scrubber. As a result of the Senate control technology requirements, the demand for Western coal—or Mideast oil—would be reduced by 35 million tons or by 5 percent—a demand which would be filled by Eastern high-sulfur coal and stack gas cleaning equipment or new clean fuels techniques.

Some additional costs may result from the disposal of captured pollutants. These captured byproducts—sludge—which would otherwise be dispersed in the air, can be treated to reduce volume substantially. And there are regenerable sulfur oxide control processes which yield no added sludge, other than would normally result from reduced dispersal of pollutants to the atmosphere. In any case, the amount of sludge—captured pollutants—need be little more than the amount of ash which has been disposed of by powerplants for many years.

Some low-sulfur coals presently being burned actually result in three times the amount of ash produced compared to Eastern high-sulfur, high-Btu coal. Treated sludge, on the other hand, can reduce the volume of ash and sludge combined by approximately 50 percent and can be used as landfill and building materials.

ENERGY IMPLICATIONS

In many cases, the use of the best available new processes will yield significant pollution reduction and also conserve energy. The adoption of hydrometalurgical processes to replace smelting techniques in the copper industry is yielding pollution reduction approaching 100 percent. New papermill processes for burning pulping liquors will provide half the steam to run the mill. A new papermill evaporator recently developed eliminates odors and saves 200,000 barrels of oil per year.

Coating processes using volatile solvents that contribute to smog are being replaced by water based, ultraviolet, or dry processes which are solvent free.

The use of best available control technology as add-on devices may increase energy consumption. But these increases are expected to be modest. Flue gas desulfurization systems for powerplants use approximately 3 percent of the capacity of the plant. For example, according to available data, the energy demand of a scrubber system for an 800 megawatt powerplant is roughly equivalent to the energy demand to mine the coal for that plant. And the energy used is not foreign energy—it is domestic coal.

An EPA study of costs of nondegradation policies indicates that the maximum energy penalty associated with the op-

eration of pollution control equipment at new powerplants would be modest: Only 0.8 percent in 1990.

If all new powerplants between now and 1990 were equipped with stack gas cleaning devices, the energy needed to operate these cleaning devices could be generated without the addition of any new capacity if existing plants were to increase their actual generation by 1 percent of capacity over their present performance.

The present performance of coal-fired powerplants is approximately 65 percent of capacity; for nuclear plants the performance is 59 percent capacity. Clearly, priority should be given to increasing the reliability of existing powerplants so that energy is available for public consumption and for the operation of pollution control equipment.

FEDERAL-STATE RELATIONSHIP

The States are assigned the lead role in implementing nondegradation policy. As I pointed out earlier, EPA is given a carefully defined role.

As important to the national controversy on significant deterioration is the role of the Federal Land Manager. These Federal officials are given a positive responsibility to assure protection of air quality values associated with the national parks and wildernesses and other Federal lands which may become designated as class I areas. The Federal Land Manager will play an important role relative to emissions which have potential impact on these valuable areas.

Many national parks and wilderness areas have been set aside because of their extensive vistas, expansive scenic views, unique natural formations or primitive value. If pollution would impair such values, or if the existence of the plume or the discoloration which would be caused by a major emitting facility would detract from the values of a park or wilderness area, then the Federal Land Manager must act to try to prevent this damage.

The Federal Land Manager has a mandate to protect the air quality values of these areas. This bill requires the Federal Land Manager to be diligent in carrying out this new responsibility.

In most cases, the added pollution allowed by this act will still leave a cushion in clean air areas before the national health and welfare standards are exceeded. The States are expected to avoid using up this safety margin with pollution from nonmajor emitters.

This is an important admonition. If efforts are not made to control these sources before they begin to threaten health and welfare standards, there is great likelihood that those standards will, in fact, be exceeded. The patterns that create such pollution—such as sprawl requiring excessive transportation—will already be established. Reversal will be difficult if not impossible. Even if reversal is possible, unnecessary and undesirable deterioration of air quality would have occurred.

It would be of little value to have carefully reserved the option of States to make balancing judgments in relation to the degree of emission reduction beyond that required by the increments if, in the absence of careful consideration of nonmajor emitters, the growth capacity were frittered away.

Last year, during Senate consideration of the nondegradation provision, the Senate was asked to adopt a provision allowing for a 1-year study of the nondegradation policy prior to passage of the legislation in the Senate. That amendment was rejected by a vote of 31 to 63. The Senate determined that adequate studies already existed to make decisions regarding nondegradation.

The judgment that adequate studies had been conducted has proven to be correct. There has been a 1-year lapse since the Senate reported its bill in 1976. The reports available at that time have held up well over the last year. The studies conducted in the 1975–76 period still serve as the basis for judging this policy. Studies done since the Senate debate last year have only been supplemental. Extensive new studies have not been required. The basic choices are available, and the Senate made the correct choice last year.

A nondegradation policy has been governing the country for the past 2½ years. The EPA regulations were issued in December 1974. All of the clean air portions of the country have been designated as class II areas, just as in the Senate bill.

Growth did not stop. Industry did not come to a standstill. The Nation did not come to its knees. In fact, business has gone forward, and new facilities were constructed.

Let me give some examples. A pulp and paper mill in western Montana, in mountain country near Missoula, has had a large expansion approved. A coal cleaning facility in western Colorado has received a permit. A 350-megawatt powerplant at Brush, Colo., was approved. A sewage sludge incinerator was approved in Westchester County, N.J. Petroleum storage tanks along the east coast have been approved. Dozens of industrial, commercial, and residential combustion units have been approved. A 750-megawatt powerplant has been approved at the Iatan station of Kansas City Power and Light. A refinery in Kansas City has been approved.

These examples are merely a sampling of the hundreds of facilities that have been approved throughout the country. These are industrial facilities. They have been able to comply with the increments that are contained in the Senate bill. Any fears that a nondegradation policy is unreasonable are unfounded.

V—ENFORCEMENT AND PENALTIES

ENFORCEMENT

The 1970 Clean Air Act established a deadline for achieving public health-related air quality standards. States were authorized to establish a "reasonable time" for achievement of secondary standards. The statutory deadline for primary standards was mid-1975 with 2 additional years available in areas with particularly difficult air pollution control problems. As the committee considered the current legislation, it became evident that, for a variety of reasons, some sources would not meet the compliance schedules established pursuant to that act.

A substantial number of major emitting facilities remain out of compliance with emission limitations. Some States have not even adopted full State implementation plans. While substantial progress has been made in bringing many sources into final compliance, an improved mechanism must be established to handle sources presently not in compliance.

The committe recognizes that some of the facilities are in compliance and that other facilities are on compliance schedules. These sources deserve praise. They have made or committed investments. They have cleaned up their emissions or are in the process of cleaning up their emissions.

Such sources are faced with a competitive disadvantage associated with increased costs for pollution controls—costs not incurred by sources either not on a schedule or not in compliance with a schedule. Those sources which have chosen to delay, avoid or litigate have, in fact, achieved economic advantage. Thus, the competitive health, as well as the public health, has been placed in danger. The committe bill attempts to correct this imbalance.

The nature of the problem is underscored by a review of the status of compliance with eight major categories of stationary sources. As the chart entitled "Stationary Source Compliance" indicates, between one-third and two-thirds of stationary sources are in compliance or on compliance schedules and meeting those schedules—attachment C.

However, this chart shows that a large fraction of powerplants and industrial boilers—approximately 40 percent—are either not on schedule or not in compliance with the applicable schedule. Only 41 percent of Federal facilities are in compliance or on schedule. Only 32 percent of the smelters and 35 percent of the steel mills are in compliance. These sources are not in compliance in many cases represent the largest industries and the largest emitters within those industries.

DELAYED COMPLIANCE PENALTIES

The committe bill provides for delayed compliance orders and delayed compliance penalties as a new strategy to enforce applicable emission limitations and to address the problem of those existing sources which are out of compliance. This provision allows a State or EPA to issue enforcement orders to sources not in compliance with applicable emmission limitations. Such orders will require compliance as expeditiously as practicable but in no event later than July 1, 1979.

Sources which are presently on schedules extending beyond that date are operating under unauthorized extensions and are to have their schedules revised to meet that date. In order to enforce this provision, an automatic delayed compliance penalty is provided for sources which are not in compliance by July 1, 1979. The level of this penalty is intended to assure that no economic

benefit will accrue to a facility that does not comply.

The penalty will require monthly payments equal to the cost of compliance computed over a 10-year amortization period.

On the chart there is a category described as unknown. Included in this unknown category are plants where the emission standards are in litigation or where the compliance status otherwise cannot be precisely determined. It can be assumed in general that most of the plants in the unknown category require controls in order to meet the requirements of the Clean Air Act.

CIVIL PENALTIES

The committee bill also authorizes the the Administrator to seek civil penalties for violation of emission limitations or schedules and timetables of compliance. This authority is independent of the deadline extension and the delayed compliance penalty. If a State has not issued a delayed compliance order with a new time schedule, the Administrator is required to seek an injunction against the noncomplying source and is authorized to seek civil penalties for noncompliance. In addition, the Administrator is authorized to seek additional penalties against sources which are subject to the delayed compliance penalty.

The principal purpose of the Clean Air Act is to protect the public health. The mere payment of an economic penalty required by the delayed compliance penalty provision should not be insulation against achieving requirements related to protection of public health. The purpose of the delayed compliance penalty is to create an adequate economic disincentive to achieve compliance at the earliest possible date. It is not intended to provide an opportunity for continued noncompliance. As an enforcement mechanism, the delay compliance penalty should remove some of the burden on the Administrator to commit enforcement resources; but it should not reduce the responsibility for the Administrator to seek injunctive relief and penalties against noncomplying sources.

Finally, the delayed compliance penalty will give the courts an option which has not heretofore been available. When the courts determine the public health and welfare costs of plant closure are greater than the public health benefits to be achieved from strict adherence to compliance with emission limitations by the deadlines in the statute, the court may rely on a combination of delayed compliance penalty and civil penalties to equalize economic differences while maintaining momentum for compliance with the law.

COAL CONVERSION AND UTILIZATION

The committee bill gives special consideration to powerplants and major fuel burning installations converting to coal because of orders by the Federal Energy Administration or because of approved curtailments of their natural gas supplies. Such sources may be issued delayed compliance orders which allow delays of up to 3 years in the time when the applicable emission limitation must be met.

Public health will be protected because the bill requires that the burning of coal during the delay may not cause primary—health-related—air quality standards to be exceeded. Enforceable emission limits to assure this result should accompany any conversion permit. Yet the need of the Nation to convert oil and gas boilers back to coal is recognized by allowing such conversions to proceed even while pollution control equipment is being ordered and installed rather than insisting that the burning of coal wait in every case until the necessary retrofit of control technology is complete.

In a similar vein, the bill exempts sources ordered by FEA to convert to coal and sources subject to approved natural gas curtailment plans from the requirement to meet new source performance standards under section 111 of the Clean Air Act. However, such sources would still be subject to the provisions of section 110 including nonattainment and nondegradation and other portions of the act.

Finally, in recognition of the fact that coal conversion has become an ongoing program rather than just a short-term response to the oil embargo, the bill changes the focus for required certifications and notifications from the Federal level—EPA—to the States. This brings this important program into procedural conformity with other stationary source pollution control programs.

Aside from conversion of existing plants to coal, a major initiative in President Carter's national energy plan is to require new utility and industrial boilers to burn coal, except under extraordinary conditions. This initiative reflects the realities of the marketplace, where nearly all the fossil-fired utility boilers being ordered today are equipped to use coal as a fuel. These initiatives, if successful, will increase coal utilization in the United States from 600 million tons in 1976 to over 1 billion tons in 1985. The question has been raised of the connection between this program and the Clean Air Act.

The Clean Air Act itself provides an adequate framework for insuring protection of the public health and welfare as these new sources are built. As a result, the Committee did not have to make legislative changes in the bill in this area. However, such a massive increase in the burning of coal, a fuel which is inherently much dirtier than natural gas or fuel oil will require careful administrative attention.

EPA is expected to immediately direct States to reexamine their implementation plans—SIP's—which are devised to meet national air quality standards, but which are generally based on the widespread use of natural gas and oil. Such plans commonly allow higher emission levels for coal than for other fuels. And some plans specify fuels rather than stack emissions as the control requirement. That difference in emission limitations will have to be removed. Modification may be sufficient. But, in every case, the SIP's must be reviewed to make sure that they will still be adequate to bring compliance with needed clean air standards in accordance with the deadlines of the act.

In order to protect public health when coal conversions are ordered in States where the SIP is inadequate for the greatly increased use of coal, the Administrator of EPA should use his authority to require a SIP revision prior to a coal conversion in any air quality control region where national primary ambient air quality standards would be exceeded if the conversion occurs and current emission limitations are met. Only in this manner can accurate assessments of the potential for coal conversion be made, with the assurance that the public health will be protected at all steps in the process.

EPA must reexamine the emission requirements set in new source performance standards. Originally intended to require that new plants use available technology to minimize harmful emissions, these have fallen far behind the state of the art. Today, sulfur dioxide emissions can be reduced by a factor of 10 on low-sulfur coal compared to present new source performance standards, using available flue gas desulfurization and coal cleaning equipment, at a cost of only $8 to $10 per ton of coal burned. Likewise, technical assessments provided by EPA show that nitrogen oxide emissions from fossil-fired boilers can be reduced by a factor of 2 compared to the totally inadequate present requirements.

This does not require exotic technology, but only careful boiler design, and it is necessary. Without more stringent stationary source NO_x control emissions of this dangerous pollutant will double by 1990. And there will be increased pressure for mobile sources to take up the slack, both by even tighter exhaust standards for autos and by more stringent transportation controls.

Some critics have argued that increased coal use is incompatible with the Clean Air Act and have called for relaxation of the act to meet energy goals. This committee has consistently taken the opposite view: The way to increase the acceptability of coal as a fuel is to insist that it be burned cleanly.

The President has also emphasized this point by supporting a requirement that all new facilities use best available control technology and by supporting a strong provision on prevention of significant deterioration. The administration's assessment indicates that its energy goals can be achieved without endangering the public health or degrading the environment.

Of course, the conversion to coal will be somewhat constrained in nonattainment areas where air quality standards are already being exceeded. The President's national energy plan points out that:

> Utilities and industrial facilities will be asked to convert to coal without sacrifice of air quality standards. It is recognized that, in areas with serious air pollution problems, it may be necessary to continue burning oil in order to protect public health.

As for cost, clean burning of coal costs somewhat more than uncontrolled burning of coal, but it is worth it. And in most cases it will be cheaper than burning expensive imported oil. If firm environmental requirements are maintained now, while the price of coal is relatively low, even if coal prices rise, that increase will be limited. The price of coal will be sufficiently less than the equivalent price of oil to allow for transportation and pollution control costs. And the cost of electicity to the consumer will still be less than it would be with imported oil.

In some urban areas, direct burning of coal in conventional boilers may not be possible because of air quality requirements. But even there, technology offers some hope for alternatives. Fluidized-bed combustion removes pollutants within the boiler even as the coal is burned. Although this technology is not available yet for large utility boilers, smaller pilot plants have been tested, and it can be used in smaller industrial boilers. Another option is low Btu gasification, a process that has been used commercially for many years in Europe. The gas produced is not of high enough quality for it to be economic to ship in the interstate pipelines, but it can be produced from coal onsite for industrial uses. And it is a process that is inherently cleaner than direct burning of coal.

Coal conversion is also connected with auto emissions, as pointed up in testimony received by the committee. Douglas Costle, Administrator of EPA, said:

While emissions of NOx (nitrogen oxides) are approximately the same in 1985 with or without the National Energy Plan, NO_x emissions are projected to be 25 percent above 1975 levels.

To hold that NOx increase down to that 25 percent requires an automobile emissions standard of 1 gram per mile NOx and accelerated implementation of new source performance standards for stationary sources. But if the Griffin-Riegle automobile amendment is adopted and current new source performance standards remain, the NOx level in 1985 will be 60 percent higher than 1975. That would mean an additional 9 million tons per year of NOx emissions nationwide. In that event, it is not likely that public health considerations will permit many conversions to coal.

Thus, adoption of relaxed automobile standards as proposed by the Griffin-Riegle amendment translates into even more limitations to growth in nonattainment areas, even more limitation of growth in nondegradation areas, and more harm to public health. Thus, the automobile emission standards are not simply arbitrary, bureaucratic judgments. They should not be relaxed and, if they are, we must be prepared to face the adverse consequences on the coal conversion program as well as those on public health.

Thus, the Clean Air Act and these amendments are a useful tool, not a barrier, as we strive toward the twin goals of energy sufficiency and environmental quality.

VI.—OTHER ISSUES

EMISSION LIMITATIONS

The 1970 Clean Air Amendments included a requirement that State implementation plans impose "emission limitations." This term has been the subject of controversy, litigation, and dispute. These 1976 amendments provide a statutory definition of the phrase "emission limitation" to make clear the intent of the 1970 law—as upheld in numerous judicial decisions—that the basic strategy for implementation of air quality programs must be premised on continuous emissions control. Intermittent controls or dispersion techniques are unacceptable as a substitute for continuous control of pollutants under this Act.

This clarification of existing law is grounded on these factors: First, intermittent control strategies are, as a practical matter, unenforceable by air pollution control agencies. Such strategies require elaborate monitoring and forecasting capability. Implementation relies on the polluter's ability to predict weather conditions and willingness to curtail production in response to those predictions. At the same time, few air pollution control agencies have the resources to police these strategies to assure that a polluter does in fact curtail production on a timely basis. In addition, they can cause unacceptable disruptions in production and employment.

Former Administrator Russell Train recently summarized his Agency's position in this way:

In the area of ICS, we have determined that such methods are inherently unreliable and difficult to enforce. EPA's view has been supported by the Department of Commerce Technical Advisory Board which has found in its 1975 Report on Sulfur Oxide Control Technology that intermittent control systems create administrative and financial difficulties which could prevent effective enforcement. The report also states that under certain circumstances the costs of such a system would approach that of continuous emission control measures. The National Academy of Sciences has also supported the EPA position.

Without emission limitations there would be no fixed end point when compliance would be achieved. And, even if air quality standards were enforceable, it would have to be on a constant, continuous day-by-day basis. There would be no basis for judging the performance of one source against another in regard to air quality effect in a multisource area because each source would have no specific, legally enforceable requirement to meet.

There would be no credible measure of air pollution control against which the public would judge the performance of the polluter. And, most important, there would be no legal basis against which to take an action if the polluter failed to perform. This is particularly true for citizen enforcement.

Mr. Benjamin Wake, Administrator of the Division of Environmental Sciences of the Montana Department of Health and Environmental Sciences, stated to the Subcommittee on Environmental Pollution in April of 1975:

If it was the intent of the Congress, and I do not believe it was, to make the country uniformly dirty then the attaining of the national ambient air quality standards by use of the intermittent control system will achieve those ends in short order.

Second, continuous emission reduction measures are available, they are reliable, and they are economically justified. Available measures for continuous emission reduction include use of fuels which are low in sulfur or ash, and techniques such as desulfurization of fuels, coal cleaning and washing, flue-gas cleaning, and more effective combustion engineering. The choices among such measures or the combination of measures to achieve the level of emission control set by the air pollution control agency rests with the owner of the source. The use of intermittent controls is appropriately reserved for air pollution emergencies.

Third, there is increasing evidence of the long-range transport of pollutants that become sulfates, acid rain, and other phenomenon affecting human health, vegetation and soils, but leaving no definable plume that is traceable back to the source.

In a report for the committee, the National Academies of Science and Engineering found that dispersion measures may exacerbate the formation in the atmosphere of acid sulfates and nitrates from the sulfur and nitrogen oxides emitted from fuel-burning sources. These derivative pollutants are thought to be more toxic forms than the oxides of sulfur and nitrogen that are actually emitted at the smokestack and are measured in the vicinity of the source.

It is recognized that the source controls may not be available to achieve the full reduction required of a particular source under particular circumstances. In such cases, supplementary programs can and should be used on a temporary basis until continuous controls are developed. But this flexibility occurs only after compliance with continuous emission limitation requirements.

EPA will be expected to review existing State implementation plans and require revision in any that depend upon dispersion techniques rather than continuous controls. Where necessary, State implementation plans will have to be modified. This injunction also affects the provisions of State plans which permit tall stacks.

Former Administrator Train stated on April 9, 1976:

. . . EPA's position on tall stacks and ICS are founded upon a pre-existing and long-standing opposition to an increase of the total atmospheric burden of sulfur oxides. Prior to EPA's creation, the Federal officials had argued that dispersion methods of air pollution control would not guarantee that air quality goals would be met at the ground level. The former National Air Pollution Control Administration (NAPCA) consistently opposed the use of tall stacks as the primary means of sulfur dioxide control because of their effects on the formation and dispersion of fine particulate acid sulfates, visibility conditions, the health of exposed populations, and the acidity of rainfall. Information collected since 1970 has reaffirmed these

NAPCA assessments. Thus, . . . ample evidence exists to support concerns over total atmospheric sulfur loading and the use of tall stacks.

The recently promulgated guidelines setting forth the agencies' tall stacks policy, however, does not fulfill this policy pledge.

On February 18, 1976, the Assistant Administrator for air pollution programs published guidelines of the Environmental Protection Agency's position on the use of "tall stacks" and "supplementary control strategies" as control strategies under the Clean Air Act. The guideline was ostensibly published as a response to three U.S. circuit court of appeals opinions. The courts have permitted "tall stacks" and "supplementary control strategies" only on an interim basis and only after the maximum imposition of constant emission reduction measures.

The guidelines are considerably less protective of the environment than the courts' decisions require.

Far from prohibiting the construction of tall stacks or the use of intermittent controls, the guidelines provide that once minimal emission control requirements are met, polluters are encouraged to substitute unlimited stack height for any further control of emissions.

As the courts have held, the act prescribes how air quality standards must be met—neither EPA nor the States may permit a proposed plan to meet the requirements by using tall stacks or other dispersion devices or systems.

A policy of encouraging "tall stacks" will increase the burden of pollution. Long-range transport of pollutants will be exacerbated. There is no support in the Clean Air Act for such a policy. Certainly such a policy would be wholly inconsistent with the policy to prevent significant deterioration.

SECTION 112

There has been concern expressed that design standards cannot be used when there is no margin of safety for a hazardous pollutant. However, as the report's discussion of asbestos shows, such a blanket rule is not intended. Indeed, such a rule could lead to EPA avoiding use of section 112 to regulate pollutants which have no apparent threshold of effects. Where numerical emission standards can be used, they are required. But, wherever they are impossible or infeasible, the use of design, equipment, and operational standards, even for pollutants such as asbestos—where EPA has concluded that no margin of safety exists—is appropriate.

EPA might also be reluctant to list pollutants under section 112 because of a belief that, once the section is invoked, the Agency could not decide that another section or another law such as the Toxic Substances Control Act is a more appropriate regulatory vehicle. This is not the case, and the Agency should not list pollutants under section 112 because of a belief that it is inflexible in that manner. The emissions standard would still need to be set but the means to achieve that standard can be the implementation of a preproduction prohibition or regulation pursuant to the Toxic Substances Control Act.

EPA REPRESENTATION

The committee has been concerned about the adequacy of representation provided to EPA in the past by the Justice Department. On the strength of a personal commitment made by Attorney General Griffin Bell, to remedy past problems, the committee did not include a specific amendment to transfer representation formally to EPA. However, it is important that procedures be worked out between EPA and the Justice Department to provide for EPA lawyers to represent the Agency in those classes of cases where familiarity with the subject matter is paramount, such as petitions for review of EPA regulations. In such cases, EPA should be able to take the lead on briefs and oral arguments without a duplicative layer of review by Justice Department attorneys. It is also important that, even where the Justice Department takes the lead, there be appropriate means for insuring the incorporation of EPA's views on legal, policy and technical matters and for participation of EPA lawyers.

VII. AUTO EMISSIONS

In 1970, the Clean Air Act established statutory standards for automobiles because it was recognized that the automobile presented the single most difficult national pollution problem. Auto emissions continue to be a threat to public health.

Congress recognized in 1965 that, as a national industry, automobiles required national emission regulation. Except for California, which is unique both from a product distribution and an air pollution point of view, the argument in 1967 for preemptive national standards was defensible.

The underlying principle of national emission standards was, and should continue to be, that those national standards would be adequate to achieve health-related air quality standards in the areas with the most difficult problems. Statutory standards established in 1970 reflected that policy. This legislation continues that policy.

STANDARDS IN THE COMMITTEE BILL

The committee has made two modifications of the statutory standards adopted in 1970. First, a new standard for oxides of nitrogen emissions is proposed which increases by 2½ times the level of emissions of that pollutant which will be permitted. Second, except for a minimum number of vehicles, the achievement of that new statutory standard for oxides of nitrogen has been delayed until 1980.

In other respects, this bill represents a modest extension of time for the auto industry to bring emission control technology into conformity with fuel economy and other objectives. The bill continues the basic purpose that health-related air quality standards associated with auto emissions should be achieved uniformly throughout the country.

The committee bill requires compliance with the statutory standards of .41 HC, 3.4 CO, 1.0 NO_x in 1980.

Also, the committee bill requires manufacturers to produce 10 percent of their 1979 fleet at the statutory levels required for all cars in 1980. This phase-in is intended to provide a period during which new emission control systems meeting the statutory requirements can be introduced and modified if necessary before 1980. However, the remaining 90 percent of production would continue to meet the 1977 requirements. This will enable manufacturers to maximize their efforts on the statutory standards, and to minimize disruption which would occur were another incremental jump mandated as in the Administrator's proposal.

Equally important, the 10 percent phase-in can be used to evaluate the implications of the technology which, in all probability, will be used in 1980.

The requests for a further delay in auto emission standards were rejected by the committee after careful analysis.

Such a delay would merely give the automobile industry further time to continue to lobby Congress for further extensions.

Such a delay would remove the kind of pressure that has been absolutely essential in forcing the adoption of improved auto emission pollution control technology.

Such a delay would demoralize many local communities which have made efforts to develop control strategies to reduce auto emission pollution in their area.

The committee had before it a number of auto emission proposals.

These include the standards in the existing law, S. 252, the provision which passed the Senate last summer; S. 253, the conference report which died at the end of the previous Congress; S. 251, Senator MUSKIE's bill which gives a modest extension of the auto standards; S. 919, which would permanently relax two of the three pollution standards and delay final deadlines to 1982; and the proposal by President Carter announced on April 18 of this year.

There was no convincing evidence presented to the committee during its hearings in February of this year to suggest that the timing of the auto emission standards adopted by the Senate 9 months ago should be altered for reasons of public health needs, technological feasibility, cost, fuel economy, or the economic condition of the auto industry.

TECHNOLOGICAL FEASIBILITY

There is no doubt that the industry has now and has had for some time the technological capability to meet the standards in the committee bill within the time frame required.

In March 1975, former Administrator Train stated that—

We found that oxidation catalyst technology to meet the hydrocarbon and carbon monoxide statutory standards (in 1977) was available.

In June 1975, the National Academy of Sciences reported that—

Attaining these levels (0.41 grams per mile HC and 3.4 grams per mile CO) by 1978 is both feasible and worthwhile.

And—

With respect to nitrogen oxide emission control: It is probably feasible with catalyst technology to achieve the statutory emission standards for NO_x (0.4 grams per mile) in 1978.

Independent evidence presented 2 years ago from the National Academy of Sciences and the Environmental Protection Agency indicated that automobiles could meet the ultimate emission standards by 1978 on many cars, and on all cars by 1979. If we had required that some 1978 cars meet those final standards, we would have assured that the industry would direct their efforts to meeting those standards. The manufacturers and the Congress both know this would have made subsequent appeals for delay lack credibility.

But the Congress did not take the hardest line possible, despite the achievability of such a mandate. The auto industry has been given the benefit of the doubt. The industry got more time and as a result the length of time Americans are exposed to unhealthy air is increased.

And what was the response of the industry? They participated in the organization of a filibuster in the Senate last year which killed the conference report on amendments which gave them relief.

Another year has passed, and there can be no question now that the industry can produce clean cars by 1980. The question which remains is whether they will be required to make use of their capability to manufacture clean cars.

All of the U.S. auto companies have stated they can meet the final statutory standards contained in the Senate bill, with varying estimates on cost, fuel penalties and leadtime. Ford testified in February 1977 that it could meet the 1980 standards of S. 252 on 100 percent of their models with three-way catalysts, with a 5 percent fuel penalty. By 1981, Ford expects to meet the standards "with minimum fuel economy penalties." Both Ford and General Motors plan to utilize the three-way catalyst, the most promising new technology, on some of their 1978 California models in the fall of 1977 as a major production trial.

In fact, EPA has tested a number of 1977 California cars which had emission levels lower than the statutory 0.41/3.4/1.0 standards of the Senate bill. The Environmental Protection Agency certification employed the standard Federal test procedure, including a deterioration factor for 50,000 miles. The California cars which achieved these emission results were equipped with a conventional oxidation catalyst, exhaust recirculation and air pumps, not any new technology, and were targeted for the less stringent California standards of 0.41 hydrocarbon, 9.0 carbon monoxide and 1.5 nitrogen oxide. Those cars include American Motors' Pacer and Matador, Chrysler's Aspen, Ford's Maverick, and General Motors' Caprice, Impala, Monza, Sunbird, and Skyhawk.

It is notable that this list includes vehicles with a wide variety of weights, sizes, engines, and manufacturers. And these cars achieved the standards by accident. Does anyone believe that these standards could not be met on each and every car, if the companies really tried?

The argument is made by the industry that these represent only a few cars, which is quite different from meeting standards across a wide range of model lines. However, to show how close their entire production has come without even trying, it can be noted that the median emissions for each manufacturer range from 0.4 to 0.6 grams per mile of hydrocarbons, 4.7 to 6.2 grams per mile for carbon monoxide, and 1.2 to 1.7 grams per mile of NO_x. There is litle doubt that between now and 1979–80, these figures can be improved the rest of the way. The industry can do it. The only question is will they be required to?

The allegation that the auto industry cannot technically meet the Senate 1980 deadline due to insufficient leadtime is not borne out by the facts. The three-way catalyst has been the focus of the development efforts of the U.S. industry for the past 3 years. It has now been sold commercially for one model year. The crucial barriers have been the use of carburetor with this system rather than fuel injection, and the durability of the oxygen sensor. Both of these technical questions have been resolved and a full scale production program can proceed.

As the focus of the debate has changed, the industry has resorted to its last available defense—withholding information on their development programs, which indicate a capability to meet statutory emission standards with ease. For example, companies are required by law to supply data annually to EPA. EPA engineers use this information to prepare an asessment of emission control technology development. This past year, EPA learned of the existence of a large General Motors diesel program. The results of the development of the diesel to meet the statutory standards are extremely promising; however, this information was given to EPA by an independent source, not by General Motors.

Numerous other examples of the withholding of technology information by domestic and foreign auto manufacturers are cited in the 1977 EPA Technology Assessment Report.

I would like to cite a second example of this obstruction of information which disturbs me greatly.

On April 27, 1977, I received a letter from the President of the Mitsubishi Motor Corp. of Japan. He stated that they had developed a car which met all of the original "Muskie standards," with improved fuel economy. He stated that the new engine "does away with the old idea that gas mileage must suffer if NO_x is reduced."

On May 23, 1977, an article appeared in Automotive News describing a second letter to me from Mitsubishi. The letter was quoted as follows:

However, lest there be any misunderstanding, I would like to make it clear that, given a more reasonable NO_x standard, fuel economy improvements could be even greater.

I did not release the letter, because it had not even arrived at my office. It was released by the Chrysler Corp., for whom Mitsubishi makes the Plymouth Arrow and the Dodge Colt. This smacks of the same intimidation tactics used 5 years ago by the auto companies on their catalyst suppliers. The threat then was cancellation of supply contracts if the catalyst manufacturers spoke out regarding the true capability of catalysts to reduce auto emissions.

I am greatly disappointed that an American company feels the necessity to downplay its own supplier's accomplishments, rather than welcoming the technological achievement as a means of getting on with the cleanup jobs.

I ask unanimous consent that these two communications be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

MITSUBISHI MOTORS CORP.,
Tokyo, Japan, April 27, 1977.

Hon. Senator EDMUND S. MUSKIE,
Russell Office Building,
Washington, D.C.

DEAR SENATOR MUSKIE: In 1970 you proposed the "Muskie Act" with the belief that international cooperation was essential in order to save our earth from air pollution. As you may know, special regulations have been established in Japan, based on your proposals in order to control exhaust emissions.

It is our great pleasure to inform you that we at Mitsubishi Motors Corporation have developed and released, as of April 27, a new type of engine which will clear the Japanese regulations for 1978, the strictest in the world.

This new engine is named the "MCA–JET," because it incorporates a jet valve in it. This is extremely effective in reducing NO_x, the subject to the control standards, as well as controlling CO and HC emissions. Moreover, it does away with the old idea that gas mileage must suffer if NO_x is reduced, as it provides even better fuel economy than 1973 models (33 MPG for 1200 cc model for Japanese 10 mode drive which correspond to city drive somewhat comparable to U.S. 11 mode).

We would like you to know that this tech nical break through is to a large part attributable to the fact that Mitsubishi engineers were inspired by your own vision.

We also want to assure you that we will continue searching for more and better technical developments, keeping in mind our goal of harmony among man, the environment, and the automobile.

To announce our development, and to publicly thank you for your inspiration, we are placing an open letter such as you see in the enclosed copy in major newspapers in Japan and perhaps later in the United States. We hope you will be pleased by this turn of event.

With deepest appreciation, we remain,
Sincerely yours,
MITSUBISHI MOTORS CORP.,
TOMIO KUBO, *President,*

MAY 17, 1977.

Hon. Senator EDMUND S. MUSKIE,
Russell Office Building,
Washington, D.C.:

Further to my April 27, 1977 letter to you, I would like to say again that Mitsubishi

Motors Corporation's new MCA jet engine is extremely well engineered to achieve the emission standards established by the Japanese Government using the Japanese test procedures and provides improved levels of fuel economy.

However, lest there be any misunderstanding I would like to make it clear that given a more reasonable NO_x standard, fuel economy improvements could be even greater. We are proud of our technical achievements in the MCA jet engine and we are confident that with a reasonable NO_x standards we can achieve even higher levels of fuel efficiency.

Respectfully yours,

TOMIO KUBO,
President.

Mr. MUSKIE. Mr. President, this is simply additional evidence that we have arrived at the last frontier. We cannot stop short of our goal, after the long, hard battles of technology forcing, and industry intransigence have been fought and won.

I would remind my colleagues of the risk of any further delay. When too much time is granted the auto industry, they use that time to petition for further delays and weakening of standards.

It is useful to remember that, with the exception of NO_x, present cars being produced meet standards no better than the industry volunteered to achieve at White House meetings 1 year prior ot the enactment of the 1970 Clean Air Act. Other than reducing NO_x and lead emissions, the act has primarily served to hold the industry to its self-defined goals. This was no easy accomplishment, but beyond that, the basic objectives imposed by Congress in 1970 have been delayed subsequently by the Administrator or by Congress.

GRIFFIN-RIEGLE AMENDMENTS

The supporters of the Griffin-Riegle auto emission standards assert that the permanent relaxation of the carbon monoxide and nitrogen oxides standards are necessary for air quality, energy and economic reasons. To the contrary, the Griffin-Riegle schedule will have a severe adverse impact on public health, fuel economy and cost to the consumer.

HEALTH IMPACT

Harmful effects on human health from the three regulated automobile-related pollutants have been reasonably well-identified. These effects include premature death, aggravation of heart and lung disease, increased acute respiratory disease, aggravation of asthma, eye irritation, chest discomfort, and temporary cough and headache.

The most vulnerable groups of the population are the old, the young, and those with heart and lung disease. Together these groups constitute about one-fifth of the population. The National Academy of Sciences estimates that auto emissions may account for as many as 4,000 deaths per year and 4 million days of illness-restricted days. The National Academy of Sciences has also concluded that a relaxation of the statutory standards is not justified if the most susceptible groups in the population are to be protected.

I would like to discuss the need for each of the three regulated pollutants separately. Each standard has been set at a level required to protect against adverse health effects; therefore, achievement of each of these levels is essential to our goal of eliminating the automobile's contribution to the health hazards due to air pollution.

Thus far, we have not made much progress toward that goal. Since the passage of the Clean Air Act of 1970, the net changes in total automotive emissions have been reduced by 14 percent for hydrocarbon, 16 percent for carbon monoxide, and an increase of 16 percent in nitrogen oxides.

Hydrocarbon standard: Hydrocarbons emitted into the air from automobiles react with nitrogen oxides—also emitted from the auto, and regulated by law—in the atmosphere to form photochemical oxidant—smog.

Health effects associated with oxidant are aggravation of asthma and lung disease, respiratory irritation in healthy persons, increased eye irritation and changes in heart and lung function in healthy persons. Of the 313 air quality control regions in this country, 170 regions still have not achieved the air quality standard for oxidant set at a level to protect public health from adverse effects.

There is general agreement that the 0.41 hydrocarbon standard should be imposed as rapidly as possible to mitigate the pervasive smog problem. Even with that stringent standard, a strong vehicle inspection and maintenance program, and control of hydrocarbons from stationary sources such as refineries, the health standard for oxidant—smog—will still be violated in 26 or more air quality control regions in the year 2000.

The Griffin-Riegle timetable which delays imposition of the 0.41 hydrocarbon standard will cause 4 percent more violations of the oxidant health standard between 1980 and 1990 than the Senate committee bill.

There is no reason to delay the final statutory auto emission standard of 0.41 grams/mile beyond 1970, as S. 919 would, given the availability of technology now to meet the 0.41 grams/mile standard, and the critical need to control hydrocarbons now, in order to achieve healthy air.

CARBON MONOXIDE STANDARD

Carbon monoxide is the most harmful of the pollutants emitted by the automobile. In sufficiently high concentrations, it can cause death. Carbon monoxide exposure also affects the central nervous system, the heart, human reflexes, hearing, and exacerbates the incidence of heart disease. Eighty air quality control regions still have not attained the carbon monoxide standard at which adverse health effects occur. Monitoring data from New York City shows carbon monoxide levels 200 to 400 percent above the health standard.

The Griffin-Riegle bill proposes to almost triple the ultimate statutory carbon monoxide standard from 3.4 grams per mile to 9.0 grams per mile, based on theoretical calculations that every city will meet the ambient CO standards by 1990, even at 9.0 grams per mile. This is an unrealistic projection, since test data from autos on the road show that carbon monoxide emission levels are double the amount permitted by the current standards on the average. In some cases, carbon monoxide emissions have been almost as high as those from uncontrolled cars because of carburetor maladjustments. The air quality projections used by the proponents of relaxation do not take this severe deterioration into account.

The Griffin-Riegle 9.0 carbon monoxide standard will cause between 65 and 130 percent more violations of the health standard between 1980 and 2000 than the Senate committee bill. By the year 2000, the Senate standard leaves only 5 urban areas in violation of the health standard, while the Griffin-Riegle standard leaves 12 areas in violation of the health standard.

This argument for relaxation of the carbon monoxide standard surfaced only in January 1977 despite the ongoing debate on this subject for 7 years. The National Academy of Sciences and the Environmental Protection Agency agree that the 3.4 grams per mile standard contained in the committee bill is necessary to protect public health.

NITROGEN OXIDE STANDARD

Nitrogen oxides react with hydrocarbons to form oxidant, and thus is associated with the health hazards of oxidant. Nitrogen oxide alone, however, is known to produce adverse health effects such as acute respiratory illness, increased bronchitis morbidity in children, decreased lung functions in children, and increased susceptibility to respiratory infection.

The original statutory NO_x standard was set at 0.4 grams/mile in order to protect public health. During the past 7 years, the exact level of nitrogen oxide control required has been a matter of much debate. The committee determined on the basis of scientific data that a revised standard of 1.0 grams/mile would meet public health needs, and also stimulate new, improved control technology.

The Griffin-Riegle bill would relax the NO_x standard an additional 100 percent, to 2.0 grams/mile, on top of the relaxation of 2½ times in the committee bill. Although the Griffin-Riegle bill allows for the possibility of a 1.0 NO_x standard eventually, in 1982, any auto company may apply for waivers to the current 1977 standard of 2.0 indefinitely. If past history is any guide, the auto manufacturers can expect to receive such waivers. I suggest that in order to assess the Griffin-Riegle proposal, one must assume a 2.0 NO_x standard indefinitely.

At the 2.0 grams per mile NO_x standard of the Griffin-Riegle bill, even in the year 2000, 1 million excess attacks of respiratory disease are projected to occur in children. This health impact is

almost halved by the adoption of the 1.0 NO_x standard of the committee bill.

The Griffin-Riegle proposal would also cause almost 2 million excess days of restricted activity from lower respiratory disease in children. This health impact is also approximately halved by adoption of the committee bill.

The sponsors of S. 919 base their NO_x waiver on the uncertainty as to the level of NO_x control needed to protect public health. The uncertainty surrounds the necessity for a 0.4 NO_x standard; to the knowledge of the committee, no scientific or medical body contends that a level as high as the 2.0 NO_x standard would satisfy public health requirements. S. 252 accommodates this uncertainty by maintaining the 0.4 NO_x level as a research objective. Auto manufacturers must submit prototype cars at this NO_x level to EPA annually. Should the EPA Administrator determine the necessity for a standard more stringent than 1.0 grams per mile NO_x of S. 252, the existing law provides authority to tighten the standard.

Air quality projections show that even with stringent stationary source controls total NO_x emissions will rise over the next 20 years at any automotive emissions standard above 0.4 grams per mile. At the 2.0 NO_x standard of Griffin-Riegle, the number of urban areas not meeting the public health standard can more than double by the year 2000. If a short-term ambient air quality standard is adopted in the range being considered by the World Health Organization, there will be widespread violations in almost all areas of the country even at the most stringent automotive standards. The number of violations would be cut substantially only at the 0.4 level.

The possible NO_x standard waiver available in S. 919 for model year 1982 only creates more of the same uncertainty in the final standards which has been a major complaint of the auto companies in the past. The possibility of a waiver also creates a moving target, since another technological step would have to be taken to meet the 1 NO_x standard in light of existing evidence that public health protection requires the more stringent standard. The industry has opposed the stepping stone approach in the past, which requires new effort at each level of control rather than allowing them to focus all effort and resources on achieving one set of standard efficiently.

Technology to meet 1 NO_x is available. Some 1977 California cars are already meeting the 1 standard, and the average NO_x emissions of California cars are between 1 and 1.5 using conventional technology.

FUEL ECONOMY

Since the energy crisis there has been a great deal of discussion of the need for fuel economy in automobiles and the relation between fuel economy and emission standards. In 1975, the Congress passed a bill mandating a 43-percent improvement in fuel economy by 1980, with further gains to be achieved thereafter. The automobile manufacturers have continued to call for further delay in achieving the statutory emission standards since that time, in order to make it easier to reach the fuel economy goal.

Some of the automobile manufacturers have projected figures for various emission requirements which suggest a loss of fuel economy of 10 percent or more if they must meet the 1980 standards adopted by the committee. Senators GRIFFIN and RIEGLE make the same allegations on their behalf, and allege that the Senate committee bill will prevent the development of alternative, fuel-efficient technologies.

However, EPA has stated on several occasions that "there is no inherent relationship between exhaust emission standards and fuel economy." Actual fuel economy depends on the choice of technology chosen. Consider the following examples:

The most significant tightening of auto emission standards to date occurred in model year 1975. Although Chrysler Corp. testified that these standards would cause a fuel penalty, their cars realized a 12-percent fuel economy gain.

General Motors estimated a substantial gain, and their actual experience was twice the fuel economy improvement predicted.

In model year 1977, the NO_x standard was tightened by 33 percent. The auto industry has always claimed that this standard would cause the greatest fuel economy penalty. Chrysler estimated a 7-percent fuel economy loss; the actual loss was zero. General Motors estimated a 5-percent loss. The actual change was a 9-percent improvement between 1976 and 1977 model years.

The history of automobile fuel economy over the past 20 years illustrates well this lack of a detrimental relationship between emission control and fuel economy. The chart below illustrates the decline in fuel economy long before the advent of emission controls. It also indicates that the biggest improvement occurred in 1975—13.5 percent over 1974—when the standards were significantly tightened and the industry used a new, more advanced emission control technology. In 1976, at the same standards, there was an additional 10-percent improvement, and in 1977, another 3.3-percent improvement for a total of 26.8-percent increase over the fuel economy of 1974 models.

	Actual gas mileage of U.S. auto fleet, combines city and highway use	Auto emission standards		
		HC	CO	NO_x
1957	16.5			
1958	17.0			
1959	16.7			
1960	16.1			
1961	16.3			
1962	16.8			
1963	15.2			
1964	16.7			
1965	15.7			
1966	15.6			
1967	15.5			
1968 [1]	15.0			
1969	14.7			
1970 [1]	15.1	4.1	34.0	
1971	14.7	4.1	34.0	
1972 [1]	14.5	4.1	34.0	
1973	14.0	3.0	28.0	3.1
1974	13.9	3.0	28.0	3.1
1975 [1]	15.6	1.5	15.0	3.1
1976	17.8	1.5	15.0	3.1
1977 [1]	18.6	1.5	15.0	2.0

[1] In these years, emission standards became more stringent.

The Griffin-Riegle bill proposes final standards of 0.41, 9.0, and 2.0 for the avowed purpose of allowing the auto companies to continue to use the existing, inefficient technology now in use to meet the 1977 California standards which are more stringent. The average fuel penalty of these cars was 11 percent worse than 1977 Federal cars. This illustrates the result of standards which can be met by adding on equipment to existing technology. The auto industry will do only the technological minimum when a jump to more advanced emission control technology is not required, but is a voluntary option. One must associate that fuel penalty with the Griffin-Riegle proposal, since it cannot be assumed in the absence of statutory impetus, that the manufacturers will go to a higher level of technology voluntarily.

The Senate committee bill, on the other hand, sets standards which require the auto manufacturers to go to the next level of technology, which is more efficient, and more effective to control emissions. The only way the fuel penalty of the 1977 California cars can be avoided with the Griffin-Riegle standards in effect is if the manufacturers choose to use the next level of technology, as would be required to achieve the standards in the Senate bill in 1980.

In contrast to the 11-percent fuel economy penalty of existing technology, the Ford Motor Co. estimates that the Senate standards could result in a fuel penalty of 5 percent. In 1980, the first year, but better fuel economy or at least no fuel penalty in 1981.

EPA has stated that the impact of the Senate standards on fuel economy would range from plus 2 miles per gallon to minus 2 miles per gallon, depending on the technology chosen.

The advanced technology which already exists to meet the Senate committee standards improves the average 1977 fuel economy by 10 percent. This is a savings of 105,000 barrels of oil a day.

The 1.0 NO_x standard in the committee bill will also allow production of alternative, fuel-efficient engines. The National Academy of Sciences has identified five technologies that can meet the Senate committee standards—0.41/3.4/1.0: Dual catalyst or three-way catalyst on conventional engines, CVCC stratified charge—Honda, CCS stratified charge—Ford and diesel. These are in addition

to longer term alternative engines which can also meet the Senate committee standards, including Sterling cycle, Rankine cycle, gas turbine, and electric or hybrid engines.

As for the diesel, the National Academy of Sciences assessment that they can meet 1.0 NO_x is confirmed by a 1977 VW Rabbit diesel which has already achieved 0.8/1.0/0.8 in certification tests. Teledyne Continental Motors has studied the diesel for ERDA and finds that they can achieve 30 miles per gallon on the city cycle with a 3,000-pound car, while meeting emissions levels of—0.24/1.2/0.2. And General Motors has been working with Opel on diesel development. Using electronic exhaust gas recirculation, they obtained emissions of—0.27/1.30/0.71—with fuel economy of 26 miles per gallon and no fuel penalty. Thus, at this early stage of commercial development of diesels for passenger cars, there is already strong evidence that they can meet the Senate committee standards without undue difficulty.

COST OF NEW AUTOMOBILES

Senators GRIFFIN and RIEGLE also allege that the cost of the Senate standards will be prohibitive. This is not the case.

The sticker price increase of cars due to emission controls have not been unreasonable, even as auto standards have become more stringent. Bureau of Labor Statistics since the inception of the Federal emission control program bear this out.

Model year	Cumulative price increase of automobiles	Cumulative price increase due to emission controls	Percent of increase due to emission contro's
1967		(1)	
1968 [2]	$88	$11	13
1969	129	11	9
1970 [2]	236	17	7
1971	456	36	8
1972 [2]	475	43	9
1973	565	70	12
1974	1,065	71	7
1975 [2]	1,451	191	13
1976	1,650	198	12
1977	2,032	212	10

[1] No controls.
[2] In these years. emission standards became more stringent.

Source: Bureau of Labor Statistics.

A specific example of this trend is the 1977 Volvo 3-way catalyst system sold this year. It has exceeded both California and Federal emission standards, and has cost the customer only $25 to $50 more. This car has been sold in California throughout 1977. Lifetime savings due to 10 percent better fuel economy exceed this initial first cost by $275 to $300. This is similar to the advanced technology which the domestic auto manufacturers have stated they will use to meet the Senate standards in 1980.

The Senate committee bill will result in substantial savings to the consumer. The current technology which the auto companies have stated they would use to meet the Griffin-Riegle standards carries an 11-percent fuel economy penalty. Advanced technology which must be used to meet the Senate committee standards could improve the average 1977 fuel economy by 10 percent. The 21-percent improvement results in a $650 lifetime savings to the car owner. After deducting the EPA's estimated $250 first cost of the equipment, the Senate standards result in a net savings of $400 to the consumer. This is a conservative savings figure, since the EPA equipment cost estimate includes items which may not be needed, such as a $70 start catalyst.

EMPLOYMENT

Senators GRIFFIN and RIEGLE allege that the implementation of the Senate committee standards will result in massive job losses in the motor vehicle and related industries, and negative effects on the entire national economy.

These assumptions of a catastrophic decline in auto sales and resultant layoffs have no basis in past history. In 1973, the industry set a record for retail sales of 11.5 million cars; 1974 sales dipped 23 percent in the midst of a national recession, an oil embargo, dire projections that the gas shortage was permanent, and that gasoline would either be rationed or become prohibitively expensive.

The case was never made that the decline in sales and job losses were due to emission control requirements. Subsequent sales data indicate, to the contrary, that auto sales are most sensitive to the general health of the economy, and to the disposable income of consumers.

For example, by 1976, auto sales had once more climbed to over 10 million units. For 1977 models, the nitrogen oxide standard was tightened by 33 percent, yet sales for this year are substantially higher than those for model year 1976. The most recent figures show a 12.5 percent increase for the month of April, compared to April 1976. Henry Ford, chairman of the board of the Ford motor Co., has predicted 1977 auto sales of 11.2 million units, the second highest sales in the history of the industry.

Nor will future emission control requirements lead to unemployment or poor sales either. EPA projections indicate that 185,000 new jobs in the U.S. auto industry would be created through increased sales between now and 1985 if the Senate committee standards are adopted.

WARRANTY OF EMISSION CONTROL SYSTEMS

Senators GRIFFIN and RIEGLE allege that only by reducing the existing 5-year or 50,000-mile performance warranty for emission control systems can the competitive position of the independent parts and service dealers be improved.

The performance warranty was included in the 1970 Clean Air Act to protect the consumer and to assure continued air quality improvement by requiring that a vehicle will continue to meet the applicable emission standards over 5 years or 50,000 miles, one-haf of the average life of a car on the road.

Reduction of the performance warranty to 18 months or 18,000 miles—less than one-fifth of the average life of a car—will not achieve the stated objectives and will do serious harm to other objectives.

It is anticonsumer, because it would shift the burden and expenst of repairing a faulty emission control system from the manufacturer to the consumer whose car fails a State inspection after 18,000 miles.

It eliminates any financial incentive for manufacturers to produce an emission control system which functions for the car's life since their financial exposure would only be for 18,000 miles.

The Federal Trade Commission has recommended two actions to prevent any possible anticompetitive effect of the existing warranty. S. 252 adopts these recommendations and three other measures to avoid any anticompetitive effects of the warranty. These provisions include:

One. Requiring all owners' manuals to contain instructions that maintenance does not have to be performed by the dealer or with the manufacturer's own parts;

Two. Making illegal any warranty provision that attempts to tie coverage to the use of the dealer's service and parts;

Three. Establishment of a program which will enable aftermarket parts manufacturers to certify that their parts perform as well as the auto manufacturer's—the auto manufacturers have no role in approving such certification;

Four. Specifying that a car owner may go anywhere to have required maintenance performed;

Five. A Federal Trade Commission study of any possible anticompetitive effect.

The 50,000-mile performance warranty has been law for 7 years now. Independent dealers now hold 80 to 85 percent of the service and parts business, and that proportion has actually increased since 1070 when the warranty provision became law.

The United Auto Workers are in favor of maintaining the 5-year 50,000-mile performance warranty. President Leonard Woodcock stated in February 1977:

> We are basically in support of the 50,000 miles (performance warranty).

The Consumer Federation of America is "strenuously opposed to this anticonsumer amendment" to reduce the performance warranty to 18 months or 18,000 miles.

Consumer's Union, publisher of Consumer's Reports, states in oppositon to the reduction of the performance warranty to 18 months or 18,000 miles:

> In response to the five-year warranty requirement promulgated by EPA, auto manufacturers have designed the control devices, and the various parts related to the performance of these devices, for substantially longer endurance than would be the case under a one year warranty.
>
> . . . a reduction in designed durability would mean an increased incidence of repair for such devices and parts. This would add substantially to the consumer's cost of maintaining emission control devices to EPA performance standards.

The manufacturers have claimed that 400 parts are covered by this provision, but most of these parts are totally unrelated to emission performance. Some of these parts must be replaced at regular intervals. Some of these parts are de-

signed to last the entire life of the vehicle. The Congress need not be concerned with either or those conditions. The question is whether or not the car which the consumer purchases meets the standards before it is purchased—at the end of the production line—and whether or not the car will continue to meet the standards under conditons of proper maintenance.

Having established through a proper production line test that each and every car made meets the standards—with appropriate deterioration factors—when it leaves the assembly line, as the current Clean Air Act requires, then the companies have an obligation to build a car which, when properly maintained, will continue to meet those standards in the hands of the consumer. Except in those instances where the manufacturer is able to demonstrate that the proper maintenance was not followed, the manufacturer must be financially responsible to to bring the vehicle into compliance.

I want to underscore this point. The performance warranty is triggered by the existence of an in-use test combined with the existence of an inspection program and a penalty for failure to pass inspection. Although this provision of existing law has not yet been triggered, the bill requires establishment of the test procedure. It is then anticipated that over the next few years a number of localities will implement in-use testing programs.

Even though the manufacturer is required to produce each car so that it will meet the standards for 5 years and 50,000 miles, he is only liable for the repair costs when an in-use test exists and the vehicle fails to pass inspection and the owner is subject to a penalty.

Reducing the duration of the performance warranty as proposed will only reduce the incentive for the manufacturer to produce clean cars that will stay clean. It will not protect the consumer. It will not protect the afermarket industry. It will protect the auto industry. It is an auto industry proposal and it should be so branded.

If the Congress wants to protect the auto manufacturer from the responsibility to produce a clean car that will remain clean, then I suggest that we consider elimination of the Federal emission standards altogether. We are perpetrating a hoax on the American people if we tell them to invest $100 or $200 to equip vehicles with emission controls and then tell them that the auto industry has no financial responsibility to insure that those vehicles will meet the standards after they are in the hands of the consumer. I will not be a party to that hoax.

If there is an anticompetitive aspect associated with this requirement in present law, then the committee amendments should be more than adequate to correct it. The manual for each vehicle must describe the elements for proper maintenance. Independent service operators can perform that proper maintenance and record performance of that maintenance in the owner's manual. On its face, that record would provide a rebuttable presumption which the manufacturer would have to overcome to avoid the burden of any costs resulting from the failure of a vehicle to pass inspection.

DEFECTS WARRANTY

The production, or defects warranty in existing law, requires that each element of the vehicle related to emissions must be designed or built so as to conform to auto emission standards at the time of sales, and must be free from defects which would cause the vehicle to fail to meet emission standards over the life of the vehicle. The consumer is thus protected if a specific part fails within 5 years or 50,000 miles, and it is shown to be defective at the time it fails.

The Dingell version of Griffin-Riegle would make the production-defects warranty of existing law meaningless. S. 919 as proposed would have required a consumer to prove that a defect in an emission control system, which occurred at any time prior to 50,000 miles, existed at the time of sale of the vehicle. This means that the consumer who discovered at 45,000 miles that a piece of equipment had ceased to operate, would have to prove that that defect also existed when the car was purchased. This is an impossible burden of proof to sustain, it is counter to the thrust of the Moss-Magnuson Act, and it goes against the established principles of products liability law. I am pleased the sponsors at least deleted this onerous provision. However, the Griffin-Riegle warranty amendments benefit only one party—the auto industry. The consumer would pay for an emission control system to deal with an air pollution problem which lasts the life of the car, but for which the auto industry would have no financial responsibility whatsoever. The aftermarket industry would lose much repair and maintneance work because none could be required of the car owner after 18,000 miles or 18 months under the terms of the warranty; and the public would have cars which can legally violate emission standards after 18,000 miles, and the resultant adverse health effects from dirty cars.

HIGH ALTITUDE

Senators GRIFFIN and RIEGLE allege that their provision dealing with emissions from automobiles in high altitude areas remedies the inequities of the current EPA regulations.

The Riegle-Griffin bill does not come to grips with the high-altitude problem. The committee bill adopts a solution to the problem of the inferior operation of automobiles which is far preferable to deal with consumer and air quality needs.

The major problems now are: First, the availability of only 50 percent of all car models in urban high-altitude areas; second, the inferior performance of those high-altitude cars; and third, the loss of business by dealers in urban high-altitude areas to nearby dealers who have all models available.

The Griffin-Riegle bill proposes to solve these problems by simply exempting the adjustment of emission control systems of high-altitude vehicles from antitampering requirements of the law.

It maintains a separate requirement for cars in high altitude—about 3 percent of total sales—which insures that minimal effort will be directed toward improvement of that technology by the auto manufacturers.

The separate high-altitude requirements do not alleviate the problem of a high-altitude dealer's loss of business to dealers who have all models available.

The Committee bill prohibits all differential treatment for high-altitude areas so that all low-altitude models can be sold everywhere in the country.

From 1978 to 1980, all high-altitude requirements are suspended, so that the auto manufacturers do not have to do anything additional for high-altitude model cars; all model cars can be sold everywhere.

After 1980, all cars must comply with applicable auto emission standards at all altitudes. This provides 2 years for the perfection of existing technology which automatically compensates for any altitude change.

OTHER MOTOR VEHICLES

Control of mobile sources other than automobiles has lagged despite the fact that they can be regulated under the general provisions of the present Clean Air Act.

It is inequitable for automobiles alone to bear the burden of pollution control, when they only contribute, for example, 50 percent of the hydrocarbon pollution from mobile sources.

The committee intends that this situation be corrected and that all other classes of motor vehicles be required to achieve by 1980 a reduction of emission equivalent to that required for automobiles. Nonavailability of technology would be the only reason for any delay.

To achieve this, this bill makes more specific EPA's authority to regulate heavy-duty vehicles and motorcycles. It is expected that EPA will use existing authority to regulate light-duty trucks and other nonautomobile categories of motor vehicles to meet this requirement.

TOTAL ANNUAL AUTO EMISSIONS

The need to meet tight standards is emphasized by the chart which shows total annual auto emissions 1970–85, attachment D.

The chart shows that if the Griffin-Riegle relaxation of 9 grams of CO is adopted the result will be emissions of a million tons of carbon monoxide in 1985, as contrasted with only 4½ million tons if the 3.4-gram public health-based standard is implemented. Thus, for the sake of a freeze, we would be accepting four times as much emissions of this lethal pollutant. Emissions of smog-producing hydrocarbons would follow the same pattern.

As for nitrogen oxides, the right hand chart shows that emissions rose after 1970, and have just dropped back to the 1970 level. If we were to freeze the NO_x standard at the present level of 3.1 grams per mile as the administration and the auto manfuacturers have suggested, by 1985 we still would be just about where we were in 1970 before NO_x was controlled at all. This bill sets a standard

which will allow a little more NO_x—one-half million tons—than the present statutory standard. But it will reduce emissions by 2.2 million tons compared to the freeze. This is a significant 63-percent reduction from present emission levels.

The chart on in-use auto emissions against standards shows the standards which have been implemented and proposed to meet air quality needs. Compared to precontrolled cars, the 1976 represent a reduction of 83 percent hydrocarbon, 83 percent carbon monoxide, and 11 percent nitrogen oxide. Compared to 1970 models as a base, the progress is 63 percent in hyrocarbon and 56 percent in carbon monoxide, while the standard set by Congress is a 90-percent reduction. We have made some progress, but more is clearly needed. We still must reduce hydrocarbon and carbon monoxide to about one-fourth and nitrogen oxide to about one-third of their currently allowed levels to meet our clean air goals.

COMPLIANCE TESTING

Because of the pressure of time and the controversy associated with major provisions of this bill, the committee did not try, in these amendments, to reemphasize existing authority in certain areas where the Administrator has failed to implement the intent of Congress. One such area relates to the extent to which cars which were certified to meet standards continue to meet these standards in-use for the required 5 years or 50,000 miles.

IN-USE AUTO EMISSIONS

The committee has substantial data indicating that the emission performance of cars in use, with few exceptions, is considerably poorer than the requirement of the law. The chart on in-use auto emissions against standards shows that not since 1969 has the average car met the hydrocarbon standards in use, and never has it met the carbon monoxide standards. In fact, even with our newest cars, the hydrocarbon and carbon monoxide coming from cars on the road is approximately double that allowed by the standards, while NO_x emissions just barely meet the weak emissions standards presently required. Attachment E.

The chart also shows the importance of getting the industry to use new technology by careful choice of standards. In 1968 when emission standards were first introduced, there was no NO_x standard. The manufacturers took advantage of that loophole and chose a technology that caused NO_x emissions to increase by over 40 percent.

Also, actual emissions of hydrocarbon and carbon monoxide changed very little indeed in the 6 years from 1969 through 1974 despite the fact that the standards were tightened twice and required about a 50-percent reduction in emission levels. Then, in 1975, there was a significant decrease in these emissions, although not as great a decrease as required. Why?

The answer is that it was not until 1975 that a new level of technology was introduced. Only recently, when nitrogen oxide control has been required, have these emissions dropped even as low as their pre-1969 levels.

The committee believes that this bill sets standards that will require a new level of technology. Hopefully, this will result in a significant reduction in emissions from cars on the road—not just in certification.

The latest evidence has heightened awareness of these problems. New evidence has been received since the committee concluded its deliberations regarding the automobile provisions. In a memorandum dated February 25, 1976, the Environmental Protection Agency reported on recent tests conducted in two cities in which "about half of the 1975 model year cars are significantly exceeding CO standards." The memorandum goes on to state that a major reason for this failure may be changes made in idle mixture after the car has been purchased in order to overcome customer complaints about driveability.

According to EPA, this problem results because new cars have been built with a lean fuel mixture in order to receive high fuel economy ratings and low emissions and without regard to driveability. This is apparently satisfactory for preproduction prototypes which are hand built and only operated in certification tests by professional drivers. And the industry knows that if the consumer develops problems starting a car in cold weather, the carburetor can be adjusted with no responsibility accruing to the manufacturer even though both fuel economy and emission reduction benefits are compromised.

The conclusion from this evidence is that the industry had managed to make a car that performs well at the temperature used for the emissions testing procedures—roughly 72 degrees—but also has produced a car which the consumer can be expected to alter.

It is evident that EPA must modify preproduction certification requirements to require prototype testing for driveability and to change procedures to require a broader range of tests including conditions which are found in the real world. At a minimum, driveability tests should be conducted under a wide range of temperature conditions.

EPA also has the opportunity in its certification and its maintenance instruction review programs to take two steps which will help solve the inuse emission problem. The first is to minimize, to the extent feasible, the need for periodic maintenance of cars. The second is to minimize opportunities for malmaintenance by eliminating adjustments that are commonly set improperly by mechanics and that significantly affect emissions. It is very important that EPA exercise its authority to stimulate these steps by the industry.

We must close the gap between demonstration vehicles and the actual cars on the road. We need an in-use test. We need to cause the manufacturer to be responsible, financially, for that vehicle which is in the hands of the consumer.

The 1970 act required a production line test and an in-use test. These tests are essential if consumers are to get that for which they pay. The law requires every vehicle produced to meet the standards set forth in the law or regulation for 5 years and 50,000 miles.

So long as the operator performs appropriately required maintenance, the manufacturer is legally responsible to pay for any costs associated with failure of that car to meet the standards.

PRODUCTION LINE TEST

Without a production line test, we will never know if cars actually meet the standards in the first instance—which they must, since without an in-use test, there will be no capability to monitor performance of vehicles on the road. And it is the combination of these tests which will create the necessary financial incentive for the manufacturer to begin to product a clean car which can be expected to stay clean for its useful life.

The committee bill amends Section 206 to require that a production line test be implemented, within 6 months of enactment. Such a test is intended to provide assurance that all cars actually meet the emission standards when they are produced. This it not to be confused with the currently proposed production line test which uses statistical sampling techniques which will not assure that all cars meet the standards, even when new. The Administrator is expected to expand this audit procedure with an actual per vehicle test by the 1979 model year at the latest.

The existence of a per vehicle production line test will not guarantee that each new car will continue to meet standards for the required useful life of 50,000 miles. Present law provides a defects warranty and performance warranty for that purpose. The manufacturer warrants that each new vehicle will meet the emission standards for its useful life of 5 years of 50,000 miles.

The committee had considerable discussion of the automobile emission warranty provisions of the Clean Air Act. The committee report contains an extensive discussion of this issue. One of the purposes of the warranty is to assure that manufacturers make cars that control emissions when actually in the hands of consumers.

The Griffin-Riegle would make that test meaningless.

FUEL ADDITIVES

In 1973, when the auto companies announced their intention to use catalytic technology to meet the 1975 emission standards, they also stated that the catalysts could not tolerate the lead which was then in almost all gasoline. EPA subsequently issued regulations to provide for the availability of some unleaded fuel for 1975 cars.

It was clear then, as it is now, that catalyst technology would be used in the near term at least, that the number of catalyst cars on the road would increase steadily, and that the unique character-

istics of the catalyst must be kept in mind by gasoline suppliers.

In February 1977, Ford Motor Co. testified to the committee that a gasoline additive, MMT, appeared to be damaging their catalysts, although MMT had long been recognized as an effective antiknock agent for gasoline. However, its use in the past has been limited, because of low availability, high cost, and possible spark plug fouling.

But, oil companies have recently started adding MMT to unleaded gasoline to raise its octane rating. This was done without regard to MMT's effect on the over 25 million catalysts in cars on the road.

I consider this a total breach of good faith by the oil companies, and an outrageous act against the American consumer.

The committee took action to remove the potential hazard to 25 million automobiles by prohibiting the introduction of any new fuel additive after March 31, 1977, and requiring the removal of all additives introduced into unleaded fuel since 1975 when catalysts were first introduced. This ban can be waived by the Administrator if the proponent of the additive establishes that the additive will not impair the emission performance of vehicles produced in 1975 or afterward.

This action was absolutely essential. Ford Motor Co. recently testified at hearings on the 1979 California waiver on this issue. They said that the addition of MMT to fuel will cause a significant increase in hydrocarbon emissions, which would preclude Ford from certifying 1978 cars in California, or 1979 California cars if a waiver is granted.

Ford has stated with regard to the 1979 California waiver that EPA must deny it, or condition it upon the removal of MMT from fuel, to permit the 0.41 hydrocarbon standard to be met. I include the entire test of Ford's testimony at the end of my statement.

I think that this one example illustrates the alarming degrees to which MMT, and potentially hundreds of other additives, threaten our entire air pollution control program. Tests by Ford indicate that a three-way catalyst test fleet using gasoline with MMT had hydrocarbon emissions of double the 0.41 standard in less than 20,000 miles.

Unfortunately, this same result may have also occurred in catalyst cars on the road. We have no real way of knowing. However, there is no doubt that the irresponsible actions of the oil industry have set back our efforts to clean up the automobile. We cannot reverse that damage, but we can prevent further damage through adoption of the committee provision.

VIII—STRATOSPHERIC OZONE PROTECTION

The stratospheric ozone layer 10 to 30 miles above the Earth protects life on Earth from the ultraviolet radiation of the Sun. There is scientific concern that halocarbon compounds and other substances introduced into the environment threaten to reduce the concentration of ozone in the stratosphere. Such a reduction in stratospheric oxone is likely to cause increased rates of disease in humans, including increased rates of skin cancer, reduce crop production, and otherwise damage the natural environment. Therefore, the committee bill requires studies by EPA and other appropriate research agencies to provide a better understanding of the effects of human activities on the ozone layer and the effects of depletion of that layer on human health and welfare.

The ozone provision depends mainly upon existing law for authority to regulate substances, practices, processes, or activities which may affect the ozone in the stratosphere to the extent necessary to protect human health and welfare.

The following regulatory initiatives have taken place recently under existing law: The Food and Drug Administration, which has authority to regulate food, drugs, and cosmetics, including propellants in their packaging, promulgated on April 29, 1977, regulations requiring a warning label on aerosol containers that contain chlorofluorocarbons. On May 13, 1977, the Food and Drug Administration published proposed rules for the phaseout of chlorofluorocarbons propellants in nonessential uses, with the phaseout to be completed in a time frame between October 15, 1978, and April 15, 1979.

Similar proposed regulations covering pesticides and industrial products were announced on the same date by EPA under the Toxic Substances Control Act. EPA also has authority to regulate pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act. Also on the same date, the Consumer Products Safety Commission proposed similar regulations on houshold cleaners and air fresheners under the Consumer Product Safety Act. The proposed action would eliminate about 60 percent of all chlorofluorocarbon emissions in this country. The remaining 40 percent of chlorofluorocarbon emissions come from nonpropellant uses such as in air-conditioners and refrigerators. FDA and EPA plan to propose regulations dealing appropriately with such uses next year. Exempted from the proposed ban will be essential aerosol products in which the use of chlorofluorocarbon propellants is necessary. This action was based upon the concern first expressed officially in 1975 by the Interagency Committee on Inadvertent Modification of the Stratosphere, and affirmed by the National Academy of Sciences report in September 1976.

The intention of the committee in this amendment was to provide an adequate research base for identification and assessment of present and future problems relating to stratospheric ozone layer. In addition, the committee desired not to interfere with the regulatory initiatives just mentioned. The committee did include a brief amendment to the Toxic Substances Control Act, in keeping with the gap-filling nature of that act, clarifying the fact that halocarbons and other propellants are chemical substances subject to regulation under that act, to the extent that they are not regulated under the Federal Food, Drug, and Cosmetic Act or the Federal Insecticide, Fungicide, and Rodenticide Act.

The intention of that provision is to insure that there is authority in the law to protect the public health and welfare by regulating any substance, practice, process, or activity which may affect the ozone in the stratosphere. It is not intended to supersede or preempt authority that EPA or other agencies may have under existing law to take regulatory action with respect to the same or similar hazards presented by products or activities subject to their jurisdiction.

BUDGET IMPLICATION

Let me mention at this time that enactment of S. 252 is unlikely to lead to a breaching of the targets of the budget resolution for fiscal year 1978. Funding for the programs in S. 252 is classified in function 300: Natural resources, environment, and energy. In this function, the first budget resolution set targets of $20.7 billion in budget authority and $20 billion in outlays. While the funding of programs in this function is at the moment unclear because of uncertainty over the President's energy plan, funding for the environmental programs in function 300, including clean air, is likely to be consistent both with the assumptions of the budget resolution and with the amounts allocated under section 302(b) of the budget act to the appropriations subcommittee with jurisdiction over the environmental protection agency.

CONCLUSION

The Congress asserted in 1967 a Federal interest in protecting the public's health from the adverse impact of air pollution and a national policy to protect air quality in clean air areas. Congress recognized that a national regulatory framework with basic minimum standards and an aggressive Federal agency would be necessary.

We must not disband that effort.

I support much of this bill. There are improvements. There are causes of concern. There are provisions which, if enlarged in later actions, will lead to delay, reductions of efforts, and the inevitable conclusion that environmental goals and public health protection will not be accomplished. That possibility we must not forget.

Mr. President, I ask unanimous consent to have printed in the RECORD certain tables.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

ATTACHMENT A

TABLE A1.—ADDED EMISSIONS OVER 1975 (SO_x)

EMISSIONS (SOx)

Sulfur oxides	Millions of tons per year added emissions over 1975 (1975 national emissions 34,300,000 tons) 1980	1985	1990
Scenario:			
No. 1 (base)	2.6	4.7	7.0
No. 2	2.0	3.4	5.0
No. 3	2.2	3.0	3.8
No. 4 [1]	1.7	2.2	2.8

ASSUMPTIONS (SO_x)

	Electrical growth percent per annum	Pollution control
Scenario:		
No. 1	High (6.1 percent)	NSPS and SIP.
No. 2	Moderate (4.8 percent)	Do.
No. 3	High (6.1 percent)	BACT.
No. 4 [1]	Moderate (4.8 percent)	Do.

[1] Most like Senate bill and present FPC growth projections.

Source: EPA Office of Air Quality Planning and Standards, March 1976.

Note: NSPS—New source performance standards; SIP—State implementation plan; BACT—Best available control technology (scrubbers with 90 percent efficiency plus available local fuel).

TABLE A2.—ADDED EMISSIONS OVER 1975 (NO_x) EMISSIONS (NO_x)

Nitrogen oxides	Millions of tons per year added emissions (1975 National emissions 24,000,000 tons) 1980	1985	1990
Scenario:			
Base	7	18	25
No. 1	7	15	22
No. 2	7	12	18
No. 3	7	11	16
No. 4 [1]	5	7	9
No. 5	4	6	7

ASSUMPTIONS (NO_x)

	Light duty vehicles (grams/mile)	Heavy duty vehicles (percent emission reduction)	Stationary sources
Scenario:			
Base	3.1	Present standards.	Existing NSPS and SIP.
No. 1	2.0	EPA 1978 plans	Do.
No. 2	1.0	75	Do.
No. 3	.4	90	Do.
No. 4 [1]	1.0	75	Accelerated NSPS.
No. 4	.4	90	Do.

[1] Most like Senate bill.

Note: NSPS—New source performance standards; SIP—State implementation plan. Growth assumed at 3 percent p.a. for mobile and 3–6 percent p.a. for stationary sources.

TABLE B.—PROJECTED CAPITAL INVESTMENT FOR SELECTED MAJOR INDUSTRIES, 1975–83

[In billions of 1975 dollars]

	Total	Air pollution control: Current	Air pollution control: Maximum BACT [1]
Electric utility industry [2 3]	212.5	17.8	4.8
Steel mills [3]	27.5	3.3	[4] NA
Petroleum refineries (figures for industry as a whole) [5]	[6] 90.0	[6] 5.1	[4] NA
Pulp mills [6]	21.5	2.0	[4] NA

[1] Assumes emission limitations equivalent to low sulfur coal plus a scrubber in the West and washed high sulfur coal or medium sulfur coal plus a scrubber elsewhere. Assumes States will choose to apply such a standard on all new major emitting facilities. (Ref: EPA Feb. 5, 1976)

[2] Excludes the investment in pollution control equipment shown.

[3] Period covered is 1975–85. The effect of the nondegradation amendments are the only ones indicated in the BACT column.

[4] BACT is expected to have a minor impact. Elimination of class III will have a potentially significant impact in locations that are hilly or that are projected to have large concentrations of industrial facilities.

[5] In addition to regulations for airborne emissions, includes effect of unleaded gasoline/lead phase-down regulations and costs for residual fuel oil desulfurization.

[6] Industry as a whole, of which the refining segment is a part, invests at rate of about $10,000,000,000 per year; 9-yr industry total is about $90,000,000,000.

Source: EPA Office of Planning and Evaluation, March 1976

TABLE C.—STATIONARY SOURCE COMPLIANCE

	Total plants	In compliance with SIP [1] (A)	On schedule (B)	No schedule or not meeting schedule (C)	Unknown compliance with SIP or on schedule, unknown status or SIP being finalized [2] (D)
1. Coal-fired powerplant	394	164	56	171	3
2. Iron and steel mills and coke plants	250	87	48	86	29
3. Nonferrous smelters	25	8	3	2	[3] 12
4. Petroleum refineries	295	184	22	26	63
5. Pump and paper mills (kraft and sulfite)	232	125	45	46	16
6. Municipal incinerators	165	32	25	57	51
7. Major coal-fired industrial boilers [4]	3,500	1,475	210	1,325	490
8. Federal facilities	456	161	27	96	172

[1] In compliance with SIP means that the entire facility is in compliance.

[2] Unknown compliance with SIP means that 1 or more emission points at a facility has not been investigated by the appropriate State or EPA within the past year.

[3] These smelters listed as not on a schedule do not yet have an established SIP requirement. Such requirements have been proposed and are in the process of being finalized.

[4] The number of coal-fired boilers is approximate since not all of these have been located and their compliance status determined. Boilers are not an independent industrial category as are the other sources listed in this table, but rather are located at facilities in a number of industrial categories. The compliance numbers in the table are based on the relative proportion of compliance and noncompliance of those boilers that have been identified.

Reference: EPA Office of Enforcement, Compliance Data System, January 1976.

ATTACHMENT D

TABLE D-1.—TOTAL ANNUAL AUTO EMISSIONS

[Million metric tons per year]

Scenario	1970	1972	1975	1980	1985
Carbon monoxide (CO):					
Freeze at present standard (15g/mi)	55	46	32	20	17.0
Public health based standard in 1977 (3.4g/mi)	55	46	32	13	4.5

TABLE D-2.—TOTAL ANNUAL AUTO EMISSIONS

[Million metric tons per year]

Scenario	1970	1972	1975	1980	1985
Nitrogen oxides (NO_x):					
Freeze at present standard (3.1g/mi)	3.8	4.2	3.8	3.5	3.6
Freeze at 1977 interim standard (2.0g/mi)	3.8	4.2	3.8	2.8	2.4
Similar to Senate bill (1.0g/mi)	3.8	4.2	3.8	2.3	1.4
Implement present Clean Air Act (0.4g/mi)	3.8	4.2	3.8	2.1	.9

Reference: Adapted from "Air Quality and Automobile Emission Control"; vol. 4 "The Costs and Benefits of Automobile Emission Control," pp. 82–83. A report by the National Academy of Sciences for the Senate Public Works Committee, committee print, 1974.

ATTACHMENT E

TABLE E.—AUTOMOBILE EMISSIONS, IN-USE AND STANDARDS

[Grams per mile corrected to 50,000 miles deterioration]

Model year	HC: Standard [1]	HC: Actual in-use [2]	CO: Standard [1]	CO: Actual in-use [2]	NO_x: Standard [1]	NO_x: Actual in-use [2]
Precontrol		8.7		87		3.5
1968	5.9	5.7	50.8	67		4.3
1969	5.9	4.8	50.8	62		5.1
1970	3.9	5.1	33.3	64		4.9
1971	3.9	4.6	33.3	57		5.2
1972	3.0	5.0	28.0	65		5.2
1973	3.0	4.6	28.0	60	[3] 3.1	3.9
1974	3.0	4.5	28.0	54	3.1	3.3
1975	1.5	3.0	15.0	35	3.1	2.8
1976	1.5		15.0		3.1	
1977	1.5		15.0		2.0	
1978	1.5		15.0		2.0	
1979	.4		3.4		[4] 2.0/1.0	
1980	.4		3.4		1.0	

[1] Actual standards are shown for 1968–77. Standards proposed in committee bill are shown for 1978–80.

[2] In-use data from EPA surveillance program, fiscal year 1971–74. Average values cited. Range of values (95 percent confidence interval) is roughly plus or minus 0.7 HC; plus or minus 8 CO; plus or minus 0.4 NO_x, although it varies from year to year.

[3] NO_x was not controlled until model year 1973.

[4] 2.0 grams per mile for 90 percent of production; 1.0 grams per mile for 10 percent.

FORD MOTOR CO. POSITION ON MMT GASOLINE ADDITIVE

Mr. MUSKIE. Methylcyclopentadienyl manganese tricarbonyl—MMT—has long been recognized as a very effective antiknock agent for gasoline. However, its use in the past has been limited because of low availability, high cost, and the indication of possible problems, such as spark plug fouling.

With the growing required use of unleaded fuel for practically all emission control systems on cars since 1975 models, the use of MMT has become more attractive. At the maximum dosage of 0.125 grams manganese per gallon recommended by Ethyl Corp., it could provide an octane gain on the order of two numbers—that is, 89 octane to 91 octane gasoline. According to Ethyl Corp., this gain would result in a 1 percent crude oil saving if MMT were used nationally at their recommended level. After several years of litigation, EPA is now mandating a phase-down of the lead content in gasoline used by pre-1975 cars and most trucks—of whatever vintage. The use of MMT in conjunction with the EPA regulation calling for lead phase-down

beginning in 1976 and going to 0.5 grams per gallon in 1979 is also expected to aid in the production of sufficient lead-free gasoline to meet demand during the next few years when a shortage is possible.

Current use is only about an average of 0.01 grams manganese per gallon because most of the major oil companies today are not using this additive; however, some refiners are using as much as 0.125 grams per gallon.

Based on the projected increased use of MMT by oil companies by 1979, EPA has established a requirement that 1979 certification fuel include 0.125 grams per gallon of maganese.

Because the use of MMT is increasing and because there are many different engines and emission control systems to evaluate, it is not possible to define accurately all of the adverse effects of MMT or to predict the degree to which these effects can be eliminated by other additives or by changes in the engine or emission controls. At this time, however, some very important conclusions can be made with respect to MMT use with the 1979–1980 emission control systems:

First, the addition of MMT at the 0.125 grams of manganese per gallon level will cause a significant increase in hydrocarbon—HC—emissions on many engine deposits of the manganese oxides. It can also foul spark plugs and can seriously increase HC emissions. In fact, as shown below, a Ford three-way catalyst test fleet had tailpipe HC increases that doubled the 0.41 HC standard in less than 20,000 miles.

(Note: Chart not reproducible in RECORD.)

At this time, we do not know of scavengers or other design changes that could be made to eliminate this problem. We have no reason to believe solutions could be discovered in time for the 1979 or 1980 model year.

The effects of HC emissions increases that have been observed to date would preclude Ford from certifying vehicles at the 0.41 grams per mile HC standard for 50,000 miles as recommended by EPA for 1979 models nationwide and currently in force in California for 1977 and 1978 models. This inability to certify stems from the very low probability that certification vehicles could be run for 50,000 miles without experiencing a prohibitively high deterioration in control effectiveness for hydrocarbons.

Ford believes that there have been sufficient data generated to date that warrant elimination of MMT from lead-free gasoline until offsetting additives or new technology has been developed. Ford's recommendations are, therefore, as follows:

If an HC standard 0.41 gpm is required for 1979 or 1980, there has been sufficient data generated that shows that MMT cannot be required in the certification fuel as specified by the existing EPA advisory circular on this subject. EPA should pursue the possibility of voluntary action by oil companies or by Ethyl Corp. to eliminate MMT to the degree necessary to permit its exclusion from certification fuel. Further, consideration should be given to revisions in the EPA lead phase-down program in order that elimination of MMT can be effected without a serious loss in gasoline production.

The EPA waiver to California for 1979 standards of 0.41 gpm HC must be denied or conditioned upon the elimination of the requirement to use MMT in 1979 certification fuel.

EPA should initiate proceedings under section 211 of the Clean Air Act to determine whether or not use of MMT should be prohibited or restricted.

If EPA determines that it does not have sufficient authority to take timely action, the fuel additive provisions similar to Senate bill 252 should be enacted by Congress.

I ask unanimous consent to have certain tables printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE OF EMISSIONS DATA (NO_2, CO AND OXIDANTS) THAT EXCEED AIR QUALITY STANDARDS; THEIR VALUE AND PERCENT OVER STANDARD

State and city	1-hr NO_2 value	Percent above WHO [1] level	8-hr CO value	Percent above standard	Oxidant value	Percent above standard
Alabama:						
Birmingham			11.9	32	1,034	546
Fairfield			14.0	56		
Alaska:						
Anchorage			20.7	130		
Fairbanks			31.9	254		
Valdez-Chitinal-Whittier	1,878	888				
Arizona:						
Glendale			9.5	6		
Mesa			15.7	74		
Phoenix	720	279	24.0	167	245	53
Scottsdale	282	42	14.5	61		
Tucson	1,861	879	17.5	94	1,940	1,113
California:						
Anaheim			20.7	130	588	268
Azusa			13.8	53	706	341
Bakersfield			17.8	98	353	121
Burbank			30.6	240	647	304
Burlingame			10.4	16	294	84
Camarillo					392	145
Chico			13.1	46	274	71
Chino			27.3	203	764	378
Chula Vista	884	356			176	10
Concord	414	118	9.5	6	294	84
Costa Mesa			25.2	180	529	231
Davis			11.6	29		
El Cajon	526	177	13.9	54	353	121
El Toro	714	276				
Escondido	602	217	11.0	22	196	23
Fairfield					225	59
Fontana	489	158			921	476
Fremont					412	158
Fresno					333	108
Fresno County					529	231
Hayward					412	158
Imperial Beach	226	19				
Indio					431	169
Lahabra			21.1	134	941	488
Lancaster			9.5	6	274	71
Lennox			32.8	264	274	71
Livermore					490	206
Long Beach			18.4	104	314	96
Los Angeles			24.0	167	490	206
Los Angeles County			45.4	404	549	243
Los Gatos					451	182
Lynwood			33.4	271	510	219
Merced			9.3	3		
Modesto			11.4	27	333	108
Monterey					235	47
Monterey County					216	35
Mountain View					274	71
Napa			9.9	10	314	96
New Hall			11.6	29	588	268
Norco			10.4	16	725	353
Oakland	489	157	11.9	32	255	5
Oceanside	526	177			627	292
Ojai					489	206
Palm Springs					490	206
Pasadena			24.2	169	647	304
Petaluma					274	71
Pittsburg					235	47
Pleasant Hill					314	96
Point Mugu	226	19			235	47
Pomona			13.2	47	627	292
Reading	320	68			294	84
Redlands			10.6	18	744	365
Redwood City			10.6	18	333	108
Richmond					216	35
Riverside	620	226	15.7	74	666	316
Rubidoux			12.9	43	764	378
Sacramento			10.5	17	353	121
Sacramento County					412	158
Salinas					235	47
San Bernardino			13.2	47	745	366
San Diego	696	266	14.5	61	333	108
San Francisco			12.5	38	255	59
San Jose	508		19.3	114	529	231
San Leandro					333	108
San Luis Obispo			9.3	3	274	71
San Rafael			9.6	7	196	23
Santa Barbara	357	88	15.7	74	431	169
Santa Cruiz County					216	35
Santa Maria					274	71
Santa Rosa					196	23
Simi Valley	301	58				
Stocktown			13.1	46	314	96
Sunnyvale			11.2	24	333	108
Upland	545	187	14.1	57	1,039	549
Vallejo			13.7	52	294	84
Visalia	282	048	16.9	88	353	121
Whittier			24.6	173	647	304
Yuba City			10.6	18	333	108
Colorado:						
Aruada			20.2	124	333	108
Boulder			13.5	50		
Colorado Springs	564	197	13.5	50		
Denver	752	296	33.2	269	362	126
Fort Collins			12.9	43		
Welby	252	33	19.1	112	489	206
Connecticut:						
Bridgeport			21.3	137	705	341
Greenwich			22.1	146	450	181
Groton			10.0	11		
Hartford			24.2	169	440	175
New Britian			27.8	209	489	206
New Haven			11.9	32	593	271
Norwalk			13.8	53		
Stamford			13.2	47		
Waterbury			14.4	60	391	144
Washington, D.C	1,880	889	15.4	71		

Footnotes at end of table.

State and city	1-hr NO_2 value	Percent above WHO [1] level	8-hr CO value	Percent above standard	Oxidant value	Percent above standard
Florida:						
Fort Lauderdale			11.4	27		
Jacksonville			13.8	53		
Lauderdale Lakes			12.4	38		
Miami						
St. Petersburg						
Tampa	244	28	10.4	16		
West Palm Beach	235	24				
Georgia: Atlanta	489	157	13.9	54	254	59
Idaho: Boise City			21.0	133		
Illinois:						
Chicago	1,560	721	75.5	739	268	78
East St. Louis	1,090	474	9.4	4	333	108
Joliet			18.4	104	799	399
Peoria	414	118	9.6	7		
Rock Island					196	23
Skokie			11.7	30	341	113
Springfield	293	54	11.0	22	1,221	663
Indiana:						
East Chicago			31.8	253		
Indianapolis			67.3	648	315	97
Iowa:						
Cedar Rapids			11.9	32	195	12
Davenport					204	28
Des Moines			18.9	110		
Dubuque			10.0	11		
Kansas:						
Kansas City			11.9	32	1,001	526
Lawrence			16.6	84		
Wichita			21.0	133		
Kentucky:						
Ashland			9.8	9	502	214
Lexington			13.2	47	231	44
Louisville	338	78	27.3	203	186	16
Newport	212	12	9.9	10		
Owensboro			18.4	104	214	34
Paducah			18.4	104	204	28
St. Matthews			13.4	49		
Shively			16.3	81		
Louisiana: Baton Rouge			10.6	18		
Maine: Bangor			18.9	110		
Maryland:						
Anne Arundel County			11.8	31		
Baltimore			17.8	98		
Bethesda			17.1	90		
Cheverly			15.1	68		
Cumberland			18.0	100		
Essex	282	48	15.9	77		
Gaithersburg			14.5	61		
Hagerstown			10.6	18		
Hyattsville			11.2	24		
Riviera Beach			9.1	1		
Silver Spring			14.3	59		
Suitland-Silver Hill			9.8	09		
Towson			9.6	07		
Massachusetts:						
Boston	2,482	1,206	19.7	119	313	96
Chambridge			16.5	83	250	56
Lowell			12.7	41		
Medford			18.5	106	391	144
Pittsfield			9.1	01		
Quincy			13.1	46	317	107
Springfield			19.4	116		
Waltham			19.3	114	205	28
Worchester			19.7	119		
Michigan:						
Allen Park			10.6	18		
Detroit	301	058	16.4	82		
Grand Rapids			11.9	32		
Port Huron			73.1	712		
Saginaw			144.4	1,504		
Southfield			11.7	30		
Minnesota:						
Dakota County	338	078				
Duluth			12.1	34		
Minneapolis			16.8	87		
Rochester			16.1	79		
St. Cloud			15.2	69		
St. Paul			15.0	67	195	22
Missouri:						
Afton			10.3	14	372	133
Bellefontaine Neighbors			11.6	29	471	182
Clayton			36.5	306	862	439
Kansas City	950	400	12.2	36	196	23
St. Ann			24.8	176	921	476
St. Charles	226	19				
St. Louis	752	296	18.3	103	372	133
Nebraska:						
Lincoln			30.2	236		
Omaha	282	48	18.2	103	166	4
Nevada:						
Douglas County						
Las Vegas	564	197			310	94
Reno						
New Hampshire:						
Berlin			19.0	111		
Manchester			12.1	34		
Nashua			12.4	38	223	39
New Jersey:						
Asbury Park			13.9	54	331	107
Atlantic City			18.1	101		
Burlington			19.8	120		
Camden			22.5	150	366	129
Elizabeth			29.9	232	190	19
Freehold			16.5	83		
Hackensack			15.4	71		
Jersey City			23.8	164		
Morristown			27.7	208		
Newark	432	127	18.2	102	235	47
Paterson			20.1	123		
Paulsboro			16.8	87		
Penns Grove			10.7	19		
Perth Amboy			16.9	88		
Phillipsburg			9.2	2		
Somerville			18.7	108	323	102
Toms River			18.4	104		
Trenton			13.1	46	399	149
New Mexico:						
Albuquerque			31.1	246		
Farmington	846	345	14.7	63		
Las Cruces			15.0	67		
Roswell			20.3	126		
Santa Fe			17.3	92		
New York:						
Babylon			10.8	20	393	145
Buffalo			11.8	31	290	81
Elmira	423	123			166	4
Hempstead			16.2	80		
Mamaroneck			15.0	67	313	96
New York City	508	167	44.3	392	358	124
Niagara Falls			11.8	31	282	76
Rochester			9.0	0	244	53
Schenectady			11.0	22	233	46
Utica			20.1	123	783	389
North Carolina:						
Charlotte			21.1	134	209	31
Gastonia			9.7	8		
North Dakota: Oliver County						
Ohio:						
Akron			18.1	101	237	48
Canton						
Cincinnati	376	98	13.9	54	196	23
Cleveland	197	4	24.7	174	435	172
Columbus			15.0	67	391	144
Dayton			23.1	157	314	96
Springfield			10.8	20		
Steubenville			13.9	54		
Toledo			14.0	56		
Oklahoma:						
Oklahoma City			11.0	22	304	90
Tulsa			16.5	83		
Oregon:						
Eugene			13.9	54	240	50
Portland			25.5	183		
Salem			13.0	44		
Pennsylvania:						
Allentown	293	54	9.8	9	360	125
Baden	241	27			301	88
Beaver Falls	226	19	9.1	1	325	103
Bellevue	838	341	14.1	57		
Bethlehem			19.6	118	319	99
Bristol borough	203	7	9.3	3		
Chambria County						
Charleroi	263	38			331	107
Chester (City)	944	397				
Erie	271	43	9.0	0	319	99
Harrisburg	229	21			333	108
Johnstown						
Lancaster City	504	165			409	156
New Castle	199	5			344	115
Norris	556	193				
Philadelphia	414	118	20.3	126	921	476
Pittsburgh			22.1	146		
Reading	252	33			501	213
Scranton					301	88
Wilkes-Barre	226	19	10.6	18	293	83
York	237	25			333	108
Rhode Island: Providence			19.3	114	166	4
South Carolina: Richland County			11.3	26		
Tennessee:						
Bradley County					1,450	806
Chattanoga	979	415	12.2	36		
Knoxville	244	28	15.8	76		
Memphis			18.7	108		
Nashville			19.6	118	323	102
Texas:						
Corpus Christi	432	127			303	89
Dallas	414	118			366	129
El Paso	414	118	9.9	10		
Forth Worth						
Harris County	226	19			323	102
Houston	282	48	14.2	58	401	151
Nederland	282	48			341	113
Odessa						
San Antonio	357	89				
Texas City					458	186
West Orange	696	266			382	139
Utah:						
Bountiful	376	98	19.0	111		
Magna	320	68			274	71
Ogden	226	19	21.3	137	216	35
Provo	244	28			196	23
Salt Lake City	1,410	642	18.3	103	170	6
Utah County			19.0	111		
Vermont: Burlington			16.2	80		
Virginia						
Alexandria			20.1	123	274	71
Arlington County					215	34
Fairfax	320	68			274	71

Footnote at end of table.

TABLE OF EMISSIONS DATA (NO_2, CO AND OXIDANTS) THAT EXCEED AIR QUALITY STANDARDS; THEIR VALUE AND PERCENT OVER STANDARD—Continued

State and city	1-hr NO_2 value	Percent above WHO [1] level	8-hr CO value	Percent above standard	Oxidant value	Percent above standard
Virginia—Continued						
Fairfax County	555	192	15.1	68	235	47
Hampton			12.3	37	354	121
McLean	265	39			294	84
Norfolk			10.9	21	293	83
Richmond	320	68	9.2	2	264	64
Seven Corners	427	125			289	81
Virginia Beach						
Washington:						
Seattle			23.1	157	196	23
Spokane			30.6	240		
Tacoma			17.9	99		
Vancouver			13.7	52	215	34
Wisconsin:						
Milwaukee			13.7	52	271	69
Waukesha			10.6	18	213	33

[1] World Health Organization.

Mr. MUSKIE. Mr. President, we will, of course, in the course of the debate get into these maters and I will have occasion to refer to those sections of this opening statement. In the absence of most of those who will offer amendments, a discussion of that kind at this point would seem to be a waste of the Senate's time and a waste of the committee's time. We will get into those in due course.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and considered as original text for the purpose of amendment.

The PRESIDING OFFICER (Mr. SPARKMAN). Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, at this point, I am happy to yield to my distinguished friend from Vermont, the ranking Republican member of the committee and a staunch supporter of the objectives of the committee bill.

Mr. STAFFORD. Mr. President, I yield myself such time as I may consume.

Mr. President, first, I ask unanimous consent that John Brooks and Carlton Andrus of the staff of the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) be granted privilege of the floor during the debate and votes on the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Will the Senator yield?

Mr. STAFFORD. I am glad to yield to the Senator from Michigan for a unanimous-consent request.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that Peter Holmes and James Hill of my staff be granted privilege of the floor during the debate and votes on this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, S. 252 is a good bill. It is a comprehensive bill and, of necessity, a complex one. The complexities, for the most part, are not new to the Senate. The Clean Air Amendments of 1977 are in large part the same as the amendments passed by the Senate last year after 7 days of debate.

Some of last year's battles will be fought again this year. Some new challenges to the committee bill will be made.

I want to say, as I did last year, that the bill before us is balanced. It emphasizes protection of public health while recognizing other elements of the Nation's well-being.

Economic growth is possible under the terms of the bill. Industry may locate and expand both in the clean air areas and in more polluted regions. But such growth will be balanced against its effect on human health and welfare.

Automobiles will be required to meet a tough but realistic schedule for emissions cleanup. But reductions in auto emisions will permit greater industrial growth while protecting public health.

Deadlines for meeting national health-related air standards are retained. But existing dates for attainment are extended to avoid economic or social hardships.

More specifically, the section of the bill dealing with new industry in areas currently clearer than national standards is almost identical to the nondeterioration provisions of last year's bill.

Descriptions of these provisions abound and various studies have been done to assess their effect. I will not burden the record with a recitation of projections, estimates or predictions.

I will simply state that the provisions in no way constitute a "no growth" policy. They provide strong protection for a very limited portion of federally-held lands and set more relaxed ceilings on increases in pollution in other clean air areas.

Amendments to the committee provision are advertised as modest changes. One such amendment would remove the short-term emissions limitation for sulfur dioxide and particulates. Another would permit violations for up to 5 percent of the year.

These amendments, while appearing inoffensive, would in fact erase the special protection proposed for national parks and wilderness areas. And they would permit an increase in pollution in other clean-air areas all the way up to standards just adequate to protect health.

Last year the committee focused on control of industrial polluters in clean-air areas. This year the time was spent on the issue of growth in areas not yet meeting national health standards.

The threat to human health in these areas is serious. Yet the potential harm to welfare from prohibiting all major industrial growth is also great.

The committee built on a program recently initiated by the Environmental Protection Agency to insure steady improvement in air quality while permitting the growth of industry using the best available pollution controls.

A new or expanded industrial facility will be allowed in "dirty air" areas if emissions from existing sources are reduced sufficiently to lead to attainment of the health standard by a new deadline set in the bill.

If a State does not wish to conduct such a case-by-case offset procedure for each proposed new facility, it may propose an alternative program for meeting the deadline. So long as the program provides a check to insure that new sources of pollution do not undermine the schedule for overall emissions reductions, the case-by-case approach may be waived.

I think it important to note that the committee does recognize the need to allow more time for some areas to meet national standards. The ultimate attainment date for carbon monoxide, nitrogen dioxide, sulfur dioxide and particulates is set for July 1, 1982. For the most severe cases a final deadline of July 1, 1987, is established for oxidants.

These extensions are 7 and 12 years, respectively, beyond original deadlines for most areas and should be attainable without economic disruption.

It should also be noted that these deadlines will not require adoption of "draconian" control measures. The bill provides that those areas with the most intractable oxidant problems commit themselves in 1979 plan revisions only to reasonable measures to meet the 1987 deadlines. A second round of planning must be completed by 1982, providing plenty of time for legislative relief, should the 1987 date prove unattainable for a handful of areas.

With regard to industrial growth, Senator MUSKIE and I pointed out in a letter to our colleagues that progress in cleaning up auto emission means more room for new or expanded industry. The longer final auto standards are delayed, the longer restraints on industry and economic development must be maintained in order to protect public health.

Senator MUSKIE has, on several occasions, explained that the auto-related provisions in S. 252 are tough but realistic. I am convinced that the price of these tough controls which appears as a slightly higher initial car price is justified. It is time to bring to fruition tech-

nological developments which the auto companies have at hand but which might not be expeditiously employed without a legislative directive.

Although requiring early attainment of ultimate standards is important, the need to improve emission controls over the life of the car is at least of equal urgency. Automakers must be encouraged to build each car so as to minimize deterioration of the control system. Owners must be encouraged to keep the control system in good working order.

An inspection and maintenance program coupled with a requirement that the auto manufacturer provide for correction of failures in the control system is an effective way to improve long-term performance.

The committee bill requires that inspection and maintenance programs be established in those areas which will not meet the health standard for oxidants by 1982. It is likely that other areas will also require I and M programs as reasonable measures to meet standards.

If an inspection program identifies a polluting vehicle which has been properly maintained and which is within the 50,000-mile, 5-year warranty period, the manufacturer must correct the problem.

The owner may seek proper maintenance from the garage or service station of his choice or may perform such work himself. The only requirement is that parts used must be certified. Certification is not by the auto maker but under a program prescribed by EPA, thus eliminating any anticompetitive advantage of dealers or car manufacturers.

Amendments to the performance warranty provisions have been proposed. These amendments do not propose alternative measures to promote effective operation of emission controls over the vehicle's life. Unless such provisions are included, the amendments will severely reduce benefits from the auto control program and require stricter controls on stationary sources and industrial growth.

Mr. President, there is a provision in this bill which was not part of the 1976 Clean Air Amendments. The distinguished chairman of the Environment and Public Works Committee, Senator RANDOLPH, conceived of the so-called interstate pollution abatement provision. I gave my wholehearted support to this proposal and want to make special mention of it now.

We have all heard complaints that the Clean Air Act penalizes some States for pollution originating elsewhere but affecting ambient air in the recipient States. The provision proposed by Senator RANDOLPH gives authority to a State to seek relief from pollution from stationary sources in another State. It thus goes a long way to alleviate an inequitable situation.

I would like finally to call attention to a provision which I believe reflects the concern of the committee about the health effects of dirty air.

On my motion the committee adopted an amendment which reuires EPA to develop a program to warn people entering metropolitan areas when air pollution exceeds health standards. I believe this provision is useful in notifying susceptible people of conditions which will harm them. I also think these messages will keep the public aware of the continuing need to improve the Nation's air quality.

Mr. President, the clean air amendments make many adjustments in the landmark legislation passed in 1970 Senator MUSKIE and Senator HART have labored hard and effectively to keep before the committee and the Senate the main purpose of the act; to clean up the Nation's air, thereby protecting public health.

Other members of the committee have lent their support and analytical abilities to shaping this bill. The distinguished chairman of the full committee, Senator RANDOLPH, and the Senator from New Mexico, Senator DOMENICI, have been especially effective in identifying and resolving new issues.

New committee members have conscientiously sought to understand the bill, which has been 2 years in the making, and have made important contributions in its final formulation.

I urge my colleagues to pass S. 252 as reported. It is a balanced bill. The bill has been developed as a whole, with the various parts designed to work together. Changes in one section will affect the overall balance, possibly putting onerous burdens on programs least able to bear them.

I hope amendments of every kind will be resisted in the interest of preserving the carefully crafted whole.

I conclude by saying that it has been a privilege to work with the distinguished chairman of the subcommittee, the Senator from Maine (Mr. MUSKIE), on this important matter.

Mr. MUSKIE. I thank the Senator.

Mr. President, at this point, I yield to the Senator from Michigan for the purpose of making a unanimous-consent request.

Mr. RIEGLE. Mr. President, I ask unanimous consent that during the course of this debate, the following members of my staff, at one time or another, be accorded floor privileges: Carl Blake, Susan Poor, Theresa Brady, Mike Romo, Hilary Gardner, and Eric Forman.

The PRESIDING OFFICER (Mr. WILLIAMS). Without objection, it is so ordered.

Mr. GARN. Mr. President, will the Senator yield?

Mr. MUSKIE. Does the Senator wish to make a unanimous-consent request?

Mr. GARN. No; I have an opening statement.

Mr. MUSKIE. I say to the Senator that the distinguished chairman of the Committee on Environment and Public Works has been waiting to deliver his opening statement. I think that then the floor will be available.

UP AMENDMENT NO. 374

Mr. MUSKIE. Mr. President, I send a technical amendment to the desk. It is simply to add a fiscal year date to the authorization as required by the Budget Act.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. MUSKIE) proposes a technical unprinted amendment numbered 374:

On page 124, line 20, insert the following: Strike the period at the end of the line and insert the following: "Beginning in fiscal year 1978."

Mr. MUSKIE. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Without objection the amendment is agreed to.

Mr. MUSKIE. Mr. President, I yield to the distinguished chairman of the Commmittee on Environment and Public Works. Before doing so, I express my appreciation to him for the patience and the determination with which he has held the committee together and prodded us into taking the time, often early in the morning, to complete work in this committee so that the Senate might take up the matter.

It has not been an easy role that the chairman has had to play, during much of the 14 years I have been chairman of the Environmental Pollution Subcommittee, but I have always appreciated his effort, his support, and his effectiveness in proceeding with the work of the Committee on Environment and Public Works, and I wanted to express that appreciation.

At this point, I yield to him such time as he may wish to take for his opening statement.

Mr. RANDOLPH. Mr. President, I am appreciative of the privilege of working with my colleagues on what is now the Environment and Public Works Committee.

Mr. MUSKIE. I cannot remember the name.

Mr. RANDOLPH. We were responsible for a large percentage of environmental subject matter during previous years. There was no opposition; in fact, we were very eager to have that word added to the name of the committee.

Through the years, Senator MUSKIE, as he has indicated, and I have worked together, as I have worked with all members of the committee.

It has been my desire never to allow partisanship to surface in the committee, and I think there has been a minimum of that.

We have tried always, even though we have varying viewpoints—we have a certain expertise in some matters that other members do not share. We discuss those and then, perhaps, we come to some alterations of a bill that seemed to be ready for reporting to the committee. In other words, in the process of the subcommittee under the able chairmanship of Senator MUSKIE, and the mem-

bers of that subcommittee, the work of the committee members as a whole, we have attempted to be constructive and to be knowledgeable. We have attempted to have, insofar as possible, a reasoned and realistic approach. We think of the economy of the country, the problems particularly now of increasing energy supplies through some modifications, and also our desire in the colloquy with witnesses to not shut them off, but to permit them to discuss the matters which are of concern as they brought their particular interest and concern to the subcommittee and to the committee.

Ordinarily I would not make this sort of introductory statement, but I think it does the Senate well for some of us at times to speak of this body as not one in which there are those cleavages, those cutting-up processes, in reference to legislative matters.

We are trying, and we think we are succeeding generally, in tackling those problems within the jurisdiction of our committee.

I thank the able Senator from Vermont (Mr. STAFFORD), the ranking minority member of the committee, for his comment in reference to a matter that I brought to the deliberations of the committee. The amendment which has been addressed by him affects his State and, of course, many States in the country.

Under that amendment which I offered in committee, each State's implementation plan would include a provision barring any stationary source within that State from emitting any pollutant which would degrade the air of a neighboring State or interfere with its efforts to improve air quality. In case of a violation, the Administrator of the Environmental Protection Agency could step in to correct the situation if the host State failed to do so within 60 days after the filing of a complaint.

That amendment directly covers a situation now existing in which emissions of sulfur oxides from Ohio plants blow across the Ohio River into West Virginia, creating pollution which our State cannot at this point control. West Virginia's only option at present is overly stringent control of its own sources.

My provision would apply in any case of interstate air contamination. This includes pollutants for which there are no Federal standards, such as odors or fluorides, which may be causing a problem in an adjoining State.

By the way, we have long known the song "Beautiful Ohio." There was a time when it was not so beautiful, but I can say to you that in the last few years—Senator MUSKIE, Senator STAFFORD, and others who are on the floor of the Senate, the Senator from Minnesota, who is from a State of beautiful waters—that the Ohio River today is truly a beautiful river. It is a river on whose bosom is carried chemicals, coal, steel, and agricultural products. Because of what we have done through water pollution programs, the cleaning of the rivers, the Ohio River today is a relatively clean river. I do not mean in some so-called isolated area, but the Ohio River as a whole.

Take, for example, at Weirton, W. Va. At Weirton, W. Va., south of Pittsburgh, in our northern panhandle, that river is flowing. In that area 14,000 persons in one plant, the Weirton Steel Co. division of National Steel Corp., are employed in the making of steel and associated products. You would think that, perhaps, this is an area where we might have excessive pollution of the water, but it is not so. There we are catching game fish, not, perhaps, the trout of the Rangeley Lakes in Maine, but we are catching game fish. We are catching bass, small and big mouth bass, and many other types of fish that are not only game fish, but are edible fish as well.

I turned aside there and I interject this because sometimes I think we are inclined to believe that clean air is one subject, clean water or clear water is another subject, that the problems of cleaning the gobs of garbage are still another. I shall place in the RECORD today some of the programs that are being carried forward in the stabilization of our solid waste program. The resource recovery legislation worked its way through the committee on which the Members now on the floor, in part, have been working for many years. I would just indicate that when I mention the cleaning of the water in the Ohio River, that in the act passed last year, resource recovery, one of the provisions is to eliminate open dumping within this country in 5 years. I am glad to have had a leadership in that effort, to know that as I studied that issue I felt it was one of the ways in which not only dollars could be given, but also technical advice could be given in three or four categories. I trust frankly, the President of the United States and his energy advisers will realize that in the solid waste area there is a tremendous opportunity for the improvising of programs within solid waste recovery which can help even to solve some of the energy problems that face us.

Now, there is another feature of S. 252 which, I think, warrants special attention. Mr. President, it relates to coal conversion.

This is a subject with which I have had a concern for a long period of time. It is natural that I should have it, because West Virginia is a coal-producing State, at one time or another producing more coal than any other State. Now, perhaps, we are in second productivity next to Kentucky, because of the large amounts of surface mining that are conducted in that State, frankly beyond any other State, certainly West Virginia.

The bill includes two specific provisions on this subject—one extending the abatement compliance date for sources which convert to coal, the other transferring to the States some of the responsibilities in this area now exercised by the Administrator of the Environmental Protection Agency.

As a Senator from one of the country's largest coal-producing States, I am keenly aware of the vital importance of this fuel to an economy which is looking desperately for a long-term domestic source of energy. I likewise recognize that coal must be used in a way that will be environmentally acceptable. The provisions of our bill reflect that requirement.

Two key sections of the bill proved most time-consuming for the committee in its deliberations—those relating to protection of clean air areas and to the allowable degree of development in areas not yet attaining the health-protective primary standards.

Both address themselves directly to the question of the relative values of economy and environment and how a balance can be arrived at between the two which serves the interests of both while doing violence to neither.

That is never simple. It was not so in this instance. I am convinced, however, that the provisions on which we finally agreed meet that test.

In nondeterioration, we started with the premise last year that the cost, in terms of human as well as financial resources, to clean dirty areas was much higher than that of protecting clean areas from contamination in the first place.

Then we had to decide precisely how to define "significant" deterioration. The 1970 act had forbidden degradation of clean air, and courts had interpreted that to require prevention of any "significant" deterioration of air quality.

We sought the opinions of governmental and industrial authorities and spokesmen for a variety of organizations before coming to a decision on how the matter should be addressed. Essentially, we concluded that pollution sources would be carefully controlled in or near the clean air areas, with States having the substantial enforcement role.

Certain federally owned lands where there is a special need for unpolluted air would enjoy special protection.

There seems to be some public misconception of what that provision would or would not do. Clarification is appropriate.

It would not, as some have claimed, have the effect of virtually halting further industrial development in the country. On the contrary, it allows for continued development in the clean air areas under guidelines which would protect integrity of air quality. That opportunity would be quite general in the class II areas established under the bill. The use of best available control technology would be required but that is the ultimate goal for any antipollution measure. Moreover, the nondeterioration section also specifies that consideration be given to the energy, environmental, and economic consequences of proposed control and technology requirements.

Finally, the nondeterioration section applies only to major new emission sources. It does not relate to sources already in existence.

An even more perplexing dilemma was posed for the committee by the question of how to regulate activities producing new emissions in areas where minimum air quality standards had not been achieved and are unlikely of attainment in the near future. Many urban areas or other regions in which industrial growth

is planned are limited by their inability to tolerate new emissions.

That issue occupied more of our time in this year's deliberations than any other part of the bill and represented the most significant departure from the provisions of S. 3219.

The provision on which we finally agreed would require that new sources proposed for construction in dirty air areas meet the lowest achievable emission rate, and that emission reductions from existing sources more than offset emissions which the new source created.

Sources could be approved after July 1, 1979, only if an approved or revised implementation plan is in existence at the time and the new source is in compliance with that plan. The owner of a proposed facility must have any existing facilities which he owns in the region already in compliance with emission limitations or in compliance with an approved schedule.

States with areas not in compliance with ambient standards will be required to have revised implementation plans in the hands of the Administrator no later than January 1, 1979. Those revised plans would likewise have to assure that emissions from existing sources and proposed new sources be less than existing emissions in the area so that national air quality standards could be achieved there in the following 3 years.

If a primary standard for an auto-related pollutant cannot be achieved in a region by 1982 using all reasonably available control measures, that region may have until 1987. It must, however, adopt a vehicle inspection and maintenance program and identify the more stringent measures necessary to attain the standard by 1987.

The bill contains a provision for cutting off highway funds for those regions not carrying out their implementation plans. I oppose that as being unwise and counterproductive from the clean air standpoint. I hope that an amendment correcting this problem will be accepted.

Several provisions affecting the auto industry and the motoring public are included in S. 252 and are central to the economy versus environment dispute.

Mr. President, the primary question of auto emission standards has been a source of controversy throughout the history of clean air legislation.

The act of 1970 set the model year of 1975 as the target date for making cars essentially nonpollution. The deadlines were subsequently extended by the Congress and by the Environmental Protection Agency in separate actions to make the 1978 model the deadline for achieving the original statutory emission standards.

Under S. 252 the deadline for hydrocarbon and carbon monoxide standards is pushed back to 1979, with 1980 the date for reducing nitrogen oxide emissions to 1 gram per mile. The previous 0.4 gram per mile NO_x standard becomes a research objective, rather than a statutory standard.

That proposal goes beyond what environmentalists wanted and not as far as the industry had hoped. I would prefer additional time before the statutory hydrocarbon and carbon monoxide standards are imposed. A majority of committee believes, however, that it is an attainable goal which will contribute significantly to the reduction of air pollution, particularly in city areas where car concentration is such a large factor in the air quality problem.

Other related provisions in the bill include an extension of the prohibition against tampering with emission control devices, and a ban on any fuel additives such as MMT which limit the effectiveness or operation of such devices.

The bill also includes provisions to protect the "aftermarket" interests of independent auto parts dealers and service establishments.

It directs the Administrator to establish regulations for certification of independently manufactured auto engine parts as equivalent to original equipment.

It further bars auto manufacturers from conditioning emission performance warranties of a car on the use of any particular component or service specified by brand or corporation name unless it can be shown that this is the only one that will assure proper functioning.

The manufacturer is also prohibited from including such condition in any written maintenance instruction furnished with the vehicle. In addition, the cost of any part principally used for emission control and scheduled for replacement during the useful life of the vehicle shall be borne by the manufacturer if its cost is greater than 2 percent of the vehicle's retail cost.

Beyond that the Federal Trade Commission is required to study the potential impact on competition of any warranty required under the act.

One of the features of this bill which I strongly favor is a provision for creating a National Commission for Air Quality to be composed of 16 congressional and public members. It will be charged with reviewing the adequacy of clean air programs over the next 3 years and must report its conclusions to the Congress at the end of that time. I am convinced that we will have to periodically review and modify the program to keep it apace with changing times and requirements.

I think the Commission can be a great help to the Congress in charting the future course of the program and I look forward to its contributions.

Mr. President, a decade has passed since the Congress declared war on air pollution.

The initial plan of attack, once that decision was made, was mapped in the Clean Air Act of 1967. While limited in scope, it recognized for the first time the unacceptable consequences of continuing to ignore the increasing deterioration of the atmosphere around us.

That legislation established a national policy and a commitment to reversing that trend.

It was an acknowledgement that ways must be found and perfected which would permit a complex and highly industrialized society to continue to prosper without seriously endangering the health and welfare of its people, causing them to live in a polluted environment.

Pursuit of that objective was broadened 3 years later with adoption of the 1970 Clean Air Act, more comprehensive in approach and more specific in its application.

It remains our goal now, as we assess the progress already achieved and consider what else needs to be done.

The Clean Air Act has already produced significant gains in some areas. A report last year from the Council on Environmental Quality indicates that air pollution reduction led the list of environmental improvements during 1975.

There have also undeniably been defeats, setbacks, and disappointments, and improvements have not come as rapidly as hoped in many instances. In some areas, there is even evidence that conditions have become worse instead of better, despite control efforts.

That underscores the urgent necessity for adoption of other measures to cope more effectively with those particular problems.

That this should be so is not surprising. No one looking at the situation with any degree of realism expected from the beginning that the solutions would be either simple or quick, or that it would not take some experimentation with a variety of remedies to find the ones most likely to work.

That has certainly proved to be the case with experience over the past several years with existing clean air legislation. As with any other programs, it needs to be periodically reviewed and its requirements refined to meet changing attitudes, circumstances, and technological advancements.

Environment and Public Works Committee members followed that rationale in developing S. 252, the third major revision of the Clean Air Act. It is in that context I discuss this legislation.

It is a comprehensive and far-reaching bill, addressing all aspects of air pollution control and taking into account changes in industrial technology and needs, the current economic situation, and present and potential energy requirements. It treats air pollution control as an interrelated problem with a number of facets, instead of trying to cope with it on a fragmented or piecemeal basis. I am convinced that this is the fair approach and the one most likely to produce effective results.

I stress that S. 252 is the product of long, painstaking, and thorough study and examination.

With a few exceptions and only one really significant addition, it is basically the same legislation which we considered last year as S. 3219. Preparation had been underway on it in that form since the spring of 1975 and it had been the subject of extensive hearings by the Environmental Pollution Subcommittee under the direction of its able chairman, Mr. Muskie.

I supported its adoption at that time and I very much regret that circumstances then prevailing prevented its enactment into law before adjournment of the 94th Congress.

The resulting delay in implementation of its key provisions has, if nothing else, contributed to the continuing uncertain-

ty of business, industry, and other organizations and interests as to how to anticipate future requirements and how to plan to meet them.

We cannot mitigate that past effect, but I think it does increase the urgency for timely action on this bill. Those to be affected must not wait longer to postpone their preparations for compliance with its terms.

I recognize that many of the bill's provisions will call for full discussion and I am also aware that a number of amendments will be offered. That is as it should be on such important legislation, and I would not have it otherwise. I do hope, however, that our debate will be completed as quickly as is consistent with careful examination of the issues, for the sake of those needing to know how to prepare for it.

As for the legislation itself, its goals are defined.

Simply stated, its key provisions seek:

To protect and preserve those areas in which air quality has not been degraded.

To insure against further pollution of areas where air quality has not yet been brought to national standards by controlling development in a way calculated to upgrade or at least maintain quality levels.

To further regulate identifiable pollution sources, both mobile and stationary to achieve the greatest practicable reduction of harmful emissions.

In outlining those goals, our committee was mindful of the need for realism and for substantially reducing pollution without making unreasonable demands that are beyond the capacity or scientific capability of industry.

I believe, Mr. President, that S. 252 meets that test.

There is another general feature of the legislation which merits special mention—the important role it accords the States in the corrective process. Obviously, air pollution is a national problem requiring a national approach, but neither the problem nor the solutions are the same in various parts of the country. Geography, population density, degree of industrial concentration, land characteristics, and many other factors contribute to the variation that causes or mitigates pollution. For those reasons, S. 252 gives States primary responsibility for air pollution control on the theory that they are best suited to assess local conditions and needs and to most effectively enforce the controls necessary to achieve acceptable emission levels.

In carrying out that responsibility, States and local governments are assigned increased authority to develop and carry out implementation plans and flexibility in choosing the best approach within the broad framework of the national plan.

Finally, Mr. President, let me share my own conception of S. 252 as a whole.

It is not a legislative magic wand which can be waved a few times to make air pollution miraculously disappear.

It is, in my considered opinion, a firm, fair, and realistic bill which can—enforced properly and evenhandedly—accomplish a great deal of cleanup in coming years of the air contamination that is choking our cities and endangering the health and lives of our people in too many instances.

I think it is a measure to which we can point with pride and defend with confidence. I urge that it be adopted, in substantially the form reported.

I do want to move along, as do others here, and give opportunity surely for other Senators to speak. Senator GARN wishes to speak. I think I have used enough time. How much time remains?

The PRESIDING OFFICER. The Senator has spoken for 16 minutes.

Mr. RANDOLPH. I think that that perhaps would suffice in connection with my comments at this time.

I thank my colleagues again. I ask for their attention. I only wish that in this instance, as in all instances, it could be possible for more Members to be in the Chamber when we discuss these problems that has certainly a priority for the well-being not only of our citizens personally, but also of the country from the standpoint of its productivity and for the quality of life which we are thinking of as constantly bettering as we bring such a measure as this to the Senate itself.

Mr. STAFFORD. Mr. President, I am very happy at this point to yield such time as he may consume to the distinguished Senator from Utah (Mr. Garn).

Mr. GARN. I thank the Senator.

First, I ask unanimous consent that Gordon Jones of my staff, be given floor privileges during all debate and rollcall votes on S. 252.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I thank the distinguished ranking member and the chairman of the subcommittee for this time.

First, I wish to assure the chairman and others that I have no intention of trying to gut this bill, despite what rumors may be floating around from last year. I wish to back up and discuss last year a little bit so that my position is made clear.

I have been branded by many since the filibuster last year as being for dirty air. I am not. Many of the people who are so concerned have never been to my State—I wish they had—to see the beauties, particularly of southern Utah, where I was born, of the area in question.

I have no desire to deteriorate the air quality there. I have no desire to see vast amounts of people moving to my State. I am quite satisfied that we have fewer people in our entire 84,000 square miles than the Washington, D.C., metropolitan area does. And I hope that does not change. I do not want all the people. I do not want all the pollution that exists here.

But in looking at the bill last year, former Senator Moss of Utah and I felt very strongly that the economic aspects of nondeterioration had not been given careful consideration, that people were really not aware of the problems. As we asked questions of a lot of people, either proponents or opponents of nondeterioration, we could not get any substantive answers as to impacts.

It was my opinion that most people were voting on our amendment on the basis of a clean air versus dirty air on an emotional basis rather than on the basis of substantive facts. There was very little attention given to nondeterioration in the hearings held last year on nondeterioration. I quoted all those statistics in the debate last year and will not do so again.

But I proposed an amendment that made no attempt to change the nondeterioration section last year and made no attempt to halt or slow the passage of the Clean Air Act Amendments of 1976.

I merely asked that we delay the implementation of the nondeterioration section for 1 year during which time we would have a very careful study of the economic impact, not only on my State but on other States in this country, so that when we came to the decisionmaking process we could base our decisions in this body on facts rather than on emotion, without charges of being for clean air or for dirty air, or of being a polluter. These are all phrases that are often used.

That amendment was defeated. Interestingly enough, the year has passed. If my amendment had been approved last year we would have had that kind of study. There was no delay. It turned out there was no delay involved whatsoever in passing the amendment.

We simply would have had facts to deal with this year rather than the same lack of information on the exact economic impact of nondeterioration.

I did not desire to take the time of the Senate last year to filibuster. It was a distasteful thing for me to do, to take that time and be responsible for killing this bill last year, or delaying it. The whole purpose for filibustering it, killing it at the end of the session, was not because I wanted to, but simply because I wanted time in which we could more intelligently discuss this particular issue.

I am sorry that, as the chairman mentioned, the sections that are most controversial have not been changed very much. They are pretty much the same, although I do think overall, with the exception of this one section, we have a better bill.

Mr. RANDOLPH. That is right.

Mr. GARN. And from that standpoint, maybe my filibuster was worthwhile to the American people, because I think the overall bill was more carefully considered. There were more hearings, more input, more listening to the various segments of our society. So maybe it was worthwhile in that way, in that we have a somewhat better bill.

Mr. RANDOLPH. Mr. President, will my friend yield?

Mr. GARN. I am happy to yield to the Senator from West Virginia.

Mr. RANDOLPH. It is my feeling, knowing the Senator from Utah who now speaks, and from talking with him many times personally about these matters, that his interest is not to kill a bill. He wants to have an input into that bill himself, with other Senators, and have it reflect another body of opinion.

I think this is an important function of the legislative process, and I commend him for speaking today, giving us the opportunity to discuss the matter or

matters, and then for Senators to make the decision based upon the presentation which my friend and others will make during this debate.

Mr. GARN. I thank the distinguished Senator from West Virginia. One of the difficulties last year, aside from my feelings that the Senate did not have sufficient information on which to base a decision, was that when the conference report came back we did not have sufficient time to consider the conference report. It was not printed. I think there were only three or four copies, with a lot of longhand additions to the typewritten report, and I did not think the Senate ought to be making decisions on that basis.

I will say that this year my requests for adequate time have been granted. As the chairman stated, the report has been available since May 12, and I want him to know that I appreciate that. With the delay of the consideration of this bill until after the Memorial Day recess, so it would give us time, this year, to adequately consider all of the positions and provisions in the bill, we were able to communicate with people in our State, legislators, Governors, and others, and have time to come up with substantive amendments, which I think will considerably improve the bill. I thank the chairman for that.

As a result of that, I want everyone to know that I have no intention of attempting to delay this bill in any way, and no intention of prolonging the debate. That is why I agreed to time limitations on the bill and on amendments, so that we could consider it in an expeditious way.

I do intend, later on, to ask for amendments to be considered by the Senate that I think are substantive and would greatly help balance this bill.

The chairman made some statements that there were those who wanted to do away with the goals of the bill, to gut it, so to speak, to change it. I have no desire to do that.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. GARN. I am happy to yield to the distinguished Senator from Maine.

Mr. MUSKIE. Since the Senator has made that comment, in saying what I did I was not attributing specific motives to any Senator, including the Senator from Utah.

Mr. GARN. No, I did not take it that way.

Mr. MUSKIE. The point I want to emphasize, and I will be emphasizing it over and over again in the course of the debate, I am sure, is that one can be for the goals, sincerely and honestly, but if the result of amendments would so weaken the regulatory schemes and so weaken the pressures for achieving the goals, the result is the same as though the objective were to destroy the goals.

To use an example unrelated to the Senator's own concerns, the automobile industry has never really challenged the health and safety aspects of the ambient air quality standards which the auto regulatory scheme is designed to achieve. It never challenged them.

But the effect of the effort made by the industry and its supporters is to so weaken the control scheme that the goals will not be achieved within the foreseeable future. So while I cannot really say that they challenged the goals, I do say as vigorously as I can that nevertheless what they are doing to the bill will undercut our goals.

That is the only point I make. I am not commenting at this point on the Senator's amendments. I have not yet seen what I think his amendments will be, so I am not passing judgment on those. But I assure the Senator that we will deal with them, not in terms of any question I have at all about the Senator's motives or the Senator's commitment to the cleanliness of his own State's air. If I challenge them, and I probably will, if they are what I think they will be, it will be wholly on the basis of their effect on the regulatory scheme, and we will have, I hope, a civilized discussion about them.

Mr. GARN. I thank the Senator. I did not attribute some of those remarks to the Senator from Maine. There are some other environmental groups who think I want to walk around in a permanent smog. I do not. I prefer the clean air of Utah, as I have stated.

I suppose what the Senator has said is correct except there is a difference in judgment on how much effect changes have on the regulatory scheme. My principal objection to the nondeterioration provisions, as I have said before, is that they go beyond the health and welfare of the people. No one in this body has ever heard me say I want to change the primary and secondary standards. I have not said it, and I do not. I think they are necessary.

But when we go beyond that, and see Members of Congress and others admit that this policy goes beyond their desire for clean air, that it is a backdoor approach to land use planning, which Congress has not seen fit to act on, and when they do start controlling a State such as Utah—did the Senator wish to make a comment?

Mr. MUSKIE. Yes, just to surface another issue involved on which the Senator and I are definitely not in agreement.

The Senator has taken a position, and I take it he still holds that position, that the primary and secondary standards are adequate protection for certain areas of this country.

Mr. GARN. No, that they are sufficient for the health and welfare of the people, from strictly a health standpoint.

Mr. MUSKIE. Well, be that as it may, my judgment is that they are not. They are not sufficient protection for the urban areas now protected by them.

Mr. GARN. Well, we might change the primary and secondary standards.

Mr. MUSKIE. Let me say to the Senator that there is no threshold health effect.

There is no threshold health effect which can be used to say that above this threshold there is danger to health and below it there is not.

The testimony before the committee is replete over 14 years to that effect. The national primary and secondary standards are not an absolute protection for health. If one wants to have absolute protection, he would have to get down to zero emissions, but that is not possible in the dirty air areas.

What I am saying, and there are other aspects of this problem we will get into later—is that the national primary and secondary standards are not adequate protection for any part of the country if what we are looking for is absolute protection.

With respect to the clean air areas they are not absolute protection against the mistakes which have led to the clean air problems of urban areas today. That is another point of view at which to look. We will get into that.

I wanted to make eminently clear that I am not against growth. The Senator talks about some of the rhetoric that flies around on both sides of this issue. My position on nondegradation is often interpreted by people on the Senator's side of the nondegradation issue as being antigrowth. We have to be careful about the rhetoric. It gets loose on both sides.

If Senators really want to protect health and welfare and clean air areas, there are values which have been long ago destroyed in the urban areas of this country which can never be restored in those areas, and will not be restored if primary and secondary standards are finally achieved. I do not think the clean air areas want to have those values destroyed in their clean air areas. We will get into those in the course of debate.

Mr. GARN. We are getting beyond my opening statement.

Mr. MUSKIE. That is unavoidable, too.

Mr. GARN. The Senator has made some comments which I feel it is necessary to answer. First of all, the National Academy of Sciences has said that these standards are adequate to protect health. If they really are not, then I would suggest that we change the primary and secondary standards so that most experts and scientists would agree that they do protect the health. So that my position is not misunderstood, let me briefly discuss what my primary amendment will be. It will not make a request that we do away with the nondeterioration section.

What my amendment is going to say is that the incremental 3- and 24-hour maximums are unreasonable. We will discuss this at much greater length. If there is a dust storm or if there is a forest fire in a particular area, the standards will be exceeded from a short period of time, 1, 2, 3 or 4 days, until it disperses. But over the course of a year there will not be any significant deterioration.

My State is quite different from most of the other States. I would submit that if a majority of the States were impacted as my State is, the Senators would be asking for much more relief than I am. They would be asking for the nondeterioration section to be removed completely.

My State is two-thirds owned by the Federal Government. It is the only State outside of California that has five national parks, and very large ones, hundreds of thousands of acres, which are in the primary coal-producing areas of our State.

Interestingly enough, it is low sulfur coal, which clean air bills sometimes seem to discriminate against, clean coal. Some would make people put in control

systems to burn dirty coal, and make them put in the scrubbers and the latest technological developments to burn the clean coal, which will burn cleaner in most cases without any control strategy than the dirty coal in some other parts of this country.

Again, the point of it is that I am not going to ask that we delete the whole nondeterioration concept. I am going to ask that we allow an elected Governor of a State to waive the 3- and 24-hour limitations only. The standards would stay the same unless a State with peculiar problem wants a change. A Governor in my State could say, "As long as there is no significant deterioration over a year we will not look at a 1-day period, a 2-day period, or a 3-day period."

That is what I am going to ask for. I am not going to ask for what a lot of people think I am going to ask for, that we are going to significantly deteriorate the air. I do not want that. I just think this bill takes a position that does not achieve the balance that the distinguished Sentaor from West Virginia talked about.

I would agree with what he said, that we need to achieve some balance. The economy has to give some; the environment has to give some. I think that can be done with a few amendments which will not hamper the long-time goals of cleaning up the Nation's air.

I wanted to make my position very clear on this particular issue.

To go back a little bit further, most of the Senators who were here in 1970, and I was not one of them, indicate to me there was great doubt whether the Senate, the House, or the Congress intended in 1970, by the phrases in the preamble "to enhance and protect," to enact a national policy of nondegradation.

As a matter of fact, the EPA initially said that was not the intent of Congress. But a court decided, as they often interfere with the legislative process, that nondeterioration was a good policy for this country. It was upheld all the way to the Supreme Court. The courts have legislated. Now we are going to go back and put it into law and confirm what the court said we might have done in 1970.

Again, I am not arguing the point. Maybe nondeterioration should be in there. I am sure there are some areas of the country where it should be. Are we not going to allow some flexibility? Are we not going to allow the elected Governors of States to be able to have some decisionmaking power? Are we just going to impose? Are we not going to recognize that there are vast differences in the geographical areas of this country?

Besides being two-thirds owned by the Federal Government and having five national parks, one of the reasons we have difficulty living with this nondeterioration is because of temporary atmospheric conditions which do not occur in some parts of the country, temperature inversions. We have very high terrain. In Salt Lake City, the elevation is 4,000 feet at the airport, 4,222 feet, to be exact. Within 6 miles east of the airport we have peaks rising to 11,000 feet. So the air does not disperse as it might in other areas. High terrain does cause problems, so we have some peculiar difficulties which I think need to be addressed at the local level.

This gets back very much to the situation I faced as mayor of Salt Lake City. EPA came in with some standards that we should achieve as far as local air pollution and transportation control strategies. I did not object and I still do not object to the goals they wanted to achieve at that time.

They came in and dictated to us how to achieve them. I do not know what difference it should make to the Federal Government how we achieve goals, what strategies we use, as long as we achieve the goals they have set. We are achieving those goals in Salt Lake City with quite different methods than EPA was recommending, methods which would have hamstrung the economic viability of Salt Lake City: Gas rationing, elimination of parking 6 hours a day in a 2-mile square area, and all sorts of things.

We can handle it in different ways. The downtown beautification program to widen sidewalks cut 6,000 cars a day off the streets.

That is really the essence of my amendment. Most of the amendments I will offer are not to change the standards or gut the nondeterioration section, but to give local government, particularly State government, the opportunity to be flexible, to clean up the air in their own States, recognizing local problems and difficulties that they can better address than a uniform national law.

If we discuss my primary amendment at great length over a couple of hours, that will be the major point that I shall make over and over again—that we simply give Governors more flexibility, without changing at all the desired goal of cleaning up the air. I do not know how many times I have to state that I am not in favor of dirtying up the air of Utah.

I do not intend to take any more time of the Senate at this time. I wanted to make my position clear on what I did last year and why, what my objectives were, and that my hope is to achieve some balance, to allow some reasonable growth and development and, at the same time, to enhance the quality of air.

I think we tend to go from one extreme to the other in this country. We go from an extreme where we had no concern whatsoever for the environment—for the air or the water or the land. Then we tend to let the pendulum swing all the way through, and we go to the other extreme, where we are going to protect the environment to the point that we forget that people need to work, that they need to educate their children and provide jobs for them.

Interestingly enough, Mr. Robert Georgine, president of the AFL-CIO Building and Construction Trades Department, said:

> The small, vocal and extreme environmental groups [are] the chief culprits in the current fuel emergency and energy crisis.

Many of the goals that the President of the United States wants to achieve in his energy message are certainly worthwhile: the use of coal in the short run, doubling the production in the next few years—but interestingly enough, they are in direct conflict with this bill. I do not think it takes too many changes to remove that conflict, so the President's purposes can be achieved without severely hampering some of these States.

I thank the chairman and the ranking minority member for the time. I shall reserve any further comments until we get to the amendments.

Mr. ANDERSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. ANDERSON. Equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Minnesota yield me 3 minutes?

Mr. ANDERSON. Certainly.

Mr. ROBERT C. BYRD. Mr. President, as we begin consideration of S. 252, the Clean Air Act Amendments of 1977, it may be worthwhile to place in the proper perspective our recent and contemplated activities in the environmental areas. Before we recessed on May 27, 1977, for our nonlegislative work period, we passed the Surface Mining Act, which will go far to assure that we will maximize coal production in a manner that is compatible with our environmental concerns.

Although that was certainly a controversial measure, it is my view that this body handled the bill with extreme skill, patience, and dedication, which resulted in well-balanced legislation.

It may not have been everything that every Senator wished for, including myself, but it did reflect the give and take of the legislative process. It will now be worked out further in conference with the House of Representatives and the final product, one can estimate, will come somewhere between the two measures that passed both Houses. Hopefully, we will exercise the same dedicated concern for the clean air bill.

It is also a controversial bill, but one to which the Environment and Public Works Committee has devoted much in the way of careful time and attention, not only this year, but over the past 3 years, at least.

The efforts of that committee, which is so ably chaired by my senior colleague (Mr. RANDOLPH) have resulted in a good bill, one which, if passed in its present form, would do credit to this body.

Admittedly, there will be those of us who will not agree with all aspects of the bill and there will be Senators who will want to see the measure stronger or weaker in certain areas. We shall have an opportunity to discuss and carefully consider those viewpoints. However, we

should keep in mind that, last year, we got stalled in our efforts to enact this legislation because of the serious controversy surrounding the conference report and finally ended up with nothing at all.

Both the surface mining legislation and the Clean Air Act amendments are cornerstones for the establishment of the parameters for environmental protection upon which we shall later build the energy package. I believe that, as we enter into debate on this matter, we should keep that objective in mind and work toward that end.

Mr. President, I yield back my time.

I suggest the absence of a quorum. I ask that the time be equally divided between the two sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I ask unanimous consent that Judy Heffner of my staff be granted privilege of the floor today and any succeeding days that we are debating the Clean Air Act, both for debate and votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Ann Wrav of my staff be granted privilege of the floor during debate and voting.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, I ask the same for Mike Naeve of the committee staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that Steve Perles be granted privilege of the floor during the debate and voting.

Mr. ROBERT C. BYRD. Mr. President, what requests are being made?

Mr. RIEGLE. I wish to make a unanimous-consent request.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I ask unanimous consent that a member of my staff, Cathy Zeman, be granted privilege of the floor during the course of the debate.

Mr. ROBERT C. BYRD. Mr. President, I do have some responsibility and I cannot hear the request. The Senator will not misunderstand, but I would like to know what the requests are.

Mr. RIEGLE. That a member of my staff, Cathy Zeman, be granted privilege of the floor during the course of the debate.

Mr. ROBERT C. BYRD. I beg the Senator's indulgence in my insistence on listening in.

Mr. RIEGLE. I apologize for not saying it in a louder voice, I will do so in the future.

Mr. ROBERT C. BYRD. The Senator is always most cooperative.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I ask unanimous consent that Bill Reinsch and Susan McGraw, of my staff, be accorded the privilege of the floor during the consideration of S. 252.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I suggest the absence of a quorum, under the same conditions as before.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. CRANSTON. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

Mr. ROBERT C. BYRD. And that the time be charged equally against both sides.

The motion was agreed to, and at 12:19 p.m. the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 2:01 p.m. when called to order by the Presiding Officer (Mr. MORGAN).

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I ask unanimous consent that Mr. Kelton Abbot, of my staff, be granted the privileges of the floor during the consideration of the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 269, AS MODIFIED

Mr. CANNON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nevada (Mr. CANNON), for himself and Mr. LAXALT, proposes an amendment numbered 269, as modified.

On page 10, after line 9, insert the following: *"Provided*, That existing nonferrous smelters in operation on or before January 1, 1910 which have no continuous sulfur emission controls may be authorized on a case-by-case basis to employ enforceable intermittent emission reduction strategies for not more than two periods not to exceed five years each where the Administrator finds pursuant to section 314(e) that each such extension is essential to avoid cessation of smelter operations.".

The PRESIDING OFFICER. The Chair will inquire of the Senator if this is an amendment with a 4-hour time limitation.

Mr. CANNON. Yes, this is an amendment with a 4-hour time limitation. May I say I do not anticipate we will take more than 30 minutes on the amendment. Perhaps less.

Mr. President, this amendment is brought about by a very unique type of situation that arises in the eastern part of my State in two cities known as Ely and McGill, Nev.

For years and years, Kennecott Copper has been in operation right out of Ely, Nev. It is a one-industry town. The whole town has been dependent upon the mining industry, a big open-pit copper mine. The smelter is over at McGill, approximately 10 miles from Ely, which is a company-owned town, again a one-industry town, supported entirely by the Kennecott Copper smelter.

This smelter has been in existence since prior to 1910, as will be noted from the amendment. As a cutoff date, on the amendment, the smelter must have been in existence prior to that time. There is some dispute, perhaps, as to precisely when the smelter started, but at least it was operating in 1908 that we know of.

Over that period of time, these two communities' lifeblood has been dependent upon the copper industry. Over the years, occasions would bring about, for example, a cessation of work because of a strike, and the whole economy of the area was very disastrously affected. The only thing they could look forward to was a small amount of ranching opportunities that centered through the town of Ely, as the county seat, and, of course, during the summertime a small amount of tourist activity.

They happen to be on Highway 50, but that is not one of the big interstate, divided highways. Highway 50 does not even run all the way through because there is a break over in Utah for the direct Highway 50 route.

As a result of the Clean Air Act amendments, it was determined by the EPA that the smelter at McGill was going to have to be closed. As a matter of fact, it was closed. Again, the whole economy of those two towns was dependent upon the smelter.

The company went to court and obtained a restraining order. The Federal Court judge was impressed so much by the fact that the communities were entirely dependent upon the operation of this big mining operation and the smelter for their life existence that he issued a temporary restraining order against EPA and the company went back into operation again. They cannot operate under the conditions that are imposed upon them by EPA to add an acid plant to the smelter operation, which will cost something in excess of $40 million to install. They are operating on very marginal status with low-grade copper ores.

We all know the price of copper has not been high over the last few years. If it is relatively low-grade copper, of course, it becomes a question of whether the economics will support this type of an operation.

The proposal was made by the State, I may add, that they ought to be able to use other types of controls. For example, if there was a particular inversion condition or a wind condition that was going to be a heavy pollutant, they could shut down the operation temporarily to meet the clean air standards. This amendment will require the meeting of State standards. It just does not require them to install a $40 million constant control emission plant to clean up this particular operation. It will permit them

to use other types of improvement methods, referred to as intermittent controls.

They have a big smokestack they have constructed which will help, of course, from the standpoint of pollution.

The importance is, Mr. President, that the adoption of this amendment will permit those two towns to remain in existence for a period of up to 10 years. We provide here the possibility of two 5-year extensions. We provide that the Administrator can investigate to determine the actual conditions. If he finds that it is essential, economically in order to keep the plant operating, he could grant two 5-year extensions on the use of intermittent controls.

Let me say a little something about the conditions in that surrounding area.

These two towns are right out in the middle part of the eastern part of Nevada, a long way from any heavily populated area. The closest town of any size, which is not as big as Ely, is some 80-odd miles to the west. The closest town of any appreciable size is over 200 miles away. In Nevada we like to think that we have plenty of good, clean air, and we want to keep it that way, too. But a little pollution coming from a smokestack to be dispersed over an area of, let us say, 200 miles in all directions before it gets to any appreciable population is, I submit, Mr. President, not going to affect the health or the atmosphere of that particular area.

Many of the people who are working and living in those communities were born there since the smelter started its operation many years ago. As a matter of fact, I would say that probably 50 percent of the population was born after the smelter began operation back in the early 1900's.

Mr. President, the purpose again of this amendment is to make clear that intermittent control systems are an approval control strategy in appropriate circumstances where the requirement of continuous control systems will force closing of nonferrous smelters. The EPA policy has been to require at these smelters the construction of an acid plant, as a minimum, usually plus supplemental control systems, with marginal plants being forced to close down if they cannot afford construction of these very costly additions.

Mr. President, I cannot believe, and I do not believe, the Congress intended that our commitment to clean up the air included a roughshod approach to existing facilities. Surely every industry must be required to take every feasible step available to it to reduce its contribution to air quality degradation. But those steps need not be so drastic as to force closures and job elimination and economic disruption of entire areas. There is room for flexibility, for taking a moderate step where the giant step is not possible.

This amendment will permit continued operation of existing nonferrous smelters employing intermittent emission reduction strategies for up to 10 years if the more costly control equipment will force their closure. It is not a license to pollute. The emission control strategies involved will be sufficient to meet State implementation plans. In fact, a 40-percent reduction in pollution emissions will be required at the McGill smelter in Nevada. Nor does the amendment eliminate the requirement of continuous control equipment at a later date, if such action becomes feasible. The amendment will reinforce the efforts of Congress to insure State participation in the Clean Air Act by permitting the State to determine the "mix" of emission limitation requirements it feels is appropriate, rather than an inflexible EPA.

Mr. President, I believe the Senate has already spoken on this subject clarifying its intent last year. In a colloquy with the distinguished floor manager (Mr. MUSKIE) this point was discussed in some detail. I ask unanimous consent that the colloquy be printed in the RECORD at this point.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

May I ask the distinguished floor manager some questions intended to clarify my understanding of the committee amendment?

Mr. CANNON. The committee bill provides that existing nonferrous smelters may use "enforceable supplemental emission reduction strategies" in addition to any available continuous emission limitations. My first question relates to the procedure by which the decision to permit use of supplemental controls will come about. How would the smelter with which I am concerned obtain permission to use such controls?

Mr. MUSKIE. I would assume that the smelter in question would petition the State for a revision of the implementation plan applicable to it and, if the State approved, a revised emission limitation would be submitted to EPA for approval.

Mr. CANNON. What if the smelter owners decided that any baseline reduction requirement was not feasible?

Mr. MUSKIE. Under current case law which this bill would not change, the challenge to feasibility would occur at the time the emission limit was imposed—in this instance whenever a case could be made on feasibility during consideration of a new control strategy including use of supplemental controls. It is important to note that this is a very specific exception to provide relief for the kind of facilities with which the Senator is concerned. It is narrow in that it is not available to other kinds of industrial activities and it assumes that the smelter can prove that any combination of supplemental controls and other controls will be enforceable and achieve and maintain air quality protective of health on a constant basis.

Mr. CANNON. What does the word "enforceable" mean in this context?

Mr. MUSKIE. The committee address that question in the report on page 17, as follows:

"The use of the term 'enforceable' restricts the use of supplementary systems to those cases where both the Administrator and the State are satisfied as to the reliability and enforceability of a particular system and where the State (or the Administrator) has the resources to oversee such strategies without sole reliance on the source operator's good faith."

Mr. CANNON. Then I can conclude from what Senator MUSKIE has said that if a smelter can clearly demonstrate that any continuous controls would cause severe economic hardship—in this case plant closure—and can meet the requirements of the act as regards enforceable supplemental controls—that would be an approvable control strategy under the act?

Mr. MUSKIE. Yes.

Mr. CANNON. I thank the Senator for clarifying this point. I believe it will give us an opportunity to not have this area become a second Appalachia, and based on that assurance on the RECORD, Mr. President, I will withdraw my amendment.

Mr. CANNON. Mr. President, I want to just review for the Senate a portion of the record we made last year which I hope will guide our efforts today. It was agreed in the colloquy, and I quote, that—

If a smelter can clearly demonstrate that any continuous controls would cause severe economic hardship—in this case, plant closure—and can meet the requirements of the act regarding enforceable supplemental controls—that would be an approvable control strategy under the Act.

The clear intent of that understanding is that if the requirement of continuous controls will force closure, a backup of alternative controls will be permissible. I hope the Senate will ratify that position, which is embodied in the present amendment. I offer the amendment despite what I feel was a clear intent because I fear that unless clearly codified, the long and costly litigation which has been necessary on this point will continue and that EPA will continue to insist on its narrow interpretation of the law.

Mr. President, I have discussed this matter with the distinguished Senator from Maine. I have impressed him with our problems. I recall last year I had a diagram up—I am sorry I do not have it with me today—which showed the location of Ely with respect to population centers, to show everyone the fact that we are not deteriorating the atmosphere that is going to affect any substantial number of people at all.

I appreciate that the distinguished Senator from Maine has indicated that with these safeguards we have in the proposed legislation he will be willing to accept it.

Mr. LAXALT. Mr. President, the measure now under consideration does not include any exemption from the requirements for stationary sources to use costly and sometimes unavailable continuous control technology in order to meet ambient air standards. This does not recognize the unique situation in which the smelting industry finds itself, and in particular, Kennecott Copper Corp.'s smelter located in McGill, Nev. The smelting industry, generally, faces both domestic and foreign competition that makes the use of certain sulfur dioxide scrubbing systems economically unfeasible. This matter was recognized and addressed by the House both last session and this and was recognized in EPA's new source performance standards as reported in the Federal Register on January 15, 1976.

EPA reported further in the Federal Register of February 18, 1976, that the courts had interpreted section 110(a)(2)(b) of the act as requiring "the use of constant emission limitations * * * as their primary means for achieving ambient air quality standards." Measures other than constant emission limitations are appropriate to achieve ambient air standards only "where con-

stant emission limitations were employed to the maximum extent achievable or where constant emission limiting techniques were available in a technological sense but under circumstances where the installation of such technology by a given source would be economically unreasonable."

The language of S. 252 raises the question of whether intermittent techniques could be used at all. If the use of constant control technology for complying with the ambient air quality standards is mandated, this would cause closure of the plant at McGill, Nev. What would be the effects of this closure?

The immediate estimated unemployment rate of White Pine County would probably go to 35 percent and after a period of time, the estimated unemployment rate would probably be 50 percent or higher. Businesses dependent on Kennecott Copper as well as other businesses indirectly dependent on Kennecott would also be affected. County and city workers would be laid off because of the loss of tax revenues. Unemployed workers would not be able to sell property and homes they own. After a period of time, these workers will be forced to leave the area to look for work elsewhere. Thus, houses and apartments will become empty. Businesses will start closing. This type of situation would certainly be the beginning of another Nevada ghost town.

Mr. President, S. 252 would treat all smelters as a class and does not recognize the significant economic circumstance in which each plant finds itself. Eleven of the fourteen western smelters use intermittent curtailment techniques as supplements to the use of certain positive controls, such as acid plants. If this bill will prevent the use of this method of complying with the ambient air quality standards they would be compelled to rely on the scrubbing techniques that even EPA has determined are not feasible. The only other alternative, of course, would be a complete shutdown such as that that threatens the Kennecott Copper smelter located in McGill, Nev.

The Cannon-Laxalt amendment would allow the Administrator of EPA to determine that should constant controls not be economically feasible for a particular smelter, it would be permitted for not more than two periods not to exceed 5 years each to use intermittent control systems. This seems reasonable to me, Mr. President, and consistent with the goal of maintaining air quality.

Mr. President, the Cannon-Laxalt amendment would permit the Kennecott Copper smelter at McGill, Nev., to continue the use of intermittent control systems providing that in doing so it meets primary air quality standards. This smelter, owing to its small capacity and marginal productivity, cannot support continuous control emission limitation systems. But let me emphasize again that through the use of intermittent control systems the smelter could meet primary air quality standards. Additionally, the Cannon-Laxalt amendment is drafted in such a way as to have no impact on fifth, sixth, and ninth circuit court decisions on the subject of emission limitations. Nor would it affect the requirement that Kennecott ultimately install continuous control systems.

What the Cannon-Laxalt amendment would do is buy time for White Pine County, Nev. Time which could see the development of less expensive continuous control technology or alternatively allow for appropriate measures to reduce the county's reliance on the smelter should its closure prove necessary.

Because of my great concern for the economic survival of White Pine County in eastern Nevada, I ask the Senate to adopt the Cannon-Laxalt amendment.

Mr. MUSKIE. May I say to my good friend from Nevada (Mr. CANNON) that we have indeed discussed this matter this year and last year. With the changes in the amendment which were agreed to and which are incorporated in the amendment which were agreed to and which are incorporated in the amendment at the desk, I am willing to accept the amendment.

I would like to emphasize how limited the exception is so that there will be no temptation on the part of others to build on this exception for a broad kind of policy change.

In the first place, as the Senator has pointed out, this applies to nonferrous smelters in operation before January 1, 1910, which, by itself, limits the class of smelters to be affected.

Second, the exception is limited to two periods not to exceed 5 years each, as the Senator has pointed out.

Third, there is a condition that the Administrator finds that the extension is essential to avoid cessation of smelter operations. That is spelled out in the amendment to section 314(e) in the committee bill. That is the method for establishing that finding.

Finally, this particular smelter is located in a very sparsely populated rural area in which there are no other pollution sources existing, so that the intermittent and controlled strategy which would be permitted by this amendment would work, or at least would have a maximum opportunity for working. In a more complex urban area, where there might be other sources of pollution, the intermittent control strategy would not work and would be unenforceable. But it would be enforceable and could work in the circumstances which the distinguished Senator from Nevada has described.

With that understanding, which is very clear, as between the Senator from Nevada and myself, I am willing to accept the amendment.

I express my appreciation to the Senator for understanding the limitations that the committee wishes to impose upon any possible expansion of this exception to a broader kind of policy change.

Mr. CANNON. I thank my colleague. I express to him the appreciation of all of the people of these communities, as well as the people of our State. This has the support of the Governor's office. It has the support of all of the people who are knowledgeable in this area in our own State, because of the peculiar circumstances.

As I said, we do not want to expand on anything. This is not an expansion. It will permit these people to continue to make a livelihood as they have been. That smelter was in operation before either the Senator or I was born. That gives some idea of the situation.

Mr. MUSKIE. Slightly before.

I say to the Senator that my understanding of the circumstances was enhanced by the fact, I think, that under the guidance of the Senator from Nevada, I have had the opportunity to visit the area which is involved and to see the little towns and understand how isolated they are, economically and in terms of this problem. It always helps, I think, to have a picture in one's mind of what is involved.

I am happy to yield to my good friend from Vermont.

Mr. STAFFORD. Mr. President, in view of the very unusual circumstances and the understanding of the Senator from Maine (Mr. MUSKIE), the minority are prepared to accept the amendment, also.

Mr. DECONCINI. Mr. President, the State of Arizona has only one copper smelter that does not meet the provisions of S. 252, section 110(a)(2)(B). All of the other smelters in the State utilize continuous control technology to insure constant control and emission reduction by the use of acid plants. However, the copper smelter in Douglas, Ariz., was built in 1902 and the installation of an acid plant would require major modifications.

The smelter has been utilized over the years by its owner, Phelps Dodge Corp. to process the ore from the Phelps Dodge mines at nearby Bisbee, Ariz. However, since those mines at Bisbee were closed in 1975, the smelter has not been critical to the operations of the Phelps Dodge Corp.

The smelter does function as a custom smelter for Arizona mines which have no smelter facility of their own. Its major customer is Pima Mining Co., located near Tucson, Ariz. The corporation notes that the cost of installing positive control equipment cannot be economically justified as the estimated cost of an acid plant is approximately $96 million. If the smelter was forced to close, Pima Mining Co. might be forced to cease operation also.

It must be pointed out that the Douglas smelter will be able to meet clean air standards. In the State of Arizona air quality control plan, the Douglas smelter is allowed to meet the standards for SO_2 by the use of intermittent control systems—ICS—and by permanently reducing the amount of sulfur fed to the plant by an amount equal to what an acid plant could capture. This has been a key factor in my decision. The end result of this approach, limiting sulfur dioxide emissions, is essentially the same as the approach set by S. 252.

This amendment simply allows existing nonferrous smelters constructed before 1910 to employ enforceable intermittent emission reduction strategies for two periods, not to exceed 5 years each, to avoid cessation of smelter operations.

My overriding concern in this matter is not so much the welfare of the mining industry in Arizona, although it is important, as it is the welfare of the residents of Douglas, Ariz., and the impact this legislation will have on all of southern Arizona.

The population of Douglas, Ariz., is approximately 13,000.

The Phelps Dodge Douglas smelter employs 640 persons. Including these, there are 2,200 individuals—17 percent of the town directly dependent upon the Douglas smelter for their livelihood.

The average age of the smelter workers is 43. More than one-half the workforce is 50 years old or older and these workers do not have job mobility.

The annual gross payroll of the Douglas smelter is over $8 million. The Phelps Dodge Douglas Reduction Works—the official name of the smelter complex—represents over 15 percent of the total assessed value in the Douglas school district.

There is one hospital in Douglas. Ten percent of the hospital's monthly cash flow is derived from its contract with Phelps Dodge.

The Douglas smelter smelts concentrates on a toll basis from the Pima Mine south of Tucson. In testimony at EPA hearings in Douglas December 8, 1975, the vice president and general manager of Cyprus Pima Mining Co. stated that if the Douglas smelter is forced to close it could mean that there would be no excess smelting capacity available to handle the Pima concentrates. This could require Pima to close the mine, eliminating employment of over 1,000 persons.

It is my fear that the economic impact on the city of Douglas and the surrounding area will be disastrous if this operation is forced to close and I urge my colleagues to include this amendment with the Clean Air Act Amendments of 1977.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MUSKIE. I yield back my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment, as modified, was agreed to.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BUMPERS. I do not have any time, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum and ask that the time be equally divided on the bill.

Mr. CANNON. Will the Senator withhold?

Mr. BUMPERS. I withhold for a moment.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CULVER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. I suggest the absence of a quorum, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that Marsha Johnson and Mike Hathaway of my staff be granted privilege of the floor during all stages of the proceedings on this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Will the Senator yield?

Mr. McCLURE. Certainly.

Mr. BUMPERS. Mr. President, I ask unanimous consent that George Jacobson and Richard Arnold of my staff be granted privilege of the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that Kirk Rector, Henry Welch, Charles Moser, and Craig Roberts of my staff be granted privilege of the floor during all aspects of the handling of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Mr. ALLEN). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I am happy at this time to yield to my distinguished colleague from Utah (Mr. HATCH) such time as he may consume.

Mr. HATCH. I thank the Senator.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, the Clean Air Act Amendments of 1977 which we are considering today are a very important piece of legislation, and one which has profound implications for the future of our Nation, both in the environmental sense and in the area of our economic development. And our economic development depends in great measure upon the availablity of energy for such development, as we all are aware. Since the environment is so all-encompassing a concept, we must take good care not to legislate hastily or unwisely on this topic. Rather we must proceed judiciously and with care, and also giving those who disagree with us—even rather strongly—the benefit of the doubt. For I am sure that the strongest proponents of the Clean Air Act amendments as reported to the floor have the best interests of this Nation at heart as they see them. And I hope that those who differ with us on this legislation will give us that same benefit of the doubt.

I might add in this connection that it is scarcely helpful when Members of Congress and especially members of the press label all those who wish to modify this bill in certain directions as friends of "dirty air." This is, I think, a totally unfair characterization of my position and that of many other Members of this body, who simply disagree genuinely with some of the assumptions of the bill's proponents, and who wish to raise some questions which need answers. We ought not to be maligned as a consequence of this, just as we ought to place the best possible construction upon the actions of those who disagree with us, and who vote against us.

Mr. President, in the legislation before us today we must deal with one element—a very important one, but still only one—of the environment, or the natural setting in which the Creator has placed us on this Earth. I recognize as fully as anyone the importance of pure air for everyone alive, and I certainly do not favor pollution of the air. On the other hand, it is a species of extremism to emphasize purity of the air to the exclusion of all the other elements of the environment, which are just as important to us: Water, and the Earth itself and especially its contents. We could not survive without any one of these elements, and reasonable men will seek to reach a reasonable balance in their utilization. And it is toward that reasonable balance, struck by reasonable representatives of the people as a whole, to which I am devoting these remarks today.

First of all, it seems to me, we should examine the information available to us on which the Congress based its original enactment of this legislation, especially in the light of experience since then, and in the light of new knowledge which has become available to us. All too often, I am afraid, the Congress acts hastily on the basis of information which is one-sided or misinterpreted, and then legislates programs which have a profound impact on the life of the entire Nation. Let me cite just one small example of this, though it is not wholly relevant to the topic at hand. On June 6, the New York Times reported that the "new information" on the basis of which the House Select Committee on Assassinations was brought into being 8 months ago and authorized to spend considerable amounts of money, was without any real foundation. Now this particular instance is rather minor in its effect, and the select committee will probably cease its operations eventually without having done much but spend a considerable amount of money.

When we legislate on the environment, however, the results of our actions touch the lives of every American, some very directly, and we must be as certain as we can that we legislate on the basis of accurate and balanced information. This is no area in which to be stampeded into taking unwise actions by uninformed public pressure.

First of all, Mr. President, let us ask what we are to understand by "clean air." We cannot mean air made up solely of nitrogen and oxygen, since as long

as human beings breathe they will exhale impurities into the air, and the natural sources of pollution, such as dust, are quite immense on occasion. So by "clean air" we cannot mean air absolutely without impurities, and nobody in this chamber has that in mind when he speaks of "clean air." The air, then, will contain impurities—it will even be "dirty," if you like—and we are arguing over what concentration of manmade impurities it should be permitted to contain. The standards set by the Environmental Protection Agency take into account "public health," or the amount of impurities which may damage the state of individuals' health. And here we discover that sometimes the EPA has set standards on the basis of very incomplete and dubious data, dubiously interpreted. For example, in the hearings held on the Clean Air Act amendments we find an interesting analysis by environmental engineer W. R. Chalker on the bases for the EPA's oxidant standard, which in 1971 was set at 0.08 parts per million 1-hour concentration not to be exceeded more than once per year. But the studies which EPA based the standard on were all done in California, and all measured total oxidants, including ozone and many other oxidants. Yet it is generally agreed that the completely natural presence of ozone in the air runs from 0.04 to 0.06 parts per million, which means that in any area which is at all inhabited it is virtually impossible to attain a standard of 0.08 parts per million and that under the very best of conditions. Then we have to ask whether it is at all necessary to reach such a standard anyway, when even an EPA official has admitted that welders who work at a concentration of 0.2 to 0.3 parts per million—or three to almost four times the standard—have suffered no particular ill effects from their immediate environment. Moreover, the scientists who did the three studies on which the standard was based were highly tentative in their conclusions. One set of investigators, indeed, said that—

> Our results should not be interpreted as representing an effect of air pollution in general, since a predominantly oxidizing type of pollution is not present in most cities.

Mr. Chalker cites many other examples to truly ambiguous scientific evidence, and concludes:

> During this period of gaining greater understanding of our environment, it appears realistic to require best available control technology for new sources but not to prevent their location in nonattainment areas.

Still, of course, the EPA has set its standard for oxidants, on the basis of rather abstract considerations. It also monitors compliance in a rather abstract way, with computer modeling, rather than actual measurement on the spot. And what is the result of the oxidation standard of which we have been speaking? Of the 247 air quality control regions into which the Nation is divided, as of data gathered in 1974, 88 percent of those regions would not meet the standard for oxidants. And this would seem to indicate that the standards for these particular pollutants are simply unrealistic, and cannot be met.

Mr. President, I suggest that, in addition to this specific example, the action of the House of Representatives recently in stretching out the auto emissions standards for auto manufacturers points to the conclusion that the original legislation simply had little relation to the real world. We may pass all the legislation we wish, but we simply make ourselves laughing stocks—and the law a laughing stock, I might add—if we pass laws which do not take sufficiently into account the laws of physical nature, or the natural laws of human nature. If we do so, we simply needlessly distort the healthy development of our environment, of our economy, and of our society.

So the message from all this is that we should be much more certain than we can yet be of what clean air standards need to be established in order to protect the public health. I imagine most of you recall some of the demonstrations of past years in which young people wore gas masks to imply that the air of our Nation was simply lethal. I rejected that notion then, and I do now. That does not mean, again, that I favor "dirty air." To the contrary, with the increased awareness of environmental problems in our society, we are moving steadily—if still a little to slowly for some—toward a more balanced appreciation of the importance of the air in our overall economy. Industrialists of the past, no doubt, attributed no importance to the purity of the air. We understand now that they were wrong, but that does not mean we must go to the opposite extreme and act as though the utter purity of the air were the only factor which we should take into account. For, as I have said earlier, we are not arguing over whether the air should be pure or impure: We are debating how impure it may reasonably be permitted to become in a balanced system, and how pure it must be in order to assure the protection of public health. And the fact is that, at the lower end of the scale we simply do not yet know enough about the pollution which might be truly dangerous to health.

The extremist, as I have noted, is a person who concentrates his attention exclusively on one factor in a whole bundle of factors, and is unwilling to go along with a reasonable compromise between the elements in a situation. I have said that three elements we must take into consideration are air, water, and earth. The elements to be balanced here are the purity of the air and water in particular, and the original state of the vegetation for the Earth, primarily for recreational purposes. But air, water, and earth are also necessary for economic development. Man does not live by air alone, although he cannot live without it either.

Mr. President, I have the suspicion, unfortunately, that some of the most ardent backers of environmental legislation, in addition to their commendable concern for the environment, also share a hostility toward economic growth and development. They wish to see the environment preserved in its pristine state even at the total expense of economic development. Although I do not wish to single him out particularly for invidious comment, during the House debate of May 25 on the Breaux amendment to the Clean Air Act amendments, Mr. WAXMAN of California said the following:

> The reason we want to protect those areas (with air purity above the national standards) is not because we want to have them clean for cleanliness sake, it is because we want to control the growth of those areas. If we allow the area open for whomever comes in first, there are not going to be any areas left for those who want to come in and utilize the national resource of clean air.

It may be that in that debate Representative WAXMAN let the cat out of the bag. He says, in effect, that we are not so much interested in the purity of the air in itself as in controlling the growth of those areas in which the air quality is far above the national standard.

Mr. President, I submit that this is the purpose of the prohibition against much economic development in class I and class II areas; in fact it is even conceivable that, with the upgrading of air purity throughout the Nation, the Clean Air Act could be transformed into an instrument of national land use planning. In fact, it has almost become that now to a large extent. I am horrified at how much it has become an instrument for land use planning and an instrument for many other things I think are deleterious. But it is land use planning which takes only the air into account, instead of the entire ecosystem of any particular location.

Mr. President, I happen to come from a State which is in a peculiar situation in all this controversy. First, a large percentage of the area of Utah is already under Federal control of one sort or another; second, air purity throughout much of the State is very high; and third, our Earth contains a number of mineral resources which simply cry out for development if the region and the Nation are to progress economically. It is, therefore, my contention that if there is a conflict between the demands of clean air and those of economic development, the claims of pure air should not be considered automatically superior. Instead, a balance must be reached which will permit both the protection of air quality and the reasonable demands of the economy. We must not become rigidified into making a fetish of the cleanliness of the environment. If there are mineral resources located within, say a class I area which are of importance for the development of the national economy, then we must permit the air to be used as a resource in mining, too.

All this is to be, of course, within the limits of what is reasonable: Industry will be expected to utilize the best available technology to control pollution, and wherever possible the area of development will be restored to its original condition. But the fact is that in the modern world our Nation cannot survive without developing new energy sources, many of which are located in previously undeveloped areas. We cannot make a fetish of the clean air in such undeveloped areas if we are to meet the other needs of our people, which are just as great and just

as serious as the need for clean air or for pure air, I should say. We all need clean air.

In the final analysis, the question we must ask ourselves is this: if we arrive at a point at which we simply cannot enjoy reasonable economic development without some downgrading of existing air purity, in which direction do we move? I take my stand with economic development in such a case, and I suggest that my colleagues in the Senate would be well advised to do likewise. Air is a national resource, true: but it is just as much needed for industry as for recreation. The worker, the entrepreneur, the ecologist, the recreationist—all are people, and no one of them should have exclusive domination over the others. It is up to the Congress to discover a reasonable balance between conflicting claims.

I hope that before this particular piece of legislation is enacted we can arrive at a reasonably balanced piece of legislation that will benefit all Americans, not just the few who demand their will at the exclusion of everybody else's.

I think we see too much of that in our society today, and I think occasionally we find when we give a little bit in the environmental area we have all kinds of extremists come out of the woodwork who start to demand that their will be accepted and everybody else's rejected to the exclusion of everybody else in our society.

I, for one, hope we will be able to have jobs for my six children and for all of the people in the State of Utah and throughout this country.

If we keep treating a lot of these issues as merely pure air versus dirty air, I think we are making not only a tremendous mistake but we are damaging the country in the process, and I, for one, want to see that ended.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. HATCH. Yes.

Mr. CURTIS. I commend the distinguished Senator from Utah for a most unusual and most enlightening statement. The Senator has stated the issue here very clearly and understandably.

The approach that the Senator has given to this issue of the degree of purity our air must have in order to comply with the law is a correct approach. Man does not live by air alone, and there are many conditions to be met. The Senator has stated the need for a balance and for looking at the entire picture of human needs. Human needs, of course, include the economic needs, and I commend the Senator for a very enlightening statement.

Mr. HATCH. I thank the Senator. I certainly thank my distinguished colleague and, as usual, I appreciate the kindness he has shown to me.

In closing, I would like to say this: There is a lot involved here. I think for us to have economic growth at the expense of everything else is wrong also; but for us to not have economic growth at a time when our population is exploding, at a time when we have economic difficulties, at a time when we are depending upon gross national product to pull us out, at a time when we lead the free world, at a time when so many people throughout the world are relying upon the stability of this society is a real mistake.

I think we have all got to start thinking about this particular bill, which has much merit but which, if it is extreme in adoption, we know will be extreme in application and extreme in regulation because I think the original clean air bill has been misconstrued in many ways. I was happy, for one, to see that we do not have to put up with the ridiculous high-altitude, low-altitude standards out in Utah or, at least, that is my understanding—am I correct in that, may I ask Senator STAFFORD—where of 29 counties in the State of Utah, 3 of them qualify for low altitude and 26 of them for high altitude. If that did not create a mess and a disparity and a discrimination against the people of Utah, I do not know what did, and the people in a few other of the Western States that were hit by that type of legislation. I much prefer the approach that is being taken now to what it was then. I hope we can maintain that.

In closing, I would just like to say I hope we will consider all of the amendments with the good grace it takes to compromise and to bring about a bill that is acceptable to most people in our society, and that will be conducive to economic growth and development but yet conducive to having basically clean air, although we are all going to suffer a little bit, basically clean air, with which we can all live in an environment of which we can all be proud.

I thank the Chair.

AMENDMENT NO. 355

Mr. HART. Mr. President, I call up my printed amendment No. 355 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will please report.

The legislative clerk read as follows:

The Senator from Colorado (Mr. HART), for himself and Mr. CRANSTON, proposes an amendment No. 355:

On page 94, line 17, strike "model year 1980 and thereafter" and insert in lieu thereof "model years 1980, 1981, and 1982".

On page 94, after line 20, insert the following new section and renumber accordingly:

"SEC. 22. (a) Section 202(b)(2) of the Clean Air Act, as amended, is amended by striking 'paragraph (1), and inserting 'paragraphs (1) and (6)' in lieu thereof.

"(b) Section 202(b) of the Clean Air Act, as amended, is amended by adding the following paragraph:

"'(6)(A) In addition to the requirements of paragraph (1) of this subsection, the regulations under subsection (a) applicable to emissions of oxides of nitrogen from light duty vehicles and engines manufactured during or after model year 1983 shall contain standards which provide that such emissions shall not exceed 0.4 gram per vehicle mile.

"'(B)(i) Subject to subparagraph (C) of this paragraph, the Administrator may issue a certificate of conformity with the regulations prescribed under this section, in accordance with section 206 of this Act, for a new motor vehicle or motor vehicle engine which does not attain the standards specified in subparagraph (A) of this paragraph. In any such case, notwithstanding the provisions of section 205, the manufacturer of such motor vehicles or motor vehicle engines shall be subject to a penalty, to be paid for each motor vehicle or motor vehicle engine before such vehicle or engine can be sold, offered for sale, introduced, or delivered for introduction, into commerce, or imported into the United States, as covered by a certificate of conformity issued under this subparagraph and in compliance with section 203(a) of this Act.

"'(ii) Such penalty shall be established by the Administrator at the time such certificate is issued, and based upon his determination of the difference between the cost of attaining the standards specified for the appropriate model year in subparagraph (A) of this paragraph and the cost of attaining the standards specified for such model year in subparagraph (C) of this paragraph, plus 2 per centum of the retail price of each vehicle subject to the penalty. Such penalty shall be established at a rate per vehicle or engine, and the Administrator may reduce such penalty in an amount proportional to any decreases in the levels to which any such vehicle or engine is certified below those required under subparagraph (C) of this paragraph.

"'(iii) In the case of any new motor vehicle or motor vehicle engine which is certified at levels below those required under subparagraph (A) of this paragraph or those required under paragraph (1) of this subsection, the Administrator is authorized to provide a rebate or incentive payment to the ultimate purchasers of such vehicles or engines. Such rebate or incentive payment shall be established by the Administrator at a rate proportional to the decreases in levels of emissions below those required under subparagraph (C) of this paragraph and on a basis equivalent to the amount per unit of emissions of the penalty established under clause (ii) of this subparagraph. Such rebate or incentive payment may be paid to the manufacturer to be credited against the purchase price of such vehicle or engine or directly to a purchaser of a vehicle or engine. Payments of such rebates or incentive payments shall be paid out of the proceeds of penalties collected under this subparagraph or out of funds appropriated for such purpose.

"'(C) Notwithstanding the provisions of subparagraph (B) of this paragraph, and consistent with the requirements of paragraph (1) of this subsection, the regulations under subsection (a) applicable to emissions of oxides of nitrogen from light duty vehicles and engines manufactured during or after model year 1983 shall contain standards which provide that in no event shall such emissions exceed 1.0 gram per vehicle mile.

"'(D) A certificate of conformity issued under section 206 in accordance with the provisions of this paragraph, and the particular levels of emissions to which a new motor vehicle or motor vehicle engine is certified under the authority of this paragraph, shall be deemed to be the certificate, and the regulations on which such vehicle or engine is certified to conform, for all purposes under this title.'.

"(c) Section 210 of the Clean Air Act, as amended, is amended by adding '(a)' after 'SEC. 210.' and by adding the following subsection:

"'(b) The Administrator is authorized to make grants to States and political subdivisions thereof for the purpose of implementing transportation control plans approved or promulgated under section 110 of this Act. The total amount of such grants in any year shall not exceed the amount collected in penalties under section 202(b)(6) of this Act, less the total amount of any rebates or incentive payments made under such provision. There are authorized to be appropriated such sums as may be necessary to carry out this subsection, not to exceed the amount specified in the preceding sentence.'.

"(d) Section 209(c) of the Clean Air Act

as amended is amended by striking the period and adding a comma and the following: 'or to establish penalties in excess of those established under subsection 202(b)(6).'.

"(e) The Administrator of the Environmental Protection Agency shall conduct a study of the public health implications of attaining an emission standard on oxides of nitrogen from light duty vehicles of 0.4 gram per vehicle mile, and the cost and technological capability of attaining such standard. The Administrator shall submit a report of such study to the Congress, together with recommendations for implementing the noncompliance penalty and rebate program established under section 202(b)(6) of the Clean Air Act and identifying the penalties and rebates to be paid, not later than July 1, 1980.".

The PRESIDING OFFICER. The Chair wishes to inquire of the distinguished Senator from Colorado whether this is an amendment on which 4 hours have been allotted.

Mr. HART. That is correct.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, will the Senator yield 10 seconds to me?

Mr. HART. I yield.

Mr. THURMOND. I thank the Senator very much.

Mr. President, I ask unanimous consent that two of my staff members, Mr. Jim Bennett and Mr. Rob Lyon be allowed on the floor during the consideration and vote on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, the amendment which I have called up would strengthen and reaffirm the original intent of the Clean Air Act by committing the Government once again to the 0.4 grams per mile nitrogen oxide standard currently in the clean air law.

This standard would begin and be enforced in 1983, and would, by stretching this out over the next 5-year period, give the automobile manufacturers and the Environmental Protection Agency time to prepare for its implementation.

By 1983 the Federal emissions standard for nitrogen oxide would be 0.4 grams per mile.

Under the terms of amendment No. 355 manufacturers would be encouraged, but not required, to make and sell cars meeting the 0.4 gram nitrogen oxide standard. Cars that do not meet the standard would be subject to a noncompliance penalty. Cars that do meet the standard would not be subject to a penalty, and consumers who purchased cars that are cleaner than the hydrocarbon, carbon monoxide and nitrogen oxide standard would be eligible for a rebate.

To insure the protection of the public health, cars would not be allowed to be sold if the emissions of nitrogen oxide exceed a maximum pollution level of 1 gram per mile, which is the ultimate level adopted by the Senate Committee on Environment and Public Works. While cars could pollute up to that level of 1 gram per mile and be subject to the noncompliance penalty, cars producing more than 1 gram per mile then would not be permitted on the roads.

The penalties and rebates are calculated by the Environmental Protection Agency, and will be based on the average cost of complying with the 0.4 gram standard, plus 2 percent of the retail price of the automobile.

The Environmental Protection Agency Administrator would be authorized to distribute any net revenue generated by the penalty and rebate program to the States and local governments to help them implement transportation control programs.

The Environmental Protection Agency is required to study the health impact, the cost and technological feasibility of a 0.4-gram-per-mile nitrogen oxide standard as an absolute standard in the future. The Environmental Protection Agency, under the terms of this amendment, must report to Congress by 1980 the findings of that study and recommendations for implementing the noncompliance penalty and rebate program.

Mr. President, there have been arguments made so far in the preliminary deliberations over the committee bill about whether, in fact, there are health implications involved here. There was strong suggestion, for example, in the remarks of the Senator from Utah that we were some time away from the point at which the quality of the air being produced in this country will have any effect whatsoever on the health of our people.

I strongly believe that the Senator from Utah is wrong. I believe the facts support my view. In a number of areas of this country, and I think we can demonstrate this in graphic illustration. According to the studies that we have, we are already at the point—and have passed the point in many parts of this country—where the quality of the air people are breathing is having an effect on their health.

According to the National Academy of Sciences in a study dated 1974, pollution from automobiles is directly related as a cause of 4,000 deaths and 4 million illness-restricted days per year. I expect if we went outside the Chamber into almost any major urban area in this country, and perhaps some other areas as well, and asked the American people what they thought about the quality of the air they are breathing there would be no doubt in their mind about whether there was some direct relationship between the quality of that air and their own personal health. We can debate that here, but I think it is the classic case where the American people are about 25 years ahead of the Senate.

Many areas of the Nation, as I have indicated, are currently in violation of the average air quality standards developed by Congress and signed by the President to protect the public health.

Thirteen States plus the District of Columbia are in that category, and that is just according to the information which the EPA presently has, and that is not a complete study of this country.

According to the information available to us from the Federal agencies if the 0.4 gram per mile standard for nitrogen oxide is adopted we will see in the 1980's and 1990's a 5-percent improvement in the quality of the air in the category of nitrogen oxide emission. If we accept the committee's provision of 1 gram per mile standard, the air will get 8 percent worse just from the emission from automobiles, not to mention the impact that coal conversion will have on the nitrogen oxide levels in this country, and this is a subject I think we shall have to come back to. If, in fact, we adopt proposals to go to a 2 grams per mile nitrogen oxide standard which presumably will be put forward here for our consideration, the best estimates that we have are that the nitrogen oxide levels in the air will get at least 13 percent worse than they are today.

Many more areas of the Nation, in addition to those 13 States and the District of Columbia that I mentioned, also violate recommended World Health Organization short-term exposure standards that are designed to protect people against the hazards of rush hour levels of nitrogen oxide pollution. That is to say, leaving aside the average over a week, a month, or a year, there are periods of the day, in about half the States in this country, where we have statistics and data showing that the standards established by the World Health Organization to protect people's health in this country, are exceeded. There are 20 States where the EPA does not even have data yet and presumably there will be a number of those that will join the 24 or more States that we have already indicated.

The problem is going to become increasingly difficult if the nitrogen oxide standard is raised to the levels which presumably will be proposed at some later time in the deliberation on this bill. If the 2 grams per mile standard is adopted, the nitrogen oxide levels could be raised by as much as 30 percent. If the standard adopted by the committee is accepted by the Senate the nitrogen oxide levels could increase by as much as 10 percent.

As an illustration of the kind of health problems experts have identified as resulting from the quality of the air we breath, the chart to my right indicates seven examples of diseases resulting from the quality of air and from nitrogen dioxides. That includes bronchitis, emphysema, asthma, pneumonia, pulmonary edema, acute respiratory infections, and others.

Mr. President, the National Academy of Sciences' report, which I have alread mentioned, entitled "Air Quality in Automobile Emission Controls," concluded in September of 1974 the following:

> Automobile emissions may account for as much as one-quarter of 1 percent of the total urban health hazard for the whole U.S. urban pollution. Effects of this magnitude might represent as many as 4,000 deaths and 4 million illness-restricted days per year. 4,000 deaths is about one-eighth of the deaths from bronchitis, emphysema, and asthma combined or 1/12th of the deaths from all automobile accidents. 4 million days of illness is nearly the equivalent of one-tenth of the total number of days lost from work each year because of respiratory illness.

Taking into consideration both the property damage and the health costs, the National Academy went on to point out that annual benefits between $2.5 billion and $10 billion in 1973 dollars or $12 billion in 1976 dollars could be at-

tained by reducing automobile emissions to the statutory levels required to attain ambient air quality standards for the automotive pollutants. Those are the standards which Congress originally established and which my amendment would require the Government to maintain.

Mr. President, I have alluded to the short-term exposure impact from nitrogen oxides. I shall list for the record those States where those impacts have been felt most graphically by the evidence collected by the EPA.

The 24 States having a nitrogen oxide level which exceed the limits recommended by the World Health Organization include: Nevada, Arizona, California, Colorado, Connecticut, Massachusetts, New York, New Jersey, Pennsylvania, Virginia, Tennessee, Georgia, Illinois, Missouri, Kentucky, Michigan, Minnesota, Texas, Utah, Nebraska, Ohio, Florida, Indiana, and Maryland.

Mr. President, the Federal agencies recently completed a study which I think is extremely relevant to the issues raised not only by the Senator from Utah but by others. To the best of my knowledge, this interagency study is as current information as we have. This is the so-called three-agency study, or a study entitled "An Analysis of Alternative Motor Vehicle Emission Standards," which was performed by the Environmental Protection Agency, the Federal Energy Administration, and the Department of Transportation. That study is dated May 1977, less than 30 days ago.

This study was used by EPA to calculate the impact of raising the nitrogen oxide standards on increased attacks of respiratory diseases in children. This information was communicated from the Administrator of EPA to the Senator from Colorado in letters dated May 31 and June 3.

In that letter, for example, it is shown that in Washington, D.C., during 1980 and 1990 there will be 832,000 additional attacks of lower respiratory diseases in children as a result of the increase in pollution even if we do not relax the nitrogen oxide standard.

If that standard is relaxed to the 1.1-grams-per-mile standard there will be 201,000 additional attacks, an increase of 24 percent.

If the nitrogen oxide standards are further weakened to a 2-grams-per-mile standard, there will be additional 312,000 more attacks than the 0.4 standard which my amendment sustains—an increase of 38 percent.

On the average, Mr. President, for the 14 cities where EPA has the capability to predict the influence of nitrogen oxide on children's lower respiratory disease, the excess attack will increase 19 percent if the standard is weakened from 0.4 to 1 gram per mile and will increase 28 percent if the standard is weakened from 0.4 gram per mile to 2 grams per mile.

Mr. President, the EPA has estimated, further, the total number of cases of respiratory disease that will result from weakening of this standard. Relaxing the nitrogen oxide standard from the statutory level of 0.4 gram per mile to 1 gram per mile as proposed in the Senate bill, would cause almost a 20-percent increase in respiratory diseases in children. To increase the standard to the level suggested by the automobile industry in this country, 2 grams per mile, would result in an almost 30 percent increase in excess respiratory disease attacks in children.

(Mr. CANNON assumed the chair as Presiding Officer.)

Mr. HART. The use of the term "excess" is over and above attacks that will result from other causes, genetic and others. To add to that an increase from automobile pollution itself of 30 percent, I think, is a dereliction of duty on the part of the U.S. Senate, and cannot be justified in any case for economic growth stimulation, or catering to the wills of the automobile industry or any other industry.

Even if we maintain the 0.4-gram-per-mile standard adopted by Congress some 7 years ago or more, attacks of respiratory diseases in children that will result from automobile pollution will number over 16 million. But if we raise that standard to the level proposed by the Senate committee, 1 gram per mile, the additional attacks of lower respiratory disease in children will rise to almost 20 million, and if we go to the 2-grams-per-mile standard proposed by the automobile industry and its unions, the incidence will be more than 20 million.

I think that is a very heavy burden for the Senate and the Congress of the United States to bear, and I think anyone voting to relax those standards to either the 1-gram-per-mile or 2-gram-per-mile level should be prepared to go out to his home State and explain to the people of this country why he thought it was necessary and on what grounds of economic or other justification he felt it was necessary to increase the diseases of the children of this country over the next 10 years by some 5 million, 10 million, or more cases.

It has been suggested by many persons scrambling around Capitol Hill during the last few weeks that we had to abandon the existing standards to promote the economic growth of this country. Mr. President, I wish to quote from the testimony of the president of the United Automobile Workers, who does not share that view. During his testimony before the House Committee, Leonard Woodcock, president of the UAW, testified that the UAW would support tighter standards if it were necessary to protect public health. He was asked by Representative WAXMAN:

What if (the Administrator) finds that (the 1.0 NO_x) is not enough?

Mr. WOODCOCK. If it were found that it would endanger public health, then it would come first.

Mr. WAXMAN. You would not disagree with the notion that we could allow for the EPA Administrator to have the power to make the (NO_x) standards even more stringent than 1.0.

Mr. WOODCOCK. If it were required to protect the public health, yes, sir.

Mr. President, I notice that some proposals circulated and perhaps to be put forward on the floor of the Senate in the next few hours or days will absolutely prohibit the EPA Administrator from reaching that standard. I think the record should show that is a justification not shared by the president of the United Auto Workers, who has the good sense and judgment, as he almost always has had, to put American public health ahead of the profits of the auto industry.

Mr. President, the most recent health paper put forward by the Environmental Protection Agency, I think, demonstrates the strong association between nitrogen oxide emissions and the adverse health effects and diseases I have already described. These diseases and conditions which are aggravated or otherwise affected by air pollution exposure are very common health problems of the general public, as can be demonstrated by the following figures:

The proportion of the population which suffers from asthma, and which can be aggravated by air pollution, is 3 percent of the total U.S. population. Those who suffer from chronic bronchitis, or from emphysema are 10 or 15 percent of the total population.

From heart disease—there is a direct connection between heart disease and the quality of the air we breathe—about 5 percent of the people of this country.

From acute respiratory infection, almost every person in this country is at risk from the deterioration of the air which has already occurred. From decreased lung functions of children, the figure is an additional 100 percent of the children.

The children, the elderly, and all people with asthmatic, respiratory, and heart diseases are particularly suspectible to air pollution, and these groups comprise a substantial segment of the population of this country.

Mr. President, there is even more disturbing information which researchers are beginning to make available to Government agencies and to Congress. That is the possible connection between air pollution and cancer in our society.

There is preliminary evidence that the emission of nitrogen oxides into the air, combined with other air pollutants and other chemicals, produces nitrosamines. Researchers have recently found the carcinogenic nitrosamines present in the atmosphere of Baltimore and even West Virginia.

German researchers have found nitrosamines to be formed from nitrogen dioxide pollution and other chemicals in the air. And nitrosamines have a direct relationship with cancers.

In July of 1974, as long as 3 years ago, the EPA described the hazardous nature of nitrosamines as follows:

As a family of carcinogens, the nitroasamines have no equals.

That is a direct quotation from the EPA atmospheric report on nitrosamines dated 1974.

The EPA maintains that there is substantial evidence that cancer occurs more frequently in urban areas than nonurban areas, and that this may be directly related to air and water pollution. The EPA has stated, in the same report, that

a possible role for nitrosamines in increasing the cancer rate must be investigated when and if they are detected in the atmosphere.

Mr. President, it has been argued by previous speakers, and I think will be argued hereafter, that not only is there no connection between health in our society and the quality of the air, but that we cannot have economic health and growth and at the same time maintain air quality.

This is one of the most phony alternatives that the American people and their Representatives in Congress have been confronted with. The fact of the matter is, Mr. President, that this mythical argument that pollution control in general can only result in excessive costs with no benefits, and job losses with no jobs created, is absolutely that: a myth.

The facts, Mr. President, are quite to the contrary.

Between 1974 and 1983, it is estimated that the bill for all pollution controls, including air, water, and other types of pollution controls at present levels, could run to some $200 billion.

That, Mr. President, will cause an increase in the Consumer Price Index of only 0.3 percent, according to the Council on Environmental Quality.

The Council on Environmental Quality also projects that the benefits from controlling sulfur pollution alone as amounting to about $11 billion a year, and the cost of controlling those sulfur pollutants is only half that.

Those who talk in terms of the costs of controlling pollution without also talking about the cost of pollution itself leave out a very important half of the equation.

The fact of the matter is that the cost of polluting the air and the cost of polluting the water in this country exact a tremendous price in dollar terms from every taxpayer and citizen, from every State and local municipality. Anyone who sets out to talk about the costs of controlling pollution must also talk about the costs of not controlling pollution, which are 50 percent higher or more.

In my own State, one of the key industries is the tourist industry. The tourist industry in the State of Colorado brings in $700 million a year. That is an industry which can be practically destroyed if air pollution, strip mining, and other forms of pollution are allowed to go uncontrolled or with unsatisfactory control.

Tourism is an industry just like every other industry, and that industry can be destroyed by destroying the air and water in the State of Colorado, the State of Utah, and the other States dependent upon that industry.

Mr. President, the Council on Environmental Quality estimates that in 1975 alone over 1 million jobs were created from environmental expenditures. Of these, about one-third of the people employed would not otherwise have been employed in any kind of activity.

The catalytic converter market alone totaled more than $800 million in 1975, and it was projected to double in 1976.

The Water Pollution Control Act itself spends between $2 billion and $4 billion annually, and each $1 billion spent creates an estimated 82,000 jobs.

It has also been estimated, Mr. President, that strip mining has resulted in 1 million acres of land being destroyed which must be reclaimed. Reclaiming that land will generate 20,000 man-years of employment.

Mr. President, over the 1977–85 time period, that is to say almost the entire next decade, automobile sales are predicted to expand by 1 million to 2 million cars annually. Employment is expected to increase by about a quarter of a million jobs at present projected levels.

According to the so-called three-agency study, and the more recent Environmental Protection Agency documents, particularly the letter from the EPA Administrator to Senator MUSKIE, dated June 6, 1977, the increased price of automobiles resulting from the implementation of the 0.4 gram per mile rather than a 2 grams per mile emission standard would be in the neighborhood of $220, and would reduce auto sales by no more than approximately 135,000 cars by 1985. That, Mr. President, is out of a projected annual car sale level of 10 to 12 million cars.

The impact of the price of emission control devices is extremely small, but to the large projected increases in employment, there will be no unemployment in the auto industry that anyone can verify. There will be, however, a slight reduction in the growth of new employment, according to EPA and the three-agency study. In 1985 the EPA shows that there will be about 27,000 fewer new employees in the auto industry as a result of the cost of emission control devices.

Offsetting this possible negative impact on gains in employment in the automobile industry is the enormous gain in employment due to the production of emission control devices. According to statistics from the Bureau of Labor Standards in studies titled "The Structure of the U.S. Economy in 1980 and 1985," employment needed to produce automotive equipment in 1985 would lead to the possibility of 40,000 additional workers in motor vehicle and supporting industries, and over 26,000 workers needed outside the direct employment in the motor vehicle industry in supply activities and to manufacture components of these devices. That, of course, is a total of 76,000 new jobs.

Mr. President, arguments can and will be made on the impact of fuel efficiency which many have suggested, including the automotive lobby, over the last few weeks cannot be attained by imposing increased fuel standards.

There will also be arguments made about the technological feasibility of implementing the 0.4 standard and whether, in fact, the technology exists to implement that standard.

Mr. President, rather than make those arguments at the present time I will reserve the remainder of my time, and would suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HART. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I apologize to the distinguished Senator from Colorado for being absent from the Chamber briefly when discussing developments in connection with the pending legislation. I was not present during a good portion of the Senator's presentation of his amendment.

As I understand his amendment, its thrust is to make the 0.4 NO_x standard effective in the 1938 model year.

Mr. HART. The Senator is correct.

Mr. MUSKIE. Are there any preconditions to the imposition of that standard at that time?

Mr. HART. The amendment requires the Administrator of EPA to conduct a study of public health implications of attaining that standard, that is to say, the 0.4 grams per mile standard, and the cost and technological capability for making such a standard.

Then the Administrator, upon completion of that study, is to submit a report of the study to Congress, together with recommendations for implementing a system of noncompliance penalties and rebates, and also recommend the scale of penalties and rebates. The deadline for that study and those recommendations and that report is, in the terms of the amendment, July 1, 1980.

Mr. MUSKIE. But the actual imposition of the standard in 1983—is that an administration decision under the Senator's amendment?

Mr. HART. The Senator is not correct; it would not be an administrative decision.

Mr. MUSKIE. If the administrator did not act to implement the Senator's amendment, the standards would not be in effect in 1983.

Mr. HART. The terms of the amendment make the standard mandatory, a mandatory standard of 0.4, unless Congress acted to raise the standard.

Mr. MUSKIE. That is the point I was not clear on, perhaps because I put the question poorly as to the exact effect.

As the Senator knows, the 0.4 standard was mandated by the 1970 act. We regarded it as essential to the protection of public health at that point. Questions were subsequently raised about the NO_x standard in 1973; questions which related to whether or not there had been a proper measurement of the background accumulation of nitrogen oxides in the affected urban areas which was sufficient to justify a standard as strict as 0.4. I think it was Mr. Ruckelshaus, when he was Administrator of EPA, who suggested changing the NO_x standard. Am I correct in my recollection?

Mr. HART. That may predate—what year would that have been?

Mr. MUSKIE. That would have been about 1973. It had to do with the question of whether or not emission control that strict was necessary because of a misreading of the concentrations in the ambient air upon which the original cal-

culation was made. Once that question was raised, in 1973, by the Administrator of EPA, then we began to lose progress toward the achievement of the tighter NO_x standard. But once that question was raised, then we lost momentum toward the development of effective technological control of the nitrogen oxides emissions and have not regained that momentum since that time, except to the extent that the development of the three-way catalyst—not by the industry, but by other sectors of the private economy—has given us a technological approach to controlling NO_x.

In the development of the pending bill, as the Senator knows, I recommended changing that standard to 1—not because I had any final conclusions as to what might be needed ultimately to deal with the emissions of nitrogen oxides from automobiles, but because there was some question about that. We were confronted with the arguments of the industry that going below 1 eliminated some of the technological options they hoped to use to control some of the other automobile pollutants. The Senator is familiar with that argument.

So, to avoid the criticism, not only from the industry but from others who were persuaded to their point of view that we were eliminating technological options that we ought to have to deal with carbon monoxide and hydrocarbons in the next 5 years, I moved to go to 1 NO_x in 1980.

What the Senator is proposing is not a change in that decision, but, rather, a supplementation of that decision, by providing for 0.4 NO_x in 1983.

Mr. HART. The Senator is correct.

Mr. MUSKIE. The Senator has been very persuasive in stating what he believes to be the case, as reflected in the charts which he has on display on the Senate floor, for 0.4 NO_x as a standard for controlling automobile emissions. I wonder if the Senator would summarize that case from those charts as he has presented it?

Mr. HART. On the right of the Senator from Maine is a chart demonstrating the excess attack of respiratory disease in children. That chart compares a standard of 0.4 grams per mile against the industry-proposed 2 grams per mile standard in the 1980–2000 period. It lists a number of additional cases of respiratory disease in children resulting from a change from a 0.4-gram-per-mile standard to a 2-gram-per-mile standard.

One of the cities is my own home city of Denver, which shows 180,000 additional respiratory disease attacks on children. In the city of Philadelphia, there is almost a quarter of a million, 240,000; in the city of Los Angeles, 1.5 million additional cases of respiratory diseases in children; in the city of San Francisco, over a quarter of a million, 280,000.

In Washington, D.C., as I said in my opening remarks, 312,000 additional cases of respiratory diseases in children resulted from going from 0.4 grams per mile to 2 grams per mile. In the Phoenix-Tucson area, there will be 130,000 additional attacks; in Baltimore, 120,000; in Houston, 70,000; in New York, over a million; and in Chicago, almost half a million—470,000 cases.

The chart to the left, with the green background, is an attempt to demonstrate graphically the percentage of increase by the year 2000 in what the World Health Organization calls excursions over standards which they recommended for short-term nitrogen dioxide levels.

The Senator from Maine is very familiar with the fact that the standards have recommended by the World Health Organization based on very complete studies which it has done about the problem of short-term nitrogen oxide emissions. The World Health Organization studied not only this country but other industrial countries in the world. It feels there is a direct relationship between public health and short-term nitrogen oxide emissions.

What the chart demonstrates here is that, at the end of the century, if the 0.4-gram-per-mile standard is adopted, we shall see about 33 percent fewer cases of exceeding what the WHO feels is an acceptable public health standard in this country. If we go to the committee level, there will be a 10-percent increase. If we go to the 2 grams per mile, we shall see a 30-percent increase of those short-term violations, if you will, of their recommended nitrogen oxide levels.

Mr. MUSKIE. What is striking about these charts, I think, there is the assumption on the part of people who criticize the committee bill that somehow in the committee bill we are asking for pure air.

Mr. HART. That has been suggested.

Mr. MUSKIE. The distinguished Senator from Utah, who is not on the floor, made a fairly extensive speech this afternoon in which he made that case, that somehow we are asking for pure air.

What the Senator is saying is that in accordance with the statistics reflected in these charts the committee bill will permit some pollution of the air which health experts say is excessive.

Mr. HART. That is correct.

Mr. MUSKIE. The committee bill admittedly will permit pollution which some health experts say is excessive.

Mr. HART. That is correct.

Mr. MUSKIE. Yet those who would weaken the committee bill argue that we are asking for air that is too pure.

The fact is that whether we talk about nitrogen oxides or sulfur oxides or carbon monoxide or oxidants, there is not any one of these or other pollutants which is prohibited by the committee bill.

The committee bill, at best, undertakes to strike a balance between the very factors which the Senator from Utah outlined in his speech as factors that ought to be taken into account.

The fact that he says those factors were not taken into account does not change the fact that they were.

The fact is that if the committee bill is passed, there will be an increase in sulfur oxides emissions totally across this country, an increase in nitrogen oxides emissions totally, an increase in carbon monoxide emissions totally across this country—with the committee bill enacted into law.

I think, with respect to nitrogen oxides, the numbers are astonishing when one looks at it.

Mr. HATCH. Will the Senator yield on that point?

Mr. MUSKIE. I will yield, but the Senator from Colorado has the floor.

Mr. HART. I will yield to the Senator.

Mr. HATCH. My point is not that there will not be some increase in pollution—there is going to be—but that science has not proven that increase is going to hurt anybody.

And so what if there is an increase as long as it is not above a reasonable increase?

That is the point I am trying to make.

Mr. MUSKIE. If the Senator will yield, if present concentrations of these pollutants have created a health problem, then surely increases in those concentrations, as would be permitted under the committee bill, would, by definition, have health consequences.

I listened to the Senator's speech quite carefully, and what the Senator was saying was that we were demanding something that was in the nature of pure air.

The committee bill will not produce pure air. It will not even toally protect pure air in the areas now pure.

Mr. HATCH. That was my point. It is not going to make pure air.

The Senator is asking in some ways for standards more difficult to reach than we can reach or that we can reach during the years of this legislation.

Mr. MUSKIE. The Senator's view is a little different from mine. My view is that when health requires it, whatever the difficulty of achieving certain standards, we must insist that it be achieved.

Mr. RIEGLE. Will the Senator yield at that point?

Mr. MUSKIE. The Senator from Colorado has the floor.

Mr. HATCH. Is it not true there were three studies that did not conclude health requires these type standards?

Mr. MUSKIE. What does the Senator mean by these?

Mr. HATCH. Those the Senator has been talking about.

Mr. MUSKIE. Nitrogen oxide.

Mr. HATCH. That is right.

Mr. MUSKIE. And these charts reflect the conclusions of the World Health Organization.

Mr. HATCH. I understand that the three studies did not conclude that, even though the Senator is saying the World Health Organization does.

Mr. MUSKIE. What was that?

Mr. HATCH. As I understand it, the original standard was set on the basis of three studies. One was on asthmatics in California. But here there was no causal connection ever established between that and photochemical oxidant concentrations, which we should note three times the standard——

Mr. MUSKIE. What the Senator is saying is that the original standards were set on the basis of inadequate information.

Mr. HATCH. No. I am saying they did not find there was any great harm to health at levels two, three, and four times the level of what they are recommending in this bill.

Mr. MUSKIE. Maybe I ought to explain to the Senator how the original standards were set. One would think to listen to the Senator's speech this afternoon that those of us who were members of the committee reached out into the air and arbitrarily picked out some numbers without considering at all whether they were relevant to our objectives.

I assure the Senator that we were trying in 1970 to get some measure of what needed to be done. The one standard that suggested itself to us was health requirements.

Admittedly, knowledge on that score was not complete in 1970. If we were to wait until knowledge was completed, we might not set standards until the year 2000.

But on this basis, we turned to the Public Health Service. We asked the Public Health Service to guide us and tell us at what levels, on the basis of the best information available to it in 1970, we ought to set standards.

It was on that basis the standards were set.

Since that time, the health basis for the standards has been monitored and reviewed. In 1974, as I said in my presentation this morning, Congress approved a half million dollars for a study by the National Academy of Sciences. I summarized that study this morning. The effect of that study was that the ambient air quality standards we had set in 1970, were only marginally safe from a health point of view.

All kinds of people have looked at the health standards since that time and we have very little indication in the record of any criticism of the ambient air quality standards that were set under the 1970 act.

Mr. HATCH. Will the Senator agree at this time, we are still on an inconclusive——

Mr. MUSKIE. Of course, I would agree, but let me say further that there is enough evidence and there has been enough additional evidence produced each year since 1970 to suggest not that less stringent controls ought to be imposed, but that more stringent controls ought to be imposed.

Mr. HATCH. Will the Senator yield?

Mr. MUSKIE. And the Senator is arguing, I guess, we ought not have enacted a Clean Air Act in 1970.

Mr. HATCH. No. That is not what I said. Will the Senator yield to me?

Mr. MUSKIE. Well, the Senator from Colorado has the floor.

Mr. HART. Let me reply first and then I will yield.

I think the Senator from Utah ought to identify the three studies so we know what we are talking about. Then we could look at the data because a lot has happened since the period the Senator is talking about.

First of all, I think in his remarks earlier he indicated that support for the committee bill indicated misunderstanding or a lack of appreciation for the realities of economic life in this country.

I remind the Senator that the entire Committee on Environment and Public Works of the U.S. Senate, including a number of his colleagues on that side of the aisle—some seven or eight—adopted the committee bill; and almost all of them had anywhere from 6 months to 2 or more years of exposure to the testimony and the evidence.

So I think the Senator from Utah should tread cautiously when he indicates that support for the committee position somehow indicates a lack of understanding of the economic conditions of the country or the need to promote employment, and so forth.

Second, there is a suggestion in his remarks—more than a suggestion, I think—that we should proceed very cautiously before we legislate in this area. That is an argument made with some degree of repetition in the short period of time I have been here. Proceeding cautiously usually means to duck it.

The fact is—and the Senator from Maine knows this better than anybody else—that the legislation on the books of the U.S. Congress is a result of a decade of testimony from all kinds of witnesses, pro and con, before the applicable committees of Congress.

How much more slowly do we have to proceed, when people outside are getting sick from the air they are breathing? I think it is nice to proceed slowly. I do not think we should rush into things. But there is not an unbiased, objective person in this country who could accuse the Environment and Public Works Committee of rushing into anything.

The fact is that the committee bill and the report, a copy of which is on the desk of each Senator, had broadbased, bipartisan support. and the bill was not rammed down anybody's throat.

Mr. HATCH. Mr. President, if the Senator will yield, I should like to reply to those remarks.

No. 1, I have deep reverence for every member of the committee, but I think the committee has been known to make some mistakes in the past on various matters. I do not think they are inviolate.

No. 2, when the Senator says that this bill has arisen as a result of a decade of work and testimony, I have to agree with that. But I think we should take into consideration the fact that any clean air bill is going to be passed. Nobody wants to be considered an antienvironmentalist; nobody wants to have dirty air.

I recall how JAKE GARN and Senator Moss were maligned all over this country as dirty air candidates because they filibustered this bill, because some things in the bill that wrecked Utah and many other States were not even taken into consideration, when they filibustered the bill at the end of the last session.

Mr. HART. Mr. President, I yielded for a question.

Mr. HATCH. Let me say what I was going to say. I appreciate the Senator giving me this time.

I acknowledge Senator MUSKIE's great leadership and the great leadership of the Senator from Colorado in the field of environment and clean air. I have a tendency not to want to rebut either Senator, because both have been for this bill in a very adamant and strong way.

However, the point I was making is that sometimes, from the arguments that are made, it seems that people are arguing for pure air rather than clean air and are arguing against every aspect of development or progression that we should have. I do not think the Senator from Colorado is doing that, and I do not think Senator MUSKIE is doing that.

Mr. HART. What arguments has the Senator heard that said that?

Mr. HATCH. I just told the Senator that he is not doing that. I want to make sure the people realize there are three studies.

One was the original study which was on asthma in California, and they found that no causal connection ever was established by the authors between asthma attacks and elevated photochemical oxidant concentrations below a margin that was three times what the standard is today or in that bill.

Mr. HART. Mr. President, who has the floor? I should like the Senator from Utah to identify the standards by author, title, and date.

Mr. HATCH. I do not have the information.

Mr. HART. Then the Senator should not cite them.

Mr. HATCH. Is the Senator denying that three studies were utilized?

Mr. HART. I do not know. There may be 10.

Mr. HATCH. I will get the information and put it in the RECORD.

Mr. HART. If only the Senator could identify them. There are 2 hours on the other side, and I think the Senator will have sufficient time to discuss those studies.

Mr. HATCH. I will get those three studies, and I will put them in the RECORD. But let me say what I understand the three studies to have been.

One was on asthmatics. The second was one eye irritation, in which it was generally acknowledged that ozone itself is not an eye irritant, but that other oxidants and nonoxidants are responsible for eye irritation. Moreover, there was no showing of any particular connection between the amount of ozone in the air and the amount of oxidants which irritates the eye.

Mr. HART. Mr. President, there is plenty of time. If the Senator wants to go on the side of the opponents and use the time of the opponents——

The PRESIDING OFFICER (Mr. LEAHY). The Senator from Colorado does have the floor.

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. HART. I was really yielding for a question. I did not want to yield my time.

Mr. HATCH. I will provide the three studies and let it go at that. I just want to point out that what was being stated about what I said was not correct.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. RIEGLE. I should like to address this question to the Senator from Colorado and the Senator from Maine, the chairman, if I may have the attention of the Senator from Maine for a moment.

Mr. MUSKIE. What is the Senator's question?

Mr. RIEGLE. The question is this: I understood the chairman to say that he was in support of this amendment—at least, I got that flavor. I am wondering about this: If that is so, why is not 0.4 part of the committee bill? Why was it not reported that way, if that is the position of the chairman of the committee?

Mr. MUSKIE. This particular amendment was offered in committee but was withdrawn before the vote. This amendment would establish the 0.4 standard in 1983. It was not acted upon in any way by the committee, so there is no committee position on this amendment.

Mr. RIEGLE. That is exactly my point. If I were to infer from the remarks of the Senator from Maine that there is the importance he says there is to establishing that standard now, what I do not understand is why that would not have been done as a committee action at the time. Why would that have been put aside? What has happened between that time and now to make this suddenly that much more compelling?

Mr. MUSKIE. The answer is very easy for me.

There are those who advocated the position of the Senator from Michigan on automobile standards. I was not for his position, as I regard it as undermining the clean air goals.

I consider the committee position to be a middle-of-the-road position which rejects what some would like to see done on the side of the Senator of Michigan, and different from what some would like to see done on the environmental side of the issue. If I were to go in either of those directions, I would come up with a different result in the committee bill.

I do not regard this amendment by the Senator from Colorado as an unreasonable amendment. It sets a standard 6 years down the road. That is the same amount of time than we provided in the 1970 Clean Air Act to establish the same standard. The 0.4 standard is still a part of the law which now applies to the automobile industry unless Congress changes the law.

So I do not regard the amendment of the Senator from Colorado as that unreasonable. I have not committed myself to it. I may well do so in the course of this debate.

I am trying to get this issue to the floor, I say to the Senator. I have been waiting all day. I have had some discussions about this issue off the floor, and those discussions seem to encourage delay on the floor.

The majority leader tells me that we have to get this bill out of the way tomorrow, we hope, or Friday at the latest. So I encouraged Senator HART to come forward with this amendment, dealing with automobile pollution, in the absence of any other amendment available for Senate consideration. That is where we are.

Mr. RIEGLE. Mr. President, if the Senator would yield for just one more moment, I just want to be clear. First of all, it is not the committee position that 0.4 be established. That is not the report by the committee.

Mr. MUSKIE. That is correct.

Mr. RIEGLE. In fact, the committee is proposing an affirmative standard in the figure of 1 in the area of nitrogen oxide; that is the position of the committee.

Mr. MUSKIE. Not a permanent standard; a standard of 1 for 1980, with 0.4 as a research objective, and defining it as a research objective implies it could be at some point written into the law as a new requirement. So when you say "permanent" you imply that beyond any conceivable future change, but that is not quite the implication of the committee bill. But 0.4 is not established in the committee bill as a requirement.

Mr. RIEGLE. I appreciate the response. I would like, when the time is appropriate, to be able to respond more fully to some of the points raised by the Senator from Colorado, but I do not think the time is now.

Mr. HART. The time is equally divided, and I think we would invite a response.

I want to yield to the Senator from Connecticut.

Mr. MUSKIE. Before we do that, I wish to ask the Parliamentarian how the time situation rests at this point.

The PRESIDING OFFICER. At this point the Senator from Colorado has 78 minutes, and the Senator from Maine has 96 minutes, assuming that he is in opposition and in control of the time.

Mr. MUSKIE. May I say to the Senator from Michigan since I am put in the position of presiding over the time in opposition, and since my position at this point is ambiguous, I would like to make it clear to him that I am prepared to yield time to him to discuss the amendment of the Senator from Colorado in opposition when he is ready for it.

Mr. RIEGLE. I would appreciate that opportunity whenever the Senator from Colorado is prepared to yield.

The PRESIDING OFFICER. Who yields time?

Mr. HART. I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. I just want to say, Mr. President, this issue has always intrigued me since I have come into the Senate on the ground that the proponents of public health are presumed to be on the defensive, that is to say, that the burden is on them to state why we ought to protect the health of the people in this country.

It seems to me that, perhaps, as a novice, that commonsense suggests it ought to be the other way around, that the burden for polluting the air and proving that polluting the air does not have any effect on people's lungs ought to be on the people who pollute the air.

That is what the issue is here. It is not whether we can come up with studies that establish beyond a reasonable doubt or beyond any doubt that people are getting sick from the air they are breathing. The issue is whether the people who want to pollute the air, the automobile industry and their adherents, can prove, can demonstrate, on the floor of the Senate to the people of this country that polluting the air is not going to hurt them. That is the issue.

So the question of what the studies show, I think, places a tremendous burden on those who are opposed to this amendment and are opposed to the committee position and who are in favor of giving the industry what they want again, to demonstrate that giving the industry what they want again will not hurt the people of this country. That is the issue.

The issue is not whether you are for the environmentalists or somebody else. The issue is not how nice it would be to have pure air. The issue is whether giving the industry what it wants and what it has spent tens of thousands of dollars on this Hill over the last number of weeks to get is not going to hurt the children of this country. That is the issue.

We can talk about proceeding with deliberate speed and making sure we have got all the evidence and not frustrating growth in the country and all the rest of it. The issue is where is the proof that it is not going to hurt people. That is what the issue is.

I have a letter—let us talk about studies—dated June 8, 1977:

DEAR SENATOR HART: The American Academy of Pediatrics, an international organization representing 18,000 Board-certified pediatricians, strongly supports the adoption of the 0.4 NO_x emission standard as proposed in the Senate.

Of concern to the Academy are the excess health problems which would occur in the pediatric population if auto emission standards are further delayed—

Not lifted but delayed—

It has been demonstrated that there is a significant relationship between nitrogen oxide levels and lower respiratory tract infections in children, with strong implication of a causal relationship in asthmatic children.

In light of the potential risks which have been clearly delineated for the hearing record, the 0.4 nitrogen oxide emission standard represents a responsible approach toward disease prevention, particularly toward those most susceptible to the damaging effects of pollution, the young, the aged, and the infirm.

We would urge you to work toward its immediate passage.

Sincerely yours,

DAVID W. VAN GELDER, M.D.,
President of the American Academy of Pediatrics.

That is what the doctors think, Mr. President, the doctors who treat the children in this country.

Now, I, as others in this Chamber, have had experience with the medical point of view, and I think one would have to go to some extreme to suggest that the doctors in this country are far out or that they are for adopting wild extremist points of view. But when the official organization of the pediatricians of this country urges the adoption of this amendment, I think the Senate ought to sit up and take notice and quit listening to the high-paid, high-powered lobbying that is going on in this body and the House of Representatives for the last number of weeks.

If the automobile industry would put the money to work, that it has spent trying to lobby this body, to perfecting the automobile pollution problem and solving it, we would have it solved.

I wish we knew how much had been spent in the last 7 years to frustrate the Congress of the United States and the people of the United States to lobby to get those emission standards lifted. If a tenth of that money, maybe even a one-hundredth of it, had been used to clean up the automobiles in this country we would

not be debating here today, we would not have to get letters from the people who treat the children of this country, we would not have to put charts up here demonstrating that the people are getting sick from breathing the air; we would not be sitting here debating among ourselves about an issue that the American people are very clear on, and that is the air is too dirty and it is making people sick, and we should not be spending the time of the Senate debating an issue of that kind.

I yield to the Senator from Connecticut.

Mr. WEICKER. I thank the Senator from Colorado. I associate myself with all of his comments.

Mr. President, I rise in support of the amendment being offered by the distinguished junior Senator from Colorado. I think it should be made clear that actually his is a moderating point of view. I am not much for this business of compromise and, very frankly, I am appalled that we are even extending auto emission deadlines at all.

I do not have an amendment out here, but if I did, it would be not to call for any extension whatsoever, even for one day.

I am interested in all these charts, and I think they make the point very well. But I will take it out of the world of the academic. The State of Connecticut has the second worst air quality in the United States, second only to California. I realize it is not exactly the kind of chamber of commerce speech which a Senator is supposed to make, but it is a fact of life. So this is not an academic argument to this particular Senator.

This is an argument that deals with life. Life in the sense that if we continue to breathe the air we now have in Connecticut, people are going to die, people are going to have their health impaired.

I would also like to underline the points made by the distinguished Senator from Colorado as to the failure of the American industry, in this particular case the automobile industry, to address itself to those areas of quality of life that go beyond their own self-interest. Indeed, to my colleagues in American industry—and I think I have advocated their role more than once—I say if they want credibility, the time has come for them to start addressing themselves to those areas of concern that are outside their own self-interest.

I would like to remind this distinguished body of what we set out to do here 7 years ago when Congress passed the original Clean Air Act of 1970. We legislated to significantly curtail the emission of three auto tailpipe pollutants—hydrocarbon, carbon monoxide, and nitrogen oxide. Since 1970 we have made some progress toward these goals. The levels of hydrocarbon and carbon monoxide in the air have been lowered 50 percent. Of the 250 air quality regions in the United States, only 29 do not meet Federal ambient air quality standards. However, within those 29 poor air quality regions, 50 million people or approximately a quarter of the country's population work and live.

Since 1970, the Federal Government has delayed the statutory auto emission standards three times and here we are again discussing the fourth retrenchment. Who is to say we will not be back next year or the year after for a fifth delay. I think the time has come to meet the task we set out to do 7 years ago. No more retrenchment. No more significant delays.

From the remarks made in opposition to the Hart amendment one would think the supporters are a bunch of screaming, narrow-minded environmentalists that compromise nothing. However, this is not the case.

The Hart amendment, as does the committee's proposal, delays the carbon monoxide and the hydrocarbon standards for 1 year. The major difference between the Hart proposal and the committee's, is the treatment of nitrogen oxide, a potent cancer-causing substance when it mixes with other chemicals in the air. The Hart amendment would restore the 0.4-gram-per-mile NO_x standard to the Senate bill by 1983 and incorporate a system of noncompliance penalties and rebates which would provide a financial incentive for both manufacturers and consumers. The committee, on the other hand, would permanently relax the standards for nitrogen oxide, the auto pollutant with the greatest health risk.

I do not have to repeat the well-documented facts that auto pollutants, and in particular nitrogen oxide, are a serious health hazard and that 60 to 90 percent of cancers are environmentally induced.

I fully realized that there are going to have to be some tradeoffs made with the passage of the 1977 Clean Air Amendments. However, the argument that the standard's proposed in the Hart amendment will cause significant loss of employment and fuel economy has been discredited by our leading scientific bodies, the National Academy of Sciences, the Environmental Protection Agency, and Federal Energy Agency. In my mind, the physical health of the citizens of the United States should not be one of these tradeoffs.

Mr. President, this brings me to the principal point that I wish to make on this business of clean air, energy, and employment. This body has been in session for almost 4 years during which time no significant energy proposals have come forth that would conserve our scarce fuel sources or explore and discover additional energy. Nothing.

All that has happened in terms of conservation is a pricing system that in effect has taken the poorest Americans, those on fixed income, the elderly, poor, and forced them to conserve. That has not been Congress acting. It has been the inaction of Congress that created that situation. But indeed it has been the pricing mechanism of the domestic and world markets.

What is it with this country that we cannot go and toe the mark and do what is necessary? Indeed those that are better off should take the burden on their shoulders rather than dumping it on the weakest of our citizens. And yet that is, in effect, what is transpiring in this Chamber.

Certainly I can understand the self-interest of the distinguished Senator from Michigan. If we were discussing aircraft engines I might very well be out here pushing a particular point of view.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. WEICKER. No, not now. I will in a minute.

But I think there is a broader issue involved and, I might add, great numbers involved, coming from a manufacturing State. I am not from a clean air Western State. We are a manufacturing State. We probably have more interstate highways and more automobiles per capita than any other State in the Union. But it was almost as the role Connecticut played during the Vietnam war. Connecticut was per capita the greatest defense State in the Union, but no one wanted to go to war so they could hold onto their jobs. As far as I am concerned, it is also that point which is presented here today.

I do not want the weakest of our citizens to be penalized so that others can lead their life undiscombobulated, uninconvenienced. I think the time has come to face up to this issue.

The fact is we have made significant progress. The fact is that we cannot stand still. Certainly we are not going to go ahead by taking a step backward.

I again have to make the point that what the Senator from Colorado is proposing is the middle ground. I think it is a disgrace that one day of extension is being accorded the automobile industry. It is not the elderly or the poor of my State who have the money to go ahead and correct the situation. It is the automobile industry. But instead of spending the money to do the job that was so necessary they had to make every American feel he was Mario Andretti, bigger, better, faster, and dirtier. I would like to see the figures someday out of Detroit on what is spent on R. & D. relative to fuel efficiency and relative to pollution. It is minuscule.

Mr. HART. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator.

Mr. HART. The Senator is well aware, as I indicated, Congress has been exposed to a tremendous—I use that term advisedly—tremendous lobbying effort, which some veteran Members of the House of Representatives have said is as heavy-handed as any they have seen in their many years in Congress from not only the auto industry but its unions. And I think most of us have been exposed to that, some less than others, because some of us have made our positions pretty clear.

And as part of that effort, the industry in response to the question the Senator has raised has gone to great pains to talk about the expenditures that have been made to solve the auto pollution problem and how hard they worked at it and how much effort has gone into this. And that has been persuasive, unfortunately, to some of our colleagues because the facts just do not support it.

Does the Senator have any idea, for example, what the great Ford Motor Co. stated it spent on its research car to meet

the standards as stated in its testimony before the Senate Committee in 1976?

Mr. WEICKER. No. I wish to hear the answer.

Mr. HART. $118,000 is what the Ford Motor Co. says it spent—that is its testimony—on solving the problem of cleaning up the automobile industry. For some of us I suppose that is a lot of money.

But is the Senator also aware that that same company was a sponsor of the 1976 super bowl? Does the Senator know that?

Mr. WEICKER. Yes.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. HART. The Ford Motor Co. bought, eight 30-second advertisements as sponsor of the super bowl.

Mr. WEICKER. What was the total of that particular bill?

Mr. HART. That goes at about $220,000 a minute. So the same giant corporation which put out such an effort to solve the automobile pollution problem, $118,000, spent $880,000 sponsoring ads for the super bowl.

Mr. WEICKER. I say to the Senator, using not any specialized knowledge but just looking back on the history of the automobile in, let us say, the last decade, is there any question in the Senator's mind that it was the pressure brought by foreign competition that forced Detroit to go to a smaller automobile? Is there any question that it was the pressures brought by Congress that forced them to start to clean up their engines? All I am saying is that there has been no initiative whatsoever, either as to fuel efficiency or as to clean air on the part of Detroit. Yet for some reason or other the burden is supposed to sit in the hands of the poor, elderly, those on fixed income, and the very young, as cited in the letter read before this body by the distinguished Senator from Colorado. It is an incredible record.

And that same industry——

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. WEICKER. I will not yield to the Senator from Michigan. He will have his time. Until then, I am delighted to have him listen to this.

The fact is that the self-starting initiative on the part of Detroit has been zero. The thing which bothers me here more than anything else is that I happen to be a great believer in our free enterprise system. I do not think American business is trying in any manner, shape, or form to rip off the American people. However, I think they are establishing that image, and should do their best to try to establish a different image.

But what impression does the average man get? "Why do I get caught in the crunch and have to pay the price?" So faith in the whole system receives another blow.

The California experience has proven that strict auto emission standards can be met, and if we backslide now the auto industry will not do it and the health of our citizens will be in even greater peril. Every year we delay clean air standards, the health risks increase significantly. We suffer increases in the cases of acute respiratory illnesses, bronchitis morbidity, decreased lung functions, and respiratory infections. And yet today we are discussing relaxing the statutory standards of nitrogen oxide.

In 1975 my own State of Connecticut had the worst smog problem in New England, and EPA announced that Connecticut had the second-worst hydrocarbon pollution in the country. As the junior Senator from Connecticut, it would be unconscionable for me to support significant delays in the current federally mandated auto emissions standards such as those suggested by the Riegle/Griffin amendment.

I have only the greatest admiration, I might add, for the Senator from Colorado in championing this cause in a most effective way. I take a more extreme position than he, and perhaps am less effective, but I know what we are both trying to achieve.

I remember—I think it was in the debate we had on the Concorde here in this body about a year ago—that one of my distinguished colleagues got up and said that really the additional air pollution was no more than dumping one bucket of detergent into the Mississippi River; it would not make any difference.

Mr. President, we are past that point. I say to my colleagues, we are past going back to the status quo. It is not a question of one bucket being added, it is a question that we are trying to clean things up. We have to move the other way.

I commend the effort of the Senator from Colorado. I would hope that each Member of this body now would turn to his healthy constituents, his strong constituents—by strong I mean economically and physically, and demand the sacrifice that is required to go ahead and put us back on our feet, both in the sense of our economic and energy situations, rather than continuing a four-year policy of demanding sacrifices from the weakest segments of American society so that there will not be any loss of votes.

Both Republicans and Democrats are guilty of that in this body. That is the reason why we have no solution.

There is no getting around what sacrifices have to be demanded. Let us demand it from those who can afford it, those who will not be hurt.

Mr. HART. Mr. President, will the Senator yield?

Mr. WEICKER. I am happy to yield to the Senator from Colorado.

Mr. HART. I wish my position on this issue resulted from my desire to keep the State of Colorado and its air clean. It does spring from that, but also from the fact that unfortunately the city of Denver has one of the worst air pollution problems in this country. The maps demonstrate that.

The fact of the matter is that my interest in this issue springs from that, from the public health problems the city of Denver has, which are repeated all across this country. It was not too long ago that, when you talked about air pollution, most people thought you were talking about Los Angeles, and maybe one or two days a year in one or two other places.

We have permitted an epidemic to come upon us. We have been lobbied into letting it happen. The history of this body has not been a pattern of increasing restrictions on the automobile industry; rather it has been a pattern of recapitulation and relaxing standards. That has been the history of clean air legislation in this country.

As a result, the people of Denver today are getting sick, or their sicknesses are being exacerbated, by the air they are breathing.

I keep having the awful feeling that outside this Chamber, the American people, to the degree that they are aware of this issue, are asking themselves, "What in the world is going on in the Congress of the United States? With open government, sunshine, public participation, the citizen democracy which a lot of people think has arrived, why is it that the giant corporations still have the control they have? Why it is, when those corporations can get together with their labor unions, they can control legislation, they can control what the United States Senate does?"

I do not have an answer for that. I did not think it was possible.

Mr. RIEGLE. Mr. President, will the Senator yield at that point?

Mr. HART. No, I will not yield yet.

Mr. RIEGLE. Pardon?

Mr. HART. No, I will not yield yet.

I saw it happen last year, the last 48 hours of the session. I saw a handful of companies, two or three industries, defeat the Public Works Committee of the U.S. Senate, which had almost unanimous—I was a dissenter because I did not think the legislation was strong enough—support, on a bipartisan bill to move another couple of inches along the road to cleaning up the air of this country. I saw them defeat that legislation.

I said at the time that I, as a new Senator, was appalled at that kind of power. But we have seen it this year. We have seen it in the House of Representatives——

Mr. GARN. Mr. President, will the Senator yield?

Mr. HART. I will not yield.

Mr. GARN. Will the Senator yield when he is through?

Mr HART. I will be through shortly.

Mr. GARN. I am a little tired of hearing that accusation——

Mr. HART. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator from Colorado.

Mr. HART. It is not industry alone, as I have indicated, and it is not labor alone. It is the power of both together to meet the 2-, 3-, or 4-year efforts, receiving testimony, spending hours, days, and weeks in markups, trying, as the Senator from Connecticut has indicated, to strike a balance and reach a reasonable balance among competing interests, and then having that pressure brought to bear on Members, suggesting that tens of thousands of people are going to lose their jobs if the committee bill is adopted, plants are going to close down, the economy will be ruined or seriously threatened, and the energy crisis will be exacerbated. It is ridiculous.

We took those issues up in committee. We talked about preserving the commit-

tee's rights and following the committee's lead. That is fine, so long as the committees do what certain interests want them to do. But if the committees do not see eye-to-eye with those interests, then the committee's position does not mean anything, and we start all over again. That is the way the system works.

I think out there an awful lot of Americans are wondering what the U.S. Senate is doing fooling around with an issue they have resolved in their own minds a long time ago. That is where we are today. They know who is doing it, and they are willing to make the sacrifice. There is no doubt in my mind that the people of Colorado and a lot of people around this country are willing to pay a few extra dollars to prevent their children and future generations from getting those kinds of lung diseases.

I may be seriously wrong about the American people, but I do not believe so. I believe if they understood what was happening here this week, they would be mightily concerned that the Senate cannot reflect what is obviously the popular will of the people.

Mr. RIEGLE. Will the Senator from Maine yield at that point?

Mr. MUSKIE. Mr. President——

Mr. STAFFORD. Will the Senator from Maine yield?

Mr. MUSKIE. I yield.

Mr. STAFFORD. The Senator from Tennessee had to leave the Chamber briefly. He will return quickly for the purpose the Senator from Maine had in mind.

Mr. MUSKIE. I think it might be well for me to state the purpose now so no one is disabused. Under the agreement, time on amendments is divided between the proponent of the amendment and myself. In the case of this amendment, I would support this amendment. For that reason, I ought not to have control of the time in opposition. I do not wish it.

I had discussed that with the distinguished minority leader (Mr. BAKER), and suggested that I yield the time in opposition to him. He indicated that he would designate the distinguished senior Senator from Michigan as his representative in dividing up that time. I would like to have that resolved.

I suppose I could yield some time. How much time remains, Mr. President?

The PRESIDING OFFICER. Ninety-four minutes remaining.

Mr. MUSKIE. That is the time in opposition.

The PRESIDING OFFICER. The Senator is correct.

Mr. MUSKIE. Out of that 94 minutes——

Mr. RIEGLE. If I might inquire, if I am not mistaken about 1½ hours of the time on the Hart amendment has been used. Unless I am mistaken, I do not believe anyone has been recognized to speak in opposition. I presume there is approximately 30 minutes left in behalf of the amendment and presumably a full 2 hours available for those who want to speak in opposition to the amendment. Is that correct?

Mr. MUSKIE. I do not think that is correct for the reason I have stated. Under the unanimous-consent agreement the time in opposition to an amendment is mine to control. I used some of that time to get an explanation of the amendment so I might fully understand it, and to expose some of the justification for it. That is why there are 94 minutes instead of 120 minutes.

The PRESIDING OFFICER. The Senator from Maine is correct.

Mr. MUSKIE. Under the unanimous-consent agreement, there are 94 minutes left. I would think that would be sufficient for time in opposition. If it is not, we can consider additional time at that point.

Mr. RIEGLE. Let me say I appreciate the courtesy of the Senator from Maine in inquiring about it. I would appreciate the chance to speak. I would ask, if I might, from the Senator from Maine or from whoever the time is being passed along to, to be given the opportunity to speak for 20 minutes. As I say, we have heard something in excess of 1½ hours argumentation in behalf of the amendment. Whether it is now or later, I believe it is only fair that those of us who may hold the other view have a chance to address some of the issues which have been raised.

Mr. MUSKIE. That was the purpose of my rising. At this point, the minority leader has entered the Chamber. I believe under the terms of the unanimous-consent agreement if I do not control the time the leadership does.

The PRESIDING OFFICER. Under the agreement the minority leader or his designee will be in control of the time.

Mr. MUSKIE. Then I release my control of the time to the distinguished minority leader.

Mr. BAKER. Mr. President, I might say I would be delighted to yield to the distinguished Senator from Michigan. It will be my intention shortly to designate the distinguished senior Senator from Michigan in control of the time in opposition. He is unavoidably absent from the Chamber at this moment. For the time being, I yield to the distinguished junior Senator from Michigan.

Mr. RIEGLE. I appreciate the Senator from Tennessee yielding. There are a number of points and issues which have been raised in the last hour or two to bring into perspective.

Let me start, if I may, by addressing my former colleague in the House from Connecticut. I will say at the outset that I know the Senator from Connecticut prizes his independence very greatly, and properly so. I might say to him that I do as well, as I believe he is aware. I would resent any inference by him or anybody else that the positions I take here are dictated to me by one or another economic interest in or out of my State.

I was in the other body for 10 years and I have taken a number of positions in opposition to the automobile industry, as they well know, and I am sure I will in the future. The positions that I take here now are not based on being here as a servant of that particular economic interest. Any suggestion to that effect would be incorrect.

I resent it. I do not know if that was the intent of the Senator from Connecticut when he made a reference to what seemed to suggest that. I would hope when he has the opportunity later he will make it clear that was not his suggestion because that is clearly not the fact, as I think he well knows.

It is all well and good to condemn the automobile industry. They have made their share of mistakes, as most people and economic groups have at one time or another. But some significant progress has been made in cleaning up auto emissions. People who feel contrary can talk all day long, but that does not obscure the fact that interms of hydrocarbons there has been an 83-percent reduction since we started in 1970, very specific and very precise. It was done by those same automobile companies.

Carbon monoxide has been reduced by 83 percent. It does not mean it is all gone, but a lot of work has been done, and I believe a lot of work has been done in good faith.

In the area of NO_x the progress is not as great. Thirty-eight percent is a conservative estimate. I have seen other estimates that go much higher. More progress needs to be made there.

Clearly, much has been done in the time that we have had since we started down this road. A good deal more needs to be done.

I voted for the clean air legislation over the last 10 years, and I would do so again.

The schedule of emissions which Senator GRIFFIN and I intend to offer at a later point continues that progress. It brings us out very near to the same point as the committee bill in terms of the levels of the various emissions, the three emissions that we are after here, but it does it in a different way. It carries with it other implications which I believe, very profoundly, in fact, help the national interest.

I also heard the Senator from Colorado speak with great passion and feeling about the children of this Nation. I share every feeling and concern he has in that direction. Three of those children are mine. My concern about the impact on the public health, whether it comes from auto emissions, smokestacks, cigarettes, or anything else, is something I care about, as much as he does.

But it does not put the forces of right on anybody's side because they raise those issues. This is a complicated matter. To try to strike some kind of a reasonable balance when there are a number of conflicting objectives is not easy. I can see how people of conscience can disagree, and I respect those disagreements.

I will not, in the course of my remarks, try to cast a shadow over anybody's motivation. I assume that all the people here intend to do what they believe to be in the national interest. Clearly, I intend to do that. If I cannot make this case on facts, then we ought not to be successful. But I think we can. I have heard a lot more rhetoric today than I have heard hard facts.

I have heard people say, why does not the automobile industry do it? But I have not heard anybody here say how. I have not heard the Senator from Con-

necticut come in here with an engineering design, or seen the Senator from Colorado come in here with an engineering design that gives us 0.4 on NO_x. I have not heard them refer to anybody who has been able to demonstrate that that can be done on a production basis across the board in this country, if the technology exists to do it. Because it does not exist to do it. I wish it did. If it did, and if it made good sense, I would argue for it. But to call for it when it does not exist is really not, in my judgment, a responsible position.

It does not solve any basic issues here, nor does it make things clearer.

I want to refer, point by point, to some of the assertions that were made by the Senator from Colorado in his presentation in behalf of his amendment, because I oppose his amendment, because I do not think it is a sensible one. I do not think it is a workable one, I do not think it serves the national interest.

First, I want to refer, if I may, to two charts that I am going to display here in just a moment. In the case of one, it shows that, due to the lack of any hard health data, including EPA's admission of uncertainty, the NO_x reduction—not the 0.4, but the 1.0—is sufficient for public health protection.

The DOT Analysis of EPA, DOT, FEA Panel on Air Quality, Noise and Health report to the Task Force for Motor Vehicle Goals beyond 1980—the date being 4–11–77—stated that "it is evident that a reduction in auto emissions from 2.0 to 0.4 gpm cannot produce the claimed reduction in lower respiratory attacks."

The DOT analysis further stated:

It is difficult to put a price tag on health and even more difficult to place a cost on life. However, it has been suggested that headaches attributable to oxidant concentration might be more cost-effecively treated with aspirin than with auto emission controls and that such could be priced.

That is not me talking. That is the EPA itself.

It stated that going to a 4-grams-per mile NO_x standard would not reduce the number of air quality control regions above ambient air quality standards.

There has also been some medical research done that ought to be referred to. First, we do not know what we need to know about nitrogen oxides. That science is still in its basic infancy. We need to know more.

The WHO states:

Several studies have been reported in which an attempt has been made to relate pulmonary function to nitrogen dioxide exposure.

However, between the groups exposed to different levels of oxides or have been confounded by the fact that relatively high concentrations of other pollutants were present.

Also, the atmosphere is complicated. The National Academy of Sciences, in its 1977 report on photochemical oxidants, reports:

The urban atmosphere contains not just one but hundreds of different hydrocarbons, each with its own reactive and oxidation problems. Only a few.

Realistic models of polluted atmospheres, have been developed. Serious gaps were made in the present models and further fundamental research is necessary.

Automobiles, I might add to those Members who spoke about them earlier and are here now, are not the major source of nitrogen oxide emission. The National Academy of Sciences reports that automobile NO_x is already less than 20 percent of the total NO_x standard and that, even at 2 grams-per-mile standard—and we intend to cut that in half—the burden would decline to 10 percent by 1985. So that is the part of the problem that is being referred to here.

Let us talk about the penalties, because there are some significant penalties. The first is that nobody knows how to do it. The technology does not exist to produce cars on fleet level that can meet anything close to 0.4 in NO_x.

As a matter of fact, as we run engines at higher temperatures and burn gasoline at higher temperatures in order to get better fuel efficiency, we actually create more NO_x. This is one of the areas where we run into this direct contradiction with the need to try to conserve energy.

We have heard the President say—and maybe that should be discounted totally; I do not think it ought to be. I have heard the President say that he thinks we need an effort that is the moral equivalent of war to deal with the energy crisis. The Hart amendment, if it were to be adopted, according to the Government analysis data, which I put in the RECORD previously, would, between the years 1979 and 1985, cost this Nation 27 billion gallons of gasoline, nearly 4 billion gallons of gasoline each year. That figures out to 254,000 barrels of oil a day. That is part of the cost and maybe we ought to pay it, if we had the technology, which we do not.

Furthermore, if we are going to make the breakthroughs in terms of fuel economy, we have to do some experimentation. We have to build cars differently.

I am willing, along with everybody else here, to help move the automobile industry as fast as it can go in terms of redesign, reengineering, and new manufacturing techniques. But to try the new alternatives, to try the diesel engine, to try burning these other things—we are not going to be able to do that if we are having to live with a 0.4 NO_x schedule, because those other technological possibilities cannot be tried at those levels for they do not come close to meeting those kind of levels. In effect, we have ruled those out. Then we do freeze the technology. We stay with exactly the kind of engines we have today and that would be foolhardy. I do not think anybody who really understands the technology would call for that, because that would be a mistake. We have to develop the technology. That means we have to leave ourselves enough flexibility to be able to do it.

We are proposing in our own amendment, which we are offering later, to go down to a 1.0 NO_x level. I do not know of any study of any consequence that exists that says that we need to go below that level. I am talking about anything that comes out of the Government, any agency of the Government. If anybody can show me that, I shall be happy to see it.

There is a lot to consider here. In raising these points, I hope that we can keep this debate on the level of the facts that do exist, because these are complex subjects. There are differences of opinion. I would like to assume that everybody comes in here with proper and clean motivations. I feel I do.

If I may, I want to make one other point. The question was asked earlier of another Senator whether any reports exist that bear out the fact that a 0.4 No_x level is not needed or ought to be relaxed. I just want quickly to cite five particular studies that do that in very pointed fashion.

First is the EPA study of June 5, 1973; November 5 and 6, 1973; November 8, 1973; December 3 to 5, 1973; March 22, 1974; June 3, 1974; December 11, 1974; March 5, 1975; National Academy of Sciences, Dr. Philip Handler, president, September 17, 1973.

Also a critique on the 1975–76 Federal automobile standards for hydrocarbons and oxides of nitrogen, May 27, 1973, from California Air Resources Board, chairman, Charles Conrad, March 15, 1974, to the Senate Committee on Environmental Conservation.

Mr. BAKER. Will the Senator yield for just a moment?

Mr. RIEGLE. I am happy to yield.

Mr. BAKER. Mr. President, I designate the distinguished senior Senator from Michigan to control the time in opposition.

I thank the Senator for yielding.

Mr. RIEGLE. To continue: The panel on emission standards of the Committee on Motor Vehicle Emissions, National Academy of Sciences, September 1973. Also a review of the study of air quality emission control by the NAS, contract number DOT–OS–30171, Sevodka Co., Inc., November 8, 1975. That is just a partial list.

I might respond to another point that was made, which is just clear misinformation, and I think designed not to shed objective light on this debate. The point was made that the Ford Motor Co. allegedly spent, last year—and I am not here to make a brief for that company. To continue, the point was made that they spent only $118,000 on research, on fuel economy, and I think on auto emissions.

Obviously and patently false. Anybody would know that.

Mr. HART. Will the Senator yield?

Mr. RIEGLE. In a moment, I would like to yield and I would like the Senator to yield to me from time to time, when I seek to have him yield to me on matters of fact, not because I want to sop up his time, but to pack these down as we go.

We have contacted the Ford Motor Co. and their answer to us is that they are currently spending $300 million a year on R. & D. certification facilities and launching with respect to auto emissions. Since 1967 the Ford Motor Co. indicates to us they spent $1.5 billion to $2 billion on emission control research, and this also includes R. & D. and launching.

The $118,000 figure the Senator refers to was for research. That was clearly directed at the 0.4 NO_x level in 1976 alone.

Mr. HART. The Senator is correct.

Mr. RIEGLE. But that is not the way

it was presented and not the way it was stated to anyone in the debate from time to time and the Senator knows that.

Mr. HART. The Senator from Colorado corrects himself and apologizes for the mistake. But the fact still exists that in 1976, $118,000 was spent. That was the issue.

Mr. RIEGLE. Let me address another point that was made. Again, I have to take issue with the Senator from Colorado where he makes an argument to the effect that pollution from automobiles would cost 4,000 deaths and 4 million illness restricted days.

The National Academy of Sciences does not make this claim at all. What it actually says is, and I quote:

It is suggested—

And I underline "suggested"—

that automobile emissions may amount for as much as 1 percent of the total urban health hazard. For the whole United States, urban population effect of this magnitude—

I again stress—

might represent as may as 4,000 deaths and 4 million illness restricted days per year.

Now, realize that the other side leaves out these absolutely critical qualifiers, such as suggested, might, and represent, because the National Academy of Sciences makes no such cause and effect relationship at all.

The National Academy of Sciences admits there is no quantitative data on illness and death due to air pollution.

In the same report that the other side cites, the question is asked: What fraction of illness and death can be attributed to air pollution specifically, and what amount is caused by automobiles, the Academy responds, and I quote:

We can make no pretense of providing accurate quantitative estimates rooted firmly in scientific knowledge of the contribution of air pollution to this total.

Now, to suggest otherwise is really not to be honest with what facts we have. This is a difficult area because the facts are not complete. They are not as complete as I wish they were. But that is why, in trying as reasonable people, to strike some balance when we have the very substantial energy penalty involved, we have got what I can find to be no quantifiable public health assurance of those standards. The fact is that the technology does not exist.

In light of those circumstances, it seems to me we obviously have to turn down the 0.4.

Mr. MUSKIE. Will the Senator yield?

Mr. RIEGLE. I shall yield in just a moment.

But I think that is really the reason the committee did not adopt that standard. The committee was free to pick it if they thought it was the right one. The committee in its wisdom on this particular matter elected not to, as the chairman himself indicated a while ago.

The Senator has asked me to yield and I yield to him.

Mr. MUSKIE. The Senator just made the statement to the effect that since we cannot prove the technology exists that, therefore, we should relax our objective.

Let me make clear to the Senator that the 1970 act was deliberately enacted by the Congress as a technology forcing act. If we had not enacted the 1970 act we would not have today's catalyst. We would not have the catalyst which today is achieving the kind of results where the automobile industry is saying, "That's enough."

We chose the 1970 mechanism in order to force the technology. If we were to set standards only in accordance with what the industry was willing to develop to deal with air pollution, we would not have any technology.

If we were to leave air quality policy to the corporate board rooms of the automobile industry, we would never move, even as far as we have.

It is our responsibility to decide what the health requirements of the country are and say to the industry, "That is what the health requirements are and you must meet them."

That was the philosophy of the Clean Air Act of 1970.

It may be that the majority of the Congress is now willing to abandon that kind of policy, and if a majority of the Congress does so, I guess I will have to live with it.

But I still think it is the only way. It is the only way to force technology, and this has to do not only with the automobile industry, but with every other major industry, all of whom resist the technological kind of initiatives that are necessary to deal with this public health problem.

Mr. RIEGLE. Will the Senator yield at that point?

Mr. MUSKIE. Of course.

Mr. RIEGLE. If I may just respond, I understand the Senator's point and I have enormous regard for the Senator from Maine, for his leadership in this area over a long period of time. I do not relish in any way being on a different side, even one issue, because we find ourselves on the same side of most issues.

I voted for those standards the Senator speaks about for 1970. I voted for all of them.

I think the situation today is quite different than the situation we faced then.

The standard that I am proposing is the Riegle-Griffin substitute which we hope to bring up at a later point continues that same approach.

It does it at a slightly different rate than the bill the committe is proposing, but we continue to tighten down those standards. We do so because we think it is necessary to set tougher goals and then strive to meet those goals.

Mr. MUSKIE. Will the Senator yield?

Mr. RIEGLE. After just one more point.

The automobile industry wanted a different set of standards, ones that would be easier to meet than those Senator GRIFFIN and I are proposing.

What we are proposing represents, I think, an accomplishment on our part in persuading the auto companies, as well as the United Auto Workers and the AFL, to sign on to a tough set of improvements as we go forward through 1985.

But the difference is that they have committed themselves to meet that standard and if our alternative is accepted, then we solve this problem forevermore because we will have standards that they have said will meet and they will have no way out. I mean, they are absolute and final standards. Quite frankly, I say to the Senator that if we look at some——

Mr. MUSKIE. Before the Senator refers to a chart, may I say that I hope the Senator will forgive my cinicism, but I regard the Griffin-Riegle standards as an abandonment of any effort to require the automobile industry to do anything better than it is now doing.

Mr. RIEGLE. If the Senator will yield at that point, we reached the same standards, as he knows, in two out of the three measures.

Mr. MUSKIE. The Senator abandoned one altogether, the most lethal one.

Mr. RIEGLE. Well, there are three.

Mr. MUSKIE. The most lethal one was abandoned altogether.

Mr. RIEGLE. That is a question of judgment. But let us take the three and take them in the order they are talked about and presented.

Hydrocarbons, we reached the same level there. The CO standard situation went up with a different level in that area. But as far as the NO_x is concerned, we both end up at the 1.0 level.

That is the final standard we both meet. So we are together on two of the three.

Mr. MUSKIE. Let me recite my view of what the Senator is proposing.

With respect to hydrocarbons, there have been delays in the achievement of that standard, which was first mandated for 1975, which is now required by the 1978 law, but 2 years longer than the committee version—notwithstanding the fact that all the evidence indicates that the technology now exists to achieve it.

With respect to carbon monoxide, which is the most lethal of all, for the first time the industry has persuaded the Senator that we can abandon the standard—totally abandon it, permanently abandon the standard that was set for 1975, which is now the law for 1978, and which the committee would require achieving in 1980.

It is interesting to me that that abandonment was not even proposed until after the committee agreed to the relaxation of the NO_x standard. The NO_x standard was the industry's prime target until they won the 1.0 concession, which still does not satisfy the industry. Then they picked a new target, the carbon monoxide standard. Nobody outside the industry challenged the carbon monoxide standard until the last 12 months. Now, suddenly, we are going to change that one. If the industry wins that one, I suspect that they may well target in on the hydrocarbon standard.

With respect to the 1.0 in the committee bill on NO_x, I say to the Senator what I said earlier: I went to 1.0 NO_x not because I doubted that 0.4 might not ultimately have to be required but because I wanted to eliminate the argument that going beyond 1.0 NO_x would eliminate technological options that should be explored.

That was a concession on my part to try to do what the Senator says his

amendment would do—finally get the industry on board. Well, the industry did not come on board. Having won that much, they seek to win more, and that has been their effort for more than 7 years. The entire 14 years I have been chairman of the Environmental Pollution Committee, the industry has had to be dragged, kicking and screaming, into every new advance in dealing with this problem.

Mr. RIEGLE. Will the Senator concede that, in terms of the progress that has been accomplished, if we take 1970 as our starting point, we have made substantial progress in cleaning up the emissions we have been after, particularly in the area of hydrocarbons and carbon monoxide?

Mr. MUSKIE. We have made some progress, but we still have not achieved the ultimate result which the industry claims to have reached.

Every time I concede that there has been some progress, the industry then seizes upon that as an endorsement of their position that they have done all they need to do. I hear that over and over and over again.

There never has been a positive attitude on the part of the industry to say to the public, "We recognize our responsibility, and we are prepared to do what is necessary to meet it." Never once has that kind of attitude been expressed by the industry. For the first time, there was a semblance of that kind of attitude in this year's hearing. The Ford Motor Co., testified that they could meet the committee standards in 1980.

Mr. RIEGLE. I say to the Senator that I think the automobile companies are, in fact, saying that, by supporting the schedule that Senator GRIFFIN and I are proposing.

Mr. MUSKIE. They proposed the schedule before the Senators proposed it.

Mr. RIEGLE. I beg the Senator's pardon. They did not.

Mr. MUSKIE. They asked for a 5-year extension.

Mr. RIEGLE. I say to the Senator that the discussions and the working meetings that were held with the United Auto Workers and a host of interested parties ended up with the numbers we were proposing being very much different and tougher than those for which the industry had hoped. They joined this coalition, and they have said to us that they are willing to commit themselves absolutely to meeting these objectives. We are tightening up each of the three standards, and we are hitting two of those exactly as the Senator proposes.

Mr. MUSKIE. The Senator from Michigan is tightening up the carbon monoxide standard only to the extent that he is asking them to do something more than they are now doing, but he is abandoning the carbon monoxide standard which is now written into law, and it is the most lethal of the automobile pollution initiatives.

Mr. RIEGLE. Let me show the Senator one thing.

I do not know whether the Senator has had a chance to see this chart before or not. It shows the one about which the Senator speaks, the one he calls the most lethal—namely, carbon monoxide levels. This takes in three areas—Los Angeles, Denver, and Chicago—and they are important because of the amount of air pollution.

This shows, according to CEQ what we can anticipate, starting from 1970, the experience we already have, and going to 1980 and 1990, using 15 grams, 9, or 3.4. That is the range about which we really are talking.

The Senator sees what the effect of the difference is in terms of when we cross that air standard line which is noted right here.

I say to the Senator that each of those standards, whichever one he wishes to take, gives us essentially a comparable result. One can argue which it should be, but the difference between the 9 and the 3.4, as it is charted here, in two of the areas about which we have the greatest concern, is a relatively minor difference.

Mr. MUSKIE. I say to the Senator that I have not seen the chart, and I cannot see it from here; but I will look at it and compare it to our own carbon monoxide chart for the purpose of making comparisons.

Mr. RIEGLE. One of the world's best chart bearers is bringing it over.

Mr. MUSKIE. I doubt very much that a chart I cannot see would offset the evidence I have been listening to for 14 years.

Mr. RIEGLE. I say to the Senator that these are very complicated issues, as he probably knows better than anybody else, because he has lived with this matter and struggled with it, as we all have.

Mr. MUSKIE. That is something on which we can agree completely.

Mr. RIEGLE. There are legitimate differences of opinion.

One of the major changes in circumstance, in terms of 1977 versus 1970, or any point in between, is the fact that we have an energy crisis on our hands. The people of Maine know that; the people of Michigan know that; the whole country knows that. There are some very major fuel economy differentials here that relate to those emission standards. Perhaps they should not be treated. Perhaps we should put those to the side and say that the only issue is air quality.

Mr. MUSKIE. In one way, I say to the Senator. Not at all. The Senator is so wrong on the conclusions he has drawn about the energy implications of the standards that the committee bill would provide that I would be delighted to discuss that issue. In due course, I will have some charts here that will put a perspective on this that will seem strange to the Senator. The idea that there is a fuel penalty associated with our standards just does not stand up under examination of the facts.

We have heard the automobile companies' arguments on this. I heard them when they finally went to the catalyst in 1975. They predicted horrendous fuel penalties, and that was when the fuel economy began to improve.

We will show the Senator a chart going back to 1956, as to what has happened to fuel economy in automobiles. The Senator can look at that curve as opposed to the curve of auto emission regulations, and he will not find his argument supported. Here it is, right here.

Mr. RIEGLE. The Senator, I am sure, will acknowledge that the cars that are being driven in California today which meet type emission standards carry with them a substantial fuel penalty, will he not—something in excess of 10 percent?

Mr. MUSKIE. That is exactly true, because in order to meet those standards, for just California, the automobile industry did not go to the next level of technology.

The next level of technology would eliminate that fuel penalty, and I sometimes think they did it deliberately to try to persuade us on the basis of the California experience that moving to tighter standards would carry a fuel penalty.

They said the same thing about the catalyst. It was not proven right. They said the same thing when they moved to the 1977 Federal standards; they were proved wrong.

They have argued fuel penalty and fuel penalty every time we have gone to the next level of control, and then argued that it is an inevitable consequence.

There is no rational connection between clean air and fuel inefficiency. The fact is that the less fuel you consume the less pollution you produce. That is a fundamental fact. But it is the technology, and the industry's choice of technology, which has produced the penalties, the fuel penalties, that the industry has then used as an argument against a healthier performance by automobile engines. That has been demonstrated to me and to the public so many times in the last 10 years that I have absolutely no patience, as I am sure I demonstrate, with that argument.

Mr. RIEGLE. I might just say to the Senator that in my own judgment I think the industry today is committed to the breakthroughs and redesign, radical redesign, going into a three-way catalyst and other kinds of technological changes to get both of these jobs done, to get the fuel economy job done and, as you know as well as I do, we have laws on the books today that require fuel economy improvement, and we also have clean air standards. Both things have to be met simultaneously.

But I think what is important to recognize is that on two of these three emissions you and I get to exactly the same point.

Mr. MUSKIE. We do not.

Mr. RIEGLE. Yes, we do.

Mr. MUSKIE. We do not.

Mr. RIEGLE. Well, I beg to differ with the Senator.

Mr. MUSKIE. The time frame is different. You abandon 0.4 NO_x altogether.

Mr. RIEGLE. I am not prepared to abandon 0.4 as a research objective; I am not prepared to abandon that at all.

Mr. MUSKIE. I am glad to hear that. But, first, we have the timeframe different which slows down the technological push. That makes a big difference, a big difference. I mean the industry itself agreed to the 1975 standards, and let us talk about them as 1975 standards because that is what they were. 1978 represents the third delay. So the 1975 stand-

ards are something that the industry itself agreed to at a White House meeting with President Nixon—as a matter of fact, it was a 1969 conference in the White House with President Nixon—to be achieved in 1980. That is the committee bill, 1980.

(At this point Mr. MOYNIHAN assumed the chair.)

Mr. MUSKIE. Now, they want to abandon, totally abandon, the carbon monoxide standard; they want to delay the hydrocarbon standard beyond that.

Mr. RIEGLE. If I may, just before you do that——

Mr. MUSKIE. All right.

Mr. RIEGLE. The Senator from Maine did support those extensions, if I remember correctly.

Mr. MUSKIE. What is that?

Mr. RIEGLE. The Senator from Maine did support those extensions to which he just referred.

Mr. MUSKIE. Let me give the Senator the reason: As a concession to industry, as a leaning backward recognition that there may have been problems technologically.

Mr. RIEGLE. Is that not another way of saying——

Mr. MUSKIE. That I was willing to lean over backward 1 year, then another year, then another year, then another year, and then the industry, having taken those 3, now say, "We will now go back for 5." I cannot step back 5 years. I can give 1 year at a time, and not because they could not have done it in 1975, not because I did not think they could not have done it in 1976 or 1977 or 1978, but because I know I have to persuade a majority of this body that I am reasonable. So now I have been reasonable three times. The committee bill represents being reasonable four times, and now the Senator wants me to be reasonable five times.

Mr. RIEGLE. Let me just say to the Senator that I am here to help him. [Laughter.]

Mr. MUSKIE. That is not very clear.

Mr. RIEGLE. Well, I want to make it clear because we are going to get this settled for once and for all this time, and when we set the standards——

Mr. MUSKIE. I would not bet on that.

Mr. RIEGLE. Let me say this to the Senator: If the Riegle-Griffin package is adopted, I intend to see that it is met, and that is how I feel about it, and I do not intend to back off from it once it is done.

Part of the understanding of the coalition of the people who support it is that this is it, and this is locking in on standards that will be, in fact, final standards that will be met.

Mr. MUSKIE. Let me say to the Senator that if the Griffin-Riegle standards are made part of the law, I will be strongly tempted to recommend to the Senate that we adopt an amendment that will place the setting of the standards and their enforcement in the corporate board rooms of Detroit.

I just think that that kind of surrender—and I am not attacking the motives or the integrity of either of the sponsors of that amendment—represents a complete surrender to an industry timetable that the industry itself changes every time they think they have got a reason to persuade a majority of the Congress or the public that the standards are unreasonable. We might just as well abolish the farce that this is public policy. You might just as well let them make it private policy and surrender to that. That is my feeling about the amendment.

Mr. RIEGLE. I know it is.

The Senator says that, in the face of the fact that the Senator and I get two of the same standards at exactly the same levels, and that we establish two of them in terms of end standards at exactly the same point, two out of three——

Mr. MUSKIE. The Senator wants me to agree to that in order to obscure some very fundamental differences between his position and mine.

Most fundamental to my position is that we need the technology to clean up the single worst source of pollution in this country, and only the industry can produce it, only the industry or satellite industries which the industry up to this point has been tempted to ignore.

Mr. RIEGLE. Let us take——

Mr. MUSKIE. If I might finish—that is a fundamental difference because if you relieve the pressure on the industry, the history of the last 7 years demonstrates that they will slow down their effort. This happened on NO_2, let me repeat, this happened on NO_x. That is why technological improvement was so limited that we had to go to 1.0 because the industry gave us no technology, no technological choices that were adequate.

So I consider that when you stretch out the timetable you slow down the research effort, the R. & D. effort, in industry, so that when you have to pick it up again then you are faced again with the argument, "We need another extension of time because we haven't got the technology yet." I have heard the same story for 12 to 14 solid years.

Mr. RIEGLE. Let me say this to the Senator: The industry, if it were left to itself, would prefer not to get the figure to one figure in NO_2 which you require and which I require. That is not anything that they prefer to do. So to suggest that that is something they argued for or that that represents a position they fought to establish is really not correct, as the Senator knows.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. RIEGLE. Because the Senator is laying down a tough standard, as you know it, with the one figure, as we are.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. RIEGLE. Yes, I yield.

Mr. MUSKIE. I suspect if I had stayed with .4 longer we could have made 1.0 look so desirable to the industry they would have made it part of their compromise.

I just regret yielding on it when I did, because the only way you get those fellows to come along is to stand tough, and I gave them 1.0 as a concession too early, too soon, and they moved on to other—they moved on to CO and to a 5-year extension. You give those fellows an inch and they take 25,000 miles.

There is a story we tell in Maine of an out-of-stater who was lost somewhere in the back roads, and he stopped and asked a native, "How far is it to Portland?" The native said, "The way you are headed 25,000 miles, and there are some wet spots along the way." [Laughter.]

Well, the way the industry has been headed, you know, has been exactly in the opposite direction for 14 years. The Senator cannot persuade me. I am sorry—maybe it is time for me to give up this committee or this chairmanship—you cannot persuade me that anything, the committee compromise or your compromise, will engage the real sense of urgency of the industry to do this job because I think they could have done it if they had made up their mind to do it long before the deadline the Senator sets, long before the deadline the committee bill sets, long before 1978, if they had made up their mind to do it. Nothing will persuade me to the contrary, and I am sorry I have become so unreasonable, but I am at that point.

Mr. JACKSON. Mr. President, will the Senator yield so that the Chair may appoint conferees on H.R. 2?

Mr. RIEGLE. I yield to the Senator.

Mr. JACKSON. I thank both Senators.

SURFACE MINING CONTROL

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 2.

The PRESIDING OFFICER (Mr. MOYNIHAN) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 2) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JACKSON. I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JACKSON, Mr. METCALF, Mr. METZENBAUM, Mr. BUMPERS, Mr. FORD, Mr. MATSUNAGA, Mr. HANSEN, Mr. HATFIELD, Mr. MCCLURE, and Mr. BARTLETT conferees on the part of the Senate.

CLEAN AIR AMENDMENTS OF 1977

The Senate continued with the consideration of the bill (S. 252).

Mr. RIEGLE. Mr. President, I might just say one final thought, if I may, and that is that the Senator from Maine is, I think, as he properly describes, inflexible on this matter, but he is delightful at the same time, and I have enormous regard for him despite the fact that we have a difference of opinion on this issue.

Mr. MUSKIE. I did not say "inflexible." I said "unreasonable."

I find that I had to match the attitude of my opposition in order to deal effectively with this subject.

Mr. RIEGLE. I just hope that I can convince the Senator I am here to help him get this job done and I think if an alternative is adopted it will settle it and settle it in the way that gives us the best balance in terms of the conflicting objectives that we are after.

I conclude only in addition by saying that I do not think there is any evidence in terms of quantifiable health benefits, in what in fact are quantifiable fuel penaltics, and the fact that the technology is not available insofar as anyone with qualification can demonstrate to indicate that the 0.4 level makes good national sense. It is a research objective. Sure, I am willing to continue to look for every way we can find to try to make these breakthroughs. But wanting it and looking for it is a profoundly different matter than finding it or suggesting that it is ready to go which it is not.

So I hope that the Senate in its wisdom will turn down the Hart amendment because it just does not make good sense.

I yield the floor.

Mr. HART. Mr. President, first of all, I think the major remarks made by the Senator from Michigan reflect the fact that he is unaware of what my amendment contains. He has suggested that we need flexibility, that we need to provide the industry an opportunity to try new technologies, and so forth. That is exactly what this amendment does.

It contains a penalty and rebate system which permits industry to produce engines which emit up to 1 gram per mile nitrogen oxide but would subject them to a penalty. That will permit the flexibility between the 0.4 gram per mile level which we should attain for public health standards, and the 1 gram per mile standard offered by the committee bill.

This is not an inflexible standard which will close off the technologies of the industry and close off the opportunity of the industry from trying new ideas and new instruments. In fact, it will encourage that.

The closer the emission comes to the 1 gram per mile upward limit, the greater the penalty. The closer it comes to the 0.4 gram per mile standard, the smaller the penalty. And the greater its performance below the 0.4-gram per mile standard the greater the rebate. So there is in this amendment a direct incentive-disincentive approach to accomplish what the Senator from Michigan claims he wants.

The Senator from Michigan mentioned the energy crisis and the fact that we have to convert to coal.

Mr. President, the fact of the matter is that if we adopt the amendment put forward by the Senators from Michigan and the industry, the chance of accomplishing the President's coal conversion program and protecting the public health in the 1980s and 1990s is practically nonexistent because all of the experts, the Environmental Protection Agency, and all of the agencies of the Federal Government that we have been able to contact, believe that the increased nitrogen oxide resulting from the coal conversion program, together with the resulting nitrogen oxides resulting from the industry proposal, will create a national public health crisis in this country that we have not seen its likes before.

If people are interested in solving the energy crisis and interested in supporting the President's proposal to convert stationary sources to coal in this country, they better oppose the proposal put forward by the automobile industry and they better keep the pressure on the automobile industry to produce a nonpolluting car, because that will permit the stationary sources to have more air to work with without killing or crippling people in this country.

The Senator from Michigan has talked about the technologies. Let me cite, Mr. President, information provided by the State of California. That information from the Air Resources Board indicates that, from the tests that the Air Resources Board of the State of California have put forward, there are already a number of models that meet the California standards. There are a variety of weights automobiles, kinds of engines, and types of model designs.

We will submit for the RECORD the list of automobiles which meet or almost meet standards which approximate the standards put forward by the Senate for 1980 and thereafter. I ask unanimous consent that two tables be inserted in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

1976 CERTIFICATION DATA ON CALIFORNIA CARS

The actual experience in California shows that *cars in all weight classes on the road in California* over a year ago were already achieving emission levels at or very near to .41 g/mi. HC. 3.4 g/mi CO and 1.0 g/mi. NO_x, despite a requirement to meet higher standards of .9 g/mi. HC, 9/0 g/mi. CO and 2.0 g/mi NO_x. Nevertheless, S. 3219 would not require .4/3.411 standards until 1980.

Manufacturel, model, and engine	Weight (pounds)	HC	CO	NOJ
GM, Chevette, 85 4-cylinder	2,250	0.47	5.84	0.81
Ford (1975) Pinto, 140 4-cylinder	3,000	.20	2.80	.90
Peugeot 504D, Diesel	3,500	.42	1.40	.95
Ford, Comet, 302 V-8	3,500	.64	5.08	.91
GM (Buick) Skylark, 231 V-6	3,500	.59	5.12	1.20
AMC, Gremlin, 304 V-8	3,500	.32	3.91	1.14
Ford, Ranchero, 351 V-8	4,500	.35	3.69	.97
GM (Chevelle) Malibu, 400 V-8	4,500	.39	2.88	1.28
AMC, Matador, V-8	4,500	.43	3.79	1.45
Chrysler, Chrysler, 440 V-8	5,500	.31	2.07	1.49
GM, Cadillac, 500 V-8	5,500	.62	6.74	1.26

Source: Supplied by California Air Resources Board.

Significantly, the above results were achieved without employing any advanced control systems (including the dual catalyst and the three-way catalyst which were recommended by the National Academy of Sciences and others as the most effective and efficient means of meeting the statutory standards.

CALIFORNIA CERTIFICATION DATA—1977

The experience in California shows that cars in many weight classes on the road in California are able to achieve emission levels cleaner than the .41 gpm HC, 3.4 gpm CO and 1.0 gpm NO_x, despite the requirement to meet weaker standards of .41/9/1.5.

Manufacturer and vehicle	Weight	Engine c.i.d.-carburetor	Emissions HC	CO	NO_x
AMC:					
Pacer	3,500	258-1	0.3	1	0.9
Matador	4,500	304-2	.3	3	1.0
Chrysler: Aspen	4,000	360-4	.2	3	.9
Ford: Maverick	3,500	250-1	.4	1	1.0
GMC:					
Caprice	4,000	250-1	.3	3	1.0
Impala	4,000	305-2	.2	2	.8
Manza	3,500	305-2	.3	3	.9
Sunbird (2)	3,500	231-2	.2	3	.6
Skyhawk	3,500	231-2	.3	2	.9
Nissan:					
B-210(2)	2,250	85-2	.3	3	.9
280Z(2)	3,000	168-FI	.2	3	.9

Mr. HART. The fact of the matter is that in the State of California manufacturers find no problem in producing model lines for the national standards that are the same as those for the California standards.

The Senator has talked about the fuel that will be lost from meeting the 0.4 gram standard. The most recent study that has been put forward is by three agencies of the Federal Government, the EPA, the Federal Energy Administration, and the Department of Transportation.

That study clearly shows that there will not be a fuel penalty for meeting the Federal standards.

The Senator has cited statements made by officials of the Department of Transportation in recent weeks. Since that time, the Secretary of Transportation has signed the study which proves, at least as far as the Federal Government is concerned, that there is no fuel penalty, there is no exacerbation of the national energy crisis as a result of going to the 0.4 standard.

The Senator has said that there is no study that supports the 0.4 standard. The fact of the matter is the three-agency study, which I have just cited, supports that standard. The studies which the Senator from Michigan has cited, except for one, and I think there were approximately half a dozen to a dozen of them, were studies from 1973 and 1974.

A letter accompanying the three-agency study, which I have mentioned, dated May 23, 1977, signed by the Secretary of the Department of Transportation, the Administrator of EPA, and the Administrator of the Federal Energy Administration states as follows:

At the 0.4 gpm level it is considered likely that the industry will select fuel optimal technology resulting in an $80 additional cost per vehicle and little or no fuel economy penalty compared to a 1.0 gpm standard. However, should least cost technology be chosen, it is estimated that fuel economy impacts for 1978–1985 model year vehicles would range from a savings of 15,100 barrels per day to a loss of 44,900 barrels per day in calendar year 1985.

Continuing the quotation:

The Dingell/Broyhill proposal contains a waiver up to a 2.0 gpm NO_x level. At this level there is a higher likelihood of continuing with existing cost optimal technologies, than of switching to the fuel optimized technology which is expected to result from the 1.0 gpm

NO_x level as proposed in H.R. 6161. If 2.0 gpm NO_x remains the ultimate standard, as is possible under the Dingell/Broyhill amendment, 1978–1985 model year vehicles could consume in calendar year 1985 as much as 94,300 barrels per day more gasoline.

Mr. President, that is three agencies of the Federal Government, as recently as 2 or 3 weeks ago, the Administrators, the heads of those agencies absolutely refuting the information put forward by the Senators from Michigan and the industry.

The fact of the matter is that by lifting standards for emission controls, direct encouragement is given to the industry to adopt technologies which are the least efficient.

The Senator from Maine has cited the fact that in those years when the standards for performance by automobiles under the Federal standards were met, fuel efficiency did not in fact go down. If anything, it increased.

Mr. President, the argument really gets down to the issue of reasonableness. The Senator from Michigan talked about what was reasonable. I think the Senator from Maine has pointed out what reasonableness is all about. If anyone has been reasonable, it has been the Congress of the United States, which year after year has provided concessions and additional extensions to the industry to meet the standards.

It has not been Congress that has been unreasonable, Mr. President. If anything, it has been the automobile industry. We are being asked here today to adopt a position which, if anything, is itself unreasonable. It is unreasonable from the point of view of fuel efficiency. It is unreasonable particularly from the point of view of the health of the people of this country.

Mr. President, I am hopeful that Senators will support this effort to maintain the original standard laid down by Congress years ago, and will resist the efforts to give the industry a break for the sixth or seventh time, as the Senator from Maine has indicated.

Mr. GRIFFIN. Mr. President, I yield myself such time as I may require.

I wonder if I could inquire of the Senator from Colorado, the sponsor of the amendment—I might say that when the time on his amendment expires or is yielded back, I have an amendment to his amendment which I shall offer on behalf of myself and my colleague from Michigan (Mr. RIEGLE), which will strike out everything except the study which he does provide for as part of his amendment, and which I think is a very meritorious thing.

What I am wondering is, perhaps, we could have some understanding about how much more time we would want on the amendment that is pending.

As far as we are concerned, I think we would be willing, say, to have another 10 minutes to a side, then yield back the remainder of the time and vote on the amendment to the amendment.

When I inquired of the Chair a while back, I believe there was 40 or 45 minutes left on the amendment that the Senator from Colorado has, and I believe we have about an hour left. Perhaps the Chair will advise.

The PRESIDING OFFICER. There is a total of 80 minutes, 38 minutes to the proponents and 42 minutes to the opponents. Now 41.

Mr. GRIFFIN. If the Senator from Colorado wants to use all the time, it is fine—

Mr. HART. Mr. President, I do not have any intention of using all the remaining time, but additional arguments may be raised, and other issues, depending on what additional information is put forward. Therefore, I do not wish to agree to a further limitation at this point, but I think we will be prepared to consider that at some time in the next few minutes.

Mr. GRIFFIN. Mr. President, I merely want to add to what my colleague from Michigan has already said concerning this amendment. It seems to me that it should be voted down. It is a position that has already been rejected by the committee of the Senate that reported this bill. It is a position that was rejected by the House committee earlier in reporting a bill which did not go to this extreme. It is a position which was rejected last year by the committees of both Houses and by the conference committee.

Whatever we may think about the differences between the committee bill and the Riegle-Griffin alternative, it seems as though almost everyone, I say with all due respect, except the Senator from Colorado agrees that the technology to achieve this position of 0.4 is not available, and that we do not know what the health effects are or what is needed. His own amendment acknowledges that by providing for a study, which is most appropriate, to determine what the health impact would be if the emission standards were reduced to 0.4 as distinguished from 1.0.

The fact is that of the three pollutants that come out of the tailpipe of an automobile, we seem to know the least about NO_x in terms of the health impact.

As I understand it, we do know that about 80 percent of the NO_x pollution does not come from automobiles; it comes from stationary sources, and only about 20 percent actually comes from automobiles.

The standards that are in the committee bill and that are in the Riegle-Griffin substitute are very stringent in terms of the technology that is on the horizon. They do take into account fuel penalties and the cost of automobiles—and I might just say that anything that adds additionally to the cost of automobiles is bound to have an impact on the sales of automobiles. When you reduce the sales of automobile, it affects the jobs of automobile workers, which is, of course, a subject of primary concern to my colleague from Michigan and myself. If we did not change the emission standards at all, and we could replace the old vehicles on the highway with new vehicles, we would do more to clean up the air than anything else. So anything we do that discourages the purchaser from buying a new car and replacing his old car works against the very goal we are seeking to establish.

I believe that the Hart amendment should be voted down. The amendment that I shall offer, which would preserve that part of the Hart amendment which makes sense, should be adopted. The Senator from Colorado suggests a taxing system in his amendment which would penalize cars that do not meet the 0.4 NO_x standard. However, the formula is left to the EPA, and there is no particular understanding at this point how it would work, how practical it would be, or how they could test to determine the difference between 0.4 and 1.0. The amendment of the Senator from Colorado puts all of this in place and then has a study. The study, of course, is most appropriate. It seems to me what we want to do is to have the study, get the recommendations of the EPA, and then, based upon those recommendations, take a look at it in a deliberative way and act in a way that will make sense, based upon the completed studies.

With those observations, I would be prepared, if the junior Senator from Michigan agrees, to yield back the remainder of our time any time the Senator from Colorado desires to yield back the remainder of his time.

Mr. RIEGLE. Will the Senator yield briefly?

Mr. GRIFFIN. Yes.

Mr. RIEGLE. There are a couple of other points I would like to add. I feel as he does, that I would be prepared to yield back the remainder of our time when the Senator from Colorado finishes so we might present our amendment to his amendment. I want to present this particular citation from a Yale University study on the NO_x question. I would like to draw the attention of everybody in the Chamber to what I am about to say. I am quoting now from that Yale University study. It says as follows:

An emission standard for NO_x of 1 gram per mile would eliminate excess incidences of acute respiratory disease by 1981 or have roughly the same effect as the 0.1 gram per mile standard.

Being proposed by the Senator from Colorado:

The California 1975 and Federal 1977 automobile emission standard of 2.0 grams per mile would result in an acute respiratory illness rate of only approximately 5 percent that of 1973, by the year 1984.

In conclusion it says:

It would appear that a NO_x emission standard of 2.0 grams-per-mile or less would be needed to insure an excess acute respiratory illness rate of zero.

We propose to go to that level and below it.

On page 6 of that study, entitled "Estimates in Health Benefits due to Reductions in NO_2 Levels," are the authors, an assistant professor of epidemiology of Yale University, with two other members of the team. If anyone is interested, I can supply their names. This was done in December 1976 and recently made available.

I believe that, as much as anything in terms of competent, professional, outside analysis, indicates to us that there is not the compelling health reason for us to consider going to the 0.4 NO_x.

I yield the floor.

Mr. JACKSON. Will the Senator yield 1 minute?

Mr. MUSKIE. I yield.

FEDERAL ENERGY ADMINISTRATION AUTHORIZATION ACT

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1468.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1468) to amend the Energy Supply and Environmental Coordination Act of 1974.

(The amendments of the House are printed in the House proceedings of the RECORD of June 6, 1977.)

Mr. JACKSON. Mr. President, S. 1468 was passed by the House on Monday, June 6, 1977, with an amendment containing the House approved provisions of H.R. 6792. This measure, the Federal Energy Administration Authorization Act of 1977, received substantial House approval by a vote of 272 to 111.

UP AMENDMENT NO. 375

Mr. President, I move that the Senate concur in the amendment of the House to S. 1468, with an amendment, which I send to the desk at this time.

Mr. HANSEN. Will the Senator yield?

Mr. JACKSON. Yes.

Mr. HANSEN. Mr. President, I want to say that the bill and the report to be made by Senator JACKSON has been cleared on this side. I am in accord with the proposal he is about to make.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes an unprinted amendment No. 375.

AMENDMENT NO. 375

On page 6, line 5, of the House engrossed bill, strike "$500,000,000" and insert in lieu thereof "$1,210,000,000".

Mr. JACKSON. Mr. President, the amendment to S. 1468 increases the authorization for the strategic petroleum reserve for fiscal year 1978, from $500 to $1,210 million. This increased authorization is essential to the accelerated development of the reserve system. It will enable 250 million barrels of crude oil to be placed in storage by the end of calendar year 1968.

Tomorrow, the Subcommittee on Energy Production and Supply of the Committee on Energy and Natural Resources will convene a hearing to review Energy Action No. 12. This proposal, which was transmitted to the Congress on May 26, 1977, would modify the strategic petroleum reserve plan to accelerate the schedule for storage of oil so that 500 million barrels of crude oil will be in place by the end of 1980, rather than the present schedule of 1982.

Increasing the authorization for the strategic petroleum reserve is a prerequisite to the ability of FEA to accomplish this speedier buildup as set forth in a table. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SPR DEVELOPMENT SCHEDULE

Target dates	EPCA sec. 154(c) not less than— (MMB)	SPR plan submitted as energy action No. 10 (MMB)	Amended plan energy action No. 12 (MMB)
June 22, 1977	50	0	0
Dec. 22, 1978	150	150	250
Dec. 22, 1980	325	325	500
Dec. 22, 1982	500	500	

Mr. JACKSON. Mr. President, when H.R. 6794 was reported by the Committee on Interstate and Foreign Commerce of the House of Representatives, it contained an authorization of $500 million for the strategic petroleum reserve for fiscal year 1978. The committee action was taken prior to a request by the administration to accelerate by 2 years the development schedule. An attempt was made on the House floor to obtain unanimous consent to increase the authorization to $1,210 billion, but it was unsuccessful. The authorization in S. 1468 thus is $500 million for fiscal year 1978.

The FEA authorization must be increased to $1,210 billion before it will be possible to acquire and store greater than 190 million barrels before the end of fiscal year 1978. This authorization therefore is needed at this time.

Plans to speed up the fill-rate to a level of 250 million barrels by the end of 1978, and 500 million barrels by the end of 1980, cannot proceed without this increased authorization.

We must face up to the fact that the United States is much more dependent upon imported oil today than it was prior to the 1973 oil embargo, therefore, we are far more vulnerable than ever before to a disruption or interruption of oil supplies. The expanded strategic petroleum reserve will provide our country with a greater needed degree of protection against future interruptions than would otherwise exist. It thus will constitute an important deterrent to otherwise serious threats to our economy and national security.

Therefore, Mr. President, I move that the Senate concur in the amendment of the House to S. 1468, with the amendment I have discussed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington (Mr. JACKSON).

The motion was agreed to.

CLEAN AIR AMENDMENTS OF 1977

The Senate continued with the consideration of the bill (S. 252).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time between now and the hour of 6 p.m. today be equally divided between Mr. HART and Mr. GRIFFIN, and that a vote then occur.

Mr. GRIFFIN. Mr. President, reserving the right to object, I am sure the majority leader would want to correct that to this extent: I have an amendment to the Hart amendment, which is what we want to vote on at 6 o'clock.

Mr. ROBERT C. BYRD. That is what I intended. Did I not make that clear?

Mr. GRIFFIN. This amendment has not yet been offered.

Mr. ROBERT C. BYRD. Very well, Mr. President, that the time between now and 6 o'clock be equally divided between Mr. GRIFFIN and Mr. HART, that it occur on an amendment by Mr. GRIFFIN to the Hart amendment and that at 6 o'clock a vote occur on the Griffin amendment to the Hart amendment.

Mr. HART. Reserving the right to object, would the unanimous-consent request preclude further votes this evening?

Mr. ROBERT C. BYRD. No.

Mr. HART. It would not make any disposition of the time after that?

Mr. ROBERT C. BYRD. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I ask unanimous consent that Mimi Feller and Lee Verstandig, of my staff, be granted the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. GRIFFIN. Mr. President, I yield to the Senator from Utah.

Mr. HATCH. Mr. President, the studies on the health effects of oxidant previously cited were: 1961 Schoettlin and Landau study of asthmatic attacks; Richardson-Middleton data on eye irritation; Wayne, Wehrle, and Carroll, oxidant air pollution and athletic performance—1967.

The real health problem occurs above 0.37 part per million. For a very few people a problem occurs at 0.25 part per million. The National Research Council reviewed recent statistical studies and concluded that—

The new data show statistically reduced pulmonary function in healthy smokers at ozone concentrations at and above 0.37 part per million for 2 hour exposures.

This conclusion was based on three studies by Hackney published in 1975: "Experimental Studies on Human Health Effects of Pollutant's" Archives of Environmental Health (1975). Part I, vol. 373; part II, vol. 379, part III, 385.

These recent studies confirm the points I was making when Senator HART refused to yield me any more time.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Mr. President, under the unanimous-consent request, should the amendment to the Hart amendment be offered at this time or later?

The PRESIDING OFFICER. The amendment should be offered at 6 o'clock.

indicated before, I think there is a por-

Mr. GRIFFIN. Mr. President, as I have tion of the Hart amendment which deserves support and which should be adopted.

One of the reasons, I submit, to adopt the amendment in toto without justification is that we do not know, we do not have enough information about the health effects of NO_x. The Senate committee and the House committee have concluded that going to 1.0 NO_x is more than sufficient on the basis of information that they have.

The Senator from Colorado is proposing that we make a drastic alteration and go down to 0.4. In addition to that, he builds into his amendment a very elaborate taxing and penalty provision for any cars that would be produced that fall in between the 0.4 standard that he would put into place and the 1.0 standard. There is no way of knowing how that could be implemented at the present time, no idea of how much it would cost. The regulatory or bureaucratic machinery that would be necessary could only be speculated about. The automobile companies say that it would be all but impossible at the present time to implement.

Now, then, the very fact that, in his amendment, he includes a provision that the Administrator of EPA shall make a study of the health impact and the costs involved indicates to me, at least, that he has the cart before the horse. We should not put the remedy in place, if one is needed, before we have the study showing that there is a need and also a study which gives us some information about the cost of administering such a program.

I hope that the Senate, in its wisdom, will adopt the amendment that I have offered or will offer in conjunction with my colleague, Mr. RIEGLE, that will, in effect, preserve the part of the Hart amendment that does have merit and will strike the rest of the amendment, which, it seems to me, the committee has rejected, the conference last year rejected, the House committee has rejected, and which cannot be supported at the present time.

Mr. MUSKIE. Will the Senator yield for 2 minutes?

Mr. HART. Yes, I yield to the Senator from Maine.

Mr. MUSKIE. I say to my good friend from Michigan that the 1 NO_x was established as a concession to industry and not as an abandonment of 0.4 as a measure of the public health requirement. The specific proposal which the distinguished Senator from Colorado has put to the Senate and which is pending was not acted upon by the Environment and Public Works Committee. So it has not been rejected. Neither was it supported by the committee. The committee was neutral on the Senator's amendment.

I make this third point with respect to the need for another study. The fact that the Senator from Colorado has introduced the amendment with a study trigger action should not be interpreted as a belief on his part that more study is needed. On the contrary, he believes very strongly that we have enough facts now to set a 0.4 standard, but he has offered the study as a reassurance to those who think we need still more facts. He has offered that study provided the study is followed by action.

So, from the point of view of the Senator from Colorado, the two are indispensable parts of this legislative vehicle. We need the study to get that one more layer of facts that the opponent of 0.4 NO_x are insisting upon. But, then, having given the study, we have it followed by action in 1983, 13 years after 0.4 was first laid down as a requirement in 1970.

If the study produces the finding that undermines 0.4 as a standard, then Congress would have the option, under the Hart amendment, to change the 0.4 requirement in 1983. That is the nature of the amendment.

I think it is a reasonable amendment. I think it is a sensible one. I think it is consistent with the recommendations of the Committee on Public Works in 1970, which established the standards for 1975, 1976, 1977, and 1978. This proposal suggests now giving another 6 years for the achievement of 0.4, comparable to the original 5 years that Congress adopted in 1970.

I thank my good friend from Colorado for yielding.

Mr. HART. I thank the Senator.

Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that Miss Martha Rogers, a member of my staff, be accorded the privilege of the floor during consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS SUBMITTED

Mr. CRANSTON. Mr. President, the amendment I am sponsoring with Senator HART and Senator WEICKER is a reasonable and needed strengthening of the committee's proposed automobile emission standards.

The committee bill would permanently relax the statutory standard for oxides of nitrogen, NO_x, from 0.4 gram per mile to 1.0 gram per mile. Our amendment would tighten the NO_x standard to 0.4 gram per mile in 1983. If a manufacturer cannot meet the 0.4 NO_x standard in 1983, cars can still be certified and sold if they meet an alternative NO_x standard of 1 gm/mile and pay a noncompliance penalty.

A NO_x standard of 0.4 gpm is needed to protect public health. The need for a stringent NO_x standard cannot be overemphasized. Nitrogen oxide emissions from automobiles significantly contribute to the overall air-pollution-caused deaths of 4,000 persons a year. In addition, according to the National Academy of Sciences, automobile-related air pollution also causes 4 million illness-restricted days per year.

Nitrogen oxides react with hydrocarbons to form oxidants and are thus associated with the health hazards of oxidants. Nitrogen dioxide—NO_2—alone, however, is known to produce adverse health effects such as acute respiratory illness, increased bronchitis morbidity in children, decreased lung functions in children, and increases susceptibility to respiratory infection.

Thus, nitrogen oxide emissions from automobiles are especially hazardous to children. A 1976 Federal report projected that a relaxation of the statutory 0.4 NO_x standard to 1.0 would result in a 50-percent increase in respiratory disease in children. I might note, too, that if this standard were further relaxed to 2.0 grams per mile, as proposed by the Senators from Michigan, the rate of respiratory disease in children would double.

Moreover, recent studies have begun to link ambient nitrogen dioxide levels with death rates from cancers. In one study, a strong correlation was discovered in 38 metropolitan areas for breast, lung, and total cancer when nitrogen oxides in ambient air was in a concentration range above the recommended safe level.

Researchers have found that NO_x in the air causes production of the cancer-causing chemical nitrosamines. German researchers have found nitrosamines to be formed from nitrogen dioxide and other chemicals in the air, with the levels of nitrogen oxide as the controlling factor. According to the EPA, "as a family of carcinogens, the nitrosamines have no equals."

In addition, evidence is accumulating that demonstrates the need for a new short-term nitrogen oxide air quality standard in order to protect the public health from peak rush-hour concentrations of nitrogen oxides. Both the National Academy of Sciences and the Environmental Protection Agency now recognize the need for a short-term exposure standard to protect the public health in metropolitan areas.

According to the recent EPA-DOT-FEA interagency study, a 0.4 gram per mile standard would significantly reduce the adverse health impact from exposure to high short-term concentrations of nitrogen oxides. When compared to the 0.4 gram per mile standard, a 1.0 gram per mile standard would increase the number of violations of the recommended health standard by 67 percent. The 2.0 NO_x standard proposed by the auto industry, would almost double the number of violations.

Automobiles contribute substantially to nitrogen oxide air pollution in the United States—about 20 percent nationally and over 40 percent in urban areas. According to the interagency study, the NO_x emissions from automobiles will cause national ambient nitrogen oxide pollution levels to increase in the future unless stringently controlled. By the year 2000, the nitrogen oxide pollution in the Nation will be worse than it is today if automobile emissions standards are relaxed. Only with a NO_x standard of 0.4 gpm will nitrogen oxide air pollution decrease in the years ahead.

The State of California's Air Resources Board recently sponsored a seminar involving scientists from the automobile industry, the California university system, independent consulting organizations, and the staff of the ARB's research division. As a result of this meeting, the ARB has informed me that they are "more convinced than ever" of the need for the "statutory"—0.4 gpm—NO_x standard.

The ARB cites three primary reasons why further reductions in vehicular NO_x emissions are more important now than when the 1970 amendments were passed:

First. Leaders in the field of atmospheric chemistry now believe that NO_x control will improve air quality with respect to visibility and pollutants such as downward oxidant, nitrates, and other harmful nitrogenous compounds. Recent data indicate that for the conditions which currently cause our worst oxidant air quality problems. NO_x control reduces oxidant as well as the nitrogen-containing pollutants.

Second. The latest medical evidence indicates that health effects from exposure to nitrogen dioxide levels are occuring below the ambient air quality standard, AAQS, of 0.05 ppm annual average. Nitrogen dioxide exposure clearly increases the body's susceptibility to infection at concentrations to which the public is currently exposed.

Third. The fuel availability situation now makes it more difficult to count on reductions of stationary source NO_x emissions in order to improve ambient air quality with respect to nitrogen dioxide.

Technology now exists to meet the 0.4 gpm NO_x standard. It is now clear that the NO_x standard of 0.4 gpm can be achieved nationally within the next few years—as it is right now in California by Volvo—with systems that are acceptable from an energy and cost point of view.

The Volvo, using a "three-way" catalyst manufactured in New Jersey, certified at less than one-half of the statutory NO_x standard and also achieved 21.6 miles per gallon, a 10-percent fuel improvement over the comparable 1976 model.

U.S. automakers have argued that it is impossible for them to duplicate Volvo's success. They claim that: First, the three-way catalysts do not work as well on Vee-type engines using carburetors; second, the fuel sensor which operates the Volvo system is good for only 15,000 miles; and third, there is not enough rhodium, a precious metal needed for the three-way catalyst, to supply the entire American market.

I fully agree with the Air Resources Board of California that these arguments are not valid. First, with respect to the claim about Vee-type engines with carburetors, there is no fundamental reason why the three-way catalysts should not work well in those vehicles. Data now available on prototype cars indicate that the U.S. auto industry is already making rapid progress toward the development of the three-way catalyst system for Vee engines. Using a less noble metal in the catalyst than Volvo does, General Motors has achieved a 0.29 NO_x emission with a large 4,500 pound weight class vehicle equipped with a carburetor and a V-8 engine. Although additional durability and development tests are needed, the results to date are quite promising for the application of a Volvo-type system to U.S. production cars.

The argument about the durability of the fuel sensor on the three-way catalyst is simply a misunderstanding of the facts. Volvo uses a fuel sensor made by Bosch, which guarantees the sensor for 15,000 miles. Volvo merely passes on Bosch's warranty to the consumer. The fact that the warranty is only for 15,000 miles in no way proves that the sensor will fail after that period. In fact, tests by Ford, which is planning to use the same sensor in its 1978 auto with a three-way catalyst, show that the sensor is generally good for 50,000 miles. As with spark plugs, sensors will not last forever. And like spark plugs, failure will increase emissions, but will not defeat the control system.

If needed, the ARB has suggested the installation of a "sensor change light" on the dashboard to indicate to the owner that a new sensor, which would cost only about $15, is needed.

The rhodium supply argument also appears to be false. Rhodium is likely to be used in three-way catalysts in trace quantities—approximately 0.005/oz. per car. EPA has estimated that known reserves would allow the use of rhodium in three-way catalysts for 100 years, without recycling.

The California Air Resources Board, in an effort to determine world rhodium supply in the short term, has communicated with the two largest producers of rhodium, Rustenburg Platinum Mines, Ltd. and Impala Platinum, Ltd. The results of this communication, I am informed, is ARB's confidence that adequate rhodium can be made available for the widespread use of three-way catalysts by about 1980. The current worldwide demand for rhodium is so low that the noble metal producers are not maximizing production from the ore now being marketed. The same ore contains the platinum and palladium compounds which are in greater demand. To increase platinum supplies, the noble metal producers have developed the capacity to increase their ore production by 43 percent by 1981. This ore production increase alone will make about 66,000 ounces a year of new rhodium available—enough for over 4 million vehicles per year.

With the increased rhodium recovery rate which the producers indicate can be achieved and the improvements in catalyst efficiency that will reduce rhodium loading, all U.S. automobile production can easily be equipped with three-way catalysts, with rhodium to spare.

In addition to the three-way catalyst technology, other approaches to meeting the statutory standards appear promising. Nissan Motors recently submitted data to the California ARB demonstrating a new concept for reducing emissions to the 0.4 grams statutory standard without the need for catalytic control of NO_x. Using only a conventional oxidation catalyst, Nissan has met the statutory standards with no fuel penalty with its "NAPS-Z" engine. This engine is a slightly modified conventional engine using two spark plugs per cylinder to improve combustion efficiency when using high exhaust gas recirculation—EGR—rates to achieve the 0.4 NO_x level. This standard was achieved without any fuel penalty.

In sum, Mr. President, the need for a 0.4 NO_x standard is clearly tied to public health. Evidence is accumulating which links nitrogen oxides in the air to serious respiratory disease problems, especially in children. The question then is not whether we need a 0.4 NO_x standard, but when it should be imposed.

As I have indicated, adequate technology now exists—and is in use in California today—to allow for the control of NO_x emissions to 0.4 gram per mile and less.

Our amendment allows the industry plenty of time to design automobiles to meet the more stringent NO_x standard of 0.4 gram per mile. Not until 1983 would the 0.4 NO_x standard be imposed and if, in the EPA report required in 1980, the 0.4 NO_x standard is found not to be needed, Congress would have adequate time to amend the law.

Our approach is therefore reasonable—it is keyed to protect the public health—and it can be achieved with existing technology.

I urge the Senate to adopt it.

Mr. HASKELL. Mr. President, I am concerned about a provision in S. 252, the Clean Air Act Amendments of 1977. The Senate Environment and Public Works Committee has recommended relaxing the 0.41 gram per mile nitrogen oxide standard to 1 gram per mile and delaying this standard for 2 more years; that is, until 1980. I find this unnecessary and unacceptable and support, along with Senators HART, CRANSTON, and WEICKER, an amendment to tighten this standard.

My colleague from Colorado, GARY HART, has ably and rightly discussed the health implications of weakening the nitrogen oxide auto emission standard. He has also, in the committee report accompanying S. 252, pointed out that the technology is available now to implement the 0.4 NO_x standard. Two American cars and one Japanese car that we know of have already achie ed the statutory standard, with no loss in fuel economy and a minimal increase in cost.

In addition to these important considerations, I would like to point out other factors which I hope will persuade my colleagues to vote for the Hart amendment. More than one-half of nitrogen oxide emissions in the United States now come from stationary sources such as coal-burning powerplants. With or without the President's national energy plan, coal use is expected to increase from approximately 600 million tons a year at the present to at least 1 billion tons a year by 1985. Even with stringent stationary source controls, projections show that NO_x emissions will rise over the next 20 years.

With the increase in coal use and thus No_x emissions, it seems logical to clamp down on those NO_x sources where we know it is economically and technologically feasible to do so, namely the autos. I think it is important that, in a speech on May 15, EPA Administrator Costle pointed out that when last year's Senate bill relegated the 0.4 gram per mile to a research goal, "industry research on three-way catalytic converters and electronic controls necessary to reach a standard that stringent was cut back drastically." Apparently, a research goal is not enough to motivate the industry.

With air pollution in many of our heavily populated areas already exceeding health standards—and sure to grow

worse as more coal is burned—we must also carefully consider what provisions will be made for new industry. Without some room—"air room," if you will—many of the Nation's metropolitan areas will be denied the economic growth they so desperately need.

Mr. President, the proponents of weakened air pollution standards are always talking about the impact on jobs in the auto industry should tough standards be instituted. Well, if those who seek to gut the health standards embodied in S. 252 have their way, we will have plenty of jobs—but they will be in sanitariums treating people with respiratory illness.

Auto pollution is the one major variable which we know we can reduce now so as to accommodate industrial growth. I ask the proponents of weaker auto emission standards how we are going to have coal conversion and continued economic growth without a stringent effort to reduce auto pollution.

Right now levels of nitrogen oxide in Denver are violating primary air quality standards—and those standards have been determined to be necessary to protect public health. Do the Senators from Michigan propose that Denver, Houston, Salt Lake City, and the many other major polluted urban-industrial centers forgo economic growth? Or should we further endanger the health of the American people by weakening the overall ambient air quality standards to accommodate a higher level of auto, coal, and growth-induced pollution? I do not support such a move and, as I understand it, neither do they.

I have heard that in some regions where certain political practices are rampant, there are voters who have returned from the grave to register their vote. Well, in Colorado, every voter I have ever met is still breathing. And the people of Colorado want clean air to breathe as well as good jobs. If the Riegle-Griffin amendment were to pass, I am afraid they would have less of each.

The committee bill, with its 1 NO_x standard is greatly preferable to the Riegle-Griffith amendment. The committee bill would cut auto NO_x in half compared to Riegle-Griffin, which never requires a standard tighter than 2 grams per mile NO_x. And, compared to Riegle-Griffin and current new source performance standards, the committee bill would reduce NO_x emissions in 1990 by 13 million tons, while the committee bill with the Hart amendment would reduce them by 15 million tons.

With these factors in mind, it would be shortsighted not to implement a technology that appears to have great potential. Senator HART's amendment gives the auto industry until 1982 to come up with an acceptable emissions system whereby NO_x emissions would be reduced to 0.4 grams per mile. But it does not mandate that this happen. Rather, it sets up an interesting system of penalties for those auto manufacturers who do not meet the standard and rebates for those who do. I am hopeful this approach will achieve the desired pollution reduction. If not, we may have to move to something more stringent.

I understand the administration supports this proposal with a single reservation: it would rather have the discretion to implement the provision. I, for one, feel the Hart amendment is too promising an approach to our critical air pollution problem to be laid aside by EPA as other, more imminent, problems take precedence. I wholeheartedly support the amendment and urge my colleagues to do so as well.

Mr. RANDOLPH. Mr. President, may I inquire of the Senator from Colorado?

Mr. HART. Yes, I yield.

Mr. RANDOLPH. I want, if possible, to make a request, and it is done for only one purpose.

Mr. MUSKIE. Will the Senator yield so I may ask for the yeas and nays on the amendment?

Mr. RANDOLPH. Yes.

Mr. MUSKIE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. ROBERT C. BYRD. Has it been offered, Mr. President?

The PRESIDING OFFICER. The yeas and nays have been ordered on the amendment of the Senator from Colorado.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays at this time on the amendment by Mr. GRIFFIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Reserving the right to object, has the amendment been laid before the Senate?

Mr. ROBERT C. BYRD. No; I got consent that it be in order to order the yeas and nays. That is what I was trying to get consent to.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RANDOLPH. I thank the Senator from Colorado (Mr. HART), a member of our commitee, active, of course, in this particular amendment.

We are coming now to a parliamentary situation which I think we shall want to understand. The pending amendment by the Senator from Colorado as I understand it, will be amended by the offering of language by the two Senators from Michigan, Mr. GRIFFIN and Mr. RIEGLE—or Mr. RIEGLE and Mr. GRIFFIN. There is no partisanship. It is a fight understandably for important home industries.

I am trying now to make sure, from the Presiding Officer, what the situation is now. I think it is very important now to know exactly what the situation is in reference to the votes and how they shall come.

The PRESIDING OFFICER. At 6 o'clock, the Senate will vote on the amendment of the Senators from Michigan to the amendment of the Senator from Colorado.

Mr. GRIFFIN. Mr. President, will the Senator yield for a moment?

Mr. RANDOLPH. I yield.

Mr. GRIFFIN. I ask unanimous consent that the amendment be sent to the desk and read at this time so that the Senate will be aware of what the amendment is.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UP AMENDMENT NO. 376

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. GRIFFIN. It would help Senators if they had the Hart amendment in front of them. It is No. 355.

The legislative clerk read as follows:

The Senator from Michigan (Mr. GRIFFIN) proposed unprinted amendment No. 376 to unprinted amendment No. 355: On page 1, strike lines 1 through 3.

On page 1, line 6 after "SEC. 22" strike all thereafter through line 10 on page 5.

On page 5, line 11, strike "(e)".

On page 5, strike out lines 18, 19, and 20.

Mr. GRIFFIN. Mr. President, if I may have another minute, I might just say, for the purpose of clarification, that I hope no Senator wil be confused that this is the Griffin or Riegle-Griffin substitute dealing with the whole package that will be offered later. It is not. This is merely an amendment to the Hart amendment, which deals only with NO_x.

Mr. RANDOLPH. Yes, and if I may have recognition further from the Senator from Colorado (Mr. HART).

Mr. HART. I do not have the floor.

Mr. GRIFFIN. I yield.

Mr. RANDOLPH. That is exactly what I want to clarify

Mr. GRIFFIN. Absolutely.

Mr. RANDOLPH. Because the amendments are separate matters.

Mr. GRIFFIN. That is right.

Mr. RANDOLPH. I think it is necessary that Members not on the floor, or at least those on the floor, know.

Mr. GRIFFIN. Let me say briefly to the Senator from Colorado, it has a different standard for NO_x than the committee. Go down to 0.4 and establish the penalties. Also, in his amendment, he provides for a study to be made by the Environmental Protection Agency Administrator.

We are striking out everything but the study. We think it is a good thing to go for it and find out whether we can or should go to a 0.4 NO_x. When we have the study and the report, then the Congress and the Senate will know what to do.

Mr. President, I yield to my junior colleague.

Mr. RIEGLE. I thank the Senator for yielding.

I might further add that this amendment we are presenting at the present time is, however, fully compatible with the larger Griffin-Riegle, Riegle-Griffin package that we will be offering later.

In addition to what our large package does, this would support the concept of study that the Senator from Colorado has asked for because we, like he, feel that if there is information out there to be gotten, we ought to have it.

Mr. RANDOLPH. Mr. President, who has the floor?

Mr. GRIFFIN. I yield to the Senator.

Mr. RANDOLPH. I understand what is being said by Senator RIEGLE, but I do not think we want to confuse this now.

even though I understand what he is saying.

I know what we have been talking about, at least some of us, many of us perhaps, that there will be a modification, frankly, which goes beyond what you will propose.

I will not say what the provisions would be, but it would be, let us say, something tempered perhaps, something reasonable, something realistic, which may be offered here on the floor.

So there will even be a modification of what the Senator from Michigan is trying to do, just as now there is a modification of the amendment offered by the Senator from Colorado.

We must keep this in mind. That is why I say we do not want to mix the issues at this point.

Mr. HART. Will the Senator yield for a question?

Mr. GRIFFIN. I think the Senator has his own time.

Mr. HART. No. It is a question of the Senator's amendment because it is further than the Senator indicated he wanted to do.

The Senator struck, as I understand it, in the reading of the amendment, a significant portion of that paragraph which I had not understood was his intent. That is the portion having to do with recommendations for implementing the study.

Is that correct or not correct?

Mr. GRIFFIN (reading):

"(e) The Administrator of the Environmental Protection Agency shall conduct a study of the public health implications of attaining an emission standard on oxides of nitrogen from light duty vehicles of 0.4 gram per vehicle mile, and the cost and technological capability of attaining such standard. The Administrator shall submit a report of such study to the Congress, together with recommendations for implementing the noncompliance penalty and rebate program established under section 202(b)(6) of the Clean Air Act and identifying the penalties and rebates to be paid, not later than July 1, 1980.".

Now, in between, that is also stricken, refers to the penalty and rebate program which would be set up in earlier sections of the amendment, but which would not be appropriate to refer to in this particular context, I suggest, because we cannot really refer back to it. We are striking it out as far as our amendment is concerned.

It leaves the EPA Administrator with flexibility to recommend a rebate in the program or to make such other recommendation as he may deem appropriate.

Mr. HART. Would the Senator modify his amendment to include that argument, because I think that is extremely important?

Essentially, the language to accomplish what he just said.

Mr. GRIFFIN. Let me have a brief quorum call and I will discuss this.

Mr. HART. We have a time problem. I have not had a chance to do this.

Mr. GRIFFIN. Why not take the floor then and I will answer the question in a moment or two.

Mr. RIEGLE. Will the Senator yield for a moment?

It seems to me that if we stick with the amendment as drafted, that that leaves us open to take whatever action may be appropriate.

The point is, how can we decide in advance what the result—what steps to take?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. RIEGLE. It seems to me we have to have the study. It comes back with the conclusion, then we can operate.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Colorado.

Mr. HART. Mr. President, it is extremely ironic that the Senate meets in June of 1977 to debate whether to implement a standard adopted 7 years ago by the Senate, namely, the .4 NO_x standard.

It is not something being offered by the Senator from Colorado today. It is not a new idea someone has come up with. This was a proposal put forward after months of hearing's, of hearings and study, and adopted, as the Senator from Maine indicated, in 1970.

Now, 7 years later, the Senator from Michigan, whom I believe was a Member of the body when the Senate adopted that standard, is talking about it as a drastic proposal.

It is not a drastic proposal. It has been the law of the land for 7 years.

Mr. MUSKIE. It is the law of the land now, may I say.

Mr. HART. It is the law of the land now.

So the Senator from Michigan has described the law as adopted by the Senate and House, signed by the President, as a drastic proposal.

Well, if that is drastic, where has the Senator from Michigan been for the last 7 years when this law has been adopted and implemented, presumably, by this country?

The fact of the matter is that there are people in this country, as the charts and data provided by the EPA, based on the best available data we now have——

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HART. The best available information of the Government of the United States is that the quality of the air that people are breathing is hurting them. It is that simple. That is the information provided to us by three agencies of the Federal Government, ratified by the President of the United States as recently as the last day or two.

We are discussing here the fact that we lack information and there is no information to support going to a standard designed to protect the health of this country which the Senate adopted 7 years ago.

We are here debating this issue because the industry responsible for the problem has not lived up to that commitment. The history and the record of that industry has been to seek delay instead of to seek the technology which would accomplish it.

How can a Senator of the United States describe adopting a standard which the experts seem to agree is necessary to protect the public health of this country as a drastic approach?

The best information available to the Senators who will be voting on this measure has been provided to us in the last 2 weeks by the Department of Transportation, the Environmental Protection Agency, and the Federal Energy Administration.

The Federal Energy Administration is responsible for the energy problems of this country and has said that to accomplish the energy goals of this country we definitely need to go to technologies which will, in fact, have the result of encouraging energy efficiency.

Mr. President, the best thing we can do for the health of the people of this country and the energy crisis and the economy is to adopt this amendment and not to weaken it. I am hopeful that the Senators who will vote on this amendment to strike this provision which has been adopted by the U.S. Senate, which has been the law of the land, which the experts say is necessary to protect public health, will not strike that measure, will not back off that commitment and then turn their backs on the people of this country who are out there wondering whether the Congress of the United States year after year relaxes air quality standards when they can see the air they are breathing and they know it is making them sick, and where the social and economic and health costs are enormous.

I think if the Senate lives up to that commitment it adopted more than half a dozen years ago, we will have taken a great stride in protecting public health and getting to the place where we should be.

This provision will not even come into effect until 1983. We are talking about 6 years from now.

I agree with the Senator from Connecticut when he says we ought to implement this standard at once.

What we have done here is try to bend over backwards for the automobile industry and its labor unions to try to give them every possible break in the world. That has been the course of the U.S. Senate.

Mr. President, I hope that in deciding to vote on this measure, Senators will live up to their responsibility to protect public health and will vote against the Griffin substitute.

The PRESIDING OFFICER. The question is on agreeing to unprinted amendment No. 376 to printed amendment No. 355. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. McCLELLAN) and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

I further announce that, if present and voting, the Senator from North

Carolina (Mr. MORGAN) would vote "nay."

Mr. STEVENS. I announce that the Senator from Massachusetts (Mr. BROOKE) and the Senator from Pennsylvania (Mr. HEINZ) are necessarily absent.

The result was announced—yeas 51, nays 43, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—51

Allen	Eagleton	Pearson
Baker	Eastland	Randolph
Bartlett	Ford	Riegle
Bayh	Glenn	Schmitt
Bellmon	Goldwater	Schweiker
Bentsen	Griffin	Scott
Burdick	Hansen	Sparkman
Byrd, Harry F., Jr.	Hatch	Stennis
Byrd, Robert C.	Hayakawa	Stevens
Cannon	Helms	Stevenson
Chafee	Hollings	Talmadge
Church	Johnston	Thurmond
Curtis	Lugar	Tower
Danforth	Melcher	Wallop
DeConcini	Metcalf	Young
Dole	Metzenbaum	Zorinsky
Domenici	Nunn	
	Packwood	

NAYS—43

Abourezk	Hathaway	Moynihan
Anderson	Huddleston	Muskie
Biden	Humphrey	Nelson
Bumpers	Inouye	Pell
Case	Jackson	Percy
Chiles	Javits	Proxmire
Clark	Kennedy	Ribicoff
Cranston	Laxalt	Roth
Culver	Leahy	Sarbanes
Durkin	Magnuson	Sasser
Garn	Mathias	Stafford
Gravel	Matsunaga	Weicker
Hart	McClure	Williams
Haskell	McGovern	
Hatfield	McIntyre	

NOT VOTING—6

Brooke	Long	Morgan
Heinz	McClellan	Stone

So Mr. GRIFFIN's amendment No. 376 was agreed to.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. SARBANES). The question now is on agreeing to the amendment, as amended, of the Senator from Colorado. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The yeas and nays have been ordered on the amendment, as amended, of the Senator from Colorado.

Mr. HART. Mr. President, I ask unanimous consent that the order for the yeas and nays on this vote be vitiated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. NELSON. Mr. President, I ask unanimous consent that Judith Affeldt and Jeffery Nedelman of my staff be permitted the privileges of the floor during the course of further debate and vote on this measure.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HANSEN. Mr. President, I ask unanimous consent that Perry Pendley of my staff may have the privilege of the floor during the further debate and any votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

Mr. RANDOLPH. I do not like this role, of course, but I am asking that the Senate be in order so that we may proceed.

The PRESIDING OFFICER. I think the request of the Senator from West Virginia is a reasonable one. Will the Members please take their seats.

Mr. DANFORTH. Mr. President, I ask unanimous consent that Allen Moore and Jim Harlan of my staff be accorded the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I make a similar request for Gary Klein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. I make the same request for Peter Gove.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. I make the same request for Mary Downs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURKIN. I make the same request for Joel Feldman and Mark Coven.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that Delbert Terrill, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that John Backer, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I ask unanimous consent that Dale Wheeler, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I make a similar unanimous consent request that Mike Roush, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I ask unanimous consent that Mark Lubbers, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Carey Parker, of my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STAFFORD. Has the Senate at this point by any type of vote disposed of the Hart amendment as amended by the Griffin amendment?

The PRESIDING OFFICER. It has not. That amendment is pending.

Mr. STAFFORD. I thank the Senator.

The PRESIDING OFFICER. All time for debate has expired.

The question is on agreeing to the amendment as amended. [Putting the question.]

The PRESIDING OFFICER. The "ayes" have it.

The amendment, as amended, was agreed to.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally charged against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SARBANES). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President——

Mr. MAGNUSON. Mr. President, may we have order in the Senate? People are wandering around here; I do not know whether they are Senators or not, or who they are, but we have no order here at all. When they have a conference, they ought to have it in the backroom.

The PRESIDING OFFICER. The point of the Senator from Washington is well taken. The Senate will be in order. Senators will please take their seats.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield 2 minutes to the Senator from Wisconsin.

SENATE CONCURRENT RESOLUTION 28—AUTHORIZING TECHNICAL CORRECTIONS IN THE ENROLLMENT OF H.R. 5840

Mr. PROXMIRE. Mr. President, I submit a concurrent resolution authorizing and directing the Clerk of the House of Representatives to make certain technical corrections in the enrollment of H.R. 5840 and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk proceeded to read the concurrent resolution.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the concurrent resolution be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution is as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H.R. 5840, An Act to amend the Export Administration Act of 1969 in order to extend the authorities of that Act and improve the administration of export controls under that Act, and to strengthen the antiboycott provisions of that Act, to make the following technical corrections:

In section 201(a) of the bill—

(1) in the proposed section 4A(a)(1)(D) of the Export Administration Act of 1969, strike out "with or in the boycotted country" where it appears immediately before the first period and insert in lieu thereof "with or in the boycotting country"; and

(2) in the proposed section 4A(a)(2)(A)(ii) of such Act, strike out "boycotted country, on a carrier of the boycotted country," and insert in lieu thereof "boycotting country on a carrier of the boycotted country".

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. PROXMIRE. Mr. President, this resolution simply makes two technical corrections in the conference report on the extension of the Export Administration Act. The corrections are purely technical, are noncontroversial, and have been cleared with the minority side on the Banking Committee.

I move the adoption of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was considered and agreed to.

Mr. PROXMIRE. I thank the majority leader.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats. Staff members will please clear the well.

Mr. ROBERT C. BYRD. I thank the Chair.

LEGISLATIVE PROGRAM

Mr. ROBERT C. BYRD. Mr. President, it had been hoped that the Senate could proceed to dispose of an amendment by Mr. NELSON this evening, and then order the laying down of an amendment by Mr. RIEGLE and Mr. GRIFFIN or, in the alternative, proceed with the debate on the amendment by Mr. NELSON this evening, agree to a vote at a certain time thereon tomorrow, and then include in that order the laying down, on the disposition of the amendment by Mr. NELSON tomorrow, of the amendment by Mr. RIEGLE and Mr. GRIFFIN.

It has been impossible to work out that kind of an arrangement at this time. I say this without any reflection on any Senator; I know that every Senator who offers an amendment hopes to carry his amendment, and I also recognize that there sometimes can be an advantage gained if an amendment can be offered at a particular time or at a particular point. So I understand the desire of Senators to jockey for position, and I do not say this critically toward anyone. I might be in the same position myself sometime.

But I do have to say that it is the intent of the leadership, if at all possible, to complete action on this bill this week. This may mean a Saturday session. I hope it will not mean a Saturday session. But if we are going to clear the decks and act on energy legislation, which is the top priority of the administration and the top priority of the leadership of both Houses, we are going to have to stay with a schedule. We are going to have to move as expeditiously as is reasonable possible in disposing of measures such as the one before the Senate now, so that the decks can be cleared and appropriation bills can be taken up. We have a mine safety bill still ahead, we have 4 bills out of the Foreign Relations Committee that are still to be taken up, we have the omnibus rivers and harbors bill, we have the mass transit bill, and when I speak of appropriations measures, we have at least 13 or 14 of them, and then we have all the energy bills.

I mention all that to say this: Somebody is going to have to give at some point. There just has to be a time when a Senator calls up his amendment. It is not my intention or desire, even if I could do so, to tell a Senator when he should call up his amendment. I do say I have some understanding as to why Senators would want to wait and let others go first. But we have several amendments at the desk, and obviously we cannot go on forever waiting for Senators to reach an appropriate time that is most propitious to call up their amendments.

So I suggest that we proceed now with the amendment by Mr. NELSON and debate it for a while, with no further rollcall votes today, that we come in early tomorrow, that we have two special orders beginning at 9 o'clock a.m., and that at 9:30 a.m. tomorrow we proceed with the remaining 30 minutes of debate on the amendment by Mr. NELSON, and then vote on that amendment.

Hopefully, overnight, tempers will calm and Senators will be in a better disposition tomorrow to call up their amendments. We might make better progress than if we stayed in later today. If I thought further progress could be made, I would be in favor of staying in later today. I believe this would be the best thing to do, so that Senators could go home with the assurance that there would be no more rollcall votes tonight. Debate could occur on the Nelson amendment with the vote on that amendment at 10 a.m. tomorrow.

Mr. McCLURE. Will the Senator yield for an inquiry?

Mr. ROBERT C. BYRD. Yes.

Mr. McCLURE. Under the standing rules of the Senate, the standing committees are authorized to meet for 2 hours after the Senate convenes. That would mean, if we come in at 9 a.m. tomorrow, under the standing rules, without unanimous consent, committees would have to terminate their hearings at 11 a.m.; is that correct?

Mr. ROBERT C. BYRD. They would have to terminate their meetings at 11 a.m. unless consent were otherwise granted.

Mr. McCLURE. Would it be the intention of our leaders to ask unanimous consent that they might continue at least until the hour of 12 to complete the hearings which have been scheduled?

Mr. ROBERT C. BYRD. Yes. I would hope to ask consent that committees might meet during the session of the Senate tomorrow.

Mr. President, that is the broad outline of my request.

ORDER FOR RECESS UNTIL 9 A.M. AND FOR RESUMPTION OF PENDING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 a.m. tomorrow; that following the two orders which have been previously entered for the recognition of Senators, the Senate resume consideration of the pending business; that in the meantime Mr. NELSON will lay down his amendment; that debate occur thereon this evening with no votes to occur; that at the hour of 9:30 a.m. tomorrow there be 30 minutes remaining for debate on the amendment by Mr. NELSON; that upon the expiration of that time a vote occur on the Nelson amendment; that in the meantime the time on the amendment by Mr. GRIFFIN and Mr. RIEGLE be reduced from 6 hours to 4 hours to be equally divided in accordance with the usual form. That is agreeable to both sponsors, if it is agreeable to Mr. STAFFORD and Mr. MUSKIE.

Mr. STAFFORD. That is agreeable so far as the minority is concerned. I wanted to ask the majority leader if the 30 minutes on the Nelson amendment is to be equally divided?

Mr. ROBERT C. BYRD. Yes. That time is to be equally divided.

Mr. MUSKIE. I am going to support the Nelson amendment tomorrow.

Mr. ROBERT C. BYRD. Then between Mr. NELSON and Mr. BAKER.

Mr. BAKER. Mr. President, if the Senator will yield, I would designate the distinguished Senator from Vermont to manage the time allocation, unless the Senator from Vermont is supporting the amendment.

Mr. STAFFORD. The Senator from Vermont has to state he is supporting the amendment.

Mr. BAKER. Then, Mr. President, I accept the responsibility.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, while there is a sufficient number of Senators on the floor, may I ask the dis-

tinguished Senator from Wisconsin (Mr. NELSON) if he wishes to get the yeas and nays on his amendment. If he wishes to do so, now may be a good time because at that hour of the day tomorrow it might be difficult to get sufficient Senators.

Mr. NELSON. I have to modify the amendment even now as I call it up for consideration. Maybe we ought to make it a quarter to 10 or something.

Mr. ROBERT C. BYRD. Could we do this: Could we get the yeas and nays with the understanding that Mr. NELSON could modify his amendment notwithstanding the fact that the yeas and nays have been ordered? Would that be agreeable to everybody?

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CLEAN AIR AMENDMENTS OF 1977

The Senate continued with the consideration of the bill (S. 252).

Mr. ROBERT C. BYRD. Does the Senator wish to call up his amendment?

AMENDMENT NO. 366, AS MODIFIED

Mr. NELSON. Mr. President, I call up amendment No. 366, as modified, which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. NELSON) proposes an amendment No. 366, as modified.

The amendment is as follows:

On page 94, line 5, after "SEC. 21" insert "(a)".

On page 94, between lines 20 and 21, insert the following:

"(b) Paragraph (1) of such section is further amended by inserting at the end thereof the following:

"'(C) Notwithstanding the provisions of subparagraphs (A) and (B), in the case of any manufacturer whose sales, by corporate identify, for model year 1976 was less than 300,000 light-duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers, the regulations under subsection (a) shall contain standards providing that with respect to light-duty vehicles and engines manufactured by such manufacturer—

"'(i) for model year 1979 emissions of hydrocarbons shall not exceed 1.5 grams per vehicle mile, emissions of carbon monoxide shall not exceed 15.0 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile;

"'(ii) for model year 1980 emission of hydrocarbons shall not exceed 0.41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile;

"'(iii) for model year 1981 emissions of hydrocarbons shall not exceed 0.41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile; and

"'(iv) for model year 1982 emissions of hydrocarbons shall not exceed 0.41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 1.0 gram per vehicle mile.'".

Mr. NELSON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, I thank all Senators for their understanding and cooperation, and with the agreement that we have now entered into Senators may be assured there will be no more rollcall votes today.

Mr. DECONCINI. Will the Senator yield for a unanimous-consent request?

Mr. NELSON. I yield.

Mr. DECONCINI. Mr. President, I ask unanimous consent that Jim Magner be granted the privileges of the floor during discussion of all matters concerning S. 252.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Will the Senator from Wisconsin yield for a similar request, Mr. President?

Mr. NELSON. I yield.

Mr. BAYH. I thank my colleague. I ask unanimous consent that Eve Lubalin, of my staff, be granted the privileges of the floor during consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Will the Senator yield?

Mr. NELSON. I yield.

SEQUENTIAL REFERRAL OF A BILL—S. 989

Mr. CRANSTON. Mr. President, the Committee System Reorganization Amendments of 1977, Senate Resolution 4, allocates jurisdictional responsibility for veterans housing programs to the Committee on Banking, Housing, and Urban Affairs. Under Senate Resolution 4, the Committee on Veterans' Affairs, which I chair, was allocated "oversight jurisdiction" of that subject matter.

To clarify the respective committees' jurisdiction insofar as matters in regard to veterans housing were concerned, I, at the time of passage of Senate Resolution 4, joined with the then ranking minority member of the Committee on Veterans' Affairs, my colleague from Wyoming (Mr. HANSEN), in seeking to reach an understanding with the chairman of the Banking, Housing, and Urban Affairs Committee, my colleague from Wisconsin (Mr. PROXMIRE) and the then ranking minority member of that committee, the Senator from Texas (Mr. TOWER) concerning the respective committee jurisdictional responsibilities under the allocations of "legislative" and "oversight" jurisdictions. This colloquy took place on February 3, 1977, and can be found at pages 3641 and 3642 of the CONGRESSIONAL RECORD.

Mr. President, the understanding that the four of us reached at that time for the allocation of jurisdiction over veterans housing matters was as follows: Any bill or resolution concerning the veterans housing program would, upon the request of the chairman of the Committee on Veterans' Affairs, generally be refered to both committees sequentially—first to the Banking, Housing, and Urban Affairs Committee; any measure concerned primarily with eligibility for the veterans housing program, or any measure reported by the House Committee on Veterans' Affairs and passed by the House, would be within the primary jurisdiction of the Committee on Veterans' Affairs; and Presidential message concerning veterans housing would be jointly referred to the two committees.

Mr. President, recently, on March 14, my colleague from Maryland (Mr. MATHIAS) introduced S. 989, to amend title 38 of the United States Code in regard to veterans condominium and cooperative home loans. Specifically, this measure would amend section 1810(a)(6) of that title to provide the necessary authority for the Veterans' Administration to guarantee all purchases of one-family residential units in a condominium or cooperative housing project. Currently, by law the Veterans' Administration cannot guarantee a loan for the purchase of a condominium unless the condominium is new or in a structure built and sold as a condominium. The effect of this provision is that the VA cannot guarantee a loan for the purchase of a "converted condominium." This measure, S. 989, would provide the VA with the necessary authority to guarantee loans for the purchase of these condominiums. S. 989 is a one-sentence bill.

This bill, S. 989, was referred to the Committee on Banking, Housing, and Urban Affairs. Yet, under the terms of the agreement reached by the ranking majority and minority members of both Committees concerning jurisdiction of matters of this nature, this measure affects, in a primary way, the jurisdiction of the Veterans' Affairs Committee. Yesterday, amendment No. 336 was offered by my colleague from Maryland (Mr. MATHIAS) and accepted by the managers of S. 1523, the chairman of the Banking, Housing, and Urban Affairs Committee (Mr. PROXMIRE) and the ranking minority member of that committee (Mr. BROOKE). This amendment includes the provision of S. 989. If this amendment is accepted in conference, a provision providing for sequential jurisdiction would be moot. However, it is possible that for one reason or another—such as the fact that the administration opposes this measure—the other House may not accept the amendment.

Thus, Mr. President, I am making the following unanimous-consent request after having cleared this with the chairman of the Committee on Banking, Housing, and Urban Affairs (Mr. PROXMIRE) and the ranking minority member of that committee (Mr. BROOKE) and the ranking minority member of the Committee on Veterans' Affairs and its Subcommittee on Housing, Insurance, and Cemeteries (Mr. STAFFORD):

Mr. President, I ask unanimous consent that the referral of S. 989 to the

Banking, Housing, and Urban Affairs Committee be amended to provide for sequential referral to the Committee on Veterans' Affairs at such time as S. 989 may be reported from the Committee on Banking, Housing, and Urban Affairs.

Mr. MATHIAS. Mr. President, I am delighted in the interest expressed by the chairman of the Committee on Veterans' Affairs in seeking sequential jurisdiction on this measure, and I am pleased to see agreement between the Banking and Veterans' Affairs Committees regarding jurisdiction over matters affecting veterans housing. I wish to ask whether oversight hearings will be held on the subject matter of S. 989 by the Committee on Veterans' Affairs. I ask the chairman of the committee, my colleague from California (Mr. CRANSTON), whether it is his intent to hold hearings on this measure.

Mr. CRANSTON. Mr. President, initial jurisdiction for veterans housing, to include matters in regard to "converted" condominiums, is assigned in our committee to the Subcommittee on Housing, Insurance, and Cemeteries, ably chaired by my colleague from Florida (Mr. STONE). It is he who should properly answer this question asked by my colleague from Maryland (Mr. MATHIAS). However, my colleague from Florida (Mr. STONE) is away on official Senate business. I know that Mr. STONE is a cosponsor of S. 989 and that he is interested in providing veterans with opportunities to utilize the housing benefits programs. He indicated to me prior to his departure that this subcommittee would be holding hearings on housing matters in the near future.

Mr. MATHIAS. Mr. President, I wish to thank my colleague from California (Mr. CRANSTON). I know of Senator STONE's interest in this matter. In view of this assurance that housing matters—and I would think that the subject matter of S. 989 would be included—will be considered in hearings in the near future, I have no objection to the unanimous consent request of the senior Senator from California. I look forward to the hearings to be held on this matter by the Committee on Housing, Insurance, and Cemeteries of the Committee on Veterans' Affairs, should this measure not succeed in conference on S. 1523, the Housing and Community Development Act.

Mr. CRANSTON. I renew my unanimous consent regarding sequential referral of S. 989 to the Committee on Veterans' Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I thank the Senator.

CLEAN AIR AMENDMENTS OF 1977

Mr. NELSON. Mr. President, this amendment to the automobile emissions section of S. 252, the Clean Air Act Amendments of 1977, establishes an interim compliance schedule for any "manufacturer whose sales by corporate identity, for model 1976 was less than 300,000 light duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet the emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers."

Under this amendment, American Motors Corp., would be required to comply with the committee's emission limitations, limitations, that, in my judgment, are necessary to protect the public health by 1982.

It is agreed by everyone, without any exception that I know of, that American Motors has a special problem because, unlike the big three automakers, it does not design and build its own pollution control systems. It must purchase this technology from General Motors, Ford, or Chrysler.

Once it has purchased the technology it must modify and adapt the system to its own product line. This requires between 1 and 2 years.

Consequently, American Motors Corp., is unavoidably behind in the pollution abatement timetable from the very beginning. Therefore, since American Motors lacks the electronic control engineering expertise, it should not be and cannot be expected to comply with the same timetable established for the three major manufacturers.

It is important to note that this approach endorses two fundamental principles of the committee's bill: One, that the standards of .41/3.4/1 are necessary to protect public health; and, two, that American Motors requires more time to comply with these emission standards.

First, this amendment does nothing to weaken the committee's approach in regard to GM, Ford, and Chrysler. The evidence is conclusive that the technology exists to comply with the committee's numbers and timetable. Recent test data for California underscore the public record that has been carefully developed by the committee.

Second, even the committee agrees that American Motors should not be expected to meet the same criteria as the big three. The committee itself gives AMC and other manufacturers with less than 3 percent of the world market an exemption from the 1979 nitrogen oxide limitation of having 10 percent of their fleet meet 1 gram of nitrogen oxide per mile.

In fact, this amendment draws a much more narrow line in determining which companies would be eligible for an exemption. This amendment is drafted in such a manner as to base a qualification for an extension on two criteria: First, size, and second the lack of in-house technical expertise. To my knowledge, only AMC and Avanti would qualify for an extension.

American Motors needs at least 2 years in preparation and testing before a model is marketed to meet emissions standards. For example, for the 1979 model cars, AMC began purchasing and adapting hardware in September 1976. For the required 50,000 mile certification tests, work must begin by August 1977. Final certification must be submitted to the EPA by June 1978.

According to American Motors, the company cannot meet the 1980 proposed standards of .41/3.4/1 because of the inability between now and then to develop adequate experience with and confidence in the advanced systems technology that would be necessary to achieve these emissions limitations. EPA agrees.

To meet these numbers, new basic powerplant control systems with on-board computer-like electronic controls must be used. To go to these lower numbers, the company must purchase total systems control, not just individual components. AMC will have to aline itself, on a long-term basis, with one of the major manufacturers and then adapt its pollution abatement system to AMC's product line.

EPA basically agrees with the company's assessment. EPA argues that American Motors has a case on the merits of the issue since it is not a mechanical or electronic engineering company.

Mr. PROXMIRE. Will the Senator yield?

Mr. NELSON. I yield to the senior Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I rise to commend my colleague on this amendment. It is an excellent amendment. I am enthusiastically in support of it.

I might point out that without this amendment, the survival of American Motors would probably be impossible. This bill would be a death sentence, in my view, for American Motors. I say that not only because of the solid arguments my colleague has made on the clear inability of American Motors to meet the standards within the time allotted, because they have to purchase their anti-pollution equipment from other companies because it takes the time to adapt, but particularly because this company is in very delicate jeopardy anyway.

Here is a company that lost something like $60 million or $75 million last year. It is struggling for survival. It is showing possibilities of being able to come back. But in its present condition, there is no way it could survive in the event that the Nelson amendment does not pass.

I ask my colleague from Wisconsin if it is not also true that the presence of American Motors as the fourth producer of automobiles has been attested often by economists and others as vital because, although American Motors is small and only has about 3 percent of the market, as the fourth competitor, it represents some very constructive innovations, and has done so in the past. It was the company that innovated small cars, for example. There have been a number of other innovations that it has engaged in. It has been far more successful than its competitors in selling abroad. It has done a great deal to improve the other companies because of the vigor of its competition.

Is it not true that, in the event that American Motors should cease to exist, we would have an oligopoly of only three automobile companies that would dominate the automobile economy and, for that reason, the consumer would suffer from a lack of effective competition?

Mr. NELSON. I agree with the distinguished senior Senator from Wisconsin. I think it is unfortunate, in fact, that there are not a half-dozen more vigorous domestic companies competing now. I think it would be good for the industry as a whole. I think it is important that American Motors remain as a competitor.

It is interesting to point out that it is a very minor modification. American Motors, under this proposed amendment, would only receive an extension in 1980 and 1981 for the NO_x standard which, under the pending bill, would be 1. This amendment would provide that American Motors could meet a standard of 2 for 1980 and 2 for 1981, and then meet the committee standard of 1 in 1982. So it is a very minor modification, but very important, because it is technologically impossible for the company to buy the technology, which they do not make, adapt it to their equipment, test the equipment to be sure it works, get it certified, and then in the manufacturing process.

No one disagrees, that I know of, that, because of the fact that American Motors does not design its own pollution control technology, it has to purchase it from Chrysler, Ford, or General Motors. Everybody agrees that they must have lag time. The Environmental Protection Agency, on that point, wrote a 1½-page letter, signed by Mr. Douglas Costle, head of the Agency, in which he agrees that this extension is necessary for American Motors. In fact, the Public Works Committee, itself, in marking up this very legislation, did put in a 1-year extension on NO_x beyond the 1979 requirement of that vehicle for American Motors in recognition of their problem on this question.

So everybody agrees—the committee, the Environmental Protection Agency, and the technical people who have looked at it—that American Motors needs more time on the NO_x standard. American Motors itself says that it can meet the NO_x standard of 1 in 1982.

That is very interesting, because if American Motors, purchasing the technology, can meet it in 1982, there is no reason why the big three cannot meet the schedule of the committee in 1980, 2 years earlier, because American Motors can meet it, buying their technology, and has advised my office that they can meet that standard.

So this amendment is meritorious on two grounds: One, American Motors cannot technically meet it without having the time, and that is agreed to. No. 2, it has no adverse health implications at all.

Mr. PROXMIRE. On that latter point, I just want to make sure I understand this.

Is the Senator saying that the Environmental Protection Agency, in effect, by taking the position they have taken in the page and a half letter, has indicated that they do not oppose this amendment? As far as the EPA is concerned, this amendment would have no adverse health effect.

Mr. NELSON. They endorsed the amendment, but did not comment on the health aspect.

Mr. PROXMIRE. They did endorse the amendment?

Mr. NELSON. They endorsed the amendment. The difference, however, with American Motors being at 2 grams per mile on their production for 2 years on NO_x, with them representing 1.8 percent of the total production and there being, on the highways, over 80 million automobiles right now, plus—I have forgotten how many million trucks—there is not a measurable amount involved and nobody that we have checked with considers the health question a factor at all in terms of allowing them to have a 2 grams per mile NO_x standard for 1980 and 1981.

Mr. PROXMIRE. Mr. President, I congratulate the Senator and I am delighted to support his amendment. I think it is particularly important to emphasize to the Senate that this is not an amendment that exempts American Motors.

As my colleague said so well, what it does is to simply postpone for the 2-year period, which is essential, vital, for American Motors to adapt, it postpones part of the effect of the bill and it does so with the concurrence, compliance, understanding, and study of the Environmental Protection Agency.

Mr. NELSON. That is correct.

Mr. PROXMIRE. I thank the Senator.

Mr. NELSON. Mr. President, AMC is an applied engineering firm. EPA, on behalf of the Carter administration, has endorsed this amendment. In a June 8 letter to me, EPA Administrator Costle, in commenting on the interim compliance schedule established by amendment No. 366, says:

> I believe that these recommendations represent the best compromise in affording AMC and other small manufacturers the time necessary to overcome their special difficulties while moving them as quickly as possible toward the goals of cleaner cars and cleaner air.

I ask unanimous consent that the text of this June 8, 1977, letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., June 8, 1977.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you for your letter requesting the Environmental Protection Agency's (EPA) position on granting American Motors Corporation (AMC) an extended emission control compliance schedule. As you know, members of EPA's staff have been working closely with the Congress on developing emissions standards compliance schedules that are both rigorous and feasible.

We believe the compliance schedule set forth in the Senate Environment and Public Works Committee's bill (S. 252) is, for most manufacturers, an achievable set of standards that will continue the nation's progress toward the goal of clean air. While the Agency believes that AMC has the technological capability to meet the standards now proposed for model years 1979 and 1980, EPA recognizes that AMC may experience difficulties in refining the systems engineered into its vehicles as quickly as the proposed standards would require.

The 1.0 gram/mile standard creates an additional problem peculiar to AMC and other small manufacturers. This standard requires the development of electronic and three-way catalyst technology. AMC will apparently have to purchase this technology from other manufacturers and then factor it into their product line before the company will be able to achieve compliance. For this reason, AMC may experience lead time problems substantially different from those of other domestic manufacturers.

In the light of these problems, EPA does not object to giving AMC an extension of the existing standards through 1979. Further, EPA supports granting AMC an extended compliance schedule giving them additional time to meet the Senate bill's ultimate standards for CO and NO_x (3.4 gpm and 1.0 gpm, respectively). Such additional time should be adequate for AMC to acquire a source of control technology and to modify that technology for AMC's products.

We believe that these recommendations represents the best compromise in affording AMC and other small manufacturers the time necessary to overcome their special difficulties while moving them as quickly as possible towards the goal of cleaner cars and cleaner air.

Sincerely yours,

DOUGLAS M. COSTLE.

Mr. NELSON. Mr. President, to sum up, the committee states that the numbers embodied in S. 252 are necessary to protect public health. I agree. The committee recognizes that AMC should not be expected to meet the same criteria established for General Motors, Chrysler, and Ford. I agree. This amendment is drafted in such a manner to give relief only to those firms that cannot meet the committee's numbers and timetables because they do not have the in-house engineering expertise to do so. It is much more narrow than the committee's approach.

I agree with EPA and the committee that the technology to achieve the 1980 standards of 0.41/3.4/1 is available and can be implemented without a fuel economy penalty. The EPA and the company have conclusively documented AMC's need for a 2-year extension based upon the company's requirements to purchase and then adapt rather sophisticated pollution control systems. AMC has given me its assurance that it can comply with this proposed timetable in 1982. There is no reason whatsoever, in my judgment, that Ford, Chrysler, and General Motors should not be expected to comply with the committee's timetable in 1980.

Mr. President, I ask unanimous consent that a chart entitled "Auto Emissions for Model Year 1977 (Imports into the United States)" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AUTO EMISSIONS FOR MODEL YEAR 1977 (IMPORTS INTO UNITED STATES)

Manufacturer	Percent of world market (1976)	Emission range (HC/CO/NOx)	(1976) production
Alfa Romeo	0.7	1.4/15/1.0–0.2/3/0.7	192,000
British Leyland (Austin, Morris, Jaguar, Trimuph)	2.4	1.2/13/1.1–.3/1/.6	674,908
Fiat group	4.7	1.5/13/1.2–.2/3/1.3	1,340,000
Honda	1.7	1.4/6/1.5–.2/3/1.2	473,597
Daimler-Benz	1.3	1.4/8/1.8–.2/1/1.2	378,241
Nissian (Datsun)	5.7	1.5/15/1.6–.2/2/1.0	1,610,319
Peugeot Citroen	4.5	1.0 10/1.6–.4/3/.9	1,270,081
Saab	.35	1.5/5/1.5–.2/4/.2	96,000
Toyo Kogyo (Mazada)	1.6	1.0/9/1.6–.2/4/.9	446,618
Toyota	6.1	1.1/9/1.5–.1/2/.9	1,730,767
Renault	4.3	1.3/12/2.0–.2/3/1.2	1,218,358
Volvo	1.07	.5/10/1.3–.2/1/1.2	296,700
Volkswagen (Audi, Porsche, etc.)	5.2	1.5/6/1.5–.1/1/.8	1,463,024
BMW	.9	1.1/15/1.5–.2/5/1.1	267,618
Fuji Heavy Industries (Subaru)	.5	1.2/10/1.3–.4/3/1.1	158,179
Lotus	0	.5/3/1.0–.3/3/1.8	[1] 1,400
Maserati	0	.4/6/1.0–.3/6/1.1	[1] 210
Ferrari	.005	.7/14/.8–.5/6/.8	[1] 1,337
Rolls Royce	.011	.4/6/1.6–.2/2/1.1	[1] 3,134
DOMESTIC			
AMC	1.0	1.2/12/2.0–.3/1/.9	292,556
Avanti		.4/1/1.6	150
Checker		.8/11/1.9–.2/1/1.3	4,792
Chrysler		1.4/13/2.0–.2/1/1.9	1,333,402
Ford		1.4/12/1.6–.2/2/1.4	2,053,949
General Motors		1.5/12/1.2–.3/4/1.1	4,891,982
Isuzu (Opel) [2]	.3	.4/6/1.5–.3/4/1.0	91,157
Mitsubishi group [3]	1.4	1.5/9/1.8–.3/4/1.2	402,844

[1] 1975.
[2] Manufactured in Japan for GM, sold by GM in the United States.
[3] Arrow, Colt, etc. manufactured for Chrysler in Japan, sold by Chrysler in the United States.

Source: EPA certification charts.

Mr. NELSON. Mr. President, I reserve the remainder of my time and I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time be charged equally against both sides on the bill.

The PRESIDING OFFICER. Without objection, it so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I understand the distinguished majority leader wanted to know whether I wanted to use some time tonight in connection with the Nelson amendment. I will just take 2 or 3 minutes, perhaps, to indicate that in the course of the day, as a matter of fact, in the course of several days, I have discussed this proposal with Senator NELSON and we finally reached agreement on its present form, which I find myself able to accept.

I think there has been a general understanding on the part of the committee that American Motors does not have the capability of developing its own technology in connection with these standards.

It has to buy that technology from other manufacturers. So until the other manufacturers have developed the technology, which they are reluctant to do, American Motors is sort of a captive to their plans and programs.

What Senator NELSON'S proposal would do is to make it possible for American Motors to have 2 years to take advantage of such technology as is developed, in the event the committee proposal on auto emissions is accepted.

Of course, the Nelson amendment deals only with the nitrogen oxide proposal.

With respect to hydrocarbons and carbon monoxide, the Nelson amendment is on all fours with the 1980 requirement of the committee bill, as I understand it.

Mr. NELSON. We are on all fours with the committee at 1980, except for NO_x.

Mr. MUSKIE. And as to NO_x, there would be a 2-year extension for American Motors so that it could acquire the technology from other sources and meet the standard in 1982.

Mr. NELSON. That is correct. That extension is simply to permit 2 grams per mile NO_x in 1930 and 1981, instead of 1 gram per mile; but in 1982, they will meet the 1 gram per mile, which is the provision of the committee bill.

It is interesting to note, incidentally, that American Motors, as the distinguished Senator from Maine noted, must buy its technology, then adopt it to its own equipment, and then test it. Nevertheless, they assure my office that they can meet the committee standards for hydrocarbons and carbon monoxide in 1980 and they can meet the standards for nitrogen oxide in 1982.

The interesting thing to me about that is that if American Motors, the tiniest of all, without its own technology and with only 18 percent of the market, can meet the hydrocarbon-carbon monoxide standards in 1980 and the NO_x standards in 1982, it is mighty strange that the big three would be arguing that they cannot meet the same thing in 1980 as well as the NO_x in 1982.

Mr. MUSKIE. I say to the Senator from Wisconsin that what the Senator has just said about the willingness of American Motors to meet the hydrocarbons and carbon monoxide standard in 1980 was very persuasive to me in considering the Senator's amendment. It seems to me that if a company with these limitations on resources was willing to make that effort, to make that commitment, with respect to those two items in 1980, they deserve serious consideration for the proposed extension on NO_x until 1982. It was a very important and influential argument with this Senator and is, I hope, with other Senators as well.

Mr. NELSON. I say to the distinguished Senator from Maine that being the smallest, and so forth, they were not enthusiastic about it.

Mr. MUSKIE. I understand that.

Mr. NELSON. But we honestly responded to the question, because they wanted carbon monoxide of 9 grams per mile. That is what they desired. But when specifically asked the question, they said yes, they could meet the 3.4. I respect them for their honesty in saying so, because there would be no way for the Senator from Maine or the Senator from Wisconsin to prove otherwise. They are the ones running the company and doing the manufacturing. They gave an honest answer to it, and I respect them for it.

We specifically ask them. They did not come and volunteer. They preferred not to meet these standards fast, just as the big ones do not.

However, it is interesting that they did say that they could meet the carbon monoxide and hydrocarbon standards in 1980 and that they could meet the nitrogen oxide standards in 1982.

Mr. MUSKIE. The fact is, of course, as the record of our hearings indicates, the other companies also can meet the hydrocarbon and carbon monoxide standards clearly in 1980; and Ford has testified that they could meet all three standards by 1980. Still, they urge this additional delay which is proposed by the Griffin-Riegle amendment.

I must say that I do not find it difficult to lose my patience at any time, but with respect to this matter the time has long since passed.

Mr. NELSON. Everybody who is familiar with the matter is well aware that the distinguished Senator from Maine for 15 years has led the fight in behalf of air and water quality in this country and has taken his lumps for it. He has been an eloquent and magnificent spokesman in behalf of what I think is one of the most important, if not the most important, cause in the long haul; because this will not be a livable country if we do not maintain and enhance the quality of the air and the water.

Though the Senator may say he loses his patience easily, I am amazed at how much patience he has had during these 15 years, with all the fights he has had to go through in leading Congress, the Senate, and the country on this important issue.

Mr. MUSKIE. May I add this point: I constantly was aware, during most of that 15-year period, that if at any time I faltered, the distinguished Senator from Wisconsin was behind me, ready to prod, to insure that I did not falter in my commitment to the environmental goals we both share.

Mr. NELSON. I think I was behind the Senator from Maine, too, if he was faltering. I do not know when he faltered.

I thank the Senator from Maine.

Mr. MUSKIE. I thank the Senator from Wisconsin.

S. 602—LIBRARY SERVICES AND CONSTRUCTION ACT

Mr. PELL. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 602.

The PRESIDING OFFICER (Mr. SARBANES) laid before the Senate a message from the House of Representatives insisting upon its amendment to the bill (S. 602) to extend and revise the Library Services and Construction Act, and for other purposes and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PELL. Mr. President, I move that the Senate disagree to the amendment of the House and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PELL, Mr. RANDOLPH, Mr. KENNEDY, Mr. EAGLETON, Mr. WILLIAMS, Mr. CRANSTON, Mr. STAFFORD, Mr. SCHWEIKER, Mr. HAYAKAWA, and Mr. JAVITS conferees on the part of the Senate.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, under the order previously entered, the Senate will resume consideration of the amendment by Mr. NELSON at 9:30 a.m. tomorrow, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. That may cause just a little squeeze on the time of one of the two Senators for whom special orders have already been entered.

ORDER FOR RESUMING CONSIDERATION OF S. 252, THE CLEAN AIR ACT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the two orders for the two Senators previously entered, the Senate then resume consideration of the Clean Air Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR CLARK ON FRIDAY, JUNE 10, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday, after the two leaders or their designees have been recognized under the standing order, Mr. CLARK be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE TO HOLD A HEARING ON JUNE 9

Mr. ROBERT C. BYRD. Mr. President, this request has been cleared with the minority. On behalf of Mr. STEVENSON, I ask unanimous consent that the Subcommittee on Science, Technology and Space be allowed to hold a climate hearing—and the bill is S. 421—during the session of the Senate on the afternoon of June 9.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may be authorized to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 9 o'clock tomorrow morning. After the prayer and the approval of the Journal, the two orders for the recognition of Senators BIDEN and ROTH will ensue, such recognition being not to extend beyond 15 minutes on each order, and upon the disposition of those two orders, the Senate will resume consideration of the Clean Air Act, at which time the question will be upon the adoption of the amendment by Mr. NELSON.

There will be 30 minutes of debate remaining on that amendment, and it will be equally divided between the sponsor of the amendment, Mr. NELSON, and the distinguished minority leader or his designee.

At 10 a.m. a vote will occur on the amendment, there having been yeas and nays previously ordered thereon.

Upon the disposition of the amendment by Mr. NELSON, other amendments will be called up; rollcalls will occur throughout the day on amendments and motions in relation to the Clean Air Act, and the Senate will be in late tomorrow in an effort to complete action on the bill tomorrow.

If action is not completed on the Clean Air Act on tomorrow, the Senate will resume consideration early on Friday on the bill, and it will go late on Friday in an attempt to complete action on the bill Friday.

If action is not completed on the bill Friday, much to my regret and to my inconvenience—I having a speech scheduled in Kentucky that evening—the Senate will be in session on Saturday because there are other matters that have to be taken up next week. I hope we will not have to have a Saturday session, but it is only fair to Senators to outline the prospects for such in the event the Senate cannot complete action on the Clean Air Act by the close of business Friday.

Mr. President, I have by the order entered shut both leaders under the standing order on tomorrow. However, if the distinguished minority leader wishes time tomorrow morning prior to the special orders, he can seek unanimous consent, and I am sure there will be no problem in his getting it. I will not seek such. As a matter of fact, I will not be here in the morning at 9 o'clock, there being a leadership breakfast at the White House and Mr. MOYNIHAN will stand in on this side of the aisle for the leader.

RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9 o'clock tomorrow morning.

The motion was agreed to; and at 7:25 p.m., the Senate recessed until tomorrow, Thursday, June 9, 1977, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 8, 1977:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Goler Teal Butcher, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development, vice Stanley S. Scott, resigned.

Alexander Shakow, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development, vice Philip Birnbaum, resigned.

COASTAL PLAINS REGIONAL COMMISSION

Claud Anderson, of Florida, to be Federal Cochairman of the Coastal Plains Regional Commission, vice Russell Jackson Hawke, Jr., resigned.

FOUR CORNERS REGIONAL COMMISSION

F. Kenneth Baskette, Jr., of Colorado, to be Federal Cochairman of the Four Corners Regional Commission, vice Stanley Womer, resigned.

NEW ENGLAND REGIONAL COMMISSION

J. Joseph Grandmaison, of New Hampshire, to be Federal Cochairman of the New England Regional Commission, vice Russell Field Merriman, resigned.

OLD WEST REGIONAL COMMISSION

George D. McCarthy, of the District of Columbia, to be Federal Cochairman of the Old West Regional Commission, vice Warren Clay Wood, resigned.

OZARKS REGIONAL COMMISSION

Patsy Ann Danner, of Missouri, to be Federal Cochairman of the Ozarks Regional Commission, vice Bill H. Fribley, resigned.

PACIFIC NORTHWEST REGIONAL COMMISSION

Patrick J. Vaughan, of Idaho, to be Federal Cochairman of the Pacific Northwest Regional Commission, vice Jack O. Padrick, resigned.

SOUTHWEST BORDER REGIONAL COMMISSION

Cristobal P. Aldrete, of Virginia, to be Federal Cochairman of the Southwest Border Regional Commission (new position).

UPPER GREAT LAKES REGIONAL COMMISSION

William R. Bechtel, of Wisconsin, to be Federal Cochairman of the Upper Great Lakes Regional Commission, vice Raymond C. Anderson, resigned.

JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA

Esther Crane Wunnicke, of Alaska, to be a Member of the Joint Federal-State Land Use Planning Commission for Alaska, vice Burton W. Silcock.

IN THE ARMY

The following-named officer under the provisions of Title 10, United States Code, Section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of Section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Eivind Herbert Johansen, [redacted] Army of the United States (brigadier general, U.S. Army).

The following-named officer under the provisions of Title 10, United States Code, Section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of Section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert Jacob Baer, [redacted], U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 3962:

To be lieutenant general

Lt. Gen. Jack Carter Fuson, (Age 56), [redacted] Army of the United States (major general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 3962:

To be lieutenant general

Lt. Gen. George Sammet, Jr., (Age 57), [redacted] Army of the United States (major general, U.S. Army).

The following officer for appointment in the Adjutant General's Corps, Army National Guard of the United States under the provisions of Title 10, United States Code, Sections 593(a) and 3392:

To be brigadier general

Col. Edward Clarence Binder, [redacted].

EXTENSIONS OF REMARKS

A TRIBUTE TO GWENDOLYN R. MAY

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 7, 1977

Mr. PANETTA. Mr. Speaker, I take this opportunity to pay tribute to Mrs. Gwendolyn R. May, a woman who has dedicated her life to the care and protection of animals. The selfless devotion which has characterized Mrs. May's life could serve as an example to us all.

Gwendolyn May was born in 1918 to a third generation missionary family on the island of Oahu, Hawaii. Her work in providing humane treatment for animals began at an early age.

When only 4 years old, Gwen May rescued four large sea turtles which were dying in a marketplace, and arranged for them to be safely transported back to sea. She spent her early years working with the Hawaiian Humane Society, helping to improve conditions and learning the skills which she has employed throughout her life.

On September 10, 1941, she was married to James L. May, an officer in the U.S. Navy. During the years 1953–57 the Mays were stationed in Malta and on the island of Kyushu, Japan. Here she continued her efforts, working to break up dogfight rings and developing new methods for dealing with surplus dogs and cats. The measures employed in these areas to control animal populations were often extremely cruel. Gwen May was intrumental in instituting more humane euthanasia methods.

Commander May and his family settled permanently on the Monterey Peninsula in 1957, where he was stationed at the Naval Postgraduate School until his retirement in 1961. During this period she worked closely with Dr. Frank Miller, whose "Wonderful World of Animals," was to become a daily feature in newspapers across the country.

In 1962, Gwen May became a member of the board of directors of the Monterey County SPCA and was designated a California State Human Officer. In this capacity, she was able to direct the successful prosecution of a cat poisoner and a neglect case involving Arabian horses. Prior to her efforts, meaningful enforcement of these laws had been rare, and her success gave hope and strength to the entire humane community.

Mrs. May was selected as executive director of the Monterey County SPCA in 1968, and she established the area's first low-cost spay and neuter clinic at the SPCA shelter. In addition, she worked to improve the conditions at the county pound and laid the groundwork for the subsequent decision to award the county pound contract to the SPCA.

The May family has always provided a dependable refuge for unwanted animals. Aided by her son, Rod James May, and her daughters, Sherrill Ann and Susan Gwendolyn, Gwen May has taken in hundreds of injured, sick, and stray animals. She maintains an emergency vehicle which is available day or night.

In 1975, Mrs. May established an animal welfare information service. This service is pioneering new concepts in animal welfare which are cooperative rather than punitive, with an emphasis on assistance and education. In addition, she continues her involvement in community humane projects and is currently initiating animal protective legislation for the State of California.

It is rare that we find an individual who has given so unselfishly of her energies and abilities. Gwendolyn May's efforts have made a significant contribution toward improving treatment of animals all over the world. I believe that she has truly earned our recognition and praise.

H.R. 6970—MARINE MAMMAL PROTECTION ACT AMENDMENTS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. GILMAN. Mr. Speaker, I was pleased to support and vote for that version of H.R. 6970, the Marine Mammal Protection Act amendments, passed by the House on June 1, 1977. I wish to commend those of my colleagues who also supported and voted for this version of H.R. 6970, thus clearly demonstrating their insight into the need to stem any further unnecessary and senseless killing of porpoises.

I believe that H.R. 6970 as passed last week, while taking a firm stand on reversing a formerly increasing number of porpoises killed, also provides equitable provisions that will not impose undue hardships on a responsible tuna industry that would strive to implement this legislation's requirements.

In reducing the 1977 quota of 78,900 porpoises to be killed in the nets of tuna fishermen to 68,910, we were able to secure an initial victory for these highly intelligent, affable ocean mammals. As my colleague from California (Mr. McCLOSKEY) stated in a brief note to supporters of several amendments he introduced enhancing that protection afforded porpoises:

> Your help yesterday may well have made the difference in saving some 10,000 porpoises.

While I supported and voted for an amendment requiring a successive reduction in the porpoises quota by 50 percent for 1980, with further reductions every 2 years thereafter, language of a subsequent amendment struck this provision, and instead required quotas to be set at the discretion of the Secretary of Commerce. While in effect, we did adopt language that would save 10,000 porpoises from death by suffocation, we should marshal our energies to save thousands more from a similar fate. We must also continue to assure that certain species of marine mammals, because of their depleted stock, receive special consideration. I was therefore pleased to support and vote for just this type of protection for the eastern stock of spinner dolphin.

On balance, I believe that H.R. 6970, is vital first step in a continuing battle to spare as many porpoises as possible from a death unbefitting their natural amicability, their graceful majesty, and their high level of intelligence. The action we have taken also represents our concern for not leaving our American tuna fleet in port while porpoises are subjected to those foreign vessels which are indiscriminately harvesting porpoises along with their tuna catch. Furthermore, a host of workers in related industries, for example, tuna and fish food products canneries, and processing plants, have been spared provisions that it has been claimed "would face them with undue hardships."

Mr. Speaker, in conclusion I would like to share with my colleagues what I believe to be a salient assessment of the related problems of porpoises and the tuna industry. Writing in the February 1977 issue of Smithsonian magazine, Kenneth S. Norris, a marine scientist long involved with the study of the habits of porpoises, conveys his observations while aboard a modern tuna seiner in the Pacific. Praising the professional fishing acumen of the crew and the modern equipment employed by the Elizabeth C.J., Norris asserts that—

The *Elizabeth C.J.* operates with a carefully modified net designed to remove any fold that might trap a porpoise and to provide a channel for their escape. She also is equipped with fine-mesh net that, more than any other innovation, prevents porpoises from tangling. She operates with a savvy team of fishermen who know precisely how to handle their gear. But, for me, our results show what the fishery can do if properly trained, equipped and motivated. If all our boats modify their nets and learn to handle them with skill and if a crew member is trained to substitute for Jim ["a gear specialist, dedicated to solving both the porpoises' and fishermen's problems"] much can be hoped for.

INCREASE IN FUNDING FOR THE ENERGY PROGRAM

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. McCORMACK. Mr. Speaker, Congressman GEORGE E. BROWN, JR. and I intend to introduce an amendment to the appropriations bill for the Department of the Interior and Related Agencies (H.R. 7636) which will increase the appropriation by $39.78 million. We believe that this is in the spirit of responsible compromise between the recommendation of the Committee on Science and Technology and that of the Appropriations Committee.

The House Appropriations Committee has marked up its bill for fiscal year 1978 for the Department of the Interior and Related Agencies including the Energy Research and Development Administration (H.R. 7636). This letter addresses the funding of the ERDA conservation research and development program.

The Science and Technology Committee, authorizing funds for energy conservation for fiscal year 1978, increased the funding level recommended by the Office of Management and Budget for end-use energy conservation research and development by $86.8 million to a total of $321.7 million.

The President said in his "national energy plan" that—

> The cornerstone of the Plan is conservation, the cleanest and cheapest source of new energy supply. Wasted energy—in cars, homes, commercial buildings and factories—is greater than the total amount of oil imports. By reducing the need for additional oil imports, conservation and improved efficiency in the use of energy can contribute to national security and international stability.

The Science and Technology Committee has affirmed that this is no exaggeration. The Nation must reduce its energy growth rate from recent historical levels. The goal of the ERDA end-use energy conservation program is to achieve this improvement through development of technology for more efficient use of all energy consumed.

Unfortunately, the Appropriations Committee for the Interior failed to fully recognize the national priority attributed to this program by the President and his budget. Instead the committee voted out $219.6 million which is $15.3 million less than the administration April budget.

We feel that this is a matter of considerable importance. We have been talking a great deal about energy conservation and have begun programs to help carry out this critically important objective. However, it should be obvious that these programs cannot function without adequate funding. The Appropriations Subcommitee recommendation is simply not high enough to provide for the extensive programs required.

We feel that the authorization level supported overwhelmingly by the Committee on Science and Technology is fully justified and the principle of top national priority for energy conservation is supported by the Congress.

We, therefore, intend to offer an amendment to the appropriations bill for the Department of the Interior and Related Agencies when it comes to the floor on June 9, 1977. We shall move to amend the bill by adding $39.78 million.

We would appreciate your support of this amendment.

ENVIRONMENTAL GUARANTEES

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. RUPPE. Mr. Speaker, I have voted in support of the Department of Energy bill. In the course of debate I also supported an amendment to an annual reporting requirement for the new Secretary that was designed to provide sufficient information upon which the Congress could base its assessments of the activities of the new Department and to better provide for protection of the environment.

The annual report will thus include a description of a comprehensive plan relating to a range of activities "to guarantee that technological programs, funded by the Department, are undertaken in a manner consistent with and capable of maintaining or improving the quality of the environment and of mitigating any undesirable environmental and safety impacts."

This action uses foresight rather than hindsight to insure that environmental considerations are addressed concurrently with any demonstration or development project of the new Department of Energy. I have had experiences in areas such as the Great Lakes winter navigation program, with water level control plans and even in planning associated with the Coastal Zone Management Act where environmental and especially mitigating action associated with adverse impacts has lagged behind program development.

This amendment insures that environmental considerations will be addressed at the initiation of any project, that regional problems are identified and incorporated with national plans, and that Congress has a basis for addressing environmental deficiencies in the DOE's planning and reports to this body.

One prime example of how conflicts arise and early misunderstanding becomes nigh insurmountable is found in a proposed nuclear waste disposal site near Alpena, Mich., where planning developed at the Federal-State level without disclosure to or consultation with the concerned citizenry. Adequately developed and publicly discussed environmental studies as a prelude to more detailed planning would have avoided much trauma for all concerned.

I might also point to what could be a burgeoning issue for the Midwest where coal is looked upon as the most important source of future energy. But its use could have significant adverse impacts without incorporating environmental considerations into advance development plans of the DOE that take account of the possibility of strip mining, powerplant conversion, transportation methods, and alternatives to such proposals.

This most positive action to include consideration of mitigating the adverse impacts of any program set into motion by the Department of Energy augurs well for the future and hopefully is precedent setting for other Federal programs.

BILL TO DELAY MINIMUM TAX PROVISIONS OF 1976 TAX REFORM ACT

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. O'BRIEN. Mr. Speaker, I have joined my colleague, Mr. BOWEN of Mississippi, in supporting a bill which would delay for 1 year the effective date of the minimum tax procedures of the Tax Reform Act of 1976, Public Law 94–455. Section 301(g) of the law made the effective date retroactive to January 1, 1976, for an increase in the minimum tax rate and a decrease in the tax exemption. As you will recall, the bill became law on October 4, 1976.

Earlier in this Congress we corrected the retroactive feature of the repeal of the sick pay exclusion. We needed to remedy a situation which imposed a large and unexpected tax liability on persons collecting disability compensation. We determined in that instance, that it was unfair and poor public policy to impose an unexpected tax burden retroactively on individuals who had not planned for the tax liability throughout the year. Many of the individuals affected by the repeal of the sick pay exclusion would have had to take out loans ot pay their 1976 taxes.

We are faced with a similar situation regarding the increase in the minimum tax. An increase in the tax rate from 10 to 14 percent, and a decrease in the tax exemption from $30,000 to $20,000 was intended to improve the equity of the individual income tax, and to assure that higher income persons pay their fair share of income taxes. I would like to point out how this well-inten-

tioned change in tax law is affecting families of modest means, especially small family farmers.

An attorney from Iroquois County, Mr. James R. Blunk, writes that many farmers are confronted with an unexpected tax liability because they sold their farms early in 1976, relying on the tax laws in effect, only to find the tax law had changed when they filed their 1976 income taxes. Mr. Blunt writes of several cases:

. . . where the buyer was buying the farm for an agreed price with the understanding that the buyer would pay all capital gains as a result of the sale. As you know, the only way legally we can work out such a transaction is to first figure out what the taxes are and add them to the net price to the seller. This was done by a CPA as well as by myself to ascertain what the total tax bill would be. The sale was consummated in March of 1976 in reliance on the minimum tax law which was in effect at that time. However, my clients are shocked that in September the United States Government made the law retroactive to January 1, 1976 increasing the tax and reducing the exemption from $30,000 to $10,000. In the four cases in which I am involved, none of the people have ever been in a position to avoid any taxes. These people were all selling their farms to convert them to cash for retirement purposes.

I believe there may be a rebellion and a Boston Tea Party of sorts in Iroquois County against the United States Government unless something is done to stop the kind of legislation that is embodied in the Tax Reform Act.

I would urge my colleagues to give serious consideration to legislation which would delay the effective date of the minimum tax to January 1, 1977. It is improper for the Congress to impose significant tax liabilities retroactively, and we should be sensitive to how those changes affect individuals already paying their fair share of income taxes.

RABBI HAROLD H. GORDON

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Ms. HOLTZMAN. Mr. Speaker, it was saddening to learn of the death of Rabbi Harold H. Gordon, the executive vice president of the New York Board of Rabbis. Rabbi Gordon devoted his boundless energy to every facet of Jewish life through his work on the board of rabbis, as an Army chaplain, as a member of many national interfaith organizations, and as cofounder of the International Synagogue at Kennedy Airport. It was at the International Synagogue that I saw him for the last time, just a few days before his death.

His dedication and unselfish service to the community will be a source of guidance and comfort to Rabbi Gordon's family and many friends, who will sorely miss him.

COMMEMORATION OF ARMENIAN INDEPENDENCE DAY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. DELANEY. Mr. Speaker, the state and culture of Armenia date back more than 25 centuries. It is a beautiful, rugged land of sweeping plains and mountain fastnesses.

For literally a few thousand years the Armenians pursued an autonomous existence while developing an intricate, fascinating society. Despite it being a hard land in many places for agriculture, the Armenian people nonetheless made their country the breadbasket of eastern Asia Minor.

Early in the 16th century, tragedy befell Armenia in the form and deeds of the Ottoman Turks. Bringing death and cruel subjugation, the "unspeakable Turk," as Carlyle described him, maintained a cruel oppression of Armenia for the next four centuries. Literally hundreds of thousands of Armenian men, women, and children were slaughtered or starved during periodic orgies of death by their Turkish conquerors. These intermittent massacres culminated in 1915 when the heads of the Turkish state masterminded a "permanent" solution to their Armenian problem.

Under pressure from the Western powers, including their ally Germany, to redress the grievances of the Armenians, the "Young Turk" leaders responded by attempting to exterminate as many of the Armenian people as possible, thus perpetrating the first deliberate genocide in modern times.

The few survivors of the massacres of 1915 congregated in the northeastern corner of their homeland. Here they awaited the final defeat of the Turks by the democratic allies. Before that occurred in 1918, the course of the war and that of international events appeared to usher in a new day for peoples who had long suffered under alien regimes in their homelands. Freedom and national self-determination, as advocated by President Wilson, became symbols of destiny for these people. The Armenians naturally reflected these feelings and took the opportunity to assert their freedom by proclaiming Armenia's independence on May 28, 1918.

Tragically, this freedom bought at such a high cost in human suffering was to last only a short time. During that period the Armenian people took great strides in establishing a democratic government, a school system, social institutions, and a national defense force out of a populace of mostly refugees and orphans. But without outside aid they were in no position to combat the two powerful foreign forces threatening them—Russian Communists and Turkish Nationalists. Such outside aid was not forthcoming in the isolationist days following World War I and by the fall of 1920 independent Armenia's days were numbered.

In mid-November 1920 the Turks attacked. Despite their heroic efforts, Armenia's heavily outnumbered forces were overpowered. Forced to fall back to less defensible positions, they now found Red army units behind them—poised for action. Faced with imminent destruction, the Armenian leaders were forced to accept the conditions of the Soviet dictated cease-fire which left part of Armenia in Turkish hands while Sovietizing the larger part. Thus, another "captive nation" was brought within the imperialistic Soviet Empire under the guise of the Armenian Soviet Socialist Republic.

Yet, spirit is eternal and so lives on in these talented and energetic people. They tackled their new tasks with energy and zeal. Concentration was initially on educational and industrialization programs. A university was established, then a network of public schools which virtually wiped out illiteracy in the course of a few years. Eventually technical and scientific schools, and research institutes, were established and for more than a decade now more scientists and technicians have been trained in Armenian institutions of higher learning than the Armenian "republic" can effectively employ. These men are in demand all over the Soviet Union due to the exemplary quality of their training and abilities.

It is this determination and fortitude which the Armenian people possess in such abundant quantities that all Americans admire, and which we commemorate each year on May 28.

Mr. Speaker, I am sure my colleagues join me in saluting all the Armenian people, those in the homeland, the more than 200,000 here in the United States, and their other countrymen scattered around the world; and in honoring May 28 as a symbol of freedom which will always shine brightly. The dream of an independent Armenia, once so real and beautiful, will, I am sure, again be a reality.

PLIGHT OF VIETNAM VETERANS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. WOLFF. Mr. Speaker, one of the great tragedies of Vietnam is the plight of the Vietnam veteran. As I have already indicated to my colleagues, the Vietnam-era GI bill is riddled with inequities that deny many of our most needy and deserving Vietnam veterans the opportunities to receive the education so necessary for them to find productive and meaningful employment. Coupled with these inequities is the fact that federally directed employment programs for veterans, notably CETA and the Veterans' Employment Service, have been simply ineffective in providing these Vietnam veterans with employment opportunities. These veterans, who so honorably gave of themselves during one of the most difficult periods in recent American history, deserve better than this. Only we

in the Congress have the power to amend this state of affairs.

I now submit for the RECORD, excerpts of an article which recently appeared in The Stars and Stripes which clearly demonstrates the need for coordination and concentrated action on behalf of the Federal Government to correct the deficiencies of Federal veterans' employment programs.

The excerpts follow:

VIETNAM ERA VETS JOBS PROGRAMS

(By Forrest L. "Rusty" Lindley)

Unlike the World War II effort there has never been a comprehensive program to deal with the readjustment and employment needs of Vietnam era veterans. Vietnam veterans separating from the service over a protracted period of time (95% of the veterans with service in Indochina were separated between 1964 and 1974); competing fiscal priorities; the adverse political implications of veterans encountering serious readjustment problems from an unpopular war; and the lack of effective advocates for the Vietnam veteran precluded the development and implementation of necessary and effective readjustment programs.

Significant GI Bill increases and programs as Outreach, Veterans Cost-of-Instruction Program, Vet Reps on Campus, and self-help projects did not go into effect until 1973, after many of the most needy veterans requiring the greatest readjustment assistance had separated from the service (83% of Indochina service separations occurred prior to 1973).

Thus for veterans' employment programs to succeed total comprehensive readjustment, education, training, counseling and supportive services must be an integral element of a National veterans' employment commitment. Department of Labor with Veterans' Administration programs and CETA funds should be directed to providing effective readjustment and supportive services to veterans as a first priority and Public Service Employment (unrelated to readjustment or career objectives) as a secondary alternative.

PROFILE OF THE VIETNAM VETERAN

The average Vietnam veteran is 30.3 years old, has a wife, 1.4 children and a high school education or the equivalency (20% of Vietnam veterans had less than 12 years of education at the time of their separation from the service). However, the high school education in most instances was not college preparatory.

Vietnam veterans are largely from lower middle working class backgrounds. With the exception of benefits earned from military service, they tend to view federal programs (including CETA) as welfare (degrading, demeaning, and alien to their self-sufficient work-ethic values and beneath what they feel their sacrifices and service in the military should entitle them to.)

Vietnam veterans' programs must not be developed, presented or implemented in a "welfare" context or in a context that further compounds the veterans already negative self- and public-image. Emphasis must be placed upon the veterans' potentials rather than his problems.

Employment and readjustment programs must accord Vietnam veterans rightfully earned career opportunities equal to or paralleling the careers enjoyed by their non-veteran peers; and not demeaning entry-level slots offered the "ex-offender, the disadvantaged youth, the hard-core unemployed" and other prime CETA target groups.

There are 80,000 unemployed (and probably 500,000 underemployed) Vietnam-era veterans ages 25–34 (226,000—age 25 to 29; the highest levels for that age group in history). These veterans must be the prime target of a veterans' employment program. They should be targeted to the trade, technical, vocational, and professional careers opening up in the private sector. Their entitlement to readjustment benefits (currently averaging a total of $17,820, up $11,700 from the $6,120 which the average veteran separated before 1974 was entitled to at the time of separation) is subject to a 10-year delimiting date and is rapidly expiring. Seventy percent of all veterans with service in Vietnam will lose all entitlement to GI Bill benefits over the next 4 years. The structure of the current GI Bill has deliberately denied many of the most needy and deserving Vietnam veterans access to the trade, technical, vocational and professional training which they need for productive careers in the private sector.

In developing any veterans' employment program it must be considered, that having been denied effective access to GI Bill readjustment benefits, many veterans lack the training and skills for meaningful careers even though they have the ability and the desire for such careers if accorded the opportunity.

Eighty-two percent of all separating servicemen used unemployment compensation in FY 76. They received an average of $1,727 in total benefits averaging $77.13 a week for 4½ months. Forty-four percent exhausted their benefits. Total cost to the government for the 82% of separating servicemen who used unemployment compensation was $518,-456,000.

This averages out to more than one-half of unemployed veterans age 20–24 collecting unemployment compensation for ex-servicemen.

Once the unemployment compensation runs out the young single veterans have 45 months of $13,000 in GI Bill benefits to live off of at $292 a month.

In stark contrast to the Vietnam veteran (with a wife and family to support and a career to secure), there is often little incentive or necessity for the post-Vietnam veteran (age 20–24) to actively seek employment. Given the job prospects in today's labor market unemployment compensation and GI Bill benefits are a far more attractive incentive than many of the available jobs. The significant minority of young veterans with families to support do need special assistance.

The psychological effects of military service during the Vietnam era, compounded by the indifferent and often hostile reception the Vietnam veteran experienced, has left many veterans bitter and cynical about their role in society and the value of work. For most veterans military service and Vietnam was their first work experience. The outcome and consequences of this first work experience has caused many veterans to feel that they have been exploited and/or that they have no place in the "American dream".

The psychological, emotional and motivational problems of the Vietnam experience, compounded by additional psychological and motivational problems of unemployment and underemployment, must be overcome if any meaningful employment effort is to succeed. Veterans floundering from the effects of motivational or personal adjustment problems not only fail in employment situations but adversely affect employer attitudes toward hiring other veterans.

Most veterans having been subjected to extreme psychological and physical stress, as well as the emotionally demanding and strengthening aspects of military service (responsibility, leadership, maturity, discipline, and functioning in alien environments under demanding conditions) have far greater potential for emotional strength than their non-veteran peers. If a veteran perceives that he is being exploited in an employment situation or program (as many feel they were by Vietnam and military service), he will often rebel or fail; however, if he feels that he is involved in a productive and meaningful endeavor, he will often excel, succeed and advance better than a non-veteran.

EMPLOYER IMPRESSIONS OF VIETNAM VETERANS AND PREVIOUS VETERANS' EMPLOYMENT PROGRAMS

Many employers have a negative image of the Vietnam veteran. Veterans have been portrayed irresponsibly as "drug addicted, violence prone, psychologically disturbed, and unemployable". Many personnel officers today are former anti-war students of the 60's who often harbor a subconscious bias against the Vietnam veteran. Employers in the private sector resent the Federal government's efforts to "force special groups" upon them especially if that group has been stigmatized the way the Vietnam veteran often has been. Employers must see employing veterans as a business asset and not as a social obligation or a government requirement.

Previous veterans' employment programs have been little more than elaborate public relations schemes designed to overcome political liabilities associated with high veterans' unemployment and not to overcome the unemployment problems themselves.

Affirmative action, special consideration, mandatory job listings and other programs and provisions were so full of loopholes as to not only readily facilitate non-compliance but to also clearly demonstrate to employers that there was little or no serious intent behind the programs.

The Carter Administration must overcome the legacy of the previous administrations' veterans' employment programs if they are to gain the support and cooperation of the private sector and most importantly the Vietnam veteran.

DISABLED VETERANS

Seventy percent of the disabled Vietnam era veterans are rated at 30% disability or less. Their lack of skills and motivational problems in many cases are far greater impediments to productive careers than their physical disabilities. VA vocational rehabilitational programs and counseling have often been inadequate and ineffective. Many disabled veterans are receiving compensation for psychiatric or psychological disabilities rather than physical disabilities. Often the psychological implications and effects of a physical disability are a greater impedance to productive employment than the actual physical effects of the disability.

EXISTING PROGRAMS AFFECTING VETERANS' EMPLOYMENT

Veterans' Employment Service

The DOL-contracted Kirschner Associates, Inc. Report "National Evaluation of Manpower Services for Veterans" October 1972 reported:

". . . that nearly all of the sample ES [employment service] offices have, on balance, negative images among employers, particularly private sector employers.

"The effectiveness of the efforts of the ES in providing preferential treatment to veterans is inhibited not only by the social and economic environment, but in some cases by its internal procedures for providing veterans' preference and its somewhat unfavorable image among employers, clients and potential clients." The local veterans' employment representatives are subordinate to the local employment service office. Thus they are often unable to devote full priority to veterans' employment needs—counseling, screening, job development and placement in employment, training or CETA programs. Often veterans' employment representatives are patrons of veterans' service organizations and sometimes fail to relate to the unique

problems and attitudes of Vietnam era veterans.

Often veterans' employment service representatives fail to effectively screen veterans for appropriate job openings. Employers resent the referral of unqualified veterans and often refuse to list "meaningful career" opportunities with the VES. In some instances veterans use the VES referral knowing they will be unable to obtain employment but that their refusal by three employers will qualify them for continued unemployment compensation.

The Veterans' Employment Service has often been denied sufficient staff, communication, travel allowances, and financial resources to effectively fulfill its mission. There is often a lack of coordination among VES personnel and other programs working to assist veterans.

The Senate Veterans Affairs Committee reports that:

"During the first 9 months of FY 76 one third of the veterans who applied for assistance at the VES had their file inactivated with no action taken, only 5.4% were counseled, less than 15% of the disabled veterans were counseled. Less than 16% of the veterans who applied to the veterans' employment service were placed in jobs of three days or longer, and there is no guarantee of the quality of the jobs the veterans were placed in."

Mandatory Job Listings, Job Counseling, Special Consideration, Veterans' Preference, and Outreach

Many of the special veterans' employment programs established by Congress have been subordinated by more politically expedient priorities (i.e., affirmative action programs for minorities and women). Employers resent mandatory job listing requirements and private employment agencies worked to circumvent effective implementation of the program. The Department of Labor has administered veterans' employment programs only after strong Congressional prodding and only then in a half-hearted fashion.

There is a serious question as to when the private sector will fully participate in a federal program offering meaningful career opportunities to veterans unless they are given strong assurances that veteran applicants are qualified and motivated for the employment opportunities.

Comprehensive Employment And Training Act [CETA]

CETA is not targeted or structured to effectively serve the Vietnam veteran. Only 12.8% of the CETA placements in FY 76 were veterans. Most of the Public Service Employment positions offered by CETA only serve to stagnate a veteran's career development. In Fiscal Year 1976 only one third of the veterans terminating CETA programs entered employment. Most of the CETA programs and opportunities are targeted to social-economic-educational employment groups that often lack the potential, assets, work-experience, and education and training readjustment benefits available to veterans by virtue of their military service. CETA can best serve veterans by providing supportive services and supplementing the structurally inequitable GI Bill under Titles I and III. Most CETA prime sponsors do not know how to handle veterans' special needs and assets. Veterans lacking political clout and effective advocacy often lose out on the opportunities that should potentially be available to them under CETA. Many prime sponsors will oppose "goals" for hiring veterans under CETA.

Job-related Programs, Veterans' Service Organizations, Job Assistance Programs, Programs for Disabled Veterans, and Education Programs

There are numerous programs and organizations intended to assist veterans with readjustment, employment, education and training and other services. Many have far greater potential than they are currently realizing. There is a serious lack of proper targeting, coordination and interrelation of services. The NAB (National Alliance of Businessmen) Jobs For Veterans program turns over pledges from private sector employers to hire veterans to the VES where they are often lost or unqualified veterans referred.

NATIONAL COUNCIL OF SENIOR CITIZENS SUPPORTS CONSUMER PROTECTION AGENCY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. WAXMAN. Mr. Speaker, the National Council of Senior Citizens is holding its biennial legislative conference in Washington this week. I would like at this time to welcome their delegates. I applaud their efforts to improve the quality of life for senior citizens and for all Americans.

The NCSC has made support for the Agency for Consumer Protection one of its highest legislative priorities during the current session of the 95th Congress. A member of the NCSC, a constituent of mine commented during his visit that the kind of consumer protection he needs would simplify Government regulations, reduce their inflationary aspects, and make Government more responsive and therefore easier to live with. He stressed that the legislation currently pending before the House creating an independent Agency for Consumer Protection would answer his needs.

Mr. Speaker, the need to protect the elderly consumer from fraud, misleading advertising, unscrupulous business practices, and other abuses is evident from the figures on poverty and age provided by the Department of Labor for the first quarter, 1977. I insert the table to be printed in the RECORD at this point:

TABLE 1.—NUMBER AND PERCENT OF MALES IN POVERTY, BY AGE, 1ST QUARTER, 1977

[In thousands]

Age	Non-poverty	Poverty	Total	Percent poverty
35 to 44	9,172	1,821	10,993	16.6
45 to 54	9,279	1,941	11,220	17.3
55 to 64	7,618	1,844	9,462	19.5
55 to 59	4,202	950	5,152	18.4
60 to 64	3,416	894	4,310	20.7
65 plus	6,926	2,196	9,122	24.1

Source: U.S. Department of Labor, Bureau of Labor Statistics.

These figures spell out the relationship between increasing age and poverty, thus underscoring the need for Government to take an aggressive stance in actively protecting the interests of these citizens whose limited income make them terribly vulnerable to the loss of even the smallest amount of money.

I commend the National Council of Senior Citizens for their support of the Agency for Consumer Protection and urge my colleagues to act swiftly to pass this much needed legislation.

JAMES SCHLESINGER ON THE CLINCH RIVER BREEDER REACTOR

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BINGHAM. Mr. Speaker, sometime in the next few weeks, the House will be considering the merits of the President's decision to stop the Clinch River breeder reactor program.

Presidential energy adviser James Schlesinger discussed this subject in testimony before the House Science and Technology Committee yesterday Dr. Schlesinger's testimony is of particular interest not only because of his position in the administration but because he was at one time an advocate of full funding of the Clinch River breeder reactor.

Dr. Schlesinger's testimony follows:

TESTIMONY OF JAMES R. SCHLESINGER

Mr. Chairman and members of the committee: this morning I shall discuss the basis for the President's proposal for the Clinch River breeder reactor demonstration project.

The Clinch River project is not primarily an R&D program. It is an essential part of a program to produce a commercial breeder. To examine whether to proceed with this project, it is necessary to consider the need for a commercial breeder. The most critical factors affecting when a commercial breeder is needed are the projected nuclear power capacity and the amount of uranium resources available to provide fuel for light water reactors.

The forecast nuclear power growth has been declining. When the Congress approved the Clinch River breeder project in 1972, the AEC estimated that by the year 2000 the United States would have 1200 gigawatts of nuclear power generating capacity. In 1975 the estimate had dropped to 800 GW. The current estimate is that the United States will have between 300 and 400 GW of nuclear power in the year 2000. The chart illustrates the reduction in projected nuclear capacity. This reduction was not primarily a revised estimate of the attractiveness of nuclear power, but rather a result of a drop in the estimated total power demand. The next chart shows AEC or ERDA estimates for total energy, electrical capacity, and nuclear capacity. All 1977 estimates are substantially lower than earlier estimates.

The current estimate for nuclear capacity in the year 2000 is less than one-third of what the estimate was when the Clinch River breeder project was authorized.

The other major factor is the amount of uranium available. There is considerable debate over what amount of uranium can be produced at a given cost. However, there is considerable confidence that 1.8 million tons of uranium oxide can be mined in the United States. The ERDA resource estimate includes an additional 1.8 million tons of potential uranium resources.

The substantial reduction in projected need for uranium, coupled with the uranium resource estimates, permits a pause in the commercialization program. The long range ERDA program had concentrated on the LMFBR as the next major source of electrical energy. The analyses justifying this program were based on assumptions that led to requiring an early decision date for the breeder. However, there are alternate assumptions that lead to later dates.

In the recent review of the breeder program, a case was examined using 3.7 million

tons of uranium, 400 gw. of nuclear capacity in 2000, and a 3.3% growth rate in electrical power in the years past 2000. This led to the first breeder being required in 2000, 7 years later than in the current program.

Another illustrative set of assumptions is that:

Nuclear capacity will be 380 gw. in 2000;

The total energy nuclear growth rate will decline after 2000 to 10 gw. per year.

Future enrichment facilities could enable operations at 0.1% tails assay and that existing tails will be recycled;

Plants will last an average of 40 years, with a 56% lifetime capacity factor;

Replacement plants will use the cores of decommissioned plants.

These more optimistic assumptions lead to a substantially later date for the breeder decision. As shown in the chart, the breeder program in this scenario need not begin until after 2000, with the first commercial breeder coming in around 2020.

With a large number of breeders operating at a high breeding ratio, the plutonium being produced becomes a very low cost fuel. In previous cost-benefit analyses, utilities were assumed to make early commitments based on knowing that large amounts of low cost plutonium would become available in later years. These favorable cost benefit calculations were based on much larger nuclear capacity in 2000, no other alternatives available, and the production of large amounts of plutonium.

The President has proposed to change many facets of national energy planning. He has stressed conservation, the increased use of coal, and the development of alternative energy sources. He has also expressed his deep concern over the proliferation of nuclear devices.

I believe commercialization of the LMFBR should be deferred and the construction of the clinch river breeder reactor should be cancelled. The clinch river breeder reactor cannot be justified solely as an R.&D. project. To proceed now requires being fairly confident this type of breeder is going to be used as the next large source of energy and that it will be needed in the early 1990's. There are now serious doubts that scenario is appropriate. The President proposes to seek alternatives to this breeder but also to maintain a base program for the LMFBR. The United States has the time to examine alternative methods to meet future energy needs and, in particular, to develop approaches that may reduce the dangers of proliferation. If we cannot find desirable alternatives, there will be time to return to the LMFBR.

Comparison of past forecasts energy-electrical capacity-nuclear capacity year 2000

Year forecast made	Total energy (quads)	Electrical capacity (GWe)	Nuclear capacity (GWe)
1972	150	2000	1200
1974	174	2030	1090
1975	174	1750	800
1976	144	1400	510
1977	120	1200	380

BREEDER DECISION DATES

Basis:

Base scenario: 380 GWe in 2000; add to GWe net per year after 2000.

0.10 percent tails assay.

40 year plant life.

Capacity factor: 70 percent maximum; 56 percent lifetime average.

Lifetime U_3O_8 requirements (no reprocessing): New plants 5515 STU_3O_8; Replacements 5035 STU_3O_8.

POLITICIZATION OF THE WORLD HEALTH ORGANIZATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. GILMAN. Mr. Speaker, in recent years there has been a concerted effort to politicize every aspect of international society, including such areas as freedom of the press, sporting events, industrial relations, the quality of life, housing, and health care.

As a result, the entire foundation of the international structure of mutual cooperation is endangered by the abuse of these organizations for political gain. Through a coalition of Communist bloc nations and various Third World alliances, the Arab States have succeeded in using these United Nations organizations as a platform for attacking and condemning the State of Israel.

Such was the case on May 16, 1977, when the 30th Assembly of the World Health Organization—WHO—once again adopted a resolution censuring the State of Israel and its alleged treatment of refugees in "occupied" Arab territories. After the General Assembly of WHO refused to consider a report by its own experts that "medical assistance has improved" and "steady progress achieved" in the "occupied" territories, they proceeded, by a vote of 74 to 66, to suspend Israel's voting rights and other membership privileges.

The main consequence of WHO's action was to divert the attention of the serious participants away from the more urgent medical problems afflicting the world's population.

Such politicization can only erode the support of the American public for all international organizations. The continued moral as well as financial support for these organizations will depend entirely on the perceived effectiveness of these organizations in responding to the demands and needs of the world as a whole. As long as international organizations continue to be used as forums for political recrimination and discriminatory attacks, it will become increasingly difficult to gain the necessary public support for our continued commitments to these organizations.

In the long run, the real losers will be the poor and needy countries of the world. The World Health Organization is an important international body through which global health problems can be addressed and our humanitarian goals attained. The diminished support for such activities, because of the introduction of political issues, can only harm those who most need the help of WHO.

In calling for the Assembly to reverse itself on this resolution condemning Israel, we should act in whatever manner possible to prevent the 30th Assembly meetings from being thwarted by irrelevant political issues. This organization's recent action, which diverts world attention from much more relevant, humanitarian problems, warrants the widest possible condemnation.

Accordingly, I urge my colleagues to join with me in signing the attached letter of protest to Dr. Halfdan Mahler, Director-General of the World Health Organization:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June , 1977.

DR. HALFDAN MAHLER,
Director-General, World Health Organization, Geneva, Switzerland.

DEAR DR. MAHLER: We, the undersigned Members of Congress, voice our concern regarding the proceedings of the 30th World Health Assembly, currently in session in Geneva.

For more than a quarter of a century, the United States has been one of the principal participants in, and supporters of the United Nations and its various organizations, including the World Health Organization. The World Health Organization has long been considered essential to basic U.S. tenets of promoting peace and human welfare by increasing and maintaining the scope of world health assistance programs, unencumbered by irrelevant political issues.

Accordingly, it is with grave concern that we have learned that a blatantly political resolution, which falsely condemns Israel, rejects that nation's report on the health management programs of refugees in occupied territories on the West Bank and suspends its voting rights, has once again been adopted by the World Health Assembly, by a vote of 74–66.

We view this resolution against Israel as counterproductive to the goals of WHO and directly in opposition to the objectives of the United Nations of promoting international peace and human welfare, as well as mutual respect for human rights and justice between nations.

It is obvious that this resolution will only serve to thwart the important work of WHO; will politicize what is intended to be a nonpolitical organization; and will further corrode the support for the World Health Organization in the Congress.

Sincerely,

_____ _____.

DISABILITY INSURANCE FOR THE BLIND

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. GONZALEZ. Mr. Speaker, I am reintroducing a measure that I proposed in the last Congress to liberalize the conditions governing eligibility of blind persons for receiving disability insurance benefits.

My bill would allow a person who is blind to qualify for disability insurance payments after working six quarters under social security covered work and would allow them to continue to draw disability benefits so long as they are blind, regardless of any additional earnings they might be able to make.

The blind are considered handicapped, but many are able an want to be involved in some type of work. They, like any other person, want to feel productive and contribute what they can to the community. However, the current social

security discourages them from working since they cannot draw disability benefits if they have any outside earnings. Yet, they generally cannot find adequate employment to allow them to live solely on the income from this employment. Thus, the blind are forced to remain outside the mainstream of society even though many are anxious to work in some capacity and can if only given the chance.

I hope that the House Ways and Means Committee will give this matter serious consideration when it reviews the social security system and offer some measure of relief to the blind by giving them the opportunity to have a more fulfilling existence.

SELECTED READINGS ON ENERGY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BROWN of Ohio. Mr. Speaker, on April 20, 1977, President Carter announced to Congress his administration's plans for dealing with our rapidly deteriorating energy situation. Since that time, much has been written about the Carter proposal and how that proposal fits into world realities. One of the best articles written on our energy predicament appeared on May 27 in the Wall Street Journal. That article which appears below includes statements from several energy experts which are very enlightening and I highly recommend to the attention of my colleagues:

SELECTED READINGS ON ENERGY

(NOTE.—*The following is a selection of readings on the alleged energy crisis. An editorial on the subject appears today.*)

Edward J. Mitchell, professor of business economics at the University of Michigan, in "U.S. Energy Policy: A Primer." The American Enterprise Institute, Washington, 1974:

America has had less than a dozen years' supply of oil left for a hundred years. In 1866 the United States Revenue Commission was concerned about having synthetics available when crude oil production ended; in 1891 the U.S. Geological Survey assured us there was little chance of oil in Texas; and in 1914 the Bureau of Mines estimated total future U.S. production at 6 billion barrels—we have produced that much oil every twenty months for years. Perhaps the most curious thing about these forecasts is a tendancy for remaining resources to grow as we deplete existing resources. Thus, a geologist for the world's largest oil company estimated potential U.S. reserves at 110 billion to 165 billion barrels in 1948. In 1959, after we had consumed almost 30 billion of those barrels, he estimated 391 billion were left.

* * * * *

Vince Taylor, "The Myth of Uranium Scarcity." Pan Heuristics, Los Angeles, 1977:

In 1950, total U.S. reserves of uranium oxide were estimated at 3,000 tons. In the next 10 years, 79,000 tons of uranium oxide were produced. In the single year of 1960, six times the 1950 reserves were produced. But, rather than being exhausted by this production, reserves were then estimated to total 187,000 tons, or 60 times the 1950 figure.

* * * * *

Robert A. Hefner III, managing partner of the GHK Co. and Gasanadarko, Ltd., Oklahoma City, and chairman of the Independent Gas Producers Committee, in a letter to this newspaper:

Your editorials, "1,001 Years of Natural Gas," April 27, and "ERDAgate," May 20, are absolutely accurate. Vast quantities of natural gas are available right here in onshore America, within the existing pipeline networks, but at great depths. The risks and costs of developing these reserves will require prices in excess of the proposed $1.75 ceiling.

In addition, you touched on a subject that is so important when one begins to understand the problem of existing vested interests. You are right that Exxon must protect its enormous investment in SNG. Beyond that the President's proposal, as made by O'Leary, is a bail out for El Paso Natural Gas Company which is firmly committed to a billion dollars in LNG tankers. What use will an LNG tanker fleet be if the country were to deregulate onshore supplies of natural gas, and therefore there would be no necessity for imports of LNG until five, seven or maybe 10 years?

Additional vested interest might be exemplified by Mobil, which intends to spend four billion to six billion dollars in Indonesia developing natural gas within the next five years. Or Phillips Petroleum Company, whose major oil and gas income and cash flow will now come from the Ekofisk field of the North Sea and whose major discovery in the world is a natural gas field offshore Indonesia which will take multibillions of dollars to develop. At last report, Phillips had scheduled for the year 1977 one onshore U.S. domestic wildcat!

It seems obvious to us independent natural gas producers that it may now be in the vested interests of those companies to encourage the government to set the circumstances which will require the importation of both oil and gas into this country and best protect the multi-billion dollars of investments made by these companies over the past decade. Remember that natural gas does not provide cash flow to amortize the multi-billion dollar remaining investments that the multinational oil companies have within the United States in their oil refining, transportation and distribution systems, particularly billions invested in the distribution of gasoline.

It appears to me that if one were to analyze the cash flow of the U.S. based multinational energy companies, that for many the primary U.S. cash flow is now from the petrochemical industries, and when adding the consumption of natural gas for petrochemical feedstocks and fuel to run oil refineries one might find that many of the oil companies operating within the U.S. are "net purchasers" of natural gas. Therefore their interests might be best served by continued price controls which would (1) keep the remaining natural gas within this country at as low as possible for their U.S. consumption uses and (2) create the necessity for the importation of LNG and more foreign oil.

Additionally, we have vested interests in the growth of ERDA, the growth of the Department of Energy. To regulate domestic oil and gas to a position of limited supply is to necessitate the build-up of the nuclear industry as "the only realistic alternative." So, within government, as you know, there are vested interests and beyond that we now have energy policy also caught up in foreign policy—for example maintaining a U.S. position in Algeria or Indonesia. But this is no reason to spend billions in American investment in these countries, and bail them out of debt, and loan them money via the Export-Import Bank to develop LNG when federal regulation requires Oklahoma gas to be produced at less than replacement value. Price ceilings of $1.75 will make the vast deep American reserve unprofitable, and thereby withhold those reserves from the market while American consumers pay over twice that amount for foreign supplies of LNG.

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E. H. Doremus, a Houston reader, in a letter to this newspaper:

The media is full of verbal hand wringing about the energy problem: the May 18 Journal, for example, had a comment in "Asides" on the editorial page about the world running out of oil and gas. Essentially, I'd like to add my opinion to the others, and my credentials for having an opinion are better than 99.9% of those that offer one. I've been involved with the exploration and production of oil and gas as a geologist, engineer and researcher for 25 years. I've located about 600 successful wells, and studied the subsurface in many different parts of the world.

My opinion: We are not going to run out of oil and gas in the foreseeable future, period. There is a catch: we're not going to run out as long as we're willing to pay the price. When oil is selling for $20 a barrel, we'll spend $19 to get it out of the ground; when it's $50 a barrel, we'll spend $49 to get it out of the ground. I would venture to say that if man set out to produce every drop of oil in the earth as fast as possible, and regardless of cost, he would evolve into something else before he accomplished his goal. No one seems to mention that about half of all the oil fields discovered are depletion type reservoirs, which means that about 75% of the oil is still there, we know exactly where it is, all we need is the right price to get it out.

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ADMINISTRATION POSITION

James R. Schlesinger, assistant to the President and prospective head of the proposed Department of Energy, in a commencement address to the University of Virginia, May 22, 1977:

The President has proposed a set of price and tax incentives, making extensive use of the price mechanism, that will induce appropriate change by and large through the free choice of individuals and business enterprises. We need to have the price mechanism working for us, rather than against us. But while we use the price mechanism, we need not be governed by it, nor need we slavishly worship it. I mention the matter since that seems to be the gist of the policy recommended by ideologues of the market mechanism—who can discern the unfettered forces of competition where they do not exist. Who, in addition, believe in instantaneous adustment that we can go skittering over the edge of a cliff, and that, given such demand, suppliers of parachutes will miraculously and suddenly appear.

Let me therefore mention a few disquieting realities regarding oil supply and prices. For the United States, the marginal fuel is imported oil. The price of imported oil influences and in some cases would determine domestic prices of all energy supplies. The price of imported oil is set by an international cartel. Typically the international companies receive a fee of 20 or 30 cents a barrel to lift the oil. Much of the difference between that fee and the world oil price of $13.50 a barrel is made up by government receipts in the oil exporting countries.

Cne can question whether a market, which historically has had its supply determined by such anti-competitive devices as the Standard Oil trust or by the Texas Railroad Commission, ever behaved in the prescribed textbook fashion. But surely the present price in no way resembles a market price. It is simply one administered by an international cartel, bearing no relation to production costs.

I trust that in this period of national debate all of us will be able to discern the difference between self-interest and the national interest—and to distinguish between reality and ideology.

Some, obviously, including those with a stake in supply, would have us believe that energy markets are normal markets. They will profess to regard any facsimile however farfetched as a true market price—even one administered by an international cartel. And they would urge that producers be the total beneficiary of escalated prices, even of critical commodities in short supply—when the same producers lack even slightly comparable returns in the exporting countries in which the price is set.

If we are effectively to grapple with this problem, if we are to achieve the moral equivalent of war—or anything else—we shall have to have equity, as the President has indicated. None should be the beneficiary of excessive gains.

I trust therefore that you will not be bemused in your consideration of the nation's energy problem by such beguiling beliefs that the solution can be attained simply because there are supply and demand curves or that there is some price somewhere that will clear any market.

I trust also that you will not be beguiled by false analogies between today's conditions—in which an enormous stock of capital equipment, fueled in the main by oil, has overwhelmingly replaced human and animal labor as the driving force behind production—and the ability of the 19th Century economy to cope with a shortage of whale oil in an entirely different social and economic context.

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Robert E. Hall and Robert S. Pindyck, of the policy study group of the MIT Energy Study Laboratory, in "The Conflicting Goals of Energy Policy," The Public Interest, Spring, 1977:

[Present policy] has had the general effect of taxing production of crude oil, and then using the proceeds to subsidize imports, with no net effect on the federal budget. This ingenious policy was conceived and executed in a matter of months in 1974, operates today in somewhat strengthened form and is scheduled for demise in 1979. Under its provisions, the Federal Energy Administration sets an average price that domestic producers may receive for their oil (currently $7.66 per barrel). In order to refine domestic crude oil, producers must purchase a ticket called an entitlement, at a cost of approximately $2.00 per barrel. This is the tax on domestic production.

On the other hand, refiners who import their crude oil at the world price of about $12.00 per barrel receive entitlements worth about $3.00 a barrel. This is how imports are subsidized. Either way, the effective cost to refiners is the same $9.50 per barrel.

If this system were eliminated today, domestic producers of crude oil would receive the world price (which would mean an increase of about $5.00, or 65% above what they currently get)—which could, after two or three years, increase the domestic supply of oil by about 13%. The cost of oil to refiners would rise by about 32%, and these higher costs would be passed on to consumers. Price increases to consumers would depend on the particular petroleum product; retail gasoline prices, for example, would increase by about seven or eight cents per gallon.

It is ironic that the desire to limit the flow of income from consumers to producers has had the side effect of putting the United States government in the business of subsidizing oil imports, a large part of which come from the Organization of Petroleum Exporting Countries (OPEC)—the villain of the price increase in the first place.

But the government is incapable of dictating the selling price of oil produced outside the United States, and as long as the domestic price is controlled and imports fill the gap between domestic production and demand, a subsidy for imports is a logical necessity. As imports continue to grow, greater and greater strains will be placed on the tax and subsidy program. As the total dollar volume of the subsidy increases and the domestic base for the tax shrinks, some revenue from the federal budget will ultimately be required to continue the program—unless the average domestic price for oil is allowed to rise.

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Charles E. Phelps and Rodney T. Smith, "Petroleum Regulation: The False Dilemma of Decontrol." Rand Corp., Santa Monica, January 1977:

Existing analyses, with which we agree, conclude that the crude oil price ceilings must certainly reduce U.S. crude oil production, and hence increase U.S. dependence on foreign oil sources.

Prevailing analyses also conclude that decontrol would increase the price of refined products by as much as five cents to six cents per gallon. . . . It has been assumed that refiners price their product on the basis of average acquisition cost of inputs. The controls have reduced these costs and by this logic have therefore reduced refined product prices. . . The average-cost pricing forecast is based on an erroneous view of the world. Product prices are based upon the cost of producing the most expensive unit, not average costs.

Since foreign oil is the most expensive the price of refined products is based upon imported oil prices. Refiners of controlled oil receive a profit transfer from the producer of the oil, but those profits are retained by the refiner. The product price ceilings attempted to force refiners to pass on these profit transfers to consumers, but the price ceilings are not binding. Market forces in fact impose a greater discipline on refined product prices than do the EPA controls.

The structure of price controls provides evidence that the price ceilings are indeed nonbinding. The FEA regulations allow refiners to accumulate "banked costs" increases in average refining costs which are not taken in product price increases. . . . Any time banked costs are positive, product prices are not controlled, since prices could legally be increased. Data from the FEA show that substantial banked costs exist, averaging six cents to nine cents per gallon for the industry during 1975.

While the price controls on crude oil did not influence product prices, they did transfer profits within the petroleum industry. In 1975, the crude oil price controls and allocation program transferred about $8 billion from crude oil producers to refiners. Since vertical integration is prevalent in the petroleum industry, much of this was a transfer between production and refining subsidiaries. However, at least $3 billion to $1 billion was transferred from crude oil producers to nonaffiliated refiners. Decontrol would eliminate these transfers. . .

Selective removal of refinery price ceilings eliminates nonbinding controls and hence would have no effect either on product prices or dependence on foreign oil. Total decontrol of oil production, allocation, refinery price ceilings and entitlements would also have no effect on product prices, but would reduce dependence on foreign oil.

WHO WILL GET THE SWEET SUGAR PAYMENTS?

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. FINDLEY. Mr. Speaker, under the administration program, a quarter billion dollars in Government payments can be made each year to sugar processors. The processors in turn will pass on either 67 or 90 percent of the payments to growers.

According to the Department of Agriculture, up-to-date information does not exist which would allow a precise determination of how large these payments can be. However, the Department was able to provide production figures for the largest nonprocessor growers in 1974. Based on these figures and assuming the maximum 2 cents-per-pound subsidy, here are estimates of how much these firms, all in Florida, will pocket if the program is actually carried out:

Sugar grower	Option A [1]	Option B [2]
New Hope Sugar Co	$1,164,000	$1,570,000
A. Duda & Sons, Inc	776,000	1,050,000
S. M. Knight & Sons, Inc	669,000	902,000
Closter Farms	461,000	622,000
Seminole Sugar Corp	431,000	582,000
Double D Ranch, Inc	408,000	551,000
715 Farms, Ltd	408,000	550,000
Trucane Sugar Corp	340,000	459,000
United Cane Coop. Assoc	269,000	363,000

[1] 67 percent pass-through.
[2] 90 percent pass-through.

These bonanza payments to giants of the sugar industry are in neither the President's nor the congressional budget and have not even been the subject of congressional hearings. Clearly, it is a scheme which would enrich the giants of the sugar industry.

You will have a chance to stop this raid on the Treasury during the week of June 16, when H.R. 7558, the agricultural appropriations bill for fiscal year 1978, is considered on the House floor.

PATRIOTISM VERSUS MARXISM IN THE MOUNTAINS OF ETHIOPIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. McDONALD. Mr. Speaker, while the Carter administration is busy meddling in the affairs of Rhodesia and South Africa, the Horn of Africa area presents a rapidly deteriorating situation. The Communists are riding high in the area with the Soviets ensconced in Aden, a Somalia dependent on them for arms and Djibouti waiting to fall to them like a ripe plum.

Ethiopia has always been friendly to the United States, up until the Derg government of Ethiopia installed a Marxist military dictatorship. Now the American presence is diminishing there daily, seemingly replaced by arriving Cubans. The only country that seems to be concerned is the Sudan, for our Department of State is too busy heroically closing down the Rhodesian Information Office in Washington, D.C., to notice.

A succinct summary of this tragic situation recently appeared in the Daily Telegraph of London on June 3, 1977, and I commend it to the attention of my colleagues for a true appreciation of that unfortunate country.

Ethiopia is another piece of the mosaic

known as the 20th century—a century whose earmark is the betrayal of Western civilization by the leaders of the West.

The article follows:

PATRIOTISM VERSUS MARXISM IN THE MOUNTAINS OF ETHIOPIA

(By Neil McLean)

In 1941 I spent nearly a year in the Ethiopian mountains with the patriot forces, under Gen. Wingate, fighting against the Italian Fascists. I have just returned from what was a particularly nostalgic visit, 35 years later, to the same mountains, again with an Ethiopian patriot army—but this time an army fighting against a Marxist military dictatorship.

The present so-called Government of Ethiopia—the Derg—under Col. Mengisto Hailliemarian, has been guilty during its three years in power of atrocities equal to those of Amin in Uganda. Surprisingly, it was supported until March by the Americans. When the Americans cut off supplies the Derg turned openly to the Russians, who now give Col. Mengisto arms and other aid. And the Cubans, too, seem to be joining in.

But the régime faces so much resistance that it cannot even control the frontiers, and the people and tribes of the border regions cross at will. To the north, practically all the country districts of Eritrea have long been overrun by the ELF—the Eritrean Liberation Front

My hosts, however, were the main resistance movement: the EDU—the Ethiopian Democratic Union.

The journey into the interior of Ethiopia was rough and very uncomfortable, but not difficult or particularly dangerous, for the Derg is now so weak that its writ does not run much beyond the main towns.

The EDU soldiers, like the patriots of old of the Emperior Haile Salassie, are fighting for the freedom of Ethiopia—they could well have been the sons and grandsons of those who had fought with us in 1941. They certainly looked much the same, in their torn and motley rags, with a wide assortment of rifles, machine guns, mortars and bazookas.

There was the same shortage of money and ammunition and a complete lack of medical supplies. Some of the units I saw were well equipped and disciplined, but others were only training units with wooden make-believe rifles, and some very young boys and even girls in the ranks. But there is no doubt about their morale and keenness to fight: the Derg has now alienated almost every region, race and class in Ethiopia.

Most of the EDU patriot soldiers were local peasants and farmers, but some had fled from the tyranny of the Derg in the towns—determined to overthrow the Marxist dictatorship with its hated militia and armed Communist vigilantes. They want autonomy for the provinces, and guarantee of the rule of law and the rights of the private individual and of private property.

They are very anti-Communist and both the Christians (the majority) and Moslems believe in the unity of Ethiopia.

They had invented a new salute to stress the slogan "Ethiopia is one"—the closed fist of the right hand raised with one finger pointing upwards to heaven like someone making a half Churchillian V sign. But their leaders are men who were often in disagreement with the old regime too. As well as being anti-Communist they are supporters of parliamentary democracy.

The four main personalities are Gen. Yasu Mengasha, a former Chief of Staff of the Ethiopian Army and later Ambassador in London; Ras Mangasha Seyum, Governor General of the province of Tigre; Gen. Naga Tagagne, Governor General of Begemder; and the Moslem Sultan Ali Mirah of Aussa—who is head of the Free Danakil (Afar) movement of the Danakil tribes near the Ethiopian port of Assab and along the frontiers of Djibuti.

The morale of the EDU leaders seemed high but they were all desperately short of money and supplies. If they had more supplies they could start taking the main towns as well as the countryside. Both the EDU in Begemder and the ELF in Eritrea have had a number of successes recently in taking more towns.

The EDU have a technique which has worked well. First the town and fortified positions of the enemy are surrounded and cut off by several thousand armed patriots. Then they make a surprise attack, led by smaller well trained commando units, on part of the enemy positions. Negotiations follow, leading to the surrender of the garrison. The main problem is not the capture of the town or the surrender of the garrison but the lack of money and material to keep the unit in being afterwards.

Although politically and morally bankrupt, the Derg still has a comparatively well equipped Army of four divisions. But morale is very low, and morale of the air force even lower since the shooting of Major Sisye, himself a leading member of the Derg, and many other officers and NCOs.

Russian arms and the arrival of Cuban advisers may do something to restore the morale of the Army, but it seems the Derg relies more and more on the People's Militia and other Marxist vigilante groups. It is now raising a peasant army of 200,000 men to send north to fight the EDU and ELF. This may increase the amount of bloodshed but is unlikely to save the Derg for long.

The growing anarchy inside Ethiopia and the increase in Russian intervention there in supplying arms has not unnaturally caused great anxiety in the Sudan and other States in the area. The Sudan has more than a thousand miles of common frontier with Ethiopia. There are already nearly 100,000 Eritrean and Ethiopian refugees living in camps in the Sudan after fleeing in terror from the atrocities of the Derg. The Sudanese have welcomed these poor people like brothers but more medicine and doctors as well as other supplies are badly needed for them. The Sudan has its own problems, especially in the south, and badly needs to have a friendly Government in Ethiopia. The Derg in alliance with Libya has already proved to be an aggressive and dangerous neighbour to the Sudan. This danger would increase if the Russians and their Cuban henchmen move into Ethiopia in strength.

In the years since they established themselves in Somalia the Russians have made surprisingly large investments in arms and technical advice, and the Somalis now look to Russia also for support in their aims of a "Greater Somalia." Their Marxist Government is unlikely to risk its position by switching policies away from Russia, especially when the future in the Horn of Africa is politically uncertain, and the policies of the West in Africa equivocal.

And now the Russians have put their hands on Ethiopia. They were already established in Aden and probably also have their eyes on Djibuti after it becomes independent from the French.

No doubt the chaos in Ethiopia and the conflicting interests of Ethiopia and Somalia and of the various other groups in the Horn of Africa and Red Sea may prove a very tricky hand for the Russians to play. But no more difficult than Turkey and Greece are for NATO. It is high time the free countries of the area—especially Saudi Arabia and Egypt as well as the Sudan—and of the free world in general, woke up to the dangers.

For the continuation of the present anarchy in Ethiopia under a Marxist pro-Russian regime gives the Russians their main opportunity to intervene further there and thus to gain the initiative in the Horn of Africa. Therefore support for the EDU—the only real alternative Government to the Derg—seems at present the only way to end the chaos and bring to power a reasonable and friendly Government in Addis Ababa. At the same time it would put a stop to any further deterioration in the situation in the Horn of Africa and the mouth of the Red Sea.

URBAN OPEN SPACES

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BINGHAM. Mr. Speaker, August Heckscher, who was New York City's commissioner of parks from 1967 to 1972, has produced an exciting book about America's cities. In "Open Spaces: The Life of American Cities," Heckscher contends that the quality of urban life is, to a large extent, determined by what happens in a city's open spaces—in parks, squares, plazas, and greens.

This is idea is hardly revolutionary. In the colonial period city founders—and planners—like William Penn made sure that valuable urban space was devoted to parks. Franklin and Jefferson—and of course Frederick Law Olmsted—impressed their countrymen with the importance of urban open space.

Heckscher, however, gives his reader a new perspective on just how important these spaces are. It goes without saying that New York would not be New York without Central Park but Heckscher does not stop at New York or with major parks. He takes his reader to virtually every large American city and shows how wise planning and concern for the human environment has made a city livable and enjoyable—often through the intelligent use of small pockets of green. He also shows how lack of planning or poor planning have often squandered what could have been great opportunities. The best thing about Heckscher's book is that it opens a reader's eyes. After reading Heckscher no intelligent person will be able to walk through an urban setting without noticing just what is—or is not—going on in the city's open spaces. After reading this book one would think twice about the value of building a superhighway along a river front or cutting a park's budget to put the money into "more critical" areas.

August Heckscher is well qualified to write this book. His years as parks commissioner were the "golden years" of the department. All over New York City there are islands of unique pleasantness that are only there because August Heckscher was there.

Once again the Twentieth Century Fund has commissioned a fine and unique work, which I recommend to everyone interested in our cities—what they are and what they can be.

I insert herewith an excellent review of the book by a distinguished author and critic, Wolf Von Eckhardt, in the New Republic of May 21, 1977:

OPEN SPACES: THE LIFE OF AMERICAN CITIES BY AUGUST HECKSCHER WITH PHYLLIS ROBINSON

(Review by Wolf Von Eckardt)

Experts, idiots, and sociologists keep telling us that the American city is dead, although they never tell us what to do with the remains. Watch Nero fiddle? Watch Moynihan neglect?

August Heckscher, an essayist, who was

President Kennedy's art adviser and Mayor Lindsay's park commissioner, tells us that the American city is alive and greening. It is also more interesting, varied and individual than is supposed in the gloomy echo chambers of urbanistic institutes. Heckscher's view is more convincing because he has actually looked at the cities he reviews.

"Without disregarding the cities' troubles," Heckscher asks, "can we not consider their amenities?" Urban life and urban amenities, he asserts, are brought about by happens in the buildings, but what happens in the spaces in between—the parks and urban open space. It is not so much what parklets, the squares and small plazas, the avenues and streets—that determines the quality of a city. The open spaces bring forth pleasure, recreation, human encounters, communal celebration—in short the essence of city life.

Heckscher's keen-eyed meanderings through urban open space all across America lead to the perhaps surprising conclusion that "the 1960s and early 1970s witnessed striking achievements by both the private and public sector in shaping a more hospitable urban environment. . . . A new understanding of urban amenities is in the making."

The 150th anniversary, in 1972, of the birth of Frederick Law Olmsted was celebrated not only with general recognition of this remarkable American genius, but also with a new awareness of the importance to the whole urban system of what Olmsted called "the lungs of the city." Citizens and government are taking a fresh look at parks, greenways and waterfronts and are creating more squares and plazas everywhere. The historic preservation movement progressed from mere embalming of old buildings to reincarnating them with new users, such as Ghirardelli Square in San Francisco. Entire neighborhoods and historic districts are being preserved and enhanced. A mushrooming of downtown cultural centers has provided opportunities (sadly missed by Washington's Kennedy Center) for true urban renewal, with new plazas and fountains, parks, bandshells, playgrounds, and ponds for flotillas of toy ships.

Urban design, an ancient art which had been threatened by the egocentricity of Modern architecture, has been rediscovered. Urban design is more than orchestrating immobile buildings with the movement of people. It is the art of creating livability—a setting for the casualness and variety that crystallizes community feeling. It means letting thousands of opportunities bloom—opportunities for street vendors and musicians; for artists, sidewalk and serious; for lovers on lawns and admirers of flower beds; for bicyclists who need safe paths; for youngsters who need accessible baseball fields; for boatmen who deserve clean waters.

Modern architects and city planners have forgotten or neglected these things because they do not fit in their stark abstractions. The clients, equipped with jet planes, long-distance phones and expense accounts, do not need them. But most of humanity does. Thus Modern elitist design leaves the majority uncared for. Affluence and social work do not suffice. We also need—and are beginning to evolve—a new architecture and urban design which is at once richer and more social minded than surrealist cubes and towers. We need an architecture and urban design that reconnects us with our past, that reestablishes the continuity of civilization.

Heckscher begins his book with a quick review of changing concepts of urban open space from Vasari to Venturi. Robert Venturi, the post-Modern urbanists, holds up the visual cacophony of the Las Vegas strip as the inevitable and "almost all right" expression of the American soul. Heckscher replies that the strip may indeed represent something valid in the American experience, as pornography and graffiti may represent something valid in art. But the strip is almost as wrong and as far out of all human scale as New York's World Trade Center or Chicago's new super-skyscrapers.

"Human scale" and other fashionable phrases are, however, relatively rare in Heckscher's lucid, well organized survey. He doesn't deal in theories, but shows us how spatial organization—the solids and voids, waterfronts, railroads, freeways, pavement and greenery—affect people. He is always specific. He is always vivid. He includes virtually every notable city in this country. Along this tour he gives us insights that will intrigue not only professionals but also people who have been intimidated by the professional jargon. This is a book anyone interested in his surroundings will enjoy and learn from.

It is also an important book, I believe—as important as Jane Jacobs's famous *Death and Life of Great American Cities*, published more than 15 years ago. Jacobs, in one well aimed blow, shattered the delusion that purely esthetic concerns could save the city. And even Le Corbusier's seemingly functional "Radiant City," it turned out, was as much of an artists' conception as Burnham's "City Beautiful." Jacobs established the other extreme—of seeing the city only as a big human huddle. Heckscher's perspective on the interrelationship of urban form and urban function should help establish a common sensical balance. This is a splendid and heartening book.

TASK FORCE ON SUPPLIES AND PRODUCTION

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. ROUSSELOT. Mr. Speaker, the Washington Post included an interesting account of the task force on supplies and production which ERDA commissioned to report on the costs and supply of natural gas now and into the 21st century.

I urged my colleagues to review this newspaper report:

ENERGY AIDE'S CONTROVERSIAL FINDINGS LEAD TO DOWNFALL IN BUREAUCRACY

(By Morton Mintz)

Early this year, the Energy Research and Development Administration assigned an official named Christian W. Knudsen to head a task force looking into supplies and production costs of natural gas into the 21st century.

Dr. Knudsen, a chemical engineer who came to the government from the Exxon Corp. three years ago, completed some preliminary calculations in early March.

He made no big claims. Instead, he emphasized that the results rested, as they had to, on a series of assumptions, best-guesses and projections.

Still, those projections conveyed a message that jarred the conventional wisdom: the cost of producing 1,000 cubic feet of gas at wellheads in the continental United States—including all taxes and a return of 15 per cent—would average no more than $1 until the end of the 1990s.

In addition, his figures showed supplies up to the year 2000 to be far more abundant than the public has been led to believe.

More importantly, Knudsen's numbers ran smack into the ominous supply/price picture painted by the oil and gas industry and by President Carter in his then-upcoming National Energy plan. Carter has proposed a price of $1.75 per 1,000 cubic feet for new gas.

In the ensuing behind-the-scenes brouhaha, ERDA officials summarily threw out Knudsen's estimates.

And Knudsen was abruptly fired as chairman of the ad hoc Intermediate Energy Working Supply Committee, the task force of about 30 persons he had been assigned to run in addition to his normal duties as assistant director for review and analysis under fossil-fuels chief Philip C. White.

Although Knudsen declined to discuss the affair with a reporter, an account of it was pieced together in interviews with ERDA officials and other sources, including congressional investigators.

The central issue emerging from the interviews was not the eternally arguable validity of Knudsen's curves, but the existence of slippery slopes awaiting those in the energy bureaucracy who may somehow become tainted by heresy.

It began in January with a commandment from ERDA's acting administrator, Robert W. Fri, to Dr. White to do a study to help determine what the agency's research and development priorities ought to be, and to do it fast—by April 7.

A critical component of the study had to be estimates of future natural gas supplies. If gas will be relatively abundant, the case for research and development on alternative energy sources obviously becomes less pressing than if gas will be in relatively short supply.

White, who went to ERDA in 1975 from the Amoco Oil Co., where he was vice president for research and development, initially picked J. Frederick Weinhold to head the task force, but replaced him with Knudsen after Weinhold left to join the staff of White House energy chief James R. Schlesinger.

Even before Knudsen took over, the task force was getting indications that its result would be, in the word often heard in the interviews, "sensitive."

Without telling Knudsen, White quietly launched a parallel supply/price study by a second group.

Neither team had much of a problem charting the supply and production costs of proved reserves, or even reserves reasonably "inferred" to be available. Notably, they generally agreed that into the 1990s supplies will be relatively plentiful and production costs under $1.

But a major split did develop over the predicted availability and costs of producing so-called undiscovered reserves, about which, by definition, there is far more speculation than proved or inferred reserves.

Knudsen's group, relying entirely on public data from government agencies and industry sources such as the American Gas Association, ended up more optimistic than the parallel group, which relied on a model devised by the Standard Research Institute on the basis of some industry figures and premises classified as trade secrets.

In a phone interview, fossil-fuels Chief White said the SRI premises were unavailable even to him. Knudsen was turned down when he asked Harry Johnson, director of the so-called MOPPS (Market Oriented Program Planning Study) program of which the task force was a part, to let him see them.

On April 12—Six days before President Carter would introduce a nationwide television audience to his NEP—White met with Hugh Guthrie, an aide who had worked for Shell Oil for 33 years.

White, in the phone interview, said Guthrie told him that the Knudsen curves would be "laughed out of court" by the industry and would jeopardize the credibility of the whole MOPPS effort in the eyes of John F. O'Leary, Federal Energy Administrator and Schlesinger's top aide in the White House.

"I decided he was right," White said. Asked if he may have been influenced by political

implications, he said, that none had "dawned on me at that moment."

Early in the interview, White scorned the "unreality" of the Knudsen curves, saying, for example, that Knudsen arbitrarily had figured the costs of producing undiscovered reserves at about $2.50 per 1,000 cubic feet, or approximately five times the 1975 regulated interstate price. Later, however, he said, "Hell, that's not an unreasonable guess."

He opted for the SRI curves as "more realistic," although he admittedly didn't know the premises from which they were derived. "It was a lousy choice I had to make"—under the April 7 deadline pressure—he said.

As a result of that choice, Johnson went to the White House to brief O'Leary on the SRI curves, which are more easily reconciled with the NEP. Yesterday, O'Leary told a reporter he had never heard of Knudsen, his curves or his methodology. He said "I'd like to be briefed" on them, but emphasized his belief that the facts, in any case, show the SRI curves to be "incorrect," that is unreflective of what he believes to be the reality: the nation is in an "attrition situation" insofar as the gas supply is concerned.

Last week, at a two-day meeting with industry experts in Reston, ERDA officials devised new curves that come closer to the dire estimates in the Carter plan. White said that all of the curves, including Knudsen's, will be published in a few days.

Before that, White had abruptly dismissed Knudsen, who had refused to compromise projections from public data to reconcile them with projections made from closed proprietary data. Neither man will say why. Some sources suggested that Knudsen was punished for heresy.

He is now back in his old job as an assistant to White.

HOLDING APPROPRIATIONS WITHIN BUDGET CEILINGS

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. FISHER. Mr. Speaker, as we begin the appropriations process for the fiscal year 1978, we should remain alert to the continuing need for coordinating appropriations with the budgetary targets established in the first concurrent resolution. The budgetary process cannot be relegated to the first 2 weeks in May and to September, and then forgotten in the interim. Without careful vigilance now in our decisions on appropriations and other spending legislation, we will find ourselves in a mad scramble in September trying to rectify our indulgences of June and July.

This week we are considering the first round of appropriations bills: Treasury-Postal Service; Transportation; and State, Justice, Commerce, and Judiciary. These bills are illustrative of two of the difficulties that arise in tying spending decisions to separately set budgetary totals.

First, we run the real risk of being "nickeled and dimed" above the budget resolution targets. Each of these appropriations bills—when combined with amounts assumed in the first budget resolution but not yet considered—exceeds the functional outlay targets established in the first resolution. Unless these overruns are offset by votes on subsequent appropriation bills to cut below budget targets, the House will finish the appropriation voting cycle with appropriations over the targets. Cumulatively the excess could be considerable. To be sure, the separate overruns are relatively small amounts—$50 million here, $100 million there. These hardly seem consequential when compared to a total appropriation of $5 or $10 billion. But if each spending bill—and there will be over 50 of them before we are through in September—were to exhibit such a tendency, we would find ourselves with a total budget several billion dollars larger than our target.

While the figures in the first concurrent resolution are admittedly only targets and not binding, nonetheless every additional dollar of spending voted now will require additional and increasingly difficult budgetary choices later on in the summer. The integrity and success of the congressional budget process depends ultimately on our ability to be tough-minded in our funding decisions, and we should not allow funding to exceed targets without sufficient debate and appropriate cause.

The second difficulty that arises as we attempt to coordinate appropriations with budget targets relates to the first. Each of the small overruns in these appropriations bills can and will be attributed to the complexity inherent in estimating outlays once the budget authority level—including appropriations—has been determined. In the past few years outlays have been overestimated at the time the budget resolutions and appropriations are voted, apparently actual 1976 outlays were overestimated by some $8–$10 billion. The fact of the matter is that we do not yet have reliable procedures for estimating outlays to the degree of accuracy required by the budgetary process.

Because of these difficulties in relating appropriations to budget outlay targets the prudent course will be to watch each appropriation bill closely as it is considered, check each one against the budget figures, and strive to hold the line unless some new factor comes into view that would indicate some other action.

DR. PETER G. BOURNE'S ADDRESS TO U.N. CHILDREN'S FUND

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. ZABLOCKI. Mr. Speaker, on May 23, Dr. Peter G. Bourne, Special Assistant to the President, addressed the annual meeting of the 30-nation Executive Board of the United Nations Children's Fund in Manila. In speaking to the delegates, Dr. Bourne pledged continued U.S. support to UNICEF, and read a message from the President which said in part:

The special emphasis you place on meeting the human needs of children, the future leaders of the world, make your efforts even that much more essential to the goal of seeking human freedom and dignity for all mankind.

Dr. Bourne's remarks follow:

Mr. Chairman, Mr. Labouisse, and members of the UNICEF Executive Board. It is a great pleasure and honor for me to be here this morning.

I want to begin by conveying to you the personal greetings of President Carter on behalf of the American people, for your outstanding contributions to the health and well being of the children of the world. As you may know he and his family have had a longstanding interest in the human needs of people everywhere. The President's mother, a nurse, went to India at the age of 68 to work in a family planning program as a member of the Peace Corps, and his wife, Rosalynn, has a longstanding interest in health problems. Mrs. Carter will soon travel to a number of Latin American countries, during which she hopes to visit a UNICEF project. Also, only 2 weeks ago during the annual meeting of the World Health Assembly, the President, in a message to the Assembly stated, "We will work together with all nations to control disease, improve nutrition, and raise the quality and productivity of life throughout the world." I wanted to mention this to indicate the strong interest and person commitment of the President to providing leadership to help deal with the basic human needs of people throughout the world. He has asked me to read to you the following message:

"This is to convey, on behalf of the people of the United States, my support for the principles for which UNICEF stands.

"The very important participation and active support of the members of UNICEF is of particular interest to me in that your organiztaion is dedicated to the basic human right of all people to be free of poverty and hunger and disease. The special emphasis you place on meeting the human needs of children, the future leaders of the world, make your efforts even that much more essential to the goal of seeking human freedom and dignity for all mankind.—The President of the United States"

There is probably no single United Nations organization more well known and highly regarded in my country than the one known by the familiar acronym of UNICEF. The work of your organization to help the needy and deserving children of the world has always held the special attention, and affection, of millions of Americans.

As you know my country was privileged to become an early and strong supporter of UNICEF's work to assist less fortunate areas of the world. Today we continue to support, both through government and private contributions, UNICEF's programs for better health, nutrition, social welfare and education among children in scores of countries.

Much more, of course, remains to be done if we are to succeed in our goal of providing basic services for children everywhere. Millions of children still die at childbirth or suffer early deaths through infant starvation, neglect and disease. In some countries 50% of the children still die before they reach five years of age. Too many more are denied the fullness and richness of life through inadequate diets, debilitating parasitic infections, other chronic diseases, and lack of education. In some remote areas we still, unfortunately, do not even know what our children's needs are.

The world cannot afford, and we cannot tolerate, these deplorable conditions any longer, for the means to alleviate them are at hand. We know from experience that, given sufficient priority in national planning, adequate care for our children can be provided. And we know that UNICEF, working closely with related international agencies, can provide necessary external resources to

tackle many problems involving children's basic needs.

Let me mention at least two program development areas where the United States believes we need to concentrate our efforts:

The first major area concerns malnutrition. An adequate diet is often the key factor in helping children to ward off infectious disease. It is estimated by responsible authorities that 10 million children under 5 years in developing countries suffer from severe protein/calorie deficiency; another 80 million suffer only slightly less grievously; and a third group numbering into the hundreds of millions do not have the minimum diet prescribed for the developed countries. Many suffer vitamin deficiency diseases. UNICEF, other international agencies, and individual governments are doing much to alleviate this bleak picture. But we can and must do more.

The second program development area is comprehensive maternal and child health services. Families must be provided with education and means to assure responsible parenthood, to limit their family to the size they can provide for. Pregnant and lactating women must be provided medical and nutritional services to safeguard their own and their children's health. Infants and preschool children must be provided with preventive and curative medical services. Less than 10 percent of the more than 80 million children born each year are being immunized against preventable diseases. A major effort is needed during these critical periods of high risk if our children are to survive and grow to develop their full human potential.

The United States has been a staunch supporter of UNICEF programs as they have developed over the years. We believe the concept of "basic services," providing a group of related, mutually supportive activities for children, is sound and deserves our support. We will join others in support of measures that will help give the world's poor majority access to basic services required for good health.

Over the years, we have welcomed other countries' increased sharing of the financial burden for UNICEF. In 1975 UNICEF reached a goal of $100 million in expenditures for children and their families; last fall the General Assembly proposed a new goal of $200 million. I understand that Mr. Labouisse has suggested we reach this target by 1979, the International Year of the Child.

I hardly need to tell you that this will only deal with a mere fraction of the problem. Much of the increased expenditures, and the effort, will of necessity have to come from the individual nations affected. But UNICEF, in helping to identify the problems, in designing programs, and in providing the training and initial support, will continue to have a central catalytic role for many years.

In President Carter's first budget message to the U.S. Congress this year, he requested increased development assistance appropriations, most of which go to help the developing world meet its basic human needs. Significant additional contributions in my country will be encouraged from private sources.

As a demonstration of U.S. commitment toward a strong UNICEF, and in support of its excellent work, the President will soon ask our Congress, in addition to the $20 million already requested, to increase my government's contribution to UNICEF by an additional 25 percent, adding an additional $5 million for a total of $25 million for 1978.

Money alone, of course, will not be sufficient. Sound management, concentration on quality programs, and dedicated people are essential.

I would like to close with these thoughts: Our increasingly interdependent world can no longer tolerate the approximately one billion people who live in absolute poverty, hunger and despair. Not only is this intolerable to our sense of justice, but continuation of this disparity between rich and poor can only lead to political and social upheaval that inevitably will lead to further human suffering.

The nations of the world must acknowledge their interdependence and join together to dedicate their minds, their hearts, and their talents to the solution of those problems which threaten the survival of us all.

We must free ourselves from the limitations of national prejudice and recognize that the forces which unite mankind are incomparably greater than those which separate it. We must establish a world order of peace, justice, and compassion in which we acknowledge that we are one body of people with shared problems dependent on one body of resources.

We must help all mankind to achieve the basic needs that transcend ideology, freedom from hunger, physical suffering and disease, war, pests, pollution of the environment, and servitude to others, the desire to see one's children grow up to be happy and have a better chance in the world than we did, the ability to enhance one's position in society and in the world by virtue of one's own merits and hard work, the opportunity to travel freely, to be educated, to have the benfiets of technology and material things, and the time to enjoy them. All people regardless of where they live, share these aspirations, and we should help them be fulfilled.

There is simply no alternative to any members than to support a global policy of improved health, nutrition, and maternal and child health services. President Carter recognizes the importance of a human needs policy and has and will continue to demonstrate his commitments in this area.

It is with these thoughts that I close and pledge on behalf of President Carter and the United States government our fullest support for UNICEF, and the children of the world.

AGENCY FOR CONSUMER PROTECTION

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Ms. HOLTZMAN. Mr. Speaker, in attacking the proposal for an Agency for Consumer Protection on May 20, U.S. Chamber of Commerce's Richard Lesher managed to be both anticonsumer and sexist in the same breath when he criticized Esther Peterson, the White House consumer adviser, by saying "There's an old quotation that 'Hell hath no fury like a woman scorned.'" He went on to refer to Ms. Peterson as "a frustrated woman."

It is not Esther Peterson who is frustrated but rather, according to Louis Harris' recent survey, American consumers who are frustrated at the high prices, poor quality, and hazardous nature of many of the products they buy. Harris' poll, undertaken for Sentry Insurance, indicated that consumer unrest was "staggering," in the words of the Washington Post, and that the public, 52 percent to 39 percent, supported the creation of an Agency for Consumer Protection.

Eight women's organizations—the National Organization for Women, American Association of University Women, National Women's Political Caucus, Women's Equity Action League, Center for Women Policy Studies, the Women's Lobby, Network, and the National Council of Jewish Women—replied to Mr. Lesher's comments by saying:

Mr. Lesher's snide and sexist comments debase the dialogue over the importance of a consumer protection agency.

And 17 prominent women in government, along with 2 men, responded as well. I would like to submit the letter they sent to Mr. Lesher and a Washington Star article on the subject:

MAY 26, 1977.

DR. RICHARD LESHER,
President, Chamber of Commerce of the United States, Washington, D.C.

DEAR DR. LESHER: Last Thursday at a press conference, you characterized the strong defense by Esther Peterson of President Carter's proposal to establish an Agency for Consumer Protection in words which display blatant bigotry. "Hell hath no fury like a woman scorned," you stated, and then described our esteemed colleague's candid response to heavy business lobbying against the legislation "as a saga of a frustrated woman."

Apart from your apparent difficulty in discussing this needed and long overdue legislation on the merits, why, we should like to inquire, have you used language which in full context can only be termed sexist and thoughtless? With business under continual criticism for discriminating against women, corporate pronouncements to the contrary notwithstanding, it is revealing indeed that the choice of words by a leading representative of business displays such deplorable insensitivity and prejudice.

We believe an apology is in order. It would help the quality of the debate on this legislation if you would avoid biased characteristics that both the Nation's laws and its values are striving to diminish.

Sincerely,

Barbara Babcock, Assistant Attorney General,* Department of Justice; Richard Beattie, Deputy General Counsel*, Department of Health, Education and Welfare; Lucy Wilson Benson, Under Secretary of State for Security Assistance.*

Michael Berman, Counsel to the Vice President of the United States*; Eula Bingham, Assistant Secretary for Occupational Safety & Health*, Department of Labor; Barbara Blum, Deputy Administrator*, Environmental Protection Agency.

Joan Claybrook, Administrator,* National Highway Traffic Safety Administration; Patricia Derian, Coordinator of Women and Development,* Department of State; Carol Tucker Foreman, Assistant Secretary for Food and Consumer Services,* Department of Agriculture; Linda Kamm, General Counsel,* Office of the Secretary, Department of Transportation; Mary King, Deputy Director,* ACTION; Margaret McKenna, Deputy Counsel to the President,* The White House.

Patsy Mink, Assistant Secretary for Oceans and International Environmental and Scientific Affairs,* Department of State; Gaciela Olivarez, Director,* Community Services Administration; Eileen Shanahan, Assistant Secretary for Public Affairs,* Department of Health, Education, and Welfare; Jill Volner, General Counsel,* Department of the Army; Patricia Wald, Assistant Attorney General,* Department of Justice; Ann Wexler, Deputy Under Secretary,* Department of Commerce.

"HELL HATH NO FURY"—AND THEN CAME THE FURY

(By Stephen M. Aug)

Seventeen angry women—and two angry men—have demanded and apparently won an

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*Titles used for information only.

apology from the president of the U.S. Chamber of Commerce for allegedly sexist remarks he made during a recent news conference.

But although the chamber president, Richard Lesher, offered the apology, at the same time he accused President Carter's consumer adviser, Esther Peterson, of being a liar.

What angered the women—17 of the most prominent women in the federal government—were remarks Lesher made at a news conference May 19 in which he was critical of the Presidents consumer adviser.

He said, "Hell hath no fury like a woman scorned," and then described Peterson's response to heavy business lobbying against legislation to establish an agency for consumer protection as "a saga of a frustrated woman."

The chamber, in common with most of the business community, opposes the pending legislation, which would set up an agency to represent consumers before federal regulatory commissions. The so-called public-interest lobby has strongly supported such legislation, and it has won the backing of the Carter administration.

The letter to Lesher was conceived by Joan Claybrook, administrator of the Department of Transportation's National Highway Traffic Safety Administration. The complaint mailed Thursday, said Lesher's choice of language "can only be termed sexist and thoughtless."

"With business under continual criticism for discriminating against women, corporate pronouncements to the contrary nowithstanding, it is revealing indeed that the choice of words by a leading representative of business displays such deplorable insensitivity and prejudice," the letter said.

It demanded an apology.

Although the letter bore no signatures—only a list of the names of the 17 women and two men, Claybrook said all of the people whose names appear on it were in agreement. She added that at least three other women whose names appeared on it had helped write it.

The three coauthors, Claybrook said, were Patsy Mink, assistant secretary of state for oceans and international environmental and scientific affairs; Carol Tucker Foreman, assistant secretary of agriculture for food and consumer services, and Eileen Shanahan, assistant secretary for public affairs at the Department of Health, Education and Welfare.

The women whose names appeared on the letter to Lesher also include:

Barbara Babcock and Patrica Wald, assistant attorneys general;

Lucy Wilson Benson, an undersecretary of state;

Eula Bingham, an assistant secretary of labor for occupational health;

Barbara Blum, deputy administrator of the Environmental Protection Agency;

Midge Costanza, an assistant to the President;

Patricia Derian, coordinator of women and development at the State Department;

Linda Kamm, general counsel of the Transportation Department;

Mary King, deputy director of ACTION;

Margaret McKenna, deputy counsel to the President;

Graciela Olivarez, director of the Community Services Administration;

Jill Wine Volner, general counsel of the Army;

Anne Wexler, deputy undersecretary of commerce.

The two men were Michael Berman, counsel to Vice President Walter F. Mondale, and Richard Beatte, deputy general counsel at the Department of HEW.

Claybrook said that while some men, like Lesher, would use words such as "frustrated" to describe Peterson's work on behalf of consumer-protection legislation, "for men you call them 'determined,' 'tough-minded,'—those are the words you use for men. I think he owes an apology."

Lesher told a reporter that he received the letter Friday and, "first of all, I respond by saying I apologize if any women were offended by those quotations. Secondly, the first quotation is a quotation from Shakespeare, and I think there are too many things to be done in the women's movement than to worry about rewriting Shakespeare or the Bible, or anything else that has sexist connotations."

In fact, a check through several reference books of famous quotations finds the quote—"Nor hell a fury like a woman scorn'd"—attributed not to Shakespeare but to William Congreve, a Restoration British playwright. It appears in Act II, Scene 8 of "The Mourning Bride."

Having apologized, Lesher added: "But the most important point is that I think this is a smokescreen to cover over the fact that in that press conference we proved that Esther Peterson has been telling lies and misstating facts and maligning the character of great people in the interest of promoting the Consumer Protection Agency bill."

Asked what lie she told, Lesher replied that Peterson had contended in a speech that the chamber spent $20 million a year lobbying in 1975. "We pointed out that the total budget of the U.S. chamber in 1975 was $12 million," Lesher said, adding that less that 10 percent of that was spent for lobbying.

Further, he said, Peterson "implied that Leon Jaworski" wrote his stinging attack on the concept of the Consumer Protection Agency and the potential for abuse of power only because he had been paid by the Business Roundtable.

"It's not untrue that he was paid for his opinion, but he was paid for his professional and honest judgment about the legislation itself," Lesher said.

Jaworski, a former Watergate special prosecutor now in private practice, submitted a letter opposing creation of the agency to the House Government Operations Committee, which was considering the legislation. The letter later was reprinted in The Washington Star and was used as the basis for a full-page advertisement in The New York Times May 19, sponsored by the chamber.

As for his use of the phrase, "a frustrated woman," Lesher said "her frustration has to do with the close vote in the House Government Operations Committee, "which approved the legislation by only one vote."

Then Lesher complained that while "we're all trying to learn a new language . . . Esther does the same thing when she refers to the head of the agency—she refers to him as a 'he.' "

Lesher also complained that Peterson "tries to play the woman's role" as she "walks the halls of Congress . . . crying real tears over these big bad people while lobbying on the other side."

He added, "Before we went on the Today Show today, she pulled out her Kleenex and said, 'I may very well need these.' Well, she didn't cry on that show."

Peterson said that indeed an original draft of a speech she made May 11 had said the chamber spent $20 million for lobbying. She said, however, that she caught the error and when she gave the speech said it had an annual budget of $20 million—presumably including in the figure the amount spent on Nation's Business, the chamber's monthly magazine.

As for the letter of complaint, Peterson said she had "heard somebody had called and said they were furious. I said I was amused. I said I wasn't going to dignify it with an answer. I always feel that way when I'm attacked for being a woman. It's because they don't have any good arguments."

As to the Jaworski letter to the committee, Peterson said it was "dishonest of them not to have put in their New York Times ad" that it had been paid for.

Peterson said she did not intend to make an issue of Lesher's remarks. She confirmed that she had a tissue handy before she went on television the other day—"but I was sniffing. If he wants to understand personalities, he'd better understand the difference between a sniff and a tear."

ANATOLY SCHARANSKY

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BRODHEAD. Mr. Speaker, on July 1, 1977, Anatoly Scharansky was formally charged with treason by the Soviet Government.

Scharansky has emerged as one of the boldest and most articulate dissident activists as a founder and member of the unofficial group monitoring Soviet compliance with the Helsinki accords. Arrested on March 15, 1977, and subsequently questioned as a "traitor to the republic," Scharansky awaits his trial for high treason as an "American spy."

The charge—which was characterized by the State Department as "misinformation laced with slander and innuendo"—would be absurd were it not for the fact that it carries with it the death penalty.

It is clear that the Soviet Government's motive in this matter is to silence a forceful leader and kill the emigration movement and the human rights movement in the USSR. I strongly believe that the Congress and the administration must protest this action. I have sent the following communications to President Carter and Secretary Brezhnev on this matter and urge my colleagues to do the same. We must continue to speak out on behalf of those who are fighting on the front lines in the battle for human rights.

The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 1, 1977.

Hon. LEONID I. BREZHNEV,
General Secretary, Communist Party of the Soviet Union, the Kremlin, Moscow, R.S.F.S.R., U.S.S.R.

DEAR MR. SECRETARY: We protest in the strongest possible term the charge leveled against Moscow Jew Anatoly Scharansky. His indictment under Article 64 of the Criminal Code of the R.S.F.S.R. of treason constitutes an affront to the signatory nations of the Helsinki final act and to all justice-loving peoples.

Since filing his application to emigrate to Israel in 1973, Mr. Scharansky has been the target of systematic abuse by officials of the Soivet government. He has been held in Lefortova Prison since March 15 on charges which were then, and are still, absurdly and transparently without foundation. His continued detention without benefit of counsel of choice and isolation from members of his family are in fragrant violation of Soviet and international law.

Failure to release Scharansky immediately and the dropping of all charges will surely engender widespread protest among the American people and their elected representatives in Congress.

Better cooperation between our two gov-

ernments will be fostered if Mr. Scharansky is given permission to emigrate.

Sincerely your,

Sidney R. Yates, James J. Blanchard, William M. Brodhead, John Buchanan, William R. Cotter, Christopher J. Dodd, Robert F. Drinan, Joshua Eilberg, Dante B. Fascell, Millicent Fenwick, Hamilton Fish Jr., Elizabeth Holtzman, Members of Congress.

Edward I. Koch, William Lehman, Elliott H. Levitas, Joe Moakley, Antony Toby Moffett, Richard L. Ottinger, Claude Pepper, Frederick Richmond, Benjamin S. Rosenthal, Stephen J. Solarz, Newton I. Steers, Jr., Henry A. Waxman, Members of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 6, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On June 1, 1977, Anatoly Scharansky, a leader in the Jewish emigration movement and a founding member of the Group to Monitor the Helsinki Agreement in the U.S.S.R., was officially charged with the crime of high treason. Under Soviet law, conviction on this charge carries with it a penalty of death.

Mr. Scharansky was arrested on March 15, 1977 following the publication of a news article on March 4, 1977 in *Izvestia* which accused him and other Soviet Jews, Vladimir Slepak and Dr. Alexander Lerner, of collaborating with the C.I.A.

Anatoly Scharansky has been an outspoken critic of human rights violations in the U.S.S.R. and is now in grave danger because of his staunch defense of human rights in the Soviet Union. The entire human rights movement in the Soviet Union is threatened by the Soviet government's latest action. I therefore urge you to come to the assistance of Anatoly Scharansky in every possible way.

Sincerely yours,

WILLIAM M. BRODHEAD.

PRESSLER INVITES WALL STREET JOURNAL EDITORS TO SOUTH DAKOTA

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. PRESSLER. Mr. Speaker, after reading the Wall Street Journal's June 6, 1977, lead editorial, "Veto the Farm Bill," I feel compelled to invite the editors of that paper to visit a South Dakota farm and learn firsthand the importance of the farm bill to farmers and small businessmen in farming communities.

The Wall Street Journal said the farm bill was a "nice machine for enriching farmers and milking taxpayers." The Journal also referred to the inclusion for the first time of land costs in production estimates as a "joker." Many South Dakota farmers who are paying high prices for land do not consider this a "joker."

I believe the Wall Street Journal has a semiconspiracy against our family farmers. The irony is that when family farmers are replaced by corporate farmers there will be real price increases. America's consumers will have to pay more for their food under corporate farming.

There is a tragic misunderstanding between urban interests such as the Wall Street Journal and our Nation's farmers. If the Journal editors would come to a South Dakota farm, I believe they would see the importance of the farm bill to both rural and urban Americans.

EMINENT DOMAIN AND COAL SLURRY PIPELINES

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. ECKHARDT. Mr. Speaker, on last Thursday, the gentleman from Wyoming told the House—CONGRESSIONAL RECORD, June 2, pages 17274–75—that while Texas had enacted a law providing the right of eminent domain to coal slurry pipelines, such legislation would prohibit the use of Texas water in a slurry pipeline authorized by the Texas act.

The distinguished gentleman from Wyoming (Mr. RONCALIO) who is so well versed in the subject of water rights generally and so sensitive to the problem in his own State has, I think, made an inadvertent error in construing Texas law in this respect. The recent action of the Texas Legislature had a quite different effect.

The Texas approach to the use of water in coal slurry pipelines has been, and continues to be after the enactment of the Coal Slurry Eminent Domain Act, at least as permissive as the approach taken by the legislature in the gentleman's home State of Wyoming.

Both States require that any proposal to use water in a coal slurry pipeline be examined to determine that the specific pipeline will not have any detrimental effect on other water users. In Texas the decision is delegated to the Texas Water Rights Commission. The Texas act extending eminent domain to coal slurry pipelines did not alter this approach. In Wyoming, both a State agency, the Office of the State Engineer, and the legislature itself must approve each pipeline proposal.

In the Texas legislation, the first major provision concerning water use specifies that:

> The right of eminent domain granted under this chapter to such pipelines shall not include and cannot be used to condemn water or water rights for use in the transportation of coal by pipeline; and provided further that no Texas water from any source shall be used in connection with the transportation, maintenance, or operation of a coal slurry pipeline (except water used for drinking, toilet, bath, or other personal uses at pumping stations or offices) within the State of Texas unless the Texas Water Rights Commission shall have determined, after public hearing, that such use will not be detrimental to the water supply of the area from which the water is sought to be extracted.

Second, the Texas act provides that the right of eminent domain cannot be used to condemn water or water rights. A similar provision is contained in H.R. 1609, the Coal Pipeline Act of 1977.

In Wyoming, the State legislature in 1974 decided that the use of water in coal slurry pipelines would require the specific prior approval of the legislature itself on the advice of the State Engineer. That same bill also gave the legislature's specific approval to a proposal by Energy Transportation Systems Inc. to withdraw up to 20,000 acre feet of water for a slurry pipeline. The actual language of the act was printed in the hearing record compiled by the Interior Committee in 1975 on coal slurry pipeline legislation—page 1121.

Certainly the supporters from Texas of the proposed Federal Coal Pipeline Act of 1977 do not urge that Texas water law should be more onerous than Wyoming water law. In providing that "Nothing in the Act shall be construed (1) as affecting in any way existing law governing appropriation, use, or diversion of water, or any Federal, State, or private right to water * * *," H.R. 1609 simply leaves the determination of State water rights to the appropriate State authorities. Nor has the Texas State Legislature demanded any more stringent conditions on slurry pipeline use of water than those that were in effect in Wyoming when permits were granted for water to be used for slurry coal. It is the Wyoming Legislature itself that approved the water application for a coal slurry pipeline and has the right and duty to consider any future applications that may be submitted.

In conclusion, the States should determine, as both Texas and Wyoming have done, how their water is to be allocated. H.R. 1609 would preserve this approach.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The April 1977 list includes:

AGRICULTURE

The Summer Feeding Program—How to Feed the Children and Stop Program Abuses. CED–77–59, April 15.

New Approach Needed to Control Production of Major Crops If Surpluses Again Occur. CED–77–57, April 25.

Food and Agriculture Issues for Planning. CED–77–61, April 22.

Letter report

Need to improve Forest Service procedures for handling vehicle accident repairs and claims. LCD–77–213, April 28.

COMMERCE AND TRANSPORTATION

The Status and Problems in Constructing the National Visitor Center. PSAD–77–93, April 4.

Letter reports

The Executive Branch has released impounded budget authority for the Commerce and Transportation Departments, as required under provisions of the Impoundment Control Act of 1974. OGC–77–15, March 31.

Legislation recommended to lift funding restrictions on state programs for training school bus drivers. CED–77–60, April 26.

COMMUNITY AND REGIONAL DEVELOPMENT

Letter report

Management of the Department of Housing and Urban Development's Basic Homes Program. CED-77-52, April 1.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

Social Research and Development of Limited Use to National Policymakers. HRD-77-34, April 4.

History of Contract Awarded to Develop a Project Grant Information System. HRD-77-47, April 8.

More Benefits to Jobless Can Be Attained in Public Service Employment. HRD-77-53, April 7.

Questions Persist About Federal Support for Development of Curriculum Materials and Behavior Modification Techniques Used in Local Schools. HRD-77-49, April 15.

The Well-Being of Older People in Cleveland, Ohio. HRD-77-70, April 19.

GENERAL GOVERNMENT

The Role of the Postal Rate Commission Should Be Clarified. GGD-77-20, April 7.

Beter Evaluations Needed to Weed Out Useless Federal Advisory Committees. GGD-76-104, April 7.

System for Processing Individual Equal Employment Opportunity Discrimination Complaints: Improvements Needed. FPCD-76-77, April 8.

How the Fair Labor Standards Act Affects Federal Agencies and Employees. FPCD-76-95, April 18.

Magnitude of Nonappropriated Fund and Related Activities in the Executive Branch. FPCD-77-28, April 25.

Extending the Tax Assessment Period: Why, How Often, and What Improvements Can Be Made. GGD-76-108, March 28.

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PRINCE KUHIO, DELEGATE TO CONGRESS

HON. CECIL "CEC" HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. HEFTEL. Mr. Speaker, on June 24, the people of Hawaii will have the honor of welcoming our First Lady, Mrs. Rosalynn Carter, for the dedication of the new Honolulu Federal building, which will be named after Prince Jonah Kuhio Kalanianaole.

I think it is fitting, Mr. Speaker, to recall the Hawaiian whose name will grace this building as one of the most remarkable men to ever serve in the U.S. House of Representatives.

Prince Kuhio—known as the "Citizen Prince" by those who loved and revered him—was a delegate to Congress from the Territory of Hawaii from 1903 to 1921.

His life was filled with great contrasts. He was of royal lineage and likely would have become King had the Hawaiian monarchy not been overthrown in the revolution of 1893. Despite his imprisonment for participating in an attempt to resist the new Republic and restore the monarchy, he eventually went on to serve his people as their elected delegate to Washington.

Prince Kuhio is remembered fondly in Hawaii each March 26 on Kuhio Day, which is celebrated as a State holiday. I am pleased, Mr. Speaker, to remember him now for the benefit of my colleagues in this honorable body by presenting an account of his life and achievements written by Frances Reed of Hilo, Hawaii.

The people of the Aloha State look forward with great anticipation to the visit of Mrs. Carter and to the dedication of the Prince Jonah Kuhio Kalanianaole Federal building and courthouse.

The article follows:

PRINCE JONAH KUHIO KALANIANAOLE

(By France Reed)

Prince Jonah Kuhio Kalanianaole, descendant of Hawaii's ancient royal families, was born at Hoai, Koalu in the Koloa district on the Island of Kauai on March 26, 1871, the youngest son of Kauai's High Chief David Kahalepouli Piikoi and Princess Kin-

oiki Kekaulike. His great-grandfather, Kaumualli, had been the last king of Kauai. The Prince's birthplace was a grass house in this ancient fishing village. Normally, however, the Pikoi family resided on Oahu.

The family consisted of three boys. Their mother and father died when they were young and they were adopted by their aunt, Kapiolani, who was their mother's sister and the wife of King Kalakaua. In the course of time each brother dropped his surname Piikoi, taking his middle name as a surname.

When King Kalakaua and Queen Kapiolani ascended their thrones in 1874, the children were already members of the royal household as the queen's nephews and, later, foster sons. One of the highlights of their youth was the coronation ceremony of Kalakaua and Kapiolani, in which they participated as immediate members of the family. They were made princes by royal decree when Kuhio was thirteen.

The boys attended private schools in Honolulu, first St. Alban's College, now Iolani School, and then Punahou School. It was at St. Alban's that the nickname "Prince Cupid" was first given to the roly-poly Prince by his French school teacher, Pierre Jones. Kuhio was then a fat little fellow whose eyes twinkled merrily and upon whose lips there was a perpetual smile. The French teacher said: "He is so cute, just like the picture of the little cupid." This affectionate nickname stayed with him throughout his lifetime. Even in Washington he was known as "Prince Cupid." He didn't seem to mind the name, although he never referred to it himself.

At Punahou Kuhio was noted for his ability as an athlete. In fact, throughout his life he was considered an all-round sportsman. He took part in all athletic sports and excelled in rowing and football. He loved to participate in rowing regattas off the beach at Waikiki. Running and bicycling were other school activities that he enjoyed. Born to a great love of the sea, as are most Hawaiians, he was an expert surf rider and spear fisherman.

The Prince was skilled in the ancient Hawaiian form of wrestling known as "lua." In his youth he was taught 250 "holds," which he never forgot.

He was an expert horseman and there was nothing he enjoyed more keenly than going with the cowboys after wild cattle and horses on the rugged slopes of Mauna Kea, or spearing wild boars from the back of a horse. He was an excellent polo player and was fond of yachting and game fishing. Good marksmanship with either rifle or shotgun made him a welcome member of shooting parties. Golf was a favorite pasttime.

From Punhou the princes were sent to St. Matthew's School at San Mateo, California. One of the brothers, Prince Edward, died before graduating. After finishing their schooling the other two princes, David and Kuhio, were sent by King Kalakaua to the Royal Agricultural College in Cirencester, England (during the years 1890 and 1891). In addition to studying agriculture, the princes also took courses in business education.

King Kalakaua's purpose in educating the princes at the best schools and in England was to prepare them to hold high offices in the kingdom or to wear the crown. For this reason, he placed them in clerical work in different government offices during vacations and between schools.

Upon his return from England, Prince Kuhio received a position in the Ministry of the Interior and the Customs Service. He worked very hard and showed a strong aptitude for public affairs.

In 1891 King Kalakaua died and his sister Liliuokalani became queen. Prince Kuhio was to be in the line of succession to the crown. But her reign lasted a little less than two years. In 1893 a revolution deposed the queen, overthrew the monarchy, and set up the Republic of Hawaii. The Prince was then twenty-one years of age. The career for which he had been trained was gone. Only by some miracle would he ever become king of the Hawaiian Islands.

Prince Kuhio was naturally a staunch supporter of his aunt, Queen Liliuokalani. He wanted to see her returned to her throne and joined with a group of revolutionaries who tried to overturn the republic and restore the monarchy. He was active in raising money with which to buy weapons on the mainland but the plot was discovered. Kuhio was arrested and charged with treason. He was found guilty by a military commission and served about a year as a political prisoner. He evidently did not suffer a great deal as throughout his later life he delighted in telling yarns about his months in prison.

His release and pardon came on the same day in 1895 that the republic released Queen Liliuokalani from her imprisonment. A year later, on October 8, 1896, he married Elizabeth Kahanu Kaauwai daughter of a chief of Maui. She had visited him daily while he was in prison, bringing him good things to eat whenever possible.

The young couple made a trip around the world in 1899, seemingly with the intent of settling in another country. They visited all of the cities of Europe and went to Africa where the Prince shot many animals, the heads of which were sent back as trophies for his home in Waikiki. They investigated the diamond mining business in South Africa, but decided not to invest in it. They returned to the Islands in 1901.

Congress, in April 1900, had passed the Organic Act which established a territorial form of government in Hawaii and which provided that the Constitution and laws of the United States had the same force and effect in the territory as elsewhere in America. It was probably this that brought the Prince back to Hawaii. He became a member of the Republican Party and a loyal supporter of the United States. Because he was one of their own alii, the Hawaiian people trusted and followed him.

At the convention of the Republican Party held in Honolulu in 1902, Prince Kuhio was persuaded to accept the party's nomination as a delegate to Congress.

When Prince Kuhio first entered public life as a candidate he showed natural ability to speak in his own language. His English, however, was not so good. But, as the years rolled by, he became a fluent speaker in both English and Hawaiian. He was a great political campaigner. When he arose to address his audiences, he began by greeting them in the soft, mellow long-drawn out "Aloha, aloha, kamaaina."

He was successful in his first bid for election and many others and served as Hawaii's delegate to Congress from 1903 to 1921. His greatest asset, both with the Hawaiians and with the haole voters, was his keen wit and ready good humor. He was also well-liked by his fellow-legislators in Washington, even those who at times opposed his views. He never presented or advocated measures which he could not wholeheartedly support, but if he believed that something would be good for the Hawaiian people he worked tirelessly for it. He had sincerity, enthusiasm and the courage to stand up for his convictions. He commanded universal respect.

Among the outstanding achievements of Prince Kuhio in his twenty years in Congress were the following:

(1) Kalaupapa Leper Settlement—He was able to keep this a territorial institution and to secure a federal appropriation to build an experimental hospital for the treatment of leprosy.

(2) County government—He obtained an amendment to the Organic Act in 1905 which authorized the creation of county governments with elected officials.

(3) Pearl Harbor—The development of Pearl Harbor was an objective Prince Kuhio worked for at all times in Washington. He obtained millions of dollars for it and for the many army installations on Oahu. He served on the Military Affairs Committee of the House of Representatives, although, since he was merely a delegate instead of an elected representative, he did not have a vote.

(4) Congressional visits to the Islands—Knowing how little the mainlanders knew about Hawaii, the Prince found that the best way to make friends for the Hawaiian cause was to persuade the Congressmen to visit the Islands. He brought out congressional parties in 1907, 1909, 1915 and 1917 and entertained them lavishly at great luaus.

(5) Harbors—Through Prince Kuhio's efforts funds were secured for improvements to the harbors at Honolulu, Hilo, Kahului and Nawiliwili.

(6) Hawaiian Homestead Act—In 1910 he obtained an amendment to the Organic Act which opened public lands to homesteading. This, however, did not protect the Hawaiians so the Prince began agitation to set up special homesteading lands for Hawaiians only.

(7) Hawaii National Park—Prince Kuhio has been called the "Father of Hawaii National Park" because it was he who obtained passage of the bill enabling the Interior Department to take over a large area of the Kilauea volcano in 1916 for development as a national park.

(8) Rehabilitation Act—One of the greatest sorrows in the life of Prince Kuhio was the unmistakable decline in the Hawaiian race during his lifetime. The number of full-blooded Hawaiians began its fatal decrease long before his birth, but the tendency was so marked that it showed up from month to month during his lifetime. In 1896 there were over 30,000 of his race in the islands. At the time of his death in 1922 there were a scant 20,000. This seemed to indicate that within half a century the Hawaiians would be but a memory in the history of Hawaii.

Prince Kuhio felt that the solution lay in getting the Hawaiians away from the cities and back to the land. His idea was to turn over certain government-owned lands to the Hawaiians and endeavor to induce them to become a race of producers once again.

The Rehabilitation Act, better known as the Hawaiian Homes Commission Act. was his greatest achievement and it took years of fighting. The battle was not won until 1921. Prince Kuhio then returned home. He hoped to be appointed governor but President Harding's choice for the post was Wallace Farrington. The Prince did not permit his disappointment to show and he worked closely with the governor, who became his good friend. He was appointed a member of the Hawaiian Homes Commission, which was set up to carry out the provisions of the Rehabilitation Act.

Statehood for Hawaii was not achieved during his lifetime but on February 11, 1919 Prince Kuhio introduced a bill in Congress, asking that Hawaii be admitted to the United States. The first World War had just ended and the Prince stated that the war had proved that his people had become Americanized. The bill was referred to a committee for study and nothing further was done with it. The next year the delegate introduced another bill. These were the first two of a long succession of statehood bills. Even in Hawaii there was little support for these bills and they were easily overlooked by Congress.

In addition to his other accomplishments, Prince Kuhio did all that he could to restore the Hawaiians' pride in their race and their respect for its past achievements. He believed in democracy and self-government and urged his people to take pride in their American citizenship and to adjust to changing conditions. He was outspoken in telling the Hawaiians that work was their only salvation—

hard work that would enable them to compete with the other races.

In 1903, the Prince organized the Order of Kamehameha, a society devoted to the perpetuation of the memory of Kamehameha the Great. He officiated at the first observance of Kamehameha Day held in 1904 in front of the statue of the king in Honolulu. The organization of the Order of Kamehameha set the pattern for the revial of many of the old Hawaiian societies. Kuhio also organized the groups known as The Chiefs of Hawaii and the Hawaiian Civic Club.

Prince Kuhio died of heart disease at his Waikiki Beach home on January 1, 1922 at the age of fifty and was given the last state funeral held in Hawaii for an alii. He was buried at the royal mausoleum in Nuuanu Valley. Royalty in the Hawaiian Islands died with him. He was the last Hawaiian who by right of blood and designation could have claimed the crown.

As a monument to Kuhio's memory his birthplace on Kauai was made into a park and a statue of him, the work of sculptor Jacob Rosenstein, placed there in a simple rock pedestal. The calm, appealing face looks out to the sea which he loved. Engraved on the bronze plaque is the name of the Prince followed by the phrase, "Ke Alii Makaainana" (The Citizen Prince). The bust was unveiled on June 17, 1928 amid a gathering of noted people from all over the Islands.

The area in which Kuhio's home, Pua Leilani (Flower from the wreath of Heaven) was located is now Kuhio Park, in the Waikiki area of Honolulu. A bronze plaque was placed there in 1940 by Hawaiians devoted to the memory of their beloved leader. It bears the words:

"Prince by the grace of God, Statesman by accomplishment. Delegate to Congress by popular choice. Father of the Hawaiian Rehabilitation Act.—Dedicated by his People."

In 1949 the Legislature designated March 26 as a territorial holiday to be known as Kuhio Day. It is observed with school programs and special ceremonies sponsored by Hawaiian societies at the royal mausoleum.

B–1 COSTS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. DORNAN. Mr. Speaker, today, I would like to address the House on the subject of B–1 costs. In the past few years, this has become quite an emotional issue, particularly on the part of those individuals who are opposed to the program. They claim that exorbitant overruns have occurred, and we just cannot afford this aircraft. Actually, quite the opposite is true. It is one of the best managed programs in Defense Department history and we cannot afford not to buy it.

Critics point to the estimate made for the B–1 at the time of the decision to begin development, $9.9 billion in terms of the purchasing power of 1970 dollars and the current estimate of $24.8 billion, and then claim that the cost of the B–1 has doubled. They conveniently forget that the cost of everything we buy has risen at an unprecedented rate over the past few years, and that aircraft are no exception. If we could still buy things with 1970 dollars, 244 B–1s would cost about $11.8 billion, a growth of about 20 percent in real terms over a 7-year period. Some of this growth comes from having a better definition of the aircraft than was possible in 1970. The design is essentially complete, three aircraft have been built and tested, four more are being built. The Air Force now obviously knows much more about the cost of a B–1 than it did in 1970 and this increased knowledge is reflected in their estimates. We in the Congress must also take credit or blame for some of the increase.

While both Houses have repeatedly voted to support the program, the Congress has made reductions in R.D.T. & E. and procurement funding levels which have caused inefficiencies in the program and led to real cost growth.

Where does the remainder of the $24.8 billion come from? From inflation—the inflation that we have experienced since 1970 and that which is projected to occur until 1989, the last year funds will be spent on B–1 procurement. In 1977 dollars—today's dollars, the same ones we have in our pockets—the cost to acquire 244 B–1's would be $20.6 billion. Inflation since 1970 accounts for the difference between this number and the current estimate expressed in 1970 dollars.

Thus the B–1 costs have grown by 74 percent due to inflation we have already experienced. This increase is in line with the experience of other military aircraft programs. Some examples of inflation over this same period include coal and fuel oil—170 percent increase; medical care—78 percent increase; professional services—67 percent increase; homeownership—64 percent increase. The cost of manufactured goods rose 73 percent, of intermediate materials 86 percent, of fabricated structure 78 percent—all constituent parts of the aircraft. Wages have also risen, for example the hourly wages of aircraft and parts employees have gone up about 67 percent over this period. The inflation in the B–1 program is not isolated—it is present in all sectors of the economy.

The future will bring additional inflationary increases, from the $20.6 billion estimate in 1977 dollars to the $24.8 billion estimate which includes all the currently projected inflation effects through the last expenditures in 1989.

We must consider the capabilities we are buying for this money. The B–1 is the most capable heavy bomber ever built—it has to be to defeat the Soviet defenses projected for the 1980's and to be able to continue its mastery over those defenses in the 1990's and beyond. It is flexible, capable of penetration at tree top altitudes at high subsonic speeds and supersonic penetration at high altitude. It can carry a large number and variety of weapons such as the short range attack missile, nuclear gravity weapons, and conventional weapons, including the new precision guided munitions, in performing the variety of missions which only the bomber can accomplish. It has the capability to deliver weapons currently under development such as the air launched cruise missile. It will have a state-of-the-art electronic countermeasures system that can react quickly to changes in defenses. Future capabilities and costs were in the forefront of the requirements definition and design solutions. The B–1 has a design lifetime of 30 years, a low maintenance cost, efficient engines to lower fuel consumption, a high alert rate, and even a low crew size to reduce personnel costs per aircraft. Thus, while unit costs are fairly high, unit effectiveness is higher still. We could build bombers which cost less for each one, but more would be required and the operating costs would be high. The total bill presented to the taxpayer over the next few decades for such an aircraft would be much higher in total than the bill for the B–1.

If we go back in history and look at the bomber aircraft of the past, we again find that the B–1 is not as expensive as a cursory investigation would suppose. Aircraft of the past were expensive because many more were required to do the job, they did not last as long, and they were costly to operate. The heavy bomber mission in World War II required over 16,000 B–17s at a cost in today's dollars of about $70 billion to acquire and operate. And their effective lifetime was only 6 years. The B–29 operated at the end of that war and through the Korean war, a period of about 10 years. Just under 3,800 were built, at a cost of about $49 billion in 1977 dollars. The B–47 was the first pure jet heavy bomber, but we needed over 2,000 of them at a cost of over $51 billion. They were in the inventory 13 years. The B–52, still flying and defending the country, has been doing so for 22 years now. We built 744 of them and the equivalent cost to provide and operate them up to now has been $65 billion in 1977 dollars. In contrast over the planned 30-year life of the B–1, we expect to have to spend about $36 billion of today's dollars for its development, procurement, training, operations, maintenance and support.

One further fact to be considered in discussing costs is that a large amount has already been spent on the B–1 program. Almost $5.3 billion in 1977 equivalent dollars has been authorized and appropriated by the Congress for this aircraft. We are very far into this program with almost 25 percent of the cost in today's dollars having already been spent. Thus, the Congress can now only influence a program of $15.3 billion or a unit cost of $63 million. When thought of in these terms—which we can easily understand since we spend 1977 dollars every day—the B–1 does not seem so expensive after all.

In summary, the B–1 costs are actually low when the capability being provided is taken into account. In the days when the median house in the United States costs over $50,000, the car you drive is approaching—or has exceeded $6,000, costs for a gallon of gas are reaching the 70-cent mark and higher, we must also expect to pay more for our national security and the tools by which we maintain it, such as our military aircraft. And, since the bomber provides us with unique deterrent capabilities which must be maintained if we are to retain our strategic posture vis-a-vis the Soviet Union, the funds for the B–1 will be well spent. I hope that the House of Representatives will continue its strong support of this vital program.

WIDE-OPEN INVITATION TO FRAUD

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. FRENZEL. Mr. Speaker, in a signed editorial appearing in the Appleton-Nienah-Menasha Post Crescent on June 2, John Wyngaard, one of the most respected political analysts in Wisconsin, calls the voting day registration system "a wide-open invitation to further fraud."

Some proponents of the walk-in registration plan have pointed proudly to the Wisconsin experience, it is especially noteworthy that a well-known Wisconsin writer says no real study of violations was made there. Wyngaard correctly identifies the awesome fraud problem.

The editorial follows:

WALK-IN REGISTRATION LAW OPEN INVITATION TO FRAUD

(By John Wyngaard)

MADISON.—Gov. Patrick Lucey and like-minded Democrats regard as one of the great recent achievements of the legislature the walk-in registration law that the governor successfully pushed through a legislature dominated by his party.

The stated purpose was to permit careless persons, who ignore the simple task of registering with the Municipal clerk to assure the integrity of elections, to go to the polls and register at the time of voting, with the most lenient of rules to prove their identities, their residence and their eligibility.

Unsaid, but widely understood by both political parties, is that the problem of negligence about voter registration is most prevalent among those who typically regard themselves as Democrats.

It is reasonable to speculate, for example, that a major part of the reason why more Wisconsin voters turned out last November, and why President Carter carried the state by an historically thin margin, was the fact that some thousands of normally ineligible voters were permitted to cast their ballots under the new rule.

The vote is one of the fundamental privileges of the citizen and hallmark of democratic government.

To condone the lazy, the ignorant or the indifferent voter and to encourage his visit to the polls in defiance of the slight inconvenience of putting his name in the poll lists in the office of a designated supervising officer is to denigrate the idea of a responsible government.

Is there any change required or desirable in the registration rules it is that they should be extended to some of the smaller municipalities where the rule of a pre-election poll list does not yet apply.

Hundreds of towns, for example, lying adjacent to parent cities are now exempt under the law on the presumption that they are rural, that the neighbors know each other and that the local officers can reliably spot a stranger and challenge his eligibility if that appears prudent.

Indeed, the whole elections code cries out for revision, as illustrated by the experience with the transportation referendum a year ago which was so close that it required a recount. When the recount was ordered, it failed because local supervisors had destroyed the ballots in defiance of law and common sense.

The walk-in vote rule tends to favor Democrats, as they cheerfully concede in private. Most politicians concede that the indifferent, if somehow persuaded to drop in at the polls, boost the vote totals of the Democrats. One of the reasons why Republicans provide serious competition in some elections as in the Carter-Ford tight race in Wisconsin last fall, is that a larger ratio of Republicans make it a rule to vote.

President Carter is now pushing for a universal walk-in registration law by act of Congress, basing his proposal on the argument that Wisconsin and Minnesota have proved its value. That is a debatable claim, at best, since no real study was made of the first results here, or possible violations.

These are states with long-standing reputations for comparatively clean government and honest administration. But the election process is not clean everywhere. Who would willingly authorize the Chicago Democratic machine of the late Mayor Dailey, already notorious for its machinations, to herd voters into the polls without previous proof of residence and other qualifications? Yet such a wide open invitation to further fraud would be recognized in the new law President Carter, Democrat, wants.

CARTER'S ENVIRONMENTAL MESSAGE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for June 8, 1977, into the CONGRESSIONAL RECORD:

CARTER'S ENVIRONMENTAL MESSAGE

It is now clear that President Carter will take an active leadership role on environmental issues.

His full-dress environmental message to the Congress, the first formal, Presidential affirmation of environmental concern in the last four years, represents a sharp shift in national policy. In the comprehensive message he makes a commitment to carry out the environmental programs that the nation has adopted in recent years. He states that the primary need is not for new, comprehensive laws, but for "sensitive administration and energetic enforcement of the ones we have." In addition, he has appointed a number of card-carrying conservationists in key administrative posts, and he is expanding the responsibility of the Council on Environmental Quality. He has not only committed himself to the view that environmental protection is consistent with a sound economy, but he argues that if we ignore the care of our environment "the day will eventually come when our economy suffers from that neglect."

In his environmental message the President rejected the view of two groups: on the one side, those who argue that environmental protection is incompatible with economic growth and that environmental goals must be modified and delayed so as not to interfere with economic expansion; and, on the other side, those who argue that economic well-being does not require economic growth and that in a finite world there are limits to growth.

The President's call for a strong commitment to the environment has arrived at a time when the Congress has before it a long agenda of environmental issues, and is uncertain about the direction it wants to go. In recent days, for example, the House has passed a tough bill regulating strip mining, but then rejected amendments to the Clean Air Act that would have applied stricter limits to automobile exhaust fumes. It also comes at a time when the country has made recent significant progress in a number of key environmental areas and when the goal of protecting the environment is no longer just the cause of a few conservations but is a clearly accepted national goal with strong majority support.

An overall assessment of efforts to protect the environment is necessarily mixed. The environmental programs have promised more than they have been able to deliver—but that is due less to the fault of the programs than to strong and bitter opposition. At accelerating rates, questions have arisen about the effects of all kinds of substances in the environment, including asbestos, vinyl chloride, PCBs, fluorocarbons, kepone, and many others. The Toxic Substances Control Act, enacted in 1976, requires the screening and approval of all new chemical substances before they are released for commercial sale. Although this complex law places a heavy burden on the EPA, it establishes a regulatory procedure which should be helpful.

The struggle for cleaner air goes on, with frequent delays and modifications of the standards, but significant progress is being made, even though some of the goals originally set for 1975 may not be reached until the mid-1980s. No conclusive assessment of the condition of the nation's waterways is possible, but EPA says that the levels of bacteria and oxygen-absorbing waste in waterways is continuing to decline, although nitrogen and phosphate contaminants are still on the increase. The foremost accomplishment has been to end the accelerating degradation of the Great Lakes. The nation's handling of solid waste is far from satisfactory, but more communities are beginning to understand that these wastes are a valuable source of resources and energy and they are adopting the conservationist view that there is no such thing as trash.

While the nation is making progress in reducing pollution, a formidable array of problems remain. I am persuaded that most Americans remain deeply concerned about environmental problems and strongly favor action to help move toward solutions. They see cleaning up the environment as a national task of high priority. Every time there is an oil spill, or a toxic chemical gets loose in water or air, or a drug endangers human life, or a city chokes on pollution, people become more determined to move ahead with the fight against pollution. Most of us know that the efforts for cleaner automobiles, a carefully constructed Alaskan pipeline, better sewage treatment facilities, and caution about the use of toxic chemicals have been worthwhile. We also know that the economic benefits of pollution control are becoming apparent. The Council on Environmental Quality estimates that pollution-control businesses employ 400,000 workers, while only 17,600 persons lost jobs when plants closed because of environmental controls. The Council points out that the Gross National Product rose by $1.5 billion due to these expenditures while these controls added only 0.3 to the inflation rate.

I do not agree with the observation that Americans have become disenchanted with the cause of protecting the environment. I agree with the President that economic and environmental values are not fundamentally in conflict but go hand in hand. We must be prepared to protect both or neither will survive. I do not contend that environmental concern should take precedence over all others, but I believe it is necessary to strike a reasonable balance between cleaning up our environment and stimulating economic and energy development. The two goals are of equal importance.

GROWING BUSINESS SUPPORT FOR AGENCY FOR CONSUMER PROTECTION

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. WAXMAN. Mr. Speaker, we have heard a great deal about the opposition of business groups such as the U.S. Chamber of Commerce and the Business Roundtable to the creation of an Agency for Consumer Protection. While these groups purport to represent the business community, I am becoming increasingly convinced that in opposing the ACP, these business groups and trade associations are doing their membership a grave disservice and may well be acting in direct contravention to the wishes of the rank and file in the business community.

Enthusiasm for the ACP is growing. While support among citizens is of long standing, recent upsurges in support within business circles is refreshing. Ester Peterson, Special Assistant to the President for Consumer Affairs, has informed me that over 100 individual businesses, from all across the country, have endorsed creation of the Consumer Protection Agency. Businesses supporting the ACP include:

Advanced R & D, Inc., Orlando, Florida.
Aldi-Benner Tea Co., Burlington, Iowa.
Alpha Beta, La Harbra, Calif.
Alexander Hamilton Life Insurance Co., Farmington, Michigan.
American Income Life Insurance Co., Waco, Texas.
American Sound Corporation, Warren, Michigan.
AMFAC, Inc., Honolulu, Hawaii.
Amivest Corporation, New York, New York.
Applikay Textile Process Corporation, Passaic, New Jersey.
Atlantic Richfield Company, Los Angeles, Calif.
Bantam Books, New York, New York.
Big Smith, Inc., New York.
Blake's, Springfield, Mass.
Blue Bell, Greensboro, N.C.
Blue Cross Association, Washington, D.C.
Bonnie Bell, Lakewood, Ohio.
Boulder National Bank, Boulder, Colo.
Brands Mart, New York, New York.
Cardinal Outdoor Advertising, Erie, Pennsylvania, Danville, Illinois, Terre Haute, Indiana.
Chief Auto Supply, Carritos, California.
Cinema 5 Limited, New York, New York.
Coffee Associates Food Enterprises, South Windsor, CT.
Condamatic Company, Inc., Warren, Michigan.
Connecticut General Life Insurance, Hartford, Connecticut.
Consumers Cooperative of Berkeley, Inc., Berkeley, California.
Consumers Cooperative Society of Palo Alto, Palo Alto, California.
Consumers United Insurance Company, Arlington, VA.
Co-op and Consumer Supermarkets, SCAN Contemporary Co-op Furniture, Silver Spring, Maryland.
Cummins Engine Company, Columbus, Indiana.
Dansk Design, Mt. Kisko, New York.
The Dreyfus Corporation, New York, New York.
Dyna Day Plastics, Inc., Warren, Michigan.
Dyson-Kissner Corporation, New York, New York.
Walter Emery Bank of Denver, Denver, Colo.
Executive Life Insurance of New York, New York, New York.
Factory Equipment Corp., Los Angeles, Calif.
Federation of Cooperatives, New York, New York.
Feuer Precision Gauges, Inc., Forest Hills, New York.
Florida Investors Mortgage Corporation, Gainesville, Florida.
Frankel Carbon & Ribbon, Denver, Colo.
Gamble Corp. Buying, New York.
General Instrument Corp., New York, New York.
Laurence Good, L. S. Good, Wheeling, West Virginia.
GRT Corporation, Sunnyvale, Calif.
Hamburger's, Baltimore, Maryland.
Hang Ten International, San Diego, California.
Harper Systems, Little Rock, Ark.
Harris & Frank, Los Angeles, Calif.
Robert Hart, Boulder National Bank, Boulder, Colo.
The Hechinger Company, Washington, D.C.
Henhouse Interstate, St. Louis, Missouri.
Holiday Universal, Inc., Townsend, Md.
Hydro Medical Science, New Brunswick, New Jersey.
International Creative Management, New York, New York.
International Group Plans, Inc., Washington, D.C.
Joseph & Feiss, New York.
KB Marketing System, Inc., Brilliant, Ohio.
Kennedy's, Boston, Massachusetts.
King Super Markets, Inc., Irvington, New Jersey.
Labenthal Company, New York, New York.
Levi-Strauss, San Francisco, Calif.
Lloyd's Shopping Center, Middletown, New York.
Maxell Corporation of America, Moonachie, New Jersey.
MCA (parent of Universal Pictures), Universal City, Calif.
Mobil Oil Company, New York, New York.
Monogram Industries, Inc., Los Angeles, Calif.
Montgomery Ward, Chicago, Illinois.
Myers Bros., Springfield, Ill.
National Association of Mutual Insurance Agents, Washington, D.C.
National Patent Development Company, New York, New York.
National State Bank, Trenton, N.J.
Oakland Consolidated Corporation, Maitland, Florida.
Optical Systems Corp., Los Angeles, Calif.
Pa. Power & Light Co., Allentown, Pa.
Phillips-Van Heusen, New York, New York.
Piedmont Industries, New York, New York.
Pioneer Systems, Manchester, Connecticut.
Polaroid Corp., Cambridge, Mass.
Professional Insurance Agents, Washington, D.C.
Puritan Fashions Corp., New York, New York.
Putnam-Gellman Corporation, New York, New York.
Ratner Corporation, San Diego, Calif.
Redwood & Ross Stores, Kalamazoo, Michigan.
Rice's/Nachman's Stores, Norfolk, Virginia.
Rob Roy, New York, New York.
Royal Transmission, Las Vegas, Nevada.
Scottie Car, Springfield, Illinois.
Scottish Inns of America, Knoxville, Tennessee.
Star Market Co., Cambridge, Mass.
Stop and Shop Companies, Boston, Mass.
Stratford Town Fairs, Stratford, Connecticut.
Stride Rite Shoes, Boston, Mass.
TDK Electronics Corp., Garden City, N.Y.
Warner Communication, New York, New York.
Wrangler Hosiery, New York.

These business leader, in supporting the ACP, understand the importance of this legislation and recognize the positive effect of regulatory reform on the business community. By assisting Federal agencies in the edvelopment of regulatory policy, the ACP will represent not only the needs of individual consumers, but the rights of the business community to operate in a competitive marketplace. With asistance from the business community, the ACP would work arduously to sever bureaucratic red tape and lobby against unnecessary and inflationary governmental regulations.

I would like to call to the attention of my colleagues, a letter I recently received from the TDK Electronics Corp. of Garden City, N.Y. The TDK Electronics Corp. has been plagued by fraudulent product imitations and has been unsuccessful in it efforts to seek relief through existing Federal consumer affairs offices. As I explained in my response to Mr. Bud Barger, TDK division sales manager, TDK's experience "demonstrates the inadequacies of the present decentralized system and the need to create an agency with comprehensive authority to identify and represent significant consumer issues in Federal agency rulemaking proceedings."

In explaining TDK's support for the ACP, Mr. Barger pointed out that—

. . . if consumers have an advocate to represent their points of view and welfare before government agencies, they will gain more trust in government decisions, and this will be good for the business climate. No company or business should be unhappy about an improvement in the consumer's attitude toward government and an improved business climate.

From all the evidence I have seen, I believe the business community is in concurrence with Mr. Barger's most responsible and incisive observations.

Mr. Speaker, because of the interest expressed by my colleagues, I would like to place TDK Electronic's letter endorsing the Agency for Consumer Protection and my subsequent response, in the RECORD at this point:

TDK ELECTRONICS CORP.,
Garden City, N.Y., May 6, 1977.

Congressman HENRY A. WAXMAN,
Member Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN WAXMAN: On April 20th before the Committee on Government Operations I gave testimony on behalf of myself and TDK Electronics Corp. in support of Bill HR 6118 to create an Agency for Consumer Advocacy. My company and I understand that this agency is not a regulator, but a consumer advocate before existing government regulators.

I feel that if consumers have an advocate to represent their points of view and welfare before government agencies, they will gain more trust in government decisions, and this will be good for the business climate. No company or business should be unhappy about an improvement in the consumer's attitude towards government and an improved business climate.

In President Carter's message to Congress on April 6, 1977, concerning the formation of the Agency for Consumer Affairs, he called for the "administration to establish responsible priorities for consumer advocacy." I

feel very strongly that by first establishing priorities in those areas that concern and affect both business and company the consumer interest will be served and protected and businesses will be given confidence that this agency and goverment is for everyone's benefit. Businesses that are against this bill because they feel this agency will do them no good might have their minds changed.

One of the first priorities that affect both consumers and businesses that should be dealt with is one of imitation products that trade off the good names, advertising, packaging, trade symbols and companies good consumer relationship. These imitations are bad for the consumer because he is duped into buying a product that is not what he thinks it is and, in almost every case, totally inferior in quality. Many times the consumer pays the same price or higher for the imitation.

These imitations are bad for business because they counteract the legitimate product's advertising, reputation and alienate potential steady customers for a business's product when that consumer buys an inferior product thinking it is legitimate and the product fails to perform to his satisfaction. These imitations also give the unscrupulous businessman an opportunity to rip-off the consumer without too much trouble.

TDK is a manufacturer of quality audio and video tape products. We are a well recognized leader in this industry and maintain a high reputation among consumers that are familiar with our products. I have enclosed our customers tape product catalogs for your reference.

My company is faced with a difficult problem involving imitations of our products. I have enclosed a sample of our TDK product and a sample of an imitation with a brand name of KDK. These KDK cassettes started appearing heavily about one year ago in the U.S. mainly in New York and Florida. Most of this imitation product appeared to be imported from Hong Kong. The product for the record, was tested by magazines, testing laboratories and TDK and found to be grossly inferior to our product. I have enclosed a copy of an article in Hi Fidelity Magazine and our own technical bulletin to support this. We and magazines began to receive consumer letters telling us how they mistakenly purchased these imitations thinking they were legitimate. I have also enclosed samples of these letters for your reference.

TDK immediately began to investigate what action we could take to stop these gross misrepresentations of our products. We applied to U.S. Customs to prevent any further importation of these goods. They approved our application and sent bulletins out to all customs agents. I have enclosed correspondence pertaining to this approval. Still, the imitations flowed into this country. Then we began to notice imitations without any indication of country of origin. This indicated that now they are also being made in the U.S.A. So our problem continued to grow.

I began to appeal to other areas for advice and help. I contacted Larry Finley at the International Tape Association who in turn contacted the HEW Offices of Consumers Affairs without success. I have enclosed correspondence with Mr. Larry Finley for reference. I contacted the Attorney General's office in New York. I contacted local consumer related groups. Again, I have enclosed correspondence for your reference.

As you probably guessed, my problem continued to grow. Neither the Federal Trade Commission nor U.S. Customs nor anyone had taken enough action to stop these imitations from growing. TDK then took retailers, distributors, and importers of these imitations on legally. We took legal action against 30 different sellers of KDK. After many dollars for legal fees and about six months, we got permanent injunctions preventing these people from selling KDK. As we successfully stopped these 30, 30 more sprang up.

Again, I am turning to the government for help, but I and other reputable businessmen and their consumers need your help.

Imitations are not limited to my company or my industry. They affect the perfume, jewelry, watch and other industries. I urge you and the congressional committee to include in the final legislation an instruction to the agency to give high priority to business/consumer rip-offs like this issue. I am sure many businesses and consumers would appreciate your favorable consideration to this matter and TDK and I invite any suggestions from you and are willing to help in any way we can. The effect of this action will be to strengthen confidence in this new agency.

Sincerely,

TDK ELECTRONICS CORP.,
BUD BARGER,
Division Sales Manager.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 2, 1977.

Mr. BUD BARGER,
Division Sales Manager, TDK Electronics Corp., Garden City, N.Y.

DEAR MR. BARGER: Thank you for your thoughtful letter in support of the Agency for Consumer Protection. As you may know, legislation to create this much-needed agency was reported favorably by the House Government Operations Committee and is awaiting action on the House floor.

The support of conscientious businessmen like yourself is essential to the success of this new Agency. Despite the opposition of business lobbies such as the U.S. Chamber of Commerce, I am increasingly convinced by letters such as yours, that a substantial portion of the business community is in support of this legislation. Not only will the ACP represent consumers, but it will represent the rights of businesses to operate in a competitive marketplace devoid of unscrupulous business practices. As you know, at times policies by federal regulatory agencies restrict competition or entrance into the marketplace to the detriment of viable business interests. Through intervention in federal agency proceedings, the ACP would encourage competition and would work to remediate examples of unfair business practices.

Although opponents have portrayed the ACP as an unchecked bureaucracy, such a statement is, at best, representative of a fundamental misunderstanding of both the structure and scope of the enacting legislation. Not only is the ACP one of the smallest agencies ever created by Congress, but stringent checks and safeguards have been incorporated into the bill to insure efficiency and objectivity.

I greatly appreciate your support of the ACP. The lack of responsiveness experienced by TDK Electronics Corporation in dealing with existing federal consumer agency departments demonstrates the inadequacies of the present decentralized system and the need to create an agency with comprehensive authority to identify and represent significant consumer issues in federal agency rulemaking proceedings.

I assure you of my support for this legislation and hope you will not hesitate to contact me if I may be of any assistance in the future.

With all best wishes, I am,
Sincerely,

HENRY A. WAXMAN,
Member of Congress.

CAN IMPROVED POSTAL MANAGEMENT PREVENT SERVICE CUTBACKS?

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. SHARP. Mr. Speaker, as we consider the appropriations today for the U.S. Postal Service I would like to express some of my concerns about postal reform and the future of the post office. Although this is a complex issue, there are several matters which are of particular importance to me and my constituents. These include the closing of small rural post offices, 5-day mail delivery, and rate hikes.

For the past year, a great deal of concern has been expressed because of the Postmaster General's intention to close a substantial number of rural post offices. As a representative of a partly rural district, I have been keenly aware of the effect that such action would have on my own constituents. The problem lies in providing adequate service to rural areas while controlling expenditures for those services. We must, however, keep in mind the importance of such a post office as a source of identity for a small rural community. Furthermore, to close down rural post offices is to unfairly penalize the rural taxpayer merely because he does not reside in a populated area.

Another of the more recent and highly publicized proposals to the Postal Service has been to cut back home delivery from 6 to 5 days. According to a recent survey, 80 percent of the people interviewed would prefer such a cutback in service to an increase in postal rates. Clearly, a reduction in service would help minimize the need for an increase in postal rates, but it definitely will not forestall an increase altogether.

Furthermore, adequate research has not been done on the impact of the cutback. I know, however, from contact with my constituents, of the importance of 6-day delivery to many citizens. Senior citizens who are homebound rely on the mails as a source of contact with the outside world and some newspapers are delivered through the mail in rural areas.

If the U.S. Postal Service implements a plan for 5-day delivery it would also mean the elimination of 20,000 jobs throughout the Nation. We must carefully consider the loss of so many jobs at a time when there is such high unemployment and also when Congress is expressing a different policy by passing bills to increase employment.

Even with these possible cuts in service, we are told to expect the cost of a first class stamp to rise to 22 cents by 1985. Is this really necessary? We are being presented with a choice between paying more or receiving less. Is there not another option—better service at the same price brought about by better management?

When Congress created the U.S. Postal Service, the intent was to create an independent corporation that would operate efficiently and effectively, and be free

from the influence of partisan politics. Although I strongly agree with those intentions, and I certainly do not want to get partisan politics back into the selection of our postmasters, we have inadvertently also removed an element of accountability from the operation of the postal service. I am not at all sure that the management has operated efficiently and effectively in their independent capacity and I cannot help wondering if mismanagement, without congressional supervision, has not been passed on to the consumer in the form of higher rates and decreased service.

We cannot expect a reduction in postal costs. Eighty-six percent of the Postal Service's expenses are labor costs, and as the cost of living rises for all of us, so will the costs of the Postal Service. People are not convinced, however, that the Postal Service has been operated in an efficient and effective manner. If we are unwilling to experience cutbacks in service like the closing of small post offices and 5-day mail delivery, then we will surely see rapidly increasing postal rates. But, if the rates are to go higher, or if Congress should need to further subsidize the Postal Service to offset higher rates, then I feel strongly that we must demand more accountability for the dollars spent in this area.

Proposals pending in the Congress at the present time will address the issue of postal reform, and I hope that the Congress will act to find an equitable and reasonable solution to the problems of the U.S. Postal Service before we are required to vote more and more subsidies.

ENERGY RHETORIC

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. CRANE. Mr. Speaker, in the past, we have seen the results of oil and natural gas price regulation. We suffered through the 1973 Arab oil embargo because of price regulation and still today, production incentive is crushed by excessive Government interference.

When will we learn? If the consumer is to remain free of worry about where his next shipment of home heating oil will come from, we must begin to encourage our producers to develop new sources of energy.

Congress is presently considering an energy package which does nothing to provide incentive to produce larger quantities of domestic oil and natural gas. The plan is designed to conserve via excessive taxation and as far as I am concerned, this is the least effective way to solve the Nation's energy troubles.

It is on this note that I insert into the RECORD an article written by Milton Friedman of the University of Chicago. Mr. Friedman is one of the top economists in our country today.

The article follows:

ENERGY RHETORIC

(By Milton Friedman)

I do not know whether Guinness Book of World Records recognizes a record for the divergence of rhetoric from reality. If not, I suggest that it do so, and I nominate as a candidate the debate over energy policy now raging in the U.S. Herewith some supporting evidence.

1. *Pride of place must go to President Carter's use of William James's phrase "the moral equivalent of war" to describe the approach needed.*

We do have a real energy crisis—no doubt about that. And, of course, every aspect of life has a moral dimension. But, for the ordinary U.S. citizen, there is simply no special moral issue involved in energy, any more than there is in how to make the most effective use of our limited supplies of food, or iron ore, or land. The problem is a strictly technical economic problem of adjusting consumption and domestic production to a drastic change in the world price of oil engineered by the OPEC cartel.

If there is any special moral issue, it is the failure of the Congress and the Federal bureaucracy to acknowledge the major role that they have played, through ceilings on price, encouragement of OPEC and heavy-handed administration, in greatly exacerbating the crisis. Of course, the best defense is a good offense—hence the appeal to other people's moral responsibility!

2. *"The nation's most careless squanderers of energy"*—a phrase used in one media report on an affluent suburb.

Are the residents of the suburb (and the reporters writing the story) also "squanderers of food, housing, clothing"? Is it either an actual or desirable policy that everyone should consume all items at some minimum sustainable level? At the same level as everyone else? What has happened to pride in our success in improving the living standards of our people? Today's lower-middle classes live at levels that would have been affluent "squandering" a century ago; and today's "squanderers" will set the pace for the less advantaged tomorrow—if ill-considered government meddling does not kill the goose that lays those golden eggs.

Energy has been relatively cheap, and it has been sensible for all of us to adjust our use to that fact. It has become more expensive—perhaps only temporarily—and if each of us is required to face that fact, we shall all be led to cooperate in using less energy and producing more at home.

3. *Gasoline prices have risen drastically and it is unconscionable to let them rise further.*

Corrected for inflation, the price of gasoline in 1976 was 2 per cent *lower* than in 1956! Gas prices did slightly more than double over the two decades, but prices in general rose even faster.

A major source of our energy problem is that government policies have been falsifying the true situation to consumers. As a nation, we are paying more for gasoline than two decades ago, but we are doing so through taxes that are used to subsidize the import of foreign oil, in order to hold down the price at the gasoline pump. That is why we have not had the right incentive to conserve.

4. In a discussion of President Carter's proposals: *"The biggest burden will probably fall on industry. Factories and utilities will be taxed heavily unless they shift to coal."*

How do you "burden" industry or "tax" a factory? Do you squeeze it until it screams? Send it to jail?

Only *people* can bear a "burden" or pay a tax. An industry, a factory, or a utility can do neither. Officials of an enterprise may transmit a check to the U.S. Treasury, but they are only agents. The burden of the tax is borne either by the stockholders, or the employees, or the customers—and, in the long-run, for a tax on a specific product, primarily by the customers. Stockholders and employees may bear the initial burden if they are temporarily locked into a particular enterprise or industry, but only at the expense of discouraging further investment and employment in the industry.

We need more investment in the domestic production of energy. Taxing away the fruit of past investment is hardly a sensible way to encourage more investment. It is simply stupid of us to adopt the general policy of taxing away "windfall" profits reaped by farsighted individuals who invested in advance in order to be able to profit from high prices when a "shortage" occurs—whether because of a cartel or a drought or whatnot. That is a sure way to destroy private provision for emergencies and to transform our economy into a centralized corporate state. Senators who scream about "obscene profits" are sabotaging the free-market system, and therewith our political and civil freedoms.

5. A congressman about the President's program: *"OK, as long as everybody is hurt equally."*

What a sadistic philosophy. That is a prescription for universal misery. I thought true American philosophy was, "OK, as long as everyone has an equal opportunity to improve his lot."

6. The House energy committee's 40 members *"were carefully chosen . . . with a slight tilt toward consumer interest and against radical changes, such as the total elimination of price controls on gas and oil."*

How rapidly the conventional becomes radical and the radical, conventional. The truly radical element of present energy policy is the existence of price controls. The controls on natural gas date back only to 1954, on oil, to 1971. They are not only radical, but a major source of our problem.

7. *"Gas-guzzling" cars.*

A combination of demagoguery, confusion about morals, and bad economics. One man's gas guzzler is another man's necessity. If each of us has to pay the full cost of energy—which is what would occur if the market were allowed free rein—we would each have to choose how to meet the cost. One man would decide to do so by driving a large car fewer miles; another by buying a small car; a third, by conserving on other items of consumption, thereby releasing them for persons who had a less urgent need for the gasoline.

Given that gasoline sells at full-cost—which today means at the cost imposed by OPEC—there is no justification whatsoever for an additional tax on large cars and a subsidy for small cars. That simply imposes a cost greater than the value of the energy saved. Neither is there any justification for governmentally mandated average-mileage requirements. These are just further examples of how one government mistake—artifically keeping down the price at the gas pump—leads to others. A full-cost price for gasoline gives just the right incentive to the car owner to balance the advantages of a larger car against the extra costs of gas; it gives the right incentive to the manufacturer to meet the demands of the prospective car purchaser.

Insofar as the problem is one of relieving persons in acute distress, we should do that by giving them general purchasing power, through a negative income tax replacing our present rag bag of welfare programs, not by trying to do something about gasoline separately, food separately, and so on *ad nauseam*.

ENERGY CONSERVATION AND HUMAN RIGHTS

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. JEFFORDS. Mr. Speaker, the importance of energy conservation cannot be overemphasized. Energy conservation provides not only time to make the transition from a fossil fuel economy to one based on alternative resources such as solar energy but it also enables these alternatives to meet a greater proportion of our energy budget. In this vein I wish to call my colleagues' attention to the following article which appeared in the Rutland Herald and Barre-Montpelier Times-Argus on Sunday May 15:

ENERGY PLATFORM: POLITICAL FLIM-FLAMMERS KEEP OFF

"His (President Carter's) attention to the element of fairness is especially refreshing. The only major fault I can find is that the proposal (the President's energy plan) in many cases does not go far enough given the severity of the problems we face. Naturally, some of the President's proposals, particularly the measures to reduce gasoline consumption will be hard in Vermont. But I think he is right that everybody will find some part of the program hard to live with and that if exceptions are made for every special case, no program will be left. I would much prefer inconvenience now to the disaster I will live to see if real changes are not made starting now."

(By Anthony Scoville)

In the 1960's, when the first picture of the earth was taken from the moon, the Flat Earth Society ceased to exist. But the United States in 1977 consumes the earth as though our planet were the Great Plains. With less than six per cent of the world's people, this country uses 30 per cent of the world's energy, and we consume each day the energy equivalent of 37 million barrels of oil or 13½ billion barrels each year. Every nine months we must discover and develop, among all forms of energy, a new Alaskan North Slope. The world over, mankind expends the equivalent of 45 billion barrels of oil each year while most nations, as economists like to say, are "underdeveloped."

Our economy must grow. Unemployment does not decline unless the gross national product increases at least 4½ per cent annually. What does growth imply? It implies, if past trends continue, that energy consumption increases about 3½ per cent each year. It implies that in just 20 years we might demand the energy equivalent of 27 billion barrels of oil or new Alaska every 4½ months, only slightly longer than Vermont's growing season. And, when my sons are my age (37), we would require the equal of a new Alaska in the time my grandchildren have to pass their summer vacations. So what of gushers and 500 years of Western coal? If our known oil reserves double, the Age of Oil will continue less than the 50 years from 1910 to 1960 during which our economy converted from coal to oil and natural gas.

The numbers above are of course only mathematical projections. As such they tell us what might happen if we continue our present trip with no thought for the future. Moreover, projections such as these reveal what the marketplace debate over the magnitude of fuel reserves and energy demand curves does not: namely, that the source of our impasse is the inherent conflict between a demand compounded yearly at any rate and a finite resource regardless of size.

There are other problems too. First, the shortage of resources is systematic and pervasive. Helium, the gas most people associate with toy balloons, is, for example, vital to specialized welding techniques which may be needed to develop advanced energy sources such as fusion power. However, there is only one source in the world: natural gas wells in Texas. There is only a 13-year supply in existence and still we dissipate this precious commodity every time we turn on our cooking stoves.

Second, priorities must be set for the use of high quality, versatile fuels such as natural gas and petroleum. The prudence of burning our last drop of oil to heat homes and offices is questionable when that oil will be needed to produce fertilizer for our farms and fiber for our clothing. (If all the fiber in this country were grown naturally from cotton and wool, it is estimated that 60 per cent of our farmland would be devoted to these two crops.)

Third, time is very short. In every instance when we changed our primary fuel, approximately 50 years was required to convert the energy structure of the nation. The conversion from wood to coal took place between 1850 and 1910; as mentioned above, the conversion from coal to oil and gas occurred between 1910 and 1960. But the year 2027 is only one year shy of the year predicted by the National Petroleum Council for the exhaustion of domestic oil fields—assuming that we import 35 percent of our petroleum and assuming that consumption remains constant at the 1973 level.

What can we do now? We can conserve all resources, not just energy. Let me give an example of the importance of every watt saved. Vermont laws ban non-returnable soda as well as beer cans and bottles. When these cans and bottles are recycled or returned for rebottling, the estimated savings will amount to 4½ million gallons of heating oil each year. This measure alone will save enough energy to heat 3,700 Vermont homes. Were the same law in effect nationwide, the savings could heat nine out of every 10 houses in the state.

Conservation is not one, dramatic action. It is one percent here and two percent there until the total constitutes nearly half of all the energy we consume. Professor March Ross of the University of Michigan and Professor Robert Williams of Princeton estimate that our 1973 gross national product could have been achieved employing approximately 55 percent of the energy actually used. Their figures are corroborated by others. In 1974, Switzerland had a higher gross national product than ours but used about one quarter the energy for each individual. Sweden, which also has a higher standard of living, consumed only one half as much energy per person as we did.

So energy conservation need not necessitate a lower standard of living. And President Carter's goal of reducing energy growth to 2 per cent by 1985 is no goal at all. If Ross and Williams are correct, in the year 2000 our energy budget could be two-thirds what it is today even though our population will have increased in the meantime. This represents a decline of one and three-quarter's per cent compounded yearly. Furthermore, saving energy is the best investment we can make for, as the President said in his address to the nation on energy, "Conservation is the only way we can buy a barrel of oil for $2. It costs about $13 to waste it."

Energy conservation also makes possible the use of alternative forms of energy such as solar heat. If solar systems can now provide about 40 percent of the heat for a house, when conservation measures cut demand in half, solar energy could provide over 80 per cent of the required heat.

President Carter has called the energy problem the "greatest challenge that our country will face during our lifeftime" excepting only the prevention of war. It will, he said, "test the character of the American people and the ability of the President and the Congress to govern this nation." If letters received by Vermont's congressional delegation are indicative, people will respond, at first—for we have been chastened since 1973—then in greater numbers as time goes on provided they understand the problems we face, provided the proposed solutions can attain what is sought, and provided the sacrifices are borne equitably by all members of this and future generations. These are human rights.

As citizens, we have a right to understand the problems we face; that is, to be presented now with all the facts clearly and without condescension. We have a right to ask our elected leaders that they propose an undertaking, not as a political "bargaining chip" but in good faith as the solution most likely to attain common ends. Finally, we have a right to expect that sacrifices will be borne by each in proportion to what can be given—now and in the future.

We have been called, and upon us all the future casts its categorical imperative, its human right. As the President stated in his address:

"We have always wanted to give our children a world richer in possibilities than we have had ourselves. They are the ones that we must provide for now. They are the ones who will suffer most if we do not act."

AND THE POOR GET BURIED

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. FRASER. Mr. Speaker, the 1978 Labor-HEW appropriations bill contains a provision prohibiting Federal funds from being used for abortion except where the life of the mother would be endangered if the fetus were carried to term.

I oppose this provision, as do many of my colleagues, because it is discriminatory. I do not think we have the right to deny equal health care to Americans who depend on public funds for that health care.

Besides being unfair, the provision is another attack on the right of women to choose abortion, within the confines of the Supreme Court's decisions. Despite the Court's 1973 decisions, access to abortion remains a problem. An estimated 654,000 women who needed abortions were unable to obtain them in 1976. Eighty-three thousand women had to go outside their home States in 1975 to obtain abortions. And 240,000 to 330,000 had to travel outside their home counties to receive abortions—sometimes a distance of hundreds of miles. And now we would further limit the access of poor women to abortion.

I would like to call the attention of my colleagues to a letter to the editor printed in the January–February 1977, issue of Family Planning Perspectives. I think it shows that abortion is a reality all of us must acknowledge, whether or not access to abortion is limited by such pro-

visions as the one included in the 1978 Labor-HEW appropriations bill. The letter follows:

AND THE POOR GET BURIED

James D. Shelton's article "Abortion Utilization: Does Travel Distance Matter?' [8:260] points up the importance of accessibility in utilization of legal abortion. One aspect of accessibility is cost. Many of those who want but cannot afford safe, legal abortions go on to have unwanted births. Others—although the number has declined markedly since the 1973 Supreme Court abortion decisions—are driven to seek clandestine abortions from untrained practitioners at great risk to their lives and health. In the light of recent congressional legislation which would deny poor women reimbursement through Medicaid for legal abortion (and the judicial ruling, now under review, enjoining implementation of that legislation), the following case, not untypical, identified through the Center for Disease Control's nationwide surveillance of abortion mortality, demonstrates the potential health impact of such a ban on federal spending for abortion.

A 41-year-old black married woman with six previous pregnancies, five living children, and one previous abortion, sought an illegal abortion from a local dietitian to terminate a pregnancy of 10 weeks' gestation. Her admitted motive for seeking an illegal procedure was financial, since Medicaid in her state of residence would not pay for her abortion. The illegal procedure cost $30, compared to an estimated $150 for a legal abortion performed through the twelfth week by a physician on an outpatient basis. Allegedly, the abortion was done by inserting a metal rod to dilate the cervix, followed by placement of an intrauterine catheter which remained in place for two days until the passage of some products of conception. A day after the catheter was expelled, she experienced fever, shaking chills, vomiting, and lower abdominal tenderness. Antibiotics were prescribed, but her symptoms worsened over the next 24 hours, and she was admitted to a hospital for more intensive treatment. Despite high dose antibiotics and curettage to remove the infected products of conception, a generalized abdominal infection ensued which required a total hysterectomy. However, abscesses remained, and the patient eventually died of an overwhelming infection 19 days after the illegal abortion.

If public support had been available to pay for a legal abortion, the patient might never have resorted to using the local illegal practitioner. An unsatisfactory technique (an intrauterine catheter) was used, and the procedure may have been performed under unsanitary conditions, which increased the possibility of eventual infection. Moreover, because the abortion had been obtained in a clandestine manner, the patient may have delayed seeking appropriate medical care, despite the early appearance of symptoms. In this way, the stigma attached to a criminal activity compounds the risks of an illegal abortion.

If the recent congressional legislation is ever allowed by the courts to be implemented, it is likely that many more poor women, unable to pay themselves for a safe, legal abortion, would once again risk their lives at the hands of illegal practitioners.

DAVID A. GRIMES,
WILLARD CATES, JR.,
Abortion Surveillance Branch, Family Planning Evaluation Division, Center for Disease Control, Atlanta.

TEXAS AGGIE CHOSEN AS MISS U.S.A.

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to include several articles on Miss Kim Tomes, a student at Texas A. & M. University who was recently chosen as Miss United States of America in the Miss Universe Beauty Pageant which will be held in Santo Domingo, July 16.

Miss Tomes is from Houston and has brought great honors to my alma mater and has disproven the fact that many stated by allowing females to enroll at A. & M. which previously had been an all boys school, would kill the school.

The materials follow:

TEXAN CLAIMS CROWN AS MISS USA FOR 1977

CHARLESTON, S.C.—Kimberly Louise Tomes of Texas, who said the secret of beauty comes from within a person, was named Miss USA Saturday night.

Miss Tomes, a 21-year-old student at Texas A&M University, will represent the United States in the Miss Universe pageant in Santo Domingo July 16. She is the daughter of an El Paso, Tex., carpet salesman.

Runnerup in the event was Mary O'Neal Contino of Nevada, Debra Jean Cossette of Minnesota finished third, followed by Pamela Lynn Gergely of California and Sheryl Lynn Herring of Virginia.

Miss Tomes is 5-foot-8 with measurements of 36-24-36. She said her life ambition is to become a physical education teacher or enter public relations.

Asked by master of ceremonies Bob Barker what made a beautiful person, she said beauty comes from the inside.

"You can be a real beautiful person on the outside and have a really tacky personality and it can make you ugly," she said.

Miss Texas seemed to be the overwhelming favorite among the crowd in the auditorium. She won the best costume award earlier this week for her dazzling black and sequined cowboy outfit.

The pageant had been hit by complaints earlier, including a lament that the swimsuits didn't properly fit the girls.

There were also accusations over the lack of black participation, feminists charged the whole affair was degrading, and some Charleston residents were up in arms over the cost.

But all this seemingly did little to dampen the spirits of contestants from all 50 states and the District of Columbia who competed for the right to represent the United States in the Miss Universe Pageant.

Saturday night's finals, a nationally televised affair, were preceded by two nights of preliminary competition, which served as the basis for selecting the 12 finalists.

One of the major controversies, at least among the contestants themselves, concerned the swimsuits. The brand used this time was a departure from the past.

Pageant officials said the suits had a remarkable ability to cling to the body and emphasize the natural look. But many contestants disagreed, saying the one-piece suits didn't fit and failed to show the body.

"You have to yank it down to make it stay on your bottom," said Michelle Fisser, Miss Wyoming. "If you're not well-endowed, it doesn't help your figure, and if you are well-endowed, it flattens you out."

Robert Ford, a black Charleston city councilman, called for a boycott of the pageant because there were no black contestants. Pageant officials said they had no control over the selection of state winners and that there have been black contestants in the past.

They noted Greg Morris, a black star of the Mission Impossible television series was one of the judges.

"I CAN'T BELIEVE IT!" SAYS MISS U.S.A.—FIRST A. & M. STUDENT TO WIN TITLE

(By Ken Stroebel)

There are girls at A&M.

That's the reaction Miss Kim Tomes, A&M Class of '77, is getting from the folks in Charleston, S.C., where she was crowned Miss USA Saturday night.

The 21-year-old blue-eyed blonde is a senior health and physical education major at A&M and daughter of Mr. and Mrs. W.A. Tomes of Houston.

Miss Tomes, who was born in Chicago, Ill., was chosen Saturday on live national television from a field of 51 contestants from each state and the District of Columbia. She received an $11,000 scholarship and a $10,000 personal appearances contract.

She was runner-up in the Cotton Dutchess Pageant when she was a freshman at A&M in 1974 and had never won a major beauty contest until the Southwest Houston A&M Club entered her in the Miss Texas Pageant last August in El Paso.

Miss Tomes said her first reaction to the selection was "What a shocker! I can't believe it! The first Aggie to be Miss USA!" She said master of ceremonies Bob Barker asked, "Are you going to be all right?" and asked if she was going to faint.

Miss Tomes said she might pursue a career in modeling but only after graduation from college.

"I'd like to first get my degree," she said, because modeling is "a real competitive business. If it doesn't work out it will be good to have something to fall back on." She plans to teach physical education.

And she has some experience. The 5-foot-8, 119-pound Houstonian has spent summers as life guard and swimming instructor. "I can get a tan and take it easy," she said.

That may change this summer. She is celebrating by "going on a diet," and Thursday she leaves for rest and relaxation in Acapulco and to watch the Miss Mexico Pageant. The Miss Philippines Pageant in New York follows, "to give me a little exposure" to beauty contests in preparation for the Miss Universe Pageant in the Dominican Republic July 16.

Miss USA 1976 Barbara Peterson warns Miss Tomes it will be hard to keep friends at home because of the constant traveling, and she admits she hasn't had much time for dating.

"I've been living out of a suitcase for quite some time now," she said.

It started a week ago with parties and tours around Charleston, Charleston's Landing and Georgetown. Judging of state costum, swimsuit and evening gown competition and preliminary judging followed. Personal five-minute interviews were held with each judge Thursday and Friday. This year's competition didn't include a talent segment in the competition.

"Wherever you go, you see some Aggies in the crowds. I met a bunch of them up here" in Charleston, she said. "It was kind of nice."

Miss Tomes said she received many letters, telegrams and flowers from Texas, including a telegram from Aggie baseball coach Tom Chandler—Miss Tomes was one of 12 Diamond Darlings.

Miss Tomes said she will be Miss USA for a year and continue her studies in Fall, 1978.

Does she think the contest is sexist?

"If it were sexist I wouldn't be in it," she said. "We're showing ourselves off but we're not flaunting ourselves."

Other finalists, in descending order, were Miss Nevada, Mary O'Neal Contino; Miss Minnesota, Debbie Cossette; Miss California, Pam Gergely; and Miss Virginia, Lynn Herring.

TRISHA, KIM—TO EACH HER OWN

About fall of each year, Kim Tomes goes into training. She starts a special diet, exercises, swims and begins taking meticulous care of her hair, nails and skin. Right behind her a "coach"—a Kim Tomes look-alike with dark features instead of blonde—softly issues commands to stop eating or to do more exercises. That coach is her sister.

Kim, 21, and Trisha, 19, both of Houston, attend Texas A&M. Kim, a senior physical education major who has been entering beauty contests since high school, is the reigning Miss Texas Universe. In May she travels to Niagara, N.Y. to try out her charm in the Miss USA contest. Whoever is crowned in that contest competes for the Miss Universe title.

"It's wonderful winning these contests," Kim, casually resting on the bright green carpet of her modern apartment, threw back her head and laughed. It's like Christmas or something."

Looking at the beauty queen, it's obvious she's a natural. Some people just always fit into their environment whatever it is and she's one of them. Kim answers questions very casually. Her green and white striped tunic blends well with her background—naturally.

Trisha, though still in ner teens, seems very mature for her age. A medical technology major, she has never been interested in competing, although she is every bit as beautiful as Kim.

"I guess I'm just chicken," she smiled. There it was again, that charming smile that flashes in the same way on her sister's face.

Once Trisha did beat Kim out of a job, though.

"I answered the phone and a man asked for Kim," Trisha reminisced. "I told him she was not home and he said, 'How are her nails?' I replied, 'I don't know how hers are but mine are just fine.'" Trisha then recounted how he told her to be at a certain place at a certain time to audition for a commercial.

"I went swimming before the audition and walked in with wet hair, an old T-shirt and cut-offs thinking that I would be the only one there," she laughed. "Instead the room was full of immaculately dressed girls with perfect hair and makeup, but I got the job. I guess they were really just interested in hands. That's all that showed in the commercial anyway," she laughed.

"I've never had the desire to enter a contest." Trisha said. "I enjoy watching Kim."

Trisha noted that Kim models for her and she tells her what looks good, but the agents have the final say.

Among the many prizes Kim has won is a car for a year, a wardrobe, a college scholarship, a color television, jewelry and a completely furnished apartment in El Paso. El Paso is where the Miss Texas Universe pageant is headquartered and where Kim will be moving next semester. However, her new home in West Texas will not be that permanent. While there, she will be traveling as a representative of the pageant, making 41 appearances including one at Caesar's Palace in Las Vegas. In October, she emceed a program in Acapulco and, before that, went to the Philippines.

Kim is quick to note the disadvantages, however.

"I'm not in this for an ego trip," she emphasized "I like to win because of the travel, money and experiences."

"Some people my age haven't been able to do all of this and I feel that some times it's harder for me to get to know people at school than it is for someone else," she said.

Trisha took up the issue also with, "If you are beautiful on the outside, it is hard to show people you are beautiful on the inside, too."

After preparing for the upcoming pageant, making appearances under her present title and then competing, she says her future is indeterminable.

"I have an offer to take a job in fashion merchandising at a large department store, but I want to come back and get my degree first. After that I don't know what."

BIPARTISAN GROUP OF HOUSE MEMBERS PROTESTS CARTER ADMINISTRATION'S DENIAL OF FREE SPEECH

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BAUMAN. Mr. Speaker, the Carter administration is apparently moving to close down the Rhodesian Information Office here in Washington, the only source within the United States for official information from the government of that nation. In spite of the fact that the principle of majority rule has been fully accepted by the government of Ian Smith, which has committed itself to an orderly transition to a new government, the Carter policy is to deny freedom of speech to the Rhodesian Information Office and its staff at a time when communication is most important.

The President seems to see no inconsistency in stamping out free speech and the American public's right to know at a time when the terrorist Palistine Liberation Organization is permitted to have a similar office in this country, and when the Carter policy advocates the opening of ties with Communist Vietnam and Cuba.

Mr. Speaker, I include at this point a copy of a letter sent to Secretary of State Vance protesting this action, as well as editorial comment from the Wall Street Journal and Human Events:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 2, 1977.

Hon. CYRUS VANCE,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: It is our understanding that the Department of State has under consideration the issuance of an executive order which would terminate the operations of the Rhodesian Information Office located here in Washington. Further, it is our understanding that the basis for this action is the U.S. vote last week in the United Nations Security Council in favor of a resolution prohibiting the member nations from allowing the international transfer or use of any funds of the current Rhodesian government.

All of us fully support the principle of majority rule in Rhodesia as we do for all nations. We believe that majority rule in Rhodesia is inevitable.

However, it seems to us that the difficult transition to majority rule in that nation would not be aided by the closing of the Rhodesian government's Information Office, which at this moment in difficult negotiations could be a valuable vehicle in public as well as governmental communications. We think it logical that emphasis at the present time for more open exchange between Rhopression of an information source.

In addition, we believe that closing the Office would seem to be an unnecessary step in that it would tend to complicate rather than ease negotiations with the present government. It seems to us that now is the time for more open exchange between Rhodesia and our government and people rather than less as the transition to majority rule continues.

We therefore request that you provide us a full explanation of this reported executive order, its justification, and what policy prompts its consideration.

In view of the imminence of this reported action, we would appreciate a prompt reply to Representative Edward Derwinski, a member of the House International Relations Committee, who in turn will inform us of your views.

David R. Bowen, Guy Vander Jagt, Harold Runnels, Dan Daniel, Robert W. Daniel, Jr., J. Herbert Burke, Trent Lott, Jerry Huckaby, Bill Young, Omar Burleson.

Wm. Broomfield, Ed Derwinski, G. V. Montgomery, Robert J. Lagomarsino, Bob Michel, Bob Bauman, Jim Martin, John H. Rousselot, Mickey Edwards, Jack Kemp, John J. Flynt.

Larry M. McDonald, James M. Collins, Paul Findley, Gene Snyder, Marjorie S. Holt, Del Clawson, Bud Shuster, Tom Hagedorn, Dan Marriott, Clarence Miller, Samuel S. Stratton, David Satterfield.

Philip M. Crane, Eldon Rudd, Steve Symms, Bill Goodling, Robert E. Badham, Bill Ketchum, Bill Armstrong, Dawson Mathis, Tennyson Guyer, Ron Mottl, Henry J. Hyde.

[From the Wall Street Journal]

JUMPING THROUGH HOOPS

The administration's efforts to force "majority rule" on Rhodesia have taken many questionable forms, from banning the import of Rhodesian chrome to backing a $100 million fund (recently approved by the House) for four black African states that are threatening guerrilla warfare against the white Rhodesian government. These measures have the effect of increasing U.S. dependence on Soviet chrome and earmarking money for the Marxist dictatorships of Mozambique and Angola.

Now, it seems that the administration is also willing to interfere with the free flow of information, throttling Rhodesia's efforts to explain its side of the complicated story. Last week the U.S. joined other members of the UN Security Council in adopting by consensus, without a vote, a resolution sponsored by all 15 members of the council, requiring every nation to ban the use or transfer of any funds by the Rhodesian government for its agents overseas. The purpose is to close down Rhodesian information offices in Washington and Sydney, Australia.

This whole business is reminiscent of the early 1960s, when Washington throttled the Katanga information service at a time when the New Frontier supported the UN military operation aimed at ending Katanga's separation from the Congo. Whatever the merits of the UN Congo operation, it seems pretty clear that the anti-Katangan harassment was not one of our finest hours.

The Rhodesian information office is undoubtedly a lobby, but heretofore the State Department took the position that there was no bar to its existence in Washington, since lobbies do serve an information func-

tion. As a practical matter, shutting down the office would likely have little effect on the formulation of congressional or public opinion. We have seen little evidence of a propaganda steamroller stampeding anyone in favor of the Rhodesian regime.

Shutting down the office would, though, do violence to the American tradition of free speech. We are supposed to believe that all sides, even the most unpopular, deserve a fair hearing. We are supposed to believe in an exchange of opinions, in free and open debate. Most members of the UN believe no such thing, of course. It is no surprise to see them sponsoring initiatives that violate the most cherished American beliefs, but it is more than a bit discouraging to see the U.S. administration jumping through the same hoops to please them.

[From Human Events, June 11, 1977]

ADMINISTRATION MUZZLES RHODESIAN INFO OFFICE

The Carter Administration, which has been supporting the Communist-backed "front-line" dictatorships in their efforts to overthrow the pro-Western government of Rhodesia, has now demonstrated its commitment to "human rights" by joining in a U.N. resolution designed to choke off that nation's right to make its case to the American people.

The U.N. Security Council resolution, adopted with U.S. support on May 27, calls for United Nations member countries to "prohibit the use of transfer of any funds in their territories by the illegal regime in Southern Rhodesia, including any office or agent thereof . . . other than an office or agency established exclusively for pension purposes."

The purpose of this resolution, which will probably require an Executive Order from President Carter to enforce in this country, is to shut down Rhodesian information offices in several nations, including the tiny operation in Washington.

By joining in this action, the Administration has shown its concern for human rights to be selective at best. Not only does this resolution throttle the free speech of the Rhodesian spokesmen to argue their case in this country but also, as the Washington *Star* has note editorially, the 1st Amendment "right of the American people to learn what they need to know."

Making this crude maneuver all the more questionable is the fact that, even as the Rhodesians are gagged, Communist governments are permitted to continue their propaganda and espionage activities against the United States from well-staffed embassies at the United Nations and in the Nation's Capital.

If there ever was any justification for the concerted bullying by the powerful nations of the world against the Ian Smith government in Rhodesia, it passed when Prime Minister Smith accepted the principle of black rule in his country.

As Kenneth H. Towsey, who for the past 13 years has headed the Rhodesian Information Office in Washington, observed in what he wryly described as his "valedictory" statement in the wake of the U.N. resolution: "When the Rhodesian government is cooperating fully with an Anglo-American initiative designed to resolve the conflict in Rhodesia . . . this is a time for more communication, not less."

"There is a total commitment on the part of the Rhodesian government," Towsey told HUMAN EVENTS last week, "to . . . the Anglo-American initiative, which envisages majority rule by the end of 1978. We are cooperating fully in that initiative."

"But," he continued, "we are concerned about constitutional safeguards and the preservation of the rights of minorities. And this is going to be the most important issue as we go down this road."

From a moral standpoint, it is hard to argue with that position. Any shift from the present white minority government to a black-ruled dictatorship, guaranteeing neither legitimate elections nor such basic constitutional rights as life, liberty and property, could by no stretch of the imagination be called a step forward.

Yet the Soviets, who together with their Cuban proxies in Africa provide the driving Daniel O. Graham, the retired former head force behind much of the policies of the "front-line" states, are adamantly opposed to a peaceful transition to a legitimate constitutional republic in Rhodesia, with guaranteed rights for all citizens. As Lt. Gen. of the Defense Intelligence Agency, has recently written:

"The Soviets . . . make clear that they are far less concerned with ending racial discrimination than in using it to their own ends. As they put the case, there can be no redress of racial grievances short of a full reversal of the role of 'oppressed' and 'oppressors.' Any shift from minority rule by whites to majority rule by blacks is treated as fraudulent and unacceptable unless accompanied by a full range of discriminatory measures against the whites."

Even many of the non-Marxist black governments in the region seem determined to use violence against Rhodesians rather than support a peaceful transition to black rule in that country. And, according to columnists Evans and Novak, Vice President Walter Mondale in last month's talks in Vienna with Prime Minister John Vorster of South Africa made it clear that the United States would do nothing to try to discourage Zambia from sponsoring guerrilla raids into Rhodesia (though we condemn Rhodesia for making similar across-border raids against terrorists' sanctuaries in neighboring countries)—an indication that official U.S. policy now openly supports black racism in Africa.

Small wonder, then, that the Rhodesians, faced with this kind of prospect, rely desperately on their information office in Washington as a means of communicating their concerns to the American people. By brutally shutting off this last small link the Rhodesians have with this country, therefore, the Carter Administration not only plays into the hands of the Soviets but invites responsibility for a possible future bloodbath in Rhodesia similar to the one still in progress in Cambodia, about which the President has been so curiously silent.

Prior to passage of the U.N. resolution, Towsey had been under the impression that it would only cut off funds for the information office emanating from Rhodesia itself. Believing this, Towsey entertained hopes that, in the event the resolution passed as subsequently happened, it might be possible to maintain his $150,000-per-year operation, using funds contributed voluntarily by American citizens concerned with his nation's plight.

In the wake of the resolution's adoption, however, Treasury Department sources indicated that the Administration would probably clamp down on the Rhodesian office, even if supported by Americans.

The Washington Post quoted an unnamed Treasury official at the department's Office of Foreign Assets Control as saying: "I think it would prohibit" the use of funds from any source for the Rhodesian office in the United States, "as long as they are an agency of the Rhodesian regime." As he interpreted the U.N. language, the Treasury official told the Post, it appears that "the source would not be relevant."

In short, the Administration not only joined in this lynching party at the United Nations but it appears likely to make the strictest possible interpretation of its obligations under the resolution. By this action, along with such other recent moves as his support for a House measure allowing $100 million in aid to the governments supporting terrorism against Rhodesia (see rollcall, page 15), President Carter has taken this country in a direction justified on neither moral nor strategic grounds.

Despite the Treasury Department's apparent strict interpretation of the U.N. resolution, some observers believe it may still be possible for Americans to establish an organization supporting a true democracy in Rhodesia. It is even possible that Mr. Towsey, who enjoys resident alien status in this country, could be employed by such an organization as a paid staff member. The only requirement would be that this organization have no formal ties with the Rhodesian government, in which event it would not qualify as an "officer or agent thereof" and consequently would not be covered by the resolution language.

HYDE AMENDMENT ON ABORTION

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BEILENSON. Mr. Speaker, in less than 1 week the House will consider the Labor/HEW appropriation. This legislation contains a provision prohibiting Federal funds for abortion services—known as the "Hyde Amendment."

June 2, 1977, the Washington Star printed an article written by Lyle Denniston concerning the recent press conference held by the National Women's Political Caucus in protest of the "Hyde Amendment." I submit part of this article for the RECORD as it contains some important and useful information:

The National Women's Political Caucus and other feminist groups spent the Memorial Day weekend lobbying members of the House in key districts. A letter-writing campaign is now being mounted.

The themes of the lobbying campaign were recited over and over at yesterday's press briefing:

A congressional ban on welfare abortions stop abortions," it will only make them "dangerous" again by forcing women who can't afford legal abortions to get the operations illegally.

The ban would be "discriminatory" or "class" legislation, aimed at young, poor and minority women.

Clinics and hospitals would not provide free abortion services to make up for the withdrawal of publicly financed services.

Federal welfare costs would actually rise, not fall, because of the costs of financing prenatal care, childbirth and welfare to children up through age 18.

A congressional ban on financing "won't would be unconstitutional because it would violate the Supreme Court's 1973 ruling that a woman has a right to an abortion, with the consent of her doctor, at least in the first 13 weeks of pregnancy.

SEPARATISTS CALL FOR U.N. INTERVENTION IN U.S. ELECTIONS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. McDONALD. Mr. Speaker, a revolutionary group active in Jackson, Miss., Detroit, Mich., New York City, and other areas is now preparing an appeal to the United Nations for assistance in implementing its program of forming a separate country from sections of Louisiana, Mississippi, Tennessee, Arkansas, and other States.

The proposal is bizarre. Yet the separatist group, the so-called Republic of New Africa—RNA—has been working with pro-Cuban revolutionaries including the violence-prone and terrorism supporting Puerto Rican Socialist Party for the past 1½ years. The Puerto Rican Socialist Party's claims for independence from the United States have been supported in the United Nations by the Cuban Ambassador, and there is a possibility that the RNA's demands may also find support from Havana as well as from some of the new Communist states in Africa.

An in-depth study of the RNA's background and plans for demonstrations in New York City at the time of its United Nations appeal this fall was provided in the June 3, 1977, issue of the Information Digest, a newsletter which reports on many violence-prone, revolutionary, and terrorist organizations, which I commend to the attention of my colleagues:

THE REPUBLIC OF NEW AFRICA

Plans are being made by the Republic of New Africa (RNA) for a New York City demonstration in the fall to coincide with an attempt to move forward their demand for an independent black state to be carved from the southern United States with an appeal to the United Nations.

The RNA, self-styled "An African Nation in the Western Hemisphere Struggling for Complete Independence," was established in March 1968, in Detroit at the Shrine of the Black Madonna which, with its pastor A. B. Cleage, Jr., remains affiliated with the United Church of Christ. An estimated 3,000 people heard 200 delegates discuss plans to form an all-Negro nation in five Southern states.

The organizers for the RNA movement were two Michigan brothers, Milton and Richard Henry. At the outset, Robert F. Williams was RNA's president, a post he held while in self-imposed exile in Peking, to avoid prosecution for kidnaping a white couple during racial disturbances in North Carolina. [Williams returned from Peking and Tanzania to Detroit and resisted extradition for several years; he reportedly served as a "resource person" for Secretary of State Kissinger prior to President Nixon's China visit; eventually North Carolina dropped the kidnapping charges due to the death of the man allegedly kidnapped and the ill health of his widow.] Soon after his return to the U.S. on 12/3/69, Williams resigned from the RNA.

At RNA's formation, Milton Henry, using the name "Brother Gaidi," became "First Vice-President," while his brother, Richard Bullock Henry, then called "Brother Imari," was "Minister of Information."

In May 1968, Milton Henry gained publicity for his letter to the U.S. Secretary of State announcing that the RNA was prepared to negotiate with the United States. He stated in the letter that RNA's goal was "making a separate, free and independent black nation" from the states of Mississippi, Louisiana, Alabama, Georgia and South Carolina. To finance this project, in an "official basic document" RNA demanded $15,000 "plus transportation costs" from each of the states, and an additional $10,000 from the federal government for each person involved in the new nation.

In March 1970, Richard Henry, who now prefers to be known as Imari Abubakari Obedele I, claiming near unanimous election as national chairman, took control of RNA from his brother who was suspended for a twelve-month period and did not rejoin.

RNA was the first organization in recent years to use the green, red and black "liberation" flag probably first used by Marcus Garvey. During the past nine years there has been a proliferation of "black nationalist" flags and insignia using the red, black and green colors. This proliferation has contributed to RNA's unfounded reputation as a large-membership organization.

In 1971, RNA purchased a tract of farm land in Hinds County, MS, named it El Malik, and on 3/28/71 formally dedicated the farm as the RNA provisional capital. Three months later in a financial dispute the owner of the land charged that they were trespassing and an injunction to prevent RNA from using the land was issued. In his role as Imari Obadele I, Richard Henry stated, "The American court is an enemy's court, and as President of the Black Nation I cannot accept its jurisdiction."

Three months later, the RNA newspaper The New African [6/29/71] carried a headline reading, "IMARI VOWS WAR OVER EL MALIK! 'We Shall Return to El Malik in Force, And ANYBODY The Mississippi National Guard Or Anyone Else Who Gets In Our Way Will Be Utterly Destroyed!'"

On page 4 of that issue of The New African, an excerpt from Richard Henry's 1970 pamphlet, "Revolution and Nation Building," was reprinted which read:

"Finally, beyond the South, the black man's SECOND-STRIKE CAPABILITY must be believable. The second-strike capability is the Underground Army, the black guerrillas in the cities. So long as black people are able to remain in the cities—and there are over 120 major cities where the black brothers have used the torch—and retain relative freedom of movement, the black man has, or can develop, the means for destroying white industrial capacity and—if need be—white America in general as mercilessly as a missile attack."

During the 1971–72 period, Kathleen Cleaver returned from Algiers and made contact with the RNA. This was during the period of the formation of the terrorist Black Liberation Army (BLA), Marxist in ideology with strong "cultural nationalist" admixtures.

In March of the following year (1972), wielding influence totally disproportionate to its numbers, the RNA joined with other separatist/nationalist groups to play a dominant role at the National Black Political Convention in Gary, IN. At that conference the RNA gained massive support from groups usually considered moderate and responsible, as well as from militant organizations, for its bizarre separatist programs. This included enthusiastic endorsement of a demand for reparations to all Negro people, long a major RNA objective; and passing a resolution calling for freedom for members of the RNA "victimized by the state of Mississippi."

This was a reference to a joint raid by the Jackson Police Department and the FBI on the RNA "Government Center" in Jackson on 8/18/71 to execute fugitive warrants. A 20-minute gun battle erupted which resulted in the fatal shooting of a Jackson Police lieutenant and the wounding of another Jackson officer and an FBI agent.

Following the shootout, a search of the RNA house at 1148 Lewis Street in Jackson which the group called its "Government Center" disclosed sandbag fortifications, gun ports and a bunker dug under the building connected to an adjoining unoccupied house by a tunnel. A cache of weapons including shotguns, pistol, revolvers, automatic rifles, all types of ammunition, molotov cocktails and a booby trap bomb.

When it was determined that one of the named fugitives were among those arrested at the Lewis Street address, a second raid was made on a house at 1320 Lynch Street where Richard Henry was living. A subsequent search of the Lynch Street house turned up more rifles and handguns some of which were identified as stolen property.

Eleven RNA members were arrested in the raids including Richard Henry and the RNA "Minister of Information," Brenda Blount, aka Aisha-Ishtar Salim. The RNA–11 were charged with murder, aiding and abetting murder, and levying war against the state of Mississippi [Section 2397, State Treason, of the Mississippi Code]. With support from the United Church of Christ Commission for Racial Justice, a defense fund, The New Africa Prisoner of War Fund, was established.

Among those convicted was Richard Henry, who with all appeals apparently exhausted began serving a 12-year sentence in federal prison in December 1976. Before returning to jail, Henry instructed the "officers of the Provisional Government" to make two demands of the United Nations:

"1. Freedom for all Prisoners of War (RNA–11, the Wilmington Ten, the Black Liberation Army, Black and Indian and Puerto Rican and others), and

2. Supervision of the 1978 National and Black Elections in Kush."

(NOTE.—As defined by the RNA, the Kush is all black-majority counties and parishes on both sides of the Mississippi River from Memphis to New Orleans. The Kush District, therefore, lies mostly in Mississippi, but includes counties in Tennessee and Arkansas and parishes in Louisiana.)

Richard Henry's proposals for the RNA's United Nations appeal are set forth in the April 1977 issue of The Black Scholar, a Marxist and nationalist magazine whose publisher, Robert Chrisman, led an all-black cultural tour of Cuba last November. The Black Scholar enjoys considerable influence (and advertising revenues) in and from the academic community.

In brief, the RNA's claim to UN consideration is predicated on recent decisions by the U.S. courts in favor of American Indians, the Indian Self-Determination Act of 1975, various UN resolutions related to the "Declaration on the Granting of Independence to Colonial Countries and People" [Res. 1514] and to the Revenue Sharing Act of 1972 [P.L. 92–512] which can be construed as providing recognition for "bands, groups and nations" of certain groups of U.S. citizens. Using the doctrine of "equal protection," the RNA hopes to establish that it is a "New African" nation.

In 1976 the Republic of New Africa and The Black Scholar were organizational sponsors of the Castroite-dominated July 4 Coalition (J4C) initiated and led by the Marxise-Leninist Puerto Rican Socialist Party (PSP). It is noted that Cuba's United Nations Ambassador Ricardo Alarcon has strongly pressed the PSP's claims for Puerto Rican independence from the U.S., and it is likely that Cuba will also provide direct, as well as indirect, support for the RNA in the UN.

(NOTE.—Proposals for an all-Negro state per se were not an original Henry brothers concept. During the 1930s the League of Struggle for Negro Rights, cited as among "the most prominent and important Communist Negro fronts" [House Committee on Un-American Activities Hearings, "The American Negro in the Communist Party, Dec. 22, 1954] developed a blueprint for " 'self-determination' of the Negro in the Black Belt." In 1946 this concept was touted briefly by the National Committee of the CPUSA as "a theory which was contrived by Stalin," but formally rejected it in 1959, at which time a faction of veteran militant blacks split from CPUSA.)

Richard B. Henry or Imari Obadele, born March 2, 1930, was a technical manual editor at the U.S. Army Tank Automotive Command in Warren, MI, with a secret clearance when he helped form the RNA. During the period 1961–1965, Henry was active in a number of militant civil rights groups, helping to organize the Group on Advanced Leadership (GOAL) and participating in a number of rallies and demonstrations. In 1963 he co-organized the first Detroit speaking engagement for Malcolm X whose widow, Betty Shabazz, in 1968 and 1969 was an RNA vice-president, and also co-organized a Martin Luther King, Jr., march there that same year.

Other groups with which Richard Henry had been involved in a leadership role include the Frederick Douglas Gun Club, the Medger Evers Rifle Club, the Revolutionary Action Movement (RAM) and the Malcolm X Society which he helped organize and which sponsored the founding RNA convention.

In 1964, he was arrested, but subsequently acquitted, on charges arising from a mass demonstration at Trembly Skilled Trade School.

Three months after RNA was formed, Richard and Milton Henry and Mae Mallory, one of the five with Robert Williams charged with the North Carolina kidnapping in 1961 and a militant acting as RNA's "consul" in New York, traveled to Tanzania for a rendezvous with Williams in Dar-es-Salaam. During this visit evidence suggests that Richard Henry met with Arkady K. Boyko, then First Secretary of the USSR Embassy to Tanzania and a known KGB functionary.

On his return to the U.S., Richard Henry issued a statement saying that the RNA should put a high priority on building "a strong disciplined black legion in America—a black army to fight for black rights."

Since that date, Richard Henry/Imari Obadele has continued to advocate violence. Under his leadership the Republic of New Africa has developed a para-military organization and individual RNA members have been involved in crimes of violence ranging from murder of law enforcement officers through hijacking aircraft to Cuba to armed robbery.

Nationally active, the RNA claims that since its formation on March 31, 1968, "we have been a nation because we have established a government. But our land is not free. We are a captive nation." Based upon this premise, the RNA says its first obligation is "to free the land." RNA's outline for the function of its government calls for:

A holding action in the North;
A major drive to win control in Mississippi;
A vigrous military campaign;
The pursuit in the U.N. of recognition for the Republic;
The cultivation of support for the Republic among the Afro-Asian.

The RNA "governance structure" is based on a "People's Center Council" (PCC) as the decision making group. The PCC is composed of the RNA president, vice-presidents, and one delegate from each "consulate" or "government center." Meeting four times a year, the PCC has "judicial power." A chain of command was established early in the RNA's existence: president, regional vice-president, then the ministers of finance, justice, information, education, defense, state, foreign affairs, culture and economics.

RNA political education is based on Richard Henry's books including Revolution and Nation Building; War in America; and Foundations of the Black Nation. Other training materials are the writings of Malcolm Little (Malcolm X); 100 Years of Lynching, Ginsberg; Negro Social and Political Thought, 1850–1910, Brutz; The World and Africa, W.E.B. DuBois; and CPUSA Central Committee member Herbert Aptheker's To Be Free. In the California chapters of RNA, if not nationally, the writings of Mao have been a regular part of a continuing political education course.

The RNA's own material provides evidence that the organization advocates violence to overthrow the government and that it is actively preparing to use violence; while RNA political rhetoric verges on the insane, RNA military training contains a sophistication that poses a real threat. RNA is in contact with, and is supported by, a large number of Cuban-oriented groups which actively support revolutionary terrorism. This, coupled with international manipulation of "human rights" issues could result in a U.N. scenario being developed by the Soviet bloc and Marxist Africa to give a degree of legitimacy to the bizarre demands of the RNA.

PEOPLE SUPPORT DEVELOPMENT OF NUCLEAR POWERPLANTS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. GAYDOS. Mr. Speaker, it is my custom to share with my colleagues the findings of telephone surveys I periodically conduct among more than 3,000 volunteer participants in the 20th Congressional District of Pennsylvania.

The questions asked in these surveys deal with matters of national interest and I recently sought the opinion of these volunteers as to whether the United States should proceed with the development to nuclear power by a margin of energy needs. Each participant in the poll was furnished with a brief résumé, listed the "pros and cons" of nuclear powerplants.

The survey took approximately 2 months to complete and the final tabulation revealed a majority of those responding favored a national commitment of nuclear powerplants to meet our nearly 3 to 1.

According to the findings, 2,568 participants responded to the question. Sixty-two percent of them—1,591—supported nuclear plant development; 22 percent—576—were opposed to the program and 16 percent—401—had no opinion on the issue.

Mr. Speaker, I have found my "Home Phone Poll" to be an excellent means of obtaining a quick and accurate cross section of public opinion. Because of his announced position on this particular matter, I have informed President Carter of the survey results and I am pleased to insert the findings in the RECORD for the consideration of all concerned with this controversial subject.

TASK FORCE ON SEX DISCRIMINATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. FRASER. Mr. Speaker, this Friday I plan to offer an amendment to H.R. 7556 to increase funding for the Task Force on Sex Discrimination in the Civil Rights Division of the Justice Department.

For the benefit of my colleagues who may not have seen it, I would like to insert "Civil Rights Division Responses to Questions Posed by Representative Smith of Iowa, House Subcommittee on Appropriations Concerning the Sex Discrimination Task Force."

This statement was included in the March 17, 1977, record of the Appropriations Subcommittee for State, Justice, Commerce, and Judiciary hearings on the fiscal year 1978 appropriations. This statement clarifies the objectives of the task force and discusses the time and staff needed to complete the work of the task force.

The statement follows:

CIVIL RIGHTS DIVISION RESPONSES TO QUESTIONS POSED ON REP. SMITH OF IOWA, HOUSE SUBCOMMITTEE ON APPROPRIATIONS CONCERNING THE SEX DISCRIMINATION TASK FORCE

1. Analysis of estimated total work years required to complete the work assigned to the Task Force on Sex Discrimination:

We have estimated that it will take between 50 and 60 work years to complete the tasks of identifying, reviewing, and analyzing all federal laws and regulations and drafting revisions to such laws and regulations to eliminate or amend those provisions which discriminate on the basis of sex. Although the Task Force has completed its preliminary review of all U.S. Code provisions containing gender-based words, no review of administrative regulations and guidelines has yet been undertaken and the code provisions identified must be re-examined in conjunction with pertinent regulations. This task alone will require approximately 5 work years.

Several areas of the law have been tentatively identified as requiring more concentrated attention. These include: (1) social security and other federal programs providing disability, retirement, or death benefits, (2) employment and training programs, (3) laws and regulations relating to the armed services and the Coast Guard, (4) taxation, (5) health and welfare programs, and (6) criminal-law and correctional institutions. Except for the study of the armed services, each of these areas will require an average of 3 work years. The study of laws, regulations, and policies relating to the armed services and the Coast Guard will place greater demands on staff time and will probably require 7 work years. Thus, one can estimate that the total time devoted to this more comprehensive research will amount to approximately 22 work years.

Consultation with personnel of the administering agencies and the actual drafting of legislative and regulatory amendments will consume an additional 10 work years. Included in this estimate as well would be the staff time spent at meetings of the Department of Justice Policy Committee and any Advisory Council that may be established. Also included would be time spent in assist-

ing at Congressional hearings once legislation has been introduced.

In addition to reviewing those laws and regulations now in effect, the Task Force must review proposed legislation and regulations to ensure, before they become effective, that these do not provide unequal benefits or treatment on the basis of sex. Staff must also monitor litigation alleging sex discrimination in existing federal laws, regulations, or policies. Four work years will be required to perform these and related tasks (2 staff persons each fiscal year).

Supervision of staff work and administrative, clerical, and other support services will require an additional 14 work years (7 persons per year).

Thus, approximately 55 work years will be needed for completion of the Task Force's work:

	Work years
(1) Review of administrative regulations and related legislation	5
(2) Comprehensive study in selected areas of the law	22
(3) Drafting of proposed revisions of laws and regulations	10
(4) Monitoring of litigation and proposed legislation and regulations	4
(5) Supervision and support functions	14
Total Estimate	55

2. If other federal agencies provide cooperation and assistance to the Task Force, how long would it take to complete the job with a staff of 14?

At least four years. The estimate of 55 total work years, detailed above, is based on the assumption that the administering agencies will cooperate fully with the Task Force and will perform the following functions:

(1) Initial review of all their respective regulations to identify, for the Task Force, those which contain sex-based distinctions;

(2) Designation and assignment of policy-level personnel to render advice and assistance to the Task Force staff in determining the need for and method of revising laws and regulations; and

(3) Initial drafting of legislative or regulatory proposals where current laws and/or regulations require substantial revision.

Some waste and duplication will occur if the project is extended beyond two or three years, and additional work years—beyond the 55 mentioned above—would have to be contemplated. Work years estimated for certain annually recurring tasks, such as monitoring proposed legislation and regulations, and some support services will increase in direct proportion to the duration of the project. Staff turnover will be unavoidable, resulting in the loss of trained personnel and the need to recruit and train others.

Moreover, small staff size and less flexibility in staff assignments will preclude the Task Force from working most effectively. In order to achieve the fullest cooperation with other federal agencies and with the Congress, the Task Force must be large enough to permit it to adapt its work assignments to areas of current concern to the administering agencies and to the Congress (e.g., the recently announced proposal of the Department of Defense to seek amendment of 10 U.S.C. § 6015, prohibiting the assignment of women to naval vessels other than hospital and transport ships indicates the need for immediate Task Force attention to this area yet staff limitations have forced the Task Force temporarily to abandon its review of armed services laws, regulations, and policies).

3. Can the Task Force complete its work in one year? If no, how long will it take

The optimum duration of this project is two to two and a half years at full staff capacity, followed, perhaps, by a phasing out period of one additional year to permit a very limited staff to prepare legislative proposals and assist in the Congressional hearing process through the end of the 96th Congress. Personnel required for a two-year project would be half the total estimated work years—28 persons. For a two and a half year project, a staff of 22 would be needed.

Even with unlimited personnel and other resources, it is unlikely that the Task Force could complete its assignment within one year. It would take several months to recruit, hire, and train a staff of 35 or 60. Moreover, the nature of the work of the Task Force limits its annual productivity and any staff beyond 30 could not be effectively utilized. For example, Task Force proposals must be approved by the Departmental Policy Committee, and later by the Attorney General, before final preparation and submission to the President. Scheduling of Congressional hearings on proposed legislation is dependent on the work load of the Congress. Thus, it is unlikely that assignments undertaken by the Task Force could be moved along to completion within this short period of time. The nature of the work involved also necessitates relatively close staff supervision and control to ensure uniformity of work product. These would be difficult to maintain with a staff larger than 30 persons.

NATIONAL PARK SERVICE TRANSPORTATION AUTHORITY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. SCHEUER. Mr. Speaker, earlier this morning I testified before the Subcommittee on Parks and Recreation of the Senate Interior Committee in strenuous opposition to a bill sponsored by Senator HARRISON WILLIAMS, Democrat of New Jersey, and our colleague from New York, Representative JONATHAN BINGHAM.

The so-called Bingham-Williams bill would set up a National Park Service Transportation Authority to plan and design transportation schemes to improve accessibility to all national parks. However, the emphasis of the proponents of the bill has clearly been on Gateway National Park, two major units of which lie within my congressional district.

Mr. Speaker, the Park Service has no right and no need to put itself into the transportation business. Frankly, it has had enough trouble with the planning process for the park itself at Gateway, an area in which the Service's expertise is unchallenged.

A full text of my testimony appears below. It outlines my major objections to the Bingham-Williams bill and ends with a plea for moderation of Government planning and regulation:

NATIONAL PARK SERVICE TRANSPORTATION AUTHORITY

Chairman Abourezk and Distinguished Committee Members: I'm here to urge you to keep the National Parks Service out of the transportation business. We can do without a National Park Service Transportation Company.

Before I outline the reasons why I'm convinced that the "Williams Bill" is bad for the Park Service and bad public policy, let me identify the special interest and special concern that prompts me to appear before you this morning.

I represent the 11th Congressional District in New York City. Within my district are two of the major units of the new urban national park Gateway National Recreation Area.

When I was first elected to represent this district, in November, 1974,—even before I took the oath of office—my very first act was to meet with the New York civic leaders who had encouraged Congress to create Gateway National Recreation Area. I was intrigued by the possibility that, within my new Congressional district, there was being formed an entirely new and potentially exciting and challenging urban national park.

I think it's fair to say that I led in pressing the effort for more innovative and creative planning for Gateway in particular—and urban national parks in general. I'm proud that I was, indeed, able to spur a process in the National Park Service which could create an outstanding recreational, cultural and educational center for the entire country.

Indeed, this weekend, I'll be host to Interior Department Assistant Secretary for Parks, Robert Herbst, to show him several miles of beautiful beach on which the federal government has spent over $15 million of improvement funds. I will convey personally to him some of my thoughts on Gateway. I intend to continue to press with great vigor for a great national park.

I state this so as to place in context my position on Park Service, general transportation programs, and park development which I view as separate, distinct, severable and indeed, conflicting, projects.

Let me briefly describe the communities in my district that surround Gateway's major units in New York.

First is the Breezy Point unit of Gateway in the Rockaways in Queens county, which stretches along the shore of the Atlantic Ocean on the south and along Jamaica Bay on the north, with a width of about six city blocks. In the middle of this unit of Gateway and completely surrounded by it, is the Breezy Point Cooperative, a community of cottages in which 15,000 people live. Adjacent to this unit are the communities of Belle Harbor and Neponsit, with a large middle-income, homeowning population.

In Brooklyn, the park is surrounded by the moderate and middle income communities of Mill Basin and Canarsie in my district. And here I must vigorously oppose a vast National Park Service transportation operation, which would include an armada of buses that could devastate our communities. The busing proposals already placed on the table by the National Park Service contemplating 3,250 daily round trips into our neighborhood would do extraordinary damage to these vital New York City communities—communities that are now major sources of revenue and of stability for a deeply stressed New York City. The publication of the transportation plan caused such a furor that hostility to the very concept of the Gateway National Park has grown by leaps and bounds.

So, in the most parochial sense, if you put the NPS into the transportation business, you'll be pitting it against its neighboring communities. That's not where the NPS should be!

And let us be candid; this "transportation company" has been pressed particularly for Gateway even though the legislation is for the entire Park Service.

Without the "NPS Transportation Company", Gateway is already the most accessible and heavily used national park in the country.

Let's look at the Gateway usage figures.

In 1973, 3.2 million people used the area that was becoming Gateway National Recreation Area. By 1975, under Gateway, there were 8 million visits to the Park, and in 1976, the visits reached to 9.4 million.

All without an "NPS Transportation Company", and also without turning the Gateway neighboring communities into antagonists of the park.

Gateway, inaccessible?—nonsense!

Yet, one of the rhetorical devices used to press for the mass transportation component of the NPS is, for instance, that Gateway is inaccessible.

Perhaps compared with Times Square or Grand Central Station, Gateway in Brooklyn and Queens is less accessible. However, a park that now serves well over 100,000 people a day on weekends and holidays, and is already the most heavily used national park in the United States, can hardly be termed inaccessible.

I'd like to add an aside in tribute to the capitalist impulse that often provides useful examples which we, in Congress, ought not to ignore. As it has been attributed to E. W. Emerson . . . "if a man can write a better book, preach a better sermon, or build a better mousetrap than his neighbor, though he builds his house in the woods, the world will make a beaten path to his door."

Several years ago, just thirty-five hundred yards from Floyd Bennett Field at Gateway, private entrepreneurs invested upwards of fifty million dollars to build a major shopping center.

No guarantees of people being brought to their doors were asked or offered. Yet, half a million people a week now "make a beaten path to his door." It didn't take an act of Congress. It took a better mousetrap.

If we wish to gain access to new areas of oceanfront land—a need indicated in remarks by Boris Pushkarev, a research planner at New York's Regional Plan Association—we can do it without the new "NPS Transportation Company." We can do it by adding additional vacant, oceanfront land that now abuts four existing, operating subway stations in the Rockaways in New York.

Let me briefly summarize and also outline some of the additional issues which ought to give pause to this effort. They are addressed to Gateway, but I believe many items are relevant to other parks.

1. The Park Service would be creating growing transportation constituencies and would come under increasing pressure to spend larger sums on transportation—particularly in urban areas. This would serve to reduce the funds in the total "pie" available for operation and development of the parks.

2. Unfortunately, the NPS planning process for Gateway has been weak. NPS has already expended nearly a half million dollars in transportation studies, and has come up only with a plan to inundate south Brooklyn and the Rockaways with bumper-to-bumper busing. Hardly innovative; certainly a plan achievable with little or no expenditure of planning money.

If the NPS planning mission is still plagued with problems, why add a new and complicated mission—one in which the NPS lacks any pretense of expertise.

3. The present NPS transportation planning process has already turned the communities surrounding Gateway into an increasingly hostile environment for future development of any and all creative proposals at Gateway. Should this sensitive—indeed explosive issue—continute to be led by those who've created the present deteriorating climate?

4. Lumping together the planning of the park and the planning of transportation—with its volatile implications—will assure that the focus of all of the ire against transportation will settle on the entire park plan; no matter how innovative and uplifting the park development plan may be. Conversely, the separation of the two would allow a more rational planning process for development of the park and for transportation planning too.

5. Transportation problems in south Brooklyn and the Rockaways transcend the concerns of the park. The needs of those areas of New York cannot be met by a parochial NPS transportation effort.

6. All of the concern about transportation needs by the present transportation planners focuses on a maximum of 16 days a year of peak oceanfront usage and the presumed need to bring in hundreds of thousands of people. I strongly question the concept of "force feeding" the park's usage by expenditure recruitment.

7. No plan for a year-round use has ever been prepared for the park. For instance, if Floyd Bennett were to become a year-round, nationwide attraction, serving from 10,000 to 30,000 people a day, we would have a park serving well over 4 million people yearly, exclusive of summer ocean usage. And we would already have most of the transportation system in place without destroying neighborhoods and communities.

8. Income transfers which are inherent in the expensive transportation projects already projected are questionable, particularly when critical New York needs requiring billions of dollars are of paramount importance. Furthermore, if money is to be spent on mass transportation, certainly the priority should go to mass transport to year-round home to employment, not on recreational transportation which may be needed for only two weeks, or 15 days of peak use per year.

Over past decades we have tended on occasion to overplan, overspend and overgovern. I submit to you that an NPS Transportation Company is just such a wrong-way trip.

Is this trip necessary? My communities say no. Let's give the NPS a one-way ticket back to the drafting boards on this one.

WASPS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the statement made by representatives of the American Legion with respect to pending legislation which would provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration:

STATEMENT OF EDWARD J. LORD, ASSISTANT DIRECTOR, NATIONAL LEGISLATIVE COMMISSION

Mr. Chairman and Members of the Committee: The American Legion appreciates the opportunity to present its views and recommendations on S. 247 to extend veterans' benefits to the Women's Air Service Pilots of WW II; S. 1414 extending similar benefits to the overseas telephone operators of WW I and S. 129 to restore recognition for certain Philippine Army veterans of WW II.

Mr. Robert E. Lyngh, Deputy Director of our National Veterans Affairs and Rehabilitation Commission is prepared to either read or summarize his statement.

STATEMENT OF ROBERT E. LYNGH, DEPUTY DIRECTOR, NATIONAL VETERANS AFFAIRS AND REHABILITATION COMMISSION

Mr. Chairman and Members of the Committee: The American Legion appreciates the opportunity to present its views on three bills the Committee now has under consideration.

S. 247—a bill to provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration.

The American Legion cannot support this bill. Its enactment would, in our judgment, jeopardize the entire concept upon which the program of veterans benefits has been constructed.

Let me say at the outset, that The American Legion is very much aware of the notable contribution to the war effort that was made by the Women's Air Force Service Pilots in World War II. That contribution was recognized at the time it was made, and the women pilots involved have been honored during the years intervening since the end of the war.

We recognize too, that the militarization of the WASPS was recommended in World War II, by the Army high command, and was approved by a Congressional Committee in 1944. We have read the record of how the bill failed of passage on the floor of the House, and perhaps the House should have, in fact, passed the bill at that time, possibly resulting in the militarization of the WASPS, and thus making this subject, now before the Committee, moot.

But the bill was not passed. The WASPS were not militarized, and the completed record of their service establishes that they functioned in a civilian capacity.

The question then, that must now be answered, is whether as civilians, in the service of the Army, for performance of a specific and limited task, admittedly involving appreciable risk to life and limb, the former members of the WASPS should be accorded the same rights and benefits that appertain to honorable service in the Armed Forces during World War II. The American Legion firmly believes that this should not be done.

The point is not whether the WASPS performed important and valuable service. The point is the retention of the concept of veterans and veterans benefits, as this concept has been developed and maintained throughout the history of the Republic.

In all of America's wars there have been civilian components that have rendered good and useful, and, most assuredly, important service, in association with the military. These components are multiple in number and variety of services performed, and most certainly include the invaluable work of the WASPS.

Much of the service of these civilian components was performed in the zones of active operations, even under fire. Members serving in the components were injured and killed in actual combat operations. All those who served are deserving of recognition and honor from a grateful country. But—they were not members of the military services, and they were not and are not veterans. And, in the judgment of the American Legion, any rewards and benefits the Congress may decide to bestow on them, should not be included in the category of veterans benefits.

In the history of our nation, the veteran has, from the time of the Revolution, occupied a special place, in relationship to the American people. In the main, our wars have been fought and won by the citizen-soldier, who, in responding to the nation's call, is fulfilling a basic obligation of citizenship. The citizen-soldier takes the soldier's oath. He is enrolled for the duration of the war. He is subject to military control and discipline. He is required to bear arms, and to engage in combat according to the orders of the offi-

cers appointed over him. Upon the honorable completion of the prescribed term of service, he is honorably discharged and he becomes a veteran. And at that point he becomes entitled to the honors and benefits that have been bestowed on veterans by a grateful nation.

The role of the veteran in America is a very special one. It is cherished by those who have earned it. It is unique among the categories that comprise the American society. It is highly prized and valuable, and is to be shared only by those who have earned it. The benefits and services that are attached to the status of veterans devolve upon his dependents and survivors. All of these factors, and the wars in which the nation has engaged, have resulted in a present veteran population of nearly 30 million, who, with their dependents and survivors, comprise fully half the total population.

So—in view of all of these things—where does one draw the line? How does one precisely define the term "veteran?" The American Legion will stand with the definition provided by section 101 of title 38, of the United States Code. Paragraph (2) of section 101, reads: The term "veteran" means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

On the basis of that definition, the former members of the WASPS are not veterans. And if that is true, the question that then presents itself is whether, notwithstanding the fact that WASPS performed in a civilian capacity, they should nevertheless be accorded the rights, privileges and benefits that are accorded to veterans. We, of The American Legion, say not.

Of all the points that can be made against so according them, the overriding one, in our judgment is that to legislate such a grant of benefits would denigrate the term "veteran," so that it will never again have the value that presently attaches to it.

For, once the precise definition of the term is breached, it will no longer be possible to defend it. If WASPS are to be accorded the rights and privileges and benefits that now appertain to veterans, then an equally valid case can be made for all of the non-military components who in some way contributed to the war effort, in any of the nation's wars. And, of course, if benefits are to be given to all of these groups, then, it naturally follows that applicable benefits will attach to their dependents and survivors.

Now, Mr. Chairman and Members of the Committee, the reason The American Legion feels so strongly on this matter, is that, it will be impossible, in our judgment, to continue to ask the American people, through the Congress, to give special attention to the needs of veterans, and their families, if all rights and benefits for veterans are going to apply equally to anyone who, in whatever capacity, contributed to the war effort, in any of the nation's wars.

Mr. Chairman and Members of the Committee, The American Legion believes it would be gravely wrong for Congress to enact this measure.

S. 1414—a bill to provide service credit for certain services in telephone operating units; Signal Corps.

In commenting on S. 1414, we have particular reference to that part of the bill that amends section 106 of title 38, USC, to state that "(f) Service during World War I by any female citizen of the United States of America, as a member of the telephone operating units, Signal Corps, United States Army, shall be considered active duty for the purpose of all laws administered by the Veterans Administration."

We do not presently have sufficient information about the component here involved, to offer a definitive comment. We certainly do not have enough information at hand to conclude that the women telephone operators who were in the service of the Signal Corps, with the American Expeditionary Force in France in 1918, were members of the United States Army. They served under the command of the Signal Corps, and worked in a zone of active military operations. We do not know whether they took the soldier's oath, were enlisted for the duration, received military pay, wore regulation uniforms, were completely subject to military control and discipline, and were assigned military rank. The implication of the bill is that the women telephone operators did not, in fact, meet all these criteria of military service, and that they were, in fact, members of a civilian component, recruited to serve a special need of the Army in France.

If that is so, then the women telephone operators are not veterans as the term is defined, and all of the reasons advanced earlier in this statement, relating to WASPS, apply equally to the women telephone operators who served with the Signal Corps in World War I.

It is our recommendation to the Committee that this bill not be approved, at least until definitive data is obtained from the Department of Army concerning the status of this component in World War I. If it was indeed, a civilian component, then The American Legion does not support enactment of the measure, and we feel equally strongly about its inadvisability as we do about S. 247, which we discussed earlier in this statement.

S. 129—a bill to restore the wartime recognition of certain Filipino veterans of World War II and to entitle them to those benefits, rights, and privileges which result from such recognition.

S. 129 addresses a problem that developed subsequent to June 30, 1948, the date on which the Guerilla Recognition Program ended, resulting in approximately 125,000 guerillas being dropped from the rolls, causing problems that have persisted since that time.

Due to the circumstances under which the war in the Philippines was fought, questions arose following the end of the war, concerning recognition of those who had actually participated in the war, and fraudulent claims advanced by some to recognition they did not, in fact, deserve.

The American Legion has been concerned at the need to identify those who properly are entitled to recognition, so they may qualify for the benefits provided for them by the United States. That concern is most recently expressed in Resolution No. 163, originated by The American Legion of the Philippines, and adopted by the most recent American Legion National Convention in August 1976.

Resolution No. 163 states American Legion support for legislation reopening the Guerilla Recognition Program of the Commonwealth of the Philippines by the Department of Defense of the United States. S. 129 would appear to satisfy this apparent need as recognized in our resolution.

Because of the fact that a real problem does exist, in completing identification of those who served the cause of the United States in the Philippines during World War II, The American Legion believes that S. 129 is worthwhile legislation, and recommends favorable consideration by the Committee.

Mr. Chairman and Members of the Committee, that completes our presentation with regard to the three bills now under consideration. We are prepared to respond to any questions Members of the Committee may have.

INTRODUCTION OF THE CLASS ACTION PROCEDURES IMPROVEMENT ACT OF 1977

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. KOCH. Mr. Speaker, today I am introducing the Class Action Procedures Improvement Act of 1977. This is an important bill which, if enacted, would significantly help to deter violations of law for which there is presently no redress. The first portion of the bill would improve class action procedures generally, principally by substituting a practical procedure to replace the cumbersome notice requirement currently imposed on plaintiffs in class actions. The current state of the law as articulated in the Eisen case requires an individual notice to be mailed to every member of such a class. The costs of such a requirement in many cases are prohibitive and can effectively bar the use of a class action as an available tool to plaintiffs. My legislation would allow the court to determine a method of notice to the class that is "reasonable" under the circumstances.

My bill would also address the current state of the law with respect to jurisdictional amount in class actions. In Snyder against Harris, the Supreme Court ruled that each member of the class had to have a claim in excess of $10,000. This interpretation of the jurisdictional amount requirement also effectively bars many potential plaintiffs from utilizing the class action tool. My legislation would allow members of a class to aggregate their claims in order to meet the $10,000 jurisdictional amount. This would permit generally aggrieved individuals who have legitimate claims under $10,000 from using the class action tool. However, my bill would require that each claim be at least $10 and the total amount of the class' damages exceed $10,000 so that frivolous claims would be effectively excluded.

The final portion of my legislation would significantly improve the quality of consumer justice in America, by affording a real remedy for the first time, to certain victims of misrepresentation. This legislation will not redress all wrongs to consumers since merely individual consumer suits will have to be handled in small claims courts and other relatively informal tribunals. But the bill will be exceedingly valuable in those cases in which substantial numbers of consumers are adversely affected by the same practice, such as a widely circulated false advertisement, or a practice of keeping consumer deposits without delivering goods.

My legislation would enable aggrieved classes of consumers to maintain actions for injunctions, or for actual damages or restitution, in either the Federal or State courts. Actions for penalties would not be permitted unless some other statute specifically authorizes recovery of a penalty in a class action. Thus, businesses need not fear that consumers will

unfairly use this legislation to penalize them in a way unintended by legislatures.

There are those that will argue that this legislation will lead to a clogging of Federal or State court calendars. There is no reason to expect that this will happen. It did not happen in New York, Massachusetts, or California when those States liberalized their class action rules. Furthermore, the "unfair practices class action" portion of this legislation has several built-in devices to prevent trivial cases from being brought: First, the special $25,000 aggregated jurisdictional amount; second, the requirement that that portion of the bill only applies to claims exceeding $10; third, the requirement of notice to prospective defendants to encourage settlement; and fourth, the provision under which the Federal court, taking into account the condition of its docket, may dismiss the action without prejudice to refiling in a State court.

The House Judiciary Committee on Courts, Civil Liberties, and Criminal Justice will be holding hearings beginning June 20 on access to justice. I am confident that that subcommittee, chaired by my friend and colleague ROBERT KASTENMEIER, will address the salient issues raised by the legislation I am introducing today. I believe that reform of the class action is one of the significant ways in which we can improve access to the courts for all citizens and I am hopeful that the subcommittee, following its deliberations, will set class action reform as a high priority for congressional action.

I believe that the enactment of the Class Action Procedures Improvement Act of 1977 will represent far more than an important step in insuring justice for ordinary citizens who feel aggrieved and want a day in court. It will also be a major step in devising ways in which the Congress can resolve problems without creating new bureaucracies.

THE QUALITY OF FEDERAL JUSTICE

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. COHEN. Mr. Speaker, the House Judiciary Subcommittee on Monopolies and Commercial Law is this week considering an omnibus judgeship bill. The legislation would create some 80 additional Federal district judgeships throughout the country. These additional judgeships are clearly needed to help relieve the unprecedented backlog of cases which now poses a serious threat to the administration of justice in our Federal court system.

The additional judgeships will, however, prove to be of little value if they are not filled with highly qualified men and women. I believe the Congress would be remiss were it to pass the judgeship bill without taking steps to insure that the nominees proposed to fill the new openings on the bench will be of superior caliber.

The New York Times, in an editorial appearing in today's editions, makes a cogent case for establishment of a screening system which will assist in the selection of nominees for Federal judgeships. The House Judiciary Subcommittee now has under consideration a similar proposal. I would hope that the Judiciary Committee and the full House would take appropriate action to promote the quality of our Federal judges at the same time we increase their number.

The Times editorial follows:

THE QUALITY OF FEDERAL JUSTICE

A recent report to this newspaper well conveyed the irony of political events. It began: "The Senate passed tonight a bill to create 148 new Federal judgeships, which would ease the burden on the judiciary and provide patronage for Senate Democrats and President Carter."

There can be little question that the new judgeships—35 at the appellate level and 113 in district courts—are badly needed and that the House should quickly follow the Senate's lead. Not one judgeship has been created in the last seven years though Federal litigation has been increasing at a rapid rate. But the promise of patronage is hardly encouraging. This was to be the year in which a new emphasis on quality was to appear in our judicial system; at least that's what Candidate Carter implied when he told the Democratic Platform Committee that "all Federal judges and prosecutors should be appointed strictly on the basis of merit, without any consideration of political aspects or influence. . . ." Attorney General Bell agreed with that view at his confirmation hearing.

The Administration has been faithful to its word on the appellate level by creating special commissions to screen nominees. But even though the Attorney General has found better recruits through nonpartisan commissions than through patronage, the old ways are still being employed in the selection of district court judges and United States Attorneys. These jobs are traditionally filled by the nominees of Senators. The latter have been invited to set up screening commissions to assist them in making their choices. The Attorney General said last month that in the cases where Senators had followed that procedure, "many more qualified individuals are recommended for appointment than is the case when political patronage governs the choice." Unfortunately, most Senators have declined to accept the invitation.

The President seems unwilling to force the issue with the Senate and to demand that quality become the main concern in selection. He may be right in appraising his influence in the Senate at this point, but that should not be the end of the matter. Mr. Carter and the Attorney General could encourage the organized bar across the country to press Senators for a quality control system. They could also refuse to appoint all but the most clearly qualified nominees. The President's campaign promise was not just a pitch for votes; it was a recognition of a national concern.

COMMUNITY SERVICES ADMINISTRATION SHOULD BE GIVEN HIGH PRIORITY

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. RICHMOND. Mr. Speaker, I am addressing an issue today that is of vital importance to our Nation's poor and elderly: The Community Services Administration, which for many is the only sign of relief. I am concerned that the war on poverty was virtually curtailed during the Nixon and Ford administrations through vicious and malicious attacks on existing welfare programs. It has been distressing for me, during the past few years, to see this destruction. The poor and elderly during these times have been helpless, and the general condition of our welfare programs has gone downhill.

But, Mr. Speaker, I am encouraged by the Carter administration's commitment to alleviate the plight of the poor and aged in America, and I am hopeful that the Community Services Administration will be able to reaffirm its independent advocacy role that is vital to so many people in America.

I recently addressed this topic at the regional conference of the Community Services Administration in New York City. I would like to share the text of that speech with my colleagues at this time with the hope they will have a better understanding of the Community Services Administration and the important role it can play when properly administered:

SPEECH BY CONGRESSMAN FREDERICK W. RICHMOND

"I agreed to speak to you this afternoon because I represent the third poorest district in New York State. I have seen with my own eyes many of the problems we will be discussing here today. I have seen what can be done when citizens organize to effectively improve the quality of their own lives, and I have seen these same citizens demoralized and abused by narrow-minded and destructive administrative policies.

When President Johnson launched the War On Poverty in 1964, our communities were stirred by a new spirit. Neighbors began to get involved with one another; to discuss their mutual problems and to devise coherent and effective approaches to overcome the poverty and despair that have historically kept the poor and aged from full participation in our society. For the first time, all levels of government commited their intellectual and material resources to the effort to seek out and destroy the deep and pervasive poverty in our nation.

There is a current myth that poverty programs do not work and that we, as a nation, have lost the War on Poverty. We hear that these programs were poorly designed; that billions of dollars have been wasted; that the problems of poverty cannot be solved by the application of more and more Federal dollars. Let me tell you in no uncertain terms that those who are busily perpetuating these myths are the very same people who, for eight long years, purposely and with malice aforethought, conspired to destroy these very programs . . . and, as each of you know, these efforts were very nearly successful.

I believe it is time we cleared up this myth once and for all so that we can begin to focus more clearly on the very real and oppressive problems which face so many of our citizens each and every day of their lives.

The truth is that the War on Poverty did make a tremendous difference in the lives of poor people during its first few years. Yes—it is true that some of the programs failed, but a great many of them were successful as evidenced by the broad impact they are still exerting in hundreds of communities all over this country. Head Start, Community Health

and Legal Services Centers and Day Care are effective programs which have allowed poor people to participate in a meaningful way to improve their lives.

But soon after the War on Poverty was launched, President Johnson relegated it to the back burner so that his Administration could have all its time available to deal with the odius and tragic war in Vietnam. The sons of the poor found themselves drafted into the armed forces to serve in an unjust war, while their parents and families at home found themselves in the midst of the War on Poverty without the necessary tools to achieve the success that once seemed to beckon so hopefully.

President Nixon came into office with a deep-rooted bias against the poor and a determination to dismantle the Office of Economic Opportunity, the lead agency in the struggle for meaningful progress against the intolerable burden of despair so prevelant in our nation's poverty-stricken communities.

I have no intention of boring you with a long history, all too familiar to everyone in this room. But, I think it is virtually important that the myths currently in vogue about the failure of this nation's effort to alleviate poverty be put to rest.

Let's put it all out on the table. Richard Nixon and his chosen successor, President Ford, did everything in their power to cripple these programs and then they had the audacity; the sheer hyprocracy to blame the effects of their own heartlessness on poor people trying desperately to survive in our society.

Nixon and Ford appointed Administrators that had little commitment to the War on Poverty When Congress refused to permit the administrative dismantling of these necessary programs, Nixon and Ford impounded the funds. When that didn't work they began issuing restrictive regulations. When that didn't work, they launched widely publicized attacks against the poor in a reprehensible attempt to blame the most helpless people in America for the failure of the Poverty Program.

Nixon attacked the welfare clients and President Ford launched a vicious and ignorant campaign against food stamp recipients. The airwaves were filled with an endless series of attacks on poor people as the most powerful man in America launched one attack after another on those with no power at all.

Under this barrage of vituperation, how could anyone in his right mind expect our nation's assault on the desperate problems of poverty to succeed?

The War on Poverty was not lost . . . it was betrayed by a small band of narrow-minded men who decided to use the poor as political scapegoats rather than deal with the single most important problem facing the nation.

Today we face a different and far more hopeful situation. President Carter has taken several recent steps which, I think, indicate his commitment to the restoration of meaningful advocacy programs for the poor of this nation. The President's recent appointment of Dr. Grace Olivarez to head the Community Services Administration is heartening, because it signals the President's concern with insuring that C.S.A. lives up to its role as a governmental advocate for the poor which, quite frankly, has not been the case for the past three or four years.

Richard Nixon's attempt to obliterate the advocacy role of O.E.O. came all too close to success, as we all know.

He had no intention of allowing the C.S.A. to operate in an effective manner on behalf of the poor.

Administrative restrictions were devised which have had a serious effect on the ability of C.S.A. to fulfill its mandate and this, too, was no accident.

Grant approval was centralized in Washington and regional offices were removed from this vital process. This created an incredibly inefficient situation and one which was clearly not intended to increase local participation in the program.

In addition, the question of whether C.S.A. should remain an independent agency or whether it should be merged with the Department of Health, Education and Welfare was left to the President, whose inaction left C.S.A. in a bureaucratic no man's land which was intended to further emasculate and disarm the agency.

As a result, intergovernmental cooperation with C.S.A. came to a standstill as other agencies became justifiably hesitant in their dealings with an agency whose very existence was in question.

As if this were not enough, C.S.A. was put on a quarterly funding basis so that internal planning and budgeting procedures became increasingly inefficient and chaotic.

I haven't the slightest doubt that if Gerald Ford had been elected in 1976 he would have moved to abolish the Community Service Administration by merging it into H.E.W.

The inefficiencies which Nixon purposely created in the agency would have been used by President Ford to destroy the entire program once and for all.

The victory of President Carter has given us new hope and a new opportunity to correct the abuses of the past.

Today we face a far more hopeful situation. President Carter has taken several recent steps which I think indicate his commitment to the restoration of meaningful advocacy programs for the poor of this nation.

The President's recent appointment of Dr. Olivarez to head the Community Services Administration is a meaningful step in the right direction which I interpret as a sign of the President's real concern and commitment to restoring the advocacy role of this vital agency.

In the past few weeks, questions have been raised about President Carter's commitment to alleviating the plight of the poor and the aged in America.

I believe that the attitude President Carter takes toward the Community Services Administration is a crucial test and there is every indication that the President will act to accept this challenge.

The Independent Advocacy role of C.S.A. must be affirmed; grant authority should be returned to the regional offices and funding returned to an annual basis. This will give us the tools to rebuild advocacy programs that have been allowed to deteriorate over the past few years.

If the President gives us these tools, we in turn must take the responsibility to accept the fact that many C.S.A. programs have lost the spirit of advocacy.

We would be less than candid if we do not accept our share of the blame for the past three or four years of inaction.

Instead of significantly and meaningfully involving the poor in carrying out C.S.A. programs, many of us have remained silent while policy-making boards have refused to hold regular elections, thereby blocking the poor from participating in the making of vital decisions that directly effect their own lives.

Many programs have failed to serve as Advocates for the poor on matters of public policy. In fact, programs have too often worked the other side of the street by defending administrative policies, and procedures that run counter to the real interests of the poor and the aged.

Rumor has it that the passion and anger of the Sixties has been cooled by air conditioned offices and compensatory time. Well, I say that it's time to stop being bored and return to being bold. Community Action is needed now, as much if not more than ever in the past.

It is time to take a second look at our program accounts and admit that we should phase out some of the programs we now fund.

We must stop defending the status quo. Like many other traditional agencies, there are far too many shufflers of paper, guardians of guidelines and meetings of deadlines.

I believe that the Community Services Administration under Dr. Olivarez will grasp these opportunities so that the poor and the aged of urban America and rural America will once again be able to receive the assistance they need to help themselves.

AN ADDRESS BY RUSSELL W. PETERSON ON THE ROLE OF THE UNITED STATES IN THE WORLD

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BROWN of California. Mr. Speaker, last week the U.S. Association of the Club of Rome held a conference entitled "Alternative Views of the Future." The purpose of the conference was to discuss the global situation, and the limits or restraints the nations of the world face in meeting their needs and goals.

The keynote address to this conference was given by the president of New Directions, which is a newly founded organization dedicated to global issues of vital importance to our interdependent world. Russell W. Peterson serves as the full-time president of New Directions, after service as Chairman of the President's Council on Environmental Quality, and as the Governor of the State of Delaware.

I was very much interested in Mr. Peterson's address, and would highly commend it to my colleagues.

The speech follows:

THE ROLE AND RESPONSIBILITY OF THE UNITED STATES IN COPING WITH THE WORLD PROBLEMATIQUE

(By Russell W. Peterson, President, New Directions)

(Alternative Views of the Future, U.S. Association for the Club of Rome Conference, American University, Washington, D.C., June 3, 1977.)

In the General Assembly of the United Nations, each member state has one vote. But this does not mean that all nations are equal.

Instead, we come to the bar of history with vast disparities in geographic size, natural wealth, climate, population, economic development, military strength—not to mention contrasts in culture, tradition, religion, custom, ideology, and politics. But I would like to talk with you briefly this morning about my strong personal belief that today, in the community of nations, the United States has a special role and responsibility.

Part of our American heritage has been a deep pride in the success of our American experiment, and I feel that that conviction has some firm justification. But let me explain.

I do not by any means intend to suggest that we are a uniquely chosen people, or that we have some direct and private channel of communication with God. That sort of pernicious nonsense has been used all too often throughout history by assorted dictators and tyrants to justify oppression at home and aggression abroad in the name of some purportedly divine mission.

Nor do I mean to imply that we in the United States possess some special wisdom that protects us from error or stupidity in our international actions. I regret to say that there are far too many painful examples of U.S. mistakes in the recent past to take any assertion seriously.

And I certainly would not want to argue that we, as Americans, deserve some kind of privileged treatment. Both you and I have too often seen some of our fellow countrymen abroad, who apparently felt that the Great Seal of the United States on their passports automatically endowed them with some peculiarly lofty status or protection denied to citizens of other states.

No, I mean none of those things. And yet I do believe that the United States has a special role and responsibility in the world of today, and that in some ways we stand alone.

What do I mean by our unique character?

We have achieved a high quality of life for most of our people. But so have several other nations.

We have built the most powerful military force that ever existed, capable of wiping out most life on earth. But our military and civilian leaders judge that the Soviets have now achieved "rough equivalence" with us.

We have been blessed with a great natural heritage that, among other things, permits us to be the breadbasket for the world. At the same time we have been bringing our population growth under control long before it bumps up against the carrying capacity of our land. Several other countries—including Canada and Australia—share this achievement with us.

We have built a powerful system for producing goods and a scientific establishment second to none.

Our people have had the benefit of a broad education as have many other societies.

We have built a democracy that for 200 years has weathered many storms, providing ever-greater justice for our people. And today the people are in firmer control than ever before.

We have held out our hands to our vanquished foes and helped them to rebuild their lands. And we have provided extensive aid to less fortunate nations.

Each of these traits which I have enumerated is shared by one or more other countries. But no other nation enjoys all of them.

But in addition, we have built a nation from essentially all cultures on earth. People from all over our planet with their varied backgrounds and hopes and fears and languages and abilities have come here. And they have risen to positions of leadership throughout our society, putting the imprints of their varied cultures on what has to be a microcosm of a world community.

It is the sum of these many factors that gives the U.S. a unique role and a special responsibility in copying with the world problematique.

This audience certainly knows what I mean by the "World Problematique." It has been well defined by Aurelio Peccei. It is that complex of problems troubling people of all nations—poverty in the midst of plenty, degradation of the environment, loss of faith in institutions, unemployment, alienation of youth, rejection of traditional values, war and violence, inflation. These seemingly divergent parts of the world problematique have three characteristics in common. They occur to some degree in all societies; they contain technical, social, economic and political elements; and most important of all, they interact. It is this interaction that makes it difficult, if not impossible, to cope with any of the components without understanding the whole. It is to better understand the whole and to devise effective responses that the Club of Rome and now the U.S. Association for the Club of Rome have dedicated their efforts.

We may be alone in the size of our opportunity to contribute to the resolution of the problematique, but certainly we cannot begin to do the job alone.

And certainly no nation is alone in suffering the consequences of our failing as a planet to resolve the critical world problems.

Today it is clear that our future prosperity and happiness and even our survival are inevitably tied to that of the world. Whether we like it or not, we cannot go it alone. The interdependence of the nations of the world is an unalterable fact.

So what is required for the U.S. to fulfill its special role and responsibility?

First of all, we need the right leadership. Fortunately for all of us, President Carter understands the world problematique, has a deep feeling for the basic strengths of the nation he heads, has the vision to articulate the long-range goals to which people everywhere can subscribe, and the courage to advance measures today that will lead toward those goals. He deserves our strong support.

But the President cannot do it alone. Other leaders, and the people in general, must develop a clear understanding of the threats to world security and of the opportunities to cope with them, and the people must demand a change in the directions we have been going. Most of our leaders in business and government continue to make decisions the same old way. Business leaders worry primarily about this year's operating statement and government leaders about the next election. And professors become trapped in the myopia of their specialty. As a result, we are being carried into the future by the momentum of the status quo—resisting change in every direction.

This myopic approach to the future is reminiscent of the unfortunate gentleman who fell from his balcony on the 75th floor of a hotel. As he passed each floor on the way down, other guests heard him repeat to himself, "So far, so good."

It may seem a far reach from that humble tale to the resolution of the world problematique. In fact, however, the falling gentleman's self-assurances seem to me at the heart of the key problem we need to resolve. His rationale could serve as a parable for man's obstinate rejection of reality—and for our continuing failures to make the hard decisions necessary to reconcile man's demands for near-term satisfaction with his long-term survival.

"So far, so good" is suicidal logic. The really troublesome element of it, however, is that it was absolutely irrefutable for the first 74 floors. Only arrival at the last floor betrayed a certain flaw in reasoning.

Let me illustrate the nature of this problem by reminding you of several recent sad experiences in United States' history that resulted from the cumulative impact of many short-term, special-interest decisions.

For many decades we pushed industrial development and public works projects with little concern for the environment. Finally our air, our water, our land became so befouled that the people—concerned about the security of life itself—rose up and demanded a change. Seeing their short-term personal goal of becoming re-elected threatened, the elected leaders passed an avalanche of environmental legislation. Now we are on a safer course and the all-out developers are being dragged into the future screaming—and making money as they go!

Our leaders—making piecemeal, short-term, myopic decisions—got us into the Vietnam War. Finally the people—realizing that the justification for that war was phony and that the war was threatening our security, not enhancing it—got us out. And so ended one of the most disgraceful chapters in our history.

Becoming elected has frequently been enhanced by speaking of the need for integrity in government while practicing something else. This behavior culminated in the Watergate fiasco. The people—seeing the security they thought was provided by the democratic process threatened—demanded change. As a result, many elected officials all over the United States have been brought to the bar of justice, and legislative bodies at the national, state and local levels have passed a stream of legislation calling for higher ethics, more open government, campaign financing, income disclosures, etc. Responsible in no small measure for much of this action has been the potent citizens' lobby called "Common Cause."

One might think that after facing up to these past threats to security, we could relax. But on the contrary, the security of all of us demands constant vigilance. It also calls for some fundamental changes in how we look at the problems and at the world around us.

What is required is an integrated, holistic, interdisciplinary approach. This must be applied with humanistic wisdom, avoiding the simple application of blind technology as we have too frequently practiced in the past.

Traditionally, man has broken his endeavors down into specific disciplines for his own convenience, and hence has perceived reality from many different perspectives. Such specialization has been necessary for scientific and technological advance; and we have learned much more, and much more quickly, by breaking phenomena down into various compartments and studying them from the standpoints of biology, physics, chemistry, economics, political science, and so forth. But we must remember that our world does not exist in compartments; it comes in single, interrelated communities, each part of which affects other parts.

While pursuing our separate disciplines, each of us must strive to relate our work to that of others so that we can regain—by adding our individual pieces to the total puzzle—a view of the unity exemplified in nature. We have taken the globe apart to make it intellectually manageable, to make it professionally convenient. But that doesn't mean that the globe exists in parts. So all of us had better learn to put the pieces back together again. To ensure that our intellectual pigeon-holes conform with homely reality, we had better learn to think holistically.

There is much, for example, that an individual working alone in the field can contribute. But it is clear that the broader understanding we critically need today can only be obtained through a truly interdisciplinary approach. Since the biosphere does not recognize political divisions and boundaries and since many of the impacts of our actions do not stop at national borders, our search for understanding must be international as well as interdisciplinary.

In additional to a holistic perspective, it is also necessary that we bring a historical persvective to bear.

We in the United States are proud of our history, and rightly so. As we now consider our role in the world today, we would be well served by relating our history to that of the dozens of new nations that have just recently made the leap from colonialism to independence. And in so doing we might display a little tolerance and more understanding of the handicaps under which they struggle.

We might recall how Thomas Jefferson hoped for our new nation to live up to the provision for freedom he wrote into the Declaration of Independence, but had to give in to the most gross violation of all human rights—slavery—in order to gain agreement to establishment of our nation. And it took 90 years and a civil war before we wiped out that scourge. And even today we still tolerate injustice in our midst.

Some of the new nations haven't even ex-

isted as long as the 13 years it took us to create our constitution and elect our first President.

This doesn't mean that we shouldn't hold out for fulfillment of basic human rights and the meeting of basic human needs for people everywhere at the earliest possible time. This is what our way of life is all about. But to expect superhuman accomplishments overnight in nations with little experience in self-government and in many cases with populations barely surviving on lands of inadequate carrying capacity may be expecting too much. Certainly some tolerance is in order as we continue to promote movement toward the goals we hold out for all mankind.

Our Republic, thanks to the genius of its founders, has survived for 200 years, protecting our cherished freedoms, our democratic federal government, and our free enterprise system, and providing some resources to help advance the welfare of the world community. The checks and balances of our three branches and three levels of government and the watchdog efforts of a free press and an active citizenry have insured the survival of the Republic. But this has not been accomplished without great sacrifice and tremendous effort. And its future survival will call for continued effort, sacrifice and individual commitment and involvement.

But today, as I said earlier, it is also clear that our survival is inevitably tied to that of the world.

This realization provides the reason to be for the Club of Rome and for the U.S. Association for the Club of Rome—to help make the people of the world aware of the world problematique and to encourage and help them to analyze the choices they have for moving into the future.

My assignment here today is to discuss the role and responsibility of the United States in the world problematique.

And when we look at the rest of the world and weigh the strengths we have to contribute to the common cause, we must not forget or underestimate what I think is our greatest strength of all—more powerful than our armed forces with their nuclear weapons, more powerful than our vaunted economic system—it is our demonstrated respect for the dignity of individual human beings, a success story that once again can brighten the hopes of people everywhere. We must nurture it and keep it alive.

The role of any nation in world affairs may be designed by scholars and specialists and strategists—but it must be ratified in the political arena. At this moment, the person who wants to do something about world problems is nearly helpless. Isolated and standing alone, he or she cannot affect the political game where international policies are tested and adopted.

The new citizens' organization I head—New Directions—has been organized to provide citizens with a channel for effective impact on United States foreign policy formulation. We are building an army of dedicated, involved citizens concerned about the quality of life of individual human beings everywhere, mobilized and focused on those high-priority critical programs that can best enhance such quality of life for both present and future generations—organized to bring concerted and sustained citizen action to bear in whatever arena necessary to gain its objectives.

We will ask our members to do the kind of homework that will make them effective in citizen action. They should know all they can learn about their Congressman. They ought to know what his stated positions are, what actions he has taken, what his strengths and weaknesses are. They should have the same knowledge of their two Senators. We will help them do their homework. We will keep them up to date on important issues before the Congress. We will let them know what they might do—at any given time—to influence those issues.

And we plan to ally with citizens' groups in other countries to join our separate forces to make common cause on world issues that mutually concern us.

To think that it will be easy to have a meaningful impact on the world's critical problems would be naive. But not to try would be foolish and irresponsible indeed.

How many of you—like me—now think U.S. citizens could have and should have waded earlier into the fight to get the U.S. out of the war in Vietnam?

And did we—all of us here—really have to tolerate the befoulment of our environment—the deterioration of our very life-support system—as long as we did before we had the courage to stand up and fight?

And why did we put up so long with the unethical practices in our democratic government?

Now the world faces even greater threats. What are you and I going to do about them?

The answer may very well determine what kind of world our grandchildren will be living in.

There are great goals out there in the future. We are not entirely at the mercy of a blind fate. There is good reason for hope for a brighter tomorrow for mankind everywhere. But we must alter our course to get there.

If enough of our leaders in industry and government don't have this vision or the courage to act, the people must see that they do. The people can do it. The tradition of democratic government testifies to that.

We in New Directions have selected three of the principal threats to world security on which to focus.

Let me briefly describe them. They are:

1) The need to reduce nuclear armaments and to place restrictions on indiscriminate sales of arms.

2) The need to achieve a safe energy future, foregoing the use of plutonium as a fuel because of its contribution to the proliferation of nuclear weapons and nuclear terrorism and its threat to the environment; and promoting energy conservation and the development of renewable energy sources.

3) The need to increase United States assistance in support of more self-reliant programs in developing countries—seeking increased food production, accelerated and ecologically sound rural development, and expanded low-cost delivery systems for health, education, and family planning.

People who have fulfilled their basic needs, like you and me—like most in our country—now strive for self-fulfillment. We may find this fulfillment in working to build a planetary unity—to point the way for humans everywhere to live in harmony with each other and with the total environment.

The experience of the United States of America in welcoming people from every area of the globe, and demonstrating how all these different people—while maintaining much of their different cultures—could live together in relatively good harmony while building one of the world's highest standards of living, stands as solid testimony that a prosperous, harmonious worldwide community is a practical objective.

It is a challenge to all of us on planet Earth—including you and me—to help build such a brotherhood.

By dedicating ourselves to protecting and improving the quality of life on earth, each of us can improve his personal security and enhance the quality of his life. Thereby, one's deepest self-interest is served. By such dedication we have the best hope of building a sense of worldwide community upon which our survival and that of our children are dependent.

Anyone who cares about his children and grandchildren has to be concerned about the critical world problems—about the poorest of the poor, about the exploding world population, about the proliferation of nuclear weapons and about the pollution of our oceans and our atmosphere.

We in this room do care.

Let us dedicate ourselves to doing something more about it.

The pervasive interrelationships among the peoples of the world and between man and his environment led me several years ago to propose a Declaration of Interdependence. On reflection, this Declaration might also be considered as a basis for the work of the U.S. Association for the Club of Rome, and as a banner under which we citizens of the United States might work to further our special role in helping to resolve the world problematique.

We, the people of Planet Earth, with respect for the dignity of each human life, with concern for future generations, with growing appreciation of our relation to our environment, with recognition of limits of our resources and with need for adequate food, air, water, shelter, health, protection, justice and self-fulfillment, hereby declare our interdependence and resolve to work together in brotherhood and in harmony with our environment to enhance the quality of life everywhere.

THERE IS NO ENERGY SHORTAGE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. McDONALD. Mr. Speaker, the President's energy proposals rest on the premise that there is a shortage of energy. Now its true that shortages in certain areas exist, but these are the result of Government restrictions which have blocked access to energy supplies and do not reflect any real shortage of natural resources.

Yet the President implies that there are real shortages and thus that the Government must impose a whole host of new controls and restrictions on energy usage to promote conservation. Such a policy will prevent producers from developing new energy supplies, causing far worse shortages in the future.

But, as M. Stanton Evans so clearly illustrates in the following article from the May 28 Human Events, Government estimates of known reserves always fall far short of the actual reserves. For example the known reserves of oil rose from 75 billion metric tons in 1950 to 455 billion in 1970.

Mr. Speaker, we do not have an energy crisis, but an enormous political crisis. The antidote is to remove Government restrictions on energy production, not create new ones.

The article follows:

CARTER PLAN MISTAKEN—THERE IS NO ENERGY SHORTAGE

(By M. Stanton Evans)

To listen to the "no-growth" advocates among us, there is nothing for Americans to do these days but hunker down and do without.

The age of abundant energy, we are informed, is over. We must learn to live within limits. Conservation, reduced consumption, and occasional hardship must be our lot. President Carter sees all this as the "moral equivalent of war." The "no-growth" spokes-

men view it with a certain obvious relish as the final fadeout of a waning technological society.

In fact, however, all these assertions are provably false. While fossil fuels are finite and exhaustible in theory, we are nowhere near to running out of them. Recent shortages have been artificially induced, and have nothing to do with natural limits. There are other energy sources available that are potentially unlimited, but these also have been closed off by artificial barriers.

Stick for a moment to petroleum, the fossil fuel to which our economy is so closely geared. We are repeatedly told we are on the verge of running out of domestic crude oil and that within a generation or two our known reserves will be used up. But this is almost always true of known reserves, since producers of oil, or other raw materials, have little incentive to go prospecting so long as they have a supply for several decades readily available.

The history of petroleum geology is replete with predictions that we were about to run out of crude oil. In 1914 the U.S. Bureau of Mines projected that future production would amount to only 5.7 billion barrels (we have since produced 34 billion). In 1939 the Department of Interior said the U.S. oil supply would last only 13 years (we have since discovered more than the total known supply at the time). In 1949, Interior said the end of the U.S. oil supply was in sight (oil production was increased by more than a million barrels a day in the next five years).

As noted by futurologist Herman Kahn in his book, *The Next 200 Years* (Morrow), what happens in such situations is that as demand presses in on existing supplies, prices are pushed up and producers are spurred to enlarge available reserves. As a result of this process, "known reserves" are constantly growing rather than declining, so that in 1970 known world reserves of oil were six times as large as they had been in 1950 (455 billion metric tons vs. 75 billion).

The same is true, incidentally, for virtually all of the mineral resources on which our advanced industrial economy depends. Kahn and his associates provide us with striking evidence of this fact in the following table:

Ore	Known reserves in 1950 (thousand metric tons)	Known reserves in 1970 (thousand metric tons)	Percentage increase
Iron	19,000,000	251,000,000	1,321
Manganese	500,000	635,000	27
Chromite	100,000	775,000	675
Tungsten	1,903	1,328	−30
Copper	100,000	279,000	179
Lead	40,000	86,000	115
Zinc	70,000	113,000	61
Tin	6,000	6,600	10
Bauxite	1,400,000	5,300,000	279
Potash	5,000,000	118,000,000	2,360
Phosphates	26,000,000	1,178,000,000	4,430
Oil	75,000,000	455,000,000	507

Source: Council on International Economic Policy, Executive Office of the President. "Special Report, Critical Imported Materials" (Washington, D.C.: U.S. Government Printing Office, December 1974).

The constant growth of known petroleum reserves is also illustrated by Prof. Neil Jacoby of UCLA in his authoritative volume, *Multinational Oil* (Macmillan). Jacoby observes that in 1948, proven free world reserves of crude oil amounted to only 62.3 billion barrels. By 1972, this figure was up to 568.8 billion barrels—better than a nine-fold increase in the span of a generation.

During this 25-year period, known reserves in the U.S. and Canada more than doubled (from 21.4 billion to 47 billion), but the biggest growth was in underdeveloped nations where new technology was making major headway, chiefly in the Middle East. Proven reserves in the Mideast countries jumped from 28.5 billion barrels in 1947 to 355 billion in 1972, in response to world demand and the impact of technology.

Equally to the point, the amount of proven reserves has been rising, not falling, compared to the current rate of consumption. Thus, Jacoby notes, "in 1948, the 62 billion barrels of proven reserves would have lasted about 20 years at the then-current annual rate of consumption of 3 billion barrels. By 1972 the 569 billion barrels of reserves would have lasted about 35 years at the 1972 rate of 16 billion barrels a year." Increased demand, quite clearly, has called forth an ever-growing supply.

The problem today, from an American standpoint, is that government interference of various sorts has prevented this kind of adjustment from occurring, impeding exploration and production in the energy field. Government has held down the price of domestic crude oil and natural gas, blocked off access to offshore petroleum, imposed environmental and other constraints on the mining and use of coal, and recently slowed development of nuclear power after first encouraging it.

Where such pervasive restrictions are in force, the pricing system is unable to do its work of increasing supply in harmony with demand. What this means in terms of U.S. oil reserves (already known) was illustrated some months ago by Profs. Philip Gramm and Richard Davison in the *Wall Street Journal*. They pointed out that, as of 1969, the United States had 31 billion barrels of recoverable oil reserves at then-current prices. But there was another 285 billion in the ground that was recoverable only at higher prices, and could come onstream only as prices were permitted to rise.

The National Academy of Engineering explains the matter this way: "U.S. oil reserves discovered to date originally contained approximately 430 billion barrels of oil. Primary recovery operations and conventional water or gas injection secondary recovery operations have already recovered or will recover about 140 billion barrels from these reservoirs, leaving some 290 billion barrels that cannot be produced by conventional methods."

In other words, we have been recovering about 30 per cent of our available oil through reliance on (relatively) low-cost technology. To recover the remaining 70 per cent, or appreciable portions of it, will require more expensive techniques, which would only be possible if prices and return on investment were permitted to rise in response to market forces.

Gramm and Davison conclude that "a few dollars per barrel price increase would likely have the effect of *tripling* U.S. oil reserves. Just how fast the additional oil would become available as the price rises is impossible to say with precision. However, between 1947 and 1972, the record indicates that every 1 per cent increase in prices of refined petroleum products was on average associated with a 4 per cent increase in the production of gasoline."

By bollixing up the pricing system, the federal government and the environmentalists have prevented this process from working as it should, so that rather than rising to keep up with demand, as previously noted in this space, domestic oil production in recent years has actually been *falling* (8.1 million barrels a day in 1976, down from 9.6 million barrels in 1970). We have built so many disincentives into the system through controls and punitive tax laws that we are discouraging the very process we should be encouraging.

It is this purely governmental crisis that President Carter and the "no growth" people are citing as proof of energy exhaustion. Having stifled supply through imposition of controls, they now propose to do the same thing to demand.

WE TOLD YOU SO: THE ASSASSINATION COMMITTEE FINDS NOTHING

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BAUMAN. Mr. Speaker, although a minority, the large number of Members of the House who have opposed the creation and funding of the House Select Committee on Assassinations have been vindicated by recent developments, or rather, the lack thereof. The New York Times has published a news story which indicates that not only has the select committee been unable to find any new facts regarding the assassinations of President Kennedy and Dr. King, but that most of their original theories were figments of several persons' vivid imaginations.

I include at this point the article with the observation that the committee might do well to end its activities and save the taxpayers the money which is currently being wasted:

HOUSE SAID TO FIND NO NEW DEATH DATA

WASHINGTON (NYT).—The House Select Committee on Assassinations, which has been in operation for eight months, has come up with virtually no new information or evidence relating to the death of President John F. Kennedy or of the Rev. Martin Luther King, Jr., and has discovered that much of the so-called "new information" on which Congress based its decision to reopen the investigations is in error, according to a well-placed committee source.

"We certainly have come up with nothing earth-shaking," the source said, "and much that witnesses tell us is in conflict with what they supposedly told people who have written books about the assassinations and who have provided the basic leads for the committee to pursue."

An examination by the New York Times has determined that it was Mark Lane, the author and lecturer, who provided, on the basis of his published works, most of the "new leads."

Moreover, according to several officials familiar with the genesis and scope of the committee's investigation—and Mr. Lane himself—Mr. Lane was the primary force behind the formation of the committee and the architect of the direction that the investigation should take.

Mr. Lane, a former New York state legislator better known for his book "Rush to Judgment," criticizing the official investigations of the Kennedy assassination, was unsuccessful for two years in his attempts to get Congress to reopen an investigation into the death of Kennedy in Dallas.

But early last year, he began looking into King's death and persuaded the civil rights leader's widow, Coretta King, to solicit support from the Congressional Black Caucus for a reinvestigation of both assassinations.

Shortly after such an investigating committee was formed, Mr. Lane and Dick Gregory, the comedian, began work on a book about King and the assassination in Memphis. Mr. Lane refused to say how much they received from the publisher as an advance against royalties, but it was reported to have been $100,000.

The book, entitled "Code Name Zorro," recently was published—at about the time that the committee, according to minutes of one of its executive sessions, was seeking

favorable public and congressional reaction to its request for funds.

From the committee's inception, staff members acknowledge, Mr. Lane's books, theories and private investigations have provided the "working manuals" and the "working hypotheses" for the investigation.

The committee source said that internal problems that resulted in the resignations of the committee's chairman, Representative Henry B. Gonzalez (D., Texas), and its chief counsel, Richard A. Sprague, had delayed the active investigation phase of the committee's work until the "past two or three weeks."

This was true, the source said, even though the committee issued a report March 28 asserting that it was already pursuing "new leads" and had processed "new information."

Just as the committee almost collapsed in controversy a few weeks ago, much of the new evidence appears to be falling apart. The lack of credible new evidence has been cited to explain why the committee has been unable to obtain a new chief counsel to replace Mr. Sprague. Arthur Goldberg, the former Supreme Court justice, and Archibald Cox, the former Watergate special prosecutor, both have declined the post.

The report of March 28 said, "Much of the new evidence is of a highly sensitive nature and cannot be publicly disclosed at this time," but gave "representative examples, which illustrate the leads the committee is currently pursuing."

TRIBUTE TO BOYD E. GOLDER

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. MITCHELL of New York. Mr. Speaker, Friday, June 17, 1977, is Boyd E. Golder Day in Utica, N.Y. I bring this to the attention of my colleagues because Boyd E. Golder is a very special person who, as he shares in his community's celebration of his 85th birthday, will be filled with memories of a productive lifetime of public service.

He is a very special person because for more than six decades he has done so well what each of us privileged to serve in the Congress endeavor to do each day, give of ourselves so the world will be a better place in which to live for all mankind.

Mr. Golder has worn many hats of responsibility during his very distinguished career both in elective and appointive positions, but I would venture the opinion that his tenure as mayor of Utica earned for him the greatest renown. First elected mayor of Utica in 1945, Mr. Golder obviously had a winning way as he went on to serve five terms in office.

His talent for administration and leadership was recognized beyond the boundaries of Utica. In 1946, during his first year in office, he was elected vice president of the New York State Conference of Mayors; and in 1947, the same year his constituents gave him an overwhelming vote of confidence with another victory at the polls, he was elected president of the New York State Conference of Mayors.

Boyd Golder's public service has not been confined to city hall. As a matter of fact, his record in appointive positions is equally distinguished. He served his beloved Utica as commissioner of parks and recreation and as commissioner of safety. Gov. Thomas E. Dewey crossed party lines to appoint Mr. Golder to the Board of the State University of New York.

His interest in furthering educational opportunity and his special desire to contribute to the advancement of higher education availability in his home town have resulted in a long association with Utica College for Mr. Golder. He is a charter member of the Utica College Foundation of which he has served as vice president and president.

For 28 years Boyd Golder was a lecturer on city government at Boys State and during that period he helped to develop in young New Yorkers an appreciation for and interest in municipal government. Many who heard him went on to assume responsibility in government in their own right, no doubt inspired in part by the message he conveyed about the concepts of public service and good government during their formative years.

The Kiwanis Club of Utica, in conjunction with the Utica College Foundation, is cosponsoring the special June 17 tribute to Boyd E. Golder. It is especially fitting that Kiwanians everywhere take note of this event since the man of the hour has been affiliated with that fine, community-service oriented organization for more than 60 years—a most impressive record indeed.

I consider it a special privilege to know Boyd Golder. He has contributed so much to so many for so long and in so doing has earned our respect and our gratitude. The Boyd Golders of America are, in large measure, responsible for the abundance we enjoy and the greatness that is ours as a nation and a people.

EXPLANATION OF BONKER AMENDMENT ON PORPOISE ISSUE

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1977

Mr. BONKER. Mr. Speaker, several Members have approached me to get a better understanding of the intent of my amendment to H.R. 6970 which amended the Marine Mammal Protection Act. So it can be totally clarified, I offer the following explanation.

Congressman MCCLOSKEY's amendment package to H.R. 6970 attempted to lower the proposed porpoise mortality quota from 78,900, which many Members felt was exceedingly high, to 68,910. In addition, he sought to mandate a 50-percent reduction in the quota by 1980.

Because of the differences between these amendments and the bill passed out by the Merchant Marine and Fisheries Committee, a deadlock developed with neither Representative MURPHY nor Representative MCCLOSKEY able to muster the support to pass a measure out of the House. This left us between a rock and a hard place because without some kind of compromise another extremely important part of H.R. 6970, the 100-percent observer program, would be lost. At this point, I proposed an amendment to retain Mr. MCCLOSKEY's lower quota, which required a 50-percent reduction in the annual dolphin quota by 1980. The 50-percent requirement would have mandated a quota of 34,455 in 1980.

I sought this deletion of the mandatory 50 percent reduction because I felt that there is insufficient evidence to indicate that the tuna fleet can reduce the take of dolphin to 34,455 by 1980. I do endorse the concept of continual reductions in the annual quota, but I am concerned that these reductions be established in some rational manner based upon the technological feasibility of achieving such a reduction and not by some arbitrary percentage mandated by an Act of Congress. This position was also supported by many of my colleagues.

Under section 103(b) of the Marine Mammal Protection Act, the Secretary, in promulgating regulations, is required to give consideration to a number of factors which effect the extent to which such animals may be taken. I would expect the Secretary to adhere to the mandate of section 103(b) in establishing annual quotas subsequent to 1977, and in particular give consideration to the effect of the regulations on fishery conservation and the economic and technological feasibility of implementation.

As passed by the House, H.R. 6970 provides that the Secretary shall establish "annual quotas for affected species and populations that accomplish significant reductions in the total incidental mortality and serious injury each year . . ." Based on recent technological advancements in fishing gear and methods which prevent dolphin mortality, I believe that reductions in the annual marine mammal quota in the future probably could amount to something less than 20 percent of the previous year's quota, or it could, with some other new development like the Medina panel, amount to as much as 80 percent. The point is that it is important that the Secretary not establish the quota on the basis of some rigid, inflexible timetable ordered by Congress. She should have sufficient discretion to establish a quota on the basis of the success of the fleet in reducing dolphin mortality the previous year, and on the sound judgment of her scientific staff as to what the fleet can achieve in the upcoming year.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the com-

puterization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 9, 1977, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 10

8:30 a.m.
Finance
Health Subcommittee
To continue hearings on S. 1470, Medicare and Medicaid Administrative and Reimbursement Reform Act.
2221 Dirksen Building

9:00 a.m.
Appropriations
Public Works Subcommittee
To continue markup of proposed appropriations for fiscal year 1978 public works projects.
S-126, Capitol
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building
Judiciary
Improvements in Judicial Machinery Subcommittee
To continue hearings on S. 1612 and S. 1613, to expand the jurisdiction of U.S. Magistrates.
2228 Dirksen Building

9:30 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue oversight hearings on environmental toxins in mother's milk.
Until noon 4232 Dirksen Building
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 1432, proposed Nuclear Non-Proliferation Act of 1977.
6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1594 and H.R. 5959, to revise and extend for 5 years the Renegotiation Act.
5302 Dirksen Building
Energy and Natural Resources
To hold hearings on the nomination of Robert R. Nordhaus, to be a member of the Council of Economic Advisers.
3110 Dirksen Building
Foreign Relations
International Operations Subcommittee
To continue oversight hearings on the role of the media, business, banking, labor, national security, etc., in the current and future international flow of information.
4221 Dirksen Building

10:30 a.m.
Commerce, Science, and Transportation
To continue hearings on S. 687, 121, 1187, 182, and 898, bills to establish a comprehensive national law to govern oil pollution liability and compensation.
235 Russell Building

2:30 p.m.
Foreign Relations
To receive a briefing from Gen. George S. Brown, Chairman, Joint Chiefs of Staff, and Philip C. Habib, Under Secretary of State for Political Affairs, on their recent trip to Korea and on U.S. policy toward Korea.
S-116, Capitol

JUNE 13

9:00 a.m.
Energy and Natural Resources
To resume hearings on part D (natural gas pricing) of S. 1469, National Energy Act, and S. 256, proposing deregulation of the wellhead price of natural gas.
3110 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals which seek to encourage economic growth and unemployment.
2221 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 1594 and H.R. 5959, to revise and extend for 5 years the Renegotiation Act.
5302 Dirksen Building
Governmental Affairs
Reports, Accounting, and Management Subcommittee
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6226 Dirksen Building

2:00 p.m.
*Judiciary
Criminal Laws and Procedures Subcommittee
To hold hearings on S. 1566, Foreign Intelligence Surveillance Act of 1977.
2228 Dirksen Building

JUNE 14

9:00 a.m.
Energy and Natural Resources
To continue hearings on part D (natural gas pricing) of S. 1469, National Energy Act.
3110 Dirksen Building

9:15 a.m.
*Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1566, Foreign Intelligence Surveillance Act of 1977.
2228 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals which seek to encourage economic growth and employment
2221 Dirksen Building
Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To hold hearings on the safety and effectiveness of over-the-counter sleepaids.
6202 Dirksen Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
Rural Development Subcommittee
To hold oversight hearings on the implementation of the Rural Development Act of 1972
322 Russell Building
Banking, Housing, and Urban Affairs
To continue hearings on S. 1594 and H.R. 5959, to revise and extend for 5 years the Renegotiation Act.
5302 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To resume hearings on economic development in rural areas.
1202 Dirksen Building

10:30 a.m.
Commerce, Science, and Transportation
To consider pending committee business.
235 Russell Building
Judiciary
To hold hearings on S. 270, to permit awards of reasonable attorney's fees and other expenses for public participation in Federal proceedings.
6226 Dirksen Building

JUNE 15

10:00 a.m.
Banking, Housing, and Urban Affairs
To mark up S. 1433, 895, 71, and 73, dealing with Federal regulation and supervision of financial institutions.
5302 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To resume hearings on S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
3110 Dirksen Building
Energy and Natural Resources
To hold hearings on H.R. 6550, to authorize funds for United States territories, and related bills (S. 1033, 950, 1192, 1193, 1032, and 1327).
Room to be announced
Foreign Relations
To hold hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
6226 Dirksen Building

JUNE 16

9:00 a.m.
Veterans' Affairs
Compensation and Pension Subcommittee
To hold hearings on proposed increases in veterans' pensions.
6226 Dirksen Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
Rural Development Subcommittee
To continue oversight hearings on the implementation of the Rural Development Act of 1972.
322 Russell Building
Commerce, Science, and Transportation
To hold oversight hearings on the effects of radiation on human, i.e., health, safety, and environment.
5110 Dirksen Building
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on general conditions of the intercity motorbus industry and suggestions for increased ridership.
235 Russell Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To mark up S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
3110 Dirksen Building

Foreign Relations
To continue hearings on treaties with Mexico and Canada on prisoner exchanges (Execs. D and H, respectively, 95th Cong., 1st sess.).
4221 Dirksen Building

Human Resources
To consider S. 995, to prohibit discrimination based on pregnance or related medical conditions; S. 705, to revise and strengthen standards for the regulation of clinical laboratories; and S. 1217, to establish guidelines for regulating research of Recombinant DNA.
4332 Dirksen Building

Judiciary
Juvenile Delinquency Subcommittee
To resume hearings on the protection of children against sexual exploitation.
1224 Dirksen Building

Select Small Business
To hold hearings on S. 1526, to establish the position of Associate Administrator for Women's Business Enterprise within S.B.A.
424 Russell Building

11:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume hearings on S. 1391, Hospital Cost Containment Act of 1977.
Until 1 p.m. 4232 Dirksen Building

2:30 p.m.
Foreign Relations
Arms Control, Oceans, and International Environment Subcommittee
To resume hearings on S. 897 and 1432, proposed Nuclear Nonproliferation Act.
4221 Dirksen Building

JUNE 17

9:00 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 1538, proposing reform in the administration of the black lung benefits program.
2221 Dirksen Building

9:30 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue hearings on S. 1391, Hospital Cost Containment Act of 1977.
Until 12:30 p.m. 4232 Dirksen Building

Veterans' Affairs
Health and Readjustment Subcommittee
To hold oversight hearings on veterans' employment-unemployment situation.
Until 12:30 p.m. 6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To resume hearings on S. 1594 and H.R. 5959, bills to revise and extend for 5 years the Renegotiation Act.
5302 Dirksen Building

Commerce, Science, and Transportation
To continue oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

Judiciary
Constitution Subcommittee
To hold hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
2228 Dirksen Building

1:00 p.m.
Judiciary
To hold hearings on the nominations of John M. Harmon, of North Carolina, and James W. Moorman, of California, each to be an Assistant Attorney General; James R. Burgess, Jr., to be U.S. Attorney for the Eastern District of Illinois; and Thomas P. Sullivan, to be U.S. Attorney for the Northern District of Illinois.
2228 Dirksen Building

JUNE 20

9:00 a.m.
Energy and Natural Resources
To resume hearings on part D (natural gas pricing) of S. 1469, National Energy Act.
3110 Dirksen Building

9:30 a.m.
Human Resources
Handicapped Subcommittee
To hold hearings on proposed extension of the Rehabilitation Act of 1973 and Education of the Handicapped Acts.
Until 1 p.m. 4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To hold hearings on proposed legislation on financial institution reform.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1162, to repeal section 222 of the Communications Act of 1934, which governs the interrelationship among communications common carriers providing international record services.
235 Russell Building

Judiciary
Criminal Laws and Procedures Subcommittee
To resume hearings on S. 1437, Criminal Code Reform Act of 1977, and the following criminal sentencing bills: S. 31, 45, 181, 204, 260, 888, 979, and 1221.
2228 Dirksen Building

JUNE 21

9:00 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To receive testimony on proposals embodied in parts A, B, C and G of S. 1469, the National Energy Act.
3110 Dirksen Building

9:30 a.m.
Human Resources
Handicapped Subcommittee
To continue hearings on proposed extension of the Rehabilitation Act of 1973 and Education of the Handicapped Acts.
Until 1 p.m. 4232 Dirksen Building

Human Resources
Health and Scientific Research Subcommittee
To resume hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
Until noon 1202 Dirksen Building

Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To resume hearings on the safety and effectiveness of over the counter sleep-aids.
6202 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To continue hearings on proposed legislation on financial institution reform.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 1162, to repeal section 222 of the Communications Act of 1934, which governs the interrelationship among communications common carriers providing international record services.
235 Russell Building

Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1437, Criminal Code Reform Act of 1977, and the following criminal sentencing bills: S. 31, 45, 181, 260, 888, 979, and 1221.
2228 Dirksen Building

Select Small Business
To hold hearings on alleged late payments by Government agencies to small business contractors.
424 Russell Building

JUNE 22

9:00 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To receive testimony on proposals embodied in parts A, B, C, and G of S. 1469, the National Energy Act.
3110 Dirksen Building

Veterans' Affairs
Health and Readjustment Subcommittee
To hold hearings on the effectiveness of VA programs on the mental health, alcohol and drug abuse, readjustment counseling, and health.
Until 2 p.m. 6226 Dirksen Building

9:30 a.m.
Human Resources
Handicapped Subcommittee
To continue hearing on proposed extension of the Rehabilitation Act of 1973 and Education of the Handicapped Acts.
Until 1 p.m. 4232 Dirksen Building

Select Nutrition and Human Needs
To hold hearings on nutrition as it relates to mental health and development.
Until 1 p.m. 6202 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To continue hearings on proposed legislation on financial institution reform.
5302 Dirksen Building

Judiciary
Constitution Subcommittee
To resume hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
2228 Dirksen Building

Joint Economic
Subcommittee on Economic Growth and Stabilization
To hold hearings to receive testimony from public pollsters on the current status of and future conditions affecting the economy.
1202 Dirksen Building

Select Small Business
To continue hearings on alleged late payments by the Federal Government to small business contractors.
424 Russell Building

JUNE 23

10:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To continue hearings on proposed legislation on financial institution reform.
5302 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1547, to assure that all those providing communications services are able to use existing communications space on poles which are owned by regulated utilities, and to simplify FCC forfeiture provisions.
235 Russell Building

Energy and Natural Resources
To consider pending calendar business.
3110 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on the President's proposed energy programs.
2228 Dirksen Building

Judiciary
Constitution Subcommittee
To continue hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
1202 Dirksen Building

JUNE 24

9:00 a.m.
Veterans' Affairs
Health and Readjustment Subcommittee
To hold hearings on proposed increases in rates of veterans' education benefits.
Until 2 p.m. 6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 1547, to assure that all those providing communications services are able to use existing communications space on poles which are owned by regulated utilities, and to simplify FCC forfeiture provisions.
235 Russell Building

JUNE 27

9:30 a.m.
Judiciary
Citizen and Shareholder Rights and Remedies Subcommittee
To hold hearings on methods to improve shareholders participation in corporate decisionmaking.
2228 Dirksen Building
Veterans' Affairs
Health and Readjustments Subcommittee
To hold hearings on proposed legislation to amend the Veterans' Physician and Dentists' Pay Comparability Act.
Until noon 6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on legislation to amend the Truth in Lending Act, including S. 1312 and S. 1501.
5302 Dirksen Building
Commerce, Science, and Transportation
To resume oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirken Building

JUNE 28

9:00 a.m.
Veterans' Affairs
Housing, Insurance, and Cemeteries Subcommittee
To hold hearings on S. 718, to provide veterans with certain cost information relating to the conversion of Government-supervised insurance to individual life insurance policies.
6202 Dirksen Building

9:30 a.m.
Judiciary
Citizen and Shareholder Rights and Remedies Subcommittee
To continue hearings on methods to improve shareholders participation in corporate decisionmaking.
1202 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on legislation to amend the Truth in Lending Act, including S. 1312 and S. 1501.
5302 Dirksen Building
Commerce, Science, and Transportation
To continue oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To resume hearings on a report of the Commission on Postal Service
3302 Dirksen Building

JUNE 29

9:00 a.m.
Veterans' Affairs
Health and Readjustment Subcommittee
To resume hearings on proposed increases in rates of veterans' education benefits.
Until 2 p.m. 6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on legislation to amend the Truth in Lending Act, including S. 1312 and S. 1501.
5302 Dirksen Building
Commerce, Science, and Transportation
To continue oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

JUNE 30

9:00 a.m.
Veterans' Affairs
Housing, Insurance, and Cemeteries Subcommittee
To continue hearings on S. 718, to provide veterans with certain cost information relating to the conversion of Government-supervised insurance to individual life insurance policies.
6226 Dirksen Building

9:30 a.m.
Select Small Business
To resume hearings on S. 972, authorizing the Small Business Administration to make grants to support the development and operation of small business development centers.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To mark up H.R. 5294, S. 918, and S. 1130, to amend the Consum r Protection Act so as to prohibit abusive practices by independent debt collectors.
5302 Dirksen Building
Judiciary
Constitution Subcommittee
To resume hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
2228 Dirksen Building

JULY 12

9:30 a.m.
Human Resources
Health and Scientific Research Subcommittee
To hold hearings to evaluate information upon which the FDA based its decision to ban Laetril from interstate commerce.
Until noon 4232 Dirksen Building

10:00 a.m.
Foreign Relations
To hold hearings on the Vienna Convention on the Law of Treaties (Exec. L, 92d Cong., 1st sess.).
4221 Dirksen Building

JULY 13

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings relating to the international telecommunications system.
235 Russell Building
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 14

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To receive a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To hold oversight hearings on the cost of drugs.
Until noon 4232 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings relating to the international telecommunications system.
235 Russell Building
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 15

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 19

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To review a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building

10:00 a.m.
Foreign Relations
To hold hearings on the following five tax treaties. Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with the United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P, 94th Cong., 2nd sess); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).
4221 Dirksen Building

JULY 20

10:00 a.m.
Foreign Relations
To hold hearings on the following five tax treaties. Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with the United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P, 94th Cong., 2nd sess); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).
4221 Dirksen Building

JULY 26

10:00 a.m.
Foreign Relations
To hold hearings on protocol to the Convention on International Civil Aviation (Exec. A, 95th Cong., 1st sess.), and two related protocols (Exec. B, 95th Congress, 1st sess.).
4221 Dirksen Building

CANCELLATIONS

JUNE 14

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To resume hearings on a report of the Commission on Postal Service.
3302 Dirksen Building

JUNE 28

10:00 a.m.
Judiciary
Improvements in Judicial Machinery Subcommittee
To resume hearings on the jurisdiction of U.S. Magistrates.
2228 Dirksen Building

JUNE 29

10:00 a.m.
Judiciary
Improvements in Judicial Machinery Subcommittee
To resume hearings on the jurisdiction of U.S. Magistrates.
2228 Dirksen Building

SENATE—*Thursday, June 9, 1977*

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

Rabbi Chaim U. Lipschitz, D.D., Mesivta Talmudical Seminary, Brooklyn, N.Y., offered the following prayer:

Let us pray:

To be born means to go into partnership with the Creator. He places us into existence with the ability and the instruction to improve ourselves, to finish, to conclude the act of creation. The completion, the perfection of man is man's commission, man's mandate is upon him. He can rise mountain high or bring about his own downfall.

Our God, and God of our Fathers, be Thou with the mouths of the deputies of this worthy Senate of the United States who stand in Thy presence. Teach them what they shall say, instruct them what they shall speak, answer their request, and cause them to know to glorify Thee. May they walk in the light of Thy countenance; they bend the knees unto Thee, and with their mouths bless the people. O bless them together with the blessings of Thy mouth. Amen.

THE JOURNAL

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Wednesday, June 8, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Alaska desire recognition?

Mr. STEVENS. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Delaware (Mr. BIDEN) is recognized for not to exceed 15 minutes.

The Senator from Delaware.

Mr. BIDEN. Mr. President, the Senator from Delaware (Mr. ROTH) will proceed first, if that is all right with the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Delaware (Mr. ROTH) is recognized for not to exceed 15 minutes.

SCHOOL BUSING

Mr. ROTH. Mr. President, I rise today to discuss one of the most difficult and perplexing issues before the American people—and to offer legislation that will help remedy perhaps the most divisive social problem of our time.

Throughout this decade, court-ordered busing has confused and frustrated Americans—black and white—from every strata of our society. It has stirred strong and oftentimes violent emotions in communities across the Nation.

At the heart of the matter lies this simple but incontrovertible fact: Both opponents and proponents believe that busing bears directly on the American ideal of self-determination. Self-determination of families and communities to nurture and convey their culture to their children.

In the past decade, the delicate line between the judiciary and the legislative branches has been dangerously blurred. Certain social scientists, along with the courts, have reached deep into the once private confines of family life to engineer social change that has separated families from their communities and children from their families in order to achieve a supposedly "ideal" racial mix in our schools.

The folly of this adventure has become evident to all. While I want to make it clear that I strongly support the goal of a society free from racial prejudice, my conscience demands that I stand and speak out to end this unworkable social experiment.

My legislation is designed to insure equal protection before the law as guaranteed by the 5th and 14th amendments to the Constitution of the United States. I believe that all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, or national origin. I abhor the maintenance of dual school systems and am fully supportive of desegregation efforts to abolish such systems. On the other hand, I do not believe that the Constitution requires busing to achieve some racial mix where no discriminatory intent is found. It is wrong to bus to maintain a dual school system just as it is wrong to have court-ordered busing for the purpose of enforcing racial quotas in the public schools.

Many bills to end busing including amendments to the Constitution have been introduced in the past several Congresses. But these measures have failed to gain sufficient support to become law. I have introduced four measures in the current session.

The real tragedy is that, while the debate over busing continues, national attention and energy are diverted from the urgent problem of educating the Nation's youth. The quality of public education, as we are only too aware, has declined precipitously. School tests demonstrate that children no longer learn the basic skills that have sustained this Nation's growth and development for two centuries. And the results of the scholastic aptitude test taken by college-bound seniors have been steadily declining since 1963.

During consideration of the judgeship bill I was prepared to offer an unprinted amendment pertaining to court-ordered busing. I was dissuaded by the distinguished senior Senator from Mississippi who gave his commitment to hold hearings in Judiciary on court-ordered busing. The hearings have been scheduled for June 15 and 16 and I express my appreciation to the distinguished chairman of the Judiciary Committee.

With all these factors in mind, the Delaware delegation has met over the past several weeks to work out a reasonable solution to this most difficult problem.

We concluded the essential elements of such a bill were, first, it must be constitutional and, second, it should minimize court-ordered busing without sacrificing progress toward the elimination of discrimination in our public schools.

Today I am pleased to introduce, with my distinguished colleague from Delaware, Senator BIDEN, a bill which represents a reasonable solution to the problem of court-ordered busing. Mr. EVANS of Delaware is introducing an identical bill in the other House.

The bill poses no constitutional difficulties and in five brief sections provides as follows:

Section (1) requires the courts find that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which busing is proposed as a remedy.

Section (2) requires busing orders be determined by a district court of three judges.

Section (3) (a) requires busing be lim-

ited to that which is reasonably necessary to adjust the student composition to what it would have been had no such constitutional violation occurred.

Section (3) (b) requires the court conduct a hearing and make specific written findings of, first, the discriminatory purpose for each constitutional violation for which transportation is ordered and second, the degree to which the concentration by race, color or national origin in the student composition presently varies from what it would have been in the normal course had no constitutional violation occurred.

Section (4) requires any busing orders be stayed until all appeals have been exhausted.

Section (5) provides the bill shall take effect with respect to any judgment or order not final or effected by the date of enactment. Thus, in addition to prospective cases, the bill would apply to cases in litigation on date of enactment. The bill would not apply retroactively to cases already finally adjudicated.

It is time Congress took meaningful action on this vital issue. This legislation is on all fours with the recent Supreme Court decisions in Washington against Davis and Village of Arlington Heights against Metropolitan Housing Development Corporation. It is completely consistent with the recent actions of the High Court in the Austin and Indianapolis desegregation cases. I believe these actions signal the Court's readiness to accept a clear mandate of Congress establishing reasonable guidelines for court-ordered busing.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1651

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, no court of the United States shall order directly or indirectly the transportation of any student on the basis of race, color, or national origin unless the court determines that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which such transportation is proposed as a remedy.

SEC. 2. Notwithstanding any other provision of law, any court order requiring directly or indirectly the transportation of any student on the basis of race, color, or national origin shall be heard and determined by a district court of three judges.

SEC. 3. (a) In ordering the transportation of students, the court shall order no more extensive relief than reasonably necessary to adjust the student composition by race, color, or national origin of the particular schools affected by the constitutional violation to reflect what the student composition would otherwise have been had no such constitutional violation occurred.

(b) Before entering such an order, the court shall conduct a hearing, and, on the basis of such hearing, shall make specific written findings of (1) the discriminatory purpose for each constitutional violation for which transportation is ordered, and (2) the degree to which the concentration by race, color, or national origin in the student composition of particular schools affected by such constitutional violation presently varies from what it would have been in normal course had no such constitutional violation occurred.

SEC. 4. Any order by a district court requiring directly or indirectly the transportation of any students on the basis of race, color, or national origin, shall be stayed until all appeals in connection with such order have been exhausted.

SEC. 5. (a) This Act shall take effect with respect to any judgment or order of a court of the United States which is made after the date of enactment or which is made prior to such date but is not final or has not been effected by such date.

(b) No judgment or order of a court of the United States which is not yet final or which has not yet been effected on the day before the date of enactment of this Act shall remain in force or effect, unless the court has complied with the requirements of this Act.

Mr. ROTH. Mr. President, I yield to the Senator from Delaware (Mr. BIDEN).

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Delaware (Mr. BIDEN), now is recognized for 15 minutes.

Mr. BIDEN. Mr. President, "The times they are a-changing," and this time I believe it is for the better, in this area of busing. After years of confusion and chaos in the field of school desegregation, it appears that the rule of reason will prevail and the job of educating our children can proceed in an atmosphere of freedom and harmony. The reason for my optimism in this regard is that the Supreme Court has finally begun to speak out in a clear and reasonable voice on the constitutional demands of the 14th amendment.

By introducing this bill today, my colleague (Mr. ROTH) and I hope to expedite the process of providing local judicial authorities with the guidelines that will enable them to comply with the requirements of the Constitution, as interpreted by the Supreme Court, in implementing school desegregation plans. And as recent history has shown, such statutory guidelines are necessary.

In the years following the landmark decision in Brown against Board of Education, some well intentioned legislators and jurists interpreted the 1954 prohibition of racial discrimination to segregate the races as an affirmative command to compulsorily integrate society. Like the proverbial fool who cuts off his nose to spite his face, these groups in their eagerness to eradicate the continuing effects of past discrimination ran roughshod over many of our most cherished constitutional rights and took no heed to justify their actions. To a large extent the history of court-ordered busing is a prime example of such righteous blunders.

But as we all know, the road to hell is often paved with good intentions, and what was meant to be utopia by fiat turned into disaster by decree. Mr. President, it would be redundant for me to catalog here the dissension, strife, and alienation that excessive unwarranted court-ordered busing has created in our society. Unfortunately, we are all too familiar with its numerous manifestations. What is important is that this spectacle of a manifest injustice being perpetrated in the name of justice has become intolerable to much of society for constitutional and social reasons.

However, as I indicated at the beginning of my statement, the prospect for the future is hopeful. For we seem to be entering a new age of reason in the arena of 14th amendment protections. My basis for saying this is the recent series of decisions referred to by my colleague by the Supreme Court concerning racial discrimination.

In the areas of employment and housing discrimination, the Supreme Court has formulated a "discriminatory purpose" rule which in essence provides that a court cannot impose a remedy for alleged discrimination based upon evidence of discriminatory effect alone. The court now requires that there be a finding that "a discriminatory purpose was the principal motivating factor in the constitutional violation for which the remedy is proposed." *Washington* v. *Davis,* 426 U.S. 229 (1976) and Arlington Heights against Metropolitan Housing Corp., January 1977, are two such cases. Furthermore the Court has remanded recent busing cases with orders to the lower courts to reconsider them in light of the above two cases. Thus it seems clear that the "discriminatory purpose" rule applies to school cases as well.

The effect of my bill would be simply to legislate and clarify this rule for busing cases. Since my distingished colleague from Delaware has discussed the provisions of the bill I will not do so here. Allow me simply to say that following the lead of the Supreme Court, this bill provides a resolution of the dilemma facing our society; namely, how to reconcile the noble yet superficially conflicting goals of eliminating deliberate segregation while preserving neighborhood schools. Under my bill the remedy of busing could still be used to right the wrong of deliberate segregation; however, it would not permit the destruction of organic, neighborhood school communities. This would be accomplished by permitting busing as a remedy in school desegregation cases only when the Court has determined that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which busing is proposed as a remedy. Clearly there is a fundamental difference between deliberate segregation and the natural growth of communities and my bill structures the remedy of busing to meet this difference.

Mr. President, if I may digress from my printed remarks for a moment, it has been called to my attention by our distinguished colleague from New York that in the New York Times this morning, in an article entitled "Experts' Outlook for Older Cities: Gloomy Future, Difficult Changes," Prof. James Coleman, of whom we are all aware, has made some statements I would like to quote. It relates, by the way, to the demise of major urban, old cities:

Probably none of the forecasts was gloomier or more provocative than that of James

S. Coleman, the sociologist, who linked urban decay to deliberate social policy rather than to technological and demographic changes.

"We simply do not, as a collective body, wish to vitalize the cities," the University of Chicago scholar said. "If we did, we would do so. I mean quite simply that we desire other things more."

According to Dr. Coleman, public policies meant to promote school desegregation, to guarantee the rights of criminal suspects, to build highways and to stimulate the construction industry have all combined to damage urban life in unintended ways. They did so, he said, by making it more attractive or necessary for people to live farther from one another, rather than nearer.

HARMFUL POLICIES

"The school desegregation policies, like the F.H.A. mortgage policy, the Federal highway program and policies toward crime, exemplify again that the problem of metropolitan areas is not a failure to know what to do to strengthen these areas," he said. "It is the use of policies that are harmful to metropolitan areas, despite knowledge that they are harmful. The policies are implemented anyway because they pursue other values that are collectively held to be more important than those of strengthening metropolitan areas."

I skip a part of the article. It goes on to say:

It may be necessary to decide between the value of racially heterogeneous cities and metropolitan areas having racial imbalance within them, and the value of racial homogeneous cities that are formally egalitarian.

"Only when we begin to recognize that the city declines simply because we actively pursue ends that bring about the city's decline will we have reached the sober point where serious discussion can begin about what will be gained and what will be lost by strengthening the city and its environs."

Mr. President, I ask unanimous consent that the entire article from the New York Times from which I have quoted be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXPERTS' OUTLOOK FOR OLDER CITIES: GLOOMY FUTURE, DIFFICULT CHANGES

(By Robert Reinhold)

ST. LOUIS, June 8.—Fifteen leading urban scholars gathered this week in this aging manufacturing city on the Mississippi to ponder the fate and future of the "mature metropolis" in America. They concluded their deliberations today with a prognosis for the older declining urban centers that was not very optimistic.

Probably none of the forecasts was gloomier or more provocative than that of James S. Coleman, the sociologist, who linked urban decay to deliberate social policy rather than to technological and demographic changes.

"We simply do not, as a collective body, wish to vitalize the cities," the University of Chicago scholar said. "If we did, we would do so. I mean quite simply that we desire other things more."

According to Dr. Coleman, public policies meant to promote school desegregation, to guarantee the rights of criminal suspects, to build highways and to stimulate the construction industry have all combined to damage urban life in unintended ways. They did so, he said, by making it more attractive or necessary for people to live further from one another, rather than nearer.

"HARMFUL" POLICIES

"The school desegregation policies, like the F.H.A. mortgage policy, the Federal highway program and policies toward crime, exemplify again that the problem of metropolitan areas is not a failure to know what to do to strengthen these areas," he said. "It is the use of policies that are harmful to metropolitan areas, despite knowledge that they are harmful. The policies are implemented anyway because they pursue other values that are collectively held to be more important than those of strengthening metropolitan areas.

"The decline is not inevitable, but the rebuilding of cities will require, if it is to occur, policies which intrude on other values," he continued.

"It may be necessary to decide, for example, between the values of metropolitan areas and value of increased protection of the rights of criminal suspects. It may be necessary to decide between the value of racially heterogeneous cities and metropolitan areas having racial imbalance within them, and the value of racially homogeneous cities that are formally egalitarian.

"Only when we began to recognize that the city declines simply because we actively pursue ends that bring about the city's decline will we have reached the sober point where serious discussion can begin about what will be gained and what will be lost by strengthening the city and its environs."

"HARD TO BE OPTIMISTIC"

Many other explanations and prognostications were offered, some hopeful, some glum. But on the whole the mood was not buoyant.

"The traditional approach in America is that we tend to use up places and move on," said Harvey S. Perloff, dean of architecture and urban planning at U.C.L.A., in an interview. "That tradition of not being concerned about long-lasting things suggests it will be a long time before there will be enough concern to take hold. So it is hard to be optimistic."

"Like other speakers, Dean Perloff argued in his formal presentation that the cities might as well abandon the notion of recapturing footloose manufacturing industries.

"Manufacturing firms can be expected to continue to seek out locations where wages are lower and unionization limited," he said, and cities therefore should try to exploit their advantages as centers of service in the "post-industrial age." Even so, he said many adjustments would have to be made to create enough service-oriented jobs to keep the cities healthy.

TRANSPORTATION FACTORS

A new, somewhat different vision of the mature metropolis was offered by two transportation experts at Northwestern University, Leon N. Moses and Alex Anas. They argued that the rising cost of transportation would force a profound reshuffling of work and living patterns in major urban areas.

Unable to afford to commute 40 or 50 miles a day to jobs, people will cluster around "secondary employment centers" scattered throughout an urban area, they said. This will result in a "multi-nucleated" city, with many apartment houses springing up in unlikely places.

Mr. BIDEN. Mr. President, there are two points to emphasize on this measure which Senator ROTH and I have introduced today. This is not some radical, hairbrained scheme we have thought up that is about to ring down on the movement toward civil rights in America. We both feel strongly it is necessary that the civil rights movement move on. But we think it is necessary that we distinguish between what is legitimate civil rights and what is not. Busing is not a civil rights issue.

Second, we feel very strongly that we come to this body with evidence that our proposal is a constitutionally sound proposal, consistent with the recent rulings of the Supreme Court of the United States of America. As a member of the Committee on the Judiciary, I shall be presiding over these hearings to which Senator ROTH has referred. The witness lists and the times of the hearings will be submitted for the RECORD, but I can say at this point that we are having scholars, both those who support and those who oppose busing, come in and testify on our bill; and if we gage it correctly, and I am correct in my assessment of what I have learned from speaking with these people prior to their coming, all of them are going to testify that our bill is constitutionally sound.

Some will argue with the social purposes; some will argue that we should not be doing this legislatively, now that the courts are moving in this direction. Nevertheless, I think we will be able to come to this body with a full record. For the first time, I think we have a bill that can have a full impact on busing in this Nation that is both constitutionally sound and sociologically defensible, and I hope that when the time comes, which will be sometime this summer, with the grace of God, the good will of neighbors, and the permission of the majority leader, we will be able at that point to convince our colleagues who have not been faced with this issue, and who tend not to look at an issue if they are not faced with it, to look at it in such a way that they no longer just react with what many of us in many areas refer to as either a knee jerk conservative or a knee jerk liberal reaction, without knowing what is at stake, without understanding the issues.

I wonder how many of our colleagues actually have read the busing decisions. I wonder how many of them have read the Supreme Court cases. I wonder how many of them have looked into what is really happening in the cities where there are massive busing orders.

I believe if they did, I believe if they took a very close look at it, they would be inclined to admit, at least those who have not really wanted to discuss this issue at all, or to agree, that there is some legitimate room for argument here.

Can we get this body to begin to examine the social policies of this country, as Professor Coleman mentioned with regard to our cities, but beyond that the social policies of this country with regard to race relations? Is there a conceptual distinction between desegregation and integration? What does this body, this Chamber, this Congress, this administration feel is the affirmative obligation in order to see to it that we make race relations better? Is it wiser for us as a nation to adopt a policy that we must be a homogeneous society?

All these questions are very seldom raised because whenever we have raised the question of busing in the past, all

that usually happens is that the civil rights groups on one side come out and on the other side the traditional conservative side comes out, and we talk about busing babies across town on the one hand and about the infringement upon the freedom of Americans on the other hand. If we zero in on what really is at stake here, it is a major social policy that is really tearing at the fabric of this country.

I hope we can examine this subject in as dispassionate a way as possible. I hope we will have a solid record to come to the floor with to justify this bill on its constitutional merits and sociological merits.

Mr. President, it has been said there are only two precious gifts we can give our children, wings and roots. I believe these two gifts are exemplified by education, our wings, and our home communities, our roots. It is my deep hope that this bill will make both of these gifts more accessible to our children.

CLEAN AIR AMENDMENTS OF 1977

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 252 which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 252) to amend the Clean Air Act as amended.

The ACTING PRESIDENT pro tempore. The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, as I understand it the pending matter is the amendment of the Senator from Wisconsin (Mr. NELSON).

The ACTING PRESIDENT pro tempore. Under the order, the pending matter is now S. 252. Under the order the Nelson amendment will be laid before the Senate at 9:30.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that it be in order for me to call up my unprinted amendment No. 377.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

Without objection, it is so ordered.

UP AMENDMENT NO. 377

Mr. MOYNIHAN. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, the Nelson amendment is laid aside temporarily and the Senator is recognized for the purpose of offering an amendment.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. MOYNIHAN), for himself and Mr. JAVITS, proposes an unprinted amendment No. 377.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 130, line 23, insert the following new section and renumber the remaining section accordingly:

Sec. 49. Section 110(c)(2) of such Act is amended by inserting at the end thereof the following new subparagraph:

"(F)(i) Any measure in an applicable implementation plan which requires a toll or or other charge for the use of a bridge located entirely within one city shall be eliminated from such plan by the Administrator upon application by the Governor of the State, which application shall include a certification by the Governor that he will revise such plan in accordance with clause (ii).

"(ii) In the case of any applicable implementation plan with respect to which a measure has been eliminated under clause (i), such plan shall, not later than one year after the date of the enactment of this subparagraph, be revised to include comprehensive measures (including the written evidence required by section 110(h)(2)(D)), to:

(A) establish, expand, or improve public transportation measures to meet basic transportation needs, as expeditiously as is practicable; and

(B) implement transportation control measures necessary to attain and maintain national ambient air quality standards,

and such revised plan shall, for the purpose of implementing such comprehensive public transportation measures, include requirements to use (in so far as is necessary) federal grants, state or local funds, or any combination of such grants and funds as may be consistent with the terms of the legislation providing such grants and funds. Such measures shall, as a substitute for the tolls or charges eliminated under clause (i), provide for emissions reductions equivalent to the reductions identified with the tolls or charges eliminated.

"(iii) Any revision of an implementation plan for purposes of meeting the requirements of clause (ii) shall be submitted in coordination with any plan revision required under section 110(h)."

Mr. MOYNIHAN. Mr. President, this is a simple amendment which I submit on behalf of myself and Senator JAVITS. The matter has been discussed at great length with the committee staff and, of course, with its distinguished chairman.

It might be said that this is an amendment to prevent tolls being placed on the Brooklyn Bridge in a somewhat unavailing effort to lower the levels of air pollution in lower Manhattan. This arose several years ago when, in an effort to reduce the levels of air pollution in lower Manhattan, it was proposed that motor vehicle traffic be reduced by imposing tolls within the city. The city of New York grew out of the Brooklyn Bridge which linked Manhattan with Long Island, and Manhattan itself being an island has bridges to counties which surround it. Some of these bridges are simply extensions of streets. Except by the sound, a person would not know he was on a bridge.

Although this was originally considered a useful idea, upon inquiry it has been made clear that it will not reduce traffic; it will simply cause great inconvenience and increase the pollution of the air in Brooklyn, in Queens, and in the Bronx where cars will line up to go through toll booths which have never existed and which would seem wholly unrelated to a commitment the city and State have made to clean up the air of New York City.

This provision suggests that the Governor will seek to attain the objectives the court has ordered, and to which the State is committed, by other means, principally mass transit. There is no proposal of any kind to reduce the standards which the courts have ordered and with which the State agrees, much less to evade them, but simply to go about it in a way that will attain our objectives and not defeat them, both in physical, quantitative terms, and also in the legitimate sense of the public acceptance of the importance of what we are trying to do.

Mr. MUSKIE. Mr. President, we have discussed this matter with the distinguished Senator from New York at great length.

There was every effort to strengthen the amendment to insure that the objective of meeting ambient air standards will be the goal of transportation control plans to be developed by the Government.

There is some question as to whether tolls in these circumstances would have the effect hoped for when they were advocated. They are controversial at the present time and probably could generate some of the problems suggested by the distinguished Senator from New York.

For those reasons, Mr. President, I believe the members of the committee on both sides of the aisle are prepared to accept the amendment and will accept the amendment.

Mr. MOYNIHAN. May I say a comparable amendment, if not exactly comparable perhaps as strong, has been adopted in the House. Senator JAVITS and I would like to express our appreciation for the work of Congresswoman HOLTZMAN who brought this about.

I thank the distinguished chairman of our committee.

Mr. JAVITS. Mr. President, Senator MOYNIHAN and I are offering this amendment to the pending bill in an effort to settle and clarify the controversy over bridge tolls in New York City between Manhattan and the other boroughs. This bridge toll issue has been one of substantial dispute since it was included in the original New York region transportation control plan in 1973.

Although the originators of the concept believed it was a feasible method of achieving cleaner air and at the same time raising additional needed revenue for mass transit, with its further indirect benefits to clean air, further study has shown that it is not a practical undertaking. There would be very little improvement in air quality in Manhattan, and this would be offset by increases in air pollution at and near the toll plazas themselves. Thus, the tolls will not clean up New York's air; they will merely redistribute the dirty air. The

result of this further study has been an effort by the responsible local officials to eliminate the bridge toll strategy from the transportation control plan.

This amendment will make such an elimination possible, without sacrificing the combined benefits that the original strategy promised to yield. The amendment applies only to New York City, since no other transportation control plan strategy in the country uses bridge tolls within a single city. The amendment does not prevent bridge tolls from becoming a part of another plan, but it does allow elimination of such a requirement if the Governor makes such a request and if the Governor certifies that he will revise the plan in accordance with certain specified requirements.

The revision, which must be made within 1 year after enactment, must include comprehensive measures to establish, improve, or expand public transportation to meet basic transportation needs. This will be in addition to implementation of transportation control measures necessary to attain and maintain national ambient air quality standards. Thus, elimination of the toll strategy must be accompanied by measures that adequately make up for both the clean air aspects of the bridge toll requirement as well as the mass transit benefits expected from the bridge toll revenues. The elimination of the toll requirement will not sacrifice any of New York's clean air goals, because the amendment expressly requires that new measures be included to compensate for any emissions reductions that would have been achieved by the bridge tolls.

The amendment specifically provides that this plan revision be submitted in coordination with any plan revision that may be required under section 110. It is our intention that this plan revision, if practicable, be submitted together with any section 110 plan revision, and that it be subject to the same procedures and mechanisms for approval and enforcement.

The Governor is given flexibility by the amendment, however, to determine precisely what measures he will propose to substitute for the bridge toll requirement. There is no requirement in this amendment that revenues be added to the mass transit program in the same amount as would be anticipated from bridge toll revenues, or for that matter, that any particular amount of funding be added to the State's mass transit program. The only requirement is that there be a strategy for the expansion or improvement in mass transit and that the Governor use existing Federal grants, or State or local funds to implement the expanded commitment to mass transit.

This amendment is supported by the Governor, the mayor of New York City, and the National Resources Defense Council—NRDC, who are the parties in a Federal court action to require the State and city to implement the bridge toll strategy. Although the U.S. district court has ordered that such tolls be placed on all East River bridges by August 1978, it is realistically impossible for the city and State to comply with the order. At a minimum, construction would take 3 years. The result, unless legislative action is taken to correct this situation, is that the Governor may be held in contempt for failure to implement the court's order. This is clearly not a result that helps New York's clean air goals. The NRDC understands the futility of this result and thus supports this amendment. All parties involved have grasped the causal connection between expanded mass transit and cleaner air.

None concerned want to impose bridge tolls merely for the sake of implementing the existing plan. The goals are clean air, less congestion, and better mass transit. This amendment will help to achieve those goals more expeditiously.

The amendment has passed the House of Representatives. Although the language herein is slightly different to conform to the Senate bill, its purposes are identical to the bridge toll amendment that was included in the House-passed version of the Clean Air Act amendments.

Mr. President, adoption of this amendment will not only clear up a controversy that has stalled for several years New York's implementation of its transportation control plan, but it will also make possible a constructive revision which meets the needs of New Yorkers for clean air and better mass transit. I urge its adoption.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 366, AS MODIFIED

The ACTING PRESIDENT pro tempore. The pending question is on an amendment by the Senator from Wisconsin (Mr. NELSON), which the clerk will state.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. NELSON) proposes amendment numbered 366, as modified:

On page 94, line 5, after "SEC. 21" insert "(a)".

On page 94, between lines 20 and 21, insert the following:

"(b) Paragraph (1) of such section is further amended by inserting at the end thereof the following:

"'(C) Notwithstanding the provisions of subparagraphs (A) and (B), in the case of any manufacturer whose sales, by corporate identify, for model year 1976 was less than 300,000 light-duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers, the regulations under subsection (a) shall contain standards providing that with respect to light-duty vehicles and engines manufactured by such manufacturer—

"'(i) for model year 1979 emissions of hydrocarbons shall not exceed 1.5 grams per vehicle mile, emissions of carbon monoxide shall not exceed 15.0 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile;

"'(ii) for model year 1980 emission of hydrocarbons shall not exceed 0.41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile;

"'(iii) for model year 1981 emissions of hydrocarbons shall not exceed 0.41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 2.0 grams per vehicle mile; and

"'(iv) for model year 1982 emissions of hydrocarbons shall not exceed 0.41 gram per vehicle mile, emissions of carbon monoxide shall not exceed 3.4 grams per vehicle mile, and emissions of nitrogen oxides shall not exceed 1.0 gram per vehicle mile.'".

Mr. NELSON. Mr. President, this amendment to the automobile emissions section of S. 252, the Clean Air Act Amendments of 1977, establishes an interim compliance schedule for any "manufacturer whose sales by corporate identity, for model 1976, was less than 300,000 light duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet the emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers."

Under this amendment, American Motors Corp., would be required to comply with the committee's emission limitations, limitations, that, in my judgment, are necessary to protect the public health by 1982.

It is agreed by everyone, without any exception that I know of, that American Motors has a special problem because, unlike the big three automakers, it does not design and build its own pollution control systems. It must purchase this technology from General Motors, Ford, or Chrysler.

Once it has purchased the technology it must modify and adapt the system to its own product line. This requires between 1 and 2 years.

Consequently American Motors Corp. is unavoidably behind in the pollution abatement timetable from the very beginning. Therefore, since American Motors lacks the electronic control engineering expertise, it should not be and cannot be expected to comply with the same timetable established for the three major manufacturers.

It is important to note that this approach endorses two fundamental principles of the committee's bill: One, that the standards of .41/3.4/1 are necessary to protect public health; and, two, that American Motors requires more time to comply with these emission standards.

First, this amendment does nothing to weaken the committee's approach in regard to GM, Ford, and Chrysler. The evidence is conclusive that the technology exists to comply with the committee's numbers and timetable. Recent test data for California underscore the public record that has been carefully developed by the committee.

Second, even the committee agrees that American Motors should not be ex-

pected to meet the same criteria as the big three. The committee itself gives AMC and other manufacturers with less than 3 percent of the world market an exemption from the 1979 nitrogen oxide limitation of having 10 percent of their fleet meet 1 gram of nitrogen oxide per mile.

In fact, this amendment draws a much more narrow line in determining which companies would be eligible for an exemption. This amendment is drafted in such a manner as to base a qualification for an extension on two criteria: First, size, and second the lack of in-house technical expertise. To my knowledge, only AMC and Avanti would qualify for an extension.

American Motors needs at least 2 years in preparation and testing before a model is marketed to meet emission standards. For example, for the 1979 model cars, AMC began purchasing and adapting hardware in September 1976. For the required 50,000 mile certification tests, work must begin by August 1977. Final certification must be submitted to the EPA by June 1978.

According to American Motors, the company cannot meet the 1980 proposed standards of .41/3.4/1 because of the inability between now and then to develop adequate experience with and confidence in the advanced systems technology that would be necessary to achieve these emissions limitations. EPA agrees.

To meet these numbers, new basic powerplant control systems with onboard computer-like electronic controls must be used. To go to these lower numbers, the company must purchase total systems control, not just individual components. AMC will have to aline itself, on a long-term basis, with one of the major manufacturers and then adapt its pollution abatement system to AMC's product line.

EPA basically agrees with the company's assessment. EPA argues that American Motors has a case on the merits of the issue since it is not a mechanical or electronic engineering company.

It is interesting to point out that it is a very minor modification. American Motors, under this proposed amendment, would only receive an extension in 1980 and 1981 for the NO_x standards which, under the pending bill, would be 1. This amendment would provide that American Motors could meet a standard of 2 for 1980 and 2 for 1981, and then meet the committee standard of 1 in 1982. So it is a very minor modification, but very important, because it is technologically impossible for the company to buy the technology, which they do not make, adapt it to their equipment, test the equipment to be sure it works, get it certified, and then in the manufacturing process.

No one disagrees, that I know of, that, because of the fact that American Motors does not design its own pollution control technology, it has to purchase it from Chrysler, Ford, or General Motors. Everybody agrees that they must have lag time. The Environmental Protection Agency, on that point, wrote a 1½-page letter, signed by Mr. Douglas Costle, head of the Agency, in which he agrees that this extension is necessary for American Motors. In fact, the Public Works Committee, itself, in marking up this very legislation, did put in a 1-year extension on NO_x beyond the 1979 requirement of that vehicle for American Motors in recognition of their problem on this question.

So everybody agrees—the committee, the Environmental Protection Agency, and the technical people who have looked at it—that American Motors needs more time on the NO_x standard. American Motors itself says that it can meet the NO_x standard of 1 in 1982.

That is very interesting, because if American Motors, purchasing the technology, can meet it in 1982, there is no reason why the big three cannot meet the schedule of the committee in 1980, 2 years earlier, because American Motors can meet it, buying their technology, and has advised my office that they can meet that standard.

So this amendment is meritorious on two grounds: One, American Motors cannot technically meet it without having the time, and that is agreed to. Two, it has no adverse health implications at all.

Mr. President, AMC is an applied engineering firm. EPA, on behalf of the Carter administration, has endorsed this amendment. In a June 8 letter to me, EPA Administrator Costle, in commenting on the interim compliance schedule established by amendment No. 366, says:

> I believe that these recommendations represent the best compromise in affording AMC and other small manufacturers the time necessary to overcome their special difficulties while moving them as quickly as possible toward the goals of cleaner cars and cleaner air.

I ask unanimous consent that the text of this June 8, 1977, letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., June 8, 1977.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you for your letter requesting the Environmental Protection Agency's (EPA) position on granting American Motors Corporation (AMC) an extended emission control compliance schedule. As you know, members of EPA's staff have been working closely with the Congress on developing emissions standards compliance schedules that are both rigorous and feasible.

I believe that these recommendations represent the best compromise in affording AMC and other small manufacturers the time necessary to overcome their special difficulties while moving them as quickly as possible toward the goals of cleaner cars and cleaner air.

We believe the compliance schedule set forth in the Senate Environment and Public Works Committee's bill (S. 252) is, for most manufacturers, an achievable set of standards that will continue the nation's progress toward the goal of clean air. While the Agency believes that AMC has the technological capability to meet the standards now proposed for model years 1979 and 1980, EPA recognizes that AMC may experience difficulties in refining the systems engineered into its vehicles as quickly as the proposed standards would require.

The 1.0 gram/mile standard creates an additional problem peculiar to AMC and other small manufacturers. This standard requires the development of electronic and three-way catalyst technology. AMC will apparently have to purchase this technology from other manufacturers and then factor it into their product line before the company will be able to achieve compliance. For this reason, AMC may experience lead time problems substantially different from those of other domestic manufacturers.

In the light of these problems, EPA does not object to giving AMC an extension of the existing standards through 1979. Further, EPA supports granting AMC an extended compliance schedule giving them additional time to meet the Senate bill's ultimate standards for CO and NO_x (3.4 gpm and 1.0 gpm, respectively). Such additional time should be adequate for AMC to acquire a source of control technology and to modify that technology for AMC's products.

We believe that these recommendations represents the best compromise in affording AMC and other small manufacturers the time necessary to overcome their special difficulties while moving them as quickly as possible towards the goal of cleaner cars and cleaner air.

Sincerely yours,

DOUGLAS M. COSTLE.

Mr. NELSON. Mr. President, to sum up, the committee states that the numbers embodied in S. 252 are necessary to protect public health. I agree. The committee recognizes that AMC should not be expected to meet the same criteria established for General Motors, Chrysler, and Ford. I agree. This amendment is drafted in such a manner to give relief only to those firms that cannot meet the committee's numbers and timetables because they do not have the in-house engineering expertise to do so. It is much more narrow than the committee's approach.

I agree with EPA and the committee that the technology to achieve the 1980 standards of 0.41/3.4/1 is available and can be implemented without a fuel economy penalty. The EPA and the company have conclusively documented AMC's need for a 2-year extension based upon the company's requirements to purchase and then adapt rather sophisticated pollution control systems. AMC has given me its assurance that it can comply with this proposed timetable in 1982. There is no reason whatsoever, in my judgment, that Ford, Chrysler, and General Motors should not be expected to comply with the committee's timetable in 1980.

Mr. President, I ask unanimous consent that a chart entitled "Auto Emissions for Model Year 1977 (Imports into the United States)" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AUTO EMISSIONS FOR MODEL YEAR 1977 (IMPORTS INTO UNITED STATES)

Manufacturer	Percent of world market (1976)	Emission range (HC/CO/NO_x)	(1976) production
Al'a Romeo	0.7	1.4/15/1.0–0.2/3/0.7	192,000
British Leyland (Austin, Morris, Jaguar, Triumph)	2.4	1.2/13/1.1– .3/1/ .6	674,908
Fiat group	4.7	1.5/13/1.2– .2/3/1.3	1,340,000
Honda	1.7	1.4/ 6/1.5– .2/3/1.2	473,597
Daimler-Benz	1.3	1.4/ 8/1.8– .2/1/1.2	378,241
Nissian (Datsun)	5.7	1.5/15/1.6– .2/2/1.0	1,610,319
Peugeot Citroen	4.5	1.0/10/1.6– .4/3/ .9	1,270,081
Saab	.35	1.5/ 5/1.5– .2/4/ .2	96,000
Toyo Kogyo (Mazda)	1.6	1.0/ 9/1.6– .2/4/ .9	446,618
Toyota	6.1	1.1/ 9/1.5– .1/2/ .9	1,730,767
Renault	4.3	1.3/12/1.0– .2/3/1.2	1,218,358
Volvo	1.07	.5/10/1.3– .2/1/1.2	296,700
Volkswagen (Audi, Porsche, etc.)	5.2	1.5/ 6/1.5– .1/1/ .8	1,463,024
BMW	.9	1.1/15/1.5– .2/5/1.1	267,618
Fuji Heavy Industries (Subaru)	.5	1.2/10/1.3– .4/3/1.1	158,179
Lotus	0	.5/ 3/1.0– .3/3/1.8	[1] 1,400
Maserati	0	.4/ 6/1.0– .3/6/1.1	[1] 210
Ferrari	.005	.7/14/ .8– .5/6/ .8	[1] 1,337
Rolls Royce	.011	.4/ 6/1.6– .2/2/1.1	[1] 3,134
DOMESTIC			
AMC	1.0	1.2/12/2.0– .3/1/ .9	292,556
Avanti		.4/ 1/1.6	150
Checker		.8/11/1.9– .2/1/1.3	4,792
Chrysler		1.4/13/2.0– .2/1/1.9	1,333,402
Ford		1.4/12/1.6– .2/2/1.4	2,053,949
General Motors		1.5/12/1.2– .3/4/1.1	4,891,982
Isuzu (Opel) [2]	.3	.4/ 6/1.5– .3/4/1.0	91,157
Mitsubishi group [3]	1.4	1.5/ 9/1.8– .3/4/1.2	402,844

[1] 1975.
[2] Manufactured in Japan for GM, sold by GM in the United States.
[3] Arrow, Colt, etc. manufactured for Chrysler in Japan, sold by Chrysler in the United States.
Source: EPA certification charts.

Mr. President, I call attention to the absence of a quorum and I ask unanimous consent that the time be equally charged to each side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I call attention to the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I wonder if the Chair could advise me: How is the time on the Nelson amendment controlled and divided and how much remains?

The ACTING PRESIDENT pro tempore. There are 20 minutes remaining. The Senator from Wisconsin (Mr. NELSON) has 10; the Senator from Vermont (Mr. STAFFORD) has 10.

Mr. GRIFFIN. Mr. President, I think it is time to make an inquiry of the distinguished Senator from Wisconsin, who is the sponsor of this amendment. I have the text of his printed amendment, which, as I understand it, is amendment No. 366.

I would like to ask the Senator from Wisconsin if he contemplates that that is the amendment that we will be voting on at 10 o'clock or, if there are some changes to be made, if he could advise us what they are?

Mr. NELSON. It is amendment No. 366, as modified last night.

Mr. GRIFFIN. I see.

Mr. NELSON. That is in the RECORD.

Mr. GRIFFIN. Since we have not been able to get a copy of the amendment as yet, can the Senator advise what the modifications are?

Mr. NELSON. Yes.

The modification is that in 1980 and 1981 the carbon monoxide standard of 9 grams per mile contained in the original amendment No. 366 is reduced to 3.4. The NO_x remains at 2 grams per mile in 1980 and 1981, and then drops to 1 in 1982.

Mr. GRIFFIN. I would assume that if the CO is going to 3.4 for 1980, you would also change the CO figure that is here for 1981?

Mr. NELSON. That is correct.

Mr. GRIFFIN. That would be 3.4 in line 18, page 2, as well?

Mr. NELSON. I do not have that amendment before me, but we do adopt the committee standards for hydrocarbons and carbon monoxide in 1980 on through, and the nitrogen oxide standards remain at 2 grams per mile for 1980 and 1981 and then the standard goes to 1 in 1982.

I have the pages here, if the Senator wants them.

Mr. GRIFFIN. As I understand the rationale of the Senator's amendment, he takes the position that American Motors is dependent upon technology developed by others and purchased from such manufacturers.

Is that a circumstance that is beyond their control?

Mr. NELSON. It does not develop and has not historically developed its own technology for air pollution control devices. AMC has for many years relied upon the purchase of those devices from one of the Big Three. As of today, they do not have the capacity to design and develop their own pollution abatement systems.

There is, in fact, a special exemption from the antitrust laws, as the Senator may remember, so that American Motors may work closely with one of the major manufacturers on pollution control.

Mr. GRIFFIN. I say to the Senator from Wisconsin that I am inclined to be sympathetic with the problem that this amendment addresses. It seems to me, however, that there is a basic problem that underlies it.

It would seem to contemplate and condone the kind of a situation where a principal manufacturer, albeit the smaller of the four, apparently is content to be dependent upon the research and technology of the other automobile companies.

Is that a good idea as far as the national interest is concerned? Should we not be prodding American Motors as well as the other manufacturers to meet clean air standards and surpass the other companies, if possible?

I would take my hat off to them. In some respects, I know they have led the way.

Mr. NELSON. AMC made its own policy decision that since other companies, the Big Three, had the capacity in terms of scientists, technology, and vastly greater financial resources, that it would purchase technology from them.

That, of course, as the Senator knows, is not uncommon. Every major corporation in America, every single one without exception, buys technology of some kind from somebody else.

As a matter of fact, I doubt whether there is an automobile company in the world that does not buy technology, sophisticated technology, manufactured by specialists in that particular field, whether it is batteries or spark plugs or engines or pollution control devices or electronics equipment. All companies buy technology.

Their choice in this case was to buy their abatement technology many years ago. They have been purchasing it for many years. So it is not an unusual circumstance.

It would be nice if any company had the money and the innovative capacity to come up with something better than somebody else, and many small companies do.

Mr. GRIFFIN. Of course, I know that the Senator from Maine's idea is that we ought to have some impact and effect upon the decisions made in the corporate board rooms; and that just because they make a decision in a corporate board room, it does not mean that it will be the national decision.

I must say that I have to agree with him. I do not think that our policies should be made in the corporate board rooms.

Is it the idea of the Senator from Wisconsin that there should be 1 year of delay in each instance for American Motors beyond the standards that are set for the larger manufacturers? Is that the general principle involved here?

Mr. NELSON. Just as I stated, in 1980 under this amendment American Motors, or any company in the world producing less than 300,000 cars will have to meet the committee standards of 0.41 for hydrocarbons and 3.4 for carbon monoxide, but not the 1 gram per mile for nitrogen oxide.

Under this amendment, AMC would be permitted 2 grams per mils for 1980 and 1981. But in 1982, it would then meet the committee standard of 1 gram of nitrogen oxide per mile.

So, really, the significant delay is 2 years as to nitrogen oxide.

Mr. GRIFFIN. I understand the particular concern of the Senator from Wisconsin about nitrogen oxide. Although I am not an automotive engineer or a chemist and it is not understandable to me in that sense, I do understand that his concern gets to be the crux of the real debate and the problem here with respect to these schedules.

It is interesting to me that the Senator from Wisconsin and American Motors are very, very concerned about the NO_x schedule. They should be. But I point out that it is a problem for the other three manufacturers as well.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield to my colleague from Michigan.

Mr. RIEGLE. I think it is important to note and point out to the Senator from Wisconsin, the sponsor of the amendment, that the American Motors Corp. is supporting the Riegle-Griffin amendment.

Mr. NELSON. I did not hear the Senator from Michigan.

The ACTING PRESIDENT pro tempore. The time of the opponents has expired.

Mr. RIEGLE. Mr. President, will the Senator from Wisconsin yield on his time, so that I may make the point to him again?

Mr NELSON. I yield 1 minute.

Mr. RIEGLE. American Motors is part of the coalition supporting the Riegle-Griffin amendment. That is No. 1.

No. 2, it is my understanding that American Motors can get from the other manufacturers exactly the same technology they may be developing in this area. Exemptions are available for them because of the special case, so they are not denied access to whatever technology is developed. Why they should be treated in some special category when they are supporting our amendment is really beyond me.

So I have to oppose the Senator's amendment; and I hope that if it is defeated, he will support us, as American Motors is.

I thank the Senator for yielding.

Mr. NELSON. I agree that American Motors does support the Griffin-Riegle amendment.

Mr. RIEGLE. I assure the Senator that it does.

Mr. NELSON. However, American Motors has assured my office that they are able to meet the hydrocarbon standards of the committee, 0.41, in 1980. They have assured my office that they can meet the carbon monoxide standard of 3.4 in 1980. They have assured my office that they can meet the nitrogen oxide standard of 1 in 1982.

Of course, they endorse the Riegle-Griffin amendment. In fact, if somebody came around with a 10-year extension or a 20-year extension, they all would endorse it. We fought it from the beginning, as the Senator well knows. The big three were engaged in a criminal conspiracy for 15 years not to develop any competition in this area. They will support any delay.

The key point is that American Motors can meet the committee numbers in 1980 on hydrocarbons-carbon monoxide and the committee numbers on nitrogen oxide in 1982, which is dramatic evidence that the big three can meet them all in 1980.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. NELSON. The Senator from West Virginia desires some time.

Mr. RANDOLPH. I should like 2 or 3 minutes.

How long will the Senator from Vermont take?

Mr. STAFFORD. One minute.

Mr. NELSON. I yield 1 minute to the Senator from Vermont.

Mr. STAFFORD. I just wanted to comment very briefly, because the Senator from Michigan raised the question of the interpurchase between manufacturers of technology.

It is an interesting footnote to history in this field that in the early 1960's, General Motors was making a 6-cylinder engine, a V-6 engine, which they discontinued and sold to American Motors. Then, 2 or 3 years ago, General Motors found it necessary to purchase back the rights to the same 6-cylinder engine they had sold earlier to American Motors. So technology seeems to float both ways when it is necessary in these situations.

Mr. NELSON. Mr. President, how much time does the Senator from West Virginia desire?

Mr. RANDOLPH. How much time does the Senator from Wisconsin have remaining?

Mr. NELSON. Mr. President, how much time does the Senator from Wisconsin have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin has 6 minutes remaining.

Mr. NELSON. Does the Senator from Maine wish any of this time?

Mr. MUSKIE. No.

Mr. NELSON. Does the Senator from Vermont wish any additional time?

Mr. STAFFORD. No.

Mr. NELSON. I yield whatever time the Senator from West Virginia desires.

Mr. RANDOLPH. Once again, how much time remains?

The ACTING PRESIDENT pro tempore. Six minutes.

Mr. NELSON. I ask the Senator from West Virginia to allow me 15 seconds in order to place in the RECORD some material, including a letter from the EPA Administrator endorsing this amendment.

Mr. RANDOLPH. I appreciate the cooperation of the Senator from Wisconsin (Mr. NELSON), who offers this amendment.

Mr. President, this gives us an opportunity to face up to some realities in connection with the amendments that are pending to the Clean Air Act. We must think at times of special situations in the production of automobiles or specifically in the production of steel.

Some smaller companies which are producing steel have an almost insurmountable assignment to meet the competition of the large steel companies. I am not trying to draw the line between United States Steel and the Wheeling-Pittsburgh Steel Co. The latter company, however, which is located in the northern panhandle of West Virginia, has been attempting through the years to modernize its facilities. It has expended more than $122 million for environmental and environmentally-related facilities. More than $90 million of this amount has been spent in West Virginia, contributing to the improvement in air quality in our State. This has been an effort to meet—not reluctantly—the requirements of pollution programs, not only in the area of cleaner air but also pure water.

This is a situation which affects American Motors, and I support the amendment. American Motors established a plant in South Charleston, W. Va., which employs 320 persons. There were economic reasons why that situation is being altered. American Motors is now in the process of transferring its West Virginia facility to Volkswagen of America but will continue to be supplied from South Charleston.

Today, the Wheeling-Pittsburgh Steel Co. is attempting to keep its plant, its factory, its facilities in operation. It is as real as that. Fifteen thousand workers are involved. There are some 600 to 700 in the offices of the headquarters in Wheeling, W. Va.

No one needs to supply me with some information one way or the other. I know the seriousness of the operating situation in that company. That company has come to me and to others and explained the problems they have at the present time.

The able Senator from Maine (Mr. MUSKIE), the chairman of our subcommittee, knows that I have brought these matters to the attention of our committee at various times. Frankly, various segments or entities of industries need assistance.

In the case of Wheeling-Pittsburgh, the company, as I indicated, has invested heavily on pollution control and will continue to do so. Planned environmental spending in the next 5 years is $70 million. As a result, the company's financial situation is affected. Its debt is high, its earnings are low and its ability to borrow needed funds is limited.

This is the situation with respect to one company, but there are others.

I believe it is the responsibility of the Committee on Environment and Public Works and of every Member of this body to think in terms of equity and balance as we develop these programs.

Mr. President, I should like my name to be added as a cosponsor of the amendment.

Mr. NELSON. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, we are not flouting the continuing program of clean air by aiding American Motors in this instance. We are only being realistic and attempting to assist the company in meeting the requirements of the law.

FOREIGN AUTOMOBILE MANUFACTURERS LOOPHOLE FROM CLEAN AIR STANDARDS

Mr. ZORINSKY. Mr. President, today, Thursday, June 9, 1977, the Senate voted to exempt those manufacturers of auto-

mobiles who manufacture less than 300,000 automobiles a year and purchase their emission control systems from other corporate entities, from having to meet the statutory emission standards. This exemption was intended to provide a 2-year delay for American Motors in complying with statutory emission control standards being set today during consideration of the Clean Air Act.

While the intent of the amendment with respect to American Motors is supportable because of American Motors' precarious situation financially and its reliance on other manufacturers for its emission control equipment, the unnoticed loophole for foreign manufacturers is surely not. Such foreign manufacturers as BMW, Volvo, Alfa Romeo, Suzuki, SAAB, Subaru, Lotus, Rolls Royce, Maserati, Ferrari, and Opel could simply divest themselves of their emission control equipment production, purchase that equipment from other corporate entities and therefore become eligible for the compliance extension.

I do not think that Congress should set one clean air standard for American automobile manufacturers and, on the other hand, allow the possibility for a large number of foreign automobile manufacturers to be exempt from those standards through an unnoticed loophole.

While I would have supported the amendment on behalf of American Motors, my vote on this issue was for the limitation of the extension to domestic manufacturers and against passage of the amendment without that limitation.

The ACTING PRESIDENT pro tempore. The time has expired.

The Senator from Michigan is recognized.

UP AMENDMENT NO. 378

Mr. GRIFFIN. Mr. President, is an amendment to the Nelson amendment in order?

The ACTING PRESIDENT pro tempore. Such an amendment is in order.

Mr. GRIFFIN. I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Mr. GRIFFIN) proposes unprinted amendment No. 378:

On page 1, line 7, after "sales" insert "of motor vehicles manufactured in the United States";

On page 2, line 5, after the word "manufacturer" strike all that follows and insert: "which apply to other manufacturers except that the effective date of the standards for any pollutant for the model year 1979 and subsequent years may be delayed in each case for a period not to exceed one year if the Administrator determines that such delay would not be harmful to public health.".

The ACTING PRESIDENT pro tempore. Time on the amendment is limited to 30 minutes equally divided between the Senator from Michigan and the Senator from Wisconsin.

Who yields time?

Mr. GRIFFIN. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. GRIFFIN. This amendment would recognize a certain amount of validity and merit to the argument of the Senator from Wisconsin, even though he is offering an amendment which the American Motors Corp., as I understand it, does not want. But assuming that his concern is justified and that American Motors, because they do not develop and have their own technology for emission controls, would need a year's delay in the application of standards, particularly with respect to NO_x, it seems to me his amendment is not drafted appropriately. This amendment writes into the law certain figures for American Motors only before we know what the final figures are going to be for the rest of the industry.

I know that his amendment is predicated upon the assumption that the committee bill standards will be adopted, although I am not quite sure that those standards will be adopted or some other schedule, perhaps to be offered by the Senator from Tennessee (Mr. BAKER). What my amendment does is change the form of the Senator's amendment and specifically provides that a manufacturer which has produced less than 300,000 cars would have one year's delay for any one pollutant. So, in other words, it could be just for NO_x for the model year 1979, as compared to whatever standards apply to the rest of the industry.

It seems to me that this is a more logical way to approach the problem, rather than to write in particular numbers for American Motors now when we do not know what the numbers are going to be for the rest of the industry.

That concedes and recognizes a point which really is subject to some disagreement because, as my junior colleague from Michigan has already pointed out, that technology is available to American Motors without a year's delay, and there is a real question as to whether or not some special exemption should be carved out here for American Motors.

But I will go along with it with this kind of an amendment, which is, it seems to me, the way the amendment should have been drafted.

My amendment to the Nelson amendment has one other important feature. The Nelson amendment refers to any manufacturer whose sales in the world were less than 300,000 light duty motor vehicles for the year 1976. It is assumed that that applies to American Motors, and I guess it does. But I really do not know who else it applies to, and there is not any language in his amendment that would preclude the application of that special exemption for the foreign manufacturers of automobiles sold in the United States.

I, for one, am not about to grant such an exemption to foreign-made automobiles. The language as drafted, it seems to me, would do that.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. PELL). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRIFFIN. I yield for a question to the Senator from Maine.

Mr. MUSKIE. Mr. President, will the Senator yield, simply for clarification? I am not using the Senator's yielding to engage in argument, but merely to understand the Senator's amendment.

Mr. NELSON. Mr. President, I wonder if the Senator would use his microphone.

Mr. MUSKIE. The first part I understand very clearly. It is designed to limit the relief of the Nelson amendment to American manufacturers of 300,000 cars.

Mr. GRIFFIN. That is correct.

Mr. MUSKIE. The second part of the Senator's amendment, which I want to be sure I understand, as I read it, it seems to me to be or its effect seems to be to make possible a series of 1-year delays of all pollutant standards.

Mr. GRIFFIN. Any.

Mr. MUSKIE. Any pollutant standard beginning with the year 1979.

Mr. GRIFFIN. That is right.

Mr. MUSKIE. For manufacturers of all American automobiles.

Mr. GRIFFIN. No; you have to read it in context with the language that precedes this.

The Senator talked about the manufacturer whose sales were less than 300,000, and then it goes on, and then he talks about automobiles manufactured by such manufacturer. My amendment then states—

contain the standards which apply to other manufacturers except that the effective date of the standards for any pollutant for the model year 1979 and subsequent years may be delayed in each case for a period of not to exceed 1 year if the Administrator determines that such delay would not be harmful to public health.

But I see the Senator's point.

Perhaps at one place there could be inserted "the effective date of the standard for any pollutant in the case of a manufacturer," and then repeat it, "making less than 300,000 cars." I do not think it is necessary though in the context in which it is put, but that is the intention of my amendment—that it would be only to that manufacturer but not all manufacturers.

Mr. MUSKIE. But the Senator's intention then—maybe if he would clarify this then we can look at the language.

Mr. GRIFFIN. That is correct.

Mr. MUSKIE. The Senator's intention is to modify the form of relief to be available to American Motors.

Mr. GRIFFIN. That is correct.

Mr. MUSKIE. And not to extend the relief to other American manufacturers.

Mr. GRIFFIN. That is correct.

Mr. MUSKIE. The form of relief proposed for American Motors is to make available a series, potentially a series, of 1-year extensions.

Mr. GRIFFIN. That is right.

Mr. MUSKIE. Beginning with model year 1979.

Mr. GRIFFIN. Beyond the schedule that would apply to the other manufacturers.

Mr. MUSKIE. I understand it, and I will not take the Senator's time any further. I will discuss the amendment with Senator NELSON.

Mr. GRIFFIN. I do believe that if my amendment is read in the context of the Nelson amendment, which refers to a manufacturer of less than 300,000 light duty motor vehicles, and then it says "such" manufacturer, there would not be any question about the meaning of my

amendment. Certainly with this added colloquy there could not be.

I believe this is an improvement of the Nelson amendment, and one that would certainly, as far as this Senator is concerned, close a possible loophole in having this broad exemption apply to companies other than American Motors.

So I commend the amendment to the Senate and hope it will be adopted.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, how much time remains on this amendment and who controls the time?

The PRESIDING OFFICER. There are 19 minutes remaining. The Senator from Wisconsin has 15 minutes and the Senator from Michigan has 4 minutes.

Mr. NELSON. Mr. President, I wish to say to the distinguished senior Senator from Michigan that in the RECORD of yesterday, June 8, on page S9223 contains a chart of all the automobile manufacturing companies in the world with their 1976 production and an explanation of the impact of this amendment.

As to the provision in the Senator's amendment which would make this extension applicable only to domestic cars, that would be clearly in violation of our trade agreements. We have discussed the language that was placed in the amendment with the special trade representative, and it would not be in violation of our trade agreements.

Amendment 366 requires that in order to qualify for this extension the manufacturer must have manufactured less than 300,000 cars in 1976 and must be a company that purchases its pollutions control technology from other companies.

The actual fact is, so far as we can determine, only Avanti, that makes some 150 cars, and American Motors would qualify because others, which manufacture less than 300,000, either manufacture their own technology or they have no trouble meeting the committee standards anyway. The first part of the Senator's amendment would violate our trade agreements, and I do not think it would be sound policy for Congress to write into legislation a provision of that kind.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I yield myself such time as may remain on my side.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. GRIFFIN. I appreciate the information provided by the Senator from Wisconsin. I did not have these production numbers earlier. But it seems to me that it only reinforces the arguments that I have made and suggests stronger reasons for support of my amendment. Attention is called to the fact that BMW, Saab, and Volvo would fall in this category. Is that correct?

Mr. NELSON. Neither BMW nor Volvo fall in the category because they manufacture their own technology.

Mr. GRIFFIN. They fall into the category in terms of number of cars they manufacture. I am looking at foreign manufacturers that produce less than the number 300,000, which is the key number in the Senator's amendment.

Mr. NELSON. May I interrupt for clarification?

Mr. GRIFFIN. Yes.

Mr. NELSON. But if the Senator refers to the language it provides for manufacturers of 300,000 automobiles.

Mr. GRIFFIN. Mitsubishi in Japan come over that figure. But Fuji, Lotus, Ferrari, Rolls-Royce, all of those companies produce less than the magic number. Then the question would be on the other matters which the Senator includes here and which are very much more difficult to determine, whether or not they in fact are primarily dependent upon the technology of others. I would be surprised, frankly, if those foreign manufacturers completely provided and developed their own technology and in no instances purchased technology from other sources.

I think the problem that a substantial company like American Motors has in our country with respect to technology would certainly be duplicated by the small manufacturers in other countries.

And with all due respect, I think the Senator from Wisconsin leaves open a big loophole there in asking us to buy a pig in the poke. We do not know what the situation is, and I would say that to have a "buy American" provision in this kind of an amendment would be most appropriate and certainly not unusual. We have it in other areas of legislation. In a situation where we otherwise do not know what we are doing, it would seem to me it would be most appropriate.

I reserve any time that may remain.

Mr. NELSON. Mr. President, may I respond?

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. NELSON. The Senator from Michigan, I think, misinterprets the amendment. The amendment provides that this exemption for time lag would apply under two circumstances. A company must manufacture less than 300,000 automobiles and it must purchase their pollution control technology from someone else.

The only place that I know of in America, and perhaps in the world, that is the primary source for the information about who manufacturers their own pollution control systems and who purchases it is the Environmental Protection Agency. EPA must certify every automobile, domestic or foreign, that is sold in this country. The Environmental Protection Agency informed my office that under this provision only American Motors and Avanti would qualify, no others would be eligible.

BMW and Volvo, for example, manufacture their own pollution control technology. Neither of these firms would qualify. So under the language drafted it is down to American Motors and Avanti.

Consequently, this language does not create the particular problem that the Senator from Michigan raised. The amendment has been checked with the special trade representative, and it does not violate our trade agreements; whereas, the provisions by the Senator from Michigan would violate our trade agreements.

How much time does the Senator from Wisconsin still have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. NELSON. I yield whatever time the Senator from Maine desires.

Did the Senator wish additional time?

Mr. GRIFFIN. No. I reserved any time that I had remaining.

Mr. MUSKIE. Mr. President, the Senator from Wisconsin has covered the first matter raised by the Griffin amendment, and I shall not undertake to add to his observations on it. He carefully explored the whole question of the impact on foreign manufacturers of his original amendment. He explained the rationale for it. He explained the safeguards which have been written into his amendment, and he satisfied me on those points before I agreed to support his amendment.

As I say, he satisfied me on those points. However, I am concerned about the second feature of the Griffin amendment. As I read it, and the Senator from Michigan has confirmed my understanding of it, what it would do is give greater relief to American Motors than is required to meet American Motors' needs. Second, it would put into place machinery for a series of 1-year delays from now on for American Motors, which, if put in place, I am sure would be used by the other manufacturers as an excuse to request similar kinds of administrative flexibility.

Mr. President, it has been the policy of Congress since 1970 to decide directly what the public health requires in this connection. The Griffin amendment would transfer that decisionmaking authority to the Administrator at this late date, when the health requirements have been carefully reviewed year after year after year in the light of unfolding knowledge and in the light of experience. That experience has only confirmed all relevant judgments as to the necessity to maintain present standards. To open up that question and transfer it to the Administrator at this late date is simply to open another loophole.

The Senator from Michigan has expressed his unhappiness with the loophole with which he dealt with the first point of his amendment. Well, I am equally concerned with the loophole the Senator from Michigan has opened up with his second one.

Mr. President, American Motors has indicated it can meet the hydrocarbon and carbon monoxide standards for 1980. There is no reason, therefore, to open up the possibility of further extensions of time to American Motors on those two pollutants after 1980, as the Griffin amendment would do.

In other words, the Griffin amendment is undertaking to give American Motors relief that American Motors, I am sure,

would like, but which American Motors says it does not need with respect to the hydrocarbons and carbon monoxide standards in 1980. If we were to grant American Motors that relief which it does not need, then I would not blame the other manufacturers if they came in and asked, "Why not give us the same relief?"

It makes no sense, Mr. President.

Second, American Motors has said it can meet the nitrogen oxide standard in 1982, if we will give them until 1982. The Griffin amendment has opened up the possibility that we would give American Motors relief beyond 1982 on the NO_x standard. If we do, then other manufacturers are going to come in and say, "Simple equity demands that you give us the same kind of unnecessary relief you have given to American Motors."

Mr. President, this is nothing but another example of the kind of delaying tactics, the kind of stretchout of the inevitable, the kind of stretchout of what is required by the public health, that the American automobile industry has demonstrated for the 14 years I have been chairman of the Environmental Pollutants Subcommittee. It ought to be summarily rejected. In due course, when all time has expired, I shall move to table the amendment.

Mr. GRIFFIN. Mr. President, will the Senator give me a minute to respond? I believe I have some time remaining, have I not?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUSKIE. Why not use your time?

Mr. GRIFFIN. My time has expired.

Mr. MUSKIE. Does the Senator from Wisconsin object to my yielding time to the Senator from Michigan?

Mr. NELSON. No; I have no objection.

Mr. MUSKIE. I yield the Senator 2 minutes.

Mr. GRIFFIN. I thank the Senator.

Mr. President, I have listened with interest to the Senator from Maine. I take issue with him. Our amendment does not go further in terms of providing relief to American Motors, because it does not lock in different standards for American Motors than for the other manufacturers. It only provides that the Administrator may grant American Motors—and not any other manufacturer—a 1-year delay in the case of any particular pollutant; provided that he determines that such delay will not be harmful to the public health.

So it does not grant American Motors more relief, it grants them less relief; and if they get any relief, it is dependent upon a showing by the administrator that it is necessary and that it will not harm public health.

The Nelson amendment locks figures into the law without knowing, at least at this point, what the emission schedule will be for the rest of the industry. I know that the Senator from Maine thinks he knows what it is going to be. Maybe he is correct. Maybe he will have the votes when the time comes and these figures will correspond to those finally established in S. 252.

But I can tell the Senator this: If the Senator from Maine, later on in this debate, is proven wrong, the Senator from Wisconsin will be back asking for some modification of this. In that case if the NO_x standard for 1982 for the rest of the industry is different, he will want another year's delay beyond that for American Motors.

It seems to me that the rational and logical way to adopt this kind of policy, if we want to do it, is not to write figures into the law; but to say that American Motors, recognizing that it does depend upon other companies for its technology, may have a 1-year delay over and beyond whatever the schedule is established for the rest of the industry.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUSKIE. Mr. President, I think I have about 2 minutes remaining, and I must answer the Senator's argument.

His amendment says this:

> The effective date of the standards for any pollutant for the model year 1979 and subsequent years may be delayed in each case for a period not to exceed one year.

That means there will be a series of applications 1 year apart for the automobile industry for the kind of delay they have been pursuing for 7 years. Every time they have been given the possibility of administrative delay for a year, they have spent 2 years pursuing the delay and postponing the kind of effort that might have avoided this confrontation on the floor of the Senate in the year 1977. They have received three 1-year delays, two by administrative decision and one by congressional decision.

Then they got hungry for more and asked for five, and that is their posture at the present time. They see some problem in getting five, so now they are back trying to get the 1-year delay, hoping they can build on the success they have had in the past in getting 1 year after 1 year after 1 year of delay.

Mr. President, I move to table the Griffin amendment.

Mr. SCOTT. Mr. President, will the Senator withhold that for a moment?

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Is this amendment subject to a division?

The PRESIDING OFFICER. Yes, the amendment is subject to a division into two parts.

Mr. GRIFFIN. I ask for a division.

Mr. SCOTT. Mr. President——

The PRESIDING OFFICER. The division is being made.

ORDER OF PROCEDURE

Mr. SCOTT. I ask unanimous consent, Mr. President, that after the disposition of the pending amendment before us, and the amendments to be offered by the Senator from Utah (Mr. GARN), I might bring up my nondegredation amendment. It has been ordered to be printed. I do not have printed copies on the desks, but they should be here long before that.

Mr. MUSKIE. I certainly have no objection to the request of the distinguished Senator.

The PRESIDING OFFICER. Is there objection?

Mr. MUSKIE. May I ask a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. MUSKIE. The division which has been ordered, I take it, puts before us first that part of the amendment of the Senator from Michigan which is found in the first two lines of his amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. MUSKIE. That is the part——

The PRESIDING OFFICER. Is there objection to the request of Senator SCOTT?

Mr. MUSKIE. As I understood his request, it was that it follow an amendment by Senator GARN.

Would the Senator repeat his request?

The PRESIDING OFFICER. The request of the Senator from Virginia was that his amendment would come up before the disposition of the amendment of the Senator from Michigan.

Mr. SCOTT. No, Mr. President.

Mr. MUSKIE. I did not understand it that way.

Mr. SCOTT. Mr. President, I do not care when it comes up, but I just wanted to plan my day by having some idea as to when I might bring it up for consideration. The thrust of my request is after the pending amendments are decided, and the amendment proposed by the Senator from Utah (Mr. GARN), I might bring up my amendment. If someone has a different idea, it is perfectly all right with me.

Mr. MUSKIE. I have no objection to that.

Mr. RIEGLE. Reserving the right to object, we were asked yesterday to be prepared to proceed this morning, if we could, to wrap up the automotive section. Senator GRIFFIN and I are ready with our amendment. We have made one major change in it. As long as the Senator from Virginia has indicated that he really does not care when he proceeds, as long as he has some indication as to when that will be, it would be my preference, if he is so inclined, that he wait and that we go next with the Riegle-Griffin amendment following the disposition of the Nelson amendment.

Mr. SCOTT. Let me ask the distinguished Senator, how long, approximately, will he require? Does he have 6 hours?

Mr. RIEGLE. I will say to the Senator the time has been reduced to 4 hours. I do not know that we will need all that time. There may be a substitute offered for our amendment. I hope there is not. I would think it would be something less than that period of time.

Mr. GARN. Reserving the right to object, Mr. President, I sat in the Chamber all day yesterday waiting for Senator GRIFFIN and Senator RIEGLE to bring up their amendment. I was perfectly willing to wait. I was asked by the leadership if, after the disposition of this vote this morning, I would call up my amendment. It was their request. I agreed to the request. I would like to proceed with those amendments, having waited all day yesterday thinking the automobiles were going to be brought up and then we

would go to stationary sources. I would like to proceed as I was asked by the leadership to do this morning and let the automobile section wait for me today as I waited for them all day yesterday.

Mr. ROBERT C. BYRD. Mr. President, I wonder if I could plead with the distinguished Senator from Utah and the distinguished Senator from Virginia to allow the Senators from Michigan to bring up their amendment. We urged them last evening to call up their amendment upon the disposition of the amendment by Senator NELSON. They said they would consider that overnight. As a backup, for fear they would not today be willing to call it up at that time, we asked the Senator to be prepared to call up his amendment in the event that, upon the disposition of the Nelson amendment, Senators GRIFFIN and RIEGLE did not call up their amendment. If the Senator would allow me in this instance to urge him, and I say the same thing to the Senator from Virginia, let us bring up the Griffin-Riegle amendment. Then I would certainly be glad to ask unanimous consent that either or both Senators follow the disposition of that amendment with their amendments.

Mr. GARN. I would like to accommodate the leader. He has always been very fair with me. I do not anticipate that all three of my amendments together would take anywhere near the time of the 6 hours allotted on the Riegle-Griffin amendment.

Mr. RANDOLPH. It is 4 hours.

Mr. ROBERT C. BYRD. It has been reduced to 4 hours.

Mr. GARN. I would still prefer to dispose of the stationary source amendments, at least those three amendments. I am sorry I did not bring them up yesterday. I would like to be accommodating, but I would also like to know about the time. One of my amendments wil require 5 or 10 minutes of discussion. I would anticipate we could start my amendment after this vote, and by 1:30 all three of them will be disposed of.

Mr. SCOTT. Mr. President, I will be glad to follow the Griffin-Riegle amendment. My unanimous-consent request was prefaced on the amendments of the Senator from Utah being taken first. All I would like to know is when I could call up my amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the disposition of the amendment by Mr. GRIFFIN and Mr. RIEGLE, the distinguished Senator from Virginia be recognized to call up his amendment. Could we go that far?

Mr. MUSKIE. If the Senator will yield, I would want to be sure that that consent agreement did not preclude the possibility of substitutes or amendments to the Griffin-Riegle amendment.

Mr. ROBERT C. BYRD. No; it would not.

Mr. MUSKIE. As long as that is understood.

Mr. GARN. Reserving the right to object, might I ask the leader what will happen to me?

Mr. ROBERT C. BYRD. Nothing at this point. [Laughter.]

I am going to come back to the Senator in a minute, may I say to my friend.

Mr. SCOTT. Mr. President, I would, in fact, prefer to follow the distinguished Senator from Utah because of the nature of my amendment. I think it would put me in a preferred position to follow him.

Mr. ROBERT C. BYRD. May I then suggest this: that we proceed to dispose of the Nelson amendment and in the meantime I will endeavor to do a little courtship with my two friends on the other side to see if we can work out something.

Mr. MUSKIE. If the Senator will yield, I hope he is not too insistent on his own point of view on this because it was so hard to get either of these Senators to come to the floor. It seems to me the Senate will be the beneficiary whichever way it goes. It is all right with me whichever way it goes. We have the ball rolling now. I must say the distinguished Senator from Utah was most cooperative last evening in offering to be here this morning to follow the Nelson amendment. I want to express my appreciation for that.

Mr. ROBERT C. BYRD. Very well. Mr. President, several Senators are expecting rollcall votes and they have been delaying their committee meetings. I suggest we proceed.

The PRESIDING OFFICER. Does the Senator withdraw his unanimous-consent request?

Mr. ROBERT C. BYRD. I do.

The PRESIDING OFFICER. The question is on the first division of the Griffin amendment. The yeas and nays have been ordered and the clerk will call the roll.

Mr. MUSKIE. Mr. President, I have indicated my intention to table the original Griffin amendment. I will now move to table each part. I move to table the first part.

Mr. GRIFFIN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. The first vote, then, will be a motion to table that part of the amendment which deals with foreign manufacturers, so that the exemption applies only to manufacturers within the United States. Is that correct?

The PRESIDING OFFICER. The amendment of the Senator from Michigan inserts the phrase "motor vehicles manufactured in the United States." The motion of the Senator from Maine is to table that.

Mr. ROBERT C. BYRD. Mr. President, I take it that these votes will be back to back. I ask unanimous consent that the back-to-back votes be 10-minute rollcall votes.

Mr. CANNON. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the motion to table.

Mr. NELSON. Mr. President, have the yeas and nays been requested?

The PRESIDING OFFICER. Not on the motion to table.

Mr. MUSKIE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion of the Senator from Maine to table the first part of the Griffin amendment. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. BAYH), and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG), and the Senator from Florida (Mr. STONE) are absent on official business.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The result was announced—yeas 56, nays 38, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—56

Abourezk	Ford	Melcher
Anderson	Garn	Metzenbaum
Baker	Glenn	Moynihan
Bentsen	Gravel	Muskie
Biden	Hart	Nelson
Brooke	Haskell	Nunn
Bumpers	Hathaway	Pell
Burdick	Hollings	Percy
Byrd, Robert C.	Huddleston	Proxmire
Cannon	Humphrey	Randolph
Case	Inouye	Ribicoff
Chafee	Jackson	Roth
Chiles	Javits	Sarbanes
Church	Kennedy	Sasser
Clark	Leahy	Sparkman
Cranston	Magnuson	Stevenson
Culver	Matsunaga	Weicker
DeConcini	McGovern	Williams
Eagleton	McIntyre	

NAYS—38

Allen	Hatch	Riegle
Bartlett	Hatfield	Schmitt
Bellmon	Hayakawa	Schweiker
Byrd,	Heinz	Scott
Harry F., Jr.	Helms	Stafford
Curtis	Johnston	Stennis
Danforth	Laxalt	Stevens
Dole	Lugar	Talmadge
Domenici	McClure	Thurmond
Durkin	Metcalf	Tower
Eastland	Morgan	Wallop
Griffin	Packwood	Young
Hansen	Pearson	Zorinsky

NOT VOTING—6

Bayh	Long	McClellan
Goldwater	Mathias	Stone

So, the motion to lay on the table division 7 of the Griffin amendment was agreed to.

Mr. MUSKIE. Mr. President, I move to reconsider the vote by which the motion to lay on the table division 1 was agreed to.

Mr. NELSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE PRESIDING OFFICER. The question is now on division 2.

Mr. MUSKIE. Mr. President, I move to table division 2 and I ask the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. McCLELLAN) is necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The result was announced—yeas 60, nays 35, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—60

Abourezk	Garn	Melcher
Anderson	Glenn	Metzenbaum
Baker	Gravel	Moynihan
Bentsen	Hart	Muskie
Biden	Haskell	Nelson
Brooke	Hathaway	Packwood
Bumpers	Heinz	Pearson
Burdick	Huddleston	Pell
Byrd, Robert C.	Humphrey	Proxmire
Cannon	Inouye	Randolph
Case	Jackson	Ribicoff
Chafee	Javits	Roth
Chiles	Johnston	Sarbanes
Church	Kennedy	Sasser
Clark	Laxalt	Sparkman
Cranston	Leahy	Stafford
Culver	Magnuson	Stevenson
Durkin	Matsunaga	Weicker
Eagleton	McGovern	Williams
Ford	McIntyre	Zorinsky

NAYS—35

Allen	Griffin	Percy
Bartlett	Hansen	Riegle
Bayh	Hatch	Schmitt
Bellmon	Hatfield	Schweiker
Byrd, Harry F., Jr.	Hayakawa	Scott
	Helms	Stennis
Curtis	Hollings	Stevens
Danforth	Lugar	Talmadge
DeConcini	McClure	Thurmond
Dole	Metcalf	Tower
Domenici	Morgan	Wallop
Eastland	Nunn	Young

NOT VOTING—5

Goldwater	Mathias	Stone
Long	McClellan	

So the motion to lay on the table division 2 of the Griffin amendment was agreed to.

Mr. MUSKIE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. BURDICK). The question now is on agreeing to the amendment, as modified, of the Senator from Wisconsin. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Arkansas (Mr. McCLELLAN) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from Florida (Mr. STONE) are absent on official business.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 77, nays 16, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—77

Allen	Ford	Metzenbaum
Anderson	Garn	Morgan
Baker	Glenn	Moynihan
Bartlett	Gravel	Muskie
Bayh	Hart	Nelson
Bentsen	Haskell	Nunn
Biden	Hathaway	Pearson
Brooke	Hayakawa	Pell
Bumpers	Heinz	Percy
Burdick	Helms	Proxmire
Byrd, Harry F., Jr.	Hollings	Randolph
	Huddleston	Ribicoff
Byrd, Robert C.	Humphrey	Roth
Cannon	Inouye	Sarbanes
Case	Jackson	Sasser
Chafee	Javits	Schmitt
Chiles	Johnston	Sparkman
Church	Laxalt	Stafford
Clark	Leahy	Stennis
Cranston	Lugar	Stevens
Culver	Magnuson	Stevenson
Curtis	Matsunaga	Talmadge
Dole	McGovern	Thurmond
Domenici	McIntyre	Tower
Eagleton	Melcher	Weicker
Eastland	Metcalf	Williams

NAYS—16

Abourezk	Hansen	Scott
Bellmon	Hatch	Wallop
Danforth	McClure	Young
DeConcini	Packwood	Zorinsky
Durkin	Riegle	
Griffin	Schweiker	

NOT VOTING—7

Goldwater	Long	Stone
Hatfield	Mathias	
Kennedy	McClellan	

So Mr. NELSON'S amendment, as modified, was agreed to.

Mr. NELSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GARN. Mr. President, I yield for the purposes of a unanimous-consent request to the Senator from Vermont.

Mr. STAFFORD. Mr. President, I thank the Senator.

The PRESIDING OFFICER. Just a minute. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, will the Senator call up his amendment and then yield time?

AMENDMENT NO. 301, AS MODIFIED

Mr. GARN. Mr. President, I call up my amendment No. 301, as modified, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes amendment No. 301, as modified.

Mr. GARN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 21, line 11, after the word "subsection" insert the following: "or Indian tribes within such State".

On page 21, line 15, insert after "State": "or ruling body of the affected Indian tribe".

On page 21, line 18, insert after "Governor": "or ruling body".

On page 21, line 20, strike the word "States" and insert in lieu thereof the word "parties".

On page 21, line 21, insert after "State": "or Indian tribe".

On page 21, line 23, strike "States" and insert "parties".

On page 21, line 18 after "State" insert: "or tribal reservation".

On page 21, line 23, strike "in such State" and insert: "involved".

On page 22, strike lines 4, 5, and 6.

Mr. GARN. Mr. President, I yield to the Senator from Vermont for a unanimous-consent request.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Emma Lou Gale of the staff of Senator SCHMITT be accorded the privilege of the floor during the consideration of the pending legislation and votes thereon.

The PRESIDING OFFICER (Mr. BURDICK). Without objection, it is so ordered.

Mr. GARN. I yield to the Senator from Kentucky (Mr. HUDDLESTON) for a similar request.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that Tim Dugdon and Lynn Walland of my staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. I yield to the majority leader.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this has been worked out among the authors of the amendments and with the leadership on the other side—that following the disposition of the amendment by Mr. GARN now pending, he be recognized to call up two additional amendments; that upon their disposition, Mr. GRIFFIN and Mr. RIEGLE be recognized to call up their amendment; and that upon the disposition of the Griffin-Riegle amendment, the Senator from Virginia (Mr. SCOTT) be recognized to call up his amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator from Utah.

Mr. GARN. Mr. President, this amendment is virtually identical to amendment No. 301 which I previously introduced. In preparing the earlier amendment, my staff overlooked three instances where words needed to be changed, and the new amendment reflects those changes. I may say that the oversights were called to my attention by the staff of the committee.

This amendment makes no substantive change in the bill before us. Its sole purpose is to avoid confusion over the legal status of Indian tribes.

In discussing the relationship between the Federal Government and local government, the bill as it stands defines the term "States" as including Indian tribes. The Indians themselves may object to

being degraded to the level of States, but where I come from, there is serious opposition to elevating Indian tribes to that level.

Therefore, I have introduced my amendment, to make plain that when Indian tribes are intended, you must say "Indian tribes." You cannot say "States" and mean Indian tribes.

The amendment does not add to or detract from the powers of either States or tribes, or make any substantive change in the bill. It is merely a technical change to clarify the position of the Indians vis-a-vis the States.

Mr. STAFFORD. Mr. President, will the Senator yield for a question?

Mr. GARN. I shall be happy to yield.

Mr. STAFFORD. The Senator from Vermont would ask the distinguished Senator, in connection with his amendment, at line 3, where he refers to the insertion after the word "State" on line 15 of the committee bill, I note that the word "State" appears twice in that line. For clarity, will the Senator indicate after which word "State" the amendment applies?

Mr. GARN. Due to the fact that I have turned my modified amendment in to the clerk, we will have to find a copy.

Will the Senator repeat the line?

Mr. STAFFORD. The question of the Senator from Vermont was that in view of the fact that the word "State" appears twice in line 15 of the committee print, after which word "State" does the distinguished Senator's amendment on line 3 of his amendment apply?

Mr. GARN. It would be after the second "State". After "the affected State" and between "State" and "determined".

Mr. STAFFORD. I thank the Senator.

Mr. GARN. Mr. President, I have no further comments on this technical amendment. I defer to the Chairman of the subcommittee and the ranking minority member for their position on this particular amendment.

Mr. MUSKIE. Mr. President, we have discussed this amendment with the distinguished Senator from Utah. I understand his purpose. It seems to be a legitimate purpose. The relatively minor question the staff raised has been resolved by the amendment, and I am prepared to accept the amendment.

Mr. STAFFORD. Mr. President, I also am prepared, on the basis of our previous discussion, to accept the amendment.

Mr. GARN. Mr. President, I yield back the remainder of my time on the amendment.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The Senator from Utah is recognized to call up another amendment.

AMENDMENT NO. 317

Mr. GARN. I call up amendment No. 317, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an amendment numbered 317.

Mr. GARN. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, line 9, delete the words "which exceeds five thousand acres in size,".

On page 12, line 11, delete the words "which exceeds six thousand acres in size".

Mr. GARN. Mr. President, this amendment is offered in a spirit of equity. There is no reason, as I see it, for the Senate to discriminate against States which happen to be blessed with a large number of large parks and wilderness areas, while States with smaller areas are given the flexibility to manage their own affairs. If clean air is desirable over every square foot of Grand Canyon National Park, which is 1,218,375 acres in size, it is desirable over Pelican Island National Wilderness Area, which is 3 acres.

I do not know how the committee came up with an arbitrary designation that 5,000 and 6,000 acres were the triggering points where these parks would have to be class 1, and subject to the nondeterioration sections of this bill; but it does seem only fair to me that if we are going to state as a matter of policy that national parks should be class 1, and that there should be no significant deterioration in those parks, it should make no difference what the size of the national park, wilderness area, or international park is.

So with that opening statement on the amendment, Mr. President, I ask unanimous consent that the name of the Senator from Colorado (Mr. HART) be added as a cosponsor of amendment 317—I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. METZENBAUM. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MUSKIE. I yield.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that Rick Stone and Roger Berlinger be accorded the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER (Mr. ZORINSKY). Without objection, it is so ordered.

Mr. GARN. Mr. President, I have concluded my remarks on amendment No. 317.

Mr. MUSKIE. I apologize. I find myself trying to give consideration to the requests of other Senators as well.

Mr. GARN. The Senator from Utah has learned to be patient.

Mr. MUSKIE. This is amendment No. 317?

Mr. GARN. This is amendment 317.

Mr. MUSKIE. Mr. President, the committee carefully examined the question of which areas should be placed in class I protection. After considering this matter at considerable length last year, and then further this year—the committee determined that a 5,000-acre cutoff point was the most appropriate to be used in designating class I areas. This was determined because of the feeling of the majority members of the committee that to cover smaller parks and wilderness areas would create a possibility of land management difficulties. It was then pointed out and debated in the Senate last year that for national parks, the cutoff should be established 6,000 acres. This was accomplished on the Senate floor after an amendment by Senator BUMPERS was adopted. Since the Senate had extensive discussion last year on that issue, I think it is important to restate some of the observations made then, which are relevant to the point which has been raised by the amendment of the distinguished Senator from Utah.

Senator BUMPERS indicated that a 6,000-acre cutoff would eliminate Hot Springs, Ark., from coverage as a class I area. He made a very persuasive case that this was needed. Hot Springs is a unique national park. It was not set aside for the same purpose that most other national parks have been created for. The town of Hot Springs has grown up in the middle of the park area, because the springs have attracted resort activities that utilize the unique spring water. To declare a city as a class I area seemed not to be good policy.

The Garn amendment would reverse all this. Hot Springs, Ark., would become a class 1 area. That makes little sense, it seems to me, Mr. President, and I would assume the Senators from Arkansas would want to make some comment about it.

The only other national park that would be covered by the Garn amendment is a small part of 911 acres at Platt, Okla. This park is so much smaller than any other national park that it seemed not to have the same reasons for protection that are present when examining the large scenic parks that one typically imagines when a discussion of national parks occurs.

I frankly do not understand, and maybe the Senator from Utah can enlighten me, as to why he feels this park of 911 acres should be included. The amendment of the Senator from Utah would cover, in addition, eight wilderness areas. These are located at Momomoy, Mass.; Great Swamp, N.J.; Ellicot Rock, which is located in South Carolina, Georgia, and North Carolina; Gee Creek, in Tennessee; Chase Lake in North Dakota, the Florida Keys in Florida; Blackbeard, Georgia; and Moosehorn, Maine.

I do not know about the other seven as much as I do the Moosehorn Refuge. Moosehorn is, again, of very small acreage. It does not fit into my conception of the typical national park or wilderness area of great extent requiring this kind of treatment.

I will concede that any acreage cutoff is to a certain extent arbitrary. The Senate bill, I suppose, can be criticized from that point of view. But I believe that the examination the committee has given to this question will show that to remove the acreage cutoff is even more arbitrary and will create unnecessary problems. For that reason, I would urge my colleagues to reject the amendment.

Mr. GARN. Mr. President, I ask the distinguished Senator from Maine how the committee arrived at the 5,000 or 6,000 acres? Why not 4,000 or 10,000 acres? Did they single out Hot Springs?

Mr. MUSKIE. No. Hot Springs was added on the floor. We used 5,000 acres in the committee. We looked at the areas which would be affected. It seemed to us that these eight I have listed, and the Platt, Okla., part were so small that 5,000 acres, which would have the effect of excluding them, was a reasonable number. I suppose we could have used 4,700, which was the Florida Keys. But we used 5,000 acres.

Then on the floor, Senator BUMPERS made a persuasive case with respect to Hot Springs because Hot Springs is a city, as I have said. We had an extensive debate and Senator BUMPERS carried the day, and I think reasonably so. Hot Springs is the only additional park that was brought into this exemption by the 6,000-acre amendment.

Then, if the Senator will recall, there was an effort, I believe, to raise the level above 6,000, though I am not sure.

Mr. GARN. 5,000 for parks and 6,000 for wilderness, or is it the other way around?

Mr. MUSKIE. We have 6,000 for parks, which is designed to protect Hot Springs, and 5,000 would cover the same eight wilderness areas the committee covered last year.

Mr. GARN. The Senator from Utah does not necessarily disagree with some of the arguments posed. What bothers me is the double standard. For 2 years, the Senator from Maine and I have talked about a national policy of nondeterioration and the importance of not degrading the air from background levels which already exist. Many people favor that policy. I do, to a certain extent.

The arguments about causing disruptions in a particular area are the exact arguments I make for my own State, with the problems it creates. As I said before, I would doubt very much that we would be considering a policy of national nondeterioration if all of the States in this Union, or even a majority of them, were two-thirds owned by the Federal Government, had five national parks, wilderness areas of hundreds and hundreds of thousands of acres, that kind of Federal control, and were going to have their future growth and economic development stifled and unemployment increased as a result of this.

The argument is that because Hot Springs is already developed it would not do to shut down all activity around it. The law only requires, as I understand it, that air quality not further degrade from background levels that exist. What it would do in Arkansas or in any of these other small national parks is exactly what it would do to Utah, Wyoming and other Western States. It would essentially halt any further development. I doubt that the Senator from Arkansas would want that to happen.

I happened to be in Hot Springs a few weeks ago. It is a beautiful area. I gave a speech there. I thoroughly enjoyed the area. I hope to go back sometime and enjoy the lake down there.

I understand why he wants that park excluded. He does not want further development halted. He is fortunate enough that it is a very small park. But that is exactly what nondeterioration would do to my State in several areas, not in just one area but in vast amounts of southern Utah. It would halt further development.

All my amendment says is let us treat the goose the same as the gander. Let us be equitable. If it is a national park or if it is a national wilderness area, and it is desirable not to deteriorate the air further in that kind of area, let us not make a distinction on the basis of size. That is the whole substance of my argument.

Mr. MUSKIE. The Senator's argument adopts the premise that the purpose of nondegradation provisions is to prevent growth. The purpose of nondegradation provisions is to protect the air quality values of the class 1 areas in this case. Most of those values are scenic. I find it difficult to understand what scenic values are involved in the 911-acre park in Oklahoma. I can conceive of the scenic values that are involved in some of the great national parks in the West. I have not had as much opportunity to visit them as I would like, but I have been to Glacier National Park. The scenic values there are values because they involve great expanses of beautiful land. That is a different kind of value than is involved in Platt, Okla.

I remember when the representatives of the State government in Arizona came to testify before our committee. They complained because our proposals would have the effect, in some cases, of reducing visibility from the 100 miles or more they prize to something less than 12 miles on occasion. They want to preserve the 100-mile visibility.

We do not have 100 miles of visibility involved in a park of 911 acres.

In the city of Hot Springs, which already has some manmade activity which generates some kind of pollution, I doubt that you have the same kind of scenic values which are involved in Glacier National Park.

The whole purpose here in eliminating these smaller wilderness areas and parks was to avoid the management problems of areas which conceivably would not have the same kind of scenic values as some of the others.

I conceded in my statement that to some extent there is some arbitrariness. On the other hand, if the only reason for eliminating the exemption is to satisfy the sense of equity of the Senator from Utah with respect to his own national parks, I suggest that is just as arbitrary.

Mr. GARN. Let me respond to one part of what the Senator said to make certain that no one misunderstands the fact that I am aware that the policy of nondeterioration is to clean up the air and is not intended as a no-growth policy.

I do not dispute the distinguished Senator from Maine on that position. What I have tried for nearly 2 years to point out is that although that is not the intent of the nondeterioration section, because of the peculiar concentration of national parks and Federal land, not only in Utah, but in other Western States, that is the impact of nondeterioration, without flexibility.

That is why I have made the statement several times that if other States had our problems, they would not want to do away with nondeterioration, but they would want to get some modification and flexibility, to recognize those peculiar local geographical characteristics. We have the high mountain terrain, deep mountain valley, the temperature inversions that are peculiar to our areas of the country but not to others.

I yield to the Senator from Wyoming for a comment.

Mr. HANSEN. Mr. President, I thank my colleague from Utah.

I was not certain I understood my good friend from Maine. Was it his observation that the need to draw the acreage limitations as done in the committee bill was due to the importance of the air quality over a national park in enabling one to have a longer view, greater view of the vista that is afforded?

Mr. MUSKIE. No. That is one of the scenic values.

Mr. HANSEN. What are the others?

Mr. MUSKIE. I suspect the Senator from Wyoming knows them better than I do. I do not have one of the great ones.

Mr. HANSEN. I did not draft this.

Mr. MUSKIE. I am not an expert on this, but we have been urged in the committee that these great parks were created for the purpose of preserving a natural kind of experience in an area and environment that had important air quality values. That is certainly one reason to be concerned about protecting them, the kind of experience.

I have people coming to my State, which in a sense I suppose could all be declared a class 1 area because the air is virtually pristine in many cases.

Every weekend I go there, may I say to the Senator. Immediately I feel better, not only because the air is clear and I can see further, but because the air is clean and I can breath better; my lungs are better.

The distinguished junior Senator from Minnesota (Mr. ANDERSON) is a jogger. When he came to Washington, he continued his practice and jogged down here on the mall every day. He enjoyed it until we got to the smog period here in Washington. Now he says he feels actual pain in his chest after he gets through his conventional jogging on the mall.

That is, in a sense, a national park, but we cannot make a class 1 area out of it without ripping down Washington. But there are scenic values here.

Mr. HANSEN. There may be some merit in that, of course.

Mr. MUSKIE. But there are other values.

If we go to a national park in the West, just as if we go to one of our great State parks in Maine, Baxter State Park, not only do we want to see clear air and enjoy scenes and vistas, but we also want to feel

good as we breath, as we climb mountain slopes.

We want to have the feeling that maybe we are near some part of the Earth that is as clean as it was when God created it.

There are all sorts of air quality values. I do not have the eloquence to describe them to the satisfaction of the Senator from Wyoming. But I know that he comes from a beautiful State.

That is what we are trying to protect now with respect to class 1 areas.

When the committee was marking up this bill in the beginning, 2 years ago, we began to get these maps by the chambers of commerce, which pointed out that we were about to repeal civilization because we included a lot of other areas in class 1 which have air quality values worthy of protection.

One of our counters to that propaganda, which was groundless in terms of what we were trying to do, was to reduce the application of class 1 requirements to as small a number of areas, as we could in good conscience justify. That is why we adopted the 5,000-acre limitation, among other things, and we eliminated a lot of other protected areas of this kind, such as historic places.

Also, in order to identify the smallest possible list of areas where protection of air quality values ought not to be challenged. That was the criteria we tried to use.

I do not care how small the list is. There is going to be somebody who complains about it. I understand that. No matter how big the list, there will be others who want to add to it, as the Senator knows.

I personally think the class 1 requirements we finally came up with are a pretty reasonable, balanced kind of judgment.

Later on in connection with another amendment of the Senator from Utah, we will discuss the main question he has raised. That is, whether or not the committee bill is an antigrowth bill because of the nondegradation policy. I do not believe so and I think the record supports me. But we will debate that in due course.

But given that, I think the class 1 areas we have chosen deserve to be protected.

They can be added to by the States, but not by the Federal Government. If they are added to by the Congress, that has to be done as a result of a legislative act.

So what we have, I think, is a pretty hard-core area with the scenic values that have been recognized in the establishment of these areas that ought to be protected.

Mr. HANSEN. Mr. President, I appreciate the comments of the distinguished Senator from Maine.

The purpose of my question was to search out from him the rationale behind the arbitrary limits—he has said it was, indeed, arbitrary. I quite agree with him on that. I was seeking the values that he felt were important and could be enhanced by the application of the section on prevention of significant deterioration on those elements of the national park system which equal 5,000 acres or more, and of the wilderness system which I understand the distinguished Senator from Utah to say must be 6,000 acres or more——

Mr. GARN. It is the other way around. Five thousand for wilderness.

Mr. HANSEN. I see. I misunderstood.

Mr. MUSKIE. That is correct. Six thousand is specifically related to the Hot Springs, Ark. Five thousand is the limit we applied across the board.

Mr. HANSEN. So it is 6,000 acres for national parks and 5,000 for wilderness?

Mr. GARN. It turns out that there was one exception beyond the 5,000 for a national park, which is Hot Springs, Ark.

Mr. HANSEN. I see.

Mr. MUSKIE. That is what it was.

Mr. HANSEN. There is one other consideration which I have discussed with my colleague from Wyoming. While all of us would hope that we could have good quality air, that could become as widely extended as possible and as quickly as possible. I am wondering about the effect of the bill the way it is now drafted.

What will be the effect, I ask either the manager of the bill or the senior Senator from Utah, of this amendment, or the bill absent this amendment?

May we anticipate that areas such as Wyoming will be called upon, because of the air quality we now have, to assume an ever-greater burden in the generation of electricity to be sent into those States where the air quality is lower than it is in Wyoming? Will that be the effect?

Mr. MUSKIE. Without some such provision as is contained in the committee bill, I would think that the tendency to use the clean air areas of the country for additional economic activity, including the generation of electricity, will grow and expand, and the economies of scale argument will be used to justify bigger and bigger plants. This will create greater and greater threats and will use up the air resource at a greater rate, to the exclusion of other economic activity. There is just so much air, just as there is so much coal and so much oil.

The question is, do we want to discipline in any way at all the pace at which and the directions in which we use them up?

If we do not have a nondegradation policy, my view is that we are going to make the same mistakes in the clean air areas of the country, including my State, as we have made in the New Yorks and the Los Angeleses of today. That is one of the things we are trying to prevent and to guard against in the committee bill.

Mr. HANSEN. What is the acreage of the Hot Springs Park in Arkansas? The distinguished Senator from Arkansas is in the Chamber. I wonder whether he can help us.

Mr. MUSKIE. It is close to 6,000 acres.

Mr. BUMPERS. The park itself is 4,500 acres. The actual authorization is 6,500 acres. The chances of the increased authorization ever coming to pass are very slim, as I understand it.

If either Senator will yield to me, I should like to make a few additional comments on this subject.

Mr. MUSKIE. I yield to the Senator such time as he might like.

Mr. BUMPERS. I thank the Senator.

It already has been covered pretty well that last year I offered an amendment to the bill to take care of Hot Springs, for a very simple reason.

No. 1, Hot Springs National Park is actually a city more than it is a park. People who have been there have been Bath House Row. Bath House Row is right under the mountains where the Hot Springs flow from, and it is the hot water out of the mountains that makes it a very famous spa, in which we take great pride.

Of the 4,500 acres in Hot Springs—I would be reluctant to be held to this—I estimate that three-fourths is actually a city. It is just a resort dependent almost totally on tourism. There are some industries in Hot Springs, but I believe that all the industry there is located outside the bounds of these 4,500 acres.

I do not know how many national parks there are, but I doubt that there is another national park in the country that comes anywhere close to being in the same category as Hot Springs.

To suggest that a city, simply because it happens to be a national park, simply because it happens to have hot springs running out of the mountains all around it, would be caught up in absolutely no growth, absolutely no degradation area, would be a gross injustice.

I know that the Senator from Utah spoke at Hot Springs recently, and he made a great impression down there. Unfortunately, he is about to torpedo it with this amendment. Those people are going to take a very dim view of their friend offering an amendment which would literally destroy any future hopes they have.

I sincerely hope that the Senate will reject this amendment. I do not think the Senator from Utah understood, at the time he offered the amendment, the devastation that it would wreak on one area. It would be a gross miscarriage of justice, a gross inequity, and a gross discrimination against a lot of very fine people.

Mr. HANSEN. I ask the distinguished Senator from Arkansas, is the only hope of the people in Hot Springs that they may have growth?

Mr. BUMPERS. That they what?

Mr. HANSEN. I understood the Senator from Arkansas to say that the effects of this amendment would be devastating to Hot Springs because it would declare that there be no growth. My question is, is the only hope for Hot Springs that it may grow?

Mr. BUMPERS. While I was Governor, and as Senator, growth never was one of my goals.

To be frank, we have approximately 2.1 million people in Arkansas, and I do not care if we ever have any more than that.

Mr. HANSEN. A former Governor of Oregon expressed a similar sentiment at one time.

Mr. BUMPERS. We have clean air and clean water in Arkansas, and we are now growing at a very fast rate. Frankly, we are growing faster than we are structured, from a planning standpoint, to accommodate.

The people who are moving in there in great numbers from the Midwest are moving from Chicago, Detroit, Kansas City, and St. Louis, to get out of areas that are terribly congested, terribly polluted. They are coming to our State in great numbers.

We welcome them. I do not mean to suggest that they are not welcome there. What I am saying is that this sort of growth, which is unstructured and unplanned, has a tendency to destroy the very assets and the esthetic values that attract them there in the first place.

Mr. HANSEN. Is this not what the Senator was saying, that what the people of Hot Springs want is growth?

Mr. BUMPERS. I suggest that there are those in Hot Springs who indeed do want growth.

Mr. HANSEN. Does the Senator want it?

Mr. BUMPERS. Hot Springs is in a very unique position so far as this bill is concerned. If the Senator will allow me, I will describe it to him in terms.

Mr. HANSEN. If the Senator will permit an interruption, I have great respect for the judgment and sound reasoning of the Senator from Arkansas, and I simply was asking him whether he wants growth in Hot Springs.

Mr. BUMPERS. Do I want growth in Hot Springs?

Mr. HANSEN. Yes.

Mr. BUMPERS. If the Senator will define "growth," I will answer his question.

Mr. HANSEN. I did not raise the issue. The Senator from Arkansas raised the issue. I thought he was saying that the hope for the people of Hot Springs was that they may have growth and that the Senator viewed this as a no-growth amendment. I was asking the Senator from Arkansas if he would like to see growth occur in Hot Springs or if he is opposed to it.

Mr. BUMPERS. I do not necessarily favor it; but if the people there want it, I do not think they should be prohibited from having any kind of growth, whether it is good or bad.

Mr. HANSEN. I take the same attitude toward my constituents.

Mr. BUMPERS. If I may proceed further—

Mr. MUSKIE. Mr. President, will the Senator yield for a moment?

Mr. BUMPERS. I yield.

Mr. MUSKIE. A very vital distinction is being overlooked in this dialog.

Mr. HANSEN. Is what?

Mr. MUSKIE. Is being overlooked in this dialog.

Mr. HANSEN. We are going to get around to a lot of points we have not touched on yet.

Mr. MUSKIE. The Senator does not mind if I make one now?

Mr. HANSEN. Indeed not.

Mr. MUSKIE. The point is that this is like putting Cheyenne in a class 1 area.

Mr. HANSEN. Cheyenne contends it is class 1.

Mr. MUSKIE. It is an entirely different kind of problem. I know that the Senator is trying to build the basis for an argument later in favor of repealing or eliminating or weakening the nondegradation policy. But it is one thing to protect the scenic values of a national park in which people do not live, as they live in Hot Springs, and another to include cities in class 1 areas. It is a far different kind of problem. To equate the two is very unreal, and it is for that reason that the Senator from Arkansas persuaded me last year—and I am still on his side—on that question. I think that distinction is very important.

I yield to the Senator from Arkansas.

Mr. BUMPERS. I thank the Senator. The Senator's point is a very cogent one.

If any city of 30,000 to 40,000 people—which Hot Springs is—were classified as a class 1 area, I think the Senator representing that State would be on his feet, as I am.

I do not know what the size of Hot Springs is geographically, but I estimate that it is somewhere between 15,000 and 20,000 acres in the city limits—perhaps 20,000 acres. Within the city limits lie 4,500 acres of national park, but they are indistinguishable from the rest of the city.

What this amounts to is that the rest of the city, which is outside the park, would be limited and could hardly do anything, simply because of the effect it would have on that 4,500 acres within the city that is a national park.

When you talk about growth, the kind of growth that Hot Springs has been experiencing, and one which I have very little objection to, is in tourism. Tourism is a rapidly growing industry all over our State. It runs a very close third now to manuufacturing and agriculture. It is an industry that provides a lot of high-paying service jobs, so we promote it. I promoted it when I was Governor there. One of the reasons Hot Springs is a mecca for a lot of people is because they have clean air there. There are beautiful streams running through the Ouachita Mountains, all around them, and people find those esthetic qualities very attractive, and that is the reason why they come there.

If Hot Springs were an industrial city, they would not be coming in the first place, because none of those qualities would be present.

But I do think that this situation is certainly unique enough, and I know the Senator from Utah recognizes that, and I know that if Provo, Utah, which is not much bigger than Hot Springs, had a similar situation, he would be on his feet defending the situation as I am.

Mr. GARN. If I may say to my distinguished colleague and friend from Arkansas, I agree completely and I appreciate his standing up and defending Hot Springs, because he is making the point the Senator from Maine talks about. I am trying to lay some groundwork for another amendment that will come up later to make a very strong point, and the Senator has made it far better than I can, that there are unique differences around this country, and it would be foolish in this bill to take a city and designate it class 1 and stop any growth, whether that is tourism or whatever.

I shared the Senator's opinions when I was mayor of Salt Lake City. I was not seeking new industry, despite the fact that environmental groups put me down as zero on their list, and on the "dirty dozen" list. I promoted tourism very heavily. I went around the country soliciting conventions because those people spent their money and came and we collected 5 percent school and sales taxes, and then sent them home. We did not have to build schools, gutters, and all the municipal facilities for them.

So I share the Senator's viewpoint on growth. I do not want unrestrained and unrestricted growth. I share the Senator's view. I do not care to double the population of Utah, as some predict will take place in the future.

To make a point, when we in Washington sit here and look at national politics, and we decide that we know better, and that we can come up with uniform national policy—and the Senator experienced this as Governor many times, the same frustration that I did in dealing with Federal legislation, and I am sure the Senator sat there and thought and said "Gee, I am the Governor of the State; we have a legislature, we live here every day, we are on the ground, and we understand the local conditions." But some people from various parts of the United States, for whatever reason, have decided to impose a uniform standard that may or may not fit Arkansas, Utah, or Maine, and that is what we are doing in this case.

I want the chairman of the subcommittee to know, the distinguished Senator from Maine, that I am not trying to gut nondegradation, as he will see as we get into debate on amendment 316. That is not my intent at all. It is simply to allow some local variances, some local decisionmaking, where a Governor of a State, in consultation with his local government officials, his legislature, can try to tailor-make purposes of nondegradation or nondeterioration to his State.

As I was in Arkansas, I found it quite different geographically from Utah. It is much greener, a very different area. The Senator pointed out some very specific differences as well as why the Senator's situation is unique in Hot Springs.

As I look at our State, most of it very dry, very arid, very beautiful, and very scenic but unique and different from most every other State in the country for those particular physical and geographical qualities and particular air patterns, temperature inversions, atmospheric conditions that cause problems. That is all I am really asking for. That is all my fight is all about, a small degree of variance to recognize local differences.

So if my amendment were to pass, I

would hope we would carve out an exclusion for Hot Springs; we would allow the Governor of Arkansas to say, "No, I don't want to designate that class 1," which we shall not because that is what the committee amendment does. They allow for these areas of under 5,000 or 6,000 acres, for a Governor to decide whether he wants to designate an area as class 1. Obviously in the Senator's case the Governor will not do that to Hot Springs because of the particular situation. But we have developed an arbitrary 5,000 or 6,000 acres, and we are not allowing a Governor of Wyoming or of Utah or of Nevada the same discretion. We happened to come up with an air plan in Utah which, in many cases, is more severe than what we are going to enact here today or tomorrow, and it is designed where people who live there, the Utah State Conservation Committee, the engineers and scientists, and so on. The Federal Government is not willing to accept our plan, and maybe they should not. Maybe there are some areas that are not consistent with national policy, but they are not even willing to allow us any hearings.

The chairman mentioned Washington, D.C. It would be foolish to designate that as class 1 among the national parks. I agree with that, too. But I am sure the distinguished Senator from Maine would also agree that the primary source of pollution in Washington, D.C., is the automobile, and the automobile is no problem whatsoever around my national parks. There are not enough to cause any problem at all. We are looking at electric generating plants and some small economic development in those areas, and there is never going to be a concentration of those cars, certainly not in my lifetime. Certainly it is not a factory problem, an industrial problem, in the Washington, D.C., area. It is purely an automobile problem and, interestingly enough, that is the major problem in Salt Lake City, the automobile, too. Kennecott Copper gets blamed for most of it because theirs is visible, but when EPA tests they find that the real problem was the automobile not the stationary source. And yet we are going to pass a bill on stationary sources with practically no flexibility whatsoever, that is going to have a peculiar impact on a large area of my State, as it will on the Senator's 6,000 acres in Hot Springs.

So the Senator made my point very well for me. I do not expect that it is going to be accepted. I have talked to many Senators who agree with me privately, saying, "The exemption you are going to ask for in your amendment 316, the removal of the three in 24-hour increments, still requiring everyone to meet the nondegradation averages over a period of a year will not be accepted." But they have been very candid with me and said, "We agree with you, it is not too much to ask for, but if we vote that way we are going to be branded as being for dirty air," as I am.

Gee, I did not know I was such a dirty-air man who wanted to pollute the whole world. I really do not, but I do want some reasonable flexibility for my State as the Senator does for his.

I do not disagree. I would be perfectly willing to carve out an exemption for the Senator and look at other peculiar situations around the country. I do think it is peculiar because most of the Eastern States—there certainly is no bad intent on the part of the chairman. I know him too well for that. There is none on the part of my colleagues. You almost have to live in a western land State for a few years to understand what it is. We will be debating national land use policy here before too long, and many will oppose it, and yet nearly 70 percent of my State is a State where we do not have national land use policy, we have national land use dictation. The Bureau of Land Management, the Forest Service tell us, they just say, "This is what thou shalt do in this area."

We have two-thirds removed from the tax rolls. You try to tax for local government services, for schools. We have one county in the State that is more than 90 percent owned by the Federal Government. The four county commissioners there have to support their population by having a tax base of less than 10 percent of the total land area of the county, so it makes it extremely difficult.

I suppose this is a cry that western Senators have come up with and have been heard in these Chambers for 100 years, and maybe we should shift States for awhile, and maybe we would understand more the problem of some of the eastern part of the United States, like Pennsylvania with only 1 percent Federal ownership, and Senators would have a much greater appreciation of the particular problem we have because of the large dominant role of the Federal Government.

I am getting away from this particular amendment, but I do not suppose it makes much difference where the debate occurs. I am sorry that we also have the usual situation on the floor where the ones who are here have heard me before, and the ones who are not will come to the floor when the amendment comes up, the later one, and on both sides of the aisle, both Republicans and Democrats, ask at the door how they should vote without any knowledge of what my amendment attempts to do at all, and without any understanding.

That is why I have tried personally to tell my colleagues what it is all about and what I am trying to accomplish, and particularly to get away from the image that I want to gut the nondegradation section or that I am for dirty air.

Those who have not visited my State, who would see it, would think any Senator who was deliberately back here trying to pollute it for growth would be extremely foolish, and the people of his State would reject him in the Senate for so doing. We just happen to think that with some flexibility and with some variances we can have both; that we can avoid significant deterioration in our State and still be able to use the vast coal resources that we have there. Again I mention low sulfur coal, one of the cleanest burning coals in the country.

I have nothing more to add as to this amendment. I do not expect its passage. I do intend to ask for a rollcall vote on it as a matter of equity, that all national parks be treated the same, with the understanding that I recognize that situations differ, and should this amendment pass, rather than just an arbitrary acreage situation, we would look at specific situations and say, "This is different, and it does not fit the criteria set out by the Senate of the United States."

Mr. President, I have nothing further to say. I am willing to vote at this time. However, it does not appear that we have enough Senators on the floor to obtain the yeas and nays.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). With the time charged equally to both sides?

Mr. MUSKIE. With the time charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GARN. I yield back the remainder of my time.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment (No. 317) of the Senator from Utah (Mr. GARN). The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. MCCLELLAN) is necessarily absent.

I further announce that the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG), and the Senator from Florida (Mr. STONE) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

I further announce that, if present and voting, the Senator from OREGON (Mr. HATFIELD) would vote "nay."

The result was announced--yeas 18, nays 75, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—18

Curtis	Hatch	Schmitt
Dole	Hayakawa	Scott
Garn	Helms	Stevens
Griffin	Lugar	Thurmond
Hansen	McClure	Tower
Hart	Morgan	Wallop

NAYS—75

Abourezk	Durkin	Muskie
Allen	Eagleton	Nelson
Anderson	Eastland	Nunn
Baker	Ford	Packwood
Bartlett	Glenn	Pearson
Bayh	Gravel	Pell
Belmon	Haskell	Percy
Bentsen	Hathaway	Proxmire
Biden	Heinz	Randolph
Brooke	Hollings	Ribicoff
Bumpers	Huddleston	Riegle
Burdick	Inouye	Roth
Byrd, Harry F., Jr.	Jackson	Sarbanes
Byrd, Robert C.	Javits	Sasser
Cannon	Johnston	Schweiker
Case	Kennedy	Sparkman
Chafee	Leahy	Stafford
Chiles	Magnuson	Stennis
Church	Mathias	Stevenson
Clark	Matsunaga	Talmadge
Cranston	McGovern	Weicker
Culver	McIntyre	Williams
Danforth	Melcher	Young
DeConcini	Metcalf	Zorinsky
Domenici	Metzenbaum	
	Moynihan	

NOT VOTING—7

Goldwater	Laxalt	Stone
Hatfield	Long	
Humphrey	McClellan	

So the amendment (No. 317) was rejected.

Mr. MUSKIE. Mr. President, I move to reconsider the vote by which the amendment of the Senator from Utah was rejected.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from Utah is recognized under a previous order.

AMENDMENT NO. 316, AS MODIFIED

Mr. GARN. Mr. President, I thank the Chair.

At this time, I call up my amendment No. 316, as modified.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes amendment No. 316 (as modified).

Mr. GARN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, following the table, insert the following language:

"*Provided*, That in any case where the governor of the state, after consulting with general purpose units of local government and the Federal official charged with direct responsibility for management of any lands affected, and after notice and appropriate public hearings, determines that short term emissions from a proposed facility will have no adverse impact on the air quality related value of the affected land, the governor may grant a variance for such facility up to the ambient standard, for the allowable three hour and twenty-four hour maximum concentrations for particulate matter and sulfur dioxide. *Provided further*, That no such variance will allow emissions for the Annual Geothermic mean to be exceeded in any Class II area."

On page 17, following the table, insert the following language:

"*Provided*, That in any case where the governor of the state, after consulting with general purpose units of local government and the Federal official charged with direct responsibility for management of any lands affected, and after notice and appropriate public hearings, determines that short term emissions from a proposed facility will have no adverse impact on the air quality related value of the affected land, the governor may grant a variance for such facility up to the ambient standard, for the allowable three hour and twenty-four hour maximum concentrations for particulate matter and sulfur dioxide. *Provided further*, That no such variance will allow emissions for the Annual Geothermic mean to be exceeded in any Class I area."

Mr. GARN. Mr. President, this amendment strikes from the nondeterioration section of the bill the limitations on 3-hour and 24-hour emissions. The annual averages remain as they are for both class I and class II areas.

The philosophy underlying this amendment holds that the concept of "no significant deterioration" is only meaningful on a long-term basis, and that short-term measurements of air quality are irrelevant. So long as air quality does not deteriorate over the course of the year, it cannot be said to have deteriorated "significantly."

The classic example is air polution caused by a forest fire or a dust storm. Measurements made at the height of the storm would show serious violations of particulate standards. Yet when the dust has settled, air quality is unchanged. Air quality cannot be said to have "deteriorated."

The same thing is true with emissions from powerplants which are trapped by temporary atmospheric inversions. On a 3-hour or 24-hour basis, standards might be violated. But inversions break up and move on, leaving air quality unchanged.

My amendment would leave intact the most appropriate measure of air quality in pristine areas, the annual maximum. The inappropriate measures over 3-hour and 24-hour periods would be eliminated.

Of course, at no time could the primary and secondary ambient air quality standards be violated, so there is no question of health or welfare effects.

Again, we discussed this issue on other amendments several times in the last 2 days and I continue to try and make my point that there is no attempt on my part to remove the significant deterioration section of the bill, despite the fact that I think the Senate knows that there has been some doubt about the intent of the Congress in this area since the 1970 Clean Air Act was passed.

The Environmental Protection Agency initially held that no national policy of nondeterioration was intended by the Congress in 1970. Several Federal courts held otherwise, and in 1972, the Supreme Court, by an equally divided vote, upheld the decision of the Court of Appeals. The practical effect of this decision was to order EPA to write regulations providing for the maintenance of air cleaner than the primary and secondary standards.

In my opinion, the fact that there was so much uncertainty is clear evidence that Congress was not, in fact, adopting a policy of nondeterioration.

As a matter of fact, many of my colleagues who were here in the Senate at that time have told me that when they voted for the Clean Air Act of 1970, they certainly did not contemplate that it included a national policy of nondeterioration.

Congress has never been bashful about usurping State responsibilities, and can do so in a clear and unequivocal manner, when it wants to. What is happening here is a classic case of judicial interference in the legislative process. The Federal courts have decided that we should have a national policy of nondeterioration, and that therefore, Congress must have wanted to enact one, and that therefore, Congress did enact one. And now, we appear to be intent on meekly following the lead of the courts.

Last year, when the Clean Air Act was before the Senate, Senator SCOTT, of Virginia, introduced an amendment, which I was happy to cosponsor, which clarified congressional intent. What the Scott amendment did was to establish a limit to Federal responsibility. The limit established was that of health and welfare. In effect, Senator SCOTT said, it is the responsibility of the Federal Government to establish air quality standards sufficient to protect health and welfare. That is what the primary and secondary ambient air quality standards do. Beyond that, the Federal Government has no responsibility. It is not the job of the Federal Government to protect clean air from people. The beauty of the land may be desirable, and the majestic vistas of our country may deserve protection. But, and this is the critical point, it is not the job of the Federal Government to protect them. If they are to be protected, they must be protected by local government, which alone stands close enough to the problem to find solutions.

With the passage of another year, we now appear to be ready once again to do the will of the Federal courts, and enact a national policy of nondeterioration. If we are to do so, Mr. President, it is critical that we retain for our local officials the maximum flexibility to balance environmental and economic demands. In other words, we must draw a line limiting Federal responsibility. If we are not to restrict the Federal Government to health and welfare, we must at the very least limit it to nondeterioration, and not allow it to get involved in land use and growth pattern control. In order to do that, we need to understand the meaning of the term "nondeterioration."

As I conceive it, air quality deteriorates over an extended time period. If there is a pollution alert here in Washington, we cannot say that air quality has "deteriorated," other than temporarily.

It may have, and probably has, here in the District of Columbia, but we can only make that judgment by comparing air quality with some point in the past. What the committee bill does is say that the comparison may be made with yesterday, or perhaps with a period 3 hours ago. In my mind, that approach is unrealistic and unnecessary. It is only meaningful to discuss "deterioration" over some longer period, such as a year.

For example, during a dust storm, a forest fire, or during the construction of the facility itself, the air quality is very poor. But the fire is extinguished, the storm subsides, or the construction ends leaving the air quality very much as it was before. It is not deteriorated in any way. By the same token, meteorological events occasionally conspire to produce temperature inversions, or adverse wind currents, which may temporarily affect the air quality over a given area. As it happens, the conditions are not permanent, and as the weather changes, the air quality reverts to its prior condition. It is not deteriorated in any way.

The basic thrust of my amendment is to take into account these natural phenomena. The committee bill says that if there is an inversion, or if the wind blows the wrong way, even over so small a space as 3 hours, air quality is deteriorated. What is even worse, is that the bill would prevent the construction of a facility on the strength of computer projections of amounts of pollution so small that they cannot even be measured. In my mind, that is simply unacceptable. There is no showing of health hazard, or any damage to the well-being and welfare of people. In point of fact, since we are dealing here primarily with sulfur oxides, we are not even talking about impairment of the view. To prevent the development of needed resources, the creation of needed jobs, just to satisfy the theoretical demands of computer models is to deny commonsense and to allow our lives to be ruled by mechanistic models.

What my amendment would do is hew closely to the real meaning of the term "nondeterioration." My amendment says that air quality in class I and class II areas cannot deteriorate from year to year. Nor can the primary and secondary health and welfare standards, which do have 3-hour and 24-hour maximums, ever be violated. But the 3-hour and 24-hour maximums supposedly relating to nondeterioration would be struck from the bill.

I hope that explanation makes clear, Mr. President, that I am not intending, despite the filibuster of last year, despite my problems with last year's bill, and despite my problems with this year's bill to change the standards for significant deterioration of air. I have accepted that part of the committee's bill, and I would vote for it if my amendment were agreed to.

I do think it is unrealistic, where we are not dealing with health and welfare of people, where we are primarily talking about the esthetic values, that we should so restrict that on the basis of a 3-hour period of time, during which a plant would be found to significantly deteriorate the air.

I recognize that you could have violations on a short-term basis that would gradually build up until you were violating the yearly averages. That is why I make no attempt to amend or modify the yearly averages and would say that any plant of any type would have to continue to comply with the nondegradation section of the bill as reported by the committee, on a yearly average basis. So I really do not understand why this section is so controversial.

We would continue to leave the 3-hour and 24-hour incremental periods on the primary and secondary standards. So we are not even dealing with health, as I have stated.

As was discussed in connection with my previous amendment, the State of Utah has extremely high terrain. It has unique geographical features, which occasionally during the winter lend themselves to temperature inversions where the normal adiabatic lapse rate rises and disperses. You get a temperature inversion where the cold air is on top, rather than the normal situation, and it holds down the warm, polluted air. It actually turns the air upside down from the normal patterns. So you get a situation where the air can be very heavily polluted for a brief period of time.

Sometimes in Salt Lake Valley it is very smoggy; and as you drive up one of the mountains, at 400 or 500 feet elevation above the valley floor, there is not a cloud in the sky, the sun is shining, and it is beautiful—absolutely no deterioration of the air at all. Once those inversions move out, when you get a storm front coming through, there has been no deterioration of the air other than for that brief period of time.

Under the standards with the 3-hour and 24-hour incremental periods, using the latest technological pollution control devices required by the bill, it is simply impossible, because of these unique conditions, for an electrical generating plant to operate in the areas of Utah near our national parks. They would be able to do so on the basis of the yearly averages.

I hope that somebody on the other side of this argument can explain to me why it is significant deterioration if it only happens for a 3-hour period or a 24-hour period, even for 5 days, if it clears up and the samples taken or the computer models over a year say that at the end of the year we have not exceeded the yearly maximum, and if we have made certain that we were not allowing a slippage type of thing, of these individual occurrences to add upon each other, until we had exceeded the yearly averages.

To me, my amendment seems extremely reasonable. One thing that needs to be pointed out in my amendment is that I am not even asking that we dictate that this be true, that these 3-hour and 24-hour incremental periods be done away with by act of Congress. We merely give a Governor of a State, recognizing peculiar local conditions, if he sees fit, authority to waive the 3-hour and 24-hour incremental periods, with no authority whatsoever to change the 3-hour or 24-hour incremental periods on the primary and secondary standards, with no authority to modify the primary and secondary standards, with no authority to modify or to amend or to waive the yearly averages or the yearly maximum. We are simply giving a tiny bit of flexibility to a local government—in this case, the Governor of a State—to allow a situation to exist where they can handle local atmospheric conditions. The air, over a long period of time, simply would not be significantly deteriorated.

As I think about this over and over again, I fail to understand how someone can say that, on the basis of a 1-day period, the air has been significantly deteriorated if after that period it returns to its previous condition.

There is a simple illustration: You can assume that the air in your kitchen is not significantly deteriorated. But if you burn something on the stove, it is significantly deteriorated for a very short period of time. You turn the blower on or open the windows, and it is gone; and after that temporary condition, no one would say that the air was significantly deteriorated.

I think I have said enough at this time on my amendment. I hope it is understood. I am sorry, as I said on my previous amendment, that we have the usual attendance on the Senate floor. Those who are here and listening already understood what my points are. I suppose that the only time we can get an audience is late at night, when everybody is anxious to get finished and go home, so they come here and hurry the process along.

At this point, I yield to the distinguished junior Senator from Utah for his comments.

Mr. HATCH. Mr. President, I feel that there is a great sentiment among the American people to allow some flexibility, some balance, in the proposed clean air amendments which we now have before us.

We need amendments which will serve to protect our environment, while at the same time allow us to develop greater sources of energy. This is a balance we all know is necessary for any sound legislation. An example of the need for such amendments is the Intermountain power project, better known as the IPP By examining this project in detail we can see the need for granting variances to the significant deterioration provisions.

The IPP is a 3,000 megawatt coal-fueled electric generating station which is proposed to be built in south-central Utah. The plant is being proposed by a group of 23 cities located in Utah, and the California cities of Los Angeles, Anaheim, Riverside, Burbank, Pasadena, and Glendale. The total population of the cities participating in the project, and therefore, the number of people depending on this project to meet their future needs is approximately three-fourths of the electrical energy needs of these Utah cities, and over one-third of the California cities' electrical needs.

On an even wider scale this one project will be vitally important to at least 1 out of every 20 people in this country.

Southern California has a tremendous environmental problem. Today most of their electricity is produced through steam generating plants which at the moment burn oil. At the present time it is very difficult to get anything but dirty oil, so many of these plants are operating on variances. The people in Southern California have such smog in their air that they cannot afford to build anything like the IPP near them. These people are vitally interested in the environment. They see that this project actually will improve the health of 4 to 5 million people who live in an already polluted area. It will allow them to get the electricity they need without further polluting their air, and then work on curing their already critical air problem.

We have also estimated that operation of the Intermountain power project will save over $8,000,000 annually by eliminating purchases of oil from foreign countries. Instead the use of Utah coal will create 2,500 jobs in Utah and the rest of the country and provide substantial additional revenues for the State of Utah of about 30 to 40 million dollars.

As to this date, the project has spent more than $6,000,000 in engineering and environmental studies. This facility has been designed to minimize environmental impact and fully utilize the best available pollution control technology. It has been approved by both Houses of the Utah Legislature, by the Utah Governor, by the California Legislature, and by the Governor of California.

However, the provisions contained in the Clean Air Act Amendments would prohibit the building of this environmentally sound project, which I find a little bit disgusting, especially at a time when we are trying to really save lives and trying to save people from losing their health, when we are trying to save energy, we are trying to provide for some sort of balance all over the country or are we? That is the question I have.

The reason that this project would be prohibited is that it is located approximately 8 miles from the Capital Reef National Park, which would be classified as a class I area with very restrictive particulate sulfur dioxide pollution restrictions; especially for the short-term 3- and 24-hour increments. According to a computer model, during approximately 352 days of the year, prevailing winds blow out of the park toward the power project and thus only insignificant amounts of pollution, if any, from the project could enter the air over the park. During roughly 13 days of the year, however, natural air inversions may occur which cause the winds to blow from the plant to the park. Thus, on approximately 13 days of the year the very stringent class I increment may be violated, 13 out of 365 days a year.

It is important to note that the study does not say that 13 days out of the year the class I increment will probably be violated but only "possibly" be violated. It is a study based upon a complex computer model. The amounts of pollution we are talking about cannot actually be measured. They can only be estimated in the computer. This computer model is based on historical data and on probability. All its predictions are subject to statistical error much like the error we experience trying to estimate future unemployment or inflation. Yet once these statistics are reported, they are frozen into hard and fast rules which set immovable limits on the size of plants and upon growth. Class I allows for no flexibility or balance once the model sets the limits, even though the limits themselves are set by imprecise estimates.

Further, the "high terrain" model used to set these standards measures the pollutants on the highest adjacent point. This measurement has little to do with health, safety or welfare. Utah's terrain is not like the flat open lands of much of the country where pollutants are dispersed by the time they reach ground-level. The high terrain model measures concentrated amounts which occur at uninhabited high-points instead of at ground-level where the real impact on people occurs.

Therefore, the model requires the construction of smaller plants, more of these plants, to meet the same needs. The model dramatically increases the cost of power but, more importantly, it actually increases the pollution at ground level across the West, a fact which I find very interesting.

The nondeterioration policy, in short, will not only deter energy growth, it will increase pollution health hazards.

So if we are concerned about health, if we are concerned about pollution, if we are concerned about balance, if we are concerned about what is right, then we should vote for this amendment.

I, therefore, contend that significant deterioration of air quality cannot be based upon temporary pollution levels brought on by meteorological conditions, especially when such is measured by statistical estimates of pollution on remote mountain tops. Keep in mind that the best available control technology will be installed on the Intermountain Power Project. This means electrostatic precipitators will remove 99.5 percent of particulate and scrubbers will remove 90 percent of SO_2 emissions.

So we are not talking about any danger to anyone's health. We are talking about 13 days a year which might—not probably, but might possibly—have some pollution which would not be dangerous to anybody's health.

No one's health will be impaired by building the IPP. All the proponents of nondeterioration are talking about is impaired visibility.

Now, I agree like anybody else it would be wonderful to not have impaired visibility, but I wonder when we are going to talk about impaired right-to-work, impaired jobs, impaired health that will occur if this amendment is not passed, impaired lack of energy, impaired energy in our society and, of course, all of the concommitant problems that all of us can visualize who know anything about the area and who know anything about this particular project.

Perhaps they have never been to the park that they are trying to protect. A 2-year study there has shown that 20 percent of the time visibility is reduced from natural occurrences and changes in the weather. On the other hand, on a clear day one can see 85 miles. The plant, if the weather happens to be clear, will "possibly" cut visibility 13 days out of 365, from this 85 miles down to 80 or 75 miles.

Would not the places in the East love to have that kind of visibility in the industrial centers back here where you can see maybe a mile.

But the park itself, the park they are trying to protect, is only 64 miles long, so there is no way that this plant or the benefits which would come from this amendment would really hurt anybody. In fact, it will increase benefits to the people of the intermountain West and, particularly, California and Utah. They will reduce pollution, reduce our dependency upon foreign oil and gas, provide some effective balanced relief from some of the problems we have out there that are specific and, I think, be an overall step in the right direction because the greatest technology known today in the world will go into that plant.

I think it is a way of saying, "My goodness, we are trying to do what is right. We are trying to be environmentally sound, but we are also trying to be reasonable in that."

On the other hand, if our amendment is rejected I would have to call it a blatant example of environmental extremism creating inflexible unrealistic legislation without balance.

What is the balance we need? I propose we balance a 3,000 megawatt powerplant serving 23 cities and 2.7 million people in California and Utah, a savings of $800 million from the purchase of sulfur oil from foreign countries, a provision of 2,500 new jobs, a tax revenue base for Utah of up to $40 million, and actually improved health against the "possibility" of restricting visibility to those lands within, not outside, a national park on 13 days out of 365 days, and maybe reducing visibility from 85 miles to 80 or 75 miles, which is still more than you need to see completely through the national park.

Finally, I am proposing a balance between practical wisdom; and these environmental models hiding statistical error which allow no flexibility to meet real world situations.

Such a reasonable balance you will find in the amendments by Senator GARN, and later by myself.

I think they ought to be given every consideration, and I urge my colleagues as strongly as I possibly can to consider voting for our amendment, because it is right. It is environmentally sound; it is balanced; it is the smart thing to do; it is practical. It may prevent economic difficulties and problems, because if California does not solve its energy problems within the next year or so, by 1980 I predict there will be at least 700,000 or 1 million jobs lost. If that happens, the economic impact on this country will be startling. Then watch the environmentalist extremists backtrack and scurry around looking for whatever work they can find, when they do not have jobs. Then watch our environment be ripped off.

This is why balance is so important to us now, and why I think we have to look beyond what some of the arguments are against this particular amendment—I think without very much validity—and seek to do what is right.

I urge my colleagues to vote for the amendment.

Mr. GARN. Mr. President, will my distinguished colleague yield for a question?

Mr. HATCH. Yes, delighted.

Mr. GARN. I understand there was some talk about moving the IPP project to another site which was compatible with class I status of Capital Reef Park; is that true?

Mr. HATCH. Everyone needs to know the IPP is now invisible from the park. It is down in a valley. The people who desire to move it wish to move it from down in the valley part on to high ground, which I think would be visible from the park, and I think a lot more harmful to the visibility of any normal person than any slight pollution it might cause.

Second, the present site is closest to the coal, water, and transportation. These people who oppose this particular plant and want to move it want to increase these ongoing costs by moving it to a higher, more uneconomical site, which I think would hurt the whole approach and make it even more untenable.

Moreover, since the hearings, we have found that the proposed new sites would put it up so that the IPP's emissions will blow into Glen Canyon, a national recreational area, and violate its class 1 standards under President Carter's environmental proposals. There is no question that it would violate those standards, and I believe we could alleviate that problem if we leave it where it is.

So even if we follow the environmental advice which has been given, variance is absolutely necessary. Our approach is much more reasonable, more environmentally sound, and I think much more beneficial to the people involved.

Mr. GARN. Is there any other power project which will be impossible to build if there are no variances allowed for the class I status of national parks?

Mr. HATCH. There are a number of places. No. 1, we have Pacific Gas and Electric involved in a class 1 situation. It is located in northern California. Its pollution control devices include the best available control technology, including scrubbers and low-sulfur coal. Its size will be 1,600 megawatts. That is the net size; approximately 2,000 megawatts gross. Its service area includes 47 of 57 counties in California. Its employees will be 450 who will lose their jobs out of this. The total jobs ultimately will be 1,000.

The Colstrip Power Project, which is located at Colstrip, Mont., is also to be provided with scrubbers and low-sulfur coal. It is 1,400 megawatts gross. Its service area includes 30 percent Montana and 70 percent Oregon and Washington. It will employ between 400 and 900 people.

The Utah Power and Light Co. plant, which, again, will have the best available technology and will have a total of five 1,000-megawatt gross plants, with 5,000 megawatts total. Its service area consists of Utah and Idaho. The employees will be between 1,100 and 2,700, who would not have their jobs.

The Alumet Corp. project in Beaver County, Utah, produces a product called alumina, for the production of aluminum. It will be the only U.S. domestic source. All other alumina sources come from foreign countries.

It also will have the best available control technology. It will serve the Nation—all aluminum manufacturers and producers.

I might mention, Mr. President, that if we cannot have that plant, between 1,000 and 2,500 jobs will be lost, and that plant would produce, as I understand it, about 500,000 tons of alumina per year, which converts to 350,000 tons of aluminum, absolutely essential for our country.

I also might mention that there are possible energy plant developments in oil shale, which we are going to have to develop if we are to become energy self-sufficient. Those are located in Utah and Colorado. They will produce synthetic crude oil. The estimated size is 27,500,000 barrels per year. It will serve the whole Nation, and reduce our dependency on foreign oil and gas supplies. The projected employees that would be employed through this oil shale project would be 5,000 to 15,000.

When you talk about another project, coal gasification, it will be absolutely essential for America. It will occur in many areas, including Utah. The product would be synthetic natural gas. The size will be inestimably large. It would be of benefit to the whole Nation. The service area, of course, will be the intermountain and midwest States. The number of employees is inestimable at this time.

I think it is time we start thinking about balance and jobs. This amendment makes some sense. I think the alumina, coal gasification, and oil shale are important new technologies which, under this bill, would be frustrated in their development, but which are absolutely essential for our national development and our future in this country.

I have heard, during the last few months, that this bill should be technologically inducive. I believe in giving incentive, but prefer other methods. However, this bill as it now stands, with the local variance option, is technologically frustrating legislation. It is legislation that will do more harm to our society than it will do good. It will hinder those industries we are trying to encourage, in energy and raw materials.

The amendment which Senator GARN and I are proposing here is a very important one. I do not think reasonable people could disagree with this. I think we could support the clean air bill if this amendment and some others were passed.

Mr. GARN. Let me ask the Senator one further question. Will these facilities all be possible if such variances, as I am proposing, become part of the committee bill?

Mr. HATCH. There is no question but that they would all be possible if such variances became part of the bill. They would all be beneficial; they would all do something for our country; they would stave off unemployment, provide jobs at a time when we need new jobs; they will protect against a very bad economic situation that would arise in the West because of water shortages and the shortage of oil and gas. They would all be essential to this country and for its position. I urge the enactment of the amendment.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. GARN. May I first do one thing?

Mr. DOMENICI. Yes, indeed.

Mr. GARN. I failed, in my opening remarks, to include a telegram from the Governor of the State of Utah. He said:

I have reviewed SB-252 as reported by the Senate Committee on Environment and Public Works and appreciate the effort that has been made by the sponsors to achieve a fair and equitable accommodation of the interest effected by this complex bill. I am concerned, however, that the section on prevention of significant deterioration does not fully recognize the problems faced by Utah and other Western States because of high and rugged terrain.

As you know, rough terrain modeling often reveals that greater pollution concentration exists over high terrain than over flat or gently rolling topography at the same distance from the point source because high terrain intrudes into the plume, thereby exceeding the air quality standards established in section 6 for insignificant periods of times and often in insignificant amounts.

When the diversity of our Nation's land is considered within the context of our Nation need to prudently but expeditiously develop our energy resource lands, then flexibility in this area becomes essential, and the prerogative for its exercise should rest with the Governor of each State. This is in keeping with the congressional intent of the Clean Air Act, which gives primary responsibility to the States for the quality of air within its borders.

That telegram is from Scott Matheson, the Governor of Utah.

Mr. JOHNSTON. Will the Senator yield for a unanimous-consent request?

Mr. GARN. I yield.

VISIT BY DISTINGUISHED GUESTS

Mr. JOHNSTON. I wish to introduce to the Senate some visiting parliamentarians from Great Britain, Norway, the Federal Republic of Germany, and one from Holland, our good friends who are here interested particularly in energy matters. I told them that ordinarily the Senate would be completely filled with the Members, but because of a Democratic caucus, and only for that reason, it is not completely filled.

RECESS UNTIL 1:26 P.M.

Mr. JOHNSTON. For those who are here, Mr. President, I ask unanimous consent that the Senate stand in recess for not to exceed 5 minutes to give the Members an opportunity to shake hands with our visiting friends.

Mr. GARN. Reserving the right to object, and I will not object, I ask that in the unanimous-consent agreement the time in recess not be charged to either side on this amendment.

Mr. JOHNSTON. I make that part of my request, Mr. President.

There being no objection, the Senate, at 1:21 p.m., recessed until 1:26 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ABOUREZK).

CLEAN AIR ACT AMENDMENTS OF 1977

The Senate continued with the consideration of the bill (S. 252).

The PRESIDING OFFICER. Who yields time?

Mr. GARN. Mr. President, I reserve the remainder of my time.

Mr. HART. Mr. President, I yield to the Senator from New Mexico.

Mr. DOMENICI. I just had a question of the distinguished junior Senator from Utah.

I am having a little bit of difficulty when the Senator speaks of his amendment and then speaks of the need for a variance. As I understand the amendment, the Senator would strike the 3-hour and the 24-hour measuring technique or increment of time and substitute an annual one for it.

Mr. GARN. Will the Senator yield for a clarification so that we are certain we understand what the amendment does?

Mr. DOMENICI. Yes.

Mr. GARN. The original amendment did strike 3 hours and 24 hours. That was modified today when I called up my amendment. It would not strike it. It would merely allow the Governor of a State to waive the 3 hours and 24 hours in his State. So it still remains unless the Governor wanted to waive it within his State.

Mr. DOMENICI. The point I am making is that the amendment seeks a variance mechanism by permitting the waiver of the 3 hours and the 24 hours.

Mr. HATCH. Yes.

Mr. DOMENICI. I wondered if the Senator was aware of the fact that there is a variance mechanism in this bill. Was the Senator aware of that?

Mr. HATCH. Yes. As I understand it there is one in the bill, but it does not solve this problem that we have in the intermountain West.

Mr. DOMENICI. I assume the Senator was aware that we had so provided for an impingement on the air in a class 1 area. That is really what the Senator is seeking the variance for. I just wanted to say that the committee is aware of the fact that there might be a situation wherein the two national interests come into play. The national interest the committee is worried about is the national parks. The Senator says there is a national interest to create energy close to a national park.

Mr. HATCH. I have not seen that national interest fulfilled lately either in the administration proposals or in the proposal before the Senate.

Mr. DOMENICI. I understand that. We have had nondegradation for a long time and we want to make sure the Senate understands it.

Mr. HATCH. As I understand, the present variance provides for an agreement between the Governor and the Secretary of the Interior. The variance we are calling for provides for more States rights and more State determination, especially in States like Utah where we have a 70-percent domination by the almighty Federal Government over everything we do. We have not found much desire to vary anything. We feel that the Governor will have the pressure from both sides on him to make a reasonable and decent determination. That is why we feel that this particular point is well put.

Mr. DOMENICI. So long as the Senator understands and everyone in the Senate understands that this bill provides for a variance, if there is no impingement upon the air quality related values. Those are our words of art. I will agree with the Senator that it would seem fit to have a Governor unilaterally be the one to waive the 3 hours and 24 hours as they might be needed for variance purposes, so long as we understand that the committee decided as to a national park or wilderness that came within the purview of this bill that there was a significant national interest; that there ought to be a kind of partnership, and that variance provides for the State and Federal land management, be it the Secretary of Agriculture or the Secretary of the Interior, depending upon the dominion.

Mr. HATCH. I understand.

Mr. DOMENICI. And that we just have a disagreement as to whether or not in this instance it is totally and exclusively the Governor's right.

The Senator knows that I generally am for States rights and I offered such an amendment to the strip mining law. But I think the committee came down on the side that if a State has a national park in it, there is a mixture there significant enough for them to make this variance together.

So long as the Senator understands that. I just wanted to make sure.

Mr. HATCH. I understand that is the case. However, we have not had great experience in Utah in having that wonderful cooperation that the committee has spoken of between anybody from the State level and the Federal Government.

We have had almost gross domination by the Federal Government in Utah. I submit that is probably true in New Mexico as well as the other mountain and mining States.

To make a long story short, I think our points are pretty well made that it is going to be very difficult to get variances without other untoward delays that will cost us in health, energy, pollution, and a variety of other ways.

So, frankly, the committee solution is not really a solution at all in our past experience. If we allow the Federal Government to make a final say so, we have had very unsatisfactory, albeit disastrous, results from this type of thing.

I would like to get away from having the Federal Government always have the last say in everything we do.

In this particular bill, in our amendment, that is what we are trying to get. We are trying to have a reasonable Governor make a decision in an area where there will not be significant pollution and only possible pollution that will not harm anybody physically or otherwise when we might have greater energy, when we might have benefits to people, when we might have more jobs and even more economical soundness than we would otherwise have.

I would like to see the Senate agree to this amendment. Of course, that is one reason why both Senator GARN and I are standing.

I think we are making the point for a reasonably balanced situation rather than overwhelming. It does not even involve the clean or dirty air; I think that anybody has to agree.

THE IMPACT OF GARN-HATCH NONDETERIORATION AMENDMENT ON VISUAL VALUES

The purpose of this speech is to show that society would be well served by a modification of the significant deterioration provisions to allow the numerical increments to be exceeded on high terrain during short intervals, as long as air quality in an area is maintained from year to year.

To do so, it makes sense to review how we got the significant deterioration concept and some of its peculiarities. Current U.S. pollution law is written on the assumption that there are some concentrations of air pollutants in the atmosphere which are truly harmless to human health, to vegetation, et cetera. These concentrations are called "ambient air quality standards"; really they are permitted levels of air contamination. The Clean Air Act of 1970 mandated that the Environmental Protection Agency—EPA—should promulgate such standards and that the States should then enact regulations to guarantee attainment and maintenance of those standards. The EPA procedural guidelines to the States indicated that pollution up to the level of the "secondary standards" was permitted. It should be noted that the secondary standards are designed to protect against any human welfare effect; for example, crop or vegetation damage. They are generally more stringent than the primary, human-health related standards.

A group of environmental organizations headed by the Sierra Club, sued the EPA to have that instruction set aside. In their suit, they quoted wording in the Clean Air Act which said that the purpose of the act was to "enhance and protect" the quality of the Nation's air, and wording in the promulgation of standards which said:

> The promulgation of national primary and secondary ambient air quality standards shall not be considered in any manner to allow significant deterioration of existing air quality in any portion of any State.

After a protracted legal battle, the Sierra Club's position was upheld in a tie vote in the U.S. Supreme Court, and the EPA was directed to issue regulations which would have the effect of protecting the quality of the air in those areas where the air is currently cleaner than the ambient air quality standards.

The main purpose of this ruling is to prevent the impairment of visibility and visual values. The ability to see such things as pollutants in the air is determined by the concentration of fine particles in the atmosphere. The haze which regularly obscures such view in the industrial and in most of the humid parts

of the world is largely made up of particles or droplets 1 micron (10^{-6} meter) or smaller in diameter. The clarity of the air is roughly inversely proportional to the concentration of such particles.

Under the compulsion of the court order, EPA promulgated a set of regulations in which they required that all areas of the country which currently had air cleaner than the standards should be categorized into one of three classes, which they called categories I, II, and III. Category I would be those areas of singular scenic beauty and "pristine air quality," where almost any increase in atmospheric pollution would be unacceptable. Category II would correspond to those areas in which moderate increases in atmospheric concentration would be acceptable, but pollution up to the level of the ambient air quality standards would not. Category III was to contain those areas which now have air significantly cleaner than the standards, and in which new major industrial developments were welcomed which would emit enough pollutants so that the air would be contaminated up to the level of the ambient air quality secondary standards. EPA, in their initial promulgations, classified all areas of the country which now have air cleaner than the ambient air quality standards as category II and spelled out detailed descriptions as to how the States or other groups could go about having areas reclassified from II to I or to III. To date, such reclassification is under way in several States, including Utah.

The 1977 clean air amendments in both Houses followed the same general format as the EPA regulations. The nature of the regulations is to require that the "permit to construct" for any new industrial facility must be reviewed to see that its construction and operation will not lead to increased concentrations larger than allowed increments in presently clean-air areas. Such concentrations are listed for sulfur dioxide and total suspended particulates. The concentrations are presumably to be enforced everywhere at the ground-air interface.

If the purpose of the significant deterioration provisions is not to protect human health, then the reasons for preventing high concentrations on elevated terrain is either to prevent plant or animal damage or to prevent visibility damage. Most of the high terrain of interest does not support commercial crops or commercial livestock, so that although there may be some possible concern of plant or animal damage, these should be very minor factors in any prudent examination of the problem.

What I wish to show is that although it makes sense to base human-health related concentration standards on ground-level measurements or calculated ground-level concentrations, it does not make sense to do so for visibility.

What do we mean by visibility? Generally we mean the ability to see distant vistas; for example, the full panoramic sweep of the Grand Canyon or the view from the top of a mountain. Such visibility is a requisite to the full enjoyment of places like the Grand Canyon or the scenic national parks of southeastern Utah. The most commonly used measure of visibility is the "visual range" which is the distance at which one can distinguish a distant dark object against the sky. In the industrial and humid parts of the United States of America, this distance is typically about 12 miles. In the arid, nonindustrial Southwest where many national parks are located, it is typically about 70 miles.

If the air were absolutely free of suspended particles, the visibility would be hundreds of miles. But it would not be infinite; even the air molecules themselves have some visibility effect. When we do not have high visibility, this is caused by the presence in the air of fine particles which scatter light. They generally do not absorb light because they are too small; instead they change its direction causing a diffuse haze. This haze typically looks whitish or brownish, depending on the lighting angle. You have probably all observed the difference between white clouds, which generally do not mean rain, and dark clouds which do mean rain. The white clouds have water droplets which are small and mostly scatter light while the dark clouds have much larger drops, which absorb light—and which are more likely to fall as rain or snow. The particles in the atmosphere which cause haze and prevent our seeing distant vistas are generally smaller and not as concentrated as the water drops in white clouds.

We should consider under what conditions a source of particles or SO_2 is likely to violate a significant deterioration increment on high ground. New facilities—such as coal-fired electric powerplants—will generally not be located within short distances of elevated terrain. But in the Rocky Mountain States there is a great deal of high ground so that it is difficult to locate a plant which does not have such high ground within say 20 or 30 miles of the plant site. In this situation in which the "plume" from the plant is blowing directly to a nearby, isolated piece of high ground, EPA would use the so-called Valley Model. For the measured or calculated concentration on the high ground to exceed a significant deterioration increment, the following conditions must apply: The stability of the air must be neutral or slightly stable, the wind speed must be moderate—typically 4 to 6 miles per hour—and this condition must persist for several hours. These are the basic meteorological conditions which lead to maximum concentrations on the high ground—and hence which govern plant siting and plan approval.

These meteorological conditions mostly occur at night or under an overcast sky. Sometimes they will occur on a sunny early morning. They will never occur on a sunny summer afternoon—the condition under which most visitors view the Grand Canyon or Yellowstone. Thus the meteorological conditions which will be the plant-site-determining ones if we use high-ground PSD increments are not the ones corresponding to the maximum demand for visibility.

Furthermore, it seems clear that for most coal-burning electric powerplants and PSD increments which will govern plant siting are the SO_2 short-term increments rather than the particulate standards. If in the future short-term standards are promulgated for NO_2, then those might become the governing increments. The reason that the SO_2 increments will generally be the difficult ones to meet is that the control technology for SO_2 is not as advanced as that for particulates. It is now common to specify particle control devices with 99.5 plus-percent efficiencies, while the best currently available SO devices are in the 80- to 90-percent efficiency range. When and if we have much more efficient SO_2 control devices, this situation will change; but currently the short-term S_2 requirements will be the ones which control if we insist on meeting PSD requirements on high ground.

In the typical situation in the Rocky Mountains, the visibility impact of SO_2 would be minimal. The reason is that SO_2 itself is a very weak light scatterer. In the atmosphere it slowly reacts to form sulfates, sulfites, et cetera. These form particles which are very efficient light scatterers—and which have been suggested as the true active agents in sulfur oxide health effects. These conversions in the atmosphere are far from instantaneous; they seem to go faster in the presence of sunlight, moisture, metal oxide particles, and possibly ammonia. Many have argued that we use SO_2 as a proxy for other sulfur oxides, because most sulfur oxides are emitted as SO_2, and SO_2 is easy to measure. The significant deterioration increments are specified as SO_2. Yet if the concern is visibility, then we must recognize that the reason for controlling SO_2 is to minimize the formation of secondary pollutants and that these generally form under conditions which are not the same as those leading to the highest concentrations on high ground.

If the PSD increments must be met on high ground in Utah, those who wish to construct medium- to large-size power plants burning Utah coal will have the following options:

First. Construct the plants somewhere where there is no high ground within 30 or 50 miles. This generally means somewhere out of the State of Utah or in the flattest parts of the State.

Second. Construct the plant on the highest piece of ground for miles around.

Third. Construct many small plants spread out in such a way that their plumes are not likely to interact.

The first one implies a social decision that we will no longer build large coal-fired power plants in Utah, or only in places such as Wendover. The major interstate market for Utah electricity is anticipated to be southern California. If the State of California would welcome large, coal-burning power plants, this would be a partial solution to the Utah high-ground problem. All indications are that this will not be permitted.

The second option—plants on top of high ground—is one which complies with the letter of the law but grossly violates the spirit of it. If one locates a power-

plant on the highest mesa or mountain for miles around, then the plant can release very large emissions and still not violate the PSD increments on any high ground or anywhere else. However, in terms of visibility, the plant will have the same effect as a plant located in a valley because atmospheric mixing on warm days will mix the emissions into the "planetary mixing layer" and cause the same regional visibility effect as a plant located at lower elevation would.

If, as I suggest, the major reason for the significant deterioration provisions at least in scenic areas, is the protection of visibility, then placing the powerplants on top of the mesas and mountains to meet PSD increments on high ground is self-defeating. We do not really protect the vista, and we put a plant—which only powerplant engineers consider beautiful—where it can be seen for the greatest distances and the widest range of angles. The now-suspended Kaiparowits project was trapped in this way; they chose a plantsite very high on a mesa to comply with high-ground significant deterioration provisions and found a site in which they could construct a very large, modern, well-controlled powerplant without violating any air quality standards or significant deterioration regulations. But that site was also visible from many points and would have been an eyesore in a very scenic area. The rigid adherence to the significant deterioration provisions on high-ground view will force more powerplants in that situation.

The third option—many small plants—also complies with the letter of the law while violating the spirit of it. Because these high-ground violations of significant deterioration will occur when the winds are moderate and steady, with neutral stability, unless two plants are lined up directly on the wind direction, the plumes from two of the plants will rarely or never touch the same piece of high ground at the same time, Thus, one can emit large amounts of pollutants from such plants; and the visibility effects will be practically the same as if there had been one larger one, so the spirit of the law will not compiled with, while the letter is.

It seems fairly clear that modern industrial facilities will all be built in the future with high-quality air-pollution-control devices and that those devices will be practically the same no matter where the plants are located. So the principal thrust of the significant deterioration doctrine is to decide where the plants will be located. With the main goal of protecting visibility, this amendment No. 316 offered by Senators GARN and myself recognizes the variability of topographical and meteorological conditions from locality to locality. It provides the Governor of a State with the option to allow construction of plants that could violate the increments for short periods of time without lowering the overall air quality from year to year. These plants would be required to install best available control technology, and the short-term violations would occur due to meteorological conditions at times of the year and day which are off-peak times for tourists, when impairments of visibility would be least significant.

Now let me stress that this is just an option the Governor may exercise only after extensive public hearings. In areas where humidity is high and visibility is already restricted, then there would be no need to allow the short-term violations of the increments. In the more arid areas of the Nation that we have out West, the Governor could allow some plant construction that would result in occasional impairment of the increments, but which would preserve the air quality from year to year.

If the Congress adopts the amendment, then the Congress is saying that it has faith in the Governors and the citizens of the various States to make sensible judgments in striking a balance between economic development and environmental protection.

In Utah we have spectacular scenery and a beautiful rural environment that is both a spiritual and economic resource. People come from all over the Nation to see the unique and inspiring splendor of Zion's and Bryce Canyons, Capitol Reef, Arches National Park, and the Canyonlands areas. Believe me gentleman, it is in our self interest to preserve these attractions—tourism is a crucial aspect of our economy. We in Utah have the wisdom to protect the treasures of our State, and I believe that the people and elected officials in each of the 50 States are at least as wise, and very likely more so, than the Congress and the bureaucracy in Washington. This amendment preserves air quality while providing needed and sensible flexibility for States to balance economic growth and environmental protection.

Mr. HART. Mr. President, I doubt there are very many people whose minds on this and related subjects are not already fairly fixed. I do not think prolonged debate is called for at this point, unless we could get our colleagues, European allies, to vote with us on this, and I am sure most of them, being reasonable people, would vote on the side of the committee for this measure.

Unfortunately, they cannot, so we are not able to spend a great deal of time to convince them of our cause.

The Senator from Utah referred to the fire in the kitchen and I think we might pick up on that. He said that the fire might last 2 or 3 minutes and then be over and no one is the worse for it.

That is fine, as long as no one himself caught fire or is personally injured.

That is exactly, I think, the analogy to this situation. If it were a question of the fire in the kitchen and then being put out, that is all right. We are talking about a situation where standards are exceeded on a short-term basis which have a health impact on the area.

Like most other issues related to the clean air legislation, what seemed to be fairly innocent and simple, and as the sponsors have indicated reasonable steps having only very modest impact, and simply having the effect of turning responsibility back to the States, when viewed in the context of the entire legislation, and their total impacts have enormous consequences.

I think the record is clear, in the committee and based upon all the information which the committee and the Senate has now and has had for a number of years, that the effect of destroying the short-term standards, the 3-hour and 24-hour standards, is really to eliminate the nondegradation portions of this legislation.

That is the net effect.

The only other standard we would have is an annual average.

Obviously, then, every day of the year we could approach, and perhaps even exceed on occasion, or every other day exceed, the national standards and come out with an average which is not above the level set by the law.

What we are concerned about is high air pollution concentrations which have serious impacts on public health and on crops and have great social and economic implications.

We know, as a matter of fact, from sampling and testing that emissions in many areas on almost all occasions exceed the 3-hour and 24-hour standards before they exceed the annual increment.

That is what the law and the EPA is setting out here to prevent by these short-term incremental standards.

To establish this point, the Environmental Protection Agency conducted a study of 33 existing plants and based on the data obtained by that study transmitted to the chairman of the subcommittee, the Senator from Maine, by letter dated March 10, 1976, the presentation of that study and the data contained therein.

Mr. Train, then EPA Administrator, concluded that in two-thirds of the plants studied, if nondegradation requirements had been applicable, the amount of pollution allowed would have more than doubled compared to nondegradation requirements with the short-term increments in place. In that letter Mr. Train says the following:

> The short-term increments are generally controlling for sources with elevated emission points.

For example with regard to powerplants he states:

> It is entirely possible that a new power plant could meet the annual class 2 increment for both sulfur dioxide and particulate matter yet cause short-term concentrations that would approach the short-term national ambient air quality standards.
>
> Clearly, sole application of the annual increment would not, in many cases, provide a significant margin of nondeterioration protection beyond the primary and secondary standards if a source could create short-term concentrations up to the 24-hour or 3-hour national standards.

He goes on to say; that a degradation of 3-hour secondary standards could possibly result in damage to certain commercial crops:

> The 24-hour concentration of particulates has a considerable impact on visibility.

He says that degradation of the 24-hour standard would reduce visibility from more than 70 miles to about 5 miles. Sole use of the annual increment, which is what the effect of the amendment

would have for deterioration, would in many cases allow such a reduction in visibility to occur.

Mr. President, by permitting the approach of allowing the governor of each State to grant a waiver, what we are inviting is a problem the committee has faced for many years, and that is pirating of industrial location by one State of another. Unless we have meaningful standards, what we are going to have is Governors all over the country competing with each other to attract new industry. Industry will obviously want to go to the place with the lowest standard. It is an open invitation for Governors to pirate plants from each other and compete with each other, as to how many times they can issue this waiver and how low the standards can be driven.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. HART. I am about to conclude, and then I will yield.

Mr. President, I think the net effect of the Garn amendment, as I have indicated, is to eliminate for all practical purposes the operative impact of the nondegradation provisions of this law.

The Environmental Protection Agency and the agencies of the Federal Government which have the responsibility of applying this law are clear in their statements about the impact this would have on the health of this country, on commercial crops and other ventures, on visibility and other factors.

In my State, which has an enormous tourist industry, and in the surrounding States, the effects of that, I think, would be a serious harm and danger and damage to that tourist industry. For that reason alone, I think it is a matter that all Members of the Senate will want to look at very carefully before voting on it.

I yield to the Senator from Vermont.

Mr. STAFFORD. Does the Senator from Alaska wish me to yield to him?

Mr. STEVENS. If the Senator has time.

Mr. STAFFORD. Will the Senator permit us to go ahead with a couple of statements first?

Mr. STEVENS. Yes.

Mr. STAFFORD. Mr. President, I am glad to yield to the Senator from Michigan for the purpose of a unanimous-consent request.

Mr. RIEGLE. I thank the Senator.

Mr. President, I ask unanimous consent that Mr. Greg Bohemus, of my staff, have the privilege of the floor throughout the remainder of debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I have listened with great interest to the debate that has occurred thus far this afternoon on the pending amendment offered by the Senator from Utah (Mr. GARN).

I just wish to reemphasize this Senator's understanding that what is desired by this committee, as well as by every other Member of this body, is to achieve as nearly as we can a balanced growth in the United States, with healthful air and a growing economy, with preserved esthetics across the Nation in those parts of our country—and there are many of them—that are beautiful.

This committee is not trying to stifle the economy. I repeat that we want the economy to be in a position to grow, but we want it to be a healthy growth, with healthful air. When this committee considers legislation in the Clean Air Act, as we have in the bill we have reported to the Senate, we are thinking in terms of the entire country, rather than in terms of any single part of the country which might seek special consideration, but where special consideration might then expose the committee to requests from all over the country for exceptions to what we believe has to be a rule best for the Nation as a whole.

Mr. President, I must oppose the amendment being offered by the Senator from Utah. Although the amendment seems to preserve air quality over the course of a year, this is not, in fact, the case.

Removing the short-term controls greatly increases the total air pollution emitted into the atmosphere. The annual increment will not prevent potentially severe pollution episodes during the year because the annual number is only an average of emissions throughout the year.

Abolishing the short-term controls in many cases means doing away with any requirement that clean air areas be kept cleaner than urban areas.

The Environmental Protection Agency has pointed out that a powerplant could meet the annual limitation for clean air areas and still approach short-term concentrations prohibited by health standards.

EPA goes further and points out that if the only control is the 24-hour particulate ambient standard rather than the 24-hour standard proposed in S. 252, visibility in clean areas would be reduced 75 percent.

The effect of removing 3-hour and 24-hour restraints from class I areas would be to permit 1,000-megawatt powerplants to locate adjacent to national parks or other areas identified as deserving of special protection.

Last year, the Assistant Administrator of EPA wrote, in answer to my request for information, that the numbers included in the committee bill provide ample room for new industry in class II areas.

For example, in flat terrain powerplants meeting current EPA standards could range in size from 1,000 to 4,000 megawatts without violating class II increments.

In hilly terrain, with additional controls the vast majority of currently planned powerplants would be able to comply with all class II increments, the short-term as well as the annual.

There is no need to abolish short-term increments in order to permit growth. In addition to the room for growth afforded by the committee numbers, S. 252 allows additional flexibility.

Where a new facility might cause the increments in a nearby class I area to be exceeded, the Federal Land Manager of the area can find that air quality values will not be diminished. In that case, the class I increments are not controlling on the plant.

I believe it is necessary to give managers of our prized parks and wilderness areas authority to protect them against visual and health contaminants.

The amendment before us would remove this authority thus threatening the qualities these areas are intended to preserve.

I oppose the amendment as unnecessary to permit growth and certain to diminish environmental protection.

Mr. President, I yield to the distinguished Senator from New Mexico (Mr. DOMENICI).

Mr. GARN. Mr. President, will the Senator yield for a question?

Mr. STAFFORD. I yield.

Mr. GARN. I have listened to the distinguished Senator from Colorado and the distinguished Senator from Vermont. I agree with much of what they have said.

There are implications that somehow this amendment involves health standards. First of all, I ask the Senator if he thinks it does, when we are still maintaining it at a point so far above. I should like that point established so that there is no misunderstanding that we are toying with primary and secondary standards. Is that correct?

Mr. STAFFORD. The Senator from Vermont feels that any source of air pollution has to be considered as to the cumulative effect it may have not only on the country but on the world as well. We still have visitors here from other parts of the country.

In my remarks, I addressed the fact that sometimes the committee appears to be placed by others in the position of being for health and against the economy. I tried to establish my belief that the committee seeks a balance overall between clean air and economic growth and healthful air for the people of this country.

Mr. GARN. I have trouble with one other question, in spite of how carefully, in 2 days of talking about this, I have tried to delineate and define the scope of my amendment and just what it does. We seem, in the rebuttal to my debate, to go beyond that; and I fail to be persuaded by the arguments that very short-term violations of nondegradation means that over a period of time we will be harming a nondeterioration policy. I am still unable to understand it. If you are not allowed to violate the yearly averages and the yearly maximum, no matter what happens during the year on a particular day, how can it be said that the air will be deteriorated?

I agree as to a cumulative effect—if we were going to say that you can do it now and keep building up gradually over a period of time. Yes, I would agree with my distinguished colleague, and I would not be supporting that.

I am talking about a very temporary situation, a recognition that there is a big difference as to high and rugged terrain in Kansas and in Nebraska. If I lived in Kansas and Nebraska and had five national parks, two-thirds owned by

the Federal Government, I would not be seeking this amendment. But this is not a balanced approach for the high, rugged terrain of the intermountain West.

It simply does not fit there, and that is the point I am trying to focus on, the unique situation in the intermountain West, not the rest of the country. But I would still like the Senator to answer, either you or Senator HART, if each year the standards have not been deteriorated over a yearly average, how can you say nondeterioration has been violated other than on a few days. Some years we have no inversions, some years we may get 10 to 15 days. That is all I am talking about.

Mr. STAFFORD. I doubt if the Senator from Vermont can convince the Senator from Utah on this particular point. But the feeling of the Senator from Vermont is that there may likely be too many 3-hour periods across the country in which the 700 units per cubic meter are exceeded, even though at the end of the year the average provided for over a yearly basis has not been violated, and that concerns the Senator from Vermont quite a lot.

Mr. DOMENICI. Mr. President, will the Senator yield for a further explanation?

Mr. GARN. Just a moment, I am still rather puzzled because I am trying to make some illustrations. I really want to understand, I really do.

Say you are on a weight-reduction program, and you are only going to go a little bit each side of your desired weight over a period of a year. One day you are fat, you ate too much; but you hold it down and you are underweight. At the end of the year you are still the same weight. I just fail to comprehend how if you are not allowing vast swings and a cumulative effect to build up how we can have deteriorated the air. If it is still as clean at the end of the year as it was in the first or middle part of the year what difference does the 3 or 5 days in the middle make?

Mr. DOMENICI. Do the people stop living during the year or do they live during the year, the people who breathe the air and who view the air? Do they wait until the end of the year and say, "It is as clean at the end of the year as it was at the first," or do they live during all of those days?

Mr. GARN. How did they live, may I ask the Senator, when they had a forest fire in the area for 3 or 4 days? Did they all run and stick their heads in the sand and hide from it? Does it kill them? Does it harm their health on a very temporary basis, when after that forest fire is over it disappears. Do we say that after a forest fire we have had significant deterioration of air? Every year in Utah we have them, and I wish we could prevent them, I sincerely do, but we cannot.

Mr. DOMENICI. The plants do not go away like the forest fire. They are around 24 hours a day.

Mr. STEVENS. Mr. President, will the Senator yield to me on that?

Mr. GARN. The Senator is missing my point on atmospheric conditions that are not around every day and are normally not around more than a maximum of 15 days a year.

Mr. HART. Mr. President, will the Senator from Vermont yield?

Mr. STAFFORD. I believe the Senator from Vermont has the floor.

The PRESIDING OFFICER. The Senator is correct. The time is being charged to the Senator from Colorado.

Mr. STAFFORD. The Senator from Vermont will just say the example offered by his good friend from Utah——

Mr. GARN. It was not meant to be personal.

Mr. STAFFORD. I think the Senator has suggested an excuse for the Senator from Vermont to be overweight most of the year, which is still bad for him, but he is still trying to make his weight when——

Mr. GARN. I am not talking about an end-of-the-year measurement, but during the entire year.

Mr. STAFFORD. I will yield to the Senator from Colorado.

Mr. HART. Again just to pursue the analogy of the Senator of fire in the kitchen, and now we have the case of any person overweight, who is under a doctor's orders that exceeding a certain weight level is harmful to his health. If he even temporarily goes above that level——

Mr. GARN. Let us not put the health issue——

Mr. HART. I do not yield. I am following up the analogy—and if the person's weight goes above that level it is harmful to his health even if he does it on a short-term basis. But if he does it on a short-term basis and does it repeatedly that is repeatedly harmful to his health, and that is what we are talking about.

Now, the National Academy of Sciences said in 1975 to the Senate committee that sulfur emissions and nitrogen oxide emissions from stationary sources can have an impact on the air quality of a city 300 miles away. That is one specific example.

The Senator has also asked for other specifics. Suppose someone saves several thousand dollars of hard-earned money to go on vacation and decides to go, as most intelligent people do, to the State of Colorado to spend that money. Suppose that is the week or two that the powerplants in Colorado happen to exceed the standards and that the Governor grants a waiver. Well, who wants to go if you cannot see anything, if you cannot see the mountains, if you cannot see the lakes, you cannot see the beauty of that State or even Utah, for that matter?

That hurts the tourism industry, several hundred million dollars in Colorado, a big industry in our State.

The above example is one of industrial impact, environmental impact. Word gets around, nobody wants to go on vacation to Colorado, motels close down, shopping centers close down, and it is a big economic impact. We are worried about jobs in Colorado. People have been talking about jobs and economic growth, and this potential of more pollution in Colorado may threaten the economic growth in Colorado.

I think we can go on and on. The record is very clear that there are some more very specific harmful effects of going above those short-term standards, such as the effects on agriculture and crops. It goes on and on.

So when the Senator says that no specifics have been given, I think there are several, and I think the Senator's analogy about health is a perfect one when looked at from the standpoint of what the doctor orders. The doctor has ordered here not to go above certain standards even on a short-term basis.

Mr. GARN. Mr. President, will the Senator allow me to just finish this?

Mr. HART. On his own time.

Mr. GARN. That is fine, I will take it on my own time. I am going to try once more. We continue to see raised the great specter of people being sick. My distinguished friend and colleague from New Mexico mentioned it, and now we hear about crop damage, and I am going to try once more. This amendment does not affect the primary and secondary standards. It does not affect the 3- and 24-hour incremental periods on the primary and secondary air standards. We are only talking about nondeterioration, and nondeterioration is not concerned with health, it is concerned with esthetics, and the Senator from Colorado has spoken of the views in those areas. I agree with him.

Let us separate the issue, let us stick with nondeterioration and not confine it with primary and secondary standards which, if they were violated on a yearly basis or on a 3-hour or 24-hour basis, you better believe they could have some health and agricultural consequences, some industrial consequences, and all sorts of things.

My amendment is not based on those standards. It is based on nondeterioration. It is based on trying to get at natural causes that cannot be avoided.

I think the Governors of these States are being slandered. Every Governor is suddenly going to decide he is going to build a powerplant every place. That is not true. They do not have to, and I think most Governors are more concerned about their States than the Congress as a whole. They live there every day, they have to defend their records.

So I would suggest that the Governors would not like some of the comments that have been made. To say they are going to decide to pollute is not true. Again we are talking about nondeterioration, we are talking about esthetic values. We are talking about maintaining them on a yearly basis, allowing no significant deterioration, but simply allowing for nature to say that a plant would decide to pollute so many days a year and then meet the averages. I am talking about natural occurrences that they cannot handle.

When they have got the technological advances to prevent temperature inversions in high and rugged terrain, then I would withdraw my amendment and not even consider it. But we do not have that kind of control over Mother Nature.

Mr. STAFFORD. Mr. President, I yield to the Senator from New Mexico (Mr. DOMENICI).

Mr. DOMENICI. Mr. President, I am not going to take a lot of time because I tend to agree with the Senator from Colorado that probably most people understand this issue or at least know how they are going to vote—even if they do not understand it. [Laughter.]

Let me say to the good Senator from Utah, for whom I have the greatest respect, let me just say with reference to health and health standards so he does not think the Senator from New Mexico is trying to fool anyone, if you are talking about words of art in our law called primary and secondary standards, and if you are assuming, as you are justified in doing, that primary standards and ambient nature are a principal health standard and that secondary standards are the next levels for welfare type, vegetation and the like, you need not be concerned. I am not saying that the nondegradation statute that we have before the Senate or the nondegradation regulations presently in effect across this country by court order are the same as those. They do not have the same objective and they do not have the same goal.

So if I used health a while ago it was merely in response to the Senator's fat man-skinny man beginning-of-the-year end-of-the-year, and I apologize for that.

But make no bones about it, there are no States in the United States that are measuring pollution, be it primary or secondary or the present measurement for nondegradation on an annual average.

You would like them to do that here, or to have the opportunity to, but they do not do it.

If you want to call your State, you might tell us how they do it. I will tell you in mine: Without nondegradation. For primary and secondary, they use a 24-hour standard, and in many States they use a 3 and 24, because it is logical.

Under your concept, there is no polluted air in Washington, because if you take the averages and mix it all up, it is not polluted. But what about the days when it is extremely dangerous? And I must say it is our health that is involved, and I am implying no denigration of the Senator. But I am talking about trying to measure ambient pollution on something like an annual basis, and saying the beginning and ending is all that counts, when in between we have these kinds of things that are all-important.

That is why we have built into this a 3, a 24, and an annual. I would ask the Senator to consider carefully, if we have an annual on nondegradation, what is the standard that is going to apply? There are some who say it is going to change the national primary or secondary standards, and there will not be any other way. I am not sure of that, but I am convinced it is one of two things: The Senate accepts as a proposition of national interest no significant deterioration or nondegradation, whichever you choose to call it, and chooses to make it a statute instead of a presently court-enforced regulatory scheme. For it is already in existence, and I would make it a part of the RECORD at this point, because there are those who would like to say under nondegradation we are not going to build anything.

This exhibit will show, in just region 8, under a present no significant deterioration regulatory scheme ordered by a court rather than by Congress, that the plants listed here and the activities listed here have already been granted permission under EPA's class 2, which is identical in terms of the increments on the two pollutants to be controlled as they are defined in this statute.

I ask unanimous consent that it be printed in the RECORD.

There being no objection ,the table was ordered to be printed in the RECORD, as follows:

ENVIRONMENTAL PROTECTION AGENCY
REGION VIII

PSD FINAL ACTIONS

Applicant, source type, date, and final decision

Polumbus Corp. (Colorado), sulfur recovery plant, June 29, 1976, approved with conditions.

Public Service Co. (Colorado), 500 Mw powerplant, December 6, 1976, approved with conditions.

Basin Electric Co., (Wyoming), 1,500 Mw power, December 24, 1976, approved with conditions.

Mid Continent Coal, (Colorado), coal thermal dryer, January 21, 1977, approved with conditions.

Anschutz Coal, (Colorado), coal cleaning plant, January 13, 1977, approved with conditions.

Hoerner-Waldorf, (Montana), Kraft pulp mill, April 6, 1977, approved with conditions.

Sinclair Oil, (Wyoming), refinery expansion, April 18, 1977, approved with conditions.

Husky Oil Company, (Wyoming), refinery expansion, June 16, 1977 (Est), approved with conditions.

Otter Tail Power, 440 Mw powerplant, May 27, 1977, proposed approval with conditions.

Mr. McCLURE. Mr. President, will the Senator from New Mexico yield for a question? Because I am not sure I understand this colloquy.

Mr. DOMENICI. Yes, I yield. Is the Senator going to ask me a question?

Mr. McCLURE. Yes.

Mr. DOMENICI. I will be delighted.

Mr. McCLURE. My understanding of the Garn amendment is that it allows a waiver of the 3-hour and the 24-hour, but not beyond the primary standards. Am I correct?

Mr. GARN. Correct.

Mr. DOMENICI. I guess it goes to the standards. Obviously, they would not be waiving the primary.

Mr. McCLURE. They would not be waiving the primary?

Mr. DOMENICI. I do not understand they intend to waive the primary.

Mr. McCLURE. My understanding is that it waives the nondegradation requirement, but not the primary standard requirement. Is that correct?

Mr. DOMENICI. Yes. I do not think there is any argument about that.

Mr. McCLURE. If that is correct, what is the Senator's argument with regard to the health effects increasing? He carefully and properly stated it is the health effects rather than the primary standards.

Mr. DOMENICI. I am not, may I say to my good friend from Idaho. Perhaps I am not very good with words today, but from this Senator's standpoint, as one who has worked on this for 26 months, I am prepared to say unequivocally that nondegradation is not predicated on the present health standards. I think you know that.

Mr. McCLURE. I do know that, but I understood the Senator to say that somehow the Senator from Utah's amendment would violate the primary standards.

Mr. DOMENICI. Oh, no, no, no, no. I was saying if you are going to look at a national average when you are talking about pollutants, that you could say—and I even apologized for using Metropolitan Washington, because we are talking about primary now, but you will find on the average it does not violate the primary standards, so one could conclude that the air here is not dangerous to one's health. Again I apologize for using health, but I am talking about an ambient policy.

There are many days when it does violate the primary, but I only used it in that context.

Mr. McCLURE. Here, but not under the amendment of the Senator from Utah?

Mr. DOMENICI. Not under his. But whatever the goals are, I believe our analogy will hold.

Mr. McCLURE. Except with regard to primary standards.

Mr. DOMENICI. I understand that.

Mr. McCLURE. So, if I understand the Senator correctly, he is not saying that the effect of the Senator from Utah's amendment would be to violate the primary standards or influence the health standards set by statute?

Mr. DOMENICI. I did not say that, and I have stated it as many times as I can, that I do not believe Senators are confused by the issue. Nondegradation is not an issue in primary health standards.

Mr. McCLURE. I think you know that, I am certain I know that, I believe the Senator from Utah knows it, and I am certain that the Senators from Maine, Vermont, and Colorado know that; but I am not sure the other Members of the Senate know that.

I think those of us who worked on the committee have a peculiar obligation to be very certain that we do not confuse the issue any further.

Mr. DOMENICI. I just want to conclude this way: every time I use an analogy, obviously I am involved with a human activity. So I cannot apologize in advance, but let me say to the Senator from Idaho that I think if the goals of nondegradation are meritorious, and that is an issue, or whether the U.S. Congress wants to render them parts of the statutes of this country, rather than leave them as they are presently—and they are in existence, as you know; the Supreme Court has refused to grant review, and they are in effect because of the mandate of a lower Federal court.

Assume they are good goals; then I want to say to you I look at it this way: If a man is drowning in a river, he is trying to cross a river and does not know

how deep it is, and does not know how to swim, it does not do much good to tell him the depth is an average of 3 feet, because he does not know where it is 12 feet, where it is 20 feet, and where it is 3.

Mr. McCLURE. If the Senator will yield further, is that not another health effect analogy?

Mr. DOMENICI. I just said that again. I said it just before I made the statement. But if you are going to use visibility, the lack of visibility is like drowning.

Mr. McCLURE. Perhaps instead of saying 3 feet deep, we should say an average of 6 inches or a foot deep, and then there is a question whether he gets his ankles wet or his knees.

Mr. DOMENICI. Or, if he has something wrong with his legs, he might injure his health at 6 or 12 inches. But we might get closer.

Mr. McCLURE. He could roll his pants legs up.

Mr. DOMENICI. Let me say I do not think anyone is misled with health problems here, but actually, annual averages in measuring pollutants in the atmosphere just do not tell us anything. That is what is really wrong with the amendments: They just are not informative, whether it be in the area of health, visability, or secondary standards, as far as their impact is concerned.

One of the real reasons that we want nondegradation and no significant deterioration in an effort to protect pristine areas is that we very much wanted to eliminate untoward competition between States that had pristine areas. I think we put it right back in a muddle, because we leave it up to the States, if we adopt this amendment, to really decide whether they are to have a better competitive position for major emitting sources.

The only thing we control in this is major emitting sources, not other things. I do not think we ought to do that under the guise of eliminating the most operative measuring technique that has existed and still exists.

In conclusion, I do not want to delve into my good friend from Utah's State. I am sorry that I have to, on this. But I think it is a bit misleading to say we have a problem because 70 percent of our land is Federal. I think that is a part of the problem, but I think everyone should understand that Federal land is not the criterion.

Much of that land is BLM land, Forest Service land, and it is not subject to this. The only things which are subject to this are wilderness areas of 5,000 acres and over and national parks of 6,000 acres or more. To that extent the Senator has many of those areas and parks, and he still has a more serious problem than many of his neighbors. But I do not believe he might respond to say more than:

> Well, we cannot build on Federal land. Therefore, we have a lot more limited space within which to locate our growth.

In that context, it is very relevant. But everyone should know it is not Federal land, which is class 1 here, but, rather, the two I have just described.

Mr. GARN. Will the Senator yield for a question?

Mr. DOMENICI. I am delighted to yield.

Mr. GARN. The Senator is correct that all Federal land is not a problem. But is the Senator aware that one of our national parks is about 40 miles wide and 65 miles long? That is probably about as big as Rhode Island.

Mr. DOMENICI. The Senator told me that and I believe him. I have not checked it. I do not know how relevant that is because a major emitter could not be built in that park anyway. I assume they would not let anyone build it. It is only relevant as to how far away one should be from the park.

Mr. GARN. The Senator is correct. Would the Senator agree that some of the statements about this particular issue have been rather wild, particularly in the Washington Post? There was a very undistinguished article that came out after an amendment had passed the House, which talked about how one could build a plant on the rim of the Grand Canyon. I have heard hogwash before, but that is the most ridiculous thing I have heard in editorializing and giving examples of what the Breaux amendment would do, or the Garn amendment.

Would the Senator agree that under any circumstances, regardless of what we did on nondegradation, it would be impossible to build a generating plant on the rim of the Grand Canyon or Zion or Bryce or any other national park?

Mr. DOMENICI. Since we have to be very careful with our statements here today, specifically I would say yes, but I would say that that is not terribly relevant.

Mr. GARN. It is only relevant that I wanted to let the Washington Post know how ridiculous was their article.

Mr. DOMENICI. In that regard, the Senator has what he wanted. The relevant part is how close to the Grand Canyon can they build so that the flume, and so on, would have a relevant impact. I would assume on some parts of the Grand Canyon it would have as much of an impact if it was built close to it as it would have if it was on the rim.

Mr. GARN. I have heard a great deal of talk here about manufacturing plants and Governors competing. Certainly, that is not a point in Utah. There will not be a lot of manufacturing plants wanting to locate in the San Raphael Swell, or these other locations. We are talking about the siting of these plants because they happen to be sited where the lowest sulfur coal in the country exists. We are not going to have a mass competition by Governors to site industries in these areas. There are not the facilities to serve those kinds of plants. We are talking about utilizing low sulfur coal. Is that correct?

Mr. DOMENICI. I do not think I ever said manufacturing plants.

Mr. GARN. The Senator from Colorado did.

Mr. DOMENICI. I said those new major sources as defined in this statute. It defines them. They are principally powerplants and refineries, and that type of major emitter, contributing more than 100 tons of sulfur per year. Those are the ones we are talking about.

Mr. GARN. As an expert on this bill in the committee, does the Senator think the bill is fair when it discriminates against low sulfur coal when, in effect, it says, "You will burn the dirty coal first and leave the low surfur coal" which burns clearer?

Mr. DOMENICI. I do not believe the bill says that.

Mr. GARN. I believe that is the effect.

Mr. DOMENICI. I do not believe it is.

Mr. STEVENS. Will the Senator yield?

Mr. DOMENICI. Let me respond first, so there is no misunderstanding.

The State, as far as nondegradation is concerned, sets the best available control technology. I would agree with the Senator that even clean coal might have to have some control technology on it. I do not think that is an inordinate request. On the other hand, there are some who think we ought to clean up that clean coal to the same extent, in terms of the percentage of cleanup, as we should clean up dirty coal. I assure the Senator that is not in this bill, I will do all I can to resist that, because that has no rationale in terms of pollution. It may even be in the House bill. We will do all we can to see that it does not come out of conference that way. That has no economic or pollution probability. It does not have anything to do with either one, the way they are attempting to set the cleanup percentage. I do not believe the Senate bill does that.

Mr. McCLURE. Will the Senator yield for a couple of questions?

Mr. DOMENICI. I would be pleased to yield the floor.

Mr. STEVENS. Will the Senator from Utah yield me time?

Mr. DOMENICI. How much time have we remaining, Mr. President?

The PRESIDING OFFICER (Mr. SASSER). The Senator from Utah (Mr. GARN) has 21 minutes, and the Senator from Maine has 7 minutes.

Mr. GARN. I would be happy to yield to the Senator from Alaska.

Mr. STEVENS. I thank the Senator from Utah.

Mr. President, I intend to offer an amendment as a substitute for this amendment when time has expired. I do not want to get into that amendment right now, but I do want to address some questions to the manager of the bill because of the discussion concerning national parks.

I would like to know what is the Senator talking about when he says national parks in this bill? Is he talking about the national historical parks like the C. & O. Canal? Is he talking about national seashore areas which are part of the national park systems? Is he talking about the national monuments?

Is the Senator being very specific in saying national park means an area established by Congress as a national park and nothing more within the system?

If the Senator is not being very specific, he is causing a lot more problems than he understands because the C. & O. Canal, for instance, 184 miles across

Ohio and Maryland, is a part of the national park system. This bill could not possibly apply to that park.

The Cape Canaveral seashore is 67,500 acres. It currently has the problem that the Senator from Utah was addressing, as far as I know, and it would be covered.

I would urge that the managers of the bill make it very clear that when they say national park, they mean a national park, per se, and not a unit of the national park system. If we do not have a record which is clear in our intent, we are going to have litigation all over this country with regard to the impact of this provision.

I intend to get into the problem related to Alaska in terms of the proposed national parks in connection with the Breaux amendment. I would hope the legislative history here would be clear that the committee intends to limit this to national parks established by act of Congress and not other units of the national park system, including but not limited to national monuments, national historical parks, and national recreation areas when it make that reference to national parks in this bill.

Mr. MUSKIE. May I say it applies to national parks, period.

Mr. STEVENS. It is a specific reference to a national park as we understand it and not to generic units of the national park system?

Mr. MUSKIE. I do not know what the Senator means by generic units of the park system. We are talking about national parks.

Mr. STEVENS. The Senator does not intend to include the national historical parks like the C. & O. Canal?

Mr. MUSKIE. Of course not.

Mr. STEVENS. It is not a national park in the sense of this bill?

Mr. MUSKIE. That is right. I think last year's legislative history indicates that.

Mr. STEVENS. We had such a discussion last July. We got into a little problem about the changes in the bill and how a court might interpret them later on the basis of legislative history we made last year.

Mr. MUSKIE. Since the legislative history is built by people of different views, legislative history is not always precisely pristine.

Mr. STEVENS. On this subject the Senator from Maine is very pristine and I am delighted to be associated with him.

Mr. RIBICOFF. Will the Senator yield?

Mr. MUSKIE. I yield.

DEPARTMENT OF ENERGY ORGANIZATION ACT

Mr. RIBICOFF. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 82.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 826) to establish a Department of Energy in the executive branch by the reorganization of energy functions within the Federal Government in order to secure effective management to assure a coordinated national energy policy, and for other purposes.

(The amendment of the House is printed in the House proceedings of the RECORD of June 3, 1977.)

Mr. RIBICOFF. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. RIBICOFF, Mr. JACKSON, Mr. MUSKIE, Mr. METCALF, Mr. CHURCH, Mr. PERCY, Mr. JAVITS, Mr. ROTH, Mr. HANSEN, and Mr. HATFIELD conferees on the part of the Senate.

CLEAN AIR AMENDMENTS OF 1977

The Senate continued with the consideration of the bill (S. 252) to amend the Clean Air Act, as amended.

The PRESIDING OFFICER. Who yields time?

Mr. GARN. I am happy to yield such time as the Senator from Idaho needs.

Mr. McCLURE. I thank the Senator from Utah for yielding.

I would like to have the attention of the Senator from Maine and the Senator from Vermont with regard to some language which is not directly affected by this amendment, but, nevertheless, bears upon it.

We recall, I am sure, the discussion we had both in committee and on the floor of the Senate last year with regard to the definition of major emitting facilities. We defined those in the terms of those that had the potential to emit 100 tons of pollutants. Then we listed certain types of plants and gave the Administrator the authority to add other plants of the same general type to the list, if necessary.

The language this year in the bill is precisely the same as the language last year in the bill. I do not want to go through the extensive colloquy we had on the floor last year, trying to pin down exactly what we had in mind.

It is my expectation we mean exactly the same thing this year as we did last. Am I correct on that?

Mr. MUSKIE. Yes. I would be glad to ask unanimous consent that the colloquy be printed in the RECORD.

Mr. McCLURE. I thank the Senator. I think it is not necessary for us to go through all that again this year if, as a matter of fact, the committee intends that this language means precisely the same as we intended last year.

Mr. MUSKIE. May I say it was too laborious a chore to work it out last year for me to try to rework it on different lines this year.

So I subscribe to what the Senator says.

Mr. McCLURE. I thank the Senator from Maine.

I think the Senator from Vermont agrees that is true?

Mr. STAFFORD. The Senator from Vermont so agrees.

Mr. McCLURE. I thank the Senators for that response.

Now, very briefly on this question of the Garn amendment, I think we have gone up and down the hill on what we mean by the 3-hour and 24-hour variations.

I am very deeply disturbed by either side of this question because I think that the people in the State of Utah or in the State of Idaho do not want the air significantly deteriorated from its present condition.

On the other hand, they do not want to have an unnecessary restriction placed on decisions which they might desire to make.

Let me give as an example the kind of problem we might be involved in.

Just downwind from a national park it might be desirous to build something that would be within the terms of a major emitting facility that might be within the pollution range which would violate the nondegradation standard within the class 1 area, but not in the class 2 area.

Most of the time, the air monitors, who become the very administrators and enforcers of this action, would say that pollution will be carried away from the class 1 area and, therefore, this particular plant is not prohibited by restrictions of class 1 areas, but on a few days of the year the wind might blow from the other direction.

Because it might blow from the other direction, it would carry the pollution into the class 1 area in violation of the class 1 standards. If that occurred 1 day of the year, the plant would be prohibited. If it occurred for the 3-hour period or the 24-hour period, that plant could not be built because of the condition hypothesized, that the wind would shift at least for 3 hours or 24 hours within the year.

I think there is some need for flexibility in that circumstance to permit the great bulk of the year, the 352 or 347 days of the year in which the wind is blowing in the right direction, so that the very limited period of time in which the wind might change does not become the determining factor on the location of that facility.

I do not think the committee bill gives that latitude. I think the amendment of the Senator from Utah would give that latitude. I am not certain, however, that the 18 days per year is a magic number, and it may be that as we seek to shave off the peaks, or ignore them, that we have raised the level of the base pollution significantly. I think that is what the real argument is all about.

The real opposition says that we do not care what the peaks are, the peaks are useful to us in changing the base level and then forcing it down far beyond anything that we would recognize we are doing, because if we recognized what we were doing the Congress would not vote for it.

I really am afraid that is behind all this argument in spite of the arguments that may be used here on the floor of the Senate.

I want to stress the fact that, again, we are not talking about health effects

in this amendment or in the nondegradation standard. We are talking about other matters. The health effects would not be violated here. They are not involved in the nondegradation standard and, as a matter of fact, even with the amendment of the Senator from Utah, the area in the clean air areas of the country would be far cleaner even with this amendment than would be the air in the dirty air areas.

We are saying, in effect, with or without the Garn amendment, that the dirty air areas can be dirtier than the clean air areas, even for 3 or 24 hours of the year.

I think that is something we must understand as we are addressing this question. It is a matter of judgment, not an absolute.

We cannot say where that base level should be when we go beyond the health section standards, the primary standards.

We are talking about something that is even more clean than the secondary standards.

I am very gravely concerned that we do not understand what the effects of this language are, either in the committee bill, or precisely the effects of the Garn amendment language, either. I cannot state too strongly that in this instance we must be very careful to remember it is not health effects we are talking about.

The analogy given by my good friend, the Senator from New Mexico, that we have to average out water levels or we might drown in that stream, seems to me to get back to the same kind of rhetoric we had before in trying to define this as something that is a life-or-death matter.

The colloquy I had with him did not, I hope, indicate I am unconcerned with whether or not we get our knees wet. But we ought to be talking about whether it is the knees or ankles, not whether it is wading or drowning, because that latter is not the case under the Garn amendment or the committee bill.

I thank the Senator from Utah for yielding.

Mr. GARN. Mr. President, I thank my distinguished colleague from Idaho for his brilliant summation, really pulling all together what has gone on here yesterday and a couple of hours today. I have been trying, but he did it much better, pulling things together and delineating what the issue is.

Just to divert for one moment to the health issue, I think it is rather interesting to get away from nondegradation. We have talked a great deal about environmental health and the causes of cancer being up to 90 percent environmental.

I think that is probably true, but not the type of things we are talking about in the clean air bill.

An editorial in the National Cancer Institute Journal in April, 1977, I think, puts it in perspective. It is an article on the contribution of the environment to cancer incidence.

It concluded that lifestyle factors, such as cigarette smoking, alcohol consumption, improper diet, are the prime causes of environmental cancer, that food additives, air and water pollution, toxic chemicals in the workplace, are relatively minor contributing factors to the cancer problem.

It says that we can pass all the laws we want, but until the individual starts taking care of himself, that is where the environment cancer comes from.

Yet this body subsidizes the growing of tobacco, that everybody knows kills thousands of people a year, from all sorts of things.

We kill 30,000 people a year on the roads with the cause due to drunken driving, but what judge in the country has the guts, or the State legislature, to pass a law that says, "If you get picked up for drunken driving, you lose your license for a year"?

That is the major cause in the health area: individuals and a gutless Congress that subsidizes the No. 1 cancer killer in this country with taxpayers' dollars.

We allow people to be massacred on the highways and impose 55-mile-an-hour speed limits that have a little effect, but we allow the drunks to drive and continue to kill innocent people and themselves.

Here, we are going to impose a nondeterioration policy that has nothing whatever, as the Senator from Idaho has pointed out, to do with health—an amendment by the Senator from Utah that has nothing to do with health, that does not want to modify the nondeterioration annual standards, does not want to modify the 3-hour and 24-hour increments on the primary and secondary standards, does not want to touch them at all. Just in particular areas of the country with high terrain and rugged terrain, where there are some individual problems, we are going to take away some 3-hour and 24-hour increments at the discretion of the elected Governor of a State.

I do not think too many Governors want to pollute their States. I do not think they want to crowd it with plants of one sort or another. It is very clear, for those Members who were not here before, that that is all the amendment does.

On the nondeterioration section, it leaves intact the annual average standards. It does not touch primary or secondary or any health standards at all. It is an argument, as the Senator from Idaho pointed out, to take care of a few individual situations of temperature inversion, the wind changing direction, the whims of Mother Nature, so that we can utlize the coal resources of some of these western States, as President Carter says he desires.

Once again, I thank my colleagues who have helped on this amendment.

Mr. RANDOLPH. Mr. President, the legislative proposals to protect clean air areas are among the most controversial in this bill. Members of the Committee on Environment and Public Works believe that we have adopted a balanced and workable approach to this problem.

The issue of nondeterioration was raised initially in court decisions and administrative actions. Many organizations and individuals came to the Congress asking that we review this important policy decision and provide congressional direction to its implementation. The committee after extensive consideration, has developed what we believe to be a rational and responsive approach to preventing the deterioration of our highest quality air resources. This approach was endorsed by the Senate last year when it voted against a proposal to delete the nondeterioration section from the clean air bill then before us.

I assure Members of the Senate that this program—which would be almost totally administered by the States—will not bring a halt to industrial and commercial activity in this country. It will not prohibit the development of needed energy resources. It will not impose Federal land-use planning on communities. It will not result in high costs to individual citizens.

The members of our committee, and I personally, would never approve any measure that imposed intolerable conditions on the country in the name of environmental protection or for any other worthy cause.

The basic issue with which the amendment before us is concerned is whether there will be a congressionally determined policy to protect clean air areas. The provisions of the committee bill state that there will be such a policy and establish the parameters for its implementation. There should be no question that we must protect those areas where air pollution is nonexistent or at a relatively low level. Such protection is far easier and less costly in the long run than trying to take corrective action after the air has been subjected to harmful emissions. There is wide latitude in the committee bill to provide such protection and the States are given basic authority to carry out the program because they know and can adjust to local conditions.

The amendment of the able Senator from Utah (Mr. GARN), is described as a modification to the nondeterioration section proposed by the committee. It would eliminate the 3- and 24-hour standards and impose only the yearly standards.

Mr. President, such action would greatly weaken the provisions to protect clean air areas. If we are unable to establish short-term standards, only the yearly averages will be in effect and these, of course, would permit much greater emissions of polluting materials. The controlling of emissions would then be based on primary standards and there would be no special protection for clean air areas.

Mr. President, the comprehensive nature of the nondeterioration policy requires that it be carefully monitored, especially as to the long-term effects. The bill includes a provision I sponsored last year requiring that the Commission on Air Quality give priority to a study of the implementation of the nondeterioration provisions. The Commission, which is established by this bill, was chosen in this instance to avoid the creation of another body or the placing of responsibility for studying air pollution matters and thus the impact of the nondeterioration program is well within its mandate.

There is concern that the value of such a study would be diluted if a long period

of time were required for the Commission to be organized. For that reason, the bill provides that the members of the Commission be appointed within 60 days of enactment of this legislation.

A report on nondeterioration would be submitted to the Congress within 2 years. This would provide sufficient time for the nondeterioration section to be implemented and for its various components to be assessed.

The amendment calls particular attention to several features which must receive attention in the study. These include the adequacy of the provisions for the designation of class I regions and protection of air quality in them.

The 3-hour and 24-hour increments, which would be deleted by the amendment before us, are critical to the control of emissions in the affected areas. These limitations on additions to existing emissions levels will influence the extent to which development can take place in protected areas. The study, therefore, must include the impact of the statutory increments and their effect on the location and size of major emitting facilities and whether these effects are consistent with other national policies regarding the development of such facilities.

The study will examine what technology is available to properly control emissions subject to regulation under this program. Only major emission sources are covered by the legislation, so the study also will examine the effect of nonmajor sources on air quality.

The purpose of the nondeterioration program is to protect air quality and the study would be incomplete if it did not evaluate the effectiveness of the legislation in achieving this goal.

I stated before my belief that it is easier and less costly to prevent pollution than it is to halt it. The nondeterioration provisions of this bill are intended to prevent significant deterioration of air quality in those regions which are now relatively free of pollution. The amendment before us would lead to increased pollution levels in those areas. I do not believe that we can afford to take the risk associated with such action.

The National Commission on Air Quality through its required studies will guide us in any modification of the nondeterioration program that may be required in the future.

Mr. President, this is not the last time the Congress will be called on to legislate on the air pollution control program. We have addressed this subject before and we will do so again as we make progress under the program and as conditions change.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. GARN. I yield.

Mr. STEVENS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENS. Is a substitute for the Senator's amendment in order if the time is yielded back?

The PRESIDING OFFICER. At the expiration of the time, a substitute would be in order.

Mr. STEVENS. What time limit would there be on that substitute?

The PRESIDING OFFICER. Thirty minutes, equally divided.

Mr. GARN. I would be happy to yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Maine has 7 minutes.

Mr. MUSKIE. I assume that I am missing something.

Mr. STEVENS. No. I intend to offer, when the time is yielded back, the Breaux amendment as a substitute for the amendment of the Senator from Utah, and to seek a vote on the substitute. The time limit, as I understand it, would be 30 minutes, 15 minutes to a side.

Mr. MUSKIE. I have no objection to that, but I will take a couple of minutes first, because 30 minutes is a little restrictive. I should like to make a few comments on the Garn amendment which I assume will not be irrelevant to the Stevens amendment.

Mr. STEVENS. I would be happy to ask that whatever time we have remaining be extended for the purpose of the debate on the substitute, so that we could go ahead with the substitute.

Mr. MUSKIE. I have no objection to that.

Mr. STEVENS. Mr. President, how much time remains?

Mr. MUSKIE. I have 7 minutes remaining.

Mr. GARN. Mr. President, how much time do we have remaining on each side?

The PRESIDING OFFICER. The Senator from Utah has 11 minutes, and the Senator from Maine has 7 minutes.

Mr. STEVENS. Would it be in order for me to ask unanimous consent that we each have 20 minutes on each side, on this amendment?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Alaska is recognized.

Mr. STEVENS. It is now in order for me to offer my substitute?

The PRESIDING OFFICER. By unanimous consent.

UP AMENDMENT NO. 379

Mr. STEVENS. Mr. President, I offer the substitute at this time.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS), for himself, Mr. TOWER, and Mr. HAYAKAWA, proposes an unprinted amendment numbered 379.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, following the table, and on page 17, following the table, insert the following:

'"Each applicable implementation plan shall contain an area classification plan based on maximum allowable increases in ambient concentrations of, and maximum allowable levels of ambient concentrations of, sulfur dioxide and particulate matter. In the case of increases based on concentrations permitted under national ambient air quality standards for any period of twenty-four hours or less, such regulations shall provide that the Governor of the State may, upon application of any person and after notice and opportunity for hearing, permit the maximum allowable increases specified for each pollutant to be exceeded during not more than 18 days during any annual period with respect to such pollutant in Class I and Class II areas. Whenever maximum allowable increases for any pollutant are exceeded for two or more periods of exposure, if one or more of such periods is within a longer period of exposure for which a maximum allowable increase is also exceeded, for purposes of the preceding sentence the number of hours shall be determined only on the basis of such longer period. Concentrations of any pollutant for any period of exposure in any Class I area shall not be permitted under the preceding sentence to exceed the maximum allowable concentrations applicable to such pollutant for such period of exposure for Class II areas; and concentrations of any pollutant for any period of exposure in any Class II area shall not be permitted under such sentence to exceed the ambient air quality standards applicable to such pollutant for such period of exposure."'

The remaining subsections in this section shall be re-numbered accordingly.

Mr. STEVENS. Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. DOLE) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I will be happy to have further cosponsors.

Mr. President, this is the amendment that was adopted in the House, but it has been revised only to track with this bill. It was the so-called Breaux amendment, an amendment by Representative EMERY. I have offered it because of the problem that comes to us in my State.

I invite the attention of Senators to the map of Alaska, which has very large areas set forth, so that they will understand the basis of my concern. The areas that are outlined in dark blue pencil or ink will be wilderness areas under proposal H.R. 39 and S. 1500, which are pending in the House and Senate, respectively—some 146 million acres of wilderness areas. The area that is shaded in red would be designated national parks. Those shaded in yellow would be wildlife refuges. Because of the provisions of this bill if applied in the future to these proposals, all the areas outlined in blue would be classified as class 1 areas.

The impact of this is that, through congressional action, we have provided the Alaska Natives with a settlement of 40 million acres of Alaska land. My State has the right to select its lands, as the Western States have in the past. The State and Native land would be chosen from among the areas not colored.

The impact of what has been done here is that the Natives will receive and the lands that my State will receive are practically worthless from the point of view of utilization for any kind of permanent installations because of wind factor in dealing with these very large areas.

I invite the attention of Senators to the fact that not one of those areas marked in red is less in area than any of the States on the east coast. When we talk of Alaska, we are talking about

an area that is one-fifth the size of the United States. The legislation I refer to proposes that of our 375 million acres, 146 million acres would become wilderness areas. Alaska is highly mineralized. It is a storehouse of coal. We have enough coal in Alaska to supply the United States, using Alaska coal alone, for a hundred years. Alaska has at least 30 percent of the remainder of the gas and oil of this country. We have 31 of the 33 critical and strategic minerals and metals of the world in known commercial deposits in Alaska, and not one of them is being mined now.

The impact of what we are doing is that there will be no refineries in Alaska, there will be no additional development in Alaska to utilize the resources of our State in the national interest, if this legislation is not amended to permit some kind of deviation, as the Breaux amendment did.

The Breaux amendment, simply stated, says that the Governor of the State, after a hearing, may allow increases for not to exceed 18 days a year in terms of the standards set by this bill for class 1 and class 2 areas. We think this is absolutely necessary.

Let me describe, for example, the situation in Fairbanks. Fairbanks has an annual temperature inversion which causes what we call ice fog. The ice fog really is the moisture from human uses going on—from furnaces, from automobiles, from any source, even human breathing. Eventually, it will provide a blanket over the Fairbanks area in some temperature inversion situations. This building up underneath that blanket is in fact a pollution, a natural pollution, that for a series of days in every year—we cannot predict when—does in fact exceed the standards involved here.

If we are held to an absolutely strict standard as exists in this bill, there would be no hope for the refinery that is planned in the Fairbanks area, and Alaska would continue to send its oil down to California, where it would be refined—in San Pedro, I take it—and brought back up to Alaska, so that we could use it in gasoline and fuel oil, notwithstanding the fact that that means a 6,000-mile run back for our fuel, when it is Alaskan oil that is to be refined, and when the problems related to Alaskan development are related to the high energy costs.

We are already paying almost a dollar a gallon for gasoline in our State; and we do not see any reason why we cannot have some of the developments that are necessary to help us utilize our own resources.

But I am particularly concerned about these proposed withdrawals because of the size of the national park and wilderness areas that are proposed, and these proposals are moving very quickly in the other body. The impact of this will be that we will not be able to use our own lands and, even worse than that, the native people of our State who were confirmed of 40 million acres in settlement of their claims are not going to be able to use their lands.

Mr. JOHNSTON. Mr. President, will the Senator yield to me?

Mr. STEVENS. I am happy to yield to the Senator from Louisiana. How much time does he desire?

Mr. JOHNSTON. Four minutes.

Mr. STEVENS. I yield 4 minutes.

Mr. JOHNSTON. Mr. President, the President of the United States went on television not too long ago and told the people to embark on an energy-saving conservation and conversion program with an urgency of a national emergency, with a wartime atmophere, he said, as he pointed out to the people of this country that if we do not do something about energy we are going to be in very deep trouble in this country, so we have mobilized the forces in the Senate to deal with that energy program.

Now, there are two parts to President Carter's energy program, two main parts: One is conservation, and it is a goal we are going to meet, I think. We are going to all make a sacrifice and deal with energy conservation.

But the second part, the equally important part, of that program is conversion to coal. President Carter himself dealt with that conversion-to-coal program at great length.

What we are considering today, Mr. President, is a bill which will make possible or not possible, depending upon the passage of this amendment, the conversion to coal.

Unless this amendment is passed, Mr. President, I submit to you it is clear we cannot convert to coal.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. JOHNSTON. I certainly will, on the Senator's time. I only have 4 minutes.

Mr. MUSKIE. All right.

I just want to make this point: Nondegradation has absolutely nothing to do with coal conversion. Nondegradation has to do with the siting of new plants not the conversion of old plants. The Senator is talking about urban areas that are now under national primary and secondary ambient standards, the urban areas, the industrialized areas. That is what we are talking about, the nonattainment areas. Nondegradation has nothing to do with coal conversion.

Mr. JOHNSTON. Mr. President, if the Senator will yield, if you have to build a new plant or have to build a new boiler for electric generation that constitutes a new plant, a new site, which will have to——

Mr. MUSKIE. Exactly, but that is not coal conversion.

Mr. JOHNSTON. In our part of the country that amounts to coal conversion.

Mr. MUSKIE. Yes, but the point is that an existing plant is trapped in the circumstances in which it finds itself. A new plant presumably can be sited with respect not only to energy needs but also air quality needs and economic needs, and the thrust of the committee bill is that we achieve a balance of all three.

The Senator is not talking about coal conversion. The fact is that there is not in my State a powerplant or an industrial plant—and we have some big paper companies—that could not be duplicated in any part of my State under the committee bill. So we are not talking about coal conversion. We are talking about the siting of new activities, and that is a different kind of problem.

Mr. JOHNSTON. Did the Senator answer "Yes," to my question though if you have to build a new boiler? In other words, if you have to scrub your old boiler for electric generation, and if you have to convert, say, from natural gas to coal that does constitute, that situation constitutes, a new plant, a new site which must meet the nondegradation standards; is that correct?

Mr. MUSKIE. That is a technical question, and let me check that. I do not believe we are talking about that here.

What the Senator is asking me is whether or not if in a nondegradation area, that is, an area that is cleaner than the areas covered by national primary and secondary standards, whether if there is now a plant in that area and a boiler is changed, whether the change of boiler makes——

Mr. JOHNSTON. Change of boiler, in other words, you have got to scratch your old boiler, go to a new boiler and go to coal burning.

Mr. MUSKIE. I understand—whether or not that is a new plant within the meaning of the nondegradation area. Let me check.

Mr. McCLURE. Mr. President, will the Senator from Louisiana yield to the Senator from Idaho for an answer to that specific question?

Mr. JOHNSTON. I think we are on the time of the Senator from Maine at this point.

The PRESIDING OFFICER. The Senator from Maine has the floor.

Who yields time?

Mr. JOHNSTON. I believe we are on the time of the Senator from Maine.

Mr. MUSKIE. The answer to it, the staff confirms my own view, is that if he is ordered to do it or if he does it as a result of curtailment of natural gas it is not a new plant within the meaning of the nondegradation provisions of the bill.

Mr. JOHNSTON. Well, under the FPC rules he is not ordered to switch to coal. He can be curtailed.

Is the Senator telling me that if Gulf States Electric Co.——

Mr. MUSKIE. If he is curtailed by the agency and modifies his current facility then he does not come within nondegradation.

Mr. JOHNSTON. He can go out and build a coal-fired plant?

Mr. MUSKIE. No. That is not the example the Senator put to me. He put to me a plant in existence which is ordered to convert its boiler or curtail its use of natural gas. If that is done that does not make it a new plant within the meaning of the nondegradation provisions of this bill.

Mr. JOHNSTON. Ordered by whom to convert his boiler?

Mr. MUSKIE. By the appropriate Federal agency.

Mr. JOHNSTON. In other words, if we should pass a bill in the Energy Committee that orders all plants that are now burning oil and gas to convert their boilers to coal they will be able to make that conversion without respect to the nondeterioration standards; is the Senator saying that?

Mr. MUSKIE. That would probably be covered by the national primary and secondary standards which are now law.

Mr. McCLURE. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. The Senator is talking about conversion again, I repeat.

Mr. JOHNSTON. That is correct.

Mr. MUSKIE. And conversion, by and large, is a problem in already-industrialized areas, the so-called dirty air areas, which are already worse than primary and secondary standards.

Mr. JOHNSTON. It is also a problem in the class II areas that are below standards; in other words, that meet the standards for clean air, and they are going to have to convert boilers, they are going to have to build new plants, perhaps not on the same site, but they are going to have to build those new plants to convert to coal.

Mr. MUSKIE. Well, exactly, of course. Nondegradation provisions are designed to provide some semblance of protection of air quality values by directing growth in those areas in an orderly way so that it takes account not only of energy problems but also air quality problems and also economic problems. We do not neglect any of them when you are talking about new plant, new growth, new development, that is what this whole argument is all about, as I understood it.

Mr. JOHNSTON. Let me ask the question in another way because, frankly, I am learning something that I did not know.

Do we have the latitude in the Energy Committee to vote out a conservation bill that will require existing plants to convert to coal and that the licensure, the permission for those plants, will automatically follow without respect to the nondegradation standards?

Mr. MUSKIE. I will say to the Senator with respect to the proposals that are pending and being considered and have not yet been reported from the committee on proposed expansion of coal use, obviously we all want to look at the implications of those proposals when we see them. They will have implications in the present dirty air areas of the country, the so-called nonattainment areas of the country. We will want to know what they are, and what, if any, changes need to be made in the air quality legislation to accommodate them, to take them into account.

If we have reached a point in this country's history where we have to say there is no way to protect public health and also provide our energy needs, then we are in sad shape indeed.

But the proposals you are considering in your Energy Committee have an impact not only in the nondegradation areas of the country but in the nonattainment areas of the country, and we will have to weigh them both, and I do not think—I would be honest with the Senator in suggesting—there is any automatic answer that excludes further responsibility on the part of the Committee on Environment and Public Works or other Senators. I mean, I am not prejudging those. I am simply saying neither am I going to give him a blank check. I want to look at those.

Mr. JOHNSTON. I think then the fair answer to that question is that our committee could not report out legislation that would order that conversion.

Mr. MUSKIE. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Maine has 11 minutes remaining.

Mr. MUSKIE. All right, I will devote another 2 minutes to this.

Mr. JOHNSTON. As I understand the answer to the question it is this: They cannot convert automatically to coal and have a blank check, as the Senator would refer to it, or have an automatic approval. They would have to abide by the nonattainment rules.

Mr. MUSKIE. I wish to talk about one issue at a time. We are talking about the nondegradation areas of the country.

Mr. STEVENS. Only in class I and class II areas.

Mr. MUSKIE. We sort of switch back and forth between the dirty air areas and clean air areas in our discussion.

Mr. JOHNSTON. The clean air areas.

Mr. MUSKIE. In the clean air areas we are talking largely and I think totally about new growth and new plants, where they should be situated and should not be situated in order to protect air quality values. That does not involve coal conversion because we are talking about new plants.

Mr. JOHNSTON. I am dealing with that question of what constitutes a new plant.

Mr. MUSKIE. The one example the Senator has given to me is a new boiler which is being converted to coal under the orders of some Federal agency or because of the curtailment of natural gas. As to that I have already said that, in my judgment, is not a new plant requiring compliance with the nondegradation provisions of the bill.

Mr. JOHNSTON. And the next question then was: Could our committee report legislation requiring those conversions of existing plants to class I clean air areas?

Mr. MUSKIE. The Senator is posing the assumption that they have a conversion problem. I said that there is no conversion problem in clean air areas.

Mr. JOHNSTON. So the answer is yes, we may report out that kind of legislation?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Who yields time?

Mr. MUSKIE. I am afraid there has to be a little clearer understanding of what the Senator is trying to put to me before I can give him an answer, and at the moment I am kind of pinched for time and the Senator from Idaho has been asking me to yield.

Mr. JOHNSTON. I asked for 4 minutes.

Let me make my statement and then perhaps the Senator can reply and clear up any misconceptions.

Mr. McCLURE. Mr. President, will the Senator yield so I might attempt to answer?

Mr. JOHNSTON. I yield 30 seconds of my 4 minutes to the Senator from Idaho.

Mr. McCLURE. I thank the Senator for yielding. I find it very difficult because of background noise in the Chamber to hear the colloquy that is going on. I hope that the Chair would maintain order in the Chamber. Second, I had difficulty hearing the answer the Senator from Maine gave but it is——

The PRESIDING OFFICER. Who is yielding time to the Senator?

Mr. JOHNSTON. Mr. President, I yielded 30 seconds of my 4 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Alaska has no time remaining.

Mr. JOHNSTON. Mr. President, I was given 4 minutes. The Senator from Maine asked to ask the question on his time, and I yielded for that purpose.

Mr. MUSKIE. Mr. President, how much time is available all around? I do not want to cut anyone off. I have not had a chance to respond to the amendment. There are only 9 minutes remaining, and it is a serious amendment.

The PRESIDING OFFICER. The Senator from Maine has 10 minutes. The Senator from Alaska has 13 minutes. If he yields 4 minutes to the Senator from Louisiana, he has 9 minutes remaining.

Mr. STEVENS. I did yield.

Mr. MUSKIE. He yielded 30 seconds to the Senator from Idaho; am I correct?

Mr. STEVENS. Let me clear this up.

The PRESIDING OFFICER. He did.

The Senator from Louisiana has 4 minutes remaining. The Senator from Alaska did indeed yield 4 minutes to him.

Mr. STEVENS. I did yield originally 4 minutes. Is this a second 4 minutes? Yes, I yield 4 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. No; the time has been taken out of the time allocated to the Senator from Maine.

Mr. STEVENS. He is a very gracious man, and I am happy to have that.

Mr. MUSKIE. I will settle for 2 minutes of that back.

Mr. STEVENS. I suggest he see the Senator from Louisiana.

I do wish also to discuss the amendment, and the Senator from Alabama and the Senator from California seek time.

Mr. JOHNSTON. Mr. President, I believe the Senator yielded 4 minutes to me. And I have yet to use my first minute; is that correct?

The PRESIDING OFFICER. The Senator from Louisiana has remaining 4 minutes yielded to him by the Senator from Alaska.

Mr. JOHNSTON. I shall yield at the end of my 4 minutes.

Mr. McCLURE. Mr. President, will the Senator allow me to comment because it ties in with what the Senator from Maine said.

Mr. JOHNSTON. I yield 30 seconds.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 30 seconds.

Mr. McCLURE. I thank the Senator.

First of all, as I understand the question, the question dealt with both mandatory and voluntary conversions. My understanding, and I think perhaps the Senator from Maine may have said this, is that it applies to mandatory conver-

sions but does not apply to voluntary conversions. The second part of the question was: can the Energy and Natural Resources Committee report out legislation dealing with this subject? We have to get down to the question of the parliamentary assignment of authority over the Energy Supply and Environmental Coordination Act of 1974.

It is my understanding that that jurisdiction was in the Environment and Public Works Committee but has been now assigned to the Energy and Natural Resources Committee. If my understanding of that assignment is correct, the Energy and Natural Resources Committee would have the jurisdiction to modify the terms of that act which would then have an effect upon the exemption permitted here.

The PRESIDING OFFICER. The Senator's 30 seconds have expired.

Mr. MUSKIE. As I recall that action it was shared jurisdiction, may I say to the Senator, but in any case we will have an occasion to work that out.

Mr. JOHNSTON. Mr. President, I am now starting with my 3½ minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3½ minutes.

Mr. JOHNSTON. I was not here dealing with the question of committee jurisdiction and where one committee jurisdiction stops and where another can start. What I was talking about was what you can do within the four corners of this act unless this amendment is agreed to.

I submit that you cannot have a broad use of coal in this country and you cannot meet anything like the goals the President has required and set as the goals in this country under this act.

You may be able to so do some limited situations on an involuntary conversion of an existing plant in some limited situations, but you cannot have voluntary conversions, you cannot go to a new site, which is usually required when you build a new powerplant. You have to go to a new site because you have new considerations to deal with, including access to railroads and water. You have always to move it in a certain centralized location. You have to have room to store your coal. That is not a problem with gas or with oil.

So, Mr. President, you are simply not going to be able to do it under this bill unless this amendment is passed.

We are going to try to go from 665 million tons to 1.2 billion tons of coal by 1985. That is the President's program.

Mr. President, I state here flatly in the Chamber that that cannot be done under this bill. I am not sure that it is going to be all that easy to do even under this amendment because this amendment has some restrictions, but it will at least be possible to start.

Mr. President, it takes about 6½ years of leadtime in order to build a new coal-fired powerplant.

The first step is to determine whether you can get your financing. You cannot get financing unless you can burn the coal, and you cannot get a permit to burn the coal unless there is some relaxation of these standards.

That is all this bill does. This bill does not relax the health standards. Those are still there. This bill does not relax the requirement for the best available technology. At present those are secured.

The PRESIDING OFFICER. The Senator's 3½ minutes have expired.

Mr. JOHNSTON. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I yield myself 2 minutes and follow up on the comments of the Senator from Louisiana.

This amendment does not change the health standards. We have set health standards in the class 1 air areas. The allowable range is 2 percent of that. In the class 2 air areas it is 25 percent of that. We are dealing only with allowing slippage from class 1 to class 2 and class 2 to no lower than the health standards. In no way would this ever impact health standards for clean air. It is only the aesthetic portions of this that we seek to have a waiver of a maximum of 18 days after hearing and a finding that it is absolutely necessary in order to meet the problems the Senator from Louisiana has addressed.

Mr. President, if I have used my 2 minutes, I yield 3 minutes to the Senator from Alabama and 3 minutes to the Senator from California who also have statements to make.

Mr. ALLEN. I thank the Senator.

In view of the fact that the time on the amendment is just about up, I wonder if the distinguished Senator from Vermont would yield me 3 minutes on the bill?

Mr. STAFFORD. The Senator from Vermont will do that.

Mr. ALLEN. I thank the Senator.

Mr. President, I support the pending substitute to the Garn amendment to S. 252 offered by the distinguished Senator from Alaska (Mr. STEVENS). My understanding of the amendment's language is that it will in no way emasculate the Clean Air Act, nor will it enable firms to site new industrial facilities without due regard for protection of the environment.

I believe that this substitute is a reasonable compromise that would enable there to be modest industrial growth that would not endanger the environment in any way.

The substitute offered by Mr. STEVENS allows reasonable, controlled industrial growth and development by permitting extremely limited excesses of allowable increments in nondeterioration areas for 18 days, or portions of 18 days, each year. In my view, it is a sensible and moderate provision which allows State governments limited but essential flexibility in determining whether or not new industrial plants applying the best available pollution control technology can be built and operated.

Mr. President, the proposed substitute by Mr. STEVENS will not sacrifice the nondeterioration provisions currently set forth in section 6 of S. 252. It will continue to protect those areas which have cleaner air quality than required by ambient air standards. For approximately 95 percent of the time, that is all but 18 days of 365 the designated increments for nondeterioration areas will not be exceeded. At no time will the amendment language permit primary ambient air quality standards, as stated just a moment ago by both Mr. JOHNSTON and Mr. STEVENS, which protect health, and secondary ambient air quality standards, which protect welfare, to be exceeded overall on an annual basis.

So the standards set for the bill would remain in force on an annual basis, but on 18 days, or portions of 18 days, the standard could be exceeded, provided the excess on those 18 days did not carry the pollution level above the standards that are set. That would be preserved and maintained.

Mr. President, as reported from the Senate Environment and Public Works Committee, S. 252 provides that for a new, major industrial emitting facility to obtain a permit in a nondeterioration area—where the air is cleaner than the national primary and secondary health and welfare standards—the applicant must show that the facility would not exceed the class II increments at anytime and where applicable, would not exceed Class I increments unless it could be demonstrated to the Federal land manager that there would be no adverse impact on air quality related values to the Class I Federal land.

The PRESIDING OFFICER (Mr. BENTSEN). The Senator's 3 minutes have expired.

Mr. ALLEN. I call to the Chair's attention that I had 3 additional minutes given on the bill.

The proposed amendment or substitute offered by Mr. STEVENS would allow the Governor of a State at his discretion when considering a permit for a new facility, to allow short-term increments to be exceeded up to, but not more than 18 days during any annual period in class I and class II areas. Furthermore, the pollution increase allowed during each exceedence will be strictly limited; that is, health and welfare standards will be fully protected.

So we have a situation here where limited growth would be permitted, provided that, on an annual basis, the increment did not exceed the levels set by the bill. They are in no way changed on an anual basis.

The 18-day variance would not be uncontrolled or unlimited. It could be applied only once to any classified area, not to each source applying for a permit to construct a new facility. Once the variance was permitted, it would not be permitted but to one plant in that particular area, so it could not be compounded and made cumulative. Only one such variation would be permitted in a particular area.

Once the allowable variance had been used up in a classified area, no additional exceptions could be granted.

The restrictive nondeterioration provisions currently in S. 252 could substantially and unnecessarily restrict economic growth in many areas of the country and could prohibit projects already planned for construction. Many studies of the problem of industrial siting have shown that severe constraints are imposed in locating new industrial plants as a result of the short-term incremental limitations proposed in the

committee's bill. For a small percentage of the time each year, compliance with short-term increments will be strongly related to the details of topography and meteorology in each specific region. If no provision for these cases is made, site suitability—that is, compliance with a nondeterioration policy—will be controlled by details of local terrain and weather, rather than by strict emission limits and total growth limits in each region. Therefore, it is entirely possible that large areas of the country with clean air could be unnecessarily limited in their potential for economic expansion.

Mr. President, it should be pointed out that all of the allowable increments provided for in the committee's bill are only fractions of the primary, health, and secondary welfare, ambient air quality standards.

"Deterioration" is the lowering of air quality—an overall phenomenon which is meaningfully measured only over a reasonably long period of time. Short-term exceedences such as daily, multi-hourly or hourly increases in atmospheric concentrations are of concern as regards acute health and welfare protection. Thus the Environmental Protection Agency appropriately included short-term standards in its series of ambient air quality standards. Short-term allowable increments have little if any applicability in determining whether air quality has in fact deteriorated. As mentioned before, such deterioration should be measured over a relatively long period of time.

Because of the uncertainties in the state of the art in "diffusion modeling," there are significant questions and difficulties in selecting suitable sites for new industrial facilities particularly in hilly terrain typical of Appalachia, and many Western States, as well as in other areas of the country. Unfortunately, it is impossible accurately and precisely to predict the maximum and second highest concentrations of pollution that may occur for an hour or a few hours during any particular year. Such uncertainties make facility siting decisions, in light of S. 252-type requirements for nondeterioration, almost impossible.

The committee's bill allows limited flexibility in the class I areas, but that flexibility is vague in that the increments may be exceeded in class I areas only if it is proven to the Federal land manager that there is no adverse impact on air quality related values. There is no definition of "air quality related values" in the proposed bill and thus, interpretations by regulatory agencies or the courts could vary widely.

The language such as that proposed in the pending amendment offered by Mr. STEVENS should avoid any confusion on this matter, but more important, if adopted, the potential for new industrial siting is possible and that means that the Senate has dispensed with the "no growth" attitude that has plagued the Congress and the Nation for a number of years, in favor of the concept of "growth with environmental concern."

Mr. President, I believe this is a reasonable approach and will remove the objections that many have to the bill, because we are all interested in industrial growth in our States, provided the environment is not adversely affected.

This substitute would accept the standards set by the bill on an annual basis, but would allow on 18 days a variation from that standard. Over a 1-year period, the standards set by the bill would not be increased.

I urge my colleagues' favorable consideration of the pending amendment.

Mr. STEVENS. Mr. President, I yield 3 minutes to the Senator from California, with the understanding that the Senator from Vermont will yield him 2 minutes on the bill.

Mr. STAFFORD. The Senator from Vermont is very happy to yield 2 minutes on the bill to the distinguished Senator from California.

Mr. HAYAKAWA. I thank the Senator.

Mr. President, I should like to speak in support of the Stevens amendment which affects the nondegradation provisions of S. 252. In addition I request that my name be added as a cosponsor to this amendment.

First of all I would like to make it clear that my intention is not to weaken clean air standards. My goal is to see that the legislation that we pass in the Senate provides an effective but reasonable solution to our Nation's air pollution problems. The President has recently stated his concern that energy matters be given the highest priority. I would like to explain exactly how this amendment is consistent with our national goal of addressing the energy problem in a practical way.

For example, because of the drought in California, the energy situation in California is critical, and planned blackouts for this summer are under discussion. There are several powerplants which are presently in the planning stages, whose construction cannot be carried out as planned should the bill pass as reported out of committee.

In northern California, the Pacific Gas & Electric Co. is planning to construct a direct, coal-fired electric generating plant producing approximately 1,600 megawatts to meet part of its projected load growth. It would have two units going on line in 1984 and 1985. The 1977 cost is $1.2 billion. The plant would use highly developed pollution control equipment including sulfur dioxide scrubbers, low sulfur coal, and bag house filters to reduce the sulfur dioxide and particulate emissions to the lowest possible levels.

Despite this level of technology, it appears that the facility may cause violations of the proposed class I increments for a limited number of days in a year which would preclude the facility from receiving a permit for construction.

The Intermountain Powerplant in Utah would produce 3,000 megawatts and will ultimately serve 4 million people. This includes service to six cities in southern California, with a cost in excess of $4 billion for construction. This plant has also been designed to minimize environmental impact and fully utilize the best available pollution control technology. Electrostatic percipitators would remove 99.5 percent of all particulates and scrubbers would remove 90 percent of the sulphur dioxide. The plantsite is an arid and desolate region with little potential for alternative use. Hilly terrain adjacent to the site would isolate the plant from view. Also, it is in close proximity to high quality and low sulfur coal and water which are necessary factors for the siting of an electrical generating plant.

The Stevens amendment would eliminate the 3-hour and the 24-hour standards for air quality. By instituting an 18-day exemption, this amendment allows the minimum flexibility to permit these facilities to be constructed to provide vitally needed pollution-free energy to California. Too often people are willing to jump on the bandwagon to support a seemingly good cause, without considering the economic and other far-reaching repercussions of the situation. I feel that this is a time when we must look ahead and plan for a future with usable energy sources.

We must not, by excessively rigid and absolute standards, cut ourselves off from the future. I, therefore, urge my colleagues to join with me today in support of the Stevens amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STAFFORD. Mr. President, I yield myself such time as I may require from the bill.

Mr. President, the proposal to provide a 5-percent variance from class I and class II numbers seems modest. As is pointed out in Administrator Costle's letter to Senator MUSKIE, however, this is not necessarily the case.

Some sophisticated analytical techniques are involved in demonstrating the extent to which a 5-percent waiver changes the restraints. I think a few everyday analogies might bring out the principle involved.

If engineers could ignore the 5 percent worst rainfalls per year, their flood-control projects could be built with substantially less than a 5-percent reduction in capacity.

If the Federal Government could disregard the worst 5 percent of natural disasters occurring in this country, disaster relief would be reduced by far more than 5 percent.

If an auto company were immune from suit on its 5 percent most defective vehicles, its total liability would be lessened by more than 5 percent.

These examples are not precisely analogous to the proposal before us, Mr. President. But they do suggest that quoting a 5-percent change in the number of certain events does not necessarily reflect the total magnitude of the change.

The Environmental Protection Agency has done extensive analysis of the effect of the 5 percent proposed by the Senator from Alaska.

I expect my colleague, Mr. MUSKIE, will make some comparisons with respect to that later.

The potential increase in pollution in clean—especially in pristine—areas, is tremendous. I am particularly impressed

with the possible effect on visibility, both near a facility and hundreds of miles away.

I am concerned because the visibility problem is not a temporary one or one that will be present only on rare occasions. Continued loading of the atmosphere with pollutants can impair visibility over a whole region permanently.

Once a facility is sited, it or its successors will probably operate for generations. It will be difficult, if not impossible, to restore the rare quality of clear, clean air for ourselves or our children once a huge plant has been built.

S. 252 does not preclude growth. It will preclude certain huge facilities from being located at certain sites near national parks. It will force the use of best technology and cleanest processes on industries constructed in certain areas.

These limitations are more than justified as measures to protect the irreplaceable resource of clean air in currently pristine areas.

Mr. President, a few minutes ago this Senator yielded to both sides of the aisle time to discuss the currently pending amendments. In that spirit, and without regard to politics at all, this Senator proposes now to read from a letter received yesterday from the President of the United States, Jimmy Carter, which says on the particular issue we are now discussing:

> I want to reiterate my support for the committee's provisions for the protection of air quality in areas which are now cleaner than required by primary ambient air quality standards, particularly our national parks and wilderness areas.

I refer to this letter because the President's energy message was referred to by my distinguished colleague, Mr. HAYAKAWA.

The President's letter goes on to say:

> As I stated in my energy and environmental messages, we can achieve our energy goals without sacrificing environmental quality. We can build those power plants which are needed without ruining the air quality of our national parks. Amendments such as those offered by Messrs. Breaux and Emery in the House of Representatives defeat the very purpose for which these spectacular national areas have been set aside. I urge that you and your colleagues oppose any amendments which would weaken our ability to protect these irreplaceable resources.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Maine.

Mr. MUSKIE. Mr. President, I find it hard to understand that Senators have been talking about the bill that I had something to do with reporting to the floor. It does not fit my understanding of the legislation, and I have lived with it for 2 years.

I listened to the Senator from Alaska and I ask, what bill is he talking about?

I listen to the Senator from Alabama and I ask, "What bill is he talking about?"

I listen to the Senator from Louisiana and I ask, "What bill is he talking about?"

I listen to the Senator from California (Mr. HAYAKAWA) and I have the same question. The Senators and I are not talking about the same piece of legislation.

Let us look at that map of Alaska. The Senator from Alaska discussed that map as though all of those portions which he has indicated are subject to class 1 when such is far from the fact, as I understand it.

The only class 1 area on that map is Mount McKinley which is 1.9 million acres.

What are the rest? Wildlife refuges in yellow, which are not in class 1 areas; national monuments, which are not in class 1 areas; wild rivers, which are not in class 1 areas; proposed areas which are striped—they are proposed—are not in class 1 areas; national forests are not included in class 1 areas.

Yet the Senator from Alaska offers this amendment as something essential to protect all of these areas, only a minimal amount of which are covered by class 1 areas for economic growth.

Mr. STEVENS. Will the Senator yield?

Mr. MUSKIE. Wait. I want to finish my statement.

Mr. STEVENS. I would love to talk to the Senator about that.

Mr. MUSKIE. We will get to it. We will find time. Am I right?

Mr. STEVENS. No.

Mr. MUSKIE. Does the Senator mean all of these areas are under class 1?

Mr. STEVENS. Those areas in blue will be wilderness areas. If the Senator from Maine will tell me he will support an amendment so those areas will not be included when they become wilderness areas he will be right. But once they become wilderness areas he knows and I know that Congress will make them class 1.

Mr. MUSKIE. May I say to the Senator that under our bill, and he wants me now to amend bills which have not even appeared on the floor, the areas he is talking about will be class 2. That comes as a surprise to the Senator as I watch the expression on his face. Yet he comes to this floor and tells the Senate that all these areas are covered by class 1 and need the protection of his amendment.

Really, why can we not get down to the bill as it is? I cannot deal with legislation which he fears may be coming down the road. I have not seen it yet. I do not know whether it is going to happen that way, and I am not going to make any commitments to the Senate—I have not yielded.

Mr. STEVENS. But the Senator is wrong.

Mr. MUSKIE. Are wildlife refuges covered under class 1?

Mr. STEVENS. If it is a wilderness area it is class 2 automatically under the Senator's bill.

Mr. MUSKIE. We are talking about class 1.

Mr. STEVENS. Classes 1 and 2.

Mr. MUSKIE. I said there is only one class 1 area on that map. That is Mount McKinley. Is that right?

Mr. STEVENS. As of the present moment the Senator is right.

Mr. MUSKIE. I cannot deal with what the Senator's committee may report out some time later.

Mr. STEVENS. I said they are proposed areas.

Mr. MUSKIE. They are proposed areas. I could fear anything down the road. The Senator is not going to use up any more of my time talking about fairy tales. I will get to the rest of the Senator's amendment.

Then the second question. I listened to the Senator from Louisiana, who has left the floor. I wonder for what reason. He would have us believe we cannot do anything in these clean air areas. Let me refer Senators to a letter sent to my good friend from Vermont (Mr. STAFFORD) by the Environmental Protection Agency in January of this year.

Mr. President, I ask unanimous consent that it be printed in full in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, D.C., January 22, 1977.

HON. ROBERT T. STAFFORD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STAFFORD: The Administrator has asked me to respond to your January 12, 1976, request for technical information describing the kinds and size of facilities that could fit within the Senate Subcommittee Class II increments. As you know, the Senate Class II increments for sulfur dioxide and particulate matter are the same as those promulgated by EPA in its December 5, 1974, regulation for the Prevention of Significant Air Quality Deterioration. Extensive economic and industrial analyses were conducted prior to the promulgation of the regulations, including analyses of the sizes and types of facilities that could meet the Class II increment. Because the Senate Class II increment is identical to EPA's, the results of our analyses are directly applicable to the size and types of sources the Senate Class II can accommodate. In addition, more recent studies have been conducted on coal-fired power plants and pulp and paper mills. Table 1 indicates the industrial source categories analyzed.

In conducting any analysis which evaluates the impact of the Class II increment on industrial location, a variety of site specific factors including the size of the source, the local terrain, and meteorological conditions must be taken into account. Obviously, whether any particular source may locate at a specified site must be determined on a case-by-case review basis. Estimates made for the purpose of this response necessarily involve simplifying assumptions that must be carefully used with full understanding of the extent to which the findings are applicable. Typically, any one of the 19 major source categories regulated by the EPA regulation can build within a Class II area, with the exception of a new grass roots steel complex—none of which are planned.

From the recent EPA/FEA study entitled, "An Analysis of the Impact on the Electric Utility Industry of Alternative Approaches to Significant Deterioration," October 1975, it becomes evident that terrain is an important factor in determining the ability of a polluting source to construct within the Class II increment at a chosen site. In flat terrain, power plants meeting EPA new source performance standards could probably range from 1000–4000 megawatts without violating the Class II increments, depending on local meteorology and stack height. (See

Table 2). Similarly, other large industrial sources including petroleum refineries, Kraft pulp mills, cement plants, and copper smelters should have virtually no restraints under similar conditions.

In hilly terrain, large new sources may face difficulties in compliance depending upon whether the terrain features lead to plume impaction, i.e., the terrain exceeds or is equal to both the plant's stack height and plume rise. For example, power plant development in hilly terrain may be significantly restricted in size unless taller stacks and additional control technology are used. (See Table 3). The joint EPA/FEA study has shown, however, that with additional controls in some cases, the vast majority of large, new coal-fired power plants should be able to comply with the Senate Class II increment.

In our sample survey of 74 planned new plants only 11 percent of the sample capacity would potentially have difficulty meeting the Senate Class II increment at selected sites after additional controls, beyond New Source Performance Standards, were utilized. Relocation to nearby sites could alleviate most of these problems.

My staff has analyzed the feasibility of relocation in order to comply with the Senate Class II increment. The results indicate that the impacted plants could comply with the Class II increment by incurring an average relocation cost of about three dollars per kilowatt. Thus, these impacted facilities would not be required to reduce the planned size of the plant in order to comply with the Senate Class II increment.

It is important to recognize that the plants considered in the sample were planned in terms of size and location without the framework of a non-deterioration policy. Therefore, as the EPA/FEA study mentioned, in the future utility companies could be expected to exercise more judgment in selecting appropriate sites so that they could build plants without violating non-deterioration limits. This conclusion also is likely for the other industrial sources which should have even greater flexibility because their emissions are much lower than those of large coal-fired power plants.

As with the size of sources able to locate in a Class II, the extent to which any major new source could be located in close proximity to another major new source in a Class II area is highly dependent on such factors as the design specifications of the source, meteorology, and topography. An example can be given to indicate the type of distance that may be required between major sources in a Class II area. This is a hypothetical case for illustrative purposes only.

It is assumed that a 1000 MW power plant A, meeting EPA New Source Performance Standards, causes a maximum 24 hour SO_2 concentration of 90 ug/m³ at a distance of 3 km from the plant and that this concentration counts against the allowable Class II increment for 24 hours of 100 ug/m³ (i.e., 10 ug/m³ is "unused"). If a 1000 MW power plant B wishes to locate in the vicinity of Plant A, the following approximate separation distances between two plants will be required:

[In miles]

Emissions at new plant:	Separation Distance*
1.2 lb/10⁶ B.t.u. (NSPS)	28
0.6 lb/10⁶ B.t.u. (3.5% S coal plus 90% scrubber)	14
0.12 lb/10⁶ B.t.u. (0.7% S coal plus 90% scrubber)	1

*These distances were derived under the following assumptions: (1) flat terrain, (2) effective stack height of 800 ft. (400 ft. stack plus 400 ft. plume rise), and (3) limited mixing conditions (L=500 m, u=5 m/sec. C stability, 6 hour wind and stability persistence).

If the "unused" portion of the increment were only 5 ug/m³, the separation distances would be 60, 24, and 4 miles respectively. Similarly, typical coal gasification plants, oil shale processing facilities and petroleum refineries would not be expected individually to exceed the Class II in most areas at comparable distances. As you know, the Senate proposal's definition of best available control technology would require control more stringent than EPA's new source performance standards. Therefore, with the Senate definition, the use of additional controls would allow the source to be larger and/or allow the distance required between plants to be smaller and more in line with the lower estimates cited.

Controls beyond those currently required by the Clean Air Act will cost somewhat more, of course. EPA cost estimates of the Senate proposal indicate that the cumulative additional capital requirements over the next fifteen years of the electric utility industry would be $7.0 billion to $11.5 billion—a 2.3 percent to 2.6 percent increase over the current capital cost requirements of the Clean Air Act. This would mean an increase in household expenditures in 1990 of $18 to $28 per year.

In conclusion, I might mention that EPA's Class II has been in effect nationwide since January 6, 1975, and to date no state has requested redesignation to the less restrictive Class III under our regulations. Where states have not yet requested delegation of new source reviews, under our regulations, EPA regional offices have been reviewing the new sources. Recently, a petroleum refinery in California and an aluminum plant in Oregon have received permits to build under the existing Class II.

As these results indicate, careful siting and use of available air pollution control technology for new industrial sources are already important factors in meeting requirements under the Clean Air Act. The Senate Prevention of Significant Deterioration Class II would make these factors even more important. I hope that this information and analysis has adequately addressed your question. If I may be of any further assistance, please do not hesitate to call.

Sincerely yours,

ROGER STRETLOW,
Assistant Administrator for Air and Waste Managment.

TABLE 1.—*16 industries analyzed by EPA*

Power Plants.
Coal Cleaning Plants (Thermal Dryers).
Kraft Pulp Mill Recovery Furnaces.
Portland Cement Plants.
Primary Zinc Smelters.
Iron and Steel Metallurgical Furnaces.
Primary Aluminum Ore Reduction Plants.
Primary Copper Smelters.
Municipal Incinerators.
Sulfuric Acid Plants.
Petroleum Refineries.
Lime Plants.
By-Product Coke Oven Batteries.
Phosphate Rock Processing Plants.
Sulfur Recovery Plants.
Carbon Black Plants.
Plus:
New Towns.
Light Industrial Parks.

The Department of the Interior analysis examined:

Fossil fuel-fired power plants.
Geothermal power plants.
Oil shale processing.
Coal gasification.
Coal liquefaction.
Petroleum refining.
Superport storage facilities.
Metal processing (copper, lead, zinc, aluminum and steel).
Mining.

Industrial source categories included in EPA prevention of significant air quality deterioration regulations

1. Fossil—Fuel Fired Steam Electric Plants of more than 1000 million B.T.U. per hour input.
2. Coal cleaning plants.
3. Kraft pulp mill recovery furnaces.
4. Portland cement plants.
5. Primary zinc smelters.
6. Iron and Steel Mill Metallurgical Furnaces.
7. Primary Aluminum Ore Reduction Plants.
8. Primary Cooper Smelters.
9. Municipal Incinerators capable of charging more than 250 tons of refuse per day.
10. Sulfuric Acid plants.
11. Petroleum Refineries.
12. Lime Plants.
13. Phosphate Rock Processing Plants.
14. By-Product Coke Oven Batteries.
15. Sulfur Recovery plants.
16. Carbon Black Plants.
17. Primary Lead Smelters.
18. Fuel Conversion Plants.
19. Ferroalloy production facilities.

TABLE 2.—ALLOWED POWERPLANT SIZE UNDER ALTERNATIVE SIGNIFICANT DETERIORATION PROPOSALS [1]

[Terrain at or below stack height]

Type of control [2]	Terrain adjusted stack height [3] (feet)	Maximum size plant allowed under class II increments: Senate/EPA (megawatts)	Maximum size plant allowed under class II increments: House (megawatts)
NSPS	0	1, 100–1, 800	1, 000
NSPS/FGD		900–4, 000+	500–3, 000+
NSPS	250	2, 300–2, 600	1, 100–1, 200
NSPS/FGD		2, 800–5, 000+	1, 100–5, 000+
NSPS	500	2, 400–3, 700	1, 100–1, 700
NSPS/FGD		2, 800–5, 000+	1, 300–5, 000+
NSPS	750	2, 700–2, 800	1, 200–1, 500
NSPS/FGD		2, 800–5, 000+	1, 300–5, 000+
NSPS	1, 000	4, 000+	2, 000
NSPS/FGD		4, 700–5, 000+	2, 000–5, 000+

[1] Calculations are based on the limitations for SO_2 since these and not TSP limitations are the constraining factor.
[2] NSPS: low sulfur coal with sulfur content equal ot 1.2 lb SO_2 million/ Btu (i.e., 0.7 percent sulfur coal with a heat content of 11,000 Btu/lb). A range of values has been shown to illustrate the effect of different meteorological conditions. NSPS/FGD: high end of the range assumes low sulfur coal (i.e. NSPS) plus a scrubber with 90 percent removal efficiency. The low end of the range assumes 3.5 percent sulfur coal with a 90 percent efficient scrubber.
[3] Terrain adjusted stack height is the height between the ground around the plant and the top of the stack. Thus, a 250-ft usable stack corresponds to a 500-ft stack in an area where the terrain is 250. ft high. See app. B.

TABLE 3.—ALLOWED POWERPLANT SIZE FOR ALTERNATIVE SIGNIFICANT DETERIORATION PROPOSALS

[Terrain more than 500 ft above top of stack] [1]

Type of control [2]	Distance to terrain (miles) [3]	Class II Senate/EPA	Class II House
NSPS	1.5	40	30
NSPS/FGD		70–350	50–300
NSPS	3.0	100	80
NSPS/FGD		200–900	150–800
NSPS	6.0	300	200
NSPS/FGD		600–3, 000	400–2, 000
NSPS	9.0	500	400
NSPS/FGD		1, 000–5, 000+	800–4, 000+
NSPS	12.0	800	600
NSPS/FGD		1, 400–5, 000+	1, 100–5, 000+
NSPS	15.0	1, 000	800
NSPS/FGD		2, 000–5, 000+	1, 600–5, 000+

[1] Estimates are based on the limitations for SO_2 since these limitations, and not the limitations for TSP, are the constraining factor.
[2] NSPS: low sulfur coal with sulfur content equal to NSPS (0.7 percent sulfur coal with a heat content of 11,000 Btu/lb). NSPS/FGD: high end of the range assumes low sulfur coal (i.e. NSPS) plus a scrubber with 90 percent removal efficiency. The low end of the range assumes 3.5 percent sulfur coal with a 90 percent efficient scrubber.
[3] Terrain is 500 ft above the physical stack.

Mr. MUSKIE. Let me read from that letter the kinds of things which would be permitted under the committee bill, which codifies the present regulations of EPA, which have been in effect for 2½ years and which have already permitted some of the things on the list which I am going to read.

Partial fuel-fired steam electric plants of more than 1,000 million Btu's per hour input would be permitted.

Coal cleaning plants would be permitted.

Kraft pulp mill recovery furnaces would be permitted.

Portland cement plants would be permitted.

Primary zinc smelters would be permitted.

Iron and steel mill metallurgical furnaces would be permitted.

I could go through a list, may I say, Mr. President, of similar major facilities, 19 in all, which would be permitted, provided there was proper siting, taking into account not only energy needs and economic needs of a region, but also air quality needs.

As I understand the Senator from Louisiana, he wants no restraints that originate in air quality values—none whatsoever. He does not want to have to spend an extra day in a procedure. He does not want another document to clog up the redtape. He does not want to have to think about the air quality priorities at all. That seems to be the attitude of everyone else who has spoken.

Then, when I say that about them, they say, "I am for clean air, Senator. Don't accuse me of being against clean air." But then they turn around—

Mr. JOHNSTON. Will the Senator yield?

Mr. MUSKIE. No, I do not yield. I yielded a lot of time to the Senator earlier and he got 4 minutes out of me and 4 minutes out of the Senator from Alaska for his 4 minutes of yielding.

Then they turn around and say to me, "Senator, you are against growth. You are against growth."

Is that any more irresponsible than to suggest that, because, as I understand it, after 2½ years of studying this thing, 14 years in all, the effect of the Stevens amendment is to completely destroy the effort to protect clean air areas?

Because that is what it is doing. That is what this Stevens amendment would do. It would completely destroy whatever air quality values there may be in clean air areas that need protection.

All right, say it is not health. Is there anything else? Is there absolutely nothing else except health that we need to protect by way of air quality values? Nothing?

I think there is a great deal more.

I ask unanimous consent, Mr. President, that there be printed in the RECORD at this point part of my opening statement of yesterday, from pages 18 to 30. at this point, part of my opening statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MUSKIE

The nondegradation provision is intended to provide protection against harmful environmental effects not anticipated by secondary standards and to assure that a single, new major emitting facility will not consume the entire regional air resource thus barring any future growth.

For example, if the secondary standards were the only restraint on new sources in clean air regions, visibility which is now 100 miles or more in some areas could deteriorate to 12 miles. If humidity is high, visibility would be reduced even further. While visibility may not be important in dirty air areas, it has high public value in many clean air regions and should have been protected by secondary standards.

Another example of the inadequacy of secondary standards is the increasing number of studies indicating that pollutants are transported for much greater distances than previously thought. This means that emissions from sources in rural areas contribute to urban pollution problems and vice versa. In its report to the Senate Public Works Committee of March, 1975, the National Academy of Sciences expressed concern that emissions as far away as 300 miles could contribute to unhealthy air in major cities.

Sulfur oxides and nitrogen oxides increasingly are returning to the ground in the form of acid rain which damages valuable water and soil resources. A Conference was held in the summer of 1975 in Columbus, Ohio where many scientists expressed concern over this impact.

Norway has experienced a substantial decline in its fishery resources which has been attributed to acid rain. A twenty-year study in Scandanavia indicates that acid rain has killed fish and caused an ecological change. Forest growth and yield have declined. Fish populations have been adversely affected by acid rain in 75% of the high elevation lakes of the Adirondack Mountains.

Pollution at less than the concentrations accepted by the national secondary standards has been proved to damage vegetation. Acute injury to spruce trees has been reported when average concentrations of sulfur dioxide were only two-thirds the level allowed by the ambient secondary standards. Studies indicate that other crops are also damaged at concentrations less than the secondary standards, including wheat, potatoes, spinach, apples, and white pine.

Exposure to low level concentrations of pollutants has health effects. Studies done in Japan since the establishment of the primary standards in the United States indicate that air pollution concentrations lower than the national standards cause increases in reported illnesses. The National Cancer Institute estimates that 60% to 90% of cancer is environmentally caused. The ambient standards as presently established do not include consideration of these facts.

The nondegradation amendment is intended to help reduce overall emissions and thus provide protection against these kinds of adverse impacts.

TECHNOLOGICAL IMPLICATIONS

One of the cornerstones of a policy to keep clean air areas clean is to require that new sources use the best technology available to clean up pollution. It is important to assure that new, improved technology is applied as it is developed. And it is important to provide incentives to improve pollution control systems.

To encourage this result, the bill requires the use of pollution control systems which achieve the maximum degree of continuous emission reduction, determined by the States on a case-by-case basis. The States are authorized to take into account energy, environmental, and economic impacts and other costs in reaching their determination. Such an approach should provide greater emission reductions and allow more rapid application of improved technology than would otherwise occur through uniform application of the new source performance standards periodically promulgated—and seldom changed—by the Environmental Protection Agency.

The record to date under the new source performance standards approach has been disappointing. The most glaring example occurs in the control of coal-fired power plants—the largest and fastest growing stationary source of sulfur oxides and particulates. The inadequacy of these standards is exemplified by the fact that pollution control for particulates achieved at the Four Corners power plant in New Mexico is already 14 times cleaner than required by the new source performance standards promulgated by EPA. In addition, the new San Juan plant in New Mexico, scheduled to begin operation in 1977, is expected to achieve clean-up of particulates which is 30 times better than required under EPA's new source performance standards. These facts were presented in our hearings last April. For sulfur oxides, the San Juan plant is expected to be almost ten times cleaner than required by EPA's new source performance standards.

Because of the gap that exists between actual "best available technology" and what has been required under new source performance standards, individual States have established emission limits which exceed the new source performance standards of sulfur dioxide which are more restrictive by an order of magnitude.

At present there are only 18 source categories for which new source performance standards have been promulgated—less than half of the biggest sources that should be covered. Though some of these were promulgated as long ago as 1971, none have been revised to take into account improved technology which has been developed, and only one is under active consideration for such a revision.

Much of the advancement of pollution control technology has occurred at new plants located in clean air regions. This has been due to the efforts of States interested in preserving clean air. The Federal standards, on the other hand, were based upon burning poor quality coal with stack gas cleaning. While this may be necessary in areas where dirty coal will be used, it is certainly not an adequate basis for national policy. In addition, although cleaner coal is burned in many areas, the impacts of resulting emissions are still substantial.

A typical new 1,000 megawatt coal-fired power plant using clean coal and no control technology for sulfur oxides emits 144 tons per day when operating at full load. When controlled with technology currently being used today, these emissions can be reduced to 14 tons per day.

In some cases the new source standards mean that requiring the "best technology" will result in no improvement in emission control at all—a disappointing result from a requirement which was designed to maximize the protection of air resources and minimize the need to retrofit facilities in the future.

One objection which has been raised to requiring the use of the best available pollution control technology is that a technology demonstrated to be applicable in one area of the country is not applicable at a new facility in another area because of difference in feedstock material, plant configuration or other reasons. For this and other reasons, the Committee voted to permit emission limits based on best available technology on a case-by-case judgment at the State level. This flexibility should allow such differences to be accommodated and still maximize the use of improved technology.

Reliability of new pollution control technologies has also been challenged, particularly against sulfur oxides emission control systems.

An EPA study on scrubber development

issued in May of 1977, it was reported that 122 flue-gas desulfurization systems with a rating of 50,000 megawatts are either operational, under construction, or planned in the United States. The efficiency of these systems in removing sulfur dioxide was reportedly to be in the range of 80% to 90%. Although the older systems did have problems, developments have reached the stage where these systems are clearly a viable means of pollution control. And evidence available to the Environmental Protection Agency and the Committee indicates that sulfur oxide control systems are, in fact, more reliable than electric generating equipment.

ECONOMIC IMPLICATIONS

The economic objections raised against the nondegradation provisions are not new. They are restatements of old arguments used by industry against other attempts to improve the lives of Americans.

When we fought for improved wages for workers, industry said that they could not afford it.

Now when we are fighting for an improved environment, industry says that it cannot afford it.

The chart on Projected Capital Investment for Selected Major Industries Through 1985 shows that the added capital investment required for pollution control is modest. (Attachment B)

And if an expenditure of an additional 2.3% to 2.6%—the maximum estimated by an FEA–EPA study of the various significant deterioration policies being considered by the Congress—is required, it is not an unreasonable price to assure that air quality in clean air areas remains clean. Not only would such an investment protect the public against the long-term ecological impacts of increasing levels of overall pollution, but also such a policy would reduce public exposure to low levels of polluants which may lead to chronic health effects.

The FEA study found that total operating costs for power plants, including air pollution controls through 1990, would be $1.335 trillion. The Senate nondegradation provision could add a maximum $16.5 billion or 1.1% to operating costs if the States insisted on the use of the best and most expensive pollution control systems. The maximum increase would be zero, using new source performance standards, if States could justify such modest efforts. The actual cost would obviously be somewhere in between.

The impact on the consumer, in both direct costs and indirect costs attributable to the increased prices of goods manufactured through the use of electricity, would be modest. Again, if the States require the most stringent levels of control and expensive techniques, the maximum consumer cost would be $2.33 or 2.3% additional costs per month during the year showing the greatest cost.

The direct impact on consumers in electric bills would, under the most rigorous scenario, be $1.17 per month additional cost in the year 1990. This is approximately a 1.1% increase.

Some opposition to meeting stringent environmental goals is based on a desire to balance these goals against the cost of installing pollution control equipment. This is a distorted view of economics. It places the cost of pollution on those who receive the damage: the asthmatic who has more attacks, the child who has bronchitis or a more serious respiratory disease, and the farmer whose crops yield less. These people are now bearing the costs of air pollution.

According to the National Academy of Sciences, a single large source such as a power plant may cause $20 million to $50 million in pollution-related costs per year.

Another important economic question relating to nondegradation policy is the impact on national coal development—and the goal of energy independence.

There is a great deal of justifiable concern about potential decline in the use of eastern and midwestern high sulfur coal. The EPA/FEA analysis indicates that the nondegradation requirements would have a beneficial effect for the marketing of eastern and midwestern coal.

The report concludes that many plants, especially those in the Midwest which formerly were planning to import oil or rely on western low sulfur coal in order to meet the requirements of the Clean Air Act, will find it more economical to blend local medium sulfur coal with high sulfur and install a scrubber. As a result of the Senate control technology requirements, the demand for western coal (or Mid-East oil) would be reduced by 35 million tons or by 5 percent—a demand which would be filled by eastern high sulfur coal and stack gas cleaning equipment or new clean fuels techniques.

Some additional costs may result from the disposal of captured pollutants. These captured byproducts—sludge—which would otherwise be dispersed in the air, can be treated to reduce volume substantially. And there are regenerable sulfur oxide control processes which yield no added sludge, other than would normally result from reduced dispersal of pollutants to the atmosphere. In any case, the amount of sludge—captured pollutants—need be little more than the amount of ash which has been disposed of by power plants for many years.

Some low sulfur coals presently being burned actually result in three times the amount of ash produced compared to eastern high sulfur-high BTU coal. Treated sludge, on the other hand, can reduce the volume of ash and sludge combined by approximately 50 percent and can be used as landfill and building materials.

ENERGY IMPLICATIONS

In many cases, the use of the best available new processes will yield significant pollution reduction and also conserve energy. The adoption of hydrometalurgical processes to replace smelting techniques in the copper industry is yielding pollution reduction approaching 100%. New paper mill processes for burning pulping liquors will provide half the steam to run the mill. A new paper mill evaporator recently developed eliminates odors and saves 200,000 barrels of oil per year.

Coating processes using volatile solvents that contribute to smog are being replaced by water-based, ultraviolet, or dry processes which are solvent-free.

The use of best available control technology as add-on devices may increase energy consumption. But these increases are expected to be modest. Flue gas desulfurization systems for power plants use approximately 3% of the capacity of the plant. For example, according to available data, the energy demand of a scrubber system for an 800 megawatt power plant is roughly equivalent to the energy demand to mine the coal for that plant. And the energy used is not foreign energy—it is domestic coal.

An EPA study of costs of nondegradation policies indicates that the maximum energy penalty associated with the operation of pollution control equipment at new power plants would be modest: only 0.8% in 1990.

If all new power plants between now and 1990 were equipped with stack gas cleaning devices, the energy needed to operate these cleaning devices could be generated without the addition of any new capacity if existing plants were to increase their actual generation by 1% of capacity over their present performance.

The present performance of coal-fired power plants is approximately 65% of capacity; for nuclear plants the performance is 59% capacity. Clearly, priority should be given to increasing the reliability of existing power plants so that energy is available for public consumption and for the operation of pollution control equipment.

FEDERAL-STATE RELATIONSHIP

The States are assigned the lead role in implementing nondegradation policy. As I pointed out earlier, EPA is given a carefully defined role.

As important to the national controversy on significant deterioration is the role of the Federal Land Manager. These Federal officials are given a positive responsibility to assure protection of air quality values associated with the national parks and wildernesses and other Federal lands which may become designated as Class I areas. The Federal Land Manager will play an important role relative to emissions which have potential impact on these valuable areas.

Many national parks and wilderness areas have been set aside because of their extensive vistas, expansive scenic views, unique natural formations or primitive value. If pollution would impair such values, or if the existence of the plume or the discoloration which would be caused by a major emitting facility would detract from the values of a park or wilderness area, then the Federal Land Manager must act to try to prevent this damage.

The Federal Land Manager has a mandate to protect the air quality values of these areas. This bill requires the Federal Land Manager to be diligent in carrying out this new responsibility.

In most cases, the added pollution allowed by this Act will still leave a cushion in clean air areas before the national health and welfare standards are exceeded. The States are expected to avoid using up this safety margin with pollution from non-major emitters.

This is an important admonition. If efforts are not made to control these sources before they begin to threaten health and welfare standards, there is great likelihood and those standards will, in fact, be exceeded. The patterns that create such pollution—such as sprawl requiring excessive transportation—will already be established. Reversal will be difficult if not impossible. Even if reversal is possible, unnecessary and undesirable deterioration of air quality would have occurred.

It would be of little value to have carefully reserved the option of States to make balancing judgments in relation to the degree of emission reduction beyond that required by the increments if, in the absence of careful consideration of non-major emitters, the growth capacity were frittered away.

Last year, during Senate consideration of the nondegradation provision, the Senate was asked to adopt a provision allowing for a one-year study of the nondegradation policy prior to passage of the legislation in the Senate. That amendment was rejected by a vote of 31 to 63. The Senate determined that adequate studies already existed to make decisions regarding nondegradation.

The judgment that adequate studies had been conducted has proven to be correct. There has been a one-year lapse since the Senate reported its bill in 1976. The reports available at that time have held up well over the last year. The studies conducted in the 1975–1976 period still serve as the basis for judging this policy. Studies done since the Senate debate last year have only been supplemental. Extensive new studies have not been required. The basic choices are available, and the Senate made the correct choice last year.

A nondegradation policy has been governing the country for the past two and one-half years. The EPA regulations were issued in December, 1974. All of the clean air portions of the country have been designated as Class II areas, just as in the Senate bill.

Growth did not stop. Industry did not come to a standstill. The nation did not come to its knees. In fact, business has gone forward, and new facilities were constructed.

Let me give some examples. A pulp and paper mill in western Montana, in mountain country near Missoula, has had a large expansion approved. A coal cleaning facility in Western Colorado has received a permit. A 350 megawatt power plant at Brush, Colorado was approved. A sewage sludge incinerator was approved in Westchester County, New Jersey. Petroleum storage tanks along the East Coast have been approved. Dozens of industrial, commercial and residential combustion units have been approved. A 750 megawatt power plant has been approved at the Iatan station of Kansas City Power and Light. A refinery in Kansas City has been approved.

These examples are merely a sampling of the hundreds of facilities that have been approved throughout the country. These are industrial facilities. They have been able to comply with the increments that are contained in the Senate bill. Any fears that a nondegradation policy is unreasonable are unfounded.

Mr. MUSKIE. There are a great many other values in clean air areas to be protected, Mr. President—and let me put it on economic grounds, not air quality grounds. If we want maximum growth in those areas—maximum growth—we have to make sure that the air resource is protected as we grow so that there can be additional growth. And if you let the first polluters who come in take it all, there goes your growth.

If they want a 3,000-megawatt powerplant to swallow up one corner of the air resource of the State of Utah, that is their prerogative, if we do not have that bill. But is it a wise route to take? That 3,000-megawatt plant can be built under the committee bill if they are sited to take into account the air quality impact of it; if they will use best available technology. All the committee bill asks those who want growth in this country to do is to consider the consequences of the decisions as they know them, to operate within some reasonable restraints. I submit, the list I read into the RECORD a moment ago is pretty illustrative of the great potential for growth. Take into account the impact on people and other air quality values; then you can do it.

This is not an antigrowth bill. It is a progrowth, proair quality, probalanced economic considerations bill. That is what it is.

I heard these Senators coming on the floor, and I understand they have not been involved in development of the bill as we have been. But I say to them, "Gentlemen, you pick up a piece of propaganda from this source, you pick up a distorted piece of information from another; you swallow the strangest things to bring this here as a premise for arguments that have no relation to the bill that I have ever heard."

I find it incredible. But let us take the conservative end of the committee—Senators MCCLURE, DOMENICI, STAFFORD. Does anyone think those fellows would bring a bill to this floor which is designed to repeal growth and civilization? I wish they would read the transcript of our markups. They might learn something about what we were trying to do, and maybe get a little perspective on the result we produced.

I do not expect the Senate, at any time, to rubberstamp what I bring out of a committee. But I expect them to pay some attention to what the bill does. There has been little of that consideration on the floor of the Senate this afternoon.

If I have any time left, I yield it back.

Mr. STEVENS. Mr. President, how much time do I have left?

Mr. BENTSEN. There is no time left on the amendment.

The Senator from Alaska has 3 minutes.

Mr. STEVENS. I wish to yield 1½ of those to my good friend from Louisiana to talk about the fairy tale.

Mr. JOHNSTON. Mr. President, my good friend from Maine just characterized the Stevens amendment and my description of it in such a way that I totally did not recognize it. Let us make one thing very clear: The Stevens amendment does not permit pollution without limit. Do you know what it permits, Mr. President? It permits people, in class 1 pristine areas, to go to 25 percent of the health standard. In other words, you are only one-fourth of the way that you would have to go to get to a dangerous area. That is what it permits. That is not pollution without limit.

In a class 2 area, it permits 50 percent of that health standard. Not 50 percent all the time or not 25 percent all the time, but those percentages on only 18 days a year. Any pollution within a day counts as a whole day.

Mr. President, my good friend from Maine says that they should not let that 3,000-megawatt plant out in Utah take up all the air quality. Do you know what the alternative to that is? To build 10 30,000-megawatt plants or 100 3,000-megawatt plants, or else not to have the electricity.

That is where the real rub comes.

Mr. MUSKIE. Will the Senator yield?

Mr. JOHNSTON. I have only a minute and a half.

The PRESIDING OFFICER. The Senator's minute and a half has expired.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the galleries and may we have order among the aides of the Senators who are on the floor, and who are here to help and be seen, not to be heard?

The PRESIDING OFFICER. The Senator's point is well taken. Let there be order.

Mr. STEVENS. Mr. President, I think the Senator from Louisiana has——

The PRESIDING OFFICER. The Senator is not recognized. The Senators on the floor will not converse.

The Senator may proceed.

Mr. STEVENS. Mr. President, as my good friend from Louisiana stated, this is a very slight modification of some very rigid standards to permit some legal way to bring about the utilization of land such as exists in my State. My good friend from Maine characterizes those outlines on that map of Alaska as fairy tales. Those areas, some of them, may become wilderness areas pursuant to later acts of Congress. That will be a battle we shall have later on this year and early next year.

But the point I made is right. That is that if these areas are classified as class II the Native people of Alaska and the State of Alaska, will be precluded from any utilization of their lands unless there is some modest give in this bill in the areas where there is, in fact, pristine air.

Now, we want to keep the air as pure as possible. But, at the same time, I think it would be really the worst and the crassest case of flagrant action by the Congress to have given Alaskan Native people 40 million acres, and they have selected primarily land with high potential for resource development, and turn around and say, "No, as soon as we make these other areas wilderness, you can't do anything because you will be liable to impact the pristine air over them under the Clean Air Act."

I think this kind of leeway of shifting from class 1 to class 2, from 2 to 25 percent of the health standard, and then from 25 to 50 percent in terms of class 2 areas, is a very modest thing.

The PRESIDING OFFICER. The Senator's time has expired.

All time has expired. The question is on agreeing to the amendment.

Mr. CRANSTON. Will the Senator yield?

Mr. MUSKIE. I yield time to the Senator from California to bring up some questions which he had asked to do on the bill.

The PRESIDING OFICER. The Senator from California.

Mr. CRANSTON. I thank the Senator very much.

Mr. President, the amendment under discussion, as I understand it, is similar to the Breaux amendment approved by the House of Representatives. It would allow violation of class I standards for 5 percent of the year—18 days.

This amendment has been promoted, in part, as the solution to the problems of a particular powerplant, the Intermountain power project in the State of Utah. I am interested in this plan, because it would provide a significant new source of electricity for the municipal utilities in southern California.

The amendment would solve the problems of the IPP, but unfortunately it would also do much more—according to the Administrator of EPA, Douglas Costle, the pending amendment would have the effect of increasing the maximum allowable emissions of sulfur oxides and particulates by as much as a factor of 10 and would allow the construction of large industrial and energy facilities close to class I areas—our national parks and wilderness areas.

It would, in short, gut the provision in the committee bill for the prevention of significant deterioration.

I am therefore, opposed to the amendment.

However, I am concerned about the situation as it impacts on the Intermountain power project specifically and generally on those other proposed new coal-fired electrical generating facilities

which we will need to build if we are to increase our reliance on coal and reduce our reliance on oil and gas.

I would, therefore, like to ask the distinguished floor manager a few questions about the relative flexibility of the committee's provisions for the prevention of significant deterioration.

First, it is my understanding that there is flexibility in the committee bill—that the class I standards are not absolute prohibitions. I wonder if the subcommittee chairman could expand on that point?

Mr. MUSKIE. The bill provides for consideration at the request of those who seek to build a facility, consideration of approval notwithstanding the failure to meet class 1 increments on the basis that, nevertheless, air quality values will not be damaged.

If I may quote from the committee report more specifically, it reads as follows:

If, on the other hand, the permit applicant demonstrates, to the satisfaction of the Federal land manager, that there would be no unacceptable, adverse impact on the air quality related values of the class I Federal lands, notwithstanding the fact that the class I increments would be exceeded, the State may issue the permit.

In other words, there is a process provided for the consideration of permits notwithstanding the fact that class 1 increments may be violated.

Mr. CRANSTON. I thank the Senator. That is very responsive and helpful.

I would also like to ask this.

I understand that studies have shown that very large coal-fired electrical generating facilities can be built without violating the class II standards. If this is the case, am I correct in saying that the true issue for future powerplants is the siting issue? In other words, it is simply a matter of finding a suitable site which does not impact on the class I areas?

Mr. MUSKIE. That is correct. The EPA studied, as I understand it, 74 such plants and found all of them could be properly sited in a clean air area.

Because of siting, the fears that are raised here are beside the point.

What we are trying to do here is direct the placement of economic activity, the siting of it, in such a way as to take into account and avoid damage to air quality values.

It is for that reason we provided that flexible procedure to which the Senator and I have just referred, as well as taking into account the size of the facilities that can be installed.

In my State, there is not a powerplant existing today that could not be duplicated in clean air areas.

There is not a paper plant, and we have some of the biggest in the country, that could not be duplicated, subject only to the question of examination of site in terms of air quality values.

So we can permit a great deal.

Mr. CRANSTON. I thank the Senator very much for that clarification. Let me just finally cover another point.

The committee bill allows even for those instances in which the class I increments are exceeded. If the applicant demonstrates to the satisfaction of the Federal land manager that there would be no adverse impact on the air quality related values of the class I area, the State may still issue the permit.

In this connection. I would like to share with the Senate a letter I received from the Secretary of the Interior on this point.

In this letter he points out, just to summarize, that in addition to his responsibilities for protecting our national parks and other public lands, he also has equal responsibility for promoting the efficient development of federally owned coal.

He also promises his cooperation with the IPP project and others to expedite the location of environmentally suitable sites for new industrial and energy facilities.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 7, 1977.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: I am deeply concerned about Congressional action to revise the Clean Air Act and how this action will affect my responsibilities for management of lands and resources held by the Federal Government for the benefit of all our people. In formulating my views on S. 252's provisions, I am guided by the principle that we should develop and use our energy resources where needed, but in a manner that will provide the full level of environmental protection that our citizens have a right to expect.

Of immediate concern are provisions for Prevention of Significant Deterioration of Air Quality (PSD). I am charged to preserve and protect the natural, scenic and primitive values of national parks and wilderness areas. In my opinion it is essential that the PSD provision to protect air quality in these areas be as effective as that voted out of the Senate Committee on Environment and Public Works.

Many of the national parks and other pristine wilderness lands, especially those in the spectacularly scenic southwest, continue to be threatened by the development of large stationary sources of air pollution that may virtually destroy the natural and scenic values these areas presently possess. The President and I strongly support clean air legislation that will adequately protect these, the most important of this nation's land resources, from this kind of ruinous damage.

As the manager of our public lands I am also charged by the Congresss with the conservation and development of our economic natural resources and with providing for the use of public lands such that the national public interest is served. An important portion of my responsibilities concerns the efficient developmnt of federally-owned coal and its effective use to serve the nation's energy needs.

I am convinced that we can strike a course that will satisfy both objectives—preservation of pristine Federal lands and intelligent development of energy potential. Studies done by the Environmental Protection Agency (EPA) and the Federal Energy Administration (FEA) offer strong argument for such a conclusion. One existing situation which presents a problem in this regard is the location of the Intermountain Power Project (IPP) 3,000 M.W. plant just nine miles from Capitol Reef National Park. I think we must recognize that this site, so close to a national park, presents very serious difficulties. In view of these, every effort must be made to find alternative locations that will assure protection of the environment. Project proponents did evaluate other sites slightly more distant from national parklands prior to identification of the present preferred alternative, the Salt Wash site. No consideration was given to impacts on air quality or upon parklands in the evaluation of any of the alternatives. The sole environmental constraint was the avoidance of visual impact of the plant on traffic on Utah Route 24. In order to find a suitable location for IPP our Bureau of Land Management is presently working with Utah and IPP proponents toward the expeditous development of a coordinated plan, taking into consideration the availability of coal and water resources and clean air areas, to enable timely plant development, while protecting air quality within pristine Federal lands. The planning promises to facilitate, on a regional scale, the efficient development of the energy resources in central Utah thus accommodating the IPP project and possibly others with acceptable environmental impacts.

Again, let me assure you that I am committed to finding environmentally acceptable alternatives for energy development. A general weakening of S. 252's PSD provisions is not, however, the right way to do this. The present Senate Committee PSD provision for strongest limitation on new or modified sources in or adjacent to areas designated as pristine provides the proper framework for protection of air quality in these areas and also lays the foundation for proper, environmentally sound, location of large point sources of air pollution. All indications at present show this to hold true for the 3,000 M.W. IPP plant if the Senate Committee version of PSD is enacted into law.

If the Clean Air Act Amendments of 1977 are weakened with a PSD provision similar to the Breaux Amendment included in the House bill, the way would be cleared for the systematic deterioration in air quality within important pristine Federal lands and resultant destruction of the values that presently make these areas important to this nation. Air quality throughout the country would also be permitted to deteriorate.

This deterioration should not be underestimated. Pollutants directly regulated by the PSD provision could increase from four to about 10 times the amounts that would otherwise be permitted. Such an increase would be accompanied by a comparable increase in other emissions such as the oxides of nitrogen which adversely affect scenic and esthetic values. These impacts would be especially felt in the southwest where long distance vistas are critically important to appreciating this region's spectacular natural features and enjoying its recreation values.

I urge that you support passage of a strong PSD provision to protect national parks and wilderness areas and oppose modifications such as the Breaux Amendment if offered on the Senate floor.

Sincerely,

CECIL D. ANDRUS,
Secretary.

Mr. MUSKIE. I thank the Senator.

I would like to read a paragraph from that letter:

If the Clean Air Act Amendments of 1977 are weakened with a PSD provision similar to the Breaux Amendment included in the House bill, the way would be cleared for the systematic deterioration in air quality

within important pristine Federal lands and resultant destruction of the values that presently make these areas important to this nation. Air quality throughout the country would also be permitted to deteriorate.

Mr. President, I ask unanimous consent that another letter from the Secretary of the Interior be printed in the RECORD, in which he endorses the committee version of nondegradation provisions.

There being no objections, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 6, 1977.

Hon. EDMUND S. MUSKIE,
U.S. Senate,
Washington, D.C.

Dear SENATOR MUSKIE: I wish to reemphasize the Administration's support for a strong Prevention of Significant Deterioration in Air Quality (PSD) provision in the Clean Air Act Amendments of 1977.

I recommend that the Senate preserve the type of strong PSD provision as was voted out of the Senate Committee on Environment and Public Works for strongest limitations on new or modified sources in or adjacent to areas designated as pristine and reject the weakening of the PSD provision as was done in the House of Representatives on May 25. This weakened provision would permit relaxation of Class I and Class II protection by allowing maximum pollution increments to be exceeded 5 percent of the time. In effect, this would result in higher levels of air pollution in and around parks all of the time. In my view, if the present House of Representatives version of PED in this area becomes law, the unique scenic and natural values of nationally significant parklands and wilderness areas will be put in unacceptable jeopardy.

The premier values of our national parks and wilderness areas are held in high regard by the Nation, and high standards for protecting these values have been set down in numerous Acts of Congress. I recommend that the Clean Air Act Amendments of 1977 likewise contain high air quality standards for these most important of our Nation's natural areas.

I understand that one of the principal reasons behind the recent amendment to the House PSD provision was to permit flexibility in the siting of large fossil-fueled powerplants and enable their development in the immediate vicinity of national parks. It is obvious that the exercise of this flexibility would virtually destroy the purpose of Class I status and would result in the imposition of degraded air quality on supposedly protected areas.

This Department has now before it a number of proposals for the location of fossil-fueled powerplants or for ancillary development directly related to plant development. An example is the Intermountain Power Project in southern Utah. The primary site, proposed by the project proponents, is on public land in the immediate vicinity of Capitol Reef National Park. From the results of preliminary air pollution studies done for the project, we have an indication of the plant's potential impacts on the park. This project would depend for its operation on millions of tons of federally owned coal and would require permits and rights-of-way from the Department of the Interior for mine sites, the powerplant site, transmission systems, and water delivery systems.

The President has instructed me to review all existing and potential Federal coal leases, to assure that any development of federally owned coal takes place only under circumstances that provide adequate environmental protection. In carrying out the President's instructions and in the exercise of my responsibilities as Secretary of the Interior, I will take into consideration the impacts that the Intermountain Power Project and that other plants in similar circumstances would have on the air quality within pristine Federal lands. I will take appropriate actions to ensure that the unique natural values of these lands are properly protected.

We believe that the PDS provision adopted by the Senate committee for the protection of certain national parks and wilderness areas will not only provide protection from deteriorating air quality for the identified Class I areas, but it also lays the foundation for the orderly planning and development of coal-burning powerplants. This Department will cooperate with the States, the utility companies, and all other parties in expediting the exercise of those Federal responsibilities involved in the development of plants sited where plant operations do not meet appropriate environmental standards.

I vigorously recommend that the Senate and the Conference Committee preserve a strong PSD provision to ensure that our national parks and wilderness areas receive the highest possible protection for deteriorated air quality.

Sincerely,

CECIL D. ANDRUS,
Secretary.

Mr. McCLURE. Will the Senator yield?

Mr. CRANSTON. Surely.

Mr. McCLURE. I thank the Senator.

In all candor, I think we should understand what the floor bill means and does not mean, what we can say about it and what we cannot say about it. There is no definition in the bill about air quality related values for which the area is created, there is no such definition of that language.

I will leave it to speculation, as we had to leave it, as to the air quality related values for which the area is created, what that may mean.

Let me also say that in regard to an analogy which was used by the Senator from Maine earlier in regard to a 3,000-megawatt plant in Utah, it would be the opinion of the Senator from Idaho that the air quality related values for which national park areas were created would make it impossible to build a 3,000-megawatt plant in southern Utah.

The question is then with respect to the comments and the questions of the Senator from California in regard to plant siting.

We might be able to mine the coal in southern Utah—and I think that is a question on which I do not have enough competence to answer—and transport it to some other point at which it would be located in order that the electricity could then be transported to California, but I do not think it would be possible to mine and to burn the southern Utah coal in southern Utah under the provisions of this bill.

Certainly, the Federal land manager does not have a veto over the decision of the plant siting, but he certainly has a very, very large influence.

As I read the letter from Secretary Andrus on this subject, he is saying, "There ain't going to be no such plant in southern Utah." The Senator can read the language in whatever way he wishes, but I have read that language, and I think that is the very clear implication.

Let us at least understand what the bill says and what it does not say, as we vote on it. As the Senator from Maine has indicated, the Senator from Idaho has supported this bill, and I wish to continue to support the bill; but I can do so only upon my perception of what the bill does.

Mr. MUSKIE. Let me follow through on that.

It is not the intent of the Senator from Maine to distort what the bill says. The bill does not say that IPP can be built; neither does it say that it cannot be built. What the bill says is that when you consider such a proposal—and I have personal ideas about whether or not a 3,000 megawatt bill is a good thing, but that is aside from the point. The point is that you take into account siting, which involves terrain, which, if you are near a national park, involves air quality values.

It is a little difficult for a committee writing a bill in 1977 to try to go back in history and establish for the first time the air quality values that resulted in the creation of Glacier National Park or the Arcadia National Park in Maine, and so forth. But I think there are some rather obvious values, and the case would be made on an ad hoc basis, I would think.

So, of course, the act needs to be implemented. The act does not contain the decisions we are talking about. Most of the debate this afternoon suggested that it did, that it vetoed any possibility of some major industrial activities, which it does not do.

In so many terms, it says that before you site such activities you have to take air quality values into account. If you consider maximum advantage of economies of scale, you have to assume that you have to spread out and that you cannot concentrate. That, I think, is implicit in the nondegradation provisions.

Mr. McCLURE. I think the Senator also will agree with me that, although the law does not specifically say that you cannot do certain things in certain areas with regard to certain plants, a fair interpretation of the bill indicates that its effects are reasonably projectable. Some are not. Some are conjectural. But some can reasonably be inferred from the language of the bill.

I know that the Federal land manager of the Grand Canyon National Park has gone on record as saying that the Kapairowitz plant may impinge upon the air quality related values for which that park was created. Whether he is right or wrong is perhaps subject to some question, but I do not think it can be denied that he already has stated it, because he has stated it.

Whether or not that would control what might happen is another matter, and there I have to look to Secretary Andrus' letter on this subject to determine what he would say, and he would say that, in that event, the plant would not be built.

Yes, I am conjecturing, and I am going outside the language of the bill in order to draw these conclusions; but the Senator from Idaho has to say, in all candor, that those are conclusions I would draw from that set of circumstances.

The second thing which I think the Senator from Maine will agree with is that modeling becomes the name of the game; that how you construct the air shed models becomes the determining factor, and that we do not even know as yet.

So we are taking something on faith. We are making the best judgment we can, without knowing what those models are going to show, without knowing what the science of modeling will do, without knowing what effects it may have on specific questions. I am not suggesting that because we do not know, we should not legislate. I am just saying that I do not think people who are for the bill or people who are against the bill can state with certainty that we know what its effects will be, because we do not know with respect to specific site situations, on specific plants, and under specific conditions. I suspect that it will take us a little while to find out.

Mr. MUSKIE. Of course. A piece of legislation that has this serious and broad-based impact, because it tries to deal with that big a problem, cannot be anticipated fully. I have seen some very simple pieces of legislation with which I have been involved twisted around so that their legislative intent was 180 degrees away from what I thought it was when I was involved in the writing of the bill.

I think the best we can do is to try to define the broad parameters of what it is.

Of course, if we are to deal at all with the regulation of economic activity in clean air areas and are to avoid the mistakes that plague the dirty areas of this country, there are going to be some restrictions. I am not going to suggest that there are not. I would not want the Senator to believe that there are not. But to conclude that they are going to be as horrendous as some of the claims made on the floor in the course of this debate is something that I challenge.

I live in a State that needs growth, too. I cannot go back to my State and say that I am against growth in Maine. So I have examined this matter very carefully, and I have been put under examination by important Maine industries and important Maine unions, to insure that I shall not lock the door on growth.

So if the Senator from Alaska thinks I did not examine that question carefully in terms of my own political skirts, he is wrong. I looked at this carefully.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. MUSKIE. I will yield as soon as I finish unwinding.

Mr. STEVENS. I agreed to a time limit of 20 minutes to a side.

Mr. MUSKIE. We have not been talking on the bill; we have been philosophizing.

Mr. STEVENS. I believe that the sponsors of the amendment are accused of being crazy and of being on a fairytale trail, and other things.

I am sure that the Senator from Maine would want me to respond to that last comment.

Mr. MUSKIE. How much time does the Senator desire?

Mr. STEVENS. A few minutes.

Mr. MUSKIE. Be my guest.

Mr. STEVENS. In all sincerity, we tried to study the committee bill. We have tried to understand the bill and what motivates the concept that there cannot be any relaxation in terms of these national standards in areas where there is no development.

The Senator is right: If we want to go to the dirty air areas, this bill does not do a lot for them.

But if you want to go to the areas that are still trying to come into the 20th century, such as the Alaska Native villages or to the rural areas—I was just in Haines, in Skagway, where they are trying to develop the iron ore potential of Alaska.

The trouble with my friend is that he refuses to accept the concept that those of us who seek merely a slight deviation from a very rigid standard somehow or other put on a different pattern. I hope that is not what he really means, and I hope he understands that we are seeking a very small deviation from the standard his bill has set, not more than 5 percent per year.

Mr. MUSKIE. I say to the Senator that for me to agree that it is slight, in the light of what I know to the contrary, would be an abdication of my responsibility to the Senate. It is not slight. The Senator has used that word over and over again in connection with this amendment. It undercuts the bill.

Mr. STEVENS. How does it undercut it?

Mr. MUSKIE. The Senator can continue to argue it.

Mr. STEVENS. We are not going to go 2 percent to 25 percent of the health limitations. We are still within 25 percent of what is a national health standard.

Mr. MUSKIE. The Senator keeps going back to the primary standards that are applicable to dirty areas, as though that is all we need to do by way of protecting air quality-related values. It may be that that is all he wants to do, but that is not all I want to do. There are other public interest values that are threatened, in addition to health. If there were not, I would move to repeal——

Mr. STEVENS. Name some. We are talking about health standards.

Mr. MUSKIE. We are not talking about health standards. We are talking about health and welfare.

When the Senator talks about applying his amendment to the nondegradation areas of this country, he is talking about standards above those set on a health basis for the nonattainment areas of the dirty air areas of this country—for reasons that the committee has found very good and that I have repeated many times during the last few days; not too many times, because they have appeared to escape the Senator's attention. There are air qualities in addition to health that need attention.

Forget the Senator's State, if he does not care about them. But in my State there are other air quality values. What the Senator is doing with his amendment is eliminating protection for those values, in my considered judgment.

Mr. STEVENS. I hope the Senate does not confirm the Senator's judgment, because it means that for not more than 18 days a year or any part of a day, you could have a slippage from class 1 to class 2 in the areas affected by things just like that, by the manager of a Federal area telling the State of Alaska or telling the Natives of Alaska or telling people in Utah, outside of a national park, what they can and cannot do. This would say that the Governor can hold a hearing and allow up to 18 days, or a part thereof, to have a slippage from class 1 to class 2 or down to 50 percent of the national standard.

I do not see that that is such a substantial thing that ought to be so viewed that the Senator has lost his mind. That is what the Senator is implying, and I really do not think I have. I think I know what I am doing, and I think the House knew what it was doing when the House adopted this amendment.

I do not understand why it was that the committee refused to allow any leeway despite the statement, incidentally, of both parties in the Senate which they have put out in the form of statements saying there should be some modest changes in the clean air standards in order to achieve the energy goals, as the Senator from Louisiana said.

Mr. MUSKIE. Mr. President, will the Senator yield? If I have to choose between a judgment that I lost my mind or the Senator has lost his mind, I have no difficulty, you know, in making the choice really.

I do not accuse, and I do not think either one of us has lost his mind, but we are not communicating very well.

This is a very technical business we are involved in, picking out the 5 percent in a year, monitoring all these sources of pollution. In monitoring these areas, we have inadequate monitoring data now to really give us adequate information on ambient air quality. We are going to use some complicated monitoring system that is not available to any degree in my understanding.

But the primary impact of the 18-day variance, that 5 percent variance, would be to greatly increase the maximum pollutant concentration allowed within each significant deterioration classification. It increases the maximum allowed because if the power plant or the industry can choose the time, that would be the measure of its performance. If it chooses that 5 percent period, whatever it is, if you can identify it and monitor it, then that would increase the maximum pollutant concentration allowed within each significant deterioration classification.

In areas of flat or moderate terrain the variance amendment would allow maximum emissions of sulfur oxides and total suspended particulates to be 2 to 4 times higher than the PSD provision without the variance, 2 to 4 times higher.

In areas of elevated terrain, maximum emissions could increase by as much as a factor of 10. Therefore——

Mr. STEVENS. I admit that.

Mr. MUSKIE. Therefore——

Mr. STEVENS. Not to exceed 18 days.

Mr. MUSKIE. Therefore, maximum allowable plant sizes, which will not exist

for only 18 days, could increase from 4 to 10 times because the fact is that you measure what is going on by way of air pollution problems in terms of the peak times, and you would flatten them out with nonproblem times. If you let the plant go up to a higher level but ignore it then you have eliminated the problem which should be the restraint on the plant. That is the problem.

Mr. STEVENS. Again would the Senator address the question. I admit we are going from 2 percent to 25 percent. But the standard of 100 percent was established in the existing community of the United States. Of course, that is more than 10 times an increase to go from 2 percent to 25 percent.

Mr. MUSKIE. Sure.

Mr. STEVENS. But it is only 18 days maximum a year, and really it comes about because of prevailing winds in terms of the class 1 and class 2 areas, in terms of activities outside of class 1 and class 2 areas where the prevailing winds always in Utah or my State are going to carry those days across into these pristine areas.

There is no problem about the area outside of the class 1, class 2.

Mr. MUSKIE. If the Senator took the 18 worst days out of Washington's year, he would conclude that Washington has no air pollution problem.

Does that satisfy the Senator? And with no air pollution problem then there should be no constraints on what you build here or how many automobiles travel here. If you are going to measure the degree of the problem by the best days, exclude from your count the 18 days when the problem is at its worst——

Mr. STEVENS. I am not excluding them. I am giving the Governor the power to hold a hearing and to determine if it is in the interests of that State that he have a waiver of up to a portion or all of 18 days out of the year in order to protect the economy and, at the same time the health, safety, and life of the people of his State.

This is not an automatic waiver, and everything the Senator from Maine says presumes that every Governor is going to give the full, maximum 18 days on every occasion.

This is merely an authorization to waive up to 18 days, and the Senator knows it. That is the unfair thing to state that it is automatically going to wipe the board clean, and we are going to have this thing happen all the time because of the power of the Governor to hold a hearing and issue this kind of a waiver in his particular circumstances.

Mr. MUSKIE. So the Senator——

Mr. STEVENS. This is a different amendment, and I do not think the Senator has read my amendment.

Mr. MUSKIE. Yes, I did.

Mr. STEVENS. He said that I have not read the bill. Believe me, we are talking about another amendment. I am talking about the Stevens amendment.

Mr. MUSKIE. Yes, I read the amendment, I read about the 18 days.

The interesting thing is now maybe I have impressed the Senator that there may be some basis for my fears—can he point out the basis of escaping my fears?

Mr. STEVENS. The Senator's fears are unfounded.

Mr. MUSKIE. Then you do not need the Governor?

An exemption for 18 days of the year—approximately 5 percent of the year—virtually eliminates any of the air quality protection provided by the nondegradation increments scheme. The opponents of the nondegradation provision last year attempted to eliminate or suspend the entire provision. That failed by an overwhelming vote—31 to 63. It appears that this year the opponents of this provision will propose amendments that appear less damaging but in actuality cut the heart out of the nondegradation provision and leave no protection for air quality.

Where air quality values would not be adversely affected by emissions greater than the class I increments allow, the Senate bill already provides a flexible mechanism to allow approval of such projects. The owner of the proposed source may apply for approval to construct in such a case, and if the Governor and the Federal Land Manager agree that air quality would not be adversely affected, then the plant can receive approval. This is a flexible system based on the analysis of the specific land area and project. To put in place a more rigid, destructive, and difficult to implement exemption system is unnecessary and unwise.

Exempting 18 days—5 percent of the year—would allow an increase in total emissions of up to 400 in flat areas and 1,000 percent in rugged terrain. If average daily visibility were 70 miles, then on the exempted 18 days, visibility could decline to 19 miles. It would also decline substantially for the entire year. The allowable plant size would be increased by 4 to 10 times by this seemingly small exemption.

How could what appears to be a small exemption have such a large effect on air quality, total emissions, and expanded plant size? An 18-day, 5-percent exemption has the effect of allowing a huge increase in pollution. This occurs because all air quality control programs rest on the approach of catching the peak periods of emissions and thereby controlling total emissions to a more moderate level. If the ability to capture these peak periods is eliminated by such an exemption, then the principal technique for controlling total emissions is lost.

This would also be true for the national ambient air quality standards which protect public health. For example, if the 18 worst days of pollution in Washington, D.C., were eliminated from consideration each year, Washington, D.C., would be declared a virtually "pollution-free" city. That would be absurd, as anyone who has lived in the Washington, D.C., metropolitan area for any length of time knows.

A further complication arises under such a proposal. Though technical, it is extremely important and is the kind of factor that can destroy protection provided under the nondegradation scheme. Air pollution modeling of the dispersion of a plume from a stack can estimate the highest concentrations that will occur. This is single, worst case, analysis and is commonly calculated by EPA, State agencies, and consulting firms.

But calculation of the percentage of violation is a very different proposition. It is extremely complicated, and probably impossible in areas of rugged terrain. Such calculations are beyond the present capability of most State agencies and consulting firms. An exemption that is extremely expensive to attempt, and impossible to calculate in many cases, is not an appropriate system to place in the bill as legislative requirement.

President Carter and Secretary-designate Schlesinger have both indicated that fulfillment of the President's energy plan does not rest on providing an exemption from the requirements of the Senate bill. The energy plan does not require the destruction of visibility in pristine areas such as parks and wilderness areas; it does not require reducing air quality substantially where air is already clean. There are ample sites available for locating new powerplants without such exemptions.

Companies that continue to cling to the siting of huge powerplants within 5 to 10 miles of national parks are blindly ignoring the clearly stated opinion of the American public. In a public opinion poll conducted for the Federal Energy Administration in 1975, 94 percent of the public said they wanted clean air areas protected from further pollution.

The President, the energy officials of the administration, and the Senate committee agree with that assessment and have found that a system of exemptions is entirely unnecessary.

At this point I would like to place in the RECORD letters from the administration dealing with objections to this amendment, and material addressing coal conversion questions raised earlier by the Senator from Utah:

THE WHITE HOUSE,
Washington, D.C., June 7, 1977.

Hon. EDMUND S. MUSKIE
Committee on the Environment and Public Works, Washington, D.C.

TO SENATOR ED MUSKIE: The amendments to the Clean Air Act of 1970 which the Senate will soon consider are of critical importance to the success of our public health and environmental programs.

My EPA Administrator Doug Costle, my Energy Advisor Jim Schlesinger and I studied the issues associated with these amendments very carefully before submitting the Administration's recommendations to the Congress last April. We examined the auto emission schedule proposed by Senators Griffin and Riegle and found it unnecessarily lax from the technology and fuel economy standpoints and inadequate in view of the need to protect the health of our citizens in urban areas.

More than 96 million people in at least 48 of our cities breathe air which exceeds the federal health-based air quality standards. Asthma, chronic lung disease, respiratory illness, and cardiovascular attacks are among the health impacts which auto pollution can cause. These effects are particularly severe in children and in the elderly. We cannot hope to have a successful public health program in this country without a major effort to reduce pollutant levels in our air.

Fortunately, however, auto emissions are controllable without jeopardizing our ability to meet fuel economy standards, adding substantially to the cost of automobiles, or costing our economy the jobs we so vitally

need. While we have made some progress in reducing auto pollution, the technology is available to do better.

The proposal which I submitted to the Congress, like the Committee bill, will require use of emissions clean-up technology which is inherently more efficient than that being used today. The Griffin-Riegle proposal would encourage continued use of this less efficient technology, thereby compromising our ability to protect public health and achieve our fuel economy goals.

Control of auto pollution also has direct bearing on economic growth and our ability to provide jobs in our cities. Each additional increment of unnecessary pollution—pollution which could be controlled—is wasting those air quality margins which would otherwise be available for development in our urban areas. The unnecessary relaxation of auto emissions standards and clean-up schedule proposed in the Griffin-Riegle amendment would exacerbate the already difficult choices which our cities now face in providing for both economic growth and protection of public health. It would also hinder our program to make increased use of coal.

For these reasons, I remain firmly opposed to the proposal made by Senators Griffin and Riegle.

On another matter, I want to reiterate my support for the Committee's provisions for protection of air quality in areas which are now cleaner than required by the primary ambient air quality standards, particularly our national parks and wilderness areas. As I stated in my Energy and Environmental Messages, we can achieve our energy goals without sacrificing environmental quality. We can build those power plants which are needed without ruining the air quality of our national parks. Amendments such as those offered by Messrs. Breaux and Emery in the House of Representatives defeat the very purpose for which these spectacular natural areas have been set aside. I urge that you and your colleagues oppose any amendments which would weaken our ability to protect these irreplaceable resources.

An identical letter is being sent to Chairman Randolph and Senator Stafford.

Sincerely,

JIMMY CARTER.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, June 7, 1977.

Hon. EDMUND S. MUSKIE,
Chairman, Subcommittee on Environmental Pollution, Committee on Environment and Public Works, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of May 27 for analysis of the implications of the five percent variance provision for prevention of significant deterioration (PSD). As you know, I am deeply concerned about Congressional action on the 18 day (5%) variance provision and its implications for national parks and other highly valued Federal lands. I am convinced that without this variance we can strike a balance that will satisfy both environmental values and our nation's need for energy and economic growth. The President has announced, and I wish to reemphasize, that the Administration strongly supports clean air legislation that will provide adequate environmental safeguards for our pristine Federal lands.

I believe the 18 day (5%) variance amendment contained in the House version of the Clean Air Act Amendment of 1977 will not provide adequate pollution control of major stationary sources and will seriously weaken the effectiveness of the Class I increments for preventing significant deterioration. In summary, the variance provision will increase the maximum allowable emissions of sulfur oxides and particulates by as much as a factor of ten and allow the construction of large industrial and energy facilities in close proximity to Class I areas. This increase in emissions will significantly impair visibility and detract from the scenic and recreational values of national parks and wilderness areas. Furthermore, the current PSD provisions in the Senate will allow sufficient energy growth to maintain a healthy economy. The basis for these conclusions are contained in the attachment.

I should also point out that, regardless of the air quality changes this variance provision would allow, it would require State agencies and industry to perform extensive and costly studies on a routine basis. Such studies would require detailed collection and analysis of upper and lower atmospheric data by knowledgeable specialists. In addition, the extensive data acquisition requirements could delay the new source review process for years.

Regarding the current PSD provisions, studies by EPA and the Federal Energy Administration show that construction of new economically sized facilities would not be prevented. Rather, some very large new plants may have to use greater pollution controls, move to nearby alternative sites, or construct smaller plants. For example, a site-specific analysis of the Four Corners area indicated that the present and projected capacity through 1986 of the Four Corners and San Juan power plants plus the four gasification plants planned by El Paso and WESCO could be built without violating the current PSD Class II increments nor the increments in nearby Class I areas. Moreover, an EPA analysis of 74 planned power plant sites found that none of the plants would have difficulty with the Senate Class I increments when best available controls are applied. Thus, there is no need for a variance provision, provided adequate environmental controls are employed.

The primary impact of the 18 day (5%) variance would be to greatly increase the maximum pollutant concentration allowed within each significant deterioration classification. In areas of flat or moderate terrain the variance amendment would allow maximum emissions of sulfur oxides and total suspended particulates to be 2 to 4 times higher than the PSD provisions without the variance. In areas of elevated terrain maximum emissions could increase by as much as a factor of ten. Therefore, maximum allowable plant sizes could increase from four to 10 times.

The effect of these increased emissions could significantly reduce visibility and detract from the scenic and primitive values of national parks and wilderness areas. In pristine areas where visibility is at its maximum, small increases in secondarily formed pollutants such as sulfates or nitrates can reduce visibility in these areas by 30 precent or more. Thus, the impact of the variance provision will increase the frequency of the days with poor visibility in Class I areas and also reduce the average visibility in areas surrounding the source.

With respect to the proposed 3000 megawatt Intermountain Power Project (IPP), we believe that the Class I increments would be exceeded in several locations with the present plant site proposal. This is because the plume would impact elevated terrain in the area. If the IPP project were to remain at the present site it would have to reduce its capacity to approximately 500 MW to meet the current PSD provision.

Our analysis of the IPP plants' effect on visibility shows that the placement of the plant so close to the boundary of the Capitol Reef Park will significantly impair the scenic vistas from the park. We estimate that the plant can reduce the one-hour average visibility when the observer is looking through the plume by as much as 80 percent, that is, visibility of 100 miles can be reduced to 20 miles. The more extreme end of the range will occur during morning hours when meteorological conditions are typically stable. The corresponding one-hour visibility impact for a 500-MW plant meeting the current PSD requirements at the proposed IPP site would only be as large as an 11-percent reduction. Furthermore, when the plume is not directly impacting the park, the presence of the plume in adjacent areas can also impair the primitive and recreational values of the park.

I hope the attached analysis responds to your request and will assist the Senate in its consideration of the potential effects of the variance provision. If you have further questions my staff will be glad to assist you or your staff.

Sincerely yours,

DOUGLAS M. COSTLE.

ATTACHMENT A: EPA ANALYSIS OF THE IMPLICATIONS OF THE 18-DAY (5%) PSD VARIANCE PROVISION

I. BACKGROUND

The prevention of significant deterioration (PSD) provisions contained in the Clean Air Act Amendments of 1977 (S. 252) currently before the Senate establish maximum allowable increases (over baseline) in concentrations and are, therefore, overly restrictive. sentatives of industry groups have argued that maximum allowable concentrations are the result of infrequent atmospheric conditions and are, therefore, overly restrictive. Instead, industry has recommended that a new facility be required to meet PSD limitations on 95 percent of the day of the year. In the absence of a general variance provision affecting all facilities, industry has argued that at least a variance procedure should be established to permit more than one violation per year, particularly in Class I and Class II areas when mountainous terrain is involved.[1]

The review of a new facility under PSD is based on maximum predicted concentrations at each of a number of locations in the vicinity of the plant. The 18-day (5%) variance recommended by industry would allow some days to exceed the increment at each location.

II. IMPACT OF THE 18 DAY (5%) VARIANCE ON PLANT SIZE AND EMISSIONS

Permitting the PSD increments to be exceeded by as many as 18 days a year would greatly increase the maximum pollutant concentration allowed under each significant deterioration classification and greatly increase the size of facilities which could be constructed near Class I and in Class II areas. The specific implications of the variance provision depends on the frequency of adverse meteorological conditions, location of elevated terrain, and wind patterns; they should be examined on a case by case basis to get actual estimates of the impact.

In areas of flat or moderate terrain, the data for three Ohio power plants indicate that a 18 day (5%) variance approach would allow maximum emissions in sulfur oxides and total suspended particulates to be 2 to 4 times higher than the PSD provision without the variance.[2] Hence, the maximum allowable plant size under the variance approach would be 2 to 4 times the size permitted under the current EPA PSD regulations. For plants in elevated terrain the situation can be quite different. For example, an isolated terrain feature, such as a butte, would be expected to experience only a few days a year of high concentrations because the meteorological conditions causing plume impaction are infrequent. Hence, the 95 percent con-

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[1] The Senate and Conference Bills provided a procedure whereby Class I requirements could become more or less stringent than the specified Class I increment.

[2] *Model Validation and Time-Concentration Analysis of Three Power Plants*, EPA-450/3-76-002.

centration (i.e., 95% of the days the values would be lower) could be about one tenth of the maximum at that location. Under the Senate PSD proposal the maximum yearly value could not exceed the Class I increment however, under the 18 day (5%) variance approach only the 95 percent concentration would have to meet the Class I increment. Therefore, in areas of elevated terrain the 18 day variance could allow maximum emissions to increase by as much as a factor of ten and still meet the Class I increment. Thus, maximum allowable plant size could also increase by a factor of ten under these conditions.

In general, where facilities are unlikely to cause high concentrations in Class I areas for more than 18 days, then the emission increases due to the 5 percent variance provision can be quite dramatic. These conditions are likely to be encountered: (1) in areas of complex terrain as often occurs in the Southwest and (2) in cases where prevailing winds carry pollutants away from Class I areas. Under such circumstances coal-fired power plants, perhaps as large as 4000 MW, could be built within 10 miles of a Class I area. Because of the large emission increases allowed by the variance provision, the effect of the Class I increments for preventing significant deterioration and protecting scenic vistas is severely minimized.

III. VISIBILITY EFFECTS OF INCREASED EMISSIONS FROM THE FIVE PERCENT VARIANCE PROVISION

Visibility in the atmosphere is reduced by the absorption of light primarily by gaseous molecules and the scattering of light principally by aerosol particles. Attenuation by scatter and absorption of light reduces the brightness and contrast between objects with the result that the eye's ability to distinguish objects from their background is diminished. In addition to degrading visibility by attenuation, aerosols also scatter light from the sun and sky into the line of sight of the observer and this also reduces the contrast and visibility between the object and its background.

The principal air pollutants associated with absorption of light are nitrogen oxides (NO_x), specifically nitrogen dioxide (NO_2). Fine particulates in the size range 0.1–1.0 micrometers are most effective in scattering light and are responsible for most of the impairment of visibility in polluted air. Chemical composition studies have indicated that the sulfate and nitrate (which are formed by reactions with nitrogen oxides) fraction of the particulate complex are the major fine particulate constituents contributing to visibility impairment.

In pristine areas where the air is clean and visibility is at its maximum, about 140–150 miles, small increases in fine particulates, such as two micrograms per cubic meter, can significantly reduce visibility in these areas by 30 percent or more. Thus, the impact of increased emissions on visibility from the 5 percent variance provision will be to increase the frequency of days with poor visibility in Class I areas and also to reduce the average visibility in areas surrounding the source.

Visibility degradation by large point sources involves two separate cases: (1) the local plume problem and (2) the degradation of visibility on a regional scale. The local plume problem occurs within 20–25 miles of the source and visibility impairment is dominated by nitrogen dioxide (NO_2), TSP and possibly nitrates. The regionwide problem involves haze generated principally by sulfates and nitrates.

For well-controlled sources of sulfur oxides and particulates where the particulate plume is not visible, such as the Navajo plant, absorption by NO_2 is probably the major contributor to visibility degradation near the source. While the PSD provisions do not establish specific increments for NO_x, nevertheless, the 18 day (5%) variance provision will result in substantial increases in NO_x emissions above the current PSD requirements because of significant increases in plant size allowed in close proximity to Class I areas. This situation is particularly serious for large coal fired power plants using BACT and low sulfur coal, since resulting SO2 and TSP concentrations are relatively low near the source in comparison to NO_x concentrations and hence can site very near the boundary of a Class I area. The 18 day (5%) variance provision will allow construction of substantially larger sources even closer to Class I areas, and the increased nitrogen dioxide concentrations will significantly impair the visibility in and around Class I areas. The current Senate PSD proposal would substantially reduce this problem by preventing the construction of large sources near the boundary of Class I areas.

Site specific analysis—Intermountain Power project

The Intermountain Power Project (IPP) is a 3000 MW coal-fired power plant which is currently proposed to be located at Cainville, Utah about 7.5 miles east of the Capitol Reef National Park. The control techniques proposed for IPP consist of 99.5% efficient electrostatic precipitators and horizontal cross flow flue gas scrubbers for sulfur dioxide removal. The scrubber is projected by the company to be 90% efficient for SO2 removal and also to remove 50% of the remaining particulates. Thus, the plant is projected to have 99.75% particulate removal and 90% SO2 removal. No control of the nitrogen oxides is planned.

The proposed IPP project will burn coal with a heat content of 11,500 Btu/lb and a sulfur content of 0.55 percent. With this coal and the controls described above, the emissions from the plant, assuming normal operation and an 85% load, will be as shown in the following table.

IPP plant emissions[1]
(Normal operation—85 percent load)

	Tons/hr.	Tons/day	Tons/yr.[2]
Particulates	0.18	4.3	1,183
SO_2	1.23	29.5	8,081
NO_x	10.43	250.3	68,525

[1] Based on data submitted to BLM for the Environmental Impact Statement.

[2] Assuming a 75 percent capacity factor.

EPA modelers have not performed any in-depth modeling evaluations of the IPP project, however they have reviewed the Westinghouse Research evaluation. Also, the Department of Interior's Bureau of Land Management (BLM) is currently preparing the environmental impact statement (EIS) for the project. A draft of the EIS is due to be available October 2, 1977, and this will be reviewed by EPA.

Based on the preliminary draft air quality analysis prepared by representatives of the proposed IPP project, it appears that the proposed plant would be in compliance with the Senate Class II or EPA Class II and Class III increments, provided that the two concentric 750-foot stacks are used. In addition, with the proposed stack configuration, there would be no violation of the National Ambient Air Quality Standards. It should be noted, however, that the IPP air quality predictions appear to be based upon full operating capacity of the plant and a unique stack configuration which has two 30 foot diameter liners in each stack. While maximum operating rates ordinarily result in the highest concentrations, the ground level concentrations from the Intermountain Plant may be higher at less than maximum operating rate because the exit velocity and flow rate from the stack is reduced, resulting in lower plume rise. Particularly in the case of the IPP plant, the two-liner stack configuration may produce significant differences in plume height with partial operating rates or generating unit outages. Due to the high terrain features near the plant, reduced plume rise could cause the plume to intersect the terrain at different locations and result in higher ground level concentrations than predicted by IPP.

It should also be noted that the Clean Air Act Amendments under consideration in the House have provided for a limitation of allowable stack height, which may preclude the proposed 750 foot stack configuration. Therefore, the IPP air quality analysis would have to be re-estimated, taking the lower stack height and resulting higher ground level concentrations into account.

Regarding the effects of the proposed plant on Capitol Reef National Park, the Senate Class I increments would be exceeded in several locations with the present plant site proposal, and the present never-to-be exceeded standard. This is because of the elevated terrain in the area intersecting the plume. If the IPP plant were to remain at the present site, it would have to reduce its capacity to approximately 500 MW to meet the current PSD provision. It should be noted that the EIS on this project is evaluating six alternative sites, three of which are 18 to 25 miles east of the proposed site and the others are to the northeast. The 18 day (5 percent) variance provision would allow construction of the IPP plant and possibly even a slightly larger plant at the proposed site, while the current Senate PSD provision would require the plant to find a more suitable site.

To estimate the effect the IPP plant would have on visibility we used, as a starting point, model calculations performed by Dr. Mike Williams of the John Muir Institute. Williams' calculations were presented in his testimony before the House Subcommittee on Health and the Environment on March 8, 1977.

Basically we used a range of concentrations corresponding to applications of two different air quality models, the EPA VALLEY model and the Williams and Cudney air quality model. The extinction coefficients per unit mass for sulfates, nitrates and TSP were taken from preliminary results developed by the Technology Service Corporation. Before discussing the calculations it is important to note that because of the state of the art of visibility prediction any results should be interpreted with caution.

Our analysis indicates that the IPP plant will reduce the one-hour average visibility, when the observer is looking through the plume, by up to 80%.[3] The more extreme end of the range will occur during morning hours when meteorological conditions are typically stable. The corresponding one hour reduction for a 500 NW plant at the IPP site meeting EPA PSD regulations is only 11%. The 24 hour average visibility reduction for the IPP plant can be as large as 36% while the comparable figure for a plant meeting the EPA PSD provision is only 5%. Thus, the placement of the IPP plant so close to the boundary of the park will increase the frequency of days with poor visibility and significantly impair the scenic vistas from the Capitol Reef Park. In addition to when the plume is directly impacting the park, the presence of the plume in adjacent areas can impair the beauty and primitive values of the park.

IV. ENERGY GROWTH UNDER CURRENT SENATE PSD PROVISIONS

EPA analyses have shown that the aggregate impact of the PSD provisions would not prevent the construction of new economically

[3] These estimates are not meant to be precise numerical projections of future reductions in visibility, but rather rough indications of the magnitude of the problem.

sized major facilities.[4] For example, under the Senate PSD proposals the present and projected capacity through 1986 of the Four Corners and San Juan power plants plus the four gasification plants planned by El Paso and WESCO could be built without violating the PSD Class II increments nor increments in nearby Class I areas. Thus, major energy complexes can be constructed under the Senate PSD provision without the need for a variance, provided adequate environmental controls are employed. Furthermore, the impact on coal fired power plants was examined using a 74 plant sample of planned capacity additions representing 32% of planned additions through 1983. It was found that when best available controls are applied all but about 5% of the plants could be built under the Senate Class II increments. These impacted plants could also be constructed but would have to reduce their capacity or move to nearby alternative sites. The analysis also found that none of the plants would have difficulty with the Senate Class I requirements.

Analysis of the Senate proposal including the application of BACT indicated that 1250 NW to greater than 5000 NW could be built in flat or moderate terrain. The analysis also showed that terrain has an important impact on the size of the plant that can be built. Specifically, in areas of hilly terrain (where surrounding terrain is considerably above the top of the stack) an 1100 NW plant could be built in the East and greater than a 4000 NW plant in the West using locally available coal. The EPA analyses also estimated the required separation distance between new power plants and Class I areas. Under the Senate proposal a 1000 NW plant using BACT and located in areas of flat or moderate terrain could be located as close as 5 to 20 miles from a Class I area. In hilly terrain 25 to 42 miles would be required.

It should be emphasized that the results above are estimates based on assumptions concerning terrain, control technology and meteorological conditions; a case-by-case review of each site would be required in order to obtain site-specific estimates. However, the results clearly show that new powerplants can be built under the proposed PSD provisions. The impact of PSD provisions is on the controls required, the plant location, or the plant size. The EPA assessment also indicates that there are a sufficient number of acceptable sites available for construction of new coal-fired power plants even with the imposition of PSD provisions. The PSD provisions would require some new plants to use greater pollution controls, to move to alternative sites or to construct smaller plants, but would not prevent the construction of major industrial facilities.

V. TECHNICAL MODELING DIFFICULTIES

The difficulty in analyzing the size of a facility permitted in a Class II area and at a location near a Class I area (or, similarly, the distance a certain size facility must be from Class I area) depends upon the specific terrain characteristics and the distances involved. In areas of flat or moderate terrain, it is possible to estimate concentration levels which would occur for different percentages of the days with reasonable accuracy with present dispersion modeling techniques for distances up to 30 miles. For example, models such as EPA's Single Source Model (CRSTER) generate cumulative frequency distribution of the concentrations which can be used to find the 95 (or any other) percent concentration which would occur in the vicinity of the plant.

[4] "Summary of the EPA Analysis of the Impact of the Senate Significant Deterioration Proposal" April 1976, and additional studies on the Kraft Pulp and Paper Industry, the Petroleum Refinery Industry and Synthetic Fuel Plants.

In areas of complex or rugged terrain (where plume impaction is anticipated) or in the case of greater distances, the difficulty of air quality analysis increases considerably. While present analytic tools (such as the VALLEY model) are capable of estimating concentrations which would result during critical meteorological conditions, they are not well suited for estimating the frequency of occurrence of concentrations. Such calculations require detailed analysis of upper and lower atmospheric data, often with hand adjustments to account for meteorological persistence and plume travel time. Consequently, a percentage provision would require a significant commitment of time and resources by atmospheric specialists with a broad range of experience and knowledge. It would also require detailed administrative guidance to assure the adequacy of data and the proper use of technical assumptions. Even then, such prediction would involve a high degree of uncertainty.

Computerized models to better handle terrain situations and long distance transport are under development, but significant improvements beyond existing models are not expected for some time. Even with model improvements extensive, costly, long duration meteorological data acquisition and analysis studies will be required. The data acquisition could delay the new source review process for years. The reviewing agencies as well as industries are not equipped for such extensive and costly studies on a routine basis.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., June 7, 1977.

Hon. EDMUND S. MUSKIE,
Chairman, Subcommittee on Environmental Pollution, Committee on Environment and Public Works, Washington, D.C.

DEAR MR. CHAIRMAN: We would like to take this opportunity to summarize several of the key findings of the Administration's study of the impacts of various automobile emission standards now under consideration by the Congress. There has been some misunderstanding of the effects of the Administration's recommendation, the proposal contained in S. 252, and the Griffin/Riegle amendment. Since this issue is of such importance to our ability to meet our air quality, public health and energy objectives, we felt this clarification would be helpful.

As you are aware, the Environmental Protection Agency, the Department of Transportation, and the Federal Energy Administration, recently prepared "An Analysis of Alternative Motor Vehicle Emission Standards", dated May 19, 1977. That study assesses air quality, health, cost, fuel economy, and economic consequences of specific automobile emission control alternatives currently before Congress. In brief, the study concludes that:

1. Both the Administration's and the Senate Environment and Public Works Committee's proposed emission standards can be met with little or no fuel economy penalty compared with 1977 technology and emission standards if the industry employs the optimal fuel economy technology. The three agency study also shows that there is essentially no fuel economy difference between the Griffin/Riegle proposal on the one hand, and the Administration's or the Committee's proposal on the other.

2. The Griffin/Riegle proposal contains a waiver up to a 2.0 gpm NO_x level. At this level there is a greater likelihood that automobile manufacturers will continue with existing cost optimal technologies, than of switching to the fuel optimized technology which is expected to result from the 1.0 gpm NO_x level as proposed in S. 252 and the Administration's recommendation. If 2.0 gpm NO_x remains the ultimate standard, as is possible under the Griffin/Riegle amendment, 1978–1985 model year vehicles could be consuming in calander year 1985 as much as 94,300 barrels per day more gasoline.

3. There are sizeable air quality gains from S. 252 or the Administration's proposal compared to the Griffin/Riegle amendment. For example, the Griffin/Riegle proposal's carbon monoxide standard is estimated to result in a 65 to 130 per cent greater number of violations of the CO air quality standard between 1980 and the year 2000 than is expected with the carbon monoxide emission standards in the Administration's proposal.

In summary, the three agency study indicates that there is no cost, fuel economy, or technological justification for the extent of the relaxation and delay in auto emissions standards as proposed by the Griffin/Riegle amendment. The Administration opposes adoption of this proposal.

BROCK ADAMS,
Secretary, Department of Transportation.

DOUGLAS M. COSTLE,
Administrator, Environmental Protection Agency.

JOHN F. O'LEARY,
Administrator, Federal Energy Administration.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 5, 1977.

Hon. EDMUND S. MUSKIE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUSKIE: I wish to reemphasize the Administration's support for a strong Prevention of Significant Deterioration in Air Quality (PSD) provision in the Clean Air Act Amendments of 1977.

I recommend that the Senate preserve the type of strong PSD provision as was voted out of the Senate Committee on Environment and Public Works for strongest limitations on new or modified sources in or adjacent to areas designated as pristine and reject the weakening of the PSD provision as was done in the House of Representatives on May 25. This weakened provision would permit relaxation of Class I and Class II protection by allowing maximum pollution increments to be exceeded 5 percent of the time. In effect, this would result in higher levels of air pollution in and around parks all of the time. In my view, if the present House of Representatives version of PSD in this area becomes law, the unique scenic and natural values of nationally significant parklands and wilderness areas will be put in unacceptable jeopardy.

The premier values of our national parks and wilderness areas are held in high regard by the Nation, and high standards for protecting these values have been set down in numerous Acts of Congress. I recommend that the Clean Air Act Amendments of 1977 likewise contain high air quality standards for these most important of our Nation's natural areas.

I understand that one of the principal reasons behind the recent amendment to the House PSD provision was to permit flexibility in the siting of large fossil-fueled powerplants and enable their development in the immediate vicinity of national parks. It is obvious that the exercise of this flexibility would virtually destroy the purpose of Class I status and would result in the imposition of degraded air quality on supposedly protected areas.

This Department has now before it a number of proposals for the location of fossil-fueled powerplants or for ancillary development directly related to plant development. An example is the Intermountain Power Project in southern Utah. The primary site, proposed by the project proponents, is on public land in the immediate vicinity of Capitol Reef National Park. From the results of preliminary air pollution studies done for the project, we have an indication of the

plant's potential impacts on the park. This project would depend for its operation on millions of tons of federally owned coal and would require permits and rights-of-way from the Department of the Interior for mine sites, the powerplant site, transmission systems, and water delivery systems.

The President has instructed me to review all existing and potential Federal coal leases, to assure that any development of federally owned coal takes place only under circumstances that provide adequate environmental protection. In carrying out the President's instructions and in the exercise of my responsibilities as Secretary of the Interior, I will take into consideration the impacts that the Intermountain Power Project and that other plants in similar circumstances would have on the air quality within pristine Federal lands. I will take appropriate actions to ensure that the unique natural values of these lands are properly protected.

We believe that the PDS provision adopted by the Senate committee for the protection of certain national parks and wilderness areas will not only provide protection from deteriorating air quality for the identified Class I areas, but it also lays the foundation for the orderly planning and development of coal-burning powerplants. This Department will cooperate with the States, the utility companies, and all other parties in expediting the exercise of those Federal responsibilities involved in the development of plants sited where plant operations do not meet appropriate environmental standards.

I vigorously recommend that the Senate and the Conference Committee preserve a strong PSD provision to ensure that our national parks and wilderness areas receive the highest possible protection for deteriorated air quality.

CECIL D. ANDRUS,
Secretary.

REBUTTAL TO SENATOR GARN'S STATEMENT "CLEAN AIR ACT—NO GOOD FOR ENERGY", CONGRESSIONAL RECORD MAY 19, 1977

Statement: It is impossible to reconcile the stated goal of coal conversion with the stated position of the Administration on clean air.

Fact: Even when new sources are required to use the best available control technology, coal use is projected to increase from the present 600 million tons per year to about 1.2 billion tons per year by 1985. Ninety percent of the sources required to use coal will be new sources, and most will be located in clean air areas, where new power plants typically locate. The EPA/FEA analysis of nondegradation policy of the Senate bill conducted in 1975 and 1976 shows there is more than ample opportunity for siting all the power plants needed.

In the case where the use of coal in an urban area would worsen air quality that is already dirtier than public health standards allow, the President has agreed that exemptions allowing the use of oil would be granted. Even if a number of such waivers are granted, the impact on coal use will be very small, since the growth in the use of coal is projected to occur outside such areas. These positions are contained in the President's National Energy Plan, and in information presented at the hearing held by the Environmental Pollution Subcommittee May 25, 1977, to discuss coal conversion and clean air.

Statement: Owners of plants ordered to convert to coal will have to find "offsets" from reduced emissions at existing facilities before they will be allowed to convert.

Fact: Sources located outside dirty air areas, where most expansion is proposed, are not required under any regulations or any proposed legislation to find such offsets. Only sources that convert or construct new coal facilities in dirty areas are required to consider such offets, and not all of those will be required to gain offsets. Only if the portion of the area impacted by the converting plant would be dirtier than the public health standards would such facilities be required to find offsets. If this requirement were relaxed, then there would not be any way to protect the public health of citizens. Offsets are a useful way of assuring that clean-up progress continues. Offsets have already been found in many cases for locating new plants.

Statement: Where background pollution is above the standards, no offsets would be available.

Fact: This is untrue; offsets have already been found in areas where levels exceed standards and sources have been allowed to go forward with construction. Under present EPA policy (which would be continued under the Senate bill), sources in rural areas where the pollution results from long distant transport from urban areas are not required to find offsets. In this case, the clean up effort must be targeted in the urban area causing the problem.

Statement: In nondeterioration areas, conversions would be virtually impossible:

Fact: This is absolutely false. There is no information presented to justify this statement. In fact, the overwhelming evidence presented in the last two years regarding nondegradation policy indicates ample room for development of industrial facilities fired by coal-fired burners. Large power plants, large paper mills, refineries, coal cleaning plants, asphalt batching operations, and hundreds of other sources have already been approved for construction under the present EPA Class II increments. Those same increments are contained in the Senate bill. Any statement to the contrary ignores the extensive studies which show such growth is available and ignores the actual record of the past two and one-half years, which shows that hundreds of facilities have been given permits under the nondegradation requirements.

Statement: Either the push to coal conversion will have to be eased, or some relaxation will be needed in the nonattainment provisions of the Clean Air Act.

Fact: Such relaxation is not needed, and to propose it is to propose eliminating the public health protection of the Clean Air Act. To argue that pollution should be allowed to increase in areas that exceed public health standards is to argue that this nation cannot protect the public's health regarding air quality.

Such a policy is unnecessary and unwarranted Such a relaxation is not required in order to meet the President's energy plan goals. As mentioned earlier, the majority of increased coal use will occur outside nonattainment areas. When coal conversion does occur inside nonattainment areas, offsets can be found contrary to the assertions made. To say that offsets cannot be found is to give up before an effort is even made to find such offsets.

The President's projections on increased use of fuel already contain the assumption that in the dirtiest areas conversions would not occur if air quality would deteriorate. The projections set forth by the President in his plan already assumed that coal could not be used in such areas; therefore, a reduction in the projected increase in coal use is not necessary since the President's calculations already contain a discount for this policy.

Statement: Even the best scrubbers for power plants will not yield 100% elimination of pollutants. Current emission standards will therefore eliminate many converted plants, even if it could find the offsets to use.

Fact: This statement demonstrates a basic lack of understanding of how the Clean Air Act requirements presently work. This statement is erroneous, probably as a result of this lack of understanding.

Most State Implementation Plans contain different emission limitations for different kinds of fuel burned in boilers. In most States, when a source switches from one fuel to another, the emission limitation becomes whatever level is allowed for the new kind of fuel used. If a switch from oil to coal occurs, the old limitation based on oil does not transfer to the use of coal. Misunderstanding of this fact may be the reason for the erroneous statement.

In many State plans, emission limitations for coal plants do not contain stringent requirements because most of the sources in the area use natural gas or oil. In such cases, emission limitations for coal-fired facilities will have to be tightened, but this will not preclude the use of coal, but merely require that the best pollution control equipment be installed. This is a feasible and workable policy.

Statement: The requirement for the use of best available control technology is highly energy consumptive. Consumption for the average industrial plan may increase by as much as 10%.

Fact: The EPA/FEA study entitled "A Preliminary Analysis of the Economic Impact on the Electric Utility Industry of Alternative Approaches to Significant Deterioration", February, 1976 states on page V–2 that the increased energy use as a result of the best available control technology under the Senate nondegradation provision would increase coal consumption by 0.6% by 1990. This is not an excessive amount to pay for keeping clean air areas clean. Any additional energy use for new coal facilities in dirty air areas would even be less than this amount, since many fewer facilities are projected to use coal in such areas under the President's plan.

While there are some individual plant cases where energy use at older and poorly designed facilities may increase by 10%, the average use is considerably below this figure.

Statement: The cost of coal conversion for the consumer will be enormous. The cost of scrubbers for the electric utility industry alone will be about $12 billion.

Fact: The $12 billion cost to the electric utility industry for scrubbers represents an increase of 2.6% in the industry's projected capital requirements. The utility industry is expecting to spend $435 billion for capital expansion between now and 1990. $12 billion for pollution control sounds large when it is stated alone, but when compared to total capital investment for the industry as a whole, it is a modest and reasonable investment.

Statement: Industry has abandoned oil shale development in Utah and Colorado because hydrocarbons produced by natural vegetation already exceed the standards.

Fact: These projects have been delayed and abandoned principally because of the economic difficulties and technological problems associated with the processes. Background levels of hydrocarbons, if they do exceed the standards, appear to come from the long distant transport of pollution from urban areas to the west of the oil shale sites, particularly from Salt Lake City and the Wasatch Front in Utah. Under EPA regulations, these rural oil shale facilities would not be precluded as a result of this long term transport.

Mr. STEVENS. I ask for the yeas and nays on my substitute.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MUSKIE. I yield 2 minutes to the Senator from New Mexico.

Mr. DOMENICI. We have 2 minutes remaining?

Mr. MUSKIE. Yes.

Mr. STEVENS. The Senator from Utah wished to have some time.

Mr. MUSKIE. How much time would the Senator like?

Mr. GARN. Two minutes.

Mr. MUSKIE. All right. I yield 2 minutes each on the bill to the Senator from New Mexico and the Senator from Utah.

Mr. DOMENICI. I would say to the Senator from Alaska before he leaves, I would make just an observation. Whether or not there is a change in this over in the House in terms of who grants it, the problem with the way the matter was presented in the House and presented by way of public dissemination is that you make it sound like the Governor is going to pick out the 18 bad days and waive the violation of the increment set in this act.

Well, there is no such thing. The Senator's amendment does not do this. This is a quantity waiver. If you model for a year, and you take the 18 worst days, you model them in to arrive at this standard. If you take them out, it is not the 18 days you are talking about. You get a level for the whole year that is substantially different than it would be but for the 18 days.

Mr. STEVENS. That is not true.

Mr. DOMENICI. That is absolutely true. There is no other way to do it. No Governor is waiving under the Senator's amendment, if he finds it, saying "Today is a bad wind day, go ahead and breach it." It is all model. You go out and make all of these kinds of evaluations in advance, including the wind, and the amount of pollutant, CO_2 of particulate and if you take out the 18 bad days you have just set a quantity level that is available all year long, not for 18 days, and that is the last part of Senator MUSKIE's evaluation to you. You, therefore, permit two things: You permit all year long more of the two pollutants; and the second thing is you permit a much larger facility. So it is not a rather meager waiver because of 18 days; it is a substantial waiver, because the 18 bad days are taken out.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Utah is recognized for 2 minutes.

Mr. GARN. I thank the Chair.

One thing in the 2½ years I have been in the Senate I have learned is how to count. Therefore, I would like those who would have supported my amendment to know that I will support the substitute of the Senator from Alaska.

I cannot quit, however, without making a brief remark about the distinguished Senator from Maine. He, in his usual brilliance, is articulate, colorful, intelligent, entertaining.

Mr. MUSKIE. But wrong.

Mr. GARN. In his summary he talked about fairytale characterizations of my amendment and the amendment of Senator STEVENS.

That is a matter of judgment. I would suggest his summary applies to many of the arguments we have heard on the other side today, the tremendously distorted viewpoint of what these two amendments will do.

They are minor variations, and I would suggest there has been an absolute ignoring of a former Governor of Utah for 12 years, a good friend of the Senators, a democratic Governor, the present democratic Governor, the Senators from Utah, the people of Utah, all have been ignored, and I would suggest that we know a little bit more about the effect of this bill on our State than the distinguished Senator from Maine.

I sincerely hope, because of the disregard, the total unwillingness to look at a minor variation, that the Indians get Maine back.

[Laughter.]

The PRESIDING OFFICER (Mr. ANDERSON). The Senate will be in order, please.

Mr. McCLURE. Mr. President, will the Senator from Vermont yield to the Senator from Idaho 2 minutes on the bill?

Mr. STAFFORD. The Senator from Vermont is glad to yield 2 minutes to the Senator from Idaho on the bill.

Mr. McCLURE. I thank the Senator for yielding his time.

I suspect what I say will be anticlimatic, and I apologize to the Senator from Utah for doing that. But I do want to underscore what the Senator from New Mexico has said. He is exactly right. When you ignore the 18-day peaks, the peaks of 18 separate times, you allow the base of the model to be elevated and the question is not whether that has that effect; the question is whether or not that is too bad an effect. It is a matter of judgment as to how much basic pollution should be permitted in the clean air areas. There will be an increase under the amendment of the Senator from Alaska, but that is an increase of a very small proportion over current conditions in the dirty air areas. And it may be something for the States that desire some economic progress and wish to strike a different kind of a balance than perhaps some of the rest of us wish. Perhaps that is a judgment matter that each Governor may exercise under this. It is a matter that each Senator must now exercise. But we should not ignore the truth of what the Senator from New Mexico has stated.

Mr. HANSEN. Mr. President, will the distinguished Senator from Vermont yield me 2 minutes on the bill?

Mr. STAFFORD. The Senator from Vermont will be very happy to yield 2 minutes to the distinguished Senator from Wyoming on the bill.

Mr. HANSEN. Mr. President, this morning the Energy and Natural Resources Committee held oversight hearings on the strategic petroleum reserves. Appearing before the subcommittee was the Director of the FEA. Director O'Leary made the point that we are presently importing roughly one-half of the petroleum that we use each day in the United States.

We asked him what fuel savings the United States could achieve if it were to put in place every conceivable effort of which we are capable as a people and as a nation in order to reduce our need for petroleum.

He said: "We can probably save about 2 million barrels a day."

Then I asked him what he thought we might anticipate, what we might expect to be denied us, given the worst situation that could result from a cutoff of this petroleum supply.

He said: "3¼ million barrels a day."

I think what we need to understand, as we are debating where we should draw the line on the tolerances we are going to allow—over a short period of time—is, what is the bigger picture.

The Director of FEA said that if we had a cutoff of our supplies of more than 2 million barrels of petroleum per day it would visit nothing but the most severe consequences upon the United States. It would put people out of work. It would close down factories. He implied that it would seriously jeopardize our national security defense capability.

I make this observation simply to illustrate that it is all well and good to say what we wish to have is the way of clean air. It is all well and good to say what we wish to have in every other situation. But that is not where we are today. Today, we are in a very critical situation.

I am going to vote for this amendment because it seems to me the alternatives that have been talked about here have to be less severe than what would result if we are cut off.

ADDITIONAL STATEMENTS SUBMITTED

Mr. ABOUREZK. Mr. President, it is time we put in perspective just what the meaning of this significant deterioration provision is. In simplest terms, the Environment and Public Works Committee has recommended that we set aside 1.3 percent of our country as space where the quality of the air should be protected. On the other hand, the proponents of the amendment would ask that we allow all the air to become polluted in the name of economic growth and energy development. Given the outstanding significance of the land recommended for protection, I believe the amendment to be completely unreasonable.

The Congress originally intended, and the Supreme Court upheld that intent, that the Clean Air Act prevent any significant deterioration of air quality in clean air areas—particularly places like national parks and wilderness areas. It is clear that the Environment and Public Works Committee's intent has been to reaffirm that position. The committee has labored over this provision in an attempt to reach a reasonable balance between providing for necessary growth and protecting important natural resources. They have made some hard decisions. Some outstanding natural areas like national monuments, recreation areas, primitive areas and others will have to suffer some deterioration in their air quality in order to permit growth and energy development. Only the most outstanding places—national parks and wilderness areas—will be protected. Even in these areas they have provided flexibility, allowing the Secretary to determine whether a proposed facility will adversely affect a class I area. The facility can then be built if the Secretary agrees. Dr. Schlesinger has supported this approach as fair and balanced and Secretary of the Interior Andrus has joined him in this.

As chairman of the Parks and Recreation Subcommittee, I am very much aware of the tremendous, and ever growing, importance of natural areas to the people of this country. The educational and psychological importance of these areas should not be taken too lightly. And the economic benefits to local communities as well the millions of dollars spent in travel to these areas should not be discounted. Diminishing the scenic vistas and the fresh air of these areas eliminates one of their most important values.

The commitment of the people to the preservation of some natural space should not be underestimated. In 1976 there were 268 million visits to national parks—more visits than U.S. citizens. And my colleagues are well aware of the public outrage any threat to the integrity of one of these areas can bring about.

Furthermore, the Federal Government has a special responsibility—as a steward—to these areas. Since 1916 we have spent over $4 billion expanding and protecting the national parks alone. This money was spent to insure the existence of such areas, in their original condition, for future generations. We have both a legal and a moral responsibility to continue this effort. The amendment now before us would effectively eliminate the ability of the Federal Government to protect national parks and wilderness areas from severe degradation of their air.

The EPA has said that the effect of this amendment would be to permit up to 12 times as much pollution in these areas as the committee bill would permit. The pollution would reduce visibility by about 75 percent. In areas where scenic vistas stretched for a hundred miles, the visibility would be reduced to 23 miles. Once clear blue skies would be covered with haze. An analysis by Dr. Michael Williams likens the conditions permitted by this amendment to placing three New York cities next to a national park.

I believe the committee has produced a fair and responsible significant deterioration position and I urge my colleagues to join me in supporting it.

Mr. JACKSON. Mr. President, it is essential that the Congress insure that greater coal utilization is accomplished consistent with environmental policies. The formulation of a national energy policy that reduces our reliance on oil imports is equally important with environmental protection. Therefore, it is critical for us to consider this interrelationship if not here today, then in the months ahead.

The Congress is now debating in committee the elements of that energy program. Special concern is being given to those proposals that will lessen the Nation's painful dependence on foreign sources of fuel. We must shift our energy reliance to facilitate greater use of our own natural resources, particularly coal. My particular concern is that new energy facilities be able to rely on the use of coal. However, the legislative proposals on coal before the Committee on Energy and Natural Resources require that exemptions from the use of coal be provided whenever any applicable environmental standards cannot be met. This is the case regardless of the basis for the standard. No mechanism is available to resolve conflicts in those instances where it is clearly in the public interest that coal be utilized.

In testimony before the Committee on Energy and Natural Resources, on May 25, 1977, on the basis of the administration's proposed coal legislation, amendments were proposed to the Clean Air Amendments of 1977. Their proposal was based, I emphasize, on eventual enactment of legislation.

Mr. President, I am concerned for the potential adverse impact of these amendments on the need to foster greater coal utilization. I am aware of the similar concern of the Senator from Maine (Mr. MUSKIE) and the distinguished chairman of the Committee on Environment and Public Works (Mr. RANDOLPH). Therefore, I must ask the chairman of the Subcommittee on Environmental Pollution this question. When the Committee on Energy and Natural Resources has formulated its basic legislation on coal utilization, would you agree to examine the Clean Air Act and the present amendments to assure maximum flexibility with respect to the use of coal? And, if appropriate, consider further amendments to the Clean Air Act?

Mr. MUSKIE. Mr. President, I concur with the Senator from Washington (Mr. JACKSON) that resolution of apparent conflicts between potentially competing national policies requires a continuing review of existing law and where necessary amendment. This has been the history of the Clean Air Act.

As chairman of the Subcommittee on Environmental Pollution, I intend to continue to work with you to assure that national efforts to assure greater coal utilization are not frustrated. This was the procedure followed when the Energy Supply and Environmental Coordination Act of 1974 was enacted. And we will continue to follow that procedure.

NONDETERIORATION PERMIT PROGRAM

Mr. DOLE. Mr. President, the effort to sustain the quality of the air we breathe has been, and will continue to be, a matter of primary attention and importance. For concentrated industrial areas this will involve an effort to clean up ambient air quality to the extent possible, while for relatively "clean" areas like Kansas, the effort will involve a reasonable approach to maintaining healthy air standards in the face of future development. Air quality maintenance must be a principal environmental goal of this Nation. Yet, the approach to this goal must be practical and well-balanced.

In order to facilitate a coordinated approach to air quality management, Congress has, during the last 10 years, initiated legislative guidelines to cover several aspects of air quality management. While recognizing that States and localities must exercise a large share of responsibility in regulating air quality, Congress has nevertheless sought to provide the stimulus and the encouragement for active management programs and I have supported these legislative initiatives in the past.

Most recently, in 1970, Congress established public health and welfare standards—air quality levels for public safety which "dirty" areas were encouraged to work toward. At the same time, the 1970 clean air legislation established a national mandate to "protect and enhance the quality of the Nation's air resources." Now, Congress has been asked to clarify its intentions for the nondeterioration permit program during work on Clean Air Act amendments this year. Needless to say, there has been a good deal of dispute about the precise nature which such a program should have.

As reported from the Senate Environment and Public Works Committee, S. 252 provides that for a new major emitting facility to obtain a permit in a nondeterioration area, the applicant must show that the facility would not exceed the class II increments at anytime and where applicable would not exceed the class I increments unless it could be demonstrated to the Federal land manager that there would be no adverse impact on air quality related values to the class I Federal land.

The Stevens-Johnston amendment would allow the Governor of a State, at his discretion when considering a permit, to allow the short-term increments to be exceeded up to but not more than 18 days during any annual period in class I and class II areas. Further, the pollution increase allowed during each exceedence will be strictly limited and is spelled out in the amendment. Health and welfare standards will be fully protected. Because of the vital flexibility which this amendment provides for industrial development in Kansas, I have decided to cosponsor the proposal.

The 18 days variance would not be uncontrolled or unlimited. It could be applied only once to any classified area, not to each source applying for a permit to construct. Further, once the allowable variance had been used up in a classified area, no additional exceptions could be granted.

NEED AND JUSTIFICATION FOR THE PROPOSAL

The restrictive nondeterioration provision currently in the bill could substantially and unnecessarily restrict growth in many areas of the country, including Kansas, and could prohibit projects already planned for construction.

Every study has shown that severe constraints are imposed in locating new facilities as a result of the short-term incremental limitations. For a small percentage of the time each year, compliance with short-term increments will be strongly related to the details of topography and meterology in each specific region. If no provision for these cases is made, site suitability will be controlled by details of local terrain and weather, rather than by strict emission limits and total growth limits in each region. Large areas of the country with clean air could be unnecessarily limited in their economic growth. Kansas, for example, has frequent dust storms which cause the 3-hour and 24-hour increments to be exceeded, and could easily hamper responsible industrial growth in the State. I would emphasize that all of the allowable increments in the bill are only fractions of the primary, health, and secondary, welfare, aimbient air quality standards. Accordingly, health and welfare would be fully

protected and would not in any way be effected by the proposed change.

Mr. President, I would never support any proposal which I felt could endanger the health or welfare of Kansans. Neither would I support a proposal which could impose a "no growth" standard on industrial location in Kansas. The provisions of the Stevens-Johnston amendment will fully protect the health of both our citizens and our industry, and I therefore give it my full support at this time.

Mr. BUMPERS. Mr. President, H.R. 6161, the House-passed version of the Clean Air Act Amendments of 1977, would amend section 111 of the Clean Air Act to define new source performance standards as the—

best technology system (adequately demonstrated) of continuous emission reduction . . . taking into consideration the cost of achieving such emission reduction, and any non-air-quality health and environmental impacts and energy requirements.

I understand that this language may have been intended to require EPA to compel the use of scrubbers at all new coal-fired powerplants in the United States.

The pending bill, S. 252, does not amend section 111. I would like to make explicit my belief that it is not the intention of the Senate to require that scrubbers be installed universally. While scrubbers may be appropriate at some powerplants in some States on certain types of coal, it by no means follows that that will be true in every State in the the Union. If a particular technology, other than scrubbers, is appropriate at a particular plant, our bill contemplates that a State could require that other technology under the best available control technology, BACT, provisions, so long as, at a minimum, the plant complies with new source performance standards.

At a time when this Nation faces a national energy crisis, States or regions with abundant low-sulfur coal or other low-polluting resources should be able to use these resources so long as they meet whatever uniform emission limitations EPA may set. The important point is whether the new source emission limitations are met, not the type of technology used to meet them.

Mr. President, I would like to ask the distinguished Senator from Maine, the manager of the bill, whether he agrees with this position.

Mr. MUSKIE. I agree with the Senator from Arkansas. New source performance standards are set forth as limitations on emissions. The means chosen to achieve those limitations is within the control of the owner of the source.

(This concludes additional statements submitted.)

The PRESIDING OFFICER. The Senator's time has expired.

The question is on agreeing to the amendment of the Senator from Alaska to the amendment offered by the Senator from Utah.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SPARKMAN (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Arkansas (Mr. McCLELLAN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. CRANSTON. I announce that the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. McCLELLAN), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "nay."

Mr. STEVENS. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 33, nays 61, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—33

Allen	Griffin	Nunn
Bartlett	Hansen	Randolph
Bellmon	Hatch	Riegle
Byrd, Harry F., Jr.	Hayakawa	Schmitt
	Helms	Scott
Byrd, Robert C.	Hollings	Stevens
Curtis	Johnston	Talmadge
Dole	Laxalt	Thurmond
Eagleton	Lugar	Tower
Garn	Matsunaga	Young
Glenn	McClure	
Goldwater	Morgan	

NAYS—61

Abourezk	Eastland	Muskie
Anderson	Ford	Nelson
Baker	Gravel	Packwood
Bayh	Hart	Pearson
Bentsen	Hathaway	Pell
Biden	Heinz	Percy
Brooke	Huddleston	Proxmire
Bumpers	Humphrey	Roth
Burdick	Inouye	Sarbanes
Cannon	Jackson	Sasser
Case	Javits	Schweiker
Chafee	Kennedy	Stafford
Chiles	Leahy	Stennis
Church	Magnuson	Stevenson
Clark	Mathias	Stone
Cranston	McGovern	Wallop
Culver	McIntyre	Weicker
Danforth	Melcher	Williams
DeConcini	Metcalf	Zorinsky
Domenici	Metzenbaum	
Durkin	Moynihan	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Sparkman, against.

NOT VOTING—5

Haskell	Long	Ribicoff
Hatfield	McClellan	

So Mr. STEVENS' amendment was rejected.

Mr. MUSKIE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. GRAVEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Utah.

Mr. METCALF. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senate be in order.

Mr. GARN. Mr. President, in view of this vote, in which I am naturally disappointed, and I believe the Senate in the future will live to regret the fact that they were not willing to give even a small variance for some of the Western States, I see no reason to put the Senate through a rollcall vote on my amendment and would ask unanimous consent to withdraw my amendment at this time.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. MUSKIE. Mr. President, I would advise the Senate that apparently we will be proceeding to the Riegle-Griffin or Griffin-Riegle amendment on which there is 4 hours of debate.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to consider that amendment. May we have order?

UP AMENDMENTS NO. 380

Mr. RIEGLE. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Michigan (Mr. RIEGLE), for himself, Mr. GRIFFIN, Mr. BARTLETT, Mr. BELLMON, Mr. DANFORTH, Mr. GARN, Mr. HATCH, Mr. LUGAR, and Mr. TOWER, proposes an unprinted amendment No. 380.

The amendment is as follows:

On page 93, strike out line 24 and all that follows down through line 10 on page 95 and insert in lieu thereof the following:

SEC. 20. (a) Subparagraph (A) of section 202(b)(1) of the Clean Air Act is amended to read as follows:

"(A) The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model year 1977 through 1979 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 1.5 grams per vehicle mile of hydrocarbons and 15.0 grams per vehicle mile of carbon monoxide. The regulations under subsection (a) applicable to emissions of carbon monoxide from light-duty vehicles and engines manufactured during or after the model year 1980 shall contain standards which provide that such emissions do not exceed 3.4 grams per vehicle mile. The regulations under subsection (a) applicable to emissions of hydrocarbons from light-duty vehicles and engines manufactured during or after model year 1980 shall contain standards which require a reduction of at least 90 per centum from emissions of such pollutant allowable under the standards under this section applicable to light-duty vehicles and engines manufactured in model year 1970.".

(b) Subparagraph (B) of section 202(b)(1) of such Act is amended to read as follows:

"(B) The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1977 through 1981 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 3.0 grams per mile. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured after the model year 1981 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 1.0 grams per mile except in the case of a revision or waiver by the Administrator under paragraph (5) or (6).'.

(c) Section 202(b) of such Act is amended by striking out paragraph (5) thereof and substituting the following:

"(5)(A) Upon the petition of any manufacturer or on his own motion, the Administrator, after notice and opportunity for public hearing, shall revise the standard re-

quired under subparagraph (B) of paragraph (1) with respect to light-duty vehicles and engines manufactured during any period of two or more model years beginning after the model year 1981 if he determines that such standard should be revised due to (i) the lack of available, practicable, emission control technology to meet such standard during such period, (ii) the cost of compliance with such standard, and (iii) the impact of such standard on motor vehicle fuel consumption. No such revision may be made if the Administrator determines that such revision would endanger public health.

"(B) a revised standard established under this paragraph shall provide for such reduction of emissions of oxides of nitrogen from light-duty vehicles and engines as the Administrator deems appropriate based on (i) technology which is available and practicable during the period for which such standard applies, (ii) the cost of compliance, (iii) the impact on motor vehicle fuel consumption, and (iv) the need to protect public health. No such standard shall permit emissions of oxides of nitrogen in excess of 2.0 grams per vehicle mile.

"(C) a revised standard promulgated under this paragraph shall apply for a period of not less than two model years.

"(D) A revised standard established under this paragraph shall take effect beginning with the third model year which begins after the model year during which it is promulgated. In the case of a petition submitted by a manufacturer under this paragraph within such period as may be appropriate for purposes of this subparagraph, the Administrator shall promulgate a revision, or refuse to promulgate such a revision, within ninety days after the receipt of such petition.

"(6)(A) Upon the petition of any manufacturer, the Administrator, after notice and opportunity for public hearing, may waive the standard required under subparagraph (B) of paragraph (1) for any class or category of light-duty vehicles and engines manufactured by such manufacturer during any period of four or more model years beginning after the model year 1981 if he determines that such waiver is necessary to permit the use of an innovative power train technology in such class of category which use can produce a substantial energy saving for such class or category as compared to conventional power trains incorporating spark ignited, gasoline, internal combustion engines. No such waiver may be granted if the Administrator determines that such waiver would endanger public health.

"(B) Upon granting a waiver under this paragraph respecting any class or category of vehicles or engines, the Administrator shall promulgate an interim standard applicable to such class or category such as will (i) permit the use of the innovative power train technology on the basis of which such waiver was granted and (ii) take into account the need to protect public health. No such interim standard shall permit emissions of oxides of nitrogen in excess of 2.0 grams per vehicle mile.

"(C) A waiver under this paragraph shall apply for a period of not less than four model years.

"(D) An interim standard promulgated under this paragraph shall take effect beginning with the third model year which begins after the model year during which it is promulgated. In the case of a petition submitted by a manufacturer under this paragraph within such period as may be appropriate for purposes of this subparagraph, the Administrator shall grant a waiver or refuse to grant such a waiver within ninety days after the receipt of such petition.

"(7)(A) Following each model year, the Administrator shall report to the Congress respecting the motor vehicle fuel consumption consequences, if any, of the standards applicable for such model year in relationship to the motor vehicle fuel consumption associated with the standards applicable for the immediately preceding model year.

"(B) The Secretary of Transportation and the Federal Energy Administration shall each submit to Congress, as promptly as practicable following submission by the Administrator of the fuel consumption report referred to in subparagraph (a), separate reports respecting such fuel consumption.

"(8) The Administrator shall undertake a study and, not later than June 30, 1980, submit a report to Congress respecting whether or not a standard for emissions of oxides of nitrogen from light duty vehicles and engines which provides for a lower level of emissions than the level otherwise required under this section is necessary in order to protect public health.".

And renumber the following sections accordingly.

Page 97, strike out line 9 and all that follows down through line 6 on page 98 and insert in lieu thereof the following:

SEC. 26. (a) Section 203(a)(3) of the Clean Air Act is amended by inserting "(A)" after "(3)" and by adding the following new paragraph (B) at the end thereof:

"(B) for any person engaged in the business of repairing, servicing, selling, leasing, or trading motor vehicles or motor vehicle engines, or who operates a fleet of motor vehicles, knowingly to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title following its sale and delivery to the ultimate purchaser, or".

(b) Section 203(a) of such Act is amended by adding the following at the end thereof: "Nothing in paragraph (3) shall be construed to require the use of manufacturer parts in maintaining or repairing any motor vehicle or motor vehicle engine. For the purposes of the preceding sentence, the term 'manufacturer parts' means, with respect to a motor vehicle engine, parts produced or sold by the manufacturer of the motor vehicle or motor vehicle engine.".

(c) Section 205 of such Act is amended to read as follows:

"PENALTIES

"SEC. 205. Any person who violates paragraph (1), (2), or (4) of section 203(a) or any person, manufacturer, or dealer who violates paragraph (3)(A) of section 203(a) shall be subject to a civil penalty of not more than $10,000. Any person who violates paragraph (3)(B) of such section 203(a) shall be subject to a civil penalty of not more than $2,500. Any such violation with respect to paragraph (1), (3), or (4) of section 203(a) shall constitute a separate offense with respect to each motor vehicle or motor vehicle engine.".

Page 98, strike out line 7 and all that follows down through line 20 and insert in lieu thereof the following:

SEC. 27. (a) Section 207(b)(2) of the Clean Air Act is amended by adding the following at the end thereof: "No such warranty shall be invalid on the basis of any part used in the maintenance or repair of a vehicle or engine if such part was certified as provided under subsection (a)(2).".

(b) Section 207(a) of such Act is amended by striking out "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)" respectively, by inserting "(1)" after "(a)" and by adding the following new paragraph at the end thereof:

"(2) In the case of a motor vehicle part or motor vehicle engine part, the manufacturer or rebuilder of such part may certify that use of such part will not result in a failure of the vehicle or engine to comply with emission standards promulgated under section 202. Such certification shall be made only under such regulations as may be promulgated by the Administrator to carry out the purposes of subsection (b). The Administrator shall promulgate such regulations no later than two years following the date of the enactment of this paragraph.".

(c) Section 207(b) of such Act is amended by striking out "its useful life (as determined under section 202(d))" in each place it appears and inserting in lieu thereof "a period of eighteen months or eighteen thousand miles (or the equivalent), whichever first occurs".

(d) Section 207(c)(3) of such Act is amended by inserting after the first sentence thereof the following: "The manufacturer shall provide in boldface type on the first page of the written maintenance instructions notice that maintenance, replacement, or repair of the emission control devices and systems may be performed by any automotive repair establishment or individual using any automotive part which has been certified as provided in subsection (a)(2).".

(e) Section 207 of such Act is amended by adding the following new subsection at the end thereof:

"(g) Nothing in this section shall be construed to provide that any labor required to be provided at the cost of the manufacturer pursuant to warranty under regulations under subsection (b)(2) may be performed by any persons other than persons specified by the manufacturer or that any part required to be provided at the cost of the manufacturer under such warranty may be other than a part specified by the manufacturer.".

(f) Section 214 of such Act is amended by adding the following new paragraph at the end thereof:

"(7) The term 'emission control device or system' means, for purposes of section 207, a catalytic converter, thermal reactor, or other component installed on or in a vehicle for the sole or primary purpose of reducing vehicle emissions. Such term shall not include those vehicle components which were in general use prior to model year 1968.".

Page 98, strike out line 25 and all that follows down through line 18 on page 99 and substitute:

"(B) The Administrator shall by regulation prescribe an inspection or testing procedure applicable to a representative sample of new motor vehicles in various classes or categories. Such inspection or testing procedure shall be consistent with the regulations of the Administrator under section 215, and shall be applicable to new light-duty vehicles and engines manufactured during and after model year 1980.

Page 100, strike out line 16 and all that follows down through line 13 on page 104 and renumber the following sections accordingly.

Page 127, strike out line 13 and all that follows down through line 7 on page 128 and renumber the following sections accordingly.

Page 104, strike out line 14 and all that follows down through line 22 and renumber the following sections accordingly.

Page 104, strike out line 23 and all that follows down through line 12 on page 105 and renumber the following sections accordingly.

Page 130, after line 22 insert the following:

SEC. 49. (a) Section 110(a)(G) of the Clean Air Act is amended by inserting the following before the semicolon at the end thereof: ", and it complies with applicable provisions of section 215 respecting the annual inspection and maintenance of motor vehicles registered in such State".

(b) Part A of title II of the Clean Air Act is amended by inserting the following new section after section 214:

"INSPECTION AND MAINTENANCE

"SEC. 215. (a)(1) Each applicable implementation plan which, as in effect on June 30, 1975, contained transportation control measures applicable to any air quality control region in a State, shall provide for

the annual inspection and maintenance, and may provide for the testing, of all light-duty vehicles (other than new vehicles) to which this section applies which are registered in such region by any person whose residence or principal place of business (or both) is located in such air quality control region. Such program of inspection, and maintenance (and, if applicable, testing) shall be conducted in accordance with regulations of the Administrator which—

"(A) shall require that emission control systems and devices are properly installed and operative,

"(B) may require that the vehicle or engine components which are necessary for the proper operation of such systems and devices are restored to the settings specified by the manufacturer, and

"(C) may require that inoperative or malfunctioning parts which are necessary for the proper operation of such systems and devices are replaced.

Such plan shall, except as permitted under subparagraph (A) or (B) of paragraph (2), prohibit the registration and operation of vehicles (other than new vehicles) subject to such inspection and maintenance (and, if applicable, testing) in such State unless such vehicles comply with such program.

"(2) The regulations of the Administration shall—

"(A) provide for the exemption from the inspection and maintenance (and, if applicable, testing) required under this section of such antique and other vehicles as the Administrator deems appropriate, and

"(B) authorize the operation of vehicles which have not met the requirements of regulations under paragraph (1) for such temporary period as may be appropriate to repair or adjust the vehicle in order to meet such requirements.

"(b) For purposes of complying with the provisions of subsection (a), the plan may require testing for emissions using testing procedures and equipment approved by the Administrator and shall permit the use of existing State motor vehicle inspection and testing facilities and procedures so long as they are consistent with such requirement. The Administrator shall approve testing procedures and equipment for purposes of this paragraph only if he determines that such procedures and equipment comply with such standards respecting calibration, instrumentation, and maintenance as he deems appropriate.

"(c)(1) Each applicable implementation plan required under subsection (a) to prohibit the registration and operation of noncomplying vehicles may permit the registration and operation of any such vehicle if—

"(A) following the inspection and maintenance (and, if applicable, testing) by reason of which such vehicle was determined to be a noncomplying vehicle, any measures required under the regulations promulgated under subsection (a)(1) have been taken with respect to such vehicle,

"(B) with respect to such vehicle, any nonconformity covered by section 207(a), (b), or (c) has been remedied,

"(C) such vehicle has (for purposes of providing statistical information only) been reinspected and, if testing was originally required, retested under this section following the actions referred to in subparagraphs (A) and (B) of this paragraph.

Nothing in the preceding sentence shall be construed to prohibit the Administrator from approving any implementation plan which contains any requirement prohibiting the registration and operation of any noncomplying vehicles.

"(2) The requirements or authority contained in this section shall not be deemed to affect or impair any requirement contained in any other provision of this Act.

"(d) Regulations of the Administrator under this section shall provide for retest of any vehicle which initially was tested and failed to meet applicable requirements of the program.".

(c) Section 210 of such Act is amended by adding the following at the end thereof: "Grants may be made under this section by way of reimbursement in any case in which amounts have been expended by the State before the date on which any such grant was made. Any grant under this section may be reduced or suspended by the Administrator upon his determination, following notice and opportunity for a public hearing, that a State vehicle inspection and maintenance program is not equal to or more stringent than the requirements established pursuant to section 215".

(d) Not later than six months after the date of enactment of this Act, the Administrator shall notify each State which will be required to revise the applicable implementation plan to include an inspection and maintenance program for purposes of compliance with the amendments made by this section, and each such State shall submit to the Administrator a revision of such plan as provided by section 110(h)(2)(F) as amended by section 7 of this Act. In any event, the requirements of this section shall be implemented no later than 30 months after the date of enactment of this Act.

And renumber the following section accordingly.

Page 130, after line 24 add the following section:

PARTS STANDARDS: PREEMPTION OF STATE LAW

Section 209 of the Clean Air Act (relating to State standards) is amended by redesignating subsection (c) and (d) and by inserting after subsection (b) the following new subsection:

"(c) Whenever a regulation with respect to any motor vehicle part or motor vehicle engine part is in effect under section 207(a)(2), no State or political subdivision thereof shall adopt or attempt to enforce any standard or any requirement of certification, inspection, or approval applicable to the same aspect of such part. The preceding sentence shall not apply in the case of a State with respect to which a waiver is in effect under subsection (b).".

And number this section accordingly.

The PRESIDING OFFICER. May we have order?

The Senator from Michigan.

Mr. RIEGLE. Thank you, Mr. President.

Mr. President, this amendment which we now bring up, which is called the Riegle-Griffin amendment, is cosponsored by the two of us and by seven other cosponsors. Our amendment has been widely discussed and circulated now for a period of several weeks. Last evening, Senator GRIFFIN and I, in conjunction with those in support of our position——

Mr. HART. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Michigan.

Mr. RIEGLE. Last evening, I want to advise all colleagues who may not otherwise know it, we made a major, substantial modification to the Riegle-Griffin package of amendments with respect to auto emissions. By so doing, and changing the standard for carbon monoxide, we now establish in our proposal exactly the same final standards as have been proposed in the committee bill and in the prospective Baker amendment.

They are exactly the same end standards for HC, CO, and NO_x. There is a difference only in the sense that there is a difference in timing as to when those are made to apply.

I will shortly describe the reasons for those differences in timing.

What is significant now is that the package we offer reaches exactly the same goals as the committee bill or the other alternatives which have been mentioned.

What we are talking about here are not differences in objectives, they are not differences in what we intend to mandate into law; we are talking only about the practical implications of the schedules for accomplishing that. Frankly, those differences are not very great, as I will shortly point out, although the implications and the consequences are very great indeed.

At the outset, I want to say something I said yesterday. I have great personal regard for the Senator from Maine, the chairman, who is here today managing this bill. I have long been an admirer of his, as he knows. I continue to be. We have been on the same side of most issues.

We are not on the same side of this issue in terms of the strategy we each propose, but our goals, as I said a moment ago, are precisely the same. The law we would establish in terms of final standards is also precisely the same.

The issues involved here are very complex. I wish they were not so complex. I wish they were simple. I wish there were simple answers that could give us everything we want immediately. But that is not the way the world works, and it is certainly not the way it works with technology as complicated as what we are discussing here.

There are tradeoffs. They are inescapable, they are real, and they have to be dealt with.

It we could have perfectly clean air, if we could have fuel-efficient automobiles to the extent that technology can make them that way, if we can have inexpensive cars within the reach of every citizen, if we can have a booming national economy, and have all these things at once, it would be ideal. But the very hard facts of life are that we cannot have all these things at once, so we have to strike a balance.

That is what the debate which is about to ensue is about, exactly what that balance should be. How do we strike a rational, sensible balance which gives us the best blends of competing objectives we can accomplish?

I say to all Senators who are present, and the staff members of Senators who are here, we have worked for months to perfect a package in good faith, a package which can strike the best balance which can be reached.

The package that we have offered, prior to yesterday's modification, is not, as some have said, what the automobile industry sought at the outset. They sought quite a different schedule. The schedule which was finally developed is much tougher than the one that they had hoped to have put forward. In light of last night's change, where we changed the CO standard from 9 to 3.4, it becomes measurably tougher.

They are not altogether comfortable with it. They would like a different

schedule. But they are pledged to meet it if we can pass it into law. And if we can pass it into law today, we solve this problem once and for all, because we are setting final standards that resolve this troublesome issue so that we shall not have to be back here in a matter of months to take it up again.

And, just as surely, if we fail today to adopt the Riegle-Griffin compromise, and if we were to adopt the committee position, or what is called the Baker position, I assure everyone that the Senate will be again dealing with this issue, literally, within a matter of months, because the committee bill and the Baker bill set specifications that cannot and will not be met. So we are going through this same exercise again; to have to come back and have to change and rewrite the legislation because of technological barriers that exist and cannot be changed.

I want to cite just one specific instance of that, and I want to get into it in more detail shortly. There is great difficulty in meeting a very low NO_x standard, one of the three emissions, when we look into the future, 1980 and beyond. The only way that anybody knows about to meet a NO_x schedule of 1, or something in that range, is by using a three-way catalyst technology. Obviously, the people that make three-way catalysts are excited about the possibility that we may pass a law that mandates that every single car built in the United States has to use that technology, because they are in business to make and sell those three-way catalysts.

But let me tell what the makers of the three-way catalyst says. They have been before Congress and they have been asked the question whether or not they can make enough three-way catalysts by 1980 or 1981, or even by 1982, so that we can put one in every car. The hard facts are that we cannot do that, because they indicate to us that they are not capable of doing it, because the technology is not far enough along, nor are the other elements that would be required to make that feasible on the size of the fleet that is produced each year to make that possible.

On March 9 of this year—not some prior year, but 1977—the catalyst manufacturers appeared before the Commerce, Health, and Environment Subcommittees in the House of Representatives. They said the three-way catalyst would not be ready for mass production until 1982, and then only, and I quote them, "if the whole system"—meaning the emission system—"holds together." That is from page 91 of the Health and Environment Subcommittee transcript, March 1, 1977.

Now, the catalyst manufacturers want to get this catalyst going just as quickly as they can. That is their primary incentive. That is how they make their money. But when they come in and tell us that it is not technically feasible to do that on the scale that is being anticipated here before 1982, that means something. I think it ought to mean something to everybody here, just in terms of the hard, practical facts of life that we have to deal with.

But that is just one problem. We also have, in this country, an energy crisis. The President of the United States has asked Congress to move on an expedited basis to deal with a worsening energy shortage. We have bills that we are considering in the Senate today. The other body is acting on them, in fact, this very day. There are enormous energy utilization consequences between the emissions schedule that Seantor GRIFFIN and I have put forward versus that that is proposed by the committee or by Senator BAKER. As a matter of fact, in terms of the specific amounts, the projections that are made, based on administrative agency data, indicate that the cumulative fuel penalty—in other words, the extra energy that will be utilized if the committee bill were adopted between the years 1979 and 1985—figures out to be in excess of 14 billion gallons of gasoline. That is over 2 billion gallons of gasoline a year, on the average. It figures out to 134,000 barrels of oil a day.

Someone will say, well, that is not important. Well, if it is not important, then why is it that we are working day and night on an energy bill and an energy strategy in the House and the Senate in other committees? We are because it is important. It is a basic fact that will not wash away because someone else may wish to treat some other part of this problem.

I am not suggesting that is the only element, but it is a key element, and it cannot be set aside. It has to be considered in conjunction with the other things we want to accomplish. It is one of the tradeoffs.

The Riegle-Griffin package will save that energy. I think it ought to be saved, because I cannot find one single reason to squander it. I cannot find one quantifiable health benefit that accrues from any other schedule that has been proposed over and above our schedule. There does not exist any scientific information of any consequence that certifies and bears out and proves that any other schedule provides health benefits over and above the schedule that we provide.

I know, some people say they like it better because it sets slightly tighter standards earlier in time. All well and good. That is their position and they can argue it and they can defend it. But what they cannot defend it with is hard data, because the hard data does not exist.

We can go down that road if we wish to, but let us go down knowing exactly what the costs are—in terms of energy, in terms of technology, as I spoke about before. If we are going to set impossible standards and be back here in a matter of months to change them, what have we accomplished? We have not accomplished a thing. I think it is time we got serious on this matter and established standards that are achievable. Then we can accomplish something.

What are the differences? We meet exactly, finally, the same standards I pointed out before. On HR—hydrocarbons—and CO—carbon monoxide—the Riegle-Griffin amendment that has just been presented reaches exactly the same final standard as the committee bill. That occurs 1 year later than the committee proposes that it occur. We have that happen in the model year 1980. The committee proposes that it be done in 1979.

Why do we make that proposed change? I am not wedded to the year 1980 for some reason that is just drawn out of the air. If there were a practical way to do it in 1979, I would be for doing it in 1979.

The difference is this: For the 1979 model year, those models actually built, they begin the production in the late summer of 1978. Under the law, the manufacturers have to provide to the EPA the detailed design specifications as to exactly how they are going to produce those cars to meet those standards.

Do the Senators know when they have to submit those to EPA for 1979? They have to do it next month, in July of 1977. They have to lock in on exactly how they propose to do this.

Well, we are right on top of next month, and it is not practical, in my judgment, to change those standards at this point, in light of the fact that we have written another law that imposes upon the automobile industry—and I voted for it—specific goals in terms of fuel economy that they must also meet at the same time.

If anybody thinks a good-faith effort is not underway in the auto companies to solve these two problems in fuel economy and auto emissions, they do not know what the facts are and they do not know what is going on, because a good-faith effort is going on and progress is being made, substantial progress. And more will be made.

But it is time that we put an end to the kind of excessive adversary processes we have had for too long around here. I think it is time we started working together as a nation. It is not enough to just brand people as bad guys and ourselves as poor guys. It is not that simple.

I yield to nobody in this Senate in terms of considering an environment record over 10 years in Congress—and I speak of the last 10 years—because my environment record is as good as anybody's. It is at or near 100 percent for every one of those years.

I voted for all the clean air legislation that is on the books today. I will vote for the toughest standards I can find that I know are achievable—and that is exactly what we are proposing to do.

That is why we made a change last night, because some people have come to us and said, "Look, we're concerned about the CO standard you proposed in the original Riegle-Griffin amendment."

I thought that was a good standard in terms of the data that existed, but others were worried about it.

I am concerned about the fact that others are concerned about it and if it is the feeling it ought to be lowered and it can be done technically, as I am convinced it can be, I am prepared to accept it.

We made the change. We did so as an act of good faith to come up with a package that this Senate can feel right about so that we can settle this issue once and for all, because time is wasting.

These decisions have to be made. The 1978 production is about to start. But it

cannot unless the law changes. Everybody here knows that that is why we are under tremendous time pressures. We have to act here, go to conference, get something out of conference, and we have to change these laws or there is not going to be any automobile production starting with the model year that is just weeks away unless the laws that now exist are changed. No one disputes that. In fact, that is the position of the committee as well.

So in the case of those two standards I cite, we reach exactly the same position as the committee bill in terms of the final standards, but we get there 1 year later.

In terms of NO_x, this is a much more complicated problem. We have to understand something about technology and engineering to understand the issue about NO_x.

Frankly, when I started out, I did not know much about it, but I know a lot about it now because that is the only way to make an intelligent decision about what makes good sense nationally.

I have cited one constraint, the fact that the only way we know how to get close to the 1 level is by using a three-way catalyst, and the catalyst people tell us they cannot do it on an across-the-board basis until 1982.

That registers in my head. I think it ought to register in terms of the argument about what is a sufficient NO_x level.

But we are prepared to require that we go to a 1 level. But we have to have sufficient time to bring that technology on line.

As much as we know today, it will be the three-way catalyst. But if we can find some other way more efficient that costs less and allows us to do it faster, I am for it.

The reason we need keep the standard at 2.0 until that time is to give us the option to see what we can find, to see if there is some other way to do it, because there are other alternatives being explored. I would like to see those other avenues able to be tested.

But I say this, if we go down to a 1 NO_x level in 1980, we will not see any of those done, not any of them done, because the lead times are such that there is not time to do it.

No manufacturer in his right mind will spend the money to go down a road like that when they know they do not have the time to get it developed.

It cannot meet some arbitrary standard we have set here. We will not get new technology. We will lock right into what we have today.

I do not want to see that happen.

I think the automobile industry can make breakthroughs, but not if we put them in that kind of technology straitjacket. It just does not make good sense, not to my mind. If anybody can dispute that later on, I would like to hear the argument about it, because all the technical evidence shows that.

I want somebody later on to raise the point about Volvo in California so that I can respond by what Volvo themselves have said about their capacity to do this. And that single test situation, to use that in any extrapolation about what may be done across the whole fleet of an excess of 10 million cars in this country, is absolute absurdity and nonsense.

I see where that road leads—right out this door and back in we set them at that level.

I have a lot of feeling about it because I have looked at this. I am concerned about the fact that we will make a mistake on the basis of misinformation unless we take time to really understand the complications of this situation.

Now, who are we here representing? Someone suggested yesterday we were here representing the auto companies. That is not who I am representing. I am here representing what I think is the best national interest considering these conflicting goals that we are talking about.

Yes, the automobile industry is part of the coalition that backs our amendment. So is the United Autoworkers and they fought as much as any labor organization in this country for clear air consistently, and they are fighting for it today. I applaud them for it.

The AFL–CIO supports our position. So do a number of other people, the United Transportation Union, the American Farm Bureau, the National Congress of Petroleum Retailers, the National Automobile Dealers Association, the U.S. Chamber of Commerce, and the list goes on and on.

So this is something more than an amendment of two Members from one State and seven cosponsors.

There is a very substantial coalition of supporters, and the people who support this are not doing it on the basis of a cursory glance. They have looked at it, studied it, and support it because of the weight of the evidence and the merit of the arguments presented them on that side of the issue.

I understand that some people say, "Well, of course, the only reason you are offering this amendment is that you are from Michigan, and everyone knows that Michigan builds cars."

Michigan used to be the No. 1 State of all the 50 States in terms of the State with the greatest car production. We are not any more. Two others are ahead of us. I wish we were No. 1. We are not any longer.

It is a major part of the economy of our State and, therefore, I am especially sensitive about the impact.

But I can also say this, that I would never, ever come to this Senate and support a proposition I though would hurt the country. I do not do it today and I will never do that. If there is anybody that wants to suggest otherwise, I am just not prepared to accept that argument. If they want to say it, then they ought to stand up and say it. But that is just not the case. I think my record over 10 years would bear that out.

As I have said before, we meet the same final goals as the committee bill and as the Baker bill, but we do it within the constraints of reality

As I have said before, I do not like the constraints we are up against. I wish we did not have them. I wish we did not have to have any emissions coming out of automobiles or, for that matter, from stationary sources, because a great volume of pollution in this country comes from places other than automobiles.

I am for taking it down as low as we can, as a practical matter, and that is exactly what we are proposing, exactly what we are proposing in our amendment.

There are a couple of other things I want to mention in passing and then I will yield to my colleague from Michigan, my cosponsor in this package.

We also in our amendment amend the warranty section. We make it better. We make it stronger.

We may hear arguments today that this is not so. I hope anybody that wants to take it on will do so because we drafted these warranty changes in order to provide the maximum safeguards to make sure we are building cars that meet the standards we talk about. And we are going beyond that. We are requiring actual on-the-road testing of every single car to make sure that not only are they manufactured to those standards, but they are maintained to those standards as the years go by so that the gains that we have made, we do not lose. That is in addition to the committee bill, and it is a much tougher addition, I might say, and one that I think is necessary.

We are also changing the length of time of the performance warranty. At present, we have a 5-year and 50,000-mile warranty in effect. We are proposing to change that to 18 months and 18,000 miles, and we are doing it for a very basic, competitive reason. It is because if we stick with what we have today, we end up giving the automobile manufacturers virtually an absolute monopoly in the afterparts market, through a 5-year life or every automobile that is built and sold in this country.

The Justice Department is on record as saying that that would be a very bad thing to do, and I agree with the Justice Department.

I say to my colleagues that Phil Hart, who was my predecessor in the Senate, just last year supported exactly this amendment that we are proposing, in terms of changing this from 5 years and 50,000 miles to 18 months and 18,000 miles, from a very practical reason.

The reason is that we want people to repair their cars if they wish to do so, and we have an on-the-road test to make sure that they are kept at the standards; and we want small service stations and independent operators to have the chance to compete for that business. Unless that change is made, we all know that the manufacturers are going to insist that everybody bring their cars back to authorized manufacturers' service outlets in order to get all their maintenance done. That is an anticompetitive development that the Justice Department has spoken out very strongly about, that Senator HART spoke about very strongly, and which I, too, together with Senator GRIFFIN and others, speak against strongly, and I know that Senator GRIFFIN will speak about it shortly.

There are two other things I wish to mention before I yield to my colleague.

We also have an antitampering amendment in our proposal, and it strengthens that section in the bill as well. It was

written exactly for that purpose. It provides a civil penalty for anybody who fools with the gear that is put on these cars in order to meet the standards. However, at the same time, we make it clear that some legitimate supplier in the afterparts market who wants to do some service work on an automobile is not going to be found guilty of some crime for doing it, so long as he does it within methods and practices that are going to continue to see that these standards are met. After all, I think that is what the design of the bill really is all about.

There are no easy answers in this area, and anybody who thinks so just would not understand it. Nobody here wishes more than I do that there were easy answers. If we could eliminate all the auto emissions at one time, in some practical fashion, I would be the first one in line to try to do it. That is exactly what our amendment is drafted to do. It is a good-faith amendment. That is why it was changed last night to accommodate the concerns that some have had in the area of CO emissions.

I stress again that we meet exactly the same final standards as the committee bill. There is no certifiable evidence to suggest that there is a health advantage by the committee bill or a health penalty associated with our proposal—absolutely no certifiable evidence to that effect.

We do know, however, that there is a major fuel economy benefit with our package, a multibillion dollar effect, and we can set that aside if we wish. I do not think we should. I think it should be considered.

Finally, there are technological realities. We live in the real world. We have everybody who has to make this happen agreeing—in some cases reluctantly—that they will meet this set of final standards, and we can solve this issue once and for all.

However, if today we were to choose otherwise and another alternative were to be adopted, I just want to forewarn everybody in this Chamber that we will be right back here, we will be going right back through this fight again, and we are going to be making the very adjustments we are talking about today, because of the constraints I speak about, which are real and which are not just set aside because someone wants to pretend they do not exist.

I appreciate the patience of the Senators in the Chamber for hearing me out on this issue, at least to this extent. It is complex. People of conscience can disagree, because there are many facets and ways to look at this issue. The package we offer strikes what in my mind is the best balance we can hope to get; and if I did not believe that, I would not be here offering it.

I now yield to my colleague, the senior Senator from Michigan.

Mr. GRIFFIN. Mr. President, I thank my colleague, and I commend him for his presentation, which covered most of the points of the amendment that he and I have cosponsored.

As he has said—and I think it is the starting point of the discussion—we have arrived at a point where the debate really does not revolve around health, especially after the change in the CO standards we have made in our amendment.

Any argument about the health impact, it seems to me, is gone. The real question is whether we want to force the automobile industry into a schedule that will cost jobs, and there is no question that it will cost jobs. That is the reason why the United Auto Workers so strongly support the Riegle-Griffin amendment. That union, appropriately, is concerned about the jobs of its members. It is also concerned about clean air; it always has been. But when it sees a proposal such as the committee proposal, which is going to threaten jobs in a significant way, it is appropriate that that union would be concerned, and they are.

They are not the only ones concerned. EPA, itself, has acknowledged, in an internal memorandum that was pried out of its possession by a Member of the other body, Representative Moss, that the alternative that is before us will have significant impacts in various ways.

For example, the EPA memorandum says that the total impact of the administration's regulatory programs on new cars by 1985 would be $964. Actually, it is higher than that. EPA's statutory emissions standards would add $350 to the cost of a car, and it would be $170 more than the alternative supported by the UAW.

A significant cost factor to the consumer is also involved, so far as the price of the car is concerned, between these two alternatives. Because of the difficulties of meeting it, it is going to translate into jobs.

In addition, it has no measurable benefits so far as health is concerned.

Perhaps one of the most critical and crucial points involved here, as my junior colleague from Michigan has pointed out, is the question of when we go to the 1.0 standard for NO_x. In the Muskie committee bill and in the Baker proposal—assuming it will be offered in the form that it was in the RECORD earlier—both would go to a 1.0 NO_x standard in 1980. Under our proposal, the major significant difference now is that we would go to 1.0 NO_x in 1982.

There is an important difference in that respect. Why is it so important? It is important for a number of reasons. It is not important, because the technology to achieve it is not available. The technology is available. Volvo does make a four-cylinder car using the three-way catalyst at the present time. It can be duplicated. Some cars can be made. However, the whole fleet cannot be converted to that standard in such a short period of time.

Furthermore, what we do by forcing that standard in 1980 is to lock in now the technology for getting there.

I think there are some serious questions involved, beyond what we have already discussed, as to whether it makes sense to lock in that technology and require a commitment to the three-way converter at the present time.

Let me just point out, for example, and I would like to read from an article that appeared in the Detroit News not very long ago written by a very distinguished reporter. It starts like this:

> The House Subcommittee on Africa will investigate the ties between U.S. catalytic converter manufacturers and South African firms to determine their foreign policy and human rights implications.

It goes on to point out that the Muskie committee bill would pump between $70 and $200 million a year into the white-ruled South African slumping economy by requiring the purchase of three times as much rhodium as is now purchased for this purpose.

South Africa, it so happens, has almost 81 percent of the world's reserves of rhodium. The U.S.S.R. has 17 percent, and the only other source is Canada, which has slightly more than 1 percent.

At one point in this article it says:

> Mike Clark, an official with—

The National Council of Churches' Interfaith Center for Corporate Responsibility is quoted as saying:

> There's no doubt that mining is the most exploitive sector of South Africa's economy.

Again, quoting from him:

> Black workers are forced to work long hours at low pay under safety conditions that are hundreds of years behind what we have in the United States.

The article further goes on to say:

> Clark said unskilled blacks are forced into the mines by economic necessity. They are taken from their homeland and required by contract to work 6 months to 18 months at a time, before being allowed a 1-month vacation to return to their families.

On the one hand, we have a foreign policy that seeks to move South Africa in the area of human rights. Then we are needlessly, without any health justification, at the same time forcing the automobile manufacturers to go to the three-way catalytic converter, and the only way this can be produced and that they can achieve this goal is, of course, to pump up the economy of South Africa.

I do not think that makes sense, especially when there are alternative technologies being developed and being explored. The schedule that Senator RIEGLE and I have proposed is reasonable, it is a schedule which meets the requirements that anyone has shown so far as health is concerned and, at the same time, most importantly, it would preserve the jobs of those who depend on the automobile industry.

Let me just point out I think many people who come from other States look upon the automobile industry as only related to Michigan, but that is no longer true. Michigan is not the State where the most automobiles are produced. There are other States that produce more automobiles than Michigan.

One out of every six jobs in the United States is directly or indirectly related to automobile production or sales or servicing. It is the largest nongovernmental employer in the country, and that is something to take into account. It does not make sense to needlessly cut back on jobs.

Furthermore, there is no doubt that these Muskie committee-imposed schedules will impose a fuel penalty. The EPA acknowledges it, all experts acknowledge

it, so we are going to pay in another way besides the cost of the car. In addition to jobs, we will pay an additional fuel penalty at a time when we are supposed to be embarked on a policy and a program of energy conservation.

(Mr. MATSUNAGA assumed the chair at this point.)

Mr. GRIFFIN. Let me just say, perhaps some of my colleagues will be interested in the analysis of S. 252 by the Chase Manhattan Bank. A department in the Chase Manhattan Bank made a study of this situation, and let me report what they said:

> The Chase conclusions are extremely disturbing. If the Muskie (S. 252) emissions schedule is adopted, the report projects an additional cost per vehicle over its useful life of $600 for 1981 model cars. And if the Muskie schedule is combined with the proposal for mandatory air bags and with the 27.5 mpg fuel economy standard set by the Energy Policy and Conservation Act of 1975, Chase concludes that passenger cars will have to meet the equivalent of 37.5 mpg today. Only six of the smallest cars on the road today meet that standard—two Hondas, two Mazdas, a Datsun, and a Toyota. The prospects for domestic auto-related employment are clearly disastrous.

Maybe that is of no concern here in this body. We blame the automobile companies and say they should have been at the same place that Toyota and Datsun are. But if you are an automobile worker you cannot look at it that way, and those are the facts.

They go on and say:

> We believe that the impact of more stringent standards such as the ones presented in Table XVII . . . 3 will be quite significant on fuel economy and car sales. The additional fuel penalty due to more stringent emissions standards such as the Senate proposal could be as high as 10 to 20 percent. Moreover, the feasibility of keeping diesel engine cars on the market may be in jeopardy if the NO_x standards fall below 1.5 NO_x.

Well, the Muskie and Baker proposal would put the NO_x proposal below 1.5 not in 1981 but 1980. Why is that so important? Well, as the junior Senator from Michigan, my colleague, has already pointed out, it is hard for many, I think, who are not close to the automobile industry to realize what lead time is involved. For example, in order to produce 1979 cars, the automobile companies have to begin July 1, next month, to test their 1979 models. They have to be tested by EPA for a year and then certified that they meet the 1979 standards.

Then after they go through this test it will be in the summer of 1978, and that is when you begin to produce the 1979 model.

It is really distorting and misleading to put this discussion in terms of the 1978 model or the 1979 model, because we all know they begin producing the 1978 model in 1977, and you have to have it tested a year before that. Obviously, if you are going to make any emission schedule or design changes, you have got to begin a year before that.

So if you were going to make a change in the 1980 model you would have to start right now.

The only technology, as I have said, that is available at the present time to reach the NO_x standards imposed by S. 252—and very arbitrarily, I assert—is the three-way catalyst. S. 252 freezes us into that technology and makes it impossible to go any other route.

I hope very much that the Senate in its wisdom will cast aside the arguments that I see in the press that this is only a union automobile manufacturers bill. Many Senators, I think, have been turned off just by that alone, without even trying to analyze the arguments. They do not want to be alined with a special interest bill. That is not the case. There are sound, good reasons across the board here why this schedule will be not only in the interest of autoworkers and the automobile companies, which is true, but also in the national interest. I urge my colleagues to support and adopt this amendment.

Mr. RIEGLE. I thank the senior Senator for his important comments. I wish to cover two additional items. I will try to do it briefly. They are detailed, but they are important aspects of this discussion for anyone who wants to make a serious decision about it.

I shall direct these comments particularly to Senators and staff members who are in the Chamber who are endeavoring to reach some judgment about some of the conflicting arguments and claims that have been made.

The first one I address is the question of the three-way catalyst because it is critically important that everyone understands what is involved here.

The only technology that we know about today that anyone with any technical competence whatsoever is prepared to talk about—and that comes close to meeting the final 1 NO_x standard—is the three-way catalyst. It is a very complicated system. As I said earlier, the catalyst makers, who are like race horses in terms of their eagerness to get into production to sell these things, have said their best estimate is that it is going to be 1982 before they are able to do this on the scale that the committee bill would require—would require, I might say, in 1980, 2 years earlier than the catalyst makers themselves say they can make it, and they say they can only do it if everything goes just right. That is their testimony on the record within the last year before Congress itself.

Let us suppose everything does go right. How do you make a three-way catalyst? This gets into the use of this previous metal rhodium, and this is not a redherring issue. This happens to be a very specific part of a three-way catalyst.

In order to make a three-way catalyst work you have to have this rhodium comprecious metal rhodium, and this is not very much of it in the world. What there is is very hard to get, and most of it, as has been pointed out by my colleague, comes from South Africa.

Listen to this statistic: All the uses of rhodium today in the entire world—it is not just for the testing on a few number of catalysts right now—but every other end use that rhodium is put to in the entire world today consumes a total of 120,000 troy ounces, which is the measuring weight that is used for this type of precious metal.

If we were to go to the three-way catalyst system of the sort that Volvo was using, which has been the one test case where we have gotten down to those low levels, and we were to do this across the board for all cars in the United States, as the committee bill would require, it would require for the three-way catalysts alone 150,000 troy ounces of rhodium. That exceeds by a large amount all that is produced in the entire world today and used in other sources.

So the question is then, Where do you get it, how do you get more of it, or can you get more of it? Here you run into one of these very difficult practical constraints that no one here has suggested an answer to because there is not an answer to it. I wish there were.

But we cannot mandate here in Congress production of more rhodium than can be produced. As I said, it comes from South Africa. And it is found in a ratio of approximately 19 to 1 with platinum. As a matter of fact, rhodium is a by-product of platinum.

In order to get 1 troy ounce of rhodium you have to have 250 tons of ore. Two hundred and fifty tons of ore that have to be extracted and processed to end up with 1 troy ounce of rhodium. And we are talking here now, if the committee bill passes, with the only technology anyone knows about needing, far more than all of the rhodium that is produced in the world today ignoring all the other uses.

But it is also instructive for anyone who has any sensitivity at all to know it comes out of the South African mining industry. As anyone knows who has studied the problems in this area—and I have to some extent—that is one of the reasons I voted time and again to prevent trade by our country with Rhodesia. The white miners in South Africa have successfully defended a system of privileges vis-a-vis the black workers in that country for many years. Fixed ratios for white and black workers exist. There are huge disparities in pay and work conditions. The minimum wage laws have been suspended so that mining companies can offset increased costs in these nonurban areas by paying less than subsistence wages to abundant African laborers. And they take the work because that is all there is.

We can give that kind of economic power to South Africa if we wish, but there is no guarantee they can even make enough rhodium if they do it in that fashion. In fact, I am sure in my own mind they cannot.

For rhodium, by the way, the price range last year was between about $250 a troy ounce up as high as $450 a troy ounce.

But understand this: as to the three-way catalyst system that worked on the Volvo, it required all kinds of special arrangements, fuel penalties were involved, costly, expensive gear was added on, and so forth. The rhodium that was used in that three-way catalyst was there on a ratio of 5 to 1 to the platinum.

But that is not the way it occurs. It occurs at a ratio of 19 to 1 when it is mined. And there is not a single soul anywhere who has come forward to give even the beginning of an explanation as to where we are going to find this stuff. We are not going to find it because it is not there to find, and that is why we are going to be right back here again if we

pass the committee bill or the Baker bill. We are going to be right back here again because we are going to have to change the standards. I think that is ridiculous.

Those are hard facts. I wish they were different than they are. They are not.

As to the Volvo experience, we might as well address it right now, because that will get trotted out here, exactly as yesterday we were told that the Ford Motor Co. had only spent $118,000 on research on auto emissions, and Senators who were here yesterday heard that assertion made. The facts are they have spent $1.5 to $2 billion, and that was acknowledged later by the Senator who had earlier made that comment. We are going to hear misrepresentations today about the Volvo experience.

I again address this comment to Senators and, also, staff members who are present in the Chamber who are trying to reach a judgment on this issue because unless these facts are known, there is no way in the world anyone can make a practical judgment in the end.

The Volvo breakthrough was a test vehicle. And Volvo, as any other automobile company, is having enormous technological difficulties in meeting even the current emissions standards.

There is no question, however, that one of the developments that they have come up with, and it is called the lamdasond system, presents considerable potential for further development. But it is very expensive. It only fits limited engine classes, and it uses these loadings of rhodium that I have described in this 5 to 1 ratio. Perhaps most importantly, it is not pollution-free. It is not pollution-free at all. And as a matter of fact, do Senators know what we get if we want to go to the three-way catalyst with that system using the Volvo arrangement that is an experiment to which we are referring here?

We do not have to worry then any more about HC hydrocarbons, CO carbon monoxide, and NO_x. Those are not the things we have to worry about. We have to worry about something else because that system makes some new chemical emissions and one of them, for example, is cyanide. Cyanide. Now we have heard about cyanide because that is what people are gassed with. If you have enough carbon monoxide it will kill you. The same thing is true with cyanide. That is one of the things we get out of the Volvo three-way catalyst. We get ammonia. We get sulfate. There is not anyone here from the committee or off the committee in the Senate, or any person whom I have been able to find anywhere, who can tell us today with any technical meaning exactly what the emission consequences are of producing these kinds of new dangerous emissions. We do not get those today. But that is what we are going to get with this new system. Maybe we will find we would rather have cyanide than NO_x; I do not know. Maybe we will find that out. But that is what you are going to get.

But that is what you are going to get. That is what you are going to get with this system. Do not think you can escape it, because you cannot.

Let me tell you a little bit more about the Volvo experience. Let me tell you what Volvo itself has said to Congress this year:

In order to provide the stability necessary to optimize emission control systems—

This is Volvo talking—

Volvo has recommended that U.S. exhaust emission levels be set—

I will just refer for the moment to the NO_x level, because that is what is relevant here—

at 2.0 grams, for model years 1978 to 1982. We still believe this is a reasonable compromise to achieve clean air and good economy with a variety of plants.

They were talking about, on hydrocarbons and carbon monoxide, a figure of 9.0, and a figure of 2.0 on NO_x—a substantially higher figure than the committee, and higher than we are proposing, because we are proposing the same standards the so-called Baker amendment is proposing.

But when you add to this, tremendous technological difficulties, simply mandating that by 1980 we are going to have it whether it is ready or not does not make it available. We ought to know that by now.

The Volvo uses an electronic fuel injection system, and there is a premium cost to that. It can range from $300 to $600. That is the first piece of extra gear you have to hang on it if you want to use this 3-way catalyst.

Maybe people want it. Maybe they can pay for it. Maybe the health benefits are there. But there is not a shred of proof to indicate that the health benefits are there, or that these economic costs are warranted in health terms or any other terms.

Further, this health care experiment has only been done on a 4-cylinder car. Surely, some people drive a 4-cylinder car. I drive a 6-cylinder car. Some drive larger or smaller ones. But they have yet to demonstrate that this can be done on a car other than that size. That is an important constraint.

I have talked about the rhodium factor, and the other emissions they get that the committee is not prepared to address, but they do not want you to worry about that right now, because they want you to swallow what they are offering, hook, line, and sinker.

They also go on to point out that this Volvo system has a sensor in it. The sensor wears out. The sensor is so important to the system that if it deteriorates—which it does; its life is expected to be no more than 15,000 miles—if they do not change it, do you know what happens to the emission system? It does not work. So we get all the stuff, not just what it is squeezed down to if the sensor is working.

Volvo states—and this is their bottom line, when this argument gets trotted out later, as it will:

In conclusion, Volvo feels that it would be unrealistic to conclude that the three-way catalyst technology can be immediately applied to all engine configurations, or that in doing so the very low emission level specified in the Clean Air Act could be met.

That is Volvo, as of the 14th of July 1976.

If someone has got some scheme that is going to get this job done, that is practical, that is realistic, that is not just some vision, not just some hope, then I am willing to consider it, because we have modified our bill. We have changed it, and we will change it again if someone can come in here with something practical and real.

But if all Senators are going to do is come in here wrapped in the arguments of clean air, and wrapped in the arguments of saying that they are on the right side of the issue and anyone who disagrees is on the wrong side of the issue, that does not solve a single problem, not a one.

We can take this issue up again if we want to. We can be back in here in a matter of months, and we will be if we pass the committee bill or the Baker bill. I daresay the sponsors know it. They may not want to concede that point on the floor today, but they know we will be back. But I will tell you this: "We will not be back with our bill."

It is not because the automobile companies like it. You can go out and ask them. They are frank to say they do not like a bill as tough as ours. They do not like it, but they will live with it, and they will meet those standards; and when they say that I believe them. If they were to come to me, or anyone else was, later on and say, "Look, sorry, we made the deal, but we are not able to meet it," they would not get me to argue their case, because that is not the way I work.

But I think at some point there has to be some element of good faith applied in this country on matters as complicated and serious as this. We do have an energy crisis, and it is real. The energy implications of the difference between these bills are enormous, and cannot be swept aside. That is why we have tough laws on the books.

We are mandating fuel economy requirements. It is 19 miles a gallon, as a fleet average, for 1979, 20 miles a gallon as a fleet average for 1980, 27½ miles a gallon for 1985. That is the law. That has to be met.

I think this sector of the economy has responded pretty darn well. I hope the stationary source people do as well as we have done. An 83-percent reduction in hydrocarbons since we started, an 83-percent reduction in carbon monoxide, and at least an 38-percent reduction in NO_x; and with the schedule we are talking about here, we are prepared to go to the statutory final standards that are exactly the same as in the committee bill. We want to do it 1 year later, because the next model year is right on top of us, and what they are proposing is impracticable, and they know it. They will not concede it, but they know it.

In terms of the NO_x standard, I have explained why the technology is not there. When it is, I am for applying it.

Those are the arguments I hope Senators will consider, because if we are not going to make the decision based on factual analysis, then it will have no meaning. It will have consequences, but it will not have any meaning.

Mr. President, I reserve the remainder of my time. I would suggest that perhaps others who want to speak either for or against the bill do so at this time.

Mr. HART. Mr. President, the proponents of this amendment have put forward a number of arguments that I think can and must be responded to individually, and I intend to do that, as the committee has in the past. Those involve the economy and allegations about lost jobs; they involve the problem of fuel efficiency and allegations about waste of energy. They involve technology, the fact that the automobile companies cannot produce the technology necessary to meet legal standards. They do not have a lot to say about public health, but I did yesterday, and I intend to today. Then I think we ought to get down to the real issue which is before the Senate.

Those of us who support the committee position, or a stronger version, welcome the so-called Riegle-Griffin compromise. Frankly, I do not know what is being compromised except the public health of the people of this country. This is an issue that the Senator from Maine and others joining him over the years have worked on for a variety of periods of time—in his case, somewhere between 12 and 14 years.

We have heard a lot of rhetoric about proceeding with deliberate speed, and not forcing technology, and not requiring people to do things they cannot do.

The "poor old" auto industry which spends a great deal of money designing cars, putting chrome on those cars, spending millions of dollars every year selling those cars, just cannot seem to come up with the technology to protect the public health.

I believe it is encouraging that the Senators from Michigan have altered their position. They say the standards they are now ready to put forward represent a reasonable position, a responsible position.

If that is reasonable and responsible today, why was it not yesterday? What happened overnight to suddenly make this position reasonable and responsible?

Mr. RIEGLE. Will the Senator yield? I will be happy to respond.

Mr. HART. I will yield later.

Nevertheless, I believe we welcome that. Perhaps if we discuss this issue for another day or two, reasonableness and responsibleness would bring the Senators from Michigan and the industry to the point of view the committee has adopted over almost a decade of investigating this issue, with tens of thousands of pages of testimony, with weeks, months and years of labor. Maybe we ought to give the sponsors another day and they will come down to the NO_x level where a lot of other reasonable people have been for a long time.

I was glad to see the senior Senator from Michigan, having adopted this reasonable and responsible position, now say that the health problems have been taken care of. Well, if we believe that, we will believe anything.

The information which is before the Senate, and which has been before the Congress and before the American people for years, shows that nitrogen oxide emissions are injuring public health, particularly the children and the older people in this society. If the senior Senator from Michigan believes we have taken care of the health problem by the sponsors of this amendment coming back to the position that the Senate adopted years ago on carbon monoxide, then I welcome that. I think he ought to take another hard look at nitrogen oxides. We will point out to him, if he is not aware of the communications with the health people of this country, what those communications show.

We are also pleased to know that the junior Senator from Michigan has pledged, though he does not speak for the industry, the industry will meet the standards put forth in his amendment. That is heartening. That is a pledge I do not know any other Senator has made. It is heartening.

I think he said something about guaranteeing the implementation of this amendment. Well, that is a great deal of power for even a U.S. Senator to have.

Mr. RIEGLE. Will the Senator yield at this point?

Mr. HART. I did not interrupt the Senator from Michigan. I will yield later.

He did say that if we do not adopt his amendment, he can guarantee that the standards the committee has proposed and which presently are in the law, except for the relaxation of the ultimate NO_x standard, will not be met. That sounds a lot to me like a challenge to the laws of the United States. I was raised to think if one did not obey the law, they paid the penalty.

I have heard a lot of that kind of language in the last couple of years I have been working on this. "We will not do this and we will not do that." Well, it causes me at least, and I think a lot of other Americans, to wonder who runs this country. I was told that the Congress enacted the laws, the President signed the laws and helped enforce the laws, and the courts adjudicated those laws.

We have heard a lot of talk about the industry and its supporters not meeting the law. That would be an interesting object lesson for the schoolchildren of this country, as to who is in charge.

I have some serious questions myself after an exercise like this.

Let us address ourselves, Mr. President, to the allegations which have been made about the areas I mentioned in support of this amendment.

It is suggested that the industry is going to suffer great job losses. It is fascinating to me, Mr. President, to see how this works. Industry spokesmen around this Hill for the last number of weeks have been talking about job losses. Labor spokesmen have been talking about the inability of the industry to develop the technology.

Well, that is a nice back scratching arrangement. I thing it would be more interesting to hear the unions talk about the loss of jobs and the industry talk about the technology.

The fact of the matter is that the automobile producers have testified as recently as February of 1977 that they can produce the technology and meet the standards.

The United Auto Workers have produced no facts to support the contention that they are going to lose jobs. There are a lot of allegations. I suppose if I wanted to weaken the laws these are the kind of allegations I would make, too. But there is no evidence in the record created in the House of Representatives or in the Senate to support any job losses. There are generalities.

I believe it is the job of the labor unions to justify, to verify, and to produce the evidence that jobs are going to be lost. They have not done it.

I think it is the job of industry to demonstrate that technology can be produced using just a fraction of the dollars that are used for advertising and a lot of nonsense and luxury cars, but they have not done that either.

What are the facts, Mr. President, about jobs in this country?

The best information we can get is from the agencies of the Federal Government using data available from studies they have done. It is estimated that if we go to the committee standards on nitrogen oxide and the other standards according to the timetables, there would be some increase in the cost of the automobile. That might be anywhere from $50 to $100 to $150, or maybe even $200 or $250 a car.

There are estimates that the price increase would reduce the number of cars sold. Projections are that in the next decade or so there will be an increase in automobile production from 10 million today to over 12 million in 1985. This is an increase of 2 million cars sold annually. How much would a $200 increase reduce the number of cars Americans are going to buy? Would they spend $115 more for a vinyl roof and then buy a $5,000 car because it costs $200 more for pollution equipment? Would they spend $300 or $400 more for an air conditioner but not buy a car for $6,000 because it costs $200 more for pollution equipment?

I doubt that. I believe the American people are prepared to make that adjustment. They know if they can afford vinyl roofs and air conditioners they can also afford to clean up the air in this country. And they know that the savings they will get in fuel economy, and in reduced medical bills will more than pay for the pollution control equipment.

The proponents of this measure, this industry measure, undersell value of the health of the people of the United States. I believe the people of the United States are ahead of the Congress by about 10 years on this issue. They are ready. They are ready to make the investment. I do not think the loss in auto sales in the next decade is going to be appreciable, and there are no facts to support that they will be. At the very most, Mr. President, according to EPA figures provided to us yesterday, the numbers of people employed in the auto industry, might be reduced by 7,000 to 9,000 jobs in 1985. It is difficult to say that this is any change in employment at all, because over 800,000 people more will be working directly in the automobile industry in 1985. Two million more cars per year will be produced in 1985. And all 12 million will need more equipment in the form of pollution control equipment.

What about the jobs produced by the requirements for pollution control equipment. The Administrator of EPA says, in a study of employment in the auto industry, that producing the catalysts and other pollution control devices for over 12 million cars a year will require 70,000

new jobs. That number 70,000 does not even include the employment needed to put the devices on the cars or to service the devices on the cars.

Proponents of this amendment have not talked about those jobs. They have not talked about the number of people that are going to be put to work creating these devices. I wish the industry and its supporters would talk about that as well. I think 70,000 makes a lot more sense than 7,000. If I were looking to employ people in this country, I would look at the best way to do it—not just to hold on to what I have, but how to expand, how to grow. The 70,000 new jobs will be both union and nonunion jobs.

The estimate of jobs created is not an industry figure. I presume that if the industry and the unions had better figures than that, they would come forward with them. But I have not seen them. Maybe other Members of the Senate have.

What about fuel efficiency and fuel economy? The best evidence before the Senate today is produced by the Department of Transportation, the Environmental Protection Agency, and the Federal Energy Administration. Those agencies have said that we can meet the standards of the committee and that we can do so without any fuel loss. I think if Mr. O'Leary, who administers the Federal Energy Administration, believed those figures that the Senator from Michigan presented, he would be extremely concerned about it. We have not heard Mr. O'Leary say he is concerned about fuel loss. To the contrary, here is the letter that Mr. O'Leary signed, to Senator MUSKIE, on June 7, 1977:

The Griffin/Riegle proposal contains a waiver up to a 2.0 gpm NO_x level. At this level there is a greater likelihood that automobile manufacturers will continue with existing cost optimal technologies, than of switching to the fuel optimized technology which is expected to result from the 1.0 gpm NO_x level as proposed in S. 252 and the Administration's recommendation. If 2.0 gpm NO_x remains the ultimate standard, as is possible under the Griffin/Riegle amendment, 1978–1985 model year vehicles could be consuming in calendar year 1985 as much as 94,300 barrels per day more gasoline.

That is from a letter signed by the Secretary of the Department of Transportation, the Administrator of the Environmental Protection Agency, and the Administrator of the Federal Energy Administration.

The industry claims that it cannot meet these auto emission standards and have any kind of fuel efficiency. Let us look at the past record. The most significant tightening of auto emission standards occurred in model year 1975. Chrysler Corp. testified that these standards would cause a fuel penalty. In fact, their cars realized a 12-percent fuel economy gain.

General Motors estimated that there would be a substantial impact of tightening up those standards, and their actual experience was twice the fuel economy improvement predicted.

For model year 1977, when the standards were imolemented once again, the NO_x standard was tightened by 33 percent. The auto industry has claimed that this standard would cause the greatest fuel economy penalty. Chrysler estimated a 7-percent fuel economy loss. The actual loss was zero. General Motors estimated a 5-percent loss. The actual change was a 9-percent improvement between 1976 and 1977 model years.

In 1975, the Congress of the United States received a report from the National Academy of Sciences. This is a report which I think was cited earlier by proponents of this measure. I quote that report on the issue of fuel efficiency:

Substantial improvements in fuel economy can and should be realized at any of the proposed levels of emissions. The improved technology required to meet emission standards may assist in improving fuel economy. Current catalyst technology provides such an example. The technology that was introduced to meet an emissions requirement also allowed the improvement of fuel economy. If further emission standards require the introduction of more sophisticated fuel systems—electronically fueled engines, for example—fuel gains and fuel economy should result. The result of new and improved engine technologies will simultaneously reduce emissions and fuel consumption, and they can and should be pursued.

The February 1976 joint FEA–EPA analysis shows that, in the long run, there will be no fuel economy penalty whatsoever at standards down to 0.4, 3.4, and 1 gram per mile nitrogen oxide.

What does the National Academy of Sciences say will improve fuel economy? Not relaxing auto emission standards.

Fuel economy goals can be achieved by the following methods: reduction in the weight of vehicles; change in vehicle mix to include a larger proportion of small cars; use of more efficient transmissions in proportion to vehicle weight.

And a whole variety of other steps that, according to the National Academy of Sciences in that same 1975 report, will take care of the problem of fuel efficiency much better than jeopardizing the health of the people of this country.

What about the technology issue, Mr. President? Proponents of this amendment have said that the technology does not exist. A memorandum from the Administrator of the Environmental Protection Agency to the Senate committee describes test data on two Buick 6-cylinder cars. At 20,000 and 15,000 miles, these cars have emission standards at or substantially close to standards which this amendment would postpone for several years.

According to the California Air Resources Board, there is no need to waive the 1 gram per mile standard to achieve innovations such as the diesel technology. In fact, according to that Air Resources Board, diesel engines probably will be able to meet a 0.4 gram per mile standard in the very near future.

In that connection, Mr. President, I quote from a memorandum prepared for the Environmental Protection Agency in February of 1977 by the California Air Resources Board.

The Congress has been given false and misleading testimony regarding the ability of stratified charge in diesel engines to achieve a low NO_x level. There is no fundamental reason why such engines cannot meet a 0.4 standard and prototype vehicles have already been tested which emitted less than 0.4 NO_x.

NO_x levels below 1 gram per mile have been achieved with medium-sized vehicles that also met statutory standards for hydrocarbon and carbon monoxide.

What has been the experience in California, Mr. President, where cars are required to perform better than the national standard? Contrary to what most people have been told, cars are being produced in Detroit which meet a better standard. I shall read about some cars that have met standards of 4 grams per mile hydrocarbon, 3.4 grams per mile carbon monoxide, and 1 gram per mile nitrogen oxide.

The AMC Pacer and Matador, with weights of 3,500 and 4,500 pounds, with different types of engines meet standards of 0.3, 1, and 0.9.

Chrysler Aspen, a 4,000 pound car, meets 0.2 grams hydrocarbon, 3 carbon monoxide, and 0.9 grams nitrogen oxide.

A Ford Maverick, weighing 3,500 pounds, meets 0.4 grams hydrocarbon, 1 gram carbon monoxide, 1 gram nitrogen oxide.

The GMC Caprice, the Impala, the Monza—all within pollution control of this range, and the Sunbird and the Skyhawk and Japanese cars as well. Similar evidence is available in the model years 1976.

So much for the fact that technology does not exist. I want the junior Senator from Michigan to note that I have not even mentioned the Volvo.

What is the issue, Mr. President? The issue is public health. We have evidence, graphically demonstrated at the back, which summarizes this issue again. I put it forward yesterday, and I am not going to spend a great deal of time on it, except to show where we stand in this country on the real issue.

First of all, Mr. President, many areas of the country, according to the Environmental Protection Agency, currently violate the average air quality standards developed to protect public health. Many States violate the primary air quality standards for nitrogen oxide. That is 13 States, plus the District of Columbia, demonstrated on the map on the right.

This situation is going to become a lot worse if nitrogen oxide standards are relaxed, Mr. President. We have a bargraph that reflects that. If we stay at the statutory 0.4 grams per mile nitrogen oxide level, we would improve the situation in this country by 5 percent during the next decade.

We defeated a chance to improve air quality yesterday in an amendment offered by the Senators from Michigan.

If we adopt the committee's position, the 1 gram per mile nitrogen oxide, we are going to increase nitrogen oxide pollution in this country by 8 percent by the year 2000. And that is a problem.

If we adopt the industry position put forward by the Senators from Michigan, by the year 2000 the pollution problem will be exacerbated by 13 percent, according to the Environmental Protection Agency.

In addition to the violations of annual average standards, the World Health Organization says that we have an additional problem in this country of short-term nitrogen oxide levels. According to the standards which the World Health Organization set to protect people against rush hour periods of pollution,

the EPA data shows that 24 States, shown on that map, are in violation.

There are 20 additional States EPA does not yet have data on.

If we relax nitrogen oxide standards, that short-term problem will become worse. We have a graph which demonstrates that if we had adopted the 0.4 standard, the graph on the right, we could have improved the situation by 33 percent by 1990.

If we adopt the committee position, short-term pollution exposures will get 10 percent worse.

If we go to the industry position propounded by the Senators from Michigan, the short-term standards will be violated 30 percent more frequently.

What kinds of health problems are involved here, Mr. President? Those are listed on the left. Those are seven types of diseases which doctors say result from air pollution. Mostly, those diseases affect children in our society, and they affect the old people and they affect people who have a respiratory or vascular illness.

We have information back there that points out 14 cities. In these areas there will be about a 19-percent increase of respiratory diseases in children in those cities if we go to the committee standard of 1 gram per mile. But if we adopt the industry position put forward by the Senators from Michigan, that respiratory disease problem will get about 30 percent worse.

The cities are listed back there. They include my own hometown which will get over 100,000 additional cases of these diseases resulting from nitrogen oxide between 1980 and 2000.

It lists the city of Los Angeles which, of course, is one of the worst, heavily populated, heavily polluted. A million and a half cases of additional respiratory diseases in children will result from the adoption of the industry proposal over the 1980–2000 period.

It lists the city of New York which will get over a million cases additionally of respiratory diseases in children resulting from the adoption of the amendment put forward by the industry.

Mr. President, I cited a letter yesterday which I think, as much as anything else, summarizes this case. That is a submission to the Congress by a letter to me from the American Academy of Pediatrics representing 18,000 Board-certified pediatricians.

I have not heard any refutation of that letter. I have not heard any effort by the proponents of this measure to say the 18,000 doctors in this organization that treat children, that know about these diseases, are somehow wrong.

I wish the Senators from Michigan or one of those lobbyists out there that are lining the reception room wall to wall, shoulder to shoulder, would refute that letter. I think it is important. If it is not refuted, it stands there on the record.

The record shows that pediatricians in this country, 18,000 of them, now know that this pollution is going to do health damage to a lot of children in this country.

I think if I put an amendment forward that had that result, I would have an obligation to demonstrate where these pediatricians are wrong.

The Senator from Michigan back here has not done it. The Senator from Michigan back there has not done it. If the pediatricians are not wrong, how can we vote to allow more NO_x pollution?

This is a public health issue, Mr. President. This is not only a fuel economy issue. It is not only a jobs issue. It is not only a technology issue. It is a human life issue.

I would like to hear some refutation of that letter, which says as follows:

> It has been demonstrated that there is a significant relationship between nitrogen oxide levels and lower respiratory tract infections in children with strong implication of a causal relationship in asthmatic children.
>
> In light of the potential risks which have been clearly delineated for the hearing record, the 0.4 nitrogen oxide emission standard represents a responsible approach towards disease prevention, particularly toward those most susceptible to the damaging effects of pollution, the young, the aged, and the infirm.
>
> We would urge you to work towards its immediate passage.

I would hate to report to the president of the American Academy of Pediatrics that we failed.

The majority of Senators believe that giving the industry another break is more important than giving the children of this country a break. That is unfortunate because I think that is what this issue is all about and I think that is what we ought to talk about.

We could go on and on compairing studies. There are a lot of studies. I suppose an industry can pay for a study and get about whatever result it is willing to seek, and that has been done. But that does not answer the figures, Mr. President, about the results of adopting this amendment on the people of this country.

I think the record is clear and unrefuted on the health aspects. I do not think anyone can stand up today and say there is no public health effect from nitrogen oxides.

I suppose the senior Senator from Michigan can continue to delude himself that by adopting the reasonable approach on carbon monoxide or nitrogen oxides that he is "taking care of the public health problems."

Well, if that was what was needed to take care of the public health problem, why did he not do it in the first place?

The fact of the matter is that it does not take care of the public health problem. All the figures I have put forward, the statement of the doctors that treat the children of this country, are all related to nitrogen oxides.

There have been some suggestions here already today that the real thrust of the amendment is to accomplish the results that the committee itself adopted. That is not the case. There is a substantial difference. The difference is in the area of the nitrogen oxide, and that is what is injuring people and that is what is going to kill people, if it has not already in this country, and there is some evidence that it has already.

I think the Senate of the United States before it votes on this amendment ought to understand it. That is the issue.

For jobs we have been asked to sacrifice things in the past. We can sacrifice trees, I suppose, even if they are the biggest trees, the oldest trees we have in this country; for jobs. I suppose we can sacrifice the porpoises, if we have to; for jobs.

But I want somebody to stand up here and say we have to sacrifice the lives of the children of this country for jobs. That is the issue.

We have wall-to-wall lobbyists out there. I hope there are no schoolchildren here to come back to find out how democracy works. I hope if there are, they do not go out in that reception room because they will find out how it is working on this issue. They will see some people with their arms bent behind their backs. They will see some outrageous allegations being made that are wrong. They probably will see some other things they should not see and I wish they would not see. But the pressure is on with respect to this amendment. The few times I have been out there, I have not seen anybody lobbying for the children of this country.

I think that is what it is about. It is also about corporate profits, and it is about public interests versus private interests. One can argue that by letting the corporations off the hook, they will be healthier; that they can produce more cars; that they can sell more cars; that it will create more jobs; that everybody benefits and everybody is happy. Well, that is one point of review. But at what price? At what price?

The doctors think that the price of the health of the young people of this country is a high price. I hope that any of my colleagues who venture out into the reception room ask about that. I hope they ask that question: What about the price? That is the price. That is what this issue is all about.

The poor automobile industry. It is suffering. First-quarter profits for 1977: General Motors, $903 million; Ford Motor Co.—there is a suffering company—$482,700,000; Chrysler, $63,200,000; American Motors, $2.5 million. The total first-quarter profits for the four auto makers, $1,451,400,000.

Those are increases in each case. In the case of General Motors, that is an increase over 1976 of 13 percent. That is good. I believe companies should make a profit, and that is a reasonable profit. Ford was up 47 percent. Chrysler was up 11 percent. American Motors, which needs the help most, was up 108 percent, and that is fine. We need American Motors. I voted for Senator NELSON'S amendment.

Mr. President, first-quarter profits for this industry, which needs this help, were almost $1.5 billion. I am sure they put a lot into research to solve these problems. I am sure they have provided a tremendous amount of public service in trying to solve these problems. They have only had 7 years. Under my amendment, they would have had 6 more. My amendment would have given the auto industry 13 years to meet a health standard to protect the people of this country—13 years.

We do not want to rush them. They are big companies; you cannot push them around. They have to have time. They have to spend some money. They have to take their time in solving this problem. They solve the problems best when im-

ports beat them on size, if it is safety in new technology. That seems to be the way they solve a problem.

We could have kept the 4.0 grams per mile standard. That would have solved it, because there is somebody in this country who realized that there was enough money to be made to clean up the air and they would have invested in it even if they were not one of the major automobile manufacturers.

Mr. President, the issue is not jobs, because no jobs are going to be lost if we adopt the committee position—that far out, unreasonable position endorsed by every member of the committee; endorsed by me with some reluctance because it was not tough enough. It was endorsed by Republicans and Democrats. The Republican members of that committee are not particularly unreasonable about business. Many of them have listened to the testimony for months and years.

I suppose they could have been hoodwinked, but I do not think they were. They signed this. It is easier to say that it is a far-out kind of radical environmentalist position, that it does not understand what the implications are, that it does not understand the economic impact, that it does not understand this and that. Well, that will not wash. This position has been adopted year after year by the committees of the Senate—last year, by the entire Senate. What has happened since last year, I do not know. I have not heard anything. Convince me. It certainly cannot be loss of corporate profits.

What does it take? It takes the Congress of the United States to do its job, and its job is to protect the public interests, not the private interests, not the labor unions, but the people of this country. That is what its job is, and that is what the issue is. Is the Senate today going to protect the public interest, or is it going to protect the interests of the few?

Perhaps there is some evidence that these pollutants are not hurting and possibly even killing people. I think we should have it. It should be unbiased and objective. But until I hear it, I am going to stick with the doctors. They are not radicals; they are not far out. I do not think they could be called extremists. They care, and they are concerned.

Mr. President, I hope that the Senators who vote on this amendment will do what they were sent here to do, to protect the people of this country. We are in here; the lobbyists are out there. When these doors close, the lobbyists stay out there. We vote; they do not. Most of the decisions have been made. People make commitments; they get wrapped up very early. Somebody gets hold of them and says, "It is a terrible bill. It is going to ruin our industry. It is going to put our workers out of jobs. We cannot meet those standards."

All those arguments we have heard over and over. The Senator from Maine has heard them for more than 14 years. He is an eminently patient man. I have heard them for a couple of years, and I am tired of them already. I do not know how he stood it. Happily, there have been people like him in the Senate. The Senator from Michigan admires him. I wish he would admire the Senator from Maine enough to follow him.

It is the same old story, and that is the story that is going on outside these doors. That is the story the American people should know about.

Lobbying is fine. It is in the best American tradition. It goes on all the time; all kinds of people do it. All kinds of interests do it. There is nothing wrong with it. It is becoming pretty tough on this issue, and I do not hear very many people out there talking about what the public interest is.

So I hope that when the time comes to vote on this amendment, Senators will keep that in mind. If the United States of America ever gets to the position that it cannot solve a technological problem that it has had years to solve and years more leadtime to solve, and we have to confess to the people of this country that we cannot have a healthy economy, create jobs, permit the major industries to go forward, and protect the people of this country, I think we are in bad shape—and that is what is being suggested. That is the issue before the Senate.

(At this point, Mr. HUDDLESTON assumed the chair.)

Mr. MATSUNAGA. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. MATSUNAGA. Mr. President, I commend the distinguished junior Senator from Colorado. He has presented the most persuasive and most convincing argument that I have heard all day. I wish that more Members of the Senate were present to listen to him. I am sure that they would have been moved by his eloquence, as well as by the substance of his argument, as I was.

Let me say to the Senator from Colorado—if it will make him feel any happier about the situation that goes on out there in the lobby—that he at least convinced me, because I really was undecided on the pending amendment. I did not know quite which way to go on this. I am convinced now that even more important than the energy crisis is the health crisis, and the Senator from Colorado (Mr. HART) so ably presented his case that I will join him in opposing the Riegle-Griffin amendment.

However, I wish that the Senator from Colorado had not pointed to the situation which exists outside of these doors as something insidious. It is part of our system of government, and I see nothing wrong with the lobbyists out there representing their own special interests. They constitute a legitimate part of our legislative process.

As a matter of fact, upon the Senator's suggestion I did go out there. Nobody grabbed my arm, nobody twisted my arm, nobody even approached me. I would hate to think that my vote is not as important as that of any other Member of this body, simply because I represent the small State of Hawaii.

Sometimes in trying to win over a point we try to point out the weaknesses of our system. I for one do not think that lobbying by special interest groups contributes to the weakness of our system. I do not think that lobbying is something which should be hidden from our children. It is an integral and healthy part of our system.

While I was most convinced by the argument of the junior Senator from Colorado as to the merits of his case, I only wish he had not made his side attack, which, in effect, was an attack on this body and on our system.

But again, having said that, I commend the Senator from Colorado. I think he made a most convincing, most persuasive, argument.

Mr. HART. I thank the Senator from Hawaii for his kind remarks. I think he would agree with me, as I indicated in my remarks, that a system where representatives of the various interests present their case to Congress is a healthy one, and a system which has gone on and should go on.

But I think he would also admit there are abuses even of that system. It was with respect to those abuses that I was making reference.

RIEGLE-GRIFFIN AUTO NUMBERS

Mr. STAFFORD. Mr. President, the proposal by Senators RIEGLE and GRIFFIN would affect auto emissions requirements in two ways:

First, it delays the deadline for compliance with final standards, and

Second, it relaxes two of the three final emissions limits.

I would like to speak very briefly about the detrimental effect of each of these proposals.

It is argued that the modest delays will have little or no measurable effect on public health. This assumes that the ultimate standards will be the same as those provided in S. 252.

But past experience has shown that further delay simply gives the auto companies another chance to seek legislative relief from final numbers. Additional delay thus increases the chance that final standards will never be achieved.

The argument of no measurable health effects also assumes that the final standard for nitrogen dioxide will be 1 gram per mile, as required in S. 252.

But the Riegle-Griffin proposal provides an indefinitely extended waiver for up to 2.0 grams per mile. Again, past experience shows that whenever a legislative waiver is provided, the highest number becomes the standard. And the long-term and short-term health effects of a 2.0 nitrogen dioxide standard are indeed measurably different from the standard set in S. 252.

The estimates of comparative fuel economy by FEA, EPA, and DOT show negligible differences between the committee bill and the Riegle-Griffin proposal. Under some assumptions, S. 252 gives increased economy.

Differences in initial costs to the consumer do exist, but these are not of the magnitude to discourage automobile sales and are small in relation to total car cost and the cost of many options routinely purchased.

When modest additional costs are weighed against increased protection afforded public health, I believe the wisdom of standards and deadlines in S. 252 are plain.

Proponents of the Riegle measure quote a $350 price differential between

cars meeting their numbers and those meeting standards in the committee bill. The range of price differences cited in the May 19 FEA–EPA–DOT study is $65 to $155.

Proponents of the Riegle measure contend that fuel penalties under the committee proposal will far exceed those under the Riegle substitute. Figures from Ford Motor Co. show that fuel economy for the least stringent Riegle assumptions, that is, 2 grams per mile of NO_x, will be the same or slightly less than fuel economy for vehicles which must use the three-way catalyst to meet committee numbers.

Similarly, the May 19 Government report estimates a range of 0.5 percent loss to no loss if standards in S. 252 are adopted.

No one can say for sure what ultimate fuel economy will be. Too many variables in addition to emissions controls affect the outcome.

But reliable estimates from three Government agencies, have been reviewed and ratified by the administration's energy chief as well as its environmental officers. These figures should convince us that adopting S. 252 will not imperil our broad plans to improve our energy position.

As for the contention that committee requirements will foreclose development of radically new engine designs. The National Academy of Sciences has found that several alternate engines can be made to meet the stringent standards.

It makes little sense to forego needed improvement in air quality, for which technology now is acknowledged to exist, in the vain hope that the automakers will someday voluntarily come up with more fuel-efficient and less polluting vehicles.

Tough standards must be imposed now. Otherwise, we will continue to receive promises that better technologies will be available tomorrow. And tomorrow will never come.

Mr. HART. I yield to the Senator from Illinois.

Mr. RIEGLE. Does the Senator from Illinois wish to take advantage of the time given to him?

Mr. PERCY. Mr. President, the question I have put to the heads of the automobile companies is "What are your engineering divisions in your great automobile companies doing to meet the public need?"

Over a period of months, I have become convinced that the management of these companies has put all the pressure on their engineering divisions that they can and should be doing. They feel the public pressure; they feel the pressure from Congress and from the marketplace. They have cut by many years the time they would have taken if we had not had the kind of leadership in the environmental field that we have had, and I am looking directly at the Senator from Maine who has been a leader in this field. I think he has served as a powerful catalyst to cause the automobile industry to move forward. In the end, he will have proved to be one of their best friends, although they may not publicly recognize it, and he may not look on his function in that regard. But I think he has been a great catalyst.

I think the distinguished Senator from Colorado, who has eloquently argued his point of view, has done an outstanding job. But the questions I have put right up through yesterday morning when I asked for additional material and additional reports, I am reasonably satisfied now have been answered to my satisfaction.

I would like to talk, first, about the public health problem because this is obviously of the greatest concern to all of us.

Mr. President, public health is by far the main criterion on which we must focus as we consider the auto emissions standards in this bill.

Comparing the committee's bill and that of Senators RIEGLE and GRIFFIN we find that, first, for 1978 they adopted the same auto emission standards. Second, for 1979 the committee bill adopts a tighter standard on each of the three pollutants. Third, for 1980 and 1981 they are once again the same, except that the committee allows 1 gram of nitrogen oxide while Riegle-Griffin allows 2 grams.

Fourth, by 1982 they are identical, except that Riegle-Griffin has a waiver for up to 2 grams of NO_x—but only if public health permits.

Mr. President, I have searched and I have not found such data demonstrating a measurable public health danger that would result from a somewhat higher level of certain pollutants allowed by Riegle-Griffin for the years 1979 to 1981. Stationary emissions provide a far more important variable than the rather slim margin of difference between these two bills on auto emissions alone.

Indeed, if I understand the committee's position, they do not argue for their bill and against Riegle-Griffin mainly on public health grounds. They appear to me to be saying that there is necessarily some public health advantage to be gained by their stricter version during the period 1979 to 1981.

In addition, we must demand the toughest standards we can get as a means of forcing a somewhat recalcitrant automobile industry—in their eyes—to comply with necessary emissions standards within a reasonable time.

Not only that, the committee claims that their standards will also serve the interests of the Nation and of the automobile industry by forcing them to produce as soon as possible a clean, fuel-efficient car that can win back a substantial piece of the small car market from foreign competitors.

This is a point that I think the committee has very validly emphasized. And for many months I have put this point myself to the automobile industry. We want to be an effective catalyst for improving the industry, and we want to be the best weapon in their hands to cause their engineering divisions to do what maybe they do not even think they can do. As the process has worked, their resistance to what we have been asking has melted somewhat. Now there are generally agreed standards that are achievable and that all agree can be done. We have to weigh them against two other factors: one is cost, and the other is energy loss.

Mr. HART. Mr. President, will the Senator yield for a question?

Mr. PERCY. I presume we have adequate time. I have asked for 7 minutes, but I would be happy to yield.

Mr. HART. As I understand the Senator's position it is that the corporate management agrees with the committee on its position on auto emissions, but it needs the Congress to help support it in coercing its engineers to develop the technology; is that it?

Mr. PERCY. No, that is not what I am saying. I said we here in Congress can help the leaders of the auto industry—and have helped them to recognize the need to build substantially better cars—lighter, cleaner, more fuel-efficient. That is inevitable.

And it is going to happen because of the force of competition from outside. I have pointed out some automobiles from abroad that are back ordered right now. Something has to happen. We are trying to work with the industry in achieving standards that I think every automobile executive I have talked to wants to achieve and is aiming toward. The question is cost. The question is what is the balance on automobile efficiency and fuel usage. And the question is when can it be done in such a way that it does not cause disruption to an industry that is absolutely vital and essential to our economic growth. And our economic recovery is in a perilous position today. We know that. We think it is moving forward. But what we do not need is any disruption in that major industry at this time, if we feel they are doing what they must to move forward.

I think what has been extraordinarily important is the point that has been brought out that this is the last time the industry is coming to Congress and asking for relief in this area. We began this process a long time ago.

Mr. HART. What guarantees that this is the last time?

Mr. PERCY. If my colleague will let me finish, I can recall my distinguished colleague in Chicago, Bob Ingersoll, calling from Borg-Warner years ago saying they needed at that time much more relief.

I simply said to him: "What you are asking for is impossible. It is too much and we cannot give that much."

I am sure that the engineering divisions of these companies can come forward and bring results much faster than they even now think. And I think the industry has accomplished a great deal.

But on balance, I have reached the position now where I believe that this final modified version of the Riegle-Griffin amendment is as practical, balanced, and reasonable a position as can be taken. I commend both of my distinguished colleagues for the work that they have done in this area. I will be supporting their amendment. I am happy to yield.

Mr. HART. The Senator suggested there is no difference between the 1-gram-per-mile standard and the 2-grams-per-mile standard for nitrogen oxide. I would be glad, without taking the time of the Senate, to go back to the back of the room and explain the difference. It is substantial. The standard

which the doctors of this country want is 0.4 gram per mile. They believe that is necessary to protect the health of the children of this country. There is a substantial difference in terms of the public health impact of between 1 gram per mile and 2 grams per mile, and that is what this argument is all about.

Mr. PERCY. I fully respect the judgment of my distinguished colleague. Those are the very same questions that I have been asking. I had heard about the Yale University study but had not actually received a copy of it, and I asked yesterday for a copy of that study.

The study that was made at Yale University indicated that there was a measurable disadvantage only if the two standards being compared were more divergent than the ones we are in fact comparing. If that is so, and I believe it is so after reading the report, why are we here, then, today? I think we are here to pass a Clean Air Act that is strict and sensible and that covers both mobile and stationary sources.

We have defeated the Stevens amendment on a significant deterioration by a 2-to-1 margin and thus have placed the Senate conferees in a strong position to argue against accepting the Breaux amendment in the House bill.

In regard to auto emissions, we are not choosing between a strong environmental position and a weak one; we are choosing between two concepts of what is needed to encourage our automobile industry to move as rapidly as possible toward lighter, cleaner, more fuel-efficient automobiles, in a way that will strengthen the overall economy of this Nation and not weaken it.

For that reason, I have concluded that I can and will support the Riegle-Griffin amendment, because I believe it will give the automobile makers the time they need and the encouragement they need to make the type of cars that we have just described.

Mr. HART. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. HART. Does the Senator have that Yale study in front of him?

Mr. PERCY. I have it in my office.

Mr. HART. This was the study referred to yesterday by the Senator from Michigan as a competent, professional, outside, analysis, which indicates to them that there is not the compelling health reason for us to consider going to the 0.4 NO_x standard. This is a published report called "Estimates of Health Benefits due to Reductions in Ambient NO_x Levels", published in Environmental Management. This article is based on a study, "An Evaluation of Clean Air Act Amendments of 1970 by the same authors in June, 1975, the same three researchers and basicly the same evidence is in the two reports. The cover page says, "A study prepared with the support of the Chrysler Corporation."

Mr. PERCY. I hope the distinguished Senator is not implying that eminent researchers and Yale University were bought, simply because their study was financed by an automobile company. The first question that I raised was "Who did finance it?" Chrysler Corp. financed it. All the more to their credit. Many automobile executives I have talked to have been concerned about health standards. The president of the UAW certainly is concerned about health standards, and the UAW has been in the forefront of promoting enlightened health policies for this Nation for many years. I think it is going a little far to question the integrity of an eminent university, such as Yale, and the distinguished researchers who have done this work. They have made an important contribution by showing how to quantify the effects of auto emissions. I respect their integrity. I am a trustee of Chicago University, as I am sure my distinguished colleague is a trustee of a university.

Mr. HART. No.

Mr. PERCY. But I think it proves very little who financed the study. In fact, I believe it strives to develop objective criteria.

Mr. HART. No. The only implication was that I think it is highly questionable to call it a competent, professional, outside analysis when it is financed by one of the automobile manufacturers. That is all.

Mr. PERCY. It was done by an outside source. The EPA commissions studies all the time. The Defense Department commissions outside studies all the time. They go to Yale. They go to MIT. They go to Cal Tech. And they are outside. The fact that they finance the studies does not necessarily mean they can buy the results.

Mr. HART. Let us leave aside the question of who financed it, although I think it is of some interest.

Is the Senator aware that the study in making its health benefit calculations about nitrogen oxide assumes an equivalent—90 percent—reduction in nitrogen oxides from stationary sources, when, in fact, the President's coal conservation program is going to increase nitrogen oxides in this country by at least 25 percent? It is just a basic difference of fact. The basic assumption made—which results in a prediction of lower health effects—is false. I think if nothing else that calls the study into question, leaving aside who financed it.

Mr. RIEGLE. Mr. President, will the Senator from Illinois yield at that point?

Mr. PERCY. I am happy to yield though I might add that the point my friend from Colorado makes underscores the fact that stationary sources of NO_x are much more important than auto emissions.

Mr. RIEGLE. I, first of all, thank him very much for his support and for the excellent statements he made and also indicate everything that has been said today by the Senator from Colorado on alleged health effects was said yesterday. The Senate heard all those arguments and rejected those arguments yesterday when it turned down a much different and more unrealistic NO_x standard. Those arguments have all been heard and rebutted. They were rebutted yesterday, and those rebuttals are in the RECORD that is on every Senator's desk. We can rebut them again. But the Senate really has already expressed itself on those arguments and those issues.

What the Senator from Colorado has not done, however, is he has not told us how this can be done from a technological manufacturing point of view because those answers do not exist. And in light of the fact that they do not, it seems to me that the Riegle-Griffin package pushes things as far and as fast as they can be made to go and, if there were any shred of credible evidence that they could be made to go faster, we would reflect that in our schedule.

But I thank the Senator again for his statement.

Mr. PERCY. I thank my distinguished friend. In summation, I would simply indicate that in the judgment of the Senator from Illinois, first, the public health impact of the standards is not measurably greater than that of those in the committee bill. I am impressed with the fact that this industry and UAW say this is their final request. I will certainly do everything I can to hold them to it. All parties agree the emission standards must be met. The main area of disagreement concerns the best strategy for meeting these goals. Plainly I give more credence than some of my colleagues to the claim by the industry that they need the time to develop the right combination of fuel-efficient and clean running engines, and that our denying them this delay in compliance will have a large and measurable impact on our national economy.

I do feel we cannot avoid the fact that one of the critical problems we have in this country is the energy crisis. At long last, the American public believes we do have an energy crisis. The President of the United States has gone to the public on television nationwide. He has addressed a joint session of Congress, and he has held press conferences to convince everyone of one thing: that we have an energy problem.

We know we have a health problem also, but the main contributor of nitrogen oxide pollution is stationary sources, not mobile sources, and I think that on balance, the Griffin-Riegle amendment will allow us to move forward in the most orderly way possible for achieving our end goal at a time when it can be achieved with the least disruption by taking into account that we do have a problem of energy, a problem of overconsumption and use, and a problem of overdependence on imported sources of energy.

Because of some dubious health difference which I cannot discern or see demonstrated, I do not think we ought to go an extreme that would cause great hazards and dangers to our economy, to our energy problem, and to the momentum of recovery we have underway.

I thank my distinguished friend.

Mr. RIEGLE. I thank the Senator from Illinois again for his statement and for his support.

Mr. President, I wonder if I might inquire of the Senator from Tennessee, under the prior agreement which was concluded with the majority leader in order to bring this issue to a vote this evening, which has been well debated today and yesterday, if the Senator from Tennessee would care to offer the alternative package he has designed, and if he is prepared to do so now.

It is my understanding that between Senator GRIFFIN and myself, on our side of the issue, we would be prepared at

this time to yield back the remainder of our time prospectively, provided, of course, that the other side would do the same, so that the Senator from Tennessee might put his amendment forward.

As I understand the agreement, it would be with the reservation of a half hour of time for debate on the alternative of the Senator from Tennessee, presumably divided equally, and then the notion would be that the vote would occur at the end of that half hour on the Baker alternative, and were it to fail—hopefully—the vote would then occur on the Riegle-Griffin amendment.

If that is the same understanding that the chairmen of the full committee and the subcommittee have, perhaps we could proceed on that basis at this time.

Mr. ALLEN. Mr. President, there is a history-making aspect to the debate now underway concerning the amendment to S. 252 offered by the distinguished Senators from Michigan (Messrs. RIEGLE and GRIFFIN) which should not pass unnoticed. I refer to the singleness of purpose in support of the amendment by two of the country's largest private institutions—the auto industry's management and the auto industry's union. This debate may well be a preview of many future debates in the Senate which are clearly identified by the term: Government versus the governed.

The long building trend toward more Government interference, guidance, and outright control over the individual citizen's life is perceived by an increasing number of citizens. Today we are seeing that perception translated into citizen action to prevent the Congress from acting against the livelihoods of thousands of people who are associated, in one form or another, with the automobile transportation sector of our economy. Labor and management understand and agree on the impact of the proposed auto emission control standards in the committee's bill and knowing that, are fighting to preserve the jobs which could be lost down the road if stricter emission standards are mandated before the industry is in a position, technically, to produce the type of engine that can meet strict air pollution abatement standards that have been the goal of Congress since the passage of the Clean Air Act in 1970.

The automobile workers union and the automobile industry's management are asking the U.S. Senate to approach the subject of emission requirements with caution and to take into account the fact that fundamental engine design changes cannot take place without substantial cost to the industry, that those costs must be passed on to the consumer, and if those costs are too high, the consumer may very well defer the purchase of new and replacement transportation which will be reflected in the industry's ability to maintain present levels of employment or improve employment opportunities in the industry. Obviously, we are dealing with a great number of "ifs" and "buts" and "best guess" estimates on the part of economists, but there are very serious grounds for concern about the employment impact of S. 252 as reported to the Senate.

In arguing for stricter auto emission standards, but from the viewpoint of public health, one supporter states that "S. 252 allows for a 1-year extension of emission standards. We support this provision. Without this relief, auto manufacturers might have to shutdown in 1978." There is the sum and substance of the need for the Riegle-Griffin amendment in that recognition of the potential impact of the committee's bill on employment in the industry. Putting aside for a moment the technical arguments about the availability of technology, the cost of the cars meeting the proposed requirements, or the scientific arguments regarding the public health menace from automobile emissions, the crux of the current battle is over jobs, and jobs in the near future, not in some distant time.

Mr. President, I do not feel qualified to play the employment "numbers game" that the supporters and opponents of S. 252 are engaged in; each side presents convincing data. Senator MUSKIE, in his May 27 statement in support of the committee bill says that 180,000 jobs will be created by 1985 if the bill is passed as is, citing statistics from the Environmental Protection Agency.

On the other hand, opponents cite the same EPA and project "job prejudice" in the industry from 50,000 to 100,000 jobs. Which is to be believed? Which economic model is right? There is no way to be absolutely sure about the economic impact of legislation under consideration, but when we are debating a measure that has the potential for an adverse job impact, then I believe it is only prudent to err, if we must, on the side of job protection. Surely, we do not want to take action that will increase unemployment, nor should we pass a bill that would encourage an ever greater proportion of automobile sales in the United States to be made to foreign producers to the detriment of our own workers. I question whether the Senate really wants to take a step that could create an increase of unemployment 1, 2, or even 3 years hence.

Mr. President, I am sure that all Members have received the new publication by the Motor Vehicle Manufacturers Association, so it will come as no surprise when I mention that the potential employment impact in Alabama, of the proposed amendment, involves 240,000 workers. Now, of course, that is not people directly involved in the manufacture of automobiles but rather all those connected with the manufacture, distribution, maintenance, and commercial use of all motor vehicles in my State. Over 6,500 different firms in Alabama are primarily engaged in the manufacture, distribution, and servicing of motor vehicles. In addition, 1,200 firms are engaged in highway transportation and employ 16,600 workers with an annual payroll of $144 million, but specifically, Mr. President, the manufacturers of motor vehicles in Alabama, not including independent suppliers, employ 2,500 workers, disburse $48 million a year in annual wages and salaries, and pay almost $1.8 million a year in taxes to State and local governments.

Therefore, I believe it is only prudence on my part to be extra concerned about legislation that could have a disruptive impact, of whatever degree, on an important segment of the working population of the State of Alabama—either immediately or within the foreseeable future. I am sure that other States—and indeed, other Senators—can cite even more impressive motor vehicle employment related statistics and I believe the Senate must take cognizance of this employment throughout the United States.

Mr. President, I am pleased to note that our colleagues in the House of Representatives took note of this basic economic impact of the proposed legislation and amended its version of the bill along the lines proposed by the Senators from Michigan. The Senate should do no less and I urge our colleagues' support of the pending amendment.

Mr. BAKER. Mr. President, will the Senator yield to me to answer his question?

Mr. RIEGLE. I yield.

Mr. BAKER. I can report that I am at this time prepared to offer an amendment to the Riegle-Griffin amendment, and when the time is yielded back I will proceed to do that.

It is my understanding, and I will put it as a parliamentary inquiry, that under the previous unanimous-consent order, there would be a time limitation of 30 minutes on an amendment to the Riegle-Griffin amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, I am prepared at this time to do that, and if the distinguished authors of the amendment and the managers in opposition are prepared to yield back the remainder of their time, which I understand is necessary as a precondition to any further action in this respect, I am prepared to proceed.

The PRESIDING OFFICER. The Senator's presumption is correct. Is time yielded back?

Mr. RIEGLE. Do I correctly understand that the Senator from Maine is prepared to follow that arrangement?

Mr. MUSKIE. As I understand, all time must be yielded back on the amendment for the substitute to the amendment to be offered. That is our understanding, and we are ready to proceed.

Mr. RIEGLE. And am I correct in understanding that the half hour of time on the Baker amendment which we will proceed with in a matter of moments will be divided equally, and that Senator GRIFFIN and I will acquire half of that 30 minutes? Because we wish to speak in opposition to the Baker amendment.

Mr. MUSKIE. That is my understanding, and I will be an observer on the sidelines as you and the Senator from Tennessee discuss the amendment.

Mr. RIEGLE. On that basis, Senator Griffin and I are prepared to yield back our time so that the Senator from Tennessee can present his amendment now.

Mr. PERCY. Mr. President, will the Senator yield for a question?

Mr. RIEGLE. I yield.

Mr. PERCY. Would that be two back-to-back votes, and is it the intention of the Senator from Maine that that would be the last vote tonight?

Mr. MUSKIE. I do not wish to speak for the majority leader, but that would be our understanding, that those would be the two last votes.

Mr. ROBERT C. BYRD. The question is, as I understand it, whether upon the disposition of the Baker-Griffin amend-

ment, which means the disposition of the substitute thereto, there will be further votes? Is that right?

Mr. PERCY. Yes.

Mr. ROBERT C. BYRD. The answer is, I am inclined to say no. I always like to leave just a little room, if necessary to change my vote.

I hope the Senator can depend on that.

Mr. PERCY. I hope the Senator's inclination is correct.

Mr. MUSKIE. I yield back the remainder of my time, Mr. President.

The PRESIDING OFFICER. The Senator from Tennessee may proceed.

UP AMENDMENT NO. 381

Mr. BAKER. Mr. President, I send to the desk an amendment and ask that it be reported.

Mr. RANDOLPH. Mr. President, may we have order, please?

The PRESIDING OFFICER. The Senate will be in order.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for himself and others, proposes an unprinted amendment——

Mr. ROBERT C. BYRD. Mr. President, will the clerk name the sponsors?

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for himself, Mr. RANDOLPH, Mr. ROBERT C. BYRD, Mr. MUSKIE, Mr. DOMENICI, Mr. STAFFORD, Mr. MCCLURE, Mr. CRANSTON, and Mr. INOUYE, proposes an unprinted amendment numbered 381.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amendment proposed by Mr. BAKER, for himself, Mr. RANDOLPH, Mr. ROBERT C. BYRD, Mr. MUSKIE, Mr. DOMENICI, Mr. STAFFORD, Mr. MCCLURE, Mr. CRANSTON, and Mr. INOUYE:

In lieu of the matter that Mr. Riegle proposes in unprinted Amendment No. 380 to insert on page 1, line 3, through page 6, line 10, substitute the following:

"SEC. 20. Subparagraph (A) of paragraph (1) of section 202(b) of the Clean Air Act is amended by striking the term "1977", and inserting in lieu thereof "1980"; by striking the phrase "and 1976" after the term "1975" where it first appears, and inserting in lieu thereof "1976, 1977, 1978, and 1979".

"SEC. 21. Subparagraph (B) of paragraph (1) of section 202(b) of the Clean Air Act is amended to read as follows:

"'(B) The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light duty vehicles and engines manufactured during (i) model year 1976 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 3.1 grams per vehicle mile, (ii) (subject to the provisions of paragraph (5) of this subsection) model years 1977, 1978, and 1979 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 2.0 grams per vehicle mile, and (iii) model year 1980 and thereafter shall contain standards which provide that such emissions from such vehicles and engines may not exceed 1.0 gram per vehicle mile. The Administrator shall prescribe standards in lieu of those required by clause (iii) of this subparagraph, which provide that emissions of oxides of nitrogen may not exceed 2.0 grams per vehicle mile for any light duty vehicle manufactured during model year 1980 or 1981(aa) that has fuel economy at least equivalent to the fuel economy standard applicable in such model year under the Energy Policy and Conservation Act (89 Stat. 902) and that uses either an innovative engine system or emission control technology not involving a precious metal catalyst, or (bb) by any manufacturer whose sales, by corporate identify, for model year 1976 was less than 300,000 light-duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers.

"SEC. 22. (a) Section 202(b)(5) of the Clean Air Act is amended to read as follows:

"'(5) The Administrator shall promulgate regulations requiring each manufacturer whose sales represent more than 3 per centum of total light duty motor vehicle unit sales in the world to comply during model year 1979 with the emission standards required under paragraph (1) of this subsection for model year 1980 on 10 per centum of the manufacturer's projected total sales in model year 1979, as determined by the Administrator. Such regulations shall provide that no more than 90 per centum of such manufacturer's projected total sales of light duty motor vehicles in model year 1979 may be sold in compliance with the emission standards otherwise required under paragraph (1) of this subsection for model year 1979'.".

"(b) Section 202 of the Clean Air Act is amended by adding the following new subsection:

"(f) The Administrator of the Environmental Protection Agency shall conduct a study of the public health implications of attaining an emission standard on oxides of nitrogen from light duty vehicles of 0.4 gram per vehicle mile, the cost and technological capability of attaining such standard, and the need for such a standard to protect public health or welfare. The Administrator shall submit a report of such study to the Congress, together with recommendations not later than July 1, 1980.".

On page 6 of Unprinted Amendment No. 380, strike line 11 through the last line on page 17 of such amendment.

Mr. BAKER. I yield myself 5 minutes.

Mr. President, there is no issue in the Clean Air Act amendments this year which has received more consideration over a longer period of time than auto emissions. Many air pollution issues have come and gone over the years since 1970 but it seems perennially we face this issue of automobile emission standards.

This fact reflects, I think, the magnitude of the problem we confronted in 1970. Americans have chosen over the years to use the automobile as their prime source of local transportation and they have chosen increasingly across the Nation to live in urban environments. The combination has created health problems which are of substantial concern to us all.

It is frustrating that with the progress we have made in cleaning up automobiles over the past 7 years the problems of hazardous air conditions in our cities across the Nation persist and are projected to continue for years into the future.

This situation is additionally troublesome since with the extension of 1977 interim standards into 1978—as all the proposals before us contemplate—we will be 4 years beyond our initial target for cleanup of automobiles.

I do not quarrel that these extensions have been essential due to technological problems in meeting our initial goals. In fact, the proposal which I have moved to consideration would extend these standards for yet another year, 1979—a provision I consider essential to orderly evolution of production technology to meet final emission standards.

But I cannot advocate this step without observing that these delays in our efforts to produce clean cars confront us with a difficult situation—we must either countenance continuation of air pollution in excess of standards designed to protect human health and welfare or we must seek to achieve these standards through tighter restrictions on other sources in these areas.

That is not a happy prospect and one which I believe warrants that we seek diligently to ascertain the best that the automobile industry can do—and then require that they do it.

Some of the domestic industries will introduce cars during 1978 utilizing emission systems based on the three-way catalyst—a system which can meet final emission goals. One industry plans to manufacture a substantial number of such automobiles in 1979. The system utilizes the same engine systems as are presently produced by the industry—the emission system is essentially an add-on. One industry has clearly stated that it can produce 100 percent of its cars with such systems in 1980.

This then is the proposition: Systems are presently being marketed which can meet final emission standards, the technology is available to all industry and does not require a retooling of engine plants, the technology can and will be available for general application in 1980.

In view of these facts I think there would have to be compelling reasons to grant the industry a relaxation of final standards beyond 1980.

The argument is made that less stringent standards would be more fuel efficient. If true, this would certainly be a compelling argument for our energy concerns are real and of great importance. Automobiles represent a substantial source of energy consumption and much of the gasoline they consume is produced from imported petroleum.

An analysis of fuel economy performance of American automobiles compared to emissions performance shows that the greatest gain in fuel economy has occurred in the years since 1975—the same years in which emission standards, especially the difficult NO_x standard, have been significantly tightened. Thus, clearly there can be no assumption that stringent emission standards are inherently inconsistent with fuel efficiency.

The fact that automobiles have operated more efficiently and more cleanly since 1975 is due primarily to the introduction of conventional catalyst systems. This switch in emissions technology made possible more efficient engine operation while eliminating emissions in the exhaust stream.

But these systems are limited in their emission control range. At levels of 1.5 for HC, 15 for CO and 2.0 for NO_x they operate approximately 10 percent more efficiently than at the industry's proposed standard for 1980 and 1981, 0.41/9.0/2.0.

By moving to a final standard of 0.41/3.4/1.0 in 1980, the industry would employ the three-way catalyst tech-

nology which would show a significant improvement in fuel efficiency compared to conventional catalyst systems operating at any schedule of emissions including a 0.41 grams per mile standard for hydrocarbons. And all of the emission schedules before us recommend the attainment by 1980 of this standard.

Specifically my amendment proposes to set the hydrocarbon standard at 1.5 grams per mile in model year 1978 and 1979. In 1980 and beyond this standard would be set at 0.41 gpm which is the 90 percent reduction standard set in 1970. In this regard my amendment is exactly the same as the industry proposal and represents a one year delay in the committee's schedule.

For carbon monoxide my proposal would continue the present 15 gram standard until 1980 as the industry proposal would. In 1980 and beyond my amendment requires CO emissions be limited to 3.4 grams—the 90 percent reduction standard.

For oxides of nitrogen my amendment sets the 1978 and 1979 standard at 2, continuing the 1977 interim standard. In 1980 and beyond my proposal would set NO_x at a level of 1 gram, but with a waiver which provides that the NO_x standard be increased up to 2 grams for innovative engine designs, such as diesels, or innovative emissions systems not using precious metal catalysts where these vehicles meet the fuel efficiency standards set forth in the Energy Policy and Conservation Act. Such systems would not have to meet the final standard for NO_x until 1982.

My proposal is designed to accomplish three major objectives. First, it gives industry 2 additional years at current emission rates to perfect evolving technologies to meet final standards. This will obviate the investment of time and resources in the certification and production of conventional emission systems which will be obsolete when final standards go into effect and which will waste thousands of barrels of fuel.

Second, the proposal will establish final emission standards in 1980 and beyond; so that industry will have a stable requirement against which to plan its energy efficiency efforts.

The final standards will be phased in at the rate of 10 percent in 1979. The auto industry is already planning the introduction of three-way catalyst systems in 1978 and 1979. The introduction of new systems almost inherently involves an initial fuel economy loss. By providing this phase-in the industry will gain experience with the system on a limited scale before beginning across-the-board production. This will significantly reduce fuel and other costs associated with the introduction of the technology on all model lines.

Third, the amendment provides a waiver from the 1.0 NO_x standard to encourage the introduction of new engine and emission systems. This waiver is conditioned upon the meeting of fuel efficiency goals presently set at 20 miles per gallon in 1980—1981 has not yet been administratively set; the ultimate goal in 1985 is 27.5 mpg—and is available for engine designs which utilize innovative fuel combustion techniques, such as diesel or stratified-charge engines or for innovative emission systems which do not use precious metal catalysts. These systems would have to have the potential ultimately to meet the 1 NO_x standard in 1982.

The purpose for the waiver is to accommodate emerging technological innovations, such as the diesel, and to encourage the development of diverse emission systems, such as base metal catalysts or turbo-charged systems.

Such systems could be introduced at a NO_x standard up to 2 grams per mile, if necessary, so that additional NO_x control could be added as the system is refined.

Mr. President, the "technology-forcing" 90-percent reduction of emissions standard adopted in 1970 was a wise and courageous strategy. Under it we have made substantial progress. It has been an arduous undertaking, as those of us who have served on the Public Works Committee over those years can attest.

While we have on several occasions countenanced or called for extensions of the deadlines for meeting the standards, we have continued to press for increments of progress toward the goal.

I believe we stand now on the verge of achieving most of what we sought in the Clean Air Act of 1970. It is time to abandon the concept of forced increments of progress and instead to consider the establishment of a final timetable for compliance and to adjust the statutory standards in light of scientific data regarding ambient effects and technological and industrial limitations.

The demands upon the automobile industry to develop new energy-efficient automobiles dictates that further emission control efforts be simplified as much as possible in order to allow a greater commitment of resources to our energy goals.

That is why I offer this proposal which continues present standards until final standards of 0.41/3.4/1.0 can be met in 1980 and beyond.

Previously I presented to the Senate and had printed in the CONGRESSIONAL RECORD a proposed amendment that I would offer dealing with automobile emissions.

The amendment to the Riegle-Griffin amendment which is now pending before the Senate is, in effect, that proposal. It suggests that a new series of numbers for HC, CO, and NO_x and a new schedule of compliance dates be inserted in the Riegle-Griffin amendment. It has been modified to include the language of the Hart amendment and the Nelson amendment, which were adopted by the Senate previously. It strikes the balance of the Riegle-Griffin amendment.

That is the amendment in its entirety.

The practical effect of it, Mr. President, is to substitute a different schedule of emission standards and to add the Hart and Nelson language previously adopted, to the Riegle-Griffin proposal and to leave the bill reported by the Environment and Public Works Committee unimpaired by the other provisions of the Riegle-Griffin amendment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. Mr. President, I want to yield to Senator TOWER. He has asked to speak of the effect that the Baker substitute would strike from the bill the warranty provisions. These are vitally important, but I think it is important to stress at the outset that in order to vote for the Riegle-Griffin package, the Baker amendment will have to be voted down, and I hope it will be voted down. It contains an emissions schedule which is an impractical one.

We have fully discussed today the problem with coming on line with technology which deals with NO_x sooner than 1982, according to the people who have to build the catalysts, who want to build them.

I want to reserve the final arguments, if I may, with respect to the difference in these emission standards in order that I might yield to the Senator from Texas at this point.

Mr. TOWER. I thank the Senator from Michigan.

Mr. President, I am speaking in support of the amendment offered by the two Senators from Michigan. It was adopted by the House by a margin of 255 to 139, quite a substantial margin.

There is no question following extensive study that the performance warranty which has just been proposed to be implemented by EPA on the 1979 model year vehicle, would have a major anticompetitive and anticonsumer impact and should be reduced.

As you know, this is not just my conclusion, but the conclusion of those that have carefully studied the issue, including members of the House Small Business Committee which unanimously supported this position and the March 16, 1977 Justice Department Antitrust Division statement to the EPA.

I supported an almost identical permanent solution to the problem which was brought to this floor last July by my colleague from Texas, Senator BENTSEN. At that time, the amendment failed to carry 51 to 45, I feel because of a misunderstanding of the issue by a number of members.

After carefully analyzing the warranty provisions contained in the committee bill, S. 252, and the provisions of the Griffin-Riegle amendment, I have come to the strong conclusion that the only way to solve this problem for the consumer is adoption of the Griffin-Riegle warranty language. The uncertainties surrounding the warranty provisions which would result through enactment of the committee bill would leave the consumer little choice but to return his vehicle to the franchised dealer for all maintenance and repair work because of his fear of voiding a very expensive warranty he paid for in the price of the car. The consumer might well have his service work performed more cheaply and as effectively by an independent service establishment, but he will be tied to the franchised automobile dealer because of the psychological tie-in caused by his fear of losing his so-called warranty protection. The Griffin-Riegle amendment would protect and clarify the consumer's right to choose where he may have his service performed and what he can reasonably expect under the warranty.

The purchase of an automobile is often

the second largest purchase of a lifetime. In my judgment, there is no need to force the consuming public to return to the franchised dealer for all parts and services to maintain clean air. All the performance warranty provides is who pays, and when. Make no mistake about it, no matter what is decided here today, the consumer ultimately pays the bill. Faced with the liability of every vehicle on the road, the manufacturer must build that cost into the price of his car and protect that liability through mandated use of his parts and services.

The committee purports to eliminate this problem by stating that the consumer can use anyone's parts and service and then goes on to immediately allow the Administrator of the Environmental Protection Agency to waive that stipulation, which would create havoc in the marketplace. The consumer might well find some parts legally tied in to the manufacturer and others not tied in and his state of confusion could only be solved in his mind, by simply returning his car to the franchised dealer for all parts and service, where he would not be taking any chances of voiding his warranty.

The Justice Department, in a recent statement to EPA, March 16, 1977, discussed the warranty situation at length. Numerous points were made by the Department in their statement including the fact that, "* * * the cost of such an expanded warranty to consumers would be enormous." "The warranty would become, in effect, a full service contract, and the price of a new vehicle would increase dramatically." "A narrow production warranty and a mandatory inspection program could achieve the national goals set out in the Clean Air Act, while minimizing the program's social costs, including its anticompetitive impact." "The potential cost of expanding the present warranty to control emissions subsequent to vehicle purchase will, in all probability, far outweigh the potential benefits." The Department also noted, if a warranty covers "* * * essentially all engine repairs and service, then the warranty would have severe implications for the long-run viability of independent garages and service stations. Indeed, it could affect a significant increase in concentration in the service industry to the point where a substantial adverse impact on the price of service and repair could be expected. In any event, the impact on concentration would be directly related to the comprehensiveness of the warranty."

In closing, let me note that 102 associations representing 166,887 member firms in the automotive aftermarket parts and service industry support, as I do, the Griffin/Riegle amendment. Also, the American Automobile Association, the world's largest automotive consumer organization, representing some 14 million vehicle owners has also expressed their support for the Griffin/Riegle amendment. It might also be well to note, if my colleagues remember, the most knowledgeable Senator to ever walk these halls, regarding the antitrust laws, Senator Philip Hart of Michigan, strongly cosponsored and voted for the Bentsen amendment on the Senate floor last July, which served as the basis for the Griffin/Riegle amendment.

I would urge my colleagues to support this definitive solution to the anticonsumer and anticompetitive impacts of the Clean Air Act of 1970, by voting for the Griffin/Riegle amendment.

Mr. RIEGLE. I appreciate the statement of the Senator from Texas. He is absolutely right on the warranty.

The PRESIDING OFFICER. Who yields time?

Mr. BAKER. I yield 3 minutes to the distinguished Senator from West Virginia, Mr. President.

Mr. RANDOLPH. Mr. President, Senator BAKER is joined in the introduction of this amendment by the majority leader, Mr. ROBERT C. BYRD; the chairman of the Subcommittee on Environmental Pollution, Mr. MUSKIE; the Senator from New Mexico (Mr. DOMENICI) of the Environment and Public Works Committee; Mr. STAFFORD, of course, the ranking member of our committee and of the subcommittee, the Senator from Vermont, Senator MCCLURE, of Idaho, another member of our committee; Senator CRANSTON, the majority whip; Senator INOUYE, of Hawaii, and the Senator who is now speaking. As chairman of the committee and personally, I am particularly grateful for the understanding and action of the majority leader, Mr. ROBERT C. BYRD.

I do not list these names just for the calling of the cosponsors of the amendment, except to say that this amendment provides additional time, 1 year, to meet the standards for motor vehicle emissions. It is time beyond that included in the reported bill, and Senator MUSKIE has explained what the bill contains.

But, Mr. President, this is a reasonable extension. That is the reason we bring it here, in an effort not to allow this problem to be polarized but to work together for a concept which we believe will be apreciated by the citizenry of the United States.

That is the feeling of Senator BAKER, That is the feeling, I hope, of all the Members in this body.

This extension of time is consistent with the approach of the committee reported bill.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. BAKER. I yield 1 additional minute, Mr. President.

Mr. RANDOLPH. Previous delays have been granted, we must remember, by this Congress, and we must also remember delays have been granted by administrative action.

This amendment, I emphasize and reemphasize retains all three standards at the levels set in the committee bill. This is very important for us, and we stress it.

Mr. President, it is my hope, and I speak earnestly though I speak now rather quietly, that this is a time for our joining forces, not as individuals but as an institution of the Senate, to recognize that we can best serve the country by handling this rather delicate, complex matter in the way the amendment seeks to do.

Mr. CRANSTON. Will the Senator from Tennessee yield?

Mr. BAKER. Mr. President, I promised to yield to the distinguished chairman of the subcommittee first.

Mr. CRANSTON. Of course.

Mr. MUSKIE. I shall try not to take more than a minute. I know that other Senators want to speak.

I simply want to make it clear that I do support this amendment, notwithstanding the fact that, in my judgment, giving up the statutory requirements for model year 1979 on hydrocarbons and carbon monoxide, it is a significant additional concession to industry. But I think we have reached the point where we need to reach agreement on this issue, and I hope that we can reach agreement on this issue in a way that will finally put us on track until we achieve the goals that we laid down in 1970. Because I think the Baker amendment has that purpose and that promise, I have agreed to cosponsor it in the interest of bringing the matter to a head and resolving it finally.

With that, I commend the distinguished minority leader for offering the amendment. It has my support.

Mr. BAKER. I thank the distinguished Senator from Maine.

I yield 2 minutues to the distinguished Senator from California.

Mr. CRANSTON. I thank the Senator, and I compliment him on what he has done here, and those others who have joined in what really is a genuine compromise, in the spirit of trying to work things out in this body.

This amendment provides an extra year to the automobile manufacturers. Like the Griffin-Riegle amendment, it requires final standards by 1980, and sticks to those standards like the committee bill.

For those concerned about diesels, it protects diesel engines. Manufacturers have testified that they can meet these standards by 1980. If that is the case, let us have this accomplished.

These standards are very important for the reasons which have been so eloquently stated in this Chamber, especially for public health, which is one of our responsibilities.

Finally, the sooner we move to achieve strict standards on emissions, the less difficulty we are going to have in our cities achieving the attainment of air standards we know we must achieve. For each year we delay in automobiles, we are going to have that much greater need for control and intervention and interference in land use and transportation in our cities, and a lot of other things that interfere with businesses and the freedom of individuals to make their choices.

For these and many other reasons which are widely known, I support this amendment.

Mr. RIEGLE. Will the Senator from Tennessee yield to me for just a brief moment?

Mr. BAKER. By all means.

Mr. RIEGLE. I appreciate his doing so. I want to set the record straight on something the committee chairman said.

It is not true that the Baker amendment holds the current standards through model year 1979. As a matter of fact, it has a 90–10 split and says 10 percent of the cars produced that year have to meet a different and lower set of standards. I just say that, as a practical matter, that is going to work havoc on the production schedules with that 90 to 10 split.

Mr. MUSKIE. Will the Senator yield?

We have the 90 to 10 split in the committee bill. That feature was not changed.

Mr. RANDOLPH. That is correct.

Mr. MUSKIE. With respect to hydrocarbons and carbon monoxide, we have given the additional year. That is all I said. I did not intend to mislead. The 90 to 10 split was in the committee bill as well.

Mr. BAKER. Mr. President, I yield 1 minute to the distinguished Senator from Vermont, the ranking Republican member on the committee.

Mr. STAFFORD. I appreciate the author's yielding to me.

Mr. President, I take 1 minute simply to join with Senator MUSKIE, Senator RANDOLPH, and the others in saying that we are pleased that we have been able, under the leadership of the minority leader, to work out a compromise which we can all support and which I signed as cosponsor. I heartily support the amendment in its present form.

The PRESIDING OFFICER. Who yields time?

Mr. BAKER. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Tennessee has 5 minutes remaining.

Mr. BAKER. I yield myself 4 minutes.

Mr. President, in many ways, the clean air legislation before Congress is unique and special—not only because it is important to the environment, to the country, and to future generations, but because I think the evolution and development of environmental legislation in Congress has been a model of legislative efficiency.

The first Clean Air Act to pass after I came to the Senate was in 1970, the Clean Air Amendments of 1970. Under the distinguished leadership of our chairman (Mr. RANDOLPH) who has been in the vanguard of this and other efforts for so many years, in his stewardship of that committee; under the guidance of Senator MUSKIE, who has been the distinguished chairman of the subcommittee for many years; our former colleague, Senator John Sherman Cooper; Mr. Caleb Boggs, and others, the legislation has grown steadily. This compromise, I think, is in the tradition that has been established in the Public Works Committee, now the Environment and Public Works Committee. That has been our experience.

One fact about the Public Works Committee that stands out above all others to me is the fact that that committee has been willing to hear and to understand reality. When it passed the 1970 act, it even recited in the act that we knew there would have to be corrections and changes as time goes by. But the act amendments which were passed were calculated to force technology, to force the country into technology and efforts that had not then been developed. I think it has succeeded.

The bill reported by the committee, under the distinguished chairmanship of Senator RANDOLPH and the leadership of Senator STAFFORD as our senior ranking Republican on that committee, represents the product of our experience—the corrections that are necessary.

I told representatives of the automobile industry and representatives of the men and women who work in the industry as representatives of their unions, that I felt the time had come for them to have two things: One, some relief from some of the standards that we had set in the 1970 act that now did not seem attainable; and, two, a degree of certainty that they have not had to date which has deprived them of the ability to proceed in an orderly way to develop their cars for the future.

Mr. President, I think that learning process has brought us to this point in the legislative development of the environmental statutes of the United States.

I do not suggest that this amendment is perfect. I do not suggest that there may not be other corrections in conference or in subsequent legislation. But I think this legislation is in the best interests of the country, of industry, of workers, and of the environment.

Mr. President, I urge its adoption.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. Mr. President, I yield 2 minutes to my senior colleague from Michigan (Mr. GRIFFIN).

Mr. GRIFFIN. Mr. President, I say with all due respect that it is not surprising that the Senator from Maine and other members of the committee are supporting this amendment. It is so close to what the committee reported out that there is really very little difference. Both the committee amendment and the Baker amendment freeze the technology by their 1 standard of NO_x for 1980. Both of them have a 10-percent model production requirement requiring 1980 emission standards for 1979 which will be very, very disruptive, which will be very difficult to meet, and which we had hoped would be eliminated.

The EPA, itself, has said that the Baker standards cannot be met in 1979 or 1980. The electronics needed to achieve the 1 NO_x required by the Baker amendment without substantial fuel loss are not available and will not be available by 1980.

The air quality gains are minimal both under the Baker amendment and under the committee amendment, as compared with the schedule that Senator RIEGLE and I have offered.

The 1980 1.0 NO_x standard in the Baker amendment, without any waiver, will rule out technology options such as the diesel engine, which would be extremely fuel-efficient and which should be developed.

The Baker standards would require a three-way catalyst before rhodium requirements can be lowered or supplies increased to meet production needs.

As I have indicated earlier, if we wanted to do anything to pump up the economy of South Africa, we could not do it any faster than by mandating and freezing in the technology that requires the immediate move to the three-way catalytic converter. This device is going to require a tremendous increase in purchases of rhodium, and the only place we can get it, outside the Soviet Union, is South Africa.

I hope the Senate will vote down the Baker amendment and that we will proceed to adopt the reasonable, balanced schedule that Senator RIEGLE and I have offered.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. GRIFFIN. I thank the Senator for yielding.

Mr. RIEGLE. I thank my senior Senator.

Let me quickly add that I want to urge my colleagues to vote down the Baker amendment so that we might have a chance to vote in favor of the Riegle-Griffin package.

There are major differences between the Baker amendment and our amendment, although I would agree there is very little difference between the Baker package and the committee bill.

What the Baker amendment would do is wreak havoc on model year 1979, and the designs and technology, that 90 to 10 split would have to be before EPA next month, who will have to build the 10 percent of the cars, they have to meet those standards that we do not know how to meet because the technology does not exist.

Insofar as the NO_x standard, there is no question but it does freeze technology and it will stop development of the other technology that could give us better mileage and less pollution.

It is also defective in the sense it knocks out the warranty changes, which is essential, which the Justice Department tells us is essential, and Senator PHILIP HART, when he was here, told us those changes were essential, and the Baker alternative strikes that out.

The fuel penalties we cited earlier go with the Baker amendment, not with Riegle-Griffin.

There has been absolutely not a shred of evidence to show any certifiable health benefits according to the Baker amendment or the committee bill.

I hope that having heard the debate, we will decide to vote against the Baker package and give us an opportunity to pass Riegle-Griffin.

If we do, we will not have this issue back again. But if the Baker amendment were to pass, mark my words, we have not seen the last of this issue because we just cannot mandate technology that does not exist, and we will be back with this whole fight all over again.

We can meet the standards in Riegle-Griffin. They are the same ultimate standards that are in the committee bill or the Baker amendment. I urge Senators' support.

Mr. HEINZ. Mr. President, the question of allowable automobile emissions is one of the most difficult presented by these proposed amendments to the Clean Air Act. We must arrive at a solution which will safeguard public health and air quality, while acknowledging the technological problems which we face. I rise today to state my intention to vote for the Baker amendment because I believe that it represents a rational and reasoned approach to the national goals which are the cornerstone of the Clear Air Act of 1970, and which remain our national goals today while acknowledging the obstacles which these goals present. In reaching this decision, I am aware of the persuasiveness of the numerous arguments which have been made in support of the Riegle-Griffin amendment. I have discussed with representatives of the automotive industry the

impact of the committee bill and of the several amendments relating to automobile emissions on their industry and on the national economy. My decision on this most important question has been influenced by a number of factors.

The automobile emission standards are essential to attaining the ambient air quality standards which were established as necessary to protect public health. The Clean Air Act of 1970 called for a reduction of three automobile related pollutants—carbon monoxide, hydrocarbons and nitrogen oxides—by 90 percent. This requirement was intended both to spur the development of required technology and to safeguard the public health. The impact of carbon monoxide and nitrogen oxides, the two pollutants most affected by Riegle-Griffin, should not be understated. Nitrogen oxides react with hydrocarbons to form photochemical oxidants or smog which aggravates asthma and lung disease, respiratory and eye irritation, and can cause changes in heart and lung functions in healthy humans. Alone, nitrogen oxides are known to produce adverse health effects such as respiratory illness and infection, particularly in children. Carbon monoxide has equally disturbing effects and, in sufficent quantities, can cause death. Quantification of these impacts is difficult, particularly when projected over a significant period of time, Nonetheless, we should account for these impacts in the standard setting process and leave a margin for safety. I am convinced that the public health data available at this time shows that the final standards for automotive emissions set forth in the Baker amendment are necessary to achieve the air quality standards which have been designated as minimally necessary to safeguard the public health.

At the same time the Baker amendment represents a substantial departure from the committee bill. Indeed, I feel it accommodates and meets all the legitimate concerns of the auto industry, particularly those as to the lead time necessary for meeting the emission limitations.

While I am reluctant to depart from the standards originally set in the 1970 act, I do not advocate mindless adherence to standards which cannot realistically be met. I believe that the Congress has been and remain sensitive to the concerns which have been raised by the automobile industry regarding problems with meeting certain of the standards. There have already been several extensions of the requirements. The original deadlines for compliance were extended twice by the Environmental Protection Agency and once by Congress. This year there has been general agreement that the automobile industry could not meet the statutory standards for model year 1978, and the committee bill finds that the original standard of 0.4 grams per mile for NO_x emissions may be more stringent than necessary.

In considering what standards should apply to cars produced for coming model years, I feel that we must maintain continued progress toward developing technology which will further limit automotive emissions. I believe the Baker amendment does this in an attainable and realistic manner. Indeed, all of the U.S. auto companies have stated that they can meet the standards required in the Baker amendment.

The most controversial issue has been the emission limitation on NO_x. While the Baker amendment sets a 1.0 gpm standard for 1980, I fully support the argument that there are inadequate controls placed on nonautomotive sources of NO_x. I heartily endorse an effort to more equitable allocate the NO_x control burden among all those sources which significantly contribute to NO_x levels.

The sometimes dire predictions of losses in fuel economy which have traditionally preceded the imposition of more stringent emission controls have not usually come true. In fact, the biggest improvement in automotive fuel economy in the past 20 years occurred in 1975, when a 13.5 percent improvement in fuel economy was realized despite the imposition of significantly stricter standards. Nonetheless, in modifying the committee bill with the Baker amendment, I am convinced that the imposition of the final standards proposed in the Baker amendment will minimize or eliminate any fuel use penalty.

Mr. President, I have great faith in American industry. I believe that they can achieve the technological breakthroughs which will help us to achieve our national goal of clean air without compromising any of our other goals of fuel economy and a healthy industrial sector. The history of automobile emission controls since the passage of the Clean Air Act of 1970 serves, in part, to support my confidence. It also leads me to conclude that we might not be able to achieve the goal of clean air without the kind of congressional commitment which a strong yet responsible and attainable emissions policy embodies. I support the Baker amendment as a judicious compromise to this difficult question.

Mr. ANDERSON. Mr. President, the auto emissions standards in S. 252 have been attacked on this floor yesterday and today as unreasonable, technologically unrealistic, energy consumptive and economically disruptive. The standards in S. 252 could very well be unreasonable if newly enacted and effective immediately.

But such is not the case. Automobile emissions standards were enacted in 1970 and scheduled to be achieved in 1975. Three, successive, 1-year delays later S. 252 would give Detroit yet 2 more years to reduce pollution from the automobile to a safe level. Is not a decade enough time for the auto industry?

The standards in S. 252 could very well be unreasonable if beyond the technological capability of the auto industry.

But such is not the case. The industry has admitted that the standards imposed by S. 252 on 1980 model year cars are achievable. Several current models meet these standards now.

The standards in S. 252 could very well be unreasonable if a significant fuel economy penalty or purchase price increase resulted.

But such is not the case. The overall penalty in miles per gallon is minimal. Also, net savings will result to consumers who purchase cars with equipment that meets the standards of S. 252.

The standards in S. 252 could very well be unreasonable if unemployment and economic disruption resulted.

But such is not the case. Emissions controls to date have not caused unemployment or affected auto industry sales. The impact of S. 252 would be no different.

Finally, the standards could very well be unreasonable if producing only minimal, insignificant improvements in public health over the Riegle-Griffin amendment.

But such is not the case. Comparison of the public health impacts of the committee bill versus Riegle-Griffin show a dramatic difference in public health impacts. These statistics are people, our constituents. Our children and grandchildren. The elderly. The infirm.

Any Member of this Senate whose priority is the health of the American public must vote against the Riegle-Griffin position on automobile emissions standards. The health of our people must come before the convenience of General Motors, Ford, Chrysler, and American Motors.

I am a friend and supporter of labor. Several thousand members of the United Auto Workers work very hard and very efficiently at the Ford assembly plant in St. Paul. As a Governor for 6 years, I know all too well the necessity of a healthy economy and the importance of jobs.

I am no persistent critic of industry nor of business profits. Nearly every Ford automobile on the road today was manufactured from steel made from taconite mined and processed by Minnesota's iron mining industry, our State's third largest industry. So, I recognize the importance to my State's economy of a healthy auto industry.

I am not easily impressed with arguments for more standards and regulations and unchanging deadlines. Adjustments and accommodations must be made in every program.

If the Senate required the statutory standards to be met on 1978 model year cars, such an action would be unreasonable. Perhaps even for the 1979 models. But certainly 10 years after the Congress enacted the Clean Air Act of 1970 to protect the air resources and public health of this Nation, an industry that prides itself, and rightly so, for creativity, proficiency, and engineering prowess should be able to design, test, and install in each and every car the equipment necessary to remove pollutants.

President Carter has asked that as a nation we face the energy crisis as the moral equivalent of war. We know what he meant. We know that he is right. Every citizen of this country must be aware that the dangers we face from the energy crisis are as serious as the dangers of war. The President also meant that the will to respond to that danger must be as strong and resourceful as the fervent national will we feel in wartime.

I submit that the President's phrase—the moral equivalent of war—applies as well to the fight to save the air and land and water of this country and the health of those who breathe and drink these resources. The final answers to the problems of pollution will come only when we respond with the energy, innovation, speed, and resolve that this Nation has responded to the threat of war in the past.

I think it is instructive to remember how industry and labor reacted when this Nation was faced with an enemy attack in World War II.

In June 1940, President Roosevelt established the National Defense Advisory Committee to expedite our country's rearmament program. Only 6 months later, by January of 1941, the automobile industry had delivered $270 million in aircraft engines, guns, diesel submarine engines, and military vehicles. In just 6 months. Utilizing only their existing equipment.

When the industry did retool and expand its productive capacity to manufacture armaments, the results were even more spectacular. It took less than 1 year, in 1941, to build new plants and equipment and to completely retool. One from cars and trucks to tanks, guns, and bombers.

By February 1942, domestic motor vehicle production was completely curtailed. The automotive industry was completely into war production. Plants that had been making Fords were making bombers. Cadillac factories produced tanks, and in numbers that no one dared to predict.

Following Pearl Harbor the auto industry created the automotive council for war production. It proclaimed that "the Nation will not lack for one gun, one tank, one engine, that the capacity and ingenuity of this country's producers can add to the military forces of our Nation . . ." The council lived up to these words. By August of 1942, the rate of production, measured in dollars, had equalled prewar levels. In less than 2 years from no appreciable armament production to an output of war materials exceeding prewar levels.

It seems to me that if an automotive council for war production could move so quickly and effectively, where was Detroit in 1970 with an automotive council for antipollution? Why could not the industry and labor respond to the threat of automobile pollution as to the threat of foreign powers.

Once before, the automobile industry made a 100-percent commitment to war production within 2 years. And today we are told the industry needs from 1970 to 1982 and beyond to provide cars to meet emission standards set at a level to protect public health.

We all know the response of industry to our Government in 1941. And, regrettably, we know the response since 1970. There have been and continue, few pledges of assistance. In most cases pleas for delay, flexibility, and exemption.

I have heard, as have we all, the arguments for more delays. I know that many people, many good people, still do not accept the seriousness of air pollution. They do not claim that carbon monoxide, hydrocarbons, nitrogen oxide, and oxidants in the air are a good thing, but many do not see these pollutants as a major danger either.

Acute respiratory illness. Impaired hearing. Bronchitis. Decreased lung function. Respiratory infection. Asthma and lung disease. Eye irritation. Changes in heart and lung functions. Impairment of the central nervous system. Reduced response of reflexes. Pneumonia.

Any disease that produced several of these symptoms would long ago have been assaulted with the full weight of medical science. A cure would have been found for such a malady. Any occupation that caused these conditions in the human body would long ago been strictly regulated or outlawed. And, if this disease could not be cured or the workers protected in such an industry, our society today would be spending millions of dollars to eliminate the cause or find an effective treatment.

But the culprit here is long-since diagnosed. It can be seen and felt. The disease is not selective. Yet, this disease is not assaulted like cancer. Those affected by it are not given special hazardous duty pay.

Air pollution is the culprit. It is incredible to me that with the evidence in, the causes known, the symptoms apparent, and the misery demonstrated, that the Senate is asked in the name of fuel economy, economic stability, consumer protection, or even international relations, to sanction millions of tons of more air pollution.

Carbon monoxide and the other byproducts of the internal combustion engine are not good for human beings. The emission standards in S. 252, which is the most restrictive schedule of any amendments before the Senate, could cause in the year 2000, 500,000 attacks of respiratory disease in children who are today just born or will not be born for years to come. Also, 1 million days of restricted activity because of respiratory disease.

It is difficult for me to justify these insults to those of younger years, 25 years hence. But the Riegle-Griffin amendment would, at least, double these insults to our children.

What price do we in the Senate place on human health? Some claim the potential threat to health from auto emissions is not precisely known. But does that entitle us to deny the authority of our senses, the assault on our eyes and throats, and the threat to our children's health?

During yesterday's debate, my colleague, Senator RIEGLE quoted a DOT study, as follows:

> It is difficult to put a price tag on health and even more difficult to place a cost on life. However, it has been suggested that headaches attributed to oxidant concentrations might be more cost-effectively treated with aspirin than with auto emission control . . .

I would like to meet the author of that statement. I pity our society if we endorse such a rationale. Perhaps besides prescribing aspirin for millions of Americans, gas masks could be issued, along with eye drops, respirators, decongestants, and electronic air cleaners.

Across this country 80 of 313 air quality control regions violate the carbon monoxide health standard. The oxidant standard is violated by 170 regions. Air quality advisories and alerts are becoming frequent occurrences in countless metropolitan areas in the United States.

In the past 4 years in this city, the capital of this democracy, a symbol of our Government and our Nation's progress, 18 air pollution alerts have been called, lasting a total of 95 days.

Air pollution alerts are called when concentrations of pollutants reach hazardous levels. However, these alert levels are above the actual ambient standards for a particular pollutant that are set at a concentration which, over a period of time, would cause health effects. These ambient standards have been exceeded an additional 103 days for the past 4 years.

How the Congress can tolerate these conditions in the seat of our Government is incredible. We all know that air pollution is not just an inconvenience or an esthetic irritant, it is a threat to public health. To me, the city in this Nation that has tolerated so much air pollution to date, should be the first to end it, to set an example to the people of this country and this Earth.

But instead we invite our constituents and friends from our States and foreign countries here to visit and see our Federal Government at work. Once here, we treat them to the site of the spectacular Washington Monument frequently nearly indistinguishable from the summer sky. We must warn visitors to restrict their activity if they are elderly or not in perfect health and stay inside instead of visiting the attractions of this city. We greet our visitors with a cloud of pollutants that are not a monument to advanced technology or political courage, both supposedly hallmarks of our Government.

What attractions greeted the Bicentennial traveler in the United States from another State or foreign country?

The U.S. Capitol, Washington, Jefferson, and Lincoln Monuments colored in a murky cloud. The Sierras are rarely clearly visible from Los Angeles. The Rocky Mountains obscured from downtown Salt Lake City. The front range of the Colorado Rockies no longer a spectacular sight from Denver. The Statue of Liberty difficult to distinguish from the Empire State Building. Mount Rainer not always clearly visible from Seattle. Other great metropolitan areas periodically shrouded in a brown-tinged cloud.

The Clean Air Act of 1970 has produced significant results, but a major challenge faced the Congress in 1970. To date, controls on stationary sources and mobile sources have not yet achieved the results we all want. The time to begin to finish the job is now, not in 5 years as the Riegle-Griffin amendment requires.

I would ask this body not to heed the cries for delay and to oppose the Riegle-Griffin amendment. The Senate should emulate the attitude of that very great man, His Holiness, the late Pope John XXIII. When that great leader first proposed the 1962 Ecumenical Council, there were many who opposed him, who thought he was moving too fast. He was given every sort of reason why it could not be done, for why he should delay.

Pope John knew exactly how to treat those arguments. When a prelate said to him, "Your Holiness, it is absolutely impossible to open the Vatican Council in 1963," the Pope replied, "fine. We'll open it in 1962." The rest is history.

Let that be our attitude also. Let the arguments only fuel our insistence for action now.

I commend to every one of my colleagues the remarks of Senator HART in the Environment and Public Works Committee report last year on the Clean Air Act. Mr. HART then suggested two appropriate titles for the bill already approved by the House—"the fairly clean air act" or "the sort of clean air act." He concluded his perceptive and eloquent remarks as follows:

History will judge us, on this and related issues, less by our ability to accommodate to immediate pressures by competing interests, than by the kind of country we will to future generations. And if we adopt these proposed amendments, history will judge us harshly.

If the Senate approves the Riegle-Griffin amendment even as amended, we will deserve harsh judgment. I urge my colleagues to vote for cleaner air, for more protection for the health of our people.

Mr. RIEGLE. Mr. President, I yield back the remainder of my time.

SEVERAL SENATORS. Vote. Vote.

The VICE PRESIDENT. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I ask unanimous consent that the distinguished junior Senator from Wisconsin may be added as a cosponsor to this amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BAKER. Mr. President, other than to say I have a deep appreciation for the great cooperation of many Members of the Senate, Senator RANDOLPH, Senator BYRD of West Virginia, Senator MUSKIE, Senator STAFFORD, Senator MCCLURE, Senator DOMENICI, Senator CRANSTON, Senator INOUYE, and so many others in supporting this proposal, I will not prolong this debate any further.

I yield back the remainder of my time and I am prepared to vote.

Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Tennessee. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

Mr. STEVENS. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 56, nays 38, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—56

Abourezk	Hart	Melcher
Anderson	Hathaway	Morgan
Baker	Hayakawa	Moynihan
Bentsen	Heinz	Muskie
Biden	Hollings	Nelson
Brooke	Humphrey	Nunn
Bumpers	Inouye	Pearson
Byrd, Robert C.	Jackson	Pell
Cannon	Javits	Proxmire
Case	Johnston	Randolph
Chafee	Kennedy	Sarbanes
Chiles	Laxalt	Sparkman
Church	Leahy	Stafford
Cranston	Magnuson	Stevenson
Culver	Mathias	Stone
Domenici	Matsunaga	Weicker
Durkin	McClure	Williams
Garn	McGovern	Zorinsky
Gravel	McIntyre	

NAYS—38

Allen	Eastland	Percy
Bartlett	Ford	Riegle
Bayh	Glenn	Roth
Bellmon	Goldwater	Sasser
Burdick	Griffin	Schmitt
Byrd, Harry F., Jr.	Hansen	Schweiker
Clark	Hatch	Scott
Curtis	Helms	Stevens
Danforth	Huddleston	Talmadge
DeConcini	Lugar	Thurmond
Dole	Metcalf	Tower
Eagleton	Metzenbaum	Wallop
	Packwood	Young

NOT VOTING—6

Haskell	Long	Ribicoff
Hatfield	McClellan	Stennis

So Mr. BAKER's amendment was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senators from Michigan, as amended.

Mr. ALLEN. Mr. President, I voted against the Baker-Byrd-Randolph, et al. amendment. But I prefer——

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senator have 2 minutes, and I ask unanimous consent.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ALLEN. I prefer the amendment as amended by the Baker substitute to the provisions of the bill. In order that Senators may have their views properly reflected by the rollcall vote, I am going to ask for the yeas and nays so that those of us who voted against the Baker amendment can show our preference for the Baker amendment over the bill, so I call for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. I ask unanimous consent, if it is all right, that this be a 10-minute rollcall vote.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 30 seconds.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF PROCEDURE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, this will be the last rollcall vote today. The Senate will come in tomorrow at 9 o'clock in the morning.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. There are two special orders. At 9:30 tomorrow morning the Senate will resume consideration of the pending business, at which time the amendment by Mr. SCOTT will be the pending question. There will be rollcall votes tomorrow. The Senate will finish action on the bill tomorrow or we will be forced to come in on Saturday, which I am sorry to say. I hope that that will not become an accomplished fact.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senators from Michigan, as amended by the amendment of Mr. BAKER and Mr. BYRD, and others. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), the Senator from Colorado (Mr. HASKEL), and the Senator from Florida (Mr. STONE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

Mr. STEVENS. I announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 90, nays 1, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—90

Abourezk	Ford	Metzenbaum
Allen	Garn	Morgan
Anderson	Glenn	Moynihan
Baker	Goldwater	Muskie
Bartlett	Gravel	Nelson
Bayh	Griffin	Nunn
Bellmon	Hansen	Packwood
Bentsen	Hart	Pearson
Biden	Hatch	Pell
Brooke	Hathaway	Proxmire
Bumpers	Hayakawa	Randolph
Burdick	Heinz	Riegle
Byrd, Harry F., Jr.	Helms	Roth
Byrd, Robert C.	Hollings	Sarbanes
Cannon	Huddleston	Sasser
Case	Humphrey	Schmitt
Chafee	Inouye	Schweiker
Chiles	Jackson	Scott
Church	Javits	Sparkman
Clark	Johnston	Stafford
Cranston	Kennedy	Stevens
Culver	Leahy	Stevenson
Curtis	Lugar	Thurmond
Danforth	Magnuson	Tower
DeConcini	Mathias	Wallop
Dole	Matsunaga	Weicker
Domenici	McClure	Williams
Durkin	McGovern	Young
Eagleton	McIntyre	Zorinsky
Eastland	Melcher	
	Metcalf	

NAYS—1

Talmadge

NOT VOTING—9

Haskell	Long	Ribicoff
Hatfield	McClellan	Stennis
Laxalt	Percy	Stone

So the amendment, as amended, was agreed to.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RANDOLPH. I am a strong advocate of increasing this Nation's use of coal in utility and industrial plants. This is necessary to reduce our dependence on foreign energy supplies, and to conserve domestic oil and gas for higher priority uses, such as home heating. The resulting increased production and use of coal will contribute to the economic vitality of West Virginia, the State I have the privilege to represent in the Senate.

The President shares this view. His national energy plan calls for decreased consumption of oil and natural gas and increased use of coal relative to oil and gas. Many have asked, however, whether the President's program for increased use of coal, or other more ambitious plans, would be constrained by the requirements of the Clean Air Act. I feel this statement, outlining the relationship between increased coal use and the provisions of the Clean Air Act as amended by S. 252, will be helpful in illuminating this debate.

There are two principal elements in the President's program and other plans to increase the use of coal. First, certain existing major utilities and industrial plants would be required to convert from oil or natural gas to coal. Some of these would be conversions back to coal for facilities originally constructed to burn coal.

The second approach requires new utility and industrial installations to be built with the capacity to burn coal. We know that most of the increased coal use under the President's energy program would result from new facilities burning coal. Only about 10 percent of the increase under the national energy plan will result from conversions of existing facilities to coal use.

These two approaches have different consequences under the Clean Air Act amendments. Before analyzing these differences, a discussion of the general relationship of increased coal use and air pollution implications would be appropriate. Without considering offsetting factors, it is true that increases in the use of coal of the magnitude proposed by the President would substantially increase total national emissions of particulates, sulfur oxides, and oxides of nitrogen. The administration is projecting, however, that total emissions in 1985 with the President's energy program will be no more than such emissions would be without the plan.

One reason is the environmental requirements for burning coal, which I shall discuss. In addition, the administration is depending on several other factors to prevent large increases in total emissions. Of the 1.2 billion tons of coal the President's program seeks to have used annually by 1985, about 1 billion tons would be used anyway under current projections of growth in coal use.

The measures in the President's program for energy conservation, on the other hand, are projected to decrease total energy demand—oil and natural gas use in particular—below the expected levels for 1985. Based on full implementation of these conservation measures, the Environmental Protection Agency is projecting that reductions in emissions from decreased use of oil and gas would offset increased emissions from the relative higher use of coal.

The President has clearly stated that this increase in coal use should come only with full protection of the environment. He has made specific recommendations to protect air quality from the effects of his coal use policy. Many have asked, however, whether the President's goals for coal use can be attained with the environmental requirements he would impose. And many are concerned whether the Clean Air Act amendments we consider this week in the Senate are consistent with the President's coal use program, or whether those amendments pose additional constraints on coal use.

I believe that the Clean Air Act and the amendments before us are completely consistent with the President's program to increase coal use. In fact, the bill is somewhat more generous from the clean air standpoint than the President's proposed requirements in allowing conversion to coal and the building of new coal-burning facilities.

There are those who say increased coal use is incompatible with Clean Air Act requirements, and push for relaxation. I disagree with them. The health of our citizens must be protected. The way to assure that more coal can and will be burned is to assure that it is burned cleanly.

COAL CONVERSION

S. 252 provides more liberal clean air requirements for sources ordered to convert to coal under section 2 of the Energy Supply and Environmental Coordination Act, than those requirements under existing section 119 of the Clean Air Act. The bill repeals section 119, and integrates the provisions for sources converting to coal into the general provision for compliance data extensions for sources which cannot comply with deadlines under current implementation plans.

There are several consequences of this approach. Current law's prohibition on any coal conversion in a region where ambient air quality standards for particulates or sulfur oxides are exceeded is repealed. So, also, is the provision that no conversion take place if it might result in a significant risk to health from a noncriteria pollutant, another restraint on the widespread use of coal conversion orders.

This approach also means that States will be issuing compliance data extension orders for coal converters and the certifications required under section 2, the coal conversion authority. There will not be a preemptive Federal decision on the environmental acceptability of burning coal at a given site.

No plant which has been ordered to convert to coal can actually begin to burn coal until the time the State certifies that the source can burn coal without preventing attainment or maintenance of the primary ambient air quality standards. This is known as the "primary standard condition" on conversions.

It is consistent with the philosophy of the act and these amendments to have the State make that judgment, rather than the Administrator. I am concerned, however, that some States may abuse this responsibility and prevent coal conversions from taking place by never reaching a decision on certification.

At the least, I would prefer to see a time limit on the State's consideration of certification for a source ordered to convert to coal, or needing to do so because of natural gas curtailments. Even with such a limitation, we must realize this provision will allow some States to frustrate national policy of converting all possible facilities to coal.

The bill gives a source converting to coal until December 31, 1980, to come into compliance with all original, preconversion requirements of the State implementation plan. The administration proposes such compliance take place in 1979. In practical effect, however, the primary standard condition to which I previously referred is the principal constraint on when a source can begin burning coal.

Officials of the Environmental Protection Agency testified that, typically, the primary standard condition met by compliance with the original implementation plan requirements. Therefore, the December 31, 1980, date is largely an irrelevancy, offering no additional time.

A provision of S. 252 specifically excludes sources ordered to convert to coal—and those converting because of gas curtailments—from being considered modifications subject to the new source performance standards. A source which is ordered to convert under section 2 of the Energy Supply and Environmental Coordination Act, which therefore has the capability to burn coal and need not construct boilers or other emission sources, is not subject to any requirement except those of section 113(d)(5) of the Clean Air Act.

COAL USE IN AREAS ABOVE THE AMBIENT STANDARDS

The bill requires that when new or modified emission sources are proposed for construction in an area where air quality is in excess of the ambient standards, the new source must attain the lowest achievable emission rate and sufficient reductions in emissions from other sources must be found to more than offset the new emissions.

There has been concern expressed as to how this requirement relates to the policy to burn more coal. First, under the bill if a source can show that its new emissions will not prevent the attainment or maintenance of an ambient standard, it is not subject to the offset requirement. No source can convert to coal until it is certified that emissions from it will not cause or contribute to concentrations of any air pollutant in excess of any primary standard. Therefore, no source ordered to convert to

coal from another fuel is subject to the offset requirement.

Newly constructed sources burning coal which can meet the primary standard condition are also exempt from the offset requirement. It may be difficult to locate new coal-burning facilities which would aggravate air quality problems in areas in excess of the primary standards, without finding offsetting reductions in emissions. Such offsets may be difficult to find.

Those areas were never considered prime targets for increased coal use anyway. Current law would not allow conversion to coal in such areas at all, and at least the authority to allow construction of coal-burning facilities with offsetting reductions in emissions from existing sources offers some increased opportunities for coal use.

Urban areas have other possibilities for increased coal use, avoiding direct burning of coal. Gasification of coal is promising for urban industrial applications. Fluidized-bed combustion may also be usable at the current time in smaller facilities, and both technologies are advancing.

PREVENTION OF SIGNIFICANT DETERIORATION

The effects of the nondeterioration provisions of the bill on coal use have been much discussed. Coal conversions which do not involve new construction are not subject to the nondetermination requirements. Environmental Protection Agency and Federal Energy Administration studies show that in most terrain quite large coal-burning powerplants could be constructed under S. 252's limits on significant deterioration. The requirement that new sources use the best available control technology and the flexible air quality-related values test for protection of class I lands add to the ability to use our coal resources in clean air areas.

OTHER CONCERNS

In addition to the provisions of the bill, there are other actions which can be taken to facilitate increased use of coal. States should review their implementation plans and revise them to accommodate new coal burning facilities and identify areas where conversion of existing sources may be appropriate. This may require more stringent controls on other sources of related pollutants. Where this is so, it is desirable to make those and begin the controls as soon as possible. In that way we may accelerate the time when more coal could be used without harm to air quality.

The Environmental Protection Agency should revise the new source performance standards for coal-burning powerplants. I believe they are outdated, and a revision could encourage the use of locally abundant high-sulfur coals.

I hope this discussion of the impact of this bill on our national policy to increase the use of coal will be helpful. There are other provisions which touch on coal use, but the principal ones have been covered. It is essential that the Nation press forward in using more coal, while providing necessary protection for the health of its citizens.

Mr. KENNEDY. Mr. President, the pending amendments to the Clean Air Act of 1970 and the Senate's action on those amendments will directly affect the health of the citizens of this country. As chairman of the Senate Subcommittee on Health and Scientific Research I want to take this opportunity to point out to my colleagues the impact of air pollution on public health, and to urge my colleagues to weigh these health concerns most carefully before reaching a final decision on the amendments we are considering.

The National Academy of Sciences, in a report issued in 1974, found that air pollution from automobiles alone causes 4,000 deaths and 4 million illness-restricted days per year. The Academy projected that benefits from reduced damage to public health, vegetation and materials associated with reduced pollution levels would run between $2.5 billion and $10 billion a year.

Experts have testified that environmental causes result in 80 to 90 percent of cancer in the Nation. My own subcommittee is now in the process of assembling additional data on this issue. Auto emissions also aggravate heart conditions, bronchitis, and asthma.

The American Lung Association has completed a study which shows that with regard to nitrogen oxide standards, particularly, there will be a direct relationship between the stringency of the standard and the effect on public health.

The Federal Panel on Air Quality, Noise, and Health has also documented a direct relationship between respiratory diseases in children and nitrogen oxide pollution levels. The following table summarizes those findings.

Light-duty vehicle emission standard for NO_x	[1]	[2]
0.4 gram per mile	10,400,000	27,600,000
1 gram per mile	15,700,000	41,600,000
1.5 grams per mile	19,800,000	52,600,000
2 grams per mile	21,600,000	57,500,000

[1] Additional attacks of lower respiratory disease in children.
[2] Additional days of restricted activity from lower respiratory disease in children.

A study prepared by the Regional Science Research Institute found a strong correlation in 38 metropolitan areas for breast, lung, and total number of cancers when nitrogen oxides in the air was in a concentration range above the recommended safe level.

Researchers have recently found that nitrogen oxide in the air causes the production of the carcinogeneous chemicals called nitrosamines. According to the Environmental Protection Agency, "As a family of carcinogens, the nitrosamines have no equal."

Automobiles contribute substantially to nitrogen oxide air pollution in this country—about 20 percent nationally and over 40 percent in urban centers. According to a recent interagency study by the Environmental Protection Agency, the Federal Energy Administration and the Department of Transportation the impact of nitrogen oxide emission under alternative standards is as follows:

NO_x emission standard grams per mile	*Percent change in NO_x air pollution for the year 2000*
2.0	13 more pollution
1.0	8 more pollution
.4	5 less pollution

The impact of air pollution is not only a concern in our own country. The World Health Organization has also examined this issue. WHO has recommended the adoption of a short-term air quality standard to protect public health. Foreign countries have already acted on this recommendation. Japan, for example, has a short-term air quality standard for nitrogen oxide which is much more stringent than the current U.S. annual average standard.

Mr. President, I would also like to comment on the standard recommended in the committee bill for both carbon monoxide and nitrogen oxide standards—and the importance of Senate action to maintain, if not strengthen, those standards. Material prepared by the distinguished chairman of the Senate Committee on Environment and Public Works presents these arguments very clearly and I would like to review them at this time.

NITROGEN OXIDE STANDARD

Nitrogen oxides react with hydrocarbons to form oxidant, and thus is associated with the health hazards of oxidant. Nitrogen dioxide alone, however, is known to produce adverse health effects such as acute respiratory illness, increased bronchitis morbidity in children. decreased lung functions in children, and increased susceptibility to respiratory infection.

At the 2 grams per mile NO_x standard recommended by some, even in the year 2000, 1 million excess attacks of respiratory disease are projected to occur in children. This health impact is almost halved by the adoption of the 1 NO_x standard of the committee bill.

A weaker standard would also cause almost 2 million excess days of restricted activity from lower respiratory disease in children. This health impact is also approximately halved by adoption of the committee bill.

OXIDANT STANDARD

Health effects associated with oxidant are aggravation of asthma and lung disease, respiratory irritation in healthy persons, increased eye irritation and changes in heart and lung function in the healthy persons. Of the 313 air quality control regions in this country, 170 regions still have not achieved the air quality standard for oxidant set at a level to protect public health from adverse effects.

CARBON MONOXIDE STANDARD

Carbon monoxide is the most harmful of the pollutants emitted by the automobile. In sufficiently high concentrations, it can cause death. Carbon monoxide exposure also affects the central nervous system, the heart, human reflexes, hearing, and exacerbates the incidence of heart disease. Eighty air quality control

regions still have not attained the carbon monoxide standard at which adverse health effects occur. Monitoring data from New York shows carbon monoxide levels 200 to 400 percent above the health standard.

The 9 carbon monoxide standard which has been proposed as an alternative will cause between 65 percent and 130 percent more violations.

Mr. President, it is my view that the facts which have been presented by public health experts and those who have devoted years of study to these issues are overwhelming. They make it clear that our action on this legislation will have a direct impact on the future health of our citizens. I urge my colleagues to review this data most carefully before they cast their votes.

CLEAN AIR AND FOREIGN CARS

Mr. McCLURE. Mr. President, this morning the Senate by a vote of 56 to 38 declared itself in opposition to an amendment designed to restrict an exemption to the clean air standards to domestic automobiles only. As a result of this action, the Senate has in effect stated that it favors special treatment for foreign car manufacturers, denied to most domestic producers.

This favoritism for foreign labor at the expense of American labor is so unreasonable that I can draw only one conclusion: The majority of the Senate did not understand the significance of the vote.

It should not be too surprising, however, that this could occur. One look at the number and scope of committee meetings this morning would illustrate the almost impossible task facing Senators today. It is too much to expect that a Senator can juggle three or four complex committee hearings simultaneously, and then rush to the Senate floor and comprehend the significance of a tabling motion to part 1 of an amendment to an amendment to the Clean Air Act Amendments of 1977. The result is as I stated earlier. The Senate is now on record as favoring foreign labor over American labor.

I can understand and sympathize with the scheduling problems faced by the leadership. But, the fact remains—we are trying to do too much at the same time.

We must choose—either committee business or floor business, but not both at the same time. The Nation's interests are far better served by no new legislation at all rather than legislation that has been approved without careful analysis and evaluation of each amendment and bill by each Senator before voting.

Mr. DOMENICI. Mr. President, I rise in support of the committee amendments found in S. 252. Again, I believe the Committee on Environment and Public Works has done yeoman service. These amendments have been over 2 years in the making. Fashioning them has literally exhausted both the Members and staff.

To a large extent these amendments are similar to those that died in the waning days of the 94th Congress because of a filibuster. On several occasions, I have spoken at length on these amendments.

Almost a year ago, in July of 1976, I noted during Senate consideration of last year's amendments, the critical role that the present nondegradation amendments play in providing New Mexico with a balancing mechanism for protecting the State's environmental splendor while also allowing for well-controlled economic growth. Prior to last July, I had stated my position on the amendments of the 94th Congress in an extensive Law Review article reprinted in the March 22, 1976, CONGRESSIONAL RECORD and in my additional reviews found in Senate Report 94–717. Accordingly, I feel little need to launch into an exhaustive restatement of the provisions of S. 252.

As in last year's bill, I believe the committee has successfully addressed a series of complex issues that consist of conceptually difficult technical problems and tough political choices.

Rather than dwell on the amendments, I would like to offer some comments on a new section in this year's bill that I believe is critical to the future success of the Clean Air Act.

This one addition to this year's bill that I believe deserves additional comment to that found in the committee report is section 9 of the present bill. This section amends section 111 of existing law to allow some flexibility in the administration of the new source performance standards so that a hospitable climate can be created for innovative technology.

The importance of such innovation can hardly be exaggerated. The underlying theory of the Clean Air Act is one of proper resource management. The act only allows so much pollution of the Nation's air resources until either the public health, or other values are impinged. Accordingly, air becomes a finite resource. Under the nondegradation increments, the nonattainment tradeoff policy, or just maintaining achievement of the ambient standards over time, there is a limited amount of pollution that is allowed. Once that limit is reached, further pollution is prohibited. Regrettably, since additional pollution is often synonymous with further economic growth, once the available air resource is fully used, further growth may be precluded.

The only way out of the no-growth dilemma embedded within the core of the act's structure is the development of new pollution control technology or process changes which, by emitting less pollution, free up more of the limited air resource for other uses. Accordingly, technological innovation is the critical ingredient in providing for improved environmental quality that does not entail economic stagnation.

In light of the importance of new technology to the future social and political acceptability of the Clean Air Act, it is ironic that the act itself treats innovative technology harshly. Few incentives are given for new technology. New source performance standards, which are often set at levels far below that achievable by emerging technology, are the target at which industry must shoot. An industry that wants to shoot higher is given no consideration for the risk it assumes.

A concrete example of the act's disincentives to new technology was vividly brought home to me in my own State. There, New Mexico Public Service wanted to attempt to employ the first commercial application of the new Wellman-Lord scrubbing process on its San Juan generating unit. The process, which in addition to removing 90 percent of all sulfur pollution, also uses little water and virtually eliminates any sludge problem. For a company with annual revenues in the neighborhood of $100,000,000 a year to contemplate expenditures in the range of $200,000,000 for pollution control equipment at a single facility over the next 5 years is an extraordinary gamble. However, the act's doctrinaire position with respect to the inviolability of new source performance standards demanded the company take the risk without any leeway in properly testing the system on several of the plant's units before placing it on the entire facility.

It is this kind of legalistic shortsightedness that led me to propose the amendment to section 11 now found in section 9 of the bill. It is my hope that upon passage of this amendment that the Agency will exercise the discretion it now possesses to allow New Mexico Public Service to run appropriate engineering evaluations of the new system before the company places the system on the entire plant.

Beyond my parochial concerns in sponsoring this amendment, I would hope that it would serve as a vehicle for an outburst of true technological innovation. Certainly, if the Nation is to meet the conflicting demands of energy independence, sustained economic growth, and environmental quality, continued technological advancement is absolutely essential.

AUTO POLLUTION: TOO COSTLY TO COMPROMISE

Mr. CRANSTON. Mr. President, during the past 2 years there has been a great deal of debate over auto pollution standards. Much of this debate has been clouded by the use of confusion rhetoric which has often distorted the facts and served to mislead the public.

My distinguished colleague from Colorado (Mr. HART) has recently written a lucid article on the need for maintaining responsible emission standards. The article, which appeared in the May 14 issue of the National Journal, clearly summarizes the impact of inadequate emission standards on public health and dispels the myths put forth by the auto industry and others who wish to confuse the issue of clean air standards. The information presented here is conclusive in its evaluation of existing scientific evidence on auto pollution.

The article clearly points out that the opponents of safe emission standards have worked diligently to suggest that the entire issue boils down to a choice between "jobs versus a livable environment; energy efficiency versus clean air;

industrial progress versus preservation of our national heritage." These alternatives are simply fallacious and may well serve to instigate needless compromise on a matter of extreme importance to all Americans.

Mr. President, I am in complete agreement with Senator HART on this issue and I have cosponsored his amendment No. 355 to S. 252, the Clean Air Act Amendments of 1977. A brief summary of this amendment is included in the National Journal article.

Mr. President, I urge my colleagues to review this article and carefully weigh the arguments it presents. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows.

AUTO POLLUTION: TOO COSTLY FOR COMPROMISE

Automobile pollution—there is nothing good to say about it. It causes respiratory diseases and cancer. It kills people. It corrodes buildings and causes billions of dollars of property damage each year. Why, then, don't we do something about it?

In 1970, legislation was enacted to control auto pollution. The Clean Air Act established air quality standards and set deadlines for them to be met. The Environmental Protection Agency was empowered to enforce these efforts to clean up our air and make it safer to breathe.

Seven years later, however, millions of people have been unnecessarily exposed to harmful levels of air pollution while the auto industry has received reprieve after reprieve from the clean-up deadlines. As we begin to debate once again on legislation to establish new clean air goals and deadlines. I hope to make the stakes very clear. Unless we draw a firm line now on automobile emissions, this country could well be facing a national air quality castastrophe in the mid-1980s.

CONCERN FOR PUBLIC HEALTH

A number of issues make strong auto emission standards imperative. First, there is mounting, indisputable evidence of a direct link between air pollution and health. Scientific studies have revealed the direct relationship between nervous system disorder, lung cancer, emphysema, asthma, and other respiratory diseases, particularly among infants and the elderly. In short, pollution kills.

A year-long study for Congress by the National Academy of Sciences on "Air Quality and Automobile Emission Control" concluded in September 1974, that "automobile emissions may account for as much as one quarter of one percent of the total urban health hazard. For the whole U.S. urban population, emissions of this magnitude might represent as many as 4,000 deaths and four million illness-restricted days per year."

Nitrogen oxide emissions from automobiles, in particular, are hazardous to public health. A 1976 federal report projected that proposed relaxation of the nitrogen oxide standard from its statutory level of .4 grams per mile to 1 gram per mile would cause a 50 percent increase in respiratory disease in children. To increase the standard to the level desired by the auto industry (2 grams per mile) would double the rate of respiratory disease attacks in children. Researchers have also found that nitrogen oxide in air, 45 per cent of which comes from vehicles, causes the carcinogenic chemicals "nitrosamines." According to the Environmental Protection Agency, "as a family of carcinogens (cancer-producing agents), the nitrosamines have no equals." Other studies confirm the link between nitrogen oxide levels and deaths from cancer.

It is both odd and frustrating that this relationship between auto emissions and health must be demonstrated and repeated over and over again. Emission standards were never established at some arbitrary level unrelated to the real world. Auto emission standards relate to the most real conditions possible: they relate to the health and welfare of the American public. As the single most pervasive source of pollution, the pressure must be maintained to clean up automobiles.

PROPOSED LEGISLATION ON AUTO EMISSIONS

Despite evidence that relaxed emission standards will exacerbate public health problems, legislation before both the House and the Senate proposes to weaken and delay the standards for nitrogen oxide (NO_x) and other pollutants. The auto industry, together with the United Auto Workers, is already conducting an intensive lobbying campaign to bring about even weaker standards and greater delays. The various proposals are summarized in the chart accompanying this paper. They include the statutory standards in the existing law, the bill recently reported by the Senate Environment and Public Works Committee, the bill proposed by the Administration and adopted by the House Intersate and Foreign Commerce Committee, my own proposal, and a bill offered by Senators Riegle and Griffin and Representatives Dingell and Broyhill and supported by the auto industry and UAW.

I have offered a proposal (summarized on the next page) of my own because even the Senate bill contains compromises that seem neither necessary nor safe. While it was necessary to grant the auto industry a one-year extension of 1978 standards to 1979, further delays and the Senate bill's relaxation of the ultimate NO_x standard pose an unacceptable threat to the quality of the air in our nation's urban centers. The industry-supported proposal is even worse.

Advocates of relaxed automobile emission standards cite concern for energy conservation, cost, and economic impacts as being more important than the adverse health impact of relaxed standards. The facts, however, show that these are not incompatible concerns. Stringent automobile emission controls need not reduce gas mileage. Cleaner cars can be manufactured, in fact, with gains in fuel economy. Nor are relaxed clean air standards an effective weapon against inflation and unemployment. Cleaner cars, requiring new technologies, can hardly be cited as disruptive to the economy, and they do not result in fewer car sales or job losses. Car sales this year are clearly increasing despite stringent emission controls. Furthermore, relaxing standards to the detriment of public health and safety grossly misplaces our national priorities. Congress certainly has at its command more effective tools to deal with national economic problems than relaxing air quality standards.

Consider, for example, the auto industry claim that strict emission standards would cause lower gas mileage. At a time when energy conservation is a national priority, as well as a financial incentive, it is a valid concern. It is, however, a fallacious argument.

An unpublished report by the Environmental Protection Agency (EPA), entitled "The Impact of Several Alternative Automobile Emission Control Standards Upon Fuel Economy and Costs" (4/11/77), concludes that strict automobile pollution standards can be enforced without sacrificing fuel economy and with only a moderate increase in cost to the consumer.

Complying with the ultimate emission standards in existing law would increase the price of light-weight cars by only $195. This is only $20 more than the cost of meeting the weaker standards proposed by the Senate Environment and Public Works Committee.

The report also concludes, contrary to industry claims, that emission control does not have to exact a fuel penalty. Auto manufacturers can meet the stricter statutory standards and realize a gain in fuel economy over existing cars if they choose fuel efficient technologies costing slightly more.

The past record of the industry also lends credence to the EPA's figures. In model year 1975, auto emissions were tightened significantly over the previous year's requirements. The Senate Subcommittee on Environmental Pollution held hearings 10 months before the 1975 cars were sold. The president of Chrysler testified against the 1975 standards on the grounds that they would cause a decrease in fuel efficiency. Chrysler's actual experience in meeting the tighter standards, however, resulted in cars that gained 12 per cent in fuel economy. At the same time General Motors admitted that it might be able to increase gas mileage somewhat with the new standards, but its 1975 cars actually almost doubled the fuel economy increase that they had estimated.

In model year 1977, the standard for nitrogen oxide emissions was lowered by 33 per cent. Chrysler estimated that the tighter standard would reduce fuel economy by 7 per cent, but no loss occurred. General Motors estimated a 5 per cent loss, yet its actual experience showed a 9 per cent improvement over model year 1976.

In spite of tighter pollutant regulations, auto industry sales are soaring this year. This is because the sale of automobiles relates to the health of the economy, and the economy is clearly picking up. Those who assert that emission standards lead to a loss in sales and a loss of jobs have never proved their point. The proof simply does not exist.

This brings us to the standards being debated today. The standards in the existing law are clearly achievable. And there is demonstrable proof. The 1977 Volvo which has been certified for sale in California is cleaner than the law requires and its gas mileage is 10 per cent higher than the 1976 model. And Douglas Costle, new Administrator of the Environmental Protection Agency, testified in April 1977 that a six-cylinder Buick, weighing 3,500 pounds, which uses the same emission control system as Volvo (a device called a three-way catalyst), is also well within the strict standards set in the current law. At 5,000 miles (adjusted for 50,000 mile deterioration), this Buick is also achieving a fuel economy gain of 15 per cent while meeting standards considerably cleaner than required by law.

Three-way catalyst systems are not the only technoolgy that can meet strict automobile emission standards. Nissan, a Japanese manufacturer, has submitted data to the California Air Resources Board demonstrating a new concept for reducing NO_x emissions to the .4 gram statutory standards without using catalyst control. With no loss in fuel economy, the Nissan car has achieved emission levels considerably cleaner than the strict statutory standards in existing law.

AUTOMOBILE EMISSIONS AND THE CLEAN AIR ACT AMENDMENT

Both the Senate and the House of Representatives will soon debate legislation to amend the Clean Air Act of 1970. The establishment of new standards and deadlines for tailpipe emissions is one of the most controversial elements of the debate. The table shows the proposals being considered and how each would treat auto emissions of hydrocarbon (HC), carbon monoxide (CO), and nitrogen oxide (NO_x):

EMISSION STANDARDS

[In grams per mile]

	Statutory standards under existing law			Hart proposal			Senate committee bill S. 252			Administration proposal adopted by House committee			Riegle/Griffin Dingell/Broyhill bill S. 919		
	HC	CO	NO_x	HC	CO	NO_x	HC	CO	NO_x	HC	CO	NO_x	HC	CO	NO_x
Model year:															
1979	0.41	3.4	0.4	0.41	3.4	1.0	0.41	3.4	[1] 2	0.41	9.0	2	1.50	15	2
1980	.41	3.4	.4	.41	3.4	1.0	.41	3.4	1	.41	9.0	2	.41	9	2
1981	.41	3.4	.4	.41	3.4	1.0	.41	3.4	1	.41	3.4	1	.41	9	2
1982	.41	3.4	.4	.41	3.4	[2] .4	.41	3.4	1	.41	3.4	1	.41	9	[3] 1
1983	.41	3.4	.4	.41	3.4	[3] .4	.41	3.4	1	.41	3.4	[4] 1	.41	9	[3] 1

[1] 10 percent of cars are required to meet 1 NO_x.
[2] Cars can be certified and sold if the manufacturer pays a cost-of-compliance penalty and meets alternate NO_x standard of 1 gm/mi. Cars cleaner than the standard receive a rebate.
[3] Allows waivers up to 2 for innovative, energy saving technology (e.g. diesels) if air quality permits; or if technology is not available, cost is too high, or fuel impact is too high.
[4] The administration will require the 0.4 NO_x standard in 1983 if an EPA study, to be conducted in 1980, finds if necessary to protect health. Cars above 0.4 will then be subject to a noncompliance penalty.

Is there any reason to believe the United States auto industry needs more than five years to pick up a technology which has been introduced by a competitor? Of course not.

IMPACT OF THE PROPOSED COAL CONVERSION PROGRAM

There is one additional issue which makes the need for a strong and effective Clean Air Act imperative this year. The President's proposed coal conversion program, aimed at reducing U.S. reliance on foreign oil by increasing coal production by 66 per cent in 1985, could have severe adverse pollution effects on our air.

According to preliminary pollution data from the Energy Research and Development Administration (ERDA), the coal conversion program will significantly increase nitrogen oxide emissions from stationary sources such as power plants. Even with the use of stringent control techniques on stationary sources, NO_x emissions are predicted to increase by about 2.2 million tons (30 per cent) annually. ERDA projections of air pollution from coal-burning plants indicate that the most stringent pollution control can hold sulfur oxide and particulate emissions to near present levels, but that it could not provide adequate protection from increases in hazardous nitrogen oxide emissions.

Therefore, until stationary source NO_x emissions can be controlled more effectively, it will be increasingly important to reduce the NO_x emissions from automobiles. The proposed coal conversion program makes the need for stringent NO_x control in auto emissions a matter of urgency. To protect our health and allow the nation to safely pursue energy autonomy, nitrogen emissions from automobiles must be reduced to 0.4 grams per mile. This is not negotiable.

CRITICAL CHOICES

This issue is one of the most critical the 95th Congress will address. Its long term effects on our public health and welfare cannot be overstated, nor can the financial interests which it will affect. Already a substantial lobbying campaign is painting the issue in terms of jobs versus livable environment, energy efficiency versus clean air, industrial progress versus preservation of our natural heritage. We cannot afford to fall prey to such false and arbitrary alternatives.

The fundamental choice before us is the quality of our country's future. If we abandon standards that the world's most technologically sophisticated nation can reach, there is no end to compromise. Once we have mortgaged our children's health and safety, what else is left to give?

GARY HART,
U.S. Senate.

HART PROPOSAL FOR AUTOMOBILE EMISSION PENALTIES

I propose that manufacturers pay a penalty for not cleaning up their cars. Based on the assumption that the automobile industry is sensitive to price competition and that manufacturers will do what is needed to reduce their costs, my proposal would impose financial penalties on cars not meeting federal emission standards and would provide rebates on cars which are cleaner than the standards require.

Under the Hart plan:

The "noncompliance penalty" would begin in 1982, giving both auto manufacturers and the Environmental Protection Agency time to prepare. In 1982, according to the proposal, the federal emission standard for nitrogen oxide (NO_x) would be .4 gram per mile.

Manufacturers would be encouraged *but not required* to make and sell cars meeting the .4 gram NO_x standards. Cars that do not meet the standard would be subject to a noncompliance penalty. Cars that do meet it would not be subject to a penalty. And consumers who purchase cars that are cleaner than the standard would be eligible for a rebate.

To ensure the protection of public health, cars would not be allowed to be sold if emissions of NO_x exceed a maximum pollution level of 1 gram per mile (the current level adopted by the Senate Committee on Environment and Public Works). While cars could pollute up to that level and be subject to the noncompliance penalty, cars producing more than 1 gram per mile would not be allowed.

The penalties and rebates are to be calculated by the EPA and would be based on the cost of complying with the .4 gram standard. This could be as much as $200 per car in 1982.

Consumers would know which cars exceed the .4 gram standard because the price sticker on new cars would indicate both the penalty and the rebate.

The EPA Administrator would be authorized to distribute any net revenue generated by the penalty and rebate program to state and local governments to help them implement transportation control programs.

GASOLINE VAPOR RECOVERY

Mr. PERCY. I thank the distinguished Senator from Colorado for yielding, and I will keep my remarks as brief as possible.

In the Senate version of the proposed Clean Air Act Amendments of 1977 (S. 252), there is no consideration of a timely and rather complex topic: gasoline vapor recovery. However, section 213 of H.R. 6161, the House version of the proposed Clean Air Act amendments, does contain provisions which deal with gasoline vapor recovery.

I am seeking to learn whether or not it is true that section 213 of the House bill delays compliance with or may even eventually exempt companies which are not affiliated with petroleum refiners from compliance with vapor control requirements. In other words, is there a loophole in the House bill that is unintentionally being allowed to remain open? Is this a matter that was taken into account by the committee in reporting S. 252 to the Senate?

Mr. HART. While I cannot speak for the other body, I can say that "independent small marketers of petroleum" is defined in section 213 in the House version to include any party not affiliated with a corporation refining 65,000 barrels or more of gasoline per day.

Mr. PERCY. Section 213 of the House version requires that the Federal Trade Commission conduct a study to determine the impact of gasoline vapor control requirements on independent small marketers of gasoline. In reporting S. 252 to the Senate, was the committee aware that the Federal Energy Administration and the Environmental Protection Agency recently published studies on this subject?

Mr. HART. Yes. The EPA published an Arthur D. Little study entitled "Economic Impact of Stage II Vapor Recovery Regulations: Working Memoranda, EPA–450/3–76–042." On November 26, 1976, the FEA published a similar study conducted by Applied Urbanetics, Inc., entitled "Vapor Recovery Analysis," FEA Contract CO–06–60435.

Mr. PERCY. It is my understanding, Senator, that the FEA and the EPA studies show that vapor recovery requirements would have little or no real impact on gasoline stations' economic viability, provided the FEA permits the cost of vapor recovery to be "passed through" to the consumer in the form of additional prices amounting to a fraction of a penny per gallon. Is this your understanding, Senator?

Mr. HART. Yes. If the station's gasoline market would withstand such a pass through.

Mr. PERCY. It is my intent in asking these questions to emphasize the fact that the Senate has not agreed to the House version by silent acquiescence.

Mr. HART. The Senator from Illinois is correct. The Senate has not agreed to the House version in regard to gasoline vapor recovery.

SIGNIFICANT DETERIORATION—NON-ATTAINMENT PROVISIONS OF CLEAN AIR ACT AMENDMENTS

Mr. BROOKE. Mr. President, when we passed the Clean Air Act in 1970, we stated that the bill's purpose was "to protect and enhance the quality of the Nation's air resources." Subsequent to our action, the courts determined that

the Congress intended to prevent the air from "significant" deterioration in areas where the air is cleaner than the standards. That court ruling, which has shaped the Environmental Protection Agency's—EPA—policy regarding clean air, is now being addressed by the Congress.

I do believe it was the intent of the Congress to prohibit "significant" deterioration in clean areas and I do not believe that we should take a step backward from our original stand on this issue.

My State of Massachusetts was one of 16 States which filed a brief prior to the court ruling on this matter stating that secondary air standards would cause harm to our economic base. And, the Senate report in 1970 on the act supported the court's interpretation of the EPA's role regarding significant deterioration. Furthermore, the same pollutants that reduce visibility have an impact on crop production. According to a National Academy of Sciences study, a "significant" deterioration of our air quality on the east coast could produce a 25 to 100 percent loss of many agronomic and horticultural crops and cause severe injury to many natural species.

However, my concern about crop production, my desire to support the position of my State and my refusal to detract from the Senate's original intent on this matter seem in opposition to the claim some make that a strong nondeterioration policy was synonymous with a "no growth" policy.

I certainly believe that industry should be given the opportunity to expand and employment should not be prevented from growing. But, I feel that a strong nondeterioration policy will not preclude further growth by industry. First, the policy would pertain only to international parks, national parks and national wilderness areas in excess of 5,000 acres which are in existence today. Future parks and wilderness areas would be placed under a less stringent standard and the States would be given the option of placing them under the more stringent standard. Also, the stronger nondeterioration policy would not be applicable for national forests.

Second, to insure a flexible policy, those areas which are placed under the less stringent standard will have to reduce pollution by using technology as determined by the States on a case-by-case basis. Therefore, many companies will not be required to install extremely expensive anti-pollution controls to reduce the level of their emissions.

Third, major emitting facilities whose allowable emission releases would be less than 50 tons for all pollutants after compliance with nondegradation standards would not be required to demonstrate compliance under the less stringent standards.

I believe that these provisions give us the best of both worlds by insuring that our national parks will not be destroyed by pollutants while providing industry with flexibility for future growth.

Another controversial issue to be debated by the Senate later today concerns the nonattainment provision. The provisions we have considered require that new sources of pollution in areas where pollution levels exceed health standards will have to meet certain requirements before they can begin functioning. These requirements will strive to attain national health standards in 3 years by insisting that emissions for existing and proposed sources are less than the current emissions in the area.

However, to provide industry with a degree of flexibility, the provision also allows the States to grant waivers from specific emission trade-off requirements if certain criteria are met. To receive a waiver, it must be demonstrated that the cleaner air standards will be met by the proposed compliance date in 1987. This too provides State or industry with the flexibility we need to insure growth that is properly managed.

Mr. GRAVEL. Mr. President, clean air is one of our Nation's most valuable resources which we must strongly protect. The Committee on Environment and Public Works spent many hours considering amendments to the Clean Air Act and has recommended amendments which by and large represent necessary and constructive changes in our air pollution program. The amendments, I believe, will continue our efforts to provide a clean air environment for all of our citizens.

The committee has held lengthy hearings to review the implementation of the Clean Air Act. Testimony was received which presented many diverse views on the successes and failures of the program over the years. Some of the major problems raised include prevention of significant deterioration· auto pollution deadlines, the question of nonattainment and stationary source compliance deadlines and penalties. The committee has labored over a prolonged period of time in its attempt to provide meaningful solutions to these problems.

The bill which is before the Senate addresses all of these problems and has attempted to provied workable solutions. The bill provides new deadlines for achievement of auto pollution standards, a stationary source compliance date extension and penalty procedure, and a provision which implements a nondegradation policy.

The nondegradation amendment has been one of the most controversial provisions, and deserves a few words of explanation. It is a workable answer to the question of how to protect "clean air areas," or areas in which the levels of particulates or sulfur oxides are better than secondary or primary air quality standards—whichever are more stringent. State implementation plans will provide that significant deterioration will not occur in such clean air areas. Indeed, with the many mechanisms available for preventing and controlling air pollution, deterioration need not occur.

International parks, wilderness areas, national parks, and national memorial parks of significant size existing at the time of enactment of these amendments are designated class I areas. States may designate additional areas for inclusion within class I. All other areas fall into class II, with the important exception of areas designated class I under previous regulation. States may redesignate class II areas as class I areas. Concurrence of the Federal land manager is not required in the case of redesignation of Federal lands within a State.

The amendments vest in Indian tribes in the contiguous, "lower" 48 States the authority to redesignate any portion, or all, of their lands as class I areas. For this purpose, Indian tribes are treated as States. Indian tribes are also subject to the provisions of the bill granting adjacent States the opportunity to disagree with any redesignation of Indian lands as class I. The Indian provisions, of course, recognize the status of Indian tribes under existing law. The Natives of Alaska are, by virtue of the Alaska Native Claims Settlement Act, in a position different from the Indians of the contiguous "lower 48." By and large, land granted to Alaska Natives constitutes private land under the jurisdiction of a particular State.

Activities within nondegradation areas are regulated under State permit systems designed to implement the no significant deterioration pollution incremental "allowables." States will have the power to decide which and how many major sources will be able to locate in nondegradation areas. The provision does not, however, rule out all growth in such areas; it merely proscribes the location of major sources which would violate "clean air" areas. The no significant deterioration provisions, therefore, place the problem in the hands of the States where it can best be handled.

A second vital aspect of the lengthy discussions over the years has been the question of automobile emissions. I strongly support the Hart amendment to the committee bill. The time has come to establish final automobile emissions based on health considerations and to consider the effect of relaxing automobile emissions on growth in areas of nonattainment or potential nonattainment. The technology is available today to meet the standards which we set long ago in the Clean Air Act. The Hart amendment would give the automobile industry another 5 years to comply with the NO_x standards public health dictates. The cost to the consumer for installation of the appropriate equipment will not be anywhere as great as the cost to the consumer, and society at large, if we do not set strict standards—which, incidentally, are also reasonable.

Another important aspect of the automobile emissions issue is the question of how those emissions effect growth in nonattainment areas. The potential loss of jobs and income to States and municipalities is great if industry is unable to locate in nonattainment areas because automobile emissions have caused the area to be in violation of the stand-

ards under the Act, thus proscribing the location of new industry. How can we permit that to happen to those who would otherwise have new jobs? To those communities which would otherwise benefit from a new source of revenues? The predicament is one in which the automobile industry itself could be placed.

I would not minimize the concerns of the automobile industry and the localities dependent upon it. I would merely say that the time has come to make a hard decision dictated to us by health concerns and growth concerns. We can and should meet the standards originally set in the act, and in a time reasonable to all. The Hart amendment accomplishes that.

The committee worked long and hard to produce this important legislation. The able leadership of our esteemed chairman, Senator RANDOLPH, was invaluable. Senator MUSKIE and Senator STAFFORD worked diligently in the Environmental Pollution Subcommittee and in full committee to produce a bill which could be supported by a majority of the committee members. Without such leadership, this vital legislation could not have been brought to the Senate.

Clean air is a beneficial resource and its protection is of national importance. I have supported legislation to protect and enhance the environment in which we live while a member of the Senate and I will continue to do so. The amendments to the Clean Air Act reported by the Environment and Public Works Committee represents necessary and constructive changes to the program resulting from a careful review of the implementation of the act. I urge my colleagues to support this important piece of legislation.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:21 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that:

The House insists upon its amendment to the amendment of the Senate to the bill (H.R. 6010) to amend title XIII of the Federal Aviation Act of 1958 to expand the types of risks which the Secretary of Transportation may insure or reinsure, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ANDERSON of California, Mr. JOHNSON of California, Mr. RONCALIO, Mr. HARSHA, and Mr. SNYDER were appointed managers of the conference on the part of the House.

The House has agreed to the concurrent resolution (H. Con. Res. 243) directing the Clerk of the House of Representatives to make corrections in the reenrollment of H.R. 6206, in which it requests the concurrence of the Senate.

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 7552. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1978, and for other purposes; and

H.R. 7557. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1978, and for other purposes.

ENROLLED BILL SIGNED

At 3:30 p.m., a message from the House of Representatives by Mr. Berry, one of its clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 6197. An act to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978.

The enrolled bill was subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–1481. A letter from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, the sixth annual report of the Securities Investor Protection Corporation covering the year 1976 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–1482. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Amtrak's Incentive Contracts With Railroads—Considerable Cost, Few Benefits" (CED–77–67) (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1483. A letter from the Secretary of Transportation transmitting a draft of proposed legislation to amend the Hazardous Materials Transportation Act to authorize appropriations for fiscal year 1979 (with accompanying papers); to the Committee on Commerce, Science, and Transportation.

EC–1484. A letter from the Secretary of Transportation transmitting a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968 to authorize appropriations for fiscal year 1979 (with accompanying papers); to the Committee on Energy and Natural Resources.

EC–1485. A letter from the Deputy Secretary of Agriculture transmitting a draft of proposed legislation to amend the Food Stamp Act of 1964, as amended (with accompanying papers); to the Committee on Finance.

EC–1486. A secret communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Another Look at the Readiness of Strategic Army Forces" (LCD–76–457) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1487. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "An Evaluation of the U.S. Early Warning System in the Sinai" (ID–77–11) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1488. A letter from the Chairman of the American Indian Policy Review Commission transmitting, pursuant to law, the final report and recommendations of the American Indian Policy Review Commission (with an accompanying report); to the Select Committee on Indian Affairs.

EC–1489. A letter from the certified public accountant, American Symphony Orchestra League, Inc., transmitting, pursuant to law, the audit report for the American Symphony Orchestra League, Inc., for the fiscal year March 31, 1977 (with an accompanying report); to the Committee on the Judiciary.

EC–1490. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, 1,213 reports covering the period May 16 through May 31, 1977, concerning visa petitions which the service has approved according to beneficiaries of such petitions third- and sixth-preference classification under the Immigration and Nationality Act (with accompanying papers); to the Committee on the Judiciary.

EC–1491. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, a request that reports, previously transmitted due to an administrative error, be returned to the service; to the Committee on the Judiciary.

EC–1492. A letter from the Assistant Secretary for Congressional Relations for the Department of State transmitting a draft of proposed legislation to amend title 18 of the United States Code, to define and discourage certain criminal conduct by U.S. nationals and certain foreign nationals in Antarctica (with accompanying papers); to the Committee on the Judiciary.

EC–1493. A letter from the Chairman of the U.S. Commission on Civil Rights transmitting, pursuant to law, a report evaluating the status of civil rights oversight and policymaking by the White House and the Office of Management and Budget during the Nixon and Ford administrations from 1972 to 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–1494. A letter from the Chairman of the Federal Election Commission transmitting, pursuant to law, copies of correspondence which the Commission has sent to the Office of Management and Budget, Executive Office of the President (with accompanying papers); to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

Mr. WILLIAMS. As in executive session, I report favorably sundry nomina-

tions in the Public Health Service which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of January 6 and April 7, 1977, at the end of the Senate proceedings.)

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 7552. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1978, and for other purposes: to the Committee on Appropriations.

H.R. 7557. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1978, and for other purposes; to the Committee on Appropriations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today June 9, 1977, he presented to the President of the United States the enrolled bill (S. 521) to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ROTH (for himself and Mr. BIDEN):

S. 1651. A bill to insure equal protection of the laws as guaranteed by the 5th or 14th amendments to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. ANDERSON, Mr. MCGOVERN, Mr. HART, Mr. BENTSEN, Mr. MELCHER, Mr. HASKELL, Mr. TOWER, Mr. ABOUREZK, Mr. CULVER, and Mr. DOMENICI):

S. 1652. A bill to establish a national climate program, and for other purposes, to the Committee on Commerce, Science, and Transportation.

By Mr. RIEGLE:

S. 1653. A bill to amend the Truth-in-Lending Act to facilitate administrative enforcement, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CURTIS:

S. 1654. A bill for the relief of Thuy Bach Kanter; to the Committee on the Judiciary.

By Mr. BROOKE (for himself and Mr. KENNEDY):

S. 1655. A bill to provide for the establishment of the Lowell National Cultural Park in the Commonwealth of Massachusetts, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HANSEN:

S. 1656. A bill to amend section 501(c) of the Internal Revenue Code of 1954 with respect to the status of certain trusts established for the payment of employee benefits; to the Committee on Finance.

By Mr. CHURCH:

S. 1657. A bill for the relief of Capt. Deloy F. Johnson, U.S. Air Force; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 1658. A bill to amend title II of the Trade Act of 1974 relating to relief from injury caused by import competition; to the Committee on Finance.

By Mr. MATSUNAGA:

S. 1659. A bill for the relief of Herbert T. Matsuo, Patrick Wayne Matsuo, Susan Villarta, and the estate of Arline L. Matsuo; to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 1660. A bill to make the provisions of the last sentence of section 3101(a) of title 38, United States Code, relating to powers of attorney to negotiate educational assistance allowance benefit checks, inapplicable in the case of certain arrangements entered into prior to December 1, 1976; to the Committee on Veterans' Affairs.

By Mr. MATSUNAGA (for himself and Mr. INOUYE):

S. 1661. A bill directing the Administrator of General Services to convey certain property to the State of Hawaii; to the Committee on Governmental Affairs.

By Mr. WILLIAMS:

S. 1662. A bill for the relief of Garrett F. Masco; to the Committee on the Judiciary.

S. 1663. A bill for the relief of Drugs, Inc.; to the Committee on the Judiciary.

By Mr. McINTYRE (by request):

S. 1664. A bill to provide improved consumer deposit services; to promote competitive balance among financial institutions; and to enhance the effectiveness of the Federal Reserve System; to the Committee on Banking, Housing and Urban Affairs.

By Mr. McINTYRE:

S. 1665. A bill to provide for the chartering of savings banks, to increase the efficiency and flexibility of credit unions, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. McINTYRE (by request):

S. 1666. A bill to provide for extension of the deposit interest rate control law, increased ceiling of deposit insurance for public unit accounts, Keogh trust accounts, individual retirement custodial or trust accounts, modification of Federal savings and loan investment authority and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

S. 1667. A bill to amend the Home Owners' Loan Act of 1933 and the Federal Home Loan Bank Act; to the Committee on Banking, Housing and Urban Affairs.

S. 1668. A bill to provide for equitable regulation of savings accounts used to make payments to third parties, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

S. 1669. A bill to amend the Federal Home Loan Mortgage Corporation Act; to the Committee on Banking, Housing and Urban Affairs.

By Mr. McINTYRE:

S. 1670. A bill to extend the moratorium on conversions of certain depository institutions; to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY (for himself, Mr. ANDERSON, Mr. HART, Mr. CULVER, Mr. MCGOVERN, Mr. BENTSEN, Mr. MELCHER, Mr. HASKELL, Mr. TOWER, Mr. ABOUREZK, and Mr. DOMENICI):

S. 1652. A bill to establish a national climate program, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL CLIMATE PROGRAM ACT OF 1977

Mr. HUMPHREY. Mr. President, today I am introducing the National Climate Program Act of 1977. I am very pleased to introduce this bill, a legislative initiative that Congressman GEORGE BROWN, my good friend from California, introduced earlier this year in the House of Representatives.

The issues of climate change, fluctuation, and predictability—as well as the impact of climate upon human activities—are becoming increasingly important matters of public concern.

During the past several months, weather has taken its toll throughout this country. Drought conditions in my home State of Minnesota have had a severe soil and economic impact. Drought has plagued California, most of the country has gone through one of the harshest winters on record, and the Great Plains have been devastated by dust-bowl like conditions.

Unfortunately, we failed to have an early warning that such events were likely to occur. If we could have anticipated these events, then we could have developed plans that would have lessened the impact of these extreme weather fluctuations on human activities.

The simple reality is that this Nation—a nation that sent a man to the Moon 8 years ago—has no coordinated and systematic program for conducting climate research.

We must swiftly move to build a national climate program, because the costs of not doing so are high. If accurate and timely seasonal climatic information were collected, analyzed, and disseminated effectively, in the case of severe weather, there would be a number of possible actions that we could take to accommodate such variation. Having such a capacity would allow us as a nation to utilize our existing food, energy, land, and water resources in the most effective and efficient manner possible.

The impact of not being able to anticipate our climatic future is severe. A witness testifying on this issue before the House Science and Technology Committee in May 1976, estimated that—

The yield depressing effects of less-than-optimum growing conditions for 79 of the principal crops reduce U.S. farm income annually by an average of $1.6 million. It is our judgment that total weather-related losses in U.S. agriculture exceed $3 billion annually.

In December 1974, a subcommittee of the Domestic Council completed a report on climate and proposed a national climate program. The proposed goals of this program were to:

Establish a climatic impact warning system to provide both realtime warnings and assessments of the risks of future climate impacts;

Improve current monthly and seasonal climate predictions; and

Develop mathematical-computer systems for prediction of climate and for simulation of man's effects on climate.

Develop a global climate monitoring system to support early warning and prediction efforts.

This program still has not been implemented 3 years after the Domestic Council's report.

The bill I am introducing today authorizes a new program to obtain, analyze, and disseminate climate data and information. This program would improve climate monitoring, augment basic, and applied research, improve services such as the dissemination of climate-related data and information, and identify the domestic and international impacts of climate fluctuations.

In order to insure broad, high level Federal involvement, and management of the program, an interagency Management Council would be created to work with the Director of the National Climate Program Office in developing and implementing the program.

In addition, an advisory council, composed of non-Federal scientists and representing users, would be established to provide nongovernmental input, assess the program, and recommend needed changes.

I believe it is time that we acknowledged our sparse understanding of climate and the fragile relationship between climate and our food supply, natural resources, and quality of our lives. Dr. Stephen Schneider, author of "The Genesis Strategy," stressed at a May 1976, House Committee on Science and Technology hearing that—while we still cannot make any promises—such a program could prove to be something of an insurance policy:

> While it cannot be stated with certainty that increased effort and resources in the field of climatic studies will provide immediate payoffs in terms of forecast capability, it must be said that the costs of our ignorance of the knowledge and workings of the climatic system makes this scientist comfortable with the feeling that support for climatic research is a worthwhile hedge against potential climatic crises.

The Subcommittee on Science, Technology and Space of the Senate Committee on Commerce began hearings yesterday on this important question. There is little doubt in my mind that this subcommittee, chaired by the distinguished Senator from Illinois (Mr. STEVENSON), will hear from its many witnesses the need for a program such as the one outlined in this proposal.

In introducing this legislation, I do not want to insist that this bill is the only answer. Rather, I offer it as one perspective on essential new directions that must be taken by the Federal Government in addressing a critical national problem.

I am pleased to have 10 distinguished Members of this body as cosponsors. Senators HART, CULVER, MCGOVERN, MELCHER, HASKELL, ANDERSON, ABOUREZK, BENTSEN, DOMINICI, and TOWER share my belief that this Nation must push ahead in this critical area. We believe that this Nation must mobilize the massive scientific resources in this country and throughout the world to tackle one of the most elusive but immediately significant natural problems facing us—climate.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Climate Program Act of 1977".

FINDINGS

SEC. 2. Congress finds that—

(1) natural changes and fluctuations of climate can sharply intensify domestic and international food and energy shortages;

(2) a change of climate, even if sustained for only a few years' time, could seriously disrupt land, water, and energy use patterns and could have far-reaching consequences to the national economy, security, and well-being;

(3) longer term changes in climate, whether occurring naturally or resulting from human activities, or both, may be leading to new global climate regimes with widespread effects on food production, energy consumption, and water resources;

(4) the United States at present lacks a sustained and coordinated program of climate monitoring, analysis, information dissemination, and research;

(5) the present ability to anticipate and explain either natural fluctuations or changes or human-induced changes of climate is insufficient adequately to guide policy formulation concerning agriculture, energy, transportation, and other critical sectors of the economy;

(6) promising opportunities to understand climatic fluctuations and changes exist because of valuable international contributions which have been made or can be made in the near future, and because of the commonality of interest among many nations in understanding and predicting climate; and

(7) there is a need for a program that can bring together and utilize all research and monitoring resources with the goal of knowing and anticipating the effects of climate fluctuations and changes in the United States and the rest of the world.

PURPOSE

SEC. 3. The purpose of this Act is to establish a National Climate Program which will enable the Nation to respond more effectively to climate-induced problems (1) by improving climate monitoring in order to make the Government and the private sector aware of, and to enable the Government and the private sector to anticipate, fluctuations and anomalies in climate; (2) by augmenting basic and applied climate research, including research on the potential influence of human activities on regional and global climate; (3) by improving services relating to the climate, particularly the dissemination of climate-related data and information; and (4) by identifying the domestic and international impacts of changes and fluctuations in the climate, in particular on the allocation and use of energy resources, on the management of land and other natural resources, and on the planning of food supplies.

DEFINITIONS

SEC. 4. As used in this Act:

(1) The term "climate" means the state of the atmosphere, hydrosphere, and cryosphere in a region during an extended time period.

(2) The term "cryosphere" means the world's ice masses and snow deposits, including the continental ice sheets, mountain glaciers, sea ice, surface snow cover, and lake and river ice.

(3) The term "climatic anomaly" means the substantial deviation of a particular climate from its average state.

(4) The term "Program" means the National Climate Program established under this Act.

(5) The term "Federal agency" means an executive agency, as defined in section 105 of title 5, United States Code.

(6) The term "Office" means the National Climate Program Office established under section 9.

(7) The term "Management Council" means the National Climate Program Management Council established under section 10.

(8) The term "Advisory Council" means the National Climate Program Advisory Council established under section 11.

(9) The term "'State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

ESTABLISHMENT OF THE NATIONAL CLIMATE PROGRAM

SEC. 5. The President shall establish a National Climate Program which shall be administered by the National Climate Program Office (established under section 9) and shall provide, in accordance with the provisions of this Act, for research, and for the collection, analysis, forecasting, modeling, and dissemination of data concerning past, present, and future states of the climate and their variations, and shall provide for the assessment of the impact of climate fluctuations and changes and anomalies on human activities and of the influence of human activities upon climate.

SPECIFIC PROGRAM ELEMENTS: DATA SYSTEM, RESEARCH, PREDICTION, ASSESSMENTS, INFORMATION DISSEMINATION, AND HYPOTHESIS TESTING

SEC. 6. (a) The Program shall provide for obtaining, analyzing, and disseminating climate data. It shall include—

(1) the monitoring of (by satellite and other means), and gathering of data relating to, the global climate and process that may produce changes in the climate;

(2) appropriate methods to insure and improve the accuracy and precision of the data;

(3) collection of data needed for basic and applied research and services related to climate;

(4) such procedures for the processing and storage of climate data as will make such data readily available to users and potential users at moderate cost in formats suitable to their requirements;

(5) the preparation of such inventories and indices of data as will promote their use;

(6) the periodic publication of reports, in appropriate professional, trade, and popular journals and otherwise, describing the form and manner in which the data are available;

(7) such affiliation and other arrangements with information exchange networks as will promote the use of the data; and

(8) mechanisms for consultation with current and potential users of the data concerning the management and structure of the data, and delivery of services.

(b) The Program shall provide for research, using information from physical, chemical, biological, geological, historical, archaeological, and other investigations, (1) to improve basic understanding of the climate, of the causes of fluctuations and anomalies in the climate (including the influence of human activities on the climate), and of the relationship among atmospheric, hydro-

spheric, and biospheric processes and their effect on the climate, and (2) to develop models which can be used to predict fluctuations and changes in the climate.

(c) The Program shall provide (1) for improved methods and systems for the detection and prediction of climate changes (and particularly seasonal and annual fluctuations and anomalies in the climate), (2) for a system to provide early alerts of incipient climatic anomalies, and (3) for a system for evaluating the accuracy of different climate prediction techniques in predicting observed climate.

(d) The Program shall provide support for and encourage continuing assessments, on a global, national, and regional basis, of the observed and potential impacts on human activities, of past, present, and future changes and fluctuations in the climate including impacts on crop production, energy demand and supply, land and water resources, biological productivity and diversity, transportation, and demography. Such assessments shall be conducted by those Federal agencies having national programs in food, fiber, raw materials, energy, transportation, land and water management, and other such responsibilities, in accordance with existing laws and regulations, and shall include analyses, studies, and appropriate recommendations for action concerning—

(1) the impact of small changes in climate on agriculture, the economy, commerce, and technology and other areas of human endeavor;

(2) appropriate changes in agricultural, economic, commercial, technological, and other practices to mitigate the effects of fluctuations and changes in the climate; and

(3) appropriate strategies to reverse or minimize man-induced changes in global and regional climates.

(e) The Program shall provide for active dissemination of information concerning its plans, activities, results, any climate predictions, and other related activities. The Program shall emphasize regular reports, where possible including climate predictions, applicable to specific user groups and on a time schedule most useful to them.

(f) Activities of the Problem shall be carried out, to the extent practical, in a manner which makes explicit the hypotheses concerning the climate which the activities are testing and how the results of such activities validate or invalidate such hypotheses.

COOPERATION

SEC. 7. The Program shall be conducted so as to encourage cooperation with, and participation in the Program by, other organizations or agencies involved in related activities. For this purpose the Program is authorized to cooperate and participate with other Federal agencies, State and local governmental agencies, and foreign, international, and domestic organizations and agencies involved in international or domestic climate-related programs.

SPECIAL GRANTS FOR REGIONAL CLIMATE ACTIVITIES

SEC. 8. (a) The Program may provide for grants to universities, colleges, and other nonprofit educational institutions to develop and support centers for climate study and to support regional studies relating to activities of the Program.

(b) Grants made under this section shall be made upon the submittal of such application and on such terms and conditions and in such amounts as the Program may prescribe, except that—

(1) the amount of any such grant may not exceed two-thirds of the cost of the center or regional study proposed to be supported by the grant, and

(2) no such grant may be used for the purchase of land or construction of any building.

NATIONAL CLIMATE PROGRAM OFFICE

SEC. 9. (a) The President shall designate, not later than thirty days after the date of enactment of this Act, a Federal agency (hereinafter in this Act referred to as the "lead agency") within which the Program will be administered.

(b)(1) The head of the lead agency shall establish within the lead agency a National Climate Program Office to administer the Program.

(2) There shall be at the head of the Office a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(3) The Director of the Office shall receive compensation at the rate provided for level IV or V of the Executive Schedule by section 5315 of title 5, United States Code.

(c) The Office may accept personnel detailed from other Federal agencies involved in the Program, and such agencies shall provide for such detailing, to the extent practicable, to the Office upon the request of the Director of the Office.

(d) The Office shall provide the Management Council and the Advisory Council with such assistance and support as each may require to carry out its activities.

MANAGEMENT COUNCIL

SEC. 10. (a) To assure broad Federal involvement in the management of the Program, the President shall ensure (not later than thirty days after the date of enactment of this Act) that representatives of Federal agencies conducting activities relating to the Program, including representatives of each of the Departments of Agriculture, Commerce, Defense, the Interior, State, and Transportation, Energy Research and Development Administration, Environmental Protection Agency, Federal Energy Agency, National Aeronautics and Space Administration, Council on Environmental Quality, National Science Foundation, Office of Management and Budget, and Office of Science and Technology Policy, are designated to serve on a Management Council for the Program. The Management Council may be designated as a Committee of the Federal Coordinating Council on Science, Engineering, and Technology.

(b) The Management Council shall—

(1) advise the lead agency and the Office on the conduct and priorities of the Program and make recommendations to such agency and Office to improve such conduct;

(2) participate in the development of the Program's budget under section 12(b);

(3) advise the Department of State with respect to providing representation at intergovernmental meetings and conferences relating to climate in which representatives of the United States and foreign governments participate; and

(4) make recommendations to the President through the Federal Coordinating Council on Science, Engineering, and Technology with respect to major domestic and international actions the United States should take to strengthen efforts to understand and adjust to changes in the climate.

(c)(1) The Director of the Office shall chair the Management Council.

(2) The Management Council may have such subcommittees as the Council determines to be appropriate to the specific functions and end uses of the program such as:

(A) A subcommittee on dissemination and use of climate information.

(B) A subcommittee on scientific understanding of the climate.

(C) A subcommittee on the impact of climate fluctuations.

(3) The Management Council shall meet not less often than four times each year, and at least one of such meetings shall be held jointly with the Advisory Council.

ADVISORY COUNCIL

SEC. 11. (a) To insure the involvement of scientists and users of climate information in the Program, the head of the lead agency shall (not later than sixty days after the date of enactment of this Act) appoint in consultation with the Management Council not less than eleven, and not more than fifteen, individuals, who, as a group, are representative of diverse interests relating to the Program, to serve on an Advisory Council for the Program. The individuals appointed shall not be full-time officers or employees of the United States.

(b) The Advisory Council shall (1) continually review the Nation's climate activities, especially the Program, and based on its findings advise the Office on the conduct and priorities of the Program, particularly with respect to the scientific rigor of the Program and the delivery of services under the Program; (2) make recommendations to the President with respect to actions the United States should take to strengthen international efforts to understand and adjust to changes in the climate; and (3) make an annual report as an appendix to the annual report provided for in section 12(c) which appendix shall not be subject to clearance by any other agency.

(c)(1) Members of the Advisory Council shall be appointed for terms of three years, except that (A) of the individuals first appointed one-third shall be appointed for a term of one year, one third shall be appointed for a term of two years, and the remainder shall be appointed for a term of three years, as determined by the President and (B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed only for the remainder of such term. No individual may serve as a member of the Advisory Council for any part of more than two consecutive terms.

(2) Members of the Advisory Council shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS 18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Advisory Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

(d) The Advisory Council shall elect its own Chairman. The Advisory Council shall meet not less often than three times each year, and at least one of such meetings shall be held jointly with the Management Council.

(e) Unless extended by law, this Advisory Council shall cease to exist three years after the date of the enactment of this Act.

PLAN FOR, ANNUAL BUDGET OF, AND REPORTS ON, NATIONAL CLIMATE PROGRAM

SEC. 12. (a)(1) The Office shall, after consultation with the Management Council, and not later than one hundred and eighty days after the enactment of this Act, publish a preliminary plan for the first five years of the Program.

(2) Such plan shall provide for goals and priorities for the Program over the five-year period, and shall contain details as to (A) the involvement of Federal agencies, the staff, and Federal funding required in order

for the Program to meet such goals and (B) the milestones required in order to achieve such goals by the end of the period.

(3) Not later than one year after the date of the enactment of this Act, after allowing ninety days for public meetings and congressional oversight on the preliminary plan and after taking into consideration comments received after publication of the preliminary plan, the Office shall publish a final plan for the Program during its first five years, including the information specified in paragraph (2) of this subsection.

(4) The Office is authorized to set up ad hoc advisory bodies for the purpose of developing the initial program plan provided for in this subsection. These advisory bodies (A) shall be composed of persons who are not full-time employees of the Federal Government; (B) shall be broadly representative of diverse interests relating to the Program; (C) shall be compensated for services and expenses in the same way as the Advisory Council; and (D) shall cease to exist one year after the date of the enactment of this Act.

(5) In consultation with the Management Council, the Office shall update the plan annually.

(b)(1) The Program plan provided for in subsection (a) of this section shall include a specific Program budget plan. This comprehensive budget plan shall be submitted to the Office of Management and Budget for its consideration, in time to be considered along with the individual budgets of the Federal agencies. The comprehensive budget plan submitted shall be developed in consultation with the Management Council.

(2) The comprehensive budget plan of the Program shall encompass the elements of the budgets of Federal agencies which directly or indirectly support activities provided for in the Program and shall include a statement on how such elements relate to the plan of the Program developed under subsection (a).

(3) Section 304 of the Act of October 18, 1962 (31 U.S.C. 25) (relating to preparation of horizontal, budgets for meteorology), is amended—

(A) by inserting "and of the national climate program established under the National Climate Program Act of 1977" after "meteorology", and

(B) by striking out "aspects of the program" and inserting in lieu thereof "aspects of the programs".

(4) The amendments made by paragraph (3) shall apply with respect to budgets submitted for fiscal years beginning six months or more after the date of the enactment of this Act.

(c)(1) The Office shall prepare and, after giving the Management Council at least thirty days to review, shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, not later than January 30 of each year, an annual report on the activities of the Program. Such report shall include—

(A) a description of any changes in the Program plan (developed under subsection (a)) during the current fiscal year and a description of the annual update developed under such subsection;

(B) a summary of the comprehensive budget plan of the Program (submitted under subsection (b)) for the past and current fiscal years and proposed for the subsequent fiscal year;

(C) a summary of the recent findings of research conducted under the Program; and

(D) as far as practical, predictions as to changes in the climate in the current year and in the period of five years, more or less, beginning in such year, and a statement of the probable and potential impacts of any such predicted changes in the climate and of the uncertainties of the predictions.

The report shall also include (as an appendix) any statements of reasonable length relating to the Program submitted by a member, or group of members, of the Management Council.

(2) The Office may make such other reports at such times as it deems necessary to carry out the purposes of this Act.

CONTRACT AND GRANT AUTHORITY; RECORDS AND AUDITS; PATENTS

SEC. 13. (a) Functions vested in any Federal officer or agency by this Act or under the Program may be exercised through the facilities and personnel of the agency involved or, to the extent provided or approved in advance in appropriation Acts, by other persons or entities under contracts or grant arrangements entered into by such officer or agency.

(b)(1) Each person or entity to which Federal funds are made available under a contract or grant arrangement as authorized by subsection (a) of this section or by section 8 shall keep such records as the Director of the Office shall prescribe, including records which fully disclose the amount and disposition by such person or entity of such funds, the total cost of the activities for which such funds were so made available, the amount of that portion of such cost supplied from other sources, and such other records as will facilitate an effective audit.

(2) The Director of the Office and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after the completion of the activities (referred to in paragraph (1)) of any person or entity pursuant to any contract or grant arrangement referred to in subsection (a), have access for the purpose of audit and examination to any books, documents, papers, and records of such person or entity which, in the judgment of the Director or the Comptroller General, may be related or pertinent to such contract or grant arrangement.

(c) Any invention made or conceived in the course of, or under, any contract or grant arrangement entered into under subsection (a) shall be subject to section 9 of the under subsection (a) of this section or under section 8 of this Act, and with funds authorized under this Act, shall be subject to subsections 9(a) through 9(k) and 9(m) of the Federal Nonnuclear Energy Research and Development Act of 1974 to the same extent and in the same manner as inventions made or conceived in the course of contracts under such Act, except that in the course of contracts under such Act, except that in applying such section the National Climatic Program Office shall be substituted for the Energy Research and Development Administration and the term "climate" shall be substituted for the term "energy" where appropriate and the term "head of the lead agency" shall be substituted for the term "Administrator" where appropriate.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. In addition to any funds otherwise authorized to be appropriated for the purpose of conducting programs related to climate, there is hereby authorized $50,000,000 for appropriation to Federal departments and agencies for the fiscal year ending September 30, 1978, for the purpose of conducting the Program.

TERMINATION

SEC. 15. Unless otherwise renewed, the authorities conferred in this Act terminate December 31, 1979.

By Mr. RIEGLE:

S. 1653. A bill to amend the Truth in Lending Act to facilitate administrative enforcement, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

Mr. RIEGLE. Mr. President, I am today introducing legislation to amend the Truth in Lending Act.

The Consumer Affairs Subcommittee, which I have the privilege of chairing, will be conducting extensive hearings on June 27–29 on Truth in Lending simplification and reform. This is an area of great interest to consumers and creditors alike, as the Truth in Lending Act is the most comprehensive and important of the Federal consumer credit laws.

The legislation which I am introducing today is not intended to be a comprehensive revision of the act, as Senator PROXMIRE, the author of the original act, has already proposed excellent legislation to do so, his Truth in Lending Simplification and Reform Act, S. 1312. Rather, the amendments I propose relate to specific problems or ambiguities which have arisen in the act's enforcement or implementation. Most of these amendments have been recommended by the Federal Trade Commission in its annual reports to Congress concerning the act.

First, several of the amendments relate to the authority of the agencies charged with enforcement of the act. The most important amendment would augment the Federal Trade Commission's administrative authority by permitting the Commission to enforce violations of the act as if they were violations of an FTC trade regulation rule. This is identical to the authority given the Commission under the Equal Credit Opportunity Act.

While the Commission has enforcement responsibility for roughly 90 percent of the Nation's creditors, its current enforcement machinery is hopelessly laborious and antiquated. On many occasions, an enforcement proceeding, beginning with an administrative complaint and progressing through subpenas, law judges, the Commission, and then through the courts, can take more than 2 years to put a stop to even a flagrant violation of the act. This machinery was designed to determine unfair and deceptive practices, a necessarily cautious procedure, but poorly suited to enforcing the specific requirements of the laws enacted by Congress.

By augmenting the Commission's authority as proposed, it will no longer need to unreasonably drain its resources in stopping a limited number of disclosure violations. Instead, the Commission may seek restraining orders directly in U.S. district courts, as well as other relief such as civil penalties and restitution. This is a change long overdue.

In addition, this legislation would augment the authority of all enforcing agencies in two respects. First, it would toll the 3-year limitation on rescission if an agency institutes a formal proceeding regarding rescission within that period. Since a proceeding can take months, or even years, the rights of a consumer may

be extinguished before a final order is issued. This amendment would suspend the running of the 3-year period until 1 year after the final agency resolution. Another amendment would permit an agency having jurisdiction over the original creditor in a proceeding involving the right of rescission to join to the proceeding any subsequent assignee, for the limited purpose of enforcing the right of rescission involved. This will permit an orderly and complete resolution of all issues raised in a single proceeding.

This legislation also addresses several troublesome ambiguities which have arisen concerning a borrower's right of rescission. First, the bill would make clear that a consumer has not lost his or her right to rescind after property is sold at a foreclosure sale. In addition, it will make Congress original intent more explicit by specifying that an exercise of the right to rescind is effective against any subsequent assignee of the original creditor. Finally, the bill will close an obvious drafting oversight in the act by specifically providing for a right of action in Federal district courts to enforce the right to rescind. As in suits for civil liability, costs, and reasonable attorney's fees would be recovered by the successful litigant.

Three additional areas are treated. In order to prohibit the practice of some retailers of hastily charging-off credit balances due consumers, this legislation would require creditors to make a good faith effort to refund any money held over 6 months. In addition, the bill would require that the notice of billing rights under the Fair Credit Billing Act list the types of errors which a consumer is entitled to dispute. This legislation would also curb a growing evasion of the act's provisions by some retailers who structure closed-end transactions in the form of open-end sales, thereby giving fewer disclosures and quoting only monthly payments. In order to be classified as an open-end plan, the amendment would require that repetitive transactions be made on at least 50 percent of the active accounts within a 2-year period.

Truth-in-lending reform will not be easy, as it entails the balancing of differing interests, views, and goals. But I am confident that the subcommittee, after extensive hearings, will reach consensus on legislation which achieves this goal. I hope that the legislation I offer today will aid this process and make truth-in-lending an even more effective tool for consumers.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Truth in Lending Act is amended as follows:

OPEN END CREDIT

SEC. 2. Section 103(i) of the Act is amended by adding at the end thereof the following new sentence: "A plan shall not be deemed to be open end credit unless repetitive transactions are made on at least 50 percent of the active accounts during any two year period.".

ADMINISTRATIVE ENFORCEMENT

SEC. 3. (a) Section 108(c) of the Act is amended to read as follows:

"(c) Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under subsection (a), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this title shall be deemed an unfair or deceptive act or practice in violation of Section 5(a)(1) of the Federal Trade Commission Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act, including the power to seek civil penalties and consumer redress for violations of any Federal Reserve Board regulations promulgated under this title in the same manner as if the violation had been a violation of a Federal Trade Commission trade regulation rule.".

(b) Section 108 of the Act is amended by adding at the end thereof the following:

"(e) Notwithstanding any provision of this section to the contrary, any administrative agency having enforcement responsibility with respect to any original creditor in any transaction involving the right of rescission under section 125 of this title may join in any administrative proceeding brought under this section any subsequent assignee of the original creditor for the sole purpose of enforcing the right of recission under section 125 and 115 of this title. For the purpose of this subsection, such subsequent assignee shall be deemed to be within the jurisdiction of the agency having enforcement responsibility under this title with respect to the original creditor and subject to the full enforcement powers of that agency.".

ASSIGNEE LIABILITY

SEC. 4. Section 115 of the Act is amended to read as follows:

"(a) Except as otherwise specifically provided in this title, any civil action for a violation of this title which may be brought against the original creditor in any credit transaction may be maintained against any subsequent assignee of the original creditor where the violation from which the alleged liability arose is apparent on the face of the instrument assigned, or on the face of any documents used to make disclosures required by this title, unless the assignment is involuntary. For the purpose of this section, violations which shall be considered apparent on the face of the instrument or other documents assigned include, but are not limited to: (1) disclosures which can be determined to be incomplete, inaccurate or erroneous from the face of the instrument or other documents assigned; (2) disclosures not made in the terminology required by this title; or (3) the failure to make required disclosures where it is apparent on the face of the instrument or other documents assigned that such disclosures are required by this title.

"(b) In addition to the liability provided for in subsection (a), any action to enforce the right of rescission granted by section 125 of this title which could be brought against the original creditor may be brought against any subsequent assignee of the obligation.".

RIGHT OF RESCISSION

SEC. 5. (a) Section 125(f) of the Act is amended to read as follows:

"(f) An obligor's right of rescission shall expire three years after the date of consummation of the transaction or upon the sale of the property (other than an involuntary sale arising out of the transaction sought to be rescinded), whichever occurs earlier, notwithstanding the fact that the disclosures required under this section or any other material disclosures required under this chapter have not been delivered to the obligor. Provided, however, that when any agency empowered to enforce the provisions of this title institutes a proceeding to enforce the provisions of this section within three years after the date of consummation of the transaction, the three year limitation on rescission provided for in this subsection shall be suspended during the pendency of such proceeding, including any court review, and for one year thereafter, if the obligor's right to rescind is based in whole or in part on any matter involved in such proceeding.".

(b) Section 125 of the Act is amended by adding at the end thereof the following:

"(g) Upon application by an aggrieved consumer, any United States district court or other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce this section or any regulation prescribed by the Board to implement this section. In the case of any successful action under this section, the costs of the action, together with a reasonable attorney's fee as determined by the court shall be awarded. Nothing contained in this subsection shall be construed to limit a consumer's right to recover under section 130 of this title.".

NOTICE OF BILLING RIGHTS

SEC. 6. Section 127(a)(8) of the Act is amended by adding at the end thereof the following new sentence: "The statement required by this subsection shall specify the types of errors which the consumer is entitled to dispute under section 161 of this title.".

CREDIT BALANCES

SEC. 7. Section 165 of the Act is amended to read as follows:

"§ 165. Treatment of credit balances

Whenever a credit balance in excess of $1 is created in connection with a consumer credit transaction through: (1) transmittal of funds to a creditor in excess of the total balance due on an account; (2) rebates of unearned finance charges or insurance premiums; or (3) amounts otherwise owed to or held for the benefit of an obligor, the creditor shall:

(i) credit the amount of the credit balance to the consumer's account;

(ii) refund the amount of the credit balance upon request of the consumer; and

(iii) make a good faith effort to refund to the consumer by cash, check, or money order the amount of the credit balance if it remains in the account for more than six months.

EFFECTIVE DATE

SEC. 8. The amendments made by this Act take effect upon the expiration of 1 year after the date of enactment of this Act.

SECTION-BY-SECTION ANALYSIS

Section 2. Open end credit—Would amend section 103(i) to further define the term "open end credit plan" to exclude plans which do not have repetitive transactions on at least 50% of the active accounts within a two year period.

This amendment addresses a growing evasion of the Act whereby retailers transact what are essentially closed-end transactions in the form of open-end sales. The result is that consumers receive fewer and less meaningful disclosures, and the creditor quotes only monthly payments. This amendment would distinguish between true and fictitious open-end plans.

Section 3. Administrative enforcement—Would amend section 108(c) to augment the Federal Trade Commission's enforcement authority by authorizing the Commission to enforce violations of the Act as if they were violations of an F.T.C. trade regulation rule. This would enable the Commission to obtain restraining orders in U.S. district courts and seek civil penalties and restitution.

While the F.T.C. has enforcement responsibilities for 90% of the nation's creditors, its enforcement procedure is protracted and antiquated, often taking more than a year and draining the agency's limited resources to stop a creditor's violation. This amendment is similar to the authority granted the Commission to enforce the Equal Credit Opportunity Act.

This section would further amend section 108 by granting to all enforcement agencies the authority to enforce their determinations regarding rescission rights with respect to any assignees of original creditors. This would allow an orderly and complete resolution, in a single proceeding, of all issues regarding an original creditor's violation of the rescission provisions. The final determination of the agency would be binding against assignees.

Section 4. Assignee liability—Would amend section 115 to make clear Congress' original intent to hold assignees liable for violations on the face of disclosure statements and notices of the right to rescind. The current provision refers only to the "instrument assigned." The amendment further enumerates what violations are considered to be "apparent on the face" of the documents assigned.

Would also amend section 115 to clarify that an obligor's exercise of the right of rescission is effective as to any assignee of the original creditor.

Section 5. Right of rescission—Would amend section 125(f) to provide that a consumer's right to rescind is not cut off by a creditor's foreclosure sale of the consumer's home. Without such a provision, a creditor could extinguish the consumer's right to rescind a transaction by forcing a foreclosure sale. There is at least one court decision interpreting this section in accordance with this amendment.

Would also provide that if an enforcement agency institutes a proceeding regarding the right of rescission under section 125, the three year limitation on rescission would be suspended until one year after final determination of the proceeding. This amendment is necessary to protect consumers' rights, as an agency proceeding could take years to conclude. Unless consumers' rights of rescission were preserved pending the outcome, the rights could be extinguished before a final order is issued.

Would further amend section 125 to explicitly provide a grant of jurisdiction to the courts to enforce the rescission provisions of the Act. The Act's failure to provide this right is a serious deficiency, as claims involving rescission generally involve more money and are of greater importance to consumers than civil liability actions. As in actions for statutory damages, a successful litigant would recover costs and reasonable attorney's fees. Would also make clear that a consumer's right to seek civil damages is not foreclosed by exercising the right to rescind. Several courts have interpreted this section in accordance with this amendment.

Section 6. Notice of billing rights—Would amend section 127(a)(8) to require that the notice of billing rights mailed to consumers under the Fair Credit Billing Act list the types of errors to which the Act applies. The current notice fails to provide this important information.

Section 7. Credit balances—Would amend section 165 to require creditors to credit to the accounts of customers any balances over $1 resulting from excess payments or rebates. If the consumer requests, the credit balance must be refunded. When any balance remains for more than six months, the creditor must make a good faith effort to refund the sum.

This amendment would proscribe the practice of some creditors of quickly charging-off credit balances without attempting to refund them.

Section 8. Effective date—These amendments would take effect one year after enactment.

By Mr. BROOKE (for himself and Mr. KENNEDY):

S. 1655. A bill to provide for the establishment of the Lowell National Cultural Park in the Commonwealth of Massachusetts, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BROOKE. Mr. President, it is a special pleasure for me to file this legislation which will, at last, create a Lowell National Cultural Park. It has been nearly 7 years since my colleague, former Congressman Brad Morse, joined me and Senator KENNEDY in pressing for the establishment of this unique urban park, designed to preserve and present for all Americans the extraordinary living record of 19th century milltown life which remains in the heart of the city of Lowell.

Since then, the Commission created by the Congress to study our proposal has worked hard to produce a detailed plan. These dedicated citizens have offered the Department of the Interior a brilliantly original and effective design for an urban park. It will recreate the mill area complete with the stores, boarding houses, commercial services, and residential blocks which were dependent on the mills. Furthermore, the plan calls for the refurbishing of the extensive system of canals, locks, and dams which distinguished Lowell's geography. The Commonwealth of Massachusetts and the city of Lowell will be sharing the financial responsibilities with the Federal Government, and both governments have already established an impressive record of full coordination and cooperation.

The legislation I am filing today with Senator KENNEDY, which is the companion measure to H.R. 6230 filed by Lowell's Congressman PAUL TSONGAS, will make this area a national park and will provide the resources needed to finish the job of restoring the historic structures and establishing a public transportation system through the canals of Lowell.

I have long been urging the Department of Interior to establish preservation and recreation programs in urbanized areas of special national interest. The bills I have cosponsored to create the Boston Harbor Islands National Park and the Nantucket Sound Islands Trust would also put such concepts into law. But the Lowell National Cultural Park will be a unique national park area in the heart of an old central city. It should serve as a model for those elsewhere in our Nation who have the vision to pioneer the restoration and preservation of precious resources in and around American communities.

Mr. President, I hope the Senate and the House will move quickly to make this longstanding dream a reality. I ask unanimous consent that portions of the report of the Lowell Historic Canal District Commission be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPORT OF THE LOWELL HISTORIC CANAL DISTRICT COMMISSION

The character and physical roots of Lowell lie in the Industrial Revolution. Indeed, Lowell symbolizes the Industrial Revolution in America. It sums up and expresses in physical form the revolutionary impact of industrialization, the enormous change from a basically agricultural world of farms, crops, animal husbandry and small towns to an urban industrial world of mills, factories and cities. Founded in 1822, Lowell was the first attempt on this continent to wed the utopian ideal of a humane, planned community with the harsh realities of the industrial world which were already so unpleasantly vivid in the slums of industrial England.

Sited at the Pawtucket Falls of the Merrimack River 30 miles north of Boston, Lowell became America's first great industrial city, largely because of its proximity to water power and waterways. The marshalling of cheap labor and the large markets and distribution capacity of Boston were essential factors in Lowell's growth. As the textile industry grew, Lowell developed into a major population center, drawing immigrants from many origins. The movement of the textile industry to southern states in the early part of the 20th century left many abandoned or marginally used manufacturing buildings, as well as high unemployment.

Unlike other industrial cities of the same era, a very large proportion of early buildings, structures, and districts have survived in Lowell and are now recognized as important historical artifacts. These include the entire 5.6 mile power canal system with its sophisticated dams, locks, and hydro controls; seven of the original ten mill complexes including their elegant clock towers; and significant examples of early housing types, institutions, and transportation facilities.

Also, Lowell's people have retained many of the ethnic neighborhoods, folkways and lifestyes which characterized the city's 19th century development.

Lowell's creation, development, and eventual decline is a uniquely American story that needs telling in a form that will be understandable and compelling for people of all ages, and especially, perhaps, for young people who may have little sense of where their present world came from. However, the story of the Industrial Revolution has been largely overlooked by the federal government in its efforts to establish the National Park System, which aims to interpret and preserve our heritage. The National Park Service has recognized this deficiency and has identified most of the themes and facets of American History that Lowell represents as being some of the prime areas for future expansion of the Park System.

THE PLAN

The plan proposes the creation of the Lowell National Cultural Park (LNCP). The Park would preserve Lowell's major historical and cultural assets, and use them to interpret Lowell's significant role in the development of our modern way of life. If implemented, the project would help to revitalize Lowell's depressed economy, improve the quality of its environment, and encourage local residents to appreciate the values which exist in their city and their culture.

In response to Lowell's unique problems and opportunities, the plan represents an unusual approach to national park development which has no direct precedent in the National Park System. The Park would be established by Congress under the Secretary of the Interior as a cooperative undertaking of the National Park Service and the Massachusetts Department of Environmental Management. This partnership would share state and federal resources, maximizing the effectiveness and abilities of each. An important aspect of the plan is the supportive involvement of local government, whose current efforts in preservation in the downtown and elsewhere will dovetail in the park. The plan also calls for local educational and cultural institutions to share in creating interpretive programs for both residents and visitors. Finally, the plan is designed to encourage substantial private redevelopment of vacant mill space in conjunction with the public construction of park facilities. In this way, the park will contribute to economic revitalization of the City as well as help to preserve many threatened historic buildings.

The National Park would be focused in the downtown area but would also encompass the entire canal system and some riverbanks. An important feature of the plan is the creation of a "Cross-Section of 19th Century Lowell." In this area, restored settings will afford the visitor a strong sense of what the early city must have been like. A major visitor center will serve as the centerpiece and catalyst for an extensive commercial development within a recycled mill complex: Shops, restaurants and a moderately sized hotel will be privately developed within a strict set of guidelines to insure compatibility with the park. Train and barge rides will carry people from the visitor center to other parts of the park, connecting various interpretive areas. Exhibits, employing a wide range of media, will deal with four main themes: (1) Technology and Hydropower, (2) Free Enterprise and Capitalism, (3) Working and Living in an Industrial City, and (4) Immigration and the settling of a city. The basic aim of the interpretive program will be to show how industrialization influenced people's lives, and how it helped to create our modern society. Visitors will be engaged by relating the Lowell story to important aspects of their own lives. For example, in one exhibit, visitors will be able to compare their own attitudes about work with the feelings and values which motivated young women to leave their farm families and come to work in the mills. Visitors will be encouraged to assume duties of early workers to gain an insight into the skills, satisfactions and frustrations that attended early industrial life.

For management purposes, the park area is divided into two zones: a relatively broad preservation zone and a smaller intensive use zone. Most of the physical improvements would occur within the intensive use zone, where the National Park Service and the Massachusetts Department of Environmental Management would acquire and improve property and plan, develop, and operate the major interpretive experiences in the park. The Park Service would develop an overall interpretive program and restore certain buildings and settings. The State would preserve the canal system and develop its recreational potentials. Almost all of the property within the intensive use zone would remain in private ownership, regulated through cooperative agreements to be negotiated with the National Park Service or the Massachusetts Department of Environmental Management.

Outside the intensive use zone, but still within the Lowell National Cultural Park boundary, a preservation zone would be designated. Within this area, a new management entity will be established with local, state and federal representation. This entity will supervise a broader-gauged preservation and revitalization effort than would be feasible or desirable for any individual agency. This effort would include: coordinating various public actions and agencies related to the park; establishing standards and procedures for managing public and private development in the park; administering a preservation program of facade easement purchases, grants, and loans; developing and assisting educational and cultural activities; and executing a renewal program to catalyze the private redevelopment of historic structures.

Mr. KENNEDY. Mr. President, the legislation we introduce today to implement the plan for the Lowell National Cultural Park represents the work of the residents of Lowell to establish an innovative partnership between the Federal, State, and local governments to assure that the cultural heritage of this outstanding city, the birthplace of the industrial revolution in the United States, is preserved for the appreciation and education of generations of Americans.

For too long our cities have been ignored, but perhaps the most significant symbol of that lack of attention to the needs of our urban centers is the total absence of any preservation of the culture and heritage of the working families of countries from every corner of the globe who contributed to the industrialization of our Nation and the growth of our cities.

We are hopeful that the Senate Energy and Natural Resources Committee will act quickly and favorably on this bill in view of the extensive study demonstrating the need for this legislation and the full cooperation of the Commonwealth and the people of Lowell in committing over $10 million to the project.

I would like to include in the RECORD at this point a brief statement made by Paul Rivard, director of the Rockwell-Corning Museum and the former president of the Society for Industrial Archeology which sums up concisely and expertly the need for the Lowell Urban Cultural Park.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY PAUL RIVARD

Despite the enormous role played by manufacturers in the growth of America to the status of superpower, pathetically little attention has been paid to the role of industry in the American experience. Our schools, our libraries and our museums have so far done very little to develop knowledge and appreciation of business and manufacturing history. High school textbooks generally, and even college textbooks to a large extent, continue to deal with the rise of American manufacturers in a brief, selective and subjective way. The result has been a history which is symbolic rather than factual: often little more than a civics lesson in social history—a story told in general rather than human terms. As we approach our bicentennial it is clear that during the past two hundred years we have created an American future in the pattern of Alexander Hamilton's vision; but it is still Thomas Jefferson's dream of a rural agrarian America that we carry in our hearts and write about in our histories.

For a museum like the Slater Mill which must deal with a broad general public, the perception of industrial history by visitors before they arrive at the museum has become a major factor—or should I say obstacle—in our work. For decades we in the museum business have led the way in extolling the virtues of non-industrial life. At many of our larger history museum, such as Colonial Williamsburg, Old Sturbridge Village, Shelburne, etc., we have done our job well. Today in viewing a spinning wheel one imagines that its user was happy and prosperious in the pursuit of industry at the hearth. Viewing the machine spinning counterpart one imagines that its user was miserable and exploited. For a generation, American "preservationists" (and I use the term with some sarcasm) have led the way in the demolition of industrial sites that obscured the view of charming "colonial" houses. Historians, writers, exhibit designers and antiquarians have, indeed, molded the image of what the American past should have been like. Today museums like the Slater Mill are victims of these recorded perceptions which museums have themselves helped to shape.

There is today a great reservoir of misunderstanding about the American "Industrial Revolution" and a general lack of knowledge of the role of manufacturing in American development: this is why I have wanted to speak to you today. I am not presenting this statement to urge that development of the Lowell Park project on the basis of architectural or engineering preservation, although this is certainly a worthy objective. I am not here either to illustrate the potential uses of Lowell as a scholarly document, although it is perhaps America's finest such document. Instead, I would suggest that the Lowell project be considered as a testimony to the millions of workers, entrepenuers, engineers and businessmen who built American industry through their work in this city and in the countless smaller "Lowells" throughout America. Countless Americans have worked as weavers, mechanics or any of a multitude of other skills here in Lowell and in all of this country; but what remains today of their work in the public consciousness? Where is the history of this segment of the American public? I believe that we could ask almost any fourth grade child in America what his great-grandfather did as a blacksmith, a shipbuilder, a carpenter, lawyer, or tinsmith and he could begin to give a reasonable answer. This is true of a vast number of traditional occupations. But what if the great-grandfather was a card tender, or a jack spinner, or a warp tender, or a drawing-in hand? Who today can describe these skills?

Lack of attention to industrial history has led to a homogenized view of the industrial laborer: he is seen to exist totally without job differentiation. The results are skills which are demeaned in their worth, and workers whose pride is eroded by public disinterest and lack of historical perspective. It is therefore as a testimony to the worth—the value—of these many occupations that the Lowell project should be considered. Unlike many intimidating museums, the Lowell scene with its working canals can be a living exhibit as well as an inspiring monument to which a broad base of the American public can relate.

What I wish to emphasize is simply this: not only will the Lowell Urban National Park Project be an important tool for educators, historians and casual visitors, but it will have an even more striking and personal

meaning for Americans who work in similar occupations today—people whose story has thus far been largely cut out of our national history and consciousness.

In a time when most social legislation is laced with terms such as "relevance," "sense of community" and "involvement," I hesitate to employ these overused terms in this statement; but the Lowell project could be just such a tonic to many Americans. I believe, as do my colleagues and trustees at the Slater Mill, and as does, I am sure, the membership of the Society for Industrial Archeology, that we have a debt to the forgotten generations who toiled in these many brick structures to resurrect the image of their past and to give them a chapter of American history—a place in the consciousness of the nation.

Mr. KENNEDY. Mr. President, I would like my distinguished colleagues in the Senate to know that the people of Lowell who generated this idea and developed this plan, and I particularly would like to mention Dr. Patrick Mogan, have worked harder to preserve and revitalize their city than any group I can think of. With an unbeatable combination of imagination and persistence, they have managed to return to the Congress with a plan for the national, cultural park in Lowell which escapes any substantive criticism. I know I extend the compliments of all the Members of the Senate to the citizens of Lowell on a job well done.

By Mr. HANSEN:

S. 1656. A bill to amend section 501(c) of the Internal Revenue Code of 1954 with respect to the status of certain trusts established for the payment of employees benefits; to the Committee on Finance.

BLACK LUNG TRUST

Mr. HANSEN. Mr. President, under Federal black lung legislation, coal producers incur a contingent obligation to pay black lung benefits to coal miners that contract the disease.

These obligations could continue for 50 to 75 years after a mine is closed, because the benefits apply also to a miner's dependents.

Estimates vary, but actuaries calculate it will require about $1.35 to $5 per ton of coal mined depending on the life expectancy of the mine, and the age complement of the work force to fund these claims.

If the operator elects to buy insurance, the minimum premium rates run about $7.80 for a strip mine up to $25 for an underground mine for each $100 of payroll. In purchasing insurance the coal producer pays regular premiums which, as a legitimate business expense, are deductible on a current basis.

The problem with insurance, however, is that an operator can never be certain an insurance carrier will continue to renew a policy. If a risk exposure proves too great for an insurance company, cancellation of coverage is not uncommon.

For the mine operator who chooses to self-insure and wishes to create an escrow or reserve fund to insure past as well as future obligations, there is a unique problem with respect to the setting aside of necessary funds. Payments to the reserve fund are not deductible when made.

Therefore, to balance this inequity, legislation is needed to permit the mine operator to establish a tax-exempt irrevocable trust into which he makes payments, and I am offering such a legislative proposal.

The payments into the trust would be deductible at the time of the contribution—rather than at the time the payments are made to the disabled miner or his dependents—which might be 50 or 75 years hence. Any income earned by the trust would be exempt from taxes and payments to the miner would be excluded from the miner's tax liability. The principal part of the trust could never revert to the creator of the trust. It could not be used as a tax shelter device by the mineowner with the funds to be recaptured at a later date.

There are advantages to both the miner and the operator.

First, the miner working in the mine today, should he qualify for benefits in the future, would know that his black lung disability compensation is being funded on a current basis. Irrespective of the future there would be money in the fund.

The employer, funding on a current basis, would be in a better financial position to meet this future obligation, rather than wait 20 years or more when a claim is registered.

Simply stated, the coal industry recognizes the legal obligation to compensate the miner disabled by black lung. What is sought is a legal vehicle to carry the funds so that today's coal production pays for the obligations arising as a result of current production. This seems to me to be the fair way to carry out this obligation.

There is a very real problem that could arise in the future if these obligations are not currently funded.

State public service commissions might well object to approving utility rate increases based on increased coal costs resulting from obligations incurred in years past.

Never in the history of the country has an industry been singled out in the manner of the coal industry with respect to the black lung legislation and saddled with a financial obligation of this magnitude.

Legislation of the nature I am introducing should be enacted as soon as possible to help coal producers meet this requirement of the law in a reasonable manner.

I would urge my colleagues to study this matter carefully, and I welcome cosponsors so that we can carry this forward as expeditiously as possible.

Mr. President, I ask unanimous consent that the bill that I am introducing to provide for a black lung trust fund be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1656

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 501(c) of the Internal Revenue Code of 1954 (relating to list of exempt organizations) is amended by adding at the end thereof the following new paragraph:

"(21) A trust or trusts created or organized in the United States and contributed to by any person (except an insurance company) if—

"(A) the purpose of the trust is (i) to satisfy in whole or in part the liabilities of such person on or with respect to claims filed on and after January 1, 1974, for benefits provided by one or more of the Federal Coal Mine Health and Safety Act of 1969, as amended by the Black Lung Benefit Act of 1972, and any other Federal or State laws, statutes, and Acts amendatory or supplementary thereto or substituted therefor (hereinafter referred to in this paragraph as 'Black Lung Acts') and all State and Federal rules and regulations pursuant thereto, and (ii) to pay for administrative and other incidental costs of such trust (including, without limitation, legal, accounting, actuarial, and trustee expenses) in connection with the operation of the trust and the processing of claims under the Black Lung Acts and all State and Federal rules and regulations pursuant thereto;

"(B) such person's contributions to each such trust are deductible under reasonable actuarial assumptions in accordance with a method of funding specified in regulations prescribed by the Secretary;

"(C) it is impossible, at any time prior to the satisfaction of all liabilities under each such trust, for any part of the corpus or income of the trust to be used for, or diverted to, any purpose other than those described in subparagraph (A); and

"(D) upon satisfaction of all liabilities under the trust, any amounts remaining in the trust are to be paid over to such other trust or annuity plan qualified under section 501(c)(21) or 401 as may be chosen by such person under regulations prescribed by the Secretary.".

By Mr. CHURCH:

S. 1657. A bill for the relief of Capt. Deloy F. Johnson, U.S. Air Force; to the Committee on the Judiciary.

Mr. CHURCH. Mr. President, today I introduce a private bill for the relief of Capt. Deloy F. Johnson for losses incurred during the movement of his household goods and personal effects while serving in the Air Force. The report by the Department of the Air Force on an earlier version of this bill endorsed the compensation my legislation would provide. I ask unanimous consent that the text of the bill and a copy of the Air Force report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Deloy F. Johnson, United States Air Force, the sum of $9,557.61 in full satisfaction of all claims of the said Captain Deloy F. Johnson against the United States arising out of the loss of household goods and personal effects destroyed as the result of a fire on August 25, 1972 near Atlantic, Iowa, following the accidental upset of the truck in which such household goods and personal effects were being transported under a Government contract.

(b) Notwithstanding any contract to the contrary, it shall be unlawful to pay or deliver to any agent or attorney, or for any

agent or attorney to receive, on account of services rendered in connection with this claim, any amount exceeding ten percent of the amount appropriated in this section. Violation of the provisions of this subsection is a misdemeanor punishable by a fine of not to exceed $1,000.

APRIL 9, 1974.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of the Air Force for the views of the Department of the Air Force with respect to S. 2476, a bill "For the relief of Captain Deloy F. Johnson, United States Air Force."

The purpose of this bill is to authorize the payment to Captain Johnson the sum of $24,497.30 in full satisfaction of his claims against the Air Force arising from the destruction of his household and personal effects during preparation and shipment by a commercial carrier, under government contract. The amount in the bill represents the aggregate of two separate claims presented to the Air Force arising out of the shipment of Captain Johnson's goods incident to change of station from Ellsworth AFB, South Dakota to Pope AFB, North Carolina, in August 1972.

The $24,497.30 figure represents the difference between Captain Johnson's total claim presented to the Air Force and the amount paid him limited by the requisite statutes and regulations.

Captain Johnson's first claim was for $40,029.41, which represented the loss suffered due to the destruction by fire of his household goods during shipment. This figure includes the undepreciated value of Captain Johnson's destroyed household goods, and "out of pocket" expenses incurred by Captain Johnson incident to preparation of his claim. The Air Force determined that of that amount $5,188.39 was not compensable because the claims in that amount exceeded the "reasonable" provision of the statute, title 31 U.S.C. sec. 241(a)(1).

Claims for personal memorabilia, hi-fi components, foodstuffs and wedding albums, exceeded the applicable maximums established by AFM 112-1, Table 6-4, by $2,505.06. In addition Captain Johnson claimed the sum of $283.33 for his expenses in preparing the claim and the sum of $2,400 for personal research and labor in preparing slides and photographs related to this work, neither of which is compensable under statute and regulation.

On February 1, 1973, the Air Force paid Captain Johnson the maximum $10,000 and permitted him to retain the $6,528 carriers' liability which was recovered from United Van Lines. Thus, Captain Johnson's uncompensated loss, which would be payable by the Air Force except for the $10,000 maximum is $9,557.61. (Computed by reducing the depreciated value of the claim, $31,274.00, by: (1) $5,188.39, the amount in excess of the "reasonable" limit of the statute; (2) the $6,528.00 paid by the carrier and retained by Captain Johnson; and (3) the $10,000 paid by the Air Force on his claim.) The Air Force does not oppose legislation which would authorize payment of $9.557.61.

Captain Johnson's second claim in the amount of $2,545.70 was for the theft of jewelry and watches from his on-base quarters at Ellsworth AFB, South Dakota, prior to the time the carrier assumed control of the property for shipment. The Air Force determined, pursuant to AFM 112-1, Table 6-4, that the depreciated value of the claim amounted to $1,978.31. Also pursuant to AFM 112-1, the Air Force determined that $428.31 of the claim was not compensable since it exceeded the $1,000 maximum for fine jewelry. Thus the total amount compensable on this claim was $1,550.00, which the Air Force paid on March 6, 1973. The Air Force takes the position that no further payment on this claim is due.

In summary, the Air Force does not oppose enactment of private relief in the amount of $9,557.61 which is the amount of Captain Johnson's uncompensated loss which would have been recoverable except for the $10,000 maximum (31 U.S.C. 240-243). The difference between this amount and the $24,497.30 in S. 2476 are amounts of depreciation, which are deducted from all claims involving household and personal effects, and amounts which exceed the "reasonable" amounts established in AFM 112-1. Thus legislation providing relief in excess of $9,557.61, would be unfair, according to the standard policy of the Department of the Air Force which requires that claims such as Captain Johnson's be reduced by depreciation and not be in excess of the "reasonable" limits, for certain types of personal property set by AFM 112-1. To allow payment to him in excess of $9,557.61 would be to provide him with relief which is not available to claimants generally under statute and Air Force regulations.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Sincerely,

WILLIAM W. WOODRUFF,
Assistant Secretary of the Air Force.

By Mr. HEINZ:

S. 1658. A bill to amend title II of the Trade Act of 1974 relating to relief from injury caused by import competition; to the Committee on Finance.

REVISING THE TRADE ADJUSTMENT ASSISTANCE PROGRAM

Mr. HEINZ. Mr. President, one of the major topics of congressional attention this spring has been the issue of trade and the threat this country faces from imports. The U.S. trade deficit continues to soar. March imports rose to $12.4 billion, the first month in U.S. history in which imports exceeded $12 billion, producing a new single-month record trade deficit of $2.38 billion. According to the U.S. Department of Commerce, our trade deficit for the first 3 months of 1977 totaled $5.9 billion, more than the deficit for the total year 1976.

It is also clear that this trend is not simply a cyclical downswing related to our domestic economic problems. Rather I believe we are experiencing a fundamental, long term alteration in the international terms of trade that will be increasingly harmful. Particularly hurt will be workers in the impacted industries. In some sectors we are seeing management survive by diversifying into retailing and importing at the expense of their manufacturing capability in this country. In some cases they are moving their plants to lower cost labor areas abroad. In either case it is the American worker who is the primary victim.

There are many reasons for these unsettling developments, depending on which industry one is considering. In some cases the problem is lower costs or more modern equipment in a foreign country. Some of our industries, frankly, have gotten old and tired and are an easy mark for cutthroat foreign competition.

A more important reason, however, is the export subsidies, direct and indirect, provided to foreign manufacturers by their governments. Such subsidies, far beyond anything we provide in our own free enterprise system, destroy the free market and prevent our products from competing on an equal basis.

In either case our products and our workers end up at a competitive disadvantage, a disadvantage that is only going to get worse, in the absence of a new policy and firm action.

It is also important to look at our trade policy in a world context. Even as other countries complain about American actions on quotas, countervailing duties and possible Presidential actions in restraining imports, so do American businessmen encounter increasing government controls in foreign countries. American corporations have found that controlling regulations overseas have proliferated to such an extent that their actions have increasingly been inhibited or circumscribed. These controls over U.S. investment and trading enterprises include local ownership requirements, labor regulations, import restrictions, price controls, local content requirements, tax controls, borrowing restrictions, operating requirements, and many others.

The solutions to these problems are sometime, difficult to find. Unilateral action invites retaliation, and the result is we find ourselves saving one industry besieged by imports at the expense of another that depends on exports for its livelihood, a grim tradeoff. Some general principles, however, can be articulated.

First, we have to stop endlessly reciting the litany of free trade, and instead reexamine our old policy in the light of the permanently changing realities of international trade.

Second, we have to move aggressively to negotiate an end to export subsidies by our trading partners. Export-Import Bank legislation just passed by the House of Representatives contains such a proposal, and it is an idea that deserves support. If we cannot persuade other nations to let their industries sink or swim in a free market, then we will have to reevaluate the nature of our participation in that market.

Third, for better or for worse, I think we are going to see an increasing use of voluntary restraint and orderly marketing arrangements for both commodities and manufactured goods. These devices are the best ways to control imports with minimal retaliation or ill will. In negotiating them, our Government should keep in mind, however, that the vital question is not the initial quantity of imports permitted into the United States, but rather the way growth is divided up for the future. If the OMA assigns all or most of the growth to the domestic industry, then our workers will, in the long run, be in a controlling position.

Finally, we have to learn to recognize and accept those cases where we are simply no longer competitive. Economies evolve, and we have neither the right nor the desire to expect ours to stay static. There is no reason, though, for workers on affected industries to bear the total

burden of change. We need to have an adjustment assistance program that works—for both labor and business—and we need to have one that emphasizes adjustment, not just handouts.

This question of adjustment assistance is a particularly timely one in view of the series of trade cases that have come up this spring, all of which have been resolved short of what the affected industries expected and needed.

There seems to be a prevailing view in some circles of government that adjustment assistance is the only program needed to cope with our trade problems. Such an attitude is seriously deficient both because it ignores the realities of international trade as I have discussed, in favor of a palliative, and because that palliative—adjustment assistance—is not capable of functioning properly.

The worker section of the program has functioned superficially in the sense that certifications have been made and workers have received money. The program has been constrained, however, by artificial restrictions on eligibility that have had the effect of denying assistance to many workers who have, in fact, lost their jobs because of imports.

This section is also faulty because of its inadequate and ineffective attempts to deal with adjustment. The concept is that the assistance provided should aid the worker in finding and adjusting to new employment. In practice the program has become little more than a dole, an extended handout that provides funds with no real help in finding a new job. In part, adjustment fails because some industries inherently have difficulty adjusting. An example is the shoe industry, where many of the workers are women, often older, without other skills and living in rural areas without other employment opportunities. Adjustment is difficult under these circumstances in any event, and it is certainly asking a great deal to expect someone in that situation to abandon one life, perhaps after 20 or 30 years, and move somewhere else in the hope of finding a new one.

In addition, adjustment assistance fails because of the provisions of the act designed to encourage adjustment—training assistance, job search allowance, employment services, and relocation allowances—simply have not functioned adequately. Overbound in redtape, with allowances far too low to account for the inflation of the past few years, the present Act provides little real incentive for worker adjustment.

The same sorry situation is the case with respect to the assistance program for businesses. Even by the admission of Federal officials the program is drowning in red tape and firms are falling by the wayside waiting for approval of their adjustment plans. As of earlier this year, of the 18 shoe firms certified for assistance under the act, only 5 had received any money. Several, certified as early as May 1975, are either still waiting or have gone out of business in the interim. The delays are too great, the flow of funds to slow to provide any meaningful relief. In addition, the interest rate charged for the few loans that are granted is so high as to make it no concession at all in economic terms.

The legislation I am introducing today is designed to remedy a number of these problems by broadening the coverage of the program and streamlining its procedures. The net effect of the bill is to insure that those who have been separated from employment because of imports are, in effect, eligible for the program, and that the program functions smoothly in providing meaningful assistance to those who are entitled to it. I ask unanimous consent that a section-by-section analysis of the bill be printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1. Extending period of time for which workers may be certified as eligible for trade readjustment allowances.

Increases in the basic time period a worker may receive adjustment assistance benefits from a maximum of 78 weeks to 104 weeks. Provides for additional benefits, beyond 104 weeks, for adversely affected workers the sum of whose age and years of service equals or exceeds 50 (rule of 50). These benefits would be payable until the worker reaches age 65 but would be reduced by 50 percent of wages if the worker found another job.

Effective date of this section is April 3, 1975.

Section 2. Change in limit on separation eligibility.

Specifies that a certification for eligibility shall not apply to any worker separated from his job more than two years (instead of one year) before the date of the petition on which certification was granted.

Effective date of this section is January 3, 1975.

Section 3. Eligibility for assistance for workers and firms producing component parts or engaged in delivery or distribution.

Provides that workers or firms making component parts of a product affected by imports or involved in the distribution or delivery of a product affected by imports are eligible for adjustment assistance.

Effective date of this section is January 3, 1975.

Section 4. Expediting certification and assistance procedures for firms.

Shortens time period for certification and approval of adjustment assistance for firms from 60 to 30 days in each case.

Specifies that any loans or loan guarantees granted to firms must be made available within 30 days.

Section 5. Lower rate of interest on direct loans to firms.

Changes formula used for determining rate of the public debt . . ." the result of which market yield on outstanding marketable obligations of the United States forming part of the public debt . . . " the result of which will be a rate lower than the current 9–10 percent.

Section 6. Expansion of class of workers eligible for adjustment assistance.

Permits assistance benefits to workers who lost their jobs because they were "bumped" by other workers (on the basis of seniority) who were adversely affected by imports.

Permits assistance for workers who were separated prior to the date in the certification but whose continued separation (layoff) is due to imports.

Specifies that a worker is eligible for assistance (assuming proper certification) if he had at least 20 weeks (instead of 26 weeks) of employment in the preceding year; or, if a state requires less than 20 weeks to be eligible for unemployment compensation, then a worker in that state employed for that number of weeks would also be eligible for adjustment assistance (assuming proper certification).

Section 7. Period for eligibility for job search allowance.

Specifies that an application for a job search allowance may be filed no later than one year after the date of certification of his eligibility for assistance (rather than one year after the date of his separation).

Section 8. Effective date.

Unless otherwise specified above, the effective date for the various amendments in the bill is the date of enactment.

Mr. HEINZ. Mr. President, the failure of the adjustment assistance program to work imperils our whole structure of foreign trade laws and regulations. We cannot continue to simply mouth the magic words "adjustment assistance" and hope that all our impacted industry problems will simply go away. In truth, it has been the industries that are going away, and not the problems, because we are not doing anything effective. And, as usual, it has been the workers in those industries that are bearing the brunt of the sacrifice. While an adequate adjustment assistance program is by no means the only thing we need to do to revamp our trade policies, it is a necessary element of any trade program.

In announcing his decision on the International Trade Commission's shoe case, President Carter announced his intention to propose revisions in the adjustment assistance program. Those proposals have not yet been made public, but I look forward to them. It is my hope that both houses of Congress will examine this bill and the President's proposals carefully, but quickly, so that we can resolve the problems in this program and restore both jobs and dignity to the American worker impacted by imports.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1658

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERIOD OF TIME FOR WHICH WORKERS ARE ELIGIBLE FOR TRADE READJUSTMENT ALLOWANCES.

(a) IN GENERAL.—The text of section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended to read as follows:

"(a) Except as provided in subsection (b), payment of trade readjustment allowances shall not be made to an adversely affected worker for more than 104 weeks.

"(b) In the case of an adversely affected worker the sum of whose age and years of service with the firm, or the appropriate subdivision of the firm, equals or exceeds 50, payment of a trade readjustment allowance shall be made until the worker attains age 65. The amount of any trade readjustment allowance paid under this subsection after the 104th week of such payments shall be reduced by 50 percent of the wages, salary, or income from self-employment (determined on a weekly basis under regulations prescribed by the Secretary) of the worker from other employment.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on April 3, 1975.

SEC. 2. CHANGE IN LIMIT ON SEPARATION ELIGIBILITY.

(a) IN GENERAL.—Paragraph (1) of section 223(b) of the Trade Act of 1974 (19 U.S.C. 2273(b)(1)) is amended by striking out "one year" and inserting in lieu thereof "two years".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect January 3, 1975.

SEC. 3. ELIGIBILITY FOR ASSISTANCE FOR WORKERS AND FIRMS PRODUCING COMPONENT PARTS OF AFFECTED ARTICLES OR ENGAGED IN THE DELIVERY OR DISTRIBUTION THEREFOF.

(a) ADJUSTMENT ASSISTANCE FOR WORKERS.—Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(1) by striking out "The Secretary" and inserting in lieu thereof "(a) The Secretary",

(2) by striking out "For purposes of paragraph (3)," and inserting in lieu thereof the following: "(c) For purposes of this section,", and

(3) by inserting immediately after the first sentence thereof the following new subsection:

"(b) Whenever the Secretary certifies the workers of a firm, or of a subdivision of a firm, under subsection (a) as eligible for assistance under this chapter, he shall also certify as eligible for such assistance the workers of any other firm, or appropriate subdivision thereof, which produces a component part of an article produced by the firm the workers of which were certified under subsection (a), or which distributes or delivers such articles, if he finds—

"(1) that a significant number or proportion of the workers in such other firm, or an appropriate subdivision of that firm, have become totally or partially separated, or are threatened to become totally or partially separated, and

"(2) that the decline in sales or production of the article or articles produced by the firm or subdivision with respect to which the certification was made under subsection (a) contributed importantly to the separation or threat of separation.".

(b) ADJUSTMENT ASSISTANCE FOR FIRMS.—Subsection (c) of section 251 of such Act (19 U.S.C. 2341(c)) is amended—

(1) by striking out "(c) The Secretary" and inserting in lieu thereof "(c)(1) The Secretary",

(2) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C),

(3) by striking out "For purposes of paragraph (3)," and inserting in lieu thereof the following: "(2) For purposes of this subsection,", and

(4) by inserting after the first sentence thereof the following:

"(3) Whenever the Secretary certifies a firm under paragraph (1) as eligible for adjustment assistance under this chapter, he shall also certify as eligible for such assistance any other firm which produces a component part of an article produced by the firm certified under paragraph (1) or which distributes or delivers such articles, if he finds—

"(A) that a significant number or proportion of the workers in such other firm have become totally or partially separated, or are threatened to become totally or partially separated, and

"(B) that the decline in sales or production of the articles produced by the firm certified under paragraph (1) contributed importantly to the separation or threat of separation.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 3, 1975.

SEC. 4. EXPEDITING CERTIFICATION APPROVAL AND AVAILABILITY OF ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) SHORTENING TIME PERIOD FOR CERTIFICATION AND APPROVAL OF ADJUSTMENT ASSISTANCE.—Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341 et seq.) is amended by striking out "60 days" in section 251(d) and in section 252(b)(2) and inserting in lieu thereof "30 days".

(b) TIMELINESS OF LOANS AND LOAN GUARANTEES.—Section 254 of such Act (19 U.S.C. 2344) is amended by redesignating subsection (c) as (d), and by inserting after subsection (b) the following new subsection:

"(c) If the Secretary approves a firm's application for adjustment assistance under section 252, and is going to provide such assistance in the form of a loan or guarantee of loan under this section, such loan or guarantee of loan shall be first made available to the firm within 30 days after the Secretary approves the application for assistance under section 252.".

SEC. 5. RATE OF INTEREST ON DIRECT LOANS.

The second sentence of subsection (b) of section 255 of the Trade Act of 1974 (19 U.S.C. 2345(b)) is amended to read as follows: "The rate of interest on direct loans made under this chapter shall be a rate, determined by the Secretary of the Treasury, equal to the current average market yield on outstanding marketable obligations of the United States forming part of the public debt (computed as of the end of the calendar month preceding the month in which the loan is made), adjusted to the nearest one-eighth of 1 percent."

SEC. 6. EXPANSION OF CLASS OF WORKERS ELIGIBLE FOR ADJUSTMENT ASSISTANCE.

(a) WORKERS SEPARATED BY THE EMPLOYMENT OF AN ADVERSELY AFFECTED WORKER.—Paragraph (2) of section 247 of the Trade Act of 1974 (19 U.S.C. 2319(2)) is amended to read as follows:

"(2) The term 'adversely affected worker' means an individual who—

"(A) because of lack of work in an adversely affected employment—

"(i) has been totally or partially separated from such employment, or

"(ii) has been totally separated from employment with the firm in a subdivision of which such adversely affected employment exists, or

"(B) has been totally or partially separated from employment with a firm because an adversely affected worker (as defined in subparagraph (A)) has, under an agreement between the employer and his employees or their representative, been given such individual's job on the basis of seniority.".

(b) WORKERS SEPARATED BEFORE THE BEGINNING OF THE CERTIFIED PERIOD.—Section 231 of such Act (19 U.S.C. 2291) is amended—

(1) by striking out "Payment" and inserting in lieu thereof "(a) Payment", and

(2) by adding at the end thereof the following new subsection:

"(b) For purposes of subparagraph (A) of subsection (a)(1), a worker whose total or partial separation began before the date specified in the certification as the date on which total or partial separation began or threatened to begin in the adversely affected employment shall be considered to have been separated on or after such date if—

"(1) he was on leave (with or without compensation) immediately before such date, or he was totally or partially separated immediately before such date, and

"(2) his continued total or partial separation from the firm is attributable to the conditions upon the basis of which the determination was made under section 223.".

(c) NUMBER OF WEEKS OF UNEMPLOYMENT REQUIRED.—Paragraph (2) of section 231(a) of such Act (19 U.S.C. 2291), as amended by subsection (b) of this section, is amended—

(1) by striking out "26 weeks" and inserting in lieu thereof "20 weeks", and

(2) by adding at the end thereof the following new sentence: "In the case of a worker who is receiving, or is eligible to receive, unemployment assistance in a State which requires fewer than 20 weeks of employment in order to qualify to receive such assistance, this paragraph shall be applied by substituting such fewer number of weeks for '20 weeks' in the preceding sentence.".

SEC. 7. PERIOD OF ELIGIBILITY FOR JOB SEARCH ALLOWANCE.

Paragraph (3) of section 237(b) (19 U.S.C. 2297(b)(3)) is amended by striking out "last total separation before his application" and inserting in lieu thereof "certification of eligibility for assistance".

SEC. 8. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall take effect on the date of enactment of this Act.

By Mr. MATHIAS:

S. 1660. A bill to make the provisions of the last sentence of section 3101(a) of title 38, United States Code, relating to powers of attorney to negotiate educational assistance allowance benefit checks, inapplicable in the case of certain arrangements entered into prior to December 1, 1976; to the Committee on Veterans' Affairs.

Mr. MATHIAS. Mr. President, I am introducing today an amendment to Public Law 94–502, the Veterans Education and Employment Association Act of 1976. My amendment would correct a serious problem which that law caused for a number of outstanding 4-year institutions. I support Public Law 94–502. It was written to eliminate the syndrome of chronic overpayments in veterans' education programs and we needed the kind of strong, comprehensive legislation that 94–502 is.

In ridding the system of several opportunities for abuse. however, the Congress and the Veterans' Administration were insensitive to certain legitimate practices that could not be ended so quickly without doing harm to good schools. The practice which is the subject of my amendment allowed institutions to cash veterans' checks sent directly to them for payment on courses. The schools obtained powers of attorney from the veterans so they could cash checks. This system was begun in order to accommodate the needs of overseas schools located on U.S. bases. The Department of Defense strongly encouraged the establishment of programs in which service personnel could use veterans' benefits to get college credits while in service.

The schools needed assurance that they would get paid for these services even though their students were highly mobile and subject to transfer on short notice. The power of attorney assignment device was instituted. In 1972 the Veterans' Administration reversed a long-term policy prohibiting the device and overseas schools began to use it extensively.

There are a number of excellent overseas schools operated by colleges and universities of high prestige and reputation. The University of Maryland oper-

ates an excellent system of overseas schools which has long served military personnel. It was one of many good schools that took advantage of the powers of attorney to enroll a large number of students and give them high-quality educations. Unfortunately the practice was abused by schools established with less lofty intentions and reputations than those overseas schools connected with 4-year colleges and universities. The law was written to eliminate the practice altogether.

It was passed and became effective just as the overseas schools were enrolling students in their fall terms. When it became clear that the law would take effect on December 1, 1976, it was not clear that it would cover courses begun and students enrolled before that date. The law was not signed until after many students had already been enrolled and payment arrangements made.

I believe that it is unfair to penalize those schools for relying on a procedure in existence for 5 years at a time when the full effect of the law changing it was not yet understood. I have been in contact with the Veterans' Administration for a number of months hoping to get an interpretation of the law which would avoid the retroactive application of its terms. The administration takes the position that legislation is necessary to do that so I am introducing this amendment.

My amendment would have no prospective effect. It will only give authority to 4-year institutions to cash checks for which they have powers of attorney and for courses begun before December 1, 1976. It will relieve reputable institutions of the tremendous financial burden caused by their reliance on a well-established practice. They hold millions of dollars in checks for courses which have now been completed.

By Mr. MATSUNAGA (for himself and Mr. INOUYE):

S. 1661. A bill directing the Administrator of General Services to convey certain property to the State of Hawaii; to the Committee on Governmental Affairs.

Mr. MATSUNAGA. Mr. President, I am introducing today legislation which provides for the donation of certain surplus railroad tracks and ties belonging to the Federal Government to the State of Hawaii. The senior Senator from Hawaii, (Mr. INOUYE) is cosponsoring the measure as an indication of his full support.

Unlike her sister States, the State of Hawaii has never experienced a "great age of railroads" and has never had commercial passenger and freight trains. The only trains operated in the Island State were those at the U.S. Naval magazine on the Island of Oahu and those which were used by the sugar companies to haul sugarcane. Nonetheless, these trains played an important role in the growth of the modern State of Hawaii. Since the end of World War II, the use of trains has been discontinued. In 1973, the Navy indicated that it would report as excess property its railroad cars, track and ties located at Lualualei on the island of Oahu. Under the provisions of a bill which I introduced in the House of Representatives, three locomotives and 11 railroad cars were donated by the Navy to the Hawaiian Railway Society in 1975.

The Railway Society, a nonprofit educational and historical organization which is affiliated with the National Railway Historical Society, proposes to restore the cars and utilize them in an operating railroad museum. The society also expressed interest in obtaining the railroad tracks located at Lualualei for use in the proposed museum. However, under the law then in existence, the tracks, which are "real property" rather than "equipment", had to be returned to the General Services Administration for disposal.

The society tried without success last year to obtain information about the proposed disposal of the tracks, which are essential for the construction of the museum. Much to their distress, members of the society were informed in March of this year that GSA plans to sell the track at public auctions. Unfortunately, because of its eleemosynary nature, the society will not be able to compete with prospective bidders who want to purchase the track for resale as scrap metal.

Fortunately, the Hawaii State Government has now expressed interest in the restoration project and has agreed to help build the proposed railroad museum within 3 years if my bill is enacted. The proposal has generated substantial interest at the State and local levels in Hawaii because it appears to be the only way we can preserve our historic railroads for future generations to enjoy.

In closing, I wish to stress once again that Hawaii's railroads and trains are in the process of complete disappearance along with an important part of Hawaii's history. The tracks at Lualualei are the only ones remaining and are conveniently situated for removal to the proposed railroad museum. But time is running out. Unless Congress acts soon, they, too, will disappear and the children of Hawaii will never have the experience of riding, or even seeing, the trains which were once so important to the economic development of the Island State.

I urge an early and favorable consideration of the proposed legislation.

By Mr. McINTYRE (by request):

S. 1664. A bill to provide improved consumer deposit services; to promote competitive balance among financial institutions; and to enhance the effectiveness of the Federal Reserve System; to the Committee on Banking, Housing and Urban Affairs.

Mr. McINTYRE. Mr. President, I am introducing by request of the administration, the following bill, together with an accompanying section-by-section analysis and a letter of transmittal dated June 9, 1977 from the Secretary of the Treasury to the President of the Senate, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1664

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

PAYMENT OF INTEREST ON DEPOSITS OR ACCOUNTS

SEC. 101. Section 2 of the Act of August 16, 1973, (Public Law 93-100), as amended (12 U.S.C. 1832), is further amended to read as follows:

"(a) A depository institution may permit depositors or account holders to maintain negotiable order of withdrawal accounts or share draft accounts.

"(b) The term 'depository institution' means—

"(1) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

"(2) any mutual savings bank as defined in section 3 of the Federal Deposit Insurance Act;

"(3) any savings bank as defined in section 3 of the Federal Deposit Insurance Act;

"(4) any insured credit union as defined in section 101 of the Federal Credit Union Act;

"(5) any member as defined in section 2 of the Federal Home Loan Bank Act; and

"(6) any insured institution as defined in section 401 of the National Housing Act.

"(c) The term 'negotiable order of withdrawal account' means a deposit or account (1) on which payment of interest or dividends may be made, (2) with respect to which the depository institution may require the depositor or account holder to give notice of an intended withdrawal not less than thirty days before the withdrawal is made, and (3) on which the depositor or account holder is allowed to make withdrawals by negotiable or transferable instrument or other similar item for the purpose of making payments to third persons or others. Such deposit or account shall consist solely of funds in which the entire beneficial interest is held by one or more individuals.

"(d) The term 'share draft account' means a share account established at a credit union for an individual who is a credit union member (1) using negotiable or non-negotiable drafts or other orders which are used to withdraw shares, (2) which earns dividend credit, and (3) with respect to which the credit union may require the account holder to give notice of an intended withdrawal not less than 30 days before the withdrawal is made."

SEC. 102. (a) The first section of the Federal Reserve Act, as amended (12 U.S.C. 221), is amended by adding at the end thereof the following new paragraphs:

"The term 'depository institution' means—

"(1) any insured bank as defined in section 3 of the Federal Deposit Insurance Act

"(2) any mutual savings bank as defined in section 3 of the Federal Deposit Insurance Act;

"(3) any savings bank as defined in section 3 of the Federal Deposit Insurance Act;

"(4) any insured credit union as defined in section 101 of the Federal Credit Union Act;

"(5) any member as defined in section 2 of the Federal Home Loan Bank Act; and

"(6) any insured institution as defined in section 401 of the National Housing Act.

"The term 'negotiable order of withdrawal account' means a deposit or account (1) on which payment of interest or dividends may be made, (2) with respect to which the depository institution may require the depositor or account holder to give notice of an intended withdrawal not less than thirty days before the withdrawal is made, and (3) on which the depositor or account holder is allowed to make withdrawals by negotiable or transferable instrument or other similar item for the purpose of making payments to

third persons or others. Such deposit or account shall consist solely of funds in which the entire beneficial interest is held by one or more individuals.

"The term 'share draft account' means a share account established at a credit union for an individual who is a credit union member (1) using negotiable or non-negotiable drafts or other orders which are payable through a bank and are used to withdraw shares, (2) which earns dividend credit, and (3) with respect to which the credit union may require the account holder to give notice of an intended withdrawal not less than 30 days before the withdrawal is made."

(b) Section 2(a) of the Act of June 16, 1933 (Public Law 73-66) as amended (12 U.S.C. 221a(a)), is further amended by striking "and" and inserting after the words "reserve bank" the following: ", depository institution, negotiable order of withdrawal account and share draft account".

SEC. 103. Section 19(a) of the Federal Reserve Act, as amended (12 U.S.C. 461), is amended to add at the end thereof the following: "In order to prevent evasions of the interest rate limitations and reserve requirements imposed by this Act, after consultation, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board and the Administrator of the National Credit Union Administration, are further authorized to determine by similar regulation or order that an account or deposit on which the payment of interest or dividends may be made is a negotiable order of withdrawal account or share draft account where such account or deposit may be used to provide funds directly or indirectly for the purpose of making payments or transfers to third persons or others."

SEC. 104. (a) Section 19(j) of the Federal Reserve Act (12 U.S.C. 371b), both as it appears in the Act of June 16, 1933, c. 89, § 11 (b), 48 Stat. 182, as amended, and in the amendment made by section 2(c) of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a comma, and adding the following: "and negotiable order of withdrawal accounts and share draft accounts, provided that the interest rates on negotiable order of withdrawal accounts and share draft accounts shall be prescribed in consultation with a committee, the chairman of which shall be the Chairman of the Board, or his designee, and the other members of which shall be the Chairman of the Federal Deposit Insurance Corporation, the Chairman of the Federal Home Loan Bank Board, and the Administrator of the National Credit Union Administration or their designees. The rate ceiling established shall be uniform for all depository institutions and shall be at a lower rate than the rate prescribed for savings deposits at member banks. In the event that the members of the aforesaid committee are unable to reach a majority decision on the rate ceiling for negotiable order of withdrawal accounts or share draft accounts within six months of enactment, the initial rate shall be determined by the Board. The rate shall be changed thereafter from time to time only by majority vote of the Board, the FDIC, Federal Home Loan Bank Board and the National Credit Union Administration. In prescribing the maximum rate of interest and dividends that may be paid on negotiable order of withdrawal accounts and share draft accounts, the agencies shall give due consideration to such factors as monetary needs, benefits to consumers, safety and soundness of depository institutions, and competitive balance among depository institutions. Authority to prescribe limitations on the rate of interest or dividends that may be paid by depository institutions on negotiable order of withdrawal accounts and share draft accounts shall expire three years after the effective date of this title. For a period of three years after such expiration date, however, the agencies shall be authorized only for that period of time to prescribe limitations on the rate of interest or dividends that may be paid by depository institutions on negotiable order of withdrawal accounts and share draft accounts in accordance with the provisions of this paragraph if a majority of the agencies determines that continuation or reimposition of such limitations is warranted by the aforesaid factors used to determine the interest rate ceiling."

(b) Section 19(j) of the Federal Reserve Act (12 U.S.C. 371b), both as it appears in the Act of June 16, 1933, c. 89, § 11(b), 48 Stat. 182, as amended, and in the amendment made by section 2(c) of the Act of September 21, 1966 (Public Law 89-597), is further amended by adding after the sixth sentence the following: "However, for a period of three years after the effective date of this Act, depository institutions which are offering negotiable order of withdrawal accounts and share draft accounts prior to the date of enactment of this Act may pay interest on such accounts at the rate the institutions paid on these accounts at that time and may continue to offer these accounts to the same depositors having accounts at the date of enactment: *Provided*, however that if, after the effective date, any such institution lowers the rate of payment on these accounts, it may not thereafter increase the rate to a higher rate than the uniform rate set by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board and the National Credit Union Administration pursuant to this Act."

(c) Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)), both as it appears in the Act of September 21, 1950, c. 967, § 2 [18(g)], 64 Stat. 893, as amended, and in the amendment made by section 3 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out the period at the end of the second sentence and inserting in lieu thereof a semi-colon, and adding the following: "except limitations on the rate of interest that may be paid by insured nonmember banks (including insured mutual savings banks) on negotiable order of withdrawal accounts as defined in section 1 of the Federal Reserve Act (12 U.S.C. 221) shall be determined as provided in section 19(j) of the Federal Reserve Act (12 U.S.C. 371b)."

(d) Section 4 of the Act of September 21, 1966 (Public Law 89-597) as amended (Section 5B(a) of the Federal Home Loan Bank Act, 12 U.S.C. 1425b(a)), is further amended by striking out the period at the end of the first sentence and inserting in lieu thereof a semi-colon, and adding the following: "except limitations on the rate of interest or dividends that may be paid on negotiable order of withdrawal accounts as defined in section 1 of the Federal Reserve Act (12 U.S.C. 221) shall be determined as provided in section 19(j) of the Federal Reserve Act (12 U.S.C. 371b)."

(e) Section 117 of the Federal Credit Union Act, as amended (12 U.S.C. 1763), is amended—

(1) by re-designating Sec. 117 as Sec. 117 (a); and

(2) by adding at the end thereof the following new subsection:

"(b) The Administrator may from time to time after consulting with the Board of Governors of the Federal Reserve System, the Federal Home Loan Bank Board, and the Board of Directors of the Federal Deposit Insurance Corporation, prescribe rules governing the payment and advertisement of interest or dividends on negotiable order of withdrawal accounts or share draft accounts, including limitations on the rate of interest or dividends, and this rate shall be determined as provided in section 19(j) of the Federal Reserve Act (12 U.S.C. 371b)."

TITLE II

RESERVE REQUIREMENTS AND EXPANDED DEPOSIT POWERS

SEC. 201. (a) The last sentence of subsection (b) of section 19 of the Federal Reserve Act (12 U.S.C. 461) is designated as paragraph (5) and that part of subsection (b) that precedes that sentence is amended to read as follows:

"(b)(1) Every member bank shall maintain reserves against its demand deposits in such average ratio, not less than 5 per centum nor more than 22 per centum, as shall be determined by the Board: *Provided*, however, that in no event shall the reserve requirement on any demand deposit be less than 7 per cent for any member bank with net demand deposits of more than $15 million.

"(2) Every depository institution shall maintain reserves which shall be at the same level for all depository institutions against its negotiable order of withdrawal accounts and its share draft accounts in such average ratio, not less than 3 per centum nor more than 12 per centum, as shall be determined by the Board.

"(3) Every member bank shall maintain reserves against its time and savings deposits (other than negotiable order of withdrawal accounts) in such average ratio, not less than 3 per centum nor more than 10 per centum, as shall be determined by the Board.

"(4) Every depository institution that maintains reserves pursuant to this section shall make reports concerning its deposit liabilities and required reserves at such times and in such manner and form as the Board may require."

(b) With respect to any depository institution that is not a member of the Federal Reserve System on June 1, 1977, the required reserves imposed pursuant to section 201 of the Act against its negotiable order of withdrawal accounts or share draft accounts on the effective date of this Act shall be reduced by 75 per centum during the first year that begins after the effective date, 50 per centum during the second year, and 25 per centum during the third year.

SEC. 202. (a) Section 19(c) of the Federal Reserve Act, (as amended (12 U.S.C. 461 (c)), is amended by changing "subsection" to "subsections"; by inserting "(1) and (b)(3)" after "(b)"; and adding at the end thereof the following: "Reserves held by any depository institution to meet the requirements against its negotiable order of withdrawal accounts and its share draft accounts imposed pursuant to subsection (b)(2) of this section shall be in the form of—

(1) balances maintained for such purposes by such depository institution in the Federal Reserve Bank of which it is a member or at which it maintains an account. However, the Board may by regulation permit depository institutions to maintain all or a portion of their reserves against their negotiable order of withdrawal accounts or share draft accounts in the form of vault cash provided that such proportion shall be identical for all depository institutions; and

(2) balances maintained by a nonmember depository institution in a member bank or in a Federal Home Loan Bank provided that such member bank or Federal Home Loan Bank maintains such funds in the form of balances in a Federal Reserve Bank of which it is a member or at which it maintains an account. Balances received by a member bank from another depository institution that are used to satisfy the reserve requirements imposed on such depository institution by this section shall not be subject to

the reserve requirements of this section imposed on such member bank and shall not be subject to assessment imposed on such member bank pursuant to § 2 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1817)."

(b) Section 19(c) is further amended by adding at the end thereof the following: "Interest may be paid on required reserve balances maintained at Federal Reserve Banks. The Board may establish the manner in which interest may be paid on required reserve balances maintained at Federal Reserve Banks, including limitations on the rates of interest that may be paid, provided that the aggregate interest that may be paid in any year on required reserve balances may not exceed 10 per cent of the net earnings in the previous year of the Federal Reserve Banks before payment of interest on required reserve balances. In establishing such rates the Board shall give due consideration to such factors as the effect on revenues of the Treasury of the United States, monetary and financial conditions, safety and soundness of depository institutions, competitive balance, benefits and costs of membership in the Federal Reserve System, the likelihood of membership attrition, and other circumstances surrounding depository institutions."

(c) Section 19(f) of the Federal Reserve Act, as amended, (12 U.S.C. 464), is amended by deleting "member bank" and inserting in lieu thereof "depository institution."

SEC. 203. (a) Section 5 of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. 1464), is further amended by deleting "savings" at each place it appears before "account" or "accounts."

(b) Section 5(b)(1) of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. 1464(b)(1)), is amended by deleting the last sentence thereof and substituting the following: "An association may permit withdrawal or transfer of deposits or accounts by negotiable order of withdrawal as defined in section 2 of the Act of August 16, 1973, as amended (12 U.S.C. 1832) and the Board may by regulation provide for withdrawal or transfer of savings accounts upon nontransferable order or authorization."

(c) Section 5A of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1425a), is amended by redesignating subsection (f) as subsection (g) and by inserting before such subsection, as redesignated, the following new subsection:

"(f) Every institution which is a member or is an insured institution as defined in section 401(a) of Title IV of the National Housing Act (12 U.S.C. 1724(a)) shall maintain reserves against its negotiable order of withdrawal accounts as defined in section 1 of the Federal Reserve Act (12 U.S.C. 221a) in accordance with the provisions of section 19 of the Federal Reserve Act (12 U.S.C. 461) in amounts not less than such percentages of its aggregate amounts of such deposits or accounts as may be prescribed under section 19(b) of the Federal Reserve Act (12 U.S.C. 461) by the Board of Governors of the Federal Reserve System."

SEC. 204. Section 116 of the Federal Credit Union Act, as amended (12 U.S.C. 1762), is amended by adding at the end thereof the following new subsection:

"(c) Each insured credit union shall maintain reserves against its negotiable order of withdrawal accounts and share draft accounts as defined in section 1 of the Federal Reserve Act (12 U.S.C. 221a) in accordance with the provisions of section 19 of the Federal Reserve Act (12 U.S C. 461) in amounts not less than such percentages of its aggregate amounts of such deposits or accounts as may be prescribed under section 19(b) of the Federal Reserve Act (112 U.S.C. 461) by the Board of Governors of the Federal Reserve System."

SEC. 205. (a) The first paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 342) is amended as follows:

(1) by inserting after the words "member banks" the words 'or other depository institutions".

(2) by inserting after the words "payable upon presentation" the first and third times they appear, the words "or other items, including negotiable orders of withdrawal or share drafts".

(3) by inserting after the words "payable upon presentation within its district," the words "or other items, including negotiable orders of withdrawal or share drafts".

(4) by inserting after the words "nonmember bank or trust company," wherever they appear the words "or other depository institution".

(5) by striking the words "sufficient to offset the items in transit held for its account by the Federal reserve bank" and inserting in lieu thereof the words "in such amount as the Board determines taking into account items in transit, services provided by the Federal reserve bank, and other factors as the Board may deem appropriate".

(6) by inserting after the words "nonmember bank" after the second colon the words "or other depository institution".

(b) The thirteenth paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 360) is amended as follows:

(1) by striking out the words "member banks" wherever they appear and inserting in lieu thereof "depository institutions".

(2) by striking out the words "member bank" wherever they appear and inserting in lieu thereof 'depository institution".

(3) by inserting after the word "checks" wherever it appears the words "and other items, including negotiable orders of withdrawal and share drafts".

(c) The fourteenth paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 248(o)) is amended by striking out "its member banks" and inserting in lieu thereof "depository institutions".

SEC. 206. The provisions of this Act shall become effective one year after date of enactment.

TITLE III

EXTENSION OF FLEXIBLE AUTHORITY TO IMPOSE INTEREST RATE CEILINGS ON DEPOSITS

SEC. 301. Section 7 of the Act of September 21, 1966 (Public Law 89-597) is amended by striking out "December 15, 1977" and inserting in lieu thereof "December 15, 1979".

THE SECRETARY OF THE TREASURY,
Washington, June 9, 1977.

HON. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "To provide improved consumer deposit services; to promote competitive balance among financial institutions; and to enhance the effectiveness of the Federal Reserve System," together with a detailed analysis thereof.

Title I of the draft bill provides that, on a nationwide basis, federally insured commercial banks, mutual savings banks, savings and loan association, and credit unions may offer negotiable order of withdrawal (NOW) accounts. It would also permit share draft accounts (which are similar to NOW accounts) for credit unions. The authority to offer such accounts would be effective one year after enactment of this bill.

A NOW account or share draft account is an interest earning account on which checks may be drawn. These accounts would be available under the proposed legislation to individuals. At present, NOW accounts are offered only in the six New England States. NOW accounts and share draft accounts would be regulated in a uniform manner and in coordination by the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the National Credit Union Administration. These regulatory authorities would be authorized for three years (1) to fix uniform reserves that all depository institutions would be required to maintain against NOW accounts and share draft accounts, and (2) to set a uniform, maximum interest rate that might be paid on such accounts Institutions in New England would receive special treatment.

Title II of the draft bill would authorize the Federal Reserve to pay interest on the reserves that its members are required to maintain. The amount of interest payable would be limited, as provided in the draft bill. Banks have been withdrawing from the Federal Reserve System at a growing rate because it is costly for them to hold their reserves in non-interest earning form as required by existing law. The Board of Governors of the Federal Reserve System is concerned that this loss of memberhip will weaken the soundness of our banking system and the System's ability to conduct monetary policy. The Board believes the proposal in title II would reduce the cost burden for members and help to stem membership loss. The Administration supports the effort of the Board to maintain membership in the system.

Title III of the draft bill would extend the flexible authority to prescribe interest rate ceilings on time deposits (Regulation Q) until December 15, 1979. This would allow the Administration sufficient time to study the impact of (1) Regulation Q on financial intermediaries, consumers, and the mortgage market, and (2) the elimination of unnecessary Federal regulatory constraints.

In summary, the Department believes that the draft bill would have a net beneficial economic impact by (1) providing consumers with an attractive alternative to savings and checking accounts, (2) improving competition among financial institutions seeking to attract deposits, and (3) enhancing the ability of the Federal Reserve effectively to conduct monetary policy by preserving its bank membership base. We urge its prompt enactment.

It would be appreciated if you would lay the draft bill before the Senate. An identical proposal has been sent to the Speaker of the House of Representatives.

The Department has been advised by the Office of Management and Budget that the proposed legislation is consistent with the Administration's objectives.

Sincerely,

W. MICHAEL BLUMENTHAL.

SECTION-BY-SECTION ANALYSIS

TITLE I

Section 101, provides that Federally insured commercial banks, mutual savings banks, savings and loan associations, and credit unions, may offer NOW accounts. It also provides that Federally insured credit unions may offer share draft accounts. It defines NOW accounts and share draft accounts, and limits their use to individuals.

Section 102, defines depository institution, NOW account and share draft account in the Federal Reserve Act.

Section 103, authorizes the Federal depository regulatory agencies to determine by similar regulation that any deposit account on which interest may be paid that is used to provide funds directly or indirectly for the purpose of making payments or transfers is a NOW account or share draft account.

Section 104(a), authorizes the Federal Reserve Board, Federal Deposit Insurance Corporation, Federal Home Loan Bank Board, and National Credit Union Administration jointly as a committee, with the Federal Reserve as Chairman, to prescribe interest rate

limitations on NOW accounts and share draft accounts for a period of three years after the effective date, with standby authority to prescribe rates for the following three years. It requires uniform rates on NOW's and share draft accounts and requires a rate less than that set by the Board for savings deposits of member banks. If the agencies are unable to reach a majority decision on the rate within six months of enactment, the Federal Reserve will set the initial rate. Any subsequent change must be determined by majority vote of the agencies.

Section 104(b), grandfathers the rate being paid on the enactment date by depository institutions on NOW's and share drafts, and permits continuation of authority to offer these accounts to the same depositor having accounts at the date of enactment. This grandfathering is effective for three years after the effective date for institutions offering NOW accounts prior to the enactment date. It also provides that, if an institution lowers its rate after the effective date, it may not thereafter raise the rate to exceed that set under the procedure set out in Section 104(a).

TITLE II

Section 201, imposes reserve requirements on all depository institutions for NOW's and share drafts at levels prescribed by the Board, and sets ranges for reserve ratios on these accounts and on the demand deposits of member banks. It provides for a three-year phase-in for required reserves on outstanding NOW's and share draft accounts of nonmember depository institutions.

Section 202, provides for maintenance of reserve balances on NOW accounts or share draft accounts at Federal Reserve Banks or in vault cash, the requirements being identical for all depository institutions. Permits reserves on NOW and share drafts to be maintained at Federal Reserve Banks directly by all institutions or indirectly by non-member depository institutions in the form of deposits in Federal Home Loan Banks or member banks that are redeposited in Federal Reserve Banks. The section authorizes payment of interest on reserve balances, but limits the amounts that may be paid on reserve balances to no more than 10 percent of Federal Reserve net earnings in the previous year.

Section 203, authorizes NOW's for Federal savings and loans and requires all Federally insured savings and loans to maintain reserves on their NOW's.

Section 204, requires all Federally insured credit unions to maintain reserves on share draft accounts and NOW accounts.

Section 205, amends the Federal Reserve Act to authorize Federal Reserve Banks to provide clearing services for all depository institutions.

Section 206, provides that this Act is effective one year after enactment.

TITLE III

Section 301, extends flexible authority to prescribe interest rates on deposits (popularly known as Regulation Q) for two years from its present expiration date of December 15, 1977.

Mr. McINTYRE. Mr. President, the Carter administration is striking a blow for consumers in proposing by this bill that NOW accounts be permitted nationwide.

NOW accounts are savings accounts against which negotiable orders of withdrawal may be drawn. This ability to earn interest on a checking type of account is something that the citizens of six New England States currently enjoy and resoundingly endorse.

I am extremely pleased that the administration recognizes that the benefits currently accruing to the citizens of New England from NOW accounts should be made available to the citizens of the rest of this country as well.

NOW accounts originated in Massachusetts and initially were restricted to the States of Massachusetts and New Hampshire. In 1975, the authority to offer NOW accounts was extended to the remaining New England States. At the present time, NOW accounts are prohibited in the remaining 44 States, a prohibition which this bill is designed to lift.

Since the beginning, Mr. President, I have staunchly defended the NOW account as perhaps the most competitive new development in the financial institutions industry in a decade.

Nevertheless, in the Nation as a whole, NOW accounts remain controversial within the industry because of the hesitancy of many members of the financial community to acknowledge their value as a competitive marketing instrument and as a service of great attractiveness and benefit to their customers.

In this regard, Mr. President, I have scheduled prompt hearings within the Subcommittee on Financial Institutions to debate the issue of NOW accounts, with a view toward encouraging prompt consideration of this bill within the full Banking Committee. This bill will be considered along with a number of other bills which I am today introducing and which contain provisions dealing with a number of issues of financial restructuring and reform which have been the subject of deliberations within the subcommittee for some time.

Clearly, this bill will prove to be the most controversial. In addition to providing nationwide NOW accounts, the bill sets forth provisions by which the Federal Reserve, for the first time, would pay interest on reserve balances maintained by financial institutions at the Federal Reserve. The provisions are, in large part, a response to the growing concern of the Federal Reserve Board of membership attrition prompted by the fact that Reserve member banks must hold idle reserve balances on which they earn no return. Financial institutions which are not members of the Federal Reserve System are not constrained by any such requirement. In this regard, this bill will provide an excellent opportunity for Congress to consider the costs attendant upon membership in the Federal Reserve System and to balance those with the benefits such membership conveys.

Finally, the bill provides a 2-year extension of the current interest rate control authority by which interest rate ceilings on deposits in financial institutions are established. Under this bill, the authority is extended until December 15, 1979. This rate control authority has proved to be one of the most controversial aspects of current bank regulation, and it is my hope that the upcoming legislative process will point the way to an appropriate accommodation on this very controversial issue.

By Mr. McINTYRE:

S. 1665. A bill to provide for the chartering of savings banks, to increase the efficiency and flexibility of credit unions, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

Mr. McINTYRE. Mr. President, the following bill, together with several others which I am today introducing by request, will comprise the major legislative thrust of the Subcommittee on Financial Institutions in this session, if not this Congress.

Four years ago, the subcommittee began hearings on the most comprehensive package of financial restructuring proposals considered by the Congress since the 1930's. Efforts over the ensuing 2 years led to Senate passage of S. 1267, the Financial Institutions Act of 1975, on December 11, 1975 by a vote of 79 to 14. Regrettably, this legislation failed in the House of Representatives.

Mr. President, I and the members of the Banking Committee have devoted much time and effort to bringing about a comprehensive restructuring of the powers of financial institutions, with a view toward providing them the tools necessary to be viable competitors in the financial marketplace of the 1980's and beyond.

The competitive environment in which financial institutions must today do business varies greatly from that of the 1930's, particularly the competitive environment at the retail level in which many participants are vying for the savings and deposits of consumers. Yet, attitudes spawned over 40 years of reliance on the same laws die hard, and a comprehensive restructuring of the powers of financial institutions does not appear feasible at the present time.

Therefore, the mission of the subcommittee is now to engage in the art of the possible; to promote those measures which are in the public interest and which are capable of being enacted.

To this end, Mr. President, this bill provides, for the first time, for a Federal charter option for mutual savings banks and establishes a central liquidity fund for credit unions. Coupled with the latter provision is a proposal to modernize and restructure the National Credit Union Administration. Both of these measures are holdovers of the Financial Institutions Act which, as I have indicated, passed the Senate comfortably in the last Congress.

When this bill is considered, the subcommittee will, at the same time, consider a number of other proposals which I am today introducing by request. Three of these bills, submitted by the U.S. League of Savings Associations, the National Savings and Loan League, and the American Bankers Association, respectively, represent a constructive response by the members of these associations to my entreaties over the past several months to be forthcoming on a number of issues relating to financial reform which the subcommittee has been considering for some time.

An additional bill, introduced at the request of the administration, provides for nationwide NOW accounts, interest on reserve balances maintained at the Federal Reserve, and an extension of regulation Q. Clearly, the administration

bill will prove to be the most controversial.

Mr. President, it is my intention to hold hearings on these bills beginning June 20, with a view toward committee action, if not Senate action, by the August recess.

Mr. President, I ask unanimous consent that this bill and the accompanying section-by-section analysis be reprinted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1665

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Financial Institutions Amendments of 1977".

TITLE I—CHARTERS FOR THRIFT INSTITUTIONS

SEC. 101. Section 2(d) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1462(d)) is amended to read as follows:

"(d) The term 'association' means a Federal savings and loan association or a Federal mutual savings bank chartered by the Board under section 5, and any reference in any law to a Federal savings and loan association shall be deemed to be also a reference to a Federal mutual savings bank, unless the context indicates otherwise.".

SEC. 102. Section 5(a) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(a)) is amended to read as follows:

"SEC. 5. (a) In order to provide thrift institutions in which people may invest their funds and in order to provide for the financing of homes and family and consumer needs, the Board is authorized to provide for the organization, incorporation, conversion, examination, operation, and regulation, under such rules, regulations (including definitions of terms used in this Act), or orders as it may prescribe, of associations which may be known as 'Federal Savings and Loan Associations' or 'Federal Savings Banks' (but only in the case of associations which, prior to conversion, were State mutual savings banks located in States which authorize the chartering of State mutual savings banks), and in issuing charters therefore, the Board shall give primary consideration to the best practices of thrift institutions and the needs of the families, consumers and communities to be served. An association which was formerly organized as a savings bank under State law may, to the extent authorized by the Board, continue to carry on any activities it was engaged in on December 31, 1976, and to retain or make any investments of a type it held on that date, except that its equity, corporate bond and consumer loan investments may not exceed the average ratio of such investments to total assets for the five-year period beginning on January 1, 1972.".

SEC. 103. The Federal Deposit Insurance Act is amended by adding at the end thereof the following new section.

"CONVERSION OF MUTUAL SAVINGS BANK

"SEC. 26. (a) Whenever a State-chartered mutual savings bank which is an insured bank is converted into a Federal savings bank or merged or consolidated into a Federal savings bank or a savings bank which is (or within sixty days after the merger or consolidation becomes) an insured institution within the meaning of section 401 of the National Housing Act, the Corporation shall calculate the amount in its capital account attributable to such mutual savings bank. For the purpose of such calculation, the amount so attributable shall be deemed to be the total assessment payable to the Corporation by such mutual savings bank from the date its deposits became insured by the Corporation through the end of the immediately preceding calendar year less the total of—

"(1) a sum computed for the same period equal to the total amount of credits toward assessments from net assessments income received by such mutual savings bank, and

"(2) a pro rata share for the same period of operating costs and expenses of the Corporation, additions to reserve to provide for insurance losses (making due allowance for adjustments to reserve resulting in a reduction of such reserve), and insurance losses sustained plus losses from any preceding years in excess of reserves, such pro rata share to be calculated by applying a fraction of which the numerator shall be the average deposits of the mutual savings bank, which may be determined from its report of condition to the Corporation in December of each year, from the date its deposits become insured by the Corporation to the end of the calendar year preceding the date upon which the calculation is being made, and the denominator shall be the average of total deposits of all insured banks over the same period, which may be determined from the annual reports of the Corporation during the same period.

"(b) As soon as possible after any such conversion, merger, or consolidation, the Corporation shall transfer to the Federal Savings and Loan Insurance Corporation the amount calculated in accordance with the provisions of subsection (a).

"(c) Whenever a State-chartered mutual savings bank which is an insured bank of the Corporation is converted into a Federal mutual savings bank, the bank involved shall, on the date on which it becomes an insured institution within the meaning of section 401 of the National Housing Act, cease to be an insured bank insofar as the Corporation is concerned, but the obligations to and rights of the Corporation, depositors of the insured bank, the bank itself, and other persons arising out of any claim made prior to that date shall remain unimpaired. All claims not made prior to such date but which would have been properly payable by the Corporation if made prior to that date, shall be assumed by the Federal Savings and Loan Insurance Corporation.".

SEC. 104. Section 403(a) of the National Housing Act (12 U.S.C. 1726(a)) is amended by inserting after "Federal savings and loan associations" the following: "and Federal mutual savings banks".

SEC. 105. The first paragraph of section 5(i) of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. 1464(i)), is amended by inserting "(including a savings bank)" after "member of a Federal Home Loan Bank".

TITLE II—CREDIT UNIONS

PART A—MANAGEMENT REVISIONS

SEC. 201. (a) Paragraph (1) of section 101 of the Federal Credit Union Act (12 U.S.C. 1752) is amended to read as follows:

"(1) 'Federal credit union' means a cooperative thrift institution incorporated in accordance with the provisions of this subchapter for the purpose of (A) encouraging thrift, (B) creating a source of credit at fair and reasonable rates of interest, (C) meeting the financial needs of its members and the member's family, and (D) providing an opportunity for its members to use and control their own money in order to improve their economic and social condition;".

(b) Paragraph (4) of such section which begins with "The terms 'member account'" is redesignated paragraph "(5)" and the succeeding paragraphs numbered (5) through (8) are redesignated as paragraphs (6) through (9), respectively.

(c) Paragraph (5) of section 101 of the Federal Credit Union Act (12 U.S.C. 1752), as redesignated by (b) of this section, is amended—

(1) by striking out "The terms"; and

(2) by striking out "(when referring to the account of a member of a credit union)"; and

(3) by striking out "Administrator" each time it appears and inserting "Board" in lieu thereof.

SEC. 202. Section 103 of the Federal Credit Union Act (12 U.S.C. 1753), is amended—

(1) by striking out the words "some officer competent to administer oaths" and inserting "a witness either individually or collectively," in lieu thereof; and

(2) by striking out the words "which shall be $5 each" at the end of paragraph (4).

SEC. 203. (a) Paragraph (5) of section 107 of the Federal Credit Union Act, (12 U.S.C. 1757), is amended as follows:

(1) by striking subparagraph (A)(vi) and inserting in lieu thereof:

"(vi) the rate of interest shall not exceed 1 per centum per month on the unpaid balance, inclusive of all charges incident to making the loan, or such higher rate for self-replenishing lines of credit or similiar classes of loans as is permitted by the Board, but in no case to exceed 1.5 per centum per month on the unpaid balance;" and

(2) by adding the following new subparagraph to paragraph (A):

"(x) loans must be approved by a credit committee or a loan officer; *provided* no loan may be made to any member if, upon the making of that loan, the member would be indebted to the Federal credit union upon loans made to him in an aggregate amount which would exceed 10 per centum of the credit union's unimpaired capital and surplus.".

(b) Paragraph (7) of such section is amended to read as follows:

"(7) to invest funds (A) in securities, obligations, certificates, or other instruments of, or issued, or fully guaranteed as to principal and interest by the United States of America, any agency or instrumentality thereof, or any corporation wholly or partially owned or established by the United States of America or any agency or instrumentality thereof, or by any trust or trusts established by the United States of America or any agency or instrumentality thereof; (B) in obligations fully guaranteed as to principal and interest of any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Panama Canal Zone, the several territories and possessions or any political subdivision thereof; (C) in the shares, stocks, or obligations of any other organization, providing services which are associated with the routine operations of credit unions, up to 1 per centum of the total paid in and unimpaired capital and surplus of the credit union with the approval of the Administrator: *Provided, however,* That such authority does not include the power to acquire control directly or indirectly, of another financial institution, nor invest in shares, stocks or obligations of an insurance company, trade association, liquidity facility or any other similar organization, corporation, or association, except as otherwise expressly provided by this Act;".

(c) Paragraph (8) of such section is amended to read as follows:

"(8) to place its funds (A) in shares, accounts, or deposits of savings and loan associations and mutual savings banks which are insured by the Federal Savings and Loan Insurance Corporation; (B) in shares, share certificates, share deposits, demand or time deposits of any federally or State insured credit union; (C) in shares, share certificates, share deposits, demand or time deposits of any central credit union in which such investments are specifically authorized by the board of directors of the Federal credit union making the investment; (D) in demand or time deposits of any bank or trust company the deposits of which are insured by the Federal Deposit Insurance Corporation; (E) (for

Federal credit unions, or credit unions authorized by the Department of Defense, operating suboffices on American military installations in foreign countries or trust territories of the United States) in demand deposit accounts in banks located in those countries or trust territories, if such banks are correspondents of banks described in clause (D) of this paragraph, subject to such regulations as may be issued by the Board;".

(d) Paragraph (12) of such section is amended to read as follows: "in accordance with rules and regulations prescribed by the Board, to sell, purchase, or handle any money transfer instrument to or for members;".

(e) Paragraph (15) of such section is amended by inserting "to meet the financial needs of its members and its members' families and" after "to enable it".

SEC. 204. Section 111 of the Federal Credit Union Act (12 U.S.C. 1761) is amended to read as follows:

"MANAGEMENT

"SEC. 111. The management of a Federal credit union shall be by a board of directors, a supervisory committee, and, when the bylaws so provide, a credit committee.

"The board shall consist of an odd number of directors, at least five in number, to be elected annually by and from the members as the bylaws provide. Any vacancy occurring on the board shall be filled until the next annual election by appointment by the remainder of the directors.

"The supervisory committee shall be appointed by the board of directors and shall consist of not less than three members nor more than five members; one of whom may be a director other than the treasurer.

"A record of the names and addresses of the executive officers and the chairperson of the supervisory and, when utilized, the credit committee shall be filed with the Board within ten days after their election or appointment.

"No member of the board or of any committee shall, as such, be compensated: *Provided, however,* That reasonable health, accident, and similar insurance protection shall not be considered compensation.".

SEC. 205. Section 112 of the Federal Credit Union Act (12 U.S.C. 1761a) is amended to read as follows:

"OFFICERS

"SEC. 112. At their organization meeting and within thirty days following each annual meeting of the members thereafter, the directors shall elect from their own number an executive officer who may be designated as chairperson of the board or president, a vice chairperson of the board or one or more vice presidents, a treasurer, and a secretary, of whom the last two may be the same individual, and the persons so elected shall be the executive officers.

"No executive officer, except the treasurer, shall be compensated as such.

"The board of directors may employ a person to be in charge of operations whose title shall be president or general manager; or, in lieu thereof, the board of directors may designate the treasurer to act as general manager or president and be in active charge of the affairs of the Federal credit union.

"The duties of the officers shall be as determined in the bylaws.

"Before the officer in charge of operations acting as general manager or president or the treasurer shall assume the duties of the office, such officer shal give bond with good and sufficient surety, in an amount and character to be determined by the board of directors in compliance with regulations prescribed from time to time by the Board, conditioned upon the faithful performance of such officer's trust.".

SEC. 206. Section 113 of the Federal Credit Union Act (12 U.S.C. 1761b) is amended to read as follows:

"DIRECTORS

"SEC. 113. The board of directors shall meet at least once a month and shall have the general direction and control of the affairs of the Federal credit union. Minutes of meetings shall be kept.

"Among other things, the board shall—

"(A) act upon applications for membership or appoint membership officers from among the members, other than the treasurer, an assistant treasurer, or a loan officer, to act on its behalf;

"(B) require any officer or employee having custody of or handling funds to give bond with good and sufficient surety in an amount and character in compliance with regulations of the Board, and authorize the payment of the premium or premiums therefor from the funds of the Federal credit union;

"(C) fill vacancies on the board until successors elected at the next annual meeting have qualified;

"(D) if the bylaws provide for an elected credit committee, fill vacancies on the credit committee until successors elected at the next annual meeting have qualified;

"(E) appoint the members of the supervisory committee and, if the bylaws so provide, appoint the members of the credit committee;

"(F) have charge of investments including the right to designate an investment committee of not less than two to act on its behalf;

"(G) determine the maximum number of share and share certificates, and the classes of shares and share certificates that may be held by members, and in the case of low-income credit unions, nonmembers;

"(H) subject to the limitations of this subchapter, determine the interest rates on loans, the security, and the maximum amount which may be loaned or provided in lines of credit;

"(I) authorize interest refunds to members from income earned and received on such classes of loans and under such conditions deemed fair;

"(J) provide for the hiring and compensation of employees, including loan officers in cases where there is no credit committee;

"(K) if the bylaws so provide, appoint an executive committee of not less than three directors to act on its behalf and any other committees to which it can delegate specific functions;

"(L) prescribe conditions and limitations for the investment, executive, appointed credit committee, and any other committee which it appoints;

"(M) review at each monthly meeting a list of approved or pending applications for membership received since the previous monthly meetings together with such other related information as it or the bylaws require;

"(N) make provision for the furnishing of the written reasons for the denial of any membership application upon the written request of the applicant;

"(O) establish the dividend to be paid on share accounts;

"(P) specify, prior to offering, the dividend rate to be paid on share certificate accounts;

"(Q) do all other things that are necessary and proper to carrying out the purposes and powers of the Federal credit union.".

SEC. 207. Section 114 of the Federal Credit Union Act (12 U.S.C. 1761c) is amended to read as follows:

"CREDIT COMMITTEE

"SEC. 114. The board of directors may appoint or the members may elect a credit committee consisting of an odd number of members of the credit union. The method used shall be set forth in the bylaws. The credit committee shall hold such meetings as the business of the Federal credit union may require, not less frequently than once a month, to consider applications for loans or lines of credit. Approval of an application shall be by a majority of the committee who are present at the meeting at which it is considered provided that a majority of the full committee is present. The credit committee may appoint and delegate to loan officers the authority to act upon applications.

"If loan officers are utilized, loans or lines of credit acted upon by the loan officer may be reviewed by the credit committee and the approval of a majority of the members who are present at the meeting when such review is undertaken shall be required to reverse the loan officer's decision provided a majority of the full committee is present. Any member shall have the right upon written request to have a rejected application reviewed by the credit committee."

SEC. 208. Sections 1, 2, and 3 of Public Law 88-395 (12 U.S.C. 1773-1775) are repealed.

PART B—RESTRUCTURING THE NATIONAL CREDIT UNION ADMINISTRATION

SEC. 211. Section 102 of the Federal Credit Union Act (12 U.S.C. 1752a) is amended to read as follows:

"CREATION OF ADMINISTRATION

"SEC. 102. (a) There is hereby established in the executive branch of the Government an independent agency to be known as the National Credit Union Administration. The Administration shall be under the management of a National Credit Union Administration Board.

"(b) The Board shall consist of three members, who are broadly representative of the public interest, appointed by the President, by and with the advice and consent of the Senate. In appointing the members of the Board, the President shall designate the Chairman. Not more than two members of the Board shall be members of the same political party.

"(c) The term of office of each member of the Board shall be six years, except that the terms of the two members, other than the Chairman, initially appointed shall expire one upon the expiration of two years after the date of appointment, and the other upon the expiration of four years after the date of appointment. Board members shall not be appointed to succeed themselves except the initial members appointed for less than a six-year term may be reappointed for a full six-year term and future members appointed to fill unexpired terms may be reappointed for a full six-year term. Any Board member may continue to serve as such after the expiration of said member's term until a successor has qualified.

"(d) The management of the Administration shall be vested in the Board. The Chairman shall be compensated at level III of the Executive Schedule (5 U.S.C. 5314) and the remaining Board members shall be compensated at level IV of the Executive Schedule (5 U.S.C. 5315). The Board shall adopt such rules as it sees fit for the transaction of its business and shall keep permanent and complete records and minutes of its acts and proceedings. A majority of the Board shall constitute a quorum. Not later than April 1 of each calendar year, and at such other times as the Congress shall determine, the Board shall make a report to the President and to the Congress. Such a report shall summarize the operations of the Administration and set forth such information as is necessary for the Congress to review the financial program approved by the Board.

"(e) The Chairman of the Board shall be the spokesman for the Board and shall represent the Board and the National Credit Union Administration in its official relations with other branches of the Government. The Chairman shall determine each Board member's area of responsibility and shall review such assignments biennially. It shall be the

Chairman's responsibility to direct the implementation of the adopted policies and regulations of the Board.

"(f) The members of the Board shall be ineligible during the time they are in office or for two years thereafter to hold any office, position, or employment in any credit union, except that this restriction shall not apply to any member who has served the full term for which he was appointed.

"(g) The financial transactions of the Administration shall be subject to audit on a calendar year basis by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the Administration are kept."

SEC. 212. (a) Section 101 of the Federal Credit Union Act is amended—

(1) by striking out clause (2) and inserting in lieu thereof the following:

"(2) the term 'Chairman' means the Chairman of the National Credit Union Administration Board;";

(2) by inserting "Administration" after "Union" in clause (4).

(b) The Federal Credit Union Act is amended by striking out "Administrator" each place it appears and inserting in lieu thereof "Board", and by striking out the personal pronouns "he", "him", and "his" when referring to the Administrator and inserting in lieu thereof "it", "they", and "its" as appropriate wherever such words appear therein.

(c) Section 209 of the Federal Credit Union Act (12 U.S.C. 1789) is amended—

(1) by inserting in subsection (b)(1) the language "on a calendar year basis" immediately following "prepare annually";

(2) by inserting in subsection (b)(2) the language "on a calendar year basis' immediately following "set of accounts".

(d) Section 5108 of title 5, United States Code, is amended by adding the following new paragraph:

"(h) In addition to the number of positions authorized by subsection (a), the National Credit Union Administration is authorized without regard to any other provision to this section, to place two positions in the Administration at GS–18 and a total of fourteen positions in the Administration at GS–16 or GS–17.".

(c) Section 5314 of title 5, United States Code, is amended by adding the following new paragraph:

"(62) Chairman, National Credit Union Administration Board.".

(f) Section 5315 of title 5, United States Code, is amended by deleting in paragraph (92) the language "Administrator of the National Credit Union Administration" and inserting in lieu thereof "Members, National Credit Union Administration Board (2)".

SEC. 213. The amendments made by this Act take effect upon enactment, except that the functions of the Administrator of the National Credit Union Administration under the provisions of the Federal Credit Union Act, as in effect on the date preceding the date of enactment of this Act, shall continue to be performed by him in accordance with such provisions until such time as all the members of the National Credit Union Administration Board, established under the amendments made by this Act, take office. All rules, regulations, policies, and procedures of the Administrator in effect on the date of enactment of this Act shall remain in effect until amended, superseded, or repealed.

PART C—SHARE INSURANCE

SEC. 221. (a) Paragraph (a) of section 201 of the Federal Credit Union Act (12 U.S.C. 1781) is amended by—

(1) inserting ", including the trust territories," after "several territories";

(2) striking out "title" and inserting "subchapter" in lieu thereof; and

(3) striking out "Act" and inserting "chapter" in lieu thereof.

(b) Paragraph (b) (7) of such section is amended by inserting "except for accounts authorized by State law for State credit unions" before the semicolon.

(c) Paragraphs (c)(1)(E) and (c)(2) of such section are amended by striking out "for provident or productive purposes" and inserting "at a fair and reasonable rate of interest" in lieu thereof.

(d) Such section is further amended by striking out all of paragraph (d) and redesignating paragraph (e) as (d).

SEC. 222. Section 202 of the Federal Credit Union Act (12 U.S.C. 1782) is amended by striking out "his" in the fifth sentence of paragraph (a)(1) and inserting "said officer's" in lieu thereof.

SEC. 223. Section 205 of the Federal Credit Union Act is amended by striking out "for provident or productive purposes" in paragraph (c)(6) and inserting "at a fair and reasonable rate of interest" in lieu thereof.

SEC. 224. Section 208 of the Federal Credit Union Act (12 U.S.C. 1788) is amended by striking out "SPECIAL ASSISTANCE TO AVOID LIQUIDATION" and inserting "SPECIAL ASSISTANCE FOR FEDERALLY INSURED CREDIT UNIONS" in lieu thereof.

PART D—CENTRAL LIQUIDITY FUND

SEC. 231. The Federal Credit Union Act (12 U.S.C. 1751–1790) is amended by adding at the end thereof the following:

"TITLE III—NATIONAL CREDIT UNION CENTRAL LIQUIDITY FUND

"FINDINGS

"SEC. 301. The Congress finds that the stability of credit unions will encourage savings and will be promoted by establishing a National Credit Union Central Liquidity Fund to provide funds to meet the temporary liquidity needs of credits unions and for that purpose to provide for the orderly transfer of funds among and between credit unions and other financial institutions.

"DEFINITIONS

"SEC. 302. As used in this title—

"(1) 'member' means any shareholder of the National Credit Union Central Liquidity Fund;

"(2) 'temporary liquidity needs' include emergency needs, essential needs, and needs arising from local economic dislocations;

"(3) 'Central Liquidity Fund' or 'Liquidity Fund' mean the National Credit Union Central Liquidity Fund;

"(4) 'Board' means the three member Board of the National Credit Union Administration.

"(5) 'State credit union' means a credit union organized under the laws of the States of the United States or the District of Columbia, the several territories, including the trust territories and possessions of the United States, the Panama Canal Zone, and the Commonwealth of Puerto Rico and which is not prohibited by the laws under which it is organized from becoming a member of the Discount Fund in accordance with the requirements of this title;

"(6) 'federally insured credit union' means any credit union insured by the National Credit Union Administration Share Insurance Fund;

"(7) 'State-insured credit union' means any State credit union that has obtained a certificate of insurance from a corporation authorized and duly licensed to insure member accounts by the State in which the credit union is chartered; and

"(8) 'paid-in and unimpaired capital and surplus', for purposes of stock subscription to the Liquidity Fund, means the balance of the paid-in share accounts as of a given date, less any loss that may have been incurred for which there is no reserve or which has not been charged against undivided earnings, plus the credit balance (or less the debit balance) of the undivided earnings account as of a given date, after all losses have been provided for and net earnings or net losses have been added thereto or deducted therefrom. Reserves shall not be considered as part of surplus for such purposes.

"ESTABLISHMENT OF THE NATIONAL CREDIT UNION CENTRAL LIQUIDITY FUND

"SEC. 303. There is hereby created the National Credit Union Administration Central Liquidity Fund which shall exist perpetually within the National Credit Unon Administration unless and until dissolved or transferred by Act of Congress. The principal office shall be located at the principal office of the National Credit Union Administration but the Board may establish such regional, district, or branch offices as it deems necessary and appropriate.

"MANAGEMENT

"SEC. 304. The management of the Liquidity Fund shall be vested in the Board. The Board shall administer the affairs of the Liquidity Fund fairly and impartially and without discrimination in favor of or against any member, and shall, subject to the provisions of this subchapter, extend to each credit union authorized to accrue advances such advances as may be made safely and reasonably with due regard to the maintenance of an adequate credit standing for the Liquidity Fund and its obligations.

"INITIAL EXPENSES

"SEC. 305. In order to facilitate the formation of the Liquidity Fund, the Board is authorized to borrow up to $500,000 from the National Credit Union Share Insurance Fund, to be utilized for the initial organizational and operating expenses of the Liquidity Fund. Any sums advanced hereunder shall be repaid within a reasonable time.

"CAPITALIZATION

"SEC. 306. (a) As soon as practicable after the effective date of this subchapter, the Board shall open books for subscriptions to the capital stock.

"(b) The capital stock shall be divided into shares having a par value of $50 each. The minimum capital stock shall be issued at par. Stock issued thereafter shall be issued at such price not less than par as may be fixed by the Board.

"(c) (1) (A) The original stock subscription of each credit union eligible to become a member under paragraphs (f) and (g) of this section shall be an amount equal to at least one-half of 1 per centum of the subscriber's paid-in and unimpaired capital and surplus, but not less than $50.

"(B) Only one-half of the required subscription amount must be transferred to the Liquidity Fund. The other one-half may be held by the credit union on call of the Board and be invested in such assets as the Board may determine.

"(C) The regular reserve requirement, as set forth in section 116, may, pursuant to such terms and conditions as may be prescribed by the Board be reduced by an amount equal to the funds transferred to or held on call by the Liquidity Fund.

"(D) The Liquidity Fund shall annually adjust, at the close of the calendar year, in such manner and upon such terms and conditions as the Board may prescribe, the amount of stock held by each member so that such member shall have invested in the stock of the Liquidity Fund at least an amount calculated in the manner provided in paragraphs (c)(1) (A) and (B) of this section (but not less than $50).

"(E) If the investment in stock of any member is greater than that required under this section, the Board may, in its discretion and upon application of such member, retire

the stock of such member in excess of the amount so required.

"(F) The Board may provide for adjustment in the amounts of stock to be issued or retired but not in fractional shares.

"(2) Upon the retirement of the stock of any member, the Board shall pay such member for the stock retired an amount equal to what the member paid for such stock, or, at the direction of the Board the whole or any part of the payment which would otherwise be so made shall be credited upon the indebtedness of the member to the Liquidity Fund. In either such event, stock equal in par value to the amount of the payment or credit, or both, as the case may be, shall be canceled.

"(3) The Board may require each member to submit such reports and information as the Board deems necessary or appropriate to carry out its duties and responsibilities under this title.

"(d) Stock subscriptions shall be paid for in cash or in securities or other assets deemed acceptable by the Board and shall be paid for at the time of application therefor, or, at the election of the subscriber, in installments, but not less than one-fourth of the total amount payable shall be paid at the time of filing the applications, and the remaining amounts at such intervals as may be prescribed by the Board: *Provided, however,* That the last payment shall become due on the one hundred and eightieth day after the date of the application.

"(e) Stock subscribed for shall not be transferred or hypothecated except as provided herein and the certificates therefor shall so state.

"(f) (1) Federal and State credit unions may become members of the Liquidity Fund at any time.

"(2) Credit unions that become members later than one hundred and eighty days from the effective date of this title cannot borrow or receive advances from the Liquidity Fund for a period of one hundred and eighty days after joining.

"(g) (1) Any member may withdraw from membership in the Liquidity Fund one hundred and eighty days after filing with the Board written notice of its intention to do so.

"(2) The Board may, subject to a hearing at the member's request, under procedures set forth in regulations, remove any member from membership, if in its opinion, the member has failed to comply with any provisions of this subchapter or regulations of the Board issued pursuant thereto. In such case, the indebtedness of such member shall be liquidated and the capital stock owned by such member surrendered and canceled. Upon the liquidation of such indebtedness, such member shall be entitled to the return of its collateral, and, upon the surrender and cancellation of such capital stock, the member shall receive a sum equal to what it paid for subscriptions of the capital stock surrendered.

"(h) All stock of the Liquidity Fund shall share in dividend distributions without preference at rates to be determined by the Board.

"CERTAIN POWERS OF THE BOARD

"SEC. 307. The Board shall have the authority on behalf of the Liquidity Fund to:

"(a) Sue and be sued, complain and defend, in any court of law or equity, State or Federal. All suits of a civil nature at common law or in equity to which the Board shall be a party shall be deemed to arise under the laws of the United States. The United States district courts shall have original jurisdiction thereof, without regard to the amount in controversy.

"The Board may, without bond or security, remove any such action, suit, or proceeding from a State court to the United States district court for the district or division embracing the place where the same is pending by following any procedure for removal now or hereafter in effect.

"The Board may, notwithstanding any other provision of law, retain private counsel to represent it.

"No attachment or execution shall be issued against the Board or property of the Liquidity Fund before final judgment in any suit, action, or proceeding in any State, county, municipal, or United States court.

"The Board shall designate an agent upon whom service of process may be made in any State, territory, or jurisdiction in which any member credit union is located.

"(b) Adopt a seal.

"(c) Pursue to final disposition by way of compromise or otherwise claims both for and against the United States (other than tort claims, claims involving administrative expenses, and claims in excess of $5,000 arising out of contracts for construction, repairs, and the purchase of supplies and materials) which are not in litigation and have not been referred to the Department of Justice.

"(d) Appoint, employ, and dismiss such officers and employees as are not otherwise provided for in this Act, define their duties, fix their compensation, require bonds of them and fix the penalty thereof. Nothing in this or any other Act shall be construed to prevent the appointment and compensation as an officer or employee of the Administration of any officer or employee of the United States in any board, commission, independent establishment or executive department thereof.

"(e) Employ or contract with experts, professionals, and consultants or organizations thereof.

"(f) Prescribe the manner in which general business may be conducted and the privileges granted to it by law may be exercised and enjoyed.

"(g) Require information and reports from member credit unions.

"(h) Delegate to any officer or employee of the Administration such functions as it deems appropriate.

"(i) Prescribe rules and regulations as it may deem necessary or appropriate to carry out the provisions of this title.

"(j) Conduct business, carry on operations, have offices, and exercise the powers granted by this title in any State or territory.

"(k) Lease, purchase, or otherwise acquire and own, hold, improve, use, or otherwise deal in and with property, real, personal, or mixed, or any interest therein, wherever situated.

"(l) Accept gifts or donations of services, or property, real, personal, or mixed, tangible or intangible, in and for the purposes of the Liquidity Fund.

"(m) Enter into contracts with public or private organizations, corporations, or individuals, at the local, regional, State, or National level including, but not limited to, credit unions, central credit unions, credit union organizations, and other financial institutions to act as agent for or otherwise assist the Liquidity Fund in the conduct of its business; contract for services such as, but not limited to, data processing, printing, and communications where time or economics dictate; and, to do all things which are necessary or incidental to the proper management of the affairs and the proper conduct of the business of the Liquidity Fund.

"(n) Obtain indirect participation by private and other public financial sources by issuing bonds, debentures, and such other certificates of indebtedness having such maturities and bearing such interest as the Board may determine. In no event, however, shall the aggregate of such debentures and similar obligations outstanding at any one time exceed twenty times the paid-in capital and surplus of the Liquidity Fund. The obligations of the Liquidity Fund issued under this paragraph shall be fully and unconditionally guaranteed both as to principal and interest by the United States, and such guaranty shall be expressed on the face thereof.

"(o) Make deposits in federally insured commercial banks, mutual savings banks, savings and loan associations, insured credit unions, member credit unions, and financial institutions acting as agents on either a demand or time basis.

"(p) Purchase from any member with its endorsement any note, draft, or other such obligation presented by the member, under limits to be established by the Board.

"(q) Invest such part of the assets of the Liquidity Fund as are not required for advances to members or other purposes specified by this title, and to such extent as the Board may deem desirable, in obligations of the United States or any agency thereof and in obligations or participations issued by an agency of the United States in trust for another agency of the United States.

"(r) Subject to rules and regulations of the Board, to borrow and to give security therefor and pay interest thereon, including from the National Credit Union Share Insurance Fund.

"(s) Exercise all powers specifically granted by the provisions of this title and such incidental powers as shall be necessary to carry out the powers so granted and purposes so stated.

"ADVANCES

"SEC. 308. (a) (1) Any member of the Fund shall be entitled to apply in a form prescribed by regulations for advances. The Board may deny any application, or may grant it, upon such terms, conditions, and maturities as it may prescribe by regulations.

"(2) Advances to members shall be upon such security as the Board may prescribe. Such security may include, but not necessarily be limited to, obligations of the United States, obligations issued in trust by any agency of the United States on behalf of any agency of the United States, notes made by the member in the form of loans to its members or any other legal asset of a credit union. Any such advance, if secured by obligations of the United States, obligations fully guaranteed by the United States, or obligations issued in trust by any agency of the United States on behalf of any agency of the United States, shall be for an amount not in excess of the face value of such obligations.

"(3) Advances shall be made upon the note or obligation of the member, secured as provided in this section, bearing such rate of interest as the Board shall determine, and the Liquidity Fund shall have a lien on and shall hold the stock of such member as further collateral security for all indebtedness of the member to the Liquidity Fund.

"(4) The member applying for an advance shall enter into a primary and unconditional obligation to pay off all advances, together with interest and any unpaid costs and expenses in connection therewith according to the terms under which they were made, in such form as shall meet the requirements of the Liquidity Fund and the approval of the Board. The Liquidity Fund shall reserve the right to require at any time, when deemed necessary for its protection, deposits of additional collateral security or substitutions of security by borrowing institutions, and each borrowing institution shall assign additional or substituted security when and as required.

"(5) The limit on the aggregate amount of outstanding advances to be made to any one member shall be established by the Board by regulation.

"(b) The Secretary of the Treasury is authorized and directed to purchase any obligation issued by the Board in the event that there are insufficient funds in the Liquidity Fund to meet obligations arising under paragraph (a) of this section.

"Purchases by the Secretary of the Treasury under this paragraph outstanding at any

time shall be limited to such amounts not in excess of $150,000,000. Such advances shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such advances adjusted to the nearest one-eighth of 1 per centum.

"ANNUAL REPORT

"SEC. 309. Not later than ninety days after the close of each calendar year the Board shall prepare and submit to the President and to the Congress a full report of the activities of the Central Liquidity Fund for each previous fiscal year. This report may be a part of the Board's annual report to the President and to the Congress, as required by title I of this Act.

"REIMBURSEMENT TO NATIONAL CREDIT UNION BOARD

"SEC. 310. The Board annually shall determine the expenditures under this title incurred in carrying out the responsibilities imposed upon it, and, in conjunction with fees paid for chartering, examination, supervision, and insuring of Federal credit unions, and federally insured State credit unions, shall assess the Liquidity Fund for its share of such expenses. Receipts derived by the Board from the Liquidity Fund for the above purpose shall be deposited in a special deposit account with the Treasury of the United States and may be withdrawn therefrom from time to time to defray the general expenses of the Administration.

"TAX EXEMPTION

"SEC. 311. The Liquidity Fund, its property, its franchise, capital reserves, surplus holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that any real property and tangible personal property shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed.

"AUDIT OF FINANCIAL TRANSACTIONS

"SEC. 312. The Board shall maintain an integral set of accounts of the Liquidity Fund which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions as provided by section 105 of the Government Corporation Control Act. An annual business-type budget as provided for wholly owned Government corporations by the Government Corporation Control Act shall be prepared."

AMENDMENT TO THE FEDERAL CREDIT UNION ACT

SEC. 232. Section 107 of the Federal Credit Union Act, as amended (12 U.S.C. 1757), is amended by adding at the end thereof the following:

"(16) notwithstanding any other provisions of law, to subscribe for stock in the National Credit Union Central Liquidity Fund if otherwise eligible to do so under the terms of this Act, and to exercise such other functions as may be necessary to participate fully as a member of the Liquidity Fund.".

PART E—CLERICAL AMENDMENTS

SEC. 241. (a) The Federal Credit Union Act (12 U.S.C. 1751–1790) is further amended by striking out "Administrator" and inserting in lieu thereof "Board" in the following sections:

(1) section 103 (12 U.S.C. 1753);
(2) section 104 (12 U.S.C. 1754);
(3) section 105 (12 U.S.C. 1755);
(4) section 106 (12 U.S.C. 1756);
(5) paragraphs (5), (8), (9), (10), (13), and (14) of section 107 (12 U.S.C. 1757);
(6) section 108 (12 U.S.C. 1758);
(7) section 109 (12 U.S.C. 1759);
(8) section 111 (12 U.S.C. 1761);
(9) section 112 (12 U.S.C. 1761a);
(10) section 113 (12 U.S.C. 1761b);
(11) section 115 (12 U.S.C. 1761d);
(12) paragraph (b)(2) of section 116 (12 U.S.C. 1762);
(13) the title of section 120 (12 U.S.C. 1766);
(14) section 120(a) (12 U.S.C. 1766);
(15) section 120(b)(1) (12 U.S.C. 1766);
(16) section 120(b)(2) (12 U.S.C. 1766);
(17) section 120(b)(3) (12 U.S.C. 1766);
(18) section 120(b)(4) (12 U.S.C. 1766);
(19) section 120(b)(5) (12 U.S.C. 1766);
(20) section 120(c) (12 U.S.C. 1766);
(21) section 120(d) (12 U.S.C. 1766);
(22) section 120(e) (12 U.S.C. 1766);
(23) section 120(f)(1) (12 U.S.C. 1766);
(24) section 120(f)(2)(B) (12 U.S.C. 1766);
(25) section 120(f)(2)(B) (12 U.S.C. 1766);
(26) section 120(g) (12 U.S.C. 1766);
(27) section 120(h) (12 U.S.C. 1766);
(28) section 120(i) (12 U.S.C. 1766);
(29) section 120(i)(3) (12 U.S.C. 1766);
(30) section 121 (12 U.S.C. 1767);
(31) section 125(b)(1) (12 U.S.C. 1771);
(32) section 125(b)(2) (12 U.S.C. 1771);
(33) section 127 (12 U.S.C. 1772a); and
(34) sections 201 to 210 (12 U.S.C. 1773–1775).

(b) Such Act is further amended by striking out the personal pronouns "he", "him", and "his" when referring to the Administrator and inserting in lieu thereof "it", "they", and "its" as appropriate wherever such words appear therein.

SECTION-BY-SECTION ANALYSIS

TITLE I—CHARTERS FOR THRIFT INSTITUTIONS

Sec. 101. This section makes clear that references through the federal statutes to "association" apply to Federal mutual savings banks as well as Federal savings and loan associations, unless the context indicates otherwise.

Sec. 102. This is the essential chartering section of the Home Owners' Loan Act which authorizes the Federal Home Loan Bank Board to charter federal savings and loan associations. It would be expanded to also authorize the chartering of federal mutual savings banks in those states which authorize state mutual savings banks, but only an institution which is a state mutual savings bank at the time of conversion could be called a federal mutual savings bank.

This section also provides that federal mutual savings banks converting from a State form, could, to the extent authorized by the Federal Home Loan Bank Board, continue to carry on any activities it was engaged in on December 31, 1976, and to retain and make investments of a type it held on that date, but its equity, corporate bond, and consumer loan authority would be limited to levels determined by the institutions' average ratio of such investments to total assets for the 5-year period beginning on January 1, 1972.

The language setting forth the grandfather authority of former state savings banks is identical to Sec. 202(a) of H.R. 13077 except for the limitations on equity, corporate bond and consumer loan investments.

Sec. 103. This section provides for the transfer of an appropriate amount of Federal Deposit Insurance Corporation reserves to the Federal Savings and Loan Insurance Corporation upon the latter agency assuming the insurance responsibility for FDIC-insured mutual savings banks which convert to a federal charter.

Sec. 104. This is a technical, perfecting amendment which makes it clear that FSLIC must insure federal mutual savings banks as well as federal savings and loan associations.

Sec. 105. This section makes clear that the Federal Home Loan Bank Board may approve, in its discretion, the voluntary conversion of state chartered mutual savings banks to Federal mutual savings banks.

TITLE II—CREDIT UNIONS

Part A—Management revision

This title modernizes some existing powers for federal credit unions and provides for some new powers. It updates the organizational and managerial structure of federal credit unions, improves the ability of federal credit unions to meet the increasing competition in the consumer credit and savings market, and strengthens the relationships between and among credit unions and credit union organizations. The term "Act" used throughout shall refer to the existing Federal Credit Union Act.

Definition of Federal Credit Union

Section 201(a) changes the definition of "Federal credit union" in section 101 of the Act by specifying that federal credit unions are thrift institutions and by providing that among their purposes federal credit unions are to meet the financial needs of the member's family as well as the member and to provide opportunities for credit union members to use and control their money in order to improve their economic and social condition. In addition, the language is modernized by providing that one of the purposes of a federal credit union is to create a source of credit at fair and reasonable rates of interest rather than to create a source of credit for provident or productive purposes.

Technical Correction

Section 201(b) simply corrects a technical error in the existing Act by redesignating the paragraph numbers.

Section 201(c) clarifies the existing definition of "member account" and to conform with changes in Subchapters II and III.

Organization and Share Par Value

Section 202 makes two simple changes in the Act. Subsection (1) permits more flexible procedures in the organization process. Subsection (2) permits denomination of shares to be determined by the organizers of the federal credit union.

Interest Rate on Loans

Section 203(a)(1) would permit the National Credit Union Administration to establish an interest rate on self-replenishing lines of credit or similar classes of loans higher than the statutory 1 percent per month (12% APR) but not to exceed 1½ percent per month (18% APR). At the present time, the statutory maximum rate is 1 percent per month, and there is no authority for the National Credit Union Administration to raise the rate to accommodate open-end credit plans or credit card plans.

Section 203(a)(2) modernizes the procedure for approving loan applications by requiring approval by a credit committee or a loan officer, and recodifies the maximum loan amount to any individual credit union member.

Investments

Section 203(b) consolidates all of the investment powers of federal credit unions now present in section 107(7) of the Federal Credit Union Act. Revised paragraphs (7)(A) and (7)(C) merely restate existing law.

Revised paragraph (7)(B) permits a federal credit union to invest in municipal obligations, i.e., obligations issued by any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and Panama Canal Zone, the several territories and possessions or any political subdivision thereof. Such obligations must be fully guaranteed as to principal and interest. There is no authority in the existing Act for investment in municipal obligations.

Placing Funds

Section 203(c) consolidates all of the provisions of the Act dealing with the institutions and types of accounts in which credit unions may place their funds under paragraph (8).

Paragraph (8)(A) contains the authority for placing funds in insured savings and loan associations and insured mutual savings banks. This authority is contained in paragraph (9) of section 107 of the Act. The restriction on the authority to place funds only in an institution in the state in which the credit union does business is removed.

Paragraph (8)(B) contains the authority for placing funds in any federally or state insured credit union. Such funds could be placed in the forms of shares, share certificates, share deposits, demand or time deposits. The Act permits a federal credit union to place its funds in shares, share certificates or share deposits of federally insured credit unions only, as specified in section 107(8)(H).

Paragraph (8)(C) authorizes federal credit unions to invest in shares, share certificates, share deposits, demand or time deposits of central credit unions if specifically authorized by the investing credit union board of directors. Section 107(8)(G) of the Act authorizes federal credit unions to invest in shares or deposits of central credit unions. The amendment would conform the right to invest in central credit unions with the right to invest in other insured credit unions.

Paragraph (8)(D) permits a federal credit union to place its funds in a demand or time deposit of any bank insured by the Federal Deposit Insurance Corporation. This authority is presently contained in paragraph (8) of section 107 of the Act. However, the Federal Reserve Board has ruled that credit unions cannot have savings accounts in commercial banks. The inclusion of the words "time deposits" is intended to override that interpretation of the Federal Reserve and to make it clear that credit unions can open savings accounts at commercial banks.

Paragraph (8)(E) deals with the authority of overseas credit unions to maintain demand deposits in foreign banks and restates the provisions contained in paragraph (8) of the Act.

Money Transfer Instruments

Section 203(d) amends paragraph (12) of section 107 of the Act which contains the authority for credit unions to sell negotiable checks and money orders to their members. The amendment provides that a federal credit union can sell, purchase or handle any money transfer instrument to or for members. This more general language is designed to provide flexibility to the NCUA to use its regulatory powers to permit federal credit unions to adopt for their members new money transfer instruments that come on the market. The amendment also eliminates the requirement that the fee charged for such services should not exceed the direct and indirect cost incident to providing such service.

Incidental Powers

Section 203(e) amends paragraph (15) of section 107, the incidental powers clause, to make it clear that incidental powers may be used by a federal credit union to meet the financial needs of the members and the member's family.

Management Structure

Section 204 amends section 111 of the Act which deals with the management structure of federal credit unions. The amendments would permit a federal credit union to have any odd number of at least a five-member board of directors. The amendment would also permit a federal credit union to decide whether or not it wants a credit committee either member elected or board appointed. It also provides that only the names of the chairpersons of the credit and supervisory committees must be submitted to the NCUA. Now, the names of all the members of these committees must be submitted.

Officer's Titles

Section 205 amends section 112 of the Act which deals with the officers of credit unions. The amendment simply gives federal credit unions the flexibility to designate the officers of the credit union with various titles including chairperson of the board, president, vice chairperson of the board, vice president. Under the Act, the selection of title is limited.

Board of Directors

Section 206 amends section 113 of the Act which deals with the board of directors. For the most part, this amendment simply separately identifies the powers of the board of directors. It provides that when a credit union decides to have an unelected credit committee, the board of directors can appoint the credit committee if the bylaws so provide. This section also vests the board with the authority to delegate its functions to committees with conditions and limitations. In addition, this amendment authorizes the board to determine the rates applicable to lines of credit and to authorize interest refunds on such classes of loans and under such conditions deemed fair. At the present time, interest refunds paid by credit unions choosing to do so must be uniform.

Credit Committee and Unsecured Loan Amount

Section 207 amends section 114 of the Act which deals with the credit committee. The amendment permits a credit union to determine whether or not it wants a credit committee and to determine whether or not the credit committee shall be elected by the members. The amendment also provides that applications for loans can be approved by a majority of the credit committee present at the meeting at which the application is considered. Presently, a majority of the entire committee and all committee members present must approve loan applications. This section also permits delegaiton of credit committee loan approval authority to a loan officer, and grants a credit union member the right of review of rejected loan applications.

Obsolete Provisions

Section 208 simply eliminates from the Act some provisions that were originally enacted to require credit unions chartered in the District of Columbia to convert to federal status. At the time, the District of Columbia Code provisions dealing with credit unions in the District of Columbia were placed under the jurisdiction of the NCUA. These provisions are no longer needed.

Part B—Restructuring the National Credit Union Administration

Section 211 amends section 102 of the Federal Credit Union Act and provides for a reorganization of the National Credit Union Administration. The management of the National Credit Union Administration is placed in a Board consisting of three members who are broadly representative of the public interest, appointed by the President, with the advice and consent of the Senate. The President shall designate the Chairman. Not more than two members of the Board shall be members of the same political party. The term of each member is to be 6 years with terms for initial appointees staggered at 2-year intervals. Members may not serve more than one full 6-year term. A member shall be ineligible to hold any position in any credit union while in office or for 2 years thereafter except that this restriction shall not apply to any member who has served the full term for which he was appointed. Any Board member may continue to serve after the expiration of his term until a successor has qualified. The Chairman is to be compensated at level III and the members at level IV of the Executive Schedule. By April 1 of each calendar year, the Board shall report to the President and to the Congress summarizing the operations of the National Credit Administration and setting forth information sufficiently detailed to permit the Congress to review the financial program approved by the Board. The Chairman shall be the spokesman of the Board, shall determine each Board member's area of responsibility, and shall direct the implementation of the adopted policies and regulations of the Board. The financial transactions of the National Credit Union Administration shall be subject to audit on a calendar year basis by the General Accounting Office.

Conforming Amendments

Section 212(a) amends section 101 of the Federal Credit Union Act to reflect the new management structure of the National Credit Union Act.

Section 212(b) is a technical amendment changing "Administrator" to "Board" wherever it appears in the Federal Credit Union Act.

Section 213(c) amends section 209 of the Federal Credit Union Act to permit the National Credit Union Administration to be operated on a calendar-year basis.

Section 212(d) amends section 5108 of title 5 of the United States Code by authorizing the National Credit Union Administration to place two positions in the Administration at GS–18 and a total of 14 positions in the Administration at GS–16 or GS–17.

Section 212(e) amends section 4314 of title 5 of the United States Code to include the Chairman of the National Credit Union Administration Board at level IV of the Executive Schedule.

Section 213 is a transitional provision which provides that the authority of the Administrator of the National Credit Union Administration shall continue until the newly appointed members of the National Credit Union Administration Board take office.

Trust territories

Section 221(a) extends the share insurance provisions to credit unions operating in the trust territories of the United States. In the 93rd Congress, The Federal Credit Union Act was made applicable to those credit unions. This section also makes clerical amendments to correct terminology.

Accounts permitted by State law

Section 221(b) permits federally-insured, state-chartered credit unions to maintain whatever types of accounts are authorized by state law. At the present time, federally-insured, state chartered credit unions may only maintain those types of accounts that have been approved by the Administrator of the National Credit Union Administration.

Clerical

Section 221 (c) and (d) are clerical and conforming amendments.

Clerical amendments

Sections 222, 223 and 224 contain clerical, conforming and technical amendments of minor substance.

Part D—Central liquidity fund

For many years, the credit union movement has been engaged in efforts to create organizations for the transfer of excess liquidity from one area to another. Throughout the country there are various central credit unions performing this function. But periods of disintermediation and economic uncertainty have advanced the concept of establishing a National Central Liquidity Fund under the auspices of the National Credit Union Administration while making full use of existing credit union organizations.

Section 231 adds an entire new subchapter to the Federal Credit Union Act. The subchapter provides for the establishment of a

National Credit Union Administration Central Liquidity Fund.

Purpose

Section 301 of the new subchapter is the findings and purpose clause. The purpose of the Liquidity Fund is to provide funds to meet the temporary liquidity needs of credit unions and to provide for the orderly transfer of funds among and between credit unions and other financial institutions.

Definitions

Section 302 of the new subchapter simply contains definitions for the terms used in the subchapter. Definitions are set forth for "members" of the Liquidity Fund, "state credit union," "federally-insured credit union," "state-insured credit union," and "paid-in and unimpaired capital and surplus."

Establishment and Location

Section 303 of the new subchapter simply provides for perpetuity of the Fund and grants discretionary authority to establish regional and branch offices.

Management

Section 304 of the new subchapter provides that the management of the Liquidity Fund shall be vested in the National Credit Union Administration Board.

Initial Expenses

Section 305 of the new subchapter permits the Liquidity Fund to borrow up to $500,000 from the Share Insurance Fund for the initial organizational and operating expenses. The loan is to be repaid within a reasonable period.

Capitalization

Section 306 (a) and (b) of the new subchapter requires the Board to open books for subscriptions of capital stock and provides that the capital stock of the Liquidity Fund shall be divided into shares having a par value of $50 each. After the initial offering, stock may be issued at prices to be fixed by the Board.

Stock Subscriptions

Section 306(c)(1) of the new subchapter contains the provisions providing for credit union purchase of stock in the Liquidity Fund. Credit unions becoming members must purchase an amount equal to at least ½ of 1% of its paid-in and unimpaired capital and surplus. A minimum subscription of $50 is required. Only one-half of the required subscriptions must be transferred to the Liquidity Fund. The other half remains on call. Regular reserves may be reduced by an amount equal to the funds transferred to or held on call by the Liquidity Fund. Provisions are provided to vest the Board with the authority to adjust the amount of stock held by member credit unions.

Retiring Stock

Section 306(c)(2) of the new subchapter provides that when the stock of any member credit union is retired, the credit union is to get at least what it paid for the stock but the Board retains the right of offset against any outstanding indebtedness.

Reports from Credit Unions

Section 306(c)(3) of the new subchapter permits the Board to require member credit unions to submit such reports and information as the Board deems necessary and appropriate.

Payment of Stock

Section 306(d) of the new subchapter provides that member credit unions must pay for stock subscriptions in cash or with other assets deemed acceptable by the Board. Payments can be made in full with the application for membership or in installments over a 180-day period.

Non-Transferrable

Section 306(e) of the new subchapter provides that the stock of the Liquidity Fund is non-transferrable and may not be hypothecated and that such restrictions are to be stated on the certificate.

Memberships

Section 306(f) permits Federal and state credit unions to become members of the Fund at any time. However, credit unions joining later than 180 days after the establishment of the Fund must wait for a period of 180 days before borrowing or receiving advances therefrom.

Withdrawal and Expulsion

Section 306(g) of the new subchapter contains the requirements for withdrawal from membership. Any member may withdraw from membership 180 days after filing notice of intention to do so. Expulsion procedures require a hearing at the member's request and must be based on failure to comply with provisions of laws or regulations. Provision is made for retirement of debt and payment of stock upon expulsion.

Dividends

Section 306(h) of the new subchapter provides that all Liquidity Fund members shall share in dividend distribution without preference. The rates of dividends are to be determined by the Board.

Authority of Board

Section 307(a)–(1) of the new subchapter vests the Board with the authority to act on behalf of the Liquidity Fund in various matters. Certain matters listed are the usual boiler plate provisions for agencies, e.g., the right to sue and be sued, to adopt a seal, to hire necessary employees, to contract, to delegate functions and to prescribe rules and regulations. More significant sections are described below.

Contracts With Organizations

Section 307(m) of the new subchapter contains the authority for the Liquidity Fund to enter into contracts with various organizations to act as the agent or otherwise assist in the conduct of its business. Among the organizations with whom the Liquidity Fund can contract are credit unions, central credit unions and credit union organizations.

Issue Debt Instruments

Section 307(n) of the new subchapter permits the Liquidity Fund to issue bonds, debentures or other obligations to the Secretary of the Treasury. It also permits the issuance of similar obligations to the private market with a government guarantee. The aggregate of such obligations issued to the private market cannot exceed 20 times the surplus and paid-in capital of the Liquidity Fund.

Deposits

Section 307(o) of the new subchapter contains the authority for the Liquidity Fund to make deposits in federally-insured commercial banks, mutual savings banks and savings and loan associations and in insured credit unions and member credit unions. In addition, financial institutions, including central credit unions, acting as agents for the Liquidity Fund may be recipients of such deposits. Such deposits may be made on a demand or time basis.

Purchase of Notes

Section 307(p) of the new subchapter permits the Liquidity Fund to purchase from member credit unions notes, drafts or other obligations. The limits of such purchases are to be established by the Board.

Invest in Government Obligations

Section 307(q) of the new subchapter contains the authority for the Liquidity Fund to invest assets in obligations of the United States or any agency thereof.

Borrowing From Share Insurance Fund

Section 307(r) of the new subchapter provides that the Liquidity Fund may borrow from any source, including the Share Insurance Fund subject to security and interest pursuant to terms and conditions to be established by the Board.

Incidental Powers

Section 307(s) of the new subchapter contains the incidental powers clause authorizing the Board to exercise the powers specifically granted and such incidental powers as are necessary to carry out the provisions of the Liquidity Fund subchapter.

Advances to Member Credit Unions

Section 308(a) of the new subchapter contains the standards and requirements that are to be applied to advances that are to be made by the Liquidity Fund to member credit unions. The Board is vested with the authority to determine the security for advances as well as the terms, conditions and maturities. Certain limitations are placed on certain types of security. Advances secured by obligations of the United States may not exceed the face value of such obligations. The Liquidity Fund may require additional security when deemed necessary and the Board is to determine the aggregate amount of outstanding advances that may be made to any one member of the Liquidity Fund.

Treasury Backing

Section 308(b) of the new subchapter permits the Liquidity Fund to draw on the Treasury an amount not to exceed $150,000,000. This is an emergency draw which is to be used in the event that there are insufficient funds in the Fund to meet its obligations. Advances from the Treasury are to bear a rate of interest to be determined by the Secretary of the Treasury as provided.

Annual Report

Section 309 of the new subchapter requires the Board to submit to the President and to the Congress an annual report of its activities. Such report may be included in the Board's annual report as required by subchapter I.

Reimbursement for Costs

Section 310 of the new subchapter contains the authority for the Liquidity Fund to reimburse the Board for all costs incurred in administering the Liquidity Fund. Receipts derived for such purpose shall be deposited in a special deposit account with the Treasury of the United States.

Tax Exemption

Section 311 of the new subchapter provides that the Liquidity Fund is to be tax exempt except that real property and tangible personal property may be subject to federal, state and local taxation to the same extent as similar property is taxed.

Audit of Financial Transactions

Section 312 of the new subchapter requires an annual audit of the Liquidity Fund by the General Accounting Office.

Conforming Amendment

Section 232 amends section 107 of the Act to give federal credit unions the power to participate fully in the Central Liquidity Fund.

Part E—Clerical amendments

Section 241 contains clerical amendments which conform the provisions of this entire chapter to the amendments contained in this bill. For the most part, such clerical amendments consist of striking out "Administrator" and inserting in lieu thereof "Board." Also, singular personal pronouns are changed to plural personal pronouns where appropriate.

By Mr. McINTYRE (by request):

S. 1666. A bill to provide for extension of the deposit interest rate control law, increased ceiling of deposit insurance for

public unit accounts, Keogh trust accounts, individual retirement custodial or trust accounts, modification of Federal savings and loan investment authority and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. McINTYRE. Mr. President, I am today introducing, by request, the following bill submitted by the U.S. League of Savings Associations with the clear understanding that I am in no way endorsing its provisions.

In preparing the legislative agenda for the Subcommittee on Financial Institutions for this session of Congress, I asked the U.S. League to be forthcoming on a number of issues relating to financial reform which the subcommittee has been considering for some time.

This bill represents a constructive response by the members of the U.S. League to my entreaty and to this extent, the bill legitimately deserves to be considered among a number of other issues before the subcommittee.

Mr. President, I ask unanimous consent that the bill and the accompanying section-by-section analysis be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE

SEC. 101. This Act may be cited as the "Financial Institution Amendments of 1977".

TITLE II—DEPOSIT INTEREST RATE CONTROL

SEC. 201(a) Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out "December 15, 1977" and inserting in lieu thereof "December 15, 1987".

(b) Section 102 of the Act of December 31, 1975 (Public Law 94-200) is amended by adding at the end thereof the following:

"(c) Prior to the expiration of the limitation on the rate of interest payable on time and savings accounts, Congress shall consider the effects of such expiration on the economic climate which it anticipates will prevail at the time of such expiration and shall modify or continue such authority unless there is clear evidence that the expiration of such authority will not adversely affect the availability of mortgage credit to the public or impair the financial health of thrift institutions."

SEC. 202. The Federal Credit Union Act (12 USC 1751 et seq.) as amended, is amended by adding at the end thereof a new section as follows:

"1791. Control of Interest Rates.

"(a) The administrator may from time to time after consulting with the Board of Governors of the Federal Reserve System and the Board of Directors of the FDIC and the Federal Home Loan Bank Board prescribe rules governing the payment and advertisement of interest or dividends on deposits, shares or withdrawals accounts including limitations on the rates of interest or dividends on deposits, shares or withdrawable accounts that may be paid by institutions the deposits of which are insured in accordance with the provisions of the Federal Credit Union Act. The administrator may prescribe different rate limitations for different classes of deposits, shares or withdrawable accounts, for deposits, shares, or withdrawable accounts of different amounts or with different maturities or subject to different conditions regarding withdrawal or repayment, according to the nature or location of the credit union, its depositors or withdrawable account holders, or according to such other reasonable bases as the administrator may deem desirable in the public interest.

"(b) In addition to any other penalty provided by this or any other law, any person or organization which violates a rule promulgated pursuant to this section shall be subject to such civil penalties, which shall not exceed $100 for each violation, as may be prescribed by the administrator by rule and such rule may provide with respect to any and all such violations that each day in which the violation continues shall constitute a separate violation. The administrator may recover any such violation for his own use, through action or otherwise, including recovery thereof in any action or proceeding under this section. The administrator may, at any time before collection of any such penalty, whether before or after the bringing of an action or other legal proceeding, the obtaining of any judgment or other recovery, or the issuance of levy or any execution or other legal process therefor and with or without consideration, comprise, remit, or mitigate in whole or in part any such penalty or any such recovery.

"(c) Whenever it shall appear to the administrator that any person or organization is engaged or has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this section or of any regulations thereunder, the administrator may, in his discretion, bring an action in the United States district court for the judicial district in which the principal office of the person or organization is located to enjoin such acts or practices, to enforce compliance with this section or any regulations thereunder, or for a combination of the foregoing, and such courts shall have jurisdiction of such actions, and, upon a proper showing, an injunction, restraining order, or other appropriate order may be granted without bond.

"(d) All expenses of the administration under this section shall be considered as nonadministrative expenses.

"(e) No credit union or any successor or assignee, or any endorser, guarantor, or surety thereof may plead, raise, or claim, directly or by counterclaim, setoff, or otherwise, with respect to any deposit or obligation of such insured credit union, any defense, right, or benefit under any provision of a statute or constitution of a State or of a territory of the United States, or of any law of the District of Columbia, regulating or limiting the rate of interest which may be charged, taken, received, or reserved, and any such provision is hereby preempted, and no civil or criminal penalty which would otherwise be applicable under such provision shall apply to such credit union, or affiliate or to any other person."

TITLE III—INSURANCE OF ACCOUNTS

SEC. 301. (a) The Federal Deposit Insurance Act is amended in subsection (a) of section 11 (12 U.S.C. 1821(a)) by striking the phrase "his deposit shall be insured in an amount not to exceed $100,000 per account." and inserting in lieu thereof "his deposit shall be insured for the full aggregate amount of such deposit."

(b) Title IV of the National Housing Act is amended in subsection 405 (12 U.S.C. 1728) by striking the phrase "the account of such insured member shall be insured in an amount not to exceed $100,000 per account." and inserting in lieu thereof "the account of such insured member shall be insured for the full aggregate amount of such account."

(c) Subsection (c) of section 207 of the Federal Credit Union Act (12 U.S.C. 1787) is amended by striking the phrase "his account shall be insured in an amount not to exceed $100,000 per account" and inserting in lieu thereof "his account shall be insured for the full aggregate amount of such account."

SEC. 302. Section 405 of the National Housing Act (12 U.S.C. 1728) is amended:

(1) by adding at the end thereof the following:

"(e)(1) Notwithstanding any limitation in this subchapter or in any other provision of law relating to the amount of deposit insurance available for any one account, in the case of an insured member who is a participant in a trust created or organized in the United States and forming part of a stock bonus, pension or profit-sharing plan which qualifies or qualified for special tax treatment under section 401(d) of the Internal Revenue Code of 1954, or a participant in a trust or custodial individual retirement account within the meaning of section 408 of such code, the account of such insured member shall be insured for the full aggregate amount of such account."

(2) by adding in the first paragraph thereof after the words "subsection (d)" the words "or (e)" wherever they appear.

TITLE IV

SEC. 401. (a) The Congress finds that—

(1) State-chartered savings and loan associations in certain States are allowed to offer variable-rate and other flexible mortgages to the public, while Federal savings and loan associations under existing regulations are not;

(2) Federal savings and loan associations would be able to remain more competitive in attracting and retaining deposits during periods of high interest rates by being able to offer a wide variety of flexible mortgage instruments to the public, thereby lessening the adverse impact of high interest rates on the home construction industry; and

(3) homeownership will be greatly enhanced for potential mortgage borrowers if they can choose from a wide variety of mortgage designs that best fit their particular financial needs and expectations.

(b) It is the sense of the Congress that—

(1) the Federal Home Loan Bank Board should adopt regulations permitting Federal savings and loan associations to offer a wide variety of flexible mortgage instruments (including variable-rate mortgages) in States where State-chartered savings and loan associations are permitted to offer variable-rate or other types of flexible mortgages to the public;

(2) the Federal Home Loan Bank Board may adopt regulations authorizing an experimental program for allowing Federal savings and loan associations in other States to offer a wide variety of flexible mortgage instruments (including variable-rate mortgages) to the public;

(3) the Federal Home Loan Bank Board shall take into account appropriate consumer safeguards, the existing competitive environment, and the needs of Federal savings and loan associations in adopting any regulations which allow Federal savings and loan associations to offer a wide variety of flexible mortgage instruments to the public; and

(4) the Federal Home Loan Bank Board shall report to Congress, one year following adoption of such regulations, on the use of a wide variety of flexible mortgage instruments by Federal savings and loan associations, and the impact which they have had on homebuyers, Federal savings and loan associations, the flow of funds into housing, and such other matters as the Board may deem appropriate.

TITLE V—HOME OWNERS' LOAN ACT

SEC. 501. Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended to read as follows:

"Subject to the rules and regulations of the Federal Home Loan Bank Board, an as-

sociation shall have the power to invest its funds in accordance with the following provisions:

"(1) Investment Securities

"(a) Obligations of, or fully guaranteed as to principal and interest, by the United States.

"(b) Obligations of and obligations fully guaranteed as to principal and interest by, and any other obligations, participations, or other instruments of or issued by:

(i) Federal Home Loan Bank or Banks

(ii) Federal Savings and Loan Insurance Corporation

(iii) Federal Home Loan Mortgage Corporation

(iv) Government National Mortgage Association

(v) Federal National Mortgage Association

(vi) Student Loan Marketing Association

(vii) Bank or Banks for Cooperatives

(viii) Federal Intermediate Credit Bank or Banks

(ix) Federal Land Bank or Banks

(x) Federal Financing Bank

(xi) Farmers Home Administration

(xii) Small Business Administration

(xiii) Department of Housing and Urban Development

(xiv) Tennessee Valley Authority

(xv) Export-Import Bank of the United States

(xvi) Health, Education and Welfare

(xvii) Any agency or instrumentality of the United States in addition to those specified in subparagraphs (i) through (xvi) of this paragraph to the extent that investments therein are approved by the Federal Home Loan Bank Board.

"(c) Obligations of any State or any political subdivision thereof.

"(d) Bankers' acceptances.

"(e) Stock in:

(i) Federal Home Loan Bank or Banks

(ii) Federal Savings and Loan Insurance Corporation

(iii) Federal National Mortgage Association

(iv) Student Loan Marketing Association

(v) Any agency or instrumentality of the United States in addition to those specified in subparagraphs (i) through (iv) of this paragraph to the extent that investments therein are approved by the Federal Home Loan Bank Board.

"(f) Demand, time or savings deposits, shares or accounts, or other obligations of a Federal Home Loan Bank or any financial institution the accounts of which are insured by a Federal agency.

"(g) Loans on a secured or unsecured basis to any financial institution the accounts of which are insured by a Federal agency.

"(h) Any investment which at the time of making the investment is an asset eligible for inclusion toward the satisfaction of any liquidity requirement imposed on the association pursuant to section 5(a) of the Federal Home Loan Bank Act.

"(2) Qualifying Real Estate Loans:

"Loans on real estate or interests therein secured by liens in an amount not exceeding the value of the security in accordance with the following provisions:

"(a) Insured and guaranteed loans.

"(i) Loans insured under the provisions of the National Housing Act, as amended.

"(ii) Loans insured under the provisions of the Servicemen's Readjustment Act of 1944, as amended, or guaranteed under chapter 37 of title 38 of the United States Code.

"(iii) Loans insured by the Secretary of Agriculture pursuant to Title I of the Bankhead-Jones Farm Tenant Act, or the Act of August 28, 1937, as amended, or Title V of the Housing Act of 1949, as amended.

"(iv) Loans guaranteed by the Secretary of Housing and Urban Development for the payment of the obligations of which the full faith and credit of the United States is pledged.

"(v) Loans which are fully guaranteed or insured by a State, or any agency or instrumentality thereof, or by a State authority for the payment of the obligations of which the faith and credit of the State is pledged, if under the terms of the guaranty or insurance agreement the association will be assured of repayment in accordance with the terms of the loan.

"(vi) Loans to be insured or guaranteed pursuant to the provisions of subparagraphs (i) through (v) of this paragraph as to which the association has a commitment or agreement therefor.

"(b) Conventional loans on residential property.

"(i) Loans on homes and combinations of homes and business property.

"(ii) Loans or other dwelling units, and combinations of dwelling units, including homes, and business property involving only minor or incidental business use.

"(iii) Loans on structures or parts thereof designed or used as fraternity or sorority houses which include sleeping accommodations for students at a college or university, or designed or used principally for the provision of living accommodations for persons who are students, employees, or members of the staff of a college, university or hospital.

"(iv) Loans on facilities designed for the purpose of providing accommodations, individual or multiple, for occupancy by aging persons or of providing rest homes or nursing homes.

"(v) Loans to finance the acquisition, development and/or improvement of land or interests therein for primarily residential usage.

"(vi) Loans on developed building lots or sites ready for the construction of a structure designed for primarily residential usage.

"(vii) Farm residences or combinations of such residences and property used for commercial farming enterprises.

"(viii) Loans for the purpose of financing the purchase of or refinancing an existing ownership interest in certificates of stock or other evidence of an ownership interest in, and a proprietary lease from, a corporation or partnership formed for the purpose of the cooperative ownership of residential real estate."

"(c) Loans on church and educational facilities."

"(d) Loans on other improved real estate."

"(3) Loans made for the purpose of financing mobile homes and mobile home parks."

"(4) Real estate related loans or interests therein:

"(a) Loans insured under ttile I of the National Housing Act, as amended.

"(b) Home improvement loans insured under Title II of the National Housing Act, as amended.

"(c) Unsecured loans insured or guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as amended, or chapter 37 of title 38 of the United States Code.

"(d) Any loan on a secured or unsecured basis made for the repair, alteration, equipping, furnishing or improvement of any real property or mobile home.

"(e) Loans the principal purpose of which is to provide financing with what is or is expected to become primarily residential real estate where (i) the association relies substantially for repayment on the borrower's general credit standing and forecast of income, with or without other security, or (ii) the association relies on other security as collateral for the loans, including but not limited to a guaranty or similar obligation of a third party, and in either case described in clause (i) or (ii) immediately preceding, regardless of whether or not the association takes a security interest in real estate (whether or not constituting a first lien) as additional protection."

"(5) Consumer loans or interests therein on a secured or unsecured basis:

"(a) Loans made for the payment of expenses of college, university, vocational, professional or business education.

(b) Loans to individuals for any purpose provided that no such loan shall exceed $15,000."

"(6) Loans and investments for community conservation, development and improvement:

"(a) Investments in real property including interests therein and loans secured by real property located within an urban renewal area as defined in subsection (a) of section 110 of the Housing Act of 1949, or within any slum, blighted, deteriorated, deteriorating, conservation or preservation area as defined or designated by the Federal Home Loan Bank Board or as defined or designated by the governing body of the local political subdivision in which the property is located, and in the capital stock, obligations or other securities of any public or private corporation, cooperative, partnership, trust or unincorporated or voluntary association, a primary purpose and activity of which consists of serving to maintain and improve such areas.

"(b) Investments in, loans to, or commitments to lend to any State housing corporation incorporated in the State in which the home office of such association is situated and established by a State for the limited purpose of providing housing and incidental services, particularly for families of low or moderate income.

"(c) Investments in, loans to, or commitments to lend to any business development credit corporation incorporated in the State in which the head office of such association is situated.

"(d) Loans and investments that in the opinion of the board of directors of the association are prudent and directly related to the development of a community in which the association has or is expecting to have a substantial financial interest. Such loans and investments shall relate to the provision of community facilities and services, including the financing and ownership and leasing of real and personal property used in connection with such facilities and services, such as water, sewers, power, streets, lighting, pollution control, transportation systems, fire and police protection, health and safety, schools, and such other facilities and services as may be approved by the Federal Home Loan Bank Board."

"(7) Collateral loans:

"Loans or interests in loans secured by the pledge of loans or investments, the assignment of which need not be recorded, of a type in which the association might lawfully invest at the time the loan is made."

"(8) Service corporations:

"Investments in the capital stock, obligations or other securities of any corporation provided the entire capital stock of such corporation is available for purchase only by financial institutions eligible for membership in the Federal Home Loan Bank System, but an association shall not make any investment under this paragraph if its aggregate outstanding investments under this paragraph, exclusive of any investment which is or at the time of its making was otherwise authorized, would thereupon exceed two per centum of the assets of the association."

"(9) Other loans and investments:

"(a) Loans secured by its savings accounts to the extent of the withdrawal value thereof.

"(b) Loans secured by time or savings deposits, shares or accounts of any financial institution the accounts of which are insured by a federal agency, to the extent of the withdrawal value thereof.

"(c) Real property or interests therein as the Board of Directors may deem necessary or convenient for the conduct of the business of the association, and which shall include the ownership of stock of a wholly owned subsidiary corporation having as its exclusive activity the ownership and management of such property or interests.

"(d) Foreign assistance loans.

"Acquire and hold investments in housing project loans, or interests therein, having the benefit of any guaranty under section 221 of the Foreign Assistance Act of 1961, as now or hereafter in effect, or loans, or interests therein, having the benefit of any guaranty under section 224 of such Act, or any commitment or agreement with respect to such loans, or interest therein, made pursuant to either of such sections. This authority extends to the acquisition, holding, and disposition of loans, or interests therein, having the benefit of any guaranty under section 221 or 222 of the Foreign Assistance Act of 1961, as amended by section 105 of the Foreign Assistance Act of 1969 or as hereafter amended or executed, or of any commitment or agreement for any such guaranty.

"(e) National housing partnerships

"Invest in shares of stock issued by a corporation authorized to be created pursuant to Title IX of the Housing and Urban Development Act of 1968, and is authorized to investment in any partnership, limited partnership or joint venture formed pursuant to section 907(a) or 907(c) of that Act.

"(f) Subject to the limitations of paragraph 13(a), investments in real property, including interests in real property, for the purpose of acquiring, developing and/or improving such property or interests therein, located within one hundred miles of an office of the association or within the state in which such office is located, and an association may hold, sell, or otherwise dispose of, lease, improve and operate any such property or any interest therein.

"(g) Subject to the limitations of paragraph 13(a), investments in capital stock, obligations, or other securities of any business entity engaged substantially in activities otherwise authorized for such association making the investment."

"(10) Leeway category for nonqualifying loans and investments:

"Subject to the provisions of subparagraph 13(b), investments in other assets in a manner not expressly prohibited by law, provided such investments are made in the exercise of the judgment and care under the circumstances then prevailing which men of prudence, discretion and intelligence exercise in the management of their own affairs."

"(11) Other powers:

"In addition to the investment powers specified in paragraphs (1) through (10), an association shall have power to:

"(a) Act as trustee of any trust created or organized in the United States and forming part of a stock bonus, pension, or profit sharing plan which qualifies or qualified for specific tax treatment under section 401(d) of the Internal Revenue Code of 1954, if the funds of such trust are invested only in savings accounts or deposits in such association or in obligations or securities issued by each association. All funds held in such fiduciary capacity by any such association may be commingled for appropriate purposes of investment, but individual records shall be kept by the fiduciary for each participant and shall show in proper detail all transactions engaged in under the authority of this paragraph.

"(b) Issue and sell securities which are guaranteed pursuant to section 306(g) of the National Housing Act.

"(c) Borrow funds from a State mortgage finance agency of the State in which the head office of such association is situated to the same extent as State law authorizes as savings and loan association organized under the laws of such State to borrow from the State mortgage finance agency, except that such an association may not make any loan of such funds at an interest rate which exceeds by more than 1¾ per centum per annum the interest rate paid to the State mortgage finance agency on the obligations issued to obtain the funds so borrowed.

"(12) Composition of assets:

"Each association shall maintain an annual average of at least seventy (70) per centum of its assets in loans and investments as authorized in paragraphs and subparagraphs (1), (2(a)), (2(b)), (2(c)), (3), (4), (6), and such loans authorized in paragraph (7) secured by loans and investments authorized in paragraphs and subparagraphs (1), (2(a)), (2(b)), (2(c)), (3), (4) and (6), loans authorized in subparagraphs (9(a)), (9(b)) and investments authorized in subparagraph (9(c)).

"(13) Investment limitations:

"(a) No association shall make any investments pursuant to subparagraphs (9(f)) and (9(g)), except with the prior approval of the Board, if its aggregate outstanding investments under subparagraphs (9(f)) and (9(g)), exclusive of any investment which is or at the time of its making was otherwise authorized, would thereupon exceed the lesser of five per centum of the assets of the association or the amount of its general reserves, surplus and undivided profits.

"(b) No association shall make any investments pursuant to paragraph 10, except with the prior approval of the Board, if its aggregate outstanding investments under paragraph 10, exclusive of any investment which is or at the time of its making was otherwise authorized, would thereupon exceed the lesser of five per centum of the assets of the association or the amount of its general reserves, surplus and undivided profits."

TITLE VI—RAISING OF ADDITIONAL CAPITAL FOR FEDERAL SAVINGS AND LOAN ASSOCIATIONS

SEC. 601. Section 5(b)(2) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(b)(2)) as amended, is amended by striking the entire sentence comprising the section and substituting the following:

"To such extent as the Board may authorize by regulation or advise in writing, an association may borrow, may give security, may be surety as defined by the Board and may issue such notes, bonds, debentures, preferred stock, or other obligations, or other securities as the Board may so authorize. Preferred stock, or other obligations or securities which perform as equity funds as determined by the Board, may be considered a source of capital funds and, as such, may be applied to increase the Federal Insurance Reserve of an association in accordance with regulations established by the Board."

TITLE VII—FEDERAL CHARTERS FOR MUTUAL SAVINGS BANKS

SEC. 701. (a) Subsection (d) of section 2 of the Home Owners' Loan Act of 1933, as amended (12 USC 1462), is amended to read as follows:

"(d) The terms 'association' or 'Federal association' mean a Federal savings association, or Federal savings bank which was converted from a mutual savings bank pursuant to section 5(1) of the Home Owners' Loan Act, and a Federal savings and loan association chartered by the Board under section 5 of this Act, and any reference in any other law to a Federal savings and loan association shall be deemed to be also a reference to a Federal savings association and a Federal savings bank."

(b) Subsection (a) of section 5 of the Home Owners' Loan Act of 1933, as amended (12 USC 1464(a)), is amended to read as follows:

"(a) In order to provide thrift institutions in which people may invest their funds and in order to provide for the financing of homes and family and consumer needs, the Board is authorized to provide for the organization, incorporation, conversion, examination, operation and regulation, under such rules or regulations (including definitions of terms used in this Act) as it may prescribe, of associations the name of which shall include the words 'Federal', 'Savings', and 'Association', except that an association which was converted from a mutual savings bank pursuant to section 5(1) shall have the option to substitute the word 'bank' in its title in lieu of the word 'association' if such word formerly was part of its legal name, and in issuing charters therefore, the Board shall give primary consideration to the best practices of thrift institutions and the needs of the families, consumers and communities to be served. An association which formerly was organized as a mutual savings bank under State law and which has converted from a mutual savings bank pursuant to section 5(1) may, to the extent authorized by the Board, continue to carry on any activities it was engaged in on December 31, 1976, including any authority to provide life insurance, and to maintain but not increase ratios to total assets of investments of types which were lawful for it immediately prior to the effective date of such conversion, where such investments are not included as an authorized investment for associations pursuant to subsection (c) of this section 5."

(c) The first paragraph of subsection (1) of section 5 of the Home Owners' Loan Act of 1933, as amended (12 USC 1464(1)), is amended by adding the following sentence:

"Notwithstanding any other law, a mutual savings bank organized under State law and operating as a financial institution on the date of enactment may, to the extent authorized by the Board, convert to a Federal savings and loan association or a Federal mutual savings bank."

(d) The Federal Deposit Insurance Act is amended by adding at the end thereof the following new section:

"CONVERSION TO FEDERAL CHARTER OF MUTUAL SAVINGS BANKS

"SEC. 26. Whenever a State-chartered mutual savings bank which is an insured bank of the Federal Deposit Insurance Corporation is converted into a Federal savings bank or merged or consolidated into a Federal savings bank or a savings bank which is (or within sixty days after the merger or consolidation becomes) an insured institution within the meaning of section 401 of the National Housing Act, the Federal Deposit Insurance Corporation shall calculate the amount in its capital account attributable to such mutual savings bank. For the purpose of such calculation, the amount so attributable shall be deemed to be the total assessments payable to the Federal Deposit Insurance Corporation by such mutual savings bank from the date its deposits became insured by the Federal Deposit Insurance Corporation through the end of the immediately preceding calendar year less the total of—

"(1) a sum computed for the same period equal to the total amount of credits toward assessments from net assessments income received by such mutual savings bank.

"(2) a pro rata share of the same period of operating costs and expenses of the Federal Deposit Insurance Corporation, additions to reserve to provide for insurance losses (making due allowance for adjustments to reserve resulting in a reduction of such reserve), and insurance losses sustained plus losses from any preceding years in excess of reserves, such pro rata share to be cal-

culated by applying a fraction of which the numerator shall be the average deposits of the mutual savings bank, which may be determined from its report of condition to the Federal Deposit Insurance Corporation in December of each year, from the date its deposits become insured by the Federal Deposit Insurance Corporation to the end of the calendar year preceding the date upon which the calculation is being made, and the denominator shall be the average of total deposits of all insured banks over the same period, which may be determined from the annual reports of the Federal Deposit Insurance Corporation during the same period.

"(b) As soon as possible after any such conversion, merger, or consolidation, the Federal Deposit Insurance Corporation shall transfer to the Federal Savings and Loan Insurance Corporation the amount calculated in accordance with the provisions of subsection (a).

"(c) Whenever a State-chartered mutual savings bank which is an insured bank of the Federal Deposit Insurance Corporation is converted into a Federal mutual savings bank, the bank involved shall, on the date on which it becomes an insured institution within the meaning of section 401 of the National Housing Act, cease to be an insured bank insofar as the Federal Deposit Insurance Corporation is concerned, but the obligations to and rights of the Federal Deposit Insurance Corporation, depositors of the insured bank, the bank itself, and other persons arising out of any claim made prior to that date shall remain unimpaired. All claims not made prior to such date but which would have been properly payable by the Federal Deposit Insurance Corporation if made prior to that date, shall be assumed by the Federal Savings and Loan Insurance Corporation."

SEC. 702. Section 5(1) of the Home Owners' Loan Act of 1933 (12 USC 1464(1)) as amended, is amended by adding at the end of the first paragraph thereof the following:

"Notwithstanding any other law, an insured institution having permanent capital stock chartered under state law as a savings and loan association which otherwise conforms with all the requirements for conversion to a Federal savings and loan association, shall have the option of receiving a Federal charter in the form of the charters providing for mutual ownership of the institution being issued at such time by the Federal Home Loan Bank Board or a charter in identical form except for providing for permanent capital stock ownership of the institution."

TITLE VIII—FEDERAL HOME LOAN BANK ACT AMENDMENTS

SEC. 801. DEFINITIONS.

Section 2 of the Federal Home Loan Bank Act of 1932 (12 USC 1422) is amended by striking paragraphs (5), (6), (7) and (8) and substituting in lieu thereof the following:

"(5) The term 'residential mortgage loan' means a loan made by a member or a nonmember borrower upon the security of a residential mortgage.

"(6) The term 'residential mortgage' means a mortgage upon primarily residential property, in fee simple, or on a leasehold, all of which terms may be defined by the Board, and shall include, in addition to first mortgages, such classes of first liens as are commonly given to secure advances on real estate and other property by institutions authorized under this Act to become members, under the laws of the State in which the real estate or other property is located, together with the credit instruments, if any, secured thereby.

"(7) The term 'unpaid principal', when used in respect to a loan secured by a residential mortgage means the principal thereof less the sum of (1) payment made on such principal, and (2) in cases where deposits or shares are pledged as security for the loan, the payments made on such deposits or shares plus earnings or dividends apportioned or credited thereon.

"(8) An 'amortized' or 'installment' residential mortgage loan shall, for the purposes of this Act, be a residential mortgage loan to be repaid or liquidated in not less than five years by means of regular weekly, monthly, or quarterly payments made directly in reduction of the debt or upon deposits or shares pledged as collateral for the repayment of such loan."

SEC. 802. MEMBERSHIP CRITERIA.

(a) Section 4 of the Federal Home Loan Bank Act of 1932 (12 USC 1424) is amended as follows:

(1) by deleting the words "makes such home mortgage loans as, in the judgment of the Board, are long-term loans" in the first sentence of subsection (a) and substituting in lieu thereof the words "makes residential mortgage loans";

(2) by deleting the words "home financing" in the two places where they appear in the second sentence of subsection (a) and substituting the words "residential financing".

(b) Section 5 of the Federal Home Loan Bank Act of 1932 (12 USC 1425) is deleted.

SEC. 803. STOCK SUBSCRIPTION REQUIREMENT.

Section 6 of the Federal Home Loan Bank Act of 1932 (12 USC 1426) is amended as follows:

(a) by deleting the words "aggregate unpaid loan principal" in the first sentence of subsection (c)(1) and substituting the words "residential loans";

(b) in subsection (c)(2) by striking all that follows the paragraph designation "(2)" down to and including the subparagraph designation (ii)";

(c) by striking the words "twelve times" in new paragraph (2) and substituting the words "twenty times";

(d) by striking subsection (c)(4) and changing paragraph designation "(5)" to "(4)";

(e) in subsection (i) by striking the words "home financing" in the two places where they appear in that subsection and substituting the words "residential financing".

SEC. 804. ELIGIBLE COLLATERAL.

(a) Section 10 of the Federal Home Loan Bank Act, as amended (12 USC 1430), is amended (1) by deleting the first two sentences of subsection (b); (2) by amending subsection (a) to read as follows:

"(a) Each Federal Home Loan Bank is authorized to make secured advances to its members upon such security as the Board may prescribe";

and (3) by striking subsection (c) and substituting the following:

"Notes of borrowing members; interest rate; limitation on loans; lien on stock.

"Such advances shall be made upon the note or obligation of the member secured as provided in this section, bearing such rate of interest as the Board may approve or determine, and the Federal Home Loan Bank shall have a lien upon and shall hold the stock of such member as further collateral security for all indebtedness of the member of the Federal Home Loan Bank. At no time shall the aggregate outstanding advances made by any Federal Home Loan Bank to any member exceed twenty times the amounts paid in by such member for outstanding capital stock held by it."

SEC. 805. RESERVES.

Section 16 of the Federal Home Loan Bank Act of 1932 (12 USC 1436) is amended by striking the phrase "semi-annually twenty per centum" in the first sentence thereof and substituting the words "annually ten per centum"; by striking the word "semi-annually" in the second sentence thereof and substituting the word "annually"; and by inserting in the fifth sentence thereof immediately before the words "net earnings" the words "undivided profits and current".

SEC. 806. LIQUIDITY.

Section 5A of the Home Owners' Loan Act of 1933 (12 U.S.C. 1425(a)) as amended, is amended by adding to subparagraph (b) after the number (3) and the words "such obligations" the following:

"of, or fully guaranteed as to principal and interest by the United States."

SEC. 807. MINIMUM INITIAL MEMBERSHIP TERM.

(a) Section 4 of the Federal Home Loan Bank Act (12 U.S.C. 1424) as amended is amended by adding a new subsection which shall read as follows:

"(d) Any eligible institution which becomes a member of a Federal Home Loan Bank, in addition to fulfilling other requirements of membership, shall remain a member for at least five years. Any eligible institution which previously has been a member of a Federal Home Loan Bank on or after the date of enactment of the Financial Institution Amendments of 1977, but subsequently resigns from such membership, shall as a condition to being readmitted as a member institution, and in addition to fulfilling all other requirements of membership, pay a premium equal to one-tenth of one percent of its stock subscription requirements as prescribed in section 6(c)."

(b) Section 6(i) of the Federal Home Loan Bank Act (12 U.S.C. 1426) is amended by striking the word "Any" which follows the heading "Withdrawal or Removal of Members; Surrender and Cancellation of Stock" and substituting therefor the following phrase: "Except as provided in section 4(d), any . . ."

TITLE IX—TERM OF OFFICE OF MEMBERS OF THE FEDERAL HOME LOAN BANK BOARD

SEC. 901. Section 2 of the Reorganization Plan No. 3 of 1947 (61 Stat. 954) is amended (a) by inserting immediately after the fourth sentence in subsection (a) thereof the following: "Upon expiration of a member's term of office, the member of the Board shall continue to serve until the individual's successor has taken office as a member of the Board"; and (b) by inserting at the end of subsection (b) the following: "The Chairman or in the event of this individual's absence or disability, the Acting Chairman, shall perform the functions of the Board in the event that a majority of the members of the Board are unable to hold office due to their death or disability."

TITLE X—REGULATION OF HOLDING COMPANIES

SEC. 1001(A). Section 408(a)(F) of the National Housing Act (12 USC 1730(a)) as amended is amended:

(a) by deleting the words "and related activities as permitted under paragraph (2) of subsection (c) of this section";

(b) by striking the word "and" following the words "of its preceding fiscal year" and inserting in lieu thereof the word "or";

(c) by striking the parenthetical phrase beginning "(or during the first year's . . .)";

(d) by adding the following definitions after "(J)":

"(K) 'joint venture' means a common enterprise in which an insured institution or a subsidiary thereof is a party and as to which no other party is an affiliate of the insured institution.

"(L) 'service corporation' means a subsidiary of an insured institution organized under and subject to the laws of the jurisdiction in which such subsidiary was organized with respect to its activities and investment therein by the parent insured institution."

(B) Section 408(b) of the National Housing Act (12 USC 1730(b)) as amended is amended (a) by striking "Within one hundred and eighty days after the enactment of the Savings and Loan Holding Company Amendments of 1967, or"; and (b) by striking the words "whichever is later,".

(C) Section 408(c)(2) of the National Housing Act (12 USC 1730(c)(2)) as amended is amended by striking "than five years after the enactment of this amendment or for more"; (b) by adding the word "multiple" before the words "savings and loan holding company or subsidiary thereof"; and (c) by striking the parenthetical phrase "(whichever is later)".

(D) Section 408(d) of the National Housing Act (12 USC 1730(d)) as amended is amended by striking out the words "Prohibited transactions.—No savings and loan holding company's subsidiary insured institution shall—" and inserting in lieu thereof the following:

"(d) Regulated transactions.—No savings and loan holding company's subsidiary insured institution except with respect to joint ventures and except as authorized by order or regulation of the Corporation shall—".

(E) Section 408(d)(1) of the National Housing Act (12 U.S.C. 1730(d)(1)) as amended is amended by striking the words "as authorized by law".

(F) Section 408(d)(4) of the National Housing Act (12 U.S.C. 1730(d)(4)) as amended is amended by striking it in its entirety and substituting in lieu thereof the following:

"(4) Except as to a subsidiary service corporation, make any loan, discount or extension of credit to any affiliate or third party on the security of any property acquired from any affiliate or with knowledge that the proceeds of any such loan, discount or extension of credit, or any part thereof, are to be paid over to or utilized for the benefit of any affiliate."

(G) Section 408(d)(6), (A), (B), and (C) of the National Housing Act (12 U.S.C. 1730(d)(6)) as amended is amended as follows:

(a) by striking all of the following words after paragraph (6) "except with the prior written approval of the Corporation—(A)";

(b) by striking the words "the lesser of $100,000 or" in subparagraphs (A), (B), and (C);

(c) by striking the subparagraph designations "(B)" and "(C)" and substituting in lieu thereof "7" and "8" respectively;

(d) by striking in subparagraph (C) the words "paragraph (6)" and substituting in lieu thereof "subsection (d)".

(H) Section 408(e)(A)(iii) of the National Housing Act (12 U.S.C. 1730(e)(A)(iii)) as amended is amended by striking the words "to acquire by purchase . . . of an insured institution not a subsidiary" and inserting in lieu thereof the following "to acquire by purchase or otherwise more than 5 per centum of the outstanding voting shares of an insured institution not a subsidiary".

(I) Section 408(e)(A)(iv) of the National Housing Act (12 U.S.C. 1730(e)(A)(iv)) as amended is amended (a) by striking the words "after February 14, 1968, or"; (b) by striking the words "whichever is later,"; (c) by removing the brackets around the words "the control of any such institution".

(J) Section 408(e)(B) of the National Housing Act (12 U.S.C. 1730(e)(B)) as amended is amended by (a) striking the word "Board" and substituting in lieu thereof "Corporation" in the next to the last line of (B); (b) after the words of the last line of (B) add the word "materially"; and (c) striking the words "record on the" and adding the following:

"(C) The Corporation or its agent shall notify an application within 30 days of submission of any deficiencies or omissions in the application. In the event that no final action is taken by the Corporation with respect to the application within a 90 day period after submission to the Corporation of a materially complete application, the application shall be approved hereunder without further action of the Corporation as of the close of business on the 90th day following the filing of the materially complete application."

(K) Section 408(e)(2) of the National Housing Act (12 U.S.C. 1730(e)(2)) as amended is amended by striking subsection (2) in its entirety and substituting the following:

"(2) The Corporation shall not approve any acquisition under subparagraphs (A)(i) or (A)(ii) or of more than one insured institution under subparagraph (B), of paragraph (1) of this subsection except in accordance with this paragraph. The Corporation shall approve an acquisition of any insured institution under this subparagraph unless it finds the financial and managerial resources and future prospects of the company and institution to be such that the acquisition would be detrimental to the institution or the insurance risk of the Corporation and the convenience and needs of the community to be served and shall render its decision within 90 days after submission to the Corporation of a materially complete application. The Corporation or its agent shall notify an applicant within 30 days of submission of any material deficiencies or omissions in the application. In the event that no final action is taken by the Corporation with respect to the application within such 90 day period, the application shall be approved hereunder without further action of the Corporation as of the close of business on the 90th day following the filing of the materially complete application. Before approving any such acquisition the Corporation shall request from the Attorney General and consider any report rendered within thirty days on the competitive factors involved. The Corporation shall not approve any acquisition under this subsection."

(L) Section 408(e)(4) of the National Housing Act (12 U.S.C. 1730(e)(4)) as amended is amended (a) by striking the words "after the enactment of this amendment" and (b) by striking the words "whichever is later.".

(M) Section 408(e)(4)(g)(1) of the National Housing Act (12 U.S.C. 1730(e)(4)(g)(1)) as amended is amended by striking the following "issue, sell, renew or guarantee any debt security of such company or subsidiary or assume any debt." and inserting in lieu thereof the following "incur, issue, sell or renew any debt of such company or subsidiary thereof,".

(N) Section 408(g)(B) of the National Housing Act (12 U.S.C. 1730(g)(B)) as amended is amended by deleting "(B)" in its entirety and substituting in lieu thereof the following:

"(B) Any debt of a savings and loan holding company or any subsidiary thereof incurred in the ordinary course of business, or the renewal, refunding or extension of any debt of a savings and loan holding company or subsidiary thereof, previously approved by the Corporation; or

"(C) The incurring, issuance, sale, renewal, refunding or extension of any other debt by a savings and loan holding company or any subsidiary thereof if such debt, other than debt referred to in subparagraph (B) above, together with all other debt then outstanding for which such holding company or subsidiary is primarily or contingently liable aggregates not more than 15 per centum of the consolidated net worth of such holding company and its subsidiaries at the end of the preceding fiscal year."

(O) Section 408(g)(3)(B) of the National Housing Act (12 U.S.C. 1730(g)(3)(B)) as amended is amended by deleting subsection (B) in its entirety and substituting in lieu thereof the following:

"(B) such act or transaction is required for the purpose of refunding, extending, exchanging, or discharging an outstanding debt security, or for other necessary or urgent corporate needs, and would not impose an unreasonable or imprudent financial burden on the applicant."

(P) Section 408(g)(5) of the National Housing Act (12 U.S.C. 1730(g)(5)) as amended is amended by deleting subsection (5) in its entirety and substituting in lieu thereof the following:

"(5) As used in this subsection, the term "debt" means any note, draft, bond, debenture, certificate of indebtedness, or any other instrument commonly used as evidence of indebtedness in the ordinary course of business."

(Q) Section 408(j) of the National Housing Act (12 U.S.C. 1730(j)) as amended is amended (a) by changing the subparagraph designation "(j)" to "(k)" and "(k)" to "(l)"; and (b) by adding a new subparagraph (j) as follows:

"(j) Approval of Completed Transactions—The Corporation shall not be prohibited from approving any completed transaction notwithstanding that prior approval by the Corporation is required by this section."

SECTION-BY-SECTION ANALYSIS OF FINANCIAL INSTITUTIONS AMENDMENTS OF 1977

TITLE I

Title to be cited as the "Financial Institutions Amendments of 1977".

TITLE II

Section 201. This section extends rate control for ten years beyond its December 15, 1977, expiration date with continued statutory protection for the differential on consumer savings deposits. Congress shall consider the probable effects of such expiration on the availability of mortgage credit to the public and the financial viability of thrift institutions in anticipation of modification of continuation of such authortiy.

Section 202. The Administrator of the National Credit Union Administration is made a member of the Coordinating Committee and Federally-chartered and state-chartered credit unions whose deposits are insured in accordance with the provisions of the Federal Credit Union Act are brought under the savings rate control pattern.

TITLE III

Section 301. The dollar restriction on insurance of accounts coverage for the deposits of governmental units (public funds) is removed and provision is made for full deposit insurance to the extent of the account at Federally-insured savings and loan associations, commercial banks, mutual savings banks and credit unions.

Section 302. The dollar restriction on insurance of accounts for retirement savings placed in Individual Retirement Accounts and Keogh Plans is removed and provision is made for full deposit insurance to the extent of the account at Federally-insured savings and loan associations.

TITLE IV

This sense of Congress statement directs the Federal Home Loan Bank Board to develop appropriate rules and experiment with a variety of flexible mortgage instruments.

TITLE V

Section 501. In early 1974, the United States League of Savings Associations appointed a special Ad Hoc Committee—the Rand Committee—to carefully review the basic law governing the investment and lending activities of Federally-chartered savings and loan associations.

Although savings associations generally are viewed by the Congress, builders, Realtors, the general public, as well as the savings and loan business itself, as the financial institution which is responsible for housing Americans, Federal associations do not have authority to fulfill this responsibility. A careful review of the laws governing the activities of state-chartered savings and loan associations, mutual savings banks,

commercial banks, life insurance companies, credit unions and other institutional lenders, indicate very clearly that Federally-chartered associations are "fourth-class" lenders.

In order for Federally-chartered associations to function as a modern, viable and profitable financial institution and still fulfill their role as the nation's specialist in real estate financing, section 5(c) needs to be revised. Title V of the bill is a complete revision of section 5(c). This revision contains language and concepts taken from a variety of sources, including: section 5(c) as presently written; the Model Code for state-chartered associations as developed by the Legal Department of the U.S. League; the Federal Savings Institutions Act of 1967; the Housing Institutions Modernization Act of 1971; state laws governing state-chartered savings and loan associations and mutual savings banks; and the law governing real estate loans made by national banks.

Title V would provide Federally-chartered associations with more flexibility in connection with their real estate lending and investing activities and permit associations to function in the role of a community builder; it takes more than home loans to make a community. However, the proposals do not contemplate any major broadening of investment authority outside of the real estate and real estate related areas of activity. In fact, it is proposed that 70 percent of an association's assets be invested in "good" assets. Revised 5(c), as proposed, would contain very little in the way of limitations concerning percentage of asset categories, dollar amount of loans and lending areas. To the extent such limitations are appropriate or necessary, they should be imposed by Federal Home Loan Bank Board regulation rather than contained in the law.

Title V of the bill would replace the present language of 5(c) of the Home Owners'/ Loan Act of 1933 with a simplified version of the basic investment powers for Federal associations. Most of these investment powers would remain the same. For example, Federal associations could invest in a wide variety of U.S. Government obligations and others issued by 14 specific government organizations including "any agency or instrumentality of the United States . . . to the extent that investments therein are approved by the Federal Home Loan Bank Board". This investment authority would also include state and local obligations, bankers acceptances, stock in specified U.S. Government related organizations, bank accounts and any investment which meets the liquidity requirements of the Federal Home Loan Bank Act.

In the area of "qualifying" real estate loans, Federal associations would, of course, be authorized to invest in VA, FHA, FmHA and other government-insured or guaranteed loans, conventional home loans, condominium loans, loans on "combinations of homes and business property" or on other dwelling units, including apartments and college, university or student housing. In addition, loans would continue to be permitted on rest or nursing homes, building lots, farms, churches and educational facilities. Federal associations would still be allowed to finance the acquisition, development or improvement of land "for primarily residential usage" as well as make loans on "other improved real estate" which today includes commercial properties such as shopping centers.

The new law would specifically authorize the financing of the purchase or refinancing of individual cooperative apartment units. Mobile home loans, property improvement loans and loans for repair, alteration, equipping or furnishing real or mobile home property would be permitted. The present line-of-credit authority would be continued.

Important new authority would include consumer loans (not in excess of $15,000 per person), "prudent" loans and investments related to the development of a community and a "leeway" authority not to exceed "the lesser of five per centum of the assets of the association or the amount of its general reserves, surplus and undivided profits".

In addition, as today, a Federal association would be permitted to invest in urban renewal areas, state housing corporations, business development credit corporations, service corporations, real property for use in conducting the business of the association, foreign assistance loans and national housing partnerships. Federal associations would continue to be permitted to act as trustees for Keogh and IRA accounts, issue mortgage-backed securities, borrow from state mortgage finance agencies and make share-account loans.

As a substitute for the multiplicity of percentage baskets and dollar limitations, 70 percent of a Federal association's assets would have to be in government or government-related securities, bank accounts, FHA–VA loans, conventional real estate loans (including those related to colleges, homes for the aging, land improvement for primarily residential usage, building lots, farm properties, cooperative apartment units, condominiums and churches), mobile home loans, home improvement loans, loans and investments for community conservation and development, as well as share-account loans and investments in real property used for conduct of the savings and loan business. Outside the 70 percent category, therefore, would be found loans on other improved real estate including shopping centers and other commercial property, educational loans, consumer loans, service corporation investments, foreign assistance loans, investment in national housing partnerships, land acquisition and development loans and the 5 percent "leeway" authority.

TITLE VI

Section 601. Federally-chartered mutual savings and loan associations are permitted to issue preferred stock as an additional means of raising capital.

TITLE VII

Section 701. This section provides for a Federal charter alternative for mutual savings banks provided that the authority is limited to mutual savings banks in existence and "grandfathered" investment amounts and powers are limited to those possessed at the time of conversion. Federal savings and loans are permitted to use the nomenclature "Federal savings associations". Provision is made for necessary arrangements between the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation as a result of the conversion of a state-chartered mutual savings bank.

Section 702. This permits a transfer to charter alternative by allowing state-chartered stock associations to transfer directly to Federal stock charters.

TITLE VIII

This title modernizes the Federal Home Loan Bank Act.

Section 801. Provides definition changes in the Federal Home Loan Bank Act to "home mortgage" and "home mortgage loan" changing them to "residential mortgage" and "residential mortgage loan". "Residential mortgage" is redefined as a mortgage upon "primarily residential property", a term to be defined by the Board. The statutory definition of leasehold is deleted and a regulatory definition substituted. An amortized residential loan is redefined as a "residential loan to be repaid regularly" within at least five years.

Section 802. The FHLBB membership eligibility in Section 4 of the Act and the non-member borrower provision is revised to reflect the definitional changes and to provide that the third criteria for membership shall be simply that the applicant makes residential mortgage loans. Section 5 of the Act, the membership eligibility criteria based upon the amount than an association charges a borrower on a single-family home loan is deleted.

Section 803. The stock subscription requirement for member institutions is set at a minimum of 1 percent of residential loan balances. The provision precluding members from reducing stock held in September 1961 below 2 percent of outstanding home loans is deleted. Advances to the association are changed from 12 to 20 times the paid-in amount of the stock. The term "aggregate unpaid loan principal" is deleted as a result of the elimination of the 2 percent stock floor provision.

Section 804. This section amends Section 10 of the Act to broaden the authority of the Federal Home Loan Bank Board to define the types of assets eligible as collateral for Federal Home Loan Bank advances to thrift institutions. Section 10(c) is changed to twenty times the amounts paid in for capital stock.

Section 805. Section 16 of the Act currently requires each bank to allocate semi-annually 20 percent of its earnings to reserves until the reserve account equals 100 percent of the paid-in capital of the bank. Once the reserve has reached 100 percent of the paid-in capital, only 5 percent of net earnings need be added semi-annually thereafter. The 20 percent semi-annual allocation requirement is changed to 10 percent and allocated on an annual basis; the 100 percent and 5 percent requirements remain unchanged, except that additions could be on an annual basis. Section 16 is also amended to permit Federal Home Loan Banks to pay dividends out of undivided profits.

Section 806. Conforms the liquidity portions of the Act to the liquidity investments permitted Federal S&Ls under section 5(c) of the Home Owners' Loan Act of 1933.

Section 807. All Federally-chartered savings and loan associations are required by the FHL Bank Act to belong to the FHL Bank System. Membership is open on a voluntary basis to qualified state-chartered savings associations, mutual savings banks and life insurance companies. This section restricts the practice of "in and out" membership in the Federal Home Loan Bank System by mandating a minimum initial membership term of five years and assessing a special readmission premium to former members of 1/10 of one percent of stock subscription otherwise required.

TITLE IX

Section 901. Present law contains no provision to assure continuity and functioning of the FHLBB in the event of expiration of term, death, or disability of two of the three members. This section provides the statutory flexibility necessary to permit a sitting member of the FHLBB to serve beyond expiration of his or her term of office until a successor is confirmed by the Senate, and provision to allow the agency to continue to operate in the event of death or disability of a member.

TITLE X

Section 408(a).—Definitions:

(F) Diversified Savings and Loan Holding Company. This section changes the definition of a diversified savings and loan holding company. In the Senate Report (No. 354) dated June 23, 1967, it is stated at page 7,

". . . control (over holding company debt) would only be workable in the case of holding companies predominantly in the savings and loan business. If the holding company is engaged in activities unrelated to the savings and loan business to a significant degree, the Board would not have the knowledge or expertise to exercise detailed control over the holding company's debt structure."

Thus, diversified savings and loan holding companies are those predominantly engaged in other businesses. Because of this diversified savings and loan holding companies are exempt from the Act's debt requirements. However, the current statutory definition does not fully carry out the legislative intent. For example, poor earnings in any one year in the holding company's unrelated segment (relative to the savings and loan business) could change a holding company from diversified to non-diversified. The amendment cures this by changing the conjunctive "and" in Section 408(a) to the disjunctive "or" and eliminating the term "related activities". A diversified savings and loan holding company would not under the amended definition lose its status if the S&L contributed more than 50% of consolidated net earnings provided that such activities did not constitute over 50% of consolidated net worth.

(1)(K).—Joint Venture.—This section adds a definition of joint venture.

(1)(L).—Service Corporation.—This section clarifies the definition of "service corporation" to mean one subject to the laws of the jurisdiction in which it was organized with respect to its activities and investment by the parent insured institution. The current interpretation of the definition provides that the FHLBB has identical jurisdiction over a state chartered service corporation in a savings and loan holding company system and a service corporation subsidiary of a federally chartered association.

Section 408(c)(2).—Multiple Holding Companies.—This section would eliminate the anachronistic reference in 408(c)(2) which reads "or continued for more than five years" since five years have elapsed since the passage of the Act. For purposes of clarification, the reference to the time limit for continuing unrelated activities should be limited to the period after becoming a "multiple" savings and loan holding company. This change corrects a drafting error. When the bill was first presented to the Congress, the original 408(c)(2) was addressed to all holding companies. However, the Senate Committee recommended that the limitations of Section 408(c)(2) be restricted to multiple holding companies. The House and Senate Committees concurred. In redrafting that section, it appears that the drafters inadvertently omitted the term "multiple".

Section 408(d)(4).—Regulated Transactions.—This section changes the structure and approach of prohibited activities between a holding company and its insured subsidiary by making them regulated activities subject to FHLBB approval. The outright prohibitions in Section 408(d) of the present law were carried over in substantial part from Section 408(f) of the Spence Act. The FHLBB under this section can by regulation or order authorize the holding company to engage in such transactions with its insured subsidiary. Thus, with FHLBB approval a holding company affiliate may be persuaded to purchase scheduled items such as building lots from its subsidiary association to be developed by the affiliate with an experienced builder if the assocation provides the construction and permanent financing. The holding company would have to submit substantial evidence of the benefits to be derived by the association before such transactions can be approved.

Section 408(d)(6). This amendment removes the $100,000 limitation on prohibited transactions between an association and its holding company (Section 408(d)) but retains the 0.1 percent of assets limitation. The present dollar limitation is unduly restrictive in view of inflation and the growth of holding companies since the Act was made law in 1968.

Section 408(e). Acquisitions.—(A)(iii). This amendment enables holding companies to own not more than 5 percent of the outstanding voting stock of a non-subsidiary savings and loan association or savings and loan holding company. Many holding companies desire to own a nominal amount of shares of the other S&L holding company systems or savings and loan associations in order to receive stockholder reports, proxies, etc., and ownership of such shares have constituted technical violations of this present subsection. Ownership of 5 percent or less of such shares would not result in any form of control. The Bank Holding Company Act contains comparable authority in section 2(a)(3).

Section 408(e)(1)(B). Acquisitions by Another Company.—This amendment supplies both procedural due process and certainty to the application process involving savings and loan holding companies. Under current law, the FSLIC is required to render its decision on an acquisition within 90 days of receipt of the complete application. The delays arise, however, in determining when an application is complete. This amendment merely provides that within 30 days of submission of an application the applicant must be notified if there are any deficiencies or omissions in the application. Thereafter, if the application is materially complete the FSLIC is required to render its decision within 90 days of receipt of this application or the application will be deemed to be approved. This amendment is consistent with current Federal Reserve Board procedure under the Bank Holding Company Act.

Section 408(e)(2). Acquisitions by Existing Holding Companies and Multiple Acquisitions by Other Companies.—This amendment provides for consistent standards of approval for acquisitions by existing savings and loan holding companies and multiple acquisitions by other companies. Apparently through a drafting oversight the acquisition standards for nonholding companies require mandatory approval if all requirements are met, whereas the approval standard for existing savings and loan holding companies does not require mandatory approval but requires that the FSLIC only "take into consideration" the standards described in Section 408(e)(2). This amendment, therefore, provides parallel standards for all such acquisitions by eliminating "take into consideration" as a standard.

Section 408(g). Debt.—This amendment alters the debt approval requirements for savings and loan holding companies and provides a new definition of what constitutes debt. It eliminates the necessity of obtaining approval of debt incurred in the ordinary course of business and debt which has previously been approved by the FHLBB but which is in the process of renewal. In addition, prior approval is not required for debt which is not more than 15% of the consolidated net worth of a holding company. Approved debt of this kind would allow a holding company to incur nonapproved debt aggregating 15% of consolidated net worth.

Section 408(j). Approval of Completed Transactions.—This section permits the FSLIC to provide post-transaction approval to transactions consummated without obtaining the required prior approvals from the Corporation. The FSLIC's authority to take such action has been subject to conflicting interpretations since enactment of the 1967 amendments.

By Mr. McINTYRE (by request):

S. 1667. A bill to amend the Home Owners' Loan Act of 1933 and the Federal Home Loan Bank Act; to the Committee on Banking, Housing and Urban Affairs.

Mr. McINTYRE. Mr. President, I am introducing, by request, the following bill submitted by the National Savings and Loan League with the clear understanding that I am in no way endorsing its provisions.

In preparing the legislative agenda for the Subcommittee on Financial Institutions for this session of Congress, I asked the National League to be forthcoming on a number of issues relating to financial reform which the subcommittee has been considering for some time.

The bill represents a constructive response by the members of the National League to my entreaty and to this extent, the bill legitimately deserves to be considered among a number of other issues before the subcommittee.

Mr. President, I ask unanimous consent that the bill and the accompanying section-by-section analysis be reprinted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "Savings and Loan Financial Centers Act of 1977".

TITLE I—PAYMENT OF INTEREST ON DEPOSITS OR ACCOUNTS

SEC. 101. (a) The last sentence of section 5B (a) of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1425b (a)), is amended to read as follows: "Authority of the Board to prescribe limitations on the rates of interest or dividends, including the authority to prescribe limitations on rates of interest or dividends for member and nonmember institutions different from the limitations on rates of interest or dividends for other depository institutions, shall expire five years and six months after the effective date of this Act.".

(b) Section 19(j) of the Federal Reserve Act, as amended (12 U.S.C. 371b), is amended by adding at the end thereof the following new sentence: "Authority of the Board to prescribe limitations on the rates of interest, including the authority to prescribe limitations on rates of interest for member banks different from limitations on rates of interest or dividends for other depository institutions, shall expire five years and six months after the effective date of this Act.".

(c) Section 18(g) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1828 (g)), is amended by adding at the end thereof the following new sentence: "Authority of the Board of Directors to prescribe limitations on the rate of interest or dividends, including the authority to prescribe limitations on rates of interest or dividends for nonmember banks (including insured mutual savings banks) different from limitations on rates of interest or dividends for other depository institutions, shall expire five years and six months after the effective date of this Act.".

(d) Not more than nine months or less than six months prior to the expiration of the authority exercised pursuant to subsection (a) through (c) of this section, the Chairman of the Federal Home Loan Bank Board, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Federal Deposit Insurance Corporation shall submit to the Congress, a report containing their estimate of the probable effects of such expiration in the economic climate which it anticipates will prevail at the time of such expiration, together with its recommendations, if any, for legislative action with respect to modification or continuation of such authority.

SEC. 102. Section 7 of Public Law 89-597, as amended (12 U.S.C. 461 note), is repealed.

TITLE II—LENDING AND INVESTMENT POWERS

SEC. 201. (a) Section 5 (c) of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. 1464 (c)), with the exception of the fifteenth and seventeenth paragraph thereof, is amended to read as follows:

"(c) In implementing the provisions of this subsection, the Board shall cause such associations to be primarily long-term residential mortgage lenders. An association may, to such extent, and subject to such rules, regulations, definitions, and orders, as the Board may prescribe from time to time, invest in, sell, service, or otherwise deal with, the following loans and other investments:

"(A)(1) loans secured by or made with respect to or for the acquisition, development, construction, improvement, repair, equipping, or alteration of real property which primarily comprises or includes or is to comprise or include one or more homes or other dwelling units (including condominiums, cooperatives, and mobile homes); except that permanent financing must be available (whether or not from the association) in connection with any construction or development loan made pursuant to this subparagraph;

"(2) the loans referred to in subparagraph (A)(1), above, relating to the acquisition of real property may include loans at a fixed rate of interest as well as loans with any one or more of the following features: deferred interest, graduated payment, reverse annuity, flexible interest rate, payment moratorium and line of credit;

"(B) loans to, or other securities or instruments issued by, or having the benefit of any insurance or guaranty of any one or more of the following:

"(i) the United States, a State or political subdivision of a State, including any department or agency of any one or more of the foregoing;

"(ii) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a Federal Home Loan Bank, or any other instrumentality of the United States, a State or political subdivision of a State, created to further any housing program;

"(iii) the National Housing Partnership Corporation and any partnership, limited partnership, or joint venture formed pursuant to section 907 (a) or 907 (c) of the Housing and Urban Development Act of 1968, as heretofore or hereafter in effect;

"(iv) the President of the United States, as authorized under section 221, 222, or 224 of the Foreign Assistance Act of 1961, as now or hereafter in effect; and

"(v) a Federal reserve bank;

"(C) loans or other investments secured by any type of loan or other investment authorized under the preceding subparagraphs (A) and (B);

"(D) loans secured by accounts in the association;

"(E) real property a substantial portion of which is used or will be used as a home office or other office facility of the association (or securities of a corporation substantially of whose activities consist of the ownership or operation of such real property);

"(F) investments authorized for associations by section 22 of the Housing Authorization Act of 1976, but no association may invest more than one per centum of its assets in investments authorized by this subparagraph (F); and

"(G) the following additional loans and other investments, but no association may make an investment under this subparagraph (G) if its aggregate outstanding investments under this subparagraph would thereupon exceed 30 per centum of its total investments under this paragraph (c):

"(i) loans for the payment of expenses of college, university, vocational school, or other education;

"(ii) consumer loans, but no association may invest more than 5 per centum of its assets under this subparagraph (ii) in such loans;

"(iii) loans secured by or made with respect to or for the development or construction of real property which comprises or includes or is to comprise or include one or more homes or other dwelling units (including condominiums, cooperatives, and mobile homes) and loans secured by or made with respect to other real property;

"(iv) to the extent not referred to in the preceding subparagraph (B), loans to, or other securities or instruments issued by, or having the benefit of any insurance or guaranty of, the Student Loan Marketing Association, any other instrumentality of the United States, or any instrumentality of a State or political subdivision of a State;

"(v) loans or other investments for purposes related to community conservation, development, or improvement (including business development credit corporations incorporated in the State in which the principal office of the association is located);

"(vi) loans or other investments secured by loans or other investments authorized under the preceding provisions of this subparagraph (G);

"(vii) loans to, or other securities or instruments issued by, any corporation incorporated under the laws of any State or of the United States, substantially all the activities of which are reasonably related to the activities of associations, but no association may make an investment under this subparagraph (vii) if its aggregate outstanding investments under this subparagraph (vii) would thereupon exceed the greater of one per centum of its assets or 25 per centum of its net worth;

"(viii) deposits in, or other loans to, and bankers' acceptances of, any financial institution the deposits or accounts of which are insured by an agency or instrumentality of the United States.".

TITLE III—THIRD PARTY PAYMENT ACCOUNTS

SEC. 301. Section 2 of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1422) is amended by adding at the end thereof the following:

"(10) The term 'negotiable order of withdrawal' means an account on which payment of interest or dividends may be made on a deposit or account with respect to which the depository institution may require the depositor or account holder to give notice of an intended withdrawal not less than thirty days before the withdrawal is made, even though in practice such notice is not required and the depositor or account holder is allowed to make withdrawal by negotiable or transferable instrument for the purpose of making payments to third persons or otherwise.".

SEC. 302. The first sentence of section 5B (a) of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1425t (a)), is amended by inserting "negotiable orders of withdrawal" after the "shares" each time it appears therein.

SEC. 303. Section 5 of the Home Owners' Loan Act of 1933, as amended (12 U.S.C. 1464) is amended—

(1) by deleting "savings" each time it appears immediately before "account" or "accounts";

(2) in the first sentence of subsection (b)(1) thereof by striking out "savings" immediately before "deposits";

(3) in the third sentence of subsection (b)(1) thereof by striking out "in the case of savings accounts for fixed or minimum terms of not less than thirty days"; and

(4) by striking out the last sentence of subsection (b)(1) thereof and inserting in lieu thereof the following: "Any association may permit withdrawals, overdrafts, or transfers of accounts on negotiable, transferable, or nonnegotiable check, order or authorization";

(5) by renumbering paragraph (2) in subsection (b) as paragraph (3) and adding the following new paragraph (2):

"(2) Any association that establishes negotiable order of withdrawal accounts pursuant to paragraph (1) of this section shall at all times maintain reserve balances, in addition to all other reserves held or maintained by it, as prescribed from time to time by the Board. Such reserves shall be held in one or more of the following forms:

"(A) deposits in one or more Federal Home Loan Banks;

"(B) deposits which are fully insured by the Federal Deposit Insurance Corporation in one or more commercial banks;

"(C) marketable securities having not more than seven years to run to maturity, issued or guaranteed by the United States, or by an agency thereof;

"(D) items in transit, as defined by the Board, to the extent that demand deposits in the association are increased by such items;

"(E) assets which meet liquidity requirements for associations as prescribed by the Board; and

"(F) coins and currency of the United States.".

SECTION-BY-SECTION ANALYSIS, THE SAVINGS AND LOAN FINANCIAL CENTERS ACT OF 1977

TITLE I—PAYMENT OF INTEREST ON DEPOSITS OR ACCOUNTS (REG Q)

This title extends for five and a half years after enactment of the Act the authority of the Federal Home Loan Bank Board, Federal Deposit Insurance Corporation and the Federal Reserve Board to set interest rate limits, including the setting of a differential for certain classes of institutions.

These agencies would be required to submit a report to Congress no later than six months prior to the expiration of the above authority their estimate of the probable effects of the expiration of this authority in the economic climate which is expected to prevail at the time of such expiration, along with recommendations for legislative action, if any, for continuation of such authority.

TITLE II—LENDING AND INVESTMENT POWERS

Section 5(c) of the Home Owners' Loan Act of 1933 would be rewritten along the lines of the Financial Institutions Act (S. 1267 of the 94th Congress, as passed the Senate). Federally-chartered savings and loan associations could invest up to 100% of assets in (1) loans relating to acquisition, construction, improvement, equipping, and alteration of real property which includes one or more dwelling units (including condominiums, cooperatives, and mobile homes); (2) loans to, or securities or instruments issued by, or insured or guaranteed by the United States, a State or political subdivision of a State, or any department or agency of the foregoing, or instrumentalities of the United States, a State or political subdivision thereof created to further housing; (3) instruments issued or insured or guaranteed by FNMA, GNMA, a Federal Home Loan Bank, the National Housing Partnership Corporation, partnerships formed under sections 907(a) and (c) of the Housing and Urban Development Act of 1968; by the President under sections 221, 222, or 224 of the Foreign Assistance Act of 1961; a Federal Reserve Bank; and loans secured by investments authorized above; (4) loans secured by accounts in the

association; (5) real property for an association's own offices and branches; and (6) investments authorized by section 22 of the Housing Authorization Act of 1976, i.e., share capital and capital reserve of the Inter-American Savings and Loan Bank (limited to one percent of assets).

This section would also make it clear that Congress expects the Board to adopt regulations permitting consumer mortgage instruments including variable rate mortgages.

Associations would be able to invest up to 30% of assets in: (1) education loans; (2) consumer loans (limited to 5% of assets); (3) residential construction loans; (4) instruments issued or insured by the Student Loan Marketing Association, securities of State and local governments, and instrumentalities thereof not included in the 100% category, above; (5) loans related to community conservation, development, or improvement; (6) loans secured by investments authorized by the foregoing items in the 30% category; (7) investments in service corporations limited, as in the Financial Institutions Act, to the greater of 1% of assets or 25% of net worth; (3) deposits in, or other loans to, and bankers' acceptances of, Federally-insured institutions.

TITLE III—THIRD PARTY PAYMENT ACCOUNTS

This title would permit Federally-chartered savings and loan associations to offer NOW accounts including overdraft privileges.

The Federal Home Loan Bank Board would be empowered to set reserve requirements for NOW accounts. These reserves could be held in deposits in Federal Home Loan Banks, commercial banks, marketable Federal government and agency securities with maturities of seven years or less, and in any other investments which meet the Board's liquidity requirements.

By Mr. McINTYRE (by request):

S. 1668. A bill to provide for equitable regulation of savings accounts used to make payments to third parties, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. McINTYRE. Mr. President, I am today introducing, by request, the following bill submitted by the American Bankers Association with the clear understanding that I am in no way endorsing its provisions.

In preparing the legislative agenda for the Subcommittee on Financial Institutions for this session of Congress, I asked the American Bankers Association to be forthcoming on a number of issues relating to financial reform which the subcommittee has been considering for some time.

The bill represents a constructive response by the members of the American Bankers Association to my entreaty and, to this extent, the bill legitimately deserves to be considered among a number of other issues before the subcommittee.

Mr. President, I ask unanimous consent that the bill and the accompanying section-by-section analysis be reprinted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a) and (b) of section 2 of Public Law 93-100 (12 U.S.C. 1832 (a) and (b)) are amended to read as follows:

"SEC. 2. (a) No depository institution shall allow the owner of any deposit or other account on which interest or dividends are paid to transfer funds from the account (by check, negotiable order of withdrawal, preauthorization, electronic instruction, or any other means) to third parties unless—

"(1) the account is owned by one or more natural persons and transfers from the account to third parties are made for personal purposes of the owner and not to make payments on behalf of any business or other organization;

"(2) payment and advertisement of interest or dividends on the account comply with applicable provisions of section 19(j) of the Federal Reserve Act; and

"(3) if the institution is a member of the Federal Reserve System, a member of the Federal Home Loan Bank System, or a Federal credit union, reserves against the account are mtaintained, and reports are made, in accordance with applicable provisions of section 19 of the Federal Reserve Act.

"(b) For the purposes of this section, 'depository institutions' means a bank (including a savings bank or industrial bank), a savings and loan association (including any other type of institution eligible for membership in a Federal Home Loan Bank), a credit union, or any other institution that accepts deposits or other accounts from which the owner is allowed to make withdrawals on demand or after notice of thirty days or less. The Board of Governors of the Federal Reserve System is authorized for the purposes of this section to define further the terms used in this section."

SEC. 2. (a) The last sentence of subsection (b) of section 19 of the Federal Reserve Act (12 U.S.C. 461) is designated as paragraph (5) and that part of subsection (b) that precedes that sentence is amended to read as follows:

"(b)(1) Every member bank shall maintain reserves against its demand deposits in such average ratio, not less than 5 percentum nor more than 20 per centum, as shall be determined by the Board.

"(2) Every member bank, every member of a Federal Home Loan Bank, and every Federal credit union shall maintain reserves against its savings deposits from which transfers to third parties may be made in such average ratio, not less than 2 per centum nor more than 12 per centum, as shall be determined by the Board.

"(3) Every member bank shall maintain reserves against its time and savings deposits other than those referred to in paragraph (2), in such average ratio, not les than 1 per centum nor more than 7 per centum, as shall be determined by the Board.

"(4) Every depository institution that maintains reserves pursuant to this section shall make reports concerning its deposit liabilities and required reserves at such times and in such manner and form as the Board may require."

(b) Section 19(c) of the Federal Reserve Act (12 U.S.C. 461) is amended to read as follows:

"(c) Reserves held by any depository institution to meet the requirements imposed pursuant to subsection (b) of this section shall be in the form of—

"(1) balances maintained for such purpose by such institution at a Federal Reserve Bank, and

"(2) the currency and coin held by such institution, and

"(3) balances maintained by a depository institution in a Federal Home Loan Bank of which it is a member, if the Federal Home Loan Bank holds such balances in the form of currency and coin or at a Federal Reserve Bank.

Interest may be paid on required reserve balances maintained at Federal Reserve Banks, at a single, uniform rate to be prescribed by the Board, regardless of the size of the balance or the type of institution for which it is held. In determining the rate, the Board shall consider such factors as the effect on the Treasury of the United States, safety and soundness of depository institutions, and competitive balance among depository institutions. The interest paid by all Federal Reserve Bank on such balances in any fiscal year shall not exceed 5 per centum of total required reserve balances maintained at Federal Reserve Banks at the beginning of that fiscal year."

(c) The first sentence of section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) is amended to read as follows: "The Board may from time to time, after consulting with the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank, and the Administrator of the National Credit Union Administration, prescribe rules governing the payment and advertisement of—

"(1) interest on time and savings deposits at member banks, and

"(2) interest or dividends on deposits from which transfers to third parties may be made at nonmember institutions that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration, or are otherwise subject to section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) or section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b), and

"(3) interest or dividends on all deposits at any other nonmember depository institution that allows the owner of any deposit to transfer funds from the deposit to third parties,

including limitations on the rates of interest or dividends that may be paid on such deposits."

(d) Section 19(j) of the Federal Reserve Act is further amended by adding at the end thereof the following new sentences: "Compliance by nonmember institutions with rules prescribed under this subsection shall be enforced under—

"(1) section 8 of the Federal Deposit Insurance Act, by the Board of Directors of the Federal Deposit Insurance Corporation, in the case of any institution insured under that Act;

"(2) sections 6(i) and 17 of the Federal Home Loan Bank Act, section 5(d) of the Home Owners Loan Act of 1933, and section 407 of the National Housing Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institutions subject to any of those provisions;

"(3) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration, in the case of any institution insured under that Act; and

"(4) section 8 of the Federal Deposit Insurance Act, by the Board of Governors of the Federal Reserve System, in the case of any other nonmember institution.

The authority of the Board to prescribe rules under this subsection does not impair the authority of the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, or the Administrator of the National Credit Union Administration to make rules respecting their own procedures in enforcing compliance with such rules. For the purpose of their exercise of power under any Act referred to in this subsection, a violation of any rule prescribed under this subsection shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any such Act, each such agency may exercise, for the purpose of enforcing compliance with any rule prescribed under this subsection, any other authority conferred on it by law."

SEC. 3. The second sentence of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended (1) by striking

"The" and inserting "Except as otherwise provided in section 19(j) of the Federal Reserve Act, the" and (2) by striking "and the Federal Home Loan Bank Board" and inserting a comma and the following: "the Federal Home Loan Bank Board, and the Administrator of the National Credit Union Administration".

SEC. 4. (a) The first sentence of subsection (a) of section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b(a)) is amended (1) by striking "The" and inserting "Except as otherwise provided in section 19(j) of the Federal Reserve Act, the" and (2) by striking "and the Board of Directors of the Federal Deposit Insurance Corporation" and inserting a comma and the following: "the Board of Directors of the Federal Deposit Insurance Corporation, and the Administrator of the National Credit Union Administration".

(b) The last sentence of paragraph (1) of section 5(b) of the Home Owners Loan Act of 1933 (12 U.S.C. 1464(b)(1)) is amended to read as follows: "Transfers to third parties may be made from any savings account on which interest or dividends are paid provided the requirements of section 2(a) of Public Law 93-100 (12 U.S.C. 1832(a)) are met."

SEC. 5. (a) Paragraph (6) of section 107 of the Federal Credit Union Act, as amended (12 U.S.C. 1757) is amended by striking the period at the end thereof and inserting in lieu thereof a semicolon and the following: "transfers to third parties may be made from share accounts provided the requirements of section 2(a) of Public Law 93-100, as amended (12 U.S.C. 1832(a)), are met."

(b) Section 201(b) of the Federal Credit Union Act (12 U.S.C. 1781(b)) is amended by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively, and by inserting after paragraph (6) the following new paragraph:

"(7) to comply with rules prescribed by the Board of Governors pursuant to section 19(j) of the Federal Reserve Act and by the Administrator pursuant to section 209 of this Act regarding payment and advertisement of interest and dividends;".

(c) Section 209(a) of the Federal Credit Union Act (12 U.S.C. 1789(a)) is amended by adding at the end thereof the following new sentences: "Such rules may contain provisions governing the payment and advertisement of interest and dividends (including limitations on the rates of interest and dividends that may be paid) on any accounts of any insured credit union other than accounts subject to regulation by the Board of Governors of the Federal Reserve System pursuant to section 19(j) of the Federal Reserve Act. The Administrator may prescribe different rate limitations for different classes of accounts, for accounts of different amounts or with different maturities or subject to different conditions regarding withdrawal or repayment, or according to such other reasonable bases as he deems desirable in the public interest. Before prescribing rules governing payment and advertisement of interest or dividends, the Administrator shall consult with the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board."

SEC. 6. For all institutions that maintain any account (whether interest bearing or not) from which the owner is allowed to make transfers to third parties, limitations on rates of interest and dividends prescribed under section 19(j) of the Federal Reserve Act, section 18(g) of the Federal Deposit Insurance Act, section 5B of the Federal Home Loan Bank Act, and section 209(a) of the Federal Credit Union Act shall be the same. Different rate limitations may be prescribed for different classes of deposits at such institutions, but the limitation for any one class of deposit shall be the same for each such institution, whether it is a commercial bank, a savings and loan association, or another type of institution.

SEC. 7. (a) Effective December 15, 1980—

(1) So much of section 19(j) of the Federal Reserve Act as precedes the third sentence thereof is amended to read as it would without the amendments made by this Act and by section 2(c) of the Act of September 21, 1966 (Public Law 89-597);

(2) the second and third sentences of section 18(g) of the Federal Deposit Insurance Act are amended to read as they would without the amendments made by this Act and by section 3 of the Act of September 21, 1966 (Public Law 89-597);

(3) sections 201(b) and 209(a) of the Federal Credit Union Act are amended to read as they would without the amendments made by this Act;

(4) the last four sentences of section 19(j) of the Federal Reserve Act, as added by this Act, are repealed; and

(5) section 5B of the Federal Home Loan Bank Act is repealed.

(b) Section 7 of the Act of September 21, 1966 (Public Law 89-597) is repealed.

(c) Effective on the date of enactment of this Act, section 102 of Public Law 94-200 (12 U.S.C. 461 note) is repealed.

SEC. 8. The first six sections of this Act shall take effect on the last day of the twelfth month that begins after this Act is enacted, except that with respect to institutions in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont they shall take effect on the sixtieth day that begins after this Act is enacted.

SECTION-BY-SECTION ANALYSIS

1. Ceilings and reserve requirements for savings accounts used to pay bills. Federal law now prohibits depository institutions from paying interest on accounts that may be used as checking accounts, except in New England. The first section of the bill lifts this prohibition, allowing institutions throughout the United States to pay interest on accounts from which transfers to third parties may be made, subject to three conditions.

First, the depositor must be an individual. Payments to others must be for his personal purposes, and not for any business or other organization.

Second, interest payments on the account and advertising must comply with rules prescribed by the FRB.

Third, if the institution is a Federal Reserve member bank, a Federally-chartered thrift institution, or a member of a Federal Home Loan Bank, it must maintain reserves against such account in the percentage applied to such accounts by the FRB.

2. Amendments to Federal Reserve Act. Subsection (a) of section 2 authorizes the Federal Reserve Board to fix reserve requirements of not less than 2 percent nor more than 12 percent against interest-bearing deposits or accounts from which transfers to third parties may be made. These requirements apply to members of the Federal Reserve System or the Federal Home Loan Bank System, and to Federal credit unions. The statutory range of reserve requirements on other time and savings deposits at Fed member banks (now 3 percent to 10 percent) is lowered to not less than 1 percent nor more than 7 percent. For demand deposits at Fed member banks, the range (now 10 percent to 22 percent in reserve cities and 7 percent to 14 percent elsewhere) becomes 5 percent to 20 percent. All institutions that offer accounts subject to reserve requirements must make reports to the Federal Reserve regarding their liabilities on such accounts and the reserves required against them.

Subsection (b) requires members of the Federal Home Loan Bank System and Federal credit unions to hold reserves against their third-party-payment accounts in vault cash or at Federal Reserve Banks (the same as Fed member banks must do), except that Federal Home Loan Bank members may hold their reserves at a Federal Home Loan Bank if it, in turn, holds them as vault cash or at a FRBank.

Subsection (b) also authorizes the Federal Reserve System to pay interest on required reserves it holds for member banks and nonmember thrift institutions. The rate paid will be the same for all institutions, and for all reserve balances, regardless of size. Interest paid in any fiscal year must not exceed 10 percent of required reserves held at the beginning of the year.

Subsection (c) authorizes the Federal Reserve Board to regulate payment and advertising of interest on third-party-payment accounts at nonmember depository institutions that are subject to rate ceilings. The FRB now has this authority for Fed member banks; the bill transfers rule-making authority over interest-bearing third-party-payment accounts to the FRB from the FDIC (for insured nonmember banks) and the FHLBB (for savings and loan associations) and creates new authority in the FRB and NCUA for insured credit unions. The FRB rules will be enforced by FDIC, FHLBB, and NCUA for institutions under their jurisdictions. If any nonmember institution that is not otherwise subject to Federal rate ceilings accepts third-party-payment accounts, all of its deposits become subject to FRB regulation as to interest and advertising.

Section 19 of the Federal Reserve Act already authorizes the FRB to define terms used in the section and prescribe regulations to prevent evasions; this authority would also apply to the new provisions regarding third-party-payment accounts that are added by the bill.

3. Amendments to the Federal Deposit Insurance Act. Section 3 transfers from the FDIC to the FRB rule-making authority over payment and advertising of interest on third-party-payment accounts at nonmember insured banks. It also includes the Administrator of the National Credit Union Administration among the officials FDIC must consult before fixing rate ceilings on other deposits.

4. Savings and loan associations. Subsection (a) of section 4 transfers from the Federal Home Loan Bank Board to the FRB rule-making authority over payment and advertising of interest on third-party-payment accounts at savings and loan associations. It also includes the NCU Administrator among the officials the FHLBB must consult before fixing rate ceilings on other accounts.

Subsection (b) authorizes Federal savings and loan associations to allow transfers from savings accounts to third parties, provided rate ceilings, advertising rules, and reserve requirements are complied with.

5. Credit Unions. Section 5 authorizes Federal credit unions to offer interest-bearing third-party-payment accounts and the Administrator of the National Credit Union Administration to prescribe rate ceilings for all accounts at insured credit unions other than third-party-payment accounts (which will be subject to FRB rules). The authority is the same as the FRB, FDIC, and FHLBB have as to interest paid by institutions under their jurisdictions (and so covers advertising about interest, as well). Before setting rate ceilings, the Administrator must consult with the other agencies.

6. Uniform rate ceilings for institutions offering third-party-payment accounts: Section 6 provides that every institution that maintains checking accounts or other accounts from which transfers to third parties may be made (whether it is a commercial bank or any other kind of institution) shall be subject to the same rate ceilings on all of its time and savings deposits as any other institution that offers such third-party-payment accounts. Ceilings may still differ for different types of deposits (ceilings may be higher for 4-year certificates than for pass-

book accounts, for example), but for any one type of deposit the same ceiling will apply at all such institutions.

7. Extension of rate ceiling authority. Under present law authority to fix rate ceilings will revert to its pre-1966 form on December 15, 1977. Section 7 of the bill extends this date to December 15, 1980, at which time the new rate ceiling authority for credit unions will also expire.

Subsection (c) repeals the present statutory requirement that rate differentials in effect on December 10, 1975, between commercial banks and thrift institutions must be continued unless they are eliminated or reduced with the approval of both Houses of Congress.

8. Effective dates. To allow time for preparation, the effective date of the bill is delayed for one year in States where NOW accounts are prohibited. But in New England the bill takes effect 60 days after enactment.

By Mr. McINTYRE (by request):

S. 1669. A bill to amend the Federal Home Loan Mortgage Corporation Act; to the Committee on Banking, Housing and Urban Affairs.

Mr. McINTYRE. Mr. President, I am today introducing, by request, the following bill submitted by the Mortgage Bankers Association of America with the clear understanding that I am in no way endorsing its provisions.

The Subcommittee on Financial Institutions will shortly begin hearings on a number of issues relating to financial restructuring and reform. This bill legitimately deserves to be considered among a number of other issues to be taken up at that time.

Mr. President, I ask unanimous consent that the bill and the accompanying explanation of the bill be reprinted in their entirety in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1669

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 305(a)(1) of the Federal Home Mortgage Corporation Act (12 U.S.C. 1454(a)(1)) is amended by inserting the following new sentence after the second sentence of the subsection:

"With respect to the servicing of such mortgages, the Corporation shall not, with respect to different classes of financial institutions or mortgagees, issue or apply different rules or regulations which have the effect of excluding from the servicing of any such mortgages, mortgagees approved by the Secretary of the Department of Housing and Urban Development for participation in any mortgage insurance program under the National Housing Act."

EXPLANATION OF THE BILL

This bill is designed to void those regulations of the Federal Home Loan Mortgage Corporation which have the effect of preventing mortgages approved by the Secretary of the Department of Housing and Urban Development from servicing mortgages sold to the Corporation. For example, this bill precludes any seasoning requirement for loans to be serviced by HUD-approved mortgages or any restriction limiting the amount of loans a seller may contract out for HUD-approved mortgage servicing.

By Mr. McINTYRE:

S. 1670. A bill to extend the moratorium on conversions of certain depository institutions; to the Committee on Banking, Housing and Urban Affairs.

Mr. McINTYRE. Mr. President, I am today introducing the following bill to extend until October 1, 1979 a moratorium on the conversion of savings and loan associations and mutual savings banks from the mutual to stock form of organization.

Section 105 of Public Law 93-495, enacted October 28, 1974, imposed a moratorium until June 30, 1976, other than in supervisory cases, on the conversion of savings and loan associations from the mutual to stock form of organization except for a limited number of "test" conversions authorized to be carried out under regulations of the Federal Home Loan Bank Board. The number of test conversions authorized was "1 per centum of the total number of all (FSLIC) insured institutions in existence on the date of enactment" or approximately 41 institutions.

Similarly, section 106 of Public Law 93-495 imposed a moratorium until June 30, 1976, other than in supervisory cases, on the conversion of savings banks from the mutual to stock form of organization.

On May 13, 1976, the Subcommittee on Financial Institutions held hearings to consider the impending expiration of these two moratorium provisions. On June 29, 1976, the full committee, after deliberation, agreed to report an original bill to the Senate, which, in part, extended the two moratoriums until June 30, 1977.

The original bill, S. 3802, was reported September 10, 1976, but no action on the bill was taken by the full Senate prior to adjournment.

Mr. President, as chairman of the Subcommittee on Financial Institutions, I have continuously expressed reservations about the conversion of mutual institutions to stock institutions. In my opinion, Congress needs to continue to monitor carefully the test program currently underway in order to determine whether the public interest is, in fact, being well served.

In this regard, my concern is heightened by the recent report submitted to the Congress by the General Accounting Office based on a review of a number of selected conversions.

While this bill might appropriately be taken up in the context of a number of other measures slated for hearings shortly by the Subcommittee on Financial Institutions, it is my belief that the issue of conversions is of such a controversial nature that it appropriately ought to be considered separately.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 402 (j) of the National Housing Act is amended by striking out "June 30, 1976" and inserting in lieu thereof "October 1, 1979".

(b) Paragraph (3) of such section is amended by striking out all after "Puerto Rico," in the last sentence thereof and inserting in lieu thereof the following: "or any State in which 95 per centum or more of the insured institutions are Federally chartered institutions, determined as of the date on which the conversion application is accepted for filing by the Corporation.".

SEC. 2. The first sentence of section 18(c)(10) of the Federal Deposit Insurance Act is amended by striking out "June 30, 1976" and inserting in lieu thereof "October 1, 1979".

SEC. 3. The amendments made by subsection (a) of the first section of this Act and by section 2 take effect as of the close of June 30, 1978, but the amendment made by section 2 shall not apply to any conversion approved prior to the date of enactment of this Act.

ADDITIONAL COSPONSORS

S. 14

At the request of Mr. MATHIAS, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 14.

S. 49

At the request of Mr. MATHIAS, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 49.

S. 76

At the request of Mr. STONE, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 76.

S. 247

At the request of Mr. GOLDWATER, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 247.

S. 421

At the request of Mr. PEARSON, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 421.

S. 705

At the request of Mr. JAVITS, the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 705.

S. 987

At the request of Mr. ANDERSON, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 987.

S. 1092

At the request of Mr. PELL, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 1092.

S. 1180

At the request of Mr. CHURCH, the Senator from Wisconsin (Mr. NELSON) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 1180.

S. 1244

At the request of Mr. BIDEN, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1244.

S. 1264

At the request of Mr. CHILES, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 1264.

S. 1479

At the request of Mr. CHURCH, the Senator from New Hampshire (Mr. McINTYRE) was added as a cosponsor of S. 1479.

S. 1650

At the request of Mr. MATSUNAGA, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 1650.

SENATE RESOLUTION 182

At the request of Mr. DOLE, the Senator from Alaska (Mr. STEVENS), the Senator from North Dakota (Mr. YOUNG).

the Senator from Virginia (Mr. SCOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from South Carolina (Mr. THURMOND), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of Senate Resolution 182.

SENATE RESOLUTION 185

At the request of Mr. ROBERT C. BYRD, the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of Senate Resolution 185.

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. DOLE, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Indiana (Mr. BAYH), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of Senate Concurrent Resolution 24.

SENATE JOINT RESOLUTION 48

At the request of Mr. CHURCH, the Senator from Montana (Mr. MELCHER) was added as a cosponsor of Senate Joint Resolution 48.

AMENDMENT NO. 300

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of amendment No. 300.

AMENDMENT NO. 364

At the request of Mr. ANDERSON, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of amendment No. 364.

AMENDMENT NO. 365

At the request of Mr. DOLE, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of amendment No. 365.

AMENDMENTS SUBMITTED FOR PRINTING

SEXUAL EXPLOITATION OF CHILDREN—S. 1585

AMENDMENT NO. 380

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. MATHIAS. Mr. President, I am today submitting for myself and Senator CULVER, an amendment in the nature of a substitute for S. 1585, the Protection of Children From Sexual Exploitation Act of 1977.

S. 1585, which Senator CULVER and I introduced on May 23, is aimed at stamping out an outrageous form of child abuse that has recently shocked the American people: the widespread, growing use of children in pornographic magazines and movies.

While statutes exist prohibiting the sale and distribution of child pornography, there are no Federal laws that specifically address the use of children under 16 in the production of pornography. To help remedy this situation, S. 1585:

Finds that use of children in the production of pornographic materials is harmful both to the children and the Nation as a whole; and

Makes it a crime for any person to use, or permit to be used, any child in the production of such materials and upon conviction such a person would be subject to a fine up to $10,000 or up to 10 years in prison, or both.

The amendment to S. 1585 which we now offer complements the child pornography provisions of the bill. Specifically, this amendment would expand the scope of the legislation to include an equally serious, closely related and prevalent form of child abuse: the use of children under 16 years of age in prostitution. This amendment would make it a Federal crime to transport any person under 16 years of age across State lines for purposes of prostitution. Although existing Federal law prohibits the transportation of juvenile females across State lines to engage in prostitution, there is no similar provision regarding young males. Our substitute provision will amend 18 U.S.C. 2423 to correct this imbalance in our Federal law and sharpen Federal law enforcement authorities' tools for dealing with growing juvenile prostitution.

The necessity of amending the Federal law to apply to both male and female juvenile prostitution was made clear during the Senate Judiciary Subcommittee to Investigate Juvenile Delinquency's recent hearings in Chicago on the deeply disturbing and interrelated problems of—child pornography, juvenile prostitution, and runaway youths. During the course of the hearing, the subcommittee received substantial testimony on the breadth and nature of the juvenile prostitution business in America, including that detailing a nationwide boy prostitution ring headquartered in Chicago. Among these witnesses was a 17-year-old boy who told the subcommittee he has supported himself for the past 2 years by regularly engaging in prostitution.

Several organizations and individuals have urged the Congress to enact legislation such as we introduced today to deal with the growing problem of child prostitution. Representatives of both the American Civil Liberties Union and the National District Attorneys Association have suggested that legislation be passed to cover the interstate transportation of juvenile males for purposes of prostitution. Similarly, in testimony before the subcommittee, Bernard Carey, State's attorney of Cook County, Ill., urged the subcommittee to adopt such legislation.

I am convinced that enactment of this amended version of S. 1585 will strengthen our attack on these two insidious forms of child abuse: child pornography and juvenile prostitution. I urge my colleagues to support the enactment of this legislation as quickly as possible.

Mr. President, I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 380

Strike out all after the enacting clause and insert in lieu thereof the following: That this Act may be cited as the "Protection of Children Against Sexual Exploitation Act of 1977".

SEC. 2. (a) The Congress finds that—

(1) the use of children as subjects in the production of pornographic materials is very harmful to both the children and to society as a whole;

(2) the production and sale of such pornographic materials represent many millions of dollars in annual revenue and that the sale and distribution of such materials are carried on to a substantial extent through interstate and foreign commerce and through the means and instrumentalities of such commerce; and

(3) existing Federal laws dealing with the interstate distribution of pornographic materials do not protect against the use of children in the production of such materials and that specific legislation in this area is both advisable and needed.

(b) The Congress determines that the provisions of chapter 110 of title 18, United States Code, are necessary and proper for the purpose of carrying out the powers of Congress to regulate commerce and to establish uniform and effective laws on the subject of sexual exploitation of children.

SEC. 3. (a) Title 18, United States Code, is amended by adding immediately after chapter 109 the following:

"Chapter 110—Sexual Exploitation of Children

"Sec.

"2251. Sexual exploitation of children.

"§ 2251. Sexual exploitation of children

"(a) It shall be unlawful for any person knowingly to employ, use, persuade, induce, entice, or coerce any minor to engage in, or to have a minor assist any other person to engage in, any sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, if such person knows or has reason to know that such film, photograph, negative, slide, book, magazine, or other print or visual medium will be mailed or otherwise transported in interstate commerce.

"(b) It shall be unlawful for any parent, legal guardian, or person having custody or control of a minor to knowingly permit such minor to engage in, or to assist any other person to engage in, sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, or other print or visual medium, if such parent, legal guardian, or person knows or has reason to know that such film, photograph, negative, slide, book, magazine, or other print or visual medium will be mailed or otherwise transported in interstate commerce.

"(c) For the purposes of this section, the term—

"(1) 'minor' means any person under the age of 16 years;

"(2) 'sexually explicit conduct' means actual or simulated—

'(A) sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex;

"(B) beastiality;

"(C) masturbation;

"(D) sado-masochistic abuse (for the purpose of sexual stimulation); and

"(E) lewd exhibition of the genitals or public area of any person; and

"(3) 'promoting' means producing, directing, manufacturing, issuing, publishing, or advertising.

"(d) Any person who violates this section shall be fined not more than $10,000, or imprisoned not more than ten years, or both.".

(b) The table of chapters of part I of title 18, United States Code, is amended by inserting immediately after the item relating to chapter 109 the following:

"110. Sexual exploitation of children § 2251".

SEC. 4. (a) Section 2423 of title 18, United States Code, is amended to read as follows:

"§ 2423. Coercion or enticement of minor

"(a)(1) It shall be unlawful for any person to transport, or to cause to be transported, in interstate or foreign commerce or within the District of Columbia or any Territory or Possession of the United States, any minor for the purpose of such minor en-

gaging in prostitution or with intent to induce, entice, or compel such minor to engage in prostitution.

"(2) For purposes of this section, the term 'minor' means any person under the age of 18 years.

"(b) Any person who violates this section shall be fined not more than $10,000, or imprisoned not more than ten years, or both.".

(b) The table of sections of chapter 117 of title 18, United States Code, is amended by striking out in the item relating to section 2423 "female".

Amend the title so as to read: "A bill to amend title 18, United States Code, to make unlawful the use of minors engaged in sexually explicit conduct for the purpose of promoting any film, photograph, negative, slide, book, magazine, other print or visual medium, and for other purposes.".

Mr. CULVER. Mr. President, a little more than 2 weeks ago, Senator MATHIAS and I introduced S. 1585, the Protection of Children Against Sexual Exploitation Act of 1977.

Since that time, the Juvenile Delinquency Subcommittee has undertaken an investigation of this particular form of child abuse in the context of our ongoing concern with a wide range of basic juvenile problems, including runaways, battered children, drug abuse and alcoholism, and emotionally disturbed children and youth. Ten days ago, we conducted a hearing in Chicago on the abuse of children for pornographic purposes—an unbelievably sordid business that has become a multimillion dollar industry in the United States.

We have heard from a police officer who had conducted one of the few successful arrests in the country of individuals engaged in abusing children for pornographic purposes. We spoke with an undercover investigator who had infiltrated an organization that specialized in the trafficking of young boys across State lines for sexual exploitation. We questioned two individuals who had actually been involved in the production and distribution of child pornography. One of these had been a major producer on a national scale, while the other operated in a community of only 30,000 or 40,000 people. From the testimony of these witnesses, a picture of shocking, large scale depravity emerged—a business making enormous profits throughout the country by preying on young children.

Finally, we heard from a 17-year-old boy who had sold himself as a prostitute and as an actor in several pornographic movies. He told us that the money he makes goes mainly for drugs and that he does not know what he will be able to do when he becomes 18 or 19 and too old to be in the business.

The hearing enforced my resolve to push the legislation that Senator MATHIAS and I introduced 2 weeks ago. Our society simply cannot tolerate the damaging or destruction of the lives of children for the profit of the producers of pornography.

One section of the Mann Act (18 U.S.C. 2423) already provides that interstate trafficking in young females is a crime punishable up to 10 years in prison and a $10,000 fine. There is no comparable provision applying to young boys.

Judging from the evidence we heard in Chicago, such a provision is urgently needed.

We are therefore offering an amendment to 18 U.S.C. 2423 to impose the same punishment for transporting young boys for purposes of prostitution that the Mann Act already provides for young girls.

Mr. President, S. 1585 fills a serious gap in our criminal statutes which presently allows abuse of children for pornographic purposes without Federal criminal sanction.

We are now moving to meet another urgent, as yet unmet need—to provide severe criminal sanctions for trafficking of young boys, as well as young girls, across State lines for purposes of prostitution.

CLEAN AIR ACT—S. 252

AMENDMENTS NOS. 381 AND 382

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted two amendments intended to be proposed by him to the bill (S. 252), to amend the Clean Air Act, as amended.

AMENDMENT NO. 386

(Ordered to be printed and to lie on the table.)

Mr. WALLOP submitted an amendment intended to be proposed by him to the bill (S. 252), supra.

AMENDMENT NO. 387

(Ordered to be printed and to lie on the table.)

Mr. HATCH submitted an amendment intended to be proposed by him to the bill (S. 252), supra.

AMENDMENT NO. 388

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to the bill (S. 252), supra.

AMENDMENT NO. 389

(Ordered to be printed and to lie on the table.)

Mr. BURDICK submitted an amendment intended to be proposed by him to the bill (S. 252), supra.

AMENDMENT NO. 390

(Ordered to be printed and to lie on the table.)

Mr. GRIFFIN (for himself, Mr. BENTSEN, Mr. TOWER, and Mr. RIEGLE) submitted an amendment intended to be proposed by them jointly to the bill (S. 252), supra.

FEDERAL MINE SAFETY—S. 717

AMENDMENT NO. 383

(Ordered to be printed and to lie on the table.)

Mr. HELMS. Mr. President, when S. 717, the Federal Mine Safety and Health Act of 1977, is brought to the floor, I intend to call up an amendment to delete a provision of the inspections, investigations, and recordkeeping section of the act which requires the mine operators to pay the cost of inspections by their own employees.

As reported, the bill provides that a representative of the miners shall be given an opportunity to accompany the representatives of the Secretary of Labor during the inspection of any mine, and that if he "is also an employee of the operator shall suffer no loss of pay as a result of his participation in the inspection."

Mr. President, this provision would place a heavy and unfair burden on mine operators. Some companies, I am advised, have reported that there are as many as 5 inspectors in their mines at all times, and that MESA's so-called "blitz" inspections sometimes require 20 or more inspectors. Obviously, this provision requires the operators to increase their overhead expenses, enlarge their administrative staff, and keep employees on the payroll who never produce any raw materials.

Mine operators pay miners to produce materials, not to wonder around the mine with MESA inspectors. From the standpoint of economic commonsense, fairness, and past experience, employers should not be required to pay employees from whom they receive no service in return. Moreover, this matter is more fittingly a subject for collective bargaining than for congressional meddling.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 383

On page 98, strike out lines 18 through 21 "Such representative of minors who is also an employee of the operator shall suffer no loss of pay as a result of his participation in the inspection made under the subsection.".

On page 98, beginning on line 25, strike out through line 5 on page 99. "However, only one such representative of miners who is an employee of the operator shall be entitled to suffer no loss of pay as a result of such participation under the provisions of this subsection.".

AMENDMENT NO. 384

(Ordered to be printed and to lie on the table.)

Mr. HELMS. Mr. President, the supporters of S. 717, the Federal Mine Safety and Health Act of 1977, state that the primary purpose of this bill is to bring all miners under a single comprehensive law administered by the Department of Labor. The Coal Act is to be amended to make it applicable to all mines, and the Metal Act is to be repealed. The functions and duties of the Secretary of Interior as regards mine safety and health are transferred, along with the Mining Enforcement Administration, to the Department of Labor.

The question now presents itself: What is to be gained by all of this bureaucratic reshuffling? The committee report accompanying this bill indicates that these changes will improve the health and safety of our miners. This may or may not be true.

Parenthetically, however, past experience with OSHA does not, in my mind, offer much comfort to the mining industry.

Be that as it may, what the committee report does not reveal is the unnecessary expense, duplication of effort, and confusion that is likely to result because of the added layer of bureaucracy that is dumped into the mines by this legislation.

For reasons that are not explained in the report, the inspection teams that are required by this act to explore and examine all of the mining operations in this country shall consist not only of representatives from the Department of Labor, but also from the Department of Heath, Education, and Welfare. Indeed, the language of section 104(a) of the act indicates that all of these bureaucrats are to perform the very same functions.

Mr. President, it seems to me that we might just as well add a little color to this drab procession of inspectors descending into our mines and ask the beefeaters from the Tower of London to join the parade. As my colleagues are aware, the opening of the English Parliament is preceded by a ceremonial search for hidden explosives in the darkened, underground recesses of Westminster Hall. Torchbearing beefeaters, ever mindful of the famous "gunpowder plot," explore every nook and cranny, look behind every pipe, and do not emerge until they are certain that the premises are safe for entry by the Queen-in-Parliament. Perhaps these chaps can help us to inspect the thousands of mines in the United States.

Certainly their inspections of Westminster make more sense than HEW inspections of our mines; and certainly they are more experienced that HEW inspectors. It is reasonable, of course, to expect that authorized representatives of the Department of Labor will be qualified mine inspectors.

To be sure, S. 717 presents a health and safety hazard to the miners in that it authorizes the Secretary of Health, Education, and Welfare or his representatives to enter and inspect any mine subject to this act, whether or not they possess any mine inspection qualifications.

Mr. President, we do not need or want two Federal agencies sniffing and crawling their way through all of the mines of this country. In fact, I wonder whether there is room for all of these people. With so many bureaucrats crowded in the tunnels, will the miners have space to work?

Accordingly, I am today submitting an amendment to delete from the act those provisions which authorize the Secretary of Health, Education, and Welfare or his representatives to make inspections of mines. One team of inspectors is enough. And, I should add, only one team is qualified to do the job.

All inspectors presently assigned to MESA are qualified mining inspectors, with practical mining expertise. Most of these men, in fact, have 3 to 5 years of experience as mine inspectors. As section 104(a) is presently drafted, however, HEW personnel, irrespective of their background and experience, are given the same authority as qualified mine inspectors.

Mr. President, I urge the Members of the Senate to support this amendment, not only because it will save a great deal of time and money, but also because it will probably make our mines safer places to work.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 384

On page 94, line 3, strike out "or the Secretary of Health, Education and Welfare".

On page 95, lines 4 and 5, strike out "or the Secretary of Health, Education and Welfare".

On page 95, lines 6 and 7, strike out "or the Secretary of Health, Education and Welfare".

AMENDMENT NO. 385

(Ordered to be printed and to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill (S. 717), the Federal Mine Safety and Health Act.

NOTICES OF HEARINGS

SUNSET LEGISLATION

Mr. RIBICOFF. Mr. President, I wish to announce a meeting before the Governmental Affairs Committee to discuss S. 2 and S. 600, sunset legislation. The meeting is scheduled for June 14, 1977 at 10:30 a.m. in room 3302, Dirksen Senate Office Building.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, I wish to announce that the Select Committee on Small Business will hold a public hearing on S. 972, a bill to authorize the Small Business Administration to make grants to support the development and operation of small business development centers in order to provide small business with management development, technical information, product planning and development, and domestic and international market development, and for other purposes. The hearing will be held on June 30, 1977, beginning at 9:30 a.m. in room 424, Russell Senate Office Building.

Further information can be obtained from the committee office, room 424, Russell Senate Office Building, telephone 224-5175.

COMMITTEE ON AGING

Mr. CHURCH. Mr. President, I am pleased to announce resumption of hearings by the Senate Committee on Aging to examine ways to improve the availability of home health services to older Americans. Our forthcoming hearing will be held on June 15, in room 1318 of the Dirksen Senate Office Building beginning at 10 a.m. Senator CHILES is to preside. We expect to hear testimony from the Department of Health, Education, and Welfare.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS

Mr. McINTYRE. Mr. President, I am pleased to announce that the Subcommittee on Financial Institutions of the Committee on Banking, Housing and Urban Affairs, will hold hearings on S. 1664, S. 1665, S. 1666, S. 1667, S. 1668 and S. 1669.

Collectively, these bills address a number of issues relating to financial reform which have been the subject of ongoing deliberations within the Subcommittee on Financial Institutions over the past 4 years.

Of particular note is S. 1664, a bill submitted by the administration, providing for the extension of NOW accounts nationwide, interest on reserve balances maintained at the Federal Reserve, and a 2-year extension until December 15, 1979 of the current deposit rate control setting authority applicable to financial institutions.

The hearings will be held June 20, 21, 22 and 23, room 5302, Dirksen Senate Office Building.

Anyone who wishes further information regarding these hearings should contact Mr. William R. Weber, room 5300, Dirksen Senate Office Building, 202-224-7391.

SYMPOSIUM ON INTERNATIONAL ORGANIZATION

Mr. PERCY. Mr. President, I wish to announce that on June 15, 1977, the Committee on Governmental Affairs will hold a symposium on U.S. participation in the specialized agencies of the United Nations and other similar international organizations. The symposium will begin at 10 a.m. in room 3302, Dirksen Senate Office Building. The participants in the symposium will be:

Francis Dale—former U.S. Representative to the European Office of the United Nations in Geneva (1974-76).

Robert A. Frosch—former Assistant Executive Director, United Nations environment program (1973-75) and Administrator-designate of NASA.

Arnold Kramish—former science attaché of the U.S. mission to UNESCO (1970-74) and former counselor for science and technology of the U.S. mission to OECD (1974-76).

Cyrus Levinthal—professor of biology, Columbia University, and former representative of the National Academy of Sciences on the U.S. National Commission for UNESCO (1973-76).

Charles William Maynes—Assistant Secretary of State for International Organization Affairs.

David A. Morse—former Director General, International Labor Organization (1948-70).

ADDITIONAL STATEMENTS

GENOCIDE: WHEN GROUPS ARE MURDERED, SO ARE INDIVIDUALS

Mr. PROXMIRE. Mr. President, it is one thing to talk about 100,000 murders. It is quite another to hear about one or two of those murders in detail.

Last Monday I read with horror the stories of mass killings ordered by President Idi Amin as reported by Uganda's former Minister of Health. Speaking from his political asylum in Britain, Henry Kyemba told reporters that his conscience led him to defect immediately after seeing the bullet-riddled bodies of Archbishop Hohan Luwuum and two cabinet ministers. He told how he watched two agents burst into a Ugandan hospital and drag an old lady out of her bed and toward her execution. Her ter-

rible shrieks brought staff running and other patients to their doors. Yet, Mr. Kyemba remembers, "No one lifted a finger to help her. Anyone who interfered would have been killed."

After reading Mr. Kyemba's recollections, I hoped that none of us would ever have to observe first-hand the suffering of geonocide victims as they are dragged to their deaths. I hoped that none of us ever have to observe the suffering of the living, those that must stand by passively as they watch their friends being systematically destroyed. But more than anything, I hoped that we would not have to be as near to atrocities as was Mr. Kyembia in order to get us to help bring the executions in Uganda and other incidents of mass murder to a halt by ratifying the Genocide Convention.

I need not remind any of my colleagues of the serious charges which have been laid against Mr. Amin involving the alleged mass murder of Christians and members of at least two native Ugandan tribes antagonistic to his regime. Mr. Kyemba confirmed that more than 100,000 people have been slain in Uganda since President Amin took power in a 1971 coup. But I suppose all of us need to be reminded that behind those numbers are real human lives.

With amazing regularity genocide has repeated itself throughout history. The Ugandans are not the first group to be slaughtered through genocide, and they will not be the last. For the sake of the victims—each one of them—we need to ratify the Genocide Convention and emphasize the moral abhorrence our Nation feels toward such official acts of violence.

ILLEGAL ALIEN EMPLOYMENT

Mr. PACKWOOD. Mr. President, last year the Senate Small Business Committee held 2 days of hearings on the question of how legislation restricting the employment of illegal aliens would affect small business. During those hearings we heard witnesses representing small businesses based in New York City, Cleveland, and southern California. We have representatives from several trade associations who appeared. We also heard witnesses from government regulatory bodies who are responsible for administering State and Federal equal employment opportunity laws.

There is considerable interest in the United States today, as shown by our hearings and by press reports, in finding ways to reduce the number of illegal aliens who are resident in the United States.

Some estimates show that there are as many as 12 million aliens in the United States without proper documentation, and many of these are employed.

Two recent articles, one by Marvin Stone of U.S. News & World Report and another from the British magazine, the Economist, show the dilemma facing us.

We are faced with two problems: We have congressionally mandated limits on the number of aliens admitted for legal residence in the United States, but at the same time have no method of properly enforcing the statutes that provide that only those legally admitted be granted the right to employment.

Without such regulation we are tied in knots. We cannot restrict the number of tourists coming into the United States who may overstay visas and take employment. Employers cannot readily ascertain who has a right to employment, so employment of illegal aliens, or undocumented workers, including those who overstay visas, cannot be curtailed.

Secondarily, any regulation governing the employment of undocumented workers runs into the other problem: How does a businessman who may be required by law to screen out job applicants who have no right to employment discover who cannot be employed?

In hearings last year, many small businessmen said they had no method of screening for illegal aliens. They therefore said they would shy away from hiring anyone who looked "foreign."

Since many Americans are not white Anglo-Saxons, or black, they may, to some employers, appear foreign and be denied employment. This type of screening would violate the State, local, and Federal antidiscrimination laws administered by such agencies as the U.S. Equal Employment Opportunity Commission.

Without restrictions on the employment of illegal aliens, the United States continues to be a mecca for aliens who know from correspondence with friends in this country that they face no restriction on employment and the worst that can happen to them is to face deportation.

As noted in the article from the Economist, President Carter called upon several members of his cabinet to come up with ways to stop employment of the undocumented worker.

The question is how?

Early in this session I introduced a bill, S. 993, the Alien Employment Act, that would require employers to examine social security cards and other forms of identification to prove beyond a reasonable doubt that a job applicant has a right to employment in the United States.

For American citizens and legal aliens, this would not be difficult. Almost every American has a social security card, and most Americans carry other identification showing residence, such as a voter registration card or driver's license. Those without such identification could sign an affidavit that they are entitled to employment and then would be required to get a social security card. Resident aliens would show alien registration cards, known colloquially as "green cards."

Mr. President, action on the illegal alien question is imperative. Four hundred thousand more illegal aliens are expected to arrive in the United States this year.

The only way to stop this kind of immigration is to dry up the jobs that are available to such immigrants.

It is my hope that some action will be taken soon. I commend the President for accepting the intent of my bill and hope that the Senate and the House will move soon on the legislation.

I ask unanimous consent that the two articles referred to above be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

COPING WITH "ILLEGALS"

(By Marvin Stone)

The problem of the illegal aliens grows more critical every day. They are everywhere, in swollen numbers. Perhaps 6 million Mexicans—10 percent of that country's entire population—are now scattered throughout the U.S. Hardly a city anywhere does not have its share, not only of illegally entered Mexicans, but Dominicans, Pakistanis, Guatemalans, Chinese.

And if you care to look ahead: In another 10 years, today's illegal entrants will have given birth to possibly 15 million offspring.

The most conspicuous impact is on jobs. The old refrain about illegals doing "stoop-and-carry labor" that Americans scorn as beneath their dignity may carry some historic truth—but it rings rather hollowly when 6.7 million American citizens are unemployed.

Leonard Chapman, until recently Commissioner of the Immigration and Naturalization Service, finds that two thirds of those caught "are working in industry, service and construction jobs that pay good salaries—jobs that might be filled by the 20 percent of jobless American teen-agers or by the 40 percent of black American youths who are out of work."

The trouble does not stop with employment. Being outside the law by definition, the illegals form whole communities that are cut off from the mainstream of our society. Yet they require services. Nobody really knows what they take from the economy or what they put back. One estimate places their cost to the country at 13 billions a year for welfare and education alone.

Should all those now illegally in the U.S. be sent home? Whatever one may say in theory, Americans are not going to clamor for a mass deportation in which millions of women are hounded out of closets and children are dragged from under beds by their feet.

Since these people are not going home, then, we have a choice: Leave them as outlaws, figuring only as a frightening burden, ungovernable, resentful and a fertile culture for instability, or give an opportunity for citizenship or legal residence to those who have already established themselves here, thus bringing them into society where they can contribute and be counted.

Amnesty for the old illegals, however, without serious and practical measures to shut off the flow of new ones, or to send back those who have most recently arrived, would only stir hopes of eventual amnesty for the millions who even now are waiting to cross the frontiers. That would be pure folly. It has to be made plain that we are determined.

Enforcement admittedly is the tough part. Control of the Mexican border, where most aliens are smuggled through, is out of the question by any means short of a "Berlin Wall" with machine guns and mine fields. That is hard to stomach. But we can improve things. We can give the Border Patrol more officers than its current 2,000, who can muster, on any shift, one man to each 10 miles along the 2,000-mile line; we can furnish more than the present two helicopters for surveillance.

But the one really effective action must be to zero in on the goal of all illegal immigrants: the workplace. If jobs were not to be had, there would be less reason for entering.

Present laws, if enforced, could deal with the employer who exploits immigrants by paying less than the minimum wage. But the illegal immigrant does not dare to complain. And where proper wages are paid, the only remedy is a penalty against the employer who knowingly hires undocumented workers.

Employers resent the idea of becoming

enforcers, but it is the only practical way; if there is to be a solution, employers will have to cooperate. Some sort of uncounterfeitable identity card may also be un 1 - able. The lawabiding should have nothing to fear from this.

A law to control illegal aliens at the hiring office has twice passed the House, only to die in the Senate. A consensus will be hard to achieve. But one must soon be reached.

UNCLE SAM'S NEW CITIZENS

WASHINGTON, D.C.—Alarm about the flood of illegal immigrants into the United States from Latin America threatens a breakdown of immigration policy as a whole. It is becoming clear that a drastic revision in the laws is needed. The United States did not begin limiting the numbers it would admit after the 1920s, after two decades of heavy immigration from southern and eastern Europe. When it did, in addition to putting a limit on the total number of newcomers, it placed separate limits on the countries from which they were permitted to come. Asians continued to be forbidden entry under the Immigration Act of 1924, but with this exception yearly quotas, based on the national origins of the American population of 1890, were assigned to each country outside the western hemisphere. Places were set aside for large numbers of Britons, Germans and Irish while immigration from Russia, Italy and the lands of Austro-Hungary was cut back sharply. The country-of-origin basis of choosing immigrants came under increasing attack, and was modified to allow a trickle of immigration from Asia, but it remained intact until 1965, when congress replaced it with a radically different system aimed at undoing the inequities of the old law.

The new formula reduced immigration from Europe and Canada, allowing that from Asia and Mexico to increase substantially. The sharp change can be shown by comparing the immigrants admitted during the periods 1960–64 and 1970–74. The European share dropped from 45 percent to 25 percent, while immigration from Asia increased from 8 percent to 30 percent of the total.

The Immigration Act of 1965 imposed an annual ceiling of 170,000 on permitted immigrants from the eastern hemisphere and 120,000 on the western hemisphere. All nations, at first in the eastern hemisphere only, and this year in the western hemisphere as well, were declared equal in the sense that each was given a quota ceiling of 20,000 within the hemispheric figure. A "preference" system gives the chief advantage to persons who have close relatives in the United States who are either citizens or permanent residents and who have petitioned for their admission: 74 percent of the places are reserved for them.

Next, 20 percent of the total may be admitted because they possess scarce or superior skills; refugees may comprise 6 percent. The advantage enjoyed by relatives under the preference system is compounded by the provision that spouses and children of American citizens and parents of citizens over the age of 21 are not subject to any ceiling and are admitted in addition to the annual total of 290,000. In 1974, 105,000 such relatives were given immigrant status.

Thus the power to select most new citizens from abroad has been delegated, in effect, to those Americans who have some close relative they would like to fetch over. Pushed to the end of the queue is the typical immigrant of earlier times: the bold young man who set off on his own for the new world without specialised skills or a family to receive him.

But there is another migration which brings in young unskilled people in numbers far exceeding authorised immigrants. Illegal immigrants are by nature not counted, and there is almost no information on them that is precise and reliable. One does know that in 1975 766,000 persons without the right to be in the United States were apprehended by the Immigration and Naturalisation Service, the agency of the department of justice charged with enforcing the immigration laws. Analyses of port and border traffic and of population and census data yield varying estimates of the stock of illegal immigrants. Six million is a fair guess; the total is going up rapidly, perhaps by as much as 1m a year. Of the illegal aliens who are caught, 90% are Mexican, but since the resources of the immigration service are concentrated on the Mexican border patrol this figure does not provide a reliable index of the nationality of illegal immigrants.

Congress began to show concern about the rising influx of illegal immigrants in 1971. In extensive hearings held by the judiciary committee of the house of representatives, evidence of their depressing effect on labour standards and wages was assembled. The committee produced a bill (the so-called Rodino bill, named for its chairman) which suggested severe penalties on employers who knowingly hired illegal aliens. It passed the house in 1972 despite a conglomeration of opposing interests which included defenders of big agricultural employers and advocates of the rights of the Spanish-speaking minority in the United States. But the senate did not act on the matter. The Nixon and Ford administrations did not press for new measures, though the domestic council did issue a report just before President Ford left office, saying the executive branch should "aggressively pursue the enactment of legislation".

This immobility seems about to end. President Carter favours new measures, and soon after his inauguration asked the attorney-general, the secretary of state and the secretary of labour to suggest remedies. Some of their ideas have begun to filter out, particularly through the secretary of labour, Mr. Ray Marshall, who has long studied the problem in his academic work. They include amnesty for persons illegally residing in the United States on some recent date and penalties for employers who knowingly hire illegal immigrants. The attorney-general is against criminal sanctions, and to win the senate's and his support the advocates of jail for habitual offenders may have to make do with heavy fines.

The most controversial proposal is that work permits should be issued not just to immigrants but to all workers, who would have to present them before signing on for a job. This would make it easier for employers to decide which applicants were legal and harder for them to conceal illegal workers, but some people see it as threatening a further increase in government control of the population generally. Mr. Marshall wants to blunt any charges that he is asking for national identity cards. He describes the work permits as non-counterfeitable social security cards; they would have no photographs and would be used, he claims, only for seeking work.

A DEMOCRATIC ECONOMY

Mr. McGOVERN. Mr. President, as you know, I have questioned the prevailing strategy of allowing pressing economic needs to be deferred to some indefinite future. We are told that if we too vigorously pursue our commitment to full employment we run the risk of fueling the inflationary pressures already building in the economy. I believe that the likely outcome of the current strategy will be continued stagflation. We would be well advised to give careful consideration to alternative approaches.

In the July issue of the Progressive, an article by Gar Alperovitz and Jeff Faux offers a thoughtful analysis of possible alternatives for coping with our economic problems. I think that their views warrant further consideration and I recommend it to my colleagues.

I ask unanimous consent that their article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

BUILDING A DEMOCRATIC ECONOMY

(By Gar Alperovitz and Jeff Faux)

Jimmy Carter's energy program—whatever the fate of its specific proposals—represents the latest in a series of steps down the road to economic planning in America. Despite lingering rhetorical attachments to the free market, all of the important actors in the energy drama—the White House, Congress, the States, the oil companies, organized labor, and consumers—acknowledge that the Federal Government is now responsible for the management of the overall supply and demand of energy. The president of Atlantic-Richfield has gone so far as to endorse "the permanent management of crude oil prices by the U.S. Government."

The energy crisis, and the unsolved problems of stagflation, urban decay, health care, and environmental degradation, are driving the final set of nails into the coffin of generalized Keynesian economics. The post-World War II era, in which the Federal Government's role was mostly limited to supplying dollars and credit to the corporate-dominated marketplace, is ending. In almost every major area of the economy the Federal Government will have to intervene much more directly or economic conditions will continue to deteriorate. This is not necessarily a matter of socialism. As Nobel Prize winning economist Wassily Leontief has said, planning will come, "not because some wild radicals demand it, but because businessmen will demand it to keep the system from sputtering to a halt."

The question is not whether America will plan, but how it will plan and in whose interests. These are the fundamental questions that underlie Carter's energy and economic stabilization proposals.

One direction for planning—a corporation-oriented mode—has been developing for some time under both Republican and Democratic Administrations. The conservative Nixon-Ford Administration established an embryonic national planning apparatus in the Wage-Price Council, the Labor Management Committee, and the expanded Domestic Council in the White House. Such sophisticated businessmen as Henry Ford II, Irwin Sweeney Miller, and Felix Rohatyn have openly supported legislation for more formal Government planning. The Humphrey-Javits "Balanced Growth and Economic Planning Act" calls explicity for six-year economic plans. Faced with the growing reliance of business on the Government, business spokespeople are now even found arguing for higher Government salaries to attract more competent people into the public sector.

The interest of the enlightened corporate community is not, of course, in planning for its own sake; it is in specific plans that will assure that Government intervention will serve their interests. These include tax and other subsidies to capital, sufficient unemployment and low social welfare programs to keep wages down, and elimination of consumer and environmental restraints on corporate operations. Financier Rohatyn has even proposed the resurrection of the Reconstruction Finance Corporation of Depression days, which would formalize direct subsidies

to ailing corporations so that firms like Lockheed would not have to go to the Congress every time they needed more Government money.

This is not a new plan for busines. What is new is that the growing complexity of the economy, coupled with the deteriorating economic climate, is forcing businessmen—reluctantly but surely—to become more open and explicit in their demands for a strong Government authority to implement *their plans*.

The ideology of American business still opposes more Government planning, and at this stage sophisticated business leaders are still trying to convince their more conservative friends. This ideological opposition suits corporate interests well; it ensures that the initial forms of planning that survive the process of political compromise will be as accommodating as possible to their interests—just as the American Medical Association's long opposition to the initial planning of health delivery we call Medicare ensured that the program would fill the doctors' pockets.

This same political bind trapped efforts during the New Deal to establish economic planning accountable to public rather than private interests. As Professor George Lodge of the Harvard Business School points out, Franklin Roosevelt failed to gain public understanding of the role of government planning as a *substitute* for the market when he had the political opportunity. The innovations of the New Deal were rationalized instead in terms of free enterprise mythology; even the Tennessee Valley Authority (TVA) was sold as an "inspiration" to private initiative. Ducking the ideological issue did not change the fact of Government intervention in the economy, but it permitted the corporate sector to narrow that intervention to the support of corporate goals while maintaining an ideology of free market capitalism.

If planning is to work for a majority of Americans, this ideological veil must be pierced. This does not mean we must raise the red flag of socialism in a still conservative America. It does mean we must directly confront the need for public control over major economic decisions now in the hands of the private sector. It means we must develop a practical, sensible alternative that uses the power of Government to construct an economy that serves human priorities first. At the same time, we must take seriously the development of new democratic arrangements to avoid the dangers of centralized bureaucratic power.

Political reality and common sense suggest that we begin to build an alternative to corporate-dominated planning with those ideas that have already been developed and those trends—however modest—that are already in motion. As we look around, we find a variety of ideas, precedents, and even budding institutions that might fit together in a program for a planned American economic democracy.

A good place to begin is where the shoe is pinching the average American: scarce jobs and high prices.

JOBS

If planning is to be democratic and responsive to human priorities, it must be understood by the average citizen. Employment goals, therefore, must be simple and clear. Full employment should not be a statistical abstraction, but rather the condition in which every American willing and able to work has a job.

By now we know that our present system will not produce full employment; even such defenders of capitalism as Milton Friedman and Barry Goldwater concede the point, which once was argued only by the Left.

The only direct way to achieve jobs for all is through Government-supported employment. This was the answer of the *original* Humphrey-Hawkins Bill, the Full Employment and Equal Opportunity Act of 1975. The bill called on the Federal Government to act as the employer of last resort, providing a public service job to any American who applied. These jobs would not have to be "make-work"; there is plenty of real work to be done in America. At the beginning, jobs would be created in health, housing, environment, education, and other areas of need. Specific priorities would be set by local community boards which could decide how best to use the Federally funded jobs to fulfill local plans.

These key ideas—first, a job for every American who wants one, and second, local democratic planning—were deleted from the bill in the name of political "realism." It was further weakened by the powerful attacks of Charles L. Schultze, now chairman of the President's Council of Economic Advisers. In the revised bill, objectives are statistical and the planning process is bureaucratic and vague. Despite such compromises, the Humphrey-Hawkins Bill is going nowhere.

True political realism—and a strategy that can accomplish meaningful objectives—dictates going back to the principles of the original Humphrey-Hawkins Bill, particularly now that we are beginning to come to grips with the energy issue. One result of guaranteeing jobs will be to increase resources available to solve energy problems. For example, public employment can be used to rebuild rail beds to accommodate expanded traffic for an energy-conserving transportation system. Such a program would further stimulate new, productive jobs in the manufacture, operation, and maintenance of railroads and mass transit vehicles and equipment.

It has been estimated that if one-fifth of ground traffic were shifted to public transport, 1 million new jobs would be created by 1985, including 450,000 in manufacturing. A significant proportion of these workers could be drawn from the ranks of those no longer needed in the auto industry. Transportation is one example; Government investment in such priority areas as energy, housing, solar development, medical care, and other sectors could also be programmed to *lead* rather than follow private allocation of resources to various sectors of the economy.

Guaranteed employment and the rational planning of jobs generated by public funds would have two important implications for other economic policies: First, it would reduce the fear of unemployment and economic ruin that is at the heart of most resistance to change. Defense workers would be less resistant to cuts in the military budget if they *knew* they would have decent immediate replacement jobs. White workers would feel less threatened by blacks, men less threatened by women. Workers in general would be less fearful of environmental restrictions on business and of the introduction of labor-saving equipment.

Second, such policies could stabilize employment conditions in specific localities, reducing the waste associated with unstable private investment. They would not end migration from place to place, but could certainly reduce a substantial portion of migration within and between cities that is forced upon people by the loss of jobs. Community economic stability would contribute to a more stable tax base, reducing pressure on the local taxpayer. And states and localities would not be forced into what is often ruinous competition for the location of industry.

INFLATION

The reimposition of wage-price controls seems certain over the next few years, despite President Carter's recent disavowal. Without controls, any significant effort to reduce unemployment will be thwarted by rising prices. The major issue of controls is one of fairness; unions must be assured that controls will not be used once again, as one Nixon Administration official put it, to "zap" labor.

But price-wage-profit controls are not, in themselves, an adequate long-range solution to the problem of inflation. In the absence of a positive plan for allocating resources, controls will distort investment and lead to inefficiencies and inequities. Any anti-inflation program ought to be aimed at clear goals that make sense and can gather popular political support. One strategy is to stabilize directly the price of the basic necessities—food, housing, medical care, and a minimum level of energy—which alone make up almost 70 per cent of what the average family spends on goods and services.

Partial precedents for such an approach have already been set for those at the lower end of the income scale. For example, food stamps, Medicare, housing allowances, and the growing use of rent control are a direct attempt to stabilize the costs of necessities. So are state proposals for "lifeline" electricity rates which fix the price of a minimum amount of electric power for residential users and the new Carter proposals to hold down heating oil prices. Over the coming period of scarcities, the principle will gradually have to be extended to other Americans beyond the poor, or both political and economic reasons.

But programs which merely subsidize low-income or other consumers increase total demand. If there are no increases in supply, the result is more pressure on costs. Medicare, which increased demand for health services without increasing or rationalizing the supply, is a classic example. Responsible planning requires that the supply of necessities be secured. For example, stabilizing housing prices will require direct public action to allocate the two most costly items in building a new home—land and capital. This means more public control and ownership of land.

Direct public land development is common in Europe. But even in America, such communities as Milwaukee, Wisconsin; San Diego, California; St. George, Vermont, and Yellow Springs, Ohio, are beginning to experiment with land banking and other forms of public development.

The dependence of housing on capital markets is well-documented. When the general demand for capital increases, mortgage money dries up and housing is not built. Chairman Henry Reuss of the House Banking and Currency Committee has proposed what might be a first step toward the allocation of capital to major national priorities. Reuss has suggested that the Federal Reserve Board allocate capital to the nation's most pressing needs—such as low and moderate-income housing and mass transit.

Stabilizing consumer prices also requires a direct public food policy. Over the coming decade, food prices will continue to rise. As they do, the growing power of consumer and urban constituencies will put these groups in a position to rewrite old legislation once considered the private domain of the agribusiness "farm bloc." One model for achieving lower consumer food prices is the Canadian approach to wheat. In Canada, low consumer prices are established and farm production costs are supplemented by direct payments. The basic approach has been instituted in such nations as Sweden, Norway, and Japan, and was proposed for the United States as far back as 1949 by the Truman Administration.

A direct approach to inflation which aims to stabilize the price of necessities would not attempt to stabilize all prices. Prices for non-necessities—particularly those which use large amounts of energy—could be allowed to rise: We need to heat New England homes at fair prices, but *not* to run private jets or yachts at low cost. Profit controls and

public allocation of capital would prevent high-price sectors from drawing investment from the necessity-oriented industries.

CONSERVATION

A serious commitment to job security and price stability would obviously make a planned reduction in energy consumption much more acceptable to the American people. But in order to achieve low energy growth we need to change our lifestyles and attitudes, and ultimately our social values. This too requires planning. But the implications of such changes are so awesome that politicians—from the President down—have stuck to platitudes and moralisms. The time has come for us to think seriously about how we will rid ourselves of institutions that make it difficult for us to shift our values to accommodate the new world we are entering.

For example, it is clear that we must begin to place limits on a major source of consumer stimulation—advertising. The incessant psychological pressure on American consumers to buy more and more is wasteful in its own terms and incompatible with the long-term need to conserve resources and to rebuild our lifestyle around new environmental realities. Polaroid is now spending twelve dollars each on advertising to promote a new camera which costs twenty dollars to make.

And we must push even further. Given its dynamic of unrestricted growth, the modern corporation is, over the long run, incompatible with a planned conserving economy. This is particularly true of corporations which control energy resources. It is not just the monopolistic practices that make these firms unfit to be in charge of our energy resources; it is their inherent need for growth—a need which requires them to push sales and competition. Thus, even if successful antitrust actions could be brought against the largest of the multinational energy companies (as it was in 1911), the basic problem would not be solved.

Virtually every other Western industrialized nation has concluded that rational energy and conservation policies will require public ownership. The Stevenson-Magnuson Bill, which calls for a publicly owned oil and gas corporation on public lands (where the bulk of reserves lie), is a reasonable first step in this direction.

Despite the popular American assumption, the experience in Europe and Canada shows that when taken seriously, public corporations can be at least as efficient as private ones. This is also the evidence from more than 2,000 publicly owned electric utilities in the United States. Moreover, publicly owned firms tend to be more accountable to the public (their books are open), and more responsive to major economic policy needs. For example, it makes economic sense for a public enterprise to consider the social costs of its location decisions since its owner, the public, will have to pay them.

Public ownership does not necessarily guarantee sound resource use. The TVA, for example, is hardly less growth-oriented than most private electric companies. It will be necessary, therefore, to add a further dimension to the concept of ownership—whether public or private. The larger public itself must assume the responsibility of *trusteeship* over the land and natural resources needed for the next generation, and it must set limits to our exploitation policies. Trusteeship concepts have already been recognized in preliminary form in several states which now permit citizen suits against public officials for failing to fulfill their responsibilities as trustees for the common interest in our resources.

ECONOMIC DEMOCRACY

The logic of economic planning raises in many minds the specter of centralized bureaucracy. The socialist Soviet Union—to use the most frequently cited example—seems little less growth-oriented than the capitalist United States, and it offers no model for democratic planning. The need for new values, therefore, goes beyond the question of private or public control. To a large degree it is the alienation of the individual from his work and his community that has crowned wasteful, mindless consumerism as the king of American values. The feeling of powerlessness in senseless, often degrading work makes many of us eager for the latest overpriced fantasy the market produces in response to our "needs." We must begin to build an economy in which the individual can gain more satisfaction in the very processes of work and citizenship. The question of values is a practical political issue.

Over the next decade and beyond, Americans will be asked to make major adjustments and sacrifices. Only when there is a sense of community and a sense of participation will such plans have the confidence and trust of the population.

One important step on the path to restoring a sense of community in America will be the encouragement of employe ownership and participation in management. Public enterprises could lead the way. Portions of ownership could be sold to employes who could also take on larger responsibilities for management—a practice growing in Europe, and to a small degree, here. Although still few in number, worker-owned firms are springing up in a variety of places in the United States. The Department of Commerce has even financed the purchase of some companies by their workers—a lathe manufacturer in Indiana, for example, and an asbestos plant in Vermont. Beyond this, the community or communities where the plants are located could participate in new forms of ownership. Three-way "joint ventures"—involving governments, employes, and investors—have a number of partial precedents in Europe (for example, the ownership of Volkswagen) and could make for eminently sensible arrangements in industries that depend on Government contracts and—like transportation, defense, and energy—are crucial to long-range planning.

The experience in both Europe and the United States with "quality of work" projects in which workers are given more responsibility and control over the workplace has shown that worker participation often dramatically improves productivity. Generally, the resistance to such efforts has come from labor unions suspicious of management and unsure of their role *and* from those levels of management that become superfluous once workers begin to run their own shops. But there are signs of increasing interest in worker self-management among progressive labor unions, and guaranteed employment policies could reduce anxiety about being laid off because of increased efficiency. In any event, worker participation is crucial to the building of new values and should be systematically expanded and supported through research experimentation, financial incentives, and, above all, through a national moral commitment.

Second, as we move deeper into a planned economy, it is imperative that we begin to widen participation in the planning process itself. Fortunately, we do not have to start from scratch. We have behind us some ten years of experience with various attempts at citizen participation and community planning—from urban renewal to transportation to anti-poverty programs. Hundreds of thousands of ordinary citizens have had experience in organizing their neighbors, demonstrating in front of city hall, interpreting zoning maps, making community surveys, and the like. Many critical skills needed to build the capacity for democratic planning have been learned.

But the experience of the last decade took place in an environment where planning itself had little meaning. What good did it do to participate in the planning of one's community if key variables—like the location of jobs and housing—were out of the control of the community? In the context of a national commitment to secure jobs and fair capital allocation, community planning would be much more relevant. Ultimately, *community* plans for population growth, job development, housing, and transportation could and should be the basis upon which national resources are allocated.

A "second generation" of community planning, therefore, would provide assistance to citizens in neighborhoods and towns and states to engage in serious planning around the question of what they want their town or neighborhood state to look like. Attempts at democratic planning are under way in such cities as New York, Minneapolis, and Washington, D.C., and at the regional and state level, in Hawaii, Washington, Iowa, and a dozen other states. Given the resources and time, communities could also begin to build *local* alternatives to the profit-seeking, growth-oriented corporation.

This brief survey suggests that a number of building blocks for economic democracy are already at hand. Without a party, without a common ideology, without much communication, Americans at local, state, and national levels of politics are already trying to put the blocks in place. It also suggests a political strategy: The experience of economic democracy—on the assembly line, in the local co-op, at the neighborhood block club—can create an appetite, and thus a constituency, for more.

But unless we begin to cement these pieces together as parts of a truly alternative strategy, they will not hold. Taken *alone*, these proposals, bills, and grass-roots institutions are no match for the tightening alliance of big business and big government. Taken together, however, the elements begin to form a coherent framework for a popular politics. Such a politics, by building on the reality of economic planning, will have an advantage over a corporate ideology that must maintain the illusion of free enterprise.

Over the short term, business-oriented policies may well grow, but the problems they bring—unemployment, high prices, resource waste—are also likely to grow, and to deepen citizen awareness of the need for a new direction.

Our modern political experience, from the New Deal to last night's confrontation with the city council, tells us that a realistic challenge to corporate ideology will not be brought in by the back door. A real alternative requires real, mass-based politics. And a commitment to those politics can be inspired only if immediate campaigns are linked to something beyond a single issue or the election of a congenial personality That something more is a conscious political vision.

Because we are Americans our vision must be practical. It must show how jobs can be provided for all, how prices of necessities can be stabilized, how new values can be encouraged. These are the true needs of the vast majority of citizens, so our vision must demonstrate how the majority can, in fact, achieve its goals. It must also have an overriding premise: The major decisions in our economy are now or will soon become explicitly political; democracy, therefore, cannot stand still. If it is to survive, it must be extended to the economy.

SENATOR HEINZ ADDRESSES THE 83D ANNUAL CONVENTION OF THE PENNSYLVANIA BANKERS ASSOCIATION

Mr. BROOKE. Mr. President, on May 23 our distinguished colleague from Pennsylvania, Senator HEINZ, addressed

the 83d Annual Convention of the Pennsylvania Bankers Association in Atlantic City, N.J.

In his speech before this prestigious assembly of bankers, Senator HEINZ gave an excellent summation of recent efforts by the Senate to enact meaningful and lasting banking reform. This speech emphasized the reasoned and careful approach that he, the Banking Committee on which we both serve, and the Congress as a whole would take in appraising all proposed banking legislation or reforms.

Senator HEINZ stated that he believed the Congress should consider financial reform as a whole and not simply on a piecemeal basis. He then discussed various specific reform proposals. His discussion of proposed nationwide NOW accounts, electronic funds transfer systems, regulation Q, and the rapid expansion of loans to developing countries manifested an excellent insight into the complexities involved in these issues.

In addition, I strongly commend Senator HEINZ' remarks to my colleagues who share an interest in revitalizing American neighborhoods and making homeownership accessible to young families, middle income families and others who have been "shut out" by current lending practices.

Senator HEINZ noted in his address that American banks should concentrate more on meeting the real credit needs of average Americans. This viewpoint fits in with both Senator HEINZ' and my interest in legislation to provide housing assistance to young American families.

Since he joined the Senate Banking Committee in January, Senator HEINZ has proven to be an exceptionally able and dedicated member. We are fortunate to have him on our committee, and I look forward to working with him in the years ahead.

I ask unanimous consent that Senator HEINZ' speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR H. JOHN HEINZ III

It is an honor and a privilege to address the 83rd Annual Convention of the Pennsylvania Bankers Association. And it is a particular pleasure to see so many good friends in the audience here in the shadow of the boardwalk.

When I told my wife, Teresa, that I was going to Atlantic City to speak with some bankers, she said, "Just be sure that they give you good odds."

While I am not sure about how good the odds are around town, I hope that after this speech you will be able to gauge the odds on how Congress can formulate some meaningful and helpful banking reform.

Much time and effort has gone into the issue of financial reform in recent years. The President's Commission on Financial Structure and Regulation (the Hunt Commission) started it all seven years ago.

This commission was established to study and make recommendations regarding the operation of the nation's financial system. Since this commission was created, the Congress has spent an enormous amount of time on this important matter.

The result of all of this effort was the Financial Institutions Act, which the Senate passed in 1975. The House failed to pass a comparable Bill, and the legislation died in the 94th Congress. However, while the Congress has not acted on the full Financial Institutions Act, it has recently passed legislation which was signed by President Carter to greatly expand certain union powers to provide such services as mortgages on residential real estate and expanded loan limits to individual borrowers.

I believe that the Congress should consider financial reform as a whole and not simply on a piecemeal basis, and I intend to direct my efforts in this direction. However, it is significant that the issue of financial reform is still very much on the minds of the members of the Banking Committee.

Before I discuss the legislative prospects of banking reform, I want to comment on a significant change taking place in your industry.

Over the past two decades, banking operations have become increasingly computerized, but primarily in ways that have not directly affected the way ordinary Americans transact their financial affairs. However, the electronic funds transfer system (EFT) has really caught the eye of the ordinary citizen.

There are reported to be over 1,000 EFT systems underway in the United States operated either by commercial banks or thrift institutions.

One of the most highly publicized and well known of these systems is the one in Lincoln, Nebraska, with the Hinky Dinky Food Stores. But there is nothing Hinky or Dinky about the significance of this EFT system project. Under this system a customer can make deposits to, and withdrawals from a terminal in the store.

This EFT system is significant because it has withstood several challenges by banks in the courts. It has prompted a cooperative effort between banks and savings and loans in sharing the same remote terminals. It has converted interest-bearing savings deposits in a savings and loan association into a transaction account. In short, it has blurred the distinction between demand and savings deposits.

This blurring by technological change will have an impact on our views of financial reform in as yet unforeseeable ways.

We are all accustomed to using the term financial reform. However, in speaking about reform, it is important to remember that "reform" is not simply change, but change for the better. To talk of reforming the regulation of our financial system implies that something is wrong, and that the system could be improved. Most of us would agree that there is room for improvement in anything, even in the opposition of our nation's financial system, which is perhaps the most efficient in the world. But it is important to achieve broad agreement on the desirable goals of reform if we are to make changes that will bring about meaningful and lasting improvement.

A general principle I follow in any reform effort is that if something is working well then don't fix it. And if you fix something, be sure that it's working better afterwards than it was before.

It seems to me that one particularly important goal of reform is greater prevention of disintermediation. The experiences with disintermediation over the last decade—in 1966–67, 1969–70, and 1973–74—have been alarming and accompanied by serious depression in residential construction! More stable financial markets are clearly in everyone's interest.

Also, I believe that in our consideration of financial reform, we must always keep in mind the need to maintain general competitive equality between institutions offering similar types of financial services. Confusion and failure will result if our financial reform is anything but, fair, and even-handed.

The one issue of financial reform that is perhaps on the top of everyone's mind is, what should we do with Regulation Q?

As you are well aware, Regulation Q—which allows mutual savings banks and savings and loan associations to pay an interest rate one-quarter of a percent higher than commercial banks pay—was extended until mid-December of this year. As you know, there are many who feel that we should move away from Regulation Q. There are those who say that Regulation Q has outlived its purpose. I believe that Regulation Q should not be treated separately, and that the decision of what will ultimately be done with Regulation Q should only be made in conjunction with the other banking reforms that the Congress must consider.

Once we fashion an overall scheme of financial reform we can decide if, when, or under what conditions, Regulation Q should be revised.

Part of this consideration should be the very much talked about issue of "the N O W" Account.

Last March, Chairman Arthur F. Burns testified before the Banking Committee and fully supported the extension of "N O W" Accounts to all states. Chairman Burns indicated that he favors a 6 point plan that would:

1. Extend "N O W" Accounts to all 50 States;
2. Allow financial institutions one or two years to prepare for the changes;
3. Limit interest on "N O W" Accounts to a level lower than the five percent currently allowed in New England;
4. Leave the interest levels to the regulators rather than setting them by statute;
5. Restrict "N O W" Accounts to individuals; and
6. Simultaneously provide for the payment of interest on reserve requirements.

This is a comprehensive proposal. As yet, the Fed has not submitted a finished bill to the Congress for consideration, and I think the Congress will wait for the Fed's finished and complete product before any further action is taken.

I am certain my colleagues on the Banking Committee and I will carefully examine each element of the Fed's final proposal.

In recent hearings on the condition of the banking system, there was testimony about the dwindling membership of the Federal Reserve System. Some 427 banks have withdrawn in the past eight years. Several witnesses, including Chairman Burns, have testified that the banks have withdrawn because they don't earn interest on the reserves on deposit with the Fed. Some of those banks that have withdrawn are those most likely to need future assistance from the Fed.

However, I don't think anyone is fully convinced that banks are withdrawing solely because they don't earn interest on reserves. And it is by no means blindly assumed that erosion of membership in the Fed, in and of itself, is detrimental to the banking industry and the economy.

Moreover, consideration must be given to the practicality of paying interest on reserves on deposits at the Fed. However, even if we do agree on the principle of paying interest, many questions remain for us to resolve, such as:

What should be used to make up the reserve?

Should interest be paid on all or a limited amount of reserves?

What rate of interest should be paid?

Should there be more than one rate of interest?

I am sure this sounds like a very lengthy process, but I think this reasoned and careful approach to each issue in a new Financial Institutions Act is essential if we are to avoid the political pitfalls that torpedoed

the 1975 Act in the House of Representatives in the 94th Congress.

In closing, I would like to briefly discuss a subject not presently an issue in or a part of any financial reform package—namely, the providing of loans to less developed countries (LDC's). However, the rapid expansion of credit to the non-oil, less developed countries warrants particular close attention. The total indebtedness of such countries to American banks alone approximated $45 billion at the end of 1976. These countries also owe substantial sums to foreign banks, official institutions, and others. The fact that the aggregate external indebtedness of these countries may run to something like $186 billion has been well-publicized.

This situation calls for an increased sense of caution and an ever present sense of vigilance on the part of our banks in managing their international portfolio. I'm hopeful that such caution and vigilance is occurring.

However, mere caution and vigilance is not enough. In the first instance, what is immediately needed is a method by which all American and foreign banks making loans to LDC's can share information about how much each LDC owes in loans throughout the world.

This information need not to be of a specific or privileged nature. But I believe it is impossible to exercise prudence in granting a loan without having some idea whether an LDC's total indebtedness greatly outstrips its economic growth potential or ability to repay the loan.

I believe that the development of such procedures should be a high priority item for banks. I recommend your active involvement in helping to establish such a mechanism. Failure to do so may prompt congressional intervention or reaction.

To judge the potential for political reaction, consider the following:

America is currently facing a shortage of new housing;

Interest rates make the purchase of a home virtually unattainable by young or moderate income families; and

Neighborhoods have been credit-starved by redlining and cannot get the credit needed to preserve or rehabilitate themselves.

For American banks to lend billions to foreign customers who cannot repay these loans while ignoring Americans' credit needs here at home is irresponsible and unconscionable. Or put a slightly different way, that Americans' ability to finance a more gasoline efficient automobile or energy saving insulation for their homes is being sacrificed to worthless loans abroad will strike Americans as an unbelievable scandal.

One can, at minimum, make a strong case against any effort to assist banks that get in trouble because of loans to LDC's until such a system is in place.

In the second instance, another question must be asked: Should American bankers run all the risks of financing LDC's throughout the world? I think the answer to this is clearly "NO." It is high time for the OPEC countries to become more involved in this issue. They must do more than simply turn their money over to us, ask us to solve the problems partially created by their actions, and then ask us to assume all of the risks. Vastly increased Arab participation in the International Monetary Fund may be part of the answer here, but the problem is massive, and enduring, and we will be working together for years to come to solve it.

I greatly appreciate this opportunity to meet with you and touch up a few of the major issues that are important to us all. I hope my discussion of financial reform, its goals and its political prospects have been helpful.

I will be calling upon you in the future, along with many others, to get advice, counsel and input as the Congress considers these matters.

We have a great economic system and a sound financial structure. And I intend to make sure that we build upon the strengths of our system to insure an even better economic future for our nation and the world.

APPROACHES TO ARMS CONTROL AND DISARMAMENT

Mr. CRANSTON. Mr. President, last fall, the Commission to Study the Organization of Peace submitted its 24th report entitled "Approaches to Arms Control and Disarmament." The report was prepared by the Commission's working group on disarmament which consisted of Commission members and specialists in the field of disarmament.

For the benefit of my colleagues and others who might have missed this thoughtful and timely report, I ask unanimous consent that the principal recommendations, as well as the foreward by Prof. Louis B. Sohn, Chairman of the Commission, be printed in the RECORD. I hope these important excerpts will encourage all interested parties to read and consider the report in its entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOREWORD

"Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control"—Article VI, Treaty on the Non-Proliferation of Nuclear Weapons; entered into force, March 5, 1970.

" . . . In the 30 years since the United Nations—and the nuclear age—were born, despite a number of important agreements for the limitation and control of armaments, it has not proved possible to halt or limit the arms race in either nuclear or conventional weapons. The danger of nuclear proliferation not only remains, but has increased; nuclear testing continues; weapons are increasingly sophisticated and deadly, and the technological arms race continually promises new and more horrible developments.

"In a world increasingly preoccupied with the problems of social justice, hunger, poverty, development and an equitable sharing of resources, global expenditures on armaments are approaching $300,000 million a year. Never before in peacetime has the world witnessed such a flow of weapons of war. Some $20,000 million worth of arms are now sold annually in the international arms trade.

". . . I hope that Member States will, with a sense of urgency, give new attention to an ancient problem which has never presented itself in so ominous a form as today."

KURT WALDHEIM,
Secretary-General of the United Nations.
AUGUST 1975.

Efforts to control armament uses can be traced to ancient history, and inventions of new weapons have frequently led to proposals for their abolition. When atomic bombs were exploded in 1945 over Japan, the human race was presented with a new means of completely destroying itself. Governments were thus galvanized into action and various attempts were made, primarily through the United Nations, to stop the spread of the new weapons and to limit other armaments.

The General Assembly of the United Nations has considered the subject at almost every annual session; and in 1959 it unanimously declared that "the question of general and complete disarmament is the most important one facing the world today." The General Assembly has created a Disarmament Commission, composed of the entire Membership; and a Conference of the Committee on Disarmament (CCD), now composed of 31 members. Neither body has produced results in recent years, and China and France have refused to participate in the CCD. Most recent negotiations regarding the limitation and reduction or armaments and armed forces have taken place outside the United Nations, in bilateral or regional meetings.

In the McCloy-Zorin Agreement of 1961, the United States and the Soviet Union accepted general and complete disarmament as their goal. As a first step, these two countries and the United Kingdom signed a treaty in 1963 banning nuclear weapon tests in the atmosphere, outer space and underwater. Over 100 States have become parties to the treaty. After agreement by these three nuclear powers, the General Assembly in 1968 endorsed the Treaty on the Non-Proliferation of Nuclear Weapons, which now has 100 parties. In 1969, the United States and the Soviet Union began their Strategic Arms Limitation Talks (SALT), which have resulted in a series of agreements limiting their anti-ballistic missile systems, placing a numerical ceiling on strategic missiles, and limiting the size of underground tests. As this Report makes clear, however, far more needs to be done to effect a real reduction in nuclear weapons and to move toward their complete elimination.

Some progress has been made in the demilitarization of specific areas. In the Antarctic Treaty of 1959, the twelve states interested in that region agreed to forbid military activities of any kind, including nuclear explosions and the dumping of radioactive wastes; and each signatory received the right to inspect the installations of others. In 1972, a Treaty prohibiting the emplacement of nuclear weapons on the sea-bed and ocean floor came into force. A Treaty for the Prohibition of Nuclear Weapons in Latin America was concluded in 1969; and similar nuclear weapon-free zones are being considered for Africa, South Asia/Middle East, and the South Pacific. Proposals to make the Indian Ocean region a "zone of peace" are also appraised in this Report. The ongoing Conference on the Mutual and Balanced Reduction of Forces and Armaments in Central Europe is still far from an agreement.

The Commission to Study the Organization of Peace, already in its first Preliminary Report, November 1940, declared: "The right of nations to maintain aggressive armaments must be sacrified in consideration for an assurance of the security of all through regional and world-wide forces subject to international law and adequate to prevent illegal resorts to international violence." The Commission made concrete proposals for reduction of armaments in many of its reports, especially in its 20th Report, The United Nations—The Next Twenty-Five Years, November 1969.

The present Report was prepared by a Working Group, chaired by Betty Goetz Lall and composed of Commission members and other specialists in disarmament. In addition to the members of the Working Group, Lawrence S. Finkelstein and Philip E. Jacob, Commission members, and Lawrence D. Weiler, provided comments by correspondence. Valuable assistance regarding Chapter V, "Controlling Weapons of Mass Destruction", was provided by Josephine W. Pomerance, Commission member; and on private institutions in Chapter VI, by C. Maxwell Stanley, Commission member and Overall Chairman of Working Groups on Political Matters.

The Working Group held 13 meetings in New York, during the course of which it discussed almost every aspect of the subject

and formulated tentative recommendations, on the basis of supporting material by the members of the Working Group. The first draft of the Report was reviewed on April 22 in a special meeting in Washington, in which, in addition to Commission members, Messrs. George R. Berdes, Adrian S. Fisher, Carl Marcy and Jerome H. Spingarm participated. In addition, Chapter VI, A, 1 and 2, "The Role of the United Nations in the Field of Disarmament", was discussed with nine members of the General Assembly's Ad Hoc Committee on this subject on April 15. The Commission is grateful to the Arms Control Association for arranging the Washington meeting, to the Carnegie Endowment for International Peace for hosting the two meetings and to the experts and delegates for their advice, but none of them should be considered as responsible for any portion of the Report. The draft report was considered by the full Commission on May 15, and the final text was revised at the joint meeting of the Executive Committee and the Working Group on June 3.

In conclusion, I want to thank Betty Lall and James F. Green, the Executive Director of the Commission, for the many hours they spent working on this Report, preparing documents and summaries, and revising or editing most of the chapters. Without their generous assistance, this Report would not have been completed.

LOUIS B. SOHN,
Chairman.

SEPTEMBER 1976.

PRINCIPAL RECOMMENDATIONS

This Report contains 66 recommendations, many of which have several parts. Cited below are highlights of the recommendations. They deal primarily with the substance of arms control and disarmament policy and some of the significant ways through which governments and international bodies can improve their handling of arms control and disarmament negotiations, research, dissemination of information, and public information.

The recommendations given here are listed in the order in which they appear in the chapters in the text.

IMPACT OF ARMS PRODUCTION ON ECONOMIC RESOURCES

1. The United Nations General Assembly should call on the Governments of the principal arms-manufacturing countries to publish annual reports on the amount of nonrenewable resources consumed in the production of arms and the amount of capital and manpower devoted to producing arms and conducting arms-related research and development.

CONTROLLING THE RATE OF RESEARCH AND DEVELOPMENT

2. The Congress should exercise oversight over the issuance of contracts of research, development, test and evaluation of new weapons systems, especially potentially destabilizing ones, and should pay special attention to and provide maximum publicity for the arms control and disarmament impact statements now required by law.

BILATERAL NEGOTIATIONS

3. The United States, for a period of two or three years, in order to encourage reciprocal reductions by the Soviet Union and other countries, should (a) initiate reductions in expenditures for both strategic weapons, particularly land-based nuclear missiles, and conventional forces; (b) postpone decisions on production of new weapons systems; and (c) propose that States making such reductions devote a substantial part of the amount of the reductions to economic and social assistance, especially multilateral, to those poor nations that are not wasting resources on excessive armaments.

4. The United States should forego authorization for development, production and deployment of weapons for use as "bargaining chips" in future negotiations.

EFFORTS TO CONTROL ARMS TRADE

5. The United States should proceed immediately to convene a suppliers' conference among the NATO nations, with the objective of scheduling a full international conference in 1977 under United Nations auspices for the purpose of restricting arms sales. The conference should address the question of the need to provide more security to buyer States through regional arms control measures.

6. The President, for a limited period of time, should enunciate U.S. arms trade policy, in the form of a request for a law or by an Executive Order, setting an overall dollar limit on all licenses for the export of arms, with a view to inducing other arms suppliers to adopt similar policies.

7. Licensing of exports of arms technology should be put under controls as strict as those for the export of arms.

RESTRICTION ON DEPLOYMENT

8. The United Nations resolution, calling on all States to treat the Indian Ocean as a zone of peace and to prevent a foreign arms race from occurring in the area, should be accepted and implemented. Specifically, the States outside the Indian Ocean region, especially the United States and the Soviet Union, and the littoral States, should agree that (a) outside powers should not station naval vessels, on a permanent or semi-permanent basis, in the Indian Ocean, but should retain all other seas rights; and (b) outside powers should not maintain military bases or facilities in the region.

9. The United States should negotiate with the Soviet Union an agreement to restrain naval deployments in the Indian Ocean; pending attempts to negotiate such an agreement, the Congress should refuse to authorize or appropriate further funds for the improvement of the existing facilities on Deigo Garcia.

10. The UN Security Council, acting under Article 34 of the Charter, should send an Observer Team immediately to the Indian Ocean (a) to visit every port facility being used by naval forces from outside the region, and to report on its status and on any weapons that have been installed to protect it; and (b) to report periodically on the implementation of the steps set forth in paragraph above.

LIMITATION OF MILITARY EXPENDITURES

11. The President, backed by a Congressional resolution, should at the start of his term initiate the effort to curb military expenditures by a formal declaration of U.S. intent to move toward a reduction of military expenditures. At that time he should invite the Soviet Union and all other States to join in this objective by making similar public commitments.

12. In his budget presentation, the President should encourage reciprocal actions by other States by identifying the specific military program elements which account for the reduction of expenditures.

13. The United States should seek agreement with the USSR to standardize their budget categories and accounting procedures and to adopt common definitions, so that the two military budgets will be comparable for purposes of analysis. Other States should be invited to join the agreement.

14. International agreements for the reduction of forces or arms should in general incorporate provisions for a commensurate reduction of expenditures. A simplified reduction formula in the treaty should make savings explicit and public.

CONTROL OF STRATEGIC NUCLEAR WEAPONS DELIVERY SYSTEMS

15. A SALT II agreement based on the Vladivostok Accords should be speedily negotiated; negotiations should begin immediately thereafter on a SALT III agreement embodying reductions of strategic delivery vehicles on the following basis:

(a) Both sides agree to eliminate each year over a five-year period 20 per cent of their existing intercontinental ballistic missile launchers, and intercontinental bombers.

(b) The 20 per cent of each class of weapons delivery system should be selected from a mix of the most recently deployed and older weapons systems.

(c) At the end of five years both parties should review the progress of the agreement, including an assessment of relative strengths of forces of other nations, and work to continue the reduction process on a year-to-year basis thereafter.

(d) Both sides agree to halt all flight testing of new types of intercontinental ballistic missiles, submarine-launched ballistic missiles, intercontinental bombers, and cruise missiles over 600 kilometers range.

(e) Both sides agree to conduct no more than ten flight tests per year, over agreed test ranges, of those types of intercontinental ballistic missiles, and submarine-launched ballistic missiles which are still in their operational inventory at that tme.

(f) Definition of weapon types, and prescribed means of verification, including the resolution of ambiguities, should be consistent with the definitions and procedures worked out in the SALT I negotiations and in subsequent negotiations of the Standing Consultative Commission.

NUCLEAR TEST BAN

16. The United States and the Soviet Union should agree to an immediate moratorium suspending all underground nuclear weapons tests for five years and should commence more intensive negotiations to achieve agreement on a permanent ban of such tests. the proposed treaty banning underground nuclear weapons and peaceful tests down to a level of 150 kilotons, agreed upon by the United States and the Soviet Union, should not be accepted. Instead, it should be returned to the President for renegotiation so that a comprehensive nuclear weapons test ban can be negotiated.

17. The United States and the Soviet Union, together with as many members of the "suppliers' club" as possible, should agree not to provide any nuclear material, equipment or technology to any non-nuclear country unless the latter undertakes:

(a) to accept International Atomic Energy Agency safeguards over all its nuclear material and facilities;

(b) not to conduct any nuclear explosions of any kind, whether for peaceful or military purposes;

(c) not to build or operate any uranium enrichment of plutonium processing plant under its national control.

NUCLEAR FREE ZONES

18. The United States should press for a treaty by the States possessing nuclear weapons by which they would agree to refrain from the use of such weapons against States which do not possess nuclear weapons of their own, nor allow the stationing of foreign-owned weapons on their territories.

19. All nuclear weapons States should:

(a) Undertake actively to support and promote the establishment of nuclear weapon-free zones.

(b) Issue a joint or separate declarations that they will respect the status of any nuclear weapon-free zone and that they will not use or threaten to use nuclear weapons against any such zone that is created.

(c) Undertake to become a party to Protocol II of the Treaty of Tlatelolco creating a nuclear weapon-free zone in Latin America (this would apply only to the Soviet Union).

(d) Undertake to become a party to Protocol I of the Treaty of Tlatelolco (this would apply only to the United States and France).

CHEMICAL WEAPONS

20. The Executive branch should undertake a phased program to destroy lethal chemical weapons and to convert or destroy their production facilities, with invited witnesses for verification; the USSR and other nations should be urged to do likewise.

21. The United States should promptly inform the Conference of the Committee on Disarmament of its support of a draft treaty imposing such constraints on all States Parties to the treaty.

STRENGTHENING INSTITUTIONS TO ACHIEVE ARMS CONTROL AND DISARMAMENT

A. International Institutions

22. The UN General Assembly, every other year, should hold a special session, at the foreign minister level, to review progress toward disarmament. To initiate these special sessions, a World Disarmament Conference should be convened.

23. The United States and other countries should work to obtain the full participation of China and France in disarmament negotiations, either through a restructured Conference of the Committee on Disarmament or a replacement of this body.

24. The United Nations University should make arms control and disarmament one of the priorities of its curriculum and should undertake and promote research, training and educational programs concerning all aspects of arms control and disarmament in regional and national institutions throughout the world.

25. The UN General Assembly should authorize the Secretariat to provide services upon request to all international conferences concerning arms control and disarmament, whether bilateral or multilateral, to assist in preparing draft proposals, resolutions and conventions; and should authorize the proposed UN Research and Analysis Center for Arms Control and Disarmament to undertake research work in this field on its own initiative or upon the request of any group of States.

National Institutions

26. 1. *The U.S. Executive Branch*

(a) The President should have the U.S. Arms Control and Disarmament Agency play the major role in all arms control and disarmament negotiations.

(b) More information should be provided to the public concerning U.S. arms control and disarmament policy and programs.

(c) The Director of the U.S. Arms Control and Disarmament Agency should use more the powers he has under the existing legislation as the President's Disarmament Advisor, and arrangements should be made for more frequent meetings of the Director with the President. The Director of the ACDA should participate as a full and active member of the National Security Council.

(d) In order to carry out ACDA's mandate from Congress to prepare for and conduct negotiations, to advise the President, to construct impact statements concerning proposed weapons systems, and to provide the Congress and the public with the information necessary to make sound judgments, the Executive branch should request substantially increased funds from Congress for personnel and research.

(e) The General Advisory Committee of ACDA should, at the request of appropriate Congressional Committees, present to them (and hence to the public) its viewpoint and conclusions on specific arms conrol and disarmament policies. Terms of members of the Advisory Committee should be limited, and the Committee should consist of knowledgeable persons who have demonstrated a real interest in the subject.

27. 2. *The U.S. Congress*

(a) Congress should carefully evaluate the implementation of legislation directing ACDA to prepare arms control impact statements on proposed new weapons systems. Congress should effectively exercise its powers in decisions on arms sales abroad. Impact statements should become available to the public to the greatest extent possible.

(b) Congress should be represented by observers at all international arms control and disarmament negotiations.

(c) Congress should establish goals for disarmament and arms control progress, and the actions taken should be evaluated in terms of the extent to which these goals are being realized.

C. Non-Governmental Organizations

28. Non-governmental organizations should monitor governmental disarmament negotiations. This should maximize their impact on the deliberations and encourage positive results.

TOWARD A DISARMED WORLD

29. The U.S. Arms Control and Disarmament Agency should, through in-house and contract research, propose plans for and means to move toward alternative security policies, including general and complete disarmament.

30. The proposed UN Research and Analysis Center for Arms Control and Disarmament should undertake a reexamination of the Zorin-McCloy "Agreed Principles of Disarmament Negotiations", unanimously endorsed by the General Assembly in 1961, and the U.S. and USSR draft treaties of 1962 on disarmament, with the view to proposing a new draft treaty for general and complete disarmament, for consideration by the General Assembly.

S. 790—WHAT THE ECONOMISTS SAY—PART II

Mr. WALLOP. Mr. President, economists who have studied the relationship of a fair system of waterway user charges to the need for balanced transportation in our Nation invariably end up supporting the need for user charges. A couple of weeks ago, Senator DOMENICI placed in the RECORD the detailed comments of a number of economists. Since that time, a letter has come to my attention, signed by more than 100 economists.

I would point out that S. 790 does not meet fully the proposals made in this letter. There is no full recoupment of construction costs, even after the 10-year phasein, as proposed. There is no undiluted segment charge system as suggested, as there is protection in S. 790 to assure that user charges will not cause severe economic hardship to any existing waterway.

But because I believe that S. 790 largely meets the principles and intent of this letter, I ask unanimous consent that a copy of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER TO MEMBERS OF CONGRESS:

Financing inland waterways imposes large and growing costs on taxpayers, but requires no cost sharing from private interests. Consequently both transportation and water policy are distorted. A well designed user charge imposed on commercial navigation on the inland waterways would correct this situation.

The problem is substantial and is increasing. In FY 1974 construction operation and maintenance for shallow draft navigation cost $386 million, up 29 percent from FY 1970. If interest and depreciation were included FY 1974 costs very conservatively estimated would have been $411 million, a 47 percent increase from the comparable FY 1970 figure. The Corps of Engineers' propensity to understate multi-purpose projects costs attributed to navigation suggests that both of these figures may be too low. With $7 billion in new waterway development projects under active consideration, the navigation subsidy will remain an expensive item for the foreseeable future.

The high cost of the subsidy is not producing commensurate social benefits. On the contrary, the "free" waterway policy is incompatible with an economically efficient transportation system. Because water carriers receive "free infrastructure, they enjoy a competitive advantage vis a vis railroads and pipelines. Hence barge operators can win traffic and force down freight rates to a degree that would be impossible were the taxpayers' contribution repaid. The illusion of inexpensive barge transportation induces shippers to select that mode even when, if the cost of federal facilities were included, alternative means of transportation would be preferred. The railroads estimate that this traffic loss, plus depresesd freight rates attributable to waterway subsidies, result in substantial losses of net revenue. Inevitably investment patterns are also affected. Subsidy induced waterway shipments are used to justify further construction while depressed earnings foster disinvestment from the railroad industry.

The federal navigation subsidy is also counter-productive from the viewpoint of water policy. Subsidizing barge traffic exacerbates problems of eutrophication, local ecosystem disruption, and toxic spills. Though a user fee system cannot, in itself, establish an optimum balance between conservation and transportation, it would terminate the existing federal subsidy to environmental degradation.

The degree to which a navigation charge system's potential benefits are realized depends on its design. There are three basic principles for structuring the collection system:

It should be based on the relevant costs.

It should be a segment charge.

It should test private sector willingness to invest in proposed new construction.

Only a system based on these concepts can capture all the potential benefits.

Charges must recover the relevant costs. All traffic should be assessed federal operation and maintenance expenses. Also barge operations should be required to defray the capital costs of new construction. Finally, at congested points fees reflecting the delay costs to other traffic should be collected.

Because conditions differ in regard to new construction or congestion, the costs to be repaid vary among the inland waterways segments. Moreover, even operation and maintenance expenditures are, on a per ton-mile basis, extremely diverse, ranging from .01 mill on the Lower Mississippi to 114 mills on the Willamette. Imposing identical rates across such disparate segments would be inequitable, and it would provide only slightly improved rationing of existing capacity and new investment. Hence, charge rates should be set segment by segment.

Even a segment charge will not, however, effectively discourage unnecessary construction. A private contribution should be obtained before making new waterway investments. Collection from users after project completion is insufficient. As the St. Lawrence Seaway experience indicates, it is impossible to recover public investments on

unsuccessful waterways. Hence the threat of such collection will not deter prospective users from advocating unjustified construction. Mandating private cost and risk sharing would not only redistribute part of the burden to private interests. It would also require that waterway development compete with alternative private sector investments; thus discouraging ill-advised new construction. Several mechanisms including congestion tolls and user surcharges, capital bond issues, pre-paid licenses, and repayment contracts could be used to obtain the desired level of private participation.

The need for a well structured user charge system is well established. Four Presidents have called for the end of waterway subsidies. The concept has been studied and endorsed by the National Water Commission, the U.S. Department of Transportation, and many independent economists. Congressional action to implement a comprehensive user charge system is long overdue. We strongly urge that segment user charge legislation be enacted at the earliest possible time.

ENDORSEMENTS OF FINANCING INLAND WATERWAYS

B. J. Abrahamsson, Denver Research.
Polly R. Allan, University of Connecticut.
Jim Alleman, Boulder, Colo.
Thomas C. Anderson, Eastern Michigan University.
Garrett J. Arron, Harvard University.
Robert Aveatt, Smith College.
R. Bernes, Board of Governors, Federal Reserve System, Washington, D.C.
William Baumol, Princeton University.
D. Lee Bawden, Urban Institute, Washington, D.C.
Miles O. Bidwell, Wake Forest University.
Robert A. Boade, Lake Forest University.
Peter Bernstein, New York, N.Y.
Stanley W. Black, Vanderbilt University.
Randolph C. Blitz, Vanderbilt University.
Tom Bradbeer, Eastern Oregon State College.
Kathleen Brook, Smith College.
Robert S. Browne, Black Economic Research, New York, N.Y.
Lester O. Bumas, Polytechnic Institute of N.Y.
Monroe Burk, University of Baltimore.
W. E. Cage.
Glen G. Cain, University of Wisconsin.
Dorothy Camer, Takoma, Maryland.
K. P. Ceassen, Arlington, Va.
M. A. Chaudry, New School for Social Research, New York, N.Y.
Glenn Conner.
Joseph J. Cordes, George Washington University.
Robert D. Cooter, University of California at Berkeley.
John Craver, Middlebury College, Middlebury, Vermont.
Richard K. Darr, University of Wisconsin.
Sid Davis, Atlanta University.
Edwin G. Dolan, Dartmouth College.
Kenneth G. Elzinga, University of Virginia.
Edgor Feige.
Anthony Fischer, University of Maryland.
A. Myrick Freiman, Bowdin College.
Donald Frey, Wake Forest University.
Edward Foster, University of Minnesota.
Aaron Gellman, Gellman Research.
Phillip Griffin, Valdosta State College, Valdosta, Ga.
Fred Harder, Andrews University, Berrien Springs, Mi.
C. Lowell Harriss, Columbia University, New York, N.Y.
William G. Harris, Georgetown University.
Robert H. Haveman, NIAS.
Bruce Herrick, University of California.
George W. Hilton, ULCA.
A. O. Hirschman, Princeton.
Arlene Holen, Arlington, Va.
Janos Horvath, Holcomb Research, Butler University.
Charles Howe, University of Colorado.
Stanley A. Hoeowit, Arlington, Va.
Lloyd Irland, Department of Conservation, Augusta, Maine.
Louis Jacobson, Arlington, Va.
Henry Jakubizk, International Monetary Fund, Washington, D.C.
Z. Kisler, Central State University, Edmond, Oklahoma.
Samuel Kleenm, Arlington, Va.
Jack L. Knetsch, Simon Fraser University, Burnaby, B.C., Canada.
Robert E. Kohn, Southern Illinois University.
Mark L. Ladenson, Michigan State University.
Fred Leonard, Smith College.
Stanford Levin, Southern Illinois University.
Clayton Libeau, Bethesda, Md.
Alan McAdams, Cornell University.
Jeanne McFarland, Smith College.
T. J. Meeks, Virginia State College.
John R. Meyer, Harvard University.
Walter Miklius, University of Hawaii.
Ervin Miller, University of Pennsylvania.
Richard Milk.
John P. Mondejar, Greenbelt, Md.
John C. Moorhouse, Wake Forest University.
Theodore Morgan, University of Wisconsin.
Alexander Morton, Civil Aeronautics Board, Washington, D.C.
Walter C. Neale, University of Tennessee.
Ann Nelson, Rochester, N.Y.
Jim Nelson, Amherst College.
Robert A. Nelson, Commonwealth of Virginia.
Dr. I. P. Nijhawan, Fayetteville State University.
Roger Noll, Stanford University.
Rhonda S. Paul, University of Kentucky.
R. B. Price, Western Maryland College.
Polly Roberts, University of Berkeley.
Clifford F. Russell, Resources for Future.
Joseph J. Seneco, Rutgers College, New Brunswick, N.J.
James D. Shaffer, Michigan State University.
William Shepherd, University of Michigan.
William D. Shipman, Bowdon College, Brunswick, Ma.
Kenneth A. Small, Princeton University.
Vernon L. Smith, University of Arizona.
Dan Snell, Arlington, Va.
Robert M. Solow, Massachusetts Inst. of Technology.
John A. Sorrentino.
John P. Stein.
Philip Stern, Stern Foundation.
Gelvin L. Stevenson, Bronx, N.Y.
Richard Tybout, Ohio State.
William Vickery, Columbia University.
J. Van Wagstaff, Wake Forest University.
O. T. Warner, Arlington, Va.
Professor David Whipple, Carmel Valley, Calif.
John B. William.
Ronald Wolf, University of Tennessee.
N. Wolbman, Albuquerque, N.M.
Anthony M. Yezer, George Washington University.
Michael D. Yokell, University of California.
Richard O. Zerbe, Jr., University of Washington.
Andrew Zimbilist.
Armand Zottola, Central Conn. State College, New Britain, Conn.

WIDE SUPPORT FOR DEBT COLLECTION LEGISLATION

Mr. RIEGLE. Mr. President, the Consumer Affairs Subcommittee of the Committee on Banking, Housing and Urban Affairs has recently completed hearings on legislation to prohibit debt collection abuses. The House has already passed such a bill.

One of the most significant aspects of this legislation is the support it has received from a wide spectrum of interests and groups. Both national organizations representing debt collectors have given their endorsement, as have consumer groups, Federal and State law enforcement officials, and the labor movement. There are three key facts which underlie this consensus: First, collection abuses are a widespread and serious problem; second, existing State laws are woefully inadequate to stop these practices; and finally, the provisions of this legislation for the most part embody the current practices of ethical collectors and therefore would not interfere with effective debt collection.

The New York Times of May 27, 1977 carried an editorial which I think characterizes quite well the broad support which Federal debt collection legislation has attracted. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BILL FOR BILL COLLECTORS

Professional bill collectors cannot, in the nature of things, expect to win popularity contests, but they are hardly required to set new records for obnoxious behavior. The excesses of some collectors are among the most common consumer complaints to the Federal Trade Commission and have deservedly attracted the attention of Congress. The House has already passed a measure designed to keep collectors within the bounds of civilized behavior, and similar legislation is now before the Senate.

There are some 5,000 debt-collection agencies around the country. They take the unpaid bills of department stores, hospitals, banks, utilities and others, and try to turn them into paid bills—for a percentage. Their methods, as revealed in the House hearings, have included heavy harassment: repeated telephone calls; nuisance calls in early morning and late at night; calls to neighbors or employers designed to embarass the debtor; rude language and even threats of bodily harm. Some professional collectors have represented themselves as policemen, tax agents or attorneys to bring a delinquent to bay.

Most debtors are not unwilling but unable to pay; they are in trouble—and some collectors have perfected techniques for exploiting their distraught condition. The House was inspired to act by experiences like that of a hard-pressed California woman, who was advised by a collector to seek welfare, end support of her mother, give her son for adoption or, as a last resort, commit suicide.

Though it is difficult to legislate against that sort of behavior, the proposed bill does promise some relief. It would outlaw all abusive phone calls, and any call for payment between 9 p.m. and 8 a.m.; calls or visits to a debtor's place of work or to neighbors and relatives; and all misrepresentations by the collector.

Deadbeats, though they represent only a miniscule proportion of people in debt, are a growing problem for business; creditors are entitled to pursue their money, and this may sometimes require a degree of psychological pressure. But even the two largest associations of collection agents support the proposed law, acknowledging that some of their members have gone too far. State regulation has proved generally ineffectual, so it remains for the Federal Government to collect the debt of decency due all of us.

KANSAS: A BICENTENNIAL HISTORY

Mr. DOLE. Mr. President, this morning the Kansas delegation was honored to receive copies of a new book, "Kansas: A Bicentennial History," by Kenneth S. Davis. The book is one of a series developed with the assistance of the National Endowment for the Humanities and the American Association for State and Local History.

The author, Mr. Davis, is a native Kansan who was born in Salina. He received a degree from Kansas State University in Manhattan and returned there as a visiting professor of history while writing "Kansas." Mr. Davis is a well-known biographer who has published works on Dwight Eisenhower, Adlai Stevenson, Charles Lindbergh, and Franklin D. Roosevelt.

Early reviews of Mr. Davis' book are full of praise. I look forward to reading "Kansas: A Bicentennial History," and I commend it to my colleagues.

I ask unanimous consent that an article by the Humanities Endowment about "Kansas" and "The States and the Nation" series, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL ENDOWMENT FOR THE HUMANITIES AND AUTHOR KENNETH S. DAVIS PRESENT KANSAS TO STATE CONGRESSIONAL DELEGATION

WASHINGTON, D.C., June 9.—"Kansas: A Bicentennial History," which is one of a fifty-one volume series called "The States and the Nation," was presented to the State Congressional Delegation today by author Kenneth S. Davis. The occasion was a breakfast hosted by Senator Robert Dole. Among those who attended were representatives of the National Endowment for the Humanities, which funded the research for the series, and the American Association for State and Local History, which edited and produced the series.

"The States and the Nation" series is designed to attract a wide reading audience. Each book details, in an interesting and conversant manner, the social, economic and geographic imprints which imposed a distinctive historic mold upon each unique state.

An editorial in the Manhattan Mercury called "Kansas" more than a history. It is a perspective on the spirit of Kansas . . . It is also a challenge." And reviewers in the Kansas Historical Society Mirror found the book "written in beautiful prose—historical essay style . . . most enjoyable and thought provoking."

Robert J. Kingston, Acting Chairman of the Humanities Endowment, summed up the Endowment's interest in "The States and the Nation" series. He said, "The Humanities Endowment keenly feels its responsibility as the only Federal agency with a mandate to enrich the historical and cultural awareness of the nation. Funding the research for 'The States and the Nation' is one manifestation of this interest."

SMALL FARMER DEVELOPMENT

Mr. HUMPHREY. Mr. President, I would like to share with my distinguished colleagues a very stimulating essay that recently appeared in the Christian Science Monitor.

This particular article, from the June 6 issue, is by E. G. Vallianatos and is entitled, "How To Leave the Hills of Hunger."

Mr. Vallianatos gives us a new idea on how to approach the complex problem of small farmer development. It is, of course, small farmers who will spell the difference between survival and desperation for the food production systems of many developing nations.

The author correctly points out that it is the wealthy in many late-developing nations that control the access to the resources that are vital to enhancing the welfare of the poor. As a consequence, poor farmers do not have the capital, for example, necessary to acquire the fertilizer to grow high-yielding varieties of wheat or corn.

While this problem cannot be solved overnight, the author does posit an approach that is worthy of our attention.

Mr. Vallianatos' idea is to create a small farmer development fund. The thrust of this fund would be to direct aid toward the poorest of the poor, the small farmer. As Mr. Vallianatos says, this should be an international effort led, at least initially, by the United States.

I have believed and stated for quite some time that this Nation should target more of its foreign assistance at small farmers. Whether or not Mr. Vallianatos has produced the ultimate answer, I simply do not know. However, I do believe that this particular idea is worthy of the attention of the Members of this body.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 6, 1977]

HOW TO LEAVE THE HILLS OF HUNGER

(By E. G. Vallianatos)

In our world of immense wealth and immense poverty there could not be a greater American contribution to world peace and human rights than a commitment to establish a development fund to help the small farmers of poor countries make their food and agricultural economies and civilizations viable once again. The stakes are high.

Far too many peasant farmers are forced to the hillsides and mountain slopes by their tiny feudal elites of privilege and wealth. The small farmers know that growing food in areas best left uncultivated makes the earth suffer. But just as brutal a fact is that more than the earth it is they, the poor rural people, who suffer most. They live in abject poverty, misery, exploitation, and with the pains of malnutrition.

This disturbing problem shows that the abuses of feudalism and the pressures of too many people on the food systems of many poor countries are undermining the world's balance of productive land and nature. And human indifference to this tragedy is equally disturbing. A flood of sand threatens to overwhelm the richest agricultural land of Sudan. And a flood of 1,400 million people in several poor countries threatens to overwhelm the very soil and water necessary for their survival.

Without assistance the world's rural people could engulf the world in violence. We have a choice of doing nothing and waiting for our children to witness the explosion of cities without enough food and a countryside littered with armies and devastated soil. Or we can turn America's third century to the rebuilding of the world's countryside.

It is appropriate to suggest that the United States can at least start what must eventually become a global effort to help the small farmer raise more food, purchase land for the landless rural poor, increase the amount of land cultivated by subsistence small farmers, and establish credit institutions to serve village communities.

The initial financial support for a Small Farmer Development Fund should be provided by the United States. And in time it should be possible to tax the mining of the vast seabed mineral wealth for the benefit of the world's peasants. No one nation wants to be shut out of the riches on the ocean floor but very few countries have the complex technologies to reach the mineral wealth.

Why not, then, allow the few seabed mining companies clear access to the ocean ores provided that a certain percent of their profits goes to the alleviation of world hunger?

Siding with the world's peasants will mean that the peasants will have a say on how development proceeds. Besides, rural people know best what one can do with land, water and crops. And unless our scientific community works with and for the peasants no yield increase will ever make a green revolution.

We should also have the courage to learn something from the symbiosis of rural small-scale industries and peasant farming in China. It is possible to develop inexpensive, small-scale technologies which can teach rural people useful skills and meet their minimal needs of food, shelter, clothing and education.

The Small Farmer Development Fund should not be used to tax the poor in America for the benefit of the rich elsewhere. There is no way the small farmer can be helped to improve his life without disturbing the feudal elites in the many poor countries—a fact that will surely test America's new, compassionate human rights policy.

American foreign aid ought to focus on the few countries which are doing their best to help their rural people and control the growth of their population. The U.S. can also convince its friends and allies to join in an effort to buy off and in the end destroy feudalism and its discriminatory institutions. Only then will the international economic system have begun the serious business of integrating the majority of mankind (the world's peasants) in an increasingly equal and fair world order.

A DIFFERENT THOUGHT ON THE NEED FOR ENERGY PLANNING

Mr. PEARSON. Mr. President, there is little doubt that the energy crisis is the subject of most concern to the public. They have now been told what the President thinks should be done. For the past 5 or so years they have watched Congress wrestle with bits and pieces of the energy program. Most now are cognizant of a vague, overall plan designed to draw us from the peril devised by our shortsightedness, but few are confident of its success.

For too long society has sat on its haunches waiting for technology to solve our problems. Only now are we beginning to understand the folly of inaction. To realize what is needed we must explore the alternatives available. We cannot, as we have until now, depend entirely on traditional thought or means.

One nontraditional, yet thought-provoking article I am submitting today for perusal by my colleagues. The author is Keith Krause, a Kansan and former director of the Kansas Board of Water Resources.

Mr. Krause correctly states that we must develop an accounting system based on energy output, energy input, and energy irretrievably lost, otherwise we do not know whether we are losing or gaining in the battle for survival. He says:

We cannot hope to successfully preserve life indefinitely without knowing what the energy account books reveal and with no intent of ever auditing those books.

His thinking about energy as a basic means of evaluating the real cost of resources, goods, and services is thoroughly explained in the following article, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE APPLICATION OF PHYSICAL, CHEMICAL, AND BIOLOGICAL LAWS OF ENERGY TRANSFER AS AN ECONOMIC EVALUATION STANDARD

(By Keith S. Krause)

PART I

The literature abounds with information about energy's role in present civilization, but very little has been said and less done about energy as a basic means of evaluating in non-monetary terms the real cost of resources, goods, and services in terms of energy units.

The common denominator of all matter is energy in some form. The physical conservation of energy laws state that for all practical purposes energy can neither be created nor destroyed and, therefore, the total amount of energy in the universe remains constant.

Energy exists in many different forms, some of which are still being revealed, nevertheless, physical measurements can be made of most of these forms and equated to a specific numerical value. For example, Q=E/J, in which Q is in calories, E in joules and J is an empirical number equal to 4.186. 4.186 joules equals one calorie.

Using a unit of energy as the bench mark for the monetary structure provides for a hither-to-fore unused standard for determining the real cost of material goods. Such a standard cannot be distorted by man-made edicts as the present monetary system is. When a unit of energy is given up by one material or operation, it is transferred to another in some useful form or wasted, however, it still exists. Wasting means that some or all the energy has temporarily or permanently escaped man's control. If enough is wasted it results in the deprivation of one kind or another, or worse, it may become destructive in nature. If the conservation of energy theory is correct then there must be a balancing of all energy vectors. There is no escape—no running of the end of nature. The transfer takes place independently and in accordance with the physical, chemical and the biological laws of the universe.

Because the earth is becoming short of certain critical resources which impart energy, it is increasingly important that the human race begin to understand and apply optimal use of such resources. This is not possible to do in an equitable sense, within the present monetary structure. This structure is already so grossly distorted that there is really no basis for any permanent standards within it.

The natural or intrinsic energy of a resource is a gift. What man does with it or to it in its transformation to something the human race wants is its cost. The intrinsic energy of a resource may be difficult to measure, however, the additions and losses during the process of transformation are in most instances readily measurable although it may be a somewhat lengthy and sometimes complex summation process. Nevertheless, the author believes it can be done with knowledge now available.

The sun is the earth's greatest source of energy. Radiation provided is measurable. Man has done nothing to induce it, so it is a gift. The act of transferring such energy into the products desired by man, however, entails both a change in the energy level downward due to losses which may or may not be recaptured. It is these losses and energy borrowed from the energy bank which constitute the cost. The losses can be lessened by increased efficiencies in the transfer process but such increases must be real, not contrived. There can be no such thing as "floating energy" as there is "floating currency". No pure monetary system now in use measures the amount of energy utilized in any given operation. The author does not propose to indicate what monetary value should be placed on a unit of energy. Suffice it to say that whatever this equation is, it will be arbitrary. One calorie may be worth a mil, a cent or perhaps a dollar. The main idea is that the unit of energy is tied into the monetary structure as the permanent and fixed standard.

It is not believed that all energy transfers must be completely understood and evaluated by everyone any more than the monetary system is. It is believed, however, that certain basic systems must be examined, classified, and evaluated. These are the basic life support objectives—food, water, air, and time. There are several secondary and intermediate systems also that warrant attention. Secondary systems include shelter, transportation, communication, health services, etc. Most all others are intermediate operations. Secondary and intermediate operations are not ends on to themselves, which in the author's opinion, is the criteria for determining what the basic life support systems are. Once these have been evaluated, other things such as the social programs, government, etc. may be forced into the same mold. Activities such as mining, manufacturing, utilities, and agriculture are, for the most part, straight forward energy transfers. In each of the transfer systems the output must equal or exceed the inputs minus the losses. Any other result leads to eventual destruction. As losses are decreased and output increased, the efficiency of the system increases, the goal for which we strive. This improvement then becomes a real improvement in conservation rather than a contrived one, such as happens when currency is reevaluated for financial or political gain.

The cost of the energy transfers must also be considered in those instances where they are secondary objectives; for example, transportation, communication, health services, and aesthetic considerations. The works of artists contain the energy that the artist puts into them. How can one reconcile the cost in energy input of a poor piece of artistry with a good one, when the input may be the same? If one accepts that all energy is a gift from the Creator, then what is good and what is poor is a matter of perspective and man is free to make choices. Creativity is a complex matter because it transfers a form of energy which is obscure, although forms of it can be measured through the electrical impulses produced by the human brain. The laws of the conservation of energy demand that such energy exists and is transferred, but its form and measurement must be more closely evaluated. Obviously, there is transfer of energy by those who engage in such activities. Creativity and other intellectual activities can be likened to the trigger which fires a gun or the push of a switch which induces a flow of electrical current. Neither operation requires but a small amount of actual energy transfer, but both are necessary to obtain the desired result.

Organizational management, like any organism, must become efficient or perish if energy units become the standard for our medium of exchange. Inefficiency becomes measurable because added inputs and waste is the product cost. It is still presumed that the market place will operate and it is only a matter of time until the inefficient are weeded out. Under the energy unit standard, bigness of a business enterprise does not mean efficiency. Too much management and organization actually creates inefficiency. The use of energy standards would provide for a means of making such analyses. One must assume that in the early stage of development there will be a certain amount of subjectiveness in the process. In the author's opinion, it appears to have the capability of being far superior to present methods of management analysis.

The amount of energy one commands is an important consideration whether it be in the form of electrons or human beings, however, in the principle of energy transfer, those in command or in management contribute no differently than does the common labor that they manage. This seems to be unfair. It is necessary at this point to recall that we are now dealing with the laws of nature which are much more rigid than the laws of man. The natural laws are essentially the laws of scarcity, not those of plenty. Unfortunately, our present society has been built on the idea that there is no scarcity of anything, particularly in the United States. The goal must now become one of preservation of the species. Monetary incentives will have to be reexamined. This concept is, of course, foreign to our way of thought. To some it will seem a heartless approach to the solution of our energy problems. Nature itself is sometimes pictured as cruel. Especially when it permits only the efficient to survive. In spite of what we as humans may desire and try to attain, sooner or later we shall be forced to comply with the natural laws which are at work all around us. It is the basic purpose of this paper to stir thought on this subject by proposing the consideration of the melding of natural laws with our monetary structure as a first step in this transition to a new survival concept.

The use of energy units as the standard for evaluating resources, goods, and services brings about the need to consider those humans and other living creatures who absorb energy, but either have not contributed to its transfer or have virtually stopped contributing. This includes the young, the unemployed, and the aged. It also includes a large domestic animal population such as household pets and protected species. The young, like the growing trees and plants are accumulating energy for the productivity, transfer, or control. They are learning. This is similar to a boiler containing a liquid which when heat is applied, absorbs the heat energy and eventually becomes capable of continuing the transfer of energy under control. The development of the young is an essential part of the biological cycle. The same can be said of the elderly, except that they have contributed whatever function of energy within their capability and are now living on the credits earned. This would seem to indicate that retiring persons at any specific age, as long as they are capable of contributing to the energy input, is not in keeping with biological or physical laws. Operating in concert with these natural laws

is the essence of the thesis advanced here. The unemployed are, in effect, a waste of resources, thus very costly. This is readily recognized even in our present monetary structure.

The sacred cattle of India, which cannot transfer energy except by dying and producing organic matter, is an example of a cultural or man-made decision which constitutes a waste of energy. If the herds were held to a limited number, it is possible that the energy intake and production would still be in balance. Uncontrolled numbers, however, can be ruinous. The typical biological "S" curve is the perfect example of this principle. This holds for all living things, including human beings.

Energy, like water, runs down hill. It can only be made to "go back up the hill" by inputting more energy. This is one of the laws of nature commonly known as the second law of thermodynamics. Can energy rundown to zero and totally disappear? The answer is "no." It may be wasted or out of control or some of it salvageable. For example, a storage battery may lose its potential, but the case remains and can be converted to other uses. It is, thus, another mechanism for transferring the latent energy contained in the case.

A companion question may also be asked, "Can there be appreciation of energy?" The answer is yes. The biological world is constantly capturing and storing the sun's energy. While the amount captured with respect to the amount received is quite small (approximately one percent), the accumulation in biological form is enormous. The resulting biochemical reaction constitutes the fuel energy which we depend on so greatly. Photosynthetic activity, climate, water, and the earth's crust are the great storage batteries of earth. Coal and oil are examples of this phenomena at work over millenniums of time. It is known that some forms of the bio-mass through photosynthesis are capable of capturing between 20 and 25 percent of the sun's radiant energy. If the storage process in the bio-mass were to improve to an overall average of two percent, this would double the captured energy on earth. This would have to be either by photosynthesis or direct capture such as through solar collectors. Increasing temperatures in any other manner may seriously interfere with the delicate balance in the biosphere and the results may be disastrous.

Determining the energy inputs, outputs, and waste from living organisms is complex, but it can be done and summarized fairly accurately without knowing the precise mechanisms at work. We may not know the precise way a computer works, but this does not mean that reasonably intelligent people cannot use computers successfully. However, neither does it mean that someone doesn't have to understand the mechanism of the "black box."

Much of the wasted energy—such as heat and substances we call pollutants under the biosphere. When they do, changes take place in the energy level of that body. These changes are the measurable clues as to what is happening and what the new distribution of this energy means to mankind, both constructively and destructively.

It is axiomatic that any new enterprise needs capital to start up. The use of nonrenewable natural resources for that purpose is a legitimate one in the author's opinion. However, such an enterprise cannot continue forever on deficits; it eventually must become self-sufficient in the energy sense or perish. This apparently is what the present civilization must realize and soon. At the present time there seems to be a minimum of interest in such matters, even in the technical community. Increasing the biomass having the capability of absorbing greater amounts of solar energy, either through photosynthesis or through climatic control, appears to be the most likely means of maintaining the enhancing our life support systems on the planet earth.

It is the author's contention that the time has come for testing the energy standard hypothesis. Until this or similar approaches to changing the course of events, it will be impossible to know what our use of and the resource allocation and priorities should be. The need to know is becoming more critical with each passing day. We cannot hope to successfully preserve life indefinitely without knowing what the energy account books reveal and with no intent of ever auditing those books.

PART II—BOUNDARY CONDITIONS FOR ANALYSIS

In the evaluation of energy transfers in any of the primary and secondary life support systems, the beginning and the ending points of the accounting and auditing procedure must be established. These may be called the boundary conditions. It is necessary, therefore, to examine criteria for determining such boundary conditions. The basic accounts include fuel and power; communication; transportation; manpower, fabrication and manufacture; mining, smelting, and refining; processing; marketing; wastes; and raw material.

The first task in the examination is the boundary criteria. These, of course, will be to some extent arbitrary and will undoubtedly be subject to refinement as discussion ensues. The following, however, may serve as a beginning point.

1. Fuel and power are sources of heat, torque, propelling power, means of overcoming friction and other forms of resistance derived from organic or inorganic materials being oxidized or by exothermic, kinetic, or atomic reactions. The difference between the useful output and the theoretical input minus salvageable by-product is waste. Each must be reduced to kilocalorie years.

2. Transportation must include fuel and power requirements as defined above for actual movement plus proportional share of road bed costs, runways, tools, shipbuilding, aircraft, automobile, truck, and all other means of transportation utilized in movements of goods and materials. It also must include all labor and management components. Each is measured in terms of kilocalories input, output, and minus the real salvaged energy. The difference is waste. The total must be reduced to kilcalorie years.

3. Manpower is both labor and management and is limited to the actual kilocalories utilized by the total manpower contributing to the transfer of energy in any of the basic life support systems. Manpower energy costs should include energy costs of transportation and equipment utilized directly by the individual in the performance of his or her duties. For an example, a car driven from an employee's place of residence to his place of business is counted as manpower input. The car itself is an intermediate transfer of energy and constitutes a separate evaluation. The food the employee eats on days he works is not an input. The food his family eats should not be included. The energy for his food and his family should be returned to him or her from the surplus or dividends which are to be divided from the surplus and final stages of the chain of transfers. The more efficient an operation becomes, the more dividends there are and less irretrievable waste. The unit of time to be utilized is kilocalories years in the evaluation process.

4. Communication includes all energy required to provide the means of transferring thoughts and facts from one person or group of persons to others or to machines and other biological life.

5. Fabrication and manufacture is an intermediate step which includes the inputs of energy required to build the factory divided by the product units during the active life of the structure; and fuel and power used, the manpower, the intrinsic energy of all incoming materials per unit of product. The outputs also include the intrinsic energy of the products. The product energy minus the salvageable energy is waste. It can be considered the algebraic summation of what energy comes in the front door and what energy goes out the back door plus irretrievable wastes. The unit of time is kilocalorie years.

6. Mining includes the extraction of minerals, oil, coal, and any other accumulated natural resource. The energy inputs include the direct manpower inputs as previously described; the tools and equipment utilized; and the electrical, gas, coal, explosives, or any other fuel utilized. It should also take into account the appropriate share of the energy required to build, manufacture, or refine the tools and materials used in mining extraction processes. Unless the energy requirements for the mining of minerals from which to build or produce the fuel and equipment used in the mining process exceeds five percent of the total used in the final mining operation, no further evaluation is considered necessary. Additional experience will be necessary to know where this boundary should exist if these criteria are found to be inadequate.

7. The smelting and refining process should include the direct energy used in transporting the raw minerals to the point of smelting and refining and all added energy such as coal, oil, natural gas, electrical power, etc. plus manpower. It should also include the apportionate share of the energy bound up in the transportation equipment and manpower used to manufacture it. It is suggested, at least until shown to be otherwise, that the evaluation be cut off beyond this point as it pertains to transportation.

The final energy of the refined product includes its intrinsic energy, plus energy added minus the irretrievable waste. The ratio of the product as described in the previous sentence to the input as described, is the efficiency of the operation. The algebraic summation of two in numerical numbers of kilocalories either pluses or minuses for a year's duration constitutes the values to be placed in the accounting system.

8. Processing pertains to such operations as packaging, handling, warehousing, distribution, drying, assembling, refrigerating, humidity control, etc. when such is not carried on within the fabrication and manufacturing operation. The energy inputs are all those added during the processing. The total loss or gain in energy is the algebraic sum of the energy of the final product, the waste and the inputs. An appropriate share of the energy of the material, tools, and manpower should also be included as part of the input carried back to a point where the additions do not exceed five percent of the total processing input. This may be changed if experience indicates some other cut-off point may be more desirable or adequate.

9. Marketing: This picks up the chain of events following processing. It begins where the wholesaler accepts the products and includes all services such as further warehousing, refrigeration, storage buildings, communication, distribution (transportation's proportionate share), sales organization, retail stores, heating and cooling, sales staff, and all incidental transportation to the point where the product has been accepted by the final human consumer for the purpose of satisfying his needs or desires. This analysis should be carried to the point where the overage or underage is estimated at five percent of the total operation.

10. Waste: Waste is any nonsalvageable loss of energy in the cycle. Examples of such losses are heat, dust, gases, chemicals, excreta, unproductive biological life, toxins,

and inefficient management. The analysis of the wasted energy is complex and can only be evaluated after trial measurements have been made. This total measurement summation is a key portion of the equation and warrants a major effort in evaluation. Inputs, outputs, and waste should all be subjected to statistical examination to determine the probabilities and departures from the norms which the measurements indicate.

11. Raw Materials: These materials include all those which are the start of a new cycle. Those of biological origin must be given special attention since their caloric value is readily converted to other forms of energy. Other materials such as igneous rock, iron ore, and inorganic materials have intrinsic energy but not readily converted. The group of organic material must be given special treatment because of their relatively unstable energy content. The inorganics do not readily change their energy levels, therefore, waste of such material is the major change taking place in their intrinsic energy level.

Water and air (hydrosphere) is another special category of raw materials. They may be classified as renewable resources along with bio-mass or organic materials. Again, there are differences among these renewable resources. The principal difference is the time needed to renew the resources. The renewable time may vary from a few moments to millions of years. Perhaps for the purpose of this analysis, a renewable resource should be arbitrarily determined as one which is renewed within 25 years inclusive.

Definition of terms

Conservation of energy of a general natural law that energy can neither be created nor destroyed and that, therefore, the total amount of energy in the universe remains constant.

Kinetic energy is energy of a body in motion.

Potential energy is the kind of energy a body possesses by virtue of its position (elevation).

A calorie is the quantity of heat required to raise the temperature of one gram of water from 15° to 16° Celsius at sea level datum.

The second law of thermodynamics may be expressed as follows: Heat does not of itself pass from one place to another place that has a higher temperature; work must be done to accomplish this result.

A joule is 10^7 ergs. An erg is work done on a body when a force of one dyne is exerted on the body through a distance of 1 cm. A dyne is an unbalanced force which, acting on a mass of 1 gram produces an acceleration of 1 centimeter per second squared. 4.186 joules equals 1 calorie.

Biological S curve is that curve which illustrates the rate of population growth of all biological life having a limited and stable energy supply. It also assumes that toxic waste products are either removed or detoxified before again entering the energy cycle.

Atomic energy is that energy resulting from the fission or fusion of the atom.

Chemical energy is that energy resulting from the union of substances containing stored energy. When heat is liberated from such union it is known as an exothermic reaction. If heat is absorbed by the union it is known as an endothermic reaction. A union which results in both heat and light energy is known as combustion.

Renewable resources are those which are reestablished naturally within a given length of time. For the purpose of this presentation, the time period is arbitrarily set at 25 years or less.

The foregoing boundary and definition of terms are designed as starting points for further elaboration as experience and examination dictate. More precise boundary conditions will emerge with testing. It has been stated that an energy based economic structure has no advantage over the present economic system because of its complexities. This author must disagree with the premise that it offers no advantages. Survival is the goal and energy is the key to it, therefore, even though complex, it must at some point in time become the new basis for our economic structure.

PART III—AN EXAMPLE OF THE ANALYSIS OF ENERGY TRANSFER

It is often said that the efficiency of agriculture in the United States is far superior to any other nation in productivity per acre and per man. The measurements, however, may be superficially and sometimes fallacious.

For purposes of discussion, assume that an acre of land in its natural state will produce so many kilo calories of grass, trees, shrubs, flowers, seeds, etc., in a primitive ecological balance. Through the action of the sun, precipitation, fire, insects, birds, animals, and bacterial action, equilibrium or surplus in the energy balance is established. This balance, of course, can be different for different soils, latitudes, precipitation, radiation, and for other reasons. Nevertheless, in the due course of time equilibrium or surpluses becomes established even while continuous change does take place among the various biota of the land plot. Such a condition can be used as a starting place of any induced changes and for purposes of this illustration it is assumed that balance of inputs and outputs are natural and not affected by man.

Now let man enter the scene. The natural equilibrium does not provide what he wants to eat or craft so he begins to change the culture to suit his needs. Such an evolution, of course, has been going on for millenniums of time, but the greatest changes are rather recent of origin—the last 200 years for the most part.

To illustrate this point better, let's assume that originally this acre grew 1,000 kilo calories of edible food. This was largely consumed by the birds and beasts of the area, but the foliage and some of the fruit or grain returned to the earth from which it sprang, all users replenished the fertility of the soil and provided for the maintenance of the species, but its average productivity remains relatively constant.

As man enters the scene, the 1,000 kilo calories of food is insufficient to feed him and his family. He then begins the transformation of the use of the land by the addition of energy—his own—and that which he may import. This energy may be in the form of cultivation which induces a better environment for the desired food or fiber—it may be in the form of additional fertilizer and/or it may be in the form of additional water which enables the plant to better utilize the new forms of energy (fertilizer). The results are greater yields of a useful food and fiber material for man. While it supplies him with more energy, it also introduces losses in fertility if the energy used in the production transfer is not returned to the soil. He is, therefore, forced to import still more additional energy. The importation of the resources, however, cannot be continued indefinitely when part of it is irretrievably wasted. If borrowing from other resources continues, it can only result in destruction as soon as the resource bank has no more assets to lend. The only solution is the capture and use of the wasted energy and the capture and use of a greater portion of the sun's radiant energy.

One may visualize what happens by thinking of the food plant (or other primary life support systems) such as a tree with a root system, trunk, leaves, and fruit. The tree in its natural state uses what is available to it in terms of chemicals, water, sunlight, and returns a major or increased portion of its annual production back to the earth to sustain its growth. Those portions returning are leaves, fruit, seeds, dead limbs, etc. Finally, however, the tree succumbs and the entire mass of growth returns all of its accumulated wealth of photosynthetic energy except some oxygen and other gases back to the soil from which it sprang. Thus, in terms of years, equilibrium is reached and in some instances energy added (coal, natural gas, and oil are products of biological life). The root system in its natural state is not influenced or dependent upon imported energy inputs except that from the sun and its resultant forces such as precipitation and CO_2. Now let's add a tap root which is called "cultivation". Its purpose is to induce additional energy, to increase productivity useful to man's needs. Through this root we can introduce fertilizer, additional water, and a better prepared soil—all of which gives the tree a greater source of energy to utilize in addition to the sun. However, in providing this additional energy at the tap root, a great and complex set of transfer events begins to take place. Let us examine branches of the tap root to see what the inputs of energy may be. First, there is man himself. He must eat, be sheltered, reproduce, and support his progeny in order to continue transferring physical and intellectual energy required to cultivate the land. One such transfer may be driving a tractor to which cultivating equipment is attached or it may be a more permanent form of cultivation. The food eaten is the energy required for himself and his family; he must also produce enough to feed, clothe, shelter, and supply the partial needs of all those who help in the transfer process chain. Food resulting gives the human ability to perform work. He also excretes energy (waste) which his body cannot utilize. The ratio between the man's intake and output plus the waste is his energy use efficiency. With this as a beginning, an accounting system to sum up the intrinsic energy, energy inputs, outputs, and waste of all humans involved in the process can be established.

Let us examine the tractor which the farmer drives. One immediately thinks of the gasoline, diesel fuel, and oil that is transferred into working energy to assist the farmer. But where did this source of energy originate and by what devious path did it reach the tractor and how much of the original resource was expended or wasted in getting the residual resource to the form of energy represented by the tractor? Tracing root and rootlets is a complex and time-consuming matter but it is physically possible. The energy used in manufacturing the cultivating equipment and manpower utilized in locating mining, smeltering, shaping are a part of the root system. These measurements are all physical ones, the data collected and placed in its proper account column.

The transportation system is involved in getting the tractor from its point of fabrication to the point of use together with its marketing. The energy inputs and losses must be computed. In this sense, this measurement is a part of the rootlet system needed to satisfy the food life support system.

The manufacturing of the tractor is a major intermediate root and must include the chain of energy transfers from the mines through the fabrication stage, including the energy used in building the machines that mined the ore and other materials plus the attending manpower. A reasonably accurate accounting must be made of all of these forms of energy utilized or lost, if there is to be an accounting for the increase or decrease in the productivity of the biomass and its stored energy.

There are numerous other roots joining the tap root which also must be traced to their beginnings and the energy transfers recorded. Such roots include manpower, fertilizers, water supply, insecticides, seed grain,

etc. with their attending losses, inputs, and outputs.

When the food and fiber are consumed, the cycle begins all over again. If the chain of transfers has been efficient, the final product should show an appreciation of energy, although some sections in the chain may not show any increase in energy. The surplus energy in the final basic life support system product represents the dividends. These must be redistributed back along the contributing roots in the same numbers of units contributed as the first step. Should there be surpluses in excess of this number then the remainder should be returned to the manpower inputs. The surplus may be converted to money for ease of exchange so that the receiver may choose to spend it for whatever other energy units he or she wishes to purchase. The exchange system is reversible.

To sum up, our goal has been to produce more energy per unit of land or other enterprises. Unless we have an adequate accounting system based on energy output, energy input, and energy irretrievably lost, there is no way to determine whether we are gaining or losing in the battle for survival. The laws of nature are exacting. Man cannot win the battle for survival by continuing to make himself believe that he is. Man cannot continue to borrow from the energy bank forever. He, unfortunately, may have overdrawn his account already without knowing it, or worse, without really caring. We have most of the means of measuring the energy transfers. This may not have been possible a few years ago and there are still some gaps, however, the author sees none of these shortcomings as adequate excuses of doing nothing as a nation to reexamine its values. The advanced scientific community such as exists in the United States should immediately undertake a new look at the economics of energy scarcity and begin the slow and torturous process of reorienting the social and economic system which an enlightened people have if they are to survive.

PART IV—SOCIAL IMPACT OF THE APPLICATION OF THE PHYSICAL, CHEMICAL, AND BIOLOGICAL LAWS OF ENERGY AS AN ECONOMIC EVALUATION STANDARD

The impact on the American people will be somewhat traumatic if it were to be done in one step. The conversion to the metric system would be insignificant in comparison to the conversion to a new economic system based on the laws of nature rather than of man. The area which will create the major problem will be on the professional groups, government, and management personnel where the transfer of energy in reality is the same as the laborer; and the rewards will be the same monetary returns which can no longer be a measure of success. The acceptance of the change from an economic system based on plenty to one based on scarcity will be difficult to accept by the majority of persons. The idea that survival must supplant the goal of achieving wealth will be an unwelcomed thought. Henceforth, the accumulation of energy credits will be the goal. This will require an entirely different view of the use of natural unrenewable resources.

The idea can be more readily accepted as a conservation measure and a means of measuring the efficiency of management and government. It also will be very useful in establishing priorities among uses of raw materials and the processing and marketing of such products made. The author does not believe that the trauma will be nearly as great nor the complexities of the proposed change nearly as great on the so-called "intermediate class" of industry and agriculture.

The new philosophy will have a significant impact on taxes and will force energy wasting chains of activities out of existence in favor of those activities which end up with a surplus of energy. This points to a new era of the use of the climate, the bio-mass, and direct solar energy as the major energy inputs. Nonrenewable resources (definition) will remain in nature's bank account for a longer period of time and will be used only as energy capital to start up a self-supporting activity, i.e., one in which the final product yields as much or more energy than the inputs. It also points to the need for recycling inorganics and organics of a salvageable nature to the maximum extent possible. Monetary costs in terms of the present system of economics will no longer be an impediment to recycling. Energy cost and the intrinsic energy will be the determining factors.

This concept also would encourage the greater production of such energy sources as the fuel cell and bio-mass as a source of food, fuel, power, and shelter because of the photosynthetic process and its capability to capture and store solar energy in a relatively efficient fashion. This sets the stage for an entirely new type of industrial and agricultural productivity procedure.

Taxation under the energy standard system can function only if there are energy dividends to be divided amongst society. Will such a system force the government to own everything? To the author, there seems to be less reason for the government to manage society under such a system than there is under the present monetary structure since the success of the energy standard system depends on efficiency. The author sees no conflict with the Constitution of the United States and an economic structure utilizing energy units as the basic standard. It would also appear to make each individual more self-reliant and draw specific attention to the basic life support systems and away from the frivolous add-ons. A greater challenge will confront the scientist since he holds the keys to energy storage systems.

The greatest challenge will be to the leadership of nations, particularly the so-called wealthy nations to convince the populace that a change in economic philosophy must take place. Undoubtedly, this can be done only as a long-range effort, however, the scarcity of certain natural resources will hasten the acceptance of the idea. We are already considering alcohol to replace gasoline, splitting the atom for fuel and power, producing nascent hydrogen from water, and utilizing organic matter in new and unique ways. These are all steps in the direction of creating and using the bio-mass as the basic energy producer and storehouse.

In the author's opinion, however, these cannot be successfully implemented until the monetary structure is tied directly to the physical, chemical, and biological laws of nature.

The armed forces of the nations are basically a waste of energy with the exception of salvageable materials. The author sees no respite from such waste until mankind decides that greed and covetousness are also a waste. The decision to employ the energy unit as a basic monetary standard will lead the human race away from the greed and covetousness for monetary and natural resource wealth, but it may lead it toward a race for technological advantages. These can be shared without traumatic effect on nations since its principal aim is now toward survival. A man in India can earn just as many energy credits as one in the United States or other industrialized nations providing he has the technology to produce the bio-mass in an efficient manner.

In a sense, the change is somewhat like the use of gold as the monetary standard, except more exacting.

The political problem foreseen will be to keep the relationship between the energy standard and the monetary units constant. The author sees the possibility that surplus can be exaggerated by increasing the monetary unit value equivalent to each energy unit. This, however, would also equally exaggerate deficiencies which would be a counterpoint to any attempts to change the relationship for expedient purposes.

What happens to debts or wealth in any changeover? Since monetary values would be equated to energy units and vice versa, a conversion would be necessary on the basis of the relationship between the energy unit and currency. One would owe so many energy units in the case of a debt and would have a surplus of energy units in the case of held wealth.

The social impact of such a change is not belittled, but neither is starvation, war, or other social disorders which plague us now mostly as the result of the inefficiency and disparagement of wealth between persons and nations.

PURCHASE OF B–1 BOMBER

Mr. ANDERSON. Mr. President, I have become greatly concerned about the potentially negative impact the purchase of the B–1 bomber will have on our national defense. The current estimate to purchase a single B–1 is $101.7 million. If the Air Force receives all the 244 B–1's it is requesting then the total cost will exceed $25 billion. When operational costs are added we are talking about funding a weapon system that will cost the American taxpayers from $75 to $100 billion or even more. I am convinced that this enormous sum of money could be spent more wisely by upgrading our conventional forces in Europe and by rebuilding our Navy, which has a critical need for more ships.

My belief is that our Nation's defense posture would be better served by canceling the B–1 program in favor of equally effective alternatives such as the long-range strategic cruise missile, which can be launched from surface and subsurface ships, from the land, as well as from the B–52 or a 747-type delivery system in the future.

For these reasons, I have written President Carter expressing my opposition to buying the B–1. Mr. President, I ask unanimous consent that the text of my letter to President Carter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

U.S. SENATE,
Washington, D.C., June 8, 1977.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR PRESIDENT CARTER: I understand that you are nearing a decision on the B–1 bomber. My feelings on this issue are very strong, and I hope that you will give my views your consideration prior to making a final decision.

I oppose purchase of the B–1 bomber. As a member of the Armed Services Committee it is my intention to vote against further development of this plane.

After carefully considering all available information related to the B–1 program, I have concluded that its purchase would be a grave mistake. My reasons for opposing this weapon are:

1. The B–1 is so expensive that its purchase will adversely affect our ability to maintain a strong and balanced defense posture. The Air Force wishes to purchase a B–1 fleet of 244 bombers. Current estimates suggest a cost of $24.8 billion, or more than 100 million for each plane. But when opera-

tional costs are added we are looking at a total cost that will exceed $75 billion and possibly approach even $100 billion. The enormous investment required by the B–1 program misallocates our defense funds which are urgently needed to strengthen NATO and our conventional warfighting capability, including the rebuilding of our Navy. For the cost of one B–1 bomber, America could purchase 150 modern tanks, 14,000 TOW antitank missiles, or 19 A–10 ground attack aircraft. This is the equipment we need to ease the grave doubts that have been raised about our ability to block a conventional attack in Europe by Warsaw Pact nations. It will do us little good to know that we can destroy Russia in a nuclear war if the Soviet Union enjoys the option of launching and winning a conventional war in Europe.

2. There are equally effective and far less costly alternatives to the B–1 bomber. These alternatives include long range air-launched and sea-launched strategic cruise missiles. I don't believe that alternative launch vehicles for the cruise missile (such as a modified 747-type stand-off delivery system) have been adequately considered. A long range cruise missile delivered by these systems will be far more cost-effective and, as important, a more credible deterrent to our potential enemies.

3. The Soviet Union is more fearful of the cruise missile than the B–1 and would welcome a decision by the U.S. to spend enormous sums for a system that is no longer a credible deterrent. Long range cruise missiles launched from air, sea, and land pose a significantly greater defense problem for the Russians than does the B–1. Reports from the current SALT talks underscore my point. The Russians apparently seem willing to accept the B–1 bomber system, while unequivocally opposing development and deployment of the long range cruise missile. The Russians are understandably quite willing to allow us to spend ourselves into bankruptcy. The Soviets know that the cruise missile can be at least as formidable a threat to them at infinitely less cost, and that is why they oppose its development. The primary mission of a manned strategic bomber is deterrence. The Russians don't appear to be deterred by the B–1.

4. The purchase of any substantial number of B–1 bombers will eliminate any possibility of meaningful tax reduction and, any hope for balancing the budget by 1981. The purchase will mean a setback in our mutual efforts to provide needed public investments in housing, health care, welfare reform and full employment across the country.

In conclusion, Mr. President, I repeat my opposition to the continued employment and deployment of the B–1 fleet. The question is not whether the B–1 is a good aircraft, because I believe all available evidence indicates that it is. The question is, given the equally effective alternatives and our limited resources can't we better spend the money more wisely.

I also strongly urge that you reject Russian demands that the SALT II agreement restrict development and deployment of the strategic cruise missile.

Thank you for your consideration of my concerns in this most crucial matter.

With warmest personal regards.

Sincerely,

WENDELL R. ANDERSON,
U.S. Senator.

EARNINGS LIMITATIONS ON SOCIAL SECURITY BENEFITS

Mr. BUMPERS. Mr. President, on January 10 of this session, I introduced S. 87, a bill which would raise the earnings limitation on social security benefits from $3,000 to $4,800 for 1978. One need only glance through the CONGRESSIONAL RECORD to know that members of both parties and the public are concerned about the unfairness of penalizing older persons who need to work to supplement their social security income.

Hearings on social security matters by the House Ways and Means Committee are now scheduled for early July. Besides dealing with the Carter administration's proposed changes in the social security system, the earnings limitation issue will also be addressed. I look forward to testifying on behalf of S. 87.

I recently received a letter that shows clearly why this limitation is unfair. I ask unanimous consent that this letter and an accompanying article from the Modern Maturity magazine be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. DALE BUMPERS,
U.S. Senate.

SIR: This letter concerns the penalty for earning money in the United States. Anyone up to age 72 who receives Social Security benefits may be penalized for earning money. For example, during 1976 I was owed $816.92 in vacation pay. Here is what happened to it:

Amount due	$816.92
Less:	
Social security tax withheld	47.79
Income tax withholding	91.10
Missouri income tax withholding	9.52
St. Louis City penalty for earning	8.17
U.S. Government penalty for earning	408.46
Illinois income tax on $816.92	20.42
Total forfeitures	585.46
Balance available to spend	231.46
Less Illinois sales tax on $231.46 at 5%	11.57
Usable balance	219.89

	Percent
U.S. Government penalty for earning	50.0
Other taxes	23.1
Total taxation and penalties	73.1
Percent of the $816.92 available for use	26.9

There surely can be no doubt in anyone's mind that this is harsh and unfair to those who have greater need for income than persons not penalized for earning money. I feel strongly that the United States 50% earnings penalty should be removed from those on Social Security, without delay.

Very truly yours,

CARL L. ROBERTS,
(Age 67).

[From Modern Maturity Magazine, December–January 1976–77]

PUNISHED FOR WORKING

I sometimes wonder if flies have feelings. We swat them just because they exist.

Now I know how a fly would feel. I've been swatted—many times. Just because I exist and have attained age 65

The first swat is automatic, compulsory retirement. I'm healthy, experienced, productive, eager to work and maintain the standard of living that I've attained. But when I turned 65 I was, in effect, fired. True, there was a nice farewell party. There were gifts, and a company pension. Social Security checks began to arrive on the third of each month.

Easy life? Well-earned rest? Not with my income drastically lowered.

I sought work. More swats. Usually silent; occasionally explicit: "This company will not hire anyone over 65 years of age."

I tried "temporary help" agencies. I found that the same companies that would not hire me directly would be glad to engage me through a "body shop." Of my gross earnings, 35 per cent went to the body shop, leaving far less than my former pay had been.

So I tried contracting my services myself. The glamour word is "consultant." No company imposes age discrimination on consultants.

Thus I found satisfying work. Again I was being creative, being useful to society. Nice feeling! There was a short time of financial ease. During that time I paid state and Federal income taxes, and Social Security taxes, like everyone else. But oops! Here's the largest, most fantastic swat of all!

In the first few months of 1976, I earned $2,760, a magic number set by the Congress. The following month, since I had continued to work, I had to pay an extra "tax" because I was over 65 and not yet 72. That was the law! Of every $2 earned above $2,760 in any one year, I had to forfeit $1 of Social Security benefits for that year until all benefits had been forfeited for every month in which my earnings exceeded $230.

That's a 50 per cent tax on top of all other taxes. Just for working! If I played the market, or the horses, or the numbers, and won, but did not work, there would be no forfeit.

Since my net take-home pay is less than carfare and lunch money. I've quit working. And since I can't just rock and ruminate on a shaded porch, I've been playing fiscal games with my calculator.

The way in which legislation discourages working is inexorable. Earn $774. Take home $21! What a deal! Yet that's how things work out for one hypothetical self-employed single person—such as widow or a widower (see box).

There are, of course, an infinite number of cases, widely differing. And some generalities: The forfeiture swat is but a minor burden to those who can earn $20 or more per hour and work continuously. To those who work at low rates or not continuously the swat is crushing. For everyone, regardless of the amount of his benefit (i.e., the amount he has to forfeit), the nadir is to earn more than $230 a month but less than twice one's monthly benefit.

Most of us fall in that horrible bracket, and we are the ones who most need to supplement our income. Isn't it time to do something about this enormity?

The big bite

Gross earnings	$774
Less:	
Federal income tax, 34 percent	263
State (Mass.) income tax, 5.375 percent	42
Social Security tax on earnings (self-employed), 7.9 percent	61
Net earnings	408
Less forfeit social security benefits	387
Actual earnings for month	21

(Total "taxes" and forfeits equal 92.275 percent of gross earnings.)

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred

to and is now pending before the Committee on the Judiciary:

James W. Garvin, Jr., of Delaware, to be U.S. attorney for the District of Delaware for the term of 4 years vice W. Laird Stabler, Jr., resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, June 16, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

LET FREEDOM RING

Mr. McCLURE. Mr. President, on Sunday, May 1, 1977, Jack Morrow of Boise, Idaho, addressed over 3,500 members of the Independent Order of Odd Fellows at their 44th annual pilgrimage to the Tomb of the Unknown Soldier. Members from all parts of the United States and Canada took part in the remembrance ceremony which exemplifies the principles of the Odd Fellows: Friendship, love, truth, faith, hope, charity, and universal justice. In addition to the 81 wreaths placed at the Tomb of the Unknown Soldier, a wreath was laid at the Canadian Monument for four international leaders of the Odd Fellows, Jack O. Morrow, sovereign grand master, Boise, Idaho; Mrs. Dorothy Boyer, president of the International Association of Rebekah Assemblies, Belle Fourche, S. Dak.; Gen. Harold Younkin, general commanding, General Military Council of Patriarchs Militant, Great Bend, Kans.; and Lady Dorothy Jones, president of the International Association of the Ladies Auxiliaries, Patriarchs Militant, Tonkawa, Okla.

Mr. Morrow's pilgrimage address payed tribute to the American patriots and fighting men who gave their lives to preserve our heritage of freedom. I ask unanimous consent that his speech, "Let Freedom Ring," be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LET FREEDOM RING

From the time that the Pilgrims set sail across the unknown vastness of the Atlantic and landed at Plymouth Rock to the time that the Astronauts circled the unknown spaciousness of the moon, freedom has been a beacon light. From our earliest heroes who explored unknown lands to our modern pioneers who searched unknown space, the American dream has been for freedom; and the vision for tomorrow is freedom.

It is today that we reaffirm our faith and rededicate the principles of Friendship, Love, and Truth to the cause of freedom. We honor those fighting men around the world who sacrificed their lives, their "all."

We pay homage to the American Patriots who fought in the Revolutionary War. When the church bells rang and the drums beat after the midnight ride of Paul Revere in 1775, they heard the "call to arms." The struggle was long and hard—Lexington, Concord, Bunker Hill, Valley Forge—and, finally, victory at Yorktown in 1781.

In spite of defeat, poverty, tears, and starvation, the Patriots stood together and left to their descendants a nation with freedom. This is their heritage to us: Declaration of Independence—"We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness."

We pay homage to the Civil War men who fought a bitter conflict. They answered their leader's call for volunteers after the early morning firing on Fort Sumter in 1861. Families were torn apart with brothers, fathers, sons, friends, and neighbors fighting for the Blue or Gray. It was a destructive, horrible conflict—Bull Run, Merrimac and Monitor, Vicksburg, Gettysburg—and, at long last, peace at Appomattox in 1865.

When the fighting had ended, the men of Blue and Gray became united in the cause of freedom. This is their heritage to us: Gettysburg Address—"That this nation shall have a new birth of freedom; and that this government of the people, by the people, and for the people shall not perish from the earth."

We pay tribute to the Unknown Soldier of World War I who represents the Americans that fought "Over There" and brought new hope to our Allies after Congress was forced to declare war in 1917—Lusitania, Chateau-Thierry, Belleau Woods, Argonne Forest—and, then, an Armistice in 1918.

The first World War had new and improved weapons that made warfare more dangerous and deadly—aircraft, flame throwers, submarines, mechanized equipment, and trench combat. World War I was a "war to end wars," and "to make the world safe for democracy."

Initial action was taken in the development of an International Organization, and the fighting "Yanks" made our nation one of the most powerful on earth. This is their heritage to us: League of Nations—"To promote international cooperation and to achieve peace and security among the nations of the world."

There was no peace! Within a span of twenty-three years, the United States was at war again! World War II grew out of the grievances that were not settled from World War I.

No American can ever forget Pearl Harbor on December 7, 1941—a day of infamy!

We pay tribute to the Unknown Soldier of World War II who represents the Service Men that fought in the most terrible and costliest war in all history—Bataan, North Africa, "D-Day," Hiroshima—and, at last, "V-J Day" in 1945.

Modern warfare had no equal—the Atomic Bomb had many times the destructive power of any weapon in the history of the world. The soldier, airman, sailor, and marine answered their country's call in the cause of freedom. This is their heritage to us: Four Freedoms—"We seek to make secure, everywhere in the world, freedom of speech and expression, freedom for everyone to worship God in his own way, freedom from want, and freedom from fear."

We honor the Unknown Soldier of the Korean War who represents the fighting men that were sent across the sea in 1950 when a conflict between political ideologies led to war. The Korean War demonstrated the capability of a World Organization to take military action in an emergency.

Another struggle against Communism broke into open warfare in Vietnam in 1965. Once again, our armed forces fought in the defense of free people who were being deprived of their liberty. Many Americans lost their lives in Korea and Vietnam because they fought to bring freedom to oppressed people who were terrorized with brutality and fear.

We honor the fighting Americans of other wars—War of 1812, Mexican War, Indian Campaigns, Spanish American War, and Philippine Insurrection. They, too, "sleep in peace" in Arlington National Cemetery, Flanders Field, National Cemetery of the Pacific, and unknown cemeteries around the world. Their fight in the cause of freedom is over, but the heritage they left us "lives on."

We, the American people, must hold fast to the faith that our fighting men have entrusted to us. We dare not allow their fight for our freedom to be taken away from us. We must be vigilant!

It is for all members of the Independent Order of Odd Fellows to rededicate themselves to live together in peace and to hold high the ideals for which our "Honored Men" so nobly fought. We have no other choice! The supreme sacrifice of their lives in the cause of freedom is a command for all of us throughout the world to uphold the principles for which they died—Friendship, Love, Truth, Faith, Hope, Charity, and Universal Justice. We must continue to work for the Law of Universal Brotherhood that will bind all nations together in freedom and for the solution of any disagreements in the conference room, not on the battlefield.

May our visions of 1977 fulfill their dreams!

Today we honor all the fighting men represented by the Unknown Soldier—"Known Only to God."

They gave their lives, their all
And answered their country's call.
They held high the beacon light
As the eternal flame of freedom's right.

Together we achieve unlimited visions! Let freedom ring!

SENILITY: AN OFTEN MISUSED WORD

Mr. CHURCH. Mr. President, the National Institute on Aging—NIA—has been mandated by the Congress to conduct and support "biomedical, social, and behavioral research and training related to the aging process and the disease and other special problems and needs of the aged."

The NIA has been at work for only about 2 years, but has already become an effective catalyst for more extensive and innovative research about the aging process. The Institute is constantly seeking ways in which to influence more of this Nation's and others' research resources.

In a recent letter to me, Dr. Robert Butler, Director of the NIA, wrote that—

We have reasoned that one of the ways the Institute can best contribute to the understanding of aging and the diseases associated with it would be by collaborating with other Institutes and agencies, particularly the disease-categorical Institutes of NIH.

I agree with Dr. Butler and I am very interested to learn of such a joint effort sponsored by the NIA, National Institute of Neurological and Communicative Disorders, and the National Institute of Mental Health. The conference on "Alzheimer's Disease—Senile Dementia and Related Disorders" is being attended by noted neurologists, geriatricians, and researchers from around the world.

Senile dementia affects millions of older persons, but it is widely misunderstood and often identified incorrectly. The roots and effects of the problem are very well described in a recent article by Dr. Lawrence Altman in the New York Times. I ask unanimous consent that Dr. Altman's article be printed in the RECORD.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

SENILITY IS NOT ALWAYS WHAT IT SEEMS TO BE

(By Lawrence K. Altman)

The brain of a young adult contains about 12 billion neurons, the cells that send nerve impulses through the body's most complex organ, and each day, as part of the aging process, the brain shrinks from the death of 100,000 neurons. After decades of losing these irreplaceable cells in an uneven pattern through the brain, the mind of the older individual may wander and he may no longer be able to care for himself. In a word, he becomes senile.

Lapses of memory are common, and when an older person forgets an appointment or name, he is naturally inclined to ask, "Am I getting senile?" In most cases, the answer is in the negative because humans are fallible at all ages, and most older people are not senile.

Nevertheless, the problem of senility is becoming increasingly important. Sometimes, the problem comes to dramatic public attention as it did last week when a California Supreme Court justice was ordered to retire because of senility. But the cases of hundreds of thousands of other senile people who manage to carry out their jobs and daily household activities with varying degrees of success receive far less publicity despite the magnitude of the affliction.

Geriatric specialists estimate that 15 percent of people 65 to 75 years old and 25 percent of those 75 and older are senile, a total of about four million. The National Institutes of Health say that 60 percent of the 950,000 nursing home patients over the age of 65 are senile. No accurate statistics exist to know if a larger percentage of older people are getting senile or if there are more senile people because there are more older people. But some geriatricians express the belief that for unknown reasons senility is truly increasing.

Nor do doctors know the cause of senility. It appears to be more than just the loss of neurons, because many older people who have shrunken brains maintain keen minds, and some senile people do not have unusually small brains. And doctors do not know if senility is a disease or a natural aging condition that would affect everyone who lived long enough.

For unknown reasons, the loss of neurons occurs unevenly in the brain, seemingly affecting the frontal and temporal lobes (which among other things play key roles in verbalization and hearing) more than other areas of the organ.

Doctors who have studied senile changes have often found it difficult to pinpoint the exact nature of the anatomical brain changes and even more difficult to correlate such changes with the patient's symptoms.

Senility—the word is derived from the Latin word meaning old—is a condition generally characterized by memory loss, particularly for recent events, loss of ability to do simple arithmetic problems, and disorientation to time and place. It is a diagnosis doctors must make by impression, primarily by a bedside examination, because they have no specific diagnostic laboratory test such as a high blood sugar to confirm diabetes.

The computerized axial tomogram, a new x-ray technique that has revolutionized neurology, has helped diagnose senility in more people by showing a shrunken brain on x-ray. To get the same information in the past, doctors had to inject air into the brain, which involved not only pain but some risk to the patient. Because it is so new, the tomogram technique's usefulness in senility has not been fully explored. At present it can support the doctor's bedside impression, but it is not considered a specific diagnostic test.

Many conditions can produce symptoms that mimic senility, and many people are falsely labeled senile when their symptoms are due to depression, a thyroid gland abnormality, pernicious anemia, effects of drugs like bromides, or a variety of other conditions that can be effectively treated, if not cured by psychotherapy or drugs.

But at most 20 percent of senility cases have a treatable cause. This situation has raised questions in the minds of some budget-conscious officials about the cost-effectiveness of spending up to $500 just for extensive series of diagnostic laboratory tests on all senile patients when they have but a few years to live.

However, the overwhelming majority of physicians would agree with Dr. Leslie Libow, chief of geriatric medicine at the Jewish Institute for Geriatric Care in New Hyde Park, who said:

"Senility is one of the most serious medical disorders that can be given to a patient because the prognosis is so serious and the effectiveness of treatment is not clear. If we value our older people, how can anyone seriously argue that every physician should not do the tests to make sure a treatable cause has not been overlooked?"

The older population's growing political influence has led government officials to devote more attention to their medical troubles. Next month, for example, the National Institute of Aging, the newest unit of the Federal National Institutes of Health in Bethesda, Md., will hold one of the larger scientific meetings on senility.

One impetus for the meeting is the recognition from research studies during the last five years that arteriosclerosis, or hardening of the arteries, plays less of a role in senility than doctors previously believed. Senility on the basis of arteriosclerosis tends to produce worsening symptoms on an episodic basis. Now, geriatricians believe the bulk of cases are due to senile dementia, a disease of unknown cause that occurs more commonly in women and that is characterized by the gradual, unrelenting, irreversible deterioration of the mind. The process can occur so slowly and subtly as to escape attention until the affected person shocks his family by wandering away from home, failing to recognize an old friend, or squandering money on a worthless cause.

When senility develops in a 40- or 50-year-old individual—it is then called pre-senile dementia—doctors generally suspect a wide variety of conditions, but two in particular, Alzheimer's Disease and Pick's Disease. In Alzheimer's Disease, the shrinkage occurs throughout the brain, whereas in Pick's Disease the changes are more localized. Anatomically, Alzheimer's Disease is indistinguishable from the shrunken, senile brain to the pathologist, raising questions whether Alzheimer's might be the early onset of the more common form of senility.

The main thrust of the meeting will be to explore the various avenues of research through which the mystery of senility might be solved. Among the current areas of focus:

Epidemiology—What clues can be picked up by examining the differences in incidence among various populations that could not be detected by laboratory studies?

Viral—Can viruses that take years to incubate and produce damage be an important cause of senility?

Hereditary—Is there a genetic defect that predisposes some individuals to senility? If so, what is it?

Metabolic—Is there a biochemical abnormality that leads to senility?

The answers to these and other questions could lead to effective therapies and preventions for one of society's more costly troubles.

LESS SUNSHINE IN GOVERNMENT

Mr. McCLURE. Mr. President, while there is absolutely no argument I consider valid against civilian control of the military, I see very little use in specialists whose expertise is unavailable to those of us who must vote on various aspects of the military budget. We can not make intelligent decisions unless we are in possession of every reasoned and reasonable fact and opinion. If General Singlaub or any other senior military officer who has views other than those of the administration is muzzled, how can intelligent debate be joined?

Never before has an administration come into power with more promises of openness and honesty. Because the public believed that these promises were more than campaign rhetoric, President Carter was elected But in actual fact there is less sunshine, less open debate than I can remember in any administration since FDR's. Properly, the Congress should hear from those people who fear that a withdrawal of Korean troops would lead to war as well as from those who do not. Only then can we best determine how to avoid war. Surely people who have made a specialty of studying just such a situation over the years can make better evaluations than raw politicians fresh from the campaign trail. Or maybe they can not. But then we should know why.

This administration repeatedly asks us to trust it. It sends up Paul Warnke, fresh with a new perspective, which he repudiates by abolishing the verification panel. But there is still another level of inconsistancy. On the one hand, we have General Singlaub who is prepared to make a reasoned case for his position, silenced because he disagrees with the administration and Andy Young, who may yet get the Idi Amin award for diplomacy, encouraged. Young even invents policy as he goes along and a docile administration tags along behind. The Washington Post quoted the President in a May 27 article.

I know of no instance that Andy Young has violated a policy.... (sic).

Which means, of course, that the doctrines which describe all Americans as racists and Cuban forces in Africa as stabilizing, are the policies of the administration which promised us openness of and participation in Government. If I were a Republican first and an American second, I might take some comfort in an administration becoming daily more vulnerable to charges of inconsistency and closet diplomacy. But as an American I can only fear for the future.

MAX RICE, "BOY" SCOUT

Mr. CHURCH. Mr. President, as chairman of the Special Committee on Aging, I have been privileged to meet many older citizens across the Nation who are remaining active in civic life through volunteer work. These community-minded elderly find that their contribution helps them retain individual vitality while spanning the gap between the generations.

Sometimes it is a Government-funded activity, such as the RSVP and foster grandparents programs, which provides the opportunity for this continued participation and interaction. But, long before the advent of these worthwhile programs, private voluntary organizations afforded many of the same benefits. And one of the most outstanding is, of course, the Boy Scouts of America.

In my home State of Idaho, Boise's Troop 40 has just marked its 35th year under the able and dedicated leadership of Scoutmaster Max Rice. Mr. Rice, now 73, has been involved in scouting, remarkably enough, since before he was old enough to join. An awareness of the strength of character which he gained from that early involvement instilled in him a love of scouting which remains undiminished to this day.

Mr. President, a recent article in the Idaho Statesman describes Max Rice, who has a simple credo:

I don't think a man can stand any taller than when you help a boy.

But that is only half the story. Because, as Bruce Spence points out in this article, participation in Scouting is keeping Max Rice young, too. And it is providing an excellent example for all of us who believe that chronological age is no benchmark of worth. Each generation has something valuable to pass on to the next.

Mr. President, I ask unanimous consent that the Idaho Statesman article about Max Rice be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCOUTING KEEPS HIM YOUNG

(By Bruce Spence)

Max Rice is a 73-year-old "Boy Scout."

"I was in Scouting even before I was old enough," said Rice, 6412 Everett, explaining that he followed a relative to Scout meetings.

His love for the organization hasn't diminished through the years and Rice is starting his 35th year as a scout master for Boise's Troop 40.

Like other Treasure Valley Scout leaders, Rice finds satisfaction in seeing the effects of Scouting—what leaders call "helping a boy become a first-class man."

"I don't think a man can stand any taller than when you help a boy," Rice said. "That's a good feeling.

But working with youths also makes him feel younger.

"Mentally, I don't feel any different than I did 50 years ago because from a mental standpoint, I still enjoy working with youngsters," he said. "Age is not a chronological thing; its a matter of mind. I've seen men half my age twice as old as I am."

But occasionally, a youngster gives a Scout leader added wrinkles.

"Actually, I've only found one boy who made me lay awaken at night trying to figure out ways to get rid of him—and even he turned out to be a fine youngster," Rice said. "He wasn't all that bad. All boys can be mischievous now and then. But this little boy was a stinker when it came to trouble."

Once on a week-long camping trip, Rice dropped the boys off in pairs to fish and his little troublemaker wandered off and ended up getting the line from his father's fishing rod tangled up. Rice cut the line and took the boy back to the main camp while an older Scout just downstream recovered the tangled line.

When the boy awoke the next morning to find the missing fishing line back on the reel. "he was just scared to death because he didn't know how I got the line back without going into the water," Rice said. "He just figured if I could do that then maybe I could make him disappear sometime."

That incident was the end of the problems.

All the Scout leaders said kids can be kids but they expressed satisfaction with their work.

Scouting requires a great deal of donated time from the leaders, who often spend 10 to 15 hours a week or more in Scout-related activities.

"You can have a full-time job at it if you're not careful," said Marvin Fulcher, a Nampa Scout leader, "especially with the courts of honor and boards of review.

"But Scouting is one of the best-organized ways for a boy to become a man—a first-class man—mainly by the Scout laws and oath, Fulcher said. "A boy is on his honor and does his duty to God and his country—physically strong, mentally awake and morally straight. If you live by those rules, you can't go wrong."

Fulcher has four sons who became Eagle Scouts, the highest rank in Scouting. Their participation in Scouting was the primary motivation for his involvement, he said.

Marty Thorne, 37-year-old leader of a Nampa troop, has two sons in Scouting to motivate him.

"It's a tremendous amount of work," Thorne said. "I've wanted to quit a lot of times, but I see that there are young men who turn into something and get a lot of fun and benefit from Scouting."

"This age group is more in the fun stage," Thorne said, "and they want to do things that are active. They don't want to remain seated, and if you can give them something that's active and fun, it minimizes the discipline problem.

"Of course they want to have fun, and they have their water fights. Sometimes you go along with it, and a lot of times you even start it But I think grownups are little boys, in a sense. You have to be."

The benefits to adults in Scouting, as Buck Jones of Boise said, "is in seeing a boy growing up and helping to steer him in the right direction.

"The satisfaction comes after the boy starts accomplishing things because of what he learned in Scouting. And you like to think that you helped them mold the character that makes them successful."

Jones, 73, is a member of the Ore-Ida Council, the organization in charge of area Scouting. He has been involved in all phases of Scouting since he first joined in 1915.

Rice said he bases his long role in Scout leadership "on the whole philosophy of being able to say to a boy, 'I don't know.' " He said it is important to admit it, if you don't know an answer.

"I've seen grown men turned into mush by an 11-year-old kid because he didn't know an answer and didn't know what to say.

"Kids are looking for honesty. You just say, 'Son, I don't know, but we'll look it up together.' You can't story to an 11-year-old kid, you know. There's something about kids that allows them to sense it every time."

Scouting, Rice said, is the only organization of its kind that reaches every facet of a boy's life in a positive way.

"There's not a negative thing in it," he said. "It's all positive. We don't say, 'You don't do this or don't do that.' We tell you how to do it, and that makes a difference."

THE MAY DAY MANIFESTO

Mr. McCLURE. Mr. President, not long ago, two proposals for welfare reform were submitted to the American people. One of them came from the administration. It received tremendous publicity, but it said very little and is a poor substitute for the comprehensive legislation which the administration led us to believe it would have ready by this time. In fact, the Carter-Califano welfare message was perfectly in line with the audacious memo, recently leaked to the press from within the administration, prepared for the President by this pollster, Pat Caddell.

According to press reports concerning that memo, Mr. Caddell advised Mr. Carter to stress style rather than substance. It should come as no surprise to anyone, therefore, that the President's welfare proposal has all but eliminated substance in favor of a rhetorical gesture, a homily composed of generalities, calculated to mean different things to different interest groups.

To the taxpayers, the President's welfare message seemed to promise an end to welfare fraud and a reduction in welfare costs. But to the welfare lobby, whose members have dominated the administration's deliberations on this issue, it seemed to promise total federalization of welfare costs and a guaranteed annual income.

It remains to be seen which interpretation will prove correct; but in light of the President's record of following Mr. Caddell's canny advice, there is something ominous about his recommendation that "we desperately need an ideological 'paradigm' to replace the 'free market capitalist model' that we really don't want."

When Secretary Califano presents the Congress with his specific welfare proposals next August—assuming that deadline is met this time—we may at last discover just how the administration proposes to dismantle free enterprise in this country and replace it with Government jobs for tens of millions of welfare recipients. Perhaps Mr. Califano has taken to heart the warning of Leon Trotsky, who had good reason to know whereof he spoke, that "In a country where the sole employer is the State, opposition means death by slow starvation. The old principle; who does not work shall not eat, has been replaced by a new one: who does not obey shall not eat."

There was another welfare message last month. It spoke frankly to the American people about the peril we face from the national welfare establishment. But it received very little publicity. There may be some relationship between those two facts.

On Sunday, May 1, Congressman PHIL CRANE, chairman of the American Conservative Union, released a May Day Manifesto on Welfare. Addressed to the workers of America, it is at once forceful and reasoned, eloquent and blunt. It is a rallying cry to the vast majority of Americans who know that the only welfare changes worthy of the name "reform" are ones that get people off the dole and back to work.

The May Day Manifesto is a challenge to the administration's plans to make welfare a way of life for tens of millions. But it is also a commitment: a promise to the American people that there are members of Congress "who will fight

tooth and nail against the creation of a national welfare system." I am proud to join PHIL CRANE in his pledge that "we will defend the right of the American worker to the fruits of his own labor," and I ask unanimous consent that the May Day Manifesto be printed in the RECORD.

There being no objection, the manifesto was ordered to be printed in the RECORD, as follows:

Workers of America, unite! We have nothing to lose but our taxes.

It is time to declare publicly what the American people know in their hearts: the government in Washington, D.C., no longer deserves their respect or represents their ideals. It has become a political machine run by and for special interests. It sucks the lifeblood from our economy to feed voracious lobbies, whose overpaid agents sit in the Congress, the Cabinet, and the White House.

We boast of our freedom, but our rulers seize a larger percentage of our earnings every year. And it is going to get worse. That is why some of us in Congress, at the risk of formal censure and informal sanctions, take this unprecedented action today: to alert the American people to the peril we are facing and, on this May Day, to warn every worker, every investor, every taxpayer that you ain't seen nothing yet.

Plans are underway to kill the work ethic that built America, to destroy forever the virtues that made this country great, and to plant within the body politic the cancer of a national welfare class. When Secretary Califano and President Carter get through with us, we will all be welfarites, either living off the workers of America or working overtime to pay our welfare taxes.

A few years ago, as part of an extortion deal during the Patty Hearst episode, free food was given away in the streets of California. But greed turned the occasion into a brawl. Bread was trampled by mobs demanding steak instead. That is about to happen on a national scale, from sea to shining sea. Upon the workers of America, the government preparing to unleash a ravenous welfare program that will first gobble up our mutilated defense budget, then President Carter's energy taxes, then every last nickle and dime that can be squeezed out of the working families of this land.

We will not remain silent while that happens.

We are not content to see, a generation from now, our America crippled, financially prostrate, with her economy ruined by national socialism and her spirit crushed by big government. As Franklin Roosevelt said in his 1935 State of the Union message: "To dole out relief in this way is to administer a narcotic, a subtle destroyed of the human spirit."

We refuse to mortgage our children's future to the national dole by guaranteeing an income to millions of the lazy and the improvident.

We will not tolerate the schemes now being hatched in HEW and the Congress to create a federal welfare Juggernaut, pulled along by politically organized welfarites and steered by federal officials toward their own personal goals.

And that is why, on this May Day, in solidarity with the workers of America, we make this declaration in defense of their incomes, their labor, their homes and families and values.

We declare that no one has a right to welfare. There is no right to live off the labor of those who work or to leech off the earnings of those who save and invest. Anyone who takes welfare owes gratitude to his neighbors. His neighbors do not owe him a thing.

We insist that welfare must be a temporary help, not a way of life passed on from one generation to the next. A large part of the populace, especially in some cities, has fallen into permanent dependency. By their inability or refusal to meet their own needs and to care for their children, they have made themselves hereditary wards of the state.

Welfare is not a substitute for work. It must be the way back to work. Anyone who takes welfare, unless he is incapacitated, must also take a job, any job given to him. No work is demeaning. All labor is dignified compared to living off one's neighbors.

Welfare is a local responsibility. If a city is free and easy with welfare funds, it should pay the bill for its generosity. If a state refuses to crack down on welfare fraud, it should pay the costs of its neglect. Other cities and states should not have to shoulder the debts accumulated by urban political machines and their welfare clientele.

America is a generous country. To children in need, the aged and infirm, the hungry and the hopeless we have given a hand, opened our hearts, and poured out our treasure. But there is a limit to our resources and an end to our patience. Like birds of prey, the greedy and slothful are hovering over the programs set aside for the poor. Strikers and students, lovers of leisure and haters of work are elbowing aside the poor and making it impossible for us to give more to those who need the most.

If we do not stop them now, welfarites and the professional class that administers to their needs will become the new masters of America. In the name of phony humanitarianism, they will tax and tax us into the degraded condition of utterly equal serfs in a socialist wasteland.

But America does not have to go the way of Britain. We do not have to lose our proud past and our faith in the future as most of continental Europe has done. We do not have to lose our republican liberties in the dark night of cultural and economic decay that covers Africa and Asia. We do not have to go like lambs to the welfare slaughter, any more than earlier Americans timidly accepted tyranny when they shot a crown off the head of King George.

And so, we today are following their example. We are appealing to the wisdom and strength of the American people with the desperation of a Paul Revere, even if we lack the horse and lanterns that set him on his urgent errand.

We are appealing to the workers of America to awaken to their danger; to seize their votes as the Minutemen seized their rifles; to deafen the Congress with their protests like earlier Americans stunned invaders with the roar of cannons. For, like them, we too are standing against those who would take the fruits of our thrift and labor for their own use.

But we are losing. Year by year, dollar by dollar, billion by billion, the hucksters of big government have taken over our jobs, our businesses, our paychecks. They are about to take away our gasoline and heating oil. They intend to hit us with tremendous taxes every time we turn on the stove, switch on the television, or drive the kids to grandma's. And President Carter would not deny that those billions in new taxes might be used as fuel for his welfare constituency.

There is only so much any Member of Congress can do to stop it. But the workers of America, in their factories and offices, on farms and in mines, can stop it. They still have enough power to call America back from the brink of welfare disaster. The men and women who sweat over machines or command computers, who raise corn and children and the hopes of the world, have the courage and compassion, now lacking in Washington, to end the welfare mess and save the poor from the cycle of poverty.

As Members of Congress, we know better than to expect reasonable answers from government. And so we look to the people. To them we make this pledge. We will fight tooth and nail against the creation of a national welfare system. We will defend the right of the American worker to the fruits of his own labor. And in the words of the old labor anthem, "We shall not be moved!"

THE KOOTENAI RIVER BRIDGE AT BONNERS FERRY

Mr. CHURCH. Mr. President, some time ago, Mr. James P. Lyons of Bonners Ferry shared an article with me from the Bonners Ferry Herald. From the article and Mr. Lyons' letter, it is obvious that the Kootenai River Bridge is in need of replacement. It is patently unsafe and if steps are not taken to correct this situation, it will only be a matter of time until tragedy strikes.

I joined in introducing S. 394 in January of this year to address the nationwide need to repair and replace bridges. The Bridge Replacement and Rehabilitation Act of 1977 would increase the existing bridge replacement and rehabilitation program from $180 million annually to $600 million annually. Funding would come from the Highway Trust Fund and the general fund of the Treasury. Federal matching would be increased from 75 percent to 90 percent.

We cannot afford to let a national investment of billions of dollars become impaired through deterioration and neglect. In Idaho, we have identified over 200 bridges that are in immediate need of attention. These bridges often form the primary link between communities in our rugged State and their disrepair seriously imperils the lives and economic well-being of Idaho citizens.

I ask unanimous consent that Mr. Lyons' letter and the article from the Bonners Ferry Herald be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NIXON, NIXON, LYONS & BELL,
Bonners Ferry, Idaho, March 15, 1977.

HON. FRANK CHURCH,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR CHURCH: Enclosed find copy of article from the March 3, 1977 issue of the Bonners Ferry Herald.

I feel that the priority for replacement of the Bonners Ferry bridge has been based primarily on engineering standards and not particularly including the safety factor.

I have traveled extensively by motor vehicle throughout the western United States and I do not know from my travels of any other bridge that has the following danger factors as the Kootenai River bridge at Bonners Ferry: a long steep mountain grade on a heavily traveled highway with the grade emptying into a narrow old bridge (the bridge having some grade in it itself), and the bridge emptying into an urban downtown area.

The newspaper article relates exactly what took place when a truck lost its brakes and proceeded to run into the downtown area. I have viewed the motor vehicles it demolished and only by an act of God was nobody killed.

If the vehicle struck from behind had been

a school bus a horrible disaster would have occurred. As you are aware, this bridge is used daily for numerous school bus routes.

A former mayor of Bonners Ferry in an experiment years ago brought his small fuel truck to a stop by the emergency escape ramp (approximately half way through the grade) and proceeded to let it coast to just see how fast a vehicle would be going if it missed the escape ramp. When the vehicle reached 80 m.p.h. and he wasn't even close to the bridge he proceeded to slow it down.

I believe that the safety factor combined with the age of the bridge should give it immediate priority for funding.

This is not the first time we have had a runaway truck come into the downtown area.

Thank you for your consideration in this matter.

Yours truly,

JAMES F. LYONS.

THE RUNAWAY TRUCK STORY

The runaway truck loaded with lumber finally pulled to a stop in front of the sheriff's office.

The driver, Gary Nelson, 30, of Council Bluffs, Iowa, leaped out of the truck just as Patrolman Ray Danly dashed from the sheriff's office. Danly had been told by the dispatcher: "There's been a terrible accident in front of the movie theater!"

"Oh my God," the truckdriver cried, accordingy to Danly, "I think I just killed a bunch of people!"

But luck must have been smiling on the driver and on Bonners Ferry Saturday night. After losing his brakes near the bottom of the North Hill, the truckdriver rammed the back of a car while crossing the Kootenai Bridge, hit it again on Main Street and then demolished another car at the intersection of Main and Bonner.

The truck continued to roll out of control through town, turned two corners and finally stopped in front of the sheriff's office.

And during the entire run, not one person was injured other than a scratch here and there. Three persons were sitting in the front seat of the car which was demolished. If any had been sitting in the back seat, they would have been crushed.

They were driver Francis Jones, his wife Linda and Terry Heigel, 17, all of Moyie Springs.

The other driver, John Hilliard, of Bonners Ferry, told police he turned onto the bridge from Chinook Street and halfway across felt the back of his small car struck by the truck. Hilliard sped up, he told police, but was struck in the rear again in front of the Rex Theater.

He swerved around a car parked at the intersection and narrowly missed striking another car as he went through the stop sign.

The runaway truck then struck the rear of the Jones Wagoneer stopped at the intersection and rode up the back, crushing the car.

After demolishing the car at the intersection, the truck pushed it out of its way and continued up Main street. When Hilliard got out of his car and looked down Main Street, it seemed as if the truck was still coming after him. Hilliard got out of the way, and the truck made two right turns before stopping. The driver was certain that he had killed several people.

Investigating Patrolman Danly said the driver was relatively inexperienced with big trucks and not used to the 'hills of North Idaho. He did not realize he had lost his brakes until near the bottom of the hill so was not able to use the emergency turnoff, Danly said, and was going too fast when he got over the bridge to make a turnoff there. Still Danly felt it was a miracle that he had gone all the way through town on a busy Saturday night and injured no one. Danly was assisted by Deputy Chris Yount.

When Danly arrived on the scene and saw the crushed car, fearing the worse, he asked: "Does anyone know where the driver is?" A man who appeared quite calm stepped up and said: "I'm the driver, and these are the people who were in the car."

"I was astonished," Danly said, "Astonished."

That's how it goes sometimes.

S. 1544—TAX EXEMPT STATUS FOR CERTAIN SAVINGS INSTITUTIONS

Mr. MATHIAS. Mr. President, I would like to take this opportunity to make a brief statement in support of S. 1544 which Senators MORGAN, SARBANES, HELMS, and I introduced last month. This legislation would amend section 501(c)(14)(B) of the Internal Revenue Code of 1954 to grant tax exempt status to the Maryland Savings Share Insurance Corp. and the North Carolina Savings and Loan Guaranty Corp., a designation already accorded to similar corporations in both Massachusetts and Ohio.

As a result of savings and loan scandals in Maryland in the late 1950's and early 1960's, the Maryland General Assembly chartered the Maryland Savings Share Insurance Corp.—MSSIC—on June 1, 1962, as a nonstock, nonprofit corporation to insure deposits in State chartered savings and loan institutions that were unable to qualify for Federal Savings and Loan Insurance Corporation coverage. MSSIC insures savings accounts on deposit in member associations through a central insurance fund and provides for the liquidity of its member associations through a central reserve fund. Its earnings must be accumulated and no part of these earnings may be returned to any member savings and loan association. MSSIC has insured over 150—currently 145—savings and loan associations in Maryland without a single loss.

The confidence inspired by MSSIC's insurance program has caused depositors to increase the amounts of their deposits from $108 million in 1962 to approximately $1.27 billion in 1976. The associations covered by MSSIC are primarily small and medium size urban and rural neighborhood institutions which fill the gap left by the larger State and Federal savings and loan associations. They provide vital services for thousands of people in Maryland.

Massachusetts and Ohio have similar nonprofit corporations, enjoying an exemption from Federal income tax under section 501(c)(13)(B) of the Internal Revenue Code of 1954. That section requires the nonprofit corporation to have been organized before September 1, 1957, in order to qualify for the tax exempt status. MSSIC performs the same functions as the Cooperative Central Bank of Massachusetts and the Ohio Deposit and Guaranty Fund which are covered by the Internal Revenue Code exemption. The legislation we have introduced would amend section 501(c)(14)(B) to advance the organization cutoff date so that both the MSSIC and North Carolina fund would receive similar treatment.

In addition, the North Carolina Savings Guaranty Corp., organized in 1968, provides reserve funds for, and insurance of shares or deposits in, both savings and loan associations and credit unions. At the present time, MSSIC and the North Carolina fund are the only ones in existence which do not enjoy the tax exemption provided in section 501(c)(14)(B). The proposed organization cutoff date of January 1, 1969, will permit MSSIC and the North Carolina fund to enjoy the same Federal income tax treatment as the Massachusetts and Ohio funds.

Tax exemption for MSSIC and the North Carolina fund is necessary to enable them to accumulate assets so that, in the event a member cannot meet its obligations, the corporation will not be exhausted by suffering a loss. Depositors in savings and loan associations are entitled to maximum protection of their accounts and to the highest possible return on their investments in the form of interest. Both of these objectives are accomplished by the accumulation of assets in State guaranteed funds. On the basis of the performance and the services they render, both MSSIC and the North Carolina fund should be accorded equal treatment with the Massachusetts and Ohio funds under section 501(c)(14)(B).

Mr. President, I urge that my colleagues support this equitable legislation and work for its prompt passage.

BROAD-BASED CONSENSUS FOR COMPREHENSIVE SUNSET REFORM OF FEDERAL REGULATION

Mr. PERCY. Mr. President, on May 23, 24, and 25, Chairman EDMUND MUSKIE convened the Intergovernmental Relations Subcommittee of the Committee on Governmental Affairs to hear testimony on S. 600, the Regulatory Reform Act of 1977. It is expected that, as a result of these hearings, we can have this far-reaching regulatory reform measure, as modified and refined, on the floor of the Senate this fall.

Our first witness was the distinguished Majority Leader, Senator ROBERT BYRD. In his statement, Senator BYRD discussed the need for regulatory reform and then analyzed the provisions and effects of S. 600. "There is a broad-based consensus," Senator BYRD said, "that Government is becoming too intrusive, too powerful, and perhaps too bungling." His testimony concisely presents many of the issues in regulatory reform, and it will be helpful as we proceed through committee and floor consideration in the months ahead.

Another excellent witness was W. Harrison Wellford, Executive Associate Director of the Office of Management and Budget. Mr. Wellford on behalf of the Carter administration, expressed broad support for the reform approach embodied in the bill, noting that:

> We believe that S. 600 would be a useful complement to the Administration's regulatory reform program. *First*, it assures a broad comprehensive review of all regulatory activities of the Federal Government. Too often these regulatory activities have received little attention, perhaps because the budget dollars are not large and the real costs are hidden from public view. *Second*, it requires Congress to act on specific reform measures. Too often, desirable reforms have been set

aside as a result of the strong efforts of organized interests to preserve the status quo. *Third*, it provides a framework for encouraging broader public involvement and participation in developing reform proposals. The likelihood of enacting meaningful reform, which we believe is enhanced by the sunset provisions, will also encourage more active public participation.

Wellford also presented an analysis of possible improvement for S. 600. Like that of Senator BYRD, Mr. Wellford's testimony is an insightful commentary on a complicated topic. Mr. President, I ask unanimous consent that both statements be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, in seeking prompt action on S. 600, the 40 Senate cosponsors are mindful that a systematic review of the purposes, functions, structures, and performance of the independent regulatory agencies has never been undertaken—not since the creation of the first independent regulatory commission back in 1887. In those 90 years, enough rules and redtape have issued forth to resink the Titanic—and what we actually see is only the tip of the iceberg.

Excessive Federal regulation wreaks abundant and unnecessary havoc among business, labor, local governments, and consumers alike. Major corporations are generally able to afford to hire lawyers, technicians, and others to complete reports and implement assembly-line changes to comply with regulations. They then can pass the costs on to the consumer. But small businessmen and local governments are less able to absorb the costs exacted by the Kafkaesque maze of Federal regulations. And the consumer, least involved in the process, is in the end most directly hurt through higher prices.

Such indiscriminate regulation reminds me of the lines from Shakespeare's "Much Ado About Nothing":

> Oh, what men dare do! What men may do! What men daily do, not knowing what they do.

This is the heart of our problem today: disarray and confusion among these agencies allows regulators, even with the best of intentions, often to cause maximum delays in reaching decisions that reflect minimum commonsense.

It is grossly inefficient, and a prodigious waste of human time and effort, that so many are made to fill out so much for the sake of so little. It amazes me that, amidst today's technology and innovations, layers of crusty, yellowed pages of regulation, enacted a half century or more ago, remain in force. America is rapidly approaching the 21st century with an economy that, too often, is still regulated according to 19th century concepts.

There is no more effective and powerful stimulus to change than the sunset discipline and review found in S. 600. What is needed now, desperately so, is a strict agenda outlining a discipline for reforming regulation. With a clear timetable for Congress to follow and the phasing-in of a series of sunset action-forcing provisions, the onus would shift from those recognizing the need for reform to those committed to preserving the status quo. Only then can the vital work of renewal begin.

Unlike many others, I do not see the bureaucratic morass in Washington as impenetrable or sacrosanct. This critical legislation is a manageable and opportune means of reforming Government regulation. It should succeed because it is practical, reasonable, systematic, comprehensive, timely, and well-planned. And if there was ever a consensus in the Congress for such reform, in the immortal words of Washington Redskin coach George Allen, "the future is now."

EXHIBIT 1

(Statement by Senator Robert C. Byrd)

S. 600—THE REGULATORY REFORM ACT OF 1977

Mr. Chairman, let me begin by expressing appreciation on behalf of myself and Senators Percy and Ribicoff for your convening these hearings and addressing the attention of the Subcommittee to the issue of regulatory reform early in this session of Congress. I believe I speak for them as well as myself when I say that it is difficut to overstate the importance of reforming our Federal regulatory agencies. These agencies represent the most far-reaching intervention of government in our lives today. As a consequence, their failures and deficiencies can and do have a profound effect on the way we live.

Some idea of the extent to which Federal regulation of our society has grown can be be perceived from the size of the budget for these agencies. In fiscal year 1976, for example, $2.9 billion was appropriated for Federal regulatory agencies. In fiscal year 1977, that figure will rise to $2.5 billion, a $600 million increase.

Although large, however, these figures amount to only a fraction of the real cost of regulation. To arrive at that figure, we must also include the costs to American businesses, which must comply with regulatory requirements, and American consumers, who must often pay higher prices for goods and services as a result of government regulations. When we include these figures, the General Accounting Office estimates the total cost of such regulation at some $60 billion—or $1,000 a year for each American family.

Unfortunately, too often that total figure represents many possible instances of regulatory "overkill."

For example:

Among companies, Goodyear Tire & Rubber Co. reports that it spends $30 million yearly to comply with government regulations.

Exxon is required to submit over 400 reports to 45 different federal agencies. To fill out these reports, Exxon employees spend 112 man-years annually.

An Oregon television broadcasting firm, operating 3 small stations, was required to submit a license renewal application weighing 45 pounds to comply with FCC demands.

In August, 1973, the Consumer Product Safety Commission banned certain spray adhesives. One researcher had claimed they could cause birth defects. By March, 1974, when follow-up research had failed to confirm this claim, the Commission lifted its ban. This would not be an especially sad story, except that 9 would-be mothers reportedly reacted to the ban by undergoing abortions for fear of delivering birth-defective children.

The Interstate Commerce Commission has on file over one trillion rates which truckers may charge to haul various commodities between various places. That is over 4,000 for every American man, woman, and child.

Finally, even excluding tax and banking forms, as a nation we spend 71,000 man-years annually completing government forms.

The examples go on and on.

It is time to take a long, hard look at the role of government in regulating society's business, and to determine just how wise and effective it is, and, more importantly, how it can be improved. S. 600, the Regulatory Reform Act of 1977, will provide the vehicle through which that determination can be made. And with its action-forcing sunset mechanism, it will serve as a prod to constructive reform.

To explain how these goals will be accomplished, I think it might be helpful to briefly discuss the major provisions of the legislation. First, S. 600 divides regulatory agencies into four functional sectors, namely:

Energy, the environment, housing, and occupational health and safety;

Transportation and communications;

Banking and finance, international trade, and government procurement; and

Food, consumer health and safety, economic trade practices, and labor-management relations.

Each sector will be reviewed over a two-year period in different Congresses, for a total review cycle of eight years. During each review period, the President will submit his comprehensive proposal for reform of the subject matters covered by the sector; the General Accounting Office and the Congressional Budget Office will submit their analyses; Congressional committees will comprehensively review and deliberate; and, finally, the full House and Senate will act.

The bill contains a sunset mechanism to insure that all of this takes place. If reform is not enacted by August 1 of the second year in the two-year review period, the agencies involved will be prohibited from issuing any new regulations, except those essential for preserving public health and safety. If there is no reform by October 1, the agencies will be prohibited from enforcing existing regulations, except those essential to public health and safety. And if no reform has occurred by December 31 of the second year, the affected agencies will cease to exist. Enforcement of those regulations essential for preserving public health and safety would pass to the Justice Department.

Special interests have long been able to use dilatory tactics and lobbying pressure to thwart meaningful reform. But the sunset discipline built into S. 600 makes it senseless for protected interests to stall reform, while providing an incentive for them to participate affirmatively in the reform effort. For if reform is not accomplished, the regulatory agencies they might seek to preserve may literally go out of business.

Reform does not simply connote organizational restructuring. S. 600 also questions the need for government intervention at all in a given area, and where regulation is needed, what form it should take. Perhaps, for example, the traditional collegial body of regulators, or its cousin, the executive regulatory agency, can best be replaced by a system of selective taxes or subsidies in some areas. Perhaps vigorous antitrust enforcement could ensure a competitive market better than regulatory second-guessing of firms' operating decisions. And perhaps private groups of public-spirited businessmen and citizens could better monitor and restrain certain marketplace abuses.

To ensure continuing reform for a continually changing regulatory picture, the comprehensive review process envisioned by S. 600 would begin anew eight years after the end of the first reform cycle.

It is most important to note that S. 600 does not prohibit or inhibit other reform moves. We have recently seen very strong reform efforts in the airline transportation

sector, for example, by Senators Cannon, Kennedy, and Pearson and by the Administration of President Carter. Such efforts are timely, needed, and should be encouraged. S. 600 establishes a timetable for reform, a set of dates before which various actions must occur. If Congress and the President choose to enact reforms ahead of schedule, so much the better. Action in the interim will permit us later on to concentrate more fully on areas which have stubbornly resisted reform.

In sum, S. 600 provides for a process of review that, although essentially simple, is carefully designed to be completely workable.

What can be expected when S. 600 becomes law? Less regulation in general. There is a broad-based consensus that government is becoming too intrusive and too powerful. Some regulatory agencies may be eliminated; others may be reduced in size; still others may be consolidated. However, while we may expect the overall level of regulation to decrease, this does not preclude individual regulatory efforts from being stepped up where needed.

We can also expect more intelligent regulation. Until now, there has never been a comprehensive and systematic attempt at Congressional review. Agencies may currently be handling cases in an antiquated, even counterproductive, fashion.

Finally, we can expect more responsive and more responsible regulation. Regulatory agencies, given their tremendous power, require more careful, continuing, and systematic oversight. S. 600 will provide that oversight.

In concluding, Mr. Chairman, allow me to publicly commend both Senator Percy and Senator Ribicoff for their outstanding efforts in the cause of regulatory reform. It is in great part because of their labors that we have progressed so far toward the goal of modernizing and reforming our system of Federal regulation. Their efforts are certainly deserving of acknowledgment.

I would also like to express my thanks to you, Mr. Chairman, and to Senator Roth for your cooperation in working to harmonize S. 600 with S. 2, the Sunset Act of 1977. While S. 600 will address itself to the review of agencies and functions that are clearly regulatory, S. 2 will deal with the great majority of other important programs throughout the Federal government. Through our cooperative efforts, I believe we can substantially improve the responsiveness of the Federal government to the needs of the American people.

(Statement of W. Harrison Wellford)

Mr. Chairman and Members of the Subcommittee to outline the President's strong commitment to regulatory reform and to offer the Administration's views on S. 600, the "Regulatory Reform Act of 1977." Chairman Ribicoff and his committee have played an important leadership role in advancing the public debate on regulatory issues. In particular, your study of regulation is bringing a broad perspective to these complex issues. The President has stated:

"One of my Administration's major goals is to free the American people from the burden of over-regulation. We must look, industry-by-industry, at what effect regulation has—whether it protects the public interest, or whether it simply blunts the healthy forces of competition, inflates prices, and discourages business innovation."

Clearly, the President's goals for reorganization and regulatory reform are compatible with those of this legislation. In the years ahead, the Administration will work closely with the Congress to reform our regulatory system and we believe that S. 600 provides a useful device for carrying out this partnership.

As we all know, a large part of the public's dissatisfaction with government has focused on a regulatory system that is too often ineffective and unfair. Polls show that small businessmen view regulation as a more serious problem than inflation or taxes. State and local governments, non-profit institutions and businesses, both small and large, complain about growing regulatory interferences.

In cooperation with the departments and agencies, the President's Reorganization Project at the Office of Management and Budget, the Council of Economic Advisers and the White House staff are jointly developing a regulatory reform agenda for the Administration. The President has already moved forward in a number of areas.

Many of the most visible regulatory problems are the result of procedural shortcomings and the lack of accountability in the regulatory process. There is much that must be done to streamline and simplify regulation. The President has already taken steps in this direction, requesting that regulations be written in plain English and that officials responsible for them be identified. The Economic Policy Group is working on new procedures to assure that all of the effects of regulation are properly taken into account. Capable people are being brought into the regulatory agencies with a mandate to simplify and streamline them.

Throughout the Federal Government additional steps will be taken to standardize procedures, reduce irritating and costly delay, eliminate unnecessary paperwork, and improve regulatory decisionmaking. This will include an aggressive effort to identify duplicative and conflicting regulations. The resulting reforms will include actions the President, Cabinet Secretaries and Agency Heads can take administratively as well as those that may require reorganization plans or legislation.

We must also substantially improve public participation, openness, and integrity in the regulatory process. The President has already supported a number of important legislative initiatives toward this end and earlier this month proposed the "Ethics in Government Act" to safeguard against actual or potential conflicts of interest involving regulatory and other officials.

More qualified people, more effective procedures, and tighter limits on the "revolving door" between business and government are partial steps toward improving regulatory agencies. In many cases, fundamental changes will be necessary in order to get government out of areas where competition will do a better job. Initial Administration efforts are concentrating on reorganization and regulatory reform in such areas as transportation and communications. We must rely less on the regulators to determine prices and the conditions under which people can serve the public or enter a business. In this regard, the Administration is encouraged by the building momentum for airline regulatory reform in the Congress and we have set a high priority on enactment of this reform legislation this year. We are hopeful that this momentum will carry into other areas.

In addition, the Administration is taking steps to streamline the regulation of the environment, worker health and safety, and civil rights. The President's Reorganization Project is now engaged in a major review of federal civil rights enforcement activities aimed at more effective approaches to achieving our goals in this area. Also, the Administration is undertaking a systematic appraisal of current approaches for achieving our goals in pollution control and occupational safety. We will work cooperatively with State and local governments and the private sector and we will rely increasingly on incentives and less on detailed federal prescriptions.

We believe that S. 600 would be a useful complement to the Administration's regulatory reform program. First, it assures a broad comprehensive review of all regulatory activities of the Federal Government. Too often these regulatory activities have received little attention, perhaps because the budget dollars are not large and the real costs are hidden from public view. Second, it requires Congress to act on specific reform measures. Too often, desirable reforms have been set aside as a result of the strong efforts of organized interests to preserve the status quo. Third, it provide a framework for encouraging broader public involvement and participation in developing reform proposals. The likelihood of enacting meaningful reform, which we believe is enhanced by the sunset provisions, will also encourage more active public participation.

As you know, President Carter has endorsed the sunset concept as a necessary part of the process to reform and revitalize Federal programs generally. Director Lance reiterated the Administration's support for this concept in testimony before this Subcommittee on March 22, observing the important relationship of sunset to the Administration's reorganization program.

S. 600 would provide an additional focus on Federal regulatory activities. In our view, this more focused attention is warranted by the increasing complexity and growth of regulation.

S. 600 encourages an in-depth look, not only into the organizational and jurisdictional aspects of agency regulation, but also at the consequences of major government regulatory activities. Such a review could assure that we address the fundamental goals of regulation and that we choose the best approaches to achieve those goals.

The Administration has one major reservation regarding this legislation—the need for greater flexibility.

We would prefer legislation that makes use of the advantages of an agreed upon comprehensive program for regulatory reform, but allows greater flexibility in developing and preparing specific reform proposals.

In the President's reorganization effort, we have outlined broad criteria for setting priorities in order to make best use of limited resources. They include the degree of public discontent and the opportunities for action. In the regulatory area, additional emphasis will be given to what is known about the cost-effectiveness of regulations that impact indirectly on the public.

The responsibilities and requirements imposed on both the executive and legislative branches by S. 600 involve extremely complex social and economic issues. We must recognize that the potential for regulatory reform is a dynamic process. We need to be able to adjust to changing circumstances. Also a rigid agenda can be used by opponents of reform to impede legislative action that may be needed sooner. An example of the problems of establishing a timetable is reflected in a comparison of S. 600 with last year's version, S. 2812. Banking reform, which had initially been scheduled for the first year, has now been moved to 1983.

We see no reason why certain issues which are now receiving considerable congressional attention, such as transportation and banking, should wait until 1981 and 1983 as is envisioned in the bill. In short, we must be careful that in setting out by statute the specific timeframe for review we do not defeat our objectives of achieving specific reforms.

In our view, the President and Congress should agree on the regulatory areas that need to be reviewed but they must be given the flexibility to decide which issues will be taken up in each two year period.

One related caution should be mentioned with regard to S. 600 and the specific information requirements it imposes. The March 22 testimony of Director Lance on S. 2 elaborated upon the problems that may be

encountered by formally legislating program review activities in addition to reorganization and zero-based budgeting. S. 600 would place additional review and reporting requirements, both on the executive and legislative branches. We must be careful not to create unnecessary and duplicative informational and reporting requirements as we move ahead.

There are other information requirements in the bill that might be modified. For example, in the first nine months, the President must compile and transmit to the Congress "a detailed listing of the agency rules of general and specific applicability" which would be affected by penalty provisions of the bill. We would prefer instead that this be done incrementally in conjunction with the development of specific reforms.

In summary, we believe that some modifications are necessary to give both the Congress and the President the opportunity to set a timetable that reflects realities and priorities in the future. Similarly, if the timetable is made adjustable, other changes may be necessary to preserve the sunset features of the bill.

The Administration supports the approach embodied in S. 600 and if it can be made more flexible, we believe it constitutes a useful way to work together toward regulatory reform. Other executive branch agencies will testify on specific questions regarding the bill. Taken together, we hope that these comments will be helpful to the Subcommittee in the further development of this legislation.

In conclusion, I would reiterate the President's commitment to work closely with the Congress to assure that regulation serves the public interest fairly and efficiently.

ELIZABETH DREW'S COMMENCEMENT ADDRESS AT WELLESLEY COLLEGE

Mr. KENNEDY. Mr. President, on May 27 of this year, Ms. Elizabeth Drew, the author and a reporter for the New Yorker magazine, delivered the commencement address at Wellesley College in Wellesley, Mass.

In her remarks, Ms. Drew spoke in very practical terms of the significant choices and opportunities facing the graduates, about the importance of hard work in developing these opportunities, and about the role of individual citizens in promoting change. As she put it:

Over and over, I've seen that citizens can make a difference. Our government—and this applies to government at all levels—may not be as good as you would like it to be, but it will not, I assure you, be any better than you demand that it be.

In this connection, Ms. Drew, author of a major book on Watergate, emphasized that it was the citizens themselves who, by expressing their outrage, saved our constitutional system in the Watergate crisis, and who have provided pressure for many significant reforms at the State and local level.

There is no such thing as a vacuum, she says. If we do not involve ourselves in things we care about, others whose values are different from our own will fill the vacuum for us.

Mr. President, in these and other ways, I believe that Ms. Drew has given an important and thoughtful message for young men and women in this commencement year. I commend her excellent address to Members of the Senate, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY ELIZABETH DREW, WELLESLEY COLLEGE COMMENCEMENT FRIDAY, MAY 27, 1977, WELLESLEY, MASS.

I am glad to be back at one of the places I consider, and you will always consider, home. There have been many changes since I was here, but it seems to me that the most important things have remained the same: the dedication to excellence; the belief in learning and knowledge as ends in themselves; and the reverence for beauty.

I don't speak very often, but you made yourselves, in the most delightfully persistent way, irresistible. So here I am. When I do accept a speaking invitation, I always try to give some thought as to what would be most appropriate to talk about. I've found that choosing a speech topic can be a perilous act.

One time a couple of years ago, I was to give a speech in Richmond, and I had the flu. A friend counseled me to speak about the subjects I was most familiar with, and just live through it. And so I decided that I would talk about some of my observations from my experience in keeping a journal for The New Yorker and a book during the period of Watergate and the impeachment, and also the Congress. There is always plenty to say about the Congress. At the lunch with the local hosts that preceded the speech, I was talking with a lady who was obviously the one in charge, and she remarked, "We had Senator Ervin here last year and thank God he didn't talk about Watergate. No one wants to hear about that." So there went one of my subjects. But never mind, I could still talk about Congress. Still, stomach sinking, I asked her a question about something I usually check out before I speak somewhere, but in this instance, I hadn't gotten around to it. I asked the lady, "By the way, who is the Congressman from here?"

And she replied, "My husband."

I thought a great deal about what I wanted to talk to you about, and I decided that a subject that is probably very much on your minds these days—and one that I have had a chance to learn some things about—is life: what to do with it, what you might be given the chance to do with it. And I decided that the best—and friendliest—thing I could do would be to level with you. And since I was invited here because of some of the things I have done, I thought I would tell you some things that I don't talk about in public very much.

Commencement speakers are wont to tell audiences that there is a great, wide, wonderful world out there, so go forth and conquer. Well, you and I know that the world is large and complicated and exciting and challenging, but it is not always so wonderful, and it's not very easily conquered. But it isn't boring, unless you let it be. I would guess that the greatest difference between the time that I was sitting where you are, giving my divided attention to the commencement speaker, and now, is that you have, at least on the face of it, more choices. In retrospect, we probably had more than we thought we did, but we weren't aware of it. But I think I understand that being aware of a number of possible choices doesn't necessarily make things easier. Having a lot of options is exciting in theory, and often in actuality, but there are days when all of us would prefer that someone just please tell us which foot to put in front of the other.

It might interest you to know, and be a bit instructive for you to understand, that when I sat out there, I didn't have the faintest idea where I was going. And if I had, I wouldn't have known how to get there. I just had to put one foot in front of the other—sometimes with advice as to which one, sometimes not. And I had to learn, because the process of living taught me, how accidental and unsubject to programming life can be.

After I graduated, I began my career as a secretary to some architects in Cambridge—and I thought I was pretty lucky to get that job. Actually, I didn't think of it as beginning a career; to the extent I thought about it at all, I thought of it as just doing what was necessary—getting a job. In order to merit it, I went to secretarial school at night to learn typing and speedwriting. I became a fair typist and speedwriter, but my then-bosses used to joke that they were going to take up a scholarship fund to send me back to secretarial school to see if I could learn to read what I had speedwritten. I had no way of knowing it at the time, of course, but learning those skills was one of the most valuable things I ever did. I can type a manuscript pretty fast now—sometimes even fast enough to meet deadlines—and I can drink in a politician's words of wisdom and take them down at the same time. I've never met a politician who didn't think his works weren't worth taking down. But, as you can see already, I didn't have any visions. I was just getting through life.

Two jobs and a move to Washington later, I started to write. Nobody asked me to. The world would have gone right on if I hadn't done it. I didn't say to myself, "I'm going to write for The New Yorker and write books." It never occurred to me that I could. Television never crossed my mind. If anyone had told me I would end up actually being paid to observe and write about some of the most exciting events in our nation's history, to try to understand our leaders, I would have assumed they were crazy. I began in Washington by working for a news service. I was no Mozart who, to paraphrase a local humorist, by the time he was my age was dead several years. I didn't sit down and write "War and Peace." I realized that if I was going to write about Washington and politics, I was going to have to learn about writing and about Washington and politics. I had to learn some very mundane things, and it took time. I had to learn to write a clear sentence—and as a matter of fact I still have to work at it. I had to learn to explain complex things clearly—and everytime I try to do that, it's still a struggle. Writing, like any other skill, takes learning.

I also had to learn about Washington and how it works. I had to learn the intricacies by which the Congress conducts the public business and how to read bills. I had to learn how to read the federal budget, not one of your more shimmering works of prose. Such things don't sound very glamorous. and they're not. They can in fact be quite tedious. So besides learning that life can be very accidental, I've also learned that you have to stay with it, be prepared to serve your time—and also, frankly, to work very hard. Recently I was talking with Richard Avedon, a fashion photographer who is at the top of his profession, and the fact that I was going to give this speech came up. We were talking about what I would say, and when I told him that I was planning to just say what I think are some true things about life, he nodded. "Tell them," he said, "that it takes dint." I suppose he saw that I wasn't sure that I understood him correctly. "Dint," he repeated. "Tell them it takes dint." And then I realized he meant dint: as in by dint of hard labor. He explained to me that he got out of the merchant marines with no professional experience and a few photographs and he made the rounds and he went back to the one magazine where he wanted to work at least two dozen times before he finally got his first job interview. It was another six months before he got his first actual chance. And it took many years, some thirty, in fact,

of day after day work, and a good deal of dint, before he did reach the top of his profession.

Dint—hard, tedious work, in which the end is not only not in sight, but doesn't even have a name—isn't a lot of fun, but it's worth it. For one thing, the skills you develop—in whatever field—no one can take away. You may not always know how they will be used, and they may not always be appreciated, but they are yours. Second, and believe me, what's inside you *can* come out. Things that may seem beyond your grasp aren't necessarily—there's no way of predicting. Life, as I keep learning, is a lot of chapters, and you can't know what's coming. If that sounds like a platitude that may be because some things are platitudes, like some things are cliches, because they are so true.

The simple truth is that some parts of life are up, and some of them are down—and, believe me, I've had my down parts—and some of them meander in no discernible direction. All of those are part of living, and learning—if it were all straight, it would be untrue, and you would have missed something along the way. Some very instructive, if not altogether pleasant, parts of life would have been left out. If you work, you'll run into frustrations and disappointments, and you'll also run into some pretty unattractive types. I have. You'll endure some things that seem unfair. I have. I've had personal disappointments; almost everyone I know has. The statistical probability is that your hearts will be broken at least once. The trick is to let all of that make you stronger—not hard, not bitter—but stronger. I've developed the theory that when life socks you in the jaw—and it will—the thing to do is to get up off the floor, brush yourself off, and sock it back. And there's nothing wrong with crying a little. But then there's nothing to do but go on.

Your most important resource is what's in you—it's there right now, and if you nurture it, it will grow. I would advise you not to spend too much time worrying about what the world is going to be like; it's going to be a lot like you make it. You may not be able to reshape the planet and ensure justice, but you can do a lot more about what your own world is about than you may think. Because a lot of what you do and are will come from your own inner compass: from the standards that you decide you are going to try to hold to, from the things you believe in, from your own capacity to simply get in there and cope. But just keep in mind that there are times when it is not at all clear where life is headed, or that it is headed anywhere. Your own growth will work in mysterious ways. It won't appear to be happening when it is. When you finally notice it, it in large part already has. Willpower is a wonderful thing, but it has its limits. So one of the friendliest things I can tell you is to relax a little, and be a bit prepared to just let things happen. Even then you'll be learning. Just don't lose touch with that inner compass.

And there are other things it's important not to lose touch with. If you think about life in terms of what you are going to do, what you are going to accomplish, you're leaving out big parts of it. Don't lose touch with your capacity to see absurdity, to laugh—including at yourselves—to enjoy, to take time out from striving and just be. Don't lose touch with your capacity to love; in fact, nurture it, for you will find that it is something that can grow. Don't lose touch with your capacity for friendship; nurture that, too, for that, too, can grow. Let yourself need people, and let them need you. Don't forget to take time out to look at the trees. If you do lose those things, you will have lost a great deal, and what are more commonly recognized by the outer world as accomplishments will have an emptiness.

Now I've told you that the world isn't always such a nice place, or a just one. But it is, I assure you, interesting. Once when we were covering a civil rights bill, Russell Baker remarked to me that being a journalist in Washington was like being in constant graduate school. He was right, for it offers endless opportunities to keep learning. But I think it could also be said that living is like being in constant graduate school. Only a two-toed sloth could keep from learning, and even he—or she—probably picks up a thing or two from the world around him when he—or she—is awake. You don't know what you're going to end up doing—even if you think you do. But there's plenty to do.

There are great questions before our country: questions about social and economic justice, about America's proper role in the world, about what to do about shrinking natural resources and exploding population. The world is not becoming any safer.

In what I do, I try to hold to certain standards, and I go by the theory that the more the citizens understand about how their government works, the better off, if not unfailingly overjoyed, we all are. The more I look at our fascinating system of government, and at the questions before all of us as citizens, the more I realize that it depends on people like you—people who are concerned, who care, who want to keep it all going. Over and over, I've seen that citizens make a difference. Our government—and this applies to government at all levels—may not be as good as you would like it to be, but it will not, I assure you, be any better than you demand that it be. It may all seem remote and impenetrable sometimes, but it responds to the citizenry more than you might think. It was the citizens, their expressed outrage, that saved our constitutional system just two years ago. It was the citizens who gave the politicians courage. That courage is not, believe me, self-generated. I have seen bills passed or not passed in the Congress because citizens were or were not alert and active. State legislatures, never in the forefront of change, have adopted far-reaching reform measures because citizens who cared forced them to. You may not always like what you see, but the greatest abuses of the public trust, the most arrogant behavior of our public officials, and the greatest inequities usually occur when the public is in the dark and, frankly, uninvolved. You will learn, if you take the time, that you can fight city hall. And you will also find out that there is no such thing as a vacuum. If you don't involve yourselves in these things, others will. And they may not stand for what you do. As I say these things, don't get the idea that I am a raving idealist. I've seen too much for that. I count myself among the skeptics of this world. And I'm no theorist. I spend most of my days observing the gritty, messy, rough and sometimes absurd ways that government works. It's my business to understand how complicated it is, what a struggle it is to get change. But there's no way around that.

It really doesn't matter how you go about counting; whether you do it through your careers, through raising children, through part-time professional or volunteer work. People do count. They count in the political system. They count in the kind of society we have—the tone of our society, its vitality, its fibre, its decency. The democratic experiment in which we are all participants is just that—an experiment that depends upon the people. We're all in this together. The world around us won't be as good as we want, but we have only ourselves to blame if we don't give it a try. For me, there's no choice. I suspect there isn't for most of you, either. Don't be afraid to try I think, many years from now, you'll want to look back and say that you gave life a good fight, that you took the opportunities that were handed you, or you made them—that you lived.

And remember, we need you.

Thank you.

CAB ACTION MAY SET BACK LOW-FARE AIR SERVICE FROM CHICAGO'S MIDWAY AIRPORT

Mr. PERCY. Mr. President, on May 18, 1977, the Civil Aeronautics Board ruled that it would only consider hearing arguments in favor of lower air fares from Midway Airport in Chicago to 6 cities, instead of the 15 cities proposed by two airlines.

The Board rejected consideration of fare reductions of up to 53 percent to Cincinnati, Columbus, Indianapolis, Memphis, Des Moines, Louisville, Omaha, Dayton, and Buffalo. Instead, it decided to hear arguments only on service from Midway to Minneapolis, Detroit, St. Louis, Cleveland, Kansas City, and Pittsburgh.

This sort of decision clearly illustrates the need for meaningful reform of the type supported by John Robson, former CAB Chairman, Presidents Carter and Ford, and United Airlines and Hughes Air West. This is the type of reform advocated in the Cannon-Kennedy bill (S. 689), which I am cosponsoring.

The decision by the Board to limit consideration of proposed low-fare service from Midway Airport is a slap at the people of Chicago who seek reduced air fares. The CAB claim that hearing arguments on service to 15 cities would be unmanageable is itself unreasonable. The Board says that in order to rule on service to 15 cities, it would either have to spend too much time hearing arguments or defer other cases in favor of the Midway case.

Once again, we have heard the standard bureaucratic answer, that, in effect, a Federal agency does not have enough staff to do its job. For any agency that failed to approve all 79 applications from companies wishing to start new airlines between 1950 and 1974 and failed to grant a single new route to existing carriers in that same period, there should be plenty of opportunity for its staff to work double time to make up for the years when the agency did nothing except say "no."

I reject the Board's contention that the use of Midway will not be appreciably diminished by limiting the number of cities to be considered for service from Midway. By limiting this case to six cities most often used by Chicago passengers, the Board has failed to take into account the millions of new passengers that would be generated by reduced fares, as happened in Texas when low fares were introduced. Midway—Southwest—Airway suggests that as many as 5.2 million new passengers would be generated by low-fare service to the 14 cities it proposed to serve.

The Board has failed to take into account the economic benefits that would accrue to the southwest side of Chicago by full service to 15 cities. Midway—Southwest—Airway estimated that it would hire 1,561 new employees at a total annual payroll of over $25 million,

if it received approval for the 14 cities. Out of the total number of jobs, 1,200 would be in Chicago.

Even though the CAB has limited consideration in this case to six cities, we cannot expect quick approval. If past performance is any indication, it will take 1 to 2 years for the Board to decide the issue.

The CAB's arbitrary, anticompetitive, and anticonsumer action in the Midway case is typical of the Board's attitude and performance. Legislation now under consideration in the Senate (S. 689), which I am cosponsoring, would provide for less regulation of the airline industry. One of the major provisions of the bill would prevent this type of decision by fostering and encouraging precisely the kind of low-fare service proposed by Midway. The bill may be voted on in the Senate in the coming months. I urge swift passage of this measure so consumers throughout the country can realize the benefits of low-fare air service.

Mr. President, I ask unanimous consent to have printed in the RECORD the proposed fare schedules for service out of Midway, compared to current CAB-approved coach fares. The difference is substantial.

There being no objection, the schedules were ordered to be printed in the RECORD, as follows:

PROPOSED AND CURRENT AIR FARES—SOUTHWEST AIRLINES MIDWESTERN OPERATION—SELECTED MARKETS

Market	CAB coach fare	Southwest weekdays	Nights and weekends	Savings
New York: Buffalo—				
Chicago	$62	$50	$30	$12-32
Des Moines	84	65	40	19-44
Kansas City	92	65	40	27-52
Memphis	87	65	40	22-47
Minneapolis	82	65	40	17-42
Omaha	93	65	40	28-53
St. Louis	77	65	40	12-37
Ohio:				
Cincinnati—				
Chicago	42	25	15	17-27
Des Moines	69	55	35	14-39
Minneapolis	72	55	35	17-32
Omaha	77	65	40	12-37
Cleveland—				
Chicago	47	40	25	7-22
Des Moines	73	55	35	18-38
Kansas City	79	55	35	24-44
Minneapolis	74	55	35	19-39
Omaha	82	65	40	17-42
St. Louis	63	55	35	8-28
Columbus—				
Chicago	45	30	20	15-25
Des Moines	71	55	35	16-36
Minneapolis	74	55	35	19-39
Omaha	80	65	40	15-40
Dayton—				
Chicago	39	25	15	14-24
Des Moines	67	55	35	12-32
Minneapolis	70	55	35	15-35
Omaha	76	65	40	11-36
Iowa: Des Moines—				
Chicago	46	40	25	6-21
Buffalo	84	65	40	19-44
Cincinnati	69	55	35	14-34
Cleveland	73	55	35	18-38
Columbus	71	55	35	16-36
Dayton	67	55	35	12-22
Detroit	67	55	35	12-32
Louisville	64	55	35	9-29
Pittsburgh	80	55	35	25-45
Michigan: Detroit				
Chicago	39	25	15	14-24
Des Moines	67	55	35	12-32
Kansas City	74	55	35	19-39
Memphis	73	65	40	8-33
Minneapolis	67	55	35	12-32
Omaha	76	65	40	11-36
St. Louis	59	45	30	14-29
Missouri:				
Kansas City				
Chicago	56	40	25	16-31
Buffalo	92	65	40	27-42
Cleveland	$79	$55	$35	$24-44
Detroit	74	55	35	19-39
Pittsburgh	84	55	35	29-49
St. Louis—				
Chicago	41	30	20	11-21
Buffalo	77	65	40	12-37
Cleveland	63	55	35	8-28
Detroit	59	45	30	14-29
Minneapolis	60	55	35	5-25
Kentucky: Louisville—				
Chicago	44	30	20	14-24
Des Moines	64	55	35	9-29
Minneapolis	72	55	35	17-37
Omaha	72	65	40	7-32
Tennessee: Memphis—				
Chicago	63	50	30	13-33
Buffalo	87	65	40	22-47
Detroit	73	65	40	8-33
Minneapolis	85	65	40	20-45
Minnesota: Minneapolis—				
Chicago	50	40	25	10-25
Buffalo	82	65	40	17-42
Cincinnati	72	55	35	17-37
Cleveland	74	55	35	19-39
Columbus	74	55	35	19-39
Dayton	70	55	35	15-35
Detroit	67	55	35	12-32
Louisville	72	55	35	17-37
Memphis	85	65	40	20-45
Pittsburgh	81	55	35	16-36
St. Louis	60	55	35	5-25
Illinois: Chicago—				
Buffalo	62	50	30	12-32
Cincinnati	42	25	15	17-27
Cleveland	47	40	25	7-22
Columbus	45	30	20	15-25
Dayton	39	25	15	14-24
Des Moines	46	40	25	6-21
Detroit	39	25	15	14-24
Kansas City	56	40	25	16-31
Louisville	44	30	20	14-24
Memphis	63	50	30	13-33
Minneapolis	50	40	25	10-25
Omaha	57	50	30	7-27
Pittsburgh	56	40	25	16-31
St. Louis	41	30	20	11-21
Nebraska: Omaha—				
Chicago	57	50	30	7-27
Buffalo	93	65	40	28-53
Cincinnati	77	65	40	12-37
Cleveland	82	65	40	17-42
Columbus	80	65	40	25-40
Dayton	76	65	40	11-36
Detroit	76	65	40	11-36
Louisville	72	65	40	7-32
Pittsburgh	88	65	40	23-48
Pennsylvania: Pittsburgh—				
Chicago	56	40	25	16-31
Des Moines	80	55	35	25-45
Kansas City	84	55	35	29-49
Minneapolis	81	55	35	26-46
Omaha	88	65	40	23-48

Notes: (1) CAB coach fares effective May 1, 1977; (2) Southwest night and weekend fares effective from 7 p.m. until 6:30 a.m. and all day Saturday and Sunday; (3) all Southwest flights will operate via Chicago's Midway Airport. Fares will be the same for through-plane or connecting services; and (4) all fares include tax.

ROMANIA EARTHQUAKE ASSISTANCE

Mr. KENNEDY. Mr. President, the $20 million Romanian earthquake assistance program, recently authorized by Congress, is now well underway. The program will begin this coming week from available AID disaster relief funds, and implemented with the arrival of a Romanian technical team in Washington.

In keeping with the authorization, the program will cover the reconstruction of destroyed housing and medical and educational facilities, equipment for hospitals and schools, seismic technology, and special earthquake-related construction equipment. The focus of U.S. assistance will be on responding to people's needs, and to help the people of Romania normalize their lives.

The emergency phase of this rehabilitation and reconstruction effort will be funded with $7 million drawn from the disaster relief account. However, there will be a need for an additional $13 million appropriation to fully fund the authorized $20 million offered to Romania.

Given the urgency of this humanitarian assistance, and the fact that rehabilitation and reconstruction efforts are now effectively underway, I am hopeful that the Appropriations Committees will move expeditiously in considering a special $13 million appropriations bill this month.

Mr. President, there is no question that these funds are needed and that they will be effectively used. Last week staff members of the Judiciary Committee filed a report on "Humanitarian Assistance to Earthquake Victims in Romania," based on a recent field trip, and they confirm that the people and Government of Romania have dealt extremely effectively and expeditiously in meeting the many critical problems created by the earthquake in early March.

The report also notes that American assistance is "widely appreciated and understood" throughout Romania, and most important, that it will be "effectively utilized—on this, there is no doubt." Furthermore, the projected U.S. contribution of $20 million will represent little more than one-fifth of the anticipated assistance from all sources in the international community.

Mr. President, the report also deals with other humanitarian, social, and economic aspects of United States-Romanian relations. On the important issue of emigration, for example, the report states:

> Over the years, there has been an ebb and flow character to the numbers of cases approved for emigration. During certain periods few cases are approved, while at other times cases are approved at a rapid pace. There are differing explanations for this irregular flow, but what is important is that the process has continued. Emigration has, and is, occurring from Romania—not by any means at a level satisfactory to many in the United States, nor to those many cases still refused or held in abeyance.

Mr. President, it is clear from the report that many problems and obstacles remain in achieving the goals of the Helsinki accords, and in improving U.S.-Romania relations, but important progress has been made. Continued American concern and action—and a sustained dialogue with Romania—can help reduce some problems and remove some obstacles in all aspects of our relations.

It was for this reason that I strongly urged that the President continue "most-favored-nation" trading status with Romania, which he did this week.

Mr. President, I would like to share with the Senate excerpts from the report, and draw attention to the recommendations which I have offered. I especially want to emphasize the need to move expeditiously in fully funding the $20 million authorized in earthquake assistance to Romania—which has been offered in the finest humanitarian tradition of the United States. This will require special action by the Appropriations Committees, which I am confident they will do.

I ask unanimous consent that excerpts from the report be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM A REPORT ON HUMANITARIAN ASSISTANCE TO EARTHQUAKE VICTIMS IN ROMANIA

(By Senator Edward M. Kennedy)

PREFACE

In early March, one of the most destructive earthquakes to hit eastern Europe struck the southern half of Romania—leaving behind an awesome trail of human misery and destruction.

The following report reviews the tragic toll in life and property, and the massive consequences of the earthquake on Romania's social and economic fabric. It also details the extraordinary efforts of the people and government of Romania to deal with the tragedy, and the urgent rehabilitation and reconstruction efforts now underway.

As in the case of other natural disasters, the United States responded immediately to human need in Romania. During the emergency relief phase, the United States contributed $626,000 in medical and food supplies. For longer term rehabilitation and reconstruction, the Congress acted in April to provide $20 million to assist Romania in its recovery efforts in the earthquake stricken areas.

Given this Congressional initiative and concern over the human tragedy in Romania, and to learn more about the country's rehabilitation and reconstruction needs, the Committee dispatched a staff team to visit Bucharest and the earthquake affected areas in early May. This report reviews the team's findings in the field, and suggests the kinds of efforts American assistance can best support in helping the people of Romania normalize their lives.

INTRODUCTION

On March 4, shortly after 9 o'clock in the evening, one of the most devastating earthquakes to hit eastern Europe in many decades struck the southern half of Romania.

In keeping with a longstanding humanitarian concern over the victims of both natural and manmade disasters, Committee members and staff immediately consulted with appropriate officials in the executive branch and elsewhere on the emergency needs in Romania. On March 7, Senator Kennedy urged in the Senate that no effort should be spared by our Government in helping to meet the relief and rehabilitation needs of the Romanian people. Senator Kennedy stated in part:

The full scope of the disaster which struck Romania during the early evening hours last Friday is only now becoming clear. . . .

Although reports are still preliminary and scattered, the Romanian Government, disaster relief teams, and journalistic accounts, all tell of a tragic toll in human life and physical destruction. The number of people killed will not be fully known until the debris is cleared. . . .

For those still alive, thousands have taken shelter with friends or relatives. And since the earthquake struck the urban area of Bucharest, millions of dollars of damage has been reported to housing and apartment complexes, as well as to commercial and industrial facilities.

. . . I want to express my deep sympathy and concern to the people and government of Romania. I am confident our government, in concert with others in the international community, will respond generously to the Romanian government's appeal for assistance.

As longer-term rehabilitation and reconstruction needs are identified, I stand ready, with others in Congress to introduce necessary legislation to offer America's helping hand to the people of Romania.

In keeping with this spirit, Senators JAVITS and KENNEDY, along with 10 other Senators, introduced Senate Concurrent Resolution 12, expressing the deep sympathy of all Americans to the people of Romania. The resolution, which was adopted by the Senate on March 14, 1977 also resolved: "That the United States should do all that is possible to assist the people of Romania in their hour of need following the terrible natural disaster which has just afflicted them. . . ." The House of Representatives concurred in the resolution.

On March 24, as additional information became available on the scope of rehabilitation and reconstruction needs, Senators KENNEDY and JAVITS introduced a bill to authorize $20 million in humanitarian assistance for Romania. A similar measure was introduced in the House. An authorization bill was considered and adopted, and signed into law on April 18, 1977 (PL 95-21).

Given this mandate of Congress and the widespread congressional and public interest in humanitarian assistance for Romania, the Committee dispatched a staff team to visit the field to make a first-hand report on the earthquake disaster and to assess rehabilitation and reconstruction needs in the country. The team, composed of Dale S. deHaan, a counsel to the Committee, and Jerry M. Tinker, staff consultant, arrived in Bucharest on May 1st and departed on May 4th. The team traveled extensively throughout the earthquake affected areas. In addition to visiting many parts of the Bucharest metropolitan area, the team traveled north to the industrial center of Ploiesti. And south and west of Bucharest, the team visited Zimnicea town along the Danube River border with Bulgaria, the towns of Alexandria and Rosiori de Vede, the city of Craiova, and the surrounding countryside.

In addition to conversations with U.S. Ambassador Harry Barnes and members of his staff, Messrs. deHaan and Tinker held extensive consultations with Romanian officials and townspeople on the immediate issue of earthquake assistance and on additional matters relating to United States-Romanian relations. These consultations included a meeting with the President of Romania, Nicolae Ceausescu, and the Minister of Foreign Affairs, George Macovescu.

Additional meetings were held with, among others, Ambassador Vasile Sandru, Coordinator for International Assistance in the Ministry of Foreign Affairs; Mr. Vasile Gliga, Deputy Minister of Foreign Affairs; Mr. Alexandru Margaritescu, First Deputy Minister of Foreign Trade and International Economic Cooperation; Mr. Ioan Ceterchi, Chairman of the Legislative Committee of the State Council and member of the Grand National Assembly; and Mr. Constantin Dumitrescu, First Vice Chairman (Deputy Mayor) of the Bucharest Municipal Council.

The study team wishes to express its appreciation for the courtesy and assistance so warmly extended by the Romanian Government in support of the Committee's inquiry, and for the assistance and cooperation extended by Ambassador Barnes and his colleagues at the U.S. Embassy in Bucharest.

As suggested in Senator Kennedy's preface, this report—based mainly on the recent field study—is part of the Committee's continuing effort to underscore the importance of humanitarian concerns in United States foreign policy, and especially the importance of meaningful and expeditious U.S. assistance to the tens of thousands of earthquake victims in Romania.

III. REHABILITATION AND RECONSTRUCTION

Within a few weeks after the earthquake, as emergency relief needs were being adequately met, the attention of the Romanian government properly turned toward the massive rehabilitation and reconstruction problems facing the country. Officials in Bucharest, but especially those at the county and local levels, were obviously sensitized to the needs and objectives required in rebuilding their devastated communities, and in helping their people normalize their lives.

The priorities of the Romanian government were quickly established, and clearly reflect the needs of the country. The first, and overriding, priority is housing. The government is determined to have housing available by next autumn for all those 200,000 people displaced from their homes by the earthquake. To this end, the government's first task is to obtain construction equipment necessary to speed-up the process of removing the debris of demolished buildings, of constructing new buildings, and restoring and consolidating structurally damaged buildings.

The second priority area is rebuilding and restoring public buildings and facilities—hospitals, clinics, schools, nurseries, and important research and training facilities. A third priority area is the task of restoring historic buildings, such as museums and civic buildings. And, finally, throughout this process, the government will continue its effort to maintain economic production, to rebuild damaged factories and industrial facilities, and to provide increased production in commodities needed to meet the requirements of the rehabilitation and reconstruction program.

No visitor to Bucharest or to the smaller towns and cities across the southern half of the country can question the Romanian government's description of the massive reconstruction task it confronts. The worst reports are true. Massive and extensive damage was inflicted by the earthquake on all types of buildings, from high-rise apartments and office buildings, to small individual homes, schools, hospitals, other public buildings, and factories.

Contrary to scenes from other recent earthquakes, such as in Guatemala, Italy or Turkey, the extent of damage in Romania is not always visible. Because weaker, prewar buildings are mixed with more recent, more seismic resistant structures, the damage is intermittent. One building, one block, stands as if nothing has happened, while next door or in the next block, buildings are totally shattered. Except for towns like Zimnicea, which was 80% destroyed, there are no totally "levelled" cities or towns in Romania, such as there were in the Italy or the Managua earthquakes.

The extent of the damage is also hidden behind what, from the outside, appear to be structurally sound buildings. But on closer inspection the supporting pillars are cracked, and on the inside walls and ceilings have collapsed. A graphic example of this is the approximately 1,000 bed Fundeni Hospital in Bucharest. From the outside hardly a crack can be seen; on the inside, it seems that it was hit by a percussion bomb. Also, the extent of damage in some buildings has only recently become apparent over the passage of time. The Institute of Medicine in Bucharest is an example. Although officials evacuated the building as unsafe, and knew that the damage was severe, officials visited it and delegations were shown through it until, two months after the earthquake, the ceiling collapsed—just after a U.S. team visited it.

I. RECONSTRUCTION OF HOUSING

Visible or not, the damage is extensive, and all observers agree that the statistics presented by the Government of Romania accurately reflect the urgent need to repair and reconstruct housing units, hospitals, schools, and other public buildings. To undertake this, priority must first be given to the demolition of buildings judged to be beyond repair and, second, to programs of new construction. Both tasks require much of the same equipment—cranes, front-end loaders, and other special construction supplies.

In addition, an accurate assessment of the

damage—seen or unseen—is fundamental to a decision to demolish or repair a building. An accurate decision to repair an apartment building will not only bring it back into full use faster than constructing a new building, but it may save as much as 25% of the replacement cost. In turn, a wrong decision can cover-up a structurally weak building that may collapse during the next seismic activity. To accomplish this task, the Romanian government urgently needs sophisticated testing equipment to further evaluate buildings, especially high-rise apartments.

Once a decision is made to demolish a high-rise building, or a portion of it, a major engineering task will be required. Because high-rise apartment blocs account for a sizeable portion of all housing in Romania, because many of these and tall buildings are tightly situated, demolition of one next to another requires special care. The nature of the damage, and the proximity of occupied buildings, rules out demolishment by dynamite, battering ram or blow-down techniques. Experts indicate that tall, mobile cranes, capable of dismantling large elements with precision, and heavy loaders and trucks, are essential for safety.

If a decision is made to repair or, as the Romanians say, "consolidate" a building, highly specialized techniques of reconstruction will be required. In recent years, the United States has developed a number of specialized techniques that are especially appropriate to the repair of earthquake damaged structures. For example, the U.S. has developed special techniques for injecting concrete into large or small cracks and spaces. Also epoxy resin may be used through pressure jets to restore the most minute structural crack, making a damaged pillar better than new.

Clearly, the expeditious provision of this kind of equipment to help Romania either demolish or repair earthquake damaged buildings, will help it speed-up the process of putting families back into apartments. It will also help in reconstructing and repairing other essential public buildings.

2. Hospital and Special Medical Needs.

As in most socialist countries, Romania's public health system is fashioned on a pyramid of increasingly larger and more sophisticated clinics and hospitals. At the local level it consists of dispensaries and "polyclinics"—outpatient clinics staffed with specialists and basic diagnostic equipment.

Hospitals are at the higher level and, naturally, vary in size and character, depending upon location and purpose. Some hospitals specialize in certain areas of treatment, and contain special medical equipment, other hospitals provide a broad range of medical services for a general locality.

The earthquake severely damaged medical facilities all along the system's pyramid—from the Emergency Hospital in Bucharest, which specializes in all types of trauma and acute medicine, to the little provincial hospital in Zimnicea, which provides out-patient and general medical services. As noted earlier, throughout the country 11 hospitals were destroyed, 228 hospitals were damaged, 220 polyclinics were damaged or destroyed, and extensive losses were suffered in medical equipment and supplies.

For example, the Fundeni Hospital in Bucharest has been evacuated. It provided highly specialized medical services, on a referral basis, for all of Romania. Today, it is a shell, suffering extensive structural damage and the loss of much of its medical equipment and supplies. To restore and re-equip this 1,000-bed hospital will be a multi-million dollar enterprise.

Clearly, the health sector in Romania received extensive damage, and the United States and other donor nations can make a special contribution in providing replacement equipment destroyed during the earthquake. By all accounts, the health care system in Romania has responded well to the emergency, and through a process of doubling-up, it has met the nation's medical needs. But the added strain on existing facilities and equipment will shorten the life of the equipment and increase maintenance problems until new equipment is received, and until damaged or destroyed facilities are restored or rebuilt.

3. Reconstruction of Schools and Universities.

The educational system in Romania has been severely affected by the earthquake. According to official figures, 10% of the total earthquake damage—some $100 million—affected schools. As noted earlier, 3,620 schools were affected, with 381 destroyed and 2,085 buildings severely damaged. Additional school buildings will likely be demolished once the damage is fully assessed. The earthquake also destroyed 374 kindergartens, nurseries, and primary schools, and damaged 1,992 others. Also, six university buildings were destroyed, and 60 others severely damaged.

Again, by doubling-up and holding classes in shifts—sometimes as many as three or four shifts a day—the educational system has adapted to the loss of classroom space. However, there is no compensation for the loss of educational equipment, and a major task confronting the government is the replacement of school equipment, especially laboratory supplies and equipment.

Several historic schools have also been severely damaged, and rather than demolish the buildings, the government is seeking ways to repair them to preserve their historic value. For example, the Nicholai Balcescu Gymnasium in Craiova dates back to the last century, and it is one of the most famous high schools in Romania. It has been evacuated and will require extensive repairs.

The Romanian government has also requested assistance in restoring lost or damaged laboratory equipment for three university level institutions, including the Institute of Medicine in Bucharest, the Faculty of Chemistry in Bucharest, and the Faculty of Physics in Bucharest and Craiova.

4. Requests for Seismic Equipment.

Having experienced three destructive earthquakes in this century, Romania is clearly among the seismically active nations of the world. However, over the years, there has been insufficient attention to the need to obtain data upon which to develop improved structural design criteria for new buildings. This is because of the lack of proper seismic instrumentation equipment. To fill this vacuum, the Romanian government has requested special seismic equipment to help it develop the information needed to improve architectural design and develop earthquake resistant structures. As one engineer expressed it, "until the Yugoslavia earthquake in 1963, we thought that by building for a level of 6.5 on the Richter scale, that it would be sufficient; we had not fully understood how dangerous an earthquake zone we live in."

5. United States Assistance.

As reviewed above, the Romanian government has clearly defined its priorities, and they reflect the needs they face in launching a massive rehabilitation and reconstruction program. Along with other donors from the international community, the United States must blend its offer of assistance with the needs identified by the Government of Romania, avoid duplicating the assistance offered by other nations, and reflect the kinds of assistance most suitable for the United States to provide.

To this end, the Department of State and the Agency for International Development (A.I.D.) dispatched a team to Bucharest following enactment of the bill to provide $20 million in grant assistance to Romania. The A.I.D. team visited Romania during approximately the same period as the Committee's staff visit, and a joint meeting was held at the U.S. Embassy. Through consultations with Romanian officials—responding to their priorities in the rehabilitation and reconstruction program—a consensus evolved between the Romanian government, the U.S. Embassy staff, the A.I.D. team, and the Committee staff team, which indicated that United States assistance should focus on four areas:

(1) Assistance in the repair and reconstruction of severely damaged buildings, especially housing, hospitals, schools, and other public buildings;

(2) Assistance with new construction of housing;

(3) Replacing urgently needed hospital, medical and school equipment destroyed or damaged; and

(4) Technical assistance in the seismological field.

These four areas are clearly within the intent and purpose of the authorizing legislation adopted by Congress, and they reflect both the spirit and letter of the law. They also reflect Romania's needs.

Grant assistance, as envisioned in the law, can best be used to provide foreign exchange necessary to finance U.S. equipment and technical experts, rather than financing local currency costs of repair and construction. Furthermore, the Romanian government is clearly capable of handling and financing these local repair and construction programs. However, it does wish to maximize the availability of funds to purchase urgently needed foreign equipment.

It was also agreed that the focus of U.S. assistance should respond to people's needs, and to a broad cross-section of the Romanian people. Wherever possible, U.S. assistance will focus on specific institutions, such as specific hospitals, clinics or schools. For example, the United States can help to re-equip the cardiac wing of a specific hospital, or replace the laboratory equipment for a specific faculty of a university. In turn, this specific assistance must be balanced by providing general equipment and supplies necessary for the overall repair and reconstruction effort.

With these factors in mind, a consensus has also developed over the general breakdown of the U.S. package. As outlined in a May 9th A.I.D. report, the $20 million, when fully appropriated, will be used as follows:

1. Demolition and Repair of Buildings (Housing, Hospital and Medical, and Schools), $7.0 million.

a. Team of four U.S. experts for three weeks to assist in damage assessment and development of repair approaches.

b. Heavy equipment for demolition (mobile cranes, front end loaders).

c. Structural testing and repair equipment (pahometers portable lasers for checking building verticality, ultrasonic flaw detectors, concrete pumps, rotopercussion drilling equipment, concrete core drill, epoxy injection equipment and epoxy resins).

2. Replacement Housing,[1] $3.0 million.

a. Construction equipment (additional cranes, front-end loaders, compaction equipment for foundations).

b. Team of 3 to 4 Romanian experts for one month to review U.S. construction technologies (to be funded by GOR).

c. Testing equipment for design of earthquake resistant structures.

3. Hospital and Medical Facilities, $5.0 million. (X-ray equipment, biochemical autoanalysers, microtoms, one, three and six-channel electrocardiographs, EEG machines, defibrilators, artificial kidney machines, artificial respiration equipment for

[1] Equipment under 1.b, above will also be used for replacement housing.

children and adults, ultrasonic and short wave therapy machines, electro surgical scapels).

4. Schools, $2.0 million.

a. Physics equipment (mass spectrometer, oscilloscope).

b. Chemistry equipment (liquid chromatograph, calorimeter, thermoanalyser, vapor chromatograph, polagograph).

c. Medical training equipment (electronic microscopes, EEG's and EKG's, duodenofibroscope, medical cameras, blood gas analyser, lab centrifuge, microtomes, computer for statistical analysis).

5. Seismographic Requirements, $1.0 million.

a. One U.S. expert for one month to assist in seismic systems design.

b. Seismic monitoring and analysis equipment (strong motion monitors, seismographs, data analysis equipment).

6. Miscellaneous and Contingency, $2.0 million.

(Reserved for additional requirements identified by the GOR and/or U.S. experts or to supplement funds provided for areas listed above if needed to complete procurement of required items.)

The $20 million package outlined above can be, and will be, effectively utilized by the Romanian people and government. On this, there is no doubt. Similarly, this offer of American assistance is widely appreciated and understood in Romania, and it will represent a significant contribution to their rehabilitation and reconstruction effort.

RECOMMENDATIONS

For the purposes of this report, Senator Kennedy makes the following recommendations:

1. Expeditious Allocation of Assistance to help earthquake victims normalize their lives.

On April 18, the President signed into law legislation to authorize $20 million in humanitarian assistance to the people of Romania. This amount represents little more than one-fifth of the anticipated international assistance to Romania.

The anticipated American assistance program is outlined earlier in this report. The program is geared to helping people normalize their lives. And it not only reflects the needs and priorities of the people and Government of Romania, but also the considered judgment of the special AID survey team dispatched to the field and the Committee staff.

Given the truly urgent rehabilitation and reconstruction needs in housing, medical and educational facilities, and related areas, every effort must be made by the Administration and Congress to fund the assistance authorization at the earliest possible time.

Pending such an appropriation, the Administration should allocate expeditiously and to the maximum degree practical available funds from AID's general Disaster Relief Fund. The people and Government of Romania are moving quickly to normalize life before the cold winter months. This should also be an objective of U.S. assistance.

2. Additional Assistance To Romania.

All observers agree that the earthquake which struck Romania brought personal tragedy and untold hardship to tens of thousands of people, and inflicted massive physical damage to cities and towns across the southern half of the country. Official estimates place the damage at some $1 billion in physical destruction alone, and an estimated $1 billion more in indirect economic and private losses.

The $20 million in U.S. grant assistance will represent a significant American contribution to meeting some of Romania's current needs. However, additional earthquake-related needs are likely to be identified in the weeks and months ahead for which American technology and capital equipment may be important in helping Romania to recover from the affects of the earthquake. To meet additional disaster-related needs, the President should seriously consider providing credits or low-interest loans to allow Romania to draw on additional resources from the U.S.

In this connection, the Administration and Congress should also consider revising the restrictions now placed on developmental loan funds available through AID. Section 620(m) of the Foreign Assistance Act of 1961, as amended, currently prohibits the use of such funds for "an economically developed nation". Legislative consideration should be given to a carefully worded Presidential waiver authority, in cases where developed countries are severely struck by natural disaster. This would allow the United States, under special disaster circumstances, to respond to rehabilitation and reconstruction needs in a developed country, beyond whatever limited disaster relief assistance may be provided. Such flexibility in the law is desirable and would strengthen our country's ability to assist victims of massive natural disasters.

3. "Most-Favored-Nation" Status for Romania and Economic Cooperation.

Significant progress has been achieved over the years in improving and strengthening U.S.-Romanian relations, and every effort should be made to continue this process—a process which is mutually advantageous and in the interest of peaceful development and stability in Europe.

A key element in these relations is trade and general economic cooperation. Trade is continuing to expand and is increasingly based on long-term agreements. The implementation of these agreements—especially the Long-Term Agreement on Economic, Industrial, and Technical Cooperation between the United States and Romania—rests on Romania's continued "most-favored-nation" (MFN) status as a trade partner of the U.S. Romania's MFN status is currently under review and will expire in July, unless the President recommends a renewal and Congress concurs. And this the President and Congress should do. To do otherwise, would pose a serious setback for U.S.-Romania relations and for the peaceful and humane goals of American policy in Europe.

4. Humanitarian Concerns.

Another key element in U.S.-Romanian relations is the American concern over general humanitarian matters.

This very traditional and genuine concern of the American people is reflected in many ways in many parts of the world. In the case of Romania, it was recently reflected in the strong and immediate support for providing U.S. assistance to help the Romanian people recover from the tragic earthquake of March 4. But it is also reflected in the continuing American interest in human rights and emigration from Romania to the U.S. The latter involves family reunion and marriage cases and dual nationals.

The constructive dialogue on these matters between the U.S. and Romania must continue, and past dialogue has been fruitful. Hopefully, this dialogue will further facilitate the emigration of family reunion and marriage cases and dual nations, and hopefully a cooperative effort will be made to resolve outstanding problems involving some individual family reunion and marriage cases.

5. Cultural Exchange.

Over recent years, an important ingredient in improving relations between the United States and Romania has been cultural, educational, and scientific exchanges. This expanding program, under an agreement negotiated in 1974, should continue.

Recent exchanges of governmental officials and parliamentarians have contributed much to the on-going dialogue between the United States and Romania. Last year the Speaker of the House of Representatives led a Congressional delegation to Romania, which was actively observing the American bicentennial celebration. This year marks Romania's centennial, and we should reciprocate in observing this important event in Romania's history.

Information offices now operate in both nations, and a number of special cultural programs are regularly exchanged between the two countries each year. Every effort should be made to sustain these programs.

JUNE 11 ILLINOIS ENERGY CONSERVATION CONFERENCE

Mr. PERCY. Mr. President, I would like to draw the attention of my colleagues to a major conference on conservation of energy to be held tomorrow at the University of Illinois Chicago Circle Campus. The conference is sponsored by the Alliance to Save Energy—ASE, Senator STEVENSON, Governor Thompson, the University of Illinois Energy Resources Center, and myself. The conference format is designed to elicit as much audience participation as possible. There will be two panel discussions, one in the morning and one in the afternoon, followed by a wide range of energy workshops in the late afternoon.

Dr. Henry Kissinger, chairman of the Advisory Board of the Alliance to Save Energy, will keynote the conference on Saturday morning. Together with Governor Thompson and myself, he will then participate in the first panel, responding to questions from the audience.

After lunch, Harvey Morris, president of Fuel and Energy Consultants, Fred Dubin, president of Dubin-Bloom Associates, and Dick McGraw, executive director of the Alliance to Save Energy, will participate in the second panel, which I will moderate. From these panels we expect a lively and far-reaching discussion of this country's energy future and the vital importance of conservation in that future.

The afternoon workshops are specifically designed to discuss the relationship between conservation and various sectors of our society. Each workshop will be led by distinguished representatives from the business, academic, or political worlds The topics include:

Energy Conservation and Environmental Protection;

Energy Conservation in Transportation Planning;

Energy Conservation and Community Planning;

Energy Conservation for Teachers and Educators;

Energy Conservation for Home Owners;

Growth vs. No Growth;

Free Market vs. Regulation;

Energy Policy and Social Welfare;

Energy Conservation in Industry; and

Energy Conservation Through Infra-Red.

The solutions the Nation comes to on the energy problem will affect all Americans. That is why this conference invites the public to a serious discussion of these issues. Here is an excellent opportunity for all citizens to air their views, and I warmly invite my colleagues and the general public to this event. I hope that sim-

ilar conferences can be held in all of our States so as to help generate a consensus in forming conservation of energy in the national interest.

S. 1523, THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

Mr. GLENN. Mr. President, I want to express my support for S. 1523, the Housing and Community Development Act of 1977, and to comment in some depth about key features of this very complex and significant piece of legislation. S. 1523 has the potential of addressing many of the critical housing problems of our urban and rural areas, while maximizing impact of the Federal housing dollar by sharper targeting of entitlement formulas and additional aid criteria so that areas having the most pressing needs and the most massive problems would now receive greater assistance than under previous legislation.

Ohio is one of the States that will be among the greatest beneficiaries of the new provisions of S. 1523. Ohio and many of the older, Northeastern industrial States have been suffering from a gradual exodus from the older, large industrial cities. The greater the exodus, the greater the problem left behind. There is less tax revenue, fewer jobs, more strain on limited services and resultant further decline in neighborhoods and in housing stock. This is a complex and interrelated pattern that can only be checked by a concerted Federal, State, and local effort at revitalization. I commend the administration and the Housing Committee for taking the initiative and providing the national leadership necessary to halt this vicious cycle of decline which, of course, impacts most heavily upon those individuals and communities having the lowest income levels. I am most gratified that Ohio, our sixth largest State and the State with the largest number of cities having populations in excess of 50,000—the cutoff point for community development entitlements, stands to receive approximately $120 million in community development and discretionary funds in fiscal year 1978 and approximately $160 million by 1980. At present, Ohio receives only $80 million in community development funds, roughly only 2 percent of total housing funds available prior to the formula changes made by S. 1523. I wish to comment more specifically upon various features of and key amendments to S. 1523.

TITLE I—COMMUNITY DEVELOPMENT

The novel 1974 Housing and Community Development Act allocated funds to communities through entitlements or discretionary grants. Entitlements were calculated from a formula which considered population, poverty, and housing overcrowding or from a hold-harmless average of grants received between 1968–72. The law provided for a phaseout of hold-harmless entitlements between 1978 and 1980 and a reassessment of methods of allocation this year.

S. 1523 reflects this reassessment and the conclusion, which I share, that the 1974 formula is inadequate, particularly for larger, older cities. Under title I, communities will now have a choice between the old formula or a new formula which measures age of housing, poverty and growth lag, the extent of a community's growth which falls below the national growth rate. This new formula should help in directing funds to those areas in greatest need. S. 1523 also adds an optional third formula that utilizes the percentage of older housing stock in a community, growth lag, and poverty. This option, known as impaction, considers a city's proportion of old housing stock relative to the proportion of old housing in all metropolitan areas. This will be of further assistance to older cities, including many in Ohio which have increased community development needs caused by particularly high percentages of older, obsolete, and deteriorating housing.

For smaller cities and towns in need, S. 1523 also assures community development funding. Cities and towns with populations less than 50,000 would be eligible for grants from funds allocated for States on the basis of a formula utilizing age of housing, population, and poverty. Priority would be given to those cities and towns carrying out comprehensive multiyear plans and phasing down hold harmless entitlements. Again, it is very important to note the importance of using aged housing as an available formula criteria for both large and small cities. We must remember that we are trying to move the most effective assistance possible into areas of greatest need. Surely, in the Northeast, with many older, small towns, as well as large cities, age of housing is one of the most significant determinants of need and I believe it must be recognized for the purposes of aid calculation.

Another very vital part of title I of S. 1523 is the new authorization of $60 million for the section 312 rehabilitation loan program. The section 312 program provides for 3 percent loans to property owners and renters for rehabilitation of residential and commercial buildings in designated areas. This is a program with great potential for revitalization of impacted areas in large and small communities if administered properly.

TITLE II—HOUSING ASSISTANCE PROGRAMS/METHOD OF CALCULATING BUDGET AUTHORITY

S. 1523 contains $1.2 billion in new contract authority for the major low-income housing assistance programs, conventional pubic housing, and section 8 rental assistance. In this area, I have been concerned that in areas with few vacancies, Federal rental assistance payments might help encourage inflationary rent increases without increasing housing. Wisely, S. 1523 permits priority to be given to areas of high vacancy rates and ample available housing. In areas short of housing, S. 1523 encourages new housing. Title II also deals with the complex question of calculating budget authority in the housing area. Here, I supported an important amendment to the bill offered by Senator MUSKIE. The bill, as reported from committee, changed accounting procedures for calculating budget authority for housing assistance programs. Present law requires calculation by multiplying the total amount of new contract authority approved by the maximum term of the contract authorized; that is, we must show the full cost of these 15 to 40-year contract obligations in the year for which the contract is signed. The committee proposal was to only show the first year cost of what is a long term, contractual obligation for the purpose of calculating budget authority.

I voted to strike the committee proposal, because I deeply believe that Congress must consider multiyear budget issues in formulating its budget for the immediate year. We must have a complete and clear picture to make the wisest and best-informed decisions on issues that have such long-range impact on our entire environment, as well as our current and future budgets. We should continue current budget calculation methods and Congress should continue to face the full, long-range issue head on as we did this year when we voted, in our budgetary goal-setting process, to support the new administration's housing and community development program.

There were other very important housing assistance programs, all of which, if implemented and administered soundly and with genuine commitment, should help achieve our national goals of urban and rural housing revitalization and greater housing opportunity for low-income citizens. Specifically, I applaud the interest reduction subsidies that would help low-income individuals acquire membership in cooperatives, the removal of restrictions upon and continued encouragement of the very successful section 202 elderly housing program, which is working well in Cincinnati and Columbus and has only recently been extended to Toledo, Dayton, and Cleveland. Cleveland alone has over 5,000 abandoned structures. Urban homesteading is not a solve-all, but it surely is a means of attracting and holding many middle-class black and white families in our cities and by doing so, helping to stabilize the economic bases of those cities. There is nothing more damaging to the basic core of a city than large numbers of vacated, abandoned, deteriorating structures. Urban homesteading can help stem this all too common pattern by encouraging ownership of these buildings.

TITLE III—MORTGAGE CREDIT

Title III is a very vital part of this bill. It provides for increases in the maximum loan amounts for FHA-insured mortgages and for loans made by federally charted savings and loan associations. This is very necessary at this time due to the ravages of inflation over the past several years, which have forced so many of our citizens out of the housing market. Additionally, the bill encourages HUD to continue to experiment with the FHA graduated payment mortgage program.

TITLE IV—COMMUNITY REINVESTMENT

I voted to retain the community reinvestment feature of S. 1523 which requires regulators of federally chartered financial institutions to take an institution's record of meeting local credit needs into account when considering ap-

plications for new branches, mergers, and so on. I feel that this provision is simply a specific reinforcement of the "convenience and needs" requirement for Federal chartering that represents the institution's obligation to adequately serve its local area. Surely, the availability of local credit, consistent with sound banking practices is important in such applications as are adequacy of capital, competition, and other criteria. This provision should not be costly and should require no additional Federal redtape as the data required for examination is compiled incidental to the day-to-day operations of the institutions and the regulators. Hopefully, this provision will encourage improved banking service to neighborhoods throughout the country, urban and rural, black, white, and ethnic.

TITLE V—RURAL HOUSING

We tend to dwell on urban housing problems because the city problem is so visible and so devastating. Rural areas, though less densely populated, still have severe problems in low-income areas. Ohio is not an exception. S. 1523 extends the authorization for Farmers Home Administration rural housing programs and encourages FmHA direct loans to low- and moderate-income individuals while reserving their newer loan guarantee for persons with above moderate incomes who, with some Federal help, can obtain private credit. These provisions together should greatly help rural areas.

OTHER PROVISIONS—FLOOD INSURANCE

I voted against Senator Eagleton's amendment that had the effect of weakening the Federal flood insurance program. The Eagleton amendment, which was successful, removes the prohibition on federally supervised, approved, regulated, or insured institutions from making loans in an area of special flood hazards unless that flood-prone area is participating in the national flood insurance program.

President Carter and OMB Budget Director Lance argue that this amendment essentially makes the flood insurance program an optional one. Section 202(b) of the Flood Disaster Protection Act of 1973, prior to the Eagleton amendment, in effect made the local availability of federally related mortgages contingent upon the community's adoption of sound flood plain management practices.

Mr. President, I remain very sympathetic to communities, like those in Ohio, that argue that HUD's land use restrictions make it impossible for business to expand and that these restrictions damage the economic viability of local communities. Wooster, Ohio, and Marietta, Ohio, come immediately to mind as communities that were particularly impacted. I also fully realize that in the past HUD has acted in an arrogant, dictatorial, and arbitrary manner in administering the program.

It is my hope that the new administration will move to correct the poor administration of the program. I felt that we should extend it for 1 year, allow the new administration and the Congress a chance to act rather than opening a huge national loophole where many of the over 15,500 communities that participate could withdraw, develop their flood plains without adequate management and construction safeguards, then reenter and cover these risks under the subsidized insurance program. This is simply unsound national policy. I think we all realize that, ultimately, in a major flood disaster, it is the Federal Government that usually picks up the tab. I agree with the President that it is correct national policy for the Federal Government to insist upon the very best and most comprehensive early protections from potential disasters that often have impact upon the entire Nation.

BUDGETARY IMPACT

I am very pleased that the spending levels of S. 1523 are now consistent with the President's request and with the target of the First Concurrent Budget Resolution. We have made housing development a major priority.

SUMMARY

Mr. President, S. 1523 is a massive and extremely complex bill. With the exception of our tax bills, it is probably the most complicated piece of legislation that we have considered. It authorizes $5.5 billion a year for the administration's major housing proposals. The thrust of the bill, which I strongly endorse, is to target more money to those older parts of the Nation having the most severe problems and conditions.

This complex maze is perhaps one of the best cases yet for the adoption of some form of sunset review by which, periodically, Congress and the agencies can closely review these many programs to see if they are really working and if our tax dollars are being most effectively spent to meet our problems. I have repeatedly heard that it often takes 5 to 15 years to wade through a chaotic, bureaucratic maze and to get live people actually living in some of our HUD projects. This is simply unacceptable. We must state our clear goals, have timetables for their accomplishment and if those goals and timetables are not met, than we must dismantle whatever impediments there are.

I am hopeful that our new administration, along with the local community approach to development, can minimize bureaucracy while maximizing tangible housing opportunity. Indeed, I expect no less.

S. 1623—TO AMEND SECTION 107 OF THE ENERGY REORGANIZATION ACT OF 1974

Mr. McGOVERN. Mr. President, I ask unanimous consent that the text of S. 1623, which I introduced on Monday, to amend section 107 of the Energy Reorganization Act of 1974, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1623

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107 of the Energy Reorganization Act of 1974 (42 U.S.C. 5817) is amended by adding the following new subsection:

"(g)(1) The Administrator must notify (and publish such notice in the Federal Register) the presiding officers of the various chambers, where applicable, of a State legislature of the Energy Research and Development Administration's intent to explore a site in such State for the purpose of construction of a radioactive waste storage facility.

"(2) The Administrator shall not permit contracting for or construction of a radioactive waste storage facility at a site in a State where the State legislature of such State by joint or concurrent resolution or by law, or in States with a unicameral legislature by single resolution, states that the site shall not be used for such purpose.

(This concludes additional statements submitted today.)

ABSENCE OF QUORUM

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATSUNAGA). Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are certain measures on the Unanimous Consent Calendar that have been cleared for action on both sides of the aisle. I ask unanimous consent that the Senate proceed to the consideration of Calender Order Nos. 216, 217, 218, 220, and 221.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first measure.

ELY INDIAN COLONY LAND CONVEYANCE

The Senate proceeded to consider the bill (S. 103) to convey to the Ely Indian Colony the beneficial interest in certain Federal land, which had been reported from the Committee on Indian Affairs with an amendment to strike all after the enacting clause and insert the following:

That, subject to all valid existing rights-of-way, licenses, leases, permits, and easements, all right, title, and interest of the United States in the land described below, consisting of approximately ninety acres, is declared to be held in trust for the Ely Indian Colony, Nevada: The north half of the southeast quarter and the northeast quarter of the southwest quarter of section 22, township 16 north, range 63 east, Mount Diablo Base and Meridan, Nevada. Such lands shall be a reservation of the colony.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-233), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE MEASURE

The purpose of S. 103 is to declare that 90 acres of land presently owned by the United States be held in trust for the Ely Indian Colony in Ely, Nev. Such transfer would involve both the surface and subsurface mineral interests in the land in question.

BACKGROUND AND NEED

The 90 acre tract of land involved in this bill is public domain land administered by the Bureau of Land Management and located in White Pine County, Nev., outside and south of the limits of the city of Ely in an unzoned area. U.S. Highway 93 crosses the tract and telephone and electric power are available. It is an L-shaped undeveloped tract covered with sagebrush and grass which had an appraised value of $22,000 in 1972.

The present Ely Indian Reservation occupies 9.95 acres of land, and the addition of 90 acres would enable the tribal members to take advantage of programs for the construction of homes and sanitary facilities.

The Ely Indian Colony wishes to utilize the 90 acres for future commerce and resident'al growth. Presently, only 2 of the 9.95 acres are suitable for housing as the reservation is located on the side of a steep hill.

LEGISLATIVE HISTORY

S. 103 was introduced by Senators Howard Cannon and Paul Laxalt on January 10, 1977. The administration testified in support of the measure in a hearing conducted before the selected committee on May 18, 1977.

A companion measure, H.R. 6348, is presently pending before the House Committee on Interior and Insular Affairs.

COMMITTEE AMENDMENT

The amendment incorporates a clarification of the land description. In addition, the language of the bill is clarified with respect to preserving valid, existing rights in the land.

COST AND BUDGETARY CONSIDERATIONS

The enactment of S. 103, as amended, will result in no additional cost to the United States.

EXECUTIVE COMMUNICATIONS

Set forth in full below is the report of the Department of the Interior on S. 103.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 17, 1977.

Hon. JAMES ABOUREZK,
Chairman, Select Committee on Indian Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for our views on S. 103, a bill to convey to the Ely Indian Colony the beneficial interest in certain Federal land.

We recommend that the bill be enacted if amended as suggested herein.

S. 103 declares that a certain 90 acre tract of public domain land is held in trust by the United States for the Ely Indian Colony, Nev.

The 90 acre tract is public domain land, administered by the Bureau of Land Management, located in White Pine County, Nev., outside and south of the limits of the city of Ely in an unzoned area. The tract has a cover of sagebrush and grass and slopes at less than 5 percent with some level areas and some areas of moderate-sized gullies. It is "L" shaped and undeveloped except for an 8-inch, steel-cased well which was drilled at the cost of approximately $5,000 in 1965 for domestic water supply by the U.S. Forest Service. The tract had been withdrawn for administrative site purposes by the U.S. Forest Service but they have determined that it is not needed. U.S. Highway 93 crosses the tract and telephone and electric power is available. The tract had an appraised value of $22,000 in 1972.

The Ely Indian Colony Council wishes to utilize the 90 acre tract for the development of 22 housing units for members of the colony. Only 2 of the approximately 10 acres of their present reservation are suitable for residential use because it is located on the side of a steep hill with a slope of 20 to 30 percent. Eleven homes on the reservation provide living accommodations for only about 30 of the estimated 150 members of the colony.

The present 10-acre reservation is located within the southwestern portion of the Ely city limits and had an estimated value of $4,500 in 1972. It was purchased in 1931 for $1,000 pursuant to the act of June 27, 1930 (46 Stat. 820).

The Department presently has before it a petition on behalf of the Western Shoshone Indians seeking restoration of some of their aboriginal lands. We want to emphasize that our position on S. 103 is not to be construed as affecting or relating to any Departmental determination concerning the Western Shoshone Indians.

We recommend that line 1 of the bill be amended by inserting the following language between the words "That" and "all:"

", subject to all valid existing rights-of-way, licenses, leases permits, and easements,".

The land description in S. 103 is incorrect and we recommend that lines 6 through 8 be amended to read as follows:

"Colony, Nev.: The north half of the southeast quarter and the northeast quarter of the northeast quarter of the southwest quarter of section 22, township 16 north, range 63 east, Mount Diablo Base and Meridian, Nev. Such lands shall be a reservation of the Colony."

While we support enactment of this bill with amendments, we would point out that the Federal Land Policy and Management Act of 1976 (90 Stat. 2757) provides criteria and guidelines for the conveyance of public domain lands. Section 209 of the act provides that minerals shall be reserved to the United States, unless certain criteria are met. If these criteria are satisfied, then conveyance of the mineral estate shall be made upon payment of administrative costs and the fair market value of the interests being conveyed. This Department, in consultation with the committee, will be developing a policy concerning these criteria and guidelines and conveyances of land such as those in this bill.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

JAMES A. JOSEPH,
Under Secretary.

DEPUTY SECRETARY OF DEFENSE AND UNDER SECRETARY OF DEFENSE FOR POLICY

The Senate proceeded to consider the bill (S. 1372) to amend titles 10 and 5, United States Code, to disestablish one of the positions of Deputy Secretary of Defense and establish an Under Secretary of Defense for Policy, and for other purposes, which had been reported from the Committee on Armed Services with an amendment on page 4, beginning with line 1, to insert the following:

(4) The table of sections is amended by striking out the item relating to section 135 and inserting in lieu thereof the following:

"135. Under Secretary of Defense for Research and Engineering: appointment; powers and duties; precedence.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 4 of title 10, United States Code, is amended as follows:

(1) Section 134 is amended to read as follows and the corresponding item in the analysis is amended accordingly:

"§ 134. Deputy Secretary of Defense; Under Secretary of Defense for Policy; appointment; powers and duties; precedence

"(a) There are a Deputy Secretary of Defense and an Under Secretary of Defense for Policy, each appointed from civilian life by the President, by and with the advice and consent of the Senate. A person may not be appointed as Deputy Secretary of Defense or Under Secretary of Defense for Policy within ten years after relief from active duty as a commissioned officer of a regular component of an armed force. The Deputy Secretary of Defense and the Under Secretary of Defense for Policy shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.

"(b) The Deputy Secretary of Defense shall act for, and exercise the powers of, the Secretary of Defense when the Secretary of Defense is disabled or there is no Secretary of Defense.

"(c) The Deputy Secretary of Defense takes precedence in the Department of Defense immediately after the Secretary of Defense. The Under Secretary of Defense for Policy takes precedence in the Department of Defense immediately after the Deputy Secretary and the Secretaries of the military departments.".

(2) Section 135 is amended by—

(A) amending the catchline to read as follows: "Under Secretary of Defense for Research and Engineering: appointment; powers and duties; precedence";

(B) striking out the terms "Director of Defense Research and Engineering" and "Director" wherever they appear and inserting the term "Under Secretary of Defense for Research and Engineering" in place thereof in each instance;

(C) striking out the word "a" in subsection (a) and inserting the word "an" in place thereof; and

(D) amending subsection (c) to read as follows:

"(c) The Under Secretary of Defense for Research and Engineering takes precedence in the Department of Defense immediately after the Secretary of Defense, the Deputy Secretary of Defense, the Secretaries of the military departments, and the Under Secretary for Policy.".

(3) Subsection (e) of section 136 is amended to read as follows:

"(e) The Assistant Secretaries take precedence in the Department of Defense immediately after the Secretary of Defense, the Deputy Secretary of Defense, the Secretaries of the military departments, and the Under Secretaries of Defense.".

(4) The table of sections is amended by striking out the item relating to section 135 and inserting in lieu thereof the following:

"135. Under Secretary of Defense for Research and Engineering: appointment; powers and duties; precedence.".

SEC. 2. Section 171 of chapter 7 of title 10, United States Code, is amended as follows:

(1) Clause (2) of subsection (a) is amended to read as follows:

"(2) the Deputy Secretary of Defense;".

(2) Clause (6) of subsection (a) is amended to read as follows:

"(6) the Under Secretary of Defense for Policy and the Under Secretary of Defense for Research and Engineering;".

SEC. 3. Subchapter II of chapter 53 of title 5, United States Code, is amended as follows:

(1) Section 5313 is amended by amending clause (1) to read as follows:

"(1) Deputy Secretary of Defense.".

(2) Section 5314 is amended by amending clause (32) to read as follows:

"(32) Under Secretaries of Defense (2).".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-234), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The legislation eliminates one of the two positions of Deputy Secretary of Defense and establishes the position of Under Secretary of Defense for Policy. It further changes the title of the Director of Defense Research and Engineering to that of Under Secretary of Defense for Research and Engineering.

BACKGROUND

Current law provides for two Deputy Secretaries of Defense to take precedence in the Department of Defense immediately after the Secretary. The Deputy Secretary of Defense salary is established by law at executive level II, currently $57,500 annually. By eliminating one of the Deputy Secretaries of Defense, the position of the remaining Deputy becomes clarified as the Secretary's single principal assistant.

The creation of the new position of Under Secretary of Defense for Policy will tie together several related Defense agencies in the intelligence analysis and policy area. This position will be at a salary of executive level III, currently $52,500 annually. For parallelism, the legislation changes the title of the Director of Defense Research and Engineering to Under Secretary of Defense for Research and Engineering and it remains an executive level III position.

This legislation is part of an overall Department effort to strengthen its management. The Department has indicated that almost every group reviewing its organization has concluded that the present span of control is too broad for effective management.

The committee concurs with the Department in the efforts it is making to streamline its management and make it more efficient.

DEPARTMENTAL POSITION

The Department of Defense submitted the following letters on this legislation:

THE SECRETARY OF DEFENSE,
Washington, D.C., April 7, 1977.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am pleased to enclose a legislative proposal to amend titles 10 and 5, United States Code, to disestablish one of the positions of Deputy Secretary of Defense and establish an Under Secretary of Defense for Policy, and for other purposes. The proposal is a part of the Department of Defense legislative program for the 95th Congress.

PURPOSE OF THE LEGISLATION

The proposed legislation replaces one senior position in the Department of Defense with another at a slightly lower level with more specialized duties. It also changes the title of another senior Defense position. This is accomplished by eliminating one of the two executive level II positions of Deputy Secretary of Defense which now exists, and establishing in its place a new position of Under Secretary of Defense for Policy, with pay grade reduced to executive level III.

The proposed legislation is part of an effort to strengthen management, by reducing span of control, to streamline organizational arrangements, and to reduce staffing levels within the Department of Defense. As presently structured, 29 major offices of the Department (plus seven commanders of the unified and specified commands) report to the Secretary and Deputy Secretary of Defense. Of these, 13 are within the Office of the Secretary. Virtually every group which has reviewed this Department's organization has concluded that this span of control is entirely too broad for effective management.

Elimination of the second Deputy Secretary of Defense position, besides reducing the number of executive level II positions in the Department, will eliminate confusion regarding the distribution of executive authorities immediately below the secretarial level. It will clarify the role of the remaining Deputy Secretary as the single principal assistant and alter ego to the Secretary in all areas of Defense management.

In place of the second Deputy, an Under Secretary of Defense for Policy will be established, but at executive level III. He will have staff responsibility for a number of Defense agencies which are now designated as reporting directly to the Secretary of Defense, and will serve as the primary advisor and staff assistant for such matters concerned with international political-military affairs as arms limitation negotiations, intelligence analysis and requirements, and the integration of departmental plans and policies with overall national security objectives. Reporting to him will be the Assistant Secretary of Defense (International Security Affairs) and several of the offices whose functions pertain to this area, including the Director for SALT.

The statute establishing the duties of the Director of Defense Research and Engineering (10 U.S.C. sec. 135) will not be amended except to redesignate the Director as an Under Secretary.

In order to prevent possible layering of staffs in the Department, I intend to designate the Assistant Secretary of Defense (International Security Affairs) additionally as the Principal Deputy to the Under Secretary for Policy, who will call for staff support on the Assistant Secretary's staff. Similarly, the Assistant Secretary of Defense (Communications, Command, Control, and Intelligence) will be designated additionally as the Principal Deputy to the Under Secretary for Research and Engineering.

The proposed legislation does not amend the section designating Assistant Secretaries of Defense other than to insert the new Under Secretary for Policy in the established order of precedence.

The proposed legislation will reduce from five to four the number of persons at executive level II in the DOD secretariat organization. Most importantly, by establishing a position which can tie together several related Defense agencies and offices in the intelligence analysis and policy area, it will make possible a reduction in the span of control of the Secretary of Defense to proportions which will make the Department much more manageable.

COST AND BUDGET DATA

Enactment of this proposal will result in no increase in budgetary requirements of the Department of Defense. It will facilitate a reduction in the size of the staff of the Office of the Secretary of Defense, with concomitant budget savings for the future.

The Office of Management and Budget has advised that, from the standpoint of the administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. This proposal is also being sent to the Speaker of the House. It is recommended that the proposed legislation be enacted by the Congress.

Sincerely,

HAROLD BROWN.

THE SECRETARY OF DEFENSE,
Washington, D.C., April 7, 1977.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to enclose a copy of my letter to the President of the Senate of this date proposing legislation to convert and reduce in pay level the existing position of second Deputy Secretary of Defense to that of Under Secretary of Defense for Policy. The legislation would also change the title of the Director of Defense Research and Engineering from Director to Under Secretary, although his pay level and statutory powers and duties would remain unchanged.

The details of the proposal are contained in the letter to the President of the Senate and its enclosures. In brief, the proposed legislation is aimed at reducing the number of persons reporting directly to the Secretary of Defense, and clarifying the position of the Deputy Secretary of Defense as the Secretary's single principal assistant and alter ego in all Defense management matters.

The new Under Secretary of Defense for Policy will have staff supervision over a number of agencies in the intelligence and policy area. He will not have a substantial immediate staff of his own, but rather will have the Assistant Secretary of Defense (International Security Affairs) serving additionally as his Principal Deputy. A similar relationship, for which no statutory change is required, will be established with the Director [retitled Under Secretary] of Defense Research and Engineering assisted by the Assistant Secretary of Defense (Communications, Command, Control, and Intelligence).

The legislation does not affect the authority or relationships of the military departments or of the Joint Chiefs of Staff. Likewise, it does not affect 10 U.S.C. section 136, which establishes the Assistant Secretaries of Defense, except to note their position in the order of precedence after the Under Secretaries. When the Assistant Secretaries of the military departments are added to the nine Assistant Secretaries of Defense, there are at present a total of 22 Assistant Secretaries authorized in the Department of Defense as a whole. I believe that the Department can operate well with fewer, and also that staff reductions can be achieved. Therefore it is my present intention not to fill a total of five or six Assistant Secretary positions—two or three in the Office of the Secretary of Defense, one in each of the military departments.

If experience indicates that these reductions should be permanent, I shall present to the Congress proposed legislation to reduce the statutory authorization accordingly, thereby reducing the number of Assistant Secretaries by more than 25 percent.

The proposed legislation will enable us to improve our span of control and achieve improved efficiency and staff reductions in both the Office of the Secretary of Defense and other headquarters offices. I expect the result to be substantial dollar savings in this and coming years.

I believe that this legislation ultimately will make possible both significant savings to the taxpayer and improved utilization of this nation's resources which are committed to our defense. It also will assist me in better responding to the committee's continuing concern that the Department of Defense be effectively and efficiently managed. It has the full endorsement of the President. I hope that it will have your support.

Sincerely,

HAROLD BROWN.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., May 17, 1977.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Recently Harold Brown submitted to you a legislative pro-

posal to convert the second Deputy Secretary of Defense position to that of Under Secretary for Policy. The purpose of this letter is to provide a more detailed summary of the actions which Secretary Brown and I have taken or plan in order to streamline the Office of the Secretary of Defense.

PURPOSE OF THE LEGISLATION

The legislation itself does no more than convert the position of second Deputy Secretary of Defense to that of Under Secretary of Defense for Policy, and to reduce it from executive pay level II to III. It also, for parallelism, changes the title of the Director of Defense Research and Engineering to Under Secretary of Defense for Research and Engineering. The latter's statutory duties and responsibilities remain unchanged.

NEED FOR LEGISLATION

The proposed legislation is part of an effort to strengthen management, by reducing span of control, to streamline organizational arrangements, and to reduce staffing levels within the Department of Defense. As presently structured, 29 major offices of the Department (plus seven commanders of the unified and specified commands) report directly to the Secretary and Deputy Secretary of Defense. Of these offices, 13 are within the Office of the Secretary of Defense (OSD). Virtually every group which has reviewed this Department's organization has concluded that this span of control is entirely too broad for effective management.

Enclosure 2 is a diagram of the organization of the Office of the Secretary of Defense as it existed when we took office. This shows only the positions at executive level IV and above. Were those at lower levels which reported directly to the Secretary included, the number would be well over 30.

Enclosure 2 is a diagram of the organization of the Office of the Secretary of Defense as we plan it, again displaying all positions at executive level IV and above. The objective is to consolidate related functions and to reduce greatly the number of persons reporting directly to the Secretary and Deputy Secretary of Defense.

In order to accomplish this streamlining of our office, we have done or plan to do the following:

Previously one of the nine Assistant Secretaries of Defense established in 10 U.S.C. § 136 had been designated Assistant Secretary for Legislative Affairs. We have disestablished that position. Concurrently, we have established the special staff position of Assistant to the Secretary of Defense (Legislative Affairs) using a position assigned under 5 U.S.C. section 5317.

The position of Assistant Secretary of Defense (Intelligence) has been disestablished. The position of Director, Telecommunications and Command and Control Systems (DTACCS) has been abolished. In their place one of the Assistant Secretaries of Defense has been designated the Assistant Secretary of Defense (Communications, Command, Control and Intelligence), or, as it is commonly called, C³I. This single person has staff supervision over all communications and intelligence resources.

The position of Assistant Secretary of Defense (Installations and Logistics) has been disestablished. The Assistant Secretary of Defense (Manpower and Reserve Affairs) has been redesignated the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics). Those functions previously assigned to the ASD (I. & L.) which related to installations and general logistical support have been assigned to the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics). Those which related to major systems acquisition have been reassigned to the Director of Defense Research and Engineering. We recognize that this Assistant Secretary of Defense will have a sizeable responsibility. We believe, however, that the interrelation of manpower and logistics makes the integration of these functions both efficient and logical.

The position of Assistant Secretary of Defense (Comptroller) may be redesignated Assistant Secretary of Defense (Management and Finance). He would continue to perform the comptroller functions assigned in 10 U.S.C. section 136, and in addition assist in improving overall management of the Department.

A proposal may be made to transfer the functions of the Assistant Secretary of Defense (Health Affairs) to a Deputy Assistant Secretary (Health Affairs) reporting to the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics). Such an action would be intended to integrate health matters more closely into the overall manpower program. That functional realignment is not involved in or affected by the present legislative proposal. Before such action we would, of course, discuss any such transfer in more detail with the committee pursuant to 10 U.S.C. section 125.

The Director of Defense Research and Engineering, retitled Under Secretary of Defense for Research and Engineering, as noted, assumes responsibilities for major systems acquisition. In order to prevent layering, the Assistant Secretary of Defense (Communications, Command, Control, and Intelligence) serves also as his Principal Deputy.

The new Under Secretary for Policy will have staff responsibility for a number of Defense agencies which are now designated as reporting directly to the Secretary of Defense, and will serve as the primary advisor and staff assistant for such matters concerned with international political-military affairs as arms limitation negotiations, intelligence analysis and requirements, and the integration of departmental plans and policies with overall national security objectives. Reporting to him will be the Assistant Secretary of Defense (International Security Affairs) and several of the offices whose functions pertain to this area, including the Director for SALT. Again, in order to prevent possible layering of staffs in the Department, I intend to designate the Assistant Secretary of Defense (International Security Affairs) additionally as the Principal Deputy to the Under Secretary for Policy, who will call for staff support on the Assistant Secretary's staff.

SUMMARY

The proposed legislation, as noted, does no more than convert one executive level II Deputy Secretary of Defense position to an exceutive level III Under Secretary of Defense position. The streamlining of which it is a part involves several additional consolidations. It is important to emphasize, however, that none of those affects the military departments or their role; none affects the civilian or military command structure; none affects the role of the Joint Chiefs of Staff. In addition, the position of Deputy Assistant Secretary of Defense for Reserve Affairs established in 10 U.S.C. section 136 (f) is retained.

An objective both in the legislative proposal and in the streamlining is to make possible better management of the Department for the American people. The proposal legislation will reduce from five to four the number of persons at executive level II in the DOD secretariat organization. Most importantly, by establishing a position which can tie together several related Defense agencies and offices in the intelligence analysis and policy area, it will make possible a reduction in the span of control of the Secretary of Defense and the Deputy Secretary of Defense to proportions which will make the Department much more manageable. This proposed legislation also will assist us in limiting our span of control and in achieving improved efficiency and staff reductions in both the Office of the Secretary of Defense and other headquarters offices. We expect the result to be substantial dollar savings in this and coming years.

I believe that this legislation ultimately will make possible both significant savings to the taxpayer and improved utilization of this nation's resources which are committed to our defense. It also will assist us in better responding to the committee's continuing concern that the Department of Defense be effectively and efficiently managed. I hope that it will gain your approval. I should be happy to answer any further questions you may have.

Sincerely,

C. W. DUNCAN, JR.

TE-MOAK SHOSHONE LAND CONVEYANCE

The Senate proceeded to consider the bill (S. 667) to declare certain federally owned land held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians, which had been reported from the Committee on Indian Affairs with an amendment on page 1, line 3, following "rights-of-way," to insert "leases" so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to all valid existing rights-of-way, *leases* and easements, all right, title, and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Te-Moak Bands of Western Shoshone Indians:

The north half of the southwest quarter of section 4, township 37 north, range 62 east, Mount Diablo base and meridian.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to declare certain federally owned land held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-237), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE MEASURE

S. 667 is designed to transfer 80 acres of land including all rights, title and interest from the United States to the Te-Moak Bands of Western Shoshone Indians. It would be held in trust by the United States on their behalf. The transfer would be subject to all valid existing rights-of-way, leases and easements. The purpose of the land transfer is to provide a home for the Wells Indian Community, a group of the Te-Moak Bands of Western Shoshone, who are presently landless and scatting. The 75 member community would thereafter have the same status of Indians living on land based reservations or colonies which would make them eligible for housing assistance and other benefits.

BACKGROUND

The 80 acre tract is vacant public land adjacent to the limits of the city of Wells in Elko County, Nev. The land has a cover of sage brush and grasses of a moderate to sparse density. The soils are moderately deep sand and sandy loam. The surface is nearly flat, with a very gentle slope gradient from

west to east. The only improvement on the tract is a fence along the highway. The Telephone and electric power lines run through the center of the parcel. It is not within a Bureau of Land Management range unit and we understand that a stock driveway on it has recently been withdrawn.

The Te-Moak Bands of Western Shoshone Indians is organized under the Indian Reorganization Act of 1934 and has three communities with trust lands at the Battle Mountain Colony in Lander County, the Elko Colony in Elko County and the South Fork Reservation (near Lee) in Elko County. The Wells Indian Community is acknowledged and recognized by the Te-Moak Western Shoshone Council and is forming a community organization under the Te-Moak Constitution and By-Laws similar to such organizations in the other three communities.

Some 75 Indian people reside in Wells, mostly on 7 or 8 acres of fee patented land they do not own and in wood frame houses of one or two rooms. On several occasions, the owners of the land requested the Indians to move, but they have never attempted to force the issue apparently because they are aware that these people have no other land to which they can move. The Wells Indian Community has no community income and the principal income sources for individuals are agriculture and railroad work.

Attempts have been made for several years by representatives of the Wells Indian Community, the Te-Moak Bands, and the Bureau of Indian Affairs to find land on which adequate housing could be provided for those living in substandard housing. The lack of land has kept these people from participating in HUD's mutual-help housing program, EDA's economic development programs, and in BIA's housing improvement program. The land transfer in S. 667 would make such participation possible and the development of adequate housing would be the first priority.

S. 667 has the support of the Board of County Commissioners of Elko County, the Wells Planning Board, the Nevada Department of Economic Development, the Nevada Indian Commission, the Nevada Inter-Tribal Council, as well as the Te-Moak Western Shoshone Council.

S. 667 would convey surface and subsurface interests presently held by the United States.

LEGISLATIVE HISTORY

S. 667 was introduced by Senator Laxalt and Senator Cannon on February 10, 1977.

This is the first session this bill has been introduced. A companion bill has not yet been introduced in the House.

Hearings were held this session on S. 667 on May 18, 1977 by the Select Committee on Indian Affairs.

COST AND BUDGETARY CONSIDERATIONS

The enactment of S. 667, as amended, will result in no additional cost to the United States.

EXECUTIVE COMMUNICATIONS

Set forth in full below is the report of the Department of the Interior on S. 667.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 17, 1977.

Hon. JAMES G. ABOUREZK,
Chairman, Select Committee on Indian Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on S. 667, a bill to declare certain federally owned land held in trust by the United States for the Te-Moak Banks of Western Shoshone Indians.

We recommend that the bill be enacted if amended as suggested herein.

S. 667 declares that, subject to all valid existing rights-of-way and easements, approximately 80 acres of federally owned land, described therein, is held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians.

The 80 acre tract is vacant public domain land adjacent to the limits of the city of Wells in Elko County, Nev. The tract is about one-quarter mile from the city proper and one-half mile from the local high school. It adjoins a railroad right-of-way, other public domain land, privately owned land, and fronts on U.S. Highway 40.

The only improvement on the tract is a fence along the highway. Telephone and electric power lines run through the center of the parcel. It is not within a Bureau of Land Management range unit and we understand that a stock driveway on it has recently been withdrawn.

The land has a cover of sage brush and grasses of a moderate to sparse density. The soils are moderately deep sand and sandy loam. The surface is nearly flat, with a very gentle slope gradient from west to east.

We estimate that the value of the tract does not exced $150 per acre or $12,000 total, including minerals.

The Te-Moak Banks of Western Shohone Indians is organized under the Indian Reorganization Act of 1934 and has three communities with trust lands at the Battle Mountain Colony in Lander County, the Elko Colony in Elko County and the South Fork Reservation (near Lee) in Elko County. The Wells Indian Community is acknowledged and recognized by the Te-Moak Western Shoshone Council and is forming a community organization under the Te-Moak Constitution and By-Laws similar to such organizations in the other three communities.

Some 75 Indian people reside in Wells, mostly on 7 or 8 acres of fee patented land they do not own and in wood frame houses of one or two rooms. On several occasions the owners of the land requested the Indians to move, but they have never attempted to force the issue apparently because they are aware that these people have no other land to which they can move. The Wells Indian Community has no community income and the principal income sources for individuals are agriculture and railroad work.

Attempts have been made for several years by representatives of the Wells Indian Community, the Te-Moak Bands, and the Bureau of Indian Affairs to find land on which adequate housing could be provided for those living in substandard housing. The lack of land has kept these people from participating in HUD's mutual-help housing program, EDA's economic development programs, and in BIA's housing improvement program. The land transfer proposed in S. 667 would make such participation possible and the development of adequate housing would be the first priority.

The transfer proposed in S. 667 has the support of the Board of County Commissioners of Elko County, the Wells Planning Board, the Nevada Department of Economic Development, the Nevada Indian Commission, the Nevada Inter-Tribal Council, as well as the Te-Moak Western Shoshone Council.

The Department presently has before it a petition on behalf of the Western Shoshone Indians seeking restoration of some of their aboriginal lands. We want to emphasize that our position on S. 667 is not to be construed as affecting or relating to any Departmental determination concerning the Western Shoshone Indians.

In the title of S. 667, the misspelled word "Banks" should be "Bands".

It is our understanding the lands are presently subject to an oil and gas lease offer. Accordingly, we recommend that the word, "leases" be inserted between the words "rights-of-way" and "and" on line 3 of the bill.

While we support enactment of this bill with amendments, we would point out that the Federal Land Policy and Management Act of 1976 (90 Stat. 2757) provides criteria and guidelines for the conveyance of public domain lands. Section 29 of the act provides that minerals shall be reserved to the United States, unless certain criteria are met. If these criteria are satisfied, then conveyance of the mineral estate shall be made upon payment of administrative costs and the fair market value of the interests being conveyed. This Department, in consultation with the committee, will be developing a policy concerning these criteria and guidelines and conveyances of land such as those in this bill.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

JAMES A. JOSEPH,
Under Secretary.

CREEK TRUST LANDS

The Senate proceeded to consider the bill (S. 947) to declare certain federally owned land known as the Yardeka School land to be held in trust for the Creek Nation of Oklahoma, which had been reported from the Select Committee on Indian Affairs with an amendment on page 1, beginning with line 6, to insert "northwest quarter of the", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to existing permits and rights-of-way, all right, title, and interest of the United States in the five acres, more or less, described as west half of the northwest quarter of the northwest quarter of the northwest quarter of section 10, township 10 north, range 13, I.B.M., McIntosh County, Oklahoma, are hereby declared to be held in trust by the United States for the Creek Nation of Oklahoma.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHEYENNE-ARAPAHO TRUST LANDS

The Senate proceeded to consider the bill (S. 1291) to declare that certain lands of the United States situated in the State of Oklahoma are held by the United States in trust for the Cheyenne-Arapaho tribes of Oklahoma, which had been reported from the Select Committee on Indian Affairs with amendments as follows:

On page 2, line 7, strike "south" and insert "north";

On page 2, line 8, strike "west" and insert "east";

On page 2, line 16, strike "417.28" and insert "212.31";

On page 2, line 17, strike "east" and insert "west";

On page 2, line 20, strike "2,294.73" and insert "2,339.61";

On page 2, line 23, strike "2,292.01" and insert "2,192.01";

On page 2, line 23, strike "387.19" and insert "344.39";

On page 3, line 2, strike "400.56" and insert "600.83";

On page 3, line 15, strike "61.00" and insert "73.24";

On page 3, line 17, strike "west" and insert "north";

On page 3, line 18, strike "90.63" and insert "102.87";

On page 4, beginning with line 17, insert the following:

SEC. 2. The Secretary of the Interior is authorized and directed upon request of the Cheyenne-Arapaho Tribes of Oklahoma to accept the conveyance from such tribes of the fee simple title to the lands, and improvements thereon, conveyed to such Tribes from the United States pursuant to the Act of September 14, 1960 (74 Stat. 1029) and the Act of May 18, 1968 (82 Stat. 124). Such lands, together with the improvements thereon, shall be held in trust by the United States for the Cheyenne-Arapaho Tribes of Oklahoma.

On page 5, line 3, strike "2. This conveyance is" and insert "3. The conveyance made pursuant to this Act shall be";

On page 5, line 10, strike "This conveyance is" and insert "The conveyances made pursuant to this Act shall be";

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, all right, title, and interest of the United States in and to the following described lands, and improvements thereon, are hereby declared to be held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma:

A tract, piece, or parcel of land lying partly in the northeast quarter section 12, township 13 north, range 8 west, Indian meridian, and partly in the northwest quarter, section 7, township 13 north, range 7 west, Indian meridian, Canadian County, State of Oklahoma, more particularly described as follows: beginning at the northeast corner of said section 12,

thence south 0 degree 56 minutes 25 seconds east a distance of 2,622.63 feet to the east quarter corner of said section 12;

thence north 89 degrees 08 minutes 36 seconds east a distance of 232.24 feet;

thence south 4 degrees 03 minutes 30 seconds west a distance of 420.90 feet;

thence south 64 degrees 49 minutes 23 seconds west a distance of 1,193.98 feet;

thence north 1 degree 21 minutes 07 seconds west a distance of 911.11 feet;

thence north 89 degrees 08 minutes 36 seconds east a distance of 212.31 feet to a point of intersection with the west right-of-way line of the Rock Island Railroad;

thence north 11 degrees 47 minutes 24 seconds east along said right-of-way line a distance of 2,339.61 feet;

thence northeasterly along a curve to the left with a radius of 2,192.01 feet a distance of 344.39 feet to a point of intersection with the north line of said section 12;

thence north 89 degrees 07 minutes 19 seconds east a distance of 600.83 feet to the point or place of beginning which coincides with and is identical to the northwest corner of section 7, township 13 north, range 7 west, Indian meridian, from whence proceed north 89 degrees 20 minutes 20 seconds east a distance of 1,320.00 feet;

thence south 1 degree 32 minutes 45 seconds east a distance of 974.19 feet;

thence south 89 degrees 20 minutes 04 seconds west a distance of 1,330.29 feet;

thence north 0 degree 56 minutes 25 seconds west a distance of 974.19 feet to the point or place of beginning, subject to the easements of record. Portion of tract in section 12 (13 north-8 west) contains 73.24 acres, more or less. Portion of tract in section 7 (13 north-7 west) contains 29.63 acres, more or less. Total area equals 102.87 acres, more or less.

A tract or parcel of land in the east half northwest quarter of section 18, township 12 north, range 16 west of Indian meridian, Custer County, State of Oklahoma, more particularly described as follows; beginning at point on the north line of said quarter section, 259 feet west of the northeast corner (quarter corner); thence west along north boundary 426 feet;

thence south 01 degree 20 minutes west 705 feet;

thence east 640.43 feet parallel with north line;

thence south 0 degree 43 minutes west 926.97 feet;

thence south 87 degrees 11 minutes 40 seconds west 227.5 feet;

thence south 0 degree 38 minutes west 843.67 feet;

thence south 25 degrees 10 minutes 20 seconds east 169.5 feet to south boundary of said quarter section; thence east along south boundary 202.85 feet to southeast corner 1 inch diameter iron pin;

thence north 0 degrees 43 minutes east 2315 feet along east boundary;

thence west parallel with north line 259 feet;

thence north 0 degrees 43 minutes east 325 feet to point of beginning, containing 16.56 acres, more or less.

SEC. 2. The Secretary of the Interior is authorized and directed upon request of the Cheyenne-Arapaho Tribes of Oklahoma to accept the conveyance from such tribes of the fee simple title to the lands, and improvements thereon, conveyed to such Tribes from the United States pursuant to the Act of September 14, 1960 (74 Stat. 1029) and the Act of May 18, 1968 (82 Stat. 124). Such lands, together with the improvements thereon, shall be held in trust by the United States for the Cheyenne-Arapaho Tribes of Oklahoma.

SEC. 3. The conveyances made pursuant to this Act shall be subject to any existing easements, licenses, permits, or commitments heretofore granted or made for a specific period of time, but no such easement, license, permit, or commitment shall be renewed or continued beyond its presently effective termination date without the express consent of the Cheyenne-Arapaho Tribes of Oklahoma. The conveyances made pursuant to this Act shall be also subject to existing rights-of-way for waterlines, electric transmission lines, other utilities, roads, and railroads.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to declare that certain lands of the United States situated in the State of Oklahoma are held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma, and to authorize the Secretary of the Interior to accept conveyance from the Cheyenne-Arapaho Tribes of Oklahoma of certain other lands in Oklahoma to be held in trust by the United States for such tribes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–239), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE MEASURE

S. 1291, as reported is to declare that two separate tracts, totaling approximately 107 acres of excess Government land, located in Canadian and Custer Counties, Okla., to be held in trust for the Cheyenne-Arapaho Tribes of Oklahoma, and to authorize the Secretary of the Interior to accept upon request from the tribes the fee simple title to lands conveyed to them pursuant to the act of September 14, 1960 (74 Stat. 1029) and the act of May 18, 1968 (82 Stat. 124), to be held in trust by the United States for the Cheyenne-Arapaho Tribes of Oklahoma.

BACKGROUND

A portion of the subect lands (90.63 acres) is administered by the Bureau of Indian Affairs and is located in Canadian County. The remainder (16.56 acres) is administered by the Indian Health Service and is located in Custer County.

All 107.19 acres of the lands were owned by the Cheyenne-Arapaho Tribes prior to acquisition of such by the United States pursuant to the act of March 3, 1891 (26 Stat. 1022) which ratified an August 1890 agreement between the tribes and the United States. The value at the time of acquisition was estimated at $1.25 per acre. The BIA-administered portion of the land was reserved for BIA farm station purposes in connection with the Segar Indian School and was transferred to the Public Health Service as part of the Clinton Farm station, now the Indian Health Service Hospital, Clinton, Okla. However, there are no improvements on any of the lands.

The tract administered by BIA is adjoined on the north, west, and east by Cheyenne-Arapaho tribally owned lands and on the south by federally owned lands of the BIA's Concho Agency located north of El Reno, Okla. The U.S. Geological Survey indicates that this tract is prospectively valuable for oil and gas, and the minerals are valued at $80 an acre, or $8,229.60 total. The total of the surface and subsurface value is $55,000.

The tract administered by IHS is a separate tract, and not connected to the BIA administered tract. It is a 16.56-acre tract, a portion of the 31.25 acres excluded from some 116 acres of BIA-administered federally owned land described in and transferred by Public Law 90–310 (act of May 18, 1968; 82 Stat. 124) to the Cheyenne-Arapaho Tribes.

The tract administered by IHS is a separate tract, and not connected to the BIA administered tract. It is a 16.56-acre tract, a portion of the 31.25 acres excluded from some 116 acres of BIA-administered federally owned land described in and transferred by Public Law 90–310 (act of May 18, 1968; 82 Stat. 124) to the Cheyenne-Arapaho Tribes. The 31.25 acres are surrounded by Cheyenne-Arapaho tribally owned land. The 16.56-acre portion in S. 1291 is located between the interior fence of the hospital confines and the boundary fence of the 31.25 acres. The U.S. Geological Survey indicates that this tract is prospectively valuable for oil and gas, and the minerals are valued at $125 per acre, or $2,070 total. The total surface and subsurface value is $22,000.

NEED

S. 1291, introduced on April 19, 1977, by Senator Dewey F. Bartlett is the first legislative attempt to have the lands involved in this measure conveyed to the Cheyenne-Arapaho Tribes. However, the tribes with the cooperation and assistance of officials of the Bureau of Indian Affairs and the Indian Health Service, initially sought the administrative transfer of these lands to be held in trust for the tribes under the general authority provided by the act of January 2, 1975 (88 Stat. 1954; 40 U.S.C. 483(a)(2)). A review of the history of the lands to their present status led to the determination that Public Law 93–599 is not sufficient authority by which this particular transfer could be executed. This legislation is needed, therefore, to provide the necessary authority by which a transfer of the lands involved can be made to the tribes.

LEGISLATIVE HISTORY

Senator Dewey F. Bartlett, introduced S. 1291 on April 19, 1977. A hearing was held before the Select Committee on Indian Affairs on May 18, 1977. Administration officials presented their views at that time and rec-

ommended enactment of the bill if amended as suggested.

COST AND BUDGETARY CONSIDERATIONS

The enactment of S. 1291, as amended, would not result in any expenditure of Federal appropriations.

EXECUTIVE COMMUNICATIONS

The pertinent legislative reports and communications from the Department of the Interior relating to S. 1291, as amended, are set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 17, 1977.

Hon. JAMES G. ABOUREZK,
Chairman, Select Committee on Indian Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on S. 1291, a bill to declare that certain lands of the United States situated in the State of Oklahoma are held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma.

We recommend that the bill be enacted if amended as suggested herein.

Section 1 of S. 1291 would declare that approximately 107.19 acres of federally owned lands in Oklahoma are held in trust by the United States for the Cheyenne-Arapaho Tribes of Oklahoma. A portion of the subject lands (90.63 acres) is administered by the Bureau of Indian Affairs and is located in Canadian County. The remainder (16.56 acres) is administered by the Indian Health Service and is located in Custer County.

Section 2 of the bill would make the conveyance subject to any existing easements, licenses, permits, or commitments heretofore granted or made for a specific period of time and to existing rights-of-way for water lines, electric transmission lines, other utilities, roads, and railroads.

All 107.19 acres of the lands were owned by the Cheyenne-Arapaho Tribes prior to acquisition of such by the United States pursuant to the act of March 3, 1891 (26 Stat. 1022) which ratified an August 1890 agreement between the tribes and the United States. The value at the time of acquisition was estimated at $1.25 per acre. The BIA-administered portion of the land was set aside for the Bureau of Indian Affairs' Cheyenne Boarding School in 1892. The IHS-administered portion of the land was reserved for BIA farm station purposes in connection with the Segar Indian School and was transferred to the Public Health Service as part of the Clinton Farm station, now the Indian Health Service Hospital, Clinton, Okla. However, there are no improvements on any of the lands.

The tract administered by BIA is adjoined on the North, West, and East by Cheyenne-Arapaho tribally owned lands and on the South by federally owned lands of the BIA's Concho Agency located north of El Reno, Okla. The U.S. Geological Survey indicates that this tract is prospectively valuable for oil and gas, and the minerals are valued at $80 an acre, or $8,229.60 total. The total of the surface and subsurface value is $55,000.

The tract administered by IHS is a separate tract, and not connected to the BIA administered tract. It is a 16.56-acre tract, a portion of the 21.25 acres excluded from some 116 acres of BIA-administered federally owned land described in and transferred by Public Law 90-310 (act of May 18, 1968; to 82 Stat. 124) to the Cheyenne-Arapaho Tribes. The 31.25 acres are surrounded by Cheyenne-Arapaho tribally owned land. The 16.56-acre portion in S. 1291 is located between the interior fence of the hospital confines and the boundary fence of the 31.25 acres. The U.S. Geological Survey indicates that this tract is prospectively valuable for oil and gas, and the minerals are valued at $125 acre, or $2,070 total. The total surface and subsurface value is $22,000. We defer to the Department of Health, Education, and Welfare for additional current information concerning the tract.

Since the land to be conveyed to the tribes under S. 1291 is adjacent to Indian-owned fee land, we recommend that the conveyance under this bill be in fee. This will provide a more consistent ownership pattern. Accordingly, we recommend that the words "declared to be held in trust for" on lines 5–6, page 1, be deleted, and the words "conveyed to" be substituted. Further, we recommend that the following language be added to line 24, page 4: "The title of the Tribes to the land conveyed pursuant to this Act shall be subject to no exemption from taxation or restriction on use, management or disposition because of Indian ownership."

The description of the tract administered by the BIA excludes a 100-foot railroad right-of-way, which should be part of the tract as it is surrounded by land to be transferred under S. 1291, and by tribally owned land. Accordingly we recommend: the number "417.28" in line 16, page 2, be changed to "212.31;" the word "east" in line 17, page 2, be changed to "west;" the number "2,-294.73" on line 19, page 2, be changed to "2,339.61;" the number "2,292.01" on line 22, page 2, be changed to "2,192.01;" and the number "387.19" on line 22, page 2 be changed to "344.39." Further, we recommend that the number "61.00" on line 15, page 3, be changed to "73.24;" the word "west" on line 16, page 3, be changed to "north;" and the number "90.63" on line 17, page 3, be changed to "102 87."

While we support enactment of this bill with amendments, we would point out that the Federal Land Policy and Management Act of 1976 (90. Stat. 2757) provides criteria and guidelines for the conveyance of public domain lands. Section 209 of the act provides that minerals shall be reserved to the United States, unless certain criteria are met. If these criteria are satisfied, then conveyance of the mineral estate shall be made upon payment of administrative costs and the fair market value of the interests being conveyed. This Department, in consultation with the committee, will be developing a policy concerning these criteria and guidelines and conveyances of land such as those in this bill.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

JAMES A. JOSEPH,
Under Secretary.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move to reconsider the votes by which the various measures were passed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I so move.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR RECOGNITION OF SENATOR BARTLETT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, immediately after the two leaders have been recognized under the standing order, the Senator from Oklahoma (Mr. BARTLETT) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there is another order, is there not, for the recognition of a Senator on tomorrow?

The PRESIDING OFFICER. There is an order for the recognition of the senior Senator from Iowa (Mr. CLARK).

Mr. ROBERT C. BYRD. Very well. I ask unanimous consent that Mr. BARTLETT may proceed first of the two.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE AGE DISCRIMINATION ACT OF 1975

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Missouri (Mr. EAGLETON), I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6668.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 6568) entitled "An Act to amend the Age Discrimination Act of 1975 to extend the date upon which the United States Commission on Civil Rights is required to file its report under such Act, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate insist on its amendment.

The motion was agreed to.

HOUSE CONCURRENT RESOLUTION 243—CORRECTIONS IN THE RE-ENROLLMENT OF H.R. 6206

Mr. ROBERT C. BYRD. I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 243.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 243) directing the clerk of the House of Representatives to make corrections in the re-enrollment of H.R. 6206.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was considered and agreed to.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLEAN AIR AMENDMENTS OF 1977

The Senate continued with the consideration of the bill (S. 252) to amend the Clean Air Act, as amended.

Mr. ROBERT C. BYRD. Mr. President, I want to commend Senators who have

participated so well and with such dedication, and, obviously, with so much feeling, in the debate on the Riegle-Griffin amendment. I intend these compliments to be for Senators on both sides of the aisle and on both sides of the question. Mr. MUSKIE, Mr. STAFFORD, Mr. RIEGLE, Mr. HART, and Mr. GRIFFIN are entitled to expressions of admiration and gratitude for the thorough and enlightened debate which ensued and to which they and other Senators contributed.

I also want to congratulate Mr. BAKER, Mr. RANDOLPH, Mr. CRANSTON, Mr. INOUYE, Mr. DOMENICI, Mr. MCCLURE, and all other Senators who participated in the development of the compromise substitute. I believe it was the appropriate approach under the circumstances. It enabled the Senate to work its way out of what appeared to be an impasse, and will represent a well-balanced approach to the issues involved.

To Mr. RIEGLE and to Mr. GRIFFIN I say with the utmost earnestness, I believe that while they did not win on the roll call, they succeeded in moving the Senate at least part way in the direction they attempted. Obviously, they did not get everything they wanted, but they are entitled to a great deal of credit because their efforts did have an important impact on the legislation. They should feel complimented.

Although the action on the bill is not yet final, I thank the Members of the Senate for the fine demonstration of legislative craftsmanship they are showing on this very difficult and controversial measure. I am hopeful, and I feel confident, that the Senate will complete action on the measure tomorrow.

There will be rollcall votes tomorrow. My estimate as to when the Senate will likely finish its work tomorrow is, I would say, in the area of 5 p.m. The Senate may complete action on the clean air bill earlier, but there are other matters of business that are waiting for action. Consequently, I would not want Members to feel that, should the Senate complete action on this bill, for example, at 2 p.m. or 1 p.m. or 3 p.m., that that would necessarily mean the close of business for tomorrow. It is my estimate at this point, and I may be wrong, that the Senate will be in session until around 5 p.m. tomorrow—give or take a little. Of course, if the Senate has not finished the Clean Air Act by that hour, it will be in longer.

I thank the Chair for its indulgence. I thank the distinguished assistant Democratic leader, Mr. CRANSTON, and I thank the distinguished assistant Republican leader, Mr. STEVENS, for their cooperation and the good work they always contribute on whatever measure the Senate has under consideration. Incidentally, Mr. STEVENS, a member of the Senate Appropriations Subcommittee on Interior, is my pillar of strength on that subcommittee. I say that for the record now, and I will stand on that statement until kingdom come.

Mr. STEVENS. The Senator from West Virginia is very gracious and I thank him very much.

Mr. CRANSTON. Mr. President, perhaps one of the few persons not yet mentioned who played a very significant part in the compromise which led to a solution of the major difficulty on this measure is the majority leader. It should be noted that he played a very important part in bringing things together this afternoon.

RECESS UNTIL 9 A.M. TOMORROW

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 a.m. tomorrow morning.

The motion was agreed to; and at 7:58 p.m. the Senate recessed until tomorrow, Friday, June 10, 1977, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 9, 1977:

BOARD FOR INTERNATIONAL BROADCASTING

John A. Gronouski, of Texas, to be a member of the Board for International Broadcasting for a term expiring April 28, 1980, vice David M. Abshire, resigned.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Julius Benjamin Richmond, of Massachusetts, to be an Assistant Secretary of Health, Education, and Welfare, vice Theodore Cooper, resigned.

PUBLIC HEALTH SERVICE

Julius Benjamin Richmond, of Massachusetts, to be Medical Director in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations, and to be Surgeon General of the Public Health Service, for a term of 4 years, vice Dr. Jesse Leonard Steinfeld, resigned.

FEDERAL GRAIN INSPECTION SERVICE

Leland Earl Bartelt, of California, to be Administrator of the Federal Grain Inspection Service (new position).

DEPARTMENT OF JUSTICE

John M. Rector, of Virginia, to be Assistant Administrator of Law Enforcement Assistance vice Milton L. Luger, resigned.

HOUSE OF REPRESENTATIVES—*Thursday, June 9, 1977*

The House met at 10 o'clock a.m.

Rev. Monte Peterson, First Baptist Church, Belton, Mo., offered the following prayer:

Lord, we come to You with grateful hearts for Your many blessings to us and to our beloved Nation. We are grateful to You for our responsibilities and our opportunities. Endue us with wisdom to know and do that which will be the best now and later. Give us the courage and faith to overcome fear, defeat, and the stalemates that would destroy us.

Make us a force for peace and tranquility—let us not fall to the farce of violence and greed.

Let us be instruments of peace more than weapons of destruction.

Mend our broken commitments to You, our friends, and our constituents.

Extend Your mercy, love, and grace to us because of Your concern for Your people for we pray in Your Son's name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 1468. An act to amend the Energy Supply and Environmental Coordination Act of 1974.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6655. An act to amend certain Federal laws pertaining to community development, housing, and related programs.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2) entitled "An act to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. METCALF, Mr. METZENBAUM, Mr. BUMPERS, Mr. FORD, Mr. MATSUNAGA, Mr. HANSEN, Mr. HATFIELD, Mr. MCCLURE, and Mr. BARTLETT to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 602) entitled "An act to extend and revise the Library Services and Construction Act, and for other purposes," agree to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. RANDOLPH, Mr. KENNEDY, Mr. EAGLETON, Mr. WILLIAMS, Mr. CRANSTON, Mr. STAFFORD, Mr. SCHWEIKER, Mr. HAYAKAWA, and Mr. JAVITS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which

the concurrence of the House is requested:

S. 1322. An act to revise the basis for estimating the annual Federal payment to the District of Columbia for water and water services and sanitary sewer services furnished to the United States; and

S. Con. Res. 28. Concurrent resolution authorizing technical corrections in the enrollment of H.R. 5840.

THE REVEREND MONTE PETERSON

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, as all of us in this Chamber know, it is a Congressman's privilege once a year to invite a member of the clergy from his home district for the purpose of offering the opening prayer. I am pleased and honored to welcome today the Reverend Monte Peterson, pastor of the First Baptist Church of Belton, Mo.

In his first letter to the Corinthians, the Apostle Paul speaks of faith, hope, and charity. Dr. Peterson's life and ministry have been an affirmation of these virtues. Dr. Peterson's faith has been exemplified by his steadfast study of the Bible and theological questions, commencing at the Moody Bible Institute in 1935 and culminating with the doctorate which he received in 1953 from Central Baptist Seminary in Kansas City, Kans.

Dr. Peterson has demonstrated hope by his strong commitment to the preservation of the family. In his ministry he has spent considerable time counseling parents and children with problems. In addition, he, his wife Pauline, and their two children, Timothy and Cynthia, have been a living example of the sanctity of the family.

Finally, Reverend Peterson has shown charity and love for the community of Belton for close to 30 years. As pastor of the First Baptist Church since 1948, he has been the spiritual guide to two generations of Christians.

Mr. Speaker, it is my fervent wish that this body conduct itself today—and every day—in the spirit of the prayer which Reverend Peterson has offered. We in this Chamber are charged with a great responsibility and it is altogether fitting that we attempt to harmonize our thoughts and actions with his message.

COMMENDATION FOR WEARING OF UNIFORMS

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I would like to commend that person who made the decision on our House elevator operators' wearing the uniform on duty. We can now tell the operators from the guests. I appreciate the dignity and the protocol of the wearing of uniforms by groups of our employees.

Mr. Speaker, it would not be a bad idea for Members to wear some type of uniform. It would be easier for us to be identified. Mr. Speaker, I am working on a uniform for the Members. When I come up with the right dress and style, I will let you know. I am having a little trouble on the headdress as to whether to go with the wig or the scrambled-egg type of military cap with stars.

Mr. Speaker, I will keep you updated on this project.

PROVIDING FOR REENROLLMENT WITH CORRECTIONS OF H.R. 6206, AUTHORIZING APPROPRIATIONS FOR AND THE CARRYING OUT OF THE COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT OF 1964

Mr. LEGGETT. Mr. Speaker, I send to the desk the concurrent resolution (H. Con. Res. 243) directing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 6206, and ask unanimous consent for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 243

Resolved by the House of Representatives (the Senate concurring), That the action of the Speaker in signing the enrolled bill (H.R. 6206), to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964, is hereby rescinded; the Clerk of the House of Representatives is hereby directed to reenroll the bill with the following corrections:

(A) Strike out the period immediately after "September 30, 1980" in section 4(b) of the Commercial Fisheries Research and Development Act of 1964, as proposed to be amended by paragraph (2) of the bill.

(B) Amend that part of paragraph (2) of the bill which precedes the quoted matter to read as follows:

"(2) by amending that part of subsection (b) which precedes 'and any sums made available' in the first proviso thereto to read as follows:".

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. LATTA. Mr. Speaker, reserving the right to object, and I shall not object, I take this time to ask the gentleman from California whether this matter has been cleared with the ranking member of this committee.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from California.

Mr. LEGGETT. I thank the gentleman for yielding.

The gentleman from Michigan (Mr. RUPPE) and the gentleman from New Jersey (Mr. FORSYTHE) have no objection.

Mr. Speaker, after the House concurred in the Senate amendment to H.R. 6206 last Wednesday, June 1, 1977, it was discovered that the Senate amendment to the bill had not been perfected.

The concurrent resolution would perfect the Senate amendment by amending that part of section 4(b) of the Commercial Fisheries Research and Development Act which precedes the first proviso to eliminate the duplication resulting from the amendment.

The Senate amendment would insert the clause "or serious disruption affecting future production" in the first proviso of section 4(b) but, in amending the bill, it failed to delete the existing language of section 4(b) which the amendment would rewrite.

The concurrent resolution would eliminate this duplication, and also it would make a technical amendment to strike out the period immediately after "September 30, 1980" to correct a printing error.

Mr. LATTA. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1978

Mr. MEEDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 616 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 616

Resolved, That during the consideration of the bill (H.R. 7636) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI, are hereby waived: beginning on page 6, line 19, through page 7, line 4; beginning on page 17, line 11 through page 18, line 9; beginning on page 24, line 20 through 26, line 8; beginning on page 36, line 3 through page 37, line 19; beginning on page 38, lines 4 through 25; and beginning on page 41, lines 3 through 9.

The SPEAKER. The gentleman from Washington (Mr. MEEDS) is recognized for 1 hour.

Mr. MEEDS. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 616 provides that during the consideration of H.R. 7636, a bill making appropriations for the Department of the Interior and related agencies, points of order against certain provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are waived. Clause 2 of rule XXI prohibits the appropriation of funds which are not authorized by law.

In requesting a rule from the Rules Committee, the distinguished chairman of the Appropriations Subcommittee on the Interior indicated that waivers for lack of authorization were necessary on the following items:

First, Office of Water Research and Technology. The paragraph entitled "Salaries and Expenses," beginning on line 19 of page 6, and ending on line 4 of page 7 of the bill. The necessary authorization is contained in H.R. 6752—the Water Resources Planning Act, and H.R. 4746—the Saline Water Conversion Act. H.R. 6752 was cleared for the President May 25, 1977. H.R. 4746 is pending in conference with the Senate.

Second, the Bureau of Mines. The

paragraph entitled "Mines and Minerals" appropriates an amount for coal mines, health and safety research which is not authorized. The paragraph begins on line 11 of page 17, and continues through line 9 of page 18 of the bill.

Third, Trust Territory of the Pacific Islands. The paragraph beginning on line 20 of page 24, and ending on line 8 of page 26 makes an appropriation for which the necessary authorization is contained in H.R. 6550 which passed the House on May 2, 1977, and is pending in committee in the Senate.

Fourth, Energy Research and Development Administration. The necessary authorizing legislation for the two appropriating paragraphs for this agency is contained in H.R. 6796, which was reported in the House from the Science and Technology Committee on May 16, 1977, and concurrently referred to the Armed Services and International Relations Committees. Companion legislation was reported in the Senate on May 16, 1977. These two appropriating paragraphs begin on line 3 of page 36, and end on line 19 of page 37.

Fifth, Federal Energy Administration. The necessary authorization legislation for the two appropriating paragraphs for this agency is contained in H.R. 6794, which was reported in the House on May 16, 1977. The two appropriating paragraphs, entitled "salaries and expenses," and "strategic petroleum reserve," begin on line 4 of page 38 and end on line 25 of page 38.

Sixth, Indian Claims Commission. The necessary authorization legislation is contained in H.R. 4585, which passed the House on the suspension calendar on June 6, 1977. This appropriating paragraph begins on line 3 of page 41 and ends on line 9 of page 41. This legislation is still in committee in the Senate.

Mr. Speaker, H.R. 7636 provides the Department of the Interior and related agencies with $9.5 billion in new budget authority for fiscal year 1978. The total is $503 million below the administration's budget request. I support the rule and urge the adoption of House Resolution 616 in order that H.R. 7636 may be considered.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur with the statements just made by the gentleman in the well about the need for waivers in this legislation. As was pointed out before the Committee on Rules, there is only one question about the legislation that was inserted in this bill and that deals with the changing of the name of the Indiana Dunes National Lakeshore to the Paul H. Douglas Indiana Dunes National Lakeshore. This is left naked, so to speak, and subject to a point of order being made on the floor. My good friend, the gentleman from Illinois (Mr. YATES), who always works so diligently on this legislation, certainly hopes that a point of order will not be made.

Mr. Speaker, I yield such time as he may consume to my friend, the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, I thank the gentleman for yielding. The gentleman expresses my thoughts and views entirely. I do hope a point of order will not be made to that section of the bill.

Mr. LATTA. Mr. Speaker, I am a little bit concerned by the language of the report showing how much more is being appropriated for fiscal year 1978 than for fiscal year 1977.

Mr. Speaker, the 1977 appropriation for the purpose of this bill totaled $6,769,724,057, according to the committee report. This 1978 appropriation for the same purposes totals $9,545,741,000.

Mr. Speaker, this is a large percentage of increase over last year. There are a number of programs contributing to this increase according to figures provided by the minority staff on the Appropriations Committee. The cost of the strategic petroleum reserve is increased by $1,861,209,000 over fiscal year 1977. The funds for Fish, Wildlife, and Parks are increased by $192,546,000. The amount for energy and minerals is increased by $180,939,000. The funding for ERDA is increased over fiscal year 1977 by $217,902,000. Mr. Speaker, there are a number of other items contributing to this large increase in fiscal year 1978 appropriations over fiscal year 1977 appropriations.

Hopefully, the committee will attempt to justify these increases when the bill is debated on the floor.

Mr. Speaker, I have no requests for time and reserve the balance of my time.

Mr. MEEDS. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. FLOWERS).

Mr. FLOWERS. Mr. Speaker, let me say to my colleagues in the House, "Get your bags packed and hold on to your hats, because you are getting ready for the ride on the appropriations choo-choo. It is going to be moving through here fast. Whether or not your authorization bills are ready, it matters not. The Appropriations Committee is ready and they are coming at you full speed ahead."

Now, I make that point very crudely, I know; but I say this. We are at a breakwater point of deciding whether or not we are going to have the now three-tiered process that we have in this House; the budget process, the authorization process, and the appropriation process. The tier that I might say is losing out, not I might say, but I could very well say is, in fact, being compressed out, being squeezed to death, is the old faithful authorization process. In this instance we have the committee that I happen to serve on, the Committee on Science and Technology, and as chairman of the Fossil and Nuclear Subcommittee, we reported out our bill H.R. 6796 timely, according to the rules of this body, on May 16. It took a lot of hard work over a period of several months, but particularly compressed in the short period of time following the energy message that the President of the United States delivered to this Congress.

Yet we reported out on May 16, according to the rules. The bill was sequentially referred to a couple of other standing committees of the House which had some claim of jurisdiction on the measure. The bill has since been reported out by the last of those sequentially referred to committees. We have requested a rule.

The Science and Technology Committee stands ready to bring H.R. 6976, the authorization bill, to the floor in due order, prior to the appropriations bill. We have been denied, or not given, that privilege because the Appropriations Committee has its predetermined schedule that it must follow, or they tell us they follow it at all costs. And the cost here is the authorization process.

So, as I say, pack your grip, get your hat—whether it is the braided cap of Mr. MONTGOMERY or anyone else—and be ready to travel quickly, because you are not going to have a chance to get off at any stop.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Illinois, with whom I agree on almost everything.

Mr. YATES. Mr. Speaker, I agree with the gentleman on most everything he says in his statement today. I know he is not critical of the Appropriations Committee in this respect, because we are given the President's budget to consider, and the President's budget has a certain amount allocated for ERDA. We began hearings on the President's budget on February 16, before the gentleman's committee began its hearings as I recall, and we came to certain conclusions. We did that knowing that the gentleman's committee would come up with recommendations which would probably differ from those which we had under consideration from the executive branch.

But, the gentleman knows that when his bill has been approved by the House we can then hold appropriations hearings, and consider a supplemental bill. Now, I am at a loss to see how we are hurt by this process. Can the gentleman advise me on that?

Mr. FLOWERS. Well, there must be some reason that the gentleman has to go and get a rule waiving points of order, I say to my friend from Illinois. I do not object to the fact that the gentleman, in his subcommittee and in the full Appropriations Committee, has the prerogative of funding to whatever extent is determined in his committee the programs that are duly authorized. That is clearly an Appropriations Committee prerogative, but I noticed at some point in the report, as I just leafed through it, that there was a comment that an SRC program had not been authorized. The fact of the matter is, I say to my friend, that if we had the authorization bill up today instead of the appropriations bill, that SRC program would be authorized.

Mr. YATES. May I respectfully say that it would not be authorized because it would not as yet have passed the Senate and would not have been signed into law by the President.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. MEEDS. Mr. Speaker, I yield 2 additional minutes to the gentleman from Alabama.

Mr. YATES. It would still not be authorized, and we still would have been required to come before the Rules Committee for a rule.

Mr. FLOWERS. I understand the gentleman, and I think the gentleman understands my position on this matter.

Mr. YATES. I understand the gentleman's position, and I agree with the gentleman that there ought to be some

kind of procedure worked out whereby the gentleman's committee is given an opportunity to state the policy declarations with respect to ERDA for the consideration of the Congress. We are a followup group to the gentleman's committee and we consider the recommendations of the gentleman's committee.

Mr. FLOWERS. I thank the gentleman. I have to correct one statement that I do not think the gentleman intended to misstate. Perhaps he was not aware of the fact that our committee did begin authorization hearings immediately upon the formation of our committee in this Congress. We did not report a bill. We waited to review the final recommendations that the President of the United States made in his message. As the gentleman knows, those figures were not available to the Congress until April 27, so we had preliminary work done but we withheld our final action.

Mr. YATES. I thank the gentleman, and I have no quarrel about this. I think some kind of procedure must receive the attention of the House.

Mr. FLOWERS. Will the gentleman give me whatever assurances he can, that there will be an in-depth consideration of what is contained in the authorization bill once it is adopted, which will be an in-depth consideration of both the new programs and subsequent funding of the programs that are not fully funded?

Mr. YATES. The gentleman has my complete assurance in that respect. I must say that our subcommittee welcomes the recommendations of the gentleman's committee.

Mr. FLOWERS. I thank the gentleman for his remarks.

Mr. DUNCAN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I would just like to say that I think the gentleman has a legitimate point.

The SPEAKER. The time of the gentleman from Alabama (Mr. FLOWERS) has expired.

Mr. MEEDS. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. Mr. Speaker, the gentleman may not have been on the floor yesterday, but I think the Members ought to know—I am sure the gentleman knows—that this Appropriations Committee is frequently between a rock and a hard place. Yesterday, during the consideration of the Transportation Subcommittee's appropriation bill, our subcommittee was castigated severely because we had not funded items that had not been authorized by the authorizing committee. What we find ourselves constrained by, are the rules on time imposed upon us by the whole budgetary process. So yesterday we were chastized where we had funded where it was not authorized, and today it is just the converse. So I would like, as a member of the committee, to endorse what the chairman of the subcommittee told us with respect to the subcommittee's attitude toward the gentleman's suggestion.

Mr. FLOWERS. I thank the gentleman.

Mr. LATTA. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in looking over the report of this bill, I am happy to report that on page 15 the Appropriations Committee has made a slight mathematical error. When I say "slight," I put that in quotation marks. It is a $1 billion error. At the top of the page, in comparing fiscal year 1977 with fiscal year 1978, I am glad to report that the change is only $2,776,016,943, rather than $3,776,016,943.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Illinois (Mr. YATES).

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, I think the gentleman's point is well taken. The Committee on Appropriations so very rarely makes errors of this type. I think the gentleman acted properly in calling it to the attention of the House.

Mr. LATTA. Mr. Speaker, I am glad they do not make these billion-dollar errors too often.

Mr. YATES. If the gentleman will yield further, may I say, in passing, that I feel I should suggest to the gentleman that it is probably an error on the part of the printer.

Mr. LATTA. I would concur in that.

Let me just say, however, Mr. Speaker, that the process we have been using here has been criticized by certain members of the authorizing committees, but under the new Budget Act we have no alternative, in expediting the consideration of these appropriation bills, but to grant these waivers. I do not think the Committee on Appropriations or the Committee on Rules is trespassing on the rights of authorizing committees in so doing. In years past, some of the bills, particularly the foreign aid bills, would hold up the adjournment of the Congress until the wee hours of the morning in late December. But, under this new Budget Act, all committees are going to have to be coming forward with their bills in a timely fashion. I would like to say to my colleagues that I am one member of the Committee on Rules who is going to be supporting these requests for waivers.

Mr. MEEDS. Mr. Speaker, I yield 5 minutes to the gentleman from Washington (Mr. MCCORMACK).

Mr. MCCORMACK. Mr. Speaker, first of all, I want to pay my respects to the chairman of the Committee on Appropriations, the gentleman from Texas, the Honorable GEORGE MAHON, and to the chairman of the Subcommittee on Interior, the gentleman from Illinois (Mr. YATES), as well as all the majority and minority members of the Rules Committee who had to wrestle with this question yesterday.

I stand here before the House today strenuously objecting to this procedure of bringing in an appropriations bill—in this case, H.R. 7636—to the floor before the authorizing bill has been considered by the Members of the House.

I sympathize with the members of the Committee on Appropriations and with the leadership of the Committee on Appropriations, because I know they have a problem with the schedule that they must follow because of the Budget Act.

Mr. Speaker, I would like to point out that I believe we should try our best to establish an orderly procedure in these matters. In this case the authorizing bill for the Energy Research and Development Administration was reported out of the Committee on Science and Technology on schedule on May 15, and in spite of two sequential referrals to other committees, it is now before the Committee on Rules, and the Science and Technology Committee is requesting a rule.

So it is possible to conduct this entire business of authorizing for the Energy Research and Development Administration in an orderly manner, rather than bringing these appropriation bills to the floor before the authorizing bill has been considered.

In spite of the fact that last year the authorizing bill was tangled up in some differences between the House and Senate on peripheral issues, the authorizing committee's bill was passed on May 20. So for these last 2 years, the authorizing committee has done its job, in an orderly way, and on time.

Mr. Speaker, what we are encountering here is differences between the authorizing committee and the appropriating committee that are so great that they amount essentially to policy differences. Let me give the Members an example.

The Committee on Science and Technology bill, H.R. 6796, authorizing funds for energy conservation, increased the Administration request by a total of $86.8 million. On the other hand, the Subcommitee on Interior reduced the same items by a total of $15.3 million below the Administration request. That amounts to a difference of $102.1 million in energy conservation alone.

There is an equivalent difference in fossil fuels, between the programs authorized under the subcommittee chaired by the gentleman from Alabama (Mr. FLOWERS) and the Committee on Appropriations.

These differences amount to policy differences. They affect the electric power research and demonstration program and the transportation research, development, and demonstration program, both of which have been specifically authorized by this Congress and enacted into law and the programs established under law.

The program of municipal waste recycling, as well as other programs, in which there are other cuts, forces us to come before this House with major amendments concerning matters that are policy issues, without the Members of the House of Representatives having an opportunity to decide these policy matters in the authorization bill, in which they can be thoroughly discussed and understood. Instead, if this policy prevails, we will be forced to make these policy determinations today without the benefit of understanding the issues in these basic programs relative to energy conservation.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I think the gentleman from Washington (Mr. MCCORMACK) makes a valid point, as I

indicated in my colloquy with our colleague, the chairman of the Fossil Subcommittee, the gentleman from Alabama (Mr. FLOWERS).

May I ask the gentleman this question: What should the Committee on Appropriations do if it waits for the authorization bill to be completed?

In fiscal year 1977 there was no authorization bill. The committee would have waited endlessly if it waited for that to happen.

Mr. McCORMACK. Mr. Speaker, if I may reclaim my time, I would point out to the gentleman that last year the authorizing bill of the Committee on Science and Technology passed this House on May 20. We were on time and in order. Subsequently it was caught in conference with the Senate.

We are not suggesting that the bill should have been enacted into law and signed by the President in that time, but we do believe these programs should be debated at the authorization level first in this House before we attempt to appropriate for them.

The SPEAKER pro tempore (Mr. MONTGOMERY). The time of the gentleman from Washington (Mr. McCORMACK) has expired.

Mr. MEEDS. Mr. Speaker, I yield 1 additional minute to the gentleman from Washington (Mr. McCORMACK).

Mr. YATES. Mr. Speaker, if the gentleman will yield further, does not the procedure that was suggested by our colleague, the gentleman from Alabama (Mr. FLOWERS) appeal to the gentleman? Is it not clear that the procedure the Committee on Appropriations is undertaking, is in the nature of a first examination of the ERDA budget, and that the recommendations of the gentleman's committee will receive full consideration in a supplemental appropriation.

Mr. McCORMACK. I appreciate that fact, but it only applies in certain instances. It does not apply in the case of the electric car bill, for instance; and it will not apply when the appropriations bill from the Subcommittee on Public Works is brought to the floor then, we will be dealing with the nuclear breeder program. A general supplemental bill next autumn will not serve.

Mr. MEEDS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I do not wish to take the time allotted to me, but I would like to make some reference to the problem before us, before the Committee on Appropriations and the authorizing committee. In regard to scheduling we have had a different problem this year because we had to organize the Congress. We will not have that situation next year. All of us know that to make the Budget Control Act operate effectively some changes must be made. I think we recognize that.

We are not intolerant of the position of the authorizing committee in this case; we know that they are doing the best they can under the circumstances.

Mr. MEEDS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Speaker, I take this to ask the chairman of the subcommittee, Mr. YATES, a question relative to the provision in the bill for $600 million for land and water conservation. We know from the report that that is at the authorized level. Also, in the report, at page 26, and in the bill at page 8, only $306,070,000 has been made available for payment to the States in accordance with this section, which is at 51 percent, and in prior years that was set at a 58-percent plus level.

Is this amount at the authorized level or has this sum been reduced by the subcommittee?

Mr. YATES. Mr. Speaker, if the gentleman will yield, this is the full authorized level.

May I also say to the gentleman that the legislation to increase the authorization for the Land and Water Conservation fund by an additional $300 million to $900 million has been sent to the President.

Mr. ADDABBO. Many States have set their budgets and have provided their shares from the various programs at the last year's levels.

If the other body increases the appropriation can we expect the chairman of the subcommittee to act in a similar fashion?

Mr. YATES. Mr. Speaker, if the gentleman will yield further, let me say that our committee is aware of the need for funds for the States under this program; and if the other body changes the amount that is available to the States, we will be glad to give our most sympathetic consideration to the changes proposed by the other body.

Mr. ADDABBO. Mr. Speaker, I thank the gentleman.

Mr. MEEDS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I think we have heard very graphically described the problem that we are facing. We on the Committee on Rules sympathize with both sides of this controversy.

It is very clear that the process in which we are engaged does not have as much flexibility as it ought to. The fact is that even if the ERDA bill was reported today, it would have to get a rule; it would have to get a waiver itself for violation of section 402 of the Budget Act because it was not reported out by May 15.

Mr. Speaker, the chairman of the full Committee on Appropriations is exactly right. We had to form the House this year.

We got started late in the authorization process. We are pushed up against a September 15 deadline for the appropriations process, at which time it must be completed. As of the end of this month there will only be 20 legislative days in which the appropriations process can be completed, including passage of these bills on both the House and Senate floors and conferences with the Senate. We simply have to proceed with the process in which we are engaged.

We had to make some tough decisions in the Committee on Rules. We tried in each instance to make that decision based on facts and merits of each case and to provide a system under which we could utilize this process as best we can under these very difficult circumstances.

I regret that the authorizing committees feel they have been imposed upon but that fact is we are going to have to proceed now and then perfect and fine tune the budget process later.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Speaker, the gentleman does understand that in the case of this bill, the Committee on Science and Technology reported it out on time, and that it is before the Committee on Rules today.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MEEDS. Mr. Speaker, I yield myself 1 additional minute.

The answer to the inquiry of the gentleman from Washington is "yes", the fact is it was reported out of the Committee on Science and Technology, but it was sequentially referred. Even at that it was 1 day late but that is a minor thing. The bill still has not been reported out of the other committee to which it was sequentially referred, so it would still require a waiver of section 402(c) of the Budget Act. But, that is not important, other than to say that we are all compressed into too little time at this juncture.

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield further, it is my understanding that the bill has been reported out of all committees having sequential referrals, and is now before the Committee on Rules.

Mr. MEEDS. There is no report filed before the Committee on Rules at this time. If the Committee on Rules were to consider it, it would require another waiver about that report.

So again the gentleman from Washington just makes my point of too much activity and too little time in which to do it.

Mr. McCORMACK. I thank the gentleman.

Mr. MEEDS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WYDLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 332, nays 65, not voting 36, as follows:

[Roll No. 325]

YEAS—332

Abdnor	Badham	Brademas
Addabbo	Barnard	Breaux
Akaka	Baucus	Brinkley
Alexander	Beard, Tenn.	Brooks
Allen	Bedell	Broomfield
Ammerman	Benjamin	Brown, Mich.
Andrews, N.C.	Bennett	Broyhill
Andrews, N. Dak.	Bevill	Buchanan
	Biaggi	Burgener
Annunzio	Bingham	Burke, Calif.
Applegate	Blouin	Burke, Fla.
Archer	Boggs	Burke, Mass.
Armstrong	Boland	Burleson, Tex
Ashley	Bonker	Burlison, Mo.
Aspin	Bowen	Burton, John

Burton, Phillip	Horton	Pettis
Byron	Howard	Pickle
Carney	Hubbard	Pike
Carter	Huckaby	Pressler
Cavanaugh	Hughes	Preyer
Cederberg	Hyde	Price
Chappell	Ichord	Pritchard
Chisholm	Ireland	Quayle
Clausen, Don H.	Jacobs	Quie
Clawson, Del	Jeffords	Rahall
Clay	Jenkins	Railsback
Cleveland	Jenrette	Rangel
Cochran	Johnson, Calif.	Regula
Cohen	Jones, N.C.	Reuss
Coleman	Jones, Okla.	Rhodes
Collins, Ill.	Jones, Tenn.	Richmond
Conable	Jordan	Rinaldo
Conte	Kastenmeier	Robinson
Conyers	Kazen	Rodino
Corcoran	Kemp	Rogers
Corman	Ketchum	Rose
Cornell	Keys	Rostenkowski
Cornwell	Kostmayer	Roybal
Cotter	Krebs	Runnels
Coughlin	Krueger	Ruppe
D'Amours	LaFalce	Russo
Daniel, Dan	Lagomarsino	Ryan
Daniel, R. W.	Latta	Santini
Danielson	Le Fante	Satterfield
Davis	Lederer	Sawyer
de la Garza	Leggett	Schroeder
Delaney	Lehman	Schulze
Dellums	Lent	Seiberling
Derrick	Long, La.	Sharp
Derwinski	Long, Md.	Shipley
Devine	Lott	Shuster
Dickinson	Lujan	Sikes
Dicks	Luken	Simon
Diggs	McClory	Sisk
Dingell	McCloskey	Skelton
Dodd	McDade	Skubitz
Downey	McEwen	Slack
Duncan, Oreg.	McFall	Smith, Iowa
Duncan, Tenn.	McKay	Smith, Nebr.
Early	Madigan	Solarz
Edgar	Maguire	Spence
Edwards, Ala.	Mahon	St Germain
Edwards, Calif.	Mann	Staggers
Eilberg	Markey	Stark
Emery	Marks	Steed
English	Marlenee	Stockman
Erlenborn	Mathis	Stokes
Evans, Colo.	Mattox	Stratton
Evans, Del.	Mazzoli	Studds
Evans, Ga.	Meeds	Stump
Evans, Ind.	Metcalfe	Symms
Fary	Meyner	Taylor
Fascell	Michel	Thone
Fenwick	Mikulski	Thornton
Findley	Miller, Calif.	Traxler
Fisher	Miller, Ohio	Treen
Fithian	Mineta	Trible
Flood	Minish	Tsongas
Flynt	Mitchell, Md.	Tucker
Foley	Mitchell, N.Y.	Udall
Ford, Mich.	Moakley	Ullman
Ford, Tenn.	Moffett	Van Deerlin
Fountain	Mollohan	Vander Jagt
Fowler	Montgomery	Vanik
Fraser	Moore	Volkmer
Gammage	Moorhead, Calif.	Waggonner
Gaydos	Moorhead, Pa.	Walgren
Gephardt	Moss	Walsh
Giaimo	Mottl	Wampler
Gibbons	Murphy, Ill.	Waxman
Ginn	Murphy, N.Y.	Weaver
Gonzalez	Murphy, Pa.	Weiss
Goodling	Murtha	Whalen
Gradison	Myers, Michael	White
Gudger	Myers, Ind.	Whitehurst
Guyer	Natcher	Whitley
Hagedorn	Nedzi	Whitten
Hamilton	Nichols	Wiggins
Hammer-schmidt	Nix	Wilson, Bob
Hanley	Nolan	Wilson, C. H.
Hannaford	Nowak	Wilson, Tex.
Harris	O'Brien	Wirth
Harsha	Oakar	Wolff
Heckler	Oberstar	Wright
Hefner	Obey	Wylie
Heftel	Panetta	Yates
Hightower	Patten	Yatron
Hillis	Patterson	Young, Alaska
Holland	Pattison	Young, Fla.
Holtzman	Pepper	Young, Mo.
	Perkins	Young, Tex.
		Zablocki

NAYS—65

Anderson, Calif.	Brodhead	Crane
Anderson, Ill.	Brown, Calif.	Cunningham
Bafalis	Brown, Ohio	Dornan
Bauman	Butler	Drinan
Blanchard	Caputo	Edwards, Okla.
Bonior	Carr	Ertel
	Collins, Tex.	Fish
Flowers	Kasten	Myers, Gary
Forsythe	Kelly	Ottinger
Frenzel	Kildee	Pease
Frey	Kindness	Pursell
Fuqua	Leach	Quillen
Gilman	Levitas	Roberts
Glickman	Lloyd, Calif.	Rousselot
Goldwater	Lloyd, Tenn.	Rudd
Gore	Lundine	Scheuer
Grassley	McCormack	Snyder
Hall	McDonald	Steiger
Hansen	Marriott	Teague
Harkin	Martin	Walker
Hollenbeck	Mikva	Winn
Holt	Milford	Wydler

NOT VOTING—36

Ambro	Florio	Rooney
Ashbrook	Harrington	Rosenthal
AuCoin	Hawkins	Sarasin
Badillo	Johnson, Colo.	Sebelius
Baldus	Koch	Spellman
Beard, R.I.	McHugh	Stangeland
Bellenson	McKinney	Stanton
Bolling	Neal	Steers
Breckinridge	Poage	Thompson
Dent	Risenhoover	Vento
Eckhardt	Roe	Watkins
Flippo	Roncalio	Zeferetti

The Clerk announced the following pairs:

Mr. Thompson with Mr. Stanton.
Mr. Vento with Mr. Risenhoover.
Mr. Zeferetti with Mr. AuCoin.
Mr. Badillo with Mr. Roe.
Mr. Baldus with Mr. Beard of Rhode Island.
Mr. Hawkins with Mr. Sebelius.
Mr. Dent with Mr. Breckinridge.
Mr. Eckhardt with Mr. Ashbrook.
Mr. Florio with Mr. Harrington.
Mr. Rooney with Mr. Steers.
Mr. Rosenthal with Mr. Bellenson.
Mrs. Spellman with Mr. Roncalio.
Mr. McHugh with Mr. Neal.
Mr. Ambro with Mr. Watkins.
Mr. Flippo with Mr. Sarasin.
Mr. Koch with Mr. McKinney.
Mr. Stangeland with Mr. Johnson of Colorado.

Messrs. GLICKMAN, SCHEUER, OTTINGER, and GILMAN changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. YATES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7636) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania (Mr. McDADE) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. YATES).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7636, with Mr. MEEDS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Illinois (Mr. YATES) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. McDADE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the Appropriations Committee brings to the floor today a bill that has been described as the "all American bill" because it relates to the national heritage for all Americans; it relates to the Nation's parks; it relates to its forests; it relates to its mountains and its natural resources. It is the national heritage of the Nation that we want to pass on to our children and to the descendants of our children in a state that is better than the state of our resources that we ourselves enjoy.

In this bill, we have departed from the treatment accorded our national heritage in the past. Too frequently, there have been allocations of funding which did little to protect and preserve our resources.

We are proud of our land. We are proud of our waters, which are among the most beautiful in the world. We propose in this bill to keep it that way, not only to keep it that way but to improve it, to improve it so that we pass along to the generations to come a land and a beauty that will be enhanced as the years go by. The bill which we recommend for consideration today includes obligational authority for fiscal year 1978 of $9,545,741,000. This is a reduction of $485,113,000 below the budget, as amended, and $2,776,016,943 above comparable amounts provided in fiscal year 1977.

In the colloquy during consideration of the rule there was pointed out the fact that some of the committees had not had time to consider their own bills before the funding for the bills were considered by our Appropriations Subcommittees. We took 3 months to consider this bill. The 10 volumes are on the desks before the Members. There are over 10,600 pages of justification and testimony in those volumes.

In passing, Mr. Chairman, I want to pay tribute to members of our subcommittee. There is no finer group of Members in the House than those Members who make up the Interior Subcommittee of the Appropriations Committee. The Members from the West, the Members from the East and from all parts of the country worked together to provide what is a unanimous bill.

Mr. BLOUIN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Iowa (Mr. BLOUIN).

Mr. BLOUIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to put a

question to the gentleman in regard to the Intermountain Indian School appropriation in the bill.

It is my understanding that the $7,125,000 figure for the Intermountain School is going to be reached by using only the $2,825,000 extra appropriated and that other bureau schools will not be penalized and assessed part of their operating cost to make up this figure; is that correct?

Mr. YATES. The gentleman is correct. It is the intention of the subcommittee that, in appropriating funds for the Intermountain School, other Indian schools should not be hurt by that appropriation.

Mr. BLOUIN. Is it also fair to assume that that position will be the House's position in a conference report?

Mr. YATES. I say to the gentleman that it is fair to make that assumption. I would only want to qualify it by saying that the conference always presents some kind of negotiation. But may I say that that is the intention of our committee.

Mr. BLOUIN. I thank the gentleman.

Mr. McKAY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Utah (Mr. McKAY).

Mr. McKAY. I thank the gentleman for yielding.

Mr. Chairman, as a matter of a point of information, the problem the committee got into last year was that the BIA, in their request, had failed to fund what was the required amount to keep it going the year prior, and through our hearings we know at this time that the BIA has now come to an understanding of the needs of the Indian schools, and in providing those funds, by what we have added, we hope that problem is solved and that there will be no further problem.

Mr. BLOUIN. If the gentleman will yield further, I thank the gentleman from Utah for his explanation.

Mr. BENJAMIN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. Mr. Chairman, on June 6, the gentleman from Indiana (Mr. FITHIAN) and I addressed the gentleman from Illinois (Mr. YATES) and indicated that we were considering an amendment to H.R. 7636 to provide an additional five law enforcement personnel, GS–7 level, for the West Beach area of the Indiana Dunes National Lakeshore.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

Mr. YATES. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. BENJAMIN. The cost amounted to $140,000, consisting of $90,000 for personnel, $35,000 for communication equipment, and $15,000 for vehicles.

The request, as the gentleman may recall, was made in anticipation of a substantial increase in the use of the recently opened West Beach and because of local community anxiety and concern regarding beach security.

Is the gentleman familiar with our request?

Mr. YATES. I am.

Mr. BENJAMIN. Upon receipt of our communication, the gentleman indicated that the subcommittee would endeavor to obtain the National Park Service's attitude toward our proposal. Has that been accomplished?

Mr. YATES. Yes. The proposed amendment and justification were forwarded to the Park Service on June 6. They answered our request on June 7.

Mr. BENJAMIN. What was their position?

Mr. YATES. This is the position of the Park Service: It reported that the funding is provided for law enforcement at West Beach in the original budget request of $1,081,700, as well as the additional appropriation of $507,000 for operations which was approved by the committee and reported to the House. The Park Service stated that for fiscal year 1978—

> The region will have the services of a Park Police Sergeant for the summer to assist park management in: (1) training of protection personnel, (2) developing working relationships and coordination with local law enforcement jurisdictions, and (3) determining future law enforcement program and manpower requirements.

Mr. BENJAMIN. Has the possibility of extraordinary or sensitive law enforcement situations been anticipated?

Mr. YATES. I would say so, yes. The Service explained further that in addition to the personnel already at West Beach, the region has the capability of immediately dispatching special ranger teams to assist park management in handling such situations, and a U.S. Park Police team is also available for assistance as required.

Mr. BENJAMIN. I thank the gentleman from Illinois (Mr. YATES).

Mr. FITHIAN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Indiana.

Mr. FITHIAN. Mr. Chairman, in other words, what the gentleman is saying is that the National Park Service contends that the appropriations provided for in the bill are sufficient to insure the safety of those using West Beach?

Mr. YATES. The gentleman is correct. The Service is satisfied that the funding provided in this bill is adequate for security at the beach. They specifically state that "no additional appropriation beyond the $507,000" which is made available in the bill will be required.

Mr. FITHIAN. So from what we have learned today, it does not appear that our suggested amendment is necessary?

Mr. YATES. Mr. Chairman, I would say to the gentleman that I would not think so. I will say to the gentleman further that I am as interested as is the gentleman from Indiana (Mr. FITHIAN) and the gentleman from Indiana (Mr. BENJAMIN) in making sure that adequate security is arranged for the protection of the hundreds of thousands of people who use the Indiana Dunes National Lakeshore. That was why I pressed the Department for such assurances.

Mr. FITHIAN. Mr. Chairman, I thank the gentleman, and I also want to thank the gentleman for his long and careful attention to the needs in this area.

I would urge—and I am confident I speak for the gentleman from Indiana (Mr. BENJAMIN) as well as myself—that the subcommittee continue to monitor the West Beach situation to insure the law enforcement program and to adequately guarantee the safety of all who visit the West Beach area and the dunes.

On behalf of the gentleman from Indiana (Mr. BENJAMIN) and myself, I thank the gentleman from Illinois (Mr. YATES) for his attention to our inquiry and for his cooperation in obtaining this information from the National Park Service.

Mr. YATES. Mr. Chairman, both the gentlemen from Indiana have that assurance from me and from my subcommittee.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, since we are referring here to the Indiana national park known as the Indiana Dunes, I notice that the subcommittee has added $4,356,100 for land acquisition.

In reading the testimony presented by the gentleman from Indiana (Mr. FITHIAN), in whose district the park lies, I note that he said no additional funds are needed for land acquisition at this time but additional funds are needed for administrative purposes.

Why did the subcommittee add this figure for land acquisition?

Mr. YATES. Mr. Chairman, I do not know the date of the assurance by the gentleman from Indiana (Mr. FITHIAN), but I do know that when the Park Service appeared before us, the request was made for additional land acquisition. That was the reason the committee put the funds in the bill.

Mr. JOHN T. MYERS. I thank the gentleman.

Mr. YATES. Mr. Chairman, may I say to the Members of the House that the principal concern of the subcommittee during the course of the hearings revolved around two programs which cannot be separated. Both of them are of national urgency. One is the implementation of a water policy; the other is the implementation of an energy policy.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

Mr. YATES. Mr. Chairman, I yield myself 5 additional minutes.

The CHAIRMAN. The gentleman from Illinois (Mr. YATES) is recognized for 5 additional minutes.

Mr. YATES. Mr. Chairman, of the total amount recommended in this bill, $4.4 billion is for water and energy development. As stated in the report, without a water policy, there can be no effective energy policy.

Mr. Chairman, in the area of water development we propose in this bill the providing of funds for the identification of major aquifers in the country and for the expansion of the saline water conversion program. The initiatives that we propose in the bill on energy include acceleration of research and preparation of the inventory for the oil and gas reserves in the Outer Continental Shelf reservoirs in order to foster production diligence and to make sure that the Nation knows the amount of the resources it has.

We propose also, in view of the emphasis placed on coal mining by the President, to advance coal mining technology and to increase mining health and safety research and development in order to establish the foundation for the 400 million tons per year production increase that was proposed by the President in his annual message.

An increase of 25 percent in ERDA's fossil energy program and of 100 percent in ERDA's conservation program over 1977 levels is also recommended by the committee.

I think, Mr. Chairman, that it is important to the Congress and for the administration and for the public to understand why the committee is making these recommendations. It is true that this administration has not been in office very long. It has only been a matter of months, and I think we would have hoped that by this time the administration had indicated that it was taking steps to implement a water resources development program.

The western part of our country has had as severe and as prolonged a drought as we have had in the history of the country. Every census projection confirms that the so-called Sunbelt States, many of which already have water supply problems, are the fasting growing areas in the country. The demand for water in these States will continue to grow, along with new industries and with the larger populations that are coming into these areas.

Mr. Chairman, that is why we want to emphasize our intention that the administration prepare as promptly as possible a water policy which will lay the foundation for providing the necessary water resources for our Nation.

In addition to that, Mr. Chairman, much of the western coal, everyone agrees, is central to our energy needs; but it is found in areas that do not have an abundant supply of water. Powerplants require a large amount of water. These are being prepared for location in the Western States, and it is not clear at this time what will happen if adequate water supplies are not available to provide for full-scale mining and power generation.

Mr. Chairman, we are on the threshold of moving toward a full development of our oil shale resources, and those resources are located in semiarid areas. The technology for mining oil shale calls for large amounts of water, and the lack of water has already been cited as one of the reasons for the slow development of this resource. It must be speeded up. In order for the oil shale technology to be improved, water must be available.

Mr. Chairman, over the years there have been a number of studies that have discussed the issue in some detail, and all of them indicate that water for energy development must be available. The committee is recommending $4.4 billion for water and energy.

Mr. Chairman, I would urge the Members of the House to read our report. The committee is proud—I think justifiably proud—of the report that has been prepared in support of this bill. There is an explanation in the report for each of the appropriations recommended.

There are adequate appropriations, we believe, for taking care of many of the needs of the Indian people—over $111 million above the budget for the Indian programs. I certainly think this amount is adequate.

Mr. Chairman, for much too long a period the Indian people have not been granted the kinds of appropriations that were necessary to take care of their needs. The Indian people have suffered, too, from an inadequate and inefficient Bureau of Indian Affairs.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

Mr. YATES. Mr. Chairman, I yield myself 3 additional minutes.

To continue, Mr. Chairman, of this amount, roughly $95 million is made available for Indian health services and Indian health facilities, including—and this is an important inclusion—$20 million to take care of the surgical needs of the Indian people.

Imagine, there is a backlog in surgical operations for the Indian people for hernia, for cataract operations, for stomach operations, and to take care of the otitis media cases, the ear problems, of the Indian children. The Indian people have had to wait, because of this backlog, to have their surgical needs taken care of.

Mr. Chairman, the committee recommends an appropriation of $20 million in this bill to wipe out this backlog.

In energy, ERDA is charged with the responsibility of initiating and coordinating energy research and development. On two occasions this year the subcommittee has brought to the attention of ERDA strong private development of oil shale. Yet, ERDA for some strange reason remains somewhat indifferent to providing needed assistance in the near term development of this resource. This appears to be the nearest term solution to easing our dependence on imported oil. It should be pushed.

Another area of concern with ERDA lies in their ponderous administrative procedures which result in piling up huge unobligated balances. Forty-five million dollars was cut of the ERDA fossil budget in fiscal year 1976, and for fiscal year 1978 the committee recommends a reduction of $50 million, simply because the programs are lagging so far behind. Perhaps the establishing of a Department of Energy will mitigate these problems.

A concern which has been with this committee for sometime is in the area of Indian affairs. The report on page 11, and again on pages 44 and 45, spells out the committee concern with the quality of services received by the Indian people, particularly from the Bureau of Indian Affairs. We will continue to urge the Bureau to administer its responsibilities in a fiscally responsible manner, and search for ways to improve services to Indians.

The committee continues to be concerned with the impact of end-of-year employment ceilings on agency operations. The situation in the budget proposed for 1978 has improved over that of earlier years, but the attitude of the administration is puzzling in that national resources are allowed to deteriorate in the name of fiscal responsibility.

For the Bureau of Land Management the subcommittee is recommending a total of $434,516,000, an increase of $11,092,000 above the budget request, and $1,859,000 over the 1977 appropriation. The increase over the budget includes $2.6 million for forest management, $6,050,000 for range management, and $1 million for wildlife habitat management.

For the Office of Water Research and Technology, the subcommittee recommends $26,409,000, an increase of $5,297,000 over the budget request, and $7,385,000 over the 1977 budget. This increase is for saline water conversion activities. In view of the national water shortage and the role brackish, saline, and reused water can play in energy development, it is an area that must be pursued with vigor.

For the Bureau of Outdoor Recreation, the committee recommends an increase of $5 million over the budget for a program to utilize abandoned railroads rights-of-way for recreation areas, such as bike and hiking trails. We have asked the Secretary of Interior to explore with the Secretary of Transportation the possibility of acquiring these as part of bankrupt assets. A secondary benefit of the program could be allowing the rights of way to be maintained in a continuous piece in the event that commuter or freight haulage becomes economical in the affected areas.

For the Fish and Wildlife Service, the subcommittee recommends an additional $24,379,000. Of that, $3 million is for 200 additional positions for habitat management; $180,000 is provided as a cost-of-living increase for the 45 cooperative fish and wildlife units located throughout the States. A reduction of $1 million in grants to States for endangered species was not approved.

The committee has recommended an increase of $10 million over the 1977 original appropriation for habitat preservation and environmental contaminant evaluation programs. It is the hope of the subcommittee that these funds will give the Fish and Wildlife Service independent capability. It is the expectation of the committee that this early participation by the Fish and Wildlife Service will eliminate the 11th hour confrontations that have proved to be so distressing in the area of wildlife versus development.

An additional $20 million is provided for construction and anadromous fish.

Increases for the National Park Service totaled $6,207,000 in the construction program. The committee has directed that a study by the Investigative Staff be conducted on the engineering and design program for Park Service construction. For the historic preservation fund, the committee recommends $40,000,000, an increase of $5,000,000 over the budget, and an increase of $22,500,000 over the fiscal year 1977 appropriation. There is a good deal of interest in this program and a great deal of emphasis is being placed on the existence of a $324 million backlog. However, if the backlog list is reduced by the myriad of projects for country courthouses, State house buildings, county jails and city halls, this backlog is considerably reduced. The committee has recommended that the authorizing committee review the procedures for this program and develop legislation so that

only properties having national significance will receive Federal support. The program now being administered by the Park Service was developed at a time when $15 to $20 million a year was being provided for the program. Now that $100,000,000 a year is authorized, it is essential that the procedures and activities in this area be revised.

For the Geological Survey, an increase of $13,902,000 over the budget is recommended. The committee recommends increases of $4.6 million in the area of earthquake studies, $5 million for analysis of major aquifers, and $2,900,000 in the area of the cooperative Federal, State water resource program. An additional $5.8 million is provided for inventory of gas reserves on the Outer Continental Shelf and a diligence review of the Outer Continental Shelf production. A similar program is provided for shut-in wells on Federal and Indian onshore lands. An appropriation of $209,541,000 is recommended for the exploration of the National Petroleum Reserve in Alaska, the budget request. Reserves in this area are estimated to be in the range of 3 to 33 billion barrels of oil. The recommendation will permit drilling of three medium-depth exploratory or confirmation wells and four deep wells.

For the Mining Enforcement and Safety Administration, the committee recommends an additional $1,500,000 for State grants under the Coal Mine Health and Safety Act. For the Bureau of Mines an increase of $42,771,000 over the budget request is recommended. Of that amount, $29,700,000 is for mining research and $12,971,000 is for mined land demonstrations. The President's energy message assumes expansion of production of coal from about 600 million tons to over 1 billion tons per year by 1985. If that goal is to be achieved, it is essential that coal mining technology be advanced and additional activity in the areas of health and safety research be explored.

The committee recommends rescission of $47,500,000 in permanent contract authority in the helium fund. The Bureau of Mines and ERDA have been directed to enter into a study to be completed by January 31, 1978, to consider the cost and benefits of various courses of action that might be taken with regard to managing our helium resources.

For the Bureau of Indian Affairs, the committee recommends an increase of $24,212,000 over the budget. This includes $17,356,000 in the operation of Indian programs and $6,856,000 in construction. As I indicated before, The committee is distressed at the seeming inability of the Bureau of Indian Affairs to provide adequate service to the Indian people of the United States. Indifference to the Indian people by the Bureau is deplorable.

The committee has approved a request of $1 million to allow the tribes to evaluate Bureau programs. One of the problems is that there is no alternative available for administration of the responsibilities established under law. Many tribes want the money given to them directly, but that works only if we fund every tribe's request.

The committee has recommended reductions of $4 million in the staffing for central and area office programs. This is an area in which the committee has been repeatedly told by numerous tribal officials that delays are commonplace because of the proliferation of administrative levels in field offices, agency offices, area offices and the central office. It is unclear whether services have been improved by the increases in the administrative program over the years. The increases in the construction area are identified on page 46 of the report.

For the Trust Territory of the Pacific Islands, an increase of $12 million has been provided for airport construction on Kosrae. The Federal Aviation Administration has withdrawn support for grants in aid for this type of construction. In this area, which is a trust responsibility of the United States under the United Nations, air transportation is often the only means of getting from place to place, in the event of medical emergencies.

Minor reductions have been proposed in the Office of the Solicitor and the Office of the Secretary. The committee has recommended reductions in the Office of Congressional and Legislative Affairs and the Public Affairs Office because they, to a large extent, duplicate activities carried out in the many agencies of the Department. The committee has told the Secretary that should he desire to reduce those areas further, he will have the committee's full support.

For the Forest Service, the committee recommends an increase of $265,321,000 over the President's budget. This increase provides a minimum of 85 percent of the goals established by the Forest Rangeland Renewable Resources Planning Act of 1974 and the National Forest Management Act of 1976. This recommended level will for the first time provide a balanced program among the multiple uses on the lands under the administration of the Forest Service.

For ERDA's operating expenses, the committee recommends a reduction of $84,873,000 from the budget request. This recommendation still allows a very large increase over 1977 of $189,152,000—34 percent. Of the reduction, $50 million is from large unobligated balances which have been carried forward each year of ERDA's existence. Through March 31, the fossil energy program has obligated only $172 million out of the $545 million available, about one-third of the available funds through the first half of the year, and would be expected to carry unobligated balances in excess of $100 million into 1978. This program delay occurs because of slow administrative and contract procedures in ERDA. ERDA indicates that procedures have been streamlined and improved but the committee fails to see any significant improvement. Therefore, the committee recommends a general reduction with the assurance to ERDA that if the performance improves and additional funds are needed, the committee will consider a supplemental to restore these funds.

A reduction of $4 million is made in the area of coal-oil slurries. The budget proposed that six demonstration projects be approved. Utility research organizations, however, indicate that this process has a limited market potential. In light of this, the committee recommends a reduction in the number of demonstrations planned.

A reduction of $10 million for design of a demonstration plant for using solvent refined coal is made, but the committee recommends that funds be reprogramed from the liquefaction area in fiscal year 1977 in order to accelerate this activity. ERDA has testified that liquefaction is only a very long-term backup technology and application of solvent refined coal as a boiler fuel could be possible in a much shorter period and on a more economic basis.

The committee recommends a $5 million reduction in enhanced gas recovery. Here again ERDA testified that success in this program in recovering gas from tight western sands does not appear to be likely.

There is a great deal of support for magnetohydrodynamics or MHD program. ERDA has agreed to reprogram significant funds in 1977 to accelerate this program. That reprograming, along with the funds recommended for fiscal year 1978, will provide a considerable speedup of the program in the next 15 months. While this is a very exciting technology, it is still a long-term application and there is considerable concern that spending in excess of the amounts recommended by the committee would be ineffective.

In the area of conservation, the committee recommends a reduction of $16,900,000 for the electric vehicle program and approved the remainder of the greatly expanded conservation effort. This reduction is made based on the approval of a $20 million reprograming in 1977 for initiating implementation of the Electric and Hybrid Vehicle Act. The $20 million reprograming, plus $30 million recommended in the bill, will allow the program to proceed at the level authorized for fiscal year 1978. The committee is also concerned that this program be developed in a way to insure a safe, orderly transportation, not just placement of automobile bodies on golf cart motors.

The sum of $90,970,000 is recommended for ERDA plant and capital equipment.

For the salaries and expenses of the Federal Energy Administration, the committee recommends $290,326,000, an increase of $77 million over the 1977 appropriation and $53,984,000 below the 1978 request; $25 million of the decrease is associated with a program called innovative conservation programs. The most apt description provided for that program was a "slush fund." The other major decrease relates to the obligation guarantees program for buildings, which should be reviewed in light of the President's new initiatives now before the Congress.

I should say one word with respect to the strategic petroleum reserve.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. YATES. Mr. Chairman, I yield myself 1 additional minute.

For the strategic petroleum reserve, the committee recommends an appropriation of $2,309,033,000, an increase of $1,861,209,000 over the 1977 appropriation and $709,900,000 below the budget request. As I indicated earlier, this reduction is made in part because that portion of the request is not authorized. Further,

based on testimony before the committee and the revised strategic petroleum reserve plan recently submitted to Congress by FEA, it is unlikely that FEA can fill the reserve on a schedule that would require those funds in fiscal year 1978. The committee has gone to some length to point out that this reduction should not be viewed as a lack of support for the program or a lack of resolve by the United States to provide the protection it needs from external supply interruptions. However, the FEA estimates have already slipped by 3 months, and at the outset were based, as stated in testimony before the committee on a 75-percent probability of achievement.

Presently, there is no evidence that the goal set by FEA can be met. In the event FEA indicates that it is able to move into high gear for the execution of this important program, the committee will be pleased to consider a supplemental request.

The committee has recommended $155,739,000 for exploration, development, and operation of petroleum reserves outside of Alaska. This is a reduction of $50,256,000 below the budget estimate. Testimony before the committee pointed out that the environment impact statement for the pipeline to be constructed at Elk Hills would not be published in final form until at least October 1977, and that the $65 million made available in 1977 for pipeline construction would remain available in 1978. The ability to use more than that is remote.

For Indian Health Services, an appropriation of $429,901,000 is recommended. This is an increase of $61,835,000 over the budget request. The largest single increase is $20 million for elimination of the 23,000-case surgical backlog I mentioned earlier. $2,697,000 is provided for operation of health centers constructed by the Economic Development Administration. The committee does not understand how the administration can permit the construction of the facilities and refuse to budget for their operation. For Indian Health Facilities, an increase of $4,632,000 is recommended.

For Indian education, the committee recommends $59,660,000, an increase of $14.573,000 over the budget estimate. This enables the Indian education program to continue at the fiscal year 1976 and 1977 levels, plus a 5-percent inflation factor.

The committee has recommended $3 million for the Institute of Museum Services. There is still no director for this program. The National Endowments for the Arts and Humanities spends in excess of $12 million in support of museums. In addition, the Smithsonian provides support for museums. Committee intends to hold overview hearings on the total program this fall in order to correct apparent funding overlapping.

A reduction of $23,250,000 is made from the budget request for the Navajo/Hopi Relocation Commission because of pending litigation. If the appeal is heard and settled within a few months, and more than half of the families involved indicate a desire to relocate voluntarily, necessary funds can be considered in a supplemental appropriations bill.

Another area of concern to the committee during its deliberations is that involving the Smithsonian Institution, one of the great scientific and intellectual organizations in the world. The committee believes the relationship of the Smithsonian to the Federal Government should be defined. The Senate last year requested a GAO study of that relationship but the GAO clearly leaves much to be desired. The Regents have authorized their own study to define the Federal relationship and to recommend legislation to improve the situation. The committee has directed that a separate investigation be conducted, expecting that our investigation will approach the matter from a different perspective than that proposed by the Regents.

The committee has not approved funds for making grants to employees of the Smithsonian Institution in either the salaries and expenses account or the special foreign currency program. The committee has recommended an increase of $1,500,000 for construction and improvements of the National Zoological Park. This will permit fencing of the Front Royal Breeding Station and acceleration of planning at the waterfowl pond area and smaller cats building and the central area development plan. The committee did not recommend funds for the construction of a study and library addition on the History and Technology Building, and has deferred action until an assessment can be made by the investigative staff of the cost estimate and of other alternatives. Funds were also denied for planning for the last open site on the Mall. Funds were approved for planning for a museum support service center to be located in Suitland, Md. This building is estimated to cost $21,500,000 when it is finished.

The sum of $14,717,000, the budget request, was approved for the National Gallery of Art. This will provide for opening of the East Building Gallery to the public in the spring of 1978. A reduction of $50,000 was recommended for the Woodrow Wilson International Center for Scholars. No funds were allowed for permanent site planning. The committee believes the Center's present location is satisfactory and adequate.

For the National Foundation on the Arts and the Humanities, the budget request was approved. Some program redirection was provided to enable the Endowments for the Arts and the Humanities to initiate and expand new programs to reach organizations that have not previously been eligible for funding. The full budget requests for matching grants and challenge grants have also been provided.

Approval of the budget request for the Pennsylvania Avenue Development Corporation has been recommended. The committee thinks it is important to continue the program initiated in the supplemental to develop Pennsylvania Avenue in a manner suitable to its ceremonial, physical, and historical relationship to the Federal Government and the Nation.

As proposed by the administration, revenues from the sale of Elk Hills Naval Petroleum Reserve oil would be used to fund further development of naval reserves, the national petroleum reserve, Alaska, and oil purchases for the strategic petroleum reserve. If budgeted production were not achieved, revenues would not be sufficient to fund these essential programs. Therefore, the committee has recommended direct appropriations to those accounts and transfer of funds from the naval petroleum reserves special account to the General Fund of the Treasury. This removes the uncertainty from the administration proposal.

Under leave to revise and extend I will at this point insert in the RECORD a table summarizing the committee recommendations:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1977 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1978

Agency and item	New budget (obligational) authority, fiscal year 1977 [1]	Budget estimates of new (obligational) authority, fiscal year 1978	New budget (obligational (authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1977	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1978
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I—DEPARTMENT OF THE INTERIOR					
LAND AND WATER RESOURCES					
Bureau of Land Management					
Management of lands and resources	$272,977,000	[2] $238,466,000	$250,289,000	−$22,688,000	+$11,823,000
Acquisition, construction, and maintenance	10,760,000	17,558,000	16,827,000	+6,067,000	−731,000
Public lands development roads and trails (appropriation to liquidate contract authority)	(5,000,000)	(1,924,000)	(1,924,000)	(−3,076,000)	
Payments in lieu of taxes	100,000,000	100,000,000	100,000,000		
Rescission of contract authority (roads and trails)	(−13,900,000)			(+13,900,000)	
Oregon and California grant lands (indefinite appropriation of receipts)	41,250,000	45,000,000	45,000,000	+3,750,000	
Range improvements (indefinite, appropriation of receipts)	7,370,000	8,750,000	8,750,000	+1,380,000	
Recreation development and operation of recreation facilities (indefinite, special fund)	300,000	300,000	300,000		
Service charges, deposits, and forfeitures (indefinite, special fund)		11,250,000	11,250,000	+11,250,000	
Working capital fund		2,000,000	2,000,000	+2,000,000	
Miscellaneous trust funds (indefinite)		100,000	100,000	+100,000	
Total, Bureau of Land Management	432,657,000	423,424,000	434,516,000	+1,859,000	+11,092,000

Agency and item	New budget (obligational) authority, fiscal year 1977 [1]	Budget estimates of new (obligational) authority, fiscal year 1978	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1977	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1978
(1)	(2)	(3)	(4)	(5)	(6)
Office of Water Research and Technology					
Salaries and expenses	$19,024,000	$21,112,000	$26,409,000	+$7,385,000	+$5,297,000
Total, Land and Water Resources	451,681,000	444,536,000	460,925,000	+9,244,000	+16,389,000
FISH AND WILDLIFE AND PARKS					
Bureau of Outdoor Recreation					
Salaries and expenses	6,977,000	6,857,000	11,719,000	+4,742,000	+4,862,000
Land and Water Conservation Fund					
Appropriation of receipts (indefinite)	537,799,000	600,000,000	600,000,000	+62,201,000	
U.S. Fish and Wildlife Service					
Resource management	148,506,000	[3] 168,628,000	172,796,000	+24,290,000	+4,168,000
Construction and anadromous fish	24,211,000	[4] 42,692,000	62,903,000	+38,692,000	+20,211,000
Migratory bird conservation account (definite, repayable advance)	14,000,000	[5] 10,000,000	10,000,000	−4,000,000	
Development and operation of recreation facilities		150,000	150,000	+150,000	
Total, U.S. Fish and Wildlife Service	186,717,000	221,470,000	245,849,000	+59,132,000	+24,379,000
National Park Service					
Operation of the national park system	295,173,000	323,147,000	324,515,000	+29,342,000	+1,368,000
Construction	130,952,000	[6] 143,190,000	149,397,000	+18,445,000	+6,207,000
Road construction (appropriation to liquidate contract authority)	(21,800,000)	(30,198,271)	(30,198,271)	(+8,398,271)	
Rescission of contract authority (road construction)	(−118,995,000)			(+118,995,000)	
Preservation of historic properties	23,133,000	6,589,000	5,667,000	−17,466,000	−922,000
Historic preservation fund		35,000,000	40,000,000	+40,000,000	+5,000,000
Planning, development and operation of recreation facilities (indefinite, special fund)	14,000,000	14,000,000	14,000,000		
John F. Kennedy Center for the Performing Arts	7,600,000	3,783,000	3,750,000	−3,850,000	−33,000
Total, National Park Service	470,858,000	525,709,000	537,329,000	+66,471,000	+11,620,000
Total, Fish and Wildlife and Parks	1,202,351,000	1,354,036,000	1,394,897,000	+192,546,000	+40,861,000
ENERGY AND MINERALS					
Geological Survey					
Surveys, investigations, and research	320,193,000	353,622,000	367,524,000	+47,331,000	+13,902,000
Exploration of national petroleum reserve in Alaska	100,492,000	209,541,000	209,541,000	+109,049,000	
Total, Geological Survey	420,685,000	563,163,000	577,065,000	+156,380,000	+13,902,000
Mining Enforcement and Safety Administration					
Salaries and expenses	99,301,000	105,766,000	107,116,000	+7,815,000	+1,350,000
Bureau of Mines					
Mines and minerals	177,297,000	160,529,000	203,300,000	+26,003,000	+42,771,000
Construction of Metallurgy Research Center	9,259,000			−9,259,000	
Helium fund (permanent contract authority)		47,500,000			−47,500,000
Total, Bureau of Mines	186,556,000	208,029,000	203,300,000	+16,744,000	−4,729,000
Total, Energy and Minerals	706,542,000	876,958,000	887,481,000	+180,939,000	+10,523,000
INDIAN AFFAIRS					
Bureau of Indian Affairs					
Operation of Indian programs	626,183,000	654,740,000	672,096,000	+45,913,000	+17,356,000
Construction	77,101,000	87,247,000	94,103,000	+17,002,000	+6,856,000
Road construction	39,075,000	70,335,000	70,335,000	+31,260,000	
Road construction (appropriation to liquidate contract authority)	(36,795,000)	(22,912,000)	(22,912,000)	(−13,883,000)	
Indian loan guaranty and insurance fund	15,000,000			−15,000,000	
Alaska Native fund	30,000,000	30,000,000	30,000,000		
Trust funds (definite)	3,000,000	3,000,000	3,000,000		
Trust funds (indefinite)	25,400,000	23,000,000	23,000,000	−2,400,000	
Total, Bureau of Indian Affairs	815,759,000	868,322,000	892,534,000	+76,775,000	+24,212,000
TERRITORIAL AFFAIRS					
Office of Territorial Affairs					
Administration of territories	58,072,000	21,001,000	21,105,000	−36,967,000	+104,000
Permanent appropriation (special fund)	(256,000)	(336,000)	(336,000)	(+80,000)	
Transferred from other accounts (special fund)	(620,000)	(940,000)	(938,000)	(+318,000)	(−2,000)
Trust Territory of the Pacific Islands	101,717,000	96,083,000	109,544,000	+7,827,000	+13,461,000
Total, Office of Territorial Affairs	159,789,000	117,084,000	130,649,000	−29,140,000	+13,565,000
SECRETARIAL OFFICES					
Office of the Solicitor					
Salaries and expenses	12,916,000	14,054,000	13,844,000	+928,000	−210,000
Office of the Secretary					
Salaries and expenses	21,362,000	23,161,000	22,443,000	+1,081,000	−718,000
Departmental operations	13,726,000	13,464,000	12,922,000	−804,000	−542,000
Salaries and expenses (special foreign currency program)	907,000	1,000,000	285,000	−622,000	−715,000
Total, Office of the Secretary	35,995,000	37,625,000	35,650,000	−345,000	−1,975,000
Total, Secretarial Offices	48,911,000	51,679,000	49,494,000	+583,000	−2,185,000
Total, title I, new budget (obligational) authority, Department of the Interior	3,252,138,000	3,712,615,000	3,815,980,000	+563,842,000	+103,365,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1977 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1978—Continued

Agency and item	New budget (obligational) authority, fiscal year 1977 [1]	Budget estimates of new (obligational) authority, fiscal year 1978	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1977	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1978
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I—DEPARTMENT OF THE INTERIOR—Continued					
Consisting of:					
Appropriations	$3,385,033,000	$3,665,115,000	$3,815,980,000	+$430,947,000	+$150,865,000
Definite appropriations	2,758,914,000	2,962,715,000	3,113,580,000	+354,666,000	+150,865,000
Indefinite appropriations	626,119,000	702,400,000	702,400,000	+72,281,000	
Rescission of contract authority	−132,895,000			+132,895,000	
Permanent contract authortiy		47,500,000			−47,500,000
Memoranda: Appropriations to liquidate contract authority	(63,595,000)	(55,034,271)	(55,034,271)	(−8,560,729)	
Title I, new budget (obligational) authority and appropriations to liquidate contract authority	3,315,733,000	3,767,649,271	3,871,014,271	+555,281,271	+103,365,000
TITLE II—RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest protection and utilization:					
Forest land management	641,259,000	424,573,000	550,035,000	−91,224,000	+125,462,000
Forest research	89,785,000	95,650,000	102,899,000	+13,114,000	+7,249,000
State and private forestry cooperation	33,480,000	24,743,000	55,559,000	+22,079,000	+30,816,000
Total, forest protection and utilization	764,524,000	544,966,000	708,493,000	−56,031,000	+163,527,000
Construction and land acquisition	40,159,000	22,564,000	45,141,000	+4,982,000	+22,577,000
Youth conservation corps	60,000,000	[7] 30,375,000	60,000,000		+29,625,000
Forest roads	206,800,000	212,115,000	212,115,000	+5,315,000	
Timber salvage sales	3,000,000			−3,000,000	
Forest roads and trails	12,952,000	126,241,000	175,833,000	+162,881,000	+49,592,000
Forest roads and trails (appropriation to liquidate contract authority)	(208,104,000)	(78,781,000)	(78,781,000)	(−129,323,000)	
Rescission of contract authority (roads and trails)	(−39,827,943)			(+39,827,943)	
Acquisition of lands for national forests:					
Special acts (special fund, indefinite)	160,000	165,000	165,000	+5,000	
Acquisition of lands to complete land exchanges	54,000	38,000	38,000	−16,000	
Rangeland improvements (special fund, indefinite)	700,000	5,200,000	5,200,000	+4,500,000	
Assistance to States for tree improvement	1,385,000	1,387,000	1,387,000	+2,000	
Construction and operation of recreation facilities (indefinite, special fund)	2,552,000	4,084,000	4,084,000	+1,532,000	
Total, Forest Service	1,092,286,000	947,135,000	1,212,456,000	+120,170,000	+265,321,000
ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION					
Operating expenses, fossil fuels	521,775,000	[8] 795,800,000	710,927,000	+189,152,000	−84,873,000
Plant and capital equipment, fossil fuels	62,220,000	[9] 95,970,000	90,970,000	+28,750,000	−5,000,000
Total, Energy Research and Development Administration	583,995,000	891,770,000	801,897,000	+217,902,000	−89,873,000
FEDERAL ENERGY ADMINISTRATION					
Salaries and expenses	212,712,000	[10] 344,310,000	290,326,000	+77,614,000	−53,984,000
Strategic petroleum reserve	447,824,000	[11] 3,018,933,000	2,309,033,000	+1,861,209,000	−709,900,000
Total, Federal Energy Administration	660,536,000	3,363,243,000	2,599,359,000	+1,938,823,000	−763,884,000
DEPARTMENT OF DEFENSE					
Naval petroleum reserves	305,624,000	205,995,000	155,739,000	−149,885,000	−50,256,000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Health Services Administration					
Indian health services	345,892,000	368,066,000	429,901,000	+84,009,000	+61,835,000
Indian health facilities	163,163,000	[12] 74,425,000	79,057,000	−84,106,000	+4,632,000
Total, Indian health	509,055,000	442,491,000	508,958,000	−97,000	+66,467,000
Office of Education					
Indian education	57,212,000	45,087,000	59,660,000	+2,448,000	+14,573,000
Office of Assistant Secretary for Education					
Institute of Museum Services	100,000	[13] 3,000,000	3,000,000	+2,900,000	
INDIAN CLAIMS COMMISSION					
Salaries and expenses	1,560,000	1,545,000	1,500,000	−60,000	−45,000
NAVAJO AND HOPI RELOCATION COMMISSION					
Salaries and expenses	400,000	25,200,000	1,950,000	+1,550,000	−23,250,000
SMITHSONIAN INSTITUTION					
Salaries and expenses	85,236,000	89,033,000	88,243,000	+3,007,000	−790,000
Musuem programs and related research (special foreign currency program)	3,481,000	4,500,000	4,000,000	+519,000	−500,000
Science information exchange	1,972,000	1,977,000	1,977,000	+5,000	
Construction and improvements, National Zoological Park	6,580,000	1,000,000	2,500,000	−4,080,000	+1,500,000
Restoration and renovation of buildings	2,950,000	9,700,000	2,210,000	−740,000	−7,490,000
Construction		325,000	325,000	+325,000	
Salaries and expenses, National Gallery of Art	12,686,000	14,717,000	14,717,000	+2,031,000	
Salaries and expenses, Woodrow Wilson International Center for Scholars	1,140,000	1,306,000	1,256,000	+116,000	−50,000
Total, Smithsonian Institution	114,045,000	122,558,000	115,228,000	+1,183,000	−7,330,000
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES					
Salaries and Expenses					
Endowment for the arts	77,500,000	89,000,000	89,100,000	+11,600,000	+100,000
Endowment for the humanities	77,500,000	87,000,000	87,800,000	+10,300,000	+800,000
Administrative expenses	11,743,000	18,000,000	17,100,000	+5,357,000	−900,000
Total, salaries and expenses	166,743,000	[14] 194,000,000	194,000,000	+27,257,000	

Agency and item	New budget (obligational) authority, fiscal year 1977 [1]	Budget estimates of new (obligational) authority, fiscal year 1978	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1977	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1978
(1)	(2)	(3)	(4)	(5)	(6)
TITLE II—RELATED AGENCIES—Continued					
Matching Grants					
Endowment for the arts (indefinite)	$16,500,000	$25,500,000	$25,500,000	+$9,000,000	
Endowment for the humanities (indefinite)	16,000,000	25,500,000	25,500,000	+9,500,000	
Total, matching grants	32,500,000	51,000,000	51,000,000	+18,500,000	
Total, National Foundation on the Arts and the Humanities	199,243,000	245,000,000	245,000,000	+45,757,000	
COMMISSION OF FINE ARTS					
Salaries and expenses	221,000	234,000	233,000	+12,000	−1,000
ADVISORY COUNCIL ON HISTORIC PRESERVATION					
Salaries and expenses	227,000	1,230,000	1,100,000	+873,000	−130,000
NATIONAL CAPITAL PLANNING COMMISSION					
Salaries and expenses	1,966,000	1,819,000	1,819,000	−147,000	
AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION					
Salaries and expenses	65,000			−65,000	
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION					
Salaries and expenses	29,000	30,000	25,000	−4,000	−5,000
JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA					
Salaries and expenses	737,000	712,000	712,000	−25,000	
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION					
Salaries and expenses	1,032,000	1,336,000	1,271,000	+239,000	−65,000
Land acquisition and development (borrowing authority)	25,000,000	7,500,000	7,500,000	−17,500,000	
Public development	4,081,000	12,354,000	12,354,000	+8,273,000	
Total, Pennsylvania Avenue Development Corporation	30,113,000	21,190,000	21,125,000	−8,988,000	−65,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Petroleum Reserves (indefinite, special fund) (by transfer)	(400,340,000)	(561,200,000)	(561,200,000)	(+160,860,000)	
Total, title II, new budget (obligational) authority, related agencies	3,517,586,057	6,318,239,000	5,729,761,000	+2,212,174,943	−588,478,000
Consisting of:					
Appropriations	3,532,414,000	6,310,739,000	5,722,261,000	+2,189,847,000	−588,478,000
Definite appropriations	3,496,502,000	6,250,290,000	5,661,812,000	+2,165,310,000	−588,478,000
Indefinite appropriations	35,912,000	60,449,000	60,449,000	+24,537,000	
Borrowing authority	25,000,000	7,500,000	7,500,000	−17,500,000	
Rescission of contract authority	−39,827,943			+39,827,943	
Memoranda: Appropriations to liquidate contract authority	(208,104,000)	(78,781,000)	(78,781,000)	(−129,323,000)	
Title II, new budget (obligational) authority and appropriations to liquidate contract authority	3,725,690,057	6,397,020,000	5,808,542,000	+2,082,851,943	−588,478,000
RECAPITULATION					
Total, new budget (obligational) authority, all titles	6,769,724,057	10,030,854,000	9,545,741,000	+2,776,016,943	−485,113,000
Consisting of:					
Appropriations	6,917,447,000	9,975,854,000	9,538,241,000	+2,620,794,000	−437,613,000
Definite appropriations	6,255,416,000	9,213,005,000	8,775,392,000	+2,519,976,000	−437,613,000
Indefinite appropriations	662,031,000	762,849,000	762,849,000	+100,818,000	
Borrowing authority	25,000,000	7,500,000	7,500,000	−17,500,000	
Rescission of contract authority	−172,722,943			+172,722,943	
Permanent contract authority		47,500,000			−47,500,000
Memoranda: Appropriations to liquidate contract authority	(271,699,000)	(133,815,271)	(133,815,271)	(−137,883,729)	
Grand total, new budget (obligational) authority and appropriations to liquidate contract authority	7,041,423,057	10,164,669,271	9,679,556,271	+2,638,133,214	−485,113,000

[1] Includes amounts in Public Law 95-26.
[2] Includes budget amendment of $755,000 contained in H. Doc. 95-93.
[3] Includes budget amendment of $13,000,000 contained in H. Doc. 95-93.
[4] Includes budget amendment of $30,000,000 contained in H. Doc. 95-93.
[5] Budget amendment contained in H. Doc. 95-93.
[6] Includes budget amendment of $91,000,000 contained in H. Doc. 95-93.
[7] Includes budget amendment of $14,175,000 contained in H. Doc. 95-93.
[8] Includes budget amendments of $22,000,000 contained in H. Doc. 95-156 and $160,900,000 contained in H. Doc. 95-97.
[9] Includes budget amendment of $2,000,000 contained in H. Doc. 95-156.
[10] Includes budget amendment of $85,847,000 contained in H. Doc. 95-93.
[11] Includes budget amendment of $1,329,400,000 contained in H. Doc. 95-93.
[12] Includes budget amendment of $5,642,000 contained in H. Doc. 95-93.
[13] Budget amendment contained in H. Doc. 95-93.
[14] Includes budget amendment of $1,500,000 contained in H. Doc. 95-93.

Mr. McDADE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I rise in support of H.R. 7636, making appropriations for the Department of the Interior and related agencies for fiscal year 1978, and to urge its approval by the House.

Mr. Chairman, I believe your committee has brought before the House an excellent bill reflecting the inputs of all of the members of the subcommittee and indeed those of countless Members of this House, many of whom testified before us concerning their particular concerns. This is a concensus bill largely because of the skill and fairness of our distinguished chairman of the subcommittee, Mr. YATES. Because of the open and constructive way in which he conducts our hearings, our markups, and our deliberations, we can all enthusiastically endorse this bill.

As the Members review it you will see the mark made by all of our subcommittee members in various areas of the bill. It is first and foremost a resource management bill that seeks to efficiently and effectively husband the natural, energy and human resources of our Nation in a way that responds to many of our national goals.

The bill contains $9.5 billion in new budget authority. Yet it is $485 million below the budget request. This reduction reflects a significant cut in the strategic petroleum reserve program. Yet I assure the Members that we have provided more than ample funding for this program and we are still well within their capability to undertake this activity.

The bill also generates $5.2 billion in estimated receipts realized to the

Treasury in the form of OCS lease sales and royalties, grazing fees, and timber sales. It is a very capital intensive bill because it invests money today that will realize revenues tomorrow.

The Interior appropriations bill has grown dramatically in the past years. This is because of our commitment to develop the vast and often complex energy programs being advanced as part of our drive for energy self-sufficiency. Today we are approving $9.5 billion in new budget authority, $4.5 billion of which is directly related to energy and its related needs.

Mr. Chairman, one cannot talk about this bill without talking about energy. Your committee has reviewed and approved the appropriation of funds that should advance us down the road to meeting our energy needs.

We have provided a 25-percent increase in the amounts available for new fossil fuel programs at ERDA to develop our vast coal reserves and to convert them into cleaner, more desirable energy sources.

We have increased the capital construction program at ERDA by 50 percent to accelerate the demonstration of new technology in gasification, direct combustion and liquefaction of coal.

We have provided a 100-percent increase in energy conservation programs cutting only where we believed FEA and ERDA could not effectively spend the money. We have reaffirmed the strong commitment shared by the Congress to seek new ways of saving the lost energy that we currently expend using our existing technology.

The committee has taken strong new initiatives within the Bureau of Mines to prevent the energy crisis from becoming a minerals crisis. We have added significant sums for new coal mine safety technology and advanced recovery techniques to help the administration meet its goals of increasing domestic coal production.

And we have provided additional funds to help train miners and mine safety inspectors to encourage the manpower needs of our coal industry.

The $4.5 billion that we are spending on energy today will be returned to us tomorrow in new energy dividends realized for the advanced technology that will be funded in this bill.

Mr. Chairman, this bill not only seeks to develop our energy resources, it also seeks to develop our human resources as well. Each year the committee has undertaken a major initiative aimed at improving the lives of our Native Americans and those residents of the trust territories for whom we have a special responsibility. This bill contains $1.4 billion to improve the health, education, and employment opportunities of the American Indians.

Each year we have told you of the dramatic progress made by the Indian Health Service in reducing the gap between the needs of the Indian people and the American people in general. Again this year we can report improved progress. Since 1955 the death rate has declined 71 percent; infant disease death rates have declined 70 percent; the death rate from pneumonia and influenza, two diseases most Americans no longer worry about, are down 63 percent. Tuberculosis, considered conquered by most Americans, still strikes too many Indian people. Yet, because of the committee initiatives contained here, we can tell you that in the past two decades the death rate from TB has declined from 8 of 1,000 to 1 of 1,000 Indians.

In the same period, we have increased the life expectancy of the Indian people by 5 years, from 60 to 65 years. Such meaningful progress, however, can only be measured in how firm our commitment remains to bring the health standards of all Americans to an equal footing. This bill adds $66 million for personnel and construction to implement the recently enacted Indian Health Care Act. These actions will help us keep pace with the progress we have made to date.

Many of the resources which most of us take for granted are those we see about us each day. Our national parks are priceless treasures which support 276 million visitor days each year. Our national forests have even more visitors. And the thousands of State and local recreational opportunities that form the basis of our outdoor life are funded here; $1.39 billion has been provided by your committee to fund the activities of the National Park Service, the Bureau of Outdoor Recreation and the Fish and Wildlife Service. Some of the committee initiatives here deserve special note.

We funded the full amount for the Land and Water Conservation Fund and provided a $22 million level for the wetlands across the country.

We gave the Fish and Wildlife Service additional funds to support the production of 5.9 million pounds of fish per year, supporting 59 million fishermen days annually and we increased funds for endangered species grants.

We approved $5 million for the very popular historic preservation grants program, bringing the program levels to $40 million this coming year, thereby enabling us to preserve the important historical landmarks that our people deem worthy of saving.

We initiated a new $5 million program in the Bureau of Outdoor Recreation to acquire abandoned rail rights of way and to convert them to bike and hiking trails.

Another renewable resource that has commanded increased committee attention is the activities directed by the U.S. Forest Service. Your committee provided $1.2 billion to fund the vast multiple use activities under USFS.

The most significant committee action was to fund the targets set forth under the Humphrey-Rarick Act also known as the Resources Planning Act. This is the first year of funding for this act and the committee made sure that every account was provided an 85 percent increase. Some items were increased 100 percent. And while this will result in one of the largest increases above the budget found anywhere in the bill, it will also result in one of the wisest investments found anywhere in this bill.

The Forest Service manages 187.5 million acres of land in this country; 213 million visitor-days make our national forest more heavily visited and more heavily used than our national parks. These lands contain 6 million head of livestock, 3.5 million big game animals, and millions of acres of timber vital to our housing industry, our water supply and our wildlife habitat.

The funds we provide here will reforest 206,000 acres of destroyed forest lands. They will improve 287,000 acres of timber stands. They will keep 281 recreation sites open. Most important, they will increase the sale and harvest of timber by 1.22 and 1 billion board feet next year.

In addition the committee moved to guarantee that thousands of needy young people will have summer jobs next year by increasing the funds available to the popular YCC program by $29.6 million. This means that 40,000 more young people will be working on conservation projects next summer in our national forests.

Mr. Chairman, one more item contained herein is, I believe, very important to the Members of this House. We provided $343 million to fund the activities of the artistic and cultural programs of the National Endowment of the Arts and Humanities, as well as the Smithsonian Institution. Your committee provided all of the funds requested by both endowments, including all of the funds requested for their challenge grant programs. These investments will generate anywhere from $3 to $6 from the private sector for every dollar invested by the public sector. They will greatly assist our efforts to enrich the cultural institutions large and small across our Nation.

This bill also contains $11 million in additional funds to conduct three very important programs in northeastern Pennsylvania. The committee added $7.9 million for the Bureau of Mines to expand upon the unique Federal mine subsidence control programs which have been so successful in protecting property, cleaning up the environment, and developing additional land for reuse. As our Nation begins to undertake a massive new commitment to increase our coal production and as we begin to implement the provisions of a new strip mine bill, we need to know everything possible about controlling the ravages of deep mine subsidence.

The committee also agreed to a request I made to add funds for the completion of construction at the National Fisheries Research Center located in Tioga County, Pa. The $1.8 million contained in this bill will complete all of the outside holding ponds, the utilities, the access roads and the supportive services necessary to begin operations next year. It is expected that the entire complex will be fully operational in 1979. At that time it will be the focal point of the Fish and Wildlife Service's efforts to produce improved strains of warm, cool, and cold water species and to develop new methods of disease control.

Finally the committee agreed to my request to add $522,000 to the Forest Service to begin a 4-year program to expand and update the facilities at Grey Towers, the ancestral home of Gifford Pinchot, located near Milford, Pa. It is the intention of the USFS to convert the

Pinchot Home into one of the Nation's leading environmental education centers. It is a magnificent way to use the State of the man who founded the Forest Service and was one of our Nation's pioneers in conservation.

Grey Towers will house a major environmental education conference, a YCC day camp, and greatly expanded interpretive programs. It will serve not only as a national center for environmentalists and scholars but as a tourist attraction of its own. It will be an exciting addition to the Forest Service facilities.

Mr. Chairman, I hope the Members will read the report carefully to discover the wealth of programs funded here. The committee conducted the most exhaustive hearings ever, examining a cross section of experts, administration witnesses and other Members of Congress. We drew from their expertise and in the process added some and cut some funds. We gave the agencies what we thought they could obligate to conduct an effective, viable level of activity for the coming year. The bill is under the proposed budget estimates submitted by the administration yet it is generous in funding programs necessary to our Nation's well-being. It deserves the support of every Member of this House and I urge its approval.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to my colleague, the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, as the very distinguished colleague and dean of the Pennsylvania delegation on our side knows, the Valley Forge Park became a national park on April 1 of this year. There is now a rumor that the staff at Valley Forge will be cut from a level of 61 personnel that were approved in the supplemental appropriation bill down to 41 personnel. This would be a tragedy if we lose the level of maintenance at that very important national shrine below what is necessary to handle the visitors and preserve the Valley Forge Park. This would be a tragedy.

I would like to have the assurance of the committee, if possible, that the level will be maintained at 61 personnel.

Mr. McDADE. Mr. Chairman, I thank my colleague for this information.

I want to say as emphatically as I can that this committee wants to see the funding levels at the Valley Forge National Park continued at not less than 61 people. I am sure my friend, the chairman of the committee, the gentleman from Illinois, shares my view.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman correctly states the view of the gentleman from Illinois. I agree with the gentleman.

Mr. McDADE. Mr. Chairman, I know of the work that was done by my colleague, the gentleman from Pennsylvania, and my other colleague, the gentleman from Pennsylvania (Mr. SHULZE) in establishing the park. We are thrilled to have it as part of our system. I can say with every bit of enthusiasm I can muster, we are going to make sure they have adequate personnel.

Mr. COUGHLIN. Mr. Chairman, if the gentleman will yield further, that is not less than 61?

Mr. McDADE. That is not less than 61.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. McDADE. Mr. Chairman, I yield myself an additional 2 minutes.

Mr. Chairman, I conclude by saying that perhaps the largest increase we have made in this bill is to the U.S. Forest Service. I think that every Member of this body would agree with those increases. We have provided for the first time what seems to us an adequate amount of money to try to get this enormous treasure, known as our U.S. Forest Service, containing so many renewable assets that are so vital to our economy in an overall productive way that will let them do a balanced job.

What we did was to in a sense ignore the budget request to the extent that they did not come up to or comply with the targets that were set forth under the Resources Planning Act. As my good friend and colleague, the gentleman from Oregon (Mr. DUNCAN) who worked so hard on this problem knows, we have made every single part of the Forest Service average out to 80 percent, in some cases to 100 percent. Think of the management responsibilities they have. One hundred and eighty-seven million acres of land that belong to every future generation of this land to protect. Two hundred and thirteen visitor days of recreation in those forests, making it the most heavily used recreational asset we have. These lands contain 6 million head of livestock, 3½ million big game animals, and millions of acres of timber, vital to our housing industry and our water supply and wildlife habitat.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. McDADE. Mr. Chairman, I yield myself 2 additional minutes.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Mr. Chairman, I want to endorse everything the gentleman has said. Aside from the fact we have no political differences on this committee, we have been able, due to the work of the ranking minority member and the chairman, to bridge whatever geological differences we have.

I am particularly glad to endorse what the gentleman is talking about and saying now about the investment we are making in the natural resources of the Nation. I have some figures to supplement what the gentleman has been saying; and I want to direct the House's attention to the fact that the gentleman has recited benefits across the whole spectrum of the productivity of the resource agencies, from cattle to water, to air, wildlife, timber and land and recreation. This committee has paid attention to all of them.

Its not on expenditure we are making. Its an investment. For example we put in over the budget for timber about $72 million. In this next year the Treasury Department fully expects to get back between $55 million and $60 million in returns, so that there is only a $12 million difference in the return on that investment and that will come back to us in the first year. That investment continues to produce revenues over the entire life of those trees that we have planted.

Mr. McDADE. Mr. Chairman, I agree with what my colleague has said. The gentleman has been a great and constructive force in the committee in educating us on this problem.

I just want to emphasize, we all hear about renewal of the activity in the housing market and we keep reading in the paper every day that the housing market is plunging along and beginning to pull other industries with it. If we do not get on with this kind of activity, there will be no new resources.

Mr. DUNCAN of Oregon. They are renewable resources, but we must give them the dollars to enable them to be renewed. I am delighted that we have got to 85 percent of the investment we ought to be making, but I do not want the gentleman from Pennsylvania to assume that I will be satisfied with anything less than 100 percent.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. McDADE. Mr. Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The gentleman is recognized for 2 additional minutes.

Mr. McDADE. I know my colleague is much more pleased with those amounts that are funded at 100-percent level than he is with those that are at 85 percent, but think of the significance of what we do here.

Mr. YATES. Mr. Chairman, will the gentleman yield for a correction?

Mr. McDADE. I yield.

Mr. YATES. Our colleague from Oregon is not satisfied with 100 percent; he is satisfied only with 125 percent.

Mr. McDADE. I accept that. The funds that are in here are going to reforest 206,000 acres of destroyed forest land; improve 287,000 acres of timber stands; they will keep open, under the great leadership of the gentleman from Utah, 281 recreation sites around this Nation. And most important, they are going to provide additional board feet to make sure that the housing industry does not get caught and we do not get an inflationary run by trying to keep the price of lumber down. And, we will have the renewable resource to do the job.

I have taken enough time in general explanation. It is a good bill. It is a resource bill, and I think all of us can support it with enthusiasm. I hope, when we do get to the amending stage, that the Members of this body will stick with the committee.

Mr. YATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, at this point I would like to say that I feel highly privileged and greatly honored to serve on this subcommittee under my friend, SID YATES of Illinois. Though I have been

on the Appropriations Committee for quite some time and have worked with my able colleagues on this subcommittee, I have known of the fine job that the members have done through the years. However, this is the first opportunity I have had to serve on this particular subcommittee. I consider myself most fortunate to be on what I consider the three subcommittees of the Appropriations Committee that work closest to the resources of this country to which we must look for support for everything else—Interior, Public Works, and Agriculture.

OUR CAPITOL

My colleagues have covered many aspects of the bill before us, but I would like to address myself, first, to one item that I think is of national interest and which I was pleased to promote with the support of the committee and that is the restoration of Pennsylvania Avenue from the Capitol to the White House. This, Mr. Chairman, for all practical purposes is deemed by the people of the Nation as a part of the Capitol. As I mentioned earlier, a reading of "Reveille in Washing" by Margaret Leech revives in us the patriotic feeling we should have toward our Nation's Capital and we have set in motion the corporation to bring about such restoration.

ENERGY

Now I would like to point out several actions which were taken which appear to be vital and some of which are of particular interest to my section of the country. First, with regard to energy, there is no question but what there is a constantly increasing need for power or energy. In view of the evident shortage at present and greater shortages facing us in the future, it is absolutely essential that we proceed as expeditiously as possible not only to develop efficient means of providing additional and substitute sources of power, but that we reassess the use of that power which we have. When we learn that coal constitutes about 90 percent of the world's known deposit of fossil fuel which includes oil and gas it is wise indeed for us to turn toward opening up our coal supplies, which are estimated at not less than a sufficient supply for 500 years, of course, eliminating the undersirable features of using coal to the degree possible. This is true not only because it would free us of dependence upon the OPEC nations but our coal is accessible and can be made more accessible.

In this bill, too, we recommend reassessing the method by which we convert coal into other energy, particularly when we learn that coal loses about 50 percent of its energy in the process of converting it into gas and electricity.

Our committee has given real attention to the continuing research on nuclear energy, solar energy and all of the so-called exotic sources of additional power. At my insistence, the investigating staff of the Appropriations Committee is continuing its study of the total energy picture, that its findings may be made available to us.

OPENING UP OUR COAL SUPPLY

In my immediate area, Mr. Chairman, I was able some years ago to finally get the Tennessee-Tombigbee navigation project under construction. This will have the effect of opening up through this navigation canal about two-thirds of the known deposits of coal in the United States, which are to be found in the area of eastern Tennessee, Kentucky, and West Virginia. On a local scale, I have asked for a study and report by the Tennessee Valley Authority of the feasibility of generating electricity from the flood control reservoirs in my section—Arkabutla, Sardis, Enid, and Grenada Lakes.

THE NATCHEZ TRACE

Another item in this bill which has taken a long time to complete is the Natchez Trace project which comes under the Park Service and which was dormant for many years. In the supplemental bill passed earlier this year, our subcommittee and the full committee recommended and the Congress approved $29½ million for construction on the Natchez Trace. In the bill before us, we call on the States of Alabama and Tennessee to expedite the acquisition of the remaining small parcels of rights-of-way "that we may get the project completed." The Natchez Trace, a historical line of travel from Nashville, Tenn., to Natchez, Miss., not only will be of great interest to the American people but of great value.

VICKSBURG

The committee also provided $1,800,000 to enable the people of Vicksburg, Miss., to meet the traffic problems occasioned by the national park in that section.

ENDANGERED SPECIES

In this bill, I also addressed my efforts toward correcting the ill-effects of the misconstruction by the courts and by some members of the executive branch of the Endangered Species Act. In this connection our committee has approved language which calls on the Department of the Interior to make provisions for the standhill cranes, a said-to-be endangered species which has served to block the completion of Interstate Highway 10 along the Mississippi gulf coast.

In our hearings, officials of the Fish and Wildlife Service agreed that the Endangered Species Act—ESA—was never intended to block projects, and agreed further that the act itself provided for protection of endangered species by numerous methods including relocation.

Based on this record, I offered language, which has been adopted in the report, calling on the Fish and Wildlife Service, the National Park Service, the Bureau of Land Management, the Bureau of Outdoor Recreation and the Forest Service to cooperate fully as contemplated by the act to preserve the endangered species by any measures available including relocation.

The language further states, "Funds included in the bill for the above agencies are available for this purpose." Mr. Chairman, our committee also adopted language covering future actions, as follows: "Before declaring a species to be endangered or threatened under the ESA, the Secretary of the Interior should make a reasonable effort to be sure a newly discovered species does not exist in other places in addition to the place where the specimen has been first found." Actually, Mr. Chairman, I believe many of the so-called newly discovered endangered species are in reality varieties of known species which are not endangered. The action taken by the committee was necessary and follows pleas from officials of my State.

WE MUST DEVELOP AND PROTECT OUR COUNTRY

Now, Mr. Chairman, I could cover the many other items in the bill—the protection and use of forest lands, the development of our parks, the arts and sciences and many other worthwhile programs that come under the jurisdiction of this committee. Suffice it to say that it is all important to us as a Nation. We should be proud of our heritage to the point of developing and protecting it. As I have said so many times, the undeveloped countries we aid today have simply not developed their resources and the worn-out countries such as China and India, are in their particular condition because, while they developed their resources years and years ago, they failed to protect them and now they have little on which to build—this we cannot let happen to our country.

Truly, it is a great privilege to serve on the Appropriations Committee and on the three subcommittees—Interior, Public Works and Agriculture—in which our joint efforts along the lines of resource development and resource protection are centered.

Mr. YATES. Mr. Chairman, I yield 5 minutes to the gentleman from Washington (Mr. McCORMACK).

Mr. McCORMACK. Mr. Chairman, I would like to announce that under the 5-minute rule the gentleman from California (Mr. BROWN) and I will submit an amendment to this bill which will increase the total appropriation level in the field of energy conservation by $39.78 million. As I mentioned when I addressed the House in the debate on the rule on this bill, the authorizing committee has authorized funding in excess of the administration request by $86.8 million, whereas the Appropriations Committee request is below the administration figure by $15.3 million, meaning a difference of $102.1 million. Our amendment of $39.8 million—roughly $40 million—is about 40 percent of this, and we are on the low side in making this request.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. McDADE. I really would appreciate getting a copy of the gentleman's amendment.

Mr. McCORMACK. I will be glad to provide that. The amendment simply amends the total amount under energy conservation, $39.78 million.

Mr. McDADE. According to the amounts?

Mr. McCORMACK. That is correct. I will provide the gentleman with a copy of the amendment and the details. I will not attempt to go into these details at this time. It would be very difficult to show, because in each committee they treated the subject uniquely. In some instances, the authorizing committee in-

creased the administration levels, in some cases, it decreased those levels, but in almost all cases it increased them.

Then, the Appropriations Committee did the same thing, but in different ways, so that it is a very complex pattern if one tries to analyze all the details. I will point out to the members of the committee that in the 14 subcategories of the amendment 11 categories are to increase levels up to administration's requests.

We are, in most cases, simply bringing the bill into levels consistent with those proposed by the administration.

Mr. Chairman, I would be glad to try to answer questions.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. I thank the gentleman for yielding.

Mr. Chairman, as cosponsor of the amendment, I want to express my own very strong support for the action which is proposed in this amendment. I have the greatest admiration and respect for the Committee on Appropriations and for the distinguished chairman and ranking minoirty member. I recognize that one takes certain risks in attempting to alter the wisdom which they have reflected in these numbers. I went through this exercise last year, as the gentleman will recall. I ended up with the complete assurance of the chairman that every opportunity would be driven to increase the funding for end use energy conservation. I think the gentleman spoke in a fashion reflecting his own intentions. But what actually occurred, oddly enough, in the conference report on this bill, was that the final figures for end use energy conservation were below the figures adopted in either the House or the Senate, by some odd quirk. I recognize this could happen again this year. But the situation has changed this year. We have a new administration, which has placed the highest priority on energy conservation. I think, with the increased support for the administration, with the increased enthusiasm of the Energy Research and Development Administration, that some of the points made by the distinguished chairman with regard to their inability to adequately expend the funds which were appropriated no longer apply. I know that the authorizing committee has acted very diligently to try to correct the points which has been made by the Committee on Appropriations with regard to the way these funds are being spent.

I urge support for the proposed amendment.

Mr. YATES. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, I want to join those who have expressed their support for the legislation now before the House and to add my commendation to the gentleman from Illinois (Mr. YATES) and the gentleman from Pennsylvania (Mr. McDADE) who serve as the chairman and the ranking minority member of the Appropriations Subcommittee for the Interior Department and Related Agencies. In general, this bill is sound; this bill is responsible, and this bill provides a basis for a progressive program for the enhancement and conservation of the Nation's natural resources.

While I do not agree with every detail in this bill, Mr. Chairman, I know that the members of the subcommittee and of the full committee must take into consideration a variety of competing demands. On the whole, I think our colleagues on the committee have struck a good balance and I am pleased to support the bill.

SPECIFIC ITEMS OF INTEREST

It is not my intention, Mr. Chairman, to attempt to explain the details of this legislation—the able gentleman from Illinois can do that far better than I—but I do want to briefly lend my support to some specific elements in the bill and make comments on a few of its other features.

NATIONAL WATER POLICY

First, I noted with interest the strong position taken by the committee with respect to the development of a national policy on water. Probably no resource is more dear to this Nation than water. Events of this year alone have shown the critical role which it plays in the economic and social well-being of our people. I wholeheartedly concur in the recommendation of the committee that we get on with the development of a meaningful national water policy and I pledge to make every effort to work constructively toward this end. Certainly we have available the studies that we need in order to do this job and I agree that we should take positive and constructive steps now so that we are not confronted with a new crisis a few years down the road.

ENERGY PROGRAMS

As everyone knows, the principal authorizing committee dealing with the Nation's natural resources is the Committee on Interior and Insular Affairs, which I have the good fortune to chair. Our committee has been working on affirmative action programs to convert some of the Nation's more abundant energy resources into usable commodities. We have worked long and hard to develop a sound, sensible surface mining bill—and I believe that will be law before too much longer. We promoted legislation to develop the oil resources in the Naval Petroleum Reserves—and this bill takes a significant step forward toward exploring and developing the hopefully great, but unknown, values of the National Petroleum Reserve in Alaska. We resolved a controversial dispute dealing with the trans-Alaska oil pipeline—and oil will begin to flow through it before long. Added to that, we have started to try to find a solution to shipping the natural gas from that vast area to the places where is is most needed and we are working toward a solution of the problems dealing with coal slurry. I certainly welcome the positive action which the committee is taking in this bill to do everything we can to solve the energy dilemma. It is only by this kind of action that we can finally get a handle on this difficult problem.

INDIAN PROGRAMS

In recent years, the authorizing committee has recommended and the Congress has approved some bold new programs for our native Americans. This bill implements and carries forward these important efforts. I am pleased to commend the committee on its recommendations with respect to Indian health and education facilities and services, in particular, because these are areas which have been so neglected in the past. I also note with approval the comment in the committee report regarding the appointment of an Assistant Secretary for Indian Affairs. Everyone familiar with the present operation of the Bureau of Indian Affairs recognizes that something must be done to make that agency more responsive to the needs and problems of the Indian people and many of us have felt that the appointment of a high-level policymaker, having direct communication with the Secretary, would be extremely helpful.

I should also mention, Mr. Chairman, that the House has considered and approved an amendment to extend the Indian business development program. Our committee included provisions in this regard in our budget estimates. I realize that the committee did not have this authorization in time to consider it in connection with H.R. 7636, but it is my hope that if the authorization is approved in time that the other body will include at least $10 million for this program for fiscal year 1978.

NATIONAL PARK AND RECREATION PROGRAMS

Everyone should be pleased that the committee is recommending full funding for the land and water conservation fund. In doing so, the legislation will make possible the acquisition of lands for national parks, recreation areas, and historic sites all over the Nation, as well as other valuable natural and recreational lands authorized for acquisition by the Forest Service, the U.S. Fish and Wildlife Service, and the Bureau of Land Management. I have often said that if some of the prime natural areas of the Nation are to be saved for the enjoyment of present and future generations, then we must move positively and swiftly to acquire and protect them. H.R. 7636 is a strong move in that direction. In addition, the bill provides a significant increase in the funds to be available to the States for matching grants-in-aid. These funds are used to encourage the States to provide needed State and local outdoor recreation opportunities.

REFORESTATION PROGRAMS

Mr. Chairman, I especially want to commend the committee for its recommendations with respect to reforestation and rehabilitation of our public lands. Perhaps no area deserves more attention than this. Not only are programs such as these sound in terms of conservation, but they are sound investments which will pay big dividends in the future. This is a feature of the bill, which I believe everyone in this House should support.

ITEMS OF DISAGREEMENT

There are some items, however, with which I must take some exception. First, even though the late Paul Douglas was a

close friend of mine and even though I agree that he played a pivotal role in the creation of the Indiana Dunes National Lakeshore, I cannot agree with the procedure adopted in this bill to rename the lakeshore.

It is my intention, in the near future, to introduce legislation more in keeping with past practices which will give appropriate recognition to Senator Douglas for his great contributions to this long struggle to preserve a portion of this resource. In the meantime, I must reluctantly oppose the inclusion of the provision in the appropriation bill and will make a point of order against it at the appropriate time.

Second, I noted the language in the report on the Mar-A-Lago National Historic Site and I regret that the modest amount of Federal funds budgeted for this area was deleted. It is appropriate that the Government pay the supervisory and management employees at areas of this kind, particularly when the bulk of the costs are paid from proceeds from a donated trust fund, as is the case here. Mar-A-Lago is an architectural achievement that will probably not be duplicated in this country. It has been recognized as a historic site by the Congress and no divestment can take place without further legislation. Such action, I might add, would be unprecedented and is not an action which I would personally recommend. I am confident that a viable and reasonable program for this site can be worked out so that it can be a meaningful and useful unit of the National Park System.

Finally, I want to briefly comment on the historic preservation program. The whole thrust of this program is to encourage the preservation of historic places of less than national significance by region, State, and local entities. Now, it may be that the procedures need to be reviewed to determine if the program is accomplishing its objective and the authorizing committee appreciates the suggestion of the Appropriations Committee in this regard.

Mr. Chairman, that, in brief, summarizes my views on H.R. 7636. I support the bill and recommend its approval by the House.

Mr. McDADE. Mr. Chairman, I yield 8 minutes to the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, I rise to question the reduction made by the Committee on Appropriations in the assistance to States item of the appropriation from the land and water conservation fund, which appears at page 24 and 25 of report and at page 8 of the bill.

The committee's report recommends a cut of approximately 13 percent in the total allocated to the States. The reduction amounts to $45,565,000. The committee proposes, however, that we appropriate the full amount of the budget request—$600,000,000—from the land and water conservation fund—budget figures on page 279 of part I.

What has been done in the bill, therefore, is to take $45,565,000 from the States and allocate this amount to the Federal agency side of the appropriation.

A substantial portion of this money taken from programs developed by the States is earmarked in the report for specific projects of the Forest Service and the Fish and Wildlife Service.

I believe it would have been preferable, and better justified, inasmuch as the committee agreed to acquiesce in full funding of the budget request—and, indeed, in full funding of the authorization—for the split in funding of State and Federal projects to follow that of the budget request. I recognize, however, the judgment of the subcommittee under the chairmanship of the distinguished gentleman from Illinois (Mr. YATES) in regard to the need to fund certain additional Federal projects.

It is my understanding that the subcommittee having responsibility for this bill may have been presented by the Federal agencies with information indicating that the States were leaving unobligated substantial portions of their allocations for the current fiscal year.

If this were true, I should have to acknowledge that it would seem reasonable to shift some of this money to the Federal agency side to be used on worthy projects ready to go forward.

It has been pointed out to me however, by Executive Director Rob Blackmore of the Virginia Commission of Outdoor Recreation that tabulations at the Federal level of funds obligated by the States may be deceptive in reflecting the status of State programs under the fund.

According to Mr. Blackmore, the Virginia commission now has earmarked, assigned, allocated, or whatever, virtually all of the Federal funding available to it for fiscal year 1977. Mr. Blackmore concedes that all of this money is not obligated in the technical legal sense, but he explains that this is because the individual projects are moving through the paperwork approval maze—environmental impact reports are being evaluated, for example, and final clearance from the Federal level is being awaited.

In other words, as far as the Virginia commission is concerned, its projects are as ready to go, from the planning standpoint, as any of the Federal projects set down for funding in the committee report.

I am sure that similar situations obtain in most of the States and the other jurisdictions which are eligible to participate in the fund.

It is regrettable, therefore, that the committee bill takes away from the States 13 percent of the budget total allocated to park and recreation projects of their own selection and gives this money to the already substantially funded Federal agencies.

Mr. Chairman, I raised the issue that is presented by this problem in our full committee markup, and it was suggested by the gentleman from Illinois (Mr. YATES) that perhaps the matter could be taken care of in conference with the Senate. However, the matter was not discussed at that point with respect to the fact that we are at full funding.

I would like to ask the gentleman from Illinois (Mr. YATES) to respond in regard to the problem that I am articulating.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman from Virginia (Mr. ROBINSON) raises a very good point that, in all candor, did not receive the full attention of the full committee.

The committee had a number of other problems and requests that it thought were of such vital concern that the decision was made that we would take some of the money from this fund to meet those requests.

For example, as the gentleman well knows, $18,800,000 of that money was taken for such purposes as to provide for acquisition of the Big Thicket National Preserve in Texas, where the land is threatened by logging. We felt that perhaps a major portion of the trees in that preserve might not remain if the land is not acquired now.

There are equally good justifications for each of the other items that were taken, including items for the Forest Service such as 12 million for the Lake Tahoe Basin.

Mr. Chairman, what I think should happen is that this matter should be called to the attention of the other body and an opportunity should be afforded to reappraise the deletions that were made from the funds for the States, and possibly the opportunity will be presented for reducing some of the amounts that went to the National Park Service, the Forest Service, and the Fish and Wildlife Service so that a greater portion of these funds may be made available to the States.

Mr. Chairman, I give the gentleman from Virginia (Mr. ROBINSON) my assurance that we will try to work it out on that basis.

Mr. ROBINSON. Mr. Chairman, I am concerned about the fact that we have in the bill gone to the full authorization.

I believe in the process of discussing the rule during the colloquy with the gentleman from New York (Mr. ADDABBO) mention was made of the possibility of a supplemental, additional funding, that might possibly be available.

Will the gentleman discuss that for our benefit?

Mr. YATES. The gentleman from Virginia is correct. There is no intention on the part of the committee to cripple the State programs.

I will say that when the presentation is made, and there will be a supplemental bill, the committee will give the request of the States its very sympathetic consideration.

Mr. ROBINSON. Mr. Chairman, I thank the gentleman from Illinois (Mr. YATES).

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to commend my colleague, the gentleman from Virginia (Mr. ROBINSON) for the statement that he is making, and I want to echo the comments made by the chairman of the committee.

It may very well be that there is some

adjustment needed. As the gentleman knows, a generalized figure was presented to us at our hearing listing the bottom line of unobligated balances for all 50 States of the Nation. We have had it happen before. That is not something new.

We find some times that States fall behind in allocating their resources, and an unobligated balance builds up.

Where the inequity occurs, however, is in drawing it across the 50 States because I know the gentleman's State, and I believe the State of New York and my own State of Pennsylvania as well as the State of Utah and other States consistently efficiently and effectively spend their portion of the land and water funds.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. ROBINSON) has expired.

Mr. McDADE. Mr. Chairman, I yield 1 additional minute to the gentleman from Virginia (Mr. ROBINSON).

Mr. Chairman, will the gentleman yield further?

Mr. ROBINSON. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to say to my colleague, the gentleman from Virginia (Mr. ROBINSON), that I will do everything I can to see that inequities are not worked on States that are efficiently using their resources.

This program is a vital one at the State level. We do want to see it continue at maximum, full, efficient effort. We do not want to see money go to States that are building up balances. Further, I know that my friend, the gentleman from Virginia (Mr. ROBINSON), knowing his history of fiscal integrity, does not want to see that happen either. However, we do want the other side of the coin to prevail so that States that are efficiently allocating their resources are penalized because of a broad generalization about a 50-State unobligated balance.

Mr. Chairman, I offer to my colleague, the gentleman from Virginia, my assurances, as does the chairman, that we will work very vigorously on this matter, and I am sure that it is going to be brought to the attention of the other body so that we can work it out in a way in which no State that is up to snuff in spending its money properly is going to be penalized in fiscal year 1978 because of deficiencies in other States. We will work to that end, I assure the gentleman.

Mr. ROBINSON. Mr. Chairman, I thank the gentleman; and with that assurance, I shall not offer my amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, I would like to take this opportunity to voice my strongest support for the $6,955,914 included in the fiscal year 1978 interior appropriations bill for continuing land acquisition for the Buffalo National River. I commend the committee for their judgment and subsequent action through this funding inclusion for the project.

As the original sponsor in the House of Representatives of legislation to preserve this free-flowing river for the enjoyment of future generations, and the sponsor of legislation increasing the authorization for land acquisition for this project, I have a long-standing commitment to the protection and maintenance of this area.

In 1972 the National Park Service estimated that $16.1 million would be sufficient to acquire the 95,730 acres comprising the river and river basin. Since that time, however, increased demand for land and inflation have caused property values in the Ozarks region to rise considerably. The Park Service requires additional funds for property acquisition if they are to obtain the necessary lands at a price that would be equitable to what landowners could obtain for their property in the open market.

Litigation on the Buffalo National River has delayed the entire process of orderly development. Because of an injunction, which the courts later dismissed, the Park Service was prohibited from acquiring lands except through negotiation. This litigation, which impeded the sale of property, along with increased costs, has resulted in depleting the authorized funds for land acquisition, while there is still more than 33,000 acres to be acquired.

Positive action is needed to provide the necessary funds to acquire this property, while paying landowners a fair price for their property.

The beauty of the Buffalo National River is unsurpassed, and it is fitting that it should be preserved.

Mr. YATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington (Mr. DICKS)

Mr. DICKS. Mr. Chairman, I rise in support of H.R. 7636, making appropriations for the Department of the Interior and related agencies for fiscal year 1978.

I have been extremely fortunate to serve on the Interior Subcommittee, and I warmly applaud the efforts of my chairman, the gentleman from Illinois, the ranking member Mr. McDADE, and each member. Some day I hope to equal the chairman's grasp of the myriad of subjects before our subcommittee. He is also a fair man, and he has conducted the subcommittee's business with great care and an attitude of openness to all members and all witnesses. As a junior member of the committee, I am also deeply appreciative of the chairman's willingness to encourage full participation by all of his subcommittee members. Finally, I am grateful for the extremely high caliber of the subcommittee's staff work.

To me, the most important initiative in H.R. 7636 is the decision by the committee to increase funding for the Forest Service, thereby demonstrating our determination to implement the goals of the Resources Planning Act. The committee's initiative, if enacted into law, will allow the U.S. Forest Service to increase timber production over the administration's request by a billion board feet next year.

Just as important, this legislation calls for a balanced increase in Forest Service programs across the board. The committee's intention in this regard is to reach at least 85 percent of RPA target figures in forest protection and utilization, which includes sales administration and management, reforestation and stand improvement, recreation use, wildlife and fish habitat management, rangeland management, soil and water management, minerals area management, forest fire protection, forest insect and disease management, forest research and State and private forestry cooperation. It seems to me that increased efforts will be needed in all of these areas if we are to have a comprehensive and effective program of forestry management. In this connection, it is also important to note that the committee appropriated the full amount authorized for the Youth Conservation Corps.

I would also like to call the attention of my colleagues to language in the committee report on Indian fishing rights, which has been a severe point of contention in the Pacific Northwest. One way to help resolve the problems arising from disputed fishing rights and to help promote a peaceful resolution to fishing rights problems is to establish a comprehensive enhancement program dealing with anadromous fish. In this regard, I believe the report language speaks for itself, and I would like to reproduce it here:

> The Pacific Northwest has been the scene of bitter controversy over Indian fishing rights. A Federal task force consisting of representatives of the Departments of Interior, Commerce and Justice, has been formed to review the situation and to propose a comprehensive settlement of outstanding issues.
>
> Under optimum conditions, a sound enhancement program can return approximately eight pounds of mature anadromous fish for every pound of fingerlings released. Such a program will help provide more fish for all parties, whether it be for commercial or sport purposes; it will help lessen the possibility of confrontation and conflict between Indians and non-Indians; and it will help insure that U.S. trust responsibilities to the Indian people are met. The Committee has received several proposals from Indians and non-Indians to construct hatcheries and other anadromous fish enhancement projects in Washington State. The Washington State Congressional Delegation has advised the Committee that it has asked the Task Force to review all enhancement requests with a view toward proposing a comprehensive enhancement plan which will reflect sound principles of technology and management, and will be fair to all parties.
>
> The Committee has long been concerned over the lack of an overall management perspective in considering individual enhancement requests, and therefore it supports this comprehensive approach. Thus, while this legislation does not include any enhancement funds for Washington State fisheries, the Committee will consider subsequent requests which would enhance the anadromous fish resources of that State in the most effective and sound manner.

It has been an extremely satisfying experience for me to work on this legislation, and I hope my colleagues will support this measure.

Mr. YATES. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Connecticut (Mr. GIAIMO), the chairman of the Committee on the Budget.

Mr. GIAIMO. Mr. Chairman, the Interior and related agencies appropriations bill (H.R. 7636) is the third of 13

regular appropriations bills for fiscal year 1978 to be considered by the House of Representatives.

H.R. 7636 includes funds for portions of eight functional categories. The major function represented is natural resources, environment, and energy—function 300. Smaller amounts are also included for general science, space, and technology, 250; community and regional development, 450; education, training, employment, and social services, 500; health, 550; law enforcement and justice, 750; general government, 800, and revenue sharing and fiscal assistance, 850.

In total, the bill provides $9,546 million in budget authority and $5,862 million in outlays. Also counted against the subcommittee allocation under the first budget resolution is $2,882 million in outlays resulting from previous appropriation actions which are estimated to result in actual expenditures during fiscal year 1978.

The subcommittee allocations under the budget resolution are $10,386 in budget authority and $9,019 in outlays. Considering both the outlays from prior year appropriation actions and the amounts in the bills as reported, $840 million in budget authority and $275 million in outlays remain available in the subcommittee allocation.

Although the amounts in the bill are well below the allocation target, I must advise the House that there are several items that remain to be considered which, if fully funded at levels assumed in the first budget resolution, will absorb a significant portion of the amounts remaining. The major amounts assumed in the first budget resolution but not yet funded consist mainly of $300 million for an alternative fuels demonstration program and $250 million for the cost of fighting forest fires. If these amounts assumed in the budget resolution are eventually provided, the amounts remaining in the subcommittee allocation would be reduced accordingly. Even including these amounts, however, the subcommittee's action would not breach the budget resolution target allocation.

Finally, I want to congratulate the gentleman from Illinois for the excellent job in putting together this bill and bringing it to the House floor in a timely fashion.

Mr. McDADE. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, I would like to direct some questions to the chairman and ranking minority member in regard to a provision on page 36, line 26, continuing over on page 37 through line 5.

The first question I have is: Is it the intention of the Committee on Appropriations that this proviso cover every loan guarantee regardless of the dollar amounts involved?

Mr. YATES. Mr. Chairman, if the gentleman will yield, the gentleman from California of course raises an important point. The gentleman refers to the language on the bottom of page 36 and continuing on page 37. That language requires that before any loan guarantee or price support programs are implemented provisions must be made in future appropriation acts. That is the extent of the impact of that provision. Insofar as that provision applies the answer is yes.

Mr. GOLDWATER. Mr. Chairman, my second question is this: Is the committee aware of the fact that the Committee on Science and Technology, which has had extensive experience with the loan guarantee programs, has provided in its fiscal year 1978 authorization that review and application approval on a case by case basis will apply only to guarantees involving $50 million or more?

Mr. YATES. Mr. Chairman, if the gentleman will yield, may I say that I was not aware of that action.

Mr. GOLDWATER. The next question: Is this proviso restricted to the ERDA program jurisdiction of the Interior Subcommittee, or does it cover all loan guarantee activities of ERDA?

Mr. YATES. May I say to the gentleman from California it is my understanding it covers all loan guarantees of ERDA.

Mr. GOLDWATER. Mr. Chairman, one last question, I am wondering if the gentleman's committee really wants to deal on a case-by-case basis with every single loan guarantee application when they can and will in many cases involve amounts under $10 million?

Mr. YATES. May I say to the gentleman from California that when a presentation is made by the agency we will provide, in all probability, sufficient funds to cover all cases proposed.

Mr. GOLDWATER. I thank the gentleman from Illinois.

If it may be appropriate during the 5-minute rule, I may very well offer an amendment to further clarify that matter in line with what the Committee on Science and Technology has done in their authorization bill.

Mr. YATES. If the gentleman from California will yield still further, may I say to the gentleman that we would have to object to the amendment because the action of the gentleman's committee has not yet become law, and therefore it would not be appropriate to include it in another measure.

Mr. GOLDWATER. I thank the gentleman.

Mr. YATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana (Mr. BAUCUS).

Mr. BAUCUS. Mr. Chairman, the Interior budget our committee recommends to the House contains a significant improvement in funding for the Forest Service. Three program areas will be strengthened: First, administration of the 187 million acres of forest and range in the National Forest System; second, research on forest and range resources management and protection; and third, cooperative programs with the States.

Congress enacted the 1974 and 1976 acts dealing with improved Forest Service policies and programs. This budget builds on the planning base these acts create. Funding is at 85 percent or more for each program element in the budget in accordance with the program developed under the 1974 Resources Planning Act.

For the first time, Congress will be funding a balanced program of renewable resource management at a level high enough for our forest and rangeland resources to make a full contribution to our national well-being. In the past, we have had statements of policy. In the past, we have had programs submitted. In the past, we have seen these programs gutted by OMB. In the past, we in Congress have made disjointed or partial efforts to implement portions of these programs. In the past, we have seen funds impounded after being appropriated.

This bill starts a new course of responsible budgeting based on the capability of the lands to yield on a sustained basis their multiple values in a balanced way. This budget sets forth the funds and people needed to do the job. The bill includes a performance requirement on the part of the Forest Service.

It is this aspect of the committee action which I want to discuss. The Resources Planning Act contains evaluation machinery. The trial period for phasing into the new systems of management is over. In fiscal year 1978 the Forest Service is being given the funds needed to run the programs they are responsible for operating and they are going to be required to deliver 100 cents on the dollar in solid achievements.

Last fall I met with officials in region I of the Forest Service to determine the scope of their program and the situation they faced in meeting program goals. One thing that was apparent was that the OMB strategy of withholding personnel to meet program requirements was having a crippling effect and compiling inefficiency. The action the committee has taken will help to overcome this and it would be my hope that OMB will understand what the Congress intends. The local forest offices are under what, in effect, becomes a contract to deliver on programs.

This budget requires performance standards to be set and results to be secured. In my views, this is the most significant aspect of the action the committee has taken because the budgeted levels are going to be related to doing the work promised. The other aspect is that this is the first resource-balanced budget that has been set forth for the Forest Service. I strongly support this funding and the concept behind it.

Mr. FRASER. Mr. Chairman, I am pleased to see that the Appropriations Committee has recommended an allocation of $1.5 million to combat Dutch elm disease. This funding action recognizes the need for the Forest Service to become actively involved in assisting State and local governments to protect their urban forests.

Dutch elm disease is an immediate and critical problem for the State of Minnesota. In my district, the city of Minneapolis estimates that 95 percent of its elms will be lost by 1985 unless major disease control efforts are initiated. Luckily, the people of our State are alert to the problem and control programs are already underway. The State legislature recently approved an expanded, $25 million control program which will have

as its main thrust the immediate removal and disposal of dead elms. Our efforts represent an attempt—based on proven cost-effectiveness considerations—to avoid the fate that has befallen many Midwestern and Eastern cities whose denuded bolulevards bear witness to the devastating impact of the disease.

DED is much more than a Minnesota problem. A recent study prepared by the Agriculture Department indicates that incidence of the disease is now being reported in 41 States.

The USDA reports shows a steady westward spread of the disease since it was first reported on the East coast in 1930. In all, 41 States are now reporting an incidence of DED. Thus far, only the States of Florida, Louisiana, New Mexico, Arizona, Utah, Nevada, Washington, Hawaii, and Alaska appear to have escaped infestation.

The incidence of DED is highest in the Northeast, where 12 States have lost 75 percent of the elms within their municipalities. The impact of the disease is just now begining to be felt in many Western and Midwestern States. Of the 16 affected States west of the Mississippi River, 12 have lost less than 25 percent of their elms and 9 have lost less than 5 percent.

According to the USDA study, the percent of trees killed is closely related to the length of time DED has been present in a State. In States where the disease was first reported during the past 10 years, an average of 95 percent of the elms still remain. In States where the disease was first reported from 21 to 30 years ago, an average of 32 percent of the trees are left.

Obviously, the funding level recommended in this bill will enable the Forest Service to become involved in only a modest way in combatting the spread of the disease. I think it would be appropriate for the $1.5 million to be used to support comparative field studies of disease control techniques and to provide demonstration funding for wood reutilization projects.

The expanded Minnesota control program will have as its main thrust the removal and disposal of dead elms. State and local governments in Minnesota and elsewhere throughout the country must find ways of reducing the extremely high cost of these sanitation activities by developing more cost-effective control methods. Comparative field studies, supported by Forest Service, could point the way toward more cost-effective ways of proceeding with well-balanced and environmentally sound sanitation programs.

Thus far, sanitation activities have brought about a major disposal problem in Minnesota. Many local communities see no alternative but to dispose of diseased elm wood through open burning or in land fills. These practices have an adverse environmental impact by contributing to air pollution and other public health problems.

Wood reutilization represents an environmentally sound and energy efficient approach to the problem of disposal. Reutilization, moreover, can aid control efforts by generating revenue that can help defray the cost of sanitation.

Up until now, the development of effective reutilization systems has been hampered by the fluctuating market for wood chips and other materials recovered from elm wastes. The uncertainty of these markets makes capital investment in wood residue processing facilities risky. For this reason, the private market has not yet entered into the tree waste recovery business and local communities are reluctant to invest public funds in the construction of recovery facilities. Forest Service funds could be used to demonstrate the economic and environmental merits of converting elm tree residue into a variety of wood based products such as paper, charcoal, fuel, wood, and furniture.

Mr. PICKLE. Mr. Chairman, I rise in support of the bill and with kind words for the able and dedicated members of the Appropriations Committee. These representatives hold the drawstrings of the Federal purse, and their repeated fair and just consideration of all the needs laid before them has earned them a richly deserved high reputation.

The Appropriations Committee has not always given me exactly what I want, nor have they done so for any Member—but they have always listened.

I am very pleased that the committee saw a request for funding for the fish development center in San Marcos, Tex., worthy of their full support this year as in so many years in the past.

This center is a unique one, combining city, State, and National resources, and educational and commercial expertise in a unique center—the only warm water development center in the national hatchery program.

The development center is the place where research pays off. It is where a research idea can be tried out on a small scale and then offered ready to use in fish hatcheries all around.

The San Marcos facility is uniquely situated in that it is near a university with expertise in this field and next door to a State fish hatchery. This has allowed for a double payoff in terms of the flow of expertise, ideas, and personnel.

Again, I thank the committee for their kind attention and support.

Mr. GEPHARDT. Mr. Chairman, I rise in support of the provision in H.R. 7636, Interior appropriations for fiscal 1978, which doubles the budget request for site development at the Jefferson National Expansion Memorial in St. Louis.

As a part of the National Park system, this project is a monument to the pioneer spirit of Americans who launched the westward expansion of our Nation. It includes the famous St. Louis Gateway Arch and the Old Courthouse where the landmark Dred Scott case was heard.

The Jefferson National Expansion Memorial is a major attraction not only for St. Louisans, but for tourists from all over the world. With the completion of the Museum of Westward Expansion, the visitor rate has risen to 3.5 million people a year.

Finally, the memorial is a vital part of the St. Louis tourist trade and the area's economy as a whole. Not only does the memorial itself bring important revenues to the city, but it has spawned related development, like the current downtown building boom and a rapidly growing hotel industry.

Now it is time to complete this landmark of both local and national importance. First authorized in 1935, the Jefferson National Expansion Memorial has been under construction since 1961. The arch was completed in 1966 and the museum was opened last year. The land around the arch, however, remains essentially undeveloped, and most visitors have to cross interstate highway 70 to get to the memorial. The site ought to be developed and pedestrian overpasses are sorely needed.

The plans for site development, which include grading, topsoil, utilities, walks, irrigation system, lighting, and seeding, have been completed for some time. The Park Service assures us, contracts can be negotiated as soon as funding is available. With the total cost of about $4 million available, the work can be completed within 2 years. The appropriation included in the bill before us today will go a long way toward making this possible.

The accelerated rate of funding will minimize the period of time when visitors to the arch will be inconvenienced and the grounds will be an eyesore for the city of St. Louis, because of the site development work. Furthermore, the increased appropriation will result in cost savings of as much as 10 percent.

A second item of importance in the Interior Appropriations bill is the $406,000 for emergency repairs on the Old Courthouse. The present condition of the courthouse is shocking. An area in the rotunda has been roped off where a sizeable chunk of plaster has fallen from the dome. More falling plaster is threatened by the leaking roof. Repair of the courthouse is absolutely necessary to avoid injury to visitors. The exterior of the Old Courthouse is also in terrible shape and should be repainted.

An architectural survey will be needed before the extent of restoration is determined. While it is being completed, the $406,000 included in this bill will help finance the emergency repairs that have to be carried out right away.

The Jefferson National Expansion Memorial is an asset for St. Louis and the Nation. Its completion is long overdue. The planned landscaping and walkways will improve the appearance of the memorial and make it more accessible to the millions that visit the arch and museum every year.

By passing the Interior appropriations bill today the House will help make sure the remaining work will be finished without further delay.

Mr, FRENZEL. Mr. Chairman, balancing our desire to protect and enhance the Nation's resources with our need for fiscal responsibility is not an easy task. Achieving the precise balance may be impossible, but the Appropriations Committee bill before us today is a first-rate effort which I am pleased to support.

The bill is $2.8 million above last year, but the committee has shown good sense in reducing the excess by about $485 million below the administrations request. Many of the increased expenditures are for upgrading our exploration and R. & D. efforts in energy development. I have spoken on this subject many

times and hope that we can intensify these programs. But today I am particularly concerned about the management of our trees and forest resources.

Minnesota is a heavily wooded State. We have large timber operations, a wealth of tree lined streets and forested recreation areas. Last year the State suffered disastrous forest fires. It was only by an outstanding coordinated citizen, State, and Federal effort that we were able to avoid major tragedies. The $8⅓ million appropriated for firefighting purposes should help us greatly in what promises to be another dry year. It may not be quite enough, but it is a sound base for possible emergency measures across the country.

Forest research in insect and disease control is increased in this appropriation by about $200,000 bringing our fiscal year 1978 expenditures up over $20 million. This must be expanded, and augmented by private industry. The record here has been good, but any encouragement that we can give is worth its dollar value many times over.

In particular the $1½ million allocated for Dutch elm disease control and elm tree utilization is badly needed. In the past 40 years, the Dutch elm beetle has worked its way across much of this country and left a path of denuded streets and diseased trees into its wake. Despite the magnitude of the problem, Federal efforts have been minimal. The disease continues to spread, but we do not yet have any answers to the simple questions of what is the best way to treat the disease, how should its spread be impeded, or even what can we do with the affected growth once we have decided to take action.

This appropriation is a good, but inadequate start. It is not even a third of what my distinguished colleague from Minnesota (Mr. FRASER), and I have suggested to the committee, but, again, it is a good foundation for increasing our efforts.

It is particularly important that some direction be given to our States and municipalities on the disposal and utilization of the diseased trees. The primary method at present is to employ chipping machines and then either sell or distribute the final product. The machines are large capital expenditures for local governments and products they are products without a stable market. These and other problem areas require research to develop alternatives. Once the research has been completed, private concerns will be able to deal with this problem, but until that time, all we have are a series of unanswered questions and elementary methods.

I am hopeful that my colleagues will agree with the committee and pass this appropriation bill.

Mr. JOHNSON of California. Mr. Chairman, I rise in support of H.R. 7636, the appropriation bill for the Department of Interior and related agencies. I further wish to take this opportunity to express to my colleague and friend, SID YATES, my appreciation for the outstanding work which he and the members of his committee have done in preparing this legislation. Further, Mr. Chairman, I think our distinguished dean of the House of Representatives, Mr. MAHON, the chairman of the House Committee on Appropriations, is to be commended for his continued wise leadership and exemplary efforts in developing appropriation bills which meet the needs of our Nation. Both of these gentlemen have been extremely fair throughout their extended service on this committee, and I wish to once again pay tribute to them for this. Furthermore, the Appropriations Committee is now acting under more extensive time limitations than it has in the past. I commend the subcommittee and full committee for undertaking hearings and preparing their legislation in a manner which allows them to present it in accordance with the new budget timetable. I know this is, indeed, a difficult task and that they have been able to do this only with the full cooperation of each and every member of the committee.

As the population of the United States continues to expand, we find that we must take more positive steps to wisely use our natural resources. The demand for recreational facilities, as well as for protection of remaining scenic areas, is continually increasing. The appropriations suggested by the Interior and related agencies subcommittee has taken these needs into account and has developed spending levels for the coming fiscal year which will allow us to take positive steps forward in preserving, protecting, and wisely using our natural resources.

Of particular importance to me, as the Representative of the northernmost district in California, is a provision in this legislation which would set aside $12 million from the Land and Water Conservation Fund for the acquisition of additional lands in the ecologically fragile Lake Tahoe Basin in California and Nevada. This lake and its contributing tributaries is widely known throughout the world as a very scenic and beautiful area. Unfortunately, as urban areas have continued to grow and more and more demands have been placed on the use of this water, the environment has deteriorated. In order to put a stop to this and to assure preservation of those areas which remain in a relatively natural state, it is important for us to acquire lands to be preserved by the Federal Government.

We have made substantial progress in this area and I am confident that we can be successful with the continued support of the Congress. The Interior and related agencies subcommittee has understood the problem in the Lake Tahoe area and has recommended the appropriation of these funds. I am sure that they will be wisely spent.

Lake Tahoe lies in an area which is easily reached from major metropolitan areas in the State of California as well as from major metropolitan areas in the State of Nevada. Therefore, the recreational development and preservation of this area is of extreme importance to a large number of people. Through Federal participation through the Bureau of Outdoor Recreation and the U.S. Forest Service, we can protect this area and provide the outdoor recreation and leisure time facilities for our growing urban population as well as for local residents.

Mr. Chairman, I also wish to commend the committee on their understanding of the problems which we continue to face at the Coleman Fish Hatchery in northern California. We have made substantial progress with this facility over the last few years and we now have the potential to build on a firm foundation there. Through the appropriation of $660,000, we will be able to improve the water pollution abatement program and develop water temperature control and ultraviolet and other filter treatment systems. As you may know, the Coleman Fish Hatchery is one of the largest hatcheries of the U.S. Fish and Wildlife Service and it now has a production of around 400,000 trout and salmon annually. Production emphasis here is placed on rearing salmon and steelhead trout as a mitigation measure to help preserve and maintain those anadromous runs threatened by the loss of natural spawning areas due to flood protection projects. The appropriation of these additional funds will help us to continue an ongoing program and forge ahead on other important areas of benefit not only to the local area but to the entire United States.

As the Representative of the largest congressional district in the State of California consisting of some 34,000 square miles, I have the opportunity to work regularly with the U.S. Forest Service. I am pleased to note that the committee has recommended appropriate funding for the Forest Service which will allow them to carry out the activities so important to our national forests. As we have attempted to protect our natural environment, the role of the Forest Service has become an increasingly important role and one which requires additional personnel and facilities. The committee has recognized this need and has provided the Forest Service with the funds necessary to carry out the functions required of them by Congress. As we continue to suffer from an extended drought in our State, it is important that we be able to work with the various Federal agencies in an attempt to solve problems created by the drought. In our national forests, we will be particularly susceptible to forest fires and I am pleased to note that an adequate budget has been developed for this purpose.

Again, Mr. Chairman, I think the committee has developed a balanced, logical, and effective appropriation bill for these agencies and I recommend its passage.

Mr. YATES. Mr. Chairman, may I ask my distinguished colleague, the gentleman from Pennsylvania, Mr. MCDADE, whether he has further requests for time?

The CHAIRMAN. The Chair will state that the time of the gentleman from Pennsylvania, Mr. MCDADE, has expired.

Mr. YATES. Mr. Chairman, I have no further requests for time, and I ask that the Clerk read.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read the bill.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the bill be read by title and that title I

be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair inquires of the gentleman from Illinois (Mr. YATES) whether he wanted to dispense with reading of the entire bill or wanted it read by title.

Mr. YATES. The gentleman from Illinois' request, Mr. Chairman, referred to the reading of the bill by title, and my unanimous-consent request was that the title I be considered as read and open to amendment at any point.

The CHAIRMAN. Without objection, title I is considered as read and open to amendment at any point.

There was no objection.

The CHAIRMAN. Are there points of order or amendments to title I?

POINT OF ORDER

Mr. UDALL. Mr. Chairman, I make a point of order. I reluctantly make a point of order that the proviso appearing on page 8, lines 8 through 16, proposes to change existing law and is legislation in an appropriation bill.

(The portion of the bill to which the point of order relates is as follows:)

LAND AND WATER CONSERVATION FUND

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4–11), including $8,764,000 for administrative expenses of the Bureau of Outdoor Recreation during the current fiscal year, and acquisition of land or waters, or interest therein, in accordance with the statutory authority applicable to the State or Federal agency concerned, to be derived from the Land and Water Conservation Fund, established by section 2 of said Act as amended, to remain available until expended, not to exceed $600,000,000, of which (1) not to exceed $306,070,000 shall be available for payments to the States in accordance with section 6(c) of said Act; (2) not to exceed $2,100,000 shall be available to the Bureau of Land Management; (3) not to exceed $89,983,000 shall be available to the Forest Service; (4) not to exceed $31,288,000 shall be available to the United States Fish and Wildlife Service; and (5) not to exceed $161,795,000 shall be available to the National Park Service: *Provided*, That the lakeshore area established by Public Law 89–761 and known and designated as the "Indiana Dunes National Lakeshore" shall hereafter be known and designated as the "Paul H. Douglas Indiana Dunes National Lakeshore". Any reference in a law, map, regulation, document, record, or other paper of the United States to such lakeshore area shall be held and considered to be a reference to the "Paul H. Douglas Indiana Dunes National Lakeshore".

The CHAIRMAN. Does the gentleman from Illinois (Mr. YATES) desire to be heard on the point of order?

Mr. YATES. Mr. Chairman, more reluctantly than the gentleman from Arizona, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

Are there further points of order to title I? If not, are there amendments? If not, the Clerk will read.

The Clerk proceeded to read title II.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there points of order to title II? If not, are there amendments?

AMENDMENT OFFERED BY MR. M'CORMACK

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

OPERATING EXPENSES

For necessary operating expenses of the Administration in carrying out the purposes of the Energy Reorganization Act of 1974; hire, maintenance, and operation of aircraft; publication and dissemination of atomic and other energy information; purchase, repair, and cleaning of uniforms; reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; $710,927,000 and any moneys (except sums received from the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (50 U.S.C. 98h; 30 U.S.C. 7)) received by the Energy Research and Development Administration notwithstanding the provisions of 31 U.S.C. 484, to remain available until expended: *Provided*, That the amount appropriated in any other appropriation act for "Operating expenses" for the Energy Research and Development Administration for the fiscal year ending September 30, 1978, shall be merged with this appropriation: *Provided further*, That no funds in this appropriation or in any appropriation with whom it may be merged shall be used for the field testing of nuclear explosives in the recovery of oil and gas: *Provided further*, That none of the funds in this appropriation or any appropriation with which it may be merged shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in future appropriations acts.

The Clerk read as follows:

Amendment offered by Mr. MCCORMACK: On page 36, line 12, strike "$710,927,000.", and insert in lieu thereof the following: "$750,707,000."

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Chairman, I would like to point out to the Members who may have an itemized sheet that there is a typographical error in the very first number. Under "Industrial Cogeneration" the number should be 2.7, not 2.8. All other figures are internally consistent.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

At the time the full committee considered the bill, I offered an amendment in the amount of $8 million for cogeneration. Is the amount for cogeneration in the gentleman's amendment a part of the amendment that I offered to the bill in full committee?

Mr. McCORMACK. The amendment by the Committee on Appropriations on cogeneration came under "Building and Community Assistance." The amendment that we have here under cogeneration comes under "Industrial Cogeneration."

Mr. YATES. I thank the gentleman.

Mr. McCORMACK. As a matter of fact, I might say parenthetically that there is no authorization at all for cogeneration under "Building and Communitv Assistance." and the only cogeneration authorized in the bill is in industrial conservation. One may fairly, I suppose, interpret the various conservation programs under "Building and Community Assistance" as leaving an opening for cogeneration, but it is clearly not where we put it.

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

It is the understanding of our committee that there is in the appropriation under the $8 million for cogeneration $3 million for industry, which would be more than the amount in the gentleman's amendment.

Mr. McCORMACK. I think the gentleman is correct. You put $5 million in for Building and Community Assistance and $3 million in for Cogeneration in Industry. The gentleman is correct.

The gentleman is correct. It appears in both places, both in the Industrial and in the Building and Community Systems catagories, most of it in the Building and Community Systems.

Mr. YATES. Is it the intention of the gentleman's amendment to add an additional $2.8 million?

Mr. McCORMACK. $2.7.

Mr. YATES. Is that $2.8 million?

Mr. McCORMACK. It is $2.7.

Mr. YATES. It is $2.7 million?

Mr. McCORMACK. That is correct.

Mr. YATES. Is that to be added in addition to the $3 million?

Mr. McCORMACK. That is correct.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, I may say to the gentleman the Interior Subcommittee's Full Committee amendment was presumably worked out with the gentleman from New York (Mr. FISH) acting on behalf of the gentleman's committee and I may say this comes as quite a surprise at least to this gentleman.

Mr. McCORMACK. With all due respect, I suggest the committee was not involved in these conversations and that the interest of the gentleman from New York (Mr. FISH) primarily was in urban waste recycling.

Mr. YATES. If the gentleman will yield further, the staff of the gentleman's committee was aware of what the gentleman from New York was doing and worked with the staff of our committee in the preparation of it.

Mr. McCORMACK. I am sorry that I was not aware of it. We would have been happy to provide the Appropriations Committee and staff with the full information of what we consider the minimum numbers.

Mr. Chairman, the amendment before us provides a breakdown of where this $39.78 million would go.

I would like to point out to the Members that there are 14 categories, and that in 11 of the 14 categories the figures in the amendment that the gentleman from Califronia (Mr. BROWN) and I are presenting to the Members today we are bringing the figures up to what will still leave them at or below the administration's requests for these categories. I think this is important to understand. We are actually about $6 or $7 million over the administration request in total.

I should like to point out also to the Members just what some of these major categories are. Cogeneration is a program to encourage various industries of this country that are large enough to produce their own energy burning coal and using the waste heat for other purposes. This is the concept of cogeneration. It will be difficult, dirty, and unsafe to use coal, and we have to establish many safety features in the use of coal. The funding levels we have established, including the amount added by the Appropriations Committee and the amount we are adding in this amendment, is still a pittance compared even to the cost of one program for cogeneration.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(By unanimous consent, Mr. MCCORMACK was allowed to proceed for 3 additional minutes.)

Mr. McCORMACK. Mr. Chairman, in the case of the building and community systems, the administration request was $54 million. Our committee added $34 million, including price supports for urban waste recycling. The Appropriations Committee recommends $60.5 million, which is above the President's request, but included is money for cogeneration which was unrequested, so that there were administration programs cut. Our amendment reinstates the administration's figure in community design and in reducing institutional barriers.

In transportation, which is the major item in this bill, the administration requested $86 million. The Science and Technology Committee, the authorizing committee, added $25 million. The Appropriations Committee cut the administration figure by $21.6 million. The amendment of the gentleman from California (Mr. BROWN) would add $28.43, which would bring the total to 92.83, slightly above the administration request, which included nothing for the new Brown program.

This would bring the electric vehicle appropriation level back up to what it is required by law to be. There is a tendency on the part of some of the members of the Appropriations Committee to confuse the reprograming of money for fiscal year 1977 with the administration request for 1978, but the fact is the numbers we are submitting for electric vehicle and development are the administration numbers for 1978. In addition, there is for the Brown of California amendment, the $6.8 million.

Under improved conversion efficiency, the administration requested $60.2 million. The authorizing committee added $1.8 million. The Appropriations Committee cut $6.42 million. Our amendment today would add $5.37 million, still slightly below the original administration request.

The last item is the $500,000 requested by the administration for the Energy Conservation Extension Service.

Mr. Chairman, I ask support for the amendment.

Mr. WYLIE. Mr. Chairman, I move to strike the last word.

I would like to ask the gentleman some questions, especially with reference to the fossil energy program, which is referred to on page 64 of the report.

As the gentleman knows, Ohio had a very severe winter and, as a matter of fact, during the month of January there were some 1.5 million people thrown out of work and schools closed because we did not have enough of this clean fuel natural gas to which we had converted a few years ago at the insistence of the Environmental Protection Agency and other environmental groups.

The Governor of Ohio, Governor Rhodes, is attempting to provide for a process by which we can use coal, of which we have a considerable amount in Ohio and which could provide all our energy resources. The Governor is to be commended for his efforts. The Governor, a couple weeks ago, sent a team of engineers to the United Kingdom to check out the possibility of building a plant in Ohio of a kind which is in being in England using coal in what is called a fluidized coal bed combustion process.

What information does the gentleman have, one, or two, what would the gentleman suggest we do in this regard? It seems to me when the Governor of a State has to go to another country to buy a plant to use our coal in the State of Ohio something is wrong. Can you tell what ERDA is doing in this field at the present time? Why is it not feasible for us to use American products and American technology to build a fluidized coal bed combustion plant in Ohio?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I am happy to yield to the gentleman.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for yielding.

As I said before, I would like the gentleman from Alabama (Mr. FLOWERS), the chairman of the Subcommittee on Fossil and Nuclear Energy Research of the Committee on Science and Technology to be on the floor to help answer this question. At this time, I cannot answer the question.

We have a program for fluidized combustion of coal. We believe we have the technology that will reduce the extreme dangers in the use of coal. The fact is that this technology has been developed overseas ahead of our fossil fuel development in this country. I do not think we should be ashamed of adopting technology overseas. Nations in Europe and Russia are ahead of us in many energy technologies, and it is up to us to do our best to catch up.

Mr. WYLIE. Mr. Chairman, does the gentleman's amendment address itself to this problem at all?

Mr. McCORMACK. No. I am dealing with energy conservation, not with fossil fuels. It is true, this bill does cut very severely into the fossil research program; but in the earlier colloquy on the floor with the chairman of the subcommittee, the gentleman from Alabama (Mr. FLOWERS), did agree with the gentleman from Illinois that they would work on these differences in a supplemental appropriation bill. Fossil fuels are not involved in the McCormack-Brown amendment.

Mr. WYLIE. I am not clear, did the gentleman say his amendment would cut into the fossil fuel research program?

Mr. McCORMACK. No. My amendment has nothing to do with any fossil fuel program. It deals exclusively with energy conservation.

Mr. WYLIE. Your amendment would add to the appropriation? It will not take any money away from fossil fuel research?

Mr. McCORMACK. No. It will not take any money away at all.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Tennessee.

Mr. ALLEN. Mr. Chairman, in response to the question the gentleman asked about more efficient ways to use coal without pollutants, the University of Tennessee Space Center at Tullahoma announced 2 weeks ago it had perfected what they call a magnetohydrodynamics system of burning coal with a mixture, as I understand it, of limestone, ground up and put in a fluidized state with finely ground coal.

According to the model which they have perfected, they get right at 50 percent more efficiency in the burning of that coal, and through mixing limestone with coal and other processes, they can use soft coal with high-sulfur content, with almost no sulfur going into the air to pollute the air we must breathe.

Mr. WYLIE. Am I to understand the plant is in operation?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent Mr. WYLIE was allowed to proceed for 2 additional minutes.)

Mr. WYLIE. I understand that we, as a nation, are proceeding with fluidized coalbed combustion, with coal gasification and coal liquefaction, but in all three cases the process apparently is too expensive to be economically feasible for commercial use at the present time.

Then, as I say, last week I learned that the State of Ohio is going to buy a fluidized coal combustion plant from the United Kingdom, which is fine. If the United Kingdom or West Germany has the technology already developed and we can buy the plant cheaper from them and utilize our coal, of which we have an enormous quantity in the State of Ohio, I think that is fine. The point I want to make here, and maybe I can make it with the chairman of the subcommittee or the gentleman from Washington, Mr. MCCORMACK, who was in the well earlier, is that I wonder if we, as a Nation, are proceeding fast enough and if there is enough money in the fluidized coal bed combustion program. What is the holdup as far as ERDA is concerned? What is the holdup as far as the de-

velopment of domestic technology is concerned?

Mr. ALLEN. I understand that the next step with the University of Tennessee Center is to build a $20 million pilot program. I have sent to the President a proposed bill that would require the Tennessee Valley Authority to build a full demonstration plant in place of one of the nuclear plants that they are proposing to construct in the TVA area for that purpose.

Mr. WYLIE. That is very encouraging and reassuring. I just suggest to the chairman of the subcommittee and to others that I think we really should keep leaning on ERDA, and if more money is necessary to provide the technology to develop this energy resource, which is so very plentiful in these United States, we ought to be doing it.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the members of the Science and Technology Committee know, after our subcommittee had marked up its bill we were approached by several gentlemen from the Science and Technology Committee, and a complaint was made that sufficient funds had not been placed in the bill in accordance with the recommendations which their committee was going to make. So, I directed that our staff members work out appropriate amendments with the committee's staff members.

We were approached by the gentleman from New York (Mr. FISH), and his staff member and the staff member of our subcommittee, in contact with the appropriate officials of ERDA, worked out what were considered to be appropriate amendments. So, in the markup of our bill before the full committee, I offered amendments to put into the bill $8 million for cogeneration and $6 million for increasing the urban waste utilization program.

I thought that was satisfactory to the members of the Science and Technology Committee. Certainly, Mr. FISH raised no objections to our proposals for adding the $14 million, and we went ahead with it on that assumption.

Now we are faced with another amendment of the distinguished gentleman from Washington (Mr. MCCORMACK). I do not blame him. Apparently, the impression that the Appropriations Committee had was an erroneous one. The gentleman from Washington (Mr. MCCORMACK) now tells me that his committee took no action on it, that this was the individual effort by the gentleman from New York (Mr. FISH). And, of course, had I known that, I would have given an entirely different consideration to the amendment. We do want to cooperate with the gentleman's committee.

As I told the chairman of the fossil subcommittee, the gentleman from Alabama (Mr. FLOWERS), in the colloquy that took place when the rule was under consideration, we respect the activities of the committee and that, in line with his suggestion, our committee would cooperate fully with the Committee on Science and Technology and would provide the hearings for implementing their request at such time as the bill was approved by the House.

Now what is the state of the amendment of the gentleman from Washington (Mr. MCCORMACK)?

Mr. MCCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Washington (Mr. MCCORMACK).

Mr. MCCORMACK. I thank the gentleman for yielding.

Mr. Chairman, I shall not take much time, but I do want to say that I appreciate the fact that we have now resolved the confusion on this matter. There were indeed several members of the subcommittee who approached the gentleman or his staff members on the Committee on Appropriations requesting specific amendments. In no case, to my knowledge, did they purport to represent the committee, although they had, of course, obtained assistance from committee staff members in getting their information to present to the gentleman.

In the case of the gentleman from New York (Mr. FISH), his request was for urban waste recycling, which the gentleman did honor, I believe, for $6 million, which we have not touched. We have accepted that.

Other amendments were requested by other Members, I believe one was the gentleman from New York (Mr. OTTINGER), which were partially honored but which did not represent the committee as a whole. I appreciate the fact that the gentleman has clarified that matter.

Mr. YATES. I thank the gentleman for his explanation. I think in the future we will not accept any suggestions of individual subcommittee members unless it is known that they represent the full committee. I think that is one way to clear this up.

Mr. MCDADE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania (Mr. MCDADE).

Mr. MCDADE. I thank the gentleman for yielding.

Mr. Chairman, I concur with the gentleman.

Mr. YATES. We acted in all good faith.

Mr. MCDADE. We acted in all good faith. We were not sure we would reach a compromise bill, and here, when we get out on the floor, there is this $40 million amendment. We never saw a bit of this before today. That is not a spirit of comity, that is not a spirit of cooperation. If that is the kind of procedure we are going to operate under, then I agree with my chairman. I will say that this side of the aisle will support him on the committee fully to stop the procedure in the future.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. I thank the gentleman for yielding.

Mr. Chairman, I will restate what I said earlier. I have a deep appreciation for the willingness of the chairman and ranking minority member as individuals to cooperate with individual members of the Science Committee.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 5 additional minutes.)

Mr. YATES. Mr. Chairman, I yield further to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I think the fundamental flaw here is the point which several members of the Committee on Rules pointed out yesterday in the committee and also pointed out on the floor today in connection with the debate had on the rule today, that we are bringing in an appropriation bill before the authorization bill has been acted upon. The gentleman is quite right, from a procedural standpoint, in saying he should not yield to the request of individual Members, but certainly he should have before him an authorizing bill which would state the position of the committee, and the whole House, so far as that is concerned.

Mr. YATES. If the gentleman will permit me to reply, the gentleman heard the exchange between the gentleman from Alabama (Mr. FLOWERS) and myself earlier in the action on this bill.

Why is it not appropriate for the gentleman from California (Mr. BROWN) and for the gentleman from Washington (Mr. MCCORMACK) to accept the procedure that the gentleman from Alabama (Mr. FLOWERS) suggested? That suggestion was to permit a hearing upon all of these points, all the matters that have been approved by the gentleman's committee, and have these points included in a supplemental bill, rather than offering an amendment in a piecemeal fashion at this time.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, may I inquire of the gentleman why it would not be possible for him to abide by the rules of the House, drop matters from the appropriation bill for which there is no authorizing legislation, and then put them all in a supplemental bill, if we are going to have a supplemental anyway?

Mr. MCDADE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. MCDADE. Mr. Chairman, we really ought not to bear too much on this point, it seems to me.

Last year, through no fault of my colleagues, we did not get an authorizing bill. It was not the fault of any Member. We know the committee is proceeding diligently, and we want to cooperate with it to the best of our ability.

The chairman of my subcommittee has stated, and I have stated to the Members time and time again, that we want their advice. We have some of the most distinguished Members of the House serving on that committee. However, we also have a Budget Act with which we have to deal, and it seems to me that we can act in the spirit of comity. The way to do that is indeed to bring us the bill.

Mr. Chairman, I wish that bill were in front of us. I wish that it had been dealt with. I wish we did have the benefit of the debate on the authorizing bill. Unfortunately, because of the Budget

Act and because of the rules under which we are operating, requiring that we have to meet deadlines, time did not permit that. I wish we did have the benefit of the committee's advice, and I say to the gentleman from California (Mr. BROWN) with all the sincerity that I can muster that we would appreciate having the benefit of that advice.

We will have a supplemental up for consideration before this Congress adjourns. We will have an opportunity to have hearings of our own, and I will say to my friend, the gentleman from California (Mr. BROWN), that I am sure he realizes we also have a job to do. We at least ought to be able to conduct hearings.

This is for $40 million. We did not have a hearing on this matter, and we at least ought to have the opportunity to conduct hearings on it. That is only fair. That is our job.

Mr. Chairman, I am sure we can act in a spirit of comity. We are not trying to end-run the Committee on Science and Technology. We want the advice of its members. But we are stuck today. We have a Budget Act with which we have to comply, we have a rule, and we have to get the consideration of this bill finished.

We do not konw what the other body is going to do. They have not held hearings in the Appropriations Committee of the Senate on this matter either, and I repeat that we are required to follow the provisions of the Budget Act.

Mr. YATES. Mr. Chairman, let me make one other point. Let us look at the industrial cogeneration item.

We talked with the gentleman from New York (Mr. FISH), and I find now that he was not acting for any other members of the committee. ERDA was called into consultation, and was requested to let us know what amount it could use for cogeneration. Based upon ERDA's reply, we put the amount of $8 million in our amendment, and it was acted on by the committee. Apparently that action satisfied the gentleman from New York (Mr. FISH), because we heard no more from him in this respect.

Now the gentleman from Washington (Mr. MCCORMACK) comes in and says that he needs another $2.7 million for this particular item. With respect to the other items in the amendment, I will have some replies, too.

But the point I am trying to make is that, just as the gentlemen have some complaint with our subcommittee and with the full committee, there is a burden that rests upon the gentlemen in the other committee as well. I think that we all ought to learn a lesson from these procedures.

I have offered to the Committee on Science and Technology, through the gentleman from Alabama (Mr. FLOWERS), my assurance that I will cooperate with the committee members completely in providing an opportunity for them to ask for an added appropriation in the supplemental appropriations bill. I do not know how that hurts the members of that committee, I would hope that this amendment would not be accepted.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I thank the gentleman for yielding.

I would like to point out that there seems to be some question concerning my speaking for the committee. The Committee on Science and Technology has passed out its legislation, adopting an amendment unanimously that was cosponsored by the chairman of the subcommittee, the gentleman from Washington (Mr. MCCORMACK), and myself having to do with municipal solid waste demonstration plants.

I would like to point out that I was not only speaking for myself. The chairman of the subcommittee, the gentleman from Washington (Mr. MCCORMACK), and I signed a letter addressed to the gentleman from Illinois (Mr. YATES), and that was done 10 days ago when we learned that the subcommittee of the Committee on Appropriations had acted prior to the passing out of this bill by the full Committee on Science and Technology.

So the full committee had acted, and the chairman of the subcommittee involved in the matter was a signatory to the letter to the gentleman. I do not want the gentleman to leave the impression with the Members that I was off on my own acting for myself, and that this was not a committee action.

Mr. YATES. I assumed the gentleman was speaking for members of the committee, if not formally for the subcommittee. I assumed he was also speaking for the gentleman from Washington (Mr. MCCORMACK).

I think it is a procedure that we ought to follow hereafter. I think that hereafter if there are any suggestions from the Committee on Science and Technology, we ought to have some formal action, not action by an individual. However, regardless of that, I think we have kicked this horse around long enough, so let us turn to the amendment.

Mr. MCCLOSKEY. Mr. Chairman, will the gentleman yield for a question?

Mr. YATES. I yield to the gentleman from California.

Mr. MCCLOSKEY. Mr. Chairman, I have a very small interest in this amendment in the matter of conversion of energy. What it relates to essentially is the reluctance of ERDA to consider the conversion of energy or the conservation of energy as priority items in their programing.

I just wanted to know, what is the lesson from this procedure? How do we protect ourselves next year from this kind of procedure which our rules have imposed on us? How do we get to the subcommittee so that we are not talking about something that the subcommittee has already done?

Mr. YATES. Was the gentleman present during consideration of the rule when I discussed the matter with the gentleman from Alabama (Mr. FLOWERS)?

Mr. MCCLOSKEY. No; I regret that I was not.

Mr. YATES. The gentleman from Alabama (Mr. FLOWERS) asked me whether or not our subcommittee would conduct hearings for a supplemental appropriation on what the Committee on Science and Technology has done when the House had approved it. I said that we would be very glad to do it and to provide whatever funds we thought were essential, in accordance with the recommendations of the committee.

Mr. MCCLOSKEY. What is the timing, may I ask the gentleman?

Mr. YATES. As soon as the House has approved that bill—and I spoke to the gentleman from Alabama (Mr. FLOWERS) about that matter—we would be glad to sit down for hearings to provide whatever is essential.

Mr. MCCLOSKEY. Mr. Chairman, I thank the gentleman for yielding. I think that seems reasonable.

Mr. YATES. On that basis, I do not know why we should have this amendment before us.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, let us talk about the amendment itself.

We talked about the cogeneration portion of it in that we thought we had an agreement with the gentleman from New York (Mr. FISH), and we put an additional $8 million into the bill.

With respect to the electric vehicle, the explanation of the committee's action appears on page 66 of the hearings.

The committee has provided $30 million for the electric vehicle, in addition to $20 million through a reprograming. The $20 million, which, in essence, is accelerated is provided from the 1977 appropriation, and gives the money to ERDA at a time when it needs it. In addition to that, the 1978 bill provides an additional $30 million.

What do the hearings show about this program? The last hearing we had appears in part 8 of our printed hearings, and on page 749 this colloquy took place:

Mr. YATES. On pages 33 and 34 you list several options for financing demonstration. Have you done any work toward deciding which options you would pursue?

Dr. MANNELLA. We have not actually developed the details of the demonstration very much at all because, really, until the advent of the Carter Administration, we did not work on this program.

Therefore, ERDA is considerably behind schedule.

Mr. Chairman, on page 762 of the same volume we find that ERDA is doing a study on how to proceed. It does not know how it is going to proceed in this program; it has to have a study on it.

In questioning ERDA, it was also brought out that advanced batteries will not be available for the demonstrations called for in the Electric Vehicle Act.

Mr. Chairman, this colloquy occurred on page 750 of the hearings:

Mr. YATES. How long do you think it will be before we have a battery with an acceptable range and durability?

Dr. MANNELLA. We are hopeful that in the second demonstration—the demonstration of the advanced vehicles, which is six years after the passage of the bill so that would be 1982—in the 5000 vehicle fleet, we will have a small number of vehicles with advanced sodium sulfur batteries.

Therefore, Mr. Chairman, this program is just beginning to get underway, and we have enough money in it.

Consequently, Mr. Chairman, I urge defeat of the amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am obviously in support of this amendment.

I do not want to belabor the procedural problems which have been explored here fully. I do very much appreciate the offers of cooperation made by the gentlemen on the Committee on Appropriations.

I must say, Mr. Chairman, that they were made to me on the floor last year and I appreciated them last year, also.

Mr. Chairman, I very much hope that this amendment can be construed as the best compromise we can make in trying to take advantage of this offer of cooperation. In effect it represents a committee consensus for a modest increase in the figure proposed by the Committee on Appropriations, one-third of the amount actually authorized in the legislation approved by the Committee on Science and Technology in these areas.

If the gentlemen really are anxious to cooperate under difficult circumstances where they do not have the authorizing bill before them, then I think that this is probably as much as we can do, to take this as an indication of what the authorizing committee would like to authorize, that we have studied these programs in great detail and to recognize that the situation reported by the gentleman from Illinois (Mr. YATES), with regard to what ERDA has done, because the past administration was not pushing them, has changed. We have a new administration which has placed this subject of energy conservation at the top of their priority list.

I will say that there was some merit, I will not say how much, to the gentleman's offer last year that they have not spent the money as fast as we would like so we are going to hold back on them.

But that is not the situation today. We are in the beginning of a new administration pledged to moving these programs forward. We cannot afford to hold back or to be cut up because of some procedural difficulties which have forced the Committee on Appropriations to come out with this bill in advance of the authorizing committee's bill.

So, Mr. Chairman, I believe that if the chairman of the subcommittee and the ranking minority member really want to implement their protestations of a desire to work closely with the authorizing committee, they should accept this amendment and recognize that, while it may not be a perfect solution toward correcting the basic procedural flaws, that at least it is a first step in that direction. It will allow us to move ahead with this very important program of energy conservation in a way that will benefit the whole country.

Mr. Chairman, I urge all of the Members to support this amendment on that basis.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I would like to reiterate one point the gentleman from California has made. In the first three-quarters of fiscal year 1977, the Energy Research and Development Administration has already spent, authorized, or committed 85 percent of its funded money. It is running ahead of schedule, and spending money for research and development. This confirms our position of last year, and I think, of this year.

Further, it is important to understand that the Committee on Appropriations actually had hearings on every subject before us in this amendment save one, and that was the Brown bill on surface transportation research development and demonstration. Everything else has been heard. We are trying, in this amendment, to bring the funding levels up to the requests of the administration.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, with respect to the amount of money that ERDA has committed, on page 66 of our report, it is pointed out in material they provided us:

The committee notes that the conservation program has only obligated 29 percent of available funds through the first 6 months of fiscal year 1977. . . .

Let me also point out that through March 31, 1977, the ERDA fossil fuel energy portion of its operations had obligated only $172 million out of $545 million available.

ERDA has not shown itself capable of speeding up the obligation of its funds, therefore I believe the amount the committee has recommended is proper.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 3 additional minutes.)

Mr. BROWN of California. In response to the distinguished Chairman, am I correct, then, in assuming that the gentleman's reluctance to come forth with a bill any higher than he has in these categories was based upon his perception that the agency itself was not expending these funds at the rate that he would like to have seen?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

May I say to the gentleman that that was one item that was present in the deliberations of our subcommittee. ERDA itself conceded that it just has not been able to obligate the funds made available. It is for that reason we have stricken $50 million from the fossil energy program because they have not shown the ability to obligate their funds.

Mr. BROWN of California. I understood, if the gentleman from Illinois will continue the colloquy, from his previous statement that he indicated that under the previous administration there had been no initiative, no impetus toward the expenditure of funds in these programs. Am I correct?

Mr. YATES. The gentleman is correct; I did say that.

Mr. BROWN of California. Would the gentleman not concede that there has been a difference in the attitude of the two administrations?

Mr. YATES. The committee found on the basis of hearings before our committee that there had been no change. May I say the statistics indicate that they are slightly speeding up their obligation rate. Certainly we criticized them very strongly when witnesses appeared before us, because they were proceeding at such a slow obligation rate.

Mr. BROWN of California. I think the combination of the gentleman's criticism and the change in the administration has worked miracles with the agency because it is our own information that they are moving ahead much more rapidly in these areas.

Mr. Chairman, I yield back the remainder of my time.

Mr. McDADE. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak against the amendment.

Mr. Chairman, I want to second what the chairman of the committee has said about the obligation rate, the expenditure rate, of ERDA in its conservation programs. We ought to understand that there was $100 million that they just were not able to spend. If we look at the committee report, we can see that as a result of that the committee took $50 million away, leaving them still with an unobligated balance of $50 million.

We have had a lot of conversations here about how much money is going to be spent under these various programs, and I think we ought to reflect on where we were and where we are. We had an appropriation request and an amount in fiscal year 1975 of $11 million for conservation. In 1976, the following year, it increased to $36 million threefold; in 1977 fiscal year, $98 million—threefold again. This fiscal year this committee had a request for $217 million or in effect another doubling of a program that has been doubling and tripling since we got control of it for appropriations purposes. Look at the result.

We have heard a lot of conversation here that this committee has cut the President's budget in conservation. I deny that categorically. We have not cut the President's budget request for conservation. If the Members will refer to page 66 of our report, they will see that there is a direction for a reprograming of $20 million, which will bring the electric vehicle program just slightly above what the President requested in his budget request to us. Even though I say to my colleagues that the Chairman is correct, they are not able to obligate the money, and we are doing it because we take full measure of the importance of conservation. We do not need to be educated about it. We want to work on it, and that is the reason we are giving this

flexibility—and it is flexibility—to an agency that thus far has not obligated its dollars.

We have heard about a $16 million cut in the electric car program, but if we read the report on page 66, we find out that we reprogramed $20 million out of that $100 million of unobligated balance specifically for that particular program. As my chairman said, they do not even have a specific program in mind yet.

They are still studying how they ought to spend all that money. We are above the budget for that item. We are above the budget. And why do we do that? We do it because we recognize the transportation section of our economy uses enormous amounts of petroleum and we want to get on with the electrical car.

For anyone to make the assertion by innuendo or otherwise that we cut the budget or restricted ERDA, that is absolutely erroneous based on the logical procedure of this Congress which is that the Appropriations Committee is supposed to act on the budget estimates in front of them. That is what we acted on, that is what we voted on, that is what we held hearings on, and that is what we responded to in what I think was a highly constructive way indeed, one in which the subcommittee of the Committee on Appropriations agreed unanimously on the action.

So it is my judgment that we are not really painting a true picture unless we include the $20 million for reprograming and to show that we are in fact, above the budget request. We should look at that item, bearing in mind that the obligation rate of ERDA in the conservation area is, as pointed out and testified to us, 29 percent in the 6 months through the year. They have obligated only 29 percent of the money. We are treating them in a way that one could readily criticize us for being too extravagant with a program that has not been presented to us. I must say we have not seen a program that is as undocumented as is this one at this stage.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(On request of Mr. BROWN of California, and by unanimous consent, Mr. McDADE was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I was very interested in the gentlemans' discussion of the generosity of his committee.

Mr. McDADE. I beg the gentleman's pardon. I could not understand the gentleman.

Mr. BROWN of California. I was very much struck by the recitation of the gentleman about the committee's generosity in comparison with the budget. I will read from page 63 of the report which says:

> The amount recommended by the Committee for fiscal year 1978 compared with the budget estimate by activity is as follows:
>
> Then in the items we see:
>
> Conservation research and development:
> Industry conservation, minus $1.75 million
> Buildings conservation, minus $6.49 million
> Transportation Energy Conservation, minus $21.6 million

Mr. McDADE. If the gentleman will allow me, I want to point out to the gentleman that if he looks, as I indicated, on page 66 he will see an indication of $20 million for reprograming that will take place and enhance the conservation program beyond even the figures listed in his total which I tried to say to my friend makes us above the estimate that the President submitted to us. Of course we make some reductions in some increases, which is what our job is as members of the Appropriations Committee. We do not just sit there and because any administration comes to us vote 100 percent of every increase they request.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, if the gentleman will again look at the chart the gentleman from California cited, he talked about a decrease of $1.75 million on the first item and then a decrease of $6.49 million, but those, may I say to the gentleman, are increases and not decreases.

Mr. McDADE. Everyone of them.

Mr. YATES. Also on page 66 the gentleman will find that the committee is going to approve a $20 million reprograming in this area which will be above the Presidents' request.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. McDADE) has again expired.

(At the request of Mr. BROWN of California, and by unanimous consent, Mr. McDADE was allowed to proceed for an additional 2 minutes.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I hate to have it construed that I was diametrically wrong in my quotation from this table, because the two columns are labeled "Budget Estimates, Fiscal Year 1978," and "Committee Bill, Fiscal Year, 1978."

The figure I was reading was the amount that the committee bill was below the budget estimate. I was not incorrect in that.

Mr. McDADE. Is the gentleman referring to the $84 million at the bottom of the page?

Mr. BROWN of California. No; I am referring to the items under Conservation Research and Development.

Mr. McDADE. Those are increases. If the gentleman will look at Industry Conservation, we find the budget estimates are $25 million. The committee bill is $26,750,000, an increase of $1,750,000 in that account. That is an increase.

Mr. BROWN of California. I am looking at a different table.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(At the request of Mr. McCORMACK and by unanimous consent, Mr. McDADE was allowed to proceed for 1 additional minute.)

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I would like to point out that in 1976, for fiscal year 1976, the expenditure for energy conservation was more than 90 percent. The estimated obligation by ERDA today is more than 100 percent. In other words, they are $91.8 million, compared to $91.4 million from the previous year. The figures that are in the amendment are the ERDA request to comply with the law.

Finally, whatever the expenditures figures were in this area earlier on, even if they were a month before, the fact is a letter we have, dated June 7 from the Energy Research and Development Administration on the obligated items as of April 20 was almost 50 percent; $70 million out of $100 million. The internal authorization was 85 percent, as of last month.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(By unanimous consent, Mr. McDADE was allowed to proceed for 1 additional minute.)

Mr. McDADE. Mr. Chairman, I must disagree with my colleague's tables. The gentleman had a letter that was presented on the floor in a similar debate last year. We have presented in the RECORD the testimony that was given to us by ERDA. Everybody in ERDA from the top man to the budget officer sitting across the table agreed on the obligational figures shown in our report—that is where they come from. They are from official records of the subcommittee. They are not something we bring up and say that we got a letter from someone who says something about the obligated rate. This is what they testified to in the committee. This is what we acted on.

If the gentleman will look at the committee report, we see a 29 percent obligation rate for the first 6 months. They have an unobligated balance.

Mr. Chairman, let us vote down this amendment and later on we will be glad to work with our colleagues on the Committee on Science and Technology.

Mr. GOLDWATER. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the McCormack amendment.

Mr. Chairman, I would hope that the two subcommittees or the two committees could be talking before this action takes place next time, so that we could avoid this kind of conflict. I think there needs to be more coordination between the authorization committees and the appropriations subcommittee, so that we can avoid this kind of conflict.

Mr. Chairman, I do not normally rise in support of increased funding on various programs that come before this floor; but in this instance, I have to rise in support, because after many, many hours of testimony before the authorizing committee on which I serve, after many hours of discussion and consultation and hours of building these various programs that we are now appropriating money for, I cannot help but arrive at the conclusion that they are moneys well worth appropriating.

The Committee on Science and Technology has carefully considered the President's conservation budget pro-

posals. We then reanalyzed the current ERDA programs and we carefully calculated: First, what was required in a basic R. & D. effort to permit the Nation to meet the energy conservation goals; and second, what funding levels are required to support such a program.

Not only is conservation a key element of the President's energy program and strategy, particularly the short-term strategy, but conservation R. & D. is also increasingly gaining support in the Committee on Science and Technology this particular year as a necessary adjunct to our energy production programs.

The adoption of this amendment is absolutely necessary in order to permit ERDA to conduct an intelligent, balanced, reasonably aggressive conservation R. & D. program. This amendment modestly increases the appropriation in the industrial conservation and other areas. It adds funds for cogeneration, and other important activities.

The amendment addresses itself to buildings and community assistance and improved energy conversion efficiency R. & D. programs. This amendment also restores important funding in the area of transportation, including the electric and hybrid vehicle and the advanced automotive propulsion R. & D. programs. These two ERDA activities hold major importance if we are going to achieve energy self-sufficiency and if we are to utilize our energy resources in the most efficient manner.

The Nation has need for these programs and technologies that will help generate energy right now—not 15 or 20 years from now. We have had a very difficult time in getting ERDA geared up to develop these programs, but the increased funding contained in this amendment, in my opinion, can be spent wisely and effectively in fiscal year 1978. To delay these important activities by not funding them at the optimum effective level will unduly impair our efforts to deal with the energy crisis confronting this Nation, and could cause a program cost increase simply because inflation will take its toll and add to the costs later on.

The Nation needs these programs now, and I do urge adoption of this amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from Illinois.

Mr. YATES. I merely want to point out to the gentleman that ERDA's wishes and ERDA's desires and ERDA's pleas vary from day to day. We inserted an additional amount into our bill in full committee.

The gentleman spoke of cogeneration. An additional amount of $8 million for cogeneration has been added, with the agreement of ERDA. Now, this amendment comes to the floor and says that ERDA needs an additional $2.7 million. This type of thing has happened before. Last year, ERDA said that rapid development of oil shale was not possible. This year, ERDA came in and said that oil shale is a near-term development possibility.

I say that ERDA frequently indicates one day a certain goal, and the next day changes its mind. I think we ought to act on the basis of the testimony before our committee, and not on the basis of what ERDA tells the gentleman in a telephone conversation.

Mr. GOLDWATER. I would submit to the chairman that the members of the Science and Technology Committee do not sit twiddling their thumbs during energy hearings. In fact, we spent many, many hours—probably more hours than the gentleman's subcommittee—going into tremendous amounts of detail on each and every one of these programs. We have come up against this inconsistency with ERDA and tried to explore it and find appropriate funding levels. The levels offered by this amendment are levels that we feel intelligently adress themselves to this program.

Mr. YATES. Our committee agrees completely with what the gentleman just said. His committee is a distinguished and great committee. We have told the chairman of the Fossil Subcommittee that we will give him the hearing he wants on the whole program as soon as his bill has passed the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. McCORMACK).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. McCORMACK. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair anounces that pursuant to clause 2, of rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears. Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Washington (Mr. McCORMACK) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 145, noes 251, not voting 37, as follows:

[Roll No. 326]

AYES—145

Allen	Bonker	Dingell
Ambro	Breckinridge	Dornan
Anderson, Calif.	Brown, Calif.	Downey
	Caputo	Drinan
Anderson, Ill.	Carney	Duncan, Tenn.
Applegate	Carr	Edgar
Aspin	Chisholm	Emery
Barnard	Cohen	Fish
Beard, Tenn.	Conyers	Flowers
Bedell	Corman	Foley
Beilenson	Cornwell	Ford, Mich.
Biaggi	Cunningham	Forsythe
Bingham	Davis	Fraser
Blanchard	Dellums	Frenzel
Blouin	Derrick	Frey
Boggs	Derwinski	Fuqua
Bonior	Diggs	Gammage
Gilman	McCormack	Rangel
Glickman	Madigan	Richmond
Goldwater	Maguire	Risenhoover
Gonzalez	Markey	Roberts
Gore	Marlenee	Rodino
Hagedorn	Meeds	Rudd
Hannaford	Meyner	Runnels
Harkin	Mikulski	Ruppe
Harrington	Mikva	Russo
Hightower	Milford	Schulze
Hollenbeck	Miller, Calif.	Sharp
Holtzman	Mineta	Solarz
Jeffords	Mitchell, Md.	Stangeland
Jenrette	Moorhead, Pa.	Stark
Jones, Tenn.	Mottl	Steiger
Kasten	Murphy, N.Y.	Studds
Kazen	Myers, Gary	Thornton
Keys	Neal	Tsongas
Kildee	Nedzi	Van Deerlin
Kostmayer	Nolan	Vento
Krebs	Nowak	Walgren
Lagomarsino	Oakar	Walker
Leggett	Oberstar	Watkins
Lehman	Ottinger	Waxman
Lent	Panetta	Weaver
Levitas	Patterson	Weiss
Lloyd, Calif.	Pattison	Wilson, Tex.
Lloyd, Tenn.	Pease	Winn
Long, Md.	Pettis	Wirth
Lujan	Pritchard	Wydler
McClory	Pursell	Young, Mo.
McCloskey	Quillen	

NOES—251

Abdnor	Early	McEwen
Addabbo	Edwards, Ala.	McFall
Akaka	Edwards, Calif.	McKay
Alexander	Edwards, Okla.	Mahon
Ammerman	Eilberg	Mann
Andrews, N.C.	English	Marks
Andrews, N. Dak.	Erlenborn	Marriott
	Ertel	Martin
Annunzio	Evans, Colo.	Mathis
Archer	Evans, Del.	Mattox
Armstrong	Evans, Ga.	Mazzoli
Badham	Evans, Ind.	Metcalfe
Bafalis	Fary	Michel
Baucus	Fascell	Miller, Ohio
Bauman	Fenwick	Minish
Beard, R.I.	Findley	Mitchell, N.Y.
Benjamin	Fisher	Moakley
Bennett	Fithian	Moffett
Bevill	Flood	Mollohan
Boland	Flynt	Montgomery
Bolling	Ford, Tenn.	Moore
Bowen	Fountain	Moorhead, Calif.
Brademas	Fowler	
Breaux	Gaydos	Moss
Brinkley	Gephardt	Murphy, Ill.
Brodhead	Giaimo	Murphy, Pa.
Brooks	Gibbons	Murtha
Broomfield	Ginn	Myers, Michael
Brown, Mich.	Goodling	Myers, Ind.
Brown, Ohio	Gradison	Natcher
Broyhill	Grassley	Nichols
Buchanan	Gudger	Nix
Burgener	Guyer	O'Brien
Burke, Calif.	Hall	Obey
Burke, Fla.	Hamilton	Patten
Burke, Mass.	Hammer-schmidt	Pepper
Burleson, Tex.		Perkins
Burlison, Mo.	Hanley	Pickle
Burton, John	Hansen	Pike
Burton, Phillip	Harris	Pressler
Butler	Harsha	Price
Byron	Hefner	Quayle
Carter	Heftel	Quie
Cavanaugh	Holland	Railsback
Cederberg	Holt	Regula
Chappell	Horton	Reuss
Clausen, Don H.	Howard	Rhodes
	Huckaby	Rinaldo
Clawson, Del	Hughes	Robinson
Clay	Hyde	Rogers
Cleveland	Ichord	Rose
Cochran	Jacobs	Rosenthal
Coleman	Jenkins	Rostenkowski
Collins, Ill.	Johnson, Calif.	Rousselot
Collins, Tex.	Jones, N.C.	Roybal
Conable	Jones, Okla.	Ryan
Conte	Jordan	Santini
Corcoran	Kastenmeier	Satterfield
Cornell	Kelly	Sawyer
Cotter	Kemp	Scheuer
Coughlin	Ketchum	Schroeder
Crane	Kindness	Seiberling
D'Amours	LaFalce	Shipley
Daniel, Dan	Latta	Shuster
Daniel, R. W.	Le Fante	Sikes
Danielson	Leach	Simon
de la Garza	Lederer	Sisk
Delaney	Long, La.	Skelton
Devine	Lott	Skubitz
Dickinson	Luken	Slack
Dicks	McDade	Smith, Iowa
Duncan, Oreg.	McDonald	Smith, Nebr.

Snyder	Traxler	Whitten
Spellman	Treen	Wiggins
Spence	Trible	Wilson, Bob
St Germain	Udall	Wilson, C. H.
Staggers	Vander Jagt	Wolff
Stanton	Volkmer	Wright
Steed	Waggonner	Wylie
Stokes	Walsh	Yates
Stratton	Wampler	Yatron
Stump	Whalen	Young, Fla.
Symms	White	Young, Tex.
Taylor	Whitehurst	Zablocki
Thone	Whitley	Zeferetti

NOT VOTING—37

Ashbrook	Hubbard	Rooney
Ashley	Ireland	Sarasin
AuCoin	Johnson, Colo.	Sebelius
Badillo	Koch	Steers
Baldus	Krueger	Stockman
Dent	Lundine	Teague
Dodd	McHugh	Thompson
Eckhardt	McKinney	Tucker
Flippo	Poage	Ullman
Florio	Preyer	Vanik
Hawkins	Rahall	Young, Alaska
Heckler	Roe	
Hillis	Roncalio	

The Clerk announced the following pairs:

On this vote:

Mr. McHugh for, with Mr. Thompson against.

Mr. Florio for, with Mr. Rooney against.

Mr. Badillo for, with Mr. Teague against.

Mr. Koch for, with Mr. Baldus against.

Mrs. Heckler for, with Mr. Ashbrook against.

Mr. Hillis for, with Mr. Sarasin against.

Mr. Sebelius for, with Mr. Stockman against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this bill making appropriations for the Department of the Interior for fiscal year 1978.

There are a number of excellent provisions in this bill, and I would like to commend the chairman of the committee, the gentleman from Illinois (Mr. YATES) and the ranking minority member, the gentleman from Pennsylvania (Mr. McDADE) for their hard work in bringing forth such an outstanding measure.

I would like to confine my remarks to a few areas in which I had a special interest.

First of all, I am pleased to see that the committee has provided for the full authorized amount of $60 million for the Youth Conservation Corps, an amount which will provide some 40,000 summer jobs for youth next year. As the sponsor of legislation to create a similar program for young adults, I am especially pleased to see this program funded at its maximum level, providing youth with meaningful jobs in conservation.

I am also pleased that under the funding for the Energy Research and Development Administration—ERDA, the ongoing demonstration programs in coal gasification have been retained and a new demonstration project added utilizing low-Btu fuel gas in a small industrial setting. This coal gasification process holds great promise for the future energy needs of the country by providing pollution-free energy through an already existing underground pipeline. I am hopeful that ERDA will be successful in bringing the unit cost down to where this energy source will become competitive with existing forms of energy.

The other program which I would like to mention is the anadromous fish conservation program, and in particular its support of the White River National Fish Hatchery in Bethel, Vt.

The completion of this hatchery is essential in order to provide for the timely restoration of salmon and shad to the Connecticut River. This is a project in which I have been involved for over 5 years, and one which is nearing completion.

To date, about $3.5 million has been appropriated for the construction of the hatchery. These funds have been used for feasibility and water studies, land acquisition, the construction of the water supply system, and the construction of the hatchery building, brood pools, rearing pools, and the purchase of equipment.

Construction is about on schedule, and it is anticipated that by January 1 initial operations will begin in the inside rearing pools. The committee has included first year operations funding for the hatchery in this bill, and I would like to commend the committee for doing so.

Although operations can begin in January, there are still major areas of construction remaining, including the construction of covered raceways and outdoor circular rearing pools, an effluent treatment system, fencing, lighting, and so forth.

I understand that an additional $400,000 is needed in fiscal year 1978 in order to continue the needed work on these components, and I intend to engage the distinguished gentlemen from Illinois and Pennsylvania in a brief colloquy to determine that sufficient funds are available in the bill to cover the $400,000 needed in 1978 for ongoing construction on this hatchery.

This vital part of the effort to restore the Atlantic salmon to the Connecticut River is moving ahead on schedule, and I appreciate the assistance of the members of the committee in providing adequate funds for this purpose.

The anadromous fish program will help restore the natural habitat of the Connecticut River Valley, and will justify the millions of dollars which have already been spent in cleaning up the river.

Moreover, it will provide a substantial recreational facility for the Northeast, a region where 60 million residents are in need of additional recreational alternatives.

In short, Mr. Chairman, I believe that this is an excellent bill and one which is worthy of my colleagues' support. I urge its adoption.

Mr. Chairman, I wonder if I might have the attention of my good friend, the chairman of the subcommittee, the gentleman from Illinois (Mr. YATES) at this time.

Mr. YATES. If the gentleman will yield, I will say to my good friend, the gentleman from Massachusetts, that he has my devoted attention.

Mr. CONTE. I thank the gentleman. The gentleman from Illinois knows I have been a long supporter of building a fish hatchery in Bethel, Vt. Even though this is out of my district, I have long been interested in it, and even though we have never gotten a request from any administration, we have gone before the gentleman's committee and received the necessary funds to construct a hatchery. The gentleman from Illinois has been most cooperative in providing these funds, as was his predecessor, Mrs. Hansen of Washington, and I appreciate his support.

Now the hatchery is almost completed. Approximately $3½ million have been appropriated to date for the construction of the White River Hatchery at Bethel, Vt., but I am told by the New England Regional Office of the Fish and Wildlife Service and by the people downtown that we need another $400,000 in this budget to continue the construction of the White River Fish Hatchery in Bethel, Vt., through fiscal year 1978. I was going to offer an amendment to that effect, and then I talked to the chairman, and he pointed out that on page 29 of the report there is $62,903,000 for construction of fish hatcheries.

However, I notice on page 29, there is a whole list of projects to be funded, but the White River fish hatchery in Bethel, Vt. is not included. Is there enough money in that $62.9 million to cover the $400,000 needed for the hatchery in 1978?

Mr. YATES. Will the gentleman yield, Mr. Chairman?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I will say to the gentleman from Masachusetts that the committee is well aware of the importance of the Bethel fish hatchery which has been brought to the attention of the committee for many years by the distinguished gentleman from Massachusetts. Speaking on behalf of the committee I will tell the gentleman that it is the committee's judgment that there is more than enough money available in the bill to take care of the needs of the Bethel fish hatchery.

Mr. CONTE. I thank the gentleman. Then there will be no need for me to offer the amendment. I thank the gentleman.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I thank the gentleman for yielding and for bringing this to our attention. Once again, as the gentleman has for I do not know how many years the gentleman has done so, he has brought this to our attention. I do know the fish hatchery would not be there in Bethel without the gentleman's attention, but I assure the gentleman there is enough money in the bill for that project.

Mr. CONTE. I thank the gentleman very much for his assurances.

Mr. FLOWERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I engaged in a colloquy with the distinguished chairman of the subcommittee on the rule on this. I would appreciate having his attention as well as the attention of my friends, the gentleman from Pennsylvania, the ranking

minority member (Mr. McDADE). At the time we were considering the rule the gentleman from Illinois (Mr. YATES), the chairman of the subcommittee, assured me that there would be an in-depth consideration of the overall ERDA picture when the science and technology bill, the authorization bill, has been considered.

Based upon those assurances I have been content not to stir the water here—and I am not sure I would have much success at it anyway—but to try to get this bill through and aim at the future when this distinguished subcommittee will take a look at the bill with the new authorized programs as well as the funding levels that are recommended in the ERDA authorization bill. Is my understanding correct as to what the gentleman from Illinois and the gentleman from Pennsylvania have basically agreed to do?

Mr. YATES. Mr. Chairman, if the gentleman will yield, his understanding of our agreement is entirely correct. I gave the gentleman my assurance that our committee would set down for hearing the findings of the gentleman's committee as incorporated in the bill as passed by the House within a reasonable time thereafter.

Mr. FLOWERS. I thank the gentleman. That is exactly what I hoped the gentleman would say.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to my friend, the gentleman from Pennsylvania.

Mr. McDADE. As I said during the debate, we are privileged to have some of the ablest Members of the House serving on the Science and Technology Committee, among them the gentleman from Alabama.

Mr. FLOWERS. I am glad I yielded to the gentleman. He may have the balance of my time.

Mr. McDADE. The gentleman should come and talk to us. We are always glad to hear what he has to say. We will be glad to have him come and talk to us about it.

Mr. FLOWERS. I thank the gentleman.

May I mention this also to the gentleman and to whoever else may be listening: Different Members have different ideas about what is lacking in the President's energy program, but in my judgment the basic fallacy is there is not enough emphasis on new ideas and on new development and on new resources. The only way we are going to get that is to have bold new programs or new approaches to old programs. It is going to take bold initiatives on the part of not only the Science and Technology Committee but also the Appropriations Committee and this House and this Congress if we are going to have that.

In all due respect to my distinguished friends, I hope they are waiting on a supplemental, because I do not see any bold new approaches or new initiatives in the bill we have here, so far as ERDA is concerned; so I am trusting that in the future they will come and put this before us. We on the Science and Technology Committee will try to help them with these initiatives.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, may I refer the gentleman to page 67 of the committee report, which indicates a small initiative on the part of our committee to require ERDA to fund the inventions of small inventors that have been approved by the Bureau of Standards. They have not been doing that and we thought they should.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, we do not disagree at all. Some years ago we were trying to get ERDA, almost breaking their arm, requesting increased R. & D. efforts in tertiary oil recovery. As the gentleman knows, two-thirds of all the oil pumped in this country stays underground. We had to add money every year to get the necessary R. & D. It was a committee initiative. We took it. We added the money. Thank heaven we have a strong program going now. We are advised it does not need much more money and we are achieving success. The stakes are so great, I want to repeat, if we could improve the technology for producing from those underground wells, we would have a great deal more oil. We are not insensitive to ERDA's strictures.

Mr. FLOWERS. Mr. Chairman, it is frustrating to see them not spend the money that was appropriated. I thank my friends for their comments.

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to give the strongest commendation to the committee for the increase in funds to the Forest Service in this fiscal year. I know of no place where money can be better spent to return dollars to this country than in our tree-growing capacity.

I would like to make a special point of the committee's report wherein it urges the Forest Service to use the $10,000 and under the sales program to allow small timber operations—individuals—to rescue timber that would otherwise rot in the forests and provide a market for it. I urge the Forest Service and the committee to watch this carefully to make sure the Forest Service follows through by increasing this small sales program.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Mr. Chairman, I thank the gentleman for calling this item to our attention and enabling us to take the necessary steps to encourage the development of that small sales program. The gentleman from California (Mr. DON CLAUSEN) has also been pushing for this very useful activity.

Mr. WEAVER. Mr. Chairman, I would also like at this time to say that in southwest Oregon we have a special problem with the Indians. They are in terminated tribes and almost assimilated; yet these Indian problems are there and they relate to the health program. There are now funds in this budget in the Indian Health Service appropriation to fund the program for the Eugene Indian Center for Health.

I would like to ask the gentleman from Oregon if the gentleman would comment on the possibility of the funds in the budget now being used, $152,292, for this Eugene Indian Health Center program.

Mr. DUNCAN of Oregon. Mr. Chairman, if the gentleman will yield, it is not only in southwest Oregon that there are problems with the Indians. There are problems all over the country.

The Indian chiefs have a very sympathetic committee to which they have brought their problems and the chairman, in particular, as far as he possibly can is trying to meet the vast unmet needs of the American Indian.

Members might be interested in knowing there is almost $1.5 billion in this budget for the Indians. We are $110 million, almost $111 million over the budget.

The gentleman is concerned particularly with urban Indian health programs. I might say, the amount he asks for is a very modest amount, $150,000 some odd dollars. I would like to explain to the gentleman that the budget request here was $3.2 million; that we increased that by subcommittee action in the amount of $5 million to a total of $8.2 million.

On the other side of the ledger, there were approximately 100 requests over and above the budget, totalling $140 million, against which we were able to appropriate only a total of about $8.2 million. The gentleman's request is a modest one. He will have to compete with those other 100 claimants on these urban Indian health funds. I cannot speak on behalf of the committee, but on behalf of myself I know the problem of which the gentleman is speaking, and I personally will do all I can to intercede with the Indian Health Service to see that the urban Indians in southwest Oregon are taken care of.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in strong support of the Interior appropriations bill, H.R. 7636, and would like to compliment the chairman of the Subcommittee on Interior, the distinguished gentleman from Illinois (Mr. YATES), and the ranking minority member from the State of Pennsylvania (Mr. McDADE) for the outstanding job they have done with this legislation. The final package is a cohesive and comprehensive measure designed to adequately fund the numerous programs administered by the Department of the Interior and related agencies.

I would especially like to acknowledge the committee's wisdom in appropriating an additional $500,000 for the National Park Service to be used to expand their activities for the study of areas potentially worthy of addition to the National Park System, and for the monitoring of the welfare of national natural and historic landmarks. These funds will greatly assist and expedite the National Park Service's implementation of a provision of a public law, enacted last fall, of a list of not less than 12 areas which appear

to be suitable candidates for addition to our National Park System.

With this kind of expeditious funding assistance, the Congress can now expect to have the benefit of regularly programed, professional studies and recommendations from the Service for new areas. This should significantly aid the Congress in its future deliberations as to the most meritorious areas for legislative action. The first report is due this coming October 1.

I want to commend my good friend and colleague from Kansas (Mr. SEBELIUS) who is the ranking minority member of the Parks Subcommittee of the House Interior and Insular Affairs Committee for his leadership in this matter in securing both the authorization and the increased appropriation to get this program moving.

I also applaud the Appropriations Committee's zealous support for the elimination of the growing backlogs in the reforestation program. Millions of acres of national forest lands await replanting. Meeting this need is an essential step in protecting our investment in public lands. Moneys earned from timber harvest receipts are a substantial contribution to the Treasury.

In addition, I note the recommended increase in sale and harvest levels on Forest Service lands. Increased volume is critical if we are to meet the growing needs of the Nation for wood products.

The committee has noted on page 5 of the committee report the orderly manner in which private enterprise accomplished the reforestation of their lands. The timber landowners in my congressional district, the "Redwood Empire," have long recognized the need to establish a sustained yield plan of operation predicated on the careful management and restocking of their lands.

I would also like to note the appropriations for Indian programs. I am pleased to see that the committee has recommended a substantial amount of the funds authorized last year under the Indian Health Care Improvements Act of which I was a cosponsor. These funds are certainly well justified and will assist our Native Americans in achieving a better quality of life.

The committee report also refers to the proposed upgrading of the present position of Commissioner of Indian Affairs to an Assistant Secretary level. As a cosponsor of legislation to accomplish this goal, I would like to add my support to the committee's endorsement of the present administration's commitment to accomplish this action administratively in connection with a complete reform of the Bureau of Indian Affairs.

The job of the new Assistant Secretary will not be an easy one. He will have authority over 266 reservations, scattered throughout 24 States in addition to the urban Indians and Alaska Natives which also fall under the Bureau's responsibility.

This legislation also contains funding for our payments in lieu of taxes program. This is the second year of funding for the program which provides for payments to our local counties which contain public lands. This program has the complete support of county officials in my congressional district and they wholeheartedly endorse the retention of the $100 million funding level.

Lastly, I commend the committee's attention to the need for research on coastal anadromous fish under the jurisdiction of the U.S. Fish and Wildlife Service. These resources are a valuable element of the north coast economy and play an increasingly more significant role as a world food source.

Mr. WEAVER. Mr. Chairman, I close by saying that I urge that the $152,000 for the Eugene Indian Health Center be granted by the agency.

AMENDMENT OFFERED BY MR. GOLDWATER

Mr. GOLDWATER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOLDWATER: Page 36, line 26, after the words "recovery of oil and gas:" strike out the remainder of line 26, and, on page 37, strike out all of lines 1 through 5.

Mr. GOLDWATER. Mr. Chairman, members of the committee, the purpose of this amendment is to strike out a provision which requires ERDA to come back to the Appropriations Committee for action on each loan guarantee or price support program. Mr. Chairman, we are told by various administrations and experts that we have an energy crisis; in fact, we have a Presidential program presented to the Congress itself to this energy problem.

One of the approaches to solving this is to accelerate research and development into alternate fuels to get away from a fossil fuel economy. Consequently, we have a $6 or $7 billion research and development program administered by ERDA. We on the Science and Technology Committee for the past many years have been looking into the various energy resources, and we have been scrutinizing and holding hearings and building specific programs designed to, for instance, bring on line solar heating and cooling. We have developed electric car vehicle programs so that we can get away from the internal combustion engine. We have expended moneys and have built programs for various geothermal programs. We have authorized tremendous expenditures for nuclear energy and fusion.

This committee has looked upon various sources as tools to encourage this acceleration of research and development, one of which is price supports or loan guarantees. Now, I happen to not be a great enthusiast of loan guarantees or price supports, and have resisted in previous years authority to place in effect a large, unobstructed loan guarantee program. This year, we have begun tailoring specific price support and loan guarantees to specific programs in very limited applications.

We require ERDA to come back to the authorizing committee for appropriate review and comment. Mr. Chairman, this provision in the appropriation bill requires, in essence, a duplication. It requires ERDA to also come back, not only to the authorizing committee, but now to the Appropriations Committee which, in my opinion, will build in further delay and disincentive for the private sector to move into these new, very risky areas of energy resources.

The Committee on Appropriations already has the authority to look into loan guarantees and to act. But to now require ERDA to come back on a specific case-by-case basis, and for the Committee on Appropriations to then look at that program, the specific program, regardless of how much it is, and then have to appropriate that, we are talking about another year's delay in that specific loan guarantee program, or unless we can get a supplemental appropriation to cover that specific request. It is absolutely duplicative. It is unnecessary. I would submit, Mr. Chairman, that it infringes upon the authority granted the authorizing committee.

It is my understanding that the responsibility of appropriations is to look at the total budget, to look at the expenditures of the U.S. Treasury, and that it is the authority of the authorizthe committees to go into a detailed analysis, and to structure, build, and authorize appropriate programs whether it be in the field of photovoltaics, whether it be in the field of nuclear energy or automotive propulsion. The authorizing committee expends a tremendous effort in time and expertise in order to build these programs, to address ourselves to our energy shortage. One of the tools is the loan guarantee and price supports. And if we are going to have these kinds of tools, such as loan guarantees and price supports, let us have them and let us make them work. But to build in another delay, unnecessarily, I might add, by requiring a duplication of effort by the Committee on Appropriations, that is wrong; and I would hope that the committee would support the striking of this particular langauge.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from California (Mr. GOLDWATER) is my good friend, and I would not want to be critical of him. But I must say, in all frankness, that I am somewhat surprised by his offering this amendment. The purpose of the provision is to retain fiscal responsibility. The Committee on Appropriations believes that to allow loan guarantees and price supports to be entered into, without knowledge of what the total fiscal impact is likely to be, is not acting in a responsible manner. It is for that reason this provision has been included in the bill, regardless of what our individual views may be on the question of price supports or loan guarantees. All we are trying to do is determine what the liability of the Federal Government is likely to be in the future.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania (Mr. McDADE).

Mr. McDADE. I thank the gentleman for yielding.

Mr. Chairman, I could not agree more fully. All we are saying to the Members of the House is, "Let us do our job, which is, before a loan guarantee is granted, come up before the Committee on Appropriations and justify it."

And let me refer the Members of the

House to the budget for this year, page 105. The exposure of the Federal Government, under loan guarantees granted to date, 1978, is $202 billion.

A lot of this is completely off budget. All we are trying to say is that the Members should come to the Committee on Appropriations and show us what they are going to do with these amounts represented by these commitments the Government is assuming.

Mr. Chairman, the chairman of the subcommittee is right, and I hope we vote the amendment down.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I want to commend the gentleman from Illinois (Mr. YATES) for his opposition to this amendment.

This question of loan guarantees is a very serious one. It is one that the Government is going to have to address. The Congress is going to have to address this problem specifically.

We have some very serious matters to consider if we are going to get control over the spending of the Federal Government. One of them concerns these off-budget agencies which are growing constantly. President Ford himself recommended that Congress try to get better control over these agencies so that we can bring them under budget control.

The other area relates to the loan guarantees, which as the gentleman from Pennsylvania (Mr. MCDADE) suggests, are growing every year and will shortly rise to a figure of about $200 billion. That threatens to become an uncontrollable situation, about which Congress will have very little knowledge and over which it may have very little control.

The only way we can control these loan guarantees is the way which the gentleman from Illinois (Mr. YATES) suggests—putting some type of limitation on them which compels them to have oversight by the Committee on Appropriations in relation to these activities.

Mr. Chairman, if we were to adopt this amendment, we would be opening the door further and wider, and away from control by the Committee on Appropriations, away from congressional control, and we would have that much more difficulty in trying to get some degree of management and control over this massive Federal budget.

Mr. YATES. Mr. Chairman, I thank the gentleman from Connecticut (Mr. GIAIMO).

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I thank my colleague for yielding.

I merely wish to reemphasize the fact that, as my colleague, the gentleman from Pennsylvania (Mr. MCDADE), and the chairman of the Budget Committee, the gentleman from Connecticut (Mr. GIAIMO) have indicated, a substantial portion of this loan guarantee program is off budget. So the only way that this House will have some control over that program, in judging its size and reach, is through the Committee on Appropriations and its review process.

I think it is extremely important, the Committee on Appropriations and the Congress would have adequate control over this issue of loan guarantees. I think this is an important portion of the bill to retain.

Mr. YATES. Mr. Chairman, I thank the gentleman for his contribution.

Mr. FLOWERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that there is a basic problem involved here.

This is the first time that I know that an appropriation bill has had this type of language in it.

Is that not the case? Does any Member know whether this type of language has ever appeared in an appropriation bill, referring to language pertaining to loan guarantees?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, this language was in our bill last year.

Mr. FLOWERS. The same identical language?

Mr. YATES. The same identical provision.

Mr. FLOWERS. Mr. Chairman, I think the problem is that we have language that says, "unless specific provision is made for such programs in future appropriation acts."

This language seems to obviate the necessity or even the desirability of having any kind of authorization process involved. There is always the idea that we might at some point raise a point of order that there is an appropriation item in an authorization bill, but this gives authorizing jurisdiction to the Committee on Approprations, it seems to me.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I do not agree with the gentleman that this gives authorizing jurisdiction to the Committee on Appropriations.

The purpose of the language is to require the agency to ask for sufficient funding in, say, the 1978 bill, if it were a 1977 act, to permit the agency to go out and perform its functions within the limits of the fund that the Committee on Appropriations has established for the purpose and not go beyond that amount. In that way we do know where we stand insofar as potential liability on these loan guarantees and price supports is concerned.

Mr. FLOWERS. Mr. Chairman, it is logical that the full amount of funds that would be required would not be the full sum of the loan guarantee; it might be a lesser sum. I do not know what sort of decision would be made in regard to that. It would be some sort of a discount figure based upon actuarial consideration, because we are guaranteeing; we are not paying in advance.

Mr. YATES. That is right.

Mr. FLOWERS. The gentleman is saying that the authority that would be retained in the Committee on Appropriations would be to deal with the funding level necessary to support the loan guarantee program?

Mr. YATES. The gentleman is correct.

Mr. FLOWERS. It would not be the specifically authorized overall loan guarantee program but the necessary funding level for the Government to maintain the program?

Mr. YATES. That is correct. It would give the Committee on Appropriations the opportunity to see what the agency proposed to commit the Government to.

Mr. FLOWERS. I fully agree with the gentleman.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman I appreciate my colleague's yielding.

As the chairman of the subcommittee has stated, this provision has previously appeared in legislative appropriations. However, I think the gentleman makes an excellent point in saying that this might be a good thing to do in every appropriation bill. Maybe it is an idea whose time has come.

Mr. Chairman, I think part of the problem with respect to loan guarantees is that the Congress tends to lose control of what actually happens. This provision merely gives authority to the Committee on Appropriations, which has to dish out the eventual dollars for either an authorization or a loan guarantee; but more important than that, I believe, is the fact that the committee has shown wisdom by asking for a specific review procedure in this provision.

Mr. FLOWERS. Mr. Chairman, I think the gentleman is entirely correct. It is such a good idea that I hope that the gentleman from Illinois (Mr. YATES) will share it with the other Subcommittees on Appropriations.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, one of my concerns here is this—and I am glad to see that the Committee on Appropriations is looking at these loan guarantees because I agree that they get out of hand—but my concern here and the reason I offered my amendment are that loan guarantees and price supports are a tool to encourage a fledging industry in an area where there is a lot of risk. That is why we are providing these tools, to encourage them. ERDA designs a program and, in essence, creates a loan guarantee, say, for instance, for geothermal energy, for $10 million. They do that in 1978, but before that, before they can go ahead with that loan guarantee, they have to come back to the Committee on Appropriations. I am concerned about whether this loan guarantee would not take effect until the following year, 1979, when the Committee on Appropriations would have to act. Is that a correct interpretation?

The CHAIRMAN. The time of the gentleman from Alabama (Mr. FLOWERS) has expired.

(On request of Mr. GOLDWATER and by

unanimous consent, Mr. FLOWERS was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, will the gentleman yield so that I may reply to the gentleman from California?

Mr. FLOWERS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, it is my understanding that the agency would appear before our committee with a request to issue a certain amount in loan guarantees and price supports so that the Committee on Appropriations would be able to know just what the potential liability of the Government is likely to be.

Mr. GOLDWATER. What action are they required to take under this provision?

Mr. YATES. If the gentleman will yield further, under this provision we would be funding the amount of money that would be necessary to undertake such a program.

If the gentleman is asking, suppose ERDA were undertaking a program of issuing, say, $1 billion in loan guarantees, would we require the appropriation of $1 billion in order to cover that, the answer is no. However, we would be in a position to say that we do not think that ERDA ought to fund $1 billion. We could say that we think it is more reasonable to fund, say, three-quarters of a billion because of the possible liability of the Government.

Mr. FLOWERS. Mr. Chairman, I think the gentleman has clarified this point for me, so that there is no intent to place upon the Committee on Appropriations, notwithstanding the consideration in the authorization of such a program, the programmatic approach to the loan guarantee. The program would be more or less served up to the Committee on Appropriations, with the request that it fund it at a certain level to enable the Government to go forward with a higher level of loan guarantees.

The Committee on Appropriations, in its wisdom and then later the House, when it acted upon it, would decide at what level the funding would be. Of course, the authorized loan to be guaranteed would relate back to whatever amount of money was in the bill.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to the debate; and I heard the debate before the Committee on Rules.

I would like to point out that which all of us are aware of, but which does not appear in this colloquy, and that is that we have discussed this matter as though the legislative committee's actions were final; we have discussed it as though the Committee on Appropriations' action was final. However, in each case the committee can only recommend.

Therefore, while we are talking about something before the Committee on Appropriations, and the committee takes appropriate action, but at best or at most, it is a mere recommendation to the Congress. Therefore, while we are the instrumentality to which they report, it is the Congress which acts.

Mr. Chairman, I want to repeat again that nobody has given any committee the final say. We have given to them the right to hear, the obligation to hear, and to make recommendations; but the Congress, in the final analysis, must make the determination.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California, Mr. GOLDWATER.

The amendment was rejected.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time in order to compliment the full Committee on Appropriations and this subcommittee for their continuing diligent work in trying to provide the U.S. forest system with increased capability to deal with the problems of fire protection and, more importantly, establish and maintain fuel management programs for fire prevention.

In the west, of course, we probably are more conscious of the threat of fire because of the extremely dry seasons during the summer.

Mr. Chairman, I would also like to thank the chairman of the subcommittee, the gentleman from Illinois, Mr. YATES, and the ranking minority member, the gentleman from Pennsylvania, Mr. MCDADE, who have responded to many of us from the west, such as California, whenever we have come before the committee and made recommendations as they related to the problems of fire protection and fuel management in the effort to prevent forest fires from occurring.

Could the gentleman from Illinois, Mr. YATES, tell the Members what the committee added this year in fire prevention and fuel management?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, in reply to the inquiry of the gentleman from California, Mr. ROUSSELOT, let me say that the committee added an additional $5 million for fuel management and $1 million for fuel breaks, which will be expended in the State of California.

Mr. ROUSSELOT. I thank my colleague, the gentleman from Illinois for that effort on the part of the subcommittee. I am not one who usually stands up and makes much over the Committee on Appropriations because I am usually trying to cut money, but I believe that this effort to provide adequate funds for fire prevention, which we refer to as fuel management, is every bit dollar saving in the long run because, as many of my good colleagues from California know, much of the money that has been spent in this program has clearly stopped fires long before they have been able to spread to other areas.

As I say, this committee has been most responsive in not only listening to those pleas but many of the Members, including the gentleman from Illinois (Mr. YATES) have come to the areas where most of the work is being done. I might add that in most cases this is being done by the Forestry Service and the National Park Service. And in this respect, they do not just go out and cut fuel trails but they do many things to protect the ecology one of which is to plant a ground cover that produces an undergrowth less prone to fire than other types of foliage.

As I say, Mr. Chairman, I just wished to thank the committee for its efforts.

Mr. Chairman, could the chairman of the subcommittee, the gentleman from Illinois (Mr. YATES), also answer a question concerning programs that many of us in the southern California area are interested in, known as the Angeles High Country Plan, and the Jackson Flat Campground Area. Was the committee able to add funds for these programs?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I would be glad to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I should like to tell the gentleman from California that the committee has added $110,000 for that purpose, making a total of $605,000 available for the 1978 portion of the plan.

Mr. ROUSSELOT. Mr. Chairman, I might point out that Los Angeles is an area where we have an awful lot of people who go to the Angeles National Forest in the summertime and we appreciate very much this effort on the part of the committee.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I am happy to yield to my colleague, the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I would join the gentleman in complimenting the committee for their understanding of this very severe problem in the West, especially this year. They have shown a sensitivity to the problem and to the concerns of those out West where there have been repeated forest fires that destroy a great natural resource. I think the gentleman is quite correct and appropriate in calling attention to the fine work of the chairman and the ranking minority member of the committee, as well as the committee itself, in giving their attention to this problem.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, I think the reason that many of us in southern California, both the Democrats and Republicans, have been unanimous in our efforts to "spend money" in this area is because it actually has eventually resulted in savings of a substantial amount. Money was actually saved by not having to fight fires on a larger scale. So I want to thank the committee.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. I thank the gentleman for yielding.

Not only has it saved money, but I would like to call attention to page 15 where this total bill of a little over $9 billion in budget authority has estimated a return revenue to the Treasury of $5,-260,000,000. So it not only saves us from expending money but, as the gentleman has pointed out, what we are putting out in this bill is not an expenditure but it is an investment that is going to return it to the Treasury many times.

Mr. ROUSSELOT. The gentleman makes an excellent point.

The CHAIRMAN. The time of the gentleman has expired.

Are there further amendments to title II?

If not, the Clerk will read.

The Clerk proceeded to read title III.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title III? If not, are there any amendments to title III?

Mr. YATES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MEEDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7636) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. YATES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 395, nays 7, not voting 31, as follows:

[Roll No. 327]

YEAS—395

Abdnor	Armstrong	Blanchard
Addabbo	Ashley	Blouin
Akaka	Aspin	Boggs
Alexander	Badham	Boland
Allen	Bafalis	Bonior
Ambro	Barnard	Bonker
Ammerman	Baucus	Bowen
Anderson, Calif.	Beard, R.I.	Brademas
Anderson, Ill.	Beard, Tenn.	Breaux
Andrews, N.C.	Bedell	Breckinridge
Andrews, N. Dak.	Beilenson	Brinkley
Annunzio	Benjamin	Brodhead
Applegate	Bennett	Brooks
Archer	Bevill	Broomfield
	Biaggi	Brown, Calif.
	Bingham	Brown, Mich.
Brown, Ohio	Goodling	Moffett
Broyhill	Gore	Mollohan
Buchanan	Gradison	Montgomery
Burgener	Grassley	Moore
Burke, Calif.	Gudger	Moorhead, Calif.
Burke, Fla.	Guyer	Moss
Burke, Mass.	Hagedorn	Motti
Burleson, Tex.	Hall	Murphy, Ill.
Burlison, Mo.	Hamilton	Murphy, N.Y.
Burton, John	Hammer-schmidt	Murphy, Pa.
Burton, Phillip	Hanley	Murtha
Butler	Hannaford	Myers, Gary
Byron	Hansen	Myers, Michael
Caputo	Harkin	Myers, Ind.
Carney	Harrington	Natcher
Carr	Harris	Neal
Carter	Harsha	Nedzi
Cavanaugh	Hefner	Nichols
Cederberg	Heftel	Nix
Chappell	Hightower	Nolan
Chisholm	Holland	Nowak
Clausen, Don H.	Hollenbeck	O Brien
Clawson, Del	Holt	Oakar
Clay	Holtzman	Oberstar
Cleveland	Horton	Obey
Cochran	Howard	Panetta
Cohen	Hubbard	Patten
Collins, Ill.	Huckaby	Patterson
Conable	Hughes	Pattison
Conte	Hyde	Pease
Conyers	Ichord	Pepper
Corcoran	Ireland	Perkins
Corman	Jacobs	Pettis
Cornell	Jeffords	Pickle
Cornwell	Jenkins	Pike
Cotter	Jenrette	Pressler
Coughlin	Johnson, Calif.	Preyer
Cunningham	Jones, N.C.	Price
D'Amours	Jones, Okla.	Pritchard
Daniel, Dan	Jones, Tenn.	Pursell
Daniel, R. W.	Jordan	Quayle
Danielson	Kasten	Quie
Davis	Kastenmeier	Quillen
de la Garza	Kazen	Rahall
Delaney	Kemp	Railsback
Dellums	Ketchum	Rangel
Derrick	Keys	Regula
Derwinski	Kildee	Reuss
Devine	Kindness	Rhodes
Dickinson	Kostmayer	Richmond
Dicks	Krebs	Rinaldo
Diggs	Krueger	Risenhoover
Dingell	LaFalce	Roberts
Dodd	Lagomarsino	Robinson
Dornan	Latta	Rodino
Downey	Le Fante	Rogers
Drinan	Leach	Rose
Duncan, Oreg	Lederer	Rosenthal
Duncan, Tenn.	Leggett	Rostenkowski
Early	Lehman	Rousselot
Edgar	Lent	Roybal
Edwards, Ala.	Levitas	Rudd
Edwards, Calif.	Lloyd, Calif.	Runnels
Edwards, Okla.	Lloyd, Tenn.	Ruppe
Eilberg	Long, La.	Russo
Emery	Long, Md.	Ryan
English	Lott	Santini
Erlenborn	Lujan	Satterfield
Ertel	Luken	Sawyer
Evans, Colo.	Lundine	Scheuer
Evans, Del.	McClory	Schroeder
Evans, Ga.	McCloskey	Schulze
Evans, Ind.	McCormack	Seiberling
Fary	McDade	Sharp
Fascell	McEwen	Shipley
Fenwick	McFall	Shuster
Findley	McKay	Sikes
Fish	Madigan	Simon
Fisher	Maguire	Sisk
Fithian	Mahon	Skelton
Flood	Mann	Skubitz
Flowers	Markey	Slack
Flynt	Marks	Smith, Iowa
Foley	Marlenee	Smith, Nebr.
Ford, Mich.	Marriott	Snyder
Ford, Tenn.	Martin	Solarz
Forsythe	Mathis	Spellman
Fountain	Mattox	Spence
Fowler	Mazzoli	St Germain
Fraser	Meeds	Staggers
Frey	Metcalfe	Stangeland
Fuqua	Meyner	Stanton
Gammage	Michel	Stark
Gaydos	Mikulski	Steed
Gephardt	Mikva	Steiger
Gialmo	Milford	Stockman
Gibbons	Miller, Calif.	Stokes
Gilman	Mineta	Stratton
Ginn	Minish	Studds
Glickman	Mitchell, Md.	Stump
Goldwater	Mitchell, N.Y.	Taylor
Gonzalez	Moakley	Thone
Thornton	Wampler	Wirth
Traxler	Watkins	Wolff
Treen	Waxman	Wright
Trible	Weaver	Wydler
Tsongas	Weiss	Wylie
Tucker	Whalen	Yates
Ullman	White	Yatron
Van Deerlin	Whitehurst	Young, Alaska
Vander Jagt	Whitley	Young, Fla.
Vento	Whitten	Young, Mo.
Volkmer	Wiggins	Young, Tex.
Waggonner	Wilson, Bob	Zablocki
Walgren	Wilson, C. H.	Zeferetti
Walker	Wilson, Tex.	
Walsh	Winn	

NAYS—7

Bauman	Kelly	Ottinger
Collins, Tex.	McDonald	
Crane	Miller, Ohio	

NOT VOTING—31

Ashbrook	Hawkins	Rooney
AuCoin	Heckler	Sarasin
Badillo	Hillis	Sebelius
Baldus	Johnson, Colo.	Steers
Bolling	Koch	Symms
Coleman	McHugh	Teague
Dent	McKinney	Thompson
Eckhardt	Moorhead, Pa.	Udall
Flippo	Poage	Vanik
Florio	Roe	
Frenzel	Roncalio	

The Clerk announced the following pairs:

Mr. Rooney with Mr. Ashbrook.

Mr. Thompson with Mr. Moorhead of Pennsylvania.

Mr. Teague with Mr. AuCoin.

Mr. Dent with Mrs. Heckler.

Mr. Baldus with Mr. McKinney.

Mr. McHugh with Mr. Coleman.

Mr. Florio with Mr. Hillis.

Mr. Koch with Mr. Sarasin.

Mr. Flippo with Mr. Eckhardt.

Mr. Badillo with Mr. Symms.

Mr. Hawkins with Mr. Frenzel.

Mr. Roncalio with Mr. Vanik.

Mr. Roe with Mr. Sebelius.

Mr. Udall with Mr. Steers.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material, and that I be given leave to include tables, charts, and other material, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL EXPLANATION

Mr. STANGELAND. Mr. Speaker, on rollcall No. 325, the rule providing for consideration of the Interior appropriations bill, I was delayed in getting to the House floor because my committee was in session. Had I been able to vote I would have voted "aye."

PERMISSION FOR COMMITTEE ON VETERANS' AFFAIRS TO FILE REPORTS

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs have until midnight tonight to file reports on the following

bills: H.R. 1678; H.R. 7345; H.R. 7658; and H.R. 7678.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGAL SERVICES CORPORATION AMENDMENTS ACT OF 1977

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 617 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 617

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes, and all points of order against section 3 of said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana (Mr. LONG) is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a simple resolution which provides for consideration of H.R. 6666, the Legal Services Corporation Amendments Act of 1977. It is an open rule, providing for 1 hour of general debate divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. This rule contains a waiver of all points of order against section 3 of the bill for failure to comply with the provisions of clause 5 of rule XXI, which prohibits an appropriation in an authorizing bill. Section 3 of the legal services bill amends the basic law to allow the Corporation to make grants for new programs not contained in the existing law.

The Committee on Rules held a hearing on H.R. 6666 on Tuesday, June 7, and the rule was granted by a record vote of 8 to 4.

The bill itself would authorize appropriations for the Legal Services Corporation for an additional 2-year period—$238.7 million in fiscal year 1978 and $300 million in fiscal year 1979—and would amend the act creating this Corporation to allow it flexibility and discretion to provide quality legal assistance to eligible clients by the most effective, efficient, and economical methods, consistent with the canons of the legal profession. The Judiciary Committee has pointed out that this bill would remove currently existing and unnecessary restrictions in the law which prevent eligible citizens from representation in civil legal matters and would improve access to justice for people unable to afford it.

I reserve the balance of my time.

Mr. LATTA. Mr. Speaker I yield myself such time as I may consume.

Mr. Speaker, I am sure that my friends on the left are as interested as I am in seeing to it that our new President keeps as many of his promises as he possibly can. I am particularly interested in seeing that he keeps his promise to balance the budget by 1981. But today we are asked to pass a rule which makes in order consideration of a bill which exceeds his request considerably.

Mr. Speaker, I have reference to this extension of the Legal Services Corporation Act.

The President of the United States, who wants to balance the budget by 1981, requests $175 million for this program, which is $50 million over its cost in fiscal year 1977. But the committee is authorizing for fiscal year 1978, not the $90 requested in President Ford's budget for fiscal year 1978, not the $125 million figure appropriated in fiscal year 1977 and not the $175 million requested by President Carter, but $237,700,000, and then they want to continue on this spending binge and authorize $300 million for fiscal year 1979. That is almost a third of a billion dollars for a program which hands out taxpayers' hard earned money to lawyers under the guise of helping the poor.

And this is the real question: Are they helping the poor with legal services? Let us see what a member of the committee has to say on this in the report. I have reference to a statement by the gentleman from Ohio, the Honorable JOHN ASHBROOK, contained on page 36 of the report. This is what he says, and he puts the first two words in quotes:

"Legal services" is not a poor peoples program.

I might interject, after listening to the presentation of this matter before the Committee on Rules and after studying it further, this really is a lawyer's bill designed to put lawyers to work rather than a bill to help poor people. Let me quote further from what the gentleman from Ohio (Mr. ASHBROOK) says in the report:

It is not a program to impartially seek justice, but one which uses public funds to seek political change outside the electoral process—not just in the courts, but through grass roots lobbying organizations, paid legislative agents, voter registration efforts, political publications, and lobbying the personnel of state and federal agencies.

Is this what the Members of Congress were voting on and voting for when they passed this legislation? I think not.

Are we paying lobbyists to lobby before these various agencies? I did not think the Members of this body were voting for such an organization of paid professional legal lobbyists when they voted for this bill earlier.

Continuing the quotation, Mr. Speaker, the gentleman from Ohio (Mr. ASHBROOK) says this:

Since its inception, employees of the federal legal services program have been taxpayer-funded advocates and organizers—

And I did not think that we were employing organizers when we passed this legislation—

of such political causes as quotas in jobs and schooling, welfare rights, unions of the unemployed, student protests, Indian land claims, homosexual demands, proposals for graduated state income taxes, ERA, voting rights for prison inmates, rent strikes, boycotts of private businesses, anti-business regulation, no-growth environmentalism, massive expansion of the food stamp program, Naderite consumerism, American Indian Movement extremism, state takeovers of local education land use controls, and more.

Then the gentleman from Ohio (Mr. ASHBROOK) completes the paragraph contained in the report by saying this: "My files are full of their circulars and radical propaganda."

Mr. Speaker, I asked the question whether or not we had any oversight hearings by the committee over what they have given us by this legislation, and I had an affirmative reply. However, I wonder how thorough an oversight we had if they permitted all these things with which they are charged in this report to take place under the authorization given by the Congress.

I think these are appropriate questions to be asked and that we should seek some answers to them before we give an extension and go so far in authorizing the inflated appropriations being requested in this legislation.

Mr. Speaker, if the gentleman from Illinois on my left, who is now on his feet, can answer these questions, I will be glad to yield to him.

Mr. McCLORY. Mr. Speaker, I wondered whether the gentleman would yield, and I thank him for yielding.

I would like to comment with regard to the subject of lobbying or to the subject of employees of legal aid bureaus being engaged in lobbying.

I agree with the gentleman that we should not permit voluntary lobbying employees of legal aid bureaus created by this organization, and there are restrictions and prohibitions with regard to that.

What we must decide, it seems to me, is the question as to whether or not an employee of a legal service bureau might volunteer before a legislative body to lobby for or against something that he or she might think was advisable or inadvisable.

Mr. Speaker, I will be offering an amendment which will prohibit this kind of individual initiative or individual involvement on the part of employees of legal service offices to conduct or carry on any such lobbying efforts.

There are 300 of these legal service bureaus around the country, one in a community in my district, which I understand, from members of the bar, is handled quite well, so that they are effective in some areas. I am sure of that.

I think the general concept of providing legal services for those who are not able to afford them is a worthy con-

cept and one which I think requires generous support.

Mr. LATTA. Mr. Speaker, if the gentleman will be so kind, I would just like to ask him whether or not he is going to offer an amendment which will stop some of these other practices alluded to in this report.

Mr. McCLORY. There are restrictions with regard to lobbying before a legislative body. If an individual client's legal rights are involved, it is possible that he or she might appear before a legislative body or before a municipal body with regard to those legal rights; but I hope that we are going to require that the individual client's legal rights be directly involved—at least, that is my hope—and that they—the employees cannot lobby just because they have not had eligible clients in the office whose interests might be involved.

As far as the appropriations are concerned, I am sure that this estimate is a fair one; but that is going to be up to the Committee on Appropriations to decide how much to allow.

Mr. LATTA. Mr. Speaker, since the gentleman is familiar with this legislation, having served on the committee let me ask him this question: To the gentleman's knowledge, how much oversight has gone on in the gentleman's committee on this matter?

Mr. McCLORY. In my own case, the oversight has related to the legal services bureau in Waukegan, Ill., in my congressional district, and I have conferred individually there with the lawyers who have observed them. With one exception, there has been generally good comment on the part of the practicing lawyers. That is the kind of information that is most useful to me.

I believe there is a legal services bureau in Peoria, Ill., also; and I think that has a generally good reputation.

Mr. LATTA. I have reference, though, to the gentleman's committee. How much time has the gentleman's committee spent in oversight on this particular program.

Mr. McCLORY. I am not sure. It did not come out of my subcommittee. Therefore, it must have been before some other subcommittee.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Speaker, just to answer the question with reference to oversight, of course, the legal services corporation did not go into business until October 1975. We have had the authorization hearings, which are the basis for this report. I, along with the gentleman, agree that continuing oversight is a heavy responsibility of the Committee on the Judiciary; and of course, the chairman of the subcommittee can speak to that matter. In any event, it has been my view that we should continue oversight of this corporation, at least annually; and certainly the authorization will be up again in another 2 years. Therefore, the expectation, as long as I am a member of this subcommittee is to encourage continuing oversight because I do think that is important.

Mr. LATTA. Mr. Speaker, I want to thank the gentleman from Virginia (Mr. BUTLER) for his comments and his contribution, especially the fact, as he points out, that this sort of organization has only been in operation since 1975, which makes me wonder how it could get so far out of line in such a short time.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman from Ohio (Mr. LATTA) for yielding.

I rise in support of the rule that would make in order an extension of the authorization for 2 years of the Legal Services Corporation.

I think it should be noted that the original impetus for the creation of a legal services corporation was started way back more than a decade ago by the man who was then president of the American Bar Association and who is now a Justice of the U.S. Supreme Court, Lewis F. Powell, Jr.

It is true that following the creation of the original Legal Services Corporation, an agency of the Government under the Office of Economic Opportunity, that there were some of the abuses that are referred to in the statement by the gentleman from Ohio and in the minority views of the gentleman from Ohio (Mr. ASHBROOK). But, Mr. Speaker, as I listened to the testimony the other day before the Committee on Rules of the witnesses, the gentleman from Wisconsin (Mr. KASTENMEIER) and the gentleman from Illinois (Mr. RAILSBACK) they said that of the 1 million or more cases that are handled annually by the present Legal Services Corporation that they break down roughly into four principal areas: Family problems, administrative problems, which are cases involving welfare benefits and Social Security benefits, consumer law and housing problems. Here is where the great bulk of the case load of these efforts is contained. These are the problems with which poor people are generally involved. They find themselves caught up and involved in problems such as these.

It seems to me, Mr. Speaker, that the objective that is sought in the authorization requested for fiscal years 1978 and 1979, to reach the goal of two full-time attorneys for every 10,000 poor people by 1979 is not an unreasonable goal for a society as affluent as ours.

Therefore, Mr. Speaker, I support the adoption of the rule and I hope the legislation is adopted.

Mr. LONG of Louisiana. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, I rise in support of the rule. I simply want to indicate how very effective this program has been in my city of Baltimore and the State of Maryland. I can only echo the remarks of the distinguished gentleman from Illinois (Mr. ANDERSON). Indeed, this program is dealing with the legal problems of the poor in a very effective fashion. I have no hesitancy in giving my fullest support to the rule and to the bill before us.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 352, nays 52, not voting 29, as follows:

[Roll No. 328]

YEAS—352

Abdnor	Davis	Hyde
Addabbo	de la Garza	Ireland
Akaka	Delaney	Jacobs
Alexander	Dellums	Jeffords
Allen	Derwinski	Jenkins
Ambro	Dicks	Jenrette
Ammerman	Dingell	Johnson, Calif.
Anderson, Calif.	Dodd	Jones, N.C.
	Downey	Jones, Okla.
Anderson, Ill.	Drinan	Jones, Tenn.
Andrews, N.C.	Duncan, Oreg.	Jordan
Andrews, N. Dak.	Duncan, Tenn.	Kasten
	Early	Kastenmeier
Annunzio	Edgar	Kazen
Applegate	Edwards, Ala.	Kelly
Ashley	Edwards, Calif.	Kemp
Aspin	Eilberg	Keys
Badillo	Emery	Kildee
Bafalis	English	Kostmayer
Barnard	Erlenborn	Krebs
Baucus	Ertel	Krueger
Beard, R.I.	Evans, Colo.	LaFalce
Beard, Tenn.	Evans, Del.	Le Fante
Bedell	Evans, Ga.	Leach
Bellenson	Evans, Ind.	Lederer
Benjamin	Fary	Leggett
Bennett	Fascell	Lehman
Bevill	Fenwick	Lent
Biaggi	Findley	Levitas
Bingham	Fisher	Lloyd, Calif.
Blanchard	Fithian	Lloyd, Tenn.
Blouin	Flood	Long, La.
Boggs	Flowers	Long, Md.
Boland	Flynt	Lujan
Bolling	Foley	Luken
Bowen	Ford, Mich.	Lundine
Brademas	Ford, Tenn.	McClory
Breaux	Forsythe	McCloskey
Breckinridge	Fountain	McCormack
Brinkley	Fowler	McDade
Brodhead	Fraser	McEwen
Brooks	Frenzel	McFall
Broomfield	Frey	McKay
Brown, Mich.	Fuqua	Madigan
Brown, Ohio	Gaydos	Maguire
Broyhill	Gephardt	Mahon
Buchanan	Giaimo	Mann
Burke, Calif.	Gibbons	Markey
Burke, Mass.	Gilman	Marlenee
Burlison, Mo.	Ginn	Marriott
Burton, Phillip	Glickman	Martin
Butler	Gonzalez	Mattox
Byron	Goodling	Mazzoli
Caputo	Gore	Meeds
Carney	Gradison	Metcalfe
Carr	Grassley	Meyner
Carter	Gudger	Mikulski
Cavanaugh	Guyer	Mikva
Cederberg	Hagedorn	Milford
Chappell	Hamilton	Miller, Calif.
Chisholm	Hanley	Miller, Ohio
Clay	Hannaford	Mineta
Cleveland	Harkin	Minish
Cochran	Harrington	Mitchell, Md.
Cohen	Harris	Mitchell, N.Y.
Coleman	Harsha	Moakley
Collins, Ill.	Heckler	Moffett
Conable	Hefner	Mollohan
Conte	Heftel	Moore
Conyers	Hightower	Moss
Corcoran	Hillis	Mottl
Corman	Holland	Murphy, Ill.
Cornell	Hollenbeck	Murphy, N.Y.
Cornwell	Holtzman	Murphy, Pa.
Cotter	Horton	Murtha
Coughlin	Howard	Myers, Gary
D'Amours	Hubbard	Myers, Michael
Daniel, Dan	Huckaby	Myers, Ind.
Danielson	Hughes	Natcher

Neal	Rooney	Thornton
Nedzi	Rosenthal	Traxler
Nichols	Rostenkowski	Treen
Nix	Roybal	Trible
Nolan	Runnels	Tsongas
Nowak	Ruppe	Tucker
O'Brien	Russo	Udall
Oakar	Ryan	Ullman
Oberstar	Santini	Van Deerlin
Obey	Sarasin	Vander Jagt
Ottinger	Sawyer	Vanik
Panetta	Scheuer	Vento
Patten	Schroeder	Volkmer
Patterson	Schulze	Walgren
Pattison	Seiberling	Walsh
Pease	Sharp	Wampler
Pepper	Shipley	Watkins
Perkins	Sikes	Waxman
Pettis	Simon	Weaver
Pickle	Sisk	Weiss
Pike	Skubitz	Whalen
Pressler	Slack	White
Preyer	Smith, Iowa	Whitehurst
Price	Smith, Nebr.	Whitley
Pritchard	Solarz	Wiggins
Pursell	Spellman	Wilson, C. H.
Quayle	St Germain	Wilson, Tex.
Quie	Staggers	Wirth
Rahall	Stangeland	Wolff
Railsback	Stanton	Wright
Rangel	Stark	Wylie
Regula	Steed	Yates
Reuss	Steiger	Yatron
Rhodes	Stockman	Young, Alaska
Richmond	Stokes	Young, Fla.
Rinaldo	Stratton	Young, Mo.
Robinson	Studds	Young, Tex.
Rodino	Stump	Zablocki
Rogers	Thone	Zeferetti

NAYS—52

Archer	Gammage	Quillen
Armstrong	Goldwater	Risenhoover
Badham	Hall	Roberts
Bauman	Hammer-schmidt	Rousselot
Burgener	Hansen	Rudd
Burke, Fla.	Holt	Satterfield
Burleson, Tex.	Ichord	Shuster
Clausen, Don H.	Ketchum	Skelton
Clawson, Del	Kindness	Snyder
Collins, Tex.	Lagomarsino	Spence
Crane	Latta	Taylor
Cunningham	Lott	Waggonner
Daniel, R. W.	McDonald	Walker
Derrick	Mathis	Whitten
Devine	Michel	Wilson, Bob
Dickinson	Montgomery	Winn
Dornan	Moorhead, Calif.	Wydler
Edwards, Okla.		

NOT VOTING—29

Ashbrook	Fish	Poage
AuCoin	Flippo	Roe
Baldus	Florio	Roncalio
Bonior	Hawkins	Rose
Bonker	Johnson, Colo.	Sebelius
Brown, Calif.	Koch	Steers
Burton, John	McHugh	Symms
Dent	McKinney	Teague
Diggs	Marks	Thompson
Eckhardt	Moorhead, Pa.	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. Ashbrook against.

Mr. Fish for, with Mr. Sebelius against.

Mr. Marks for, with Mr. Symms against.

Mr. Moorhead of Pennsylvania for, with Mr. Teague against.

Mr. HALL changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. KASTENMEIER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes.

The SPEAKER pro tempore (Mr. FARY). The question is on the motion offered by the gentleman from Wisconsin (Mr. KASTENMEIER).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6666, with Mr. BURLISON of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin (Mr. KASTENMEIER) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. RAILSBACK) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. KASTENMEIER).

Mr. KASTENMEIER. Mr. Chairman, first I would like to yield such time as he may consume to the distinguished chairman of the Judiciary Committee, the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, I rise in support of H.R. 6666, the bill to extend the Legal Services Corporation Act. The bill before the House is the result of extensive hearings and lengthy markup sessions in both subcommittee and full committee. I commend the chairman of the subcommittee, the distinguished gentleman from Wisconsin, for his leadership on the bill. It has the strong bipartisan support of members of the Judiciary Committee and I urge its approval by the House without amendment.

The purpose of the legal services program is a simple but essential one—to provide equal access to our system of justice for those persons who cannot afford to pay for legal assistance. That purpose is rooted in the fundamentals of our democratic society. We cannot expect people to live under the law if they do not have an opportunity to use the law. For too long, poor people have been denied that opportunity, but this program seeks to correct that.

The legal services program has been in existence now for nearly 10 years. Most of the controversy surrounding it has disappeared. It is enthusiastically supported by the American Bar Association and by State and local bar organizations. I am convinced that the success and acceptance of the program results directly from our decision in 1974 to create an independent corporation, removed from partisan politics, freed from control of the executive branch, and responsible directly to the Congress. This legislative scheme has worked exceedingly well and must be maintained. Any effort to reduce the independence of the Corporation can only spell a return to the problems that existed before 1974—something all of us want to avoid.

Let me comment on the concerns expressed by some that this is a program that seeks radical social change and advocates unpopular political causes. I can assure my colleagues in the House that this is not the case.

The truth is that legal services attorneys and paralegals spend their time providing legal aid to low-income men, women, and families on civil matters that may seem routine to us, but raise basic problems of survival for the people involved. The overwhelming number of cases are not headlinemaking social causes, but critical problems in the lives of individual human beings—child custody, adoptions, evictions, denial of social security benefits, treatment in nursing homes, special education, divorce, age discrimination, repossession of the family automobile.

Legal services lawyers are the pride of the legal profession. They work long hours, handling caseloads of as much as 350 or 400 matters, because the people who come to them have nowhere else to turn. They work for salaries of as little as $10,000 or $12,000 a year—far below what any of their law school classmates are earning in the Government, in public defender offices, in private practice, or in our congressional offices.

The strength of our constitutional system depends upon the ability of all of our citizens to live within that system. Legal services is the best assurance that poor people, who are denied so much in this society, have a chance to settle their problems within the system instead of on the streets.

The legal services program has demonstrated its success. It is our responsibility not just to extend the legislation, but to provide the level of funding that will make equal justice in this country a reality—not just a promise. H.R. 6666 has been carefully designed by Members on both sides of the aisle to accomplish this purpose. It deserves the full support of this body, without amendment.

Mr. RAILSBACK. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. MCCLORY), the ranking minority member on the committee.

Mr. McCLORY. Mr. Chairman, I, too, want to join in commending the chairman of the subcommittee, the gentleman from Wisconsin (Mr. KASTENMEIER), and the ranking minority Member, the gentleman from Illinois (Mr. RAILSBACK), for the very diligent work which they have performed in bringing this important legislation to us here today. I think that this program has proven itself, notwithstanding the many criticisms that it has experienced, the many difficulties it has had in the course of its life since 1964, when it was established as a part of the Office of Economic Opportunity.

But now, with some 300 legal service bureaus established throughout the country under this program, including one in my congressional district, I feel that we have demonstrated that the need, at least part of the need, of those who cannot afford legal services can be provided through this kind of a program. Notwithstanding that this program has been established, it is my understanding that there are still some 15 million or 16 million Americans who are in need of legal services but who do not have the opportunity to secure them because of the unavailability of legal service bureaus in or near the communities in which they reside.

The subject is not without controversy, and I think the main controversial sub-

jects are that we want to assure that those persons who participate in the legal services program do not involve themselves in political activities. That brings criticism onto the program itself.

Likewise we want to assure that employees of legal aid bureaus do not voluntarily become lobbyists for causes in which they individually may have some interest and which may only incidentally coincide with the interests of the client whom they may undertake to serve.

So there will be amendments that will be offered to try to correct these matters, notwithstanding the fact that this is a very fine measure that is before us. Notwithstanding that the committee voted the bill out in this form does not mean that it is, therefore, perfect. I think we should work our will here today, and if we can improve it, we should.

Mr. Chairman, I hope the amendment that I will offer is accepted. That amendment would make it patently clear that we do not want employees of legal service bureaus to become lobbyists voluntarily and on their own for causes in which they individually may decide they want to involve themselves, at least not as representatives of these legal service bureaus. My amendment would assure that that will not occur.

Mr. Chairman, I rise in general support of H.R. 6666, legislation to reauthorize and amend the Legal Services Corporation Act of 1974. Equal justice under law is one of the pillars of American democracy. We cannot expect the people to respect a system of justice to which they have no access. Notwithstanding the existence of this program there are 16 million poor people today who have no access to legal assistance whatsoever either bcause they live in remote areas of the country where there is no service available, or the services that are available in an area are very limited.

For 10 years, 1965–74, legal aid to the poor has operated under the Office of Economic Opportunity—OEO—and part of the executive branch. It became clear by 1970, if not before, that federally funded legal services for the poor could not continue under that arrangement. For whatever reason, that program became involved in a great deal of controversy. In 1974 we established the Legal Services Corporation as a private, nonprofit organization, independent of politics and the executive branch. It should be noted that great pains were taken to keep this program out of politics and I believe we were successful. That is why I am a little reluctant to agree with all of the amendments made by the Judiciary Committee and why I intend to offer an amendment with regard to the kind of lobbying that a legal aid attorney can engage in.

But, regardless of whether my amendment is successful, I intend to support the bill. The Corporation has done, and is doing, a necessary job under difficult circumstances and I urge my colleagues to vote in favor of the final passage of H.R. 6666.

Mr. KASTENMEIER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I urge support for this bill, the Legal Services Corporation Amendments Act of 1977, and I hope it passes without amendments.

This program continues an important activity which the Congress created in 1974, at least in this particular structural manner, when it created it as an independent, private legal services corporation. As the gentleman from Illinois (Mr. ANDERSON) suggested earlier, this subject has a long history both legislatively and also in the form of programs operated directly by the executive branch.

I believe it was about 1965 when the Office of Economic Opportunity tried innovations in terms of legal services, some of which occurred in my own State of Wisconsin. Subsequently, the Community Services Office within the Executive Office of the President continued these functions, until sometime in the early 1970's when the Committee on Education and Labor decided to constitute it as an independent corporation. That was an important step, and it was supported by the President of the United States. He asked the Congress to so constitute it as to insure it would be insulated from political pressure. This is, incidentally, why the Office of Management and Budget does not have any direct control over this independent and private corporation, as it does not have control over a series of other instrumentalities created by the Congress. And, indeed, it is permitted under statute that the Congress review and comment on the requests of the Legal Services Corporation, which makes its requests of this body.

Mr. Chairman, I want to tell the membership what is contained in the bill, as far as its life and its authorizations are concerned, and I wish to review how the Committee on the Judiciary arrived at the figures and the terms we have stated.

First of all, we constituted the corporation for 2 years. We might have done so for 3 years, and I think the corporation would have preferred that we extend the authorization for 3 years. It is presently under a 3-year program. However, because much of what the corporation hopes to achieve can presumably be achieved in about 2 years, the committee decided that we would like to look at this corporation, its activities, and the progress of extending legal services to the poor in America in a 2-year time frame rather than 3. That is why we settled on that term in the bill, and the full committee retained that term.

Mr. Chairman, let me review the amounts contained in the bill. The Legal Services Corporation maintains that even though its target of minimal access to the poor—which quantitatively means providing 2 attorneys for each 10,000 poor persons, of whom there are some 29 million in this country under the definition in this program—could be achieved with the amount of about $274 million or $275 million, they would not ask for it this year, fiscal year 1978.

Instead, they ask for $217 million.

The struggle within our committee, expressed during the hearings, was between a larger amount, a figure of $265 million which was supported by client organizations, and the Corporation's recommendation of $217 million. Frankly, the Office of Management and Budget though it has not formally made a recommendation to the Congress, has suggested a figure of $175 million, without any particular justification for that amount.

Mr. Chairman, we finally decided on the figure of $238 million-plus; and we did so by adopting the Danielson amendment, which was essentially to accept the premise of $217 million plus 10 percent. The 10 percent was added because of inflation, because of outreach programs, and because of very special considerations that might later be entertained in considering extension of the focus of legal services, including additional activities on the part of the elderly. Therefore, we gave them in the authorization 10 percent more than the Corporation requested, but very considerably less than much of the other testimony had recommended, which was something in the order of $264 million.

I say this because later there will be some comment, both on the role of the Office of Management and Budget in this affair, and also as to the amount.

In the second year we recommended what essentially is the Corporation recommendation of $274 million, again plus about 10 percent. We made the authorization of $300 million in the second year.

Mr. Chairman, it is my understanding that tomorrow, whenever the recommendations for the appropriations for the State Department, Justice Department, Commerce Department, and the judiciary come up through the subcommittee headed by the gentleman from West Virginia (Mr. SLACK), they will recommend in the appropriation $217 million. Therefore, the Members will have an opportunity to vote on that twice.

I do not think there is any question in the world that that amount is a credible one, and that amount should be a minimal amount if we are serious in pursuing the mandate that we, the Congress, agreed upon when we instituted this program 2 years ago.

Mr. Chairman, there is a series of other amendments, a series of changes we made, some of them as a result of recommendations from the Corporation. We, for example, include a change in the section which bars the so-called research backup centers. In so doing, we restate precisely the action of the entire House in March of last year. This subcommittee brought to the House's attention a bill which had that as its effect and had placed a limitation of 10 percent on that amount. We did so because we had faith in the Corporation, in the way in which it was discharging its duties, and because it did not mandate that the Corporation restore, through independent grant, all of the backup centers; but it did permit that as an option. We had confidence in the Corporation because of its work in the field and because of its judgments, as expressed, that it does its work effectively.

Mr. Chairman, permitting the so-called Green amendment to remain in place would have the opposite effect than

that intended by its authors; it would create an ambiguity insofar as the Corporation's activities were concerned.

Secondly, the Corporation, under the present statute, is required to carry on all of its research activities within the Corporation itself.

Mr. Chairman, not in all cases would this sort of bureaucratic answer be desirable.

We think the option suggested, which the House passed last year by an overwhelming vote—256 to 143—should be restated in these amendments, and it is.

There are some other amendments that may be proposed. For example, at the request of the Corporation and because of certain problems the Corporation has had, we would change the provisions of the statute relating to political activity of program attorneys by putting them under the same rules as the Hatch Act requires for State and local employees. That is to say, under present law, they are prohibited even from so much as running for or holding a nonpartisan office. Indeed, there has been some litigation in the field as to whether one can be, for example, a member of the school board and also a program attorney.

In the bill we restore them to the same status. And this, I might add, Mr. Chairman, does not satisfy everyone. There are those who would have these program attorneys in the field—who are, after all, the employees of a truly nonprofit, private enterprise—be subject to no political control whatsoever in their off time.

We do retain, as far as the effect of the present law is concerned, the prohibition that they may not run for partisan office.

What Congress may hereafter do with regard to the Hatch Act would have a bearing on this, I concede, but that is a general action of the Congress and one which, if we change it, we would suggest ought to apply to these people as well.

Mr. Chairman, I believe it is well that the Members understand that basically these programs deal with priorities set by people locally through their local boards, as constituted, and are responsive to the poor in those communities.

We have learned statistically that the programs serve mainly in routine fashion, family relations and consumer maintenance. Family relations 30 percent, consumer maintenance 14 percent, housing 17 percent, administrative benefits, such as social security or supplemental survivors income and veterans benefits, 20 percent.

Even though presently some one and a quarter million matters are handled each year by these programs, by some 3,000 attorneys in some 700 locations in all 50 States—in your State as well as my own, that most of these matters, some 85 percent of them, are handled outside of the courts. This did not result in litigation excepting in perhaps as much as 15 percent. So much of this is legal consultation, really, I suppose, a luxury not often granted the poor in this country in days past.

Mr. Chairman, I believe we have made a commitment to proceed with this program.

I must say to the Members that we did conduct oversight hearings. We were interested in board meetings. We followed the board meetings of the corporation very carefully. We entertained any criticism. In our hearings I recall only one negative witness who came forward last year, and this year the same witness I believe submitted two statements. An agricultural cooperative from New Jersey and a member of the American Farm Bureau and the American Farm Bureau itself, submitted a statement in opposition. But many of the complaints which now arise at the last minute have not been made to the committee. I do not know of an organization that has uniformly received as much respect and credit as the Legal Services Corporation as presently constituted.

Even the complaints of the gentleman from Ohio (Mr. ASHBROOK) who unfortunately is not here today—are really related to a former era. I believe it to be the case that his observations as indicated in the report are those that he came across in earlier days when the program, I think, involved more controversy than it does today.

As a matter of fact, I would like to take this opportunity, Mr. Chairman, to compliment the subcommittee on its splendid work, the gentleman from Illinois (Mr. RAILSBACK), the gentleman from Virginia (Mr. BUTLER), the gentleman from California (Mr. DANIELSON), the gentleman from Massachusetts (Mr. DRINAN), the gentleman from Nevada (Mr. SANTINI), and the gentleman from Pennsylvania (Mr. ERTEL), and certainly the Corporation itself for its cooperation and client community which came forward and gave very helpful testimony. In all fairness, we, even though we had oversight hearings this year and hearings also this year on the legislation before us, received only one formal set of testimony which could be construed as a complaint against the Corporation.

Mr. Chairman, I urge support of the bill, and I hope amendments can be resisted.

Mr. Chairman, I reserve the remainder of my time.

Mr. RAILSBACK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 6666, the reauthorization and amendment of the Legal Services Corporation Act of 1974. Access to legal assistance, access to those people trained in the law, access to a system of justice, are in my opinion, basic, fundamental prerequisites of a free society. We speak almost casually of "equal justice under law" but for many millions of poor Americans, a lawyer, a judge, a court was something somebody else used. Some people believe that the poor have less reason to use our system of justice than others but the contrary is true. The poor make up 14 percent of our society. It is often the poor who are forced to depend upon the law in order to obtain basic needs such as food, shelter, clothing, and medical care.

Access to a redress of grievances must be available to all the people. For all too many years, a large number of Americans were unable to obtain legal services just because they could not afford them. The original OEO program like others in the sixties and early seventies had its problems.

In 1974 we established the Legal Services Corporation as a private, nonprofit organization, independent of the executive branch with responsibility for supporting legal assistance to the poor in civil matters. We did so in the midst of emotional debate and controversy. Many of us in this Chamber today are all too familiar with the history of publicly financed legal services. The controversy was not over the concept of legal assistance for the poor, there is a great deal of support in this body and the country for that idea, the controversy rather developed over the past involvement of some legal aid attorneys and the type of restrictions which should be placed on them.

The situation has changed considerably since our debate on this subject occurred in 1973. The 11-member Board of Directors was appointed by President Ford. We now have the advantage of knowing the makeup of the board and the Corporation's officers and staff who, in my opinion, and in my experience in dealing with them, are very much aware of and sensitive to the political problems surrounding this legislation. Chairman of the Board is Roger Cramton, present dean of Cornell Law School and former Assistant Attorney General for the Civil Division in the Department of Justice. The day-to-day administration of the Corporation is directed by the President of the Corporation, Tom Ehrlich, formerly the dean of Stanford University Law School.

Under their leadership the Corporation has made tremendous inroads in providing minimum legal assistance to the poor. However, at the beginning of 1976 only 9.4 million of the Nation's 29 million poor persons had minimum access to legal aid—minimum access is the assistance of the equivalent of two lawyers for 10,000 persons. More than 19.5 million poor persons, 67.5 percent, did not have access to legal assistance, at even that minimum level in 1976. In fiscal year 1977, the Corporation has been able to expand to provide minimum access to nearly 4 million more of the 19.5 million poor people who heretofore had no access. The Corporation testified before the subcommittee that with the increase in authorization they intend to develop a plan for growth over the next 4 years that will provide a minimum level of legal assistance to all of the poor. Under this plan, by the end of 1980 every 10,000 poor persons will have access to assistance which will be the equivalent of two legal services lawyers per 10,000 poor as compared to 11.2 lawyers per 10,000 persons in the population generally.

The Corporation will expire on September 10, 1977, unless reauthorized by H.R. 6666. This legislation was drafted and is supported by every member of the subcommittee. It was favorably reported from the full Judiciary Committee by a voice vote. It has the strong endorsement and active support of the American

Bar Association, the National Bar Association, State and local bar groups throughout the country, the National Client's Council, the National Council of Senior Citizens, the National Legal Aid and Defender Association, and the Project Advisory Group among others.

Mr. Chairman, there is no longer a great deal of controversy surrounding the activities of legal services attorneys and from everything the subcommittee could determine through the hearing process, this kind of operation by the Corporation will continue. I urge my colleagues to vote for the enactment of this legislation.

Mr. KASTENMEIER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Chairman, I want to commend the chairman, the gentleman from Wisconsin (Mr. KASTENMEIER) and the ranking minority member, the gentleman from Illinois (Mr. RAILSBACK) for their patience in compiling 480 pages of hearings and for the tedious work of supervising the restructuring of this independent agency.

Mr. Chairman, in 1974 we established an independent agency to administer this Federal program of legal aid to the poor. It was created as an autonomous body largely because of the pervasive instrusion of political factors at that time into the administration of the program then under the Office of Economic Opportunity. Under the prior statute, for example, Governors were given the power to veto programs, a power they exercised liberally whenever poverty lawyers sought to protect vigorously the rights of the indigent.

We have turned the corner long since that time, although the 1974 act, despite all of the evidence to the contrary, placed qualifications on the establishment of an independent and nonpolitical legal services program. This subcommittee under the able chairmanship of the gentleman from Wisconsin (Mr. KASTENMEIER) sought to modify those inhibitions in a very balanced way so that the poor would get the representation to which they are entitled. The product of that labor is H.R. 6666.

This bill seeks to restore to the corporation and to the recipients the full and complete independence which was the underlying philosophy of the 1974 act. The bill before us substantially modifies, for example, a prohibition against organizing clients into associations or alliances to protect their rights. Existing law is much too overbroad and vague and raises serious constitutional questions because of its limitations on first amendment rights. Although I support total repeal of this provision, I believe the modification made by the committee moves significantly in the direction of securing first amendment rights.

At the same time, under the modified provisions, legal services personnel would be forbidden to "initiate" the formation or to "organize directly" any federation or group. Legal service employees, in other words, could not be the prime movers in establishing, for example, a credit union for the poor; but they could advise eligible clients of their rights to create such an entity and then assist the clients in every step of the organizational process.

Thus recipient personnel could draft articles of incorporation, arrange for the extension of credit or the securing of loans, become members of the board of trustees of a credit union, for example, and perform other necessary tasks and furnish additional advice for the creation of the entity.

Another important amendment to the current law expands the areas in which program personnel may protect the rights of eligible clients before interested legislative parties. The modification accomplishes this in several ways, one of which is this: by clearly defining precisely the kinds of activities which are permitted and those which are forbidden. These changes partake both of clarifying and substantive alterations. By specifying the kinds of services the program personnel may provide before "a governmental agency, legislative body, a committee or member thereof," the bill seeks to give greater guidance to the corporation, to its recipients and employees, so that the prohibitions of the act are not transgressed.

The "directly affecting eligible clients" language is intended to clarify existing law which contains a large gray area as to what measures may appropriately be addressed by program personnel before legislative and administrative bodies. Under current law, some took the view that such representation would only be proper if the pending measure directly affected a named, specific individual. For example, a legal services lawyer could appear before a legislative committee in support of a private bill to benefit an eligible client for whom no judicial remedy was available or who had unsuccessfully sought judicial relief.

On the other hand, other observers took the view that, under current law, legal services personnel could participate in administrative or legislative proceedings examining any measure affecting eligible clients, whether or not the rights of named individuals were directly and immediately affected. To resolve that ambiguity, Congressman VOLKMER offered an amendment at full committee which inserted the words "directly affecting eligible clients." So that the authority to appear in such proceedings was not unlimited, the word "directly" was included in the clarifying amendment.

Mr. Chairman, in addition, activities of program personnel, we should remember, are always governed by the priorities established by the local recipient, "consistent with any goals that may be established by the corporation." I quote section 6(b) of this particular bill (H.R. 6666).

Consequently, if some local agency adopts some priority which is inconsistent with the goals of the Legal Services Corporation, that may be checked and reversed.

Mr. Chairman, because of the many improvements in this act and because of the need the poor of this country have for legal services, I urge my colleagues to support this bill and pass it without amendment.

Mr. RAILSBACK. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. Mr. Chairman, H.R. 6666 is good legislation. I support it, I assisted in its drafting, I am a cosponsor of it and I shall vote for the enactment of H.R. 6666 even if my two amendments fail to persuade a majority of my colleagues on the floor of the House.

With reference to this legislation generally and the performance of the Legal Services Corporation in particular, we can be well-pleased with the manner in which the Corporation has handled its assignment during the years of its existence. I was reluctant at first to support this legislation because of our experience prior to creation of this private corporation, but I am quite enthusiastic about the performance that we have had over the last 2 years.

We are operating at somewhat of a disadvantage in that red flags pop up automatically whenever someone resurrects the debate on legal services for the poor. We are somewhat burdened with the duty to show that the local programs have not gotten out of hand, that public funds are being used to seek political change outside the electoral process, that there is not wholesale lobbying being done by legal aid attorneys, because these activities very much concerned the Congress when we dismantled legal aid under OEO in 1973. Legal aid under OEO operated with very few restrictions and with very little guidance from the Congress.

This is not the situation today. Now we have a structure, we have restrictions, we have regulations, we have a record of past concerns but most of all we have the experience and the Corporation we created in 1974, which I must say I was a little skeptical about, is working.

At the close of fiscal 1976 some 300 legal aid programs, located in every State and in the Virgin Islands, Puerto Rico, and Micronesia, and funded in whole or in part by the Corporation were handling about 1 million matters. They serve the elderly, they serve the white, the black, the Chicano, the Indians. In reality, most of the work done by legal services lawyers is in relatively routine areas of the law, family relations, 30 percent; housing, 17 percent; consumer matters, 14 percent; and administrative benefits like social security, veterans benefits, and SSI, 20 percent. In my own district the Legal Aid Society of Roanoke Valley processed 1,999 matters last year which represents 53 percent of all applicants for assistance received, some 3,870; 40 percent of the cases handled were in the area of domestic relations. The largest single category of cases handled by this program was divorce. The same is true nationally. The typical case involves a woman separated from her husband for over a year, often times the whereabouts of the husband is unknown, two or three children are involved, the women needs the divorce legally to receive child support, establish her own credit, and straighten out her own records since she is the head of the household.

Mr. Chairman, I intend to offer two amendments at the appropriate time, and I hope my colleagues will support

them, but regardless of the outcome of my amendments, I urge support for the final passage of H.R. 6666.

Mr. Chairman, if I might, if I have some time remaining, I would like to engage the chairman of the subcommittee in a brief colloquy with regard to an area which concerns me.

We have been concerned that there have been read into the regulations and the legislation problems which place some limitations on the limitations we have placed on our statute here. So, I want to make sure, Mr. Chairman, that when this committee and Congress places limitations on the Legal Services Corporation, that those prohibitions are going to be respected.

Mr. Chairman, is it conceivable that the Legal Services Corporation or its recipients could undertake an activity that is expressly prohibited by this act by its interpretation of the American Bar Association code of professional responsibility or the canons of professional ethics?

Mr. KASTENMEIER. If the gentleman will yield, I must say to him that as far as what we intend in the committee the answer is "no." The Corporation is required to insure compliance with the act. Therefore, no prohibited activities can be undertaken by its employees or the recipients—local programs. Any violations of the act must be reported to the local programs, the State advisory council, or the Corporation. And the Corporation should terminate or suspend funding if violations do occur.

Mr. BUTLER. I thank the chairman. I gain some reassurance from that.

Mr. KASTENMEIER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from California (Mr. DANIELSON), who has contributed so much to this bill.

Mr. DANIELSON. Mr. Chairman, I thank the chairman of the subcommittee for yielding to me. I want to add my total, full and unqualified endorsement to the passage of this bill.

I want to point out to the Members that the subcommittee worked for a long time and very diligently to have a good markup and report out a bill which would be fully responsible. I would urge those who would seek to expand the scope of the Legal Services Corporation by bringing in greater activities than are provided by the bill, please to use restraint. We have expanded the activities reasonably, with due respect to our budgetary needs; with due respect to the fact that there are many who do not feel that this program has as yet acquired enough experience, enough tradition, so that it should reach to the far corners of our society and our economy. Yet, we do expand its activities in this bill, and do so in a very reasonable manner. The budgetary authorization is modest. It certainly is minor compared with many of the programs that this Congress sponsors and finances.

The other day, I had occasion to read over some of the speeches of our present Chief Justice, Mr. Burger. One of the paragraphs in one of those speeches impressed me as being pertinent to today's bill. The Chief Justice said, in talking about lawyers and, in fact, in talking to lawyers:

> You have cut out a monopoly for yourselves. Only lawyers are permitted to practice law, and the problems of society often involve problems having legal consequences. Yet, the cost of practicing law is such, and the necessary rate of legal fees is such, that the average person simply cannot afford them.
>
> Where the disputes that people have involve $100, $200, $300, $500, or even $1000, for that matter, or where the dispute involves no money at all but simply personal relationships, grievous though they may be, such as domestic relations and the like, where the problems are over a rent matter, over the livability of the housing accommodations, and the like, there are no lawyers in private practice who can afford to represent the person who needs the legal help. There simply are not any.

I know from personal experience that that is true. If we consider the fact that we have some 220 million people in our country today, if we consider what the median income is, and if we consider what is the dollar and cent size of the average subject of our people's disputes, it becomes readily apparent that in the private sector in the practice of law there simply is no way that people can obtain legal services. There is no way in which they can find someone to represent them. In the first place, they cannot pay the fee; and, in the second place, the dimensions of the controversy do not justify a substantial fee. Yet the need is just as great in these cases as it is in any other.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. KASTENMEIER) has expired.

Mr. RAILSBACK. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. I thank the gentleman for yielding.

Mr. Chairman, the point I am trying to make is simply this: The largest segment of the American population today cannot afford legal services for the largest portion of its problems. Lawyers, unless they are going to operate on a charity basis, cannot afford to provide legal services. Something has to be done. In the medical field we have provisions to take care of the poor. Those people who cannot afford to go to a doctor can find help. I urge the Members to support this bill. It is essential in our society. It has bipartisan support. It has the support of almost every agency which pays attention to these problems. Let us have your "aye" vote on this bill because this is really a step forward toward meeting a really serious public need.

Mr. RAILSBACK. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. Mr. Chairman and ladies and gentleman of the committee, I rise in opposition to H.R. 6666, and I do not rise to say that I am in favor of it "but"; I rise to say that I am opposed to it "and."

There are some things we have heard here that I think probably bear examination on a closer basis. The proponents of this measure would have the Members believe that those who oppose H.R. 6666 are living in the past or have stale information about the kind of activities being carried on in this Nation through Legal Services attorneys. That is not a correct impression. It was stated that the earlier sins of the Legal Services functions are being visited on the new LSC and its functions in the last 2 years. But this bill before us would expressly allow the kinds of activities which were found objectionable then, when the LSC was set up. The whole purpose of this bill is to expand the possibilities to go right back to where we were when legal services were being handled under OEO. Nobody has addressed that point in telling us how great LSC is and how great this bill is.

The fact is that with the liberalizations that are in this bill, it puts us right back where we were.

Why can we not let something be tested for a couple of years without changing it back to something that was found objectionable before? If we have all this praise for how well LSC is working during these 2 years, why can we not let it work on the present basis for a while?

With the passage of this bill, there would be an opening up of these activities to political pressure, as has been pointed out by the gentleman from Virginia (Mr. BUTLER), unless an amendment is adopted on that score. There would be a doing away with the Green amendment that was adopted in 1974 unless an amendment is adopted now in that respect, and I will offer such an amendment myself.

There are proposals in H.R. 6666 to provide authorization for funding for fiscal year 1978 in the amount of $238 million and for fiscal year 1977 in the amount of $300 million. If we compare that with what this funding started out with some years ago, we find there has been about a hundredfold increase.

It has been said that the authorization levels would help to make up for cutbacks in the past. Let us look at this and see how it has been cut back. It was cut back, for example, in 1968, as compared to 1967, in such a way that it amounted to an increase of $10 million, and that was true all the way up the line except for the years 1973, 1974, and 1975, when the figure was held constant at $71.5 million. With those exceptions, there have been increases after increases for this function.

Sure, this is under a different set of auspices now, with the establishment of the Legal Services Corporation, but let us look at the jumps we are talking about. We are talking about going from a current level of $125 million to $217 million in the appropriation bill that we will deal with tomorrow. We are talking about an authorization level of $238.7 million for this next fiscal year and $300 million for fiscal year 1977. Surely we have something here that is out of proportion.

We are going to provide $300 million as an authorization to take care of what is more properly alleged to be 9 million people below the poverty level, rather than the 29 million people who are supposed to be included. The Congressional

Budget Office disagrees with the estimate of 29 million as the number of people who would qualify for services under this bill. That amounts to $33 a year per poor person for legal services. How many people do the Members know who require that much every year in terms of legal services?

Legal services as a program is still not centered in on being a poor people's program. It is still centered too much in the direction of social activism through the support centers or back-up centers, as they are called, and the Green amendment, if it is reinserted in the bill, would help to control that situation.

Mr. Chairman, I submit to the Members that when we talk about helping poor people to meet the bewildering world of legal challenge, we ought to be thinking more about individuals, not just the organized efforts toward social change which H.R. 6666 will specifically allow again, just as occurred under OEO. That is what is wrong with H.R. 6666.

Therefore, Mr. Chairman, I would urge a negative vote. I would certainly urge support of the amendments to reduce the authorization level requested.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Virginia.

Mr. ROBINSON. Mr. Chairman, House Report 95–310 innocuously describes the purpose of H.R. 6666 to be, in part, "to amend the Legal Services Corporation Act (Public Law 93–355) to allow the Corporation the flexibility and discretion it needs to provide quality legal assistance to eligible clients by the most effective, efficient, and economical methods."

That is an incredible understatement. I would like to suggest that if this measure removing "unnecessary restrictions" should become law, we can expect the definition of "eligible clients" by liberal-oriented LSC-funded officials to embrace some of the most irresponsible social schemes that this Nation's taxpayers have ever been required to subsidize against their own best interests.

In the process, the needs of individual poor persons unable to cope with serious personal legal problems requiring counsel would be lost in the shuffle.

A colleague who serves on the Judiciary Committee has pointed out emphatically that the relaxations proposed in this bill would allow attorneys salaried with tax dollars to badger governmental agencies, legislative bodies, and officials at all governmental levels on a variety of matters purportedly related to the poor, whether or not they were representing identifiable clients.

The perniciousness of this relaxation would be magnified by the proposed repeal of the Green amendment in existing law that prohibits the Legal Services Corporation from passing out grants or contracts willy nilly to so-called research and support centers, known as "backup centers." In the past, particularly during the riot-filled heydays of the old Office of Economic Opportunity, these proved to be nothing but radical centers for social agitation—mixing bowls in which to stir up community passions and animosities among fellow Americans.

Such renewed abuses under the proposed bill would be aided and abetted through the repeal of certain Hatch Act-type prohibitions that have applied to political activities and political organizational work of staff attorneys unless the bill is amended.

I do not believe it is in the public interest to reconstruct such an unworthy framework or to invite a renewal of such rabble-rousing. Left-leaning legal activists bent on building radical political reputations and careers should not again be unleashed at taxpayer expense to exploit the interests of the many for the benefit of a few.

The demands of interest groups concerned with heated issues ranging from abortion, forced school busing, and employment quotas, to marihuana legalization and homosexual rights may be entitled to airing under the first amendment, but they have no place being lobbied toward adoption by tax-paid lawyers purportedly hired to represent the poor in urgent need of legal counsel.

It would be a sheer waste of hard-earned tax dollars and resources needed by the poor to authorize such flimflam as H.R. 6666 encourages. It represents a gratuitous insult to the poverty stricken themselves, and raises anew the question of how much farther this House is prepared to go in politicizing the Federal Government and anyone remotely associated with it.

It also raises the question how much farther taxpayers will be required to go in subsidizing views and costly legislative initiatives that may be personally, politically, and morally repugnant to them.

Mr. Chairman, I urge the prompt defeat of H.R. 6666.

Mr. MAZZOLI. Mr. Chairman, I rise in support of H.R. 6666, to extend the authorization for appropriations for the Legal Services Corporation.

When Congress passed the Legal Services Corporation Act of 1974, its purpose was to provide civil legal services to the poor of this Nation through an independent corporation financed with Federal funds.

The legal services program has been extremely successful, and it is needed now more than ever.

H.R. 6666 is a good bill. It represents the best efforts of our Judiciary Committee to report legislation which would allow the legal services program to efficiently and effectively meet the legal needs of the poor, and to economically meet those needs.

I join my many other Judiciary Committee colleagues who have cosponsored H.R. 6666 in urging your support for this reauthorization of the much-needed legal services program, without amendments which would undermine its effectiveness as an independent legal representative of the poor.

Mr. Chairman, as the author of the amendment adopted in the committee restoring the abortion restrictions of the original Legal Services Act, I specially urge the retention of this language.

The courts have interpreted the laws of this land to permit abortions. We have no other choice but to abide by these judicial interpretations.

However, we need not accept the proposition that taxpayers' money must be utilized to pay for abortions or abortion-related activities.

The Carter administration does not favor the use of Federal funds to pay for abortions. The Secretary of HEW, Joseph Califano, opposes the use of Federal funds for these operations, and the President has endorsed his Secretary's statement.

Senator SCHWEIKER, during Senate committee consideration of the abortion restrictions in the Legal Services Act, made a valid argument in favor of retaining the restrictions. The Senator quite ably pointed out the cost and the time involved in abortion litigations. The money of the indigent in this country can much more beneficially be spent for other kinds of litigation.

I urge support for the abortion restrictions contained in H.R. 6666 and for passage of this measure in the form approved by the committee.

Mrs. HOLT. Mr. Chairman, in the legal services program, the taxpaying public is forced to fund lobbying and lawsuits for social changes that heap heavier burdens on the taxpayers.

It is not as it was originally intended to be: A program to help poor individuals and families in need of legal counsel. Instead, it has been seized by social activist organizations to promote the political causes of the left.

A 1973 amendment sponsored by former Representative Edith Green, a much-respected Member of this body, attempted to limit such activities and restore the program to its original purpose. Those who have subverted the original intent of the program have found ways to circumvent the Green amendment, and H.R. 6666 before us today would repeal the Green amendment.

Mr. Chairman, the taxpayers' money should not be used to fund special interest lobbies whose purpose is to change national policy. A Government program should not be used as an affiliate of the Welfare Rights Organization or the Naderites or any special interest group.

The AFL–CIO does not seek Government funds for its lobbying or legal actions. Neither does General Motors nor the American Conservative Union nor the Americans for Democratic Action. But the so-called "poverty lawyers" have seized upon legal services to pursue the causes of their special interests, and never mind the interest of the poor family which needs an attorney. Representing a client in a local court is not very glamorous, you see, and is not likely to produce "landmark" court decisions or legislation changing the structure of American society.

Mr. Chairman, as a practicing attorney in the State of Maryland I was active in promoting legal aid to the poor. I am for legal assistance to the poor.

But the Federal legal services program has been thoroughly corrupted and does not deserve continuing support

from the Congress, unless it returns to its original purpose.

Mr. HAGEDORN. Mr. Chairman, I rise in strong opposition to H.R. 6666, the Legal Services Amendments Act. It is, in my opinion, one of the most potentially far-reaching pieces of legislation that will be considered by this Congress. The fundamental shortcoming in the Legal Services Corporation is similar to that in the proposed Agency for Consumer Advocacy. Both are concerned with their ostensible clients—in one case the indigent, and the other case the consumer—primarily in the collective sense, rather than in the individual sense. The history of the Legal Services Agency, both prior to and after achieving its independent status, has been that of an agency more intent upon establishing broad new legal precedents and engaging in glamorous class actions than in defending the individual poor in more mundane types of cases.

While Congress has been so concerned in recent years about executive usurpation of its powers and prerogatives, I would think that we should be at least as concerned about funding to the tune of $540 million an agency which has done everything possible to transfer decisionmaking from this body to the Federal judiciary. Federally funded legal services advocates have been in the forefront of such causes as food stamp reform, welfare rights, quotas and affirmative action, consumerism, environmentalism, and land use, in virtually every case seeking to overturn the conscious actions—including decisions not to act—of legislative bodies.

While it is difficult to argue against some type of public assistance to individuals who are unable to secure their legitimate rights only because they are unable to hire legal help, the Legal Services Corporation has instead become a home for thousands of counterculture attorneys seeking to promote their own social and political views in the guise of "helping the poor." If legal assistance programs for the indigent are to be established at the Federal level, I would think that mechanisms could be developed to allow these people to seek out their own legal assistance with Federal reimbursement. There is no reason for a layer of middle-men to concoct ingenious theories on alleviating oppression against the poor.

Mr. Chairman, H.R. 6666 is particularly repugnant in its elimination of the few safeguards still remaining in the Legal Services Act against program abuse. Included here are the removal of prohibitions against involvement in school desegregation cases, and effective limitations upon legislative lobbying and drafting. The bill also continues funding for the so-called backup centers which provide necessary research for the far-reaching litigative objectives of legal services lawyers.

I believe that the American Farm Bureau Federation summarized the case against the Legal Services Corporation well in their testimony before the House Judiciary Committee. They concluded that:

> . . . the history of the legal services program under the Office of Economic Opportunity was one of widespread controversy, misappropriation of public funds, and ineffectiveness in addressing the legal problems of individual poor people. The involvement of the program in efforts to achieve social reform or change, in the advocacy of political and social causes, in broad areas of law reform through class action suits, and in other areas of social engineering are still fresh in our minds. We are coming to believe that some of these same elements of political controversy are to be found in the operations of the Corporation.

I strongly urge my colleagues to consider the long-term impact upon our legislative branch of Government of continuing to fund, in accelerating amounts, an agency dedicated to removing decisionmaking wherever possible from the Congress to the Federal judiciary.

Mr. CORRADA. Mr. Chairman, the Legal Services Corporation has drawn its share of criticism, some of it well deserved. However, in essence the Corporation has performed well in a very difficult and previously unattended area. It has given the poor an opportunity to receive equal justice under the law.

As a member of the Puerto Rico Bar Association, The Federal Bar Association, and former Chairman of the Puerto Rico Civil Rights Commission, I am well acquainted with the work of the San Juan Legal Services Corporation and the Puerto Rico Legal Services Corporation, both recipients of funds from the Legal Services Corporation. In light of my experience with the two aforementioned corporations, I wish to express my firm support for H.R. 6666, the Legal Services Corporation Amendments Act of 1977.

Although my support for H.R. 6666 is undiminished, I am of the opinion that the Legal Services Corporation should place more emphasis on the individual type indigent case as opposed to the more spectacular class action case. It should be recognized that although a class action case may lead to the setting of a legal precedent, such type action requires much time and attention which could be otherwise available for the existing flood of individual indigent cases.

I am pleased to know that the present restrictions on representation in abortion cases by attorneys of the Legal Services Corporation has been retained in this legislation as well as the intent of Congress to provide the corporations with autonomy to continue its work free of political interference.

Legislation of this type is a perfect example of congressional sensitivity and responsiveness to the needs of the indigent population of our Nation.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of H.R. 6666, to amend the Legal Services Corporation Act and to provide authorization of appropriations for additional fiscal years.

Of special importance to me is the legislative intent of H.R. 6666 to remove unnecessary restrictions in the present law which preclude eligible clients from representation in certain civil legal matters that tend to block access to justice for the disadvantaged of our Nation. Currently the Corporation's jurisdiction is limited to the categories of family law, administrative benefits—including medicaid, AFDC and SSI; consumer law; and housing law. According to the committee report, H.R. 6666 will remove restrictions on legal assistance in cases involving juvenile matters, desegregation issues, and proceedings or litigation involving violations of the Military Selective Service Act or of desertion from the Armed Forces of the United States

This bill's provisions will be of great benefit to many of the disadvantaged constituents of my district in Chicago, whose basic survival needs are often thwarted by the unavailability of adequate legal counsel.

I am also pleased to note that the assistance to veterans proposed by this legislation is compatible with the administration's spirit of compassion and forgiveness exemplified by President Carter's recent authorization of the Armed Forces to upgrade more than 432,000 undesirable and general discharges given for Vietnam war desertion, drug abuse, and other causes.

I share the philosophy inherent in a recent statement on one goal of the law made by Columbia Law School professor, Ruth Bader Ginsburg: "To reflect and respond to the needs of the society it serves, preserving freedom while preventing turmoil."

To my way of thinking, there is no doubt as to the responsibility of the Congress in "preserving freedom while preventing turmoil." This is why I urge my colleagues of the House to join me in supporting this reauthorization legislation with its remedial provisions by voting for the passage of H.R. 6666.

Mr. RAILSBACK. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time having expired, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Legal Services Corporation Amendments Act of 1977".

SUNSHINE PROVISIONS

SEC. 2. Section 1004(g) of the Legal Services Corporation Act (42 U.S.C. 2996c(g)) is amended to read as follows:

"(g) The Corporation and each State advisory council established in connection with this title shall be subject to the requirements and provisions of section 552b of title 5, United States Code (relating to open meetings).".

SUPPORT ASSISTANCE

SEC. 3. (a) Paragraph (3) of section 1006 (a) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(33)) is amended to read as follows:

"(3) to undertake directly or by grant or contract, the following activities relating to the delivery of legal assistance—

"(A) research,

"(B) training and technical assistance, and

"(C) service as a clearinghouse for information.".

(b) Section 1010 of the Legal Services Corporation Act (42 U.S.C. 2996i) is amended by adding at the end thereof the following new subsection:

"(d) Not more than 10 percent of the amounts appropriated pursuant to subsection (a) of this section for any fiscal year shall be available for grants or contracts under section 1006(a)(3) in any such year or period.".

POWERS, DUTIES, AND LIMITATIONS OF THE CORPORATION AND RECIPIENTS

SEC. 4. (a) Paragraph (1) of section 1006(b) of the Legal Services Corporation Act (42 U.S.C. 2996e(b)(1)) is amended by adding at the end thereof the following new sentence: "Compliance with the provisions of this title or the rules, regulations, or guidelines promulgated pursuant to this title shall be conclusively presumed in any proceeding in which a person is represented by a recipient or an employee of a recipient.".

(b) Section 1006(d) of the Legal Services Corporation Act (42 U.S.C. 2996e(d)) is amended by adding at the end thereof the following new paragraph:

"(6) No court shall, without providing for reasonable compensation, appoint for the purposes of furnishing legal assistance an attorney employed by a recipient, unless the appointment is made pursuant to a law, rule, or practice applied generally to lawyers practicing in the court where the appointment is made.".

ACTIVITIES OF STAFF ATTORNEYS

SEC. 5. (a) Paragraph (2) of section 1006(e) of the Legal Services Corporation Act (42 U.S.C. 2996(e)(2)) is amended by inserting "and staff attorneys" immediately after "Corporation".

(b) Paragraph (6) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(6)) is amended by striking out "and insure that" and all that follows through "nonpartisan;".

ASSISTANCE CRITERIA

SEC. 6. (a) Paragraph (2)(B)(iv) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(2)(B)(iv)) is amended to read as follows:

"(iv) such other factors as relate to financial inability to afford legal assistance, which may include evidence that such individual's lack of income results from refusal or unwillingness, without good cause, to seek or accept an employment situation; and".

(b) Paragraph (2)(C) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(2)(C)) is amended to read as follows:

"(C) insure that recipients adopt procedures for determining and implementing priorities, consistent with any goals that may be established by the Corporation, for the provision of legal assistance to eligible clients under this title;".

(c) Paragraph (5) of section 1007(a) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(5)) is amended to read as follows:

"(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, or State proposals by initiative petition, except where—

"(A) representation by an employee of a recipient for any eligible client is necessary to the provision of legal advice and representation with respect to such client's legal rights and responsibilities; or

"(B) a governmental agency, legislative body, a committee, or a member thereof—

"(i) requests personnel of the recipient to testify, draft, or review measures or to make representations to such agency, body, committee, or member, or

"(ii) is considering a measure directly affecting eligible clients or the activities of the recipient or the Corporation;".

LIMITATIONS ON USE OF FUNDS

SEC. 7. Section 1007(b) of the Legal Services Corporation Act (42 U.S.C. 2996f(b)) is amended to read as follows:

"(b) No funds made available by the Corporation under this title, either by grant or contract, may be used—

"(1) to provide legal assistance with respect to any fee-generating case, matter, or proceeding unless adequate private representation is unavailable, and then as authorized by regulations promulgated by the Corporation;

"(2) to provide legal assistance with respect to any criminal proceeding, except to provide assistance to a person charged with an offense involving hunting, fishing, trapping, or gathering fruits of the land, when the principal defense asserted involves rights arising from a treaty with Indians, or to a person charged with a misdemeanor or lesser offense, or its equivalent, in an Indian tribal court;

"(3) to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act and the action is brought against an officer of the court or against a law enforcement official for the purpose of challenging the validity of the criminal conviction;

"(4) for any of the political activities prohibited in paragraph (6) of subsection (a) of this section;

"(5) to make grants to or enter into contracts with any private law firm which expends 50 percent or more of its resources and time litigating issues in the broad interests of a majority of the public;

"(6) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, as distinguished from the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients;

"(7) to initiate the formation of or organize directly any association, federation, or similar entity, except that this provision shall not be construed to prohibit legal assistance to eligible clients; or

"(8) to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution.".

AUDITS AND RECORDKEEPING

SEC. 8. (a) Paragraph (3) of section 1009(a) of the Legal Services Corporation Act (42 U.S.C. 2996h(a)(3)) is amended to read as follows:

"(3) The report of the annual audit shall be filed with the General Accounting Office and shall be available for public inspection during business hours at the principal office of the Corporation throughout the period beginning on the date of such filing and ending three years after such date.".

(b) The last sentence of paragraph (2) of section 1009(b) of the Legal Services Corporation Act (42 U.S.C. 2996h(b)(2)) is amended to read as follows: "All such books, accounts, financial records, reports, files, and other papers or property of the Corporation shall remain in the possession and custody of the Corporation throughout the period beginning on the date such possession or custody commences and ending three years after such date, but the General Accounting Office may require the retention of such books, accounts, financial records, reports, files, papers, or property for a longer period under section 117(b) of the Accounting and Auditing Act of 1950 (31 U.S.C. 67(b)).".

FINANCING

SEC. 9. (a) Section 1010(a) of the Legal Services Corporation Act (42 U.S.C. 2996i(a)) is amended to read as follows:

"SEC. 1010. (a) There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation $238,700,000 for the fiscal year ending September 30, 1978, and $300,000,000 for the fiscal year ending September 30, 1979. Appropriations for such purpose shall be for not more than two fiscal years, and shall be paid to the Corporation in annual installments at the beginning of each fiscal year in such amounts as may be specified in Acts of Congress making appropriations.".

(b) Section 1010(c) of the Legal Services Corporation Act (42 U.S.C. 2996i(c)) is amended to read as follows:

"(c) Non-Federal funds received by the Corporation, and funds received by any recipient from a source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds.".

HEARING EXAMINER REQUIREMENT FOR CERTAIN ACTIONS

SEC. 10. Paragraph (2) of section 1011 of the Legal Services Corporation Act (42 U.S.C. 2996j(2)) is amended to read as follows:

"(2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the person or entity receiving such assistance has been afforded reasonable notice and opportunity for a timely, full, and fair hearing, and, when requested, such hearing shall be before an independent hearing examiner appointed pursuant to section 3105 of title 5 of the United States Code. Such hearing shall be held prior to any final decision by the Corporation to terminate financial assistance or suspend or deny funding.".

Mr. KASTENMEIER (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. KINDNESS

Mr. KINDNESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KINDNESS: On page 2, strike lines 6 through 22, and insert in lieu thereof the following:

SEC. 3. (a) Paragraph (3) of section 1006(a) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(3) is amended to read as follows:

"(3)(A) to undertake directly and not by grant or contract, the following activities relating to the delivery of legal assistance—

"(i) research

"(ii) training and technical assistance, and

"(iii) to serve as a clearinghouse for information.

"(B) the activities enumerated in paragraph (3)(A) may be undertaken only directly and in-house by the corporation, and not by grant or contract or funding of sup-

port centers. This restriction shall apply regardless of whether these activities are part of legal assistance rendered to specific identifiable clients."

Mr. KINDNESS. Mr. Chairman, the purpose of this amendment is to uphold and reaffirm the meaning of the Green amendment which the House overwhelmingly adopted in 1973. It expressly prohibits the funding of the activities of backup centers, including the litigating activity.

Mr. Chairman, the activities of backup centers or support centers have been controversial from the beginning. These centers have been in the forefront of aggressive social activism and basic institutional change. They have been more interested in political agitation than in providing legal services to the poor.

Let us take a look at some of their activities. Backup centers have been involved in welfare rights, pension reform, and busing. They have organized welfare rights chapters and prisoners rights groups. They have joined in busing suits and have advocated quotas in jobs and in education, all of which may be very meritorious pursuits; but these, mind you, are funded by tax dollars. The Congress is indirectly contributing to these efforts at policy change instead of making the policies here in the Congress, and in turn, the courts are playing a more dominant role in the formation of public policy than is the Congress.

Mr. Chairman, that is an abandonment of the express obligation and responsibility of the Congress. Support centers are still operating just as they were before LSC was set up.

In an attachment to a letter dated April 15, 1977, from the Legal Services Corporation to the gentleman from Ohio (Mr. ASHBROOK), there is a listing of the support centers, 13 of the 17 that are still operating independently, and their current annual funding levels. Therefore, let us not let anybody tell us that they are not still doing what the current law says they cannot do. They certainly are.

Mr. Chairman, I would urge that we reaffirm the intent of the Green amendment and the intent of the Congress when, in 1973, the LSC was set up, and that we not go backwards, as is sought to be done by the bill.

Again, Mr. Chairman, I would urge support of the amendment just by way of reestablishing what has formerly been found to be sound.

Mr. DRINAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, I just want to say that, of course, the gentleman from Ohio (Mr. KINDNESS) has offered an amendment to totally undo what the House accomplished last year on March 24, 1976, when it voted on H.R. 10799, by a strong vote of 256 to 143 to precisely change what the gentleman from Ohio proposes to change back. That bill was not considered by the Senate, but that, I submit to this committee, is the position of the House on that matter. That change took place during rather unusual circumstances back in 1973.

Mr. DRINAN. Mr. Chairman, I thank the gentleman from Wisconsin (Mr. KASTENMEIER) for his comments. The gentleman is precisely correct when he suggests that the amendment offered by our colleague, the gentleman from Ohio (Mr. KINDNESS) would in fact undo what the House overwhelmingly did more than a year ago.

Mr. Chairman, if I may, I would like to give some of the background of this bill before us today. In the summer of 1974, when it was possible that the entire Legal Services Corporation might go out of business, President Nixon insisted that if he was to sign a bill then the bill would have to have section 1006(a)(3). He and the administration at that time were weary of the so-called back-up centers—a name, incidentally, which is not in the bill—so that he exacted the exclusion of such units in exchange for his signature to the bill.

I believe it was the American Bar Association which at that time can be credited with saving this entire program. The rest of the OEO passed into history but not the legal services program.

After the inclusion of the Green amendment, the Legal Services Corporation did an entire study of what precisely that amendment meant. The Corporation felt that it could live within it, with certain restrictions and difficulties. But, at the same time, the Corporation wanted the flexibility that would come by reason of having outside agencies or contractors do the research.

The majority of those centers concentrated in one substantive area with particular impact for low income persons; they concentrated on housing, health, education, welfare, employment, and consumer law. Several others specialized in laws affecting certain groups of low-income persons.

I think it is essential that the Corporation have this power so that they, by contract, can obtain an independent study as to how they should establish their priorities.

This is not a license to agitate; this is simply the normal process by which any Federal agency can seek to provide training, to get research, to give technical assistance, and to have adequate and comprehensive information about a complicated subject.

Mr. Chairman, therefore I strongly urge that my colleagues defeat the Kindness amendment.

Mr. WIGGINS. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, the pending amendment reinstates the Green language which was adopted some years ago. Before we get too excited about the importance of the Green language, understand that it merely requires that the activities of the so-called backup centers be conducted directly by the Corporation. It does not prevent the activities from going forward, it only says it must be done directly by the Corporation.

The committee language, on the other hand, permits the Corporation to carry on those very same activities either directly or by a grant or contract. That does not change the substance of things very much. It really is not an issue to get too excited about, frankly. It provides a degree of flexibility, and that flexibility, I think, is warranted.

I supported the Green amendment back in 1973. I did not know until a moment ago that former President Nixon was the father of that amendment, but I am pleased that he did author it indirectly through our former colleague, the gentlewoman from Oregon, Mrs. Green, because in 1973 we had a problem. The Corporation, and OEO preceding it, was becoming engrossed in conducting their activities through these back-up centers and were neglecting individual representation of individual clients. The Congress quite properly felt that something had to be done to put a stop to it. The Green amendment was the result. But times have changed. The committee does not wish to return to the problem of 1973 and before. To insure that we do not do that, I will say to my friend, the gentleman from Ohio, that we have a 10 percent limitation in the bill. That is a very important guard against excessive involvement in the activities of the backup centers rather than individual representation of clients in court.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I will be happy to yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

Will the gentleman explain what control there could be over the selection of the governing bodies if they are outside the backup centers? There is none, as I understand it.

Mr. WIGGINS. The only control is that the Corporation does not have to make the contract or make the grant, and if they do not wish to make the grant, and if they wish to condition it, it is well within their power to do so. As long as they have the discretion to withhold funds absolutely, they may permit those funds to go forward only if the grantee conforms its organization to that which would be acceptable to the Corporation.

Mr. KINDNESS. But if the backup center functions are performed in-house by LSC, then there is governmental control in some degree through the appropriation process.

Mr. WIGGINS. I agree, but that is not the heart of the matter. The gentleman is really offering his amendment because he disagrees with the activities which have been conducted by the backup centers. I want to tell the gentleman that I disagree personally as well, but we do not tear down institutions simply because we disagree with the point of view of litigants. I recognize that some of these controversies represent points of view with which I do not identify, but I still think they have a perfect right to make their case, and I trust that the system of justice will reject these foolish arguments. But they should not be denied the opportunity to make that case.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Illinois.

Mr. RAILSBACK. I thank the gentleman for yielding.

Is it not true that when the Corporation enters into a grant or a contract, the Corporation, as I believe the gentleman pointed out, is in a very good position to set the terms and the conditions also to exercise whatever oversight needs to be exercised?

Mr. WIGGINS. Yes, and I would hope that the Corporation would do just that. The attitude of the Congress in this area is well documented. We do not wish to return to a situation where the Corporation is devoting too much of its time to servicing the needs of the poor through backup centers, and we would hope that the Corporation would conduct a close rein of control over them.

I support the legislation, Mr. Chairman, although I may very well support some amendments as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KINDNESS).

The question was taken; and on a division (demanded by Mr. KINDNESS) there were—ayes 6, noes 12.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. BUTLER

Mr. BUTLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Beginning on page 3, strike all of section 5, lines 21 and 22 on page 3 and lines 1 through 6 on page 4, and insert the following new section 5.

SEC. 5. Section 1007(a)(6) of the Legal Services Corporation Act (42 U.S.C. 2996f(a)(6)) is amended by striking the following language, "from political activities of the type prohibited by Section 1502(a) of title 5, United States Code, whether partisan or nonpartisan;" and insert in lieu thereof the following, "from taking an active part in political management or in political campaigns or from being a candidate for elective office or from directly or indirectly coercing, attempting to coerce, advising a person to pay, lend, or contribute anything of value to a political party, committee, organization, agency, or person for political purposes, whether partisan or nonpartisan;".

Mr. BUTLER. Mr. Chairman, attorneys as a class will readily resist any attempts to place restrictions on the type of case or activity they may engage in and as well they should. But when Congress placed these restrictions in the act their overriding concern was legal services for the poor.

Indeed, at that time legal aid under OEO was embroiled in such controversy there was serious doubt as to whether any program providing legal assistance to the poor could be enacted. Therefore, in order to rescue a worthwhile concept from a sinking boat, this body drafted its own Hatch-type act applicable to legal service staff attorneys.

An amendment offered by Mr. QUIE on the floor of the House in June 1974, and adopted by a record vote of 207 to 171, had the effect at the time of passage of prohibiting legal services attorneys from engaging in the following activities:

First. Active participation in political management or in political campaigns;

Second. Candidate for public office in partisan election;

Third. Candidate for public office in a nonpartisan election;

Fourth. Activity to provide voters with transportation to the polls, or to provide similar assistance in connection with an election whether on duty or off duty;

Fifth. Any voter registration activity whether on duty or off duty.

Although interim changes in the Hatch Act and Legal Services Corporation regulations have watered down these limitations, it is my view that congressional intent remains the same.

Section 6 of H.R. 6666 would repeal the Quie amendment and replace it with a provision limiting staff attorneys to those activities prohibited by the Hatch Act to local employees of federally supported agencies. For all practical purposes, the only prohibited activity is candidacy for public office in a partisan election. This restriction is embodied in 5 U.S.C. section 1502 and 1503.

Section 6 of H.R. 6666 would unwisely permit staff attorneys to do the following:

First. Be a candidate in nonpartisan election;

Second. Participate in activity to provide voters with transportation to the polls during off duty hours; and

Third. Engage in any voter registration activity during off duty hours.

Mr. Chairman, this amendment would have the effect of reinstituting the law as it was the last time this body expressed itself in the Quie amendment.

There may come a time in the near future when we can remove all of the restrictions that are presently in the Legal Services Corporation Act. However, to do so now would be premature and may well endanger the overall concept of legal assistance to the poor.

Nonpartisan elections and voter registration and transportation are all very important but are they the business of legal service attorneys? Will these activities better enhance the immediate resolutions of the legal problems of the poor? I think not. Our main purpose is equal justice under law, but what we are about by removing these restrictions is enhancement of the political careers of lawyers at the taxpayer's expense, which has nothing to do in this case with improving the quality of justice for the 29 million poor people in this country.

I say to the Members of this committee, the position that a legal service attorney is in for ingratiating himself with eligible clients is unlimited for his political enhancement.

If that person, who is at our expense, can also turn around and be a candidate for public office, whether nonpartisan or partisan, then we are seriously jeopardizing the program.

I point out that the effect of section 6 of the act is to incorporate the provision only of local persons being candidates for local office.

Now, if we adopt H.R. 10, which was adopted yesterday and that becomes the law, then what we are going to do is effectively eliminate all of the restrictions, because yesterday in H.R. 10 there was an amendment by the gentleman from New York (Mr. SOLARZ) to provide with regard to State and local employees of federally funded projects that they are no longer restricted from being a partisan candidate for public office. This is on page 4657 of the RECORD. Therefore, it H.R. 10 becomes law and H.R. 6666 remains unamended, the only restriction on legal aid staff attorneys will be on-duty political activity and on-duty solicitation for contributions. Now, that is the wrong thing for legal aid staff attorneys to be permitted to do. Therefore, I urge that we adopt this amendment to put the law back where it was the last time the Congress expressed itself.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

(At the request of Mr. KAZEN, and by unanimous consent, Mr. BUTLER was allowed to proceed for 1 additional minute.)

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. Yes, certainly.

Mr. KAZEN. Mr. Chairman, what does the gentleman mean by "on duty" and "off duty" as far as an attorney is concerned?

Mr. BUTLER. Well, having been an attorney, like being a Member of Congress, one never really is off duty; so that may raise some questions about it.

Mr. Chairman, I appreciate the gentleman's support of my amendment.

Mr. KAZEN. Mr. Chairman, if the gentleman will yield further, I just did not know what hours of work a legal aid attorney working for the corporation has. Does he have regular hours and does he have time from 5 o'clock on that he can say, "This is my time and not your time"?

Mr. BUTLER. I suspect by the time we get through writing regulations, this may be the situation; but in terms of the people he wishes to appeal to for public office, a legal attorney will never be off duty, in fact, in terms of separating his on-duty functions and his off-duty performance.

Mr. KASTENMEIER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment was considered both in the subcommittee and in the full committee. A rather substantial dialogue carried on with reference to the proper role of legal service program attorneys. Indeed, we have had some problems. The corporation itself has asked for some relief in this regard.

However, the gentleman from Virginia would not actually leave the existing law the way it is with respect to the Bar, but turn it back one more turn, so that even certain other off-duty activities could not be engaged in by those working for the legal service programs in their localities.

The corporation has a problem. In some communities, legal service program attorneys were elected to local office, school boards and the like and litigation resulted. However, this litigation was not conclusive as to whether this was a denial of the attorneys' rights or not. That question is still pending in the Courts. The committee sought to resolve it.

The committee thought that the very

least these employees of an activity which is guided by a private, nonpublic private independent corporation, should not lose their political souls.

Of course, as the gentleman suggested, we do not change the restrictions on these lawyers while they are on the job. When they go home at night, in the other roles they play in the community as an attorney, we felt they at least ought to be entitled to the same sort of status as though they were local or State employees covered under the Hatch Act.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, is it not true that by reason of the language in the existing act which says, "and insure that staff attorneys refrain at any time during the period for which they receive compensation under this title on the activities described in clauses (b) and (c)," staff attorneys are really the only group of citizens in the country who are prohibited, for instance, from some of these positions that people who are covered by the regular Hatch Act are entitled to participate in.

This amendment was referred to in the story as a super Hatch Act. What we did yesterday, as my friend from Virginia quite correctly pointed out, was go exactly in the opposite direction from what he is seeking to do by his amendment. What we are doing is singling out staff attorneys to impose restrictions on them that we have not done with any other Federal employee.

Mr. KASTENMEIER. The gentleman is absolutely correct. As a matter of fact, we were importuned to wipe out any political restraint on these lawyers as essentially private attorneys. We did not, of course, yield to that suggestion either. I think we finally arrived at a position we thought was reasonable under the circumstances.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Virginia.

Mr. BUTLER. I say to the gentleman that representations were made, as he says, when we were importuned to eliminate all restrictions, that the appropriate thing to do was to tie to the Hatch Act because that was restricting in scope. That is what we were told, but that was before passage of H.R. 10. Now, effectively, there are no restrictions, and if H.R. 10 becomes law—and I suspect the gentleman wants it to do so—then there are no limitations on staff attorneys. Is that a fair statement?

Mr. KASTENMEIER. No.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KASTENMEIER. I yield to my friend from Virginia, Mr. HARRIS.

Mr. HARRIS. I thank my colleague for yielding to me. This does sound like it was yesterday. I do not blame anyone for saying yesterday, but it was the day before yesterday. It does sound exactly like the same debate that we had the day before yesterday.

I would like to assure my colleague that indeed there are restrictions, very real restrictions.

Mr. McCLORY. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I think the two serious criticisms which endanger this legislation and which subject it to possible defeat, either here or in the other body, or even at a later session of the Congress would be because of public reactions. First, the political activity of those employees who serve the Legal Aid Bureaus in the various communities around the country, and the lobbying activities of these individuals result in opposition to the Legal Services Corporation. I think it is wonderful that a number of young lawyers particularly interest themselves in rendering legal services to the poor, and I know a number of these young men who do it, but at the same time these young people frequently are activists—and I do not criticize them for that. The only thing I do criticize them for and, that I think we may be criticized for, is providing Federal funding which will enable them to have a forum and provide them with an opportunity to involve themselves politically or to involve themselves to advance their individual political views or their individual philosophical views through lobbying activities.

Therefore, I think that those of us who want this program the most, that think it is the most valuable, should be supporting this kind of amendment. I will be offering a similar amendment with regard to the subject of lobbying. I think we are protecting ourselves, we are protecting the Legal Services Corporation against itself, against criticism that can justifiably be leveled.

This business of providing legal services for the poor since 1964 has had a very rough road to travel, and it has had a very rough road because we have had some over-zealous representatives of the poor who have gone before legislative bodies and city councils and have engaged in other kinds of activities, giving expression to their personal political and philosophical views.

These may or may not coincide with the views we express here today and may or may not coincide with the views of those who are supporting this necessary program of providing legal services for the poor, all of the poor who may need them and which can be provided, to the extent that this program can provide them.

So what we are doing here is just protecting the Legal Services Corporation against itself, against those who may be employed, who may decide that they want to use this as a base or a forum or an opportunity to advance themselves politically or to promote some political view that they may have. So that seems to me to be the only prohibition we are placing here, And as the gentleman from Virginia says, we do not know what is going to happen with respect to the virtual repeal of the Hatch Act which just occurred here a day or two ago. But notwithstanding that, it seems to me that we want to provide this kind of protection in the Legal Services Corporation so that we do not have to experience the criticism which otherwise will be forthcoming.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Wisconsin (Mr. KASTENMEIER).

Mr. KASTENMEIER. I thank the gentleman for yielding.

Mr. Chairman, for myself, I would have the language in the bill prevail. That is to say, that those staff attorneys be permitted to run in nonpartisan local elections. We do not know what is going to happen with respect to the ultimate disposition of H.R. 10, the Hatch Act. We are, to some extent, the prisoners of the majority of us here on that question. But I would not make this bill and the resolution of this question within this bill a prisoner of what we otherwise do or what the other body may do.

Mr. McCLORY. Mr. Chairman, let me just point out that the language which the gentleman from Virginia wants to put in would be merely language which would prohibit employees in the Legal Services Bureaus, these bureaus, "from taking an active part in political management or in political campaigns or from being a candidate for elective office or from directly or indirectly coercing, attempting to coerce, advising a person to pay, lend, or contribute anything of value to a political party, committee, organization, agency, or person for political purposes, whether partisan or nonpartisan."

It seems to me that that is the kind of activity we do not want these individuals to get involved in.

Mr. DRINAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, aside from the good arguments already made against this amendment, I have great problems with the actual language of it. I would appreciate it if my colleague, the gentleman from Virginia (Mr. BUTLER), would try to enlighten me as to the actual meaning of this imposition that he seeks to impose on Legal Services attorneys. These attorneys would be forbidden from taking an active part in "political management". And since they are lawyers, they would have a difficult time in analyzing precisely what they are forbidden to do, particularly as to the term "political management." And I wonder if my friend, the gentleman from Virginia (Mr. BUTLER), would want to comment on that.

Mr. BUTLER. If the gentleman from Massachusetts will yield, I am not sure I understand his question. Could the gentleman restate it?

Mr. DRINAN. I would just like to know what in the law in this entire area of the restrictions imposed upon Federal employees, what precisely does it mean when we say that no one may take an active part in "political management?"

Mr. BUTLER. Mr. Chairman, I believe the language means what it says: "* * * an active part in political management or in political campaigns or from being a candidate for elective office or from directly or indirectly coercing * * *"

Is the gentleman concerned with the problem of when they are involved in political activities?

Mr. DRINAN. When does it become an "active part"? Is it forbidden to participate in any way? Is the "active part"

applicable only to "political management", or may he participate in some non-active or passive way in a political campaign?

Mr. BUTLER. I would think so. That was certainly our intention.

Mr. Chairman, I do not have any problem with knowing what an "active part in political management" is or when it is taking place, and I am anxious to engage in a colloquy here that will clarify that point.

I will certainly concede that there can be passive participation, such as voting, that is not prohibited.

Mr. DRINAN. If I may ask this further question, Mr. Chairman: let me ask the gentleman: Is an attorney forbidden to contribute money?

Later in the amendment it states that he may not "advise" a person to pay money to a campaign, but is he himself forbidden to contribute money?

Mr. BUTLER. It is not our intention to prohibit the contribution of money.

Mr. DRINAN. If so, then, when does the contribution of money in substantial amounts become an "active part" in political campaigns which will be forbidden?

Mr. BUTLER. Mr. Chairman, if I may, I will ask the gentleman to repeat the question.

Mr. DRINAN. The gentleman has said that he may contribute money under his interpretation of what seems to be an ambiguous proposal. If he may contribute money, at what moment does the money become so substantial that it would be deemed to be an "active part in political management" or in a political campaign?

Mr. BUTLER. Here again, Mr. Chairman, I will say to the gentleman that I have no problem with the language. I consulted my lawyer on it, and he assured me that this language is taken from previous legislation. When I talked with him, I understood this was taken from the act which deals with State and local employees.

If I may reply further to the gentleman, let me describe my intention and relate what has happened. We had the Quie amendment, and then we came along and said—I do not have the Quie amendment in front of me—in effect that we will not prohibit these people from doing anything that is not prohibited by this section of the Hatch Act. Then they came along and changed that in the meantime and adopted new regulations.

So rather than incorporate that language by reference, we have gone back and put it in specifically. In that way we do not have the problems of interpretation and we do not have the problems of incorporating by reference something that the committee has changed. That is why we picked this language up and put it back in this amendment, exactly the way it was done by the Congress the last time it expressed itself on this point.

I will say to the gentleman from Massachusetts (Mr. DRINAN) that I am perhaps guilty of not reading all the annotations on that particular point. I thought if we were putting the statutory language back in here, we would not really have any problems. That was really my only intent.

Mr. DRINAN. Mr. Chairman, if the gentleman will yield further, as the gentleman knows, the Legal Services Corporation has had great difficulty in interpreting this language.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. BUTLER).

The question was taken; and on a division (demanded by Mr. BUTLER) there were—ayes 16, noes 19.

Mr. BUTLER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Virginia (Mr. BUTLER) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 178, noes 198, not voting 57, as follows:

[Roll No. 329]

AYES—178

Abdnor	Derwinski	Jeffords
Ambro	Dickinson	Jones, N.C.
Andrews, N.C.	Dingell	Jones, Okla.
Andrews, N. Dak.	Dornan	Jones, Tenn.
	Duncan, Tenn.	Kasten
Annunzio	Edwards, Ala.	Kazen
Archer	Edwards, Okla.	Kelly
Armstrong	Emery	Kemp
Badham	English	Kindness
Bafalis	Erlenborn	Lagomarsino
Barnard	Evans, Del.	Latta
Beard, Tenn.	Fish	Lent
Bennett	Flynt	Levitas
Blanchard	Foley	Lloyd, Tenn.
Bowen	Forsythe	Lott
Brinkley	Fountain	Lujan
Brown, Mich.	Fowler	Luken
Brown, Ohio	Frenzel	McClory
Broyhill	Gammage	McDade
Buchanan	Gaydos	McDonald
Burgener	Ginn	McEwen
Burke, Fla.	Goldwater	Mahon
Burleson, Tex.	Gonzalez	Mann
Butler	Goodling	Martin
Byron	Gradison	Mathis
Carter	Grassley	Michel
Cederberg	Gudger	Milford
Clausen, Don H.	Guyer	Miller, Ohio
	Hagedorn	Mitchell, N.Y.
Clawson, Del	Hall	Mollohan
Cleveland	Hansen	Montgomery
Cochran	Harsha	Moore
Cohen	Hefner	Moorhead, Calif.
Coleman	Hightower	
Collins, Tex.	Hillis	Mottl
Conable	Holt	Murphy, Ill.
Corcoran	Hubbard	Myers, Gary
Coughlin	Huckaby	Myers, Ind.
Daniel, Dan	Hyde	Natcher
Daniel, R. W.	Ichord	Nedzi
de la Garza	Ireland	Nichols
Delaney	Jacobs	O'Brien
Pettis	Sarasin	Trible
Pickle	Satterfield	Waggonner
Pike	Schulze	Walsh
Pressler	Sharp	Wampler
Pritchard	Shuster	Watkins
Pursell	Sisk	White
Quie	Skelton	Whitehurst
Rahall	Skubitz	Whitley
Regula	Slack	Whitten
Rhodes	Smith, Nebr.	Wilson, Bob
Rinaldo	Snyder	Winn
Risenhoover	Spence	Wydler
Roberts	Stangeland	Wylie
Robinson	Stanton	Young, Alaska
Rogers	Stockman	Young, Fla.
Rostenkowski	Stump	Young, Mo.
Rousselot	Taylor	Zeferetti
Rudd	Thone	
Runnels	Treen	

NOES—198

Addabbo	Fisher	Nix
Akaka	Flood	Nolan
Alexander	Flowers	Nowak
Allen	Ford, Mich.	Oakar
Ammerman	Ford, Tenn.	Oberstar
Anderson, Calif.	Fraser	Obey
	Gephardt	Ottinger
Anderson, Ill.	Giaimo	Panetta
Applegate	Gibbons	Patten
Ashley	Gilman	Patterson
Aspin	Glickman	Pattison
Badillo	Hamilton	Pease
Baucus	Hanley	Pepper
Beard, R.I.	Hannaford	Perkins
Bellenson	Harkin	Preyer
Benjamin	Harrington	Price
Bevill	Harris	Quayle
Biaggi	Heckler	Railsback
Bingham	Heftel	Rangel
Bouin	Hollenbeck	Reuss
Boggs	Holtzman	Richmond
Boland	Horton	Rodino
Boiling	Howard	Rooney
Brademas	Hughes	Rose
Breaux	Jenkins	Rosenthal
Brodhead	Jenrette	Russo
Brown, Calif.	Johnson, Calif.	Ryan
Burke, Calif.	Jordan	Santini
Burke, Mass.	Kastenmeier	Sawyer
Burlison, Mo.	Keys	Scheuer
Burton, Phillip	Kildee	Schroeder
Caputo	Kostmayer	Seiberling
Carney	Krebs	Shipley
Carr	Krueger	Sikes
Cavanaugh	LaFalce	Simon
Chappell	Le Fante	Smith, Iowa
Chisholm	Leach	Solarz
Clay	Lederer	Spellman
Collins, Ill.	Leggett	Staggers
Conte	Lehman	Stark
Conyers	Lloyd, Calif.	Steiger
Corman	Long, La.	Stokes
Cornell	Long, Md.	Stratton
Cornwell	Lundine	Studds
Cotter	McCloskey	Thornton
D'Amours	McFall	Traxler
Dellums	Madigan	Tsongas
Danielson	Maguire	Tucker
Davis	Markey	Udall
Derrick	Mattox	Van Deerlin
Dicks	Mazzoli	Vanik
Diggs	Metcalfe	Vento
Dodd	Mikulski	Volkmer
Downey	Mikva	Walgren
Drinan	Miller, Calif.	Waxman
Duncan, Oreg.	Mineta	Weaver
Early	Minish	Weiss
Edgar	Mitchell, Md.	Wilson, C. H.
Edwards, Calif.	Moakley	Wilson, Tex.
Eilberg	Moffett	Wirth
Ertel	Moorhead, Pa.	Wolff
Evans, Ga.	Moss	Wright
Evans, Ind.	Murphy, N.Y.	Yates
Fary	Murphy, Pa.	Yatron
Fascell	Murtha	Zablocki
Fenwick	Myers, Michael	
Findley	Neal	

NOT VOTING—57

Ashbrook	Devine	Ketchum
AuCoin	Eckhardt	Koch
Baldus	Evans, Colo.	McCormack
Bauman	Fithian	McHugh
Bedell	Flippo	McKay
Bonior	Florio	McKinney
Bonker	Frey	Marks
Breckinridge	Fuqua	Marlenee
Brooks	Gore	Marriott
Broomfield	Hammer-schmidt	Meeds
Burton, John		Meyner
Crane	Hawkins	Poage
Cunningham	Holland	Quillen
Dent	Johnson, Colo.	Roe

Roncalio	Steers	Walker
Roybal	Symms	Whalen
Ruppe	Teague	Wiggins
Sebelius	Thompson	Young, Tex.
St Germain	Ullman	
Steed	Vander Jagt	

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Thompson against.

Mr. Bauman for, with Mr. Roybal against.

Mr. Cunningham for, with Mrs. Meyner against.

Mr. Marriott for, with Mr. McHugh against.

Mr. Walker for, with Mr. Florio against.

Mr. Crane for, with Mr. Koch against.

Mr. Devine for, with Mr. Hawkins against.

Mr. Breckinridge for, with Mr. Baldus against.

Mr. Broomfield for, with Mr. Bonior against.

Mr. Ashbrook for, with Mr. John L. Burton against.

Mr. Marlenee for, with Mr. St Germain against.

Messrs. WHITTEN, PRESSLER, MURPHY of Illinois, ZEFERETTI, RINALDO, and FOLEY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BUTLER

Mr. BUTLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUTLER: Page 4, line 1, add after "staff attorneys" the following additional language: "except that no staff attorney shall be a candidate in a partisan political election".

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Chairman, I thank the gentleman from Virginia for yielding.

The gentleman has shown me his amendment, which affects the same area of the bill that the House just disposed of in considering the last amendment. The gentleman's present amendment reflects what we had intended in the subcommittee and in the full committee as far as how this matter should be handled; namely, that staff attorneys would not be allowed to be candidates for partisan political office.

I take it that what we are doing in accepting this amendment is agreeing that notwithstanding what happened in H.R. 10 or some other legislation, the intention of the Committee of the Whole on this matter is expressed in the amendment.

For my part, Mr. Chairman, I agree with the gentleman's amendment and will support it.

Mr. BUTLER. Mr. Chairman, I thank the gentleman.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. BUTLER. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, I thank the gentleman for yielding.

I will say that I have also had a chance to read the gentleman's amendment, and in my opinion it is a valuable contribution by the gentleman from Virginia (Mr. BUTLER). I certainly have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. BUTLER).

The amendment was agreed to.

Mr. WRIGHT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to express the hope that the Members will support this bill on final passage.

Let me comment very briefly on the law services program. I know there have been a few highly publicized allegations of abuse. I know there have been some sporadic disaffections. But let us get down to the heart, the core, the need, and the reason for this legislation.

We look across from this Capitol's east front upon the beautiful marble building that houses the U.S. Supreme Court. Above its central portico is a bold engraving which bears the words: "Equal Justice Under The Law"

We have embraced a beautiful philosophy in this country, that justice is equal, that justice is free, and that justice is blind. However, we know in truth that justice often is not equal for someone who cannot afford a lawyer. We know that justice is not truly free for someone who lacks the assistance of able counsel in court. With the complexities of the legal system mounting daily, we know that justice is not blind, if on one side there are massed the powers of the Government or the powers of a great corporation and on the other side is one poor individual who lacks a knowledge of the law and lacks the capacity to find help from someone who has knowledge of the law.

Mr. Chairman, this program has been in many ways a model. I say to those who are worried about the growth of bureaucracy that we ought to pattern programs after this one.

Only 2.9 percent of the moneys expended on this legal services for the poor program has gone to administration. More than 90 percent of this money has gone into the provision of legal services. It is a low-overhead program. The entire headquarters of the Corporation and all the 9 regional offices have only 141 employees throughout the Nation. That is a model in and of itself.

It is a decentralized program. There are 300 local boards, and the program is locally directed. We require that 60 percent of the members of those local boards be local attorneys admitted locally to practice law in the jurisdictions in which the boards operate.

Therefore, in the sense that it is not a bureaucratic program, that it is a low-overhead program, that it is a program which provides services directly to the people who need them, and that it is a program which is locally controlled, this program is a model.

Mr. Chairman, for and on behalf of people throughout the United States who should get justice whether they have money or not, whether they have rich relatives or not, and whether they have powerful friends or not, I just think this is the kind of bill that a humane and a just Congress will enact.

So I leave those thoughts with the Members against the morrow, at which time, hopefully, we will be voting for the final passage of this bill.

Mr. KASTENMEIER. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the Chair, Mr. BURLISON of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Legal Services Corporation bill now pending.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TECHNICAL CORRECTIONS TO HOUSE REPORT NO. 95-310

Mr. KASTENMEIER. Mr. Speaker, on May 13, 1977, the Committee on the Judiciary reported favorably on H.R. 6666 in House Report No. 95-310. I would like to insert the following technical corrections to the report:

1. Page 2, line 33, insert "is" in lieu of "its".

2. Page 2, line 35, insert "relating to" after "Act".

3. Page 2, line 36, insert "relation" in lieu of "relations".

4. Page 7, line 33, add a closing quote after '"agency'.

5. Page 7, line 43, insert at the beginning of the line "must be kept of the proceeding, and any portion of the transcript".

6. Page 8, line 10, insert "Services" in lieu of "Services".

7. Page 8, line 26, insert "conclusively" in lieu of "comclusively".

8. Page 8, footnote 1, insert a closing parenthesis after "7th Cir. 1973".

9. Page 9, line 49, insert an opening parenthesis before "The".

10. Page 11, line 25, insert "1007(a)(5)" in lieu of "1077(a)(5)".

11. Page 12, line 9, insert "representation" in lieu of "representations".

12. Page 12, line 47, insert "diverge" in lieu of "divise".

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, on Wednesday, June 8, 1977, I was absent on official business for part of the legislative day. As a member of the U.S. Military Academy Board of Visitors, I was invited to participate in commencement exercises at West Point. Had I been present, I would have voted in the following fashion: S. 521 (Roll No. 320), to amend the John F. Kennedy Center Act to authorize funds for repair, "Yes;" H.R. 7552 (Roll No. 321), Treasury-Postal Service Appropriations, "Yes."

POSTAL SERVICE ACT OF 1977

(Mr. HANLEY asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, today I have introduced the "Postal Service Act of 1977" which I hope will go a long way toward giving both the President and Congress a greater voice in setting and monitoring postal policy.

As the cosponsor of this measure, I am most pleased to have Representative CHARLES H. WILSON, who is chairman of my sister subcommittee—the Subcommittee on Postal Personnel and Modernization. The very fact of cosponsorship should indicate to the Postal Service that our two subcommittees are deadly serious in working to bring about significant changes in postal management and policies.

When we passed postal reform in 1970, we went too far in creating an agency which was insulated from the needs and desires of the American public. The Postal Service is above all both a creature and a servant of this public. Yet postal executives are not accountable to it in any meaningful way. Since it is the President and Congress who must ultimately accept the blame for the actions of the Postal Service, the President and the Congress must have a more meaningful voice in the development of postal policy.

This bill will make some very significant changes in postal organization. Yet, I believe it preserves some of the better features of the Postal Reorganization Act of 1970. We will not return to the patronage-ridden era prior to 1970. The Postal Service will retain most of the flexibility given it in 1970 to conduct its affairs on a businesslike basis; and modern labor and employee relations laws will remain in effect.

Our bill will primarily reinject the President and the Congress into a policy-making role which should never have been given away in the first place.

Key features of the bill include:

Congressional veto power over postal rate increases.

Appointment of the Postmaster General by the President with Senate confirmation.

Abolition of the Postal Service Board of Governors.

A substantial increase in authorization of appropriations to the Postal Service for public service purposes.

Maintenance of six-day a week delivery.

Biennial, rather than permanent, authorization of public service appropriations.

Congressional review of large capital improvement projects, such as the erstwhile billion dollar bulk mail system.

These and other provisions of the bill which are included in the synopsis at the end of these remarks, highlight the major areas of congressional concern which have been expressed to me during my tenure as chairman of the Subcommittee on Postal Operations and Services. I do not claim perfection of language, however, and I offer this bill substantially as a discussion document which will form the formation of postal reform legislation during this Congress. Hearings will begin very soon and will, I expect, be expeditious.

My positions on many of the provisions of the bill have been outlined in other speeches, particularly the one delivered on this floor on May 24, 1977. I will not go into a detailed explanation at this time but will elaborate on the issues during the hearings and in later speeches. I do commend the bill to my colleagues and ask for their help in this important endeavor.

For the information of all the Members of this House, the following is a synopsis of all the provisions of the Postal Service Act of 1977.

SYNOPSIS OF THE POSTAL SERVICE ACT OF 1977

Sec. 1. Title.

Sec. 2. Postal Rate Commission decisions in rate, fee and classification cases are subject to Congressional veto. Congress will have sixty days to veto such decisions. Both Houses must concur. Only the decision as a whole is subject to veto; there is no item veto. Appropriations are authorized to cover any shortfall created by a veto. Except for these provisions, Postal Rate Commission decisions will be final.

Sec. 3. A more precise methodology for the setting of postal rates is established to reaffirm Congressional intent in the Postal Reorganization Act of 1970. Rates are to be based on short term variable costs with a 60% ceiling on attributable costs. Institutional costs will be allocated according to other criteria outlined in the law. In addition, the Postal Service may not include more than 2% for contingencies or provisions for recovery for prior year losses in costs to be covered by postal rates.

Sec. 4. Authorization for public service appropriations is increased from the current 10 percent of 1971 postal appropriations ($920 million) to 15 percent of the prior fiscal year's operating expenses. The provision in the Postal Reorganization Act reducing the amount of public service authorizations beginning in 1979 is eliminated.

The authorization is for only a two-year period, rather than the permanent authorization included in current law.

It is also specified that the money is authorized for, among other things, six-day a week delivery, the operation of rural post offices, and a modern research and development program.

Public service appropriations may not be used to reduce parcel post rates in unfair competition against private enterprise.

Sec. 5. The Postal Rate Commission's budget is separated from the Postal Service's and the Postal Service will no longer have any control over the Postal Service Commission's finances.

Sec. 6. A maximum size limitation of 100 inches in girth and length combined and a maximum weight limitation of 70 pounds are uniformly applied to parcels mailed from all post offices. Currently, size and weight limitations vary according to the class of post office.

Sec. 7. Both the Postal Service and the Postal Rate Commission may represent themselves without the prior consent of the Attorney General in court cases arising out of Postal Rate Commission proceedings on rate, classification, and service matters.

Sec. 8. The Postal Service Board of Governors is abolished and the Postmaster General and Deputy Postmaster General are to be appointed by the President with Senate confirmation.

Sec. 9. The Postal Service must hold a public hearing in any community where it is considering closing a post office.

Sec. 10. The Postal Service is required to follow procedures for disposing of excess property followed by other federal agencies. This provision applies only to properties turned over to the Postal Service as a result of the passage of the Postal Reorganization Act of 1970.

Sec. 11. The Postal Service may not begin any capital program exceeding a total cost of $200 million until receiving a recommendation from Congress. The recommendation will be based on hearings and studies conducted by Congress on the proposals submitted by the Postal Service. The recommendation on a specific project must be transmitted to the Postal Service within four months after submission of the proposal to Congress.

Sec. 12. No provisions in this act are intended to have an effect on the collective bargaining process outlined in the Postal Reorganization Act of 1970.

Sec. 13. Effective date—90 days after date of enactment.

CIVILIAN MARKSMANSHIP PROGRAM

(Mr. LATTA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LATTA. Mr. Speaker, lest we be taken in by the voices of a minority of a minority of this body who have—for reasons of their own—been attempting to do harm to the very old, reputable, and worthwhile civilian marksmanship program supported by the National Board for the Promotion of Rifle Practice, I think it is important for one who has been close to the program to speak out on its merits and in its behalf. Not to do so might be interpreted as agreeing with the somewhat vocal minority of a minority on this important program and could conceivably put its future in jeopardy. I, therefore, wish to express my total support for the program and support of the National Board for the Promotion of Rifle Practice. My views are based on more than 20 years of personal experiences with the program and are not, like those of some, the result of a desire to attack the program for whatever media coverage and political mileage it will give me.

One of the important functions of the civilian marksmanship program is to encourage matched competition among rifle clubs, high school and collegiate shooting teams. These matches progress to city, regional, and State tournaments, all of which lead to the national matches with which I am most familiar as these events are held each year in my congressional district at Camp Perry, Ohio. I have been there many times and my own son has been the beneficiary of one of its marksmanship schools. Since 1907, the national matches—widely regarded as the world series of shooting—have been held at Camp Perry. These matches are so important in the life of a competition marksman that I doubt that there has ever been a citizen of the United States who has won a gold medal for rifle or pistol shooting in olympic competition who had not progressed in competition through the national matches. Over 2,000 competitors from all 50 States, the District of Columbia, and Canada attended the matches in 1976 and a greater number is expected this year as the advance entries in the small arms firing school for rifle marksmanship already number more than 400.

In addition to the pistol, smallbore

rifle and highpower rifle competitions, schools are conducted for law enforcement officers, junior club instructors, State association instructors and outdoor education personnel from colleges and universities.

The military services provide instructors for the small arms firing school and it is conducted by the Army marksmanship training unit. Incidentally, it is a requirement of section 4312 of title 10, U.S. Code to train civilians in the use of military-type firearms in the event they should be called upon to defend our country.

The need for a civilian marksmanship program was brought to the attention of Congress in the early 1900's when it was found that young Americans entering military service no longer possessed the necessary and traditional marksmanship skills of their forefathers. As a result, the combat effectiveness of our military units was reduced. Therefore, through the wisdom and foresight of our predecessors in Congress, legislation was passed in 1903 to insure that citizens of the United States would have the means to develop marksmanship skills.

That legislation, passed in 1903, also provided the means to encourage citizens to participate in competition with the military services and went on to provide a national trophy and other prizes to be awarded at what Congress then called the "national matches."

Many Members of Congress today have forgotten or did not know that the civilian marksmanship program and the National Board for the Promotion of Rifle Practice were created and established by this body. This is a program by which we give every American the opportunity to learn the skill of marksmanship in the event we may at some time need this skill in the service of our country.

I believe that any person critical of the civilian marksmanship program would have a different opinion of this program and its value to the defense of our country if he or she were to participate in or just observe the national matches at Camp Perry, Ohio. Therefore, I invite all of you to visit the matches in August.

A TRIBUTE TO CECIL BROWN

The SPEAKER pro tempore (Mr. WRIGHT). Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, it is with a great deal of sadness that I inform the House of the death of one of my best friends and one of the finest public servants ever to come from northeastern Pennsylvania, Mr. Cecil Brown.

Brownie, as he was known to his friends, served as Wyoming County Commissioner until his death which came after a long illness. He was a war hero, a spirited community leader, a distinguished local government official and an outstanding family man. He will be sorely missed by all who knew him.

Whatever Cecil Brown did in life he did it well. He fought for his country in World War II and when he returned to Pennsylvania he entered the often more difficult arena of public service. His great popularity carried him to victory when he ran for county commissioner in 1947 and each successive election year thereafter he became the most popular government official in Wyoming County.

Brownie had many fine moments in his career. I shall always remember him as the untiring, round the clock worker, helping Wyoming County recover from the ravages of the floods that accompanied Hurricane Agnes. Throughout those terrible days Brownie was instrumental in efforts that saved lives and helped countless families get a new start. I know the people of Wyoming County will never forget those deeds in that difficult hour.

Brownie's civic obligations were many and he met all of them. He was a member of the Tunkhannock Presbyterian Church, Dennis Strong Post of the American Legion, Temple Lodge of Free and Accepted Masons, and he was a director of the First Federal Savings & Loan Co. of Tunkhannock.

To his lovely wife Betty, to his children, Robert, Eric, and Linda and to his family and countless friends, I know the Members of this House will join with me in expressing our deepest sympathy at his passing. We share their great sorrow.

STATEMENT ON ENERGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MARKS) is recognized for 10 minutes.

Mr. MARKS. Mr. Speaker, most of the mail I have received so far since becoming a Member of Congress has concerned the energy situation in the United States. The correspondence has centered mainly upon natural gas, the fuel adjustment clause, utility rates, the need for a national energy policy, and various aspects of the President's energy proposals.

Although I have held some general views about the various energy issues, I postponed developing them in a position paper until I could study these complex matters in greater detail. In addition, I sought input from 24th District residents by including several energy-related questions on my districtwide questionnaire. I now have tabulated over 35,000 responses to this questionnaire.

I also should note that during the January hearings on the Emergency Natural Gas Act, Presidential Energy Advisor James Schlesinger informed the Interstate and Foreign Commerce Committee on which I serve that the President would submit a comprehensive energy policy bill on April 20. Since the administration's energy package would be the main energy legislation this Congress would consider, I felt my study of the issues should include an analysis of this proposal.

At this point I would like to share with my colleagues and with my constituents my views on some of the major energy issues in the context of the administration's energy plan.

I. ENERGY CONSERVATION IN HOMES AND BUILDINGS

Proposal: The principal thrust of the President's energy proposal centers on conservation. Much emphasis is placed on home energy conservation.

Under the administration's plan, homeowners would be entitled to a tax credit of 25 percent of the first $800 and 15 percent of the next $1,400 spent on approved residential conservation measures during the period from April 20, 1977 through December 31, 1984. All regulated utility companies would be required to provide home energy programs. These essentially would be comprised of offering to install and finance the installation of conservation devices. State utility commissions would be allowed to include the costs of installing conservation devices in the utility's rate base. There would be grants for conservation measures taken by nonprofit institutions and mandatory insulation standards for new construction. These would begin in 1980.

A secondary market for loans to finance conservation improvements would be created through the Federal Home Loan Mortgage Corporation and through the Federal National Mortgage Association. There also would be a 10-percent tax credit for businesses which install energy saving devices.

Analysis: I was interested to learn that a May "weekender plebiscite" of the Erie Times-News indicated that 64 percent of those polled favor home insulation credits. I share this view and strongly support these provisions of the President's proposals. It is clear that conservation must be an essential part of any national energy policy. Indeed, it has been noted that many of the conservation portions of the Carter plan are similar to elements of proposals debated in the 93d and 94th Congresses.

I would expect that Congress generally will act favorably on this part of the administration's bill. Conservation in our homes and buildings involves sacrifices, but I believe the long-term benefits in energy savings will more than compensate for this. In my opinion, the longer we postpone conservation measures, the more severe they will have to become as the crisis worsens.

II. FUEL EFFICIENCY TAXES

Proposal: The administration is seeking to tax the manufacturers of cars that do not use gasoline efficiently, proposing a tax penalty upon manufacturers for every car they produce that fails to meet the existing Federal mileage standards. It is important to keep in mind that fuel efficiency standards for automobiles were established in the Energy Conservation and Oil Policy Act of 1975—Public Law 94–163. That law requires that new car fleets must average 18 miles per gallon in 1978, 19 miles per gallon in 1979, 20 miles per gallon in 1980, graduating to 27.5 miles per gallon in 1985. Civil fines are imposed for failure to reach these standards.

Beginning with the 1978 models, the administration would tax cars which consume gas in excess of the standards, and provide rebates to those which better the standards. By 1980, the worst "gas guzzlers" would draw taxes of $2,488, while the most fuel efficient would garner rebates of $493.

Analysis: In analyzing this proposal, it is important to bear in mind that while

it would not outlaw gas guzzlers, it would make them more difficult and costly to obtain. Moreover, when the plan is based upon fuel efficiency rather than upon auto size or weight, the effect would be to tax big, heavy cars since they are most likely to be in violation of the standards. Nevertheless, I am opposed to the tax and rebate provisions for the following reasons.

First, I do not believe that tax penalties and rebates should be imposed on top of the present system of manufacturer fines for fuel inefficiency. This would succeed merely in gilding the lily through a complicated method of influencing buyer behavior through the tax code.

If rebates are to be made, I would prefer that they originate instead with the manufacturers. With efficiency standards already mandated, let the market find ways of encouraging consumer interest.

Second, the rebate provisions would tend to favor high-mileage foreign cars. In my opinion, the Federal Government should not be encouraging consumers to buy foreign cars at a time when the job situation is critical in this country.

Third, people who would feel uncomfortable driving smaller cars should not be penalized by having to pay a high tax to buy the larger cars they either need or prefer. It would be inequitable to burden, for example, tall or large individuals or those with handicaps.

Fourth, the administration provisions would tend to expand the market value and life of old gas guzzlers. I do not believe it makes sense to put such a premium on these older cars which are less fuel efficient and which emit greater pollutants than the newer models.

Fifth, the gas-guzzler tax and rebates for small cars could have what Prof. W. Philip Gramm and S. Charles Maurice, economists at Texas A. & M. University, have termed a "perverse effect" on fuel consumption. In a paper on this aspect of the administration's proposal, they pointed out that subsidizing small cars will induce more families to become two- and three-car families and will induce those who do not own a car to buy one. They believe that the reduced cost of driving will result in greater auto use as opposed to the more efficient energy alternatives, such as mass transit, car pooling, bicycling, and walking.

III. STANDBY GASOLINE TAX

Proposal: Beginning January 15, 1979, if national gasoline consumption exceeded the previous year's target level, the President would have Congress levy a 5 cent per gallon tax each year. The standby excise tax could reach 50 cents per gallon within 10 years. Funds collected would be rebated to consumers under a mechanism not yet devised. After 1981, the criteria for imposition of the tax would be altered. Instead of calling for an increase in consumption to trigger an increase in the tax, the failure of gasoline consumption to decline by 2 percent over the base period would act as a trigger.

Analysis: I strongly oppose this portion of the administration's energy plan.

First, the tax is regressive in nature. Its impact would fall most severely on lower- and middle income citizens. The tax probably would have little effect on the driving habits of those who could afford the higher prices.

Second, the gasoline tax could have a crippling effect on those who live in rural areas and on those who depend upon car travel for their livelihood, such as salesmen. The tax simply does not take into account the fact that some people must rely upon their cars more than others and do not have acceptable alternative means of transportation. Indeed, if the fuel crisis were to increase in severity, rationing, although not an attractive option, might provide more equity and flexibility by permitting extra allotments to these individuals.

Third, the increased price of gasoline could have a significant "ripple effect" on other prices, thereby fueling the flames of inflation. Energy cost increases already have had a devastating impact on our economy.

IV. UTILITY RATE REFORM

A. THE ADMINISTRATION'S PLAN

Proposal: First, the President has asked Congress to ban "declining block rates" which tend to encourage more electricity consumption. Under the present declining block rate system, the price per unit of electricity a customer is charged declines as his consumption increases. The rationale is that the utility company's costs of serving each customer drop with increased consumption because the utility's fixed costs are spread further. This sort of rate structure was intended originally to allow the utilities to take advantage of economies of scale. The result is that large volume users end up paying less per kilowatt hour than do small volume users.

It should be noted that under the President's plan State public utilities would be mandated to require gas utilities also to eliminate declining block rates. In addition, the Federal Power Commission would prescribe rules concerning master metering, summer-winter rate differentials, and interruptible rates.

Second, the administration would impose an additional charge for use during peak load periods. These are the periods when demand for electricity is at its height. To shift energy use from peak to nonpeak periods, electric utilities would be required to offer daily offpeak rates to each customer who is willing to pay metering costs and to offer lower rates to customers willing to have their power interrupted at times of highest peak demand.

Members of the House were notified on May 5 that the AFL–CIO Executive Council has endorsed both the elmination of declining block rates and peak load pricing provisions of the President's proposals.

Analysis: With respect to the proposal to ban declining block rates, my inclination at this time is to support it. However, I do so with two reservations.

First, I am concerned that this proposal ultimately might result in higher consumer prices. That is, if industry must pay more for its utilities, the costs incurred doubtlessly will be passed along in the form of higher retail prices. Second, I am reluctant to see institutions such as hospitals and schools having to bear rapid increases in utility prices.

Nevertheless, I believe that eliminating declining block rates could contribute to reducing skyrocketing utility rates. According to the Federal Energy Administration, the average price consumers paid for electricity rose 70 percent between 1970 and 1976.

Industrial users buy about 35 percent of the electricity produced yet they pay for only 23 percent of the total bill. As Representative ROBERT DRINAN pointed out in a study he made in 1975 in conjunction with the introduction of the Electric Utilities Rate Reform Act, the average price per hour paid by residential customers was 2.42 cents, while the average price paid by industrial consumers was just 1.16 cents per kilowatt-hour. I also share his concern over the fact that the highest users may be charged from 50 to 150 percent less than the average homeowner.

In the 94th Congress, the Subcommittee on Energy and Power of the House Interstate and Foreign Commerce Committee held extensive hearings on the question of electric utility rate reform. As a result of these hearings Subcommittee Chairman JOHN DINGELL has introduced the Electric Utility Act of 1977. Under this bill, declining block rate structures would be prohibited unless they could be proved to reflect decreased costs. Utilities would be required to set rates based upon cost of services, with the exception that "lifeline" rates would be permitted.

This approach basically is incorporated in the administration's proposal.

I believe that elimination of declining block rate systems should be considered together with the second part of the administration's utility rate proposal concerning "peak load" pricing or "time-of-use" pricing.

The concept underlining peak load pricing is that consumers will change their consuming habits in order to save on electricity prices. I support this approach, but I hasten to point out that peak load pricing would require the installation of special meters to record the time of consumption as well as the amount of consumption. According to a recent article in Congressional Quarterly, the lowest figure for a residential meter is about $71. While noting the potentially high meter implementation costs, the Federal Energy Administration, in its interim report on electric utility rate design proposals, made the following observation with respect to peak load pricing:

> Time-of-use rates are likely to reflect most accurately the marginal costs of producing electricity to the average customer. Consequently, it is likely that such rates would shift demand from peak periods, when total costs are high, to offpeak periods, when the costs of supplying electricity are lower. Furthermore, it is anticipated that such a shift would result in long-term reductions in both capacity requirements and the consumption of oil and natural gas by electric utilities.

If consumers are willing to pay the costs of meter installation, I believe this option for long-term savings should be available to them. In this regard I note

with interest that the General Public Utilities Corp., of which Pennsylvania Electric Co. is a subsidiary, has made the following comments:

As a companion to conservation, load management (offpeak use of electric power) should be encouraged as a matter of national policy . . . We, as many other electric utilities, are heavily involved with identifying the potential for load management and we are encouraged by results to date. Differential pricing for offpeak and onpeak use is already underway.

B. FUEL ADJUSTMENT CLAUSE

Although the President's proposals do not specifically address the fuel adjustment clause, it should be mentioned at this point in view of the concern expressed by so many 24th District residents on its impact on their bills.

According to the Federal Energy Administration, fuel adjustment clauses essentially are a "regulatory expedient" that enables utilities to pass increases or decreases in fuel cost directly through to consumers. They are based on the premise that fuel market prices are highly volatile and largely beyond the control of utilities. In 1956, 36 percent of the revenues of privately owned utilities were due to fuel adjustment costs. In that same year, all but seven States allowed some kind of fuel adjustment clause. The total amount recovered by electric and gas utilities through fuel adjustment clauses was approximately $3.5 billion in 1974 and $5.3 billion in 1975.

The fuel adjustment clause clearly had a disastrous impact on utility customers in the 24th District this past winter. It accounted for such a high percentage of utility cost increases that many constituents wrote to me questioning the legality of this passthrough device. Both the Federal Power Commission and the Public Utility Commission in Harrisburg confirmed that the fuel adjustment clause was indeed legal as implemented during the severe winter. Moreover, it could not be circumvented through the gimmick of mailing duel checks, as some constituents seemed to think.

Nevertheless, the State public utility commission has initiated an audit of the financial operations of natural gas companies serving Pennsylvania consumers. The inquiry, which goes back to the period beginning January 1, 1975, has been focusing on utility rates and their relationship to profits earned by the energy companies. In addition, the general assembly already put on the books a utility reform law that prohibits retroactive increases. However, the ban does not take effect until October 1977. In view of reports that there are several pending cases in which temporary rates either have been approved or may be approved by the PUC, State Senator R. Budd Dwyer (R–50) has urged the PUC to adopt rules that would bring an immediate end to retroactive rate hikes.

Although the fuel adjustment clause principally is a matter for the State public utility commissions and State legislatures, the issue also has been studied at the Federal level. The Subcommittee on Oversight and Investigations of the House Interstate and Foreign Commerce Committee held hearings on fuel adjustment clauses in May 1975. At the outset of the hearings, Chairman JOHN MOSS framed the issue in the following manner:

We are, of course, mindful of the high prices that utilities are being charged for fuel and of the need to permit utilities to recover their legitimate fuel costs within a reasonable period of time. The question is whether fuel adjustment clauses, as presently formulated, are the proper means to that end.

In my opinion, the observations of Chairman Moss still are valid today. As a new member of the Subcommittee on Oversight and Investigations, I believe that there might be some value to further pursuit of the work the subcommittee undertook in 1975, especially in view of the subcommittee's conclusions.

The subcommittee found that fuel adjustment clauses are "unwise, unnecessary, unworkable, and unfair," as they undermine utility regulation and lead utility management to the "not so fine art of adjusting monthly consumer electric bills to reflect the industry's unchecked cost increases."

The FEA's 1977 analysis indicates that many of the difficulties associated with the fuel adjustment clauses currently in use stem from computation and implementation problems that have impaired their intended economic neutrality. The FEA has pointed out that effective implementation is difficult and will require increased expenditures by both utilities and regulatory bodies in order to insure that fuel adjustments are correctly computed and audited.

Alternate approaches to fuel adjustment clauses include the following identified by the FEA:

First. Use of economically neutral adjustment clauses.

Second. Use of limited pass-through clauses that allow only a part of fuel cost charges to be passed on to consumers.

Third. Continuation of existing clauses supplemented with frequent rate hearings.

Fourth. Abolition of pass-through clauses except during emergencies, with fuel cost fluctuations handled by frequent rate hearings and interim rate relief.

Although I do not have the expertise to endorse any of these alternatives, it is my view that hearings should be held in which they will be carefully examined. I do not believe consumers can afford to bear high fuel adjustment clauses again. Now is the time to legislate appropriate changes to head off a recurrence of the shocking bills which hit so hard upon our citizens, especially those on low and fixed incomes.

C. FUEL STAMPS

The unusually high fuel and utility expenses incurred by 24th district residents during the severe winter prompted interest by many in the concept of fuel stamps.

In appearances before both the House Interstate and Foreign Commerce Committee and the Pennsylvania congressional delegation, Gov. Milton Shapp pointed out the need for emergency aid to low-income and older citizens because of rising fuel costs. Since the food stamp bureaucracy already is in existence, he urged an expansion of the food stamp program as the vehicle for fuel subsidies. Along similar lines, Pennsylvania Congressman AUSTIN MURPHY introduced a bill that would have had the Federal Energy Administration administer a fuel stamp program for families with annual incomes under $12,500. His program would have expired on April 30, when the President's emergency allocation powers for natural gas expired.

It was my view that something had to be done to provide emergency assistance to those families hit hard by the high utility and fuel costs this past winter. Accordingly, on March 16, I voted for the Obey amendment to the supplemental appropriations bill to add $200 million for an emergency energy-fuel assistance program. The amendment was adopted by a vote of 233 to 41, and the Senate version contained similar provisions. President Carter signed the bill into law on May 4 (Public Law 95–26).

The extra $200 million, of which Pennsylvania will receive $14.6 million, is an appropriation for the Community Services Administration. The money will go to the States, which will use the funds to assist elderly and low-income families who cannot pay their heating bills because of the extraordinary cold winter and who face the prospect of utility cutoffs.

Persons eligible for assistance are those below 125 percent of the poverty level and who can demonstrate that they have a need for the assistance. This can be shown by a notice of cutoff or outstanding bills higher than their income could possibly allow them to pay. The limit per family is $250. Payments are made directly to the fuel or utility suppliers instead of cash grants to recipients.

With respect to eligibility in terms of earnings, this means under $6,875 for a family of four, under $4,625 for a family of two, and below $3,500 for a single individual. Those with incomes above these figures do not qualify. The point of the low figures is to insure that the money goes only to those with the most severe need.

While this legislation provides some limited assistance to those who suffered the most this past winter, the problem of high fuel and utility costs will continue to confront us. It is clear that energy no longer will be a cheap commodity. The costs both of exploring for new resources and of exploiting existing resources ultimately will be passed along to the consumer.

The question arises, what role should the Federal Government play in helping consumers to meet these mounting long-term expenses? One of the possible answers that has been suggested is the fuel stamp approach. To gauge the feeling on this matter in the 24th District, I included the following question on my district-wide questionnaire: Do you favor some sort of Federal aid—such as fuel stamps—for low-income persons to help them pay for heating costs? Of the 35,000 who responded, 43 percent said yes, 49 percent said no, and 8 percent had not decided.

This response indicates to me that opinion on the matter in the district is

closely divided. Mail I received commenting on this question indicated that there is concern about high fuel and utility costs, but aversion to establishing any kind of permanent bureaucracy along the lines of food stamps.

I share this view as far as the long-range problem of such rising costs is concerned. Rather than setting up a costly permanent fuel stamp bureaucracy, emphasis should be placed on finding ways of keeping down fuel prices so that high costs will not have to be passed along to consumers.

TENNESSEE VALLEY AUTHORITY SHOULD FOLLOW "BUY AMERICAN" POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALKER) is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, I wish to express my deep concern about the possibility of the Tennessee Valley Authority purchasing steel from Japan for the purpose of building a two-unit nuclear power station on Yellow Creek in Louisiana. I feel that this would be an example of Federal irresponsibility for several reasons. First, an economic analysis shows that domestic purchases would return to our Government, in the form of taxes, half of the dollars spent; whereas, the procurement of foreign steel would not. Second, a decrease in steel production would be detrimental to the U.S. economy and would cause huge layoffs for steelworkers. Layoffs would also cost the Government more money since unemployed workers would have to apply for special unemployment and training benefits equal to a maximum of 70 percent of the worker's weekly wages. Therefore, a foreign bid would have to be less than 50 percent of the lowest domestic bid in order to be truly "low."

The main point to be made here is that the cost of Japanese steel at face value is less than domestic steel prices but the total cost to U.S. companies and the American people would be devastating. I suggest that the Tennessee Valley Authority be stopped before they carry out this irresponsible action. If the Defense Department and other Government agencies have a "buy American policy," the same should be true for the Tennessee Valley Authority. During a time of high unemployment and an exorbitant U.S. trade deficit, foreign purchases by a federally related agency are inexcusable.

GIGANTIC PAYMENTS TO SUGAR GROWER-PROCESSORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker under the administration's new quarter-billion dollar giveaway scheme for the sugar industry, payments will be made directly to sugar processors. While most processors will pass on a portion of the payments to growers, processors who grow their own sugar stand to pocket the entire amount.

Estimated payments to just five large grower-processors will gobble up over 20 percent of the total funds spent. Based on the most recent available data, I estimate that 25 grower and processor firms will each get payments of $1 million or more. According to the Congressional Research Service, which used 1974 production data and assumed the maximum 2-cent-per-pound subsidy, these estimated payments will be as follows:

First. Amfac, Inc.—Hawaii—$14.2 million.

Second. U.S. Sugar Corp.—Florida—$10.8 million.

Third. Alexander & Baldwin, Inc.—Hawaii—$9.6 million.

Fourth. C. Brewer and Co., Ltd.—Hawaii—$8.8 million.

Fifth. Theo. H. Davis & Co., Ltd.—Hawaii—$5.7 million.

Huge payments such as these clearly will discriminate against the corn sweetener industry. They also will have a serious anticompetitive effect within the sugar industry by helping to finance the demise of small sugar farms at the hands of the gigantic grower-processors.

LEGISLATION TO ANSWER DISRUPTIVE QUESTION OF FORCED BUSING

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Delaware (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Delaware. Mr. Speaker, I am today introducing legislation which offers a reasoned, workable and constitutional answer to the disruptive question of forced busing of schoolchildren in our country.

It is legislation which has been carefully drafted so as to meet not only the social concerns which many of us have regarding busing, but the constitutional guidelines laid down by the courts as well.

No issue in recent American history threatens to do more to rip apart the fabric of our society than does forced busing. Throughout the country, city after city has become a battleground because of busing. Neighborhood is pitted against neighborhood as schoolchildren are moved around like pawns in a chess game.

And for what purpose? Certainly not for quality education. The educational needs of all children—black and white—are forgotten in the wholesale effort to achieve some sort of artificial racial balance in our schools.

Our attention and our tax dollars have been diverted from the goal of providing quality education for all. Instead, they are invested in the unproductive and educationally unsound practice of forced busing.

Busing benefits no one, especially the children who are transported away from their homes, their friends and their neighborhoods in order to fill someone's quota. In many cases, it is a solution far worse than the original problem.

I believe strongly in the rights of all Americans to receive equal educational opportunities, regardless of their race, creed or color. That right is guaranteed by the Constitution, and Congress does not and should not even possess the power to abridge that right.

But even though Congress does not have the power to tamper with this basic right, it does have the power and the duty to prescribe the remedy designed to protect that right.

To date, Congress has left that decision up to the courts, and the results have not been satisfactory. Discord, disruption and a general decline in educational standards have been the result of their decisions. It is time that Congress met its responsibilities to deal with this critical matter.

The measure I am introducing today is a product of many weeks of work between the members of the Delaware congressional delegation. Identical legislation is being introduced today in the Senate by my distinguished colleagues, Senators ROTH and BIDEN, and the Senate Judiciary Committee has already scheduled hearings on the measure for June 15 and June 16.

The bill represents a bipartisan effort to find a workable and a constitutional way to solve the serious problem of forced busing, without jeopardizing the right of all Americans, black or white, to receive an equal chance for quality education. We believe we have succeeded.

Under provisions of the bill, no Federal court could order, directly or indirectly, the busing of any student unless the court determines that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which busing is proposed as a remedy.

Second, any court order requiring busing shall be heard and determined by a three-judge panel.

Third, no court may order more extensive busing than is reasonably necessary to adjust the student composition by race, color, or national origin to reflect what the student composition would otherwise have been had no constitutional violation occurred.

Fourth, the court is required to conduct hearings and make specific written findings of the discriminatory purpose for each constitutional violation for which busing is ordered, and the degree to which the concentration by race, color, or national origin in the student composition presently varies from what it would have been had no constitutional violation occurred.

Fifth, any busing order shall be stayed until all appeals in connection with such order have been exhausted.

And sixth, the act takes effect with respect to any judgment or order not final or effected by the date of enactment. Thus, the bill would apply not only to new cases, but also cases in litigation on date of enactment.

This bill is a reasoned and fair approach to the entire question of busing. It seeks to find a solution which is workable and which respects the rights of all Americans. Although it has been drafted by the Delaware delegation in response to the case involving Wilmington, its scope and its effect are nationwide.

Our Nation today faces a crisis over forced busing. The legislation introduced

by us today is an answer to that crisis. Our people cannot wait any longer.

Mr. Speaker, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

H.R. 7694

A bill to insure equal protection of the laws as guaranteed by the fifth or fourteenth amendments to the Constitution of the United Sattes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, no court of the United States shall order directly or indirectly the transportation of any student on the basis of race, color, or national origin unless the court determines that a discriminatory purpose in education was a principal motivating factor in the constitutional violation for which such transportation is proposed as a remedy.

SEC. 2. Notwithstanding any other provision of law, any court order requiring directly or indirectly the transportation of any student on the basis of race, color, or national origin shall be heard and determined by a district court of three judges.

SEC. 3. (a) In ordering the transportation of students, the court shall order no more extensive relief than reasonably necessary to adjust the student composition by race, color, or national origin of the particular schools affected by the constitutional violation to reflect what the student composition would otherwise have been had no such constitutional violation occurred.

(b) Before entering such an order, the court shall conduct a hearing, and, on the basis of such hearing, shall make specific written findings of (1) the discriminatory purpose for each constitutional violation for which transportation is ordered, and (2) the degree to which the concentration by race, color, or national origin in the student composition of particular schools affected by such constitutional violation presently varies from what it would have been in normal course had no such constitutional violation occurred.

SEC. 4. Any order by a direct court requiring directly or indirectly the transportation of any students on the basis of race, color, or national origin, shall be stayed until all appeals in connection with such order have been exhausted.

SEC. 5. (a) This Act shall take effect with respect to any judgment or order of a court of the United States which is made after the date of enactment or which is made prior to such date but is not final or has not been effected by such date.

(b) No judgment or order of a court of the United States which is not yet final or which has not yet been effected on the day before the date of enactment of this Act shall remain in force or effect, unless the court has complied with the requirements of this Act.

PRODUCT LIABILITY TAX EQUITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 10 minutes.

Mr. WHALEN. Mr. Speaker, I am today introducing the Product Liability Insurance Tax Equity Act—PLITE. This legislation is intended to end Federal tax discrimination against companies or individuals who self-insure for product or professional liability.

I wish to note that I am joined in introducing this bill by NED PATTISON, DON PEASE, JOEL PRITCHARD, and NEWT STEERS. Earlier this year we all served together on an ad hoc, bipartisan panel that studied the product liability insurance problem. We presented our findings on April 4 to the House Small Business Subcommittee on Capital, Investment and Business Opportunities which has now conducted several months of hearings on this issue. It is especially pleasing to note that we are joined as first day sponsors of this bill by JOHN LAFALCE and BILL STANTON, chairman and ranking minority member of the subcommittee.

The ad hoc panel on product liability that I chaired found that of those companies that say they want product liability insurance coverage, 21.6 percent—better than 1 out of 5—reported that they either cannot afford it or cannot find a carrier willing to sell it to them. We also found that the average increase in product liability costs, for those who were able to obtain coverage, was 944 percent in the period since 1970.

These figures represent national averages of all types of manufacturers; the situation is worse in particular industries or regions. For more information about our study, see the CONGRESSIONAL RECORD of May 2, page H3897.

Manufacturers who cannot obtain product liability coverage from name insurers have been turning increasingly to the establishment of self-insurance reserve funds. Similarly, companies forced to accept high deductibles on their policies have also been compelled to establish product liability reserve funds to protect against product liability costs that fall within the deductible range, which sometimes runs in the hundreds of thousands of dollars.

The Federal tax laws currently work against self-insured companies, putting them at a disadvantage that we believe was not intended when the laws were written. First, a company that pays into its own reserve fund loses the business expense deduction that is available to a firm that pays out a comparable amount as an insurance premium. Second, as a self-insurance reserve fund builds up, the interest it earns is taxed and the fund itself becomes vulnerable as an "unreasonable" accumulation of capital.

To get around these problems, some of the Nation's largest firms have set up so-called captive insurance companies. Others have stayed with expensive outside insurance policies because the tax laws make self-insurance a rather unattractive proposition at present. Both of those options are closed to many companies, though.

The Product Liability Insurance Tax Equity Act corrects these problems in two ways. First, this legislation would make tax exempt those funds placed in a trust as a product liability self-insurance reserve. Second, the bill also provides that those funds paid into the trust can be treated as a deductible cost of doing business, the same as an insurance premium.

Besides offering some relief to manufacturers with product liability insurance problems, PLITE also offers help to doctors, lawyers, and others faced with rising professional liability insurance costs. The definition of eligible trusts includes those established to self-insure for professional liability, such as medical malpractice. Also, such trusts may be established by groups as well as single corporations or persons. Thus, law firms or trade associations would be able to create self-insurance pools for their members, with fewer tax complications than are now encountered.

Of course, PLITE does establish guidelines for limits on how much money can be sheltered in product liability trusts. And it restricts the use of money placed in eligible reserve funds, making the money taxable as income if it is withdrawn for any other purpose.

Actually, Mr. Speaker, this legislation does not give any special tax benefits to product liability self-insurance reserve funds. Rather, PLITE merely gives people maintaining those funds the same tax treatment as if they had purchased product liability policies from name insurance carriers. This is why we have included the words "Tax Equity" in the bill's title.

Manufacturers and professionals with liability insurance problems also will benefit from PLITE in several ways. First, it eliminates the added Federal tax burden that is imposed on those who cannot obtain name insurance coverage. Second, it allows those who can obtain such coverage to bring their premiums under control by taking policies with high deductibles and then establishing self-insurance reserves for the deductible amount.

We believe that passage of this legislation will have a minimal effect on the Treasury. When the relevant laws were written, no one anticipated that self-insurance reserve funds would be necessary or desired, and they have developed only within the past 2 years or so. The tax revenues now derived from the additional tax obligations incurred by self-insuring companies were never anticipated in formulating the national budget. Consequently, they will not be missed if PLITE were passed and the tax situation returns to where it was before the 1975 explosion in product liability insurance problems and the related growth in self-insurance reserve funds.

On the other hand, those companies and individuals who do self-insure would derive substantive benefit from passage of our legislation. PLITE would deliver relief and assistance directly to those firms and persons who are most severely affected by the product and professional liability crises.

Mr. Speaker, knowing how long and confusing the Tax Code is already, we have deliberately attempted to keep our bill as simple as possible; in draft form it is only four pages long. At this point in the RECORD, I wish to insert the full text of the proposed Product Liability Insurance Tax Equity Act.

H.R. 7711

A bill to amend the Internal Revenue Code of 1954 to provide that trusts established for the payment of product liability claims and related expenses shall be exempt from income tax, and that a deduction shall be allowed for contributions to such trusts

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Product Liability Insurance Tax Equity Act of 1977".

SEC. 2. TAX EXEMPT PRODUCT LIABILITY TRUSTS.

(a) GENERAL RULE.—Subsection (c) of section 501 of the Internal Revenue Code of 1954 (relating to organizations exempt from tax) is amended by adding at the end thereof the following new paragraph:

"(21)(A) A trust providing for the payment of product liability claims against one or more persons (or against any employee of such a person) who are engaged in any trade or business, if, under the terms of the trust, it is impossible for any part of the corpus or income of the trust to be (within the taxable year or thereafter) used for, or diverted to, any purpose other than the payment of such claims, any administrative expenses of such trust, and any expenses directly related to the investigation and settlement (or opposition) of such claims.

"(B) Under regulations prescribed by the Secretary, a trust (otherwise meeting the requirements of subparagraph (A)) shall be considered to meet such requirements notwithstanding the fact that the terms of the trust permit corpus and income, to be withdrawn from the trust by any person who made any contribution to the trust and used for any purpose other than the payment of such claims and expenses. The preceding sentence shall apply to a trust only if the aggregate amount which may be so withdrawn and used by any person may not exceed the aggregate amount of contributions by such person to the trust. Any amount so withdrawn and used by any person shall be included in the gross income of such person for the taxable year in which withdrawn.

"(C) For purposes of this paragraph, the term 'product liability' means—

"(i) in the case of any person engaged in any trade or business of manufacturing, distributing, or selling any manufactured good, any liability arising from any defect in or use of such good; and

"(ii) in the case of any person engaged in any trade or business of providing any service, any liability arising from the providing of (or the failure to provide) such service."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 3. DEDUCTION FOR CONTRIBUTION TO TAX EXEMPT PRODUCT LIABILITY TRUST.

(a) GENERAL RULE.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 192. CONTRIBUTIONS TO CERTAIN PRODUCT LIABILITY TRUSTS.

"(a) GENERAL RULE.—In the case of a taxpayer who is engaged in any trade or business, there shall be allowed as a deduction an amount (determined under subsection (b)) contributed during the taxable year to a trust described in section 501(c)(21) which provides for the payment of product liability claims against the taxpayer and arising in connection with the trade or business of the taxpayer.

"(b) LIMITATION ON AMOUNT OF DEDUCTION.—Under regulations prescribed by the Secretary, a taxpayer shall be allowed a deduction under subsection (a) for any contribution during the taxable year to any trust only to the extent that such contribution exceeds the reasonable cost to the taxpayer (but for such trust) for insurance for such year for the payment of product liability claims and expenses directly related to the investigation and settlement (or opposition) of such claims.

"(c) PRODUCT LIABILITY DEFINED.—For purposes of this section, the term 'product liability' has the meaning given such term by section 501(c)(21)."

(b) CLERICAL AMENDMENT.—The table of sections for such part VI is amended by adding at the end thereof the following new item:

"SEC. 192. CONTRIBUTIONS TO CERTAIN PRODUCT LIABILITY TRUSTS."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

THE DAY OF THE DEMAGOGUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Oklahoma. Mr. Speaker, Tuesday's action by the House prompts me to offer for the Members' consideration a recent article by syndicated columnist Jeffrey St. John.

It was my sincere hope that the House would reject H.R. 10 and maintain longstanding safeguards against coercion of Federal employees—safeguards embodied in the so-called Hatch Act and praised at the time of its passage by the President at that time, the late Franklin D. Roosevelt.

Mr. Speaker, the revision of the Hatch Act, now an accomplished fact, is only part of a broader program designed to insure labor union control of the electoral process. The steps taken Tuesday will only be made worse if the House fails to reject the so-called election reform proposals which are expected soon to be before us.

I have had Mr. St. John's column in my possession for several weeks. I had hoped to be able to demonstrate to its author that his fears were unfounded. The cornerstone of that hope was the resistance in the House to easy passage of H.R. 10. Now that that obstacle has been hurdled, however, I must join my friend in his concern and hope that by offering his column to the attention of the Members I may be able to influence others to join me in attempting to preserve the integrity of the electoral process by rejecting the rest of the President's "reform" package.

The following is Mr. St. John's column:

THE DAY OF THE DEMAGOGUE

(By Jeffrey St. John)

WASHINGTON.—"I am deeply concerned," asserted President Carter on March 22, "that our country ranks behind at least twenty other democracies in its level of voter participation."

With these words, the President sent to Congress a package of proposals allegedly to reform the election process: direct election of President and Vice President by abolition of the Electoral College, Federal financing of Congressional campaigns, Universal Voter Registration on election day, and repeal of the Hatch Act. "As a package," states a Heritage Foundation study of the proposals, "they reinforce each other to weaken or dismantle structures and barriers which in traditional political theory have been closely connected with the view of America as a balanced democratic Republic as distinct from an absolute, uniform majoritarian state."

What this package also provides is an ironclad political insurance policy that the Carter administration and the Democratic Party would maintain its one-party domination of the entire electoral process, weakening the already anemic Republican Party and checking any conservative challenge within either of the two parties. To combat this an "Emergency Coalition to Save Free Elections" has been formed here in Washington headed by Robert Fry. He contends that the Carter proposals "add up to a nationalization of elections, protection for incumbents, and closing off citizen and group participation in elections. Labor unions would be the only group remaining as an effective political force."

Since President Carter had a narrow electoral vote majority, it is easy to see why he wants its abolition. The same can be said of his proposal for same-day voter registration. In Minnesota Carter carried the state by a narrow voter plurality because the state's recent same-day voting registration law turned out more Democrats than Republicans. Federal financing would also lock in an already incumbent Democrat majority in the House, while greatly reducing the power of the conservative campaign committees which are seeking to elect conservatives in both parties. The repeal of the Hatch Act would free Federal civil servants from the prohibition of working in political campaigns. Since the FDR New Deal, the Democrats have dominated the Federal bureaucracy, therefore, some two million of them would undoubtedly be organized by labor and would undoubtedly work for labor-supported candidates like Mr. Carter and Mr. Mondale.

Thus the raw political reality, as opposed to Mr. Carter's public reasons for the package stands revealed for what it is: a naked grab for political power as an insurance policy. In conjunction with these clearly dictatorial set of proposals are the efforts of Carter supporters in Congress. A move is underway to regulate direct mail fund solicitations, relied on heavily by conservatives. There is also a move afoot to place Federal control on religious charitable organizations. Groups of conservative fundamentalists have begin to organize against Mr. Carter for what they believe is his unprincipled use of religion as a political tool.

Aristotle of ancient Greece once observed that "Democracies are most often corrupted by the insolence of demagogues." The rule of Caesar Augustus demonstrated this when, as the great reorganizer of government in human history, he used the scheme of government reform to create an imperial dictatorship and a militarily imposed peace, "Pax Romana." Viewing the causes for the decline and fall of Ancient Rome into dictatorship, Alexander Hamilton wrote in the Federalist papers of 1787 a significant observation:

"A dangerous ambition more often lurks behind the specious mask of zeal for the rights of the people. . . . History will teach us, those men who have overturned the liberties of Republics, the greatest number have begun their career by paying obsequious court to the people; commencing as demagogues, and ending tyrants."

ESTABLISHMENT OF A SYSTEM OF AUTOMATED FLIGHT SERVICE STATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas, Mr. HAMMERSCHMIDT), is recognized for 5 minutes.

Mr. HAMMERSCHMIDT. Mr. Speaker, because of my continuing concern for aviation safety, I am today introducing legislation to require the Federal Aviation Administration—FAA—to establish a modern system of automated flight service stations. Flight service stations are a major link in the aviation safety chain—their function being to provide preflight and inflight assistance and

advisory services to pilots of aircraft—primarily pilots of general aviation aircraft—for the safe conduct of flight—but, regrettably, due to FAA inaction, the existing system has deteriorated to the point where it can no longer handle the demands placed upon it by the rapid growth in aviation activity. Under my bill, the funds needed to upgrade our flight service station system—some $60 million—would be appropriated for fiscal years 1979 and 1980 from the airport and airway trust fund under the facilities and equipment authorization for air navigation facilities already provided by the Congress—which was contained in the Airport and Airway Development Act Amendments of 1976 (Public Law 94-353). The existing uncommitted balance in the trust fund—in excess of $1.5 billion and rising—will easily absorb this relatively minimal additional demand on its resources. Mr. Speaker, the failure of FAA to act—despite the fact that funds for this purpose were included in the FAA budget for fiscal year 1977, and despite the fact that the Committee on Appropriations has directed FAA to upgrade the flight service station system—has brought us to the point where the intent of the Congress must be spelled out in even stronger terms.

As a member of the Aviation Subcommittee of the Committee on Public Works and Transportation, I feel a special responsibility to do whatever I can in this regard. I believe I speak for many, if not most, of my colleagues on both the subcommittee and the full committee when I say that the time to move is now. The subject has been studied to death. We have the technology, and the funds are readily available. So let us have no more delay. Let us get on with the task. I hope many of my other colleagues will join us in this effort. Mr. Speaker, I ask unanimous consent that the full text of my bill appear at this point in my remarks.

The text of the bill follows:

H.R. 7699

A bill to amend the Airport and Airway Development Act of 1970 to require the establishment of a system of automated flight service stations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 14 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714) is amended—

(1) by inserting "(1)" immediately before "For"; and

(2) by adding at the end thereof the following new paragraph:

"(2)(A) For each of the fiscal years 1979 and 1980, the Secretary shall obligate for expenditure not less than $30,000,000 from funds appropriated pursuant to paragraph (1) of this subsection for the purpose of establishing a system of no fewer than forty-five automated flight service stations. Each such flight service station shall be designed (i) to include three identical automatic data processors (two of which shall be operational at all times), and (ii) to accommodate no fewer than twenty-four local data terminals and no fewer than ninety-six remote data terminals.

"(B) For purposes of this paragraph, the term 'flight service station' means an air navigation facility the primary purpose of which is to provide preflight and inflight assistance and advisory services to pilots of aircraft for the safe conduct of flight, but does not include an air navigation facility the primary purpose of which is controlling air traffic.".

THE NATIONAL ENDOWMENT BENEFITS THE AMERICAN PUBLIC IN ALL PARTS OF THE COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, today the House will consider the appropriations bill for the Department of Interior, which contains funding for the National Endowments for the Arts and Humanities. These endowments have provided much-needed support to our cultural institutions since 1965, and have made possible many new and innovative programs in that short period of time.

President Carter requested expanded funding for both the National Endowment for the Arts and the National Endowment for the Humanities, which the Appropriations Committee supported with some changes in the allocation of funds. The request represents an increase of $27.257 million over last year's appropriation under the Ford administration, bringing the budget total for the Endowments up to $194 million.

In my opinion, two of the most important programs funded by the President's request and the committee's recommendations were the challenge grant programs conducted by both Endowments, for which $36 million was provided, one-half to each Endowment. The purpose of the National Endowments is to increase public access to the arts and humanities, and the challenge grant programs serve to aid institutions in their struggle against rising costs, so that they need not resort to increased admission prices that would exclude large segments of the population. Because the challenge grant programs require matching private donations to be raised by recipient institutions, they also serve to stimulate private, individual support of funding for the arts, and increase the incentive for public participation in support of cultural institutions.

I urge my colleagues to continue to give the arts and humanities the necessary support by voting in favor of the committee recommendations. I hope that the other body will also be supportive of these excellent programs when they consider the Interior appropriations bill later this month. And I hope that when the conference committee meets to consider the merits of the two versions of the Interior appropriations bills, the House conferees will stand by the recommendations of their own Appropriations Committee and of the President, and not agree to any reduction in funding levels for the two endowments.

I would like to append some statistics submitted by Miss Nancy Hanks, chairman of the National Endowment for the Arts, as part of her testimony before the Interior Subcommittee of the House Appropriations Committee. These statistics demonstrate how the grants administered by the national endowments benefit the American public in all parts of the country.

STATISTICS ON PUBLIC PARTICIPATION IN THE ARTS

There is a great deal of evidence to suggest that the Arts Endowment reaches large numbers of people. Here, program by program, are some specific examples of public participation in the arts that we support.

Architecture and environmental arts is primarily concerned with the improvement of the built environment. Its audience is composed specifically of design professionals in the areas of architecture, landscape architecture, urban design, city and regional planning, interior design and industrial design. In the general sense its audience encompasses all those whose lives are touched by improvements made to the built environment.

The dance touring program for 1976-77 is supporting 117 companies for 521 weeks of residencies in 52 States and special jurisdictions under the sponsorship of 471 organizations. The audience for dance in this country has increased from 1 million in 1964 to 12 million in 1975. Over 80 percent of that audience is outside New York City.

The artist-in-schools program estimates that there are 2,637 artists involved with 1,460,298 students and 42,000 teachers in 5,560 schools in the 1975-76 school year. These estimates are based on the percentage of evaluation reports received.

The expansion arts program reaches over 5,000 communities throughout the United States, plus the special jurisdictions of Puerto Rico, the Virgin Islands and the District of Columbia. Approximately 25 million people are affected.

The Federal-State partnership notes that the State arts agencies estimate that their programs reach well over 100 million people.

The literature program will reach an estimated 4 million in fiscal year 1977. The readings and residencies program alone will reach an estimated 2.5 to 3 million excluding media broadcasts.

The American Association of Museums estimates that the number of visits per annum is in excess of the national population figures. This includes return visits by one person.

The music program, which includes awards to operas, orchestras, and choruses, as well as grants in such areas as jazz, folk, and ethnic musics, estimates that the combined audience figure is approximately 11.5 million people.

The public media program, which has been recently renamed media arts, estimates that the total audience for all its programs is in excess of 15 million. The audience for the "Swan Lake" segment of "Live From Lincoln Center" was over 10 million viewers.

The theater communications group shows that in 1975-76 119 nonprofit theaters gave 29,284 performances of 1,344 productions to a total audience of 11 million Companies still to be surveyed will probably increase this total by an additional 1 million. All theaters surveyed receive Endowment funding.

The special projects program estimates that 20 million people were involved in fiscal year 1976 in all its grant categories which include interdisciplinary grants, services to the field, art centers and festivals, and special projects.

An example of increased interest in the folk arts is derived from the National Council on Traditional Arts which listed 640 folk festivals in its 1976 Guide to Festivals. These are only those festivals that encourage broad attendance. There are probably twice as many community festivals which were not listed that wished to keep their celebrations strictly local.

The visual arts program was developed in response to the needs of professional visual

artists, including craftsmen, painters, photographers, printmakers, sculptors, and video artists. The maximum public access to works by these artists is through museums and gallery attendance. As noted above, this is quite high. In addition, it is impossible to estimate the number of people who walk by works of art in public situations outside museums that have been put there through a works of art in public places grant.

HOUSE RESOLUTION 588 CALLS FOR U.S. ACTION TO ACHIEVE A COMPREHENSIVE NUCLEAR TEST BAN TREATY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, on May 19 I introduced House Resolution 588, calling for immediate action by the United States to initiate a mutual moratorium on the testing of all nuclear weapons by our country and the Soviet Union. The resolution also urges the President to submit to the Soviet Union and to all other nations a new proposal for a permanent treaty to ban all nuclear explosions. Senator EDWARD M. KENNEDY has introduced an identical resolution in the Senate.

The resolution has two basic provisions. The first calls for a resumption of the successful strategy employed by President Kennedy in achieving the landmark agreement with the Soviet Union halting the testing of nuclear weapons in the atmosphere. In his famous foreign policy address at American University in 1963, in which he stated that America's international goal was "to make the world safe for diversity," President Kennedy also stated his intention to halt immediately all nuclear testing in the atmosphere and his expectation that the Soviet Union would follow suit. Shortly thereafter negotiations began, and the result was the limited nuclear test ban treaty, outlawing atmospheric explosions.

The first provision of House Resolution 588 states:

> That it is the sense of the House of Representatives that the President of the United States (1) should propose an immediate suspension on under ground nuclear explosions to remain in effect so long as the Soviet Union abstains from such underground explosions.

This approach would place the onus for failure to ban underground nuclear testing squarely on the shoulders of the Soviet Union. This burden was surely an important factor in the success of President Kennedy's initiative in 1963. U.S. security would in no way be impaired, as we already enjoy a wide edge in the qualitative superiority of our nuclear warheads. It is the qualitative dimension of nuclear weapons which is most amenable to improvement via limited nuclear tests conducted underground. A moratorium on such tests would preserve America's most significant military advantage. Should the U.S.S.R. ignore the Presidentially proclaimed moratorium, we would lose nothing. Our right to conduct underground nuclear explosions as needed would be preserved, and the Soviets would bear complete responsibility for the continuation of such explosions, which play such an important role in the spiralling arms race.

The sensitivity and sophistication of modern seismographic devices has removed most of the problems traditionally associated with verification. Used in combination with intelligence-gathering satellites, seismological data is more than sufficient to reveal any violation of the moratorium or subsequent permanent treaty. The proposed threshold test ban agreement would permit underground explosions of less than 150 kilotons, a ceiling which appears just high enough to permit weapons developers to perpetuate the arms race far into the future. Only a comprehensive test ban treaty will put a stop to the wasteful and ultimately self-defeating race to produce ever more accurate and powerful nuclear weapons.

A comprehensive test ban treaty would serve as an important support for agreements to limit nuclear arms, such as SALT I and the ongoing SALT II negotiations. By drastically reducing the ability of both sides to engage in a perpetual contest of qualitative nuclear one-upmanship, the negotiations to arrive at an agreement on quantitative ceilings on nuclear weapons would take place in a far more stable, less uncertain atmosphere. Limitations on the highly destabilizing potential for sudden improvements in missile and warhead quality would make agreement on reductions in our existing, senselessly large stockpiles of nuclear weapons far more feasible.

House Resolution 588 seeks to implement the goals set by President Carter. It complements his commitment to the reduction of the United States and Soviet nuclear arsenals. In his inaugural address, the President stated:

> We will move this year a step toward our ultimate goal: the elimination of all nuclear weapons from the face of the earth. We urge all other people to join us, for success can mean life instead of death.

At his very first press conference, the President said:

> As far as nuclear arms limitations are concerned, I would like to proceed quickly and aggressively with a comprehensive test ban treaty. I am in favor of eliminating the testing of all nuclear devices, instantly and completely.

This goal is neither far-fetched nor long-term in nature. As President Kennedy demonstrated in 1963, agreements to limit nuclear explosions are feasible. We can ban all nuclear testing, and we can do it soon. Indeed, we are committed by treaty to the achievement of this goal. The limited test ban treaty of 1963 pledged both the U.S.S.R. and the United States to continue negotiations to "achieve the discontinuance of all test explosions of nuclear weapons for all time."

The benefits to be derived from a comprehensive nuclear test ban treaty go beyond the arms race between the United States and the Soviet Union. Such an agreement would contribute significantly to the world-wide nonproliferation effort. Too many nations with the growing capacity to enter the nuclear arena have yet to ratify the Non-Proliferation Treaty. Many of them assert that the reason is the unwillingness of the major powers to cease the qualitative and quantitative expansion of their own massive nuclear arsenals. They feel it is impossible to forego nuclear weapons entirely while the two superpowers amass ever more overwhelming stockpiles. Ending nuclear testing by the United States and the U.S.S.R. would finally remove that argument from the nonproliferation debate. The United States and the U.S.S.R. would be stating to all would-be nuclear nations that the time has come for a halt to the nuclear arms race. Should the U.S.S.R. fail to observe the Presidentially-declared moratorium called for by House Resolution 588, the United States still will have communicated to the world the depth of its commitment to a limit on the expansion of nuclear arsenals.

The second element of House concurrent resolution is its call for an immediate U.S. initiative toward the adoption of a permanent comprehensive nuclear test ban treaty. The President is urged to couple the moratorium on U.S. nuclear tests with a call to the Soviet Union for immediate negotiations on a permanent treaty. This was President Kennedy's approach in 1963, and it remains equally promising today.

Senator KENNEDY's identical resolution, Senate Resolution 124, has 11 cosponsors: Senators HUMPHREY, MUSKIE, MATHIAS, CRANSTON, PELL, CASE, STEVENSON, RIEGLE, ANDERSON and MATSUNAGA.

I am confident that many Members of the House will join me in sponsoring House Resolution 588. The time for restraining the senseless race for ever more deadly nuclear weapons is now. President Carter has eloquently stated his deep commitment to the achievement of this goal. The technology for positive verification of any violations of a comprehensive test ban treaty now exists. The mutual advantages to be derived from such an agreement are plain. The adoption of House Resolution 588 and Senate Resolution 124 would constitute an expression of congressional support of President Carter's efforts to seize this propitious moment for a major effort to achieve a comprehensive ban on nuclear explosions.

The text of the resolution follows:

H. RES. 588

Whereas the United States is committed in the Limited Test Ban Treaty of 1963 and the Non-Proliferation of Nuclear Weapons Treaty of 1968 to negotiate a Comprehensive Test Ban Treaty;

Whereas the conclusion of a Comprehensive Test Ban Treaty will reinforce the Non-Proliferation of Nuclear Weapons Treaty, and will fulfill our pledge in the Limited Test Ban Treaty;

Whereas there has been significant progress in the detection and identification of underground nuclear explosions by seismological and other means;

Whereas the SALT accords of 1972 and the proposed Threshold Test Ban Treaty established important precedents for arms control verification procedures;

Whereas early cessation of nuclear explosions would have many beneficial consequences: creating a more favorable international arms control climate; imposing further finite limits on the nuclear arms race; releasing resources for domestic needs;

protecting our environment from the continuing dangers of nuclear explosions; making more stable existing agreements which place quantitative limits on offensive and defensive strategic weapons; and complementing the post-Vladivostok strategic arms limitation talks;

Whereas a comprehensive test ban would achieve these goals far better than the proposed Threshold Test Ban; and

Whereas President Carter has expressed his support for a Comprehensive Test Ban Treaty: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the President of the United States (1) should propose an immediate suspension of underground nuclear explosions to remain in effect so long as the Soviet Union abstains from conducting underground explosions, and (2) should set forth promptly a new proposal to the Government of the Union of Soviet Socialist Republics and other nations for a permanent treaty to ban all nuclear explosions.

VETERANS AND EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 10 minutes.

Mr. WOLFF. Mr. Speaker, on June 8 I introduced H.R. 7676, the "Veterans Education Reform Act of 1977." The purpose of this legislation is to restore the right to determine academic standards of progress to certain institutions of higher learning with respect to veterans enrolled therein.

When the Congress enacted Public Law 94–502 during the closing minutes of the 94th Congress, it did so for the purpose of curbing existing abuses practiced by institutions enrolling veterans receiving GI bill benefits. Almost without exception the abuses targeted by this law were those occurring in technical, trade, and vocational institutions. As a member of the Veterans' Affairs Subcommittee on Education and Training, I have not been made aware of any significant abuses by the bonafide colleges and universities of higher learning. Notwithstanding this fact, the VA standards of progress regulations apply to these institutions without distinction.

While I believe that the law must be strong enough to preclude institutional abuses of the veterans education programs, it is my firm belief that the VA should not interfere in the academic standards of our colleges and universities. To permit this interference would require these institutions to surrender their fundamental rights to set academic standards.

In order for a veteran to be deemed progressing at a satisfactory rate of progress, he or she must meet rigid requirements imposed by the VA, mostly keyed to actual "seat time" in the classroom. The problem with this approach is that sound educational philosophies differ in approach. Some stress actual in-class hours while others emphasize independent student research. It is well accepted that an individual's measurement of learning is not dependent solely upon actual time spent in the classroom, but is a function of both out-of-class contact with the subject matter and actual classroom instruction. By mandating what is to be considered satisfactory progress, what is to be considered a full-time course of instruction and what constitutes proper grading standards, the VA has usurped one of the most fundamental underpinnings of our historically sound system of higher education.

The legislation I have introduced would prohibit the VA from mandating standards of progress with respect to institutions of higher learning empowered by a State education authority pursuant to State law to grant an associate or higher degree when such institutions are also approved by a recognized national or regional accrediting agency appearing on the list published by the U.S. Commissioner of Education. Furthermore the present State Approving Agency would have to approve the institutions academic standards and practices in order for VA standards of progress regulations not to apply.

The VA would still be empowered to set standards of progress for other institutions and would be able to take action against those institutions of higher learning not subject to VA standards of progress regulations when such institutions fail to enforce their regularly prescribed standards with respect to veterans.

Higher education in this country has traditionally been free from interference by the Federal Government and I must seriously question the propriety of the Veterans' Administration to determine what our States, colleges, and universities may consider to be adequate academic standards.

Mr. Speaker, I now submit H.R. 7676 for the RECORD. I urge my colleagues to join with me to restore this basic right to our colleges and universities:

H.R. 7676

A bill to restore to certain institutions of higher learning their rights to determine academic standards of progress with respect to veterans and to provide counseling to veterans whose educational assistance allowance is discontinued under certain circumstances and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Education Reform Act of 1977".

SEC. 2. Section 1674 of title 38, United States Code, is amended to read as follows:

"§ 1674. Discontinuance for unsatisfactory conduct or progress

"(a) The Administrator shall discontinue the educational assistance allowance on behalf of an eligible veteran if, at any time, the Administrator finds his or her conduct or progress is unsatisfactory. For the purposes of this subsection and notwithstanding any other provision of law an eligible veteran enrolled in an institution of higher learning (as defined in section 1652(f) of this title) empowered to award a standard college degree (as defined in section 1652(g) of this title) shall be deemed to be progressing at a satisfactory rate of progress if his or her rate of progress satisfies the regularly prescribed standards and practices of the institution (including course measurement policy, grading policy, and similar academic or administrative policies) if such standards and practices are approved by the appropriate State approving agency. The Administrator may renew the payment of the educational assistance allowance only if he finds that (1) the cause of the unsatisfactory progress or conduct has been removed; and (2) the program which the eligible veteran now proposes to pursue (whether the same or revised) is suitable to his or her aptitudes, interests, and abilities.

"(b)(1) Notwithstanding the provisions of subsection (a) the Administrator may discontinue the educational assistance allowance on behalf of any eligible veteran enrolled in an institution of higher learning empowered to award a standard college degree if, at any time, the Administrator finds, after meeting with the institution and the appropriate State approving agency, that the institution has failed to enforce its regularly prescribed standards and practices as approved by the appropriate State approving agency with respect to such eligible veteran. *Provided, however*, That nothing in this subsection shall be construed to authorize the Administrator to prescribe educational standards or practices with respect to any institution of higher learning empowered to award a standard college degree. The Administrator may renew the payment of the educational assistance allowance only if he finds that the educational institution is enforcing its regularly prescribed standards and practices as approved by the appropriate State approving agency.

"(2) The Administrator shall, upon initiating a meeting with the institution and the appropriate State approving agency, promptly notify all eligible veterans who may or will be affected by a discontinuance of their educational assistance allowance. Such notification shall state (A) the basis of the meeting; (B) that the veteran's educational assistance allowance may be subject to discontinuance for the basis stated; (C) that the Administrator will provide individual educational and career counseling to veterans whose educational assistance allowance is discontinued pursuant to this subsection; and (D) other such information as the Administrator deems appropriate.".

SEC. 3. Chapter 34 of title 38, United States Code, is amended by inserting after section 1674 the following new section:

"§ 1675. Counseling

"Within 30 days of the discontinuance of the educational assistance allowance of any eligible veteran pursuant to section 1674(b)(1) of this title the Administrator shall provide individual educational and career counseling and other such services as may be deemed appropriate to facilitate such veteran's continuance of his or her education pursuant to this chapter.".

SEC. 4. Section 1724 of title 38, United States Code, is amended to read as follows:

"§ 1724. Discontinuance for unsatisfactory conduct or progress

"(a) The Administrator shall discontinue the educational assistance allowance on behalf of an eligible person if, at any time, the Administrator finds his or her conduct or progress is unsatisfactory. For the purposes of this subsection and notwithstanding any other provision of law an eligible person enrolled in an institution of higher learning (as defined in section 1701(a)(10) of this title) empowered to award a standard college degree (as defined in section 1701(a)(11) of this title) shall be deemed to be progressing at a satisfactory rate of progress if his or her rate of progress satisfies the regularly prescribed standards and practices of the institution (including course measurement policy, grading policy, and similar academic or administrative policies) if such standards and practices are approved by the appropriate State approving agency. The Administrator may renew the educational assistance allowance only if he finds that (1) the cause of the unsatisfactory conduct or progress has been removed; and (2) the program which the eligible person now proposes to pursue

(whether the same or revised) is suitable to his or her aptitudes, interests, and abilities.

"(b)(1) Notwithstanding the provisions of subsection (a) the Administrator may discontinue the educational assistance allowance on behalf of any eligible person enrolled in an institution of higher learning empowered to award a standard college degree if, at any time, the Administrator finds, after meeting with the institution and the appropriate State approving agency, that the institution has failed to enforce its regularly prescribed standards and practices as approved by the appropriate State approving agency with respect to such eligible person. *Provided, however,* That nothing in this subsection shall be construed to authorize the Administrator to prescribe educational standards or practices with respect to any institution of higher learning empowered to award a standard college degree. The Administrator may renew the payment of the educational assistance allowance only if he finds that the institution is enforcing its regularly prescribed standards and practices as approved by the appropriate State approving agency.

"(2) The Administrator shall, upon initiating a meeting with the institution and the appropriate State approving agency, promptly notify all eligible persons who may or will be affected by a discontinuance of their educational assistance allowance. Such notification shall state (A) the basis of the meeting; (B) that the person's educational assistance allowance may be subject to discontinuance for the basis stated; (C) that the Administrator will provide individual educational and career counseling to persons whose educational assistance allowance is discontinued pursuant to this subsection; and (D) other such information as the Administrator deems appropriate.".

SEC. 5. Chapter 35 of title 38, United States Code, is amended by inserting after section 1724 the following new section:

"§ 1725. Counseling

"Within 30 days of the discontinuance of the educational assistance allowance of any eligible person pursuant to section 1724(b)(1) of this title the Administrator shall provide individual educational and career counseling and other such services as may be deemed appropriate to facilitate such person's continuance of his or her education pursuant to this chapter.".

SEC. 6(a). The table of sections for chapter 34 of title 38, United States Code, is amended by inserting after section 1674 the following:

"SEC. 1675. Counseling.".

(b) The table of sections for chapter 35 of title 38, United States Code, is amended by inserting after section 1724 the following:

"SEC. 1725. Counseling.".

PERSONAL STATEMENT

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD at this point a statement regarding a record vote I missed on Wednesday, June 8, 1977, and an indication of how I would have voted had I been present.

The vote was on rollcall No. 320, a vote on final passage of the conference report on S. 521, to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks. The report was agreed to by a vote of 291 to 90. I was paired for the report and had I been present, would have voted in favor of it.

SECRETARY HARRIS ADDRESSES WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, the White House Conference on Handicapped Individuals provided an opportunity for disabled people to share their concerns and to propose their recommendations to the Federal Government. The conference was also the occasion for the new administration to acquaint handicapped individuals with its programs and proposals that would benefit people with disabilities.

Speaking at the White House conference, the distinguished Secretary of the Department of Housing and Urban Development, the Honorable Patricia Roberts Harris, announced several recent decisions made at HUD that demonstrate a commitment to disabled Americans. I take this opportunity to insert in the RECORD the remarks of Secretary Harris.

REMARKS BY PATRICIA ROBERTS HARRIS FOR WHITE HOUSE CONFERENCE ON HANDICAPPED AFFAIRS

"A person who is severely impaired," Helen Keller noted, "never knows his hidden sources of strength until he is treated like a normal human being and encouraged to shape his own life."

I share with the eight hundred delegates to this conference, the conviction that it is time to ask every part of government to re-examine its programs and policies to determine whether they encourage the handicapped to shape their own lives and to live independently.

Dr. Henry Viscardi, Chairman of the Conference, has stated the case succinctly "the message from handicapped individuals and their families is very clear. They want action. They want follow-through. They want commitment . . ."

As the Secretary of the Department of Housing and Urban Development, I am here today to tell you that Americans with disabilities will get action and followthrough from HUD.

Four months ago HUD began the process of reviewing current programs and exploring new housing options for people with disabilities. A group of consumers met with me and then started to meet, on an informal basis, with HUD personnel who share their commitment to the handicapped.

That group of consumers included:

Dr. Frank Bowe and Jan Jacobi of the American Coalition of Citizens with Disabilities.

Ms. Eunice Fiorito from the Mayor's Office for Handicapped in New York.

Clarke Ross from the United Cerebral Palsy Association.

Susan Weis Manes of the National Association of Retarded Citizens.

Cheryl Davis from the Massachusetts State Department of Community Affairs.

And Robert Conklin of the National Association of the Physically Handicapped.

The preliminary recommendations which resulted from this interplay of ideas are being reviewed by the Department.

Today, I would like to announce some immediate decisions, which were a product of this dialogue, that have been made to demonstrate HUD's commitment to Americans with disabilities.

First, effective June 6, 1977, a new Office of Independent Living for the Disabled will be established in the Office of Housing.

This office will be headed by David Williamson, a career employee of the Department, and will report directly to Assistant Secretary Simons.

This will be the first time that the concerns for the disabled will be treated separately from those of the elderly.

This will be the first time that the Housing concerns of the disabled will have direct attention to HUD's principal production division.

I know Dave Williamson and Larry Simons will produce more housing options for Americans with disabilities.

The new Office of Independent Living will work to make HUD more sensitive to the needs of the disabled both at the central office and in the field offices.

It will also be responsible for the activities of a departmental work-group that will draft HUD's regulatory response to the Rehabilitation Act of 1973. The Carter Administration considers these new "504" regulations to be the "Civil Rights Act" for America's disabled.

Second, HUD is establishing a goal that 5 percent of all new family housing units constructed under the Section 8 and public housing programs will be designed for use by the disabled.

The Department currently assists in the production of specially designed units for the elderly disabled under the Section 202. Section 221–(d)–4 and public housing programs as well as other programs. This will be our first major commitment to the non-elderly disabled.

This new housing goal will mark the first of a series of steps by HUD to provide properly designed, accessible housing for the non-elderly handicapped.

The Department will soon publish an amendment to the current Section 8 existing program. Small group homes and community residences, with shared kitchen and bathroom facilities will be an eligible and viable housing option under the amendment.

Additionally, I am working with the Counsel to the Secretary to develop other innovative approaches to the Section 8 existing program which will promote the deinstitutionalization of the mentally handicapped.

I would also like to note that we are well aware that housing without services is not adequate housing for people with disabilities. I will work with the Secretaries of Health, Education and Welfare, Labor and Transportation to develop comprehensive service programs for our housing programs.

Third, the Department will begin immediately a major effort to encourage local communities to spend a greater share of their Community Development Block Grant Funds for the elimination of architectural barriers, and the construction of rehabilitation facilities for the handicapped.

It is the Department's belief, as recently outlined by Assistant Secretary Embry, that the handicapped represent a significant portion of the population for which the Community Development Program was intended.

We believe that local expenditures for the handicapped constitute an expenditure that is beneficial to low and moderate income people.

HUD is committed to an active leadership role to raise the current level of local expenditures to a level consistent with demonstrated need.

Fourth, I will continue the informal dialogue that now exists between the consumer advocates and the Department.

I will also explore the possibility of establishing a consumer advisory committee on independent living to help us make better use of our existing programs and to develop new programs so that there will be continued progress in this area.

Finally, I want all of you to know that I am committed, and the Department is committed to doing all that is in our power to eliminate the barriers which prevent Amer-

icans with disabilities from enjoying the fullest possible participation in programs, and in the activities of our society.

CONCLUSION

I have outlined today some immediate steps that the Department of Housing and Urban Development has taken on behalf of persons with disabilities.

We all recognize that these steps are just the beginning of a much longer journey that will lead to the final elimination of the barriers that imprison 10% of our population, this lost minority of Americans.

It is up to all of us to work to change this society designated by the able-bodied, primarily for the able-bodied—into a society that encourages and supports satisfying life style for people with disabilities.

Thank you.

PRESIDENT CARTER GIVES HOPE TO HANDICAPPED INDIVIDUALS

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, the White House Conference on Handicapped Individuals, held in Washington, D.C., on May 23–27, was the occasion for all of us to mark the beginning of a new commitment by Americans to guarantee the rights of all handicapped individuals to live productive, independent lives.

A special expression of hope and understanding was given to the delegates at the White House Conference when President Carter addressed the opening session. I am pleased to insert in the RECORD the President's remarks on that occasion:

REMARKS OF THE PRESIDENT TO THE WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS, MAY 23, 1977

Do you think we are making some progress now? Do you think we have a long way to go? Do you think we are going to get there? Right on.

I'm very proud to be here tonight in what I think is an historic occasion that will perhaps go down in the history of our country as a turning point in the minds and hearts of the American people in their long overdue concern about a large group of Americans, about 36 million, who in the past have too often been ignored.

This is the first White House Conference on the Handicapped. I know that this is a tremendous assembly of leaders who have fought a long and sometimes discouraging battle to arrive here in Washington tonight. But this is not the first meeting. There have been dozens and dozens of meetings, attended by thousands of people in the 50 States of our country, and you have already brought to the consciousness of local and State officials an awareness of potential change for the better and many improvements that have already been made.

Labor, industry can work together with government to make sure that, jointly, our efforts are successful. There is hardly a national leader on Earth in all the 150 nations that span the globe, who are not now thinking about two words: human rights. And now we in our own country are applying those two words to the handicapped people of our country. It's long overdue.

TIME FOR DISCRIMINATION IS OVER

For too long, handicapped people have been deprived of a right to an education. For too long, handicapped people have been excluded from the possibility of jobs and employment where they could support themselves. For too long, handicapped people have been kept out of buildings, have been kept off of streets and sidewalks, have been excluded from private and public transportation, and have been deprived of a simple right in many instances just to communicate with one another.

When I was inaugurated Governor of Georgia in January of 1971, I made a speech. And I said, in that southern State the time for racial discrimination is over. And I say to you tonight the time for discrimination is over. And I say to you tonight the time for discrimination against the handicapped in the United States is over.

Thank you very much.

It would be a mistake for the rest of America to think that the benefits are only going to the handicapped, because when you get freedom, we share that freedom, and when the handicapped get benefits of education and a job and a purposeful life, we all share in the benefits of that education, that job, and a purposeful life.

BILL OF RIGHTS

The Bill of Rights for Handicapped was spelled out in Title V of the Rehabilitation Act of 1973, and we are going to enforce the regulations that are specified in that bill. We're going to enforce the regulations that tear down the barriers of architecture, and we are going to enforce the regulations that tear down the barriers of transportation.

I know you have heard the announcement made by Secretary of Transportation Brock Adams about the Trans-Bus. We've spent millions of dollars—the Federal Government has spent millions of dollars investing in the kind of public transportation that would serve your needs. And I am going to really enjoy in the future—as soon as those buses can come off the assembly line, and all of the new ones are going to be these kinds of buses—when they come up to you on the sidewalk and kneel down to let you get in.

As you know, section 504, of which I am sure you have all heard and of which I am sure now that Joe Califano has also heard, has provided a framework for the regulations that have now been adopted. And Joe Califano assures me and he assures you that these regulations are going to be enforced.

They require that when programs are made available to the public that those programs are made available to the handicapped public; the employers will give a handicapped person a fair chance to correct the handicap and to become qualified for an available job.

They require the tearing down of the barriers that I have already described to you. When Federal funds come to the Health, Education, and Welfare Department, and later on without delay they will apply to all programs of a similar nature, they will provide that a handicapped child for the first time in the 200-year existence of our country has the right to go to free public schools, and that that child has a right to go to free public schools in a regular classroom with other students.

It's almost inconceivable, and it's a reflection on all of us in leadership positions that these basic rights have been delayed so long. These are times for thanksgiving, but for a sustained demand and a time to assess other opportunities in the future.

REORGANIZATION AIDS HANDICAPPED

The civil rights of handicapped persons is not the only element of the laws that have been put into effect. We have got more than a hundred different programs in the Federal Government already for the handicapped. They are administered by many different agencies. There are a lot of different kinds of definitions for the handicap of the same person, and that means that many of you who have sought for a long time to take advantage of these programs which the Congress and my predecessors in the White House have passed have often had to go to four or five or six different agencies to get the simple treatment or opportunities which you deserved under the law.

It's time for us to change that, and one of the very good benefits of the reorganization authority that Congress has now given me is to bring all those programs for the handicapped together into one agency so you can understand them and take advantage of them.

As I look across this tremendous auditorium, with many different kinds of handicaps represented here, I know that many of them could have been prevented in your early life. And we are not just concerned about the correction of an existing handicap or an opportunity for those who are handicapped; we want to prevent the handicaps that might occur in the future.

We've already proposed to the Congress a program for the screening, the health screening, of poor children, and within just a few years we will multiply five times the number of poor, young children who have a chance to see a doctor early in their life so their potential handicap or affliction might be prevented or corrected.

We now have 35 percent of the young children in this country who are not even immunized or inoculated against preventable diseases. When I was a child many years ago, almost 100 percent of all American children were immunized. We have started a new program now under Joe Califano's leadership and have asked the Congress for authority to increase greatly this immunization program so that within just a short time we intend to approach the 100 percent level again.

There is a hope that there will never be any lack of memory for the struggle that has been effective in making this night and this conference possible. We want to be sure that we don't forget the handicapped among us who cannot hold a job, who cannot respond to a full education, but we want to make sure that even when they are dependent for constant help that they have every chance to grow and to learn and to take advantage of whatever great or small talent or ability God might have given them. We can't forget them.

END OF RECRIMINATION

In closing I want to ask you to do one more thing, and that is that since you've bound yourselves together in a common purpose, understanding one another and overcoming the differences that exist among you, that now you try to understand the special needs of the nonhandicapped, to understand the needs of other handicapped people.

It's not a time for hatred or lashing out or recrimination or condemnation of the nonhandicapped for the long delays in meeting your needs, because many people who are not handicapped can't understand those special needs. So, it's a time of education both ways, and for a realization that only when we work together—the handicapped who are leaders, the handicapped who will always be dependent, the potentially handicapped child who wants to have that prevented and the nonhandicapped adult leader—when we work together, we can continue to make even greater progress.

I know that in my own life I have been inspired by the courage that exists among many of you. One of my most proud moments was when we administered the oath of office to Max Cleland, a young man who now heads up a tremendous Federal agency, the Veterans Administration. When he was a tiny child he used to always ask God some day to let him work for his country and serve other people. He went to Vietnam as a volunteer after he was qualified, having finished college for his own professional career. He stepped out of a helicopter one day and saw a hand grenade on the ground, and trying to protect his fellow servicemen, he lost two legs and one arm.

He stays in a wheelchair. But I have never been around Max Cleland when I realized or

thought that he had any handicap that constrained the full realization of his early prayers, because he serves in Government and he serves his fellow human beings. He's an inspiration to me, and his is an exhibition of constant courage which many of you also exhibit so well.

When I made my inauguration speech just a few weeks ago, I quoted a schoolteacher of mine, Miss Julia Coleman. She was a principal in a tiny school where I attended when I was a country boy. She taught me above and beyond the classroom how to write themes and how to debate and how to appreciate works of art and how to understand good music and how to read books that I would otherwise never have known to exist.

She was crippled, and she couldn't see the children in her classroom. I think she would have been a good teacher had she not been handicapped, but I think that knowing about her own shortcomings in a physical way gave an extra dimension and depth to her caring about other people.

Your conference is important. You're intelligent, courageous leaders. But because you have experienced suffering and because you have overcome it, I think the recommendations that will be coming from you that will affect the lives of many millions of people now and in the future will have that same extra dimension.

Our country needs you, and I know that you will never disappoint those who look to you for leadership.

Thank you very much.

THE NEW FEDERALISM IN PUBLIC EDUCATION

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, one of the ablest leaders in American education today is Fred G. Burke, the outstanding commissioner of education of the Department of Education of the State of New Jersey.

I believe that Members of the House and Senate who are concerned with education policy will read with great interest a most thoughtful address delivered by Fred Burke on February 3, 1977, at the Institute for Educational Leadership, the George Washington University, Washington, D.C., and I insert the text of this address at this point in the RECORD:

STATE FEDERAL RELATIONS IN THE EIGHTIES

(By Fred G. Burke)

The purpose of this Staff Seminar is to elicit some views and, hopefully, some insight into the workings of the federal system as we conclude one era, commence another, and approach a new century. Even though our time is limited, I want to try to place this issue in brief historical perspective, for it has been a dominant theme in the political life of our nation.

The locus of public sanctioned power and its attendant resources affecting the public interest is an issue that has inflamed souls, stirred rhetoric, and raised the blood pressure of philosophers, politicians, and polemicists since first the value and efficacy of power was preceived.

The very origins of our own nation stem from the use of force to contest the propriety of an external authority and to secure a legitimacy for the exercise of people sanctioned power.

But the perennial debate did not cease with independence: for the allocation of power, by whom, for how long, over whom, and for what social good, occupied the energies and intelligence of our constitutional forefathers in Philadelphia far into the night and, indeed, drove some to seek the momentary sanity of Philadelphia's neighborhood taverns—it has always been thus in Philadelphia.

Some breathed a sigh of relief at the signing of the Constitution, for it seemed to have put to rest the weary debate. Most agreed with Madison that, "the powers delegated by the . . . Constitution to the Federal Government are few and defined. Those which are to remain in the state governments are numerous and indefinite," (Federalist Papers #45).

But the debate did not end with the signing of the Constitution, for there are those fundamentalists among us who would defend the impermeability of a given allocation of public power and resources in public education on the basis of the infallibility of certain strategic phrases, or upon lofty interpretations of the Constitution by revered judges. Not so Madison, however, for he forsaw that the Constitution was chiseled, not in stone, but rather would stretch and bend with the changing nature of the manner in which "We the People" perceived our problems and needs and how, indeed, we might best then structure our institutions to secure the commonweal.

In Federalist 46 Madison mused that in some distant future the ancestors of these same new Americans might "become more partial to Federal than State government." He predicted that if this pragmatic breed of men were to come to believe that "better administration" would flow from Washington than from Boston, that the nation would inevitably accommodate itself to this new reality. He said that if this were to occur, "the people ought not surely to be precluded from giving most of their confidence where they may discover it to be most due."

If Madison dimly foresaw the evolution of conditions and circumstances that would gradually alter the balance of power to affect public policy, a most astute observer of the American destiny, Alexis deTocqueville, clearly foresaw and precisely heralded the quest for human equality as the dominant theme in American history and the critical factor affecting the federal system. He predicted that its long-range effect would be to skew the locus of power away from the particular toward the general,—from local parochial toward national centralization and, indeed, so it has. "Among them the idea of intermediate powers is weakened . . . the idea of rights inherent in certain individuals is rapidly disappearing from the minds of men: the idea of omnipotence and sole authority of society at large rises to fill its place. These ideas take root and spread in populations as social conditions become more equal and men more alike. They are produced by equality and in turn they hasten the progress of equality."

LOCAL CONTROL AND STATES RIGHTS

To recognize the workings of a social/political theory is not necessarily to condone its consequences; for I do share with many of my colleagues in our fifty state capitals a concern that an inevitable centralization of powers does carry with it some unpleasant implications for the quality and nature of public education, and thus for the maintenance of our peculiarly pluralistic American civilization.

My concern, however, is less with a seeming threat to an orthodox view of our federal allocation of powers, than it is with the consequences of a zealous preoccupation with what I perceive to be a phantom enemy. For if we devote our energies and talents to manning the polemic barricades of states rights, or local control, we will ignore, and thus not shape, the emergent new patterns of an essentially dynamic federalism.

If there is anything to what I say, then our passions and energies should be mobilized, not for "local control," but should seek to dispassionately identify at what level, and under what conditions the values we associate with public education can best be secured. To do otherwise exposes us to the danger that the function of education will come to be perceived as the maintenance of a particular decisional structure, rather than as one of maximizing the welfare of the client-child. Similarly, the issue of states rights is frequently but a stalking horse employed to perpetuate a preferred process of public policy and resource allocation—at times torturously and rhetorically legitimized as being "better for children." A functional approach as suggested here contrasted to an ideological approach is not so radical a departure as it might seem at first blush; for in effect it will most frequently coincide with the traditional assumptions drawn for the political polemics of "local control" or "state rights"; for an existing pattern of decision-making is never purely arbitrary or irrational, for regardless of how legitimized, it is the product of an evolutionary process designed to further the purposes for which the enterprise exists. But unless our illustrious generation has stumbled on the illusive perfection of immutable permanency, an existent distribution of power and resources may prove reactionary rather than purposeful, and thus dysfunctional to the interest of children to the extent to which it more serves the interests of the persons in the employ of the enterprise than it does the clients of our system of public education.

Another damaging consequence of our preoccupation with the problems of "local control" and "states rights" is the dampening effect it has on our capacity, or our will, to construct relevant social and organizational inventions.

In these transitional times we are in desperate need of new approaches, new patterns of power and resource allocation, and new ways of assigning cooperative responsibilities that will affect the human conditions in the preferred manner and still maintain the underlying essence of the traditional system.

Unfortunately, the drum which sets the tempo for our inevitable march toward deTocqueville's equalized society, sets an ever faster beat. Any reallocation of power, resources, and responsibility definitely affects ego, wealth, and fortunes; and thus is always resisted—albeit rarely in purely self-interested terms. But if the change is moderate, or if there exists surplus resources so that an additional element of power or resource does not materialize at the sacrifice of an existent one, change can be managed. It is the combination of the rapidity of change in conjunction with the near finite level of available power and resource, that renders structural change in our system of public education so traumatically threatening and conflictual.

THE OFFICE OF EDUCATION AND FEDERAL INVOLVEMENT

Even though the Office of Education is more than 100 years old, it has only recently aggregated significant power and resources—and fortunately had the good fortune of having done so during the affluent 60s. The emergence of O.E. as a significant element in the area of public education in the United States dates to the Korean War, Sputnik, and a time when the national interest seemed to require that a number of educational activities central to the welfare of the nation, and not seemingly being provided by the state, properly should receive the attention of the central government. In the 60s under increasingly able leadership, O.E.'s bureaucracy grew so rapidly that vested interests attired in "state rights" or "local control" garb were perceived to be threatened, and the issue was raised to controversial levels.

From about 1962 to 1965 most of the major elements of our contemporary elementary

and secondary programs, which we now associate with federal involvement, were hammered into place.

In brief the Korean War, and the sudden awareness of our lost national omnipotence, an idealistic determination coupled with abundant money and an arrogant federal posture of "knowing best what is," propelled H.E.W. and O.E. firmly and squarely into the midst of this vast and complex enterprise that had since the days of our forefathers persisted as the exclusive preserve of the states and the LEAs, their feudal parochial baronies. Hurriedly employed, youthful federal bureaucrats, housed not only in a reconstituted office of O.E. but in O.M.B., in congressional committees, and even in the Office of the President, were much too preoccupied designing the Great Society to read the Constitutional fine print about the powers reserved to the states, or even to review the classical arguments of the Federalist Papers. They sensed, in deTocqueville's words, a mandate, a new will of the people to remedy, through the exercise of centralized power, the remaining persisting social and economic inequities. And if that required a further centralization of national power, or a diminution of the powers of state or local education authorities, so be it—for after all, did not the end indeed justify the means? Furthermore, most young Great Society architects knew, if not empirically, than intuitively, that it was the SEAs that had lo these many years posed the major obstacle to our realizing the final mile of the long journey toward equality and plenty. The SEA was regarded as a bastion of rural interests staffed by teacher college produced bureaucrats, in league with equally incompetent school administrators employing their traditional monopoly over the allocation or educational power and resources to maintain a self-interested staus-quo and thereby their own sinecures—all this at the expense of continued injustice, perpetual ignorance and a class-determined poverty.

Rarely familiar with the complexity of, yes, even the delicacy of, an enormously diffuse system of public education that had evolved painfully over two centures, or possibly possessed of a comfortable, though rarely tested, assumption about the incompetence of state agencies. Great Society bureaucrats with gay abandon launched new programs from Washington, dealing directly with hundreds of thousands of school districts, affecting hundreds of thousands of local School Board members, thousands of professional school administrators, and millions of teachers. Seemingly unaware of the relatively minor nature of their efforts, or of the relative insignificance of their zealous intrusion into the state/local sanctuary of public education, the O.E. bureaucrats, with little reference to existing patterns of state/local relations, directed millions of dollars directly tc LEAs, often ignoring the SEAs, and, ironically, frustrating their attempts to rationally plan and allocate resources equitably.

However, the magnitude of trying to exercise authority over thousands of LEAs, as well as the fear of demonstrating accountability for the consequences of helter-skelter activities to a resurgent Congress, contributed to a growing awareness of the need to work with and support SEAs. And thus there commenced the uneasy, still evolving partnership upon which we have come to depend to transform public education in our country. The SEAs, until the late 50s and early 60s, were relatively ineffectual, small, squalid, minor bureaucracies, leisurely and routinely formula-funding a small share of educational support to parochial LEAs. The SEA bureaucrats enforced a variety of not overly significant state regulations and were essentially content to delegate their constitutional authority, indeed their responsibility, to a myriad of tiny parochial LEAs, who themselves were proving increasingly incapable of coping with a rapidly urbanized society demanding the fruits of the long promised millennium of equality and plenty. The bursting of the barriers, frustrating economic, racial, and sexual trends toward equality, combined with OE's need—reluctant as it may have been to work with SEAs to allocate the new federal resources and to administer the innovative programs—put enormous strains on an already inadequate SEA bureaucracy. A combination of federal help (read Title V, and other administrative dollars) did indeed give impetus to a renaissance for most SEAs, for new money was forthcoming, new positions created, and the long standing qualitative drain of SEA personnel to LEAs, and indeed, to Washington, gradually began to be reversed. But not everywhere did this occur, for there did persist enough reactionary incompetent SEAs to give credence to urban oriented Congressmen, to OE zealots, and to cynically critical university professors that the SEAs continued, as they had for many decades, as the major obstacle to the promised land of education reform.

Having learned the lesson of the 60s the poor and the minorities—no longer deferential and often led and abetted by their elite champions for reasons not always altruistic—threatened and demanded that the newly emergent SEAs, themselves beset and preoccupied with their own growing pains, do more and do it immediately; But the traditional educational interest groups became increasingly alarmed by the strident sometimes violent demands and demonstrations, to the point that they temporarily put aside traditional differences to seek to contain these as new, relatively radical, educational interest groups which had so boldly entered the fray to compete for increasingly scarce resources. Federal bureaucrats and Congressional staffers, however, perceived this new participatory demand and the new radical associations not as a threat to their power, but rather as an effective counter to what was still regarded as a less than perfect or enthusiastic state bureaucracy. Indeed an alliances between OE bureaucracy and the newly formed militant interest groups served to further scatter power and resources capable of governing public education. Federal circumvention of the states was employed to build countervailing power structures with the hope that such ferment and involvement would somehow effectuate a more efficient, or at least a more equal, allocation of not only federal, but of state and local resources as well.

Unfortunately this was not always the case, for what seemed from a distant Washington to be popular democratic participation at work proved often at the state and local level to be utter chaos, the very absence of accountability, and a bitter struggle, not for a specific redistribution of educational resources for children, but for raw power, and for a redistribution of adult social income generally.

THE EMERGENCE OF THE FEDERALISM IN PUBLIC EDUCATION

The emergence of the new federalism structuring governance and support of public education has not been a painless, easy, or simple process. A glaring lack of knowledge about the peculiar nature and the politics of their respective bureaucracies has hampered the cooperative efforts of SEAs and the Office of Education.

The SEA is rapidly evolving as the lynch pin in our emergent federal system of public education. In an era of rampant accountability and court-ordered equalization of effort, the SEA is busily expanding its traditional monitoring and regulatory functions. But more important is its rapid assumption of overall educational leadership; discarding its traditional conservative garb it is emerging as the primary change-agent-child advocate in our public education system. And so long as the fundamental tenants of our federal system persist, and the trend towards increased federal support continues, the state's role will continue to expand in direct proportion to an enhanced federal effort. Thus our future successes, and indeed failures, state and national, are interdependently fused.

Furthermore, it is increasingly apparent that only state department bureaucrats possess the experience to comprehend the intricacies of the day-by-day operation of local school systems, the machination of state politics from whence more and more educational resources flow, and a knowledge of the functioning of the federal bureaucracy and its parent political system. Thus, if state departments of education did not exist in this era of an emergent new federalism in education, their invention would most likely be requisite.

Given the historical framework briefly outlined here and hopefully some insights into the nature of the problems accompanying and emergent educational federalism, are there not more concrete directions that might be usefully identified to help guide our next steps? Maybe—allow me to attempt just a few.

The Carter transition files bulge with detailed "what and how-to-do-it prescriptions" and there is no need to add to what I suspect to be a very valuable but probably infrequently used resource. Therefore I will limit my observations to the more subtle issues that we might jointly consider as we seek to realize the advantages of the new federalism in public education.

1. Self-designed straitjackets

Because both our bureaucracies are by-and-large dominated by professional educators, we tend to be preoccupied with the erudite elements of their respective disciplines, e.g. curriculum, basic skills, school administration, special education, vocational education, etc. And it is these concepts that by-and-large dominate our structures and thus determine the allocation of our resources. Added to this are the alliances linking counterpart state and federal bureaucrats along professional lines which determine the way in which critical issues are formulated, but, more important, also tend to predispose the solutions.

If you accept the proposition that the SEAs are emerging as the primary managers of public education, to whom operating districts are increasingly accountable, and to whom the federal bureaucracy increasingly must direct its largess and its demand for accountability, then possibly the most critical need is less for traditional educationally defined programs, but rather lies in the area of improved management and administrative capacities. At the SEA level the contemporary imperative to develop large scale management capabilities is more and more apparent. In many states the sophistication of a modern management capability which, in New Jersey for example, must cope with a budget in excess of one billion dollars and employ nearly two thousand professional and subprofessional people—rivals that of the Office of Education itself. But yet it is in this very area of large scale management that assistance to the states is most critically needed and most obviously lacking. Most states are not now capable of coping with the escalating demands being placed upon them by the emergent new federalism, and by often rampant demands for an exacting state accountability. Therefore, together we need to raise the concern for the development of state management capabilities to a level at least comparable to our long-standing preoccupation with innovative curriculum and other essentially school-oriented concerns. Could we not, therefore,:

(a) Survey state agencies to identify exemplary procedures and practices and facilitate diffusion to other state systems—much as we have done with curriculum and other school related concerns.

(b) Develop and support substantial in-service for state agencies—more imaginative and relevant than the meager and limited fare offered to date.

(c) Acquaint the Office of Education and the National Institute of Education with existing state exemplary management capabilities—to improve dialogue and seek to allay a fear of such modern management techniques as system analysis, measurability, accountability utilization of hardware, program budgeting, management by objectives, etc.

2. It is him—not me syndrome

Because public education has lost its virginity, if not its virtue, we are today uncomfortably susceptible to frequently and vehemently expressed doubts as to our efficacy—even our worth. Unfortunately, our defensive response to allay our own self-doubts and question of worthiness is to seek to shift responsibility for our reputed inadequacies to our nearby relatives.

Thus state agencies blame the Office of Education for its mismanagement; LEAs blame the state for their poor showing on newly enforced accountability measures; the federal bureaucracy accounts for its own hasty and untested forays into the educational jungle on incompetent and uncooperative state bureaucracies. But let me warn you! Whatever momentary solace we secure at whatever level, we forfeit collectively. For the public and the public's self-appointed conscience, the media, aggregates the whole bundle of blame and then collectively damns us all. It is education—not the LEAs, SEAs, or OE that is the loser; and in a society taught (I guess by us) to respect only winners, it is all of education that becomes a cropper. And what was once the nation's pride and joy, falls clumsily from grace. Surely then, we must resist the temptation to survive a bit longer by hanging separately and instead learn to risk hanging together. Or more precisely, we need to do such things as collectively support a separate department of education and to elevate education to a national priority that we know it must assume if we are to persist as a civilization or, better still, a civilized society.

I suspect that in our temptation to dodge responsibility by laying blame on our brethren, we have aggrevated our embarrasment, for the public does not blame me or you for inadequacy, but it condemns us. This posture obviously needs to be corrected, and leadership to do so, in my view, must come from the new administration and, more precisely, from the Secretary and from the U.S. Commissioner and also from the Director of the National Institute of Education.

3. The equal education conundrum

If indeed we are moving toward a realization of our dream of equal educational opportunity for all Americans with a new federal structure to perpetuate our constitutional heritage, and address the realities of a persistent inequality, then those who have assumed the mantle of leadership for education in the new administration, in my view, must look hard and courageously at the persistence of inequality of opportunity within the many states and, more importantly, between our increasingly divergent and unequal fifty sovereignties.

There is amongst our federal counterparts too little support for those states and their educational leaders who have sought to swim upstream against persistently inequalitarian power structures, and too little for those educators seeking to arrest a frightening drift toward a class/race ridden society. Nor is there evidence that the extraordinary shifts in regional wealth and in regional capacity to support public education are being addressed or even perceived by federal policy makers. A lag in this comprehension is forcing serious curtailment of educational effort in the northeast, and if imaginative leadership does not move to reorder the allocation of federal resources, a major and expensive transfusion might be the only remaining remedy.

4. Courage: The prerogative of the courts

Courage in education increasingly has become a monopolistic luxury of a politically insulated judiciary. The long term consequences to our political fabric is cause for serious alarm. More immediately, however, are the implications for the quality and the future of public education. The courts did not vie for or win their new assignment; but rather it was handed to them by a less-than-courageous bureaucracy at both the state and the federal level, and by increasingly politically opportunistic legislatures. A new national administration, if it is to reverse this trend, must recapture the initiative in education policy making, take it from the courts, and return it into the hands of the peoples' representatives and their appointed professional servants. During the 60s and 70s the courts have consistently been one step ahead of the executive and legislative branches of government in effecting new social and educational policy. As you all know, the thrust to equalize resources at the state level has come not from the executive or legislative branches, but basically from the courts. In such other areas as civil rights, abortion, and public housing, we have seen the same scenario unfold. But social reform achieved in this manner creates great stress in our society, for the status quo is not easily or without violence moved by the dictum of men wearing black.

CONCLUSION

What I have attempted here is a brief historical review, from the selected vantage point of an educational bureaucrat, of the manner in which we have developed a peculiar form of allocating power and resources in order to govern public education in this two centuries old federated republic. This constantly evolving process has today reached a most critical point, which, fortunately, I hope coincides with the advent of a new national administration seemingly dedicated to the worthiness and future of public education.

I have sought to identify in a highly general sense some of the issues that this critically important and emergent partnership must address. I have avoided a detailed list of do's and don'ts, for I know that volumes of such valuable data were recently solicited and obtained and, indeed, I too added to such bulk.

Lastly, I have tried to identify four general areas where cooperation can contribute to a more smooth transition into the new federalism as it increasingly affects public education. And, finally, in case my message concerning the imperative of local and state interdependence goes unheeded, I would conclude from whence I began with the wisdom of deTocqueville. "It would seem as if the rulers of our times sought only to use men in order to make things great; I wish that they would try a little more to make great men; that they would set less value on the work and more upon the workman; that they would never forget that a nation cannot long remain strong when every man belonging to it is individually weak; and that no form or combination of social polity has yet been devised to make an energetic people out of a community of enfeebled citizens."

MEMORIAL DAY CEREMONY IN VETERANS PARK, SURFSIDE, FLA.

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, during the Memorial Day recess when I returned to my home district in Miami, I had the privilege to attend a Memorial Day ceremony in Veterans Park, Surfside, Fla.

At this inspiring ceremony a thought-provoking and excellent address was given by Col. James F. Norris, Jr., which helped to remind all of us present of the true spirit and meaning of this holiday. We are indebted to Col. James F. Norris, Jr., a retired lieutenant colonel, in the Air Force who now resides in Surfside, for this meaningful and stirring tribute to our Nation's soldiers wo died in battle.

Mr. Speaker, I insert Colonel Norris' patriotic address at this point in the RECORD:

ADDRESS BY COL. JAMES F. NORRIS, JR.

"With words we make promises, plight our faith, praise virtue. Promises may not be kept; plighted faith may be broken: and vaunted virtue be only the cunning mask of vice. We do not know one promise these men made, one pledge they gave, one word they spoke: but we do know they summed up and perfected, by one supreme act, the highest virtues of men and citizens. For love of country they accepted death, and thus resolved all doubts, and made immortal their patriotism and virtue."

These words were spoken in the National Cemetery at Arlington, Virginia, on May 30, 1868, the first formal observance of Decoration Day. They are the words of a Member of the House of Representatives, General James A. Garfield later to become President James A. Garfield, gunned down in the line of duty by an assassin's bullet.

In a sense they are words of prophecy. The government's promises have not been kept, the faith has been breached, and all too often we have seen the cunning mask of greed and vice. We wonder sometimes if these men, to whom we pay honor today, may not have died in vain. When some elected officials break their promises, breach the faith, and consider the survivors of our wars too expensive to exist, while granting themselves huge pay raises, there is cause to be concerned for the future of this Nation. When some of our elected officials are on the payroll of a foreign nation, the same nation where our men stand guard and die, the cunning mask of vice leers at us over the broken, butchered bodies of our soldier dead. Kipling said of Tommy, the British Soldier, "Tommy ain't a bloomin' fool—you bet that Tommy sees."

The same can be said of the G.I. of today. He sees the words in the press and hears them on radio and TV berating him for being a fat cat! Is this his reward for the sacrifice of his young life? He sees that some in Congress cannot be trusted to represent him. He has been told that no contract exists between him and Congress. To our dismay, but understanding, he seeks representation outside the Government—with a labor union. I now digress for a moment of tribute to my personal representative, and your personal representative in the Congress of the United States, the Honorable Claude Pepper. We in the 14th District, military and civilian alike, are fortunate in that we always have had an advocate in the Honorable Claude Pepper. Through him we always have had a voice in Government, which we well know and appreciate. Just last week, we who are senior citizens, while sitting in the comfort of our homes, were seen and heard through the indefatigable efforts of our representative and advocate, the Honorable Claude Pepper to whom we owe and give a sincere, heartfelt "thank you".

Others are not as fortunate as we. Those of us who placed our trust in Government, who kept the faith, and who served with dedication have been pleading with Congress to reestablish its credibility in order to prevent unionization of the military, but to no avail. The media compounds the evil. The only response by some members to our plea is a promise "to pass a law" banning military unions. They know, that even if passed, such a law will not and cannot be enforced. How strong and dangerous is the unrest in the ranks may be guessed from the following:

A survey of active duty personnel conducted by students of the Air Force Institute of Technology (AFIT) indicated that of those polled, 30 percent would join a union; 40 percent would not; 30 percent were undecided; 95 percent of the officers polled and 90 percent of the airmen believe their benefits are being eroded; and 56 percent of the officers and 62 percent of the airmen believe that a union could prevent the erosion of their benefits.

A number of related questions were asked on the survey. The results leave little doubt that officers and airmen believe the overall environment is hostile to military personnel and that a military union could effectively represent their interests. The sad state of the relationship between Congress and the Armed Forces is of concern to all of us who honor and respect the sacrifices of those for whom we grieve. We call upon Government at all levels to reestablish its credibility, cleanse itself, and destroy that cunning mask of vice that exists at every level of Government, or the day may not be far off when this sacred day will exist only as a memory in the hearts of the survivors as they bend to earth under the whip of a tyrant.

We give all glory, laud, and honor to these our comrades who sacrificed their young lives on the altar of war for us. Weak men though we be, may we never betray that sacrifice so freely given.

FORCED RETIREMENT WASTES TALENT

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I was very much pleased that the Miami Herald, in an outstanding editorial on May 30 endorsed the efforts of our House Select Committee on the Aging to obtain the enactment of legislation by the Congress which eliminated mandatory retirement as a Federal policy respecting the civilian employees of the U.S. Govermnent. The Miami Herald, I think, properly regards forced retirement as a waste of talent as this editorial in the Herald says. We are pleased to have our efforts commended by this distinguished newspaper. I ask, therefore, Mr. Speaker that the Herald editorial appear following my remarks in the body of the RECORD:

FORCED RETIREMENT WASTES TALENT

Some months ago, a village in Russia drew international attention for the physical hardiness of its elderly citizens. When asked why people lived so long, with such energy, some villagers said it was simple: the old were expected to stay active and useful.

We were reminded of that story in reading of the new hearings before the House Select Committee on Aging, where a stream of elderly Americans protested being forcibly put to pasture.

Somehow, the idea of retirement—like it or not—has been woven into the new version of the American Dream. Perhaps it's a result of the cult of youth, which has as its logical conclusion the notion that anyone over 60 is a fossil to be given terminal care.

Whatever the reason, the idea has been so programmed into the society that a worker who wants to stay active after 65 is considered at best a workaholic and at worst a sucker. Why he wants to doesn't usually matter, in fact. Retirement is mandatory, and it's hard to find work to do.

John Wayne, 70, didn't think that was right as he sent the committee a picture of himself in bathing trunks to show he is still fit. Neither did other witnesses such as Col. Harland Sanders, 86, or actor Will Greer, 75, Sen. S. I. Hayakawa, 70—or Rep. Claude Pepper, 76, who heads up the committee.

Neither do we. Retirement should be a reward for a life of effort, not a punishment. Yet as it's now conceived, it often becomes a death sentence for dedicated workers who find themselves put on a shelf to "rust out," as Harland Sanders put it.

By the hard-and-fast rule of 65, Benjamin Franklin was already "rusting" when he was appointed to the Continental Congress, helped draft the Declaration of Independence, negotiated a peace treaty with England and served as head of Pennsylvania's legislature.

Individual corporations may require retirement for some workers in some types of jobs, as physical strengths ebb or technical abilities wane in importance. But this is a large and complex society; there are other useful tasks for the elderly besides work in a 9-to-5 slot. We hope Rep. Pepper's panel can point the way to some.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MARRIOTT (at the request of Mr. RHODES), for today after 3:30 p.m. and the balance of the week, on account of official business.

Mr. AUCOIN (at the request of Mr. WRIGHT), for today, on account of illness.

Mr. BONIOR (at the request of Mr. WRIGHT), after 2:45 p.m., today, on account of official business.

Mr. DORNAN, for Friday, June 10, on account of official business.

Mr. ECKHARDT (at the request of Mr. WRIGHT), for after 4 p.m. on June 8 and for June 9, on account of field hearings of the Subcommittee on Indian Affairs and Public Lands.

Mr. FUQUA, for June 10 to June 15, on account of illness in family.

Mr. RONCALIO (at the request of Mr. WRIGHT), for after 4 p.m. on June 8 and for June 9, 10, and 13, on account of field hearings of the Subcommittee on Indian Affairs and Public Lands.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PURSELL) to revise and extend their remarks and include extraneous matter):

Mr. MCDADE, for 5 minutes, today.
Mr. MARKS, for 10 minutes, today.
Mr. WALKER, for 10 minutes, today.
Mr. FINDLEY, for 5 minutes, today.
Mr. EVANS of Delaware, for 5 minutes, today.
Mr. WHALEN, for 10 minutes, today.
Mr. EDWARDS of Oklahoma, for 10 minutes, today.
Mr. HAMMERSCHMIDT, for 5 minutes, today.

(The following Members (at the request of Mr. FOWLER) and to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. DRINAN, for 5 minutes, today.
Mr. WOLFF, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HAMMERSCHMIDT to insert his remarks after the remarks of Mr. ROBINSON.

Mr. ROBINSON, immediately following the remarks of Mr. KINDNESS during general debate today on H.R. 6666.

(The following Members (at the request of Mr. PURSELL) and to include extraneous matter:)

Mr. CEDERBERG.
Mr. KETCHUM.
Mr. BOB WILSON in five instances.
Mr. O'BRIEN in two instances.
Mr. GILMAN in two instances.
Mr. SYMMS in two instances.
Mr. DERWINSKI in four instances.
Mr. REGULA.
Mr. PRITCHARD.
Mr. FINDLEY in two instances.
Mr. CRANE.
Mr. EDWARDS of Oklahoma.
Mr. MARRIOTT.
Mr. LAGOMARSINO in three instances.
Mr. WALKER.
Mr. COCHRAN of Mississippi.
Mr. ANDERSON of Illinois.
Mr. HOLLENBECK in three instances.

(The following Members (at the request of Mr. FOWLER) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. HEFTEL in two instances.
Mr. RANGEL in 10 instances.
Mr. KOCH in four instances.
Mr. STOKES.
Mrs. BURKE of California in three instances.
Mr. RICHMOND in two instances.
Mr. KOSTMAYER.
Mrs. SCHROEDER.
Mr. WAXMAN.
Mr. BAUCUS.
Mr. FRASER.
Mr. MOAKLEY.
Mr. AKAKA.
Mr. SANTINI.
Mr. RISENHOOVER.
Mr. HARKIN.
Mr. SOLARZ.
Mr. WON PAT.
Mr. ULLMAN.
Mr. MCKAY.
Mr. BRECKINRIDGE.
Mr. JOHNSON of California.
Mr. NEAL.
Mr. BYRON.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 6197. An act to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on June 8, 1977, present to the President, for his approval, a bill of the House of the following title:

H.R. 6692. An act to extend certain programs under the Education of the Handicapped Act.

ADJOURNMENT

Mr. FOWLER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p.m.), the House adjourned until tomorrow, Friday, June 10, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1664. Deputy Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1964, as amended; to the Committee on Agriculture.

1665. A letter from the Assistant Secretary of Defense (Comptroller), transmitting notice of the intention of the Department of Defense to obligate funds available in the Army Stock Fund for additional war reserve inventories, pursuant to section 735 of Public Law 94–419; to the Committee on Appropriations.

1666. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects to be undertaken by the Army Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1667. A letter from the Acting Staff Director, U.S. Civil Service Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1668. A letter from the Chairman, Federal Election Commission, transmitting copies of correspondence sent to the Office of Management and Budget, pursuant to section 310 (d)(1) of the Federal Election Campaign Act of 1971, as amended; to the Committee on House Administration.

1669. A letter from the Librarian of Congress, transmitting the annual report of the Library of Congress, including the Copyright Office and the Library of Congress Trust Fund Board, pursuant to 29 Stat. 256 [2 U.S.C. 139], 17 U.S.C. 108(1), and 43 Stat. 1108 [2 U.S.C. 163]; to the Committee on House Administration.

1670. A letter from the Secretary of Transportation, transmitting the third annual report on the Department's gas and liquid pipeline safety activities, pursuant to section 28(w)(4) of the Mineral Leasing Act of 1920, as amended (87 Stat. 583); to the Committee on Interior and Insular Affairs.

1671. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in docket No. 64, *Shawnee Tribe of Indians of Oklahoma, et al.*, Plaintiffs v. *The United States of America*, Defendant, and docket No. 335, *Eastern Shawnee Tribe of Oklahoma, et al.*, Plaintiffs v. *The United States of America*, and docket No. 338, *Absentee Shawnee Tribe of Oklahoma, et al.*, Plaintiffs v. *The United States of America*, Defendant, pursuant to section 21 of the Indian Claims Commission Act; to the Committee on Interior and Insular Affairs.

1672. A letter from the Chairman, Securities and Exchange Commission, transmitting the sixth annual report of the Securities Investor Protection Corporation, covering calendar year 1976, pursuant to section 7(c)(2) of the Securities Investor Protection Act of 1970; to the Committee on Interstate and Foreign Commerce.

1673. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend title 18 of the United States Code, to define and discourage certain criminal conduct by U.S. national and certain foreign nationals in Antarctica; to the Committee on the Judiciary.

1674. A letter from the Chairman, Federal Power Commission, transmitting a report on the average annual costs for consumers in homes exclusively utilizing electricity for all purposes; to the Committee on Interstate and Foreign Commerce.

1675. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting withdrawing the orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, previously submitted pursuant to section 13(c) of the act; to the Committee on the Judiciary.

1676. A letter from the Comptroller General of the United States, transmitting a followup report on the readiness of the Army's strategic forces (LCD–76–457, June 9, 1977); jointly, to the Committees on Government Operations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 6683. A bill to reduce the hazards of earthquakes, and for other purposes; with amendment (Rept. No. 95–286, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 7606. A bill to authorize the Secretary of Agriculture to permit general recreational access and geothermal explorations for 6 months within a portion of the Bull Run Reserve, Mount Hood National Forest, Oreg. (Rept No. 95–401). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 6362. A bill to establish an Advisory Committee on Timber Sales Procedures appointed by the Secretary of Agriculture for the purposes of studying, and making recommendations with respect to, procedures by which timber is sold by the Forest Service, and to restore stability to the Forest Service timber sales program and provide an opportunity for congressional review; with amendment (Rept. No. 95–402). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AuCOIN:

H.R. 7689. A bill to amend the Internal Revenue Code of 1954 to provide that heads of households (whether or not married) may produce 200 gallons of wine per year for use by the household without payment of Federal tax; to the Committee on Ways and Means.

By Mr. BADILLO:

H.R. 7690. A bill to amend title 18, United States Code, so as to establish certain guidelines for sentencing, establish a U.S. Commission on Sentencing, and for other purposes; to the Committee on the Judiciary.

By Mr. BROOKS (for himself, Mr. HORTON, and Mr. STEED):

H.R. 7691. A bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships; and for other purposes; to the Committee on Government Operations.

By Mr. CARTER:

H.R. 7692. A bill to waive the statute of limitations with regard to the tort claims of certain individuals against the United States; to the Committee on the Judiciary.

By Mr. ERTEL:

H.R. 7693. A bill to amend the Tariff Schedules of the United States to repeal, in the case of certain wearing apparel and nonrubber footwear, the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. EVANS of Delaware:

H.R. 7694. A bill to insure equal protection of the laws as guaranteed by the 5th or 14th amendments to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FISHER (for himself and Mr. BINGHAM):

H.R. 7695. A bill to amend the Internal Revenue Code to provide renters with a credit against income tax; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself, Mr. BUCHANAN, Mr. PERKINS, Mr. REUSS, Mr. THOMPSON, Mr. DENT, Mr. BRADEMAS, Mr. HAWKINS, Mr. PHILLIP BURTON, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. SIMON, Mr. BEARD of Rhode Island, Mr. MOTTL, Mr. MURPHY of Pennsylvania, Mr. MICHAEL O. MYERS, Mr. HEFTEL, Mr. KILDEE, Mr. ADDABBO, Mr. ASPIN, Mr. BADILLO, Mr. BINGHAM, Mr. BRODHEAD, and Mr. CONYERS):

H.R. 7696. A bill to amend title I of the Higher Education Act of 1965 to establish a system of grants for urban universities; to the Committee on Education and Labor.

By Mr. FORD of Michigan (for himself, Mr. BUCHANAN, Mr. PERKINS, Mr. REUSS, Mr. EDGAR, Mr. EILBERG, Mr. FRASER, Mr. HANNAFORD, Mr. LAFALCE, Mr. LEDERER, Mr. LEHMAN, Mr. MEEDS, Mr. MINETA, Mr. MOAKLEY, Mr. MOORHEAD of Pennsylvania, Mr. MURPHY of Illinois, Mr. NIX, Mr. NOWAK, Ms. OAKAR, Mr. PRITCHARD, Mr. RANGEL, Mr. VENTO, Mr. WALGREN, and Mr. ZEFERETTI):

H.R. 7697. A bill to amend title I of the Higher Education Act of 1965 to establish a system of grants for urban universities; to the Committee on Education and Labor.

By Mr. FORD of Michigan (for himself, Mrs. BURKE of California, Mr. NEDZI, and Mr. OTTINGER):

H.R. 7698. A bill to amend title I of the Higher Education Act of 1965 to establish a system of grants for urban universities; to the Committee on Education and Labor.

By Mr. HAMMERSCHMIDT:

H.R. 7699. A bill to amend the Airport and Airway Development Act of 1970 to require the establishment of a system of automated flight service stations; to the Committee on Public Works and Transportation.

By Mr. HANLEY (for himself and Mr. CHARLES H. WILSON of California):

H.R. 7700. A bill to amend title 39, United States Code, to establish congressional review of postal rate decisions, to increase congressional oversight of the U.S. Postal Service to abolish the Board of Governors of the U.S. Postal Service and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HOLLENBECK (for himself, Mr. WALKER, Mr. VENTO, Mr. PURSELL, Mr. MURPHY of Pennsylvania, Mr. DORNAN, Mr. NEAL, Mr. ROSE, Mr. KOSTMAYER, Mr. STEERS, and Mr. LUKEN):

H.R. 7701. A bill to amend the Internal Revenue Code of 1954 to permit individuals to deduct qualified smoke detector expenses; to the Committee on Ways and Means.

By Mr. JONES of Tennessee:

H.R. 7702. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 7703. A bill to amend the Internal Revenue Code of 1954 to eliminate the special treatment provided under the credit for the elderly to individuals who have public retirement system income and who have not attained age 65; to the Committee on Ways and Means.

By Mr. KILDEE (for himself, Mr. MURPHY of New York, Mr. BEARD of Rhode Island, Mr. GEPHARDT, Mr. LUNDINE, and Mr. NEDZI):

H.R. 7704. A bill to amend the Child Abuse Prevention and Treatment Act to prohibit the sexual exploitation of children and the transportation and dissemination of photographs or films depicting such exploitation; to the Committee on Education and Labor.

By Mr. KILDEE (for himself, Mr. COUGHLIN, Mrs. KEYS, Mr. KOSTMAYER, Mr. PATTERSON of California, Mr. MURPHY of Pennsylvania, Mr. WAXMAN, Mr. STOKES, Mr. FORD of Michigan, Mr. HAWKINS, and Mr. MIKVA):

H.R. 7705. A bill to protect the privacy of medical records maintained by the United States, programs assisted by the United States, or insurance companies engaged in business in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. MINISH (for himself and Mr. ANNUNZIO):

H.R. 7706. A bill to designate the Thaddeus Kosciuszko Historic Route, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. NEAL:

H.R. 7707. A bill to direct the Secretary of Commerce to approve and distribute to food service operations instructions for removing food which has become lodged in a person's throat; to the Committee on Interstate and Foreign Commerce.

H.R. 7708. A bill to amend title XIX of the Social Security Act, and the Internal Revenue Code of 1954, to provide that adult children of an individual who is eligible for medicaid benefits shall be financially responsible for at least a portion of any expenses which are incurred by such individual for nursing or home health care and which would otherwise be payable under the medicaid program; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. QUILLEN:

H.R. 7709. A bill to provide a national home-delivered meals program for the elderly; to the Committee on Education and Labor.

By Mr. SATTERFIELD:

H.R. 7710. A bill providing that the tax treatment of certain transportation expenses between a taxpayer's residence and place of work shall be determined without regard to Revenue Ruling 76-453; to the Committee on Ways and Means.

By Mr. WHALEN (for himself, Mr. PATTISON of New York, Mr. PEASE, Mr. PRITCHARD, Mr. STEERS, Mr. LAFALCE, and Mr. STANTON):

H.R. 7711. A bill to amend the Internal Revenue Code of 1954 to provide that trusts established for the payment of product liability claims and related expenses shall be exempt from income tax, and that a deduction shall be allowed for contributions to such trusts; to the Committee on Ways and Means.

By Mr. WON PAT:

H.R. 7712. A bill to apply duty-free treatment under certain circumstances to articles produced in the insular possessions of the United States containing foreign materials not exceeding 70 percent of the value of the articles; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 7713. A bill to amend title 18, United States Code, to make a crime the willful destruction or interference with the trans-Alaska pipeline system; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H.J. Res. 508. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

H.J. Res. 509. Joint resolution designating the week in each year during which Veterans Day is observed as Love America Week; to the Committee on Post Office and Civil Service.

By Mr. HEFTEL:

H.J. Res. 510. Joint resolution requiring that any trade agreement between the United States and Cuba include a provision preventing disruption of the American sugar market; to the Committee on Ways and Means.

By Mr. GILMAN (for himself, Mr. BADHAM, Mr. BYRON, Mr. BURKE of Florida, Mr. DERWINSKI, Mr. DORNAN, Mr. EDWARDS of Oklahoma, Mr. FOUNTAIN, Mr. GUYER, Mr. KELLY, Mr. KINDNESS, Mr. LAGOMARSINO, Mrs. LLOYD of Tennessee, Mr. McDONALD, Mr. McEWEN, Mr. JOHN T. MYERS, Mr. O'BRIEN, Mr. RINALDO, Mr. ROBINSON, Mr. ROUSSELOT, Mr. SNYDER, Mr. TREEN, Mr. WALSH, Mr. BOB WILSON, and Mr. WINN):

H. Con. Res. 244. Concurrent resolution expressing the sense of the Congress that the United States should deny diplomatic recognition to the Socialist Republic of Vietnam, and oppose its membership in the United Nations, until such country makes a full accounting of Americans unaccounted for and missing in action in areas under its control; to the Committee on International Relations.

By Mr. CHARLES H. WILSON of California (for himself, Mr. UDALL, Mr. HEFTEL, Mr. ANDERSON of Illinois, Mr. ANNUNZIO, Mr. BONIOR, Mr. BURKE of Massachusetts, Mr. COCHRAN of Mississippi, Mr. COUGHLIN, Mr. EMERY, Mr. FREY, Mr. FLOOD, Mr. GUYER, Mr. HANSEN, Mr. HOLLENBECK, Mr. HUGHES, Mr. KILDEE, Mr. PANETTA, Mr. RAILSBACK, Mr. RISENHOOVER, Mr. STARK, Mr. THONE, Mr. VAN DEERLIN, Mr. VENTO, and Mr. WEISS):

H. Con. Res. 245. Concurrent resolution expressing the sense of the Congress that the U.S. Postal Service should not reduce the frequency of mail delivery service; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

181. By Mr. CUNNINGHAM: Memorial of the Senate of the State of Washington, relative to the Army's proposal to disband the 365th Civil Affairs Brigade, Fort Lawton, Wash.; to the Committee on Armed Services.

182. By the SPEAKER: Memorial of the House of Representatives of the State of Ohio, relative to the delivery system for Alaskan natural gas; jointly, to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6666

By Mr. WYLIE:

On page 8, line 6, at the end of section 1007(b) add the following new paragraph:

"(9) to provide legal assistance with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system."

H.R. 7553

By Mr. SANTINI:

Page 2, line 12, strike out $4,270,057,000 and insert: "$4,279,157,000".

Page 3, after the period on line 4, insert the following new sentence: "Of the amount appropriated in this paragraph, $229,100,000 shall be used for the testing of nuclear weapons."

H.R. 7556

By Mr. BURGENER:

Page 14, immediately after line 5, insert the following new section:

SEC. 105. None of the funds appropriated under this Title shall be obligated or expended for salaries or expenses of any United States diplomatic personnel assigned to Cuba or the Swiss Embassy in Cuba.

This title may be cited as the "Department of State Appropriation Act, 1978."

By Ms. HOLTZMAN:

Page 23, line 13 strike out "$600,000,000" and insert in lieu thereof "$704,500,000".

By Mr. McCLOSKEY:

On page 31, line 23, strike the period, insert a colon and add: *"Provided,* That no funds appropriated by this paragraph may be paid to any liner company unless its chief executive officer certifies under oath to the Secretary of Commerce that he (1) has taken prompt and comprehensive action to insure that, currently and for the period during which these funds are to be received, no company owner, employee, or agent will pay any rebates which are illegal under the Shipping Act of 1916 and (2) will fully cooperate with the Federal Maritime Commission in its investigation of illegal rebating in United States foreign and domestic trades, and in its efforts to end such illegal practices."

On page 31, line 23, strike the period, insert a colon and add: *"Provided,* That no funds appropriated by this paragraph may be paid under the terms of any future operating-differential subsidy contract which has a duration greater than one year."

On page 31, line 22, strike "$352,000,000" and insert in lieu thereof "$333,000,000".

On page 31, line 23, strike the period, insert a colon and add: *"Provided,* That no funds appropriated by this paragraph may be obligated or expended to subsidize the carriage of grain to the Soviet Union."

On page 31, line 17, strike the period, insert a colon and add: *"Provided,* That no funds appropriated by this paragraph may be obligated or expended to subsidize the construction of liquefied natural gas carriers."

By Mr. WALSH:

Page 25, after line 7, insert the following:

SEC. 209. None of the funds appropriated by this title may be used to represent the Cayuga Indians in any action at law or suit in equity to recover any damages or real property from the State of New York or any owner or prior owner of any real property located in the State of New York.

EXTENSIONS OF REMARKS

CENTRAL VALLEY PROJECT

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. JOHNSON of California. Mr. Speaker, I would like to take this opportunity to call to the attention of the Members of this House the exact status of the Central Valley Project in the State of California, and its important influence on the economy of our State.

So that Members may understand the criteria under which this project is operated and maintained, I am pleased to include in my remarks a copy of a statement entitled, "Return of Federal Investment in the Central Valley Project of California."

The statement follows:

RETURN OF FEDERAL INVESTMENT IN THE CENTRAL VALLEY PROJECT OF CALIFORNIA

From its inception, the Federal Reclamation Program has been the only Federal resource program which has returned substantial parts of its cost to the Treasury in the form of reimbursement by users of water and power. In addition, of course, reclamation projects augment substantially the economies of the areas where the projects are located and the Treasury receives additional tax revenues in these areas.

Initially the Federal Reclamation Program was an irrigation program under which the beneficiaries paid the cost of operating and maintaining the facilities and returned the capital cost of constructing the various dams and canals over differing periods of time depending on the law at the time the projects were authorized. Production of hydroelectric power and development and sale of municipal and industrial water were functions added to the program in its early days. In more recent years flood control, navigation, recreation, fish and wildlife enhancement and other functions have been added to the projects in a manner consistent with other Federal programs. Navigation, flood control, highway relocation, recreation and fish and wildlife costs except for those under P.L. 89–72, and archeological research involve costs which are borne by the Federal government consistent with other similar programs.

The Central Valley Project of California performs all of these functions and the repayment of construction costs and prices for water and power charged to beneficiaries generally are consistent with other similar resource activities of the Federal government but specifically are covered by the Reclamation Project Act of 1939. Presently, dams, canals, power plants and related facilities of the CVP have a total investment of $1,358,190,000. By the end of the repayment period specified by law, $1,232,543,000 of this total, amounting to about 90 percent, will be paid for by the beneficiaries of the project water and power services. Water and power users and the State of California have repaid $399,003,000 of the total capital cost to date.

The currently estimated cost of the authorized project is $4,000,118,000 and it is anticipated that about 89 percent of this cost, $3,584,166,000, will be paid for by the beneficiaries of the project. In compliance with various Congressional Acts the other 11 percent is non-reimbursable. Costs of the project allocated to municipal and industrial service, commercial power, and recreation and fish and wildlife under Public Law 89–72 bear interest which also is returned to the Treasury.

The 1939 Act establishes the essential base for pricing services from the project but the Secretary of the Interior has substantial discretion in establishing charges for irrigation, municipal and industrial, and commercial power services. The separate services are not required to repay its total cost under the 1939 Act, but the total reimbursable cost for all these services must be returned from the total revenues.

A substantial part of the irrigation and municipal and industrial water delivered by the project must be pumped and such pumping requires electric energy. This electric energy comes from project generation and it is estimated that when the fully authorized CVP is completed, about 25 percent of the total hydroelectric power generated will be used for project pumping. Costs of this project pumping are recovered in the water rates established for irrigation and municipal and industrial water service. The capital costs of the power system, including an allocated part of the costs of reservoirs, are assigned to commercial power, irrigation and municipal and industrial water service in the proportion that generated power is used for each purpose.

Rates for sale of commercial power from the CVP are established generally in accordance with Section 9(c) of the 1939 Act and are sufficient to return operation and maintenance costs, construction costs allocated to commercial power, interest on such allocated costs and such other fixed charges as the Secretary deems proper. Federal power policy, as expressed in several statutes, is to sell power at the lowest rates to recover these costs in accordance with sound business principles rather than to secure maximum revenues obtainable. In the past 4 or 5 years, revenues received from sale of commercial power have not been adequate to meet all these costs and programs to increase commercial power rates have been and are under way.

On the Central Valley Project a distinction is made in contracting for irrigation and municipal and industrial water service between the "main" project facilities such as dams and reservoirs and canals serving many districts and distribution systems which serve a single local district. Water for these purposes generally is not sold to individuals but rather it is sold under contract to districts which are established in accordance with California law. There are two different types of contracts with these agencies, known as 9(d) and 9(e) contracts because those are the sections of the 1939 Act which govern them.

Under a 9(d) contract the original construction cost of the facilities required to serve a district, together with all operation and maintenance costs, are repaid by the district over a 40-year period (50 years if a development period is required). At present $90,337,000 have been expended for distribution system construction and $23,340,000 of this amount has been repaid along with operation and maintenance costs. For the fully authorized CVP, the currently estimated cost of all distribution systems is $635,421,000 and this cost will be repaid within the statutory period. Each district may have the Bureau construct distribution systems for it or under other provisions of law may construct the facilities with Federal funds or with its own financing.

Under a 9(e) contract a district agrees to buy a given amount of water for a period of not more than 40 years at a price set forth in the contract; in other words the district undertakes no fixed repayment obligation for the capital cost of the project or for the operation of the "main" water supply facilities. The 9(e) contract thus is not a repayment contract but rather is known as a water service or utility type contract because it is like the purchases of water, electric power, gas or other public utility services. The Secretary of the Interior has the discretion to use the 9(e) contract and all irrigation water service in the CVP is supplied under such contracts. Water pricing under these contracts for irrigation takes into account two main elements, the ability of farmers to pay over the long term and the adequacy of total project revenues to return total reimbursable costs. Early CVP water service contracts, and the terms of these contracts generally will run out around the year 2000, provided constant rates for 40 years. Increasing construction costs and escalation of operating costs have led to adoption of the current policy under which rates will be revised at 5-year intervals having in mind both the ability to pay and the cost of providing the service. To the extent that capital costs allocated to irrigation are not repaid by irrigation users, power revenues and municipal and industrial revenues available after those functions are repaid will be used to aid irrigation repayment.

Similar options are given to the Secretary for setting rates and marketing municipal and industrial water. A repayment contract covering return of the capital costs with interest in 40 years may be used for distribution systems. Also, as provided in Section 9(c) of the 1939 Act, a water service or utility type contract can be entered into for periods of not more than 40 years. Rates in the utility type contract are those which in the Secretary's judgment will produce revenues at least sufficient to cover an appropriate share of annual project operation and maintenance costs and of such fixed charges as the Secretary deems proper. In the CVP, the utility type contract is used to repay the cost of major water supply facilities which are allocated to municipal and industrial water. Interest on the unpaid balance of the capital costs is included in rates.

However, as has been the case since the original Reclamation Act was passed in 1902, irrigation costs repaid by water users include only capital cost and do not include interest on the investment for that purpose.

To some extent, waterfowl conservation, recreation and fish and wildlife functions are reimbursable in accordance with Public Law 89–72. Costs of waterfowl conservation also are reimbursed under a 1954 Act. Recreation

and fish and wildlife costs under P.L. 89-72 and P.L. 93-251 are paid for under contracts executed with non-Federal public agencies who agree to administer the land and water areas of the project for recreation or for fish and wildlife enhancement.

All reimbursable costs of the Central Valley Project are expected to be returned to the Treasury by the 50th year after the addition of the last unit.

TAX STATUS OF AMERICANS LIVING ABROAD

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. NEAL. Mr. Speaker, I am sure that my colleagues are aware of the many inequities created by the 1976 Tax Reform Act. We have rectified, at least temporarily, some of these injustices, but perhaps the most astounding one still exists.

The tax status of Americans living or residing abroad received a temporary shot in the arm when the President signed the Tax Reduction and Simplification Act of 1977 on May 23. The act delays until 1977 changes made by the 1976 Tax Reform Act.

On May 18 I introduced a bill (H.R. 7306) which would return the tax status of Americans living or residing abroad to its pre-1976 status. I am today introducing a letter from William C. Penick, chairman of the Federal Taxation Division of the American Institute of Certified Public Accountants to Laurence N. Woodworth, Assistant Secretary of the Treasury for Tax Policy. The impact of section 911 of the 1976 Tax Reform Act has been quite severe upon both individual U.S. citizens and American businesses. I believe Mr. Penick's letter sets forth an excellent argument for the repeal of tax laws which are adversely affecting our best interests both overseas and in this country. The letter follows:

DEAR DR. WOODWORTH: Since the enactment of Section 1011 of the Tax Reform Act of 1976, we have had opportunity to observe the impact of changes made in Section 911 of the Internal Revenue Code on many U.S. citizens and business entities. The purpose of this letter is twofold.

1. To comment on the adverse impact of these changes on U.S. citizens, U.S. business entities, and on the U.S. economy itself.

2. To recommend appropriate legislative changes to mitigate or eliminate these adverse results.

ADVERSE TAX AND BUSINESS IMPACT

The changes made to Section 911 by the 1976 legislation have a significant adverse impact on both U.S. individual citizens and business entities. The new rules are also harmful to the U.S. economy, ironically at a time when both the Administration and Congress are considering ways by which to stimulate the economy.

INDIVIDUAL U.S. CITIZENS

United States individuals working abroad are now faced with substantially-increased tax burdens. The new law increased this burden by (1) reducing the earned income exclusion amounts from $20,000 or $25,000, as the case may be, to $15,000, (2) the disallowance as a credit of foreign taxes allocable to excluded income, and (3) the application of higher marginal tax rates. Under certain circumstances, the combined increase in U.S. tax and decrease in the amount of foreign taxes allowable as a credit results in double taxation, once by a foreign government and again under the U.S. tax system.

Aside from the substance of the changes, their retroactivity to January 1, 1976—nearly nine months before enactment—is particularly inequitable.

The new law grants affected U.S. citizens an opportunity to elect out of the Section 911 exclusion rules. However, this election, once made, is binding for all subsequent years unless consent to revoke is granted by the Secretary of the Treasury.

While regulations have not yet been issued on this subject, it appears that this election may apply not only to the immediate tax liability of U.S. citizens abroad at their present duty posts, but also to their future tax situations at other foreign duty posts to which they might be transferred. This potential application of the election provision is unreasonable and inequitable and should be modified as soon as possible either by change in statute or by interpretive regulations.

U.S. BUSINESS ENTITIES

The payment of allowances in addition to base salary is the primary reason for the high cost to employers of maintaining U.S. citizens in overseas locations. Such allowances include payments to mitigate or offset increased costs of living, including education, transportation, housing, taxes, and moving expenses.

These allowances are not designed to create an economic benefit to the employee. Rather, their purpose is to place overseas personnel in substantially the same economic circumstances as if they had remained in the United States. Without these allowances, economic necessity would often prevent U.S. employees from accepting important foreign duty assignments.

For example, a U.S. Government report indicates that persons in the United States with income of $15,000 to $25,000 spent less than 20% of their income for housing. Yet, in many foreign locations, overseas personnel in the same income brackets must spend from 75% to 150% of their income for roughly equivalent housing. (Annual Housing Survey: 1974, Part C, Financial Characteristics of the Housing Inventory, U.S. Department of Commerce; U.S. Department of Housing and Urban Development (Current Housing Report Series H-150-74C), Table A-1, Pages 2 and 4).

This report is compatible with current actual costs of foreign housing for overseas personnel. For example, modest three bedroom homes in the Middle East may rent annually for $16,000 to $30,000 or higher. In Nigeria, the annual rental approaches $40,000.

Inflation will no doubt continue to escalate these foreign housing costs. In Dubai, for a three bedroom bungalow, the annual rental increased from roughly $6,000 in 1970 to nearly $20,000 at current levels. In many instances, substantial advance rental payments are required for leases exceeding one year.

The cost to U.S. companies of maintaining personnel abroad is particularly severe because of the amount of reimbursement for excess taxes usually required to place employees in an after-tax position comparable to employees working in the United States. In this regard, it is necessary to "gross up" the reimbursement because such payments themselves are subject to tax by the United States and by many foreign countries, in many cases at pyramiding rates.

The increased costs to U.S. companies as a result of the 1976 Tax Reform Act are having worldwide impact. For example, a recent published account provided the following description of the impact in the Middle East, which is today the world's fastest growing market.

U.S. exports of goods and services are running into tough competition in the Middle East. The governments of Japan, West Germany, France, Italy and other countries are giving support to their companies in the Middle East. The U.S. share of the market in Saudi Arabia has declined from 31% in 1974 to a present 25%. In Iran, sales have decreased from $3.2 billion in 1975 to $2.8 billion whereas West Germany's sales increased by 11% and France's by 19%.

The 1976 Tax Reform Act will increase the U.S. tax paid by a U.S. citizen stationed in the Middle East by thousands of dollars. If a U.S. firm does not assume this increased tax burden, then U.S. citizens may go home. This compares with the fact that virtually all other industrialized countries do not tax nonresident citizens working overseas.

The margin of profit in many contracts will not permit a U.S. firm to assume the added tax burden, and the foreign customer may not be willing to absorb the increased costs in the contract. On major construction contracts abroad, competition from French, German, and Japanese contractors is extremely tough, to say the least.

Contracts are often awarded based on relatively small differences in price, and in many cases the relatively small amount of additional U.S. tax revenues collected from U.S. personnel working on these contracts may be a significant factor in U.S. companies not being awarded contracts running into hundreds of millions of dollars.

Foreign nationals are being hired to replace U.S. personnel as other U.S. employees are not willing to accept overseas assignments. One major company indicated it could hire 2.8 U.K. citizens in key executive and technical posts and 2.3 U.K. engineers just out of college for the cost of one U.S. counterpart.

Many of the U.S. personnel who will leave are business consultants. In making purchasing decisions, on the basis of their greater familiarity with U.S. products, there is a natural tendency to deal with U.S. businesses. Foreign nationals may have allegiance to their own countries.

Several other points relating to the impact of these changes on U.S. companies doing business abroad are worthy of comment.

1. The cost of employing U.S. citizens abroad becomes prohibitive because of tax equalization and the pyramiding effect. The additional tax revenues that are derived accrue primarily to foreign governments rather than to the U.S.

2. The additional cost of overseas operations is causing U.S. businesses to reassess their foreign operations. Basically, they can either replace U.S. employees with local or other foreign personnel, which generally reduces effectiveness in foreign markets, or they can retrench their operations because the replacement with local or other foreign personnel is not feasible or the operation cannot remain profitable.

3. The new rules make the commencement of foreign operations by smaller companies very expensive or impossible because local talent does not possess U.S. know-how and familiarity with company operations.

4. Finally, foreign earnings by U.S. businesses are likely to be reduced, and ultimately U.S. tax revenues from such earnings will decrease.

U.S. ECONOMY

One of the objectives of the 1976 Tax Reform Act, as stated in the Senate Finance Committee report, was reform of the income tax laws "without interfering with equally important goals of economic efficiency and growth." It appears that the indicated adverse impact of the Act's "reform" of Section 911 is incompatible with that stated objective.

Senator Dewey Bartlett of Oklahoma, in his remarks introducing Senate Bill 388 (to amend Section 911), stated that Section 911 as amended by the 1976 Tax Reform Act is:

". . . one of the most misguided provisions

. . . (and) . . is punitive in its effects on individual Americans abroad and a great disservice to American business overseas generally. Unless corrected, its net effect will be that America will lose jobs and that American companies operating abroad will be forced to cut back their activities or increase their product prices. . . . To the extent that the current law forces American companies to forgo planned expansion or to increase their prices, it will hinder international economic recovery. Much of the world is depending upon the United States' economic ability and strength for much of their recovery. The present law will frustrate that expectation as American expertise and experience is drawn back to U.S. territory."

Looking further at the impact of these changes on the U.S. economy, the following results are likely to occur.

1. U.S. goods and services will be less competitive abroad and this could have a significant negative impact on our balance of payments.

2. As U.S. expatriates return home, they must be added to our labor pool here which will create further strains on our unemployment situation and on the social services provided by U.S. agencies.

3. Lower earnings are likely to be repatriated from abroad, which on an overall basis may result in lower U.S. taxes from foreign operations of U.S. entities.

The Federal Tax Division of the AICPA agrees with Senator Bartlett's assessment of the effect of the 1976 Tax Reform Act on international business. In the interests of the U.S. economy, it is imperative that Congress act quickly to undo the damage done by last year's changes in Section 911.

Modifying those changes as suggested below would not significantly reduce tax revenues of the United States. To the contrary, the impact on the strength of our competitive position is likely to generate additional tax revenues far in excess of any immediate loss in taxes on U.S. citizens resulting from such changes.

RECOMMENDATION FOR LEGISLATIVE CHANGES

First, we support the immediate approval of the Senate Finance Committee's proposal to delay the effective date of the 1976 Tax Reform Act amendments to Section 911.

This would temporarily restore the provisions of prior law and would, at a minimum, restore the faith of thousands of U.S. citizens working abroad in the fairness of the legislative system, by not imposing on a retroactive basis the very substantial changes in the rules.

Such restoration of prior rules would also resolve the substantial technical and administrative burdens that are presently confronting both U.S. individual citizens and corporations, due to uncertainties as to the implementation and application of last year's amendments.

Further substantive amendments to Section 911 should not become effective until the entire situation can be studied in greater depth. A number of companies and business groups have already submitted data on how overseas personnel will be taxed and would be willing to cooperate further in a review of the problems. This study should culminate in legislative proposals that will correct the inequities faced by U.S. business and overseas personnel.

In considering further legislative changes in this area, we perceive as a basic objective the desirability of adopting U.S. tax rules similar to those followed by most other foreign countries, particularly those whose businesses are our strongest competitors in foreign markets.

Most of these countries provide that all income earned outside of the home country is not subject to tax. Recognizing the potential for tax avoidance from a concept this broad, and considering the nature of business operations where the need for using U.S. employees in foreign operations is so great, we suggest that a narrower approach along either of the following lines is appropriate for the U.S. tax system:

1. A return to the former Section 911 provisions but with an upward adjustment of the $20,000–$25,000 exclusion allowances that were established in 1964 and have not been adjusted for inflation.

In adopting these changes, we would agree that no credit should be allowed against U.S. taxes for foreign taxes paid on amounts excluded from U.S. income.

2. Enact provisions similar to Section 912, excluding from income a portion or all of the allowances for specified increased costs of foreign work assignments. The amounts of such exclusions should be limited to amounts in excess of expenditures that would normally be incurred by U.S. persons, using some standard such as average living costs in major U.S. metropolitan areas. This approach would require giving specific attention to particular foreign locations where U.S. personnel are required to conduct business operations.

To summarize, it seems imperative that the inequities created by the 1976 Reform Act be redressed; otherwise, the competitive position of U.S. business in world markets will be adversely affected. This will ultimately be to the detriment not only of the U.S. individual citizens and companies directly involved, but also to the U.S. economy generally.

Copies of this letter are being sent to Senators Long, Curtis, and Bartlett, Congressmen Ullman and Conable, and Secretary Blumenthal.

Very truly yours,

WILLIAM C. PENICK,
Chairman.

THE LAW OF THE SEA CONFERENCE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. FRASER. Mr. Speaker, I rise today to report to the House on a matter of great importance to our Nation—the negotiations which are going on at the United Nations on the Law of the Sea.

The conference is now finishing its third week in an 8-week session and has been devoting its time to outstanding matters in the Committee I—deep seabed—negotiations. It is my view that Ambassador Elliot Richardson, head of our delegation, is doing an excellent job of representing key U.S. national interests in the areas of high seas rights of navigation and scientific research, of pollution control and dispute settlement, of seabed resource regulation by a new International Seabed Authority, or archipelagic principles, and of all the other equally important questions.

That is a complex negotiation which will redound well to our Nation and no particular aspect of it can override our national interest in achieving a treaty.

I would like to insert for my distinguished colleagues, Mr. Speaker, an interesting article which appeared in the Washington Star a few days ago. The article explains progress in the Committee I—deep seabed—negotiation and discusses some of the reasons why a treaty is so important for our Nation and for the world.

Mr. Speaker, we must seize every opportunity to promote peace and cooperation rather than conflict and confrontation. A Law of the Sea treaty will help our Nation to approach these goals. I wish Ambassador Richardson and the entire U.S. delegation well in their difficult task.

The article follows:

AVERTING A "NODULE RUSH" TO THE SEABED

(By Charles Bartlett)

UNITED NATIONS.—This is go/no go time for the treaty being negotiated to avert a "nodule rush" to the bottom of the sea, a race for stakes high enough to pale the frenzy of the California gold rush.

After bickering for years over who will harvest the mineral wealth that nestles on the seabed beyond the Continental Shelf, negotiators for 150 nations are trying to agree on a consensus text that will divide the exploitation between private companies and an "Enterprise" whose profits will be mainly allocated to the developing world.

The Enterprise will be the creature of an Authority that will in turn be controlled by a Council and Assembly which will represent the interests of all nations. The American negotiator, Elliot Richardson, has won consensus support for parallel exploitation by promising U.S. help in the creation and financing of the Enterprise that will mine the deep in behalf of the poor countries.

The hope here is that if grinding negotiations bring consensus agreement on seabed mining shortly, many other points at issue in this massive treaty of 500 articles will be bent into place by the eagerness of all parties to get the Enterprise started. But if the consensus does not jell, the treaty's momentum will be stalled, perhaps fatally.

The U.S. Congress has behaved well on this treaty despite the pressures of free-enterprisers who argue that the United States, with its access to technology and financing, will be first to sweep the ocean floors if there is no treaty. Congress could easily have deferred to the commercial interests that press for unilateral exploitation because all the lobby pressures are working in that direction.

But if Richardson can produce a text by mid-July that will restrain the offshore territorial claims of maritime nations and assure the "innocent passage" of military and commercial vessels in the world's sealanes, the arguments for a treaty will outweigh the free-enterprise contentions. The prospect of chaotic rivalries at sea would certainly not augur well for peace.

Chaos has already been launched, however, by the reach seaward of nations which aspire to enlarge their importance by swelling their dominion. Some 24 countries now claim territorial jurisdiction for 30 miles or more and 11, 200 miles offshore. The conference is proposing 200 miles of economic control but only 12 miles of territorial jurisdiction.

President Carter, reluctant to rely on prominent Republicans, was shrewd to assign Richardson to this negotiation. His multifaceted mind can cope with the tremendous intricacies of the treaty, his political skills help with the conciliation process, and his love of public service keeps him going through days and nights at a procedure which most Americans would find baffling and boring.

Richardson has called these negotiations "an exciting collective experiment" and they represent more than control of the seabeds. They are a test of the world's ability to devise bridges to span the gap between rich and poor nations, to find durable methods of balancing the resources of the former against the voting strength of the latter.

Richardson and his 60-man delegation did not come to New York to deliver the seabeds to the domination of the developing world. But the American posture is a healthy symbol of a growing awareness of the industrial nations that they cannot have it all for themselves.

WHAT IS THE POINT, MR. AMBASSADOR?

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. ANDERSON of Illinois. Mr. Speaker, I have the highest personal regard and affection for Andy Young, our U.N. Ambassador. We served together on the Rules Committee and worked together on many issues of mutual interest. Because of this regard and my feeling that he should be given a chance to settle into his new job and find his own way, I have not spoken out publicly to date on some of his pronouncements with which I happen to disagree. It is certainly his right to speak his own mind, just as it is our right to react with our own views. And I am sure that is just what Andrew Young has in mind when he lets fly with some of his more controversial statements—to force us to think and react on subjects which we might not otherwise pay any attention to.

In view of the recent Harris Poll finding that the American people, by a better than 2-to-1 margin, feel Ambassador Young has "made too many statements that offend other countries, and should learn to keep some of his thoughts to himself," I think it is appropriate to question whether the self-appointed "point man" for the Carter Administration is making any points with the American people or whether his remarks are increasingly being dismissed as pointless.

Moreover, given his special position as our U.N. Ambassador and his statement on Tuesday that his every public utterance should be considered official administration policy, unless it is specifically repudiated by the administration, I think a strong case can be made that he should choose his points and his words more carefully. For it is one thing to freely express your own views; it is quite another to carry the weight of official administration domestic and foreign policy around on the tip of your tongue. Moreover, this rather unique situation places the White House in the awkward and embarrassing position of having to publicly repudiate the Ambassador whenever his own views conflict with official policy, for fear his comments will otherwise be passed off as official policy.

The most recent example of this occurred with respect to Ambassador Young's characterization of two former Republican Presidents as "racists" in his July Playboy interview. I have read that portion of the interview in context and appreciate the fact that Ambassador Young went on to say that, "They were racists not in the aggressive sense but in that they had no understanding of the problems of colored peoples anywhere," and that, in a sense, all Americans, black and white, are "affected by racism" and "tainted by it." He went on to expresss the hope that we could "start talking about racism without putting moral categories on it so we can understand it," and explained that, "I demoralize racism and call it ethnocentrism." He further explained himself to two congressional committees this week by indicating that he was really talking about "insensitivity to the problems of race" and "to cultural differences," and concluded, "I have to find a better word."

Mr. Speaker, racism is still a problem in this country and others. The generally accepted definition of that term is, "any program or practice of racial discrimination, segregation, persecution and domination, based on racialism," which is the belief in "the superiority of one race over another or others, and that seeks to maintain the supposed purity of a race or the races."

I know of no way you can "demoralize" that term. The practice of racism and the doctrine of racialism on which it is based, are clearly immoral according to the most commonly accepted precepts of morality. It would not do to call everyone a racist because, in the first place, not everyone engages in a practice of racial discrimination, persecution, or domination based on a belief in the superiority of their race over another; and in the second place, in so doing, the word loses all meaning. Racist becomes nothing more than a synonym for person. In short, there is no point in singling out anyone as a racist if everyone is considered a racist.

Unfortunately, however, in singling out certain persons as racists, albeit in the larger sense of being apathetic, ethnocentric, or everyman, the impression is left with most people, who operate under the commonly accepted definition of that term, that the persons singled out as "racists" are being accused of being, "in fact, racists," to quote Ambassador Young. The problem lies not with the press or the headline writers or quoting out of context, but in the conflict with the commonly accepted definition of that term. We must all speak the same language and agree to the meanings of certain words if we are to truly understand and communicate with one another—if we are to get the point that the "point man" is trying to make.

I offer these thoughts because I am particularly disturbed by Ambassador Young's characterization of former President Ford as a racist. I had the opportunity to work closely with Jerry Ford when he was the minority leader in this House and later when he was Vice President and President. We not only enjoyed a close working relationship as members of the Republican leadership, but we developed a close personal friendship as well. I therefore think I can speak with some authority in asserting that no cne could be further from being considered a racist, in my opinion, than Jerry Ford. He is a kind, decent, and compassionate person, with great respect for the rights and dignity of all persons, regardless of race, color, or creed. I do not even think it is fair to accuse him of being insensitive to cultural differences or the problems of race. Granted, no white man or woman can fully empathize with or understand all the problems and feelings of racial minority groups who have suffered under real racism. But I do know from personal experience that Jerry Ford was not and is not insensitive to those problems and feelings.

Ambassador Young has done a disservice to the name and character of former President Ford by calling him a racist, no matter what his definition of that term might be today. I find it rather ironic that a collection of Carter administration officials demanded an apology of a business spokesman for calling Consumer Adviser Esther Peterson a woman, and yet that same administration, though repudiating Andy Young's racist characterizations of our former Presidents, does not think an apology is due in this instance. I, for one, think an apology is in order.

At this pcint in the RECORD, I include the full text of the controversial portion of the Playboy interview in question:

FROM THE JULY, 1977, PLAYBOY INTERVIEW WITH ANDREW YOUNG

PLAYBOY. How did Kissinger's lack of understanding of racism affect his foreign policy, in your opinion?

YOUNG. Not just Kissinger but Nixon and Ford too. They did not face racism in their lives and tended to rule it out. Nixon and Ford did not face it, because they were, in fact, racists.

PLAYBOY. That's a pretty strong charge.

YOUNG. They were racists not in the aggressive sense but in that they had no understanding of the problems of colored peoples anywhere.

There's a sense in which every American, black or white, is affected by racism. You cannot grow up in the United States of America in the 20th Century and not be tainted by it. We've got to start talking about racism without putting moral categories on it so we can understand it.

PLAYBOY. How do you talk about it?

YOUNG. I demoralize racism and call it ethnocentrism.

ANDY'S MEDDLING

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the El Cajon Californian, May 26, 1977]

ANDY'S MEDDLING

U.N. ambassador Andrew Young overstepped the bounds of diplomatic propriety when he recommended during a visit to South Africa that blacks in that country engage in economic boycotts against the white minority.

That was meddling, pure and simple, and Young should be called on the White House carpet just as Maj. Gen. John Singlaub was for undercutting official U.S. policy by suggesting that withdrawal of U.S. troops from South Korea would lead to war.

The United States has declared its policy in South Africa to be support for the black majority. That is a morally defensible position in keeping with our generalized support for democratic rule in countries around the world.

But neither this country, nor anyone who presumes to speak for it, has a right to play an advisory role in South Africa, telling blacks what strategies to employ in overcoming the resistance to majority rule displayed by the white minority.

President Carter was within his rights to declare this country's support for human rights around the world, but he was not so careless as to suggest that dissidents in the

Soviet Union stone the Kremlin or that the oppressed people of Uganda assassinate Idi Amin.

Mr. Young should be equally cautious before dispensing unsolicited advice, making this country vulnerable to the charge that it is meddling in the internal affairs of another sovereign nation.

THE TIMES THAT CREATED THE LEGEND

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remark in the RECORD, I include the following:

[From the Armed Forces Journal International, June 1977]

THE TIMES THAT CREATED THE LEGEND

(By William P. Sloan)

Fifty years have passed since Lindbergh's crossing of the Atlantic and today's Paris Air Show; it seems appropriate to look over our shoulder a bit and glimpse at the times that created the legend.

The aviation "Greats" of today—Donald Douglas, Larry Bell, Glenn Curtiss, Dutch Kindelberger, Allan Lockheed, Jack Northrop, Reuben Fleet—were all dedicated men who eventually made the United States the world's leading aviation and aerospace country. Their factories are turning out giant air transports, helicopters and defense aircraft used throughout the world. But time, like a polishing stone, has erased most of the early struggles and tribulations, leaving in our archives only the plaudits, honors and awards these pioneers have achieved. Memory dims the fact that at one time they were young men who bucked staggering odds to become successful in a business which sane people once thought equivalent to going over Niagara Falls in a barrel.

Sitting in the cocktail lounge on the upper deck of a transcontinental 747, knifing through the air at 600 miles an hour at 35,000 feet, it is hard to realize that in the brief span of a half-century, a young man spent 33 lonely hours crossing the Atlantic in a single-engined monoplane, pioneering the first west-to-east transatlantic flight from New York to Paris. The story of Charles Lindbergh was one of the most publicized sagas in history. But his epic achievement was, in part, accomplished only because one of the early visionaries in aviation had the guts, imagination, and instinct to survive the post World War I era and eventually build the company that built the airplane that Charlie Lindbergh flew. T. Claude Ryan's subsequent contributions to the history of aviation have been well documented—but the long road he traveled from a piano-box office and Jenney trainer to supply the landing radar for the Apollo moon shot was not without a few trials and tribulations.

What are the ingredients, the strange alchemy, that makes man want to fly?

Claude Ryan began his aviation career learning to fly from a dusty strip in Los Angeles in 1917. But unlike thousands of aspiring neophyte flyers, he was also blessed with that extra bit of business acumen—a keen perception of the future of flying—and endured the downright necessity of making a buck to survive. It wasn't easy.

Two years training with the U.S. Army Air service gave Lt. Ryan a solid background as a pilot—solid, for the type of equipment available in the early twenties * * * Army Day (at $5 a head, provided 20% of the take was donated to the Army Relief for a qualified pursuit pilot, but it gave Claude Ryan the cross-country experience which later led to airline surveys. Arriving in San Diego in 1922 with $400, and unlimited ambition, he bought a war-surplus Jenny and began the battle of survival in a fledgling business.

The Jenny WWI trainer was not the most reliable piece of equipment flying in those days, but planes were available for $400–$500 in unopened crates at the Army's Rockwell Field across San Diego Bay. Since Ryan's early flying lessons were paid in part by rebuilding and assembling the plane he was taught to fly in, he developed enough savvy to do his own repairs, and managed in the early days to pick up extra money assembling Jennies for buyers with no experience. Standard cost for assembly and test flight, a day's work, was $35.

Just a short word about T. C. Ryan's personality. Today we would call it charisma. He was no orator, but he was persuasive. J. W. Brennan, San Diego's Harbor Master, gave Claude permission to use (at no charge) a landing strip at the foot of Broadway for his first venture flying sight-seeing charters. A young major named Hap Arnold gave him permission to fly passengers from Rockwell Field on Army Day (at $5 a head, provided 20% of the take was donated to the Army Relief Society). Claude Ryan was extremely successful in charming people to fly in his Jenny. Coverage by local newspapers about his new aerial service helped bring in some business, and by spending a few bucks for leaflets, he did his own advertising by scattering them from the air. They read "Fly With Me—Take a Real Trip Thru the Clouds! Ryan The Aviator is in Your City!"

At 24, T. Claude Ryan was in business. It wasn't booming, but he eked out enough money to meet the gas bill, pay his room at the YMCA, buy hamburgers and enjoy an occasional bowl of chile.

The arrival of a carnival near his strip proved lucrative. Inspired by the quick take and a persuasive carnival manager, he joined the carnival for a brief tour near San Bernardino. The strip chosen for operations there was so short that he had to bounce the Jenny over the fence to get airborne with a passenger, and after a couple of days of inhaling and sweating, he returned to San Diego.

With his bank account beginning to grow above the hundred dollar mark, Claude was able to float a loan large enough to pick up a couple of more surplus Jennys. The bank was extremely skeptical about investing in something as foolish as aviation—especially with a young pilot whose longevity could not be assured. But a teller who was Claude's roommate at the "Y" backed up the plea, and he started his first venture into the aircraft business. Buying the Jennys at $400 a copy, selling them for $500, plus assembly, plus flight instruction, got him started. This was followed by promoting sight-seeing trips in student-furnished, student-flown airplanes—with a percentage for Claude on each flight.

While Ryan was able to persuade the San Diego's city fathers that the installation of new power-lines next to his strip was no hazard, the expansion of his business made the field questionable. Coming in under the power lines for landing was safe enough, but the space was a tad cramped. For $15 a month, he leased several acres near the old Marine Base in San Diego, and moved his operation there. The Ryan grin persuaded a building inspector not only to draw plans for a minimum hangar, but inspect it upon completion. Cost to the Ryan Flying Company was a free parachute jump by the inspector—although Claude had to borrow the parachute from jumper Archie Atherton. Claude allowed his students to park their Jennys on his leased field and the brush-covered Dutch Flats began to take on the appearance of a real aerodrome.

Claude was beginning to breathe a little easier finally, but there was still a bank loan, field rental and gas for the airplane. In addition to his sightseeing trips and student instruction, other offers to make an honest dollar occurred. Gray Line Tours ran scheduled sightseeing tours between Los Angeles and San Diego. Starting at the ticket office in San Diego, and making a point of becoming acquainted with the drivers, Claude arranged for a stopover at Dutch Flats to entice tourists to see San Diego from the air. The bus driver would get a dollar of the five. As business increased so did the drivers' enthusiasm; they extolled the thrill of flying all the way from Los Angeles to Dutch Flats.

Some of the money came the hard way. With a contract to fly a surplus Jenny from San Diego to Santa Ana for $35.00, Claude took off on a 60 minute flight with no trepidations. But a rusty fuel tank fouled the gas lines, and he had to set the plane down seven times. One of life's longest moments happens when the only engine coughs and quits, and the prospect of getting down in one piece is dim. But seven forced landings on a single flight are not only hard on the pucker string—they can lead to rapid aging.

Gradually, Ryan's metamorphosis from a flyer to a businessman was taking place. Although his heart was in the sky, his stomach was on the ground, and keeping it filed along with the bank account required expansion. Surplus Standard J–1 biplanes were still available from an Army supply depot in Texas. They could carry two passengers (instead of the one for the Jenny) and Claude acquired several of them.

For years, Ryan had been able to trade flying time for salaries to the people who maintained his Jennys. But with the acquisition of the Standards and the prospect of rebuilding them into a four passenger plane, he needed design assistance. He located a former flying school mechanic, Hawley Bowlus, who was working on tractors for the Ford Company in San Fernando: Ryan persuaded him to come to work as his first paid employee—$35.00 a week. Between the two of them, the redesign of the Standards began. Wind-tunnels were non-existent, and aerodynamics an unexplored realm, so they calculated new cockpit dimensions by flying with their hands sticking out until they felt the strongest slip-stream. With the fat-belly rebuild, the Standard flew even better. (Years later, the "Coke Bottle" redesign of the Convair fighters proved the theory valid.)

The four passenger Standards began paying their way with sightseeing and charter trips. The idea of a regularly scheduled, twice-a-day flight from San Diego to Los Angeles began to form, and the first year-round passenger airline came into being. Fare between the two cities was $22.50 round trip, $14.50 one way. Passengers were entitled to $5.00 rebate in case of a force landing. (Today we get free booze if the flight is delayed). It wasn't unusual for the prop to quit turning over the ocean and for Claude to land on the tidelands. His passengers then slogged through the mud to the nearest highway and hitch-hiked to LA—and probably bragged to their friends later about the wonders of air travel.

While the Standards provided an adequate although not entirely reliable flight service, a touch of class was needed to attract more passengers. After a brief period of negotiations, Claude was able to purchase an aircraft designed and built by Donald Douglas in an attempt to establish the first non-stop U.S. crossing. But when two Army pilots made the first record flight in a Fokker T–2 in May of 1923, the mammoth David-Douglas Cloudster was sold to a group for local sight-seeing trips (two rows of four passengers seated on benches in the open front cockpit, with the pilot aft and above).

Ryan bought it—for $6000, with financial aid from his new partner, playboy Franklin Mahoney. Rebuild of the Cloudster consisted of putting the cockpit forward and enclosing the rear section to seat five passengers on each side with an aisle in between. Unknow-

ingly, the Ryan Airplane Company actually created the original version of today's modern airliners. General Billy Mitchell was one of the early passengers on the Cloudster. Ryan's promotional schemes included Hollywood starlets providing cheesecake photos, real estate sales (from the air!) and charter flights in the plush airliner.

Still Ryan was not satisfied. His fledgling company was breaking even, employees were being hired and actually paid money, and the payroll was being met adequately, if not regularly. With the source of surplus WWI training planes dwindling, and no new replacements on the horizon, Ryan took a bold step. Disregarding the conventional bi-plane design, he sketched a new concept, featuring a single wing over the fuselage, a side door for easy entry, and payload of 600 pounds. He paid for stress analysis by a couple of Los Angeles engineers, and with the meticulous help of Hawley Bowlus, John van der Linde, and a handful of early enthusiasts, the Ryan M–1 (M for monoplane, 1 for the first of the series), became a reality. Claude flew all of the initial tests himself, and with the engineering help of a kid named Jack Northrop (who was moonlighting on weekends for Ryan while working full-time for Donald Douglas), Ryan was launched into the airplane building business.

The de Havilands used by the government for air mail service were first produced in 1917; by 1925, they were beginning to go the way of the kiwi bird and the ostrich. Engine failures, structural fatigue and old age made the time opportune to replace these biplanes; Claude Ryan came out with the M–1. Commercial contracts were being let to private companies to take over the mail service. One of the first customers for the newly designed monoplane was Vern C. Gorst, who established the Pacific Air Transport group which later became part of United Air Lines. Ryan and Gorst flew the survey flights for a route between San Diego and Seattle, and even managed a side trip at Vancouver to win a race against the famed Lt. Oakley Kelly in a DH. Publicity from the race helped boost sales of the M–1—but Kelly was reprimanded and Claude reminisced later, "It was years before I ever got a government contract."

Sales picked up, and to provide adequate manufacturing room for the airplanes, Ryan leased the upper floor of an abandoned fish factory on the mud-flats for $200 per month. Improvements in design led to the M–2 with more payload and range. With commercial operators using the monoplane in the mail service, Ryan's name began to spread beyond the limits of California. The number of full-time employees (at an average of 65¢ per hour) jumped to 35; among them, a kid by the name of Doug Corrigan.

Much of the success of the Ryan enterprises was the result of the men handpicked to assist in forming his companies. His insight into the character of those early believers enabled him to choose the right combination of skill, imagination, and above all—willingness to work for next to nothing. Don Hall, the man who did the major share of engineering modifications for the Spirit of St. Louis was one of these, and joined the company a few weeks before the eventful appearance of Lindbergh. However, Ryan's relationship with his partner, Franklin Mahoney, became so strained that eventually Claude sold out to him for $25,000 (plus an M–1). It wasn't a bad deal for a kid of 28 who had started 4 years earlier with $400 to his name. Claude stayed on as general manager, but he relinquished full control (and the bills) to Mahoney.

Bill Wagner, who joined the company in 1937, recently published a biography of "Ryan, The Aviator". In it, he vividly describes receipt of a telegram from the Robertson Aircraft Corp. in St. Louis reading: "Can you construct Whirlwind engine plane capable flying non-stop between New York and Paris? If so please state cost and delivery date." After a short consultation with Don Hall, Claude sent this answer back: "Can build plane similar to M–1 but larger wings capable of making flight. Cost about six thousand without motor and instruments. Delivery about three months."

The epic of the "Spirit of St. Louis" and Charles A. Lindbergh was beginning. History has chronicled and repeated the story for 50 years. But as an epilogue, the Ryan-Mahoney Aircraft Company, without the leadership of T. Claude Ryan, disappeared within two years of the flight. Claude began again, but this time on his own.

The Ryan School of Aeronautics went on to train 12,000 military pilots during WWII. The Ryan ST trainer evolved into the first low-wing trainer ever to be used by the Army Air Corps; thousands of them put men into the air for the first time. With the post-war cancellation of military contracts, the company shrank from nearly 8,000 to 600 employees. Using experience gained from manufacturing stainless steel jet components, Ryan turned briefly to the manufacture of caskets. The industry, groping to recover, coined a slogan: "Whether you're flyin' or dyin,' rely on Ryan!" Claude rebounded with the Ryan Navion, fuselage components for the initial Boeing 707s and KC–97s, the Vertijet, the first lift-fan VTOL aircraft, the first Air Force air-to-air guided missile and the first turbojet target drone. The Firebee drones are still the most widely used targets in the world, and his surveillance drones wrote history in Viet Nam and the Six Day War.

In 1937, we heard rumors that Ryan had an offer of $50,000 for his company; sitting around the flight line, we thought he was as loony as a coot for not accepting. A few years ago, he sold his interests in Teledyne, Inc., for more than a hundred times that much.

Was Claude Ryan finished? Hell no!

In January of this year, the Ryson Cloudster made its debut over San Diego. A new all-metal sailplane with a 57 foot wingspan and 100 horsepower engine, the Cloudster is the creation of Claude and his son, Jerry. Called officially the ST Cloudster (S for Soaring, T for touring, and Cloudster after the elegant Douglas-Ryan creation of 52 years ago) the future of this newest creation lies ahead. At 79, Claude Ryan's youthful sparkle is still there. From Jennys to jets to the moon in one lifetime isn't enough—this new aviation business is just getting started.

OPPOSING VIETNAM'S DEMANDS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. GILMAN. Mr. Speaker, on May 10, 1977, I introduced a resolution which would: First, continue to oppose membership in the United Nations of the Socialist Republic of Vietnam; and second, continue to deny diplomatic recognition to the Socialist Republic of Vietnam.

It is my intent that this resolution guide our negotiations with the Vietnamese until such time as Hanoi provides us a satisfactory accounting of those Americans still missing in action and unaccounted for in territory under its control.

Since introducing that bill, a number of my colleagues have notified me of their deep interest in securing a full and complete accounting of those Americans missing in Southeast Asia.

Accordingly, I would like, at this point in the RECORD, to list the names of those Members who are cosponsoring House Concurrent Resolution 219:

Mr. Badham, Mr. Byron, Mr. Burke of Florida, Mr. Derwinski, Mr. Dornan, Mr. Edwards of Oklahoma, Mr. L. H. Fountain, Mr. Guyer, Mr. Kelly, Mr. Kindness, Mr. Lagomarsino, Mrs. Lloyd of Tennessee, Mr. McDonald, Mr. McEwen, Mr. Myers of Indiana, Mr. O'Brien, Mr. Rinaldo, Mr. Robinson, Mr. Rousselot, Mr. Snyder, Mr. Treen, Mr. Walsh, Mr. Wilson of California, and Mr. Winn.

DID YOU VOTE TO SPEND YOUR TAXPAYERS MONEY FOR AID TO MOZAMBIQUE?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BAUMAN. Mr. Speaker, a few weeks ago the House, by a very narrow vote of 204 to 208, decided to retain within the foreign assistance bill a $100 million fund which will be used to aid southern African States in their continuing guerrilla warfare. One of the proposed recipients of this hard-earned American taxpayer's money will be the Communist-controlled State of Mozambique. During debate on the bill we were told about the many virtues of the brutal dictatorship of Samora Machel and asked to ignore the reality of the conditions under which the people in this country are forced to live.

Now comes the New York Times, giving us a somewhat less biased view of the situation in Mozambique. Read it carefully and decide whether the taxpayers in your district sent you to Congress to spend their money to prop up Communist dictators.

The article follows:

RHODESIAN RAIDERS SAID TO BE WELCOME

SALISBURY, June 8.—A week after Rhodesia provoked international controversy with its extended incursion against guerrilla camps in Mozambique, the government here has produced six Mozambique refugees who say that Rhodesian troops crossing the border are welcomed by the local population as potential liberators from the rule of that country's Marxist Government.

"The population sees them as liberators, and hopes that they will go further," one of the refugees said at a news conference in an exercise yard at Salisbury Remand Prisons. The refugees are being held while immigration procedures are completed. They fled the coastal town of Beira last week spending a night in a border minefield before being rescued. The authorities here barred the use of their names.

The refugees painted a grim picture of life under the Government of President Samora Machel. They said they welcomed the transition of power from the Portuguese colonial authorities to Mr. Machel's Front for the Liberation of Mozambique in June 1975, but became so disillusioned that they were willing to risk being shot, along with their families in the escape effort.

Although Portuguese citizens, the refugees were of mixed race, in several cases almost indistinguishable from the Africans who

form the overwhelming majority of Mozambique's population of nine million. Previously, unfavorable accounts of the Machel regime have come mostly from Portuguese whites, about 250,000 of whom have fled the country since Mr. Machel's Government took power.

ACUTE FOOD SHORTAGES

The refugees told similar stories of acute food shortages, a collapse of the medical and educational systems, and arbitrary arrests, particularly of property owners and intellectuals. One man, aged 30, said he had been seized coming out of a film that was judged "reactionary" and transported to a "re-education" camp, one of dozens that have been established, according to the refugees. The man said the camp he was taken to was one of six in the province of Cape Delgado and that each had about 500 inmates.

One of his companions, aged 31, said that he was arrested, along with several dozen others, after Mr. Machel's wife, Graca Simbine, a former Minister of Education, attended a party given by a student group in Beira. The refugee said Mrs. Machel had objected to criticisms of the Government voiced at the gathering and that she had ordered all those present arrested for re-education.

The man said he had spent three months felling trees at the Muterera camp in the province of Niassa dressed only in his underpants. He said he had been given only one meal a day, of mealie-flour porridge and "rotten fish."

He said that anyone who spoke critically of conditions at the camp or of the Machel Government was beaten by the guards.

"DOZENS" OF EXECUTIONS

He said inmates from other camps had told him of "dozens" of executions without trial of political opponents of the regime.

The most talkative of the refugees, a trainee pilot before leaving Mozambique, said that all the population groups there despised the Government. "The opinion of the Government among the African people is very low," he said, noting that Mr. Machel, when he travels to Beira and other major centers, is heavily guarded.

"Machel will be overthrown by the people," the pilot predicted. "He will last only another two or three years, at most.

The refugees also said that large numbers of criminals convicted under the Portuguese authorities had been employed in the Criminal Investigation Police.

REMAINING PORTUGUESE

The refugees said that almost none of 10,000 Portuguese estimated to have remained in Mozambique, many of them under contract to the Government, intended to stay after their current contracts expire.

The refugees said they chose Rhodesia as a haven because it was a non-Communist country, and because, as former draftees in the Portuguese colonial army, they feared punishment.

The refugees' accounts differed sharply from those of foreign journalists, including some Americans, who have recently taken closely conducted tours of Mozambique. The journalists have reported that, despite shortages and some curtailment of liberty, most Mozambicans remained favorably disposed to the Machel regime, comparing it positively with conditions under the Portuguese. However, visiting reporters have been given little opportunity to talk to dissident elements, other than Portuguese, since many of those who are outspokenly critical have been arrested.

Rhodesian officials declined to say what will become of the refugees, other than saying that they will remain here. The official reticence suggested that the Government here may be intending to use the refugees as scouts for the armed forces.

THE REALITY OF THE REFUGEE PROBLEM: JEWS IN ARAB LANDS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. SOLARZ. Mr. Speaker, I would like to take this opportunity to address my colleagues concerning a subject of vital importance to the interests of the United States and the ideals of all Americans. Recent events have served to generate new hope and optimism that after many years of perpetual uncertainty, a lasting peace may finally come to the turbulent Middle East.

Any talk of peace inevitably leads to a discussion of the refugee situation. "Arab refugee" is a phrase we are all familiar with because of the emphasis placed on this side of the refugee coin. There is, however, another side—that of Jewish refugees. Over 800,000 Jews from Arab countries have been scattered throughout the world as a result of persecution and humiliation within their countries, both preceding and following the establishment of the State of Israel.

A group known as the World Organization of Jews from Arab Countries was formed in order to assure that all Middle East refugees are placed on an equal footing, and to recognize that the rights of the Jewish refugees from Arab countries are in no way inferior to those of other refugees in the region.

I believe very strongly that the WOJAC expounds a crucial message which is an essential element of any peace settlement in the Middle East. Jews from Arab countries have been subjected to constant discrimination in an almost systematic deprivation of both fundamental legal and human rights. If, in the context of a final peace settlement in this troubled area of the world, Arab refugees are given restitution for properties lost, then, restitution must include compensation to thousands of Jews whose property rights were wrongfully expropriated, seized, confiscated or abandoned under the force of circumstances, as well as reparation for the suffering, humiliation, and persecution endured in the Arab countries. Of more than 850,000 Jews, only a few thousand are now left in Arab countries. Among the latter there are the 5,000 Jews still in Syria, whose plight, while somewhat improved, is all too well known. In Iraq, only 300 souls are left of a once magnificent community of more than 140,000 Jews.

I applaud the persistent efforts of WOJAC to put the Arab-Israeli conflict in its right perspective, by drawing attention to the largest wave of refugees that the Middle East has known, the displacement of Jews from Arab countries. The WOJAC today represents more than 1,750,000 Jews originating from Arab countries as well as their descendants. These Jews are entitled to have their rights recognized in any negotiations with Arab States and the true facts about those rights given due weight. No just and durable peace between the Arabs and Israelis is feasible unless the claims of the Jews from Arab countries are properly considered and acted upon along with reciprocal claims concerning Arab refugees.

Mr. Speaker, I believe it is imperative that the refugee problem be recognized by all concerned parties as a vital factor in any negotiations toward peace in the Middle East if peaceful coexistence is ever to become a reality.

PROPOSED CONSUMER PROTECTION AGENCY

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. COCHRAN of Mississippi. Mr. Speaker, there has been much written and said in recent weeks regarding the proposed Consumer Protection Agency. I would like to share with my colleagues an editorial which appeared in the Vicksburg Evening Post in my district. This comment on the proposal expresses many of my sentiments on the issue:

[From the Vicksburg (Miss.) Evening Post, Apr. 29, 1977]

A SUPER CONSUMER PROTECTION AGENCY

Though the efforts to create a Consumer Protection Agency failed of passage in 1975, it is now again proposed as the only way for consumers to get the protection which some believe only government can give them. But what would this new agency be? It would be just another federal bureau to add to the already overloaded bureaucracy, and its effectiveness would be more than suspect.

At a time when President Carter is pushing for a reorganization of the federal bureaucracy, he is advocating the creation of this super-agency. There are now 33 agencies and approximately 400 bureaus and sub-agencies operating more than 1,000 consumer oriented programs, and Congress has created a dozen special regulatory agencies to ride herd on the others. Why, then, a super-agency? Why, in the name of good government isn't it more sensible to consolidate the existing agencies, trimming them to workable levels, and then demand they fulfill their responsibilities?

With the proliferation of regulatory agencies, the result has been more and more regulation, rather than practical and common sense operation on their part. The agencies impose a mountain of paper work and needless intrusion into business and industry now, thus imposing heavy costs. In the final analysis, these costs are passed on to the consumer. But the greatest contributor to consumer costs is the federal government itself, with its myriads of bureaus and agencies, which are paid for by the consumer through taxation to keep the big Washington establishment going.

If Mr. Carter is honest in his concern for the consumer, he will retreat from his advocacy of another big bureau; he will follow his campaign promise of reorganizing and making more effective, the present bureaucracy, and he will not approve more actions, such as in the price of milk, which result in higher consumer prices.

Government is already too unwieldy. Adding another big bureau will only make it worse, and pious statements for consumer concern, become shallow and worthless, unless real and concrete concern characterizes Presidential and Congressional policy.

IN CANOE COUNTRY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. FRASER. Mr. Speaker, the May issue of Not Man Apart, the Friends of the Earth semimonthly newspaper, carried an excellent article on the Boundary Waters Canoe Area. Written by Herb E. Wright, professor of limnology at the University of Minnesota, the article surveys the area's history, highlighting the increasing tension between the ends of wilderness preservation and multiple use. Professor Wright's treatment of the incompatibility of commercial timber harvesting and the wilderness ethic is particularly insightful and informative. I commend the article to my colleagues' attention. The article follows:

IN CANOE COUNTRY

(By H. E. Wright, Jr.)

In the northeastern corner of Minnesota are a million acres of conifer forest dotted with interconnected lakes and streams—the Boundary Waters Canoe Area. For years it has been a popular haven for canoeists in search of a few days or weeks of quiet, peaceful travel in a setting that combines an opportunity to commune with nature and at the same time to visualize the historic travels of the French voyageurs, who carried furs by this route from the Canadian hinterland to Lake Superior in the 18th and early 19th centuries. The area was incorporated in the National Wilderness System in 1964, but special provisions in the Wilderness Act have been interpreted by the US Forest Service, which manages the area, as permitting timber cutting and travel by motorboats and snowmobiles. Lawsuits during the last few years have somewhat curtailed these activities, which are clearly incompatible with the wilderness designation of the area. But the more lasting solution can only come from new legislation, and two bills have been introduced in the House to provide complete protection of all or part of the area.

GLACIAL LAKES AND CONIFER FORESTS

Geologically the area is an extension of the Canadian Shield. Precambrian granites, volcanic rocks, and metamorphic rocks have been differentially eroded by the ice sheet to produce the lake basins and rock ridges, and over a thousand lakes of all shapes and sizes permit the canoeist to travel easily from one end of the area to the other and to enter Quetico Park in adjacent Ontario—an area of similar size and character where logging was banned in 1972. Several lakes are more than 100 feet deep, but many are shallow and rimmed by tamarack or black spruce bogs or by sedge marshes or wild rice bays.

But it's the conifer forest that sets the tone of the landscape. Virgin forest constitutes more than half the area, with stands of jackpine, Norway pine, and eastern white pine dominating. These pine species reveal the fact that repeated forest fires have been the major factor in determining the forest composition, for all of them are adapted to fire. Jackpine, for example, holds its cones closed on the tree until the heat of a crown fire melts the resin, opens the cones, and allows the seeds to disperse. Meanwhile the ground fire cleans out the underbrush and ground cover, and the nutrient-rich ash provides a fertile seed bed for the germination of the pine seeds, which as seedlings grow rapidly in the light that results from opening the forest canopy.

LONG-TERM ADAPTATIONS TO NATURAL FIRE

The long-range ecological effects of repeated forest fires in the BWCA are demonstrated by tree-ring studies of fire scars, which show that for any particular area a fire has occurred on the average about once every 30 years, and that the entire forest area burned over about once a century. Some fires were very extensive, depending primarily on the summer weather. During 1864–65, for example, more than half the area burned over in a series of fires. The same would probably have happened during the dry years of the 1930s if the fires had not been largely suppressed.

In some areas where pine does not seed well after a fire, aspen and paper birch may take over instead, for these trees are also adapted to forest disturbance. They are short-lived, however, and they are often succeeded by balsam fir and white spruce, which can germinate and grow easily in the shade of a heavy canopy. These trees are highly susceptible to fire, however. In the absence of fire, the spruce budworm may infect the fir and white spruce in epidemic proportions, as is now the case in many parts of the BWCA as a result of more than 60 years of almost total fire suppression.

SCIENTIFIC VALUES OF LARGE FOREST ECOSYSTEMS

The studies on fire history, which have served as a model for similar work in western and Canadian conifer forest systems, would not have been so successful if the virgin forest had been further reduced. Large size is also essential in studying the populations of the large mammals that inhabit the area, such as moose and the eastern timber wolf (an endangered species). Woodland caribou was present in the area until about 1925, and discussions are now being held concerning its re-introduction. The tree lichens on old-growth fir trees and the carpet of caribou moss and other ground plants on old forest floors are prime food resources for this animal, which is sensitive to the presence of humans.

Large areas of virgin forests can also provide the undisturbed habitats for uncommon species of plants and animals. They also represent sizable gene pools for other organisms whose habitats elsewhere are being modified or put under stress.

WHITE PINE SAW TIMBER AND THE BEGINNINGS OF CONSERVATION

The BWCA is by far the largest area of virgin forest in the country east of the Rocky Mountains. It was this forest formation, extending from Maine to Minnesota, that supplied the white pine for the expansion of American enterprise first in the Northeast and then through the Middle West. By 1875 most of the big pines in Michigan and Wisconsin had gone, and the timber companies were already established in Minnesota. They rapidly cut out the most accessible areas and had reached the Canadian border north of the mining centers near Ely by 1900. Soon thereafter the major areas of saw timber in Minnesota were cut out, and only small companies were left to clean up.

During the Great Depression in the 1930s, the big demand for timber fell off, and it did not revive until after World War II. But by this time a movement for preservation of some of the remaining virgin forest had already made itself felt. Much of the area of the BWCA was designated in 1926 as a roadless area, and in 1930 a congressional act banned timber cutting within 400 feet of lakes, streams, and portages. In 1949 a ban on airplanes discouraged the development of fly-in fishing resorts on private land within the national forest.

JACKPINE PULPWOOD, BULLDOZERS, AND IMPACT STATEMENTS

In the 1950s the timber companies again developed an interest in the area, but for pulp wood rather than for saw timber. The Forest Service leased large blocks of jackpine and black spruce for clear-cutting, and increasingly large logging machines, bulldozers, and haul trucks began to devastate the forest, criss-crossing the landscape with roads and windrows of slash. Herbicides were widely used in efforts to replant some of the cutover land to Norway pine, but few plantations were successful, and much of the landscape has regrown to aspen, birch, and hardwood brush. This is in contrast to the oldstyle logging, where horses and very temporary haul roads and even railroads were used to move the logs. These old areas of selective timber cutting of white pine and Norway pine are now largely regrown, and they soon will display mature forests that have the attributes of many of the non-virgin wilderness areas in New England and elsewhere in the East. The clear-cut forests of modern logging, however, will not restore themselves for centuries.

When the BWCA was incorporated in the Wilderness System in 1964, the Forest Service established a management plan that permitted commercial timber cutting in about half the area. This was an attempt to follow the special provision in the Wilderness Act stating that the area should be maintained to preserve its primitive character "without unnecessary restrictions on other uses, including that of timber." By 1972 many timber contracts had been approved, and the virgin forest was gradually being nibbled away, with long clear-cuts extending far up into prime canoe country. Gravel roads in the roadless area that were supposed to be temporary were maintained for fire access and other "administrative purposes."

At the same time the area became more popular with canoeists, and use was increasing at the rate of 10 percent a year. Use by motorboats, mostly for fishing, was also increasing. Motor routes had been authorized to accommodate another special provision of the Wilderness Act, which stated for the BWCA that previously established use of motorboats will not be restricted. Several large lakes with road access on the edge of the BWCA provide boat ramps, so speedboats with huge engines cruise freely along the border lakes and other designated routes, with special tracks or haul roads to move the heavy craft across some portages.

In 1972, several conservationists, who were restless with the compromise in the Wilderness Act that permitted gradual destruction of the virgin forest, found a way to open up the case again. The National Environmental Protection Act requires that an environmental impact statement must be filed before a federal agency makes a decision that has significant environmental consequences. The Minnesota Public Interest Research Group, financed by the students of Minnesota colleges, pointed out to the Forest Service that renewal of certain timber contracts constituted major federal action, and that an impact statement should be filed. The Forest Service refused, but the federal court ruled otherwise, and a temporary injunction was granted against further timber cutting. In due time the statement was issued, along with a new management plan. The plan called not only for continued timber sales, but it proposed to manipulate the remaining virgin forest by noncommercial cutting and planting to "increase the diversity" and improve the appearance.

Thereupon MPIRG, this time joined by the Sierra Club, went back to court with the claim not only that the impact statement did not adequately treat the entire issue but that destruction of the virgin forest was incompatible with the spirit of the Wilderness Act. Both this and the preceding case were argued successfully by Charles K. Dayton.

environmental attorney in Minneapolis. Forest Service officials tried to defend the view that primeval forest wilderness could be improved by man. Judge Miles Lord saw through the transparent illogic that the virgin forest must be killed to be saved, and he issued a lengthy opinion spelling out in clear terms the scientific and recreational importance of the BWCA. Unfortunately the Court of Appeals summarily dismissed the argument and recommended that Congress resolve the issue with further legislation. MPIRG appealed this decision to the U.S. Supreme Court, but the case was not accepted. Fortunately the timber companies, which were then free to renew their logging, have agreed to delay renewal until next fall, to allow new legislation to be established.

THE CURRENT CRISIS IN CONGRESS

So the issue is now before the Congress. A coalition of state and national environmental groups, including FOE, was formed to organize support for complete protection of the BWCA under the terms of the Wilderness Act. This group, called the Friends of the Boundary Waters Wilderness Area, is headed by Dr. M. L. Heinselman, a forest ecologist who knows the BWCA from end to end and has watched the controversies over its management for 40 years. Congressman Donald Fraser, representing much of the Minneapolis area, has introduced a bill (H.R. 2820) that will ban logging, mining, and the use of motorboats and snowmobiles in the entire BWCA, and this bill so far has about 45 cosponsors, including two other Minnesota Representatives. Representative James Oberstar, whose district in northeastern Minnesota includes the BWCA, has introduced a bill that attempts a compromise: it calls for protection of much of the remaining virgin forest, but it designates the rest of the region as a National Recreation Area in which timber cutting, road-building, and mechanized travel may be authorized by the Forest Service.

Hearings on both bills before the House Interior Committee are anticipated in May. Strong support is needed, especially in the midwestern states, where many visitors originate. But the issue is of national importance, because the Wilderness Act represents a national policy. The Oberstar bill would reduce the area of wilderness protection by 400,000 acres—the first such reduction anywhere since the Wilderness Act was passed—at the very time when canoeists increased use of the BWCA.

AMNESTY FOR THE FBI, TOO

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. O'BRIEN. Mr. Speaker, if the administration can see its way clear to grant amnesty to draft dodgers and deserters, is it not strange that John J. Kearney, a former special agent of the Federal Bureau of Investigation must face prosecution by the administration for carrying out his assigned duties?

Is it not odd that a special agent committed to the task of bringing to justice members of the terrorist Weatherman organization, for whom arrest warrants were outstanding, who had claimed responsibility for bombings and other acts of terrorism, is it not odd that this man should now be charged criminally and prosecuted by the U.S. Government?

Mr. Speaker, is it not curious that the alleged acts for which this special agent is accused were in fact the orders given him by his superiors, while the draft dodgers and deserters who could not follow orders are pardoned and excused?

In the context of the times, Mr. Speaker, the FBI mission was to locate and apprehend the Weathermen fugitives. The FBI brought to justice those who claimed responsibility for terrorist bombings and killings of innocent bystanders.

Now the special agents are to be prosecuted for performing their legal assignments.

Mr. Speaker, it would seem only fair, since the law-breakers have been granted amnesty, that the law-keepers should also receive amnesty.

THE CARTER STYLE: UP AND DOWN AND AROUND WE GO

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BOB WILSON. Mr. Speaker, Mr. Richard G. Capen, Jr., who formerly held a high office in the Department of Defense, is an expert and experienced commentator on issues of the day. I enclose as a portion of my remarks a recent column by Mr. Capen:

THE CARTER STYLE: UP AND DOWN AND AROUND WE GO

(By Richard G. Capen, Jr., Copley News Service)

Newly elected presidents generally enjoy strong bipartisan support and high rankings in popularity polls during the early days of their administrations. Thus, President Carter's extended honeymoon is not surprising, particularly after a decade of domestic turmoil and international crisis.

It is disturbing, however, that the American public has become so mesmerized by the style of Mr. Carter's actions that there is little questioning the substance or consistency of his positions.

Campaign commitments and unequivocal presidential decisions are deferred, reinterpreted or dismissed at random. If a presidential proposal or campaign promise does not float, it is suddenly canceled, amended or ignored.

Major White House programs have been launched and later reversed without warning. Decisions are made without adequate diplomatic consultation abroad or congressional consultation at home. The public is left confused and foreign leaders skeptical as a pattern of shifting positions sets in.

As the form of Mr. Carter's actions occasionally supersedes the substance of his decisions, national doubt and suspicion increase.

A recently unearthed memo by the President's in-house pollster makes it clear the presidential style has a high priority. The pollster's survey urged "quick successes," including fireside chats, town hall meetings and the elimination of White House limosines. He warned of those who had been defeated "because they tried to substitute substance for style." In the past, there would have been strong reaction to such blatant politics. Today there is none.

An inaugural walk down Pennsylvania Avenue may capture the imagination of our country, but such symbolism will not sustain public trust.

Candidate Carter ran as an "outsider," promising efficiency and new faces.

The Carter transition team was in place some 60 days ahead of the election and yet, after three months in office, three-fourths of the key appointments had not been made. Many remain vacant today.

Before the election Mr. Carter promised to cut White House staffing; today it has increased 25 per cent. He vowed new Cabinet leadership, yet three key posts (Defense, State and HEW) have been filled by old Washington hands, individuals who helped bring America Vietnam and the Great Society.

Candidate Carter promised to attract talented and experienced people without regard to politics. Currently more than 40 Georgians serve on the White House staff with other agencies pressured by presidential aides to create temporary jobs for the President's political friends.

Mr. Carter pledged to reduce the size of government, yet one of his first actions was to promise that no bureaucrat need to fear losing his job. He vowed to hold down White House costs and then raised staff salaries by more than $400,000 a year. With incredible logic, the increases were described by the White House as a savings because the maximum authorized pay increases had not been granted. At the present time some 48 White House aides receive $40,000 a year or more for their services, far above 1976 earnings for many.

Mr. Carter also pledged to eliminate overlapping commissions and boards. Thus far 16 of 1,175 such groups have been cut and he has now discovered that the President has little authority to reduce further since most groups were established by Congress but the issue provided attractive camapign rhetoric.

During the campaign Mr. Carter promised a cut in federal spending, but in January President Carter's budget increased the 1978 deficit by more than $20 billion. He pledged a minimum 5 per cent cut in the Defense Department budget; he now believes that defense spending increases may be essential. He openly opposed the B-1 bomber and now considers it an important bargaining chip.

One day the President takes a firm position and the next he backs off to avoid confrontation. The $50 tax rebate, once considered integral to the Carter economic package, was suddenly withdrawn when Congress balked. His farm price support position was amended and he has virtually given up on cancelling federal water projects since nearly all are expected to be reinstated by Congress.

In a carefully orchestrated effort the President announced his energy plan, stating it would require "all-out war." Two days later he softened his concern considerably. Mr. Carter proposed that the money raised by new oil and gas taxes be rebated. A few days later energy czar James Schlesinger said the tax money might be applied to welfare payments or tax reform.

Adding to public confusion was the fact that the President's energy announcement was preceded by the cooked-up release of a CIA study that contained nothing new. It was unrealistic to expect that a new administration could develop in 90 days a national energy program to meet complex problems which have evolved over the last 20 years. This was but one of a number of unrealistic, self-imposed deadlines which tend to undermine government credibility.

In foreign affairs, the President has moved out on complex foreign policy questions, discussing them publicly and sometimes causally without thoroughly considering the ramifications of his words. Even U.S. bargaining alternatives are announced in advance. Our allies and potential adversaries alike are not accustomed to such openness in foreign affairs. In fact, several have resented this approach.

In retrospect, it is quite obvious that Mr. Carter did not intend to risk progress on the Soviet disarmament talks by injecting hu-

man rights just prior to the scheduled meetings in March. The administration has now been forced to back off and currently the arms control negotiations are moving forward with considerable secrecy.

There is a strong possibility that public discussion by the President of detailed positions on the Mideast influenced the recent elections in Israel. At the moment prospects for a Mideast settlement may actually have been set back.

Fortunately, it now appears that administration voices have been lowered and "open mouth diplomacy" curtailed. What may appear as morality to us (human rights) is often considered meddling in the eyes of our friends in other lands.

President Carter pledged an open administration, yet he ordered massive retaliation against an Army general for his off-the-record comments on withdrawal of troops from Korea.

This reaction is in marked contrast to administration apologies for repeated gaffes by U.S. Ambassador to the United Nations Andrew Young. We now are not likely to hear many frank comments from top military leaders as a result of the President's recent actions.

Americans want their new President to succeed. The degree to which this desire is prevalent is reflected in the continuing high marks the Carter administration receives across the land. But, in the final analysis, he can't use this initial momentum to gloss over a growing list of contradictions and confusion.

BAUCUS ENDORSES WIFE WHEAT CARAVAN

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BAUCUS. Mr. Speaker, a group of concerned farm wives in Montana will be sending an important message to Washington this weekend. Members of the Montana chapter of Women Involved in Farm Economics—WIFE—have organized a caravan of trucks to carry wheat from Helena to the barge point at Lewistown, Idaho. The caravan will dramatize the two-pronged problem of low prices and high freight rates facing wheat farmers in the Upper Great Plains.

The women who will be driving the trucks on Sunday, June 12, know the human cost of low wheat prices coupled with rising freight rates. They have seen their families spend months of labor and thousands of dollars on machinery and other inputs, only to lose money on every bushel of wheat they produce. They know that financial ruin is a very real possibility for many farm families. They know the toll that low prices, drought, and constant credit pressures have placed on their husbands and children.

The Federal Government cannot escape a large measure of responsibility for the situation which forces WIFE to organize such a caravan. The Federal Government influences the price of wheat through a multitude of price supports, storage programs, international food purchases, and research programs. Furthermore, we will be voting on new wheat price supports within a month. Finally, the Federal Government influences freight rates through the Interstate Commerce Commission. Make no mistake; the WIFE caravan is meant as a direct message to Washington.

I heartily endorse the WIFE Wheat Caravan. I have arranged for my mobile district office to participate in the caravan between Helena and Missoula as a demonstration of my support. I have also requested the Secretary of Agriculture to send a representative to meet with WIFE coordinators. I have notified the President and the chairman of the House and Senate Agriculture Committees of the caravan.

All of the members of WIFE are to be congratulated on their effective dramatization of the plight of farm families. In particular, the following members of Montana WIFE have done outstanding work: Mrs. Gayle Holliday, president; Mrs. Joyce Robinson, spokesperson; Mrs. Karen Mattson, Mrs. Pat Hellinger, Mrs. Linda Kidd, Mrs. Pat Torgerson, and Mrs. Georgia Kidd.

When the caravan is over on Sunday, it will be our turn to prove that Congress has compassion and understanding for the problems of farm families. We must keep the message of WIFE in mind when we vote on wheat price supports. It is our responsibility to insure that these women and their families receive a fair return on the work they put into producing our food.

The texts of my letters to President Carter and Secretary Bergland follow:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 9, 1977.

HON. JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I'm sure you are aware of Women Involved in Farm Economics (WIFE), a group of farm wives who are speaking out on the difficult problems which farm families are facing. Although only six months old, WIFE has been remarkably effective in vocalizing the plight of farm families and demanding a meaningful federal response.

Montana WIFE will dramatize its cause on Sunday, June 12. Over forty trucks from Montana wheat farms will form a caravan at 10 AM on the State Capitol Grounds in Helena. The caravan will proceed through Missoula and Cour d'Alene, Idaho, to Lewistown, where the grain will be sold at the barge point. Montana WIFE hopes to communicate the problems caused by low grain prices and high freight rates.

Last week, wheat was selling for $1.63 per bushel in Lambert, Montana. WIFE estimates the cost of raising that bushel in Lambert to be $3.50. Rising freight rates accentuate farmers' problems.

The federal government must take much of the responsibility for this sorry state of affairs because of the large role it plays in influencing agriculture. When we set the price supports for wheat, we will be affecting the lives of these women and their families. We must adopt supports that will return their full cost of production. They send an important message to Washington which should not be ignored.

I hope we can work together to see that the federal government exercises its influence to the benefit, not the detriment, of all farm families.

With warmest personal regards, I am

Sincerely,

——— ———.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 9, 1977.

HON. BOB BERGLAND,
Department of Agriculture,
Washington, D.C.

DEAR BOB: I'm sure you are aware of Women Involved in Farm Economics (WIFE), a group of farm wives who are speaking out on the difficult problems which farm families are facing. Although only six months old, WIFE has been remarkably effective in vocalizing the plight of farm families and demanding a meaningful federal response.

Montana WIFE will dramatize its cause on Sunday, June 12. Over forty trucks from Montana wheat farms will form a caravan at 10 AM on the State Capitol Grounds in Helena. The caravan will proceed through Missoula and Cour d'Alene, Idaho, to Lewistown, where the grain will be sold at the barge point. Montana WIFE hopes to communicate the problems caused by low grain prices and high freight rates.

Last week, wheat was selling for $1.63 per bushel in Lambert, Montana. WIFE estimates the cost of raising that bushel in Lambert to be $3.50. Rising freight rates accentuate farmers' problems.

The Federal Government plays a large role in influencing agriculture, and it must take responsibility for this sorry state of affairs. I think it is very important that an appropriate USDA official be present in Helena to meet with WIFE members on June 12, and I hope you will send such a representative. If you are unable to do so, I hope you will at least be able to send a statement to Mrs. Gayle Holliday in Roundup, Montana 59072. WIFE's caravan will be sending an important message to Washington which must not be ignored.

I appreciate your involvement in this event, and stand ready to provide any further assistance you may require.

With warmest personal wishes, I am

Sincerely,

——— ———.

POLISH AMERICAN CONGRESS, INC.

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. DERWINSKI. Mr. Speaker, the Polish American Congress, Inc., is an organization which represents all Polish-American fraternal, civic, patriotic, and traditional groups across the country. Its president, Aloysius Mazewski, recently presented a position paper on Radio Free Europe and Radio Liberty which I found especially pertinent. I insert it into the RECORD recommending it for thoroughness and practicality:

POLISH AMERICAN CONGRESS

Polish American Congress, representing the organizations counting several million Americans of Polish heritage, has since 1950 vigorously supported Radio Free Europe and later Radio Liberty.

The hard facts of life and lack of willingness of East European governments to adhere to the stipulations of the Helsinki Agreements are fully recognized. In his inaugural address President Jimmy Carter stated that: "Our moral sense dictates a clearcut preference for those societies which share with us an abiding respect for individual human rights." The societies of Central Europe had and still have an abiding respect for individual human rights despite all the efforts of the communist regimes to destroy in the

human beings the very fundamental need for them. There is a basic difference between the attitudes and goals of these societies and the attitudes and goals of their totalitarian rulers.

We trust that the dangerous and naive trends of accommodating the Soviet Union and the East European communist governments at the expense of the societies under their rule belong to the past.

Radio Free Europe and Radio Liberty are substituting for the free mass media which do not and cannot exist within a totalitarian system. They provide the necessary information—not reported by the communist mass media—on local and world-wide events and developments pertaining also to human rights. Consequently these two radio stations, as well as the Voice of America, are the most efficient instruments at our disposal, able to generate support and to speed up peaceful changes in the communist dominated countries.

The Helsinki Agreement helped to intensify and legitimize the struggle for human and civic rights theoretically guaranteed by the basic laws of the countries ruled by communist parties. Already before the signing of the Helsinki Agreement, and more so after it has been signed, Radio Free Europe and Radio Liberty helped to promote beneficial changes in Eastern Europe. They deserve therefore the full understanding and support of the American people.

Polish American Congress has always been aware of the important role played by Radio Free Europe and Radio Liberty. We have been alarmed and are greatly concerned by the gradual and constant decline which, for the most part, has gone on unnoticed by the U.S. Congress and the American public opinion. On several occasions we voiced our concern caused by the trends to curtail their activity and efficiency.

There is a list of measures, applied in recent years, which have undermined the strength and effectiveness of the Radios.

1. In the name of economic savings, a series of mass dismissals, repeated almost every year, has reduced the staff of both organizations by one third. The Polish Department, broadcasting to the largest country of Central Europe has lost 40 per cent of its personnel. Early retirements have been encouraged, while at the same time rejuvenation has been blocked in a manner jeopardizing any viable future of both organizations. Some services have been eliminated, others seriously curtailed.

2. Continuous financial pressure over many years has put the management of the Radios in a very difficult position. Requests for adequate funds to meet the most essential needs of the operation have been rejected as unrealistic, either by the Board for International Broadcasting or by the Office of Management and Budget. Other major Western radio stations such as BBC, VOA and Deutsche Welle have recently acquired new modern, powerful transmitters of 500 kwt. None of these programs are regularly jammed. The modest project to modernize the old equipment of RFE/RL, most of which is dating back to the early Fifties, consists of the installation of 12 transmitters of 100 kwt each. Transmitters of this size are no longer considered adequate by any other major international broadcaster. No funds were provided in FY 1977/78 for building 250 kwt units.

In the middle of 1976 (following the June unrest) Gierek's regime considerably increased its jamming efforts. For the first time since 1956 ground jamming was introduced in addition to sky-wave interference. RFE/RL programs can only be heard with difficulty, if at all, in big cities in the Soviet Union, Poland, Czechoslovakia and Bulgaria. Yet modern transmitters of sufficient power, located in Spain or Portugal, could effectively deal with jamming.

3. Since the Board for International Broadcast was set up, RFE/RL have been living in a state of permanent reorganization and insecurity. The merger, for financial reasons, of both Radios and the elimination of the RFE editorial unit in New York was followed by discussions of the possible transfer of RFE/RL or some of its elements to the U.S. Such a move, which is still being examined, would undermine the RFE/RL coverage of domestic developments, based on the proximity of East Europe and the Soviet Union, and the access to sources and contacts not available in the USA.

4. The New budget for FY 1977/1978 proposed by BIB and sent by the previous Administration to the Congress is again short of the amount necessary to continue effective operations, especially in view of the urgent necessity of staff rejuvenation. RFE/RL will be once more facing agonizing financial cuts and reorganization.

All these developments, have had an unavoidable demoralizing influence on the personnel. It is commonly believed that the Chairman of the BIB Mr. David Abshire has been slowly leading the Radios towards a merger with the VOA.

At the same time, during the last several years of the so-called detente policy, the Soviets (not counting the satellite governments) have expanded their foreign broadcasts to appr. 2,000 hours per week in 84 languages with the main thrust to the Near East, Black Africa and Latin America. New powerful transmitters can reach the remotest corners of the world. In addition to official foreign broadcasting, Moscow has been engaged in subversive and inciting propaganda beamed by a network of "black", "clar destine" or "private" stations, (such as the Radio "Peace and Progress" broadcasting in 14 languages, "Radio Espana Independiente—Estacion Pirenaica" in Spanish, "Radio Portugal Livre" in Portuguese, "Oggi in Italia" in Italian, "Radiofonikos i Fonitis Alithis" in Greek, "Bizim Radio" in Turkish, "Radio Payk Iran" in Persian, "Freiheit Sender 935" and "Soldatensender 904" in German to the soldiers of the Bundeswehr etc.

In order to restore the balance in this important area PAC would like to stress that the following measures should be implemented:

1. RFE, RL and VOA should be given much higher priority in the overall strategy of the USA. Such a decision taken at the highest level should be announced in a statement of the President of the United States.

2. RFE/RL should not be allowed to be "nickeled and dimed to death" (Milton Eisenhower's report "The Right to Know"). Influence and effectiveness, and not "saving of tax-payers' money" should be the overriding consideration in allocation of funds.

The annual allocation of 58,115 million dollars requested for both Radios for FY 1977/78 represents less than a dime in proportion to the overall defense budget. The cost of one B–1 bomber amounts to 93.8 million dollars (IHT of 28 Dec. 1976). The cost of one aircraft carrier Carl Vinson was estimated in 1975 at 1 billion 200 thousand dollars.

3. A special allocation should be requested from the U.S. Congress to build transmitters of optimal power which could help overcome effectively the communist jamming. A transmitter of 2,000 KW was recently installed by Yugoslavia. There is also one in Warsaw. Saving on technical facilities results in wasting of tax-payers' money. There is little point in spending dollars on broadcasting which cannot reach sufficient number of listeners.

A special allocation should also be requested from the U.S. Congress for the rejuvenation and the training of new editors, writers, speakers and supporting personnel.

4. Political broadcasting should be kept apart from the diplomatic service. It is vital for RFE/RL to preserve its present autonomy as private organization financed by government grants. Mass media which are in themselves the subject of governmental control and censorship cannot project convincingly the freedom of expression to their audiences.

The professional rivalry between political broadcasting and diplomacy should not be allowed to contribute to the RFE/RL decline. In the long term both serve the same goal but have to use different methods and address themselves to different categories of people. The diplomats have to deal with the totalitarian governments; the radios maintain communications with people suppressed by and opposed to the system. The diplomats have a vested interest in eliminating or restricting political broadcasts which makes their professional activity more difficult.

5. For the same reason the Board for International Broadcasting should not be dominated by Foreign Service and governmental officials active or retired. Scholars specializing in the Soviet and East European affairs as well as experts with experience in political broadcasting should be given at least an equal share in supervising the activities of RFE/RL.

6. The program unit of RFE in New York, which was abolished under financial pressure, should be restored. The ethnic communities of East European origin including 8 million of Americans of Polish heritage can play a useful role as a bridge between Americans and their kin in Europe. Their cultural life, achievements and activities should be fully covered in the programs beamed to East Europe by an adequate team of journalists.

7. Democracies do not speak with one voice. The pluralism of freedom should be reflected in the continued, separate existence of VOA and RFE/RL.

Each of the two has a different mission and different characteristics. This separation serves a vital purpose and should be maintained.

8. RFE/RL should enjoy internal stability. Polish American Congress believes that in order to maintain for years to come the high professional quality of operations of RFE/RL and also of VOA, it is necessary that the Secretary of State, or preferably the President of the United States, issue a special statement, which would stress the importance and efficiency of RFE/RL in their role of free mass media—similar to our various press, radio and television services. It should also encourage the highest standards of their broadcasting services.

Professor Marshall D. Schulman writing in the January 1977 issue of Foreign Affairs on learning to live with authoritarian regimes, stated in the last sentence of his article: "We must remain firm in our faith that in time those who live in authoritarian societies will find their own way to express the aspiration for freedom that is in everyone." What can help us better to remain firm in this faith then the certitude that we are providing necessary information for those who "share with us an abiding respect for individual human rights" but are deprived of them.

THE KOREAN IMBROGLIO

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the following column by my constituent, Gen. Henry Huglin. General Huglin is a retired Air Force brigadier general and syndicated columnist. He comments on the implications of a with-

drawal of American military forces from Korea.

The article follows:

THE KOREAN IMBROGLIO

(By Henry Huglin)

This is a good time to take another look at what is involved for us in Korea. The hulabaloo has now subsided over President Carter's calling Major General Singlaub on the carpet and reassigning him for having publicly expressed the opinion that the President's Korean troop withdrawal policy would lead to another war.

Korea has been, and will remain indefinitely, a key testing ground for us, as a superpower, in steadfastness and skill in global power politics. Hence, it behooves us to keep in mind what is at stake for us in that strategic area.

During the election campaign candidate Carter made it a plank of his promised program to phase down U.S. military forces stationed in South Korea. As President, he has made a decision to withdraw most of our Army units in Korea, now numbering about 33,000, in the next four to five years. The Air Force units, now numbering about 7,000, are to remain, as are some Army support units.

Mr. Carter's promise and decision were basically political and apparently made with little advice or opinions of military and foreign affairs experts. Since becoming President he reportedly has asked the Pentagon for recommendations not on the merits of his decision but on the details of how it will be carried out.

Of course, the policy of withdrawal has been especially appealing to the "doves." Since Vietnam, most of them have been militantly anti-military and anxious to detach us from mainland Asia. They also abhor the South Korean authoritarian regime.

But the nub of the matter is the credibility of our treaty commitment to South Korea's security—and to Japan's—and the implications of wider ramifications.

Since the Korean War armistice 24 years ago, we have kept troops in South Korea for their political and psychological stabilizing effect, more than just their real military worth. (We have also kept many more troops in Europe for the same purpose of backing up our commitment to the defense of our European NATO allies.)

And through the troops we have kept in South Korea—and the South Koreans' military capabilities and national will—the persistent ambitions of the dictator of North Korea, Kim Il-Sung, to take over South Korea have been curbed.

Further, under the stability created and the business environment nurtured, South Korea has boomed economically. And Japan, which is much less armed than any country in Asia, has felt secure, has greatly prospered, and has evolved democratically.

And the effect on Japan is a highly important factor in our Korean policy and actions. The Japanese regard Korea as closely linked with their own nation's security. Hence, a prospect that war could be renewed on that nearby peninsula could have a major disquieting effect on the Japanese, with uncertain consequences.

Yet, despite the success of the treaty with South Korea and the stationing of our troops in that country, Mr. Kim Il-Sunk has continued his efforts to undermine South Korea with propaganda, subversion, and threat of military attack.

With only half as many people as South Korea, but with a harsh police state, Kim maintains almost as large a military force as does South Korea and has many more tanks, airplanes, and ships.

In South Korea, President Park Chung Hee has used the persistent and apparently increasing threat from the north to justify repressive measures and suppression of some civil rights—though far less than in North Korea. And Park's actions, and the lobbying and alleged influence buying by his agents in this country, have cast Park and the South Korean government in a bad light here—and most likely were factors in President Carter's decision.

But geopolitical factors should be paramount for us. Our government's prime challenge now is to avoid the phased military withdrawal appearing as a lack of U.S. will to measure up to our responsibilities as a world superpower—following on our major setback in Vietnam and failure to respond to the Soviet-Cuban moves in Angola.

Obviously conscious of this problem, Mr. Carter has said that the reduction of our Army units in Korea would be "carefully phased and carried out in a way which will maintain the military balance and preserve security on the Korean peninsula and in Northeast Asia," and that our country will make "it clear to the North Koreans, the Chinese, and the Soviets that our commitment to South Korea is undeviating and is staunch."

Perhaps withdrawal of our troops will not lead to war or instability in Korea; only time will tell. But any heightened risk and increased concern as to the credibility of our treaty commitments may adversely affect our stature not only in northeast Asia but elsewhere in the world.

Unavoidably, what we do relative to Korea has widespread implications.

LET'S HAVE THE TRUTH ABOUT COAL

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. HOLLENBECK. Mr. Speaker, on June 7, the Committee on Science and Technology began its hearings on the merits of the Clinch River breeder reactor, with the appearance of Presidential Adviser Dr. James Schlesinger.

Throughout his testimony, I was struck by the impression that Dr. Schlesinger was uncomfortable defending the administration's antibreeder position. This may, in part, be due to the fact that in 1972 he openly endorsed the development and commercialization of the breeder reactor.

However, more pertinent was the fact that I tried, without success, to have Dr. Schlesinger elaborate on the possible hazards of conforming to President Carter's proposal to switch the Nation's industries to coal. Yet, almost simultaneously, there was revealed a White House document which states that the President's proposal could result in annual contamination of the atmosphere with 10 million tons of sulfur dioxide, 600 million tons of carbon dioxide and as much nitrogen oxides as the country's 110 million cars.

According to a June 8 Washington Post article, which is inserted herewith, the amount of coal that would be required to conform to the President's plan would contain enough isotopes of radium and thorium to possibly contaminate the air with more radioactivity than all the nuclear powerplants in the United States. A Clark University study estimates that when coal plants are located near large cities, the exposure to radioactivity is 50 times greater than for nuclear powerplants of equal size.

Is it not time for the Carter administration to tell all the facts, all the time, to all the people?

The article follows:

COAL HELD MORE HAZARDOUS THAN A-PLANTS

(By Thomas O'Toole)

If pollution controls are not strictly adhered to, President Carter's plan to switch the nation's industries to coal could result in annual contamination of the atmosphere with 10 million tons of sulfur dioxide, 600 million tons of carbon dioxide and as much nitrogen oxides as the country's 110 million cars exhaust, a White House document reveals.

Changing over to coal could also mean release of untold tons of soot, which among other things contain a chemical called benzopyrene—identified as one of the main carcinogens in cigarette smoke. Typically, American coal also contains breathable bits of 14 toxic metals, including lead and arsenic.

Finally, the amount of coal President Carter wants industry to convert to would contain enough of isotopes of radium and thorium possibly to contaminate the air with more radioactivity than all the working nuclear power plants in the United States do today.

"No matter how you look at it," said John F. O'Leary, administrator of the Federal Energy Administration and the man who will direct coal conversions for President Carter, "a coal-fired plant is more hazardous to health than a nuclear-fired plant."

In a document still not released by the White House, the Office of Energy Policy and Planning estimates that by 1985 the President's plan to convert factories and power plants to coal will involve the burning of an additional 200 million tons of coal a year.

The document indicates that the White House would accept pollution control standards that would result in more than half the anticipated soot and sulfur dioxide exhaust being scrubbed out.

It is possible, although expensive, to eliminate more than three-quarters of these pollutants.

Cities, states and the Environmental Protection Agency could enforce higher pollution standards.

President Carter plans to force most of these coal conversions, asking for legislation to prohibit new factories from burning oil or natural gas, to tax old factories that continue to burn oil and natural gas and give tax rebates to those voluntarily turning to coal.

The White House estimates it can force conversions to coal that will save the equivalent of 3.3 million barrels of oil a day.

And while the White House concedes that reluctant industries will pay as much as $40 billion in taxes the next eight years to keep burning oil and gas, it also claims the rest of industry will receive $38 billion in tax rebates for investing in coal.

The White House document also concedes that the cost of converting to coal will be steep because it will involve installing scrubbers to remove some soot and sulfur from coal's exhaust gases. But the White House claims the factories putting in the scrubbers will get their money back in tax rebates.

The document also notes solid waste disposal problems. At an average-sized (one million kilowatt) coal-fired electric plant, ash accumulates at the rate of 30 pounds a second.

This compares with the year long wastes

of a nuclear-fired plant which, although extremely toxic, fill a volume of two cubic meters, according to Dr. Bernard L. Cohen of the University of Pittsburgh. A volume of two cubic meters would fit under a dining room table.

Finally, the White House says that while conversions to coal will be expensive the price of coal will be low enough to keep electric rates down. The White House estimates that coal conversions will result in only a 2.5 per cent increase in electric rates in the U.S. over the next eight years.

The technical problems in removing nitrogen oxides regulations have not been set for these exhaust products, according to the document. It also notes that carbon dioxide, an inevitable pollutant of coal, does no harm to health but it does build up in the atmosphere in a way that can raise the earth's temperature over the next 50 years.

That still leaves the questions of radioactivity and toxic metal exhaust, which are far more difficult to control in a coal burning plant than sulfur and soot exhausts.

A Clark University study estimated that when coal plants are located near large cities the exposure to radioactivity is 50 times greater than for nuclear plants the same size.

The Nuclear Regulatory Commission said last year "there is some uncertainty" about whether toxic metals can be controlled in coal exhausts. It listed 14 toxic metals in coal exhausts: arsenic, antimony, cadmium, lead, selenium, manganese, thallium, beryllium, chromium, nickel, titanium, zinc, molybdenum and cobalt.

EDWARD BENNETT WILLIAMS ON THE MYTH OF EQUAL RESULTS

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. WALKER. Mr. Speaker, on March 26, 1977, the National Observer reprinted a speech given by renowned trial lawyer Edward Bennett Williams dealing with the concept of equality. Of particular interest are Mr. Williams' remarks on the use of quotas and ratios in education, employment and politics.

I agree with Mr. Williams' condemnation of racial and religious bigotry and I also agree with his conclusion that the use of quotas and ratios is discriminatory and may "deprive the country of some of the real genius and talent we desperately need."

Mr. Williams' remarks follow:

EDWARD BENNETT WILLIAMS ON THE MYTH OF EQUAL RESULTS

(By Edward Bennett Williams)

When I first went to Washington to attend law school over three decades ago, I used to enjoy walking on Sunday afternoons in the vicinity of the Supreme Court. I never failed to thrill when I read the words emblazoned across the magnificent marble portico of the Supreme Court building: "Equal Justice Under Law."

"Equal," not almost the same, not similar, not comparable, but "equal."

Since those days many pages of legal history have been written and we have advanced many leagues in our quest for equality, liberty, and justice. We have advanced beyond the concept of equal justice under law so that now equal opportunity, equal education, equal enfranchisement, and equal respect are the patrimony of every American.

THE GREAT THREAT

Yes, we are all equal, but we must carefully recognize what that means. For by my lights, the most significant threat to freedom on our 200th anniversary as a nation is the tyranny of egalitarianism.

Almost a century and a half ago, Alexis de Tocqueville warned of this threat to liberty in his *Democracy in America:*

"There is indeed a manly and legitimate passion for equality which rouses in all men a desire to be strong and respected. This passion tends to elevate the little man to the rank of the great. But the human heart also nourishes a debased taste for equality, which leads the weak to want to drag the strong down to their level and which induces men to prefer equality in servitude to inequality in freedom. It is not that peoples with a democratic social state naturally scorn freedom; on the contrary, they have an instinctive taste for it. But freedom is not the chief and continual object of their desires; it is equality for which they feel an eternal love; they rush on freedom with quick and sudden impulses, but if they miss their mark they resign themselves to their disappointment; but nothing will satisfy them without equality, and they would rather die than lose it."

If there be a cardinal sin in the litany of human evils, I believe it is racial and religious bigotry. I believe that for those who practice prejudicial discrimination against their fellow man or woman by reason of his or her color, religion, sex, national origin, or other accident of birth, there must be reserved the hottest corner of Hades. But it does not follow that we must all share equally in the rewards for the efforts, talents, and enterprise of others.

We are equal in the sense that we must all have equal opportunity to compete for the rewards of excellence, not share in its fruits regardless of personal effort or ability. An equal opportunity based on merit benefits everyone. By rewarding excellence, we share in the fruits of that genius.

The total egalitarians miss the point. They would divide the wealth equally, impose quotas and ratios in education, in employment, and in the political process, regardless of merit, overlooking the crucial fact that all human progress throughout history owes its origin to the talented and the enterprising. We must keep a system that allows us to develop and use the talents and excellence of all, no matter what their origin. But if we practice inverse discrimination in the name of a ratio or quota system, we shall deprive the country of some of the real genius and talent we desperately need.

THE PLUMBER AND THE PHILOSOPHER

The really great people of each generation are those who have a commitment to excellence—a commitment to be at all times, in all places, under all circumstances, the very best that they can be at whatever they do. John Gardner said it best in this century when he wrote:

"An excellent plumber is infinitely more admirable than an incompetent philosopher. The society which scorns excellence in plumbing because plumbing is a humble activity and tolerates shoddiness in philosophy because it is an exalted activity will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water."

Edward Gibbon said it all 200 years ago when he wrote:

"In the end, more than they wanted freedom, they wanted security. They wanted a comfortable life and lost it all—security, comfort, and freedom. When the Athenians finally wanted not to give to society but for society to give to them, when the freedom they wished for was freedom from responsibility, then Athens ceased to be free."

Albert Sindlinger did a poll in Swarthmore, Pa. Every afternoon a battery of pollsters sat at a bank of telephones and called people all across the land.

"What's the principal sickness in America today, ignorance or apathy?"

"I don't know and I don't care" was the majority answer.

I think the best kept secret in America today is that real satisfaction, real fulfillment, real exhilaration come not from leisure, or tranquility, pampered idleness, or self-indulgence, but rather from striving with all one's physical and spiritual might for a worth-while objective.

A MALAISE OF SPIRIT

As we begin our third century as a nation we are suffering a malaise of the national spirit. As a nation we have grown fat, indolent, and apathetic, affluent and corrupt. We cannot bring ourselves to make the personal sacrifices required to have once again a national commitment to excellence. Our preoccupation with self-centered concerns and pleasures has deflected us from public obligations and necessary collective endeavors. We have lost the spirit that changed a people into a citizenry and transformed a territory into a nation.

This is a time for heroes. The test at the beginning of our third century will be whether we mistake the growth of affluence for the growth of character.

The long-run challenge to our country is nothing less than a challenge to our sense of purpose, our vitality, our commitment, and our rededication. To understand the nature of the challenge, we must remember that our kind of free society is still the exception in the world—still unattainable to most people, for most of the world lives under government that has no interest in fostering and nurturing the concept of freedom. The world is full of people who think men need masters.

THE PRICE OF SURVIVAL

Our survival as a free society is not inevitable. It will remain alive only if enough of us care. The words of the poet-philosopher Rabindranath Tagore on the freedom of his beloved India are an inspiration for America:

Where the mind is without fear and
The head is held high;
Where knowledge is free
Where the world has not been broken
Up into fragments by narrow domestic walls;
Where words come up from the depth of truth;
Where tireless striving stretches its
Arms toward perfection;
Where the clear stream of reason has
Not lost its way in the dreary desert
Sand of dead habit;
Where the mind is led forward
Into ever-widening thought and action—
Into that heaven of freedom, my Father,
Let my country awake.

THE UNPARALLELED PACIFIC SALMON

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BONKER. Mr. Speaker, Pacific salmon swim on the threshold of extinction. Our battle to preserve these magnificent creatures for future generations can be likened to the struggle that salmon themselves face as they endeavor to return to the place of their birth to spawn. They fling themselves headlong against the current of the river, colliding against boulders and debris, leaping barriers, then falling back to rest and gather their strength for yet another assault against the forces that would keep them from fulfilling their life cycle. Finally, they arrive, battered and bloodied, at the site of their origin where they spawn

and die. A salmon must become very frustrated indeed at the tremendous odds that must be overcome just to regenerate the species.

It is not enough that man has dammed the streams, polluted the waters, and devised all manner of new types of fishing equipment to capture greater numbers of salmon. Now he has rendered legal decisions that pit one group of fishermen against another; each of them trying to get a greater share of the available salmon. But there are simply not enough salmon to adequately meet the needs of each of these groups, so their frustration is manifested in defiance of regulations that do not allow them the level of harvest that they feel they must have to survive. Inevitably, too many salmon are harvested and the resource moves a step closer to extinction.

I understand the frustrations of those in the salmon fishing industry who are trying to survive by fishing at a time when everything seems devised to conspire against them. They have been forced to share with Indian fishermen a greater part of what was formerly theirs alone. They have been ordered to give up some of their fishing opportunity in favor of fellow fishermen as attempts at equitable allocation are made. Often these reallocations mean that one group sits idly by while another is allowed to fish.

The number of salmon available for harvest has been dwindling for many years, and will simply not provide adequately for all the demands placed upon it. And as it continued to decline, more demands were made against it until finally the decision was rendered that there must be a reallocation of the remaining number to accommodate Indian treaties written in the middle of the last century.

I feel the Boldt decision is doubly unfortunate because on the one hand it has placed one more obstacle in the path a salmon must follow to continue its existence, and on the other hand it requires a continuation of a system that has evolved throughout the United States during the past 150 years in which there is an imbalance in the treatment of different groups of citizens that is based on racial origins.

The rights of Indians guaranteed in ancient treaties are important and are a continuing obligation that must be met. But changing interpretations of treaty language and other developments that only partially integrated all our citizens into a common nation, leaving several nations within one nation, have combined to produce a confusing situation that bewilders each group of citizens that becomes enmeshed.

Most everything that has happened in Federal courtrooms as jurists decided matters that involve Indians can be attributed directly to the paternalistic attitude that the Government of the United States has adopted toward the many Indian tribal nations that still exist within our Nation. Because of this attitude, Congress has been magnanimous in providing funds to assist in nearly every endeavor that is undertaken to improve the lot of Indians. Frankly, I am not sure that many of these programs have been very successful. Indians still remain at the lower end of the social spectrum in this Nation with one of the higher alcoholism and suicide rates, and one of the lowest life spans. For these reasons I feel that perhaps we have taken the wrong approach in dealing with our trust relationship with Indians. Perhaps a better course would be a complete assimilation of Indians into the society of our Nation with the same rights and privileges afforded to all citizens.

In any case, Judge Boldt's Indian fishing decision could be pointed to as one man's interpretation of a way to right all of the wrongs, real or imagined, that rest on the conscience of America. That also would be an incorrect interpretation, however, because the Boldt decision was upheld by other jurists at the Ninth Circuit Court of Appeals.

So, the decision stands, and it becomes incumbent upon us to deal with it effectively. We are fortunate because we can deal with the decision simply by increasing the number of salmon that exists. The State of Washington has the ability, both the technological know-how and the salmon rearing sites with the necessary quality and quantity of water, to greatly enhance the number of available salmon. We must have the courage to assist the State to do it by underwriting the massive salmon enhancement plan that the Washington State Legislature has under consideration. It is a multimillion-dollar program that cannot be funded fully by the State, nor should it be if the Federal Government accepts its obligation under the treaties it signed with the Indians.

The Federal Government's role is inextricable. It must be magnanimous in providing additional funds to help the State with its enhancement effort. The provisions of the treaties that were signed between it and the Indian Nations require it. The Washington State congressional delegation currently is spearheading that effort to appropriate the necessary funds.

But others will have to accept an obligation too. As stated, the number of salmon available for harvest will not support all the demands of all those who would share it. All user groups must recognize and accept that fact. Nor will the salmon enhancement program envisioned spontaneously generate enough salmon to meet all these demands. Each group will have to accept regulations that allow for the necessary level of escapement to provide for propagation of the species and to launch the enhancement program. Allowances must be made for equitable distribution of the remainder among all users.

Those regulations must provide for all fishermen, both Indian and nontreaty, to fish in competition to harvest the available salmon. For this reason, I have insisted that serious negotiations continue among representatives of the State, Indians, Federal Government, and user groups so that no action by one group is unanticipated by another, and all are striving toward the common goal.

All groups, trollers, sport, charter boat, gill netters, purse seiners, and reef netters will have to be patient during the formulative years of the salmon enhancement plan. And all levels of government will have to help make that patience tolerable. The Congress must move quickly to provide the funds and to oversee the progress of the Federal task force's recommended enhancement effort. It must assure that other departments of the Federal Government—the State Department, Justice Department, Interior, Commerce, and other arms of the executive branch—stand ready to assist as the effort goes forward.

The Washington State Legislature must recognize the regulatory needs of the agencies that manage the fisheries and provide them with sufficient laws. The agencies themselves must continually strive to assure the users that there will be totally equitable treatment in the development of regulations; that every effort is made to assure that each of the user groups achieves as high a level of harvest as possible within the parameters of the total program, even though that level of harvest may not be as high as it was in the past.

All user groups will have to look at the situation realistically. Their reluctance to accept what the regulatory agencies are attempting to do, to choose not to believe that what they say is happening is actually what is going on, will be allayed by the knowledge that the eyes of the Congress, the judicial, and the executive branches of the Federal Government are following the progress of the effort to replenish the numbers of Pacific salmon.

It will not be an easy task. It is never easy to give up something in hand for a better tomorrow. But it can and must be done. And once we have embarked upon this task, any who stray from the narrow path must return. Because we have accepted this task, future generations will be the beneficiaries of a treasure unlike any other on Earth—the unparalled Pacific salmon.

ADMINISTRATION ENERGY PROGRAM

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. RISENHOOVER. Mr. Speaker, I am deeply concerned about the administration's energy program. Particularly, I oppose efforts to force the conversion of gas-fired electrical generating plants with coal-fired boilers and to H.R. 6831, which relates to the tax on natural gas.

In my view—and in the opinion of well-informed people—consumers will be paying for these bills through higher fuel and utility rates. I do not think this is necessary.

Mr. Czar D. Langston, Jr., general manager of the Oklahoma Association of Electric Cooperatives, sent me the fol-

lowing letter on the subject which I offer for the information of my colleagues:

OKLAHOMA ASSOCIATION
OF ELECTRIC COOPERATIVES,
Oklahoma City, Okla., June 1, 1977.

Hon. TED RISENHOOVER,
1124 Longworth House Office Building, Washington, D.C.

DEAR TED: If certain portions of President Carter's energy program are enacted into law, the future costs of electricity in Oklahoma would be greatly increased above the present high cost.

There are two primary phases of the President's proposed legislation that would increase electric rates. These are:

1. Forcing all gas-fired electric generating plants to be replaced with coal-fired plants by 1990.

2. Placing a tax on natural gas to bring the wellhead price and the tax on natural gas up to the interstate prices.

It is estimated that it would cost the Oklahoma electric cooperatives and the two large electric public utilities over $4 billion to replace the present gas-fired generating plants with coal-fired plants.

At the present time, the entire investment of the Rural Electric Cooperatives, Public Service Company of Oklahoma and OG&E in generation, transmission and distribution facilities is slightly more than $2 billion.

With this tremendous increase in capital investment and the resulting high interest costs, it is estimated the cost of electric service would increase an average of $500 to $600 per customer each year if this conversion were forced on the RECs and power companies operating in Oklahoma.

It is desired to point out that the cost to convert a gas-fired generating plant to a coal-fired plant is more than to build a new coal-fired plant; therefore, the electric industry must figure the cost of new plants in analyzing this issue.

If the gas-fired plants were shut down for energy savings, there would be a disastrous shortage of electric energy throughout this area of the nation.

We do not believe this legislation is even needed because both OG&E and the RECs are all in the process of replacing in an orderly manner our gas-fired plants to coal and nuclear because of the economic savings in these two fuels over the anticipated future cost of natural gas.

The average blend price of natural gas used to generate electric energy for the Oklahoma electric utility companies and the RECs is approximately $1.25 per 1000 cubic feet. The recently announced price of new natural gas is $1.75 per 1000 cubic feet. This would mean the new tax would increase the price of this fuel 50 cents per 1000 cubic feet above the present blend price.

This 50 cent increase in natural gas costs would add approximately $20 million per year to the cost of the Oklahoma RECs to provide electricity to their members.

It is also estimated that this new tax would add about $80,000,000 to the cost of electric service to the customers of OG&E and approximately $50,000,000 to the customers of Public Service Company per year.

It is understood that Senate bills S. 1469 and S. 977 deal with the conversion issue and H.R. 6831 relates to the tax on natural gas.

You are strongly urged to oppose this excessive tax on natural gas and the proposal to force the replacing of gas-fired generating plants with coal-fired plants.

Very truly yours,

CZAR D. LANGSTON, Jr.,
General Manager.

CHRISTIAN SCIENCE MONITOR ENDORSES CONSUMER PROTECTION ACT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. DRINAN. Mr. Speaker, we shall soon have the opportunity to create an agency which our Nation has needed for many years. Virtually every special interest group in the United States has a Government agency to which it can turn for protection. Only the consumers of America are denied an effective voice.

As one would expect, as the opportunity to remedy this situation approaches, the special interest groups have organized a massive, well-financed effort to deny consumers an effective protective agency. As President Carter put it, "The lobbyists have come out of the woodwork."

Arrayed against the special interests, however, is a growing roster of supporters of the Consumer Protection Act. The American Bar Association has, in the words of the Christian Science Monitor, "added its lawyerly opinion to the affirmative side of the debate." In congressional testimony, the ABA said a Consumer Protection Agency would "materially improve the fairness of the administrative process."

On June 7, the Monitor, one of America's most prestigious newspapers, editorially endorsed the Consumer Protection Act:

The best thing that could happen would be for Congress to join the President and pass decisively the kind of consumer protection law that has now evolved over some eight years.

The Christian Science Monitor accurately noted that—

The consumer is not . . . represented in proportion to the interest groups represented by the lobbyists.

Mr. Speaker, I commend to the attention of my colleagues the Christian Science Monitor editorial entitled "A Consumer Agency At Last," which follows:

A CONSUMER AGENCY AT LAST

President Carter made a telling point when he suggested that previous congressional support of a consumer protection agency was influenced by the expectation that a Republican president would veto it anyway. Now that he has renewed his backing of the bill, legislators are challenged to vote for what they would actually like to see happen.

The best thing that could happen would be for Congress to join the President and pass decisively the kind of consumer protection law that has now evolved over some eight years. But it should then watch the operation carefully to ensure that the proposed consumer protection agency remains the small, efficient advocacy and information office that Mr. Carter, with his business instincts, intends it to be.

The President's imagery was unusually sharp when he said this week that "the lobbyists have come out of the woodwork" to place intense pressure on Congress against the agency. This seems an overreaction to those who have consistently opposed the idea of a consumer protection agency, issuing warnings about the potential costs to government and especially business that should not be ignored.

And such warnings will not have been ignored if the agency works as it is supposed to. This means eliminating some other government offices, providing independent representation for consumers before other federal agencies and the courts, but not becoming one more regulatory agency itself.

As it is, the consumer is not thus represented in proportion to the interest groups represented by the lobbyists. Presidential consumer aide Esther Peterson took note of the disparity in referring to the abundant resources of these lobbyists: "Ironically, the lobbying against this bill shows why the bill is necessary. . . . The imbalance of resources speaks for itself. It is precisely that imbalance which the consumer agency bill seeks to redress."

Along with the consumer groups supporting the bill, the American Bar Association has added its lawyerly opinion to the affirmative side of the debate. In congressional testimony it said such an agency's effective representation of consumer interests would "materially improve the fairness of the administrative process" and be "a vital source of protection for such interests wherever they might otherwise go disregarded or misunderstood."

That is the crux of the matter and reason enough to move forward expeditiously on the consumer agency bill.

THE 59TH ANNIVERSARY OF ARMENIAN INDEPENDENCE

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. HOLLENBECK. Mr. Speaker, May 28 marked the 59th anniversary of Armenian independence. On this day every year, people who share an Armenian ancestry reflect on their past and reinforce their convictions to secure freedom and independence for Armenians of the present day.

This anniversary should encourage reflection. On May 28, 1918, inspired by Woodrow Wilson's 14 points and motivated by their respect for human rights, the people of Armenia declared themselves independent. This action demonstrated how relentless efforts can overcome oppression and secure freedom. In our contemporary society, where human rights is a continuing issue, we would be wise to consider the struggle for Armenian independence and learn from their driving determination. Like our Armenian friends, we should share their remembrance and commit ourselves to the ideals in which they believe.

Armenian persecution at the hands of the Turks and Soviets has provided them with an inherent respect for freedom and human dignity. Armenian Americans have been second to none in their support of this country and the ideals upon which it was built. Their unselfish motivation drives them to seek the implementation of these values throughout the world.

Despite suffering centuries of persecu-

tion, the Armenians continue to maintain their religious, cultural, and linguistic identity. This is in itself a great tribute to their national character. Hopefully, their perseverance and nationalistic sentiments will reward them with the satisfaction of restoring freedom to the peole of Armenia and to the land which is their historic birthright.

Armenians worldwide have suffered the depths of human cruelty and I believe it is time that we recognize their right to independence. I only hope that their courage persists until the day when independence arrives with the guarantee of freedom for their people.

A WAVE OF THE BUDGET MACHETE DRASTICALLY CUTS THE ERDA APPROPRIATION—CARTER NEGOTIATING POSITION UNDERMINED

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. SANTINI. Mr. Speaker, let us look before we cut. Next Monday, June 13, the House will consider the fiscal 1978 appropriations for the Energy Research and Development Administration's operating expenses. A decision was made at subcommittee level to cut $9.1 million from the Nation's nuclear testing program.

There are several deficiencies in this arbitrary slashing decision:

First. This is a very severe reduction in the program. President Carter recommended an appropriation at the same level as in fiscal year 1977. Instead, the bill now proposes a $9.1 million cut on top of the loss of real productivity due to inflation. After reducing the weapons program by that large amount, the subcommittee then cut the entire appropriation 3 percent across the board. That boils down to a real reduction of $16.2 million.

Second. This budget reduction will impair completion of testing programs in which we have already invested millions of dollars.

Third. The cut will result in the loss of several hundred jobs. The unfairness of this unemployment consequence is that there has been no advance notice or planning for job relocation.

Fourth. There is little or no testimonial basis for this garroting of ERDA. It cannot be asserted that this decision was the result of any indepth deliberation. It was, at best, an in-the-dark wave of the budget cutting machete.

Fifth. Finally, for us nervous Nellies or Neds, it seems patently self-defeating to cut our testing activity while our international bosom buddies continue to test.

The ill-advised thrust of this decision is apparent. It is a poorly conceived and unjustified reduction at a time when the President is negotiating an arms limitation treaty. To proceed with this cut without any expectation of a quid pro quo by our Russian friends is dangerous. This puts us in the posture of conceding vital negotiating points before the sessions even start.

THE TURKISH EMBARGO

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. FINDLEY. Mr. Speaker, the elections in Turkey mark another step toward a resolution of the situation on Cyprus. Pending elections tend to charge the political atmosphere of democracies, making apprehensible for campaigning politicians the negotiation compromises they would accept as head of state. With this vote, therefore, we can anticipate a renewed Turkish determination to seek a viable settlement on Cyprus. Indeed, we can look for good faith efforts by all of the parties involved in decisions regarding that island in order to reach an agreement that is fair and beneficial to both the Greek and Turkish Cypriot communities.

To reach a just and lasting settlement on Cyprus there will have to be flexibility and dedication on all sides. This includes, as well, the United States. I would urge President Carter to continue to offer the good services of Clark Clifford and other resources he deems necessary to help mediate the Cyprus conflict. It was in the spirit of flexibility that I offered a motion to recommit H.R. 6884, the International Security Assistance Act of 1977, with instructions that would have permitted the President to waive the arms embargo on Turkey when and only when he felt such a waiver would enable Turkey to fulfill its NATO responsibilities and when it would promote U.S. national security interests. Although this recommittal would not have lifted the embargo, it would have enhanced Presidential flexibility so often necessary in furthering difficult negotiations. I trust the President would have used his increased authority with prudence and good sense.

The recommittal motion did not succeed although its loss does not diminish its impact as a statement of congressional impatience with the hesitation in this legislative body to do something to get the ball rolling on Cyprus. It was a bipartisan effort triggered by the recognition that the arms embargo has hindered rather than facilitated peace efforts on Cyprus while it has weakened our NATO defenses, our intelligence capabilities, and our relationships with our Mediterranean allies. I am proud to note, too, as a Republican, the strong support my fellow party members gave to the recommittal motion demonstrating their interest in sound foreign policy objectives irrespective of whether it is a Republican or a Democrat who resides in the White House.

I would hope that, in the future, this support for a resolution of the conflict on Cyprus would continue and grow.

"THE RIGHT TO FOOD"

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. SYMMS. Mr. Speaker, during the last year or so many Members of Congress have been receiving mail from a group called Bread for the World. I have found that this organization is closely associated with the National Council of Churches; their stated philosophy is that everyone has a "right" to food and that if necessary governments should forcibly redistribute food supplies.

Dr. E. C. Pasour, Jr., professor of economics at North Carolina State University, wrote an essay entitled "The Right to Food" which appeared in the Freeman, a publication of the Foundation for Economic Education. I would like to commend Dr. Pasour's essay to my colleagues in Congress:

THE RIGHT TO FOOD

(By E. C. Pasour, Jr.)

People in the U.S. and throughout the world now have a heightened awareness of the age-old problems of hunger and poverty. It has been estimated that 460 million people throughout the world today suffer from acute malnutrition. At the same time, capacity to produce food is at an all time high in the U.S. and throughout the highly developed countries. Increasingly, questions are being raised about the apparent injustice of this coexistence of hunger and affluence.

The movement to provide more food to hungry people throughout the world has increased significantly since the early 1970's. The 1974 World Food Conference in Rome took what many regarded as an essential first step. The conference adopted an objective that within a decade no child will go to bed hungry and that no family need fear for its next day's bread. In the same spirit, a "Right to Food" resolution was introduced in both houses of the U.S. Congress in 1975. This resolution declares that every person in the U.S. and throughout the world has the right to a nutritionally adequate diet. The resolution has received the official sanction of various religious groups. Members of the Lutheran Church in America, for example, have been exhorted to contact their Representatives and Senators to "urge its passage."

The concerned citizen cannot be oblivious to this neighbor's condition. The fact that a problem exists, however, does not imply that all possible solutions are either feasible or right. What should be the attitude of the morally sensitive person toward this (or any other) "Right to Food" resolution? Do we, as individuals, have an obligation to support this legislation? More generally, what should be our stance toward world hunger problems? What can we as individuals do to alleviate the hunger problem facing half a billion people throughout the world?

The purpose of this paper is to analyze the "Right to Food" resolution. In doing so, the legitimacy of the right to food by citizens in the U.S. and in other countries will be discussed. The distinction between public and private charity will be stressed. Finally, limitations of charity as a long-run solution to hunger and poverty will be described.

THE CONCEPT EXAMINED

There can be no universal right to food. The concept of the right to food cannot be supported on either economic or moral grounds. First, consider the economic implications of the right to food. The right

to food basically involves the problem of income distribution. Food is man-produced. Proposals which assume a right to food (or income) by individuals within or outside the U.S. imply that there is no relationship between the incentives of food producers and food production. Many of the countries in which the hunger problem is most acute have attempted to ignore this relationship.

The right to food is fundamentally no different than a right to housing, clothing, and the like. Thus, there can be no economic bill of rights assuring everyone a specified level of "necessities," since dividing income differently will affect the output of goods and services and, consequently, the amount of income to divide. That is, the more equal the income distribution, the less enthusiasm there will be on the part of individuals to engage in wealth-producing activities.

Food and other goods must be produced before they can be distributed. This is just as true for a highly developed modern economy as it was for Robinson Crusoe. The absurdity of the concept of "Right to Food" is obvious in the case of a Crusoe economy. The same basic problem remains, however, for a modern economy. There is no way to legislate prosperity for all.

The recent bankruptcy of New York City is a predictable outcome of an attitude by public officials which holds that "we will not be constrained by economics in caring for our citizens." The minimum wage provides another good example of attempting to increase incomes by ignoring economic principles. Increases in the minimum wage cannot be used as a device to insure a minimum amount of income for all. Instead, the evidence in scores of examples has shown that the effect of an increase in the minimum wage is to eliminate jobs for marginal workers—not to increase their income.

Though a policy which is not feasible from an economic standpoint could hardly be moral, there are other moral objections to any universal right to food. Any right to a given level of food must be at someone else's expense. Granting individual A the right to food (or any other good) means that an obligation is simultaneously being imposed on person B to provide the food since food must be produced to be consumed. Any right for one individual which imposes an unchosen obligation on other individuals can hardly be regarded as a moral right. This point is closely related to the distinction between "public" and private charity.

PUBLIC VS. PRIVATE CHARITY

Charity by its very nature implies a voluntary, freely chosen act. However, the "Right to Food" resolution involves not private charity but an involuntary gift of food (and income) from people who are not disposed to provide such aid. The "Right to Food" resolution involves the use of the state's power to collect from individuals more than they are willing to contribute privately. Any individual is now free to contribute privately as much as he chooses for domestic and foreign relief agencies. The "Right to Food" resolution means, however, that individuals should be forced to contribute more to such work than they freely choose.

Support of legislation to coerce individuals into performing or abstaining from particular actions is inconsistent with the Judaeo-Christian concept of freedom. Blue Laws, prohibition, and anti-pornography provide other recent examples of legislation attempting to coerce individuals into particular modes of behavior. Freedom involves choice, not necessity, but means little if man is not free to choose—to choose good as well as evil. Thus, it is difficult to understand why a religious imprimatur should be placed on legislation intended to coerce individuals into supporting a particular activity. Such legislation will inevitably restrict the individual's freedom o. choice.

The act of supporting legislation affecting income levels on moral grounds raises a host of questions—theoretical and practical. Numerous groups, some preponderantly low income (e.g., elderly) and some preponderantly high income (e.g., doctors and lawyers), use or attempt to use the power of the state to affect their incomes. What moral basis can one use to determine whether the income of a particular individual or group is too high or too low? The Aristotelian idea of a "just price," meaning anything other than the competitive market price, has long been discredited. The idea of a "just wage" determined administratively is just as spurious. The market provides only the objective basis for determining what the wage of a particular individual should be.

In reality, the incomes of most groups are influenced by the political process. Decisions to increase school teacher salaries or the level of social security benefits for the elderly, for example, are made in the political arena and reflect the political power of their individual constituencies. However, we have no objective basis apart from market forces for determining the "just" level of income for these or any other groups.

The fact that individuals or groups have no moral basis for attempting to coerce other individuals into involuntary acts does not mean, of course, that the hunger problem is not worthy of our attention as individuals. We cannot be oblivious to problems of hunger and malnutrition within the U.S. or in less-developed countries. Private charity is an important activity and can often play a key role in alleviating distress. Unfortunately, the impulse for private charity and the individual's concern for his fellow man is being reduced by the progressively larger role of "public charity."

Right to food resolutions also have a pernicious effect in fostering expectations which, aside from problems of economic scarcity, are incapable of being fulfilled. There is no way to assure everyone the right to a nutritionally adequate diet or to insure, as proposed at the Rome Conference, that "no human being's future and capacities will be stunted by nutrition." Nutrition problems exist in all countries for persons at all income levels. All parents know that providing the proper food does not guarantee that a nutritious meal will be eaten. Interest in "Weight-watchers" and other diet programs indicates that practical difficulties associated with eating properly (even when food is abundant) are not limited to children.

ALTERNATIVES

For most of the world's hungry people, however, the basic problem is to obtain enough food. The question is not whether the plight of hungry people should be alleviated, but how. If the "Right to Food" resolution is not the proper approach toward alleviating hunger, what should we as individuals do? There is certainly a key positive role for private charity. Such aid can perform a valuable role in providing temporary relief in case of earthquakes, floods, and other disasters.

Western "imperialism," lack of resources and weather are being used as scapegoats by many underdeveloped countries to hide the effects of their own mismanagement. The advantage of abundant resources can easily be negated by government policies (as in Jamaica). On the other hand, Hong Kong, Singapore, South Korea and Taiwan demonstrate the fact that resource-poor areas can develop when economic incentives are present. The fact that Russian farmers produce 25 percent of their food in private plots worked by farmers in their spare time provides additional evidence of the effect of economic incentives on output.

The only long-run solution to low income and hunger is to increase the output of the people involved, since wages depend primarily on the productivity of labor. For a given economic system, the productivity of labor depends on the amount of resources, including machinery and equipment available to work with. Increasing the ratio of capital to labor requires incentives to invest and produce. Yet, many of the underdeveloped countries fail to provide the climate for economic development, with an overt hostility toward a system of economic incentives.

Attempts to avoid the "mistakes" of a market economy through comprehensive central planning in "Third World" countries are almost certain to impede economic development. There are no short cuts to economic development or panaceas to solve low-income and hunger problems. Capital formation requires time, and hasty decisions adversely affecting investment by domestic and foreign investors can affect the lives of a country's inhabitants for decades to come. The shortages, "bottlenecks" in production, low emphasis on output of consumer goods, and the like in Russia and other centrally directed economies are predictable results of relying on central control instead of the market in organizing economic activity. The typical person has little appreciation of the way in which the price system of a market economy provides information to market participants. For example, the amount of information required and number of decisions involved in getting a loaf of bread into a consumer's hands is staggering to contemplate.

Though charity may alleviate some temporary distress probems, the only long-run answer to world hunger and low income lies fundamentally within the countries themselves. Neither private nor "public" charity is an effective substitute for basic political and economic reforms. Good intentions are not enough. "Right to Food" resolutions, whether passed or not, are likely to have a harmful effect on development efforts, since they divert attention from the basic problem. If enacted, such resolutions may also impede long-run development by enabling developing countries to adopt policies which discourage capital formation both from within and by foreign investors.

ALASKAN GAS

HON. DAN MARRIOTT

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. MARRIOTT. Mr. Speaker, while we are still some time away from making a final decision on how the North Slope gas shall be delivered to the "lower 48," I wanted to share this very interesting and timely article with my colleagues from the June issue of Science magazine:

ALASKAN GAS: NEPA BRINGS OUT A STRONG NEW PIPELINE APPLICANT

Deciding how the oil and natural gas resources of the Alaskan North Slope will be delivered to the lower 48 states has been a difficult and at times decidedly frustrating learning experience for the U.S. government. Certainly the government cannot be pleased at the current evidence that critics of the trans-Alaska pipeline system (TAPS) proj-

ect may very well have been right—that, in the absence of either a West Coast market for the North Slope oil or of pipelines to move it from the West Coast to the Midwest and East where it is needed, TAPS may wind up delivering the oil to tankers bound for Japan.

Yet, if the decision-making with respect to transporting the oil has left much to be desired, the government is quite clearly doing better at deciding how the North Slope gas should be transported. For the final decision on this matter will not be made until a wide range of possible choices has been carefully considered. The improvement seems to stem largely from the fact that the National Environmental Policy Act (NEPA) requirement for a searching analysis and review of alternatives is being faithfully met in the case of the gas, whereas in the case of the oil it was not.

A final decision on how the North Slope gas shall be delivered to the "lower 48" is due either late this year or in early 1978. Unlike the situation that existed with respect to the oil, there are three—not just one—serious proposals on the table. Moreover, one of them—the "Alcan" proposal for a 42-inch pipeline to be built along the TAPS corridor from Prudhoe Bay to Fairbanks, then along the Alcan Highway corridor into Canada and across the Yukon Territory—actually came about as the direct result of recommendations in 1975 and 1976 by the environmental staff of the Federal Power Commission (FPC). The Northwest Pipeline Corporation of Salt Lake City, Utah, together with three Canadian companies, put forward this proposal after a Fairbanks-Alcan corridor pipeline was recommended as an alternative in environmental impact statements which the FPC had prepared as required by NEPA.

The FPC staff wanted this alternative to be considered by the commission along with the projects that had been proposed by the Alaskan Arctic Gas Pipeline Company and the El Paso Alaska Company, then the only applicants seeking FPC certification. The Arctic Gas proposal is to build a 48-inch pipeline from Prudhoe Bay east across the Arctic National Wildlife Range and the northern Yukon to the Mackenzie River delta in the Northwest Territories, then south down the Mackenzie Valley into Alberta. A particular advantage seen for this project is that Canadian gas from Mackenzie delta reserves—reserves still too modest to justify a pipeline for them alone—could be transported along with the Alaskan gas.

The El Paso proposal is to build a 42-inch pipeline from Prudhoe Bay along the TAPS corridor to a liquefaction facility at Point Gravina on Prince William Sound, in southern Alaska. From Point Gravina the liquefied natural gas (LNG) would be carried by a fleet of eight huge tankers to California, where it would be regasified. Whichever project is built, it is sure to cost more than $7 billion (present estimates, expressed in 1975 dollars, range from $6.5 billion for the El Paso proposal to $6.7 billion each for those by Alcan and Arctic Gas).

Compared to the two cross-Canada alternatives, the one great advantage of the El Paso project is that it would be an "all-American" endeavor that would not require the concurrence of the Canadian government. Some major disadvantages are that the combination pipeline—LNG system is considered less reliable and energy-efficient than an overland pipeline system. Also, the gas would not be delivered to the markets in the Midwest and East where it is most needed; instead, those markets would benefit only indirectly by an elaborate system of "displacement," with the entry of the Alaskan gas into the national distribution system allowing other gas to be assigned to them.

As the FPC environmental staff indicated, a pipeline built along the Fairbanks-Alcan corridor would offer the special advantage of not intruding upon either the Arctic Wildlife Range, a splendid wilderness of 9 million acres which groups such as the Sierra Club and Friends of the Earth hold dear, or the adjacent and quite similar wilderness region in the northern Yukon. This advantage could be compelling in a comparison with the Arctic Gas proposal if the Canadian government should choose not to allow early recovery of the Mackenzie gas reserves.

In fact, two recent developments have made the Alcan proposal look like a very strong contender for approval. First, there was the recommendation made to the White House on 1 May by the four FPC commissioners, acting pursuant to the Alaska Natural Gas Transportation Act of 1976, which leaves the ultimate choice to the President and Congress. All three proposals were held to be economically and environmentally acceptable, but the commissioners unanimously favored an all-overland pipeline system to the El Paso pipeline—LNG tanker system, provided of course the Canadian government consents to it. As between the Arctic Gas and Alcan proposals, the commissioners split 2 to 2, but with all four favoring Alcan in the event that Canada elects not to proceed with early development of its Mackenzie gas reserves.

Second, there was the report issued on 9 May by Justice Thomas R. Berger, a member of the Supreme Court of British Columbia, whom Canadian Prime Minister Pierre Trudeau appointed to head an extensive inquiry into the environmental and socioeconomic impacts that construction of a gas pipeline would have on the Canadian north (*Science*, 25 March). Berger recommended that no pipeline be built in the Mackenzie Valley for 10 years. In his view, this would allow time for settlement of native land claims and development of programs and institutions to permit the natives to adjust to the intrusion without loss of their culture and traditional way of life. He recommended further that no pipeline ever be built across the northern Yukon, a region which he said should be designated as a "national wilderness park."

Berger noted that the Alcan project would take an alternate route, across the southern Yukon. "Some of the concerns about wildlife, wilderness, and engineering and construction that led me to reject the corridor across the northern Yukon do not appear to apply in the case of the Alaska [or Alcan] Highway Route," he observed. "It is a route with an established infrastructure. In my view, the construction of a pipeline along this route would not threaten any substantial populations of any species in the Yukon or in Alaska."

But, as Berger also pointed out, it was not for him to endorse the Alcan project, as others would have to assess the socioeconomic and native claims issues to which it might give rise. Two other special inquiries, commissioned by the Trudeau government, will be made into the Alcan project and its possible impacts over the next several months.

Nevertheless, taken together with the report of the FPC commissioners, the Berger report gave the Alcan project a strong push. Some serious observers believe that it virtually killed Arctic Gas. The Berger inquiry was heavily publicized in the Canadian press last year and is reported to have generated widespread sympathy for the natives of the North and their attempts to preserve a distinct cultural identity.

Canada's National Energy Board (NEB) is to make its recommendation on the Arctic Gas and Alcan applications by 1 July, and the Trudeau government is supposed to take final action by early fall, thus allowing President Carter to make his own decision in a timely manner. Prime Minister Trudeau has indicated, as recently as this past March, that for Canada to leave the United States no option other than the El Paso proposal would not be in Canada's national interest. In the event Canada did so, all possibility of a pipeline financed by U.S. consumers being used either in part or in whole for the delivery of Mackenzie gas would be eliminated.*

In any case, once the Canadians have made their decision, President Carter will know whether the Arctic, Alcan, and El Paso options all remain alive, or whether only one or two of them do. Whatever choices left open, and whatever the President and Congress may decide, the U.S. government will not be behaving in the arbitrary way it did in approving the TAPS project. In that case, the decision was made without fully exploring the possibility of delivering the oil to the Midwest (where a hungry market was assured) by way of an overland corridor across Canada that could eventually accommodate both an oil and a natural gas pipeline.

A huge and costly environmental study was prepared by the Department of the Interior for TAPS, but the analysis made of the trans-Canada alternative was a pro forma effort which everyone knew would not upset the commitment of the North Slope oil companies and the Nixon Administration to an all-Alaskan pipeline and tanker system. In fact, much worse things have been said about it. Charles J. Cicchetti, now an economist and energy official for the state of Wisconsin who several years ago authored the book *Alaskan Oil: Alternative Routes and Markets*, recently told a Senate committee that the Interior study's conclusions that the trans-Canada alternative did not offer a clear advantage over TAPS on either economic or environmental grounds were "totally fabricated deceptions."

The federal courts, which environmental groups used to delay the TAPS project for a few years, might have demanded a more rigorous analytical effort except for the fact that, with the energy crisis coming on in 1973, Congress simply declared that all NEPA requirements had been met and gave TAPS the go-ahead. As a concession to the critics who were saying that the North Slope oil would wind up being sold to Japan, Congress did provide that no domestic oil could be sold abroad without a special presidential finding that the sales are in the national interest and will not reduce U.S. oil supplies. In the absence of such a finding, the North Slope producers may be reduced to an awkward, makeshift scheme for domestic deliveries, such as one that would involve the transfer of Alaskan pipeline oil from larger to smaller tankers at the Panama Canal.

In contrast to what has happened with respect to TAPS, the decision-making scenario that has thus far unfolded with respect to the gas delivery system seems to offer a hopeful lesson. It is that, if the government shows that its examination of alternatives is

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* Also pending before the NEB is an application by Foothills Pipe Line Ltd., a partner in the Alcan project ,to build a "Mapleleaf pipeline" from the Mackenzie delta down into Alberta. Foothills has acknowledged that there are not enough proved reserves in the delta to justify early construction of this line. But in redsponse to NEB inquiries the company has submitted preliminary studies which suggest that, if the Mapleleaf pipeline were routed across the Yukon Territory along the Dempster Highway, instead of down the Mackenzie Valley, it could be tied in with the Alcan system. The resulting cost savings, Foothills has said, would be such that Mackenzie gas could be delivered to Canadian consumers at prices competitive with those possible with an Arctic Gas pipeline.

in earnest, industry will take the exercise seriously. In announcing the Alcan project in May 1976, John G. McMillian, board chairman of the Northwest Pipeline Corporation, specifically acknowledged that this project had its "genesis" in the draft environmental impact statement prepared by the FPC staff.

As it turned out, the Alcan proposal suffered from being hurriedly put together. This past February an FPC administrative law judge held, in recommending in favor of the Arctic Gas proposal, that the information offered in support of Alcan was so skimpy that that project could not possibly be approved on the basis of it. That Alcan is now back in the ball game, and with a vengeance, is probably due to the fact that the proposal was drastically amended just before the FPC commissioners had to pass on it—for instance, as now designed, Alcan would be a 48-inch express line instead of the more modest 42-inch system first proposed.

Yet, no matter how the final decision on the North Slope gas delivery system turns out, there is reason to think that it will have been arrived at rationally, and in a way vastly superior to the big put-on that seems to have characterized the decision-making in the case of TAPS. The Council on Environmental Quality is currently holding public hearings on the adequacy of the impact statements and will make its own recommendations to the White House by 1 July, as will other agencies such as the Department of the Interior. Once President Carter has heard from the Canadians and made his own decision as to which project to approve, Congress will have 60 days in which to confirm his choice or toss it back to him for another go-round. The final outcome should be known before the year is out.—Luther J. Carter.

THE BALANCE(S) OF POWER SERIES: THE NAVAL BALANCE, PART VI(i)

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BRECKINRIDGE. Mr. Speaker, I continue my "Balance(s) of Power" series today by considering the United States-Soviet naval balance. An excellent article, appearing in Foreign Affairs—January 1977—by Adm. Stansfield Turner,[1] serves as an enlightening and professional introduction to this subject. Entitled "The Naval Balance: Not Just a Numbers Game," this outstanding article poses crucial questions in evaluating U.S. naval capabilities in relation to the Soviets, while sounding caution over facile approaches to comparing naval force structures.

Admiral Turner's article presents the challenge to us all: to ask meaningful questions and to face up to the answers we find. Successive articles in this naval balance section will follow in the weeks to come, identifying crucial U.S. naval objectives in the context of U.S. strategy and by discussing Soviet trends not simply in terms of tonnage or inventory, but as potential threats to specific U.S. capabilities. Admiral Turner's article follows:

THE NAVAL BALANCE: NOT JUST A NUMBERS GAME

(By Admiral Stansfield Turner)[1]

Comparisons of the seagoing armed forces of the Soviet Union and the United States are much in the news nowadays, and they are much in what happens behind the news. When our Secretary of State visits Moscow, or shuttles between capitals in Africa or the Middle East, he doubtless does not dwell on specific comparisons of military forces in his political talks, but the armed strength of our nation resonates in his words. Foreign policy transcends military capability, yet that capability tends to limit choices. Great wasteful wars have broken out in our century partly because of misperceived comparisons of armed forces. And war is as often a collapse as it is a continuation of foreign policy.

In offering a professional appraisal of the process of measuring the naval balance and of the relative present strengths of the two navies, I can give no answer either wholly comforting or wholly alarming to the usual, brusque question, "Let's get down to brass tacks. Who's ahead, Admiral?" My general tenor will be, rather, to focus on two questions addressed to people who think seriously about foreign policy: "What do you mean by 'ahead'?" and "How far 'ahead' will suit you, for foreign policy purposes?"

The argument from the facts will tend this way: that as a seagoing power, we are moving into a shrinking range of political options, and a higher level of risk. For this there are two reasons: a major industrial power, the Soviet Union, is building up a navy with dogged determination, reacting to its perception of a threat from our once-overwhelming armed superiority at sea; and meantime there is growing competition at home for military expenditures, especially when there are so many social demands on our national resources.

This article will attempt to define our present capabilities for performing the various missions of a sea force in the light of these two crisscrossing trends. Clearing away misconceptions will be much of the task, and will enable us to focus on what really matters in naval strength when the foreign policy chips go down on the table.

II

But how do you measure the comparative quality of navies? There has been much talk recently of an imbalance. We even hear Paul Revere-style rhetoric: "The United States is being left behind with a second-rate navy!" We hear comparably authoritative statistics, quoted with equal vehemence and positive pride, proving: "We're way out front." Congress and the public stand in between—one being asked to enact legislation affecting the size and quality of the Navy, the other being asked to finance those changes. Whom should they believe?

The problem is often addressed as though it were amenable to a straightforward count of ships, airplanes and submarines on both sides, a comparison of absolutes. The Soviet Navy either has 255 attack submarines or it hasn't. Compared to the 73 attack submarines of the United States, the Soviet Union would seem to have a clear advantage. But, then, how does one weigh the fact that the United States has 13 attack aircraft carriers while the Soviet Union has none? Does this compensate in some way for our lack of submarines? A purely quantitative comparison clearly fails to tell us what we want to know. What one navy requires may not be what another needs, if their missions differ. Submarines, for instance, are not necessarily pitted against each other. The question is, rather, to determine what the submarines of each side are assigned to accomplish.

Thus, the first step in judging the naval balance between the United States and the Soviet Union is to understand what each of the two nations requires of its navy. Only then can we be sure that we are comparing opposed commensurables. Let us start by examining how the Soviet Navy came to be what it is today.

III

The Soviet Navy began to emerge as a significant naval force only after World War II. Navy expansion, begun in the early 1900s and interrupted by the Second World War was not able to regain its initial momentum until the late 1940s. At that time the principal threat perceived by the Soviets was from U.S. aircraft carriers. Aircraft from these carriers could project military power onto the Soviet mainland from a distance of hundreds of miles at sea. To counter this threat the Soviets had only a small navy, designed for coastal defense and largely inexperienced in deep ocean warfare. An accelerated shipbuilding program was begun, at first producing mainly with the navies of maritime powers ever since the Athenians defeated the Persians at Salamis in 80 B.C. The U.S. Navy concentrated almost exclusively on sea control through the end of World War II.

The Second World War also saw an expansion of our naval capabilities, primarily in the area of amphibious assault, so critical to the island campaign in the Pacific. Naval aircraft from carriers played an important role in supporting the Marines in these operations. These beginnings, and Admiral Halsey's carrier raids on Japan in the closing days of the war, were the seeds for the employment of carrier aircraft in attacks on shore targets at distances remote from the amphibious beachhead.

This trend gained importance particularly in the waning days of World War II, when the U.S. Navy found itself without a credible opponent to contest its use of the seas, and thus without a need for sea control. The atomic bomb seemed to herald an age of technological innovation—conceivably even an end to traditional warfare. The Navy saw the capability of its carrier-based aircraft to deliver atomic weapons to targets deep inland as its main contribution to the future defense needs of the nation, so it aggressively sought and won a role for its carriers in strategic deterrence. More recently, the carrier has conceded this role to the Polaris submarine and redirected its long-range strike capability to power projection ashore with conventional munitions, as in both Korea and Vietnam.

Today, the U.S. Navy's force structure and capabilities enable it to perform in: (1) strategic deterrence; (2) naval presence; (3) sea control (assertion and denial); and (4) projection of power ashore.

The comparative strengths of the two navies are illustrated in the table below.

TABLE I.—*Comparison of the capabilities of the United States and Soviet navies*

MISSION	SOVIET NAVY	U.S. NAVY
Strategic deterrence	Wide range	Wide range
Naval presence	Wide range	Wide range
Sea control	Denial only	Assertion and denial
Projection of power ashore	Very limited amphibious	Wide ranging tactical air and amphibious

[1] Stansfield Turner, Admiral, United States Navy, is presently Director, Central Intelligence Agency. A Rhodes Scholar, he has directed the Systems Analysis Division of the Chief of Naval Operations, commanded the U.S. Second Fleet, and served as President of the Naval War College.

Both navies are employed in strategic deterrence and naval presence; the U.S. Navy also aspires to assert control over the sea areas which the United States and its allies need for commercial and military purposes, while the Soviet Navy is primarily designed to deny that use to others, with some inchoate sea assertion potential; and, finally, the U.S. Navy has an extensive and sophisticated capability to project power ashore in contrast to the Soviet Navy's very limited ability.

How, then, do we compare the total balance of these two navies, given their varying capabilities to perform these different functions? There is no single formula. A first step is to recognize that only forces which oppose each other directly can be compared directly. Generally, neither "projection of power" forces nor "strategic deterrence" forces are designed to be employed against similar forces of an enemy. Therefore, they cannot be usefully compared in quantitative terms. One can only assess whether these forces seem capable of carrying out their purpose against other kinds of opposition. Strategic deterrence forces, for example, do not oppose other strategic deterrence forces. The natural opponents of a Polaris submarine are the enemy's antimissile systems and his sea denial forces, not his ballistic missile submarines. A strategic deterrent force is adequate if it deters the enemy from using nuclear weapons against us. It is facile to compare the 41 American ballistic-missile nuclear submarines with the 62 of the Soviets, for each force represents only a part of the national strategic capability. In another example, amphibious ships do not directly oppose other amphibious ships. Rather, in putting troops on a beach, amphibious ships and landing craft will be opposed by enemy shore defenses. Similarly, in their role of projecting power ashore, carrier-based tactical air forces are pitted against the enemy's varied forms of air defense; their mission is to penetrate to and destroy targets ashore.

On the other hand, forces designed for presence and sea control are intended to counter each other and therefore can be directly compared. "Presence" is the orchestrated use of naval forces below the level of hostility in support of foreign policy. Naval presence tasks range from informal ship visits intended to maintain ties with an ally and formal ship visits to cement a burgeoning friendship, to a menacing patrol just outside a nation's waters. When the United States and the Soviet Union have competing interests in an event or a place—and when they use their navies to demonstrate just how interested they really are—then the relative quantity, quality and character of these forces *in situ* can tip the balance and can affect what happens. Here seapower becomes a direct arm of foreign policy without a shot necessarily being fired. The U.S. Sixth Fleet and the Soviet Mediterranean fleet are such "presence" forces in direct competition along the Mediterranean littoral.

A direct and combative confrontation of naval forces occurs mainly in the "sea control" role. In such a context, numerical comparisons become not only relevant but crucial. Here sea assertion forces are lined up against sea denial forces. Assertive sea control means quite simply that Navy X can move its task units or protect commercial shipping between point A and point B, or remain in position C, against opposition. Denial of sea control is the opposite: Navy Y can prevent Navy X from so moving its forces or successfully protecting it vital commerce.

To see where we stand today with regard to the balance of sea power, it is necessary to separate out projection and deterrence forces—because they are not comparable—and to focus on sea control and naval presence forces.

VI

No navy builds ships primarily for the presence mission. Ship design reflects almost exclusively those qualities needed in battle. Moreover, a ship's fighting capability determines how other governments and navies perceive the weight of that ship's presence. There are fundamentally two threats that the presence of a naval force can imply: to do harm to a nation by projecting power directly onto its territory or to sever a nation's sea lines of communication through blockade or sea denial.

In some instances, the United States and the U.S.S.R. may attempt to use naval presence to threaten each other or, at least, to signal broad intent and resolve. More frequently, American and Soviet presence forces compete against each other in terms of their impact on the actions of a third party. Both fleets, for example, were paraded in the 1970 and 1973 Arab-Israeli crises. The Sixth Fleet implicitly threatened to project power against the Arabs; the Soviet Mediterranean squadron threatened to deny the United States the use of the seas to do that. The issue was not what damage the U.S. carriers could have done in the Middle East or whether the Soviet force could have stopped them, but what impact the threat and counterthreat had on the contemplated actions of all the immediate participants.

The presence force is designed to equalize or counterbalance other forces in an area. Whether or not any particular force succeeds in influencing the actions of others will depend on subjective perceptions which may be based on numbers, on superficial appearances (size of ships, new versus old, etc.), on techniques of employment, or simply on the rhetoric which accompanies the fleet's arrival. That perception may or may not be an accurate appraisal of what would happen if shells started flying. But if the bluff is called and fighting ensues, presence has failed and must be succeeded either by combat or by backing down.

Two generalizations can be made on the relative potential of the United States and Soviet Navies in the presence mission. U.S. naval presence can threaten a full range of capabilities, both projection of power and sea denial. Soviet naval presence can threaten only sea denial. Nevertheless, though the United States can wield the presence tool more effectively, the Soviets have been playing the game cleverly. Realizing that they are dealing with perceptions, they are gaining maximum advantage from the fact that any change is news. Small improvements in capability can be touted to the unsophisticated as big ones. The new *Kiev*-class carriers, with only short range V/STOL (vertical/short-taxi takeoff and land) aircraft, have far less projection capability than our aircraft carriers, yet they are being portrayed by the Soviets as full-scale aircraft carriers. Change creates the impression of improvement as the Soviet move from little to more. And our Navy constricts and draws back from traditional deployment patterns, the Soviet Navy has been demonstrating increasingly imaginative and frequent global deployment of forces in response to developments in international politics—as in Angola, Mozambique, the Indian Ocean and West Africa. It seems a confirmation of the claim that we are a declining sea power and that they are a growing and restive one. The invalidity of that claim is academic if it is universally believed.

The nature of the debate in Washington over the budget tends to abet this impression. To ensure adequate appropriations for warfighting needs, our leaders point to the Soviet's naval expansion, their increasing presence in former Western preserves and their dedication to further naval growth. Some distortions are inevitable when complex issues are distilled and simplified for clarity and ease of general understanding; the formidable qualities of the threat are stressed; the available means to counter it perhaps slighted. We run the risk today of losing on the "presence front" unless we counter these negative impressions by exercising care in our public discussions. A doomsday picture convincingly drawn for a congressional budgetary committee may negatively influence other nations' perceptions of our naval effectiveness. And a few extra ships in the budget or at sea may not be enough to overcome an inaccurate perception of weakness.

To sum up; balance in the presence role is based objectively on ships, aircraft, guns and missiles, and subjectively on ideas and impressions. Ultimately, however, genuine warfighting capability remains essential; if the balance becomes truly unfavorable, beholders will be fooled for a while only.

HENRY DENISON BAYLOR, RETIRING PRINCIPAL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. LAGOMARSINO. Mr. Speaker, I take great pride in honoring a person who has devoted his life to the youth of this country so that they may prepare themselves for a better life.

Mr. Henry Denison Baylor is retiring after 38 years of service to the public and specifically to the education community in California. Mr. Baylor is the father of one son and one daughter.

He is, among other things, the principal of Dos Pueblos High School in Santa Barbara and has been since the school's inception in 1965. Mr. Baylor has been especially innovative in the application of the demonstration library on the campus, which features open areas. The WASC accreditation team was most complimentary regarding the high morale of the staff and the students of Dos Pueblos High School over the past 12 years, which reflects highly on Mr. Baylor's abilities as an administrator.

Under Mr. Baylor's leadership, Dos Pueblos High School has been one of the leaders in the area, both scholastically and athletically.

He began his teaching career in 1938, at Watsonville High School. He served there 3 years before moving to San Jose High School in 1946. In 1952, he accepted a teaching post in Guam, where he served for 2 years. Upon his return to California he accepted a position in the Carpinteria school system and served there 8 years before joining the Santa Barbara school system.

He has served the Santa Barbara High School District for the past 15 years as a teacher, counselor, assistant principal, and principal.

Mr. Baylor, the only principal that Dos Pueblos High School has known, stated his experiences this way:

> The opportunity and the challenge of building a school from the beginning was one of the most rewarding experiences in my career. In my opinion, after working in many different schools, I've never worked with a better staff than at Dos Pueblos High School.

They are hard working and talented and are an outstanding group of people.

I ask you to join with me and Mr. Baylor's many colleagues and friends, in acknowledging Mr. Baylor's contributions to his fellow man over the past 38 years. I think that it is very appropriate to honor this man, who through his long years of service to the community has exemplified the traditional values of hard work and service to the community.

We all wish him the best. He will be dearly missed.

BRAINS ARE BETTER THAN OIL

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. CEDERBERG. Mr. Speaker, the energy crisis which we are grappling with demands a total commitment in order to insure that the United States will be able to meet its energy demands in decades to come. President Carter is to be commended for highlighting the need for a dedicated effort in this area.

Unfortunately, however, the plan which the President has so glamorously presented fails to address the most pressing need—future supplies of energy. To be sure, conservation efforts are needed to reduce energy waste. Even with successful conservation programs, significant new supplies of energy will be needed.

But has the Carter energy program provided incentives for the development of new energy supplies? No, it has not. Rather, it seems to be more of a comprehensive tax bill which penalizes gluttonous energy users, promises to reward energy conservers and ignores entrepreneurs who work to develop new energy supplies.

Mr. Speaker, the people of the United States are very ingenious and creative. With the proper assistance and encouragement, the people of the United States will be able to find solutions to pressing energy problems. At this point, I would like to include an article by Michael Novak, printed in the June 7 Washington Star, which outlines the need for the United States to harness its "brainpower" to battle the energy problem:

BRAINS ARE BETTER THAN OIL

(By Michael Novak)

Certain religious people delight in scarcity, fear plenty. Worse than the energy crisis is the brain crisis. Instead of encouraging brains, Jimmy Carter is punishing gluttons.

Make it worthwhile to develop alternatives to oil, and good brains will find a way. Make people pay for what they want, and ambitious brains will figure out a way to satisfy those wants. Let the gluttons pay their way; the revenues will finance discovery.

The socialist method—which never works—is to plan. The Puritan method is to punish. The creative method is to encourage brains.

The world has been using oil for energy for only 70 years. Oil has been a glorious black gift of God. With oil's help—lying there unused under the sands of Araby and the soil of Texas for thousands of years—the world has jumped forward in an unparalleled burst of progress. The forehead of this planet, so to speak, was briefly anointed. Oil ran down the head, and into the beard, of Uncle Sam.

Having jumped forward abruptly, human beings must now look for new possibilities. The sun, the winds, and the running waters hold secrets yet undiscovered. So, perhaps, do magnetic and other properties. The world was never made to depend on oil. It does depend on brains.

President Carter suffers from a failure of imagination, and a preacher's desire to punish. (The punishing streak is one to be watched in him; witness his abrupt humiliation of General Singlaub, for speaking his mind no more than Andy Young.) The Carter energy program punishes brains.

Just when every running stream in the nation ought to be explored for the building of dams for potential water-power, Carter holds up the building of dams.

Just when old, inefficient, polluting automobiles ought to be retired from the roads, Carter places high taxes on new cars built for comfort and size.

Just when the public ought to set aside new funds for exploration of new sources of oil and gas, and for research into alternative forms of power, Carter siphons off funds into new taxes, subsidizing bureaucracy rather than brains.

The first thing we don't need in this country is more bureaucrats; the second is more taxes. The government already absorbs too much energy and stifles too many brains. Socialism is a recipe for becoming second-rate.

The best energy brains in the country may be working for oil companies. They should be given incentives to look for new forms of energy on which the oil companies can become rich. They should be experimenting with batteries, magnetism, waterpower, pressure, and other natural forces.

The Puritan hates to believe that someone, somewhere, is happy—or becoming rich. The hatred for the oil companies among certain liberal senators exceeds all common sense. The passion can only be called pseudo-religious. To cut off future sources of energy in order to spite the oil companies is pretty childish behavior. These are large, intelligent, creative, and inventive organizations. They should be given incentives. If, in addition, the incentives promise wealth to rival newcomers into the field, all the better.

What we need in '78 is an energy rush.

For certain, energy is there to be found. The earth is alive with energy. As Aristotle said, all natural things are in motion. As Galileo said: "Eppur si muove." (It moves!)

The only thing that doesn't move is government. Bureaucratic government runs counter to nature. Washington is called the hub of the nation, because everything else is moving.

FIFTY YEARS OF EXCELLENCE

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. HOLLENBECK. Mr. Speaker, Carl Ek, editorial writer for the Passaic, N.J., Herald-News, recently completed 50 years of service with that paper. No more fitting tribute is possible than the expressed opinions of his peers:

AN ANNIVERSARY

Fifty years ago this week a stripling from Goshen, N.Y., not yet 21, started work as a reporter for the old Passaic Daily Herald. Using the sink-or-swim training then customary, he was assigned to cover bucolic little Clifton.

Carl Ek, now this newspaper's chief editorial writer, saw some exciting times in what were undoubtedly the glory years of print journalism. He was on hand for the ending of Prohibition, which he always correctly identifies, not as "the noble experiment," but as an experiment "noble in motive and far-reaching in purpose." He covered the heartbreak of the Great Depression, the Bruno Richard Hauptmann trial, and he went to the Pacific as a war correspondent in World War II.

The gentlest of men off-stage, a devoted and skillful gardener and a collector of antique glass, Carl becomes a different person when he sets to work at his typewriter to pound out (literally) an editorial. He scorns delicate nuances and weasel words. For years, in plain words, he has warred on corruption, hypocrisy, doubletalk, wily politicians, street crime, activist judges, wasteful spending. Name your evil; Carl rages and storms at all of them. It's a bravura performance which goes on daily.

Congratulations on his anniversary. It's an inspiration to all of us to have him around.

PORTLAND TRAIL BLAZERS

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. ULLMAN. Mr. Speaker, I rise to pay tribute to the Portland Trail Blazers, the new champions of the National Basketball Association.

As my colleagues know, the Trail Blazers were an expansion team only 7 years ago, and made the playoffs for the first time this year. In rapid succession, they defeated the Chicago Bulls—the hottest team in the league in the last month of the regular season; 2 games to 1, defeated the Denver Nuggets—the Midwest Division Champions—4 games to 2, and demolished the Kareem Abdul-Jabbar led Los Angeles Lakers—the team with the best record in the regular season—4 games to 0. Then, against the Philadelphia 76ers, a team with awesome individual talents, the Blazers lost the first 2 games in Philadelphia. Only 1 team in NBA history had lost the first 2 games and bounced back to win the title. That was the Boston Celtics in 1969, and it took them 7 games to win 4 to 3. Portland did not need 7 games. They won the next 4 games 129 to 107, 130 to 98, 110 to 104, and 109 to 107, and they did it by playing unselfish basketball, with all 12 players showing marvelous teamwork.

Fans in Oregon and across the Nation can be justifiably proud of the accomplishments of our Trail Blazers. The teamwork, sportsmanship and abilities they displayed in winning the title enhanced the image of professional basketball. This week is "Trail Blazer Fan Week" in my home State of Oregon, and as one fan, I want to join in applauding Coach Jack Ramsey, his staff, the entire organization, and all the players—Corky Calhoun, Johnny Davis, Herm Gilliam, Bob Gross, Lionel Hollins, Robin Jones, Maurice Lucas, Lloyd Neal, Larry Steele, Dave Twardzik, Wally Walker, and last, but certainly not least, Bill Walton. It was a pleasure to watch all of them play so well together.

DOUBTS ABOUT SALT DETAIL AND STRATEGY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. LAGOMARSINO. Mr. Speaker, I wish to bring to my colleagues attention the following commentary by Roland Evans and Robert Novak on the SALT negotiations.

There were many of us who breathed a very heavy sigh of relief when President Carter announced he would "hang tough" in pressing for acceptance of American proposals in the SALT negotiations. He gave us encouragement that he did not feel rushed to reach just any agreement for the sake of an agreement, nor was he opposed to considering a much deeper commitment to development and deployment of additional weapons if an acceptable agreement was not reached.

All of these Carter assurances evaporate with more recent evidence indicating the President is backing away from his tough Moscow proposals without equivalent concessions from the Soviets. I firmly believe that we would be much better off with no agreement at all than one which jeopardizes our defense capability and security.

The article follows:

DOUBTS ABOUT SALT DETAIL AND STRATEGY

(By Rowland Evans and Robert Novak)

Concern about the competency of U.S. negotiators on SALT is raised by this remarkable fact: The new U.S. proposal put forth in Geneva sets a "ceiling" on production of the Soviet Backfire bomber at a far higher level than the Russians can possibly achieve.

The failure by Secretary of State Cyrus Vance to reveal the proposed "ceiling" to a Senate subcommittee May 26 might indicate self-doubt by U.S. policymakers about its worth. But defense-oriented members of Congress suspect duplicity less than incompetency. As details of Vance's session in Geneva with Soviet Foreign Minister Andrei Gromyko have become known, doubt has grown whether the United States knows what it is doing in the arms-control talks.

It is debatable just how much of a retreat is represented by the proposal submitted at Geneva and rejected by Gromyko. If the Russians finally accept top-secret details as described to the senators by Vance (which is dubious), the treaty surely would be ratified by the Senate. What is worrisome for the long haul are deficiencies in both grand strategy and petty details.

The heart of the concern is the fact that just one month after President Carter's bold, tough but still reasonable SALT package was tabled in Moscow, concessions were offered in Geneva. The inescapable conclusion is that, contrary to Carter's repeated public assurances that he is in no hurry, the old compulsive U.S. urge for some agreement—any agreement—has returned. The intractable Soviet position at Geneva suggests the Kremlin expects that the American compulsion to back down will yield still more American concessions.

The theory that U.S. negotiators are more interested in the idea of a treaty than what is in it is supported by bargaining over the Backfire bomber. The U.S. proposal accepts the Soviet claim that the Backfire is medium-range and should not be counted in the limit on strategic weapons, even though many experts believe it can reach North America without refueling.

Accordingly, the secret proposal offered in Geneva would "limit" annual Soviet production. Precise figures are top secret, but intelligence estimates of actual Soviet production are but a small fraction of the "ceiling." Furthermore, there is no chance Soviet production could even approach this level during the proposed three years of the limit.

Unlike the Backfire's range, its production is not disputed inside the CIA or anywhere else in the national security bureaucracy. The only reasonable assumption, then, is that the SALT negotiators are guilty of inexcusable sloppiness. Nor is the Backfire the only such instance.

Testifying before Sen. Henry M. Jackson's subcommittee, Vance emphasized curbing development of the Soviet Union's huge SS–18 missile. But Pentagon experts feel this shows the U.S. negotiating team is behind the times technologically. The greater menace today is the smaller SS–19, untouched by the proposal.

More significantly, Vance was questioned closely by the senators on whether it would be remotely possibly to verify the proposed ban on mobile long-range missiles. U.S. negotiators seem unconcerned that Soviet intermediate-range missiles could be converted to long-range without anybody knowing it.

This helps breed skepticism in the Senate about Vance's reassurances regarding the principal obstacle to a SALT II agreement: the U.S. cruise missile. While supposedly postponing testing of land-based and sea-based cruise missiles, the United States does not intend the proposed language to actually block the new wonder-weapons such as the Tomahawk sea-based cruise missile. Whether this is really so may determine the extent of Senate treaty opposition.

But even if the Senate is convinced that the cruise missile is not endangered, nagging doubts persist about the overriding U.S. purpose. A three-year ban on testing certain cruise missiles and the MX mobile missile would be more acceptable if the time were used to improve the overall strategic position leading to negotiation of a comprehensive SALT III treaty. But there is seemingly no such broad strategy underlying the big push for a SALT II agreement.

Noting U.S. haste, the Russians are characteristically instransigent. For instance, they want restrictions on the U.S. cruise missiles and MX to last for eight years while restraints on Soviet weapons last for only three.

The present SALT climate, therefore, could not be further removed from the Carter administration's hard-nosed beginning in Moscow. Walking backwards, U.S. negotiators offer substantial concessions on their own arms, while asking largely meaningless restrictions on Soviet arms. The Russians, patiently awaiting a treaty granting them maximum advantage, have not yet compromised an inch. This climate, rather than the substance of what happened in Geneva, is the source of disquiet in the Senate.

ERIC SEVAREID ASKS FOR ADVICE ON HANDLING HIS RETIREMENT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. DERWINSKI. Mr. Speaker, as a cosponsor of H.R. 65, which would ban compulsory retirements at any age, I was especially interested in the succinct editorial of June 2, by Pat Bouchard, editor of the Worth-Palos Reporter, of Worth, Ill.:

EDITOR'S JOURNAL

(By Pat Bouchard)

The utter insanity of compulsory retirement at age 65 was graphically illustrated this week when Eric Sevareid asked for advice, in an interview, for "handling" his retirement at the end of this year.

Here is a man, with much to offer the public, being squeezed out of broadcasting by CBS just because of the numbers on his birth certificate. It's nuts.

Sevareid has, on occasion, bored us stiff when he went into his political pundit act, but more often we have enjoyed his work. He has captured the art of the tasteful probing interview and this talent is rare in television today.

TRIBUTE TO REV. TROY D. PERRY

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. WAXMAN. Mr. Speaker, on June 26, the Metropolitan Community Church of Los Angeles will mark "Gay Pride Sunday" with a special service of celebration and the conferring of special honors on the denomination's founder, Rev. Troy D. Perry.

The denomination founded by Troy Perry, the Universal Fellowship of Metropolitan Community Churches, is one of the most unusual religious organizations in the world. It is dedicated to extending to members of the gay community the spiritual guidance and religious fellowship so often unavailable to them in the mainstream "straight" churches.

Reverend Perry, himself a gay, had to build his church in the face of tremendous hostility from other clergymen and deep doubts within the gay community itself as to whether such an unusual institution could succeed. Reverend Perry's first church was founded in Los Angeles with just a dozen courageous "charter members." I am proud that the church was founded and prospered in Los Angeles.

The Los Angeles church not only attracted gay Christians, it also attracted large numbers of straight people who admired the tremendous sincerity and dedication of Rev. Troy Perry. Reverend Perry's Christian church inspired the founding of a gay Reform Temple in Los Angeles. This temple, which Reverend Perry and his congregation assisted in every way they could, was the first of its kind to gain recognition and membership in the Union of American Hebrew Congregations.

Few people have done more than Rev. Troy Perry to give to gays a sense of self-worth and an ability to fufill joyfully and without guilt or social rejection their most profound religious needs.

Reverend Perry's tiny band has grown into a mighty denomination of churches all over the world with a membership of over 17,000. In helping liberate individuals of his own sexual orientation, Rev. Troy Perry contributed to the liberation of all of us. I share Reverend Perry's belief that the humanity of any

and each of us is diminished when the full humanity of any of us is denied.

SISTER CITY PROGRAM

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. HARKIN. Mr. Speaker, it was recently my pleasure to sponsor two sister city workshops in my district to involve more cities there in this growing and rewarding program of international understanding and cooperation sponsored by Sister Cities International.

I attended both of these workshops, one in Red Oak on May 14 and the other of Iowa State University in Ames on May 15, and I was impressed with the high degree of interest and desire to participate in this program by those who attended.

I commend this fine organization to all of my colleagues and urge you to support this important work of international person-to-person involvement at the local level.

It is my belief that this program holds special significance for our Nation's smaller cities, because there the personal rewards of involvement in helping to build a better understanding of the people of America and the sharing of their unique skills and talents are particularly rewarding.

While the headquarters of Sister Cities International is in Washington, D.C., its volunteer board of directors, State representatives, and committee chairpersons are located in large and small cities all over this country. Sister city committee members from Sioux City, Iowa, and Omaha, Nebr., attended the workshop in Iowa, at their own expense, to share their ideas and experiences with those present. The Washington office of Sister Cities International sent one of its staff directors to Iowa to help conduct the sessions and coordinate the meetings. These meetings can be held anywhere in the country.

Just what is the sister city program and how does it operate?

Sister Cities International serves as a creative force for international cooperations through community action. Its goal is to enhance world peace by promoting and serving sister city relationships between U.S. communities and their citizens and communities throughout the world.

In so doing, it seeks to encourage the people of other nations to learn about American history, culture, and aspirations for the future and to encourage U.S. citizens, in like manner, to learn about other nations, utilizing exchanges of information and activities between sister cities in all aspects of contemporary life and common interests among people. The sister city program is two-way. The give and take is shared by both communities.

The program provides a vehicle by which cities in the United States can create a forum for this interchange of information, ideas, and people in the field of agriculture, education, government, culture, and economic and social relations. The sister city program engages community interest in building a better climate for world understanding. The program opens the opportunity for every American city to become an integral part of U.S. relationships with the world, moving the city from a domestic dimension into the broad spectrum of international progress, understanding, and cooperation. Thus every American community may gain an infinite variety of rewarding experiences in international relationships in which its citizens at all levels and in all callings may participate and communicate.

The sister city program brings together both municipal and voluntary community resources for the common purpose of international communication and interaction.

The sister city program is committed to the process of providing private citizens through their community affiliations, with an active role in international relationships at the local level. It is through this process of involvement that the opportunity for world peace, reinforced by an increased international awareness and understanding at the citizen level, will be strengthened.

The involvement of cities and their citizens in this vital international effort has grown dramatically during the past few years. There are now some 612 U.S. communities of all sizes affiliated with other 800 "sister cities" in 77 other nations. Through these relationships, cities and their citizens carry out a wide variety of agricultural, educational, cultural, professional, youth, technical, municipal, and business exchanges.

Currently, eight cities in the State of Iowa are affiliated with 10 cities in 10 nations. Our goal is to involve at least 10 additional cities in my district in sister city relationships with cities in other countries by the end of this year.

The rewards of participating in this program by cities of any size are great. However, I believe that America's smaller cities can make a unique contribution to a better understanding of America, and this program offers them a way to become directly involved in the arena of international relations on a direct 1 to 1 basis.

Communities in this Nation of ours with an agricultural base are particularly needed as participants in a changing world order. Countries all over the world, both developed and developing, are going to have to learn new agricultural methods using new techniques unheard of in the past. By an open, free exchange between agricultural communities and their institutions, new ideas can be tried and tested on a transnational basis. An exciting idea that has dramatic potential.

And this is only a part of the story of the sister city program. As people develop more contact between each other across national boundaries, other new ideas are tried and can be shared with their counterpart communities and institutions all over the Nation and the world. There is no corner on ideas, often the best come from the smaller rural areas where changing technology has to be tried, tested and modified if it is to ultimately work for mankind's benefit.

As the sister city program grows—and it must grow as a national resource—it will become more evident with each new sister city that this is truly citizen diplomacy working at its best and as a vital adjunct to relations between governments. We may well look to it and its many overseas contacts for some of the illusive answers to the perplexing diplomatic, political, economic, and social questions that plague all people in our time.

I am happy to be able to commend Sister Cities International for its outstanding efforts in behalf of peace throughout the world.

DINA KAZIEVA

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. RICHMOND. Mr. Speaker, all of the nations which signed the Helsinki Final Act, pledged to do everything possible to reunite families separated by political boundaries.

Because the Soviet Union has failed to fulfill that promise, last year several Members of Congress conducted a vigil on behalf of the families which remain separated. A case history of these families entitled "Orphans of the Exodus" dramatically details this tragic problem.

Since our vigil last year, the suffering of these separated families has not been alleviated. For this reason, I am again bringing to your attention the plight of the Kazieva family.

DINA KAZIEVA

Dina Kazieva is a 15 year old girl from Tashkent. She is being held captive in the Soviet Union at a "boarding school." Cruelly separated from her parents and her four younger brothers and sisters, who are now in Israel, Dina cannot speak for herself and we are the ones she must depend upon for the protest that will reunite her with her grief-stricken family.

Dina disappeared in February 1972, a day after her family received permission to emigrate to Israel. A frantic search revealed her whereabouts in a children's home in Tashkent but the parents were refused permission to see her.

Threatened with arrest themselves, the grief-stricken parents, their other children, and an aged grandmother left for Israel. There they have been appealing to Soviet and American officials in vain.

While we have not received a letter from her family in Israel to date, we wonder: Who will speak for Dina now?

If not us, then who?

If not now, then when?

Birthdate: 1960.

Occupation: Student.

Applied: 1972.

Present Status: Held captive in a "boarding-school" in Tashkent.

Dina Kazieva, Children's Home, Kirovsky Region, Tashkentum Uzbek S.S.R., U.S.S.R.

Father: Avram Kazieva, Rehov Hakanaim 5, Kiriat Shalom, Tel Aviv, Israel.

U.S.S. "ARIZONA" MEMORIAL DAY ADDRESS

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. AKAKA. Mr. Speaker, it is with great honor that I share with you, my colleagues, this address by Adm. T. J. Bigley, delivered on the decks of the U.S.S. *Arizona* this past Memorial Day.

As I listened to the thoughts expressed by Admiral Bigley, the occasion took on an entirely new meaning. As a tribute to those who so gallantly served our Nation and the cause of freedom, I respectfully submit this moving testimonial:

ADDRESS BY ADM. T. J. BIGLEY

By the hundreds and the thousands the people come. They come, from Maine and Iowa, from Texas and California, from Montana and Virginia. They come from the countries of Asia, and from Europe. They come, because to Americans, and to many others, the Arizona Memorial, in the midst of Pearl Harbor, is a hallowed place. The terrible events of a Sunday morning, half a lifetime ago, has permanently enshrined Pearl Harbor in our memories.

The men who died here, and later, those who died on the battlefields of Europe, North Africa, on the islands of the Pacific, in the Mediterranean Sea, in the Atlantic and the Pacific Oceans, did not die in vain.

The world was forever changed on December 7th, 1941. Pearl Harbor was a dark hour for our nation, yet out of the ashes of that darkness came hope and the realization of a better world. America's recovery from the tragedy of that Sunday morning reminds one of the hope expressed by a 7th Century Indian poet, who wrote:

"The tree that is cut down grows again,
the moon that wanes waxes after a time.
Thus do wise men reflect, and,
though distressed, are not overwhelmed."

America was not overwhelmed here. We were distressed, but we went on, on to eventual victory. And from there, all of us, Americans, Japanese, citizens of every country and colony, every continent and island, continued on to a world of changed values. It was a world that progressed more in just a few short years than it had in all the centuries before.

In terms of human dignity, in terms of individual aspirations, the changes have been immense. The years since World War II have been a time of rising expectations, a time of emerging nations. Since 1945 the number of independent nations in the world has increased from 76 to 157. It has been a time when, worldwide, despite the most dire of predictions, the average man has been better fed, and better sheltered than ever before. Within the United States we have seen tremendous change, including most significant, the change in how we view our fellow man. Today the deprivation of anyone's personal freedom, without due process of law, would quickly bring outcrys from everywhere. Yet, following Pearl Harbor many Japanese immigrants and their children were deprived of their personal freedom, and no one cried out—few even whispered in protest.

We have changed, as the world has changed. And although at times for us the moon has seemed to wane, as during the turmoil of the civil rights movement and the travail of Vietnam, it does return to wax full and bright again.

Ours is a proud nation. Ours is a strong and rich nation. But more important ours is a nation whose finest hours always seem to come when we face the greatest challenges. And, ours is a nation that remembers how much we owe to those who made the supreme sacrifice. They met the challenges, here at Pearl Harbor, as they had at Lexington and Concord, at Gettysburg and at Belleau Woods and as they later did at Pork Chop Hill and at Khe Sanh.

Our days of challenges are not over, for like the past, the future will also pose challenges. Whether those challenges come from threat of armed conflict, or from the combined pressures of a rapidly expanding world population and swiftly shrinking resources, they can, and they will be met. They will be met because we have the resiliency to meet them. In a sense, Pearl Harbor is a symbol. It is a symbol that no matter how dark the hour, nor how terrible the dispair, there is hope, there is renewal.

Within that hope, and that renewal, lies the assurance that those who rest beneath this memorial did not make their sacrifice in vain.

UNITED STATES-CUBA SUGAR TRADE

HON. CECIL "CEC" HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. HEFTEL. Mr. Speaker, today I am introducing a measure stating that any future trade agreement between the United States and Cuba include a provision preventing disruption of the American sugar market.

The United States and Cuban Governments have recently initiated discussions to improve political and economic relations between our two countries. The decision to reestablish tentative diplomatic contacts may be a prelude to even more substantive steps toward the normalization of such relations.

If the United States and Cuba proceed in this direction, there are many issues which still must be confronted before a satisfactory level of relations is attained. I should like to bring to the attention of my colleagues the potentially serious problem of increased Cuban sugar imports.

Cuba is one of the world's largest sugar producers—ranking behind the U.S.S.R., United States, and Brazil. Prior to the breaking of United States-Cuba relations, Cuba was the largest foreign supplier of sugar to our market, because of its proximity to the United States. Since that time, most of Cuba's producton has been traded under bilateral agreements although a large fraction has been traded on the world market at market prices.

During the last 4 crop years, the world sugar trade has been very turbulent, with prices skyrocketing and then plunging to levels which threaten to drive many domestic producers out of business. According to recent reports by the F. O. Licht Co., in the 1977 crop year ending in August 1977, production will be approximately 85 million metric tons of sugar with 81 million metric tons being consumed, which leaves a surplus of about 4 million metric tons. There already exists a large carryover of 20.3 million metric tons, and this vast oversupply will continue to depress world sugar prices.

World sugar prices are presently far below domestic production costs, which are upward of 13 cents per pound. The International Trade Commission, in a recent decision, determined that the domestic industry was indeed being injured by foreign imports. President Carter's proposal to provide a subsidy of up to 2 cents per pound has not significantly increased the spot price.

The world sugar surplus threatens the livelihood of thousands of American workers and the economy of dozens of communities throughout the 18 sugar-producing States. The United States is the only major sugar producer without a national sugar policy in spite of the importance of sugar as an industry and a foodstuff in our national diet. Since the expiration of the Sugar Act in 1974, we have had no coherent or comprehensive sugar policy on production or imports.

As our discussions with the Cuban Government proceed, we must be aware of the potentially disruptive effect which could occur if Cuban sugar is again imported in large quantities into the United States. First, it will displace supplies from other foreign producers.

In addition, and of more concern to American producers, is the fact that as a nonmarket government, Cuba is capable of selling sugar in this country without the constraints imposed by free markets. Inasmuch as Cuba is in need of hard currency, there may be the temptation to sell as much as possible in this country. If the occasion arises, there may be sales at prices which could further depress the currently low price of U.S. sugar, thereby driving even more American producers out of business.

The potential for disruption does not guarantee that it will occur. It would be in the best interests of the Cuban Government to maximize its revenues by selling at the highest possible price. Furthermore, the Cuban Government may be reluctant to become as dependent on the U.S. market as it once was, and hence its involvement may be limited.

The danger presented to market economies by nonmarket enterprises is well recognized. In the 1972 Trade Agreement between the Soviet Union and the United States, Article 3 states:

Each Government may take such measures as it deems appropriate to ensure that the importation of products originating in the other country does not take place in such quantities or under such conditions as to cause, threaten or contribute to disruption of its domestic market.

The accompanying White House fact sheet explained the reason for the article as follows:

Through state trading monopolies, the Soviet Union controls both the importation and exportation of all goods. In the Soviet economy, costs and prices do not necessarily play the same role as they do in a market economy. Accordingly the Soviets have agreed to a procedure under which, after consultations, they will not ship products to the United States which the United States Government has advised will "cause, threaten or contribute to disruption of its domestic market."

The resolution which I am introducing today uses this agreement as a precedent, and I would consider Cuban sales in such a manner or at such a price that would contribute to the lowering of the price

for sugar as "disruptive" in the sense of this article. I am well aware of the fact that it would be difficult to determine precisely the exact relationship between Cuban sugar sales and the world price. However, I think that the burden of proof to disprove the cause and effect relationship should rest on the U.S. Government and the Cuban Government if substantial Cuban sales are resumed. This resolution does not attempt to prohibit the reestablishment of United States-Cuban relations.

I would urge my friends and colleagues to give attention to this need for protecting America's economic interest while proceeding on the path to normalization of United States-Cuban relations.

The text of the resolution follows:

JOINT RESOLUTION

Requiring that any trade agreement between the United States and Cuba include a provision preventing disruption of the American sugar market

Whereas the current worldwide surplus of sugar has caused a serious decline in the price of sugar and threatens the financial existence of many American producers and refiners;

Whereas the United States is the only major nation without a domestic sugar policy;

Whereas the International Trade Commission has determined that American producers are being injured by imports of foreign sugar;

Whereas the maintenance of American sugar production contributes to the American economy through employment and revenues, prevents further deterioration of our international trade balance, and provides a stable supply of an important foodstuff;

Whereas a centrally planned economy is not responsive to market forces in determining prices; and

Whereas the United States is engaged in discussions with the Government of Cuba, one of the largest sugar producing countries in the world, with the goal of improving political and commercial relations with that country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the maintenance of a viable domestic sugar industry is hereby affirmed as an integral part of our agricultural policy and that any trade agreement with the Government of Cuba shall contain a provision to prevent the disruption of the American sugar market due to the importation of sugar from Cuba.

FOOD STAMPS IN EXCHANGE FOR WORK

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. FINDLEY. Mr. Speaker, the House Committee on Agriculture yesterday approved an amendment to the food stamp program which hopefully will begin a trend toward building the work ethic into our welfare programs.

The amendment directs USDA to inaugurate in each of the 50 States and the District of Columbia a pilot program for the next 18 months under which certain beneficiaries must work out the value of food stamps by performing public service tasks for a local unit of government.

Exempted of course are those beneficiaries which under the law are already excluded, for one reason or another, from seeking private employment as a condition of eligibility for stamps.

For the others in the pilot areas the value of the stamp benefits must be worked off by doing work assigned by a State, county, township, city or other unit of government or through the CETA program.

The original form of the amendment which I offered would have made this type of work program available to any subdivision of government requesting it. Hopefully the availability of this program will be broadened when the bill reaches the House floor.

Meanwhile we can all rejoice at this beginning toward a commonsense policy under which welfare beneficiaries must do some work in exchange for the benefits they receive.

POSSIBLE HATCH ACT PROBLEMS IN FUTURE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. CRANE. Mr. Speaker. If the Postal Service is giving more than one legislator a political headache, someone had better develop a sure cure for the up and coming political headache that was created on June 7, with the revision of the Hatch Act. In case it is not clear how a $1 first-class stamp is related to a 700,000 team of postal workers turned precinct workers, I would like to share the following article, with my colleagues that appeared in the Chicago Tribune on June 7.

UNHATCHING HATCH ACT COULD MEAN LAYING AN EGG

(By Michael Kilian)

WASHINGTON—The House will vote Tuesday on whether first class postal rates should be raised to $1.

Some might say I am misstating the case. That is possible. It may well be that the vote will result in first class postage going up to $5 a letter, or maybe even to $25—whatever the postal workers unions might utlimately consider their due.

You were probably unaware of this, and naturally so. When congressmen are up to no good, they seldom send you newsletters announcing the fact.

In this case, they are claiming to be actually up to good, to be acting in the name of Fair Play and Wonderfulness.

In Tuesday's vote, they are going to try to free our oppressed federal workers from the terrible bondage of the Hatch Act.

The terrible bondage of the Hatch Act dates back to the Great Depression. For those readers younger than 30, the Great Depression is not a vast low place out in the Dakotas.

It was a time of less than plenty back in the 1930s, when gas-gizzling cars were hardly a national worry. Milk-guzzling children were considered more of a concern.

To keep millions of unemployed from starving [or at least rioting], the Roosevelt administration created public works jobs, building roads and painting murals on railroad station ceilings. The only requirement for these jobs, in too many cases, was time to elect pro-Roosevelt candidates and unelect anti-Roosevelt ones.

In 1939, to prevent these poor wretches from being hassled, the immortal Hatch [I've forgotten his first name] and some other lawmakers passed the Hatch Act. It simply forbade federal employes from doing political work for anyone.

For nearly 40 years it has done its job, and the federal employes have done their jobs.

But now come Congressman William Clay of Missouri and William Ford of Michigan [no relation to Gerald Ford, nor to Henry Ford, nor to Henry Clay]. Following the moral leadership of President Jimmy "No More Narrow Victories" Carter, they have put forth a measure to strike down the Hatch Act and permit federal workers all the democratic joys of ward heeling and precinct captainry.

Common Cause, the Chamber of Commerce, and other disparate groups have united in opposition to this Fast One, and for once with good reason. Consider what the Daley Machine in Chicago has been able to do with a mere 30,000 patronage workers. Consider what someone might do with a national political army of 2.8 million federal pay rollers.

And that means *ALL* federal workers—Internal Revenue Service auditors, health inspectors, Central Intelligence Agency spies and Federal Bureau of Investigation agents. How'd you like them sniffing around your political affiliations or shaking you down for your vote?

Some protest that President Carter opposes letting IRS auditors become precinct captains. Carter should stop posing for pictures with apricot festival queens long enough to read the bloody bill. No matter what Carter opposes, there's not a word in there exempting IRS auditors or FBI agents. Everyone gets to work the wards.

But—as I have learned from years of studying the great currency exchanges that are our state legislatures—if you really want to know how dreadful and rotten a bill is, simply find out who's pushing for it the most.

In this case, it's all the postal worker unions, respresenting those 700,000 fireballs who daily fold, spindle, mutilate, and occasionally deliver our mail.

Suppose those unions did not think that the answer to the postal service's problems was better management and increased efficiency. Suppose they decided the answer was simply higher postal rates and bigger government subsidies?

How many congressmen would disagree—if, without the Hatch Act, they faced the wrath of 700,000 potential precinct workers?

The rest of us might not be too fond of $25 stamps, but those congressmen wouldn't have to fret.

They get to send their mail free.

WATER PROJECTS AND WASTE

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. KOSTMAYER. Mr. Speaker, next week the House is scheduled to consider H.R. 7553, the public works appropriations bill.

In anticipation of the debate over the

amendment which will be offered to cut funds for 16 of the water projects on the President's "hit list," I share with my colleagues the following editorials from newspapers from various parts of the Northeast at this point:

[From the Philadelphia Inquirer, May 29, 1977]

A PORK BARREL QUESTION

Although those 17 water projects that President Carter wants to kill are getting tangled in the developing spending controversy between the White House and the Congress, they should be separated out.

The Congress appears to be still in a snit because the President, without consulting Congress, announced in February that he was dropping $289 million earmarked for 19 projects from his revised 1978 budget. He expanded his "hit list" to 32 and finally, after examining their worth, recommended that 18 be killed and five cut back.

The House Appropriations Committee voted Wednesday to fund 17 of the 18 projects disapproved by the President despite his warning that he might veto the bill.

Mr. Carter is on the firmer ground because the projects can't be justified on a cost-benefit basis. They essentially are pork-barrel projects—products of the desire of Senators and Representatives to benefit their districts and of the government's bureaucratic momentum to build more and more dams.

The question is not how much money we have to spend, but what we are getting for our money. The answer as far as the 17 projects are concerned is not much.

[From the Toledo Blade, Mar. 15, 1977]

WATER PROJECTS AND SACRED COWS

It certainly is amazing how quickly congressmen can get up on their high horses when some of their pet projects are threatened. President Carter's proposed review of 19 big water-control programs is a case in point.

By defying Mr. Carter and voting to bar him from holding up funds for the undertakings—the largest eight of which will cost more than $5 billion—the Senate has, it is true, handed the President his first major legislative defeat. But in doing so, the senators have only thrown doubt on their motives and reinforced suspicions that many of the projects are of questionable merit.

Mr. Carter may have lost a battle but not necessarily the war. He has every justification for going ahead with a detailed review of each project so that the public is assured they are both practical and necessary. That procedure is especially desirable at this particular time because of extreme drought conditions in the western part of the country; although not all the projects are in the West. If a proposed water-control program is found to be helpful in easing certain problems and is acceptable in other respects, it should be retained, of course; if not, it should be scrapped, by presidential impoundment of funds if necessary.

The fact that each of the 19 projects has been "thoroughly reviewed" by Congress, as House Interior Committee members have contended, is hardly persuasive, given the back-scratching and pork-barreling instincts of many legislators. The logical question in the public mind is, why should they object so vociferously if the expenditures can indeed be justified?

It is interesting to note, in pasing, that some of the loudest objections have come from two senators who probably pay more lip service to budgetary restraint than almost anyone on Capitol Hill—Chairman Edmund Muskie of the Budget Committee and Sen. Barry Goldwater—both of whom, oddly enough, represent states in which major water projects are scheduled.

Both these stalwart advocates of fiscal responsibility charge Mr. Carter with, in effect, scuttling their projects on the basis of inadequate information. And yet the President has made it clear that all he wants to do is check each program before approving the money for it.

On that basis, Mr. Carter has every reason to take his case to the American public which understandably might have some pointed questions for lawmakers who insist on committing billions of tax dollars to projects which may nor may not be worthwhile.

[From the Baltimore Sun, April 19, 1977]

WHITHER THE PORK BARREL?

Those who see the President's restoration of many of the 32 water projects he had placed on earlier "hit lists" as a surrender to the congresssional pork barrel probably are wrong.

As a Carter environmental advisor noted after the hit lists were released: "When there is so much pork in the barrel, it's awfully hard to tighten down the lid. The big thing is that Carter is serving notice that from now on it's going to be hard to put any new pork in."

The President may have been reaching when he said, "I personally don't think any [of the 32 projects] ought to be built." It was inevitable that some projects would have to be restored. Therefore, his real intent may have been to serve notice that new, far higher barriers would face future projects.

While the President lacks unilateral power to cancel projects already approved by Congress, he has authority to prevent new pork-barrel projects from even coming before Congress. Such new projects must first go through reviews within executive agencies. If they fail to meet the President's stiff new criteria, he can simply order them cancelled.

Moreover, the President's Monday message on water projects was far from a total surrender. He continued to reject some of the projects completely and to reject certain features of others. Of $574 million that would have been slashed from the 1978 budget for water projects had the hit list remained intact, $177 million is still cut, and may stay cut. The President has proposed, for instance, to slash the Central Arizona Project about 15 per cent. "We can live with this decision," said the most influential supporter of the CAP, Chairman Morris Udall of the House Interior Committee.

One unfortunate, but inevitable, aspect of the President's backdown from his hit list is that some restored projects may possess attractions as much political as environmental or economic. Back on the approved list, for instance, is the Tennessee-Tombigbee canal project for the Southeast. There is no clear evidence that this is a better project than the cancelled Garrison Diversion unit. But North Dakota lacks influential congressional figures, while the Tenn-Tom Project is supported by Senate Majority Leader Byrd of West Virginia and Senate Minority Leader Baker of Tennessee—among others.

Though the pork barrel may be stuffed in time-honored fashion with a few more such projects, the indications are that the new administration will make valiant efforts to keep the lid on more tightly.

[From The Pittsburgh Press, April 22, 1977]

DAMS AND DITCHES

President Carter showed political courage and a commendable respect for the taxpayer's dollar in recommending that as many as 18 water projects—ranging from dams and ditches to aqueducts and pumping stations—be deleted from the federal budget.

Mr. Carter also wants five other projects including a massive dam and aqueduct system in Central Arizona, curtailed to save money.

All told, the 23 deletions and modifications could save the taxpayers nearly $4 billion, prevent unnecessary damage to fish and wildlife and set a good example of presidential skepticism for future administrations.

It is, of course, not true that every dam, canal or reservoir proposed by Congress is a "pork barrel" project. Some are needed, especially in the dry Western states.

But it's time we stopped digging holes and diverting rivers unless there are sound reasons to do so.

Typical of the projects on Mr. Carter's deletion list is the Fruitland Mesa irrigation network in Colorado, which would benefit only 69 landowners at a cost to the taxpayers of $82.5 million. That's hard to justify from an economic point of view.

The dam-builders weren't completely ignored by the President's proposals. Mr. Carter reviewed 32 water projects and recommended that nine of them, including the giant $1.3-billion Tennessee-Tombigbee Waterway serving Alabama and Mississippi, proceed without change.

Among others receiving the green light from Mr. Carter was a $35-million project designed to protect Tyrone, in Blair County, from recurrent floods, the latest of which caused serious damage in 1972.

Meanwhile, the President made it clear—as he should have—that dam safety will get more attention from the federal government in the wake of the Teton Dam disaster.

[From the Akron Beacon Journal, Feb. 24, 1977]

WE SHOULD PUT A CORK TO THE WATER RUSTLING

Mo Udall may finally win one from Jimmy Carter.

The President's proposal for cutting funds for 18 dam and other water projects has run into some high-powered opposition in the Congress, and Rep. Udall is in the forefront.

Udall, who ran five steps behind Mr. Carter through last spring's presidential primary trail, is an environmentalist, up to a point. When his home state of Arizona is to be affected, then the environment be damned—and damned.

The same goes for Sens. Edmund Muskie and Henry Jackson, whose oxen are also being gored, though Jackson has never been known to weigh environmental considerations too heavily.

But Rep. Udall's home state, Arizona, is the fastest growing in the nation—and that growth would grind to a screeching halt if water reclamation projects were stopped.

And they should be.

Somebody recently proposed that, instead of spending billions of tax dollars trying to get the water where the people are, we should let the people move where the water is. It may seem selfish for us to sit here in Akron and agree with that, but it makes sense.

Congressmen from Ohio and other old industrial states, who have banded together in a sort of economic union, should make an issue of water.

Not just because we have it and the Southwest doesn't, but because of the cost and the environmental damage done by diverting limited supplies of water hundreds of miles so relatively few people can splash around in swimming pools.

As Bill Moyers noted on CBS Reports the other night, the Colorado River, once mighty enough to carve the Grand Canyon, has not reached the sea in 40 years. Yet the Central Arizona Project—one of those whose funding the administration would suspend—proposes taking even more water from the Colorado.

It was interesting that several of the people Moyers talked to in his report feared that Arizona's cities could become like Los Angeles, a sprawling metropolis which, without

massive water projects, would hardly be fit for human habitation.

Some water projects are no doubt necessary, or at least desirable, for agricultural irrigation. But the urban sprawl of Los Angeles serves no purpose that we can think of. The Sun Cities are of doubtful value, and the world would not be significantly poorer if London Bridge were someplace besides Lake Havasu City, Ariz.—even at the bottom of the Thames. In fact, we doubt that Lake Havasu itself adds much to civilization.

The Carter administration is on the right track in calling for an end to those water reclamation projects that only serve to enrich developers of desert land. But the Udalls and Muskies and Jacksons will probably win the fight—unless congressmen from Ohio, Pennsylvania, New York and other states wake up to the fact that those developers are being enriched at our expense.

Mr. Speaker, I think these editorials reflect the mood of the American people. We can no longer tolerate waste—waste of our tax dollars and waste of our environment.

The President's amendment will not jeopardize those projects which passed muster under his fair and objective review. Those projects have value to the taxpayers and serve worthwhile goals of flood control and water supply.

Mr. Speaker, it is only the very worst projects, those that failed the review criteria of environmental impact, safety, and cost, which we are asked to delete. I ask my colleagues to consider the wisdom of these editorials and vote for these cuts.

CENTRAL UTAH PROJECT

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. McKAY. Mr. Speaker, on April 18, President Carter sent to the Congress a message containing his recommendations for a number of Bureau of Reclamation and Army Corps of Engineers water projects. These recommendations were formulated following a review of the projects undertaken by the administration pursuant to President Carter's request.

It has been the consistent position of the Utah delegation that while it is perfectly appropriate for the President to comment on water projects, and to submit his recommendations for legislative action, the appropriate forum for full consideration of these matters is, as it has always been, the Congress of the United States. Consequently, we have been careful to keep the appropriate committees of Congress apprised of the position of the delegation, and of local sentiment in the State of Utah.

As a part of that effort, we feel that it is appropriate for us to comment on the recommendations of the administration and on the concerns underlying them. Since these recommendations have been sent to the Appropriations Committee, we would like to put them into perspective. We feel that the recommendations are not justified, are based on inappropriate considerations, and will not meet the needs of either the State of Utah or the Nation.

Essentially, the President's message of April 18 raises six points against the Bonneville unit of the central Utah project. In addition, some other points were raised in the review document prepared by the Department of the Interior to support the President's decision.

A. ENVIRONMENTAL CONCERNS

The Federal Government has established through the National Environmental Policy Act of 1969 (Public Law 91-190), a procedural device known as the environmental impact statement. Its purpose is to define and evaluate the environmental impact of proposed or existing Federal construction projects. Such an environmental impact statement was completed for the Bonneville unit on August 2, 1973.

The environmental factors were again fully considered by two Federal courts which found that the decision to go ahead with the project had been made in accordance with the procedures established by NEPA.

1. STREAM FISHERIES

High quality fisher streams do not exist in Utah compared with many other States. Over 95 percent of the people of Utah fish on reservoirs where the fishery habitat has been most productive. Overcrowded conditions exist on these reservoirs and additional facilities are needed to satisfy the demand.

The total habitat loss by the Bonneville unit of Utah's total good fishing streams is only 2.2 percent.

Bonneville unit will not dry up the south flowing streams in the Uinta range of mountains. In fact, guaranteed minimum release flows would mitigate such conditions as exist on Rock Creek today, and enhance stream fishery. Studies are continuing on ways to enhance stream fisheries under overall conditions of project operation.

The impact of the Bonneville unit on fisheries goes beyond the streams in the Uinta Basin mentioned by the President. These other impacts have beneficial effects on fisheries.

First. Improved flows on 30 miles of four streams—Provo River, Currant Creek, Sixth Water, and Spanish Fork River. The Provo River, one of the choicest fishing streams in the State, would have improved flows.

Second. There would be a total net fishery gain of 126,000 man-days per year.

Third. Fifteen high mountain lakes on the Provo River totaling 600 acres in surface area are now drained each year. Under the plan they would be stabilized to enhance fisheries.

Fourth. Two reservoirs developed to compensate for fishery loss on Rock Creek. These reservoirs, will provide 800 acres of nonfluctuating surface area.

Fifth. Minimum release flows from Upper Stillwater Reservoir to maintain a minimum flow of 25 c.f.s. at the Indian reservation boundary. Actual measured flow at the present time at the boundary is only 8 c.f.s.

2. WILDLIFE HABITAT LOSSES

The largest acreages listed as a loss would be the surface water acreages involved in diking Provo and Goshen Bays on Utah Lake. The total surface area for Utah Lake is 95,000 acres. Most of the 25,000 acres lost by diking are water surface areas and located where during historical dry periods they become dry naturally. Utah Lake at compromise has an average depth of 7 feet and a maximum of 14 feet. As a wet- and marshland wildlife habitat it is minor compared to the Great Salt Lake—only 40 miles away which provides the principal habitat for wildlife. The population area immediately east of Utah Lake detracts from it as the wildlife habitat area.

The Bonneville unit plan includes the following commitments to improve and enhance wildlife productivity:

First. Lands amount to 1,550 acres near Starvation Reservoir purchased for the development of deer winter range.

Second. Development of 2,800 acres near Strawberry Reservoir as wildlife habitat replacement for deer, moose, and beaver.

Third. Development of 14,500 acres in the vicinity of Goshen Bay as wildlife management area.

Fourth. Six areas totaling 6,640 acres along the lower Duchesne River area have been designated for wetland development as wildlife management units.

Fifth. Additional wildlife habitat would be created around reservoir shorelines and upon irrigated lands.

INCREASED SALINITY IN THE COLORADO RIVER

The final environmental impact statement concluded, page 658, that "the Bonneville unit, separately would have only a minor impact on the salinity issue." Moreover, we would like to point out that the contention that construction of the Bonneville unit would aggravate salinity of the Colorado River that it will utilize for the Central Utah project, oil shale development, or some other developments in eastern Utah. The United States will have to undertake salinity control projects whether or not the Bonneville unit is built because Utah—one of the driest States in the Nation—will exercise its lawful right to water in the Colorado River, one way or the other.

B. ECONOMIC ISSUES:

1. COSTS AND OVERRUNS

The act of April 11, 1956 (70 Stat. 105) authorizing the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects did not place a specific cost limitation on the Bonneville unit.

The reimbursable cost of the Bonneville unit was estimated at $739.5 million in the fiscal year 1978 budget submission. Cost of the unit was understood by the Congress when it was authorized as well as during the annual appropriation hearings over the years since authorization. Approximately 50 percent of the current estimate is due to inflation in prices since 1964.

High initial costs are necessary if Utah is to share in the Upper Colorado River Basin development program provided for by compacts, and as authorized by Con-

gress, and continue to grow agriculturally and industrially. The repayment capability of the Bonneville unit is outstanding. With some adjustments in policy for power marketing and plans for power development, well within approval authority of the Interior Department the Unit would repay 100 percent of its reimbursable costs from water user payments, Diamond Fork power sales, and ad valorem tax assessments.

2. COST/BENEFIT ANALYSIS

The law provides for the use of a discount rate on the Bonneville unit of 3⅛ percent. At that rate, the benefit/cost ratio is 1.3; even using the rate preferred by the administration, 6⅜ percent, the ratio meets the interpretation of the law. There is therefore no justification for calling the ratio "marginal."

Furthermore, costs/benefit ratios are highly artificial figures, devised to meet technical requirements of the law, rather than to reflect reality. It is possible, by manipulation of factors included and excluded, to produce virtually any cost/benefit ratio desired. In this case, the benefits considered by the administration do not include the savings from not having to fight breach of contract suits brought by the Central Utah Water Conservancy District and the Ute Indian Tribe.

Other deficiencies in the present computation include the failure to price water at its economic value, rather than at the regulated price; the use of current prices to measure future values, thus ignoring the effects of inflation; the failure to consider the inelastic demand for food, which means that increased agricultural activity does not necessarily result in increased earnings, though it does indicate benefits to society; failure to consider employment benefits by use of full employment models to calculate earnings values.

The most important deficiency of the bias toward present consumption implied by the use of high discount rates Senator GARN discussed this question before the Senate Appropriations Subcommittee, and Congressman MCKAY discussed it before the administration's hearing in Utah March 23, 1977.

1. INDIAN RIGHTS

C. GENERAL ISSUES:

The administration contends that the Bonneville unit complicates Indian water rights. Actually, those issues were settled in a 1965 agreement with the Ute Tribe in which they deferred rights to their water in exchange for help in acquiring lands and developing them with irrigation projects later on. Secretary Andrus acknowledges this problem, calling for renegotiation of the agreement and recognizing the need for water development projects that could cost as much as $150 million.

2. ALTERNATIVE SOURCES

The claim is advanced that there are alternative sources of water available, but those alternatives are not pointed out in specific detail. We are drilling and pumping ground wells at a maximum rate, to the point where we will experience a substantial drop of the water table in the Salt Lake Valley during this year.

Another source often cited is the surplus waters created as agricultural lands are converted to residential lands in Salt Lake County. It is necessary to have a place to store this surplus water, and the Jordanelle Dam portion of the Bonneville unit was designed for this purpose.

3. SECONDARY GROWTH IMPACTS

This question is raised by the Department of Interior's water project review document. We feel that it represents a major departure in governmental involvement in the lives of the citizens. Traditionally, water projects have been designed to mitigate the impacts on populations of scarce water conditions. The populations were assumed to be in place or coming, and that fact was regarded as irrelevant to the considerations underlying the project.

Now we see a major shift in thought evolving, and one that we feel ought to receive major attention and explicit by the Congress before being accepted as national policy. It should not be imposed through the backdoor by executive fiat. If in fact the Federal Government is going to adopt the policy of deciding where people should live, and in what quantities, we strongly feel that decision should be made by the Congress after full and free debate, and not by the President unilaterally. The use of this rationale will set a dangerous precedent that could be used to restrict economic growth and development in any State in the Union. By vigorously and clearly rejecting this line of thinking, the Congress will stop a major usurpation of power by the executive and prevent back-door imposition of a no-growth policy.

It might be of interest to consider the actual impact of the administration's proposed action with respect to the Bonneville unit. The administration proposed the completion of the Currant Creek Dam—which is 97 percent complete—and the rehabilitation of the Strawberry Tunnel—which is not a part of the present proposal. The costs for these actions would be $28 million and 36,000 acre-feet of water would be developed.

As it happens, this analysis is faulty at virtually every turn. The cost figures for the recommended construction are estimated by local officials to amount to—million rather than the $28 million projected. It may also be worth noting that the cost/benefit for this recommendation is 0.4.

Further, the proposal will not develop 36,000 feet, but probably no more than 15,000. The administration reached the higher figure by taking the upper end of the range of 15,000–18,000 feet to be developed by the Currant Creek Dam, and counting it twice, once when it is delivered to agricultural users in Utah County, and again when Provo River water freed up by the new development is delivered to Salt Lake County.

The delivery of even 15,000 feet of water is dependent on a number of other conditions, such as adequate rainfall each year, the negotiation of satisfactory contracts and operating agreements, and on finding sponsoring agencies. The development of Currant Creek without the accompanying collection system of Vat Tunnel, and Upper and Lower Stillwater Reservoirs would consume more energy than it is worth. That is because Currant Creek is designed as a stable reservoir, with a constant, high water level. The outflow siphon is located at the top of the dam, which stores 18,000 acre-feet of water. Should the water level ever drop significantly—which it clearly would have this year, without additional water supplied by the collection system—the water would have to be pumped up to the siphon before it could flow on down in the Strawberry Reservoir, and on its usage point in Utah County.

We would like to point out, however, that the administration proposal does clearly recognize the need to develop water from the Colorado River Basin for use along the Wasatch Front. The proposal for doing so may be inadequate, but we were happy to see the recognition of this basic principle.

In view of these facts, we would like to note that Secretary of the Interior Andrus recommended to the President that he adopt modification 4 from the Interior water projects review analysis. Essentially, Secretary Andrus advocated the completion of the planned project, with the exception of the Stillwater Reservoirs. This modification would develop only slightly more than half the water of the proposed project, and would save the government only $20.5 million. This modification would meet the needs of the Indian tribes, as would the proposed project, as the administration's recommendation would not.

RHODESIAN INFORMATION OFFICE IN WASHINGTON SHOULD NOT BE TERMINATED

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. DERWINSKI. Mr. Speaker, since communication is the wellspring of diplomacy, the United States should be expanding rather than curtailing valuable information outlets which can be useful in delicate negotiations with the Rhodesian Government.

While there is widespread agreement on and support for the principle of majority rule in Rhodesia, a number of Members are concerned about a pending Executive order which would impact adversely on the negotiations. The Executive order, if issued, would result in the termination of operations of the Rhodesian Information Office in Washington.

We believe the Rhodesian situation requires the emphasis to be on more rather than less information. For that reason we have asked Secretary of State Cyrus Vance for an explanation of the reported Executive order, the justification for such a move, and what policy prompted its consideration.

A copy of our June 6 letter to the Secretary of State follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 2, 1977.

Hon. CYRUS VANCE,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: It is our understanding that the Department of State has under consideration the issuance of an executive order which would terminate the operations of the Rhodesian Information Office located here in Washington. Further, it is our understanding that the basis for this action is the U.S. vote last week in the United Nations Security Council in favor of a resolution prohibiting the member nations from allowing the international transfer or use of any funds of the current Rhodesian government.

All of us fully support the principle of majority rule in Rhodesia as we do for all nations. We believe that majority rule in Rhodesia is inevitable.

However, it seems to us that the difficult transition to majority rule in that nation would not be aided by the closing of the Rhodesian government's Information Office, which at this moment in difficult negotiations could be a valuable vehicle in public as well as governmental communications. We think it logical that emphasis at the present time be on communication rather than suppression of an information source.

In addition, we believe that closing the Office would seem to be an unnecessary step in that it would tend to complicate rather than ease negotiations with the present government. It seems to us that now is the time for more open exchange between Rhodesia and our government and people rather than less as the transition to majority rule continues.

We therefore request that you provide us a full explanation of this reported executive order, its justification, and what policy prompts its consideration.

In view of the imminence of this reported action, we would appreciate a prompt reply to Representative Edward Derwinski, a member of the House International Relations Committee, who in turn will inform us of your views.

David R. Bowen, Wm. Broomfield, Ed Derwinski, Guy Vander Jagt, G. V. Montgomery, Harold Runnels, Robert J. Lagomarsino, Dan Daniel, Bob Michel, Robert W. Daniel, Jr., Bob Bauman, Herbert J. Burke, Jim Martin, Trent Lott, John H. Rousselot, Jerry Huckaby, Mickey Edwards, Bill Young, Jack Kemp, Omar Burleson, John J. Flynt, Larry McDonald, Philip M. Crane, James M. Collins, Eldon Rudd, Paul Findley, Steve Symms, Gene Snyder, Bill Goodling, Marjorie S. Holt, Robert E. Badham, Del Clawson, Bill Ketchum, Bud Shuster, Bill Armstrong, Tom Hagedorn, Dawson Mathis, Dan Marriott, Tennyson Guyer, Clarence Miller, Ron Mottl, Samuel S. Stratton, Henry J. Hyde, David Satterfield.

DR. G. L. THOMAS, JR.

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BYRON. Mr. Speaker, I am very saddened to report the unexpected death of Dr. George Leicester Thomas, Jr. Dr. Thomas had a distinguished and remarkable career as an outstanding horticulturist and recognized authority in the field of water lilies, tropical fish, and goldfish. His family continues to operate the world-famous Three Springs Fisheries at Lily Pons, near Buckeystown in Frederick County, Md.

Dr. Thomas was a well-respected member of the community and contributed to Frederick County in many ways. His loss will be deeply felt by all of us who have been privileged to know him. My heartfelt sympathies are extended to Mrs. Thomas and the other members of the family.

The Frederick Post recently contained an article on Dr. Thomas which reflects on his life and I would like to include it in the RECORD at this point:

DR. G. L. THOMAS, JR.

Dr. George Leicester Thomas Jr., the second of three generations of his family involved in the operation of one of the largest and most exotic industries of its kind in the world—goldfish and water-lilies—died unexpectedly Tuesday evening, May 24, at his home near Buckeystown.

Ill only briefly, his passing saddens the entire community which this respected businessman had served in such a quiet, unassuming but effective manner over the years. He was 69.

He leaves his loving wife, Mrs. Virginia L. Brosius Thomas; two sons, George L. Thomas III and Charles B. Thomas; one grandson, George L. Thomas IV, and three granddaughters, Margaret Mary B. Thomas, Virginia J. T. Thomas and Victoria Genevieve S. Thomas.

Also, one brother, Curtis W. Thomas of Adamstown; three sisters, Mrs. C. Lease Bussard of Frederick, Mrs. Carlton Strube of Ijamsville and Mrs. Hesbia C. Foster of Frederick, and a number of nieces and nephews survive.

(Funeral services are scheduded for 2 p.m. today at the First Baptist Church in Frederick, with viewing from 1 p.m. until time of service, the Rev. Burnis D. Barrett, pastor of the First Baptist Church, and the Rev. Fr. Anthony Tomaschko, pastor of St. Joseph's Catholic Church on Carrollton Manor, officiating. Interment will be in the church cemetery of St. Joseph's, with Smith, Fadeley, Keeney and Basford Funeral Home in charge of arrangements.)

Dr. Thomas, a horticulturist and authority in the field of water-lilies, tropical fish and goldfish, and author of one of the most definitive works in the field, followed his father in this unusual career; and his sons, in turn, have proved able successors in the operation of Three Springs Fisheries at Lilypons.

Born July 9, 1907, in Frederick County, he was the son of the late G. Leicester and Louesa Pearl Brown Thomas.

After schooling in Frederick, he went to Franklin & Marshall College in Lancaster, Pa. After college he returned home and joined in work with his father who in 1917 had started raising goldfish and decorative water plants as a "hobby." It soon became the biggest business of its kind in the world—located at a place they wisely named "Lilypons," after the famous opera star Lily Pons. The Thomases even established a U.S. Post Office named Lilypons—Zip Code 21717 (now Buckeystown).

He was 10 years old when his father bought Three Springs Farm, 360 acres of rolling countryside in lower Frederick County—a farm intended to be devoted to large-scale farming and canning. However, to beautify the farm the senior Mr. Thomas converted 15 acres to ponds and decorated their fringes with water-lilies and other aquatic plants. "Planting stocks of healthy brook goldfish in the ponds was the next natural step," according to the preface in a beautiful 48-page full-color catalogue on Three Springs Fisheries.

Goldfish were "new" as he grew up, and he eagerly met the many visitors who came to the farm to get goldfish of their own. After a time, his fatner was forced to sell what he had been giving to friends and visitors, and the youngster sunk his roots in the business world by helping his father sell the fish.

"Goldfish were comparatively rare in this country then and cost, whenever they could be found at all, from 10 to 25 cents. In the few years that followed, the goldfish business experienced phenomenal growth, due principally to the fact that 5 & 10 cent store chains, drug and department stores began handling the pets—huskies for a dime each, small ones for a nickel," the catalogue reads.

As the business grew, G. L. Thomas went off to college, and then returned to assist his father. He later pursued graduate studies at Ursinus and as Dr. G. L. Thomas Jr. authored as one of the authorities in the field, "Goldfish Pools, Water-Lilies, and Tropical Fishes."

He succeeded his father in the operation of Three Springs Fisheries, retiring from the business in 1966. At that time, his sister, Mrs. Frances Thomas Bussard, and her husband, C. Lease Bussard, assumed ownership and operation of the business. Upon their retirement, the sons of G. L. and Virginia B. Thomas took over the fisheries—George Leicester Thomas III and Charles Brosius Thomas—and have continued to expand the operation, with agents now in many countries.

G. L. Thomas Jr. had many community interests. He was a dedicated member of the Rotary Club of Frederick and the Frederick Elks, and remained active in the Sons of the American Revolution.

He and his wife, Virginia, shared a lifetime of community services together, she heading many of Frederick's leading women's organizations and patriotic efforts—the Snow Ball benefit of the Frederick Memorial Hospital Auxiliary, Zonta Club, Civinettes, Taskers Chance Garden Club, Victor Cullen Hospital Auxiliary—and he serving in many board positions, including the board of Ursinus College, and membership on the Association of Governing Board of Universities and Colleges, and the Garden Writers Association of America. They were both avid genealogists and works on the Thomas family remain in the C. Burr Artz Library reference room.

He was also active in the Frederick Cotillion Club, Kenwood Country Club and Congressional Country Club. He was a member of the First Baptist Church of Frederick and with Mrs. Thomas was dedicated to the historic St. Joseph's Catholic Church on Carrollton Manor, near their Buckeystown home.

G. L. Thomas Jr. was known as a quiet, unassuming man, highly respected for his leadership, sound judgment and counsel. His devotion to his work, to his family and his community will be a lasting example for generations to come. We join with his many friends in deepest sympathy to his wonderful family.

THE WATER PROJECTS MUST GO

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BONKER. Mr. Speaker, few issues confront this Congress that are more worthy of support than the President's review of existing water projects and his efforts to develop major policy reforms for evaluation of future projects.

H.R. 7553, the public works appropriations bill, will soon be on the House floor. I am joining a number of my col-

leagues in sponsoring an amendment that would modify one project and delete funds for 16 others. Adoption would put the President's program into the bill.

The savings would exceed $2 billion. However, of equal, if not greater, importance is the signal of commitment that our votes can give to reform for the future.

We lack the budget flexibility today for continued reliance on unrealistic cost-benefit estimates that pretend the cost of capital is what it was many years ago.

We can no longer justify the enormous cost overruns that so often accompanied water projects in the past.

We need to stop projects that benefit only narrow or special interests, rather than the general public.

We must see clearly demonstrated need before authorizing a project, and we have to refute exaggerated and questionable claims of recreation value, fish and wildlife enhancement or area redevelopment that never materialize.

We must institute a better system for evaluating alternatives to proposed projects.

We need tougher dam safety and inspection programs.

We should insure that the beneficiaries of Federal water projects pay a fair share of the construction and operating costs.

We have to recognize how precious a resource water has become and adopt policies that emphasize wise management and conservation of it.

And we need better balance in the entire public works program so that we provide jobs where they are needed most.

These are some of the things that are at stake.

To oppose the water projects amendment is to support a tradition of project evaluation and review that has remained unruffled and unchanged, despite sweeping shifts in public attitudes toward economic, social and environmental concerns.

The House of Representatives today is more effective and more responsive because of internal reforms adopted during the past 2½ years. Let us not now turn away from the continuing need for change, especially with water projects that can so profoundly affect the lives and fortunes of so many people.

The flaws in these projects are real and substantial and involve much more than the desires of a few wild-eyed environmentalists. For example:

In Louisiana, a $22 million channeling project that would mainly benefit only two large corporations;

In Kansas, an $86 million dam that is justified on the questionable assumption that the new lake would attract almost as many visitors as does Yellowstone National Park each year;

In Tennessee, a $142 million project that would eliminate 29,000 acres of productive farmland, destroy or modify 25,700 acres of forest and upland wildlife habitat and flood 54 miles of free flowing stream even though its costs exceed its projected benefits;

In Colorado, an $88 million irrigation system that will benefit only 69 landowners at a cost of $1.2 million each. The irrigation investment is high, $4,615 per acre, but the irrigators will repay only $208;

In California, a $1.1 billion dam on a site where an active earthquake fault may exist. Collapse of this proposed structure could endanger 750,000 lives; and

In South Dakota, a $505 million canal and reservoir system that persists even though local support no longer exists.

The prospective winners and losers on this issue stand in sharp contrast.

We have all had in our offices the farmers, ranchers, and homeowners who arrive with mimeographed or simply done printed presentations to talk about their lives and their land. They oppose the water projects and support the amendment we will be offering.

We have also received from water project supporters a blizzard of bold, slick, and expensive posters, steel placards and cleverly boxed rocks and batteries. It is a blatant attempt to prevail with slogans rather than substance and emotionalism than facts.

The time for compromise has passed, for substantial compromise has already occurred. The 319 Corps of Engineers and Bureau of Reclamation projects were cleared for additional funding. The list is now down to 18, the worst of them all according to information compiled by the Corps of Engineers, the Bureau of Reclamation, the Tennessee Valley Authority, the Council on Environmental Quality and the Office of Management and Budget.

The House can help balance the budget, cut back on inflation and make the Federal Government more responsive to the needs of the people by supporting the water projects amendment. It is an opportunity that we should not allow to escape.

JUSTICE AT J. P. STEVENS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. RANGEL. Mr. Speaker, there is presently an abominable situation going on in the southern part of our country. That situation is the failure of the J. P. Stevens Co. to recognize the union legally selected by their workers. While refusing to recognize the union, they also exploit their workers through low wages, poor working conditions, arbitrary firings and dangerous health and safety conditions.

Throughout our country people are calling for human rights abroad but we must also guarantee those same rights at home. It is only right that the practices of J. P. Stevens be stopped. Across the Nation civil rights and labor officials have launched a boycott of the Stevens Co. This boycott is an attempt to awaken J. P. Stevens to it's obligation to stop coercing and threatening it's workers, to end it's climate of fear so that fair elections can be held and to bargain in good faith when it's workers vote to bargain collectively through the union of their choice.

To this end I urge my colleagues on both sides of the aisle to join with me in boycotting this very insensitive and unfair company. I am also inserting an article written by Bayard Rustin, president A. Phillip Randolph Institute, which describes this travesty of justice. I think after reading it my colleagues will agree with me.

The article follows:

LABOR'S STRUGGLE AT J. P. STEVENS PROMISES JUSTICE FOR AIL IN SOUTH

(By Bayard Rustin)

The consumer boycott of the J. P. Stevens Company by the Amalgamated Clothing and Textile Workers Union deserves the enthusiastic support of black Americans.

Stevens, the nation's second largest textile manufacturer with 85 plants in the South, has violated labor laws while exploiting its workers through low wages, poor working conditions, arbitrary firings and dangerous health and safety conditions.

The boycott, which has already been lanuched in 35 cities, has attracted the support of key civil rights, church and community leaders.

Although the connection might not seem apparent at first, the effort to organize workers in the South is a continuation of the civil rights struggle. A large number of workers at Stevens and the other textile plants in the South are black—an estimated 20 percent of the 700,000 textile workers in the region. Until these workers are represented by unions, their chances for economic advancement will be poor.

Like many companies in the South, Stevens continues to discriminate. In December 1975, a federal judge ruled that Stevens was guilty of hiring on the basis of race, reserving clerical jobs for white employees, discrimination against blacks in job assignments, discrimination in layoffs and recalls and other discriminatory employment practices. The judge discovered that blacks with ten years seniority were making less than whites with only two years seniority, while blacks with a twelfth grade education were paid less than whites with a third grade education.

An influential and effective labor movement in the South is an essential precondition to completing the social transformation begun by the civil rights movement. When blacks and whites work together in the same union, old attitudes of suspicion and distrust are replaced by a new spirit of cooperation, understanding and mutual commitment in social justice. By decreasing the poverty of blacks and poor whites, unions can put an end to the economic rivalry which lies at the roots of so much of the South's racial tensions.

Like the civil rights movement, the workers at the J. P. Stevens plants, as well as other workers in the South, are dependent upon the support of public opinion if they are to gain justice.

A federal Court of Appeals ruling said that Stevens "has initiated and pursued a pattern of conduct the purpose of which was to crush the union movement. . ." Stevens has exploited weakness in the nation's labor laws to create a climate of fear that makes it impossible to hold fair elections to determine whether the workers want to be represented by a union.

In the one instance where a strict court ruling partially restrained the company's anti-union activities, 3,500 workers in seven plants in Roanoke Rapids, N.C., voted for union representation. But Stevens has refused to bargain in good faith. As a result, the workers called for public support for a campaign against the company to stop its law violations.

The labor movement responded by launching a massive consumer boycott designed to awaken J. P. Stevens to its obligation to stop coercing and threatening its workers, to end its climate of fear so that fair elections can be held, and to bargain in good faith when its workers vote to bargain collectively through a union of their own choice.

Only by mobilizing the concern of people all over the country in support of the boycott of J. P. Stevens can a start be made to bringing economic and social justice to the working people of the South, both black and white.

NO FUNDS FOR NEW FEDERAL PRISONS; MORE FUNDS FOR ALTERNATIVES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. CONYERS. Mr. Speaker, I intend to offer two amendments to H.R. 7556, the State-Justice-Commerce-Judiciary appropriations bill, which would delete funds for new Federal prison construction and increase spending for contracting with State, local and private organizations for care of U.S. prisoners.

I believe that construction of more Federal prisons is not necessary and has not been adequately justified by the Bureau of Prisons. Admittedly, some facilities are now overcrowded, but this is a short-term problem that does not require the long-term commitment that new construction represents. Most Federal prisoners have not been convicted of violent crimes and do not require high-security confinement. Excess prison population can be handled quickly, with less cost, and with greater flexibility through expanded use of halfway houses—CTC's and contracts with State, local and private organizations. In my view, the Congress should encourage expanded use of a variety of correctional programs and facilities rather than increased reliance on high-security incarceration.

The national moratorium on prison construction has developed a detailed factsheet in support of my amendments, and I encourage my colleagues to review the information which follows prior to the consideration of this bill on Friday.

THE CONYERS' AMENDMENTS TO H.R. 7556 CONCERNING APPROPRIATIONS FOR THE FEDERAL PRISON SYSTEM

Please support two amendments to H.R. 7556 to be considered by the House on Friday June 10, 1977, in the morning. The amendments, offered by Mr. Conyers of Michigan, concern that portion of the Appropriation Bill for Fiscal Year 1978 for the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies, which addresses the Federal Prison System within the Department of Justice. The two amendments will read as follows:

1. On Page 21, Line 14, Strike $54,400,000", Insert in lieu thereof "$13,130,000". (concerning the appropriation for "Buildings and Facilities")

2. On Page 21, Line 24, Strike "$35,063,000", Insert in lieu thereof "$54,211,000". (concerning the appropriation for "Support of U.S. Prisoners").

The Conyers' amendments to H.R. 7556 would delete funds for construction of three (3) new federal institutions and increase funds for contracting with state, local, and private organizations for bedspace and care of U.S. prisoners.

WHY YOU SHOULD SUPPORT THE CONYERS' AMENDMENTS TO H.R. 7556

Construction of more federal prisons and jails is not necessary. Some existing facilities are overcrowded, but this is a short term problem which does not justify the long term commitment that new construction represents. Most federal prisoners have not been convicted of violent crimes and do not require high security confinement. Excess prison population can be handled more quickly, with less cost, and with greater flexibility through expanded use of contracts with community treatment centers (CTCs) or other state, local, and private programs and facilities than through construction.

Overcrowding is a short term problem

By the time new prisons for which funding is requested in 1978 would go into operation, prison populations should be on the decline. A January study by the Congressional Budget Office (CBO) found that increases in use of incarceration are highly correlated with increases in unemployment and reported that as unemployment is reduced over the next few years, the number of persons committed to federal prisons will decrease. CBO predicted that the sentenced federal inmate population will decrease by 6,579 between 1976 and 1987. Furthermore, as the peak in the most crime prone age group as a result of the post-war baby boom is passed, other population pressures will be reduced.

Public safety does not require more prison beds

Last year only 11 percent of those committed to the Federal Bureau of Prisons (BOP) were committed for robbery and violent crimes. Most federal offenders have been convicted of non-violent offenses. At a recent conference, wardens in the federal system reported that it would be better to expand the number of inmates in minimum security institutions and that some inmates living in long term institutions could probably qualify for camps and be handled more cheaply there. ("Monday Morning Highlights", BOP, May 23, 1977) In response to a question from the House Appropriations Subcommittee recently as to what percent of the federal prison population could be safely housed in "Holiday Inns", the Director of the BOP estimated about one-third. With a current population around 30,000 in BOP institutions, approximately 10,000 thus could be in non-secure settings like the camps in which about 3500 federal offenders are presently housed.

Alternatives are much less expensive

There is no logic in building more prisons when the overcrowding is largely due to the imprisonment of people for whom provision could and should be made in the community at substantially lower cost. The cost of building a federal prison bed is now about $43,000. The CBO report revealed that the cost of maintaining a prisoner in new BOP institutions is $17,300 per year.

According to recent studies by the Corrections Commission, the cost of maintaining one person in a halfway house for one year, utilizing community resource referrals is about $8,000. The cost of probation is about $500. Some alternative penalties encompass providing compensation to victims of crime or to society rather than increasing the tax burden on the public.

Construction would perpetuate unjust policies

Incarceration falls most heavily on the poor and minorities. The percentage of federal prisoners who are non-white has increased from 27.4 percent to 38.2 percent in the past seven years. Many respected organizations, such as the National Council on Crime and Delinquency, the National Advisory Commission on Criminal Justice Standards and Goals, and many national churches, have decried our over-reliance on incarceration and called for a moratorium on construction of new institutions until we have had time to plan and implement more promising alternatives. Expansion of the institutional network of the BOP would be a blow againts development and use of more equitable and human alternatives. Once built, prisons tend to be used for decades and even centuries.

Alternate means for dealing with excess population are available

Based on hearings held earlier this year, the House Appropriations Subcommittee concluded that "our Federal penal and parole system has failed to provide the leadership necessary to meet the current demands placed on the system" and urged the development of a "comprehensive solution that will meet the needs of society." The Subcommittee stated that the BOP should study further the use of existing detention facilities at military installations and other means of incarcerating Federal offenders as well as consider expanding the use of community-based facilities for non-violent offenders. (Report of May 23, 1977, pages 22–23)

According to the American Correctional Association Director, military stockades and detention facilities within the U.S. had capacity of 4,172 more than their average population in 1976. Regular barracks and other military buildings were also underutilized. Many other residential facilities have available space such as former hotels, college buildings, convents, camps, etc., which could be used on a lease or contract basis for offenders who do not require secure confinement.

The BOP now contracts with about 1,200 state and local jails, work release and other correctional units, including CTCs, to board federal prisoners and detainees. Due to increases in average daily costs in jails and other facilities, the BOP has recently acted to cut back on use of community treatment centers through such means as decreasing the maximum length of stay from six months to 60 days. Given overcrowding and higher costs in BOP institutions, reducing use of CTCs is not a desirable policy.

DETAILS OF THE PROPOSED AMENDMENTS

Expanded utilization of halfway houses

Placing a greater percentage of prisoners in contract CTCs for the last part of their term and increasing rather than reducing the average length of stay would reduce institutional populations as well as aiding in the reintegration process for the offenders. The BOP formerly established an objective of having 65 percent of the release population released through CTCs with an average stay of 90 days. (CBO has suggested that 180 days might be appropriate.) The BOP recently revised that objective to 45 percent for 60 days "because costs are up", but if funds were available, the greater participation rate and time could be achieved.

In FY '76 there were 19,073 discharged prisoners potentially eligible for CTC placement according to CBO. Using a 65 percent participation rate, about 12,397 persons could have gone into CTCs from institutions. About 2400 could have been housed in federal CTCs, with the other 10,000 going to contract CTCs. Applying those figures to 1978 with an estimated 1978 daily per capita cost for contract CTCs of $18.83, serving 10,000 persons in contract CTCs for an average of 90 days would require $16,947,000. This expansion of CTC use would reduce the average daily institutional population by about 1410.

Increased use of other contracts

The BOP reports an excess population of about 6400 in their institutions at present. Freeing 1410 beds by greater use of CTCs would reduce that amount to about 4990. Four new federal institutions are currently under construction with a combined total of more than 2000 beds, reducing bed shortages to about 2990. If contracts were expanded to house more of the at least one-third of the population which does not require secure confinement, more than the needed number of beds could be made available.

Using for estimation purposes the estimated 1978 average daily per capita cost of contracts with state and local facilities of $17.08, providing contract space for all persons necessary to eliminate overcrowding (2990) would require about $18,640,000 more per year. If those funds were phased in over two years to allow time for development of the necessary contracts at a reasonable pace, $9,320,000 in additional contract funds should be provided this year. (1495 offenders × $17.08 daily per capita cost × 365 days = $9,320,129). The BOP has already requested $27,944,000 for such contracts already in force, for a total of $37,264,000 for contracts other than CTCs.

Deletion of construction funds

Within the "Buildings and Facilities" account, the BOP requested $5,275,000 for Planning and Site Acquisition for FY '78 for planning a south central prison and a west coast prison. The funds for planning these facilities were not allowed by the Appropriations Subcommittee because "sufficient justification does not exist at this time to warrant funding the planning, site acquisition, and design of two new adult facilities." H.R. 7556 does include $49,183,000 for construction of a 300 bed jail in Detroit, Michigan; a 500 bed prison in Camarillo, California; and a 500 bed youth prison at an unidentified site in the northeast. The Bill also includes $13,130,000 for repairs and improvements to existing facilities. The Conyers' amendments would allow the funds for repairs and improvements at existing facilities, but disallow all monies for new construction.

IMPLICATIONS OF FEDERAL REGULATIONS

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. EDWARDS of Oklahoma. Mr. Speaker, it is always a little unsettling for me to see the havoc that can be thrust on the American public when a Federal agency hands down one of its decrees. Businessmen are suddenly faced with the prospect of huge losses, employees are confronted with uncertain futures, investors with unsound investments, consumers with one less product from which to choose.

Recently the Food and Drug Administration warned manufacturers to discontinue the production of items containing saccharin because soon saccharin would be added to the FDA's list of public enemies.

This action had not been anticipated by even the most cynical observers of the Federal bureaucracy, since saccharin had had a good safety record for more than 80 years and has been subjected to more than 30 tests since 1970 alone, including tests sponsored by the National Academy of Sciences and the National Cancer Institute.

So, it came as a surprise to almost everyone: to more than 10 million diabetics who depend on saccharin for lack of any other sugar substitute; to millions more Americans with heart and weight problems, who use saccharine products as health aids; and to manufacturers, whose saccharine products account for no less than $2 billion in sales each year. It also came as a surprise to the 500 employees in Brooklyn, N.Y., who were abruptly laid off because their boss, a major producer of artificial sweetener, chose to close down his plant rather than risk producing something for which there is no market.

Equally unsettling is the way these agencies casually dismiss the consequences of their decrees, as was the case with the FDA's announcement that it plans to ban saccharin. Acting FDA Commissioner Sherwin Gardner was quoted in the March 21 edition of Time as saying the "loss of saccharin will at worst be an inconvenience."

Let us examine the magnitude of the "inconvenience."

First, there is the question of what impact this decision holds for the economy. In the past, removal of products from from the market has been followed by the loss of jobs, of business capital, and of tax revenue. When the FDA banned cyclamates in 1970, it resulted in financial losses estimated to exceed $100 million.

The financial impact would likely be many more times as severe in the case of a saccharin ban. Saccharin products generate billions of dollars in annual sales, and account for a significant share of sales in the $150 billion a year food industry. Those sales also account for a good many jobs. I would hesitate to tell those workers and their families that unemployment is merely "inconvenience."

A second matter to consider is the impact a ban would have on the welfare of the public. Saccharin is not some minor item whose sudden absence will be hardly noticed. American consumers are using it at a rate of 5 million pounds a year, primarily as an additive in diet soft drinks. The medical profession recognizes saccharin products as safe and helpful tools for weight control. Without artificial sweetener many people will no doubt return to excessive consumption of sugar, with the result being more obesity and cardiovascular disease.

Should any of the Nation's more than 10 million diabetics resort to sugar, the result will be worse than an increase in heart attacks. Sugar is poison to the diabetic. An official of the American Diabetes Association has warned that the ban would have very grave effects on diabetes, many of whom already have a hard time controlling their conditions.

Finally, we must consider the effect of this action on the public perception of the Federal Government. It is precisely these kinds of actions and policies that have contributed to the decline in our Government's credibility. It is insensitivity such as that shown by the Acting Commissioner of the FDA that has lead many people to question Government's wisdom and objectives.

In this case, the FDA is adhering to the strictest interpretation of the law enacted by Congress. That law is the Food, Drug, and Cosmetic Act, and it contains a clause prohibiting the use of any ingredient that has been shown to cause cancer in animals or man. The basis for the FDA's concern is a Canadian study which purportedly links saccharin to cancer when saccharin is ingested in massive doses by rats.

In practical terms the study is invalid because to duplicate the response to saccharin in humans would require us to consume unreasonable, if not impossible, amounts. To receive the same dosage as the rats in the study, a person would have to be born to a mother who had consumed 1,200 bottles of diet soda daily, then drink the same amount of saccharin-sweetened soda from infancy to death. Even then the chances of getting cancer are less than 10 percent, according to the study.

I read recently of two people dying from overconsumption of water. One was a woman who was obviously insane, and the other was a child who was forced to drink huge amounts of water by a sadistic parent. Surely no one would propose that we outlaw water. Yet, to ban saccharin, on the basis of the information we have, would be no less ridiculous.

The public is reacting to the FDA plan with justified indignation. Americans place a high value on their freedoms, and the number of people who are incensed by unnecessary government regulation and interference is rapidly growing. I am not about to consent to a plan that will deny the diabetics and heart patients and weight-watchers in my district of useful health aids, all because some scientist somewhere killed a few rats by gorging them with unbelievable amounts of saccharin.

I have introduced two pieces of legislation to thwart what would otherwise be a great injustice.

House Concurrent Resolution 158 is intended to prevent any discontinuation in the supply of saccharin products by means of a sense of the Congress statement that we oppose what the FDA is planning to do. H.R. 5050 would amend the Delaney clause in the Food, Drug and Cosmetic Act, providing the FDA reasonable latitude in determining what substances are carcinogenic and which ones are safe when consumed in realistic quantities.

I hope the House will pass both.

TEENAGE PREGNANCY PROBLEMS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mrs. SCHROEDER. Mr. Speaker, public debate on abortion frequently centers on statistics, legalism or emotional arguments that are light-years removed from the circumstances confronting

teenagers and older women who find themselves unwillingly pregnant. Before long, Members of the House will again be debating an amendment to prohibit the use of Federal medicaid money for abortion. And again, I suspect we will find there is little opportunity to hear from the low-income families who would be denied a medical service available to those who are better off.

For that reason, I would like to call attention to a booklet published recently by young women enrolled in a summer job program in Salem, Mass., called "What Now? Under 18 and Pregnant," the pamphlet was prepared under the auspices of Origins, Inc., and offers information about pregnancy, childbirth and abortion. Most revealing, perhaps, are the words of young women between the ages of 12 and 18 who were interviewed about their experiences with unplanned pregnancy. These youngsters do not conform to easy generalizations or pat categories. Because their comments offer an indirect glimpse at the damage that would result from arbitrarily restricting access to legal abortion services. I would like to insert in the RECORD some of their quotations.

I didn't think of taking birth control. I guess most people think young kids don't do that sort of thing.

I knew from the first night in bed that I was pregnant . . . I knew it right then and there.

First off, when I missed a period, the first thing I did was panic. Then I called my doctor for an appointment. While I was waiting for the results of the pregnancy test I was really out of it.

My body felt stranger to me. I knew that something was inside of me or my body chemistry was changing.

At first, (my boy friend) said it wasn't his, but then he admitted it.

The foster home I was in, the foster mother had a hysterectomy and she said I couldn't keep it there because it would bother her very much. And they said they weren't gonna get me another foster home where I could keep it. The only other choice I had was to give it up for adoption or else to put it in a foster home for four years until I was eighteen. Then I had to be proven a fit mother. It wouldn't have been right to get the baby at eighteen because the baby wouldn't really know me. It would be close to the foster home.

He (my father) wanted me to have an abortion because, "What would the neighbors think."

"Then I told my mother, that wasn't very easy. I left her a note saying I needed to talk to her. She yelled and screamed and hollered and cried. She wanted me to get an abortion. The doctor said I had to make up my mind in a week. I didn't want one, but she wanted me to have one. Then she was all right after that. She decided I was going to give it up until the day I went into labor. I was in labor and she decided I could keep it. When she said it was O.K.—I could bring her home—she said she'd do all she could.

I was afraid to tell my father. I didn't want to hurt him. I wanted to continue school, but couldn't.

My girlfriend came, but she started to cry, so I asked her to leave, because I didn't need the extra emotional strain.

I had to get an abortion, because the father of the baby had three kids, and I didn't want the kid anyway.

I stayed in school (after the baby was born) but they didn't let me graduate. The first year it was cause I missed so much time when I was out having her (the baby). The second year I went back, she had the chicken pox for two weeks. So I had to stay home with her. They told me it was an illegitimate reason for staying out of school. So they kicked me out.

I would have another abortion, because I don't want any kids right now.

I hope to never be in that situation again, but if I were, I'd do it again.

It was a bad experience, but it was good for me to have an abortion, and not a baby. I never thought of keeping it. I always wanted to go to school and I didn't want anything to get in the way of that.

She (my friend) plans on marrying her boyfriend. So, she said, "If it was her she would have kept it." But I thought different. I'm not ready to get married or have a kid.

I've got a good head on my shoulders, and I thought it would be best for me. I think I made a good decision.

I'd never do it again. I didn't have sex for a while, because I was afraid of getting pregnant again.

He's (the father) in the navy now. He wanted me to have it just to see if it (the baby) was a boy or girl. I told my girl friend to tell him it was a boy just to make him happy. I didn't want any more to do with him.

My fiancé still hasn't got over it. He still has a habit of rubbing my stomach. He felt bad.

NO RETREAT ON ABORTION

HON. JOEL PRITCHARD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. PRITCHARD. Mr. Speaker, next week the House will consider whether to adopt or to strike the Hyde amendment to the Labor-HEW appropriations bill. In voting on this measure, we shall be called upon to make a serious decision affecting the lives of millions of American women.

A vote in favor of cutting off medicaid funds to finance abortions for low-income women as proposed by the Hyde amendment not only discriminates against women in this group who would seek legal abortions, but also could condemn them to lives of desperation and poverty. On the other hand, a vote to strike this amendment will give these women a chance to independently determine their futures and to provide a better quality of life for themselves and their families.

I should like to take this opportunity to bring to the attention of my colleagues a cogent article written by John D. Rockefeller III concerning the need to insure the continuing availability of safe, legal abortions for those women who seek such medical treatment.

[From Newsweek Magazine, June 21, 1976]

NO RETREAT ON ABORTION

(By John D. Rockefeller 3d)

It is ironic that in this Bicentennial year there is a strong effort across the nation to turn the clock back on an important social issue. Ever since the Supreme Court legalized abortion in January 1973, anti-abortion forces have been organizing to overturn the decision. They have injected the issue into the campaigns of 1976, including the appearance of a Presidential candidate who ran on the single issue of opposition to abortion.

There have been efforts within the Congress to initiate a constitutional amendment prohibiting abortion. There is litigation being pressed in state courts and appeals to the Supreme Court. Last November the National Conference of Catholic Bishops issued a "Pastoral Plan for Pro-Life Activities" calling for a wide-ranging anti-abortion effort in every Congressional district, including working to defeat any congressman who supports the Supreme Court decision.

Those who oppose abortion have won the battle of the slogans by adopting "Right to Life" as theirs. And, by concentrating on the single issue of the fetus, they have found abortion an easy issue to sensationalize. Thus, they have tended to win the publicity battle, too.

CONSCIENCE AND COERCION

In contrast, those who support legalized abortion—and opinion polls demonstrate them to be a majority—have been comparatively quiet. After all, they won their case in the Supreme Court decision. Legalized abortion is the law of the land. It is also in the mainstream of world opinion. The number of countries where abortion has been broadly legalized has increased steadily, today covering 60 per cent of the world population.

In this situation, there is a natural tendency to relax, to assume that the matter is settled and that the anti-abortion clamor will eventually die down. But it is conceivable that the United States could become the first democratic nation to turn the clock back by yielding to the pressure and reversing the Supreme Court decision. In my judgment, that would be a tragic mistake.

The least that those who support legalized abortion should do is try to clarify the issue and put it in perspective. The most powerful arguments about abortion are in the field of religious and moral principles—and this is where the opposing views clash head-on. Abortion is against the moral principles defended by the Roman Catholic Church, and some non-Catholics share this viewpoint. But abortion is *not* against the principles of most other religious groups. Those opposed to abortion seek to ban it for everyone in society. Their position is thus coercive in that it would restrict the religious freedom of others and their right to make a free moral choice. In contrast, the legalized abortion viewpoint is non-coercive. No one would think of forcing anyone to undergo an abortion or forcing doctors to perform the procedure when it violates their consciences. Where abortion is legal, everyone is free to live by her or his religious and moral principles.

SAFETY VS. DANGER

There are also strong social reasons why abortion should remain legalized. In a woman's decision to have an abortion, there are three key considerations—the fetus, the woman herself, and the future of the unwanted child. Abortion opponents make an emotional appeal based on the first consideration alone. But there is steadily growing understanding and acceptance of a woman's fundamental right to control what happens to her body and to her future. In the privacy of her own mind, and with whatever counseling she seeks, she has the right to make her decision, and no one is better qualified. If she is denied that right, the result may well be an unwanted child, with all the attendant possibilities of abuse and neglect.

Finally, as a practical matter, legalization of abortion is a much more sound and humane social policy than prohibition. Banning abortions does not eliminate them; it never has and it never will. It merely forces women to go the dangerous route of illegal or self-induced abortions. Even worse, it makes abortion a "rich-poor" issue. At a high price, a well-to-do woman can always

find a safe abortion. But, unable to pay the price, the poor woman all too often finds herself in incompetent hands.

Experience in three Catholic countries of Latin America that I visited provides dramatic evidence of a high incidence of abortion even when it is against the law. Estimates are that there is one abortion for every two live births in Colombia, and that more than half a million illegal abortions are performed every year in Mexico. In Chile, hospital admissions caused by illegal abortions gone wrong exceed 50,000 per year.

In contrast, the access to safe procedures in the United States has resulted in a drastic decline in deaths associated with abortion. In the period 1969–74, such deaths have fallen by two-thirds. Statistics also strongly suggest that about 70 per cent of the legal abortions that have been performed would still have occurred had abortion been against the law. The only difference is that they would have been dangerous operations instead of safe ones.

When you combine the religious, moral and social issues raised above with the fact that women need and will seek abortions even if they are illegal, the case for legalized abortion is overwhelming. We dare not turn the clock back to the time when the religious strictures of one group were mandatory for everyone—not in a democracy.

A PLEA FOR FREEDOM

We must uphold freedom of choice. Moreover, we must work to make free choice a reality by extending safe abortion services throughout the United States. Only one-fourth of the non-Catholic general hospitals and one-fifth of the public hospitals in the country now provide such services. It is still extremely difficult to have a legal and safe abortion if you are young or poor or live in a smaller city or rural area.

On a broader front, we must continue the effort to make contraceptive methods better, safer and more readily available to everyone. Freedom of choice is crucial, but the decision to have an abortion is always a serious matter. It is a choice one would wish to avoid. The best way to do that is to avoid unwanted pregnancy in the first place.

RUSSIA'S ECONOMIC AID TO TURKEY

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the Wall Street Journal, June 1, 1977]

RUSSIA'S ECONOMIC AID TO TURKEY

(By Richard F. Janssen)

ALIAGA, TURKEY.—In this area where peasants still use horse carts and even camels, it is natural enough to find the local oil refinery is a foreign aid project.

Except for one thing: Turkey is a key defense ally of the U.S. and the foreign aid is from the Soviet Union.

As President Carter made clear with his challenge at the London economic summit early last month, the Soviets have been sparing indeed with economic aid to poor countries, preferring to provide arms. Yet, the Aliaga (pronounced ah-lee-ah) refinery, almost hidden in the Aegean coastal hills north of the port city of Izmir, isn't an isolated example of Communist economic aid to this strategically placed but estranged member of the North Atlantic Treaty Organization.

The Soviet Union committed $650 million of economic assistance to Turkey in 1975, the Central Intelligence Agency estimates. That equaled Russia's contribution over the prior eight years. Projects being planned could bring the total Soviet assistance to more than $2 billion. The increase comes at a time when the U.S. isn't sending any economic aid and when America's relation with its NATO ally are still wobbly from a 1975 arms embargo.

What are the Russians up to in Turkey? And do the U.S. and NATO have to worry about it?

Not at all, say Soviet diplomats in the Turkish capital of Ankara. "You know, we are neighbors, and we have a good-neighbor relationship" is one Russian's reassuring explanation of the disproportionate Soviet commitment to Turkey. (The CIA says more than half of the economic aid Moscow pledged in 1975 was for the Turks.)

Geography does have a lot to do with it, Western diplomats agree. Turkey shares a 380-mile border with the Soviet Union and faces the Communist superpower across the Black Sea. The only way Soviet warships in the Black Sea can get to the Mediterranean is through two straits Turkey controls, the Bosporus and the Dardanelles. Russia has relatively free use of the straits now; if it could strengthen its ties to Turkey, it might assure the same privilege in a time of international tension.

RUSSIA'S UNDERBELLY

By the same token, Russia's underbelly would be vulnerable to attack from Turkey during any Soviet thrust into Western Europe. Turkey's armed forces total 674,000, second only to America's in NATO.

"The Soviets want to weaken Turkey's commitment to NATO," one Western diplomat says. "They want to neutralize Turkey as a potential threat."

Turkish officials concede that the Soviet aid doubtless doesn't stem from altruism. "We have a saying," one Turkish diplomat observes: "Nobody gives you anything for your blue eyes."

Whatever the Russians' motives, their timing couldn't be better. U.S. economic assistance to Turkey, once generous, has ended. The aid program the U.S. does have, military credit sales, has been a big headache for Washington. When Congress interrupted it after the 1974 Turkish invasion of Cyprus, Turkey responded by closing military bases essential for monitoring Soviet communications and missile movements. The bases are still closed.

Also, the Russians are coming across with more aid at a time when Turks are highly nervous about their political drift. As Sunday's national elections impend, supporters of conservative Prime Minister Suleyman Demirel and moderately leftist challenger Bulent Ecevit often clash violently, rapidly advancing the political death toll to about 200 in little more than two years; the situation is so tense and tangled that the government, fascists, Maoists and the CIA have been blamed for the same killings.

Turkey's economic problems make the government most appreciative of Soviet help. Inflation is running about 25% a year; unemployment is 16%; exports are only about half as large as imports, and Western banks seem unlikely to keep plugging the gap with commercial loans. Turkey's per-capita gross national product is by far the lowest in the Western alliance, and its population is growing 3% a year. Nevertheless, Turkey has become too well developed to qualify any longer for American economic aid.

A shortage of foreign currency has business complaining bitterly about being unable to pay bills abroad, and unless the election is very reassuring, American and other foreign banks are deemed unlikely to come up with much more credit.

Thus, Turkey strengthens its commercial ties with the Soviet Union out of "economic necessity," says Behic Hazar, a foreign ministry official. Western technology is more advanced, but it often isn't available on terms that would enable Turkey to buy it, he adds.

The Soviets do make it easy. Typically, they allow 12 years for repayment, at only 3% to 4% annual interest. By contrast, a Turkish concern importing American machinery is apt to have to repay its local bank loan in two years, with interest of 14% to 18%.

Better yet, the Russians don't ask to be repaid in money but in goods. Each year, a joint committee works out the amounts of principal and interest the Soviet Union will receive in such goods as tobacco, oranges and aluminum, based on world-market prices. Russian buying teams then fill their quotas, and Turkish producers are paid in local currency by the Turkish central bank.

The Soviet Union doesn't suggest projects, as U.S. aid officials used to do, but is willing to pick from those proposed by Turkish planners. Russians currently are looking through a Turkish list of $1.3 billion in possible projects. Last month an agreement was reached for joint construction of a $28 million hydrogen peroxide plant.

UNHAPPY TURKS AND GREEKS

America's military relations with Turkey also are far from happy. The U.S. has resumed military credit sales, but many Turks remain deeply resentful and are convinced that the U.S. favors their Aegean rival, Greece. But Greeks also mistrust the U.S.—blaming it for backing the repressive military junta that ruled Greece from 1967 to 1974 and for failing to head off Turkey's invasion of Cyprus—and they have curtailed their cooperation with U.S. and NATO forces.

Neither Congress nor President Carter has passed judgment yet on a four-year, $1 billion military aid agreement negotiated by the Ford administration a year ago. In the meantime, military sales to Turkey are limited to $125 million a year.

Will any Turkish arms come from Russia? So far, Turkey hasn't received any Soviet military aid, although there are reports it has been offered, Western diplomats say. Most doubt that Turkey would ever want to become militarily close to the Russians, with whom Turks have fought many wars over the centuries. Despite the uncertainty of the U.S. arms supply, the Turks feel safer having their military ties with the U.S. simply because it is thousands of miles away, one observer says.

The welcome Turkey gives to the Russians' technology doesn't extend to their propaganda. The Aliaga oil refinery, for instance, doesn't bear any signs or banners thanking its benefactor, and politicking on the premises is forbidden. Melih Ataman, a state oil company official, says the company ended a "strictly political" leftist-led strike last year by firing a fifth of the plant's 1,500 workers. Since then, anybody caught discussing politics at work has been dismissed, he says.

Many observers think Turks generally are too conservative to be tempted by the Soviet system anyway. It's also possible that U.S. relations with Turkey could regain some of their past vigor if the Cyprus issue could be settled. Turkey is touchy about American pressure to pull its troops out of the divided island, where they were sent to protect the 18 percent Turkish Cypriot minority. Cyprus negotiations are to resume soon.

Conceivably, Western strategists suggest weakly, the Soviet aid to Turkey could even backfire, as U.S. aid often has, by being clumsily handled or provoking political controversy. But that would appear to be a long shot at a time when Turkey's ties tc the

West seem to be coming in for a reassessment. In this state of uncertainty, one American here observes, foreign aid gives the Soviets and undeniable advantage: "They're in it," he notes, "and we're not."

WHAT ARE WE PLANTING?

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. REGULA. Mr. Speaker, the following editorial was recently printed in the U.S. News & World Report. I think it is a good summary of some of the difficult choices that will face the people of this Nation and deserves our thoughtful consideration.

[From U.S. News & World Report, June 13, 1977]

WHAT ARE WE PLANTING?

(By Marvin Stone)

On the plains of Texas and Oklahoma, where trees are sometimes rare and precious things, there is a tradition that recognizes the responsibility of one generation for the next.

Rural homesteaders, once the house was built, the well dug and the first few crops harvested, would plant their "grandchildren grove."

Laboriously, the farmer would read a score or more of seed catalogues and finally select a particular type of pecan tree. It had to be hardy and strong, able to withstand the deep winters and torrid summers of those dry plains. He would make his selection and send off carefully hoarded money.

In due time, a tree, hardly larger than a switch, would arrive.

The farmer would place roots of the dry and unpromising stick in water and then dig a hole, deep and wide. Tenderly, he would plant the tree, packing the soil firmly about its roots. Then he would water it, carrying bucketful after bucketful from the well.

If he did his job well, in the spring—wonder of all wonders—the stick would sprout leaves.

Over the years, he would plant others and carefully tend them. But it wouldn't be for his benefit, because pecan trees grow very slowly, inching their way upward.

To some it seemed folly, for the farmer would be dead and gone long before the grove he planted could provide substantial shade or a harvest of the sweet-meated nuts.

But there was a saying that explained: "Plant corn for yourself and pecans for your grandchildren." Our Houston bureau chief, Paul Recer, used to hear that from his Oklahoma grandparents.

But not all were like Paul Recer's folks. Some farmers felt work that went unrewarded for generations was a waste.

Instead of pecans, they planted plum trees that grew quickly and soon produced fat, juicy fruit. For a decade or two, the plum trees did well, but eventually their soft wood split, and from the roots sprouted plum bushes that eventually became a snarl of scraggly, unproductive branches.

Instead of tall, stately pecan trees, the grandchildren had the burden of clearing a thicket.

It's planting time now for America. The soil awaits decisions that can either shade and comfort the future, or create only thickets.

Should we go on mindlessly wasting precious natural resources, seeking to prolong an easygoing way of life we know cannot last?

Or should we conserve as best we can, keeping in mind our children and our children's children?

Should we perpetuate a welfare system that is the shame of all of us, fostering waste and corruption?

Or should we perform radical surgery so as to make certain that those among us who truly need help will find it now—and always?

Should we ignore a national debt that stands at 700 billion dollars—and eats up 38 billion each year just to service that debt?

Or should we live within our national means so as not unfairly to burden future generations?

Should we skimp on money for basic research, while overspending on bigger race tracks and sports palaces, with multimillion-dollar contracts for young athletes?

Or should we also be building better libraries and laboratories, planting the seeds of tomorrow's science and technology?

Should we turn our backs on political chicanery, whether in Washington or our own county courthouse, because we are "too busy"?

Or should we insist on making government a symbol of our finest aspirations and not a forerunner of self-destruction?

What are we coming to? Have we blinkered our vision to take in only the quick and easy, and the devil take tomorrow?

Just what are we planting, anyway?

SOUTH KOREA TROOP WITHDRAWAL

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. KETCHUM. Mr. Speaker, it was with a great deal of concern that many of my colleagues and I learned this week of the President's proposed timetable for American troop withdrawal from South Korea. Over 6,000 of our armed services men and women will be removed from the peninsula by the end of 1978 with an ultimate objective for complete withdrawal in the next 5 years.

The implications for such an action are overwhelming, and I am hard pressed to fully understand how any responsible official could even consider a move of such great proportion. If this effort should succeed, our country will have lost its one great chance to maintain the continued stability of this area of the globe.

So far the rationale by proponents of American withdrawal has centered around the theory that the South Korean military forces are capable of sustaining the status quo by means of their advanced military posture. What they fail to realize, however, is that the status quo has been maintained through and only through the presence of American troops. The lessons of 1950 should have taught us long ago of the danger of Soviet and Chinese encouragement and reinforcement of the North Koreans. Today the United States has not even been given the slightest guarantee by these two powers that they will restrain themselves from giving massive military assistance, once American troops have been withdrawn.

In addition there is a total lack of comprehension by these supporters for the erratic nature of North Korea's Kim il-Sung and the Communist government which he leads. Border incidents and official pronouncements since the Korean war should certainly be portents for the future. Despite these warnings, however, the misperception continues to exist that the North Koreans will somehow be held in check.

Recollections of the North Korean attack of June 25, 1950, which occurred shortly after the completion of U.S. military withdrawal from the peninsula, seems to have been dimmed from their memory.

It is further difficult to believe that they have fully considered a contingency plan in the event that the North Koreans do invade the South. With the apprehensive mood of the post-Vietnam war era serious questions must be raised as to the resolute determination of the administration to recommit ground troops or even to send the necessary military equipment and supplies to hold off an attack from the North. Once we have left the South Korean people to fend for themselves, we will find it difficult to return to their defense.

Finally, little empathy has been shown for the framework of our Asian alliance. The countries of Japan, the Philippines, and Indonesia all stand to be dramatically affected by a change in the status quo. Any major shift in this delicate balance of power will present serious political and economic repercussion not only to the Asian sphere but to the Western World as well.

Mr. Speaker, I stand before my colleagues of the House as a veteran of the Korean war and World War II. The fears which I express are from one who has long appreciated the problems of this area. I cannot stress enough that the risks of American troop withdrawal from the Korean Peninsula are simply too great for serious consideration. We must be made to fully realize that the chance we take today will only become the peril we face tomorrow.

LAETRILE MAKER TELLS PLANS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

LAETRILE MAKER TELLS PLANS FOR U.S. USE—"ANTICANCER" DRUG PRODUCER WOULD TRAIN U.S. DOCTORS

(By Lew Scarr)

TIJUANA.—A plan to ship Laetrile to American states where it has been legalized has been revealed by the world's major producer of the so-called anticancer drug.

Andrew R. L. McNaughton also announced a program to set up Laetrile clinics in the "legal states" and bring U.S. physicians to Tijuana to learn how to use the controversial cancer drug, which has been outlawed by the U.S. government but is rapidly being legalized anyway, state by state.

The federal prescription, adopted by the Food and Drug Administration, prohibits interstate traffic in the drug because its says Laetrile has not been proved effective against cancer.

But six states have legalized its use (28 others, including California, are considering it), which creates the dilemma of approving a phantom drug since the federal government has indicated it will prevent interstate shipping of apricot pits, the principal raw product.

Mr. Naughton says the plan would circumvent federal intervention. In an interview here, he discussed that plan and other areas of the Laetrile controversy.

A plant will be located in California, probably near San Jose and the apricot groves. It will produce an industrial grade of amygdalin (the chemical name) that can be shipped legally to the states which have approved its use and be converted there to a proper pharmaceutical.

Clinics in the legal states will be affiliated with the Clinica Cydel here, which McNaughton founded and which has become the leading clinic in Tijuana for treatment of cancer and other disorders.

PLANS FOR U.S. PHYSICIANS

McNaughton spent part of last week in the San Francisco area to work out details of the program for bringing interested U.S. physicians there for a series of three-day courses before taking them to the Clinica Cydel here for further study with Dr. Mario A. Soto, the clinic's medical director, in the use of Laetrile.

"We have the fear that every general practitioner in America will become a cancer expert, shooting Laetrile all over the place," McNaughton said.

He said he believes the time has come for the American Cancer Society to reassess its firm position against Laetrile.

"It needs to say, 'We still don't approve of it, but as long as it is being legalized, let's get the doctors educated in its proper use so it can head off the dire disasters the ACS is predicting," he said.

The Cancer Society has expressed fear that if Laetrile is legalized, many doctors will interpret that as the go-ahead to use it as the drug of choice against cancer.

McNaughton is research director of a new group called the John Beard (after a Scottish medical pioneer) Research Institute which is cooperating with U.S. doctors who want to open Laetrile clinics.

CONTACTING U.S. MEDICAL SCHOOLS

Too, he said he is contacting officials at the medical schools at the University of Nevada and the University of Arizona medical schools located in Laetrile-legal states asking for their cooperation in getting the proper use of Laetrile into the curriculum.

"We now want to work with the (medical) establishment," McNaughton said, "and end the polarization."

But that will not come, McNaughton conceded, without a fight over a bill to legalize Laetrile in California, a pivotal state where both the American Cancer Society and the pro-Laetrile forces are strong.

The California state Senate has approved a bill to make Laetrile legal by prescription. The California Medical Association has said it feels the bill can be "rendered innocuous" by amendment before it comes to a vote in the Assembly.

The American Cancer Society is expected to make an all-out effort against the bill at that point, too.

Approval of the drug in California and other states obviously would affect the Tijuana clinics. But McNaughton said he is not concerned.

The plant supplying the Clinica Cydel is being closed in favor of a larger, modern facility expected to open by December near the Tijuana International Airport. As the United States begins to depend upon its own resources, this plant will shift more and more of its business to Central and South American markets.

Meanwhile, the popular Laetrile clinic of Dr. Ernesto Rodriquez Contreras, which McNaughton also helped set up near the beach, has fallen upon hard times.

The Mexican government has designated the Clinica Cydel as the official facility to treat Mexican Social Security patients, which has drawn off patients from the Contreras clinic.

Further, the federal government closed the Laetrile plant supplying Contreras because it felt the product did not meet specifications.

McNaughton predicts that the Contreras clinic eventually will close as Contreras, whom he described as a good physician, loses control.

McNaughton said that as U.S. citizens begin to go to Laetrile clinics in the United States, the Cydel clinic will turn more and more to other therapies.

"We will be doing things that are not accepted in the United States," he said, "such as giving 50 grams of vitamin C a day for cancer.

"If you tried to do that and other things in the United States, there would be a lot of harassment."

McNaughton said his colleagues will monitor trials of Laetrile which will be made by the National Cancer Institute and the Memorial Sloan-Kettering Cancer Center.

He said Soto will present data gathered at the Cydel clinic to both groups. American investigators also will be invited to come to Tijuana before they begin their research.

McNaughton said he has arranged for duplicate trials to be conducted simultaneously in Israel so results can be verified.

He said he plans to spend about two more years working with Laetrile where he already has spent 21. Since his wife died in 1970, McNaughton, 59, has said he has been an unhappy man who has been able to keep going only because of his obsession (his word) with Laetrile.

Eventually, he said, he wants to establish a clinic in Northern California to teach people how to stay well with the proper mind-body relationship.

First, however, he must clear up his problems with the United States government. He was one of 16 indicted for conspiracy to smuggle Laetrile.

Four already have been convicted. McNaughton has been accused of setting up the Laetrile plants which led to the smuggling.

"I admit that," McNaughton said, "but it is not a crime."

Nevertheless, he believes he will be brought to trial.

"For once," he said, "I would actually like to have a trial so I can be acquitted. But then I guess they all say that."

FAST BREEDER TECHNOLOGY

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. O'BRIEN. Mr. Speaker, I am fortunate to have a number of individuals in my congressional district who are experts in fast breeder technology. The Argonne National Laboratory is situated near my district, and is one of the premier laboratories in the world in fast breeder technology. I have received invaluable information and advice from concerned scientists employed by the laboratory, who have shared with me their concern over President Carter's proposed deferral of the Clinch River fast breeder reactor.

I am inserting, for my colleagues' interest, an excellent paper developed by Mr. Fred A. Smith, of Lockport, Ill., who offers some policy advice on the importance of the fast breeder reactor to the future of our country.

As a preface to his paper, Mr. Smith notes that the United States has receded from a 10-year technology lead, in 1951, to a 20-year technology lag in 1977. He notes that:

The French, U.K., U.S.S.R., and Japanese Breeder Programs are technically succeeding because of the '55 and '58 Atoms for Peace Programs, where the U.S. shared its LMFBR early successful technology with the nuclear world. The U.S.S.R. at the 1955 Geneva Conference stated that even with large U.S.S.R. fossil fuels reserves, U.S.S.R. was developing the Breeder reactor simply because coal and oil were more "valuable" as a source of petrochemicals and should not be burned.

It is clear that the future energy demands of our country will exceed our available fossil fuel reserves. The rational approach to establishing alternate sources of energy appears to be one which will allow for the timely development of technologies such as the fast breeder. We should not box ourselves into a situation where the energy demands will outstrip our ability to produce energy from coal, oil, or gas.

I commend the following report to my colleagues:

BREEDER REACTORS & NEUTRON CONSERVATION: A NEEDED GROWTH INDUSTRY

CONCLUSION

Breeder reactors today offer the greatest potential to realistically expand the world's energy bank. Breeder reactors conserve neutrons by conversion of U-238, which cannot fission, to Pu-239, which can fission and release energy. Energy-short countries have followed early U.S. breeder development as positive steps to reduce their dependence on fossil fuels owned by others. The time scale for the U.S. to conserve neutrons is running out. Breeders are now a needed conservation growth industry.

INTRODUCTION

The President's energy priorities stress conservation and near-term energy supply techniques. The conservation of neutrons, possible only with the Breeder, indicates an attainable energy equivalent of about 1500 times the energy of all U.S. fossil fuels (oil, gas, coal) remaining to be used. So, "how near-term is the Breeder?" We have the ten-year successful operation of EBR-II (20 MWe) and the more recent success of the French Phenix (251 MWe) to indicate that Breeders can be built and operated at acceptable electric utility plant factors. The technology to increase our energy supply exists. Remaining problems are how to finance early costly prototype plants, how to reprocess the fuel with due regard for both cost and safety, and how to reduce the plant licensing procedures to a time scale of less than ten years. Since the above major problem areas are nontechnical, appropriate legislation appears to be the major deterent to a near-term exercise of the U.S. option to develop the Breeder.

Does the U.S. really desire to establish energy independence as a national goal? This is a vital question regarding the need and time scale of the Breeder. It should be clear

by now that the future economy of the U.S. demands an orderly transition to energy sources other than natural gas and oil. Coal and uranium are the only alternate sources available. Coal, alone, cannot do the job because of limitations of available steel, conjested rail and water transportation, and perhaps time. Coal and uranium, together, can provide the bases of a shift to an electric economy (transportation, heating, and manufacturing). To not use coal and uranium will result in a declining economy.

Conservation of neutrons in Breeders starts with natural uranium as a resource. For each 100 lbs. of uranium mined, the water reactors can only "burn" or fission .72 lb. The remaining 99.28 lbs. requires conversion of U-238 to Pu-239 in Breeder reactors. Clearly one should conserve each 99.28 lbs of the 100 lbs. mined.

BREEDER DESIRABILITY

Conservation of U-238 in Breeders is today a very large and available Energy Bank. A recent article [1] indicates that 2.5 trillion barrels of oil energy equivalent exists above ground in the U.S. in the form of stored U-238. So what has happened? Why isn't the U.S. building Breeders? Why are we continuing to purchase some 50% of our oil from foreign sources?

To answer these questions, we must look backward and realize that the AEC has made a very substantial effort and capital investment in the Breeder. EBR-I and EBR-II are pioneer or "discovery" plants of small size which have demonstrated both "Breeding" and electric power production. The FFTF is a larger nuclear plant but does not produce electric power; rather, it is by design a fuel or fast-flux test facility. The premature construction of FERMI, concurrent with EBR-II, was about a $150,000,000 demonstration of the inability of private utilities to obtain operating funds from stockholder dividends when costs exceeded allowable IRS tax write-off. More recent JCAE hearings related to private utility financial participation in CRBR also continue to indicate that IRS tax write-off established the upper limit of private financing.

So the past 15 years or more have seen attention diverted from "Breeder desirability" to the necessary questions of "how can the Breeder be financed?"

The considerable effort of several past administrations to develop a "Breeder industry" have not been able to reduce costs of a first-generation large Breeder plant.

The desirability of the Breeder remains. The general basic technology exists. The questions remaining are ones of "who pays," for "how long" and "when do we start?"

DESIRABILITY OF THE CRBR

The CRBR construction and operation is the only real measurable event that can begin to answer the above questions of "who pays", for "how long" and "when do we start?"

We "start" with construction of the CRBR if we are to use the presently available U-238. In the near future, the government (all of us) is the one "who pays." Operation of the CRBR will indicate evolutionary engineering considerations and design tradeoffs which will reduce capital costs and operating costs. "How long" the government pays will be determined by the degree of successful operation of a real first large plant. Today is the time to build our first large prototype Breeder in contrast to conducting further studies. Further studies of present knowledge cannot produce significant results since the facts to support these further studies can only come from EBR-I, EBR-II, and the ZPRR reactors, which have already operated over the past ten or more years. The time to build, based on past real Breeder experience, is today . . . not after foreign competition has solved the engineering problems for the benefit of their own industrial export to the U.S.

There have been technical discussions which indicate that the CRBR is not a completely optimized FBR. The need to build and operate the CRBR-sized plant far exceeds the need to further optimize the plant before it is ever built and operated. Optimization can follow as a logical consequence of operation . . . the Model T preceded the Model A because the Model T "worked."

The CRBR is, therefore, a physical plant where each U.S. equipment vendor can: learn through operating experience how to improve his own product; be permitted to make initial plant components "less than perfect"; and develop realistic component "standards" based on products which work well.

The above concepts are now pursued by those countries who recognize the importance of neutron conservatism in extending their energy reserve.

There is a need for the U.S. CRBR now.

WHAT IS THE ROLE OF R. & D. ALTERNATES TO THE BREEDER?

Alternate programs to the Breeder are ones requiring "genius." The Breeder program has passed through the stage of genius or invention and requires attainable plant-size component extrapolation which Thomas A. Edison might describe as "perspiration" . . . i.e., engineering work within existing technology of U.S. industry.

Certainly there is an important role for National Laboratories and Universities to pursue the unsolved problems which the practical use of fusion will require.

A recent Science article [2] discusses the attainable reduction of fossil and fuel consumption by use of District Heating. The use of District Heating only conserves fossil fuel and does not solve the problem of the need for a source of energy that is not a fossil fuel.

R. & D. related to Solar Energy large-scale utilization demands either new genius to reduce present hardware costs or must await further escalations of imported fuel costs until present solar energy costs are less than higher cost imported and domestic fuels.

WHAT IS THE ROLE OF FOREIGN BREEDERS IN THE U.S. PROGRAM?

License arrangements with foreign Breeder sources should be avoided and considered as large a potential economic disaster as our present 50% dependence on foreign oil.

Bechtel and Technicatome have completed an investigation [3] into commercialization of an American Breeder using French Technology. This study concludes that the present plan for Super Phenix "meets U.S. safety requirements and standards exactly." If their claim is valid, then perhaps U.S. utilities can make their own decision as to the time scale and risk of capital and maintenance/spare parts cost escalation.

Direct technical information exchange with foreign Breeder sources should be continued and implemented as well as possible. There can be difficulty in information exchange since the technology related to EBR-II was the starting point of present foreign success. The U.S. has relatively little new information in the Breeder program to exchange.

SUMMARY

Elliot Janeway, consulting economist, in his book "The Economics of Crisis," [4] states: "Economists theorize about growth, statisticians measure it, and politicians brag about it. But whether or not the leadership principle applies to history in general, it certainly applies to the making of economic history; the pace of economic growth is set by the growth industries which lead the economy onward. The economy depends on its emergent growth industry to ignite the spark which generates its forward momentum."

Unfortunately, growth industries require an energy base. The Breeder offers great ... to provide a greatly expended energy base. It appears most prudent to pursue Breeder technology, including the construction and operation of U.S. built Breeders, on a high priority.

FOOTNOTES

[1] L. J. Koch, *Plutonium is an Energy Source*, Nucl. News, Vol. 20, No. 2, p. 42, (Feb. 1977)

[2] J. Karkhech, J. Powell, E. Beardsworth, *Prospects for District Heating in the U.S.*, *Science*, p. 948 (March, 1977)

[3] *A Super Phenix Plant Would Fit U.S. Regulations*, Nucl. Eng. Int., p. 9 (Dec. 1976).

[4] Elliot Janeway, *The Economics of Crisis*. Weybright and Taley, 1968, p. 64.

DOUBTS ABOUT SALT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. SYMMS. Mr. Speaker, there is growing concern in Congress and elsewhere that the Carter administration is backing away from their original SALT proposal to the Soviet Union made earlier this year. While not the best proposal that could have been made; it was better than anything in the past. Yet, there is growing evidence that the U.S. negotiators are falling back into the same trap of trying to get an agreement just for the sake of agreement. Consequently, the long-term security interests of the United States may be jeopardized.

For some reason the U.S. negotiators are ignoring the problem of missile silo reload capability—a capability possessed by the Soviets, which if utilized, makes limitations on numbers of launchers meaningless. Furthermore, basing limitations on the Soviet Backfire Bomber, often mentioned as part of a SALT package, are meaningless for obvious reasons.

Some of these problems are illustrated in a recent column in the Washington Post by Evans and Novak. The column reads as follows:

DOUBTS ABOUT SALT DETAIL AND STRATEGY

(By Rowland Evans and Robert Novak)

Concern about the competency of U.S. negotiators on SALT is raised by this remarkable fact: The new U.S. proposal put forth in Geneva sets a "ceiling" on production of the Soviet Backfire bomber at a far higher level than the Russians can possibly achieve.

The failure by Secretary of State Cyrus Vance to reveal the proposed "ceiling" to a Senate subcommittee May 26 might indicate self-doubt by U.S. policymakers about its worth. But defense-oriented members of Congress suspect duplicity less than incompetency. As details of Vance's session in Geneva with Soviet Foreign Minister Andrei Gromyko have become known, doubt has grown whether the United States knows what it is doing in the arms-control talks.

It is debatable just how much of a retreat is represented by the proposal submitted at Geneva and rejected by Gromyko. If the Russians finally accept top-secret details as

described to the senators by Vance (which is dubious), the treaty surely would be ratified by the Senate. What is worrisome for the long haul are deficiencies in both grand strategy and petty details.

The heart of the concern is the fact that just one month after President Carter's bold, tough but still reasonable SALT package was tabled in Moscow, concessions were offered in Geneva. The inescapable conclusion is that, contrary to Carter's repeated public assurances that he is in no hurry, the old compulsive U.S. urge for some agreement—any agreement—has returned. The intractable Soviet position at Geneva suggests the Kremlin expects that the American compulsion to back down will yield still more American concessions.

The theory that U.S. negotiators are more interested in the idea of a treaty than what is in it is supported by bargaining over the Backfire bomber. The U.S. proposal accepts the Soviet claim that the Backfire is medium-range and should not be counted in the limit on strategic weapons, even though many experts believe it can reach North America without refueling.

Accordingly, the secret proposal offered in Geneva would "limit" annual Soviet production. Precise figures are top secret, but intelligence estimates of actual Soviet production are but a small fraction of the "ceiling." Furthermore, there is no chance Soviet production could even approach this level during the proposed three years of the limit.

Unlike the Backfire's range, it's production is not disputed inside the CIA or anywhere else in the national security bureaucracy. The only reasonable assumption, then, is that the SALT negotiations are guilty of inexcusable sloppiness. Nor is the Backfire the only such instance.

Testifying before Sen. Henry M. Jackson's subcommittee, Vance emphasized curbing development of the Soviet Union's huge SS-18 missile. But Pentagon experts feel this shows the U.S. negotiating team is behind the times technologically. The greater menace today is the smaller SS-19, untouched by the proposal.

More significantly, Vance was questioned closely by the senators on whether it would be remotely possible to verify the proposed ban on mobile long-range missiles. U.S. negotiators seem unconcerned that Soviet intermediate-range mobile missiles could be converted to long-range without anybody knowing it.

This helps breed skepticism in the Senate about Vance's reassurances regarding the principal obstacle to a SALT II agreement: the U.S. cruise missile. While supposedly postponing testing of land-based and sea-based cruise missiles, the United States does not intend the proposed language to actually block the new wonder-weapons such as the Tomahawk sea-based cruise missile. Whether this is really so may determine the extent of Senate treaty opposition.

But even if the Senate is convinced that the cruise missile is not endangered, nagging doubts persist about the overriding U.S. purpose. A three-year ban on testing certain cruise missiles and the MX mobile missile would be more acceptable if the time were used to improve the overall strategic position leading to negotiation of a comprehensive SALT III treaty. But there is seemingly no such broad strategy underlying the big push for a SALT II agreement.

Noting U.S. haste, the Russians are characteristically intransigent. For instance, they want restrictions on the U.S. cruise missiles and MX to last for eight years while restraints on Soviet weapons last for only three.

The present SALT climate, therefore, could not be further removed from the Carter administration's hard-nosed beginning in Moscow. Walking backwards, U.S. negotiators offer substantial concessions on their own arms, while asking largely meaningless restrictions on Soviet arms. The Russians, patiently awaiting a treaty granting them maximum advantage, have not yet compromised an inch. This climate, rather than the substance of what happened in Geneva, is the source of disquiet in the Senate.

INTRODUCTION OF AMENDMENT TO HEADNOTE 3(a), TSUS

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1977

Mr. WON PAT. Mr. Speaker, in 1954, the Congress enacted what is now Headnote 3(a) of the Tariff Schedules of the United States—TSUS, a provision which allows articles that are "manufactured or produced" on the insular possessions of the United States which are outside the customs territory of the United States to enter the customs territory duty free so long as these articles "do value of more than 50 percent of their total value." The purpose of this legislation was, and is, a noble one: To encourage the development of manufacturing enterprises on the insular possessions in order to stimulate the local economies and increase economic self-sufficiency.

Unfortunately, due to a number of factors, including limited natural resources of the insular possessions, trade constraints imposed by our Federal Government and the increased competition from the generalized system of preferences—GSP—countries under the Trade Reform Act of 1974, the 100,000 U.S. citizens on Guam have not been able to benefit as intended by Headnote 3(a). In fact, within the last 2 years, three garment factories have been compelled to discontinue operations on Guam because of the difficulties encountered in complying with the requirements of Headnote 3(a).

Today I am introducing a bill which I believe will be a great step toward realizing in fact what has been the spirit of Headnote 3(a) since 1954. My bill would make only one change in Headnote 3(a)—it would substitute a requirement that the value of the foreign materials used in the manufacture or production on the insular possessions may not exceed 70 percent of their total value, rather than 50 percent as Headnote 3(a) now reads. The requirement that the articles be "manufactured or produced" in Guam would remain the same under my bill, because it is our intention that this bill improve the ability of Headnote 3(a) to attract investment in the manufacturing sector of the private economy on Guam, the Virgin Islands, and American Samoa.

I urge my colleagues to support this measure which is intended to improve the economic self-sufficiency of the territories and possessions of the United States through a simple amendment to present law.

HOUSE OF REPRESENTATIVES—*Friday, June 10, 1977*

The House met at 10 o'clock a.m.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WRIGHT) laid before the House the following communication from the Speaker:

WASHINGTON, D.C., *June 10, 1977.*

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

We are laborers together with God.—I Corinthians 3: 9.

O God, our Father, without whom we can do nothing wisely but with whom we can do all good things worthily, unite us and our people in working together to find the best way to achieve justice in our Nation, cooperation between the nations, and peace in our world.

We renew our prayer for our President, our Speaker, Members of Congress, and those who work with them. May Thy Spirit sustain them, Thy wisdom guide them, and Thy strength support them that they may meet the difficult demands of these troubled times, with courage and confidence.

Help us to live this day worthily and well in the spirit of Him who is the Way, the Truth, and the Life. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder whether, at some time prior to the point at which the conference report will be brought up, the Chair would entertain a call of the House?

The SPEAKER pro tempore. Yes, the Chair would entertain a motion prior to that.

Mr. BAUMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 243. Concurrent resolution authorizing corrections in the enrollment of H.R. 6206, to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 6668) entitled "An act to amend the Age Discrimination Act of 1975 to extend the date upon which the United States Commission on Civil Rights is required to file its report under such act, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 826) entitled "An act to establish a Department of Energy in the executive branch by the reorganization of energy functions within the Federal Government in order to secure effective management to assure a coordinated national energy policy, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RIBICOFF, Mr. JACKSON, Mr. MUSKIE, Mr. METCALF, Mr. CHURCH, Mr. PERCY, Mr. JAVITS, Mr. ROTH, Mr. HANSEN, and Mr. HATFIELD to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 103. An act to convey to the Ely Indian Colony the beneficial interest in certain Federal land;

S. 667. An act to declare certain federally owned land held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians;

S. 947. An act to declare certain federally owned land known as the Yardeka School land to be held in trust for the Creek Nation of Oklahoma;

S. 1291. An act to declare that certain lands of the United States situated in the State of Oklahoma are held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma, and to authorize the Secretary of the Interior to accept conveyance from the Cheyenne-Arapaho Tribes of Oklahoma of certain other lands in Oklahoma to be held in trust by the United States for such tribes;

S. 1372. An act to amend titles 10 and 5, United States Code, to disestablish one of the positions of Deputy Secretary of Defense and establish an Under Secretary of Defense for Policy, and for other purposes; and

S. 1640. An act to designate the Mike Monroney Aeronautical Center.

REBATE ON IMPORTED CARS

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURKE of Massachusetts. Mr. Speaker, the news went all over the country today that the House panel on Ways and Means killed the auto rebate. One of the specious arguments that was used on killing this rebate was that the Congress would be unable to exclude foreign imported cars from this rebate. This was a specious argument.

They also stated this would be in violation of our trade agreements. There is nothing in our trade agreements that requires this Nation to write into the laws a rebate on foreign imports.

It was my intention at the appropriate time to offer an amendment in the House Ways and Means Committee to exclude foreign imports from the $500 rebate. I do not believe they are entitled to the rebate and I do not believe there is anything in the trade agreements that requires us to give the rebate to them and I think it would be proper for us to exclude them.

ANDY YOUNG: THE NATION'S PROBLEM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, Andrew Young is a serious problem for the United States of America and until he is understood to be such by President Carter the Young problem will grow, eventually leading to serious consequences in international affairs.

Young's behavior has already caused two fundamental problems for American foreign policy: First. Since the President has seen fit to support Young or at least not to publicly chastise him for his intemperate and unfortunate language, an official stamp of approval has been placed upon Young. No nation can be certain just when Young is speaking for himself or for the President. We simply cannot afford to have such a situation in a volatile world. Second. Young has made it clear that only one area of the world is of interest to him: Africa. He has demonstrated no interest in or grasp of world problems not having to do with Africa and his views of that complex continent are simplistic. Young is, therefore, changing the character of American U.N. participation and representation. Africa is important. But it is not the only important area or even the most important area of the world for our Nation. We need someone who represents our Nation to the world, not just to one part of it.

Young's intemperate language places him on a collision course with diplomatic disaster. Given the President's unyielding defense of Young, the only solution I can see is for the President to appoint Mr. Young to some position, perhaps as counselor to the President, where Young can make his comments, of which the President obviously approves, but at the same time be removed from a position of official spokesman for the entire country in the area of diplomacy.

CALL OF THE HOUSE

Mr. ZABLOCKI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 330]

Ambro	Ashley	Bonior
Andrews, N.C.	Badillo	Bonker
Andrews, N. Dak.	Baldus	Brademas
Archer	Beard, R.I.	Breckinridge
Armstrong	Beard, Tenn.	Brodhead
Ashbrook	Bedell	Brooks
	Beilenson	Broyhill
Burton, John	Holland	Quillen
Burton, Phillip	Hollenbeck	Railsback
Caputo	Horton	Roe
Carney	Huckaby	Roncalio
Chappell	Johnson, Colo.	Rostenkowski
Chisholm	Kastenmeier	Roybal
Conyers	Ketchum	Ruppe
Cornwell	Koch	Ryan
Crane	Krueger	Santini
Cunningham	Lehman	Scheuer
Dent	Lloyd, Calif.	Sebelius
Devine	Long, Md.	Shipley
Diggs	Luken	Shuster
Dingell	McCormack	Sisk
Dornan	McDade	St Germain
Eckhardt	McDonald	Steers
Edwards, Calif.	McHugh	Stokes
Erlenborn	McKay	Symms
Evans, Colo.	McKinney	Teague
Evans, Del.	Marks	Thompson
Fish	Marlenee	Thone
Fithian	Marriott	Thornton
Flippo	Meeds	Traxler
Florio	Metcalfe	Tucker
Ford, Mich.	Meyner	Udall
Fountain	Mikva	Ullman
Fraser	Miller, Calif.	Vander Jagt
Frey	Mitchell, Md.	Walgren
Fuqua	Moss	Wampler
Giaimo	Murphy, N.Y.	Waxman
Gibbons	Nolan	Whalen
Ginn	Obey	Whitten
Gore	Patterson	Wiggins
Hagedorn	Pattison	Wolff
Harrington	Pepper	Wydler
Harsha	Poage	Yatron
Hawkins	Pritchard	
Heftel	Quayle	

The SPEAKER pro tempore. On this rollcall 301 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REGIONAL IRS RULING ON COLLEGE ATHLETIC INCOME PERNICIOUS

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, the Internal Revenue Service Dallas regional office may have recommended that college athletic income derived from television and radio is no longer tax exempt. Although this apparent ruling applies only to three universities and the Cotton Bowl Association presently, if applied to all schools across the Nation that adverse impact could be devastating.

The crucial point is that the IRS says a school's sports program is separate and apart from its function as an educational institution. I vehemently disagree. If we extend this rationale, then IRS could rule that all income from tickets sold to a university's drama production or band concerts must also be treated as taxable income.

It is my strong hope and desire that the IRS will see the misdirection of any such pending decision and reverse it. But if such is not the case, I think the Ways and Means Committee should look into the matter immediately, and if needed, I would seek a legislative remedy. Over the past weeks, however, I have become hopeful the administrative appeal process will render a solution. It is vitally important to all schools in America.

CONGRESSMAN FLIPPO RECOVERING FROM HEART SURGERY

(Mr. BEVILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEVILL. Mr. Speaker, our colleague from Alabama, Congressman RONNIE G. FLIPPO, has successfully undergone heart surgery at the Medical Center of the University of Alabama in Birmingham this week.

Surgeons at University Hospital performed a coronary bypass procedure on Wednesday. No complications were reported and the surgery went as planned.

Congressman FLIPPO's recovery is progressing on schedule and the doctors had him out of bed to walk around his room Thursday afternoon.

I am sure all the Members of this House join me in wishing RONNIE a speedy and complete recovery. We look forward to his return to Washington in the near future.

CONFERENCE REPORT ON H.R. 5840, EXPORT ADMINISTRATION AMENDMENTS OF 1977

Mr. ZABLOCKI. Mr. Speaker, I call up the conference report on the bill (H.R. 5840) to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the anti-boycott provisions of the act, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 18, 1977.)

Mr. ZABLOCKI (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with as I intend to explain the report.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. The gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 30 minutes.

Mr. ZABLOCKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there were very few major differences between H.R. 5840, the extension of the Export Administration Act, as it passed the House and as it was amended by the Senate. Both versions contained the same major provisions—title I aimed at improving the export licensing process and title II at strengthening the U.S. anti-boycott policy.

In title I, the major provisions were in both bills and the main divergences were in the details. The major differences involved the authorization level and the provisions dealing with agricultural and oil exports.

The House bill included a 2-year authorization figure of $14,033,000, while the Senate bill contained no figure. The conference committee adopted the House amount.

There are two provisions in the bill dealing with agricultural exports, one exempting from future export controls agricultural commodities for export abroad that are stored in this country and the other providing for congressional review of export controls imposed on agricultural exports.

Section 105 of H.R. 5840 would permit the Secretary of Commerce, in consultation with the Secretary of Agriculture, to exempt from future export controls agricultural commodities purchased and stored in this country for future shipment overseas. The main difference between the two bills on this provision was that, in the findings that must be made before an exemption can be granted, the Senate bill included findings that: First, the commodities will eventually be exported; second, neither the sale nor export will result in an excess drain of scarce materials and have a serious domestic inflationary impact; third, storage of such commodities will not unduly limit the space available for storage of domestically owned commodities; and fourth, the purpose of such storage is to establish a reserve of such commodities for later use, not including resale to or use by another country. The House provision only required findings 2 and 3—regarding the inflationary impact and availability of storage space for domestic stocks. The other difference was that the House provision required the Secretary of Commerce to act on an application within 30 days.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield at that point or would he rather finish his statement and then yield for a question?

Mr. ZABLOCKI. I am delighted to yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, it is my understanding that under section 105 of the bill, the exemption from an embargo for short supply provided to foreign buyers' agricultural products would be granted for a specific period of time. When the exemption expires, the buyers' goods, so long as they remained in the United States, would again be subject to export controls. For the purpose of export controls, the goods would return to the status of other goods purchased by foreign buyers which had not received the exemption under this section of the law. The bill as written merely requires that the export of the goods which receive the exemption actually take place at some time in the future. The date the exemption expires and the date the goods are exported are separate dates. The goods can be exported during or after the date the expiraton of the exemption occurs.

In the latter case, if an embargo is imposed on the goods, the goods, like any other goods, would be subject to quantity restrictions under the act.

Is that the understanding of the chairman?

Mr. ZABLOCKI. It is, and I thank the gentleman from Illinois for his observations. The gentleman makes a valid point. I have no problem with the gentleman's position. I would assume, however, that any such commodities would eventually have to be exported.

Mr. FINDLEY. Yes; there is no doubt about that.

Mr. Speaker, I thank the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Speaker, the conference committee adopted the Senate provisions, but urged the Secretary of Commerce to process such applications as expeditiously as possible.

Section 106 provides for congressional review of export controls imposed on agricultural products. The differences between the two bills was that the House bill applied to controls imposed for foreign policy reasons and the Senate bill to controls imposed for both foreign policy and short supply purposes. The other difference was that the House bill required congressional action within 30 days to continue the export controls while the Senate bill provided that the controls could be vetoed by Congress within 30 days of being imposed. The report of the conference committee extends the review to export controls imposed for both foreign policy and short supply reasons and provides for congressional veto of the export controls.

Two provisions of H.R. 5840 deal with petroleum exports. Section 108 provides that petroleum products refined in U.S. foreign-trade zones, Hawaii and in Guam, from foreign crude oil shall be exempt from quantitative export restrictions unless the Secretary of Commerce finds that a particular product is in short supply. The Senate bill did not contain this provision and the conference committee accepted the House provision.

Section 110 of H.R. 5840 as passed by the House prohibited the export of oil from Alaska, except for exchanges with contiguous countries and for temporary export because of convenience or efficiency of transportation across parts of an adjacent foreign country. The Senate rejected a similar provision by a vote of 66 to 27. So, the conference committee was faced with opposing positions of this provision.

The conference report includes the House provision, with the addition that such oil can be exported only under a very elaborate procedure, whereby there must be a specific Presidential determination that the crude oil export: First, will not diminish the total quantity or quality of petroleum available to the United States; second, will have a positive effect on consumer oil prices by decreasing the average crude oil acquisition costs of refiners; third, will be made only pursuant to contracts which may be terminated if the petroleum supplies of the United States are interrupted or seriously threatened; fourth, are in the national interest; and fifth, are in accordance with the provision of the Export Administration Act. Furthermore, the President must report these findings to the Congress and the export cannot go ahead until the expiration of a 60-day period, during which either House of Congress can veto the proposed export.

While this provision is not exactly what the House adopted—it does provide a process, obviously quite burdensome and complicated to utilize, by which Alaskan oil can be exported, rather than a flat

ban. Under the circumstances, with the Senate having taken the diametrically opposed position, the House conferees feel that the compromise provision preserves the essence of the House provision and would permit such export only under the most extraordinary circumstances and after all national interests are considered.

In title II, the foreign boycotts provision, the two versions were identical in purpose and in their major provisions and differed only in some of the detail. It therefore made little difference which version was the basis of discussion.

Because the Senate version had benefited from the latest input from the negotiations of the Anti-Defamation League and the Business Roundtable, the conference committee adopted the Senate version with several amendments taken from the House bill. These include prohibiting the furnishing of information on "any person," rather than "any other person," and extending the exemption allowing the provision of information for immigration and passport purposes to furnishing information for purposes of employment in the boycotting country. The conferees also adopted the House 2½-year grace period, rather than the Senate 5-year grace period, and made it effective for contracts entered into as of May 16, 1977.

Mr. Speaker, the conference report on H.R. 5840 retains the essence and most of the detail of H.R. 5840 as passed by the House, and I urge the House to adopt it so the authorities under the Export Administration Act can be extended.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan (Mr. BROOMFIELD) for 30 minutes.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conference report on the Export Administration Amendments of 1977 represents the last step in a long and difficult legislative process that began in the 94th Congress. I am pleased to be able to express my support for this report and urge the approval of the House.

The conference report we have before us reflects a successful conference. The Senate receded to the House on nearly all items of disagreement concerning Title I—Export Administration Improvements and Extension. A principal retention is the House prohibition on the export of Alaskan pipeline oil except under circumstances where such export is clearly in the interest of the United States and of U.S. oil consumers.

I am particularly gratified, moreover, to report on the further improvements in title II, the section dealing with foreign boycotts. The conference version incorporates a series of public-spirited recommendations made by a working group to which the Anti-Defamation League and the Business Roundtable contributed representatives. Refinements have been added to the language which make for greater consistency and more comprehensive allowance for exceptions to boycott prohibitions. Let me note in particular the inclusion of a provision permitting a U.S. person resident in a foreign country to comply with the laws of that country with respect to that person's local activities.

The committee is well aware of the U.S. business community's concern over proposed congressional antiboycott statutes. However, it believes that the legislation upon which we are about to vote is sufficiently flexible in its practical application.

Finally, Mr. Speaker, I would like to pay particular tribute to the gentleman from Indiana (Mr. HAMILTON), the gentleman from New York (Mr. ROSENTHAL), the gentleman from New York (Mr. BINGHAM), the gentleman from New York (Mr. SOLARZ), and the gentleman from Ohio (Mr. WHALEN) for working out this very difficult piece of legislation, especially the foreign boycott section. Without their help, I am sure we would not have this conference report before us today.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

I want to compliment the gentleman and the chairman of the full committee on a good conference report. But I have to bring to the attention of the body great disagreement and disparities of the McKinney amendment. I think for the Members we should also go through the chronological order of the McKinney amendment. As the Representative from the State that is going to produce this oil, I think there are some disparities in the conference report concernng the McKinney amendment.

The McKinney amendment was introduced and printed in the CONGRESSIONAL RECORD on April 18, and on April 20 the McKinney amendment was accepted by a voice vote.

The Durkin amendment on May 5 on the Senate side was rejected by a vote of 66 to 27.

Then on May 10 my colleague, the gentleman from Connecticut (Mr. MCKINNEY) prevailed in a motion to instruct the House conferees to the bill H.R. 5840, by a vote of 240 to 166, and the motion read:

> Be it moved that the Managers on the part of the House, at the Conference on the disagreeing votes of the two Houses on the bill H.R. 5840, be instructed to insist upon section 110 of the House-passed bill.

The conferees met; they discussed the Alaskan oil amendment for a total of 10 minutes. The McKinney amendment was never read. No House conferee said a word in support of the McKinney amendment. The chairman simply announced the fact that he had been instructed as a result of his own capital mistake in accepting the amendment by a voice vote in the first place. Each conferee of the House then disclaimed any support for the amendment. The Senate chairman then said a compromise was in order.

Senator JACKSON's staff assistant then rose to present a verbatim copy of the law (section 28(u)) of the Mineral Leasing Act as amended by the Trans-Alaska Pipeline Authorization Act of 1973. The House had twice voted to suspend for 2 years.

Mr. Chairman, I can say that what has been adopted by this conference report is exactly what we have had verbatim before except for 2 smaller provisions, one requiring export contracts to be interrupted in the event of "any supply interruption". The second is that for 60 days no oil can be exported.

There is nothing in this conference report which encourages the development of a transport system on Alaskan oil from the west coast to the east coast. There are no provisional factors, except producers will be able to make a few more cents because they do not have to build a line. There is no saving to the consumer.

The conference committee has said: "Let us make the price of oil cheaper to the consumers so they can consume more." I do not think that is what Mr. Carter is saying on energy.

It deeply disturbs me. I recognize the conference report as a whole is a good report, but we have not come to grips with the Alaskan oil exports problem and if we do not encourage the transportation of this oil then we are doing ourselves and our constituents a disservice.

I do not know what reluctance there was on the Senate or on the House side on the part of the conferees. I think the conferees should have done as they were instructed, and this was not done. If anyone can really explain to me what happened in the conference I would like to have some type of explanation either from the chairman or the ranking minority member. Would they explain why they did not follow the instructions of the House?

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Speaker, I must correct several of the comments made by the gentleman. First, the conference did not spend just 10 minutes discussing the McKinney amendment. In fact, it took over an hour to resolve this matter. Second, several of the House conferees expressed strong support for the amendment and, contrary to the gentleman's statement, "each conferee" did not then "disclaim any support for the amendment." I do not know from whom the gentleman obtained his information, but it is contrary to the facts of the situation.

The gentleman must understand the House conferees and the conference committee were confronted with a very difficult situation. The House and Senate, as I said earlier, were diametrically opposed in their positions on this matter. We were then forced by the nature of the situation to make compromises even if we were not fully satisfied with them. I would trust the body would understand that. I would hope the gentleman would understand the predicament the conferees were in and realize, that in fact, the House emerged from the conference with this section being much closer to the original House provision than to the Senate position. The Senate had no language in their bill.

This is the purpose of a committee on conference. Certainly we cannot stand fast with every word and dot every "i" in conference even though instructed. If we are going to come back with a conference report we must negotiate. I submit to the gentleman, if I may, that the House stood fast and did a good job.

Mr. YOUNG of Alaska. I respect the chairman and I know the difficulties he faced.

Can I ask one question? Was there any interest in the possibility of not allowing this in the conference report in the sense that there is any indication to the conferees that there is going to be a proposition brought forth from the administration to export this oil? As I read this it says in the national interest and for the benefit of consumers, and that applies on many different exports. If we are going to do this then again I say this body has let down the American people. We did not build that pipeline for oil to be shipped to Japan. We did it for Americans.

Possibly the gentleman does not know what is going on down there, but if the President brings a proposal to ship this oil to Japan, how can this basically stop that within the 60-day period of time if he brings it by July and the period ends on the first of September, and while we are in recess he would be able to ship it to Japan by September 1. Is that not true?

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Let me assure the gentleman I personally am not anxious to see oil exported from this country, particularly as long as we are faced with a serious energy crisis.

I would advise the gentleman that there was no indication, no signal from the administration one way or the other, that they are going to or they are intending to export Alaskan oil. I hope the gentleman will trust this administration and the wisdom of the Congress. Should the administration choose to export oil and not conform with some of the very strict procedures setting forth the circumstances under which the oil could be exported, than the Congress could act expeditiously and veto such a proposal.

Mr. YOUNG of Alaska. Mr. Speaker, I appreciate that answer, because if I know that the good wisdom of Congress would see and understand the capacity in this Nation if we start exporting oil and we have an embargo and under the conference report it says they continue to export Alaskan oil, I think it would be a great mistake.

Mr. BROOMFIELD. Mr. Speaker, I reserve the balance of my time.

Mr. ZABLOCKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Speaker, I rise in strong support of the conference report on H.R. 5840, export administration amendments of 1977.

My colleagues know of my long interest in ending American participation in the divisive and discriminatory Arab boycott of Israel and firms doing business with Israel. Title II of these amendments will take us a long way toward this goal. At the same time, as a result of the creative participation in the legislative process of responsible members of the business community, the restrictions of title II will not interfere with legitimate commercial activities in Arab States.

I would be remiss if I did not admit that there are several parts of the antiboycott provisions which still trouble me. The conference report would, for example, allow Americans in Arab States to comply fully with those country's boycott laws, including laws which may require discrimination against hundreds of blacklisted American firms except under certain narrow circumstances. I would have preferred the House provision which would have left to the President the decision as to which American firms in Arab States would have been allowed to comply with which laws. I felt this solution would have better preserved American principles and created an incentive for the President to negotiate an exemption from Arab boycott requirements for American firms. On the other hand, I recognize that the Senate provision which is embodied in the conference report has the benefit of specificity and may avoid a conflict with the Arab States over the claim to broad jurisdiction over the activities of all companies operating within their national boundaries.

A second provision of the conference report which concerns me is the wide latitude granted American firms to comply with the so-called unilateral selection of particular companies and goods to be used in individual transactions with the Arab States. To the extent that such unilateral selection is motivated by principles other than furtherance of the boycott, then such selection should be respected as a usual and normal custom of domestic and international trade. But where the sole motivation behind the selection of a particular business partner is the freedom of that partner from any boycott-related taint, then compliance with that selection would manifestly further and support boycott-based discrimination and should be restricted.

The House bill would have prohibited compliance with any unilateral selection premised solely upon the boycott. The Senate bill lifted that prohibition entirely except where the goods being selected were not "identifiable by source." As a conferee, I agreed to accede to the Senate provision because of the greater certainty which it provided and because of the understanding that any pattern of repeated and flagrant recourse to unilateral selection will be carefully scrutinized to assure that it is consistent with the intent of the unilateral selection exception.

One other provision which troubles me is the language, taken from the Senate bill, limiting the scope of the bill's provisions to activities "in" the interstate or foreign commerce of the United States. As the Senate report which accompanied its bill makes clear, this language is intended to restrict the bill's coverage largely to transactions involving U.S. goods or services.

The equivalent House language would have extended the bill's jurisdiction to activities "which affect" the interstate or foreign commerce of the United States. This provision had the benefit of subjecting to the bill's coverage transactions in non-U.S. goods which nevertheless could have had a substantial and foreseeable effect upon U.S. commerce. Such transactions might have included ones in which goods manufactured with U.S. technology or under a U.S. license were involved.

I am afraid that the narrow compass of the conference report language might encourage the flight of U.S. trade to foreign subsidiaries manufacturing similar products based upon American know-how but utilizing components made overseas. My reluctant willingness to accept the Senate provision was based solely on the understanding that, if diversion of trade does occur, corrective steps can be taken when the Congress considers renewal of the law some time prior to September 30, 1979.

In the above remarks, I have outlined my principal reservations about the conference report. I have not discussed the many laudable and welcome features of the antiboycott provisions. I am sure these are quite familiar to my colleagues who voted overwhelmingly to include them in the bill. In brief, the antiboycott provisions for the first time give sharp teeth to the longstanding policy of this country opposing restrictive trade practices and boycotts. These provisions meet effectively the vast majority of instances in which American firms have been forced to succumb to anticompetitive boycott pressures by outlawing such compliance. The conference report represents a significant legislative accomplishment of which this body and the entire country can be proud. For this reason, I urge its prompt passage.

Mr. ZABLOCKI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Speaker, during the conference committee deliberations on the Export Administration Act Amendment of 1977, the House and Senate conferees crafted a compromise on the issue of disclosure of personal information in compliance with boycott-related requests. The compromise has caused some concern so I would like to take this opportunity to clarify the intent of the language.

The concern involves paragraph 4A (a) (2) (E) which excepts from the prohibition contained in paragraph 4A (a) (1) (E) against "furnishing information with respect to the race, religion, sex, or national origin of any U.S. person or any owner, officer, director, or employee of such person" compliance by an individual or agreement by an individual to comply with requests for information regarding requirements of employment of such individual within the boycotting country.

The exception involving employment requirements was put in at the insistence of the Senate conferees, in return for

their agreement to extend the initial prohibition against furnishing personal information with respect to race, religion, sex, or national origin to individuals providing information about themselves. Previously, the prohibition was limited to persons furnishing such information with respect to "other" persons and did not prohibit an individual from providing such information about himself.

In agreeing to the language offered by the Senate conferees, the House conferees were mindful of subsection 4A(a)(4) which states that—

Nothing in this subsection may be construed to supersede or limit the operation of the antitrust or civil rights laws of the United States.

Given subsection (4) it is clear that the amendment offered by the conference committee does not in any way sanction or condone inquiries put by foreign employers about race, religion, or sex for the purpose of withholding employment for those reasons; nor does it permit or authorize, conduct or activities that would violate or constitute evidence of violations, of Federal civil rights enactments.

The amendment regarding employment requirements was merely intended to facilitate the employment of Americans abroad and to eliminate any procedural impediments to such employment.

Mr. ZABLOCKI. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. DODD).

Mr. DODD. Mr. Speaker, many of the points I would raise have been raised by my colleague, the gentleman from Alaska (Mr. YOUNG).

However, I would like to take this opportunity to comment on the conference's treatment of a provision which was authored by our colleague STEWART MCKINNEY and which would suspend for 2 years the President's authority to export Alaskan oil.

I would not stand here, Mr. Speaker, if it were not for the fact that my colleague, the gentleman from Connecticut (Mr. MCKINNEY) is recuperating from a serious illness.

My colleagues will recall that on two occasions this House expressed its view that Alaskan oil should not be exported.

First of all, I do wish to compliment our chairman. Despite the Senate's opposition to the McKinney amendment, the House conferees were able to obtain approval or certain provisions which make it easier for the Congress to prohibit exportation of Alaskan oil. But, we still are faced with a situation in this country that should not be allowed to continue much longer, that is, the lack of a system which will allow for the efficient shipment of Alaskan oil from the west coast to the east coast. We are not taking those necessary steps towards building up a strategic reserve of oil in this country. That should be done. We all recognize that.

Possibly more important than any single element of the national energy program, even more important than the equity of the program, is the sustainability of the program. If we are going to go forward with an energy program that the American people will believe in, we have to convince the American people of the seriousness of the issue. Despite the good intentions of our colleagues in the other body and the President, if we allow our domestic supply to be exported to a foreign nation, we lose the impetus we have now in terms of the American people believing in the seriousness of this situation. How can we expect the people of this country to practice strict conservation, believing there to be a severe shortage in our domestic energy supply, if the Federal Government follows a policy of exporting oil from our own richest oil field.

Through a suspension of the President's authority to export Alaskan oil, I believe we must face the industry to develop an efficient domestic distribution system. Until such a system is in place, Alaskan oil can be shipped through the Panama Canal, at no greater cost to consumers and refiners than the President's proposal to enter into a swap arrangement with Japan whereby we would exchange Alaskan oil for OPEC oil. But it was never the intent of Congress that this oil should be exported. However, despite industry assurances that development of a domestic distribution system would keep pace with the development of Alaskan oil, today no such system has been instituted.

Lastly, I would point out that my colleague, the gentleman from Connecticut (Mr. MCKINNEY) has introduced legislation that would institute, in effect, a 2-year suspension of Alaskan crude oil, pending development of a distribution system or plan from the west coast to the east coast.

Mr. Speaker, 240 Members of the House voted to ask the conferees to stand firm on the House position. I would suggest that we join with my colleague, the gentleman from Connecticut (Mr. MCKINNEY) in asking the Committee on the Interior to at least hold hearings on the issue of exporting Alaskan crude. That way, we can get full hearings for the issues that surround this important question.

Mr. Speaker, again I want to emphasize that while I support my colleague (Mr. MCKINNEY), I am speaking today on this issue, because my colleague, the gentleman from Connecticut (Mr. MCKINNEY) is unable to be with us due to his illness.

Mr. Speaker, I compliment my colleague, the gentleman from Alaska (Mr. YOUNG) for the points the gentleman made, and again compliment the chairman of the committee and the conferees for doing a fine job and working out the best possible solution under the circumstances.

Mr. ZABLOCKI. Mr. Speaker, I yield myself 30 seconds. I want to take this time to express our appreciation for the remarks of the gentleman from Connecticut (Mr. DODD) recognizing the efforts of the conference committee. We tried our best, and I certainly understand his point of view. He made some very valid and worthwhile arguments, and I am sure that we will have another go-around on this matter.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Can the gentleman from Michigan explain briefly, although we have had some discussion on this, how the foreign boycott section of the conference report—title II—is different from the version passed by the House?

Mr. BROOMFIELD. Basically, it is not much different. This was probably the most difficult part of this entire bill, and there were some further refinements made in the conference with the Senate. I think it developed pretty well. The language reflects the compromise worked out by the Business Roundtable and the ADL.

I think probably the best way to analyze title II is that no one is completely happy with it. Some groups do not feel we went far enough, but basically I think the Congress worked out a compromise everybody can live with, and this is a step in the right direction.

A great deal of credit goes to the chairman of the committee (Mr. ZABLOCKI) for bringing this about.

Mr. ROUSSELOT. So the gentleman can assure us that the concerns which many business groups have when dealing overseas are taken care of in the compromise arrived at in conference.

It is my understanding that the conference provided an improved flexibility in dealing with various business transactions in what have come to be known as "host countries." The first relates to the portion of the bill concerning designations of "unilateral selection." I understand the House accepted the Senate provisions which permits a U.S. person—that includes a corporation or business—to comply or agree to comply with the unilateral and specific selection by the boycotting country or a national or resident thereof of carriers, insurers, suppliers of services to be performed within the boycotting country, or specific goods which, in the normal course of business, are identifiable by source when imported into the boycotting country. Therefore, an entire product line or service cannot be terminated because of one "starter switch" or some other single production item. Another point providing greater acceptability was the adoption by the conference committee of the House amendment relating to a grace period through December 31, 1978. Written contracts entered into as of May 16, 1977, can be reviewed for an extension grace period could be obtained for 1 additional year where there are good faith negotiations to eliminate provisions that are inconsistent with the antiboycott prohibitions of this legislation. Since this legislation expires on September 30, 1979, it will, hopefully, provide adequate possibility for individual contractors to deal in an acceptable way under this time frame and the Congress will have another opportunity to review these antiboycott amendments as to their workability by September 30 of 1979. Therefore, my colleague can assure me that the conference has provided a more appropriate mechanism for negotiation than existed under the original House bill?

Mr. BROOMFIELD. Yes, I think it will.

Mr. ROUSSELOT. I thank my colleague.

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas

(Mr. TUCKER).

Mr. TUCKER. I thank the distinguished gentleman for yielding to me.

Mr. Speaker, I want to join in the remarks of my colleague from Alaska and my colleague from Connecticut. I think we should recognize that by this compromise we are authorizing the export of one-half million barrels of American oil a day. That flies in the face of the President's determination that this country should be reducing imports of oil by 2 million barrels of oil per day.

It has been argued that if we make sensible exchange arrangements for these exports, we might save money for American consumers. But that argument also flies in the face of the policy that has been recommended. That is, the President hopes for a gradual increase in the price of petroleum products to encourage a move to alternative sources of energy. Yet, proponents attempt to justify this provision on the basis of lower prices.

But, most importantly, the great danger we face in this agreement is that we do absolutely nothing to provide a method of transportation so that we can use our own domestic oil for our own people. We do nothing, in this agreement, to provide protection for our people against another embargo by foreign producers.

Mr. ZABLOCKI. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Speaker, I wish to compliment the members of the committee for the hard work that is apparent in the provisions of this conference report regarding protecting American citizens against the operation of the Arab boycott. I do regret, Mr. Speaker, that these provisions are not as strong as they could be. The premise that a foreign government can dictate business practices to American businesses within the United States is offensive and intolerable. There should be no compromise with that position. Unfortunately, the conference report does.

Mr. SKUBITZ. Mr. Speaker, I learned a long time ago that half a loaf of bread is better than none at all. Consequently, I will not oppose that provision of the conference report dealing with agricultural exports.

When the House bill, H.R. 5840, was before us, this body accepted an amendment of mine, providing that unless the Congress—by concurrent resolution—approved within 30 days an export restriction on agricultural products and unless the restriction was modified—the restriction would automatically expire at the end of 30 days. If the President decided to alter the agricultural trade restriction—he would be permitted an additional 30 days before the measure would expire unless the Congress approved of his modification. My amendment provided that—at a maximum—there would be a 60-day period before an agricultural trade restriction would expire without congressional approval.

I believe that basically my approach is preferable to that contained in the conference report. To substantiate this, I ask unanimous consent that a letter I have received from the National Association of Wheat Growers be included in the RECORD:

NATIONAL ASSOCIATION
OF WHEAT GROWERS,
Washington, D.C., May 18, 1977.

Hon. JOE SKUBITZ,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SKUBITZ: The National Association of Wheat Growers, as you know, has been keenly interested in the development of legislation to modify and extend the Export Administration Act, and we were extremely disappointed to learn that House and Senate conferees on HR 5840 failed to adopt language similar to that contained in your amendment to the House-passed bill.

Section 105, as contained in both House and Senate bills, provided for Congressional review of export controls imposed by the President on agricultural commodities. Under the Senate version, which was adopted by the conference committee, an export restriction imposed on agricultural commodities would remain in effect as imposed by the Executive Branch unless Congress, within 30 days, adopted a concurrent resolution disapproving the prohibition or curtailment. Under the House bill, as modified by the Skubitz amendment, the prohibition or curtailment would automatically cease to be effective at the end of 30 days (or, in some instances, at the end of 60 days), unless extended by an affirmative action of the Congress.

The House provision, we felt, provided the Congress greater responsibility with regard to agricultural exports and the nation's economy, and we would certainly support an effort aimed at reconsideration of Section 105 and inclusion of language along the lines of the House-passed bill.

In this regard, we would suggest that the possibility of a 30-day extension of the Executive Branch controls, as contained in the Skubitz amendment, be deleted. The basic intent of both the House and Senate versions seems to be that controls that are not approved by the Congress should not remain in force for more than 30 days. This would hold the period of uncertainty that might result pending Congressional action to a minimum. While the additional 30 days under the Skubitz amendment would be triggered only by an Executive Branch modification of the export controls, it is likely that the Executive Branch would issue such a modification for the purpose of extending the control period, in the event controls were imposed. Therefore, the practical effect of the extension provision would be to give the President 60 days, rather than 30 days, to keep controls in effect, even when they were opposed by a majority of the Congress. We see no affirmative justification for the 30-day extension period.

We appreciate your strong interest in agricultural exports and the importance of protecting against unwise and unwarranted restrictions of future sales. We are hopeful that you will be able to effect reconsideration of Section 105 at the time that the conference report on H.R. 5840 is considered.

Sincerely yours,

JERRY REES,
Executive Vice President.

At another time and on another bill I will again pursue my efforts to have any trade restriction on agricultural embargoes automatically expire without congressional approval.

I want to thank Mr. ZABLOCKI for his attentiveness to my cause and I do appreciate the substantial gains made for the American farmer on the question of trade restrictions that are contained in this conference report. Mr. Speaker, I just think we can do better.

Mr. BINGHAM. Mr. Speaker, I rise in support of the conference report on H.R. 5840, the Export Administration Amendments of 1977, and urge my colleagues in the House to support this important measure.

This legislation contains a number of significant provisions. But I think it can be said that the provisions relating to foreign boycotts constitute a real legislative milestone. For the first time it is not simply the policy of the United States to discourage compliance and cooperation by Americans with foreign boycotts directed at nations friendly to the United States, but Americans are to a significant extent prohibited from complying with such boycotts. This bill contains the first antiforeign boycott requirements in U.S. law. It is the result of legislative efforts going back more than a decade. I am proud to say that I have been involved in these efforts since I came to the Congress in 1965. I can only say now that it is about time—in fact long past time—that complicity by Americans in foreign boycotts that have pitted us against our friends abroad and even against our fellow Americans based upon their race or religion is outlawed.

The major current example of a foreign boycott of a country friendly to the United States which is imposed upon Americans is the economic boycott by Arab countries of Israel. This boycott has been going on since Israel came into being as an independent nation. At first the effects of the boycott, both on Israel and on Americans, was small. I was one of the first Members of the House to introduce legislation to prohibit American compliance with this insidious boycott, and I can recall the State Department pointing out that the impact was not great and the way to deal with it was through quiet diplomatic persuasion.

But such persuasion, if it was ever seriously attempted by the State Department, was ineffective. Particularly following the Arab oil embargo and the dramatic increase in the wealth of Arab nations, the impact of their boycott of Israel increased equally dramatically. According to reports filed with the Commerce Department, only 785 U.S. export transactions involved demands for compliance with the Arab boycott of Israel in 1974, but in one 6-month period alone in 1976 more than 72,000 transactions were subject to Arab boycott demands. The Commerce Department estimated that about $10 million in U.S. business was affected by this foreign boycott in 1974, but by 1975 the figure was $630 million and by 1976 more than $10 billion. In more than 90 percent of the cases in 1976 when American firms reported receiving Arab boycott demands they actually decided to comply with those demands.

Mr. Speaker, this legislation does not prohibit or interfere in any way with the direct economic boycott of Israel by the Arab nations. Regrettable as that embargo is, it is the right of any sovereign nation to refrain from direct trade

with any other nation, and I believe that this direct embargo can only be resolved as part of a just and lasting peace in the Middle East for which we are all hoping and striving. This legislation does, however, deal with the most insidious aspects of the Arab boycott, namely the refusal of Arab nations to do business with American firms which do business with Israel or which associate with persons or other American firms which do business with Israel. These are the so-called "secondary" and "tertiary" aspects of the Arab boycott. They are boycott forms which are most unusual and far-reaching and which we have not used broadly or generally ourselves although we have, of course, conducted direct primary boycotts against countries like Cuba.

It has frequently been said in the course of the long consideration of this legislation that discrimination was not involved in the Arab boycott and that discrimination was not an issue in this legislation. I am aware that the Arab nations have repeatedly stated that it was not their intent through the boycott to discriminate against Jews or any other eligious, ethnic, or racial group. Whether or not it was their intention, discrimination was and certainly is one of the effects of the boycott requirements that Americans, in order to do business in or with Arab countries, comply with and help implement their boycott of Israel by refusing to do business with Israel or anyone associated with Israel. Not only are American Jewish businessmen more likely than non-Jewish businessmen to have business associations with Israel, but many Americans interpret the Arab boycott as requiring them to refrain from doing business with Jews—even in some cases to refuse to hire Jews and to remove them from any positions of corporate responsibility they might hold.

There are some who say or will feel that this legislation does not go far enough in prohibiting compliance with foreign boycotts—that it contains loopholes. Admittedly, it does not go as far as it might. It does not go as far, in fact, as bills which I and others originally introduced. Certain exceptions to the prohibitions had to be made in order not to totally preclude business with Arab nations, to permit certain normal business practices to be followed even if, in a boycott context, they might be used to further the boycott, and to recognize the sovereign right of the Arab nations to conduct their direct primary boycott.

Although I would have preferred a stronger bill, I do not feel there is any reason to feel that this legislation is inadequate simply because it contains some exceptions and potential loopholes. The legislation is for a period of 2 years. The Congress authorizes the funds to carry it out. Those of us who are deeply concerned about this problem of foreign boycotts will watch carefully its implementation. It contains excellent reporting requirements that will give us sound and detailed information on the extent to which the boycott might continue to be applied against Americans and complied with by Americans. If some of the exceptions we have granted in good faith for the reasons I have stated turn out to be loopholes, we have plenty of opportunity and authority to close them when we review this legislation, and we will do so.

We should concentrate instead on what this bill does. It does prohibit discrimination on the basis of foreign boycotts. It does prohibit the furnishing of any kind of information that would further a foreign boycott. It does prohibit Americans from refusing to do business with anyone on the basis of a foreign boycott demand. And it has teeth. Violators would be subject to both criminal and civil penalties. Those are major improvements in U.S. law, which at present only encourages Americans to refrain from complying with foreign boycotts. That is why I say this legislation is a milestone in the continuing fight for civil rights, nondiscrimination, and free enterprise.

As I have noted, Mr. Speaker, this bill is the product of an unusually long, complicated, and difficult legislative process spanning several years, although the most intensive activity and effort has been in recent months. I am proud to have taken a direct part in this effort—as a sponsor of one of the major bills that led to this legislation, as chairman of the subcommittee that first took action on it, as a member of the committee that approved it, and of the conference committee that produced this final version by resolving differences between the Senate and House.

This important legislation would not have been possible without the dedicated concern, effort and support of many Members and outside groups. I want to mention and praise particularly the efforts undertaken by the Anti-Defamation League and other Jewish groups, and the Business Roundtable, who worked so hard to find areas of agreement and compromise between business and the Jewish organizations on a problem of great importance to both of them.

The consensus and recommendations they forged on this legislation seem to me an unprecedented achievement in cooperation through voluntary negotiation of differences. Their work greatly influenced and helped the Congress in its deliberations on this difficult issue, and I thank and salute all those associated with the Business Roundtable and Anti-Defamation League conferences. I want also again to thank and compliment the work of my colleagues, including particularly Messrs. ROSENTHAL, SOLARZ, HAMILTON, and WHALEN, whose efforts helped make this legislation both workable and effective.

Finally, Mr. Speaker, I would note that this legislation makes a number of small, but I think significant improvements in the policies and procedures governing our program of export controls for purposes of preserving the national security. Many of those provisions came from the Subcommittee on International Economic Policy and Trade, which I have the honor to chair. I believe they better assure that U.S. exports restricted or controlled are limited to those that really might have a significant negative effect on our national security, and that the people who administer the export control program focus their attention on the exports most likely to have significance from a national security point of view rather than unnecessarily delaying or restricting ordinary export business in goods with no possible importance to the national security. These changes, I believe are in the best interests both of increased U.S. foreign trade and the maintenance of our national security, and are a further reason that I urge the support of my colleagues for this conference report.

Mr. PEASE. Mr. Speaker, I support the conference committee report on the 1977 amendments to the Export Administration Act, but I do so with some misgivings and disappointment. When the amendments first came to the House floor, the House saw fit to accept several amendments that I offered in the House International Relations Committee which helped make the bill more understandable and workable. Unfortunately, the thrust of these amendments was negated by the House acceptance of Senate language.

First, I offered an amendment that would allow farmers and other exporters of agricultural commodities to make firm sales commitments to foreign governments or private purchasers. In addition, it established a procedure whereby farmers and exporters could get a prompt decision on whether they could enter into exporting agreements and store commodities here free from export controls.

The House language included adequate safeguards to protect American consumers and our domestic storage capacity. It is regrettable that the weaker Senate language was accepted. It provides the Secretary of Commerce with additional grounds for negating exporting agreements entered into on a good faith, contractual basis. Furthermore, the Senate language leaves farmers and agricultural exporters in limbo with respect to their ability to negotiate firm exporting agreements and to deliver on their part of the agreements. The marketing position of our farmers and agricultural exporters will continue to be undercut in the international marketplace since the contracts they enter into with foreign buyers remain susceptible to ill-founded Government manipulation and bureaucratic delays.

Second, the conference report does not reflect a good balance between the right of an individual applicant to be informed of issues raised in review of his application for an export license and the need to expeditiously process thousands and thousands of applications for export licenses. My amendment provided that an applicant must be informed of "any substantial" questions raised and negative considerations or recommendations made if an application for an export license is not acted upon within 90 days. The Senate language does not require that the outstanding questions, considerations, or recommendations be substantial at all. Unfortunately, the Senate language prevailed. So, the prospect of more paper being shuffled back and forth as corre-

spondence between the Commerce Department and applicants for export licenses becomes very real since Commerce Department officials could be compelled to notify applicants of unsubstantial, insignificant considerations. I certainly give high priority to the right of the applicant to be informed, but this consideration should be evaluated in conjunction with a realistic appraisal of the administrative and processing capabilities of the Commerce Department.

Third, the House language would have provided Congress with more information about the potential hazards of exports of technical information than will the approved Senate language. The House language required a study of export information by agreements for scientific or technical cooperation which might prove detrimental to the national security or foreign policy of the United States. The Senate language requires a study of only transfers of technical data and other information to any country to which exports are restricted for national security purposes. The study that will be conducted now will probably shed little light upon the various means by which technical information is currently exchanged nor will it probably reflect the potential hazards of transferring certain kinds of technical information like nuclear technology to countries currently friendly to the United States but which may be antagonistic toward the United States in the not too distant future.

In summation, I recognize the wide range of issues that had to be addressed in this bill as well as the complexity of each one of the issues. The conference committee is to be commended for arriving at a good compromise. I feel the bill would have been easier to interpret and to administer had my amendments been left intact, but I welcome the opportunity to offer them again and to try again to persuade my colleagues in Congress that they are sound and constructive.

Mr. ZABLOCKI. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 306, nays 41, not voting 86, as follows:

[Roll No. 331]

YEAS—306

Abdnor	Anderson, Ill.	Bafalis
Addabbo	Annunzio	Barnard
Akaka	Applegate	Baucus
Alexander	Archer	Bellenson
Ambro	Armstrong	Benjamin
Ammerman	Aspin	Biaggi
Anderson, Calif.	AuCoin	Bingham
	Badham	Blanchard
Blouin	Gore	Obey
Boggs	Gradison	Ottinger
Boland	Grassley	Panetta
Bolling	Gudger	Patten
Bonior	Guyer	Patterson
Bowen	Hamilton	Pease
Brademas	Hanley	Pepper
Breaux	Hannaford	Perkins
Brinkley	Harkin	Pettis
Brodhead	Harris	Pickle
Broomfield	Heckler	Pike
Brown, Calif.	Hefner	Pressler
Brown, Mich.	Heftel	Preyer
Brown, Ohio	Hightower	Price
Buchanan	Hillis	Pritchard
Burgener	Holt	Pursell
Burke, Calif.	Holtzman	Quayle
Burke, Fla.	Horton	Quie
Burke, Mass.	Howard	Rahall
Burlison, Mo.	Huckaby	Railsback
Burton, Phillip	Hughes	Rangel
Butler	Hyde	Regula
Byron	Ireland	Reuss
Caputo	Jacobs	Rhodes
Carr	Jeffords	Richmond
Carter	Jenkins	Rinaldo
Cavanaugh	Jenrette	Rodino
Cederberg	Johnson, Calif.	Rogers
Chisholm	Jones, N.C.	Rooney
Clausen, Don H.	Jones, Okla.	Rose
	Jordan	Rosenthal
Clay	Kasten	Rousselot
Cleveland	Kastenmeier	Russo
Cohen	Kemp	Santini
Coleman	Keys	Sarasin
Collins, Ill.	Kildee	Sawyer
Conable	Kindness	Scheuer
Conte	Kostmayer	Schroeder
Conyers	Krebs	Schulze
Corcoran	LaFalce	Seiberling
Corman	Lagomarsino	Sharp
Cornell	Le Fante	Shipley
Cornwell	Leach	Shuster
Cotter	Lederer	Sikes
Coughlin	Leggett	Simon
D'Amours	Lehman	Sisk
Danielson	Lent	Skelton
Davis	Levitas	Skubitz
de la Garza	Long, La.	Slack
Delaney	Long, Md.	Smith, Nebr.
Dellums	Lujan	Solarz
Derrick	Lundine	Spellman
Derwinski	McClory	Spence
Dickinson	McCloskey	Staggers
Dicks	McEwen	Stangeland
Dingell	McFall	Stanton
Dodd	Madigan	Stark
Downey	Maguire	Steed
Drinan	Mann	Steiger
Duncan, Tenn.	Markey	Stockman
Early	Martin	Stratton
Edgar	Mathis	Studds
Edwards, Ala.	Mazzoli	Stump
Edwards, Calif.	Metcalfe	Treen
Edwards, Okla.	Michel	Trible
Eilberg	Mikulski	Tsongas
Emery	Miller, Calif.	Udall
English	Miller, Ohio	Van Deerlin
Ertel	Mineta	Vanik
Evans, Ga.	Minish	Vento
Evans, Ind.	Mitchell, N.Y.	Volkmer
Fary	Moakley	Walgren
Fascell	Moffett	Walker
Fenwick	Mollohan	Walsh
Fish	Moore	Watkins
Fisher	Moorhead, Calif.	Weaver
Flood		Weiss
Flowers	Moorhead, Pa.	White
Flynt	Mottl	Whitehurst
Foley	Murphy, Ill.	Whitley
Ford, Mich.	Murphy, N.Y.	Wilson, Bob
Ford, Tenn.	Murphy, Pa.	Wilson, C. H.
Forsythe	Murtha	Wilson, Tex.
Fountain	Myers, Gary	Winn
Fowler	Myers, Michael	Wirth
Fraser	Myers, Ind.	Wolff
Frenzel	Natcher	Wright
Gammage	Neal	Wylie
Gaydos	Nedzi	Yates
Gephardt	Nichols	Young, Alaska
Gibbons	Nix	Young, Fla.
Gilman	Nowak	Young, Mo.
Glickman	O'Brien	Young, Tex.
Goldwater	Oakar	Zablocki
Goodling	Oberstar	Zeferetti

NAYS—41

Allen	Daniel, Dan	Hansen
Bauman	Daniel, R. W.	Harsha
Bennett	Duncan, Oreg.	Hubbard
Bevill	Findley	Ichord
Burleson, Tex.	Gonzalez	Jones, Tenn.
Clawson, Del	Hall	Kazen
Cochran	Hammer-schmidt	Kelly
Collins, Tex.		Latta
Lloyd, Tenn.	Montgomery	Satterfield
Lott	Risenhoover	Smith, Iowa
McDonald	Roberts	Snyder
Mahon	Robinson	Taylor
Mattox	Rudd	Tucker
Milford	Runnels	Waggonner

NOT VOTING—86

Andrews, N.C.	Florio	Nolan
Andrews, N. Dak.	Frey	Pattison
	Fuqua	Poage
Ashbrook	Giaimo	Quillen
Ashley	Ginn	Roe
Badillo	Hagedorn	Roncalio
Baldus	Harrington	Rostenkowski
Beard, R.I.	Hawkins	Roybal
Beard, Tenn.	Holland	Ruppe
Bedell	Hollenbeck	Ryan
Bonker	Johnson, Colo.	Sebelius
Breckinridge	Ketchum	St Germain
Brooks	Koch	Steers
Broyhill	Krueger	Stokes
Burton, John	Lloyd, Calif.	Symms
Carney	Luken	Teague
Chappell	McCormack	Thompson
Crane	McDade	Thone
Cunningham	McHugh	Thornton
Dent	McKay	Traxler
Devine	McKinney	Ullman
Diggs	Marks	Vander Jagt
Dornan	Marlenee	Wampler
Eckhardt	Marriott	Waxman
Erlenborn	Meeds	Whalen
Evans, Colo.	Meyner	Whitten
Evans, Del.	Mikva	Wiggins
Fithian	Mitchell, Md.	Wydler
Flippo	Moss	Yatron

The Clerk announced the following pairs:

Mr. Thompson with Mr. Andrews of North Carolina.

Mr. Teague with Mr. Frey.

Mr. Waxman with Mr. Quillen.

Mr. Baldus with Mr. Whalen.

Mr. Fuqua with Mr. McDade.

Mr. Rostenkowski with Mr. Luken.

Mr. Chappell with Mr. Ketchum.

Mr. Dent with Mr. Ashbrook.

Mr. Eckhardt with Mr. Ruppe.

Mr. Fithian with Mr. Symms.

Mr. McHugh with Mr. Andrews of North Dakota.

Mrs. Meyner with Mr. Hagedorn.

Mr. Mitchell of Maryland with Mr. Hollenbeck.

Mr. Stokes with Mr. Broyhill.

Mr. St Germain with Mr. Beard of Tennessee.

Mr. Hawkins with Mr. Crane.

Mr. Harrington with Mr. Marks.

Mr. Ginn with Mr. Marlenee.

Mr. Brooks with Mr. Cunningham.

Mr. Breckinridge with Mr. Dornan.

Mr. John L. Burton with Mr. Erlenborn.

Mr. Diggs with Mr. Vander Jagt.

Mr. Florio with Mr. Wiggins.

Mr. McKay with Mr. Marriott.

Mr. Meeds with Mr. McKinney.

Mr. Nolan with Mr. Steers.

Mr. Flippo with Mr. Sebelius.

Mr. Moss with Mr. Rowe.

Mr. Yatron with Mr. Holland.

Mr. Ullman with Mr. Krueger.

Mr. Ryan with Mr. Devine.

Mr. Roybal with Mr. Ashley.

Mr. Pattison of New York with Mr. Thone.

Mr. Koch with Mr. Wampler.

Mr. McCormack with Mr. Wydler.

Mr. Carney with Mr. Roncallo.

Mr. Badillo with Mr. Beard of Rhode Island.

Mr. Bedell with Mr. Lloyd of California.

Mr. Mikva with Mr. Bonker.

Mr. Evans of Colorado with Mr. Evans of Delaware.

Mr. Whitten with Mr. Traxler.

Mr. Giaimo with Mr. Thornton.

Mr. JONES of Tennessee changed his vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ALLEN. Mr. Speaker, I voted against the conference report on the Export Administration Amendments of 1977 because of the insertion of a provision at the insistence of the Senate permitting the exportation of Alaskan oil to Japan or other foreign countries under certain conditions.

AUTHORIZING TECHNICAL CORRECTIONS IN THE ENROLLMENT OF H.R. 5840

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution, Senate Concurrent Resolution 28, authorizing technical corrections in the enrollment of H.R. 5840, and ask for its immediate consideration.

The clerk read the title of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 28

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H.R. 5840, An Act to amend the Export Administration Act of 1969 in order to extend the authorities of that Act and improve the administration of export controls under that Act, and to strengthen the antiboycott of that Act, to make the following technical corrections:

In section 201(a) of the bill—

(1) in the proposed section 4A(a)(1)(D) of the Export Administration Act of 1969, strike out "with or in the boycotted country" where it appears immediately before the first period and insert in lieu thereof "with or in the boycotting country"; and

(2) in the proposed section 4A(a)(2)(A)(ii) of such Act, strike out "boycotted country, on a carrier of the boycotted country," and insert in lieu thereof "boycotting country on a carrier of the boycotted country."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 5840 just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR NATIONAL SEA GRANT PROGRAM DURING FISCAL YEAR 1978

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4301) to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978, and for other purposes, with a Senate amendment thereto, and disagree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: That (a) the first sentence of section 206(c) of the National Sea Grant Program Act (33 U.S.C. 1125), is amended by striking out "1977." and inserting in lieu thereof the following: "1978, and not to exceed $5,500,000 for the fiscal year ending September 30, 1979.".

(b) The first sentence of section 212 of such Act (33 U.S.C. 1131) is amended by striking out "1977." and inserting in lieu thereof "1978, and not to exceed $50,000,000 for the fiscal year ending September 30, 1979.".

SEC. 2. The first sentence of section 3(c) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a) is amended by striking out "1977." after "September 30,", and inserting in lieu thereof "1978, and not to exceed $3,000,000 for the fiscal year ending September 30, 1979.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 7073 TO EXTEND THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT, AS AMENDED

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 95–403), on the resolution (H. Res. 620) providing for the consideration of the bill (H.R. 7073) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, which was referrred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 7553, MAKING APPROPRIATIONS FOR PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH FOR FISCAL YEAR ENDING SEPTEMBER 30, 1978

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 95–404) on the resolution (H. Res. 621) waiving certain points of order against the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 6135 TO AMEND THE U.S. GRAIN STANDARDS ACT WITH RESPECT TO RECORDKEEPING REQUIREMENTS AND SUPERVISION FEES

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 95–405), on the resolution (H. Res. 622) providing for the consideration of the bill (H.R. 6135) to amend the U.S. Grain Standards Act with respect to recordkeeping requirements and supervision fees, and for other purposes, which was referred to the House Calendar and ordered to be printed.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1978

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 615 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 615

Resolved, That during the consideration of the bill (H.R. 7556) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI are hereby waived: beginning on page 2, line 2 through page 13, line 11; beginning on page 19, line 4 through page 20, line 7; beginning on page 23, line 6 through line 13; beginning on page 29, line 3 through line 21; beginning on page 31, line 10 through page 32, line 24; beginning on page 40, line 15 through page 41, line 9; beginning on page 43, line 1 through line 8; beginning on page 45, line 9 through line 18; beginning on page 46, line 6 through line 11; and beginning on page 48, line 15 through page 51, line 18.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Louisiana (Mr. LONG) for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 615 provides for consideration of H.R. 7556, making appropriations for the Departments of State, Justice, Commerce, the Judiciary, and related agencies for the fiscal year 1978.

Appropriations bills are privileged and ordinarily come to the floor for immediate consideration without a rule. In this case, however, the Appropriations Committee has sought a rule granting waivers of points of order which could be raised against the bill. H.R. 7556 contains numerous sections which are not in full compliance with clause 2 of rule XXI, which precludes appropriation of funds for expenditures not yet authorized by law. In all cases except one, the Rules Committee granted the waivers requested by the Appropriations Committee, in the interest of facilitating the appropriations process.

Deadlines imposed by the Congressional Budget Act require very close scheduling of appropriations measures. The authorizing bills for the appropriations in H.R. 7556 for which waivers have been granted have been in all cases reported by the House authorizing committees. Some of these authorization bills have been passed by the House and are awaiting action by the other body. Still

others are pending conference action. In the interest of orderly procedure, the Rules Committee has granted the requested waivers so that the timetable for appropriations set by the Congressional Budget Act can be met.

The rule does not grant the requested waiver of points of order which might be raised against the appropriations for the International Trade Commission—page 44, line 5 through line 21 of H.R. 7556. This waiver was opposed by the Ways and Means Committee. The Ways and Means Committee believes that a reorganization is needed at the ITC and that this necessary reorganization will only be effectuated if the authorization legislation precedes the appropriation of funds for the ITC. The Rules Committee was informed that authorizing legislation for the ITC was never enacted for fiscal year 1977. In deference to the objections of the authorizing committee, the Rules Committee did not grant the requested waiver for the ITC appropriations provided in H.R. 7556.

The waivers granted by House Resolution 615 apply to portions of H.R. 7556 relating to appropriations provided in title I, and parts of titles II, III, and V.

H.R. 6689, the Foreign Relations Authorization Act, passed by the House on May 4, is awaiting consideration by the other body. This bill contains authorizing legislation for the appropriations in title I—page 2, line 1 through page 13, line 11—which provides for the administration of foreign affairs.

In title II, waivers have been granted for appropriations for two programs in the Department of Justice: The Drug Enforcement Administration—page 19, line 4 through page 20, line 7—authorization for which is contained in H.R. 5742, which passed the House on May 17; and the Law Enforcement Assistance Administration—page 23, lines 6 through 13—authorization for which is a part of H.R. 6111, which passed the House on May 19, and was scheduled for consideration by the other body on June 6.

Title III has three Department of Commerce programs under the National Oceanic and Atmospheric Administration for which the rule grants waivers—page 29, line 3 through 21. The Marine Mammal Protection Act, H.R. 4740, was reported to the House on May 16. Authorization for ocean dumping research is included in H.R. 4297, which was also reported to the House on May 20. The sea grant program is authorized in H.R. 4301, passed by the House on May 16 and amended and passed by the other body on May 23.

Title III also includes appropriations for the Maritime Administration—page 31, line 10 through page 32, line 24—for which a waiver was granted. H.R. 4963, the authorization for the Maritime Administration, was reported to the House on May 16, and a similar measure passed the other body on May 24.

House Resolution 615 also grants a number of waivers for title V appropriations. The authorization for the Arms Control and Disarmament Agency appropriations—page 40, line 15 through line 21—is included in H.R. 6179, which passed the House on May 3. The Board for International Broadcasting appropriations—page 40, line 22 through page 41, line 4—and the U.S. Information Agency appropriations—page 48, line 15 through page 51, line 18—are authorized by H.R. 6689, which passed the House on May 4, as previously stated.

The Commission on Civil Rights appropriations—page 41, line 5 through line 9—are authorized by H.R. 5645, which passed the House on May 23. The Federal Trade Commission appropriations—page 43, line 1 through line 8—are contained in H.R. 3816 reported to the House on May 16. H.R. 6666, legislation authorizing the Legal Services Corporation appropriations—page 45, line 9 through line 13—is presently under consideration by the House.

The Marine Mammal Commission appropriations—page 45, line 14 through 18—are authorized by H.R. 4740, reported to the House on May 16. The Securities and Exchange Commission appropriations—page 46, line 6 through line 11—are authorized by H.R. 3722, which passed the House on May 17 and was amended and passed by the other body on May 25.

Mr. Speaker, I urge the passage of House Resolution 615 so that the House may take up H.R. 7556 without delay.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the statements just made by the gentleman from Louisiana concerning this bill.

I would like to say I was one of those who thought that the Rules Committee should have followed the request in its entirety which was made by the Appropriations Committee on these waivers. As the gentleman from Louisiana has pointed out, we did not grant a waiver on the appropriation for the International Trade Commission. We had a couple of witnesses before the committee who indicated they had not yet worked out legislation on the International Trade Commission with the Senate and more or less wanted to use this as a club over the Senate to get Senate action.

Mr. Speaker, I do not agree with that type of procedure. We are appropriating for many programs that have not been authorized in attempting to expedite the proceedings of the House and I do not think it is proper to pick out one particular agency and say, "Well, we are going to use this withholding as a lever against some legislation from the Senate." So I did not vote for the rule in its present form.

I might also mention, Mr. Speaker, that this fiscal year 1978 appropriation does show a net decrease in the amount appropriated for these various departments and agencies when compared with the fiscal year 1977 appropriation. However, before there is any dancing in the street, let me hasten to point out that is primarily because the $6 billion that was appropriated in fiscal year 1977 for local public works programs in the Economic Development Administration does not appear this year and that is the reason for the decrease.

Mr. Speaker, I have no requests for time and reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I have no further requests for time.

I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid upon the table.

Mr. SLACK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7556) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER pro tempore (Mr. PATTERSON) of California). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. SLACK).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7556, with Mr. FLOWERS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from West Virginia (Mr. SLACK) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia (Mr. SLACK).

Mr. SLACK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the total amount of new budget authority for fiscal year 1978 recommended in this bill is $7,617,619,500. Although the amount is a net increase of $185,406,000 over the budget estimates for 1978, it is a net decrease of $5,697,411,302 from the total appropriated to these departments and agencies for the current fiscal year. The net increase over the budget is due primarily to the addition of $341 million for the revolving funds of the Small Business Administration. There are offsetting decreases, the largest of which is the reduction of $104.5 million from the request for the Law Enforcement Assistance Administration.

The net decrease of $5.7 billion from the level of funds provided for the current fiscal year is due largely to the amount of nonrecurring funding of $6 billion in fiscal year 1977 for the local public works program. No funds are included in the pending bill for that program.

The following table summarizes by department and agency the recommendations of the committee and shows comparisons with the appropriations for 1977 and the budget estimates for 1978.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1977 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1978

Agency and item	New budget (obligational) authority, fiscal year 1977 [1]	Budget estimates of new (obligational) authority, fiscal year 1978	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1977	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1978
(1)	(2)	(3)	(4)	(5)	(6)
Department of State	$1,148,036,202	$1,247,135,000	$1,228,694,000	+$80,657,798	−$18,441,000
Department of Justice	2,338,544,000	2,354,552,000	2,248,721,000	−89,823,000	−105,831,000
Department of Commerce	7,891,909,000	1,888,535,000	1,864,915,000	−6,026,994,000	−23,620,000
The Judiciary	419,945,600	453,597,500	444,440,500	+24,494,900	−9,157,000
Related agencies:					
Arms Control and Disarmament Agency	12,200,000	13,255,000	13,255,000	+1,055,000	
Board for International Broadcasting	53,385,000	58,730,000	60,660,000	+7,275,000	+1,930,000
Commission on Civil Rights	10,078,000	10,540,000	10,540,000	+462,000	
Commission on Security and Cooperation in Europe		350,000	325,000	+325,000	−25,000
Equal Employment Opportunity Commission	70,513,000	77,177,000	76,800,000	+6,287,000	−377,000
Federal Communications Commission	56,911,000	59,826,000	61,300,000	+4,389,000	+1,474,000
Federal Maritime Commission	8,640,000	8,901,000	8,950,000	+310,000	+49,000
Federal Trade Commission	54,680,000	59,543,000	59,500,000	+4,820,000	−43,000
Foreign Claims Settlement Commission	742,000	929,000	920,000	+178,000	−9,000
International Trade Commission	11,840,000	12,187,000	11,500,000	−340,000	−687,000
Japan-U.S. Friendship Commission		2,000,000	2,000,000	+2,000,000	
Legal Services Corporation	125,000,000	217,053,000	217,000,000	+92,000,000	−53,000
Marine Mammal Commission	1,000,000	900,000	900,000	−100,000	
Office of the Special Representative for Trade Negotiations	2,581,000	2,680,000	2,680,000	+99,000	
Privacy Protection Study Commission	776,000			−776,000	
Renegotiation Board	6,002,000	6,285,000	6,000,000	−2,000	−285,000
Securities and Exchange Commission	56,270,000	58,290,000	58,000,000	+1,730,000	−290,000
Small Business Administration	782,070,000	623,150,000	964,150,000	+182,080,000	+341,000,000
U.S. Information Agency	263,908,000	276,598,000	276,369,000	+12,461,000	−229,000
Total	13,315,030,802	7,432,213,500	7,617,619,500	−5,697,411,302	+185,406,000

[1] Includes amounts in Supplemental Appropriations Act, 1977 (Public Law 95-26) and Economic Stimulus Appropriations Act (Public Law 95-29).

I should also point out that the total amount recommended is $71,522,500 less than the budget resolution targets allocated to the subcommittee.

TITLE I—DEPARTMENT OF STATE

The amount recommended for the Department of State for the fiscal year 1978 is $1,228,694,000. This is an increase of $80,657,798 over the appropriations for this year, but is a reduction of $18,441,000 from the budget estimates for fiscal year 1978.

Included in the "Salaries and expenses" appropriation are funds to establish passport agencies in Detroit, Mich., and Houston, Tex.

The recommendation for "Contributions to international organizations" includes $17 million for UNESCO. That amount conforms to the amount in the authorization measure for the Department of State, which passed the House on May 4.

Because the United States notified the International Labor Organization in November of 1975 of its intent to withdraw its membership, no funds were requested and no funds are recommended in this bill for payment to the ILO. Subsequent funding will depend on the final decision regarding continued membership in the organization.

Mr. Chairman, I would like to add at this point, if I may, that no funds have been provided in this bill, nor were funds intended to be appropriated for the current fiscal year, to pay for shampoos and hair sets for the ladies. If taxpayers' funds are used for this purpose, then in my judgment everyone is entitled to bill the State Department for his or her hairdressing. I am sure we would not like to see this happen, because we are all interested in helping the President balance the budget by 1981.

Now, let me proceed, if I may, with the appropriations recommended for the Department of Justice.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentleman from Ohio.

Mr. LATTA. Since the gentleman touched on this matter of hairdressing, he was probably alluding to a story that appeared on June 8 in the Washington Star, about the cost of hairdressers of past First Ladies when they go outside the country and when they are inside the country; and particularly, the cost of the Norwegian skier who is the present First Lady's hairdresser.

According to this story, this gentleman picks up between $300 and $400 a day at his Wisconsin Avenue shop. Let me read a part of the story. Perhaps the gentleman could then comment on its accuracy. It reads:

> Spokesmen say no one would be paying that kind of money for the style of services south of the border. The State Department admits it has already budgeted $1,000 to cover Eveind's daily expenses.

He has tremendous expenses if it takes $1,000 to cover his daily expenses. How much is he being paid for his services? Would the gentleman care to comment on the actual costs of these services to the taxpayers?

Mr. SLACK. Well, it is my understanding that the story in the press was a bit garbled, and I have not gotten the precise figure that the State Department has budgeted; that is, as to whether or not the $1,000 is a daily budget or a budget for the whole trip. But, we do intend to get the details in the very near future with respect to this matter.

Mr. LATTA. I commend the gentleman for his promise to do this, and I am sure that he will. I am sure the gentleman in the well feels the same as the gentleman now speaking wants to see the First Lady's hair well groomed.

Mr. SLACK. Without a doubt.

Mr. LATTA. Whether she is in the country or outside, and if she needs a hairdresser to accompany her on official functions outside the country, so be it. The question is, How much should the taxpayers have to pay for such services? If the exorbitant amount mentioned in this article is being paid, the taxpayers ought to know about it.

TITLE II—DEPARTMENT OF JUSTICE

Mr. SLACK. I thank the gentleman.

The total amount recommended for the Department of Justice for fiscal year 1978 is $2,248,721,000. This amount is $89,823,000 less than the total amount provided for the current fiscal year, and is $105,831,000 less than the total amount requested for the Department of Justice for fiscal year 1978.

There are several items in the Department of Justice I would like to call to the attention of the Committee. One of these is the Immigration and Naturalization Service, which appears on page 20 of the report. The amount recommended is $269.5 million, an increase of $13,188,000 over the budget request.

As the report indicates, the committee is concerned about the ability of INS to administer and enforce present immigration and naturalization laws. As a step toward improving their ability to cope with current work loads and to stem the flow of illegal aliens into the country, the committee recommends increases above the budget request totalling $13,188,000. This includes funds for 600 positions as well as funds for additional equipment.

The committee recommends $54.4 million for constructing and improving Federal prison facilities. Funds requested for planning and site acquisitions and design of the new adult facilities are not included in this recommendation.

The committee also recommends language in the report urging the Bureau of Prisons and the Department of Justice to review current programs and problems

of our penal system and to develop a comprehensive solution that will meet the needs of society. Language is also recommended urging the Bureau to utilize detention facilities in military installations to the maximum extent possible, and to review alternative means of incarceration, such as community-based facilities for nonviolent offenders.

The amount included in the bill for the Law Enforcement Assistant Administration is $600 million. Of that amount, $75 million is earmarked for the juvenile justice program, $40 million for the law enforcement education program, $15 million for the community anticrime program, and $15 million for public safety officers benefits.

TITLE III—DEPARTMENT OF COMMERCE

Mr. Chairman, the bill includes $1,864,915,000 for the Department of Commerce. This amount is $23,620,000 less than the budget estimates for fiscal year 1978, and $6,026,994,000 less than the appropriation for the current fiscal year.

For the Economic Development Administration, the Committee recommends a total of $386,725,000. This amount, which is an increase of $23,691,000 above the budget requests, will provide for a program level comparable to that of the current fiscal year.

The total amount provided for the National Oceanic and Atmospheric Administration is $755,800,000, a reduction of $44,707,000 from the budget estimates. The reduction is due primarily to the decrease of $28 million from the request of $143 million for the Coastal Energy Impact Fund.

The total amount recommended for the Maritime Administration is $558,325,000. This includes $135 million for ship construction subsidies and $352 million for operating differential subsidies.

TITLE IV—THE JUDICIARY

Funds provided in title IV of the bill are for the operation of our Federal courts. The total amount recommended in this title is $444,440,500. This figure is $9,157,000 less than the total amount requested.

TITLE V—RELATED AGENCIES

Title V of the bill includes funds for 18 related agencies. The total amount recommended for these agencies is $1,830,849,000, an increase of $342,455,000 over the total requested. Most of the increase is additional capital for the revolving funds of the Small Business Administration.

For expenses of the Board for International Broadcasting, including grants to Radio Free Europe and Radio Liberty, the committee recommends $60,660,000. This includes $2 million to be available for fluctuations in foreign currency exchange rates. Approximately 80 percent of the budget of the radios is expended in foreign currencies in Western Europe. This additional $2 million will provide contingent protection for the budget of the radios in the event that currency fluctuations erode the level of funding which has been approved by the Congress.

For the Legal Services Corporation, the bill includes $217 million, a reduction of only $53,000 from the budget requested by the Corporation.

The total of $964,150,000 provided for the Small Business Administration includes $750 million of capital for the Business Loan and Investment Fund. This will enable SBA to carry out a program level of $375 million in direct and immediate participation loans and $3,103,000,000 in guaranteed loans.

The amount of $120 million in additional capital for the disaster loan fund will enable the agency to carry out loan programs of $180 million for nonphysical disaster loans and $70 million for physical disaster loans.

In closing, I should like to express my sincere appreciation to the members of the subcommittee on both sides of the aisle, as well as our very able staff, Dempsey Mizelle, John Osthaus, and Annie Brown, for the work they have done.

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may require, and I will require very little time.

Mr. Chairman, I realize there are a large number of amendments to this legislation, and the gentleman from West Virginia (Mr. SLACK), the chairman of the committee, has adequately explained the details. For those Members who wish further information, I think the report is quite complete.

I would only make this one observation: I do not want the Members to get the idea that somehow, because this bill is $5.6 billion less than last year, that that is really the fact as far as spending for the fiscal year is concerned.

What has happened is that we have advance-funded about $6 billion-plus in the public works area, and the majority of those funds will be spent in fiscal year 1978. I think the Members are probably aware of that already. The facts are that the bill in total is some several millions of dollars above the President's budget, the majority of this money going into the Small Business Administration, I think probably with some justification.

Mr. Chairman, that is the extent of the remarks I am going to make on the bill. I have a couple of Members who would like to speak on our side, but perhaps the chairman of the subcommittee, the gentleman from West Virginia (Mr. SLACK), would first like to use some time on his side.

Mr. SLACK. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Pennsylvania (Mr. EILBERG).

Mr. EILBERG. Mr. Chairman, I rise briefly to commend the distinguished gentleman from West Virginia (Mr. SLACK) for his outstanding work in bringing this legislation to the floor today.

I know that he and the members of the Subcommittee on State, Justice, Commerce, and the Judiciary Appropriations worked diligently—for many, many hours—in producing this legislation.

On April 5, I was graciously accorded the opportunity to appear before the gentlemen's subcommittee to express my longstanding concern as chairman of the Subcommittee on Immigration, Citizenship, and International Law over the inability of the Immigration and Naturalization Service to administer and enforce the provisions of the Immigration and Nationality Act.

As I testified before the subcommittee, this situation is directly attributable to a lack of manpower and financial resources—a problem which has plagued INS for many years.

I wish to personally and publicly express my gratitude to the chairman and members of the subcommittee for their understanding and sympathetic recognition of the personnel and funding problems confronting INS and for providing additional positions and funds which I trust will greatly enhance its capability to discharge its legislative mandate.

I am hopeful that this manpower increase will be properly utilized in an effort to control the entry of illegal aliens and to accord individuals, in a prompt manner, those benefits to which they are entitled under our immigration laws.

I can assure the gentlemen that my subcommittee will closely scrutinize the impact of these added positions on INS's prevention efforts and adjudications backlogs.

Mr. Chairman, I wish now to address a brief question to the distinguished chairman of the subcommittee, the gentleman from West Virginia (Mr. SLACK).

It is my understanding that INS may continue to experience manpower problems despite the enactment of this legislation as a result of an administration "freeze" on new positions for that agency, and for that matter, all agencies in the Federal Government. Can the gentleman elaborate on that particular subject?

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I will be happy to yield to the subcommittee chairman.

Mr. SLACK. The gentleman is correct. OMB has issued a directive limiting the personnel of all agencies of the Federal Government. My understanding is that, as a result of this freeze, INS has only been able to fill some 200 positions of the 619 additional positions which the Committee on Appropriations and the Congress authorized for fiscal year 1977.

Because of this problem, the committee report accompanying this legislation states—and I would like to quote from that report, if I may—as follows:

> The Committee expects any employment ceilings established by the Office of Management and Budget or the Department of Justice to take into consideration the additional positions recommended by the Committee, and thus enable INS to employ the full number of positions authorized.

Mr. EILBERG. I appreciate the gentleman's remarks, and I wish to commend him for including that language in the committee report. I certainly share the committee's concern and hope that the Carter administration, particularly the Justice Department and OMB, will see the wisdom of exempting INS from the OMB directive which freezes INS positions to their authorized force as of February 28, 1977. If a waiver from this freeze is not forthcoming in the immediate future, I intend to take this matter up with Mr. Bell and with other officials of the Carter administration in an effort to see that the positions which Congress

has authorized and appropriated are filled so that the Immigration and Nationality Act can be properly and effectively administered.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from California.

Mr. SISK. Mr. Chairman, I wish to join with my colleague, the gentleman from Pennsylvania (Mr. EILBERG), in commending the gentleman from West Virginia (Mr. SLACK) and his subcommittee for heeding a rather desperate situation so far as the personnel of the Immigration and Naturalization Service are concerned. These efforts are made to take care of a rather desperate need for additional personnel.

I want to join my colleague, the gentleman from Pennsylvania (Mr. EILBERG), and my colleague, the gentleman from West Virginia (Mr. SLACK), in urging that some kind of pressure be kept on OMB, and that hopefully they will be brought to understand the urgent need for this action.

I would just like to comment on this matter very quickly and say this to my friend, the gentleman from Pennsylvania: I, for example, have recently had the case of a citizen who has asked for processing and has asked for sponsorship of her husband, who, by the way, is technically in this country illegally, although the INS has given him a work permit.

Mr. Chairman, I now find that because of the lack of personnel, they indicate that the investigation required may take as much as 3 or 4 years. I just think that this presents an example of a deplorable situation.

Of course, I will join with my colleagues in urging that this matter be unfrozen and that they be able to fill these slots in order to go ahead and do the kind of job we really need for enforcement and for stopping the inflow of illegals, but also to take care of the administrative duties and functions of that agency.

Mr. Chairman, I appreciate my colleague's yielding to me.

Mr. EILBERG. Mr. Chairman, I very much thank the gentleman from California (Mr. SISK) for his contribution.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BURGENER).

Mr. BURGENER. Mr. Chairman, I thank the gentleman for yielding.

I take this time, briefly, for two purposes.

No. 1, I want to associate myself with the remarks of the gentleman from Pennsylvania (Mr. EILBERG) and also with those of the gentleman from California (Mr. SISK); and I want to commend the gentleman from West Virginia (Mr. SLACK) and his committee for what they have done to improve the INS.

The district I am privileged to represent has some 200 miles of the Mexican border, and the problems, as we all know, are immense. I really appreciate the fact that the committee has addressed itself to this problem, and I am particularly appreciative of the support of the gentleman from Pennsylvania (Mr. EILBERG).

Mr. Chairman, the second reason I take this time is to point out that I will be offering an amendment to the State Department section of the bill relating to and opposing the administration's proposal that American diplomats be stationed in Cuba at the Swiss Embassy.

I want to apologize to the chairman for not bringing this up in our Committee on Appropriations earlier. I have discussed it with him privately. I was not aware of the problem at that time, so at the appropriate time during the amendment process, I will be offering that amendment.

Mr. Chairman, I thank the gentleman from Michigan (Mr. CEDERBERG) very much for yielding me this time.

Mr. SLACK. Mr. Chairman, I yield 2 minutes to the able gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, on behalf of the chairman of the Committee on the Budget, the gentleman from Connecticut (Mr. GIAIMO), I simply want to state that the State, Justice, Commerce, and Judiciary appropriations bill for 1978, as reported from the Committee on Appropriations, is consistent with the first budget resolution and with the scorekeeping allocation made to the subcommittee by the full Committee on Appropriations.

The bill would appropriate $7,618 million for the various departments and agencies during fiscal year 1978, well within the amount of budget authority allocated to the subcommittee and creates no problems with the various budget functions.

The Committee on Appropriations has reviewed each of the specific items of appropriations covered in this bill with their usual meticulous care. In some instances, the bill before us recommends increases in certain activities—for example, in funds for the Legal Services Corporation or for the Small Business Administration—consistent with the general view of Congress toward these programs. In many other instances, the committee has recommended appropriations which are less than the requests of the administration, of the authorizing committees, and of the assumptions underlying the budget resolution.

In total, however, the bill before us—albeit recommending shifts of priorities within the overall functional totals and aggregates in the budget resolution—is without objection insofar as it relates to the overall fiscal policy and relative priorities established in the budget resolution and is, as reported by the committee, within the scorekeeping constraints established pursuant to section 302 of the Budget Act.

Mr. CEDERBERG. Mr. Chairman, I yield 6 minutes to the gentleman from California (Mr. MCCLOSKEY).

Mr. MCCLOSKEY. Mr. Chairman, on page 46 of this bill, $6 million is appropriated for operations of the Renegotiation Board, an agency whose statutory authorization terminated last September 30. A bill to extend the Board, H.R. 5959, is presently pending in the Committee on Rules. I am concerned that our vote today not be construed in any way as an implied consent to either the continuation of the Board's existence or to the proposed expansion of the Board's authority and operations as proposed in H.R. 5959.

Many of us feel that the Renegotiation Board's operations should be terminated until such future time that the President declares the type of national emergency which justified the establishment of the Board in 1942, and its reestablishment in 1951.

Further, Mr. Chairman, if there were ever a time to abolish part of the bureaucracy that time is now and in this instance.

Before voting for this appropriation a number of the Members would like to have a question answered by the chairman of the subcommittee of the Committee on Appropriations, the gentleman from West Virginia (Mr. SLACK) and I would be glad to yield to my colleague, the gentleman from California (Mr. HANNAFORD) to present and frame that question.

Mr. HANNAFORD. Mr. Chairman, will the gentleman yield?

Mr. MCCLOSKEY. I yield to my colleague, the gentleman from California (Mr. HANNAFORD).

Mr. HANNAFORD. Mr. Chairman, I thank my friend the gentleman from California for yielding to me and for pointing out this very important fact regarding the sort of legal half life in which this Renegotiation Board now operates.

The report does state that this $6 million appropriation is to be used only for receipts and accruals of the Board prior to the time that the Board's authority ended, September 30, 1976.

I would like to ask the gentleman from West Virginia (Mr. SLACK) this question:

Is it the purpose of the committee in providing for this appropriation, which represents a reduction from both the current appropriation and the budget request for fiscal year 1978 of the Renegotiation Board, that the funds be used for the sole purpose of processing the backlog of work on receipts and accruals made prior to September of 1976, and that further expenditures for anything subsequent to that time received by the Board would not be authorized?

Would the gentleman from West Virginia respond to that question, please?

Mr. SLACK. Mr. Chairman, if the gentleman from California will yield, the gentleman from California (Mr. HANNAFORD) is correct. I have a statement regarding the Renegotiation Board which I would like to present at this time. I believe that statement will answer adequately the question raised by the gentleman.

Mr. HANNAFORD. I thank the gentleman.

Mr. SLACK. Will the gentleman from California yield for that purpose?

Mr. MCCLOSKEY. I yield to the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, under the Renegotiation Act of 1951, as amended, receipts and accruals under contracts with certain departments and related subcontracts are subject to renegotiation until September 30, 1976. Consequently, all filings presently processed by the Renegotiation Board, reflecting,

as they do, receipts and accruals prior to the present termination date, remain subject to the Renegotiation Act, even if the termination date is not further extended, and thus must be processed in accordance with the law.

The amount included in the pending bill is to enable the Board to process such filings.

As of April 30, 1977, the last date for which complete data are available, there were more than 6,000 filings pending before the Board involving renegotiable sales totaling $152 billion.

In addition to the Board estimates that, in the absence of any further extension of the termination date, the Board would receive approximately 1,500 more filings in fiscal 1977 and an additional 1,700 filings in fiscal year 1978 and later fiscal years. All of these, of course, would still be subject to the provisions of the Renegotiation Act and would have to be processed according to the terms of the act.

All of these filings have to be processed and the appropriation of $6 million recommended by the committee is to enable the Renegotiation Board to accomplish just that.

Mr. HANNAFORD. Mr. Chairman, I thank the gentleman from West Virginia for that precise response.

I thank the gentleman for yielding.

Mr. BARNARD. Mr. Chairman, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from Georgia.

Mr. BARNARD. Mr. Chairman, I want to thank the gentleman from California for asking the question, and to say that it is important that this matter is now clarified. I think it is very important in the appropriation process that the expending of public moneys, such as this, is well known, and that we understand where the money is going and for what purpose. In this instance we know that the appropriation for the Renegotiation Board in this bill is only going to go to clear up those cases which were filed before September 30, of 1976, at which time the Renegotiation Board expired. It does not presume at all that this Renegotiation Board will continue to be in existence. Of course, it is understood that in the event legislation is passed which does renew the Renegotiation Board, it would require new authority and new supplemental appropriations to fund it in its future activities.

Mr. McCLOSKEY. I thank the gentleman for that comment.

I would like to add only this remark, that the problem with the current state of the law is that American businessmen are currently spending over $200 million a year to comply with the Renegotiation Act. Because of an uncertainty as to whether the Board's authority will be continued, this $200 million expenditure per year is going forward, and I think it makes it incumbent upon us in the Congress to speedily resolve the question as to whether we abolish the Board or whether we continue and expand its powers. I hope we will bring this issue to a vote fairly shortly, because while we are saving the Government expenditures for these future filings or present filings, we are not saving the expenditures by American business to comply with an act which may very well be ended. Yet they dare not stop complying with it for the concern that the act may be extended.

Mr. SLACK. Mr. Chairman, I have no further requests for time.

Mr. CEDERBERG. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I want to associate myself with the remarks of the gentleman from California (Mr. BURGENER) and to commend him for his support of the appropriations for the Immigration and Naturalization Service.

Illegal immigration to the United States is hopelessly out of control. The U.S. immigration system has been to my way of thinking undermanned too long. At present, the INS Border Patrol force is around 1,600 and is much below strength, especially when you consider it must patrol the 2,000-mile Mexican border. This appropriation provides funds for 600 additional positions for a period of 6 months; plus, additional equipment is authorized to assist the patrolmen to monitor U.S. borders.

This appropriation is a start in attempting to slow the "silent invasion." In 1975, the Immigration and Naturalization Service arrested 900,000 illegal aliens, and according to former Commissioner Chapman, "We are only skimming the surface."

Mr. Chairman, I reiterate my approval of this appropriation as a start toward building a Border Patrol capable of dealing with the enormous problem of reducing the flood of illegal aliens coming to this country. We must do more and I take this opportunity to urge the House Judiciary Committee to report out a bill, similar to mine, H.R. 2753, to impose criminal penalties on employers who knowingly hire illegal aliens.

Mr. CEDERBERG. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. SAWYER).

Mr. SAWYER. I thank the gentleman for yielding.

Mr. Chairman, I just want to associate myself with the remarks of the gentleman from Pennsylvania (Mr. EILBERG) chairman of the Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary on which I sit. While I am in general totally in agreement with the attempted freeze on employment in the agencies of the Federal Government I would join with him in urging that we make an exception of this department since it is seriously understaffed and a serious problem is arising constantly from the influx of illegal aliens.

Mr. CORRADA. Mr. Chairman, the House has under its consideration H.R. 7556, the State, Justice, Commerce and judiciary appropriations bill for fiscal 1978. The proposed legislation includes recommendations for the Law Enforcement Assistance Administration in the amount of $600 million, which is $153 million less than the amount appropriated in fiscal year 1977. The recommended amount is even less than the President's proposal which only requested a reduction in funds for LEAA, in the amount of $50 million. The reduction in funds for LEAA, as recommended, represents a cut of approximately 20 percent from its 1977 budget which in turn will be translated into a 26-percent cut in the block grant funds to the States.

This will be the third continuous year for reduction in funds for LEAA. It is a trend that is placing in jeopardy the existence of various State programs which are instrumental in fighting crime, and it should be stopped for the benefit of our society.

I am in support of the amendment proposed by my colleague ELIZABETH HOLTZMAN to bring LEAA's funding to the $704.5 million level requested by the President.

I consider appropriate at this time to include as part of my remarks the executive summary prepared by LEAA on their profile for Puerto Rico:

Block and planning funds awarded to the Commonwealth have been responsible for improving the managerial and administrative capability of the Commonwealth's criminal justice system. Part B funds have been effectively utilized in introducing advanced planning capabilities into the criminal justice system.

LEAA has made strides in promoting a coordinated criminal justice system approach toward crime reduction and juvenile justice delinquency prevention. LEAA's accomplishments in these respects are attributed to the State planning agency's outstanding administrative ability and its promotion of justice-related training programs.

LEAA's block grant program has been responsible for introducing advanced techniques in the areas of corrections, court administration, and crime prevention in Puerto Rico. Specifically, LEAA part E block grant funds are credited with promoting the humane treatment of prisoners by introducing bail, diversions, and vocational programs within the Commonwealth's correctional facilities. Part C funds have supported training programs which have promoted more effective managerial concepts for the Commonwealth's judiciary.

In law enforcement, LEAA has made significant accomplishments in developing and implementing recruit and inservice police training programs by refining Puerto Rico's training curriculum. Law enforcement education programs in Puerto Rico have made possible the upgrading of professionalism among criminal justice personnel by providing higher educational opportunities.

Legal research supported with block funds has provided the Commonwealth with a basis for further defining public policy with respect to crime prevention and criminal justice administration.

Puerto Rico is participating in the juvenile justice and delinquency prevention—JJDP—program emphasizing the deinstitutionalization of status offenders and the separation of juveniles from adult offenders. Large amounts of fiscal year 1977 block and discretionary fundings were channeled into juvenile delinquency related programs. A JJDP advisory committee has also been established.

In brief, as is evident throughout this profile, LEAA funds have been instrumental in upgrading the Commonwealth's criminal justice system by improving its planning and managerial capabilities.

I agree with their assessment and I hope that this Federal program be al-

lowed to continue without further reduction in funds.

Mr. RANGEL. Mr. Chairman, I will support the amendment when it is offered by the gentlelady from New York.

At the outset I would like to state that my support of this amendment should not be construed as support of the past record of LEAA. It is a moot question that there are certain very serious problems with the past administration of LEAA. However, the concept of the program provides the only viable form of financial assistance needed in our law enforcement efforts throughout this country. While assisting the actual law enforcement agencies this program has also assisted community based and operated programs dealing with street crime, crimes on the elderly, and juvenile delinquency. Many of these programs have resulted in phenomenal successes.

My colleague from New York has cited the effect the proposed 30-percent cut could have on a State and local level. On the local level it could be as much as 50 percent. These cuts could affect programs already in effect such as the narcotics court program in New York City. If programs such as this were to lose their funding the effect on the people of our communities would be felt immediately.

As a result of the Crime Control Act of 1976, LEAA is presenlty improving its ability to obtain reliable information from the States as to the effectiveness of many of the programs it funds. LEAA will be able to focus its attention on speedy trials, juvenile delinquency, crimes against the elderly, and drug addiction.

Street crime, which affects everyone in the country, must be curbed. One major vehicle for combating this is LEAA. Its juvenile diversion program, which provides for rehabilitation and training of juvenile delinquents in an effort to divert them from pursuing criminal careers, has resulted in a decrease of juvenile recidivism by 60 percent.

During the past month I have been contacted by many members of the criminal justice field and by the people of my district who are supporting the restoration of these cuts to this vital program.

I therefore urge my colleagues to vote in favor of this amendment so that we can continue to help the people on a local level to combat crime in every way possible.

Mr. FISHER. Mr. Chairman, as you know, for the past year or so now I have been working to find ways of helping the Personal Radio Division of the Federal Communications Commission obtain additional funds for their citizen's band radio program. I testified before the Subcommittee on State, Justice, Commerce, and Judiciary in April of this year to urge the Appropriations Committee to include sorely needed additional funds for the CB program. Needless to say, I was quite pleased to learn that the full Appropriations Committee decided to include in H.R. 7556 approximately $1.4 million above the fiscal year 1978 budget request for the CB and common carrier activities of the FCC. My only concern is that the Personal Radio Division receives the money and staff it needs to enforce and regulate the CB radio program.

As you may recall, last year the House/Senate conference committee approved $3.2 million over the fiscal year 1977 budget request. When it came time for the FCC to allocate the money, they only earmarked $1.2 million for the CB program claiming that the conference committee did not provide any additional guidance on the allocation of the additional funds. I think the needs of the Personal Radio Division have been demonstrated in the CB area and I strongly urge the Commission to earmark a sufficient portion of the amount it ultimately receives for the Personal Radio Division to insure that the CB program is adequately funded.

Mr. CLEVELAND. Mr. Chairman, I intend to cast a negative vote when an amendment is offered to H.R. 7556 to increase the appropriations for the Law Enforcement Assistance Administration—LEAA—by $104.5 million. My reasons for doing so are not meant to reflect my general feelings about the merits of LEAA and its crime prevention programs. Rather, my vote will be a protest one, to indicate my extreme displeasure at the recent refusal of LEAA to approve a reallocation request submitted by the State of New Hampshire in order to defray the expenses involved in the detention and court processing of 1,414 demonstrators who broke State law at the site of a nuclear powerplant.

Over the weekend of April 30–May 1, some 2,000 demonstrators gathered at the site of the proposed Seabrook nuclear powerplant in Seabrook, N.H., for a protest occupation that had been planned weeks previously. When ordered on May 1 to leave the site by the State police commander, most of them refused, thereby violating the State's criminal trespass statute; 1,414 were arrested by New Hampshire State Police, and because local jail facilities were obviously too small to hold that many, they were housed in State armories around the State, with the National Guard called into State duty to supervise the armories.

It took upward of 2 weeks for all of the offenders to be processed in the courts, and during that time very large expenses were incurred by the State for food, housing, and transportation for those arrested, and overtime pay for the officers assigned to the armories.

The State of New Hampshire subsequently applied to LEAA for permission to reallocate certain of its fiscal 1975 funds in order to pay for this unexpected cost of law enforcement. The State requested approval to redesignate roughly $150,000 to a new program category to pay the costs of the detention and court arraignment of the demonstrators, but incredibly, the regional office of LEAA turned down the request. New Hampshire has appealed to Attorney General Griffin Bell to overturn the regional office's arbitrary decision, and I have written the Attorney General myself in strong support of that appeal.

Mr. Chairman, while the request from the State of New Hampshire does not fit neatly into any of the specified categories for LEAA grants, it is my very firm conviction that the actions taken by State officials should qualify their request as being in accordance with the policies of "strengthening law enforcement" and providing "public protection," as set forth in the provisions of the Safe Streets Act. I recognize, of course, that these criteria are discretionary, but the simple facts of the case are that 1,414 individuals collectively refused to obey the laws of the State of New Hampshire, and State authorities took the necessary measures to enforce those laws and uphold our judicial system. Those are the very goals that LEAA was establishing to further.

The major objection of the regional office of LEAA to New Hampshire's request is that it is being made for an "after the fact" event, and does not involve an "innovative program" of law enforcement. Let me point out, however, that LEAA has on previous occasions funded programs similar to the New Hampshire request, programs that in my opinion had even less merit. Last year, when the Grand Teton Dam in Idaho burst, LEAA furnished more than $100,000 for overtime and temporary police to prevent looting and control traffic in the area of the dam. Obviously this disaster was not provided for in the State's comprehensive plan, any more than the Seabrook occupation was provided for in New Hampshire's plan, yet LEAA saw fit to approve funding for policemen to prevent possible, I emphasize possible, crime. In New Hampshire, on the other hand, actual crimes were committed by an organized group of over 1,000 people, but LEAA does not consider the enforcement of those laws worthy of LEAA assistance. I submit, Mr. Chairman, that if LEAA finds it a proper use of Federal funds to pay for security at a site of a burst dam to prevent possible future crimes, then there is no reason whatsoever not to consider equally valid a request to defray the expenses involved in carrying out the law in the face of massive and deliberate violations.

LEAA's denial of the New Hampshire request for assistance smacks of a personal and arbitrary prejudice on the part of the regional administrator, and I am hopeful that the Attorney General will overturn that decision. In the meantime, however, I cannot in good conscience support the amendment to increase LEAA's appropriation.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time, and I yield back the remainder of my time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk proceeded to read title I.

Mr. SLACK (during the reading). Mr. Chairman, I ask unanimous consent that the bill be read by title.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. SLACK. Mr. Chairman, I ask unanimous consent that title I be con-

sidered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. Are there any points of order against title I? If not, are there any amendments to title I?

AMENDMENT OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. SNYDER: On page 14, after line 5, add the following new section:

"SEC. 105. None of the funds appropriated herein may be used to implement any new treaty with the Republic of Panama which surrenders or relinquishes United States sovereignty over and control of the Canal Zone and Panama Canal."

Mr. SNYDER. Mr. Chairman, today, in an entirely new atmosphere, I am again offering an amendment regarding the Panama Canal.

Today, the chips are down.

There is no ducking the issue any more.

A new treaty with Panama is upon us.

That treaty aims to surrender the Canal Zone and Panama Canal to Panama, a small, weak country that is incapable of defending our strategic interoceanic link.

In the past my amendments prohibiting funds appropriated under bills such as this one from being used for negotiating the surrender or relinquishment of our Isthmian territory and waterway have been approved only to have weaker language substituted for them.

In fact, section 104 before us is there only because of my efforts to prevent the State Department's planned giveaway of our vital and strategic commercial and military assets on the Isthmus of Panama.

But all of us recognize that the language in section 104 ducks the issue. We know it provided a way out for many here who did not want to oppose the administration, or did not want to tie the Chief Executive's hand in his constitutional treatymaking power, or for other reasons.

You could be for or against the new treaty and still vote for this language without revealing your real position, if you had one. The State Department, of course, claimed it is in our vital interest to surrender the canal.

Mr. Chairman, the time for equivocation has passed.

The news media in recent days has been full of reports of a new treaty that seems all but finalized. The words have not been set down on paper, but it is clear now that the Carter administration, without regard for the President's campaign promises not to yield "practical control" of the Panama Canal, is hellbent to turn over the Canal Zone within 3 years of the treaty's ratification, and the waterway by December 31, 1999.

Many of my colleagues in this body privately assured me of their firm opposition to such a surrender although they felt obliged to oppose my past amendments to previous State Department authorization or appropriation bills.

Some of them even said so in the debates in this Chamber.

Let me recall what some of them said when section 104 was adopted on October 7, 1975. For example, three members of the conference committee at that time, Mr. MAHON, Mr. SLACK, and Mr. CEDERBERG, all of whom opposed my amendment but voted for the substitute that is now section 104, made very clear their interpretation of the words, "vital interests."

I engaged in a colloquy with those gentlemen to set the record straight, asking them what they understood "vital interests" to mean. From what they said, I find it hard to believe they support the proposed surrender of the zone and canal.

Mr. MAHON stated:

I am unalterably opposed to giving away the vital interests of the United States in the Panama Canal.

When I say, "the vital interests," I mean the possession and the present privileges and the property and ownership which we enjoy there.

I believe that probably 90 percent of the Members of this House agree that we are opposed to giving away the Panama Canal, as we call it. We are in favor of maintaining our rights and our prerogatives and the integrity of the United States in the Panama Canal and in the Panama Canal Zone.

I cannot help it if the State Department has a contorted meaning of the term, "vital interests." I repudiate such an interpretation.

"Vital interests," insofar as this conference report is concerned, means to me the property, the title, the possession, and the rights of the United States in the Panama Canal Zone. We cannot be responsible for the kind of treaty that State Department employees or others may propose. That is the constitutional prerogative of the executive, and it is up to the Congress to approve or disapprove. But I think it ought to be clear to the whole world that the overwhelming majority of the Members of this House are against giving up the Panama Canal Zone.

Mr. SLACK said:

Let me say that I do not believe it is in the vital interests of the United States to give up the Panama Canal or the Panama Canal Zone.

Mr. CEDERBERG declared:

Madam Speaker, I said it the first time, I said it the second time, and I said it when I was down in the well the last time, and I will repeat it: As far as I am concerned, I do not want to give away the Panama Canal.

Mr. Chairman, notwithstanding their protestations to the contrary, this weak language—now section 104—has made the giveway possible.

Mr. Chairman, today, as I have said, the chips are down—right now.

This appropriation bill does not take effect until the outset of the next fiscal year, on October 1.

By that time the administration has indicated the treaty may be before the Senate for advice and consent to ratification.

By that time the treaty may even be the law of the land. It would then be an enormous undertaking for this House to refuse to implement that treaty, although I would take the lead in urging just such action.

Mr. Chairman, I am today offering an amendment that no funds appropriated under this bill shall be used to implement a giveaway treaty. I know they can get the money somewhere else—but we can go on record today that any negotiations that result in a treaty reaching the result that Messrs. MAHON, SLACK, and CEDERBERG oppose, should not be implemented.

On this amendment opposing treaty implementation the Members of the House of Representatives shall be counted by their constituents back home.

Those of you who have voted against my amendments in the past while claiming opposition to any giveaway of the Canal Zone and Panama Canal, can now make good that claim.

This is your hour of redemption.

By your votes this House has not tied the hands of the President. Now is the time to let him know he will not tie yours by a fait accompli.

We represent the American people far more directly and intimately than does the President.

We know how the American people feel on this issue. We have seen the national polls. We know how the folks in our districts feel on this issue. Many of you have yourselves polled the people at home on it. In my own poll this year, Kentucky's Fourth District opposes the Panama Canal giveaway by 92.83 percent.

No matter what rationale this and previous administrations have given us for surrendering the Panama Canal to Panama, the sovereign American people who underwrite the bills Congress runs up, have declared over and over, "No."

Some of you like my friend, the gentleman from Illinois (Mr. METCALFE), the distinguished chairman of the Panama Canal Subcommittee of the Committee on Merchant Marine and Fisheries, have indicated that this body will have its opportunity to vote on the issue of surrendering the Panama Canal when it comes to considering implementing legislation.

I believe that this body has the constitutional responsibility under article IV, section 3, paragraph 2, to vote on the disposal of U.S. territory and property.

But the State Department maintains that the Chief Executive has this prerogative under the treaty making power, regardless of article IV, section 3, paragraph 2.

Many of you know that I have been a party in a lawsuit that would have had the courts resolve this issue, but the Supreme Court refused certiorari after the appeals court in the District of Columbia ruled that the question was not yet timely.

What I am saying is that despite the convictions of what I believe constitutes the vast majority of this body, the House may somehow find its constitutional authority undermined in this matter.

Briefly, the time is now.

I urge the adoption of this amendment.

This amendment provides you the opportunity to send the message of the people back home:

No surrender of the Panama Canal or the Canal Zone.

Mr. SLACK. Mr. Chairman, I rise in opposition to the amendment.

First, let me say that the distinguished gentleman from Kentucky handed me four amendments dealing with this subject just before the pending amendment was offered. We really have not had an opportunity to study them.

Let me say further, Mr. Chairman, we have been up and down this road at least four times with respect to this matter.

In my judgment, no one is going to give away the Panama Canal. That is an oversimplified statement. No one is going to give away the Panama Canal.

We have language in the bill, which I want to read, section 104, page 14, which says:

SEC. 104. It is the sense of the Congress that any new Panama Canal treaty or agreement must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property and defense of the Panama Canal.

Let me say further, Mr. Chairman, that I do not want to give the Panama Canal away either, but I am satisfied with the language contained in section 104 on page 14, and I am willing to live with it.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague yielding.

I, too, have read the amendment and since the gentleman from Kentucky (Mr. SNYDER) has made the point that it could well be that sometime in 1978 a potential treaty could be before the Senate. I do not understand, on the basis of what my good colleague has said, how this added language would do any great damage to the ability of the President to carry on his discussions.

Mr. SLACK. Mr. Chairman, in the first place, if we deal with property, this is a matter not only for the Senate, but for the House to decide, and there will be an opportunity at a later time to have a vote on such proposals.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, is it not true this language is clearly different than the language the gentleman from Kentucky has offered in the past. It does not have a total prohibition against the President to use any of his available contingency fund. It merely says "that none of the funds appropriated herein may be used to implement any new treaty."

I am sure that the gentleman would agree with me that this is a declaration on the part of Congress that we do not intend for any of the funds under this bill to be used to implement a treaty. Now, how is that damaging?

Mr. SLACK. I can only say that as far as I am concerned, section 104 does the job. I do not see why we have to go over this thing time and time again. The matter has been publicized all over the country by the press.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, I am sure my colleague is not suggesting this amendment is offered just for publicity. Additionally I do not think that the language or section 104 of this bill does enough to express the will of the House on this issue. The gentleman from Kentucky (Mr. SNYDER) is merely trying to express more definitely the strong feelings of a majority of the United States.

Mr. SLACK. I did not say that the amendment was offered just for publicity. I said there has been publicity all over the country from time to time on this subject.

Mr. ROUSSELOT. Then really, the gentleman does not think this language does any damage to the bill?

Mr. SLACK. Neither do I think it accomplishes anything.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is a very interesting and strange phenomenon. In the first place, we hear around here a great deal of discussion about how we should not legislate on an appropriation bill, and that is exactly what we are doing. It is a matter that should be presented to the Foreign Operations Committee, or International Affairs, I guess it is called now, of the House.

Mr. Chairman, let me read the important part of the amendment. It says:

None of the funds appropriated herein may be used to implement any new treaty with the Republic of Panama.

In the first place, I do not think there are any funds in the bill to implement such a treaty.

Second, we cannot have a treaty unless two-thirds of the Members of the U.S. Senate approve the treaty.

Now, are we going to say that if two-thirds, which may never happen, of the Members of the U.S. Senate approve a treaty, that we will not implement that treaty? Is that what the gentleman is trying to say, that if two-thirds of the Members of the U.S. Senate approve a treaty, the gentleman is saying that we should not implement the treaty?

Mr. SNYDER. Mr. Chairman, if the gentleman will yield, I would say it would be extremely difficult in this House for us not to vote to implement a treaty; but as I indicated, I would be one of those leaders to try not to implement it.

Mr. CEDERBERG. Well, the gentleman may do that. It is a ridiculous precedent to say that if the Senate of the United States approves a treaty, that we will not implement it.

Mr. SNYDER. That is correct. I am elected and the gentleman from Michigan is elected, just like the rest of us are elected.

Mr. Chairman, 92.83 percent of my constituents do not want to implement such a treaty to give away the canal, and I am here to stop it.

Mr. CEDERBERG. I think the gentleman's constituents are and probably mine are.

As an individual, I probably may not be for the treaty.

Mr. SNYDER. The gentleman should vote for it if his constitutents feel that way.

Mr. CEDERBERG. I do not have a chance to vote for it. If the Senate of the United States approves a treaty by a two-thirds vote of the Senate, the Senators elected by the people of the United States, then we are going to say that we are not going to implement the treaty? I think the amendment is ridiculous on its face.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Maryland.

Mr. BAUMAN. I think the gentleman raises one aspect of this question that has not been raised in the debate today; that is, many people take the legal position that they are opposed to relinquishing any degree of control over the Panama Canal to Panama, because it is under U.S. sovereignty. It would really not become a treaty in this instance unless by action of both Houses, we were to change many of the Federal statutes now on the books that govern the Panama Canal; that is why I am supporting the Snyder amendment.

Mr. CEDERBERG. We can discuss that when those requirements come, but all this amendment says is that if two-thirds of the Senators vote for a treaty, we do not implement the treaty. That is what it says.

Mr. BAUMAN. I have read the language and I am not as disturbed as the gentleman from Michigan because I think, at the very least, it is a statement of position on the part of the House of Representatives, which should have a right to make its decision. It should not be allocated alone to the Senate because we do not view the Panama Canal as being a foreign country.

Mr. CEDERBERG. That is a matter that can properly be handled by the International Relations Committee when the time comes.

Mr. BAUMAN. Can the gentleman trust that august committee of this House to protect this amendment?

Mr. CEDERBERG. I cannot vote for an amendment that says that when two-thirds of the U.S. Senate approves a treaty, we will not implement it. That is all it says. That is all this amendment says.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. SNYDER. It is, of course, the conviction of many of us that we do have to implement the treaty in the House. The State Department, I might say, takes a different position. They contend that the President has the authority despite article IV, section 3, paragraph 2 of the Constitution giving Congress the responsibility for disposing of U.S. territory and property. The GAO says we would have to implement it.

But, the point I am trying to make is that we have got to send a message to the Senate in this bill which they are going to get, that by golly, we do not want to implement it.

I can assure the gentleman the money is available if they want to go ahead and approve that treaty notwithstanding the adoption of this language into law. They will be able to do it. Now is the time to tell them.

Mr. CEDERBERG. They have that message, and the Senate has to make its own decision. We do not have advise and consent on treaties. That matter is re-

served under the Constitution to the Senate, not to the House.

I probably would be opposed to a treaty, but certainly I am not going to be part of an amendment that says that we cannot implement a treaty once a treaty is approved. I just do not think it makes any sense. Furthermore, it does point up the ridiculousness of trying to legislate on an appropriation bill.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. BAUMAN. Mr. Chairman, I do not know whether this is the third or fourth time we have been faced with this type of amendment in the last couple of years, dealing with prohibitions against ceding sovereignty over the canal to Panama, but each time we have the same arguments offered by the same people who always protest that they are in favor of retaining sovereignty over the Canal Zone, but will not do anything to stop the giveaway of the canal.

The situation has changed markedly since the last time we considered this because, as has been reported in the press, the U.S. Government is very near to signing an agreement with the Republic of Panama which does indeed surrender sovereignty over the canal. In fact, it will turn over control of the canal to a far leftist dictatorship that has shown absolutely no respect for the rights of Panamanian citizens and certainly will show no respect for the canal as far as acting as an instrument of international trade and commerce and a very important strategic route for the Western Hemisphere.

So, this amendment before us is an attempt by the gentleman from Kentucky, who has led this fight for several years now and is the ranking minority member on the Panama Canal Subcommittee, to reassert a position I think a vast majority of Americans support; that is, that we are not going to give this canal back to anybody because it is part of U.S. sovereign territory. The language before us is a clear expression of that position. It is far stronger than the weak language in the bill.

So if we are really in fact opposed to surrendering the sovereignty of the canal and maintaining our strategic interest there, this amendment ought to be supported.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I move to strike the last word.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Chairman, the ranking minority Member made the statement that the International Relations Committee would have jurisdiction should a treaty ratification come to the House. I believe that should be corrected to say that the Subcommittee on the Panama Canal of the Committee on Merchant Marine and Fisheries has the jurisdiction for those installations.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Chairman, I stand corrected on that. On the international aspects, the Committee on International Relations may get involved. But so far as the Panama Canal, that is correct, it is the gentleman's committee.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I do not think there is anyone in the House who has more concern about our security interests. In the 5 years I have been here, I have never voted for a lesser dollar amount on a naval appropriation. But I do think we ought to try to keep a little bit of sanity on an issue like this, which is a major—major—irritant and corrosive factor in our relations with every single country in Latin America. The truth of the matter is that the naval strategy of this country, both offensively and defensively, as we all know, is built around the carrier task force. And the fact of the matter is that there is no single aircraft carrier that can get through the Panama Canal. This is a nonissue. We are appealing to emotions. We are acting extremely chauvinistic, and it must be very humorous to Castro and our other enemies in this hemisphere.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman will find that only the 13 largest vessels cannot go through, but all of the rest of the vessels can go through.

Mr. CHARLES WILSON of Texas. The gentleman also must understand that the Soviet Union can close down the Panama Canal in 15 minutes with a conventional missile, and a guerrilla can shut it down in 5 minutes with a hand grenade, just as we can close the Suez Canal and the Bosporus Straits.

Mr. SNYDER. If the gentleman will yield, if we are going to turn it over to the Communists, I would rather turn it over full of dirt.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman concede that 93 percent of the naval vessels can go through the Panama Canal?

Mr. CHARLES WILSON of Texas. There will be no offensive thrust. The important thing is, in case of hostilities, that we presume the Panama Canal will be closed immediately, just as the Soviet Union knows we will shut down the Bosporus Straits and the Suez Canal immediately.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Chairman, the gentleman made the statement that U.S. control of the Panama Canal is one of the major irritants to Latin American nations. Does the gentleman not feel that perhaps the activities of Castro and Cuba might be a bit more irritating to Latin American countries. Is not the gentleman more concerned about those subversial activities than perhaps opposing this amendment?

Mr. CHARLES WILSON of Texas. Yes, I stand corrected on that point. But I suggest to the gentleman from Maryland that we could do nothing as beneficial to the pro-Castro groups in Latin America as to continue this larger irritant.

I have never been to a conference, even the Interparliamentary Conference with Mexico—and the gentleman from California (Mr. LAGOMARSINO) can back me up—I have never been to one conference that this was not a major issue and the first issue brought up. They consider it a great symbol of the American continued colonialism, and it is absurd.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield further on that point?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, I would say there is one thing the United States could do that could probably alleviate the irritation of Cuba—and apparently we are going to do it—and it goes hand-in-hand with this proposed canal treaty, and with our negotiations with Panama.

And that is that the U.S. could embrace Cuba and Panama and legitimatize their dictators and trade with them and in fact give them a standing among the countries of South America that will indeed cause a great deal of harm to the cause of freedom in the Americas.

I suggest that this canal treaty is part and parcel of the program of the Carter administration of appeasing Communist governments in many areas, in spite of loud professions of concern for human rights.

Mr. McDONALD. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Georgia.

Mr. McDONALD. Mr. Chairman, I have learned a few things in my discussions with some of the officials of the Mexican Government, including the Mexican Ambassador. He related to me that they have a longstanding point of irritation over the fact that we took the area of Texas from Mexico.

Would the gentleman suggest that as our next step that might be the subject of negotiation?

Mr. CHARLES WILSON of Texas. No, I do not consider that to be a subject of negotiation.

Mr. McDONALD. Mr. Chairman, will the gentleman yield further for a question?

The CHAIRMAN. The time of the gentleman from Texas (Mr. CHARLES WILSON) has expired.

(On the request of Mr. ROUSSELOT and by unanimous consent, Mr. CHARLES WILSON of Texas was allowed to proceed for 2 additional minutes.)

Mr. CHARLES WILSON of Texas. Mr. Chairman, before I yield further, I would like to answer the gentleman from Georgia (Mr. McDONALD) more fully with regard to the Texas situation.

I consider the Texas revolution to have been a legitimate revolution in which Texas secured its own independence from Mexico, and at a later time Texas came into the United States by treaty.

The Panamanian situation, as we all know, resulted from a revolution that was fomented by the United States; it was managed by the United States. We went down there and fomented the revolution, and then we dictated the terms of the treaty.

Senator HAYAKAWA, of California, was right when he said "We stole it fair and square."

Mr. McDONALD. Mr. Chairman, will the gentleman yield further?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Georgia.

Mr. McDONALD. Mr. Chairman, I think we would have to agree with the gentleman's interpretation with regard to Texas, although that interpretation may not be shared by numerous representatives of the Mexican Government.

Let me take this one step further. In the creation of this so-called revolution, where the sole casualties were a donkey and a Chinese, as a result of the revolution in Panama, the so-called revolution that occurred in 1903, we did actually create the Republic of Panama.

If we are going to go back to stage 1, then that area should go back to the country of Colombia; is that not correct?

Mr. CHARLES WILSON of Texas. No, I do not believe that is correct.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, in the St. Louis Post-Dispatch in March of this year a high military authority from our country was quoted in testimony which, I believe, came before Congress and has not yet been released.

Mr. CHARLES WILSON of Texas. Who was the authority?

Mr. ROUSSELOT. Let me give the gentleman the quotation:

> The Panama Canal is absolutely essential if we want to support a course by sea for either amphibious action or otherwise.

Mr. CHARLES WILSON of Texas. Who said that?

Mr. ROUSSELOT. I do not have the name because the other body has not released the report.

Mr. CHARLES WILSON of Texas. Does the gentleman have any doubt in his mind that a Soviet submarine could put the Panama Canal out of order?

Mr. ROUSSELOT. That is not the question.

The question is as to whether the Panama Canal is essential to the movement of military and commercial traffic. The answer is that it is highly essential.

Mr. CHARLES WILSON of Texas. That is the question.

The CHAIRMAN. The time of the gentleman from Texas (Mr. CHARLES WILSON) has again expired.

(On request of Mr. ROUSSELOT and by unanimous consent, Mr. CHARLES WILSON of Texas was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield further?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentleman from Texas (Mr. CHARLES WILSON) has tried to imply that certain carriers cannot get through the Panama Canal, and that somehow that lessens the necessity to keep it for our naval or commercial capabilities.

Mr. CHARLES WILSON of Texas. I did not imply that; I said it.

Mr. ROUSSELOT. Mr. Chairman, I want to disagree with the gentleman on the basis not only of the statement I just read but on the basis of other testimony we have heard from time to time before the Committee on Armed Services and/or the Committee on Merchant Marine and Fisheries.

I really do not believe that the gentleman is speaking with great authority from a military position, and I do not want the House to believe the statement has credibility.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I do not know of a single naval officer—and I know many of them in this city—who believes that the United States has the defense capabilities to keep the Soviet Union from putting the Panama Canal out of order on the first day of the conflict without using an atomic weapon.

Mr. KOSTMAYER. Mr. Chairman, if the gentleman from Texas (Mr. CHARLES WILSON) will yield, I would like to associate myself with his remarks.

The CHAIRMAN. The time of the gentleman from Texas (Mr. CHARLES WILSON) has again expired.

(On request of Mr. CEDERBERG and by unanimous consent, Mr. CHARLES WILSON of Texas was allowed to proceed for 1 additional minute.)

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, let me point out that we say on page 14 that if it is in the vital interest of the United States militarily, it is the sense of Congress that we must protect these vital interests. They have the power to do that in a treaty, so I think the subject is already covered there.

Mr. CHARLES WILSON of Texas. The gentleman is correct.

Mr. McCLOSKEY. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from California.

Mr. McCLOSKEY. Mr. Chairman, I just want to respond briefly to the question raised by my colleague, the gentleman from California (Mr. ROUSSELOT). My respected colleague knows that I have had some miiltary experience.

There is no way that the finest military service in the world could defend the Panama Canal and prevent it from being sabotaged.

Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Texas (Mr. CHARLES WILSON).

Mr. CHARLES WILSON of Texas. Mr. Chairman, I would like to respond to the gentleman on that point.

The Soviet Union knows that as far as the Bosporus Straits are concerned and as far as the Suez Canal is concerned, it is certain that those two waterways are going to be closed if we get into a conflict with the Soviet Union.

The CHAIRMAN. The time of the gentleman from Texas (Mr. CHARLES WILSON) has again expired.

(On request of Mr. SNYDER and by unanimous consent, Mr. CHARLES WILSON of Texas was allowed to proceed for 30 additional seconds.)

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CHARLES WILSON of Texas. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, in the September 1975 issue of the Star & Herald of Panama, General McAuliffe, the Commander of SOUTHCOM said that the Panama Canal is just as important today as it was in World War II.

Mr. ANDERSON of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I congratulate my good friend and colleague from Kentucky on his amendment. The gentleman's stand is a mirror of my position on the future of American involvement in the Panama Canal. I, therefore, rise in support.

Last year, during consideration of the bill that authorized appropriations for the Department of State, the House adopted an amendment that read:

> Any new Panama Canal treaty or agreement negotiated with funds appropriated under this Act must protect the vital interests of the United States in the Canal Zone, and in the operation, maintenance, property, and defense of the Panama Canal.

Many of us fear that the Department of State's interpretation of vital interests is not the majority of the American people's interpretation.

The Snyder amendment will guarantee that the implementation of any new treaty with the Republic of Panama will protect our sovereign rights to the canal, and not our misinterpreted vital interests.

The facts are the canal is vital to our international trade, commerce, and defense interests. As such, I believe that any renegotiation or relinquishment of our rights to this strategic waterway would be a grave mistake for the United States to make.

Supporters of relinquishment assert that "sovereignty and ownership" are not issues for it alleges that the United States never had either. I could not disagree more.

I believe the canal is a duly paid for territory of the United States. Therefore, the yielding of any property paid for from appropriated funds such as the Panama Canal must be approved by the House as well as the Senate.

Usually the House does not ratify treaty negotiations; a prerogative of the Senate, who gives advice and consent to ratification by the President of a treaty. However, article IV, section 3, paragraph 2 of the Constitution states:

> The Congress shall have the Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States.

That is one reason why "sovereignty and ownership" are an issue. The second reason is the historical precedent for our claim to territorial sovereignty. On December 2, 1903, the United States agreed to pay the Republic of Panama $10 million—plus a yearly annuity for, "in perpetuity the use, occupation, and control" of this 10-mile-wide Canal Zone. Article III of this Hay-Bunau-Varilla treaty granted the United States "all the rights, power, and authority, which the United States would possess and exercise as if it were the sovereign of the territory to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority. The $10 million which the United States paid to Panama under article XIV as well as the $250,000 to be paid annually during the life of the treaty, were expressly stated to be the price or compensation for the rights, powers, and privileges granted in this convention.

Mr. Chairman, the canal is not an economic and military "convenience" as some have claimed. It is a necessity to the economic and military interests of our country.

Mr. Chairman, the Republic of Panama is unqualified to assume the grave responsibilities involved in operating, maintaining, controlling, defending, and improving the canal. At present, the Panamanian Government is in deep financial trouble, as a result of its own mismanagement. I believe it is disastrous to attempt to insure stability in this zone by yielding control of U.S. sovereignty, security, and commerce to a government headed by a military dictator, who seized power in a coup in 1968.

We have been neither imperialistic nor exploitive in our relations with Panama. Benefits have accrued to the Republic, as we have spent in excess of $6.8 billion in maintaining, defending, and operating the Panama Canal. The Republic of Panama now boasts the highest per capita income in Central America, without a doubt, the greatest single beneficiary of the canal.

Mr. Chairman, why should we as a nation nullify a treaty which was legally ratified, and give land back which was legally purchased? It is my belief, and I am sure the belief of the American people, that we should maintain and strengthen our sovereign rights to defend and protect our commerce and trade interests in the Panama Canal.

I urge that you send a signal to the administration that this Congress will not accept a treaty which relinquishes our sovereignty over the Panama Canal. Support the Snyder amendment.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Mr. Chairman, does the gentleman recall that in 1956 the British and French maintained that the Egyptians could not operate the Suez Canal?

Mr. ANDERSON of California. What we are talking about today is the question of our sovereign rights to the Panama Canal—a canal that right now, is vital to our international trade and commerce.

Mr. CHARLES WILSON of Texas. No, no; that is not my question.

Mr. ANDERSON of California. I represent a great port area, including the Ports of Los Angeles and Long Beach. I want to see Panama Canal kept under the control of the United States, basically in the interest of freedom of trade and commerce.

Mr. CHARLES WILSON of Texas. Does the gentleman remember Anthony Eden's pronouncement that the Egyptians were unqualified to operate the Suez Canal and, therefore, the British and French had to invade it in 1956?

Mr. ANDERSON of California. If the gentleman wishes to make that statement, that is all right. However, it does not apply to the situation we are discussing in this instance.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. LAGOMARSINO, and by unanimous consent, Mr. ANDERSON of California was allowed to proceed for 2 additional minutes.)

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman from California for yielding. I strongly support the gentleman's statements and would like to join in them.

With regard to defense of the Panama Canal, I would like to read a letter addressed to the Honorable DANIEL J. FLOOD from Lieutenant General McAuliffe:

> I appreciate your letter of May 12th expressing support for my position as the United States military commander responsible for defense of the Panama Canal. I can assure you that our forces in the Canal Zone are well trained and ready in case a situation should arise which requires military measures to protect the Canal or American lives and property in the Canal Zone.

Further, I think the gentleman now in the well would agree that the canal can become very, very important with respect to the disposition of the Alaskan oil which we are shortly going to be shipping from Alaska to the west coast of the United States and to the east coast. This is one way we can take care of that oil.

Mr. Chairman, I would also join the gentleman from California in his statement that there is some doubt as to whether the Panamanian Government can operate the canal. I do not mean operate it in a technical sense, because I am sure that technically, where they have been trained properly that they can take over the necessary jobs. However, I think the real problem that the Panamanian Government faces is the question of whether or not they should invest $50, $60, or $70 million, as we do, for new lock, and what have you, also dredging of the canal, and all of the other very costly operations that go with the operation of the canal. I would suggest that with all of their other competing demands for housing, education, and so forth, how is a government of this nature going to defend the kind of deficit spending that today we are making.

So, Mr. Chairman, again I support the position of the gentleman now in the well.

Mr. ANDERSON of California. I thank the gentleman.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I believe we should put the amendment in proper perspective so that we will know what we are discussing. I have listened to all of this discussion go by, and it just seems to me that we ought to get back to what the amendment says. I know that we go through this every year. I might add that I am in favor of protecting the vital interests of the United States in the Panama Canal, but that is not what we are going to vote on.

Does the gentleman from California now in the well contend that if the Senate of the United States ratifies a treaty that we cannot implement that treaty?

That is what this amendment says and we ought to get back to the amendment.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. ANDERSON of California was allowed to proceed for 1 additional minute.)

Mr. ANDERSON of California. Mr. Chairman, let me repeat that which I said earlier, that this issue is not just the ratification of a treaty, it is also the relinquishing of property.

Article IV, section 3, paragraph 2 of the Constitution states:

> The Congress shall have the power to dispose of and make all needful rules and regulations, respecting the territory or other property belonging to the United States.

Thus, I contend this issue is one that should come before the House of Representatives as well as the Senate.

Mr. CEDERBERG. If the gentleman will yield still further, we are voting on this amendment which says that:

> None of the funds appropriated herein may be used to implement any new treaty with the Republic of Panama. . . .

That is the subject before us.

Mr. McDONALD. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Georgia.

Mr. McDONALD. Mr. Chairman, I would like to ask the gentleman from Michigan (Mr. CEDERBERG) a question with regard to his interpretation of the language vital interests, does that include our continued sovereignty over the canal and Canal Zone? I think that is the whole point.

Mr. CEDERBERG. Frankly, I am not sure that that is what the amendment refers to.

Mr. McDONALD. I think that is the whole point.

Mr. CEDERBERG. With our right to defend and our right to use the canal.

Mr. McDONALD. Is the gentleman willing to accept the giving up of our sovereignty?

Mr. CEDERBERG. I do not have that decision to make. That is not a decision for me to make.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SLACK. Mr. Chairman, I wonder if we can get some idea on a limitation of time on this amendment? I believe we have been talking this thing to death.

Mr. FRASER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mrs. BURKE of California. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in opposition to the amendment.

The CHAIRMAN. The gentlewoman from California is recognized.

Mrs. BURKE of California. Mr. Chairman, I rise in opposition to this amendment because I question the timing of this amendment and the impact it has on our relationships with governments throughout this hemisphere. We have recently sent the First Lady of our country to Latin America to cement relations with our neighbors. After we do that and she has been successful in that mission, it seems such a tragedy that in one vote we can undermine everything that is done. The negotiations have had tremendous implications not only throughout South America, Latin America, but throughout the world.

I know that many people have emotional feelings about the issue of Panama. The question is really what effect this amendment will have. The one thing we know is that this America will endanger our friendship with many of those countries who feel that Panama is a very important issue. It is not the Panama Canal, because we all want to have access to the Panama Canal. It is the old question of a presence, not in a canal, but in a zone that surrounds that canal, and what that means to those Latin American countries.

This is not a partisan issue. These negotiations have gone on through one administration after another, Republican administrations and Democratic administrations, because they recognize that this is highly symbolic.

We say that we want to keep that canal open. One way we can keep it open is to make sure that we have a friendly relationship with the people of Panama and Latin America. I do not think there is anyone here who questions our desire to have a stable military situation for that canal. The Joint Chiefs of Staff have been present at every stage of the negotiations. Negotiations have not taken place in a vacuum. Military advisers have been present and they are making sure that their points are heard, and that any treaty that comes about will be sure to have a strategic component that will guarantee the safety of the canal, as much as it can be guaranteed.

But, what do they tell us? If we undermine our friendship with the people of Latin America and we get ourselves into an antagonistic situation, anyone with a lunchbox full of dynamite can put that canal out of commission, and we would not have access to the canal then. So, the best assurance we can have to have access to the canal is to try not to have amendments like this one that will destroy our relationship with Latin America.

I raise another question: What does it mean, no funds can be used in order to implement the treaty? I suspect one part of the implementation will be how much we will pay in rent. Are we saying that we will not be able to carry out the provisions of any treaty as it relates to rent? That question needs to be answered. Some of these things we adopt in haste can totally undermine years of work. Therefore, I urge that this committee vote "No" on this amendment.

Mr. MURPHY of New York. Mr. Chairman, will the gentlewoman yield?

Mrs. BURKE of California. I yield.

Mr. MURPHY of New York. Mr. Chairman, the points the gentlewoman made can be well taken, but if there is one inference that we can draw from her comments, it is that this is a very, very complex issue, an issue which we have studied for many years. The 1967 treaty, which had virtually been concluded, was rejected by the Republic of Panama. It was not a question of U.S. interests.

I think that we are really discussing, not in the proper forum, the Panama situation as it should be discussed. I will support the gentleman from Kentucky because I think this vote can only be interpreted as a vote on whether we want to give away the canal or whether we want to keep the canal—unfortunately. We are in a much different context in that whole issue. I think there are areas that certainly are subject to negotiation, but I think that if we take this particular bill as the vehicle to start getting into a very deep and complex problem, we are making a mistake.

The CHAIRMAN. The time of the gentlewoman from California (Mrs. BURKE) has expired.

(By unanimous consent, Mrs. BURKE of California was allowed to proceed for 1 additional minute.)

Mrs. BURKE of California. Mr. Chairman, I would like to ask the chairman of the committee, the gentleman from New York (Mr. MURPHY) an additional question on that issue.

Are the present payments that we are making for rent, and all of the conditions which are set forth, are those set forth by our existing treaty?

Mr. MURPHY of New York. If the gentlewoman will yield, they are set forth by the 1903 treaty, as amended.

Mrs. BURKE of California. I am not an expert on this, but if we do have a new treaty, will it set forth, as far as the gentleman knows, what the terms and the payments would be?

Mr. MURPHY of New York. The treaty that is currently under consideration?

Mrs. BURKE of California. Yes. For the future. During the period between now and 2000.

Mr. MURPHY of New York. That document at the present time has not been drafted. We do know the area, the general broad areas which are under discussion by both sides. The basic two elements of this treaty that are considered nonnegotiable—and have been for the last decade—are, No. 1, operational control of the canal, which must remain with the United States; No. 2, the defense of the canal, which must remain with the United States.

Mrs. BURKE of California. But it would also include those things such as employees, relationships of the people within the canal, and also any payments that would be paid for use of the canal?

Mr. MURPHY of New York. Yes. In fact, in the payment section, what is under discussion right now, whether $100 million payment is made annually to the Republic of Panama by the American taxpayer as part of the cost of our turning over control of that canal.

Mrs. BURKE of California. The treaty is adopted by the U.S. Senate. And there is no right to implement that treaty. Would that totally prevent any payments to anyone or any benefits if there is a prohibition within this bill?

Mr. MURPHY of New York. That treaty will come to the House.

The CHAIRMAN. The time of the gentlewoman from California has again expired.

(On request of Mr. MURPHY of New York and by unanimous consent, Mrs. BURKE of California was allowed to proceed for 1 additional minute.)

Mr. MURPHY of New York. If the gentlewoman will yield further, any transfer of appropriated-fund-acquired properties, which is the case in Panama, or any question of an appropriated fund that will be paid as a condition of the treaty, would require that that treaty come to the House first for a majority vote. It would then go to the Senate for a two-thirds ratification vote. This body would have jurisdiction.

Mr. SNYDER. Mr. Chairman, will the gentlewoman yield?

Mrs. BURKE of California. I yield to the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. I thank the gentlewoman for yielding.

I would like to say that we do not pay rent. We pay an annuity, which was in lieu of revenue loss from the Panama Railroad—a matter on which we originally agreed with Colombia and which we carried over into the treaty with Panama. We have increased that annuity. The first time was because we went off

the gold standard. Subsequent increases were only out of the goodness of our hearts.

Mrs. BURKE of California. I agree with the gentleman. I say it is paid pursuant to treaty and it is part of an implementation.

Mr. SNYDER. Yes.

Mrs. BURKE of California. So if we would be unable to implement, we would be unable to carry out any of the commitments, including payments.

Mr. WRIGHT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have just had a call from Secretary of State Vance. He asked me to convey to the membership his earnest request that we do not adopt this amendment. To do so at this time would make utterly impossible the negotiation of a treaty that would be satisfactory to the United States. I implore the Members, let us not throw a monkey wrench into the machinery of diplomacy at this critical moment.

When Dwight Eisenhower was President of the United States, I recall that the administration sent up a bill relating to the Pan-American Health Organization, and it was under attack. This is what I said on that occasion, with a Republican President in the White House:

> We have just one President at a time, and in delicate matters of international negotiation he has to act for all of us.

I made this analogy: "If we were all flying together on one of those big Boeing 707's across the ocean and we personally had not chosen the pilot, or he was not the person we wanted as our pilot, there would not be one among us who would be silly enough to pour water in the gasoline tank just to embarrass that pilot."

I held that to be true when Dwight Eisenhower was President. I have held it to be true under every Republican President. And I implore the Members to agree with me that it is equally valid under a Democratic President.

There are delicate and volatile currents abroad throughout Latin America relating to this canal issue. The President has promised that he will protect the vital interests of the United States, and if he should fail to do that in a treaty, the Senate will not confirm it.

Let us not at this moment give ammunition to the opponents of the United States to use against us in order to scuttle the treaty.

Throughout Latin America they are looking at us to see if we will deal fairly and evenhandedly with Panama. We have not always done that in the past.

Let me ask my colleagues this. Let us put ourselves in the position of heeding the well-known Golden Rule and think about this a minute.

How would we feel if across the United States there were a broad corridor owned by another country and if, in order for us to go from here to California, we had to be examined and inspected and permitted at the will of a foreign country to cross into the rest of the United States? How would we feel about that? It would be a sensitive situation for us, would it not?

How would we feel if some person could violate the laws of the United States and then escape into that broad corridor and be beyond the reach of our courts, though he were a citizen of our country? How would we feel? We would not like that.

How would we in the United States feel if there were a bigger and more powerful country that owned a strip of territory running right straight across and dividing our Nation, and if that more powerful country did not permit U.S. citizens to conduct any business within that zone even though it preached free enterprise? We would not like that.

All I am saying to the Members is that the Panamanians do have some legitimate grievances. I have been there many times. I have had an opportunity to talk with them and visit with them They are not hostile to the United States.

The President of Panama, Demetrio Lakas, loves the United States. He attended school in the United States. He wants to negotiate a treaty that will be satisfactory to us, one that will permanently preserve and defend the canal, that will preserve its security, and that will keep it forever open to world shipping. He wants to set to rest these volatile fears generated and fanned by the oratory of our opponents throughout Latin America.

We are playing into the hands of our opponents if we adopt this kind of amendment.

So I plead with the Members. You have had opportunities to express your feelings on the subject. Let us give the President of the United States and his negotiators an opportunity in good faith to work out an arrangement that will be satisfactory to us. Let us not fan the flames of hatred among those with whom they must negotiate prior to the termination of that treaty.

The CHAIRMAN. The time of the gentleman from Texas (Mr. WRIGHT) has expired.

(By unanimous consent, Mr. WRIGHT was allowed to proceed for 1 additional minute.)

Mr. WRIGHT. Mr. Chairman, the negotiations are reaching, I am told by the Secretary of State, a crucial point. The negotiations are for the first time coming along rather satisfactorily, I am advised. I am promised that our vital interests will be protected.

The President pleads with us and I plead with the Members not to gum up the works. Let us vote no on this amendment. We will have ample opportunity to debate the point at a later time.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, I wonder whether we can arrive at some agreement with respect to time. We have been talking on this amendment for a little more than an hour.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto cease in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. All debate on this amendment and all amendments thereto will cease in 15 minutes, but the gentleman from Iowa (Mr. SMITH) is protected and is recognized for 5 of those 15 minutes.

Mr. SMITH of Iowa. Mr. Chairman, I want to remind the Members of this Committee that there is already in this bill last year's Snyder amendment. What we are talking about now is adding some language to rekindle the fire. A sense-of-Congress provision is already in the bill.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, that is not my amendment in the bill. That is a watered-down conference version.

Mr. SMITH of Iowa. Mr. Chairman, we all recognize that the Panama Canal is obsolete. Big carriers cannot go through it. Big tankers cannot go through it. Big grain ships cannot go through it.

What we need is a new canal, near sea level, wide enough so that just one person could not with an explosive close the canal. That is the case today. It does not have to be in time of war. It could be for economic purposes or some nut could close it for no good reason. We need a sea level or near-sea level, wide canal. We could involve the World Bank and other nations so as to have world-wide support for keeping it open and operating at cost.

Mr. Chairman, everybody recognizes that we cannot defend the present canal and operate it at the same time. It goes through deep cuts, and is vulnerable. We need a new canal.

Mr. Chairman, there are some parts in the Canal Zone that we are not using. Primarily I am for making sure that we do not at any time in the future permit someone to profit from the canal. We have made sure that no profits are made from the canal.

It is run at cost and preventing profiteering is very important to the Midwest which ships large volumes of goods through the canal. But there are some parts of the Canal Zone not being used. There are squatters there. We recognize that we do not need that area to protect or operate the canal, and there is no reason why we cannot permit Panama to have some responsibility and control over that area. No treaty can alter property rights in the canal area in any way without coming back to the House of Representatives. It is clear that that cannot be done and administration officials have agreed that a treaty would really be a shell unless further legislation or simultaneous legislation passed by both Houses implements it.

Mr. Chairman, a treaty would merely provide a promise by our Government that it would try to get certain laws passed by the Congress.

This amendment, I say to the Members, has another effect that others have not mentioned yet. Torrijos is on very shaky ground. Everybody recognizes that. What he really needs is something like this every few months to wave around in order to get the people down there excited. That is what this does, is to play right into Torrijos' hands.

Mr. Chairman, I do not think he wants a new treaty as badly as he says he does. What he really needs is some new issue all the time so that he can get the people heated up and divert their attention from social and personal problems.

Mr. Chairman, if you want to vote to help Torrijos stay in power, then vote for this amendment. His public relations firm could not do a better job of giving him something to work with during the next 2 or 3 weeks than we will if we adopt this amendment.

Therefore, Mr. Chairman, I urge a "no" vote on this amendment.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I would just like to say this before we vote on the amendment. I discussed the amendment, the merits of the amendment, and the fact that we have no funds with which to implement this treaty, which I think is an impossible situation.

I was at the White House on Wednesday morning for an hour and a half, at which time the President of the United States discussed a great deal of foreign policy problems. He stated categorically at that time that he would not approve any treaty with Panama unless he were sure that it protected the best interests of the United States.

Mr. Chairman, I think this has been true of President Ford, of President Nixon, of President Kennedy, and of President Johnson, of all of the Presidents who were in the process of negotiating these treaties. I may not favor a treaty, but the President of the United States said that Wednesday morning, and I think we ought to be very careful with respect to what we do.

The CHAIRMAN. Pursuant to the unanimous-consent request limiting debate, the Chair now recognizes the gentleman from Kentucky (Mr. SNYDER).

(By unanimous consent, Mr. ROUSSELOT yielded his time to Mr. SNYDER.)

Mr. SNYDER. Mr. Chairman, I would like to reiterate the point I tried to make earlier that the canal is vital to the United States, not only from an economic standpoint as the gentleman from California (Mr. ANDERSON) so eloquently stated in his remarks, but from a military standpoint. Some of the gentlemen who spoke do not exactly seem to believe that.

On May 1, 1977, as reported in the Panama Star & Herald, the Public Affairs Officer for the Southern Command, Col. Antonio Lopez, said:

> Although only 11 U.S. warships sailed through the Canal during the past year, the waterway is vital to U.S. strategy in wars like Korea and Vietnam for logistic supply.

In the same newspaper back on September 14, 1975, Gen. Dennis P. McAuliffe, Commander of SouthCom was quoted:

> In General McAuliffe's opinion, the Panama Canal is about as important to the United States, from a military point of view, as it was in World War II. This is because, as he puts it, with the reduction in the number of vessels available in the active force of the United States Navy resulting from the modernization program, "we must have the capability of moving Naval forces from one ocean to the other."

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ANDERSON of California yielded his time to Mr. SNYDER.)

Mr. SNYDER. Mr. Chairman, I will just try to finish the comments made by General McAuliffe:

> In addition, he pointed out, forces deployed out of their home country need logistical support—food, fuel, spare parts.
>
> "This kind of supply line," General McAuliffe said, "depends largely on surface ships, not necessarily naval ships, but commercial ships under contract to the Department of Defense. When you look at this kind of requirements, the Panama Canal figures prominently in this kind of supply."

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. FRASER).

(By unanimous consent, Mr. FRASER yielded his time to Mr. SIMON.)

The CHAIRMAN. The Chair now recognizes the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Chairman and colleagues, the gentleman from Kentucky (Mr. SNYDER) is correct that the Panama Canal is vital, but the gentleman is wrong in his approach. If we had to keep that canal open the surest way to avoid doing that is to take the approach of the gentleman from Kentucky.

Along with many of the other Members, I have been down to the Canal Zone and have talked to many of the military leaders there, and they said that one handgrenade properly located is going to close the canal.

We have to recognize that.

I also visited with Archbishop McGrath—the Roman Catholic Archbishop there. He said that the surest ways to play into the hands of the extremists are to fail to stand up for justice, to fail to negotiate, and to fail to work out something with the Government of Panama.

We cannot have the last vestige of colonialism in this hemisphere and stand up and be proud of it. We have to negotiate. We have to work for justice. It is in our best interests to do so.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman and colleagues, a lot has already been said about this amendment. I would like to just mention several more things.

When I was in the Panama Canal Zone with a delegation a couple of months ago I met with our official Embassy people. They sent us around to talk to others who were in support of giving up our control of the canal. I also talked to some private citizens who were very fearful they would be seen talking to me. These people told me that it is 99 percent of the people want a new treaty; but not with General Torrijos.

I was also told the pilots who take the ships through the canal reported that the captains of most ships, from every nation, Communist as well as free, that goes through and uses that canal have said, "Don't give up the canal."

That is what this amendment is all about. All it does is to say: Don't give up our control.

This is the message that comes from my constituents—loud and clear.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, despite all the gales of rhetoric that have blown through the Chamber in the last hour, the pending amendment still makes plain that anyone who votes for it wishes to take the position that he does not want to surrender or relinquish U.S. sovereignty over or control of the canal. That is the only issue the Members' people back home will read about. Despite all of the State Department's striped pants, cookie-pushing language we have heard about supporting the President's Panama policy, it is a wrong policy, and I hope the Members will keep that in mind and vote for the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee (Mr. ALLEN).

Mr. ALLEN. Mr. Chairman, it seems to me that the one basic question that we are called on to answer by our vote on this amendment is whether or not we have confidence in the President of the United States to protect the vital interests of this Nation, and whether or not we have confidence in ourselves as a House of Representatives, and confidence in the Members of the Senate who will have to ratify any treaty that may be negotiated. That is the basic question: Do we have confidence in the President? Do we have confidence in ourselves?

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, I think everybody knows, our President knows, the Panamanians know, our negotiators know, that if they present a treaty that does not provide for efficient management of the canal and security of the canal, it is not going to be accepted by the Congress. The issue is not the one presented in this amendment; the issue will come later when negotiations are completed. I think this amendment is premature. Remember the bill says:

> Any new Panama Canal treaty or agreement negotiated with funds appropriated under this title must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property, and defense of the Panama Canal.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I read the proposed amendment very carefully, and it presumes that the negotiators will negotiate a treaty which would surrender and relinquish U.S. control over the Canal Zone and the Panama Canal. This is an erroneous presumption. We were assured by the President and by the Secretary of State no treaty would be negotiated which would not be in our own country's national security interests. I hope that the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Chairman, the bill as it stands provides that any new Panama Canal Treaty protect the vital interests of the United States in the Canal Zone. That insists on the defense and maintenance of and access through the canal favor that, and I voted for that language known as the Buchanan amendment; therefore, I oppose this change which asserts sovereignty which we, in fact, do not have.

Mr. Chairman, I yield to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, the language that is in the law and in the 1978 authorization bill will protect our interests. It is strong language. It is stronger than the language here offered in an amendment that is subject to a constitutional question and, therefore, may be invalid. The President has indicated his intention of protecting our national interests. I am confident he will. Our language in the law and in the new authorization bill requires him to do so. It seems to me it would be most unwise to attempt to tie his hands at this stage in negotiations which I am confident can result in a treaty that will protect our interests and will protect them permanently. We cannot defend the canal against the Panamanians themselves, and we ought to continue to try to negotiate a fair and equitable arrangement which both this President and his predecessors believe possible without the sacrifice of our interests, and, indeed, necessary to their protection, I urge the defeat of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. SLACK).

Mr. SLACK. Mr. Chairman, I trust that this amendment will be defeated.

I yield back the remainder of my time and ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. SNYDER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SNYDER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred and five Members are present, a quorum.

Mr. SNYDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. BURGENER

Mr. BURGENER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURGENER: Page 14, immediately after line 5, insert the following new section:

SEC. 105. None of the funds appropriated under this Title shall be obligated or expended for salaries or expenses of any United States diplomatic personnel assigned to Cuba or the Swiss Embassy in Cuba.

This title may be cited as the "Department of State Appropriation Act, 1978."

Mr. BURGENER. Mr. Chairman, I believe that the plan to put 10 U.S. diplomats in Havana in the Swiss Embassy is not in the best interests of this country. I believe that it will lead to full diplomatic recognition. I believe that it will lead to the lifting of the trade embargo that the Kennedy administration placed in 1962. These may be desirable ends, Mr. Chairman, but only after Mr. Castro shows some good faith. Our quarrel is not with the people of Cuba. We hope to have good relations ultimately, but we certainly have a quarrel with their dictator leader Fidel Castro.

I would like to illustrate briefly the evidence of lack of good faith and I have chosen five topics.

First. He expropriated $1.8 billion of American private property, the largest seizure in the history of the American countries. Eighty-nine percent of that was owned by corporate interests and their shareholders but $233 million was owned by private citizens and $13 million by churches and educational institutions.

Second. I will not belabor this one but certainly he has flouted the principle of self-determination by interfering in the Angolan civil war, with some 10,000 to 12,000 Cuban troops still there.

Third. He holds thousands of political prisoners and I have evidence and testimony that this is undisputed. In terms of human rights this does not match our President's efforts at all at the present time.

Fourth. He unilaterally in April canceled the hijacking agreement. We feel this is a very important agreement to both countries. It was entered into and it worked but he unilaterally canceled it. Is this evidence of good faith? I submit that it is not.

Fifth. Finally, there are at least 18 Americans held, 18 of our own citizens held in Cuban prisons. Eleven are held for the crimes of hijacking or drugs, and so on, and we have no quarrel with that, but at least seven are political prisoners in the country of Cuba and are held for political reasons.

Mr. Chairman, it seems to me, why should we be the first to turn the other cheek? Why not have Mr. Castro demonstrate some good faith and then we can begin to ease tensions.

Mr. Chairman, I will make one final point here. Anna Balbis, who is the exiled Second Secretary who formerly served in the Communist Cuban Embassy in Peking, recently at Dartmouth College stated there are 50,000 Cubans being held as political prisoners, in 56 prisons, in 26 concentration camps and 108 prison farms in Cuba.

Now, in view of all of this, for us to take the first step to ease tensions does not make any sense, I submit, in the best interests of the people of this country.

The amount of money is not large, but the principle is very large. Ten diplomats at the middle level go to Cuba to serve in the Swiss Embassy; ten Cubans to come here and serve in the Czechoslovakian Embassy at this time, does not make any sense.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. BURGENER. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I rise in support of the amendment by the gentleman from California (Mr. BURGENER) which I hope will give the House an opportunity to debate the wisdom or lack of it in the administration's apparent rush toward recognition and the renewal of trade with Castro's Cuba.

In my opinion, we should look realistically at the situation and consider what changes, if any, have occurred in Cuba that warrant this rush toward a renewal of relations.

Surely, Castro's continued denial of human rights of the Cuban people, his continued retention of thousands of political prisoners, and the presence of Americans in Cuban jails does not represent a change for the better.

Nor can we credit Castro with moves toward a policy of nonintervention in view of his record of exporting communism to Latin America and his open intervention with Cuban armed forces in Angola and, more recently, in Ethiopia on behalf of the expansionist policy of his patron and sponsor, the Soviet Union.

Neither can we give Castro credit for cooperation with the United States in the matter of the antihijacking agreement, which he has allowed to lapse.

And, I would remind the Members, that nearly $2 billion in U.S. property was seized during the Communist takeover of Cuba, for which no compensation has been paid.

Until Castro signals his desire for better relations with the United States through the modification of these policies and a willingness to meet us halfway in eliminating areas of mutual concern, I think it is a mistake to rush toward any form of diplomatic recognition and the renewal of trade relations, which will primarily help to keep Cuba's faltering Communist economy afloat.

I would also say in closing, that I question the wisdom and morality of rushing toward recognition of a government that caused the exodus of half a million of Cuba's finest citizens who fled Cuba because they could not live under his dictatorship. Until we receive evidence of good faith in these areas of concern, it would be a disservice to the American people—particularly those of Cuban ancestry—to make any moves toward recognition and trade with Castro.

Mr. SLACK. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

Mr. Chairman, I do not think that it is

proper in an appropriation measure to limit the power of the President to establish some sort of relations with another country. The establishment of an Interests Section in Havana is a step certainly well short of diplomatic relations, but it will facilitate communications between the two governments, as well as making possible an increased range of consular services to U.S. citizens traveling to Cuba. Both, I might say, are important.

We are convinced that our best interests are served by maintaining communications with all countries, whether or not we approve of their governments or policies. Without such communications, it is difficult to deal with problems which arise and which exist between the two countries.

Perhaps even more importantly, Mr. Chairman, we must be in a position to provide protective services to American citizens who will be traveling to Cuba. We cannot discharge fully our obligations to those citizens without American consular personnel on the ground.

Therefore, Mr. Chairman, I oppose this amendment.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment to prohibit funds for the establishment of a U.S. special interests section in Cuba.

There has been no movement by Castro, that I have seen, that merits improved diplomatic relations. Action on our part to normalize relations will be viewed, rightly or wrongly, as approval of Castro's regime.

The unresolved issues between our two countries are so great that it is unthinkable that we should move in this direction before our differences are treated in a substantive manner.

If performance of human rights is truly a criterion for improved relations, then I do not understand the administration's analysis of human rights in Cuba. If we accept Castro's own figures, he admits holding 3,000 political prisoners. Yet, where is the condemnation of Cuba, or the congressional investigation of human rights violations in Cuba? It would seem that memories are very short, because it is the same Castro in Cuba now who ordered the execution of thousands of his opponents in the 1960's. It is the same Castro who calls the Soviet Union "the freest of all countries."

In the early 1960's, Cuba landed weapons and sent terrorists into Venezuela in an attempt to subvert that government. Fifteen years later, we are seeing the same thing in Africa. However, obviously, practice makes perfect, because, while he failed in Venezuela, Castro has succeeded in Angola.

Encouraged by the success in Angola, the Cubans are now venturing into Ethiopia. It is naive to believe that Castro will be satisfied, after success in Angola and encouragement in Ethiopia, to quietly withdraw to his island in the Caribbean and resist intervention in other areas of the world.

In March and April, Castro visited Mozambique, Libya, and Algeria. His travels could hardly be described as a good will mission. He conferred with fanatical anti-Israeli guerrillas in Algeria and Libya and demanded that Israel be liquidated. This is a Government for which we want to demonstrate our approval?

Of great concern to Americans, also are the outstanding claims against the Castro government. In 1960 and 1961, property of American companies and individuals valued at $1.85 billion was expropriated without compensation. During these 17 years, the Cuban Government has made no attempt to discuss or offer compensation for this expropriated property. I firmly believe there must be some recognition by Castro of these legitimate claims before the process of normalizing relations moves forward.

Castro himself says the resumption of diplomatic relations "depends on the good will of both parties." Good will on the part of Castro is long overdue, and until we see some of it, I cannot justify normalizing relations with Cuba.

Let me point out one additional thing. With respect to the previous amendment concerning the Panama Canal, the argument was made that this was not the time or place to bring it up, and a case can be made for that point, certainly. However, that is not the case with this amendment. Our Government is about to embark on this first step in recognizing Communist Cuba, and unless we give the signal, it will go ahead. So, my colleagues, if we want to make our position known, I think this may well be the last chance we are going to have.

I urge approval of the amendment.

Mr. FRASER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

I do not think there is any question but what the Castro government is guilty of human rights violations, but we have never applied that standard to the recognition of any country around the world. If we did, we ought to break relations with the Soviet Union, most of Eastern Europe, southern Africa, and most of the countries of Latin America. We would stop having diplomatic personnel in most of the countries around the world.

The fact is, we have interests that we have to work out with Cuba. The 200-mile fishing zone has required contact, and we have had negotiations on that. There will be Americans in Cuba, and their interests have to be looked after.

I think we do need to look at some of these issues. I am very much opposed to Cuban involvement in Angola, but we are going to be better off if we can talk to them than if we cannot. This does not involve diplomatic recognition in any event, but having some American personnel on the ground which are able to look after American interests and look after the interests we have, such as the commercial situation, seems to me to make sense. To try to tie the hands of the President in the manner proposed in this amendment, I think, would be a serious mistake.

I would strongly urge rejection of this amendment. It is not rational.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding. It is my recollection that the International Relations Committee held extensive hearings to discuss the manner and means through which diplomatic relations with Cuba might be restored; and that the hearings involved making good on some commercial debts compensation for expropriated properties and other issues that are felt to require resolution. There were other things that would be settled in connection with this and as conditions precedent for resuming economic and diplomatic relations. Those hearings were called off.

The problem I have then is why, after having broken off these discussions or this consideration of the terms upon which relations might be resumed, we are now willing to restore relations without any of these agreements or understandings having been consummated.

Mr. FRASER. I will say to the gentleman that I participated in some hearings. We still have the trade embargo with Cuba. This is not resumption of diplomatic recognition. It is stationing of some personnel to look after our interests and proceed on some of these issues.

I would like to yield to the gentleman from New York (Mr. BINGHAM), who chaired some of the hearings involved.

Mr. BINGHAM. I thank the gentleman. We did have hearings on the subject last year in the International Relations Committee. The hearings were inconclusive. We had witnesses on both sides, but those hearings had to do with the embargo, not with the restoration of diplomatic relations. In my judgment, the question of restoration of diplomatic relations is far down the road.

I do not think anybody is even talking about that at this stage. And there is serious question in my mind whether, if we decided we wanted to, Castro would go for it. What we are talking about at the present time is simply that we want some personnel down there to negotiate on matters which we are interested in. We want a hijacking agreement such as we had before. We want that renegotiated. We want, if we can get it, compensation for properties which were taken away by the Castro government.

To my mind, this would be a clear case of not only interfering with the policy of the executive branch, interfering with the jurisdiction of the Committee on International Relations, but totally contrary to the best interests of the United States. These people will be there to serve the interests of the United States. And, frankly, I am surprised that Cuba agreed to this without our having lifted the embargo in any way or modified the embargo in any way. When I was in Cuba in February I got the impression that this move that the President now proposes to make, of sending personnel

down there to represent our interests, and having Cubans up here, is the same as we did with Egypt before we recognized Egypt or Algeria. But that is in our interest. And I am surprised the Cubans agreed to it.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. FRASER) has expired.

(By unanimous consent, Mr. FRASER was allowed to proceed for 1 additional minute.)

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, the thing strikes me in this way, though: It strikes me that the President is circumventing the Congress with respect to an important bit of work that the Congress is doing under the chairmanship of the gentleman from New York. And I think we are getting the executive branch involved in this improvement or this renewal of some kind of relations, or accommodations, or whatever you want to call it, whereas we had the opportunity to settle some or all of the real basic differences, which, it seems to me, should be a prerequisite to the kind of action which the President is taking.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. I thank the gentleman for yielding.

Mr. Chairman, the whole point of this is to try to settle these issues. We got things we want from the Cubans. We wanted restoration of hijacking agreement. We want payment, compensation, for properties taken. We want to see them lessen their activity in Africa. All of these things. We will be in a better position to negotiate to get them to do what we want, if we have personnel on the spot representing our interests. And it does not represent recognition, it does not represent anything that Castro can point to. In fact, as I said before, it is more in our interest than it is in his.

Mr. O'BRIEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I have not heard a single argument offered by the opposition that offsets the case made by the sponsor of the amendment, the gentleman from California (Mr. BURGENER).

Mr. TREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, prior to a few days ago, I was tending in favor of the establishment of some additional links with Cuba, at least to explore some of the problems which exist there and which we all recognize. But events in the past few days have caused me second thoughts. I refer to remarks made by Fidel Castro last night on television, remarks which were recorded earlier in an interview with Barbara Walters of ABC. I do not know if many Members had the opportunity to watch that program from 10 o'clock until 11 o'clock last night. Castro said three things that influence me today to support this amendment offered by the gentleman from California.

Barbara Walters asked Castro whether there were any political prisoners in Cuba, and he nodded that there were. She asked, "A couple of hundred?" And he said, "No. In the thousands." She prodded him a little more, and he said, "Two or three thousand political prisoners."

Another question that she asked Castro was whether he had sympathy with the intellectual dissidents in the Soviet Union, and she mentioned four of them. He answered, "Why should I tolerate people who are against my ally?" Meaning the Soviet Union.

Then, the third thing he said was, I thought, the most pertinent to this issue. Ms. Walters asked Castro about freedom of the press in Cuba, freedom of the news media, and he said with great candor, I thought, and without any emotion whatsoever:

> Well, of course, we are not going to allow freedom of press in Cuba. We are not going to allow any criticism of the revolution.

I would have hoped that every Member might have had a chance to see that program, because Castro was explicit in that statement.

Mr. Chairman, let me cover one last point, and then, if I have time, I will be glad to yield to Members.

The Washington Post, which is not noted for its conservative views, asked in its lead editorial of the Tuesday, June 7 edition: "What's Mr. Carter's Cuba Policy?"

The editorial starts out by saying:

> The Administration's decision to exchange diplomats now with Cuba, after a 16-year lapse, is puzzling.

The editorialist is talking about diplomats; it is not talking about recognition.

The editorial goes on and asks this question:

> Has Fidel Castro been told in effect that he can have the advantages of normalized relations even while continuing unabated the interventionist policy of which the Carter administration officially complains?
>
> * * * * *
>
> Has the administration quietly accepted the Castro regime's reported contention that in Cuba dealings with Washington two particular issues are not negotiable—the Cuban military presence in Africa and human rights? Performance on human rights, of course, is the other criterion set by Jimmy Carter for improved Cuban-American ties.
>
> The administration contends that it has lost none of its interest in restraining Cuban activity in Africa. One need not question whether it is losing interest to wonder whether it is losing leverage.

Mr. Chairman, I commend the Washington Post editorial to those Members who have not seen it. I will have it here at the desk.

I believe, considering these points and considering the attitude of Castro, that we would be doing exactly what the Washington Post suggests we would be doing by exchanging diplomats. By exchanging diplomats now we would in effect be lessening the emphasis we have been making in recent months with regard to human rights and with regard to nonintervention.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. TREEN. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I thank the gentleman for yielding.

I believe the gentleman is right. The gentleman's high point is that Cuba does not have freedom of the press and has political prisoners.

Is the gentleman suggesting that we should not have diplomatic recognition of any country that has that kind of a situation?

Mr. TREEN. With respect to countries with which we do not presently have recognition, yes. That is a different question than cutting off relations with some country with which we already have diplomatic relations.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. TREEN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I know that consistency is no great virtue in this august body, but I would remind the Members that on May 12 this House voted overwhelmingly in favor of an amendment offered by the gentleman from Ohio (Mr. ASHBROOK) which specifically, in the bill to which the amendment was offered, forbids trade with Cuba. The vote was 288 to 119.

If we are to be consistent, this is the first concrete occasion on which we can back up our previous position. Or else we can go back home and say, "We really didn't mean our vote of a few weeks ago, and now we are going to do that which we pledged by our vote not to do, embrace the Communist dictatorship in Cuba."

Mr. Chairman, I urge support for the amendment.

Mr. TREEN. Mr. Chairman, I thank the gentleman for his contribution.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia (Mr. SLACK).

Mr. SLACK. Mr. Chairman, I rise in order to see if we can agree upon a time limitation.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto cease in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. DELLUMS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. SLACK. Mr. Chairman, I move that all debate on this amendment and all amendments thereto cease in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, let us be clear with respect to what this amendment does. It prevents the sending of people down to Cuba to represent our

interests there. It does not in any way affect the embargo, and, hence, it does not in any way contradict what we did the other day. It does not involve diplomatic recognition, which is way, way down the road.

All it does, Mr. Chairman, is help us to cut off our nose to spite our face. Although we have things which we want from Cuba, a lot of them, with this amendment we cannot send people down there to negotiate for those items.

(By unanimous consent, Messrs. TREEN, RUDD, LAGOMARSINO, BADHAM, and BAUMAN yielded their time to Mr. BURGENER.)

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BURGENER).

(By unanimous consent, Mr. SLACK and Mr. WEISS yielded their time to Mr. DELLUMS).

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, it goes without saying that there are many problems that have not been resolved between the United States and Cuba. However, it seems to me that is not the issue before us.

I would like to place my argument in a much larger context. The nations of the world have a profound obligation to address critical and complex questions. The issues the world faces include disarmament, economic questions, ecological issues, issues with respect to the shortage of food in the world, and so forth.

Mr. Chairman, these are enormous questions, important issues, issues that transcend nations themselves.

It would seem to me that we cannot get on with the business of dealing with those problems until we have some ability to communicate.

What are we afraid of from a tiny nation 90 miles off our coast, a nation of 9.5 million people?

They certainly do not pose a military threat to this country.

It seems to me, Mr. Chairman, that we have an obligation to begin to speak with each other because at some point we have to move past our nationalism in order to deal with the issue of the survival of human life on the face of the Earth and we ought to start this by beginning to communicate.

If we are able to communicate with the Soviet Union and if we are able to communicate with China—these are the two powerful Communist nations—then why should we be fearful of these tiny Communist nations? Maybe it is because they cannot bomb us back, and because they cannot bomb us back we refuse to deal with them, and we kick them around on the floor of Congress. It seems fundamentally absurd that with respect to these small countries we refuse to deal with them.

We talk about Cuba spreading communism around the world yet we have no problem in dealing with China and with the Soviet Union.

But here, Mr. Chairman, is a tiny little country of 9.5 million people and we refuse to deal with them.

Finally, Mr. Chairman, many people object also to Cuba being involved in Angola, but I stand here as one appreciative of their involvement in Angola, because if they had not been involved in Angola, then one of the most racist, repressive nations in the world would have marched through and taken over Angola, and I would have been totally opposed to that development.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I rise in objection to the amendment. This is a bad amendment. It would tie the President's hands and deny him the flexibility to negotiate issues which are important to the interests of the United States.

This amendment would be interpreted by people all over the world as a demonstration by the House of Representatives that the Members have no confidence in the President of the United States and that the House does not trust President Carter to protect the best interests of the United States.

I do not think that we want to send this kind of a signal to the world.

During the debate on this amendment questions were raised of the intent and policy of President Carter on this issue. We have been advised this week at a congressional consultation session by the President in a meeting at the White House that while it is important that an interest section be established in Cuba he assured us that until Cuba shows tangible progress on the political prisoner problem in Cuba and evidence of less Cuban intervention in Africa that the United States anticipates no further agreements.

We must give the President the ability to negotiate agreements in the best interests of the United States by defeating this amendment.

Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from Texas (Mr. WRIGHT).

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. The Chair now recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, on every issue that has come up here, hijacking, protecting American citizens to compensation for expropriated property, we will have to talk to the Cubans. If you want to make any progress then this amendment would deny that opportunity. I believe we should vote no on the amendment.

(By unanimous consent, Mr. BROOMFIELD yielded his time to Mr. HYDE.)

The CHAIRMAN. The Chair now recognizes the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman and Members of the House, the gentleman from California (Mr. DELLUMS) may have applauded the Cubans' adventurism as the front men for the Soviet Union in Africa, but I deplore it.

I believe if one is for human rights anywhere then one ought to be for human rights everywhere.

Why should we extend the hand of friendship to a nation that has 30,000 political prisoners, a nation that has no freedom of the press, that has no freedom of religion but has resources for adventurism in Africa? It just seems to me it is the wrong thing to do at the wrong time. The gentleman speaks of the need to communicate, a need that transcends national boundaries, but we are shutting the Rhodesian information service off, we do not want to have anything to do with them. Here we are extending the hand of friendship to a Communist satellite 90 miles off our coast and I say it is the wrong thing to do.

(By unanimous consent, Mr. CORNWELL and Ms. HOLTZMAN yielded their time to Mr. WRIGHT.)

The CHAIRMAN. The Chair now recognizes the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, almost everything that has been said of a negative nature about Cuba and its leadership could have been said—and indeed was said—on the floor of this House against China prior to the time that we opened the doors and let in some fresh air of mutual communication.

This is not a question of whether we approve of Fidel Castro. There are many things that he has done that I thoroughly disapprove of, and I suppose all of us do. It is not even a question of whether we want to extend diplomatic recognition. That is not involved.

What the amendment would do would be to prohibit us from paying the salaries of any U.S. official people who went to Cuba. That is cutting off our noses to spite our faces.

For heaven's shake, if anybody should be in Cuba to sense those currents of thought and movement, it ought to be people who represent the United States. It ought to be people who are protected by diplomatic immunity from arrest and seizure.

Therefore, the question is simply: Are we willing to talk? Are we willing to listen? Are we willing to have somebody representing the United States at a listening post in that country?

It seems to me that the adventurism of China has abated somewhat since we opened up avenues of communication. We should not lose hope. Who knows, perhaps in the future Cuba will want to retreat from its adventurous behavior. Let us at least explore it; let us not close the door in the face of all conversation.

Let us vote down this amendment. It does not do anything except create a mischievous disruption of any attempt we might ever have to learn something useful and to apply those lessons in a helpful way to the United States.

I urge the Members to vote no on this amendment.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of this amendment. By exchanging diplomatic personnel with

Cuba, the administration is giving Castro recognition and credibility in the world community, which Castro could not have gotten any other way.

The President stated on February 16, 1977, that—

If I can be convinced that Cuba wants to remove this aggravating influence from other countries in this hemisphere, will not participate in violence in nations across the oceans, will recommit the former relationship that existed in Cuba towards human rights, then I would be willing to move toward normalizing relatonships with Cuba as well.

Has Cuba changed its policy of intervention in international affairs? I submit, Mr. Chairman, that it has not. The Cuban troops are still in Angola. They were used for training the Katanga rebels prior to the invasion of Zaire. Cuban military personnel have been reported in Laos, Uganda, and now Ethiopia. And, Cuba continues to foster anti-American feelings in Puerto Rico and Panama. It is difficult, Mr. Chairman, to see any change in Cuba's policies and actions.

The U.S. Ambassador to the Organization of American States, Dale McGee testified before the Senate Foreign Relations Committee on March 17, 1977 and stated:

I don't think we ought to be racing pell mell, unilaterally on our own toward diplomatic relations with Cuba. It has to involve more than unilateral action.

But words aside, this is exactly what the administration is doing. There is no consistency in U.S. foreign policy. Here we are beginning to improve relations with Castro and at the very same time delivering slaps to the Philippines and Brazil, as well as several other friendly nations because of human right concerns. What is Cuba's record on human rights? How can we explain American policy to the world community when we have such glaring inconsistencies?

We would like to be friendly with everybody if we can. But with the circumstances existing in the United States-Cuba relations today, the concessions are so obviously one sided.

Mr. Chairman, I support the amendment offered by the gentleman from California.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. BURGENER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BURGENER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. BURGENER. Mr. Chairman, I withdraw my request. Obviously a quorum is present.

The CHAIRMAN. Evidently a quorum is present.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from California (Mr. BURGENER) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139, noes 206, not voting 88, as follows:

[Roll No. 332]

AYES—139

Abdnor	Flynt	Pepper
Ambro	Fountain	Perkins
Applegate	Gilman	Pettis
Archer	Goldwater	Pressler
Armstrong	Goodling	Pritchard
Badham	Gradison	Pursell
Bafalis	Grassley	Quayle
Barnard	Gudger	Regula
Bauman	Guyer	Rhodes
Bennett	Hansen	Rinaldo
Bevill	Harsha	Risenhoover
Brinkley	Hefner	Roberts
Broomfield	Hillis	Robinson
Brown, Mich.	Holt	Rogers
Brown, Ohio	Hubbard	Rousselot
Buchanan	Huckaby	Rudd
Burgener	Hyde	Runnels
Burke, Fla.	Ichord	Satterfield
Burleson, Tex.	Jenkins	Schulze
Butler	Jones, Tenn.	Shuster
Byron	Kasten	Skelton
Caputo	Kazen	Smith, Nebr.
Carter	Kelly	Snyder
Cederberg	Kemp	Spence
Chappell	Kindness	Stangeland
Clausen, Don H.	Lagomarsino	Stanton
Clawson, Del	Latta	Stockman
Cleveland	Levitas	Stratton
Cochran	Lloyd, Tenn.	Stump
Coleman	Lott	Taylor
Collins, Tex.	Lujan	Treen
Corcoran	McClory	Trible
Coughlin	McDonald	Vander Jagt
Daniel, Dan	McEwen	Volkmer
Daniel, R. W.	Martin	Walker
Davis	Mathis	Walsh
de la Garza	Miller, Ohio	Watkins
Dickinson	Mitchell, N.Y.	White
Duncan, Tenn.	Moore	Whitehurst
Edwards, Ala.	Moorhead, Calif.	Whitley
Edwards, Okla.	Motti	Wilson, Bob
Emery	Myers, Gary	Winn
English	Myers, Ind.	Wolff
Fish	Natcher	Wylie
Flood	Nichols	Young, Alaska
Flowers	O'Brien	Young, Fla.
		Zeferetti

NOES—206

Addabbo	Cornwell	Harris
Akaka	Cotter	Heckler
Alexander	D'Amours	Heftel
Allen	Danielson	Hightower
Ammerman	Delaney	Holtzman
Anderson, Calif.	Dellums	Howard
Anderson, Ill.	Derrick	Hughes
Andrews, N.C.	Derwinski	Jacobs
Annunzio	Dicks	Jeffords
Ashley	Diggs	Jenrette
AuCoin	Dingell	Johnson, Calif.
Baucus	Dodd	Jones, N.C.
Bedell	Downey	Jones, Okla.
Beilenson	Drinan	Jordan
Benjamin	Duncan, Oreg.	Kastenmeier
Biaggi	Early	Keys
Bingham	Edgar	Kildee
Blanchard	Edwards, Calif.	Kostmayer
Blouin	Eilberg	Krebs
Boggs	Ertel	Krueger
Boland	Evans, Ind.	LaFalce
Bolling	Fary	Le Fante
Bonior	Fascell	Leach
Bowen	Fenwick	Lederer
Brademas	Findley	Lehman
Breaux	Fisher	Lloyd, Calif.
Brodhead	Foley	Long, La.
Brown, Calif.	Ford, Mich.	Long, Md.
Burke, Calif.	Ford, Tenn.	Lundine
Burke, Mass.	Forsythe	McCloskey
Burlison, Mo.	Fowler	McDade
Burton, Phillip	Fraser	McFall
Carr	Frenzel	Madigan
Cavanaugh	Gammage	Maguire
Chisholm	Gaydos	Mahon
Clay	Gephardt	Mann
Cohen	Glickman	Markey
Collins, Ill.	Gonzalez	Mattox
Conable	Gore	Mazzoli
Conte	Hall	Metcalfe
Conyers	Hamilton	Mikulski
Corman	Hanley	Milford
Cornell	Hannaford	Miller, Calif.
	Harkin	Mineta
Minish	Price	Solarz
Moakley	Quie	Spellman
Moffett	Rahall	Staggers
Mollohan	Railsback	Stark
Montgomery	Rangel	Steed
Moorhead, Pa.	Reuss	Steiger
Moss	Richmond	Studds
Murphy, Ill.	Rodino	Traxler
Murphy, Pa.	Rooney	Tsongas
Murtha	Rose	Tucker
Myers, Michael	Rosenthal	Udall
Neal	Russo	Van Deerlin
Nedzi	Santini	Vanik
Nix	Sarasin	Vento
Nowak	Sawyer	Walgren
Oakar	Scheuer	Weaver
Oberstar	Schroeder	Weiss
Obey	Seiberling	Wilson, C. H.
Ottinger	Sharp	Wilson, Tex.
Patten	Shipley	Wirth
Patterson	Simon	Wright
Pease	Sisk	Yates
Pickle	Skubitz	Young, Mo.
Pike	Slack	Young, Tex.
Preyer	Smith, Iowa	Zablocki

NOT VOTING—88

Andrews, N. Dak.	Gibbons	Nolan
Ashbrook	Ginn	Panetta
Aspin	Hagedorn	Pattison
Badillo	Hammer-schmidt	Poage
Baldus	Harrington	Quillen
Beard, R.I.	Hawkins	Roe
Beard, Tenn.	Holland	Roncalio
Bonker	Hollenbeck	Rostenkowski
Breckinridge	Horton	Roybal
Brooks	Ireland	Ruppe
Broyhill	Johnson, Colo.	Ryan
Burton, John	Ketchum	Sebelius
Carney	Koch	Sikes
Crane	Leggett	St Germain
Cunningham	Lent	Steers
Dent	Luken	Stokes
Devine	McCormack	Symms
Dornan	McHugh	Teague
Eckhardt	McKay	Thompson
Erlenborn	McKinney	Thone
Evans, Colo.	Marks	Thornton
Evans, Del.	Marlenee	Ullman
Evans, Ga.	Marriott	Waggonner
Fithian	Meeds	Wampler
Flippo	Meyner	Waxman
Florio	Michel	Whalen
Frey	Mikva	Whitten
Fuqua	Mitchell, Md.	Wiggins
Giaimo	Murphy, N.Y.	Wydler
		Yatron

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Thompson against.

Mr. Crane for, with Mr. Baldus against.

Mr. Symms for, with Mr. Ginn against.

Mr. Cunningham for, with Mr. Mitchell of Maryland against.

Mr. Dornan for, with Mr. Roybal against.

Mr. Frey for, with Mr. Hawkins against.

Messrs. LONG of Maryland and GONZALEZ changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. RUDD

Mr. RUDD. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

SEC. 104. It is the sense of the Congress that any new Panama Canal treaty or agreement must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property and defense of the Panama Canal.

The Clerk read as follows:

Amendment offered by Mr. RUDD: Page 14, delete lines 1 through 5 and insert in lieu thereof:

SEC. 104. It is the sense of the Congress that any new Panama Canal treaty or agreement must not abrogate or vitiate the traditional interpretation of the treaties of 1903,

1936, and 1955, with special reference to matters concerning territorial sovereignty.

POINT OF ORDER

Mr. SLACK. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. SLACK. Mr. Chairman, I make a point of order reluctantly, because the amendment deals with matters not addressed in the bill and is clearly legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Arizona (Mr. RUDD), desire to be heard on the point of order?

Mr. RUDD. Yes, Mr. Chairman.

This is simply a clarification to section 104. We have heard many statements here this afternoon and this morning regarding the desire by many of our distinguished colleagues here, and I think that they are in favor of retaining the Panama Canal. All this does is to clarify this language, put it in proper perspective, so that there will be no question about the retention of the Panama Canal.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from Arizona (Mr. RUDD) offered an amendment to section 104, which is a sense of the Congress section.

The amendment offered by the gentleman from Arizona (Mr. RUDD) would change the sense of the Congress legislation permitted to remain in the bill and would clearly alter it. The gentleman's amendment would be further legislation on an appropriation bill and subject to a point of order. The Chair must sustain the point of order made by the gentleman from West Virginia (Mr. SLACK).

Mr. RUDD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I believe it is clear to every American who has followed the news of current United States-Panama negotiations for a new Panama Canal Treaty that the administration is preparing to propose that the United States give up legal sovereignty over the Canal Zone and the canal to Panama.

The American people are overwhelmingly opposed to this course of action, and I believe that it is our obligation to represent that feeling through the language of my amendment.

The language of section 104 of the bill presently states that:

It is the sense of the Congress that any new Panama Canal Treaty or agreement must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property and defense of the Panama Canal.

But, Mr. Chairman, this is not sufficient.

It is clear that the "vital interests" of the United States cannot be protected if the canal and the Canal Zone are turned over to the unstable Panama Government under the rule of pro-Castro Dictator Omar Torrijos.

Following General Torrijos' state visit to Havana with a retinue of 200 Panamanians in January 1976, anti-American sentiment occurred.

Castro gave Torrijos his assurances of support, and sent about 3,000 Cuban troops and agents to Panama.

The United States must certainly not bow to the threats and insistence of General Torrijos in giving up American sovereignty and ownership of the Panama Canal.

Down through the years, a constant average of about 70 percent of all cargo through the canal is bound either from or to a U.S. port.

Most commercial ships can transit the canal.

The canal is also vital to the United States militarily. About 97 percent of the U.S. Navy's ships can transit the canal—including all of our submarines and antisubmarine forces.

This is essential to counter possible initiatives by the Soviet Union, which has the largest submarine force in history.

The size and capability of this Soviet submarine force itself demands continued U.S. sovereignty and control over the Panama Canal.

One can imagine the possibilities with the canal under total control of General Torrijos—a friend and ally of Castro's Cuba.

Mr. Chairman, my amendment states the sense of Congress that any new Panama Canal Treaty or agreement must not abrogate or weaken the traditional interpretation of successive treaties since 1903 between the United States and Panama concerning territorial sovereignty over the canal and Canal Zone.

The traditional interpretation has been and is that the United States is the legal sovereign.

This interpretation comes from article III of the 1903 treaty, which states:

The Republic of Panama grants to the United States all the rights, power, and authority within the zone mentioned and described in article II of this agreement and within the limits of all auxiliary lands and waters mentioned and described in said article II which the United States would possess if it were the sovereign of the territory within such lands and waters to the entire exclusion of the exercise by the Republic of Panama of any such soveregin rights, power, or authority.

The key phrase of that statement is "to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

The United States has legal sovereignty explicitly, to the exclusion of sovereignty by Panama.

I believe that the American people overwhelmingly support continued U.S. sovereignty over the Panama Canal for the reasons I have already stated—and because the United States has purchased all rights in the canal, and invested a total of about $7 billion in the Canal Zone.

I urge adoption of my amendment.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read title II.

The Clerk proceeded to read title II.

Mr. SLACK (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. Are there any points of order against title II?

AMENDMENT OFFERED BY MR. WALSH

Mr. WALSH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 25, after line 7, insert the following:

SEC. 209. None of the funds appropriated by this title may be used to represent the Cayuga Indians in any action at law or suit in equity to recover any damages or real property from the State of New York or any owner or prior owner of any real property located in the State of New York.

Mr. WALSH. Mr. Chairman, I am hopeful this matter can be settled without court action, but since the Department of Interior has requested the Department of Justice to proceed on behalf of the Cayuga Nation, I feel we must act immediately on this matter before the House.

If the case is not settled out of court, I hope to prevent use of any funds by the Justice Department for a lawsuit against the State of New York or any of its subdivisions or its residents.

I am sure the argument will be made that the Cayuga Nation does not have the money to prosecute its claim. On the other hand, 6,000 residents of the cities, towns and villages of these two counties and the State of New York do not have the funds to defend such action either.

It is about time we attempt to call a halt to the "mea culpa" attitude of the U.S. Government with respect to Indian nations. These treaties with the Indians were examined and found to be valid in New York more than 170 years ago. The present breast-beating posture continues to fly in the face of history.

No doubt many crimes have been committed against the Indian nations of this country, but an equally serious crime will be committed against the citizens of this country if these actions against innocent parties are allowed to continue.

I think it is totally improper for the Federal Government to finance legal action against a group of its citizens and possibly force upon them the unnecessary burden of legal expense.

I am not unsympathetic to the Indian cause. In fact, I represent the Onondaga Indian Reservation which is located in my district.

But this action involves some of the finest farming and recreational areas in the country, property valued in excess of one-half billion dollars, including Eisenhower College at over $30 million.

Two wrongs will not make a right. The owners of these properties purchased them in good faith. Title companies have insured their title. Insurance companies, banks and other financial institutions have loaned money to mortgage these properties. The life savings of these 6,000 residents are wrapped up in their homes and farms.

Now because some pointy-headed bureaucrat with nothing better to do de-

cides the Government should pursue this claim, these people may have to go to some tremendous legal expense to defend their lands.

Frankly, I think it is time the decent, law-abiding, hard-working taxpaying citizens of this Nation got a break. What an innovation it would be for Government to come to their assistance for a change.

Well, here is our chance. Limit the funds of the Justice Department to the prosecution of criminals rather than the harassment of American citizens.

Mr. Chairman, the Justice Department does not want to proceed with this claim. Just to show the attitude of the Justice Department, I would like to quote from some of the statements it has made about previous actions in these matters.

The CHAIRMAN. The time of the gentleman from New York (Mr. WALSH) has expired.

(By unanimous consent, Mr. WALSH was allowed to proceed for 2 additional minutes.)

Mr. WALSH. Mr. Chairman, this is what the Justice Department itself has had to say about litigation in these matters:

> Litigation while resolving past injustices imposed on the tribes, would place substantial hardships on innocent parties, who acted largely in good faith in purchasing real estate, investing their funds and improving their property. Only a Congressional resolution of the Indian claims can correct the past injustices to the tribes without creating new hardships for others. Moreover, according to the Justice Department, litigation cannot lead to an equitable resolution of the claims involved with respect to all potential parties in these actions and further, even if conducted to its conclusion, successful litigation would still require Congressional resolution of the results obtained.

In view of the attitude of the Justice Department, and in view of their statement, Mr. Chairman, I urge the adoption of this amendment.

The CHAIRMAN. The time of the gentleman from New York (Mr. WALSH) has expired.

(On request of Mr. GILMAN and by unanimous consent, Mr. WALSH was allowed to proceed for 1 additional minute.)

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I want to commend the gentleman from New York (Mr. WALSH) for bringing this important matter to the attention of this body.

I certainly think there must be a better way of resolving the issue than through litigation and imposing upon the Government the costs of such litigation.

Mr. Chairman, I urge my colleagues to support the amendment of the gentleman from New York (Mr. WALSH).

Mr. WALSH. Mr. Chairman, I thank the gentleman.

Mr. McEWEN. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from New York.

Mr. McEWEN. Mr. Chairman, I want to commend my colleague, the gentleman from New York (Mr. WALSH), for bringing this matter to the attention of the House.

We are facing a number of these claims, I am afraid, in our State and in other States; and if any Members of the House think this is frivolous, when they find out what happens to a community on titles, the gentleman in the well has pointed out that title insurance has been obtained.

Mr. Chairman, we are concerned here with people who have held property, in many cases, for 6 or 7 generations; and now the title to their property is being placed in question.

Therefore, I commend the gentleman from New York (Mr. WALSH) for bringing this amendment to us, and I support the gentleman's amendment.

Mr. WALSH. Mr. Chairman, I thank the gentleman from New York (Mr. McEWEN), and I urge the support of my amendment.

Mr. SLACK. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from West Virginia (Mr. SLACK) is recognized for 5 minutes.

Mr. SLACK. Mr. Chairman, if the Indians in New York have a legitimate claim and the Department of Justice is authorized to represent them or authorized to be involved in some way in the matter, I think that the Department should be permitted to do so.

The funds provided in this bill are to carry out programs which are authorized.

Therefore, Mr. Chairman, I urge the defeat of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. WALSH).

The question was taken; and on a division (demanded by Mr. WALSH) there were ayes 27, noes 43.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments to title II?

AMENDMENT OFFERED BY MR. FRASER

Mr. FRASER. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES (INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including miscellaneous and emergency expenses authorized or approved by the Attorney General or the Assistant Attorney General for Administration; not to exceed $30,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and advances of public moneys pursuant to law (31 U.S.C. 529); $76,075,000: *Provided*, That not to exceed $105,000 may be transferred to this appropriation from the "Alien Property Fund, World War II", for the general administrative expenses of alien property activities, including rent of private or Government-owned space in the District of Columbia.

The Clerk read as follows:

Amendment offered by Mr. FRASER: Page 15, line 5, strike out "$76,075,000." and insert "$76,514,000.".

Mr. FRASER. Mr. Chairman, this amendment is a very specific amendment, designed to provide more money for the Task Force on Sex Discrimination, which was established by President Ford in July of last year.

What has happened is that this task force, while assigned the mammoth task of reviewing all U.S. laws and regulations for sex-discriminatory bias, has never been provided with adequate funding for personnel. Until the fiscal year supplemental appropriations, they had no funding. Therefore, they sought to get personnel from other departments to be assigned to the task force; but these personnel have not remained with the task force. By April there were only three employees left, one a permanent Justice Department employee and two on nonreimbursement detail from HEW.

All the details of the task force were due to expire at the end of April. The fiscal year 1977 supplemental appropriation did include $199,000 for 14 positions and the subcommittee did put some money in this bill to fund the task force on sex discrimination, but a review of the level of funding shows that it is not adequate to enable the task force to do its job.

What this amendment will do is to raise the amount of money so that the task force can realistically seek to accomplish their work in the next 2½ years. Without this amendment it is going to take at least 4 years and probably more to do the job.

The task force has already begun a review of the Federal statutes and all of the Federal regulations to find out where the language is discriminatory with respect to treatment of the sexes. They have identified roughly 500 code provisions that are going to need attention. However, this job is going to go on for years and years unless we can get adequate funding to do the job.

My amendment would, in effect, supplement the amount that the gentlewoman from California (Mrs. BURKE) had provided in the subcommittee to enable them to finish their work in a few years. This would cover 10 additional staff, computer utilization, travel books, equipment and related expenses. The amendment would not increase costs because to the extent that they can complete the work in less time, the task force work will end sooner.

As I say, this work is needed in order to make the recommendations for corrections in the regulations, legislative recommendations for Federal laws that may be sex discriminatory, and other activities that are required by the mandate of the task force.

So I hope that the committee will give favorable consideration to my amendment. It is a very small increase in relationship to the necessary job to be done, elimination of bias in our laws and regulations.

I know from working in my own office

with regard to social security, for example, that a major problem exists in the way we treat men and women differently. Social security and pension reform are areas where the task force has already begun detailed analysis, military law is another. We need to identify those areas in which such treatment exists in order to introduce corrective legislation so as to put an end to sexual discrimination so far as actions of the Federal Congress and Federal laws are concerned.

Mrs. BURKE of California. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I am happy to yield to the gentlewoman from California.

Mrs. BURKE of California. Mr. Chairman, I rise in favor of the Fraser amendment.

Under a special directive of the former President, we have created a Task Force on Sex Discrimination whose task is to analyze and revise our United States Code for sex discriminatory bias and make recommendations for eliminating the bias. This task force has the commitment of the current administration. It has been projected that a total of 55 work years will be needed in order to complete this revision. At present the task force has been allocated a staff of 14. It has been projected by the Civil Rights Division of the Justice Department that with a staff of 14, 4 years or more would be required to complete the revision. This revision is important because as long as sex discrimination is allowed to exist in any form it will be perpetuated. We need to eradicate it as quickly as possible. I support the revision which will complete the task as efficiently as possible. By prorating the revision over a 4-year period we may incur:

First, personnel turnover creating wastes, backlogs, backtrackings, and retraining—these wastes will be expensive not only in terms of money but also in terms of time;

Second, an increasing backlog in litigation challenging sex discriminatory laws and regulations; and

Third, an increase in discontentment among women who for so long have suffered the pains of discrimination and need not be reminded of this discrimination by our United States Code.

We must expedite matters in the name of efficiency. According to the projections, the task force would operate at maximum efficiency if it were allowed a staff of 24 persons; allowed such a staff the projected time period for completion of its task would be reduced from 4 or more years to 2 years. Efficiency would probably also be increased because of factors concomitant with a large staff size and less lengthy time period. The challenge of reviewing the 50 titles of the United States Code and Federal regulations and completing a comprehensive proposal for the elimination of sex biased laws as quickly and effectively as possible requires a minimum staff of 24 if this revision is not to be a perpetual task.

On behalf of the Congressional Women's Caucus I urge your support of the amendment.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I am happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I support this amendment heartily, although I always regret having to see increased appropriations.

I do hope very much that these additional employees who will be taken on through this increased appropriation will be temporary employees and they will not be added to the permanent Federal payroll. I believe we have some 2,800,000 employees now. But I think this is a wise move and it will probably save money in the long run, in order to expedite the work in this way, but again I say that I hope that they will be temporary employees.

Mr. FRASER. Mr. Chairman, I thank the gentlewoman from New Jersey (Mrs. FENWICK) and the gentlewoman from California (Mrs. BURKE) for their support.

Mr. Chairman, I urge support for my amendment.

Mr. SLACK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Minnesota (Mr. FRASER).

Mr. Chairman, in the supplemental appropriation for fiscal year 1977, which was enacted earlier this year, the committee considered a request by the administration to appropriate $129,000 for a Task Force on Sex Discrimination. That amount would have funded seven positions. The amount approved by our committee and the amount enacted, was $199,000, which included the funding of 14 positions.

For fiscal year 1978 the budget included a request of $200,000 for the task force. The committee's recommendation, however, would increase that amount to $375,000, an increase of $175,000, which provides for 14 positions on a full-year basis.

Mr. Chairman, we have almost doubled the budget request for this item. I would say that they can review an awful lot of laws and regulations with regard to this subject matter for $375,000.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I thank the gentleman for yielding.

Mr. Chairman, I agree with the chairman of the committee. I think that we spent a good deal of time in the subcommittee trying to do what we thought was right in this area. If there is some new information, I think maybe we ought to take it to the other body and have them take a look at it. If we find some future justification, then maybe they can come in later with a supplemental request. I think this is a very adequate appropriation and the amendment ought to be defeated.

Mr. SLACK. I thank the gentleman. In my judgment, the amount in the bill certainly should be adequate, and if it is not, as the gentleman from Michigan has said, we can consider additional funds at a later time.

Mrs. HECKLER. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentlewoman from Massachusetts.

Mrs. HECKLER. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment. I think the House has heard justification for this amendment. The committee has worked in depth and given full consideration to the staff requirements to cover the goals of its members. Our consideration has been forthright and on a bipartisan basis. I think the issue deserves our support, and it has my strongest backing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRASER).

The amendment was rejected.

The CHAIRMAN. Are there other amendments to Title II?

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: Page 25 after line 7 insert the following:

SEC. 209. None of the funds appropriated under this Title may be used for the enforcement of any prohibition on the distribution of saccharin in interstate commerce.

Mr. VOLKMER. Mr. Chairman, I would first like to say the purpose of this amendment is to put into the Department of Justice appropriation the provision that beginning October 1 none of their funds can be used for the enforcement of any prohibition or ban by the Food and Drug Administration on saccharin. I know that this is not the best way to attack the saccharin problem. I realize that there is other legislation which may be authorization legislation, such as delays to postpone the ban to have additional tests, and to postpone the ban for at least another 18 months or 2 years. That would be a better type of legislation and a better way to do the job.

But, Mr. Chairman, I believe that the many people of this country who are saccharin users, who are in need of saccharin, such as diabetics, or persons who are susceptible to obesity or who have other problems, want to see some action by Congress on this subject.

In this regard, I would like to point out that the Federal Register which contains the proposed rule on saccharin by FDA I find many things that greatly concern me about this proposed ban. One is that regarding the risk of the occurrence of bladder cancer—and this is to use their own words—if every person in this country would use or consume one can of dietetic soda using saccharin to sweeten it at a sustained 150 milligrams per day for their lifetime—that is everybody—there would only be a risk of an increased incidence of only 1,200 cases a year.

If one-half the population drank that bottle of soda pop for the rest of their lives there would be only 600 cases per year. In percentage of risks, that is only four-hundredths of a percent. Today, the lifetime risk of a bladder cancer in hu-

mans in the United States is 1.5 percent. For every 10,000 persons it is expected that 150 will develop bladder cancer from causes unknown.

In my opinion, this is a very minor risk compared with the benefits that are derived from saccharin.

I would also like to quote from page 20002 of the Register as to this risk, as stated in the Commissioner's own words:

Although the risk from consumption of saccharin is small compared to that of other health hazards, e.g., cigarette smoking, saccharin is only one of a potentially large number of hazards present in our environment. The Commissioner believes—

I emphasize the word "believes" and not "knows"—

that reduction of prolonged, general exposure to a number of weakly carcinogenic substances—

And saccharin is a weak carcinogenic substance—

in our environment as they are discovered may be essential to reduce the total incidence of cancer.

I would like to emphasize "may be."

I would also like to point out to the Committee that there is a great amount of attention now being focused on the testing procedures used and the determination of cancer. All of us know there have been no tests on humans to prove that saccharin causes cancer.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. VOLKMER was allowed to proceed for 1 additional minute.)

Mr. VOLKMER. Mr. Chairman, there has been no proof whatsover. There have been two studies of humans, one in the United States on diabetics and one in England, and neither one of them demonstrated that there was any cancer causation from saccharin.

Mr. ROGERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would hope the gentleman, after a discussion, would agree to withdraw this amendment. I think this is not the best way to proceed, although I know the feeling of Members of Congress about this runs very strongly.

Our subcommittee, the Subcommittee on Health and the Environment, does have before it a bill I have introduced to provide for a postponement for 18 months.

Actually this amendment would simply say no funds from the Justice Department could be spent in this regard in enforcing the thing, as I understand it. This would still allow Food and Drug to go in and seize all the saccharin because Food and Drug has that authority and they do not have to go to Justice for it.

We are going to have hearings, and I think the gentleman would want this reassurance, on this bill and the bill should be before the House I would hope within a month's time, so I think the gentleman could be reassured we are going to act on this bill and bring it to the floor.

I yield to the gentleman from New York (Mr. DELANEY), who is the father of the Delaney amendment, and I think he would agree it would be well for us to have an 18-month postponement so we can consider the matter further.

I yield to the gentleman from New York.

Mr. DELANEY. Mr. Chairman, this is possibly the most unusual amendment that I have heard in a long, long time. It is asking the Justice Department not to enforce the law, that no funds should be used by the Justice Department in enforcing the law.

Now, we have a highly emotional question. The chairman of the Committee on Interstate and Foreign Commerce Subcommittee on Health and the Environment has studied with the committee over a long period of years this highly complex problem of chemical additives in foodstuffs. It has caused me great concern over the years that it has been on the books from the time it was first placed on the books.

We should not on a Friday afternoon attempt to solve by chipping off bit by bit parts of the pending law. This is one of the most serious problems that this Congress will confront. It deals with the health of the American public.

I think I have to correct one or two statements. It has been said that no tests have been made. Replete tests have been made. Only this week in the Senate, at their request, at the request of the committee, we got the results, a part of the results of the findings, and in every instance they say that saccharine is potentially carcinogenic.

Now, nobody wants to take the risk of an impulsive act on a highly emotional thing on a late Friday afternoon. I think we should give more study to this. I do not think this is a place to bring this motion. It should be debated in the committee and we should all have an opportunity over a period of study as to what our vote will be. I ask that this either be withdrawn or voted down.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would like to address one question to the gentleman; that is, that in the event legislation is reported from the Commerce Committee that would possibly delay the action of the Food and Drug Administration; so we have time to look at the whole question.

I agree, there have been tests on animals and not conclusive tests on humans; but would the gentleman at least not oppose that type of legislation, so we can directly address this problem?

Mr. DELANEY. Mr. Chairman, I am for every scientific test that could be made that would help.

Mr. VOLKMER. Mr. Chairman, if the gentleman will yield further, as the gentleman knows, the appropriation bill is coming up for FDA of this $1 million next week to provide for additional testing of this very subject, made by the FDA.

Mr. DELANEY. In some of the other committees, they provide for an additional $1 million for a study of this; but I think it belongs properly in the subcommittee of the Committee on Interstate and Foreign Commerce under the gentleman from Florida (Mr. ROGERS).

Mr. VOLKMER. Mr. Chairman, if the gentleman will yield further, the gentleman would not oppose that type of legislation?

Mr. DELANEY. The study the gentleman mentioned on the floor, I think, would be a good thing.

The CHAIRMAN. The time of the gentleman from Florida (Mr. ROGERS) has expired.

(By unanimous consent, Mr. ROGERS was allowed to proceed for 1 additional minute.)

Mr. ROGERS. Mr. Chairman, I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would first like to ask the gentleman with regard to the legislation the gentleman has recently introduced, or I understand in the near future plans to introduce, when it would possibly arrive here on the floor for general debate?

Mr. ROGERS. I would hope it would arrive here within a month's time somewhere, if possible.

Mr. VOLKMER. Mr. Chairman, I thank the gentleman.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Chairman, it is well known that I endorse what he seeks to do, to halt the ban on saccharin. I am convinced that there is little or no risk to those who use saccharin as a sugar substitute, and, at worst, that the maximum risk is only one-fortieth that predicted by FDA, and that depriving them will do far more harm than good.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. MARTIN, and by unanimous consent, Mr. ROGERS was allowed to proceed for an additional 2 minutes.)

Mr. MARTIN. Mr. Chairman, will the gentleman yield further?

Mr. ROGERS. I yield to the gentleman from North Carolina.

Mr. MARTIN. Mr. Chairman, I have some severe reservations about taking this route via a limitation on an appropriation. The calendar is against us, and the ban will go into effect long before the limitation which is sought in this bill. The ban takes effect July 31, and the fiscal year governed by this amendment would not start until October.

Furthermore, no food processor or diet drink bottler would risk bringing a banned substance on the market. Its legal responsibility would not be broached by this amendment.

The gentleman from Florida, the distinguished chairman of the Commerce Subcommittee on Health and Environment, has introduced a bill to suspend the ban legislatively for 18 months. That approach goes directly to the authority of the FDA, and suspends the ban to allow us to fully and cautiously develop the ultimate health legislation which the gentleman from Missouri and I seek.

I commend the author of the amendment for his initiative, and would join him if we had no other mechanism before us; but suggest that the bill in the sub-

committee of Chairman ROGERS is the best vehicle for us.

The ban will go into effect before the limitation does. It will go into effect July 31. The limitation will not go into effect until October, when the fiscal year begins. Furthermore, no food processor or bottler of soft drinks is going to risk bringing out a banned product just on the grounds that there is no limitation. So, I support the approach of the gentleman from Florida, and commend the initiative of the gentleman from Missouri.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, I want to commend the gentleman from Missouri for his concern, which is shared by many in the House, including the gentleman from North Carolina. But, I also want to take this time to say that the gentleman from Florida (Mr. ROGERS) has introduced legislation which really addresses the problem in trying to get additional studies completed and having a reasonable period of delivery.

I am very encouraged by the statement made by the gentleman from Florida (Mr. ROGERS). His bill, in his judgment, will be on the floor within a month, and I gather from his remarks that he thinks that legislation can be considered by the Congress. If the Congress agrees with him and enacts this bill, it will be before this ban goes into effect.

Mr. ROGERS. That is correct.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Texas.

Mr. KAZEN. I was very interested in that last statement made by the gentleman from Washington. Are we assured that the legislation to be offered by the gentleman from Florida will be on the floor and will be passed before the ban takes effect?

Mr. ROGERS. Well, I cannot speak for the action of the House, but I think it will have an opportunity to act on it well before any proposed ban. Yes, I think there is no question about it.

Mr. KAZEN. What is the date of the proposed ban?

Mr. ROGERS. There is no set date yet. It may not come until August, September—there is nothing set yet.

Mr. KAZEN. I would hope that the people downtown would realize that at least there is a strong sentiment in this Congress that no ban should be placed in effect.

Mr. ROGERS. I am sure they will get the word on that.

Mr. Chairman, I would hope that the gentleman would withdraw his amendment.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(On request of Mr. O'BRIEN and by unanimous consent Mr. ROGERS was allowed to proceed for 1 additional minute.)

Mr. O'BRIEN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Illinois.

Mr. O'BRIEN. Mr. Chairman, although an amendment to bar funding for the enforcement of the FDA's proposed saccharin ban was withdrawn on relatively technical grounds Friday afternoon. There is a message here that I hope the FDA should be able to understand. The Congress intends to settle the saccharin issue. The FDA should not rush the saccharin ban into effect before congressional action can be completed.

The House next week is expected to vote $1 million for a full and complete study of the saccharin issue. By the end of the month, hearings will be held on legislation to authorize the National Academy of Sciences to perform a yearlong saccharin study and report to Congress.

It would be sheer folly for the FDA to rush a saccharin ban through in the face of the clear determination of the Congress to take action.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Indiana.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, following all this discussion and the assurances given by the gentleman from the Commerce Committee and the gentleman from New York, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SLACK. Mr. Chairman, I move that the Committee do now ries.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DANIELSON) having assumed the chair, Mr. FLOWERS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7556) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. SLACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and that I may include extraneous matter on the bill which the House has just had under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ANNOUNCEMENT RELATIVE TO PUBLIC HEARINGS ON SOCIAL SECURITY, JUNE 18, 1977

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to take this time to announce that the Subcommittee on Social Security of the Committee on Ways and Means will continue public hearings on social security on Saturday, June 18, 1977, beginning at 10 a.m. in the main hearing room of the Committee on Ways and Means in the Longworth House Office Building. The purpose of the hearing on June 18 is to take testimony from Members of Congress. These hearings at which interested persons and organizations are invited to testify will be further continued beginning on Monday, July 18, 1977.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time in order to inquire as to the program for the balance of the week and for next week.

Mrs. CHISHOLM. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentlewoman from New York (Mrs. CHISHOLM).

Mrs. CHISHOLM. Mr. Speaker, the program for the House of Representatives for the week of June 13, 1977, is as follows:

On Monday, the House will meet at noon.

Monday is District day and there are no bills scheduled. On the Suspension Calendar there are no bills scheduled.

The House will complete consideration of H.R. 7556, State-Justice-Commerce-judiciary appropriations, fiscal year 1978.

The House will consider H.R. 7553, public works appropriations, fiscal year 1978, waiver granted by the rules.

There will be a 30-minute recess at 3 p.m. for the Magna Carta ceremonies.

On Tuesday the House will meet at 10 a.m. There are two bills scheduled on the Suspension Calendar, House Concurrent Resolution——, Joint Economic Committee investigation; and H.R. 7200, Public Assistance Amendments of 1977.

Votes on suspensions will be postponed until the end of the suspensions.

There will be Flag Day ceremonies, after which the House will consider H.R. 7554, HUD-independent agencies appropriations, fiscal year 1978, waiver granted by the rules.

On Wednesday the House will meet again at 10 a.m. The House will consider H.R. 7555, Labor-HEW appropriations, fiscal year 1977.

On Thursday the House will meet at 10 a.m. and consider H.R. 7558, Agriculture appropriations, fiscal year 1978, subject to a rule being granted.

On Friday the House will meet at 10 a.m. and will consider H.R. 7589, military construction appropriations, fiscal year 1977, waiver granted by the rules.

During the 10 or more legislative days reserved for appropriations bills, other legislation will be scheduled on days when early completion of the appropriations bill makes time available.

Among bills which may be considered during this period, not necessarily in this order, are:

H.R. 7073, Federal Insecticide, Fungicide and Rodenticide Act extension,

FIFRA, with an open rule and 1 hour of debate.

H.R. 5023, Indian claims statute of limitation provisions, subject to a rule being granted.

H.R. 5959, Renegotiation Reform Act of 1977, subject to a rule being granted.

H.R. 6566, National Security ERDA authorization fiscal year 1978, subject to a rule being granted.

H.R. 6761, youth camp safety programs, subject to a rule being granted; and

H.R. 4287, Mining Health and Safety Act, subject to a rule being granted.

The House will adjourn by 3 p.m. on Friday and by 5:30 p.m. on all other days except Wednesday.

Conference reports may be brought up at any time, and any further program will be announced later.

Mr. RHODES. I note that the two bills on which we have completed some work —legal services and compensation for victims of crime—are not scheduled for further consideration next week.

Is that an omission, or will those bills come behind the other bills listed?

Mrs. CHISHOLM. Those bills will be added to the bills listed on the back of the program for next week. They are: H.R. 6666, Legal Services Corporation Act amendments (complete consideration); and, H.R. 7010, compensation for victims of Crime (open rule, 1 hour) (rule already adopted).

Mr. RHODES. Mr. Speaker, I thank my colleague.

AUTHORIZING SPEAKER OR SPEAKER PRO TEMPORE TO DECLARE RECESS ON MONDAY NEXT PERMITTING MEMBERS TO ATTEND CEREMONY IN CONNECTION WITH RETURN OF THE MAGNA CARTA TO THE BRITISH PEOPLE

Mrs. CHISHOLM. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Monday, June 13, 1977, for the Speaker or the Speaker pro tempore to declare a recess subject to the call of the Chair, for the purpose of permitting Members to attend a ceremony in the rotunda of the Capitol. There will be a short ceremony at about 3 p.m. in connection with the return of the Magna Carta to the British people who so graciously loaned it for our Bicentennial.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

AUTHORIZING SPEAKER TO DECLARE RECESS ON TUESDAY NEXT FOR THE PURPOSE OF OBSERVING AND COMMEMORATING FLAG DAY

Mrs. CHISHOLM. Mr. Speaker, Tuesday, June 14, will mark the 200th anniversary of Flag Day. For many years the House has had proper observances commemorating Flag Day here in the House Chamber.

Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, June 14, 1977, for the Speaker to declare a recess for the purpose of observing and commemorating Flag Day in such manner as the Speaker may deem appropriate.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mrs. CHISHOLM. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

HOUR OF MEETING ON TUESDAY NEXT

Mrs. CHISHOLM. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday next, it adjourn to meet at 10 o'clock a.m. on Tuesday, June 14, 1977.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

ADJOURNMENT TO MONDAY, JUNE 13, 1977

Mrs. CHISHOLM. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

WHERE WE STAND

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALKER) is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, Albert Shanker, president of the United Federation of Teachers, wrote a most interesting and incisive column on the issue of quotas which appeared in the New York Times on March 27, 1977. I know that Mr. Shanker and I are far apart on our philosophical approaches to social and political questions; however, on the quota issue, we share very similar viewpoints. It would be an astute observation to suggest that any issue which brings together people with such diverse philosophies probably is one needing prompt attention.

Quotas in hiring, admission policies and other areas of human endeavor are repugnant to me. I found Mr. Shanker's opinions in this area well reasoned and wanted to share them with my colleagues.

At one point, Mr. Shanker cites former Supreme Court Justice William O. Douglas on the quota issue. Justice Douglas' statement makes clear his belief that the Constitution is colorblind. In an opinion on the DeFunis case, Douglas write:

> There is no constitutional right for any race to be preferred.

These are strong arguments against the use of quotas in our public life. At this point, I include the Albert Shanker column in the RECORD for my colleagues to review.

[From the New York Times, Mar. 27, 1977]

HELP FOR DISADVANTAGED, BUT NOT QUOTAS

(By Albert Shanker)

Millions of Americans were dismayed last week when they read that Secretary of Health, Education & Welfare Joseph A. Califano, Jr. said he supports minority hiring and admissions quotas in higher education. "How am I, as Secretary of H.E.W., ever going to find first-class black doctors, first-class black lawyers, first-class black scientists, first-class women scientists, if the people don't have the chance to get into the best places [schools] in the country?" he asked in a March 18 *New York Times* interview.

Califano's statements come at a time when the United States Supreme Court is scheduled to hear the case of *University of California v. Bakke*. The Secretary expressed fear that the decision in the *Bakke* case might mean that institutions would "lose the ability to have affirmative action programs which would give minorities and women the opportunity to get into major graduate schools and universities in the country." Attorney General Griffin Bell has said that he is studying the case to decide if the Justice Department will enter it. Bell said: "We want to make sure that we're going to end up with something that the American people can believe in."

An excellent analysis of the issues and the case itself appears in the March 1977 *Commentary*, in an article by John H. Bunzel, president of San Jose State University in California. Bunzel writes:

"In 1973 and again in 1974 Bakke, a white, 36-year-old civil engineer from San Francisco, had applied for admission to the medical school on the Davis campus of the University of California. Both times he had been rejected, although in these same years, the university had accepted 'minority-group' students who were less qualified than Bakke, under a special program that applied separate standards of admission to them."

Last September the California Supreme Court, one of the nation's most liberal, decided 6–1 that the special admission program, which reserved 16 out out of 100 openings in the medical school for minorities, was in violation of the Equal Protection Clause of the 14th Amendment.

The facts in the case are clear. The special admissions program, writes Bunzel, "is not designed to benefit the economic or educationally disadvantaged regardless of race, but is in face a program *based* on race." The courts have ruled that under some circumstances, race may be a consideration, provided that there is a "compelling state interest" and, reports Bunzel, "classification by race must not result in injury or damage to others because of *their* race, or deprive them of benefits which they could otherwise have enjoyed." There is no doubt that there is a "compelling state interest" in integrating the medical schools and the profession, but the California court found that it was "abundantly clear" that whites suffered a "grievous disadvantage" when they were excluded on racial grounds. Bunzel argues:

"Everybody who applies to the Davis medical school should compete for all 100 places. Because he was white, Bakke was unable to do so. He was specifically excluded solely because of his race from 16 places which were set aside and reserved for applicants of other races. The court believed that Bakke was entitled to have his application evaluated without regard to his race or the race of any other applicant."

Attorney General Bell is right in demand-

ing that we must end up with something the American people can believe in. The American people agree with what Supreme Court Justice William O. Douglas wrote in an opinion on the DeFunis case, a similar case the high court held moot a few years ago because the law student involved was about to graduate. Justice Douglas said:

"The Equal Protection Clause commands the elimination of racial barriers, not their creation in order to satisfy our theory as to how society ought to be organized. The purpose of the University of Washington cannot be to produce Black lawyers for Blacks, Polish lawyers for Poles, Jewish lawyers for Jews, Irish lawyers for the Irish. It should be to produce good lawyers for Americans and not place First Amendment barriers against anyone. . . . There is no constitutional right for any race to be preferred. A DeFunis who is white is entitled to no advantage by reason of that fact; nor is he subject to any disability, no matter his race or color. Whatever his race, he had a constitutional right to have his application considered on its merits in a racially neutral manner."

But that is not all the American people believe. They also believe in an integrated society and in affirmative action to undo the effects of past unconstitutional discrimination. The way to do it, however, is not—as Califano suggests—first to lower the admission standards for minorities and then, as has already happened, lower the pass grades on bar and medical exams. No one can believe that the way to produce "first-class" professionals in various fields is to lower the qualifications.

There is a better way to do it. Ernest Green, who is now assistant secretary of labor for employment and training, developed a Recruitment and Training Program in which he placed thousands of minorities in the construction trade unions. He did this not through quotas or special reserved places but by recruiting promising candidates, many of them school dropouts, and providing special training for them. It worked. Thousands of minority youngsters scored higher on the tests than their white competitors.

Bunzel suggests a higher education affirmative action plan that will work, too, "a state and national search program at the high school level, where talented young people—blacks, Chicanos, poor whites and all those disadvantaged who otherwise become locked into a lifetime of inequality—can be found and helped." Americans would be willing to pay for such a program, Bunzel says, "not by granting special privileges to some groups at the expense of others, but by providing all of the disadvantaged with real and tangible assistance."

It came as no surprise when racial quotas were supported by the Nixon-Ford Administrations. The program pitted one group against another over limited and declining jobs and places in colleges. It required little initiative from the government—no jobs, no recruitment, no training. Now, with a new Administration, we deserve better. Let's hope that Secretary Califano finds a better way to achieve the goals he has stated—and which we all share.

FED TRIES SUBTLE PLOY TO DESTROY CREDIT UNIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, there is growing evidence that the Federal Reserve System is trying to gain more control over banks that are not members of the Federal Reserve System as well as thrift institutions. It now appears that the Federal Reserve System is making a serious attempt to gain control of federally insured credit unions, and if that power play is successful, credit unions as they now exist could be wiped out.

The instrument being used in the ploy is a bill drafted by the Federal Reserve System which will allow most financial institutions to offer NOW accounts—negotiable orders of withdrawal. In very basic terms a NOW account is an interest bearing checking account. The legislation which will be sent to Congress shortly will allow the Federal Reserve System to pay interest on the reserves of those institutions which offer the so-called NOW accounts.

It would require, for example, institutions such as savings and loans and credit unions to come under the control of the Federal Reserve Board, as far as setting up interest rates on the NOW accounts is concerned. It would mean that the National Credit Union Administration would lose a portion of its control over credit unions and credit unions, which have traditionally paid the high interest rate on savings, would be forced to pay no more than other financial institutions. Such a move, of course, would greatly reduce the appeal of credit unions to their members.

Once the precedent is set of bringing credit unions under control of the commercial banking agencies, the next step would certainly be to have the Federal Reserve Board regulate the interest paid on all types of accounts by credit unions.

Mr. Speaker, Federal credit unions have operated without any help or interference by the Federal Reserve System since 1934. Many credit unions are now offering share drafts, a system which closely parallels checking accounts. The share draft system has been highly effective in servicing the needs of credit union members, but the share drafts have also been challenged legally by a number of banking groups across the country. Almost all of these suits to block share drafts have been unsuccessful. The Federal Reserve's plan to bring credit unions under banking agencies' control would be a back door attempt to eliminate share drafts and making certain that credit unions do not offer any competition to commercial banks.

Mr. Speaker, as the ranking member on the Financial Institutions Subcommittee on the Committee on Banking, Finance and Urban Affairs, I want to take this opportunity to let the Federal Reserve System know that when the bill reaches the markup stage I will offer an amendment removing credit unions from the bill's coverage.

Credit unions do not need the Federal Reserve System. Credit unions can only be damaged by being controlled in any way, shape or form by the Fed, and as a Member of Congress who has worked long and hard to help credit unions, I will not stand by and allow credit unions to be destroyed.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AUCOIN) is recognized for 5 minutes.

Mr. AUCOIN. Mr. Speaker, on Thursday, June 9, 1977, because of illness, I was unable to vote on H.R. 7636 when it came to the House floor. If I had been present I would have voted in favor of the appropriations measure for the Department of the Interior and related agencies.

Further, I would have associated myself with the remarks made by Congressman ROBERT DUNCAN of Oregon who spoke eloquently on the point that spending on management of natural resources is an investment that will yield large returns in the future. This is particularly true in the case of management of our national forests, a cause Congressman DUNCAN has championed in his years in Congress for which I salute him.

I also share Congressman DUNCAN's view that while an increase has been provided in funding for the U.S. Forest Service over that recommended by the administration, we are still looking at less than 100-percent funding to achieve the full allowable cut under the Resources Planning Act. Any move closer to achieving that goal is welcome, but those of us concerned about the wise management of natural resources and the impact management decisions have on such areas as the cost of housing will not be satisfied until 100-percent funding is reached and maintained consistently.

TEXAS NURSING HOME ABUSES DISCLOSED: OFFICIAL INDIFFERENCE CITED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 10 minutes.

Mr. PEPPER. Mr. Speaker, I was shocked to learn yesterday of another incidence of gross, inhumane treatment of elderly nursing home residents. The tragic situation was brought to my attention by my distinguished and concerned colleague from Texas, Representative CHARLES WILSON. He reported that nursing home residents in Lufkin, Tex., are suffering outrageous abuses perpetrated by nursing home employees and apparently disregarded by State government officials.

Representative WILSON described specific instances of beatings and substandard conditions to which the elderly residents of a Lufkin nursing home are exposed. The situation he outlined vividly demonstrates a social condition which can no longer be tolerated. State and Federal agencies responsible by law to protect the health and welfare of our older citizens are apparently not doing enough to prevent these abuses.

Recently, HEW Secretary Califano announced that he was stopping medicaid payments to States that did not adequately control fraud and abuse. I wish to commend him for his bold stance on this issue.

Today, I directed the chief investigator of our Select Committee on Aging, which I have the privilege to chair, to go this Monday to Texas to conduct an inquiry

into the allegations arising in Texas and to provide me with a full report of his findings. Hopefully, information gathered from this investigation will aid the committee, and so the Congress, in developing and implementing reforms in our delivery of services to the elderly at the earliest possible time. I will see to it that HEW Secretary Califano is also apprised of our findings at the earliest possible date.

Mr. Speaker, the situation at the Lufkin nursing home is not unique. Rather, it is only one example of conduct which has been tolerated and allowed to persist in nursing homes across the country. I would like to share with my colleagues the coverage given this matter as it appeared in the Lufkin News on June 8, 1977. I would like to insert the following article in its entirety at this point in the RECORD:

[From the Lufkin (Tex.) News, June 8, 1977]

NURSING HOMES

(By Lynn Dunlap)

If you want to learn how to really economize with food costs, check with some of the nursing homes listed in Texas Department of Welfare investigations.

A report made in January noted that a Center, Tex. nursing home was feeding almost 100 residents with six or seven chickens. According to nursing personnel, nine people could be served with one chicken, the report said.

These DPW documents, obtained by the Lufkin News from private sources, reveal a number of serious problems with food service in some of the nursing homes.

Despite what the menu says, residents don't always know what they're getting until they get it—and even then there's sometimes room for speculation.

The beef vegetable soup may turn out to be chicken noodle without "enough chicken to count it as chicken noodle," a report noted.

In addition to soup, this particular meal was supposed to include "crackers, sliced peaches with one-fourth cup of cottage cheese, chocolate pudding, bread, margarine, milk, tea or coffee."

There was no margarine or crackers, and just one-half of a peanut butter sandwich—but only for those in the dining room.

"Broiled peach halves with brown sugar and cinnamon, plus a minuscule dab of cottage cheese, combined dessert and salad." The report said "the protein was totally inadequate although it helped that at least those in the dining room got the peanut butter sandwich."

For this meal, three pints of cottage cheese were used to serve 47 patients.

Patients with special diets can expect special problems at some nursing homes.

A woman in her 70s went three weeks with a broken hip before receiving medical attention. The broken hip had occurred when she fell from a toilet. She had been strapped to the toilet and apparently left alone.

Patients have been tied in chairs overnight . . . patients have been strapped in their beds in such a way that they cannot reach the emergency call light . . . patients have been left in bathtubs with the water running. One case involved a double amputee who was found alone and in the dark in a whirlpool bath.

Many of the reports deal with the problem of bed sores because, as one investigator states, "if there are bed sores developing and continuing to get worse, it is an indication that the general nursing care is bad."

A check of patients suffering skin care problems in a Nacogdoches nursing home showed that three of five patients examined were in beds wet from their own urine.

In a Lufkin nursing home, one patient's bed sore expanded from about the size of a silver dollar to a diameter of about five inches, one month after being admitted to the nursing home.

A 1975 report showed that seven of 12 patients checked had developed bed sores since coming to the nursing home.

The daughter of a Nacogdoches patient reported that her mother had been able to use a wheelchair when she entered the home in 1976. A year later, she was completely bedfast. She had to be moved to a hospital where she underwent skin grafts for bed sores.

In contacting the family of a nursing home patient who had died from bed sores, The News was told, "It's too late to help Mama, but try to help the others in those places."

COMMENCEMENT ADDRESS BY HON. PETER RODINO AT JERSEY CITY STATE COLLEGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. LEFANTE) is recognized for 15 minutes.

Mr. LE FANTE. Mr. Speaker, our distinguished colleague and good friend, PETER RODINO recently delivered the commencement address at and was awarded an honorary degree by Jersey City State College, which is located in my congressional district.

Congressman RODINO, the chairman of the New Jersey congressional delegation, was recognized for his many legislative accomplishments by having the school's institute of criminal justice named in his honor.

We who work with PETER RODINO know well his outstanding work on the Judiciary Committee, particularly in the area of criminal justice. The honor paid Congressman RODINO by Jersey Cty State College is a public acknowledgment of his abilities and achievements.

In his address to the graduates, Congressman RODINO outlines the failings of the criminal justice system and called for a new, joint effort by every person to reduce crime and eliminate its causes.

It was a moving and well-reasoned speech which outlined the problem and proposed excellent solutions. I commend it to the attention of my colleagues and include it here in my remarks:

JERSEY CITY STATE COLLEGE COMMENCEMENT ADDRESS, JERSEY CITY, N.J., JUNE 5, 1977

(By Peter Rodino)

It is a rare and special honor you have afforded me today—I am deeply grateful and proud to receive this honorary degree from Jersey City State College and to have my name associated with its newly created institute of criminal justice.

For many, many years we have been trying to "do something about crime" through our criminal justice system. We have only to look at the crime rate to conclude that we must have done something wrong. But it is probably more accurate to say that we are not doing something right.

This institute is a step in the direction of doing something right.

Today, crime and the fear of criminal assault have forced us to restrict voluntarily the precious liberties of privacy and freedom of movement that are the right of all our citizens. Armed guards are everywhere . . . closed-circuit television monitors our movements . . . our luggage and our persons are subject to search when we travel.

In addition, we see millions of innocent people cowering behind locked doors, afraid to walk their neighborhood streets.

This is what crime has brought us to in America. It is not enough that crime exacts a terrible price from us in human suffering, stolen property and wasted money. But it also exacts from us a heavy toll in terrible fear, lost freedom and a growing atmosphere of national distrust and suspicion.

In short, crime is exerting an almost tyrannical force in this country—and yet we must be careful that in fighting it we do not impose upon ourselves a still greater despotism. We must always remember that the words "criminal justice" imply that we can treat the criminal with decency and fairness, even as we ensure that he is properly punished for his offenses and that society is protected.

But today our criminal justice system drifts aimlessly, pulled first one way and then another by social trends and fads. Some argue that we must rehabilitate convicted offenders—others say we must punish them—still others demand harsh sentences to remove criminals from society for as long as possible.

As a result, the system does a little of each—and none of them well.

Complicating all this is the fact that millions of Americans have lost confidence in the system and respect for the rule of law itself. Our people have been shocked by high government officials, sworn to uphold the law, who broke it instead. They have been confused by accusations that our courts are soft on crime. They have been perplexed by hardline political rhetoric and promises to do something about crime that were followed by little or no results.

Clearly we need to do much to improve both our system of criminal justice—and the public perception of it. That is why I am so pleased and deeply honored for my name to be a part of this institute of criminal justice at Jersey City State College. Its faculty, its visiting scholars, its students and its graduates will produce the skilled, dedicated people and the new ideas so essential if we are to respond vigorously, fairly and justly to the threat of crime.

For years we have struggled to make the criminal justice system reduce crime. Billions of dollars have been spent in that effort. Now we have learned that the system, by itself, is not able to reduce crime. We know that crime is caused in large part by social, economic, personal and other problems that are only partially understood. As a practical matter, the solution to most—if not all—of these problems is beyond the reach of the police, the courts and the prisons.

Certainly we must reduce crime in our society, and the criminal justice system must play an important part in achieving that objective. But it is time that we realize the limits of the system and confine our expectations to what it is best designed to do: protecting the citizens against crime by apprehending those who violate the law, by determining their innocence or guilt, and by sentencing those convicted to whatever treatment or punishment is provided by law. The system should perform those tasks justly, fairly and predictably with scrupulous regard for the rights of the accused—and for the rights of society as well.

Crime—like other problems that beset our Nation—is not something that can be eliminated by the rhetoric of a few politicians and so-called experts. It will take the combined efforts of us all, working together in the courts, in the legislatures, in the neighborhoods and in our own homes to set the

policies and provide the leadership in the struggle against crime.

In a very real sense the solutions to the problems of crime rest with you. Your special training and education have provided you with skills and understanding so desperately needed in our communities. I speak now not just of law enforcement—important as it is—but of those of you trained in teaching, nursing, business and a host of other professions. Through your daily contacts with citizens, through the example you set in your own home life, you can help create an attitude that shows the criminal there is no place for him in our society.

Beyond that, through your own involvement in the political processes of your communities and the Nation, you can help in the great effort to ensure that equal opportunities exist for all men and women, that jobs and educational programs will be available to all who want them.

These should be subjects of concern to us all, for we must agree that the relationship between crime and unemployment, illiteracy and poverty is a real one.

If we can advance still further the effort to overcome these problems, and if we can fashion a criminal justice system that reflects our nation's commitment to protect the property and the rights of all its citizens, then we will have made real progress in the struggle against crime.

But for all these—and the myriad other problems facing our Nation—we must have leadership; courageous and principled leadership which is not afraid to immerse itself in the hard, detailed work from which come specific solutions to specific problems. You have a grave responsibility to provide this leadership in the field of criminal justice and the availability of legal services. We must look to you for ideas, and for the dedication and perseverance to turn those ideas into reality. In this field, as in the Nation at large, we cannot wait for the emergence of a leader to rally us. Instead we must ourselves rally to the causes of justice and equality. You have demonstrated in the past your commitment to the community and its welfare. Now a nation asks still more of you—and of us.

Together we shall meet that challenge. Together we can reassure a troubled country of the integrity of its institutions and the vitality of its democratic system.

THE NEW YORK SOCIETY FOR ETHICAL CULTURE HONORS ORLANDO LETELIER POSTHUMOUSLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, recently the New York Society for Ethical Culture honored the late Orlando Letelier by presenting him with the 1977 Ethical Humanist Award. I am appending the citation of the award, which praises Letelier "for his undaunted pursuit of fundamental personal and democratic freedoms for all people." While I did not personally know Mr. Letelier, and thus have no personal knowledge of his precise political views and affiliations, I thought my colleagues would be interested in the view of the Ethical Culture Society.

Hopefully, the FBI and the Justice Department will soon bring to justice the terrorists who took the lives of Orlando Letelier and Ronni Moffitt. The United States simply cannot allow terrorists to operate with impunity against political exiles in this country. In the case of Chilean refugees, we have a special moral obligation to protect these refugees who have been driven into exile and have sought asylum in our country. Let the investigation, arrest, and prompt prosecution of the murderers of these two people be yet another testament to our commitment to human rights worldwide.

The text of the award follows:

THE NEW YORK SOCIETY FOR ETHICAL CULTURE
takes pleasure in presenting
THE 1977 ETHICAL HUMANIST AWARD
to
ORLANDO LETELIER

posthumously, for his undaunted pursuit of fundamental and democratic freedoms for all people, which cost him his life.

His humanistic protest for the essential dignity and rights of the individual embodies the true spirit of the Ethical Ideal.

May 22, 1977.
New York, N.Y.
[SEAL]

IVAN SHAPIRO,
President.

FUTURE TRANSPORTATION/ ENERGY DEVELOPMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 10 minutes.

Mr. LAFALCE. Mr. Speaker, the energy situation which we face in the United States is one which will affect all Americans for many years to come. We will have to make adjustments in our lifestyles. The economic conditions in all parts of the country will be affected, for better or for worse, and it is important that we plan now if we are to make sure we can minimize the adverse impacts and maximize the benefits.

The Great Lakes region, and in particular the western New York area, form important links in the east-west transportation systems serving much of the United States and most of Canada. These transportation links, both on land and on water, will be needed to help move energy supplies and other commodities. Western coal will become more and more important to the eastern portion of the country, and how it will be moved from mines to generating plants and other users is an important question that we have to start addressing now, not later.

These and other issues led me to prepare a detailed "discussion paper" on the energy and transportation proposals which have been of growing concern in the Great Lakes region. In that paper I tried to point out the need for a comprehensive review of the entire system and for careful coordination among the many essential parties which would have to be involved in formulating recommended actions. Because this is so important to the future of our country, I would like to share this paper with my colleagues:

DISCUSSION PAPER FOR FUTURE TRANSPORTATION/ENERGY DEVELOPMENTS

(By JOHN J. LAFALCE)

Because I believe that Western New York's economic future depends, more than anything else, on what Western New Yorkers do for themselves, I have been deeply involved in review of the many transportation and energy-related proposals that have been brought forward during the past few months. The calls for detailed studies of these issues are further evidence of a positive and welcome trend toward just this kind of self-help effort.

I am pleased by these developments. They show that the Niagara Frontier has the community interest, and the leadership, needed to move forward rapidly.

Yet we must also move prudently. We have the basic foundations; it is time now to build on them and put together a closely coordinated program designed to assure those proposals we decide to push toward implementation will indeed help to upgrade our role in the nation's economy.

Central to this program is the need for all concerned to keep the big picture uppermost in mind. We are dealing with very large and complex issues which affect the whole nation and, in some cases, our international relations as well. The energy problem is one for the entire world, not just for the United States alone. For example, transportation systems, whether waterways or railroads or others, do not revolve around Western New York. To the contrary, our region is potentially part of a very broad network, and how we fit into that network will determine whether we will benefit from it and, if so, how much.

I have tried in this statement to raise some issues which, in my judgment, need to be dealt with in detail as we proceed down the road toward specific proposals to improve our economic posture on the Niagara Frontier. I have also tried to deal with some of the procedural issues which warrant careful thought as part of the effort to move rapidly as well as prudently. Both unnecessary delay and unwarranted haste should be avoided equally. We must not risk the former by indulging in the latter.

It is the intent of this statement to help crystallize some of these issues that should be debated and decided upon in order to proceed promptly and prudently.

As I will outline in greater detail later on, there are many public agencies at just the state and federal levels, say nothing of the local levels, which ought properly to be involved in some or all of these major issues. And this list may well be incomplete. The need for close and careful coordination is clear and key. We should do all we can to make sure that each interested party is carrying on its activities in a way which is harmonious with the others. We should seek to eliminate duplication.

Perhaps most important, we should try to make sure that the expertise of one or more participants is used to the fullest and that no agency should be asked to tackle problems beyond their areas of expertise if other, more qualified parties are available.

Finally, we cannot afford to have problems studied to death. A prudent approach requires studies—careful ones intended to make sure we identify as many of the possible pitfalls as we can before taking irrevocable action. Yet time is not on our side. Rapid action is not only desirable, it may be essential. Our recent bout with Old Man Winter could have disastrous long-term consequences if we do not do everything we can to revive our economy on the Niagara Frontier and provide the best kind of incentive we can for people to stay in our region—well-paying jobs in a stable economy. Studies that take years before we even know what might be done to help achieve that goal just won't do the trick.

I hope and trust that everyone involved in this great debate will maintain the efforts to move forward and will join together to make sure that we do so united in a common purpose.

A BRIEF HISTORICAL CONTEXT

Western New York's initial growth came about over a century and a half ago with the

opening of the Erie Canal. Buffalo was the western terminus of that great achievement, but it is important to keep in mind the fact that the people and goods who moved through Buffalo did not always have Buffalo as their ultimate destination. Most of the people, in fact, were destined further west—to America's heartland. And the goods produced in the west came back through Buffalo but were, in great part, headed further east.

In other words, our initial burst of growth came about because of Buffalo's central position on a larger water transportation system.

The next major burst in Western New York's development came about as a result of the railroads. Buffalo evolved into a key rail center and that brought with it significant economic benefits.

Again, though, the process was part of a larger picture, and in this instance we gained by being a central part of a land transportation system.

Both of these historical events came about because of the Niagara Frontier's unique geographic location. Times change, and factors which were important at one time can become less important in a different era. The questions we face now include how to take advantage, once again, of our unique geography under conditions that differ from those which prevailed in times past.

THE ENERGY CRISIS—A BOON FOR WESTERN NEW YORK?

As the region which did more than any other to spotlight the energy problems of the United States, if only by surviving more snow than anyone should be asked to look at in a lifetime, to say nothing of one winter, the Niagara Frontier is justified in asking how the energy crisis might benefit its local economy.

And the possibility is there. It relies, not surprisingly, an our geographic position vis-a-vis supplies of, and demand for, energy resources. The major effort by the State of New York to locate a coal trans-shipment facility in the Buffalo area is derived from this fact. I support this effort; I hope it is successful. If it does succeed, it will do so because of our region's key location on both land and water transportation routes and on our ability to make the most of this advantageous position.

Western coal from Wyoming and other Rocky Mountain states could be transported to the Great Lakes and down the lakes to Buffalo. Once it reaches Buffalo we have capacity right now to trans-ship this low-sulphur coal by rail, with the potential of reviving that major industry in a major way. Depending on what improvements, if any, are made to the water transportation systems affecting the Niagara Frontier, we may also have the capability of trans-shipping coal by barge to other points farther east.

Some improvements to the water transportation system might tend, of course, to reduce our chances of becoming a major trans-shipment point. These include those possible improvements which, if implemented, would permit large lake ships to proceed further east into Lake Ontario and/or beyond toward the Atlantic. The economies of scale possible through the use of large ships, as opposed to rail cars or barges, are such that it might well be advantageous to keep going east rather than unloading at Buffalo.

Rail freight rates, waterway tolls, and other cost factors all will play a part in the decisions affecting this issue. These are discussed in greater detail below.

LAND TRANSPORTATION SYSTEMS

The existence of a first class land transportation system serving Western New York had been crucial in our past development and is likely to remain crucial in the future. The movement of major cargoes will be greatly rail and truck no matter what major improvements are made to the water transportation system. Percentages might change, perhaps quite a bit, but we cannot forget that we will continue to rely in great part on our rail and highway networks.

As the cost of energy rises, the competitive advantage of rail shipping will increase relative to trucking, if only because it is a more energy-efficient means of moving large quantities of goods. To the extent we can encourage Conrail to make improvements to our share of its rail system we should do so. And we should also concentrate on those steps we can take to make rail rates more responsive to longer-term market development and potential than to short-term optimization of revenues.

This is especially crucial with respect to the proposal coal trans-shipment possibilities. The market for western coal in the east is a large and diffuse one, where some users may be reachable by water but where most will have to be served by rail. We would be short-sighted if in our overall effort we did not give very serious consideration to the ways we can help enhance Western New York's rail facilities and our position within the larger rail network.

WATER TRANSPORTATION SYSTEMS

Initially, in keeping with my premise that we must not lose sight of the big picture, it is important to remember that the Port of Buffalo is part of an extensive international waterway system stretching from Duluth, Minnesota to the Atlantic. This system, called "America's Fourth Coastline," has been growing in importance during the twenty-odd years that the St. Lawrence Seaway has been in operation. For it was the Seaway that opened up the Great Lakes to the ocean and to significant increases in shipping volumes.

Yet looking at that system as a whole and on the historical effect that the construction of the Seaway has had locally, it appears that Buffalo and Western New York were hurt, rather than helped, by the construction of the Seaway. Fewer ships stopped in Buffalo to trans-ship their goods by rail to New York or other Atlantic ports. Rather, a number of ships kept going all the way to Montreal where the goods could be transferred to ocean-going ships in one operation.

It now appears that those who saw the Seaway as a potential boon to Buffalo were wrong. Indeed, while Canada is quick to complain that she invested much more heavily in the Seaway, it is very possible that a comprehensive economic analysis of the benefits flowing from the system, including the major impetus for the Port of Montreal and other Canadian ports downstream, would show that Canada's share of the gains from the system were proportionately more than was her share of the investment.

Another issue, of more recent vintage, is the political situation in Canada and particularly in Quebec. The Separatists party there won a major victory late last year, on a platform calling for a referendum next year on whether Quebec should seek to separate from the Canadian confederation.

Prime Minister Trudeau has predicted that such a referendum, if held, would fail and Quebec would not vote to secede. But no one knows for certain that he is correct in this judgment. And in the interim those of us who are concerned about water transportation have to ask ourselves whether the risks of relying on a system which has Montreal as one of its primary points of focus is prudent.

The U.S. has political issues of its own. In Washington one hears more and more talk about the possibility of instituting tolls on inland waterways, something which the U.S. has not done to date. The new Secretary of Transportation has said that he thinks such tolls might make sense in the context of an overall review of our transportation systems. While support for waterway tolls in Congress does not seem particularly high at the present time, this kind of question is often very difficult to predict. Should this proposal move beyond the talking stage to implementation, it too would have an effect on the overall water transportation system in our region and, therefore, on the kinds of things that might be possible and desirable in Western New York.

The point I would stress here is that we should not rush in to support proposals based on the superficial appearance that they might help our region, for all too often it turns out that the initial appearance of a proposal is substantially different from the actual effect. Further we must always be ready to admit that, in light of further facts and study, that earlier analyses may have been incorrect.

Now I would like to turn to two proposed improvements to the water transportation system in the Great Lakes, the so-called "All-American" canal (better referred to as the Lake Erie-Lake Ontario Waterway, LE-LO) and the enlargement of the New York State Barge Canal. Both would generate thousands of construction jobs in our area during construction, but I believe we need to think carefully about the longer-term effects of them both, as I suggested when I called for a study of the Lake Erie-Lake Ontario canal last November.

The "All-American" Canal. This proposal—essentially to build a canal large enough to handle the biggest lake shippers across the Niagara Peninsula from North Tonawanda to Wilson—is one that has been with us literally for decades. It would parallel the Welland Canal and, in all likelihood, siphon off so much traffic from the Welland that that 40 year old canal would be closed to operations.

I believe that this canal, which was studied and found not to be economically feasibile by the Corps of Engineers in 1973, warrants further and proper study. The Welland is old and is becoming more and more of a bottleneck in the Great Lakes system, and its eight locks cannot handle the newer, larger ships being built for transportation on the lakes.

However, any Lake Erie-Lake Ontario canal, by itself, would not really resolve the overall system's problems, for all it would do is open up Lake Ontario to the four upper lakes. A further link would have to be made to the Atlantic in order fully to justify the construction of the Niagara link. This link could be improvements and enlargements to the existing St. Lawrence Seaway, or it could be a new link from Oswego to Albany along a vastly expanded barge canal right of way, and from Albany down the Hudson to New York City.

The 1973 study evaluated the Lake Erie-Lake Ontario link by itself, rather than as part of a large whole. I don't know whether the result would have been different if the study had evaluated it as part of a larger, more comprehensive approach, but I do believe that it is essential that we conduct studies of this kind in the total context, rather than in a vacuum.

From Western New York's perspective, of course, this proposed canal has other impacts which are of definite importance to us. For example, we would want to know whether it would enhance or hurt the Port of Buffalo, and we would need to know, in detail, the environmental impacts likely to flow from so enormous an undertaking. Finally, we should concern ourselves with the question of whether or not such a canal would help or hurt the potential of our region as a trans-shipment point for canal and other commodities.

ENLARGING THE NEW YORK STATE BARGE CANAL

Another issue which has been with us for a number of years, and which has recently come back into the spotlight, is the question

of enlarging the Barge Canal and using it once again for major commercial shipping. Again, I believe that careful study of this issue is fully warranted, and I support the idea of taking a long, careful look at this possibility.

It comes in two forms, of course—one being the Oswego to Albany route, with or without a new canal across the Niagara Peninsula, while the second would be an enlargement and deepening of the canal for its entire 300 mile length from Buffalo to Albany. And within each of these two forms are two options—the canal can be made capable of handling the biggest lake ships or, in the alternative, it could only be expanded in a way that permits much more efficient use of barges.

There are no easy answers to these various permutations. They relate, as noted earlier, to questions of international politics, inland waterway tolls and system-wide benefits. The choices have varying effects in terms of the environment, the costs of construction, and the engineering feats required to make it a success. And again, the ultimate decision has one set of impacts on the overall water transportation system and another one, perhaps very different, on the Niagara Frontier.

STATE AND FEDERAL INVOLVEMENT

A fully coordinated program to deal with these issues ought, in an ideal world, to insure the involvement of a large number of state and federal agencies as well as local entities and the private sector. For purposes of demonstrating the complexity of the coordinative process, I will mention here only those state and federal agencies which, in my view, have something to contribute and should be included. The list would grow commensurately, of course, if we also compiled the private and local governmental organizations which should be involved.

At the State level, there is the Department of Transportation, the Department of Commerce, the Department of Environmental Conservation, the planning functions in the Department of State, the Budget Office, the Governor's office, the Legislature (and a number of its committees), the State's Energy Research and Development Administration, and regional state-chartered agencies such as the Niagara Frontier Transportation Authority.

From the federal level, the following agencies come to mind: the Army Corps of Engineers, the Department of Transportation (including the Federal Railroad Administration, the U.S. Coast Guard, and the St. Lawrence Seaway Development Corporation), the Department of Commerce (including the Federal Maritime Administration—MARAD), the Office of Management and Budget, the Federal Energy Research and Development Administration, the Federal Energy Administration, the Environmental Protection Agency, and the Congress (including a number of its committees). To the extent that the issues we are concerned with impact on our relations with Canada, the Department of State and the International Joint Commission should also be involved.

This comes to a total, probably incomplete, of 21 separate state and federal entities which have major roles to play in a comprehensive study dealing with these issues. No one agency is capable of thoroughly analyzing each and every question that arises, yet the potential for duplication and unnecessary delay is obvious. In an imperfect world we will never achieve perfect coordination. But that does not relieve us from the responsibility to try. I believe that now is an opportune time to start the process of bringing diffuse efforts together to eliminate duplication and to bring the expertise of all to bear on the overall questions we are trying to analyze.

A ROLE FOR THE PRIVATE SECTOR

A little publicized study, already underway, is being conducted by private interests in cooperation with the New York State Department of Commerce, on the question of dredging the barge canal and using the dredged materials to build a massive island well off the coast near New York City to serve a number of possible purposes, such as a site for refineries, a place for oil tankers to dock and unload safely, a landfill site for New York City's solid waste, etc. The canal, in the interim would be made into a much more efficient barge transportation system which would be commercially viable once again.

In other words, the private sector is launched on a project intended to test the feasibility of one of the barge canal options in conjunction with a major port development proposal at the mouth of the Hudson off Long Island.

I am, frankly, impressed that this effort is proceeding, and I hope that the proponents of the study are able to finish it by its projected completion date of September 1978. For if it is successfully completed it will mean that those private corporations likely to benefit economically from developments of this kind will have put their money in, up front, to help determine how to proceed.

If the study finds that this option does seem to be feasible, there is no doubt that major involvement and participation by the public sector would have to follow. No one can reasonably maintain that private investment alone will carry out projects this large and expensive. But if the study does demonstrate feasibility, then the public sector will be in a position to make sure that its investment will leverage private investment for those aspects of the overall program in which the private sector will be involved. The risks to the public—that is, to the taxpayer—would be minimized.

I noted before, however, that coordination is essential. If this study does continue and receives sufficient private sector support, then we should make sure that any public sector studies, whether already underway or yet to be initiated, are as well coordinated with it as possible. We shouldn't re-invent the wheel.

THE PROPOSED CORPS OF ENGINEERS' STUDY

As I said earlier, I am pleased at the continued and growing effort to keep the potential economic development of Western New York through transportation and energy developments on the front burner.

Yet I am also concerned, as I have emphasized throughout this paper, about the need for close coordination of efforts—for many reasons—to avoid duplication and to make sure that those with the most expertise concentrate on those issues within their particular area of concern, and most importantly, to be successful in the achievement of an ultimate goal, which is not a study for study's sake, but the rejuvenation of our economy.

Four years ago the Corps of Engineers studied the Lake Erie-Lake Ontario canals. The results of that study were that the canal could be done from an engineering perspective and that the environmental impact, while major, could be kept within manageable bounds (a conclusion which I am convinced would need careful re-study). The Corps also found, however, that the cost-benefit ratio was such that it was not economically feasible to proceed with the canal.

As I noted before, this study was extremely limited; it did not include an overall system-wide context. The benefits of the canal were calculated on the assumption that it would have to stand on its own; furthermore, the results did not take into account many of the benefits—including economic benefits—which would flow to the local area.

That study cost the U.S. taxpayers nearly $2 million. I don't know whether or not those funds were well spent, nor do I know for sure that the funds spent by the Corps a few years ago on studying the future commercial viability of the Barge Canal were well spent (that study concentrated on the canal in its present configuration and the results of it were that the canal provides recreational benefits and some, but minimal, commercial traffic).

Presently underway is another Corps of Engineers study, this one being directed by its New York City division, on the feasibility of modernizing or rehabilitating the barge canal system. The initial phase of that study is looking into the Lake Champlain portion of the canal system and as of last fall a number of alternative approaches had been identified. But again, the work seemed to be proceeding in a way which tended to isolate the study and limit the chances for effective, comprehensive system-wide coordination.

The private study noted above is proceeding. We do not yet know whether all of the funds necessary to complete that study will be secured, nor can we be certain that it will adhere to its projected timetable for completion in September of 1978. Without getting bogged down in details, the message I would like to stress at this point is that if we are serious about doing a comprehensive study leading toward final decisions on whether or not to implement one or more of the various proposals before us, we ought to be able to secure the resources necessary to do the job within a reasonable time frame.

I am far from convinced that it should take four years to undertake a study, no matter how thorough, of the potential of the Barge Canal system. I am far from convinced that it should take from today until October of 1979 to get started on such a study. I am far from convinced that $1.5 million will finance the type of study that's truly needed. The Western New Yorkers who are concerned about these issues have the will to get on with the job, and I believe that with a concerted effort on the part of all concerned—in the private sector and in government at the local, state and federal levels—we can and we should get this and other aspects of this overall problem underway in 1977, not 1979.

I have the highest respect for the engineering capabilities of the Army Corps of Engineers. They have, with relatively few exceptions, carried out marvels of construction in a number of often trying circumstances.

But they are not infallible, nor are they necessarily the most capable or objective agency to lead a comprehensive study, say nothing of conducting one which is not coordinated with the many other essential parties. I would be the first to recommend that the Corps be asked to implement any projects found feasible and desirable. And it is clear that the advice and counsel of the Corps on the engineering aspects of various proposals will be invaluable during the study and planning stages. But I do question whether we should add to the burdens we put on the Corps of Engineers by asking them to undertake environmental energy, economic, international, and indeed, political studies which might more properly be done by others.

This week the Public Works Committee of the House of Representatives without giving notice, passed a resolution authorizing the Corps of Engineers to re-study the rehabilitation of the Barge Canal and the feasibility of the "All-American" canal. The study was approved in the context of a letter from the Corps estimating that the study would take four years and cost in the neighborhood of $1.5 million. The Committee did not hold hearings on this proposal, so far as I know, and I have to wonder whether it was aware of the various initiatives and the other considerations I have tried to point out in this paper.

In short, the Committee's action may have been precipitous. If the federal government should spend $1.5 million on these issues—

and I am convinced that it should spend at least this and probably more—is it possible that there might be a more effective use of those funds than on a 4 year study by the Corps of Engineers?

If we are to avoid a study for study's sake —which I think is essential—then we have to consider the kind of study we want, the parameters under which it should be conducted, and the nature of the organization or organizations we will ask to conduct it.

In the past the Corps of Engineers has been given few if any detailed guidelines as to the scope of its studies on these issues. Given the limits of the Corps' expertise, should we continue, in effect, to leave this agency to its own devices in determining the scope of its studies on matters that so vitally affect our daily lives? This is what happened on earlier studies and there is now nothing that would explicitly prevent this from happening again.

If the new study is going to review the international considerations, all of the various transportation options, the energy policy issues, the crucial environmental concerns, and all of the other matters relevant to it, someone has to define these areas of concern to the Corps or such other agencies as may be involved in it. The study of the Lake Erie-Lake Ontario canal alone, completed in 1973, was limited in its scope with respect to the economic and the environmental aspects. In considering benefits, it was confined exclusively to U.S. transportation benefits. Its study did not involve international or energy considerations at all. It did not consider Canadian transportation benefits, insurance, recreation, ice control, maintenance scheduling, national efficiency, regional development, national economic growth, energy savings or military security. Given the $1.9 million cost of that study, one has to wonder how $1.5 million will suffice for a broader study beginning in 1979, six inflation-laden years after the completion of the earlier one, and expected to take until 1983 to be completed.

If the recommendations of this study we propose are to undertake any of the possible projects which have been raised for discussion, then we must keep firmly in mind that the potential construction cost will be in the range of $2 to $20 billion, depending on the recommended actions. We will need a lot more political support for those kind of expenditures than might be necessary to come up with the funds for a study. The time to start building that political support is now.

So once again we find ourselves in the position of expanding our vision and our goals—searching for a comprehensive coordinated approach. For what is the best way to achieve the kind of broad support for major proposals which will ultimately be required in this instance. I think that the federal investment in a comprehensive study of the issues involved in this complex equation, whether it be $1.5 million or $3 million or some other figure, can best be applied in a broad, coordinated context involving a wide variety of parties with diverse areas of expertise, and with the parameters of the study defined and agreed upon in advance by those parties. Perhaps this paper will help lead toward that end.

FUNDING OF FEDERAL POSTSECONDARY EDUCATION PROGRAMS IS A CONCERN TO MANY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, as chairman of the Subcommittee on Postsecondary Education, I feel compelled to state my very serious concern over the administration's policy with respect to funding Federal postsecondary education programs. This concern is shared by virtually every representative of the higher education community with whom I have been in contact with during the past several months.

College and university officials, spokesmen from various higher education associations and students have all expressed their concerns—apparently to no avail.

Yesterday, in testimony before our committee a very disturbing suggestion was made—a suggestion that the President has "forgotten the higher education platform plank he ran on."

In his testimony Mr. Lawrence Zaglaniczny, national director of the Coalition of Independent College and University Students—COPUS—reminded us that the platform plank on which the President ran reads:

In higher education, our Party is strongly committed to extending postsecondary opportunities for students from low and middle income families, including older students and students who can attend only part-time. The Basic Educational Opportunity Grants should be funded at the full-payment schedule, and campus-based programs of aid must be supported to provide a reasonable choice of institutions as well as access. With a coordinated and reliable system of grants, loans, and work study, we can relieve the crisis in costs that could shut all but the affluent out of our colleges and universities.

Mr. Zaglaniczny went on to remind the subcommittee that despite this promise:

The Administration recommendation proposed, not full payment of an $1,800 BEOG, but less. Campus-based programs were not supported in the Carter Administration's budget beyond the level of the last Ford Budget. One campus-based program, the NDSL, was not supported at all, but was to be cut with no regard to the effects on students.

Mr. Speaker, Mr. Zaglaniczny's suggestion is a very timely reminder in light of the fact that this body will be considering next week the Labor-HEW appropriations bill which contains funding for postsecondary education programs for the coming fiscal year.

I would therefore like to insert into the RECORD at this point the following:

Mr. Chairman. In the time remaining I would like to further comment on the present situation in higher education funding. I have decided to read this statement so that I may be precise.

For students across the nation, it came as a great shock that the Budget recommendations of the Carter Administration were so disappointing for the FY 1977 Supplemental and the FY 1978 Budget. While we realize that the new Administration did not have great leeway in changing the Ford recommendations, it is a shame the President has so forgotten the higher education platform plank he ran on. It reads: "In higher education, our Party is strongly committed to extending postsecondary opportunities for students from low and middle income families, including older students and students who can attend only part-time. The Basic Educational Opportunity Grants should be funded at the full payment schedule, and campus-based programs of aid must be supported to provide a reasonable choice of institutions as well as access. With a coordinated and reliable system of grants, loans, and work study, we can relieve the crisis in costs that could shut all but the affluent out of our colleges and universities." Let us look at the record now: the Administration recommendation proposed, not full payment of an $1,800 BEOG, but less. Campus-based programs were not supported in the Carter Administration's budget beyond the level of the last Ford Budget. One campus-based program, the NDSL, was not supported at all, but was to be cut with no regard to the effects on students.

The talk in HEW, the Office of Education and around Washington is of "trade-offs." Let me suggest if dismal budgets for student aid continue to be Administration policy in future years, then we will be closing the doors of our colleges to the poor and middle class for want of adequate student aid. And, if these students had been able to get a college education they would have contributed to the Nation. They would have contributed to our national security, to our quest for peace, to our cultural and intellectual life, to solving our need for energy, to teaching us how to live with one another, to increasing job satisfactions and productivity. These students will not make these and countless other contributions to our Nation because they were unable to get a postsecondary education, because the Federal system of student financial aid was so inadequate. So, I respectfully submit that these are the real "trade-offs."

For the future of our country, we need the best possible student aid programs. Why not?

HUMAN RIGHTS AND FOREIGN RELATIONS: IS JIMMY CARTER A WILSONIAN OR A MORAL REALIST?

(Mr. PATTEN of New Jersey asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATTEN. Mr. Speaker, I present the following commencement address by Dr. Edward J. Bloustein, president, Rutgers State University, at Hebrew Union College, Cincinnati, Ohio:

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Sometimes the man enhances the occasion; sometimes the occasion enhances the man. There can be no doubt about the truth of the matter on this occasion. It is in deep appreciation of the honor you do me and my family—some of whom are with me today—that I offer a small recompense in the form of some observations of Human Rights and Foreign Policy: Is Jimmy Carter a Wilsonian or a moral realist?

The State is Man writ large, Plato taught us. This is why foreign relations are like human relations, and why it can help us to understand the one to look at the other. Perhaps such a focus may provide some insight into a venerable question of politics and ethics which has found new resonance in recent discussions of President Carter's human rights policy. Am I my brother's keeper?

Who intervenes in another's life, *how*, and *for what purpose* will determine whether the intervention is justified. Normally, for instance, a parent has a right to discipline a child, but, a stranger to the child does not. Using force with the child is rarely right, but suggestion, advice and counselling very frequently are. Finally, saving the child's life will most often justify almost any form of intervention, but teaching the child a lesson in manners will not.

In sum: Not every busybody is justified in interfering in the life of a child; certainly not for any and every purpose; and not always with angry words; most often not with force. The answer to the question of per-

sonal ethics: "Am I my brother's keeper?," "Yes" and "No"—it depends on the circumstances.

Now look at the same example from another point of view. It is one thing to conclude that a child needs help; it is quite another thing to decide whether to help the child, and how.

There is a school of psychological realists who insist that man is by nature selfish, if not evil, and that altruism is sterile when it is not in the service of the ego. For the realists, the child in distress will only be helped if it serves the interest of the intervenor.

Unfortunately, the cynicism of the realist rings truer than any of us would like. It is surely more convincing than the idealist image of a world peopled by good samaritans. Children who need our help too rarely get it.

Right in one respect, the realist is wrong in some others, however. Altruism is often a strong source of ego satisfaction. The hair shirt of the martyr is no less profound a form of gratification to him than a down comforter is to a sybarite. Serving the child's interest can be the highest form of self-interest for the person who serves it. Thus, the realist turns out to have neglected an important aspect of reality, the ego satisfaction derived from service to others.

An equally important caveat which must be read against psychological realism is that, at best, it tells us something about how, and why, we humans treat one another as we do. However, it does not address itself to, no less answer, the ethical question of whether we ought to behave as we do. Nor does it tell us how we might realistically pursue doing good for others, where we want to because it serves our self-interest.

Some of us may reject the talmudic instruction that "if you must beat a child, use a string." But we would all agree with the biblical injunction that "the branch sprung from violence has no tender twig"—use of excessive force to teach a moral lesson may create a moral monster.

The lesson of moral realism embodied in these maxims is simple: High moral purposes do not insure good and just results. Actual consequences for the child are what counts and not good intentions on the part of the intervenor.

Now, we must apply what has been learned about the relations of people to the relations of politics.

The first thing we observe is that the same division between realists and idealists, applicable to the conduct of individuals, is applicable to the conduct of states. And, indeed, political realists from St. Augustine, to Niebuhr, from Machiavelli, to Morganthau—in our own day, Kissinger and Nixon—have founded their theory of foreign relations on their appraisal of human nature.

They have argued that man is sinful, bellicose and greedy for goods and power. The nation state, as well as the world order of states, reflects man's nature, and is marked by coercion and struggle, rather than by reason and cooperation. As a consequence, the goal of foreign policy must be to secure a position of strength and thereby to protect the national interest. In this perspective, the realists say, applying the concept of right and wrong to the affairs of state is as irrational as applying it to a game of billiards.

Although idealism in foreign affairs has origins which may be traced to the ancients in religion and philosophy, it is most strongly identified in the contemporary mind with Woodrow Wilson. He spoke passionately of man's goodness, rationality and perfectibility and asserted eloquently that the same rules of morality which apply to people apply to states.

Foreign policy, he believed, should be more concerned about human rights than about property rights. As one historian has written, Wilson set an extraordinary ethical mission for the United States: "To . . . provide a model of democracy, vindicate moral principles . . . uphold the rights of man . . . (and to) promote peace." His moral sense in foreign affairs could not have been more forcefully evoked than when he, himself, proclaimed "When men take up arms to set other men free there is something sacred and holy in the warfare. I will not cry 'peace'," he intoned, "as long as there is sin and wrong in the world."

Is it any wonder that such self-righteous moralizing, such moral imperialism, calls forth the counsels of realism? And is it any wonder that President Carter's intimation that his administration's foreign policy would be primarily concerned with "human rights," rather than with "material interests" should have evoked the specter of Wilson's moral imperialism?

On his words and performance to date, however, President Carter seems to have adopted a position tenuously balanced between that of Wilsonian moralism and Nixonian realism. He has put morality back into foreign policy, but he has done so with a recognition of the same ethical limits to doing good, and a recognition of the same necessity to be realistic about doing good, which I associated earlier with intervention in the life of a child.

For Carter, ethical considerations are as applicable to the lives of states within the world order of nations as they are to the lives of individuals within a nation. This distinguishes him from the realists who view international affairs as a series of relationships more like the collision of fast moving objects, than the interaction of sentient beings.

But Carter is not a Wilsonian moralist either. On occasion, like Wilson's, his personal style may seem evangelical and sanctimonious. Unlike Wilson, however, his forign policy reflects a sensitive appreciation of the complex nature of the ethical dimensions of world power politics. In foreign relations, the question, "Am I my brother's keeper?," becomes for Carter, "Is one nation the keeper of the rights of another nation's people?" His answer, like that I reached above in the framework of personal relations, is "Yes" and "No," depending upon the circumstances.

In his inaugural address, the moralist in the President said that our heritage "imposes on us a special obligation," a set of "moral duties." In the same address, however, the realist in him said that our "moral duties" would "seem invariably to be in our own best interest," and that although we are "proudly idealistic," no one should "confuse our idealism with weakness."

His remarks to the people of other nations, delivered on Inauguration Day, and his recent Notre Dame commencement speech, display the same balance between moralism and realism. He speaks of America's commitment to human rights as "a fundamental tenet of our foreign policy," and of our nation wanting "to shape a world order that is more responsive to human aspirations." But he also says that "we have acquired a more mature perspective on the problems of the world," and that "we cannot conduct our foreign policy by rigid moral maxims." It is this new perspective—the perspective of moral realism, I would call it—which, according to the President, enables us to recognize that "we alone cannot guarantee the basic right of every human being to be free of poverty and hunger and disease and political repression." It is moral realism as well which causes the President to promise that, although we seek a more just world order, "we will not seek to dominate nor dictate to others."

Some find evidence of wobbling and compromise in these rhetorical shifts of moral mood and meaning, especially when they are read in the context of our support of a repressive regime in South Korea. Others suggest that Carter's verbal emphasis on human rights is intended by him, as it has been by other statesmen in the past, to disguise the traditional realist diplomacy of power. Still others are concerned that Carter is a naive Wilsonian; that his moralism will antagonize our foes, without helping our friends; that it will cruelly and disastrously inflame hope for the oppressed beyond our power to fulfill it.

It is too early, I believe, to rule out definitively any of these forebodings. There is some reason to believe, however, that they are probably wrong. What looks like cynicism or compromise, at worst, and naive moralism, at best, seems to me to be a highly sophisticated compound of realism and moralism in foreign policy, a compound I call moral realism.

The source of disquiet about President Carter's human rights stance may be traced to the philosophical question of whether moralism and realism in foreign relations are compatible. I tried to suggest in the perspective of individual relations that moral realism is not a self-contradiction. I believe the same is true in foreign relations.

Anyone who believes that men are essentially good and that the primary motive force in any given society or in the society of nations is the search for justice is naive in the extreme. Ignorance, ego, evil, avarice, cruelty, and aggression are as natural to the human estate as knowledge, conscience, goodness, altruism, gentleness, and self-effacement. This explains why power and coercion are necessary ingredients of order in any state and why, in the world order of states, power and force must be garnered, nurtured and brought to bear to preserve national self-interest. This is the realist lesson, a lesson I believe President Carter understands full well.

But the realists have never adequately appreciated the two-fold lesson of the moralist. The first is that ideals of justice and goodness are necessary to our lives and our consciousness, even if they do not fully explain a world in which power dominates the relations of men and nations. We must not confuse the world of the "is" and the world of the "ought," but two worlds there are, not one.

The second lesson the moralists can teach the realists is that moral aspirations are themselves part of the reality of world politics, are themselves a force which must be weighed in the balance of world power relationships. Our self interest is served by seeking justice at home and abroad, no less than by maintaining armed might and economic advantage.

Ralph Waldo Emerson said it more than a century ago when he wrote: "Love would put a new face on this weary old world in which we dwell as pagans and enemies too long, and it would warm the heart to see how fast the vain diplomacy of statesmen, the impotence of armies and navies and lines of defense, would be superseded by this unarmed child. Love will creep where it cannot go, will accomplish that by imperceptible methods—being its own lever, fulcrum and power—which force could never achieve."

Emerson believed a hundred years ago what President Carter does today, that a people animated by an exalted purpose is the most powerful revolutionary force. Jesus acted on this principle, while the Romans neglected it, Ben-Burion acted on it, while the British neglected it. Ho Chi Minh acted on it, while the United States neglected it.

People will squander their substance and lay down their lives for things they love and believe in. This is the lesson President Carter seeks to teach the realists about the reality of morals, a reality which realist dip-

lomats like Kissinger and Nixon have too long neglected. The realists, it would seem, have not been realistic enough about the force of moral aspiration.

Finally, as a moral realist, President Carter adopts the principle I demonstrated earlier about helping children: Among nations as among individuals, the measure of morality is not what you intend, but what you achieve. This requires, as he put it in his Notre Dame speech, a recognition that the world is "complex" and "imperfect" and that our good intentions must be adapted to this intractable reality.

There is no talismanic formula of morals or power which will resolve all international oppression or conflict. Some human rights are more fundamental than others, and some nations and cultures evaluate human rights differently than others. Some nations, and some organizations of nations, are in a better position than other nations, to intervene in the interest of the rights of the citizens of another nation. And when security and humanity come into conflict a variety of forms of intervention, from war and threats of war, to public pronouncements, to economic benefits and sanctions, to quiet diplomacy, must be carefully balanced to maximize the achievement of our national goals.

Perhaps the most important lesson of moral realism is that the most powerful national lever of moral suasion is not the force of arms, but rather the force of ideas. President Kennedy said it in his State of the Union message in 1963: "We shall be judged more by what we do at home than what we preach abroad." President Carter said it in his inaugural address: "Our nation can be strong abroad only if it is strong at home, and we know that the best way to enhance freedom in other lands is to demonstrate here that our democratic system is worthy of emulation."

My conclusion is this: As with men, so with nations: Moral principles and pronouncements are one thing; good and just results are another. This is why doing good is no easy business, but do it we must, when and if we can.

MEDICAL INFORMATION SYSTEMS DEMONSTRATION ACT

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am introducing today the Medical Information Systems Demonstration Act—a proposal for follow-up demonstration and evaluation of a promising new system for the provision of quality hospital care which helps contain costs.

As a member of the House Subcommittee on Health and Environment, I am deeply concerned that the Federal Government plav the proper role in the recognition and adoption of proven techniques for the more efficient delivery of hospital care. Such a technique, the medical information system, has already been demonstrated and evaluated with the support of the National Center for Health Services Research in the Health Resources Administration, HEW. This system replaces all manual hospital recordkeeping from admission, diagnosis and prescribed treatment through diet, lab tests and financial information, with a computer-based information system utilizing display terminals at the nursing station and throughout the hospital in which doctors, nurses, dieticians, lab technicians and administrators can enter and retrieve required information concerning their patients.

The legislation which I am introducing would direct the Secretary of Health, Education, and Welfare to conduct additional demonstrations and evaluations to determine whether the initial favorable experience in a 464-bed suburban community hospital can be duplicated in other hospital environments. The Secretary would be required to report back to Congress no later than 2 years from the enactment of this legislation with an evaluation of whether medical information systems offer the prospect of significant reductions in the rate of inflation of hospital care and with his detailed recommendations as to whether such systems should be widely utilized and supported by Federal policy.

In 1971, the Health Care Technology Division of HEW's National Center for Health Services Research initiated an indepth evaluation and demonstration of the first comprehensive medical information system in the country—MIS—developed by the Technicon Corp. at El Camino Hospital in Mountain View, Calif. El Camino is a 464-bed, short-term community hospital. Thanks to the foresight of HEW personnel, the evaluation of this system, MIS, conducted by an independent third party, Battelle Columbus Laboratories, included examination of the hospital environment in "before", "during" and "after" modes. The results of this evaluation became available in December 1975 and the findings were indeed dramatic.

Battelle found that MIS "has had a demonstrably favorable impact on the organization and administration" of the hospital:

Based on an analysis of hospital records before and after installation of the MIS system, Battelle found that the overall information handling error rate in the execution of medical orders was cut in half. Such error reduction improves patient care and helps contain costs by eliminating repeat work and shortening hospital stays.

The system made more rapidly available the results of lab tests, X-rays and other medical information required for medical decisionmaking. This also helps shorten hospital stays. As Battelle put it:

The implementation of the system has improved the ability of the El Camino Hospital staff to deliver patient care as measured by more readily available, more complete and more accurate information used for administering care and for monitoring patient progress. Moreover, the timeliness of the administration of tests and procedures has generally improved because of better communication and coordination made possible by the System among nurses, doctors and supporting hospital departments.

It is well known that the hospital industry is labor intensive, labor costs constituting more than 60 percent of the total operating budget. It is less well known that between 25 and 35 percent of hospital employees' time is spent in manual information processing tasks, much of it by high priced professional persons. The system at El Camino Hospital made it possible to eliminate more than 2 million preprinted forms each year. Of course this meant a significant reduction in valuable professional time devoted to filling out, distributing and filing forms.

The system gives doctors and nurses up-to-the-second information on each patient's clinical status, greatly reducing their dependence on the traditional, poorly organized and difficult to read medical records.

The Battelle study cost the Federal Government $1.5 million, took 4 years to complete and resulted in a 500-page publication containing the findings outlined above. Unfortunately, such studies often do not receive the attention and follow-through action which they deserve. The proposal I am introducing today would direct HEW to capitalize on the promising potential indicated by its initial investment through additional demonstrations and evaluations.

Concurrent with the Battelle study, El Camino Hospital performed 4-year economic evaluation of the system and its favorable results have just become available. Data from this study indicates that the hospital is achieving savings of approximately $40,000 per month after paying a monthly system service fee of $83,000. These savings can be translated into about $4 per patient day. Thus, the system appears to be cost effective; that is, cost savings substantially exceed system costs. Moreover, the hospital has been successful in translating time saved by the system in nursing and ancillary departments into staff reductions and/or staff increase avoidances and hence into reduced costs. The hospital study also indicates cost containment not only in terms of El Camino's "before and after" expenses, but in terms of comparisons to similar hospitals in the surrounding area after installation of the system.

Equally important, this system has facilitated the implementation of new techniques for the management of the delivery of care such as automated utilization review and patient care planning. The clinical data base which the system produces in computer form is available for the development of medical audit standards and for their application. Ultimately, such professional standards can be made available to physicians before they prescribe treatment rather than to after-the-fact policing committees associated with conventional medical audit.

The system also preserves the privacy and confidentiality of patient data in full compliance with applicable State law. Each person who is given access to the system is assigned a unique four character sign-on identification code which limits their access to that portion of patient data which is required for performance of their hospital task.

Battelle specifically recommended in its report that this type of system "should be demonstrated and evaluated" in other types of hospitals, such as large urban hospitals and Federal hospitals, to determine the ease of technology transfer and the extent to which the benefits realized at El Camino Hospital may also be realized in other hospital environments.

Follow-up demonstrations would also help bring this technology to the attention of hospital administrators and health professionals interested in joining with the Federal Government in a leadership role in health care.

Of course hospitals must retain incentive for realizing the benefits of labor savings made possible through the automation of information handling. Thus, I envision that the Secretary would undertake support of additional demonstrations and evaluations in a manner which helped hospitals overcome the initial capital investment obstacles, but which leaves a healthy share of the burden with the hospitals to give them the appropriate motivation to realize potential benefits in the years following initial implementation.

The text of my bill follows:

H.R.—

A bill to authorize the Secretary of Health, Education, and Welfare to develop and carry out demonstration and evaluation projects to evaluate the benefits of computer based medical information patient care systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 222 of Public Law 92-603 is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Health, Education, and Welfare, directly or through contracts with, or grants to, public or private agencies or organizations, shall develop and carry out demonstration and evaluation projects to determine whether use of computer-based medical information patient care systems by hospitals and skilled nursing facilities would enable such providers to manage their facilities and personnel more efficiently, thereby reducing total costs of providing health care at their facilities, without adversely affecting the quality of services.

"(2) The demonstration and evaluation projects developed under paragraph (1) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the benefits of computer-based medical information patient care systems.

"(3) Grants, payments under contracts, and other expenditures made for demonstration and evaluation projects under this subsection shall be made in appropriate part from the Federal Hospital Insurance Trust Fund (established by section 1817 of the Social Security Act) and the Federal Supplementary Medical Insurance Trust Fund (established by section 1841 of the Social Security Act) and from funds appropriated under titles V and XIX of such Act. Grants and payments under contracts may be made either in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this subsection. With respect to any such grant, payment, or other expenditure, the amount to be paid from each of such trust funds (and from funds appropriated under such titles V and XIX) shall be determined by the Secretary, giving due regard to the purpose of the experiment or project involved.

"(4) The Secretary shall submit to the Congress, no later than two years after the date of the enactment of this Act, a full report on the demonstration and evaluation projects carried out under this subsection and such report shall include a detailed evaluation with respect to whether computer-based medical information patient care systems offer the prospect of significant reductions in the rate of inflation in health programs and the Secretary's detailed recommendations as to whether such systems should be widely utilized and supported by Federal policy.".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GINN (at the request of Mr. WRIGHT), for today, on account of oral surgery.

Mr. PANETTA (at the request of Mr. WRIGHT), for after 11 a.m. today, on account of official business.

Mr. SANTINI (at the request of Mr. WRIGHT), for June 10 and 13, on account of field hearings of the Subcommittee on Indian Affairs and Public Lands.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PURSELL), to revise and extend their remarks, and to include extraneous matter:)

Mr. ABDNOR, for 60 minutes, on Monday, June 13.

Mr. WALKER, for 10 minutes, today.

(The following Members (at the request of Mr. PEASE), and to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. AUCOIN, for 5 minutes, today.

Mr. PEPPER, for 10 minutes, today.

Mr. LE FANTE, for 15 minutes, today.

Mr. KOCH, for 10 minutes, today.

Mr. LAFALCE, for 10 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. YOUNG of Florida remarks prior to vote on Burgener amendment.

(The following Members (at the request of Mr. PURSELL) and to include extraneous material:)

Mr. DORNAN.

Mrs. SMITH of Nebraska.

Mr. LATTA.

Mr. HYDE.

Mr. JOHN T. MYERS.

Mr. DERWINSKI in two instances.

Mr. ABDNOR in three instances.

Mr. COLLINS of Texas in three instances.

Mr. MOORE.

Mr. GILMAN.

Mr. BOB WILSON in three instances.

(The following Members (at the request of Mr. PEASE), and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mrs. BURKE of California in three instances.

Mr. EDWARDS of California.

Mr. BYRON in five instances.

Mr. MOAKLEY.

Mr. MCDONALD in five instances.

Mr. FISHER.

Mr. MAZZOLI.

Mr. EILBERG in 10 instances.

Mr. BAUCUS.

Mr. SIMON.

Mr. RANGEL in five instances.

Mr. PHILLIP BURTON.

Mr. PEPPER in four instances.

Mr. WEAVER.

Mr. LAFALCE.

Mr. JACOBS.

Mr. MURPHY of Pennsylvania in two instances.

Mr. BARNARD.

Mr. DELLUMS.

Mr. TEAGUE.

Mr. HARKIN.

Mr. HUBBARD.

Mr. SCHEUER.

Mr. BENJAMIN.

Mr. FORD of Tennessee.

Mr. MATTOX.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 103. An act to convey to the Ely Indian Colony the beneficial interest in certain Federal land; to the Committee on Interior and Insular Affairs.

S. 667. An act to declare certain federally owned land held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians; to the Committee on Interior and Insular Affairs.

S. 947. An act to declare certain federally owned land known as the Yardeka School land to be held in trust for the Creek Nation of Oklahoma; to the Committee on Interior and Insular Affairs.

S. 1291. An act to declare that certain lands of the United States situated in the State of Oklahoma are held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma, and to authorize the Secretary of the Interior to accept conveyance from the Cheyenne-Arapaho Tribes of Oklahoma of certain other lands in Oklahoma to be held in trust by the United States for such tribes; to the Committee on Interior and Insular Affairs.

S. 1372. An act to amend titles 10 and 5, United States Code, to disestablish one of the positions of Deputy Secretary of Defense and establish an Under Secretary of Defense for Policy, and for other purposes; to the Committee on Armed Services.

S. 1640. An act to designate the Mike Monroney Aeronautical Center; to the Committee on Public Works and Transportation.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on June 9, 1977, present to the President, for his approval, a bill of the House of the following title:

H.R. 6197. An act to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1978.

ADJOURNMENT

Mr. PEASE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 5 minues p.m.), under its previous order, the House adjourned until Monday, June 13, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1677. A letter from the Deputy Secretary of Defense, transmitting notice of the proposed disposal of certain chemical munitions at the Dugway Proving Ground, Utah, pursuant to section 409(b)(4) of Public Law 91-121; to the Committee on Armed Services.

1678. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide improved consumer deposit services; to promote competitive balance among financial institutions; and to enhance the effectiveness of the Federal Reserve System; to the Committee on Banking, Finance and Urban Affairs.

1679. A letter from the Comptroller General of the United States, transmitting notice of the General Accounting Office's intention to change the procedure for public release of reports made at the request of committees and Members of Congress; to the Committee on Government Operations.

1680. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to section 212(d)(6) of the act (66 Stat. 182); to the Committee on the Judiciary.

1681. A letter from the Chairman, U.S. Commission on Civil Rights, transmitting a report on civil rights oversight and policymaking by the White House and the Office of Management and Budget, pursuant to section 104(b) of Public Law 85-315, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SISK: Committee on Rules. House Resolution 620. Resolution providing for the consideration of H.R. 7073. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (Rept. No. 95-403). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 621. Resolution waiving certain points of order against H.R. 7553. A bill making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95-404). Referred to the House Calendar.

Mr. DODD: Committee on Rules. House Resolution 622. Resolution providing for the consideration of H.R. 6135. A bill to amend the U.S. Grain Standards Act with respect to recordkeeping requirements and supervision fees, and for other purposes (Rept. No. 95-405). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOUIN:

H.R. 7714. A bill to amend title 38 of the United States Code in order to extend the delimiting period for completing programs of education for veterans pursuing such programs at the close of such period; to the Committee on Veterans' Affairs.

By Mr. BOWEN:

H.R. 7715. A bill to amend the Department of Transportation Act and the Regional Rail Reorganization Act of 1973 to extend the eligibility for financial assistance under the rail service assistance programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRON:

H.R. 7716. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 7717. A bill to amend title II of the Social Security Act to increase to $5,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 7718. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT (for himself, Mr. MARTIN and Mr. BROYHILL):

H.R. 7719. A bill to amend title 38 of the United States Code to deny veterans' benefits to certain individuals whose discharges from service during the Vietnam era under less than honorable conditions are administratively upgraded under temporarily revised standards to discharge under honorable conditions; to the Committee on Veterans' Affairs.

By Mr. HANLEY:

H.R. 7720. A bill to amend the act of March 2, 1931, to provide that certain proceedings of the Italian American War Veterans of the United States, Incorporated, shall be printed as a House document, and for other purposes; to the Committee on House Administration.

H.R. 7721. A bill to grant a Federal charter to the Italian American War Veterans of the United States; to the Committee on the Judiciary.

H.R. 7722. A bill to amend chapter 59 of title 38, United States Code, to provide for the recognition of representatives of the Italian American War Veterans of the United States, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HARKIN:

H.R. 7723. A bill to require the appointment of interpreters for hearing impaired individuals in certain judicial proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. KRUEGER:

H.R. 7724. A bill to amend the Meat Import Quota Act of 1964 to define fresh, chilled, and frozen meat, and for other purposes; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 7725. A bill to prohibit discriminatory practices with respect to physically handicapped persons; to the Committee on Education and Labor.

H.R. 7726. A bill to prohibit the pretrial release of any person charged with an act of aggravated terrorism; to the Committee on the Judiciary.

By Mr. O'BRIEN (for himself and Mr. CORCORAN of Illinois):

H.R. 7727. A bill to delay for 1 year the effective date of the changes made by the Tax Reform Act of 1976 in the minimum tax on individuals; to the Committee on Ways and Means.

By Mr. OTTINGER:

H.R. 7728. A bill to authorize the Secretary of Health, Education, and Welfare to develop and carry out demonstration and evaluation projects to evaluate the benefits of computer-based medical information patient care systems; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Mr. MURPHY of Pennsylvania, Mr. LEGGETT, Mr. WHALEN, Mr. LAGOMARSINO, Mr. EILBERG, Mr. BRODHEAD, Mr. SIMON, Mr. BADILLO, Mr. HARRINGTON, Mr. CAPUTO, Mr. BOLAND, Mr. DRINAN, Mr. PATTISON of New York, Mr. SCHULZE, Mr. LONG of Maryland, Mr. CHARLES WILSON of Texas, Mr. MOORHEAD of Pennsylvania, Mr. STUDDS, Mr. BEVILL, Mr. HANLEY, Mr. MOAKLEY, Mr. ERTEL, Ms. KEYS, and Mr. GLICKMAN):

H.R. 7729. A bill to amend the Federal Power Act to provide for the encouragement of the licensing and development of small hydroelectric power projects in connection with existing dams on the waterways of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Mr. VENTO, Mr. MIKVA, Mr. NEAL, Mr. EDWARDS of California, Mr. BONIOR, Mr. AKAKA, Mr. RUPPE, and Mr. JEFFORDS):

H.R. 7730. A bill to amend the Federal Power Act to provide for the encouragement of the licensing and development of small hydroelectric power projects in connection with existing dams on the waterways of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEASE (for himself, Mr. VOLKMER, Mr. KINDNESS, Mr. EVANS of Georgia, Mr. HAGEDORN, Mr. WON PAT, Mr. WHITEHURST, Mr. HYDE, Mr. CHARLES WILSON of Texas, Mr. MCCORMACK, Mr. BEVILL, Mr. MITCHELL of New York, Mr. RUSSO, Mr. SEIBERLING, Mr. EDWARDS of Oklahoma, Mr. GAYDOS, Mr. IRELAND, Mr. MATHIS, Mr. MURPHY of Pennsylvania, Mrs. SPELLMAN, Mr. MILFORD, Mr. ASHLEY, Mr. GRASSLEY, and Mr. WHITLEY):

H.R. 7731. A bill to amend Chapter 2 of Title II of the Immigration and Nationality Act to change affidavits of support signed by sponsors on behalf of incoming aliens from a moral obligation to a legal obligation; to the Committee on the Judiciary.

By Mr. RICHMOND (for himself, Mr. FRASER, Mr. GEPHARDT, Mr. JENRETTE, Mr. KOCH, Mr. METCALFE, and Mr. ROGERS):

H.R. 7732. A bill to authorize the Secretary of Agriculture to make grants to States for urban forestry, and for other purposes; to the Committee on Agriculture.

By Mr. ROSENTHAL (for himself, Mr. ASHLEY, Mr. BADILLO, Mr. JOHN L. BURTON, Mr. CARNEY, Mr. CORRADA, Mr. CLAY, Mr. COHEN, Mrs. COLLINS of Illinois, Mr. DRINAN, Mr. EILBERG, Mr. ERTEL, Mr. EVANS of Georgia, Mr. HANNAFORD, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. LEVITAS, Mr. MOAKLEY, Mr. MOFFETT, Mr. PATTISON of New York, Mr. ST GERMAIN, Mr. VENTO, Mr. WAXMAN, and Mr. YOUNG of Missouri):

H.R. 7733. A bill to amend the Truth in Lending Act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SATTERFIELD:

H.R. 7734. A bill to repeal the carryover basis provisions added by the Tax Reform

Act of 1976; to the Committee on Ways and Means.

By Mr. TEAGUE (for himself, Mr. BRADEMAS, Mr. WYDLER, Mr. FUQUA, Mr. WINN, Mr. FREY, Mr. GOLDWATER, Mr. MCCORMACK, Mr. BROWN of California, Mr. FISH, Mr. LUJAN, Mr. THORNTON, Mr. SCHEUER, Mr. HOLLENBECK, Mr. OTTINGER, Mr. RUDD, Mr. HARKIN, Mr. LLOYD of California, Mr. WALKER, Mr. AMBRO, Mr. KRUEGER, Mrs. LLOYD of Tennessee, Mr. BLANCHARD, and Mr. WIRTH):

H.R. 7735. A bill to authorize Federal assistance to private, profitmaking agencies and organizations under title II of the Rehabilitation Act of 1973; to the Committee on Education and Labor.

By Mr. TEAGUE (for himself, Mr. BRADEMAS, Mr. NEAL, Mr. DOWNEY, Mr. WALGREN, Mr. FLIPPO, Mr. GORE, and Mr. WATKINS):

H.R. 7736. A bill to authorize Federal assistance to private, profitmaking agencies and organizations under title II of the Rehabilitation Act of 1973; to the Committee on Education and Labor.

By Mr. SIKES:

H.J. Res. 511. Joint resolution to authorize and request the President to issue a proclamation designating the last week in August of each year as National Grade Crossing Safety Week; to the Committee on Post Office and Civil Service.

By Mr. WIRTH (for himself, Mr. WHALEN, Mr. OTTINGER, Mr. BADILLO, Mr. BEILENSON, Mr. DELLUMS, Mr. EDWARDS of California, and Mr. ROYBAL):

H.J. Res. 512. Joint resolution providing that competition is reaffirmed as the best means of serving American consumers, telecommunications needs; to the Committee on Interstate and Foreign Commerce.

By Mrs. FENWICK (for himself and Mr. HOWARD):

H. Con. Res. 246. Concurrent resolution to express the commitment of the American people to human rights and a thorough discussion of all violations of the Helsinki Final Act at the Belgrade Conference on European Security and Cooperation; to the Committee on International Relations.

By Mr. MINISH:

H. Con. Res. 247. Concurrent resolution to express the commitment of the American people to human rights and a thorough discussion of all violations of the Helsinki Final Act at the Belgrade Conference on European Security and Cooperation; to the Committee on International Relations.

By Mr. ANDERSON of Illinois (for himself, Mr. FISHER, Mr. BEDELL, Mr. EVANS of Delaware, Mr. LEACH, Mr. MCCORMACK, Mr. NOLAN, Mr. RICHMOND, and Mr. WIRTH):

H. Res. 623. Resolution to permit all employees of the House of Representatives to contribute through payroll withholdings, to charitable organizations in coordination with the Combined Federal Campaign and other fundraising in the executive branch of the Federal Government; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

183. By the SPEAKER: Memorial of the Legislature of the State of Tennessee, requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States requiring the balancing of the Federal budget; to the Committee on the Judiciary.

184. Also, memorial of the Legislature of the State of Tennessee, requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States relating to terms of office of Federal judges; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

124. The SPEAKER presented a petition of Joseph Theodore, Jr., New Bedford, Mass., relative to Flag Day and National Flag Week, 1977, which was referred to the Committee on Post Office and Civil Service.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3

By Mr. SCHEUER:

Page 103, add after line 26 the following new section:

DELAY IN IMPOSITION, AND WAIVER CONCERNING MONETARY REDUCTION FOR STATE'S FAILURE TO PERFORM MEDICAID UTILIZATION REVIEW

SEC. 21. Section 1903(g) of the Social Security Act is amended by adding after paragraph (2) the following new paragraph:

"(3) Notwithstanding paragraph (1)—

"(A) any decrease in the Federal medical assistance percentage of a State otherwise required to be imposed with respect to any calendar quarter ending before January 1, 1978, shall not be imposed before January 1, 1978, and

"(B) the Secretary shall waive application of all or such part of a decrease for a State with respect to any calendar quarter ending before January 1, 1978, if the State makes a satisfactory showing, in accordance with paragraph (1), with respect to the calendar quarter ending on [December 31, 1977].".

H.R. 7553

By Mr. ROONEY:

On page 5, line 24, strike out "$1,512,072,000" and insert in lieu thereof, "$1,510,572,000".

On page 6, line 11, strike the period and add immediately thereafter the following: ": *Provided further*, That no part of the funds herein appropriated shall be available for land acquisition for or construction of the Trexler Lake Project in Pennsylvania."

By Mr. RUNNELS:

On page 12, line 13, strike "$100,051,000" and insert in lieu thereof "$100,201,000" and strike the period on line 13 and insert the following: ": *Provided*, That the $50,000,000 is for the continued planning of Hooker Dam under the Central Arizona Project.".

H.R. 7555

By Mr. ALLEN:

Delete the period at the end of section 209, General Provisions, on page 40, line 2, and substitute a comma therefor, followed by the following new language, to wit: "or where the fetus is the result of a rape, or where the fetus is the result of incestuous relations between a minor or teenage child or woman and a male relative, or where the pregnant woman or minor child suffers from congenital insanity, or where a pregnant child or woman is under the age of twenty and unmarried, or where the pregnant woman is physically handicapped to a severe degree or is suffering from an addiction or a pharmacological imbalance which could be transmitted to the fetus, or where a pregnant child or woman suffers from any serious disease which can be inherited by the child, or where the mental or emotional condition of the pregnant woman is such as to render her incapable of furnishing proper care to a child, or where such woman has demonstrated serious destructive tendencies which would endanger the welfare of her child."

SENATE—*Friday, June 10, 1977*

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee, and worthily magnify Thy holy name in all we say and do in this place; through Christ our Lord. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Thursday, June 9, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, on the Executive Calendar there are a few nominations that are ready to go, beginning with the Civil Aeronautics Board.

I ask unanimous consent that the Senate go into executive session to consider the nominations beginning with Civil Aeronautics Board.

Mr. BAKER. Mr. President, reserving the right to object, and of course, I will not object, because the majority leader is entirely right, the Executive Calendar is cleared on our side. I might say for the information of the Senate what my colleague, the majority leader, already knows, and that is, we have cleared that nomination under the category of Agency for International Development, as well as the single nomination under the Civil

Aeronautics Board, and those nominations placed on the Secretary's desk in the Public Health Service.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

CIVIL AERONAUTICS BOARD

The second assistant legislative clerk read the nomination of Alfred Edward Kahn, of New York, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1982.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE PUBLIC HEALTH SERVICE

The second assistant legislative clerk proceeded to read sundry nominations placed on the Secretary's desk in the Public Health Service.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations placed on the Secretary's desk in the Public Health Service be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I have no further need for my time.

DEFENSE OF KOREA

Mr. BAKER. Mr. President, I want to serve notice of my concern over President Carter's plans to withdraw U.S. ground troops from the Korean peninsula. I do not believe the President and his administration have fully considered the national security implications of its Korean policy.

President Carter, while a candidate last year, announced that, if elected, he would withdraw American troops from Korea. That proposal was made before Mr. Carter had the benefit of the counsel of the Joint Chiefs of Staff or the National Security Council; and I question whether the administration's plan for withdrawing from Korea adequately provides for our national security.

The Korean peninsula is proximate to three major powers: Japan, China, and Russia; and it is, consequently, of great strategic importance to those powers and to the United States. For this reason, any change in our Korean policy should be subjected to an intensive review by the Defense Department, the State Department, and the U.S. Senate. This has not taken place. For instance, recent testimony in the House has indicated that the military was not consulted on the merits of the withdrawal policy, but merely asked to bring it about.

We are withdrawing from Korea on the basis of a campaign promise, and not a careful and comprehensive review by the U.S. Government.

I believe that withdrawing our ground forces, without countervailing moves by the North Koreans, will create uncertainty throughout free Asia, stimulate regional tensions and risk a major outbreak of hostilities on the Korean peninsula.

Given the present military balance between the two Koreas, the trends in their relative defense spending; the commitment of the North Koreans to forceful reunification; the lack of a responsible outside power capable of restraining the North; and the inherent difficulties of defending against an enemy positioned so close to vital target areas, this is not the time to reduce our commitment on the Korean peninsula.

Because of the serious national security implications and the lack of a thorough and governmentwide review, it would be unwise and inappropriate for the Senate at this point to affirm a Korean withdrawal policy. Since this is what the Senate is being asked to do by section 454 of H.R. 6689, the Foreign Relations Authorization Act, it is my intention when this legislation is considered by the Senate to offer an amendment to delete section 454. My amendment will provide the Senate with a proper opportunity to fully assess the impact of any proposed changes in our Korean policy.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I have no requests for my time. I understand the distinguished junior Senator from Oklahoma has a special order of 15 minutes and I inquire if he desires any further time, any part of my time.

Mr. BARTLETT. No.

Mr. BAKER. I understand he does not. Therefore, I yield back the remainder of my time under the standing order.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized for not to exceed 15 minutes.

The Senator from Oklahoma.

SNOWING THE CONSUMER ONE MORE TIME

Mr. BARTLETT. Mr. President, many agencies of the Federal Government, as well as many State governments, have been involved for years in developing laws to protect the consumer from abuses by business. These laws and regulations have stopped abuses in some instances, but in some cases the laws and regulations themselves have become abusive. These laws have often resulted in more government, higher costs to every consumer, and sometimes without protecting anyone, save perhaps those who are hired to write, interpret, analyze, and enforce the multitude of restrictions contained in the laws and regulations. This state of affairs is not in the interest of any consumer. It is not in the interest of the citizens of the country.

Instead of doing things the people want, the people believe things are being done to them which they do not want—at cost to the citizen of more taxes, more debt, and more inflation.

In many cases, consumer protection laws are administered by Federal departments or agencies headed by Cabinet officers or other officials who are responsible directly to the President. If those departments or agencies are ignoring "consumer" needs, then it is the President's responsibility to build a fire under his appointees and get them back to work. If an independent agency is ignoring "consumer" needs, then the President and Congress can similarly remedy that problem by the quality of appointments to the governing boards of those agencies.

I believe that the present proposal for the creation of an Agency for Consumer Advocacy is yet another example of useless bureaucracy being created in the name of "consumerism." I hope that those of us in this Congress will recognize that fact, and in so doing, prevent the continued snow job of the American public that proposals of this sort represent.

Mr. President, I use the term "snow job" advisedly. Those who suggest that a single agency or a single person can represent "consumers" are selling those consumers a bill of goods. In my judgment, this assumption is the basic fallacy that underlies proposals for the establishment of an Agency for Consumer Advocacy.

We should recognize at the outset that the "consumers" in this country also happen to be taxpaying citizens. The groups are virtually identical. Citizens of this country already have their interests represented and viewpoints expressed by a multitude of governmental units. At Federal, State, and local levels of government, there are literally thousands of agencies or elected bodies which speak for the citizen. To attempt to treat consumers as some sort of separate, identifiable group is to create a rhetorical smokescreen that only hides and distorts the real issues.

We must recognize that there is no single consumer position on the issues that an Agency for Consumer Advocacy

realistically could support. Let me discuss a few issues which I think illustrate this point.

The White House, in its background report on the need for a consumer advocacy agency, suggested several instances which the need for such an agency was supposedly demonstrated. One dealt with decisions by the Civil Aeronautics Board on allowing certain air carriers to enter various markets. I would suggest that a great many policy issues enter into any determination of whether an application to serve a particular route should be approved. For example, would an additional carrier in a given market contribute to the financial instability of existing carriers which might, in the long run, hurt the quality of their air service? Would an additional carrier actually reduce costs of fares to consumers? Whatever the answers to these questions, I should think it would be abundantly clear that it is impossible to determine by any objective standard what the "consumer's" position in such controversies should be. Such a determination is necessarily a somewhat arbitrary judgment based on the ideological inclination, or a variety of other factors, of the individuals making the decision.

The fallacy of assuming that "consumers" have a single, definable interest is even better illustrated by another example set out by the White House. The White House background paper suggests that there should be "consumer" involvement in setting the price of oil. But what is the "consumer" interest? Does the consumer want low current prices on energy even if it means shortages or doing without in the future? Does the consumer want higher, or decontrolled, prices now, so that reliable domestic supplies can be enhanced for the future? The point is that the resolution of these questions will be based on the political judgments of a diverse people with diverse political inclinations. To suggest that any single agency could discern and then represent the interests of "consumers" in such contexts is ludicrous in the extreme.

However, that is precisely the assumption which S. 1262, the Consumer Protection Act of 1977, makes. In numerous places in the bill, the Administrator is empowered to go forth and represent "the interests of consumers" before virtually any Federal agency. In effect, the Administrator becomes the one man in the United States charged with the responsibility for deciding what is good for consumers. The bill specifically provides that the Administrator's decision as to what constitutes the "consumer's interest" is not even reviewable by a court. Only later, in the course of judicial review of the agency in whose affairs the Administrator intervened, would his decision be reviewable. The net result is that, unlike other agency proceedings, minority points of view would not be heard.

Of course, the bill does try to give us some protection. It provides that this all-knowing Administrator must be "exceptionally well qualified." In light of the difficulties, indeed the impossibility, of determining objectively what is in the consumer interest, it is virtually beyond comprehension to figure out what it means when the bill says the Administrator must be exceptionally well qualified. Does that mean someone who has loudly claimed to be in favor of consumers? Does that mean someone who has consumed so conspicuously throughout his or her life that they are qualified by total volume consumed? Does that mean someone who takes a particular point of view on the various issues? Obviously, the phrase is meaningless, as are most of the supposed standards spelled out in the so-called "Consumer Protection Act of 1977."

Another fallacy of this legislation is the idea that the creation of a new agency will solve the problems we supposedly have with the old agencies. Virtually all of our present agencies were set up to advance the public interest, within the constraints of the statutes setting up the agencies. In the case of the examples I have previously mentioned, we presently spend over $218 million annually for salaries and expenses in the Federal Energy Administration, which evaluates energy allocation and pricing regulations. We spend $22.6 million per year for salaries and expenses to run the Civil Aeronautics Board. The new Energy Department, I understand, will cost $10 billion to operate. Presumably, those agencies, and that tax money, go to advance the public interest in those subject areas. Now if those agencies are not advancing the public interest, and are not fulfilling their statutory mandates, it is beyond me how the proponents of this bill can suggest that the creation of yet another agency, and the expenditure of more tax dollars, can solve the problem.

I do not mean to suggest that I approve of all the present activities of our regulatory agencies. In some cases, quite the contrary is true. What I do mean to suggest is that the injection of another Federal agency into the regulatory processes will not solve the problems—whatever they are.

The plain fact is that this bill and the agency it sets up are totally unnecessary. Another layer of bureaucracy will be created, responsible to nothing other than its own subjective opinion of what makes good public policy. The taxpayers of this country will be shelling out tax dollars for more Federal bureaucrats. Taxpayers will have to sit back and watch the sorry spectacle of their tax dollars being spent by one Federal agency that is suing another Federal agency. In effect, we will have court cases named "United States versus United States," with the big loser in the case being the U.S. taxpayer. Paper will be shuffled and hearings will be held and viewpoints will be selectively aired, with the net result being nothing more than the slowing down of the processes of Government and business.

Mr. President, when I consider the utter uselessness of this agency—the fallacies upon which it is based, the fallicies in its purported solution to agency problems, the cost of it to the taxpayers—I can only conclude that the most appropriate name for this agency is the "Agency for Consumer Agony"—because that is just that it will produce for the taxpaying citizen.

Mr. President, I hope that at some point we in Congress shake off the intellectual blinders that have caused us to seek a solution to every problem under the Sun with a new Federal agency. Such solutions are no solution at all. Let us throw the "Agency for Consumer Agony" on the bureaucratic scrap heap, where it belongs.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Oklahoma yield back any time remaining?

Mr. BARTLETT. Mr. President, I yield the remainder of my time to the majority leader.

Mr. ROBERT C. BYRD. How much time is that?

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma has 5 minutes remaining.

Mr. ROBERT C. BYRD. If the Senator has no objection and the minority leader does not need the time, I ask unanimous consent to control that 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Iowa (Mr. CLARK) is recognized.

FUNDING FOR THE FEDERAL GRAIN INSPECTION SERVICE

Mr. CLARK. Mr. President, I wish to express my concern about a section of the agriculture appropriations bill recently reported by the House Appropriations Committee.

The bill, H.R. 7558, is a $12.7 billion measure with appropriations for fiscal year 1978 for a wide range of authorities relating to agriculture, principally those administered by the USDA.

The section to which I am referring relates to funding for the Federal Grain Inspection Service, a new agency established last year under the authority of Public Law 94-582, the U.S. Grain Standards Act Amendments of 1976.

Public Law 94-582 represents a major reform effort intended to clean up the corruption that has plagued the Nation's grain inspection system in recent years.

My concern stems from two actions the House committee has taken in this appropriations measure:

First, the committee voted not to allow the Federal Grain Inspection Service an additional $2.6 million it has requested to carry out provisions of Public Law 94-582 intended to greatly strengthen grain inspection and weighing services.

Second, the committee adopted language which—if passed into law—would have the effect of almost completely prohibiting the FGIS from carrying out the supervision of State and private inspection activities at interior points—a function specifically required by Public Law 94-582.

I would like at the conclusion of my

remarks to insert in the RECORD two stories by Mr. James Risser, the bureau chief of the Des Moines Register, describing the House committee actions and their likely impacts.

The ACTING PRESIDING pro tempore. Without objection, it is so ordered.

[See exhibit 1].

Mr. CLARK. Mr. President, I am greatly disturbed by what the House Appropriations Committee has done. The committee has moved to undo much of what we accomplished last year in Public Law 94–582, and has done so solely on the basis of the unsubstantiated assertion that—and here I am quoting from the committee's report—

The problem that needed correction was at the export points.

This assertion is highly debatable, at best. Indeed, it was debated at great length last year during our consideration of the Grain Standards Act amendments, and since both Houses finally agreed to reform interior inspection as well as port inspection, one would have thought that the matter had already been resolved.

At the very least, there is simply no excuse for the cavalier treatment the House committee has given the subject here. The committee's action is irresponsible, and an insult to the Members of both Houses who worked long and hard to bring the Grain Standards Act amendments into law last year.

Mr. President, the background of that legislation is well known. It was a response to widespread problems in the grain trade—problems involving significant and widespread criminal activity related to the misgrading and misweighing of grain. The new law, and the new FGIS it authorized, were designed to provide us with more consistent and more reliable systems to restore the confidence of domestic and foreign buyers in the integrity of our grades and weights.

The House committee's actions would have very serious implications for the implementation of the new law. This is particularly true with regard to the language which was adopted to prohibit the FGIS from supervising State and private inspection in the interior. This language reads as follows. It states that the FGIS cannot use any funds appropriated in H.R. 7558.

To pay the salaries of any person or persons who authorize more than 100 man years for inspection and weighing services at interior points in the United States under public law 94–582.

Let me describe in some detail some of the effects this rather opaque language would have:

First. Since about 40 employees must be utilized for the appeals function of the Service, and 30 are currently employed in clerical functions, only 30 employees would be available for interior activities for all other functions mandated in the revised act. It would be impossible to supervise the 86 State and private agencies performing original inspection at interior locations with only 30 man-years staff time. The supervised agencies currently employ almost 3,000 licensees as either inspectors, weighers, samplers, or technicians.

Under the old act there were 238 Federal supervisors, inspectors, and clerical employees at interior offices to supervise State and private agencies. The new limitation would mean 138 of these individuals would have to be transferred to export locations and this would completely eliminate the possibility of establishing new programs required under the revised act, such as a weighing program, and so forth.

Second. There are approximately 19 open investigations at some stage of development at interior locations and it is anticipated that indictments involving fraud, coercion, theft, and misweighing will be forthcoming as the investigations are finalized.

The 19 investigations of possible violations include:

Improper certification of inspection; conflict of interest; deceptive loading; allegations involving attempts to influence inspection personnel; acceptance of gratuities; improper performance of duties; attempted bribery; attempt to falsify inventory positions; unauthorized personnel performing official functions; possible obstruction of justice; and theft.

Recent indictments at interior locations include: two individuals for violation of U.S. Warehouse Act; six charged with conspiracy, mail fraud, violation of U.S. Warehouse Act and making false statements; and 10 were charged with bribery and conspiracy. Until recently, there had been insufficient manpower to perform the needed investigations at interior locations. As a result, the department moved first to clean up the export situations and then to address inland problems.

Third. Malfeasance which was widespread at export locations would be encouraged at interior locations if little or no supervision was available; 18 indictments have been handed down at interior locations in Indiana and South Carolina. This is a strong indication that illegal activities have existed at interior locations.

Fourth. Original inspection is required on an interim basis to be performed by Federal officials when malfeasance or unavailability of private or State employees occurs. It would be impossible to perform these services with the limitation imposed.

Fifth. Intermarket grading differences would increase significantly because it would be impossible to correct deviations in grading by the different agencies in different States.

Sixth. The act mandates the supervision of weighing at interior locations at the option of interior applicants. This is a new program with no previous staffing. It will be impossible to provide supervision of weighing with the 100-man limitation imposed by the House Appropriations Committee.

Seventh. If the limitation is enacted, the department would be expected to recommend revision of section 5(b) of the act.

Section 5(b) reads as follows:

All official inspection and official weighing, whether performed by authorized service employees or any other person licensed under section 8 of this act, shall be supervised by representatives of the administrator, in accordance with such regulations as he may provide.

It is unlikely that this provision could be enforced if the House Appropriations Committee limit were effected.

Eighth. In addition, reduced supervisory staff would be expected to result in:

Increased misgrading of grain;

Delay of checktesting equipment and therefore, faulty equipment used for long periods of time;

Backlog in approving diverter-type site installations and maintaining a uniform checktest system;

Major delays in examining and licensing official inspection agency employees in a timely manner.

Lack of Federal employees to monitor Federal Grain Inspection Service and official inspection agency compliance of program objectives.

Lack of manpower to collect samples and data for standardization and market news; for example, moisture, toxic weed seed, crop quality, et cetera.

Lack of manpower to train and supervise FGIS employees.

Inadequate time to seek out and report, and correct major and minor incidents of wrong doings.

Almost total reliance on official inspection agencies for training and supervision of their own employees resulting in inequities in ability to perform.

These are extremely serious restrictions. They are all the more serious because they remove the single reform instituted at many interior locations by the 1976 act. A strong attempt was made to institute a Federal Inspection Service at the major inland terminals. This body passed a strong bill with such a provision. The House measure was a much weaker bill, and the House conferees prevailed on that point. The Senate conferees agreed with the House, in no small part because of the assurance that there would be full and adequate supervision of the State and private agencies which would be allowed to continue to operate at the interior points.

The House Appropriations Committee proposal would cripple that supervision. USDA claims that the limitation proposed by the Appropriations Committee would reduce the level of supervision at interior points to levels substantially below those that obtained prior to passage of the 1976 act.

Mr. President, I urge the Senate Appropriations Committee to report a bill with strong support for the Federal Grain Inspection Service.

I hope the House will reject the ill-considered FGIS restriction when the bill comes to the House floor. If the House does not, it will be even more imperative that the Senate take the strongest possible stand against such a limitation.

We must strive to maintain a strong Federal Grain Inspection Service. To return to the earlier pattern of widespread corruption and misrepresentation of weights and grades levies far too great a cost on our farmers and the entire grain trade.

EXHIBIT 1

[From the Des Moines Register, June 5, 1977]

GRAIN REFORM SETBACK FEARED

(By James Risser)

WASHINGTON, D.C.—The House Appropriations Committee has approved a bill that would effectively block many of the reforms in grain inspection procedures ordered by Congress last year.

The bill is considered likely to be approved by the full House.

The reforms were designed to tighten government control over the grading and weighing of grain, in response to a scandal in which more than 70 individuals and companies in the grain business were convicted of crimes.

However, as the result of spending limitations that the Appropriations Committee has voted to impose on the Agriculture Department's new Federal Grain Inspection Service (FGIS), federal supervision of grain and weighing at all inland grain elevators would have to be cut off.

Agriculture Department officials, in documents obtained by The Register, said they view the House panel's action with "extreme alarm," warning that it would "reinstate the acute shortage of supervision which made possible the malfeasance in grain inspection.

Additional budget cuts ordered by the committee for the FGIS headquarters here would, according to department officials, delay adoption of inspection and weighing rules, hamper enforcement of the tougher inspection laws, and "adversely affect national uniformity in inspection procedures."

The spending cuts approved by the committee were the work of Representative Jamie Whitten (Dem., Miss.), the chairman of the appropriations subcommittee on agriculture. Whitten's nearly single-handed control over Agriculture Department budgets year after year has won him the unofficial title here of "permanent secretary of agriculture." He is generally regarded as a foe of government regulatory programs.

In a report accompanying the bill, Whitten said supervision of inland grain elevators is not needed because problems of corruption in grain inspection, grading and weighing "have solely been at the export points." Setting up "a large internal inspection operation" to oversee the activities of privately employed inspectors at inland grain elevators "places a needless burden on both the producer and the consumer," said Whitten.

That contention was rejected by the U.S. General Accounting Office (GAO) in 1975 in 1975 in its nationwide study of grain inspection procedures. The GAO concluded that inadequate government supervision of the inspection system, as well as built-in financial conflicts of interests between inspection agencies and the grain firms they inspect, created the same climate for corruption at inland points as had been shown at export points. The study said that a national system of grain inspection was needed.

The Agriculture Department documents, prepared in response to the House Appropriations Committee's cutbacks say:

"The recent indictments of 18 individuals at interior locations indicate major problems still exist, and strong federal supervision is needed to miniminze these illegal activities."

The indictments involved grain elevator managers, government-licensed samplers, truck drivers and weighing personnel at elevators in South Carolina and Indiana. They are charged with conspiracy to defraud and other crimes in connection with misweighing of grain and billing customers for "phantom" truckloads of grain.

FGIS HIRING LIMIT

Unless the funds chopped by Whitten are restored by the full House, or later by the Senate, "the department would have no alternative but to recommend revision of Section 5(b) of the (1976 Grain Standards) Act, to release the department from the obligation to provide supervision of inspection and weighing at interior points," the department officials said.

Whitten's method for cutting back on inland grain inspection supervision was to insert, in the bill providing money for all Agriculture Department programs, a provision ordering FGIS not to employ more than 100 people to carry out inland duties.

Despite Whitten's statement that this would simply keep the inland inspection staff at the same size it was before the 1976 reforms were adopted, department officials said it actually would cut the staff by more than half.

"The FGIS had 238 federal employees at interior locations prior to the revision of the Act and would have to transfer 138 employees to export locations in order to comply with the 100-limitation recommended by the House Appropriations Committee," the department said. This would, in effect, reduce our interior staffing to less than 50 per cent of staffing prior to the revision of the Act.

"There would be no national uniformity in inspection, in a system so inadequately supervised, nor would it be possible to develop a uniform weighing program as mandated in the Act."

If interior supervision had to be handled by only 100 FGIS employes, only 30 actually would be available to supervise inspection and weighing by some 3,000 state and private inspectors, because the other 70 are necessarily tied up in conducting appeal inspections and in clerical work, the officials said.

In addition to his action in interior supervision, Whitten trimmed $2.6 million and 100 employes from FGIS's proposed Washington headquarters staff of 471 people. "No sound basis for this large a staff was presented to the committee," said Whitten.

In its analysis, the department said that cut would "severely limit" implementation of the inspection reform law. Most affected would be efforts to develop new inspection and weighing procedures, revise grain grading standards, hire and train field personnel, conduct appeal inspections, and carry out compliance activities and investigations of suspected irregularities, officials said.

As approved by the Appropriations Committee, FGIS will get a $10.9 million appropriation for the fiscal year beginning next Oct. 1. The agency had requested $13.6 million.

INCOME FROM FEES

The grain inspection system actually will cost about $60 million a year, but most of the cost is financed through user fees paid by grain firms and others who use the inspection service.

The Appropriations Committee approved its bill on May 24 without a record vote on either the FGIS budget or the entire bill. The bill is scheduled for debate in the House on June 16. Because of the power of the committee and its subcommittee chairmen, such as Whitten, appropriations bills rarely are altered on the House floor.

[From the Des Moines Register, June 7, 1977]

(By James Risser)

WASHINGTON, D.C.—A bill which drastically slashes funding for federal grain inspection was approved by the House Appropriations Committee without any discussion and with many committee members absent, Representative Neal Smith (Dem., Iowa) said Monday.

Smith is a member of the committee and attended the session, but said he was unaware that the bill chops $2.6 million from the budget requested by the Federal Grain Inspection Service (FGIS) and forbids the new agency from assigning more than 100 employees to supervise grain inspection and weighing at inland grain elevators.

"There was no discussion at all," Smith said Monday. "It came up while there was a quorum call on the House floor, and some people were gone and it just went through without any discussion."

Grain inspection is just one section of the $12.7 billion bill which appropriates money for all U.S. Department of Agriculture programs for the coming year. It is scheduled for debate on the House floor next week.

Smith wanted to take a hard look at the legislation to determine whether it adequately funds the new strengthened grain inspection system adopted by Congress last year.

"I want them to have whatever they need to carry out the program," said Smith. "If they need more than 100 employes to supervise inland grain inspection and weighing, I'd be against this provision in the bill."

On the other hand, said Smith, the Agriculture Department initially gave Congress "inflated" and "ridiculous estimates" of what the beefed-up inspection system will cost.

Except for the costs of regulating grain weighing—a new duty imposed by the tougher law—the Agriculture Department should be able to perform inspection duties at costs no greater than those incurred by private inspection agencies which operated in the past, said Smith.

"The private companies made money at the fees they charged," said Smith, adding that the Agriculture Department is charging higher fees.

FGIS officials say the fees are designed to offset most of the in-the-field cost of the new system, which they describe as being more comprehensive in response to congressional findings that the old system was weak and permitted corruption. They also insist that at ports, where all inspection now is done by federal officials, total costs for grain shippers may even be lower than in the past. The exporters often used to pay for two inspections, they said—an original inspection by the private agency and an "appeal" inspection by the Agricultural Department.

The grain inspection funding bill, approved May 24 by the Appropriations Committee, was drafted by Representative Jamie Whitten (Dem., Miss.), chairman of the appropriations subcommittee on agriculture.

He said increased supervision at interior grain markets is unnecessary, because the corruption shown during the grain inspection scandal of the past two years was at port elevators. Thus, he said the FGIS should be limited to using 100 people for inland purposes.

Whitten also took 100 employees and $2.6 million away from the FGIS Washington headquarters budget, saying agency officials had failed to prove that they need that much money.

Agriculture Department officials say Whitten's actions, if they become law, would seriously cripple efforts to eliminate weaknesses that led to corruption.

The ACTING PRESIDENT pro tempore. The Senator from Iowa has 5 minutes remaining.

CLEAN AIR AMENDMENTS OF 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the disposition of the amendment by Mr. SCOTT today to the Clean Air Act, Mr. BARTLETT be recognized to call up two amendments; that there be a time limitation on each of these two amendments of 40 minutes to be equally divided between Mr. BARTLETT and Mr. MUSKIE.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, did Mr. CLARK yield back any time?

The ACTING PRESIDENT pro tempore. The Senator from Iowa did not yield back his time.

Mr. ROBERT C. BYRD. Did he consume his time, all of it?

The ACTING PRESIDENT pro tempore. The Senator from Iowa had 5 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may have those 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAPITOL POLICE SAVE LIFE OF VISITOR TO THE SENATE

Mr. ROBERT C. BYRD. Mr. President, on Monday, June 6, Mr. Saul Greenberg, a visitor to the Senator's family gallery, suffered a heart attack while he was our guest. The quick action and highly trained skills of Capitol Police Officer Gilbert T. Mayo and Detective Sgt. Lester R. Bell were responsible for saving the life of Mr. Greenberg, according to medical staff of the Capitol Physician's Office and of George Washington University Hospital.

Officer Mayo and Detective Sergeant Bell quickly responded to the emergency situation, moving Mr. Greenberg to the hallway where Officer Mayo began cardiopulmonary resuscitation to aid the victim. Upon arrival of representatives of the Capitol Physician's Office, these fine officers continued to assist in the lifesaving efforts of the medical team. They later accompanied Mr. Greenberg to the hospital, working in every way possible to keep him alive and comfortable.

I also believe this is a good time to note the value of the Capitol Physician's Office and of the congressional policy which provides emergency medical care for Members of Congress, staff, or visitors to Capitol buildings. Dr. Freeman H. Carey, the Capitol Physician, and members of his staff provide first aid instruction and instruction in cardiopulmonary resuscitation to doorkeepers and to members of the Capitol Police Force. The coordination of our medical officers with the Capitol Police Service has certainly proved its value in this case, and is deserving of our appreciation and praise.

Dr. Carey and his staff are prepared to handle any medical emergency or to provide first aid assistance to Members of Congress, staffs, representatives of the press, and the 4 million tourists who annually visit the Capitol Building and Senate and House Office Buildings. It is commendable that Dr. Carey is also responsible for the various medical screening programs which are coordinated with staff clubs and with Members of Congress, and that he and his staff serve as medical consultants to the U.S. Capitol Police Board, examining recruits and providing officers with the kind of special first-aid training which saved Mr. Greenberg's life on Monday.

We are all indebted to these officers for their efficiency and expertise, and for their devotion to duty. They have saved the life of a citizen, and they have brought credit to themselves, to their service, and to the U.S. Senate.

Too often we take for granted the professional abilities and high quality of service performed by the Capitol Police. For all of those who use or visit the Capitol Building, these men and women offer courtesy, protection, and safety. This emergency, which was prevented from becoming a tragedy by the first-aid skills of Officer Mayo and by the quick action of both officers, can serve to remind us of how well we are served by the men and women of our own "finest"—the Capitol Police.

I want to offer my own thank you and commendation to the official commendations being prepared. I take special pride in the fine work they have performed in this case, and in the quality of police work which their actions represent.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield to the distinguished minority leader.

Mr. BAKER. Mr. President, I thank the distinguished majority leader for giving me just a moment to join him in expressing my commendation and congratulations to the excellent representation of our fine police officers and to our Capitol physician's office.

I remember another incident when I was a member of the Joint Committee on Atomic Energy when Dr. Miles Segal was seized with a stroke, fell into a sea of microphones during a public hearing, which was widely covered on television and radio, and it seemed like only a matter of seconds before the Capitol physician's office was at that location and made a valiant, although in that case a vain, effort to revive that distinguished scientist.

But the point of the matter is, Mr. President, that the majority leader is entirely correct in saying we have excellent and dedicated police officials here and a very highly qualified and competent medical staff. I think it is essential in view of the number of people who are located in and are associated with the Capitol.

I would like to especially point out that Dr. Peter Nielsen of the Capitol physician's office, was the first and primary physician to attend this victim. He is a young man who, I am sure, will have a great future in medicine, and I commend him for his promptness, his attention and diligence in contributing to the efforts already administered by the Capitol police.

I am delighted that the majority leader has seen fit to signal our respect and admiration for these fine public servants and professionals.

I thank the Senator for yielding.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

Mr. BARTLETT. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. I yield to the Senator from Oklahoma.

Mr. BARTLETT. I point out that this is not a completely unusual situation. It was just 2 years ago that Officer Monty Curtis, finding a woman collapsed and one who had a heart attack, gave mouth-to-mouth resuscitation, revived her, and she lived. He was given full credit for this.

I am glad I have an opportunity to put this in the RECORD because I do not think any official record was ever made of that.

I happen to know his father, who was a classmate of mine in high school in Marietta, Ohio, many years ago. So I followed it very closely.

I commend the distinguished majority leader for bringing this to our attention.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Oklahoma.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business on the remaining time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:17 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that:

The House has agreed to, without amendment, the concurrent resolution (S. Con. Res. 28) authorizing technical corrections in the enrollment of H.R. 5840.

The House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5840) to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the antiboycott provisions of that act.

The House disagrees to the amendment of the Senate to the bill (H.R. 4301) to authorize appropriations for the Na-

tional Sea Grant Program Act during fiscal year 1978, and for other purposes.

The House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 10. An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations or influences, and for other purposes; and

H.R. 7636. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration:

With amendments:

S. Res. 144. A resolution authorizing additional expenditures by the Committee on Agriculture, Nutrition, and Forestry for inquiries and investigations (Rept. No. 95–242).

With an amendment:

S. Res. 142. A resolution authorizing additional expenditures by the Committee on Armed Services for inquiries and investigations (Rept. No. 95–243.)

S. Res. 164. A resolution authorizing additional expenditures by the Committee on Banking, Housing and Urban Affairs for inquiries and investigations (Rept. No. 95–244).

S. Res. 159. A resolution authorizing additional expenditures by the Committee on the Budget for inquiries and investigations (Rept. No. 95–245).

S. Res. 151. A resolution authorizing additional expenditures by the Committee on Commerce, Science, and Transportation for inquiries and investigations (Rept. No. 95–246).

S. Res. 158. A resolution authorizing additional expenditures by the Committee on Energy and Natural Resources for inquiries and investigations (Rept. No. 95–247).

S. Res. 157. A resolution authorizing additional expenditures by the Committee on Environment and Public Works for inquiries and investigations (Rept. No. 95–248).

With amendments:

S. Res. 97. A resolution authorizing additional expenditures by the Committee on Finance for inquiries and investigations (Rept. No. 95–249).

Without amendment:

S. Res. 156. A resolution authorizing additional expenditures by the Committee on Foreign Relations for a study of matters pertaining to the foreign policy of the United States (Rept. No. 95–250).

With an amendment:

S. Res. 161. A resolution (S. Res. 161) authorizing additional expenditures by the Committee on Governmental Affairs for inquiries and investigations (Rept. No. 95–251).

S. Res. 146. A resolution authorizing additional expenditures by the Committee on Human Resources for inquiries and investigations (Rept. No. 95–252).

S. Res. 170. A resolution authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations (Rept. No. 95–253).

Without amendment:

S. Res. 189. An original resolution authorizing additional expenditures by the Committee on Rules and Administration for inquiries and investigations (Rept. No. 95–254).

With amendments:

S. Res. 149. A resolution authorizing additional expenditures by the Committee on Veterans' Affairs for inquiries and investigations (Rept. No. 95–255).

Without amendment:

S. Res. 140. A resolution authorizing additional expenditures by the Select Committee on Small Business for inquiries and investigations (Rept. No. 95–256).

With an amendment:

S. Res. 148. A resolution authorizing additional expenditures by the Select Committee on Intelligence (Rept. No. 95–257).

S. Res. 147. A resolution authorizing expenditures by the Special Committee on Aging (Rept. No. 95–258).

With amendments:

S. Res. 141. A resolution authorizing expenditures by the Select Committee on Nutrition and Human Needs (Rept. No. 95–259).

By Mr. EASTLAND, from the Committee on the Judiciary:

Without amendment:

S. 760. A bill for the relief of Duane G. Wegner (Rept. No. 95–260).

With an amendment:

S. 422. A bill for the relief of the First Baptist Church of Paducah, Ky. (Rept. No. 95–261).

Without amendment:

H.R. 3314. A bill for the relief of Tri-State Motor Transit Co. (Rept. No. 95–262).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

With amendments:

S. 469. A bill to establish a commission to study proposals for establishing the National Academy of Peace and Conflict Resolution (title amended) (Rept. No. 95–263).

By Mr. MUSKIE, from the Committee on the Budget:

Without amendment:

S. Res. 178. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1231, a bill to raise the limitation on appropriations for the United States Commission on Civil Rights (Rept. No. 95–264).

S. Res. 180. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1061 (Rept. No. 95–265).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Jamie C. Boyd, of Texas, to be U.S. attorney for the western district of Texas.

Rodolfo A. Garza, of Texas, to be U.S. marshal for the western district of Texas.

Joseph J. Harvey, of Washington, to be U.S. marshal for the western district of Washington.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Finis E. Cowan, of Texas, to be U.S. district judge for the southern district of Texas.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 10. An act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations or influences, and for other purposes; to the Committee on Governmental Affairs.

H.R. 7636. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1978, and for other purposes; to the Committee on Appropriations.

ORDER FOR STAR PRINT—REPORT 95–161

Mr. HUMPHREY. Mr. President, the Senate will soon consider S. 1520, the International Development Assistance Act of 1977. I want to call attention to two printing errors in the committee report on this bill, Report No. 95–161.

The first is on page 2 of the report. Footnote 2 on page 2 of the report should read:

Both the Executive request and the bill contain a "no year" authorization of $200,000,000 for implementation of the Sahel development program. However, the bill, in accordance with Executive appropriation request, limits the amount which may be appropriated for the program in fiscal year 1978 to $50,000,000.

On page 39, the first sentence in section 5—International Organizations and Programs should read:

This section extends the authorization for International Organizations and Programs through fiscal year 1978 and authorizes appropriations of $262 million for fiscal year 1978 of which not more than $42.5 million shall be available for voluntary contributions to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA).

Mr. President, I ask unanimous consent that a star print be made.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR STAR PRINT—REPORT 95–195

Mr. HUMPHREY. Mr. President, it has been brought to my attention that Senate Report 95–195 on the International Security Assistance and Arms Export Control Act of 1977 (S. 1160) contains a few typographical and printing errors that should be corrected.

The corrections are as follows:

Page 1:

The program authority number in the fourth line of the second paragraph should read "$4,679,100,000."

The reduction in budget authority mentioned in the fifth line of the second paragraph should read "$36,300,000."

Page 8:

The total for 1978 security assistance to Cyprus in the chart is "$15,000,000."

Page 18:

The ninth country entry in the chart is "Iran."

Page 25:

The first sentence should read "Paragraph (c) of Section 532 as amended would authorize use of $1 million for the preparation of a systematic and comprehensive study of the development requirements of southern Africa."

Mr. President, I ask unanimous consent that a star print be made.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. METCALF:

S. 1671. A bill to designate the Absaroka-Beartooth Wilderness, Custer and Gallatin National Forests, in the State of Montana; to the Committee on Energy and Natural Resources.

By Mr. HUMPHREY:

S. 1672. A bill for the relief of Dr. Daniel Aguila; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 1673. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 in order to provide additional control over and eventually terminate the dumping of sludge into the oceans off the United States; to the Committee on Environment and Public Works.

By Mr. LAXALT (for himself and Mr. CANNON):

S. 1674. A bill to amend the Internal Revenue Code of 1954 with respect to employer's duties in connection with the recording and reporting of tips; to the Committee on Finance.

By Mr. HATHAWAY:

S. 1675. A bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Commitee on Finance.

By Mr. INOUYE:

S. 1676. A bill to amend an emergency flood control authorization in order to authorize emergency protection work in the event of anticipated volcanic eruption; to the Committee on Environment and Public Works.

By Mr. SCHWEIKER:

S. 1677. A bill for the relief of Manuel Sicuan Uson and his wife, Nancy Santa Rosa Uson; to the Committee on the Judiciary.

By Mr. LEAHY (by request):

S. 1678. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. METCALF:

S. 1671. A bill to designate the Absaroka-Beartooth Wilderness, Custer and Gallatin National Forests, in the State of Montana; to the Committee on Energy and Natural Resources.

Mr. METCALF. Mr. President, I am proud to introduce for appropriate reference the Absaroka-Beartooth Wilderness Act of 1977.

The Forest Service has for years maintained as primitive areas in Montana two parcels of land identified as the Absaroka and the Beartooth lying north and east of Yellowstone National Park. They totaled 64,000 and 230,000 acres respectively.

After holding public hearings in 1974, the Agency formally proposed that the areas be unified and expanded into an Absaroka-Beartooth Wilderness Area of 542,000 acres.

My proposal further expands the acreage to approximately 913,500. It includes one major area—the large North Absaroka Range—upon which the Forest Service postponed a judgment and several smaller adjoining fringe areas which the agency had rejected.

Despite the view held by many that the logical boundaries of an expanded Absaroka-Beartooth Wilderness Area must include the contiguous high lake country across the Wyoming border, I have refrained from including it at the request of the senior Senator from Wyoming, Senator CLIFFORD HANSEN.

Mr. President, while no area of this size could be completely free of controversy, the concept of an expanded Absaroka-Beartooth wilderness proposal has received a remarkably wide degree of acceptance. It has been endorsed in Montana by Gov. Thomas Judge, numerous conservation groups, the Montana Fish and Game Department, the Montana League of Women Voters, and others. Many national groups also favor its creation, as does President Carter, who singled out the Absaroka-Beartooth for support in his recent Environmental Message of May 23.

Located in the Gallatin and Custer National Forests of southern Montana, this magnificent primeval expanse of nearly a million acres consists of a major part of the remaining wild country in the Absaroka Range and the Beartooth Plateau. The proposed wilderness is a land of jewel-like lakes, clear cold streams and picturesque waterfalls. It is an area of glaciated timbered valleys and rugged summits. Granite Peak, at 12,799 feet in elevation on the Beartooth Plateau, is the higheset point in Montana. The entire roadless tract is a major quality watershed for the Yellowstone River, one of America's finest blue-ribbon trout streams. With steep slopes and unstable soils, much of the area is easily disturbed by the works of man and is slow to heal.

Geologically, the Beartooths are both young and old. The basement rocks, pre-Cambrian gneisses and schists, are among the oldest in the world. Indeed one recent analysis asserts that they are the oldest in the world, other still than those found in Greenland, previously believed to hold the record. The mountains of the Absaroka, however, are young, having been uplifted during a recent geologic era through the overlying volcanic and sedimentary strata which typify the range. The difference between the durable metamorphic rocks of the Beartooths and the softer rocks of the Absarokas has resulted in two strikingly distinct topographies and a corresponding diversity in ecosystems.

In the Beartooths, there is vast space and flowing water. Numerous waterfalls and nearly 300 lakes dot the high and often treeless plateaus. The Absarokas are much gentler in aspect than the Beartooths. Deep forested valleys with rich moist soils support ferns, mosses, sedges, and a myriad of wildflowers.

This magnificent high country has caught the imagination of countless thousands of people who have seen it. The Crow Indians have always revered it as sacred giving it its current name "Absaroka" which is their word for their own tribe. Rugged mountain men followed in the wake of the Indians, and succeeding generations have crisscrossed it, taking beaver, occasional metals, and other items. However, the region remains primeval in almost all its aspects, and qualified as an outstanding example of remaining wilderness in this country.

The area provides irreplaceable habitat for many species of wildlife that require an essentially wilderness environment to prosper. Among them are the endangered northern Rocky Mountain wolf, the threatened grizzly bear, and elk, moose, bighorn sheep, mountain goat, mountain lion, pine marten, wolverine, bald and golden eagles, and cutthroat trout. These high mountain zones represent the last refuge of these and other important wildlife species.

The Absaroka-Beartooth region offers the ultimate in recreational possibilities. In fact, it is already used by thousands of people as a de facto wilderness and the numbers are sure to grow. It supports a large guiding and outfitting industry, which adds to the economy of the region. It is particularly attractive to visitors because of its accessibility. The area can be reached easily from Billings and Red Lodge in the east, Columbus and Big Timber in the north, Livingston in the west, Gardiner and Cooke City in the south, and from several points in Yellowstone Park. The overwhelming majority of current visitors are Montanans, supporting the pattern revealed in other Montana wildernesses which show that 80 percent of users are Montanans. As total numbers grow, this percentage is expected to remain more or less constant.

The proposal introduced today represents both an earlier proposal and a citizens' response to the Forest Service recommendation advanced during the last administration. The agency completed its studies of the two primitive areas and certain contiguous national forest lands and held public hearings in March 1974, in Billings and Livingston, Mont., and in Cody, Wyo. At that time, it proposed separate Absaroka, Beartooth, and Cutoff Mountain Wildernesses totaling 517,000 acres. Meanwhile, an alternative proposal was being recommended by the Montana Wilderness Association and a collection of other groups interested in preservation of the State's natural areas. Its proposal called for a unified wilderness of more than 900,000 acres in Montana and Wyoming. At the hearings, strong support developed for a single wilderness area. The Montana Fish and Game Department endorsed the unified proposal and Gov. Thomas Judge urged that "all qualified lands be classified to provide the maximum wilderness area possible." He has recently reconfirmed in a letter to me his unqualified support for a maximum-acreage unified Absaroka-Beartooth Wilderness Area.

As a result of the strong public reaction, the Forest Service released a revised plan in July of 1974 calling for a 542,439-acre Beartooth Wilderness which combined the Agency's earlier separate recommendations. Although much improved, conservationists felt it omitted major adjoining lands of outstanding wilderness value. Chief among them were the Northern Absaroka Range in the northwest, the Cedar-Bassett drainages in the far west, the Goose Lake area in the south near Cooke City—the easternmost of Montana's three entrances to Yellowstone National Park—and the Wyoming high lake country. My proposal contains all of these suggested additions except the Wyoming portion, plus some selected smaller areas.

As can be expected, my proposal is not without controversy. Where possible, I have attempted to modify it to meet what I consider to be sincere and legitimate criticism. The major concession has to do with a possible road route from Cooke City northward to the Boulder Basin. During 1974, the same year in which hearings were held, there was discovered in the records of Park County a petition dating from the late 1800's for a county road right-of-way through this corridor, also called the Slough Creek corridor. The counties of Park and Sweet Grass, through which the corridor runs, maintain that the document gives them jurisdiction over a road right-of-way in the area. Such a right-of-way would permit the splitting of the huge area in two nearly equal parts. The Office of General Counsel of the Forest Service has investigated the records and conducted on-the-ground reconnaissance and has concluded:

Based upon all the facts and law presented, no county road was ever established and constructed. The Grant of 43 U.S.C. 932 was not accepted and therefore the area in dispute has always been and still remains under the jurisdiction of the United States.

Park and Sweet Grass Counties dispute this and have entered a challenge in the Federal courts. Although my bill contains the Slough Creek corridor, I have included a proviso in this proposed legislation which would, in effect, abide by the court's decision. The language, as quoted from section 4 of the bill, states:

Nothing in this Act shall be construed as affecting in any manner or to any extent any claim by Park County, Montana, and Sweet Grass County, Montana, to a right-of-way from Cooke City, Montana, to Boulder, or to affect in any manner or to any extent the relative rights and liabilities between the parties in connection with Cause No. 76-125-BLG, Park County, Montana, and Sweet Grass County, Montana, versus U.S.A., et al. filed in the United States District Court for the District of Montana, Billings Division, on October 4, 1976. Nothing in this Act shall be construed as abating such cause or as amending or otherwise affecting or modifying the provision of law pursuant to which such cause was filed.

I do not, of course, know how the court will rule in this matter. It is my preliminary opinion, based upon the facts which I have been able to review, that the weight of law favors the Forest Service. It is also my considered judgment that the Congress could be persuaded to declare the corridor as wilderness, thereby nullifying a possible judicial victory for the counties. However, I do feel that in the interests of fair play, the matter should be determined on its legal merits and, although risks are involved for wilderness advocates, I am willing to abide by a court decision.

Mention should be made of other areas which I have added to the Forest Service proposal. The largest one is the North Absaroka, a prime area of 253,000 acres which was bypassed by the Agency pending completion of a mineral survey. That survey has been completed, and it concludes that mineral potential is marginal at best. The Forest Service has rated this area highly, giving it a maximum 200 points on the Agency's scale of wilderness rating—the only one of 1,449 inventoried roadless areas nationwide receiving a perfect score.

The Cedar-Bassett Area, comprising the Cedar and Bassett Creek drainages, lies at the extreme western edge of my proposed area. The Forest Service has in the past planned timber sales in the area, but has since, of its own volition, halted all activity. The area's value as wildlife habitat and watershed outweighs, in my opinion, its value for timber.

My bill calls for inclusion of Goose Lake and a very narrow buffer zone on the southern edge of the overall area. Goose Lake, magnificent in itself, is the gateway to Grasshopper Glacier, a phenomenon in which ancient insects are frozen in ice, as well as to pristine high country beyond. There has been considerable vehicular damage around Goose Lake. It should be given the benefit of wilderness protection.

Northwest of my proposed Absaroka-Beartooth area is the so-called Stillwater Complex, a mineralized zone containing several metals which are in increasing demand. By and large, I have not intruded upon the complex. However, I have included the West Fork of the Stillwater River above the current Johns-Manville platinum mine adit. This portion of the West Fork drainage is of prime wilderness quality and its meadows serve the elk in their yearly migrations.

The boundaries of my proposal are carefully drawn and are, I believe, highly defensible. They include one of the largest remaining contiguous blocs of prime wilderness left in the Lower 48 States. Evidence of man's impact is minimal throughout. Especially important is the miniscule evidence of private inholdings in the proposed wilderness area. The most significant inholdings, totaling 570 acres, lie in the upper, or southern, end of the controversial Slough Creek corridor. Its owner, Cornelius Bliss, in the selfless spirit of a true preservationist, has generously offered to the U.S. Forest Service an option to purchase his property and has agreed not to alter the property during the term of the option. Supporters of a unified Absaroka-Beartooth are grateful to Mr. Bliss, and I, for one, will do what I can to secure funding for the Agency's purchase of the property after this bill is enacted into law.

In summary, Mr. President, this proposed wilderness lacks significant amounts of sawtimber, and no operable minerals are known to exist in the area. Also, no reasonable potential for water development can be found there. The entire unit is ideally suited for immediate inclusion in the wilderness system.

This wild expanse of high mountain country provides the only opportunity left in Montana to designate a superb wilderness of nearly a million acres. Northern Montana citizens are justly proud of the outstanding 950,000-acre Bob Marshall wilderness. Citizens of southern Montana are entitled to an equally magnificent Absaroka-Beartooth wilderness.

I urge prompt hearings and enactment of the legislation, and I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(b) of the Wilderness Act (78 Stat. 890), the area classified as the Beartooth and Absaroka Primitive Areas, with the proposed additions thereto and deletions therefrom as generally depicted on a map entitled "Absaroka-Beartooth Wilderness," date June 1977, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the Absaroka-Beartooth Wilderness, within and as part of the Custer and Gallatin National Forests, comprising an area of approximately nine hundred thirteen thousand five hundred acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and legal description of the Absaroka-Beartooth Wilderness with the Energy and Natural Resources Committee of the Senate and the Interior and Insular Affairs Committee of the House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The Absaroka-Beartooth Wilderness shall be administeered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. Nothing in this Act shall be construed as affecting in any manner or to any extent any claim by Park County, Montana, and Sweet Grass County, Montana, to a right-of-way from Cooke City, Montana, to Boulder, or to affect in any manner or to any extent the relative rights and liabilities between the parties in connection with Cause No. 76-125-BLG, Park County, Montana, and Sweet Grass County, Montana, versus U.S.A., et al. filed in the United States District Court for the District of Montana, Billings Division, on October 4, 1976. Nothing in this Act shall be construed as abating such cause or as amending or otherwise affecting or modifying the provision of law pursuant to which such cause was filed.

SEC. 5. The prevous classification of the Beartooth and Absaroka Primitive Areas is hereby abolished.

By Mr. WILLIAMS:

S. 1673. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 in order to provide additional control over and eventually terminate the dumping of sludge into the oceans off the United States; to the Committee on Environment and Public Works.

OCEAN DUMPING AMENDMENTS OF 1977

Mr. WILLIAMS. Mr. President, I am introducing today amendments to the Marine Protection, Research and Sanctuaries Act designed to improve ocean dumping regulation and establish a fixed timetable aimed at abandoning the ocean dumping of nondredged materials by 1981. I am disturbed that the original goal to phase out ocean dumping has not progressed at the pace envisioned by the MPRSA enacted in 1972. In fact, in the nearly 4 years that the Federal ocean dumping program has been in effect

ocean dumping levels for every major waste category have increased. This was not the original intent of Congress, and a reaffirmation of our desire to end ocean dumping is necessary.

Sludge is undeniably one of the Nation's major environmental problems. While our knowledge of sludge treatment and disposal is rapidly improving. Our ability to translate this experience into alternatives to ocean dumping has been slow to evolve. Several alternatives presently exist and other more environmentally acceptable methods are well beyond the demonstration stage. What we lack is a policy which defines beyond any doubt when we will abandon ocean dumping and which provides a specific timetable for meeting that goal.

Control and disposal of sludge is clearly a part of a much larger problem. It is critical that we implement better resource conservation and improved resource recovery systems. The intelligent use of our virgin materials and maximum recovery efforts to recycle these materials could radically reduce the amount of waste with which we must now contend. Breakthroughs in recovery techniques and new technology for disposing of what is left would go a long way to ending current hazardous disposal problems. Given the means to speed up sludge and other waste disposal technology, I am certain that we can end the use of existing offensive disposal procedures. However, the slow progress in efforts to end the ocean dumping of sludge dictates that the Congress establish a firm but achievable program to eliminate the unhealthy situation which now exists.

Of immediate concern to me is the potential disastrous effects sludge dumping can have off the shores of New Jersey. Ocean dumping is presently the most prevalent method for disposing of sludge. Although much controversy surrounds the impact of sludge dumping, one point is painfully clear: It can no longer be considered the most acceptable means of disposal. While I wholeheartedly believe that ocean dumping should be abandoned as soon as acceptable alternatives are on line, I feel even stronger that, without firm phaseout guidelines, EPA's declared objective to end ocean dumping by 1981 may be difficult to meet.

The amendments I am proposing would direct the Administrator of EPA to assist ocean dumpers in developing a firm and precise timetable for ending the ocean dumping of nondredged materials by the 1981 termination date prescribed in the act, and make them stick to it. This provision does not impose an unreasonable or unattainable requirement on ocean dumpers. In consultations with EPA, I have learned that there is no reason ocean dumpers cannot cease such activities by 1981. A program to insure just that has been underway for some time. A program funded under the Federal Water Pollution Control Act is now providing grants to communities and sewage authorities so that they may expeditiously develop alternatives to ocean dumping. Alternatives to such sludge disposal exist and are currently utilized on a limited basis by many dumpers. Given the continued technical and financial assistance and a clear new legislative mandate, I believe EPA could impress upon ocean dumpers the need to shift to other means of disposal sooner than they would under present regulations. By integrating a firm ocean dumping phaseout schedule with present assistance for alternatives and accelerated research into new disposal techniques, I am confident that we can develop alternatives and meet our goal to end dumping by 1981.

One of the major weaknesses on the ocean dumping regulatory program has been the ineffective Coast Guard surveillance of dumping operations. Under MPRSA, the Coast Guard is responsible for conducting surveillance to prevent unlawful transportation and dumping of wastes into the ocean. To carry out its responsibilities, the Coast Guard provides surveillance on a selected basis through vessel boardings, by vessel patrols and helicopter overflights of the dump sites, and through the use of ship riders. Unfortunately, the Coast Guard does not have an adequate surveillance program.

A report to Congress issued earlier this year by GAO entitled "Problems and Progress in Regulating Ocean Dumping of Sewage Sludge and Industrial Wastes" revealed that the Coast Guard did not meet its established surveillance goals for 1975. The report cited failure to meet specified minimum inspection goals, a minimal use of ship riders, and ineffective observation of dumping operations. Therefore, I have included a provision in my bill which would require rigid surveillance procedures to be implemented until ocean dumping can be eliminated. Until ocean dumping of municipal and industrial wastes can be phased out, a strong regulatory program is needed to minimize the potential harmful effects of ocean dumping. I am confident that increased surveillance actions taken by the Coast Guard will greatly reduce any degradation to our marine environment.

Another provision in this legislation would authorize the Administrator of EPA to levy an environmental assessment fee on an ocean dumping permit applicant. EPA may currently require that an ocean dumper conduct special studies as a condition for an interim permit. The findings from these studies are then used by EPA in reviewing future permit applications. It seems to me that it is inherently difficult for an applicant to conduct an objective study which may result in EPA denying any renewal application. The fee authorized by this legislation would be used to fund independent studies and prevent vested interests from directing their own studies. This would help insure that any ocean dumping permitted through 1981 will not have an adverse impact on our coastal environment.

Until we can eliminate ocean dumping as a method of disposal, I believe we ought to pursue investigations into the feasibility of dumping beyond the Outer Continental Shelf. MPRSA states that in recommending ocean dumping sites, the Administrator of EPA shall "utilize wherever feasible locations beyond the edge of the Continental Shelf." I fully understand the potential difficulties and costs of dumping this far off the coast, and I certainly do not subscribe to the "out of sight, out of mind" philosophy. Since my legislation calls for a statutory 1981 termination date, it is apparent that the out of sight cliche does not apply. But I believe that, until we can phase out dumping altogether, every effort must be made to investigate the advantages of moving present dump sites farther off our coasts. When we recognize that present dumping goes on at sites selected on no better than historical usage, it becomes even more imperative that we accelerate efforts to study deepwater dumping and resolve unanswered scientific questions. By providing direct Federal assistance to those engaged in ocean dumping operations for demonstrating the feasibility of going beyond the Continental Shelf, we can ultimately determine the practicality of deepwater dumping as an interim measure to protect our precious coastlines.

This bill also establishes a program for removing sludge discharges which are hazardous to human health and welfare or dangerous to other living organisms. Recently, many beaches in New Jersey were closed due to sludge and other solid wastes which washed ashore. While the effective prevention of such discharges is the only sure way to avoid recurrences, a mechanism is also needed to expedite the cleanup of these dangerous sludge spills which have occurred. The sludge removal provisions in my bill would provide Federal financial aid and establish a strike force for assisting States and local governments in removing sludge discharges. It is unconscionable that either the inability to fix the responsibility for removing such unhealthy discharges or the lack of funds and technical expertise to undertake cleanup activity postpones immediate action to remove a sludge spill. By directing EPA to devise a plan to coordinate and assist in cleanup programs, we can eliminate delays and minimize adverse health or environmental impacts.

Mr. President, as we develop new and improved air and water technology, we discover that more and more toxic and unusable wastes end up as sludge. I believe it is incumbent upon us to develop an effective means for controlling this waste material. This legislation would be an important step in providing just such a sludge control policy.

By Mr. LAXALT (for himself and Mr. CANNON):

S. 1674. A bill to amend the Internal Revenue Code of 1954 with respect to employer's duties in connection with the recording and reporting of tips; to the Committee on Finance.

Mr. LAXALT. Mr. President, as you know, present law requires employees to report to their employers all tips received and retained after any tip pooling or splitting arrangement. Prior to 1976 the employer was only required to pass through the information received from the employee to the Internal Revenue Service. In 1976, however, the Internal Revenue Service attempted to change that. Revenue Ruling 76-231 held that all charge account tips, whether or not reported by the employee, must be reported to the Internal Revenue Service by the employer. The employer's infor-

mation reporting was to be used as a check against the amount reported by the employee on his income tax return. In the event that that amount differed from the total amount of tips reported by the employer the employee would be required to explain the difference in an attachment to his own income tax return.

There are a number of problems occasioned by the IRS ruling. Certainly additional and burdensome recordkeeping requirements figure prominently among these. The principal problem, however, is that because of tip splitting and tip pooling arrangements the employer, although possessing records of the total amount of charge tips, will not have any clear mechanism for breaking down the total on a per-employee basis.

Last year the Finance Committee found that the information passed through by employers in reporting the employees' tips to the Internal Revenue Service was entirely appropriate and that the IRS Revenue Ruling 76-231 should be nullified. Under the Finance Committee version of H.R. 10612, which subsequently passed the Senate, the only employee tips which the employer would have to report are those tips reported to the employer by the employee under present law. Also employers would not have to be required to maintain a running tabulation of the allocation of total charge account tips to any particlar employee. The only record which employers would be required to retain in connection with charge account tips would be the statement of tips as furnished by the employees and the charge account receipts.

Although the Finance Committee provision repealing IRS Revenue Ruling 76-231 passed the Senate, the Senate-House conferees on H.R. 10612 subsequently agreed to drop the Senate provision nullifying the ruling. They did, however, postpone its effective date until January 1, 1979.

Mr. President, together with my distinguished senior colleague HOWARD CANNON, I am today introducing legislation to repeal Revenue Ruling 76-231 completely. I ask unanimous consent that the text of our legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1674

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 6001 of the Internal Revenue Code of 1954 (relating to notice or regulations requiring records, statements, and special returns) is amended by adding at the end thereof the following: "The only records which an employer shall be required to keep in connection with charged tips shall be charge receipts and copies of statements furnished by employees under section 6053(a).".

(b) Section 6051(d) of such Code (relating to statements to constitute information returns) is amended by adding at the end thereof the following: "Any statement filed with the Secretary pursuant to this section shall constitute, and shall be in lieu of, the information return required to be made under section 6041. The only tips which an employer shall be required to report on any such statement shall be tips which are reflected on statements furnished by employees under section 6053(a).".

SEC. 2. The amendments made by this Act apply to taxable years beginning after December 31, 1978.

By Mr. HATHAWAY:

S. 1675. A bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Finance.

Mr. HATHAWAY. Mr. President, today I am pleased to introduce a bill to correct an inequity in our social security system. The purpose of the bill is to disregard social security in determining the amount of allowable income for those individuals and families who receive benefits from other Federal or federally assisted programs such as supplemental security income, SSI, aid to dependent children, AFDC, and veterans.

As social security benefits have increased to keep pace with increases in the cost of living, many people have found that other benefits which they have been receiving through Federal programs have been cut. The same result will occur when the 5.9-percent increase take effect with the June social security checks. I have recently received a letter from a woman in Brewer, Maine, who wrote:

If possible will you explain why when we get a cost-of-living increase in social security a like amount is deducted from the supplemental income. The cost-of-living increase is no increase at all. I am a 77 year old great grandmother and am 95 percent blind. I am truly grateful for social security but cannot understand the deductions from the Supplement income.

Last year I was pleased to cosponsor Senator Hugh Scott's bill, S. 445. My bill is a followup to this legislation which was unfortunately not enacted last year. Although we made several technical improvements in the social security during the last Congress, we have not eliminated the hardships which are caused by the offsets required when social security benefits are increased.

My bill provides that no individual or family whose income is increased because of increases in social security benefits will suffer a loss of or reduction in benefits under various Federal or federally assisted benefit programs. These other benefits will include supplemental income, aid for dependent children, medicare, and veterans pensions. An individual receiving benefits for the month immediately preceding the month the social security benefit increase takes effect will be entitled to those benefits and will not have total income reduced as a result of the increases in social security.

The consolidation of various Federal benefit programs as part and parcel of a welfare reform measure may take time to complete. My bill will assure that effective immediately beneficiaries of these programs will not suffer hardship by losing some benefits due to increases in social security benefits. I am deeply concerned that many individuals and families suffer hardship when the intent of the cost-of-living increases is to provide relief for the disadvantaged.

Mr. President, I urge my colleagues to recognize the need for this remedial legislation and to take prompt action to end the burden imposed upon millions of Americans.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a), in addition to any other requirement imposed as a criterion for determining eligibility to participate in or receive benefits provided by, or for determining the amount, type, or quantum of benefits to be provided under, any plan or program—

(1) which is designed to provide benefits to individuals or families who meet prescribed conditions,

(2) which establishes need (based on lack of or smallness of income or resources) as a criterion for determining eligibility of individuals or families to participate therein or receive the benefits provided thereunder, or for determining the amount, type, or quantum of benefits to be provided to individuals or families thereunder, and

(3) which is (A) a Federal plan or program, or (B) is a plan or program of a State (or political subdivision thereof) which is funded (wholly or in part) by Federal funds, there is hereby imposed the requirement that, in determining under such plan or program the income or resources of any individual who (or any family the members of which include any individual who), for the month immediately preceding the first month with respect to which a general social security benefits increase becomes effective, was—

(4) a recipient of benefits (or a member of a family which was a recipient of benefits) under such plan or program, and

(5) received (or had previously established entitlement to) a monthly insurance benefit under section 202, 223, or 228 of the Social Security Act,

there be disregarded any amount received by such individual—

(6) which is attributable solely to such general social security benefits increase, and

(7) for or with respect to any consecutive period of months (beginning with the first month with respect to which such general social security benefits increase became effective) with respect to each of which such individual is—

(A) a recipient of benefits (or a member of a family which is a recipient of benefits) under such plan or program, and

(B) entitled to such monthly insurance benefit.

For purposes of paragraph (7)(A), an individual shall be deemed to be a recipient of benefits (or a member of a family which is a recipient of benefits) under such plan or program for any period after the date of enactment of this Act with respect to which the requirement imposed by this subsection is not complied with if he would have been eligible to receive such benefits (or was a member of a family which would have been eligible to receive such benefits) had such requirement been complied with during such period.

(b) The requirement imposed by subsection (a) shall be applicable in the case of general social security benefit increases which become effective after March 1974, and shall be effective in determining eligibility

to participate in or receive benefits under (and in determining the amount type, or quantum of benefits under) a plan or program referred to in such subsection for periods after March 1974.

(c) The requirement imposed by subsection (a) with respect to any plan or program shall be deemed not to have been violated, in the case of any individual who immediately prior to the effective date of a general increase in the level of benefits provided under the plan or program (as determined in accordance with regulations of the Secretary of Health, Education, and Welfare) was entitled to have any amount of social security income disregarded because of such requirement, solely because the total amount of social security income which was so required to be disregarded (in the case of such individual) immediately prior to such general increase is, on or after the effective date of such general increase, reduced (but not below zero) by an amount equal to the amount of such general increase.

(d) Notwithstanding any other provision of law, no Federal funds shall be paid to any State (or political subdivision thereof) with respect to any expenditures made under any plan or program (referred to in subsection (a)) for any period which commences on or after the first day of the first calendar month which begins more than 60 days after the date of enactment of this Act, unless, for such period, such plan or program is operated so as to comply with the requirement imposed by subsection (a).

SEC. 2. It shall be the duty of the Secretary of Health, Education, and Welfare to promulgate such rules and regulations as may be appropriate to assure the uniform implementation of the provisions of the first section of this Act; and such Secretary shall furnish appropriate information and data to and shall otherwise cooperate with and assist other Federal agencies with a view to assuring compliance with the provisions of such section.

By Mr. INOUYE:

S. 1676. A bill to amend an emergency flood control authorization in order to authorize emergency protection work in the event of anticipated volcanic eruption; to the Committee on Environment and Public Works.

Mr. INOUYE. Mr. President and my colleagues, today I rise to introduce legislation that is of the utmost importance to my State, and in particular, to the residents of the city of Hilo on the big island of Hawaii.

My bill, which would amend the Flood Control Act approved on August 18, 1941, in order to authorize emergency protection work in the event of anticipated volcanic eruption, is needed now so that the people of Hilo can be assured that they will be protected from the lava flows emanating from Mauna Loa, which is expected to erupt before July of 1978.

In February of 1976, the U.S. Geological Survey's Hawaiian Volcano Observatory prepared a report on Mauna Loa entitled, "Mauna Loa Volcano—The Past, Present, and Prospects for the Future." Although I will highlight the most salient aspects of this report, I ask unanimous consent that this brief report be made a part of the RECORD at the conclusion of my statement.

One of the largest and most active volcanoes on Earth is Mauna Loa. In the past, Mauna Loa has erupted about every 3 to 4 years, although at irregular intervals. Prior to July 1975, however, Mauna Loa had not erupted since June 1950. In all of Mauna Loa's recorded activity, this 25-year period of dormancy has been the longest hiatus or interruption between eruptions.

The eruption, which occurred on July 5–6, 1975, was small by Mauna Loa standings—less than 30 million cubic metres of lava were erupted. The details of this eruption, however, are unimportant, compared to what this eruption portends for Hawaii county for the future. During our recorded history, summit eruptions of the type that occurred in July of 1975 are almost invariably followed by larger flank eruptions. These flank eruptions generally occur on one of the two rift zones of Mauna Loa—the southwest rift or the northeast rift. Eruptions that occur on the southwest rift can threaten South Kona and western Ka'u; eruptions that occur on the northeast rift can flow toward Hilo, threatening a population of approximately 38,000.

During the week following the eruption of July 1975, thousands of small to medium-sized earthquakes occurred beneath Mauna Loa. These quakes were concentrated along the northeast rift of the volcano, between an altitude of 9,000 and 10,000 feet. Thus, the seismic pattern suggests that large volumes of magma were injected into the northeast rift, and that much of it will be erupted to the surface at some future time.

Since 1852, six eruptions have occurred along Mauna Loa's northeast rift, and each of these eruptions was preceded by one or more summit eruptions. For more information, about the seismic and volcanic pattern of Mauna Loa's recorded activity, I wish to refer you to figure 1 of the U.S. Geological Survey's February 1976 report. The most common pattern of the Mauna Loa eruptive cycle is that represented by the 1940–42 sequence. The 1940–42 eruption consisted of three distinct phases—a summit eruption in April of 1940, another summit eruption in April of 1942, and a rift outbreak which followed the second summit eruption by 2 days.

This cycle of separate eruptions: summit—summit—flank, constitutes the typical Mauna Loa eruptive pattern. This basic cycle has been repeated in various combinations for all historic Mauna Loa eruptions, however, it is especially striking for the last three eruptions from the volcanoe's northeast rift.

Thus, because of the historical precedent, the U.S. Geological Survey's Hawaiian Volcano Observatory has concluded that the eruption of July 5–6, 1975, was merely the first of three phases that will culminate in a flank eruption. In addition, based on the July 1975 seismic activity, they consider it likely that the northeast rift has already been "primed," and that a future eruption will take place from that rift. It is on these grounds that the observatory scientists have predicted that the expected flank outbreak will occur before July of 1978.

One unfortunate circumstance that has hindered the work of the staff of the Hawaiian Volcano Observatory is the fact that they have been unable to locate the situational maps that were made to track the lava flow of the eruption most similar to that expected to occur by July of 1978. The 1940–42 eruption occurred at a time when the Territory of Hawaii was under martial law. For that reason, and the fact that experiments were undertaken with explosive ordnance in order to divert the lava flow from the 1940–42 eruption, the situational maps that were made were classified and very little information was released to the public. After checking with the National Archives, it seems apparent that this most important data has been misplaced or lost. However, funds have been made available already through the commander in chief of the Pacific for the experimentation with explosive ordnance at the range at Pohakuloa on the big island of Hawaii, in order to better prepare for the expected eruption of Mauna Loa.

The purpose of my bill is to insure that funds are authorized to be expended in order to undertake other emergency protection work in preparation for the future eruption of Mauna Loa.

The next Mauna Loa eruption will be a small summit outbreak, the second of the three phases that typically constitute a complete Mauna Loa eruptive cycle. The summit eruption is expected to be brief, lasting only 1 to 5 days and lava will largely be confined to Mokuaweoweo Caldera—the large crater at Mauna Loa's summit. It will be followed immediately, however, by an outbreak lower down on the flank of Mauna Loa, probably on the northeast rift between an altitude of 9,000 and 10,000 feet.

Initially, the U.S. Geological Survey's Hawaiian Volcano Observatory staff predicts that low fountains from a new fissure will form a "curtain of fire" 1–2 miles long, and lava will be erupted at very high rates, flowing as far as 10 miles downslope in the first 48 hours. However, there is hope that if the flow moves in the direction of Hilo, located 30 miles from the summit, it will rapidly decrease in velocity after about 2 days, due to four factors:

First. The lava front will be farther from its vent supply area;

Second. The slope of the terrain becomes more gentle closer to Hilo;

Third. The thick vegetation encountered at about 5,000 feet elevation slows the advance of the lava;

Fourth. The higher rainfall further downslope might cause additional cooling and slowing of the lava.

Nonetheless, the observatory staff predicts that lava could eventually reach Hilo if a sufficiently high rate of lava eruption continues for a certain length of time. In the spring of 1881, for example, lava reached within about 1 mile of Hilo Harbor; Kaumana is mostly constructed on 1881 lava. Only a fortuitous splitting of the 1880/81 flow into three segments near the source vents high on the northeast rift saved Hilo—if these three flows had consolidated and flowed in the same direction, much of Hilo and its harbor would have been destroyed. In conclusion, if allowed to flow unimpeded, lava from a future Mauna Loa eruption could destroy large parts of Hilo.

At this time various Federal and State governmental agencies and branches of the military are involved in planning for the diversion of lava from destructive

paths that may threaten Hilo. The U.S. Geological Survey's Hawaiian Volcano Observatory is providing technical advice to Government agencies who will be responsible for lava diversion efforts, and it is establishing a better monitoring system to provide an early warning of renewed eruptive activity from Mauna Loa.

Gentlemen, in view of the many preparations that must be made in the next few months in order to cope with the expected eruption of Mauna Loa, I urge speedy consideration and passage of my bill so that all emergency protection work necessary may be authorized and may proceed on schedule. Thank you for your attention to this most important matter for the people of Hawaii.

I ask unanimous consent that an article that appeared in the New York Times on May 18, 1977, be printed in the RECORD, and I ask, that the text of my bill, as well as the U.S. Geological Survey's report that I have paraphrased at points in this statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 18, 1977]

CLOSE WATCH KEPT ON HAWAII'S RUMBLING VOLCANO THAT SCIENTISTS SAY SHOULD ERUPT BY JULY OF 1978

(By John Noble Wilford)

HAWAII VOLCANOES NATIONAL PARK.—The summit and slopes of the mountain are swelling slightly but menacingly. Deep underfoot, unseen but not undetected, molten rock churns with heat and gathering pressure. It seeps through subterranean crevies, probing with all its pent-up might for a way out.

These are the ominous signs, scientists say, that the world's largest active volcano, Mauna Loa, is building up for an eruption.

Based on the volcano's past behavior and the rumblings that register on the seismographs daily, sometimes every few minutes, scientists at the United States Geological Survey's Hawaiian Volcano Observatory here are predicting that Mauna Loa should unloose a major flow of lava anytime between now and July 1978. They first made the prediction more than a year ago and have seen nothing in recent days to change their minds.

If they are right, a river of devastating lava would probably flow in the direction of Hilo, a city of 35,000 people about 30 miles from the summit. Several times in recorded history, lava has reached what are now the city's outskirts. Indeed, the entire island, the state's big island of Hawaii, is the creation of volcanoes that rise from the floor of the sea.

If the scientists are wrong and Mauna Loa contains itself through July 1978, it would be no cause for relaxation, only confirmation once again of the fallability of those who venture predictions about Earth's more violent tendencies.

PREDICTIONS FAR FROM PRECISE

Gordon P. Eaton, the 48-year-old head of the observatory, is the first to concede that predictive volcanology is far from a precise science.

"We don't have a theoretical model for predictions," he said. "We are more like social scientists. They see that people usually behave in a certain way and make predictions accordingly, but sometimes people act differently. That's the way it is in studying and predicting volcanoes."

Yet Dr. Eaton and the 16 scientists and technicians who live in the shadow of Mauna Loa, elevation 13,700 feet, and work at the observatory on the rim of another volcano, Kilauea, elevation 4,000 feet, believe that by making a great outdoor laboratory of the two volcanoes, they are improving the odds in eruption predictions.

They have implanted 43 seismometers in the area, the densest such network in the world. They have 83 tiltmeter stations in operation, sensitive to the slightest swelling or subsidence of the volcanic slopes. With laser instruments, they periodically measure precisely surveyed lines to see if there has been any expansion or contraction, particularly in the rift zones from which lava so often erupts. And they frequently remap the gravity and magnetic fields for signs of changes in the internal structure of the volcanoes.

Aside from providing clues to impending eruptions, such a comprehensive and systematic monitoring of the Hawaiian volcanoes is expected to add to the general knowledge of volcanoes. The Geological Survey hopes to adapt the monitoring methods developed here for use in the nation's other volcanic regions, in Alaska and in the Cascade Range of California, Oregon and Washington.

OBSERVATORY FOUNDED IN 1912

This is what Thomas A. Jaggar had in mind when he founded the observatory in 1912. The Massachusetts Institute of Technology geology professor had studied volcanoes in Italy, Japan and Costa Rica and thought there should be a permanent observatory.

The observatory, situated in the national park, is a modest complex of low metal buildings. From the windows Dr. Eaton can look out on the broad crater of Kilauea, an awesome sight that in 1866 moved Mark Twain to write: "Here was a yawning pit upon whose floor the armies of Russia could camp, and have room to spare."

Kilauea appeared serene. Some wisps of steam poured out of vents, but there were no pools of fresh red lava. But for the inside story, Dr. Eaton looked to the five drum seismographs standing near the window, rotating slowly, leaving squiggly traces or to the bank of computers in the next room. The computers receive, digest and store the radioed signals from all the observatory's seismic network.

"In the earlier days the observations were mostly visual," Dr. Eaton said. "But now we're so instrumented that we could function very well without being in view of the crater."

The night before, Dr. Eaton noted in checking the seismographs, a "shallow harmonic termor" caused the ground to shake for about 20 minutes. If it had been a real shaker, alarms would have gone off in the homes of Dr. Eaton and several other scientists.

"We've had a number of tremors like that lately," Dr. Eaton explained. "It means that magma [molten rock] is moving somewhere down there. Mauna Loa had an eruption in July 1975 and many tremors before and after. Kilauea had a 7.2 [Richter scale] earthquake in November 1975. That so broke up the internal structure of the volcano that it is still in the process of reconsolidating and healing."

Every day the scientists and technicians trek out over their unstable terrain, installing or checking instruments and surveying for signs of movement.

John Forbes goes early each morning to a vault built into the side of Kilauea's outer slope. Recently, he took a visitor through triple doors into an inner sanctum of seismology, where he changed the film for one of the key seismometers in the network.

Over on Kau desert, a volcanic wasteland southwest of the Kilauea crater, Mr. Forbes pointed to some of the newest rock on Earth. This is where the lava flows every few years, most recently in 1971 and 1974, killing off nearly everything and leaving a smooth, lustrous sheet of coled lava, called pahoehoe. It is cracked here and there like city asphalt, and fern takes root in some of the cracks. It crunches underfoot like styrofoam and often collapses.

Sometimes, when the wind shifts, the air becomes acrid, as Mark Twain had observed. "The smell of sulfur is strong," he wrote, "but not unpleasant to a sinner."

SENSING DEVICES TESTED

On the floor of a smaller crater, Kilauea Iki, engineers from Sandia Laboratories in Albuquerque were testing the reliability of geophysical sensing devices in detecting buried molten rock. These could be useful in finding deposits of magma elsewhere in the world that could be new sources of energy. Scientists are hoping to convert the magma heat to electricity as they can do with geothermal steam energy.

But no one wants to drill for magma until he is sure it is there. Since it is already known that at Kilauea Iki a 100-foot-deep pool of molten rock lies 150 feet under the crater floor, the crater has become a calibrating standard for testing the accuracy of detection instruments. If seismic or electric probes correctly spot the magma chamber there, they should be able to do so elsewhere.

The observatory's most immediate concern, however, has to do with eruption forecasting. And when an eruption alert is sounded, all members of the staff spring to action. They want to be ready to photograph the eruption, observe flow direction, sample lava and gases and measure changes in the terrain.

There was a burst of seismic activity back in February, and one night it looked as if an eruption at Kilauea was imminent. Lennart Anderson, one of the scientists, remembers it well, for that was the night he engaged in what he called some "seat-of-the-pants seismology."

"We went into the area of the most pronounced shocks," Mr. Anderson said. "If you stood there, you didn't feel a thing. So I sat down on the road. There were four of us sitting there on the pavement. We agreed that all four of us had to feel something for it to be counted. It felt like someone was operating a piledriver off in the distance. We got so we could even get the direction of the shockwaves."

Later, Mr. Anderson went back and found that a new crack had opened in the earth not more than 100 feet from where he had been sitting on the road. "I don't know if I would do that sort of thing again," Mr. Anderson remarked.

In a more scientific vein, Mr. Anderson is experimenting with the use of electric currents and fields in exploring the volcanoes' changing internal structures. The work is based on the principle that magma is more conductive than solid rock and thus it should be possible to map its ebb and flow. Networks of permanently implanted electrodes are planned as yet another means of keeping watch on Kilauea and Mauna Loa.

Few areas of geology are as exciting as volcanology, according to Dr. Eaton. He grew up in Ohio, where, he said "there hasn't been a volcano in hundreds of millions of years." He "got hooked" on geology at Wesleyan University, worked summers gathering data on farm wells in Connecticut and earned his doctorate in geology and geophysics at the California Institute of Technology.

"So much of geology is working with a carcass, like a detective with a dead body," Dr. Eaton said. "You have to work backward from what you see and figure out how and why it happened. Here, you're observing the processes as they actually occur. It's a geologically dynamic situation, always active and always changing."

PRELIMINARY SIGNS

The dynamics of Mauna Loa are Dr. Eaton's most immediate concern. Over the last century the volcano has exhibited a typical eruptive cycle: a summit eruption, followed by another summit eruption and then a rift outbreak on the northeast flank.

An eruption occurred on Mauna Loa's summit in July 1975, the first in 25 years. This ended the volcano's longest dormancy in recorded history; it usually erupts on an average of every three or four years.

Although the 1975 eruption was small by Mauna Loa's standards, a series of earthquakes followed the eruption, which suggested to observatory scientists that large volumes of magma were moving into the northeast rift zone, primed for a future eruption.

If the scientists should begin detecting a build-up in the number and intensity of tremors in that area, they believe they will have a few days to prepare for the predicted major eruption.

"There's no way we can stop a lava flow," Dr. Eaton told state and local officials at a recent planning meeting. "The only thing we can do is try to 'steer' it, or make it flow more broadly so that it will cool faster.

The observatory has four contingency plans. The first is to use a technique tried successfully by Dr. Jaggar in 1935, aerial bombing. The intent would be to disrupt the vents and channels to spread the flow, hoping it will cool and freeze in its tracks well before reaching Hilo.

Other methods include bulldozing walls of rubble to block the flow in narrow valleys and, if that should fail, pumping in ocean water to cool the lava. Iceland has used the latter technique to good effect, Dr. Eaton said, but it would be more difficult in Hawaii because of the greater elevations from the sea.

As a last resort, Dr. Eaton said, Hilo would have to be evacuated.

Meanwhile, the volcano continues to swell and shake, and scientists of the Hawaiian Volcano Observatory maintain their vigil, keep an instrumental finger on the pulse of the volcano and hope they have learned enough to be able to sound the alert well before Mauna Loa's next big show.

S. 1676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Flood Control Act approved August 18, 1941 (33 U.S.C. 701n) is amended by inserting at the end thereof the following: "The Chief of Engineers is also authorized to accomplish advance measures using amounts in the emergency fund, when in his discretion local and State efforts are unable to complete emergency work for control of lava flow, in order to provide the minimum necessary protection to prevent loss of life and damages to improved property when such volcanic activity can be predicted or reasonably anticipated.".

MAUNA LOA VOLCANO—THE PAST, PRESENT, AND PROSPECTS FOR THE FUTURE

(A brief administrative report prepared by U.S. Geological Survey, Hawaiian Volcano Observatory)

BACKGROUND

Mauna Loa volcano is one of the largest and most active volcanoes on earth. It has been created by repeated volcanic eruptions that have slowly built up the edifice of the volcano over the past several hundred thousand years. During the time of written history, Mauna Loa has erupted at irregular intervals averaging three to four years. Prior to July 1975, however, Mauna Loa had not erupted since June 1950. This 25-year period of dormacy was the longest rest in Mauna Loa's recorded history.

The eruption of July 5–6, 1975, was small by Mauna Loa standards—less than 30 million cubic meters of lava were erupted. The importance of this eruption to Hawaii County lies not in the details of the eruption, however, but in what this eruption likely portends for the future. In the time of written history, summit eruptions of the sort that occurred in July 1975 are almost invariably followed by larger flank eruptions. These flank eruptions generally occur on one of two rift zones of Mauna Loa—the southwest rift or the northeast rift. Eruptions which occur on the southwest rift can flow downslope, threatening south Kona and western Ka'u. Eruptions on the northeast rift can flow toward Hilo.

Thousands of small- to medium-sized earthquakes occurred beneath Mauna Loa during the week following the eruption of July 1975. These quakes were concentrated along the northeast rift of Mauna Loa, between an altitude of 9,000 and 10,000 feet. Thus the seismic (earthquake) pattern suggests that large volumes of magma were injected into the northeast rift, and that much of it will be erupted to the surface at some future time.

Six eruptions have occurred along Mauna Loa's northeast rift since 1852. Each of these eruptions was preceded by one or more summit eruptions (see fig. 1). The most common pattern of the Mauna Loa eruptive cycle is exemplified by the 1940–1942 sequence. The 1940–42 eruption consisted of three distinct phases—a summit eruption in April 1940, another summit eruption in April 1942, and a rift outbreak which followed the second summit outbreak two days later.

This trilogy of separate eruptions, summit—summit—flank, constitutes the typical Mauna Loa eruptive cycle. This basic cycle has been repeated in various combinations for all historic Mauna Loa eruptions, but is especially striking for the last three eruptions from the volcano's northeast rift (fig. 1).

Thus, because of the historic precedent, it is thought that the eruption of July 5–6, 1975, was merely the first of three phases which will culminate in a flank eruption. Because of the July seismic activity, it is considered likely that the northeast rift has already been "primed," and that the future eruption will take place from that rift. Based on the historic pattern, the expected flank outbreak may occur between January 1976 and July 1978.

HYPOTHETICAL SCENARIO FOR A POSSIBLE FUTURE ERUPTION OF MAUNA LOA

History suggests the next Mauna Loa eruption will be a small summit outbreak, the second of the three phases which typically constitute a complete Mauna Loa eruptive cycle. This summit eruption will be brief, lasting only one to five days and lava will largely be confined to Mokuaweoweo caldera—the large crater at Mauna Loa's summit. It will immediately be followed by an outbreak lower down on the flank of Mauna Loa, probably on the northeast rift between an altitude of 9,000 and 10,000 feet.

Initially, low fountains from a new fissure will form a "curtain of fire" 1–2 miles long, and lava will be erupted at very high rates, flowing as far as ten miles downslope in the first 48 hours. If the flow moves in the direction of Hilo, it will rapidly decrease in velocity after about two days, owing to four factors:

(a) the lava front will be farther from its vent supply area,

(b) the slope of the terrain becomes more gentle closer to Hilo,

(c) the thick vegetation encountered at about 5,000 feet elevation slows the advance of the lava,

(d) the higher rainfall further downslope might cause additional cooling and slowing of the lava.

Despite these factors that will slow the rate of lava advance toward Hilo, lava nonetheless could eventually reach Hilo if a sufficiently high rate of lava eruption continues for a sufficient period of time. In the spring of 1881, for example, lava reached within about one mile of Hilo Harbor; Kaumana is mostly constructed on 1881 lava. Only a fortuitous splitting of the 1880/81 flow into three segments near the source vents high on the northeast rift saved Hilo—if these flows had consolidated and flowed in the same direction, much of Hilo and its harbor would have been destroyed. If allowed to flow unimpeded, lava from a future Mauna Loa eruption could destroy large parts of Hilo.

LAVA DIVERSION

Much has been learned in the past forty years about the manner in which molten lava flows long distances; observations by Geological Survey scientists at the Mauna Ulu vent of Kilauea Volcano during 1969–1974 have been especially instructive. These observations show that diversion of lava flows to nondestructive paths is feasible. Diversion of lava away from harmful paths is especially possible above Hilo because of three principal factors:

(a) expected eruptive vents are a very long distance from Hilo (25 miles or more), allowing time for action,

(b) the slope of the ground above Hilo is low,

(c) there is a great deal of government-owned land above Hilo onto which lava could be diverted with a minimum of legal and environmental problems.

Because of these factors, the U.S. Geological Survey's Hawaiian Volcano Observatory is heavily involved in providing guidance to civil agencies who are best able to effect lava diversion in the event lava flows threaten Hilo in the future.

Experience gained in Hawaii, and from eruptions in other areas, has indicated that lava flows can be diverted by three main methods:

(a) disruption of feeding channels within flows by hand-emplaced or aerially delivered explosive charges,

(b) construction of earthen barriers to divert lava flows,

(c) application of very large volumes of water to lava flow fronts in order to cool the lava in critical areas to form "lava barriers" of solidified rock.

Each of these three methods has been tried in Hawaii against threatening lava flows in the past, and it has been demonstrated that each method can be effective under proper conditions. Since the exact conditions cannot be predicted in advance of an actual eruption, the Hawaiian Volcano Observatory is recommending that contingency plans be prepared in advance to implement each method should it be needed. Explosive disruption and water application would involve resources of the Hawaii CINCPAC military forces, and lava barrier construction would be coordinated by the U.S. Army Corps of Engineers. The Hawaiian Volcano Observatory is presently providing technical guidance to these agencies in formulating their plans for a response should a threat develop and should these agencies be called on by government authorities to respond.

Simultaneously, the Hawaiian Volcano Observatory is greatly expanding its monitoring capabilities of Mauna Loa to give the earliest possible warning of the impending eruption. In the past year the number of seismic stations on Mauna Loa's summit has been tripled, 19 tilt-monitoring stations have been

installed, and extensive distance-measuring survey networks have been established at five localities to measure swelling of the volcano. Further expansion of the Observatory's monitoring capabilities on Mauna Loa is planned if the weather and resources permit.

SUMMARY

The historic pattern of Mauna Loa eruptions suggests that the eruption of July 5-6, 1975, is the precursor of a large flank eruption that might occur before July 1978. Seismic evidence suggests this flank eruption will occur on the northeast rift, and thus could pose a threat to the city of Hilo. If lava flows threaten Hilo, diversion of lava from destructive paths may be required to save parts of the city. The U.S. Geological Survey's Hawaiian Volcano Observatory is providing technical advice to government agencies who will be responsible for lava diversion efforts, and it is establishing a better monitoring system to provide an early warning of renewed eruptive activity from Mauna Loa.

ADDITIONAL COSPONSORS

S. 563

At the request of Mr. STONE, the Senator from Mississippi (Mr. EASTLAND) was added as a cosponsor of S. 563, relating to the Interstate Highway System.

S. 716

At the request of Mr. INOUYE, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 716, relating to cost-of-living allowances for certain employees living outside the United States.

S. 790

At the request of Mr. DOMENICI, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 790, the Inland Navigation Improvement Act.

S. 834

At the request of Mr. SCHWEIKER, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 834, to amend the Internal Revenue Code.

S. 865

At the request of Mr. BROOKE, the Senator from Maryland (Mr. SARBANES) and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 865, relating to apportionments in the civil service in the District of Columbia.

S. 1503

At the request of Mr. THURMOND, the Senator from California (Mr. HAYAKAWA) and the Senator from Minnesota (Mr. ANDERSON) were added as cosponsors of S. 1503, relating to the ban on the use of the chemical Tris.

S. 1590

At the request of Mr. DOMENICI, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1590, to incorporate the American Ex-Prisoners of War, Inc.

SENATE RESOLUTION 182

At his own request, Mr. MCCLURE was added as a cosponsor of Senate Resolution 182, relating to diplomatic relations with Cuba.

AMENDMENT NO. 369

At the request of Mr. HELMS, the Senator from Utah (Mr. GARN) and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of amendment No. 369 intended to be proposed to S. 717, the Mine Safety Act.

SENATE RESOLUTION 189—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 189

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $399,300, of which amount not to exceed $65,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 190—SUBMISSION OF A RESOLUTION TO REFER A BILL TO THE COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. MATSUNAGA submitted the following resolution:

S. RES. 190

Resolved, That the bill (S. 1659) entitled "A bill for the relief of Herbert T. Matsuo, Patrick Wayne Matsuo, Susan Villarta, and the estate of Arline L. Matsuo," now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims. The Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant.

AMENDMENTS SUBMITTED FOR PRINTING

FEDERAL MINE SAFETY—S. 717

AMENDMENT NO. 391

(Ordered to be printed and to lie on the table.)

Mr. HELMS. Mr. President, I am submitting an amendment to S. 717, the Federal Mine Safety and Health Act of 1977, which would require the Secretary of Labor to conduct all hearings under section 102 of the act in accordance with the Administrative Procedure Act, as codified in title 5, section 554, of the United States Code.

As Senators are aware, the Administrative Procedure Act is presently followed under the existing Metal and Nonmetallic Mine safety Act. This affords some degree of protection to the operator in that it places the burden of proof on the Secretary to show that a proposed standard is actually needed and is technologically feasible.

In its present form, S. 717 sweeps aside the procedural rights of the operators and exposes them to the arbitrary whim of the Secretary. Section 102 of the act baldly states that—

> Hearings required by this subsection shall be conducted by the Secretary, who may prescribe rules and make rulings concerning procedures in such hearings to avoid unnecessary costs or delay.

Mr. President, this provision of the act gives the Secretary carte blanche authority to make any rule that he pleases. It is wholly contrary to the most elementary principles of rule of law. In fact, it not only flies in the face of due process, but also discriminates against the operators by singling them out for exclusion under the Administrative Procedure Act.

Mr. President, simple justice requires that the operators' rights be protected in the same manner as others in proceedings before Federal agencies. This can be accomplished simply by including a requirement in the act that hearings held under section 102 shall be in compliance with the Administrative Procedure Act.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD.

There being no objection, the amendment was printed in the RECORD, as follows:

AMENDMENT NO. 391

On page 84, strike lines 4 through 7.

MULTILATERAL DEVELOPMENT INSTITUTIONS—H.R. 5262

AMENDMENTS NOS. 392 AND 393

(Ordered to be printed and to lie on the table.)

Mr. HARRY F. BYRD, JR. Mr. President, I submit for printing two amendments to H.R. 5262, the Omnibus Multilateral Development Institutions Act of 1977.

The first amendment would require the President to submit to the Congress an annual report on our foreign aid program.

It would require a comprehensive re-

view of our contributions to multilateral institutions and also a review of our bilateral foreign aid program.

The second amendment provides for a reduction in the authorizations for U.S. contributions to the international financial institutions below that level recommended by the Senate Foreign Relations Committee.

I ask unanimous consent that the text of those amendments be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 392

On page 18, between lines 5 and 6, insert the following new title:

TITLE VIII—REPORT

SEC. 801. (a) Not later than January 15 of each year, the President shall submit to the Congress a complete report on the Total Amount of U.S. Overseas Loans and Grants and also Assistance From International Organizations from July 1, 1945 up to and including an estimate for the Fiscal Year in which such report is made.

(b) This report shall include a listing of all countries which have received any type of loans or grants from the United States since July 1945 and shall also include a cumulative total of those loans or grants. This report shall also include a listing of all countries which have received assistance in the form of loans or grants from any international organization in which the United States has been a member or to which the United States has contributed and shall include a cumulative total of those loans or grants. This report shall include such summary charts as may be useful in determining the total dollar value of United States foreign aid including a summary chart of total contributions or subscriptions by the United States to each international financial institution and such chart shall delineate between paid in and callable capital.

(c) For purposes of subsection (b) the term "international financial institution" means the International Bank for Reconstruction and Development, the International Development Association, the Inter American Development Bank, the International Finance Corporation, the Asian Development Bank, the Asian Development Fund, and the African Development Fund.

On page 18, line 6, strike out "VIII" and insert "IX."

On page 18, line 7, strike out "801" and insert "901."

On page 12, lines 11 and 12, strike out "thirteen thousand and five" and insert in lieu thereof "five thousand three hundred and seventy-one".

On page 12, line 19, strike out "$1,568,856,318" and insert in lieu thereof "$648,000,000".

On page 13, line 25, strike out "$2,400,000,000" and insert in lieu thereof "$1,575,000,000".

On page 14, line 6, strike out "$2,400,000,000" and insert in lieu thereof "$1,575,000,000".

On page 14, line 15, strike out "sixty-seven thousand and five hundred" and insert in lieu thereof "thirty-five thousand, four hundred and seventy-eight".

On page 14, line 23, strike out "814,286,250" and insert in lieu thereof "$428,000,000".

On page 15, strike out lines 11 through 24 and redesignate subsequent Titles and Sections accordingly.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS—S. 1340

AMENDMENT NO. 394

(Ordered to be printed and to lie on the table.)

Mr. BROOKE submitted an amendment intended to be proposed by him to the bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration.

NOTICES OF HEARINGS

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. MUSKIE. Mr. President, the Subcommittee on Intergovernmental Relations will hold a hearing on Thursday, June 16, concerning greater involvement of State legislatures in appropriating Federal funds to the States.

The hearing will be held at 10 a.m. in room 1114 of the Dirksen Office Building.

CRIMINAL CODE REFORM ACT

Mr. McCLELLAN. Mr. President, I wish to announce that the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary will continue its hearings on S. 1437, the Criminal Code Reform Act of 1977, on June 20, 21, 1977.

The hearings will open each day at 9:30 a.m. in room 2228, Dirksen Senate Office Building.

Additional information on the hearings is available from the subcommittee staff in room 2204 Dirksen Senate Office Building, telephone AC 202-224-3281.

ALASKA NATIONAL INTEREST LANDS AND NATURAL RESOURCE ISSUES HEARINGS

Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of two public hearings before the Committee on Energy and Natural Resources. These hearings will address natural resource issues in Alaska and, in particular, proposed legislation to designate certain Federal lands in Alaska as units of the National Forest, Park, Wildlife Refuge, and Wild and Scenic Rivers Systems.

The committee has scheduled the first hearing on Friday, June 17, 1977, at 9:30 a.m., in room 3110, Dirksen Senate Office Building, and has extended an invitation to the Department of the Interior to provide witnesses to discuss a wide range of Alaska natural resource issues. Appearing on behalf of the Department will be Under Secretary James Joseph. Mr. Joseph will testify in his capacity of chairman of the Alaska policy group. Accompanying Mr. Joseph will be Ms. Joan Davenport, Assistant Secretary for Energy and Minerals; Mr. Guy Martin, Assistant Secretary for Land and Water Resources; Mr. Robert Mendelsohn, Assistant Secretary-designate for Policy, Budget, and Administration; and Mr. E. U. Curtis Bohlen, Assistant to the Secretary for Alaska National Interest Lands, or their designees.

The hearing will serve two purposes. First, it will provide the committee with an overview of the Department of the Interior's perceptions of Alaska natural resource issues and the manner in which the Department is organized to resolve those issues. Second, the hearing, by providing the Department with the opportunity to present its view on the Alaska national interest lands proposals, will serve as the first of a number of committee hearings to consider that legislation. By combining the first hearing on the legislation with a more general hearing on other significant natural resource issues in Alaska, the committee hopes to place the national interest lands within the broad context of both Alaska and national policies for the conservation and development of natural resources.

Specifically, the Department has been asked to address seven natural resource issues:

One. The Alaska National interest lands legislation;

Two. Implementation of the Alaska Native Claims Settlement Act (85 Stat. 688, as amended; 43 U.S.C. 1601);

Third. Departmental participation in the route selection for the Alaska natural gas pipeline and the Department's preparations for the permitting of that transportation system pursuant to the Alaska Natural Gas Transportation Act of 1976 (90 Stat. 2903; 15 U.S.C. 719);

Fourth. The Department's preparations and oversight procedures for the startup and operation of the Trans-Alaska Pipeline System;

Fifth. The Department's plans for oil and gas development on the Outer Continental Shelf off Alaska;

Sixth. Exploration, planning, and administration of the national petroleum reserve pursuant to the Naval Petroleum Reserves Production Act of 1976 (90 Stat. 303; 42 U.S.C. 6501); and

Seventh. The Department's efforts to relate each of these issues to a general development and transportation strategy for Alaska natural resources.

June 20, 1977, at 9:30 a.m. in room 3110, Dirksen Senate Office Building, the committee will hold its first hearing this Congress devoted specifically to Alaska national interest lands legislation. Pending before the committee at this time are three bills concerning this subject, S. 499, S. 500, and S. 1500. At this hearing, the committee will receive testimony from the Alaska coalition, a group of environmental organizations which are the primary supporters of S. 500 and S. 1500. The witnesses from the coalition are expected to acquaint the committee with the purposes, polices, and provisions of the two bills.

For further information regarding the hearings you may wish to contact Steven Quarles, committee counsel, on extension 43349.

RURAL DEVELOPMENT OVERSIGHT

Mr. CLARK. Mr. President, I am pleased to announce that the Rural Development Subcommittee of the Committee on Agriculture, Nutrition, and Forestry is continuing its series of rural development oversight hearings. The first set of hearings is scheduled for June 16 and 22 in room 322, Russell Senate Office Building. The hearing will begin at 10 a.m. on both days.

During this first phase of our hearings the subcommittee will hear from the Assistant Secretary for Rural Development, Alex Mecure, accompanied by appropriate USDA staff. The 2 days of hearings will concentrate on the management problems of the Farmers Home Administration, further implementation of the Rural Development Act of 1972, the Assistant Secretary's opinions on how he views the new administration's commitment to the concept of rural development and, finally, any legislative initiatives either planned or proposed by the administration.

Later in the summer the subcommittee will continue its oversight work in the areas of rural energy problems.

ADDITIONAL STATEMENTS

THE CONTROVERSY OVER SEALED BIDS

Mr. CHURCH. Mr. President, in May, both the Agriculture Committee and the Energy and Natural Resources Committee held hearings on my legislation to end the controversy over the use of sealed bids on Forest Service timber sales in the Northwest.

At those hearings, several Senators wondered as to just how much economic disruption had been occuring since the Forest Service shifted from oral auction bidding to sealed bids. In addressing their questions, I cited several specific cases which indicated that national forest material was in fact being shipped over longer than usual distances under the new Forest Service formula. Those cases clearly demonstrate that traditional log-flow patterns are changing in the Northwest. Serious disruptions in the flow of materials to communities which are dependent upon national forest timber could bring about the shutdown of many local sawmills.

On June 1, the Bulletin in Bend, Oreg., carried an interesting story which describes how a Bend lumber company was outbid by a distant firm on a sale sold on the Deschutes National Forest under sealed bid methods.

This story indicates just how unstable the timber supply situation is in the Northwest under the new sealed bid system. For the information of my colleagues, I ask unanimous consent that the article be printed in the RECORD.

I also ask unanimous consent that an editorial from the Seattle Times, which deals with the same subject, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Bend (Oreg.) Bulletin, June 1, 1977]

BEND FIRM LOSES BIG TIMBER SALE

(By Steve Ray)

One of the largest timber sales scheduled this year on the Deschutes National Forest was purchased Tuesday by Louisiana Pacific Corp. of Prineville. It marked the first time a firm outside the greater Bend area had bid successfully on a large Deschutes sale.

The Prineville firm outbid Boise Cascade of Medford and Brooks-Scanlon of Bend in sealed bidding for 18.1 million board feet of timber on the Pine Flat sale. The volume to be harvested represents 10 per cent of the timber to be sold on the Deschutes forest this year.

Louisiana Pacific's high sealed bid was $3,362,360; Boise Cascade bid $3,168,509.52 and Brooks-Scanlon, $2,919,272.52.

Soon after Brooks-Scanlon President Michael P. Hollern learned that Louisiana Pacific had turned in a bid $443,000 greater than his company's, Hollern said, "The sale simply confirms what we've been saying since the Forest Service introduced sealed bidding.

"It offers a less-than-adequate means for a local mill to protect its tremendous investment in plant, equipment and people."

Hollern said the timber in the 1,742-acre Pine Flat Sale would have supplied the Brooks-Williamette sawmill in Redmond with enough logs to operate 19½ months.

Brooks-Williamette, Inc., is owned jointly by Brooks-Scanlon, a Bend based firm, and Willamette Industries, based in Portland. Brooks-Willamette has plants in Redmond and Bend, and the Redmond mill employs 60 persons. Brooks-Scanlon plans to take over the Redmond mill—probably within a week.

"This is the first time I can remember a Prineville firm winning a large sale (on the Deschutes)," said Barney Duberow, assistant timber staff officer for the national forest.

Wayne Knauf, timberlands director for Louisiana-Pacific in Portland, said the corporation decided to bid strongly for the sale because "we've been unable to secure a sealed bid sale in Prineville." Louisiana-Pacific has consistently been outbid for sealed bid sales on the Ochoco National Forest, he said.

"One of the problems with sealed bid sales is that local, established industry does not have the opportunity to meet the outside competition in oral auctions," Knauf said. He agreed that that is the situation Brooks-Scanlon now is in because of his corporation's high bid.

"That's regrettable that the situation has arisen," Knauf said. "That's the name of the game. We don't make the rules."

Knauf said Louisiana-Pacific will continue to seek timber sales on the Ochoco and Deschutes national forests.

Duberow said this is one of only two or three sales of similar size this year, of about 30 total timber sales.

"The historic pattern is that they (Brooks-Scanlon) bid until they get them (large timber sales on the Deschutes)," said Jerry Allen, assistant forest supervisor for resources. Allen said that, under sealed bidding, Brooks-Scanlon has less control of the outcome.

The outcome, as far as Brooks-Scanlon was concerned, was determined even before Louisiana-Pacific's bid was opened. The sealed bid of Boise Cascade Corp. of Medford already had been opened, and it too surpassed Brooks-Scanlon's.

Louisiana-Pacific's high bid of $3,362,360.52 was $874.000—or 35 per cent—greater than the minimum bid advertised in The Bulletin on April 30. The minimum advertised bid totaled $2,488,130.52, including $137.46 per thousand board feet for an estimated 18.1 million board feet of ponderosa pine and other live species.

Boise Cascade's bid totaled $3,168,509.52 and Brooks-Scanlon's added up to $2,919,272.52. Brooks-Scanlon bid $161.28 per thousand board feet of pondersoa pine. Louisiana Pacific bid $185.76 and Boise Cascade $175.05.

"We submitted a sealed bid that was $400,000 more than the advertised price for the timber," Hollern said. "Because of the inherent unfairness of sealed bidding, we were not allowed to exceed the bids of outside competitors as we have consistently done in the past through open, oral auction.

"As a result, 18 million board feet of Sisters (Ranger) District timber will be leaving the Bend-Redmond community." Hollern said each sawmill needs to plan its timber supply—from purchases and from its own lands—about two years in advance.

"You can't run out of logs today and then look for a sale to log," he said. It would be "premature to comment" on whether Brooks-Scanlon now will seek timber outside this area, he said.

The sale area lies between the Santiam and McKenzie Highways about six miles northwest of Sisters and south of Black Butte Ranch. The Forest Service land containing the Pine Flat Sale is broken up by sections of privately owned land, some of which belongs to Brooks-Resources, a Brooks-Scanlon subsidiary.

The timber was destined to be sold by sealed bid several days prior to advertisement, according to the method prescribed by the Forest Service.

Hollern said it was "bound to happen" that a local firm would be outbid for a large sale.

"There is no way a local mill can assure itself of the timber it needs to keep operating with these one-shot sealed bid sales," he said. "Sooner or later, the roulette principle of sealed bidding will come into play."

Allen said the Forest Service "doesn't have a position" on whether timber should be sold to local firms.

"It's just compliance with the law," he said. "That's what it boils down to."

Duberow said the contracts and the effects on the forest are "the same no matter who logs it." Sale advertisements are mailed to more than 100 firms, he said.

He said Brooks-Scanlon has had to bid a greater percentage over the minimum bid in some past sales in order to win the contracts.

[From the Seattle Times, May 26, 1977]

BIDDING ON TIMBER

A little-noted debate is under way in Congress that could have a direct and even devastating impact on Pacific Northwest loggers and sawmill owners.

It concerns sealed bids versus oral bids at federal timber auctions. The House Agriculture Committee wisely approved a bill the other day to allow a return to oral bidding in Western timber sales.

Oral bidding has been used almost exclusively in the West since World War II. But under the National Forest Management Act of 1976, the traditional practice was severely restricted.

During the end-of-session rush last year, Congress directed sealed bidding on almost all federal timber sales.

That obscure and seemingly insignificant provision stunned the timber industry in the West, where many companies depend on federal timber for 60 to 100 per cent of their supply.

The doubtful argument for the measure was that collusion and bid-rigging were said to be widespread in oral auctions.

Indeed, five Oregon lumber companies have been convicted of collusion and may be barred from future timber sales. But this was the first such conviction since the Justice Department began investigations in 1960.

The industry argues that the incidence of illegal collusion is minimal, and says this is why there have been only two indictments in 17 years.

Moreover, industry spokesmen argue that federal timber-sale receipts, now about $500 million a year, already represent far more than the appraised market value of the timber. This is of wide public concern, because county governments share in the gross receipts from federal timber sales, with the proceeds used for county roads and allocations to local schools.

The sealed-bid requirement is particularly

worrisome to small timber companies, which often have only a few years' supply of timber under contract.

"It would be very hard to put Boise-Cascade out of business, but our guys could really get butchered," said Joe McCracken of the Western Forest Industries Association, which represents 150 small timber operators in 12 Western states.

Congress should follow the House Agriculture Committee's lead, and permit a prompt return to oral bidding on federal timber in the West.

CUBAN RELATIONS OFFER LITTLE BENEFIT FOR UNITED STATES

Mr. DOLE. Mr. President, on Monday of this week, I submitted Senate Resolution 182, to express the sense of the Senate with regard to preconditions for normalizing relations with the Government of Cuba. The purpose of the resolution is to express the concern of Congress and the American people about ongoing efforts by the Carter administration to improve relations with Cuba, despite a number of outstanding problems that remain unresolved.

Several of my distinguished colleagues have asked to be listed as cosponsors of the resolution, including Senators JESSE HELMS, BARRY GOLDWATER, CLIFFORD HANSEN, S. I. HAYAKAWA, JAMES MCCLURE, TED STEVENS, MILTON YOUNG, WILLIAM SCOTT, CARL CURTIS, STROM THURMOND, and HARRISON SCHMITT.

Mr. President, as I review the controversies surrounding restoration of U.S. relations with Cuba, it seems to me that the principal arguments in favor of normalized relations derive from two basic assumptions: That the United States is somewhat "isolated" in its policy position toward Cuba, and that resumption of normal trade channels with Cuba would somehow benefit U.S. trade interests. I find both of these assumptions inaccurate and basically misconceived.

Furthermore, I have heard suggestions that concern about Cuban involvement in Africa is exaggerated, or that Castro's attitude about human rights is misunderstood. To my own dismay, I have found such suggestions completely undermined by Castro's own public admissions in recent weeks.

At this time, I want to elaborate on these points, and respond to those who still maintain that it is in our own best interests to resume normal ties with the Cuban Government.

A NATION SET APART

There are those who now say that the United States is taking an outdated and narrow-minded policy perspective toward Cuba. I have found, to the contrary, that the United States is hardly alone in this respect. In fact, more than 50 nations throughout the world do not have diplomatic relations with Cuba at this time. This is dramatic evidence of the prevalent distaste for Castro's Cuban regime. and an impressive fact in view of that government's 17-year existence.

I will attach at the end of my statement a list of those nations that do not currently have diplomatic relations with Cuba.

In addition, Mr. President, it should be noted that Castor's Cuban Government has been excluded from participation in the Organization of American States since 1962, and does not have membership in either the International Bank for Reconstruction and Development—World Bank—or the International Monetary Fund. I draw attention to this point only to demonstrate that Cuba cannot yet be considered a full-fledged participant in the community of respected nations, at least so long as Castro is at the helm.

CUBA—A POOR TRADE PARTNER

Several business groups have recently visited Cuba, and some have come back expressing optimism about potential Cuban markets for American products. Of course, the resumption of exports to Cuba would require the lifting of the 1962 U.S. trade embargo against Cuba. A few of my colleagues in the Senate have already suggested that the embargo be partially lifted to permit the sale of food and pharmaceutical items—presumably as an indication of "Good faith" on the part of the United States.

In fact, however, the prospects for significant trade with Cuba in the event that the embargo is lifted are not optimistic. Furthermore, Castro himself belittles congressional initiatives to partially lift that embargo. In an April interview with the French magazine Afrique-Asie, Castro observed that—

> At present, certain U.S. Senators propose a lifting of the blockade with regard to food and pharmaceutical products. Yet, that does not solve the problem. A partial lifting is not sufficient * * * for Cuba, the principal issue is the economic blockade. The question is not how to lift it partially.

There is no doubt in my mind that the resumption of normal trade relations with the United States is important to the Communist dictator. It is the precipitous plunge of world sugar prices which has been among the major factors pushing Castro to the point of expressing interest in improved relations with our Government. But Castro is obstinate, and is unwilling to budge an inch until we have completely and unilaterally lifted our trade restrictions against his government.

To those American businessmen who contemplate major new markets just 90 miles from our shores, I will pass on some rather sobering trade prospects formulated by the U.S. Department of Commerce. Cuba, because it has essentially a one-crop economy, has a very limited hard currency capability for purchasing products abroad. Commerce Department figures suggest that the maximum hard currency import capability of the Cuban Government over the next 2 to 3 years will amount to no more than roughly $800 million to $1 billion. The Department anticipates that, under the very best of conditions, brought about by a complete lifting of the U.S. embargo, Cuba could afford to import no more than $300 million worth of U.S. products at the most. In relation to our annual trade level of about $100 billion, the Cuban market prospects are relatively insignificant.

It is my understanding that there has been little interest expressed by Cuban officials in future purchases of U.S. wheat. At present, Cuba has been importing about 750,000 tons of Canadian wheat and flour annually on its Soviet account, and there is no reason to believe that they would abandon that source and turn to the United States for grain supplies.

At present, about 60 percent of Cuban trade is with other Communist countries, and Cuba currently owes the Soviet Union about $5 billion. This is in addition to a Cuban hard currency debt to non-Communist countries estimated at $1.3 billion by the Central Intelligence Agency. It is clear the Cuban economy is hard-pressed, and I would have to say that the Castro regime would make a poor trading partner at this time.

CASTRO CONFIRMS OUR CONCERN

My resolution 182 reflects concern that Cuban Premier Fidel Castro has grand revolutionary designs upon the African continent, reflected in the presence of some 15,000 Cuban troops in various African countries. To my dismay, I have found these concerns essentially confirmed by Castro's own remarks during several recent interviews.

In an interview with ABC television which was broadcast last night, the Cuban dictator disclosed that he stopped withdrawing Cuban troops from Angola last April, despite his promise in June 1976 that the 20,000 Cuban troops stationed there would be withdrawn at the rate of 200 a week. State Department officials now estimate that between 10,000 and 15,000 of those troops have never been withdrawn and remain on active duty in Angola.

In an April interview with the French magazine Afrique-Asie, Castro candidly suggested that "The possibilities of a fundamental revolution are very substantial on the African Continent," and stated that "As far as southern Africa is concerned, I do not believe that peaceful and diplomatic solutions will persuade the racists and their allies to give up their regime." It is clear that Castro envisions a bloodbath throughout Africa, and intends to lend encouragement in that direction.

With respect to human rights—which the President has made a hallmark of his policy toward some Latin American governments—Castro seems to have no understanding of the term. Credible reports from knowledgeable sources indicate that as many as 15,000 Cuban political prisoners, or more, may be held in Castro's jails. For one who declares that Russia "is the freest of all countries," it is natural to comment "why do I have to tolerate the allies of my adversaries? If you want to tolerate them, OK, but not we." This, in fact, was his response to the interviewer's question about the imprisonment of Cuban political dissidents.

"NORMALIZATION" OF LITTLE BENEFIT TO THE UNITED STATES

On balance, there is little practical reason, from a political or economic standpoint, for the United States to feel compelled to resume ties with the Cuban Government at this point. Indeed, from both a moral and political standpoint, there are many reasons why we should not resume normal relations at this time. As I have said many times before, it is foolish for us to give up what "bargaining chips" we have for encouraging ob-

servance of human rights in Cuba, and for compelling the withdrawal of Cuban troops from Africa. If there is to be any principle in American foreign policy, and any rational pattern in our international behavior, then this administration must draw a line on any further concessions toward Cuba until we have seen some tangible progress by the Cuban regime toward resolving outstanding issues between our two countries.

I sincerely hope that Congress is able to communicate a message to the White House that will be fully heeded, with respect to future U.S. policy toward Cuba. My resolution intends to convey such a message, and I hope my colleagues in the Senate will support it heartily.

Mr. President, I ask unanimous consent that there be printed a list of those nations which do not currently have diplomatic relations with the Government of Cuba, and selected excerpts from two recent interviews with Fidel Castro.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONS THAT DO NOT HAVE DIPLOMATIC RELATIONS WITH CUBA

Africa: Botswana, Central African Republic, Comoro Islands, Gambia, Ivory Coast, Kenya, Lesotho, Malawi, Rwanda, Seychelles, Republic of South Africa, Sudan, Swaziland, Togo, Zaire, Tunisia.

Asia: Afghanistan, Bhutan, Burma, China (Taiwan), Fiji, Korea (South), Maldives, Nauru, New Zealand, Papua New Guinea, Singapore, Tonga, Western Samoa.

Europe: Andorra, Ireland, Liechtenstein, Monaco, San Marion.

Latin America: Brazil, Chile, Costa Rica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Haiti, Honduras, Paraguay, Uruguay.

Middle East: Bahrain, Israel, Jordan, Oman, Qatar, Saudi Arabia, People's Democratic Republic of Yemen.

EXCERPTS FROM BARBARA WALTERS (ABC TELEVISION) INTERVIEW WITH FIDEL CASTRO ON MAY 19, 1977—AIRED JUNE 10, 1977

(On reestablishing relations)

WALTERS. Mr. President, when will your country and my country have normal relations?

CASTRO. I believe that that depends on the good will of both parts. And I believe that it also depends on time. I don't even think they could be reestablished during Carter's term. Maybe in Carter's second term, between 1980 and 1984.

(On divided families)

WALTERS. Will you allow Cubans to visit this country, to visit their families?

CASTRO. I don't think that at this moment we have the conditions for that.

(On trade and foreign policy)

WALTERS. If you and the U.S. have relations, trade relations, economic relations, what about the future when we are on different sides, politically and in foreign policy? Would normal relations affect some of your foreign policy decisions?

CASTRO. Our ideas, we would never sell them for any type of money nor for any type of material interest. But historical experience shows, even our own experience shows that once economic bonds are established between two countries . . . these economic bonds . . . they do exercise a certain influence in the government's attitudes.

(On political prisoners)

WALTERS. Do you still have many political prisoners?

CASTRO. . . . a little more than a thousand. Maybe two or three thousand.

(On the Soviet Union)

WALTERS. Do you think Russia is a free country?

CASTRO. I think it is the freest of all countries.

(On dissidents)

WALTERS. If Russia is so secure, if its system is so good, why can it not tolerate . . . dissidents?

CASTRO. Why do I have to tolerate the allies of my adversaries? If you want to tolerate them, okay, but not we.

(On China)

WALTERS. Do you consider China a friend or an enemy of Cuba?

CASTRO. I consider China as a good ally of the United States.

WALTERS. Does that make her an enemy of Cuba?

CASTRO. To the extent that the U.S. is our enemy.

EXCERPTS FROM "AFRIQUE-ASIE" INTERVIEW WITH FIDEL CASTRO DURING APRIL 1977—PUBLISHED MAY 1977

CASTRO. Any aggression against Angola will be energetically repulsed. Any attack against Angola will be regarded by us as an attack directed against Cuba. Let there be no mistake about it: Fighting side by side with the Angolan people, we will defend Angola with all means at our disposal.

We will stay in Angola as long as we have to in accordance with the sovereign government of that sister nation, and contribute to the defense of this country and to the consolidation of its independence and oppose any threat of aggression regardless from where it may come.

Africa today is the weakest link in the imperialist system. In Africa, the biggest crimes against peoples were carried out not so long ago. Africa offers excellent perspectives for members of tribalism to move almost directly to socialism without having to pass through the diverse stages through which other regions of the world had to go through. If we call ourselves revolutionary fighters, we have the duty to support the anti-imperialist, the antiracist and anticolonial struggle. Africa today plays an extremely important role. Imperialist domination there is not as strong as in Latin America. Therefore, the possibilities of a fundamental revolution are very substantial on the African continent. * * *

"As far as southern Africa is concerned, I do not believe that peaceful and diplomatic solutions will persuade the racists and their allies to give up their regime. "Unity among the revolutionaries is one of the essential conditions for their victory and the objective designed to prevent a neocolonial solution from being foisted upon those countries." * * *

I want to make this very clear (he said in forceful voice). Everybody shall know that we will never negotiate our solidarity with Angola with the U.S. This is not a negotiable matter. Would it not be absurd if we, for example, were to discuss the withdrawal of U.S. troops from Europe, Iran, South Korea, the Philippines, Japan and Saudi Arabia? No, it is really absurd that the U.S. make such conditions. Our position is clear and without ambiguities. * * *

We have to see how the Carter policy will turn out in practice. We have to give it close attention. What I want to state more precisely is that Carter before the presidential elections adopted more explicit positions than Ford and that he was a little more critical of the conduct of certain international problems. Let us therefore wait and see how he will act in the future.

For Cuba, the principal issue is the economic blockade carried out against it. The question is not how to lift it partially, in order to create a more favorable climate for the improvement of our relations with the United States, this very discrediting and unbearable blockade must be lifted. * * *

We believe that the condition for the resumption of discussions is the lifting of the economic blockade. From our point of view, this is a very fair position; otherwise, we would not make any headway. We admit we are willing to make contacts for the purpose of clarifying this position; contacts, but no discussions.

BEING RIPPED OFF? CALL A KID

Mr. HUMPHREY. Mr. President, in my home State of Minnesota, young people are actively involved in the real-life problem of resolving consumer complaints of citizens in the Twin City area.

Consumer Action Service is a project of the St. Paul Open School's "Protect Your Rights and Money" class. St. Paul Open School is a public school for approximately 500 students, ages 5–18.

Mr. President, I ask unanimous consent that the text of an article written by Karen Branan and Joe Nathan which appeared in the March 1977 issue of Learning be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BEING RIPPED OFF? CALL A KID

(By Karen Branan and Joe Nathan)

Question: What stalks down missing radios . . . eliminates bad odors . . . takes landlords to court . . . receives ire and acclaim from public officials . . . teaches readin', 'ritin' and 'rithmetic . . . makes dozens of kids feel like a million while making adults reassess some of their blinkered ideas about adolescents?

Answer: Consumer Action Service, a project of the Protect Your Rights and Money class at the St. Paul Open School, which is an alternative public school with 500 students ranging in age from 5 to 18. The 11- to 17-year-olds who run the show laughingly refer to themselves as "Nathan's Raiders." Joe Nathan is their teacher.

The whole thing started six years ago when a group of St. Paul Open School students, who were studying ecology with Nathan, began to notice "a stinky stench" in their heavily industrialized school neighborhood. They traced the smells to four sources: a paper plant and three food processing and packing plants. An investigation and action project ensued.

Students talked with people at the Minnesota Public Interest Research Group. Spent hours at the Environmental Library studying odor pollution standards for every state. Consulted lawyers. Called for plant inspections by the city's Pollution Control Agency. Worked with that agency to write official complaints. Petitioned residents and other businesses affected by the odors. Testified from company and public officials. Persisted, at a public PCA hearing. Got the runaround persisted, persisted.

The PCA found the plants in violation of pollution ordinances and ordered schedules of compliance from each of the plants.

This project planted the seeds of the Consumer Action Service. Nathan believed that the youthful idealism, enthusiasm and intensity displayed in the pollution project could be directed toward solving a variety of relatively small problems that Twin City consumers encountered. At the same time, students would develop important skills in such diverse areas as writing business letters, using telephones and telephone directories, dealing with government and business organizations, and knowing their own rights and responsibilities.

Thriving in its second year, Consumer Action Service (CAS) deals in diversity: Dobermans and rental deposits, automobiles and insurance, shampooers and busted water pipes. The group (30 children currently are in the class) has worked on more than 50 cases and boasts a successful resolution rate of over 75 percent.

Students have used several methods to get the word out. Early in the project, three of the class members designed and wrote a one-page leaflet explaining CAS. The leaflet described some of the project's successes, listed groups the students worked with (Better Business Bureau, Minnesota Consumer Protection Agency, and others) and stated several cautions: "We are not attorneys. We can offer no guarantee of success. We must confine ourselves to consumer problems with Twin City area businesses or governmental agencies." Several hundred of these brochures were printed and distributed by the students in libraries, stores, and neighborhoods.

The Twin Cities news media helped spread the word about CAS. A radio and a television station and all four of the main newspapers have done stories about the group. Students also have written short articles for neighborhood newspapers. In addition to spreading awareness, students have improved their writing.

Recently the students opened a booth in the downtown St. Paul skyway system, which is made up of overhead walkways that connect buildings. The space was donated by a bank. Two or three students staff the table from 11:30 to 1:00 Monday through Friday. They hand out leaflets, answer questions and accept consumer complaints. The students don't attempt to give on-the-spot advice, but they do promise to bring the problems back to class.

THE CLASS IN SESSION

Nathan announces the agenda: review cases, talk strategy, give out new books, discuss a new case and hear from Richard Nadler, a lawyer who assists the class occasionally, about contracts and warranties.

Julie reviews the case of a local woman who is having trouble with an insurance company located in Wisconsin: "Ms. Brady's husband had a policy on their two daughters. Ms. Brady has been paying premiums since Mr. Brady died in '71. She found out the policy has a clause stating that if her husband died, the policy would be paid up. She and her insurance agent have been trying to get her money back from the company, but company officials refuse to pay. They say it's too late to do anything. She wrote us for help. We sent a letter to the company and one to the state insurance commissioner in Minnesota, asking about the deadline for filing a claim. He says it's five years."

TOM. "What happens if the claim is filed before time runs out?"

STEVE. "You'd think there'd be a better chance of getting the money."

NATHAN. "I'm concerned about the commissioner's opinion. Where can we get another opinion we can trust?"

STUDENTS. "Who can you trust nowadays? Especially in insurance."

"The laws could be different in Wisconsin."

"Call the insurance commissioner there."

"Do we have any money for a long-distance call?"

"No."

"Try calling collect."

NATHAN. "What's the issue?"

"Whether the five-year statute of limitation applies in this case."

"You see," says Nathan, "the point I'm making is that if the commissioner is wrong. Ms. Brady could be out $200."

Nadler, the lawyer, suggests they reread the policy to find out just what the agreement was and whether the statute of limitations was shortened or lengthened. "Go to a law library to find out what the Wisconsin law is," he says. He tells the class where the law libraries are, which are the best, and what to do when they get there.

The students discuss which action to take next and, finally, they vote. Going to a nearby law library wins.

NATHAN. "Who will go to the law library? Julie and Tamar? OK, and you'll report back on Thursday? Fine."

(The library was visited after school; a report was made to the class; students decided to write again to the Minnesota insurance commissioner for help in convincing the company to refund the money; the letter was written and mailed. Two weeks later, the class received a letter from the insurance company saying it would refund the money "although it is not required of us. . . .")

Nadler now hands out copies of the Uniform Commercial Code section that defines different types of warranties. The students go over the definition of a contract, something they've done dozens of times. Jeff, Eric and Mike give definitions of warranty of title, express warranty, and the three kinds of express warranties with examples.

MIKE. "If I go to Sears and see a blue 5-speed bike and say I want one like that and they send me a red 2-speed, I've got a breach of warranty by sample." More examples are given and the class moves on to a new case.

NATHAN. "This one just came in today. Mrs. Plymouth heard about us from a newspaper article. Her letter says, 'Dear Students: My family has been unable to get the radio an automobile company promised to put in the new van we bought from them. It was to be in when we picked the van up four months ago, but the salesman said they were out of radios and would send one within three weeks. We've called and called, but no radio. Perhaps you can help us.' Well, what's our goal here?"

KENNY. "Get her that radio!"

NATHAN. "Any disagreement? No? OK, what's our first step?"

"Call the car dealership."

"Call Better Business Bureau."

"Call Consumer Protection Agency."

"Write Mrs. Plymouth and see if she has a contract including the radio."

Nathan writes each suggestion on the board. Students speak for and against the various proposals. Kenny's argument in favor of writing Mrs. Plymouth wins: "We shouldn't call anyone until we know she can prove the dealer owes her a radio." Lisa and Kyle agree to write the letter.

Following this discussion, Nathan hands out copies of the book *Landlord and Tenant*. "Read to page 29 by Thursday," he says and dismisses the class.

CAS TO THE RESCUE

Mrs Plymouth did respond to the students' letter. She sent them a copy of her contract and added the comment, "Thanks for your prompt reply." After receiving Mrs. Plymouth's letter, the students voted to call the owner of the dealership. (A local newspaper writer who visited the class suggested starting at the top with a complaint, and students have found this to be good advice.) Before making the phone call, the students role-play a hypothetical situation, with Jim agreeing to be the owner's secretary and Kenny making the call.

KENNY. "Ring! Ring!"

JIM. "XYZ Cars. May we help you?"

KENNY. "This is Kenny Johnson from Consumer Action Service. May I talk with the owner please?"

JIM. "May I ask what this is about?"

KENNY, patiently. "Well, I'm from the Consumer Action Service and I'd like to discuss a consumer complaint about your company."

JIM. "Hold on please . . . I'm sorry, but Mr. X is busy now. Can I have him call you?"

KENNY. "No thank you. I'll call back. When would be a good time?"

JIM. "Well, are you sure someone else couldn't help you?"

KENNY. "No. I feel he'll want to know about this complaint. When would be convenient for me to call back?"

JIM. "Hmmm. Well, perhaps in about half an hour."

Kenny has developed into one of the group's best phone callers. The kids sometimes interrupt the role play with laughter or suggestions, and that's accepted, within limits.

The real phone call was even easier than the role play. Kenny got right to the owner, who said he'd check on the problem and call Kenny back in an hour. Kenny explained that he would be in class but that he'd call back. The owner agreed. Kenny called back and the owner promised to contact the Plymouths that day. Kenny asked if he could check back in a week. He reported all this to the class, which recommended writing Mrs. Plymouth to tell her about the conversation and to ask her to keep the class informed of any results. Five days later, a letter from Mrs. Plymouth arrived: "Thank you so much for your help. We drove in Friday after Mr. X called us. They put in a new radio, even better than what they'd promised. We're very pleased and really appreciate your help." Mrs. Plymouth received her radio within three weeks of contacting the class. The kids were elated.

In another class session, some more good news is announced: Ms. Gomez just received $430 from the St. Paul Housing and Redevelopment Authority (HRA). This was, according to Lisa, "a really huge case." Ms. Gomez, the mother of an Open School student, told her son's adviser at the Open School about a problem she was having after many of her family's belongings were damaged when a water pipe burst in her apartment in a federally subsidized housing project. Ms. Gomez had asked the project manager for reimbursement and had been turned down. The class took on the case.

Students helped Ms. Gomez estimate her losses, which came to more than $1,000. They discussed the case thoroughly and decided to call HRA. As a result of this call, HRA contacted Ms. Gomez and asked her to submit her estimate of losses. Weeks went by with no word from the agency. The class discussed the case with a guest speaker from the Minneapolis *Star*'s Column 1. (The *Star* is one of the two major afternoon newspapers in the Twin Cities; Column 1 is its consumer action service.) The speaker suggested that they contact the mayor's office. They did and were referred to someone who told them to talk with HRA commissioners or legal aid.

Students checked back with Ms. Gomez to find out if any action had been taken. None had, but a week later she learned her claim had been denied. She had also been unsuccessful in setting up a meeting with legal aid. When she asked the students for help, they discovered that while her Spanish was excellent, her English wasn't too good, and a legal aid secretary hadn't understood Ms. Gomez. With the students' help, an appointment was arranged.

Accompanying Ms. Gomez, the students talked with a legal aid law student about the possibilities of a court case. He said it would take several months. Ms. Gomez wanted the process speeded up because much needed winter clothing had been lost in the accident. With the law student's OK, the class decided to call the HRA legal department to find out exactly why the claim had been rejected. After several persistent attempts over a period of weeks, they got answers. But students discussed HRA's reasons and decided that HRA had made its decision without obtaining proper information from Ms.

Gomez. They checked out HRA's appeal procedure and were told it was too late to appeal and that Ms. Gomez should have known the appeal procedure because it was given to her when she moved into the apartment.

The students then called the HRA director and, receiving no reply, turned to a city councilman to find out if they and Ms. Gomez could plead the case before the HRA. He told them they could.

They painstakingly followed the procedure for getting on the agenda and verified beforehand that they were on it. When they arrived at the meeting with witnesses, however, they were told they had not followed proper procedure and could only address the commission through a commission member. They did this, and more than three months later, Ms. Gomez received partial compensation for her losses.

TIME TO ANALYZE AND CRITICIZE

Several days after the resolution of the Gomez case is announced, the students talk about what they have learned from the project and changes they want to make.

ELLEN. "It's important to be a help to the community, to actually serve people who need the help."

ANDREA. "I'm learning the different ways people are cheated and ways to protect myself."

LISA. "Now I keep my sales slips, records and contracts in a folder."

SUE. "I feel like, as kids, if we can help people with problems, we have better feelings about our authority. I feel important."

DAVID. "I've learned how laws and courts can be used to help me and my friends."

Nathan asks the student: "What are some things you don't like about the class?"

"We need more space in this room."

"We need to let more people know about us. Get more cases."

"Too much organization comes from you."

"We should keep an up-to-date list of all the people we deal with and write down comments on how they helped, so we know who to go to in the future. I think when people are working on a case they should write about it in detail."

"We need to spend more time discussing the cases we have rather than looking for lots more. Spend more time getting better. Talk about the mistakes we made and how to correct them."

A few decisions are made: People working on cases will write descriptions of them. A file will be kept on each case. A list of contacts will be kept. Nathan will try to get permission to move the 30-member class from this room, which seats only 15 comfortably, to a larger one. An article on CAS is coming out in a newspaper the next day, so the students decide to wait and see how many new cases coming from that before considering whether to look for new cases. Everyone agrees that students should work on problems in groups of two or three. Ellen suggests: "I think we're going too fast. We need to stop and think and talk about what we're doing. A case is more than just helping somebody get their money or whatever. It's learning how to analyze, understanding the larger meanings, being aware of the process."

Other students agree. Within a week, each of the suggested changes is in effect: a larger room, summary sheets and a file for each case, and a list of contacts with comments on their effectiveness.

THE WHY AND HOW OF A CONSUMER ACTION SERVICE

Nathan believes it is vital for kids to see why an ability to read, write and compute is so important. "It no longer works just to say these things are important," Nathan explains. "Kids have to see it. Working on the insurance case, they saw how misreading the policy resulted in major problems for Ms. Brady. And Ms. Gomez thought she lost $200. When she added it up carefully, however, it came to more than $1,000."

Students in CAS are confronted with some very complex situations: How well do most of us understand our insurance policies? How does it feel to confront the owner of a big company or a public official? Isn't it frustrating to make a call and then be referred to three or four different people? These kids are learning to deal with those situations.

A consumer action service doesn't require anything you don't already have or can't get easily. The basic equipment is a telephone and consumer problems, plus information on consumer rights and responsibilities. Here are some specific suggestions on setting up a consumer action service in your class:

1. Think about your role as a teacher. Nathan sees himself as an organizer, stimulator and encourager. He provides the framework students use in working on each problem, and he's pulled together a curriculum that helps students learn their rights and responsibilities as juveniles and consumers, and become knowledgeable about agencies available to assist consumers. The curriculum includes readings, guest speakers and field trips, as well as work on cases. It's not an organized, day-by-day guide, because Nathan varies some of the activities with the different cases. The students have written a 20-page booklet describing how they work on cases, listing the curriculum resources they've used and their evaluation of those resources, analyzing seven or eight of their most interesting cases, and offering suggestions to others.

Nathan encourages students with various skills to work together so they can teach one another. He has a list of skills each student in the class should develop, and he tests the students periodically to see how they're doing.

If students have an idea that makes sense, Nathan will try it out. One student's idea about keeping files on each case has worked out very well. Another student suggested (during the second year of the class) that a local "quick printer" might donate the printing for several thousand CAS fliers. Despite personal skepticism, Nathan urged the student to pursue her idea. The printer was happy to donate the printing of 3,000 fliers—$90 worth of work!

2. Before looking for cases, the teacher should develop students' interest in the subject and encourage their belief that they can help people with consumer problems. Students can read or hear about the work other students have done. They can read or watch filmstrips or movies about consumer rights. They can simulate a small claims court by breaking into groups of three (one student being the plaintiff, a second the defendant, and a third the judge). Each group deals with a stated problem in its own way and then the whole class discusses the different decisions made.

3. Visit or bring in people from radio, television and newspaper consumer services, and from local and state consumer protection agencies and Better Business Bureaus. If possible, visit small claims courts. Try to arrange for students to spend a day with someone at the Better Business Bureau or Consumer Protection Agency, as St. Paul Open School students have done.

4. Students should put together a simple brochure stating what their service can and cannot do. Ask people with consumer problems to contact you by mail only; otherwise, your school's secretary may be bringing the class a case about overloaded telephones. Distribute the brochure to libraries, Laundromats, grocery stores. Once you've handled a few cases successfully, you can arrange for newspaper publicity or an appearance on a radio or television show.

You might also consider trying to set up a table at a nearby shopping center or mall, or in a large store. Shopping centers sometimes will donate space to a school group. This could be staffed by student volunteers on Saturdays, for example. The students could distribute the brochures and talk with people about their project. Have forms available for people with consumer problems to fill out.

5. Make a list of skills you want students to develop or to improve upon. Nathan's list contains more than 30 items, including being able to use a telephone directory, being able to write a concise business letter, understanding what's required in a contract, knowing the differences in funding, power and authority among various consumer service agencies, knowing how to read a lease, and so on. Nathan devotes time in class to development of all the skills on his list.

6. Work out a clear framework for problem solving. The Consumer Action Service follows these problem-solving steps: Determine the problem according to the complainant. Determine the problem as the class sees it. Determine the problem according to the people about whom the complaint is being made. If the three are different, review the differences with the complainant. List potential strategies. Discuss pros and cons of each. Decide on one. Call for volunteers. Discuss exactly how to do what is necessary, and work on and practice requisite skills. (Kids carry out the strategies, but Nathan checks all letters before they go out and listens in on the first few telephone calls a student makes until he's satisfied the student can handle it alone.) Listen to the follow-up report. Discuss how to proceed. Change goals or tactics, if necessary. (In most cases CAS has worked on, strategies have changed several times.) Discuss cases after they are resolved. What worked? What didn't?

7. Develop a good system of forms and filing that *students* can understand and use. CAS uses a simple form for each case, with complainant's name, address and telephone number; names of students working on the case; agencies or persons worked with; short description of the case; steps taken; end result; date started and date finished.

In CAS's files, along with many letters of appreciation from satisfied clients, is one from Sherry Chenoweth, director of the Minnesota Office of Consumer Services. She wrote: "Your program speaks for itself as a model of the best way to help young people discover that there are some hard knocks dealt to people out in the marketplace. Knowing this and developing skills with which to cope effectively are just as important as development of intellectual skills and preparation for the world of work."

THE CIVIL AFFAIRS ASSOCIATION

Mr. THURMOND. Mr. President, on May 13–15, the Civil Affairs Association held its 30th annual conference at the Mills Hyatt Hotel in Charleston, S.C.

The Civil Affairs Association is a national organization, composed of active and retired reservists and Regular Army personnel, dedicated to a strong national defense. The particular area of expertise in which these men and women specialize is civil-military relations. They are particularly concerned with the interface between U.S. military forces and the civilian populations in countries in which U.S. forces are committed. In wartime, civil affairs personnel perform the important mission of keeping the local civilian population out of the way of U.S. military forces. In peacetime, they devote their efforts to assisting local gov-

ernments to build or rebuild their economies, maintaining health, and preventing famine and chaos.

The principal speaker at the 30th annual conference of the Civil Affairs Association was Gen. Fred C. Weyand, who retired last September as Chief of Staff of the Army. General Weyand devoted 38 years of his life to most distinguished and outstanding service, including World War II, Korea, and Vietnam.

I ask unanimous consent that General Weyand's inspiring remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THERE IS A ROLE FOR CIVIL AFFAIRS

Colonel Hyman, Colonel Nobleman, Distinguished Guests, Ladies and Gentlemen: It's a privilege to share this evening with you, and Arline and I are thrilled by the honor you have accorded us. This is the first time that I have worn my uniform since I retired last fall. It is just like coming home and I can't think of a group of people to whom I'd rather come home to. I suppose that after 38 years of commissioned service the transition to civilian life should be expected to involve at least some culture shock.

Right after our retirement ceremony, Arline and I drove across country visiting friends. We spent two days at Fort Bliss and I had a chance to play golf with a couple of senior sergeants. Well, I know I was retired for sure when I went to pick up a two foot putt of the type I'd always assumed was a prerogative of the Chief of Staff and one of the sergeants said quietly, "Take your time!"

I remember not long before I retired seeing a cartoon in a publication that showed a just-retired sergeant peering out of the post gate—looking at the "outside" world with a very uneasy expression on his face and saying, in dismay, "There's nobody in charge out there!" Well, I now understand the sentiments of that sergeant!

Not long ago, I went out and bought a new suit to wear in civilian life. I thought it was pretty dashing until I got it home and asked Arline what she thought of it—and she said, "Well, all you've done is buy another uniform!" And it was only then that I realized that I had bought a green suit and pretty close to Army green at that! Which goes to prove that it is easy to take the soldier out of the Army but it is almost impossible to take the Army out of the soldier! I'm not sure whether old soldiers die or just fade away—but I do know that as long as they're on the scene they sure remain old soldiers.

I don't have any great message to bring to you tonight because by no stretch of the truth can I masquerade as a Civil Affairs professional. On the other hand, no one who has gone through three wars and 38 years of commissioned service can help but have formed some impressions of the role of Civil Affairs, of its utility or lack of it and especially of the extraordinary caliber of men and women who are the true professionals in that field.

In my case, my career has been studded with examples of the potential of Civil Affairs—sometimes developed—sometimes not—but always a necessity for victory.

My first combat in World War II was in Burma so I remember very clearly when early in the war General Stilwell and his little band of staff officers and soldiers escaped into India and announced to the world that "we have taken a helluva beating." The fact is that the U.S. Forces in Burma were outnumbered throughout the war and it was only the integration of our strength with that of our allies—the British on the one hand and the Burmese and Chinese on the other—that gave us the margin for victory. We ended up depending very heavily upon the Civil Affairs support of our allies for our ultimate success.

If anyone needed an example to convince them of the critical requirement for Civil Affairs professionals, he would have only to review our experience in Vietnam. There our troops were engaged in a country that had at least the framework of a democratic government, from the hamlet level up to the national level. The fighting often occurred within the populated areas—not because we chose or wanted it that way, but because the enemy hoped to escape detection and the effects of conventional firepower by mingling with the population. Thus, there had to be the closest kind of cooperation and combined action between the U.S. fighting forces, the allied forces and civilian Vietnamese government.

Our units, as did those of our allies—the Koreans, the Thais, the Filipinos, the Australians and the New Zealanders—took pride in their efforts to maximize the capabilities of the civilian population to insure that they were as secure as possible from armed attack and terrorism and at the same time that the unique talents of these people to keep the political, economic and sociological systems functioning were fully exploited.

My Lai was a dreadful episode in the annals of American fighting forces, but it was just that—an episode—an aberration from the norm. I can't remember visiting a single American or allied unit in the five years that I was in Vietnam—and that meant something over a thousand visits—wherein, the commander failed to comment with pride on the work that his unit was doing to assist and win the respect of the people through civic action projects. They had learned—if they did not already know it before they came to Vietnam—that we could not win that war without bringing to bear the full weight and capabilities of the civilian population. That meant that as a minimum their combat efforts had to be integrated with and supported by the civil efforts of the people. And yet this effort—extensive and well intentioned as it was—was not enough. The power of the people—in the political, economic, sociological and psychological sense—was never fully generated.

In 1968, Field Marshal Montgomery published a book titled, "The History of Warfare" and I was struck by his opening words: "War is not the concern of soldiers only. Throughout history civilian life has always been affected by warfare, and in modern times the higher direction of war has become the responsibility of politicians, who are themselves civilians, and not professional soldiers, sailors or airmen. In total war, industry and civilian energies are absorbed into the war effort." Later he points out that "Modern war is total war and over the centuries has become very complicated, embracing the life and activities of a nation to an ever increasing extent."

Marshal Montgomery was simply stating the facts of life—that is, that war, if it is going to be won, involved the combined civilian and military strength of the nation and—very important for us—of its allies.

Recognition at the highest levels of the Civil Affairs role is not something new but even students of Civil Affairs are sometimes surprised to learn that in World War II the top U.S.-British military agency—the Combined Chiefs of Staff—had a combined *Civil Affairs* committee and our own Joint Chiefs of Staff had a permanent Civil Affairs division as a key element of its full staff. When the capitulation of Italy seemed to be a real possibility after the Sicilian Campaign in mid-1943, the British submitted their recommended armistice terms to the U.S. Joint Chiefs of Staff who in turn referred them to their Civil Affairs Division which rejected the British recommendation because it did not provide for an unconditional surrender. The Civil Affairs Division recommended instead that the Italian government cease to exist and that it be superseded by an Allied military government with authority throughout Italy except over the Vatican City. Eager as they were, they at least were wise enough to recognize that civil affairs does not have some limitations, and taking over the leadership of Catholicism is one of them!

In the Army's official history of that period the comment is made that although the Combined Chiefs of Staff was a remarkably successful organization in formulating military strategy it could not in spite of its recognition of Civil Affairs draw up an Anglo-American political program. Later, foreseeing the possibility of a rapid Italian collapse, General Eisenhower asked the Combined Chiefs of Staff for 960 military government officers, a requirement that later on was to be doubled, then quadrupled and further multiplied as the need in Europe expanded and even then, with thousands of Civil Affairs officers and men working their tails off—there weren't enough.

In spite of the near miracles that were accomplished when the critical importance of the Civil Affairs function was widely accepted, there was more than a little stumbling and fumbling on our part.

General Abrams used to say that good judgment comes from experience and experience comes from bad judgment. Which is another way of saying that hopefully we learn from our mistakes and if we're smart we'll also learn from the mistakes of others. Yet, now as we review the bidding, it seems clearly evident that we have not taken the experience of the role and the importance of Civil Affairs to heart.

Every Army Chief of Staff is predictably strongly influenced by his personal experiences. Naturally, his philosophy reflects that experience. In my case, when I was Chief of Staff, I made three assumptions against which I measured the thrust and effectiveness of Army programs. They were simply: (1) expect the unexpected, (2) be ready, and (3) when we go we'll probably be outnumbered.

Measured against these assumptions, our Civil Affairs programs are inadequate.

People who profess to know exactly what the form of the next war will be are a dime a dozen in Washington. One frequently expressed view is that the war, if there is one, will be an attack by the Soviet Union in Western Europe and there are very strong pressures to structure our Army to deal with that contingency and nothing else. I don't agree with any of that because in my lifetime we have never accurately forecast the employment of American fighting forces, and we have never, and I repeat *never*, been prepared for the conflict that we actually became involved in—and that includes World War II, the Korean War, and the war in Vietnam. In our attempt during peacetime to precisely forecast the future and to tailor our forces accordingly, we end up unprepared for the situations that do in fact develop and our experience with Civil Affairs is a classic case in point.

In World War II, Civil Affairs was a major factor in the outcome but even then we fell short in mobilizing the full potential of the civilian population in Western Europe.

In Burma, we were outnumbered and as Vinegar Joe Stilwell said, "We got the hell kicked out of us." Later, in an effort that offset some of the disparity in numbers of combat troops we mobilized the capabilities of some of the Burmese natives under the direction of the Office of Strategic Services—but there was never a coordinated Civil Affairs program worthy of the name.

And looking back on General Eisenhower's request for 960 military government officers:

that turned out to be only a small fraction of the numbers that would eventually be needed in Europe. The same shortcomings were repeated in spades in Korea in 1950 and again in South Vietnam in 1964. And tonight, as I stand here, I am still not sure that we are yet responding to the obvious as stated by Marshal Montgomery: that modern war totally involves the civilian as well as the military—that war is more than battalions and divisions slugging it out—that it requires the mobilization of the economic, political, technical, and sociological capabilities of the civilian population and the focusing of those relatively enormous capabilities in such a way that they support and reinforce the combat effort—that is, they do if we expect to win.

I remember in recent years sitting in high level conferences involving our commitment to Civil Affairs and the dicission always followed a predictable pattern. First, someone would postulate that America would never again become involved in the occupation of another country and then the obvious conclusion: Why maintain a corps of Civil Affairs personnel in the Army? As simple as that! Now, how does that square with the experience we have had which is supposed to be the basis for good judgment. Not very well!

First of all, it reflects the conviction that the nature and location of U.S. involvement can be forecast accurately—a conviction that has never been realized in my 38 years as an Army officer. Next, it ignores two facts: First, that in any future conflict we likely will be outnumbered militarily; and, second, our success will be measured by our ability to mobilize and integrate the capabilities of the military and civil forces of our allies with those of our own. Finally, it ignores the fact that Civil Affairs is a profession that demands a breadth of knowledge and experience not usually found in normal pursuits in our society. Past experience should have taught us that Civil Affairs experts are made, not born.

We frequently hear the caution that we should not use Vietnam as an example for lessons learned and experiences—good and bad—that might be relevant to the development of new, more effective doctrine. And I agree that Vietnam was so unique in so many ways that we should use caution in generalizing about our experience there. Still the fact remains that we did make an enormous national effort there and we failed. Of course, we have failed to bring peace to Africa, and we have not been able to bring assured stability to the Mideast, and there have been other situations that we have not been able to influence as we'd have liked—but Vietnam was different because of the great amount of material and personnel that we poured into that country—and still we failed. So there have to be valuable lessons that we should—that we must—learn from Vietnam.

I believe that one of them is that the Communists make a telling point when they refer to their programs to extend Communist control as "people's liberation," or as the "people's revolution" or as the "popular front." One of the main reasons they were successful in Vietnam was because the Communist leadership and Communist system—not only in North Vietnam but elsewhere—in China, the Soviet Union, Cuba—have developed methods and techniques that enable them to integrate and focus their political, economic, sociological and military resources on specific objectives. In so doing, they also reap the incredibly powerful motivational strength that comes when a people feel that they are part of, and personally involved in, a "cause"—in a great national team effort designed, as they view it to further the progress of mankind.

Relative to us and the free world the Communists are much more cognizant of the decisive role that the civilian populace can play in any armed conflict. The dreadful part about that fact is that they have used their unique capability to mobilize human resources to achieve evil objectives—objectives that are the antithesis of our philosophy of the primacy of human dignity and individual freedoms over the state.

As for us, we have at worst ignored the decisive potential of Civil Affairs in our defense of the democratic system, and at best we have used our Civil Affairs resources with far less than optimum effectiveness. We have never been adequately prepared in the field of Civil Affairs. We have never accepted the fact that people—not equipment—win wars. In World War II, the French lost their army, their navy, and their air force. France was occupied by German military forces and yet the people continued their resistance and in the final outcome they were a significant element in bringing about the defeat of Hitler's Nazis. I have always held that one of the unique characteristics of our Army is that it equips men whereas the other military services man equipment—and for that reason Civil Affairs personnel and units have a special meaning for me—they epitomize the point that the Army is "people." As a matter of fact, a trained Civil Affairs officer is the most potent "force multiplier" the Army has.

In Vietnam—a "people's war"—we deployed over half a million troops and yet included only three Civil Affairs Companies (the 2d, the 29th and the 41st). They were consistently about 20% understrength because we were woefully short of trained Civil Affairs personnel. So, when people tell you that you can quickly respond to Civil Affairs requirements in an emergency by drawing the people from common civilian pursuits, the answer based on bitter experience is: "Don't you believe it!"

In the final analysis, we have been overly defensive in our development of the Civil Affairs mission for the Army. We read phrases such as, "Our effort is to insure that the civilian community is not overly hostile" or "Our mission is to prevent civilian interference with tactical and logical operations." The Civil Affairs mission must not be regarded as defensive. It is positive, offensively oriented action necessary to mobilize the civil population and to provide from the civil sector a force and a focus that will insure the success of our national objectives. Throughout most of the Vietnam war our government believed that we, in concert with our allies, could decisively defeat and eradicate the enemy's military forces. Then, having produced a sterile anti-communist environment in which democracy could flourish, we would turn the country over to Vietnamese political authority to establish a viable political and economic democracy. There may have been strategies that would have enabled us to win that war but that wasn't one of them!

I am heartened by the interest that the leadership of today's active Army is showing in the Civil affairs mission. Both Forces Command and the Training and Doctrine Command are moving to formalize and institutionalize the many interrelated functions that constitute Civil Affairs. For the most part, this heightened interest is in response to your prodding. There were undoubtedly others, but when I was Chief of Staff I saw and heard enough of and from Eli Nobleman and Larry Rohde to the point that I began to wonder if they were a part of my permanent staff. Every time there was a rumor of someone or some agency preparing to take a whack at Civil Affairs, the names of Colonel Nobleman and General Rohde would appear on my calendar.

In January, I visited Manila and at a reception I met Colonel George Marko, the Army Attache. He had been assigned there from the Department of the Army staff. I find that the approach of these young officers to a Chief of Staff differs considerably depending on whether the chief is on active duty or retired. In this instance Colonel Marko was no exception—he gave me both barrels! He said, "You know, I really used to get aggravated with you. I was an action officer involved with Civil Affairs and every time those fellows Nobleman and Rohde came to see you, I could count on a note coming down saying that the Chief of Staff wants an accounting of what's going on to strengthen 'Civil Affairs.'" And he said it was a helluva lot of work to keep coming up with something original that would get past all the people in between him and the Chief of Staff.

The fact is that too much of our effort has been devoted to coping with outside pressures trying to emasculate Civil Affairs. Why? Because too many people don't believe in it. Why don't they believe in it? Because they don't understand it. They don't understand its potential as a decisive force. They don't understand that it is an incredibly effective "force multiplier" and they don't understand that we can't win without it. And, sadly, no one has been able to make the case that would elevate Civil Affairs to the priority position in our overall military program that it merits.

So there you have it: There is no military force in the world as adept as the United States in integrating firepower and bringing it to bear on the enemy and yet until we learn how to integrate our economic, political and sociological resources and bring them to bear in support of our military objectives we can never be certain of victory, no matter how much material, blood and lives we expend.

As the leading proponent of Civil Affairs this association has a heavy responsibility to the Army and to the nation. I urge you to press on—to spread the word, and to maintain your stand against those who still insist on ignoring the lessons of history.

GEN. FRED C. WEYAND, FORMER CHIEF OF STAFF, U.S. ARMY

General Weyand was named Chief of Staff of the U.S. Army in October of 1974 and served in the Army's No. 1 position until his retirement in September of 1976.

Born in California in 1916, General Weyand was commissioned upon his graduation from the University of California in 1940 and entered on active duty a few months later. His World War II service was primarily in military intelligence, and in 1944 and 1945 he was assigned to various units in the China-Burma-India Theater.

During the Korean Conflict, General Weyand served with the 3rd Infantry Division. In the interim between the Korean and Vietnam wars, he was given a variety of assignments.

He commanded the 25th Infantry Division in Hawaii and South Vietnam from 1964 to 1967, when he assumed command of the II Field Force Vietnam. Returning briefly to the United States in 1968, he was Chief, Office of Reserve Components.

After two other key assignments, General Weyand returned to Vietnam in 1970, first as deputy command, U.S. Military Assistance Command Vietnam (USMACV) and finally as commander. When U.S. forces withdrew from Vietnam in 1973, he assumed command of the U.S. Army, Pacific. He concluded his career in the Pentagon as Vice Chief of Staff of the Army and then as Chief of Staff.

He and his wife, the former Arline Langhart, have three children. Their retirement home is in Hawaii.

30TH ANNUAL CIVIL AFFAIRS ASSOCIATION CONFERENCE

Schedule of Events

Friday, 13 May 1977:

1200–2100—Registration, Lobby.

1430–1600—Civil Affairs Association Board of Directors meeting, Lynch Room.

1830–2030—Reception (complimentary open bar and heavy hor d'oeuvres).

2030—Entertainment, "Radiant Vibrations"—University of South Carolina Musical Group.

Saturday, 14 May 1977:

0730–0830—Board of Directors' Breakfast, Planters Suite.

0800–1530—Registration, lobby.

0900–1030—Opening session, ballroom.

Call to Order, Col. Peter D. Hyman, President, CA Assn.; Commander, 360th CA Brigade.

Invocation, Chaplain (LTC) Adlai L. Lucas, 360th CA Brigade.

Presentation of Colors, The Citadel Color Guard.

Association Welcome, Col. Peter D. Hyman.

Welcome Address, the Honorable James B. Edwards, Governor of South Carolina.

Keynote Address, Maj. Gen. Marion C. Ross, Assistant Deputy Chief of Staff for Operations and Plans, DA.

Remarks, Maj. Gen. Henry Mohr, Chief of the Army Reserve.

Remarks, Maj. Gen. Robert C. Kingston, Commandant, U.S. Army Institute for Military Assistance.

1030–1045—Refreshment break, lobby.

1045–1230—Workshop session, "Roles for Civil Affairs", ballroom, moderator, Brig. Gen. William R. Berkman, Commanding General, 351st CA Command.

"The Role of CA in Mutual Support of Active Army Divisions," Col. Roger D. Broussall, 351st CA Command.

"The Role of CA in Missions in Echelons Above Corps," Col. C. E. Kervin, 351st CA Command.

"The Role of CA in Modern Battlefield Doctrine," Maj. Gerald Kelly, 353rd CA Command.

"The Role of CA in the Army Exercise," Maj. John Bass, 360th CA Brigade.

"The Role of CA in USAR Recruiting," Col. John V. Kavanagh, 352nd CA Command.

"The Role of CA in the Community," Lt. Col. Lawrence M. Bellman, 356th CA Brigade.

1230—Business session.

1300–1500—Luncheon, Hibernian Hall.

Introduction of distinguished guests, Col. Peter D. Hyman.

Remarks, Lt. Gen. Sam S. Walker, Deputy Commanding General, U.S. Army Forces Command.

CA Association Awards, CAA Vice Presidents.

Address, the Honorable Strom Thurmond, Senior U.S. Senator, South Carolina.

1800–1900—Reception, 1st floor—Hibernian Hall (complimentary bar).

1900–2100—Banquet, 2nd floor—Hibernian Hall.

Invocation, Chaplain (LTC) Adlai L. Lucas.

Introduction of Distinguished guests, Col. Peter D. Hyman.

Presentation of CA Association Annual Award, Col. Eli E. Nobleman, Chairman, Executive Committee, CA Association.

Address, Gen. Fred C. Weyand, Former Chief of Staff, United States Army.

2100–2400—Dance, 1st floor—Hibernian Hall, music by "The Company" (cash bar).

Sunday, 15 May 1977:

0800–0845—Continental breakfast, lobby.

09–1130—Conference—Commanders and Staff, Lynch/Heyward Rooms.

CIVIL AFFAIRS ASSOCIATION HISTORICAL HIGHLIGHTS

Over the years, members of the Civil Affairs Association, as well as other interested persons, have requested information concerning the locations of our Annual Conferences, the identity of the principal banquet speakers and the recipients of the association's highest honor, the Annual Award.

Although this information is presently being compiled, the Historian of the Association was unable to complete the task in time for the 30th Annual Conference. It is anticipated that the task will be completed by the end of the year and made available in the 1978 conference program. The information collected to date appears in summary from below.

The first Annual Conference was held in Washington, D.C. in 1948. Cities which were the sites of the Annual Conference on more than one occasion include Washington, Boston, Chicago, New York, Philadelphia and San Francisco. Other cities were Atlanta, Hartford, Pittsburgh, Kansas City, Augusta, Ga., Portland, San Antonio, Pensacola, and Newark, Del. Charleston, S.C., is the Conference site for 1977 and plans are set for Dallas in 1978.

Our first principal banquet speaker was Gen. Lucius D. Clay, Commander-in-Chief, European Command and Military Governor of Germany (U.S.). Thereafter, among our banquet speakers were Generals Lyman Lemnitzer and William C. Westmoreland, Army Chiefs of Staff; Senators Wayne Morse, Alexander Wiley and Henry M. Jackson; Secretaries of the Army Stephen Ailes and Howard Calloway; Under Secretary of the Army Hugh M. Milton, II; Deputy Under Secretaries Howard E. Haugerude and Henry L. T. Koren; Assistant Secretaries of the Army George H. Roderick and Carl S. Wallace; and Ambassador Clare Timberlake.

Army General Staff officers and Major Army Commanders have included William R. Peers, then Chief of Reserve Components and later Deputy Commanding General, Eighth U.S. Army; LTG Richard G. Stilwell, Army DCSOPS and later Commanding General, Eighth U.S. Army; Gen. Bernard W. Rogers, then Comanding General FORSCOM and presently Chief of Staff; Gen. John W. Vessey, Jr., then Army DCSOPS and presently Commanding General, Eighth U.S. Army; and our 1977 principal banquet speaker, Gen. Fred C. Weyand, former Army Chief of Staff.

Four types of awards are conferred by the Civil Affairs Association upon individuals deemed worthy. Distinguished Service Citations are presented to persons in and out of the Association for distinguished service on behalf of the national defense and the Association. Certificates of Appreciation are conferred primarily upon members of the Association who have rendered a type of service which is clearly outstanding, but of a lesser degree than that required for the Distinguished Service Citation. The Civil Affairs Association Special Award is reserved for individuals who, in the judgment of the Association, have rendered outstanding service to the armed forces and the nation, and is reserved for very special individuals who are not members of the association.

The Annual Award, which is the highest honor conferred by the Association, was first presented in 1950. It is reserved for individuals, either in or out of the Association, who have made exceptional contributions to Civil Affairs, the Army, and the national defense, and have, in addition, consistently demonstrated exceptional leadership qualities.

Despite its designation as the Annual Award, it is not necessarily presented each year, but is offered only when, in the judgment of the officers and directors of the Association, there is an individual worthy of this honor. Thus, although it was first offered 27 years ago, the 1977 award will be the 22nd award conferred.

The Association has followed two basic ground rules in considering otherwise qualified individuals for this award: first, the recipient must not be in the Active Army, and second, the recipient must be present to accept it. To date, the association has withdrawn the award on two occasions because the nominees had advised that they would not be present to accept it. They were Gen. Dwight D. Eisenhower and Gen. Douglas MacArthur.

During the past 27 years, there have been two exceptions to these ground rules. In the first instance, the Annual Award was presented to Maj Gen. William P. Marquat, who served as Chief of the Office of Civil Affairs from 1952 to 1955, had retired and suffered a heart attack which made his presence impossible. In the second instance, Maj. Gen. William J. Sutton, Chief of Army Reserve, received the Annual Award, despite the fact that he was still on active duty. General Sutton's contributions and leadership were so outstanding that an exception was made, based upon the fact that he was a reservist on extended active duty and was scheduled to retire shortly thereafter.

Listed below are the names of the Annual Award recipients:

1950—General Mark Clark.
1951—General Lucius D. Clay.
1952—Colonel Daniel C. Fahey, Jr.
1954—Brigadier General Frank J. McSherry.
1955—Major General John H. Hilldring.
1956—Major General William F. Marquat.
1957—Colonel Ralph R. Temple.
1958—Colonel Wendell W. Perham.
1959—Brigadier General Strom Thurmond.
1960—George H. Roderick, Assistant Secretary, Army.
1961—Colonel Damon Gunn.
1963—Colonel James Newman.
1965—Colonel Robert Slover.
1967—Colonel William R. Swarm.
1970—Major General William J. Sutton.
1971—Colonel Eli E. Nobleman.
1972—Brigadier General Lawrence B. Rohde.
1973—Major General Milton A. Pilcher.
1974—Colonel Kalman A. Oravetz.
1975—Anthony J. Auletta.
1976—Colonel Karl S. Landstrom.
1977—General Fred C. Weyand.

THE NEW SERIES OF SENATE BUDGET SCOREKEEPING REPORTS FOR FISCAL YEAR 1978

Mr. MUSKIE. Mr. President, the first Senate budget scorekeeping report for fiscal year 1978 was issued on June 6, and a copy is on each Senator's desk. The report will be issued weekly when the Senate is in session.

The new series of reports for fiscal year 1978 retains the same format used in the fiscal 1977 reports. I believe the major change in format made last year—in which tables for each Senate committee and appropriations subcommittee were made the central part of the report—has worked well to inform each committee and each Senator of the relationship between the budget resolution targets and the individual tax and spending bills that are considered by the Senate.

Between now and the end of fiscal year 1977 on September 30 of this year, the new series of reports will contain a summary section on the status of the fiscal 1977 budget. Since most spending actions for fiscal 1977 are now complete, I believe the summary information will be sufficient for scorekeeping purposes.

The Budget Committee has speeded up the schedule for introducing this new series of reports, as compared to last year, so that the Senate will have the information it needs on budget status as it begins to consider the major fiscal 1978 appropriation bills later this month. I believe this information is essential, Mr.

President, for us to compare these and other spendings bills to the first budget resolution targets the Congress has set for itself in Senate Concurrent Resolution 19. The job of holding to the targets will not be easy. As this first report shows, the version of the Food and Agriculture Act recently passed by the Senate, if it prevails in conference would cause the budget targets to be exceeded and the deficit to be increased. We will, of course, have a much better idea of where the budget stands once the major appropriation bills are reported.

The staff of the Budget Committee will be happy to assist anyone who has questions regarding the report and to receive suggestions for further improvement in its contents.

CONCERNS OF THE ARIZONA NATIONAL GUARD

Mr. GOLDWATER. Mr. President, needless to say, the National Guard is a very integral part of our Nation's defense. I feel that we all too often take such institutions entirely for granted, while the fact is our National Guardsmen have some very real concerns. Some of these were listed recently in a series of resolutions adopted by the National Guard Association of Arizona. I ask unanimous consent that these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION RELATING TO EDUCATIONAL ASSISTANCE

Whereas, Legislation has been introduced in Congress to provide educational assistance to non-prior service personnel who are members of the National Guard and of the Selected Reserve of the Ready Reserve; and

Whereas, Educational assistance can serve as an incentive for participation in the National Guard, and improve the educational level of the National Guard, our States, and our Nation; and

Whereas, The National Guard Association of the United States, the Air Force Association, the Association of the U.S. Army, the Marine Corps Officers Reserve Association, the Navy League, the Naval Reserve Association, and the Reserve Officers Association strongly support legislation relating to educational assistance as a measure to aid in recruiting and retention of personnel in the National Guard; now

Therefore, Be it Resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 30th day of April, 1977 at Tucson, Arizona, that this Association supports tuition assistance legislation and urges favorable consideration of this incentive by the Department of Defense and Congress; and

Be it Further Resolved, that the Board of Directors of this Association be and they hereby are authorized and directed to send a copy of this resolution to the members of the Congressional delegation from Arizona and the National Guard Association of the United States.

RESOLUTION RELATING TO BONUSES FOR RE-ENLISTMENTS

Whereas, Legislation has been introduced in Congress to provide enlistment bonuses for prior service personnel who are members of the National Guard and of the Selected Reserve of the Ready Reserve; and

Whereas, Re-enlistment bonuses can serve as an incentive for participation in the National Guard; and

Whereas, The National Guard Association of the United States, the Air Force Association, the Association of the U.S. Army, the Marine Corps Officers Reserve Association, the Navy League, the Naval Reserve Association, and the Reserve Officers Association strongly support legislation relating to bonuses for re-enlistments as a measure to aid in recruiting and retention of personnel in the National Guard; now

Therefore, be it resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 30th day of April, 1977 at Tucson, Arizona, that this Association supports bonus re-enlistment legislation and urges favorable consideration of this incentive by the Department of Defense and the Congress; and

Be it further resolved, that the Board of Directors of this Association be and they hereby are authorized and directed to send a copy of this Resolution to the members of the Congressional delegation from Arizona and the National Guard Association of the United States.

RESOLUTION RELATING TO PROVIDING SURVIVORS BENEFITS FOR DEPENDENTS OF PERSONS WHO PERFORM THE SERVICE REQUIRED UNDER CHAPTER 67, TITLE 10 U.S.C. AND DIE BEFORE BEING GRANTED RETIRED PAY

Whereas, Chapter 67, Title 10, United States Code, sets forth the retirement benefits available to members of the Retired Reserve; and

Whereas, Retirement benefits are usually computed in the total retirement program of the individual Retired Reservists; and

Whereas, The provisions of the U.S. Code require an individual Retired Reservist to attain age sixty (60) before receiving these benefits; and

Whereas, If a Retired Reservist dies prior to the attainment of his sixtieth birthday, no benefits will be paid to his dependents nor will they be eligible for such benefits at the time the deceased Reservist would have attained sixty (60); and

Whereas, Legislation has been introduced in the Congress of the United States that would correct this inequity by providing to survivors an equitable share of benefits already earned by Retired Reservists who decease prior to attainment of their sixtieth birthday; now

Therefore, be it resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 30th day of April, 1977 at Tucson, Arizona, that this Association supports survivors benefits legislation and requests the Department of Defense and the Congress to support this worthwhile incentive; and

Be it further resolved, that the Board of Directors of this Association be and they hereby are authorized and directed to send a copy of this Resolution to the members of the Congressional delegation from Arizona and the National Guard Association of the United States.

RESOLUTION RELATING TO FEDERAL TORT CLAIMS ACT AND DRIVERS ACT COVERAGE OF NATIONAL GUARDSMEN

Whereas, Members of the United States Army, the United States Air Force, the United States Navy, and the Reserve components thereof are fully protected from liability for torts committed by them in line of duty, either in the active service of the United States, or in various duty postures during reserve training; and

Whereas, Such individuals are defined as Federal employees within the meaning of the Federal Tort Claims Act and other similar applicable statutes, and the costs of their defenses are underwritten by the United States and any financial responsibility flowing from litigation against them is borne by the United States; and

Whereas, Members of the Army National Guard of the United States and the Air National Guard of the United States are not presently Federal employees as defined in the Federal Tort Claims Act and related statutes while performing Federally-funded training or missions and thus have no protection except for such limited remedies as may be afforded by some statutes in some States; and

Whereas, Such disparity of protection is grossly unfair not only to the members of the Army and Air National Guard, but also to potential claimants from among the citizenry of this country; and

Whereas, Such inequitable treatment of the Army National Guard and the Air National Guard is a gross violation of the One Army and One Air Force concepts which are the avowed policy of the United States; and

Whereas, The ever-increasing litigiousness which prevails in this Country, and the concomitant increasing awareness of Guardsmen and potential Guardsmen of their possible exposure to such claims, is having an adverse effect upon recruiting and retention, as well as the performance of specific missions and training in which such exposure can arise; and

Whereas, The assumption of the burden of protecting members of the National Guard and citizens of the United States in matters arising as a result of the performance of Federally-oriented missions and training (excluding State active duty) is not within the fiscal capabilities or the moral responsibility of the various States of the Union; now

Therefore, be it resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 30th day of April, 1977 at Tucson, Arizona, that this Association supports the Amendment of the laws of the United States of America to afford to the Army National Guard of the United States and the Air National Guard of the United States that same protection from liability for torts committed in the line of duty during the performance of Federal missions and training which is presently afforded to the regular Services and their Reserves, while at the same time affording to the citizens of the Country who suffer damage as a result of the performance of Federal missions and training by the National Guard of the United States the same compensation to which they are entitled when such damage is caused as a result of activities of the regular Services; and

Be it Further Resolved, That the Board of Directors of this Association be and they hereby are authorized and directed to send a copy of this Resolution to the members of the Congressional Delegation from Arizona and the National Guard Association of the United States.

RESOLUTION RELATING TO UNIONIZATION OF THE ARMED FORCES

Whereas, Labor organizations exist for the purpose of dealing with employers concerning grievances, labor disputes, wages, hours of employment and other conditions of work; and

Whereas, Effective command control, and discipline of the armed forces, including the Army National Guard of the United States, the Air National Guard of the United States, and the other reserve components in central and indispensable to the accomplishment of their military missions; and

Whereas, The command structure, the system of military justice, and many of the duties and responsibilities of members of the armed forces are unique, and cannot be equated with the conditions of employment of civilian employees of government or industry; and

Whereas, A number of labor organizations have signified an interest in enrolling members of the armed forces for the purpose of representing them in matters related to their military status and membership; and

Whereas, Legislation has been introduced in the Congress, to make it a criminal offense for any individual or entity to enroll a member of the armed forces, including the reserve components, in a labor organization, or for such a member to join such an organization unless the activity, purpose, or function of the organization is unrelated to membership in an armed force; and

Whereas, The enactment of such legislation would not impair the right of a National Guard technician employed under section 709 of Title 32, United States Code, to remain in, or to become a member of a labor organization whose activities are unrelated to membership in the armed forces, or the right to encourage or solicit others to become members of such organizations; now

Therefore, be it resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 30th day of April, 1977 at Tucson, Arizona, that this Association strongly supports the enactment into law of legislation prohibiting Unionization of the Armed Forces; and

Be it further resolved, That the Board of Directors of this Association be and they hereby are authorized and directed to send a copy of this Resolution to the members of the Congressional Delegation from Arizona and the National Guard Association of the United States.

CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS

Mr. BAYH. Mr. President, on Monday, June 6, there appeared in the Washington Post an editorial endorsing legislation in the House that would give the U.S. Justice Department statutory authority to initiate lawsuits to redress deprivations of constitutional rights of persons confined in State institutions. S. 1393, my counterpart to that House bill, will be the subject of 4 days of hearings later this month before the Senate Subcommittee on the Constitution.

As the Post editorial accurately noted, an increasingly large body of evidence suggests that significant numbers of institutionalized individuals across the Nation are being subjected to systematic deprivations of fundamental rights secured by the Federal Constitution. The inability of institutionalized persons to recognize and to seek relief from many of the worst abuses, makes the assistance of the Federal Government imperative. This is the conclusion of the Attorney General, the American Bar Association, and numerous other organizations that have addressed the problems of institutionalized persons.

The Subcommittee on the Constitution hopes to illuminate some of these problems at the hearings to be held on S. 1393 on June 17, 22, 23, and 30. Mr. President, I ask unanimous consent that the Post editorial, "Federal Help for State Inmates," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL HELP FOR STATE INMATES

The House Judiciary Committee has under study proposals to give the Department of Justice power to initiate legal actions to protect the rights of inmates in state institutions. The proposals are controversial and not free from constitutional doubt. The National Association of Attorneys General has denounced them as invasions of states' rights and promised to contest in court any that is enacted. But it seems to us that the need for legislation in this field is clear and that the legal basis for it is sufficiently strong for Congress to adopt one of these proposals.

The problem at which the legislation is aimed is the way inmates are treated in some state prisons, hospitals and mental facilities. The evidence compiled in a series of recent court cases has been staggering. In states as diverse as Alabama and New York, federal judges have ordered sweeping changes in the way institutions are run after finding substantial evidence that inmates were systematically abused and denied their constitutional rights. The mistreatment that was documented ranged from failing to protect convicts from physical assaults by other convicts to ignoring the medical needs of the mentally ill to simple malnutrition.

Most of these court cases were brought by individual inmates, and the Department of Justice was permitted or asked to intervene by the trial judge. But the experience gained in them convinced the Department that there are a number of other state-operated institutions in which maltreatment occurs but in which no inmate is able or dares to go into court. It filed two cases itself—one in Maryland over conditions at Rosewood state hospital and one in Montana—but both were dismissed on the ground that the executive branch of the federal government lacks authority to file such a case without a specific grant of power from Congress. The proposals now under consideration in the House Judiciary Committee would provide that authority. They have the support of the Carter administration and the American Bar Association.

The states, however, have been attacking the proposals as unconstitutional, unwarranted and unwise. The Association of Attorneys General argues that principles of federalism bar the federal government from interfering so deeply in matters entrusted to the states. And they contend that solutions to problems can be worked out better through cooperation than through law suits that put the problems in the bands of federal judges who are poorly equipped to tell state governments how to run particular institutions.

The trouble with these arguments is that too many states have shown a disinclination to clean up the messes in their own institutions until the federal courts have ordered them to do so. It would be much better to keep matters like this out of the courts, but the issue is not unlike that of reapportionment. History demonstrated that unless the courts began to require it, some states would never fulfill their constitutional obligations. We have seen precious little to suggest that the states will begin to treat all inmates the way the federal constitution requires unless they are pushed into it. And the best way for that pressure to be brought, it seems to us, is in a coordinated program run by the Department of Justice rather than in a long series of individual law suits filed by inmates who have been abused.

LOCKING THEM IN

Mr. McCLURE. Mr. President, the Louisville Courier Journal earlier this week carried an interesting article discussing S. 790 and the issue of waterway user charges. This article, entitled "Locking Them In: Barge Lines Believe Fees Inevitable for Users of Waterways," states fairly the issues the Senate will soon confront. To give my colleagues a further understanding of these points, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOCKING THEM IN: BARGE LINES BELIEVE FEES INEVITABLE FOR USERS OF WATERWAYS

(By Ward Sinclair)

WASHINGTON.—As regular as clockwork, the Sam Dreyer and the Lyne Goedecke, two towboats, go chugging up and down the Kentucky River, pushing barges of sand that is vital to Kentucky.

In the course of their 80-mile runs between Milton, on the Ohio River, where they pick up sand, and Frankfort, on the Kentucky, where they unload it, they tow more than 500,000 tons a year.

The top-quality sand hauled inland to Frankfort by Dreyer and Goedecke Inc., owner of the tiny fleet, in turn accounts for 80 per cent of all the sand used in construction in central and southeastern Kentucky.

"Our business is based on service, and without those barges we just wouldn't survive," said Sam Dreyer, vice president of the firm, who has been selling sand with his partner, Lyne Goedecke, since 1931.

Dreyer and Goedecke are able to survive in part because they—like hundreds of other haulers of bulk commodities—receive a huge amount of help from the federal government.

The government clears river channels, mans and maintains locks and dams and lights navigation lights—all at no expense to the shippers.

No fees of any sort are charged. That's because since 1824 it has been a federal policy to build and maintain inland waterways all over the United States.

The inland waterways system has cost the federal Treasury an estimated $8 billion—half for construction, half for operation and maintenance.

And while some waterways, such as the Ohio and the Mississippi River, are Main Streets of activity, there are waterways such as the Kentucky River.

The federal government maintains 14 locks on the Kentucky and the only commercial user of the waterway is Dreyer and Goedecke.

"We don't like to take a belligerent attitude. Everybody wants to pay his fair share," Dreyer said recently. "But the government has helped other forms of transportation, and we feel that by helping water transportation, it keeps the other boys (railroads, trucks and airlines) in line."

Paying one's fair share to use the waterways is an idea whose time apparently has come. In Congress and inside the powerful barge industry, which is controlled by some of the country's corporate giants, the opinion is that a waterways user fee is inevitable.

The question is when and in what form. With President Carter and the Department of Transportation in support, Congress is closer this year than ever before to adopting a user fee of some kind.

The Senate Environment and Public Works Committee has approved a bill that directs the transportation department to come up with a user fee that would be imposed gradually.

The bill, proposed by Sen. Pete Domenici, R-N.M., calls for phasing in a charge over a 10-year period. Such a fee would eventually recover 100 per cent of annual operation and maintenance costs and 50 per cent of new construction costs.

And for the Sam Dreyers of the world, his proposal compels the transportation department to adopt no approach that would cause serious economic disruption to the commercial users of the waterways.

But the Committee on Commerce, Science and Transportation, which also has jurisdiction, disagrees with that approach. Instead, it has recommended that the transportation department study whether and what kind of system should be imposed so that Congress could then decide what to do.

A Senate vote is expected within weeks, going either with the Domenici approach, which could have a tax in place by Oct. 1, 1979, or with the more leisurely Commerce Committee approach.

House action is less certain. Hearings have not been held, and a champion of user fees has not emerged in that body.

Domenici, however, has worked the opponents of user fees and a host of Midwestern senators into a neat but intricate political box.

His user fee proposal includes building a new Locks and Dam 26 on the Mississippi River at Alton, Ill. The estimated cost of the facility is $421 million, but the project is expected to surpass $1 billion before it's done.

The towing industry and legislators from the Midwest have pushed feverishly for years to get the Alton project authorized as a means of eliminating what they say is a dreadful traffic bottleneck on the Mississippi.

As it works out, the industry is formed both to support part of Domenici's bill and oppose part of it. The price of a new Locks and Dam 26 is accepting user fees.

Adding to the pressure is Mr. Carter's recent statement that he would veto any legislation that authorizes a new Locks and Dam 26 but omits user fees.

The towing industry has recognized the threat of user fees as real. The chief trade association, the American Waterways Operators, has hired two of Washington's most politically potent law firms and a major public-relations outfit to plead it case.

The law firm of former Florida Sen. George Smathers and another firm, headed by former Republican White House aides William Timmons and Tom Korologos, are pushing for approval of the Locks and Dam 26 project.

And the Burson-Marsteller public-relations company, with former Nixon White House assistant Steve Bull calling the shots is trying to ward off user fees.

One of the firm's efforts—although Bull denied it is connected to the rise of the Domenici bill—will be a tour for newsmen next week in the valleys of the Ohio and Monongahela rivers. It is to show "the importance of the river transportation system to the industrial health of the nation," Bull said.

On the other side, railroads and environmentalists have lined up in an add-couple sort of coalition to push for user fees on the waterways and halt construction of new facilities at Alton. They propose a less expensive rehabilitation there.

Whatever the impact of a user fee, it will be felt in Kentucky, which has more miles of navigable streams than any other state except Alaska. Coal, agricultural commodities machinery, oil and chemicals move in huge quantities on Kentucky's waterways.

Ashland Oil Inc., the nation's 45th largest corporation, claims to own the country's largest liquid cargo river fleet. Texas Gas Transmission Co., based in Owensboro, with revenues of $900 million, owns American Commercial Barge Line, a major coal hauler with 52 towboats and 1,258 barges.

That situation has helped put Kentucky public officials on the side of continuing the status quo. Sens. Walter (Dee) Huddleston and Wendell Ford have said they view user fees as probably inevitable, but they want more study before anything is done.

Gov. Julian Carroll has come out in support of building a new Locks and Dam 26, while Commerce Secretary Terry McBrayer has urged the defeat of Domenici's bill.

The potential economic disruption they foresee is the basic argument given by the Kentuckians for opposing the charges.

The barge industry and the big users of barges—grain, petroleum, and chemical companies—have argued bitterly that imposing user fees would price low-cost water transportation out of competition with other modes.

Domenici counters every industry argument with one of his own. He refers to many of the arguments as "flights of fictitious fancy" that far overstate the economic impact of user fees.

When Martin Marietta officials argued that higher consumer costs would result if the 500,000 tons of sand and gravel they dredge from the Ohio River near Louisville were subject to a carrier fee, Domenici jumped.

"That may be true," he said. But he added that the cost resulting from a user fee as he envisions it would add no more than 2 cents per ton over a 10-year period.

NATIONAL ACADEMY OF SCIENCES' REPORT ON THE VA HEALTH CARE SYSTEM, ENTITLED "HEALTH CARE FOR AMERICAN VETERANS"

Mr. CRANSTON. Mr. President, the National Academy of Sciences will make public Sunday a report produced under a contract with the Veterans' Administration, which calls for major changes in the VA hospital and medical system. It is a thoughtful and serious report, and it should receive thoughtful and serious consideration by the Congress and the administration.

It is the most important report with regard to the VA medical system that has been issued since I came to the Senate in 1969.

Much that is said in the report has been said in other independent, but less comprehensive reports. What is new about the NAS study is the comprehensiveness of its scope and the detailed documentation of its findings that problems exist in the program.

On the other hand, the conclusions and recommendations reached in the report on the basis of its findings are not necessarily the only ones that follow, or need follow, from those findings.

I think in fairness it must be pointed out that, while the NAS' own press release regarding the report stresses the negative findings, there is much in the report that is positive in regard to the health care provided by the VA Department of Medicine and Surgery. Specifically, the report finds that the VA medical facilities are generally providing adequate care, that veterans are generally satisfied with the care they receive there, and that most veterans receiving care at the VA have no other source of comparable care.

So, the report in a very fundamental way finds that the VA medical system is performing competently a function very much needed by society.

As I indicated, Mr. President, most of the report's major findings have been reached in other reports and by other bodies previously. Congress itself has been extremely concerned about the VA's capacity to meet the needs of an increasing number of elderly patients requiring nursing home and other extended care. The Congress has required a blueprint from the VA to meet these needs by this fall, and has continually expanded the authority for and funding of VA extended-care facilities.

Numerous reports, including from the General Accounting Office, the Congressional Budget Office, the Office of Management and Budget, and congressional committees, have raised serious questions about the appropriate mix of VA beds as between acute and extended care.

The same can be said with respect to the contention that many VA special medical services, such as open-heart surgery and kidney dialysis and transplant programs, are seriously underutilized.

This report, by marshaling over a 3-year period evidence not before presented systematically or comprehensively, presents a great challenge to the Congress and to the administration. I urge that all with responsibility for the VA medical program, in and out of the Government, respond constructively to the challenge in this study.

Many veterans will be unalterably opposed to any phaseout of the VA medical system. I remain fully committed to the maintenance of a separate VA medical system that can guarantee quality care for disabled veterans.

But I believe that the report demonstrates that there are serious concerns which must be addressed in making decisions regarding future directions for the VA medical program. And I stress again that there are a number of ways to address these concerns, and certainly the best ways may well not be those recommended by the report. I believe that the great danger about the report and the press release is that it will not be objectively evaluated and will be used to support already preconceived notions.

On the other hand, Mr. President, if leaders in and out of Government in the area of veterans' affairs work together to evaluate fully and carefully the findings and recommendations in the report and to find new and creative solutions to many of the well-founded concerns and findings which I believe the report contains, the VA system will be strengthened, its integrity enhanced, and its responsiveness to meeting the needs of disabled veterans improved.

That is my goal, Mr. President.

But I firmly believe, and have believed for many years, that that goal can be achieved only by a VA health care system which is creative and adaptable to changing needs and changing times. Laws change, attitudes change, and social and economic facts of life change. No institution in our society can remain viable unless it is responsible to these factors.

The VA health care system cannot remain static in the fact of the dynamic changes confronting overall health care in the Nation at this time. I have stated privately and publicly for many years that the future direction of the VA system and the great worth and future value of the system will lie in its reaching out to become as relevant as possible to surrounding communities, and its reaching out to meet the new challenges for efficiency, planning, and coordination which today's social and economic problems call for.

Enactment and implementation of national health insurance will of course affect the VA medical system, but its independent and separate status must be maintained. The precise changes, accommodations, and reassessments will depend upon the shape of the specific national health insurance law enacted.

It is just misleading and not fair to the millions of American veterans who

depend on the VA health care system to suggest otherwise.

It is not change and reevaluation but rather stagnation and obsolescence that pose the major threat to the future effectiveness and continuity of the VA medical system.

So, for me, Mr. President, this report provides reassurance of the value of the care which the VA is presently providing and a challenge to find new and creative ways to continue meeting the needs which America's sick and disabled veterans have for health care from the Veterans' Administration.

I look forward to working with others on the Veterans' Affairs Committees and other interested committees in the Congress and with the very able Administrator of Veterans' Affairs, Max Cleland, and the VA's fine Chief Medical Director, Jack Chase, and with the very dedicated veterans' organizations as well as individual veterans, to find these pathways to future strength and integrity for the VA medical system. I will continue to study carefully the NAS report and await the report mandated by law from the Administrator of Veterans' Affairs, to be submitted 90 days after the NAS report, containing his detailed views on the National Academy of Sciences findings and recommendations. I note that the Administrator's report must specify the steps and timetable for those steps, to be carried out in not less than 3 years, which the Administrator proposes to take to implement the NAS findings and recommendations, and any disagrements and the reasons for those disagreements, which the Administrator has with respect to the NAS findings and recommendations.

I plan to schedule comprehensive hearings on the NAS and the Administrator's reports this fall.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE CONDUCTS LEGISLATIVE HEARING BY CTS SATELLITE

Mr. STEVENSON. Mr. President, on Wednesday the Subcommittee on Science, Technology and Space conducted a legislative hearing by means of the communications technology satellite—CTS, the public service communications research satellite owned and operated jointly by the United States and Canada. The witnesses who testified on S. 421, a bill to establish a national climate program introduced by Senator PEARSON of Kansas, were located in the Federal courthouse in Springfield, Ill. They communicated with the subcommittee members in the Dirksen Office Building through a two-way video and audio circuit.

This experiment in public service communications was sponsored by the George Washington University's program of policy studies in science and technology. It was one of a continuing series of experiments designed to investigate applications of public service communications technology to the activities of Government.

With the completion of the Hart Office Building, the Senate will have new hearing rooms designed specifically to accommodate electronic coverage. The Corporation for Public Broadcasting is currently investigating the feasibility of acquiring access to commercial communications satellite facilities for public service uses. The National Research Council has recently proposed that the U.S. Government launch and maintain a public service communications satellite on a permanent basis.

In other words, we are approaching the time when Congress and other public groups will have routine access to communications facilities that will permit a much closer relationship between citizens and their legislative representatives in Congress. It will be realistic, for example, for Congress to conduct hearings in all parts of the world without leaving the Capital or requiring witnesses to travel to the Capital. It will be possible to conduct additional activities, such as town meetings and press conferences, at remote locations. Broadcasting these events through public television facilities will further expand the opportunities for individual citizens to witness and participate in the operations of Congress.

In 1973 and 1974, the Joint Committee on Congressional Operations, then chaired by Senator METCALF of Montana, conducted an intensive investigation of ways to open congressional business to electronic coverage. The Commission on the Operation of the Senate produced comparable recommendations in its work which concluded this year. The House of Representatives is presently conducting a 90-day experiment of closed circuit TV coverage of floor debate. Senator METCALF and 38 cosponsors have introduced Senate Resolution 153 that provides for an experimental period of broadcast coverage of Senate floor debates. I am hopeful this resolution can be adopted this year.

I can report that the CTS experiment last Wednesday was successful. The subcommittee received testimony on climate and weather from three panels of witnesses. We were able to question the witnesses without difficulty. A useful hearing record was compiled on this important subject. Although the temporary nature of the installation produced several minor problems with the audio circuit, these would not exist with permanent facilities.

Mr. President, Congress has needlessly lagged behind in adopting its procedures and facilities to the existing communications technology. As our experiment on Wednesday demonstrated, there will soon be additional opportunities for increasing public involvement in the work of Congress through the application of public service communications. We should be ready to use this technology in an open and responsible manner.

I commend the National Aeronautics and Space Administration and the George Washington University for their assistance in conducting this useful experiment.

Mr. President, I ask unanimous consent to have printed in the RECORD several newspaper reports of the satellite experiment conducted last Wednesday by the Subcommittee on Science, Technology and Space.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

HANDSHAKE ONLY THING MISSING DURING HEARING VIA SATELLITE

SPRINGFIELD.—"The only thing that was missing was the handshake," said Professor Verner E. Suomi of the University of Wisconsin, following the satellite conference Wednesday which linked Springfield with Washington, D.C.

It was the first Congressional subcommittee hearing to be held via satellite.

Through the use of two-way video and audio circuits, members of the Senate subcommittee on Science, Technology and Space could communicate from Washington with witnesses at the Federal Building in Springfield.

Each group could view the other on a television screen as each was being viedotaped. There was virtually no delay in communications as the signal traveled from Springfield to the satellite to Washington, back to the satellite and back to Springfield.

The satellite experiment was conducted by George Washington University of Washington, D.C., one of several institutions participating in the testing of various public service uses of the Communications Technology Satellite (CTS).

The satellite used is jointly owned by the United States and Canada.

The NASA Lewis Research Center in Cleveland, Ohio, provided the Portable Earth Terminal (PET)—a van set up outside the Federal Building used to transmit and receive the satellite signals.

The 35-foot van is complete with an 8-foot antenna mounted on the roof.

That antenna must be focused within one-tenth of a degree on the satellite for effective communication, according to Joseph Fiala, developing engineer for Lewis Research Center.

"But actually that focus causes no problem since the van is equipped to automatically track the satellite," Faila said.

In spite of all the complex equipment, Wednesday's transmission went smoothly. The only problem developed when one panelist failed to turn on his microphone. That was corrected quickly.

BETTER THAN DEBATE

"This is going better than ABC's telecast of the presidential candidate debates when they lost 28 minutes of production," said U.S. Sen. Adlai Stevenson, D-Ill., chairman of the subcommittee.

The use of the satellite was intended to save the time of the committee members, staff and witnesses and the expense of the transporting committees and witnesses. But Suomi didn't agree with a savings in his instance.

"I think it may have required more time to get to Springfield from Madison, Wis., than it would have taken to get to Washington, D.C.," Suomi said. "However, I've been to Washington many times but never to Springfield, and since I'm interested in Lincoln it is a real treat to be here."

Stevenson also enjoyed the contact with his home state.

"I've enjoyed this chance to be back in Illinois," he said.

Eventually it is hoped that satellites can be used by congressmen to contact their constituents. Falla also believes the president one day may use it to meet the demands of his time.

Meanwhile, the PET van will continue to travel across the country to conduct experiments in satellite communications.

SATELLITE-CARRIED HEARINGS LINK SPRINGFIELD, WASHINGTON

(By Lester Bell)

WASHINGTON.—Sen. Adlai E. Stevenson's subcommittee on science, technology and

space Wednesday pioneered an experiment in good government and satellite communication which could become the commonplace of tomorrow.

It may take time to sort out the implications of the two-way test of television signals relayed by satellite between the senators sitting in a Dirksen Senate office building hearing room and witnesses testifying in a Springfield federal courtroom, but the potential seems obvious.

Even the subject was engrossing and revolutionary, a proposed Senate bill, S. 421, to establish a national climate program to better understand weather and perhaps forecast it over a long range.

The three panels of witnesses clearly qualified as experts. They soon adjusted to the camera and addressed it as directly as if they were sitting at the witness table in Washington speaking to the senators. The effect on the hearing room receivers was as if the whole proceeding was taking place right here.

This new way to hold a hearing, in short, seems so natural it's a wonder it hasn't been used long before. Presumably, the satellite (jointly owned by the United States and Canada) has been hanging off the West coast of South America watching this whole hemisphere for some time now.

It took the combined efforts of Stevenson's subcommittee and George Washington University working under a National Aeronautics and Space Administration grant to conduct the first legislative hearing in which questions and answers were relayed by satellite.

NASA officials, understandably concerned about such a crucial test before the Senate subcommittee with legislative jurisdiction over their agency, anxiously watched the performance.

It was on-the-job training for NASA technicians, Samuel H. Hubbard, NASA's assistant communications director, conceded in a hallway interview Wednesday. His men were not studio cameramen proficient in live-action shooting.

He noted that the audio-visual signals from Springfield improved with the proceedings.

At times the voices from Springfield seemed somewhat muffled, but on the whole, the testimony was audible.

Hubbard said the undraped walls of the Springfield courthouse probably reflected sound and caused some muffling of voices. That probably occurred as well on Springfield receivers because the Senate hearing room walls are panelled and voices would tend to echo.

Dr. Robert S. Cooper, director of Goddard Space Flight Center, who described the Washington demonstration for the Springfield audience, said in an interview satellite relay has potential congressional application.

He said it means Congress is no longer limited to Washington, but it can now communicate with people it wouldn't ordinarily reach in public hearings on the great issues of the times. He and Hubbard agreed Congress can't conduct all hearings by satellite and will have to pick its spots with care.

Conceivably the audience could be widened if national television networks could tie into the satellite relay for live telecasts or later replay on evening news shows.

Should satellite-relay become as commonplace as its potential suggests, some lawmakers may have to sharpen up in hearings. Television has a clinical eye.

NEW DIMENSION: WITNESSES IN SPRINGFIELD—SATELLITE LINKS SENATE-ILLINOIS HEARING

(By Joanne Omang)

The Senate extended its vocal range yet another dimension yesterday by holding a committee hearing in which the senators were in Washington and the witnesses were in Illinois.

A special space satellite connection, different from and potentially much more versatile than network television hookups, provided two-way color picture and sound communication between members of the Science, Technology and Space Subcommittee of the Senate Commerce Committee and eight witnesses in the courthouse at Springfield, Ill.

The witnesses gave their views on pending legislation to boost long-range weather and climatic change predictions, and the senators watched them on three 25-inch television sets.

The hearing room audience normally has a good view of the senators but sees only the backs of witnesses' heads. This time, it was almost reversed, with the monitors and three cameramen partly hiding the senators while two additional TV sets showed the Illinois witnesses to the audience.

Although the sound occasionally recalled a mushy airport loudspeaker and failed briefly altogether at one point, Sen. Barry Goldwater (R-Ariz.) said the picture quality was much better than in a televised international forum he participated in some years back. "That one nearly drove me crazy sitting there watching myself speaking and moving my lips a hundredth of a second behind," he said.

Dr. Robert S. Cooper, director of the Goddard Space Flight Center in Greenbelt, explained in an opening statement the makeshift setup did not need the enormous broadcast and receiving towers that television stations now require for long range transmission.

Instead, the Illinois end consisted of a mobile van the size of an interstate bus parked next to the Springfield courthouse, he said. The Washington end was a similar van up on blocks out at the Goddard Center, which could have been brought onto Capitol Hill if the event had warranted it, Cooper said.

Yesterday, however, the proceedings were transmitted to Goddard by leased telephone cable, which was what had caused the brief sound failure, he said.

Transmissions from both ends were made at "moderate" power levels to the National Aeronautics and Space Administration's new Communications Technology Satellite, which rebroadcast them at "very high" power back down to earth, Cooper said. The satellite was launched 18 months ago and is "parked" in a stationary orbit 22,300 miles above a point off the west coast of Ecuador, he said.

The 200-watt power of the satellite is 10 to 20 times more than is normally available from satellite retransmission, Cooper said later, and is the key to the procedure. The power is provided by a solar energy panel 50 feet long that extends out from the body of the satellite like a ladder.

The system, which is a joint project of NASA and the Canadian government, has been used on a shared-time basis for a series of experiments linking doctors in remote areas including Alaska with specialists in continental U.S. cities for consultation on difficult cases.

It provided educational broadcasts to 2,400 scattered villages in India, "people literally in mud huts and out in open fields," Cooper told the hearing. The Indian government is "highly interested" in obtaining its own satellite to continue the program, he added.

"I expect this kind of communication will become ubiquitous in our country as the technology and the social impact of it become better known," Cooper said. He told reporters that George Washington University Prof. Frederick Wood of the Department of Sociology had been contracted by NASA to study the social effects of a year of experimental use and to monitor the costs.

Commercial or private broadcasters would have to buy their own satellites and terminal equipment at a cost as yet undetermined, Cooper said.

However, he said that three committee rooms in the planned expansion of the west front of the Capitol were being considered for permanently installed television equipment. "All that would then be required elsewhere would be roving mobile units out around the country and a small dish antenna on top of the building here," Cooper added. "Congress would then better be able to serve its purpose of getting closer to the people."

The witnesses in Illinois appeared unruffled by the unorthodox procedure and generally agreed that the legislation under review would aid them greatly in promoting advance knowledge of weather conditions.

TREES: NATURE'S SOLAR COLLECTORS

Mr. MUSKIE. Mr. President, the finite nature of many of the resources which our society consumes to support our life style has made us turn increasingly to renewable and recyclable sources of energy and critical material.

A recent article by Lester A. DeCoster, New England manager of the American Forest Institute calls attention to the role of wood and wood products as we come to grips with the finite nature of our resources.

The potential role of wood as one of our most valuable and adaptable resources is concisely presented in this interesting article. I recommend it to my colleagues and request unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Bangor, Maine, May 4, 1977]

MAINE COVERED WITH TALL-GREEN

(By Lester A. DeCoster)

If you live in Maine you probably drive by thousands of solar energy collectors every day; they're those tall, skinny things that turn green around the edges every spring; they're called trees and they cover 90 percent of the land surface of Maine.

Trees collect the sun's energy and lock it up in wood. Ignite a piece of wood and some of the energy comes radiating back. But you don't have to burn wood to greatly affect the energy picture. The National Academy of Sciences recently studied U.S. raw materials supply in relation to energy use and concluded that wood is the most efficient raw material available today.

Direct comparison of energy requirements for wood and non-wood components performing the same function is very striking. According to the National Academy of Sciences, steel floor joists require approximately 50 times more energy than their wood counterparts. Aluminum framing for exterior walls requires nearly 20 and steel about 13 times as much energy as wood. Steel rafters require 7 times the energy needed for wood rafters. Aluminum siding uses 4 times the energy of wood siding, and brick calls for 25 times the energy needed for equivalent wood siding.

David M. Smith, Yale University, Professor of Silviculture, recently released a report showing that Forest Management activities return 157 units of energy for each unit invested in management activities. This figure includes fuel for chain saws, tractors, etc., with an allowance for the energy involved in building the machinery. The comparable ratio for production of corn silage, one of the most energy efficient products of agriculture, is only about 15. In other words, modern forest management is about 10 times

as energy efficient as one of the most efficient kinds of agriculture.

Foresters already have the knowledge to grow at least two times the wood we are presently growing on most acres. Forest industry has strong programs to improve the efficiency of this natural process of growing trees. But State and Federal lands have been plagued by lack of funding and direction and land owned by private individuals, with the exception of outstanding examples, is relatively unmanaged. Forty-seven per cent of the forest land in Maine is owned by over 100,000 private individuals.

In a recent speech, John Calhoun, President of Forest Fuels, Inc., in Keene, New Hampshire, said, "No one has to be a genius, only a frustrated forester to see the forestry opportunities and challenges made possible by the 400 percent increase of the cost of energy over the past three years."

The amount of wood used in the U.S. is already more than 2 times the amount of all our use of metal. That is sure to increase as we use up non-renewables and as energy becomes more costly. We may lack oil and coal, but when it comes to trees, the renewable resource, Maine is the Texas of the Northeast.

LEGAL OBJECTIONS TO THE GENOCIDE CONVENTION DO NOT STAND

Mr. PROXMIRE. Mr. President, every day the embarrassment shared by the Members of the Senate for not having ratified the Genocide Convention grows greater. Since President Truman submitted the convention for ratification in 1949—a quarter of a century ago—a forceful minority has blocked affirmative Senate action by repeating again and again legal interpretations of the convention that have simply not stood the test of time.

The American Civil Liberties Union has carefully reviewed allegations of threats to civil liberties posed by this treaty and concluded that these fears are unwarranted. The American Bar Association had originally raised a number of objections to the Genocide Convention, but has since unanimously endorsed the treaty. The Defense Department has also joined the growing list of supporters of the convention.

Mr. President, Mr. Herbert J. Hansell, legal adviser for the Department of State, recently testified before the Senate Committee on Foreign Relations and forcefully refuted the legal objections that have been raised against the convention. For the sake of the millions who have lost their lives in a mass murder, and for the sake of the many whose lives are being threatened today by genocidal campaigns, I hope Mr. Hansell's testimony once and for all nails shut the coffin of frivolous arguments that have been voiced by opponents of this enormously important human rights treaty.

Mr. President, I ask unanimous consent to have the text of Mr. Hansell's testimony printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY HERBERT J. HANSELL

Mr. Chairman and Members of the Committee: I am very grateful for this opportunity to testify in support of the Convention on the Prevention and Punishment of the Crime of Genocide, or "Genocide Convention," as it is generally known. In coordination with the testimony by Deputy Secretary Christopher, I should like to focus on some questions that have been raised about the Convention, and various legal criticisms that have been directed against it.

Perhaps most fundamentally, it has been argued that genocide is not a proper subject for treaty making, and is essentially a subject within the domestic jurisdiction of states. But I believe it is generally accepted, Mr. Chairman, that genocide is a proper subject for the treaty power. As this committee pointed out in its most recent report on the Convention, some 83 nations are now a party to this Convention, and clearly these nations believe genocide is properly a subject of international concern. In addition, the United States is a party to other human rights treaties, including those on slavery and refugees. Most recently the Senate approved by 88–0 two treaties on the political rights of women. The day is past when it could be seriously contended that human rights are not appropriately the subject of international agreements. As President Carter said in his speech to the United Nations two months ago:

"All the signatories of the UN Charter have pledged themselves to observe and to respect basic human rights. Thus, no member of the United Nations can claim that mistreatment of its citizens is solely its own business."

It has also been charged that certain of the key terms of the Convention are vague. But the understandings which are attached by the Committee to the resolution of ratification that this committee has previously proposed, and also the draft implementing legislation, are both designed to define more precisely the meaning of such terms as "mental harm," and the phrase "intent to destroy, in whole or in part, a national, ethnical, racial, or religious group as such."

It has been said that the proscription in Article III of the Convention against direct and public incitement to commit genocide is a restriction on free speech. But direct and public incitement to crime is not protected by the constitutional guarantee of free speech. As this Committee heard in 1970 from William Rehnquist, now Associate Justice of the Supreme Court and at that time an Assistant Attorney General, the constitutional guarantee of free speech would not be and could not be adversely affected in any way by the terms of the Convention. In 1969, in the case of *Brandenburg* v. *Ohio*, 395 U.S. 444, the Supreme Court reaffirmed that even advocacy of force is protected unless it is diverted to inciting lawless action and is likely to produce it.

It has also been asked whether state law will be overridden by the terms of the Convention. However, nothing in the Convention overrides state law. The proposed implementing legislation, if enacted, would expressly clarify that Congress does not intend to occupy the field, and would confirm that state laws not inconsistent with the legislation are not invalidated.

Question has been raised as to whether the Convention will enlarge the powers of the Congress. Once again, neither the Convention nor the implementing legislation contain any provisions which could have such an effect. Certainly the Congress can legislate the crime of genocide even without the Convention. Under Article I, § 8, clause 10 of the Constitution, the Congress is empowered "to define and punish . . . offenses against the law of nations." Approval of the Convention will require the Congress to exercise powers it already possesses, but does not enlarge those powers.

It has been suggested that if the United States adheres to the Convention, we will be confronted with spurious charges of genocide arising out of racial and religious discrimination; it also has been asked whether war-time combat might result in charges of genocide made by our opponents. Mr. Chairman, loose charges of genocide are not valid under the terms of the Convention, which requires the intent to destroy an entire group. This is a critical and essential element. The requirement of intent to destroy a group as such distinguishes killing or wounding in combat from genocide.

There has also been some discussion about possible use of international tribunals to punish defendants. It has been said that the International Court of Justice, referred to in Article IX of the Convention, would become a forum for trial. But of course neither the International Court nor any other international tribune has criminal jurisdiction and no such trial is possible.

As for the international penal tribunal referred to in Article VI of the Convention, the United States has no obligation to become a party to the statute of any such tribunal should it ever be established. For the United States to accept the jurisdiction of an international penal tribunal, an exercise of the treaty power would be required, and the advice and consent of the Senate by a two-thirds vote would be necessary.

I want to address the question of extradition, in view of some complexities involved and in order to allay any misunderstandings. Article VII of the Convention provides that the parties pledge to grant extradition of persons charged with genocide "in accordance with their laws and treaties in force" and provides that there is no defense to extradition on the ground that genocide may be a "political" crime.

Concern has been expressed that American citizens could be extradited for trial in foreign countries where the legal system does not provide for the kinds of guarantees to criminal defendants available in the United States. There are several points to be made in response.

First, U.S. law provides for extradition only where there is an extradition treaty in force which covers the crime in question, but the Genocide Convention is not an extradition treaty. The Convention simply contemplates that the crime of genocide will be added to the list of crimes for which Americans will be extraditable under any new extradition treaties we might conclude, or in any existing extradition treaties we may revise. At the present time, genocide is not listed as an extraditable offense in any of our extradition treaties.

Second, the United States does not negotiate extradition treaties with nations which do not permit defendants a fair trial. The possibility of a fair trial, even though the standards cannot be expected to match ours in every detail, is always a factor taken into account in deciding whether to negotiate an extradition treaty.

In addition, since these treaties may remain in force for many years, during which time the judicial system of the foreign country may change, certain procedural safeguards are built into our extradition treaties.

Such treaties require that the state requesting extradition must produce evidence of the crime sufficient to persuade a U.S. Court and the executive branch that the person whose extradition is requested would also be held for trial in the United States had the alleged crime been committed in this country.

Further, our extradition treaties provide that extradition will not be granted if the person sought has already had a trial or is undergoing a trial in the United States for the same act.

Article VI of the Convention provides that persons charged with genocide are to be tried by a competent tribunal of the State in the territory in which the act was committed. But the negotiating history of the Convention makes it abundantly clear that trial may also occur in the country of which the defendant is a national. The third understanding attached by the Committee to the proposed resolution of ratification makes this point as well, and it is further spelled out in the implementing legislation.

Moreover, Section 3 of the draft imple-

menting legislation sets forth the sense of the Congress that the Secretary of State, in negotiating extradition treaties, is to reserve for the United States the right to refuse extradition of a U.S. national to a foreign country to stand trial on a charge of genocide if the United States intends to exercise jurisdiction in the case, or the defendant has been or is being prosecuted for the offense in the United States. In brief, the United States may always elect to try a U.S. national and thus refuse extradition, no matter where the alleged crime had been committed.

Mr. Chairman, there is one very positive legal aspect of this matter that I believe has not received the attention it deserves, and that is the place of the Genocide Convention in the development of an emergency concept of international crimes, a concept that serves the interests of the United States and the world community. As you know, we are a party to a number of criminal law treaties, including the laws of war conventions, the treaties on aircraft hijacking and sabotage, the convention on the protection of diplomats, and treaties on narcotics trade, oil pollution, and others. Piracy has long been prohibited by international criminal law. We have also introduced at the United Nations a treaty on terrorism. And of course, these criminal law treaties to which we are a party, like the Genocide Convention and piracy charges, rely on our own court system for their enforcement.

In brief, we are a party to and we are in the process of developing a body of international criminal law that is important to the United States and to a peaceful world order. The Genocide Convention is one of the missing pieces in U.S. adherence to such a pattern of international criminal standards, and it is my hope that this situation will be corrected. As this Committee stated in its 1976 report on the Genocide Convention, what is really at issue is an attempt of a civilized society to curb the excesses of mankind and to set a higher standard of international morality.

That ends my prepared remarks, Mr. Chairman, and I would be happy to respond to any questions you or the members of the Committee may have.

HISTORIC EXPERIMENT BRINGS WITNESSES TO SENATE HEARING VIA COMMUNICATIONS SATELLITE

Mr. METCALF. Mr. President, the Senate Subcommittee on Science, Technology and Space, sitting in Washington last Wednesday conducted a legislative hearing with witnesses hundreds of miles away. Made possible by satellite communications technology—and by the far-sighted leadership of Chairman STEVENSON—this experimental use of television marks an historic "first" of great significance for the future, not just for the Senate but for the entire Nation.

Its importance lies, of course, in the potential for taking Congress to the people, permitting a closer relationship between citizens in all walks of life and those of us who represent them here.

Through the application of this technology, it will be possible to hear directly from the average citizen—the working man and housewife who are ordinarily unable to afford a trip to the Capitol—on legislative questions of interest to them. So-called "field" hearings, now being held only occasionally, can become a common practice, easily arranged, allowing local residents to engage in a "face-to-face" dialogue with Senators through a two-way video and audio hookup.

Mr. President, for too many years the Federal Government has been seen to be remote, unresponsive, insulated and untrustworthy. All of us sense the feeling of distrust whenever we are able to return to our home States, visits which have become more and more infrequent over the years as congressional sessions have steadily lengthened and the workload has continued to expand.

In these circumstances, there are compelling reasons for us to be looking for new ways of relating the work of the Senate to the people, for bringing more citizens into our hearings as participants, for listening to voices other than those of the professional witnesses we tend to hear year after year in the development of legislation.

Ultimately, if we can realize the potential of this technology and gain routine access to such communications facilities, the Senate and individual Senators could schedule "town meetings" with groups of constituents on a reasonably frequent basis.

Mr. President, 3 years ago the Joint Committee on Congressional Operations conducted extensive hearings on Congress and this institution's use of mass communications. Our studies at that time clearly indicated the need for vastly improving the availability of information about Government—about issues as well as how our constitutional system functions. And they also pointed up the potential of communication satellites for broadcast transmission of congressional hearings—and floor debates—directly to those areas of the country most interested in or affected by a given legislative issue.

Wednesday's experiment by the Science Subcommittee was limited to a closed circuit link between the hearing room and witnesses in Springfield, Ill. But the same technology can be used to direct public service broadcasts to local stations, allowing live or delayed telecasting of hearings or debate in any State or region which may be primarily affected by a particular bill or committee investigation.

Mr. President, I believe this opens the prospect for a new era in representative democracy. All of us owe Chairman STEVENSON a debt of gratitude for his leadership. I hope all Senators will consider the implications of this important step and encourage further exploration of methods of improving the exchange of information between the Senate and the American people whom it serves.

For the convenience of those unable to be present while the video and audio circuit was in operation, I ask unanimous consent that a memorandum and a letter from Chairman STEVENSON describing the experiment be printed in the RECORD at the conclusion of my remarks. The memorandum was prepared by Dr. Fred B. Wood, director of the program of policy studies in science and technology at the George Washington University, under whose auspices the experiment was carried out.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, D.C., June 2, 1977.

DEAR COLLEAGUE: On Wednesday, June 8, 1977, the Subcommittee on Science, Technology and Space will participate in a unique experiment in public service communications technology by conducting a legislative hearing through the facilities of the CTS (Communications Technology Satellite). Under the auspices of The George Washington University's program of policy studies in science and technology, this experiment will permit public witnesses in Springfield, Illinois to testify before Subcommittee members located in Room 5110 of the Dirksen Senate Office Building. The witnesses and Senators will communicate through a two-way video and audio circuit. This letter is to invite you and your staff to observe this experiment.

With the completion of the Hart Senate Office Building, the Senate will have new hearing rooms designed specifically to accommodate electronic coverage. The Corporation for Public Broadcasting is currently investigating the possibility of acquiring access to communications satellite facilities for public service uses and the National Academy of Sciences has recently proposed that the U.S. Government launch and maintain a public service communications satellite. Both Senate and House have been considering ways to expand electronic coverage of their legislative activities (a 90-day test of closed-circuit TV coverage of House floor debate is presently underway). In short, we are rapidly approaching the time when Congress will have routine access to communications facilities that will permit a much closer relationship between citizens in all parts of the country and their legislative representatives in Congress.

The test on June 8 is designed to explore ways of using this new technology effectively. The George Washington University is one of the officially-designated experimenters in the United States testing various public service uses of the CTS Satellite, operated jointly by the United States and Canada.

The hearing on S. 421, legislation to establish a national climate program, will begin at 9:00 a.m. in 5110 Dirksen Senate Office Building.

Sincerely,

ADLAI E. STEVENSON,
Chairman, Subcommittee on Science, Technology and Space.

HARRISON H. SCHMITT,
Ranking Minority Member, Subcommittee on Science, Technology and Space.

THE GEORGE WASHINGTON UNIVERSITY VIDEOCONFERENCING FOR CONGRESS: THE RESEARCH PERSPECTIVE

The June 8, 1977, hearing of the Senate Subcommittee on Science, Technology and Space is a historical event in its own right—the first congressional committee hearing via satellite videoconference. Senator Adlai Stevenson, Harrison Schmitt, and their colleagues will hear, see, and interact with public witnesses in Springfield, Illinois, over 800 miles away.

But just as important, this hearing is a crucial part of a long-term research project on congressional communication being conducted by The George Washington University.

Communication with citizens is essential to the job of Congressmen and Senators in their role as: public officials working to carry out legislative and representative responsibilities, ombudsmen for constituents who need help, and overseers of federal programs and monitors of thier effect on citizens.

However, effective communication with the people is becoming more difficult due to: longer congressional sessions and heavier Washington workloads, increasing demands on personal time and energy, and greater complexity in issues and legislation. Per-

haps more citizens now have a desire to learn about and particpate in the legislative process but find it difficult to do so because of inadequate current communication channels.

At the same time, American society is well into the so-called "Communications Revolution," a period when many of the major new tools of society are communications technologies like the satellite.

The purpose of the GWU research is to evaluate and demonstrate the potential of emergent communication channels—such as videoconference via satellite—to help improve public understanding of Congress and facilitate dialogue between congressmen and the people they represent.

The experiment of which the June 8 hearing is a part is the third phase of the GWU research:

Phase 1. Concept Definition (1969–1970); based on political and technical analysis, literature survey, and discussion with congressional staff.

Phase 2. Exploratory Assessment (1973–1974); based on interviews with a cross-section of congressmen and senior staff from the 93rd Congress.

Phase 3. Experimental Research (1976–1977); based on real-time demonstrations of congressional videoconferencing.

The research is being conducted by Drs. Fred B. Wood, GWU Project Director, Vary T. Coates, Associate Director of the GWU Program of Policy Studies in Science and Technology, Richard F. Ericson, GWU Professor of Management, and Robert L. Chartrand, Information Sciences Specialist at the Congressional Research Service. The original concept evolved from the early works of Ericson and Chartrand along with Dr. Louis H. Mayo, Director of the Program of Policy Studies and GWU Vice President for Policy Studies.

The primary research objectives of the Phase 3 experiment are:

To design and implement real-time demonstration of congressional videoconferencing, using NASA's communications technology satellite (CTS) and related technologies, with the direct participation of members of Congress and their staffs and constituents.

To identify, analyze, and evaluate the results of the demonstration with regard to the advantages and disadvantages of congressional videoconferencing as perceived by the participants.

To identify, analyze, and evaluate the results of the demonstration with respect to the direct and indirect effects or impacts, intended or unintended, of congressional videoconferencing for the Congress and the general public as well as for the participants themselves.

To clarify public policy alternatives and options available to the Congress and other relevant policy makers in regard to the development and use of congressional videoconferencing and related emergent telecommunication channels.

In Phase 3, each demonstration is selected on the basis of research value, congressional interest, and technical feasibility. The first demonstration involved a congressional-constituent meeting on April 15 between Rep. Charles Rose here in Washington, D.C., and high school students and local public officials in Raeford, N.C. The second demonstration is the Subcommittee hearing chaired by Senator Stevenson.

Congressman Rose and Senator Stevenson have been among the congressional leaders who have recognized the potential of new telecommunications technology to help Congress do its job more effectively.

The technology is now here. And recent developments suggest that congressional videoconferencing, such as that to be demonstrated on June 8 by the Senate Subcommittee on Science, Technology, and Space, can be a reality very soon if Congress and the public want it to be.

Based on extensive hearings and investigation, the Joint Committee on Congressional Operations concluded that Congress should proceed with actions to make broadcasting of floor proceedings and committee hearings feasible.

Studies and demonstrations are underway in both the Senate and House with respect to closed-circuit TV facilities.

Serious consideration is being given to wiring the new Hart Senate Office Building and Madison Library Building, as well as selected rooms in existing office buildings, for a range of TV, closed-circuit, and computer-based activities.

The Senate Rules and Administration Committee, the Commission on Senate Operations, and the House Administration Committee and its Information and Computer Policy Group are looking carefully at the role that communications and information technologies can play in supporting congressional activities.

The Corporation for Public Broadcasting has purchased commercial satellite time for programming distribution which may also be available for nonbroadcast public service uses, such as congressional constituent meetings.

The National Research Council has recently recommended that NASA resume support of R&D on public sector uses of satellite communication systems and specifically that NASA develop and flight-test a new generation of public service satellites to pick up immediately where ATS–6 and CTS leave off.

Thus the pieces are beginning to fall into place. The series of demonstrations of congressional video conferencing will help identify advantages and disadvantages and thus serve as a basis for appropriate public policy decisions. In this way, the potential for serving the public interest and strengthening democratic governmental processes will hopefully be realized.

THREE TRAINING CENTERS TO BRING 20TH CENTURY TO U.S. ATHLETES

Mr. STONE. Mr. President, the President's Commission on Olympic Sports, on which I was privileged to serve along with Senator CULVER, Senator STEVENS, and former Senator Beall, conducted a comprehensive study of amateur athletics in the United States. The purpose of our endeavor was to advance American amateur sports and encourage a greater share of our people to lead active lives.

The Commission's study found that the organizations responsible for administering the various amateur sports in this country lack a common purpose and an effective system of coordination. There has been constant squabbling among these organizations which wastes time and talents and threatens the rights of athletes to take part in world class competition that is so vital to their development.

Having determined the need for coordination and direction in amateur sports, the Commission recommended the institution of a central sports organization designed to achieve such a unified system.

At its quadrennial meeting on April 29 and 30, 1977, the U.S. Olympic Committee set out to amend its constitution so as to change its organizational structure along the lines recommended in the President's Commission report. All the amateur sports organizations, including the NCAA which withdrew from the USOC in 1972, were represented. Some of the changes adopted by the USOC follow very closely the recommendations of the President's Commission on Olympic Sports; others do not. On the whole, however, the USOC has made significant progress toward achieving voluntarily the major goals set forth in the report and is deserving of much credit.

In the near future Senator CULVER, Senator STEVENS, and I intend to introduce legislation to amend Public Law 805, the U.S. Olympic Committee Charter, to codify the changes that are essential for a unified amateur sports system. We will also be introducing legislation to provide Government financial assistance for amateur sports. The President's Commission report concluded that "Congress must implement some of these—Government financing—recommendations if the United States is to continue to attain the twin goals of broad based participation and winning medals." It is my belief that if there is genuine agreement among the major amateur sports organizations in America to participate in good faith within vertically structured, independent, sports governing bodies, then Congress should provide money by way of the governing body to assist in the development of amateur athletes.

I ask unanimous consent that the third article in a series about the U.S. Olympic Committee which appeared on June 9 in the Washington Post be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STONE. Mr. President, this article discusses the USOC's plans to establish a major sports medicine program and several regional athletic training centers. The need for these types of programs was studied by the President's Commission on Olympic Sports. I commend your attention to the innovations taking place in amateur sports and the need for limited Federal assistance.

The article follows:

[EXHIBIT 1]

THREE TRAINING CENTERS TO BRING 20TH CENTURY TO U.S. ATHLETES

(By Paul Attner)

Athletes already have started to pour into what once was the international village for the 1960 Winter Olympic Games at Squaw Valley. By the end of the summer, more than 700 aspiring Olympians will have participated in this nation's first organized effort to keep up with those Joneses of amateur sports, the Soviets and East Germans.

The United States Olympic Committee (USOC) calls the Squaw Valley effort "a regional training center." Another permanent center is to open at Colorado Springs in midsummer, while a third, probably at Lake Placid, N.Y., is on the planning board.

The USOC will spend $5 million over the next four years to finance these development camps, which are designed for the sole purpose of helping the United States compete with the rest of the world in all Olympic sports, not just in those (such as basketball and track) where it always has been strong.

Another $2 million is being used to establish a major sports-medicine program at each training center. Through this program, the USOC hopes American athletes can start utilizing the same complex medical data that has benefited athletes in Communist-bloc countries.

"All of a sudden, we aren't sitting back," said Jerry Lace, USOC assistant director of operations who is in charge of setting up training centers. "This is a new position for this country, but it's one we have to take.

"We've never been into program or facility development in the past. Maybe we should have been, but that is hindsight. But what the USOC has done now is to recognize that a lot of small sports can't afford to develop facilities or athletes on their own. So we are helping them do it."

USOC officials say they aren't striving for the authoritarian sports development concept that is the basis of the East German athletic program. But they also admit that without more serious attention to organized athletic development and sports medicine, this country will fall behind in international competition.

"How much longer can we put up with the fact that we don't have one qualified hammer-throw coach in this country, or just one international speed-skating rink?" asked former Olympic rower Larry Hough. "That is why we need these centers. It's incredible that a country like this one can put up with such deficiencies."

Jerry Lace sat in his office at Olympic House in New York City—the headquarters of the USOC—and pointed to a schedule on his desk.

"We've got a soccer team in Squaw Valley now and, as soon as school is out, we have basketball players and wrestlers coming in," he said. 'We've got a women's international basketball tournament scheduled there for later in the summer with six teams.

"By the time August is over, we'll have kayakers and canoers, field hockey players, rowers, speed skaters, swimmers and weightlifters."

What amazes Lace is that word about Squaw Valley is just now being formally spread to the various American organizations that run the 32 Olympic and Pan American sports. Yet all 360 available beds at the Squaw Valley training center will be filled throughout July and August and the camp already is booked at 50 per cent capacity for this year's full 52-week operation.

"We eventually will have a 700-person capacity out there, but that will come later. From the demand we have now, we won't have any trouble filling the spots."

The Squaw Valley Olympic site has been owned by a number of private companies since 1960. The USOC now is leasing its extensive facilities, all of which are within eight miles of the village.

How these facilities are utilized is being left up to the governing bodies of the individual Olympic and Pan American sports.

Some may choose to send novice competitors and give them thorough training in fundamentals. Others may decide to send more advanced performers for more detailed instruction.

The sports must provide the coaches and the training program plans. The USOC provides a permanent administrative staff and picks up expenses for all the athletes once they arrive at Squaw Valley. Travel expenses either are paid for by the sports or out of the athletes' own money.

"We are giving the sports the freedom to go in the direction they think best for them," said Lace. "In addition, we also hope to have seminars, forums, guest lectures and so forth that will expose both athletes and coaches to the latest advancements in athletics.

"I'd be very surprised if we don't start developing international competitors in all those smaller sports which have never fared that well in this country. I think the opportunity is finally here for these sports to start to flourish."

In addition, another $9 million (compared with $2.1 million in the four years prior to the 1976 Games) is being budgeted through the Moscow Olympics for sport-by-sport development. These funds will be distributed directly to individual sports, which first must submit a four-year development plan to the USOC.

"The sports can use this money in any number of ways," said Lace. "They can start a series of minicamps to get people familiar with their sports. Or they can use it to finance international competition for their skilled athletes. It depends on what way they feel their area can be best served."

The Montreal Olympics were riddled by stories of athletes resorting to blood doping, steroids, air inflation, electrical stimulation of muscles and other such medically mysterious ways of improving performances.

Those stories rarely involved American athletes. Indeed, the joke was that Americans couldn't be involved because they didn't known anything about the procedures.

To many American athletic officials, the joke wasn't very funny. Not that they advocated illegal means of improving performances. It was simply plainfully obvious to them that in the area of sports medicine, this country was not keeping pace with some of its closest international rivals.

The sports medicine programs being established in conjunction with the regional training camps are designed to change this situation. For the first time, an effort is being made to centralize the vast but fragmented sports medicine information that previously has been available in the United States—and to develop research in those areas where knowledge is lacking.

"You've got to remember that the average age of our athletes at the last Olympics was 25," said Dr. Irv Dardick, who is chairman of the USOC sports medicine committee. "That means that most of our athletes were out of college and were self-coached.

"They are going about their preparation on a hit-and-miss basis. Should I run five miles today or three? Should I lift 200 pounds 20 times or 10? What about steroids? Will they do me any harm? Or good?

"They don't have anywhere to turn for the answers. That's why this sports medicine program is so important. We aren't looking to manipulate but we want to provide practical, needed help for anyone who wants it."

This help will result from the use of $250,000 worth of medical equipment that is being installed at Squaw Valley. Six separate medically related areas will be accented:

Biomechanics. Through a series of photographs taken at 1,000 frames per second, every movement of an athlete can be recorded and then plugged into a computer for comparison with what is considered the perfect motions in that particular sport. Athletes then can be instructed as to how to better use a certain joint or what muscles need strengthening. Resulting changes in technique are designed to improve performances.

Nutrition. What are the best diets for various sports? Are vitamins helpful to athletes? "You'd be surprised," said Dardik, "the contrasting theories existing today regarding nutrition and the athlete."

Exercise physiology. "We need to have more accurate training programs," said Dardik. "It's difficult for the athlete to know if he is overtraining or undertraining. Maybe he is really going about the whole thing incorrectly."

Sports psychology. Dardik says this is the area where "athletes might use certain biofeedback approaches to athletic competition. He can learn to relax better, to control his heartbeat through mental concentration, to get better self-discipline."

Injury treatment. Experts long have called for better-developed and coordinated approaches to the prevention and treatment of athletic injuries. F. Don Miller, executive director of the USOC, said that the medical program would become "the first centralized place where we can coordinate all this information in the United States."

Research. "We want to go into blood doping, steroids and in these other areas that have sprung up in athletics," said Dardik. "Our purpose here is to leave no stone unturned. We want to find out what these things mean and then develop policies to govern their use.

"We want to strip away the mystery surrounding them. As long as athletes think they are being used, they carry some sort of mystique. We want to change that."

The bottom line at the Olympic House, as it is anywhere an enterprise is expanding rapidly, is money. The USOC has ambitious plans that will cost millions of dollars. And that money has to come from the private sector of the economy.

Tht USOC does not want extensive government aid, fearing that along with the funds will come government meddling. What USOC officials like Miller would like to see is limited federal assistance, confined mainly to facility development.

Miller is convinced that private funds can be raised to finance the USOC's current four-year budget of almost $26 million, which is double the last four-year budget prior to the 1976 Olympic games.

"We have found that Olympic interest is at an all-time high," he said. "People are excited by what we are doing and they are willing to give money toward something that is positive and doing something for this country."

Others don't share his optimism. USOC president Robert Kane believes that, "It will be difficult to raise $26 million without government help. Very difficult. That's a lot of money."

What Kane and others are looking for is congressional approval of, among a number of possibilities, an Olympic coin program, a tax-credit program and a tax write-off program that would allow individuals to check off contributions to USOC on their federal tax forms.

"We are optimistic that Congress will give us help before it adjourns in October," said Kane. "It will come, we hope, along with approval of all the changes we have made in our bylaws."

Miller admits that Congress at least will have to supply money for the regional training centers. The $6 million set aside for those centers and the $1.5 million for the sports medicine program are over and above the $26 million in the four-year budget.

"We've begun programs that people have asked for for years," said Miller. "Now those same people have to help us keep them going or we'll be back where we started."

THE IOWA WOMEN'S MEETING

Mr. CULVER. Mr. President, this weekend an important conference is being held in Des Moines. The Iowa Women's Meeting is part of a nationwide series of conferences designed to identify inequities based on sex, and to plan for constructive policy changes. It was planned by the Iowa Coordinating Committee for International Women's Year, with funds appropriated by Congress in 1975. A portion of the funds awarded to Iowa is being used to insure that women from a wide variety of backgrounds will be able to attend, and I believe it is important to note that financial reasons will not be a barrier to participation.

This meeting is representative of a long-overdue national movement, and the considerable response being shown by the women of Iowa is an indication of its need. Women are making themselves heard more and more in all facets of political, social, and professional life, and their dedication and perseverance are finally being widely recognized.

The Iowa Women's Meeting, and others like it, are part of the World Plan of Action adopted by the delegates of the

World Conference of International Women's Year which was held in Mexico City in June and July of 1975. This plan provides guidelines for national action over the 10-year period from 1975–85, designated by the United Nations as a decade for women, and outlines the minmum goals to be achieved by 1980, when a second world conference is scheduled.

The primary goals of the Iowa Women's Meeting are to promote discussion of women's concerns, focusing on and reexaming barriers faced by Iowa women; to recognize women's achievements and contributions, emphasizing the accomplishments of Iowa women in a wide variety of activities; to develop a State plan of action; and to elect 22 delegates to the National Women's Conference being held in Houston, November 18–21 of this year, when a national plan of action will be adopted and presented to the President and Congress.

Mr. President, I wish to commend the Iowa women who have been involved in the planning of this meeting, as well as the women in other parts of the country who have worked so long and hard on these efforts. I am convinced that the conference will make a vital contribution to the goal of equal treatment and opportunity for women.

COLUMBIA, MD.

Mr. MATHIAS. Mr. President, one of the great things about America is that, although we have long since tamed our last frontier, there are still pioneers among us. They are the pioneers of the spirit, the pioneers of the future. James S. Rouse, the founder of Columbia, Md., is one of them and in their vanguard.

Later this month, Columbia, Md., will celebrate its 10th birthday. But, because Jim Rouse is a man far ahead of his time, Columbia at 10 is younger, more refreshing, and more revolutionary than most projects still on the drawing boards of America's planners.

Today, I ask my colleagues to join me in saluting the great achievement that Columbia represents and the great man who made that achievement possible. The dimensions of a Jim Rouse are not easily encompassed. But John B. Willmann in an interview published in the Washington Post on June 4, 1977, came very close to conveying the extraordinary dimensions of the extraordinary Jim Rouse. I ask unanimous consent that the Post article, entitled "Rouse's New City Marks 10th Year," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 4, 1977]

ROUSE'S NEW CITY MARKS 10TH YEAR

(By John B. Willmann)

On June 21, the new city called Columbia, Md., home of 45,000 people, will mark its 10th anniversary. If any one person is responsible for reaching this milestone, it's James W. Rouse, chairman of the board and chief executive office of the Rouse Co., parent firm for the development of the area.

But Jim Rouse is not taking even a tiger's share of the credit for Columbia, which has more than 13,000 apartments and houses and whose facilities range from 50 tennis courts and two golf courses to nearly 2 million square feet of office and retail space and four large industrial parks. The latter provide employment for some 20,000 workers.

"I could leave here tomorrow for Tibet or Tahiti and the place would run well without me," said the 63-year-old developer. He says he has no plans for a radical career change. "Retirement doesn't interest me," he says. "Besides, there's still too much more to be done here and I'm terribly enthused," said Columbia's No. 1 resident.

A native of Maryland's Eastern Shore (where he still has a getaway retreat) and a mortgage banker of considerable stature here and in Baltimore, Rouse nursed a dream of a new town for some years. He quietly acquired about 15,000 acres in Howard County toward that dream in the early 1960s.

Columbia was born with the help of a group of carefully selected experts and the financial backing of Connecticut General Life Insurance Co., which increased its investment in Columbia two years ago when development was stagnant across the land.

Rouse talks about the development of the privately financed new city between Baltimore and Washington in human terms.

"This was a great day," he reminisced. "Our landscape architect, a native of Prague, became a citizen. He is now living in his third Columbia house, something (costing) around $100,000. He has participated in the American dream of home ownership.

"And there's another story about a woman, over 60, I'd say, who came up to me at an event held by the League of Women Voters. I remember because she had some nice things to say about living here. But what was most important to me was her view that living in Wilde Lake (a Columbia village) made her aware for the thing time in her residential life that she counted."

"Counting" is important to Rouse where people in Columbia are concerned. "We have more than a hundred organizations here and people participate. They are neighborhood-conscious and they turn out for meetings and activities. They use the garden plots and they like our 'gang mail boxes,' which are inconvenient. But they bring people together. And we do have a racial-ethnic openness that was part of our original plan."

Columbians tend to respond to issues, according to Rouse. In one instance, a temporary siltation pond was built, in line with environmental rules, to handle runoff during construction. But in the meantime, it had become a sanctuary for wild life, and when the sewer line was connected, the county said the pond had served its purpose, "our people wanted to keep the pond over the sewer. It's that kind of public reaction that makes us an unusual city," Rouse said.

The developer recognizes that Columbia is imperfect. "We have faced a lot of issues with Howard County and also within ourselves. For instance, we had a HUD (Housing and Urban Development) grant to study an ideal system of transportation. And our suggestion was for an overhead rail system. But we couldn't get the grant to build it. Why? Because we are private. So the grant went to Morgantown, W. Va. I think destinations and housing are closely related. We do have a bus system to minimize the reliance on personal cars for transportation. A package plan provides bus service along with other facilities in the recreation area. We have public schools, three universities and all sorts of adult education programs."

Are Columbia and other new towns mainly for young couples?

"Not at all," said Rouse. "Two school teachers retired here in 1969 and they have been among our most enthusiastic residents working at volunteer jobs. There's no special area for adults or retirees but our wide choice of housing enables older persons to find what they want in a normal mix of people, which many of them seem to want."

Is Columbia safe?

"That's a relative matter but a recent survey indicated that 91 per cent of Columbia residents had no fear on walking our streets at night. I think that's good. And the fact that there are people on the streets is one of the reasons for the feeling of security. Robert Matthews, the police chief of Howard County, rates Columbia as good in terms of personal safety and he said that our people tend to communicate with one another in terms of what's happening. Thus, they're also more conscious of personal safety of one another."

According to Jim Rouse, Columbia has many of the problems of people living elsewhere. But it also has a post office (in Oakland Mills) manned by volunteers, a family life center, a Columbia bank, a community medical care plan and a free telephone book that is also a directory. "And we have about 15 real estate offices here. About 40 per cent of our new houses are bought by Columbia residents. That's one of the dividends of having a good supply of rental housing. People who rent here tend to buy and stay here."

Originally, it was estimated that Columbia would reach its maturity and a population of about 100,000 in 1982. But that projection was off base. Now Rouse figures it will take another 12 to 15 years to complete the new city.

Columbia is governed for the most part by its community association under the direction of Howard Research & Development Corp., a subsidiary directed by Michael D. Spear, the new town's unofficial mayor in its dealings with Howard County.

How do Howard County residents feel about Columbia?

Rouse estimates that 10 to 20 per cent "like us quite a bit and a similar number dislike us, with about 60 to 80 per cent taking a middle ground."

While Columbia celebrates its anniversary in community style, beginning June 21, a group of the original "think-tank" planners will return for an appraisal. They probably will take a lot of heart from a comment of Columbia's newspaper editor, Jean Moon, to Jim Rouse: "Our people think they can do something about it, what ever it is."

Rouse, who has grappled for more than a decade with the problems of his new city and who maintained land prices when other towns were going down the drain, sees currently brighter financial skies and an opportunity to do more things well while maintaining the environment and encouraging development of new homes (several dozen builders are active in Columbia), more business, more light industry and more jobs.

"Looking back, I can see how we could have done some things better. We had high hopes and we didn't create a perfect city but we are still trying. And I'd welcome a chance to do it again and do it better," said Rouse.

THE MORAL AND ETHICAL CLIMATE IN TODAY'S BUSINESS WORLD

Mr. CHURCH. Mr. President, although the recent stir over corporate bribery disclosures has died down somewhat, in its wake a new interest in corporate ethics is emerging. This growing concern for ethics and morality in today's business world was the subject of a recent speech given by William M. Agee, board chairman and chief executive of the Bendix Corp., before a conference of Rotary International in Boise, Idaho. The comments of this outstanding native son of Idaho are important, I believe, in revealing the current state of the art of doing business at home and abroad. Mr. President, I ask unanimous consent that his speech, entitled "The Moral and

Ethical Climate in Today's Business World" be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE MORAL AND ETHICAL CLIMATE IN TODAY'S BUSINESS WORLD

(By William M. Agee)

I'm sure you can't wait for me to get into the subject of morality and ethics and settle it once and for all. It's a long time, as the preacher said, between sermons. But before I do that, let me say it "once more with feeling": I'm really happy to be here.

Managing Bendix, as you can easily imagine, means operating all over the world. I'm on the road a great deal, and I sometimes feel like the tourist in that famous old cartoon who says to his wife: This is Thursday, so we must be in France. But I don't need a calendar to know when I'm back in God's country. Boise is where I'm from. I can feel it, so to speak, in my bones.

This is not merely sentiment. It's a statement of fact. And furthermore, it is not unrelated to the subject at hand.

Big business today is increasingly international in scope; and even small businesses are affected by the interdependence of our economies. Nowadays it is not only goods and services but what the economists call the factors of production—capital, technology, even labor—which move and flow from country to country. This mobility creates problems, or course, but it is a powerful and efficient mechanism for allocating global resources. Governments are constantly tinkering and interfering with it, far too much in my opinion, but nobody seriously believes that it can or should be brought to a halt.

So we live, increasingly, in an international economy. But this cannot obviate the fact that we are all rooted somewhere. We all come from Boise, if we are lucky, or from some less exciting place, like Tokyo, Rome or Casablanca, and this means that as we move out into the business world we find ourselves dealing with people whose language, values, methods and prejudices are quite different from our own.

Here, I think, we have one clue to the moral and ethical climate in today's business world. It's a troubled climate for a number of reasons, some of which have less to do with ethics than with politics and economics; but one obvious factor, surely, is that our international operations have brought us face to face with an old and very difficult moral problem. This is the problem of relativity. In the 16th century, the French philosopher, Montaigne, was struck by the fact that "What's right on this side of the Pyrenees," as an old proverb put it, "is wrong over there"—meaning in Spain. And today, of course, we are dealing in societies which are a good deal more distant from each other, morally and geographically, than France and Spain. We have to decide whether our principles of behavior are absolute and universal—or whether we obey the ancient maxim and "Do in Rome as the Romans do."

In normal times, if there are any such, this might have been no more than a subject for philosophical speculation—but these are certainly not normal times.

For some years now the atmosphere in the business world has been soiled by reports of scandalous behavior. Week after week we have been assailed by a lurid series of revelations on payoffs, kickbacks, bribes and illegal political contributions. These events have shaken foreign governments, embarrassed our foreign policy and forced the chief executive officers of several of our largest corporations to resign. Investigations have been launched by the S.E.C. and the I.R.S. and, inevitably, a half dozen bills have been introduced in Congress. . . . And all this, needless to say, came hard on the heels of scandals in Washington which had badly tarnished first the executive and then the legislative branches of our government. Americans were left with the impression—and, according to the opinion polls, they have come to believe—that their major institutions were hopelessly and irremediably corrupt.

So we have a problem. And the conventional wisdom would have us believe that it is a very grave problem—one which places the very survival of our business system in question.

But does it, really? I know that it is always fashionable to take the direst possible view, but suddenly the proposition that our corporations are rotten and doomed to extinction because a few people were caught with their hands in the till strikes me as exaggerated—even wrong. In fact, the more I think of it the more incongruous it seems. There's a character in "Twelfth Night" who, as Shakespeare says, is "sick of self-love" . . . Well, sometimes we seem to be sick of self-hatred—and for business people I cannot imagine a more pernicious kind of sickness, one that mudies the judgment and paralyzes the will.

Maybe it's because we live in a media-dominated world, which consumes sensation at such a fearsome rate; maybe it's because we've been through an election, an inauguration and into a new administration; maybe it's the Boise atmosphere, which exudes serenity and peace. Whatever it is, I suddenly find it impossible to believe that those opinion polls really mean what they appear to be saying, and I am struck by the fact that, after all the furor of these past years of scandal and disgrace, after tons of newsprint, hundreds of study seminars and innumerable congressional hearings and speeches, the problem of improper payments, seems slowly but unmistakably to be receding into the past.

Now, let me not be misunderstood. I am not suggesting that it was all a mirage, that these things did not happen, that they were not reprehensible or important. Of course they happened. Of course they were reprehensible. Of course they were important. But the fact remains—not only are they receding into the past but they have become something of a bore. This is rather odd—but it *is* a fact. And it seems to me that it tells us something about ourselves and the way we work.

What it tells us, I think, is not that the problem of morality has been solved and put behind us—the Second Coming has not yet occurred. Nor would it be fair to say that it has simply been swept under the rug. The events of the past few years have amounted to a sort of trial by fire—a process of self-examination under pressure which, I submit, is characteristic of the American corporate system. In one way or another, just about every publicly held company in this country will have been through this process. And none will emerge unchanged, neither the relatively righteous—the overwhelming majority—nor the small number whose sins were uncovered and exposed to the public wrath.

My point is that the system, in the time-honored phrase, has worked. Our sins were uncovered noisily, as they always are, and with so much gusto that it was easy for the impressionable to believe that we were going to hell in a handbasket. Well, maybe we were. But somehow we haven't. And now that the dust has begun to settle we can survey the scene, estimate the damage and get on with our job.

To get on with the job, however, can no longer merely mean that we have goods and services to produce and distribute, people to recruit and train, assets to preserve and enhance. These are practical tasks. We know how to get our hands—and our minds— on them. But this is not all. Faced with the enormous non-sequiturs of public opinion, we also know that we must make an effort to explain what we are about. And this is a very different kind of task.

One of the effects of the crisis was to remind us—a reminder we did not really need—that our large corporations have long ceased to be private institutions, in any meaningful sense of the term. It has become commonplace to say that our companies today are accountable not only to their shareholders and their employees but also to what is amorphously called the public, which may mean anything from a Sierra Club to the F.T.C. or a congressional committee. Business, as we say, has become everybody's business. And this means that the self-examination to which I have referred has been, and must continue to be, a very public affair.

The striking thing about our corporate system, in fact, is that it has become so open, so vulnerable to pressure, so tentative about its future, that it is scarcely a system in the ideological sense at all. Our managers continue to talk about private enterprise and the market economy and the entrepreneurial spirit, but they are aware that these concepts are changing and, indeed, that change has become the one great constant of corporate life.

Now this, it seems to me, is a specific case in point. The morality flap has been—among other things—a test of our ability to adapt. It was hardly a pleasant experience, but I think it fair to say that the results, for the vast majority of our companies, have been conclusive.

The key to the process, of course, was disclosure. We did not do it willingly or happily, but we did it. And many companies disclosed not only what they were legally required to disclose, as publicly held companies, but a great deal more. They were painfuly aware that personal and professional damage would result, but they had come to understand that these were lesser evils compared to a cover-up and the festering infection it brings. And this, of course, helps to explain something that so puzzled our friends abroad—why, once we had become aware of the problem of improper payments, we indulged in what appeared to them a veritable orgy of self-flagellation.

The point is that there is no way, in a society like ours, with the media, the regulatory agencies and the congressional committees all competing for public attention, to ensure that disclosure will be measured, moderate and in proper perspective. It tends to be a rough-and-tumble business under the best of circumstances, and in this case, of course, it had all the elements of a prime time spectacular—royalty, money, sex and foreign intrigue!

That much is history. But disclosure, after all, was only the beginning of the process. While the media storms were raging and desks were being pounded on Capitol Hill, the real business of adaptation got under way. Corporate counsel began working their way through the stacks of questionnaires which arrived, inevitably, from the I.R.S. and the S.E.C. Boards of Directors met and set up procedures—such as audit committees—to measure the extent of their problem, if indeed there was a problem. Our business statesmen made some statesmanlike speeches. The Conference Board, the trade associations, the public interest groups formed committees, organized meetings and seminars, issued publications. In short, corporate America agonized over the problem, analyzed it, determined that it was real and methodically set to work.

For a professional manager, remember, a problem is manageable by definition—otherwise it ceases to exist. So it is not surprising that the philosophical aspects of the morality issue have been left, on the whole, to the academics, journalists and other outside observers. Corporate people have concerned themselves with practical procedures . . . Somewhere out there, say, a harbormaster is holding up a shipment of perishable goods. He is demanding five thousand dollars, failing which our shipment, which is worth twenty times as much, will be totally lost

What do we do? The harbormaster, of course, is the prime minister's brother-in-law, so there is no point complaining to the police.

The answer, perhaps, is in Kant's categorical imperative or somewhere in Spinoza, but the American corporate response—lacking these resources—has been simply to review corporate policies to ensure that they were appropriate and effective in cases of this kind and then to see to it these policies were understood and applied. Effective, of course, is a relative word, and every story could not have a happy ending; but the techniques were the familiar ones; definition, decision, communication and control.

Now obviously there is far more to the problem of corrupt practices than is suggested in the example I have given. And, for that matter, there are many other issues which affect the moral and ethical climate in which we work—regulatory issues, for example, tax rules, industrial and community relations—and these are no less important for being, at the moment, less prominently in the public view. Time is lacking, in any case, to examine these issues today. But the point I have been making is simply that we do have the resources to deal with them—which means to understand them, to reduce them to size and to manage them, just as we are doing with the problem of improper payments abroad.

And this, perhaps, is enough to explain why this problem now seems to be receding into the past. We have folded it into our standard operating procedures. And in that sense it is under control.

Let me conclude, then, by briefly noting what our own company has done to ensure that our business is conducted, here and abroad, in a legal and ethical manner.

First, we made it clear, publicly and within the company, that we insisted on a simple, unambiguous and uncompromising standard of honesty in our operations. This had always been Bendix policy, but we took pains to reinforce it. No bribes, no kickbacks, no illegal contributions or improper payments of any kind.

Secondly, we organized the audits and other procedures which were required to determine how vulnerable we were on this issue. As it happened, we found the company in excellent shape.

Thirdly, as our audits revealed some confusion as to definitions—between a bribe, for example, and a de minimus payment such as a tip or a Christmas gift to a customer or a supplier—we refined our definition, established more detailed guidelines and carefully stipulated approval and reporting procedures.

Fourth, we began the task of spelling out these more detailed instructions and communicating them throughout the company.

Fifth, and finally, since we are a multinational corporation, Bendix Corporation conforms its policies and practices to the voluntary guidelines adopted on June 21, 1976 by the Organization for Economic Cooperation and Development. These guidelines, negotiated by the 24 member states of the O.E.C.D. over a period of several years, define the rights and responsibilities of international companies with respect to such matters as investment, taxation, inter-company pricing, the environment and employment.

This is what we are doing. I have outlined our Bendix program not because we are exemplary in this respect, but simply because I am more familiar with it than with the procedures of other companies. With our 80,000 employees around the world and the highly diversified structure of our company, it will be some time before we are entirely sure that everyone has got the word—and that everyone is living by it. In fact, we may never be entirely sure. But we can be sure that we are doing what it is within our power to do.

In Toynbeean terms, there has been a challenge—and we are making our response. But of course the challenge did not begin with the problem of improper payments, nor will it end there. And the significance of the response, as I have tried to show, is that what purported to be a great crisis of mortality and ethics, a threat to the survival of our business system, has been reduced—and properly reduced—to a series of practical problems.

Now, finally, what does this do for our moral and ethical climate? Well, that remains to be seen. Hemingway liked to define courage as "grace under pressure." What we have been talking about is something akin to it; in a modest way: good sense, under pressure. It does not pretend to solve all our problems, but I believe it will help to clear the air.

THE DEATH OF G. D. GRICE

Mr. THURMOND. Mr. President, South Carolina has lost one of its most distinguished educators. On Tuesday, May 17, George D. Grice, who in his 50-year career was a principal, a headmaster, and twice a college president, died in Charleston at the age of 76. Dr. Grice compiled an exceptional record of public service, both as a teacher and administrator and as a member of the South Carolina General Assembly, and I thought my colleagues would like to know more about him.

He received his bachelor's degree from my alma mater, Clemson College—now Clemson University—and his master's from Columbia University. Clemson rounded out his academic credentials by awarding him an honorary doctorate in 1948.

Mitchell School, in Charleston, is the school of which he was once principal. It was there that he first occupied an administrative post, having previously confined himself to teaching. Later in life he was headmaster of Beaufort Academy and the president of Limestone College in Gaffney. He also founded Charleston College Preparatory School for good measure.

He will be best remembered, though, for his achievements at the College of Charleston, where he was on the faculty for 44 years, 25 of them as president. During his tenure, he showed particular interest in marine sciences, stimulating and sponsoring important research in this field. A strong advocate of independent education, he was instrumental in making the College of Charleston, after a century and a half of State and municipal support, a private institution in 1949—after his presidency it resumed State support.

On retiring as president of the College of Charleston in 1966, Dr. Grice was elected to the State House of Representatives. Only 1 year later, he was elected to the State senate. In Columbia he proved to be a colorful and effective legislator, and won many friends in both parties. He was one of the few Republicans in the legislature, and his prestige helped immeasurably as our party strove to gain credibility and respect.

I consider it a privilege to have known Dr. Grice, and to have enjoyed his friendship, and I shall miss him very much. So will countless others across the State, in education, politics, and in all the walks of life which his students have entered.

I wish to extend my sincere condolences to his surviving family. These include his son, Dr. George D. Grice, Jr., of Woods Hole, Mass.; his daughter, Marguerita G. Armas of Charleston; his sisters Ruth B. Grice and Dorothy Grice, both of Charleston; and a number of grandchildren. In the midst of their sorrow, I hope they will be able to remember how fortunate they were to have so fine a father, brother, and grandfather.

Mr. President, at the time of the death of Dr. Grice, several articles concerning him appeared in the newspaper in his beloved Charleston. In order that my colleagues may be able to supplement my account with the additional information they contain, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Charleston Evening Post, May 19, 1977]

DR. GEORGE D. GRICE

A distinguished scholar, educator and public servant, Dr. George Daniel Grice spent a lifetime improving the quality of Southern education.

He was a graduate of Clemson College and Columbia University. He began his teaching career at the High School of Charleston, 54 years ago. In 1932 he joined the faculty at the College of Charleston and 13 years later he was named president of the college, serving in that capacity until his retirement in 1966.

He served in the S.C. General Assembly, both as a represetative and as a senator. He was the founder of Charleston College Preparatory School, president of Limestone College and headmaster of the Beaufort Academy. His other high offices and honors were numerous.

On the occasion of his retirement as president of the College of Charleston more than a decade ago, Dr. Grice said:

It is the privilege of few to be born, to have lived and to be allowed to earn one's livelihood in Charleston. These privileges have been mine and I am humbly grateful. Surely my lines have fallen in pleasant places . . .

Dr. Grice's death at age 76 has ended a long and productive life, and is a cause of sorrow to his many friends.

[From the Charleston News & Courier, May 20, 1977]

G. D. GRICE, FORMER COLLEGE HEAD, DIES

George D. Grice, 76, retired president of the College of Charleston and a former state senator and representative, died Monday night.

The funeral will be 3 p.m., Wednesday at Connelley's Funeral Chapel. Burial will be in Magnola Cemetery.

Grice had been president of Limestone College at Gaffney, headmaster of Beaufort Academy and founder of the Charleston College Preparatory School.

Active for more than half a century in private and public education, Grice was president of the Southern University Conference and the S.C. Association of Colleges.

He helped develop the study of marine biology in South Carolina and was one of the founders of Bears Bluff Laboratories on Wadmalaw Island, where the late G. Robert Lunz initiated modern research into the state's marine resources. Grice later obtained a portion of the Fort Johnson federal quarantine station at Charleston for the College of Charleston.

The college began a marine science program at the station and named its biological labs in Grice's name.

He was a graduate of Clemson College and received his masters' at Columbia University. Clemson gave him an honorary doctorate in 1943.

Grice began his career in 1932 as a teacher at the High School of Charleston. Later he

became principal of Mitchell School, also in Charleston.

He joined the College of Charleston faculty in 1932, remaining through the Depression and World War II for a total of 44 years. After the war he was instrumental in persuading the school's trustees to revert the institutions to private status.

The school, established in the 1760's as a state institution although privately funded, became the Charleston municipal college in 1839. In 1949 it reverted to a private school until 1970, four years after Grice retired as president.

The college then became a state supported institution.

Grice, a Republican, was elected to the House in 1966, resigned the next year to seek election to the Senate and served there through 1968.

Gov. James B. Edwards issued a statement on Grice's death. "South Carolina has lost a great educator, an outstanding college president a colorful statesman and political leader, and I have lost a close friend. He will be surely missed," Edwards said. "My deepest personal sympathy goes out to his family."

Surviving are: a son, Dr. George D. Grice Jr. of Woods Hole, Mass.; a daughter, Marguerite G. Armas of Charleston; two sisters, Ruth R. Grice and Dorothy Grice, both of Charleston; a number of grandchildren.

[From the Charleston News & Courier, May 20, 1977]

A CONSERVATIVE AT REST

A constant champion of conservatism in politics and education, George D. Grice fought more than a fair share of losing battles in his lifetime.

He was the kind of man, though, to whom every loss was in a sense a victory. Those who agreed with him took courage from his efforts. Those who disagreed with him learned to respect him.

The crowning effort of his career was his attempt as President of the College of Charleston to run a small, prestigious institution which concentrated on intellectual attainment rather than what Dr. Grice was prone to call the "frills".

As he often was, he was defeated—not by lack of merit in his principles but by the compulsions of the times. Emerging from the wreckage of his hopes to keep the college "private" he carried his principles into politics. An interlude in which his kind of Republicanism found favor in the public eye helped him and he served a controversial term in the State Senate. When he eventually wore out his welcome, he returned to his first love, education, and built himself a whole, new, rewarding career.

Looking back on his disappointments, Dr. Grice once said he would shed no tears. Now that he is dead at the age of 76, his friends, who range across the spectrum of public and private life in Charleston, should temper sorrow at his passing with recollection of his lasting optimism. We propose a cheer for a man who fought a valiant, distinguished battle to preserve good old steady ways in an era when so many can conceive of no good except the kind that comes through change.

EPILEPSY: ANYONE CAN BE AFFLICTED AT ANY TIME

Mr. HASKELL. Mr. President, the variety of conditions collectively known as epilepsy is estimated to afflict at least 2 million Americans. Yet epilepsy remains a vastly misunderstood condition. Myths and misconceptions about this affliction abound. As a result, countless people who suffer from epilepsy face unthinking discrimination in employment and in society at large.

As many of my colleagues are aware, the National Commission for the Control of Epilepsy and Its Consequences, created in 1975 by an act of Congress, is now finishing its work. The Commission has conducted extensive regional hearings, involving hundrdes of individuals with epilepsy, done exhaustive research about the present services available to those who suffer from epilepsy, and most importantly, made far-reaching recommendations for changes to improve planning and services. I am certain my colleagues join me in eagerly awaiting the Commission's report, which is due by the end of July.

The Epilepsy Foundation of America is also working hard to change attitudes, to combat ignorance, and to confront social discrimination based on epilepsy. The foundation knows that educating the public at large about epilepsy can both help improve the quality of life for millions of Americans who suffer from this affliction as well as help to prevent epilepsy in the future.

An article by Michael P. Scott which appeared in the May 1977 issue of Better Homes and Gardens contains a great deal of very helpful information. Scott notes that five basic pieces of information about epilepsy "would greatly improve the understanding and even the prevention of epilepsy if only more Americans knew them."

Those basic facts are:

First. That anyone, at any time can be afflicted by epilepsy;

Second. Epilepsy is not one condition but many;

Third. Epilepsy is not a disease; it is a symptom of a brain disorder;

Fourth. Automobile accidents are a major cause of epilepsy; and

Fifth. That a majority of those afflicted are successfully treated.

Mr. Scott further points out vivid examples of the degree to which a great many people with epilepsy, with the aid of drugs, can lead totally normal lives. As with other forms of handicapping conditions, much of the problem lies with the stigma which the nonhandicapped public attaches to the condition. I believe Mr. Scott's excellent article, which is clear, concise, and straightforward, deserves the widest possible attention. I highly recommend it to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EPILEPSY: AN UPDATE ON TREATING BRAIN DISORDERS THAT CAN AFFLICT ANYONE—ANYTIME

(By Michael P. Scott)

There are five simple bits of information that would greatly improve the understanding and even the prevention of epilepsy if only more Americans knew them:

Anyone, at any time, can be afflicted by epilepsy.

Epilepsy is not one condition but many.

Epilepsy is not a disease; it's a symptom of a brain disorder.

Automobile accidents are a major cause of epilepsy.

A majority of those afflicted are successfully treated.

Just look at the Epilepsy Foundation of America's (EFA) 1977 poster child, Suzy Berge, above. According to her father, epilepsy means nothing more to a 12-year-old Suzy than taking three pills a day. Suzy's a trouper in the truest sense of the word. Her first seizure occurred only a short time before she was to appear in a gymnastics recital. With professional aplomb, she appeared and *then* went to see a doctor. Suzy symbolizes the hopeful side of epilepsy—the medical and drug control of severe seizure-producing disorders.

Unfortunately, there's a darker side of epilepsy. Some of its victims describe their lives as "living with a time bomb. You walk around knowing that any minute it might go off. You never know when or where, only that it will be at some particularly inappropriate time or place."

Epilepsy research is progressing at a rapid pace and although a cure remains elusive, effective treatment is readily available. But the attitudes most of us have about persons with epilepsy are slow to change.

Here, then, is a guide to these serious brain disorders that may afflict as many as 4 million Americans.

WHAT IS EPILEPSY?

Every breath you take, every blink of your eyes is controlled by electrochemical energy impulses from brain cells called *neurons*. Normally, these impulses "turn off" after obeying their specific command. When they don't turn off, the body reacts by twitching or jerking, and the person may lose consciousness. These erratic physical and mental activities are called seizures.

High temperature, infection, head injury, or alcohol or drug abuse can cause a single seizure in anyone. But when seizures happen repeatedly, a person is said to have epilepsy.

WHAT ARE THE MOST COMMON EPILEPSIES?

One of the most confusing aspects of epilepsy is the terminology used to describe it. In 1969 the International League Against Epilepsy reclassified the disorders.

Once the seizures were known only as grand mal (big sickness), petit mal (little sickness), psychomotor or temporal lobe, and focal. Today there are as many as 20 different seizure types, and the experts now refer to seizure-producing brain disorders as *"the epilepsies."*

Epileptic seizures may be classified according to the part of the brain they affect or, to some extent, to the victim's reactions.

Partial and generalized seizures are two broad categories that describe how extensive the erratic electrochemical brain discharges are.

Simple partial seizures are confined to only one part of the brain. Depending on which part of the brain is involved, the victim's hands or feet may tingle or jerk convulsively, or he may see a flashing light in his field of vision, or speak nonsense, feel dizzy, or experience unusual or unpleasant sounds, smells, or tastes. Usually he remains conscious.

Complex partial seizures manifest themselves in inappropriate actions. The victim may hear inexplicable noises or see things that are not there, appear to be in a dreamy state, remain motionless, or move automatically but purposelessly—repeatedly picking at his clothes, for instance.

Generalized convulsive seizures are the stereotyped epileptic seizure. In one kind—a tonic-clonic seizure (formerly grand mal)—the disturbed electrical impulses inviove the entire brain. As a seizure begins, the victim may utter a peculiar gutteral cry, then stiffen and lose consciousness. If standing, the victim will fall. His rigidity gives way to quivering and jerking, and may progress to wild thrashing movements. He may lose control of his bowels and bladder, foam at the mouth, and turn blue. The final stage of the attack is a deep stupor that may last for several minutes and is followed by a long period of deep sleep.

Generalized nonconvulsive seizures include the former petit mal, which is now called an *absence* seizure. It usually afflicts children under age 14 and is characterized by five- to 15-second lapses of consciousness. During the *absence* seizure, the child may appear to be in a dreamlike state, unaware of the momentary attack. Repeated eye blinking, about three blinks per second, is another characteristic. Some children are able to continue whatever activity they are engaged in during an *absence* attack—riding a bicycle for instance. Most children are completely unaware they are having an attack and continue with their activities after it is over. Because *absence* seizures are commonly mistaken for daydreaming, they often go undiagnosed.

Febrile, or fever, seizures affect youngsters under the age of three and are not necessarily epileptic seizures. As the name implies, the seizures are caused by high body temperatures that affect the youngsters' immature nervous systems. Only when a child continues to have seizures without fever after the age of three or four can he be diagnosed as having an epilepsy.

There are many seizure patterns: Some may start as partial and progress to generalized, and some persons with epilepsy may have more than one type of seizure. But usually, no pattern can be found to the events that bring on an epileptic seizure. A seizure can be precipitated by many causes including bright or flickering lights, sleep deprivation, loud music or a sudden noise, tension, fatigue, and hyperventilation (rapid, heavy breathing while at rest).

Some persons with epilepsy are able to predict the onset of a seizure. The warning sign, called an *aura*, may be a tingling sensation, a buzzing noise, or just a "funny feeling," in the head, stomach, or chest.

Usually seizures last only a few minutes, but in some cases they follow each other so closely that they appear to be continuous. This condition (status epilepticus) places a severe strain on the respiratory system and can eventually cause death if not stopped by emergency medical treatment.

WHAT CAUSES EPILEPSY?

There is no single answer. Among the causes are unusual birth trauma, drug or alcohol abuse, fever, infectious diseases, brain tumors, abscesses, and congenital brain malformations. In the elderly, poor blood circulation in the brain is often a cause. Anything that is potentially harmful to the brain is a potential cause of an epilepsy.

Most Americans ignore the increasingly significant role head injuries play in causing epilepsy. Although the 55-mile-per-hour speed limit has reduced the number of head injuries caused by automobile accidents, the EFA says 190,000 Americans still sustain seizure-producing head injuries each year from automobile accidents alone. These 190,000 will have one or more seizures within three years of the accident. Almost 50,000 will develop persistent seizures that tend to resist therapy. The Foundation recommends the use of protective headgear for motorcyclists, snowmobilers, and football and hockey players.

Heredity plays some role in the epilepsies, although it appears that what is inherited is not the condition itself but a tendency to be susceptible to seizures, or more vulnerable to the types of injury that produce epilepsy. Epilepsy is *not* contagious, and while it predominantly afflicts young people, it can afflict anyone, regardless of age.

HOW ARE SEIZURES DIAGNOSED?

The electroencephalograph (EEG), a machine that records the brain's electrical activity, is a major diagnostic tool. EEG tracings help scientists learn where an epileptic discharge begins, where it spreads, its intensity, duration, and time of occurrence.

Variations on the EEG—remote control and portable devices that permit 24-hour EEG tracings to be recorded—are also being used. Computerized axial tomographic scanners (CAT scanners) employ sophisticated X-ray techniques to make detailed images of the interior of the brain. The effectiveness of the CAT scanner is still being studied, but researchers hope it will help them pinpoint brain damage that causes seizures.

Video monitoring is a technique in use at the National Institute of Neurological and Communicative Disorders and Stroke (NINCDS) and other major epilepsy research centers. Three television cameras transmit pictures of the epileptic patient's face, his entire body, and his EEG tracing. The three images are projected on a television screen (using a "split-screen" technique) and recorded. When the recording is played back, scientists are able to see facial and bodily reactions accompanying an epileptic seizure along with the EEG tracing. Video monitoring helped refine the classification of seizures and also uncovered some misdiagnosed epilepsies that were later correctly treated.

Teachers often are the first to detect *absence* seizures in children because parents often misinterpret the seizures as daydreaming.

HOW IS EPILEPSY TREATED?

Drug therapy is the most common and effective treatment for epilepsy. The reclassification of seizures has made it easier for physicians to treat specific seizure disorders with specific drugs or drug combinations. About 80 percent of the seizure disorders can be wholly or partially controlled by drug therapy.

Most seizures are kept under control by using one or more of 15 commonly prescribed anti-convulsant medications. Two very common drugs in use today are *phenobarbital* and *phenytoin* (commonly prescribed under its trade name, Dilantin). Two drugs recently approved for use in epilepsy—*carbamazepine* (Tegretol) and *clonazepam* (Clonopin)—are being used with success for patients who were not able to tolerate or who did not respond to other drug therapies.

Determining the "ideal" drug therapy (one that stops the seizures with minimum side effects) requires careful analysis of the amount of the various drugs in the patient's blood. To do this, physicans use highly sophisticated laboratory procedures, such as *Gas-Liquid Chromatography (GLC)*, which measures even minute amounts of drugs in the bloodstream. The Epilepsy Foundation has promoted the use of GLC testing in hospitals across the country and supports the training of technicians to operate the complex equipment. A newer testing method called *EMIT* measures drug concentrations in saliva.

The sophisticated testing devices have revealed a surprising and perhaps tragic fact: Some persons whose epilepsy could be controlled by drugs do not always take their seizure-controlling medications regularly. Some are simply forgetful, others try to lower drug costs by taking less medication or taking it only when they sense an impending seizure. To effectively treat epilepsy, drugs must be taken exactly as prescribed by the patient's doctor.

Because the cost of anti-convulsant drugs is prohibitive for many people, the EFA has begun a nationwide low-cost prescription service. It is expected that the service could save persons with epilepsy millions of dollars a year in drug costs. (Details on the service are available from any EFA local chapter or from the Foundation's headquarters, 1828 L Street, N.W., Washington, D.C. 20036).

Surgery is sometimes used as a treatment where the epilepsy is caused by a brain lesion that can be reached and removed without impairing other brain functions.

WHAT IS BEING DONE TO PREVENT EPILEPSY

The 55-mile-per-hour speed limit has proved to be the single most effective preventive for new cases of epilepsy because it has reduced the number of head trauma injuries resulting from automobile accidents.

NINCDS is sponsoring research into the effectiveness of anti-convulsant drugs at centers across the United States; a screening project under NINCDS sponsorship is providing continuing analysis of the anti-convulsant properties of new chemical compounds; the Epilepsy Foundation is sponsoring a quality control program to assess the uniformity and accuracy of the various laboratory procedures used to determine drug levels in the bloodstream; and NINCDS is collecting data on 50,000 mothers and their children to determine the histories of many neurologic disorders, including epilepsy. The study has already shown that children who experience complex or abnormally long febrile seizures are more likely to develop a subsequent epilepsy.

The national Commission for the Control of Epilepsy and Its Consequences will present the results of its yearlong study this July. The report is expected to cover not only the status of epilepsy but how society is dealing with it.

WHAT ARE THE SOCIAL CONSEQUENCES OF EPILEPSY?

In the past, persons with epilepsy have been discriminated against by employers, insurance companies, schools, driver's license agencies—even by county officials who issue marriage licenses.

Today, the situation is improving. Many states now permit the person with epilepsy to obtain a driver's license provided he has a doctor's certificate stating that he has been seizure-free for a period of time, usually one or two years.

The Epilepsy Foundation has formed a national group life insurance plan that provides up to $25,000 coverage for persons with epilepsy and their families.

There still are some state laws that cry out for change. Among these are laws that permit parents to "give back" an adopted child who is found to have epilepsy, require physicians to report patients with epilepsy to state agencies, and allow the involuntary sterilization of persons with epilepsy.

The Epilepsy Foundation is working closely with self-help groups across the country as they deal with local bar associations and legislatures in an attempt to change discriminatory laws.

Of all the myths about epilepsy, the most damaging is the one that equates it with mental retardation. The fact is that persons with epilepsy are of at least normal intelligence unless their seizures are caused by a brain injury which in itself impairs intelligence.

Behavioral disturbances are more common in persons with epilepsy than in the general population, but EFA says that fact shouldn't come as a surprise. We'd all develop personality problems if we were continually shunned, shut out of the job market, or prevented—by law or custom—from doing as others do.

Finding a job—and then keeping it—is a major problem for many persons with epilepsy. As many as 25 percent of those whose seizures are controlled by drugs are estimated to be chronically unemployed.

The EFA has begun a placement service for young persons with epilepsy in five major cities. TAPS (training and placement service) hopes to break the cycle of application and rejection that plagues young persons with epilepsy who are seeking first time employment.

The military still excludes persons with epilepsy, mostly because they may be beyond the reach of medical attention rather than because of the condition itself.

A Los Angeles nonprofit corporation, Epi-Hab, specializes in on-the-job training, employment counseling, placement, and technical instruction for persons with epilepsy. Epi-Hab's director, Dr. Frank Risch, says productivity in the corporation's workshops often exceeds that of competing firms. Seizures and accidents have not affected the company's workmen's compensation insurance rates. (Epi-Hab's are also located in Phoenix, Arizona, and Evansville, Indiana.)

The biggest hurdle a person with epilepsy faces when seeking employment is the prospective employer's misconceptions. Many employers think that persons with epilepsy will disrupt the normal office or plant routine.

In fact, those persons with drug-controlled epilepsy have better safety, production, and attendance records than their fellow workers.

Federal legislation now prevents employers who do business with the government or who accept federal grants from refusing to hire qualified persons with epilepsy purely on the basis of their illness.

With only a few restrictions, persons with epilepsy can lead normal lives. The American Medical Association recently agreed with the Epilepsy Foundation that youngsters with epilepsy should not necessarily be barred from contact sports. Specialists emphasize that where possible, children should not be over-protected but should be allowed, instead, a normal childhood. As one British spokesman put it: "If a child with epilepsy wants to climb a tree, he should climb that tree. Which is worse—a broken leg or a broken heart?"

FIRST AID FOR A MAJOR SEIZURE

Here are some things you can do if someone you know has a major epileptic seizure.

BEFORE THE SEIZURE

Help him lie down.
Remove his glasses and/or false teeth.
Loosen tight clothing.
Place a pillow or coat under his head.

DURING THE SEIZURE

Do not force anything into his mouth.
Do not restrain his movements.
Move any hard or sharp objects out of the way.
Stay with him and observe his activities.

AFTER THE SEIZURE

Turn the person on his side to allow saliva to drain out of his mouth.
Do not give him anything to drink until he is fully awake.

WHEN TO CALL FOR EMERGENCY HELP

If the person does not start breathing after the seizure.
If the person has one seizure after another.
If the person injures himself.

SOME THINGS TO REMEMBER

You cannot stop a seizure once it has begun.
It is not necessary to restrain someone having a seizure.
Most persons suffering from a seizure have difficulty breathing.
Unconsciousness may continue as long as 15 minutes.
The person may awake confused and sleepy.

IDI AMIN

Mr. THURMOND. Mr. President, on Saturday, May 28, an editorial appeared in the Columbia Record which I feel compelled to call to the attention of my colleagues. Much has been written and said about the barbarous regime of Idi Amin in Uganda, but there have been few positive proposals about how to deal with it. Here, in the cogent and forceful style which is characteristic of the Record, is such a proposal.

The documented atrocities of Amin are sufficient to establish him as one of contemporary history's most unbalanced and villainous characters. Tragically, the sins of which we have knowledge are probably insignificant compared with those of which we do not. Yet there seems to be a certain timidity on the part of some international organizations to condemn him. This is a classic case of the double standard.

When will the world learn that the color of a man's skin, or the circumstances of his birth, or the country of his residence has nothing to do with his moral character? I thought that this was the fundamental premise of civil rights. It is not only inconsistent, it is patronizing to wink at flagrant crimes because they are committed by a man whose people have had flagrant crimes committed against them.

Those who judge international affairs should be color-blind. Apparently, many of those who are judging the Amin reign of terror—or rather, not judging it—are blind, period.

Mr. President, I ask unanimous consent that the editorial to which I have alluded be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUTCHER OF KAMPALA

The weightiest condemnation to date of President Idi Amin of Uganda as a mass murderer emanates from the International Commission of Jurists. Their report quotes two of Amin's former ministers as saying that between 80,000 and 90,000 people were murdered in Uganda during Amin's first two years in power.

Killings, brutal and barbarous, still proceed with regularity. The butcher of Kampala is not disturbed. He proceeds about his bloody business, unperturbed by the question of the Jurists: what can be done about Amin?

To save African lives, one deed could be accomplished. Roman Catholic and Anglican churches, banks, business firms, and the British and American governments could insist that—as a moral duty—their nationals depart immediately.

While black African leaders condemn Amin privately, they won't point a finger at him publicly because of the "black brotherhood" against two white minority regimes, Rhodesia and South Africa. While black Africans' feelings are understandable, they are dead wrong. The Organization of African Unity can no longer engage in private condemnation, but must go public.

As for other organizations. The Times of London comments astutely: "The UN Human Rights Commission is quite active in respect of South Africa, Chile and some other countries which its membership agree are inhumanely oppressive regimes. For the Human Rights Commission to live up to its title for a strong resolution, white men have to torment and debase black men or right-wing secret police have to maltreat liberals or leftists: no other abrogation of human rights seems to produce any protest.

"In short, the Human Rights Commission has little or nothing to do with rights, justice or human conscience. It is, or has become, a political and propaganda body. It makes a mockery of human rights, as solemnly written into international conventions."

And if human rights is to be a cornerstone of the Carter administration's foreign policy, then it is high time for President Carter, Secretary Vance or Ambassador Young to speak out—forcefully—about Amin.

BISHOP WALSH'S GOLDEN ANNIVERSARY

Mr. MATHIAS. Mr. President, 2 weeks ago Bishop James E. Walsh, a native of Cumberland, Md., celebrated his 50th anniversary as a bishop. That is a remarkable accomplishment, but then Bishop Walsh is a very remarkable man.

We rejoice that Bishop Walsh is among us and that he was able to celebrate this significant occasion in his own country among friends and family. As most of my colleagues will remember, Bishop Walsh spent many years in prison in the People's Republic of China. His release from prison in 1970 brought to an end an ordeal which he sustained with great heroism.

The Cumberland News on May 20 carried an article on the observances honoring Bishop Walsh's anniversary, entitled "Bishop Walsh Marks 50th Anniversary as a Bishop." I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BISHOP WALSH TO MARK 50TH ANNIVERSARY AS A BISHOP

Bishop James E. Walsh, a native of Cumberland who spent many years as a Maryknoll missionary to China, will observe his 50th anniversary as a Bishop this weekend at Maryknoll, N.Y., headquarters of the order.

Bishop Walsh, who is 86 and reported still in good health, will ordain seven men to the priesthood in ceremonies tomorrow at Maryknoll.

On Sunday at 10 a.m., Bishop Walsh will celebrate a mass for his family to mark his golden anniversary as a Bishop. Planning to attend are his four sisters, Mrs. Julia S. Werner and Miss Mary Walsh, both of Cumberland, and Sister Joseph and Sister Rosalia, both of the Baltimore area.

Two local nephews, William Walsh and his wife and five children, and Francis L. Werner, also plan to attend the ceremonies both days.

Bishop Walsh has been retired at Maryknoll since 1970 after he was released from China, where he was held prisoner for many years.

He was elevated to Bishop while on Sancion Island in South China, and ceremonies this weekend will be highlighted by the attendance of several priests who were present at the ceremony 50 years ago.

They are Father Robert E. Sheridan, Father Robert Kennelly, Father Joseph McGinn, Father Edward Mueth and Father Constantine Burns. Several nuns who were missionaries in China and were present at the event 50 years ago also will attend.

Bishop Walsh first went to the Orient as a missionary in 1918. In 1936 he became superior general of the Maryknoll Order, and he returned to the United States just prior to the start of World War II in 1941.

He returned to China in 1948 for the last time, and spent many years as a prisoner there before being released in 1970.

A spokesman at Maryknoll said Bishop Walsh is a "delight to have here." He added that his health is good, his mind is sharp and he looks to the future rather than dwelling in the past.

The spokesman said Bishop Walsh also enjoys taking walks, a practice he had to forgo during the winter months.

Bishop Walsh also has three brothers and a sister who are deceased. They are William C. Walsh, William Edward Walsh, Rev. John Walsh, also a Maryknoll Missionary, and Miss Margaret Walsh.

"FLEMING'S NOTEBOOK" CLOSES

Mr. THURMOND. Mr. President, one of the most distinguished citizens in the State of South Carolina—and to my great good fortune, one of my closest friends—is Mr. Fleming Mason.

Mr. Mason has had a long career of public service, filled with achievements of astonishing variety. It is in the field of law enforcement, however, that he has won the widest renown.

Mr. Mason is a former officer of the State highway patrol—chief—and the Federal Bureau of Investigation. During his years with these agencies, he not only acquired a wealth of knowledge and expertise in police work, but a rare facility in communicating them to his fellow officers, particularly the younger ones. Thus, he was a natural choice to be producer of an ambitious series of monthly programs on law enforcement launched by South Carolina Educational TV in 1965.

This series, called "From Crime to Court," is still going strong, with 140 programs completed and aired. The programs are used to keep South Carolina law enforcement personnel up to date on the latest developments of a legal and judicial nature in their profession. Knowledgeable observers have hailed the series as an exemplary use of television for continuing education.

Present at the creation, Mr. Mason has remained producer of the programs until this month. He has also taken it upon himself to augment the broadcasts with printed notes, distributed widely and regularly throughout the State. These notes, compiled over the years, provide an invaluable archive to which officers can turn—and constantly do turn, veteran and rookie alike—when confronted with some particularly difficult problem.

Now, after 47 years of hard and productive labor, Mr. Mason is retiring. Retiring is not quite the right word, for an active, creative man like Fleming Mason does not know how to stop achieving. He is, however, stepping down as producer of "From Crime to Court." As of June 30, the series will have to get along without its resident genius and guiding light.

The other capable members of the production staff will, of course, be able to carry on. There is no question, however, that the Mason touch, and the Mason personality, will be sorely missed.

In recognition of ETV's impending loss, ETV will present a special program on Thursday of this week—June 10—consisting of excerpts from old "From Crime to Court" programs and reminiscences by Mr. Mason on his experiences with the series. This is an exceptional tribute, but no less exceptional than the man to whom it is being paid.

In addition, an article appeared in the June Guide to South Carolina Educational Television discussing Mr. Mason's career and wishing him well in the future.

Mr. President, it goes without saying that I share this wish for my good friend. Nevertheless, I would like the record to reflect the extent of my admiration and regard for him. Congratulations, Fleming, on a superb job. You have earned the lasting gratitude of your profession and your State.

Mr. President, to supplement the information I have presented here, I ask unanimous consent that the article in the ETV guide, to which I previously made reference, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"FLEMING'S NOTEBOOK" CLOSES: ETV LAW ENFORCEMENT PRODUCER RETIRES

In December 1965, S. C. ETV and the S.C. Law Enforcement Division (SLED) began a unique project which was to become one of the State's most important law enforcement tools. The project was "From Crime to Court," a closed-circuit series aimed at keeping South Carolina's law enforcement professionals abreast of the latest development in their field. Shepherded by ETV's Fleming Mason, the series has proved its worth through 12 years and almost 140 programs.

On June 30, "From Crime to Court" marks the end of an era. The series will go on, but its long-experienced and able producer, Fleming Mason, will be stepping down.

"After forty-seven years of work," says the former FBI agent, member of the Highway Patrol and school teacher, "it's time for a rest." And since 1965, the ETV series has indeed kept Mason busy. Working with S. C. Deputy Attorney General J. C. Coleman, who serves as a general consultant for the series, each month's topics are researched; scripts are prepared; arrangements for program guests are made. The programs focus on recent court decisions and legislation that affect law enforcement in the state. Following a film dramatization of a typical situation in which an officer might find himself, Mason, Coleman and their guest of the month (a member of the judiciary) discuss the legal implications of the situation.

The series' value to law enforcement personnel has proved inestimable. "Once a rookie has received his training at the police academy," Mason explains, "generally he receives no other formal training. SLED sponsors short courses in basic and advanced fields at the Academy in Columbia, but it is inconvenient and expensive for officers living outside the state capital to take advantage of this training."

"We can only take care of 35 recruits at the Police Academy during each training period," noted SLED Chief J. P. Strom, "and that is not nearly enough." By contrast, "From Crime to Court" reaches approximately 3,500 a month. In the process of keeping officers up-to-date, the series has been credited with making them better officers, guiding small towns toward the establishment of a model police force, and avoiding possible court suits.

Each month's program is broadcast three times in the month to tech centers and schools across the state, where police officers, magistrates and other law enforcement personnel gather to continue their professional training. For each group there is an instructor, who has met previously to view the program with Mason in Columbia. In support of the program, Mason prepares a booklet each month, restating the legal information conveyed on the air. Affectionately known as "Fleming's Notebook," these booklets are mailed to magistrates, police officers and members of the judiciary—at a rate of approximately 9,000 per month. They become a ready-reference tool, kept on file and well-used by recipients.

A native of Clinton, S.C., Mason is a graduate of Presbyterian College. He and his wife Thomasine—a Federal Administrative Law Judge for HEW assigned to Columbia and a former state senator—maintain a dual residence in Columbia and Summerton, S.C.

What are his plans for retirement? "To sleep late and enjoy life—my avocation is people, and I plan to make the most of it." Certainly after his years of hard work and service to the state, Mason deserves his enjoyment. ETV wishes him well.

(This concludes additional statements submitted today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

CLEAN AIR AMENDMENTS OF 1977

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 252, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 252) to amend the Clean Air Act, as amended.

The Senate resumed consideration of the bill.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. SCOTT) is recognized to call up an amendment.

AMENDMENT NO. 378

Mr. SCOTT. Mr. President, I call up my amendment numbered 378 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. SCOTT) proposes amendment numbered 378.

Mr. SCOTT. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with and that it be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 1, after line 2, insert the following:

"SECTION 1. Section 101(b)(1) of the Clean Air Act is amended to read as follows:

"'(1) to protect and enhance the quality of the Nation's air resources by establishing, achieving, and maintaining national ambient air quality standards, standards of performance for new stationary sources, and national emission standards for hazardous air pollutants so as to promote the public health and welfare and the productive capacity of the Nation, but nothing in this Act is intended to require or provide for the establishment of Federal standards more stringent than primary and secondary ambient air quality standards;".

On page 1, line 3, strike out "SECTION 1" and insert "SEC. 2".

On page 2, line 18, strike out "2" and insert "3".

On page 2, line 21, strike out ", prevention of significant deterioration,".

On page 4, line 3, strike out "3" and insert "4".

On page 5, line 5, strike out "4" and insert "5".

On page 9, beginning with line 14, strike out all through "(b)" in line 1 on page 10 and insert in lieu thereof "SEC. 6. (a)".

On page 10, line 16, strike out "(c)" and insert in lieu thereof "(b)".

On page 10, beginning with line 24, strike out all through "(iii)" in line 25 and insert in lieu thereof "and (ii)".

On page 10, line 25, strike out "(d)" and insert in lieu thereof "(c)".

On page 11, line 2, strike out all following the quotation marks through the semicolon in line 3.

On page 11, line 6, strike out "(e)" and insert in lieu thereof "(d)".

On page 11, line 9, strike out all after "section 111" to the comma in line 11.

On page 11, beginning with line 12, strike out all through line 14.

On page 11, line 15, strike out "(g)" and insert in lieu thereof "(e)".

On page 11, beginning with line 24, strike out all through line 16 on page 22.

Mr. SCOTT. Mr. President, I ask unanimous consent that a member of my staff, James Roberts, be accorded the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of my amendment: Senators BARTLETT, EASTLAND, HELMS, THURMOND, and TOWER.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, a copy of the amendment, of course, is on the desk of each Senator, as is a copy of a "Dear Colleague" letter that has been on the desk for the past 24 hours.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 9, 1977.

NON-DEGRADATION AMENDMENT TO S. 252

DEAR COLLEAGUE: My amendment to the Clean Air bill would retain the right of the Environmental Protection Agency to regulate air quality for the nation as a whole but would authorize states and localities to determine whether the air quality standards above those established nationally should be required to meet special conditions within a given area. A copy of the amendment should be on your desk.

In all probability there are areas throughout the country essentially rural in natural where the air quality is far higher than the primary and secondary standards established by the Environmental Protection Agency to protect the health and welfare of citizens generally. These areas may well be suitable for construction of business or industrial establishments necessary to promote our economic growth and to retain our present standard of living.

One county in Virginia, for example, has a population less than it had a century ago and the principal industry today is tree farming. This county is not many miles from the state capital and might well be a reasonable site for a business or industrial facility that would provide employment and still have air quality considerably above national standards. Where such a situation exists it would seem rasonable to permit the determination of land use to be made by the state and local government rather than by the Environmental Protection Agency.

No one would quarrel with the concept of a clean and wholesome environment but reason dictates that this be coupled with the ability of an industrial nation to continue to develop its economic capacity in the general public interest and both Federal and state governments should share in this process. Therefore, I hope you will examine and support my amendment.

Sincerely,

WILLIAM L. SCOTT, U.S.S.

Mr. SCOTT. Mr. President, this bill is a long and complex measure. The bill itself consists of 130 pages. It has a report containing 233 pages.

Yet my amendment relating to nondegradation is familiar to all of the members of the committee and I believe to most Members of the Senate.

The bill insofar as it relates to nondegradation is substantially the same as the measure that we had before us last year.

When Congress enacted the Clean Air Act some years ago, I believe it was intended to deal with air pollution problems on the Federal level. The act authorized the Administrator of the Environmental Protection Agency to set national standards and contemplated that States would develop programs to reduce pollution to the levels required by these national standards. However, in a 4-to-4 decision in the case of Sierra Club against Ruckelshaus, the Supreme Court left standing a decision of the Circuit Court of Appeals for the District of Columbia which held that the act prevented significant deterioration in the quality of clean air even though the air quality was still higher than that required by Federal standards. The present bill before us would provide a statutory basis for the court decision and this is what my amendment is addressed to.

No one can quarrel with the concept that we need a clean and wholesome environment. Since our air is ambient, since it travels almost continuously from place to place, and does not stop at any State line, it appears reasonable for the Federal Government to require that the quality be high enough to protect the health and welfare of the people of the country. The Administrator of the Environmental Protection Agency has established primary and secondary standards to meet that need. I am concerned, however, about States and localities retaining the right to make decisions with regard to land use, the construction of homes, of shopping centers, of commercial and industrial complexes rather than to have those decisions determined by someone in Washington who may not be familiar with the local situation. It seems reasonable to me that the Federal Government should not make decisions of an essentially local nature with regard to air quality or act to prevent the construction of any facility so long as the standards established nationally to protect the health and welfare of citizens are met.

My secretary told me that in these prepared remarks that I had used this phrase "protect the health and welfare of citizens" on several occasions. I do that because that is the language that is used in the Clean Air Act and the Administrator does have the authority to raise these standards, lower them, to adjust them in any manner that he sees fit if situations change so that we will be protecting the health and welfare of the people throughout our Nation.

State and local officials, however, should be permitted to make decisions concerning localities and to establish higher standards when in their opinion this is necessary. I believe they are much better qualified to do so than for us in Congress to attempt to delegate the authority to make decisions affecting localities everywhere in the Nation. In my opinion, the nondegradation, or no substantial deterioration concept establishes a no-growth policy that could further retard economic development.

An editorial in this month's issue of Nation's Business stated that the United States produces 32 percent of the world's gross product, although we only have 6 percent of the population of the world. The economic strength and industrial power of this Nation has made possible the standard of living we enjoy and I doubt that Members of the Senate want to reduce the standard of living. Yet, under our economic system that we enjoy, the economy must continue to grow and to expand or it will stagnate. We have to have new buildings, new industries, and expansion of existing ones. A no-growth policy, in my judgment, means economic recession and unemployment. I do not believe the Senate wants to stunt the economic growth of the country. This amendment recognizes the need to protect and enhance the quality of the Nation's air resources. It recognizes the need to have national air quality standards; to protect the public health and welfare, but my amendment adds the phrase, "nothing in this act is intended to require or provide for the establishment of Federal standards more stringent than primary and secondary ambient air quality standards."

American citizens and people generally are pretty much the same. We all have a set of lungs operating in much the same fashion. All of us need a clean and wholesome environment. The Administrator of the Environmental Protection Agency will still retain the right to set standards high enough and to change them when necessary to protect the public health and welfare of the people of the country, but States and localities will have the right and the duty to determine whether air quality standards above those set for the Nation as a whole should be established and maintained. Planning and zoning has traditionally been a function of State and local government. In my opinion, the determination as to whether a business or industrial complex should be established should remain under the control of the State and local governments so long as it does not interefere with the air quality standards set for the Nation as a whole.

There are many rural areas of our Nation where there is little business or industry. Farming, forestry, and generally nonpolluting activities are still carried on in large areas of the United States. Yet, the people of those localities should have the right to say whether they want a factory to be constructed, rather than have the decision made for them by an unelected Federal official in Washington.

Mr. President, when we were considering the clean air amendments last year,

the Wall Street Journal wrote an editorial comparing the effect of nondegradation to the weight of an individual. The editorial states:

> Imagine that Congress passes a law, and an appropriate agency issues a regulation, that prohibits adult male Americans from weighing more than 200 lbs., on the grounds that excessive weight is both unhealthy and unattractive.
>
> Then imagine the little people's lobby wins a Federal court ruling that even skinny teenagers weighing 120 lbs. aren't allowed to add any significant weight, on the grounds that this is what Congress seemed to have intended when it passed the law.
>
> Imagine further the outrage of those who think the court ruling to be nonsense—because it bears no relation to either health or attractiveness, and in error—because Congress didn't intend to starve skinny teenagers when it passed the legislation.

Mr. President, quotation of a portion of the July 26, 1976, editorial seems to illustrate the point I have been trying to make. The rural areas of our Nation need to continue to grow, to become industrialized if they want to, to provide additional employment for their people if this is needed, and so long as the Nation as a whole is not harmed by the actions taken by the States and localities it would seem reasonable for the decisions to be made at the local level. This is in accord with the Federal concept of government, the concept of dual sovereignty established by our forefathers.

We live in a nation that is diverse, a nation with people of various backgrounds, a nation that has both urban and rural areas, vast national resources—a nation where individual initiative is encouraged, and an industrial giant has developed that produces 32 percent of the world's gross product. It seems unreasonable to throttle that growth by a nondegradation policy.

If my amendment is adopted, the national standards will be retained but localities can determine whether the skinny teenager will be permitted to grow to adulthood, whether the economic growth of our rural areas will be permitted, whether there will be economic expansion rather than stagnation. I do not believe there is anything complex about this proposal. National standards of air quality would continue to be made at the Federal level, but so long as those National standards are met States and localities could determine for themselves whether or not they wanted to expand their economies.

Mr. President, I believe that any further statement on my part would only tend to cloud the issue. This is not a new subject. I have copies of various letters and various editorials that have been inserted in the RECORD in the past, and I do not wish to clutter the RECORD by reinserting them. I do ask that each Senator examine the amendment. I hope Senators can support it.

The entire purpose is to retain the ability of our industrial Nation to continue to develop its economic capacity in the general public interest, while retaining a clean and wholesome environment.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. HASKELL). Is there a sufficient second? There is not a sufficient second.

Mr. SCOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, the amendment of the distinguished Senator from Virginia, I believe, is the same as the amendment that he offered last year, essentially.

Mr. SCOTT. It is substantially the same; the Senator is correct.

Mr. MUSKIE. If I may characterize it, and I think the Senator himself has done so, what it does is establish the Federal primary and secondary ambient air quality standards in clean air areas as a substitute for the nondegradation provisions of the committee bill.

In other words, there is the assumption in the Scott amendment that the primary and secondary standards applying to the dirty air areas of the country are sufficient for the clean air areas of the country.

Why is that not so? First of all, may I say to the Senator and to the Senate, we do not regard those standards as adequate in the committee, for reasons that I will try to outline.

In the first place, the national primary and secondary standards were set for dirty air areas as the minimum necessary and the minimum reasonably attainable in the dirty air areas, in order to put them up to minimal health standards. They are not ultimate; they are not maximum; they are minimal. And, if I may highlight this, testimony on the health question over the last 7 years over and over again has made the point that there is no such thing as a threshold for health effects. Even at the national primary standard level, which is the health standard, there are health effects that are not protected against.

Long-term, low-level exposure to pollutants produce health effects which are not guarded against by national primary standards. We would have to get down to zero pollution in order to eliminate all health effects. At any level between zero pollution and the pollution permitted by national primary standards, there are health effects.

Let us not disabuse ourselves on that score. Unless we bear that in mind, if we set national primary standards as the nationwide standards in clean air areas, we are saying that in clean air areas we are deliberately willing to throw that health protection away.

What we are saying in the committee bill is, "Let us not throw it away at the beginning of the game, but let us, in a rational way, approach the question of how much of the air quality values of the clean air areas of the country we give away."

So even on the health question, national primary standards, in my judgment, coming from a State which is reasonably clean, are not the standards I am willing to accept as the ultimate protection for health in the clean air areas of my State.

Mr. SCOTT. Will the Senator yield at that point?

Mr. MUSKIE. I am happy to yield.

Mr. SCOTT. The Senator, of course, is the chairman of the subcommittee and is very familiar with this bill. I would ask if the word "minimal" appears anywhere in the statute. He refers to minimal health standards. It is my understanding, and I would ask to be corrected if I am mistaken on this——

Mr. MUSKIE. The Senator is correct, but I believe it is appropriate for me to describe how we arrived at the health standard in the bill.

Mr. SCOTT. Certainly. But I would ask if the Administrator of the Environmental Protection Agency, even if my amendment should be adopted, is not still authorized to set primary and secondary standards which are necessary to protect the health and welfare of the people of the country? The word "minimal," I submit, is misleading. He can raise the standards or lower them.

Mr. MUSKIE. It is because the word "minimal" is a very difficult one to define that we did not put it into the statute, may I say to the Senator. Does the Senator believe that a Senator ought to close his eyes to the fact, supported by pages upon pages of testimony before the committee, that below those health standards there are still health effects, and serious health effects, for many people?

The Senator may choose to close his eyes, but I cannot close my eyes.

The second point I make in response to the Senator is if the Congress were to adopt the Senator's amendment and, in effect, say to the Administrator in the judgment of the Congress the national primary standards arrived at, as I have described, are sufficient for the clean air areas of the country, what possible basis, politically or otherwise, could he use to justify a stiffening of the primary standards in the nonattainment areas of the country which are already struggling in order to achieve a balance between their needs for growth and their citizens' needs for health?

Once we say to him, "The primary standards now established are sufficient for the clean air areas of the country," which could do better, then what possible justification could he use that he could expect the Congress to support to impose stiffer standards?

Mr. SCOTT. Mr. President, if the Senator will yield further—my amendment does not in any way affect the action of the Administrator of the Environmental Protection Agency insofar as national standards are concerned, standards which would apply throughout the country. The amendment says that nothing in the act is intended to require or provide for the establishment of Federal standards more stringent than primary and secondary ambient air quality.

Mr. MUSKIE. Have I described the Senator's amendment in any other way than the language of his own amendment?

Mr. SCOTT. In the event the Administrator feels it is necessary to require higher standards, if circumstances changed, he would still have the authority to change the standards insofar as they apply on a nationwide basis.

Mr. MUSKIE. May I say to the Senator that the constraints on the Administrator which resulted in the present primary standards still exist. The necessity for balancing health requirements against the need for growth still exists. If more stringent standards are applied by the Administrator, they will apply to the dirty air areas and the clean air areas alike, under the Senator's amendment. So the constraint still exists.

If the Congress has said to him in the meantime that the present primary standards are good enough in the clean air areas, which are in a better position than the dirty air areas to do better, I submit to the Senator the Administrator is not likely to do anything more than to try to continue to protect what he has already done, the standards as they exist. That is the way I would react if I were the Administrator.

Mr. SCOTT. Will the Senator yield?

Mr. MUSKIE. I yield.

Mr. SCOTT. I am thinking about an area such as we have in King and Queen County, Va., an area where the principal industry, I believe, is tree farming. I suppose there must be thousands of counties throughout our country where they have no major industry. Suppose the people of these areas would want to construct a factory, and they would construct a factory which would have a degree of pollution. Yet the factory, if established, would not interfere with maintaining the Federal standards.

Should not the people of the locality be permitted to determine whether or not they want a factory?

Mr. MUSKIE. If the Senator will yield, if he will let me complete my opening statement, he will find that I am going to touch upon that very question. The Senator wanted to interrupt me for the purpose of examining the health question, and I am perfectly happy to do that.

When I finish the next point, I will be happy to yield to him at that time. I believe it would be helpful if I could lay out my exposition in the way I started. With respect to the health question I believe I have covered the point.

The second point I would make is the assumption of the Senator's amendment is that there are no air quality values other than those protected by national primary and secondary standards which need protection; that if we can achieve those across the country, and if we set them as national standards, that would be the maximum. The Congress would be saying to the country, "That is good enough for every square inch of this country for the future." So if the country as a whole, in increasing its industrial and productive activity, its polluting activity, moves up to the national primary and secondary standards, that is a good enough quality of air in every square inch of this country for the indefinite future.

I submit if there was some way of exposing all 220 million people of this country to an urban area of this country which barely hovers at the national primary and secondary air quality level, the people of this country would overwhelmingly reject it as a standard sufficient for them.

Why do we need something better than the national health and national welfare standards as embodied in the primary and secondary standards?

Mr. President, secondary standards were envisioned as a goal for the cleanup of dirty air areas. They were intended to identify the degree to which pollution needed to be reduced to stop damage to crops, to household plants, to buildings, and general aesthetic deterioration.

Secondary standards as promulgated did not address ecological and aesthetic values.

EPA apparently assumed that if secondary standards had been established to protect these values, their achievement in dirty air areas would have been virtually impossible in any reasonable time frame.

So those values in dirty air areas are not protected by secondary standards.

The nondegradation provision is intended to provide protection against harmful environmental effects not anticipated by secondary standards and to assure that a single, new major emitting facility will not consume the entire regional air resource, thus barring any future growth.

For example, if the secondary standards were the only restraint on new sources of clean air areas, visibility, which is now 100 miles or more—and that is a valuable resource in some of our Western States—100 miles or more in some areas could deteriorate to 12 miles.

If humidity happens to be high, visibility would be reduced even further.

Now, while visibility may not be important in dirty air areas because it has been absent for so long that people do not remember what it was like, it does have high public value in many clean air regions, particularly in the national park areas, and should have been protected by secondary standards, but is not.

Another example of the inadequacy of secondary standards is the increasing number of studies indicating that pollutants were transported for much greater distances than previously thought.

This means that emissions from sources in rural areas contribute to urban problems, and vice versa.

In its report to the Senate Public Works Committee in March 1975, the National Academy of Sciences expressed concern that emissions as far away as 300 miles could contribute to unhealthy air in major cities.

Sulfur oxides, Mr. President, increasingly are returning to the ground in the form of acid rain which damages valuable water and soil resources.

Great Britain, for example, has used tall stacks to lift pollution above the level of the people in the immediate vicinity. What is now beginning to appear is the transport of those pollutants to the Scandinavian peninsula with the production of acid rain and other pollutants which are damaging the air qualities and the potential growth in that peninsula.

The same thing is happening in this country. Acid rain is being generated in the industrial areas of the country and being transported to the wild natural areas of northern Maine. This is happening in northern Vermont, in New England. It is happening elsewhere.

We are learning that polluted air is not a local matter. It is generated in one place and moves to another place.

So the idea that if a community interested in growth for its own sake narrowly circumscribes and safeguards that growth, it has eliminated the air pollution consequences of that activity is simply not part of the real world.

A conference was held in the summer of 1975 in Columbus, Ohio, where many scientists expressed concern over this impact.

They noted particularly the experience of Norway, which has experienced a substantial decline in its fishery resources, which has been attributed to acid rain.

A 20-year study in Scandanavia indicates that acid rain has killed fish and caused an ecological change. Forest growth and yield have declined.

The Senator indicated an interest in the tree farming activities of his own State.

Pollution levels at the national primary and secondary standards can affect forest growth and forest yield.

Fish populations have been adversely affected by acid rain in 75 percent of the high elevation lakes of the Adirondack Mountains.

Pollution at less than the concentrations allowed by the national secondary standards have been proved to damage vegetation. Acute injury to spruce trees has been reported when average concentrations of sulfur dioxide were only two-thirds the level allowed by ambient secondary standards.

Studies indicate that other crops are also damaged at concentrations less than the secondary standards, including, Mr. President, wheat, potatoes, spinach, apples—an important crop in the Senator's State—and the white pine.

Exposure to low level concentrations of pollutants, as indicated earlier, does have health effects.

Studies done in Japan since the establishment of primary standards in the United States indicate that air pollution concentrations lower than the national standards cause increases in reported illnesses.

The National Cancer Institute estimates that 60 to 90 percent of cancer is environmentally caused.

The ambient standards as presently established, Mr. President, do not include consideration of these facts.

The nondegradation amendment is intended to help reduce overall emissions

and thus provide protection against these kinds of adverse effects.

The Senator deplores what he describes as the effect of the nondegradation provision in taking decisionmaking away from State and local government and concentrating it at the national level.

Now, what does the bill do? The bill provides protection for class 1 areas, national parks and wilderness areas. I assume that when we established those areas, going back years ago, that it was a national decision to protect the natural qualities of those areas. Some of those were established at a time when air pollution as a threat was not recognized.

But, nevertheless, today we understand that air pollution is a threat to the pristine natural qualities of these natural parks and wilderness areas.

So this bill does provide protection for national park and wilderness areas.

There are a great many other national monuments, historical sites, and so on, that are not included in the class 1 protection. Maybe they should be. There are those who believe they should be, but we have not done so in order to minimize the kinds of fear expressed by the Senator from Virginia.

With respect to other areas, they are classified as class 2 areas. The Senator seems to describe those as areas in which the States have no authority.

Mr. President, the States have the authority to decide on siting decisions. Where are we going to build powerplants? The State decides that. Where we are going to build new papermills? The State decides that.

Yesterday I put in the RECORD a letter that had been written to the distinguished Senator from Vermont by the Environmental Protection Agency in January of 1977. It indicates the kind of industrial activities that are permitted in class 2 areas and as to which the State has the authority to make the siting decisions.

Let me read some of them: Powerplants, coal cleaning plants—otherwise called thermal dryers, Kraft pulpmills recovery furnaces, portland cement plants, primary zinc smelters, iron and steel metallurgical furnaces, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators, sulfuric acid plants, petroleum refineries, lime plants, byproduct coke oven batteries, sulfur recovery plants, carbon black plants.

I do not know how many of those the Senator's tree farmers would like sited in the middle of their tree farms, but it seems to me that they have ample choice. When one considers the choice of activities that are less polluting than these, the range is pretty wide and the decisions as to which of those should be permitted is a State and local election. It is not a decision that is made by this bill. So the siting decisions are made at the State and local level. That is an important State authority.

Second, the bill requires that the best available control technology be used to minimize the polluting effects of activities of this kind.

I cannot believe that the Senator would agree that a new powerplant or a new coal plant located near his tree farms should not take advantage of the best technology available to minimize the emission of pollutants in his tree farms. In any case, the kind of best available control technology to be installed is, again, a State and local decision. The State decides as to whether there should be new class 1 areas, whether those new class 1 areas are Federal lands of one kind or another or State parks and areas that the State has protected. The State alone decides whether or not to include those areas, to add them to the class 1 protection of the bill. So a good deal of State authority and State responsibility are required under the provision of the committee bill. I think that is as it should be.

However, to say that the standard of air quality which circumstances have mandated for years in cities such as Los Angeles, Chicago, Philadelphia, and New York, in order to provide minimal protection for health, is good enough for the Senator's tree farmers or for my own natural areas in Maine, I submit, is not and would not be wise national policy.

That is the gist of the committee's position on the need to do something better.

(At this point, Mr. LEAHY assumed the chair.)

Mr. President, I conclude with this observation: I have been involved in writing environmental laws for 14 years; and one of the great frustrations that we faced in writing those laws was that much already had been done in building this country and this industrial structure which created unacceptable pollution which could not be undone. Nobody could seriously suggest that the way to move into the pollution problems of Los Angeles, Chicago, Philadelphia, and New York is to destroy those polluting activities which cause excess pollution over the primary and secondary standards. Nobody would seriously suggest that the way to get New York down to the standards that the Senator from Virginia advocates for the country is to move in there and to close plants, close down power generating facilities, close down shopping centers which attract automobiles. Everybody knows that that would be an unreal answer to the problems of the dirty air areas of this country. It would bring the economy to a halt, create massive unemployment, and destroy our ability to deal with the very problem we are seeking to cure.

So the Committee on Environment and Public Works—some distinguished Members of this body have served on that committee during those 14 years. Members ranging from the liberal to the conservative—long ago concluded that one thing we could do was to insure that the mistakes which created the problems of Los Angeles, Chicago, New York, and Philadelphia would not be repeated as other areas of the country sought to grow and to provide futures for their people.

If we are to return to the kind of philosophy that produced those mistakes —the philosophy of "Let anybody do what he wants to until he gets up to the national primary and secondary standards"—we are going to be faced with the same condition again.

I remind the Senate that the nondegradation provisions apply only to major emitting facilities—those facilities that can produce a hundred tons or more of pollutants a year. Below that level in nondegradation areas there are going to be all kinds of other pollution-generating activities going on: the building of homes, the building of main street businesses, small activities. All those are going to be served by automobiles. The degree to which automobiles contribute to growing pollution problems in nondegradation areas of the country depends, of course, upon how soon the automobile industry cleans up the car. It has not displayed a great sense of urgency about that.

Yesterday we extended the time some more. But all those things which are not regulated directly under the nondegradation provisions of this bill are going to be generating pollution and, in the process, limiting the capacity of clean air areas to grow much more than is done by the committee bill. The committee bill does not do anything to restrain those activities.

All we are trying to do, I say to the Senate, is to insure, in a way that may not really be very effective if the truth be told, that the major industrial polluters will be put in place in response to some rational policy—a policy that is triggered by national standards, but a policy that will be implemented in large part by State and local governments.

I believe that is a reasonable approach. It is an approach that would permit the building of a 1,000-megawatt powerplant in my State—more than one. We do not have any that large at the present time. So I do not regeard that as much of a restriction. It would permit the duplication of the largest pulp and paper mill in my State. We have some now which are pretty large. It would permit their duplication. We have more than 20 pulp and paper mills. They all could be duplicated in my State, under the nondegradation provisions of this bill.

I say to the Senator that if he wants a 5,000-megawatt powerplant in his tree farms, that could be permitted, that might even be permitted, under the provisions of our bill, provided it is not located in a valley between steep hills, provided it is built on flat terrain and there are not other constraining considerations. But how many places want a 5,000-megawatt powerplant in their neighborhood, even if it were permitted? I do not know. That is a question for the Senator to answer.

Plants smaller than 1,000 megawatts have been adequate for our needs in northern New England. Frankly, I think that, in terms of assuring the viability and efficiency of electricity distributing systems, it is better to distribute the generation of power in smaller plants. But that is a decision for the States to make, under the constraints of air quality, minimal air quality, and under the constraints of terrain.

Now, the bill did not create the constraints of terrain. We did not build the mountains of Maine, we did not create the mountains of West Virginia, we did not create the mountains of western Virginia, we did not create the Rockies or the Alleghenies, the Appalachians. God created them, and they do impose constraints with respect to air quality that God did not create when he built the desert or the plains. But those constraints exist whether or not this bill is passed. Those constraints obtain, and anybody who lives in the mountainous areas of this country who does not pay attention to them just does not care about the health of his children, because if you build a dirty polluter in the bottom pit of a valley you increase the risk to health, and you attract, of course, others.

That is the philosophy behind the nondegradation provisions. If the Senators are willing to accept, in light of all of these considerations, national ambient primary and secondary standards as adequate, adequate in all respects for health, welfare, other air quality values that the people of this country prize, then they will vote for this amendment. If they agree with me that the ambient primary and secondary standards are not adequate in all cases, then they will oppose the amendment of the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. SCOTT. Mr. President, the distinguished Senator from Maine, who is very familiar with the air quality law, has expressed his views that are considerably different from my own, and I would really not recognize my amendment from the description given it by the distinguished floor leader of the bill.

I think, perhaps, it might be well to turn to the act itself very briefly to determine what the existing law is. If we look at page 143 of the report we find that Congress had delegated to the Administrator of the Environmental Protection Agency the right to establish national primary and secondary air quality standards, and then the primary ambient air quality standards are described as "air quality standards the attainment and maintenance of which in the judgment of the Administrator, based on such criteria and allowing an adequate margin of safety, are requisite to protect the public health. Such primary standards may be revised in the same manner as promulgated."

Now, Mr. President, this gives the Administrator considerable authority. I would submit that the air quality necessary to protect the health of an individual in the State of Maine and in the State of Virginia are essentially the same. Whether we live in Maine or Virginia or some other part of the country we have to breathe, we need the same clean air in one area of the country as we need in another area, as a general proposition.

But it goes further and then defines secondary air quality standards, and it says the secondary ambient air quality "shall specify a level of air quality the attainment and maintenance of which in the judgment of the Administrator, based on such criteria, is requisite to protect the public welfare from any known or anticipated adverse effects associated with the presence of such air pollutant in the ambient air. Such secondary standards may be revised in the same manner as promulgated."

The distinguished Senator from Maine did comment on the secondary standards. I would also call attention to the provisions of the law in 42 U.S.C. 1857c–4, section 109, which reads as follows:

> All language referring to effects and welfare includes but is not limited to, effects on soils, water, crops, vegetation, man-made materials, animals, wildlife, weather, visibility and climate, damage to and deterioration of property, and hazards to transportation as well as effects on economic values and on personal comfort and well-being.

I would not disturb in any way the authority of the Administrator to set these national standards. My only thought is that insofar as the Federal Government is concerned, the standards should be the same all over.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. SCOTT. In just 1 minute, if I may.

But the States can provide higher standards to meet local situations. Under my amendment the States would be permitted to provide higher standards.

The distinguished Senator referred to the national parks and to the national forests and his desire to protect those national parks and national forests.

I can share his concern. But the Federal Government owns this land. The Federal Government controls this land. Even before the act was passed the Federal Government, as the proprietor of this area, and undoubtedly it had not only proprietary jurisdiction but it even went further and had police jurisdiction over many of the national parks—maybe not the national forests—and I would not quarrel with the desire for pristine air quality, but if we take another example and, being familiar with my own State, I think about the valley of Virginia.

Up in the mountains we have Skyline Drive, we have Shenandoah National Park, we have a number of parks going all along the valley which goes through Virginia, and if we adopt this bill, this will provide that we cannot establish industry in the valley where some of the pollution might come over and damage the pristine areas of these parks and these national forests. Now this is a matter that concerns me. I do not believe we need to have the parks and the forests so protected that we cannot construct industry in the valley of Virginia.

What I say of my own State is, I am sure, true of various States throughout the country.

Yes, I will be glad to yield to the distinguished Senator.

Mr. MUSKIE. First of all, may I say to the Senator I wish it were possible for the Administrator to set national primary and secondary standards that fully implement the statutory language which the Senator has read.

But if it were done with respect to the nonattainment areas of this country he would impose unacceptable kinds of restrictions. To demonstrate how unacceptable they are, I can only point to the fact that the Senator, in his amendment, finds them unacceptable for the clean air areas. He says we should have nothing more than the standards as now established. The fact is, as testimony and documents disclose, the standards do not fully protect in accordance with the statutory language which gives the Administrator authority to provide for additional protection. He has had to make a pragmatic judgment in the face of the fact that he found there is no threshold on health effects, which makes it very difficult then to apply absolute health protection, and he has not been able to do that.

Second, to set a standard that protects crops in New York City is a hardly realistic standard for New York City.

So he has not set a secondary standard that protects crops. That is one of the reasons, may I say to the Senator, that we have found it necessary to provide the nondegradation standards.

Second, on national parks we are not really talking about prohibiting activities within the parks. Of course, the Federal Government as the owner of those parks can prohibit those. We do not need additional legislation to prohibit that. There is only one park in which the Federal Government finds itself somewhat hamstrung, and that is Hot Springs National Park in Arkansas, which is the middle of a city. You cannot do very much about that aspect of it. What we are concerned about are activities outside the land areas owned by the Federal Government in national park and wilderness areas which can intrude upon the values that we seek to protect within the park.

Let me cite a personal experience, if I may, to the Senator. A year ago last January, when I had launched my campaign for reelection I was up in northern Maine and it was about 6:30 in the morning. That was a very sparsely settled area of our State. It was 42 below zero. I took off in a small plane at an airport on top of the coldest hill in the eastern part of the United States. When we were up several thousand feet we were over thousands of square miles of Maine wilderness areas. There were nothing but trees. There were no public roads, no towns, and no mills. There were not even lumber mills or wood-turning mills below. It was an absolute wilderness. As the sun came up there was smog over that area. That was not created below. It was not created in the tiny little town that I had left 100 or so miles behind me.

Mr. SCOTT. Maybe it came across the Canadian border.

Mr. MUSKIE. It moved in from industrial areas of the country outside of the borders of the State of Maine. I was shocked to discover it. But it happened. If it can happen in those distances from industry, because that part of Maine is a long, long way away from the industries of Boston and Chicago and Pennsylvania, if it can happen that far

away, then one perhaps can understand why we are concerned as to what kinds of activities should be located 5, 10, 15, or 20 miles outside a natural area. That is what we are concerned about.

As I say, depending upon the size of the plant, the technology that they are able and willing to use, and the terrain in which they are sited, those activities can be located quite close to class I areas without creating dangers. Even if technically there may be a violation of the class I increments within the park area, the people who propose to build a plant can apply for consideration of the application for a permit on the basis that the damage would be to air quality values nonexistent. So there is opportunity and some flexibility even close to some of these class I areas which the bill seeks to protect.

Mr. SCOTT. Mr. President, the distinguished Senator actually is making the point for me, that under the bill as reported by the committee the Federal Government would control land areas in private ownership adjacent to or near national parks and national forests.

Mr. MUSKIE. If the Senator will yield, that is not what the Senator from Maine has said.

Mr. SCOTT. As I understand it.

Mr. MUSKIE. I said earlier that the siting decision is within the control of the State; the State handles the procedure which I have just described.

Mr. SCOTT. The Federal Government does not play a part in this?

Mr. MUSKIE. The Federal Government is interested in the overall limitations of class 2 areas. If the Senator suggests, in order to avoid any Federal intrusion we do not have a Federal law, of course the bill does not go that far. But to say that it is total Federal control as a result is also an extreme.

Mr. SCOTT. The Senator says somewhere between total and no control.

Mr. MUSKIE. I say it is the responsibility where the initiative rests with the State and where the burden rests on the State. That is not to say there is no responsibility at the Federal level. Obviously if we set Federal standards there is some responsibility at the Federal level. The Federal decisionmakers are also bound to consider the provisions for flexibility which are written into the statute, and we would expect them to be so bound.

Mr. SCOTT. I have no objection to the Federal standards that are equally applicable throughout the country. But is it not true under the amendments that are being offered today that we would write into the law the interpretations by the court in Sierra Club against Ruckelshaus that is not now statutory law? We are by the passage of this bill putting into the law the things that the court said in Sierra Club against Ruckelshaus. Is that not generally true?

Mr. MUSKIE. I think that is too broad a generalization to make considering the definition of the class 1 areas and the procedures we have written in.

Mr. SCOTT. The nondegradation clause.

Mr. MUSKIE. I mean the authority we have delegated to States and local governments. Those kinds of things were not anticipated in the Sierra Club decision to the best of my knowledge, although I will say to the Senator I did not memoralize that decision and I do not have it in mind, and the Senator has it before him. So anything I say is sort of like shooting fish in a barrel. The Senator may find the phrase in that Sierra Club against Ruckelshaus decision which will undermine my answer. But as far as I recall the Sierra Club against Ruckelshaus decision does not set out the structure of this bill. It does not set out the delegation of authority laid out in this bill or the increments which were involved by EPA under its regulations.

But aside from the increments, which are not the whole bill, by any means, and the definition of the area to which they apply, I think the bill contains important changes.

Mr. SCOTT. Mr. President, I was not trying to put the Senator in a box. I have not read the decision myself recently.

Mr. MUSKIE. It would be the Senator's prerogative to so do if he wanted.

Mr. SCOTT. I have not read the decision myself for a year or more. But I do believe, and I believe the Senator would agree, that the nondegradation provision is similar to what the Supreme Court said.

Mr. MUSKIE. Yes. The objectives of both are the same.

Mr. SCOTT. And we would not put into statutory law at least a portion of the decisions of the Sierra Club against the Ruckelshaus decision.

Mr. MUSKIE. But all the remaining provisions of the bill are important attempts to implement those increments in the real world.

We are asked and begged to do so by industry, when we first began hearings, because they otherwise foresaw the possibility of ad hoc dealing with this question by the courts on a case by case basis with the long stretched out period of uncertainty, if we were to leave it to EPA regulation and the court's interpretation.

Now, we could leave it at that, and frankly I was tempted last year, when we got into this wrangle about nondegradation, to say, "Let's forget it and let EPA and the courts handle it."

But I do not really think that is in the public interest, or the interest of industry. I think we need some certainty here, and I think also we need to have a significant State role in implementing it.

We have tried to write a significant State role into this measure, and I think we have. But if one's definition of a significant State role is no Federal role at all, then we have not done that.

Mr. SCOTT. Mr. President, as the Senator knows, I am not trying to say no Federal role at all. I am saying that the Federal regulations should be the same all over the country, and apply equally all over the country. That is what my amendment says.

But it does provide that the Federal Government would not have the authority to establish Federal standards more stringent than the primary and secondary ambient air quality standards. We would leave that up to the State governments.

The distinguished Senator spoke of the conditions in New York. I would call his attention to the situations as they exist in Los Angeles. I believe that in a local area where they have particular air quality standards, the State government and the local governments do impose more stringent control.

I feel that this is the way it should be. The Senator from Maine referred to the fact that areas adjoining a national park or a national forest, if they cared to construct industry, could apply to the Federal Government for a permit, a permit from the Federal Government to construct some industry.

Mr. President, in my opinion we have more than enough Federal regulation of the business community and of the lives of our citizens, and I do not feel that we need more.

I have some question in my mind as to whether or not we are going to have further lawsuits in the event that this bill is enacted. We all know that in our Constitution, under the fifth amendment, we have a provision with regard to eminent domain. We know the prohibition that is put in the Constitution, which says "nor shall private property be taken for public use, without just compensation."

I wonder if someone is not going to raise the question of whether or not Federal control of the use that they can make of their land might not constitute a taking under the fifth amendment to the Constitution for which the Government would have to pay.

We know that Shakespeare said, if the Senators will permit me to finish my thought:

> You take my property when you take away my right to use of it.

If we are going to be telling the owner of property in the valley of Virginia or anywhere in the country that he cannot use his property, and we are going to make his use different from what other people can do with their property in other parts of the country, it may be that we will have some court decisions to determine whether or not that is a taking.

The whole thrust of my amendment is to have the law equally applicable throughout the country, with the same air quality standards set by the Federal Government, and then the States and localities could establish higher standards to meet specific local situations, as the one in the California case.

Mr. President, I know the distinguished Senator from Maine wants to respond to the comments that I have just made.

Mr. MUSKIE. Yes.

Mr. SCOTT. I do not know but that we have an irreconcilable difference of opinion on this issue. I do not see that we can add a whole lot to what has

been said. I am willing to yield back the remainder of my time after the distinguished Senator from Maine makes his remarks, in the event that he is, unless he raises something that I would like to respond to.

Mr. MUSKIE. I thank my good friend. Incidentally, let me thank the Senator for what I think ought to be a good and useful record to illuminate the differences which he and I hold, and which I am sure are shared on each side of the argument by other Members of the Senate. I think it is a good record. It has given me an opportunity to respond to some questions that other Senators and other people have put to me, so I think the record will serve a very useful purpose, whatever the outcome.

Let me say, in respect to the constitutional question which the Senator has suggested: Since the Senator, by his amendment, argues that the States ought to establish the stricter standards, then, if the States should so act, I assume that if there is an unconstitutional taking, suits might be brought against State governments, just as they might be brought against the Federal Government under the committee bill. After all, a taking by a government is a taking by a government, and if it is an unconstitutional taking it is an unconstitutional taking whether or not the Federal Government is involved.

Another point he makes is that the Federal ambient primary and secondary standards have the effect of limiting the use of property. If so, that would be just as subject to unconstitutional taking suits against the Federal Government as if the nondegradation standards applied. So the argument, if there is one, is not limited just to the nondegradation provisions of the bill.

Mr. SCOTT. Mr. President, the Senator may well be right on that. In fact, the Virginia law provides for either a taking or damage; it adds the phrase "or damage" that is not contained in the Federal law. So the State law might go even farther than the Federal law with regard to the taking of property.

Mr. MUSKIE. I thank my good friend. I am prepared to yield back the remainder of my time. I wonder if we might suggest the absence of a quorum to get enough Senators to have a sufficient second for a rollcall.

Mr. SCOTT. Mr. President, I have nothing further to say. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MELCHER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Missouri (Mr. EAGLETON), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New York (Mr. MOYNIHAN), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) and the Senator from North Carolina (Mr. MORGAN) are absent on official business.

I further announce that if present and voting, the Senator from Minnesota (Mr. ANDERSON), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from North Carolina (Mr. MORGAN) would each vote "nay."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) are necessarily absent.

On this vote, the Senator from Texas (Mr. TOWER) is paired with the Senator from Oregon (Mr. HATFIELD). If present and voting, the Senator from Texas would vote "yea" and the Senator from Oregon would vote "nay."

The result was announced—yeas 17, nays 71, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—17

Allen	Eastland	Laxalt
Bartlett	Garn	Scott
Bellmon	Goldwater	Stennis
Byrd, Harry F., Jr.	Hansen	Stevens
Curtis	Hatch	Thurmond
	Helms	Young

NAYS—71

Abourezk	Griffin	Muskie
Baker	Hart	Nelson
Bayh	Haskell	Nunn
Bentsen	Hathaway	Packwood
Biden	Hayakawa	Pearson
Brooke	Heinz	Pell
Bumpers	Hollings	Proxmire
Burdick	Huddleston	Randolph
Byrd, Robert C.	Humphrey	Riegle
Cannon	Inouye	Roth
Case	Jackson	Sarbanes
Chiles	Javits	Sasser
Church	Johnston	Schmitt
Clark	Kennedy	Schweiker
Cranston	Leahy	Sparkman
Culver	Lugar	Stafford
Danforth	Magnuson	Stevenson
DeConcini	Mathias	Stone
Dole	McClure	Talmadge
Domenici	McGovern	Wallop
Durkin	McIntyre	Weicker
Ford	Melcher	Williams
Glenn	Metcalf	Zorinsky
Gravel	Metzenbaum	

NOT VOTING—12

Anderson	Long	Moynihan
Chafee	Matsunaga	Percy
Eagleton	McClellan	Ribicoff
Hatfield	Morgan	Tower

So the amendment (No. 378) was rejected.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. NUNN). Will Senators please take their seats and cease conversations?

Mr. MUSKIE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order now in the Senate?

I would like the attention of the Senator from Ohio (Mr. METZENBAUM) and other Senators.

The PRESIDING OFFICER. The Senate is still not in order. Will the Senator from West Virginia suspend until the Senate is in order?

Senators will please take their seats and cease all conversations.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I take the floor at this time to attempt to ascertain how many amendments remain to be called up and whether or not a reduction in time on such amendments can be secured.

I ask Senators now to indicate, those who have amendments and who intend to call them up, how many amendments they have and whether or not they would agree to a reduction in time from 2 hours to something less.

Mr. BAKER. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the distinguished minority leader.

Mr. BAKER. Mr. President, I am glad the majority leader made that request, because I would like to see that we move as promptly as possible with the remaining amendments and to passage of the bill.

I have two amendments. I will offer one of them and I would be more than happy to reduce my time from 2 hours to 1 hour on that amendment.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader, Mr. President, and I make that request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CURTIS. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Nebraska (Mr. CURTIS).

Mr. CURTIS. Mr. President, this Senator has an amendment to offer, but it has now been through some negotiations and reduced down in scope.

I anticipate that it will be accepted. We should dispose of it in a matter of 5 minutes on each side. On the other hand, other Senators might have some questions about it. So if we had 10 to 15 minutes on a side, in all probability we would yield some of that back.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on the amendment by Mr. CURTIS be limited to 20 minutes, to be equally divided—or 30 minutes?

Mr. CURTIS. Make it 30 minutes.

Mr. ROBERT C. BYRD. Thirty minutes, to be equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President,

I yield to the distinguished Senator from Ohio.

Mr. METZENBAUM. Mr. President, I have two amendments, one of which I do not intend to call up. The other is cosponsored by Senators RANDOLPH, BAYH, and HEINZ. That one I do intend to call up, and I think we will need the full 2 hours.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. WALLOP. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. WALLOP. I have an amendment which I intend to call up. It should not take more than 20 minutes—10 minutes on each side—and I would be willing to limit it to that.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the amendment by Mr. WALLOP of 20 minutes, to be equally divided in accordance with the usual form.

Mr. WALLOP. I think we will be able to yield back some of that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask Senators, in considering the time they require, to bear in mind that we have time on the bill that we could use. So if we could get the time down to a bare minimum, I assure Senators that I would be happy to yield and provide additional time, if such additional time is required for any reason.

Mr. ROBERT C. BYRD. I thank the distinguished manager of the bill.

Mr. BURDICK. Mr. President, I have a minor amendment which I have discussed with the leadership, and it should not take more than 5 minutes to a side.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a 5-minute limitation, to be divided in accordance with the usual form, on the amendment by Mr. BURDICK.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Utah.

Mr. HATCH. Mr. President, I have seven amendments. I probably will call up three. I will try to reduce the time to an hour for each of the three amendments.

Mr. ROBERT C. BYRD. But the Senator is not sure that he will call up all of them?

Mr. HATCH. I am not going to call up all seven, but I will call up three.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the three amendments by Mr. HATCH, there be a time limit on each, to be divided in accordance with the usual form, of 1 hour.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUDDLESTON. Mr. President, I have three matters and I am hopeful that each will be accepted. I think 5 minutes on a side would be adequate, with the provision that the distinguished Senator from Maine indicated, that if more time is necessary, we can have it.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on each of the three amendments to be called up by Mr. HUDDLESTON there be a time limitation, to be divided in accordance with the usual form, of 10 minutes each.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from South Carolina (Mr. THURMOND).

Mr. THURMOND. Mr. President, I have an amendment that I will offer on behalf of the Defense Department.

Mr. ROBERT C. BYRD. Mr. President, may we have order, so that the Senator can be heard?

The PRESIDING OFFICER. The Senate will be in order.

Mr. THURMOND. If I can speak with the manager of the bill for 5 minutes, I think he will accept the amendment.

Mr. ROBERT C. BYRD. Mr. THURMOND has one amendment. Is it agreeable with the managers of the bill and Mr. THURMOND that the time be limited to 10 minutes, to be equally divided?

Mr. THURMOND. No. I wish to talk to the manager of the bill. I think he will accept the amendment. I would rather talk to him.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Texas.

Mr. BENTSEN. Mr. President, I have an amendment. I have conferred with the leadership.

The PRESIDING OFFICER. Will the Senator from Texas please suspend? The Senate is not in order. The Presiding Officer cannot hear the Senator.

Mr. BENTSEN. Mr. President, I have conferred with the majority and minority leadership on the committee, and I think my amendment will be accepted. With that in mind, I am sure that 5 minutes will take care of it.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, I ask unanimous consent that there be a time limitation on the amendment by Mr. BENTSEN to be controlled in accordance with the usual form, of 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HATCH. Mr. President, it is my understanding that Senator DOLE has an additional amendment which will require an hour on each side.

Mr. ROBERT C. BYRD. What is that?

Mr. HATCH. It is my understanding that Senator DOLE and I have an additional amendment which will take an hour on each side.

Mr. ROBERT C. BYRD. An hour on each side?

Mr. HATCH. I think we can reduce that, but let us ask for that right now.

Mr. ROBERT C. BYRD. That is already in the agreement. Mr. DOLE is not here. We will call that the Dole-Hatch amendment or the Hatch-Dole amendment, either way the Senators work it out. It is one amendment; possibly 2 hours on it.

I understand that Mr. GRAVEL has an amendment on which there should be a 10-minute limitation. I ask unanimous consent that there be a time limitation on the Gravel amendment of 10 minutes, to be equally divided in accordance with the usual form.

Mr. HUMPHREY. Mr. President, a procedural matter: It would be very helpful if those amendments which are within the time frame of, say, 5 minutes on each side or 10 minutes on each side, or those that apparently have been cleared with the manager of the bill and the ranking minority member, could be called up quickly and we could get them out of the way. Then we would know how much time we are faced with for the remainder of the day. I would appreciate it very much if that could be done.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, where possible, Senators who have amendments which they believe will be accepted within a very short time call those amendments up first. That would be as follows—not necessarily in this order, but it could be——

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MUSKIE. I think the Bartlett amendments are scheduled first.

Mr. ROBERT C. BYRD. Following the Bartlett amendments—if Senators will take heed, I ask unanimous consent that following the amendments by Mr. BARTLETT, the amendments be called up in this order: Mr. BENTSEN; then we will go to the other side—Mr. THURMOND; then we will go to this side—Mr. HUDDLESTON; then we will go to that side—Mr. WALLOP; then we will come back here—Mr. BURDICK; then Mr. GRAVEL; then Mr. CURTIS.

Those are the amendments that appear to be in the category that the distinguished Senator from Minnesota mentioned.

I thank all Senators.

Mr. STEVENS. Mr. President, I have an amendment, also.

Mr. ROBERT C. BYRD. Was that order entered into?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STEVENS. Depending upon what happens with the Gravel amendment, I should like to reserve at least 30 minutes on it.

Mr. ROBERT C. BYRD. Would the Senator want that to follow the Gravel amendment?

Mr. STEVENS. We will determine that after the Gravel amendment is disposed of.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if Mr. STEVENS calls up an amendment, he be recognized upon the disposition of the Gravel amendment, if he wishes to call up the amendment; that if he does so, there be a time limitation thereon of 30 minutes, to be equally divided in accordance with the usual form.

Mr. STEVENS. I thank the Senator.

Mr. JAVITS. Mr. President, I have to have a brief colloquy with the managers of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object, can we arrange 10 minutes for that?

Mr. ROBERT C. BYRD. Yes. I make that request. When would the Senator like that to ensue?

Mr. JAVITS. We will work that out.

Mr. ROBERT C. BYRD. I make such request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Does that cover the request with respect to the Stevens' amendment, or has that already been agreed to?

The PRESIDING OFFICER. That has been agreed to.

Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized to call up an amendment.

UP AMENDMENT NO. 382

Mr. BARTLETT. Mr. President, I have at the clerk's desk a modified version of amendment No. 382.

Mr. HANSEN. May we have order, Mr. President.

Mr. BARTLETT. I ask the clerk to report.

The PRESIDING OFFICER. The Senator from Oklahoma will suspend. The Senate is not in order. Will the staff members please take their seats. The Senate is still not in order.

The Senator from Oklahoma.

Mr. BARTLETT. I have at the clerk's desk a modified version of amendment No. 382, and I ask the clerk to report and read the amendment in its entirety.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BARTLETT) for himself and Mr. BELLMON proposes unprinted amendment No. 382:

On page 4, line 4, insert the following new paragraph (2), and renumber all remaining paragraphs:

(2) In determining regions or portions thereof in excess of the ambient air quality standards under subsections (1) (A), (B), and (C) of this subsection, such regions must be identified on the basis of statistically sound air quality sampling procedures in an effort to obtain results representative of the region as a whole, which to the extent practicable, within the time required, shall not rely on either a single measurement, or measurements from a single station.

Mr. BARTLETT. Mr. President, each State, in exercising its respective State air quality control implementation plan, develops a representative statewide ambient air sampling network. The purpose of the network is to obtain current ambient air pollution concentration levels so that they can be compared against ambient air quality standards.

The primary and secondary standards are for six major air pollutants; namely, sulfur oxides, particulate matter, carbon monoxide, photochemical oxidants, hydrocarbons, and nitrogen oxides.

Primary ambient air quality standards are those which, allowing an adequate margin of safety, have been determined necessary to protect the public health. Secondary standards are those which have been determined to protect the public welfare from any known or anticipated adverse effects associated with the presence of air pollutants in the ambient air.

The argument can most certainly be made that ambient air quality standards, as dictated by the EPA and implemented by the States, are unnecessarily stringent, notwithstanding the margin of safety. However, I will not argue that point now.

I rise now to speak against the inefficient, hit-or-miss, totally inadequate sampling procedures sanctioned by the Environmental Protection Agency in obtaining ambient air quality data.

The typical procedure has been to set up one or two stations to measure the quantity of a given pollutant, to base the ambient air quality standard thereupon, and to gerrymander an enormous air quality control region—AQCR—around those one or two stations. Thereafter, the attainment or nonattainment of the entire AQCR, with respect to that particular pollutant, is at the mercy of a pitifully few monitoring stations, no matter how poorly or inappropriately they are located.

Not only that, but excursions above the ambient air standards are recorded and act to penalize an AQCR without respect to the time of day. It is quite well known that pollutant levels vary throughout the day, and that if the levels were averaged over a reasonable period of time, there would be markedly fewer "violations."

To cite an example with which I am intimately familiar, just such a sloppy sampling procedure nearly thwarted the construction of a General Motors assembly plant in Oklahoma City. As it turned out, several oil companies in the area graciously and generously agreed to assume the financial and physical burden of installing expensive equipment on their oil storage facilities, thereby reducing their own emissions and enabling the GM plant to proceed with construction. In so doing, these companies not only expended large sums of money they would not otherwise have had to, but they also sacrificed valuable flexibility in obtaining emissions offsets for their own future expansion.

Back to the point at hand. The single pollutant holding up construction of the plant was hydrocarbons. Hydrocarbons, the vast majority of which come from automobile emissions, combine with nitrogen oxides through the process of photochemical oxidation to form such products as ozone.

I was advised that only one monitor was used to obtain the oxidant level for the region and that this monitor was located near the intersection of two heavily traveled multilaned roads. Because automobiles are Oklahoma's main contributor to the level of oxidants the measurement was probably not representative of the region.

We must establish the requirement that air quality standards and attainment be based on data from an adequate number of monitoring stations to establish a thorough and accurate picture for the entire region.

My amendment merely calls for a sampling procedure that attempts to obtain results representative of the region as a whole. It further provides that in no case shall either a single measurement, or measurements from a single station, be allowed to form the basis of classification for an air quality control region.

Mr. President, let me add a brief statement, because I understand from the floor manager that this amendment is acceptable, and I know there are many amendments.

I want to recite again the reason for the amendment. General Motors Co. was wanting to locate a plant in our State which would increase oxidant levels and, based on the monitoring of one monitoring station, the entire local region had been declared a nonattainment area.

We were very concerned because there were just the results of one monitoring station for a large region; and, second, it was my understanding, and I was so informed, that this monitoring station was located right near the intersection of two multilane superhighways. In addition, it was located very close to a battery plant.

It was the contention of some that the results were not representative of the whole region, which goes clear down into Texas and covers Oklahoma City and parts of central Oklahoma.

I believe this amendment will go a long way toward correcting such situations in our part of the country and in other parts where there is just one monitoring station, where there is inadequate information, or a single measurement is used.

Mr. DOMENICI. Mr. President, will the Senator from Oklahoma yield?

Mr. BARTLETT. I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I commend the distinguished junior Senator from Oklahoma for his work on this amendment. As he knows, the committee worked long and hard in the area of nonattainment and has provided some definition where otherwise things were vague.

I think it is safe to say the committee recognizes in the bill and in the report that nonattainment, as it might affect growth, is one of the most serious problems with the entire regulatory scheme for clean air.

If I might just state what I think the amendment does, very briefly, I think this in an effort to make the monitoring with reference to nonattainment and the tradeoffs that might ensue to make that

more scientific or as scientific as possible and environmentally as sound as possible, because it is direction to make sure that we do not use aberrations or unscientific monitoring techniques in the process of arriving at nonattainment for purposes of tradeoff or purposes of compliance.

I hope the manager will accept it, and I commend the Senator for his effort in this regard.

Mr. BARTLETT. I thank the distinguished Senator from New Mexico. I want to thank him and his staff personally, for their part, the major part, in the preparation of the amendment and for the help the Senator from New Mexico has given me, because I think it is important that we do recognize that there has been a problem with the nonattainment areas in those parts of the country, such as Oklahoma, which are anxious to have more job opportunities, which desire to add industry, and also desire to stay relatively clean and to clean up further.

Mr. STAFFORD. Mr. President, will the distinguished Senator from Oklahoma yield to me?

Mr. BARTLETT. Yes, I yield to the distinguished Senator from Vermont.

Mr. STAFFORD. The Senator from Vermont understands we are now discussing amendment No. 382, am I correct?

Mr. BARTLETT. This is 382, as modified, and I will send this amendment to the Senator.

Mr. STAFFORD. The Senator from Vermont has examined generally the proposal which the distinguished Senator from Oklahoma has offered, together with his colleague, Senator BELLMON.

It is the opinion of the Senator from Vermont that the amendment will add to the committee bill and, for the minority side of the committee, the Senator from Vermont is prepared to accept the amendment.

Mr. BARTLETT. I thank the distinguished Senator from Vermont.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. MUSKIE. I have looked at the amendment and, with the distinguished Senator from Vermont, I am willing to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BARTLETT. I yield back all my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

UP AMENDMENT NO. 383 (MODIFIED AMENDMENT NO. 381)

Mr. BARTLETT. Mr. President, I have at the clerk's desk a modified version of my amendment 381, and I ask the clerk to report and read the amendment in its entirety.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BARTLETT) for himself and Mr. BELLMON, proposes unprinted amendment No. 383, which is a modified version of amendment No. 381.

Mr. BARTLETT. Mr. President, I ask unanimous consent that this amendment be modified so that it reads that on page 4, line 23, add new subsection (6).

The purpose for this is that we just passed my other amendment which makes this necessary.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 4, line 23, add new subsection (6):

"(6) In classifying regions under this subsection, where adequate air quality information exists, the State, with the approval of the Administrator, may subdivide and reclassify regions down to any size that still allows for efficient and effective air quality management."

Mr. BARTLETT. This amendment merely allows the States to subdivide and reclassify regions down to any size that still allows for efficient and effective air quality management. The report accompanying S. 252 indicates that the committee desired to allow the States some flexibility in determining the size of air quality control regions—but the report says that such regions should not be smaller than counties. I have reservations about this procedure for three reasons: First, there is no such language in the legislation itself—and I believe there should be; second, I believe that, especially in the West where counties are often very large, the State should be allowed to designate regions smaller than that size if they deem it appropriate; and third, I believe further that States ought to be allowed the flexibility to be able to isolate highly polluted regions. This way clean areas around such polluted areas would not have to be treated in the same manner as the dirty areas.

Mr. President, allowing such flexibility seems to me the essence of commonsense and to be in line with the committee's desire to allow as much State discretion as possible.

Mr. President, the report has language in it very similar to this but speaks of classifying regions under this subsection where adequate air quality information exists to smaller regions that would be as small as counties.

I would like to point out that in the desire to make the regions smaller in many cases, which I support, county lines may not offer the delineation of the area that is desired. It might be a part of a county, particularly in the Western part of the United States where the counties are large or in any part of the country it might be a part of two counties, but not include all of either one.

So I offer this amendment for the purpose of taking language in the report which, I think, is very important, and changing it slightly, and making it a part of the law.

I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise again to commend the Senator from Oklahoma for this amendment. I think he has properly stated that it is the committee intent, as expressed in the report, that the areas be as workable as possible. But since there is a problem I think it is more appropriate that we put it in the language of the law that we permit these particular areas to be modified, be made so that they are relevant to the monitoring that is taking place.

I believe that is the Senator's goal. They might be now or they might not be. He may know examples where he thinks they are not. There may be areas where they are. But what the Senator is saying is it will be permissive to break down these airsheds into as small as needed for the measuring to be relevant and for the impact of the pollution to be properly measured and also determined relevant to the area being protected, and I commend him for it and I hope the committee managers will accept the amendment.

Mr. BARTLETT. I thank the distinguished Senator from New Mexico, and I wish to thank him and his staff for the preparation of this amendment.

I yield to the Senator from Vermont.

Mr. STAFFORD. I appreciate the Senator from Oklahoma yielding.

On behalf of the minority, I think with the entire committee, I am in a position to say that having examined the Senator's amendment, as amended, we believe it adds to the committee bill, and the committee is prepared to accept the amendment.

Mr. BARTLETT. Mr. President, I am prepared to yield back my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MUSKIE. Mr. President, if I may just say, I am willing to accept the amendment which I find consistent with the following language in the report, and I read it:

Where adequate information is available, the States may divide regions into various portions which fall into different categories. Generally, this subdivision of regions should not be on the basis of jurisdictions smaller than counties. Any subdivision of regions is subject to the administrator's review.

The language of the Bartlett amendment has been reworked to more specifically and effectively apply to his problem. I find it acceptable and am willing to do so.

Mr. BARTLETT. I thank the distinguished Senator from Maine.

I yield back the remainder of my time.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

All time being yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 384

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. LEAHY). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN) proposes unprinted amendment No. 384.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2 after line 17, insert the following new section and renumber succeeding sections accordingly: "Sec. 2 Section 103 of the Clean Air Act is amended by adding the following new subsection:

'(g) GULF COAST AIR QUALITY—There are authorized to be appropriated to the Administrator $5,000,000 beginning in fiscal year 1978 for a study of air quality in the Gulf Coast region, including analysis of liquid and solid aerosols and other fine particulate matter and the contribution of such substances to visibility and public health problems in the region. For the purposes of this study, the Administrator shall use environmental health experts from the National Institutes of Health and other outside agencies and organizations.' "

Mr. BENTSEN. Mr. President, I yield myself 5 minutes.

During the debate on the Clean Air Act in committee, the entire question of nonattainment occupied our attention for several weeks. Eventually, an amendment was passed which provided a form of waiver for the States which did not choose to follow the so-called tradeoff policy promulgated by EPA in December of 1976.

During the debate on this legislation in the committee, I pointed out to the Members that certain areas of the country, particularly Houston and the gulf coast, would have severe problems attaining the oxidant standard, even if every automobile were banned from the streets. Houston exceeds the standard, for example, by 75 percent, and much of Houston's pollution comes from stationary sources, not automobiles.

The amendment I offer today is a very modest study amendment—$5 million to study the air quality problems of the gulf coast region of Texas and to determine if present oxidant reduction strategies are adequate to remedy them. Our air board believes that EPA is not following the proper course; they believe there are severe problems with aerosols, and that the rather unusual combination of weather conditions and concentrated industry make this area a special case.

Along the Texas gulf coast, we have a heavy petrochemical complex. We also have persistently high humidities, and salt in the air which comes in from the gulf coast. It well may be that strategies that work elsewhere will not be appropriate to Houston.

This study is to be under the control of EPA, but I want to emphasize for legislative history, that EPA is not to conduct an inhouse research project along the gulf coast. We specifically want environmental experts from NIH involved, as well as other outside experts. May I also say that the Houston Chamber of Commerce, which has spent $1.5 million of its own funds in looking at similar problems should be consulted and utilized. Their study, I am assured, is a thoroughly objective one, and EPA would do well to work in concert with them.

I believe this modest amendment will do much to alleviate the feelings of my constituents that EPA is proceeding blindly on a course which will not clean up the air in the Houston-gulf coast and which will not take into account the extraordinary factors that are present there.

I have discussed this amendment with the sponsor of the bill, and I believe he is in accord that the amendment would be a helpful one.

Mr. President, for several weeks the committee debated the problems of nonattainment and at the culmination of that debate an amendment was adopted by the Senator from New Mexico (Mr. DOMENICI) which gave an option to some of those States that did not want to follow the tradeoff provisions, and that is of substantial help in trying to accomplish the goals of clean air.

But during that debate we pointed out some of the problems of the gulf coast and in particular, Houston, Tex. We have a problem there with the oxidant standard which is exceeded by approximately 75 percent. Yet if we stopped all the automobiles at the city limits from coming into Houston and told people they had to walk into town to their jobs, we still would not achieve the oxidant standards under the legislation.

Obviously, something has gone askew. We have not been able to get the corollary results between hydrocarbons and oxidants, a photochemical process that is not fully understood by scientists yet.

We have some unique conditions along the gulf coast. We have the highest concentration of petrochemical industries of any place in the United States. We have high humidity and in the summers a great deal of heat. We have salt. We have great marshlands and conifers.

We think we have a unique problem in which we need a study to try to determine the best course in trying to achieve these oxidant standards.

I proposed a $5 million study, not an inhouse study, but a study by EPA where they bring in the NIH, where they talk to the Houston Chamber, which has spent $1½ million in an objective study trying to find a way to achieve the objectives on oxidants on clean air.

I commend this study. I have discussed it with the sponsors of the bill and with the managers of the bill on the majority side and on the minority side.

I hope they are in accord with it. I understand they are. I respectfully request their support of it.

Mr. STAFFORD. Mr. President, if the distinguished Senator from Texas will yield to me, I recall the difficulties which the State of Texas and other parts of the country have faced with regard to oxidants and for both the chairman of the subcommittee, Mr. MUSKIE, and myself, and the committee, we are prepared, after examining the proposal of the distinguished Senator from Texas, to accept the proposed amendment.

Mr. BENTSEN. I thank the managers of the bill.

With that understanding, Mr. President, I yield back the remainder of my time and move the adoption of the amendment.

Mr. STAFFORD. Mr. President, I yield back the remainder of the committee's time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. STAFFORD. Mr. President, in light of the list of amendments we expect to take up, I suggest the absence of a quorum and ask unanimous consent for the time to be charged on the bill, equally divided between the managers of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, in order that the time may be utilized to the very best advantage, that while discussions are going on between Mr. THURMOND and Mr. MUSKIE, the Senate now proceed to the consideration of the amendment by Mr. BURDICK, without prejudice to the lineup of other Senators.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Dakota is recognized.

UP AMENDMENT NO. 385

Mr. BURDICK. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Dakota (Mr. BURDICK) proposes an unprinted amendment numbered 385:

On page 19, line 2, after the words "Federal, State, or local" insert the words: "Air Pollution emissions and Air Quality".

Mr. BURDICK. Mr. President, the goal of establishing sound air quality standards for the Nation is a goal which I wholeheartedly support. The 1977 Clean Air Amendments under discussion, however, need a slight clarification to provide for an orderly transition from the 1975 amendments. Therefore, I am proposing an amendment to S. 252 to provide for this orderly transition by clarifying the status of facilities which are presently under construction but which have not yet received all of the required permits.

The problem with the legislation as it is drafted is that it could be interpreted to require a facility to have all necessary preconstruction approvals or permits required by Federal, State, or local laws or regulations in order to be grandfathered under the act. Thus a facility may have

all of the approvals, State and Federal, for air emissions, and be under actual construction and yet be lacking one permit for non-air-related activities. This facility would then have to go through an additional new review under these amendments.

A case in point is a large consumer-owned electrical generation station presently under construction in the West. The project has acquired approximately 45 of the 47 or so permits required. Most significant, all of the requisite State, local, and Federal air quality permits have been obtained. These include approvals from the State Air Quality Division and the U.S. Environmental Protection Agency under the present regulations for the prevention of significant deterioration. Further, they have received approval from all Federal and State regulatory agencies so they could begin the construction on the plant. The facility has been under actual construction for 11 months. Actual site preparation work is nearing completion and structural steel for the first two units is up to over 200 feet. To date over $90 million has been spent and contractual commitments exceed $345 million.

If the law were passed as presently written, this facility could again be subject to review, because it does not have a permit required under another Federal law to construct associated facilities. This duplication and unnecessary review will simply cause additional delays in the project and increase the cost of electricity to millions of consumers without adding anything to the Clean Air Act Amendments.

The new language I am proposing today would clarify the status of such a facility under the 1977 amendments and provide for an orderly transition from the existing law so that electric service for millions of people is not disrupted.

Mr. President, this amendment applies to those facilities that are under construction and have met all the clean air requirements, and are only lacking some nonair permits. We believe it only right and just that this matter be clarified.

Mr. STAFFORD. Mr. President, the managers of the bill have examined the amendment offered by the distinguished Senator from North Dakota (Mr. BURDICK), and we believe it adds to the bill as the committee has presented it to this body.

This Senator always appreciates the sparse use of words on the part of the distinguished Senator from North Dakota. It fits in with this Senator's New England concept of language.

Also, this Senator cannot resist saying that he has frequently been involved with the Senator from North Dakota in what we both considered worthy projects in behalf of small States.

Mr. BURDICK. I thank the Senator.

Mr. STAFFORD. Under the Senator's amendment, a facility would still have had to obtain all necessary preconstruction permits for air pollution emissions and air quality for the emitting facility?

Mr. BURDICK. Yes, that is correct.

Mr. STAFFORD. In other words, the Senator's amendment would not require preconstruction permits to have been obtained pursuant to this subsection for nonemitting associated facilities, such as transmission lines.

Mr. BURDICK. Yes, that is correct.

Mr. STAFFORD. With these understandings, Mr. President, the committee will accept the Senator's amendment.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. STAFFORD. I yield back the remainder of my time.

Mr. BURDICK. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota.

The amendment was agreed to.

AMENDMENT NO. 386

Mr. WALLOP. Mr. President, I call up my amendment No. 386.

The PRESIDING OFFICER. Without objection, the amendment will be considered in order at this time, and the amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wyoming (Mr. WALLOP) proposes an amendment numbered 386.

Mr. WALLOP. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, after the table following line 20, insert the following:

"*Provided, however,* That the Governor of any State may, upon application by any person, after notice and the opportunity for public hearing, and with the concurrence of the State's air pollution control agency, authorize issuance of a permit where the projected increases will result in exceedance of the twenty-four-hour maximum allowable increases specified above for such pollutants during not more than eighteen days in any annual period in any designated area, so long as no such projected exceedance over the baseline is greater than:

"Pollutant	(In micrograms per cubic meter)
Particulate matter:	
Twenty-four-hour maximum	75
Sulfur dioxide:	
Twenty-four-hour maximum	183

The variance will only be granted—

"(1) over an area of unpopulated terrain which is not less than one hundred feet above the base of any stack used by the source to disperse emissions, and

"(2) of public hearings have been provided at the State capital and in each political subdivision in which the maximum allowable increases for sulfur dioxide (or particulate matter) will be permitted to be exceeded by reason of the variance.".

On page 17, line 7, after "*Provided,*" strike the entire sentence and insert in lieu thereof the following: "*however,* That the Governor of any State may, upon application by any person and notice and opportunity for public hearing, consultation with the appropriate Federal land manager, and concurrence of the State air pollution control agency, authorize issuance of a permit where the projected increases in any part of any class I area from all sources will result in exceedance of the twenty-four-hour or the three-hour maximum allowable increases specified above for such pollutants during not more than eighteen days in any annual period (exceedance of any such maximum allowable increase for any period of less than twenty-four hours counting as one full day) so long as no such projected exceedance over the baseline is greater than:

"Pollutant	(In micrograms per cubic meter)
Particulate matter:	
Twenty-four-hour maximum	30
Sulfur dioxide:	
Twenty-four-hour maximum	100
Three-hour maximum	325

Such opportunity for public hearing shall be provided at the State capital and in each political subdivision in which the maximum allowable increases for sulfur dioxide, or particulate matter, will be permitted to be exceeded by reason of the variance.

"No such variance will be issued if the Federal land manager establishes that its issuance will result in a violation of the twenty-four hour or three-hour maximum allowable increases specified for such pollutants on more than eighteen days in any annual period, or will exceed the allowable increases over the baseline provided for under the variance.".

Mr. WALLOP. Mr. President, I offer this amendment to the class 1 and class 2 sections of the nondegradation portion of the bill for the reason that yesterday, when the Senator from Alaska, (Mr. STEVENS) offered his amendment, he pointed out something that was of a critical nature to those who would try to operate under the provisions of this bill.

In my opinion, the amendment of the Senator from Alaska went too far, for a simple reason, and that is it did not take into account the cumulative effects of these 5-percent intrusions into the class 1 areas of the country.

It is possible, under the amendment that was adopted yesterday, that five or six or seven such intrusions could surround the class 1 area, and the 5-percent intrusions might easily turn into a period of prolonged degradation of the class 1 areas of this country.

What we are trying to do is create an act which will protect the air of this country for a long time to come. It is my hope that we will not have to come back to the issue every couple of years and find that we have gone too far, or not far enough, and have to try to find our way out of the difficulty.

But the way the bill is written, it does not take into account the cumulative effect of intrusions that can take place with the present method of handling applications, which allow a 1-day worst case intrusion as a throwaway.

We must remember we are not talking about only Utah, only Wyoming, or only the West, but there are cases in the East, such as, for example, the Shenandoah Valley. It is possible, with the 1-day worst case intrusion throwaway, that the class 1 area could be ringed with so-called clean nonpolluting plants, and yet, with one 24-hour intrusion being allowed them, it is conceivable that with just that, you could get an intrusion in every day of the year from some plant among those surrounding the class 1 area.

That is a sizable environmental weakness which was not perceived. I had modelers from industry and from the Environmental Protection Agency in my office the other night until 9 o'clock, trying to make sense out of a very wobbly science, and they came to the conclusion that the bill neither provides protection for class 1 areas nor an opportunity for American industry to develop subject to them.

If this amendment were adopted, it would simply say that the 5-percent intrusion is allowed for a class 1 area, but it would conclude by saying a 5-percent intrusion from all sources, to make sure that the class 1 area was unprotected to the extent of 5 percent and no more. It would provide that 5 minutes was the equivalent of a 24-hour intrusion, and it would provide that an intrusion anywhere in the class 1 area would count as against the whole of the class 1 area.

People have talked about a particular plant project that intrudes in Utah. One advantage that my amendment would offer is that it would provide that the Federal Bureau of Land Management could provide monitoring systems to check such cases, and if the modeling proved to be wrong, and the intrusions were to the extent of 15 days, there would only be 3 days left in which such an intrusion could be accommodated under the amendment as it stands.

If adopted, it will do two things: It will take care of intrusions in class 1 and class 2 areas of the country, and it will take care of those things over a long period, so that we do not have to keep coming back.

Mr. President, I reserve the remainder of my time.

Mr. STAFFORD. Mr. President, first let me say that the Senator from Wyoming (Mr. WALLOP) is a very valuable member of the Committee on Environment and Public Works, and all of us on the committee appreciate his many contributions to the work of the committee and to the development of the bill which is currently pending before the Senate.

I have discussed with him to some extent the amendment which he has offered this morning. I am not able to accept the amendment, Mr. President, proposed by the Senator from Wyoming as two more sets of numbers to standards required under the Clean Air Act. In an attempt to provide more flexibility for growth, the amendment adds to the difficulties of modeling and adds potential redtape.

As the Senator from Maine has noted repeatedly, S. 252 does not prohibit growth. He has quoted from a letter to this Senator showing the range of industry which can be accommodated in class 2 areas under S. 252. Large facilities can even be constructed reasonably close to national parks.

The Environment and Public Works Committee spent 18 months considering nondegradation proposals. The final product, which is incorporated in S. 252, is the result of extensive analysis, debate and balancing. It represents a thoughtful and defensible point between unbridled growth and a total shutdown. Increments established for class 1 and class 2 areas in S. 252 are identical to those requirements now enforced under EPA's policy. Numerous permits for new facilities have been granted under this policy. No permit has been denied of which we have knowledge.

I would hope, Mr. President, that the distinguished Senator from Wyoming might reconsider his amendment at the present time, leave in place the carefully considered provisions of S. 252, and, in view of the complicated nature of the proposal, afford the committee an opportunity to further examine his proposal in the future. This Senator will certainly undertake to assure that we make that additional examination of the Senator's proposal. Then we can fully understand it.

On that basis, I would hope that the Senator might consider withdrawing the amendment at this time.

Mr. STEVENS. Will the Senator allow me to have 3 minutes out of his time to comment on this amendment?

Mr. STAFFORD. The Senator from Vermont yields 3 minutes on the bill to the Senator from Alaska.

Mr. STEVENS. I want to thank the Senator from Wyoming for attempting to again bring the subject before us.

I want to say to my good friend from Vermont and my good friend from Maine, it seems to me it is unfortunate that after 18 months of study by the committee the committee decided that the precise regulations which were put into effect, not as a requirement of Congress but as a requirement of a court decision brought by the Sierra Club, are the only regulations this country should live under in spite of the problems we have brought before the committee and before the Congress.

My State faces, I feel, a situation where in order to come within the terms of this Clean Air Act we will be forced to go to the industrialization of the type the Senator talks about rather than the type of resource processing we envision. In other words, I believe the net result of this bill will be to force the industrialization of of Alaska in a manner that is not compatible with our way of life. We have been seeking discretion to have slight variances that would allow Alaskans to go ahead with the proposals which are already on the horizon as far as my State is concerned.

The amendment of the Senator from Wyoming would have provided at least a small amount, albeit a small amount, of flexibility. I am sorry the committee cannot see fit to adopt even this.

I want to serve notice to the managers that this bill will, in fact, come back here. We have, in fact, granted a time limitation for this floor action. However, this Senator is not going to agree to a time limitation when this bill is reported by the conference committee unless there is some flexibility with regard to nondegradation. There cannot be a continuance of the program that was put into effect by EPA under the mandate of a court—in my opinion such inflexible requirements leaves areas such as Alaska completely at the mercy not of clear air standards, but at the creation of new national parks which would be designated Class I by statute.

That is the problem we face. It is the problem of designation of new wilderness areas and new national parks and what impact that has upon the planned, orderly growth of an area which does not seek industrialization but seeks to have resource processing installations such as smelters or refineries, or that type of installation, to aid in the future development of the great resource base of the country; namely, my State of Alaska.

I am sorry that I have to state this. It does appear to me that it is unfortunate that the committee's conclusion after such a long study was that no flexibility was in order.

It also appears to me to be unfortunate that the committee is unwilling to give some small discretion to the Governor of each State. The committee seems to assume that every Governor would exercise that discretion to the *n*th degree. That is not so. I do not believe my Governor today would exercise it at all. But the power to exercise that discretion would lead to the creation of some flexible standards, very small variances, which would accommodate the developments we see coming.

The net result of this is going to be more litigation, more chaos, and before long the clean air question we will be back here. That is unfortunate.

I thank my friend from Wyoming. I think the variance involved in this amendment is so small it would involve really only one plant for each one of these areas, as a practical matter. It would be such a limitation on growth that it would be hard to live with, but it would be something. It would say to our people, "There is a chance, in spite of the creation of these large areas, that you could still have development on your own private lands."

I think that is the absolute minimum that must be in this bill sometime before it survives this Congress. I thank the Senator for yielding.

Mr. WALLOP. Mr. President, I thank my friend from Alaska. He brings out valid points at which we must look. One of the difficulties we have by the very nature of the way the Senate is set up is that we look at environmental matters as though they were Tootsie Rolls and we could break off one piece and chew on clean air for a day, break off another piece and chew on water for a day, break off a third piece and chew on health matters for another day, and so on.

One of the problems we have is we draw lines on a map and we ask God to respect those lines despite the fact that the Senate has little control over His activities. It is unlikely that we can create wind patterns that will respect those lines. We need to have a little elbow room in that whole matter.

We speak only of air pollution and not of the effect it might have on water re-

sources, which are directly related to it. In my part of the country, we cannot think of air pollution without thinking of water waste, and other things. We cannot think only of mining without thinking of water. We cannot think of anything separately from all the rest.

There is a bit of rigidity in this. I would hope that in conference maybe some wisdom would surface. I have tried to learn.

At the request of my friend from Vermont, I withdraw my amendment and yield back the remainder of my time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, without prejudice to Mr. THURMOND, who was to be next in the lineup, that, in the interest of the better utilization of the time, Mr. HUDDLESTON may proceed with his three amendments or until such time as Mr. THURMOND is ready to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Kentucky is recognized.

Mr. HUDDLESTON. Mr. President, I have three amendments. They grow out of my concern that we not do anything that unduly inhibits the continuing development and research of coal.

The PRESIDING OFFICER. The Chair advises the Senator that the time does not run until one of the amendments is specifically offered.

UP AMENDMENT NO. 386

Mr. HUDDLESTON. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kentucky (Mr. HUDDLESTON) proposes an unprinted amendment No. 386.

On page 121, between lines 18 and 19, insert the following:

"(8) (A) the special problems of small businesses and government agencies in obtaining reductions of emissions from existing sources in order to offset increases in emissions from new sources for the purposes of this Act; and"

On page 121, line 19, strike out "(8)" and insert in lieu thereof "(B)".

On page 122, line 21, strike out "section (a) (3)" and insert in lieu thereof "paragraphs (3) and (8) of subsection (a)".

On page 122, line 25, before the period insert a comma and "and for other purposes".

Mr. HUDDLESTON. Mr. President, as I indicated, my concern is that we not inhibit in any way our continued research and development in making coal a clean burning, acceptable fuel and in meeting our air quality standards. I believe everybody recognizes, as the President has indicated, that the central part of our energy effort has to be the greater utilization of coal. Consequently, I want to make it abundantly clear in the legislation before us that we do not in any way hinder the effort to develop clean burning coal.

It is the purpose of this amendment to require the National Commission on Air Quality, in its study of alternative strategies for permitting new construction in nonattainment areas, to focus on the special problems of small businesses and Government agencies in obtaining tradeoffs of emissions from existing sources. Further, it requires that this study be submitted to the Congress by March 1, 1978, so that it can be considered here and by the States as new State implementation plans are being developed.

In addition to the small business portion of it, of course, Government facilities could well be those who are engaged in experimentation and research on developing cleaner ways to burn coal and in developing data to assist in setting standards for air emission standards.

I believe this is acceptable to the managers of the bill.

Mr. President, I yield back the remainder of my time.

Mr. RANDOLPH addressed the Chair.

The PRESIDING OFFICER (Mr. GLENN). The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I personally want to express appreciation to the able Senator from Kentucky (Mr. HUDDLESTON) for bringing this amendment to the attention not only of the committee, but of the Senate itself.

He is knowledgeable in the area of the production of coal in the State of Kentucky and other States.

There is the very pressing problem of coal conversion which is going to be a subject of at least one other amendment.

I refer to the amendment that will be offered by the Senator from Ohio (Mr. METZENBAUM) in which I will join.

If it is agreeable with the able Senator, I would like to be included as a cosponsor of his amendment.

I feel very strongly that his argument is a valid one and it is my understanding that we are ready to take such an amendment to conference.

Mr. HUDDLESTON. I thank the distinguished Senator from West Virginia.

Mr. President, I ask unanimous consent that he be listed as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. May I ask the Senator, as I understand it, this is his most significant of the three amendments which he has presented?

Mr. HUDDLESTON. This requires a study.

Mr. MUSKIE. The study.

Mr. HUDDLESTON. The study.

Mr. MUSKIE. Mr. President, I am more than happy to accept this amendment. I have discussed it with the Senator from Kentucky.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MUSKIE. I yield back the remainder of my time.

Mr. HUDDLESTON. I have yielded back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

UP AMENDMENT NO. 387

Mr. HUDDLESTON. Mr. President, I send to the desk an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kentucky (Mr. HUDDLESTON) proposes an unprinted amendment numbered 387:

On page 18, line 15, after "ment" insert "or innovative fuel combustion techniques".

Mr. HUDDLESTON. Mr. President, the proposed provisions for application of best available control technology to all new major emission sources, although having the admirable intent of achieving consistently clean air through the required use of best controls, if not properly interpreted may deter the use of some of the most effective pollution controls.

The definition in the committee bill of best available control technology indicates a consideration for various control strategies by including the phrase "through application of production processes and available methods systems, and techniques, including fuel cleaning or treatment." And I believe it is likely that the concept of BACT is intended to include such technologies as low Btu gasification and fluidized bed combustion. But, this intention is not explicitly spelled out, and I am concerned that without clarification, the possibility of misinterpretation would remain.

It is the purpose of this amendment to leave no doubt that in determining best available control technology, all actions taken by the fuel user are to be taken into account—be they the purchasing or production of fuels which may have been cleaned or up-graded through chemical treatment, gasification, or liquefaction; use of combustion systems such as fluidized bed combustion which specifically reduce emissions and/or the post-combustion treatment of emissions with cleanup equipment like stack scrubbers.

The purpose, as I say, is just to be more explicit, to make sure there is no chance of misinterpretation.

Mr. President, I believe again that this amendment has been checked by the managers of the bill and that they are inclined to support it.

Mr. MUSKIE. Mr. President, I have also discussed this amendment with the distinguished Senator from Kentucky. I think it has been worked out in a form I can accept. I am happy to do so. I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back on both sides?

Mr. HUDDLESTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

UP AMENDMENT NO. 388

Mr. HUDDLESTON. Mr. President, I send to the desk a third amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kentucky (Mr. HUDDLESTON) proposes an unprinted amendment No. 388.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, line 17, after "is" insert "(A)".

On page 48, line 19, after "Act" insert "or (B) the administrative order on consent issued by the Administrator on April 1, 1976, requiring compliance with sulfur dioxide emission limitations or standards at least as stringent as those promulgated under section 111".

On page 48, line 21, after "1979," insert "except such administrative order or consent,".

Mr. HUDDLESTON. Mr. President, this amendment is a very narrowly drawn amendment to prevent the inequitable imposition of noncompliance penalties against the Louisville Gas & Electric Co. which has entered into an agreement with the Government for the development and experimentation of scrubber technologies. As I say, it is a very narrowly drawn amendment. It simply avoids an inequity that could occur.

Mr. President, my amendment is aimed at correcting an inequity fostered by the penalty provisions for noncompliance with applicable emission limitations. In no way is it inconsistent with the other purposes of the section of S. 252 dealing with compliance orders. As I understand it the penalty provisions of section 11 would impose a penalty for noncompliance "in an amount equal to the cost of actual compliance by such facility in any economic value which may accrue to the owner or operator." I believe that the rationale for such a penalty is clearly and correctly that noncompliance offers a competitive advantage to the owner or operator of a noncomplying facility in comparison to other such facilities in a similar field and comparable market area.

My amendment would exempt the Louisville Gas & Electric Co. has been recognized by EPA as the preeminent leader in the electrical utility industry in the effort to develop sulfur dioxide removal systems. As early as 1967 the company built a 65-megawatt generator and installed its first SO_2 scrubber as a basis for a cooperative research program in SO_2 removal and sludge disposal. Certainly, undertaking a test of good faith in the case of L.G. & E. would require no "excessive burden on the manpower and resources of the States and the EPA" as is the fear expressed in the committee report.

While L.G. & E. funded the program on its own at the outset, in the fall of 1975 a contract was signed with EPA for $1 million worth of Federal funding of the research program in SO_2 removal. Concurrently, L.G. & E. initiated a full-scale demonstration program in 1973 and in October 1976 the company received a $1.8 million grant from EPA for developing disposal methods for the sludge from the SO_2 removal system. It is this private-Federal cooperative effort which provided the basis for the present compliance schedule for L.G. & E. which was negotiated in November 1975. The compliance schedule extends to 1985, some 6 years beyond the July 1, 1979 date set out for compliance in S. 252. Though special provisions are made for cases when innovative technology is used, this extension, according to new information could extend only until 1981. Even if L.G. & E. should qualify for the extension, this leaves some 4 years in which L.G. & E. must pay compliance penalties. It has been estimated that unless my amendment is adopted, L.G. & E. would be penalized at the rate of $1.5 million per month during this period.

However, in the present instance it should be clear the consent decree and the compliance schedule of the Louisville Gas & Electric Co. requires the company to meet more stringent standards of sulfur dioxide emissions than those applicable to any other electrical generating facility in the market area. L.G. & E. has agreed to meet new source performance standards for sulfur dioxide emissions for all existing facilities for its entire system under its present compliance schedule.

Thus, if the proposed amendment is not adopted the present language of S. 252 would, in the instance of L.G. & E., stand on its head the economic rationale for the penalty provisions of section 11. Additionally, I am at a complete loss to understand the equity in a situation where perhaps the leading innovator of the electrical utility industry in the field of pollution control should be penalized for the employment of new techniques, for it is the installation of these new techniques that caused the compliance schedule to run until 1985.

Mr. President, I ask the manager of the bill if my amendment is acceptable.

Mr. MUSKIE. Yes.

Mr. President, I have also discussed this matter with the distinguished Senator from Kentucky. As I understand it, the Louisville Gas & Electric Co. is under a court order. They did so in good faith. They complied with it and they are moving faster than many other companies in similar situations to adopt scrubbers and clean up their pollutants.

The Environmental Protection Agency, as I understand it, has signed that order and it is agreeable to this proposal.

With all that, I think the public interest is safeguarded and it is agreeable to me to accept the amendment.

The PRESIDING OFFICER. Is all time yielded back on both sides?

Mr. HUDDLESTON. Mr. President, I yield back the remainder of my time.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

Mr. HUDDLESTON. I am concerned with parts of section III of the original Clean Air Act which are not addressed by the proposed Senate amendments. My concerns are directed at the promulgation of "New Source Standards of Performance" applicable to facilities that research and demonstrate new energy technologies.

In the realm of energy development, R. & D. progresses carefully before becoming commercially developed. Pilot plants are process research and development tools; demonstration plants are designed to further enhance the commercial viability of developing fossil energy technologies. And both types of facilities research and demonstrate technical feasibility, while gathering information necessary for optimizing environmental control strategies.

EPA is mandated by the Clean Air Act to develop NSPS for all "major emitting facilities." While I certainly agree that NSPS should be promulgated for all proven technologies, I fear that NSPS applied prematurely to unproven technologies could result in either hindering the progress of necessary research and development on the technology, or eliminating investigation of the technology entirely.

I envision cases in which EPA might attempt to set NSPS for new energy technologies before adequate research and demonstration has been completed. Such standards promulgation, without the necessary range of information completed, would serve no purpose but to arbitrarily regulate a process before it is either necessary or advisable. At best, such regulation represents a standard setting process which bases itself on inadequate information.

In light of our energy goals, I do not feel that we can afford to let such a situation affect our energy development programs. Avoiding the problems I have described would be most easily executed through an exemption mechanism directed at research and demonstration facilities. However, in view of our equally important environmental goals, I realize that such a mechanism may not satisfy the intent of our present amendments.

Mr. MUSKIE. I agree with the Senator from Kentucky that there is no point in setting binding standards that are without adequate foundation, or when the commercial implementation of a new technology remains some time away. Certainly we do not want to preclude any technical option on energy production through implementation of poorly formulated standards.

However, we must avoid certain past mistakes which placed technology goals ahead of environmental goals within our Federal research and development programs. We need only look at our nuclear program to recognize these dangers. I feel that it is important that the formulation of NSPS should proceed as the information available from R. & D. is realized so that assurances must be given that R. & D. is equally directed at securing optimum control strategies for the technologies in question. We cannot afford to allow environmental quality to take a backseat to our need for energy development.

Mr. HUDDLESTON. My colleague has made an excellent point, and, perhaps

having learned from past misjudgments, I believe we are making progress toward assuring that energy research and development and environmental goals are balanced.

Through legislation enacted over the past several years, we have given the Energy Research and Development Administration a fourfold mission: to develop all energy sources necessary to meet the needs of present and future generations, to increase the productivity of the national economy and make the Nation self-sufficient in energy, to protect the environment, and to assure public health and safety with regard to use of these energy sources. Through such legislation, we have explicitly mandated that technology research, development, and achievement of necessary environmental goals coincide.

As an internal mechanism for fulfilling its environmental responsibilities, ERDA has established environmental development planning in all its R. & D. programs. The EDP—the document which articulates the environmental goals of a program—is designed to insure that all technology development is accompanied by simultaneous environmental R. & D. These guidelines are intended to assure that all environmental goals are met by each stage of technology development, up through commercialization.

In addition, and equally important, many mechanisms are being used to insure coordination between ERDA and EPA on environmental matters. They range from interagency agreements to technical discussion by telephone. And, they include planning, field projects, and interagency reviews and meetings.

Through such guidelines and the cooperation I have mentioned, I think that the proper relationship between NSPS promulgation, new technology R. & D., and environmental goals can be maintained. However, I feel that it is our responsibility to monitor this interaction to assure that concerns from all parties on this matter are properly addressed.

Mr. MUSKIE. I think we can both agree that a way to both fulfill our energy R. & D. goals, and simultaneously insure protection of our environment is through interagency cooperation between ERDA and EPA on the matter of NSPS coordination and promulgation. Furthermore, I would stress that we look to EPA and ERDA to provide that cooperation, and to the Congress to insure its obligations.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, in the interest of saving time, because other Senators with amendments are not in the Chamber, I ask unanimous consent that the distinguished Senator from Nebraska be recognized in order to bring up his amendment out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does that leave the Senator from South Carolina in the same order?

Mr. MUSKIE. Yes.

UP AMENDMENT NO. 389

Mr. CURTIS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. CURTIS), for himself and Mr. ZORINSKY, proposes an unprinted amendment numbered 389.

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 107, line 11, insert the following new section 38, and renumber all succeeding sections accordingly:

SEC. 38. Section 211 of the Clean Air Act is amended by adding a new subsection (g) as follows:

"(g) (1) For the purposes of this subsection:

"(A) The terms 'gasoline' and 'refinery' have the meaning provided under regulations of the Administrator promulgated under this section.

"(B) The term 'small refinery' means a refinery producing gasoline which—

"(i) is only that fraction of the capacity of which was in operation or under construction on October 1, 1976, and

"(ii) has a crude oil or bona fide feed stock capacity (as determined by the Administrator) of 50,000 barrels per day or less, and

"(iii) is owned or controlled by a refiner with a total combined crude oil or bona fide stock capacity (as determined by the Administrator) of 100,000 barrels per day or less.

"(2) No regulations of the Administrator under this section (or any amendment or revision thereof) respecting the control or prohibition of lead additives in gasoline shall require a small refinery prior to October 1, 1982 to reduce the average lead content per gallon of gasoline refined at such refinery below the applicable amount specified in the table below:

If the gasoline production of the small refinery for calendar year 1976 (or, in the case of refineries under construction, half of the designed crude oil capacity) was (in barrels per day)	The applicable amount is (in grams per gallon)
5,000 or under	2.5
5,001 to 10,000	2.0
10,001 to 15,000	1.5
15,000 or above	(1)

[1] As prescribed by the Administrator.

"(3) Effective on the date of the enactment of this subsection, the regulations of the Administrator under this section respecting fuel additives (40 CFR part 80) shall be deemed amended to comply with the requirement contained in paragraph (2).

"(4) Nothing in this section shall be construed to preempt the right of any State to take action as permitted by Section 211(c)(4)(C) of this Act."

Mr. CURTIS. Mr. President, this amendment is sometimes referred to as the small refineries amendment. We have only one refinery in Nebraska. It is a very small one. Many of these small refineries would have to be totally rebuilt if they were going to comply with everything that might be imposed upon them. They do not have the capitalization to do that. At the same time, were they to be closed, the surrounding territory would suffer a great deal.

The distinguished Congresswoman from Nebraska offered an amendment, which was adopted unanimously, in connection with small refineries. My information is that it would meet with considerable opposition in the Senate. As a result, the language before the Senate is very much restricted. It is restricted to a refinery that has a crude oil or bona fide feedstock capacity, as determined by the Administrator, of 50,000 barrels per day or less and is owned and controlled by a refiner with a total combined crude oil or bona fide feedstock capacity, as determined by the Administrator, of 100,000 barrels per day or less.

It also grants this relief only until October 1, 1982; and it is further restricted in its subject matter over the House amendment.

It is my understanding that the distinguished chairman of the committee, who is in charge of the bill, has examined this amendment and is willing to accept it. In that case, I am ready to submit it and yield back the remainder of my time.

Mr. MUSKIE. Mr. President, I have examined the revised amendment proposed by Senator CURTIS on small refineries and am prepared to accept it.

The Environmental Protection Agency has promulgated lead phase-down regulations requiring a maximum average lead content for each refinery of 0.5 grams per gallon by October 1, 1979. This is a health-based regulation intended to insure a positive and lasting reduction in lead emissions to the ambient air. It is a result that will benefit the health of many people and I firmly support it.

However, this regulation places a heavier burden on smaller refineries. To meet that level a refinery must either produce large volumes of unleaded gasoline or reduce the lead content of leaded gasoline, or both.

Some small refineries may be too small to produce unleaded gasoline or to install the equipment to lower the lead content to the level in existing regulations on the same schedule as large refineries.

The amendment provides a temporary relaxation in the average lead requirement for small refineries for 3 years, until October 1, 1982. This will allow time for them to install the necessary equipment to produce gasoline with lower lead content or to make alternate plans.

EPA has authority to provide for a permanent standard for small refineries.

The amendment is sharply limited. It applies only to existing small refineries with 50,000 barrels per day or less crude oil capacity and that were in operation or under construction October 1, 1976. It only includes those that are owned by small refineries, with 100,000 barrels per day crude oil capacity or less. There are about 66 small refineries covered.

Altogether, these refineries produce about 5 percent of the U.S. gasoline. Thus, the net increase in national average lead levels will be moderate, from 0.5 grams per gallon up to 0.55 grams per gallon.

EPA is required to establish lead requirements for those refineries which produce more than 15,000 barrels per day of gasoline but have crude oil capacity of 50,000 barrels per day or less. According to a report by Sobotka and Company, most of these refineries have processing configurations similar to these in larger facilities and thus would be able to meet the lead requirements as easily as large refineries. The others could add the necessary facilities at a cost equivalent to adding them to large refineries. EPA could take these facts into account in setting lead requirements in this category.

For small refineries, the standards set by the amendment are reasonable. For those with 1976 gasoline production up to 5,000 barrels per day, 2.5 grams per gallon; for those between 5,000 and 10,000 barrels per day, 2.0 grams per gallon; and for those between 10,000 and 15,000 barrels per day, 1.5 grams per gallon.

Mr. STAFFORD. Mr. President, on behalf of the minority, we also are prepared to accept the amendment offered by the distinguished Senator from Nebraska.

Mr. CURTIS. I thank my distinguished colleagues very much, and I yield back the remainder of my time.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Who seeks recognition?

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 390

Mr. GRAVEL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. GRAVEL) proposes an unprinted amendment numbered 390.

Mr. GRAVEL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, line 13, after "(6)(A)" insert the following: "Within six months after the enactment of the Clean Air Amendments of 1977, for each region subject to this subsection the State and elected officials of affected local governments shall jointly determine which elements of a revised implementation plan will be planned for and implemented or enforced by the State and which such elements will be planned for and implemented or enforced by local governments or regional agencies, or any combination of local governments, regional agencies, or the State.".

On page 30, line 18, strike "recognized" and insert in lieu thereof "certified".

On page 30, line 23, after "local governments," insert "and in accordance with the determination under the first sentence of this subparagraph,".

On page 30, line 25, after "area" insert "or a State agency".

On page 32, line 10, after "title 23, United States Code," insert the following: "other than for safety, mass transit, or transportation improvement projects related to air quality improvement or maintenance,".

On page 32, line 11, strike "State" and insert in lieu thereof "air quality control region (1)".

On page 32, line 12, after "attained," insert "(ii)".

On page 32, strike lines 14 through 17 and insert in lieu thereof "(iii) where the Administrator finds after January 1, 1979, that the Governor has not submitted an implementation plan which considers each of the elements required by paragraph (2) of this subsection or that reasonable efforts toward submitting such an implementation plan are not being made (or, in the case of a revised implementation plan required by paragraph (3) of this subsection, after July 1, 1982).".

On page 32, line 23, strike all after "section," through page 33, line 10, and insert in lieu thereof "including any requirement for a revised implementation plan under paragraph (2) of this subsection, the Administrator shall not make any grants under this Act.".

Mr. GRAVEL. Mr. President, I submit today an amendment to the committee bill to cover two problems with the section on implementation plans, section 110(h)—intergovernmental relations and sanctions for failure to submit implementation plans in a timely fashion. Much concern has been expressed about the fact that the committee bill as it stands on these two questions is unduly harsh. The National Conference of State Legislatures strongly supports my amendment. The National Association of Counties and the National Governors' Conference both support my amendment as an acceptable compromise to the committee bill. I am of the opinion that the amendment will satisfy the vast majority of the concerns expressed to date.

Mr. President, for too long State and local governments have been faced with the problem the Federal Government dictating how State and local governments should interact, particularly with regard to areawide programs. My amendment would follow the example set by the Resource Conservation and Recovery Act of 1977 by allowing State and local governmental bodies to decide how best to address the questions of planning, enforcement, and implementation. State and local governments can sit down together to decide which level of government should handle which facets of planning. Similar decisions will be made with regard to enforcement and implementation. It gives me pleasure to encourage this form of governmental interaction without imposing upon the State and local bodies the ominous presence of the Federal Government. This portion of the amendment should continue to provide the appropriate level of government the ability to handle problems where they should be handled.

The second portion of my amendment deals with the question of sanctions for failure to submit implementation plans in a timely fashion. My amendment would not require penalizing the entire State for the failure of a single air quality control region. Only that region would suffer. But they would not suffer when incomes to those aspects of transportation funds that are related to safety, mass transportation, or improvement projects related to air quality improvement or maintenance. To penalize a region by deleting funds in those areas that are the subject of this act makes no sense. We need to encourage these three areas, rather than penalize regions violating the requirement for submittal of plans.

My amendment would do one more thing. Instead of requiring what some people are concerned would be the impossible, my amendment would set a deadline of January 1, 1979, unless a showing can be made that reasonable efforts are being made to submit an implementation plan. We should not penalize those regions that are in the process of submitting, or have made best efforts to submit, a plan, but have not yet done so for some legitimate reason. Thus my amendment offers an element of commonsense.

Mr. President, all this amendment does is to tighten up, quite properly, language that was accepted by the committee as punishment for the lack of adopting a plan. Rather than denying other moneys, we would deny highway moneys if an area did not adopt a plan.

The amendment that was accepted in committee dealt with an entire State, and this amendment would add technical language that would limit the punishment area to a quality control region itself, so that the whole State would not suffer punishment if it did not come up with a plan. That precise area would suffer punishment if it did not come up with a plan. Rather than deny all highways moneys, it was felt that it would be more proper not to deny moneys that dealt with safety, that dealt with mass transit; and it dealt, in point of fact, with improvements in air quality.

So we have precisely limited it to the moneys that have been designed for a region. If it did not come up with a plan, it would be moneys that they would be expending from normal highway transportation system funds, which obviously would be an occasion for further pollution. That precisely is what should be punished, and we should not use a broad brush, which is the way we had it defined in the proposal accepted by the committee.

I hope the managers of the bill will accept this amendment. It is technical in

nature. It does more certainly what should properly be done in this regard.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the National Conference of State Legislatures which supports my amendment, the National Association of Counties, which also supports my amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE OF STATE LEGISLATURES, 444 NORTH CAPITOL STREET, N.W., WASHINGTON, D.C.
June 9, 1977.

Hon. MIKE GRAVEL,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR GRAVEL: On behalf of the National Conference of State Legislatures and as Chairman of its Committee on Natural Resources, I want to thank you and offer our strong support for your amendment to the transportation control planning provisions of S. 252.

We are especially pleased at the language allowing state and local governments to determine for themselves what level of government is best equipped to assume what responsibilities for transportation control planning and implementation. This buttresses one of the fundamental principles of the Clean Air Act: that the prevention and control of air pollution is "the primary responsibility" of state and local governments. State and local leaders are in the best position to know each others' strengths and weaknesses, and while the federal government may tell states and localities what must be done, it does them and the nation a desservice when it attempts to dictate how they must work together. Your amendment goes far to remove some of the vexing intergovernmental difficulties that have plagued transportation control programs in the past.

The National Conference is also pleased that you have seen fit to modify the funding sanctions for non-implementation and failure to comply with requirements for amending state clean air plans. In principle, NCSL is opposed to any sanctions, on the ground that they are often worse than the deficiencies they are designed to remedy. We also believe that sanctions are inequitable here, since the successive relaxation of auto emission requirements has already shifted a heavy burden onto state and local governments to implement more stringent transportation controls. We recognize, however, that reasonable men can argue that some sort of penalty is essential to assure that this difficult job is done, and we see your amendment as a thoughtful compromise.

By protecting safety, mass transit, and air quality-related transportation improvement projects, the amendment assures that the sanction does not impair funding for projects that are essential to the abatement of the pollution problem. The amendment also assures that an entire state does not lose funds for the failure of one metropolitan area to develop adequate controls. Finally, your amendment recognizes that the Administrator is in the best position to decide whether the sanction should be applied for a state's failure to make reasonable efforts to amend its clear air implementation plan.

For all these reasons, we appreciate your efforts to make such a politically and administratively nettlesome clean air requirement more workable. While we have reservations about the equity and reasonableness of funding sanctions generally, in the spirit of compromise we wish you every success in your efforts to secure your colleagues' assent to your important amendment.

Sincerely,
Senator BERNARD C. SMITH,
Chairman, NCSL Committee on Natural Resources, New York State Senate Committee on Conservation and Recreation.

NATIONAL ASSOCIATION OF COUNTIES,
Washington, D.C., June 9, 1977.

Re Clean Air Act Amendments S. 252.

Hon. MIKE GRAVEL,
U.S. Senate, Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR GRAVEL: The National Association of Counties would like to take this opportunity to express our support for the amendment that you are sponsoring to the transportation control provisions of the Clean Air Act Amendments S. 252.

We are especially pleased that the amendment provides language to ensure that states and local governments will have the opportunity to plan for and implement transportation control measures. This language is very important to remedy the past situation where the federal government has actually dictated transportation control programs for states and local governments to implement. Not only has this past policy been contrary to the spirit of sound intergovernmental cooperation but it has also resulted in strong protests and reactions from state and local officials who are forced to implement these measures.

Transportation controls will not be successful unless they are supported and prepared by the officials who are most intimately involved with the nature of the community.

We are also pleased that the amendment seeks to modify the funding sanctions that are now contained in the bill S. 252 for local governments which fail to implement or comply with the transportation control plans. NACo is opposed in principle to sanctions as a means of forcing local governments to comply with federal programs. We do not believe that sanctions will, in fact, force local governments to comply with federal programs. Instead, we favor positive incentives to assist local governments meet the mandates of the federal government. We believe the latter approach ensures more of a partnership between federal, state and local governments.

We are especially opposed to sanctions in this instance because we are being penalized for the failure of the automobile industry to comply with the statutory emission standards. Transportation controls are necessary to compensate for the excess pollution in our urban areas that results from dirty cars. Thus, not only are we being forced to compensate for the failure of the auto industry by instituting these transportation controls, but we are also being threatened with severe financial sanctions if we cannot comply with the measures in the time that Congress has provided.

We believe it would be more equitable for the Congress to first require the automobile industry to comply with the statutory emission standards before they begin discussing sanctions to local governments.

While we would favor total deletion of the sanctions, we do believe your amendment, by lessening the possibilities that the sanctions will be applied, strikes the most reasonable compromise possible.

We appreciate your efforts to assist us in this regard.

Sincerely,
CAROL SHASKAN,
Legislative Representative.

Mr. STEVENS. Mr. President, has the amendment been agreed to?

Mr. MUSKIE. I was about to indicate my acceptance of it.

Mr. STEVENS. I just wanted to ask a question, to make sure I understand this.

I have an amendment which would go partially in this direction. Do I correctly understand my colleague's amendment means that if you have an implementation plan, whether you implement it or not, there will be no loss of highway funds?

Mr. GRAVEL. That is right. Not even that, but if you are making an effort to arrive at an implementation plan, there will be no loss of highway funds.

There is a terminal effect: If you do not make any effort at all by 1979 to come up with a plan, if there are no best efforts, then we stick it to you in a very surgical way.

Mr. STEVENS. I am sure the Senator knows that Fairbanks has a problem, and it is a naturally caused problem. I do not know of any solution to it yet.

Mr. GRAVEL. The fact that we are thinking of a solution and working on one will give it umbrage, under this amendment.

Mr. STEVENS. But if we cannot find a way by 1979 to solve it——

Mr. GRAVEL. If we cannot find a way by the year 2000, we still will not get hurt.

Mr. STEVENS. This means that the State of Alaska will not lose those funds if we cannot solve the ice-fog problem?

Mr. GRAVEL. If that happens, I will come to the floor of the Senate and slash my wrists.

Mr. STEVENS. I do not want the Senator to slash his wrists. I just want to make sure that he will not slash my wrists.

[Laughter.]

Mr. MUSKIE. As a matter of fact, we will ask him to slash them on the streets of Fairbanks.

Mr. President, as I understand the amendment, it is a reasonable modification of the committee amendment. It still retains some sanctions for those jurisdictions which make no effort, undertake no effort, to put together implementation plans, and so I am ready to accept it.

Mr. BAKER. Mr. President, I would like to express my support for the amendment offered by Senator GRAVEL to eliminate the highway fund sanction for failure by a State to implement a transportation control plan.

I do not believe that the Federal Government should seek to enforce a clean air program under the threat of a disruption of another virtally important program. Transportation projects are essential to the economic health of the States—they improve the efficiency of the movement of goods and people, they serve the national defense and they provide substantial employment opportunities.

I think that it is important also that we undertake to enforce all necessary clean air strategies. But the sanction

retained by the Gravel amendment of a curtailment of Federal funds to State air quality agencies is in my opinion sufficient and certainly more appropriate.

I therefore shall vote for the Senator from Alaska's amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MUSKIE. I yield back my time.

Mr. GRAVEL. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the distinguished Senator from Pennsylvania (Mr. HEINZ) be recognized out of order at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 391

Mr. HEINZ. Mr. President, I send an unprinted amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes unprinted amendment No. 391.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 130, after line 24, add the following new section:

"SEC. 50. The Administrator shall conduct a study concerning the effect on the public health and welfare of sulfate emissions from all sources. The Administrator shall report the results of such study, including a recommendation regarding the feasibility and necessity of regulating sulfate emissions, to the appropriate committees of Congress not later than two years after the date of enactment of this section."

Mr. HEINZ. Mr. President, I am concerned that the presence of sulfates in the air may present a health danger to the people of the United States. Sulfates are formed by a reaction of SO_2 with other substances in the atmosphere and are believed to have many of the same health effects as sulfur dioxide. It is estimated that sulfates constitute about two-thirds of the fine particulate matter which appears in the atmosphere and which can become lodged in the deep recesses of the lungs.

To date, no standards for sulfates have been set under the Clean Air Act. Two years ago, EPA decided that there was insufficient data on which to base a standard. Since that time, EPA has been involved in a program to develop information on the question of a sulfate standard. This amendment would require EPA to continue those studies and to determine whether a sulfate standard is necessary and feasible within 2 years of the date we enact the Clean Air Act Amendments of 1977.

I am particularly concerned about sulfates because the air pollution problems which they present could be aggravated by a national policy which encourages the use of coal. To the extent that we may be encouraging large sources to burn coal only to find that, as a result, they are discharging large amounts of these pollutants and treating a health hazard, we are being shortsighted. I am not saying that we should not encourage conversion to coal. I am saying that now is the time to look at the health impacts of sulfates and to make some determination as to whether, if, and how they need to be controlled. We should not wait several years to learn the dimensions of this problem.

In short, what my amendment proposes is that we open our eyes fully to any health problems that sulfates may pose. Only in this way may we judge the obstacles ahead and develop whatever means are necessary to surmount them.

Mr. President, this is a very simple amendment. It merely directs that within 2 years after the enactment of this section of the bill the administrator of EPA conduct a study concerning the effect on public health and welfare of sulfate emissions from all sources.

It is not a forcing amendment. It simply requires a study. Since particulate sulfate, composes something like two-thirds of all fine particulate matter that is currently being put into the air, since current technology in the removal of fine particulates is not effective, and since there is a considerable body of health opinion and research that says these fine particulates are potentially quite dangerous to the public health. I urge the adoption of this amendment.

I have discussed the amendment with Senator MUSKIE, the chairman of the subcommittee, and with Senator STAFFORD, the ranking minority member, and I understand they have no problem with it.

Mr. STAFFORD. Mr. President, I have examined this amendment offered by the distinguished Senator from Pennsylvania. For the minority I am prepared to accept this amendment.

The chairman of the subcommittee, the manager of the bill for the majority, will have to speak for himself, but I believe he is prepared to accept it also.

Mr. MUSKIE. Yes, Mr. President. This is a reasonable study. It is a subject about which we could use a great deal more knowledge than we have. I think the distinguished Senator from Pennsylvania has made a good case for it, so I am willing to accept the amendment,

The PRESIDING OFFICER. Is all time yielded back on both sides?

The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, 100 Senators are awaiting action on the bill. A few Senators have amendments. Both sides are attempting to get their Senators to the floor to call up their amendments. So I hope that the cloakrooms will put out a hotline urging Senators who have amendments to come to the floor. The first Senator who gets to the floor and calls up his amendment can get action first on that amendment.

Today is Friday. It is 12:33 p.m., and I know how Senators like to stay in the evening on Fridays and, being one myself, I know how I like to stay on Friday evenings.

Of course, we still have Saturday. But if the Senate is to expedite its action on this bill Senators had better come to the floor and call up their amendments.

I would urge both cloakrooms to urge Senators to come to the floor as soon as possible.

I suggest the absence of a quorum, and I ask unanimous consent that the time be equally charged against both sides of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 392

Mr. KENNEDY. Mr. President, I send an amendment to the desk on behalf of myself, the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from New York (Mr. JAVITS), and the Senator from Rhode Island (Mr. PELL), and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY), for himself, Mr. SCHWEIKER, Mr. JAVITS, and Mr. PELL, offers an unprinted amendment numbered 392.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment we dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 97 following line 8, insert the following new subsection:

"(f)(1) The Administrator shall conduct a study concerning the effects of health and welfare of particulate emissions from motor vehicles or motor vehicle engines to which section 202 applies. Such study shall characterize and quantify such emissions and analyze the relationship of such emissions to various fuels and fuel additives.

"(2) The study shall also include an analysis of particulate emissions from mobile sources which are not related to engine emissions (including, but not limited to, tire debris, and asbestos from brake lining).

"(3) The Administrator shall report to the

Congress the findings and results of the study conducted under subsection (a) not later than two years after the date of the enactment of the Clean Air Act Amendments of 1977.".

Mr. KENNEDY. Mr. President, this amendment requires a study of particulate emissions from motor vehicles or motor vehicle engines as well as mobile sources not related to engine emissions, including tire debris, asbestos from brake linings, and so forth, and their effect on health and welfare. The report is to be submitted to Congress within 2 years.

As chairman of the Subcommittee on Health and Scientific Research, I want to call to the attention of the Senate the fact that the gaseous emissions of autos have been studied for years, and that their effects on the environment are becoming clearer. But particulate emissions have never been analyzed as they relate to the automobile.

I am referring now to brake linings containing asbestos; when the brakes wear out, a significant amount of asbestos enters the atmosphere. It is estimated that over 5,000 pounds of asbestos enter the atmosphere each year because of the automobile, and an additional 135,000 pounds of asbestos drop out on the roads each year. It is time to study the effects of this kind of auto pollution, and to begin to move to protect our environment and our health from the damage to public health which results.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate while the Senator is addressing himself to his amendment?

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order. Those conversing in the aisles will please retire to the cloakrooms.

The Senator may proceed.

Mr. KENNEDY. Mr. President, I have decided the thrust of the amendment. We have listed in the amendment the matters to be included in this study to determine their complete environmental and health implications. We believe that this information would be extremely helpful and useful. I hope the amendment will be adopted.

Mr. MUSKIE. Mr. President, I have had the opportunity to study this amendment. I think it is a proper inclusion, and express my appreciation to the Senator from Massachusetts for bringing it to our attention. I think his approach is reasonable, and that the amendment would be an addition to this bill. I am delighted to accept it, and yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

UP AMENDMENT NO. 393

Mr. KENNEDY. Mr. President, on behalf of myself, the Senator from Pennsylvania, (Mr. SCHWEIKER), and the Senator from Rhode Island (Mr. PELL), I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY), for himself, Mr. SCHWEIKER, and Mr. PELL, proposes an unprinted amendment numbered 393.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 130, between lines 22 and 23, insert the following:

SEC. 49. (a) Not later than 12 months after the date of enactment of this Act the Administrator of the Environmental Protection Agency shall publish throughout the United States a list of all known chemical contaminants resulting from environmental pollution which have been found in human tissue, including blood, urine, breast milk, and all other human tissue. Such list shall be prepared for the United States and shall indicate the approximate number of cases the range of levels found, and the mean levels.

(b) Not later than 18 months after the date of enactment of this Act the Administrator shall publish in the same manner an explanation of what is known about the manner in which the chemicals described in subsection (a) entered the environment and thereafter human tissue.

(c) The Administrator, in consultation with the National Institutes of Health, the National Center for Health Statistics, and the National Center for Health Services Research and Development, shall, if feasible, conduct an epidemiological study to demonstrate the relationship between levels of chemicals in the environment and in human tissue. Such study shall be made in appropriate regions or areas of the United States in order to determine any different results in such regions or areas. The results of such study shall, as soon as practicable, be reported to the appropriate committees of the Congress.

On page 130, line 23, in lieu of "49" insert "50".

Mr. KENNEDY. Mr. President, this amendment requires that within a year, the EPA publish a list of all chemical contaminants which result from environmental pollution and make their way into human tissue—blood, urine, breast milk, or any other tissue.

This list would be made widely available to the public, and would include the levels at which these chemicals appear in human tissue, and the number of cases found.

Then EPA would publish an explanation of where the chemicals come from, and how they make their way into the human body. This would enable people to take steps to minimize their exposure to these chemicals.

Finally, EPA, with the National Institutes of Health, the National Center for Health Statistics, and the National Center for Health Sciences Research and Development, would conduct a study to show the correlation between exposure to these chemicals and the levels at which they appear in human tissues. This is, in essence, an effort to show the relationship between environmental pollutants and their appearance in human beings.

More and more chemical contaminants resulting from environmental pollution are finding their way into the human body. Nursing mothers who have contaminants in their milk pass them on to their infants. Many of these contaminants are carcinogenic. Asbestos finds its way into the lungs of unsuspecting Americans.

We ingest these chemicals in our food, drink them from our water, breathe them from our air. And they are accumulating in our bodies, increasing the risk of serious illness and disability. We are paying for past sins. We will pay for them for many years. Our children and our grandchildren will pay for our current sins. Parts of the food chain are contaminated and will remain so for many years, even if pollution stopped today.

In the course of our hearings held by my Subcommittee on Health and Scientific Research just this week, we have seen that a number of the substances which were banned 8, 9, or 10 years ago are still being ingested. They remain in the body, mostly in the body fats of individuals, and will probably remain there for the course of a lifetime.

One of the interesting aspects is that one of the ways for women to get rid of contaminants is through breast feeding their infants, with important implications for the health and well-being of those infants.

This amendment will let people all over the country know what is happening to their bodies. They will learn the sources of contamination. We have seen that some parts of our country individuals have anywhere from 40 to 50 times the amount of these contaminating substances in their bodies as compared to individuals in other parts of the country. This has been the finding when the Southeastern part of our Nation is compared to the Northeast. Quite clearly, this results from the extensive use of pesticides, herbicides, and insecticides, in the major agricultural regions of this country.

We will learn as a result of the provisions of this amendment, Mr. President, the sources of the contamination and, I hope, when people learn of this, they will have a chance to reduce their exposure.

Finally, the bill will allow us to better understand and prove the nature of the direct effect these contaminants have on the human body—so we can predict the results of certain exposures—so people in each city will know what is likely to happen to them and their children with the level of pollution they are exposed to on a daily basis:

SUBSTANCES FOUND IN THE HUMAN BODY BECAUSE OF ENVIRONMENTAL POLLUTION

1. Radioisotopes—result of nuclear exposure, fossil fuel burning.
2. Carcinogens coating fossil-fuel-burning residues—benzopyrent, methylcrisein.
3. Asbestos—air.
4. H_2O—pesticides, PCBs, kepone, etc., PBBs.
5. Food—aldrin, heptachlor, endrin, oxychlordane, dieldrin, heptachlor epoxide, and mirex.

It is clear to me that to begin to collect and correlate this information, to tie it into its sources, and to get wide distribution of this information, will be ex-

tremely important and useful to our citizens in making decisions with regard to their health.

I hope the Senate will adopt this amendment. I believe its implications are profound. I believe it will have an extremely positive impact on the national effort to remove contaminants from our environment.

I want to mention an additional point Mr. President. We are going to see an explosion in the number of new chemicals in our society. In the hearings we held earlier today, there was testimony from the Director of the EPA, that under the Toxic Substance Act anywhere from 2,000 to 3,000 new chemicals come on the market each year. EPA has been given approximately $10 million to conduct tests on these chemicals. It costs about $250,000 to do one test on one substance, let alone the 30,000 different chemicals which are already on the market.

New chemicals are pouring into the market. They have had, and will have, broad implications insofar as they remain in the human body and profound implications on the public health as a result. It seems to me that we must begin to collect this information and to understand it better. This is very much in the consumer's interest and has important implications on the success of our effort to improve the health of our citizens.

Mr. RANDOLPH. Will the able Senator yield?

Mr. KENNEDY. I yield.

Mr. RANDOLPH. The mention of pesticides and the other chemicals which increasingly are part of our life in one way or another gives me the opportunity to talk candidly to a fact. The Senator from Masachusetts (Mr. KENNEDY) is chairman of the Subcommittee on Health in the Committee on Human Resources and is knowledgeable in this field.

So very often, certain types of medicine are developed to be used by human beings to cure a certain ailment. Because of those medicines we may be able to help that ailment, that one. But in so doing we may have certain side effects in the human body. In a sense, that is what the Senator is saying today. The ramifications are very widespread. I commend the Senator for his presentation of this amendment.

Mr. KENNEDY. I thank the Senator.

Mr. MUSKIE. Mr. President, those who resist regulation and environmental laws constantly suggest, and sometimes state, that the requirements exceed the true requirements of health, so we need a constantly expanding body of knowledge and understanding of the effects of environmental pollution on health.

The distinguished Senator from Massachusetts has a perspective on those effects from the point of view of his responsibilities which are different than ours. I appreciate the fact that he has taken an interest to modify the environmental laws in order to make them more sensitive to his particular concerns. For that reason, I am delighted to have the amendment and, of course, I am willing to accept it. I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back.

Mr. KENNEDY. Before I yield back all my time, I ask unanimous consent to include the senior Senator from New York as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time has been yielded back. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

UP AMENDMENT NO. 394

Mr. CULVER. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa (Mr. CULVER) proposes an unprinted amendment No. 394.

The legislative clerk proceeded to read the amendment.

Mr. CULVER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 129, after line 16, insert the following new section and renumber succeeding sections accordingly:

"SEC. . The Administrator of the Environmental Protection Agency shall conduct a study and report to the Congress not later than January 1, 1979, on the effects on public health and welfare of odors or odorous emissions, the sources of such emissions, the technology or other measures available for control of such emissions and the costs of such technology or measures, and the costs and benefits of alternative measures or strategies to abate such emissions. Such report shall include an evaluation of whether air quality criteria or national ambient air quality standards should be published under the Clean Air Act for odors, and what other strategies or authorities under the Clean Air Act are available or appropriate for abating such emissions."

THE NEED TO CONTROL ODORS

Mr. CULVER. Mr. President, this amendment addresses a major air quality problem facing Iowa and other States throughout our Nation. Over the past decade the public has become increasingly aware of malodors generated by industrial and other operations, and this intolerance has been expressed by a mounting number of complaints to local and State officials.

The problem of offensive odors has become a particularly serious consideration in Iowa. A growing number of complaints has been received by the Iowa Department of Environmental Quality, IDEQ, regarding unpleasant odors from various sources. For instance, during the 12-month period from June 1, 1975 to June 1, 1976, over 500 complaints were made by Iowans about the need to control odors. I ask unanimous consent to have a letter from Mr. Larry Crane, director of IDEQ, supporting the control of odors made a part of the RECORD at the conclusions of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Odors may not necessarily be considered as lethal or hazardous as toxic air pollutants, but they do seriously interfere with our welfare. Odors can simply be disruptive of our daily lives. They can be so offensive as to force people to move from one location to another, and they can cause adverse health effects. In addition, odorous emissions are especially annoying. They follow you inside, travel great distances from the original source, and make their presence felt at much lower levels of concentration than other pollutants.

Malodors are a serious problem and do indeed command the attention of our communities. As a matter of fact, they have in some respects taken over as a prime indicator of poor air quality in our society. Before we began to control the emission of particulates from stationary sources under the Clean Air Act of 1970, black smoke billowing from industrial stacks clearly indicated to the public the presence of lethal and harmful air pollutants. These early signs of air pollution are now disappearing or at least being reduced, and it is no longer so easy to determine by sight whether or not air quality is being degraded. An individual now must rely on his other senses to make this determination. Offensive odors are as representative of air pollution as dirty smoke.

There is no doubt that the number of complaints to local and State authorities have stimulated interest in odors. Yet, to date, little has been done by the Environmental Protection Agency, EPA, to determine what levels of odors are acceptable to the public, and therefore what controls and appropriate levels of control costs are necessary.

Mr. President, the amendment which I am proposing today would direct EPA to do what the Public Works Committee thought the Agency would do in 1970. During the committee's consideration of the Clean Air Act 7 years ago, it understood that EPA was planning to draft and promulgate a series of air quality criteria and appropriate emission standards relating to the control of objectionable odors. Reasonable progress, however, has not been made in this regard by the Agency. This amendment would simply require the EPA to study and report to the Congress not later than January 1, 1979, on the effects on public health and welfare of odorous emissions and the technology or other measures available for controlling foul odors. In addition, the required report would include an evaluation of whether ambient air quality standards or criteria should be published and what other strategies are available for abating odorous emissions under the Clean Air Act.

I think we can all agree, Mr. President, that not every odor source is a nuisance and needs to be regulated. Though malodors are a serious problem, we must have the appropriate information base on which to control them. We must first obtain sufficient sensory data on which

to base odor regulations. We must first determine what really constitutes an odor problem. We must first obtain reliable information and sensory data concerning the effectiveness of various standards and other control strategies. Odors are a complex issue and without such information, necessary and effective standards and controls will be impossible to implement.

Currently there is no comprehensive Federal program controlling odorous pollutants, and this responsibility has been primarily left to the States and local governments. Unfortunately, States do not have the necessary resources to promulgate effective standards and regulations for reducing the effect of offensive odors. In most instances, such State regulations have been based on subjective judgments and not on scientific criteria. This amendment would enhance our efforts to control foul odors from industrial, manufacturing, and other operations. It would assure that we strive to improve our air quality by controlling odor nuisances.

As a member of the Senate Committee on Environment and Public Works, I believe its distinguished chairman (Mr. RANDOLPH) and the chairman of the Environmental Pollution Subcommittee (Mr. MUSKIE) have devoted many hours to developing a comprehensive and effective bill. I have discussed this amendment with Mr. MUSKIE, and I believe it takes an important step forward in improving air quality. I am hopeful it will be approved by the Senate.

EXHIBIT 1

IOWA DEPARTMENT OF ENVIRONMENTAL QUALITY,
June 10, 1977.

Hon. JOHN C. CULVER,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR CULVER: Your office has informed me that you are considering introducing an amendment to the Clean Air Act that would require EPA to study ambient odors. The purpose of this letter is to affirm my support for that action and to provide you with some information on the extent to which odor pollution affects Iowans.

This Department records all complaints that are received from the public. During the period July 1, 1975 through June 30, 1976, 540 complaints about operating or proposed odor sources were received.

The frequency and sincerity of the complaints about odor pollution caused the Air Quality Commission to go to public hearing in 1973 with proposed odor regulations. These regulations were roundly opposed because of a lack of uniform standards which could be equitably applied. Again due to public complaints, in 1975 the Air Quality Commission appointed an Odor Control Advisory Committee composed of representatives with diverse points of view (e.g. livestock producers, industries, members of the public previously involved in litigation over odor pollution). The recommendations of this committee eventually led to odor control regulations in Iowa, however the lack of scientific odor standards, the lack of design criteria for anaerobic lagoons and other common odor sources, and a lack of study into the physiological effects of odors will inhibit any state or local control efforts. These problems defy solution through citizen involvement, as we have tried through the Odor Control Advisory Committee.

In many ways the good intentions of state or local government is not enough to lessen the impact of odor sources on the environment. A federal approach to developing odor control methods and enforcement standards is a necessity for many odor sources common to various regions of the country. As has been proven with the Federal Water Pollution Control Amendments of 1972 and the Clean Air Act of 1970, environmental clean-up is a massive task where the resources commitment of the federal government is essential for progress to be made.

Efforts in Iowa point to the fact that state government is prepared to assist in preventing odor problems, and where necessary, getting existing problems resolved. What is missing now is the necessary resources and research.

We support any efforts you can make to assist state and local governments to solve the numerous serious odor problems which we face continually in Iowa.

Sincerely,

LARRY E. CRANE,
Executive Director.

Mr. MUSKIE. Mr. President, I welcome this amendment. I also feel strongly that we have not done all we should to deal with the environmental and even the health effects of unpleasant objectionable odors. I know I have encountered such odors which I am convinced must have an unfavorable health impact because of their noxious nature. We have been so concerned with other health effects and environmental effects that we have not really focused on these. I do welcome this amendment. I am happy to accept it. I understand my distinguished friend on the Republican side (Mr. STAFFORD) is willing to accept the amendment. I yield back the remainder of my time.

Mr. CULVER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT NO. 395

Mr. BAKER. Mr. President, I have an amendment at the desk which I call up and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER) proposes an unprinted amendment numbered 395:

At the end of line 18 on page 110 strike the period and add the following: "; provided that in establishing an emission limitation for coal-fired steam electric generating units subject to the previsions of Section 118 which commenced operation before July 1, 1957, the effect of the entire stack height of stacks for which a construction contract was awarded before February 8, 1974, may be taken into account.

Mr. BAKER. Mr. President, I ask unanimous consent that the distinguished junior Senator from Tennessee (Mr. SASSER) and the distinguished senior Senator from Kentucky (Mr. HUDDLESTON) be added as cosponsors to amendment No. 395 to S. 252.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, this is essentially the same amendment I offered in committee.

The PRESIDING OFFICER. If the Senator will suspend for just a moment, the Chair would advise that there are 30 minutes to a side.

Mr. BAKER. I thank the Chair.

Mr. President, I might say for the Members of the Senate that I will use far less than that, and I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BAKER. Mr. President, this is essentially the same amendment I offered in committee—which was not adopted—with a modification.

The modification further limits the application of the amendment to those situations where construction of the tall stack commenced prior to February 8, 1974.

The background on this, Mr. President, as my colleagues on the Environment and Public Works Committee know, is that the whole question of compliance requirements during the time the TVA was building large powerplants and later tall stacks was in a state of confusion.

EPA had held that dispersion enhancement systems, which is the technical name for tall stacks, was appropriate with the Clean Air Act. Others held it was not.

It was not until when the Fourth Circuit Court of Appeals in February, 1974, ruled that section 110(a) indicated congressional intent not to permit dispersion enhancement as a final compliance tool that the situation was finally clarified.

Mr. President, at that time the TVA had gone ahead with what it thought was the lawful and approved method of emission control and had done so at their expense.

This amendment, Mr. President, simply would permit those cases where a construction contract was entered into in reliance on EPA's regulation that had been previously promulgated that tall stacks would be taken account of by EPA as they approve or disapprove State implementation plans and, finally, the program that must be employed by an affected utility, in this case the Tennessee Valley Authority.

It simply requires that the entire stack height be taken into account in setting emission rates, at plants like the Kingston steam plant in Tennessee.

Mr. President, this amendment would permit the States to take into account the entire stack height at old powerplants placed in service before July 1, 1957.

The amendment I send to the desk is a modification of the amendment I offered in committee.

The concern in committee was that the proposal was inconsistent with the requirement for emission reduction long advocated by the committee. The requirement for emmission reduction through continuous controls, while it derives from section 110(a) of the Clean Air Act of 1970 has undergone a rather complex evolution in EPA regulations. The situation was only clarified in Feb-

ruary of 1974 when the Fourth Circuit Court of Appeals ruled that section 110 (a) indicated an intent not to permit dispersion enhancement as a final compliance tool but rather to require the actual elimination of pollutants from the smokestack.

While I agree entirely with that interpretation of section 110—as I had stated during hearings on the clean air program in 1972—two facts are clear: First, it is expensive to put such continuous controls on old powerplants; and second, some powerplants had undertaken to install tall stacks in reliance upon the indications by EPA, initially that such facilities would be accepted.

The amendment I now offer states that where a powerplant is older than 20 years and where there was a contract awarded for construction of the tall stack prior to February 8, 1974, as it had been at the Kingston steam plant of TVA, the entire stack height may be used in determining the emission rate for the plant.

Obviously where an enforcement order had been issued based upon an emission rate not taking into account the full stack height it would be modified to reflect this amendment's requirement that the entire stack height be taken into account.

Mr. President, I reserve the remainder of my time.

Mr. MUSKIE. Mr. President, as the distinguished Senator from Tennessee, the minority floor leader, has pointed out, the amendment in the broader form was rejected in committee, not that the committee was unaware of the inequities of the particular situation which concerned the Senator, but we simply did not want to trigger a policy of widespread approval of tall stacks as a method of continuously controlling pollutants.

This particular case had equities of its own. The amendment has been modified to very narrowly focus on those equities. The modification has been worked out with the EPA in order to insure that the application is very strictly limited.

Under those circumstances, I am prepared to accept the amendment.

Mr. President, I yield back the remainder of my time.

Mr. BAKER. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Tennessee.

The amendment was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 396

Mr. DOLE. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself, Mr. CURTIS, Mr. YOUNG, Mr. HATCH, Mr. HAYAKAWA, Mr. TOWER, Mr. ZORINSKY, Mr. FORD, Mr. BUMPERS, Mr. BARTLETT, Mr. PEARSON, Mr. PERCY, Mr. DOMENICI, Mr. LUGAR, Mr. BELLMON, Mr. HELMS, Mr. MCGOVERN, Mr. ANDERSON, Mr. MELCHER, and Mr. HUMPHREY proposes an unprinted amendment numbered 396:

On page 41, between lines 11 and 12, insert the following:

(b) Section 111 of such Act is further amended by adding an additional new subsection as follows:

"(g) Any regulations promulgated by the Administrator under this section applicable to grain elevators shall not apply to country elevators, as defined by the Administrator, which have a storage capacity of less than 2.5 million bushels.".

The PRESIDING OFFICER. The Senator from Kansas has 2 hours on the amendment, with 1 hour to a side.

Mr. DOLE. Mr. President, I appreciate that information, though I think we can agree on the amendment in a short time.

Mr. President, this is an amendment that the distinguished Presiding Officer (Mr. FORD) is concerned about, as is his colleague from Kentucky (Mr. HUDDLESTON), and many other Members of the Senate who have what we refer to in our States as country elevators.

There have been no problems with air pollution in these rural areas and the amendment will make certain there is no future effort by EPA to initiate some broad regulation that might impact on these country elevators. The amendment is offered in that spirit.

It is somewhat different from the amendment offered on the House side, which is part of the House version, which flatly exempts all grain elevators with storage capacity of 2½ million bushels or less.

The wording is somewhat different, but I think the intent is pretty much the same.

We are not suggesting that large terminal facilities be exempt as there may be some need for such regulation. We are not suggesting there should not be, if there is a need.

But the Administrator, in his definition of a country grain elevator as provided in this amendment, should consider primarily the origin of the grain received by grain elevators. For instance, an appropriate definition could be those elevators which receive 85 percent or more of their grain from producers—or in times of surplus reconcentration of CCC grain. In Kansas, we have 17 country elevators which receive nearly all of their grain receipts from producers and yet their storage capacity is in excess of 2 million bushels—three country elevators have a 2 to 2½ million bushel capacity; eight country elevators have a 2½ to 3 million bushel capacity; and four country elevators have in excess of a 3 million bushel capacity. Nearly all grain received at these elevators is direct from producers.

Some of these large country elevators—11 of the 17—are federally licensed warehouses and are often confused with terminal facilities.

The best definition, therefore, would be one based on the origin of the grain.

In other words, if it is delivered by the producer to the elevator, that would indicate it is a country-type elevator. Perhaps a percentage based on the origin of the grain, such as the one I mention—that 85 percent of more of the receipts come from producers would be the proper level.

If an elevator would meet the percentage, it could be defined as a country elevator. The Administrator, on this basis, might want to exempt a country elevator with stroage capacity in excess of 2.5 million bushels. Such an elevator should be exempt as long as it would not cause a pollution problem in that rural area.

Some terminal elevators receive grain from producers; however, the differentiation is obvious in that the percent of grain they receive from producers is incidental to the volume received from other sources.

Mr. President, I have cleared this modified version of the original amendment with the original cosponsors and it is acceptable. I hope the intent is clear.

Mr. DOLE. Mr. President, this amendment would alleviate the disastrous economic impact of the regulations proposed by EPA on January 13, 1977, upon country elevators and the farmers they serve.

The regulations, as proposed, would have a costly impact on the U.S. grain marketing system.

I am concerned especially about the added marketing cost for each bushel of grain that will result from these new EPA regulations.

The requirements will not only affect new facilities as they come in line, but will also require expensive renovating of existing facilities. Economists, acquainted with grain marketing, estimate the costs added by the EPA proposed requirements to be as much as 6 cents for each bushel put through a facility. I do not believe that the farmers should carry this burden.

The installation of filter systems on all existing country elevators in conformance with the EPA regulations would require a total investment of $600 million to over $1 billion, depending on the type filter installed, and annual operating costs of $130 million to $235 million. And this is just one of the costly requirements.

The Council of Wage and Price Stability on April 4, 1977, reported that transportation delays alone occurring in moving grain from farm to port would cost $67 million annually if the EPA regulations are implemented as proposed. These costs associated with transportation delays are in addition to the capital investment costs and would be incurred because of a requirement that each rail car be uncoupled separately and dumped inside a totally enclosed building.

Regulations requiring control equipment on all elevators will result in the closing of a significant number of country elevators, particularly those with small storage capacities. EPA acknowledges this in their standards.

And what do we gain from these extra costs? The proposed EPA regulations would effect less than a 4-percent reduction in grain dust emissions according to EPA's own estimates.

This added cost to the EPA regulations will increase the marketing costs of this country's basic raw food commodity and this Nation's greatest export commodity. Higher marketing costs would make us less competitive if passed forward. If passed backward through the system, which is inevitable, they will lower prices which are already disastrously low. My amendmnt will save marketing costs for the country elevators located in rural areas and small towns and the farmers they serve. The costs required by the proposed EPA regulations simply cannot be afforded by the farmers.

The EPA requirement comes at a time when small businessmen and grain farmers are having an especially difficult time of staying in business.

Farmers who a few years back were receiving over $4 per bushel for their wheat are now receiving less than $2. The marketing system cannot bear these extra costs.

I do not believe the American farmer and consumer are willing to pay these additional costs for such an ineffectual EPA effort. Thus, we should be prudent in reducing the economic impact of the proposed regulations. I have no objections to developing more reasonable regulations to reduce dust in the terminal and export facilities that handle much larger volumes of grain. It is my understanding that the EPA did not initially intend to include the country elevators. This amendment would require that any regulations promulgated by the Administrator of EPA applicable to grain elevators shall not apply to country elevators, as defined by the Administrator, which have a storage capacity of less than 2.5 million bushels. Thus, country elevators would be exempt but not the larger terminal elevators or export point facilities.

I ask your support on this needed amendment to protect our country elevators from going out of business or having tremendous economic burdens thrust upon them and the farmers they serve, by EPA.

Mr. President, I ask unanimous consent to have printed in the RECORD numerous telegrams supporting the amendment, as well as a letter from the Environmental Protection Agency.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Telegram]

FARMERS UNION GRAIN TERMINAL ASSOCIATION,
St. Paul, Minn., June 10, 1977.

Senator ROBERT DOLE,
Dirksen Senate Office Building,
Washington, D.C.

As the cooperative marketing agency for 600 country elevators in Minnesota, North Dakota, South Dakota, and Montana we support Dole amendment to Clean Air Act exempting small local elevators as a common sense aid to these indispensable links in the agricultural economy because prohibitive expense and distances from urban centers argue for this relief.

B. J. MALUSKY,
President.

UNION EQUITY COOPERATIVE EXCHANGE,
Enid, Oklahoma, June 9, 1977.

Senator ROBERT DOLE,
U.S. Senate,
Washington, D.C.

On behalf of our 228 member elevator associations operating 423 elevators, we support the Dole amendment to the Clean Air Act, exempting 2.5 million bushel capacity elevators from the EPA regulations.

GERALD FRAZIER,
Executive Vice President and General Manager.

[Mailgram]

FARMERS GRAIN DEALERS ASSOCIATION,
Des Moines, Iowa, June 9, 1977.

Senator ROBERT DOLE,
Senate Office Building,
Washington, D.C.

Farmers Grain Dealers Association is in favor of exempting those country grain elevators with 2½ million bushels storage capacity or less.

CHARLES W. HANSON,
Executive Vice President.

IOWA GRAIN AND FEED ASSOCIATION,
Des Moines, Iowa, June 9, 1977.

Senator ROBERT DOLE,
Capitol One, D.C.:

Iowa Grain and Feed Association supports the Dole amendment which states that elevators with a capacity of 2.5 million bushels or less and a total receiving leg capacity of 20,000 bushels per hour are exempt from the Clean Air Standards Act.

ROBERT L. SKINNER,
Executive Vice President.

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., June 7, 1977.

Hon. DICK CLARK,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: This is in response to your letter of June 6, 1977, in which you inquired about EPA's plans to regulate grain handling facilities.

Earlier this year, EPA proposed a regulation to limit the emission of air pollutants from new grain handling facilities pursuant to Section 111 of the Clean Air Act. We have received a large number of comments on the regulation many of which indicate that the proposed regulation will impose an unreasonable burden on the owners and operators of country elevators.

I have reviewed the proposed regulations and the public comments and have concluded that, in general, country elevators are not appropriate for inclusion under the new source performance standard. Country elevators tend to be small, economically marginal facilities which do not constitute an air pollution problem which requires Federal regulation. *Accordingly, I have directed that the regulation be redrafted to provide an exclusion for country elevators.*

Upon completion of our analyses, I will decide whether this exclusion should be applied to all country elevator or whether there is a small number of the very largest country elevators which should continue to be covered. While I have not determined the exact size of country elevators to be excluded, I can assure you that only the very largest, if any, will be subjected to Federal regulations.

The exact wording of the revised regulation has not been developed. Many comments have suggested that neither storage capacity nor receiving leg capacity is appropriate for use as a basis for excluding country elevators. A storage capacity limit alone would tend to exclude high throughout terminal facilities, while including some country elevators which would be less able to finance necessary control equipment. At this time, it appears that some combination of storage capacity and receiving capacity cutoffs may be the most appropriate. Another alternative being considered is the exclusion of facilities which do not have the capability to receive rail shipments. This would eliminate virtually all country elevators from consideration, but could also exclude some processing facilities.

A revised draft regulation will be prepared and circulated to interested members of the public and the Congress for comment on the revised coverage and stringency of the standards. After reviewing those comments and consulting with Congress and the affected parties on any remainin gareas of concern, I will promulgated a final regulation.

In the light of my decision to exclude most, if not all, country elevators and our plans for further consultation with the public and the Congress, I believe that the proposed amendment to the Clean Air Act is unnecessary.

Sincerely yours,

DOUGLAS M. COSTLE.

Mr. HATCH. Mr. President, I support the amendment offered by Mr. DOLE to exempt grain elevators of less than 2.5 million bushel capacity. In Utah and in most of the Nation, our small operating grain elevators are located in rural areas. Trucks on dirt roads and tractors and other machinery running in the fields put dust in the fields every working day. There has been no evidence developed that grain dust emissions pose a threat to health or welfare. Yet EPA regulations have established what are called opacity standards for measuring these emissions. These emissions are measured visually with special glass panes and charts, instruments that have a 7½-percent inherent margin of error. Now the EPA has a standard that requires 0 percent capacity. This means that there can be virtually no visual grain dust emissions. The people I have talked to who are knowledgeable in the operation of grain elevators indicate that at considerable expense a 5- to 10-percent opacity level can be achieved. The state of technology is not advanced enough at this point to achieve 0 percent opacity; and even if it did exist, there is no evidence justifying these costs. The subjectivity of these measurements is further increased and made more complicated by a number of factors: the type of grain you are dealing with, the dust characteristics, the color and density of background against which the observations are made and meteorological conditions such as humidity, wind velocity, and direction.

There are some other problems created by these EPA regulations that place an especially onerous burden on the small grain elevator operation. The cost estimates developed by the National Grain and Feed Association place the added cost in bringing all elevators into compliance with EPA regulations would be 6 cents a bushel. However, this is an average cost increase; it is very likely that the impact on small operations

would be substantially higher. This is because small houses have far less capacity over which to spread the necessary control expenditures. A study of one situation in Utah by the Farmers Grain Cooperative in Ogden, Utah, indicates the real danger of escalating costs for small operations in their association under the EPA guidelines.

At the end of my speech, I will insert in the RECORD a letter from the executive vice president of this organization that contains the details on how these substantial additional costs will be incurred. Because of the nature of agricultural markets it is virtually impossible for the members of the Farmers Grain Cooperative and other similar operators and growers to pass on these increased costs. The costs are passed the other way, back to the growers, people who are already operating on reduced income from the depressed price of wheat.

There are several other results that will occur from the regulations. These rules could substantially curtail the use of multiple truck loading spouts in small operations. A typical small house has one spout in a shed, and multiple loading spouts on the outside for utilization during busy operations periods. This would not be the same problem for most terminals and subterminals, because they have shedded loading areas. The small operations will either have to incur great expense in expanding their sheds to cover the outside spouts; or they will simply abandon use of the outside spouts, and go to utilization of the one spout in the shed. After the operation mills the feed grain for shipping, it is loaded from the spouts into trucks or waiting box cars on an adjacent railroad spur. EPA regulations will require expensive box car loading machinery to contain the grain dust emissions. This could cause an increased use of hopper cars, although there is a shortage of cars available in the West. However, it would probably be necessary to deadhead, or send the hopper car back empty, whereas box cars go back loaded. This uneconomic situation would have to be covered in higher rates for the hopper cars.

The implication here is that EPA regulations will either substantially increase costs or reduce and significantly slow down distribution, or both. And we have to ask ourselves for what benefit? There is no proven health hazard, and the site of grain dust in rural areas is a pleasant site to my constituents in Utah. It indicates productive work in progress, plentiful supplies of essential grains. There is no significant impingement on visual values. Rather it offers interesting clarity and contrast to most of the clean tranquil panorama in rural America. I ask my fellow Senators to support this amendment as a way to protect the small, hardworking grower and mill operator from irrational, uneconomic Government regulation.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter to which I referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 5, 1977.

Emission Standards and Engineering Division, Environmental Protection Agency, Research Triangle Park, N.C.

Attention: Mr. Don. R. Goodwin.

The following information is indicative of the prohibitive cost of satisfying EPA standards:

Accurately estimating costs for each country elevator is complicated and requires at least preliminary engineering design for the specific plant. To arrive at an approximate cost we assumed a 300,000 bushel concrete plant with one leg, one truck dump, a typical headhouse and distributor system, one loadout facility to accommodate boxcars and hoppers, a truck loadout spout over the unloading pit to save building a separate shed, a discharge screw conveyor under the bins delivering to the receiving pit, and appropriate floor sweeps. We used typical belt speeds, cup sizes, boot and head pulley dimensions, garners, scales, bin vent controls, distances and overall elevator layout and provided for a minimum of concurrent operations (e.g., simultaneous truck receiving and boxcar loading) to simplify air flow. This quick study came up with two baghouse systems and appropriate fans, motors, duct work, pit baffles, sheds, and a dust holding tank. Air flows included the EPA prescribed ventilation rates in cubic feet per minute and industry recommendations where EPA did not give specifics. Cost estimates are based on recent vendors' data, standard cost estimating guides and scaled up project data. The total cost estimate for this model system is $208,000! It isn't all that fancy either. This figures out at $7.25 per CFM of dust control air flow. Systems for some elevators will cost more; some less. Electrical power to operate this dust control system (based on current Washington Water Power rates) would cost about $3,526 per year figuring a one month receiving period, some farm storage put-through during the winter, and loading out the house capacity over the season. If these plant additions were financed at 8% interest for five years, the annual repayment cost would be over $52,000 per year. Add on the added power bill for about $3,500 a year and the added cost of handling 385,000 bushels (300 M primary receipts + 85M farm storage) would be 14½¢ per bushel not including maintenance costs on the dust facilities or added costs due to less efficient handling operations. Combined with similar or added costs for the other elevator operations required from the field to the final terminal elevator and delivery to final destination, these regulations could add 30¢ a bushel to the farmers' marketing costs. This depends on whether the grain moves through a subterminal or directly to the export position. Most terminals and sub-terminals already have more sophisticated dust control systems than country elevators. Precise estimates are also frustrated by EPA's invalid requirements for barge loading. Suffice it to say, the National Grain and Feed Association's projection of 6¢ a bushel is most conservative.

Sincerely,

W. G. CROSS,
Executive Vice President and General Manager.

Mr. HART. Mr. President, on behalf of the committee, we have examined the amendment proposed by the Senator from Kansas, and for the committee, the Senator from Colorado is prepared to accept it.

As with other sources of pollution and emissions, grain elevators should be judged on the needs of protecting public health and safety. It does seem reasonable, under the facts put forward by the Senator from Kansas, that there are some smaller elevators in rural areas that should be exempt from the regulations. These smaller elevators, so-called country elevators, are a point of first receipt of grain from the producers. Most of them are very small and have limited throughput, with turnover only once or twice a year. Consequently, they are less of an air pollution problem than the larger terminal elevators which handle grain more often and have higher emissions.

The EPA is in the process of revising proposed regulations for grain elevators, and it is our understanding that it has concluded, in general, that these so-called country elevators are not appropriate for inclusion under the new source performance standards. This amendment will not exclude the country elevators or the terminal elevators and is thus, I think, a reasonable measure, and we are prepared to accept it.

Mr. STAFFORD. Mr. President, for the minority on the committee, I concur in what the acting manager for the committee has just said.

Mr. DOLE. Mr. President, I appreciate the comments of the distinguished Senators from Colorado and Vermont, the managers of the bill.

Based on conversation with EPA officials during the past couple of years—as well as recent conversations, EPA will agree that it is a reasonable amendment. I hope the intent is clear that we only want to exempt those grain elevators that do not endanger the rural environment. When a large grain elevator causes an air pollution problem we feel that elevator should comply with the standards.

Mr. President, I ask unanimous consent to have printed in the RECORD documents indicating how it would impact in the State of Kansas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAY 13, 1977.

The Emission Standard & Engineering Division, The U.S. Environmental Protection Agency, Research Triangle Park, N.C.

Attention: Mr. Don R. Goodwin.

DEAR MR. GOODWIN: On March 7, 1977 we wrote to you relative to various concerns which we had relative to the New Source Performance Standards which appeared in the Federal Register on January 13, 1977. Since that time we have attended the Regional Meeting in Kansas City, Missouri on March 11, 1977. We were in attendance at the EPA meeting in Des Moines on April 15, 1977. We had the opportunity to meet with Walt Barber at Wichita on the evening of April 21, 1977. Mr Barber was also on our convention program on Friday, April 22, 1977 to be available to our membership for questions and to present information relative to the proposed standards.

As you are aware, various individuals, State and National Associations, and various other organizations have made comments and voiced concerns relative to the proposed standards. It is our conviction that EPA has not received enough data through its own research and from other sources to have an accurate picture of what a typical elevator

operation in the State of Kansas involves in terms of licensed capacity, typical receiving leg capacities, rail and truck loading capabilities, typical grain dryer capacities, and annual throughput volumes. In order to compile some useful data of this type, we sent a survey to our membership the week of April 17, 1977. We received 395 answers in response to this survey which should provide a substantial data base.

For your information we are enclosing a three page summary of the key items of the survey. Page 3 of this summary is a recap of the storage capacity of the licensed country elevators, the licensed terminal operations, and the licensed flour mills and grain processing operators. The summary speaks for itself for the most part. Pages 1 and 2 of the enclosed information provides a summary of survey data relative to the country and terminal elevator operations.

We would like to call your attention to the following information developed by the survey:

COUNTRY ELEVATOR ITEMS

(1) In reviewing the "Location by Population" section of country elevators, note that 120 out of 389 responses were located in rural areas or in cities with a population of less than 100 persons. This is very significant as it represents 30.5% of the responses. I think it is also significant to point out that 263 of the 389 locations or 67.6% of the country elevators are located in towns and areas with 1,000 or less population, and less than 7% of the locations are in towns of more than 20,000.

(2) In reviewing the "Throughput Volumes of the Country Elevators" you will note that 321 responses out of 366 or 87.7% had a throughput of not more than 1,500,000 bushels on an annual basis. The throughput here is based upon the calendar year 1976.

(3) The "Total Receiving Leg Capacity Summary" makes it obvious that a significant number of the country elevator operations have total receiving leg capacities in excess of 10,000 BPH. In fact, 108 of the 374 country elevator facilities have capacities in excess of 10,000 BPH and this represents 28.8% of this group. Slightly less than 10% of the country elevator facilities have a receiving leg capacity of more than 17,500 BPH.

(4) Also the "Receiving Leg Capacity Information" points out that a predominate number of locations have more than one receiving leg and dump pit. A significant number have as many as three and thus most of the facilities (318 out of 362 or 87.8%) are in the one to three receiving leg category.

(5) As the "Rail Loading Information" is studied you will note that 371 responses out of 36 (96.1%) indicate that their rail loading stations are not enclosed.

(6) It is apparent that a substantial number of the operations have more than one truck loading facility, in fact 195 of the 381 (51.2%) have more than 1 loading location.

(7) In reviewing the "Types of Grain Dryers Utilized" it is noteworthy that 42% are column type and the next most common type is a batch dryer. Also as it relates to grain dryer capacities, it appears that over half of the grain dryers have rated capacity of less than 500 BPH. In fact 87.8% of the total dryers being utilized are 1,000 BPH or less capacity.

(8) The survey indicates that 47% of the country elevator respondents have no type of dust control equipment. Fifty-three percent indicate that they do have some type of capability. Further breakdown of the equipment being utilized indicates that 76% of the control devices being utilized are low efficiency cyclones and 17% are high efficiency cyclones and 93% of the total control equipment being utilized are cyclone separators.

(9) It is very interesting that a considerable number of facilities are giving consideration to some type of expansion within the next five years. The most popular need mentioned was additional storage capacity and the second most frequently mentioned need was to speed up receiving and handling capabilities.

TERMINAL INFORMATION

There are several significant conclusions that can be made relative to the terminal elevator information, some of which is as follows:

(1) Approximately 83% of the terminal respondents were located in towns of 20,000 population or less.

(2) Nine of the 15 terminals or 60% indicated that they had an annual throughput of 1.5 million bushels or less, and 26.5% had an annual throughput of more than 5,000,000 bushels.

(3) Eighty percent of the terminal respondents indicated that their total receiving leg capacity is 25,000 BPH or less.

(4) The survey indicates that over 50% of the rail loading operations are enclosed and approximately 63% of the truck loading stations are enclosed.

(5) The majority of the grain dryers utilized in the terminal operations (80%) were of the column type units. Eighty percent of the grain dryers were of a 1000 BPH or less capacity. The drying of grain is an operation usually completed on the farm or the country elevator.

(6) Eighty-six percent of the respondents indicated that they were using some type of dust control equipment. There was a fairly uniform distribution as far as type of equipment was concerned with 37.5% indicating they were utilizing the bag filter system, a like number indicated useage of low efficiency cyclone and 26.6% indicated utilization of high efficiency cyclone separation equipment.

(7) In regards to expansion considerations, if EPA costs are not considered it is evident that nearly 47% of the operations are considering doing more than one type of expansion with a slightly larger percentage indicating that they will be doing more speeding up and increasing their receiving capabilities than any other type improvement.

Hopefully the survey data will be considered as the New Source Performance Standards are re-written.

Following are some of the specific concerns that we have relative to the New Source Performance Standards:

(1) We feel that there are serious definitional problems including:

(a) What constitutes an elevator needs to be clarified. Many firms operate several facilities under one company or corporate name and these facilities are generally all licensed under one warehouse license. For purposes of defining an elevator under the proposed regulations, we feel an elevator should be recognized as being a separate facility when it is not physically connected to the other facilities by ordinary grain handling equipment.

(b) Storage capacity should be defined as the licensed capacity of the storage facilities.

(c) Receiving leg capacity should be 80%–85% of the manufacturers rated capacity because the rated capacities are 100% values and exceed the actual capacities.

(d) A "modification" should be defined more broadly for this industry than the general definition contained in the existing regulations.

(2) The establishment of zero opacity standards for truck unloading, grain handling facilities, box car loading, hopper car loading and establishment of 10% opacities for truck loading facilities and no visible emissions for rail unloading is too restrictive. We feel that there will be enforcement problems with the establishment of these restrictive opacity levels. It is our belief that if EPA does not really mean to establish zero opacity levels, then the standards should state specifically what is expected. We recommend that a minimum standard for truck unloading and rail unloading and the grain handling facilities as well as hopper car loading units should be no less than 15% opacity and that the truck loading and box car loading facilities should be 20% opacity.

(3) The requirement that all truck unloading pits shall be enclosed and that the use of quick closing doors will be located at the rear is not feasible particularly with respect to country elevator facilities. It is our firm opinion that during rush harvest situations the quick closing door mechanism will reduce the truck unloading efficiency approximately 15% to 25%. Additionally we feel that there are certain safety hazards involved with the number of openings and closings that would be required during the course of a harvest movement. Also the use of grain wagons behind tractors would restrict the use of the doors. This is a poor requirement and is not practical.

(4) It is our understanding that the proposed standards have endeavored to exempt elevator facilities that have receiving leg capacities of less than 10,000 BPH. We agree that there should be a lower limit cut-off established. Utilization of a total receiving leg capacity of 10,000 BPH based upon the enclosed survey, however, is going to have a serious economic impact on a substantial number of the country elevators. The survey would appear to indicate that a 20,000 BPH total receiving leg capacity would be more appropriate. Perhaps the lower limit cut-off also needs to consider total rated storage capacities in some manner and this capacity should be in the 1.5 million bushel range for country elevator facilities and 5 million bushel range for terminal elevator facilities.

(5) Since the date the final regulations are going to be completed is still unknown, it would seem appropriate that EPA should withdraw the standards as proposed in the Federal Register on January 13, 1977 and they should be reevaluated and rewritten for subsequent republication and comment. It seems inappropriate for the present proposed standards to be in effect in light of the amount of time since the standards were first published and on this basis the effective date of the NSPS should be changed.

(6) Finally we continue to be concerned that NSPS is going to be significant in terms of the cost for new equipment as well as additional annual operating expenses and that the change in our ambient air quality is not going to be measurable.

The conclusion that the grain industry is a major contributor to air pollution is inaccurate and needs to be re-evaluated and considered. It is our belief that the State of Kansas has adopted plans that are adequate and prover to regulate the grain industry. Their plans for existing sources as well as new sources seem to be very satisfactory as far as the industry and general public are concerned. The plans are being carried out and enforced. We do not have problems with elevator pollution that the State of Kansas has not been able to solve.

Sincerely,

W. A. SAUDER,
Chairman, Kansas Grain and Feed Dealer Association, Environmental Committee.

KANSAS GRAIN AND FEED DEALERS ASSOCIATION RECAP OF ELEVATOR SURVEY EPA DATA

	Country elevator		Terminal elevator	
	Number of units	Percent	Number of units	Percent
Location by population:				
Rural	67	17	1	6½
Less than 100	53	14		
101 to 500	97	25		
501 to 1000	46	12	1	6½
1001 to 2500	69	17		
2501 to 5000	32	8	1	6½
5001 to 10,000	10	3	1	6½
10,000 to 20,000	13	3	6	40
20,0001 to 50,000	2	1	3	20
50,001 to 100,000	0		2	14
Excess of 100,000	0			
Total	389		15	
Annual volume-thruput (bushels per year):				
Less than 100,000	14	4		
101,000–250,000	35	10	1	6½
251,000–500,000	101	27	2	14
501,000–1,000,000	119	31	3	20
1,001,000–1,500,000	52	14	3	20
1,501,000–2,000,000	25	7	1	6½
2,001,000–3,000,000	13	4		
3,001,000–5,000,000	6	2	1	6½
Over 5,000,000	1	1	4	26½
Total	366		15	
Total receiving leg capacities (bushels per hour):				
Less than 1,000	3	1		
1,001–2,000	21	6		
2,001–3,000	27	7	1	6
3,001–5,000	65	17		
5,001–7,500	79	21	3	20
7,501–10,000	71	19	2	14
10,001–12,500	34	9		
12,501–15,000	30	8	2	14
15,001–17,500	10	3	1	6
17,501–20,000	10	3		
20,001–25,000	12	3	3	20
25,001–30,000	5	1		
30,001–40,000	3	1	2	14
40,001–50,000	2	½		
Over 50,000	2	½	1	6
Total	374		15	
Receiving leg info—per location:				
1 leg	105	29	4	26½
2 legs	160	44	5	33½
3 legs	53	15	5	33½
4 legs	31	9	1	6½
5 legs	4	1		
6 legs	4	1		
6+ legs	5	1		
Total	362		15	
Rail loading facilities—per location:				
None	7	2	1	6½
1 location	230	60	8	53½
2 locations	107	28	3	20
3 locations	24	6	3	20
4 locations	10	2½		
5 locations	5	1		
5 plus locations	3	½		
Total	386		15	
Enclosed facility	15	4	8	53
Open facility	371	96	7	47
Truck loadout facilities—per location:				
None	23	6	4	26½
1 location	163	43	8	53½
2 locations	119	31	2	13½
3 locations	30	8	1	6½
4 locations	17	4		
5 locations	4	1		
6 plus locations	25	7		
Total	381		15	
Enclosed facility	213	56	10	67
Open facility	168	44	5	33
Grain dryer types:				
Batch	74	29		
Rack	23	9	1	6
Column	158	62	4	27
Other				
Total	255		5	
Dryer capacities (bushels per hour):				
500 or less	134	52½	2	40
501–1,000	90	35	2	40
1,001–1,500	21	8	1	20
1,501–2,000	2	1		
2,001–2,500	3	1		
2,501–3,000	2	1		
3,001–5,000	2	1		
Over 5,000	1	½		
Total	255		5	
Dust control equipment:				
No dust control	168	47	2	13½
Has dust control	192	53	13	86½
Total	360		15	
Type of dust control:				
Bag filter system	25	13	6	37½
Hi efficiency cyclone	32	17	4	25
Lo efficiency cyclone	146	76	7	37½
Total	192		15	
Expansion consideration: [1]				
Type A	147	39	6	40
Type B	88	23	5	33
Type C	207	54	4	27
Type D	93	25	4	27
None of the above	45	12	8	53
Total	380		37	

[1] The above elevators would consider the following types of expansion within the next 5 yr if EPA costs were not involved: (A) Add receiving leg and pit or speed up existing; (B) Speed or up add additional loadout facilities; (C) Build additional storage capacity; (D) Add additional grain drying capacity.

KANSAS ELEVATORS, MILLS, AND TERMINALS

	100,000 bu. or less	101,000–250,000	251,000–500,000	501,000–750,000	751,000–1,000,000	1,001,000–1,250,000	1,251,000–1,500,000	1,501,000–1,750,000	1,751,000–2,000,000	2,001,000–2,500,000	2,501,000–3,000,000	Excess of 3,000,000	Total
Country elevators:													
Kansas license	153	205	206	100	39	30	9	6	3	5	3		759
Federal license	4	12	26	30	27	19	13	7	4	3	5	4	154
Total country elevator	157	217	232	130	66	49	22	13	7	8			
Percentage	17	24	25	14	7	5	3	14	1	1	1		

	Less than 500,000	501,000–1,000,000	1,001,000–2,000,000	2,001,000–5,000,000	5,001,000–7,500,000	7,501,000–10,000,000	10,001,000–15,000,000	15,001,000–20,000,000	20,001,000–25,000,000	25,001,000–30,000,000	30,001,000–35,000,000	Excess of 35,000,000	Total
Terminal operations:													
Kansas license		2	6	5	2		4		2	1			22
Federal license			1	3		1	2		2				9
Total terminal		2	7	8	2	1	6		4	1			31
Percentage		6	23	26	6	3	20		13	3			
Flour mills and grain processors:													
Kansas license	5	2	4	4		1							16
Federal license			2	7	1								10
Total mills	5	2	6	11	1	1							26
Percentage	19	8	23	42	4	4							
Total licensed elevators													970

Mr. CLARK. Mr. President, last January EPA proposed a regulation to limit the emission of grain dust from certain grain elevators. Although EPA officials expressed their intent that that regulation apply to new facilities, and that its coverage be limited to very large facilities, in fact the proposed regulation would probably have required expensive dust collection equipment to be installed on many small elevators in country locations.

Because dust emissions from these facilities do not generally constitute a problem in the communities where they are located, and because the collection of these emissions requires a large investment relative to the importance of the dust emissions and relative to the abilities of many of these firms to afford the investment, EPA received a very large number of comments on the initial proposed regulation.

Soon after this proposed rule was issued last January, members of my staff met with EPA officials who reassured us of their intent to clarify the proposed rule and to discuss their proposals with members of the grain trade before issuing a final rule. The period for comment was extended to permit the trade to comment more fully.

EPA officials did meet with interested members of the grain trade in Kansas City in March. And, on April 11, at my invitation, key EPA officials attended a meeting of Iowa elevator operators in Des Moines, Iowa. I chaired that meeting. Several hundred elevator operators spent a full day commenting on the proposed rules and discussing ways the rules could and should be changed.

At that meeting, EPA once again assured us that the proposed rule would be rewritten, and that the final rule would exclude country elevators.

On Monday of this week, Mr. President, I asked Mr. Costle to confirm the assurances given us in Des Moines that EPA would in fact rewrite the proposed rules to exclude country elevators. Tuesday, he replied to me that he has directed that the final rule be designed to exclude country elevators from coverage. I ask unanimous consent that his complete response be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
June 7, 1977.

Hon. DICK CLARK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CLARK: This is in response to your letter of June 6, 1977, in which you inquired about EPA's plans to regulate grain handling facilities.

Earlier this year, EPA proposed a regulation to limit the emission of air pollutants from new grain handling facilities pursuant to Section III of the Clean Air Act. We have received a large number of comments on the regulation many of which indicate that the proposed regulation will impose an unreasonable burden on the owners and operators of country elevators.

I have reviewed the proposed regulations and the public comments and have concluded that, in general, country elevators are not appropriate for inclusion under the new source performance standard. Country elevators tend to be small, economically marginal facilities which do not constitute an air pollution problem which requires federal regulation. Accordingly, I have directed that the regulation be redrafted to provide an exclusion for country elevators.

Upon completion of our analyses, I will decide whether this exclusion should be applied to all country elevators or whether there is a small number of the very largest country elevators which should continue to be covered. While I have not determined the exact size of country elevators to be excluded, I can assure you that only the very largest, if any, will be subjected to Federal regulations.

The exact wording of the revised regulation has not been developed. Many comments have suggested that neither storage capacity nor receiving leg capacity is appropriate for use as a basis for excluding country elevators. A storage capacity limit alone would tend to exclude high throughout terminal facilities, while including some country elevators which would be less able to finance necessary control equipment. At this time, it appears that some combination of storage capacity and receiving capacity cutoffs, may be the most appropriate. Another alternative being considered is the exclusion of facilities which do not have the capability to receive rail shipments. This would eliminate virtually all country elevators from consideration, but could also exclude some processing facilities.

A revised draft regulation will be prepared and circulated to interested members of the public and the Congress for comment on the revised coverage and stringency of the standards. After reviewing those comments and consulting with Congress and the affected parties on any remaining areas of concern, I will promulgate a final regulation.

In the light of my decision to exclude most, if not all, country elevators and our plans for further consultation with the public and the Congress, I believe that the proposed amendment to the Clean Air Act is unnecessary.

Sincerely yours,

DOUGLAS M. COSTLE.

In the same letter, I asked Mr. Costle if he would detail for me the approach he was proposing to accomplish that exclusion. I regret to say that the exact wording EPA intends to propose to exclude country elevators has not yet been completed. The Administrator points out that no simple description is entirely adequate. Storage capacity alone is not an adequate criterion because a high figure, such as the 2½-million-bushel minimum adopted by the House, does not adequately include certain high throughput facilities, but may at the same time, unnecessarily cover some of the larger country elevators.

The Administrator is considering a complex definition that would be based on a combination of storage capacity and receiving capacity. In addition, the presence or absence of facilities to receive rail shipments may be considered since the absence of such facilities often distinguishes country elevators from other facilities.

Mr. President, I regret that we still do not have specific language from Mr. Costle that would permit us to evaluate for ourselves just how he proposes to make good on his assurance that country elevators will be excluded from coverage under Federal grain dust regulations. However, to be fair, we must recognize that the task of writing a regulation that covers those sources of dust emissions that are serious problems but does not unnecessarily burden firms whose emissions are not a serious problem is a difficult and complex one. Grain elevators are complex and vary greatly in type of operation, type of location, size, and amount of grain handled.

Some facilities, for example, serve mainly as loading facilities and handle many times their storage capacity each year. Others are mainly storage facilities. Some add little dust to an already dusty environment. Others may be a major source of air pollution. I support EPA in its concern that all these factors and many more be fully considered in defining which elevators should be covered and which should be excluded.

However, it is important that the intent of Congress be very clear on this matter. And, I believe the amendment offered by the Senator from Kansas as modified by the agreement with the committee chairman, makes it very clear that small elevators are to be excluded from coverage by this law. Although the definition of a "country elevator" is not specifically included, Congress will be able to exercise its oversight responsibility to insure that the definition is appropriate and specific.

Thus, I support the adoption of this amendment.

Mr. DOLE. Mr. President, I am prepared to yield back the remainder of my time.

Mr. HART. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Mr. HART. Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time be charged against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 379

Mr. METZENBAUM. Mr. President, I ask that amendment No. 379 be called up at this time.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM), for himself, Mr. RANDOLPH, Mr. BAYH, and Mr. HEINZ, proposes an amendment numbered 379.

The amendment is as follows:

On page 67, between lines 18 and 19, insert the following:

"SEC. 18. Title I of the Clean Air Act is amended by adding after section 120 (as

added by section 11 of this Act) the following new sections

"'ASSURANCE OF ADEQUACY OF STATE PLANS

"'SEC. 121. (a) As expeditiously as practicable but not later than one year after date of enactment of this section, each State shall review the provisions of its implementation plan which relate to major fuel-burning sources and shall determine—

"'(1) the extent to which compliance with requirements of such plan is dependent upon the use by major fuel burning stationary sources of petroleum products or natural gas,

"'(2) the extent to which such plan may reasonably be anticipated to be inadequate to meet the requirements of this Act in such State on a reliable and long-term basis by reason of its dependence upon the use of such fuels, and

"'(3) the extent to which compliance with the requirements of such plan is dependent upon use of coal or coal derivatives which is not locally or regionally available.

Each State shall submit the results of its review and its determination under this paragraph to the Administrator promptly upon completion thereof.

"'(b)(1) Not later than eighteen months after the date of enactment of this section, the Administrator shall review the submissions of the States under subsection (a) and shall require each State to revise its plan if, in the judgment of the Administrator, such plan revision is necessary to assure that such plan will be adequate to assure compliance with the requirements of this Act in such State on a reliable and long-term basis, taking into account the actual or potential prohibitions on use of petroleum products or natural gas, or both, under any other authority of law.

"'(2) Before requiring a plan revision under this subsection, with respect to any State, the Administrator shall take into account the report of the review conducted by such State under paragraph (1) and shall consult with the Governor of the State respecting such required revision.

"'MEASURES TO PREVENT ECONOMIC DISRUPTION OR UNEMPLOYMENT

"'SEC. 122. (a) After notice and opportunity for a public hearing—

"'(1) the Governor of any State,

"'(2) the Administrator, or

"'(3) the President (or his designee)

may determine that action under subsection (b) is necessary to prevent or minimize significant local or regional economic disruption or unemployment which would otherwise result from use of coal or coal derivatives other than locally or regionally available coal or coal derivatives by any source referred to in subsection (d) to comply with the requirements of a State implementation plan.

"'(b) Upon a determination under subsection (a) the President (or his designee) by rule or order may prohibit any major fuel burning stationary source (or class or category thereof) from using fuels other than locally or regionally available coal or coal derivatives to comply with implementation plan requirements.

"'(c) The President (or his designee) under subsection (b) shall by rule or order, require each source to which such action applies to—

"'(1) enter into long-term contracts of at least ten years in duration (except as the President or his designee may otherwise permit or require by rule or order for good cause) for supplies of locally or regionally available coal or coal derivatives.

"'(2) enter into contracts to acquire any additional means of emission limitation which the President or his designee determines may be necessary to comply with the requirements of this Act while using such coal derivatives as fuel, and

"'(3) comply with such schedules (including increments of progress), timetables and other requirements as may be necessary to assure compliance with the requirements of this Act.

Requirements under this subsection shall be established simultaneously with, and as a condition of, any action under subsection (b).

"'(d) This section applies only to major fuel burning stationary sources which are not in compliance with the requirements of an applicable implementation plan or which have been prohibited from burning oil or natural gas, or both, under any other authority of law.

"'(e) Except as may otherwise be provided by rule by the President or his designee for good cause, any action required to be taken by a major fuel burning stationary source under this section shall not be deemed to constitute a modification for purposes of this Act.

"'(f) For purposes of any plan (or portion thereof) promulgated under this title, any rule or order under this section shall be treated as a part of such plan.

"'(g) For the purpose of this section—

"'(1) The term "locally or regionally available coal or coal derivatives" means coal or coal derivatives which is, or can be mined or produced in the local or regional area (as determined by the President or designee) in which the major fuel burning stationary source is located.

"'(2) The term "major fuel burning stationary source" means any fossil fired stationary source with design capacity to produce 250,000,000 B.t.u./hr. (or its equivalent as determined by rule of the Administrator).'".

Redesignate the following sections of the bill accordingly.

The PRESIDING OFFICER. There are 2 hours on this amendment, equally divided.

Mr. METZENBAUM. Mr. President, the amendment which we are offering today seeks to preserve the jobs of thousands of miners. Without it there will be a severe negative impact on the economic base of the Midwestern and Appalachian coal-producing States. But before I proceed further I want to stress that this amendment will not—I stress "will not"—weaken our Nation's air quality standards.

Mr. ROBERT C. BYRD. Mr. President, may we have order while the Senator is addressing the Senate?

The PRESIDING OFFICER. The Senator will suspend.

The Chair requests all Senators that conversations in the Chamber be dispensed with.

Mr. METZENBAUM. Our amendment—when I say "our amendment," it is jointly sponsored with Senator RANDOLPH, Senator BAYH, and Senator HEINZ—is necessary because the utilities are threatening to use these air quality standards as an excuse for breaking contracts with local and regional coal mining operations. Our amendment only seeks to prevent noncomplying utilities from needlessly disrupting the social and economic fabric of those mining communities which have historically supplied coal to these powerplants. It accomplishes this end by authorizing the President or his designee to mandate the use of local or regionally available coal supplies in those instances where the State, EPA or the President determines that such action is necessary in order to prevent a significant adverse economic impact.

I point out that although the EPA may provide the triggering mechanism, the only one who can make the determination as to the significant economic impact being a factor, and therefore requiring the use of regional coal, is the President or the Administrator.

Mr. President, unless this amendment is adopted, my own State of Ohio will continue to be held hostage by the utilities. Nineteen utilities consuming 30 million tons of Ohio's coal are expected to be out of compliance with recently promulgated sulfur dioxide standards. The utilities have indicated they intend to comply with these standards by drastically reducing their consumption of Ohio coal, making up their needs by importing low sulfur western coal. Fifteen thousand miners and the entire southeastern portion of my State will needlessly suffer if the utilities go through with their plans. We, in Ohio, have over 40 billion tons of coal at our disposal. In my opinion, it would be nothing short of criminal if we were to permit such senseless action. My State is already suffering from a lack of social responsibility exhibited by some utilities.

I would like to share one of these incidents with my colleagues. One of the largest powerplants in my State, a plant which consumes 6 million tons of coal a year, is able to burn high sulfur coal in full compliance with EPA clean air standards. But does American Electric Power, the largest investor-owned utility in the Nation, do so? No, they do not. They import 3 million tons of coal per year from the West. Why, you might logically ask. The answer is simple. American Electric Power owns the mines out West; it is able to pass through $23 a ton in transportation charges directly to the consumer without a hearing before the Public Utilities Commission; and it owns a barge-loading facility that AEP wants to keep busy at the consumer's expense. AEP need not concern itself about higher prices because its Ohio customers pay the extra charges without any right of appeal. Ohio's Public Utilities Commission, like those in so many other States, permits utilities to pass on all of the extra charges by reason of the fuel adjustment clause. The bottom line: consumers pay $40 a ton for western coal instead of $22 for Ohio coal and thousands of Ohio miners wind up on the welfare rolls. Recently in an appearance before the energy committee, I asked the spokesman who was appearing on behalf of American Electric Power Co., the company that has been importing western coal to the detriment of Ohio consumers, the following question:

Why are you importing coal at twice the price from your own mines when you could use Ohio coal at half the price.

The response:

The mine has been developed and the coal is coming out of the mine.

In other words, Members of the Senate, he was saying "We have got the coal and

we are going to use it and the Ohio consumers are going to pay for it."

I think that this is the height of crass indifference to consumer and employment concerns—and the worst part of it is that AEP attempted to justify their actions by blaming it on the EPA.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. METZENBAUM. Not at this time. I would be very happy to yield for a question at the conclusion of my remarks.

But the implications of these actions go far beyond the borders of Ohio, or Indiana, or Pennsylvania, Illinois, Kentucky, Tennessee, or Alabama, where thousands upon thousands of jobs are threatened. There are national implications which should not be overlooked. While there are many uncertainties surrounding this Nation's energy policy, there is one area in which there is little disagreement, and that is the necessity for dramatically increasing the Nation's coal production. Our country is fortunate in that we have abundant coal resources, and equally fortunate to have these resources spread throughout the Nation. Why should Ohio, with 40 billion tons of coal beneath its surface, be forced by its utilities to buy coal from a source 1,900 miles away? Why should we be forced to build elaborate and costly transportation systems, probably with Federal funds, to connect western coalfields to the East, when existing rail transportation system in the East are begging for the business? I, for one, do not believe these questions have satisfactory answers. As a National Journal Reports article pointed out:

> There are an additional 82 billion tons of low sulfur reserves in the East, of which half is recoverable through current deep mining techniques. At current production rates for the Eastern States, these reserves could supply that region's coal needs until well into the 21st century. Beyond that, there are vast reserves in the East and Midwest of medium and high sulfur coal that could be burned. . . .

This amendment does not propose that we contaminate the air 1 degree higher than the limits imposed by the EPA. In fact, our approach has the support of EPA Administrator Douglas Costle, who recently stated that:

> The loss of mining jobs in high sulfur regions should be viewed as unacceptable by the Congress. I believe measures should be adopted to encourage the greatest use of locally available energy resources.

This is the kind of measure to which Mr. Costle was referring.

Mr. President, this amendment is needed. This amendment is an absolute. This amendment will help keep the depressed economies of the Appalachian region from being further depressed. It will save the jobs of thousands of miners and railroad workers in the east. My cosponsors, Senators RANDOLPH, BAYH, HEINZ, and I present it to you with the full support of a broad-based group of those concerned with the environment and those concerned with keeping American workers on the job. This amendment has the full support of the National Clean Air Coalition, the Environmental Policy Center, the Sierra Club, the United Mine Workers, the AFL–CIO, the United Steelworkers of America, the United Transportation Union, and Conrail. Mr. President, and Members of the Senate, we hope it will have your support as well.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, will the Senator from Maine yield me 15 minutes?

Mr. MUSKIE. Yes, I yield 15 minutes to the Senator from New Mexico.

Mr. DOMENICI. I will open by answering the question I was going to ask the sponsor of the amendment, but midway through his presentation he talked about one of his utility companies, and I am not interfering with his State, he probably knows more about it than I do, but he cited the answer that a utility company in his State made in terms of why they were going to use low-sulfur western coal in their particular plant.

I was going to ask the sponsor of this amendment if he had asked the President of that company why they developed the western coal and what their answer was because that is rather relevant.

The sponsor would make it sound like this particular utility company did this because they did not want to buy coal from their own State. The answer to the question why is that an erroneous sulfur regulation was put on in that State. They could not comply with it any way other than to buy low-sulfur coal. They could not buy low-sulfur coal unless they went out and developed it themselves. And then some 3½ years after they did this in the courts of their State, they threw out that sulfur limitation as being unreasonably low, and his utility company is sitting there with a court order saying, "What the State told you to do 3 years ago you don't have to do any more." And they have gone on and found some coal so they could continue generating electricity. That is that set of facts.

Let me say, Mr. President, the Members of the Senate, regardless of the shopping list of supporters that the Senator from Ohio has just elaborated, we better consider this amendment carefully. We better consider this amendment carefully. This is economic Balkanization. This is going to put back into place in the United States some regional economics that do not make sense for our country but have some rather parochial type of benefits, maybe.

Let me say to everyone here we have heard the President of the United States and anyone else who knows anything about energy say that the United States of America is going to go from about 640 million tons of coal to somewhere around 1 billion to 1.2 billion by the year 1985. That is the mandate of our President's goal, and no one disputes that it is going to be in that range.

I say to Senators, how can we come here today as Senators and believe without any facts that unless we order by Governors the regional use of coal by utility companies that we are going to put miners out of work? It just does not make sense. We are going to double the coal production of this country. If there is a little bit of a lag in certain parts of this Nation because of scrubber technology lag and because of low sulfur coal being some kind of temporary stopgap, we can rest assured that the miners of the United States are not going to be out of business. The United Mine Workers do not have to worry about whether they are going to have jobs. They better start worrying about whether they can train the thousands of new miners who have to join their ranks and hopefully their unions to produce the coal that America needs.

This is absolute insanity to come along at a point in time when we all know we are going to double the production of coal and say that. And now I will tell Senators what this amendment says. It says in any State or region—and I do not know what "region" means, but it certainly does not mean the United States of America—any utility company presumably that burns coal—I am not sure it says that either—but presumably that burns coal and is out of compliance. There can be a finding made that they are not selling as much local coal in that area as they should. And that is an economic finding by someone, a Governor or EPA. If you make that finding, then this amendment says that you can order that utility company to enter into 10-year contract to buy local coal and, if that coal is too dirty, to enter into contracts to mandate them to put on technology to clean up that local coal to meet the Clean Air Act of this Nation.

If that is not economic Balkanization I have not seen one.

Having said that, I want to make it clear my State is a low-sulfur coal producing State. So the good Senator from Ohio will not think that I am a Johnnie-come-lately on this statement that I will make next, 2 years ago I made a speech saying that I do not want western coal shipped all the way across America to be burned in Ohio. We have enough use for it out there. We do not have enough water to develop it. So I am not looking for coal business for the Navajo Nation in New Mexico or for New Mexico. Let me make sure that that is not my motive.

But let me conclude by saying that this does not belong on a clean air act bill. The Senate has a coal conversion bill submitted by the President. It has a coal conversion bill submitted by Senator JACKSON. If we are even interested in forcing regional purchasing of coal based upon there not being enough jobs for coal miners, then we should most certainly take it into consideration in the coal conversion energy plans for this Nation and not come down here on a clean air act and say somehow or another our efforts to comply with the Clean Air Act, which sets the standards, health and otherwise, for pollutants are penalizing local coal development; consequently, we are going to come in on a national policy of clean air and establish a new economic policy for eastern coal miners and eastern coal development. It simply does not make sense.

I submit that at best it should be considered as part of our national energy policy, but certainly it should not be adopted as part of a national policy on clean air.

Mr. President, there are all kinds of economic activities in a nation like ours with a $3 trillion economy. If we start this, then we can follow it logically along and say, "Well, maybe the next depressed employment market in a State ought to come over here and ask Congress and if that Governor finds that economic market to be depressed, then he can order that you cannot bring in merchandise from another State into that State so you will employ more of the people from the State that has the somewhat depressed market."

That is what I mean by Balkanization. That is going to happen just as certain as we are sitting here if we let one group, one part of the American economy, regionalized and somewhat selfish in this instance, come along and say: Mandate the use of our product, mandate it under the guise of a clean air act, and mandate it under the guise submitted by the Senator from Ohio. We want to keep these people in jobs, and we want to make sure they get the salaries and are employed every day of the week.

Can we imagine at the time the United States of America was formed with the union of States when they talked about free flow of commerce between the States that they had this kind of thing in mind? And here we are in 1977, under the guise of helping people but playing absolute games with the American economic system.

For those who are worried about whether or not there is going to be enough jobs for coal miners I repeat myself: There is no one suggesting to the energy committees of the Senate that there is going to be unemployment among coal miners in America. To the contrary, all the experts are telling us you better start training programs so we will have more young men and women available to work the coal mines because we are going to need thousands more.

What this amendment is, as this Senator sees it, is an attempt to fasten an amendment on a clean air act that regardless of the economics and regardless of the national consequences will assure that certain mines in Eastern America will sell their coal to their utility companies regardless of the economic consequences even on their consumers.

I submit to the Senator from Ohio that there is not even anything in his amendment that assures that they will not force us to do this even if the cost is higher to your consumers. There is nothing in this bill that says if there is an economic depressed area that they still have to be sure that the consumers will get the best deal. They could force you to buy that coal even if it is "higher than," and there is nothing in the amendment that says they cannot do that. At the minimum that should be in there.

What about the availability of scrubbers? How can you force a company to buy high sulfur coal and then force them to order the technology to be put on it?

What if it is not available? The whole purpose of this Clean Air Act is to force the technology, force the cleanup, within the framework of this economy, making rational decisions; and sometimes it is hard to make them because of the time constraints.

This proposal would undercut that absolutely. It would eliminate competition most assuredly, and ultimately it serves no purpose, because the consumer may get nothing out of it.

We are talking about helping miners who are not going to be unemployed anyway. Maybe for the next 5, 6, or 7 months; and by that time we will already have made decisions like this one, then the boom will come in mining, as certain as day follows night. Then what we will do about it? We will already have them locked into 10-year contracts, and we will already have them locked into technology they were not ready for, all in the guise of helping maintain a viable economy for coal miners and coal development in certain high sulfur coal deep-mining States.

I just do not think that is the way to do it.

Mr. WALLOP. Mr. President, will the Senator yield at that point?

Mr. DOMENICI. I am delighted to yield to the Senator from Wyoming.

Mr. WALLOP. Mr. President, I just cannot believe some of the things I hear. It is not the business of Congress to involve itself in a jurisdictional dispute with a public service commission in a single State of this country. But that is one of the things that was given as a reason why we should vote for this amendment.

The amendment does not belong in an environmental bill. It polarizes the decisionmaking process. We are, in fact, trying to do something about the air in this country, not the economics in this country, and certainly not in this bill. The economics belong elsewhere.

The Clean Air Act, applied to the President's energy proposals, already politicizes the air and the water of the United States, from the West to the East. The energy program does the same thing. They are saying if it is economically unfeasible to use coal, then you can burn oil and gas; from where? From the South. If it is technologically unfeasible to do that, you can burn clean coal. From where? The West.

I agree with the Senator from New Mexico. I do not want my State raped by all the hungry Eastern industries. I would just as soon not have a big coal boom out there, and have everything that is going to be taken into account in this kind of conversion to coal from natural gas.

But that does not belong in this bill. We are talking about air, not economics. We are talking about the clean air coalition and the Sierra Club and all those people who support it support it, for one reason, and one reason alone: They do not want any mining in the West.

They are not satisfied with the strip-mining bill we passed. As a matter of fact, I am not satisfied with it either. But we are not dealing with that in this bill. We are dealing with air, not economics. It does not belong in this bill, and it would only serve to Balkanize the regions of this country. I agree with the Senator.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. WALLOP. May I ask the distinguished floor manager for another 2 minutes?

Mr. MUSKIE. Yes. How much time does the Senator want?

Mr. WALLOP. Two minutes.

Mr. MUSKIE. I yield the Senator from Wyoming 2 minutes.

The PRESIDING OFFICER. The Senator from Wyoming may proceed for an additional 2 minutes.

Mr. WALLOP. The problem that this proposal brings up is that it is a precedent-setting venture for Congress to launch itself on, anyway. I agree with the Senator from New Mexico; we cannot get into the business of mandating the use of products anywhere in this country. It is a dangerous precedent.

I sympathize with the Appalachian problem and the Ohio problem, but this is not the way to attack it. It is an irresponsible approach to an environmental bill. It polarizes the whole thing; it regionalizes this country; and we are trying to do something about the environment, not our economy, in this bill.

I yield back the remainder of my time.

Mr. BAKER. Mr. President, will the floor manager yield me 2 minutes?

Mr. MUSKIE. I yield 2 minutes to the Senator from Tennessee.

Mr. BAKER. Mr. President, I am most sympathetic to the purposes sought to be served by this amendment, suggesting that competition of low-sulfur coal from other regions of the Nation because of clean air requirements may cause the diminution of demand at existing powerplants for the high-sulfur coal found in Ohio, Tennessee, Kentucky, and elsewhere.

Mr. METZENBAUM. Mr. President, I cannot hear the Senator.

Mr. BAKER. Is the public address system not working? Can the Senator hear now?

Mr. METZENBAUM. Now I can.

Mr. BAKER. OK, fine.

While I am sympathetic to that objective, and while I understand the purpose sought to be served, it also generates two or three other problems that are of extreme concern to me, and I hope to other Members of the Senate.

One of them was just discussed most eloquently and effectively by the distinguished Senator from New Mexico and the distinguished Senator from Wyoming.

I do think, in fact, that the question of commonality of States as a federation of sovereign entities was decided a long time ago. This is a form of trade barrier between States, and should not be undertaken.

I would like to see some way to assure the maximum utilization of coal in my region of the country; but I would not like to see it at the expense of the Balkanization, as my colleagues have put it, of commerce in the United States.

There is another reason that occurs to me that is of grave concern. As I understand the amendment offered by the distinguished Senator from Ohio, the effect would be to permit EPA, for the first time, to order the installation of scrubbers.

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. BAKER. On the Senator's time.

Mr. METZENBAUM. On my time. In the original amendment that was offered, and in the amendment that has passed the House, that would be correct. Under the amendment that is before us today, the only one who could make such an order is the President or his designee not the EPA.

Mr. BAKER. Well, someone could order scrubbers, Mr. President. Whether it is the President, the Governor, EPA, or someone else, the fact that someone could order scrubbers is desperately important to me, because I do not think scrubbers are a good idea. I happen to think we are between control strategies right now, and it may be that sooner or later—sooner, I hope—we will see the development of new technologies, such as fluidized bed burning, cold sulfur refining, or something I do not know about, that will permit us to remove elemental sulfur from the fuel bed and burn it without unfavorable assaults on the environment. But I am not convinced that wet limestone scrubbers or other variations of them are the answer. I am not convinced that we do not create more problems than we solve, as well as extraordinary costs, in many cases, greater than the cost of the plant originally.

This amendment, for the first time, would permit the direct ordering of scrubbers by some authority at some point. EPA has never had the authority to order scrubbers. We have carefully guarded against that in the Environment and Public Works Committee over the years. We require a result, not a technique.

Mr. President, I am not at all convinced that this proposal is going to help the cause of air quality. I am nearly convinced it will not. I believe it will cause economic and social problems by creating effective trade barriers between the States, and even though I am sympathetic to the objectives and will support any measure that will promote the use of eastern coal to be consumed in eastern plants, I do not think this is the answer; and I shall vote against it.

Mr. DOMENICI. Mr. President, will the Senator yield me some time?

Mr. MUSKIE. I yield the Senator from New Mexico 3 minutes.

Mr. DOMENICI. I would ask the senior Senator from Tennessee a question. He has most eloquently expressed his concern about forcing the ordering of scrubbers. Does it bother the Senator that the President would order a utility company to enter into a contract to acquire coal from that local source for 10 years or longer? The clear implication is that the minimum mandated contracts for the purchase of coal ordered is 10 years. Does that bother the Senator in the context of the American economic system?

Mr. BAKER. Mr. President, it does bother me, not only in the context of the American economic system, but because I would bet almost anything that within the scope of 10 years we will devise burning techniques that are far more effective than scrubbers were ever thought to be. So even if we were to adopt the Metzenbaum strategy and permit compelling the purchase of local coal for local consumption, I would certainly be upset with the idea that we had to do it with long-term or medium term contracts.

Mr. DOMENICI. The Senator heard my general discussion of the predictions of the future coal needs in our country, either under the President's plans, using his conservation figures, or any others. Does the Senator agree with me that basically by the year 1985 we will have almost doubled the use of coal in the United States?

Mr. BAKER. Mr. President, I think we will, because we must. But we have to make certain that we supply the capital, the equipment, the manpower, the training, and the transportation for that increase in coal production. Then we have to provide socially and economically sound methods for burning that coal. We do not really have either one right now, but I believe we will have them in due course. I would hate to see us lock in a strategy, as this would lock in a strategy, for that length of time.

Mr. DOMENICI. I thank the Senator from Tennessee. I would just say that I believe the Senator from Tennessee in his way has most succinctly placed the issue before the Senate: Do we want to use the clean air bill to make this kind of decision with reference to commerce between the States without any evidence whatsoever, and leave to someone else the task of finding some economic justification, with that economic justification being limited only to a finding with reference to the employment and development of coal mines and the employment of miners within a particular region of this country?

I conclude that the answer is unequivocally, "No." I hope everyone understands the seriousness of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, I yield 2 minutes to the Senator from Pennsylvania.

Mr. HEINZ. I would like 4 minutes.

Mr. METZENBAUM. I yield 4 minutes.

The PRESIDING OFFICER. The Senator may proceed for 4 minutes.

Mr. HEINZ. Mr. President, I have listened very carefully to the arguments of my distinguished colleagues (Mr. BAKER and Mr. DOMENICI), but I reluctantly have to say I disagree with them. I rise in support of the amendment. One of the principal arguments cited by the opponents of this amendment is that the Clean Air Act should be neutral on questions of regional economic development and land use.

Yet I have been here in the Chamber for the last 3 days and I have heard land use and questions of economic development discussed and argued about over and over again.

The fact is that when we talk about a specific standard, as we have in the law in California, we are talking about a regional problem. We are talking about the economics of various areas in the West.

When we say, as one of my distinguished colleagues did, that we are talking about air, not economics, in the Clean Air Act, I do not know where we have all been during debate on the various amendments, including the Riegle-Griffin amendment, which clearly was a question of the economics of a particular industry.

I just cannot agree that anyone in this body should be so naive as to assert that economics are not important in the consideration of amendments to the 1970 Clean Air Act. In fact, we are all concerned about economics.

The purpose of this amendment is to insure that we do not lay the groundwork for what could possibly turn out to be—because we cannot adequately perceive the future and we do not know—a cataclysmic economic disruption.

There are those who have said that somehow this amendment Balkanizes the United States. I believe that is based on a misreading of this amendment. The amendment does mention the Governor of a State, it mentions the administrator of EPA, and it mentions the President. But it does not give the Governors or the administrator any powers to implement any of the restrictions or orders permitted under this bill. Only the President or his designee may make such an order. It is the role of the Governors or the administrator to bring a problem to his attention.

When we are asking the President to take action and make a decision, I do not think any of us would ever expect a President, who has the constitutional authority to represent all the people, to take an action that would Balkanize the United States. I simply cannot accept that argument.

This by no means, Mr. President, is an extraordinary power of the Congress to vest in the executive branch. In various bills we have lodged far greater powers in the executive branch.

In the Coal Conversion Act we gave FEA tremendous powers to convert utilities to coal from oil and natural gas. The additional powers could only be employed when there are extreme and unusual circumstances, when there are significant economic disruptions.

I ask my colleague to yield 1 additional minute.

Mr. METZENBAUM. I yield 1 additional minute.

Mr. HEINZ. We are talking about very severe economic consequences, economic disruption, and high unemployment.

In spite of the good intentions and excellent arguments of my colleagues who oppose this amendment, I do not think we have anything here which is inconsistent with what we have done before. It is simply a question of prudence. As we develop the great resources of this country, as we protect our environment, we should be certain that one area of the country does not profit at the extreme expense of another. I certainly urge my colleagues to adopt the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield 4 minutes to the Senator from Indiana.

Mr. BAYH. Mr. President, I have listened to some of my colleagues, for whom I have the greatest respect, and I share their concerns. But I have to say that it is sort of like going after a mosquito with an elephant gun to suggest that the amendment of our colleague from Ohio is going to result in the Balkanization of our country.

Each one of us is elected from a State. It is quite normal that we put our own State's interests above any other State's interests. But when it comes down to the crunch, I believe all of us recognize that the national interest is greater than the interest of any one State.

However, I come to a different conclusion than some of my colleagues about the effect of the amendment of the Senator from Ohio.

As I see it, this amendment will help us do a better job of utilizing all of our resources over a long period of time. The President has called for an ambitious program of coal conversion to assist this Nation in moving toward energy self-sufficiency. I support this program. Therefore, I believe we have a responsibility, as we push forward in air quality legislation, energy legislation, even the rail legislation we are working on, to be certain that in the overall system we are building we assure the most efficient utilization of each ton of coal and each barrel of oil as we possibly can. It makes the best sense to me to turn to the resources closest to industries as we possibly can, if we look across the next 10, 20, or even 100 years.

I also believe the amendment is logically related to the purpose of this act. We are talking about air quality. I want us to have a program that is going to provide maximum incentives for each industry, for each segment of our industrial capacity in this county, to explore the horizons of possibility, to push us to utilize existing technology, and to develop and make commercial that technology which is now in the laboratories.

The Senator from Tennessee mentioned the fluidized bed combustion process. That is one of them. We are just a hair away from being able to implement that. It will not only take sulfur out, but we will get about 25 percent more Btu out of each ton of coal. I want to push utilities and all industrial sources to the ultimate. Let us make them search. Let us make them test themselves. If it is a question of doubt, instead of being able to buy themselves out of implementing air quality technology by going to the West and buying coal, let us have them make that tough choice of utilizing the technology which is available.

Let me say that the reason I am not as concerned as our distinguished colleagues about the Balkanization is that Governors cannot take the kind of actions we are talking about unilaterally. A Governor cannot initiate the process ultimately leading to a requirement to buy local coal, as I read the amendment, only to provide more jobs for Ohio or Indiana. He can only start this process if, according to the amendment, a change in purchasing patterns is going to create significant local or regional economic disruption or unemployment.

The amendment does not address new mines or new jobs. It applies only to existing mines that are going to be closed down, or currently employed miners who will be thrown out on the streets because a given industry makes a determination that instead of using technogy to deal with pollution, they are going to go West and buy coal.

I must say, as we increase our use of coal, I do not share the concern of my colleagues from the West that eastern States will try to abuse the process provided for in this amendment. I believe it will only be invoked in the case of hardship or serious dislocation.

Governors can make a finding of hardship, but the President has to make a final determination. When it gets down to it, I guess we have to ask ourselves whether we want the Governor of the State and the President of the United States to make this determination, or whether we want a given utility company to make the determination.

That is where it is. Who do we want to make the determination?

I must say, with all respect, I opt on the side of letting the Governor and the President make this determination.

The Senator from Tennessee mentioned scrubbers. I think we all have some concern about that. But I would like to point out that the amendment, as I understand it, does not necessarily require their use. My friend from Ohio can correct me if I am wrong.

May I have 1 more minute?

Mr. METZENBAUM. One more minute.

The PRESIDING OFFICER. The Senator has 1 more minute.

Mr. BAYH. Governors will make a determination, the President then will issue an order. If existing technology does not enable the utility or the manufacturing concern to meet the requirements in effect for an existing region, they cannot be required to use local coal even given a gubernatorial finding of hardship and a presidential order.

Mr. METZENBAUM. The Senator from Indiana is correct.

Mr. BAYH. This amendment does not say industry cannot go west. If technology does not exist to handle the problems of high sulfur coal, then an industry can go to a cleaner resource.

Mr. President, these are the reasons I am adding my support to the distinguished Senator from Ohio, because I think his amendment will insure that we make the best possible use of our resources and push us to explore new horizons of technology while at the same time it eases the possibility of serious economic distress in many localities.

Mr. GLENN. Will the Senator yield for a question?

Mr. METZENBAUM. Certainly.

Mr. GLENN. I have a couple of questions. I will start out by saying that I am very much for what my colleague from Ohio is trying to do with this amendment. I am very much for it.

A couple of questions came to mind in reading the testimony. I just want to make sure we have it clarified.

I believe he indicated there were some 19 utilities which could use nothing but low sulfur coal?

Mr. METZENBAUM. Nineteen utilitis that are not in compliance, will not be when the EPA standards become effective. That is correct.

Mr. GLENN. They would still not be able to use our high sulfur coal in Ohio, is that correct?

Mr. METZENBAUM. No. That is not. They could by using scrubbers or by washing the coal be able to use Ohio coal and it would be possible under this amendment in the event of severe economic dislocation or disruption for the President on the request of the EPA Administrator, the Governor, or the President's own initiative, to require them to use Ohio coal. But they would then have to bring down the contaminants by utilization either of scrubbers or by washing the coal.

Mr. GLENN. As I understand the amendment, first, it would not change the authority to waive the standards to use the high sulfur coal, is that correct?

Mr. METZENBAUM. That is absolutely correct.

In fact, about the first sentence I made in presenting the bill was that I stressed the fact that this amendment would not weaken our Nation's air quality standards.

I know the distinguished senior Senator from Ohio has seen fit to raise questions at time as to whether or not there should be waivers. But this amendment does not address itself to that question.

Mr. GLENN. I have been very concerned about the waivers because I thought it was a method by which they could make better use of our energy sources in this country, particularly high sulfur coal in Ohio, West Virginia, and Kentucky—Pittsburgh 8 seam, I believe is the number.

But I was also concerned as to these plants who, in good faith, as a result of our EPA laws, had a choice of either scrubbers or low sulfur coal, some plants opted one way, some another, some for both solutions, obviously.

Is there any estimate, for instance, on these 19 utilities who would have to put scrubbers on, what the scrubber cost would be for those utilities and what the impact would be on the electric bills of

the consumers from those plants if they had to put scrubbers on?

Mr. METZENBAUM. I appreciate the question. I think it is an excellent one.

Because I thought it was a matter of concern, I asked the EPA to prepare a report on that subject concerning a particular plant of the Ohio Edison Co. That report is available, published as of May 6, 1967, and I have it here.

That report indicates in unequivocal terms that low sulfur coal would actually, with operating costs, including depreciation, be higher in cost than to use Ohio's high sulfur coal and put on the needed scrubbers in our State, on the equipment.

The figures come out somewhere around $1 to $2 less on the ton.

In other words, the EPA has concluded that we can use high sulfur coal from Ohio, or Ohio coal with scrubbers, at a lower cost than using low sulfur coal that is imported from the West.

Mr. GLENN. That would be amortized out of what period of time, is that the life of the plant?

Mr. METZENBAUM. I do not know what amortization they used, but I assume they used the ones utilities would customarily use for their equipment.

Mr. GLENN. But the waiver authority is one which I wish we had in this. I am not prepared to try to amend the amendment, but I have thought for some time, particularly after last winter in Ohio—and the Senator is certainly aware of all the things that happened in Ohio last winter with regard to energy—that the President should have a waiver capability to get us through certain periods such as that.

I hate to see that not included in this very comprehensive effort at changing the law.

Does the Senator know whether there would be any electric utility generating plants which would actually be required to shut down in a situation like that, plants that could not possibly get scrubbers into place, that if the President, on the economic aspects of this, said we could use local Ohio coal, would any plants be required to shut down now because they could not meet emission standards?

That is of considerable concern because we might be solving one problem and getting into a far worse one in that area.

Mr. METZENBAUM. By giving the President the opportunity to take into account all the factors, which we do in this bill, then I am certain that that would be one of the considerations that would be brought before him, either by the Governor, the EPA Administrator, or his own staff. Certainly, we do not want the plants to close down. The alternative then would be available, if there were no other possibility, as suggested by the Senator from Indiana (Mr. BAYH), that if it could not be done, the low sulfur coal would have to be used.

Mr. GLENN. One other consideration I should like to ask about, to see whether it was considered.

There was a study some time ago—I do not recall whether it was a Government study or an industry study, or what the source of it was, but I recall reading it—which indicated that not all plants can use all kinds of coal because of the different Btu capacities of the different kinds of coal. Even some of our Ohio coal varies widely so far as the Btu equivalency is concerned, and certainly varies widely compared with the western coal.

Is there any information as to whether all our plants in Ohio and the other affected States can use this type of coal in their boilers, or is there a certain factor by which they have to have coal of a certain Btu capacity?

In other words, is there a capability so that they can shift to low-sulfur coal if they have been using the low-sulfur western coal and have been using scrubbers? Can all the boilers take our high-sulfur coal?

Mr. METZENBAUM. Almost all the Ohio plants were built originally for the use of high-sulfur coal, so that I am not concerned about their not being able to use the coal. The question is whether or not they can comply with the EPA standards.

The real question to which this amendment addresses itself is the question whether in complying, they go out and get low-sulfur coal from the West and import it at a higher price, or whether they use Ohio coal and, if necessary, use scrubbers or wash the coal.

Mr. GLENN. I thank the Senator.

Mr. STAFFORD. Mr. President, will the distinguished Senator from Ohio yield for a question?

Mr. METZENBAUM. I yield for a question.

Mr. STAFFORD. Mr. President, if I understood the distinguished Senator from Ohio correctly in his colloquy with his colleague, the other distinguished Senator from Ohio, he said that high sulfur coal could be used with scrubbers in Ohio less expensively than through the use of imported, out-of-State, coal. Did I understand the Senator correctly?

Mr. METZENBAUM. High sulfur coal coming from Ohio, with the utilization of scrubbers, could be used at a lower cost than low sulfur, including the transportation costs, as determined by a report made by the Environmental Protection Agency.

Mr. STAFFORD. Assuming that that is so, I say to the distinguished Senator, I have to wonder why this amendment has been offered, since apparently the laws of economics would result in achieving the very end that the Senator's amendment seeks. I ask the Senator why his amendment is necessary, when he can make that statement.

Mr. METZENBAUM. The question is an appropriate one.

As I indicated in my original statement in support of this measure, there are Ohio utilities and utilities in other parts of the Nation—American Electric Power Co. is not an Ohio utility; it is the largest investor-owned utility in the Nation—that have indicated in testimony before our Energy Committee that they were using coal at a cost of $40 a ton when they could have used coal costing $22 a ton which complied with the EPA standards. However, because they had the coal and it was coming from their mines in Montana, I think, they felt that they should use it. It really had no economic impact on them because it related to a fuel cost adjustment which they were able to pass onto the consumers at a higher cost.

The Senator's question is appropriate. But the fact is that the utilities are the ones, as Senator BAYH pointed out, who have been making this determination, not in the interests of the consumer but in their own interests, relating to their investment in coal mines.

Mr. STAFFORD. I thank the distinguished Senator for his answer.

Mr. President, I yield myself 1 minute on the bill to comment that I have listened to the debate on this amendment with a great deal of interest, and I have to say, with regret, to the distinguished authors of the amendment that I am unable to support it.

In the first place, it does not seem to this Senator that there is any reasonable likelihood of a loss of jobs in the mining industry when, as my colleagues have pointed out, the tonnage of mined coal is anticipated to increase steadily in this country from 600 million tons to 1.2 billion tons in the foreseeable future.

Vermont, the State I have the honor to represent, has no coal, so this Senator has no interest, other than academic, in the best possible legislation in this clean air bill.

I do not feel that this amendment appropriately should be in a bill which is basically a clean air bill.

I have to repeat that it is difficult for this Senator to understand why the amendment is necessary, when it appears that the laws of economics would solve the problems which the Senator seeks to resolve through the amendment.

Finally, it seems to this Senator to be questionable to potentially tie utilities, both public and private utilities, in many parts of the country to 10-year contracts to purchase, in effect, high sulfur coal at a time when we are not sure that sufficiently adequate scrubbers can be produced to cope with the level of sulfur contaminants that might be involved.

For all those reasons, Mr. President, I am unable to support this amendment.

Mr. JACKSON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. STAFFORD. I yield.

UP AMENDMENT NO. 397

Mr. JACKSON. Mr. President, I ask unanimous consent to offer a technical amendment, not in connection with the amendment of the Senator from Ohio, but out of order. It is noncontroversial and will take only a moment. If the Senator from Ohio will yield for that purpose, I will appreciate it.

Mr. METZENBAUM. I yield.

Mr. JACKSON. Mr. President, I call up the amendment which is at the desk.

The PRESIDING OFFICER (Mr. SASSER). The amendment will be stated.

Mr. METZENBAUM. Mr. President,

am I correct in assuming that this time is not charged to either side?

The PRESIDING OFFICER. The Senator is correct.

Without objection, the amendment is in order.

The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON) proposes unprinted amendment numbered 397.

Mr. JACKSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, between lines 17–18, insert the following new subparagraph:

"(D) the term "necessary preconstruction approvals or permits" means those permits or approvals, if any, required as a precondition to undertaking any activity relied upon by an owner or operator to satisfy the requirements in clauses (i) or (ii) of subparagraph (C) of this paragraph."

Mr. JACKSON. Mr. President, the amendment is designed to clarify the meaning of the words "necessary preconstruction permits or approvals" appearing on line 1 of page 19.

The amendment states that the necessary permits are those required as a precondition to undertaking any activity relied upon by an owner or operator of a major emitting facility to satisfy the requirements in clause (i) or (ii) on page 19. Without this amendment the meaning of the word "necessary" may be ambiguous.

This amendment would also clarify the relationship between this legislative action and some litigation with respect to Colstrip units 3 and 4 in Montana. If the court finds that the activities undertaken by the owners satisfy the tests in clause (i) or (ii) on page 19, and the owners obtained permits required to be obtained to undertake those activities, then construction could proceed without waiting for additional EPA approval.

Mr. President, this is a matter of confusion in the wording, and I think it will help to clarify the meaning of this particular provision of the bill, which starts at the bottom of page 18, line 24, in the definition of the term "commenced."

Mr. MUSKIE. I have discussed this matter with the distinguished Senator from Washington. On the basis which he has briefly outlined, I am prepared to accept the amendment. It is consistent with the intent of the committee in drafting this definition of "commenced construction." The committee was interested in whether the owner or operator of a proposed facility had the preconstruction permits, certificates, or clearances which would have justified the sizable commitments necessary to meet the tests of a continuous program of physical construction or obligations which cannot be canceled without substantial loss. If an owner of a proposed facility can demonstrate that he had all the air quality-related clearance necessary to construct the facility, and was not making the commitments involved entirely at his own risk, before he could be assured that construction could legally take, then such physical construction or contractural obligations might be deemed to have commenced construction within the meaning of this definition.

It should be added that for a contractual obligation to qualify a source as having commenced construction, the definition requires that the obligation be in connection with a continuous program of construction. Only continuous and significant site preparation work, such as major clearing or excavation or placement of unique facilities at the site should be considered a program of construction. All necessary air pollution, emissions, and air quality approvals or permits required for such activities would be required by this clarifying amendment.

In addition, even permits or approvals that are not preconditions for these activities would be relevant in determining whether or not a company had commenced construction. This continues current policy under existing regulations.

Mr. McCLURE. Mr. President, I am not certain I understand what this amendment does.

Mr. JACKSON. May I just say to the distinguished Senator if he will refer to page 18, the bottom of the page, starting on line 24, the definition that is in question here is "the term 'commenced' starting on line 24," as applied to construction of a major emitting facility means that the owner or operator has obtained all necessary preconstruction approvals or permits by Federal, State, or local laws, and so on.

What we are endeavoring to do here is to clarify the meaning of the words "necessary permits." And the problem here relates to the meaning of "necessary permits" in the existing law.

I would say that in this particular case the utilities, a number of them, which are acting in concert, obtained a permit from the State of Montana and the matter got into court over the issuance of the EPA permit, and they brought suit against EPA.

The net effect of it was that the district court held that they came within the act.

There is simply a technical question as to the definition here of the word "necessary" and it is very, very clear that the present situation is ambiguous. They have completely complied with the law.

The purpose of the amendment is to expedite action so that we can get an early resolution and not delay the issuance of the EPA permit. Of course, it does not prejudice the litigation that is pending. All the issues in the litigation are preserved.

Mr. President, I ask unanimous consent that a quorum call may be in order and that it not be taken out of the time of any of the participants.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, my understanding of this amendment is that it again attempts to further define what we attempted to define in the committee in terms of how much of a commitment, how much of a change in position, is necessary in order to qualify under the grandfather clause of the act.

This is intended to further define a particular condition in which a permit, not being required at the time, in litigation in the court, and regardless of the outcome of that court litigation, the permit cannot now be required, and we are, in effect, saying that they have gone far enough if they have complied with this amendment, and I think, it seems to me at least, to be in accordance with the intention of the committee, and I have no objection to the amendment.

The PRESIDING OFFICER. Do all Senators yield back their time?

Mr. JACKSON. I yield back my time.

Mr. MUSKIE. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD and Mr. DOMENICI moved to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 379

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Ohio. Who yields time?

Mr. METZENBAUM. Mr. President, are there other Members who wish to speak in opposition to the proposed amendment?

Mr. President, I yield 15 minutes to the distinguished chairman of the committee, the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the characterization attributed to this amendment as being a Balkanization is, of course, incorrect. A Balkanization is a cutting up of the pie and a constancy of warring among people.

That is not what this amendment would even slightly bring into being. In fact, it will do just the opposite. It would be a palliative rather than an instrument of warring between sections of one State or even the country in reference to the use of coal.

I recall that my able colleague from Vermont, Senator STAFFORD, has questioned the knowledgeable Senator from Ohio (Mr. METZENBAUM) about the fact that, more miners are going to be hired in the future. There are certain sections where this situation applies, where there has been a loss of employment for miners.

In one county alone in West Virginia a possible loss of perhaps 1,400 miners was possible because of the importation

of coal rather than using that available nearby.

Mr. STAFFORD. Mr. President, will the distinguished Senator, the chairman of my committee, yield to me for a brief second, and that is all?

Mr. RANDOLPH. I yield gladly.

Mr. STAFFORD. I thank the Senator.

I just wish to point out that what principally intrigues me was the statement of the principal sponsor of the bill, Senator METZENBAUM, that low sulfur coal could be consumed in the utilities in Ohio at an economically advantageous price vis-a-vis imported coal. That caused me to inquire of him why he offered the amendment. That was my principal purpose.

Mr. RANDOLPH. I understand the question.

I only say we are not thinking of importation even from another area of the country, the West against the East. West Virginia has faced this situation in connection with coal from Kentucky. So this is, of course, a question that all of us in an attempt certainly to discuss this amendment would want the full facts known.

We have heard—and Senator BAKER is not in the Chamber at the present time, but I know that he would understand my reference and I would make it if he were here—the language on this matter of scrubbers. It was indicated that we had to order a large number of scrubbers and do it very quickly. That is not necessarily true.

The language is "enter into contracts to acquire any additional means of emission limitation * * *." It does not even mention scrubbers. It does not mention any particular type of cleaning techniques.

Listen to this language following ". . . which the President or his designate determines may be necessary to comply"—and I say to the able chairman of the subcommittee on environmental pollution (Mr. MUSKIE) to meet the requirements of this act; we are not trying to vitiate the act in any sense—

So, I am grateful to the knowledgeable Senator from Ohio (Mr. METZENBAUM) for giving me the opportunity to join with him as a cosponsor of this legislation.

I have listened very carefully to all of those who have spoken. We have had quite an array, a very powerful group, speaking against this amendment, and that is all right. We are not going to fall back because of that. We are not going to get worried about it because the facts are with us in connection with this amendment.

Senator METZENBAUM, knowledgeable; Senator HEINZ, knowledgeable; Senator BAYH, knowledgeable; Senator GLENN, knowledgeable; and I hope I am knowledgeable in reference to these matters that we are discussing.

Mr. President, it is widely recognized that the energy concerns of our country can substantially be alleviated by the expanded use of coal—That is very frankly what we are talking about—and making arrangements for the use of coal.

We have vast supplies of this fuel. We need to expand the use of coal. This is practical.

In 1943, with another young man, on November 6 of that year, I was flying in a single-engine plane from Morgantown, W. Va., across the Alleghenies and the Blue Ridge to the Washington National Airport. What were we using? We were using aviation fuel processed from West Virginia coal.

The tragedy of all these years is the nonuse of coal. After the fact—that is the way we do it so often in this country, when you see we could have done it so long ago. We knew it then. We developed the Synthetic Liquid Fuels Act and the submarines prowling around the east coast went home. The people of this country went back to doing their jobs thinking there was no problem whatsoever. Now new problems have arisen and I do not need to delineate them. The embargoes and all of these matters have found us what? In the very shortest of supply.

When we talk about coal, we talk about its profitable use, not only profitable to a large company but to the small company because very frankly it is the small coal company that is involved in the matters that I discuss.

Do we need to utilize coal? Why certainly we need to more fully utilize it, to reduce our growing use of costly foreign oil and our diminishing supplies of natural gas.

I say to all Members of the Senate and to those who are listening to this debate that it is a tragic situation when 51 percent of all the petroleum products used in this country are coming from other countries. This is a situation which could leave us within an hour or a day or a month at the feet of those who would want America, with all of its strengths, inventiveness, creativity, resourcefulness which have not been used to take care of the problems of energy within our own country, in dire straits.

Yes, I do not believe, as I have said on innumerable occasions, that the greater use of coal should be undertaken at the expense of a clean environment.

I can stand here, of course, with any Member of the Senate, any member of our committee, and document that as a fact. I am not speaking against a clean environment when I speak in favor of this amendment, and I say to my friend from Ohio (Mr. METZENBAUM) I am very appreciative of the fact that I can cosponsor this amendment with other Members who have joined with him.

We know that coal can be mined and burned in environmentally sound ways. We know that to be a fact. We have followed that belief in developing the substantial body of law that we are dealing with in these Clean Air Act amendments. I think the debates have been helpful. The discussions have been informative. We have worked our way, but we must provide what is necessary, I say to my colleagues, to facilitate the greater use of coal within the goals set for air quality protection.

We are not moving away from air quality. We are trying to work within the very structure of the Clean Air Act to bring about the use of coal.

Pollution controls must be applied so that the burning of more coal will not result in an equivalent increase in pollution. One of the basic truths of our Clean Air Act is its commitment to the use of continuous controls to keep pollution levels within proper boundaries, and I believe that.

We believe that the technology exists to permit the burning of coal without environmental damage. In certain instances, installations that use coal are attempting to meet air quality standards by using low-sulfur coal. That can be a correct approach and a practical approach. But it can cause hardship and local economic disruption.

There have been instances when users have chosen to import coal from other States and other parts of the country, even when an ample supply of coal was very close at hand. The local coal, however, had a higher sulfur content. Burning it would have required the installation of pollution control equipment—a step some users, very frankly, are unwilling to take.

Mr. President, cases such as I have described have occurred in West Virginia. I am not provincial in bringing this to the attention of the Senate. Coal companies in my State have been—and I underscore these words—bypassed in favor of bringing lower-sulfur coal from outside the State of West Virginia. Even our local low-sulfur from West Virginia has not been used.

Mr. President, I do not believe that we should create a situation in which there is conflict and competition, as it were, between eastern and western coal. I do not believe in that. I am against it. We do not need that type of polarization, as we attempt to cope with a continuing and worsening energy crisis in this country.

Yes, there will be ample need for coal from all areas of the United States as we move forward in expanding the usage of coal. Mr. President, users of coal should take advantage of the supplies which are most readily available.

The Senator from Ohio (Mr. METZENBAUM) and the other Senators who have spoken and those that we hope will support our amendment recognize this problem.

Someone may believe this is not the place for this amendment. It is the place. There may be, and I am sure there are, other places for such a treatment as we propose, but that does not mean this is not the place. This is the place, this is the time, this is the occasion; so we should not pass it by.

What do we do in connection with this proposal? We would permit the President to direct the plants to use locally or regionally available coal, and to install, as I have read from the language of the amendment itself, whatever controls are necessary to comply with air pollution requirements. Such a directive could be used, and I stress these words, only after a finding that economic hardship would result locally from the use of coal from other areas.

I think it is important to stress that

it is not necessarily the larger coal companies that are involved in whatever is done here. We know that there are small coal companies that are hurt by the importation of coal from other areas.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. METZENBAUM. Mr. President, may I ask how much time I have available?

The PRESIDING OFFICER. The Senator from Ohio has 13 minutes remaining.

Mr. RANDOLPH. May I have 3 minutes?

Mr. METZENBAUM. Three minutes, fine.

Mr. RANDOLPH. These large companies frequently have stable, long-term contracts. I would remind the Senate, as I have said so many times today, that it is the small local companies that are hurt. It is not always a case of eastern consumers going West for low-sulfur coal. I come back to West Virginia, because a user there ignored local coal supplies and went—not to the West, not Montana, Utah, nor any Western State—that user went no farther than the neighboring State of Kentucky to buy low-sulfur coal. To avoid what? To avoid installing controls.

That is what we are after, controls where necessary; and this user did not even try to obtain low-sulfur coal from another section of the State of West Virginia.

Mr. President, in conclusion, issues relating to energy and environmental protection very often overlap. This is inevitable, and as I have indicated again and again, we have worked in the Committee on Environment and Public Works to structure the Clean Air Act to energy needs as well as other needs in a reasonable manner when required.

So the pending amendment would help. It does not rip apart, it helps to structure that adjustment. It would have the obvious benefit of encouraging the use of locally available coal. At the same time, it would reduce the pressure to weaken the requirements, I say to the Senator from Maine (Mr. MUSKIE) and others, of the Clean Air Act by those who would resist the installation of emission control equipment.

This is a balanced approach to the problem. I urge the adoption of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. MUSKIE. Mr. President, let me say to the Senator from Ohio that I guess I have 32 minutes left. I do not expect to use 95 percent of that time. At the appropriate time, I will indicate my own position briefly, but at this time I do not have anyone else on this side who is interested in engaging in extensive debate. If the Senator from Ohio wishes to consume more of his time at this point, this would be the time to do it.

Mr. METZENBAUM. I did not know; I thought perhaps the distinguished Senator from New Mexico wanted to speak further.

Mr. DOMENICI. I have indicated to the chairman I just want 1 minute, or one and a half, to sum up; so I will wait at this time.

Mr. METZENBAUM. Mr. President, I yield myself 4 minutes.

I have sat here and listened with interest, and am very appreciative of the support received from the very able chairman of the Environment and Public Works Committee, the distinguished Senator from Pennsylvania, and the senior Senator from Ohio. I would like to comment a little bit about some of the arguments that have been made in opposition to this legislative proposal.

Senators talk about economic Balkanization. Well, if you call something a name, you no longer have a problem about it, because that does not sound right. But there is nothing in this legislation that is anything more than economic self-preservation. It only becomes applicable, can only be used in those instances where economic disruption or unemployment would be a reality of life.

There was some question about all of the increased coal production that may take place, and that the miners would not be out of work.

I have in my hand the publication called Coal, an energy publication. It is the coal monthly for February 1977. It has an entire issue addressed to the problem that some 15,000 miners may become out of work and thousands of others affected. As a consequence, they write an entire paper on the whole subject of unemployment.

Of course, if there is no unemployment the amendment will not be applicable. The only time the amendment can become applicable is when the Governor or the EPA Administrator, or the President himself, determines that there would be severe economic disruption or severe unemployment. Then and only then would the President have the right to take some action in order to preserve the economy.

The suggestion has been made that 10-year contracts would be terrible.

Let me say the President is not limited to 10 years. He has the right to use the figure of 10 years, or any other period that he determines. That is his right and the language is very clear. It says:

> Enter into long-term contracts of at least 10 years in duration (except as the President or his designee may otherwise permit or require by rule, or order for good cause).

Then it goes on to talk about the supplies of local coal.

Yes, it is true it is contemplated there would be some stability in the industry, but it is not contemplated that it would have to be 10 years, 15 years or 20 years, if the President determines that a shorter period should be used.

The question has been raised: Does this amendment belong in this bill? Is it inappropriate for a measure having to do with clean air to have an amendment such as this?

I can only answer by pointing out that Mr. PAUL ROGERS, chairman of the Environmental and Health Subcommittee of the House, is the author of an amendment in the legislation in the House which actually goes a bit further than does this amendment.

If the chairman of the committee on the House side, which has responsibility for the environment and health, and who was the manager of the bill on the House floor, determined that it was appropriate to put it in, certainly I believe we in the Senate can recognize that it is appropriate that it be included in the bill at this point.

The Senator from Vermont very appropriately asked me a question about why the utilities do not buy at a lower rate. I can only respond that there are many things the utilities do which I do not understand. There is a Library of Congress report as well as a special report from the Environmental Protection Agency, dated May 6, 1976.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. METZENBAUM. I allow myself an additional 2 minutes.

Both reports arrive at the same conclusion.

The 1977 report, which was prepared by the EPA, has language in it as follows:

> A comparison of costs indicates that the FGD option is attractive over the low sulfur coal and medium sulfur coal options primarily because of the higher cost of the low and medium sulfur coal.

I can only answer the Senator, on the basis of those reports and studies which have been made, that the utilities have that option but apparently are not willing to make the capital expenditures which may be required if they are to use the higher sulfur coal in some instances.

The Senator from Tennessee addressed himself to the question of ordering scrubbers. The Senator from Indiana appropriately pointed out there is nothing in this legislation which requires the use of scrubbers, although that may be an incidental result.

In the last analysis, there is only one issue before the Senate on this matter. That is, are we going to permit economic disruptions and unemployment to occur in a part of the country which has its own resources at the present time if alternatives are available? Are we going to permit the utilities to make a determination to go elsewhere and buy their coal, or if the economics of the situation require and it becomes a necessity are we going to trust the President to protect the regional areas which presently have coal and which may not be in a position to use it by reason of the unwillingness of their utilities to use that local coal?

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. MUSKIE. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am delighted that the Senator from West Virginia returned to the Chamber. I have been with him on many occasions, meeting with many people from all parts of this Nation. It is obvious that he represents the State of West Virginia very well. I will say no more.

Now with reference to one other item, I believe it is an error to suggest that the facts are conclusive as to whether or not it is cheaper to try a different source of

fuel, such as low sulfur coal versus high sulfur coal with scrubbers put on to retrofit existing plants. I do not think the evidence is anything like as conclusive as the Senator from Ohio is saying. He is saying that it would have been cheaper in Ohio for them to use high sulfur coal and put on scrubbers.

I am not going to argue about his State on that set of facts, and I am not going to produce a litany of the facts that I recall about another situation in our country, another region with the same facts.

I will say that in our committee we have jurisdiction over TVA, as the distinguished manager of the bill and ranking Republican know better than I. The unequivocal evidence from TVA is that it will cost substantially more for them—I do not know about Ohio—to put scrubbers on their present coal burning utility plants owned by the TVA, serving the people of those States. In fact, the evidence they give is in justification of a somewhat different approach that they would like to take, which I believe will come before us sooner or later.

They say that if they were forced, not by a Presidential order in their case but forced by the technology-pushing requirements of our law, to do that in any shorter period of time, the economics are exactly the opposite of what we have been told here in the Senate. It will be far more expensive both by way of capital outlay and annualized expenditures of operation and maintenance and debt service of the capital improvements.

I think there may be a reason beyond the uncertainties which have burdened Ohio for that State's utilities, private and public, not to have gone quickly to high-sulfur coal with scrubber technology.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. I ask for 1 additional minute.

Mr. MUSKIE. I yield 1 additional minute.

Mr. DOMENICI. Whatever value my recommendation is to the Senate, I know with reference to the TVA it is exactly the opposite with reference to cost to go from present coal-burning plants to high-sulfur with scrubbers retrofitted onto them.

I thank the manager of the bill for yielding me the time.

Mr. MUSKIE. Mr. President, I rise not for the purpose of provoking further debate. I very carefully let others carry that burden.

As floor manager of the bill, I must state my position. I do not do so for the committee. The committee has not taken a position on this bill. That must be evident from the identity of those who have spoken on both sides of the issue this afternoon. The chairman of the full committee has spoken for the amendment. The ranking Republican member and other members have spoken against it. I am going to vote against the amendment. I have done my best to see its merits and to vote for it because I have been requested to do so by the distinguished Senator from Ohio, and because my own distinguished chairman is a cosponsor of the amendment.

I cannot support it for reasons I will state very briefly that should not take more than 30 seconds.

First of all, I do not make the argument that the amendment does not belong in this bill. I have been a Member of the Senate too long to argue that anything does not belong on a bill. We can put anything on any bill, whatever its relevance or irrelevance. But I must say that in my judgment the dominant thrust of this amendment is not its relationship to clean air, but its relationship to the economics of the areas it is designed to protect.

For that reason, I regret that it is being offered to a clean air bill.

There is not any reason why it cannot be offered to a clean air bill. I am not against its connection to a clean air bill. But I do not see its dominant thrust as related to the clean air bill.

Second, I must say in all candor that, as I recall my American history, the Constitutional Convention was the result of the fact that 13 colonies were busily erecting trade barriers against each other. I do not think we want to get to another constitutional convention. I just see this as a first step, benign as its intentions are, as a first step in that kind of regionalization, around regional economic interests. It disturbs me a great deal.

It is a propensity we all find in all of our regions and all of our States from time to time.

For that reason, I will oppose it.

Third, insofar as its mechanisms are concerned, I think they could stand some refinement if, in fact, the Congress were finally to decide that the policy it represents is a good one.

I just find it difficult to justify this kind of approach to the achievement of clean air goals required in any State's implementation plan.

But, in any case, those are my reasons. I have not belabored them. I have not said anything that has not been said earlier this afternoon.

Mr. President, I am prepared to yield back the remainder of my time and proceed to vote.

Mr. METZENBAUM. Mr. President, I yield myself 2 minutes.

I would like to respond and say to the distinguished Senator from Maine that I do appreciate the position he has taken and his fairness in doing so.

I want to point out that such prestigious groups who have a concern with the whole question of clean air as the National Clean Air Coalition, the Environmental Policy Center, and the Sierra Club, have all come out formally in support of this amendment.

Those groups that are concerned with jobs, such as the United Mine Workers, who are directly concerned, the AFL–CIO, the United Steel Workers of America, the United Transportation Union, all of them have indicated their support of this amendment.

Last, but not least, ConRail has indicated its support.

Now all we need is the support of a majority of the Members of the U.S. Senate.

Mr. President, I yield back the remainder of my time.

Mr. MUSKIE. Does the Senator want a yea and nay vote?

Mr. METZENBAUM. A rollcall vote.

The PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MUSKIE. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. SASSER). All time has been yielded back. The question is on agreeing to the amendment of the Senator from Ohio. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "nay."

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER).

If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 45, nays 44, as follows:

[Rollcall Vote No. 187 Leg.]

YEAS—45

Allen	Heinz	Nelson
Bayh	Hollings	Pell
Biden	Huddleston	Proxmire
Brooke	Humphrey	Randolph
Byrd, Harry F., Jr.	Inouye	Riegle
Byrd, Robert C.	Johnston	Sarbanes
Clark	Kennedy	Sasser
Cranston	Lugar	Schweiker
Culver	Mathias	Scott
DeConcini	Matsunaga	Sparkman
Durkin	McGovern	Stennis
Eagleton	McIntyre	Stevens
Eastland	Metcalf	Stone
Ford	Metzenbaum	Zorinsky
Glenn	Morgan	
	Moynihan	

NAYS—44

Abourezk	Chiles	Griffin
Baker	Church	Hansen
Bartlett	Curtis	Hart
Bellmon	Danforth	Haskell
Bentsen	Dole	Hatch
Bumpers	Domenici	Hathaway
Burdick	Garn	Hayakawa
Cannon	Goldwater	Helms
Case	Gravel	Jackson

Javits	Nunn	Stevenson
Laxalt	Packwood	Thurmond
Magnuson	Pearson	Wallop
McClure	Roth	Williams
Melcher	Schmitt	Young
Muskie	Stafford	

NOT VOTING—11

Anderson	Long	Talmadge
Chafee	McClellan	Tower
Hatfield	Percy	Weicker
Leahy	Ribicoff	

So the amendment was agreed to.

(Later in the day the following occurred:)

Mr. MAGNUSON. Mr. President, on the vote on the Metzenbaum amendment, I voted "no," but I understand the tally shows that I voted "yes."

I ask unanimous consent the RECORD be changed to a "no" vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The foregoing tally reflects the above unanimous-consent request.)

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH and Mr. HANSEN addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a question?

Mr. METCALF. Mr. President, may we have order.

Mr. HANSEN. I just wanted a rollcall, the yeas and nays.

Mr. METZENBAUM. The vote has been announced.

Mr. HANSEN. I tried to obtain recognition.

How did the Chair rule?

The PRESIDING OFFICER (Mr. DURKIN). Was the Senator seeking recognition before, in his opinion, the Chair announced the vote?

Mr. HANSEN. Before the vote was announced on the motion to table the motion to reconsider, I was.

The PRESIDING OFFICER. In that case the Senator, under the precedents, would be entitled to recognition.

But might I ask in what form was the Senator seeking recognition?

Mr. HANSEN. By asking for a rollcall.

The PRESIDING OFFICER. The Chair did not hear.

Mr. HANSEN. Well, Mr. President——

The PRESIDING OFFICER. The Senator has an usually good voice. [Laughter.]

Mr. HANSEN. Perhaps it would be helpful to the Senator from Wyoming if we had order.

Mr. ROBERT C. BYRD. Mr. President, the Chair announced the vote, but if the Senator was seeking recognition to ask for a yea-and-nay vote, I would ask unanimous consent that the announcement of the vote be withdrawn so that the Senator may ask for that vote.

The PRESIDING OFFICER. Is there objection to that request?

Mr. METZENBAUM. Reserving the right to object——

Mr. ROBERT C. BYRD. I may say to the Senator that I voted with the Senator from Ohio. May I also say, in fairness, that there was so much pandemonium that it was difficult for a Senator to seek recognition. This is no fault of the Chair, but if the Senator was seeking recognition, I take his word for it, and if he was seeking recognition——

Mr. METZENBAUM. I have no objection.

The PRESIDING OFFICER. Does the Senator ask for the yeas and nays?

Mr. HANSEN. I do.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the amendment was agreed to.

The clerk will call the roll.

Mr. ROBERT C. BYRD. The question is on——

The PRESIDING OFFICER. The question is on the motion to lay on the table the motion to reconsider.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. RANDOLPH. Mr. President, I respectfully ask the following question: For those favoring the amendment, which has just been approved, is a yea vote on the coming rollcall a vote for the amendment?

The PRESIDING OFFICER. Those favoring the amendment, favoring the position of the Senator from Ohio, will vote "yea."

Mr. BAKER. Mr. President, point of order. I make a point of order that the Chair is entitled only to state the proposition before the Senate and not to interpret it.

Mr. ROBERT C. BYRD. Mr. President, without any criticism of the Chair—I have great respect for the Chair—but the minority leader is right. It is not up to the Chair, and again I say I am not making this point with reference to the present occupant—it is not up to the Chair to interpret the vote.

The vote is on the motion to table the motion to reconsider the vote by which the Metzenbaum amendment was adopted.

The PRESIDING OFFICER. That is correct. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Florida (Mr. CHILES), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. MELCHER), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "nay."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Virginia (Mr. SCOTT), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 43, nays 42, as follows:

[Rollcall Vote No. 188 Leg.]

YEAS—43

Bayh	Huddleston	Pell
Biden	Humphrey	Proxmire
Brooke	Inouye	Randolph
Byrd, Robert C.	Johnston	Riegle
Clark	Kennedy	Sarbanes
Cranston	Lugar	Sasser
Culver	Mathias	Schweiker
DeConcini	Matsunaga	Sparkman
Durkin	McGovern	Stennis
Eagleton	McIntyre	Stevens
Eastland	Metcalf	Stone
Ford	Metzenbaum	Williams
Glenn	Morgan	Zorinsky
Heinz	Moynihan	
Hollings	Nelson	

NAYS—42

Abourezk	Dole	Laxalt
Allen	Domenici	Magnuson
Baker	Garn	McClure
Bartlett	Goldwater	Muskie
Bellmon	Gravel	Nunn
Bentsen	Griffin	Packwood
Bumpers	Hansen	Pearson
Burdick	Hart	Roth
Byrd, Harry F., Jr.	Haskell	Schmitt
	Hatch	Stafford
Cannon	Hathaway	Stevenson
Case	Hayakawa	Thurmond
Church	Helms	Wallop
Curtis	Jackson	
Danforth	Javits	

NOT VOTING—15

Anderson	Long	Scott
Chafee	McClellan	Talmadge
Chiles	Melcher	Tower
Hatfield	Percy	Weicker
Leahy	Ribicoff	Young

So the motion to lay on the table was agreed to.

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

The PRESIDING OFFICER. Such a motion is not in order.

The Senator from Utah is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on Mr. HATCH's amendment, or series of amendments, be limited to a period of 30 minutes.

The PRESIDING OFFICER (Mr. MATSUNAGA). Without objection, it is so ordered. The Senator from Utah is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield again?

Mr. HATCH. Yes.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from New York (Mr. JAVITS) be recognized for the colloquy to which we earlier alluded immediately following the disposition of the amendments by Mr. HATCH, with the understanding that the time for the colloquy be reduced from 10 minutes to 5.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I yield to the Senator from California for a unanimous-consent request.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that my staff members John Backer, Elvira Orly, and Mary Goedde have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, before I offer my unprinted amendment, I would like to ask the distinguished managers of this bill, the Senator from Maine (Mr. MUSKIE), and the Senator from Colorado (Mr. HART) as well, on the Jackson "technical amendment" that was passed a while ago by voice vote, am I correct in understanding that the effect of that "technical amendment"——

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield myself such time as I may require.

The PRESIDING OFFICER. Unless the Senator is offering his amendment, he does not have any time.

Mr. HATCH. Will the Senator from Maine yield some time for me to ask this question? Then I would like to go into my amendment.

Mr. MUSKIE. How much time?

Mr. HATCH. Two minutes.

Mr. MUSKIE. Ten minutes?

Mr. HATCH. Two minutes.

Mr. MUSKIE. I yield the Senator 2 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 minutes.

Mr. HATCH. On the Jackson technical amendment, am I correct in understanding that the effect of this technical amendment is to exempt some powerplants that are going to use the coal from certain coal-stripping operations, notably in Montana, from the significant deterioration provisions of this bill by grandfathering them? Is that correct ?

Mr. MUSKIE. I am afraid I do not know what amendment the Senator is referring to.

Mr. HATCH. The one passed by voice vote that Senator JACKSON offered on the floor today, about an hour ago.

Mr. MUSKIE. That is not my understanding of it; no.

Mr. HATCH. That is my understanding. It is what I have been told.

Then let me ask the Senator this question: Is not the purpose of the coal-strip operations to feed the powerplants that serve the State of Washington?

Mr. MUSKIE. Will the Senator repeat his question?

Mr. HATCH. Is not the purpose of the Montana coal-strip operations to feed powerplants which will serve the State of Washington?

Mr. MUSKIE. I think the Senator ought to direct his question to the distinguished Senator from Washington whose amendment it was, and who knows more about the background of the situation than I do. I would have to refer the question to him.

Mr. HATCH. Let me ask Mr. HART the question.

Mr. HART. No; I do not have the answer. I think the Senator from Maine is correct, that the question should be addressed to the Senator from Washington.

Mr. HATCH. Would it surprise the Senator if they were?

Let me ask Senator MCCLURE. May I have the attention of the Senator from Idaho? May I ask the Senator the question, as one of the leaders on the bill? I would just like to ask, on the Jackson technical amendments, am I correct in understanding that the effect of this, as I said before, technical amendment is to exempt certain plants which use coal from coal-stripping operations, notably in Montana, from the significant deterioration provisions of the bill by grandfathering the plants?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. MCCLURE. Mr. President, will the Senator from Vermont yield me enough time that I might be able to answer the question?

Mr. STAFFORD. The Senator from Vermont will be glad to yield the Senator time on the bill.

Mr. MUSKIE. Mr. President, may I interject at this point——

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. MUSKIE. I yield myself such time as I may require to interject a remark on the issue as it was presented to me in connection with the technical amendment. Then the Senator can take it as far as he wishes with Senators who know more about the technical background.

But as I understand, as staff has presented it to me, the question that was involved was whether or not the term "commenced construction" as defined in the bill had an effect on certain judicial proceedings that are now underway in a procedure in the State of Washington or Montana. The effect, as explained to me, was to neutralize the bill's effect on that judicial proceeding.

Other than that, I know nothing about the background of Montana coal, how it is being utilized, or what markets it is serving. I take it that is, in part, an issue in the judicial proceeding, and if it is, I assume there is a complicated factual situation to which I have not been exposed. The one issue to which I was exposed was to insure that the words "commenced construction" were neutral to that judicial proceeding. But the Senator from Idaho knows more about it than I do in terms of the circumstances, and maybe he can put that in context.

Mr. MCCLURE. I would like to answer the question, and then make a few comments.

Mr. MUSKIE. I yield the Senator from Idaho 2 minutes.

Mr. MCCLURE. I thank the Senator from Maine.

If the Senator will recall, at the time the amendment was about to be adopted, I did reserve the right to object long enough to get an explanation. I am not certain I understand all the relevant facts of that amendment, either, but my understanding of the amendment is that it is not simply a question of being neutral in the legal proceedings. It does not override the legal proceeding, but it does amend the bill enough to make certain that in the event the legal proceedings come out in one way, the EPA could not then raise the question of whether or not this statute would then require a permit procedure which was not required at the beginning of their process.

I do not think, in my understanding of it, it would be fair to characterize it as an exemption from significant deterioration. It would have to do with the technical, procedural aspects of the application in that instance. It was intended to further the committee's intention that those that had at least a substantial movement toward completion already underway would not now be caught in a new procedure required under this bill.

Mr. HATCH. Will the Senator yield to me for additional questions? Will the Senator yield such time as I need, not to exceed 3 minutes, to ask additional questions?

Mr. MUSKIE. I am happy to yield time.

Mr. HATCH. I thank the Senator.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. HATCH. What the Senator seems to be saying is that assuming the law is written a certain way, this would grandfather certain plants which would possibly benefit the State of Washington.

Mr. MCCLURE. Let me respond to the Senator from Utah in this way: If, as a matter of fact, the lawsuit were to result adversely to the applicant in that instance, the EPA could not then, under this amendment, go back and require a permit which is required under this bill, which was not required under law at the time they commenced their operations and before they got involved in the court litigation.

Mr. HATCH. That is a concession which would directly benefit not only Montana but also Washington?

Mr. MCCLURE. It would benefit the operation in Montana that affects four operating utilities in the Northwest, primarily in the States of Oregon and Washington.

Mr. HATCH. It would not only benefit them but alleviate the plants from the requisites required by this act over everybody else?

Mr. MCCLURE. This act would require a permit application for those plants not underway at the present time. The question is whether it will have retroactive effect and where that retroactive effect is cut off. As I understand the amendment offered by the Senator from Washington, it is to make certain that the retroactive effects do not apply in that particular case.

Mr. HATCH. In other words, this particular bill we are voting upon today will

not apply to that particular situation which benefits Montana and Washington, among others?

Mr. McCLURE. So far as the permit required referred to in the legislation.

Mr. HATCH. And that is the permit to go ahead and develop coal and deliver it to Washington.

Mr. McCLURE. There are other requirements of the act. I did not want the Senator to understand that would exempt them from all provisions of the act, It would only make certain that they were not required to go back and get the permit which is required under the act for all new operations but not for those underway already.

Mr. HATCH. Of course, that is something that may or may not apply to other States which had not had this special technical amendment assistance. Is that correct?

Mr. McCLURE. If there are other operations in other States similarly affected, they would have the same benefit of the amendment. If they are not, they would not have the same benefit.

Mr. MUSKIE. Mr. President, I yield myself another minute.

This amendment does not decide whether or not the project is in motion. This or any other project in any other part of the country. It is not the intent of this bill to try to write law applicable retroactively to projects already underway. That is always the problem when one is in the process of writing new policy, the question of how far back it is made applicable, to what extent are people caught up under a new set of rules when they were already underway under a different set of rules. I suppose we could have made this retroactive to 1970 or 1960, but we did not and I doubt that the Congress would buy it.

We are going to have marginal situations from time to time where judgments will differ as to whether or not the project ought to be deemed as being underway. As to that, I am no expert as to the facts. The Senator from Idaho is an expert, and I think he has pretty well described how the project, which is a Montana project, relates to this bill.

Mr. HATCH. I am delighted to have that information in the RECORD. In the consideration of this technical amendment, what other projects did those who agreed to this amendment consider besides the one in Montana? Were there other projects given consideration?

Mr. MUSKIE. Did we screen the country to find out if there were others in like circumstances?

Mr. HATCH. Yes.

Mr. MUSKIE. No; will the Senator suggest by what means I can scan the country when an amendment is brought to me?

Mr. HATCH. I just wanted to——

Mr. MUSKIE. The Senator asked a question. Let me answer it. The Senator is asking whether or not I scanned the country to see whether or not, in my infinite vision and wisdom, there was some way I could identify other projects in like circumstances to which I could apply the amendment.

No, I had no means of doing so, may I say to the Senator.

I would also say to the Senator if he has a project in his State which he thinks should also be considered as being underway in the same sense, I would be glad to look at it. But to attribute to me the kind of countrywide vision which would enable me to identify other similar problems is not very realistic.

Mr. HATCH. All I want to attribute to the Senate is fairness in this. The Senator is a fair and, I believe, a very eminent and decent man, one of the people I respect a great deal. But all of a sudden we have one project out of all of them over this country which seems to be given special consideration.

The PRESIDING OFFICER. The time of the Senator has once again expired.

Mr. MUSKIE. Mr. President, I yield myself another 2 minutes. I remind the Senator that we can discuss this ad infinitum. We have two other amendments to consider and Senators are pressing me every time I turn around with, "When are we going to get through?"

The Senator casually says that we picked one project out of a great many projects across the country. By what kind of magic does the Senator finally determine that there are a great many other projects in these circumstances to which we should have addressed attention, may I ask?

Mr. HATCH. That is in the last 3 or 4 days. Senator McCLURE backs it up pretty well. Here is one project that has an exception and all kinds of benefits unless others, in the Senator's words, are in exactly the same circumstances.

Mr. MUSKIE. I say to the Senator if there are projects underway in this country——

Mr. HATCH. But I want to——

Mr. MUSKIE. Let me finish.

Under the definitions of this bill, which involve the words "commenced construction," the terms of the bill provide administrative opportunity to exclude them from the application of this bill.

Unfortunately, as the Senator will learn when he has been here long enough, there is no magic way to write legislative language that is so precise that it anticipates every potential inequity or every potential unusual situation. I do not have any way to do it. If I am going to desist from legislating or writing laws until I find such a way, then one great hoped-for objective will be achieved: We will stop writing laws. That may be a good thing.

Mr. HATCH. If the Senator will yield, I want to get to my amendment. I have agreed to cut down my time. I do not mean to hold up this great body.

Did the Senator give consideration to the six or seven projects which have been raised during this week during the consideration of this "technical amendment"? Did the Senator give any consideration to the six or seven projects in the Intermountain West?

Mr. MUSKIE. Which projects?

Mr. HATCH. Intermountain power project, the Pacific Gas & Electric, and others, which are in special circumstances, which need similar special consideration.

Mr. MUSKIE. Has the Senator brought technical amendments?

Mr. HATCH. Yes. We had technical amendments and were shut down.

Mr. MUSKIE. Has the Senator brought them to me?

Mr. HATCH. Yes.

Mr. MUSKIE. When?

Mr. HATCH. On the floor of the Senate.

Mr. MUSKIE. Which one?

Mr. HATCH. The Garn-Hatch amendment of yesterday.

Mr. MUSKIE. The intermountain power project, is that what the Senator is talking about?

Mr. HATCH. Yes.

Mr. MUSKIE. I commented on that and I put into the RECORD a letter by the Secretary of the Interior which commented on that. Both he and I agree in our judgment. I have not had the chance to examine that project—it has been under consideration by experts for months and years. It is in a remote part of the country. It was conceivable to me that the people who wanted to build it would reconsider their site location decision——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MUSKIE. I yield myself another 2 minutes.

And reconsider the technology they would try to develop and apply to cleaning up emissions. It is conceivable that such a project could be built on another location.

But the Senator, apparently, is so stubborn in his insistence that what he wants should be approved exactly as it is, that he admits of no permissible administrative flexibility and no permissible legislative flexibility.

This morning, in discussing the Scott amendment, I pointed out that under a study made, I think by Russell Train, and in a letter to Senator STAFFORD which I put in the RECORD, that it is conceivable, given the right terrain, the use of the right technology, that even a 5,000 megawatt powerplant could be built in the right areas of this country.

That does not mean it can be built in every area.

We did not in this bill create the mountains, we did not create the plains. But the fact is that the mountains impose restrictions from an air quality point of view upon economic activity that the plains do not.

That is a fact of life, whether we pass this bill or any other bill.

Then to ask me in some casual questions intended to suggest that I have somehow deliberately been unfair about one project, that I should have treated another project located somewhere else in another part of the country in exactly the same way——

Mr. HATCH. Will the Senator yield?

Mr. MUSKIE. The Senator raises the point and the challenge and I will finish what I have to say about it.

I reject that. That does not mean my

judgment is always infallible. It is not. But I am asked here to consider not only by Senator JACKSON, but by Senator HATCH, three amendments.

Mr. HATCH. That is right.

Mr. MUSKIE. The Senator brings them up to me and in 30 seconds asks me to react to them. Other Senators do the same and I do my best to make fair judgments.

I described what I did in the Jackson case. There may conceivably be other projects across this country that should be given similar consideration. If there are, I will consider them. But I am not going to try to make the kind of judgments the Senator seems to be asking me to make in the interests of promoting his view of the general policy of the bill. That is an entirely different question.

We have always tried, when we write these environmental bills, to write them in such a way as to not catch people in midpassage——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUSKIE. Two more minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. MUSKIE (continuing). From the beginning of a project until its end.

We try to do that. We do not always succeed. So, occasionally, we get these amendments that are offered for the purpose of insuring that that general policy objective is implemented in particular cases.

The Senator from Tennessee, the minority leader, had such a proposal today. We considered it a long time and we forced him to narrow his amendment until it clearly applied to only the one situation so that it would not be interpreted as being of general application.

I do not know how many amendments today we have been asked to consider.

Mr. HATCH. Will the Senator yield for a compliment?

Mr. MUSKIE. In a minute, then the Senator can belabor me as long as he wishes.

But I have been accepting amendments of that kind since 10:20 this morning and I have done my best to be fair, to be responsive, and to be accommodating within the limits of what I thought was fair and what I thought was right and what I thought was consistent with the bill.

Mr. HATCH. May I say to the Senator that I am not suggesting or imputing to him any impropriety. I would certainly not like to do that, except for one thing, the point I am making.

If it seems to me significant deterioration does not constrain development, then why did we need this significant technical amendment which now opens up development and significant deterioration for special interests out in one area?

That is the only question I have.

I am willing to withdraw any other comments. I will go right to my amendment to try to save time.

Mr. FORD. Mr. President, a point of information.

The PRESIDING OFFICER. The Senator will state it.

Mr. FORD. Mr. President, what is before the Senate?

The PRESIDING OFFICER. A general debate, yielding time on the bill itself.

The Senator from Utah is now prepared to offer his amendment.

Mr. FORD. I thank the Chair.

UP AMENDMENT NO. 398

Mr. HATCH. Mr. President, I call up my unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes an unprinted amendment numbered 398.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 104, strike out line 14 and all that follows down through line 22 and renumber the following sections accordingly.

Mr. HATCH. Mr. President, the issue of insuring that emission control systems on new cars meet federally mandated standards and that they continue to do so through the useful life of the car is extremely important to the national effort to reduce auto-related pollution.

To achieve this end, the committee bill contains a series of tests and maintenance procedures to be carried out throughout the life of the car. One of those tests, contained in section 34, would require testing of new vehicles at the dealership prior to their initial sale. Any vehicle which failed to meet emission standards could not be offered for sale.

The "presale" testing provision would result in franchised dealers—who have already paid the manufacturer for the vehicle—being precluded from selling cars which they are paying finance costs on. Dealers must finance their inventories in order to pay the manufacturers. For imports, payment is due upon delivery to the dealer; for domestic, payment is due within 15 days. Section 34 could require a dealer to hold some vehicles in inventory for much longer periods of time in order for any deficiencies or malfunctions in the emission system to be remedied. It is unclear whether the dealer would ever be allowed to perform these corrections since doing so might make him liable to antitampering prosecution. In some cases, the vehicle might have to be returned to the factory, thus causing inconvenience for consumers and creating additional costs to be borne by them.

The fact that section 34 is absolutely unnecessary is clearly seen when one looks at the entirety of the bill. Engines are already being tested at the production line. The committee bill strengthens the authority of EPA to establish further test procedures for a test to be conducted at the assembly plant. Between the time that this test is conducted and the preposed "presale" test would be conducted, the car would not even have been driven. To mandate a second stage of costly testing—an expense which, I might add, will ultimately be paid for by consumers—is an outrageous example of regulatory overkill.

The forced recertification of new vehicles prior to sale represents a fundamental shifting of responsibility from that which is mandated in the Clean Air Act. The sole responsibility for producing a vehicle which meets Federal standards has always been and must remain with the auto manufacturers. To shift this burden upon small businessmen who are prevented by law from correcting any deficiencies and who have in good faith already purchased the car from the manufacturers defies all sense of equity and fairness.

Mr. President, I strongly urge my colleagues to support this amendment which would strike the presale testing requirement of the bill.

I could say a lot more, but in the interests of time and the needs of my colleagues, I will let it go at that.

Mr. HART addressed the Chair.

The PRESIDING OFFICER (Mr. DECONCINI). The Senator from Colorado.

Mr. HART. Mr. President, I intend to respond to the amendment offered by the distinguished Senator from Utah, but I want him to know, in the interests of expediting the bill, that I intend to offer a substitute amendment, which can only be offered upon the expiration of the time on his amendment. We will then have another half hour to debate that substitute. We may proceed as the Senator wishes.

Mr. HATCH. We can proceed with that right now.

I yield back the remainder of my time, but I should like an equal amount of time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HART. I yield back my time.

Mr. HATCH. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HART. Mr. President, a parliamentary inquiry. If we have the yeas and nays on an amendment and the substitute is offered and the substitute is adopted, what then will be the parliamentary situation?

The PRESIDING OFFICER. There will be a yea and nay vote on the amendment as amended.

UP AMENDMENT NO. 399

Mr. HART. Mr. President, I send to the desk a substitute amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Colorado (Mr. HART), for himself and Mr. MUSKIE, proposes an unprinted amendment numbered 399 to the unprinted amendment of Mr. HATCH numbered 398.

Mr. HART. Mr. President, I ask unani-

mous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the amendment proposed to be stricken by Mr. Hatch, substitute the following:

"Page 104, strike out line 14 and all that follows down through line 22, and insert the following:

SEC. 34. Section 209(a) of the Clean Air Act is amended by adding the following: "Notwithstanding any provisions of this subsection, any State which has adopted a program for light duty motor vehicle emission inspection, testing, and maintenance as part of a State implementation plan approved or promulgated under section 110 of this Act may apply such program as a condition precedent to the initial retail sale, titling (if any), or registration of such motor vehicle. Any cost obligation of any dealer incurred as a result of any requirement imposed under the preceding sentence shall be borne by the manufacturer. The transfer of any such cost obligation from a manufacturer to any dealer through franchise or other agreement is prohibited.".

Mr. HATCH. Mr. President, a parliamentary inquiry. Did I obtain the yeas and nays on my amendment?

The PRESIDING OFFICER. Yes.

Mr. HART. Mr. President, I ask for the yeas and nays on the substitute amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HART. Mr. President, for the benefit of Senators who are in the Chamber, I will explain where we stand.

The Senator from Utah has offered an amendment on an inspection and maintenance provision of the bill. We have yielded time on that amendment; and, for the committee, I have offered a substitute amendment on which we have a half hour, equally divided. I think we probably can reduce that time. We will then have a vote on the substitute amendment and, if necessary, a vote on the amendment itself.

The issue is this——

The PRESIDING OFFICER. Will the Senator withhold for a moment?

The amendment by the Senator from Utah is an amendment to strike. If the amendment of the Senator from Colorado is adopted, it will cause the amendment of the Senator from Utah to fall, and there would be no vote on it.

Mr. HART. That was the nature of my parliamentary inquiry earlier. That is what I thought the situation would be. I appreciate the clarification.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Who yields time?

Mr. BAKER. I put a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. On whose time?

Mr. HART. I yield 1 minute for the inquiry.

Mr. BAKER. Will the Chair repeat the ruling?

The PRESIDING OFFICER. When a motion to strike is pending and a substitute is offered for the language which is proposed to be stricken, if the substitute is agreed to, the motion to strike falls and is never voted upon.

Mr. BAKER. Mr. President, a further parliamentary inquiry: Does that occur if, in fact, it does not strike all the amendment, and does this substitute, in fact, propose to strike all the amendment?

Mr. HATCH. That was not my understanding.

The PRESIDING OFFICER. This proposal substitutes new language for all the language proposed to be stricken.

Mr. HATCH. What the Chair is saying is that if it is agreed to, there never will be a vote on my amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. HATCH. That is not what I understood, and Senator HART said that is not what he understood. If that is so, then I ask that we be given back the time, I will finish mine, and we will have a vote on mine, and then the Senator can present his.

Mr. HART. When time is used on the amendment, it will be in order to offer a substitute and I can offer the substitute. We will have time to debate the issue. The question is, If my substitute prevails, is it necessary to have a vote on the amendment? That is the question. We could have back-to-back votes, and it would come out the same way.

Mr. HUMPHREY. Mr. President, I think it is quite obvious that if a substitute is offered, that is the answer. If it is agreed to, no further vote is needed.

Mr. HATCH. All right, let us go ahead that way.

Mr. HART. Mr. President, section 9(a) of the original Clean Air Act contains language which was interpreted by the courts as prohibiting States from requiring any kind of certification inspection or other sort of approval related to emission levels from a new motor vehicle as a precondition to the initial retail sale, titling, or registration of a vehicle.

What the committee attempted to do in section 34 of the bill was to authorize States to enact inspection and maintenance programs which could include inspection of new vehicles as a condition of titling or registering or selling those vehicles in that State. The Senator from Utah said that this requires a presale or sale emission certification. The bill does not do that. The bill authorizes a State to require an inspection and maintenance program—that is a very important distinction.

The problem here is this: The testing of new cars is done at the factory on a random basis—the testing for meeting statutory emission requirements. That is a random sample. It obviously touches only a very small portion of all the cars produced. From the time that automobile leaves the factory, even a tested vehicle that arrives at the dealer's showroom, in transmission, in the conveyance, quite often has the emission control equipment disturbed or in some way damaged. In addition, the vast majority of the cars produced may arrive, and often do arrive, at the dealer's showroom not in compliance with the Federal law.

There are States, including the State of New Jersey, and communities, such as Portland, Oreg., which have implemented inspection and maintenance programs to reduce emissions. What this provision of the committee bill would do would be to authorize those States to implement those programs at the car sale level.

In the last week or two, the legislature of the State of Colorado has enacted a measure which would implement a strong inspection and maintenance program. But because of the provision in the original act, which we amended this year, they would be prohibited from imposing that on new car sales; so the Colorado legislation applies only to cars 2 years old or older.

What the committee intends to do—and I think it was almost uniformly adopted in the committee—is to authorize any State which wished to do so to establish an inspection and maintenance program which included, as a condition of sale, initial retail sales, titling, or registration of a motor vehicle, an inspection and maintenance system to see whether or not that vehicle conformed with the Federal law.

I think the Senator from Utah has identified what he considers at least to be a potential problem. The substitute amendment addresses itself to that by first reintroducing into the law the committee language permitting States to adopt these programs and then adding the additional sentence, just to make it very clear that automobile dealers are not to be penalized if a car does not conform.

I will read the language which is in the substitute amendment, on which we will be voting first, which clarifies the intent of Congress in the committee amendment:

Any obligation of any dealer incurred as a result of any requirement imposed shall be borne by the manufacturer. The transfer of any such cost obligation from a manufacturer to any dealer through franchise or other agreement is prohibited.

For example, if the State of Colorado adopted an inspection and maintenance program which applied to new car sales, and if the State of Colorado tested a new car for its conformity with Federal standards and found that car to be deficient, the cost of making that car conform to the law would be borne by the manufacturer and not the dealer. That was the clear intent of the committee. The language, which the substitute amendment contains, clarifies that and adds that sentence to the original committee language.

So, Mr. President, this is to authorize States to carry out these programs if they wish. It is our indication that a number of States wish to do so. It is to solve a problem created by the random sampling of new cars at the factory, and the fact that many cars are produced not covered by that random sample which do not conform with the law.

I reserve the remainder of my time.

Mr. HATCH. I think this amendment does not do what needs to be done here. The fact of the matter is we have manufacturers who are responsible for meeting the emission standards on automobiles. I want to put that responsibility where it really should be, and that is with the manufacturers and with the EPA.

The Senator's amendment does not solve that problem. It just creates a lot more, and I realize it is a good faith attempt to try to meet the questions which I have raised here. But I am worried sick about the dealers in this country who are going to have all kinds of difficulties if the old language is passed or if the Senator's amendment language passes.

Let me just say this: Most of them are small, independent dealers who really cannot afford the costs of delay, the costs of inventory, the costs of interest, the costs of floor planning, the costs of negotiating with the manufacturers in those States, if the Hart amendment passes.

In the States which authorize this program of presale testing, the following costs would arise: Various costs would come to the dealers that they do not deserve, and they really should not have to have, and we are going to lose what the real intent of this bill is, which is to ultimately put this burden on the part of the manufacturer and the EPA to see that the emission standards are met.

Now what are some of the costs that the dealers are going to have, even with the Senator's substitute amendment? They are going to have to pay interest to the bank on the floor planning of the cars which they will not be able to sell because the State comes in and says they do not meet the standards.

They are going to lose the cost of the lost sales that occur during the time they have to hold onto the cars or negotiate or fight or sue or whatever else they have to do with the manufacturer to get them to bring the cars back up to standard.

A good percentage of the cars are presold when they arrive at the dealership, so if they cannot be sold, the dealer will lose these sales during that interim time.

He is going to have the cost of the boys who are employed while they are not having any sales, the storage cost of cars while they are brought back into compliance. They are going to have the costs of bringing the cars back into compliance themselves even though allegedly the Senator's substitute would——

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HATCH. May I finish, then I would be delighted to yield to the Senator.

Mr. MUSKIE. I thought the Senator would like to be accurate.

Mr. HATCH. If the Senator wants to be, I will be happy to yield any time.

Mr. MUSKIE. There is nothing in the committee amendment that puts any burden on the dealer. And the amendment clarifies it, if there is any doubt about it, by putting the burden of the cost directly on the manufacturer.

What the committee bill does, and what this amendment even more sharply does, is to protect the consumer.

Mr. HATCH. Can I have this charged against the Senator's time?

Let me just add this: Frankly, the real question is the question of "costs," and the costs of litigation because this bill does not alleviate that problem. In fact, the matter of costs will have to be defined through litigation, which is very expensive.

The end result is we have the possibility of 28,000 franchisees, for example, using the manufacturers over what are the costs, which are now covered by the Muskie approach and the approach in this substitute amendment.

Mr. McCLURE. Mr. President, will the Senator yield for a moment?

Mr. HATCH. Yes, I would be glad to yield to the distinguished Senator from Idaho.

Mr. McCLURE. I wish to commend the Senator from Utah for bringing this matter up. The matter was debated at great length in a somewhat slightly different context in the committee hearings this year and last year, and I support the effort, the Senator's effort, to strike this provision from the bill.

The question is what kind of a test will be required to determine whether or not the production line turns out cars that meet the emission tests.

The committee in this bill has strengthened the hand of EPA to require whatever kind of production line test is necessary to make certain that their production line meets reasonable standards of qualification in meeting the emission test, and I do not think we ought to then—let me back up just one moment and say that one of the things we debated was whether they could do it on a sampling technique or whether they had to test every automobile that came off the production line. We specifically rejected that latter condition. We gave EPA the authority to require, if they could work it out, and if it is necessary, but we specificially reserved the opportunity to EPA to use less than an every-automobile test on the production line.

It seems to me when we then take that away from Detroit and saddle it on the dealers that we have moved in the wrong direction if that every-car test is necessary and desirable, and it ought to be at the production line in Detroit and not out on all the little dealerships across the land. If it is desirable, we ought to amend it. We ought to require an every-automobile test on the production line, a matter which the committee specifically rejected.

Mr. HART. Mr. President, will the Senator yield?

Mr. HATCH. I just want to add to what Senator McCLURE says, if I may, and that is, that the real burden should be on the manufacturer and on EPA.

The Senator's substitute to my amendment does not alleviate that problem. What it does is muddy the waters. It puts the dealers in all kinds of problems and expenses.

Mr. HART. Mr. President, will the Senator yield?

Mr. HATCH. If I could just finish this thought—all kinds of expenses and all kinds of difficulties, and it really does not do what the Senator's amendment wants to do, and that is, to place the costs in reality where it should be. That is why the Senator's substitute really is not, frankly, any better than the original section 34, which should be stricken.

So I have to respectfully request that my colleagues here vote against the Senator's substitute and for my amendment.

Now, without yielding any more of my time I would be happy to yield.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. HATCH. I would be happy to yield for a question.

Mr. GOLDWATER. I would like to ask the Senator from Colorado to answer this question, and maybe it will help. In my State of Arizona we have mandatory emission testing. Let us say I go downtown and buy a car. Before I can get my license it has to be, the emission has to be, tested at a certain spot. If the emission does not meet the standards I cannot get a license. Who is stuck?

Mr. HART. Well, first, let me clarify the Senator's question. Is he saying that is the law in Arizona now or is he hypothesizing?

Mr. GOLDWATER. No, no, that is the law. In fact, I have a new car and I cannot get it out there to get the emission tested, so I cannot get a license.

Mr. MUSKIE. Mr. President, will the Senator answer a question? Is the Senator asking the question where there is testing before he gets the car?

Mr. GOLDWATER. No, after I buy the car.

Mr. MUSKIE. That is a different proposition than in this bill. That is the sort of ambiguity this bill is intended to eliminate. In other words, this bill is intended to require the testing before the car is sold, so the consumer is not stuck or left in doubt as to who is stuck.

Mr. GOLDWATER. That would require a change in my State laws.

Mr. MUSKIE. I do not know that it could change the State's laws. The provision is permissive, may I say to the Senator. The State does not have to do it.

Mr. GOLDWATER. We tried to get rid of it.

Mr. MUSKIE. I would agree with the Senator, I think this presale testing, which then gives the dealer a chance to put the burden back on the manufacturer, is the better way to deal with it.

Mr. HART. May I also say to the Senator from Arizona we have been contacted by States, including the State of Colorado, which have interpreted judicial rulings on the legislation enacted in 1970 as prohibiting those States from doing what the Senator says is the law in Arizona now, that is to say, from enacting those kinds of programs. So we have been approached by States that want the authority which this amendment would give them.

This does not require one State to enact this law. It does not require one car to be inspected before it is sold. It does authorize any State to adopt that kind of program.

Mr. GOLDWATER. My question is directed to who gets stuck, the dealer or me?

Mr. HART. Let me explain that, in response to the statements made by the Senator from Idaho because that is in the history of the clean air legislation, the Senator from Idaho says, and I think the sponsor of the original amendment agrees, that if we are going to solve the problem of turning out clean cars it ought to be done at the assembly line. On the other hand, the Senator from Idaho says he would not support that. So we are in a Hobson's choice. We believe in States' rights. Let us authorize the States to do it if they want to. They do not have to. But States want to. They want the authority to do that.

Let me respond to other statements made by the Senator from Utah.

Mr. HATCH. That is on the Senator's time. I understand I can get time against the bill. All right.

Mr. HART. I understand.

The Senator from Utah said certain costs will be covered. I will read the additional line in the substitution.

Any cost obligation of any dealer incurred as a result of any requirement imposed shall be borne by the manufacturer.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. HART. The transfer of any such cost obligation, and so forth, is prohibitive. I do not know how we can make it clearer.

Mr. HATCH. Will the Senator yield?

Mr. HART. I yield for a question.

Mr. HATCH. Yes, it would include, would it not, all of these items of cost which could amount to thousands of dollars to dealers that would have to be adjudicated in the courts over long periods of time and sometimes as long as 5 years and maybe even longer. It could ruin and bankrupt dealers all over the country.

Mr. HART. What is to be adjudicated? The language could not be clearer.

Mr. HATCH. It is difficult to define "costs" in your substitution, nor would the word ever be defined except by the courts. The fact of the matter is, and my question goes to this—that is the big question—the thing that brings about litigation is the question about what costs are reimbursable. Are all these costs that I raise reimbursable? There is no definition of cost in the Hart amendment and one cannot take the time to do it.

Mr. HART. When one goes to law school, the first thing they tell you when you walk in the door is you cannot prevent anyone from suing someone else. That is the first thing one learns.

Mr. HATCH. The first thing trial lawyers know is it takes an awful lot of time to try cases. The word "cost" is an indefinable term here in your amendment, to be defined by a jury and judges, which amounts to an immense amount of money.

Mr. HART. I did not yield the floor.

The second thing to learn is that the way to settle harassing lawsuits is to make the law clear. The law cannot be made more clear than it is in this substitute. And if thousands of automobile dealers want to sue the manufacturers or vice versa, which I suspect would be the case if there were any lawsuits at all, and I doubt that, they would be wasting their time. The law is extremely clear.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HART. I yield to the Senator from Maine.

Mr. MUSKIE. The whole question is where you put the burden of costs. I do not know whether in a particular car they are going to involve tens of dollars or hundreds of dollars or thousands of dollars or tens of thousands of dollars. I do not know what kind of cars the Senator from Utah buys.

But in any case, what we are trying to do in the committee is to avoid imposing the burden of the costs, and the inconveniences associated with driving a car that the manufacturer failed to put in shape in accordance with the requirements of the Clean Air Act, on the manufacturer. That is the whole purpose.

When you permit these cars, many of which do not meet the clean air standards when they arrive at the dealer's showroom, to be sold, which the laws of probability say may not meet the clean air standards, then those cars are in the hands of the consumers who have the burden, the responsibility, and the costs.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HATCH. If I could make one additional statement, precisely what I am trying to do is to protect the two people in any sale of any car who do not deserve the burden of the any costs at all, by not making them subject to guaranteeing EPA standards. One is the dealer and the other is the consumer. And if this particular amendment to my amendment goes through, it is going to impose the ultimate cost on the consumer, and that is what people do not seem to understand in this society.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HATCH. I am delighted to yield.

Mr. McCLURE. I shall comment only on one statement the Senator from Colorado made, and that is that the Senator from Idaho said if you want to do this kind of every-car testing it should be done by the manufacturer. That is precisely what I said. And it is also correct to say that the committee considered that alternative and explicitly refused to mandate that kind of every-car test. They permit it to be done, if EPA and the auto manufacturers jointly together and the EPA in consultation with the manufacturers find in an every-car test the way to solve the production line problems that EPA has that authority under the legislation which we have proposed. That is another provision in this bill. But we explicitly refused to go to the every-car test route and now we find ourselves in the Chamber trying to go back in the back door to do what the committee expressly rejected.

Mr. HATCH. If I could just close with this: The greatest assets of this provision are the indirect costs: The disruption in planning and inventory, the lost sales, the litigation to define what costs are to begin with, which the Senator from Colorado feels are very clear in this bill and I do not feel they are, the disruption and strains betwen dealers and manufacturers, all of these are real costs but they are indirect costs and not traditional costs and they are going to be passed on to the consumer.

What I wish to do is strike the provision. If we are successful in doing that, then it is very clear upon whom the costs of meeting those standards is imposed. That is upon the manufacturer, which the bill really wants to impose it upon anyway.

With that I yield.

Mr. DOMENICI. Does the Senator yield?

Mr. STAFFORD. Yes.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. HATCH. I yield to the distinguished Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the Senator for yielding.

I simply want to say this is an issue that has been before the committee for a long time. We debated it at great length over a period of years. We can go either way without any great distress to the cause of environmental quality. I personally happen to think that the assurance of compliance should be with the manufacturer.

Mr. HATCH. I do, too.

Mr. BAKER. Not with the dealer. I simply want to say that it is therefore, on that basis that I have decided I will oppose the substitute of the distinguished Senator from Colorado, and if I have an opportunity I will support the amendment offered by the distinguished Senator from Utah.

Mr. HATCH. I yield time to the distinguished Senator from New Mexico.

Mr. DOMENICI. How much time does the Senator have remaining?

The PRESIDING OFFICER. Two minutes remaining.

Mr. HATCH. Will the Senator take a minute? Then I yield a minute to the Senator from Michigan.

Mr. DOMENICI. I will take a minute.

I am not going to support the Hart amendment, hoping I have a chance to support Senator HATCH's amendment. My reasoning is basically this: In the basic national law the EPA Director could at the manufacturer's level set different ways of testing these cars. If they are arriving in an inadequate manner we should have the EPA Director nationally change his way of monitoring and measuring the pollution emission potential. We should not set out a pattern of having 10, 12, or 15 States only because they would like to put in their State laws, in a position where each dealer around the country will be charged with

this and then resolve it by saying if we do that we will make the manufacturer pay those costs. I think that makes a worse situation than to proceed to force the EPA to set a better national approach.

The PRESIDING OFFICER. The time has expired.

Mr. HATCH. I yield my remaining time on the amendment to Senator RIEGLE.

Mr. RIEGLE. I appreciate the Senator yielding, and I support the amendment he offers and oppose the Hart substitute.

Bear in mind if we do not do this testing at the manufacturing level where we can set up sophisticated machinery where it needs to be done—that is the logical place to do it—and are going to try to do it in the dealerships we are going to have to do it in thousands of locations across this country. And to perform that kind of testing requires the people and the machinery to do that when that same job can be done in a handful of manufacturing locations. To talk about doing it in locations all across the 50 States is just ridiculous, and it is going to cost a lot of money and not going to give us any gain or benefit.

Why they would ever do that is beyond me. I thank the Senator for yielding and hope that we can defeat the Hart amendment and pass the Hatch amendment.

Mr. GRIFFIN. Mr. President, will the Senator yield to me?

Mr. RIEGLE. I yield to my colleague.

Mr. GRIFFIN. Mr. President, I associate myself with the remarks of my colleague. This required additional cost to every dealer. Is there any way that that cost could be prevented from eventually finding its way either to the taxpayer or to the consumer?

Mr. RIEGLE. Of course not.

The PRESIDING OFFICER. All time has expired.

Several Senators addressed the Chair.

Mr. STAFFORD. Mr. President, I support the amendment offered by Mr. HART. The amendment proposed by the Senator from Utah would remove authority of States to require presale tests of automobiles. The amendment would reduce the flexibility of States to protect their citizens from defective auto emissions devices.

I want to emphasize that the provision in the committee bill does not require a presale test. Rather, it permits a State which decides that such a test will improve performance of emissions controls, to employ such a test.

It is argued that a presale test as a precondition to sale of an automobile will hurt auto dealers. It is said that a dealer who has purchased cars from the manufacturer will be "stuck" with those that fail the presale test. This would be an unfortunate occurrence.

But the substitute proposed by Mr. HART takes care of this possibility. Before a State adopts a presale program, I would expect it to look at commercial arrangements. I would expect a State to listen to its dealers before enacting a law which would be unduly onerous.

I do think a presale test is a strategy which belongs in the arsenal of a State which finds it is needed to reduce auto-related emissions and therefore support the substitute offered by the Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado (Mr. HART) to the amendment of the Senator from Utah (Mr. HATCH). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, when I chatted with the distinguished majority leader——

Mr. HART. Point of order, Mr. President.

Mr. HATCH. He said if I did not have enough time, he would give me time against the bill. All I need is 1 minute for Senator GRIFFIN.

Mr. HART. Then I will need another minute.

Mr. HATCH. All right, take 10, if you want it, but I want the equivalent time. I just want 2 more minutes; would that be sufficient?

Mr. STAFFORD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair has ruled that all time has expired, and a rollcall is in progress. Does the Senator state that he was seeking recognition before the rollcall began?

Mr. STAFFORD. No, we will not do that.

Mr. HATCH. I will relinquish my time. Let us vote.

The PRESIDING OFFICER. A rollcall is in progress.

The call of the roll was resumed and concluded.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from North Carolina (Mr. MORGAN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Arkansas (Mr. BUMPERS), the Senator from Vermont (Mr. LEAHY), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Minnesota (Mr. ANDERSON), and the Senator from North Carolina (Mr. MORGAN), would each vote "yea."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER), would vote "nay."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER).

If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 43, nays 39, as follows:

[Rollcall Vote No. 189 Leg.]

YEAS—43

Abourezk	Hart	Metzenbaum
Bayh	Haskell	Moynihan
Biden	Hathaway	Muskie
Brooke	Heinz	Nelson
Burdick	Huddleston	Nunn
Cannon	Humphrey	Packwood
Case	Inouye	Pell
Chiles	Jackson	Proxmire
Clark	Javits	Sarbanes
Cranston	Kennedy	Stafford
Culver	Magnuson	Stevenson
Durkin	Mathias	Stone
Eagleton	Matsunaga	Williams
Ford	McIntyre	
Gravel	Melcher	

NAYS—39

Allen	Eastland	Riegle
Baker	Garn	Roth
Bartlett	Glenn	Sasser
Bellmon	Griffin	Schmitt
Bentsen	Hatch	Schweiker
Byrd, Harry F., Jr.	Hayakawa	Scott
	Helms	Sparkman
Byrd, Robert C.	Hollings	Stennis
Church	Laxalt	Stevens
Curtis	Lugar	Thurmond
Danforth	McClure	Young
DeConcini	Metcalf	Zorinsky
Dole	Pearson	
Domenici	Randolph	

NOT VOTING—18

Anderson	Johnston	Percy
Bumpers	Leahy	Ribicoff
Chafee	Long	Talmadge
Goldwater	McClellan	Tower
Hansen	McGovern	Wallop
Hatfield	Morgan	Weicker

So Mr. HART's amendment was agreed to.

The PRESIDING OFFICER. When a motion to strike and insert has been agreed to for the language proposed to be stricken, a previous motion to strike falls and is not voted on. Therefore, the Hatch amendment will not be voted on. The bill is open to further amendment.

Mr. MUSKIE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

The Senator from New York.

Mr. JAVITS. Mr. President, I claim the time allotted to me under an order previously entered.

Mr. HUMPHREY. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. JAVITS. Mr. President, I address this question to the manager of the bill and to the ranking minority member.

I would like to discuss a question relating to the interrelationship between section 113(g)(1), the so-called nonattainment provision and section 110(a)(3)(A)(iii), which deals with the requirements of State implementation plans for those States which have air

quality control regions which will not meet primary air quality standards. It is my understanding that the proposed section 110(a)(3)(A) of the Clean Air Act amendments now under discussion requires that a State, in its revised implementation plan prepared in accordance with this act, identify air quality control regions in which a national primary ambient air quality standard will not be attained or maintained by July 1, 1979, and that the implementation plan include strategies for reducing emissions from existing and/or new sources in the region and achieving primary standards within 3 years of 1979. This section does not seem to require an offset for nonattainment of secondary standards.

I am concerned about an apparent inconsistency between this section and section 113(g)(1), the so-called nonattainment provision.

My concern is that the language of section 113 may be interpreted as extending the coverage of the nonattainment provision for period 1979 beyond the public health-related primary standards to the public welfare-related, secondary standards. If this interpretation were to be correct, I am concerned about the devastating impact it would have on the development of new and expansion of existing industries in those portions of our States in which secondary standards are now exceeded. I am specifically concerned about the possible impediments to construction of new, coal-fired powerplants in such regions and conversion of existing plants, which construction and conversion is critical to our national energy policy.

It is common knowledge that whereas many air quality control regions in the United States have achieved or are well on the way toward achieving the primary standards, great difficulties are being encountered by many States, including New York, in achieving secondary standards. For example, in New York State many portions of air quality control regions currently exceed secondary standards. This is true for the State's major urban centers such as the New York metropolitan region, the Buffalo-Niagara area and the Hudson Valley-Albany area.

Is it a correct interpretation of section 113(g)(1)(i) that no offset will be required of new or modified major emitting facilities constructed or modified after July 1, 1979, if the State has obtained approval of a revised implementation plan for pollutants which meet the primary standards but exceed secondary standards so long as the facility can comply with the approved revised State implementation plan?

Mr. MUSKIE. The Senator is correct for reasons that I am glad to place in the RECORD.

The senior Senator from New York raises important questions regarding the implementation of nonattainment tradeoff policy and its relationship to primary and secondary standards. To understand this issue, it is important to understand how secondary standards are treated in the Clean Air Act. The Clean Air Act requires that State implementation plans must be attained no later than 3 years from the date of approval of such plan. With regard to secondary standards, the requirements contained in section 110(a)(2) requires that attainment of the secondary standard must be achieved within a "reasonable time." Most States placed the attainment date for both primary and secondary standards together at the same date. Those dates have now passed.

The policy contained in the 1977 amendments requires that in areas where standards have not been attained, specific source-by-source, case-by-case tradeoffs linked together between existing and new sources must be developed and must require greater reduction in pollution from existing sources than would be created by the new source. This is true when the primary standard is exceeded at present in the area, or when the area is behind its schedule for attaining the secondary standard.

It is my view that with regard to the primary standard, Congress specifically mandates a recision of State plans where primary standards have still not been attained. This in no way removes the authority of the Administrator to require submission of revised plans regarding secondary standards; but the committee felt that the public health standard contained in the primary standard was of such importance that Congress should mandate a specific revision in plans that are now inadequate.

The State has the opportunity of establishing a new deadline for attaining any secondary standards when the State chooses to revise its plan dealing with secondary standards or when the Administrator requires such a revision.

In this discussion it is important to set aside some of the concerns that have been raised. The present tradeoff policy of EPA is relatively site specific with regard to sulfur oxides and particulate matter. For the control of oxidant, the strategy changes to a regional reduction in pollution because of the regional nature of that pollutant. But with regard to sulfur oxides and particulate matter, the fact that an air quality control region or a portion thereof is a nonattainment area does not preclude growth within that area. It may be that the cause of the area exceeding the standard is due to a localized factor a few miles away from the proposed new source. If there is no connection between the air quality and the activities at the two sites, and the new source would not contribute to the nonattainment problems occurring close to the cause of those problems, then, after a case-by-case analysis assuring that this is in fact true, the new source can be allowed to build without having to establish emission offsets from existing sources in a tradeoff fashion. This is not true for the control of hydrocarbon emissions that lead to oxidant—smog. In that case, the new source must find tradeoffs from other existing sources, because of the fact that this pollutant is transported for long distances and does affect pollution over a wide area.

However, once a revised State implementation has been approved that meets the requirements of section 110(a)(3)(A)(iii), a specific case-by-case tradeoff will only be required by these amendments for pollutants that do not meet primary ambient air quality standards unless the State plan specifically imposes, at its own choosing, a deadline which requires such tradeoff to attain the secondary standards.

Mr. JAVITS. The main point is that in nonattainment areas in building new facilities, whether it is a power station or what, because the bill, itself, is a little uncertain, using the word applicable on the subject, the question is what standards are to be met? Of course, the answer is the primary standards and secondary only insofar as the implementation is concerned and for whatever date it fixes related to facilities constructed after July 1979.

Mr. MUSKIE. The Senator is correct.

The PRESIDING OFFICER. The Senate will be in order, please.

Mr. JAVITS. Does the ranking minority member concur in the interpretation of the meaning of this bill?

Mr. STAFFORD. The Senator from Vermont is happy to inform the Senator from New York he concurs in that interpretation.

Mr. JAVITS. I thank my colleague.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to further amendment.

SEVERAL SENATORS. Third reading!

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, I wonder if the distinguished manager of the bill and the ranking minority member would put in a brief quorum call just for a moment while I check.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 400

Mr. DOMENICI. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an unprinted amendment numbered 400.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 130 after line 22 add new Section 49 and renumber all following Sections:

"Sec. 49. Notwithstanding the provisions of Section 122 of the Clean Air Act as amended (Measures to Prevent Economic Disruption or Unemployment), the President in considering an Order or Rule to require the use of locally or regionally available coal or coal derivatives to prevent economic dislocation or unemployment shall take into account the final cost to the consumer of such an Order or Rule.

Mr. DOMENICI. Mr. President, this is an amendment which will modify the Metzenbaum amendment which we accepted today by a very close vote. It will do so by adding a notwithstanding clause. Basically, what it says is that in the specific situation contemplated by that amendment, that before any order is issued the person permitted to issue that order shall take into account the final cost to the consumer of such an order or rule.

A simple addition to it. It merely is saying that as we evaluate for implementation under that Presidential mandated conversion, we shall also take into account the cost to the consumer.

I have checked this with Senator METZENBAUM and Senator RANDOLPH. It is my understanding it is acceptable to them and I assume it is acceptable to the managers of the bill.

Mr. RANDOLPH. Will the Senator yield to me?

Mr. DOMENICI. I am happy to yield to the Senator.

Mr. RANDOLPH. Senator METZENBAUM and I are very appreciative of the concern the Senator expressed during the debate on the original amendment and in this effort.

(Mr. GOLDWATER), would vote "nay." did with the affirmative vote on our amendment. But it is to help us, as the Senator sees it, to strengthen that amendment.

I am in agreement. We are doing that by agreeing with what the Senator has suggested.

Mr. DOMENICI. I thank the Senator.

Mr. METZENBAUM. I hope the Senator from New Mexico continues his concerns that are evidenced in this. I am pleased to accept the amendment.

Mr. DOMENICI. I thought the Senator had such a concern when he introduced it. I just wanted it in the amendment.

Mr. President, I yield back the remainder of my time.

Mr. METZENBAUM. I thank the distinguished Senator from New Mexico.

The PRESIDING OFFICER. Does the Senator from Maine yield back his time?

Mr. MUSKIE. Mr. President, I support the amendment and will take it, on my part, although other Senators are the principal sponsors.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. McCLURE. Mr. President, would the Senator yield for a unanimous-consent request?

Mr. MUSKIE. Yes.

Mr. McCLURE. I ask unanimous consent that a letter addressed to the Honorable MALCOLM WALLOP be printed in the RECORD at this point at his request.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., May 23, 1977.

Hon. MALCOLM WALLOP,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WALLOP: This is in response to your request of May 3 for our opinion on the effect of certain language contained in the significant deterioration provisions of S. 252 (Clean Air Act Amendments of 1977). You have asked whether the definition of "baseline air quality concentration" (which would become new section 302(1)), would require that all emissions from a new source be counted against the air quality increments even if the new source were a replacement for an old source. Based upon the language of S. 252 and the current status of the legislative history, we feel that your question can clearly be answered in the negative. The new emissions would be counted only to the extent they exceeded the emissions from the facility being replaced.

While the section 302(1) language cited in your letter states that new source emissions shall be "accounted against" the increments, the language does not preclude a credit for reductions achieved from closing down existing sources. In view of the language of proposed section 110(g)(2), which makes clear "cumulative" changes in air quality are to be assessed against the increments, we would not read proposed section 302(1) to have the effect which you feared.

Our construction of the proposed statutory language is bolstered by the Committee Report (95–127, May 10, 1977) at pp. 97–98. After noting that new sources' emissions must be deducted from the applicable increments, the Report provides: "This of course does not include facilities built as replacements for [existing] sources. Only the emissions from such replacement facilities in excess of those from the source replaced would be deducted from the applicable increment."

Please do not hestitate to contact me if I can be of further assistance.

Sincerely yours,
G. WILLIAM FRICK,
General Counsel.

ADDITIONAL STATEMENTS SUBMITTED

Mr. BAYH. Mr. President, I rise today in support of the Clean Air Act Amendments of 1977, S. 252. The Clean Air Act, first passed in 1970, was a truly landmark piece of legislation, with one clear goal: protecting the public health from increasingly dangerous levels of pollutants in the air.

The legislation mandated that air quality in our States and local areas reach nationally established standards consistent with public health needs. Once the Environmental Protection Agency established these standards, States were to develop plans for attaining them. The major strategies for pollution control were a 90 percent reduction in auto emissions and compliance by industrial sources of pollution with strict emission limitations achieved by the adoption of continuous methods of pollution control. In addition, if necessary to achieve national standards, States were to include transportation and land use programs to influence the siting of large facilities and traffic patterns which have a significant impact on air quality, especially in major metropolitan areas.

These requirements were far-reaching in their impact, comprehensive in scope and revolutionary in character. Yet they were justified by the growing recognition that without effective action to curb the ever growing sources of pollution present in our modern, industrial society all Americans would be subject to unnecessary but inescapable health risks.

Over the last few days, the Senate has been back at the drawing boards, assessing our progress and making mid-course adjustments, taking into account recent developments in technology, our economy, and the energy problems which have become so apparent in the 1970's.

The debate in the Senate on S. 252 has indicated that several potentially competing values are touched by the Clean Air Act. Still in a recession, some have expressed reservations about doing anything which might thwart continued economic growth. Warned just recently by President Carter of the impending crisis we will face on the energy front if we take no action, some have warned that protection of our air will place obstacles in the way of energy conservation and self-sufficiency.

Mr. President, I do not take these reservations lightly. Along with the rest of my colleagues, I want to see this Nation resume its historic pattern of economic growth and begin the long path toward solving our energy problems. But the state of the public's health must also be a paramount concern of ours. I have spent much of my time since coming to the Senate making sure that our Government is doing all it can to support health research and bring the benefits of modern medicine to all our citizens. This is a third and equally important consideration we must bring to bear on our decision making about the Clean Air Act amendments.

In assessing the progress made since 1970, there is no question that the efforts made in the intervening years have had a substantial impact on air quality. We have witnessed significant decreases in major pollutants emitted from industrial sources. New cars are 67 percent cleaner than those sold in 1970.

Yet it is also true that the goals set out in 1970 have not been met. Three-quarters of the Nation's air quality control regions are still out of compliance with national standards for particulates—a major industrial pollutant—with smaller numbers still not meeting standards for sulfur dioxide, oxidants, and oxides of nitrogen. Disturbingly, some large cities have shown increases in pollution and, on an industry-by-industry basis, significant numbers of facilities, such as coalfired powerplants, steel complexes, refineries, and smelters and boilers, are still violating the law.

There will be costs associated with getting these sources of pollution into compliance, but the costs of inaction are also high—increased illness and deaths, damage to crops and other property, and continued erosion of the quality of life in both urban and rural areas. I urge my

colleagues to recognize these costs as equally as important as the economic claims raised by opponents of any Federal regulations to protect public health, and to support the balanced legislation on which we will vote today.

The Senate has debated at length the three major controversies raised by the Clean Air Act amendments: final auto emission standards, treatment of areas that have yet to attain air quality standards and the degree of protection to establish for those areas of the country whose air is cleaner than required by current Federal regulations.

The Senate has dealt with all three concerns in a balanced and reasonable manner, which will assure both public health and economic growth in the decades ahead of us.

First, for areas that have not yet attained the pollution reduction that was to be achieved by this summer, the Senate has granted generous delays and left decisions about industrial expansion and individual facility siting to State and local governments. Given the flexibility built into S. 252, States should be able to come into compliance with Federal standards over the next decade without experiencing economic hardships. S. 252 will require that all new industrial sources of pollution use the most advanced technology available, so that increased growth and jobs do not automatically mean more heart disease, cancer and respiratory illness.

Second, I am gratified that the Senate has retained the provisions of S. 252 that protect the clean air areas of our country. Mr. President, as we stand here and agonize about how to make our currently polluted areas livable once again, it would be foolhardy to allow presently healthy environments to sink to the same pollution levels routinely found in our major metropolitan and industrial areas. Once air quality has deteriorated, it takes years to reduce pollution levels to officially acceptable levels, much less to restore it to a natural and enjoyable quality. It would be short-sighted, indeed, not to protect the clean air we still have.

Finally, Mr. President, I would like to address myself to the portion of S. 252 that has received by far the most attention—the section on auto pollution. Frankly, this is the issue which has caused me the most concern, because it has become a major symbol for the many different values potentially affected by this legislation—economic growth, jobs, energy savings, and the public health.

In passing the Baker amendment, the Senate has given the auto industry until 1980 to come into final compliance with auto emission standards. I voted against the Baker amendment, because I wanted to get this issue resolved once and for all. I believe we would have achieved that, Mr. President, by adopting the Riegle-Griffin amendment.

The Riegle-Griffin amendment incorporated the same final auto emission standards as did Senator BAKER's, but gave the auto industry until 1982 to come into compliance. Many of my colleagues in the Senate did not think the industry deserved yet another extension, because of their poor past track record in meeting earlier deadlines. I must say I shared their reservations. However, in the end, I decided to support the Riegle-Griffin compromise because for the first time all of our domestic auto manufacturers agreed they could meet this congressional deadline. In making this decision, I received personal assurances from the presidents of General Motors, American Motors, the Ford Motor Co., and Chrysler that they would not be back again for another delay.

The Senate, in a decisive vote, has adopted a 1980 deadline by passing the Baker amendment. The House has given the industry more time. Once the conference committee makes a firm decision on this issue I urge the industry to accept it as final and bring all its resources to bear on meeting our common goal—a fuel-efficient, environmentally acceptable car.

Mr. President, I was gratified that the Senate adopted an amendment I sponsored with Senators METZENBAUM, HEINZ, and RANDOLPH to assure that this legislation will not prevent full utilization of our country's coal resources.

There has been some concern that utility companies and other coal-burning facilities located in the eastern parts of the country might try to skirt pollution control requirements by no longer using eastern coal, which has a higher sulfur content and requires the use of pollution control equipment, but by substituting low sulfur, western coal for it.

This response to pollution control responsibilities strikes me as being neither in the national interest nor in the interest of the people of my State. If eastern industries were freely permitted to meet their responsibilities by changing their traditional coal purchasing patterns, several unfortunate results would occur.

First, we would waste energy by transporting coal across country. Second, we would likely fail to meet the President's goals for coal conversion by not using all of our coal resources. And finally, Mr. President, we would risk shifting responsibility for industrial pollution from one source of pollution to workers and consumers. Jobs of eastern miners would be at jeopardy if industry were allowed to meet their responsibilities in this manner without any limits on their purchasing patterns. Consumers would also be forced to pay more for electricity and other products, because of the costs of western coal and transportation.

To avoid these unfortunate results, Mr. President, the Senate adopted an amendment I offered with my colleagues from Ohio, West Virginia, and Pennsylvania, which would permit the President to require a noncomplying source to buy local or regional coal, if buying western coal would result in severe economic disruption or unemployment.

In closing, Mr. President, I want to reiterate my support for this vital piece of legislation. As we get on with the Nation's business, it is important to have the guidelines S. 252 establishes to make sure that future growth does not come at the expense of the health of our citizens.

Mr. CRANSTON. Mr. President, if I may have the attention of the distinguished floor manager for a few moments, I would like to ask his assistance in clarifying the intent of the Clean Air Act with respect to the authority of a State to regulate air pollution emissions from oil tankers calling on ports within the State.

I would appreciate the comments of the Senator from Maine, the principal author of the comprehensive 1970 Act, as to whether the current law authorizes a coastal State to adopt and enforce emission standards, limitations or requirements on vessels for the purpose of preventing violations of national ambient air quality standards within the State?

Mr. MUSKIE. Yes, I believe the authority to regulate emissions from vessels is implicit in the 1970 amendments. Section 110 of the act requires EPA to approve State implementation plans which contain "emissions limitations * * * and such other measures as may be necessary to insure attainment and maintenance of such—ambient air quality—standard, including, but not limited to, land use and transportation controls."

Mr. CRANSTON. The State of California is concerned that in issuing a permit to construct a terminal facility for unloading Alaskan oil in the Port of Long Beach, pursuant to the requirements of the Clean Air Act, it is not certain what State or Federal entity, if any, has the power to enforce limitations on air pollutant emissions from tankers calling at the facility.

Mr. MUSKIE. Under EPA regulations, State implementation plans are required for preconstruction review of new air pollution sources. 40 CFR 51.18(b). The procedure must assure that emissions from the source itself, and from mobile source activities directly associated with the source, do not deter attainment or maintenance of the air quality standards.

Mr. CRANSTON. Does that mean that in granting a permit to construct an onshore facility a State may impose procedural or substantive conditions on the vessels that would use that facility for the purpose of assuring that those vessels would not cause violations of air quality standards onshore?

Mr. MUSKIE. Yes, emissions from vessels can be considered as part of the permit and conditions on the operation of vessels and would be valid to the same extent as other permit conditions for a stationary source.

Mr. CRANSTON. Is it your view, then, that the States' authority is limited to the review of vessels associated with new onshore facilities?

Mr. MUSKIE. No. Section 110 gives the States a very broad mandate to choose the sources of pollution they will regulate and the degree of regulation, so long as the air quality standards are met. That authority has been broadly interpreted by the Supreme Court in a unanimous decision in *Union Electric Co.* v. *Train*, 96 S. Ct. 2518, 2531 (1976). Vessels operating within the coastal waters of the United States or calling at facilities under U.S. jurisdiction, or such offshore facilities, to the extent that their emissions degrade air quality within the territory of a State, are certainly included within the

list of sources subject to State air pollution controls.

Mr. CRANSTON. Does EPA also have powers to impose emission standards, requirements or limitations on vessels?

Mr. MUSKIE. Yes. EPA has imposed controls on vessels loading and unloading in its implementation plan for the State of Texas. These regulations were adopted by EPA after the State had failed to act, as required by section 110(c) of the 1970 act. EPA's authority to regulate vessels was upheld by the Fifth Circuit Court of Appeals in *State of Texas* v. *EPA*, 449 F. 2d 289, 316–317 (1974). I believe that decision correclty interprets the law.

Mr. CRANSTON. I thank the Senator for his clarifications. His interpretations conform to my understanding of the 1970 act with respect to the States' authority to regulate tanker emissions.

Mr. President, to back up these remarks, I ask unanimous consent that two legal memorandums prepared by the Federal Energy Administration and the Environmental Protection Agency relating to this interpretation be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., May 23, 1977.

MEMORANDUM

Subject: State Authority to Regulate Ship Emissions

From: G. William Frick, General Council (A–130)

To: Douglas G. Robinson, Alaska Oil Project Coordinator, Federal Energy Administration.

At your request, we have reviewed the FEA General Counsel Memorandum of May 13, 1977, which addresses Clean Air Act issues. We agree with FEA's basic conclusion, which we would characterize as follows: a State may adopt and enforce emission controls on ships using the State's ports, and such controls may apply even when a ship may be as far as twelve miles from shore.

You already have our memo of August 10, 1976, which concluded as follows: "EPA (*and/or a State*) has authority under the Clean Air Act to impose on a proposed marine terminal facility, *and tankers bringing oil to it*, whatever restrictions may be necessary to insure attainment and maintenance of the ambient air quality standards." (Emphasis added.) Our memo basically focussed on EPA's authority (rather than State authority) and did not discuss the issue of how far from shore the controls could apply. In order to respond to the FEA memo of May 13, I will now elaborate on those points.

State authority. Perhaps the most fundamental principle underlying the Clean Air Act is that "the prevention and control of air pollution at its source is the primary responsibility of States and local governments." § 101(a)(3). Each State has the "primary responsibility for assuring air quality within the entire geographic area comprising such State." § 107(a). Even Federal facilities are subject to State and local control measures. § 118.

In order to assure such air quality, States are to develop implementation plans under § 110 which are to include "emission limitations . . . and such other measures as may be necessary to insure attainment and maintenance" of the ambient standards, "including, but not limited to, land-use and transportation controls." Under the Act, EPA is to promulgate implementation plan revisions under § 110(c) only as a last resort, when a State fails to submit a plan provision or submits an inadequate one.

If Congress' preference for State and local controls is not clear enough in the current Clean Air Act, both the House and Senate Committee Reports on now-pending Clean Air Act amendments make the point even more strongly:

"[T]his bill (H.R. 6161) is needed for several main purposes: . . . (2) to provide a greater role and greater assistance for State and local governments in the administration of the Clean Air Act." Clean Air Act Amendments of 1977, H.R. Rept. No. 95–294, May 12, 1977, at p. 1.

"The problem of air pollution exists at the State and local level. That is where the public understands the problem. That is where the resources must be directed. . . . The Federal role must be one of support rather than control. The Federal Government does not have and will not have the resources required to do an effective job of running the air pollution control programs of the States." Clean Air Act Amendments of 1977, S. Rept. No. 95–127, May 10, 1977, at p. 10.

Section 116 also stresses the primacy of State and local controls in the Clean Air Act scheme. It provides that except where the Act specifically pre-empts State action (such as in the area of new automobile and aircraft emission controls), the States and local governments are free to adopt and enforce any air pollution controls so long as such a control is not less stringent than any applicable Federal air pollution control. That Section 116's principles are essential and pervasive to the scheme of the Clean Air Act was emphasized by the unanimous Supreme Court decision, *Union Electric Co. v. Train*, 96 S. Ct. 2518. (1976).

In light of the clear Congressional preference for State and local controls, and in light of Section 110's directive that all controls as may be necessary to protect air quality in the State be utilized, we must logically start with the presumption that State and local air pollution controls may legally be imposed on ships with emissions which impact on the State's air quality.

This presumption is heavily buttressed by the Supreme Court's decision in *Huron Portland Cement Co.* v. *Detroit*, 362 U.S. 440 (1960), which upheld on Constitutional grounds the City of Detroit's criminal ordinance limiting air pollutant emissions from ships. The Court rejected arguments that the Federal Government had pre-empted the field, citing a provision from the then-existing Clean Air Act (which remains in today's version at §§ 101(a)(3) and 107(a) as quoted above) making clear that the Act places primary control responsibility on States and local governments. 362 U.S. at 445–56. The Court also rejected arguments that State and local air pollution restrictions on interstate shipping impose an unconstitutional burden on interstate commerce.

The presumption is further buttressed by Judge Bell's opinion in *State of Texas* v. *EPA*, 499 F. 2d 289, 316–17 (5th Cir. 1974), discussed at page 5 of our memo of last August. While that decision upheld *EPA's* authority under § 110 to impose emission controls on ships, the decision did not turn on the fact that the challenged regulation was issued by EPA. Rather, the decision turned on the "emission limitations . . . and such other measures" language of § 110, which language applies to the *States* in the first instance and to EPA only as a last resort. (EPA had promulgated the regulation because the State had failed to develop an adequate plan.)

The only argument for rebuttal of the presumption which has come to our attention is the contention that the Ports and Waterways Safety Act of 1972 (PWSA) (33 U.S.C. §§ 1221 *et seq.*, 46 U.S.C. § 391a *et seq.*), places sole regulatory authority over shipping operations in the Coast Guard. Judge Bell explicitly rejected this argument in his *State of Texas* opinion, *supra*. He stated that there is "no merit in the suggestion of a lack of authority due to the Coast Guard's responsibility for safety regulations." 499 F. 2d at 317.

We are aware of *ARCO* v. *Evans*, Civ. No. C–75–648–M (W.D. Wash., Sept. 4, 1976), which held that the PWSA preempted certain State shipping regulations. We agree, however, with the analysis at pp. 10–12 of the FEA May 13 memo that *ARCO* is significantly distinguishable on its facts so as not to conflict with *State of Texas*.[1] Perhaps the most significant distinction is that in *ARCO*, the shipping regulations were based only on State police power jurisdiction and had no specific sanction under a Federal statute. Air pollution regulations, however, are obviously encouraged (and even required) by the Federal Clean Air Act.[2]

We note that Judge Bell stated in *State of Texas* that "There is no indication that the EPA will attempt to invade the domain of the Coast Guard or otherwise interfere with or jeopardize its provisions for maritime safety." 499 F. 2d at 317. Where an air pollution regulation could cause a ship to violate a Coast Guard safety regulation, we agree that significant legal problems could be created. We must presume that a State or EPA would not require measures causing violations of Coast Guard regulations, however. We are also informed that the Sohio conditions contemplated by California which are referenced in the May 13 FEA memo would not cause violations of Coast Guard safety standards.

Distance From Shore. We agree with the FEA conclusion that the State may enforce its ship emission requirements, through denial of entry to port, against violations occurring even twelve miles from shore so long as emissions within such zone may impact on air quality within the State.

The State is charged under § 107(a) with the primary responsibility for "assuring air quality within the entire geographic area comprising such State." If the State's basis for imposing ship emission limitations twelve miles from shore were merely to protect the air quality over the high seas, significant legal problems would be presented. We presume, however, that California has a rational basis for determining that emissions from up to twelve miles offshore may impact on air quality over the State.[3]

In light of the analysis on page 16 of the FEA memo on the sovereign's right to control access to its ports for reasonable purposes,[4] and in light of the Congressional directive that States should protect their own air quality with any necessary measures, we would conclude that ship emissions could be controlled by the State even beyond twelve miles from shore if necessary to protect the State's air quality.

FOOTNOTES

[1] We also agree that even on the facts before the Washington Court, the decision seems quite inconsistent with Supreme Court decisions and that the Supreme Court, which has granted *certiorari*, will probably reverse.

[2] The fact that the California new source review regulation (pursuant to which the Sohio conditions would be imposed) is not a formally approved part of the California implementation plan under Section 110 does not detract from California's authority to impose the proposed emission controls. The State's right under Section 116 to impose air quality controls is not contingent upon those controls being incorporated into an implementation plan. Even if this were a problem, it could easily be remedied: the State could submit the conditions to EPA as a plan revision, and/or EPA could include the same conditions in its own implementation plan

permit to Sohio (if the California new source regulation has not been approved by the time of permit issuance).

[3] Any conclusions California makes in this respect should be entitled to a heavy presumption of correctness. *Ethyl Corp.* v. *EPA*, 541 F. 2d 1, 24–25, 28 (D.C. Cir., 1976).

[4] Discussions we have had with international law experts in the State Department and within EPA have confirmed the correctness of the FEA analysis.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., May 13, 1977.

Hon. JOHN M. HARMON,
Acting Assistant Attorney General, Office of Legal Counsel, Department of Justice, Washington, D.C.

DEAR MR. HARMON: At the request of the parties, the Federal Energy Administration has been acting as an informal coordinator and mediator in the ongoing administrative process by which the State of California's Air Resources Board is reviewing the compliance of a proposed Standard Oil of Ohio (Sohio) marine oil terminal at Long Beach with that State's air pollution control standards.

A major question that has arisen during the administrative process is whether the State has jurisdiction and authority to regulate pollutant emissions from oil tankers using the proposed terminal, while such tankers are operating beyond the three-mile territorial limit of the State but are still well within the South Coast Air Basin, which encompasses all of the Los Angeles/Long Beach region. Neither party is arguing that the State does not have such authority, but the State is reluctant to agree to the permit conditions proposed by Sohio, which conditions would have the indirect effect of regulating off-shore tanker operations, until it is convinced that it would have the legal authority to enforce such conditions. Until the parties reach agreement on this major legal issue, it appears that the permitting process for the project will remain at an impasse. Such a situation could well deprive the nation of an important energy project that would transport half a million barrels a day of Alaska North Slope crude oil to interior regions of the United States.

My office has analyzed the legal issues involved and has reached the conclusion that California does possess the requisite authority, as set forth in detail in the enclosed memorandum. Since the issue involves significant constitutional questions, I would very much appreciate it if you would review our analysis and provide us with your independent judgment on the legal issues that are discussed therein.

In view of the urgency of this project, I would appreciate a response as soon as possible.

Sincerely,

ERIC J. FYGI,
Acting General Counsel.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., May 13, 1977.

MEMORANDUM REGARDING REGULATION OF OIL TANKER EMISSIONS

The Trans-Alaska Pipeline System is expected to become operational in late 1977, and will begin to supply 1.2 million barrels B/D of Alaska North Slope crude oil to the Port of Valdez by January 1978. About 700,000 B/D will be absorbed by refineries on the West Coast, although projections indicate that at least another 500,000 B/D will have to be transported to the central areas of the United States over the next several years in order to reach U.S. markets where both demand and refining capacity exist.

One of the principal transportation systems proposed to move North Slope crude oil to the interior of the U.S. is the so-called Sohio project, which would involve construction by the Sohio Transportation Company of a terminal facility at Long Beach, California capable of receiving 700,000 B/D of crude oil. A pipeline system, would be connected to that terminal, utilizing both new pipe and the reversal of an existing natural gas pipeline, and would move 500,000 B/D of North Slope crude oil to Midland, Texas, where it would feed into existing pipeline systems for ultimate delivery to refinery centers in the Midwest and on the Gulf Coast.

The Federal Government has reviewed the environmental impact of this project through the preparation of an environmental impact statement (EIS) that will be published in final form within the next few weeks. That analysis indicates that the major environmental problem posed by the facility is its potential adverse impact on air quality, as a result of emissions from tanker operations and on-shore storage tanks, in the Los Angeles air basin, which already has the country's most severe air pollution problems. The jurisdiction to review and regulate the emissions generated by the proposed terminal is currently shared by the Environmental Protection Agency (EPA) under the authority of the Clean Air Act and by State and local air resources control authorities under California State law, which imposes conditions on new source emissions similiar, but not identical to, those imposed by EPA. The State has not been delegated authority under the Clean Air Act to review new sources, since its State Implementation Plan with respect to such sources has not yet been approved by EPA. Under both Federal and State law, however, since the South Coast Air Basin is a "non-attainment" area (i.e., it has not attained the minimum ambient air quality standards established by EPA or the State), a new emission source such as the Sohio terminal is allowed to be built only if the builder achieves a reduction in the emissions from existing sources such that the new emissions are more than offset, and there is a net improvement in air quality.

The Federal, State and local bodies having jurisdiction over the proposed facility's emissions have, in the process of reviewing Sohio's application, encountered major problems with regard to their jurisdiction to control emissions from tankers using the facility, when those tankers are more than three miles from shore but still within the South Coast Air Basin. Sohio has proposed that, in order to reduce emissions to the maximum extent possible, it impose as a condition to any vessel using its terminal facility, that such vessel observe certain emission-reducing practices with respect to venting, ballasting, purging, burning of low-sulphur fuel and other tanker operations. The specific conditions that Sohio intends to impose are attached. Sohio is willing to include these conditions in its lease from the Port of Long Beach, a municipal entity, and in the air quality permits issued to it by the EPA and California Air Resources Board (ARB).

The ARB does not dispute the adequacy of these permit conditions *per se*. However, it is currently unwilling to accept them because of uncertainty regarding its jurisdiction to enforce them insofar as they apply to tanker operations beyond the three-mile limit but within the air basin. For the facility if the terminal itself met all the conditions of the permit, but tankers calling on the terminal failed to comply with the low-sulphur fuel requirements or other operational limitations when steaming into or out of the South Coast basin. The ARB is insisting that there be in place some authority, vested either in itself or some other Federal or State agency, to enforce the conditions, and that the legal basis for such authority be beyond question. It has suggested, among other things, that if the same requirements were imposed by the Coast Guard as part of its tanker regulations under the Ports and Waterways Safety Act of 1972, its need for an unchallengeable enforcement mechanism would be satisfied. In this connection, the following issues have been raised:

1. Has the U.S. Government authority to regulate air pollution from tankers, and if so, is the scheme of regulation so pervasive as to pre-empt California's police power in this area?

2. Assuming no pre-emption, would a regulation otherwise within California's police power be an unconstitutional burden on commerce?

3. What are the respective offshore limits of Federal and State jurisdiction to impose anti-pollution requirements?

This memorandum will discuss these issues.

I. THE FEDERAL GOVERNMENT HAS AUTHORITY TO REGULATE AIR POLLUTION BY TANKERS AT SEA, BUT CALIFORNIA IS MOST LIKELY NOT PRE-EMPTED FROM EXERCISING ITS POLICE POWER IN THIS REGARD

A. *The law applicable to pre-emption.* The authority to protect the environment and the health and safety of the public by regulating ships' activity on navigable waters located within or adjacent to a state, has long been recognized as an attribute of states' police power. See *Huron Portland Cement Co.* v. *City of Detroit, Michigan*, 362 U.S. 440, 443 (1960), upholding a local smoke-abatement ordinance notwithstanding federal license and approval of ships' boilers, and *Askew* v. *American Waterways Operators, Inc.*, 411 U.S. 325 (1973), upholding Florida's imposition of unlimited absolute liability for damages incurred as a result of oil spills in the State's waters, notwithstanding enactment of the Federal Water Pollution Control Act of 1970 and claims of exclusive Federal power to enact legislation involving maritime matters. In the Court's latest case dealing with pre-emption, *Jones* v. *Rath Packing Co.*, No. 75–1053, 45 U.S.L.W. 4323 (March 29, 1977), it stated that "Where, as here, the field which Congress is said to have pre-empted has been traditionally occupied by the States . . . [w]e start with the assumption that the historic police powers of the States were not to be superseded by the Federal Act unless that was the clear and manifest purpose of Congress *Rice* v. *Santa Fe Elevator Corp.*, 331 U.S. 218, 230 (1947)." [1]

The Court in *Rath* went on to state, however, that:

"[W]hen Congress has 'unmistakeably . . . ordained' . . . that its enactment alone are to regulate a part of commerce, state laws regulating that aspect of commerce must fall. This result is compelled whether Congress' command is explicitly stated in the statute's language or implicitly contained in its structure and purpose. [citation omitted]

"Congressional enactments that do not exclude all state legislation in the same field nevertheless override state laws with which they conflict. U.S. Const., Art. VI. The criterion for determining whether state and federal laws are so inconsistent that the state law must give way is firmly established in our decisions. Our test is 'to determine whether, under the circumstances of this particular case, [the state's] law stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.' *Hines* v. *Davidowitz*, 312 U.S. 52, 67 (1940)." 45 U.S.L.W. 4324–5.

In determining whether the state law is an "obstacle" to Congress' purpose, the Court has held that "the proper approach is to reconcile 'the operation of both statutory schemes with one another rather than holding one completely ousted.'" *Merrill, Lynch, Pierce, Fenner and Smith, Inc.* v. *Ware*, 414

Footnotes at end of article.

U.S. 117, 127 (1973), quoting *Silver* v. *N.Y. Stock Exchange*, 373 U.S. 341, 357 (1963). In *Florida Lime and Avocado Growers, Inc.* v. *Paul*, 373 U.S. 132, 142 (1963), the Court dismissed the suggestion that the test is whether the purposes of the two laws are parallel or divergent, stating that "the test of whether both federal and state regulations may operate, or the state regulation must give way, is whether both regulations can be enforced without impairing federal superintendence of the field, not whether they are aimed at similar or different objectives."

With this in mind, it is necessary to determine whether Federal authority to regulate tanker emissions exists, and if so, if it is pre-emptive.

B. *The Clean Air Act.* Under the Clean Air Act, 42 U.S.C. 1857 *et seq.*, the Administrator of EPA is authorized to issue national primary and secondary ambient air quality standards under § 1857c–4, which are put into effect pursuant to state implementation plans authorized by § 1857c–5. Where the state plan fails to implement the standards, or implements them inadequately, EPA can do so directly. The Act specifically preserves the states' police power to enact pollution control measures, and provides at § 1857d–1 that:

"Except as otherwise provided [in sections not applicable here] nothing in this chapter shall preclude or deny the right of any State or political subdivision thereof to adopt or enforce (1) any standard or limitations respecting emissions of air pollutants or (2) any requirement respecting control or abatement of air pollution; except that if an emission standard or limitation is in effect under an applicable implementation plan or under [sections dealing with new stationary sources or hazardous pollutants], such State or political subdivision may not adopt or enforce an emission standard or limitation under such plan or section."

California intends to exercise its authority under State law (see Health and Safety Code §§ 40702, 41601, 41700, 41702–3, 42300–301) to control emissions associated with the Sohio project, including emissions from tankers calling on the proposed terminal, if possible, by imposing the permit conditions contained in the attached list. The question to be decided, therefore, is whether the type of limitations on tanker operations proposed to be included in the Sohio terminal permit adopt or enforce standards or limitations less stringent than those that would be applicable under the Clean Air Act and are therefore pre-emoted by virtue of § 1857d–1.

In a memorandum dated August 10, 1976, the Environmental Protection Agency asserted that "EPA (and/or a State) has authority under the Clean Air Act to impose on a proposed marine facility, and tankers bringing oil to it, whatever restrictions may be necessary to insure attainment and maintenance of ambient air quality standards." Careful review of the relevant authorities suggests, that this view is correct.

Under § 857c–5(a)(2)(B), EPA is required to approve state implementation plans which contain "emission limitations . . . and such other measures as may be necessary to insure attainment and maintenance of such [ambient] standard, including, but not limited to, land use and transportation controls." EPA has, by regulation, interpreted 'other measures' to include new source review regulations. 40 CFR 51.18. (It should be noted that "new sources" are defined as new *stationary* sources.) State implementation plans must therefore have new source review regulations that subject new air pollution sources to pre-construction review, and must operate to prohibit new sources which would prevent the attainment and maintenance of the national ambient standards. 40 CFR 51.18 (b).

While any new terminal is, in itself, a stationary source of air pollution, the oil tankers which supply it (and are mobile) contribute pollution which is necessarily related to the terminal in a "but for" sense. Under 40 CFR § 51.18(a), each plan must set forth procedures so as to insure that attainment of ambient standards will not be deterred "either directly because of emissions from the [new source], or indirectly, because of emissions resulting from mobile source activities associated with it." 40 CFR 51.18(c)(1) specifically requires that the owner or operator of the source under review submit information concerning "the nature and amount of emissions to be emitted by it or emitted by associated mobile sources". EPA's "Interpretative Ruling for Implementation of the Requirements of 40 CFR 51.18," 41 FR 55528 (Dec. 21, 1976), states at n.3 that "Where a new source will result in specific and well defined indirect or secondary emissions which can be quantified, the reviewing authority should consider such secondary emissions in determining whether the source would cause or exacerbate a violation of the [National Ambient Air Quality Standards]."

Thus, in exercising its permit authority over the construction of a new stationary source, such as the terminal and its storage tanks, EPA (or a state agency delegated authority under the Clean Air Act) must thoroughly assess tanker emission identifiable to the terminal in order to determine its actual impact. Under the applicable trade-off policy, the applicant for the new-source permit would have to demonstrate that emission reductions from existing sources could be traded-off against the new emissions, which necessarily include the tankers associated with the terminal's construction. EPA's new source review permit could thus expressly require, as enforcible conditions as well as conditions to issuance of the permit, that the terminal applicant assure that the tankers adopt specified emission limitations or devices and procedures to reduce emissions.

It also appears to be possible that a more direct approach, omitting any reference in the permit to the applicant's control of the tankers and imposing emission controls on the tankers themselves, is possible under the Clean Air Act. Authority for such an approach, as for new source review, would also be found in § 1857c–5(a)(2)(B), *supra*. EPA takes the view, which seems correct, that the broad scope of this language makes it unnecessary to attempt to categorize oil tanker emissions in the traditional mobile/stationary source classification. In *State of Texas* v. *EPA*, 499 F. 2d 289, 316–317 (5th Cir. 1974), the court upheld EPA emission controls on vessels (where the state had failed to act) during loading and unloading, relying on the broad language of § 1857c–5(a)(2)(B). While the case concerned only stationary vessels, it seems clear that the expansive construction given EPA's general authority would permit it (and consequently a state) to regulate emissions from tankers at sea. See, e.g., *South Terminal Corp.* v. *EPA*, 504 F. 2d 646, 669 (1st Cir. 1974), upholding EPA's imposition of parking controls (again to correct state action) where the court stated that:

"We are inclined to construe Congress' broad grant of power to the EPPA as including all enforcement devices reasonably necessary to the achievement and maintenance of the goals established by the legislation."

In *Train* v. *NRDC*, 421 U.S. 60, 79 (1975), the Supreme Court held that "the State [delegated authority under the Clean Air Act] is at liberty to adopt whatever mix of emission limitations it deems best suited to its particular situation," In *Union Electric Co.* v. *Train*, 96 S. Ct. 2518, 2531 (1976), the Court held that the Clean Air Act may require costly, technology-forcing measures where necessary to the attainment and maintenance of ambient standards, and stated that "Congress plainly left with the States, so long as the national standards were met, the power to determine which sources would be burdened by regulation and to what extent." If the EPA or a State that has been delegated Clean Air Act Authority is attempting to curb pollution where national standards are being exceeded, it is likely that its discretion to impose controls on tankers would be at its greatest.

The Clean Air Act therefore appears to confer on EPA or a delegated State substantial authority to regulate tanker emissions. However, we have been advised by EPA that no specific tanker emission standards have been required by EPA and that the standards and conditions that have been proposed for the Sohio terminal are no less stringent than "the EPA would impose under its existing new source review authority in California. Thus, it seems clear that the Clean Air Act does not pre-empt compatible regulatory activity by California, and, indeed, that it defers to State regulatory authority in the first instance. More difficult problems arise with respect to the Ports and Waterways Safety Act of 1972.

C. *Ports and Waterways Safety Act of 1972.* The Ports and Waterways Safety Act of 1972 (PWSA), 33 U.S.C. 1221 *et seq.*, 46 USC 391a *et seq.*, provides at § 1221 that "in order to prevent damage to, or the destruction or loss of any vessel, bridge, or other structure on or in the navigable waters of the United States, or any land structure or shore area immediately adjacent to those waters; and to protect the navigable waters and the resources therein from environmental harm resulting from vessel or structure damage, destruction, or loss," the Coast Guard may regulate vessel traffic routes, operations under hazardous conditions, pilotage, cargo handling, and safety specifications. In *Atlantic Richfield Co.* v. *Evans*, Civ. No. C–75–648–M (W. D. Wash, Sept. 24, 1976), the court held that the Act pre-empted regulations by the State of Washington limiting tanker size, and requiring minimum design specifications and locally licensed pilotage for tankers operating within Puget Sound. The court stated that the purpose of the Act was:

". . . . to establish a uniform set of regulations governing the types of ships permitted within the coastal waters of the United States and the conditions under which they would be permitted to operate. Balkanization of regulatory authority over this most interstate, even international, of transportation systems is foreclosed by the national policy embodied in the PWSA."

The court stated further that "Since the PWSA introduced environmental considerations into the federal tanker regulations, the State of Washington cannot say that there is 'no overlap' between the state and federal laws." In view of the sweeping interpretation given the Act by the court, and its implication that all environmental regulation of tankers now resides with the Coast Guard, the case is of crucial importance to our own question.[3] It is currently on appeal to the Supreme Court, and it may be advisable to await the Court's decision.

However, an analysis of the PWSA in light of the cases discussed above, and of its own language, suggests that even if the court is right on the facts in *Evans*, its characterization of the PWSA is too broad to require preemption of local laws dealing with air pollution from tankers.[3]

No "clear and manifest" intent to occupy the entire field of tanker regulation can be found in the PWSA. Specifically, its concern with environmental protection extends only to the waters and marine life, and makes no mention of air pollution onshore. Thus there is no reason on the face of the statute to

Footnotes at end of article.

suppose that Congress intended to depart from the general rule stated in *Huron Portland Cement, supra,* at 442: "in the exercise of [police] power, the states and their instrumentalities may act, in many areas of interstate commerce and maritime activities, concurrently with the federal government." Moreover, even if the PWSA is intended to be a comprehensive scheme of tanker regulation, comprehensiveness alone cannot be equated with an intent to pre-empt. See, e.g., *DeCanas* v. *Bica,* 424 U.S. 351 (1976) and *N.Y.S. Dept. of Social Services* v. *Dublino,* 413 U.S. 405 (1973), holding that comprehensive federal statutory schemes may still leave the states with broad powers to achieve complementary goals.[4] As suggested above, tanker regulation to control air pollution onshore would be precisely such a complementary goal, which would not impair the general "federal superintendence" of tanker regulation (under the PWSA) as required by *Florida Lime and Avocado Growers, supra.* Moreover, the requirements that would be imposed by California (see attached) *appear* (to one not expert in tanker operation) to create no conflict with Coast Guard regulations, (see Titles 33 and 46 of the Code of Federal Regulations), such as to present an "obstacle to the accomplishment and execution of the full purposes and objectives of Congress." *Rath, supra,* at 230.[5] As the Court held in *Port Huron Cement* and *Askew, supra,* the Court will look to actual rather than potential conflicts where environmental regulations are involved. Of course, if expert testimony were to demonstrate that design changes or operating procedures incompatible with Coast Guard regulations would in fact be necessary, in that case California likely would be required to yield.

One final point to be made in this connection, is that the court in *Evans* states that the regulations established under the PWSA would be uniform, and that any State action would be pre-empted on these grounds. Yet the courts have consistently recognized local regulation over navigable waters to protect public health and safety, and the Act itself recognizes that operating and design requirements may depend upon such factors as the environment and geographic location in which the ship is operating. In light of these local variations, there is no inherent need for exclusive federal control, and thus no reason to imply pre-emption.

II. ASSUMING NO PREEMPTION, THE PROPOSED CALIFORNIA AIR POLLUTION CONTROLS WOULD NOT IMPOSE AN UNCONSTITUTIONAL BURDEN ON COMMERCE

In *Huron Portland Cement, supra,* at 443, the Court held that the Constitution "never intended to cut the states off from legislating on all subjects relating to health, life, and safety of their citizens, though the legislation might indirectly affect the commerce of the country." The tests which have evolved to determine whether a local regulation interferes with the free flow of commerce contemplated by the Commerce Clause, were summarized in *Pike* v. *Bruce Church, Inc.,* 397 U.S. 137, 142 (1970):

"Although the criteria for determining the validity of state statutes affecting interstate commerce have been variously stated, the general rule that emerges can be phrased as follows:

Where the statute regulates even-handedly to effectuate a legitimate local public interest, and its effects on interstate commerce are only incidental, it will be upheld unless the burden imposed on such commerce is clearly excessive in relation to the putative local benefits. *Huron Portland Cement Co.* v. *City of Detroit,* 362 U.S. 440, 443, 80 S.Ct. 813, 816, 4 L.Ed. 2d 352. If a legitimate local purpose is found, then the question becomes one of degree. And the extent of the burden that will be tolerated will of course depend on the nature of the local interest involved, and on whether it could be promoted as well with a lesser impact on interstate activities."

Courts also cite to the doctrine that states cannot regulate those phases of commerce which, because of the need for national uniformity, demand that their regulation, if any, be prescribed by a single authority. *Minnesota Rate Cases,* 230 U.S. at 399, 400 (1913); *Edwards* v. *California,* 314 U.S. 160, 176 (1941); *Port Huron Cement, supra* at 444.

Of course, before applying the test in *Pike,* it must be recognized that under *Union Electric, supra,* the states have almost unfettered discretion under the Clean Air Act. Indeed, § 1857d-1 has as its premise that lack of uniform requirements among the states is permissible. Thus if Congress, in exercise of its power under the Commerce Clause (bolstered by the Supremacy Clause), determines that the uniform rule shall be lack of uniformity, and that commerce between the states may be reciprocally burdened, then virtually no court is likely to find California's standards unconstitutional. Cf. *Askew, supra,* where, with a similar non-pre-emption provision, the court held that uniformity with regard to damages imposed for oil spills was not required so long as there was no conflict with federal law, although it based its decision primarily on general principles concerning the scope of federal maritime jurisdiction. If in considering the Clean Air Act, the Court held that the non-pre-emption clause had only a narrow meaning, and limited *Union Electric,* then a conventional analysis of burdens would be required.

Accordingly, applying the test of *Pike, supra,* the "burden" imposed by the California regulations on interstate commerce, would be the impairment of some ships' ability to deliver oil to Long Beach, since they may not be equipped or be able to be operated in conformity with such regulations. However, the Supreme Court has consistently supported local measures which restrict in some manner the use of navigable waters. See *Huron Portland Cement, supra; South Carolina Highway Dept.,* v. *Barnwell Bros.,* 333 U.S. 177 (1938), regulating oversized vessels used in commercial transportation; *Clyde Malloy Lines, Inc.* v. *Alabama,* 296 U.S. 261 (1935), regulating harbor and docking facilities; *Pelly* v. *Washington,* 302 U.S. 1 (1937), regulating motor-driven tugs. Thus, in light of California's demonstrable need to control pollution from every source, the argument of excessive burden is very likely to fail. Indeed, many of the requirements proposed by California represent the best modern usage, advocated by numerous tanker experts, required or encouraged by the Coast Guard, and already being adopted by designers and operators. Of course, if it could be demonstrated that the equipment required would necessitate massive retrofitting of a large portion of the ships employed in trading with the West Coast, or that the procedures to be used are massively expensive, a different result might obtain.[6] Such determinations must, of course, await the establishment of a factual record. It may also be possible to argue that the same results can be achieved by utilizing other equipment or procedures, and, again, technical expertise must be brought to bear. However, any such countervailing arguments would have to be balanced against the great weight given to localities' concern with pollution in such cases as *Port Huron Cement* and *Askew, supra.*

Under *Pike,* therefore, it is likely that the proposed state requirements, absent strong evidence to the contrary, would not impose an unconstitutional burden on interstate commerce.

The need for uniformity in ship's outfitting and operation would also be difficult to support in light of the Court's consistent recognition of local communities' needs. However, it could be asserted that U.S. foreign commerce would be burdened unduly by the proposed requirements, thus impairing U.S. foreign relations. (As a practical matter, most of the crude entering the terminal would be Alaskan, which under the Jones Act would be carried in U.S. ships. However, since foreign crude might also enter the terminal, the need to consider the effect on foreign shipping cannot be dismissed.) Under *Zscherwig* v. *Miller,* 389 U.S. 429, 432 (1968), a state cannot adopt measures which constitute "an intrusion by the State into the field of foreign affairs which the Constitution entrusts to the President and the Congress." In *Zscherwig,* the Court invalidated an Oregon statute dealing with reciprocal inheritance, on the grounds that it had more than an incidental or indirect effect on foreign countries, and had great potential to disrupt and embarrass U.S. foreign policy. This suggests that a general balancing of state and national interests, such as that under the Commerce Clause, would be appropriate if a court found that by enacting § 1857d–1 the Congress had not authorized states to burden U.S. interstate commerce without being subject to traditional considerations. It is certainly possible that if the traditional reasoning of *Zscherwig* were applied, the proposed regulations would have more than an incidental effect, and that they could impair U.S. international relations. The cases upholding state authority to regulate the use of navigable waters have not squarely considered this issue, although *Askew* probably comes closest. To avoid any such risk, therefore, the United States itself could impose the requirements,[7] or foreign shipping (likely to be a relatively small part of the total) could, as in *State* v. *Bundrant,* 546 P. 2d 530 (Alaska Sup. Ct. 1976), be exempted. (*Bundrant* is discussed, *infra.*)

III. THE UNITED STATES (OR ANY POLITICAL SUBDIVISION NOT OTHERWISE PRE-EMPTED OR PROHIBITED) CAN REGULATE ACCESS TO ITS PORTS NOTWITHSTANDING THAT SUCH REGULATION AFFECTS CONDUCT BEYOND ITS TERRITORIAL WATERS

The Convention on the Territorial Sea and the Contiguous Zone, 15 U.S.T. 1608, explicitly provides that a nation does not violate the rights of another nation under international law by setting the "breadth" of its territorial sea at three miles. See *U.S.* v. *California,* 332 U.S. 19 (1947), recognizing U.S. territorial sovereignty within the three-mile limit. However, the authority of the United States (or any political subdivision) to impose requirements on tanker operations more than three miles offshore must find its basis in some other expression of international law. Such authority is critical, since California propcses to extend its requirements 12 miles offshore.

With regard to U.S. citizens (i.e., ships of U.S. registry), the question is simple, in that, except where statutes provide otherwise, the United States has jurisdiction over the acts of its citizens no matter where they occur. Restatement 2d, *United States Foreign Relations Law,* § 30. Under *Skiriotes* v. *Florida,* 313 U.S. 79 (1941), upholding application of a Florida penal statute to a Florida citizen who illegally harvested sponges outside the three-mile limit, any state of the United States has similar jurisdiction, provided it is not pre-empted or otherwise prohibited. Moreover, if the permit were conditioned in such a manner that Sohio itself was directly responsible for maintaining air quality standards, jurisdiction would be over a U.S. (and California) citizen in the first instance. Whether California, by means of a condition to be enforced by a private person (e.g., by contract with those using its facilities), could "indirectly" regulate commerce with other nations, where (as discussed *supra*) it could not do so directly, is an interesting question that is almost surely answerable in the negative.

Footnotes at end of article.

With regard to foreign citizens, the question is made somewhat easier, in that California's rules are conditions for use of the terminal, which "will apply to the voyage of those vessels discharging their cargo at the Sohio Marine Terminal and are not binding upon the vessels when calling at other marine terminals."[8] The conditional posture of these rules, applicable only to vessels actually using the port (notwithstanding that they may otherwise be within territorial waters), is decisive, since it invokes the immemorial right of sovereigns to regulate access to their ports. See 4 Whiteman, *Digest of International Law* (1965), 259–260, citing the modern authorities including Higgins and Colombos, *International Law of the Sea*, 2d Ed. § 140, and Fiore, *International Law Codified*, 183. A sovereign can predicate such access on any conduct, provided that the predicate is reasonable and evenhanded (9 Whiteman, *supra*, 107–113); *the place of the conduct is irrelevant*. Thus, from time to time the United States has banned entry to vessels that have called at the ports of other countries, either for health or political reasons. (It should be noted that for purposes of international law, action by the federal or state government would have the same consequences. The only issue is whether, under U.S. law, California would be preempted or otherwise prohibited from regulating access to its ports.) Moreover, an examination of the relevant international agreements touching on conduct at sea and entry to ports does not reveal any requirement contravened by California's regulations. See e.g., Convention of Safety of Life at Sea, 16 U.S.T. 185.

A more subtle question is whether conditions for entering a port may control conduct upon leaving; clearly, California's proposed rules envision such control. There appears to be no reason why a condition subsequent would be impermissible under international law, although jurisdiction for purposes of imposing a fine could only be had once the the ship next entered port.[9] Of course, if the Sohio Terminal itself, as a condition of its permit, were made responsible for all ships using its facilities, and this were a valid condition as to foreign ships, then any fine would be payable even before the ship's next call.

Assuming that the authority to enforce the proposed rules is to be found in the sovereign's right to condition entry into its ports, it will be unnecessary to rely on cases considering whether the activity of vessels outside the three-mile limit may be regulated generally. The only case holding squarely that vessels operating outside the limit. to the detriment of coastal waters, are subject to regulation *notwithstanding citizenship* is *State* v. *Bundrant*, 546 P. 2d 530 (Alaska Sup. Ct. 1976). In that case, the Alaska Supreme Court upheld Alaskan regulations over harvesting king crab both inside and outside the three-mile limit, as applied to citizens of all states. However, the case is only of limited utility, since the court specifically noted that the regulation was not being enforced against non-U.S. citizens, that there was therefore only incidental disruption of U.S. foreign relations, and that Alaska "may never possess authority over foreign fleets in the crabbing area." *Id.* at 542. Moreover, an earlier, and related Federal case, *Hjelle* v. *Brooks*, 377 F. Supp. 430 (D. Alaska, 1974), held that on grounds of conservation, a state may regulate extraterritorial conduct only if the regulations facilitate conservation of a resource clearly within a state, and that Alaska's earlier attempt at regulation and did not have the requisite nexus. In our own case, the nexus between tanker activity outside three miles, and enforcement of ambient air standards in the basin as a whole, would be beyond factual dispute.

Assuming, therefore, that international law will be invoked, it should be recognized that the statutory authority (as opposed to state police power) under which the applicable conditions would be imposed, could limit authority otherwise available. The Clean Air Act provides that Air Quality Control Regions be formed from state territories, and that states be responsible for the air quality within their own borders. However, there is no suggestion in the Act that this mandate prohibits the protection of air quality where it is degraded by pollutants coming from outside Federal or state territory. Indeed, the Act encourages states to solve common problems. On the other hand, the PWSA, which authorizes control of "navigable waters," has been interpreted by the Coast Guard to permit imposition of conditions only within the three-mile limit. Thus, any conditions imposed beyond the three-mile limit should derive either from the Clean Air Act, new legislation, or state police power.

IV. CONCLUSION

In light of the foregoing, it seems relatively clear that California authorities could impose emission controls on tankers using Sohio's terminal, even where such controls affect conduct outside territorial waters. Under the Clean Air Act, the Federal Government can act where the state has not. The burden on interstate commerce, or on U.S. foreign relations, could affect this conclusion, depending on whether the non-preemption provision in the Clean Air Act is read broadly. and (in the unlikely event it is not) on the actual burdens imposed as evidenced in a complete factual record.

FOOTNOTES

[1] In *Rice*, the Court stated that:

"Such a purpose may be evidenced in several ways. The scheme of federal regulation may be so pervasive as to make reasonable the inference that Congress left no room for the States to supplement it. . . . Or the Act of Congress may touch a field in which the federal interest is so dominant that the federal system will be assumed to preclude enforcement of state laws on the same subject. . . . Likewise, the object sought to be obtained by the federal law and the character of obligations imposed by it may reveal the same purpose. . . . Or the state policy may produce a result inconsistent with the objective of the federal statute." *Id* at 230.

[2] The issue of whether the PWSA preempts action under the Clean Air Act was not raised in *Evans*. It was, however, raised in *State of Texas, supra*, where the court rejected arguments that the Coast Guard's jurisdiction of marine safety was exclusive. *State of Texas* is not addressed in *Evans*, and is interesting because it suggests that the PWSA is not the only authority under which shipping may be regulated. The court states, however, at 317, that "There is no indication that EPA will attempt to invade the domain of the Coast Guard or otherwise interfere with or jeopardize its provisions for marine safety."

[3] Indeed, there is significant question as to whether the court is right even on the facts in *Evans*, where the state's action presented a more direct conflict with the PWSA than do the regulations under consideration here. Senator Warren Magnuson, Senate sponsor of the PWSA, stated that:

"As the sponsor of that Act [the PWSA] in the Senate, I have made known my disagreement with the decision. I think it is wrong; I feel the Court has simply misread the intent of Congress as contained in the Ports and Waterways Safety Act. The weakness of the decision is highlighted by the complete absence of any analysis of the terms of the Act. The Court's reasoning was simplistic at best. Preemption is not favored in the law. Congress must show a clear intent to preempt before such a finding is made. This court summarily reached its decision on the thinnest of reasoning. I say they are wrong." Vol. 122, CONGRESSIONAL RECORD, p. 34419, October 1, 1976.)

Nor did the court recognize that its characterization of the PWSA would repeal by implication a portion of the Clean Air Act, which repeals are not favored in the law.

[4] See, e.g., *Dublino* at 415, where the Court stated that: "We reject, to begin with, the contention that preemption is to be inferred merely from the comprehensive character of the federal work incentive provisions [of the Social Security Act]. . . . The subjects of modern social and regulatory legislation often by their nature require intricate and complex responses from the Congress, but without Congress necessarily intending its enactment as the exclusive means of meeting the problem, c.f. *Askew* [*supra*]."

[5] Cf. *Florida Lime and Avocado Growers, supra*, where the Court held that the record failed to show any inevitable collision between Federal marketing orders under the Agricultural Adjustment Act adopting a calendar test of maturity for avocados grown in Florida, and a California statute adopting a percentage-of-oi test, such as to require the California statute to yield, and *Askew* v. *American Waterways, Inc., supra*, at 331, where the Court carefully delineates the purview of each statute, and finds a "harmonious whole" rather than conflict.

[6] Cf. *California Lime and Avocado Growers, supra*, holding that the California statute did not deny equal protection to Florida growers, but remanding for new trial the issue of whether application of California's statute burdened or discriminated against interstate commerce by excluding Florida avocados from California.

[7] Presumably, EPA approval of an amendment to the state's implementation plan imposing such regulation would remove any risk of unauthorized interference with United States commerce, since it is presumably only delegating authority conferred by a federal statute.

[8] To some extent, the statement that the rules need not be applied at other ports is misleading, since construction features mandated by the regulations, such as inert gas systems, are hardly likely to be dismantled for the purpose of voyages to other terminals. Operation requirements, however, such as the burning of low-sulphur bunker fuel, can be observed selectively.

[9] There are no apparent plans to give chase, and jurisdiction for this purpose is not discussed.

An alternate theory on which to impose liability for violation of the regulations, either before or after entering port, is that acts outside a sovereign's territory, having substantial and foreseeable effects therein, are subject to the sovereign's jurisdiction once the offender enters the territory. See Restatement 2d, *supra*, § 17. This theory has been applied in the area of economic regulation, especially with respect to the antitrust laws.

[Attachment]

PROPOSED PORT RULES FOR LONG BEACH TO TEXAS PIPELINE MARINE TERMINAL

The following conditions are proposed to provide assurance of necessary environmental safeguards for tanker operations at the proposed Pier J tanker terminal in Long Beach. These conditions will apply to the voyage of those vessels discharging their cargo at the SOHIO Marine Terminal and are not binding upon vessels when calling at other marine terminals.

(1) The master shall insure that vessels utilizing the terminal have sufficient segregated ballast capacity, or are otherwise equipped, to permit the ship to be able to sail from the terminal to a point opposite

Point Mugu* without taking ballast into cargo tanks and displacing hydrocarbon vapors into the atmosphere. Ballasting operations which result in hydrocarbon emissions and which occur within an area south of Point Mugu and within 12 miles of the California Coast shall constitute a violation of terminal rules and shall subject the offending vessel to a penalty as specified under item 9.

(2) No deliberate expulsion of hydrocarbon vapors from cargo tanks to the atmosphere shall be allowed in the area between and including the terminal, a point opposite Point Mugu, and within 12 miles of the California Coast, except when gas freeing is necessary for emergency repairs.

(3) All unloading operations will be handled using procedures which minimize fugitive emissions. Ullage covers shall not be opened while in port or at any point south of Point Mugu, except for those brief periods necessary for cargo inspection or gauging activities.

(4) Use of the terminal will be limited to vessels equipped with an inert gas system, and operation of the system will be required at all times during unloading. New technology other than inerting which results in an equivalent condition of safety and level of emissions shall also be acceptable.

(5) Steam driven vessels shall not "blow tubes" in the harbor area unless safety reasons demand it due to an unanticipated protracted stay in port or boiler operating safety requirements.

(6) Unloading operations shall be conducted in accordance with IFS Title 33 Parts 154, 155, 156 and shall not begin until such time the vessel or the terminal berth enclosure is properly boomed as a preventive measure against accidental oil spills. A boom is also to be in place during berthing operations and all internal transfers of oil or dirty ballast.

(7) All vessels shall commence using a fuel not exceeding a 0.5 percent sulfur content prior to entering an area south of Point Mugu and within 12 miles of the California Coast, while in the harbor, and upon departure until exiting that same area.

(8) Monitoring of tanker-related air emissions—specifically purging, gas freeing, and cargo tank ballasting—shall occur commencing at Point Mugu, during movement within the harbor, while unloading at the berth, and during departure within an area south of Point Mugu and within 12 miles of the California Coast. Air emissions and associated tanker operations shall be monitored under procedures established by the Long Beach Harbor Department or an appropriate third party. The specific procedures, parameters, and logistics are to be resolved at a later date. All records of such monitoring shall become public information, available for inspection on demand.

(9) Any emissions resulting from a failure to comply with any of the conditions noted above will subject the offender to a maximum $25,000 penalty. The dollar amount of the penalty will be assessed on a sliding scale, taking into account (1) the severity of the offense, (2) whether it was accidental or intentional, and (3) whether the action was taken to protect the safety of the ship, crew, or cargo, or to prevent a more serious environmental consequence. The decision to impose a penalty as well as its dollar amount will be made by a third party selected by the Port of Long Beach, the terminal operator, and an appropriate California or Federal agency.

(10) A citizens environmental committee or comparable group shall be formed in order to consider those comments and complaints initiated by the general public. Said Committee to consist of individual representatives or organizations such as the following: (1) League of Women Voters, (2) Long Beach Chamber of Commerce, (3) Sierra Club, (4) the Terminal Operator and Port of Long Beach (as ex officio members).

(11) All vessels which use the terminal will utilize a pilot. The pilot will be on board at all times necessary to comply with established pilotage regulations.

(12) All vessels shall employ tug boats on docking and undocking which shall meet and leave the ship, assisting as may be required, to, and from the Queensgate breakwater entrance, except if tugs are unavailable due to causes not within the control of the terminal operator.

(13) The master of each vessel shall insure that his main propulsion engines are fully operational and any deficiencies called to the attention of the pilot upon boarding of the vessel or sooner if necessary.

(14) The above rules recognize that the master has responsibility to insure the safety of his crew, ship, and cargo as well as to prevent or minimize environmental damage. The master, therefore, shall have the responsibility of taking appropriate actions when necessary to insure the safety of his vessel, even if it requires violation of one or more of the above conditions. Violation, however, for reasons of safety, will not relieve the terminal operator of the penalties listed in Section 9.

*Point Mugu is located approximately 60 miles north of the Port of Long Beach.

Mr. THURMOND. Mr. President, I am somewhat concerned about the impact of section 16(b) of the bill on our military combat and combat-related sources during the period between enactment of this measure and the issuance of Presidential exemptions for such equipment.

Will States and local governments have authority to impose their air emission standards and permit requirements on our military aircraft, Navy and Coast Guard vessels, tanks, and other military equipment during this interim period?

I also would inquire whether the President, under this amendment, would have the authority to issue broad, categorized exemptions covering a wide range of military equipment, or will he be constrained to issue exemptions for individually identified aircraft, vessels, or other equipment?

Mr. MUSKIE. In answer to the Senator's question concerning State and local enforcement of their regulations between enactment of this amendment and issuance of Presidential exemptions, under this amendment, State and local governments are authorized to enforce substantive and procedural standards and procedural requirements for military combat and combat-related sources. I realize that imposition of these requirements may cause a hardship for the Department of Defense in attempting to comply, particularly in respect to conflicting air emission standards and permitting procedures. I would expect, however, that immediately following enactment, the Secretary of Defense would identify classes and categories of uniquely military equipment and property for which he intends to seek a Presidential exemption, and that he notify the President of his intention. Once identified, I would hope that State and local officials would respect the legitimate national defense determination of the Secretary of Defense in this respect, and that they would refrain from enforcing State and local air pollution regulations which otherwise might apply to such identified classes or categories until the President has had a reasonable opportunity to act.

In response to the Senator's second question, the amendment specifically authorizes the President to issue broad exemption for any weaponry, equipment, aircraft, vehicles or other classes or categories of property which is uniquely military in nature.

I think that this grants the President broad discretion in identifying classes or categories of property which are uniquely military in nature, and in promulgating regulations exempting such property.

Mr. HATCH. I wanted to vote for this bill. However, I believe it to be grossly unfair to Utah and a number of other States. I believe my respected colleagues could have been much more flexible and reasonable on a number of the amendments. Although I am an advocate of clean air, a balance between growth and the environment, and much within the bill, I cannot under the circumstances vote for it at this time.

EMISSION CONTROL COMPLIANCE SCHEDULES AND WARRANTY PROVISIONS

Mr. BROOKE. Seven years ago, we passed the first comprehensive national laws to insure a cleaner environment, the Clean Air Act. Since the time we passed that landmark legislation, we have relaxed its provisions twice. In 1974, we amended the act to extend interim standards for 1 year and we gave the Administrator of the Environmental Protection Agency—EPA—the authority to extend them for another year. Nearly 1 year later, he exercised that authority.

Now, we are faced once again with the opportunity to turn back the timetable and retreat from our earlier commitment to clean air. We have the choice to either insist upon stringent automobile emission standards or to allow such pollutants as nitrogen oxide to continue to be emitted at their present levels and run the risk of increasing health problems. I, for one, have decided to support a strong compliance schedule for meeting auto emission standards and a strong consumer protection provision for new car buyers.

I must tell you, quite honestly, that this has not been an easy decision for me. While I am committed to the fight to clean up our environment, I did not brush aside the arguments concerning the effects of these provisions upon jobs.

I have had a considerable amount of time to study the facts and figures regarding the impact of tough auto emission standards upon employment. As my colleagues will remember, we considered these same alternatives for clean air last year. At that time, and since then, I have continued to study the issue.

Concerned members of the automotive aftermarket industry have been worried that a five year or 50,000 mile performance warranty for auto emission control devices would be anticompetitive and a boondoggle for the manufacturers.

Many of the smaller auto repair shops and full-service gasoline stations in my

State of Massachusetts are run by independent businessmen. During my tenure in the Senate, I have sought to assure them of more job security. For example, my decision to cosponsor legislation making it harder for major oil companies to terminate leases for these independent businessmen was based on that commitment. I do not want to jeopardize their future success in any way.

I believe the provisions in the bill preserve their job security. These provisions:

First, prohibit an auto manufacturer from conditioning the emission performance of a vehicle on the use of any component or service specified by brand, trade or corporate name unless the auto manufacturer satisfies the Administrator that the component or service must be used for the proper functioning of the vehicle;

Second, prohibit the manufacturer from including any service or component use conditions in any written maintenance instructions furnished with the vehicle;

Third, require the manufacturer to bear the replacement cost of any part principally used for emission control which is scheduled for replacement during the useful life of the vehicle and whose cost is greater than 2 percent of the vehicle's retail cost; and

Fourth, require the Federal Trade Commission—FTC—to study the potential impact on competition of any warranty requirement for 1 year;

Fifth, establish a program for standardizing aftermarket parts.

I am convinced that a 5-year performance warranty would not be anticompetitive and drive away customers from smaller auto shops to larger service centers run by the auto manufacturers. According to a provision in the amendments, manufacturers cannot specify components or service by brand, trade or corporate name. I believe that the provision can successfully cut, in the consumers mind, the band which would tie warranty work or maintenance work to car dealers. By establishing the program for standardizing aftermarket parts and by mandating the FTC study of anticompetitive effects, consumers will not hesitate to continue having their cars serviced by small independent service stations.

As time goes on and consumers get accustomed to having their emission control devices inspected and repaired, I feel repair work on these devices will become as common as having a muffler installed or a headlight replaced. The average driver will be more concerned about having his or her work done by a competent mechanic than he or she will about having the work completed by an auto dealer.

A strong performance warranty also benefits the consumer. Since a consumer is paying for an emission device which should reduce pollutants for the life of the car, he or she is entitled to get his or her money's worth. To me, buying a car with a pollution device which may stop functioning after 18 months is like buying a refrigerator with a defective freezer. We must guard against any measure which would take advantage of the consumer.

Another major issue which we are confronting concerns automobile emission standards. There have been many studies on the impact of emission standards on employment in the auto industry. And, unfortunately, they are difficult to compare. Some consider both emission standards and fuel efficiency. Others simply use formulas which are not analogous; for example, one study stresses the number of new jobs it would create while another study stresses the number of jobs it would eliminate in comparison to the number of industry jobs predicted for the future.

However, the emission control system changes have added no more than 10 percent to the yearly increase in car sticker prices during the past 8 years. Thus, I believe we can predict with a high degree of certainty that it is the economy and not this technology which will affect new sales in the future. And, we know that, regardless of which alternative strategy we follow to reduce the level of carbon monoxide, hydrocarbons and nitrogen oxide in our air, we will have a net increase in jobs. The question is not how many jobs will be lost but, rather, how many jobs will be created. And the new jobs will be created for people in the emission control industry as well.

I would not support any timetable for emission standards which I felt would severely disrupt the prospects of new jobs. And I do not believe that these amendments do so.

First of all, I believe that the automobile industry has available technology to avoid any major production disturbances even if it were necessary to reduce the level of nitrogen oxide to 1 by 1980. It is no secret that auto manufacturers were able to supply the necessary equipment to meet stringent emission standards in California after they were forced to do it. And, the new regulation has not shaken the industry even though California has over 14 million registered motor vehicles—nearly five times the number of vehicles in my own State of Massachusetts.

Volvo's three-way catalyst has demonstrated the ability of one auto manufacturer to meet strong emission standards. The three-way catalyst, which is being adopted by a number of American cars, uses a platinum-rhodium mechanism to render all three major automotive pollutants harmless. General Motors and the Ford Motor Co. have begun experimenting with sensor equipped catalysts already.

Furthermore, fuel efficiency will not be sacrificed by the use of this new technology. The most inefficient technology is the existing catalytic converter which would be retained if the amendments are weakened. According to a National Academy of Sciences study, a three-way catalyst would exact only a 2-percent fuel penalty at an increased 10-year lifetime cost of $266. And, according to a Department of Transportation-Environmental Protection Agency study, we could achieve a 40-percent improvement in fuel economy by combining new technologies with engine resizing and a shift to smaller cars. The combination of these factors would also cause a substantial reduction in the amount of carbon monoxide and hydrocarbons emitted by cars, but still leaves the issue of nitrogen oxide unresolved.

These reductions are imperative if we do not want to imperil the health of all Americans. Today, auto emissions account for 72 percent of the carbon monoxide, 41 percent of unburned hydrocarbons, and 35 percent of the nitrogen oxides in the Nation's air. And, according to the Federal Panel on Air Quality, Noise and Health, strong emission standards would result in over 11 million fewer additional attacks of lower respiratory disease in children then the less stringent timetable considered by the Senate.

We must insist upon new technology to reduce the risks to human health. I agree that the cost of maintaining antipollution devices may be high, but it is not so high as the price we would pay if we fail to employ such devices.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 219 H.R. 6161.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6161) to amend the Clean Air Act and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. MUSKIE. Mr. President, I move that all after the enacting clause be stricken and that the language of S. 252 be substituted therefor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to.

Mr. MUSKIE. Mr. President, I ask unanimous consent that 500 copies of H.R. 6161 as passed by the Senate be printed for use by the Committee on Environment and Public Works and I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of Senate amendments to H.R. 6161.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MUSKIE. Mr. President, I yield to my good friend from West Virginia.

Mr. RANDOLPH. Mr. President, I express the hope that we will not be delayed

in going to conference with the House. I hope that can be done next week. Of course, I am not attempting to set a date, but I know that those of us who have been interested in this subject matter, especially all members of the committee, Senator MUSKIE, and Senator STAFFORD, feel we should not allow this matter to be delayed.

I hope we can go to conference next week.

Mr. MUSKIE. I certainly will try to accommodate the chairman. I would agree with him on the desirability of that objective.

Mr. ROBERT C. BYRD. Mr. President, I will delay the Senate for only 30 seconds.

There will be a rollcall vote on final passage, but then there will be no more rollcall votes today.

The Senate will come in at 12:30 p.m. on Monday. The first order of business will be Calendar Order 152 (S. 1340), a bill to authorize appropriations to the Energy Research and Development Administration. There will be rollcall votes on Monday afternoon.

SEVERAL SENATORS. Vote! Vote!

Mr. MUSKIE. There are many provisions in this bill which are identical to last year's bill, or virtually so. The legislative history established for items such as delayed compliance penalties is made part of the record of these 1977 amendments by reference here. There is no need to reprint such discussions again in the RECORD this year—they remain applicable and binding.

ADDITIONAL STATEMENTS SUBMITTED

Mr. DOMENICI. Mr. President, the House amendments to the Clean Air Act (H.R. 6161) contain a provision—section III—that effectively requires all new coal-fired powerplants to meet the same percentage reduction of pollution removal on new powerplants regardless of the sulfur content of the coal burned. Any doubts on this matter are dispelled by explicit report language. This is not a logical approach in setting sulfur dioxide emission standards. Either a standard is valid or it is not valid. If the standard is valid, then there is no reason for the Government to specify the technique for complying with the standard, as long as compliance meets identifiable environmental goals. Technology for technology's sake can only be pursued if costs are ignored.

If the House bill prevails, it is very likely that nationwide sulfur dioxide pollution will remain the same or increase. This may be a surprising result to some. The National Journal Report—May 21, 1977, page 781—in an article entitled, "Converting to Coal—Can It Be Done Cleanly," reached the same conclusion. The author—J. Dicksen Kirschten—states that, "Even with scrubbers, however, higher sulfur coal will produce more sulfur dioxide air pollution than a lower sulfur fuel burned in the same unit". This situation is likely to occur because, in many instances, utilities that are planning to burn low sulfur coal without flue gas scrubbers, or with less scrubbing than required on high sulfur coal, will opt for high sulfur coal plus flue gas scrubbers due to the needless expense of scrubbing low sulfur coal to the same percentage of reduction than that required for high sulfur coal. Thus, the higher sulfur coal will be scrubbed down to requirements of EPA New Source Performance Standards—NSPS—or State imposed best available control requirements, while the low sulfur coal with less scrubbing would be, in many instances, well below the requirements of these EPA standards.

The cost to the consumer will greatly increase if all new coal-fired plants have to meet the same percentage reduction, regardless of sulfur content of the coal. It has been calculated that electricity-related costs to consumers will be increased by about $100 per household in the 1985 timeframe because of this provision. This adds up to about $8–10 billion annual increase in consumer electricity costs by 1985.

Sludge and the operational energy requirements are two other problems associated with scrubbers. Many hundreds of millions of tons of sludge will be generated in the next 20 years even if there is no requirement to scrub all coal to the same percentage of reduction in new powerplants. Disposal of this voluminous quantity of sludge is a significant problem, particularly in those areas of the country where there is a lack of suitable disposal sites. This problem will result in substantial increases in scrubber costs if sludge transportation is necessary.

Moreover, scrubbers need significant quantities of energy for operation. It is generally agreed that a scrubber uses 5 to 7 percent of the energy generated by a coal-fired plant. This means that for every 15 or 20 new plants constructed with flue gas scrubbers installed, one additional plant must be constructed to provide the equivalent amount of energy of those plants without scrubbers.

In summation, I consider any requirement that calls for the same percentage reduction of emissions regardless of the sulfur content of the fuels ill-advised. Not only may sulfur emissions rise and costs soar, but technological innovation will be stymied. Under an equal percentage of reduction scheme, a new cheap process for reducing the sulfur content of low sulfur coal that did not achieve exactly the same percentage reduction as that required of high sulfur coal would be barred. This is despite the fact such a process could be vastly cheaper, and also allow for significant reductions in sulfur emissions.

Rather than attempting to do too much, environmental policy should instead concentrate on reducing the release of air pollution into the atmosphere. Attempts to cancel out the natural advantages of inherently low sulfur fuels can only lead to economic and environmental folly.

I strongly urge the Senate conferees to vigorously support our language on best available control technology that incorporates the most sensible approach to developing a sulfur dioxide control strategy. Our language, section 110, leaves the decision on best available control technology to the States on a case-by-case basis.

The PRESIDING OFFICER (Mr. RIEGLE). The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Georgia (Mr. NUNN), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. LONG) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON), the Senator from Arkansas (Mr. BUMPERS), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Vermont (Mr. LEAHY), the Senator from North Carolina (Mr. MORGAN), the Senator from Georgia (Mr. TALMADGE), and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Wyoming (Mr. WALLOP) would each vote "yea."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER).

If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay".

On this vote, the Senator from Connecticut (Mr. WEICKER) is paired with the Senator from Arizona (Mr. GOLDWATER).

If present and voting, the Senator from Connecticut would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 73, nays 7, as follows:

[Rollcall Vote No. 190 Leg.]

YEAS—73

Abourezk	Bellmon	Byrd, Harry F., Jr.
Allen	Bentsen	Byrd, Robert C.
Baker	Biden	Cannon
Bartlett	Brooke	Case
Bayh	Burdick	

Chiles	Huddleston	Pell
Church	Humphrey	Proxmire
Clark	Inouye	Randolph
Cranston	Jackson	Riegle
Culver	Javits	Roth
Danforth	Kennedy	Sarbanes
DeConcini	Laxalt	Sasser
Dole	Lugar	Schmitt
Domenici	Magnuson	Schweiker
Eagleton	Mathias	Sparkman
Eastland	Matsunaga	Stafford
Ford	McClure	Stennis
Glenn	McIntyre	Stevens
Gravel	Melcher	Stevenson
Griffin	Metzenbaum	Stone
Hart	Moynihan	Thurmond
Haskell	Muskie	Williams
Hathaway	Nelson	Young
Heinz	Packwood	Zorinsky
Hollings	Pearson	

NAYS—7

Curtis	Hatch	Scott
Durkin	Hayakawa	
Garn	Helms	

NOT VOTING—20

Anderson	Leahy	Percy
Bumpers	Long	Ribicoff
Chafee	McClellan	Talmadge
Goldwater	McGovern	Tower
Hansen	Metcalf	Wallop
Hatfield	Morgan	Weicker
Johnston	Nunn	

So the bill (H.R. 6161), as amended, was passed, as follows:

SECTION 1. (a) The third sentence of subsection (b) of section 105 of the Clean Air Act is amended to read as follows: "No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for other than nonrecurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year, unless the Administrator determines that a reduction in expenditures attributable to a nonselective reduction in expenditures in the programs of all executive branch agencies of the applicable unit of government; and no agency shall receive any grant under this section with respect to the maintenance of a program for the prevention and control of air pollution unless the Administrator is satisfied that such grant will be so used to supplement and, to the extent practicable, increase the level of State, local, or other non-Federal funds that would in the absence of such grant be made available for the maintenance of such program, and will in no event supplant such State, local, or other non-Federal funds.".

(b) Subsection (c) of section 105 of the Clean Air Act is amended by adding the following: "In fiscal year 1978 and subsequent fiscal years, subject to the provisions of subsection (b) of this section, no State shall receive less than one-half of 1 per centum of the annual appropriation for grants under this section for grants to agencies within such State.".

SEC. 2 Section 103 of the Clean Air Act is amended by adding the following new subsection:

"(g) GULF COAST AIR QUALITY.—There are authorized to be appropriated to the Administrator $5,000,000 beginning in fiscal year 1978 for a study of air quality in the Gulf Coast region, including analysis of liquid and solid aerosols and other fine particulate matter and the contribution of such substances to visibility and public health problems in the region. For the purposes of this study, the Administrator shall use environmental health experts from the National Institutes of Health and other outside agencies and organizations.".

SEC. 3. Section 107 of the Clean Air Act is amended by adding a new subsection as follows:

"(d)(1) For the purpose of transportation control planning, prevention of significant deterioration, and for other purposes, each State, within one hundred and twenty days after the date of enactment of the Clean Air Amendments of 1977, shall submit to the Administrator a list, together with a summary of the available information, identifying those air quality control regions, or portions thereof, established pursuant to this section in such State which on the date of enactment of the Clean Air Amendments of 1977—

"(A) do not meet a national primary ambient air quality standard for any mobile source related air pollutant;

"(B) do not meet, or in the judgment of the State may not in the time period required by an applicable implementation plan attain or maintain, any national primary ambient air quality standard for any pollutants other than those listed in subparagraph (A) of this paragraph through the application of measures or controls approved or promulgated pursuant to section 110 of this Act;

"(C) do not meet a national secondary ambient air quality standard;

"(D) cannot be classified under subparagraph (B) or (C) of this paragraph on the basis of available information, for ambient air quality levels for sulfur oxides or particulate matter; or

"(E) have ambient air quality levels better than any national primary or secondary air quality standard other than for sulfur oxides or particulate matter, or for which there is not sufficient data to be classified under subparagraph (A) of this paragraph.

"(2) In determining regions or portions thereof in excess of the ambient air quality standards under subsections (1) (A), (B), and (C) of this subsection, such regions must be identified on the basis of statistically sound air quality sampling procedures in an effort to obtain results representative of the region as a whole, which to the extent practicable, within the time required, shall not rely on either a single measurement, or measurements from a single station.

"(3) Not later than sixty days after submittal of the list under paragraph (1) of this subsection the Administrator shall promulgate each such list with such modifications as he deems necessary. Whenever the Administrator proposes to modify a list submitted by a State, he shall notify the State and request all available data relating to such region or portion, and provide such State with an opportunity to demonstrate why any proposed modification is inappropriate.

"(4) Any region or portion thereof which is not classified under subparagraph (B) or (C) of paragraph (1) of this subsection for sulfur oxides or particulate matter within one hundred and eighty days after enactment of the Clean Air Amendments of 1977 shall be deemed to be a region classified under subparagraph (D) of paragraph (1) of this subsection.

"(5) A State may from time to time review, and as appropriate revise and resubmit, the list required under this subsection. The Administrator shall consider and promulgate such revised list in accordance with this subsection.

"(6) In classifying regions under this subsection, where adequate air quality information exists, the State, with the approval of the Administrator, may subdivide and reclassify regions down to any size that still allows for efficient and effective air quality management.".

SEC. 4. The first sentence of section 108 (b)(1) of the Clean Air Act is amended by striking the words "technology and costs of emission control" and inserting in lieu thereof the words "cost of installation and operation, energy requirements, air quality benefits, and environmental impact of the emission control technology".

SEC. 5. Section 108 of the Clean Air Act is amended by adding new subsections as follows:

"(e) The Administrator shall, after consultation with the Secretary of Transportation and the Secretary of Housing and Urban Development and State and local officials and within one hundred and eighty days after the enactment of this subsection, and from time to time thereafter, publish guidelines on the basic program elements for the transportation planning process assisted under subsection (h) of section 110 of this Act. Such guidelines shall include information on—

"(1) methods to identify and evaluate alternative planning and control activities;

"(2) methods of reviewing plans on a regular basis as conditions change or new information is presented;

"(3) identification of funds and other resources necessary to implement the plan, including interagency agreements on providing such funds and resources;

"(4) methods to assure participation by the public in all phases of the planning process; and

"(5) such other methods as the Administrator determines necessary to carry out a continuous planning process.

"(f)(1) The Administrator shall publish and make available to appropriate Federal agencies, States, and air pollution control agencies, including agencies assisted under subsection (h) of section 110 of this Act, within six months after enactment of this subsection for clauses (i), (ii), (iii), and (iv) of subparagraph (A) and within one year after the enactment of this subsection for the balance of this subsection (and from time to time thereafter), (A) information, prepared, as appropriate, in cooperation with the Secretary of Transportation, regarding processes, procedures, and methods to reduce or control each such pollutant, including but not limited to—

"(i) motor vehicle emission inspection and maintenance programs;

"(ii) programs to control vapor emissions from fuel transfer and storage operations and operations using solvents;

"(iii) programs for improved public transit;

"(iv) programs to establish exclusive bus and carpool lanes and areawide carpool programs;

"(v) programs to limit portions of road surfaces or certain sections of the metropolitan areas to the use of common carriers, both as to time and place;

"(vi) programs for long-range transit improvements involving new transportation policies and transportation facilities or major changes in existing facilities;

"(vii) programs to control on-street parking and new offstreet parking facilities;

"(viii) programs to construct new parking facilities and operate existing parking facilities for the purpose of park and ride lots and fringe parking;

"(ix) programs to limit portions of road surfaces or certain sections of the metropolitan area to the use of nonmotorized vehicles or pedestrian use, both as to time and place;

"(x) provisions for employer participation in programs to encourage carpooling, vanpooling, mass transit, bicycling, and walking;

"(xi) programs for secure bicycle storage facilities and other facilities, including bicycle lanes, for the convenience and protection of bicyclists, in both public and private areas;

"(xii) programs of staggered hours of work;

"(xiii) programs to institute road user

charges, tolls, or differental rates to discourage single occupancy automobile trips;

"(xiv) programs to control extended idling of vehicles;

"(xv) programs to reduce emissions by improvements in traffic flow;

"(xvi) programs for the conversion of fleet vehicles to cleaner engines or fuels, or to otherwise control fleet vehicle operations;

"(xvii) programs for retrofit of emission devices or controls on vehicles and engines, other than light duty vehicles, not subject to regulations under section 202 of title II of this Act; and

"(xviii) programs to reduce motor vehicle emissions which are caused by extreme cold start conditions; (B) information or additional methods or strategies that will contribute to the reduction of mobile source related pollutants during periods in which any primary ambient air quality standard will be exceeded during any extension under subsection (h) of section 110 of this Act and during episodes for which an air pollution alert or emergency has been declared; (C) information on other measures which may be employed to reduce the impact on public health or protect the health of sensitive or susceptible individuals or groups; and (D) information on the extent to which any process, procedure, or method to reduce or control such air pollutant may cause an increase in the emissions or formation of any other pollutant.

"(2) In publishing such information the Administrator shall describe (A) the effectiveness of such processes, procedures, and methods; (B) factors related to the costs and benefits of such processes, procedures, and methods, in different situations; (C) transportation factors related to such processes, procedures, and methods; (D) the environmental, energy, and economic impact of such processes, procedures, and methods; and (E) his assessment of whether each such process, procedure, or method is reasonable for application to attain a primary ambient air quality standard.".

SEC. 6. (a) Section 110 of the Clean Air Act is amended by adding a new sentence at the end of paragraph (1) of subsection (a) as follows "Each State shall adopt and submit to the Administrator within eight months after the date of enactment of the Clean Air Amendments of 1977, a revision of its implementation plan which provides for implementation, maintenance and enforcement of the provisions of subsection (g) of this section for the prevention of significant deterioration in each appropriate air quality control region (or portion thereof) within such State.".

(b) Section 110(a)(2)(B) of the Clean Air Act is amended to read as follows:

"(B) it includes emission limitations, schedules, and timetables for compliance with such limitations, and, in addition, as may be necessary, (i) to assure attainment and maintenance of such primary or secondary standard, such other measures, including, but not limited to, transportation controls, and enforceable supplemental emission reduction strategies for existing nonferrous smelters: *Provided*, That existing nonferrous smelters in operation on or before January 1, 1910, which have no continuous sulfur emission controls may be authorized on a case-by-case basis to employ enforceable intermittent emission reduction strategies for not more than two periods not to exceed five years each where the Administrator finds pursuant to section 314(e) that each such extension is essential to avoid cessation of smelter operations, and (ii) land-use controls for the purpose of maintenance of, or to prevent further deterioration from, any primary ambient air quality standard: *Provided, however*, That land-use controls shall be included in an implementation plan only after consideration of the energy, environmental, and economic impacts of such controls;".

(c) Section 110(a)(2)(D) of the Clean Air Act is amended by inserting after "(D) it includes" and before "a procedure" the following: "a program to provide for the enforcement of emission limitations and regulation of the modification, construction, and operation of any stationary source, including a permit or equivalent program for any major emitting facility, within such region to assure (i) that national ambient air quality standards are achieved and maintained, (ii) that the requirements of subsection (g) of this section are met, and (iii)".

(d) Section 110(a)(2)(H) of the Clean Air Act is amended by striking "or" before "(ii)" and by striking the period and adding at the end thereof: ", or to incorporate the requirements of subsection (g) of this section; or (iii) to incorporate any additional requirements established under the Clean Air Amendments of 1977.".

(e) Section 110(a)(4) of the Clean Air Act is amended by inserting after "primary or secondary standard" the following: "or which will not comply with a standard of performance under section 111, or which does not conform to the requirements of subsection (g) of this section,".

(f) Section 110(d) of the Clean Air Act is amended by striking the period and inserting at the end thereof "and the requirements of subsection (g) of this section.".

(g) Section 110 of the Clean Air Act is amended by adding the following new subsection:

"(k) No State plan shall be treated as meeting the requirements of this section unless such plan provides that in the case of any source which uses a supplemental emission reduction strategy meeting the requirements of section 110(a)(2)(B), the owner or operator of such source may not temporarily reduce the pay of any employee by reason of the use of such strategies.".

SEC. 7. Section 110 of the Clean Air Act is amended by adding a new subsection as follows:

"(g)(1) Each implementation plan shall include requirements applicable to each region identified in the list promulgated pursuant to paragraph (1)(D) of subsection (d) of section 107 of this Act, which shall, in addition to the requirements of paragraphs (2), (3), (4), (5), and (6) of this subsection, provide:

"(A) for designation as class I areas of—

"(i) all international parks, and each national wilderness area, and national memorial park which exceeds five thousand acres in size, and each national park which exceeds six thousand acres in size and which is in existence on the date of enactment of the Clean Air Amendments of 1977;

"(ii) such other areas as the State (and, if appropriate, after notice and consultation with adjacent States) may designate, except that lands within the exterior boundaries of reservations of federally recognized Indian tribes may be so designated only by the appropriate Indian governing body, which body shall be subject in all respects to the provisions of pargraph (10) of this subsection.

"(B) that all remaining areas in such State identified under section 107(d)(1)(D) of this Act and not designated class I pursuant to subparagraph (A) of this paragraph shall be designated as class II areas, except that those areas which shall have been previously designated class I under prior regulations shall not become class II as a result of this provision.

"(2) As it relates to the pollutants particulate matter and sulfur dioxide, the cumulative change in the air quality in any area designated under paragraph (1) of this subsection resulting from the construction and operation of any new major emitting facility or facilities shall be limited to the following projected increases in pollutant concentrations over the baseline air quality concentration:

"Pollutant	(*In micrograms per cubic meter*)
Particulate matter:	
Annual geometric mean	10
Twenty-four-hour maximum	30
Sulfur dioxide:	
Annual arithmetic mean	15
Twenty-four-hour maximum	100
Three-hour maximum	700

"(3) Requirements applicable to an area designated as class I or class II shall include a management program to assure that, in the event of the proposed construction of any major emitting facility in any such area, the construction of such facility shall be preceded by an analysis of the ambient air quality, climate and meteorology, soils and vegetation, and visibility at the site of the proposed facility and in the area potentially affected by the emissions from the proposed facility for each pollutant regulated under this Act which will be emitted from, or which results from the construction or operation of, such facility. Such analysis shall be included in any permit application required.

"(4) No major emitting facility on which construction is commenced after June 1, 1975, may be constructed in any area designated under this subsection—

"(A) unless a permit has been issued for such proposed facility in accordance with this section, setting forth emission limitations for such facility which conform to the requirements of this subsection,

"(B) unless the proposed facility is subject to the best available control technology for each pollutant subject to regulation under this Act emitted from, or which results from, such facility,

"(C) unless the owner or operator of such facility demonstrates that emissions of particulate matter and sulfur oxides will not contribute to a cumulative change in the air quality in excess of that allowed in paragraph (2) of this subsection, except in the case of an expansion or modification of a major emitting facility which is in existence on the date of enactment of the Clean Air Amendments of 1977, whose actual allowable emissions of air pollutants after compliance with subparagraph (B) of this paragraph will be less than fifty tons per year, for which the owner or operator of such facility shall demonstrate that emissions of particulate matter and sulfur oxides will not contribute to ambient air quality levels in excess of the national secondary ambient air quality standard for either of such pollutants,

"(D) unless the provisions of paragraph (5) of this subsection with respect to protection of class I areas have been complied with for such facility,

"(E) unless there has been an analysis of any air quality impacts projected for the area as a result of growth associated with such facility, and

"(F) unless there has been opportunity for a public hearing conducted by a State on any proposed permit for such facility, with an opportunity for interested parties, including representatives of the Administrator, to appear and provide testimony on such facility, including alternatives thereto, and control technology requirements.

"(5)(A) The State shall provide notice of any permit application to the Administrator and the Administrator shall provide notice of the permit application to the Federal Land Manager and the Federal official charged with direct responsibility for management of any lands within a class I area which may be affected by emissions from the proposed facility.

"(B) The Federal Land Manager and the

Federal official charged with direct responsibility for management of such lands shall have an affirmative responsibility to protect the air quality related values of any such lands within a class I area and to consider, in consultation with the Administrator, whether a proposed major emitting facility will have an adverse impact on such values.

"(C) In any case where the Federal official charged with direct responsibility for management of any lands within a class I area or the Federal Land Manager of such lands, or the Administrator, or the Governor of an adjacent State containing such a class I area files a notice alleging that emissions from a proposed major emitting facility may cause or contribute to a change in the air quality in such area and identifying the potential adverse impact of such change, a permit shall not be issued unless the owner or operator of such facility demonstrates that emissions of particulate matter and sulfur dioxide will not contribute to a cumulative change in air quality in excess of the following projected increases in pollutant concentrations over the baseline air quality concentration:

"Pollutant	(*In micrograms per cubic meter*)
Particulate matter:	
Annual geometric mean	5
Twenty-four-hour maximum	10
Sulfur dioxide:	
Annual arithmetic mean	2
Twenty-four-hour maximum	5
Three-hour maximum	25

Provided, That (i) in any case where the Federal Land Manager demonstrates to the satisfaction of the State that the emissions from such facility will have an adverse impact on the air quality-related values of such lands, notwithstanding the fact that the change in air quality resulting from emissions from such facility will not exceed for such lands the limitations on projected increases established in this subparagraph, a permit shall not be issued, and (ii) in any case where the owner or operator of such facility demonstrates to the satisfaction of the Federal Land Manager, and the Federal Land Manager so certifies, that the emissions from such facility will have no adverse impact on the air quality related values of such lands, notwithstanding the fact that the change in air quality resulting from emissions from such facility will exceed for such lands the limitations on projected increases established in this subparagraph, the State may issue a permit.

"(6) For purposes of this subsection—

"(A) the term 'best available control technology' means an emission limitation based on the maximum degree of reduction each pollutant subject to regulation under this Act emitted from or which results from any major emitting facility, which the permitting authority, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for such facility through application of production processes and available methods systems, and techniques, including fuel cleaning or treatment or innovative fuel combustion techniques, for control of each such pollutant. In no event shall application of 'best available control technology' result in emissions of any pollutants which will exceed the emissions allowed by any applicable standard established pursuant to section 111 or 112 of this Act;

"(B) the term 'Federal Land Manager' means (i) the Secretary of the department with authority over any lands of the United States, and (ii) Indian tribes which have legal jurisdiction over tribal lands; and

"(C) the term 'commenced' as applied to construction of a major emitting facility means that the owner or operator has obtained all necessary preconstruction approvals or permits required by Federal, State, or local air pollution emissions and air quality laws or regulations and either has (i) begun, or caused to begin, a continuous program of physical on-site construction of the facility or (ii) entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of construction of the facility to be completed within a reasonable time: *Provided*, That in the case of a facility on which construction was commenced in accordance with this definition after June 1, 1975, and prior to the enactment of the Clean Air Amendments of 1977, the review and permitting of such facility shall be in accordance with the regulations for the prevention of significant deterioration in effect prior to the enactment of the Clean Air Amendments of 1977.

"(D) the term 'necessary preconstruction approvals or permits' means those permits or approvals, if any, required as a precondition to undertaking any activity relied upon by an owner or operator to satisfy the requirements in clauses (i) or (ii) of subparagraph (C) of this paragraph.

"(7)(A) Until a revision of the implementation plan in accordance with this subsection is submitted and approved, significant deterioration for those pollutants covered by such regulations shall be regulated pursuant to applicable regulations and procedures for prevention of significant deterioration established under authority of the Clean Air Act in effect prior to the enactment of the Clean Air Amendments of 1977, except as those regulations provide for designations of nondeterioration areas which allow increases in emissions of air pollutants or any reduction in air quality inconsistent with paragraphs (1) and (2) of this subsection, or do not require the degree of control required by paragraph (6)(A) of this subsection, or are otherwise inconsistent with the requirements of this subsection.

"(B) For the purpose of this section any State may submit the revision to its implementation plan relating to the prevention of significant deterioration which has been adopted for such State as of the date of enactment of the Clean Air Amendments of 1977. Such requirements shall be the requirements applicable to such State under this section unless the Administrator finds that such requirements or a portion thereof are consistent with the requirements of this subsection and notifies the State of such inconsistency.

"(8) The Administrator shall study strategies to control pollutants not covered by paragraph (2) of this subsection in order to prevent significant deterioration of air quality for such pollutants and shall report to the Congress within one year after the date of enactment of the Clean Air Amendments of 1977 recommending control strategies for such pollutants. Such report shall recommend increments, as appropriate, for class I and class II areas applicable to the emissions from stationary sources of nitrogen oxides, hydrocarbons, and such other pollutants and control strategies as the Administrator determines to be appropriate.

"(9) The Administrator shall, and a Governor may, take such measures under section 113 or 304 of this Act, including seeking injunctive relief, as necessary to present the issuance of a permit under this subsection or the construction of a major emitting facility which does not conform to the requirements of paragraphs (4) and (5) of this subsection.

"(10) In the event any State adjacent to a State subject to the requirements of this subsection or Indian tribes within such State disagrees with the designation of any class I area in the State subject to the requirements, or if a permit is proposed to be issued for any new major emitting facility proposed for construction in an adjoining State which the Governor of the affected State or ruling body determines will cause or contribute to a cumulative change in air quality in excess of that allowed in this subsection in any class I or class II area within the affected State or tribal reservation, the Governor or ruling body may request the Administrator to enter into negotiations with the parties involved to resolve such dispute. If requested by any State or Indian tribe involved, the Administrator shall make a recommendation to resolve the dispute and protect the air quality related values of the lands involved. If the parties involved do not reach agreement, the Administrator shall resolve the dispute and his determination, or the results of agreements reached through other means, shall become part of the applicable plan and shall be enforceable as part of such plan.

"(11) Notwithstanding paragraphs (2), (4), and (5) of this subsection, in no instance shall the Administrator approve any requirements or revision of any implementation plan, nor shall any permitting authority issue a permit under this subsection for a new major emitting facility, which would allow for the deterioration of air quality to a level that would exceed any national ambient air quality standard.

"(12) Nothing in this subsection shall alter or affect section 116 of this Act.".

SEC. 8. (a) Section 110 of the Clean Air Act is amended by adding subsection (h) as follows:

"(h)(1) Each State shall submit an implementation plan revision in accordance with this section for any air quality control region in which the national primary ambient air quality standards or oxidants and carbon monoxide will not be attained by July 1, 1979.

"(2) An implementation plan revision under this subsection, or one for any area where the Administrator prior to enactment of the Clean Air Act Amendments of 1977 has found an implementation plan substantially inadequate to attain or maintain the national primary ambient air quality standards for oxidants or carbon monoxide and has called for a revision under section 110(a)(2)(H)(ii), shall be submitted no later than January 1, 1979. Such revised plan shall comply with the requirements of subsection (a)(3)(A)(iii) of this section, and shall at a minimum:

"(A) identify the remaining emission reductions necessary for attainment of the national primary ambient air quality standards and the additional reasonably available measures to be implemented to accomplish these reductions;

"(B) provide for the implementation of all reasonably available control measures as expeditiously as practicable;

"(C) identify the financial and manpower resources to be committed to carrying out the plan;

"(D) include written evidence that the State, the general purpose local government or governments, or a regional agency designated by general purpose local governments for such purpose, have adopted by statute, regulation, ordinance, or other legally enforceable document, the necessary requirements and schedules and timetables for compliance, and are committed to implement and enforce the appropriate elements of the plan;

"(E) demonstrate (i) attainment of the national primary ambient air quality standards as expeditiously as practible, but no later than July 1, 1982, or (ii) demonstrate that such attainment is not possible within the period prior to July 1, 1982, despite the implementation of all reasonably available control measures; and

"(F) for those plans which make a demonstration pursuant to subparagraph (E)(ii) of this paragraph as a part of the plan revision required to be submitted by Januray 1, 1979—

"(i) require achievement of emission reductions from existing sources in the region so that the total allowable emissions from existing sources (including new sources which are not major emitting facilities) and from any proposed new or modified major emitting facility will be sufficiently less than the total allowable emissions from such existing sources under the implementation plan prior to the application for a permit for construction of any new or modified facility so as to assure attainment of the applicable national ambient air quality standard not later than July 1, 1987, and maintenance thereafter;

"(ii) establish a program which requires, prior to issuance of any permit for construction or modification of a major emitting facility, an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source which demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification;

"(iii) establish a specific schedule for implementation of a vehicle emission control inspection and maintenance program; and

"(iv) identify other measures necessary to provide for attainment of the applicable national ambient air quality standard not later than July 1, 1987.

"(3) Each State which makes a demonstration pursuant to subparagraph (E)(ii) of paragraph (2) shall, not later than July 1, 1982, submit a revised implementation plan which contains enforceable measures necessary to assure attainment of the applicable national ambient air quality standard not later than July 1, 1987.

"(4) An implementation plan revision shall evidence public and local governmental involvement in accordance with paragraph (6) of this subsection and subsection (i) of this section, and include (i) a description of projects to be undertaken together with timetables and resource requirements, and (ii) identification and analysis of social, economic, and environmental effects including public health and energy conservation effects of such measures and projects.

"(5) The Administrator may delegate the implementation or enforcement of any portion of a promulgated plan to one or more general purpose local governments or a State.

"(6)(A) Within six months after the enactment of the Clean Air Amendments of 1977, for each region subject to this subsection the State and elected officials of affected local governments shall jointly determine which elements of a revised implementation plan will be planned for and implemented or enforced by the State and which such elements will be planned for and implemented or enforced by local governments or regional agencies, or any combination of local governments, regional agencies, or the State. Where possible within the time required under this subsection, the implementation plan required by this subsection shall be prepared by an organization of elected officials of local governments designated by agreement of the local governments in an affected area, and certified by the State for this purpose. Where such an organization has not been designated by agreement within six months after the enactment of the Clean Air Amendments of 1977, the Governor (or, in the case of an interstate area, Governors, after consultation with elected officials of local governments, and in accordance with the determination under the first sentence of this subparagraph, shall designate an organization of elected officials of local governments in the affected area or a State agency to prepare such plan. Where feasible, such organization shall be the metropolitan planning organization designated to conduct the continuing, cooperative and comprehensive transportation planning process for the area under section 134 of title 23, United States Code, or the organization responsible for the air quality maintenance planning process under regulations implementing this section, or the organization with both responsibilities.

"(B) The preparation of the implementation plan required by this subsection shall be coordinated with the continuing, cooperative, and comprehensive transportation planning process required under section 134 of title 23, United States Code, and the air quality maintenance planning process required under this section, and such planning processes shall take into account the requirements of this subsection.

"(7)(A) The Administrator shall make grants to any organization of local elected officials with transportation or air quality maintenance planning responsibilities recognized by the State under paragraph (6) of this subsection for payment of the reasonable costs of developing an air quality transportation control plan under this section.

"(B) The amount granted to any organization under subparagraph (A) of this paragraph shall be 100 per centum of any additional costs of developing an air quality transportation control plan under this section for the first two fiscal years following receipt of the grant under this paragraph, and shall supplement any funds available under Federal law to such organization for transportation or air quality maintenance planning. Grants under this paragraph shall not be used for construction.

"(8)(A) The Administrator shall not approve any projects or award any grants authorized by this Act and the Secretary of Transportation shall not approve any projects or award any grants under title 23, United States Code, other than for safety, mass transit, or transportation improvement projects related to air quality improvement or maintenance, in any air quality control region (i) in which any primary ambient air quality standard has not been attained, (ii) where transportation control measures are necessary for the attainment of such standard and (iii) where the Administrator finds after January 1, 1979, that the Governor has not submitted an implementation plan which considers each of the elements required by paragraph (2) of this subsection or that reasonable efforts toward submitting such an implementation plan are not being made (or, in the case of a revised implementation plan required by paragraph (3) of this subsection, after July 1, 1982).

"(B) In any area in which the State or, as the case may be, the general purpose local government or governments or any regional agency designated by such general purpose local governments for such purpose, is not implementing any requirement of an approved or promulgated plan under this section, including any requirement for a revised implementation plan under paragraph (2) of this subsection, the Administrator shall not make any grants under this Act.

"(9)(A) No department, agency, or instrumentality of the Federal Government shall (i) engage in, (ii) support in any way or provide financial assistance for, (iii) license or permit, or (iv) approve, any activity which does not conform to a plan after it has been approved or promulgated under this section. No metropolitan planning organization designated under section 134 of title 23, United States Code, shall give its approval to any project, program, or plan which does not conform to a plan approved or promulgated under this section. The assurance of conformity to such a plan shall be an affirmative responsibility of the head of such department, agency, or instrumentality.

"(B) Each department, agency, or instrumentality of the Federal Government having authority to conduct or support any program with air-quality related transportation consequences shall give priority in the exercise of such authority, consistent with statutory requirements for allocation among States or other jurisdictions, to the implementation of those portions of plans prepared under this section to achieve and maintain the national primary ambient air quality standard. This paragraph extends to, but is not limited to, authority exercised under the Urban Mass Transportation Act, as amended, title 23 of the United States Code, and the Housing and Urban Development Act, as amended.".

(b) Section 110 of the Clean Air Act is amended by adding a new subsection as follows:

"(i) In carrying out the requirements of subsections (a)(2)(B)(i) and (ii), (g), and (h) of this section and subsections (d) and (g) of section 113, the State shall provide a satisfactory process of consultation with general purpose local governments and designated organizations of elected officials of local governments, in accordance with regulations promulgated by the Administrator to assure adequate consultation. Such regulations shall be promulgated after notice and opportunity for public hearing and not later than four months after the date of enactment of the Clean Air Amendments of 1977. The Administrator may disapprove any portion of a plan relating to any measure described in the first sentence of this subsection or to the consultation process required under this subsection if he determines that such plan does not meet the requirements of this subsection. Only a general purpose unit of local government, regional agency, or council of governments adversely affected by action of the Administrator approving any portion of a plan referred to in this subsection may petition for review of such action on the basis of a violation of the requirements of this subsection.".

SEC. 9. (a) Section 110(a)(2)(E) of the Clean Air Act is amended to read as follows:

"(E) it contains adequate provisions (i) prohibiting any stationary source within the State from emitting any air pollutant in amounts which will prevent attainment or maintenance by any other State of any such national primary or secondary ambient air quality standard, or interfere with measures required to be included in the applicable implementation plan for any other State to prevent significant deterioration of air quality, or endanger the health or welfare of the citizens of any other State, and (ii) insuring compliance with the requirements of subsection (j) of this section;".

(b) Section 110 of the Clean Air Act is amended by adding at the end thereof the following new subsection:

"(j)(1) Each applicable implementation plan shall—

"(A) require for each major proposed new (or modified) source subject to subsection (g) of this section or which may significantly contribute to levels of air pollution in excess of the national ambient air quality standards in any air quality control region outside the State in which such source intends to locate (or make such modification), written notice to all nearby States the air pollution levels of which may be affected by such source at least sixty days prior to the date on which commencement of construction is to be permitted by the State providing notice, and

"(B) identify all major existing stationary sources which may have the impact described in subparagraph (A) of this paragraph with

respect to new or modified sources and provide notice to all nearby States of the identity of such sources not later than three months after the date of enactment of the Clean Air Act Amendments of 1977.

"(2) Any State or political subdivision may petition the Administrator for a finding that any major source emits or would emit any air pollution in violation of the prohibition of subsection (a)(2)(E)(i) of this section. Within sixty days after receipt of any petition under this paragraph and after public hearing, the Administrator shall make such a finding or deny the petition. Failure to make such a finding or to deny the petition within the time prescribed herein shall be deemed to be the making of such a finding.

"(3) Notwithstanding any permit which may have been granted by the State in which the source is located (or intends to locate), it shall be a violation of the applicable implementation plan in such State (A) for any major proposed new (or modified) source with respect to which a finding has been made under paragraph (2) of this subsection to be constructed or to operate in violation of the prohibition of subsection (a)(2)(E)(i) of this section, or (B) for any major existing source to operate more than three months after such finding has been made with respect to it, except that the Administrator may permit the continued operation of such source beyond the expiration of such three-month period if such source complies with such emission limitations and compliance schedules (containing increments of progress) as may be provided by the Administrator to bring about compliance with the requirement contained in subsection (a)(2)(E)(i) of this section as expeditiously as practicable, but in no case later than three years after the date of such finding.".

SEC. 10. (a) Section 111 of the Clean Air Act, is amended by inserting after subsection (e) the following new subsection:

"(f)(1)(A) Any person proposing to own or operate a new source may request the Administrator for a waiver from a standard of performance under this section with respect to any air pollutant from a unit of such new source to encourage the use of an innovative technological system of continuous emission reduction. The Administrator may, with the consent of the Governor of the State in which the source is to be located, grant a waiver under this paragraph, if the Administrator determines, after notice and opportunity for public hearing, that—

"(i) the proposed system has not been adequately demonstrated,

"(ii) there is a substantial likelihood that the proposed technological system will achieve greater continuous emission reduction than that required to be achieved under the standards of performance which would otherwise apply, or achieve at least an equivalent reduction at significantly lower cost in terms of energy, economic, or non-air quality environmental impact,

"(iii) the proposed technological system will not cause or contribute to an unreasonable risk to public health, welfare, or safety in its operation, function, or malfunction, and

"(iv) no previous determination of failure has been made with respect to such proposed technological system under subparagraph (D)(ii).

In determining whether an unreasonable risk exists under clause (iii), the Administrator shall consider information supplied by the applicant and other information whether and to what extent the use of the proposed technological system will cause, increase, reduce, or eliminate emissions of any pollutants which is not subject to any regulation under this Act; available methods for reducing or eliminating any risk to public health, welfare, or safety which may be associated with the use of such system; and the availability of other technological systems which may be used to conform to standards, under subsection (b) of this section without causing or contributing to such unreasonable risk. The Administrator may conduct such tests and may require the owner or operator of the proposed source to conduct such tests and provide such information as is necessary to carry out clause (iii) of this subparagraph. Such requirements shall include a requirement for prompt reporting of the emission of any pollutant which is not subject to any regulation under this Act from a system if such pollutant was not emitted, or was emitted in significantly lesser amounts without the use of such system.

"(B) A waiver under this paragraph shall be granted on such terms and conditions as the Administrator determines to be necessary to assure—

"(i) emissions from the source will not interfere with attainment and maintenance of any national ambient air quality standards, and

"(ii) proper functioning of the technological system or systems authorized.

Any such term or condition shall be treated as a standard of performance for the purposes of subsection (e) of this section and section 113.

"(C) A waiver under this paragraph shall extend to the sooner of—

"(i) a date (not more than three years after the date on which the waiver is granted) determined by the Administrator, after consultation with the owner or operator of the source, taking into consideration the design, installation, and capital cost of the technological system or systems being used, or

"(ii) the date on which the Administrator determines that such technological system has failed to—

"(I) achieve at least an equivalent continuous emission reduction to that required to be achieved under the standards of performance which would otherwise apply, or

"(II) comply with the condition specified in paragraph (1)(A)(ii),

and that such failure cannot be corrected.

"(2)(A) If a waiver for any source under paragraph (1) is terminated under clause (ii) of paragraph (1)(C), the Administrator shall grant an extension of the requirements of this section for such source for such minimum period as may be necessary to comply with the applicable standard of performance under subsection (b) of this section. Such period shall not extend beyond the date three years from the time a waiver granted under paragraph (1) is terminated.

"(B) An extension granted under this paragraph shall set forth emission limits and compliance schedules containing increments of progress which require compliance with applicable standard of performance as expeditiously as practicable and include such measures as are necessary and practicable in the interim to minimize emissions. Such schedule shall be treated as a standard of performance for purposes of subsection (e) of this section.".

(b) Section 111 of such Act is further amended by adding an additional new subsection as follows:

"(g) Any regulations promulgated by the Administrator under this section applicable to grain elevators shall not apply to country elevators, as defined by the Administrator, which have a storage capacity of less than 2,500,000 bushels.".

SEC. 11. The Clean Air Act is amended by adding a new subsection (e) to section 112 as follows:

"(e) For purposes of this section the Administrator may promulgate a hazardous emission standard in terms of a design, equipment, or operational standard if he determines that such standard is necessary to control emissions of a hazardous pollutant or pollutants because, in the judgment of the Administrator, they cannot or should not be emitted through a conveyance designed and constructed to emit or capture such pollutants.".

SEC. 12. (a) Section 113 of the Clean Air Act is amended by adding the following new subsection:

"(d)(1) A State (or, after thirty days notice to the State, the Administrator) may issue an enforcement order for any stationary source which specifies a date for final compliance with an applicable emission limitation later than the date for attainment of any national ambient air quality standard specified in the applicable implementation plan: *Provided*, That (A) such order is issued after notice to the public (and, as appropriate, to the Administrator) containing the content of the proposed order and opportunity for public hearing: (B) the order contains a schedule and timetable for compliance; (C) the order contains any interim control measures the State (or the Administrator) deems to be reasonable, and the order requires the emission monitoring and reporting by the source authorized to be required under sections 110(a)(2)(F) and 114(a)(1); (D) the order provides for final compliance with the emission limitation in the applicable implementation plan as expeditiously as practicable, but in no event later than July 1, 1979; and (E) in the case of a major emitting facility, the order provides that it will be amended no later than July 1, 1978, to contain a provision requiring the source to pay monthly a delayed compliance penalty, in an amount equal to that sum established by the Administrator pursuant to section 120 of this Act, in the event such major emitting facility fails to comply by July 1, 1979.

"(2) An enforcement order proposed by a State shall issue under this subsection unless the Administrator, within ninety days of receipt of any proposed order, objects in writing to the issuance of such order as not consistent with the requirements of paragraph (1) of this subsection. If the Administrator so objects, he shall simultaneously proceed to issue an enforcement order in accordance with this subsection. Nothing in this section shall be construed as limiting the authority of a State or political subdivision to adopt and enforce a more stringent emission limitation or more expeditious schedule or timetable for compliance than that contained in an order by the Administrator.

"(3) If any source not in compliance with an emission limitation in an applicable implementation plan gives written notification to the State (or the Administrator) that such source intends to comply by means of replacement of the facility, a complete change in production process, or a termination of operation, the State (or the Administrator) may issue an order under paragraph (1) of this subsection permitting the source to operate until July 1, 1979, without any interim schedule of compliance: Provided, That as a condition of such issuance, the owner or operator of such source shall post a bond or other surety in an amount equal to the cost of actual compliance by such facility and any economic value which may accrue to the owner or operator of such source by reason of the failure to comply. If a source for which the bond or other surety required by this paragraph has been posted fails to replace the facility, change the production process, or terminate the operations as specified in the order by the required date, the owner or operator shall immediately forfeit on the bond or other surety and the State (or the Administrator) shall have no discretion to modify the order under this paragraph or to compromise the bond or other surety.

"(4) In the case of a major emitting facility which proposes to comply with an applicable emission limitation through replacing existing production capacity with an inno-

vative production process which will result in an emission reduction significantly greater than required by the emission limitation applicable to such facility, or with the installation of an innovative control technique that has a substantial likelihood for enabling the source to comply with the applicable emission limitation by achieving a significantly greater emission reduction than that required by the applicable emission limitation, or by achieving the required reduction with an innovative system that will have potential for industry-wide applicaion at a significantly lower cost than the systems which have been determined by the Administrator to be adequately demonstrated, the date required for compliance applicable to such facility under paragraphs (1) and (3) of this subsection and section 120 of this Act shall be July 1, 1981.

"(5)(A) In the case of a major emitting facility which—

"(i) is ordered to convert to coal under an order pursuant to section 2(a) of the Energy Supply and Environmental Coordination Act of 1974, or

"(ii) within one year after enactment of the Clean Air Amendments of 1977 gives notice of intent to convert to coal as its primary energy source because of actual or anticipated curtailment of natural gas supplies under any curtailment plan or schedule approved by the Federal Power Commission (or, in the case of intrastate natural gas supplies, approved by the appropriate State regulatory commission),

and which thereby would no longer be in compliance with an applicable emission limitation under an implementation plan, an enforcement order may be issued under paragraph (1) of this subsection for such facility which specifies a date for final compliance with the applicable emission limitation later than the date for attainment of any national ambient air quality standard specified in the applicable implementation plan: *Provided*, That the order provides for final compliance with the emission limitation in the applicable implementation plan as expeditiously as practicable, but in no event later than three years after the date of an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974 or three years after giving notice under clause (ii) of this subparagraph, which date shall be the date required for compliance applicable to such facility under paragraphs (1) and (3) of this subsection and section 120 of this Act and in no event shall be later than December 31, 1980.

"(B) In issuing an order under this paragraph, the State shall prescribe (and may from time to time modify) emission limitations, requirements respecting pollution characteristics of coal, or other enforceable measures for control of emissions for each facility to which such an order applies. Such limitations, requirements, and measures shall be those which the State determines must be complied with by the facility in order to assure (throughout the period before the date for final compliance established in the order) that the burning of coal by such source will not result in emissions which cause or contribute to concentrations of any air pollutant in excess of any national primary ambient air quality standard for such pollutant.

"(C) The Administrator of the Federal Energy Administration may, by regulation, establish priorities under which manufacturers of continuous emission reduction systems necessary to carry out this paragraph shall provide such systems to users thereof, if he finds, after consultation with the States and the Administrator, that priorities must be imposed in order to assure that such systems are first provided to sources subject to orders under this paragraph in air quality control regions in which national primary ambient air quality standards have not been achieved. No regulation under this subparagraph may impair the obligation of any contract entered into before the date of enactment of the Clean Air Amendments of 1977.

"(6) For the purposes of sections 110, 304, and 307 of this Act, any order issued or approved by the State (or the Administrator) pursuant to this subsection shall become part of the applicable implementation plan.

"(7)(A) During the period of the enforcement order issued under this subsection and where the owner or operator is in compliance with the terms of such enforcement order, no other enforcement action pursuant to this section or section 304 of this Act shall be pursued against such owner or operator based upon noncompliance during the period the order is in effect with the emission limitation for the source covered by such order.

"(B) The failure of any source subject to an enforcement order under this subsection to adhere to the schedule and timetable of compliance established under this subsection during the period of the order, shall make such source subject to the provisions of subsections (a), (b), and (c) of this section.

"(8) No extension, postponement, waiver, or delay of any requirement of an implementation plan applicable to a major emitting facility shall be granted except in accordance with this subsection or section 110 (f) of this Act: *Provided, however*, That neither this subsection nor section 120 of this Act shall be construed as limiting the authority of any State to revise any deadline for attainment of a national secondary ambient air quality standard.

"(9) Any actions of the Administrator pursuant to this subsection, including any objection under paragraph (2) of this subsection, shall be considered a final action for purposes of section 307 of this Act.

"(10) Any enforcement order issued under subsection (a) of this section or any consent decree in an enforcement action which is in effect on the day of enactment of the Clean Air Amendments of 1977 shall remain in effect to the extent that such order or consent decree is not inconsistent with the requirements of this subsection and section 120 of this Act or (B) the administrative order on consent issued by the Administrator on April 1, 1976, requiring compliance with sulfur dioxide emission limitations or standards at least as stringent as those promulgated under section 11. Any such enforcement order issued under subsection (a) of this section or consent decree which provides for an extension beyond July 1, 1979, exceptance administrative order on consent, is void unless modified to comply with the requirements of this subsection.".

(b) The Clean Air Act is amended by adding a new section 120 as follows:

"DELAYED COMPLIANCE PENALTY

"SEC. 120. (a) Prior to July 1, 1978, any enforcement order issued under subsection (d) of section 113 of this Act shall be amended to include a delayed compliance penalty established pursuant to this section which shall be imposed automatically and payable monthly for any major emitting facility which for any reason not entirely beyond the control of the owner or operator is not in compliance with an applicable emission limitation on July 1, 1979.

"(b) As an enforceable interim step under any enforcement order issued under section 113(d) of this Act, the owner or operator of any major emitting facility not in compliance with an applicable emission limitation, for which such order specifies a date for compliance after July 1, 1978, shall, prior to October 1, 1977, furnish to the State (with a copy to the Administrator) information containing a detailed description of the control technology or system proposed to achieve compliance with the applicable emission limitation and the estimated cost of compliance, including capital costs debt service costs, the estimated schedule of expenditures to comply with such limitation or requirement by July 1, 1979, and the estimated annual costs of operation and maintenance of any technology or system required in order to maintain such compliance, together with such information as the State (or the Administrator) may require on the economic value which a delay in compliance beyond July 1, 1979, may have for the owner or operator of such facility.

"(c)(1) A notice of receipt of information pursuant to subsection (b) of this section shall be published in the newspapers in general circulation in such State, and such notice shall set forth where copies of the information are available for inspection and, for a reasonable charge, copying.

"(2)(A) Within sixty days following the date of publication of the notice issued under paragraph (1) of this subsection there shall be published in the newspapers in general circulation in such State (and, as appropriate, the Federal Register or any publication required as part of any rulemaking activity in such State) the proposed delayed compliance penalty applicable to the major emitting facility, with an announcement of an opportunity for a public hearing on such action.

"(B) Such proposed delayed compliance penalty under subparagraph (A) of this paragraph, determined in accordance with guidelines published by the Administrator, shall be a monthly payment in an amount no less than the monthly equivalent of the capital costs of compliance and debt service over a normal amortization period, not to exceed ten years, operation and maintenance costs foregone as a result of noncompliance, and the economic value which a delay in compliance beyond July 1, 1979, may have for the owner or operator of such major emitting facility.

"(C) The State shall take final action establishing such delayed compliance penalty within sixty days after the date of publication of the proposed penalty under subparagraph (A) of this paragraph.

"(d)(1) A delayed compliance penalty established by a State under this section shall apply unless the Administrator, within ninety days after the date of publication of the proposed penalty under subsection (c)(2)(A) of this section, objects in writing to the amount of the penalty as less than would be required to comply with guidelines established by the Administrator.

"(2) If the Administrator objects under this subsection, he shall immediately establish a substitute delayed compliance penalty applicable to such facility.

"(e)(1) In the event an owner or operator contests the delayed compliance penalty established under this section, the owner or operator may within sixty days seek review of such penalty in the appropriate United States district court.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, in no event shall any challenge or review taken under this subsection operate to stay or otherwise delay the obligation of a facility not in compliance with an applicable emission limitation to commence monthly payment of the delayed compliance penalty as determined by the State (or the Administrator) on July 1, 1979, pending the outcome of any such review.

"(B) In any challenge of the imposition of the penalty based on an allegation that the failure to comply by July 1, 1979, was due to reasons entirely beyond the control of the owner or operator, the obligation to commence monthly payment of the delayed com-

pliance penalty may be stayed pending the outcome of such challenge: *Provided*, That as a condition of such stay, the owner or operator of such source shall post a bond or other surety in an amount equal to the potential liability for such penalty during the period of the stay.

"(3) If an owner or operator is successful in any challenge or review proceedings under this subsection, the court may award such relief as necessary, including cancellation of the bond, rebate of any payments, or adjustment of the amount of payments required by the order.

"(f) In any case where a State does not have sufficient authority to issue a delayed compliance penalty, the Administrator after thirty days notice to the State shall establish, implement, and enforce such penalty.

"(g) Failure to make any payment required by an order under this section and section 113(d) of this Act or to submit information required under this section shall, in addition to liability for such payments, subject the owner or operator of a major emitting facility operating pursuant to an enforcement order issued under section 113 (d) of this Act to a penalty under subsection (e) of section 113 of this Act.

"(h) Any actions pursuant to this section, including any objection of the Administrator under subsection (d)(1) of this section, shall be considered a final action for purposes of section 307 of this Act.

"(i) Any enforcement orders, payments, sanctions, or other requirements under this section shall be in addition to any other permits, orders, payments, sanctions, or other requirements established under this Act, and shall in no way effect any civil or criminal enforcement proceedings brought under any provision of this Act or State or local law.

"(j) In the case of an emission limitation approved or promulgated by the Administrator after the enactment of the Clean Air Amendments of 1977 which is more stringent than the emission limitation for the source under the applicable implementation plan in effect prior to such approval or promulgation, if any, or where there was no emission limitation approved or promulgated before enactment of the Clean Air Amendments of 1977, the date for imposition of the delayed compliance penalty under subsection (a) of this section, and for purposes of subsections (b), (c)(2)(B), and (e) of this section, shall be either July 1, 1979, or the date on which the source is required to be in full compliance with the emission limitation, whichever is later, but in no event later than three years after the approval or promulgation of such emission limitation.".

SEC. 13. The Clean Act is amended:

(a) By amending subsection (b) of section 113 to read as follows:

"(b) The Administrator shall commence a civil action for appropriate relief, including a permanent or temporary injunction, or to assess and recover a civil penalty of not more than $10,000 per day of violation or both, whenever any person—

"(1) violates or fails or refuses to comply with any order issued under subsection (a) or (a) of this section; or

"(2) violates any requirement of an applicable implementation plan (A) during any period of federally assumed enforcement, or (B) more than thirty days after having been notified by the Administrator under subsection (a)(1) of a finding that such person is violating such requirement; or

"(3) violates section 111(e), 112(c), 119 (g), 120(b), or 120(g); or

"(4) fails or refuses to comply with any requirement of section 114.

Any action under this subsection shall be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation, to require compliance, and assess such penalty. Notice of the commencement of such action shall be given to the appropriate State air pollution control agency.".

(b) By amending subsection (c) of section 113—

(1) to amend paragraph (1)(B) to read as follows:

"(B) violates or fails or refuses to comply with any order under subsection (a) or (d) of this section, or"; and

(2) to add a new paragraph (3) as follows:

"(3) For the purpose of this subsection, the term 'person' shall mean, in addition to the definition contained in section 302(e) of this Act, any responsible corporate officer.".

(c) By adding the following new subsections to section 113:

"(e) In any case where a person is in knowing violation of a provision of an implementation plan applicable to a stationary source, where there has been no request for an enforcement order extending the date of compliance concerning such source filed pursuant to subsection (d) of this section within one hundred and eighty days after enactment of the Clean Air Amendments of 1977 (unless such an order has been issued under this section without any such request), or where a person is in violation of the requirements of subsection (b) or (g) of section 120 of this Act, such person shall be punished by a fine or not more than $25,000 per day of violation.

"(f) If it is alleged that interference with the achievement or maintenance of any national primary or secondary ambient air quality standard will result from any major emitting facility in any region of a State other than the State in which the facility is or may be located, the Administrator, at the request of the Governor of such other State, shall review the operation or proposed operation of such facility and, if necessary to prevent interference with the achievement or maintenance of any national primary or secondary ambient air quality standard in such other State, he shall take such measures, including seeking injunctive relief, as necessary to prevent such interference.".

SEC. 13. (a) Section 113 of the Clean Air Act is amended by adding the following new subsection:

"(g)(1) No major emitting facility shall be constructed or modified in any air quality control region or portion thereof in which any national ambient air quality standard is exceeded, if such facility will emit air pollutants subject to such standard so as to prevent the attainment or maintenance of such standard, unless as of the time of application for a permit for such construction or modification the State in which such facility is to be located (i) by July 1, 1979, has an approved or promulgated revised implementation plan and is in compliance with the requirements of such plan, which provides for attainment and maintenance of the applicable standard within three years of such approval or promulgation, pursuant to section 110(a)(3)(A) of this Act, or (ii) has demonstrated in a revised implementation plan submitted by January 1, 1979, that attainment and maintenance of the applicable standard within three years after approval of such plan is not achievable and such State is in compliance with all applicable requirements of section 110 (a)(3) and (h); except that prior to July 1, 1979, a permit may be issued for a facility proposed for construction or modification in such region if the owner or operator of such facility demonstrates to the satisfaction of the State that (A) the proposed facility will comply with the lowest achievable emission rate applicable to such proposed facility, before the proposed facility begins construction, (B) all existing sources owned or controlled by the owner or operator of the proposed facility in the same air quality control region as the proposed facility either are in compliance with all applicable emission limitations or are in compliance with an approved schedule and timetable for compliance under a provision of an applicable implementation plan under section 110 of this Act or an enforcement order issued under section 113(d) of this Act, (C) the total cumulative emissions from the existing sources in the region and the proposed facilities will at no time increase, and (D) the total allowable emissions from all existing and proposed sources in the region will be sufficiently less than the total allowable emissions from the existing sources under the implementation plan or an approved schedule and timetable for compliance applicable prior to the request to construct or modify so as to represent reasonable further progress toward attainment of the applicable national ambient air quality standard, taking into account progress already made.

"(2) The provisions of this subsection shall not be available where a State has not made any appropriate revision in the applicable implementation plan to include the emission limitations established under paragraph (1)(D) of this subsection.

"(3) The Administrator shall waive the requirements of section 110(a)(3)(A)(iii)(aa), section 110(h)(2)(F)(i), and paragraph (1)(C) and (D) of this subsection with respect to demonstration of reductions of emissions from existing sources to offset increases in emissions from new sources if he determines that the State has (A) an inventory of emissions of the applicable pollutant for each region identified pursuant to section 107(d) that identifies the type, quantity, and source of such pollutant so as to provide information sufficient to demonstrate that the requirements of subparagraph (C) are being met; (B) an enforceable permit program which requires emission limits for new and existing sources at least as stringent as required by this section and section 110(a)(3); and (C) a program which requires annual reductions in total allowable emissions in the region so as to provide for attainment of the applicable standard within the time required. The Administrator shall terminate such waiver if in his judgment at the end of any year the incremental reduction in emissions actually attained is less than the reduction on which the waiver was conditioned pursuant to subparagraph (C) of this paragraph, or if the Administrator determines that the State is no longer in compliance with any requirement of this paragraph. Upon application by the State, the Administrator may reinstate a waiver terminated under the preceding sentence if he is satisfied that such State is in compliance with all requirements of this paragraph.".

(b) Section 110(a)(3)(A) of the Clean Air Act is amended to read as follows:

"(A) The Administrator shall approve any revision of an implementation plan applicable to an air quality control region if he determines that—

"(i) it meets the requirements of paragraph (2) and subsection (h), as appropriate;

"(ii) it has been adopted by the State after reasonable notice and public hearings; and

"(iii) in the case of any plan revision for a region identified pursuant to section 107(d) in which a primary standard will not be attained or may not be maintained by July 1, 1979, it requires (aa) achievement of emission reductions from existing sources in the region so that the total allowable emissions from existing sources (including new sources which are not major emitting facilities) and from any proposed new or modified major emitting facility will be sufficiently less than the total allowable emissions from such existing sources under the implementation plan prior to the application for a permit for construction of any new or modified facility so as to assure attainment of the applicable national ambient air quality standard within three years of such approval, and mainte-

nance thereafter; (bb) achievement of reduction in emissions from existing sources in the region requiring at a minimum the adoption of reasonably available control technology or measures on a specified schedule to attain or maintain the applicable standard; and (cc) each new or modified major emitting facility to comply with emission limitations based on the lowest achievable emission rate applicable to such facility.".

SEC. 15. Section 115 of the Clean Air Act is amended to read as follows:

"SEC. 115. (a) Whenever the Administrator, upon receipt of requests, reports, surveys, or studies from any duly constituted international agency, has reason to believe that any air pollutant or pollutants emitted in the United States endanger the health or welfare of persons in a foreign country, or whenever the Secretary of State requests him to do so with respect to such pollutant or pollutants which the Secretary of State alleges is of such a nature, the Administrator shall give formal notification thereof to such Governor of the State in which such emissions originate.

"(2) The notice of the Administrator shall operate as finding under clause (ii) of subparagraph (H) of subsection (a)(2) of section 110 of this Act and any foreign country adversely affected by the emission of pollutant or pollutants shall be invited to appear at any public hearing associated with any revision of the appropriate portion of the applicable implementation plan.

"(c) This section shall apply to a foreign country which the Administrator determines has given the United States essentially the same rights with respect to the prevention or control of air pollution occurring in that country as is given that country by this section.

"(d) Recommendations issued following any abatement conference conducted prior to the enactment of the Clean Air Amendments of 1977 shall remain in effect with respect to any pollutant for which no national ambient air quality standard has been established under section 109 of this Act. However, the Administrator, after consultation with all agencies which were party to the conference, may rescind any such recommendation on grounds of obsolescence.".

SEC. 16. Section 117 of the Clean Air Act is amended—

(1) to strike subsections (a) through (c);

(2) to renumber subsections (d) and (e) as subsections (a) and (b), respectively; and

(3) to amend redesignated subsection (b)—

(A) by striking the words "the Board and" the first time the word "Board" appears and inserting in lieu thereof the word "any"; and

(B) by striking the words "of the Board" the second time the word "Board" appears.

SEC. 17. (a) Section 118 of the Clean Air Act is amended by striking in the first sentence thereof the words "comply with Federal, State, interstate, and local requirements respecting control and abatement of air pollution to the same extent that any person is subject to such requirements." and inserting in lieu thereof the words "be subject to, and comply with, all Federal, State, interstate, and local requirements, both substantive and procedural (including any requirement for permits or reporting or any provisions for injunctive relief and such sanctions as may be imposed by a court to enforce such relief), respecting control and abatement of air pollution in the same manner, and to the same extent, as any person is subject to such requirements, including the payment of reasonable service charges. Neither the United States nor any agent, employee, nor officer thereof shall be immune or exempt from any process or sanction of any State or Federal court with respect to the enforcement of any such injunctive relief.".

(b) Section 118 of the Clean Air Act is amended by inserting the following immediately before the last sentence thereof: "In addition to any such exemption of a particular emission source, the President may, if he determines it to be in the paramount interest of the United States to do so, issue regulations exempting from compliance with the requirements of this section any weaponry, equipment, aircraft, vehicles, or other classes or categories of property which are owned or operated by the Armed Forces of the United States (including the Coast Guard) or by the National Guard of any State and which are uniquely military in nature. The President shall reconsider the need for such regulations at three-year intervals.".

SEC. 18. (a)(1) Section 119 of the Clean Air Act, as amended, is hereby repealed. All references to section 119 or subsections thereof in section 2 of the Energy Supply and Environmental Coordination Act of 1974 (Public Law 93-319) shall be construed to refer to section 113(d) of the Clean Air Act and to paragraph (5) thereof in particular. Any certification or notification required to be given by the Administrator of the Environmental Protection Agency under section 2 of the Energy Supply and Environmental Coordination Act of 1974 shall be given instead by the appropriate State.

(2) In the case of any major emitting facility to which any requirement is applicable under section 113(d)(5)(B) of the Clean Air Act and for which certification is required under section 2 of the Energy Supply and Environmental Coordination Act of 1974, the State shall certify the date which it determines is the earliest date that such facility will be able to comply with all such requirements. In the case of any plant or installation which the State determines (after consultation with the Administrator of the Environmental Protection Agency) will not be subject to an order under section 113(d) of the Clean Air Act and for which certification is required under section 2 of the Energy Supply and Environmental Coordination Act of 1974, the State shall certify the date which it determines is the earliest date that such plant or installation will be able to burn coal in compliance with all applicable emission limitations under the implementation plan.

(3) Any certification required under section 2 of the Energy Supply and Environmental Coordination Act of 1974 or under this subsection may be provided in an enforcement order under section 113(d) of the Clean Air Act.

(b) Section 111(a) of the Clean Air Act, as amended, is amended by adding the following new paragraph:

"(7) A conversion to coal (A) by reason of an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974, or (B) which qualifies under section 113(d)(5)(A)(ii) of this Act, shall not be deemed to be a modification for purposes of paragraphs (2) and (4) of this subsection.".

"SEC. 19. Title I of the Clean Air Act is amended by adding after section 120 (as added by section 11 of this Act) the following new sections:

"ASSURANCE OF ADEQUACY OF STATE PLANS

"SEC. 121. (a) As expeditiously as practicable but not later than one year after date of enactment of this section, each State shall review the provisions of its implementation plan which relate to major fuel-burning sources and shall determine—

"(1) the extent to which compliance with requirements of such plan is dependent upon the use by major fuel burning stationary sources of petroleum products or natural gas,

"(2) the extent to which such plan may reasonably be anticipated to be inadequate to meet the requirements of this Act in such State on a reliable and long-term basis by reason of its dependence upon the use of such fuels, and

"(3) the extent to which compliance with the requirements of such plan is dependent upon use of coal or coal derivatives which is not locally or regionally available.

Each State shall submit the results of its review and its determination under this paragraph to the Administrator promptly upon completion thereof.

"(b)(1) Not later than eighteen months after the date of enactment of this section, the Administrator shall review the submissions of the States under subsection (a) and shall require each State to revise its plan if, in the judgment of the Administrator, such plan revision is necessary to assure that such plan will be adequate to assure compliance with the requirements of this Act in such State on a reliable and long-term basis, taking into account the actual or potential prohibitions on use of petroleum products or natural gas, or both, under any other authority of law.

"(2) Before requiring a plan revision under this subsection, with respect to any State, the Administrator shall take into account the report of the review conducted by such State under paragraph (1) and shall consult with the Governor of the State respecting such required revision.

"MEASURES TO PREVENT ECONOMIC DISRUPTION OR UNEMPLOYMENT

"SEC. 122. (a) After notice and opportunity for a public hearing—

"(1) the Governor of any State,

"(2) the Administrator, or

"(3) the President (or his designee)

may determine that action under subsection (b) is necessary to prevent or minimize significant local or regional economic disruption or unemployment which would otherwise result from use of coal or coal derivatives other than locally or regionally available coal or coal derivatives by any source referred to in subsection (d) to comply with the requirements of a State implementation plan.

"(b) Upon a determination under subsection (a) the President (or his designee) by rule or order may prohibit any major fuel burning stationary source (or class or category thereof) from using fuels other than locally or regionally available coal or coal derivatives to comply with implementation plan requirements.

"(c) The President (or his designee) under subsection (b) shall by rule or order, require each source to which such action applies to—

"(1) enter into long-term contracts of at least ten years in duration (except as the President or his designee may otherwise permit or require by rule or order for good cause) for supplies of locally or regionally available coal or coal derivatives,

"(2) enter into contracts to acquire any additional means of emission limitation which the President or his designee determines may be necessary to comply with the requirements of this Act while using such coal derivatives as fuel, and

"(3) comply with such schedules (including increments of progress), timetables and other requirements as may be necessary to assure compliance with the requirements of this Act.

Requirements under this subsection shall be established simultaneously with, and as a condition of, any action under subsection (b).

"(d) This section applies only to major fuel burning stationary sources which are not in compliance with the requirements of an applicable implementation plan or which

have been prohibited from burning oil or natural gas, or both, under any other authority of law.

"(e) Except as may otherwise be provided by rule by the President or his designee for good cause, any action required to be taken by a major fuel burning stationary source under this section shall not be deemed to constitute a modification for purposes of this Act.

"(f) For purposes of any plan (or portion thereof) promulgated under this title, any rule or order under this section shall be treated as a part of such plan.

"(g) For the purpose of this section—

"(1) The term 'locally or regionally available coal or coal derivatives' means coal or coal derivatives which is, or can be mined or produced in the local or regional area (as determined by the President or designee) in which the major fuel burning stationary source is located.

"(2) The term 'major fuel burning stationary source' means any fossil fired stationary source with design capacity to produce 250,000,000 B.t.u./hr. (or its equivalent as determined by rule of the Administrator).".

SEC. 20. (a) Title I of the Clean Air Act is amended by adding at the end thereof the following new part:

"PART B—OZONE PROTECTION

"PURPOSES

"SEC. 150. The purposes of this part are (1) to provide for a better understanding of the effects of human actions on the stratosphere, especially the ozone in the stratosphere, (2) to provide for a better understanding of the effects of changes in the stratosphere, especially the ozone in the stratosphere on the public health and welfare, (3) to provide information on the progress of regulation of activities which affect the ozone in the stratosphere in such a way as to cause or contribute to endangerment of the public health or welfare and (4) to provide information on the need for additional legislation in this area, if any.

"FINDINGS AND DEFINITIONS

"SEC. 151. (a) The Congress finds, on the basis of presently available information, that—

"(1) halocarbon compounds introduced into the environment potentially threaten to reduce the concentration of ozone in the stratosphere;

"(2) ozone reduction will lead to increased incidence of solar ultraviolet radiation at the surface of the Earth;

(3) increased incidence of solar ultraviolet radiation is likely to cause increased rates of disease in humans (including increased rates of skin cancer), threaten food crops, and otherwise damage the natural environment;

(4) other substances, practices, processes, and activities may affect the ozone in the stratosphere, and should be investigated to give early warning of any potential problem and to develop the basis for possible future regulatory action; and

"(5) there is authority under existing law, to regulate certain substances, practices, processes, and activities which may affect the ozone in the stratosphere.

"DEFINITIONS

"SEC. 152. For the purposes of this subtitle—

"(1) the term 'halocarbon' means the chemical compounds $CFCl_3$ and CF_2Cl_2 and such other halogenated compounds as the Administrator determines may reasonably be anticipated to contribute to reductions in the concentration of ozone in the stratosphere;

"(2) the term 'stratosphere' means that part of the atmosphere above the tropopause.

"ENVIRONMENTAL PROTECTION AGENCY

"SEC. 153. (a) The Administrator shall conduct a study of the cumulative effect of all substances, practices, processes, and activities which may affect the stratosphere, especially ozone in the stratosphere. The study shall include an analysis of the independent effects on the stratosphere especially such ozone in the stratosphere of—

"(1) the release into the ambient air of halocarbons,

"(2) the release into the ambient air of other sources of chlorine,

"(3) the uses of bromine compounds, and

"(4) emissions of aircraft and aircraft propulsion systems employed by operational and experimental aircraft.

The study shall also include such physical, chemical, atmospheric, biomedical, or other research and monitoring as may be necessary to ascertain (A) any direct or indirect effects upon the public health and welfare of changes in the stratosphere, especially ozone in the stratosphere, and (B) the probable causes of changes in the stratosphere, especially the ozone in the stratosphere.

"(b) The Administrator shall undertake research on—

"(1) methods to recover and recycle substances which directly or indirectly affect the stratosphere, especially ozone in the stratosphere,

"(2) methods of preventing the escape of such substances,

"(3) safe substitutes for such substances, and

"(4) other methods to regulate substances, practices, processes, and activities which may affect the stratosphere, especially ozone in the stratosphere.

"(c)(1) The studies and research conducted under this section may be undertaken with such cooperation and assistance from universities and private industry as may be available. Each department, agency, and instrumentality of the United States having the capability to do so is authorized and encouraged to provide assistance to the Administrator in carying out the requirements of this section, including (notwithstanding any other provision of law) any services which such department, agency, or instrumentality may have the capability to render or obtain by contract with third parties.

"(2) The Administrator shall encourage the cooperation and assistance of other nations in carrying out the studies and research under this section. The Administrator is authorized to cooperate with and support similar research efforts of other nations.

"(d)(1) The Administrator shall undertake to contract with the National Academy of Sciences to study the state of knowledge and the adequacy of research efforts to understand (A) the effects of all substances, practices, processes, and activities which may affect the stratosphere, especially ozone in the stratosphere; (B) the health and welfare effects of modifications of the stratosphere, especially ozone in the stratosphere; and (C) methods of control of such substances, practices, processes, and activities including alternatives, costs, feasibility, and timing. The Academy shall make a report of its findings by October 1, 1977.

"(2) The Administrator shall make available to the Academy such information in the Administrator's possession as is needed for the purposes of the study provided for in this subsection.

"(e) The Secretary of Labor shall study and transmit a report to the Administrator and the Congress not later than December 1, 1977, with respect to the losses and gains to industry and employment which could result from the elimination of the use of halocarbons in aerosol containers and for other purposes. Such report shall include recommended means of alleviating unemployment or other undesirable economic impact, if any, resulting therefrom.

"(f)(1) The Administrator shall establish and act as Chairman of a Coordinating Committee for the purpose of insuring coordination of the efforts of other Federal agencies carrying out research and studies related to or supportive of the research provided for in subsections (a) and (b) and section 154.

"(2) Members of the Coordinating Committee shall include the appropriate official responsible for the relevant research efforts of each of the following agencies:

"(A) the National Oceanic and Atmospheric Administration,

"(B) the National Aeronautics and Space Administration,

"(C) the Federal Aviation Administration,

"(D) the Department of Agriculture,

"(E) the National Cancer Institute,

"(F) the National Institute of Environmental Health Sciences,

"(G) the National Science Foundation, and the appropriate officials responsible for the relevant research efforts of such other agencies carrying out related efforts as the Chairman shall designate. A representative of the Department of State shall sit on the Coordinating Committee to encourage and facilitate international coordination.

"(3) The Coordinating Committee shall review and comment on plans for, and the execution and results of, pertinent research and studies. For this purpose, the agencies named in or designated under paragraph (2) of this subsection shall make appropriate and timely reports to the Coordinating Committee on plans for and the execution and results of such research and studies.

"(4) The Chairman may request a report from any Federal agency for the purpose of determining if that agency should sit on the Coordinating Committee.

"(g) Not later than October 1, 1977, and biennially thereafter, the Administrator shall report to the appropriate committees of the House and the Senate, the results of the studies and research conducted under this section and the results of related research and studies conducted by other Federal agencies.

"RESEARCH AND MONITORING BY OTHER AGENCIES

"SEC. 154. (a) The Administrator of the National Oceanic and Atmospheric Administration shall establish a continuing program of research and monitoring of the stratosphere for the purpose of early detection of changes in the stratosphere and climatic effects of such changes. Such Administrator shall, on or before October 1, 1977, and biennially thereafter, transmit such report to the Administrator and the Congress on the findings of such research and monitoring. Such report shall contain any appropriate recommendations for legislation or regulation (or both).

"(b) The National Aeronautics and Space Administration shall, pursuant to its authority under title IV of the National Aeronautics and Space Act of 1958, continue programs of research, technology, and monitoring of the stratosphere for the purpose of understanding the physics and chemistry of the stratosphere and for the early detection of potentially harmful changes in the ozone in the stratosphere. Such Administration shall transmit reports by October 1, 1977, and biennially thereafter to the Administrator and the Congress on the results of the programs authorized in this paragraph, together with any appropriate recommendations for legislation or regulation (or both).

"(c) The Director of the National Science Foundation shall encourage and support on-

going stratospheric research programs and continuing research programs that will increase scientific knowledge of the effects of changes in the ozone layer in the stratosphere upon living organisms and ecosystems. Such Director shall transmit reports by October 1, 1977, and biennially thereafter to the Administrator and the Congress on the results of such programs, together with any appropriate recommendations for legislation or regulation (or both).

"(d) The Secretary of Agriculture shall encourage and support continuing research programs that will increase scientific knowledge of the effects of changes in the ozone in the stratosphere upon animals, crops, and other plant life. Such Secretary shall transmit reports by October 1, 1977, and biennially thereafter to the Admiinstrator and the Congress on the results of such programs together with any appropriate recommendations for legislation or regulation (or both).

"(e) The Secretary of Health, Education, and Welfare shall encourage and support continuing research programs that will increase scientific knowledge of the effects of changes in the ozone in the stratosphere upon human health. Such Secretary shall transmit reports by October 1, 1977, and biennially thereafter, to the Administrator and the Congress on the results of such programs, together with any appropriate recommendations for legislation or regulation (or both).

"(f) In carrying out subsections (a) through (e) of this section, the agencies involved (1) shall enlist and encourage cooperation and assistance from other Federal agencies, universities, and private industry, and (2) shall solicit the views of the Administrator with regard to plans for the research involved so that any such research will, if regulatory action by the Administrator is indicated, provide the preliminary information base for such action.

"PROGRESS OF REGULATION

"SEC. 155. The Administrator shall report to the Congress by October 1, 1977, and annually thereafter on the actions taken by the Environmental Protection Agency and all other Federal agencies to regulate sources of halocarbon emissions, the results of such regulations in protecting the ozone layer, and the need for additional regulatory authority. The report shall also include recommendations for the control of substances, practices, processes, and activities other than those involving halocarbons, which are found to affect the ozone in the stratosphere and which may cause or contribute to harmful effects on public health or welfare.

"INTERNATIONAL COOPERATION

"SEC. 156. The President shall undertake to enter into international agreements to foster cooperative research which complements studies and research authorized by this part, and to develop standards and regulations which protect the stratosphere consistent with regulations applicable within the United States. For these purposes the President through the Secretary of State and the Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, shall negotiate multilateral treaties, conventions, resolutions, or other agreements, and formulate, present, or support proposals at the United Nations and other appropriate international forums and shall report to the Congress periodically on efforts to arrive at such agreements.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 157. For the purpose of carrying out the provisions of this part, there are authorized to be appropriated—

"(1) to the National Aeronautics and Space Administration, the National Science Foundation, and the Department of State, such sums as may be necessary for the fiscal year ending September 30, 1977, and the fiscal year ending September 30, 1978;

"(ii) to the Environmental Protection Agency, $15,000,000 for fiscal year 1978; and

"(iii) to all other agencies such sums as may be necessary.".

(b) Title I of the Clean Air Act is amended by inserting immediately before section 101 the following:

"PART A—AIR QUALITY AND EMISSION LIMITATIONS".

(c) Subparagraph (B) of paragraph (2) of section 3 of the Toxic Substances Control Act is amended by adding the following clause:

"(vii) any halocarbon and other propellant for pressurized dispensing containers to the extent regulated under the Federal Food, Drug, and Cosmetic Act or the Federal Insecticide, Fungicide and Rodenticide Act.".

SEC. 21. (a) Section 202(a) of the Clean Air Act is amended by adding a new paragraph (3) as follows:

"(3) The regulations under paragraph (1) of this subsection applicable to emissions of carbon monoxide, hydrocarbons, particulates, and oxides of nitrogen from heavy duty trucks, buses, and motorcycles and engines thereof manufactured in model years (A) 1979 and 1980 (and, if appropriate in the judgment of the Administrator, 1978) shall contain standards which require a reduction of emissions of such pollutants established by the application of the best available control technology, taking into account the cost of compliance, as determined by the Administrator, and (B) 1981 and thereafter shall contain standards requiring a reduction of emissions of such pollutants equivalent to the levels required by the standards established under subsection (b) of this section, except that for heavy duty motor vehicles over 10,000 pounds and engines thereof such standards shall constitute a reduction from uncontrolled levels of emissions of carbon monoxide, hydrocarbons, and oxides of nitrogen as actually measured from gasoline powered heavy duty vehicles over 10,000 pounds and engines thereof equivalent to the percentage reduction required for light duty motor vehicles in model year 1980 compared to the appropriate model year 1970 base or, for oxides of nitrogen, model year 1971 base (unless the Administrator finds and reports to the Congress that the control technology is not available or has not been available for a sufficient period of time to achieve compliance on any class of heavy duty vehicle or engine thereof and establishes standards which are based on the best available control technology and which constitute a reduction from any standards which apply in model years 1978 through 1980). The Administrator may, where appropriate, divide vehicles and engines thereof regulated under this paragraph into classes by size, weight, horsepower, and use patterns.".

(b) Section 206(a)(1) of the Clean Air Act is amended by inserting "(A)" after "(1)" and by adding at the end thereof the following:

"(B) In the case of heavy-duty motor vehicles, the Administrator may perform, or require to be performed, the tests provided under subparagraph (A) of this paragraph on heavy-duty motor vehicle engines for application in a range of vehicle configuration and use patterns.".

SEC. 22. Subparagraph (A) of paragraph (1) of section 202(b) of the Clean Air Act is amended by striking the term "1977", and inserting in lieu thereof "1980"; by striking the phrase "and 1976" after the term "1975" where it first appears, and inserting in lieu thereof "1976, 1977, 1978, and 1979".

SEC. 23. Subparagraph (B) of paragraph (1) of section 202(b) of the Clean Air Act is amended to read as follows:

"(B) The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light duty vehicles and engines manufactured during (i) model year 1976 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 3.1 grams per vehicle mile, (ii) (subject to the provisions of paragraph (5) of this subsection) model years 1977, 1978, and 1979 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 2.0 grams per vehicle mile, and (iii) model year 1980 and thereafter shall contain standards which provide that such emissions from such vehicles and engines may not exceed 1.0 gram per vehicle mile. The Administrator shall prescribe standards in lieu of those required by clause (iii) of this subparagraph, which provide that emissions of oxides of nitrogen may not exceed 2.0 grams per vehicle mile for any light duty vehicle manufactured during model year 1980 or 1981(aa) that has fuel economy at least equivalent to the fuel economy standard applicable in such model year under the Energy Policy and Conservation Act (89 Stat. 902) and that uses either an innovative engine system or emission control technology not involving a precious metal catalyst, or (bb) by any manufacturer whose sales, by corporate identify, for model year 1976 was less than 300,000 light-duty motor vehicle unit sales in the world and in whose case the Administrator determines that the ability to meet emission standards in the 1975 and subsequent model years was and is primarily dependent upon technology developed by others and purchased by such manufacturers.

SEC. 24. (a) Section 202(b)(5) of the Clean Air Act is amended to read as follows:

"(5) The Administrator shall promulgate regulations requiring each manufacturer whose sales represent more than 3 per centum of total light duty motor vehicle unit sales in the world to comply during model year 1979 with the emission standards required under paragraph (1) of this subsection for model year 1980 on 10 per centum of the manufacturer's projected total sales in model year 1979, as determined by the Administrator. Such regulations shall provide that no more than 90 per centum of such manufacturer's projected total sales of light duty motor vehicles in model year 1979 may be sold in compliance with the emission standards otherwise required under paragraph (1) of this subsection for model year 1979.".

(b) Section 202 of the Clean Air Act is amended by adding the following new subsection:

"(f) The Administrator of the Environmental Protection Agency shall conduct a study of the public health implications of attaining an emission standard on oxides of nitrogen from light duty vehicles of 0.4 gram per vehicle mile, the cost and technological capability of attaining such standard, and the need for such a standard to protect public health or welfare. The Administrator shall submit a report of such study to the Congress, together with recommendations not later than July 1, 1980.".

SEC. 25. Section 202(b) of the Clean Air Act is amended by adding a new paragraph (6) as follows:

"(6) The Congress hereby declares and establishes as a research objective, the development of propulsion systems and emission control technology to achieve standards which represent a reduction of at least 90 per centum from the average emissions of oxides of nitrogen actually measured from light duty motor vehicles manufactured in model year 1971 not subject to any Federal or State emission standard for oxides of nitrogen. The Administrator shall, by regulations promulgated within one hundred and

eighty days after enactment of the Clean Air Amendments of 1977, require each manufacturer whose sales represent at least 0.5 per centum of light duty motor vehicle sales in the United States, to build and, on a regular basis, demonstrate the operation of light duty motor vehicles that meet this research objective, in addition to any other applicable standards or requirements for other pollutants under this Act. Such demonstration vehicles shall be submitted to the Administrator no later than model year 1978 and in each model year thereafter. Such demonstration shall, in accordance with applicable regulations, to the greatest extent possible, (A) be designed to encourage the development of new powerplant and emission control technologies that are fuel efficient, (B) assure that the demonstration vehicles are or could reasonably be expected to be within the productive capability of the manufacturers, and (C) assure the utilization of optimum engine, fuel, and emission control systems.".

SEC. 26. Section 202(c)(1) of the Clean Air Act is amended to read as follows:

"(c)(1) The Administrator shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct continuing comprehensive studies and investigations of the effects on public health and welfare of emissions subject to subsection (a) of this section (including sulfur compounds) and the technological feasibility of meeting emission standards required to be prescribed by the Administrator by subsection (b) of this section. The Administrator shall report to the Congress within six months of the date of enactment of this paragraph and each year thereafter regarding the status of the contractual arrangements and conditions necessary to implement this paragraph.".

SEC. 27. Section 202(d) of the Clean Air Act is amended by amending paragraph (2) to read as follows:

"(2) in the case of any motorcycle or any other motor vehicle or motor vehicle engine not included in paragraph (1), be a period of use the Administrator shall determine.".

SEC. 28. (a) Section 203(a) of the Clean Air Act is amended by inserting "(A)" after "(3)" and by adding a new subparagraph (B) at the end of paragraph (3) as follows:

"(B) for any person engaged in the business of repairing, servicing, selling, leasing, or trading motor vehicles or motor vehicle engines, or who operates a fleet of motor vehicles, knowingly to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title following its sale and delivery to the ultimate purchaser, or".

(b) Section 205 of the Clean Air Act is amended to read as follows:

"SEC. 205. Any person who violates paragraph (1), (2), or (4) of section 203(a) or any manufacturer who violates paragraph (3) of section 203(a) shall be subject to a civil penalty of not more than $10,000. Any person who violates paragraph (3) of section 203(a) shall be subject to a civil penalty of not more than $2,500. Any such violation with respect to paragraph (1), (2), (3), or (4) of section 203(a) shall constitute a separate offense with respect to each motor vehicle or motor vehicle engine.".

SEC. 29. Section 203(a)(4) of the Clean Air Act is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or" in lieu thereof, and by adding a new subparagraph (C) as follows:

"(C) except as provided in subsection (c)(3) of section 207, to provide directly or indirectly in any communication to the ultimate purchaser or any subsequent purchaser that the coverage of any warranty under this Act is conditioned upon use of any part, component, or system manufactured by such manufacturer or any person acting for such manufacturer or under his control, or conditioned upon service performed by any such person.".

SEC. 30. (a) Section 206(b)(1) of the Clean Air Act is amended by inserting "(A)" after "(b)(1)" and adding a new subparagraph (B) at the end of such subparagraph as follows:

"(B) The Administrator shall within six months of the date of enactment of this subparagraph established a test procedure to implement, beginning no later than model year 1977, the authority of subparagraph (A) of this paragraph.".

(b) Section 206(a) of the Clean Air Act is amended by adding the following new paragraph:

"(3) Each new motor vehicle or new motor vehicle engine shall be certified to conform to the regulations prescribed under section 202 of this Act for the particular vehicle configuration, anticipated use pattern, and equipment of such vehicle or engine. The Administrator shall certify each vehicle or engine with an allowance to assure conformity with such regulations for air-conditioning or similar equipment to be subsequently installed. Such vehicle or engine shall be deemed to be covered by a certificate of conformity only if no equipment is added or other modification made which is not within the allowance provided for in this paragraph.".

SEC. 31. Section 206 of the Clean Air Act is amended by adding the following new subsection:

"(f)(1) All light duty vehicles and engines manufactured during or after model year 1980 shall comply with the requirements of section 202 of this Act regardless of the altitude at which they are sold.

"(2) Prior to the manufacture of model year 1980, light duty vehicles and engines, the Administrator is prohibited from requiring separate or additional measures on any light duty vehicle or engine to insure compliance with the requirements of section 202 of this Act at high altitudes. Any such requirements in effect at the time of enactment of this subsection are suspended.

"(3) By October 1, 1978, the Administrator shall report to the Congress on the economic impact and technological feasibility of the requirements found in subparagraph (1) of this subsection. The report is also to evaluate the technological feasibility and the health consequences of separate proportional emission standards for light duty vehicles and engines in high altitude areas that would reflect a comparable percentage of reduction in emissions to that achieved by light duty vehicles and engines in low altitude areas.".

SEC. 32. Section 207(a)(1) of the Clean Air Act is amended by adding the following new sentences at the end thereof: "The cost of any part, device, or component of any light-duty vehicle that is designed for emission control and which in the instructions issued pursuant to subsection (c)(3) of this section is scheduled for placement during the useful life of the vehicle in order to maintain compliance with regulations under section 202 of this Act, the failure of which shall not interfere with the normal performance of the vehicle, and the expected retail price of which, including installation costs, is greater than 2 per centum of the suggested retail price of such vehicle, shall be borne or reimbursed at the time of replacement by the vehicle manufacturer and shall be provided without cost to the ultimate purchaser, subsequent purchaser, or dealer. The term 'designed for emission control' as used herein means a catalytic converter, thermal reactor, or other component installed on or in a vehicle for the sole or primary purpose of reducing vehicle emissions. It is not intended to include those vehicle components which were in general use prior to model year 1968 and the primary function of which is not related to emission control.".

SEC. 33. (a) Section 207(a) of the Clean Air Act is amended by inserting "(1)" after "(a)" and by adding the following new paragraph at the end thereof:

"(2) In the case of a motor vehicle part or motor vehicle engine part, the manufacturer of such part may certify that use of such part will not result in a failure of the vehicle or engine to comply with emission standards promulgated under section 202 of this Act. Such certification shall be made only under such regulations as may be promulgated by the Administrator to carry out the purposes of subsection (b). The Administrator shall promulgate such regulations no later than one year after the date of the enactment of this paragraph. Before the effective date of such regulations all parts shall be deemed to have such certification.".

(b) Section 207(b)(2) of such Act is amended by adding the following at the end thereof: "No such warranty shall be invalid on the basis of any part used in the maintenance or repair of a vehicle or engine if such part was certified as provided under subsection (a)(2) of this section, nor shall any such warranty be invalid on the basis of the installation or use of any air-conditioning system not installed in the factory of the vehicle manufacturer, where the particular vehicle or engine in which such air-conditioning system is installed is certified in accordance with section 206(a)(3) with an allowance for air-conditioning or similar equipment to be subsequently installed.".

SEC. 34. Paragraph (3) of subsection (c) of section 207 of the Clean Air Act is amended to read as follows:

"(3)(A) The manufacturer shall furnish with each new motor vehicle or motor vehicle engine written instructions for the proper maintenance and use of the vehicle or engine by the ultimate purchaser and such instructions shall correspond to regulations which the Administrator shall promulgate.

"(B) The instruction under subparagraph (A) of this paragraph shall not include any condition on the ultimate purchaser's using, in connection with such vehicle or engine, any component or service (other than a component or service provided without charge under the terms of the purchase agreement) which is identified by brand, trade, or corporate name; or directly or indirectly distinguishing between service performed by the franchised dealers of such manufacturer or any other service establishments with which such manufacturer has a commercial relationship, and service performed by independent automotive repair facilities with which such manufacturer has no commercial relationship; except that the prohibition of this subsection may be waived by the Administrator if—

"(i) the manufacturer satisfies the Administrator that the vehicle or engine will function properly only if the component or service so identified is used in connection with such vehicle or engine, and

"(ii) the Administrator finds that such a waiver is in the public interest.

"(C) In addition, the manufacturer shall indicate by means of a label or tag permanently affixed to such vehicle or engine that such vehicle or engine is covered by a certificate of conformity issued for the purpose of assuring achievement of emissions standards prescribed under section 202 of this Act. Such label or tag shall contain such other information relating to control of motor vehicle emissions as the Administrator shall prescribe by regulation.".

SEC. 35. Section 207 of the Clean Air Act is amended by adding the following new subsection:

"(g) For the purposes of this section, the owner of any motor vehicle or motor vehicle engine warranted under this section is responsible in the proper maintenance of such

vehicle or engine to replace and to maintain, at his expense at any service establishment or facility of his choosing, such items as spark plugs, points, condensors, and any other part, item, or device related to emission control (but not designed for emission control under the terms of the last three sentences of section 207(a)(1)) that has a design life of less than the useful life of such vehicle or engine, unless such part, item, or device is covered by any warranty not mandated by this Act or unless such part fails prior to its design life.".

SEC. 36. Section 209(a) of the Clean Air Act is amended by adding the following: "Notwithstanding any provisions of this subsection, any State which has adopted a program for light duty motor vehicle emission inspection, testing, and maintenance as part of a State implementation plan approved or promulgated under section 110 of this Act may apply such program as a condition precedent to the initial retail sale, titling (if any), or registration of such motor vehicle. Any cost obligation of any dealer incurred as a result of any requirement imposed under the preceding sentence shall be borne by the manufacturer. The transfer of any such cost obligation from a manufacturer to any dealer through franchise or other agreement is prohibited."

SEC. 37. Section 209 of the Clean Air Act is amended by adding the following new subsection:

"(d) Notwithstanding subsection (a) of this section any State in which a region or portion thereof has been identified pursuant to section 107(d)(1)(A) of this Act may adopt and enforce for model year 1979 the emission standards for light duty motor vehicles required for model year 1980 under section 202(b)(1) of this Act: Provided, That the State shows to the satisfaction of the Administrator that the adoption of the standard in 1979 is required to achieve any ambient air quality standard by 1982 and maintain thereafter. Light duty motor vehicles offered for sale within such State shall be certified to comply with such standards in accordance with the procedures established under section 206 of this Act.".

SEC. 38. Section 211 of the Clean Air Act is amended by adding a new subsection as follows:

"(e)(1) Effective upon March 31, 1977, it shall be unlawful for any manufacturer of any fuel or fuel additive to first introduce into commerce, or to increase the concentration in use of, any fuel or fuel additive for general use in light duty motor vehicles manufactured after model year 1974 which is not substantially similar to any fuel or fuel additive utilized in the certification of any model year 1975, or subsequent model year, vehicle or engine under section 206 of this Act.

"(2) Any manufacturer of any fuel or fuel additive which prior to March 31, 1977, and after January 1, 1974, first introduced into commerce or increased the concentration in use of a fuel or fuel additive that would otherwise have been prohibited under paragraph (1) of this subsection shall, within one hundred and eighty days after the date of enactment of the Clean Air Act Amendments of 1977, cease to distribute such fuel or fuel additive in commerce.

"(3) The Administrator, upon application of any manufacturer of any fuel or fuel additive, may waive the prohibitions established under pargraphs (1) and (2) of this subsection if he determines that the applicant has established that such fuel or fuel additive and the emission products thereof will not impair or will not contribute to impairing the performance over the useful life of any emission control device or system which has been certified pursuant to section 206 of this Act. If the Administrator has not acted to grant or deny an application under this paragraph within one hundred and eighty days of receipt of such application, the waiver authorized by this paragraph shall be deemed to be granted.

"(f)(1) The Administrator shall conduct a study concerning the effects on health and welfare of particulate emission from motor vehicles or motor vehicle engines to which section 202 applies. Such study shall characterize and quantify such emissions and analyze the relationship of such emissions to various fuels and fuel additives.

"(2) The study shall also include an analysis of particulate emissions from mobile sources which are not related to engine emissions (including, but not limited to, tire debris, and asbestos from brake lining).

"(3) The Administrator shall report to the Congress the findings and results of the study conducted under subsection (a) not later than two years after the date of the enactment of the Clean Air Act Amendments of 1977.".

SEC. 39. Section 211 of the Clean Air Act is amended by adding a new subsection (f) as follows:

"(f) The Administrator shall conduct a study and report to Congress by January 1, 1978, on the emission of sulfur-bearing compounds from motor vehicles and motor vehicle engines and aircraft engines. Such study and report shall include but not be limited to a review of the effects of such emissions on public health and welfare and an analysis of the costs and benefits of alternatives to reduce or eliminate such emissions (including desulfurization of fuel, short-term allocation of low sulfur crude oil, technological devices used in conjunction with current engine technologies, alternative engine technologies, and other methods) as may be required to achieve any proposed or promulgated emission standards for sulfur compounds.".

SEC. 40. Section 211 of the Clean Air Act is amended by adding a new subsection (g) as follows:

"(g)(1) For the purposes of this subsection:

"(A) The terms 'gasoline' and 'refinery' have the meaning provided under regulations of the Administrator promulgated under this section.

"(B) The term 'small refinery' means a refinery producing gasoline which—

"(i) is only that fraction of the capacity of which was in operation or under construction on October 1, 1976, and

"(ii) has a crude oil or bona fide feed stock capacity (as determined by the Administrator) of 50,000 barrels per day or less, and

"(iii) is owned or controlled by a refiner with a total combined crude oil or bona fide stock capacity (as determined by the Administrator) of 100,000 barrels per day or less.

"(2) No regulations of the Administrator under this section (or any amendment or revision thereof) respecting the control or prohibition of lead additives in gasoline shall require a small refinery prior to October 1, 1982, to reduce the average lead content per gallon of gasoline refined at such refinery below the applicable amount specified in the table below:

If the gasoline production of the small refinery for calendar year 1976 (or, in the case of refineries under construction, half of the designed crude oil capacity) was (in barrels per day)	The applicable amount is, (in grams per gallon)
5,000 or under	2.5
5,001 to 10,000	2.0
10,001 to 15,000	1.5
15,000 or above	(1)

[1] As prescribed by the administrator.

"(3) Effective on the date of the enactment of this subsection, the regulations of the Administrator under this section respecting fuel additives (40 CFR part 80) shall be deemed amended to comply with the requirement contained in paragraph (2).

"(4) Nothing in this section shall be construed to preempt the right of any State to take action as permitted by section 211(c)(4)(C) of this Act.".

SEC. 41. Title II of the Clean Air Act is amended by adding at the end thereof the following new part:

"PART C—RAILROAD LOCOMOTIVE EMISSIONS

"SEC. 235. (a) The Administrator shall conduct a study and investigation of emissions of air pollutants from railroad locomotives, locomotive engines, and secondary power sources on railroad rolling stock, in order to determine—

"(1) the extent to which such emissions affect air quality in air quality control regions throughout the United States,

"(2) the technological feasibility and the current state of technology for controlling such emissions, and

"(3) the status and effect of current and proposed State and local regulations affecting such emissions.

"(b) Within one hundred and eighty days after commencing such study and investigation, the Administrator shall submit a report of such study and investigation, together with recommendations for appropriate legislation, to the Senate Committee on Environment and Public Works and the House Committee on Interstate and Foreign Commerce.".

SEC. 42. (a) Section 302 of the Clean Air Act is amended by adding seven new subsections as follows:

"(i) The term 'emission limitation' means a requirement established by a State or the Administrator which limits the quantity, rate, or concentration of emissions of air pollutants on a continuous basis, including a detailed schedule and timetable of compliance: *Provided*, That in establishing an emission limitation for coal-fired steam electric generating units subject to the provisions of section 118 which commenced operation before July 1, 1957, the effect of the entire stack height of stacks for which a construction contract was awarded before February 8, 1974, may be taken into account.

"(j) The term 'schedule and timetable of compliance' means a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with an emission limitation, other limitation, prohibition, or standard.

"(k) The term 'major emitting facility' means any stationary source of air pollutants which emits, or has the potential to emit, 100 tons per year or more of any air pollutant, except that for the purposes of section 110(g) of this Act, the term is limited to the following types of such stationary sources: fossil-fuel fired steam electric plants of more than 250 million British thermal

units per hour heat input, coal cleaning plants (thermal dryers), kraft pulp mills, Portland Cement plants, primary zinc smelters, iron and steel mill plants, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators capable of charging more than 250 tons of refuse per day, hydrofluoric, sulfuric, and nitric acid plants, petroleum refineries, lime plants, phosphate rock processing plants, coke oven batteries, sulfur recovery plants, carbon black plants (furnace process), primary lead smelters, fuel conversion plants, sintering plants, secondary metal production facilities, chemical process plants, fossil-fuel boilers of more than 250 million British thermal units per hour heat input, petroleum storage and transfer facilities with a capacity exceeding 300,000 barrels, taconite ore processing facilities, glass fiber processing plants, charcoal production facilities, and such other major emitting facilities as the Administrator determines to be significant potential sources of air pollutants.

"(l) The term 'baseline air quality concentration' refers to the ambient concentration levels which exist at the time of the first application for a permit in an area under section 110(g) of this Act, based on air quality data available in the Environmental Protection Agency or an air pollution control agency and such monitoring data as the permitting authority may require the permit applicant to submit. Such ambient concentration levels shall take into account all projected emissions in, or which may affect, such area from any major emitting facility on which construction commenced prior to January 6, 1975, but which has not begun operation by the date of the baseline air quality concentration determination. Emissions of sulfur oxides and particulate matter from any major emitting facility on which construction commenced after January 6, 1975, shall be accounted against the limitations on projected increases in pollutant concentrations established in paragraph (2) and (5) of section 110(g) of this Act.

"(m) The term 'stationary source' shall have the same meaning as such term has under section 111(a)(3) of this Act.

"(n) The term 'reasonable further progress' means that combination of control measures necessary to reduce emissions in the region or portion thereof so as to minimize in each successive year on an incremental basis both the number of times and the extent to which the applicable standard is exceeded, the result of which will be achievement of the applicable standard in the time required.

"(o) The term 'lowest achievable emissions rate' means that rate of emissions which reflects either (A) the most stringent emissions limitation which is contained in the implementation plan of any State and which is determined by the reviewing State to be achievable or (B) the lowest emission rate which is achieved in practice for such type of source, whichever is lower.".

(b) Section 302(d) of the Clean Air Act is amended—

(1) by striking out the word "and" immediately preceding "American Samoa";

(2) by striking the period immediately following "American Samoa" and inserting in lieu thereof ", and the Trust Territory of the Pacific Islands.".

SEC. 43. (a) Section 304(a) of the Clean Air Act is amended—

(1) by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", or"; and

(2) by inserting immediately after paragraph (2) the following new paragraph:

"(3) against any person who proposes to construct or constructs any new major emitting facility without a permit required under section 110(g) of this Act or who is alleged to be in violation of any condition of such permit.".

(b) Section 304(f) of the Clean Air Act is amended by inserting "requirement," after "a" in paragraph (1).

SEC. 44. (a) Section 307 of the Clean Air Act is amended by adding the following new subsection at the end thereof:

"(d) In any judicial proceeding under this section, the court may award costs of litigation (including reasonable attorney and expert witness fees) whenever it determines that such award is appropriate.".

(b) Section 113(b) of such Act, as amended by this Act, is further amended by adding the following at the end thereof: "In the case of any action brought by the Administrator under this subsection, the court may award costs of litigation (including reasonable attorney and expert witness fees) to the party or parties against whom such action was brought in any case where the court finds that such action was unreasonable.".

SEC. 45. (a) The Clean Air Act is amended by inserting a new section 314 as follows after section 313 and renumbering succeeding sections accordingly:

"EMPLOYEE PROTECTION

"SEC. 314. (a) No person shall fire, or in any other way discriminate against, or cause to be fired or discriminated against, any employee or any authorized representative of employees by reason of the fact that such employee or representative has filed, instituted, or caused to be filed or instituted any proceding under this Act or under any aplicable implementation plan, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Act or of any applicable implementation plan.

"(b) Any employee or a representative of employees who believes that he has been fired or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary of Labor for a review of such firing or alleged discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to such review to enable the parties to present information relating to such alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact. If he finds that such violation did occur, he shall issue a decision, incorporating an order therein and his findings, requiring the party committing such violation to take such affirmative action to abate the violation as the Secretary of Labor deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no such violation, he shall issue an order denying the application. Such order issued by the Secretary of Labor under this subparagraph shall be subject to judicial review in the same manner as orders and decisions of the Administrator are subject to judicial review under this Act.

"(c) Whenever an order is issued under this section to abate such violation, at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees) as determined by the Secretary of Labor, to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation.

"(d) This section shall have no application to any employee who, acting without direction from his employer (or his agent) deliberately violates any requirement of an applicable implementation plan approved or promulgated under section 110 of this Act, a new source performance standard under section 111 of this Act, a standard for hazardous emissions under section 112 of this Act, any requirement relating to inspections under section 114 of this Act, or any other prohibition or limitation established under this Act.

"(e) The Administrator shall conduct continuing evaluations of potential loss or shifts of employment which may result from the administration or enforcement of the provision of this Act and applicable implementation plans, including where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such administration or enforcement. Any employee who is discharged, or laid off, threatened with discharge or layoff, or otherwise discriminated against by any person because of the alleged results of such administration or enforcement, or any representative of such employee, may request the Administrator to conduct a full investigation of the matter. The Administrator shall thereupon investigate the matter and, at the request of any party, shall hold public hearings on not less than five days' notice, and shall at such hearings require the parties, including the employer involved, to present information relating to the actual or potential effect of such administration or enforcement on employment and on any alleged discharge, lay off, or other discrimination and the detailed reasons or justification therefor. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation, the Administrator shall make findings of fact as to the effect of such administration or enforcement on employment and on the alleged discharge, layoff, or discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public. Nothing in this subsection shall be construed to require or authorize the Administrator or any State to modify or withdraw any standard, limitation, or any other requirement of this Act or any applicable implementation plan.".

(b) Section 114 of the Clean Air Act is amended:

(1) To amend paragraph (iii) of subsection 114(a) to read as follows:

"(iii) carrying out section 119, 303, or 314.".

(2) To amend paragraph (2) of subsection 114(a) to strike the "and" at the end of section 114(a)(2)(A); to change the period at the end of section 114(a)(2)(B) to a comma; and inserting the following: "and (C) may at reasonable times have access to and copy any employer's records relating to matters being investigated pursuant to section 314.".

SEC. 46. The Clean Air Act is amended by inserting a new section 315 as follows after new section 314 and renumbering succeeding sections accordingly:

"NATIONAL COMMISSION ON AIR QUALITY

"SEC. 315. (a) There is established a National Commission on Air Quality which shall study and report to the Congress on—

"the economic, technological, and environmental consequences of achieving the purposes of this Act and programs authorized by it;

"(2) available alternatives, including enforcement mechanisms to protect and enhance the quality of the Nation's air re-

sources so as to promote the public health and welfare and to achieve the other purposes of the Act, including achievement and maintenance of national ambient air quality standards and in accordance with subsection (i) of this section the prevention of significant deterioration of air quality;

"(3) the technological capability of achieving and the economic, energy, and environmental impacts of achieving or not achieving required emission control levels for mobile sources of oxides of nitrogen (including the research objective of 0.4 gram per vehicle mile) in relation to and independent of emissions of oxides of nitrogen from stationary sources;

"(4) air pollutants not presently regulated, which pose or may in the future pose a threat to public health or public welfare and options available to regulate emissions of such pollutants;

"(5) the adequacy of research, development, and demonstrations being carried out by Federal, State, local, and nongovernmental entities to protect and enhance air quality;

"(6) the ability of (including financial resources, manpower, and statutory authority) Federal, State, and local institutions to implement the purposes of the Act;

"(7) the extent to which the reduction of hydrocarbon emissions is an adequate or appropriate method to achieve primary standards for photochemical oxidants. Such study shall include—

"(A) a description and analysis of the various pollutants which are commonly referred to as 'photochemical oxidants' or chemical precursers to photochemical oxidants;

"(B) an analysis of any pollutants or combination of pollutants which need to be reduced to achieve any photochemical oxidant standard, and the amount of such reduction;

"(C) the relationship between the reductions of hydrocarbons, oxides of nitrogen, and any other pollutants and the achievement of applicable standards for photochemical oxidants;

"(D) the degree to which background or natural sources and long-range transportation of pollutants contribute to measured ambient levels of photochemical oxidants;

"(E) any other oxidant-related issues which the Commission determines to be appropriate;

"(8)(A) the special problems of small business and government agencies in obtaining reductions of emissions from existing sources in order to offset increases in emissions from new sources for the purposes of this Act; and

"(B) alternative strategies for permitting, without impending the achievement of national ambient air quality standards as expeditiously as possible, the construction of new facilities and the modification of existing facilities in air quality control regions exceeding the national ambient air quality standard for any pollutant regulated under the Act.

"(b) Such Commission shall be appointed within sixty days after enactment of this section and shall be composed of sixteen members, including the chairman and the ranking minority Member if the Senate Committee on Environment and Public Works and the House Committee on Interstate and Foreign Commerce, who shall serve on such Commission ex officio and without vote, and twelve members of the public appointed by the President. Such Commission shall include four State Governors, who may designate the chief administrative officers of the State's air pollution control agency. The Chairman of such Commission shall be elected from among its members.

"(c) The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the Commission in carrying out the requirements of this section, and shall furnish to the Commission such information as the Commission deems necessary to carry out this section.

"(d) A report, together with any appropriate recommendations, shall be submitted to the Congress on the results of the investigation and study concerning paragraphs (3) and (8) of subsection (a) of this section no later than March 1, 1978, in order that Congress may have this information in a timely fashion if it deems further charges are needed in the requirements for control of emissions of oxides of nitrogen under this Act; and for other purposes.

"(e)(1) Except as provided in paragraph (2) of this subsection, a report shall be submitted with regard to all other Commission studies and investigations, together with any appropriate recommendations, not later than three years after the date of enactment of this section.

"(2) A report on the results of the study and investigation of the Commission authorized under subsection (i) of this section, together with any appropriate recommendations, shall be submitted not later than two years after the date of enactment of this section.

"(3) A report on the results of the study and investigation of the Commission authorized under subsection (a)(7) of this section, together with any appropriate recommendations, shall be submitted not later than two years after the date of enactment of this section. During the preparation of this specific study and report, the Commission shall seek the participation and consultation of the Chairman of the Council on Environmental Quality; the Administrator of the National Oceanic and Atmospheric Administration; the Administrator of the Environmental Protection Agency; and Governors of those States having air quality control regions in which primary ambient air quality standards for photochemical oxidants are exceeded at the time of enactment of these amendments or are projected to be exceeded within the period of the study, or the chief administrative officers of their State air pollution control agencies designated by any State Governor. The Commission may contract with noprofit technical and scientific organizations, including the National Academy of Sciences, for the purpose of developing necessary technical information for the study authorized by subsection (a)(7) of this section.

"(f) The members of the Commission who are not officers or employees of the United States, while attending conferences or meetings of the Commission or while otherwise serving at the request of the Chairman shall be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS-18, as provided in the General Schedule under section 5332 of title V of the United States Code, including traveltime and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

"(g) There is authorized to be appropriated, for use in carrying out this section, not to exceed $17,000,000 beginning in fiscal year 1978.

"(h) In the conduct of the study, the Commission is authorized to contract with nongovernmental entities that are competent to perform research or investigations in areas within the Commission's mandate, and to hold public hearings, forums, and workshops to enable full public participation.

"(i)(1) The Commission shall, in carrying out the study authorized under this section, give priority to a study of the implementation of the provisions of subsection (g) of section 110 of this Act.

"(2) In carrying out the authority of this subsection the Commission shall study, among others, the following:

"(A) whether the provisions relating to the designation of, and protection of air quality in class I regions under this Act are appropriate to protect the air quality over lands of special national significance, including recomendations for, and methods to (i) add to or delete lands from such designation, and (ii) provide appropriate protection of the air quality over such lands;

"(B) whether the provisions of subsection (g) of section 110 of this Act, including the three-hour and twenty-four-hour increments, (i) affect the location and size of major emitting facilities, and (ii) whether such effects are in conflict or consonance with other national policies regarding the development of such facilities;

"(C) whether the technology is available to control emissions from the major emitting facilities which are subject to regulation under subsection (g) of section 110 of this Act, including an analysis of the costs associated with that technology;

"(D) whether the exclusion of nonmajor emitting sources from the regulatory framework under this Act will affect the protection of air quality in class I and class II regions designated under this Act;

"(E) whether the increments of change of air quality under this Act are appropriate to prevent significant deterioration of air quality in class I and class II regions designated under this Act; and

"(F) whether the choice of predictive air quality models and the assumptions of those models are appropriate to protect air quality in the class I and class II regions designated under this Act for the pollutants subject to regulation under subsection (g) of section 110 of this Act.

"(3) For the study authorized under this subsection there shall be made available by contract to the Commission from the appropriation to the Environmental Protection Agency for fiscal year 1977 the sum of $1,000,000.".

SEC. 47. Section 318 of the Clean Air Act, as redesignated by this Act, is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 318. There are authorized to be appropriated to carry out this Act, other than sections 103(f)(3) and (d), 104, 110(h)(7), 150 through 157, 212, 315, and 403, not to exceed $147,805,000 for fiscal year 1977, and $200,000,000 for each of fiscal years 1978, 1979, and 1980. There are authorized to be appropriated to carry out section 110(h)(7) of this Act beginning in fiscal year 1978, $75,000,000 to be available until expended. There are authorized to be appropriated for carrying out research, development and demonstration under sections 103 and 104 of this Act $120,000,000 for fiscal year 1978.".

SEC. 48. The Federal Trade Commission shall undertake a study of the impact on competition of any warranty required to be provided pursuant to the Clean Air Act, taking into account the objectives of the Act. Such study shall include public hearings. Such study shall include an analysis of any measures implemented by the Administrator of the Environmental Protection Agency to prevent or diminish the impact of such warranties on competition and shall include a finding with respect to whether or not a significant impact on competition would result from such warranty if the warranty applied for the actual useful life of the vehicle. Such study shall be undertaken primarily by the Bureau of Competition in consultation with the Bureau of Consumer Affairs, the Department of Justice, and the Environmental Protection Agency. The report of such study shall be submitted to the Committee on Environment and Public Works of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives no later than eighteen months after the enactment of the Clean Air Amendments of 1977.

SEC. 49 The Congress finds that emissions of oxides of nitrogen are projected to increase dramatically in coming years and that inadequate controls are currently projected for stationary sources of oxides of nitrogen, and directs the Administrator to study and report to the Congress within one year on the possible creation of a system of penalties on emissions of oxides of nitrogen. Such penalties shall be designed for new major emitting facilities, or existing major emitting facilities, or both, to encourage the development of more effective systems and technologies for control of emissions of oxides of nitrogen. Any proposed penalty system recommended by the Administrator should be planned to terminate, for each category of facilities, at such time as the Administrator is satisfied that adequate technology exists and is available to control oxides of nitrogen to the greatest extent practicable for that category of facilities, and that such controls are being, or will be, installed on all such facilities. As a part of such report, the Administrator shall also recommend a system by which major emitting facilities would be required to compile records to determine any such emission penalty that would be due.

SEC. 50. Not later than July 1, 1977, or ninety days following enactment of this Act, whichever is later, the Administrator shall arrange for the erection of signs or other public notifications, consistent with the Highway Beautification Act, at major points of public access to any metropolitan area where any primary ambient air quality standard has not been attained and maintained as of such date. Such sign or notification shall specify that, due to pollution, the air in that area is hazardous to public health at various times during the year. The Administrator shall remove such sign or other notification when he determines that such area no longer exceeds any primary ambient air quality standard.

SEC. 51. The Administrator of the Environmental Protection Agency shall conduct a study and report to the Congress not later than January 1, 1979, on the effects on public health and welfare of odors or odorous emissions, the sources of such emissions, the technology or other measures available for control of such emissions and the costs of such technology or measures, and the costs and benefits of alternative measures or strategies to abate such emissions. Such report shall include an evaluation of whether air quality criteria or national ambient air quality standards should be published under the Clean Air Act for odors, and what other strategies or authorities under the Clean Air Act are available or appropriate for abating such emission.

SEC. 52. (a) No suit, action, or other proceeding lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under the Clear Air Act, as amended, as in effect immediately prior to the date of enactment of this Act shall abate by reason of the taking effect of the amendments made by this Act. The court may, on its own motion or that of any party made at any time within twelve months after such taking effect, allow the same to be maintained by or against the Administrator or such officer or employee.

(b) All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to the Clean Air Act, as amended, as in effect immediately prior to the date of enactment of this Act, and pertaining to any functions, powers, requirements, and duties under the Clean Air Act, as amended, as in effect immediately prior to the date of enactment of this Act, and not suspended by the Administrator or the courts, shall continue in full force and effect after the date of enactment of this Act until modified or rescinded in accordance with the Clean Air Act as amended by this Act.

(c) Nothing in this Act nor any action taken pursuant to this Act shall in any way affect any requirement of an approved implementation plan in effect under section 110 of this Act or any other provision of the Act in effect under the Clean Air Act before the date of enactment of this section until modified or rescinded in accordance with the Clean Air Act as amended by this Act.

SEC. 53. Section 11((c) (2) of such Act is amended by inserting at the end thereof the following new subparagraph:

"(F) (i) Any measure in an applicable implementation plan which requires a toll or or other charge for the use of a bridge located entirely within one city shall be eliminated from such plan by the Administrator upon application by the Governor of the State, which application shall include a certification by the Governor that he will revise such plan in accordance with clause (ii).

"(ii) In the case of any applicable implementation plan with respect to which a measure has been eliminated under clause (i), such plan shall, not later than one year after the date of the enactment of this subparagraph, be revised to include comprehensive measures (including the written evidence required by section 110(h) (2) (D)), to:

"(A) establish, expand, or improve public transportation measures to meet basic transportation needs, as expeditiously as is practicable; and

"(B) implement transportation control measures necessary to attain and maintain national ambient air quality standards,

and such revised plan shall, for the purpose of implementing such comprehensive public transportation measures, include requirements to use (in so far as is necessary) Federal grants, State or local funds, or any combination of such grants and funds as may be consistent with the terms of the legislation providing such grants and funds. Such measures shall, as a substitute for the tolls or charges eliminated under clause (i), provide for emissions reductions equivalent to the reductions identified with the tolls or charges eliminated.

"(iii) Any revision of an implementation plan for purposes of meeting the requirements of clause (ii) shall be submitted in coordination with any plan revision required under section 110(h).".

SEC. 54. The Administrator shall conduct a study concerning the effect on the public health and welfare of sulfate emissions from all sources. The Administrator shall report the results of such study, including a recommendation regarding the feasibility and necessity of regulating sulfate emissions, to the appropriate committees of Congress not later than two years after the date of enactment of this section.

SEC. 55. (a) Not later than 12 months after the date of enactment of this Act the Administrator of the Environmental Protection Agency shall publish throughout the United States a list of all known chemical contaminants resulting from environmental pollution which have been found in human tissue, including blood, urine, breast milk, and all other human tissue. Such list shall be prepared for the United States and shall indicate the approximate number of cases, the range of levels found, and the mean levels.

(b) Not later than 18 months after the date of enactment of this Act the Administrator shall publish in the same manner an explanation of what is known about the manner in which the chemicals described in subsection (a) entered the environment and thereafter human tissue.

(c) The Administrator, in consultation with the National Institutes of Health, the National Center for Health Statistics, and the National Center for Health Services Research and Development, shall if feasible, conduct an epidemiological study to demonstrate the relationship between levels of chemicals in the environment and in human tissue. Such study shall be made in appropriate regions or areas of the United States in order to determine any different results in such regions or areas. The results of such study shall, as soon as practicable, be reported to the appropriate committees of the Congress.

SEC. 56. Notwithstanding the provisions of Section 122 of the Clean Air Act as amended (Measures to Prevent Economic Disruption or Unemployment), the President in considering an Order or Rule to require the use of locally or regionally available coal or coal derivatives to prevent economic dislocation or unemployment shall take into account the final cost to the consumer of such Order or Rule.

SEC. 57. This Act may be cited as the "Clean Air Amendments of 1977".

Mr. ROBERT C. BYRD. Mr. President, the Senator from North Carolina (Mr. MORGAN) would vote "aye," if present. It is impossible for him to be present to vote. He asked me to attempt to obtain a pair for him. I have tried to do so. I have been unable to do so. I would have given him a pair had I voted "no" on the measure, but I have voted "aye."

I want the RECORD to show that I sought to obtain a pair for Mr. MORGAN but was unable to do so and that if he were present and voting, he would have voted "aye."

I make the same statement on behalf of Mr. BUMPERS.

Mr. HART. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HART. Mr. President, I move that S. 252 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, for my own part, I wish to compliment the Senator from Maine, the distinguished subcommittee chairman, for his work on this measure, and also the distinguished ranking minority member, the Senator from Vermont, for their excellent leadership on this bill, as well as the full committee staff for all the work they have done.

Mr. STAFFORD. Mr. President, I would like to express my gratification at the opportunity to work on this important clean air legislation with the distinguished chairman of the Committee on Environment and Public Works, Senator RANDOLPH; the distinguished chairman of the Subcommittee on Environment, Senator MUSKIE of Maine; my colleague, Senator HART of Colorado, and all of the others, the minority leader, Senator BAKER, all of whom have worked so hard to bring the bill through the Senate.

I especially want to pay respect on this side to the members of our staff who have given dedicated service to us on the floor, and earlier in the committee, in the formulation and the presentation of the legislation which the Senate has just passed. I have particular reference here to Lee Rawls, Bailey Guard, Hal Brayman, Kathy Cudlipp, Rick

Herod, Mary Jane Burdette, Joan Ramsay, and Jean Schrag.

I thank the Chair.

Mr. BAKER. Mr. President, I take this brief opportunity to commend the distinguished Senator from Vermont, the ranking Republican on the Environment and Public Works Committee, for his distinguished service in the passage of this measure.

He has done yeoman duty as have other members of the committee and other Members of the Senate in bringing to conclusion and final passage by this body of a significant piece of new legislation.

I hope it survives in conference in essentially this form and is signed promptly by the President.

Mr. President, I once again pay my genuine and sincere respects and express my admiration for the distinguished chairman of the full committee, Senator RANDOLPH, who has done so much for the committee, for this branch of legislative endeavor, and for the country in his efforts in behalf of all of us.

Mr. ROBERT C. BYRD. Mr. President, on yesterday I expressed the appreciation of the leadership on this side of the aisle to the distinguished chairman of the Public Works Committee and to the distinguished manager of the bill, Mr. RANDOLPH, and Mr. MUSKIE, respectively, and with respect to the fine work that was done by the distinguished Senator from Vermont (Mr. STAFFORD) and various other Senators whose names I stated specifically on yesterday.

Today I say again that it is with great admiration and respect that I commend these men for the skill and the patience and the great ability which were demonstrated by all of them as the Senate worked its way through this important but controversial measure.

Mr. RANDOLPH addressed the Chair.

Mr. BAKER. Mr. President, if the Senator will permit me to supply one omission in paying my respects to the distinguished chairman of the committee and the ranking minority member of the committee. I omitted to pay my respects as well to the distinguished chairman of the subcommittee, Mr. MUSKIE, with whom I have served as the ranking Republican on the subcommittee and I cannot tell you how much, Mr. President, and tell my colleagues how much I admire the diligence with which he approaches this legislation and the effectiveness with which he dispatches it. I pay my special compliments and respects to him once again.

Mr. RANDOLPH. Mr. President, my commendations are not mere pleasantries. I think the record should reflect that as chairman of the Committee on Environment and Public Works I am more conscientious than any member of that committee about the constructive cooperative efforts which have characterized the members of that committee regardless of the party in which they hold membership.

This has been a very complex, often a very, let us say, vigorously fought bill.

I shall express my thanks to all members of the committee. I now, of course, thank Senator MUSKIE, chairman of our subcommittee, handling this measure, and BOB STAFFORD, the ranking minority member, joining here in hands across the aisle as it were to guide this legislation to a successful conclusion, which in the final analysis I hope will be a victory for the American people.

This measure was brought to the Senate after approximately 2½ years of work on this subject by the members of the Committee on Environment and Public Works. Attention to the revision of the Clean Air Act extended through the entire 94th Congress and now 5 months into the 95th Congress. As a member of this committee, the past 11 as its chairman, I have never participated in such extensive preparation of a legislative proposal. Since we began this effort, there have been many days of hearings both in Washington and in other parts of the country. There have been 58 markup sessions by both the Subcommittee on Environmental Pollution and the full committee. In addition, members of the committee participated in a lengthy conference with the House of Representatives last year on a similar bill that failed to be enacted in the last days of the 94th Congress.

Throughout this period, the members of the committee have worked diligently to examine the issues and to develop a legislative proposal that responded in a balanced fashion to our country's environmental, economic, and social needs. It has been a lengthy process, but I am gratified that the members of the committee were willing to devote the time and energy required to write this bill.

The able minority leader, Mr. BAKER, was our ranking minority member when the task of writing a new Clean Air Act was begun. His desire to produce an effective and balanced bill is evident in the measure now before the Senate.

Mr. President, all members of the committee have been closely involved in the preparation of this bill. Many have specific areas of concern but all have worked together to produce a workable, fair, and effective air pollution bill. Long hours, extensive preparation, lengthy debate, and much thought have all been contributed by Senators GRAVEL, BENTSEN, BURDICK, CULVER, HART, ANDERSON, MOYNIHAN, MCCLURE, DOMENICI, CHAFEE, and WALLOP. I commend each of them for their participation in what has been a team effort from beginning to end.

The Senator from Vermont (Mr. STAFFORD) has recognized the involvement in this legislation of the members of the committee's minority staff. As always, the staff made valuable contributions and helped Senators in carrying out their responsibilities. I commend the dedication and loyalty of our majority staff: John W. Yago, Philip T. Cummings, Richard M. Harris, Leon G. Billings, Karl Braithwaite, Haven Whiteside, Charlene Sturbitts, George F. Fenton, Paul Chimes, Polly Medlin, Wesley Hayden, Frances Williams, Peggy Nagle, Deborah Canavan, Margaret Meyer, Ann Underwood, Kathaleen Forcum, Ann Garrabrant, Kathleen Korpon, Tanya Hart, Elsie Kennedy, John Freshman, Sally Walker, Joyce Kennedy, Jack Coogan, Richard Greer, John B. Purinton, Veronica Holland, Randolph G. Flood, Susan Johnson, Pat Stoppe, Dick Oshlo, Kevin Cornell, Ronald Katz, and Robert Van Heuvelin.

As we go to conference, I am sure that Senator ROBERT C. BYRD as our leader in this body and Senator BAKER, who works with him as the leader of the minority, can know that in the Senate even though this was a measure that was controversial, that through the leadership, especially of Senator BYRD, in cooperation of Senator BAKER, we kept moving and in 3 days completed what is a monumental piece of legislation. It was in the best tradition of a Senate doing its job well.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished senior Senator from West Virginia who always not only does his work well, but speaks also well.

ERDA NONNUCLEAR AUTHORIZATIONS, 1978

Mr. ROBERT C. BYRD. Mr. President, I believe that under the order previously entered the Senate is to proceed now to the consideration of Calendar Order No. 152, S. 1340. Is that correct?

The PRESIDING OFFICER. That is correct.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with sec. 261 of the Atomic Energy Act of 1954, as amended, sec. 305 of the Energy Reorganization Act of 1974, and sec. 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes,

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources with an amendment in the nature of a substitute.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no time under any agreement begin running today on the bill but that on Monday when the debate resumes on S. 1340 there be a time limitation for debate of 1 hour to be equally divided between Mr. JACKSON and Mr. HANSEN, that there be a limitation on any amendment thereto of 30 minutes, that there be a time limitation on any debatable motion or appeal or point of order, if such is submitted to the Senate for its discussion, of 20 minutes, and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement is as follows:

A bill to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with sec. 261 of the Atomic Energy Act of 1954, as amended, sec. 305 of the Energy Reorganization Act of 1974, and sec. 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, debate on any amendment shall be limited to 30 minutes to be equally divided and controlled by the mover of such and the

manager of the bill; debate on any debatable motion, or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Washington (Mr. Jackson) and the Senator from Wyoming (Mr. Hansen): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

ORDER FOR RECESS UNTIL 12:30 P.M., MONDAY, JUNE 13, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12:30 p.m. on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 1340, ON MONDAY, JUNE 13, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on Monday, the Senate proceed then to the consideration of the bill, S. 1340, which has already been ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERIM REGULATORY REFORM ACT OF 1977

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that S. 263, Calendar Order No. 175, has been cleared for passage by unanimous consent.

I, therefore, ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 175, S. 263.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 263) to provide for interim regulatory reform as to certain independent regulatory agencies.

The PRESIDING OFFICER (Mr. SASSER). Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "Interim Regulatory Reform Act of 1977".

LAW REVISION

SEC. 2. (a) Each Commission shall, in cooperation with any other interested department, agency, or instrumentality of the Federal Government—

(1) make a full and complete review and study of the law of the United States relating to that Commission (including court decisions, Commission orders in adjudicated cases, executive orders and other applicable orders and decrees) for the purpose of formulating and recommending to the Congress legislation that would better achieve the purpose for which that Commission was established; and

(2) review, study, and make recommendations for revision and codification of the statutes and other lawful authorities administered by or applicable to that Commission; the repeal, transfer, consolidation, and modification of any particular provisions and portions thereof; any changes and modifications in the organization and structure of such statutes in the technical presentation of matters included therein; and such changes in the authorities delegated, the functions prescribed, and the structure and procedures mandated or authorized; as the Commission believes may enhance competition and protect consumers by coordinating, making more understandable, and modernizing the laws of the United States administered or enforced by that Commission.

(b) The Chairman of each Commission, if three or more of the respective Commissioners agree, may appoint and compensate a qualified individual to serve as the director of that Commission's law revision activity conducted under this Act. Such person shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be entitled to receive compensation at a rate established by the appropriate Commission, but at a rate not in excess of the maximum rate (as may be set from time to time) for GS–18 of the General Schedule under section 5332 of such title. Each director shall, subject to the direction of the appropriate Commission, supervise the preparation of reports and activities of applicable personnel involved in that Commission's activities under this Act. Individuals may be employed by each Commission on a full- or part-time basis for purposes of assisting in, or contributing to, law revision activity conducted under this Act, without regard to the provisions of title 5, United States Code, relating to appointment and compensation of individuals in the competitive service. Any department, agency, or other instrumentality of the Federal Government shall, to the extent of available resources and upon a written request from the Chairman of any Commission to which this Act applies, make available to that Commission, on a nonreimbursable or reimbursable basis, such qualified personnel (with their consent and without prejudice to their position and rating), services, facilities, and information as may be necessary or appropriate to assist in achieving the purposes of this Act.

(c) Each Commission shall invite, and afford interested persons and other governmental entities an opportunity to submit, comments and recommendations with respect to some or all of the law revision activity described in subsection (a). Each Commission shall evaluate and consider all responses and submissions received by it with respect to such law revision activity. Each Commission shall coordinate its law revision activity under this Act with any such activity conducted by the Law Revision Counsel of the House of Representatives or the Congressional Research Service of the Library of Congress. The head of each department, agency, and independent instrumentality of the Federal Government shall, upon request, cooperate with, assist, and make appropriate presentations to, and reviews for, each Commission, with respect to its law review activity conducted under this Act.

REPORTS

SEC. 3. The Chairman of each Commission shall submit to the Congress and the President—

(1) a preliminary report with respect to law revision activity conducted under this Act by the Commission of which he is Chairman, including a statement indicating what, if any, additional legislative or other action is necessary to implement this Act, not later than 1 year after the date of the enactment of this Act; and

(2) a final report with respect to such law revision activity, not later than October 1, 1980.

Each final report shall include the text of the proposed revision and codification prepared by the Commission filing that report; an explanation of each significant provision proposed for inclusion therein; an analysis of the economic and other consequences of such revision and codification; a discussion of significant alternatives considered but not recommended; and such other information as may be useful to the Congress. Each final report shall be designed to facilitate congressional consideration of matters relating to law revision and shall be consistent with the purpose of the Congress in this Act to clarify, simplify and improve (both substantively and technically) the laws of the United States administered or enforced by the Commission.

PROTECTION OF OFFICERS

SEC. 4. Section 1114 of title 18, United States Code, is amended by inserting immediately after "Consumer Product Safety Commission," the following: "the Interstate Commerce Commission, the Federal Trade Commission, the Federal Power Commission, the Federal Communications Commission, the Civil Aeronautics Board, the Federal Maritime Commission,".

DEFINITION

SEC. 5. For the purposes of this Act, the term "Commission" shall mean the Federal Communications Commission, the Interstate Commerce Commission, the Federal Power Commission, the Consumer Product Safety Commission, the Civil Aeronautics Board, the Federal Maritime Commission, and the Federal Trade Commission.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–201), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

It is the purpose of this bill to provide for regulatory reform with respect to a number of independent regulatory agencies which are subject to the jurisdiction and oversight responsibility of the Committee on Commerce, Science, and Transportation by directing each of those agencies to prepare and submit to the Congress a proposed modernization, revision, and codification of all statutes and other lawful authorities administered or applied by it. The bill also provides for penalties for assaults on officials of these agencies, when occurring during the performance of their official duties.

The agencies covered by the bill are, in the order of their establishment by the Congress, the Interstate Commerce Commission (ICC); the Federal Trade Commission (FTC); the Federal Power Commission (FPC); the Federal Communications Commission (FCC); the Civil Aeronautics Board (CAB); the Federal Maritime Commission (FMC); and the Consumer Product Safety Commission (CPSC).

BACKGROUND AND NEED

During the past 7 years, the Committee has conducted many oversight hearings and

other oversight activities with respect to the independent regulatory agencies subject to its jurisdiction. Subsequent to these oversight hearings, the Committee has made a number of legislative recommendations which have been enacted into law, with respect to one or another of the independent regulatory agencies. In particular, during consideration of the Regional Rail Reorganization and Regulatory Reform Act, the Committee determined that it was necessary for the Interstate Commerce Act, which had originally been enacted in 1887, and subsequently amended on many occasions, to be revised in order to have the statute conform with current needs, case law, and circumstances.

In April 1976, Senator Pearson introduced S. 3308 which would have required each of the independent regulatory agencies to prepare and submit to the Congress comprehensive materials relating to the rules and regulations which they had promulgated pursuant to their statutory authority and reorganization plans which they administer and which define their authority. In considering this legislation in the 94th Congress, the Committee determined that there were a number of additional specific provisions which should also be applied to each of the independent regulatory agencies to improve their performance, effectiveness, and so forth. For purposes of such interim legislation, the Committee also determined that a number of other measures which had been approved and established as practicable, should also be applied to other agencies. As a result in May 1976, the Committee ordered S. 3308 reported with an amendment in the nature of a substitute, which was somewhat broader than the proposal as originally introduced by Senator Pearson. Upon Senate passage, S. 3308 was referred to four committees in the House of Representatives. Because of the brief time remaining in the 94th Congress, and the complexity of the referral, there was no consideration in the House of Representatives of the bill.

In January 1977, Senators Pearson and Magnuson introduced S. 263, which was a refined version of S. 3308, containing virtually identical provisions to S. 3308. The Committee on Commerce, Science, and Transportation held hearings on S. 263 on April 4, 1977, at which time testimony was received from the chairman (or his designated representative) of each of the independent regulatory agencies. Additionally, comments were received for the hearing record from other interested individuals.

Subsequently, the Committee on Commerce, Science, and Transportation met in open executive session on May 10, 1977, and ordered S. 263 as amended, reported favorably. The Committee determined that in order to expedite consideration of the measure in the House of Representatives, the bill should be reported as several original bills, each of which would be subject to a more limited referral in the House of Representatives.

DESCRIPTION AND ANALYSIS

Law revision

S. 263, as reported by the Committee, provides for a significant legislative beginning in the area of regulatory reform, as it applies to the independent regulatory agencies subject to the Committee's oversight. Section 312 of the Railroad Revitalization and Regulatory Reform Act of 1976 authorizes and directs the ICC to prepare and submit to Congress (by not later than February 5, 1978), a final draft of a proposed modernization and revision of the Interstate Commerce Act, and a proposed codification of all acts supplementary to the Interstate Commerce Act. The final draft submitted by the ICC must be designed to simplify the present law and to harmonize regulation with respect to the various transportation modes regulated by the ICC.

The Committee believes that the organic acts administered by the other independent regulatory agencies are also in need of review and revision. Indeed, one of these agencies, the FMC, does not have such an act to define its powers, duties, and responsibilities. Although the Maritime Commission was created 16 years ago, it still operates under the authority of a reorganization plan pursuant to which it administers transferred functions rather than powers granted to it by act of Congress.

Protection of officers

Section 1114 of title 18 United States Code makes it a Federal crime (murder or manslaughter, as the case may be) to kill a judge of the United States, a U.S. attorney, an FBI agent, or any other specified Federal official or employee. Section 1111 of title 18 makes it a Federal crime to forcibly assault, resist, oppose, impede, intimidate, or interfere with any person designated in section 1114, while that person is engaged in, or on account of, the performance of official duties.

As part of its recent amendment to the Consumer Product Safety Act (Public Law 94-284), the Committee reported legislation which amends section 1114 to read, in pertinent part:

"Whoever kills * * * any officer or employee of * * * the CPSC * * * assigned to perform investigative, inspection, or law enforcement functions, while engaged in the performance of his official duties, or on account of the performance of his official duties, shall be punished as provided under sections 1111 and 1112 of this title."

S. 263 further amends section 1114 to add to the list set forth therein each of the other independent regulatory agencies under the Committee's oversight. It is just as reasonable to establish Federal jurisdiction for assaults on officers or employees of independent regulatory agencies as it is for assaults on officers or employees of the executive branch. For purposes of Federal criminal jurisdiction, there should be no distinction between executive and independent agency Federal employees, when they are engaged in investigative, inspection, or law enforcement functions, if they are criminally attacked in the course of, or as a consequence of, their official duties.

ESTIMATED COSTS

The Committee estimates that implementation of S. 263, as reported, will result in a maximum cost to each agency of $100,000 per year, during the course of the law revision activity. For the seven agencies subject to this bill, therefore, the total cost through October 1, 1980, would be $2,100,000. The Committee knows of no cost estimate by any Federal agency which is at variance with this estimate. Pursuant to section 403 of the Congressional Budget Act of 1974, the Committee requested the Congressional Budget Office to submit its estimate of the cost of the legislation. As of the date of reporting, however, no such estimate has been received.

REGULATORY IMPACT STATEMENT

Implementation of S. 263, as reported, will not result in any change in Federal regulation. To the extent that an opportunity for the public to participate in the individual agency's law revision activity, costs may be borne by those so wishing to participate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (S. 263) was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

WAIVER OF SECTION 402(a) OF CONGRESSIONAL BUDGET ACT—CONSIDERATION OF S. 1061

Mr. ROBERT C. BYRD. Mr. President, I understand that there is a waiver resolution at the desk to S. 1061, Calendar Order No. 205, and that it is cleared for unanimous consent action.

I, therefore, ask unanimous consent that the Senate proceed to the immediate consideration of that resolution.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 180) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1061.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate resolution (S. Res. 180) was considered, and agreed to, as follows:

S. RES. 180

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1061. Such waiver is necessary because the committee wished to consider this measure, which authorizes new borrowing authority for the District of Columbia government, in conjunction with other measures affecting the operations of the District of Columbia but which did not involve the authorization of new budget authority and therefore were not required to be reported by May 15. Hearings were held relatively late because of the reorganization of the Senate at the beginning of the Ninety-fifth Congress.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MILITARY CONSTRUCTION AUTHORIZATIONS

Mr. HART. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1474.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1474) to authorize certain construction at military installations, and for other purposes.

(The amendment of the House is printed in the House proceedings of the RECORD of June 6, 1977.)

Mr. HART. Mr. President, I move that the Senate disagree to the amendment of the House on S. 1474 and request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the

Presiding Officer appointed Mr. HART, Mr. STENNIS, Mr. JACKSON, Mr. CANNON, Mr. HARRY F. BYRD, JR., Mr. NUNN, Mr. THURMOND, Mr. TOWER, and Mr. SCOTT conferees on the part of the Senate.

TRANSFER OF MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that Calendar Order No. 205, S. 1061, is now ready for passage by unanimous consent. I ask that the clerk transfer that measure to the Consent Calendar.

The PRESIDING OFFICER. The clerk will transfer it.

Mr. ROBERT C. BYRD, Mr. President, I understand that Calendar Order Nos. 222 and 223 are ready for passage by unanimous consent. I ask that the clerk transfer those two measures to the Consent Calendar.

The PRESIDING OFFICER. They will be so transferred.

Mr. ROBERT C. BYRD. Mr. President, some complications have arisen in respect to three measures that are on the Unanimous Consent Calendar. I ask that the clerk transfer Calendar Order Nos. 139, 180, and 210 from the Unanimous-Consent Calendar back to the General Orders Calendar.

The PRESIDING OFFICER. They will be so transferred.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

MODIFICATION OF LEGISLATIVE SCHEDULE FOR MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the ERDA authorization bill, S. 1340, on Monday, and without prejudice to Calendar Order No. 133, H.R. 5262, the international bank reconstruction and development bill, which was to follow the ERDA authorization bill under the order entered several days ago, the Senate proceed to the consideration of Senate Resolution 178, a resolution of waiver in regard to Calendar Order No. 204, S. 1231, a bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights; and that upon favorable disposition, if it is favorable, of that budget waiver, Senate Resolution 178, the Senate then, on Monday, proceed to the consideration of S. 1231, the bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate on Monday will convene at 12:30 p.m.

After the two leaders or their designees have been recognized under the standing order, the Senate will proceed immediately to the consideration of the ERDA authorization bill, S. 1340, on which there is a time limitation agreement of 1 hour, with 30 minutes on any amendment thereto. I would assume that a rollcall vote or rollcall votes will occur in relation to that measure, and upon the disposition of that measure, the Senate will take up Senate Resolution 178, the budget waiver resolution in connection with S. 1231, the bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights.

Upon the disposition of that waiver resolution, if it is a favorable disposition, the Senate will then proceed to the consideration of S. 1231, and I would assume that rollcall votes will occur in connection with either or both of those measures.

This will probably give the Senate a full day on Monday. If it does not, the leadership will attempt to see what can be done to clear other measures for action.

On Tuesday, Mr. President, the Senate will begin action on Calendar Order No. 133, H.R. 5262, an act to provide increased participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, and the Asian Development Fund, and for other purposes.

That will be a bill which will be, I am sure, subject to some amendments and votes. It will be the intention of the leadership to come in early on Tuesday and each day thereafter next week, and to stay in daily as long as is necessary to transact the business which is before the Senate.

Only 3 weeks remain prior to the Independence Day Holiday. It is hoped that the Senate, before it goes out for the holiday, can complete action on the measures I have already mentioned, and that it may also complete action on such other measures as, not necessarily in this order: S. 1520, a bill to amend the Foreign Assistance Act of 1961; S. 1160, a bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act; H.R. 6689, an act to authorize fiscal year 1978 appropriations for the Department of State, USIA, and the Board for International Broadcasting; H.R. 6179, an act to amend the Arms Control and Disarmament Act; S. 717, a bill to promote safety and health in the mining industry; S. 1529, the omnibus rivers and harbors bill; S. 1539, the Intelligence Committee bill; S. 208, the urban mass transit bill, and various and sundry appropriations measures. But, as I say, not necessarily in the order I have mentioned the measures.

Also, I should say that the list of measures I have enumerated is not to be considered all exclusive. This is a pretty healthy schedule for the Senate to chew on during the next 3 weeks. I speak hopefully that it can complete its action on these and other measures which are cleared for action as we proceed.

I also wish to state at this point that I consider it entirely a possibility that the Senate will be in next Saturday, and a probability that the Senate will be in the following Saturday, June 18 and 25 respectively.

(At this point Mr. METZENBAUM assumed the Chair.)

RECESS UNTIL 12:30 P.M., MONDAY, JUNE 13, 1977

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12:30 p.m. on Monday next.

The motion was agreed to; and at 5:55 p.m. the Senate recessed until Monday, June 13, 1977, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Senate June 10, 1977:

DEPARTMENT OF STATE

Herman J. Cohen, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal.

Herman J. Cohen, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Gambia.

Donald Gordon MacDonald, of Florida, to be an Assistant Administrator of the Agency for International Development, vice Charles A. Mann, resigned.

DEPARTMENT OF JUSTICE

Lee A. Limbs, Jr., of Arizona, to be U.S. marshal for the district of Arizona for the term of 4 years vice J. Pat Madrid, resigned.

Harold D. Hardin, of Tennessee, to be U.S. attorney for the middle district of Tennessee for the term of 4 years vice Charles H. Anderson, resigning.

IN THE U.S. NAVY

Rear Adm. Wesley L. McDonald, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 10, 1977:

CIVIL AERONAUTICS BOARD

Alfred Edward Kahn, of New York, to be a member of the Civil Aeronautics Board for the term of six years expiring December 31, 1982.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE PUBLIC HEALTH SERVICE

Public Health Service nominations beginning David L. Aronson, to be medical director, and ending Johnny R. Rainey, to be senior assistant health services officer, which nominations were received by the Senate and appeared in the Congressional Record on January 6, 1977.

Public Health Service nominations beginning Edward F. Blasser, to be senior surgeon, and ending Joseph R. Williams, to be assistant health services officer, which nominations were received by the Senate and appeared in the Congressional Record on January 6, 1977.

Public Health Service nominations beginning Maurice B. Burg, to be medical director, and ending Jon P. Yeagley, to be senior assistant health services officer, which nominations were received by the Senate and appeared in the Congressional Record on April 7, 1977.

EXTENSIONS OF REMARKS

DECONTROL OF NATURAL GAS

HON. W. HENSON MOORE
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. MOORE. Mr. Speaker, yesterday the Energy and Power Subcommittee of the House Interstate and Foreign Commerce Committee by a vote of 12 to 10 replaced the natural gas pricing provisions in President Carter's energy bill, H.R. 6831, with a stairstepped decontrol provision. Basically, new onshore natural gas is decontrolled immediately and offshore natural gas will be decontrolled in 5 years. As a member of that subcommittee and one who has worked for and supported decontrol, I sincerely believe that this is in the best interests of solving the energy problems facing this Nation and our consumers.

The State I represent, Louisiana, is the Nation's largest supplier of natural gas to our interstate pipeline system. What most people do not realize is that almost all of Louisiana's consumers of natural gas rely on interstate pipelines rather than intrastate. This simply means that a Louisiana consumer, even though we are a producing State, is really no different than any natural gas consumer in any other State in the Union in that we are all dependent on more natural gas and more natural gas in the interstate pipeline systems.

As I see it, that is really the crux of the whole energy problem as concerns natural gas. First, we must produce more natural gas; and second, we must get that gas into the interstate system. As a result of the extensive hearings held before the Energy and Power Subcommittee, I have prepared a four-part summary of evidence which I think points up how only deregulation will solve this two-part problem.

Part A shows that from the earliest times before the days of the regulation by the Government of oil and natural gas, the Government has been predicting that we are going to run out of oil and natural gas. In each case, this has not turned out to be correct, as additional reserves were found and production increased after that doomsday prediction. That is essentially the situation today as I am confident that the more than 10,000 producers of natural gas in this country will explore, find new reserves, and produce additional natural gas if we will deregulate it in order to make such work profitable. I might also point out that over 54 percent of all the new natural gas reserves have been found by independent producers of natural gas as opposed to the large oil companies.

Part B clearly shows that we do have additional natural gas to be produced according to Government sources rather than industry sources. According to the U.S. Geological Survey and the National Academy of Sciences, we have anywhere from 37 to 54 years supply at present usage rates of natural gas in reserves which can be produced now at present technology. These same figures have been verified and expanded upon by industrial sources. Much more interesting, however, is the fact that Government studies also show that we may well have anywhere from 175 to 1,000 years of additional supplies of natural gas in unconventional sources which are not producing at the present time, but should within the reasonable foreseeable future.

As a matter of fact, the Energy Research and Development Administration is currently drilling a test well looking for geopressurized methane gas in the State of Louisiana which we expect to be successful. Therefore, we have the gas already for a number of years in the future or well past the end of this century, and the possibility of gas to last us for a great number of years beyond that point.

Part C shows that there is a definite price response to production of natural gas. Again, we can see from Government sources that deregulation as opposed to the present pricing of natural gas will produce at least 4 trillion cubic feet more by 1985 than is produced now. These figures have been verified by two university studies and the only industry study of which I am aware. The shortfall we sustained this last winter was only 3 trillion cubic feet. The Federal Power Commission in raising the price of natural gas to $1.42 per thousand cubic feet admitted this price response as has the administration in its bill in raising the cost of natural gas from $1.42 to $1.75 for new natural gas. Therefore, all of the studies available show that if you deregulate natural gas, there will be a corresponding response in the increase in exploration, finds, and production of natural gas.

Last, part D shows that the consensus of testimony at the hearings was clearly to the effect that the only way to get the additional supplies of natural gas into the interstate system was by deregulation. If we follow the present policy, the tremendous imbalance of available supplies will continue as right now there are shortages in the interstate system but none in the intrastate system which has always been deregulated. If the present plan is adopted which provides for a maximum price of $1.75 in both interstate-intrastate markets, still no appreciable amount of gas will go into the interstate system according to these witnesses. The reason is simple, a producer of natural gas with the price being the same will choose to remain in the unregulated market rather than coming under the Federal Power Commission's rules and regulations by selling gas into the interstate market.

So in conclusion, doomsday predictions are not new, we do have the natural gas to be produced, gas will be produced only if there is deregulation, and the gas will move into the interstate market only if there is deregulation. Thus, the only way to solve the two-point problem is to increase the supplies and to get it into the interstate system which can only be accomplished by deregulation. I urge my colleagues to review and study this four-part summary of the evidence introduced in support of deregulation and to support this deregulation measure when it comes up before the whole House:

DEREGULATION EVIDENCE

A. There have been Government predictions of a shortage of reserves of oil and gas for many years which were all subsequently proven far too pessimestic:

1908

Statement: "Maximum future supply of 22.5 billion barrels." (Officials at U.S. Geological Survey)

Fact: 110 billion barrels produced since 1908 with proved and undiscovered resources now estimated at 135 to 223 billion barrels.

1914

Statement: "Total future production only 5.7 billion barrels." (Official at U.S. Bureau of Mines)

Fact: More than 108 billion barrels produced in the U.S. since 1914.

1920

Statement: "U.S. needs foreign oil and synthetics; peak domestic production almost reached." (Director of U.S. Geological Survey)

Fact: Production in 1976 almost 7 times 1920 production.

1931

Statement: "Must import as much foreign oil as possible to save domestic supply." (Secretary of Interior)

Fact: During next 8 years imports were discouraged and 14 billion barrels were found in the U.S.

1939

Statement: "U.S. oil supplies will last only 13 years." (Radio broadcasts by Interior Department)

Fact: New oil found since 1939 exceeds the 13 years supply known at that time. More than 90 billion barrels of crude oil produced in U.S. since 1939.

1947

Statement: "Sufficient oil cannot be found in the U.S." (Chief of Petroleum Division, Department of State)

Fact: 4.3 billion barrels found in 1948, largest volume in history and twice our consumption. 86 billion barrels of new crude oil reserve found in U.S. since 1947.

1949

Statement: "End of U.S. oil supply almost in sight." (Secretary of Interior)

Fact: More than 73 billion barrels of crude oil produced since 1949 with proved and undiscovered resources now estimated at 135 to 223 billion barrels.

1977

Statement: We are being led to believe that we have little natural gas resources left and little prospect of discovering more.

Fact: We have 40 to 50 years proven gas supply and prospects of 175 to 1000 years more.

B. We have sufficient natural gas reserves available for production with existing technology according to Government studies to last 40 to 50 years:

	1976 estimated proved reserves	Total potential	Total remaining resources (thousand cubic feet)	Duration of supplies (years)
USGS	228	524-857	752-1,085	37-54
National Academy of Sciences	228	648	876	44

Note: Above does not include resources from coal seams, Devonian shale, Rocky Mountain tight formations, geopressured zones.

2. Government studies show we have 175 to 1000 years supply in Devonian shale, Rocky Mtn. tight gas formations, geopressured zones, etc.

Natural Gas from Coal Seams, 300–800 Tcf; (Energy Research & Development Administration, 1976, & Bureau of Mines, 1976).

Devonian Shale, 500–600 Tcf., (U.S. Geological Survey, 1976).

Rocky Mtn. Tight Formation, 600 Tcf; (U.S.G.S., 1976, & Federal Power Commission 1973).

Geopressured Resources, 3000–50,000 Tcf; (National Academy of Sciences, 1976).

Geopressurized methane, 500–1000 Tef; (ERDA, MOPPS Status Report, June 3, 1977).

3. Industry Sources Verify the Government Sources:

	1976 estimated proved reserves	Total potential	Total remaining resources (thousand cubic feet)	Duration of supplies (years)
Exxon—base	228	423–1,143	651–1,371	33–69
Mobil	228	508	736	37
Potential Gas Committee	228	1,146	1,374	69

Note: Above does not include resources from coal seams, Devonian shale, Rocky Mountain tight formations, geopressured zones.

C. Government econometric studies show that deregulation will produce the gas in these reserves:

	Annual production 1985 (thousand cubic feet)		
	Regulation	Deregulation	Difference
1. Deregulation of new gas price: Federal Energy Administration (January 1977)	16.6	20.6	4.0
2. University studies verify: Institute of Gas Technology (University of Illinois)	16.2	21.6	5.4
Stanford Research Institute		26.4	
3. Industry studies verify: American Gas Association	16.1	20.0	3.9

Note: Federal Power Commission (May 1977) cites historical evidence supporting price supply response. Energy Research and Development Administration studies (June 3, 1977, MOPPS Status Report) show that size of U.S. conventional gas resource base varies depending on extent to which producer costs can be recovered. At producer cost of $1 Mcf, resource quantity is 120 quads; $2 Mcf is 275 quads.

D. The consensus of the testimony at the hearings was that a regulated price in both inter and intrastate markets would not result in more natural gas in the interstate system. Only deregulation would accomplish this desired end because, if the price is the same, producers will choose a deregulated market over a regulated one.

1. Richard Dunham, Chairman, Federal Power Commission.

2. Honorable Briscoe, Governor of the State of Texas.

3. Honorable Boren, Governor of the State of Oklahoma.

4. Robert Batinovich, President, California Public Utility Commission.

5. Luther Heckman, Chairman, Ohio Public Utilities Commission.

6. Richard O'Shields, President, Interstate Natural Gas Association of America.

7. Robert Hefner, Independent Gas Producers Committee.

8. Charles Allen, geologist, Phillips Petroleum.

9. A. V. Jones, President, Independent Petroleum Association of America.

10. D. K. Davis, Vice President, Independent Petroleum Association of America.

11. David Foster, Natural Gas Supply Committee.

AMBASSADORSHIPS FOR BIG CONTRIBUTORS

HON. DELBERT L. LATTA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. LATTA. Mr. Speaker, the Wall Street Journal of June 10, 1977 carries an editorial pointing out how ambassadorships are being passed out under the new administration. I thought the practice of doling out ambassadorships as "payoff" for political debts and recognition of large contributions to Presidential campaigns was over. Apparently, I am mistaken. The editorial follows:

WHY NOT THE BEST?

When Cincinnati real estate developer Marvin Warner appeared before the Senate Foreign Relations Committee earlier this week, no one bothered to ask the ambassador-designate to Switzerland about his contributions to Jimmy Carter and other Democratic candidates—said to total tens of thousands of dollars. Instead, the meeting seemed more like a homecoming for Mr. Warner, who made no statement to the committee and was asked no questions about his qualifications for the job. Rather, old friend Committee Chairman John Sparkman praised him highly, as did Ohio's two Democratic Senators—both of whom received sizable campaign contributions from Mr. Warner or his family. Whereupon Mr. Warner was confirmed without incident.

Nevertheless, a spokesman for the American Foreign Service Association promptly criticized the Warner nomination, labeling it a "political payoff." The AFSA, comprised of career foreign service personnel, opposes using ambassadorships as rewards for personal friendships or campaign contributions. One might also have thought that Jimmy Carter was similarly opposed to such practices. During his presidential campaign Mr. Carter expressed contempt for "political ambassadors," and in his book "Why Not the Best?" he said the practice of appointing political cronies or campaign supporters as ambassadors was a "disgraceful and a counterproductive policy" in need of overhaul.

Yet the AFSA notes that more of the important ambassadorships have gone to noncareer persons under President Carter than under Presidents Ford and Nixon. Of the first three dozen ambassadorships granted by Mr. Carter, the organization says, almost half went to persons without foreign service experience who were either early supporters or old personal friends of the President.

The White House, trying to put the best possible face on the appointments, claims that candidates are selected from a list submitted by an impartial 20-member commission. But only a few commission members have foreign service experience themselves, and Carter political aides have a say about who winds up on the list.

There is nothing inherently wrong with this, however, despite the objections of the AFSA. The U.S. would probably gain some diplomatic points if its ambassadors were chosen from among trained members of the foreign service, rather than merely for their connections or their willingness to spread their money around. But an ambassador always has a lot of career aides to attend the nuts-and-bolts of diplomacy. And foreign policy is too important to be turned over entirely to a corps of professionals; political appointments are one way to inject new blood.

What is wrong, however, is the assertion that the administration's approach to ambassadorships is somehow vastly different from that of its predecessors. It isn't. Mr. Carter's appointments may well turn out to be highly competent, but if so it will be because of those innate qualities that made them successful in the first place, not because they were selected in a more moral or high-minded manner.

BILLY CARTER: FRUSTRATIONS OF THE SMALL BUSINESSMAN

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mrs. SMITH of Nebraska. Mr. Speaker, many of us in this body are acutely aware of the myriad problems plaguing America's small businessmen, and the fact that a good share of those problems are created by the Federal Government which is supposed to be supporting them rather than adding to their burdens.

Among the hundreds of thousands of small businessmen in the Nation, none has so captured the public's fancy as an increasingly prominent peanut farmer from Plains, Ga.—President Carter's brother, Billy.

Americans have been quick to recognize that Mr. Carter has a most engaging personality. Those who have read the recent interview with him, written by senior editor Vernon Louviere of Nation's Business magazine, can certify that he also is a most lucid spokesman for the small businessman. This revealing article in the May issue in which Mr. Carter identifies the principal frustrations of small business about which many of us have spoken out for years, has received widespread publicity.

Entitled, "Billy Carter: Frustrations of Small Businessman," it certainly states in a most authentic way the impediments in the path of a successful small business. There is no question that those frustrations, as explained by Billy Carter, are receiving considerably more attention because they are voiced by the President's brother.

While I cannot speak for the intentions of the Occupational Safety and Health Administration, it is interesting to note that within weeks of Billy Carter's complaints about burdensome OSHA trivia, that agency announced it was reforming its policy to deal with matters of substance and cease many of the "Mickey Mouse" activities which have led to its notorious reputation.

Whether Mr. Carter's remarks were the catalyst that brought about this change I do not know, but I find the connection refreshing. In that vein, Mr. Speaker, I suggest we have much to learn from spokesmen such as Mr. Carter. I would respectfully urge the chairmen of House and Senate committees concerned with the problems of small businessmen to invite him to speak with the respective committees and pinpoint many of the other problems to which we should be addressing ourselves in the interests of small business.

TRIBUTE TO BOOKER T. TALL

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. STOKES. Mr. Speaker, I rise on this occasion to bring to the attention of my colleagues in the U.S. House of Representatives the outstanding career of one of Cleveland's foremost scholars and educators. Mr. Booker T. Tall, the highly respected director of the Department of Black Affairs at Cuyahoga Community College has dedicated his life to the educational advancement of Cleveland's black youth. Moreover, he has unselfishly dedicated his time and considerable talents to the social and economic advancement of Cleveland's black community.

On Sunday, June 19, 1977, Mr. Tall's family, friends, and colleagues will gather at the Bond Court Hotel for a testimonial dinner in his honor. In recognition of this event, Mr. Speaker, I would like to take this opportunity to cite for the RECORD a few of Mr. Tall's impressive contributions. I am certain that my colleagues will share my assessment of Mr. Tall as a man of incredible vitality and commitment.

Booker T. Tall has served with distinction on the boards of various cultural, political, and social service organizations, including: Community Mental Health, Children's Aid Society, Lake Erie Girl Scouts, Cleveland Business League, Domestic Workers of America, Area Councils Association, Mt. Pleasant Drug Education Program, Citizen's League of Cleveland, Afro-American Historical Museum, Peoples and Culture, Inc., Tri-C Small Business Management Program, Shaker Dads Club, National Bicentennial Marker Commission, Karamu, Friends of Shaker Development, Sister City Program (Ibaden Nigeria), and education consultant of National Black Caucus.

Moreover, he is a member of the NEO 90 Committee, the Ludlow Association, local chapter of the NAACP, the North Central Accreditation Association, the Association of University Professors, Ohio Program for the Humanities, United Tourch Delegate Assembly, Who's Who in Black America 1975, and the Ethnic Studies Advisory Board. In addition, he is president of the Mt. Pleasant Community Council, the Northeast Ohio Black Studies Consortium, the Antioch Baptist Church, and the Northeast Ohio Accrediting Association for Secondary Schools. He holds the position of vice president of the Ohio Chapter of the Association for the Study of Afro-American Life and History.

Mr. Speaker, in addition to the many responsibilities previously mentioned, I would like to make special note of Mr. Tall's publications. He is author of a biography on John P. Green and a historical book on black settlers in Cleveland. He has also prepared directories on community resources, black studies, and minority businesses.

Furthermore, he has been a prime sponsor of "The Summer Study Abroad Program" in African Universities which provides students and teachers with an international education experience.

Mr. Speaker, at this time I would like to ask my colleagues in the House to join me in congratulating Mr. Tall for his many achievements and contributions to the community. I think that I can speak for his friends and associates when I say thank you Booker T. Tall for your warmth, sincerity, and years of unselfish devotion.

THE CRUISE MISSILE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the San Diego Union, May 31, 1977]

THE CRUISE MISSILE

Acutely aware that too much publicity about U.S. arms limitations proposals seemed to irritate the Russians in March, Secretary of State Cyrus Vance is having much less to say about the recent follow-up talks in Geneva. That's understandable, because the give and take of arms negotiations demands privacy. The results—workable agreements—are what count.

From the inevitable leaks and speculation, it is now a fair guess that any new Strategic Arms Limitation Treaty to be concluded in 1977 would have to assign the thorny issue of cruise missiles to a separate interim "protocol." That it might call for a moratorium on development or deployment of the U.S. cruise missile is a red flag.

Figuring out how to deal with the strategic applications of the relatively slow, low-flying cruise missile is a staggering problem for arms negotiators. It may be an insoluble one if the two sides cannot agree on a verification procedure to distinguish between cruise missiles with one range and payload and those with another. The same dilemma confronts the negotiators in dealing with the Soviet Backfire bomber, which has the same dual potential as a short-range tactical weapon or a long-range strategic weapon.

The important thing at this stage is to avoid thinking of our cruise missile technology as a "bargaining chip" in the arms negotiations. Long-range cruise missiles carrying nuclear warheads may eventually be brought under a SALT agreement, but this should not deter the full development of cruise missiles looking to their deployment in various configurations.

In addition to its potential role in the array of our strategic deterrent forces, the cruise missile could have significant tactical value in countering the worrisome build-up of Warsaw Pact forces in Eastern Europe. As a sea-launched weapon, it can help the U.S. Navy counter the growing Soviet naval deployments in the Mediterranean, South Atlantic, Indian Ocean and Western Pacific.

The Russians know the potential of the cruise missile better than anyone. They already have 300 of them deployed, and are working on a new version with a higher speed and more accurate guidance system. The American ones which are still in the developmental stage are going to be better, and the Russians know that, too.

Cruise missile technology is having a destabilizing effect on the strategic balance between the United States and the Soviet Union. No one can help that, and new technology in other fields will continue to affect it. That is a challenge for SALT negotiators. In the meantime, however, it would be folly for the United States to slow down or suspend its cruise missile program as a condition for negotiations that may or may not lead to this new weapon's inclusion in some future SALT treaty.

IMPORTANCE OF BREEDER REACTOR DECISION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BINGHAM. Mr. Speaker, sometime in the next few weeks, the House will be considering the merits of the President's decision to terminate funding for the construction of the Clinch River breeder reactor project.

The chairman of the President's Inter-Agency Non-Proliferation Review Committee, Deputy Undersecretary of State Joseph S. Nye, Jr., recently discussed the importance of congressional action in support of the President's decision on Clinch River in testimony before the House International Relations Committee. Dr. Nye stressed the close relationship between termination of Clinch River funding and the hopes for success in our nonproliferation efforts abroad.

Dr. Nye's testimony follows:

STATEMENT OF JOSEPH S. NYE, JR., DEPUTY TO THE UNDER SECRETARY FOR SECURITY ASSISTANCE

Thank you Mr. Chairman. I am pleased to have this opportunity to testify on behalf of the Department of State. Last Thursday I testified before this Committee on the broader aspects of our non-proliferation policy and today I shall testify on the non-proliferation aspects of the 1978 ERDA authorizations.

As you know, a key aspect of the President's policy is to persuade other countries to avoid premature commitment to actions which would lead to a plutonium economy. On April 7, 1977, President Carter called for the establishment of an International Nuclear Fuel Cycle Evaluation in which we would work with other countries in investigating fuel cycle alternatives. More recently at the Economic summit, President Carter has discussed this evaluation with the Foreign heads of state. We have also had discussions in various forums with a number of other countries on the International Fuel Cycle. Evaluation and their response has generally been favorable. We therefore hope in the near future to move ahead on this evaluation with these countries, including the Summit countries, and are proceeding now to gain international consensus on a detailed approach. A key element of this evaluation must be strong US participation in coordinated research programs to explore ways to extend the current fuel cycle and to develop future fuel cycles that are more proliferation resistant than the planned plutonium breeder and PUREX reprocessing fuel cycle concept. The program proposed by the President as reflected in the 1978 ERDA authorizations I believe fully supports this need.

I would like to turn to the specific question of authorization for the Clinch River Fast Breeder Reactor Facility. The President is proposing to reduce the funding for the existing breeder program and to redirect it toward evaluation of alternative breeders, advanced converter reactors, and other fuel cycles, with emphasis on non-proliferation

and safety concerns. He also is proposing to cancel construction of the Clinch River Breeder Reactor Demonstration Project and all component construction, licensing, and commercialization efforts. The design work would be completed, and a base level program would be maintained, including the Fast Flux Test Facility. These actions would not seriously affect long-term energy supplies in the United States. There is, of course, some price to be paid in redirecting this program, but that price is clearly outweighed by the dangers of proceeding. I believe that if the Congress were to alter the President's proposals regarding restructuring the US breeder programs and deferring commercialization of the liquid metal fast reactor at this time, this action would raise doubts about the sincerity of our non-proliferation policy.

If one looks at the entire ERDA breeder reactor budget one can see that the United States has not ruled out the breeder option for the future. The overall amended funding level of $483 million for breeder R&D is not a trivial level of effort. By indefinitely postponing the Clinch River Breeder option the program will have a broader focus, rather than a narrow focus which is primarily aimed at the LMFBR technology. We feel that the President's amended breeder budget proposal is consistent with our broader non-proliferation policy. Thus the State Department would strongly support the $33 million funding level for the Clinch River Liquid Metal Fast Breeder. To do otherwise, would send exactly the wrong foreign policy signal abroad at this critical time when we appear to be making progress with other nations in our efforts to examine alternatives to the plutonium option.

The heart of the President's policy is the following: we do not need at this time to rush ahead into the plutonium economy for two reasons: First, we believe that we have sufficient time for a pause to examine alternatives to the plutonium economy. Secondly, we should not continue the thrust towards a plutonium economy until we are certain that other alternatives which are more nonproliferation resistant are not viable. Specifically, we must be sure that the materials accounting and physical security techniques will be able to give us timely warning of diversion so that we will have sufficient time to allow negotiated solutions. As everyone knows, actions speak louder than words. The actions we take in our budget indicate our intentions. In fact, budgets often speak much more clearly to other nations than mere rhetoric. If our budget does not reflect the President's policy on plutonium planning, how can we credibly ask other nations to pause and re-examine their plutonium option?

It has been suggested that we modify the Clinch River Breeder to do additional research. The Clinch River reactor was originally designed as a demonstration for the commercialization of the breeder technology in the early 1990s. Before considering the modification of this facility we must answer several basic questions:

1. What precisely is to be tested at Clinch River (the use of denatured fuel? The use of slightly irradiated plutonium? etc)?

2. Which of these development tests can be done at Clinch River that cannot be done at the FFTF or elsewhere?

3. Will the value of the information learned be worth the political costs of an apparent retreat from the President's clear signal that the world should pause to consider other options before embarking irrevocably on the path of a plutonium economy?

On balance the Administration believes that the technical value of pursuing such a course are not commensurate with the potential costs to our non-proliferation effort.

A key premise of the President's approach is the availability of sufficient uranium reserves to allow a deferral of commercialization of the breeder now. There have been many published estimates for uranium reserves. To quote the American physical society, "We are unaware of dependable information concerning how much uranium ore may be available in the US at prices up to several hundred dollars per pound which would still permit further LWR use or growth." Much of the past uranium data was based on costs of uranium ore at $30 per pound or less with no data on uranium producible at costs between $30 and $125 per pound. It is hard to imagine that slightly less concentrated ores would not be available to us. Since the ore costs for light water reactors translates at most into one or two mills per kilowatt hour, it is clear that the use of less concentrated ores would not substantially raise the cost of nuclear electricity which presently costs about 15 mills per kilowatt hour at the bus bar.

More recently the Mitre/Ford study and the Pan Heuristics groups have indicated much more optimistic assessments of uranium reserves. Moreover, it also is possible to stretch our uranium reserves by the use of several technological choices. The April 15 issue of Science Magazine summarized some of the possibilities to conserve uranium. It is clear that the light water reactors do not efficiently burn uranium as well as other options. The 1978 ERDA budget has funded some of the more promising uranium conserving options as well as additional funding for the thorium cycle.

As a related point, it is also clear that estimates of our nuclear power growth rate have been considerably reduced. We are now considering about 350 nuclear reactors by the year 2000 whereas in the past the figure was greater than 1000. Planning for early commercialization of the breeder was based on this latter figure. Downward revision of this figure by a factor of three lends further support for our view that we have time to examine alternatives to the plutonium breeder and avoid premature movement toward a plutonium economy.

MOVING CLOSER TO CASTRO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. DERWINSKI. Mr. Speaker, it is most appropriate that as we debate the State Department appropriation bill, our relations with Cuba became an issue. I believe it is important that we look closely at prospects of normalizing relations with Cuba and the problems which are created for us by the Castro dictatorship. I direct the attention of the Members to a very profound editorial in the Chicago Daily News of June 1, which analyzes the President's views as they relate to diplomatic recognition of Cuba and Castro's continuing disruptive behavior. The editorial follows:

MOVING CLOSER TO CASTRO

During the presidential campaign last fall, Jimmy Carter said he saw no immediate prospects for normalizing relations with Cuba and pointedly added, "I don't advocate that as a goal in the foreseeable future."

But the perspectives from Pennsylvania Avenue—on this issue as on others—can be remarkably different. The Carter administration now has proposed to Cuba that relations be normalized enough to allow each country to post in neutral embassies of the other "consular interest sections" to conduct business of mutual concern. Carter drew the diplomatic line, however, "far short of recognition."

We don't know what prompted the President to get his feet out of the concrete, especially considering his statement that "we haven't had any firm indication yet that Castro wants to normalize relations with us." But we're glad that he has. Thrown together as neighbors as the two countries are, it is useless—and sometimes perilous—for them to continue carrying on a backfence mouth fight when civil—if cool—discussions can resolve issues pressing to both countries. The recent fishing and maritime agreements are good examples.

But we're also glad that Carter isn't intent on going all the way with full diplomatic recognition, which would presume lifting of the U.S. trade embargo against Cuba. Fidel Castro hasn't earned that yet, and Carter gave two good reasons why:

Cuba has thousands of troops deployed in Africa, roiling the waters in Angola, Mozambique, Zaire, Sierra Leone, Guinea, Guinea-Bissau, Equitorial Guinea, Tanzania, Somalia, Uganda and, now, Ethiopia.

"The large number of political prisoners in Cuba—between 15,000 and 20,000."

There are other major obstacles to full recognition. Cuba, for example, still owes American businessmen $1.8 billion for property confiscated when it communized the state. The largest obstacle, however, is Castro's international adventurism, most dramatically demonstrated in Africa but perhaps of more serious concern to American interests much closer to home—in the Caribbean. It is a flammable sea of poverty with great potential for violence. And Castro is setting himself up as the revolutionary hero of the area—in Jamaica, in Guyana and in Panama.

It does not appear wise to be endorsing Castro's aspirations for such leadership by granting him diplomatic recognition. If he wants it, let him earn it with restraint abroad. He needs America's good will more than America needs his.

THE NEED TO FIND OIL AND GAS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. COLLINS of Texas. Mr. Speaker, since Congress is presently concerned with finding a solution for the energy problem, I call the attention of my colleagues to a letter I received from my friend Malouf Abraham. Mr. Abraham, who lives in Canadian, Tex., is a small, independent oil and gas producer.

While we are often guilty of thinking that the major oil companies dominate production, the fact is that over 80 percent of new production in the United States is drilled by independents like Mr. Abraham. It is a risky, expensive business that is vital to our continued growth, yet the independents are being swamped in a sea of over-regulation. Nearly three-fourths of the funds Mr. Abraham spent last year went for dry holes yet because of excessive regulation he is unable to get a fair market price for the oil he did discover.

It is for this reason that I commend to the attention of my colleagues this letter from Mr. Malouf Abraham:

Last year we participated, in varying percentages, in 39 wells, spending approximately

$2,500,000.00 for intangible drilling cost. Nineteen (19) of these wells were dry holes and cost us $1,732,965.00. Most of the producing wells we are involved in ranged from 7,000 cubic feet to 11,500 feet. About ten of the producing wells will turn out to be profitable and we will be lucky to get our money back from the other ten. Three of our dry holes were drilled in Western Oklahoma to depths of 15,000 feet to 16,000 feet. Wells of this depth can get you in a lot of trouble as total cost of each dry hole was about three million each instead of the million dollar estimate when the wells were begun.

In spite of the fact that each of these wells was only a mile or so away from established production they all turned out dry. Of the nineteen dry holes we drilled only 2 or 3 would have been over 2½ miles away from existing production. Anyone who knows anything about it realizes that every well you drill in the Anadarko basin is a Wildcat even if it is only a half mile away from production.

We feel that there is plenty of oil and gas to be discovered in the Anadarko Basin and free enterprise and a free market is the answer to the energy crisis. At the time of the Arab embargo we were importing a little over 20% of our oil and now we are importing over 50%.

THE SILENT SLAUGHTER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. DORNAN. Mr. Speaker, a human slaughter has been underway for more than 2 years which—in terms of relative population—exceeds those of Hitler and Stalin.

Between the fall of Phnom Penh on April 17, 1975, and January 1, 1977, the Communist invaders and revolutionaries were responsible for at least 1.2 million deaths in Cambodia. Over 100,000 Cambodians have died from massacres and executions, over 20,000 during escape attempts, over 400,000 during the mass expulsion from cities which followed the victory of the Khmer Rouge, and 680,000 from untended diseases. That is one in every six Cambodians.

For a blood bath of the same relative magnitude to occur in the United States, the entire populations of New York City, Chicago, Los Angeles-Long Beach, Philadelphia, Detroit, and San Francisco would have to be murdered.

I was shocked to learn these statistics, not because I believe the Communists incapable of such bestiality—far from it—but because the American news media appears to play down the extent of the butchery.

As related in a recent TV Guide article, the 20 months following the "liberation" of Cambodia, the ABC, CBS, and NBC evening news shows spent a total of 4 hours and 55 minutes covering Cambodia, but only 7 percent of that time was spent on the horrifying bloodbath. The three news networks together offered the viewer approximately 1 minute of news a month to a purge of genocide proportions. And since a viewer can only watch one station at a time, any knowledge gleaned from the major networks would have to be gotten in 20 seconds a month.

One can only ask in amazement: "How many people have to be murdered for it to be newsworthy?" "When will the networks deign to utter a word of real outrage about the carnage in Cambodia?"

The answer is obvious to anyone who is attentive to the news programing of these same networks: Killing is atrocious and damnable when it is done by anti-Communists. Genocide is merely embarrassing to the revolutionary cause when it is done by Communists. How phoney.

How else can one explain the massive coverage given to the execution in Spain of five avowed terrorists duly convicted of murdering policemen in cold blood and the purblind attitude toward the slaughter going on in Cambodia now?

The TV Guide article by Dr. Ernest W. Lefever posits that this is the onlv explanation of the distorted coverage of the Communist purge in Cambodia. It is well worth the attention of my colleagues and I call it to their attention:

[From News Watch, April 30, 1977]

THE CAMBODIAN BLOOD BATH AND THE GREAT SILENCE

(By Dr. Ernest W. Lefever)

Let's suppose that Castro were abruptly overthrown and replaced in Cuba by a non-Communist regime determined to wipe out all vestiges of the old order—Castro's army and secret police, the Communist Party, political commissars and the entire Soviet apparatus, along with the revolution's vaunted social achievements: child-care centers, workers' schools, students cane-cutting battalions and the Marxist intellectual class.

Let's further suppose that Cuba's new rulers pursued their ends, not by legislation, trials or reeducation, but by a massive program of "class" executions and forced migration from cities, a program that within 20 months would bring brutal death to one Cuban in every six or seven.

If such a blood bath took place, the world press would scream with condemnation and the United Nations would vote sanctions.

Unfortunately, this scenario is not make-believe. The blood bath has already happened, not in Cuba but in Cambodia. In the face of this massive atrocity, the President, the Congress and the United Nations have remained all but mute. American newspapers and TV, with rare exceptions, have neither reported the facts nor condemned what The Christian Science Monitor has called one of the most "brutal and concentrated onslaughts in history."

The Cambodian blood bath began on April 17, 1975, two hours after the first Communist squads started "liberating" Phnom Penh. Within days, there was enough evidence from the lips of escaping Cambodians and foreigners to rivet mankind's conscience on Cambodia.

According to numerous eyewitness accounts verified by several independent and reliable sources, this is what happened. From the start, the Communist High Command decided to eliminate all "enemies of the people," a category that expanded as the grisly drama unfolded. First executed were the officers and men of the Lon Nol army and their wives and children. Then came higher civilian officials, followed by lesser ones—hamlet chiefs, doctors, nurses, teachers and even students. In most cases, the families were also killed in the frantic effort to obliterate every trace of the old regime by the first anniversary of the Communist takeover.

To "purify" the culture, historic buildings, shrines, schools and even cities were scheduled for oblivion. Two million citizens of Phnom Penh, considered a cesspool of corruption, were evacuated at gunpoint, as were a million more from smaller towns. The sick were driven from hospitals. Tens of thousands met death by beating, exhaustion or slow starvation. The lucky ones were shot.

According to two experienced researchers who sifted testimony from refugees in Thailand, France and the U.S. ("Murder of a Gentle Land," by John Barron and Anthony Paul, Reader's Digest Press) at least 1.2 million Cambodians died between April 17, 1975 and Jan. 1, 1977 as a direct result of Communist policies—over 100,000 from massacres and executions, over 20,000 during escape attempts, over 400,000 during the expulsion from the cities and 680,000 from disease and starvation. One Cambodian in six met a painful end. U.S. Government agencies and other authorities do not dispute these grim statistics.

On Sept. 5, 1975, Ieng Sary, a Cambodian official, on arriving in New York said: "The towns have been cleaned." When he appeared at the United Nations, he was warmly applauded. He neglected to say he represented a country "without universities, commerce, art, music, literature, science or hope," to quote Barron and Paul.

American newspapers and TV networks barely pierced what The New York Times called the "veil of silence."

In the 20 months following the "liberation" of Cambodia, the ABC, CBS and NBC evening news shows spent a total of four hours and 55 minutes covering Cambodia, but only 7 per cent on the blood bath. The three shows combined gave one minute of news a month to a purge that in terms of relative population exceeded the slaughter of Hitler's and Stalin's concentration camps. The attentive viewer—able to watch only one channel at a time—received only 20 seconds a month from the medium American citizens rely on most for their news.

Equally appalling was the skeptical and even apologetic tone of most of the early stories. The May 8, 1975 reporting was typical: ABC says blood-bath theory is widely believed by refugees; no confirmation. CBS says tales of executions are not confirmed; New York Times newsman Sydney Schanberg suggests Americans have stake in blood-bath theory. ABC and CBS report the Khmer Rouge troops are well-disciplined.

During the next 18 months the three networks combined carried 10 brief references to brutality and death, but there was not a single comprehensive report on the blood bath.

The near absence of Cambodian blood-bath news on TV was not attributable to a lack of evidence. Among the 50,000 Cambodians who escaped; there are thousands of eyewitnesses. And some enterprising newsmen did interview them.

The performance of America's serious newspapers was not as poor as that of TV news. Of the 63 stories examined, it appears that only one hit page one, on Feb. 2, 1976 in The Washington Post. As on TV, only a few press stories carried the blood-bath story without misgivings or apology.

It took two explicit atrocity reports by Secretary of State Kissinger to get the attention of the networks. His May 13, 1975 statement appeared in several papers. His June 24 report was noted briefly by TV and the papers, but it was not followed up by either.

The blood bath, the very essence of dramatic human-interest news—when carried at all—was treated more frequently in signed opinion and editorials than in the news columns. To their credit, The New York Times, The Christian Science Monitor and The Wall Street Journal reported and condemned the blood bath. On July 9, 1975, The Times compared it to the "Soviet extermination of the Kulaks [and] the Gulag Archipelago." In April 1976, The Journal said: "The enormity of this kind of atrocity . . . is mind-numbing" and asked why the "weak outcry from the usual wellsprings of moral outrage around the world."

Why, indeed? The press is frequently outraged by small or even alleged crimes. The media reported fully and sometimes joined in the condemnation of the Spanish government in 1975 for executing five terrorists convicted of murdering policemen. But where is the condemnation of the murder of a million innocent people?

The Wall Street Journal suggests a partial answer—the frequent partnership of moral outrage and revolutionary zeal. The "crimes of the Khmer Rouge, even though they dwarf some other state crimes of our time . . . have attracted less attention because they are inflicted in the name of revolution."

UNIFORM SENTENCING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. RANGEL. Mr. Speaker, a few weeks ago S. 1437 was introduced in the Senate. This legislation provides for the recodification and updating of the entire Federal criminal code. One area of major importance in this legislation is the enunciation of uniformed sentencing procedures.

As an advocate of uniform sentencing procedures I have introduced H.R. 2489, a bill to provide for judicial reform in criminal cases, which offers strict sentencing guidelines. Through the years our courts have handed down various sentences for the same crime in different areas of the country and in many cases the same court. The Congress must act now to establish guidelines for uniform sentencing procedures. By doing this judges, prosecutors, defense counsels and defendants will have positive knowledge of sentences for criminal violators. It will remove the cloud of inconsistency that presently hangs over our criminal justice system.

On Tuesday, June 7, an article appeared in the New York Times describing the proposal to eliminate our parole system. This editorial offers insight and support of the creation of a Federal Sentencing Commission to develop and promulgate criminal sentencing guidelines.

To this end I am inserting the editorial which I referred to. I think my colleague will find it very interesting and informative.

The article follows:

SENTENCES TO FIT THE CRIME

(By Tom Wicker)

The Senate Judiciary Committee is about to begin hearings on a bill that would all but eliminate the parole system, with its demonstrated inequities, while providing an innovative means of giving fixed but fair sentences to Federal criminal offenders.

Sure to serve as a model for similar reforms in the more progressive states, the parole reform is part of S. 1437, the lineal but much-purified descendant of the bugaboo of past Congresses, S. One. The aim of the new bill is still to recodify and bring up to date the entire Federal criminal code, but the new bill has been shorn of the hard-line excesses—an Official Secrets Act, for instance—that produced so much liberal opposition to S. One.

Strange-bedfellow sponsorship, with liberals like Senators Edward Kennedy and Gaylord Nelson joining conservatives like Senators John McClellan and Strom Thurmond, suggests that the new version has an excellent chance for passage by this Congress. Attorney General Griffin Bell is expected to lend Administration support and the director of the Federal prison system, Norman Carlsen, will strongly back the parole reform in testimony later this week.

The legislation would establish a Federal Sentencing Commission, which would be instructed to develop and promulgate criminal sentencing guidelines for Federal judges. In most cases, these guidelines would make no provision for parole; instead, they would provide, say, "four to six years" for a specified crime.

For that crime, judges would then hand down a sentence within the specified range, stating in writing their reasons for the sentence selected. That sentence would have to be served in full, but the offender would know from the start precisely how long his term would be, and that it would be approximately the same as that of anyone else convicted of the same crime.

In some cases, the sentencing guidelines might provide, say, "four to six years, with parole after four." The offender still would know that he would be out in four years, assuming only his good conduct while in prison. He would not have to qualify in any other way, or persuade a parole board that he was "rehabilitated." Even if he got into disciplinary trouble while in prison, he would still know that he would get out in six years—a far cry from the broadly indeterminate sentences (such as four to twelve years), and the uncertainties and arbitrary decisions of today's parole system.

If a sentencing judge departed from the guidelines, he would have to state his reasons in writing and the offender could then obtain appellate review of the sentence—an important safeguard against the kind of sentencing inequities that are now commonplace.

Under this system, the Federal Parole Board would be almost entirely removed from the chancy business of determining when inmates should be released—functioning in that way only in cases where judges imposed a sentence within the guidelines but still indeterminate, such as "four to six years," with no mention of parole.

The Parole Board also would retain counseling functions for the relatively few inmates who would occasionally be paroled, as well as the power to return parole violators to prison for the remainder of their terms. For the most part, however, after the new system is phased in, Federal criminal offenders would serve fixed terms within the limits set by the guidelines.

The aim is not only to limit, without altogether removing, the sentencing discretion of judges. It is also to eliminate the uncertainties and inequities of Parole Board action, which are the cause of much hardship and bitterness among inmates; to reduce the necessity for judges and parole officers to "predict behavior," and to remove from inmates the burden of proving themselves "rehabilitated" to unsympathetic prison and parole officials.

The Sentencing Commission, moreover, would take the provision of sentences for crimes out of the hands of legislators, who tend to overact to pressures from a frightened public. Thus, the makeup of the commission is crucial; S. 1437 now provides that it would be appointed by the Federal Judicial Conference, which might limit membership mostly to judges; and an effort will be made to insure a more varied commission by having it appointed at least partially by the President.

"Decriminalizing" the possession of small amounts of marijuana, another feature of the bill, may get more headlines; but the parole and sentencing reform—especially if emulated by the states—might prove the longest step yet toward a sensible and equitable American corrections system.

HARRY BRIDGES

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. PHILLIP BURTON. Mr. Speaker, it was my pleasure to address the 22d Biennial Convention of the International Longshoremen's and Warehousemen's Union in Seattle, Wash., in mid-April. At that time, one of the truly great men of the American labor movement, Harry Bridges, president of the ILWU, announced his retirement.

Harry Bridges has been a giant in the labor movement, a true champion in the cause of racial, social and economic justice, a ringing voice to decry oppression or injustice wherever he saw it.

The New York Times on April 23, 1977, printed a story on Harry Bridges, "The Last of a Militant Band" which I would like to share with my colleagues as a tribute to this truly free spirit of the American scene. Harry Bridges may be retiring but his wit and wisdom, his, the voice of outraged conscience will still be there should anyone less fortunate need to draw upon his great reserve of strength.

I place in the RECORD at this time the full text of the New York Times article:

THE LAST OF A MILITANT BAND

(By A. H. Raskin)

When Harry Bridges steps down as leader of the West Coast longshoremen at their union convention in Seattle today, his retirement will take from the active labor scene the last of the militant band that joined with John L. Lewis four decades ago in a successful crusade for industrial unionism in steel, autos and other bastions of anti-unionism. All the members of that resolute group—Philip Murray, David Dubinsky, Sidney Hillman and a dozen others—contributed much to changing the national power balance in economic, social and political affairs.

But none ever matched the indomitable Mr. Bridges in demonstrating, through the vicissitudes of his career, the adaptability of the American enterprise system and the impossibility of classifying it in any doctrinaire mold.

In a transcontinental telephone interview this week, the 75-year-old unionist, whose radical tactics once convinced millions that he was an apocalyptic herald of revolution, renewed his lifelong call for socializing America—but gone was any hint of violent overthrow of existing institutions.

"I'm still for fundamental change," he said, "but it must be democratic, peaceful change. The other is too dangerous."

COOPERATIVE APPROACH

A Marxist iconoclast in a basically conservative labor movement, he never abandoned his admiration for Moscow or his censure of capitalism. Yet he became a pattern-setter in a cooperative approach to waterfront automation that reversed a century-old tradition of Luddite resistance by labor generally to technological change. The mutual benefits that both sides derived from the pioneering pact Mr. Bridges achieved in 1961 pushed other unions into similar accommodations, thus heightening the efficiency of American industry and strengthening its global competitiveness.

The building of his International Longshoremen's and Warehousemen's Union to free the West Coast docks from corruption and company unionism touched off a 1934 general strike in San Francisco that stirred fears of class war and reddened the city's streets with blood. The wiry Australian-born rebel, delivering cocky challenges to established authority in an electric voice, became a symbol of violent revolution to many, especially in business and veterans' organizations.

MORE DETRACTORS

Under Presidents Franklin D. Roosevelt, Truman and Eisenhower, the Federal Government tried to deport him as a Communist. Congress passed a special law aimed at forcing him out of the country. When the Supreme Court ordered a stop to all such efforts a quarter-century ago, Jusice Frank Murphy denounced the harassment of Mr. Bridges as a dismal case study in "man's inhumanity to man."

In organized labor as well as industry, he had more detractors than friends. The old Congress of Industrial Organizations expelled his union after World War II on charges of Communist control, and it remains an outcast from labor's mainstream to this day. A long-standing ukase by the high command of the American Federation of Labor and Congress of Industrial Organizations against any fraternization with Soviet trade unionists resulted just this week in refusal by the State Department to let three Russian unionists go as fraternal delegates to Mr. Bridge's farewell convention in Seattle.

Against that background of sustained institutional hostility, the reaction of Mr. Bridge's departure from leadership is startling. The shipowners who once sought to hound him back to Australia are as sad to see him step down as the dock-wallopers to whom he brought higher pay and lifetime income guarantees.

"I don't think Harry has changed any," is the verdict of a top negotiator for the Pacific Maritime Association. "He is the friend of the industry not because he has changed but because the industry has changed under his influence."

"It used to be a terrible industry, accustomed to buying people up, and Harry never believed in that. He taught us that we had to think in terms of human beings. The fact that he often spouted off about how much better they did things in Moscow never altered the fact that he was an innovative guy who could outthink anyone else at the table and whose word meant a lot. He comes out of a mold no one else will fit in."

VIGIL AGAINST GANGSTERISM

The same union leaders who abhorred his political philosophy were quick in private conversation to salute his jauntiness of spirit and the unrelenting vigil he maintained to bar any spillover to the West Coast piers of the gangsterism that is still rife in Atlantic and Gulf ports. His own union salary of $27,000 a year, among the lowest for any international union president, is less than half the pay of some unionized checkers on Pacific docks.

In his telephone interview as he prepared for his final clap of the convention gavel, Mr. Bridges sounded as peppery and self-confident as ever. His ideas for remaking society kept tumbling forth in a ceaseless cascade, much faster than a reporter's pencil could race.

He condemned as "totally false" what he called a carefully orchestrated campaign in the United States and all the capitalist countries of West Europe to blame overstrong unions for inflation.

He had one bit of good news he wanted to share. That was reassurance from Moscow that "we have seen the last of worldwide war." He said ranking Soviet officials had told him that nothing short of United States military invasion would provoke the Russians into nuclear retaliation.

NOT RETALIATORY STANCE

"Even if we dropped a bomb that killed 100,000 people on them, they say they'd have to think carefully about whether to retaliate," Mr. Bridges said. "Regardless of what George Meany may think, that attitude won't change unless the Soviet trade unions can be convinced there ought to be retaliation. That means the superpowers are not going into another holocaust."

He deplored the Carter Administration's submission to Mr. Meany, the A.F.L.-C.I.O. president, on excluding the three Soviet delegates to the Seattle convention. He said the action did not hurt either Moscow or the Bridges union but severely damaged the American position on respect for human rights.

"President Carter made a bad mistake," the unionist declared. "I hope he'll straighten up and fly right on future cases of this sort."

In terms of his own career, he looked back with greatest pride on his years of building the longshore union—"not just me but all those who worked with me going back to 1924 fighting the company union." He was proud, too, of his enrollment in 1933 in a rank-and-file committee to push for unemployment insurance and Social Security in a period when the American Federation of Labor was still opposing such measures as socialistic.

His greatest disappointment, he said, was that the labor movement "divided and fell apart" after the victorious drive in the mass production industries. He said the urgent need now was for a single federation lumping such independent groups as the auto workers, the teamsters, the miners and his own dock workers with the A.F.L.-C.I.O.

"NO REPLACEMENT FOR IT"

"But I want to put my faith in the labor movement for all its drawbacks and deficiencies of leadership," he declared. "There is no replacement for it."

He believes labor ought to be pressing hard for shorter work-weeks as a means of creating more jobs, though he rules out as "unrealistic" immediate pressure for a 30-hour week at 40 hours' pay. He wants President Carter to take $80 billion out of the defense budget and apply it to education, health insurance and other social programs. If Congress balks, put it up to the people in a referendum, is Mr. Bridges's idea.

His own first goal is to write a book along with his wife. Then he is going to dedicate himself to organizing elderly citizens into a political movement akin to the Townsend Plan and Upton Sinclair's End Poverty in California program of the Depression years.

"Our society is very cruel toward older people," Mr. Bridges declared. "We have a youth movement, a women's movement, a black movement, a Chicano movement. It's time for one nationwide movement to get more respect and help for older people from Government. That's the No. One problem for the United States."

CLARIFICATION OF BOYCOTT VOTE

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. MATTOX. Mr. Speaker, at the end of Friday's consideration of the conference report on the Export Administration amendments—the antiboycott bill—I voted "nay." This was a mistake on my part. Inadvertently, I pushed the "nay" button when I wanted to vote "yea."

I had intended to cast a "yea" vote, without hestitation, as I did on the original bill, H.R. 5840.

Though I cannot change my vote I am happy that 306 of my colleagues agreed with me and voted to send this needed bill to the President for his signature.

PEACE CORPS VOLUNTEER FROM MELROSE PARK SERVES WITH FORESTRY PROGRAM IN MALAYSIA

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. HYDE. Mr. Speaker, I am very proud to include in the CONGRESSIONAL RECORD, a recent news release concerning one of my constituents, Mr. Tom Thake of Melrose Park, Ill. Tom is presently one of about 200 Peace Corps volunteers serving in Malaysia.

Whether we realize it or not, our Peace Corps volunteers serving around the globe are among the most hard-working, dedicated and selfless ambassadors this country has. They do not live in lavish embassies with all the comforts of home—indeed, many are fortunate if they are provided the luxury of indoor plumbing—and there are no sumptuous banquets to attend or heavy negotiating sessions with foreign diplomats. But over a simple meal with the villagers with whom they are working, or in "important" negotiations on where to plant a tree, build a bridge, or pave a road, Peace Corps volunteers establish more lasting ties of friendship and goodwill for the United States than we will ever know.

Even though he may lack official recognition, to me Tom Thake is an American ambassador of good will and I am very proud to claim him as a constituent. I know my colleagues join me in expressing gratitude and thanks to Tom for his dedicated efforts in Malaysia, and I am pleased to share the following article on his accomplishments:

PEACE CORPS VOLUNTEER FROM MELROSE PARK SERVES WITH FORESTRY PROGRAM IN MALAYSIA

KUALA LUMPUR, MALAYSIA.—"You only have a short time here," reflects Peace Corps volunteer Tom Thake of Melrose Park, Ill. on his work with his Malaysian forestry colleagues in this developing Southeast Asian nation. "The main thing you leave behind is the initiative they take to further improve the system."

Thake, 23, a 1975 forestry graduate of the University of Wisconsin at Stevens Point, is serving at Malaysia's federal forestry headquarters in a relatively new, five-year-old department: silviculture, the branch of forestry concerned with the establishment, development, reproduction and care of forest trees.

The four Malaysians he works with in the capital city, Kuala Lumpur, are two-year diploma graduates in forestry. "I try to get them thinking along silviculture lines, since they really do not study silviculture in colleges here," he says. "The next step from

silviculture is conservation, so hopefully they will have a grasp of silviculture and an inkling of what conservation is about."

The son of Roger and Elaine Thake of Melrose Park, Thake is currently assigned to "go over the forest inventory systems they have now and upgrade them—review them, rework them and submit reports on changes that have to be made," he explains. He also has been conducting chemical research on the eradication of bamboo, considered a weed species in many forested areas of Malaysia.

Timber is second only to rubber as Malaysia's main export, and the country is the world's leading exporter of tropical hardwoods. The forest industry is booming in Malaysia's richly jungled interior, but Malaysian officials warned last month that the country could wind up importing logs after the year 2000 if the rapid depletion of forest resources continues.

"Malaysia is in an exploitation state, but they're at least thinking about conservation now," remarks Thake.

"You need to have a firm base of research and facts and models, which they don't presently have. So it's going to be a while before they even start. You need to have a lot of facts to put something down in the law books." He hopes to complete his current work in two months so he can devote the remaining months of his two-year assignment to conservation efforts.

Thake has set up research plots in his work on bamboo eradication, and the forestry headquarters has notified state forestry departments of the experimentation he has carried out. "If they can eradicate this weed species their timber production will increase," the volunteer notes. The states now can request Thake's services for similar work in their areas.

Thake spends about one week out of each month in the field for his bamboo research and review of inventory systems. "The inventories they have are not compatible, and there's so much unknown information," he says. His goal is "to come up with a system that they can use, maybe two systems that are compatible."

Thake estimates that about 60 per cent of his job is administrative. In working with his colleagues, "I help them and advise them, but I'm not in charge of them—I've made it so that I'm not. I've tried to teach them so that they know as much as I do. I don't want to be a leader because I'll be leaving."

When he began his work over a year ago, "I sat down and worked out with my boss what I thought I could accomplish," he recalls. "Some of these things you have to find initiative for." For example, his inventory systems work was a designated part of his assignment, "but the way you do it is up to you. I get a great deal of freedom. I think I'm very fortunate so far."

In his work Thake uses a combination of English and Bahasa Malaysia, the national language, which he learned during Peace Corps training for his assignment. He speaks English with his co-workers in the office and draws on his Bahass Malaysia in the field and in daily living. "In forestry my Bahasa Malaysia is very good," he comments. "In other fields it's probably very weak."

Thake became a Peace Corps volunteer in January, 1976, only two weeks after his December graduation. "The (Peace Corps) offer was too good to turn down," he says.

While he feels he may be missing out on new techniques in American forestry during his volunteer service halfway around the world, he believes his administrative capability "has increased tremendously. I hope that by the time I leave here, I will have a new way of looking at new situations and problems." After he winds up his Peace Corps tour next year, he expects to take forest management courses and work for the U.S. Forest Service.

Thake is active on the Volunteer Advisory Council for the Peace Corps in Malaysia, and contributes to Pokok bin Pokok, a newsletter published by and for the volunteers. His home in Melrose Park is at 636 Andy Drive.

He is one of about 200 Peace Corps volunteers serving the nation of 11.5 million people in a wide variety of agriculture, education, health and other development programs. Around the world, more than 6,200 Americans are taking part in Peace Corps programs in 62 developing countries.

A TRIBUTE TO THE REV. DR. THOMAS KILGORE, JR.

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mrs. BURKE of California. Mr. Speaker, it is indeed an honor for me to join the Brotherhood Crusade in a tribute to Rev. Dr. Thomas Kilgore, Jr. in recognition of his untiring efforts to build a better world for us all.

His spiritual guidance as pastor of the Second Baptist Church since 1963 has built a congregation that is a powerful force in community leadership. He has been instrumental in making possible housing for senior citizens and families. He has given leadership in the financial community by his membership on the board of directors of the Bank of Finance and the Golden State Mutual Life Insurance Co.

And further, through the efforts of Rev. Dr. Kilgore, the Concerned Clergy was organized to take concerted action in public affairs. He led in the planning of an appropriate memorial service following the death of Dr. Martin Luther King in 1968 and developed Operation Unity to prevent subsequent violence. Previously, Rev. Kilgore led in the organization of voter registration schools and unionization of tobacco workers in Winston Salem, N.C. He organized and directed the Prayer Pilgrimage for Freedom at the Lincoln Memorial in Washington, D.C. in 1957 at which Dr. Martin Luther King delivered his first major address, calling for black voting rights. Reverend Kilgore has served this Nation well in bringing the attention of all to the injustices of racial discrimination and the denial of the civil rights of black Americans.

Rev. Dr. Thomas Kilgore received his early schooling in rural North Carolina, graduated from Morehouse College and did graduate work at Howard University and Union Theological Seminary. He has been presented honorary degrees from six other prestigious universities. The achievements of Rev. Dr. Kilgore stand as an extraordinary example to our youth today of a man who has combined deep religious commitment with education and public service.

He continues today to serve as president of the Progressive National Baptist Convention as he has served in the past as president of the American Baptist Convention. He also acts as Presidential Advisor on Special Community Affairs at the University of California.

Rev. Dr. Kilgore's life work continues to be an inspiration to all who know him. He is truly a great American, and I am proud to count him among my personal friends.

OUR RICHEST RESOURCE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. ABDNOR. Mr. Speaker, in our materialistic world we tend too often to overlook the richest of our Nation's resources—our people. They have come from all over the world for reasons as widely varied as the homes and situations they left behind.

Our immigrants brought with them not only their industry and their desire for freedom and opportunity, but their traditions and folkways, which were assimilated into the great American melting pot to become a rich American heritage.

The old traditions and ways today are recalled in many annual celebrations across our land. In South Dakota, like other States, we have many such festivals. One of these is the annual Schmeckfest or "Festival of Tasting" at Freeman.

The Freeman community was established in the early 1870's by Mennonites seeking refuge from religious persecution of the Crimea in Russia. Originally part of the Anabaptist movement which began near Zurich, Switzerland, religious persecution had prompted their earlier flight to Prussia and then to Russia. The first group of Mennonites arrived in South Dakota in 1873 under the direction of Daniel Unruh, coming by way of Yankton on the railroad from Sioux City. Those who migrated from the Province of Volgania in Russian Poland settled east of Freeman. The Hutterite-Mennonites settled west and north and east of the city. Establishing homes, farms, and businesses, the families maintained their closely knit religious groups, and, like so many others who sought refuge in our Nation became deeply involved in government and community affairs in order to preserve the freedom they had gained.

The Mennonite emphasis on the importance of education was demonstrated in the founding of Freeman Junior College—originally the South Dakota Mennonite college. The college is not operated by the church now but operates under a board of trustees elected to form a corporation largely of members of the various Mennonite churches in South Dakota and surrounding States. The college and academy offers a full 4-year high school program, the college a 2-year liberal arts curriculum which prepares students for transfer to 4-year schools as well as for a wide variety of careers.

In 1949 the Freeman College Women's Auxiliary was founded to assist the college and academy. When the group com-

memorated their 10th anniversary, it was decided that an appropriate celebration was in order centered around the enjoyment of the traditional dishes of the three ethnic groups—the Hutters, the Switzers, and the Low Germans—who comprised the Freeman community. Each group was asked to prepare their favorite dishes.

At first no one had any idea that such a celebration would have universal appeal, and they found they had to turn away a large number of the 1,000 people who came. In the years since, the Schmeckfest was expanded to two nights and later to three nights. Preparations are made to feed 1,000 people on each of the three nights. A work force of 250—from uniformed waitresses to the workers tending the stoves and sinks behind the scenes—is on hand to handle the details.

The menu I had the privilege of enjoying this year featured Nudel Suppe, noodle soup; Gruene Schauble Suppe, bean soup; Daempffleisch, stewed beef, sauerkraut; Gebratene Kartoffeln, fried potatoes; Bratwurst, pork sausage; Apfel Mus, apple sauce; Kaese mit knoepf, cheese buttons; Salat, lettuce salad; Geschmaecke, relishes; Zwieback, twin buns; Roggenbrötchen, whole wheat buns; Pflaumen Muos, dried fruit sauce; Pflaumen Schmaus, dried fruit sauce of a different variety; Russischer Kuchen, coffee cake; Mack Kuchen, poppyseed rolls; and Hankelich, another coffee cake.

While maintaining their tasting festival, other innovations have been added through the years. There are demonstrations of oldtime crafts and culinary arts. Pioneer and Indian artifacts are featured at the Freeman Museum, together with the work of local artists. This year they added volume 1, No. 1 of "The Schmeckfest Gazette," which publishes details of the festival and other news worth printing.

The Schmeckfest Players—a company of Freeman College students and community actors and singers—have presented a nightly stage musical since the early years of the celebration. This year it was Gilbert and Sullivan's "The Gondoliers," with the leading roles assumed by farmers, bankers, housewives, teachers, and students of the community. Through the years other productions have included "The Mikado," "HMS Pinafore," "The Pirates of Penzance," "The Red Mill," "Twilight Auction," "Vignettes," "Plain and Fancy," "Fiddler on the Roof," "Oklahoma," "The Student Prince," "Sound of Music," and "Hello Dolly." Cast, chorus, orchestra, and stage crew are all drawn from members of the Freeman community.

The renown of the Schmeckfest has spread far beyond the borders of South Dakota. A salute in a large Colorado newspaper ad said:

Schmeckfest begins March 25. It's all over by midnight March 26. The whole thing takes place each year in Freeman, South Dakota, and is a mammoth German food celebration. (From schmecken, to taste. And fast, a festival). Diets begin March 27.

A membership memorandum from the National Geographic Society has noted:

In Freeman, South Dakota, Mennonite families put on a Schmeckfest—a "tasting festival"—to raise money for the community's junior college. Busloads of people come for supper from as far away as Texas and Illinois.

It has been cited as one of the top 20 U.S. Travel Vents by Discover America Travel Organizations.

While the dates may vary slightly from year to year, Freeman's Schmeckfest is always one of the highlights of spring in South Dakota.

WHY HOSPITAL COSTS KEEP RISING

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. McDONALD. Mr. Speaker, it has been widely publicized that hospital costs are rising at a rate above that of inflation, as measured by the "consumer price index." President Carter has pointed this out and proposed to solve the problem by legislation ordering the costs not to rise above a certain level.

Among all the rhetoric about these rising costs, one looks in vain for any serious analysis on the part of the President or Congress of the cause. Instead we see only talk of the higher costs plus the President's proposal to treat the effects of the problem, not the cause.

Obviously we can seriously address the problem only if we understand what has brought it about, and therefore I would like to bring the following article by M. Stanton Evans, which appeared in Human Events on June 11, 1977, to the attention of my colleagues. Mr. Evans has researched hospital costs for the past 15 years or so and places the cause of the rapid increase in recent years squarely at the doorstep of the Government. The CPI, for example, rose at a faster rate than hospital costs prior to 1966, but the situation changed after a massive infusion of Government funds through medicare and medicaid.

If Congress is really interested in solving the problem of rising hospital costs, it will begin to search for the causes instead of leaving them buried under a flurry of rhetoric addressed merely to the effects.

Close attention to Mr. Evans' article would be a good start.

The article follows:

WHY HOSPITALS COSTS KEEP RISING

(By M. Stanton Evans)

When President Carter announced his plan to control the rising cost of hospital care, he used some frightening statistics.

"Since 1950," he said, "the cost of a day's care in the hospital has increased more than 1,000 per cent—over eight times the rise in the Consumer Price Index. Today, the average hospital stay costs over $1,300; just 12 years ago, a slightly shorter stay cost less than $300. This relentless increase places a severe burden on all of us—and strikes hardest at the poor and elderly."

Having horrified us in this manner, the President went on to offer a program for correction—a cap on annual price increases, "incentives" to discourage "unnecessary hospitalization," an adjustment formula for hospital wage hikes, and other familiar bureaucratic nostrums. The cure for the problem, in Mr. Carter's view, is a further dose of federal regulation.

Left unexplained in all of this is any notion of why hospital prices have been mushrooming upward in such a manner. The usual statements refer to the problem vaguely as though it were a well-known natural attribute of hospitals that doesn't really need explaining.

Some effort is made to pin the problem on the private sector (Mr. Carter says severely that "the private sector's response to the challenges of cost containment will help decide its future role in our health care system"). But even this is not pushed very far. So we are left with an enormous, unanswered question: Why have hospital costs been soaring wildly out of sight?

The omission is a strange one, since it should be obvious that only if we know the cause of the difficulty will we have any chance of correcting it. If we can find out where these enormous costs are coming from, we can go to the source of the problem and start applying remedies. If we are in doubt, as President Carter seems to be, our supposed cures might actually make the problem worse. The omission becomes the stranger still when we note that the causes must be known to Mr. Carter and his advisers, since they are spelled out at length in official documents.

If we read these documents, we discover that the reason for the present mess in hospital costs is none other than the government itself—the very agency that Mr. Carter invokes to cure the (falsely) suggested failings of the private sector. Note that Mr. Carter contrasts the present cost of a hospital stay with that existing a dozen years ago. The date is significant, although he doesn't tell us why, because it was just 12 years ago, in 1965, that Congress enacted Medicare and Medicaid. That year is the dividing line between comparative sanity in medical pricing and the runaway inflation of which the President complains.

It may seem hard to believe, but before the advent of Medicare and Medicaid, the hospital price index was lower than the consumer price index, taking 1967 as the base year for comparison. In 1965, the CPI was 94.5, the hospital index 76.6. Five years later, consumer prices stood at 116.3, while hospital prices had almost exactly doubled, to 145.4. And in the years since 1970, hospital prices have doubled yet again (282 in 1976) while the CPI moved up to 172.

Thus, in a single decade after adoption of Medicare and Medicaid, hospital charges have increased by roughly 300 per cent, while consumer prices otherwise have risen roughly 75 percent. It is obvious from this comparison, and from many other data, that the problem with hospital costs was created for us by the adoption of Medicare and Medicaid.

Their contributions to the problem were several. By dumping an extra $30 billion a year of demand into our medical system, these government programs bid up all the factors of supply. By delivering health care "free" to millions, they made consumers oblivious of price. And by reimbursing hospitals on the basis of costs, they freed administrators to buy expensive equipment and offer wage hikes to employes, passing the bills along to Uncle Sam. (Hospital wages went up an average of 5 per cent a year from 1951–65; from 1967–71, they rose at 10 per cent a year. year.)

While it is hard to disentangle all these factors, the shift toward third-party payment deserves a bit of special notice. Some 90 per cent of hospital costs are now picked up by someone other than the patient,

and 55 per cent are paid by the federal government. This means that, despite the continued uproar over medical prices, the average citizen doesn't face the problem directly (average out-of-pocket medical expenses in 1976 were only $155), so this average citizen feels little compunction about demanding still more "quality" care regardless of cost, driving the spiral of third-party reimbursements ever higher.

This process was slowed by wage and price controls in the early '70s, but when controls were lifted the suppressed inflation asserted itself again with all the usual force of pent-up demand. That experience suggests the problem can be corrected, not by putting a lid on prices—which in considerable measure is what Mr. Carter proposes to try again—but by moving back toward market arrangements in the field of health care.

For those who doubt the nature of the problem, here's an easy way to test the difference, before and after Medicare: From 1960 through 1965, consumer prices for all services, medical care, were moving upward at an annual rate of 2 per cent, physician services at 2.8 per cent, and hospital prices at 5.8 per cent. From 1965 through 1970, consumer prices rose at 5.7 per cent, physician services at 6 per cent, and hospital prices at 13.9 per cent. (Figures compiled by the Department of Health, Education and Welfare.) The same phenomenon in tabular form, using slightly different benchmarks, is set forward this way by the Council on Wage and Price Stability:

	Pre-medicare (1959-66)	Post-medicare (1966-71)	Controls (1971-74)	1974 post controls	1975 post controls
All prices (less medical care)	2.0	5.8	5.2	9.5	7.7
Hospital room charges	6.0	14.8	5.7	16.9	14.7
Physician services	2.9	6.9	4.0	12.8	11.8

Source: Council on Wage and Price Stability, April 1976.

From these data, the impact of Medicare and Medicaid is instantly apparent. While hospital costs were moving upward in the early '60s in response to increased demand through group insurance plans (also encouraged by federal policy), the truly vertiginous price hikes did not occur until the arrival of the federal programs. The statistical record is so plain that even HEW acknowledges it.

"The medical price index," says the department, "accelerated during 1965–70, but decelerated rapidly with the imposition of cost controls in 1971. Whereas prices for physician and dental services did not move much faster than the CPI (except during 1965–70), the increase in rates for a hospital semi-private room ranged from two to three times the annual rate of increase experienced by the CPI, with notable acceleration recorded after the onset of Medicare."

Funny that Mr. Carter should mention none of this—or is it?

PANAMA CANAL

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. FLOOD. Mr. Speaker, in the last Congress on June 18, 1976, in the RECORD on page 19241, I strongly supported the Snyder amendment to the State Department appropriation bill that would prohibit the use of the funds appropriated under this act for the purpose of negotiating the surrender or relinquishment of the Canal Zone or the Panama Canal.

Instead of voting upon that amendment the House adopted a substitute that any canal treaty or agreement negotiated must protect the "vital interests" of the United States.

As I have stated on previous occassions, such terminology leaves the State Department free to interpret the terms as it pleases. And this it has done by equating "vital interests" with surrender.

Mr. Speaker, we do not wish another semantic fraud but an outright prohibition against the use of the taxpayers money to undermine the sovereign control by the United States over either the Canal Zone or canal.

LITHUANIAN OCCUPATION ANNIVERSARY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. MOAKLEY. Mr. Speaker, on June 15, Members of Congress will have the opportunity to join Lithuanian-Americans and all Lithuanians throughout the free world in commemorating the forced military occupation and incorporation of Lithuania into the Soviet Union in 1940, and the subsequent deportation of 300,000 freedom-loving Lithuanians to Siberian concentration camps.

This nation, whose history can be traced back to the 11th century, has repeatedly been denied the fundamental right of independence. Despite a century of both Russian and German occupation, the brave people of Lithuania have steadfastly maintained their courageous fight for freedom and privilege of self-determination. At a time when human rights is an important issue of our President, I strongly feel the eyes of the United States must turn to the serious repression of human rights in Lithuania at the hands of the Soviet Union.

With well over a million proud, freedom-loving Lithuanians in the United States, many of whom fled to America after their homeland was wantonly seized by Soviet military troops, I am pleased to join their commemorative efforts and urge my colleagues to do the same.

Soviet domination of Lithuania has gone unhalted for 34 years. Communist officials declare, to those of us in the West hungry for news, that the Lithuanian people are overjoyed with their satellite status. They claim the agricultural and educational reforms brought to Lithuania as a result of Soviet occupation have produced a cheerful and grateful people. But periodically stories of persecution and the suppression of human rights filter their way through the thick Soviet curtain. We can be certain that many more violations do not and thus fail to receive proper attention.

We are all too well aware of the Soviet Union's historical suppression of independence and the free existence of individual rights. There is no indication that this unjust practice is abating in Lithuania, or anywhere in the free world. This problem has been compounded in Lithuania by the Kremlin's denial of the existence of the Roman Catholic Church, which traditionally has played a major role in Lithuanian history and is symbolic of Lithuanian nationhood.

Despite years of suffering under Communist oppression, the spirit of the proud Lithuanian people has not dampened in their constant fight for freedom. As Americans we must enjoy the blessing of freedom. On this important occasion we must illustrate our strong support for freedom in Lithuania and other nations struggling for independence. This must be an objective of freedom-loving people throughout the world.

AKRON CHURCH OPPOSES RACIAL POLICIES OF SOUTH AFRICA

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. SEIBERLING. Mr. Speaker, I recently received a letter from the Ministry of Concerns and Communication of Trinity Lutheran Church, one of the oldest and respected churches in Akron, Ohio, containing a resolution unanimously adopted pertaining to the situation in the Union of South Africa. The resolution urges members of the church, all Christians, and all Americans to go on record in opposition to the racial policies of South Africa, and urges that Government to adopt policies that recognize the full rights of nonwhites.

I share the concern expressed by the church ministry as I am sure most of the other Members of Congress do. Accordingly, I offer a copy of the letter from Mr. S. Malcolm Ames, chairman of the Ministry of Concerns and Communication for inclusion in the RECORD following these remarks. The text of Mr. Ames' letter follows:

EVANGELICAL LUTHERAN CHURCH OF THE HOLY TRINITY,
Akron, Ohio, May 19, 1977.

Hon. JOHN SEIBERLING,
Longworth Building,
Washington, D.C.

DEAR MR. SEIBERLING: The Ministry of Concerns and Communication of Trinity Lutheran Church has unanimously approved the following resolution pertaining to human relations.

Whereas, the government of South Africa is in clear conflict with Christian principles in its economic, educational, and social repression of non-white people; and

Whereas, continuation of this treatment can only result in hatred, destruction, and bloodshed;

Therefore be it resolved that the Ministry of Concerns and Communication of Trinity Lutheran Church, Akron, Ohio, urges members of this church, all Christians, and all Americans to go on record in opposition to the racial policies of the government of South Africa, and urges that government to adopt policies that recognize the full rights of nonwhites; and

Be it further resolved that these views shall be expressed and supported in letters to our own national leaders, to white South

African Church leaders, and to the Akron Beacon Journal, along with publication in the Churchman of Trinity Lutheran Church.

Sincerely yours,

S. MALCOLM AMES,
Chairman, Ministry of Concerns and Communication.

ZERO BASE BUDGETING

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BAUCUS. Mr. Speaker, as part of the Appropriations Committee's ongoing evaluation of zero base budgeting—ZBB—I asked the General Accounting Office to evaluate the potential usefulness of ZBB to Congress and to assess the development of ZBB by the executive branch as it relates to our needs.

I think that the following GAO report is a provocative summary of possible congressional concerns and have asked GAO to continue monitoring the executive ZBB process.

The report follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., June 10, 1977.

Hon. MAX BAUCUS,
House of Representatives.

DEAR MR. BAUCUS: This letter is in response to your request that we suggest how Zero-Base Budgeting (ZBB) might be made useful for the congressional budgetary decision making process. If the present budget justification material does not meet Congress' needs, and the Congress has a desire for additional material, then some elements of the ZBB process might provide useful information.

Our suggestions are primarily based on our experience in assisting congressional committees with the analysis and evaluation of Federal programs and providing fiscal, budgetary and program-related data for committee use. In addition, the recently completed ZBB experiment conducted by the House Appropriations Subcommittee on HUD-Independent agencies provided us with some specific insights in the ZBB process. However, due to the limited scope of the experiment, the full impact of the ZBB information on the appropriations process could not be determined. For a variety of reasons, the experiment did not produce a complete and true test of contemporary Zero-Base Budgeting. Therefore, we believe that the experiment should not be used as an indicator of how ZBB will operate in the future.

However, it is useful at this time to begin asking whether and how the executive branch's ZBB system could be made useful for the legislative budget process. The Office of Management and Budget has issued their final instructions on Zero-Base Budgeting for the executive branch. Care should be taken in the implementation of ZBB so that it will produce useful information. not only for the executive branch but also for the Congress if the Congress feels that current justification material presented with the President's budget is inadequate.

Congressional Access to Executive Branch ZBB Information: The new congressional budget process has increased the Congress' need for budget analyses to support its resource allocation decisions. The Senate Government Affairs Subcommittee's approval of an amendment to Section 601(c)(3) of proposed Sunset legislation (S. 2) is indicative of that need. This amendment would assure that congressional committees would have access to any agency budget request and supporting data they desire. Having access to the executive branch's ZBB material could be particularly useful in the budget and appropriations process and the ZBB material should also be beneficial to the authorization committees in meeting their responsibilities under the Congressional Budget Act of 1974, as well as in their general evaluation and oversight responsibilities.

ZBB Decision Units: To assure the utility of the ZBB information and to avoid duplication of effort in preparing material for the Congress, the executive branch's budget and supporting analyses should be developed to be as compatible as possible with the congressional budgetary decision processes. Zero-Base budgeting decision units, the building blocks of a ZBB system, are being considered as either programs or organizational entities in the process now being implemented in the executive branch.

By emphasizing "programs," rather than "organizational entities" for ZBB decision units, at some meaningful level of aggregation, compatibility between the executive and legislative decision and analysis categories could be improved. (In certain instances, however, a focus on organizational entities may be desired, i.e., appropriations committees fund by agency, not programs.)

Programmatic decision units could also provide a better basis for considering tradeoffs among programs managed by different agencies, but directed toward similar objectives. The program emphasis could also help fulfill the Budget Act's Section 601(1) requirement for the presentation of the President's budget in terms of national needs, agency missions, and basic programs.

We recognize that emphasizing programs for decision units may not be practical at all levels, particularly at the subagency levels, but we believe that the ZBB system could be designed to permit these organizational decision units to be consolidated at some mutually agreeable level into programmatic decision units.

ZBB Decision Packages: Decision packages are documents that include the necessary information to make judgements on programs, activity levels, and resource allocation requirements. A series of decision packages is prepared for each decision unit and cumulatively represents the total budget request for that unit. The Congress could probably use decision packages that are aggregated and consolidated in a manner that would allow them to conduct effective budget analysis and evaluation.

Decision packages should not be prepared in such detail that effective budget analysis would be impossible because of time, paperwork, and staff constraints. However, the decision packages should provide enough significant information to enable the Congress to evaluate programs from the ground up if they desire to do so. We recognize that it will be very difficult to delicately balance the level of detail between these competing objectives.

Program information: As the Congress evaluates budget and program requests, the following additional types of information might also enhance the legislative decision making process. ZBB decision packages might help provide this type of information.

Program goals, justification, and performance: We recognize the difficulty of clearly and specifically setting forth program goals and objectives either by legislative or administrative action. However, this should be considered as ZBB decision packages are developed.

Clear and concise statements of an agency's objectives for programs, including information permitting an assessment of how legislative objectives and agency long range goals have been translated into specific, operational objectives by the agency, should help the Congress better assess agency interpretations of legislative intent.

Explicit statements of program objectives and intended program outputs should help Congress in considering the implications of its budgetary decisions. It would be particularly useful, we believe, if the discussion of objectives included some coverage of the extent to which the goals of various programs are mutually supportive or (as is sometimes the case) conflictive.

Summary information on program justification (i.e., the basic needs for which a program exists, the extent of unmet needs) and the past performance of a program should also help the Congress evaluate agency budget requests. To varying degrees, of course, this sort of information is presently included in agency budget justifications.

Analysis of Objectives: ZBB analyses which examine alternative objectives should also help the Congress assess the relationship between legislative and executive objectives. Analyses of alternative objectives for meeting both agency long range goals, and legislative long range goals would be particularly helpful to the authorizing committees in comparing and contrasting executive and legislative objectives.

Program Alternatives: Program alternatives should also help the Congress. Alternative methods of accomplishing a program's goal or meeting a national need and alternative approaches for accomplishing a particular organization's missions would be particularly helpful to the authorizing committees and should also help the Congress evaluate budget alternatives.

Budget Alternatives: Analysis of the implications of alternative funding levels for programs would be particularly beneficial to the congressional budget and appropriations process. Minimum, current, and incremental funding levels for programs could be presented. The Congress would be able to use these alternative funding levels as a basis for making its allocation decisions. True alternatives should help Congress identify where it might choose to increase or decrease and the probable implications of such choices, and should minimize the risk of arbitary decisions on program funding levels.

Priority rankings: The ranking of programs in an agency and OMB priority order might also help the Congress. Explanations for how the priorities were developed could be beneficial for the Congress in its consideration of priorities. The Congress, of course, through its budget process can develop an independent ranking based on its consideration of the national interest. By having access to agency and OMB rankings, the Congress would then have a better basis for evaluating and adjusting an organization's priorities, as well as its own priorities. We recognize, of course, that any ranking process could be organizationally "gamed" and easily subverted. However, Congress does have the means to assure that representative rankings are developed if it desires to do so.

It is too early to forecast the success of Zero-Base Budgeting in the Federal government. We hope that the suggestions outlined in this letter will be of use in your efforts to identify how Zero-Base Budgeting can be made useful for the Congress.

We would be pleased to discuss these comments with you, and work with you and the Congress on Zero-Base Budgeting problems in whatever way possible.

Sincerely yours,

ELMER B. STAATS,
Comptroller General
of the United States.

THE PAIN AND SUFFERING OF CONGRESSIONAL RETIREMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. MAZZOLI. Mr. Speaker, for those of my colleagues who view with anxiety and fear the prospect of life as a non-Member of Congress, I commend the following article by our former colleague, Tom Rees.

In the writing style which Tom honed producing the Americans for Good Habits—AGH—annual House Member voting record on tough issues, he describes in his article life in the cold, cruel world—that is life off Capitol Hill.

The article follows:

[From the Washington Star, June 3, 1977]

THOSE LOST CONGRESSIONAL PERKS

(By Thomas M. Rees)

Just four months ago I was a United States congressman. Now I am a civilian, plying my trade as another one of those Washington attorneys.

It was difficult making the decision last year not to run for re-election. Even though I was ready to leave Congress, I was afraid to. Could I exist on the "outside" without all those fabled congressional "perks"?

At least twice a year, The Washington Star and the "other" paper would do a scathing expose on all the perks—those extra benefits, allowances and such that congressmen got. These exposes usually came out when there wasn't much other news to fill the paper, and were always about the same.

The expose was that congressmen were really living it up and were daily showered with privileges, allowances, junkets and freebies the poor taxpayer found mind-boggling.

After reading the stories, I wondered if I could survive on the outside, living just like every other citizen. As a congressman, I worked erratic schedules, continually flew back and forth to my district in California, answered unending roll calls, plowed through endless correspondence, ate the institutional food in the House Dining Room, tried to answer constituents' demands and did not see my family for long periods of time.

But not to run again! It was the cutting off of those fabled perks that seemed to outweigh my desire to escape the "thrill" of public life.

Well, I have been on the outside four months. And things are different. No way could you give me back those congressional perks.

The food at the Longworth Building cafeteria carryout doesn't begin to compare with my local dining spots such as Paul Young's, Duke Zeibert's, Chez Camille, Jean Pierre's, Tiberio's, Le Provencal, Prime Rib, Romeo and Juliet's. Even the street vendors who sell egg rolls around my office have better culinary skills than some House chefs.

When people shout at me on the telephone like they used to do, I just send them a bill. For the first time in five years, I was able to be with my family on a Florida Easter vacation.

My airplane trips are less frequent and I've yet to endure the "red eye" special which left L.A. at 9:30 p.m. and arrived at Dulles at 6:45 a.m. in time to get me to a committee meeting.

Of course, there is no more stationery allowance or franking privilege; but here on the outside, I get what I need. The same with staff allowances and my telephone credit card.

But there is a loneliness on the outside. I've yet to be invited these past four months to an "exclusive" embassy party with 1,500 of my closest friends. No more receptions in the Rayburn Office Building basement banquet rooms for the Clay Pipe Institute, the Wholesale Fuel Dealers Association, the Retired Teachers' Association or the National Credit Union League.

Foreign junkets to exotic places? No more. Now I take either business trips or vacations. I don't have to inspect embassies or AID projects or worry about embassy cruise directors shoving me into buses to make the next plane or appointment. I can foul up my schedules on my own time.

I do miss working with my colleagues. But that wasn't a perk—it was a privilege. Parking downtown is an expensive pain, but other than that the perks of a private life are far more satisfying and I'm only accountable to the IRS and my own law firm.

Being an ex-member of Congress, I can still use the one indispensable perk; the House gymnasium. So as far as I am concerned, this is the best of all possible worlds.

A TRIBUTE TO BISHOP CHARLES F. GOLDEN

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mrs. BURKE of California. Mr. Speaker, it is indeed an honor for me to join the brotherhood crusade in a tribute to Bishop Charles F. Golden, in recognition of his work as a spiritual leader for almost 40 years.

Bishop Golden was elected a bishop of the Methodist Church in 1960 after having been a pastor in Clarksdale, Miss., and Little Rock, Ark. He taught religion and philosophy at Philander Smith College, served as a U.S. Army chaplain during World War II, and served as director of the Division of National Missions.

As bishop he served in Nashville, Tenn., and San Francisco before assuming the office of bishop for the Los Angeles area in 1972. In this capacity he has dedicated himself selflessly to building the church community in a way that strengthens us all, and has called for greater understanding of urban problems as they affect churches and their congregations.

During U.S. foreign missions Bishop Golden demonstrated deep interest and commitment to the less fortunate people of the world. In 1956, he went to the India Centennial at Lucknow as official representative of the World Division of the Board of Missions. And he acted as Methodist proxy representative at the meeting of the Central Committee of World Council of Churches at Enugu, Nigeria, in 1965.

As part of his lifelong interest to education, Bishop Golden continues as president of the board of trustees of Gammon Theological Seminary in Atlanta and as a member of the Board of the International Theological Center in Atlanta and the Board of Higher Education and Ministry.

Bishop Golden is truly a pillar of our community and one to whom we can all look for leadership and exempliary personal service.

NATIONAL HEALTH CARE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

NATIONAL HEALTH CARE

That no sick or suffering human being should be denied medical help is now an article of faith so widely held among Americans that there is scarcely any debate on the subject. The compassion and affluence of this country decree health care as a birthright.

The real problem is how universal medical service can best be provided. The basic question is whether a family struck by a major illness it cannot afford will be sustained by direct government subsidy or through privately operated insurance.

The Carter Administration, which has made national health insurance a cornerstone of its domestic policy, announced recently the creation of an advisory committee on health issues to be headed by Hale Champion, undersecretary of Health, Education and Welfare. Meanwhile, Congress has agreed to a year's moratorium on health care legislation pending the Champion study's recommendations.

In short, we have a little time to gather our wits and avoid sabotaging our future national health program through hasty, ill-conceived legislation.

The overriding consideration for national health insurance just now is the problem of exploding costs. During the last two decades, medical-care costs have risen 145 per cent—twice as fast as the consumer price index. The increase in the average cost per patient-day in community hospitals was even more startling: from $16 in 1950 to $103 in 1972, an increase of more than 500 per cent.

An ever-rising public demand for doctors and hospitals is the major reason for these galloping expenses. The demand has grown out of health care insurance, a national phenomenon in recent years; tax deductions allowed for insurance premiums have encouraged almost universal health coverage for those who could afford it. Today, 95 per cent of the population is covered by some form of health insurance. The aged and poor receive more complete coverage than the non-aged and non-poor because of Medicare and Medicaid, according to Harvard economist Martin Feldstein. These programs now costing $30 billion annually have been major stimulants for expanded care and costs.

For example, an analysis by former Sen. James Buckley of New York found that Medicaid costs in one area of his state averaged $1,700 for every person eligible for assistance—or almost three times the amount spent by the taxpaying citizen.

Because more than 90 per cent of all hospital bills are now being paid by some third party, either the government or private insurers, there is little incentive for the patient and his doctor to economize on hospital usage. As the history of the seriously troubled British National Health Service has proved, the demand for medical services at apparently nil-cost to the user is limitless. So, because medical resources are finite, they must be rationed and postponed in the face of infinite demand, as in Britain, or be threatened by runaway costs as in the United States.

Mr. Feldstein argues persuasively that the growing demand for medical care and its resulting pressures for higher costs can be

controlled only if patients pay a substantial portion of their bills—up to, say, 10 per cent of their annual income, with insurance paying the balance. Of course, such a plan is poison to politicians who have been promising "free" medical care for all. The wholly impractical alternative to partial-patient pay is the blank check for unlimited "free" care being offered by Sen. Edward Kennedy and others at an initial price tag of at least $150 billion.

While the specifics of a national health plan remain obscure and subject to national study, the main directions are already quite visible. As we have said, the cost problem now governs. This conclusion is supported by the Council on Wage and Price Stability in a study pointing out that "the private sector is motivated by economic incentives which the government will simply never share."

Most Americans are protected now against major illness by existing health insurance programs. The ideal is to extend this coverage to all. But if national health insurance is not to become just another vast, inefficient bureaucratic wasteland, Congress must place major reliance on the private sector with some form of patient-pay plan to limit demand and costs. We believe this is an attainable goal because Americans are more realistic on this subject than Congress seems to give them credit for being.

PRESIDENT CARTER AND HUMAN RIGHTS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. LaFALCE. Mr. Speaker, as we are all aware the subject of human rights has been a major topic of discussion in recent months. Many different points of view have been expressed on this issue and I believe that it is important that we examine this serious concern very carefully. For that reason, I would like to share with you some thoughts of the columnist, Garry Wills, in regard to President Carter's policy on human rights, thoughts that I believe to be particularly perceptive:

MORAL JUDGMENTS AND PRACTICALITY

(By Garry Wills)

There is a great deal of hypocrisy in the charge that President Carter is hypocritical on the subject of human rights in other nations. Admittedly, he is not perfectly consistent in the pressures he tries to exert on different countries. That just shows he is serious about the topic.

Take an illustration. Suppose you know that a man of prominence beats his wife. Naturally, you deplore this. You would do something about it if you could. But the local police, for whatever reason, are not brought in—suppose, if you will, that the man has bought or bribed them, or the wife is too cowed to swear out a complaint.

Your response to the situation will obviously differ according to your relation with the man involved. He might be your boss, or your brother. Your employee, or your client. Or a stranger. Member of a club you belong to. Political ally, or enemy.

Obviously, your intervention in this case can be colored by all these factors—and by many others not possible to mention. It will, for instance, make a difference if you are a man or a woman. And your relations, if any, with the wife will also set limits on any practical action you might take. If you are the wife's sister, it will be important to know whether the cruel man hates his mother-in-law more than he fears his father-in-law.

In one sense, the closer the relation, the more difficult the terms of intervention. If, for instance, you are a former suitor of the wife, your "meddling" might just make the husband more intransigent.

I was educated by Jesuit priests, who have inherited an undeserved infamy as the proponents of moral "casuistry." This simply means judging each moral case (or "casus") on its own terms.

That has been called a form of relativism. But it is, more properly, an important historical step toward moral realism.

There is no question about the absolute moral imperative in the case I have used: Husbands should not beat their wives. The case-problems begin when you ask what other people can do to rectify such an admitted wrong.

There is no simple imperative in that matter. Intervention may increase the wrong—increase, very concretely, the beating of the wife. In such a case, one may have no right to defend the right—which was an abominable doctrine to defenders of the medieval morality (which included, paradoxically, certain Renaissance kings and Reformation princes). Shakespeare attacked Jesuitical equivocation in Macbeth. But Gilbert Chesterton rightly argued that Shakespeare's "problem plays" were models of casuistry in the best Jesuit sense.

President Carter's concern for human rights abroad returns us to a case-by-case morality. It delivers us from the superficial consistency observed under recent presidents—one that says the only touchstone of human rights is the ideological label of communism.

We persuaded ourselves that support for any regime that called itself anti-Communist was automatically a protection of human rights. Thus we propped up dictators in the name of freedom, and secretly worked against free elections in the name of democracy.

Once that easy consistency is forsworn, the protection of human rights becomes far more complex, and messy, and real. That is the promise of Carter's foreign policy, enunciated in his recent speech at Notre Dame:

"We are now free of that inordinate fear of communism which once led us to embrace any dictator who joined us in our fear. For too many years, we have been willing to adopt the flawed principles and tactics of our adversaries, sometimes abandoning our values for theirs. We fought fire with fire, never thinking that fire is better fought with water."

It has been a long time since presidents have spoken so sensibly.

TRIBUTE TO FORMER MEMBER DR. EDWIN R. DURNO

HON. JAMES WEAVER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. WEAVER. Mr. Speaker, during the congressional recess last fall, a former Member of this body, Dr. Edwin R. Durno, died at his home in Medford, Oreg. There are still many of his old colleagues here who will remember "Eddy" Durno. He was elected as a Republican to the seat of the Fourth Congressional District of Oregon in 1960, and served for one term. He then left the House to seek election to the U.S. Senate.

Dr. Durno was a lifelong resident of Oregon, except for his service as a sergeant in World War I and as a major in the Medical Corps during World War II. His most notable contribution was in the field of health, his specialty. He organized the southern Oregon and Oregon's Physician Service, and was responsible for construction of the Rogue Valley Memorial Hospital, a leading medical institution in southern Oregon. "Eddy" was a medical doctor, a graduate of Harvard Medical School as well as the University of Oregon.

His service to the State and community went beyond the professions of medicine and politics. He was an athlete in his own right as a young man, later coached athletics at Medford High School and is remembered as the founder of the school's athletic program, which continues to this day.

I know I am joined by his many friends and former colleagues who honor him for his contributions to this body, and to the State and community in which he lived.

HYDROELECTRIC POWER—RICHARD B. RUSSELL DAM PROJECT

HON. DOUG BARNARD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BARNARD. Mr. Speaker, the Richard B. Russell Dam will provide electricity that 10 Southeastern States will not have when they need it most. Seventeen years ago Congress saw that there would be a tremendous power demand in the States of Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

Today in this country suddenly there is a great environmental uproar about what this dam will do to nature. I can tell you that it will have slight adverse impact. It has passed every environmental test prescribed by law.

But surely the environment standards must not be so high in Romania. There the United States is contributing to the development of a $250 million hydroelectric powerplant.

Let us keep our hydroelectric plants in the free world. For example, on the upper Savannah River between South Carolina and Georgia, the project calls for the construction of a dam in the upper headwaters of Clark Hill Lake at Trotter Shoals which will form a reservoir of 26,650 acres and create a gigantic lake of 120 miles in length.

Energy is the issue here. The Richard B. Russell Dam project will provide inexpensive, clean, safe, and renewable hydroelectric power. A critical shortage of peak demand power in the Southeast is predicted by the U.S. Corps of Engineers. Hydroelectric power could meet this demand in the years ahead at times when it will be most needed.

The peak hour demand for energy will increase 80 percent by 1986 in the Richard B. Russell Dam area, according to a recent Southeastern Electric Reliability Council study. The Southeastern Power

Administration has said that electricity from the dam will be immediately used. Rural electric co-ops in the Richard B. Russell market area fear brownouts by the 1980's without the dam.

This electric power facility will produce 300,000 kilowatts during peak demand and once the 300,000-kilowatt pumped storage facility is built, the Richard B. Russell Dam will be one of the greatest producers of hydroelectric power in the United States.

With pumped storage the dam collects water at night when the demand for power is most slack. The next day it is ready to deliver power at peak times. This is one of the dam's most attractive features.

The Russell project is economically sound. The sale of electricity will return 81 percent of the project's cost with interest. And for every dollar invested there will be a return of $1.30. No one has disputed this—not even the Carter administration.

And building the dam will put 2,400 people to work.

Flood control is another benefit of the project. It will trap the overflow from the bordering Clark Hill and Hartwell Lakes saving untold dollars and lives.

Also the dam will provide a wholesome water recreation area where families can swim, boat, and fish. By 1985, it is projected that there will be 1 million visitors to the lake and by year 2010, 6 million persons will come to enjoy the water, the parks, and the outdoors.

The Richard B. Russell Dam has met all environmental standards. The clear tests of the Environmental Policy Act and the Water Quality Control Act have been applied. The Savannah River has not met standards. It does not qualify as a wild or scenic river according to law.

The dam project has met the test of Governors and Senators in South Carolina and Georgia. To name just a few: Senator FRITZ HOLLINGS, Senator STROM THURMOND, Senator HERMAN TALMADGE, Gov. George Busbee, and former Gov. Jimmy Carter.

Today the dam that is a monument to a great U.S. Senator is at a crossroads. If he were right here, I think Senator Russell would say, "This is right." And so do I.

I urge your support for the Richard B. Russell Dam project.

PERSONAL ANNOUNCEMENT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. DOWNEY. Mr. Speaker, on Wednesday, June 1, 1977, I missed the voting on H.R. 6970, the Marine Mammal Protection Act amendments. The cause for my absence was official business. I was visiting Europe and Israel with members of the House Armed Services Committee studying the role of close air support aircraft. I wish to include in the RECORD what my positions would have been had I voted.

Division vote, Representative BONKER's amendment to Representative MCCLOSKEY's amendment requiring successive reductions in the porpoise kill quota. Mr. BONKER's amendment required that reductions in the porpoise kill quota be left to the discretion of the Secretary of Commerce; "no."

Rollcall No. 293, the amended McCloskey amendment which sets the annual porpoise kill quota at 69,000 and leaves reductions of this quota to the discretion of the Secretary of Commerce; "aye."

Division vote, Representative MCCLOSKEY's amendment to require the industry to pay for the observer program established by H.R. 6970; "no."

Rollcall No. 294, Representative PRITCHARD's amendment levying a fee of $32 on tuna fishermen for every porpoise killed; "aye."

Voice vote, Representative MCCLOSKEY's amendment requiring observers as a prerequisite for transferring a tuna vessel to a foreign flag; "yea."

Rollcall No. 295, adoption of H.R. 6970, the Marine Mammal Protection Act amendments; "yea."

AMENDMENT TO MEDICARE-MEDICAID ANTIFRAUD AND ABUSE AMENDMENTS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. SCHEUER. Mr. Speaker, today I am pleased to introduce an amendment to H.R. 3, the medicare-medicaid antifraud and abuse amendments, which gives States 6 months longer to show compliance with provisions in the medicaid laws dealing with appropriateness of care and quality care review in long term care facilities. This amendment effectively postpones for 6 months the imposition of $142 million reduction in medicaid payments to the 20 States which have not met the legal requirements for annual reviews of medicaid patients in long-term care institutions, as required in title XIX of the Social Security Act. Under the penalty provision, New York State would stand to lose over $53 million.

This amendment does not relieve States from their responsibility to use medicaid funds to provide cost effective, high quality care. It does, however, give them more time to put their house in order, and provides Congress and HEW the opportunity to do some serious thinking on how we can improve the regulations and requirements dealing with utilization review and appropriateness of care in health facilities financed under medicaid.

As a member of the Oversight and Investigations Subcommittee which held hearings on this very subject last year, I was astonished at the lack of State compliance with the medicaid laws. It was clear then, as it is now, that a more flexible system of cost and quality review can be developed and that the imposition of very considerable financial penalties for lack of compliance may be an ineffective as well as inappropriate tool to use to get States to fulfill their responsibilities under the medicaid program. Already financially hard-pressed States will have no other recourse but to cut necessary medical services to those citizens eligible under the program.

Cost and quality control must be cornerstones of any health program that promises to deliver high quality care and be cost effective as well. The Federal Government cannot in good conscience spend ever-increasing amounts of health dollars without assuring the American taxpayer that we have the wherewithal to control excess utilization, inappropriate placement, fraud, and abuse in our health delivery system.

This amendment will give Congress, HEW, as well as the States 6 more months not only to assure that the present regulations are adhered to, but also, even more important, to reevaluate and reassess those sections of the medicaid laws that have brought about this serious and potentially disastrous financial situation affecting 20 of our States.

THE HUMAN COSTS OF GLOBAL MILITARISM

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. DELLUMS. Mr. Speaker, I would like to call the attention of my colleagues to a recent publication "World Military and Social Expenditures, 1977" by Ruth Leger Sivard. Every Member of Congress, every decisionmaker in the executive branch, and every member of the concerned public ought to read Mrs. Sivard's fine study. She shows in her research the priorities of governments worldwide in allocating funds to either military or social programs and her findings show the enormous costs of military expenditures and what is being neglected in the social realm due to misallocation of resources.

At the end of her report, Mrs. Sivard outlines the massive social progress that could be accomplished if even 5 percent of the world military expenditure is diverted to basic human needs. Here in her words is what we might accomplish:

[From World Military and Social Expenditures 1977]

(By Ruth Leger Sivard)

ALTERNATIVES

The 1976 edition of this continuing study of world priorities outlined some trade-offs against 5 per cent of the world's military budget, then estimated at $300 billion. No such cutback in military spending occurred. In fact, the spending rate went higher in 1976, draining away a record $350 billion in a destructive, senseless arms race.

A set of alternatives is put forward again, in a spirit of challenge—and hope. It is not intended as a blueprint for a disarmament dividend, nor a judgment among social priorities. It selects rather arbitrarily from a

vast backlog of unmet needs, and holds these needs up against a very small fraction of the world's military budget in order to put the question again: How wisely are we using the world's limited resources?

Below are some of the purposes which could be furthered by redirecting a mere 5 per cent of the year's global military budget toward cooperative international endeavors. Other observers might have a quite different selection of alternatives, and perhaps in public discussion, or in the next edition of this pamphlet, they can be persuaded to come forward with them. The emphasis here is on the developing nations because this is where the most acute needs are concentrated and where four out of five of the world's children live.

What could $17.5 billion, a minor share of the world's military budget, do to begin to correct the world's social deficit?

ANSWERS

Five million children in developing areas are killed every year by six contagious diseases preventable by immunization: diphtheria, whooping cough, infantile paralysis, measles, tetanus, and the childhood forms of tuberculosis. 95 per cent of the children born annually are not vaccinated. A vaccination program to give protection against infectious diseases to all infants. $600 million.

Illiteracy and mass poverty are linked. One in four adults—700 million in all—are unable to read and write; their numbers have been increasing. They are cut off from knowledge which could improve their health, help them make more effective use of available resources, and permit them to participate more fully in the work and benefits of development. Program to extend literacy to all adults by the end of the century. $1.2 billion.

In rural areas of the Third World a majority of the people have no access to professional health assistance, and the majority of births take place in homes without the assistance of trained personnel. Health auxiliaries, who can be trained in 3–6 months compared with 6 years for a medical graduate, have proved to be capable of handling 85 per cent of a village's health needs. A preventive and community-oriented training program for a sharp increase in the numbers of medical auxiliaries. $250 million.

The number of people suffering from chronic malnutrition has increased further despite an improvement in the world food situation in 1976. More than 500 million eat less than the calories needed to maintain ordinary physical activity. External aid for investment in food and agricultural production has lagged behind goals agreed at the World Food Conference. Increased development aid to improve the capacity of the Third World to grow its own food, and prevent malnutrition. $3.0 billion.

Up to two-thirds of the urban households in the lowest-income countries cannot afford the cheapest housing available. An estimated 300 million live in slum areas and shanty towns. An expanded minimum-shelter program, incorporating self-help construction, for the urban poor. $750 million.

In Asia, Africa, and Latin America, 200 million preschool children are chronically hungry. Malnutrition threatens their mental and physical growth and may prevent them from leading normal lives. Supplementary feeding to ensure full development for 200 million malnourished children. $4 billion.

Infant mortality rates average five times higher in developing countries than in developed. High infant mortality, resulting from premature and underweight babies, is related to under-nourishment and anemia in women of child-bearing ages. Supplementary feeding for 60 million malnourished pregnant and lactating women to protect their health and reduce infant mortality. $1.5 billion.

In the next ten years the entire increase in the world's school-age population will center in the Third World, where only half the children of school age are now attending school. Just to maintain the present enrollment, these countries will need 250 million new school places before 1985. Major increase in the number of primary schools, with the addition of 100 million new places. $3.2 billion.

Over 1,000 million people in rural areas and 200 million in the cities are without reasonable access to safe water supplies. Waterborne diseases kill an estimated 25,000 people every day. Diarrheal diseases, associated with contaminated water, are the most common cause of death in children under five. Hygienic water supply systems, toward the goal of clean water for all humanity by 1990. $3.0 billion.

SUPPORT FOR ISRAEL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BINGHAM. Mr. Speaker, on June 5, communities across the country joined in programs sponsored by Israel Bonds, to commemorate the 10th anniversary of the reunification of Jerusalem by the Israel Defense Forces. I attended one of these meetings in the Bronx, together with representatives of Jewish congregations and organizations from the Bronx and throughout New York City. During the meeting a resolution of support for the State of Israel and for continued U.S. aid was adopted by acclamation. I was requested to bring this resolution to the attention of the President of the United States, the Secretary of State, and my colleagues in the Congress, which I am proud to do, as I fully support its provisions. The resolution follows:

RESOLUTION ADOPTED AT BRONX COUNTY ISRAEL BOND DINNER, JUNE 5, 1977

Whereas, the bonds of friendship between the United States of America and the State of Israel are based on our mutual commitment to democracy, justice, and freedom, and

Whereas, the State of Israel has served as a refuge for the survivors of the Holocaust and for the victims of persecution of Arab lands and their progeny, and

Whereas, recent history has shown that the survival of the State of Israel is vital to the survival of the Jewish people and

Whereas, the United States and Israel share a common dedication to peace in the Middle East and

Whereas, Israel's neighbors continue to refuse to recognize the legitimacy of a Jewish State in the Middle East and

Whereas, Israel has been forced to repel hundreds of terrorist incursions from across its borders and

Whereas, Israel has been attacked by its neighbors four times in the last 29 years and

Whereas, these terrorist and regular actions have shown Israel's need for secure and recognized and defensible borders and

Whereas, the newly elected, and all past, governments of Israel have called for direct negotiations with Israel's neighbors and

Whereas, Israel's leaders continue to say that they will go anywhere and meet with any Arab head of state in the quest for peace, and

Whereas, President Jimmy Carter has said that "the first prerequisite of a lasting peace is the recognition of Israel by her neighbors of Israel's right to exist, Israel's right to exist permanently, Israel's right to exist in peace" and

Whereas, President Jimmy Carter has said that peace means more than non-belligerency and entails tourism, cultural exchange and trade, and

Whereas, peace must be attained through negotiations by Israel and her neighbors and not by any imposed peace, and

Whereas, a strong Israel is necessary to prevent the outbreak of war,

Therefore, be it resolved by those Bronx congregations and organizations that have participated in the Israel Bond Program on the 10th Anniversary of Jerusalem United, that the United States continue full military and economic aid to the State of Israel; that the United States stand by Israel in her call for direct negotiation with her neighbors and her resistance to negotiating with terrorists; that the United States support Israel in her demand for secure and recognized and defensible borders; and that the United States congratulate Israel on her 29th Anniversary for having survived as a vibrant democracy despite almost unimaginable adversity and for having served as a beacon of liberty and freedom as well as a refuge for an oppressed and persecuted people, and be it further resolved that Congressman Jonathan B. Bingham be requested to convey this resolution to the President of the United States, the Secretary of State, and the Congress of the United States.

SOVIETS TRY TO PUT DISTANCE LID ON CRUISE MISSILES

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From The San Diego Union, May 29, 1977]

SOVIETS TRY TO PUT DISTANCE LID ON CRUISE MISSILES

(By U.S.G. Sharp)

As we continue another round of strategic arms limitation talks (SALT), we hear the American cruise missile mentioned repeatedly. Limitation of the range of our cruise missile is a prime objective insofar as the Russians are concerned. They would like to limit its range to 600km (372 miles), they do not want it launched from our submarines, and they insist that any long range cruise missile of ours must be counted within our overall limit of strategic weapons.

In the American "comprehensive proposal," we are willing to limit all cruise missiles to ranges of 2,500 km (about 1,550 miles) and thus, it is said, cruise missiles could not be substituted for sub-launched ballistic missiles. (Cruise missiles for tactical and theater missions would be permitted.) Actually, with this limitation, our cruise missiles would be marginally useful for striking important Soviet cities. Another 500 miles of range would mean a great increase in effectiveness.

It will be recalled that our cruise missiles are in the early development stage; none are ready for use.

Now let's look at the Soviet cruise missile. In the interest of brevity, let us confine our examination to their submarine-launched cruise missile, of which about 300 presently are deployed. This missile, the SS–N–3 (Shaddock) has a range of at least 250 miles,

although some accounts extend that to 500 miles. It is large, nearly 40 feet long and six feet in diameter, flies at supersonic speed and can carry a nuclear warhead. With its size, it would be possible to trade off speed for range or to increase the propulsion efficiency and thus get a much longer range, making the 500 mile range easily achievable. A Soviet submarine firing from the 100 fathom curve off our coasts could hit all of our coastal cities—60 per cent of our population would be exposed to attack.

Even more sobering is the fact that the Soviets have developed a replacement for the SS-N-3, the SS-NX-12. It will fit into the cannister for the SS-N-3, also will carry a nuclear warhead, will fly at much higher speeds and have improved guidance. It will have a longer range than its predecessor and could easily be modified to fly 2,000 miles. At this range, the whole United States would be vulnerable. At the 1,550 range, which we are proposing as a limit, nearly all of the United States could be reached.

As for launching platforms, the Soviets presently have in commission about 30 Echo-class nuclear submarines designed specifically for the cruise missile mission. Each can carry eight missiles. In addition, about 16 diesel-powered submarines carry cruise missiles.

In summation then, the Soviets now have in commission about 46 submarines specifically designed to carry the cruise missile. Their cruise missile can easily be configured to reach a range of 500 miles, but let's assume that they agree to limit the range to 600 km if we do the same. Even at this range, all of our coastal cities and such inland cities as Buffalo, Pittsburgh, Knoxville, Atlanta, Dallas, Phoenix and Spokane would be within range.

The threat is awesome. Nor is it diminished in any sense by the often heard argument that our cruise missile guidance systems are superior to those of the Soviets and thus give us a great advantage. The simple fact is that the Soviets do not need a precise guidance system in their missile to be able to hit the majority of our large population centers and key industrial complexes.

At any range limit of less than 1,550 miles our cruise missiles are virtually useless against their industrial complexes because they are much farther inland. Thus the Soviets' cruise missile is a grave threat to our national security even if limited to a range of 600 km. Our cruise missile, however, is no threat to the Soviets unless it is allowed a range of at least 2,500 km.

Any honest examination of this subject also must include the fact that the United States has no defense system in existence to counter the Soviet cruise missile threat. The Nike surface-to-air missile batteries which at one time were deployed around many of our cities have been abandoned for economic reasons, and our radar warning net is out of date.

The Nikes, in any case, would not have been effective against the cruise missile if it came in at low altitude—a much more sophisticated and expensive defense system is required. Thus, the United States is now and will, for the foreseeable future, be defenseless against this Soviet threat.

But the Soviet cruise missile isn't even mentioned in the arms control statements issued by our government. The apparent reason is that we believe it is dedicated to the antishipping mission—and that may well be the Soviet intention at this time. But intentions can change overnight, and we will never know. The only safe course, therefore, is to consider not intentions but capabilities. Their cruise missile has the capability of being a devastating weapon in the strategic role.

In my view, we need a full and urgent public discussion of the Soviet cruise missile threat in furtherance of President Carter's promise to keep Americans informed on the issues. This aspect of the strategic arms limitation talks has not been illuminated in its proper perspective thus far.

Aside from the fact that Soviet intentions regarding the employment of their cruise missile can change at any time, we will more than likely also never know what is really happening with regard to improved capability of the Soviet cruise missile. Arms control treaties should be verifiable by both parties. But we will not be able to verify what the Soviets do to modify their cruise missile—in their closed society they can operate in complete secrecy.

By contrast, if we decided to build a cruise missile with a 2,000 mile range in contravention of a treaty covenant we could never keep it a secret.

It has been suggested that we might be willing to accept a drastic limitation on the range of our cruise missile if the Soviets made some vague promise about limiting their Backfire bomber to a tactical role, a promise that we will never be able to verify. Our cruise missile has the promise of being a very effective retaliatory weapon and, compared to ballistic missiles, it is relatively cheap. Since its speed is low compared to the ballistic missile, it is not a "first strike" threat to the Soviets. It has one other advantage—it seems to worry the Kremlin.

I have not pat solution to offer that will solve this problem, but surely we should not give up this advantage unless we get a large and verifiable concession in return. In the meantime, we should proceed with the development of our own cruise missile on a priority basis.

FOREIGN LANGUAGE AND AREA STUDIES

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. SIMON. Mr. Speaker, recently, at my suggestion, the Commission on Security and Cooperation in Europe looked into the state of foreign language and area studies in the United States because one part of the Final Act of the Conference on Security and Cooperation in Europe commits the participating countries to "encourage the study of foreign languages and civilizations as an important means of expanding communication among peoples—for the strengthening of international cooperation."

The Commission was dismayed to discover that foreign language and area studies were declining in the United States—a situation which is not only contrary to our Helsinki obligations but is also not in the national interest given increasing world interdependence and the concomitant need for greater international cooperation.

Therefore the Helsinki Commission has urged the President to appoint a special commission to develop a plan on how this trend may be reversed.

On June 9 I had the opportunity to discuss this matter with the President and also with Stuart Eizenstat, Assistant to the President for Domestic Affairs. Both expressed strong support for encouraging foreign language and area studies in this country and sympathy for the idea of a short term commission to suggest a course of action to that end.

Mr. Speaker, I am very encouraged by these developments, and append to this statement a copy of the Helsinki Commission's letter and resolution to the President as well as the President's statement on the occasion of National Foreign Language Week in March of this year:

COMMISSION ON SECURITY AND COOPERATION IN EUROPE,

Washington, D.C., June 2, 1977.

HON. JIMMY CARTER,
President of the United States, the White House, Washington, D.C.

DEAR MR. PRESIDENT: At the suggestion of Representative Paul Simon of Illinois, the Commission on Security and Cooperation in Europe has looked into the question of United States compliance with the section of the 1975 Helsinki Agreement which calls for strengthened educational and cultural exchanges and particularly for increased foreign language study.

The Commission has found that the pre-1975 trend toward reduced exchanges and foreign language study in the United States has continued. Some examples will illustrate this point:

Foreign language enrollments dropped 30 percent between 1968 and 1974. They appear to be declining still.

In 1975 only 24 percent of American high school students were studying a foreign language. Fewer are doing so now.

Only 5 percent of those enrolled in teacher education programs are receiving any foreign area instruction.

Only 17 percent of American foreign language students taught wholly in this country can speak, read, or write that language easily.

The International Education Act has never been funded.

The Fulbright-Hays program is today in 1977 30-percent smaller than it was ten years ago when measured in 1967 dollars.

This situation is a serious matter in view of the increasing degree of world interdependence and the need for more international cooperation. For example, during the past decade the percentage of our gross national product dependent upon exports has doubled. This means, among other things, the loss of jobs requiring language skills to non-citizens. (There may be 100,000 such jobs in private industry now, and the number is growing.) Finally we are not living up to the commitment to encourage foreign language and area studies which we accepted in 1975 by agreeing to the Final Act of the Conference on Security and Cooperation in Europe—the Helsinki Agreement.

The Commission on Security and Cooperation in Europe has therefore adopted a Resolution, which is enclosed, requesting you to appoint a short term Commission (to expire six months after the appointment of its members) to prepare a plan of action to reverse this trend.

It is our hope that you and we in the Congress will be able to use this Commission to focus national attention on this important problem as a first step in exercising our leadership responsibilities in correcting it. You may wish to consider naming Mrs. Carter to the proposed commission. The example she has set in studying Spanish is a powerful one.

The formation of such a commission would be well received in this country. The American Council of Learned Societies, the American Council on Education and the Modern Language Association have already made similar suggestions. It would also be a step forward in implementing your own commitment in this area as expressed in your April 14 speech to the Organization of American States.

The cost of such a commission would probably not exceed $10,000 if personnel of par-

ticipating government agencies were used to staff it. The small amount of money could probably be found in the research budgets of those agencies without much difficulty.

We suggest that the Commission members be appointed soon—before the start of the Belgrade meeting on the progress of the Helsinki Agreement. Such a step would minimize our exposure to charges of failing to meet our obligations under that Agreement. It would also stimulate American interest in promoting foreign language and area studies.

Sincerely,

DANTE B. FASCELL,
Chairman.
CLAIBORNE PELL,
Cochairman.

Whereas, knowledge of other countries, cultures and languages is of the utmost importance in promoting understanding and cooperation among nations; and

Whereas, the Final Act of the Conference on Security and Cooperation in Europe committed the Participating States of which the United States is one, "to encourage the study of foreign languages and civilizations as an important means of expanding communication among peoples for their better acquaintance with the culture of each country, as well as for the strengthening of international cooperation;" and

Whereas, the study of foreign areas, cultures and languages in the United States is declining; and

Whereas, this decline is contrary to the commitment to encourage foreign language and area study accepted by the United States when it agreed to the Final Act of the Conference on Security and Cooperation in Europe in Helsinki in 1975; and

Whereas, this decline is not in the national interest of the United States because it limits possibilities for increased mutual understanding and international cooperation and because it denies growing numbers of Americans of information and skills needed to exercise their duties and responsibilities as citizens; now, therefore, be it

Resolved That the Commission on Security and Cooperation in Europe recommends to the President of the United States:

1. That he appoint a commission to make recommendations to the President and the Congress on how to strengthen and improve language and area studies in the United States; and

2. That in carrying out its task the commission shall survey and consider public and private studies on this subject; and

3. That the commission should include several appropriately qualified public members as well as government officials with expertise and responsibilities in this field; and

4. That the commission be staffed and funded by one or more of the participating government agencies; and

5. That it complete its work no later than six months after the appointment of its members.

THE WHITE HOUSE,
Washington.

NATIONAL FOREIGN LANGUAGE WEEK, 1977

National Foreign Language Week gives all of us the opportunity to examine the importance of foreign language study and to reassess the position of language instruction in our educational system.

When I was Governor of Georgia, I was pleased to invite all foreign language teachers to Atlanta in 1972 to attend a national convention on the teaching of foreign languages. My awareness of the importance of foreign languages. My awareness of the importance of linguistic skills has been sharpened by my travels in Latin America. I learned the enormous value of being able to communicate freely and directly on a person-to-person basis.

As President I have come to believe even more strongly in the benefits of mastering a foreign language. As time allows, I work to improve my own fluency in Spanish, and members of my family are actively studying this language.

I appreciate the good work of our nation's foreign language teachers in constantly upgrading their professional standards, and I share their concern about declining enrollments in this area during recent years.

I think this observance provides a positive step in the direction of encouraging useful and rewarding language study at all levels of education and on through adult life.

Friendly and peaceful relations among nations depend greatly on improved communication between their individual citizens. Becoming fluent in another language is one of the finest ways of achieving such improved communication and promoting better internatıcnal understanding and goodwill. In the spirit of this week, I commend all those who are currently teaching or studying a foreign language, and I encourage other fellow citizens to do so.

JIMMY CARTER.

PHILADELPHIA CONTRACTS WITH FRANKLIN INSTITUTE FOR REVIEW OF ENERGY SITUATION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. EILBERG. Mr. Speaker, the Honorable Frank L. Rizzo, mayor of the city of Philadelphia, has just announced that the city has entered into a $49,500 contract with the Franklin Institute Research Laboratories to assist the city government in its review of current and long-term energy problems with which the community is confronted.

Mayor Rizzo said:

This is a part of the City's on-going program under which it seeks to assure that sufficient energy will be available for citizens and businesses in Philadelphia. We did reasonably well during the past severe winter; however, we wish to be even better prepared for the future.

Mayor Rizzo has named Director of Finance Lennox L. Moak to head up the administrative team working on this problem. The team includes Managing Director Hillel S. Levinson, Director of Commerce Albert V. Gaudiosi, Philadelphia Gas Works General Manager Edward F. Hubbard. and Superintendent of Schools Michael P. Marcase.

The task force will review the total energy requirements of the community under different assumption, such as weather and economic conditions. It will study the present and potential energy sources that may be available to meet these needs, ascertain probable points of shortages and stress, and make recommendations for meeting these problems.

The implications of possible regulatory and technological changes also will be assessed.

Among other alternatives being examined is the potential for the city to acquire natural gas sources which would supplement the general pipeline sources, including the possibility of purchase of gas-producing wells.

SOUTH DAKOTA WILDLIFE MANAGEMENT AND THE WATER BANK PROGRAM

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. ABDNOR. Mr. Speaker, in yesterday's RECORD is the text of the May 7, 1976, letter I addressed to Mr. Nathaniel Reed, Assistant Secretary of the U.S. Department of the Interior, concerning Federal land for wildlife management and his reply to my questions.

I sent an identical letter to Mr. John Popowski, secretary of South Dakota Game, Fish, and Parks, concerning the State's plans. His reply follows:

JUNE 14, 1976.

Representative JAMES ABDNOR,
Longworth House Office Building,
Washington, D.C.

DEAR JIM: I certainly agree with you that South Dakotans pride themselves on our State's abundant wildlife resources. Just recently I read a newspaper feature article about South Dakota that appeared in the Los Angeles Times. The story repeated what many of us have known for a long time: that the quality of outdoor life in South Dakota is treasured by many of our people. Family ties and family businesses would no doubt predominate in any list of reason why South Dakotans choose to live in their home state, but it has been my observation that hunting and fishing and other quality outdoor experiences are also important to them. On several occasions I have been told by professional men that they moved to or remain in South Dakota specifically for the opportunity to enjoy our great outdoors. It would unquestionably be a tremendous loss to our State if the quality of the outdoor experience should deteriorate to a much greater extent. This is why, I might add, that I am very much aware of the challenges that lay ahead for this Department and for the U.S. Fish and Wildlife Service.

It's cliche, perhaps, to say that wildlife is a product of the land but it's nonetheless true. Many people, however, consider wildlife an inexhaustible by-product. This isn't true. As greater agricultural production is demanded from the land, we can expect—indeed we've seen it—a corresponding decrease in wildlife production. From our perspective it is quite obvious that lands owned by the State and managed exclusively for wildlife are important now and will be even more important in the future, if we hope to maintain our outdoor heritage. Of course, Jim, this doesn't mean that I discount the importance of wildlife production on private land. I very well recognize that many of our farm and ranch friends do their best to permit and encourage wildlife production. I also recognize that as the cost/price squeeze gets tighter and tighter it becomes more and more difficult for them to "leave a little" for wildlife.

Agriculture does appear to be on hard times these days on a number of fronts. It's an unsettling situation on the entire economy of South Dakota. The continuing drouth justifiably has a lot of operators worried, and difficulties in the market place are only compounded by the ever increasing costs of operation. I can well understand the general mood of concern, and I suspect that it may have a lot to do with the unrest now being expressed over the acquisition of lands for wildlife. Yet it's difficult to believe that the one-quarter of one percent of the South Dakota land area owned by the State for wildlife production can be having any serious impact. Even adding the land owned by

the U.S. Fish and Wildlife Service for waterfowl production, the total is less than one-half of one percent.

I think, Jim, there is a good chance that much of the concern you are now hearing stems from efforts by the Corps of Engineers and the Bureau of Reclamation to mitigate wildlife losses occurring from Missouri River reservoir and Oahe Irrigation Project construction. These, of course, are federal projects intended in part or in whole to benefit South Dakota agriculture. The wildlife portions are small compared to the overall impacts of the projects, but they are an integral part of the projects as they are authorized by Congress. I might add that I fully support the authority to mitigate wildlife losses from these projects, but I would point out that such mitigation is not a wildlife management plan of our design. But before I ramble on too much let me get to your specific questions, which for clarity I'll answer in the order they were asked.

(1) The Department of Game, Fish and Parks holds fee title to 126,941 acres classified as game production or public shooting areas (I will refer to them as simply public shooting areas throughout this letter); 2,500 acres for fishing and lake access; 6,829 acres in State Game Refuges; and, 72,000 acres in Custer State Park. Meandered lakes (inclusive of land acreage in some cases due to dry years) are areas omitted from the original Government survey that were never open to homesteading nor did the Government ever issue title. These lakes and lake beds, totaling 159,699 acres minus relictions, are held in trust for and dedicated to the people of South Dakota. The 1957 State Legislature vested in the Department of Game, Fish and Parks the authority to administer these areas.

The U.S. Fish and Wildlife Service lists 117,898 acres under their jurisdiction, inclusive of waterfowl production areas, refuges, fish hatcheries and research stations.

The Department of Game, Fish and Parks leases approximately 24,000 acres from the Bureau of Reclamation and the Corps of Engineers for wildlife management purposes. These areas are managed and developed similar to state-owned public shooting areas. We also have a cooperative wildlife management agreement with the U.S. Forest Service on 782 acres in the Fort Pierre National Grasslands.

(2) Privately-owned land under wildlife management easements or agreements is in one of two categories:

The Wildlife Habitat Improvement Program (WHIP) of the Department of Game, Fish and Parks currently has enrolled 8,880 acres. This is a cost-sharing program whereby wildlife improvement practices are instituted on private land.

The Waterbank Program, administered by the ASCS, currently has enrolled 46,814 acres. This is a multi-purpose program with soil and water conservation benefits as well as associated wildlife benefits. The wildlife aspects of Waterbank could be greatly improved if contracts permitting periodic wildlife improvement practices were allowed. As presently administered, Waterbank enrollments are for 10 years with no improvement or maintenance practices after the initial enrollment.

A third category of land that perhaps should be included in this question is that owned by the Nature Conservancy in South Dakota; this now totals 7,600 acres and is managed for native flora and fauna.

The U.S. Fish and Wildlife Service takes easements on private wetland basins for preservation purposes. These, under terms of the easements, may not be burned, drained or filled; however, in all other respects the landowner may use them as he would any other agricultural land. Naturally they are sometimes cropped in dry years. They are not "managed" for wildlife.

(3) First, let me point out that GF&P does not have an easement program. As for future acquisitions, they will be severely limited in comparison with past years. All game lands owned by GF&P are taxed at their true value by the counties. That tax obligation in 1975 was over $145,000, payment of which was withdrawn from the Land Acquisition Fund. Revenue to the Land Acquisition Fund in 1975 was less than the taxes, and in FY 1977 we are projecting Fund revenue of $130,000.

The Department is contacted about 10 times each month by people who want to sell certain acreages, intending to insure proper management of the land for wildlife and future recreational use. Some of these areas are needed additions to existing public shooting areas and others would meet demand in areas with little public recreation lands. Considering the present state of the Land Acquisition Fund, however, it is apparent that any acquisitions in the near future will be very high priority areas "specially" authorized by the GF&P Commission for purchase. Such acquisitions, of course, cannot be predicted, although it is apparent they will be limited.

(4) The Department is now in the process of developing a comprehensive plan for the management of South Dakota's fish and wildlife resources. This plan looks at both the resources and how and why people utilize those resources; what their future requirements will be. Completed surveys show that 4.3 million man-days are now expended annually by hunters in South Dakota. Fishermen expend 4.3 million man-days. Other types of outdoor recreation have a total use of 24.3 million man-days, revealing that hunting and fishing account for approximately one-fourth of all outdoor recreation in our State.

Intensive management of public shooting areas (owned by the State) has resulted in higher levels of use on these areas, as well as preserving critical habitat. Hunting use on these areas is 2.97 man-days per acre annually compared to 0.07 for all other land in South Dakota. Over 35 percent of all waterfowl hunting and 15 percent of all hunting in South Dakota occurs on public shooting areas.

Over the next 14 years we anticipate an increase of 31 percent in man-days of hunting demanded. This additional 1.2 million man-days of hunting, with 15 percent of the use provided on game production areas, at the present use level of 3 man-days per acre, will require an additional 61,750 acres. Inasmuch as all public shooting lands (in fact all lands) purchased by the Department are purchased from willing sellers only, and inasmuch as the Land Acquisition Fund is now overextended to pay taxes, there is no master plan identifying specific lands to be purchased in the future.

I think, Jim, you are aware that South Dakota is now the second largest waterfowl producing state in the contiguous United States. Every state south of us is partially dependent on our production for their annual waterfowl migration. We also are an important dove production state and these birds are hunted in every state south of us. The point is that our wildlife habitat areas are important even beyond our borders. Approximately half the original wetland areas in the United States have been drained and destroyed, and the process continues. At the time of Statehood, the State owned 5.8 percent of the total land area. It now owns 2.5 percent, all agencies considered.

(5) The Land Management and Development program for public shooting areas (GF&P) is a federally cost-shared operation through Pittman-Robertson funding. As with other wildlife management costs in South Dakota, no State General Fund monies are used. Currently, the annual budget of $424,000 finances such activities as fencing, access roads, signing, wildlife food and cover plantings and noxious weed control. The budget level for these activities is sufficient to maintain a satisfactory management and development program, however, with additional funding some public shooting areas could be further improved for wildlife.

(6) Question (No. 6). Is there adequate cooperation and coordination between state and federal officials in acquiring and maintaining wildlife management areas? What formal agreements are in force in this regard? Is there adequate cooperation among federal agencies in optimizing land currently under their jurisdiction for wildlife purposes in South Dakota?

There have been some difficulties in getting certain federal agencies to live up to their responsibilities under the Fish and Wildlife Coordination Act. The larger the federal projects the more difficult and complex the problems. In many instances mitigation plans of construction agencies are found wanting. This has been true on Soil Conservation Service projects, and most recently, on the Bureau of Reclamation's vast Oahe Unit. As you well know, we are only now on the verge of achieving an adequate mitigation plan for the construction of Oahe and Big Bend reservoirs, with the Corps of Engineers.

An informal and gentlemanly agreement exists between the U.S. Fish and Wildlife Service and the Game, Fish and Parks Department in regard to land acquisition. If we know that they are in the process of acquiring an area, we do not interfere and of course the reverse is true.

We do not feel that there has been adequate consideration given to the wildlife resource in the management of federal lands. The U.S. Fish and Wildlife Service, which manage their lands for wildlife, is a notable exception. Though we experience on infrequent occasions, differences of opinion with them, these are worked out in a spirit of cooperation.

The Bureau of Land Management controls vast acreages in South Dakota. BLM lands are severely overstocked and overgrazed. Wildlife benefits are very limited on these areas as well as those managed by the Corps of Engineers which are in similar condition.

The U.S. Forest Service manages both National Grasslands and the National Forests. These have been managed under their multiple use program. Though wildlife is a part of this program, all too often it was only incidental to the management of these lands.

Recently a new supervisor (James Overbay) was appointed to the Black Hills National Forest. Since his appointment a much better rapport has existed, and strides are being made to enhance wildlife techniques in management of National Forest lands.

The same cannot be said for the National Grasslands. Located in many different areas, they range from good to poor. As with other federal agencies, we are endeavoring to reach satisfactory agreements and will continue to do so in the future.

(7) The Department has 55 conservation officers stationed throughout South Dakota and they are in constant contact with the public on a daily basis. One of their responsibilities is to write annual management plans for public shooting areas. Landowners adjacent to these areas are directly influenced and often benefit from our management operations. For example, on many of the public shooting areas management involves agricultural leases (almost 300 leases this year) such as crop sharing agreements on a two-thirds to one-third basis. The tenant operator, usually a neighboring farmer, is thus directly involved and has input on cropping procedures. The State's share of one-third may remain on the area to provide food and cover for wildlife, or may be harvested and stored for later use in an attempt to winter wildlife on the State area.

There are many other ways in which we

try to develop a "good neighbor" relationship with landowners who live near public shooting areas, and with all other farmers and ranchers in South Dakota. For instance, we provide snow fences to landowners to protect haystacks from wildlife depredation and in extreme cases aircraft are available to haze deer or antelope out of fields. In a few cases we have even killed and removed offending deer. Noxious weed control is practiced on wildlife lands and we have field crews from each of our five regional offices for this activity. This year's budget for weed control is $55,800. Boundary fences are constructed on public shooting areas and the Department conforms to state law by providing at least one-half of construction and maintenance cost of fencing. In many cases, we have supplied all fencing materials and the adjacent landowner has constructed the fence.

The Department recognizes that hunting on private land is sometimes considered to be an intrusion. Although hunting is our primary method of controlling game populations and therefore controlling game depredation on agriculture lands, some landowners are more tolerant of hunting activity than others. In many cases landowners have become discouraged with hunting activity for justifiable reasons, i.e., damaged fences, trespass, etc. In an attempt to improve relations between rural landowners and all outdoor recreationists, particularly hunters, we were instrumental in the formation of the South Dakota Landowner-Sportsman Council. This Council is co-chaired by John Glaus representing the Stockgrowers and Dennis Van Asch representing Wildlife Federation. The Department's public affairs officer is secretary to the Council. Although the Council is just now getting a program started, we have confidence it will accomplish many important projects to bring rural landowners and outdoor recreationists into better harmony. I believe that our participation and contribution to the Council demonstrates a genuine attempt to resolve sometimes conflicting interests.

There are numerous other ways in which we strive to maintain good relations with rural landowners. One that comes immediately to mind is our Animal Damage Control program.

On July 1, 1974, the GF&P Department assumed responsibility for predator and animal damage control in the West River area. Responsibility in the East River area was assumed July 1, 1971. These programs had previously been administered by the U.S. Fish and Wildlife Service.

The West River program primarily is intended to reduce coyote and fox predation on sheep, although some complaints of predation on cattle also are answered. The program in the West is a direct control program where trappers respond to complaints and attempt to personally remove the offending animals. We have 14 trappers, an assistant supervisor and two pilots stationed in the West. East of the Missouri River are four trappers who follow an "extension" approach to animal damage control. They assist landowners in the removal of nuisance animals by demonstrating trapping and other removal techniques. Much of their time is also used teaching people how to trap for sport and profit, the result of which further reduces (harvests, if you prefer) populations of sometimes nuisance furbearers. A fulltime supervisor for the statewide program is stationed at Pierre.

The FY 1976 Animal Damage Control budget is $376,000. Of this amount $70,000 is derived from the surtax paid by farmers and ranchers on cattle and sheep.

The balance of $306,000 is derived from sportsman license revenue deposited to the Game and Fish Fund.

As regards the involvement of local people in land acquisition procedures, all public shooting area land acquisitions are recommended by the local conservation officer. All of them are reviewed by regional supervisors, the division supervisor, me and approved or disapproved by the GF&P Commission. When adjacent landowners have a question concerning management operations, the most immediate contact is the conservation officer living in the local area. Thus, most situations are handled promptly and local problems are minimal. If a situation occurs which involves statewide policy, it can be referred to the Pierre office. Additionally, any citizen or group of citizens can appear before the Department's eight-member commission to make a special request or discuss a problem. The avenues to reconcile conflicting interests are always open to this Department and are frequently used by South Dakotans. I believe that our "open door" policy works and has been instrumental in avoiding most court proceedings. Certainly it demonstrates our desire (and in most cases our success) to resolve conflicts in a reasonable manner.

One point that could improve our relationship with the public would be their understanding of policy similarities and differences between the GF&P Department and the U.S. Fish and Wildlife Service, particularly the differences in method of compensation to counties that contain State and Federal wildlife lands.

(8) As has been previously indicated, the Department does pay real taxes on public shooting areas to the counties within which the areas are located. Last year's total payment to all eligible counties was $145,611.15. These taxes are assessed by the counties in the same manner as if they were privately-owned. The U.S. Fish and Wildlife Service makes "revenue sharing" payments to the counties but does not pay "taxes." This difference frequently is not clear to the citizens of the affected counties with the result that the Department of GF&P is sometimes accused of "not paying taxes." And it seems, Jim, that no matter how many news releases we issue to the contrary, that misunderstanding prevails. I understand that Congress is now considering S. 3468 and H.R. 9718, both of which would change the method of federal compensation to counties. As I understand these bills, the counties would receive "payment-in-lieu" of taxes but the amount would still not equal that which is paid by private landowners or the GF&P Department. We are very much aware of the counties' concern about reduced tax base and I support the proposition that the federal government should pay a fair share of the tax load as it is reflected by their land holdings. I particularly would support any change that would have the effect of clarifying to the public the differences between GF&P and U.S. Fish and Wildlife Service compensation to the counties.

(9) There seems to be some inconsistencies associated with the economics of irrigators in taking waters directly from the mainstem Missouri River reservoirs. One irrigator will claim that it is economically infeasible for him to add a few hundred yards of pipe to reach a more suitable site from the standpoint of fish, but his neighbors who farm a mile further away from the reservoir are constructing water lines with no apparent concern for the additional cost of piping water to their land. Surely, the irrigators who take water directly from the reservoirs have large investments in pipe, sprinklers and equipment, but their investment is no greater than the people who will be using the Oahe Irrigation Unit water The farmers who take water directly from the reservoirs have no added fees for the water, they do not have to pay for long distance distribution facilities, maintenance and operations. Surely, some of these farmers have lost land to the construction of the reservoirs but they were compensated under the laws of the United States. It certainly is worth pointing out that they are not being denied water, but are being asked to take it from areas that are not critical to fish production, according to established guidelines. The recommended restrictions are used only on listed embayments known to be fish production and nursery areas. The main channel of the reservoirs are not listed as restricted areas.

Fishing also is economically important as well as being important to the quality of life that I mentioned earlier. According to our 1972 economic impact study, fishing in South Dakota is valued at over $21.5 million per year with the counties bordering the Missouri River Reservoirs accounting for more than $5.7 million of those annual expenditures.

Therefore, in answer to your question would we support legislation that would provide authority for grants to irrigators, we would have to answer, no.

(10) Wildlife management objectives are based on the Department's responsibility of insuring the welfare of all wildlife in the state. The goals of managing game populations are to provide for maximum sustained annual harvest and maximum recreational opportunity. Wildlife management decisions do not involve economic analysis directly. Indirect economic considerations in wildlife management consist primarily of limiting management programs to those which best meet management objectives with the limited funding available. When additional funding is required to conduct necessary management programs, no attempt is made to sell additional hunting licenses specifically for that purpose; rather the State Legislature is requested to increase hunting license fees.

Wildlife management policy decisions, including hunting regulations, are made by the Department Commission. The public has the opportunity to make its feelings on management objectives known by communicating with Department personnel who are stationed in almost all counties of the state, by testifying at formal Department public hearings on specific regulation proposals, and by appearing before the Department Commission at regular monthly meetings.

Most of the Department's wildlife management endeavors are directed toward maintaining or increasing populations of game species. Baseline populations of game species are not all known, nor do they need to be known for management purposes as long as surveys are conducted annually to obtain indices of population reproduction, trend and hunter harvest.

Criteria for determining how much consideration a widlife species receives does not necessarily include whether or not the species is indigenous. Priorities for management consideration is based more on such aspects as population status and trend, public demand, and management capability. Success of management efforts is measured in terms of population responses to management efforts, utilization of population surpluses, amount of recreation provided, and the degree to which the public is made aware of reasons for population trends whether due to management efforts or not. Since most of the state is privately owned land, capability of wildlife management, whether the management involves hunter harvest and/or habitat manipulation, is often limited.

(11) Although all the Department's public shooting area acquisitions are from willing sellers, we are required by federal regulation to remain eligible for federal cost-sharing through the Pittman-Robertson Act, to pay at least the appraised value but not more than 10 percent over the appraised value for such land purchased.

Private organizations, of course, may bargain with the seller for any price that is agreeable to both parties, which may be more or less than the appraised value. It is, therefore, impossible to compare acquisition procedures. Most often the complaints that

I hear are about government paying exorbitant prices for goods and services. I'm pleased to tell you that is not the case with our land acquisition program. We pay what is properly considered a fair price, no less, or at the most 10 percent more.

Jim, your final question asks is it not true any effort to enhance wildlife is doomed to failure if it lacks public (especially local) support. Yes, that certainly is true within certain qualifications. One of our most difficult chores is maintaining wildlife population levels that are satisfactory to the general public for observation or harvest, and satisfactory to the rural landowner upon whose land that wildlife often lives. In addition to the many State statutes that require this Department to manage wildlife, we also feel a strong obligation as professional wildlifers to do the very best job we can to assure that fish and wildlife remain a viable and rewarding part of the South Dakota countryside. If we did anything less, I don't believe the people of South Dakota would long tolerate the failure, even if we had the world's best public relations program.

Sincerely,

JOHN POPOWSKI,
Secretary.

The water bank program, administered by the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture, provides for protection of wetlands in private ownership. I addressed correspondence on May 7, 1976, to Mr. Kenneth Frick, Administrator of the Agricultural Stabilization and Conservation Service, regarding the operation of this program in South Dakota. My letter and his reply follow:

Mr. KENNETH E. FRICK,
Administrator, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C.

DEAR KEN: I am attempting to get a better handle on the comprehensive future of wildlife management activities in my state of South Dakota. Accordingly, I would very much appreciate being apprised as specifically as possible of the impact of the Water Bank Program.

For example, how many surface acres—land and water—are presently and can be expected to be managed for wildlife purposes under this program in the coming years? How much money is involved? In total and on a per acre basis? Is the program coordinated with federal and state wildlife management officials? What has been your experience as far as local support is concerned?

Thank you for your consideration in furnishing this information, as well as any additional comments you may think helpful.

Sincerely,

JAMES ABDNOR,
Member of Congress.

Hon. JAMES ABDNOR,
House of Representatives.

DEAR MR. ABDNOR: This is in reply to your recent letter concerning the operation of the Water Bank Program (WBP) in South Dakota.

As of December 31, 1975, there were 471 WBP Agreements in South Dakota covering 46,185 acres. The total acreage under agreement represents 13,973 acres of wetlands and 32,842 acres of adjacent land. The annual payment to agreement signers is approximately $449,000.

The program is currently being operated in 25 counties in South Dakota. An allocation of $4.2 million ($16 million available nationally) has been made to South Dakota for new business. The allocation is to cover payments for the entire ten-year agreement period.

The WBP was formulated in consultation with the Secretary of the Interior and other appropriate local, State, Federal, and private conservation agencies in order to assure coordination of the WBP with programs of other agencies and to ensure a solid technical foundation for the program. It has been our experience that local support for the program is very favorable.

Sincerely,

KENNETH E. FRICK,
Acting Deputy Administrator, Programs.

THE SPEAKER, K. LEROY IRVIS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to call to the attention of my colleagues an individual accomplishment of national significance. I am referring to the unanimous election of that great statesman and distinguished public servant, the Honorable K. Leroy Irvis, to the position of Speaker of the Pennsylvania House of Representatives—the first black man in Pennsylvania and the second black man in the United States to hold that office in this century. Mr. Speaker, as the leader of this body and as the Speaker of the House of Representatives in the Commonwealth of Massachusetts, I do not have to tell you what an accomplishment this is for any man. I do, however, believe that the election of Speaker Irvis is a glowing symbol of the progress this Nation has made toward the achievement of equality of opportunity for every American regardless of race, color, or creed.

It is interesting to note that Speaker Irvis was endorsed for the speaker's office by his Republican and Democratic colleagues in the Pennsylvania House in, as his executive assistant, Rufus Lynch, declared, "a spirit of bipartisan respect which has marked Irvis' entire career." Lynch continued, "He is known for his fairness, intellectual perceptiveness, and above all, respect for the individual and concern for the downtrodden."

Mr. Speaker, both as a black man and as American citizen, I am proud of Speaker Irvis' accomplishment, and I would like to insert his remarks on the occasion of his election to the speaker's office at this point in the RECORD:

REMARKS BY SPEAKER LEROY K. IRVIS

SPEAKER PRO TEMPORE PRESENTS SPEAKER

The SPEAKER pro tempore. I have the honor of presenting the Honorable K. Leroy Irvis, Speaker of the House.

THE SPEAKER (K. LEROY IRVIS) IN THE CHAIR

The SPEAKER. I thank you very much, Mr. DeMedio and I thank you sincerely for presiding on this occasion.

My mother died in 1952, a relatively young woman, just 52 years of age, and I had been graduated from high school at about 14½ years of age and had won a number of awards; my mother said to me words way back in 1934 which, even though I know she had died in 1952, I heard clearly here this afternoon. She said, "No matter how many awards you have won and no matter how long they applaud, don't let it go to your head." It will not.

You and I face troublesome times. This is not the way I had hoped to come to this position, but no matter what happens to you or me as an individual, the people continue to exist and to have needs and their government must continue to serve them.

I have come to this office not to cause more turmoil, not to raise further dissention but, hopefully, as the Speaker of the House of Representatives—not the Democratic Speaker; the Speaker of the House of Representatives—to heal some of the wounds and to mend some of the breaks and aid just a little bit in moving us forward to do the job the people who sent us here expect of us.

I have an enormous respect for the wisdom and the capabilities of the people. I know eventually that the people will succeed and I know it as surely as I know I live. They may be betrayed and they may be misled and they may be lied to and cheated, but those who betray and mislead and lie and cheat disappear and the people remain. It is our strength in this land that all of us, regardless of origin, color, race, creed, profession, position, wealth, have a duty to perform in tending to the needs of our brothers and sisters.

It is sometimes amusing that we come upon great historical moments the way we do. My wife could not be here today. Her sister in Georgia is ill and she may have to leave for her side at any moment, but I said to Cathy this morning as I was putting that cervical collar on, "You realize, sweetheart, we are about to make history," and she looked up from the dresser drawer where she was rummaging around and said, "All I realize is that you've run out of blue socks." You need a wife like that. It is like having my mother say, "Don't let it go to your head."

Seriously, I am very touched by your reception of me. I feel more sincere and warm and I shall do nothing to betray your faith and your trust. I have said these things to the individual caucuses. I will make mistakes. Any that you feel I have made, please come and tell me.

One of my members said, I have a persistent feeling that you are a liberal and that you will never see my point of view. I said, "Come in and try it," and I repeat that to all of you.

I feel blessed in many ways that I am able to disagree with a man or woman without disliking him or her. There is no one in the hall of this House to whom I will not talk and to whom I will not listen, be it Republican or Democrat, whether he comes from an urban area or a non-urban, whether he or she agrees with my philosophy or not; I will talk and I will listen and I will learn, for you all taught me much.

You here today have done honor to this country and to its concepts. You have elected not a black man to be Speaker of the House of Representatives but, more importantly, you have elected a man who just happens to be black, and that is the direction that this country must continue to go in.

We must continue to search out the individual values in men and women and leave the residual ones, such as how tall or short, how light or dark, how quiet or how articulate, how educated or not, the person may be relegated to secondary consideration.

I have had a reason for asking each person to second my nomination or perform a task, and someday when we have a little more time, I will tell you some of the reasons. But I will tell you two of them.

I chose Mr. Pancoast because when I served with him and he was in the majority, I learned how fair a man can be and how dedicated to search for the truth. He taught me that. I chose Helen Gillette because she taught me a lesson a few years ago when she came into my office and said, "Why is it that the only assignments I get are inferior ones? Is it because I am a woman that you keep overlooking me?" And I apologized to her and said that I have been guilty. I will try not to make the mistake ever again. But I had a reason for each person and I will not

bore you with the recitation of the others, but as each person rose, I ticked off the reason in my mind.

Let me say this in closing: There has been a question in the minds of the public as to the probity of this public service and there has been a question raised as to the secret sources of income which a leader may have. I am going to follow the suggestion of a friend of mine on the Republican side of the aisle who said, "Why do you not just tell the whole world what you told us?" I am going to do it now so that there can be no question of that in the future.

I earn income from three sources: One from being a Representative; another from being an associate of Rose, Schmidt, Dixon, White and Halsey, a large law firm in Pittsburgh; and a third, and the rather minor part of it, as a consultant to a black-owned and black oriented radio chain. I have no solicitorships and no other sources of income. I tell you the final fact. My wife and I currently owe $4,046 in back taxes, and, as I stand here, I do not know how I am going to pay it. So much for my income situation. You have not elected a hidden millionaire.

I pledge to you that as long as I stand here, I will stand here to honor this position and not to deface it. As long as I stand here, I will do my best to deal justly with each one of you with each problem as it arises. You will help me do that. If you see me slip, you remind me. I am sure Miss Sirianni has taken that to heart.

SAVE THE HATCH ACT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. ABDNOR. Mr. Speaker, although my colleagues in the House have seen fit to remove the dual protection of both the public and the public's Federal employees which is embodied in the Hatch Act, I am hopeful the Senate will be more wary of politicizing the Federal bureaucracy.

With the exception of some members of the postal unions, South Dakota Federal employees contacting my office on this and previous occasions when we have considered altering the Hatch Act, have been unanimous in their opposition to official sanctions to their partisan political involvement.

Indeed, their feelings are the feelings of most South Dakotans, and they are reflected in this recent editorial from the Mitchell, S. Dak., Daily Republic:

SAVE THE HATCH ACT

In 1939, this law was passed to protect Federal employes, and you, from the corrupt designs of the old-style political bosses. Now, a new and far more powerful breed of boss, the Union Kingpins are on their way to overthrowing this one piece of legislation that currently bars them from politicizing the entire Federal bureaucracy.

Last year, despite the known fact that 74 per cent of all Americans and 73 per cent of all governmental employes wanted to keep the Hatch Act the way it is, big labor went to bat with a battle axe in the 94th Congress and missed scuttling the Act by the skin of a Presidential veto, finally sustained by Congress.

The Federal Government employs 2.8 million people, a potential labor union membership that outstrips anything in private industry today. Please write your Congressmen in opposition to this bill which would be a re-birth of "spoils system".

THE AMERICAN BANK & TRUST CO. TRAGEDY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. McDONALD. Mr. Speaker, yesterday, June 9, 1977, I testified before the Senate Committee on Banking, Housing and Urban Affairs against the nomination of John G. Heimann for Comptroller of the Currency. My objection to Mr. Heimann, who I do not know personally, is the fact that while he was superintendent of banks of the State of New York, he was closely supervising the activities of the American Bank & Trust Co. while a group of international financial manipulators succeeded in stripping the bank of tens of millions of dollars. I suggested to the Senate committee that they carefully investigate the collapse of the American Bank & Trust Co. to determine whether John Heimann was derelict in his duties when under his very nose David Graiver and his coconspirators looted the bank.

The July-August 1977 issue of the magazine Free Enterprise carries an interesting article on the American Bank & Trust Co. case. Although the article is weak and implies that only David Graiver was the culprit, it does raise the interesting question of whether Graiver in fact died in a plane crash in Mexico or whether he is still alive and enjoying the fruits of his crimes. The article by Bob Reiss does not raise the question of the role of various prominent people in Graiver's manipulations. But that is a matter that should be properly investigated by both law enforcement and legislative authorities. It is important that we know whether the prominent people involved with Graiver benefited from his operations. At this time, the New York County district attorney's office and the Senate Banking Committee are both looking into this matter. I am sure that more information will soon be available to us. I would like to submit for the record a copy of my testimony before the committee and the article from Free Enterprise magazine. I would also like to call the attention of my colleagues to my insert in the CONGRESSIONAL RECORD of May 26, 1977, which provides further information on this matter. These documents follow:

TESTIMONY OF CONGRESSMAN LARRY McDONALD

Mr. Chairman, Gentlemen: I have asked for the opportunity to testify today concerning the nomination of John G. Heimann, because of a serious concern about whether he should be permitted to assume the high office of Comptroller of the Currency. In this capacity, Mr. Heimann would have the responsibility of overseeing approximately 5,000 banks in our country. During his previous service as Superintendent of Banks of the State of New York from August 1975 to November 1976, a situation was allowed to develop that gravely affected the rights and property of depositors in a bank under the supervision of Mr. Heimann.

The American Bank and Trust Company, which was headquarted in New York City, was closed in September 1976, as a result of a request to the state court by Mr. Heimann. It was not closed, however, until a group of internationally organized financial manipulators succeeded in looting the bulk of the bank's assets.

Shortly after taking office, Heimann had issued a Cease and Desist Order to the bank to prevent it from continuing a policy of making loans beyond the legal limit to corporations controlled by an individual closely associated with officials of the bank. This order was issued on September 25, 1975. Shortly thereafter, the bank was sold to a family of Argentine citizens named Graiver. This family and its associates were deeply involved in the activities of the Peronist political movement and government in Argentina. The Peronist government was deposed in March 1976. It should be noted that the Peronist movement is broadly based and has elements within it that range from old Nazi's who had escaped from Germany after World War II, to young leftist terrorists with Cuban Communist ties. One allegation made by the present government of Argentina against the Graiver family was that they were using their international banking facilities to launder money deprived from terrorist extortions, kidnapping and bank robberies on behalf of the Montonero terrorist movement. The Montonero's have co-ordinated their terrorist activities with the Trotskyite, Communist, terrorist group called the Revolutionary Army of the People (ERP). Both of these groups have had cadre trained in Communist Cuba. The extent of the terrorism can be seen in the published reports that over 700 people fell victim to terrorism in Argentina in 1975; among them was John Patrick Egan, a United States honorary consul, kidnapped and murdered by the Montoneros in February, 1975.

According to the affidavit of Heimann to the New York Court, "The Graiver Group has borrowed millions of dollars from ABT (American Bank and Trust) on an unsecured basis, as well as additional millions on a secured basis. . . . the aggregate amount of advances, including loans, overdrafts and advances against collection, to the Graiver Group ranged from $10.9 million to $22.4 million, or between approximately 7.3 percent and 14.6 percent of ABT's total loan portfolio and between approximately 43.1 percent and 88.5 percent of its book capital. As of August 20, 1976, information obtained by the Department from ABT indicates that loans outstanding to the Graiver Group aggregated approximately $18.5 million." There is one estimate that the Graiver and their associates might have stolen as much as $50 million from the bank. Many of the victims were Jewish individuals and companies in Mexico and other Latin American countries who had been led to believe that they were dealing with a solvent bank supervised by officials of New York State.

An audit of the bank took place in March, 1976, under the supervision of Mr. Heimann. Evidence of the banks highly irregular activities was available at that time. After the audit, bank examiners were in the bank almost full time and still the looting continued right under the eyes of Heimann's subordinates. Nevertheless, Heimann waited many more months before closing the Bank, which was not done until the banks condition was revealed in the press. This delay was clearly against the interest of the depositors. During this delay, Howard Samuels, the New York State Finance Chairman of President Carters campaign, placed campaign funds in the shakey American Bank and Trust. Heimann, who was active in the

campaign, according to the New York Times, apparently failed to advise Mr. Samuels that he was placing campaign funds in a dangerously unstable bank.

One of the more serious charges against American Bank and Trust made by Heimann in his affidavit to the court requesting approval for the closing of the bank was:

"The failure to follow standard safe procedures is particularly apparent in the absence of authorizations for and documentation of extensions of credit to ABT insiders, including the Graiver Group. Among the many instances of these unauthorized and unsafe practices which have come to light in the course of the joint examination by the Department and the Federal Reserve Bank are the following:

No accounting record of ABT's obligation to purchase on demand $4.5 million in loans made by Banque Pour L'Amerique du Sud ("BAS"), a Belgian bank which is part of the Gravier Group. Included among such loans was a loan of $500,000 made by BAS to the Chairman of the Board of ABT. This loan was purchased by ABT in apparent violation of Section 22(g) of the Federal Reserve Act, which limits loans to executive officers to $5,000. The obligation to purchase BAS loans is evidenced by a letter dated March 30, 1976, signed by the Chairman of Executive Committee of ABT; the obligation, however, does not appear on ABT's books.

The Chairman of the Board of American Bank and Trust at that time was Mr. Abraham Feinberg, a prominent New York politician. When Feinberg wrote Heiman a letter expressing his disagreement with the take over of the bank, Heimann replied on October 6, 1976, "I understand that you are upset about implications in the press and media that there may have been criminal conduct involving ABT. Please let me assure you that I have not charged you or any operating officer of the bank with criminal conduct. As is my duty, I have referred information regarding the bank to the proper law enforcement authorities and they will investigate."

I know that this Committee would not allow the involvement of politically active individuals in the operation of American Bank and Trust to prevent it from fully investigating all pertinent aspects of this matter.

I urge this Committee to look closely into Mr. Heimann's failure to carry out his responsibility while serving as Superintendent of Banks of the State of New York, to protect the depositors against those who would misuse their power in the banking community. The matters that I have discussed are just the tip of the iceberg. It would not be possible in the time allocated today to go fully into this highly complicated matter. I would hope that the Committee would delay the confirmation of Heimann long enough to fully investigate the American Bank and Trust situation and the role played by Heimann in failing to prevent the looting of the bank.

That concludes my prepared statement, Mr. Chairman.

However, I would like to add one more thought. The seriousness of the American Bank and Trust situation warrants a thorough investigation. I would respectfully suggest that the Committee subpoena the files of the New York State Banking Department regarding this matter to determine who vouched for the integrity of the Graivers and whether any such people subsequently received loans or other payments for services from the bank or other Graiver enterprises. In addition the Committee might consider subpoenaing Mr. Spiro Donas, a former employee of Mr. Heimann's department who took a job at American Bank and Trust in April 1976, and later told the press that he soon became aware of the serious irregularities involved in the Graiver operations and conducted his own investigation into this matter. Then perhaps Mr. Heimann could be recalled for further testimony to determine whether he was derelict in his duty to protect the depositors in banks under his supervison.

[From Free Enterprise magazine, July–August 1977]

ONLY DAVID GRAIVER KNOWS WHERE THE MISSING $50 MILLION IS: AND DAVID GRAIVER IS DEAD

(By Bob Reiss)

(The charred bodies of the 35-year-old banker and his two pilots were pulled from the smoking wreckage of a small, private jet that crashed last August 7 in the mountains near Acapulco. A short time later it was revealed that Graiver had stolen $50 million. The details of his massive swindle are hard to unravel since Graiver did his bookkeeping where nobody could audit it—in his head. And Graiver is dead.

(Or is he? Or did Graiver carefully fake his own death, murder three people in the process—and disappear?)

There were thunderstorms over Acapulco that day and the peasants who saw the plane crash said they thought lightning had hit it. Others were not so sure.

There was no doubt in the minds of Mexican authorities, though, when it came to identifying the three bodies. Graiver, who held Argentine citizenship, customarily took a weekend trip from New York, where he lived and worked, to Mexico, his legal residence. The Mexican officials saw no reason to think this weekend had been any different.

But what the authorities did not yet know was that five days before the crash, officials at the American Bank and Trust Co. in New York had discovered that Graiver, who was trying to buy the institution, had been overdrawing unusually large sums of money from it and from a sister bank in Belgium. The officials were worried about the finances of the Graiver Banque Pour L'Amerique du Sud in Brussels, because of the close association of the two institutions. Confronted with the information, Graiver promised to start paying back $30 million worth of loans to the Belgian bank and agreed to transfer collateral on New York loans to New York from Argentina.

But the plane crash changed all that, and the mortal remains of David Graiver, after identification by his younger brother Isidoro, were cremated.

Shortly thereafter, the two banks collapsed. A high official of the Graiver bank in Brussels was in jail, and officers of the Federal Deposit Insurance Co. were bolting the doors of American Bank and Trust in New York.

As examiners in both countries later reconstructed it, Graiver had taken advantage of convoluted but customary banking practices to bilk investors of $50 million in phony loans, so it was quite a coincidence that his jet crashed when it did. Some of the defrauded investors pondered the circumstances, the unrecognizable condition of the bodies, the cremation, the $50 million and other strange events surrounding the crash, and came to a conclusion which differed from that reached by Mexican authorities.

"I personally do not believe David Graiver is dead," said Fernand Van Deven, a Belgian banking commissioner assigned to liquidate what's left of the assets of the bank there. Police in three countries are also actively looking for Graiver and still receive reports that he's been sighted in Mexico, New York, or Argentina.

Theories about David Graiver and his death (or disappearance) abound. According to one, he is being sought by a professional Nazi-hunter hired by wealthy, swindled Mexicans who plan revenge. Another speculates that Graiver never intended to run off with any money, that he intended to build a powerful financial empire from a paper one, but things didn't work out. After all, this wasn't the case of some $100-a-week accountant stealing a fortune to go off and lie on some South Pacific beach. Graiver had a fortune before he started his swindle. He just wanted a bigger one. And now he's hiding, afraid to surface.

The Graiver family was not always rich. David's father, Juan, a Polish refugee, arrived virtually penniless in Argentina during the Second World War. He began a small business and, showing acumen and foresight, built it up quickly, then branched into real estate and construction. Later he invested in ranching and movie production. The Gravier children were raised in an atmosphere of opulence and emerged from fine universities into an environment of big business and politics. Father Juan, who has been a heavy supporter of dictator Juan Peron when the latter was in power lobbied for Peron's restoration.

In 1973, his efforts were rewarded. Peron returned in triumph to Argentina. For David, this meant a government appointment as deputy minister of social welfare. Everything looked rosy for the Graiver fortune. In 1974, however, the Argentine economy took a turn for the worse. Inflation rose at 600 percent, Peron died, and his wife took power. In addition to money problems then, the Graivers were worried about their safety. In 1972, Isidoro had been kidnapped by leftist guerrillas and ransomed. Afterward the family moved about with armed guards.

Like other wealthy families, the Graivers decided to transfer their assets out of the country. They sought banks in Belgium and Israel, and decided to move to New York, where the stage was set for David's gigantic swindle.

THE BEARDED FINANCIER

David Graiver was (is?) a man of medium height, chubby, with a black Don Quixote beard and dark, penetrating eyes. He spoke English with a difficulty that some found endearing, and he often would bubble with excitement over a pet project.

A short time after arriving in New York the South American subleased a plush $6,000-a-month Fifth Avenue apartment, purchased a Mercedes (although he never completed payments), and, one report says, bought $1 million worth of paintings in cash. He dined in expensive restaurants, spent up to $10,000 a month on phone bills alone, just keeping in touch with his growing empire, and worked out of an office in New York's luxury Olympic Towers which Aristotle Onassis helped build. The interior of the office was decorated with pictures of David Graiver and Nelson Rockefeller, or of David Graiver and the Pope. What better company?

The office was frequented by the high and mighty, financial and professional potentates like Citibank's now-retired Chairman George Moore or prominent New York attorney Theodore Kheel, all wanting to see Graiver.

The point was, everyone wanted to see Graiver. He arrived in New York with a bank statement indicating he was worth $105 million, and that kind of honey attracts people. "Those who got in trouble with David were greedy," one acquaintance says. "They thought they could outsmart him, but they underestimated him. No one knew David's business. He carried everything around in his head."

First, Graiver established a New York beachhead with the purchase of the Century National Bank and Trust Co. for $7.8 million. Next he indicated that he would be interested in buying the American Bank and Trust Co., a bank closer to the attorneys, real-estate men and wealthy politicians who represent the establishment in New York. At one time Mayor Abraham Beame (between political stretches) had been one of its directors.

A "PROBLEM" BANK

Despite these good connections though, American Bank and Trust was having business difficulty, and New York State Banking Superintendent John Heimann had already labeled it a "problem" bank. "The department and the Federal Reserve Bank were extremely concerned about ABT's large proportion of high-risk loans and other classified assets relative to total loans and adjusted capital," Heimann said in an affidavit.

So, when Graiver made his offer to buy and specified a down payment of $14 million, he didn't face much opposition. In fact, published reports indicate he was cordially welcomed by officials apparently unaware that the $14 million was borrowed from ABT itself. Now Graiver waited for Heimann to approve the sale.

Meanwhile, the Argentine financier was becoming a familiar figure around New York. He bought $400,000 worth of stock in a Caribbean venture that his new friend, Theodore Kheel, was sponsoring. Graiver smacked down $40,000, then never paid the rest. He also hired Kheel as a consultant. In turn, Kheel introduced Graiver around town. The portly Latin was cultured and likeable, and the $105 million he was supposed to possess made him lots of friends. Kheel helped him find a private school for his brother's kids, and Graiver was seen lunching with the Argentine consul general, another good recommendation.

Speaking of recommendations, the list of people who wrote Heimann on Graiver's behalf testified to the quality of his image. Former Secretary of State William Rogers shot off a little note, and so did Graiver's fellow countryman, Alejandro Orfila, secretary general of the Organization of American States. In response to a confidential inquiry, Robert C. Hill, U.S. ambassador to Argentina, wrote New York that Graiver's bank in Argentina was sound.

So, it seemed to the officers and employees of the American Bank and Trust Company that Graiver, who merely walked in one day and opened seven $200 accounts, would shortly be their boss. And *since* he would shortly be their boss, and *since* he was supposed to be rich to start with, no one protested when he began to overdraw the accounts. In the world of high-flying finance, one source explained, overdrawing accounts is not unusual. Graiver soon borrowed $7 million.

And so began the destruction of the shaky New York bank and the looting of the one in Belgium. Graiver, some charge, diverted huge sums from ABT, funneled them through Brussels and then "invested" them around the world in corporations which existed in name only. If they're right, the money actually went straight to Graiver.

Of course, there are supposed to be safeguards to prevent this sort of thing. How had Graiver gotten around them? Within ABT itself, according to a former official, his references and bank statement helped him acquire loan approvals often extended to businessmen with good reputations.

THEN THE PLANE CRASH

Another protection against illegality are regular examinations by state and federal banking accountants. These took place during Graiver's stay in New York, but each time they did, he diverted funds from Belgium to New York to make his loans look smaller, according to published reports. After the examination was completed, the money would go back to Belgium.

Eventually though, one officer of ABT became interested enough in the relationship of the two banks to fly to Belgium and examine the books of Graiver's Banque Pour L'Amerique du Sud. The official was a former bank examiner with the State of New York, a hard-talking man with little to lose if he stood up to Graiver.

When he reached Brussels, he knew that something was wrong. With capital assets of only $4.5 million, BAS was carrying a portfolio of loans amounting to $35 million. Most of these notes had been issued to Graiver companies and, in fact, simply hid personal withdrawals in the Argentine's name. It was time to confront the boss.

At first, Graiver scoffed when asked about the loans. Maybe . . . maybe at *most* he had taken out $20 million, he said. At *most*. But he wasn't fooling the bank officer. The confrontation continued to build, and after a while Graiver began to look troubled. In the end, he promised to pay back the money he had taken in monthly installments. In addition, he said he would transfer bonds in the Argentine bank to New York.

Five days later, the plane crashed, leaving lots of unanswered, or only partially answered, questions about David Graiver.

First, why did he fly to Acapulco every weekend? Many of the big ABT depositors were Mexican aristocrats, and to some extent the trips involved business. Also, by listing a residence in Acapulco instead of New York, and by staying there 180 days a year, he avoided paying U.S. income tax. (And anyone who could afford $1,000 an hour for a charter jet would have owed plenty of income tax.) So he had good reasons to commute.

But suppose Graiver planned all along to loot the deposits in the Belgian bank? How cunning it would have been to establish an escape route by taking up residence in Mexico.

Then, on the day of the crash, the jet made refueling stops in Memphis and Houston. Did Graiver disembark during one of the stopovers? "There's no proof he did," says Ed Chandler, owner of the jet Graiver leased. "The pilots would have seen him before they took off."

Still, suppose Graiver left the plane, and met by prearrangement a man paid to dress like him, a man Graiver sent to his death by concocting a story that he was simply playing a joke on someone. The man would get on the plane and pretend to go to sleep. The pilots would return from refueling, see that the passenger was in the compartment, and take off. Meanwhile, a bomb Graiver placed on the plane would be ticking away.

"That's something I wouldn't put past him," said one former acquaintance.

Chandler, the plane's owner, discounts the bomb theory because the jet was said by Mexican investigators to have flown directly into the mountain. "The pilot radioed Acapulco that he was 35 miles from the airport, at 14,000 feet, then flew into the mountain 7,000 feet up, 45 miles from the airport. Clearly he didn't know where he was."

However, a published report takes issue with this official finding. The report mentions a photograph of the jet's fuselage sitting in a tree at the scene of the crash. If the plane had gone straight into the mountain, the report reasons, the trees at the point of impact would have been crushed by the oncoming aircraft. Therefore, rather than crashing into the mountain, the plane may have blown up and fallen out of the sky.

Still another possibility is that the plane was sabotaged, but not by Graiver. Perhaps there were accomplices who employed Graiver as a front man for illegal money coming out of South America, and they decided his usefulness was at an end.

In any case, there are lots of pieces to be picked up. The Graiver family is back in Buenos Aires, but in New York, Federal Deposit Insurance Corporation examiners are trying to recover the money that ABT loaned to David's various enterprises. Fortunately, spokesmen say, there was collateral on the loans. Unfortunately, the collateral has not been collected yet.

If Graiver is alive, as most of the victims of his $50 million swindle think, then where is he?" I doubt he's lying on a beach somewhere," an old friend said. "He's not that kind of person. He had too much drive."

Wherever he might be, he ought to be pretty well fixed. One source estimated that of the $50 million taken, $30 million could be in Graiver's hands right now. The rest can be accounted for, if not replaced. Granted, $30 million is a great deal of money, but David had a great deal of money to begin with.

If David Graiver is alive, though, what can he hope to do with it? Obviously, if he surfaces he'll be tracked down. At best he could work only through a trusted friend or lawyer. Maybe that's what's happening. Is he trying now to raise enough cash to pay back the angry men dogging his heels?

Or maybe he has given up, and is counting his blessings since he got away—or cursing his luck that he was found out. It could well be he is sipping martinis on some distant veranda, and will end his life dreaming of his lost world empire.

(NOTE.—On April 14, Argentina's military government anounced the arrest of David Graiver's father, Juan his brother, Isidore, and his wife, Lidia. All three were charged with "economic crimes." Argentine investigators suspect the Graivers of funneling $17 million to left-wing guerrilla terrorists who seek the overthrow of the present regime.

(The move leaves open the question of who now has first claim on the Graiver family assets—U.S. creditors or Argentine authorities.)

PERSONAL EXPLANATION

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. HARKIN. Mr. Speaker, due to my joining Chairman TEAGUE and a number of my colleagues on the House Science Committee on a tour of several new energy installations, for meetings with European leaders to discuss U.S. scientific policy, and my attendance at the 32d Paris Air Show, I was necessarily absent from the House of Representatives on June 1, 2, 3, and 6. A number of votes were taken on those days. Had I been present, I would have voted in the following manner:

Roll Call Number	*Vote*
292	Yea
293	Yea
294	Yea
295	Yea
296	Yea
297	Yea
298	Yea
299	Yea
300	Yea
301	Yea
302	Yea
303	Yea
304	Yea
305	Yea
308	No
309	Yea
311	No
312	Yea

THE 1977 CAPITOL PAGE SCHOOL GRADUATION—SALUTATORY ADDRESS BY MAURA CONNELLY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. MOAKLEY. Mr. Speaker, it was my pleasure last Monday evening to attend the 1977 commencement exercises of the Capitol Page School. Our fine House pages graduated in the same character as they served our Chamber, with honor, pride, and great distinction.

In her salutatory address, Maura Connelly called forth with sensitivity and insight the essence of the page experience. I am including the text of Maura's address for the RECORD so that those who were not present at the ceremony may enjoy her excellent perception.

The address follow:

SALUTATORY ADDRESS DELIVERED BY MS. MAURA CONNELLY AT THE 1977 COMMENCEMENT EXERCISES OF THE CAPITOL PAGE SCHOOL, JUNE 1977

Senator Moynihan, distinguished guests, parents, friends, and fellow pages, welcome to the graduation of the Capitol Page School Class of 1977. For at least 38 of us here, and probably more, this is the most exciting night of our lives. I doubt if any of us knew four years ago, when we started high school, that this is how and where we would graduate. We came to Washington as strangers from cities, small towns, and farms from all over the United States with many different backgrounds. We have since lived together, we have studied together, we have worked together, and we have socialized together. Now, tonight we are more than just a high school class—we are more like a family.

In this and in many other respects, we differ from the average American high school class. It is our experience as pages for the United States Congress that has made the difference.

We have had a tremendous learning experience in Washington.

We have, of course, finished our high school education, but we have also in many respect gone beyond that. We have discovered what can be expected from us in an adult world—the choices and the decisions. We have learned how to depend on ourselves, how to assert ourselves, and to some degree, how to deal with people. We have also learned something of what it takes to get ahead in the world. We are different from the average high school class and we have the people we have met in Washington to thank for this.

Each of us has met many people and have had our own individual set of experiences. But basically, we have had two sets of teachers—those who have taught us academically in the morning and those who have spent the rest of the day and often the evening with us, our supervisors on the Hill.

It is our bosses to whom we owe—the greatest debt.

During the long working day they set the examples for us to observe and learn from. They demanded from us our best effort. "I forgot" and "I'm sorry" were no longer excuses. They have taught us the importance and the burdens of responsibility. They have also shown us what the real world is like—the good and the bad, the justice and the unjustice, the success and the failures.

These were hard lessons to learn. It's not easy making the transition from the simple, childhood world of right and wrong to the more complex, adult world of nuances and compromises. But we have been helped along on this road to maturity with kindness. We have always known that our bosses sincerely cared and that they were there if we needed them.

So, tonight, we are here not only to celebrate the completion of the 12 years of schooling we have had to prepare us for college but also to recognize the fact that our experience as pages has given us a very valuable preparation for life.

I speak for the entire class when I say to the House and Senate bosses, Democratic and Republican, that you have won our respect, our loyalty, and most especially, our gratitude. Thank you.

TOGETHER WE WILL * * *

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. HUBBARD. Mr. Speaker, it is my privilege to present a speech given by Christopher G. Newell at the Zone Optimist Oratorical Contest in Hopkinsville, Ky. Christopher, a ninth grade student at the Bowling Green Junior High School, is the son of Dr. and Mrs. Gordon B. Newell, of 1109 State Street, Bowling Green, Ky. The speech follows:

TOGETHER WE WILL * * *

Contest Chairman, ladies and gentlemen, fellow contestants, I am grateful for the opportunity to share my thoughts with you this evening on this year's oratorical subject: "Together We Will * * *" Together We Shall * * * Together We Must Overcome Racism.

Do you judge a person by the color of his skin rather than by his character? Do you use derogatory terms to identify or refer to different races? Do you look on every person of a particular race as being the same, both mentally and physically? If you have answered "yes" to any of these questions, then you are just one of the millions of people that make our American society racist—a society in which there is the ignorant belief that one race is superior to another.

Racism is a hotly controversial, dirty word in America, which is detrimental to all. It can be classified into two different categories, overt racism and institutional subordination.

Now, overt racism is the type which often affects employment. Suppose a white employer is looking for a good worker and receives two applications—one from a white man and another from a black man. He chooses the white man because he feels, although he doesn't know, that the black man would cause trouble and would not be a good worker. This type of attitude may be one of the reasons why the 1977 World Almanac employment statistics show that in the past few years an average employment of 6.2 million white people were not hired as opposed to the 12.0 million of the other races.

The second type of racism, institutional subordination, can be seen in our educational system since it is the type of racism which contributes to the poor schooling in the United States. Since the beginning of our country, the minor races of our society have tried to get an equal education. But the stubbornness of some deprived them of this right. My friends, I am afraid that some of this stubbornness is still among us today. Busing, for example, an attempt to integrate our schools has caused nothing but trouble.

Although the Supreme Court in 1954 commanded integration of our schools, nothing earthshaking has resulted. Riots have occurred in such places as Louisville and Boston; the rate of dropouts has risen; and discontent has been aroused. The physical facilities have been integrated but the attitudes have remained the same. A member of the supposedly inferior race is not expected to do much because he is a member of the lower society. Thus, because he had no push or goal, he may do only what is expected of him and little more.

Overt racism also determines such things as where some people live. Because of one's race he may live in the suburbs filled with luxury or in the slums filled with poverty. Several residential areas have restrictions which cause major discontent among several races. Thus, their hopes for being in a good neighborhood, for receiving a good education, for living where they please are ruined.

But, above all, racism, regardless of which of the two categories in which it may fall, is a threat to democracy. For if we deny the dignity of an individual due to the color of his skin, we go against the basic principles of the democratic way of life. Because a truly democratic society allows each person to be equal, it gives him the chance to decide what kind of education he receives, to live in the neighborhood he wants, and to be able to get the kind of job he wants. Racism deprives people of this.

If our nation is to survive as a democracy, we must prove that some people are not born "more equal" than others because of the color of their skin.

We, the American people, can stop this deep-rooted complex problem of racism with a profound set of actions. If all the people in the United States cooperatively put forth an effort to abolish racism, brotherhood would prevail. The United States would be a better place for everybody. Life in general would mean so much more to everyone, and everyone's life would mean so much more.

In conclusion, I find that we have a job ahead of us. It will be a long, tough road, but in the end it would be worth it ten times over. First, we must make all Americans aware of racism and how costly it is to our nation—politically, economically, socially, and humanely. Secondly, we must allow the minorities to be able to live their lives to the fullest. We must look on them not as the trash of our society but as people who would be able to help us by participating in all activities of our community. We must let them be somebody. Justice must be color-blind and we must get along together. For together we will defeat racism and all of its troubles. After all there is but one true race—the human race.

A TRIBUTE TO REV. LANNEAU LLOYD WHITE

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mrs. BURKE of California. Mr. Speaker, it is indeed an honor for me to join the Brotherhood Crusade in a tribute to Rev. Lanneau Lloyd White who during his 27 years of ministry at Holman Methodist Church has built the membership from 135 to 2,300 persons.

Under Reverend White's loving direction, the congregation grew from a one-room structure to holdings worth more than $1 million. Now the Holman Church is known for its inspiring music, beautiful worship and reverent preaching. Beside the sanctuary, the facilities include an outdoor bowl, a rehabilitated small

theater and space for basketball, tennis, and other outdoor activities.

As a result of this, the Holman Church has been able to expand and open a United Methodist Church in another area of the city. In addition to the ministry available, a dental clinic has been opened at this new location which provides free dental service to needy people in the area.

Recently, Reverend White was named district superintendent of the Pasadena District of the United Methodist Church. Through this present position, Reverend White has used his personal magnitude to minister to the 48 congregations and to provide for missional outreach throughout the Southern California Arizona Conference.

Reverend White's accomplishments have been an inspiration to us all and the Holman Church stands as a beautiful and substantial monument to a man beloved and admired by all.

A DECLARATION OF INDEPENDENCE AND BILL OF RIGHTS FOR THE ELDERLY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. PEPPER. Mr. Speaker, in 1776 the colonists, rebelling against the tyrannies of George the Third, issued a Declaration of Independence and Bill of Rights. In 1848, a group of women, disinfranchised in the country they helped to found, met in Seneca Falls, N.Y., and issued a declaration of sentiments patterned on the Declaration of Independence. In 1948, in the wake of the horrors of Nazi Germany, the U.N. issued a declaration of human rights. Today I call for a declaration of independence for the elderly from mandatory retirement, forced institutionalization, hazardous nursing homes, and criminal victimization. I call for a bill of rights guaranteeing the elderly the right to work as long as they are willing and able, the right to home health alternatives to institutionalization, the right to safe nursing homes and security in their homes and in the streets.

Mandatory retirement is a cruel euphemism camouflaging age discrimination and forced unemployment. With the surety of a guillotine, it severs productive persons from their livelihood, shears their sense of self-worth and squanders their talents. The elderly of this country who want to work and are able to work deserve the opportunity to work. Thev are tired of aphorisms. They demand action.

Each day of the year more than 4,000 Americans reach the age of 65. There is no evidence that on that day their ability to function productively in the economy vanishes. There is, in fact, ample evidence to support Shaw's observation that "some are younger at 70 than most at 17." Who would tell Margaret Mead, who is 75, that her contributions to the study of sociology ended at age 65? Who would tell Arthur Fiedler, who is 83, or Leopold Stokowski, who is 94, that those over 65 cannot contribute meaningfully to our appreciation of music? To waste the talents of the older worker is as shameful as it is to waste natural resources. Why then does mandatory retirement exist? In part, because social security arbitrarily set a certain age for receipt of benefits. In part because Congress refused to protect workers over 65 in the Age Discrimination in Employment Act. And in part because we have not rid ourselves of the stereotype of the enfeebled older worker. In fact older workers perform as well and often better than younger workers in jobs requiring experience.

Mandatory retirement creates a host of additional problems. There is evidence that forced retirement accelerates the aging process, brings on physical and emotional problems, causes economic deprivation, and strains an already overburdened social security system.

Age based mandatory retirement is discriminatory, unjust, unnecessary, and a waste of human talent.

Depriving the person who is able and willing to continue to work of the right to work because by some arbitrary standard that person is old is a cruel act. But that is not the only cruel act perpetrated against the elderly.

Every year, thousands of older Americans are unnecessarily institutionalized. More than 1 million older people live in nursing homes, mental hospitals, general hospitals, old age and retirement homes, and other institutional settings which, in general, suffer from misdirection and inadequate service. Criteria for admission to these facilities are usually vague and variable. For example, one-third of the aged residents of State mental hospitals have no serious mental impairment at all, but simply have no place else to go.

Criteria for nursing homes are even hazier. State hospitals discharge many of their elderly, including those who are mentally disturbed and require psychiatric care, to nursing homes. One study of nursing home patients in Massachusetts concluded that as many as 40 percent of its residents could be treated at home for a lower cost if the law allowed. Testimony provided by HEW revealed that between 14 to 25 percent of the 1 million institutionalized elderly may be unnecessarily maintained in an institutional setting. Tragically, the Federal Government perpetuates needless institutionalization of the elderly. Of medicaid's $3.2 billion budget for the elderly—almost 70 percent goes to nursing homes and only 1 percent for home health alternatives. The vast majority of elderly must rely largely on medicare and medicaid support, neither of which will pay for home health care services, and the Government compounds the problem. Although preventive health care is far cheaper for both the patients and the Government—medicare and medicaid do not provide coverage for annual checkups, professional and nutrition counseling, and diagnostic services. And while those over 75 suffer visual and hearing losses at rates two to three times that of those less their age, medicare and medicaid do not cover the elderly's eyeglasses, hearing aids, and dentures, and other necessary medical appliances.

While many nursing homes are properly labeled homes because they offer compassionate care, others are more properly labeled nursing houses or nursing factories—places where those whom society has abandoned are sent to die—uprooted, isolated, treated with condescension rather than compassion. It is not surprising to discover that death often occurs soon after institutionalization.

The 23 million elderly people of this country want and deserve an alternative to institutionalization. Congress is beginning to view health care as that alternative. Just last month, the House Committee on Aging was able to defeat a proposal to cut back funding for home health services.

Institutionalization of the elderly should cease to be society's place of first resort. Rather, it should be the place of last resort—for only those who choose and need such services. Home health care offers the elderly the flexibility of choice and the option to remain independent—an ideal which must be preserved in our democratic society.

Those elderly who require institutionalization deserve Federal standards which guarantee that nursing homes are not tinderboxes. After 32 elderly persons died needlessly in a nursing home fire last year, I introduced legislation mandating sprinkler systems in nursing homes funded by medicare and medicaid. The legislation authorizes low-interest Government loans to underwrite the cost of the sprinkler systems. After an investigation, initiated at my request, the General Accounting Office concluded that there has never been a multiple-death fire in a nursing home protected by an automatic sprinkler system. The Comptroller General of the United States concluded that "Federal fire safety requirements do not insure life safety in nursing homes" and supported the sprinkler recommendation.

Nursing home safety is the special concern of all persons who will grow old and whose loved ones will grow old and will face the possibility of care in such a facility. These persons are not comforted by a New York State subcommittee report which found that because of fire hazards, nursing homes rank first on a list of unsafe places to live.

The elderly person forced out of a job or forced into an institution is in a very real sense a victim—a victim of societal stereotypes and misdirected legislation. But victimization of the elderly does not stop in the labor force or in health care. Crime against the elderly exacts a financial, physical, and psychological cost which is immeasurable. The committee heard elderly victims tell of being raped, beaten, mugged, and assaulted, their savings depleted by medical costs, spending days in hunger waiting for the next social security check. Ironically the elderly victim is the least likely to report crime either because he or she fears retaliation or is unable to afford the pursuit of justice.

Every year, nearly 20,000 senior citi-

zens are robbed of their social security checks, usually by direct looting of their mailboxes. During these first days of the month, when social security, pensions, public assistance, and other checks arrive, robberies, burglaries, and assaults escalate. The tragedy of crime is compounded for those elderly to whom social security checks mean food and shelter. The physical and financial scars of crime are deepened by the psychological scars. One elderly couple in New York City committed suicide rather than live out their lives in fear of being beaten again. Others imprison themselves behind bolted doors and barred windows dreading their next trip to the grocery store, afraid to attend civic and religious functions.

Hearings held by Mr. ROYBAL have revealed that the elderly are frequently the victims of property crimes—burglary, robbery, and larceny. Older victims, who are most frequently on fixed incomes with little or no savings, are unable to recoup monetary losses. They also lack the resources to replace stolen items or repair damaged property. Even the loss of $20, an amount of money considered too insignificant to register on the FBI crime index, can represent a loss of food, heat, or needed medicine to the older person on a small, fixed income. Recognizing this the Committee on Aging has recommended passage of a victim compensation bill, with special provisions to provide coverage for property loss and damage to needy elderly victims.

At the base of governmental response to the elderly are two antithetic stereotypes. One claims that to be old is to be feeble minded and worthless; the other claims that to be old is to be just like everybody else. The misguided belief that an arbitrary age signals senility is perpetuated in the Age Discrimination in Employment Act which fails to protect the worker over 65 from age discrimination. That stereotype also fosters the custodial mentality which drives the elderly into costly and often needless institutionalization. By demanding an end to mandatory retirement and by demanding home health alternatives we fracture the hold that stereotype currently has on legislative philosophy.

The second stereotype claims that the elderly do not differ in any significant respect from any other segment of the population. This stereotype spawns legislation which resembles the trickle-down theory of economics: Design social programs for the population at large and the elderly will presumably benefit. This legislative philosophy ignores the special needs of the elderly. Protection from age discrimination, safety in nursing homes, and protection from fraudulent marketing of hearing aides and dentures are among those special concerns.

We cannot banish these pernicious stereotypes by congressional mandate. We can guarantee that they are not embodied in legislation.

It is time to declare that the elderly persons in this country will no longer be victimized by mandatory retirement, forced institutionalization, hazardous nursing homes, and criminal assault. I ask you to join in rebellion against the indignities imposed on the elderly. I urge you to press for enactment of H.R. 1115, ending mandatory retirement and age discrimination for Federal employees, so that the Federal Government can take the initiative and provide an example for all public and private employers to follow.

I urge you to support the upcoming Labor-HEW appropriations bill. This legislation contains an additional $92 million for programs for the elderly. For example, it doubles the funds for senior citizen centers from $20 million to $40 million; increases nutrition programs from $225 to $250 million; and increases home health demonstrations by $5 million, the National Institute on Aging also by $5 million, and senior companions—a $0.5 million increase—as well as other programs.

Last week, during consideration of this bill in the Appropriations Committee, an amendment was offered to cut many of these increases, together with other labor and health programs. This amendment lost by only one vote and will be offered on the House floor about June 15. I hope you will support the Labor-HEW bill and oppose the Michel amendment's cuts, and I hope you will speak with President Carter and urge him to sign the bill.

France supported the colonists in their rebellion against Britain. Men joined women in their battle for suffrage and equal rights. I call on persons of all ages to defend the rights of the elderly because every person in this Nation has a stake in the well-being of the elderly. Many are themselves elderly; others have elderly loved ones. All will themselves age. And if they do not now join in this rebellion they will find when they become senior citizens that the injustices they have suffered and the problems they have encountered are compounded by age-based mandatory retirement by a governmental philosophy which favors costly and often needless institutionalization, by nursing homes which are too often tinderboxes, by the specter of criminal attack, and by pernicious stereotypes.

Let us declare that those who sow promises, reap votes, and then spurn the elderly until the next election will harvest indignation. Contrary to the stereotype, the elderly do not forget the promises of vote-seeking politicians. Thus I am partciularly pleased that the Carter administration is moving to keep the promises made to the elderly in the 1976 campaign.

As leaders in the cause of the elderly, I ask you to join me in affirming the tenacity of the generation that survived the Great Depression and two World Wars.

We have declared our independence. We demand our rights.

QUORUM CALL MISSED

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. LEHMAN. Mr. Speaker, earlier today I missed a recorded quorum call because of hearings I was conducting in my capacity as chairman of the Subcommittee on Census and Population.

The hearings were on the census to be carried out in 1980 and at the time of the quorum call we were hearing the testimony of Manuel D. Plotkin, Director of the Bureau of the Census.

TRIBUTE TO WILFRED J. ULLRICH

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. BENJAMIN. Mr. Speaker, the residents of the State of Indiana, particularly those of Dearborn County, have been personally distressed by the inopportune death of Wilfred J. "Werb" Ullrich, one of our State's most selfless, competent, and personable civic and public officials for the last five decades.

His long list of accomplishments, dedication to his fellow man, and concern for the betterment and improvement of public welfare will long be remembered by the Hoosiers of Indiana and his many friends across the breadth of this Nation.

A son of German immigrants, Wilfred J. Ullrich was born on May 6, 1908, in Aurora, Ind., where he remained a life resident. Werb attained his preparatory education from the parochial schools of Rennselaer and later graduated from Notre Dame with a degree in pharmaceutical chemistry.

In spite of his many accomplishments and genius, Werb was best known in Aurora as the friendly pharmacist and drug storeowner. He was a member of the National Association of Retail Druggists, Indiana Pharmaceutical Association and former president of the Indiana Board of Pharmacy. A credit to his profession, he received the "Bowl of Hygea" Award, and was named Indiana pharmacist of the year in 1965. He was also a member of the advisory committee for the Butler University School of Pharmacy.

Wilfred J. Ullrich's far-reaching activities and achievements in the field of health care were not limited to the pharmaceutical profession. Werb served as vice president and director of the Community Mental Health-Mental Retardation Center, chairman of the Dearborn and Ohio County Red Cross, director of the Red Cross flood control program, director of the Riverview Cemetery, and director of the Heldforest Foundation. He also was a member of the Dearborn County Polio Association, Dearborn County Tuberculosis Association and Dearborn County Mental Health Association.

In addition, Werb was a religious and dynamic civic servant, whose life was dedicated to the town of Aurora. He was an active member and trustee of the St. Mary's Catholic Church. As Boy Scout Master and district chairman of Boy Scouts of America, he helped to develop the character of many young boys. Young Aurorians were taught the traditional American values of generosity, honesty and selfishlessness. He was also a member of the Fraternal Order of Po-

lice, Rotary Club and Knights of Columbus, where he was a fourth degree Knight.

As a local businessman, Werb Ullrich worked strenuously to develop the economic vitality of Dearborn County. He was Director of the First National Bank of Aurora, Aurora State Bank, Aurora Industrial Development and Southeastern Indiana Economic Opportunity Corp. Also, he was the first president of the Aurora Commercial Club and a member of the Aurora Farmer Fair Association.

Despite his innumerable accomplishments, Wilfred J. Ullrich pursued an astute and colorful political career. In 1954 he was a candidate for the U.S. Congress from Indiana's Ninth District. He served as State senator from 1963 to 1977, whereby he became known as an authoritative voice in the fields of education, health care and penal reform. Werb was only one of four legislators appointed to a prestigious select Drug Abuse Committee for the Department of Mental Health and also was the current chairman of the Penal and Institutions Committee. On the national level his genius and skills were quickly recognized and he was appointed chairman for the Committee on Suggested Legislation for the Council of State Governments.

Yes, the citizens of the State of Indiana and the community of Aurora are graciously indebted to the generosity of Wilfred J. "Werb" Ullrich, who dedicated his life to their social, economic and cultural betterment. Werb was a civic-minded Aurora citizen and a complete legislator. A highly respected person, his honesty and integrity were beyond reproach. Werb was respected by Democrats and Republicans alike. Furthermore, he prized people and worked diligently to better their welfare.

The late Wilfred J. "Werb" Ullrich, who lived to be 68 years of age, is survived by Eleanor, his wife of 48 years; a daughter, Irene; four sons, Thomas, Daniel, James, and Richard; and a brother, John.

I know that Congressman LEE HAMILTON and all of our colleagues join me in extending their sympathy and condolences to the family of the late Wilfred J. Ullrich, who was my personal and loyal friend in the Indiana State Senate where I admired his dedication, devotion, diligence, and deep and committed concern for a better State and a better country—a commitment only equalled by his love and loyalty to his family, his church and his community. Werb's contribution will be long remembered for his was more than a passing through—his was an indelible strike and mark for an improvement of civilization.

WEST POINT GRADUATES 175TH CLASS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. GILMAN. Mr. Speaker, on Monday, June 8, I had the pleasure of attending a very special event: the 175th graduation ceremony at the U.S. Military Academy at West Point, N.Y. This ceremony was particularly important to me for several reasons:

First of all, included in this year's graduating class at the USMA, which is located within my own congressional district—the 26th—were cadets whom I appointed 4 years ago during my first term in office. It was with particular pride that I watched these young men receive their commissions, knowing that both they and I made the right choice 4 years ago.

Second, this graduation ceremony marks the completion of Lt. Gen. Sidney B. Berry's administration as Superintendent of the U.S. Military Academy. Lieutenant General Berry, who will now take command of the Fifth Corps in West Germany, provided these cadets with the inspiring leadership that was such an integral part in determining their personal welfare, as well as their professional and educational growth. As a member of the U.S. Military Academy's Board of Visitors, I had the privilege and pleasure of working with Lieutenant General Berry during the past 3 years, and of observing the outstanding manner in which he fulfilled his responsibilities in supervising the military and educational training of the young men at West Point.

Finally, this graduation ceremony is proof that, despite the extremely difficult year that West Point has experienced, the Academy's traditions of "duty, honor, and country" have prevailed. The alleged violations of conduct have served as a lesson to us all that honor is not a burden, but a learning process. The Academy, as well as its graduates, have benefited from the lessons learned this past year.

The problems of the past year focused attention on many needed reforms and have led to some changes in teaching and grading techniques through the willingness of the administration, the faculty and the cadets themselves to objectively review their own responsibilities and realize that an "honor code" is something that represents a moral attitude not only toward the "establishment", but toward ones own self.

Mr. Speaker, I would like to submit for the RECORD the text of the graduation address presented to this year's class by the Honorable Clifford L. Alexander, Jr., Secretary of the Army, not only as a tribute to the U.S. Military Academy and its own graduating class, but to educational institutions all over the Nation dedicated to the responsibility of equipping their students with the educational and moral training needed to meet the challenges ahead.

I call to the attention of my colleagues that Secretary Alexander availed himself of the opportunity of his commencement address to set forth the Army's guidelines for officers in communicating their professional views on national security policy matters:

GRADUATION ADDRESS BY THE HONORABLE CLIFFORD L. ALEXANDER, JR.

I am honored to be graduation speaker for the West Point Class of 1977. Four years ago you were in select company when appointed to the Academy and the intensive and excellent education you have received here will stand you in good stead during your professional careers. This past year, as we all know, has been a difficult one for the Academy. It is a tribute to the inherent strength of the institution that despite the furor your work has continued and from my observations equipped you well to meet the challenges ahead.

You are about to put on the bars that signify your entry into a venerable and honorable profession. And I'd like to spend a few moments today exploring just what it is that makes "a professional." The definition really isn't that easy. In pre-industrial Europe, the term "profession" simply denoted certain vocations which gave people without dividends or interest the opportunity to make a living that didn't entail commerce or manual work. By that definition, army and naval officers joined lawyers, physicians and clergymen.

Well, society has become a lot more complex, of course. And there are today certain criteria that most sociologists apply when deciding whether a given occupation qualifies as a profession. Think about the role and responsibility of an Army officer as I mention each of them:

First, that the vocation demands a skill based on theoretical knowledge.

Second, that acquiring that skill requires training and education.

Third, that the professional must demonstrate competence by passing a test or other such measure of accreditation.

Fourth, that integrity is maintained by adherence to a code of conduct.

Fifth, that the service rendered by the profession is for the public good.

Finally, that the profession is organized.

You are entering a profession. And while it is like other professions in our society in some fundamental ways, it is very unlike them in one overwhelmingly important way; the calling you enter today may demand from you—on a tomorrow we all hope will never come—the ultimate personal sacrifice. That characteristic, the assumption of ultimate risk, is something that accentuates for the military a problem that more and more the professions face in America today. Every profession develops a strong in-group solidarity and a tendency toward exclusiveness. This is understandable. Its members share a monopoly on certain knowledge and skills crucial to society and to the "clients" of the profession—in the case of the military these clients are, of course, the people of the United States.

Members have undergone intense training and discipline to master that knowledge and those skills. Every profession comes to feel that it is, by itself, capable of formulating its own ethics and judging the quality of its own work. It's only natural to feel this way, and especially natural if the practice of your profession can someday mean risking your life.

But this independence, this pride, this insularity is under increasing pressure in today's society. Every profession is feeling the assault as a citizenry ever more highly educated, ever more highly informed by the press and the media, demands to know why a professional does what he or she does in carrying out his or her duties. Just look at the burgeoning number of medical malpractice cases. Or at the extension of the malpractice cases to law and to accountancy. Or at the widespread public concern over scientific research and the ethics that govern it.

I personally think that today's heightened public scrutiny is very healthy. No matter how complex one's occupation, no matter how crucial one's mission, one can always benefit from the commonsense questions the layman asks about one's way of operating. Walk into any office and ask someone what

he or she is doing, and you'll get a twenty-minute lecture. Ask why that thing is being done, and you'd be surprised how often you don't get an answer.

The Army commanders and non-coms to whom I've spoken in the field confirm almost unanimously that this questioning quality, this honest skepticism, typifies our enlisted men and women today. And those are the men and women whom you'll be called on to lead when you come off the next few months of leave and basic training and take on your first assignment. And I hope you'll treat such questions the way you'd want your own inevitable questions treated: with seriousness and with respect. For discipline, important as it is, can never be a substitute for leadership. And a leader who cannot inform, who cannot communicate with, those whom he leads is no leader at all.

I believe you will find when you go to your first assignments as I have that today's Army is indeed a fine one. I have seen our V Corps in Europe, the 21st Support Command and the 32nd Air Defense Command. They were out in the field doing their jobs and they comported themselves with distinction. Additionally, I have seen several units in the Continental United States as well as much of the 193d Brigade in Panama on field maneuvers. Discipline is excellent—physical conditioning superb and technical proficiency outstanding. AWOLs and desertions and courts-martial are down dramatically in the last few years. Add to this the almost unanimous assessment of our commanding generals that this is the finest active force they have seen in three decades and one comes to the conclusion that we have a fine Volunteer Army serving our Nation. It would not be such without the leadership of outstanding officers and we look to you to preserve and enhance that strength.

You will be subject to the inevitable public scrutiny which as I mentioned before seems to be directed at all professionals. The personal risk which you don with your gold bars may make it especially difficult to understand and accept public criticism. And it may make it all too easy to fall into the trap of self-righteousness. But as you all know, the military profession is subject not only to the recently heightened public scrutiny of all professions, but, more fundamentally, to the American concept of civilian control.

This concept imposes special responsibilities on military professionals, and an important part of professionalism is understanding one's responsibilities. In the last few weeks we have read and heard considerable discussion about when it is responsible, professional and therefore appropriate for an individual in the military to communicate personal views on national security policy matters. This is by no means an easy issue to address, because guidance must cover a myriad of situations. Nevertheless it is important that I provide such guidance lest recent events tend either to stifle legitimate expression of military thought and opinion or encourage its irresponsible voicing.

There are three different forums to consider with regard to voicing opinion. The first is within the military itself. The second is in appearances before Congress. The third is in dealing with the general public, or with the media through which the public receives news and opinion. In each of these forums, the professional soldier has different responsibilities, depending whether the National policy on the matter under discussion is in the formative stage, or has been officially decided and promulgated.

Within the military, opinions based on careful consideration of all the facts at one's disposal should be voiced freely within appropriate constraints of the chain of command. When a final decision has been reached, of course, it is the professional soldier's responsibility to work in a creative and dedicated manner to carry out the National policy.

Before Congress, a member of the military should freely express personal opinions during legislative hearings leading to policy formulation, giving careful attention to proper treatment of classified information. It is the duty of a professional soldier, of course, to understand clearly when official Army policy on a matter has been established. And when it has been established, it is his or her duty to cite that policy and convey the clear intention to carry it out. A difference with established policy may be communicated if the individual is asked his or her personal opinion and, of course, should be labeled as such.

In dealings with the media or with the general public there must of course be strict compliance with rules on classified material. Beyond this, the military professional must make mature judgments. Even before a given policy has been set, it may be contrary to the National interest to discuss it publicly, and proper to limit the communication of opinion to colleagues in the Army or Defense Department. In other instances, public discussion may be reasonable, and indeed helpful in the formulation of policy. In such instances the soldier has the responsibility to make clear that policy has not yet been set, or is subject to review by higher military or civilian authority. And it is also the professional soldier's responsibility to make sure he or she has the facts straight.

Once there has been a policy determination by those with the authority to make that determination, the professional soldier must decide whether any public discussion beyond proper articulation of that policy is in order. In almost no instance will the national interest be served by a military person voicing disagreement with established policy.

It is in the best tradition of the American military to work energetically and professionally to carry out policy determined by the Commander-in-Chief or his designees. Attempts to achieve outside what one could not achieve inside are out of keeping with this tradition and inconsistent with military professionalism.

Let me speak a bit more about the responsibilities you will be facing when you move, as most of you will later this year, to your first leadership position. Here at the Academy, you've been trained to solve problems you were given. Now, you're going to have to define problems, to figure out what the alternatives are to solve them, and to choose wisely among those alternatives.

There are going to be times when you feel that the decisions you'll have to make are really small ones—that the long and sturdy chain of command and the heavy weight of Army Regulations leaves you little room for autonomy.

"After all," you will hear—"what can you know, what can you do, what can you change? You're only a lieutenant."

"Only" a lieutenant. But the lives of 50 men in an infantry platoon may be in your hands.

"Only" a lieutenant. But you'll be responsible for well over $5 million in equipment in a tank platoon or a self-propelled Howitzer battery.

"Only" a lieutenant. Yet you may be deployed in Europe as part of coalition defense, linked to a unit of a NATO ally whose language and way of operating you'll have to come to understand.

"Only" a lieutenant. But you'll be the one making decisions on who in your unit gets promoted and who doesn't. Who can reenlist, and who can't. Who gets a reprimand or a court martial. Just as the lives of those you command will be in your hands in combat, so will be their careers and their hopes in peacetime service.

It is your leadership that will determine whether the work of the men and women you command will carry out the Army's mission, and yours that will play an important part in determining their welfare, their personal and professional growth. I would ask that you lead the son or daughter of another as you would want your own son or daughter to be led; as your parents here today want you, yourselves, led.

If that isn't a high degree of responsibility, I'd like to know what is!

America is at peace today. But peace is always precarious. I know that even the most decorated combat veteran here today would join me in the fervent hope that none of you is ever ordered into battle. You serve your country best not by fighting a war, but by preventing it. Your mission must be to train and to maintain your units to achieve a level of readiness that will deter potential enemies, and will guarantee the peace and security and freedom of the American people.

Remember always the faith that the American people have placed in you. They rely on you for their lives, their property, their treasured freedoms.

That is a challenge worthy of the best of you. And looking out across this class today, I can see that you, the Academy Class of 1977, are worthy of that challenge.

SINO-AMERICAN FRIENDSHIP

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. PEPPER. Mr. Speaker, recently I was in Taipei and had the great pleasure of a delightful luncheon with the Honorable T. S. Lin, speaker of the Taipei City Council and chairman of the board of the outstanding Tatung Co. of Taiwan. Mr. Lin has played a very large part in the industrial and economic development of Taiwan and of the city of Taipei. Mr. Lin, in addition to being chairman of the board of the Tatung Co., which is the largest company in Taiwan, Mr. Lin is also speaker of the Taipei Council. The city of Taipei is a very well run city which provides very well for its people but at the same time follows fiscal policies of responsibility and soundness which are warmly to be commended. I am sure that Speaker Lin has had much to do with these wise and commendable policies. In April of last year, Speaker Lin was in Washington as the leader of the economic good will mission of the Republic of China to the United States.

On April 26, Speaker Lin delivered an able address to the luncheon meeting honoring officials of the United States and many outstanding citizens of our country, as well as representatives of the Republic of China, which was held at Twin Oaks, the residence of the distinguished Ambassador of the Republic of China, the Honorable James C. H. Shen, and of which Ambassador Shen was the distinguished and gracious host.

In his outstanding address Dr. T. S. Lin reviewed the long friendship between the United States and China and the cooperation which the United States had extended to the Republic of China and the assistance we had given in the remarkable development which the Republic of China has achieved. Speaker Lin tells us the most interesting and admir-

able story of how the free enterprise system in the Republic of China has achieved the phenomenal results one sees who visits that beautiful and progressive land today.

The address follows:

GREETINGS TO THE U.S. BICENTENNIAL, LONG LIVE SINO-AMERICAN FRIENDSHIP

(Address to the lunch meeting given by Ambassador James C. H. Shen of the Republic of China to the United States of America, at Twin Oaks, Washington, D.C., April 26, 1976, by Dr. T. S. Lin, leader of the Economic Goodwill Mission of the Republic of China to the United States of America)

I very much appreciate the thoughtful arrangements made by Ambassador Shen so our delegation can meet so many distinguished friends from the White House, The Congress, U.S. Department of Commerce, U.S. Treasury, U.S. Department of State, Office of Management and Budget, Georgetown University, University of Maryland, The Brookings Institution, Professors, industrialists, bankers, publishers and other friends in private sectors. We are most appreciative of the great support and assistance you have been extending to the government and people of the Republic of China.

I would like to express our highest respect and admiration for the remarkable achievements made by you. On behalf of the people of the Republic of China, I also wish to thank you for the long cordial friendship and assistance that you have given us which enabled us to build a free and open society enjoying advances in democracy, freedom and steady economic development.

This is an auspicious year for many, the 200th year of the birth of the greatest country of liberty and of justice on earth. We are privileged to be here, representing the people of the Republic of China, to join you in the Bicentennial Celebration, and to pay tribute to our American friends.

Many Americans have described the economic reality in the Republic of China on Taiwan as a "miracle". Frankly, it depends very much on the very generous friendship and aid given by the people of your great country.

I would like to briefly describe the traditional friendship between our two nations for nearly two hundred years.

Since a vessel flying the Stars and Stripes first cast anchor at Canton in 1784, the relationship between the United States and China has been a friendly and cordial one. The first Minister of the United States to China was Caleb Cushing, who received his commission on May 8, 1843.

In 1899, when the imperialistic design of the major powers culminated in melon-cutting China into spheres of influence, the United States proclaimed the "Open Door" policy which saved China from being colonized by major countries such as Great Britain, France, Germany, Russia and Japan.

In 1900, China was encumbered with indemnities amounting to 333 million dollars after being defeated by the combined forces of the eight countries involved in the Boxer Incident. In 1908, the United States returned her portion of this war reparation to China of her own accord. Part of the returned indemnity was designated as the scholarship fund for sending Chinese students to the United States for various advanced studies. The rest was dedicated to the establishment of Tsing Hua College in Peiping. Tsing Hua College, now the National Tsing Hua University in Taiwan, is one of the Republic of China's high education and research centers of scientific development symbolizing the good will of the people of the United States toward the people of the Republic of China.

As the first republic in Asia, the Republic of China was born in 1911. Due to the confidence in our Government and the traditional friendship with our people, the United States recognized the Republic of China on May 2, 1913 and diplomatic relations have not been interrupted since then. Since her very birth, the Republic of China underwent a series of turbulences, imperialistic invasions, civil war among warlords, Japanese invasion and communist subversion. During World War II, the Republic of China and the United States fought as comrades shoulder to shoulder against invasions. At the end of World War II, Taiwan was restored to the Republic of China. Chinese started coming to Taiwan some 1,400 years ago. Dutch and Spanish came in the 17th Century. Formosa means "beautiful island". Taiwan was under Japan's occupation from 1895 to 1945. Japan tried to develop Taiwan as her granary.

In 1949, the Central Government of the ROC moved to Taiwan. I would like to describe the rebirth of the Republic of China on Taiwan.

From 1951 through 1965, the United States provided us with 1.5 billion dollars worth of economic aid and gave us nearly double that amount in military aid. During the 15 years, our people and government made utmost efforts to utilize these aids to reconstruct our country. We improved government management. That is, every individual is allowed by law to secure and enjoy his own fruit of labor. We have made efforts to eliminate our government's losses and help our government to establish a financial system. That is, the system did not depend upon printing bank notes but depended upon tax revenues through establishing a sound tax system. We made monetary reform, carried out land reform. We established basic industries to substitute for imports. In 1949, nearly all of our necessary clothing and fertilizer were imported, so we first developed our electric power, and then used this power to make fertilizer. Therefore, we could produce food sufficient for our own use and export. With this we developed our basic industrialization.

After 15 years of combined efforts, our increased production made self-sufficiency; our foreign trade increased about 40 times. This increased production reduced our foreign exchange from an 80 percent deficit. In 1965, the year U.S. aid was terminated, the deficit of foreign exchange was only 20 percent.

We transformed the policy of protection of infant industry, and made efforts to be self-standing industries. So in addition to substitution of imports, we developed more export-oriented industries. Under the free trade policy, each industry has to improve its quality, delivery and costs to meet the keen competition. With these three factors, each industry has to make their utmost efforts through the competition with both domestic competitors and foreign competitors. For example, you can see General Motors, General Electric, Zenith and R.C.A. products such as color television sets and home appliances displayed in shops all over the Republic of China while you cannot see this in Japan.

At the same time, we accepted foreign private investments. Since the adaptation of overseas Chinese and foreign investment, we have about 3000 investors amounting to U.S. $1.5 billion, among which 300 are U.S. investors, including many organizations represented by guests today. The total U.S. investment is some 500 million U.S. dollars and represents about half of the total foreign investment. We have 13 foreign banks that have branches in Taipei. Among them, eight are U.S. banks. Now these 8 banks and other banks in the United States have loaned more than 2 billion U.S. dollars to many companies in the Republic of China. Though so huge amount of foreign funds flew into the Republic of China, our capital formation was done mainly by our own national savings Foreign funds only occupied about 10 percent of the whole capital formation.

Besides these kinds of physical investments, we have made great investments in developing human capabilities. Free basic education was extended from 6 years to 9 years in 1968, raising the level of skill and knowledge of the younger generation. Many graduates of eminent universities in the United States have come back to the Republic of China and have contributed substantially to the great task of the reconstruction of their mother country. At present, we have 30 times as many university and college students as we had in 1951. We have more than 40 public or private universities and colleges that are making great improvement in teaching and learning as well as in developing the research of science and technology. We also have cooperative programs between education and industry.

In the Republic of China, the Confucian philosophy, such as faithfulness, benevolence, industry and frugality still continue to influence or way of life. According to Confucious, we have an obligation to share our knowledge and to assist in the advancement of the well-being of other nations and peoples. These ancient Confucius beliefs, clearly, match closely the more modern concepts of "social responsibility" and the obligation of the industrialized nations to share with the developing countries. So far we have received some 13,000 persons from Asian, African, South American and Mid-East developing countries to be trained in agricultural and industrial know-how.

We have over half a million self-standing and well-trained troops defending the Republic of China and also securing the mutual security and peace in the West Pacific Area. These military forces are supported by our government's budget and our Chinese people.

Four years ago, Premier Chiang Ching-kuo started his vigorous and highly effective Administration. He has made every effort to improve the management of our government rendering better services to our people. Because of our rapid economic growth, Taiwan is confronted with many new problems and challenges. Premier Chiang launched 10 major projects in 1973 to replenish the delay and shortage of the public investments, such as harbor, highway, railroad and airport. We are also building 6 nuclear and some other power generators, and a petro-chemical complex. We are building an integrated steel mill and a large shipyard. From this year we have six-year economic plan aiming to have double national income in 6 years. We need more than 10 billion U.S. dollars funds for these constructions. Although we are supporting so huge investments, our government budget still can keep 10 percent of surplus in these years. We are able to control the inflation very well. Before the oil crisis, our price of commodities was so stable that inflation scarcely existed, sometimes only one percent or 0.5 percent a year. Even after the oil crisis and worldwide recession, we had earlier recovery and also controlled inflation very well. We have enough business and are very busy, even our teen-agers. We expect to control the inflation under 4 percent for this year. And we think we will have only 2 percent inflation next year.

As a whole result of our construction and good government, people are happy and our average life expectancy has been elongated more than ten years in these years. At present, our average life expectancy is about 75 years.

We traded 12 billion dollars with free countries in 1975. Among the hundred or so members of the International Monetary Fund (IMF), we ranked 20th in exports. And we kept a favorable balance of trade with about two billion dollars of our foreign exchange reserves.

The trade between the Republic of China and the United States was US$3.5 billion in 1975 Now you are our No. 1 trading partner, whereas we are your No. 8 trading partner.

Compared to Chinese Communist regime, in 1975 they had only about 550 million U.S. dollars worth of trade with you, which is less than one sixth of the trade between the Republic of China and the United States.

There is still a little imbalance of trade between our two countries. So we have launched "Buy American" campaign. At present, most people and industries in the Republic of China prefer to buy more materials, components, instruments, machines, equipment and technology from the United States. The U.S. Trade Center was established in Taipei in 1973, we are told, which is doing very well with great achievements superior to the U.S. Trade Center in Paris.

I have described a brief history of the Sino-American relations for nearly two hundred years. It proved your cordial friendship with us and your assistance given to us from time to time. The late president Chiang Kai-shek led the people of the Republic of China to make sound economic development, to make the Chinese Cultural Renaissance, and to establish our self-standing, democratic country of liberty and of peace, and to be worthy of your friendship, to be a staunch ally of the United States, and to reciprocate friendship of fidelity and decency. It is, therefore, a great privilege for me to lead the Goodwill Mission to join you in celebrating your Bicentennial, to report—you what we did in the past, and to invite you to the Republic of China on Taiwan to see what we are doing and what we are prepared to do.

Under the prominent leadership of President Yen Chia-kan and Premier Chiang Ching-kuo, we the people of the Republic of China have succeeded and inherited the spirit of the late President Chiang to continue making efforts to advance our economic development, to build a sound, steady, prosperous and open society, to be a constructive member of the free countries, and to be a loyal friend of the United States.

The American Revolution of Independence was really a most significant event to the people of the world, not only to the people of your country, but to the people of the whole world. You Americans indeed shared your spirit of 1776 with us in pursuit of liberty, justice and peace. The free countries followed and learned what you did, and built up your allied free countries.

At present, we are facing the communist invasions which have been destroying and will expand to destroy all values we have in the free world.

We believe your same spirit of 1776, which built the greatest country of liberty and justice on earth, and also built your allied free countries, will continue to lead, to cherish, to help preserve, to prosper human dignity, free enterprise, and government of the people, by the people, for the people, so that these will not perish from the earth.

May I propose a toast on this very happy occasion, "God Bless America" and long live the friendship between the Republic of China and the United States of America.

METRIC SPELLING

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 10, 1977

Mr. TEAGUE. Mr. Speaker, since the passage of the Metric Conversion Act of 1975, there has been some discussion of one comparatively small question in the metric field. This regards the question of whether the words "meter" and "liter" should be spelled in accordance with a strict interpretation of the International System which have these words end with "re," or whether we in the United States should continue the use of the conventional spelling.

To settle this question I asked the new Assistant Secretary of Commerce for Science and Technology, Dr. Jordan J. Baruch, to look into the matter and let me have the official position of the Commerce Department. I am glad to be able to report that Dr. Baruch has settled the question, and that a reasonable position has been arrived at. The position of the Department is that—

The Federal government's policy for the spelling of meter and liter is "er", with the provision that agencies have the option of using "re" when appropriate in international relationships.

Questions of this kind should really be resolved by the U.S. Metric Board. I am delighted that President Carter has expressed his support for the Metric Act of 1975 and his intention to send his nominations for the 17-member Board to the Senate at an early date. Once the Metric Board comes into existence, I would expect that all the questions regarding the introduction, conversion, and use of the metric system will be decided by this Board.

Mr. Speaker, for the benefit of my colleagues in the House, and for the benefit of the sutdents, teachers, and all the others with an interest in this matter, I insert the text of Secretary Baruch's letter in the RECORD:

U.S. DEPARTMENT OF COMMERCE,
THE ASSISTANT SECRETARY FOR
SCIENCE AND TECHNOLOGY,
Washington, D.C., May 31, 1977.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Science and Technology, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request that this Department state its views on the spelling of meter and liter.

This subject has received far more attention that it is worth. My feelings on the matter can best be expressed as follows:

We allow "metre"

But "meter" is netre.

In a more serious vein, I have carefully reviewed the actions of the Department of Commerce with respect to the U.S. spelling of meter.

On July 24, 1975, the Department issued a memorandum which prescribed that all Government printing at the Department of Commerce should use the spelling "meter." This practice reflected the rule for the spelling of "meter" set forth in the Style Manual published by the U.S. Government Printing Office which is authorized by law to determine the form and style of Government printing.

On September 15, 1976, the Interagency Committee on Standards Policy (ICSP) — whose membership includes representatives from 25 Federal agencies and was established for the purpose of facilitating the effective participation by the Federal Government in domestic and international standards activities—adopted the following resolution:

"The Federal Government's policy for the spelling of meter and liter is "er," with the provision that agencies have the option of using "re" when appropriate in international relationships."

Finally, on December 10, 1976, the Department issued a Federal Register notice pursuant to its responsibilities under section 4(4) of Public Law 94–168, the Metric Conversion Act of 1975 and section 403(a)(3) of Public Law 93–380, the Education Amendments of 1974, to interpret and modify for the United States the International System of Units. This notice makes exclusive use of the "meter" spelling.

I have also reviewed the pros and cons raised in the numerous letters received by the Department of Commerce as to the proper spelling of meter for use in the United States.

It is my conclusion after the above review that the traditional spelling of meter in the United States for over 100 years has been with the "er" ending and that this spelling is preferable for United States usage.

Accordingly, it is the view of the Department of Commerce that all Government agencies should follow the rule of using the "meter" spelling. It is our expectation that any exceptions to the rule of using the "meter" spelling will be limited to those situations where it is appropriate in international relationships.

It is also our view that the private sector should be encouraged to adopt the same rule followed by Government agencies so that the "meter" spelling will become the accepted usage in the United States.

Sincerely,

JORDAN J. BARUCH.

HOUSE OF REPRESENTATIVES—*Monday, June 13, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

In the morning will I direct my prayer unto Thee and will look up.—Psalms 5: 3.

Eternal Father, in the glory of a new day we pause in Thy presence to lift our spirits unto Thee unto whom all hearts are open, all desires known, and from whom no secrets are hid. Teach us to pray that we may feel Thy presence near and in the assurance of Thy love find deliverance from every evil way. Following the leading of Thy spirit may we walk the upward way of faith, hope, and love and on this path seek to serve Thee, our country, and our fellow men.

Give us courage to face the tasks of this day, strength to do our work well, and love to motivate all that we do that we may increase the area of good will in our world. To this end make us strong and keep us steady in the spirit of Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 1474) entitled "An act to authorize certain construction at military installations, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HART, Mr. STENNIS, Mr. JACKSON, Mr. CANNON, Mr. HARRY F. BYRD, JR., Mr. NUNN, Mr. THURMOND, Mr. TOWER, and Mr. SCOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 263. An act to provide for interim regulatory reform as to certain independent regulatory agencies.

FOREIGN STEEL IMPORTS

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, over the past few years we have seen the decline of the U.S. mushroom, footwear, garment, and electronics industries. Now we have the possibility of some foreign nations practicing predatory pricing and dumping with regard to steel imports.

The Tennessee Valley Authority is proposing to purchase 10,000 tons of carbon steelplate for its new nuclear power station on Yellow Creek in Mississippi. The low bidder was a Japanese firm. It is ironic but true, that a U.S. firm could make no profit on the steelplate and still not be competitive.

My concern is that a U.S. Government agency is purchasing foreign steel when employment and investment is slack in the steel industry. Domestic purchase of this steel would return half of the dollars spent back to the Government in the form of taxes.

The American steelplate manufacturers want to continue to work at what they do best. They are not asking for Government subsidies, but just an opportunity to compete effectively in the marketplace.

APPOINTMENT OF CONFEREES ON H.R. 6138, YOUTH EMPLOYMENT AND INNOVATIVE DEMONSTRATION PROJECTS ACT OF 1977

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6138) to provide employment and training opportunities for youth, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS, HAWKINS, DENT, BEARD of Rhode Island, MICHAEL O. MYERS, LE FANTE, WEISS, CLAY, CORRADA, QUIE, SARASIN, JEFFORDS, and PURSELL.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1978

Mr. SLACK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7556) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. SLACK).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 354, nays 2, not voting 77, as follows:

[Roll No. 333]

YEAS—354

Addabbo	Bolling	Cohen
Akaka	Bowen	Coleman
Alexander	Breaux	Collins, Ill.
Ammerman	Breckinridge	Collins, Tex.
Anderson, Calif.	Brinkley	Conable
	Brooks	Conte
Anderson, Ill.	Broomfield	Conyers
Andrews, N.C.	Brown, Calif.	Corcoran
Andrews, N. Dak.	Brown, Mich.	Corman
	Brown, Ohio	Coughlin
Annunzio	Broyhill	Crane
Applegate	Buchanan	Cunningham
Archer	Burgener	D'Amours
Armstrong	Burke, Calif.	Daniel, Dan
Ashbrook	Burke, Fla.	Daniel, R. W.
Ashley	Burleson, Tex.	Danielson
AuCoin	Burlison, Mo.	Davis
Badham	Burton, Phillip	Delaney
Bafalis	Butler	Dellums
Barnard	Byron	Derrick
Baucus	Caputo	Derwinski
Bauman	Carney	Devine
Beard, Tenn.	Carr	Dickinson
Bedell	Cavanaugh	Dicks
Bellenson	Cederberg	Dingell
Benjamin	Chappell	Dodd
Bennett	Clausen, Don H.	Dornan
Bevill		Downey
Bingham	Clawson, Del	Drinan
Blanchard	Clay	Duncan, Oreg.
Blouin	Cleveland	Duncan, Tenn.
Boggs	Cochran	Early
Eckhardt	Leach	Robinson
Edgar	Lederer	Rogers
Edwards, Ala.	Leggett	Rooney
Edwards, Calif.	Lehman	Rosenthal
Edwards, Okla.	Lent	Rousselot
Eilberg	Levitas	Roybal
Emery	Lloyd, Calif.	Rudd
English	Lloyd, Tenn.	Runnels
Ertel	Long, La.	Russo
Evans, Colo.	Long, Md.	Ryan
Evans, Ga.	Lott	Sarasin
Fary	Lujan	Satterfield
Fascell	Luken	Sawyer
Fenwick	Lundine	Schroeder
Findley	McClory	Schulze
Fisher	McCormack	Seiberling
Fithian	McDade	Sharp
Flood	McEwen	Shipley
Florio	McFall	Shuster
Flowers	McKay	Sikes
Flynt	Madigan	Simon
Foley	Mahon	Sisk
Ford, Tenn.	Mann	Skelton
Forsythe	Markey	Skubitz
Fountain	Marks	Slack
Fowler	Marlenee	Smith, Iowa
Frenzel	Marriott	Smith, Nebr.
Frey	Martin	Snyder
Gammage	Mathis	Solarz
Gaydos	Mattox	Spellman
Gephardt	Mazzoli	Spence
Ginn	Meeds	St Germain
Glickman	Metcalfe	Staggers
Goldwater	Meyner	Stangeland
Goodling	Michel	Stanton
Gore	Mikulski	Stark
Gradison	Mikva	Steed
Grassley	Miller, Calif.	Steiger
Gudger	Miller, Ohio	Stockman
Guyer	Mineta	Stokes
Hagedorn	Minish	Stratton
Hall	Mitchell, Md.	Studds
Hamilton	Mitchell, N.Y.	Stump
Hammer-schmidt	Moakley	Symms
	Moffett	Taylor
Hanley	Montgomery	Thompson
Hannaford	Moore	Thone
Hansen	Moorhead, Calif.	Thornton
Harrington		Traxler
Harris	Moorhead, Pa.	Treen
Harsha	Moss	Trible
Hawkins	Mottl	Tsongas
Hefner	Murphy, N.Y.	Tucker
Heftel	Murphy, Pa.	Udall
Hightower	Murtha	Ullman
Hillis	Myers, Gary	Van Deerlin
Hollenbeck	Myers, Ind.	Vander Jagt
Holt	Natcher	Vanik
Holtzman	Neal	Vento
Horton	Nedzi	Volkmer
Howard	Nichols	Waggonner
Hubbard	Nix	Walgren
Huckaby	Nolan	Walker
Hughes	Nowak	Walsh
Hyde	O'Brien	Wampler
Ireland	Oakar	Watkins
Jacobs	Oberstar	Waxman
Jenkins	Ottinger	Weaver
Johnson, Calif.	Panetta	Weiss
Johnson, Colo.	Patten	White
Jones, N.C.	Perkins	Whitehurst
Jones, Okla.	Pickle	Whitley
Jones, Tenn.	Pike	Whitten
Kasten	Pressler	Wilson, C. H.
Kastenmeier	Preyer	Wilson, Tex.
Kazen	Price	Winn
Kelly	Pursell	Wirth
Kemp	Quayle	Wolff
Ketchum	Quie	Wright
Keys	Quillen	Wylie
Kildee	Rahall	Yates
Kindness	Railsback	Yatron
Kostmayer	Rangel	Young, Alaska
Krebs	Regula	Young, Fla.
LaFalce	Richmond	Young, Mo.
Lagomarsino	Rinaldo	Young, Tex.
Latta	Risenhoover	Zablocki
Le Fante	Roberts	

NAYS—2

Brodhead	Wilson, Bob

NOT VOTING—77

Abdnor	Boland	Cornell
Allen	Bonior	Cornwell
Ambro	Bonker	Cotter
Aspin	Brademas	de la Garza
Badillo	Burke, Mass.	Dent
Baldus	Burton, John	Diggs
Beard, R.I.	Carter	Erlenborn
Biaggi	Chisholm	Evans, Del.

Evans, Ind.	Krueger	Reuss
Fish	McCloskey	Rhodes
Flippo	McDonald	Rodino
Ford, Mich.	McHugh	Roe
Fraser	McKinney	Roncalio
Fuqua	Maguire	Rose
Giaimo	Milford	Rostenkowski
Gibbons	Mollohan	Ruppe
Gilman	Murphy, Ill.	Santini
Gonzalez	Myers, Michael	Scheuer
Harkin	Obey	Sebelius
Heckler	Patterson	Steers
Holland	Pattison	Teague
Ichord	Pease	Whalen
Jeffords	Pepper	Wiggins
Jenrette	Pettis	Wydler
Jordan	Poage	Zeferetti
Koch	Pritchard	

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 7556, with Mr. FLOWERS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Friday, June 10, 1977, title II had been considered as having been read and open to amendment at any point.

Are there any further amendments to title II?

AMENDMENTS OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

(The portions of the bill to which the amendments relate are as follows:)

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $54,400,000, to remain available until expended: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation.

SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, including necessary clothing and medical aid, payment of rewards, and reimbursement to St. Elizabeths Hospital for the care and treatment of United States prisoners, at per diem rates as authorized by law (24 U.S.C. 168a), $35,063,000.

The Clerk read as follows:

Amendments offered by Mr. CONYERS: On page 21, line 14, strike "$54,400,000", insert in lieu thereof "$13,130,000".

On page 21, line 24, strike "$35,063,000", insert in lieu thereof "$54,211,000".

THE CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CONYERS. Mr. Chairman, this amendment seeks to do two things: First of all, to strike the construction money for three facilities. One is the Detroit detention facility and two other facilities, one in Camarillo, Calif., and a third undesignated place in the Northeast section of the country.

What I would do with my first amendment, at page 21, line 14, is to strike $54,400,000 and insert in lieu thereof $13,130,000. I then would change the section on page 21, "Support of U.S. Prisoners," which includes facilities, contract facilities, and other alternative methods of incarceration, by striking $35,063,000 and insert in lieu thereof $54,211,000.

I would note to the committee that this would result in a saving of about $20 million. But, more importantly, it would go to the very important consideration of the need or, rather, the nonneed, for us to create detention facilities for Federal detainees.

In Detroit this is an extremely important matter because the proposed project would be built in downtown Detroit. I contend, and I am supported by a number of members of the Detroit bar, that we do not need a 300-bed Metropolitan Correction Center in Detroit.

I come to the Committee to ask that funds for construction of Federal Bureau of Prison facilities be deleted. The reasons, I think, are very obvious. More recently, the Attorney General has agreed with the position taken by myself and many others that we should not put the Federal Government in the business of building pretrial detention centers.

Mr. Chairman, the Members will note that local jails have suffered from several problems. First, they are overcrowded. Second, they are not of sufficient quality to receive Federal detainees; and third, the Federal Bureau might create models to emulate jails for local governments.

What we are offering is that instead of putting the Federal Government in the business of building new jails, we shift funding to alternatives of which I will speak briefly in a moment. However, First, I must commend the subcommittee chaired by the gentleman from West Virginia (Mr. SLACK) and also the committee of authorizing jurisdiction of the Committee on the Judiciary, chaired by the gentleman from Wisconsin (Mr. KASTENMEIER), who have done an excellent job of documenting the reasons that we need now to move to alternatives to Federal detention facilities and prisons.

First of all, we need to move further into the question of bail reform, release on recognizance, pretrial division, and also the continued development of community treatment centers, all of which would speed up the flow of prisoners in the Federal system.

Mr. Chairman, I would bring this matter to the attention of those who might wonder what is going to happen to those Federal detainees in Detroit, for example.

First of all, we find out that there are only 100 to 120 Federal detainees on an average day in the eastern district and that this has required that they be diverted to a prison some 50 miles away. Building a Federal detention center would have nothing to do with immediate relief of this situation since we are at least several years, probably more, away from a completed facility.

Therefore, Mr. Chairman, I would urge my colleagues to follow the lead that has been set by the new Attorney General, who created a task force to study the Federal role in detention and in construction of correctional centers. And I point out that we can effect a large saving by discontinuing these three facilities which are presently in the bill.

Mr. Chairman, I urge my colleagues to join with me and vote "yes" for my amendments, which delete the present funds in the bill, which are replaced by the amounts I have suggested.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

I will speak mainly of the facility in Detroit, which has been under consideration for some time.

The Federal judges of the eastern district of Detroit, the marshals, the U.S. attorney, the clerks of the court, all of them support this facility and say that it is absolutely necessary.

I recall a delegation of Federal judges came to Washington to express their concern about the lack of a facility there. We had people going to the St. Clair County Jail, 66 miles away; Saginaw County Jail, 87 miles away; Genessee County Jail, in Flynt, 65 miles away; and the Washtenaw County Jail in Ann Arbor, 43 miles away.

It just is not practical, and now these jails are no longer able to handle these people whom the Federal judges feel ought to be detained.

I do not know what else we are going to be able to do when we can no longer send them to local jails. Oakland County no longer will accept them.

With respect to the Detroit facility, Mr. Chairman, if a prisoner was put in there, it was declared to be cruel and unusual punishment.

It just seems to me that unless we want all of these criminals to roam the streets of the area free and not detained, then we are going to have to build this kind of facility.

Mr. Chairman, I can inform the Members that this matter has been studied by our subcommittee. We have looked at it, as have the Federal judges and the Bureau of Prisons; and we do not know of any other good alternative than to provide this kind of detention facility. It is good for those who are going to be detained. Their families have an opportunity to be close by.

We have letters here from the families of prisoners. The question of going to Milan, which is roughly 40 miles away, makes it almost impossible for counsel to drive all the way out there. It is time consuming. It just seems to me that this is a very, very unwise amendment.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I would like to point out to the gentleman that of the Federal detainees at the Metropolitan Correction Center, one-fourth of them are witnesses and the rest are either waiting for trial, waiting hearing or sentence, or serving short sentences. So we are talking about in Detroit of building a 300-bed Metropolitan Correction Center, of which there are only three in the United States, for an average of 100 to 120 Federal detainees. That is the problem that I am having. I am not unsympathetic with the transportation problem. What I am suggesting is that there are other alternatives and they have been recognized in the gentle-

man's subcommittee, by the Attorney General and by the authorizing Committee on the Judiciary. There are alternatives.

Incidentally, at the Wayne County jail, which the gentleman has stated correctly is under a court order, they have recently come down to some 718 inmates, their capacity. So there is not going to be any problem for the next few years for us to continue to send them to Milan, as they are.

Mr. CEDERBERG. Milan is not designed to be nor is it suitable for use as a detention facility. This is also in the report and the study. This is the conclusion they came to.

I can also add that when we are building the detention center that it will probably be a couple of years before it is even built because we are just getting into the construction stage. Usually when you are going to build a new center, you anticipate what will happen over the years it is being built. We are having more and more Federal offenses than we had in the past. Everything seems to be a Federal case. That is one of the problems.

When you talk to the U.S. marshals, the probation officers, and the Federal judges, you see that they are all very, very concerned about the situation as it is now. What we are attempting to do is trying to correct a very difficult problem.

Mr. CONYERS. If the gentleman will yield further, might I point out to the gentleman that none of the projections that have been submitted to the committee have been predicated on the fact that we will need a 300-bed correction center. That just is not in the cards. There are only three of these in the United States now. If Metropolitan Correction Centers were the trend, we would have to build at least 1 in each of the 94 Federal districts, and Justice Department policy is away from that.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. CEDERBERG was allowed to proceed for 1 additional minute.)

Mr. CEDERBERG. Mr. Chairman, I think the facts are that we are probably going to have to go to more detention centers. We have one in Chicago at the present time and in San Diego. If we are going to detain these prisoners, instead of letting them go free on the streets when there are no other facilities available to take care of them, it just seems to me we have no other way in which to go.

Mr. SLACK. Mr. Chairman, I move to strike the last word, and I rise in opposition to the pending amendments.

Mr. Chairman, I rise in opposition to the pending amendments.

I am disappointed that an amendment would be offered in this area. For Federal prison construction the budget request was $67,588,000. The committee's recommendation would trim that by $13.2 million and would not allow funds requested for planning, design, and site acquisition of two new facilities.

The committee is concerned about the current prison situation and the report which accompanies this bill indicates that the Bureau of Prisons and the Department of Justice should review current programs and problems of our penal system and develop a comprehensive solution that will meet the needs of society.

The report also indicates that the committee expects the Bureau of Prisons to study further the use of existing detention facilities at military installations and endeavor to utilize such facilities to the maximum extent possible. The committee also expects the Bureau of Prisons and the Department of Justice to review alternative means of incarcerating Federal offenders and consider expanding the use of community-based facilities—halfway houses—for nonviolent offenders.

Mr. Chairman, in recent hearings before our subcommittee Attorney General Bell said and I quote:

> Federal prison policies and construction have been the object of much concern recently. Despite the legitimacy of the questions that have been raised in these chambers, in the Senate, and in the Department, new institutions are required if the Federal prison system is to deal with existing overcrowding, population increases that show no sign of early abatement, the need to replace antiquated institutions, and the need to provide a humane environment for incarceration.

Mr. Chairman, simply increasing the use of halfway houses is not the total solution to the overcrowding problem. We have indicated that the Bureau of Prisons and the Department of Justice should consider expanding the use of such facilities for nonviolent offenders, but many prisoners such as murderers, rapists, et cetera, are not the type that could be placed in community-based facilities. We need adequate, secure facilities to house them.

Mr. Chairman, I urge defeat of the amendments.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the Chairman for yielding.

I appreciate the Chairman's statement. What this amendment does is to agree with him. The committee feels the Bureau of Prisons and the Department of Justice should review the current programs and problems of our penal system and develop a comprehensive solution that will meet the needs of society. On that basis the subcommittee already cut out a number of prison facilities. We commend him for that, but he left my city with one that we do not need, a 300-bed facility that will not be ready for years that only has 100–120 people on an average daily, who are not rapists, or prisoners, or criminals. Most of them are detainees awaiting trial or awaiting hearings, or as witnesses in other hearings.

We are now moving, it seems to me, Mr. Chairman, toward the direction that both the Department of Justice and the gentleman's committee—and the judiciary—have agreed upon; but please let us not build a $13.8 million facility that will last the next 100 years for about 100 people who are presently being serviced by the Milan Prison some 50 miles away. I plead with the gentleman to delete this provision from his appropriation.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SLACK. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

The gentleman will recall a year ago when this bill was on the floor, I was one of those who vigorously objected to building new prisons at a cost of $42,000 or $44,000 per prisoner. However, my opinion was not sustained on the floor. On the floor the majority decided they wanted to go ahead with those prisons. I objected this year again to funding new ones in this bill and the committee eliminated the new ones. So the fact of the matter is that the bill as it has been presented is a compromise. I am one of those who does not think we need these new prisons at the high cost that they are going to be building them. They ought to have a different kind of plan. To the extent that we need new prisons, they ought to be able to do it for less per prisoner. The fact of the matter is that what we have here today is a compromise. All that is included is what the House already decided to fund last year by a majority vote on the floor.

I will ask the gentleman if that is not right.

Mr. SLACK. That is correct.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan (Mr. CONYERS).

The question was taken; and on a division (demanded by Mr. CONYERS), there were—ayes 6, noes 21.

So the amendments were rejected.

AMENDMENT OFFERED BY MS. HOLTZMAN

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

SALARIES AND EXPENSES

For grants, contracts, loans, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and other expenses in connection therewith, $600,000,000, to remain available until expended.

The Clerk read as follows:

Amendment offered by Ms. HOLTZMAN: Page 23, line 13 strike out "$600,000,000" and insert in lieu thereof "$704,500,000".

Ms. HOLTZMAN. Mr. Chairman, this amendment will sound familiar to some of the Members. Just last year the Appropriations Committee cut the budget for the LEAA substantially, and the members of the Committee of the Whole rejected that position and restored the cut. Again this year the Appropriations Committee has substantially cut the budget for the Law Enforcement Assistance Administration, and I am back on the floor to urge the House to restore a substantial portion of that cut—not all

of it, but up to the amount the President has requested.

My amendment would add $104.5 million to the appropriation for the LEAA. It is offered on a bipartisan basis on behalf of the Judiciary Committee chairman, the gentleman from New Jersey (Mr. RODINO), the gentleman from California (Mr. WIGGINS), the gentleman from Illinois (Mr. RAILSBACK), the gentleman from Illinois (Mr. MCCLORY), the gentlewoman from New York (Ms. CHISHOLM), the gentleman from Texas (Mr. KRUEGER), the gentleman from Kentucky (Mr. MAZZOLI), and the gentlewoman from Ohio (Ms. OAKAR).

The amendment is designed to insure that the Law Enforcement Assistance Administration has sufficient funds to allow State and local governments to develop programs that will fight crime effectively. If the position of the Appropriations Committee is sustained, the State and local governments will suffer a 26-percent cut in the LEAA block grant funds they receive. LEAA provides less than 5 percent of the Nation's law enforcement expenditures. If the position of the committee is sustained, that percentage will be cut even further.

Let me say that the criticisms of the LEAA's performance are for the most part out of date. LEAA has, since the new law passed last year, developed a much stronger and much more effective approach in helping the State and local governments fight crime. The LEAA's management has improved, the spending on hardware has been cut, and every program now funded by LEAA must be evaluated.

Recently the LEAA has funded many projects which have high promise in improving our local governments' ability to deal with crime. I just want to mention at this point one of these projects which is either operating or is about to go into operation in Washington, D.C., Los Angeles, St. Louis, Salt Lake City, Indianapolis, New Orleans, and New York. This program, which is called the promise program, is designed to computerize the court systems in these cities.

One of the biggest disgraces to the law enforcement system has been so-called revolving-door justice which has received tremendous criticism from the public. Persons who commit crimes are often let out after plea bargaining simply because there is not enough time, not enough energy, and not enough room in the criminal justice system to cope with them.

What the computerized system provided by the promise program, will do is, for the first time, to allow sound administrative control of the criminal justice system in these cities. It will allow district attorneys offices to review the work of prosecutors to determine which prosecutors have been successful and which have not. It will allow judicial administrators to determine the caseloads of judges and learn which judges are handling higher caseloads and which are not. It will allow all criminal justice professionals to review how cases are handled, what percentage are dismissed because witnesses did not show up, what percentage are dismissed because police witnesses are not there on time, what percentage are handled through plea-bargaining, and how many cases actually result in persons serving jail terms.

At the present time, we do not have this information. We are unable to have effective management control of the law enforcement and criminal justice system. LEAA can finance the promise program so that local jurisdictions will have the ability to deal with managing their police, prosecutors, and courts, and if successful, this program will go a long way to restoring the confidence of citizens around this country in the ability of our criminal justice system to cope with crime.

Mr. Chairman, I think this amendment is important. I urge its adoption.

The CHAIRMAN. The time of the gentlewoman from New York (Ms. HOLTZMAN) has expired.

(At the request of Mr. MCCLORY, and by unanimous consent, Ms. HOLTZMAN was allowed to proceed for an additional 5 minutes.)

Mr. MCCLORY. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I am delighted to yield to my distinguished colleague and the coauthor of the amendment.

Mr. MCCLORY. Mr. Chairman, I want to support this amendment and to concur in the statements made by the gentlewoman.

Also, I want to point out that this program is being funded at substantially below what it was before, even if this amendment is approved, because it will still be about $50 million below what the current funding is.

I would like to also point out, as the gentlewoman has indicated, we have reposed more responsibility in LEAA than they had before. These decisions which are made with regard to the expenditures of funds are decisions that are made at the local level, which is where we want the decisionmaking to be made.

While I am sure that there is some mistake in judgment that we must recognize, for the most part I would say that the local areas decide what is most needed in connection with law enforcement. I would say we would be in strong support of most of the decisions.

Mr. Chairman, I would like to emphasize that we had extensive oversight hearings on the changes we have made here and others that seemed to be in line with what is most needed, including the establishment of the neighborhood anticrime programs, the augmenting of the drug enforcement program, programs to aid the elderly and such things as are most needed in connection with law enforcement and the administration of justice.

Mr. MCCLORY. Mr. Chairman, I rise in support of Ms. HOLTZMAN's amendment to H.R. 7556. Our amendment would restore some $104.5 million to the LEAA appropriation. Mr. Chairman, President Carter has also recognized the need for this increase and, indeed, prior to the action of the Appropriations Committee, requested a total appropriation of $704.5 million.

You will recall, Mr. Chairman, that we spent nearly 3 days last fall debating the pros and cons of LEAA. The Senate spent a similar amount of its time on the issue. What evolved was the Crime Control Act of 1976, a new authorization for LEAA, lasting 3 years with an annual authorization of roughly $800 million. It also contains new uses for LEAA funds. For example, under the act signed by the President just 8 months ago, a community anticrime program has been developed for the purpose of involving the public in the fight against crime. Numerous amendments were included to increase the involvement of State judiciaries within those States participating in the LEAA program. Chairman RODINO, who joins us in support of this amendment, sponsored portions of this act which permit LEAA to assist in the development of programs to identify "the special needs of drug-dependent offenders—including alcoholics, alcohol abusers, drug addicts, and drug abusers". Similarly, authorization was given to fund efforts designed specifically to reduce and prevent crime against elderly persons.

I feel I should note with concern the continuing role in which the Congress has sought to cast LEAA. Time and time again we have attempted to pin the blame for the increase in crime on a Federal block-grant program designed simply to assist the States in quelling the tide. And now, after substantial evaluation procedures have just been integrated into the new act in an attempt to make LEAA more responsive, we are suggesting a cut in LEAA's budget before it even gets started. How in the world can we expect LEAA to accomplish anything worthwhile, much less even pursue that course, when we attack its budget and its functional existence every few months? The reauthorization we passed last October was for 3 years. Now is not the time.

Mr. RODINO. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I am happy to yield to the gentleman from New Jersey.

Mr. RODINO. Mr. Chairman, first of all, I would like to commend the gentlewoman from New York (Ms. HOLTZMAN) for rising and urging that the House restore the $104 million, which is the amount requested by the President.

As the gentleman from Illinois has so well stated, this program has been gone over with a fine tooth comb. We do admit to some of its short-comings, to some of its failings. I was one of the original authors and sponsors of this legislation back in 1968. I chaired the hearings in 1973 and again in 1976. We have taken out many of the bugs.

Mr. Chairman, I strongly support the gentlelady's amendment. Now is not the time to tear the heart from the Federal commitment to law enforcement assistance.

Mr. Chairman, no Member of this House regrets more keenly than I the disappointments of LEAA. I served on the Judiciary Committee that created the agency in 1968, and I chaired the committee that amended its charter in

1973 and 1976. I firmly believe that we have begun to turn the program around, but I also know that genuine criticisms of the agency's performance are serious and valid.

But we have a new administration now and a new Department of Justice is conducting a thorough reexamination of LEAA's operation. We have a new statute also, one that addresses the problems we have uncovered and redirects the agency's efforts. That statute has just now become operative.

And it would be a serious mistake—an unfortunate over-simplification—to regard LEAA as a failure. Major strides have been made despite the disappointments, and this program represents our only commitment at the Federal level to aiding the States and localities in the fight against crime.

The gentlelady's amendment is a modest one. It does not even raise the level of LEAA appropriations to the fiscal 1977 figure. It merely restores it to the $704.5 million requested by the President. The bill as reported by the committee will result in a 26-percent cut in the block grant program. Many States and localities will be forced to suspend ongoing programs and projects just as they are beginning to pay dividends. I think the bipartisan support the gentlelady's amendment has attracted attests to the fact that that kind of interruption of effort is a bad idea at this time.

I urge an aye vote.

Ms. HOLTZMAN. I thank the chairman of the Judiciary Committee for his contribution. I would just like to point out to the members of this committee that this amendment is supported by the National Governors Conference, the National League of Cities, the Conference of Mayors and National Association of Counties. Support has been specifically expressed by Governors and other high State officials of Connecticut, Florida, Indiana, Kansas, Maryland, Massachusetts, Michigan, New Jersey, New York, North Carolina, Pennsylvania, and Washington.

I want to emphasize to this committee that LEAA is the only tool that the Federal Government has to help local governments develop innovative and more effective ways of fighting crime. As we all know, the concern about crime is one that affects every American citizen. I thing the Federal Government has an obligation to help State and local governments do as good a job as they can in this area.

Mr. CONYERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and my colleagues, I suppose we are all in support of revenue sharing, and if we are and if we want some more money to come into our State or city, witness the kind of endorsements we are receiving for this kind of proposition. Then, I suppose a Member could vote to override the judgment of the Appropriations Subcommittee.

As the chairman of the subcommittee in the Judiciary that has authorizing jurisdiction over LEAA, the curious thing is that we have not had any oversight, for which I apologize. Reference is made by my colleague from Illinois to the authorizing legislation for the fiscal year. None of the matter in this amendment has been brought before the authorizing committee in the Judiciary, I am very sorry to report.

If there are improved programs, it is from the squeeze on LEAA itself. The only hearings I remember having were with regard to how they are multilating the guidelines on the community anticrime program, in which we are going through some of the most unbelievable changes, and to get them to understand that, for the past 4 years, that it is the decision of Congress to have citizens' impact in small and modest ways on local law enforcement agencies.

So, the question we have to bear in mind is, where do we find out about this leadership? There is no director of LEAA at this very moment, nor are the top three other positions other than director filled. They are all vacant.

The truth of the matter is, at this moment, there is a study commission from the Attorney General's office which is studying the future of LEAA. Now, in the face of this, as all concerned Members of Congress who want to fight crime, how can we add funds to LEAA's budget without authorizing subcommittee notice, without any satisfaction of the Appropriation Committee, especially since LEAA's fate is now being determined by a special committee appointed by the Attorney General? How can we just gratuitously add millions of dollars?

I concede that there are several programs that are of some effect going on. But it would seem to me that it would be the height of folly to do this until the appropriate subcommittee has considered the measure.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentlewoman, who is a member of the Subcommittee on Judiciary which has authorizing oversight.

Ms. HOLTZMAN. I would say to the gentleman, who has raised a point about the Justice Department, that the White House stands behind the request made by the President which is embodied in the amendment I have offered.

Mr. CONYERS. But the White House does not have the authority to pass upon this appropriation unless the Authorizing Committee in the Judiciary has something to do about it. I am happy that they support it. It also happens that the Attorney General supports the proposition that we do not build any more metropolitan correctional facilities and, on the judgment of this body, we just previously decided to go against it. So, I am not impressed by the White House letter or whatever method they use.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, I served as ranking minority member on the subcommittee with the gentleman when we reviewed LEAA. The amount that is being offered here as an amendment is $153 million below what our subcommittee recommended and what the full committee recommended. I would also like to point out that 74 percent of the funds appropriated for LEAA are for projects that are in their second or third year of funding. So what we would be doing by cutting this appropriation is would be to permit many of those to go down the drain.

Mr. CONYERS. I am trying to send the message to LEAA, which I have been trying to do for the last 4 solid years.

I will not support an authorization of this amount. It has not gone for review before my subcommittee. There has been no signal that there are improved programs. So I must reluctantly continue to oppose it, as I always have.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. I thank the distinguished chairman of the subcommittee for yielding.

Mr. Chairman, I would just like to point out—and I am sure the gentleman is aware of this—that the subcommittee did report out a bill which was ultimately enacted into law, authorizing $800 million for LEAA for 3 years.

Mr. EARLY. Mr. Chairman, I rise in opposition to the amendment.

The arguments have all been heard before. I agree with the gentleman who just stated that there has been study after study done on LEAA. Each study has arrived at the same conclusion, that LEAA is both wasteful and ineffective. Yet the Congress continues to fund the program. Now we have an amendment for an additional $104.5 million.

Recently the L. A. Times reported that Attorney General Griffin Bell and his Deputy Peter F. Flaherty, have a special seven member committee looking into ways of cutting the red-tape in the LEAA program. I suggest we wait until this study is complete before we throw more money into the program. The LEAA program after 8 years and more than $5 billion in anticrime funds allocated to the States, has brought us no more closer to reducing crime than when we started. If we cannot cut funds from the LEAA program, then there is no program we can cut funds from. LEAA is an obvious and well-documented waste of the taxpayers money.

Four years ago when I was vice chairman of the State Ways and Means Committee, the LEAA program was accepted by the legislature by a very narrow margin. The best way to bring about change is by cutting back the funds. If we cut back the funds, we will bring about the necessary budgetary pressure to force LEAA to stop its wasteful and inefficient spending.

I admit that since the Committee on the Judiciary has been looking into LEAA, there have been some improvements. But not enough. We need greater improvements and the best way to achieve them at this time is to cut the funding level. It is not the people that are interested in this program. The mayors and the sheriffs and the bureau-

crats who spend the money from the program are interested in it.

Mr. Chairman, I urge the amendment be rejected.

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. EARLY. I yield to the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it is the very mayors and the people who are interested in fighting crime locally who are supportive of this amendment, who know where the fight needs to be. And as the gentleman said, it is true that we admit there have been shortcomings. We have written in this legislative act certain mandating provisions that will insure that only those effective programs will work.

If we cut this program now, we are cutting the last opportunity to really effectively fight crime. I think this is hardly the time to do it, with a new administration, with a new Administrator, who will be going in there with the kinds of guidelines and supervision we will be giving to it, and we guarantee to the Members that this is the least amount that is necessary in order to assure an effective action against crime.

Mr. EARLY. Mr. Chairman, my reply to the distinguished chairman of the Committee on the Judiciary is this: He speaks of mayors and sheriffs, I would suggest that while many of these officials use the funds for worthwhile programs, many others set up programs which are nothing more than another layer of bureaucracy, which uses the funds to support their official existence.

In the testimony before the committee last year, the Director of LEAA came in and presented the committee with numerous reports. When he was asked by the committee how many of the reports had been implemented, his answer was none. Absolutely none.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. EARLY. I yield to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. I thank the gentleman for yielding.

Mr. Chairman, I would just like to point out the one argument that cannot be brought on this floor is if we want to reduce crime, keep funding LEAA money.

The rate of crime in this country has grown, according to the graph, exactly with the rate of increased appropriations funded for LEAA.

Mr. EARLY. Mr. Chairman, I would like to say to the gentleman from Michigan (Mr. CONYERS) that I supported his amendment, which would have removed the funds for new prison construction. I did not speak on the matter because when it was before our subcommittee, we agreed to cut planning and site acquisition funds for two new prisons as a compromise.

However, if Congress does not begin to act on items such as the Bureau of Prisons and LEAA, we will be committing the taxpayers' moneys into noproductive programs.

Mr. Chairman, there was an article in today's New York Times with regard to prisons. An inmate in Butner Federal Correctional Institution remarked that the biggest problem he has with the new prison built there is that he does not know how he is going to adjust downward when he returns to the standard of living prior to being incarcerated. Mr. Chairman, we are wasting dollar after dollar, and we are ignoring all the studies that have come out on this program. The way to bring about better efficiency in this program is by cutting the funds.

Therefore, Mr. Chairman, I urge the defeat of this amendment.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. McFALL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

When the point of no quorum was made, the gentleman from Iowa (Mr. SMITH) had been recognized.

Mr. SMITH of Iowa. Mr. Chairman, in a few minutes you are going to be asked to vote upon an amendment to increase LEAA by $104.5 million over what we have recommended in this bill.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, I just want to be sure that the Members understand that the figure is $104.5 million. Is that what the gentleman said?

Mr. SMITH of Iowa. That is correct.

Mr. Chairman, I want to point out that we already have in this bill some $16 million more than was included in the Budget Committee target for the law enforcement function when we marked up that bill. Also, the committee recommendation is $16 million over that amount. So what is proposed here is to put this bill for LEAA $120.5 million over the amount that this House decided that there should be for LEAA when we marked up the budget bill.

We hear a lot about priorities, setting priorities, adjusting priorities and so forth, but where are we when we are supposed to bite the bullet? One cannot vote for this amendment and really be for the budget target we have heard so much about.

When LEAA started several years ago, this committee was as much guilty as other Members of the House. We assumed that because it carried the name "law enforcement" that that was something good. We just poured the money on as fast as they said they could take it. Out in the States when the local officials, the mayors and the supervisors and others, met at planning meetings, the word got around real fast: "If you want to get some easy money, just put it under some kind of title entitled 'Law Enforcementment' and you will get all you want." So they took all the dogs and cats they could not get approved under some other program and they put a title on the application that had something to do with "law enforcement," and they got their money the easy way with almost no oversight concerned.

Finally we awakened. We found out that they were wasting money, and it was not just wasted for hardware either—there was a lot of it wasted for that purpose—but under the State grants they are also wasting it.

We are told that the mayors, the Governors, and the sheriffs are in support of this amendment. Of course, they would be. That should not surprise anyone. What they have done under these block grants is to give the local mayors, local sheriffs, and the local supervisors a clerk. The idea is that supposedly this clerk will be able better to keep the official informed of some law-enforcement problems. Anyway, it is a salaried clerk paid for by the Federal Government. Then whenever these appropriations come up, they call all these sheriffs and mayors and say, "Look, you are going to lose your clerk if you don't get the word down there to Congress that you have got to have more money for LEAA." That is the built-in lobbying activity that we have in this bill.

Mr. EARLY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Massachusetts.

Mr. EARLY. Mr. Chairman, I thank the gentleman for yielding. I think the gentleman brings up a very valid point concerning LEAA's constituency. I would like to add that according to the Los Angles Times, there are an additional 3,600 employees in the State planning agencies, for which the Federal Government pays 90 percent salary support.

Mr. SMITH of Iowa. I want to point out something else. When we come to legal services under this bill, you will find we added $42 million over what the budget request was from the administration. Forty-two million dollars has to come from somewhere. If we are going to adjust our priorities, we ought to be allocating money where it is needed the most. There are poor people in this country who do not have minimum legal services, and we added money to provide them with minimum legal services. These are law-abiding poor citizens. Yet under this program they are using money to provide additional assistance to lawbreakers who have broken State laws even though the courts are required to furnish that service from State funds. We can do something about adjusting priorities here by shifting money to legal services.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding.

I am glad the member of the Committee on Appropriations in the well pointed out this important consideration, because as one who supports Legal Services and their extension—and I think the Committee on the Judiciary has done an excellent job on that—if we are talking about having to cut back one penny from Legal Services to give to the Law Enforcement Assistant Administration, then I am twice as opposed to this additional money.

Mr. SMITH of Iowa. That is really what it amounts to. If we are going to get the money to those who need it the most, we should get it from someplace where there is waste. There is waste in LEAA. If we approve the amount our committee recommended, there will be plenty for everything good.

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from New Jersey.

Mr. RODINO. I thank the gentleman for yielding.

The gentleman, of course, talks about past mistakes made by the House in setting certain goals for the reduction of crime, but I recall we then appropriated $1,250,000,000 a year. Since that time, since 1968, much more has occurred, and yet the amount now being requested is $704 million and at the same time we have added new programs that are designed to produce effective action in attempting to reduce crime. LEAA is the single major Federal effort that we presently have in the fight against crime. If we do not add these funds, we are all the losers in our attempt to aid proper, effective, innovative and humane law enforcement.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. SLACK, and by unanimous consent, Mr. SMITH of Iowa was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Iowa. What the gentleman is doing is pointing out the extent to which there was waste. There was so much waste that we can have all that reduction and there is still waste. I know one example. There was the mayor of a small town who had a clerk. That clerk was supposed to check in and out each day a little punch that has a number on it. She checks it out to anybody in the community who wants to punch a number on their personal property. There was $8,000 a year here for that clerk. Surely we do not need to pay $8,000 per year to someone to check a punch in and out. That is the kind of waste that is in this program.

They had enough waste in LEAA last year so we can easily say the amount of money in this bill provides enough money for everything needed and still have some left over for some waste in 1978.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(On request of Ms. HOLTZMAN and by unanimous consent, Mr. SMITH of Iowa was allowed to proceed for 2 additional minutes.)

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. I thank the gentleman for yielding.

Mr. Chairman, I respect the gentleman from Iowa greatly, but as a member of the House Budget Committee I would have to say, after checking with the Budget Committee staff, that this amendment in no way exceeds the amount allocated by the Budget Committee for the law enforcement function.

Second, the House has voted twice on the issue of cuts in the LEAA budget. Last year when the Appropriations Committee suggested a $600 million cut, it was decidedly rejected by the Committee of the Whole by virtually a 2-to-1 margin.

In the budget process itself, the Budget Committee recommended a cut in the LEAA function and the House again rejected that cut.

So I think that, in terms of deciding what our priorities for law enforcement should be, the Members of this House have time and time again said they are deeply committed to helping the State and local governments improve their crime fighting efforts.

That LEAA has improved in the past is unquestionably the case, and I think it would be unfortunate if the Appropriations Committee position held on the floor. It would be unfortunate indeed if the local governments were crippled in their ability to fight crime as effectively as possible.

The gentleman well knows there have been programs to improve the effectiveness of witnesses and to improve the ability of the police to recover stolen goods and the like. The gentleman is well aware that the new law requires every single program under the LEAA to be evaluated.

Mr. SMITH of Iowa. I would say there is plenty of money in here for that program. I would remind the gentlewoman of this, that when the budget resolution came out there was $504 million included for LEAA in making up the law enforcement function. The gentlewoman had an amendment on the floor which would increase that substantially. When the budget resolution was defeated and it went back to the committee, it came back with $584 million included.

We took the total we had allocated to the committee, which was $3,700,229,000. Within that allocation we put some more in the Legal Services and some other places. This amendment the gentlewoman has proposed, if we adopt it, would exceed the total allocation to the appropriations committee for the law enforcement function. So I say we should defeat this amendment.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(On request of Mr. SLACK, and by unanimous consent, Mr. SMITH of Iowa was allowed to proceed for 3 additional minutes.)

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, the pending amendment as I understand it would increase the law enforcement and justice function by more than $100 million above the functional target. The amendment would bring the bill total above the budget allocation to the subcommittee. Is that the understanding of the gentleman?

Mr. SMITH of Iowa. That is right.

Mr. SLACK. Mr. Chairman, if the gentleman will yield further, I would like to quote from a recent report made by the surveys and investigations staff of the Committee on Appropriations with regard to the effectiveness of the LEAA program:

> In the past several years, attempts to assess the effectiveness and the accomplishments of the LEAA have been at least difficult, if not impossible. The result is that the criminal justice community is in a benign quandary as to future direction. Whether LEAA has succeeded in reducing crime is no longer debatable. The consensus is that it has not.

Mr. Chairman, I ask that this amendment be defeated.

Mr. SMITH of Iowa. Mr. Chairman, just in closing, I want to say to the Members, I plead with you to sustain us in opposition to this amendment. We will reach legal services later. Our committee recommendation is $42 million over the budget on that program. If this carries, we will be so far over the congressional budget target that Members will then feel they need to go against additional money for legal services.

I say if we have to choose between the law-abiding people getting money from legal services, we ought to prefer them over the waste in this program.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield further?

Mr. SMITH of Iowa. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, are those the only two programs that are financed under this function. Three billion, six hundred million dollars are allocated to finance the law enforcement agencies.

Mr. SMITH of Iowa. There are a lot of programs. We have allowed money in this bill for drug enforcement and for all these things that the gentlewoman has been talking about. They do not need to come out of this program.

Ms. HOLTZMAN. Mr. Chairman, if the gentleman will yield further, a vote on the amendment is not a choice between legal services and LEAA. There are a number of other programs included in the $3.6 billion. We are only talking about $104 million in this amendment.

Mr. SMITH of Iowa. Oh. yes. Members can cut drug assistance if they want to, but I would rather cut the waste out of LEAA.

Mr. McCLORY. Mr. Chairman, I rise in support of the admendment.

Mr. Chairman, I am confident we all realize that the fight against crime is a very difficult one. We do not want to undertake the entire fight here at the Federal level because crime is basically

a local and State problem. The whole aim and purpose of this program is to enable the localities, the municipalities, and the counties themselves to carry on the fight against crime.

I do not want to say that LEAA has been a perfect program but at the same time we should acknowledge that LEAA-funded projects represent major contributions. There are literally thousands of programs that have been developed. I realize the difficulty in assessing the value of each one of these programs, so in the amended law that we enacted last year we provided for improved monitoring and evaluation of projects funded with LEAA grants, so that the entire Nation can benefit from the programs that are carried on successfully at the local level.

Now, during the past 3 years we have cut LEAA appropriations from $895 million. I hope we will not reduce this year's funding below $704 million. This is the only program which provides Federal support for the local law enforcement people who are carrying on the fight against crime. To undercut them, it seems to me, is to do a disservice and say that we have failed, that we are not going to fight crime any more in America. I do not think that is what we want to say.

The effort that the Judiciary Subcommittee on Crime took was to improve the kinds of programs that should be funded. As I said earlier, LEAA is a block grant program. Most of the decisionmaking is at the local level. That is where we want the decisions to be made; but we should not blame ourselves and we should not destroy the program because of our disappointment with some of these local decisions. As I say, local officials have not shared the results of their work adequately. We have mandated that they shall share the information through evaluation and monitoring programs, so that we can expect a constant improvement in this program.

Mr. Chairman, to undercut through reducing the appropriation would be, in a way, destroying the only real initiative this Congress has in the fight against crime at the level the fight has to be waged.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman.

Mr. CONYERS. Mr. Chairman, I realize the gentleman was on the subcommittee of the Committee on the Judiciary as the authorizing subcommittee in the last Congress.

Is it not true that the Attorney General has a select committee that is meeting currently, daily, in order to determine what the future of LEAA is going to be? LEAA is in such a state of disrepair, the present Attorney General does not even want to recommend a future course for its operation.

Mr. McCLORY. Let me respond to that by saying that I am not aware of the Attorney General's select committee; but I do want to say this, that until a study is made and until we have something better, we had better not undercut and destroy the only program we have. I say that we should support the funding which has been already approved through the budget process and then enable LEAA to do the best job it can with the authority and the funds we have provided for it. Let us not undermine LEAA and receive nothing in return.

Mr. SLACK. Mr. Chairman, I wonder if we could not arrive at some time limitation on this amendment? It has been discussed for quite some time.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto cease in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Chair recognizes the distinguished gentleman from Michigan (Mr. BLANCHARD).

Mr. BLANCHARD. Mr. Chairman, I simply want to indicate that this is the second time we have debated LEAA's function and role, and I, as a relatively new Member of Congress, find that we are wrangling over past history. The fact is that within our Federal budget, our total Federal budget, less than 1 percent—less than 1 percent—of our budget is devoted to crime control.

Here, we are dealing with the one agency that attempts to assist cities and States to fight crime. And what happens. Funds are cut. I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. Mr. Chairman, I, too, support the amendment of my colleague, Ms. HOLTZMAN. Like her, I was involved with the Judiciary Committee's consideration of LEAA last fall. I believe, therefore, that we have already debated and resolved LEAA's funding for the present. But, nevertheless, here we are, debating once again an attempt to cut LEAA's purse strings, this time by $104.5 million.

I should note that LEAA funding amounts to less than 5 percent of the total State and local expenditures for criminal justice and H.R. 7556 would cut 20 percent of that. Yet, despite periodic sniping attacks, its accomplishments and contributions are many. For example, LEAA funded a study by the Illinois Law Enforcement Commission on adolescent behavior in Illinois. It was very revealing and provided information that will enable us to better deal with the problems of juvenile deliquency. We have to understand more completely why juvenile delinquency continues to spread and we have to generate solutions. The Crime Control Act of 1976, which reauthorized LEAA for another 3 years, contains specific language designed to assure that juvenile delinquency programs in the States are maintained at a high level. A program like LEAA is the best source for this type of intensive examination.

The Crime Control Act also significantly increases, as others have noted, the involvement of the State judiciary in the criminal justice planning process. The system is, of course, affected by the need to unclog case backlogs in State courts and accelerate case processing and disposition efficiency. LEAA is now committed to assisting the States in producing solutions to these problems by directing Federal funding efforts toward the courts as well as law enforcement.

Community anticrime programs, the funding of State programs to help reduce crime committed against our elderly, deal with drug-dependent offenders, and educate the public about its responsibility in the enforcement of the criminal law are all functions of the new reauthorization legislation. I think it would be wrong to cripple this effort before it has even begun.

He has asked for a budget of $704.5 million, the figure our amendment would restore, which is itself a reduction from that authorized last fall. Further, the Department of Justice is now studying LEAA and its role. I suggest to you that the failure of this amendment will render LEAA impotent; the victims will be the States whose block grants will, in turn, suffer a collective 26 percent cut.

The CHAIRMAN. The Chair recognizes the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Chairman, the LEAA program has been under attack for several years. In the early years, perhaps some of the criticism was justified. For every problem, there are hundreds of revelant programs. Changes have been made to improve the operations of LEAA throughout the Nation. We have no other program of Federal aid to State and local law enforcement. This is it. At a time when we hear the crime is being reduced nationally, do we cut funds that may have been responsible for this reduction? Or are we willing to continue to fund it at a reasonable level, observe its operations, make corrections to assure it will operate according to the wishes of Congress and the American people?

We are asking that the appropriation be restored to the level requested by the administration. We are not asking for the additional $49 million that would give LEAA the same level of funding it had in last year's appropriation.

Last year, in my county, there was a 5.2-percent decrease in major crime. We are hopeful that the economic recovery and the decrease in unemployment will further reduce crime rates, but are we willing to make drastic reductions in the LEAA appropriation? I am not. I do not believe the people of my district are or the people in this country. The minimum our people should expect as Americans is to be safe in their community. This program is the only flexible creative approach to reduce crime. The people depend on their municipal and county and State and Federal governments to take care of things so they can be safe in their neighborhoods.

We simply must not let the $600 million appropriation stand. It is not enough. The reduction is too great. Pro-

grams currently operating in many, many of the communities of the United States will have to be slashed or terminated. So severe a reduction is impractical, unwarranted, and ill advised. It is not enough for a U.S. Representative to be "opposed to crime." We must continue to vote the funds needed to reduce crime. I urge support for restoration of the $104.5 million that was taken from the LEAA appropriation.

We spend billions for programs that do not even directly affect the American people; surely we can fund a program that will continue to aid in reducing crime in our country.

(By unanimous consent, Mr. SLACK yielded his time to Mr. EARLY).

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. EARLY).

Mr. EARLY. Mr. Chairman, I would like to sum up the arguments against this amendment, by pointing out that this is not the first time we have debated the merits of LEAA. It has been the center of considerable controversy over the last 8 years in both bodies. And not without due cause.

I have stated that there have been improvements in the program over the years. However, we need more improvements if we are going to get a dollar's worth for a dollar spent. The way we are going to get these improvements is by appropriating just enough funds for LEAA to carry out the programs that are worthwhile. By applying budgetary pressure, we can force LEAA to become more selective in the programs it chooses to fund.

I urge the defeat of this amendment so that LEAA will recognize the fact that Congress will not tolerate the funding of nonproductive programs.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MCCLORY).

Mr. MCCLORY. Mr. Chairman, I agree that we should get the best bargain for the American taxpayers' dollar we can. I would like to point out that in my view LEAA is a very efficiently operated agency. In 1977, it operated with an overhead for administration purposes of 3.4 percent according to my information.

That is a real bargain. We have provided through LEAA a block grant-type of program where the decisions are made primarily by people such as mayors and sheriffs and other county officials. They are the ones who know best how to handle the problems of crime in the areas where they serve, and they can do it if we are willing to provide them with some additional resources. We should restore the $104.5 million which the Appropriations Committee is endeavoring to delete from urgently needed LEAA funds.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Chairman, let me say that the studies which were cited and the criticisms which have been leveled against LEAA are chiefly based on an outdated view of the program. A new law was passed last year, which tightens up LEAA's operations, which requires it to evaluate its programs.

The proposed cut of $150 million will actually impair the ability of State and local governments to fight crime. Let us allow the State and local governments to do the best job they can; let us help them develop better programs to assure the safety of Americans.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. CONYERS) to close debate.

Mr. CONYERS. Mr. Chairman, we are now 8 years and $4 billion later down the LEAA road, and there is still a slight defect in the causal connections between funding and performance. One hundred million dollars is not going to make LEAA all right. One hundred million dollars is not going to do anything for those few programs which are good.

Let us face it, there is not a locality in America which does not want some more Federal money any way they can get it. And if they can get it by adding $100 million to LEAA's appropriation, everybody is in favor of it. Let us vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN).

The question was taken; and on a division (demanded by Ms. HOLTZMAN) there were—ayes 20, noes 60.

Ms. HOLTZMAN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. The Chair observes at least 110 Members present, a quorum.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentlewoman from New York (Ms. HOLTZMAN) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 210, not voting 51, as follows:

[Roll No. 334]

AYES—172

Abdnor	Chisholm	Fithian
Addabbo	Clausen, Don H.	Florio
Akaka	Cohen	Flowers
Ammerman	Coleman	Forsythe
Anderson, Calif.	Conable	Fountain
Anderson, Ill.	Corcoran	Frey
Andrews, N.C.	Corman	Ginn
Applegate	Coughlin	Gonzalez
Bafalis	Cunningham	Goodling
Beard, R.I.	D'Amours	Gore
Bedell	Daniel, R. W.	Gradison
Bevill	Davis	Gudger
Bingham	Delaney	Hamilton
Blanchard	Derrick	Hanley
Boggs	Derwinski	Harkin
Bowen	Dickinson	Harris
Breaux	Dicks	Hawkins
Breckinridge	Diggs	Hefner
Brinkley	Dodd	Hollenbeck
Brodhead	Drinan	Holtzman
Broomfield	Duncan, Tenn.	Huckaby
Brown, Mich.	Eckhardt	Hyde
Burke, Calif.	Edgar	Jacobs
Burton, John	Edwards, Ala.	Jenrette
Burton, Phillip	Eilberg	Jones, N.C.
Butler	Emery	Kasten
Byron	Evans, Ind.	Kazen
Caputo	Fenwick	Keys
Carney	Findley	Kildee
Carr	Fish	Kostmayer
		Le Fante
Lederer	Nowak	Spence
Leggett	O'Brien	St Germain
Lloyd, Tenn.	Oakar	Stark
Luken	Oberstar	Stokes
Lundine	Ottinger	Studds
McClory	Patterson	Thompson
McCormack	Perkins	Traxler
Madigan	Pressler	Treen
Maguire	Preyer	Tsongas
Mann	Pursell	Tucker
Markey	Quillen	Vanik
Marlenee	Railsback	Vento
Mazzoli	Rangel	Volkmer
Metcalfe	Regula	Walgren
Meyner	Richmond	Walsh
Mikulski	Rinaldo	Wampler
Minish	Robinson	Waxman
Mitchell, N.Y.	Rodino	Weiss
Moakley	Rooney	Whitehurst
Moffett	Rosenthal	Whitley
Moore	Sarasin	Wilson, Bob
Motti	Sawyer	Winn
Murphy, N.Y.	Scheuer	Wolff
Myers, Gary	Schulze	Wydler
Myers, Michael	Seiberling	Wylie
Nedzi	Solarz	Young, Fla.
Nichols	Spellman	Zeferetti

NOES—210

Alexander	Glickman	Murtha
Andrews, N. Dak.	Goldwater	Myers, Ind.
Annunzio	Grassley	Natcher
Archer	Guyer	Neal
Armstrong	Hagedorn	Nix
Ashbrook	Hall	Nolan
Ashley	Hammer-schmidt	Panetta
AuCoin	Hannaford	Patten
Badham	Hansen	Pattison
Barnard	Harrington	Pease
Baucus	Harsha	Pettis
Bauman	Heftel	Pickle
Beilenson	Hightower	Pike
Benjamin	Hillis	Price
Bennett	Holland	Quayle
Boland	Holt	Quie
Bolling	Horton	Rahall
Brademas	Howard	Roberts
Brooks	Hubbard	Rogers
Brown, Calif.	Hughes	Rousselot
Brown, Ohio	Ireland	Roybal
Broyhill	Jenkins	Rudd
Buchanan	Johnson, Calif.	Runnels
Burgener	Johnson, Colo.	Russo
Burke, Fla.	Jones, Okla.	Ryan
Burleson, Tex.	Jones, Tenn.	Satterfield
Burlison, Mo.	Jordan	Schroeder
Cavanaugh	Kastenmeier	Sharp
Cederberg	Kelly	Shipley
Chappell	Kemp	Shuster
Clawson, Del	Ketchum	Sikes
Clay	Kindness	Simon
Cleveland	Krebs	Sisk
Cochran	LaFalce	Skelton
Collins, Tex.	Lagomarsino	Skubitz
Conte	Latta	Slack
Conyers	Leach	Smith, Iowa
Cornell	Lehman	Smith, Nebr.
Cornwell	Lent	Snyder
Cotter	Levitas	Staggers
Crane	Lloyd, Calif.	Stangeland
Daniel, Dan	Long, La.	Stanton
Danielson	Long, Md.	Steed
Dellums	Lott	Steiger
Devine	Lujan	Stockman
Dingell	McDade	Stratton
Dornan	McEwen	Stump
Downey	McFall	Symms
Duncan, Oreg.	McKay	Taylor
Early	Mahon	Thone
Edwards, Calif.	Marks	Trible
Edwards, Okla.	Marriott	Udall
English	Martin	Ullman
Erlenborn	Mathis	Van Deerlin
Ertel	Mattox	Vander Jagt
Evans, Colo.	Meeds	Waggonner
Evans, Del.	Michel	Walker
Evans, Ga.	Mikva	Watkins
Fary	Milford	Weaver
Fascell	Miller, Calif.	White
Fisher	Miller, Ohio	Whitten
Flood	Mineta	Wilson, C. H.
Flynt	Mitchell, Md.	Wilson, Tex.
Foley	Montgomery	Wirth
Ford, Mich.	Moorhead, Calif.	Wright
Ford, Tenn.	Moorhead, Pa.	Yates
Fowler	Moss	Yatron
Frenzel	Murphy, Ill.	Young, Alaska
Gaydos	Murphy, Pa.	Young, Mo.
Gephardt		Young, Tex.
		Zablocki

NOT VOTING—51

Allen	Fuqua	Poage
Ambro	Gammage	Pritchard
Aspin	Giaimo	Reuss
Badillo	Gibbons	Rhodes
Baldus	Gilman	Risenhoover
Beard, Tenn.	Heckler	Roe
Biaggi	Ichord	Roncalio
Blouin	Jeffords	Rose
Bonior	Koch	Rostenkowski
Bonker	Krueger	Ruppe
Burke, Mass.	McCloskey	Santini
Carter	McDonald	Sebelius
Collins, Ill.	McHugh	Steers
de la Garza	McKinney	Teague
Dent	Mollohan	Thornton
Flippo	Obey	Whalen
Fraser	Pepper	Wiggins

The Clerk announced the following pairs:

Mr. Ambro for, with Mr. McDonald, against.

Mr. McHugh for, with Mr. Santini, against.

Mr. Badillo for, with Mr. Burke of Massachusetts, against.

Mr. Koch for, with Mr. Pepper, against.

Messrs SAWYER, MOAKLEY, and WYDLER changed their voted from "no" to "aye."

Mr. PATTISON of New York changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. There being no further amendments to title II, the Clerk will read title III.

The Clerk proceeded to read title III.

Mr. SLACK (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman from West Virginia to comment upon what I think is an oversight and also I want to comment on one or two things in the title III section of the bill.

Mr. Chairman, I would like to call to the gentleman's attention what I consider an oversight within the Bureau of Census and to ask his comments on other matters.

The Bureau has a publication entitled "Monthly Department Store Sales in Selected Areas," which provides statistical data on department store sales throughout the country. There are more than 175 cities included in this publication now but the largest city in my district, Austin, Tex., which has a population of 308,000, is not listed. I have been contacted by the University of Texas Bureau of Business Research, my local chamber of commerce, and local businessmen who have stated that this survey would prove very beneficial to the community, as well as an entire area.

I want to give you a few examples of the disparities in this survey. From Texas, the cities of Waco and Corpus Christi, both smaller than Austin, are in the present survey. But there are more glaring examples of the inequity of the survey: Danville, Ill., Aberdeen, S. Dak., and Enid, Okla., all of which have less than 50,000 population.

It would seem to me that the Department of Commerce should give strong consideration to including all those standard metropolitan statistical areas—SMSA's—which are not presently listed. I am told that this could possibly cause a slight budgetary problem for the Department. Perhaps by deleting those really small areas in States which have the largest areas already included, a savings could be effected.

I would hope that the gentleman from West Virginia will ask his staff to work with that of the Commerce Department to bring more equity to this situation—and to do so quickly. There seems to be no reason for such delay in updating vital data.

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, I thank the gentleman for bringing this matter to the committee's attention. The committee has provided sufficient funds in this bill in the salaries and expenses appropriation to enable the Bureau of the Census to collect and to publish statistical data on department store sales throughout the country.

I will certainly be glad to have the committee staff check into the situation to see if some solution to the problem that you have mentioned can be worked out.

Mr. PICKLE. Mr. Chairman, if the funds are in the measure, I would hope the committee staff will talk to them down the street. That is all that is needed.

Mr. SLACK. Mr. Chairman, if the gentleman will yield further, I assure the gentleman that will be done.

Mr. PICKLE. Mr. Chairman, I have heard many complaints about the manner in which the Office of Minority Business Enterprise, OMBE, has conducted its contract awarding procedure during the past few years. There have been numerous accounts that the handling of these contracts was done in a slipshod, confused, and even suspicious manner.

As a result, I requested a GAO audit and that audit subsequently confirmed that there were definite discrepancies in this area.

It is my understanding that Secretary Kreps recently testified before your committee and admitted that this and other matters relating to OMBE were a real problem. I hope that she will follow through on this and I also hope that your committee will stay in touch with that Department on this matter.

Although the GAO report mentioned no criminal activity, I will not rest easy until all shadows of doubt are removed in connection with this very critical contracting procedure.

Second, I must tell the gentleman that I am greatly disturbed about what appears to be a "closed-shop" hiring approach in some of the OMBE regional offices. It seems that some employees have been able to construct job descriptions which fit to a tee close friends or associates.

Then, according to civil service regulations, the job notice is posted for 1 day, and lo and behold, Mr. X is able to fill the position. Then we find out that Mr. X had previously been with the agency but had resigned to campaign for the losing candidate before he reapplied for his old job. In short, we find that some areas—specifically the Dallas OMBE office—have become a haven for political holdovers.

Not only do I think that hard questions should be asked of this dancing around the civil service regulations but I believe that a searching and a searing investigation should be conducted of this whole, sordid matter.

Mr. SLACK. Mr. Chairman, if the gentleman will yield further, with respect to the Office of Minority Business Enterprise, OMBE, the committee has been concerned that this program in several instances in the past has not been administered efficiently and fairly. Two years ago the committee conducted a thorough investigation of OMBE and found significant problems of mismanagement and inefficiency.

The administration, I believe, is concerned that OMBE be strengthened and improved. The Secretary of Commerce in testimony before our committee in March stated that OMBE is an agency that seems not to have the mission that one would expect it to have. Secretary Kreps also said that the Department was initiating a careful review of OMBE and would welcome the suggestions of the committee on the overhaul that, in her opinion, is inevitable in that agency. She also indicated that the agency may need additional funding and that the Department might be in a position to submit a request for additional funding at a later time after the completion of such a review.

I think that the Secretary's testimony and the actions of this committee demonstrate that all of us recognize that OMBE has had serious problems and that significant steps must be taken to improve the agency. I hope this statement is responsive to the gentleman.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PICKLE) has expired.

(At the request of Mr. SLACK, and by unanimous consent, Mr. PICKLE was allowed to proceed for 2 additional minutes.)

Mr. PICKLE. Mr. Chairman, I would like to express my concern about the situation in the Public Forecast and Warning Services under the National Oceanic and Atmospheric Administration.

The chronic understaffing of our Nation's weather service offices was brought to my attention by a situation that has developed in my own district.

A staff member of the weather station in Austin recently went on extended sick leave until his retirement in August. Thus leaving the station critically understaffed in an area which is prone to serious flash flooding during the summer months.

When I contacted numerous persons within NOAA and the weather service about getting a temporary replacement at this station, I received the same old

song and dance about personnel shortages in every part of the country.

I cannot understand why this area of Government service which is vital to protect the lives and property of our citizens has been so neglected.

I know that my district is not the only one that has had problems with understaffing of weather stations. I know that my colleague from Texas, Mr. BROOKS, has had a similar problem recently in Port Arthur and I am sure that many other Members have had the same experience.

I would just like to ask the gentleman from West Virginia (Mr. SLACK) whether the committee is aware of this personnel shortage in the Public Forecast and Warning Services and whether this bill today addresses that problem.

Mr. SLACK. Will the gentleman yield further?

Mr. PICKLE. I yield to the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, with respect to the weather service, I appreciate the gentleman's remarks concerning a program which is absolutely vital to protect the lives and property of our citizens. The committee has provided all of the funds requested by the National Oceanic and Atmospheric Administration for this activity. However, I would be happy to look into the matter that the gentleman has brought up and report back to him at a later time.

The CHAIRMAN. Are there any amendments to title III? If not, the Clerk will read title IV.

The Clerk proceeded to read title IV.

Mr. SLACK (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title IV be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. Are there any points of order against title IV? The Chair observes no one standing.

Are there any amendments to title IV?

If not, the Clerk will read title V.

The Clerk proceeded to read title V.

Mr. SLACK (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title V be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. Are there any points of order against title V?

POINT OF ORDER

Mr. STEIGER. Mr. Chairman, I make a point of order pursuant to rule XXII, clause 2, against the appropriation fund for the International Trade Commission, page 44, lines 5 through 21.

The portion of the bill to which the point of order refers is as follows:

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $11,500,000: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the International Trade Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative: *Provided further*, That no part of the foregoing appropriation shall be used for making any special study, investigation, or report at the request of any other agency of the executive branch of the Government unless reimbursement is made for the cost thereof.

The CHAIRMAN. Does the gentleman from West Virginia desire to be heard on the point of order?

Mr. SLACK. I do, Mr. Chairman.

Mr. Chairman, although the amount recommended for the International Trade Commission in the pending bill is not authorized, it is within the amount included in the authorization measure which passed the House April 25. In the appropriation bill for fiscal year 1977, we included the funds for the Commission, even though no authorization has been enacted. If we had waited for the authorization, we would still be waiting. We still do not have an authorization measure covering the current fiscal year.

As the gentleman knows, we sought a rule to protect this item, but were not granted such a rule. If he insists upon his point of order, we have no alternative but to concede the point of order.

The CHAIRMAN. Does the gentleman from Wisconsin insist on his point of order?

Mr. STEIGER. Mr. Chairman, the authorization level contained in the bill, from the standpoint of the Committee on Ways and Means, is acceptable, but there is no authorization.

Yes, I insist on the point of order.

The CHAIRMAN. The gentleman from Wisconsin insists upon his point of order. The gentleman from West Virginia concedes the point of order. The Chair sustains the point of order.

Are there any amendments to title V?

If not, the Clerk will read title VI.

The Clerk proceeded to read title VI.

AMENDMENT OFFERED BY MR. JOHN T. MYERS

Mr. JOHN T. MYERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MYERS of Indiana: On page 53 after line 2, add a new general provision as follows: "None of the funds appropriated or otherwise made available in this Act shall be obligated or expended for salaries or expenses in connection with the dismissal of any pending indictments for violations of the Military Selective Service Act alleged to have occurred between August 4, 1964 and March 28, 1973, or the termination of any investigation now pending alleging violations of the Military Selective Act between August 4, 1964 and March 28, 1973, or permitting any person to enter the United States who is or may be precluded from entering the United States under 8 U.S.C. 1182(a)(22) or under any other law, by reason of having committed or apparently committeed any violation of the Military Selective Service Act."

Mr. JOHN T. MYERS. Mr. Chairman, this is the same limitation amendment which has offered by the Member and passed the House on the supplemental back in March. It is a limitation on the expenditures relative to the pardon of the evaders, those who left the service of the country during the Vietnam era. It has nothing to do so far as challenging or questioning the constitutional authority of the President of the United States to Executive orders of pardon. The pardon does stand. The President does have that authority. I am not questioning that for a moment. It is a simple exercise of the authority of the House of Representatives and this Congress to decide how the public's money shall be spent.

Mr. Chairman, I have found that the great majority of the people in my congressional district oppose having their tax money spent to carry out the pardon. After receiving mail from all over the United States when this amendment was offered back in March, it is certainly the view of a great majority of the people in this country that they do not want to see any of their tax dollars spent to further the pardon or bring back those who were not forced out of the country but left of their own volition.

Mr. Chairman, if we go back for just a moment to examine the cases of these pardoned people, we are considering—again not considering the pardon, because the pardon has already issued and it is already standing—these people during the Vietnam era did have an opportunity not to have to serve in a frontline or carry a rifle if they were serious, honest, conscientious objectors. The law provided for those people for an alternative service. There were a great many ways in which an individual might serve his country without evading the laws and the draft system. They chose to evade and violate the law.

This is a simple exercise of the right of this House to deny that funds can be used to carry out the pardon. It passed overwhelmingly in March. Again, because of every public opinion poll I have been shown and by the mail received concerning this amendment, I am quite sure that this amendment will be accepted again today.

Mr. BOB WILSON. Mr. Chairman, given our steadily rising crime rate, our law enforcement agencies at all levels—Federal, State and local—need all the support we can give them. One such supporting measure is the contributions being made in combating crime by the Law Enforcement Assistance Administration.

Though it did have probems almost from birth, the LEAA is now maturing. It is working and is being effective. However, in order to operate effectively, it needs money, and instead of supporting it, this year we are being asked to reduce its funding by some $153 million from its current level.

This decrease will adversely impact several valuable programs, such as education programs, juvenile justice and delinquency prevention and anticrime programs, to name just a few. A cut of this magnitude will seriously impact local efforts to cut down on crime and to effect the criminal justice system. Many efforts

would be significantly reduced or eliminated if federal funding is reduced so drastically.

Mr. Chairman, I believe that when a program with such a potential for good in our society is working properly, it should be supported, not penalized. Therefore I ask that the funding for LEAA be brought back to the level recommended by the administration and urge the rest of my colleagues to look with favor on such action.

Mr. SLACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. SLACK. Mr. Chairman, the amendment purports to prevent expenditures for three types of departmental actions in connection with the January 21, 1977, Presidential proclamation of pardon. The language concerning two of these—the dismissal of indictments and the termination of investigation—would probably have little effect since, as a practical matter, the Government could not oppose a defendant's motion to dismiss an indictment, and the Government could merely take no action to further an investigation.

The language limiting the third type of departmental action—INS admission of selective service violators would produce an unworkable procedural problem. When an alien applies for admission, the inspecting immigration officer, if he does not consider the alien clearly admissible, does not have the authority to turn him back. Instead, he must refer the alien to a special inquiry officer for a hearing. In the hearing before the special inquiry officer pursuant to section 236 of the Immigration and Naturalization Act, the alien must be allowed to present his case that he is admissible to the United States, and the special inquiry officer must decide the case on the basis of the record in accordance with law. To interfere with this procedure in the manner proposed, would lead to litigation in which it is probable that the alien applying for admission would be upheld by the courts in the contention that he was deprived of the due process prescribed by the organic immigration law.

Most importantly, Mr. Chairman, acceptance of this amendment would be an affront to the President's constitutional authority to grant pardons, contrary to the spirit of the Constitution.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. MYERS).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 26, noes 21.

Mr. MAZZOLI. Mr. Chairman, I rise in support of the amendment offered by Representative HOLTZMAN.

My colleagues have done an excellent job of defending the general merits of the amendment; I would like to speak to one affected program in particular.

If this $104.5 million is not returned to the bill, many or all of the 29 career criminals prosecutions programs in major cities will suffer or close down. These programs in many cities have proved an effective tool in combating crime.

These programs flourished under the planning and program money available from LEAA. This money would be cut by 25 percent if this amendment is not passed.

Studies have shown that as few as 7 percent of the criminals are responsible for 25 percent of the crimes. These programs—coupled with the systemwide planning that LEAA has encouraged—focus judicial, prosecutorial, and police attention where it is needed: on the hard core, recidivist offender.

The statistics on these programs are impressive: conviction rates between 90 and 100 percent; convictions on the original, not reduced charges; and reductions in local crime rates.

Equally important, the defendants under these programs have been the sophisticated professional criminals, not the down and outers. On the average about 20 percent of criminal defendants have private counsel. On the average, those subjected to career criminal prosecution have had private counsel over 60 percent of the time.

Of course, not all of LEAA's programs under the able leadership of Chairman RODINO, the Judiciary Committee overhauled LEAA's legislative mandate. The House overwhelmingly adopted that overhaul.

Right now the Justice Department is contemplating further improvements.

Let us give these actions a chance to work by fully funding the Agency.

I would like to insert in the RECORD at this point extraneous material describing a bill which I have introduced to further protect these career criminal programs.

MAZZOLI INTRODUCES MEASURE TO AID LARGE CITIES IN PROSECUTING CAREER CRIMINALS

WASHINGTON.—Third District Congressman Ron Mazzoli today introduced the Career Criminals Prosecution Act, providing $20 million annually in federal funds to major city governments which are trying to cope with repeat criminal offenders.

Mazzoli joins Maryland Senator Charles McC. Mathias, who has introduced a measure with similar provisions (S. 28) on the Senate side.

"In Washington, studies have shown that as few as 7% of the criminals are responsible for 25% of the crimes," Mazzoli noted. "Programs to deal swiftly and harshly with these hard core criminals have helped reduce crime in several major cities, including Louisville and Washington, D.C."

In a typical career criminals program, prosecutors develop information which allows them to identify repeat offenders as soon as they are arrested. Then a special team of prosecutors and investigators is assigned to the case in order to press for a quick trial and stiff sentences.

"Under the old system of prosecution, different prosectuors are assigned to the case at each stage of its development, and the repeat offender can use his knowledge of the system to beat the rap", Mazzoli claimed. "The funds in this bill will give prosecutors in our largest cities the tools they need to deal with these problem cases."

Over the next three years, Mazzoli's bill would provide $20 million annually to cities with populations of more than 250,000 to implement career criminal programs. The grants would be administered by the Law Enforcement Assistance Administration (LEAA).

Currently, Jefferson County receives $365,000 annually from the LEAA for its career criminals program, administered through the office of Commonwealth's Attorney Dave Armstrong. In five months of operation that program obtained convictions on the original charge in 21 of 21 cases.

"The career criminal programs have been LEAA's single most effective innovation in fighting crime," Mazzoli said. "Enactment of programs like this will give urban residents the kind of safety they deserve, at home and on the street. . . ."

Mazzoli also noted that in a recent letter to Atty. General Griffin Bell he singled out the career criminals program as one of the principal reasons for salvaging the LEAA.

Attorney General Bell has ordered a full review of LEAA, an action which Mazzoli, a Member of the House Judiciary Committee which oversees the agency, said he fully supports.

Mr. McDONALD. Mr. Chairman, included in the measure before us is an authorization of $11,522,000 for the operations of the International Trade Commission. In my view, this is yet another useless expenditure of the hard-earned taxpayers' dollars. Is any Member here in this body aware of anything positive that this organization has accomplished? I am not aware of any.

It is known to me that the International Trade Commission favors East-West trade with no consideration of human rights. It is known that the prevailing policy at ITC is that East-West trade ought to be expanded whether or not it is injurious to American industry. Take the case of Communist Romania, which manufactures workshoes and dumps them in U.S. ports at $5 a pair and they are retailed for $25 a pair. Thus, Communist labor with fixed prices and wages is permitted to undercut American jobs and industry. Romania has also flooded this country with clear glass and wrecked that U.S. industry. ITC cooperated in both ventures.

The ITC is not exactly known for its sagacity. It issues expensive reports on East-West trade blithely telling—$25,000 per report—that there are all kinds of trade opportunities waiting for us in the U.S.S.R. such as "horses, asses and mules and vodka" if we will just grant credits and look the other way as the KGB jails the dissidents. This at a time when the U.S.S.R.'s ability to pay its international debts may be on very shaky ground.

And the ITC is equally lucid as regards the People's Republic of China. It suggests in an offhand manner that our best course is to import more cotton and wearing apparel from Communist China as if our own textile industry was not in bad enough shape. On April 13 of this year, in Rome, Ga., workers demonstrated against the cheap imports of textiles and other items. Yet the ITC keeps proposing to open the floodgates.

The prevailing view at the ITC is free trade and this is commendable. But, how do you have free trade with slave nations that steal your technology, ask for credits and organize a political trojan horse within your borders to change your form of government? Free trade is an excellent thing, if we lived in a world in tune with that theory. However, that is not the real world at the moment.

In addition, there is some evidence

that the ITC and the Communist Government of Romania are and have been involved in negotiations over foreign trade. In support of this I will now read two letters that have come into my possession:

EMBASSY OF THE SOCIALIST REPUBLIC OF ROMANIA,
Washington, D.C., March 23, 1977

Hon. DANIEL MINCHEW,
Chairman U.S. International Trade Commission, Washington, D.C.

DEAR MR. MINCHEW: I wish to inform you that as concerns the Romanian sheet glass exports in the U.S.A. the Romanian companies are in the position to sell this product with a 20% increase in price.

We will continue to negotiate in the future to get better prices in selling sheet glass on the U.S. market.

Hoping in a due consideration of this effort, I remain,

Sincerely yours,

NICOLAE M. NICOLAE,
Ambassador.

We consider that the above undertakings represent supplementary assurances, intended to assist the U.S. International Trade Commission in reaching a decision which will permit the further development of the trade relations between Romania and the U.S.

NAPOLEON FODOR,
Economic Counselor.

EMBASSY OF THE SOCIALIST REPUBLIC OF ROMANIA, OFFICE OF THE ECONOMIC COUNSELOR,
New York, N.Y., April 6, 1977.

Attention: Mr. Kenneth Mason—Secretary.
U.S. INTERNATIONAL TRADE COMMISSION,
Washington, D.C.:

On March 23, 1977 our Ambassador sent a letter to the honorable Daniel Minchew, Chairman of the U.S. International Trade Commission advising about the possibility of increasing the export prices of the Romanian clear sheet glass to the U.S.A. by 20 per cent. We wish to clarify that our Ambassador's expression was intended as a commitment and hope that the Commission understood that to be the case.

Upon finding about the topics of the Commission meeting on March 31, 1977 in the respective case, we got in touch again with the appropriate Romanian authorities, being now in a position to confirm you the following:

1. the total quantity of the clear sheet glass to be shipped from Romania into the U.S.A. during the 1977 calendar year will be reduced as against previous year and in any case they will not exceed two thirds of the 1976 shipments;

2. the Romanian Foreign Trade Company—Romsit—as sole exporter of Romanian clear sheet glass, undertakes to increase its export prices of clear sheet glass to the U.S.A. by 25 (twenty five) per cent against the prices used by the U.S. Department of Treasury for the investigated period (November 1975–April 1976).

There is nothing in the charter of the ITC, in my view, that allows it to negotiate foreign trade matters. So, in my view the whole organization needs cleaning from top to bottom. For these and many other reasons, I am voting against the appropriations bill before us today. It is high time not only to reduce the number of bureaucrats, but in particular those serving in offices which are actually working counter to the best interests of the United States.

Mr. DRINAN. Mr. Chairman, in 1975 the Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice on which I serve held oversight hearings on the Bureau of Prison's construction policy and plans. Many highly respected groups, including the National Council on Crime and Delinquency and the Task Force on Corrections of the National Advisory Commission on Criminal Justice Standards and Goals, have urged the Congress to halt prison construction until such decisions are made as a part of a well-thought-out plan which deals with alternatives to incarceration, the long-range need for such facilities and the central question of whether our national interests are best served by prolonged confinement.

There are conflicting views on the predictions for future prison population. For the past couple of years, prison population has increased significantly and the Bureau of Prisons feels that this pattern will continue for the foreseeable future. The Congressional Budget Office in a study on Federal prison construction which was prepared for the House Appropriations Committee last year, noted that a particularly important indicator for projection purposes is the national unemployment rate and the size of the youth population. Analyses made by the Congressional Research Service found "a close correlation between admissions and the yearly unemployment rate." This finding was further substantiated by a study done for the Joint Economic Committee which showed a significant relationship between unemployment and imprisonment rates for State institutions. While the unemployment rate is still high it is projected to continue to decline through fiscal year 1982 when according to the Congressional Budget Office it will be no more than 5.5 percent. Most recent data shows that the unemployment rate for May was 6.9 percent, as opposed to 8.0 percent last November. In the words of the CBO study:

> The projected decrease in the unemployment rate through fiscal year 1982 suggests that, in the long run, prison admissions might decline. Thus, construction of prisons for future population growth could be limited.

The young adult population between the ages of 20 through 34 accounts for almost 70 percent of the prison population. The Bureau of Census has indicated that the peak of the youth population has passed. Estimates of the proportion of youth in the population through the remainder of this century indicate a steady decline. Thus there is ample evidence to conclude that the present crisis in prison overcrowding will subside.

Although the Bureau of Prisons runs 17 halfway houses and contracts out with 200 more, efforts to make better use of community alternatives could be stepped up. In testimony before the House Appropriations Committee this year, the Director of the Bureau of Prisons estimated that—

> One third of Federal prisoners could be held in an environment which has no physical security such as a half-way house.

It is well recognized and substantiated that family and community ties with the offender should be maximized as they most often constitute the single most effective link to a law-abiding life. The Bureau of Prisons must be encouraged and assisted in exploring alternatives to incarceration. It is apparent that tremendous savings to the taxpayers would result since it costs the Government a lot less to place someone in a halfway house than in a Federal prison. The CBO study estimates that halfway house placement costs $7,365 per offender annually compared with $17,305 per offender in a new conventional prison.

The proliferation of new prisons is not the answer to the current overcrowding problem. Once built these institutions are tremendously expensive to maintain, do not often serve to rehabilitate the offender and leave little incentive for the development of alternatives. In the Appropriations Committee report on the fiscal 1978 budget for the Bureau of Prisons it is noted:

> The committee expects the Bureau of Prisons and the Department of Justice to review alternative means of incarcerating Federal offenders and consider expanding the use of community-based facilities for nonviolent offenders.

The Appropriations Committee deleted $4,475,000 in planning and site acquisition money from the Bureau's budget but let stand $49,183,000 for the construction of three new facilities, a Federal correctional center in Detroit and two youth offender Federal correctional institutions, one for the west coast and the other for the Northeast. As yet there is no site for the Northeast youth facility and in my view this facility should have been postponed for the present time. The Bureau was provided funds in the fiscal 1977 supplemental appropriations for the conversion of the 1980 winter Olympic games, athletes' housing facility at Lake Placid, N.Y., to a Federal youth facility.

Next year the Subcommittee on Courts, Civil Liberties and the Administration of Justice will have jurisdiction over the budget authorizations for the Bureau of Prisons. This action in itself will serve as a catalyst for the development of a national policy on prison construction. In the absence of such a plan and the benefit of careful deliberations on the need and ramifications of future construction, we should not commit ourselves to supporting the building of more institutions at this time.

Based on prior appropriations and fund transfers, the Bureau of Prisons will be activating facilities at Bastrop, Tex., Memphis, Tenn., and expanding the Pleasanton, Calif., Federal Correctional Institution. As I noted earlier, funds have been approved for the conversion of the Olympic athletes' housing facility to a Federal prison. Today we are being asked to commit ourselves to three more facilities and site acquisition money for a fourth.

Voting against this commitment to construction is not a vote against any further construction by the Bureau of Prisons but a vote in favor of the formation of a well-documented plan before we go ahead and build more prisons.

Mr. EDGAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. If there are no fur-

ther amendments, the Chair recognizes the gentleman from West Virginia.

Mr. SLACK. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The CHAIRMAN. The question is on the motion.

Mr. SYMMS. Mr. Chairman, I think there is one more amendment.

The CHAIRMAN. The Chair will state that he saw no one standing.

The Chair specifically asked whether anyone had any further amendments.

Does the gentleman from West Virginia (Mr. SLACK) withdraw his motion?

Mr. SLACK. I insist on regular order, Mr. Chairman.

The CHAIRMAN. The gentleman from West Virginia (Mr. SLACK) was recognized for the purpose of making a motion and the Chair had begun to put the question on the motion.

The question is on the motion offered by the gentleman from West Virginia (Mr. SLACK).

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SISK) having assumed the chair, Mr. FLOWERS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7556) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes, he reported the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CEDERBERG

Mr. CEDERBERG. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CEDERBERG. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CEDERBERG moves to recommit the bill H.R. 7556 to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 353, nays 42, not voting 38, as follows:

[Roll No. 335]

YEAS—353

Abdnor	Dellums	Jenrette
Addabbo	Derrick	Johnson, Calif.
Akaka	Dickinson	Johnson, Colo.
Alexander	Dicks	Jones, N.C.
Ambro	Diggs	Jones, Tenn.
Ammerman	Dingell	Jordan
Anderson, Calif.	Dodd	Kastenmeier
	Downey	Kazen
Anderson, Ill.	Drinan	Keys
Andrews, N.C.	Duncan, Oreg.	Kildee
Andrews, N. Dak.	Duncan, Tenn.	Kostmayer
	Early	Krebs
Annunzio	Eckhardt	LaFalce
Applegate	Edgar	Lagomarsino
Archer	Edwards, Ala.	Le Fante
Ashley	Edwards, Calif.	Leach
AuCoin	Eilberg	Lederer
Bafalis	Emery	Leggett
Barnard	English	Lehman
Baucus	Erlenborn	Lent
Beard, R.I.	Ertel	Lloyd, Calif.
Bedell	Evans, Colo.	Lloyd, Tenn.
Benjamin	Evans, Del.	Long, La.
Bennett	Evans, Ga.	Long, Md.
Bevill	Evans, Ind.	Lott
Biaggi	Fary	Luken
Bingham	Fascell	Lundine
Blanchard	Fenwick	McClory
Blouin	Findley	McCormack
Boggs	Fish	McDade
Boland	Fisher	McEwen
Bolling	Fithian	McFall
Bonior	Flood	McKay
Bowen	Florio	Madigan
Brademas	Flowers	Maguire
Breaux	Flynt	Mahon
Breckinridge	Foley	Mann
Brinkley	Ford, Mich.	Markey
Brodhead	Ford, Tenn.	Marks
Brooks	Forsythe	Marlenee
Broomfield	Fountain	Marriott
Brown, Calif.	Fowler	Martin
Brown, Mich.	Frenzel	Mathis
Brown, Ohio	Frey	Mattox
Broyhill	Gaydos	Mazzoli
Buchanan	Gephardt	Meeds
Burgener	Giaimo	Metcalfe
Burke, Calif.	Gibbons	Meyner
Burke, Fla.	Ginn	Mikulski
Burleson, Tex.	Glickman	Mikva
Burlison, Mo.	Goldwater	Milford
Burton, John	Gonzalez	Miller, Calif.
Burton, Phillip	Goodling	Mineta
Butler	Gore	Minish
Byron	Gradison	Mitchell, Md.
Caputo	Gudger	Mitchell, N.Y.
Carney	Guyer	Moakley
Carr	Hagedorn	Moffett
Carter	Hamilton	Montgomery
Cavanaugh	Hammer-schmidt	Moore
Chappell		Moorhead, Calif.
Chisholm	Hanley	
Clausen, Don H.	Hannaford	Moorhead, Pa.
	Harkin	Moss
Clay	Harrington	Murphy, Ill.
Cleveland	Harris	Murphy, N.Y.
Cochran	Harsha	Murphy, Pa.
Cohen	Hawkins	Murtha
Coleman	Heckler	Myers, Gary
Collins, Ill.	Hefner	Myers, Michael
Conte	Heftel	Myers, Ind.
Conyers	Hightower	Natcher
Corcoran	Hillis	Neal
Corman	Holland	Nedzi
Cornell	Hollenbeck	Nichols
Cornwell	Holtzman	Nix
Cotter	Horton	Nolan
Coughlin	Howard	Nowak
Cunningham	Hubbard	O'Brien
D'Amours	Huckaby	Oakar
Daniel, Dan	Hughes	Oberstar
Daniel, R. W.	Hyde	Ottinger
Danielson	Ireland	Panetta
Davis	Jacobs	Patten
Delaney	Jenkins	Patterson
Pattison	Sharp	Vander Jagt
Pease	Shipley	Vanik
Pepper	Sikes	Vento
Perkins	Simon	Volkmer
Pettis	Sisk	Waggonner
Pickle	Skelton	Walgren
Pike	Skubitz	Walsh
Pressler	Slack	Wampler
Preyer	Smith, Iowa	Watkins
Price	Smith, Nebr.	Waxman
Quayle	Snyder	Weaver
Quie	Solarz	Whalen
Quillen	Spellman	White
Rahall	Spence	Whitehurst
Railsback	St Germain	Whitley
Rangel	Staggers	Whitten
Regula	Stangeland	Wilson, Bob
Reuss	Stanton	Wilson, C. H.
Richmond	Stark	Wilson, Tex.
Rinaldo	Steed	Winn
Risenhoover	Stockman	Wirth
Roberts	Stokes	Wolff
Robinson	Stratton	Wright
Rodino	Studds	Wydler
Rogers	Stump	Wylie
Rooney	Thompson	Yates
Rosenthal	Thone	Yatron
Roybal	Traxler	Young, Alaska
Russo	Treen	Young, Fla.
Ryan	Trible	Young, Mo.
Sarasin	Tsongas	Young, Tex.
Sawyer	Tucker	Zablocki
Scheuer	Udall	Zeferetti
Schroeder	Ullman	
Seiberling	Van Deerlin	

NAYS—42

Armstrong	Hall	Miller, Ohio
Ashbrook	Hansen	Mottl
Badham	Holt	Pursell
Bauman	Ichord	Rousselot
Cederberg	Jones, Okla.	Rudd
Clawson, Del	Kasten	Runnels
Collins, Tex.	Kelly	Satterfield
Conable	Kemp	Schulze
Crane	Ketchum	Shuster
Derwinski	Kindness	Steiger
Devine	Latta	Symms
Dornan	Levitas	Taylor
Edwards, Okla.	Lujan	Walker
Grassley	Michel	Weiss

NOT VOTING—38

Allen	Gammage	Rhodes
Aspin	Gilman	Roe
Badillo	Jeffords	Roncalio
Baldus	Koch	Rose
Beard, Tenn.	Krueger	Rostenkowski
Bellenson	McCloskey	Ruppe
Bonker	McDonald	Santini
Burke, Mass.	McHugh	Sebelius
de la Garza	McKinney	Steers
Dent	Mollohan	Teague
Flippo	Obey	Thornton
Fraser	Poage	Wiggins
Fuqua	Pritchard	

The Clerk announced the following pairs:

Mr. Santini with Mr. McDonald.
Mr. McHugh with Mr. Gilman.
Mr. Badillo with Mr. McKinney.
Mr. Koch with Mr. Wiggins.
Mr. Baldus with Mr. Roncalio.
Mr. Flippo with Mr. Pritchard.
Mr. Burke of Massachusetts with Mr. Roe.
Mr. Aspin with Mr. Ruppe.
Mr. Bonker with Mr. Sebelius.
Mr. Fuqua with Mr. Steers.
Mr. Dent with Mr. Gammage.
Mr. Beard of Tennessee with Mr. Jeffords.
Mr. Obey with Mr. Krueger.
Mr. Bellenson with Mr. McCloskey.
Mr. Rose with Mr. Mollohan.
Mr. Allen with Mr. Thornton.
Mr. de la Garza with Mr. Rostenkowski.

Messrs. HALL, MICHEL, and LEVITAS changed their vote from "yea" to "nay."

Mr. SHIPLEY changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SLACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 7556) just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

REPORT TO ACCOMPANY H.R. 7554, HUD-INDEPENDENT AGENCIES APPROPRIATIONS, FISCAL YEAR 1978

Mr. BOLLING, from the Committee on Rules, submitted a privileged report (Rept. No. 95-406), on the resolution (H. Res. 624) providing for consideration of H.R. 7554, making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending September 30, 1978, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF H.R. 7553, PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH APPROPRIATION ACT, 1978

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 621 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 621

Resolved, That during the consideration of the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI are hereby waived: beginning on page 2, line 3, through page 3, line 22; beginning on page 4, lines 17 through 25; beginning on page 5, line 16 through page 7, line 6; and beginning on page 23, line 20 through page 24, line 18.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour, but I am sure that Members will appreciate the fact that the House will recess from approximately 2:55 p.m. to 3:30 p.m.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield such time as he may consume to the distinguished chairman of the Appropriations Committee, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, the Committee on Appropriations is highly pleased that the Rules Committee has provided this rule. We have found that the Rules Committee always cooperates with the committee and with the House of Representatives. The rule waives points of order for lack of authorization. It was necessary to seek such a rule in order to accommodate the schedule of the Congressional Budget Act.

(Mr. MAHON asked and was given permission to revise and extend his remarks.)

Mr. BOLLING. Mr. Speaker, when the matter of the rule for this particular appropriation bill came before the Rules Committee, it was very controversial. The matter of the rule has been worked out, as I understand it, and there is, to my knowledge, no serious controversy over the rule. The appropriation bill itself is, of course, very controversial. Under the circumstances I reserve the balance of my time after saying only that we did provide four waivers because of a matter that was in the appropriation bill that constituted an appropriation where there was no authorization.

We did this only to assist the House in meeting the deadlines of budget action. I know of no controversy, and I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule waives points of order against H.R. 7553, the public works for water and power development and energy research appropriation bill for 1978. The waiver is necessary because the bill includes funds for several programs for which authorizing legislation has not been enacted into law. Since clause 2 of rule XXI prohibits appropriations which have not been authorized, it is necessary to waive this clause.

The waiver of clause 2, rule XXI applies to the following provisions in the bill.

Under title I dealing with ERDA the paragraph entitled "Operating Expenses," the paragraph entitled "Plant and Capital Equipment," and section 101, the general provision in title I, all require a waiver.

Under title II, dealing with the Army Corps of Engineers the paragraph entitled "Construction, General" and the paragraph entitled "Flood Control, Mississippi River and Tributaries" require a waiver.

Under title IV the paragraph entitled "Nuclear Regulatory Commission, Salaries and Expenses" requires a waiver.

Mr. Speaker, there was some controversy about the granting of this rule in the Rules Committee. Much of that controversy centered around funding for the Clinch River breeder reactor. This bill appropriates a much smaller amount than the authorizing committee would prefer. Yet the authorization has not yet been enacted into law, or even passed by the House. After hearing the arguments on both sides, the Rules Committee voted out the rule requested by the Committee on Appropriations.

This procedure will allow this appropriation bill to be moved on schedule. If, when the House acts on the authorization bill, it decides to add more funds for the Clinch River breeder reactor, then those funds could be appropriated in a later supplemental appropriation.

Mr. Speaker, the total amount appropriated in this bill for 1978 is $10,221,246,000. By way of comparison the 1977 amount for the same purposes totaled $10,081,453,000. This year's bill is an increase of $139,793,000 over the amounts enacted to date for fiscal year 1977.

Mr. Speaker, if we want to move this appropriation bill on schedule, the waivers provided in this rule are needed.

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I wish to rise in support of the rule for the consideration of the public works for water and power development and energy research appropriation bill, 1978. Mr. Speaker, I would also like to state that at the proper time during the consideration of this bill, I will ask for unanimous consent to offer an amendment with Congressman BUTLER DERRICK en bloc. The amendment will prohibit the funding for land acquisition and construction of 16 water resource projects and also modify the funding for 1 additional project. Our amendment will not reduce the appropriated amounts in the bill, thereby providing for unearmarked funds which would be available for termination and maintenance of these deleted projects.

The remaining amount, estimated to be about 75 percent of the unearmarked funds, could then be redirected to those worthy projects which have been penalized by the subcommittee's arbitrary 3-percent reduction in all funding, our amendment will reduce Federal expenditures by a total of $2.203 billion through the termination of these wasteful projects.

Thus, by the adoption of this amendment, three prime objectives will be realized, first, the uneconomical, environmentally unsound and potentially unsafe water projects will be terminated; second, there will be funds available to be redirected to over 300 worthy and essential projects which merit completion; and third, my amendment will save the taxpayers, over the succeeding years, an aggregate of $2.203 billion through the termination of these 16 projects and the 1 modification.

It is my sincere hope that the Members will agree to the consideration of this amendment en bloc, thus providing an opportunity for all the arguments to be considered at one time. If I am successful in obtaining unanimous consent, I will still offer the issue to the full House for a vote. I believe we all would like to see this issue considered in a rational manner, debating all the issues, and finally to vote on the merits of these issues. It is my hope that I will obtain this unanimous consent, thus affording this body the opportunity to consider the full implications of this proposal.

Thank you, Mr. Speaker.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER. Pursuant to the order of the House of June 10, 1977, the Chair declares the House in recess until the hour of 3:30 p.m., for the purpose of

allowing Members to attend the ceremonies at approximately 3 p.m. in the rotunda of the Capitol in connection with the return of the Magna Carta.

Accordingly (at 2 o'clock and 47 minutes p.m.), the House stood in recess until 3:30 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 30 minutes p.m.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH APPROPRIATION ACT, 1978

Mr. BEVILL. Mr. Chairman, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Indiana (Mr. MYERS) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7553, with Mr. BROWN of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Alabama (Mr. BEVILL) will be recognized for 1 hour, and the gentleman from Indiana (Mr. MYERS) will be recognized for 1 hour.

The Chair recognizes the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we bring to the House today the public works for water and power development and energy research appropriations bill for fiscal year 1978.

I want to commend all the members of the subcommittee who have contributed so much to the preparation of this important bill: the gentleman from Massachusetts (Mr. BOLAND), the gentleman from Mississippi (Mr. WHITTEN), the gentleman from West Virginia (Mr. SLACK), the gentlelady from Louisiana (Mrs. BOGGS), the gentleman from Washington (Mr. DICKS), the gentleman from Illinois (Mr. SHIPLEY), and the gentleman from Florida (Mr. CHAPPELL); also the minority members of the subcommittee: the gentleman from Indiana (Mr. MYERS), the gentleman from California (Mr. BURGENER), and the gentlelady from Nebraska (Mrs. SMITH).

I would also like to express my appreciation to the members of the full Appropriations Committee. This bill was supported unanimously by the Subcommittee on Public Works and dissenting views were filed by only 1 of the 55 members of the full Appropriations Committee.

This is an important bill which affects all 50 States of the Nation.

This bill is a capital investment in America which will pay generous dividends to present and future generations of Americans.

Mr. Chairman, we have read and heard about the 23 water projects that were proposed for deletion from the bill or were proposed to be modified. This has been touted as the "issue." This is not the issue. In my opinion the issues are the energy crisis and the water crisis.

We are facing major energy shortfalls and we are facing a severe water shortage.

This bill is a vigorous response to the energy crisis which affects all of us and to the water crisis which threatens most of us.

I want to stress to the Members of Congress and the public that the Public Works Appropriations Subcommittee and the full Apropriations Committee support the President in his commitment to fiscal prudence. In recognition of this, the committee has reported a bill which is $137 million below the budget request.

A total of $10,221,246,000 is recommended in the bill. I insert in the RECORD at this point a summary table from page 2 of the report which sets out the appropriations by title:

BILL SUMMARY BY MAJOR PROGRAM CATEGORIES

	1977 enacted to date	1978 estimates	1978 bill	1978 bill compared with— 1977 enacted	1978 bill compared with— 1978 estimates
(Title I) Energy Research and Development Administration	$5,749,973,000	$6,272,427,000	$5,916,064,000	+$166,091,000	−$356,363,000
(Titles II and III) Water and Power Development: Corps of Engineers, Bureau of Reclamation, and Power Agencies of the Department of the Interior:					
Planning and construction	2,582,615,000	2,196,942,000	2,402,878,000	−179,737,000	+205,936,000
Investigations	97,431,000	105,234,000	126,036,000	+28,605,000	+20,802,000
Operation and maintenance	840,830,000	918,867,000	908,137,000	+67,307,000	−10,730,000
Other	74,550,000	87,245,000	84,434,000	+9,884,000	−2,811,000
Total, titles II and III	3,595,426,000	3,308,288,000	3,521,485,000	−73,941,000	+213,197,000
(Title IV) Independent Offices:					
Appalachian programs	304,925,000	310,275,000	320,367,000	+15,442,000	+10,092,000
Federal Power Commission	43,172,000	42,785,000	41,502,000	−1,670,000	−1,283,000
Nuclear Regulatory Commission	248,780,000	292,150,000	277,696,000	+28,916,000	−14,454,000
Tennessee Valley Authority	125,930,000	117,700,000	131,823,000	+5,893,000	+14,123,000
Other	13,247,000	14,486,000	12,309,000	−938,000	−2,177,000
Total, title IV	736,054,000	777,396,000	783,697,000	+47,643,000	+6,301,000
Grand total	10,081,453,000	10,358,111,000	10,221,246,000	+139,793,000	−136,865,000

ENERGY

Over half of the funds—58 percent—in this bill are for the Energy Research and Development Administration. A total of $5,916,064,000 is included in the bill for that agency.

The era of cheap, abundant energy which played such an important role in enabling the United States to become the world's most productive and prosperous nation has ended. We must make every effort to keep our country the most productive and properous nation by developing energy sources. We must take steps to speed up and increase both conventional and new energy sources.

The energy crisis with which we are confronted is one of the greatest challenges in history. We must respond to this crisis through the recognition of the severity of the situation, development of sound policies and programs to deal with the crisis, and the allocation of resources necessary to solve this problem.

A dramatic drop in energy supply would cause a severe impact on the economic well-being of this Nation. There is no simple answer to how much more energy America needs to maintain and enhance its standard of living. We must pursue all potential energy producing alternatives and also put great emphasis on conservation.

Individually and as a nation, we need to redouble our efforts to utilize efficiently the energy we do consume, expand the production of known resources, and encourage the research and development of promising new technologies. Only with such concerted efforts will we be able to find and implement solutions to the energy problems we face.

Energy is the lifeblood of our civilization. Its availability and cost have a tremendous impact on our economic growth, standard of living, and national security. The severity of the energy situation is shown in numerous ways—the soaring cost of energy, our heavy reliance on foreign energy resources, our severe balance-of-payments problem which is greatly worsened by our importing oil at a cost of $36 billion for 1976 and the uncertainties about the extent and availability of future energy supplies.

There are many unknowns and uncertainties with regard to the energy crisis and the developing of a workable policy to deal with that crisis. However, there is unanimity about one reality of the energy crisis—we must develop new sources of energy to meet future demand.

It may be true that America has been wasteful in its consumption of energy. Poorly insulated homes, inefficient industrial processes, inefficient cars and numerous other factors have contributed to this problem. If we are to meet our energy goals it is essential that an ethic of energy conservation take hold with the public, private industry, and all levels of government.

Funds are included in this bill for two conservation research and development subprograms—energy storage systems and electric energy systems. However, conservation, despite its importance, is not a solution to the energy crisis.

HYDROELECTRIC POWER GENERATION AT SMALL DAMS

The committee has recommended $10,000,000 for a new program entitled the "hydroelectric power program" for ERDA. The object of the new program is to study the potential of installing turbines to generate electricity in existing small lowhead dams. According to expert witnesses, this technology is especially promising for the New England area where there is an extremely large number of these dams already existing which have the potential of being retrofitted to produce electricity.

Programs funded in this bill will make an important contribution toward the goal of expanding and developing future energy supplies.

New and expanded supplies of energy are absolutely essential to the long-range economic well-being of America.

PUBLIC WORKS PROJECTS

The severe shortage of water that many areas of the country are suffering from has dramatized the fact that we cannot take our supply of water for granted. The hundreds of completed water resource projects are fulfilling a vital role by aiding numerous areas of the country to pull through these rough times of severe water shortages.

I would like to insert at this point in the RECORD, a table showing the enormous benefits from completed water resource projects constructed by the agencies funded in this bill:

Benefits of completed projects

Annual water supply benefits:
Gallons of water furnished, 2,099 billion.
Number of people served, 23.1 million.
Annual power benefits:
Installed generating capacity (kilowatts), 52.2 million.
Net generation (kilowatt-hours), 232.3 billion.
Gross revenues, $2.2 billion.
Flood control benefits to date:
Estimated value of flood damage prevented, $66.2 billion.
Expenditures for flood control facilities, $9.2 billion.
Annual navigation benefits: Annual traffic tonnage, 1.7 billion.
Reclamation benefits:
Acres irrigated, 9.3 million.
Annual value of crops produced, $4.4 billion.
Recreation benefits: Annual visitor days, 493.7 million.

Also, I would like to place in the RECORD a table showing the benefits of projects recommended in the bill for planning and construction under the programs of the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority.

Estimated average annual benefits for projects funded for planning and construction

Flood control	$2,920,905,000
Water supply	378,322,000
Power	1,567,994,000
Recreation	329,241,000
Irrigation	750,901,000
Water quality	93,252,000
Navigation	747,010,000
Fish and wildlife	70,180,000
Erosion control	71,822,000
Area redevelopment	113,504,000
Total estimate	7,043,131,000

From the beginning of the Earth there has been no increase in the total supply of water. There is no synthetic substitute for water. Crops will not grow, energy resources cannot be developed, industry cannot prosper, the public cannot survive without water. America's need for water has expanded significantly over the decades. At the turn of the century, America used about 40 billion gallons of water daily. Today this great Nation consumes about 500 billion gallons daily. This bill is an important response to the pressing need to provide adequate supplies of water to this generation and future generations.

The private sector of the economy benefits significantly from the public works projects. The turbines, steel, cement and other materials to build the projects are manufactured by private industry. Private industry constructs the projects. Tens of thousands of jobs will be provided by the funds in this bill. The individuals employed as a result of the public works portion of this bill will be constructing hydroelectric power projects, irrigation systems, navigation systems, flood control projects and water supply projects that will serve the public's needs for decades to come. When completed, these projects provide a base upon which private investment can build and local and regional economies can expand.

Thousands of jobs are also provided in this bill for individuals employed in energy research—scientists, technicians and engineers—who are developing new technologies to provide energy for the future.

EIGHTEEN WATER PROJECTS

Before explaining the bill in some detail I would like to discuss the situation with regard to the committee's action on the 18 projects—three of them pending further study—and the five other project modifications that have caused so much notoriety.

In connection with the administration's proposal to delete and deauthorize 15 projects, the committee has recommended deleting funding for 1 project; provided funding for 14 projects, one of which will be modified.

With regard to the three projects recommended for deletion of funding pending further study, the committee has agreed with the further study of two projects and has provided the same funding level as originally proposed for the three projects.

Out of the five projects proposed for modification, the committee has recommended that two projects be modified and that the five projects be funded.

As stated in the report accompanying the bill:

The Committee does not question the Administration's right to review the public works projects. In fact it encourages such reviews.

However, the Committee must be guided by the laws of the land and judge the projects on the basis of authorizing legislation that has been passed by the Congress and signed into law.

The Committee does not feel that it can disqualify projects from funding based upon factors that are not authorized by public law.

Further, the Committee has received no indication that the law will be changed to reflect retroactively a change in such things as the discount rate as it applies to benefits.

In recommending deletion of certain water projects the administration has cited the cost of these projects and environmental aspects as the major reasons for not proceeding with them. The total cost of the 17 projects which the committee included in the bill and the President recommended for deletion is $2.4 billion.

However, if these projects are not built, the benefits will not flow forth—no revenues to the Treasury from the sale of hydroelectric power or the sale of water to municipalities and rural areas, floods not prevented, irrigation not provided, transportation not enhanced. Over the long term these projects not only pay for themselves through the benefits they provide, but the benefits will exceed the costs, in many cases dramatically so. For example, the total cost of all flood control facilities built thus far is only $9.2 billion, but the estimated value of flood damage prevented is $66.2 billion.

No programs funded by the Federal Government must meet the severe criteria including the cost/benefit criteria in order to be funded as do the water resource projects. No such criteria is applied to the foreign aid programs. How ironic that at a time of severe water shortages in scores of States across the Nation and with untold hundreds of different programs funded by the Federal Government the administration has recommended deletion of funds and cutting back funding for water resource projects—

Projects which provide water—our most precious natural resource—to communities and industries;

Projects which produce pollution-free hydro-electric power;

Projects which provide water to barren lands so that they can produce crops;

Projects which improve and enhance our energy-efficient inland navigation system;

Projects which provide flood control to protect our citizens.

I want to stress that the decision to include these 17 projects was not taken easily or lightly. The hearings on this bill were held over a period of about 3 months. They are published in 10 volumes totaling 10,313 pages. Testimony was heard in great detail from representatives of executive branch agencies, Members of Congress, Governors of many States, other State and local officials and innumerable private citizens. An overwhelming number of witnesses supported a continued and vigorous commitment to these important programs.

I also want to reemphasize that, as mentioned earlier, in an effort to comply with the President's fine leadership in restraining Federal spending, the committee has reported a bill below the budget request.

ENVIRONMENT

Another aspect of the public works projects that I would like to mention is that of the environment. Of course, any action man takes—building a road, a dam, a factory, a mass transit system, a powerplant, a home—will have some impact on the environment.

The agencies involved in water resource development and funded in this bill are concerned about the environment and over the past several years have implemented numerous modifications in planning, design, and construction of projects to minimize any potentially adverse effect on the environment.

In certain instances there have been actions to stop projects because of potential danger to plants, fish, or wildlife placed on the endangered species list. The committee has included $9 million in the bill to cover any expenses that the agencies funded in this bill may incur for the relocation of any endangered species. Thus any wildlife, fish, or plant on the list and potentially threatened by a project can be moved to a suitable habitat.

The committee believes that the programs funded in this bill offer a balanced approach which is proper and which will contribute to an economic development policy which will promote progress in America and will also provide for preserving, promoting, and protecting our environment while developing vital natural resource needs to serve mankind—thus providing a balanced program serving the total public interest.

As the distinguished majority leader, Mr. WRIGHT of Texas, testified before the committee with regard to this bill:

When we provide pure water supplies for people, we improve the living environment.

When we save millions of families from having their life's savings and their life's dreams washed away by floods, we improve the living environment.

When we save the soil from wind and water erosion, we improve the living environment.

When we provide opportunities for wholesome outdoor recreation for millions of city-bound Americans, we improve the living environment.

When we reclaim a desert and make it bloom with food and fiber to feed and clothe people, we improve the environment.

DAM SAFETY

The committee has been vitally concerned about the safety issues associated with dams. We have provided unbudgeted funds totaling $15 million in order that the Corps of Engineers may pursue an active and dynamic dam safety program.

ENDANGERED SPECIES

Mr. Chairman, we have read much lately about the snail darter, the leopard darter, the pearly mussel, the louse wart, the American alligator and many other endangered species of animals, fish and plants.

It is my belief that the Endangered Species Act is being used as a vehicle to stop progress and the growth of our economy, not to protect endangered plants and wildlife.

The committee has recommended funds in the bill to relocate endangered species to a suitable habitat, thereby carrying out the intent of the Endangered Species Act.

SUMMARY OF THE BILL

This bill has five titles.

Title I includes funding for the programs and projects of the Energy Research and Development Administration.

Title II provides funding for the civil works program of the U.S. Army Corps of Engineers. Included in this title are funds for planning, investigations, construction, and rehabilitation of projects and operation and maintenance of completed projects.

Title III provides funding for the Bureau of Reclamation in the Department of Interior—including the Upper and Lower Colorado development programs and various Federal power agencies.

Title IV provides funding for independent agencies.

Title V includes the general provisions.

TITLE I

A total of $5,916,064,000 is included for the Energy Research and Development Administration. This bill contains substantial increases above the budget request for energy research and development. The following figures include the amount recommended for both operating expenses and plant and capital equipment but do not reflect the general reduction of 3 percent. The bill includes $368,200,000 for solar energy, an increase of $48,200,000 over the budget request; $474,100,000 for fusion power research and development, an increase of $42,600,000 over the budget; and $120,400,000 for geothermal energy research and development, an increase of $19,400,000 over the budget request.

The Breeder Reactor is an advanced nuclear reactor which will utilize uranium in the range of 60 times more efficiently than the present generation of nuclear reactors. Funds are included in this bill for continuing research on this program at the level recommended by the President. The Appropriations Committee has passed over without prejudice the issue of the Clinch River Breeder Reactor demonstration plant, pending action by the House on the authorization for this project.

Other major ERDA programs included in the bill are high energy physics, uranium enrichment, conservation, environmental research and development, basic energy sciences, nuclear research and applications. These programs have been funded at, or slightly above, the budget request. Details on the amounts recommended for these various programs appear on pages 16, and 32 through 35 of the report.

I would like to insert in the RECORD at this point a table showing the committee's recommendations for ERDA for operating expenses. Additional tables showing the levels for capital equipment and construction can be found on pages 32-35 of the report.

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

OPERATING EXPENSES—BUDGET AUTHORITY

	Fiscal year 1977	Fiscal year 1978 budget estimate	Committee bill	Bill compared to budget
Conservation:				
Electric energy systems	$23,000,000	$36,700,000	$36,800,000	+$100,000
Energy storage	31,000,000	48,400,000	48,500,000	+100,000
Total, Conservation	54,000,000	85,100,000	85,300,000	+200,000
Solar energy development	258,500,000	299,100,000	316,300,000	+17,200,000
Geothermal energy development	53,200,000	98,500,000	117,900,000	+19,400,000
Fusion power research and development:				
Magnetic fusion	195,000,000	196,900,000	207,900,000	+11,000,000
Laser fusion	80,000,000	101,000,000	107,000,000	+6,000,000
Total, fusion power research and development	275,000,000	297,900,000	314,900,000	+17,000,000
Fuel cycle research and development	168,535,000	304,885,000	315,885,000	+11,000,000
Breeder reactor	541,883,000	337,200,000	337,200,000	

	Fiscal year 1977	Fiscal year 1978 budget estimate	Committee bill	Bill compared to budget
Nuclear research and applications:				
Water cooled breeder reactor	37,000,000	38,500,000	38,500,000	
Gas cooled thermal reactor	15,900,000	16,000,000	31,000,000	+15,000,000
Gas cooled fast breeder reactor	12,800,000	14,670,000	14,670,000	
Light water reactor technology	12,500,000	18,800,000	13,000,000	−5,800,000
Technology development and special projects	11,322,000	14,842,000	14,842,000	
Space applications	20,555,000	31,700,000	31,000,000	−700,000
Advanced isotope separation technology	40,230,000	43,617,000	43,617,000	
Nuclear energy assessments	7,687,000	23,100,000	23,100,000	
Total, nuclear research and applications	157,994,000	201,229,000	209,729,000	+8,500,000
Light water reactor facilities and fuel storage	28,300,000	44,000,000	44,000,000	
Environmental research and development	168,754,000	186,980,000	196,880,000	+9,900,000
Life sciences research and biomedical applications	43,484,000	38,113,000	38,113,000	
High energy physics	170,000,000	187,950,000	189,000,000	+1,050,000
Nuclear physics	64,918,000	68,444,000	68,444,000	
Basic energy sciences	126,934,000	147,060,000	153,000,000	+5,940,000
Nuclear materials security and safeguards	27,420,000	37,906,000	37,906,000	
Naval reactor development	191,500,000	211,700,000	211,700,000	
Nuclear explosives applications	1,300,000			
Uranium enrichment	888,345,000	987,685,000	987,685,000	
National security:				
Weapons	999,290,000	1,183,200,000	1,094,300,000	−88,900,000
Special materials production	358,866,000	416,400,000	400,000,000	−16,400,000
Total, national security	1,358,156,000	1,599,600,000	1,494,300,000	−105,300,000
Program management and support:				
Program direction	218,760,000	257,100,000	254,100,000	−3,000,000
Institutional relations	26,451,000	24,341,000	24,993,000	+652,000
Supporting activities	35,469,000	54,460,000	51,860,000	−2,600,000
International cooperation	0	5,000,000		−5,000,000
Cost of work for others	20,100,000	18,265,000	18,265,000	
Total, program management and support	300,780,000	359,166,000	349,218,000	−9,948,000
Change in working capital and inventories	81,885,000	126,300,000	110,000,000	−16,300,000
Subtotal, budget authority	4,962,888,000	5,618,818,000	5,577,460,000	−41,358,000
Revenues applied:				
Enrichment revenues	−660,000,000	−845,820,000	[1] −965,820,000	[1] −120,000,000
Miscellaneous revenues	−77,900,000	−100,720,000	−100,720,000	
Total, revenues applied	−737,900,000	−946,540,000	−1,066,540,000	−120,000,000
Net budget authority	4,224,988,000	4,672,278,000	4,510,920,000	−161,358,000
Appropriation transfer	500,000	500,000	500,000	
Change in unobligated balances		−59,300,000	−59,300,000	
Net transfers to plant and capital equipment	11,653,000	9,500,000		−9,500,000
Unobligated balance carried forward			−50,000,000	−50,000,000
General reductions	−89,578,000			
General reduction of 3 percent			−132,063,000	−132,063,000
Total, operating budget authority	4,147,563,000	4,622,978,000	4,270,057,000	−352,921,000

[1] Increase of $120,000,000 in revenues from the sale of enriched uranium represents higher prices ERDA will receive from the sale of this material which is used as fuel in civilian nuclear power plants.

TITLE II—DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS

We are recommending a total of $2,686,472,000 for the Corps of Engineers. Included in the total recommendation is $100,073,000 for 292 general investigations. The studies are listed by State on pages 40–46 of the report.

For 356 construction and planning projects in 42 States, the District of Columbia, and Puerto Rico we are recommending $1,512,072,000. The construction and planning projects are listed on pages 49–64 of the report.

For flood control of the Mississippi River and its tributaries, we are recommending $246,246,000 for general investigations, construction and planning, and operation and maintenance as listed on page 70 of the report.

In order to keep our Nation's completed projects working smoothly we are recommending $745,370,000 for operation and maintenance for the Corps of Engineers.

In addition, funds are recommended for such accounts as flood control and coastal emergencies and general expenses.

TITLE III—DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

We are recommending a total of $820,097,000 for the Bureau of Reclamation, distributed among nine separate accounts.

For 78 general studies we are recommending $25,154,000. These projects are listed on pages 76–81 of the report.

For construction and rehabilitation of 69 projects in 16 Western States, we are recommending $384,116,000. These projects are listed on pages 83–88 of the report.

For the 17 subprojects and related facilities in the Upper Colorado River storage project we are recommending $84,303,000. The projects are listed on pages 90–91 of the report.

We are recommending $100,051,000 for the Colorado River Basin project and $22,189,000 for the Colorado River Basin salinity control projects.

In addition, we are recommending $204,284,000 for the loan program, operation and maintenance, and general expenses.

Also included in this title are appropriations for:

The Alaska Power Administration, $1,982,000,

The Southeastern Power Administration, $1,085,000, and the Southwestern Power Administration, $11,849,000.

TITLE IV—INDEPENDENT OFFICES

APPALACHIAN REGIONAL COMMISSION

For the Appalachian regional development programs we are recommending $318,354,000. The majority of these funds, over $200 million, will be used in the highway program. Approximately $100 million is earmarked for area development and would be used primarily for health and child development and community development and housing programs.

For the salaries and expenses of the Federal cochairman and his immediate staff and the contribution by the Federal Government of 50 percent of the administrative expenses of the Appalachian Regional Commission we are recommending $2,013,000.

DELAWARE RIVER BASIN COMMISSION

For the Delaware River Basin Commission we are recommending $311,000, including $66,000 for the Federal share of the cost of operating the commission.

FEDERAL POWER COMMISSION

For the Federal Power Commission we are recommending $41,502,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

We are recommending $54,000 for the Federal Government's contribution to the Interstate Commission on the Potomac River Basin. The commission has the responsibility for basin-wide water quality planning program coordination and assistance.

NUCLEAR REGULATORY COMMISSION

For the Nuclear Regulatory Commission we are recommending $277,696,000. We are recommending approval of 100 new positions for fiscal year 1978. This will result in a total increase of 390 positions, or 17.4 percent, since the commission was established in fiscal year 1975.

Notwithstanding the substantial position increases at the commission, the licensing process for nuclear plants is taking more and more time. It now takes almost 10 years to design, license and build a nuclear powerplant in this country, compared with half that time in many other countries. We are very concerned about the amount of time it takes to license a nuclear plant and urge the administration and the Nuclear Regulatory Commission to take action to streamline and accelerate the procedure in every way possible without sacrificing thoroughness and safety.

SUSQUEHANNAH RIVER BASIN COMMISSION

For the Susquehannah River Basin Commission we are recommending $280,000, including $194,000 for the Federal share of the cost of operating the commission.

TENNESSEE VALLEY AUTHORITY

We are recommending $131,823,000 for the Tennessee Valley Authority.

We heard considerable testimony from TVA witnesses concerning the snail darter and the pearly mussel, endangered species that now threaten the completion of two TVA water resource projects, the Tellico Dam and the Columbia Dam. It is our belief that in too many instances, these examples included, the Endangered Species Act is being used as a vehicle not to protect threatened wildlife, but to stop growth and progress.

We are impressed with the need for these projects and are confident that the endangered species can be sufficiently protected through relocations and other efforts. Consequently, funding is recommended for these projects and we encourage the TVA to find equitable solutions to the problems posed by the endangered species.

WATER RESOURCES COUNCIL

Recommended funding for the Water Resources Council is $11,664,000.

Funding has not been recommended for certain programs of the Council which lack specific authorizing legislation.

Mr. Chairman, that is a summary of the items recommended in the bill.

At the outset I said this is an important bill, it is a very important bill.

Mr. Chairman, I strongly urge the passage of this bill.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I would like to congratulate the chairman of the subcommittee, the gentleman from Alabama, and all the members of the Public Works Subcommittee for the outstanding accomplishments this bill represents and the hundreds of man-hours of hard work that went into preparing it. In particular I want to pay tribute to the chairman and especially the staff of the subcommittee for the wonderful cooperation they have provided us on the authorizing committee, especially the Committee on Science and Technology which had the responsibility for doing the authorizing for the research and development in this bill almost concurrently because of the schedule into which we were both forced; as well as commend the gentleman for his cooperation with the chairman of the committee, the gentleman from Texas (Mr. TEAGUE); and the gentleman from Alabama (Mr. FLOWERS), the chairman of the Subcommittee on Fossil and Nuclear Energy Research, Development, and Demonstration; and the gentleman from California (Mr. BROWN), chairman of the Subcommittee on Environment and the Atmosphere; and all of us have had a wonderful experience working with the gentleman from Alabama.

I think the terms of this appropriation bill fit more closely with those authorizing levels we provided than any bill I have seen since I have been in the Congress.

It is a matter of good teamwork and good cooperation. We reviewed the statement. I think it is a work that we can all be proud of.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise to join in complimenting the gentleman in the well.

Mr. Chairman, I rise to associate myself with the remarks by the gentleman from Alabama (Mr. BEVILL) and to compliment him for the extraordinary leadership he has displayed in the formulation of the legislation and the presentation of its contents to the full membership of the committee.

Mr. BEVILL, this is your first bill to be presented to the House in your new role as chairman of this important Public Works Appropriations Subcommittee. You have already gained the genuine admiration, respect, and appreciation of the overwhelming majority of your colleagues involved in water resource projects.

I am inclined to want to refer to you as the champion of water resource development. The patience you have demonstrated, the general interest and concern you have shown to my own constituents during the course of their testimony before you, has projected the kind of image the Congress would be well advised to emulate. You were most responsive and courteous and the local elected officials from my own congressional district left here with the feeling they had met a real gentlemen in the form of TOM BEVILL of Alabama. We are grateful for your assistance in helping us get the Warm Springs project back on the track.

In addition, Mr. Chairman, I want to extend some well deserved accolades to the gentlemen from Indiana (Mr. JOHN T. MYERS). He has really done his homework and has demonstrated an outstanding ability to evaluate those projects deserving of approval by the committee.

The team of TOM BEVILL and JOHN T. MYERS is now and will serve Congress and the country very well in years to come. You and the other members of this important subcommittee are to be congratulated for a job well done. Water resources and a program of water resource conservation, management, and development for the Nation as a whole will take on increasing importance as we look to the future. The need for a reasonable and responsible program along these lines is a must if we are going to address the obvious demands of our people in every section of the United States for water and all its uses.

Water is our Nation's most precious and valuable resource. In my own State of California we are experiencing the result of shortsighted approaches to water resource planning. The drought in the West has dramatized this and points up to each and every one of us that crops cannot be grown, energy resources cannot be developed, industry cannot prosper and the working men and women of our area cannot survive economically without water.

With this in mind I am particularly pleased to note the full funding for water projects in my own district which will provide for critical flood control, water conservation, and navigational improvement in our north coast counties.

The Warm Springs project is a most critically important item for my district. In fact, the Corps of Engineers has testified to the fact that had Warm Springs been completed in 1973 as scheduled, it would have provided much-needed additional water to drought-plagued northern California.

Warm Springs is needed not only to meet current water demands and provide flood control, but also as a future assurance against prolonged drought periods and to provide mitigation and enhancement of the declining fishery resource in the Russian River. Part of the project is the construction of a fish hatchery.

The earliest possible resumption of construction and completion of Warm Springs is a paramount goal. This project has been subjected to every conceivable form of scrutiny and review—including a public vote in 1974. As the supervisors and representatives from citizens groups have testified, Warm Springs is strongly supported by all political subdivisions in the area and I am pleased to see its inclusion in this funding measure.

Humboldt Harbor and Bay is also included and will enable larger vessels to utilize the facilities at Humboldt Harbor, thus helping to stimulate the re-

gional economy. This area of my district has an unemployment rate of 14 to 15 percent and has suffered severe economic dislocation over the past 5 years. The primary industries rely on commercial shipping for delivery of their projects and the present harbor and channel depths preclude larger, deep draft vessels from entering the harbor. This $3.5 million appropriation will begin construction for this important project.

At Bodega Bay Harbor—an important commercial fishing center and harbor refuge in Sonoma County, Calif.—harbor facilities and navigational improvements are much needed in view of the growing demand for fish and fish products. This funding will complete the preconstruction planning phase of the project and start us on the road to meeting the growth potential of the fishing fleet along the north coast.

This funding measure provides for the funding for the survey, study, and investigation of four major projects which affect the Redwood Empire. On the Eel River there is a unique and innovative investigation of the water-related and land-related elements of the entire river watershed. It is an interdisciplinary approach which hopefully will provide us with new methods of dealing with the low-flow problems in the summer and bank erosion and flood problems in the winter.

At Humboldt Harbor and Bay funding is provided for a general investigation to study the harbor area to determine the best possible uses of the land and water resources. Funding is provided for a survey to investigate the potential water resources in northern California and has so far contributed greatly to State and local water agencies in their water resources planning and management functions. Also, there is an appropriation to continue the study of the coast of northern California to evaluate the availability of adequate harbor facilities and to establish a chain of harbors of refuge along the California coast between Monterey and Crescent City.

Additionally, there is funding for the operation and maintenance of Humboldt Harbor and Bay, Noyo River and Harbor, the lower Petaluma River, and Coyote Valley Dam; all of which are vitally important to our district.

Finally, the Redwood Valley water district has received full funding and I strongly endorse these loan funds. This is a further example of the need for a farsighted local planning effort to make the most effective use of our precious water resources. This particular project is the result of many years of work and planning by those of us who believed in the need for adequate future water supplies and I am pleased to see it on its way to completion.

These projects will insure an adequate supply of water for health, industry and recreational uses, increased economic activity, and safe watershed management for future generations in the Second District of California and I rise in support of their funding.

One last comment I would like to make—this measure increases the funding for geothermal energy to an unprecedented high of $117.9 million. This is an increase from $53.2 million from last year's appropriation. I would like to commend my colleagues on this committee for their foresight in increasing loan funds in the Geothermal Resources Development Fund and thus, decreasing the risk of potential lenders. In effect, this will greatly assist the private sector in increasing their commercial development of geothermal energy and, in representing the district in which there is the largest commercial power generating plant driven by geothermal energy, I am especially pleased to see this dramatic increase in funding.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Chairman, when the gentleman was mentioning the hit list, I think of the breeder reactor on the Clinch River in Oak Ridge. There is a specified amount of funds in this measure for that activity. I understand an amendment is going to be offered to eliminate that. Is the gentleman still firm in support of the bill that is before us?

Mr. BEVILL. I am still in firm support of the bill as before us.

Mr. QUILLEN. I have not meant to put the gentleman on the spot.

Mr. BEVILL. I understand.

Mr. QUILLEN. Mr. Chairman, if the gentleman will yield further, the bill is so important to the gentleman from Tennessee that I want to be sure we keep our foot in the door and ultimately we will be successful in continuing and not dismantling the breeder reactor.

Mr. BEVILL. I understand that members of the Science and Technology Committee, the authorizing committee for the Clinch River breeder reactor project, will offer an amendment which would have the effect of postponing congressional action on fiscal year 1978 appropriations for the Clinch River project until the House has worked its will on the pending authorizing legislation. If the amendment is successful, the Public Works Appropriations Subcommittee will reexamine the Clinch River project at a later date.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I want to be sure that the Members understand the countless number of hours the chairman and the ranking Member on our side spent listening to testimony. For example, we had people from Colorado on three or four different projects and the gentleman had 30 or 40 in toto. The courtesy the gentleman extended to people in listening to the testimony hour after hour demonstrates patience beyond belief.

I want to thank the gentleman publicly, so people know this is not something that has gone on routinely; but the gentleman and various other members of the committee have spent hours analyzing and listening. I think they deserve the thanks of this body, and certainly the people from Colorado. I hope the House follows the gentleman's lead in support of this bill.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I want to thank the gentleman and the committee for their patience in listening to my constituents. They came all the way from California and they were very well and courteously received.

I want to thank the gentleman for including most of the projects they were supporting in this bill.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Although it is an unusual occurrence for the gentleman from Maryland, I received a letter from the current occupant of the White House, by special messenger, the envelope indicated, which I thought was impressive.

In the last paragraph, the President said:

> If wasteful spending is to be curtailed and necessary programs financed, we will need to work together to eliminate needless and counterproductive projects.

This refers, I presume, to the "hit list."

Could the gentleman from Alabama state, was the President just plain wrong? Does the President know what he is talking about on this topic or what is the problem?

Mr. BEVILL. Mr. Chairman, the President is getting some very bad advice. I am not sure of its exact source, because the people who have the most detailed knowledge of these projects, the people who have worked on them over the years, that is, the Corps of Engineers and the Bureau of Reclamation, have come before our committee for many years giving us the benefit of their thinking and advice on these projects. Their expert testimony has always played a big role in helping the committee decide which projects to fund.

Now, someone is giving the President some bad advice. I do not know who it is; but I do know that he is getting bad advice as far as these projects are concerned.

Another example of good intentions gone awry is the Tellico Dam down in Tennessee. There a little snail darter is holding up a project for which we have already appropriated over $100 million. The dam, which was days away from completion when halted by court order, would produce enough electricity to heat 20,000 homes. In order to help with this and similar problems caused by misinterpretation and misuse of the Endangered Species Act, this committee, in leaning over backwards trying to comply with whatever problems were pointed out to us, has made available $9 million in this bill so that the scuba divers could go down and pick up those little snail darters, and other endangered species, that live at the bottom of the Tennessee River.

They pick up those little snail darters

in their beds and move them to another part of the Tennessee River which would not be affected by the dam. The committee recommends making these funds available so that compromise positions can be reached. Endangered species can be adequately protected while allowing this country to continue to grow and develop.

So, this is an example. We have many others. We also have mussels in Tennessee and panthers in Louisiana that are threatening to stop much-needed projects. In total there are about 1,700 endangered species on the list.

Mr. BAUMAN. I thank the gentleman for his explanation. I might say that maybe it is a measure of the President's desperation that he has had to turn to the gentleman from Maryland for assistance in the House, but I do thank the gentleman and his subcommittee for allowing this historic liaison to occur. It is most historic and I will endeavor to assist the President consistent with my conservative beliefs.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I would like to rise and support the gentleman and his committee, and compliment him for the fine work he has done. I have three questions I want to get some answers for, or some clarification.

First of all, as the gentleman may know, I am deeply interested in this program of solar electric power project, and I understand that the committee appropriated specific moneys for this solar power program. The question that I have is, will the authorizing language of the Committee on Science and Technology be the guiding authority on how that appropriated money will be spent?

Mr. BEVILL. Yes, it will. As the gentleman knows, that has not been enacted into law as yet.

Mr. GOLDWATER. Second, in regard to geothermal projects, the Appropriations Committee, I understand, put $5 million for 1978 into a geothermal demonstration project. The Science and Technology Committee again, in reviewing this program, has some very specific language on how those moneys should be spent. Again, I would ask the gentleman, would the authorizing language be the guiding authority?

Mr. BEVILL. Certainly, the Appropriations Committee will respect the language of the authorizing committee.

Mr. GOLDWATER. Mr. Chairman, in conclusion, there is a flood control project which was left out of the appropriations bill completely. I am referring to the Calleguas Creek flood control project in California, a $30 million project, the Federal share being about $24 million. The first phase was for about $300,000 for specific design and engineering. I have spoken to the gentleman about this, and the question I would ask is, what kind of assurance could I receive that the committee would address itself to this project as far as the next available opportunities to begin funding this kind of project?

Mr. BEVILL. I might say to the gentleman that I am very much interested in his project. It was really an oversight that it was not included in this appropriation bill. Certainly, I will work with the gentleman in resolving this problem.

Mr. GOLDWATER. I thank the gentleman.

Mr. GINN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Georgia.

Mr. GINN. I thank the gentleman for yielding to me.

Mr. Chairman, while I have the highest regard and personal respect for my President, I rise to state that I strongly support this legislation, and I rise to express my appreciation to the gentleman in the well and the other members of the distinguished subcommittee for a job well done.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the distinguished gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. I thank the gentleman for yielding.

Mr. Chairman, in all fairness to my good friend, the gentleman from Alabama (Mr. BEVILL), I am sure he does not want to leave the RECORD to show that the $9 million for the removal of the snail darters is just for the snail darter. That $9 million is for the exchange and removal of all endangered species.

Mr. BEVILL. Yes. That is a very good point. This was just an example. If we want to be specific, the Bureau of Reclamation will get $2 million, the Tennessee Valley Authority will get $2 million, and the U.S. Army Corps of Engineers will get $5 million, making a total of $9 million.

I thank the gentleman.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Alabama, the chairman of the Subcommittee on Public Works appropriations. I want to commend him and his subcommittee for the bill which they have brought to the floor today and for the report which accompanies this bill.

There is one project in this bill to which I may address some additional remarks when we enter the debate under the 5-minute rule.

I want to presently express my appreciation to the distinguished gentleman from South Carolina for the bill which he has brought out, and I want to congratulate him and his committee on the work which that subcommittee has done during the first year of the chairmanship of that subcommittee by the distinguished gentleman from Alabama.

Mr. BEVILL. I thank the gentleman for his remarks.

Mr. JOHN T. MYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the chairman of the subcommittee has done his usual outstanding job in presenting the facts on this very important bill. I want to thank him for the very fine job he has done the first year as chairman of the subcommittee. The gentleman assumed the responsibilities of rather large shoes in trying to succeed our former chairman, Evins. He did a fine, outstanding job. the gentleman from Tennessee, Mr. But one would not know that the gentleman from Alabama (Mr. BEVILL) was a freshman chairman—he certainly is not a freshman Member of this Congress, but he is a new chairman of the committee—for the way he handled the witnesses, for the way he handled the committee, including a number of new Members, who also did outstanding work, including the gentlewoman from Nebraska (Mrs. SMITH); the gentlewoman from Louisiana (Mrs. BOGGS); and certainly not a new member of this committee or the Congress, the gentleman from Illinois (Mr. SHIPLEY); a new Member of Congress, the gentleman from Washington (Mr. DICKS); and the gentleman from Florida (Mr. CHAPPELL). We had a number of new members, as well as a new chairman of the committee, but the committee has worked hard since the hearings began in February.

We have heard every witness who asked to appear.

I also want to thank the committee staff, who again did their usual outstanding job working many, many extra hours, beyond the regular working day, in developing the hearings and writing this legislation. They did an outstanding job.

As usual, this bill comes to the floor touching just about every district in this country. If the bill does not touch it directly, the fact that it does provide for urgently needed energy research and development and energy for the future, it touches every congressional district. Every Member of this Congress certainly is affected by this bill, as well as every person living in the United States.

Mr. Chairman, the bill contains the largest appropriation for energy research that the Congress ever has appropriated. As the chairman has told us, it is almost $6 billion for energy and energy research and development, an astounding figure. More than any nation ever has spent in searching for new energy. But we all know that 3 years ago this Nation faced a crisis with respect to the need for energy when we were cut off from some of our oil supplies.

We recognize that as fast as our technology expands and as fast as we are capable of expanding our research of these new sources of energy to better use known energy sources, we still have to work faster. We have to expedite the work in energy. Therefore, our committee has come forth with the largest appropriation ever made by any nation, certainly by our Nation, in the search for new energy.

Mr. Chairman, the President of the United States, in his energy message of April, recognized that we have to do something about the energy problems of our Nation when he asked for additional conservation. In line with this, our committee has expanded the drive for conservation, the need to find better ways of insulating our homes, our factories, our

places of business. We have expanded this particular area. We have expanded the search for new types of energy.

In solar energy, Mr. Chairman, we hear so much about that possibility. I know that there may be some amendments to this bill to increase the amount for developing solar energy. This Congress already has increased the amount for solar energy. Just a few years ago, we appropriated only $15 million for research in solar development—just $15 million. This year we have $368,200,000 for development of solar research.

We are moving as rapidly as we can. Yet, there are many who feel that this is not fast enough. They feel that we can by magic develop solar energy so that by tomorrow or by next year we will be heating our homes and firing our boilers with solar energy.

Mr. Chairman, all the experts that the committee heard have said, "Yes, solar is one of the sources of energy for the future, but to say that it is going to be here next year or within 5 years is not living with reality."

Mr. Chairman, our committee has developed and is expanding solar research extremely rapidly.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. Yes, I yield to the gentleman from Washington, who is one of the authorities on energy research in this country.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for yielding.

As the chairman of the Subcommittee on Advanced Energy Technology, which includes solar energy, I particularly appreciate the close cooperation we received from the committee in this area.

The figure the gentleman from Indiana (Mr. MYERS) quoted of $368 million represents an increase of more than 900 percent in 3 years' time for solar energy research, development, and demonstration alone; and the gentleman is completely correct in saying that we are cutting this program down to the maximum practical level.

Mr. JOHN T. MYERS. Mr. Chairman, I thank the gentleman from Washington for his comments. The gentleman is an authority on energy and energy-related problems.

Mr. Chairman, this committee certainly listened to the gentleman from Washington (Mr. McCORMACK) when he expressed his feelings before the committee, and we have worked very closely with him.

There are those who feel that research into solar energy is not moving as rapidly as we would like. I think most of us would say that if solar energy could be used tomorrow to replace the other sources of energy, what a great thing it would be. However, there is a limitation on how fast technology can move; and this committee, with the advice of persons like the gentleman from Washington (Mr. McCORMACK) and other experts in the country, is moving as rapidly as and perhaps more rapidly than money can wisely be spent; but at least, we are moving very, very rapidly toward finding new sources of energy.

Solar energy is not the only one involved. We are working with geothermal and other types of demonstration projects because we recognize that there is a limit to how far we can go with just conservation alone. There are some measures and some savings that can be accomplished by the programs which President Carter has proposed, including conservation measures. We certainly support those, but we recognize that by the year 2000 our needs for conservation, according to conservative estimates probably are going to double the amount consumed today.

Where is that energy going to come from? We certainly do not have the answer, but we are appropriating money in this bill so that we can come up with the answers and, hopefully, with solutions of the problem by the year 2000, so that we will have the energy to heat our homes, our schools, our places of business, enough energy to turn the wheels of our factories, to create new jobs, and to provide for the generations yet to come.

Unless we move rapidly today and wisely, we will not have that energy when we need it.

Mr. Chairman, another particular area in which we have drawn some discussion today and likely will continue to have discussion and some disagreement is the portion of the bill relating to the Corps of Engineers and the Bureau of Reclamation.

I am sure I need not tell any Member of this body this afternoon that our Nation is running out of water. We have just so much water. We have no less water today in the world than we had 1,000 years ago. But 1,000 years from now we are not going to have any more water than we have today. We have to make wise use of the water that we have available. That is what our bill is all about.

We have had numerous witnesses from throughout the country. We did not have a section or a region of the country from whom witnesses testified before us that is not experiencing some water shortage, be it municipal water for the cities, or the industrial use of water to provide jobs for our people, to provide commodities for the gross national product of this Nation, or be it agricultural water. We are running out of water for all uses.

A great many States, testifying through their Governors said that one of the most important problems that confronted them as Governors was the allocation of and the finding of enough water for necessary consumption.

I am afraid the energy problems that we have today are just the first of many. Many are predicting today that the next crisis this country will face will be that of a water shortage.

This committee has worked with the President of the United States in trying to resolve the differences of opinion. The President, earlier in the year, identified many projects on what they now call the "hit list" that he felt were not justified for a number of reasons.

The chairman of the committee, the gentleman from Alabama (Mr. BEVILL) has done everything he could in behalf of this committee to try to reconcile and to try to cooperate with the President in trying to see what projects needed to be modified.

We have modified five of the projects. We dropped one project. The President dropped one project. The President dropped his objection to a couple of them. We have tried to meet the objections of the President on these projects.

Yet, Mr. Chairman, realizing the overwhelming testimony of the witnesses we heard before the committee, the overwhelming testimony of the governmental witnesses, be it the mayors of the cities or the Governors of the States, testifying in behalf of their communities and areas, showed that the more water that can be saved and provided through the authorizing and appropriating committees of this Congress is extremely important. We will have to catch water as it falls and store it for future use.

Marin County in California, and a great many other counties throughout the country, are rationing water because they are running out of water. Indications are that the present drought will continue. We have had some rain in recent weeks, thank goodness for this, but it has not produced the relief that is needed.

Some say we are in a dry cycle and that it will be a period of years when the Nation will be in a drought cycle.

So can we just take our chances and say that these water projects are not going to be needed, that we do not need to conserve water and that we should save our dollars here?

Is this really a saving?

As I say, this committee has tried to cooperate with the President in his efforts toward a balanced budget. We certainly concur and agree with the President of the United States that we want to have a balanced budget. We want to do everything we possibly can.

We included many of the projects that were requested by Members when they were justified, when we felt that they would return a fair investment to the American taxpayers. Then after we completed our markup of the bill we realized we were considerably over the President's budget.

There again we tried to cooperate with the President. We went through each of these and cut 3 percent and now we are under the President's budget and we are under the House budget.

So if the Members think that we can cut these important and needed water projects and take water out of the communities and stop the jobs that will be needed for the future, then let me say that this is not the place to make these cuts. We cannot accomplish that which we need to accomplish by cutting out the 17 projects. This would not be the proper place to do it. But, we will discuss this later on. I will drop it at this point.

Another area that this committee was vitally concerned about was providing transportation for the future. Again, the witnesses who testified before this committee testified that our transportation needs by the year 2000 are going to be considerably greater than they are today. Perhaps as much as triple what they are today, to move the people and

the goods that are going to have to be transported in the year 2000. Unless we do our work today, we are not going to have the available transportation for the future.

The decision this Congress has to make is do we build more highways, more ribbons of concrete across the United States, which are always environmentally challenged? Do we build more airports and fly more airplanes at fast speeds that again are so objectionable to many Members of this body? Or do we use the water that is already on Earth, the rivers of this Nation of ours? Do we float barges on those? This committee, after listening to a great many witnesses and taking a lot of testimony, decided that we will continue to develop the natural resources of our country, one of which is the river to use for transportation. So the transportation needs are met somewhat in this bill. We have not moved, I believe, in this particular area nearly as rapidly as we have in the area of energy research, but we are continuing, especially in the operation and maintenance of our inland waterways. We have increased the bill this year.

Another area which a great many people are concerned about is the unnecessary flooding of our cities and of our agricultural lands along the major streams of our country. Along with providing for the much needed use of water is the proper use and the proper storage of water and providing flood control. We have had great financial losses to cities, individuals, and farmers throughout the nation in floods. We have again considered this, and many of the new starts this year—in fact, all the new starts—provide flood control as well as water storage for future use.

This bill—as many used to call it the all-American bill—is a bill that makes a sound investment in the future. It is a $10,221,246,000 bill. It is the largest appropriation bill—it is $139.8 million larger than last year—but if we consider the inflation rate in constant dollars, this bill is not as large as last year's. This bill is a large bill, but every program is justified.

The committee is concerned about the future of this country and meeting the needs of the future. We are concerned about the natural resources, and we are concerned about the future generations in that they have a good drink of water. We want to be sure that they have it. We want to make sure that we have the jobs for future generations. Unless we start acting now, we are not going to have the answers to the problems of the future, and we are not going to have the jobs for future generations.

I am convinced, and the commmittee is convinced, that this is a sound bill. We hope that the Members feel the same way. I know there have been some objections about the funding levels and the priorities but we have arrived with the best compromise. I hope the Members will support it.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. I appreciate the gentleman's yielding. I want to associate myself not only with his remarks but with the remarks of our good friend, the gentleman from Alabama (Mr. BEVILL), the chairman of the subcommittee. I think that our colleagues in the House and those people back home, too, ought to be apprised of the fact that there is a lot more at stake here than just some water projects or some public works projects. At stake is the whole system of congressional hearings that has worked so well for nigh onto 200 years. As the chairman of the subcommittee pointed out in his initial remarks, this committee, sitting in sessions over week after week after week of testimony, heard from the experts in government, heard from the outsiders, heard from the people back home, heard from people pro and con, and then this committee, composed of Republicans and Democrats, liberals and conservatives, big spenders and tightfisted nonspenders—if one wants to call them that—agreed on a series of projects for the benefit of the future of this country. They heard all of the arguments. And made their decision in the open.

One of these projects involved is in my State, the Garrison project. It has been under fire by detractors who claim it will somehow harm the environment. To demonstrate that there is whole State support, we had a delegation down here of some 40 North Dakotans, not just people with an ax to grind but people who stand for election back home. We had the Democratic leadership of our State legislature. We had our Democratic Governor and a former colleague of ours, Mr. Arthur Link. We had our Republican Attorney General Allan Olsen. These State elected officials were here with a group of community leaders and farm leaders to testify that they knew this project best, that it was a good project, and that it was a much-needed project for the future of our home State.

I am sure that many other areas had exactly this same experience happen to them. So what we are speaking about today is not just one or two water projects, or 15 or 20 water projects. We are talking about orderly progression where the people back home can be heard, where the pros and cons have been weighed and decided on, with the benefit of a competent staff which we have on the subcommittee, and the decision made based on fact rather than rumor.

That is why I join with the gentleman in the well, my good friend, the gentleman from Indiana, and with the chairman of the subcommittee, my good friend the gentleman from Alabama and compliment them on what they are doing and point out to the Nation that, yes, there is something extremely important here: not only the future of these projects but also the future of the cornerstone of orderly legislative process.

I thank the gentleman very much for his cooperation.

Mr. JOHN T. MYERS. Mr. Chairman, I thank the gentleman from North Dakota (Mr. ANDREWS), for his testimony here.

This is typical, where we had the support of not just a handful of people who were self-serving or who had something personal to gain, perhaps they were going to sell the land, and that is often charged in what has been called—and I put these words in quotation marks—the "pork barrel" bill. These are not pork barrel projects. They have been worked on for many years.

As far as the so-called hit list, I hope we can get this out of our system today or tomorrow. These projects are not something just dreamed up for this year or by this Congress. Many of these projects have been in process for many years, many of them are almost complete, and it is a little late to consider them for deauthorization or no funding.

But again this committee has done everything possible in trying to cooperate with the President, in trying to say there is a difference of opinion and we have gone so far as to drop one, Grove Lake, Kans., on which there was some question about the cost/benefit ratio. Although it still had a favorable one, there was reason to believe it could not sustain itself for a number of years, so we dropped it.

On five other projects where there were some differences of opinion, this committee met the President's objections by modifying the projects.

I appreciate the confidence of the gentleman from North Dakota.

Mr. JOHN T. MYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. BURGENER), a hard-working member of the committee.

Mr. BURGENER. Mr. Chairman, I thank my colleague, the gentleman from Indiana, and I compliment Chairman BEVILL and the gentleman from Indiana on this bill. It is a real privilege to serve on this committee. As has been said, all votes on the committee have been unanimous. That is a bit of a heady experience for the members of the minority.

About 60 percent of this bill has to do with energy, but the more controversial part has to do with water and we from the West have a rather special feeling about water and I would like to relate for a moment to the Members just why.

I represent some of the people from the far Southwest corner of the country, from San Diego County and Imperial County and Riverside County. If it were not for the Corps of Engineers and the Bureau of Reclamation we would not be there. I would like to explain why. We have 1½ million people living in San Diego County. We have no local water supply. The groundwater there would not support 10 percent of that population from the wells. It does not rain much. We have 8 to 10 inches a year, less than 8 inches this year. That is not enough for any runoff. It does not fill reservoirs. We cannot store it.

So what do we do? We import water, all of it, from the so-called pork barrel projects from years gone by. We get our water from the Colorado River and we get it from northern California.

The whole purpose of a water project is to store water in times of excess, to regulate its flow so that it can be used

properly to prevent waste, and if it is large enough, to create some hydroelectric power, and to do all we can to provide recreational facilities; so we import water. We import power. We have done it for many years.

I know that nationally this bill is an important one, because water is a finite resource. Until we learn to convert ocean water economically as we may someday—there is no secret how to do it, but the cost is so prohibitive and exorbitant—we have to rely on rivers and streams and the rainfall of this country. We have to manage, divert, and guide it. We have to prevent floods and create power.

Out in the West we have special feelings about water.

Mr. Chairman, I would like to associate myself with the remarks of the chairman, the gentleman from Alabama (Mr. BEVILL) and the ranking member, the gentleman from Indiana (Mr. JOHN T. MYERS), who have given leadership in the development of this bill.

The Members of this House must realize that this bill is truly an investment in the future of the country. When we talk about almost all the projects on this House floor, we are not asked to justify a 1-to-1 cost ratio. We just spend the money. Obviously we think other appropriations are for worthwhile purposes. Here we are investing money that we will get back a hundredfold. I urge my colleagues to give vigorous and overwhelming support for this vital and constructive measure.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I rise in support of H.R. 7553 the Public Works Appropriations Act of 1977. The chairman of the Appropriations Committee, Mr. MAHON, the subcommittee chairman, Mr. BEVILL, and the ranking minority members, Mr. CEDERBERG and Mr. MYERS, are to be congratulated for bringing the bill to the House today. Because of the efforts of the administration to strike some 17 water projects and modify others, the Committee on Appropriations had to be even more thorough than they usually are in reviewing what projects appear in H.R. 7553. I am pleased, Mr. Chairman, that the committee has again reiterated the importance of water resources development in the growth of the Nation.

I come before you today in a unique position. Prior to my election by the Democratic Caucus to be chairman of the Committee on Public Works and Transportation I served as chairman of the Subcommittee on Water and Power Resources of the Committee on Interior and Insular Affairs. For this reason I have viewed many of these projects at close range. These projects were put together by State and local government and previous administrations then authorized by previous Congress. Oftentimes each step in this process takes several years.

Mr. Chairman, to simply disregard all this work based on some hastily conceived and carried out review by this new administration would be an insult to the years of work that many people have poured into these projects.

Concerning the environment the Committee on Public Works and Transportation, with its jurisdiction over water pollution control, has continually incorporated environmental safeguards into water resources development policies, project deauthorization legislation, nonstructural alternatives such as acquisition of wetlands to preserve their natural floodwater retention capacity, provision for creation of new wetlands in connection with projects. We have produced a mechanism to authorize projects in segments rather than in toto to permit further congressional review before proceeding to construction once design work is complete.

Perhaps most pertinent to project evaluation is section 80 of the Water Resources Development Act of 1974, specifically directing the President to make a study of criteria to refine our focus on all elements of cost and benefit in the project approval process.

For example, genuinely realistic criteria should make it possible to give full weight to the merits of projects to abate localized but severe flooding problems in older, well-established urban areas in the Northeast and elsewhere.

That study was never completed by the past administration, although the data has been assembled by the Water Resources Council.

We regret that the new administration has not seized the opportunity to generate policy recommendations based upon that data, rather than generate divisive and unproductive controversy.

As the foregoing suggests, we not only welcome a review of water resource policy, we encourage it. We have mandated it in a fashion to assure the proper role of the Congress in the process.

One of the projects which has been included by the administration in its recommendation for no funding is the Auburn Dam—that is the Auburn-Folsom south unit of the Central Valley project. The importance of Auburn Dam to California is perhaps best illustrated by the fact that this project, if it had been completed in early 1974 as originally contemplated, would have made an additional 1 million acre-feet of water available this year. This would have meant that California municipalities and industries that are suffering from water deficiencies at this very moment would have had little or no shortages at all.

This information was supplied, at my request, by the Bureau of Reclamation, which also reports that the 75-percent water deficiency faced this year by farmers and ranchers in California would have been held to about 25 percent if Auburn Dam were completed and in operation.

In addition, the Auburn powerplant would have been able to supply an estimated 500,000 kilowatts of increased peaking capability in the coming months of July, August, and September when some blackouts are at least possible, under conditions as they are.

As everyone is aware, one of the key issues facing the Auburn Dam relates to its safety.

The final questions about the safety of the Auburn Dam site are technical questions which must be addressed by the engineers. The seismological studies now underway must be completed; specific findings must be examined with care; the engineers must decide whether there are problems that warrant attention and what kinds of solutions are feasible. All of that will occur, in due time. But at this time, we cannot anticipate results of that study, and we have no basis for summarily halting a project that was many years in the designing and has been underway for some 10 years.

I speak for the State government of California when I thank the committee for restoring funds for the Auburn Dam pending the outcome of safety studies underway.

Turning to other projects in northern California I want to once again thank the leadership of the committee and the members of the subcommittee for their generosity.

Continued funding in the amount of $750,000 for phase I design studies of the Cottonwood Creek project is included, and that is an adequate amount. Cottonwood is the last major uncontrolled tributary of the Sacramento River and is responsible for repeated flooding all along the river. There is general agreement on the need for this Corps of Engineers project.

Another $980,000 is included for continuing work on the Sacramento River at 10 locations between Chico Landing and Red Bluff.

This Corps of Engineers project deals with flood problem areas which developed as a result of the heavy 1974 flood flows. This amount is also adequate for fiscal year 1978. So, too, is the $285,000 earmarked for surveying other bank protection problems along the Sacramento River and its tributaries.

I believe it is important, also, that the design studies for the Marysville Lake project for which $150,000 is included be initiated. This will enable the Corps of Engineers to complete and submit the final design documents by January of next year. This project was originally authorized in 1966, but these studies are necessary because the dam is now proposed to be located at Parks Bar, rather than the original Marysville site.

In passing, Mr. Chairman, I would like to add my support for the $400,000 which is in the bill for feasibility studies for the Susanville geothermal project of the Bureau which was included in the omnibus authorization bill enacted in 1975.

Before concluding, Mr. Chairman, I also wish to add my strong endorsement of the key New Melones project of the Corps of Engineers on the Stanislaus River, for which $68,000,000 is included. While this project is not in the First District, it is one of great importance to the State, and one in which I have been interested for many, many years.

In closing, I urge that the full membership of the House support the Appropriations Committee and continue the orderly approach we have taken in the

past to developing our water resources.

Mr. BEVILL. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I commend the chairman, the gentleman from Alabama (Mr. BEVILL), and all the members of the Committee on Appropriations for bringing a sound piece of legislation to the floor.

Mr. Chairman, I rise in support of H.R. 7553, and particularly in support of the funding of the Meramec Park Lake project.

Here are the facts on the Meramec Park Lake project, which was in one of the projects deleted by the administration and funded by the Committee on Appropriations in accordance with the request of the previous administration:

Project description: Construction of a dam, 38,700 acre park, and 12,600 acre lake for flood protection, water supply, recreation and fish and wildlife conservation. Project being studied for possible addition of a hydroelectric facility.

Construction site: Crawford, Franklin, and Washington Counties in the 8th Congressional District of Missouri.

Overview of project:

Total estimated federal cost: $124 million.

Total cost to complete after 1977: $88.7 million.

Total amount spent as of 28 Feb.: $27.5 million.

Total amount appropriated at end of FY 1977: $35.3 million.

Amount appropriated for project in FY 1977: $9.5 million (full capability).

Overall project completion: 22 percent.

Overall construction completion: 10 percent.

B/C ratio at authorized rate of 3¼ percent: 1.9.

B/C ratio of total costs to total benefits at ⅜ percent of interest: 1.3.

B/C ratio of total costs to total benefits benefits to be realized at 6⅜ percent of interest: 1.5.

Land acquisition completed as of Feb. 1977: 71 percent or 27,390 acres.

Annual benefits: $3,903,000 in excess of project costs at 6⅜ percent or $5,701,000 in excess of project costs at the project's authorized discount rate of 3¼ percent.

Fiction: The Meramec Park Lake project is environmentally and economically unsound.

Fact: Project passed all phases of the Administration's new review criteria except for the possible impact of the project on two endangered species: the gray bat and the Higgins Eye Pearly Mussel. Based on this finding project selected for public hearing in Sullivan, Missouri, on March 26, 1977. Hearing held and project awaiting final announcement of President's decision by April 15. The project met all Administration tests for safety, environmental balance, and economic soundness.

Fiction: The Meramec project should be halted because of its impact on endangered species.

Fact: The existence of the gray bat and Higgins Eye Pearly Mussel has never been mentioned until the Administration's review. The U.S. Court of Appeals for the Eighth Circuit did rule in April 1976 that the Corps had adequately measured the environmental impact of the project and ruled against a Sierra Club suit which contended that the project violated the Endangered Species Act by threatening the Indiana Bat. According to the Federal Register, the gray bat is found throughout the central and southeastern United States and the Governor of Missouri was not notified, as required by law, that the gray bat is located in Missouri. The Higgins Eye Pearly Mussel is found in the Mississippi River, Minnesota, Wisconsin, Illinois, the Meramec River in Missouri, and in the St. Croix River in Wisconsin and Minnesota.

Fiction: The Meramec Dam will destroy the Meramec River.

Fact: The project calls for use of 15 percent or 33 miles of the 220 mile long Meramec River, leaving 85 percent of the River in the same or improved condition. Overuse by an increasing area population has led to overdevelopment and pollution of the river. The Meramec Lake will relieve population pressures on the River. Most of the Park's land area is zoned for wildlife management, forest preserve, ecological demonstration areas, and archeological and scenic preservation. Only about 9,800 acres are scheduled for intensive recreation use, even then under controls to preclude overuse. The lake waters will be clearer and purer than the river is now and the quality of downstream waters will be improved.

Fiction: The Meramec Dam is unsafe.

Fact: The geologic and seismic investigations conducted for Meramec Park Lake are probably the most intensive studies ever accomplished for a river basin and dam site. These tests have demonstrated that no structural geologic or faulting exists. The dam is engineered to withstand earth shocks even though it is located in a seismically inactive area. The project passed the Administration's safety review.

Fiction: Project's flood benefits not needed.

Fact: The project will provide flood protection for 11,862 acres of floodplains lands plus partial protection of an additional 20,209 acres of land. Annual savings from floods projected at $5 million per year. Drastic floods have occurred in this area in 1945, 1973, with floods again occurring in late March 1977.

Fiction: There is no need for water supply from the Meramec project.

Fact: In the project area, the U.S. Public Health Service found a demand for water at 93,000,000 gallons per day in 2020 and 400,000,000 gallons per day in 2070 with available ground water of only 25 million gallons per day. The Public Health Service study, the only comprehensive one of water needs in the Meramec Basin area, concluded that construction of a storage reservoir was far cheaper than constructing pumping stations and pipelines. Water shortages are already critical in Jefferson and Crawford Counties. The Meramec Park Lake project will provide 207 million gallons of water to shortage areas.

Fiction: Area residents do not want Meramec Park Lake.

Fact: The Meramec project is being built in Crawford, Franklin, and Washington Counties. Congressman Bill Burlison whose district borders this area recently conducted a poll in Jefferson, Iron and St. Francois Counties on the Meramec project. The results were 3,919 in favor, 1,597 opposed and 39 respondents indicating no opinion or more than 2 to 1 in favor of the project. State Representative Al Nilges conducted a poll in January of the 126th District comprising parts of Crawford, Washington, and Franklin Counties. A strong majority, 64 percent, favored continuation of the Meramec project. I conducted a poll of the 51,000 registered voters in these three counties. I received responses from 21,326, an overwhelming return, with 62.5 percent of the voters favoring completion of the project.

Mr. WHITTEN. Mr. Chairman, earlier I got permission in the House to revise and to include certain excerpts from other publications and from the Appropriations Committee and other things of value to the debate we will have.

Mr. Chairman, all we have and all we can hope to be is tied back to the land, how we develop it and how we care for it.

COUNTRIES WE AID TODAY

The countries we aid today through foreign aid are of two types. One group are those which, this late in history, have never yet developed their own resources. Some are making some progress. These are referred to as developing countries, because with our dollars—no cost/benefit ratio required—but with American knowledge and cash they are beginning to develop.

The other group consists of those countries which in the past, some many centuries ago developed their resources, but then did not protect and take care of them, and let them go to ruin.

PROJECTS BEFORE US

Before us we have a bill, where all the projects have stood the test of need, of engineering approval and approval by the members of the committees of Congress for years. They are necessary to meet today's problems, and even more necessary for the future. In another generation it is estimated that we are going to have 150 million more people, and no more water. My wife and I were out of town over the weekend. We stopped in two different cities. On the breakfast table was a sign saying, "We will serve water if you ask for it, but at the request of the Government we are trying to conserve water." In the next generation, we are going to have 150 million more people, we must approve these projects.

OUR COMMITTEE

I do enjoy serving on this Subcommittee on Public Works, and particularly with my good friend from Alabama who has done a splendid job as chairman as have the other members of the subcommittee, because every one of them at heart is interested in all Americans, and they know that the land is where all wealth must come.

WORN OUT COUNTRIES—AND WHY?

If we study the past, we see the fallen empires of the Middle East which went down because the people failed to protect the resources they had. Mesopotamia had about 25 million people in a prosperous country centuries ago. Because of neglect of the land, now they are down to about 4 million people and they are poverty stricken. It is recently described as follows:

The landscape is dotted with mounds, the remains of forgotten towns; the ancient irrigation works are filled with silt, the end product of soil erosion; and the ancient seaport of Ur is now 150 miles from the sea, its buildings buried under as much as 35 feet of silt.

All of this comes from human failing from shortsightedness, an unwillingness to spend a fair share of income on protection of the soil. In China and India, they simply refuse to put back into the land a fair share of what they took out. So, as we come to the Members today, we come to them after months of hearings this year from the people who live

where these projects are, who have known them from day to day, and worked for them, many times for years. Some have the shortage of water, others have flood problems, but we all need to develop where it is needed, protect from floods where that is the problem. We have 150 million more people coming in a generation. We must not leave them a worn out land.

THE PRESIDENT'S POWER

I say we should vote for this public works bill as we bring it to you, for the President, under the law, has the right to ask Congress to rescind funds for a particular project. If Congress does not act in 45 legislative days the funds must be released or the President can issue an order deferring funds for any particular project.

If this is done the Congress has to affirmatively overrule such request. This power is included in the Legislative Budgeting Act.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BEVILL. Mr. Chairman, I yield 3 additional minutes to the gentleman from Mississippi.

LEGISLATIVE BUDGET AND IMPOUNDMENT ACT

Mr. WHITTEN. In former years it was not this way, the President had to veto or let the objected to projects go by.

In 1959 President Eisenhower vetoed the public works appropriations bill "because it had 63 new projects," which he said we could not afford. In the first effort the Congress failed to override the veto.

Under the rules it came back to our Committee on Appropriations.

I am proud to be the author of the motion in the committee to reduce all projects by 2½ percent but keep all the projects in the bill which we sent back.

In support of my motion I used the President's language. He said that because of the financial condition of our country, because of our commitments at home and abroad, we could not afford to spend this money on our own country.

In my argument before our Committee on Appropriations I said, the very things President Eisenhower points out, are the strongest reasons for these public works projects. We must take care that we develop our land, correct its excesses, leave it rich in water resources, in timber with our streams harnessed against floods.

In the committee I won by a vote of 19 to 17, and when the second bill was vetoed, we overrode the veto by a vote of 280 to 121 in the House and 72 to 23 in the Senate.

Now, Mr. Chairman, such a course is not necessary for and under the Legislative Budget and Impoundment Act, the President can "defer funding," on any particular project or on the total number he objects to—and remember we have scaled back each project in this bill by 3 percent.

Mr. Chairman, under leave, earlier obtained in the House, I include a copy of the minutes of our Committee on Appropriations, the projects saved and an editorial from the Missouri Delta Farmer, of which I am justifiably proud.

Just think what a fix our Nation would have been in if President Eisenhower had his way. Look at the list of the projects and you can see.

Mr. Chairman, in presenting the copy of the minutes I have left off the names of those who voted against my motion, for I am sure the few remaining have now learned better.

EXTRACT FROM MINUTES OF THE COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, FRIDAY, SEPTEMBER 4, 1959

Mr. WHITTEN offered the following motion: That each item in the bill, as vetoed, be reduced 2½ percent and that the bill, as changed, be reported.

On a rollcall vote, demanded by Mr. WHITTEN, the motion was agreed to by a vote of 19 yeas to 17 nays, and 1 present, as follows:

Yeas (19): Alexander, Boyle, Denton, Fogarty, Gary, Horan, Kirwan, Magnuson, Montoya, Natcher, Norrell, Passman, Riley, Santangelo, Sheppard, Steed, Thomson, Weaver, Whitten.

Nays (17).

Present (1): Thomas.

On request of several Members, a recapitulation of the above vote indicated no change from the vote as first recorded.

Thereupon at 10:55 a.m., the Committee adjourned to meet again on the call of the Chairman."

Projects saved were:

UNBUDGETED CONSTRUCTION ITEMS TO BE ELIMINATED IF VETO IS SUSTAINED

CORPS OF ENGINEERS

Project	Benefit-cost ratio	Total estimated Federal cost	Appropriation to date	Amount in H.R. 7509
Arkansas: Beaver Reservoir [1]	1.1	$56,100,000	$1,291,000	$1,500,000
Alaska: Dillingham Harbor	1.3	412,000	6,000	406,000
California:				
Mill Creek levees	2.1	1,740,000	107,000	500,000
New Hogan Reservoir	1.7	19,300,000	740,000	1,500,000
Redwood City Harbor: 30-foot depth San Bruno Shoal entrance and Redwood Creek channels	1.6	1,380,000	2,000	1,378,000
San Jacinto River and Bantista Creek	2.1	5,770,000	215,000	225,000
Connecticut:				
Hall Meadow Brook Reservoir	2.4	2,210,000	20,000	250,000
Mad River Reservoir	1.2	5,970,000	18,000	275,000
Florida:				
Apalachicola Bay:				
(a) Channel at East Point: Reimburse	NA	[2] 39,100		39,100
(b) St. George Island: Reimbursement	NA	[2] 43,000		43,000
Intracoastal Waterway, Caloosatatchee River to Anclote River	NA	6,860,000	370,000	600,000
Hawaii: Kahului Harbor	2.9	963,000	14,000	140,000
Illinois:				
Doury drainage district	3.7	1,520,000	84,000	540,000
Henderson River: Diversion unit	2.8	1,750,000	150,000	550,000
Hunt drainage district and Lima Lake drainage district	1.8	5,420,000	174,000	1,000,000
Iowa: Red Rock Reservoir	1.5	71,400,000	1,717,000	1,113,000
Kansas:				
Council Grove Reservoir	1.8	12,700,000	303,000	300,000
Wilson Reservoir	1.2	18,100,000	259,000	500,000
Kentucky: No. 2 Barren Reservoir	2.3	23,500,000	214,000	1,000,000
Louisiana:				
Gulf Intracoastal Waterway:				
(a) Algiers Cutoff, Jefferson-Pisquemine drainage district	NA	[2] 1,420,000		1,420,000
Barntaria Bay	3.5	2,400,000	85,000	1,000,000
Massachusetts:				
Boston Harbor: (b) 35-foot reserved channel	2.3	829,000	4,000	825,000
Westville Reservoir	1.1	7,450,000	328,000	1,800,000
Michigan: Grand Marais Harbor	NA	1,020,000	5,000	300,000
Mississippi: Pascagoula Harbor	1.8	1,248,000	6,000	1,242,000
Missouri: Des Moines and Mississippi Levee District No. 1	2.7	$1,690,000	$103,000	$500,000
Nebraska: Gering and Mitchell Valleys	1.8	1,400,000	45,000	350,000
New Mexico:				
Two Rivers Reservoir	1.2	6,900,000	390,000	75,000
Rio Grande Floodway, Cochiti to Rio Puerco	NA	4,400,000	50,000	300,000
New York:				
Buttermilk Channel [1]	NA	1,551,000		1,500,000
Hudson River, New York City to Albany 32-foot channel	1.9	36,300,000	65,000	500,000
New York-New Jersey pierhead line [1]	1.4	1,311,000		500,000
Ohio Street Bridge, Buffalo River	NE	4,520,000		2,000,000
North Carolina:				
Morehead City Harbor	1.9	1,382,000	12,000	600,000
Wilkesboro Reservoir	1.2	8,350,000	387,000	1,000,000
Ohio:				
Muskingum River Reservoir [2]	NE	615,000		500,000
West Branch Mahoning River Reservoir	1.3	6,940,000	261,000	525,000
Oregon: Malheur River, Vale unit	2.3	423,000	70,000	250,000
Pennsylvania:				
Allegheny River Reservoir [1]	1.3	113,000,000	2,733,000	1,400,000
Brookville	2.7	1,340,000	87,000	500,000
Shenango River Reservoir, Pennsylvania and Ohio	1.7	28,000,000	374,000	500,000
Texas:				
Colorado River channel	1.5	1,310,000	54,000	400,000
Gulf Intracoastal Waterway, channel to Port Mansfield	1.1	3,446,000	15,000	150,000
Port Aransas-Corpus Christi Waterway, channel to La Quinta	5.4	[2] 959,000	5,000	954,000
Proctor Reservoir	1.4	17,100,000	325,000	300,000
Virginia: Pound Reservoir	1.2	17,700,000	331,000	2,500,000
West Virginia:				
East Rainelle	2.0	840,000	58,000	500,000
Princeton	1.8	1,085,000	74,000	500,000
Summersville Reservoir	2.6	46,800,000	685,000	2,000,000
Flood control, Mississippi River and tributaries:				
West Tennessee tributaries	3.0	8,400,000	170,000	200,000
Wolf River and tributaries	1.3	2,025,000	43,000	300,000
Yazoo-backwater	2.2	30,900,000	279,000	50,000
Total, Corps of Engineers (52 projects)		598,231,100	12,728,000	37,800,100

[1] Resumption of construction.

[2] Reimbursements to local interests.

UNBUDGETED CONSTRUCTION ITEMS TO BE ELIMINATED IF VETO IS SUSTAINED—Continued

RECLAMATION

California: Trinity power facilities		$59,607,000		$2,415,000
Idaho: Burns Creek		44,616,000		500,000
Washington: Greater Wenatchee Division	7.0	7,579,000		500,000
Missouri River Basin:				
Kansas: Cedar Bluff unit	2.02	4,625,000		400,000
Montana: East Bench unit	2.07	20,597,000		1,000,000
Nebraska: Red Willow Dam	1.78	6,597,000	$214,253	525,000
Upper Colorado River:				
Colorado: Smith Fork	1.2	$4,420,000		$500,000
New Mexico: Hammond project	2.1	3,280,000		500,000
Wyoming: Seedskadee project	1.5	37,885,000		1,354,000
Loan program (6 projects)		17,089,500		6,016,500
Total reclamation (5 projects)		206,295,500	$214,253	13,710,500
Grand total (67 projects)		804,526,600	12,942,253	51,510,600

[From the Missouri Delta Farmer., Sept. 1959]

VETO BARRIER BROKEN

By a vote of 280 to 121 in the House of Representatives, and 72 to 23 in the Senate, the Congress overrode the President's veto of the Public Works Appropriation Bill. The action was a precedent breaker in two respects. It marked the first defeat of a veto during President Eisenhower's tenure and it was the first vetoed bill in the history of the Congress ever reported back to the House still carrying in full the material objected to in the veto message. All former vetoed bills have either been reported back to the House and passed without the interdicted matter or have not been reportd back at all.

Congressman Jamie L. Whitten of Mississippi (members of Missouri Cotton Producers Association will recall that he addressed our annual meeting at Kennett in 1956) offered the bill which passed over the Eisenhower veto. The entire nation is indebted to Congressman Whitten for this action involved the retention of the right of the Congress to initiate needed public projects, a right which has proven so necessary in the preservation of our national strength and freedom.

Thanks, Congressman Whitten.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has expired.

Mr. BEVILL. Mr. Chairman, I yield 1 additional minute to the gentleman from Mississippi (Mr. WHITTEN).

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman Texas.

Mr. ROBERTS. Mr. Chairman, I rise in strong support of H.R. 7553, the public works appropriations bill.

H.R. 7553 will provide badly needed funding for the further development of our Nation's water resources.

Mr. Chairman, water is one of our Nation's most precious and valuable resources and development of our Nation's water resources has been and will continue to be essential to the continued growth and prosperity of America.

I want to commend the distinguished chairman of the Committee on Appropriations, Mr. MAHON and the distinguished chairman of the Subcommittee on Public Works, Mr. BEVILL, for their leadership in bringing this bill to the floor of the House.

Mr. Chairman, once again the vitality of the Federal water resources program is left to the Congress. H.R. 7553 as reported by the Appropriations Committee acknowledges this responsibility and meets it fully. However, all Members of this body share in the responsibility to meet the basic needs of our Nation for water resource projects essential to the prosperity and well being of our country.

The Appropriations Committee has brought this bill to the Members after careful scrutiny and thoughtful consideration and I urge my colleagues to vote its passage.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Chairman, news of the President's decision to delete or modify funding for 23 Corps of Engineers and Bureau of Reclamation congressionally authorized water projects around the Nation, to say the least, is disappointing. The new study process initiated by the President is having the unfortunate effect of delaying projects which are either under construction or on the verge of construction. Not only is actual building held stagnant by this procedure, but private enterprises normally associated with the construction of major public works suddenly are in jeopardy. I do not have to explain why this presents an obstacle to our economic recovery.

Let us focus for a moment on my understanding of our situation with respect to what the administration has proposed. In an effort to terminate water projects not meeting certain White House criteria, the President has indicated his view that certain projects are not worthy of funding during the next fiscal year. The evaluation procedure used consisted of three basic tests: environmental impact, cost-benefit ratio, and safety. Should a water project not pass one or more of these tests, it is given a "second chance" by allowing the citizens to be affected to comment during the course of one meeting held near the project location.

I object strongly to this procedure. It appears to ignore a fundamental fact: These projects have been reviewed by the congressional authorizing committees, by the Appropriations Committees, and by the full House and Senate. They also have been thoroughly reviewed at the administrative level through established procedures for environmental and economic analyses. These very procedures, themselves, are subject to congressional scrutiny.

Yet, despite these safeguards, despite the clear recognition by Congress and the administration that public works projects provide employment, despite the intensive study to which the individual projects have been subjected, the White House has chosen unilaterally to make its own judgment regarding the continuance or discontinuance of them. Fortunately, my understanding of the Congressional Budget Act is that the President can recommend to the Congress only through a deferral and rescission or other legislative procedure that certain appropriated funds should not be spent. Once this is done, it is incumbent upon Congress to accept or reject the President's proposals. This is clearly our purpose today.

I want to mention in particular at this point a project directly benefiting my congressional district. Nine years ago, with the approval of the Flood Control Act of 1968, the Tallahala Creek Lake project in Mississippi was authorized. Since that time, the environmental impact statement and a supplement have been filed with the Council on Environmental Quality, a general design memorandum and a revised general design memorandum have been approved, and several architectural engineering contracts have been let for engineering studies which have been ongoing for over 7 years and some of which will continue to be awarded until 1979. Land acquisition is scheduled to begin in late summer or early fall of this year, with initial construction on the main earth dam, the emergency spillway, and outlet works to start also in the fall of 1977. Completion of the entire project is expected in fiscal year 1982.

The Tallahala Reservoir is to be located in Jasper County, Miss., about 13 miles north of Laurel, Miss. While the project is outside my congressional district, much of its flood control capabilities will directly benefit the Fifth District, particularly the city of Laurel, which experiences flooding on more than an annual basis from the Tallahala Creek. Included in the purposes of the reservoir besides flood control are general recreation, water supply, water quality, and fish and wildlife enhancement.

The cost-benefit ratio test seems to be the major stumbling block with the White House as far as the Tallahala project is concerned. I am advised that when the project was authorized, the interest rate was 3¼ percent with a cost-benefit ratio of 1.3, which is very favorable. Now I am told the interest rate used is 6⅜ percent and that the resulting cost-to-benefit ratio is 1:0.9, costs exceeding benefits My problem with such figures is that they do not take into consideration the annual rate of inflation over the past 9 years. During inflation everything goes up—costs as well as benefits. Therefore, in order to arrive at an accurate ratio it is necessary to discount for inflation. If we do this and plug it into our formula, the interest rate has remained constant; and the benefits, if not increased, also have remained at least constant. In my view, then, the Tallahala Creek Lake more than meets this unity requirement.

As for determining an environmental impact-benefit ratio, the argument has been advanced that the environmental impact of the reservoir outstrips its benefits. Oviously, any construction of the magnitude of the Tallahala project will have an impact on the environment—some favorable, some adverse. Measuring these impacts against one another is dif-

ficult at best. Applying this test to the Tallahala Reservoir, there is a loss of cultivatable and timber-producing acreage; but there is a corresponding gain of usable acreage now commercially and residentially vacant by reason of being located within a flood-prone area. There is a loss of wildlife habitat, but there is a corresponding gain of considerable acreage to be converted into a wildlife management area adjacent to the lake. Finally, there is a loss of stream fishing area, but there is a corresponding gain by providing access to the tailwater area for float fishing downstream which is presently inaccessible.

On the purely "plus" side of the ledger, the Tallahala Creek Lake will have a direct effect on the lives of thousands of people living or vacationing in the area. I have stated already the important flood control aspects of the project to the citizens of Laurel, and I have pointed out that a wildlife management area will enhance substantially the prospects for protecting local wildlife living next to the lake. Other important benefits include a new source of potable water required for present and future needs, abundant recreational opportunities for residents in a multicounty and multistate region, and jobs.

If I may, I want to expand on the employment features associated with the construction and maintenance of the Tallahala Creek Lake project. The actual construction of the reservoir will produce approximately 300 jobs. Once the lake is complete, the responsibility will remain to properly maintain the project, thus providing permanent employment. Beyond the generation of jobs pertaining to the project itself, there are the business opportunities associated with a recreational area which often result not only in commercial establishments but homebulding for residential purposes. This sort of business expansion produces jobs on a long-term basis—not on a short-term, make-work basis.

The construction of the Tallahala Creek Lake is worthwhile. I strongly urge the defeat of any effort to alter the legislation in any way which would either limit or delete funding for this project.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, balancing the production of food and energy with the preservation of the environment is a fundamental issue as our Nation begins its third century.

To produce food or energy without regard to the environment is an assault on nature.

To preserve the environment without regard to our citizens ignores human needs.

The Cache Basin project presents a balanced plan that achieves an equilibrium between production and preservation.

To accuse the citizens of the Cache Basin of being impervious to the needs of nature is an insult to our basic way of life.

Most of our people have spent more time hunting and fishing and enjoying the beauties of nature than the well-intended critics of this project.

I believe a direct quote on page 260 of the report sums up the feeling of our people toward the Cache Basin project:

The overwhelming concern of the people was the periodic flooding. Those voicing this concern were primarily typical American farmers with small farm ownerships averaging about one hundred sixty acres. It was evident that these people were interested in not only reducing flood damages but also in preserving hunting, fishing and remaining natural environmental areas as planned in the project mitigation features which call for acquisition of woodlands and installation of water control structures. In fact, they voiced practically unanimous support for the total project following the emphasizing of the fact that the project plans include these mitigation features.

Our people in Arkansas have debated the conflict between the production of food and energy and the preservation of the environment for several decades. In this project we have striven to strike a balance between human needs and environmental concerns.

The Cache River project:

Is a balanced flood control, fish and wildlife project supported by the vast majority of the people living in the basin.

Would provide the only assured financing for the acquisition of up to 70,000 acres, of the remaining 85,000 acres of privately owned flood plain forest in the basin, to be used for fish and wildlife management, recreation and environmental purposes. The privately owned flood plain forest is now threatened by indiscriminate land clearing.

Would directly benefit more than 6,400 landownerships averaging 120 acres in size.

Requires local cost sharing—funding for which is already being raised and committed.

Has passed the old and new criteria for evaluating water resource projects.

Would provide 4,000 job-years of employment in an area of high unemployment where jobs are urgently needed.

Would protect 694,300 acres of land, primarily food producing land, from uncontrolled flooding.

Opponents say the project would "* * * destroy the most important wintering ground for mallard ducks in North America; polute downstream areas including farms, designated wilderness areas, and the White River National Wildlife Refuge. * * *"

Factual data from pages 254–255, volume 9, "Public Works for Water and Power Development and Energy Research Appropriations Bill, 1978," appendix B; hearings of the Committee on Appropriations/Subcommittee on Public Works, U.S. House of Representatives:

There is no evidence that there is any shortage of wintering habitat critical to the continued existence and well-being of flyway ducks * * * Data obtained from a number of authoritative sources indicate adverse impacts which the project would have on waterfowl have been generally overstated. * * * It is apparent that if the project were to result in the demise of the entire wintering mallard population in the Cache River, it would decrease * * * the total flyway duck population 1.6% * * * Exhaustive studies of this matter indicate only 0.13 feet of additional sediment will be deposited in the lower 30 miles of the floodplain over the next 100 years, and that there will be no net sediment deposition in the White River over the long term * * * Further, at the current rate of clearing by private landowners, coupled with siltation, any attempt to preserve the woodlands in their natural state by simply not completing the project will probably have more serious impacts on waterfowl habitat than would the project which includes positive measures to preserve and enhance this habitat. * * *

Opponents allegation No. 1.—The Cache River project should be discontinued because carrying it out will result in clearing 170,000 acres of southern flood plain forest in the basin and this resource should be protected for present and future generations.

Factual data.—Forest clearing began in this basin in the 19th century and is continuing. Analysis of aerial mapping data compiled in 1973 showed that the flood plain forest acreage in the basin had shrunk, through clearing, to not more than 116,000 acres, of which 16,000 acres belongs to the State of Arkansas and is managed for fish and wildlife purposes. Also, in 1973, only 14,000 acres of wetlands could be identified in the basin. The most recent estimate of privately owned flood plain forest acreage in this basin sets the figure at not more than 86,000 acres. It should be remembered that:

Not all this forest is in tracts considered large enough for efficient and effective fish and wildlife management;

No Arkansas State or Federal laws require landowners to open their unencumbered, privately held land to public use;

No Arkansas State or Federal laws require private landowners to manage their land for fish and wildlife conservation and enhancement purposes;

Neither the State of Arkansas nor the Federal Government has enacted laws prohibiting landowners from clearing their privately owned lands;

The State of Arkansas has used no funds available to it, since the early 1970's, to acquire additional flood plain forest or wetlands in the basin for fish and wildlife management;

No Federal department or agency, such as the Department of the Interior or the U.S. Forest Service, is actively pursuing a course that would lead to the acquisition of lands in this basin for fish and wildlife or other resource management purposes, except for the work which has been carried out by the Corps of Engineers in connection with the Cache River Basin project which DOI has acted to obstruct;

The Federal Government's active pursuit of full food production policies, in response to human needs and economic needs for dollars acquired through exports, and domestic and international market demand developments in the food production industry are encouraging continuation of land clearing in this food producing basin;

Continued land clearing increases the water-based soil erosion in the basin and will result in long-term damage to the basin and the waterway system draining the basin, and,

The only funds in hand, or earmarked, for acquiring the remaining available flood plain forest acreage in the basin

for use in fish and wildlife management programs is the money which has been appropriated for that purpose as a part of the Cache River Basin project.

Opponents allegation No. 2.—The Cache River Basin is the most important remaining wintering area for mallards on the North American Continent, with a winter population of between 500,000 and 800,000 birds.

Factual data.—The Department of Interior's Office of Migratory Bird Management has monitored the migratory bird population in this basin since 1958. Its best estimate of the size of the flocks using this basin as wintering ground is 163,000. It is to be wondered why the Department of Interior has allowed, through lack of funding, the White River National Wildlife Refuge—WRNWR—immediately south of the Cache River Basin, to deteriorate over a number of years in its capability to feed wildlife populations, including migratory birds, if this region is so important to such flocks. WRNWR is the largest of two national wildlife refuges located in this region. It is also to be wondered why opponents of the project have consistenly obstructed the Crops of Engineers efforts to acquire flood plain forest and wetlands in an effort to protect the fish and wildlife of the region as a part of the Cache River Basin project.

Opponents allegation No. 3.—The Cache River Basin project will only benefit a few very large landowners.

Factual data.—A study of land ownership records in this basin, undertaken at my request, found that in 1973 there were 6,444 legal landowners in the basin; 78 percent of the ownerships were in tracts of 160 acres or less. The average size of the land ownerships in the basin was 120 acres. Only 2 percent of the ownerships were of 1,000 acres or more.

Opponents allegation No. 4.—There are too many unresolved questions. The public has not had sufficient opportunity to express its opinion on this project. More study is needed.

Factual data.—This project has been a subject of public discussion for nearly four decades, since it was first authorized for study in 1938. Numerous opportunities have been available for public discussion in government conducted and privately organized meetings both in Arkansas and in Washington. Twice U.S. district and circuit court panels have had this project under consideration with regard to environmental issues. Each year since 1966 either congressional appropriations or authorization committees, or both, have had this project under public consideration.

One of the best descriptions that I have found of the environmental issues involved in this project was contained in the April 1974, edition of the Monitor, a publication of the Arkansas Department of Pollution Control and Ecology. I might add here, with some pardonable pride, that this department has been judged by the U.S. Environmental Protection Agency as one of the best, for its staff size, in the country. The aforementioned comment from the Monitor reads as follows:

> The most lopsided environmental issues the (Arkansas Pollution Control and Ecology) Commission has had, or probably ever will have, under consideration is the Cache River Controversy. It undoubtedly is also the most misunderstood.
>
> On the one side is the preservation of 70,000 acres of additional woodlands. On the other side there is no guarantee of the preservation of a single acre of woodlands which would be in addition to those which have been acquired by the (Arkansas) Game and Fish Commission.
>
> . . . Although it may be ironic the only real hope of preserving a substantial part of the remaining woodlands is in connection with the Corps project. . . .

I urge my colleagues to support this bill as reported by the committee.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. PURSELL).

Mr. PURSELL. Mr. Chairman, I would like to ask a question of the gentleman from Alabama (Mr. BEVILL), the chairman of the committee; and I congratulate the committee, both the majority and the minority, for an outstanding job.

Mr. Chairman, my question is with regard to laser fusion R. & D. The House ruled earlier this year that legislative responsibilities formerly held by the JCAE were to be reassigned to various standing committees. Nuclear R. & D. was split between the Armed Services Committee for military matters and the Science and Technology Committee for civil matters. Three nuclear R. & D. programs, including laser fusion, have potential in both military and civil applications and their jurisdiction was split between the two committees with a provision for sequential referral for consideration of these programs. Accordingly, the Armed Services bill, H.R. 6566, was referred to the Science and Technology Committee where it was amended unanimously to add operating funds for the laser fusion R. & D. program for civil energy applications.

Since the Appropriations Committee's report makes no breakdown of subprogram funding, it is important to establish the committee's intent in this regard in order to prevent misunderstandings which might arise from this complex procedure and to clearly define the position of the House in working out any differences with the other body.

With this background I would like to ask if my understanding is correct that it is the intention of the committee that the funds that it recommends be appropriated for laser fusion operating expenses are to be allocated to subprograms, both military and civil, in accordance with the subprogram funding ratios contained in the recommended authorization, H.R. 6566, as it was reported out of the Science and Technology Committee?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, we feel, certainly, that the authorization committees should resolve this question; and we will respect whatever decision the authorization committees make.

Mr. PURSELL. Mr. Chairman, I would like to thank the chairman of the committee for his clarification.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I rise in support of the bill. If we choose to shelve some of the projects the President would modify or eliminate, we lose the additional water storage we need now to relieve the growing stress we are placing on our fixed water supply.

We need the water, Mr. Chairman.

More Americans are demanding more water for more uses; and I can see a day when priority calls on freshwater will uncontrollably multiply if we do not develop more effective water resource management; and this begins with a rational program for adding to our water storage and flood control base.

Most of the dams, reservoirs and water distribution systems we now have were planned with much smaller populations in mind during the thirties and forties. We are overstretching our available water supply. We do not have enough firm, long-term carryover capacity, especially in areas of the country vulnerable to recurring droughts.

California is importing water. Oklahoma is rationing water. Water districts in Oregon are considering rationing. Communities in South Dakota are already hauling water. In much of the Great Plains, ground moisture is 30 to 40 percent of normal, and thousands of wells are going dry. It is projected that in much of the Midwest and West, up to 60 percent of the small farms will require 5 years to recover from the effects of protracted drought, and that 5 percent will never recover.

The area of hydrologic drought has deepened and is spreading eastward. The Geological Survey in May reported that about 60 percent of the Nation's streamflows were averaging well below normal. The flows of the Nation's big five river systems, the Mississippi, St. Lawrence, Columbia, Ohio, and Missouri, serving our largest population, industrial and agricultural centers, are averaging about 40 percent below normal.

In some parts of the West where recent torrential rainfall has had the effect of moving the dust around, streamflows are averaging 80 percent below normal.

Dr. Robert Clark, Associate Director of Hydrology, NOAA, tells me that drought has all but purged California of fresh water. Streamflows in central California are among the lowest in the Nation. The Sacremento Basin is averaging 10 to 20 percent of normal, and the San Joaquim Basin has less water than that. Farmers in the San Joaquim Valley are faced with surface water shortages averaging 25 percent of normal supply. Ground water is available if it can be pumped, but pumping taxes California's already overburdened power reserve. These farmers badly need more water storage.

In my own region, the Pacific Northwest, water supply is deteriorating rapidly. The Upper Columbia above Grand Coulee Dam is averaging 40 percent of normal; the Upper Snake above American Falls is 35 percent of normal; the

Snake at the Washington State line is 35 percent of normal.

The 90-percent hydroelectric dependent Pacific Northwest may have to adopt rotating blackouts if Columbia River streamflow at The Dalles goes to 55 million acre-feet below the lowest flow million acre-feet below the lowest flow of record. We stand to lose some of our most valuable industries. Yet the diminishing supply of water available for power in the Northwest is being drawn down further by other priority claimants: by irrigators threatened with total crop losses, by fisheries who may lose entire seasonal catches, by Indian tribes demanding longstanding water-use rights.

The losses to our economy from drought border on the incalculable. In California, between $2.9 and $6.3 billion in State GNP will be lost this year—losses directly attributed to insufficient water supply. Up to 260,000 may lose their jobs as a result, adding billions more in lost wages.

In my own State of Washington, we face agricultural losses of up to $400 million; and it is estimated that every dollor a farmer earns in my State is turned over seven times.

In Minnesota, crop losses are estimated at $1.45 billion, and the number of dairy farmers there has diminished by 3,000 to a record low of 30,600 because there is not enough water to do business. Major drought-related fires in New Mexico have burned away over 45,000 acres of timber and grass worth $15 million. I could go on and on.

Mr. Chairman, this body has gotten quite used to the litany of woe about the lack of water in the West, and elsewhere; but there just is not enough water to go around.

If we do nothing more about planning for water scarcity, there will be more legitimate claims for water than water left to satisfy those claims. We will end up competing for water in the courts.

If we do nothing more about planning for water scarcity, freshwater will follow the same depletion curve as the domestic production of crude oil and natural gas. Water is a finite resource; renewable, yes, but not inexhaustible. We have got to control what comes to us. To waste this resource by not collecting and allocating it rationally will put catastrophic constraints on our capacity to match food, energy and other water-dependent supplies with the growth we are already undergoing.

Dr. Helmut Landsberg, acting director of the Institute for Fluid Dyamics and Applied Mathematics at the University of Maryland, and one of the world's foremost climatologists, tells me that periodic droughts in the United States are not uncommon and they are very likely to repeat.

We seem to have severe droughts in the United States every 20 years or so, geared to the solar cycle, he says; and as our population grows, and our need for water grows, the impacts of future droughts on our water supply will be much, much greater. Unless we develop carefully planned water resource strategies now, much of the country, the West especially, will dissipate its freshwater base.

The West is growing rapidly. Population growth in the much drier West is already impinging seriously on complex and fragile water-use interdependencies. The Census Bureau reports that population in 13 Western States between 1970 and 1976 grew by 10.7 percent, or 32.8 percent of the total U.S. population growth over this period. Much of this growth is occurring in Western cities with populations over 50,000, representing 33.9 percent of total U.S. metropolitan growth between 1970 and 1974.

Accelerating Western municipal and industrial water use is beginning to crowd out traditional and "prior" agricultural rights; and State to State diversions of scarcer water to meet the most desperate needs are straining mutual rights agreements under multistate compacts.

With population growth in the West, we will need much more water to provide energy. As oil and natural gas fuels are phased out, new Federal energy source options will use much more water in such production processes as getting oil from shale or the liquefaction of coal.

New electrical generating plants will use enormous amounts of water for cooling; and this is water never returned to the supply system. The Water Resources Council estimates that each new nuclear plant will use 235 gallons of water to produce a million Btu's of electrical energy. By contrast, conventional fossil fuel plants use 120 gallons to produce the same amount of energy.

And if the President's coal policy is implemented, the West would become one of the principal suppliers of the low sulfur coal needed to comply with national ambient air quality standards. The President's proposal to increase coal production from 665 million tons per year in 1976 to 1,225 million tons per year by 1985 would impact badly on the West where new strip mining industries would become major water use competitors. According to Andy McCue in Energy User News, the price of water will easily be a factor in the cost of Western coal production.

If the President's choice of using coal slurry pipelines to carry crushed coal to powerplants is implemented instead of using our existing railroads to do this job, many Western States will lose substantial supplies of nonrenewable water.

On one hand, the administration plans to make major new demands on our diminishing fresh water base, and on the other hand, chooses to forfeit the means to provide the additional water we will absolutely require.

Mr. Chairman, I respectfully question a Presidential policy that would modify the Bonneville Central project, for example, by cutting back a carefully planned 313,000-acre-foot supply to 36,000 acre-feet, depriving irrigators and urban areas in the Bonneville Basin of badly needed water; and at the same time, wipe out 133,000 kilowatt-hours of low-cost hydroelectric generation.

It makes little sense to me that the administration chooses to eliminate entirely the Hillsdale Lake project in Kansas. This project is already 30 percent complete. It was authorized in 1954, based on carefully projected water supply and flood control requirements of the general Kansas City area; especially when the purchase of water for Kansas City's municipal supply from Hillsdale Lake was already contracted for.

Each project the committee recommends is an authorized project. The Congress has already considered each one of them on their merits, and made its decision based on numerous reports and extensive hearings—days and days of hearings. These projects were studied again and again in the authorizing process and in the appropriating process. Bringing a water project on line from the planning stage, to authorization, to funding is a very lengthy process. These projects did not loom up suddenly overnight. Each one of the committee's recommendations brings to this floor careful thought given to current water needs and future water needs.

These projects will not solve today's water supply problems, Mr. Chairman. In a sense, they are stopgaps for the future. They can only help until we build an integrated water distribution system that includes storage along with carefully considered distribution allocations.

I am convinced that we can safely and efficiently increase our water supply. In the Pacific Northwest, the Army Corps of Engineers estimates that an additional 18 million acre feet of storage can be provided, meeting strict environmental and cost-benefit criteria. This would provide enough water storage for the Pacific Northwest to meet all its competing water needs through 2020.

I would be the first to agree that we must exercise great caution in selecting sites for water projects, and that we make very sure that each site considered meets the most stringent environmental and cost-benefit standards; and I agree that the Congress ought soon to consider rules to make sure that future projects are screened this way.

I do not agree that all of the projects singled out by the President for modification or elimination comprise a sound budgetary or water resource policy; and I find it especially ironic that the President insists on carrying out what amounts to a policy of future domestic water supply curtailment while financing a number of foreign water projects through U.S. participation in the World Bank and the International Development Association's loan program.

We are currently financing up to a billion dollars in hydroelectric projects around the world. Fifteen nations are benefiting from this funding, and I have to ask: What kinds of cost-benefit analysis did these projects get? and did the cost-benefit guidelines change for these projects in midstream to accommodate them?

The President approves U.S. funding for such projects as Rumania's $50 million hydroelectric plant, yet he seeks to eliminate entirely, Oregon's $82 million Applegate Lake project providing water storage for irrigation, municipal and industrial supply, flood control and fish and wildlife enhancement to an area already suffering losses in agricultural sales that may amount to $360 million this year; and where the Governor has

requested a contingency water supply plan, as well as cutting back on water used in all State buildings.

I urge this body to reconsider the President's priorities, so we can meet urgent domestic water-use requirements first before we send desperately needed Federal assistance elsewhere.

Here is a list of World Bank and IDA-funded hydro projects since January 1975:

A PARTIAL LIST OF IRRIGATION PROJECTS FUNDED BY THE WORLD BANK AND IDA

Country, source of financing, date of loan, and extent of loan

Bangladesh, IDA, January 1976, $22 M.
Bangladesh, IDA, April 1975, $27 M.
India, IDA, February 1975, $45 M.
India, World Bank, June 1976, $145 M.
Pakistan, IDA, August 1975, $8 M.
Afghanistan, IDA, January 1976, $10 M.
Egypt, World Bank and IDA, June 1976, $50 M.
Greece, World Bank, August 1975, $40 M.
Morocco, World Bank, May 1975, $18M.
Morocco, World Bank, February 1976, $30 M.
Romania, World Bank, January 1975, $70 M.
Yemen AR, IDA, April 1976, $10 M.
Yemen PDR, IDA, February 1976, $7 M.
Chad, IDA, November 1975, $5 M.
Guinea, IDA, June 1975, $7 M.
Senegal, IDA, April 1975, $1 M.
Togo, IDA, June 1976, $9 M.
Indonesia, World Bank, April 1975, $65 M.
Philippines, World Bank, July 1975, $42 M.
Thailand, World Bank, July 1975, $95 M.
Sudan, IDA, June 1975, $20 M.
Columbia, World Bank, June 1975, $21 M.
Mexico, World Bank, May 1975, $150 M.
Honduras, World Bank, January 1975, $35M.
Costa Rica, World Bank, June 1975, $41M.
Kenya, World Bank, July 1975, $63M.
Sudan, IDA, June 1975, $23M.
Pakistan, IDA, July 1975, $8M.
Philippines, World Bank, July 1975, $61M.
Nepal, IDA, January 1976, $26M.
Rumania, World Bank, April 1976, $50M.
Morocco, World Bank, June 1976, $49M.
Tanzania, World Bank, July 1976, $30M.
Malawi, World Bank & IDA, March 1977, $25M.
Ghana, World Bank & IDA, March 1977, $25M.
Guatemala, World Bank, May 1977, $55M.
Thailand, World Bank, in process, $57M.
Panama, World Bank, in process, $42M.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 8 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I am opposed to this bill as reported by the committee because it funds too many projects which lack sound economic justifications, which do not have widespread public benefits, and which damage our Nation's historic, scenic, and natural resources. The committee has seen fit to recommend funding for 17 of the 18 projects for which President Carter has specifically requested no funding. The President's request was in my judgment a very reasonable one and based upon information gathered by the Corps of Engineers, Bureau of Reclamation, TVA, CEQ, and OMB over the years. In fact, the President's request was a very modest one because there are a number of additional water projects which do not measure up to sound economic and environmental standards.

Mr. Chairman, for these reasons I will offer an amendment which will terminate 16 of these projects. However, my amendment will retain the appropriation amounts, that the committee recommended, thus providing for some unearmarked funds. These unearmarked funds would be available for termination or maintenance of these deleted projects, estimated to be approximately $35 million by the Office of Management and Budget. The remainder of this unearmarked amount, approximately $115 million, would then be available to be redirected to those worthy and essential water resources projects that we all agree merit continued funding. Finally, Mr. Chairman, my amendment would save the taxpayers, over the succeeding years, an aggregate of $2.203 billion through the termination of these 16 projects and the one modification.

Some of the projects funded in this bill would damage or destroy important historic or natural landmarks. The Meramec Park Dam in Missouri would ruin Onondaga Cave, recognized by experts as one of our Nation's most beautiful. Over 40 archeological and historic sites would be lost to the Bureau of Reclamation.

The economic justifications of some of these projects are highly questionable. For example, even at their authorized discount rates, the Columbia Dam of the TVA and the Bureau of Reclamation's Fruitland Mesa and Savery-Pot Hook projects do not have benefit-cost ratios above 1 to 1. They thus violate our most important cornerstone of economic viability: the benefit-cost test. In addition, very dubious assumptions have been employed by the agencies to justify these projects. For example, a large percentage of the recreation benefits of the Meramec Park Dam project would come not from fishing, boating or swimming but from sightseeing; that is, people just coming out to gaze at what the Corps of Engineers has constructed. In the Chene, Boeuf, and Black project in Louisiana, the corps is trying to claim benefits from bringing industrial and commercial development into the most flood-hazardous zone in the United States—the Lower Atchafalaya Floodway—for the primary benefit of two large shipyards which cleared an estimated net income of $233 million in 1976. In the case of the Russell Dam on the Georgia/South Carolina border, the corps is claiming recreational benefits from inserting a reservoir between two already existing large reserviors on the Savannah River. Flatwater recreation is already superabundant in this area.

Many of these projects would uproot rural residents from their homes and inundate productive forest and farmland. The Narrows project in Colorado would displace over 800 people and drown several rural towns. The Russell Dam would displace 60 families and inundate more than 26,000 acres of forest, farmland, and wildlife habitat.

Spending money on highly capital intensive water projects actually creates fewer jobs than most other Federal programs. In fact, there would be more employment nationwide if we did not tax people to build these projects and instead allowed them to spend money as they wished. Putting money into these dam and canal projects as a way of dealing with our country's unemployment problems is in reality counterproductive.

In an effort to avoid a Presidential veto of this bill, the committee has cut the funding for water projects by 3 percent across the board in order to get back to the administration's recommended level of funding. This is surely not a sound approach to dealing with criticisms of the water development program because it penalizes the meritorious projects while doing nothing to come to grips with the serious problems associated with a number of the controversial projects that cannot measure up to environment, social, and economic standards, thereby allowing those projects which are not objectionable to be completed at a normal pace by redirecting the unearmarked funds created by the termination.

We cannot continue to spend money on projects which work such a hardship on rural residents, which eliminate some truly significant natural areas, which destroy some of our Nation's important historical and cultural heritage, and which are justified using highly questionable economic assumptions. We need to weigh these factors now, before we, the Congress, approve some of these wasteful and unwise expenditures.

For this reason, I will offer the amendment along with my colleague from South Carolina (Mr. DERRICK) to the appropriate title of the bill. I urge my colleagues to support it.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. FISH. I thank the gentleman for yielding.

I certainly commend my friend, the gentleman from Massachusetts, for his stand, and I hope he perseveres in this amendment. I hope he is successful.

I understand that there are over 500 water projects funded in this appropriation bill, and the gentleman is talking about 16 of them only. I do hope that the Members of the House have a chance between now and tomorrow when we consider the gentleman's amendment to examine each one of these 16 projects, and each case will bear out precisely what the gentleman has been saying as far as cost, as far as environmental damage, and as far as alternative means to accomplish the same goal are concerned.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. FISH).

Mr. FISH. Mr. Chairman, I rise in support of cutting the funding for the Clinch River breeder reactor project to a level no higher than that which is called for in H.R. 7553, as reported from the Committee on Appropriations. The $33 million called for in this bill would go primarily for design and contract termination costs. The testimony that our Science and Technology Committee has

heard just last week persuaded me that now is the time to call an end to the Clinch River program—CRBR. The costs and risks are far too high, the benefits for the near future are uncertain.

Because of the timetable imposed by the Budget Act and a crowded legislative calendar, the House is proceeding on this appropriation bill without having first considered the ERDA authorization for fiscal year 1978—which includes nuclear research, development, and demonstration. Tomorrow morning the Committee on Science and Technology will meet to determine if further actions or changes of any sort to the Clinch River program are in order. This determination will be based on the 4 days of hearings last week. I would like to take this time to share briefly the arguments we heard against continuation of the CRBR.

Dr. James Schlesinger, Assistant to the President for Energy, testified that the CRBR has become a highly questionable project based on two factors: Projected nuclear power capacity and the amount of uranium resources available to provide fuel for light water reactors.

Congress first approved the Clinch River breeder project in 1972. At that time, the Atomic Energy Commission estimated that by the year 2000 the United States would have 1,200 gigawatts of nuclear power generating capacity—a gigawatt is a unit of power equal to 1 billion watts. In 1975, this was revised downward to 800 gigawatts—GW. Now the estimate is that the United States will have only between 300 and 400 GW of nuclear power in the year 2000—a drop of 67 percent to 75 percent in the estimate since Congress authorized the CRBR just 5 years ago. Dr. Schlesinger testified that this reduction was due primarily to a drop in the estimated total power demand.

The other major factor which Dr. Schlesinger discussed is the amount of uranium available. Current ERDA estimates are that 1.8 million tons of uranium oxide can be mined in the United States, with an additional 1.8 million tons of potential domestic uranium resources probably available. These totals exclude foreign sources. Given the decreased estimated demand for nuclear power in the year 2000, this amount of uranium will be more than adequate to handle the demands of our light water reactors.

Commercialization of the breeder reactor on its present schedule is simply not justified. The current program is based on the assumption that the breeder would be our next large source of energy and would be needed by the early 1990's. Dr. Schlesinger testified that in a recent review of the breeder program, a case was examined using 3.7 million tons of uranium, 4 GW of nuclear capacity in the year 2000, and a 3.3 growth return in electrical power beyond the year 2000. Under these assumptions, the first commercial breeder would not have to come on line until about the year 2020.

Mr. Chairman, I am not overlooking another element of the breeder reactor controversy and that is, of course, the proliferation issue. In itself, the proliferation problem is enough to warrant an end to the Clinch River program. President Carter has expressed the fear that deployment of plutonium-based breeder reactor systems will aggravate the potential for proliferation of nuclear weapons capability in nonweapon states and among terrorist groups. Several witnesses before us last week echoed this concern. I do not think I need to warn any Member of this House of the potential danger should nuclear weapons fall into the hands of irrational parties abroad. That alone is reason enough to stop the Clinch River project at this time.

The figures presented to the Science and Technology Committee showed convincingly that the CRBR project and subsequent commercialization of the breeder can be indefinitely deferred without harm to our energy supply. We can turn our attention to developing an improved conservation policy, thus reducing the rate of growth of energy and electrical demand. We can concentrate on developing our tremendous domestic coal reserves. We can push harder for the ultimate development of solar energy and other inexhaustible energy options. These are all viable and safe alternatives which should be developed concurrently, in lieu of the costly and dangerous Clinch River project.

Mr. Chairman, I hope my colleagues will support the cancellation of the CRBR construction and licensing efforts. Support of H.R. 7553, unamended, will accomplish this. We cannot postpone confronting this issue another week, another month, another year.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I commend the distinguished gentleman from New York as well as the gentleman from California, the chairman, for the work which has been done in the Science Committee. As a member of the Science Committee, I know for a long time I have questioned the cost effectiveness of the breeder reactor program. I think we are making a significant step in funding it at the basic level, and I thank the committee for the work they have done on this.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding.

Even though the gentleman mentioned a moment ago that there are only 16 or so projects that my colleague, the gentleman from Massachusetts, intends to delete or phase down in this appropriation, is it not also true that many of these projects are well underway, perhaps 20 or 30 or 40 or 50 percent completed? My point is, it is not fair to say those 16 projects only, even though the gentleman from Massachusetts might have carefully selected them, along with President Carter. They are projects which have been given a great deal of consideration by this committee and the authorizing committee for many years and they are not just something someone dreamed up out of the hat.

Mr. FISH. That is certainly true, but the fact is there are over 500 projects and it is a matter of record and it is in the committee report. That figure is right there, but I think also my point is, speaking to the gentleman from Massachusetts, that I do think in considering something as important to the Members as this and of the magnitude of many of the projects concerned, it would be well for each Member to do what I am sure the gentleman would advocate too, which is to look at each of the 16 projects as an individual case, trying to determine how long it has been funded, exactly what does it do, and who will it benefit.

Mr. ROUSSELOT. And what is the cost/benefit ratio?

Mr. FISH. And what is the possible environmental damage. Is there an alternative means of accomplishing the same result with far less expense involved and far less environmental damage.

I am glad that we will have the opportunity overnight to consider the merits of the gentleman's amendment.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, is it not also true that the Environmental Protection Agency and various State and Federal institutions are also involved in many of these cases and have looked at this, and so it is not just the judgment of one or two agencies or of the Congress alone but in many cases the judgment of local agencies also?

Mr. FISH. I imagine that is so. I take the gentleman's word for it. But of all Members, I am sure the gentleman from California would not substitute the judgment of Environmental Protection Agency for his own considered judgment or that of this body.

Mr. BEVILL. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, H.R. 7553, the public works appropriation bill for water and power development and energy research for fiscal year 1978, provides $10,221 million in budget authority and $5,185 million in estimated outlays.

The subcommittee allocation under the budget resolution targets is $10,748 million in budget authority and $9,557 million in outlays. The bill is $528 million in budget authority below the subcommitee allocation. Total outlays, however, are estimated to exceed the subcommittee target by $135 million. This appears to result from a redistribution of outlays among subcommittees in the Appropriation Committee subdivision of the total functional allocation under the budget resolution, which of course, is within the prerogative of that committee.

The overage is only about 1 percent of the total outlays allocated to this subcommittee. No further assumptions contained in the first budget resolution remain to be considered by this subcommittee. Since estimated outlays for several other appropriations bills are likely to be less than assumed in the resolu-

tion, I am confident that the total allocation made to the Appropriations Committee will not be breached.

I congratulate the gentleman from Alabama in his new and challenging role as chairman of the Public Works Appropriation Subcommittee and commend his leadership in bringing this very difficult bill to the floor at this time.

Mr. BEVILL. Mr. Chairman, I yield 8 minutes to the gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. Mr. Chairman, I rise today in suport of this Public Works appropriations bill.

This year I have had the distinct privilege of serving as a member of the Subcommittee on Public Works Appropriations and I am convinced, after many, many weeks of hearing from hundreds of witnesses and reading reports of numerous experts, that the bill we are considering today is a sound, reasonable proposal for dealing with the problems of funding energy research and natural resource development of our Nation.

I would like to commend our chairman, TOM BEVILL, for the outstanding work he has done in leading our subcommittee through the extremely complex, and often confusing for a layman, justifications for the budget proposals of the agencies funding in this bill. As I am sure my colleagues know, this is his first year as chairman and, I must say, he has proved to be extremely able and fair with the gavel. I have found it to be an honor and a pleasure to work with him, and with the able ranking minority member, the gentleman from Indiana (Mr. MYERS) and with all of the members of the subcommittee.

As I mentioned, this is an extremely complex proposal covering a great number of programs and areas of governmental responsibility, but I think that it is extremely important to our Nation's future since it addresses two vital areas: Funding for ERDA and funding for the various water resource projects.

First, with regard to the funding for energy research and development, which presumably will soon be conducted by the new Department of Energy, I believe nothing is more critical to the future of this Nation than the assurance of an adequate supply of energy in the coming years.

Nothing is more in question right now, as this Congress debates a national energy policy, than the adequacy of our energy resources for the next generation, and even for the next few years. This country is now more dependent on foreign oil supplies than it was at the time of the Arab oil embargo in 1973–74. One shudders to think of the catastrophic effects of a similar embargo today, which would hit us harder than the first one did. And one shudders, or rather, shivers, at the thought of another winter like this last one, which caused natural gas shortages so severe as to close factories and schools and even put home heating in jeopardy in much of the country. There is no reason to believe that we would be any better prepared for the next hard winter than we were for the last one.

The current energy situation makes it imperative that we act across the board and make the best possible use of every energy resource we have. This means development of new energy sources as well as energy conservation. It also means long-range research into such "exotic" technologies such as advanced solar applications, ocean thermal, geopressure, geothermal, and fusion, as well as learning how to make the best use of the four mainstays which currently make up the bulk of our energy uses—oil, natural gas, coal, and nuclear power.

Not one of these approaches to the energy problem can safely be neglected, just as not one of these approaches, in itself, will solve the problem. Indeed, the problem will not be "solved," in any real sense, until the renewable energy source such as solar and fusion can take over. But all of these different approaches can help to realistically address the problem. We are going to have to live with the energy shortage, probably throughout the lifetimes of most of us who are today. And, if we fail to act as we should, if we fail to take this problem seriously enough, it has the potential for tearing apart the fabric of American civilization as we know it. No problem can be more serious than this.

The budget for ERDA which is contained in this bill does indeed call for an R. & D. program which covers all aspects of the energy problem, and it, therefore, has my enthusiastic support. I would like to briefly mention a few areas of particular interest to me. Solar energy, in particular, is an idea whose time has finally come. Solar heating and cooling is now a practical possibility, and other solar energy applications are looking more promising with each rise in the price of oil. Ocean thermal energy, which is the generation of power by using the differences in temperature between warmer and cooler layers of ocean water, has the potential for making a tremendous contribution.

Last March, I had the opportunity to attend the fourth annual OTEC Conference sponsored by ERDA. I was very impressed by this technology which will provide us with the only mode of solar utilization which can operate 24 hours a day, 365 days a year, without regard to weather. Ocean thermal energy conversion has the potential for utilization off our Gulf coast, off Florida on the Atlantic coast, and California and Hawaii on the Pacific coast: areas where there is a large supply of warm water.

The subcommittee recognizes the importance of this application and, in order to stimulate further development of the technology, has provided $10.1 million for the development of a testing platform and associated research and development. Another $4.6 is provided for increased support of longer range OTEC projects.

Another area that can make a significant contribution is geothermal energy, obtaining heat from the interior of the Earth itself. Part of this program will be research into the feasibility of utilizing geopressured energy resources: Extracting dissolved methane, heat, and pressure from deposits of super-heated, super-pressurized water deep in the ground on both the landward and seaward sides of the coasts of Louisiana and Texas. I am pleased to report that the first R. & D. well off the coast from Lafayette, La., has been remarkably successful.

Of course, we must conserve energy in every way possible. Every individual citizen must be encouraged to become more energy conservation-conscious. Conservation will not solve the energy shortage in itself, but the energy shortage cannot possibly be solved without conservation.

Now, let me turn to the water resource projects, some of which have become so controversial in recent months.

Some have derided these projects as "pork barrel": things which benefit a few politicians at the expense of the Public Treasury. But this is hardly an accurate description of the projects under consideration today. Let us remember that our Western States, where many of these projects are to be built, are suffering from one of the worst droughts of the century. Of course, no one knows when we will be able to control the climate and thus eliminate the threat of water shortage. However, until that time, we need dams, reservoirs, channels, and all the rest, to conserve the water when it is in short supply and to prevent flooding when the rains fall too abundantly.

These water projects have other advantages as well. They provide for cropland which would otherwise be barren. They provide navigation, making cities accessible to waterborne cargoes which would otherwise have to rely on alternative forms of transportation that are more costly and less energy efficient.

A project that exemplifies the importance of funding provided in this bill is the work on the Mississippi River channel at Southwest Pass. This project is one that has been incorrectly criticized as a "new start" when, in reality some $7.7 million has been allocated for this project by the Corps of Engineers.

The Mississippi River, Baton Rouge to the Gulf project serves as the navigation channel for the second and fourth largest ports of the United States, New Orleans and Baton Rouge, respectively. The passes at the mouth of the Mississippi River, which are part of the channel serving these ports, must be controlled in order to maintain adequate navigation depths. This is not a provincial project that will benefit these two cities or the State of Louisiana alone. The movement of waterborne commerce that is funneled to and from the 31 States encompassed within the Mississippi River and its tributaries would all benefit by keeping Southwest Pass, the main channel, at its maximum authorized draft all year round.

In the past the Corps of Engineers has been so overtaxed that it has been unable to maintain project depth in the Mississippi during most of 1973, a good part of 1974 and years of extremely high water level and for 157 days in 1975, with an impact of hundreds of millions of dollars in foreign trade being detained in each of these years, from world commerce, because vessels calling at the ports of New Orleans and Baton Rouge had to

be light loaded. During this period of restriction, a study was made of only 50 of the many vessels that were unable to load their full cargoes. They left behind 350,000 tons of foreign destined cargo with a value of more than $50 million.

This problem does not affect only the shippers and workers of these ports, it affects also the grain farmer in the Midwest and the coal miner and steel worker in the Ohio Valley. It affects the economy of this entire Nation. If the cargo-carrying capacities of the vessels calling at these ports continues to be restricted by reduced entrance channel depths, New Orleans will rapidly lose its status as a leading world port and this will have a detrimental effect of very real proportions on our national economy in general and the balance of trade in particular.

For your information, I am inserting a listing of the number of days during which South and Southwest Passes were less than the project depth:

NUMBER OF DAYS DURING WHICH THE PASSES WERE LESS THAN PROJECT DEPTH

Years	40 feet at southwest pass		30 feet at south pass	
	Days	Percent	Days	Percent
1970	204	55.9	315	86.3
1971	139	38.1	363	99.5
1972	0	0	301	82.5
1973	279	76.4	365	100
1974	259	71.0	365	100
1975	157	43.0	365	100
1976	0	0	365	100

The $2.2 million provided in this bill will allow the Corps to continue work on the extension of existing pile dikes and the construction of new dikes and jetties so that the flow of the river will be properly contained and, thus, the necessary scouring action will be provided to help maintain established project depths.

For the information of my colleagues, I am also inserting in the RECORD a "fact sheet" prepared by the Corps that explains this vital project:

PROJECT: MISSISSIPPI RIVER, BATON ROUGE TO THE GULF OF MEXICO, LOUISIANA—SOUTHWEST PASS AND BAR CHANNEL

Summarized financial data:

Estimated Federal Cost (Corps of Engineers)	$83,100,000
Estimated Federal Cost (U.S. Coast Guard)	28,900
Estimated Non-Federal Cost	0
Total Estimated Project Cost	83,128,900
Allocations to Date	7,705,200
Balance to Complete	75,394,800
Amount that could be utilized in FY 1978	2,200,000

Authorization: River and Harbor Act of 1945.

Location and Description: The project is located in the Lower Mississippi Delta Region in Plaquemines Parish, Louisiana, and provides for enlarging the navigation channel in Southwest Pass to elevation —40.0 mean low gulf from mile 1.1 above the Head of Passes to the —40-foot contour in the Gulf of Mexico. It further provides for aligning the channel in Southwest Pass with pile dikes and bulkheads and restoring and nourishing the banks of the Mississippi River between Venice and Head of Passes. In addition, the project includes foreshore protection to preserve the banks from erosion and new standard controlled outlets to assist in the actual growth of the delta land mass. Work previously accomplished includes all of the channel enlargement work and approximately 3 percent of the proposed work on pile dikes, bulkheads and control outlets.

Proposed Operations: The amount of $2,200,000 would be used to continue construction of pile dikes in Southwest Pass.

Justification: The importance of maintaining the project channels in Southwest and South Passes cannot be overemphasized. The major shoal problems occurring below Venice, Louisiana, have seriously impaired the operation of the Ports of New Orleans and Baton Rouge as well as industries along the Mississippi River, all of which are of vital importance to the economy of the region and nation. Maintaining a dependable channel through the passes with a reasonable amount of maintenance dredging is a Federal responsibility and requires the additional proposed work. The Benefit-cost ratio is 24.6 to 1. The average benefits for the project are broken down as follows:

Navigation	$254,030,000
Area Redevelopment	471,000
Total	254,501,000

Status of Environmental Impact Statement: The final environmental impact statement was filed with the Council on Environmental Quality on 19 July 1974, and a supplement to the final statement was filed on 19 March 1976.

Mr. Chairman, in addition to the specific economic benefits that accrue from this and other water resource projects funding by this bill, these projects all provide employment for construction and other workers who take part in their creation. As we all know, the construction industry is still experiencing one of its highest rates of unemployment in history and still is feeling the impact of the near depression it experienced recently.

It is extremely important for all of us to remember that water is a scarce resource, just as energy is a scarce resource. And, just as we need to make the best possible use of our energy resources, by conserving energy and developing energy supplies, we also need to make the best possible use of our water resources by conserving water, preventing it from being wasted, and making it work for us as effectively and efficiently as possible. To do these things, we need the funding provided by the bill we presently have under consideration. I would urge my colleagues to think hard and cast a vote to invest wisely in America's future. Please support this bill now, before it is too late.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 7 minutes to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Chairman, it is my privilege to join my colleagues today in speaking on behalf of the position of Congress on the now-famous water projects which President Carter had attempted to kill.

Surely there will be cynics who will charge that my interest is rooted solely in the fact that one of the doomed projects is located in my district. I categorically reject this cynicism. Each of the projects was adopted after extensive congressional consideration that lasted years. Each of the projects was subjected to extensive review, analysis, and consideration over years.

That is why the issue at hand is more than these unique projects. The issue at hand is one of congressional prerogatives. After years of analysis, consideration, review, and deliberation, the entire process is jeopardized by the will of a new President. The integrity of the congressional decisionmaking process is at question today.

That is why there is such wide support for the position of Congress on these water projects. The issue is not one of individual projects alone but of the entire way in which Congress allocates national resources for national good.

The Oahe project is a good case in point. I am familiar with this project. And I would take but a minute to review it as an example of the integrity of congressional decisionmaking.

On May 8, 1944, the late Senator Karl Mundt, who was then South Dakota's First Congressional District Representative, rose in this Chamber and entered into the debate on what came to be known as the Flood Control Act of 1944, authorizing among other things, implementation of the Pick-Sloan Missouri Basin program.

The Congressman, who represented an area whose farm population had peaked around 1910 and has continued to decline even until today, talked of water—of too much and of too little. Even as the Representative of a people who bore vivid memories of the agonies of the dust bowl days of the Dirty Thirties, he explained how he had been attending meetings and discussing plans for flood control and river improvements on the Missouri River ever since 1929.

Congressman Mundt told of the agreement which had been struck under which the dams which would be built to control flood waters would be built high enough to impound water sufficient for irrigation. Only the limitation of engineering science and topography were to hold down the size of the dams insofar as they could be constructed to aid irrigation.

The Congressman expressed the support of South Dakotans for all of the multiple purposes of the dams, including flood control, hydroelectric power, and navigation. He saved his superlatives, however, and drove home his primary persuasive thrust to his colleagues, as follows:

Finally, and most emphatically, South Dakotans are interested in irrigation. Growing out of the river-development program outlined in House document 475 and the May 1 report of the Bureau of Reclamation there now beckons to us one of the greatest and most profitable irrigation opportunities in this country. A proposed irrigation project near Huron, S. Dak., is one of the largest ever engineered by the Bureau of Reclamation. It encompasses some of the richest soil in this Republic. It envisages making available a regulated and consistent supply of moisture which will add greatly to the farm products available to this country and to the world. From the water impounded behind dams erected for flood control can come the source supply needed to fill irrigation ditches and

bring moisture to hundreds of thousands of parched acres.

Mr. Chairman, to this day my State has more than its share of parched acres. In fact, parts of South Dakota recorded their driest year on record last year—even drier than the thirties. The dams have been built, though. The flood control, hydropower, and navigation benefits are being realized and enjoyed; but not a single acre of federally assisted irrigation has been provided.

Let me convey a portion of what former Second District Congressman E. Y. Berry had to say in a recent article published in the Rapid City Journal:

In 1941 when the Missouri River States Committee, the forerunner of the interagency committee, was organized, Gov. Harlan Bushfield appointed me to serve with him as our State's representatives in the promotion of irrigation and river development.

I then served on the committee with Gov. Sharpe. He and I met with representatives of all the Missouri River States in Omaha during the devastating flood of 1943 when the river south of Sioux City was 10 miles wide. The downstream states that were losing millions of dollars every few years from floods, wanted the upstream States to permit large mainstream dams to be built in order to protect them from future high waters.

Gov. Sharpe and I joined the delegates from Montana and North Dakota in demanding that if we gave up some two million acres of our best lands and tax base to be flooded forever with these great reservoirs that our States would be compensated by the use of that stored water for irrigation, thus replacing the land and tax loss.

We received the unanimous pledge from the representatives of all the States, as well as the federal officials who were participating, that if we would give up our lands and tax base for flood control purposes, that such loss would be replaced elsewhere by greatly increased production through irrigation.

Mr. Chairman, it should not require any further explanation for our colleagues to appreciate the deep moral commitment of the Federal Government to the States of the Upper Missouri Basin to assist with irrigation development. The flood control features of the Pick-Sloan Plan resulted in permanent innundation of over 500,000 acres in South Dakota alone. We have no navigation in our State and the bulk of our hydropower is consumed in Minnesota, Iowa, and Nebraska—35.4 percent, 17 percent, and 16.3 percent, respectively, in fiscal year 1976.

To add insult to injury, Secretary of the Interior Andrus now has stated his belief the Federal Government has no commitment to assist with irrigation development, the one promise we have always held in good faith for recouping the overwhelming loss we suffered to the reservoirs. Apparently our sacrifice is of no significance to him.

We have certainly come a long way from the August day in 1962 when the late President John Kennedy spoke at the dedication of the Oahe Dam and said:

This dam alone will supply enough irrigation to serve an area larger than the Nation of Luxembourg.

Today we have yet to see the first acre of that commitment, and we have a Secretary of the Interior and a President who would seek to deny us any assistant for any irrigation for all time. The administration prides itself on morality, or at least symbolic morality, but where is the morality in denying my State its just consideration? If my colleagues can see it, I must confess I cannot.

In fairness to the President, however, and to provide my colleagues a fuller understanding of his position on the Oahe irrigation project, which is before us today in the public works appropriations bill, let me quote his recommendation pursuant to his widely publicized water projects review. It is:

Delete funding and reinstate only if local assurances are firm and if project is modified to eliminate the east plain service area and associated supply works.

Without embellishment, a literal reading of these words makes it obvious the President could not support his preconceived notions and justify stopping the Oahe unit on the basis of any of his previously announced review criteria—those were economic, environmental, or safety issues.

If the East Lake Plain service area is eliminated as the President recommends, irrigated acres in the James River Basin would be reduced from the 190,000 acres authorized to 125,000 acres. This modification would free up water service capacity to irrigate about 25,000 acres elsewhere, however, such as along the main supply canal as it flows eastward from Lake Oahe through Hughes, Sully, Hyde, Hand, and Faulk counties. This aspect of the President's recommendation is of interest to South Dakotans because, although it would result in a net loss of 40,000 acres of irrigation, it would be beneficial to those who are currently faced with the prospect of having a canal through their property but will not be allowed access to the water.

South Dakotans, in particular the task force established by the legislature, will be studying the President's proposal. We may decide to accept it, but I would hasten to point out that the appropriation we are considering today will not be affected whether or not we accept the President's 150,000 acre version of the project.

The key point of the President's recommendation, however, and indeed a crucial factor in whether funding should be provided, is the issue of local support. The President has said funding should be reinstated only "if local assurances are firm." The President does not answer any of my letters concerning the Oahe Unit so I cannot say with certainty what "assurances" he seeks. We have been told by a member of his Oahe Review Team they are concerned that the Oahe Conservancy Sub-District Board will not live up to the terms of their contract with the Federal Government.

In my view this is a poor argument. South Dakotans live up to their commitments. It is the Federal Government which has failed to do so in delaying and now attempting to renege on the irrigation development to which we are entitled. Let me cite the comments I made on the issue of local support in the April 5 hearing of the Public Works Appropriations Subcommittee on fiscal year 1978 funding for the Oahe Unit:

Perhaps the most pertinent of all criticisms of the Oahe Unit has been the notion that "the people don't want it." In my view a very well organized campaign has been waged to convince South Dakotans that they don't want the project. Still, surveys—including two boxholder questionnaires of my own—show support in the range of 70 to 85 percent.

The problem is, of course, determining who should have a voice in deciding the future of the project. The Oahe Conservancy Sub-District Board will appear before you today and undoubtedly express the majority position that fiscal year 1978 funding should be held in abeyance while they review the project. As far as the Board is concerned, however, the majority represents a minority of the people in the Sub-District. I understand they do represent the larger portion of the taxable property which supports the Sub-District, but the American way is one-man/one-vote not one-dollar/one-vote. Also, it should be pointed out that the new majority on the Board did not run on platforms pledged to terminating the Oahe Unit but, rather, pledged to questioning its imperfections. As recently as March 21st the Board requested and received neutral time to appear before the Oahe Review Panel.

The Oahe Sub-District Board is not the most direct representative of the prospective irrigators themselves. The elected officials closest to the irrigators are the Spink and West-Brown Irrigation District Boards, both of which strongly support the project. It has been argued that the farmers don't want the project, but it is evident that those who will be irrigating do. It is beyond belief that once the water becomes available there will not be enough farmers who want to make use of it. It has also been said that it is those in the towns who want the project, but why should farmers who will not be affected have any more to say about the project than towns people who may experience a marked improvement in business once the project is in operation? Anyone who will be adversely affected deserves every consideration, and I will do my utmost to see that he gets it.

On the other hand, extremely strong positions of support have been adopted by numerous associations and organizations throughout the state. I'd like to furnish for the hearing file an editorial from the March 17, 1977, edition of the *Aberdeen American News*, which expresses the broad support of the press throughout the state. Perhaps most impressively of all, the South Dakota Legislature, in an unusual show of bipartisan unity enacted into state law a policy in support of continued funding of the Oahe Unit. In the entire Legislature, six votes were cast against the bill. Finally Governor Kneip, Congressman Pressler, and I appear before you today to continue the tradition of bipartisan unity observed by every major official elected in our state since 1944. Senator McGovern stands with us on the other side of the Hill; but, frankly, the best I can say of our junior Senator, Senator Abourezk, who has announced he will not seek re-election, is that he is not against us.

Senator Abourezk is primarily concerned with supporting the position of the Sub-District Board, apparently without regard to what their position might be. He has said that South Dakota should not be penalized through the loss of federal assistance simply because South Dakotans have the courage to review the merits of the Oahe Unit. I certainly agree with his position in that respect, and I intend to be among the first to support any changes the Sub-District Board

may recommend which will improve the project without jeopardizing its completion. I sincerely believe, however, that the Senator has underestimated the threat to funding for the Oahe Unit and the implications of the President's "criteria" for potential additional water resource developments in our state.

Since I presented those comments to the subcommittee, the Oahe Conservancy Sub-District Board has voted to support certain alternatives to the authorized Oahe Unit. I would like to call to the attention of my colleagues my June 2, 1977, response to Chairman John Sieh with regard to the board's recent action:

WASHINGTON, D.C., *June 2, 1977.*

Mr. JOHN SIEH,
Chairman, Oahe Conservancy Sub-District Board of Directors, Aberdeen, S. Dak.

DEAR JOHN: I have your letter transmitting the resolutions adopted at the May 21, 1977, meeting of the Board of Directors. I appreciate having these official statements of the position of the Board; and to the extent possible, consistent with my perception of my responsibilities to the people of South Dakota, I will certainly do everything I can to see the policies they indicate receive the attention they deserve.

I cannot in good conscience support deletion of funds for the Oahe Unit in the FY '78 appropriations currently before the House. I would point out, however, that the Appropriations Committee has recommended that the Bureau of Reclamation study alternative solutions to the problems associated with the project and report back to Congress prior to submitting their budget for FY '79. Furthermore, I am asking the President to support the "alternatives" the Board has endorsed or to tell us if he personally subscribes to the opinion of his Secretary of the Interior that the Federal Government has no responsibility to assist South Dakota with development of our water resources pursuant to the commitment made to us in adoptiton of the Pick-Sloan Plan.

Finally, I am asking each of the appropriate agencies to comment on the feasibility of each of the "alternatives" the Board supports—not as alternatives to the Oahe Unit but on their own merits as independent proposals for Federal sponsorship. Where necessary and appropriate I am prepared to offer and support the required legislation. At best it seems the chances of success of these efforts is slight. Nevertheless I am anxious to further demonstrate to the Board my willingness to work with you in every way possible.

I will be in contact with you again when I have replies from the President and the agencies responsible for the proposals the Board has made. In the meantime, please feel free to convey any further comments or suggestions.

Sincerely,

JAMES ABDNOR,
Member of Congress.

As I indicated to Chairman Sieh, I also wrote President Carter on June 2, 1977, expressing my support for the Oahe Board's proposals, not as alternatives to the Oahe Unit but as worthy projects in their own right. I would direct the attention of my colleagues to my letter to the President:

WASHINGTON, D.C., *June 2, 1977.*

Hon. JIMMY CARTER,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: The Oahe Conservancy Sub-District Board, upon whose position you have placed great emphasis in your water projects review, has endorsed by official resolution, adopted May 21, 1977, certain alternatives to the Oahe irrigation project. These include assistance from the Federal Government for:

(1) Broadening the Great Plains Program in development of stock dams and dugouts, revitalization of the soil conservation program, development and expansion of other such assistance programs in South Dakota,

(2) cleaning, improvement in flow, enhancement of scenic areas, and preservation of the James River,

(3) development of small independent irrigation development under the Small Reclamation Act,

(4) development of voluntary water shed systems and programs on tributaries of the James River and other streams to prevent flooding, enhance flows, and conserve water resources,

(5) the WEB pipeline to provide water to municipalities and rural water systems in Walworth, Edmunds, Brown, Day, Spink, and Campbell counties and similar pipelines to Huron and other South Dakota communities, and

(6) 600,000 acres of irrigation within counties along the Oahe Reservoir.

Mr. President, these are all worthy proposals. Although I do not support them as alternatives to the Oahe Unit, I invite you to do so and submit that you have a responsibility to do so if you intend to use the Board's position as cause to oppose funding for the Oahe Unit. In any event, I am asking each of the appropriate agencies to comment on the feasibility of the Board's proposals—not as alternatives but as projects in their own right. In view of your empathy with the Board's position I know you will want to join me in seeing that their proposals are fully and expeditiously investigated, approved, and implemented.

Finally, Mr. President, I ask you, do you support these proposals? Or do you subscribe to the opinion expressed by Secretary Andrus that South and North Dakota have no commitment from the Federal Government despite the loss of in excess of one million acres of our best land? If you truly are supportive of the Oahe Board's position, what affirmative steps will you take to ensure implementation of their proposals? May I expect an early and explicit reply to each of these questions?

Thank you for your consideration.

Sincerely,

JAMES ABDNOR,
Member of Congress.

If you are inclined to vote to delete funding for the Oahe Unit from the Appropriations Committee bill, I submit that you, too, like the President, have a solemn responsibility to see that alternative steps are taken to insure the unjustified and inexcusable affront to my State is not permitted to continue. Will you support, as the Oahe Board and I do, the development of 600,000 acres of irrigation alongside the reservoirs? Are you prepared to support the other alternatives proposed by the board as well? If not, you are left with no defensible reason to oppose funding for the Oahe Unit.

Mr. Speaker, as I have said earlier the vast majority of the people of South Dakota support the continuation of the Oahe project. As a small indication of that support, I would like at this point to insert in the RECORD a sampling of the editorials which have appeared in South Dakota newspapers since the President announced his decision. These, and others which appear in the Extensions of Remarks, are but a sampling as it would be impossible to reprint everything which has been written in support of Oahe. It should be noted that this editorial support is very strong in the area which will be most affected by the project.

The material follows:

[From the Redfield (S.D.) Press, Feb. 10, 1977]

SUPPORT FOR OAHE

It is sometimes difficult to judge what the public reaction will be to actions taken by an elected body. The recent actions of the Oahe Conservancy Subdistrict board of directors is a case in point.

Following the negative attitude expressed by some of the newly-elected members of the sub-district board at the board's first meeting this year, there has been a veritable ground swell of support for the Oahe Project.

We can't recall when the action of a board has resulted in such an outpouring of editorials in newspapers throughout the state. While the newspapers in Huron and Aberdeen have long given editorial support to the project, editorials have appeared recently in newspapers in Sturgis, Rapid City, Sioux Falls, Mitchell, Britton and other cities citing support for the Oahe Project. These editorials, in general, point out that the project will benefit not just Spink and Brown Counties and not just the 15½ counties of the sub-district but the entire State of South Dakota.

Governor Richard Kneip, a staunch supporter of the project for years, has repeatedly stated that the legislature should pass a law supporting continued funding of the Oahe Irrigation Project.

Last week, following an informal meeting in Pierre of the members of the sub-district board and the South Dakota legislators, State Senator Mary McClure, Redfield, was receiving excellent response to a resolution which she will present to the State Legislature. That resolution calls on Congress to continue funding of the Oahe Project. After only one morning's effort, Senator McClure had several members of both political parties signed as co-sponsors of the resolution.

Also last week, Senator George McGovern, D–S.D., reported that a joint statement by South Dakota's four-man congressional delegation concerning the Oahe Irrigation Project is now possible. While in past years there have been slightly different perceptions of the project on the part of some members of the state's congressional delegation, Senator McGovern said that the delegation could now unite in a statement supportive of Oahe.

Numerous other organizations and individuals have taken strong stands in favor of the project and are planning future actions.

Perhaps the negative approach of some of the newly-elected members of the Oahe Conservancy Sub-district board of directors was just what was needed to shock supporters of the project out of their complacency. In recent years, supporters have not readily expressed their support. In the face of vocal opposition to the project, they have sat back with the smug feeling that the Oahe Conservancy Sub-district board would see that the project continued to move along. Now, with a majority on the board who are apparently in favor of stalling the project as much as possible, supporters of Oahe have come to realize that they will have to make their views known if the project is to become a reality in this part of the state.

OVER AT GEORGE'S

(By George Stevenson)

Shocked doesn't seem to fit the way I felt when I picked up the Aberdeen American

News Sunday morning and read the headline "Carter will ask that Oahe funds be withheld."

John Sieh, chairman of the Oahe Conservancy Subdistrict Board said "I feel the President has come out on the side of the people of South Dakota". I take issue with that statement. I am "a people" of South Dakota, and the cutting of the Oahe funding certainly isn't my interpretation of being represented. I have been following the Public Voice columns in the Aberdeen American News as carefully as possible and I believe that the opponents to the Oahe Project have been overshadowed. I do believe that the election in November said that the people of our state thought that changes were necessary, but to completely destroy the project, No! I sincerely believe that if the election were to be held again, today, that you would see an entirely different result.

George Piper of the United Family Farmers has stated that it's a person's constitutional right to write letters to Washington, D.C. in support of, or against particular issues. I say to anyone interested in the future of South Dakota, "Nows The Time." Don't wait until next week, do it now. Write your letters to President Jimmy Carter, Washington, D.C. and also send a copy of the letter, or a separate letter to the Appropriations Committee, Washington, D.C.

In 1944, the 78th Congress authorized construction of flood control and irrigation works in the Missouri River basin. Sixteen congresses and six presidents have honored the agreements. In 1968, after 24 years of continuous study and planning the 90th Congress authorized construction of the first stage of the Oahe project. South Dakota has met and maintained all the requirements set by the Congress, in order to be funded, over the years.

Now is the time to forget that there are two sides of the river in South Dakota. The issue is "Water For South Dakota". We should stand as a state, in protest for continued funding. Your letters in Washington will help. Our Congressional Delegation and State legislature have already started the wheels in motion, now its up to us, the people of South Dakota.

[From the Sioux Falls (S. Dak.) Argus Leader, Mar. 6, 1977]

OAHE AND SOUTHERN-HATCHED COST-BENEFIT RATIOS

President Jimmy Carter's countrymen in South Dakota may find themselves increasingly annoyed by the hard or firm approach—call it what you will—that he is taking with respect to the Oahe Irrigation project.

He told U.S. Rep. Larry Pressler, R-S.D., that the review of the Oahe project (and its deletion from the 1978 budget) was a continuation of a campaign promise. During the campaign, Carter told Pressler, he promised to cut unjustified projects of the Army Corps of Engineers and the Bureau of Reclamation from the budget.

"After careful evaluation, the deleted projects did not meet our cost-benefit ratio," he wrote Pressler. Carter said his administration will continue to review the Corps and Reclamation projects and additional authorization and budget changes may be made.

Gov. Richard Kneip, back from a conference in Washington, said that "President Carter was very strong in his statement about the review of the project. It worries me to the extent that come April 15 when I and others go before the federal review panel, that's going to be a hard session."

The South Dakota Legislature is moving to give Kneip some legislation that will be effective in making the state's case for continuation of $17 million in funding for Oahe in the fiscal 1978 federal budget. The case for Oahe is strong, but the hassling in proving it should not be necessary.

CONGRESSMAN NOT CONSULTED

Carter and his aides decided, without prior referral to members of Congress from the affected areas, to delete 19 water projects from the new budget. Garrison in North Dakota and Oahe in this state were among the 19 deleted.

It is presumptuous of the President and his advisers to make an initial judgment of the effectiveness of a project on what they consider the cost-benefit ratio, without going into the historical background of the project.

There is another promise involved in the Oahe project, and it is not a campaign promise. It is the promise of the federal government to provide South Dakota with benefits from the Missouri River system of reservoirs, in exchange for flood control downstream by giving up land for four dams in this state. The benefits include the prospect of irrigation by the Oahe project to lessen the state's dependence on the weather. Other benefits include power, water and recreation facilities.

The promise to South Dakota is at least 30 years old—and it has been backed by every administration in Washington—Democratic or Republican—since that time. Such a promise, enacted into law, takes precedence over a campaign promise given on the spur of the moment.

Carter's review may serve a useful purpose in reminding everyone of the basis for the Oahe irrigation and other projects. But if he or his advisers ignore the record, in South Dakota or elsewhere in the United States, President Carter in effect will be breaking the government's promises. The latter are documented; the campaign promises are not.

EXAMINE DOWNSTREAM BENEFITS

Furthermore, the cost-benefit ratio of which Carter wrote should not be accepted on its face. The benefits to areas downstream in the floodplains of the Missouri and Mississippi Rivers, from flood control in the Dakotas, are incalculable. The benefits of being saved from floods have a relation to the cost of Oahe and other benefits upstream.

U.S. Sen. George McGovern, D–S.D., has submitted a detailed defense of the Oahe Project to Secretary of Interior Cecil Andrus who will be chairman of the federal review panel. McGovern is confident Oahe will be confirmed. He said there is no cause for delay but a "compelling case" for accelerating the funding process.

McGovern said he thought the administration was making a serious mistake in recommending that funding for water projects be deleted. He said if the panel's "criteria are not on the merit of the project (Oahe) but are based on some as yet unknown 'standard', then all we have is a 'witch hunt on water development' that can serve no beneficial public purpose." McGovern hopes Congress won't back down, regardless of what the panel decides. He terms Oahe, Garrison and other proven public works not "give-aways" but sound investments of public monies that in time will be substantially repaid to the federal treasury.

McGovern said, "The time for study is behind us, the time for construction is now. Drought-stricken western states, like South Dakota cannot afford further delay."

WEATHER BIGGEST PROBLEM

This country's biggest problem right now is the weather. The harshest winter since colonial times has impacted severely on the Middle West and the East. The Northern Plains have a serious drought problem (reduced somewhat by snow last week) and the West fears it will have insufficient water for irrigation this year.

Why Carter and his advisers would pick on capital water projects that would mitigate the effect of weather on man and his crops to the benefit of 19 areas in this country is inexplicable.

In early March it's plain to see that what the weather does this year, and particularly this spring, will have far more impact on the country than anything the administration or Congress can do with spending plans, economic schemes or Southern-hatched cost-benefit ratios.

[From the Aberdeen (S. Dak.) American News, Mar. 17, 1977]

OAHE PROJECT IS GETTING IMPRESSIVE OUTPOURING OF SUPPORT

In the 30 years since the federal government promised to provide South Dakota with benefits from the Missouri River reservoirs in exchange for the rich bottom land sacrificed for the reservoirs—major factors in the downstream flood control program—there have been many crucial hearings on the Oahe water diversion project. The hearings have all resulted in further steps toward completion of the project.

The hearing scheduled next Monday at Pierre should also result in reaffirming need for the Oahe benefits and avoidance of delay in the project's completion. The hearing has been called by the U.S. Department of Interior to review the merits of the Oahe project, one of several now under construction but threatened by President Jimmy Carter's decision to delay further funding pending additional study.

The threat to the Oahe project contained in Mr. Carter's call for a delay has increased the intensity of Oahe support in South Dakota. And this has occurred despite the strong support for it that has been displayed in actions by every federal administration since Harry Truman's and every South Dakota administration since the governship of M. Q. Sharpe.

South Dakota members of Congress, both Democrat and Republican, and the state's governors, Republican and Democrat, have a consistent record of influencing Oahe advancement.

Strong support for Oahe has come throughout the years from newspapers in the area to be benefited most from the Missouri River water diversion. Leaders in carrying the Oahe campaign in the newspapers have been the Huron Daily Plainsman, the Pierre Capital Journal and the Aberdeen American News.

But now with obstacles being placed in the way of early completion of the Oahe project an unprecedented splurge of support has been expressed by additional newspapers, weekly as well as daily.

The Rapid City Journal and the Sturgis Tribune in western South Dakota are among the newspapers that have joined the Sioux Falls Argus-Leader, the Mitchell Daily Republic, the Brookings Register, the Yankton Press and Dakotan, the Redfield Press, the Mobridge Tribune, the Britton Journal, the Watertown Public Opinion and the Faulkton Record, among others in the east-river area, in demanding positive action in providing Missouri River water for the use of more South Dakotans.

Following are some typical excerpts:

Rapid City Journal:

"It has been estimated that termination of the Oahe project would result in an annual social and economic impact loss of $170 million to the state and nation. That's a loss of $8.5 billion in 50 years. Will that figure be considered in the cost-benefit analysis?

"Termination of the project would also mean the loss of a stable and guaranteed domestic water supply to 17 communities serving more than 160,000 people. How will the dollar benefits for that aspect of the project be computed?

"Will the benefits to downstream areas in the floodplain of the Missouri and Mississippi Rivers which result from the flood control afforded by the South Dakota dams be considered? South Dakota was promised bene-

fits from the Missouri River reservoirs in exchange for the land it gave up for four dams in the state. That promise should be just as important as a Carter campaign promise to cut out unjustified water projects.

"Maybe dollar values can be assigned to all of these factors. But beyond them is the human element of both urban and rural people faced with disastrous shortages of water. There is no way to assign dollar values to those human concerns but they must be considered.

"The Oahe project wasn't dreamed up yesterday. We agree with Sen. George McGovern that drought-plagued South Dakota cannot afford further delay on its development."

The Sioux Falls Argus-Leader:

"President Jimmy Carter's countrymen in South Dakota may find themselves increasingly annoyed by the hard or firm approach—call it what you will—that he is taking with respect to the Oahe irrigation project.

"It is presumptuous of the President and his advisers to make an initial judgment of the effectiveness of a project on what they consider the cost-benefit ratio, without going into the historical background of the project.

"Carter's review may serve a useful purpose in reminding everyone of the basis for the Oahe irrigation and other projects. But if he or his advisers ignore the record, in South Dakota or elsewhere in the United States, President Carter in effect will be breaking the government's promises. The latter are documented; the campaign promises are not."

The Watertown Public Opinion:

"No South Dakotan needs to be told—the state's most valuable resource, apart from its people, is its water."

The newspaper added the state must act resolutely but carefully to guarantee that an adequate share of the water now within its borders is reserved for its own needs and uses.

The Brookings Register:

"Development of the Missouri River is at stake. The Oahe plan won't satisfy everyone and it will mean a change in lifestyle for those farmers who will be forced to give up their farms as they exist today. Yet, as the past year has shown in grim detail, the state cries for a plan that can bring water to farms and cities. Oahe is one way of doing that.

"The state legislature should act swiftly and pass a law countermanding the Oahe Subdistrict's opposition to the plan and give Gov. Kneip and the South Dakota delegation the leverage they need so that project funding will be reinstated."

The Yankton Press and Dakotan:

"One of the long time proponents of Oahe—a man who has worked hard and long for the project is Sen. George McGovern.

"So it came as no particular surprise that Sen. McGovern spoke out quite strongly on the issue.

"He remarks that public statements of the administration lead us to believe that its purpose is to create employment. What better way to stimulate the economy than through worthwhile projects such as the Oahe Irrigation Project in South Dakota, the Garrison Diversion Unit in North Dakota and other proven public works? These projects are not 'giveaways,' but rather sound investments of public monies that will, in time, be substantially repaid to the Federal Treasury."

The Mobridge Tribune, in a plea for positive testimony in behalf of continuing Oahe project—

"We'd hate to see the prime bottom land South Dakota gave up for the dams and lakes, the years of planning and the investments already made in irrigation go down the river because South Dakotans didn't make themselves heard."

The Redfield Press, observing that numerous organizations and individuals have taken strong stands in favor of the Oahe project and are planning future actions—

"Perhaps the negative approach of some of the newly-elected members of the Oahe Conservancy Subdistrict board of directors was just what was needed to shock supporters of the project out of their complacency. In recent years, supporters have not readily expressed their support. In the face of vocal opposition to the project, they have sat back with the smug feeling that the Oahe Conservancy Sub-district board would see that the project continued to move along. Now, with a majority on the board who are apparently in favor of stalling the project as much as possible, supporters of Oahe have come to realize that they will have to make their views known if the project is to become a reality in this part of the state."

The American News believes the outpouring of support for the Oahe project should impress the Interior Department personnel conducting the hearing in South Dakota. And that there is no doubt it will impress members of the appropriate committees in Congress if they are forced to provide funding for the water projects without the cooperation of the Carter administration.

[From the Aberdeen American News, Apr. 24, 1977]

LOCAL SUPPORT FOR OAHE PROJECT COMES FROM LEGISLATURE AND GRASS ROOTS

Viewpoints expressed throughout South Dakota last week indicated an agreement on one factor involved in the muddled circumstances concerning the future of the Oahe water diversion project. The point of agreement emerging from the expressions is that public support, especially at the South Dakota level, will be a major influence in the federal government decision on whether to keep the project going or kill it.

The views about local support were expressed after analysis of events leading to President Jimmy Carter's decision that federal funding of the Oahe project should await further study.

Several sources pointed out that previous studies have apparently convinced the powers in Washington that the Oahe project has passed federal safety, environmental and economic tests.

The Huron Daily Plainsman stated it this way: "In short, it is still a good project by the standards that it was supposed to be judged by. But it has run afoul of political intrigue."

In explanation of the political implications the Huron newspaper said the factors that have been used—at least as an excuse—for delaying the funding are lack of unity in South Dakota's congressional delegation and opposition by the majority of the Oahe Conservancy Subdistrict Board.

Both the Huron editorial and the Rapid City Journal questioned the authority with which the Oahe conservancy board speaks for the people of South Dakota.

The Huron Plainsman said: "There is nothing in state law which authorizes this board to determine whether or not the project should be built. But there is a very recent state law, passed by the last legislature, with and emergency clause which makes construction of the Oahe unit an official part of South Dakota state policy and sets up a task force to monitor the progress of that construction."

It said this law and this task force should not be ignored.

Indeed it is a strong expression of local support.

In pointing out that the authority of the Oahe conservancy board is a bone of contention, the Rapid City Journal said: "A court suit has been filed challenging the authority of the board on grounds it violates the one-man one-vote concept in that urban areas are under-represented on the basis of population.

"A court finding supporting that contention could swing the balance of power on the board toward the urban interests and a newly-constituted board might have a majority in favor of going ahead with the project. . . ."

The Rapid City editorial said it is incumbent on the Oahe board to determine the extent of local support in a valid way that will reflect the sentiment of all interests.

It concluded: "One way to make that determination would be an advisory vote within the sub-district. Such a vote would not be legally binding but would reflect the level of support rather than the level of rhetoric."

Comments that would indicate what an advisory vote might reveal appeared in weekly newspapers.

Editor Arlo Mehlhaff, of the Eureka Northwest Blade, wrote:

"It is certainly hard to understand how experts and scientists who have worked on the Oahe water project for 25 years, must now watch it die, because President Carter knows more about the project than anyone else. Other states all the way to the Gulf of Mexico are eagerly awaiting a chance to get our most valuable resource—water. Should the project die the water will be used elsewhere. Beware!"

Publisher Fritz Clement of the Selby Record said of the Oahe project uncertainty: "It is a perplexing problem, about which many of us are not too sure that we have all the details and hopefully, it will be resolved in such a manner that all of South Dakota will receive a proper share of the benefits."

Merle Lofgren, publisher of the McLaughlin Messenger, wrote:

"We don't pretend to know who is right in the arguments among the people in eastern South Dakota for and against irrigation. There is probably some right on both sides.

"So what happens to the millions of gallons of water flowing through South Dakota every day through the Great Lakes system?

"Power people are eyeing the water supply for hydroelectric use and for generating power from coal. Both take a lot of water. Neither would be particularly beneficial to the Dakotas since most of the power would be exported. We are without large industries and large populations and do not need a great increase in power supply. Let no one underestimate the political influence of the coal and powerful companies who would like to gain control of part of this water."

I urge in the strongest possible terms a vote in support of fiscal year 1978 funding for the Oahe irrigation project.

Mr. BEVILL. Mr. Chairman, I yield 6 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, as I understand it, title I of this bill includes an appropriation of funds for the W70–3 Lance enhanced radiation warhead, or what has become commonly known as the neutron killer warhead. However, in my opinion, until President Carter has had the opportunity to review this program and decide on his own whether production of this weapon should go forward, no further work should be undertaken to develop this weapon.

When I first learned that funds for the neutron warhead were included deep in the ERDA budget I was deeply disturbed, not only because I believe this to be a bad and unnecessary weapon, but because there had been no effective debate on it in committee and further-

more because it looked as if funds would be approved for a program of which the White House had no knowledge

Basically this weapon is part of a new miniaturized class of tactical nuclear weapons which differ from currently deployed U.S. tactical weapons in several ways. The neutron warhead is smaller, and packs less of an explosive yield than the heavier current weaponry. It is designed to release extremely lethal and intense radiation at the point of impact, giving it a greater capacity to kill enemy troops but less capacity to exact unwanted damage. This combination of a small blast with an instantaneous flash of direct radiation would result in minimal wide-area fallout and a near absence of the collateral damage either to facilities and equipment or to noncombatants or friendly troops which is usually associated with regular nuclear weapons.

The neutron warhead proponents see these features as extremely attractive. They praise the warhead as safer, cleaner and more humane. After all, this weapon would inflict less damage on our allies and the nearby towns and civilians than would the current arsenal of tactical nuclear weapons. Less structural damage and fallout would occur. This weapon would be more accurate and efficient in killing enemy troops for there is no protection against neutron radiation. Even personnel inside tanks would be affected, although the tanks themselves would not be hurt at all.

All of this, they say, adds up to a more credible deterrent to an aggressor. On their face those arguments may sound convincing. But it is for those very same reasons that I express my concern. For if it really is safer, cleaner, and more humane, as its advocates claim, then the temptation to actually use it is much greater. There exist today strong inhibitions to pulling the nuclear trigger. But deployment of such a warhead, a weapon of mass destruction, would reduce those inhibitions. The prospects for containment are dim, for if there are those who talk in terms of a weapon's permissibility, then control cannot be considered absolute.

But supposedly this increased likelihood of use will deter the Russians. But that argument presumes the feasibility of a limited nuclear exchange—that this or any nuclear weapon could actually be used without setting off a full-scale nuclear war. I cannot accept that premise, and it is my understanding that neither can Secretary of Defense Harold Brown.

On the contrary, the fact that this weapon may be easier to use increases the chances that it will be used and thus opens wider the gates to an eventual all-out nuclear war. By exploring the assumptions of the arguments in favor of the neutron warhead, this and other dangers associated with this weapon become apparent.

First, these mini-nukes, as they are sometimes called, should not be used first in any situation. The use of any nuclear weapon will bring a Soviet response in kind. Soviet weapons are heavier and "dirtier" than even present-day U.S. tactical nuclear weapons. Thus, even though U.S. mini-nukes might avoid collateral damage to nearby towns and people, they will provoke the use of Soviet weapons which would nevertheless inflict such damage.

Second, the current arsenal is certainly sufficient to destroy enemy troops and installations. If there are marginal efficiencies in accuracy and killing power added by the neutron bomb, they are probably not responsible for any meaningful new dimension to the current U.S./NATO tactical nuclear capabilities.

As for the humaneness of the neutron warhead, I cannot figure that argument out. Although we know very little about the properties of this weapon, it appears that victims in the center of the blast who received 10 times the lethal dose will die a very quick death. But those people on the periphery who receive merely a lethal dose will suffer a slow and unhappy death. Symptoms would probably not show up for hours and death itself might not occur for 2 days. Even sublethal doses can cause cataracts. So if this weapon is humane, it is humane only to buildings.

Because this is an indiscriminate mass casualty weapon it calls to mind the kinds of chemical and biological tools of warfare which we have agreed not to use. The distinction between these prohibited weapons and the enhanced radiation warhead is clouded, creating even more doubts about the justification of the latter's use.

Finally, mini-nukes are dangerous because they increase the likelihood that nuclear weapons will be used in a confrontation perhaps even before conventional weapons are tried. Political leaders and military commanders with such smaller, cleaner, more accurate weapons might be more prone to use them in a conflict or crisis. No one should miscalculate the provocation given by the use of any nuclear weapon. Once the nuclear threshold is broken by one side, it is highly unlikely that the other will not respond in kind. Escalation to a catastrophic nuclear holocaust is the likely fate of both. Even the successful early use of mini-nukes in battle would tend to provoke escalation. As mini-nukes are used, radios, radar, and other communications would be disrupted or cut. Without the ability to acquire new targets or to communicate with commanders in the rear, frontline nuclear forces would be forced into blind volleys of blanket firing at "suspected" targets with heavier-yield weapons. The logic of a nuclear battle dictates such escalation.

And this threat of escalation is so clearly contradictory to our own interests that the deterrence credibility of a weapon whose use may spark that escalation is significantly weakened. Or what may be just as likely, it seems to me, is that the Soviets would be less deterred from mounting an attack on Europe because of our possession of neutron bombs. For if the Soviets believed the usability argument, they would figure that the United States would act in this limited manner—certainly a response more beneficial to them than the one initiating the more devastating full nuclear attack.

President Carter has many times expressed his desire to move away from a "nuclear world" The neutron warhead is one more example of the military establishment's unwillingness to listen. Apparently President Carter, until recently, was not even aware of the development of this particular weapon. I understand that he has announced his intention to look closely at the program. In fact, just such a review is sanctioned by law. 42 U.S.C. 2121(a)(2) states that the Energy Research and Development Agency may produce atomic weapons "only to the extent that the express consent and direction of the President of the United States has been obtained, at least once each year."

On that point I would like to ask the distinguished chairman of the subcommittee whether he agrees that the funds appropriated for this weapon under this bill could not be used until and unless President Carter consents and directs their expenditure for that purpose. Is that correct?

Mr. BEVILL. If the gentleman will yield, Mr. Chairman, the gentleman is correct.

Mr. SEIBERLING. Mr. Chairman, on the basis of that assurance, I feel somewhat better. Otherwise I would be constrained to offer an amendment to make that clear.

I would hate to see this weapon bought and deployed on the basis of the very fragmentary information we have received. Certainly ERDA and DOD ought to be more forthcoming with the information necessary for the Congress to make a wise decision on this program. We need to know why we are developing this kind of weapon; how it would be used and what would happen if this kind of employment appeals to the other side. If we are going to accept either the risks or advantages of this type of weapon, then I would prefer to see that made as a conscious decision by the Congress and the President rather than the automatic result of a bureaucratic decision to develop a weapon which happens to do those things.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the gentleman from Ohio's statement. A decision to proceed is very serious and should be done only if after thoughtful consideration the President decides that in the interest of national security they should be built. However, I think many of us were worried by media reports that the Carter administration seemed unaware of the development of such warheads. I must admit my own ignorance, as well, of the significant departure from past technology that these warheads seem to represent, and feel we all will be far better off from a focusing of White House and public attention on this matter.

We are discussing here the application of nuclear weaponry in a localized theater, but we should give these matters the same serious attention that we devote to consideration of strategic applications of nuclear power. It is, in fact, the potential linkages that exist through possibilities of escalation between theater and

strategic applications that is of primary concern.

The environment in which our tactical nuclear weaponry exists in Europe and the doctrine surrounding it has changed markedly in the 20 years that the United States has maintained it there as a part of our defenses against Warsaw Pact attack. Our early overwhelming nuclear superiority at one time allowed us to maintain a doctrine of "massive retaliation." We operated under the assumption that the United States could fight and win a nuclear war against the U.S.S.R. and that this capability could be substituted for more expensive conventional forces.

Today that environment is radically different. Since the 1950's the Soviets have deployed formidable theater nuclear forces of their own. The United States no longer enjoys its former marked superiority. Because of this the risk of using our theater nuclear forces is far greater today. And in place of the doctrine of "massive retaliation" we now think of this weaponry as a deterrent to Soviet first use of such weapons and a deterrent and hedge against a Soviet conventional attack on our NATO allies.

Given the nature of the proposed uses of the neutron warhead, it is fairly clear that the role envisioned for these weapons is deterrence of a Soviet conventional attack. I find serious questions that need to be addressed about the utility of tactical nuclear weapons in this role.

The major questions we need to ask are does this warhead make the best deterrent to conventional war and what are the risks of escalation involved with its use. The neutron warhead it is argued increases the deterrent value of tactical nuclear weapons through its lower yield, improved accuracy, and reduced collateral damage. The underlying assumption seems to be that by reducing blast and heat effects while retaining antipersonnel capabilities the deterrent value is increased because we would be more likely to employ such a weapon.

The most likely scenario for its use would seem to be in a situation where NATO forces are about to be overrun but where employment of the weapon still has the possibility of turning the course of the battle. The chief question is whether NATO first use of such weapons would bring Soviet retaliation and eventual escalation of the level of nuclear conflict. Proponents of this weapons system will argue that its characteristics will allow the option of escalating from the conventional to the nuclear level with little chance that their use would be perceived as a direct threat by the Soviets. It is argued that their use will be clearly perceived to be in the role of local defense and that confusion will not exist over the tactical versus strategic manner of their introduction. The reasoning is that the Soviets would be unwilling or unable to respond for a lack of appropriate response options.

Such arguments are merely speculation. Fortunately we have no track record to go by in this area, and we are reduced to the world of the theoretical. We do need to ask ourselves what level of risk we are willing to accept that the opposite dynamic may not be set in motion by any escalation to nuclear weapons regardless of the limitation and capability of the weapons chosen to set the escalation in motion. To my mind the crucial breakpoint is not in the yields or other characteristics of nuclear devices but rather in their use at all.

We must address the question of the proper way to provide deterrence to conventional war. Is it through the use of tactical nuclear weapons? I do not think so. The development of neutron warheads has the potential of lowering the nuclear threshold and risking nuclear escalation. I do not find the risks involved acceptable. The proper deterrent to a conventional attack by the Warsaw Pact is greater conventional warfighting capability on the part of NATO forces. I do not believe tactical nuclear weapons are a substitute for conventional capability as a deterrent. I am the last one to choose higher cost solution to our military problems. But if the choice is between cost savings achieved through utilizing tactical nuclear weapons as a deterrent over conventional alternatives I see those financial benefits as being canceled out by the risks attendant to the use of nuclear technology in this role.

I certainly do not have all the answers to the questions that need to be addressed on this issue. And the floor is not the best place to fully consider such questions and reach final conclusions on such matters. I ask nothing other than that the President fulfill a legal mandate he has to review such weapons, and ask the President to give his review a high priority. The money involved here cannot be spent until October.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I too am very much concerned about this new weapon system. If I understood the gentleman correctly, no funding will be provided for this equipment until the President himself has requested it specifically.

Mr. SEIBERLING. Funds will be provided by the Congress, but they will not be spent, as I understand it, until and unless President Carter expressly directs that they be spent.

Mrs. FENWICK. I thank the gentleman from Ohio.

Mr. BROWN of California. Mr. Chairman, I rise in support of the energy provisions of H.R. 7553, the public works appropriations bill. This bill contains the majority of the appropriations in the Energy Research and Development Administration, although as we all know, the fossil and end-use energy conservation aspects of ERDA are in H.R. 7636, the Department of the Interior and related agencies appropriations bill, which passed this House last week.

As I stated last week, I oppose bringing appropriation bills to the floor before the authorization bills are acted on. In the case of ERDA, the Science and Technology Committee met its deadline, and it could have been possible to follow the proper schedule. My concern about the procedure is less in the case of the bill before us than it was with the Interior and related agencies appropriations, because it is quite obvious that the public works appropriations bill reflects many of the recomendations of the authorizing committee. The chairman of the subcommittee, Mr. BEVILL, is to be commended for his ability to be flexible under the circumstances, and find a way to consider the recommendations of the Committee on Science and Technology. While the bill considered last week reflected only a few of the actions of the Committee on Science and Technology, it is obvious from the bill before us that Mr. BEVILL's subcommittee gave the recommendations of the Committee on Science and Technology considerable attention.

I would like to highlight a few of the positive changes in the ERDA portion of this bill. In the case of operating expenses for geothermal energy development, the appropriations recommended are $117,900,000, which is between the $98,500,000 recommended by the administration and the $123,900,000 recommended by the Committee on Science and Technology.

For all solar energy research, development, and demonstration, the appropriations are $316,300,000, while the administration asked for $299,100,000 and the authorization was $323,400,000.

For the portion of conservation research under this subcommittee, it is noteworthy that the appropriations are identical to the authorizations, and $200,000 above the administration's request. This is in sharp contrast to the conservation funds in the other appropriations bill for ERDA.

Finally, in the area of ERDA's environment and safety program, I am pleased to note that the appropriations are identical to the authorization, which is several million dollars above the administration request.

As chairman of the Subcommittee on the Environment and the Atmosphere of the Committee on Science and Technology which authorizes this program, I am concerned that the pace at which the energy technologies are being developed and moved toward commercialization outstrips the pace at which environmental, health and safety research is being conducted. This situation could lead to two major drawbacks. First, decisionmakers would have difficulty making choices about or comparisons between energy technologies whose effects on human health and the environment were not fully known. Second, it would be much more costly to "retrofit" these technologies in order to cure problems than it would be to anticipate and try to prevent them by modifying the hardware or processes in question.

For these reasons, I heartily commend the gentleman's committee for providing increases to the environment and safety program commensurate with the rest of ERDA's budget. These increases are consistent with the President's energy plan in that they will support a national assessment of the utilization of coal, an investigation of the climatic effects of increased carbon dioxide production

from the combustion of fossil fuels, and a liquefied natural gas—LNG—control and safety program. Our planned emphasis on these fuels necessitates a thorough knowledge of their attendant environmental and safety aspects.

I would also like to point out an important increase in the decommissioning and decontamination program, part of which is to be used for an evaluation of the decommissioning and waste disposal options of the West Valley, N.Y., nuclear waste reprocessing plant. Other additions are proposed to enhance the handling and dissemination of energy and environmental data and information, to expedite the review of safety analyses of potentially hazardous ERDA activities, and to expand environmental policy analysis.

I request the full support of all Members in passing this worthy measure.

Mr. TEAGUE. Mr. Chairman, on January 14, 1972, the Chairman of the Atomic Energy Commission, Dr. James R. Schlesinger, issued a statement which contained the following comments pertaining to the construction and operation of the Nation's first demonstration liquid metal fast breeder reactor plant.

This is the demonstration plant which is now referred to as the Clinch River breeder reactor project:

I am very enthusiastic about this project because of the inherent advantages in the breeder, which will produce more nuclear fuel than it consumes.

From a transcript of a press release on January 14, 1972, the then Chairman of the U.S. Atomic Energy Commission, Dr. James R. Schlesinger, made the following statements:

Our best hope today for meeting the Nation's growing demand for economical, clean energy lies with the fast breeder reactor. Because of its highly efficient use of nuclear fuel, the breeder reactor could extend the life of our natural uranium fuel supply from decades to centuries, with far less impact on the environment than the power plants which are operating today.

The breeder reactor will be able to provide electrical energy for tens of thousands of years, should that be necessary. So that this technology provides security for the Nation's energy supply.

This demo plant would be fueled with plutonium, which provides more neutrons and better neutron economy, and consequently we anticipate that this will be the major step towards commercial exploitation of the breeder, rather than a plant.

It is the hope that in the period around 1985 that the breeder reactor may become commercially competitive with existing light water reactors.

Dr. Schlesinger went on to say:

Now one of the major advantages of the LMFBR is that it would reduce the amount of thermal waste significantly as compared not only with present day nuclear plants, but in comparison with fossil fuel plants.

The reason for this is that we anticipate very high thermal efficiency, because these plants can operate essentially at 1,000 degrees interested 600 degrees. This plant will produce less waste heat than existing nuclear plants, and even less than existing fossil fuel plants.

ECONOMICS OF NUCLEAR POWER

Dr. Schlesinger had reason to be optimistic in 1972. The breeder reactor then as it does now promised to be a clean, dependable, efficient, economical, and environmentally sound producer of energy. According to the Atomic Industrial Forum, on the average, if a consumer of electrical power receives his electricity at home from a nuclear plant he will save $175 annually over what the electricity would cost if it was produced by an oil fired plant. The following savings have been identified:

First. By Commonwealth Edison, Chicago; 2.7 million customers, $125,000,000 saved annually;

Second. By Duke Power and Light, North and South Carolina; 1.1 million customers, $138 million saved annually;

Third. By Northwest Utilities of New England; 1 million customers, $70 million saved annually; and

Fourth. By Iowa Electric and Power; 44 percent nuclear, $16 million saved annually.

By the year 2000 it is estimated that 38 countries will use nuclear power at cost to the consumer which would be 20 to 50 percent less than any other form of power that will be available at that time.

The magnificent aspect of the breeder reactor concerns the "tailings" stored on hand, by the United States in Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio. These tailings are left over from the uranium enrichment process. Alone they are not of significant value but, when inserted in a breeder reactor can be converted to fuel. This fuel when converted would be equivalent to 700 years of electrical energy consumed at the rate that it was used in 1976. Although these tailings do not have the properties of oil, they do have the potential for the energy content of 1 trillion barrels of oil. This is the hope for delivering electricity to people at home, to industry, to commerce, and to the government itself at prices that can be afforded.

PROLIFERATION

The President has become concerned over the problems involving proliferation of nuclear materials for weapons production. However, the Clinch River breeder reactor demonstration plant cannot cause or prevent proliferation.

No nation, not one, that has developed a nuclear weapons capability has ever needed or used a power reactor or a plutonium breeder reactor to do it. This includes India, China, Russia, France, Great Britain, and the United States. There are easier and more economical ways to construct a weapon. For this reason, the Clinch River breeder facility has little impact on proliferation or prevention of proliferation. The Clinch River project is favored by 22 of the Nation's leading scientists and engineers, and is opposed by only three. The names of these persons are attached to the end of this statement.

ARGUMENTS AGAINST THE BREEDER

Opponents of the breeder reactor base their arguments on fear rather than reason and they relate nuclear powerplants to bombs. The difference between powerplants and bombs is very simple to explain. In nuclear fuel there are generally two basic ingredients, one is what we call nonfissile material, the other is fissile material. In order to carry out a nuclear reaction which occurs in both powerplants and bombs it is required to have a certain amount of fissile material. In the present nuclear powerplants the fissile material amounts to approximately 3 to 3½ percent of the total material. In a bomb it takes generally 90 percent of the total material. This makes for a very fast instant reaction. Powerplants do not contain sufficient fissile material to sustain a nuclear explosion.

FOREIGN SUPPORT FOR THE BREEDER

During my visit on June 2, 1977, at the French breeder reactor, which became operational in 1974, I was informed by M. Bernard Gregory, Directeur General, DGRST; M. Bertrand Goldschmidt, Directeur des Relations Internationales, Commissariat a l'Energie Atomique; M. Xavier du Crauze de Nazelle, Chef de Service, Service des Affaires Scientifiques, Ministere des Affaires Etrangeres; that there was no other known source of energy that was sufficiently developed at this time to meet the energy demands of the future other than nuclear power. President Jimmy Carter had hoped that foreign nations, principally France, Russia, Germany, Great Britain, and Japan would delay their work on their breeder programs if we were to terminate or delay our effort on the Clinch River breeder reactor project. Since the President announced his position on this project we have been in touch with science advisers from four embassies who have stated implicitly that they do not intend to terminate, delay, or change their programs in any way.

THE BREEDER IS ENVIRONMENTALLY SOUND

The Clinch River breeder facility is a vital link in the development of an environmentally clean source of energy. Electrical power can be produced using plutonium with less hazardous nuclear wastes than nuclear powerplants presently being constructed. Further, no stack gas omissions other than waste heat are emitted by breeder reactors. There are no hydrocarbons, sulfur or nitrogen oxides. The annual nitrogen oxides from an equivalent coal fired plant would be equal to that of 200,000 automobile exhausts. Multiple safety features prevent the release of radiation to the atmosphere. The noise level is approximately the same as a coal or oil fired powerplant because most noise is created by the same turbines and generators.

IS CLINCH RIVER WORTH THE COST?

It has been argued that the Clinch River breeder facility does not have a positive cost-to-benefit ratio. This means that the Clinch River facility would cost more than it is worth. Without an extensive computer simulated study and without precisely knowing the future energy demands, the future availability of oil, gas, and coal 30 years from today, it is not possible to construct a meaningful cost-to-benefit ratio. What is known are the following facts:

First. That for the last 20 years the United States has increased its electrical demands by 6 to 7 percent each year;

Second. Most utility companies presently believe in a 5 to 7 percent per year increase in electrical demand over the next 10 years.

Third. The growth rate for electrical demand is presently at 6½ percent.

Fourth. By 1985 we will experience the following:

A 34-percent increase in the number of households, a 25-percent addition to the labor force, and a 61-percent growth in consumers between the ages of 25 and 34.

Fifth. More industry and homes will, by necessity, convert from natural gas to electric power.

Sixth. Efficient ground mass transit implies greater electric demand. These facts combined with the imminent exhaustion of other national resources, including uranium, dictates a need to work on the development of a technique which will provide sufficient energy. While there are other forms of energy that may become available to us, such as solar, geothermal and fusion, as well as other fuel cycles beyond the plutonium cycle, there is nothing on the horizon besides coal and nuclear energy that this Nation can depend on.

The Flyer at Kitty Hawk sustained flight in North Carolina in 1903. The 747 made its demonstration flight on February 9, 1969. There are many planes that had to be constructed during this intervening period in order to expand the technology. The Clinch River breeder is closer to the Kitty Hawk than the 747. It has been argued that it is not necessary to build a plant such as the Clinch River breeder reactor. It has been argued that we will wait and learn from the French, the Russians, and from others. This would be expensive and would cause the United States to lose technical momentum on a most vital national program; 1,800 scientists and engineers would be placed out of work upon termination of this facility. An additional 2,500 who are now making equipment for the facility would also be placed out of work. Termination costs alone would be $626 million which would represent no benefit or return to the taxpayer.

In addition the U.S. Government has the unprecedented support of 753 members of the utilities industry who have contributed $300 million to the Clinch River project. The U.S. Government entered into a legal contract with the utility companies. Termination of this project will violate that contract. Every Member is urged to support—a project is significantly important to the future of the Nation.

I include the following:

SUPPORT FOR NUCLEAR BREEDER REACTOR

Samuel Iacobellis, President, North American Rockwell, Atomics International Division, 8900 De Soto Street, Canoga Park, California 91304.

Robert Laney, Deputy Director, Argonne National Laboratory, 9700 South Cass Avenue, Argonne, Illinois 60439.

Dr. Robert B. Richards, General Manager, Fast Breeder Reactor Products Dept., General Electric Company, 310 De Guigne Drive, Sunnyvale, California 94086.

Kenneth A. Roe, President, Burns & Roe, Inc., 700 Kinderkamack Road, Oradell, New Jersey 07649.

Dr. Alexander Squire, Director, Hanford Engineering Development Laboratory, P.O. Box 1970, Richland, Washington 99352.

J. H. MacMillian, General Manager, Babcock & Wilcox, P.O. Box 1260, Lynchburg, Virginia 24505.

W. W. Finley, Jr., President, General Atomic Company, P.O. Box 81608, San Diego, California 92138.

David R. Toll, President, National Association of Electric Companies, 1140 Connecticut Avenue, N.W., Suite 1010, Washington, D.C. 20036.

Howard Winterson, President, Combustion Engineering, Inc., 1000 Prospect Hill Road, Windsor, Connecticut 06095.

Dr. Ralph E. Lapp, 7215 Park Terrace Drive, Alexandria, Virginia 22307.

Dr. Frederick Seitz, President, Rockefeller University, New York, New York 10021.

Mr. Thomas G. Ayers, President, Commonwealth Edison Company, P.O. Box 767, Chicago, Illinois 60690.

Mr. Aubrey J. Wagner, Chairman, Tennessee Valley Authority, New Sprankle Building, Knoxville, Tennessee 37902.

Mr. B. B. Barker, Exec. Vice. Pres., Duke Power Company, 422 S. Church St., Charlotte, North Carolina 28201.

Mr. William R. Gould, Senior Vice President, Southern California Edison Company, P.O. Box 351, Los Angeles, California 90053.

Mr. Robert F. Krause, Chairman, New England Electric Systems, 20 Turnpike Road, Westboro, Massachusetts 01581.

Mr. Floyd W. Lewis, President, Middle South Services, Inc., Box 61000, New Orleans, La. 70161.

Mr. D. Bruce Mansfield, President, Ohio Edison Company, 47 North Main St., Akron, Ohio 44308.

Mr. Robert D. Partridge, General Mgr., National Rural Electric Cooperative Assoc., 2000 Florida Avenue, N.W., Washington, D.C. 20009.

Mr. Robert T. Person, President, Public Service Company of Colorado, 550 Fifteenth St., Denver, Colorado 80202.

Mr. Alex Radin, General Mgr., American Public Power Association, Suite 212, 2600 Virginia Avenue, N.W., Washington, D.C. 20037.

Mr. Wallace B. Behnke, Vice Pres., Commonwealth Edison Company, Box 767, Chicago, Illinois 60690.

NONSUPPORT FOR THE NUCLEAR BREEDER REACTOR

Alan McGowan, President, Scientists' Institute for Public Information, 30 East 68th St., New York, New York 10021.

Dr. Arthur R. Tamplin, Natural Resources Defense Council, Inc., 917 15th St., N.W., Washington, D.C. 20005.

Dr. Alan Hammond, Science, American Association for the Advancement of Science, 1515 Massachusetts Ave., N.W., Washington, D.C. 20036.

Mr. LUNDINE. Mr. Chairman, I ask today that Members of this House join with me in an amendment to strike from the public works appropriation bill a $500,000 allocation for a project known as the Chicago water diversion project. My request is based on economic and environmental considerations.

This allocation, the first of a planned expenditure of $4.7 million over the next 4 years to be requested of Congress, would be used to plan an increased diversion of water from Lake Michigan to the Illinois River, thus lowering the level of the lake. The first reason used for justifying this project has been to protect lakefront property where some of the most expensive homes in America are located along the shores of Lake Michigan. But that protection would be accomplished at great expense to downstream homeowners and to constitutents in my own district and throughout New York State, the Great Lakes, and the Northeast.

To protect these homes, residents in the downstream areas of the Illinois River would be subjected to even greater flooding hazards than they already endure from this erratic waterway. Chicago and its suburbs would benefit from the diversion project. The increased flow—from the current allowed 3,200 cubic feet per second to 10,000 cubic feet per second—would allow those Illinois communities to avoid further investment in sewage treatment facilities.

But most importantly, while our Nation searches for ways to produce energy, the lowering of the lake will reduce hydroelectric power production capabilities for the power authority of the State of New York. It has been estimated that New York, Pennsylvania, New Jersey, and Vermont users of PASNY electricity will pay $15 million more per year to buy enough oil to make up for the 2-billion kilowatt hours loss in hydroelectric power caused by this diversion. Both United States and Canadian hydroelectric plants will suffer with this diversion project to lower Lake Michigan's level.

The expenditure in this bill is listed by proponents as a harmless "study" appropriation, yet enough study has already taken place to demonstrate the potential hazards and the limited advantages. In a time when we are feverishly searching for ways to avoid deeper commitments to foreign oil producers, it is imprudent to advance a project such as this, and I ask my colleagues in this House to join with me in striking any appropriations for the Chicago water diversion project from this legislation.

Mr. BEVILL. I have no further requests for time.

Mr. JOHN T. MYERS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

TITLE I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

OPERATING EXPENSES

For necessary operating expenses of the Administration in carrying out the purposes of the Energy Reorganization Act of 1974; hire, maintenance, and operation of aircraft; publication and dissemination of atomic and other energy information; purchase, repair, and cleaning of uniforms; official entertainment expenses (not to exceed $10,000); reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; $4,270,057,000 and any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98th; 30 U.S.C. 7)) received by the Energy Research and Development Administration, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), to remain available until expended: *Provided*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That the amount appropriated in any other appropriation act for "Operating expenses" for the Energy Research and Development Administration for the fiscal year ending September 30, 1978, shall be merged with this appropriation.

AMENDMENT OFFERED BY MR. FLOWERS

Mr. FLOWERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLOWERS: On page 2, line 12, delete "$4,270,057,000", and insert in lieu thereof "$4,237,057,000".

On page 3, line 4, strike the period, and insert: ". . ., *Provided further*, That none of the funds appropriated herein shall be used to terminate the Clinch River Breeder Reactor Project.

Mr. FLOWERS. Mr. Chairman, the amendment I am offering today has a limited purpose—to remove the funding in this bill for termination of the Clinch River breeder reactor demonstration plant. I feel very strongly that such an important policy issue needs to be debated and examined when the authorization bill is before this body. I do not believe that the House should act today and approve any funding measure before it has had an opportunity to vote on the policy itself in the authorization bill.

Last Friday, the Subcommittee on Fossil and Nuclear Energy Research, Development and Demonstration, which I chair, completed its hearings on the Clinch River breeder reactor demonstration plant. We held those hearings after the authorization bill was reported out because the President's last revision to the budget only came to us after his April 20 energy message. And it was our purpose to meet the Budget Act deadline and also to have a further, in-depth consideration of this most important policy matter. The subcommittee heard from Dr. Schlesinger and other distinguished witnesses to consider these policy questions and other more technical questions. For example, we asked, what will be the financial costs of the termination? What will be the costs in technical leadership for breeder technology? What will be the impacts on the technical community which has been gathered for this effort? And finally, if we terminate now to find that we must restart the program later, how can we minimize the effects of the shift by a thoughtful structuring of the underlying research and development program?

Our committee went before the Rules Committee make the case that the appropriation bills for the Energy Research and Development Administration should not be brought to the floor ahead of the authorization bill. We are prepared to bring the bill to the floor just as soon as it can be scheduled. The direction of breeder reactor development and funding is a matter of controversy. There is no denying that fact, and I am sure that everyone appreciates that. It is for that reason that we propose the amendment today so that the funding decision is not made ahead of the policy decision.

Mr. BEVILL. Mr. Chairman, we have no objection to this amendment.

Mr. FLOWERS. Mr. Chairman, I appreciate the statement of my colleague, the gentleman from Alabama (Mr. BEVILL). I do not believe there is any controversy on the other side either. Would the gentleman from Indiana (Mr. MYERS) respond to that?

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield.

Mr. FLOWERS. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, we have no objection to this, but I think there should be clarification so that the record would show that there is no objection to the amendment striking the $33 million, but that it is not the intent by so doing to indicate that the Congress at this time will not fund at some future date the Clinch River breeder reactor or that we might change our views.

I believe that the language is much more important that the gentleman is adding on page 3 than in the change in the dollar figure.

Mr. FLOWERS. I thank the gentleman from Indiana.

Mr. BROWN of California. Mr. Chairman, at this time I would like to mention that when the ERDA authorization bill comes to the floor, I will introduce an amendment to remove funding for the Clinch River breeder reactor except for the $33 million design and termination costs recommended by the President. The authorization bill as reported by the House Science and Technology Committee contains $150 million to continue this project, which I feel is a grave mistake. I support the President's decision to defer the $2 billion project because the United States cannot credibly negotiate for a limitation on nuclear weapons proliferation if we proceed now with a commercialization program for breeder reactors, which require the use of plutonium as a fuel. The administration will still continue research and development on the breeder reactor at roughly half a billion dollars yearly, so this energy option will be maintained as insurance. The pause in the commercialization program will not harm our future energy supplies since the current estimate of nuclear capacity in the year 2000 is less than one third of what the estimate was when the Clinch River project was authorized. I hope that you will support my amendment to defer the Clinch River breeder reactor, as the President recommends, when the ERDA authorization bill comes to the floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. FLOWERS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,512,072,000, to remain available until expended: *Provided*, That no part of this appropriation shall be used for projects not authorized by law or which are authorized by law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated: *Provided further*, That not to exceed $4,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

AMENDMENTS OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer several amendments, and I ask unanimous consent that the amendments may be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. CONTE: On page 6, line 11, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following projects: Applegate Lake; Atchafalaya River and Bayous Chene, Boeuf and Black; Bayou Bodcau and Tributaries; Hillsdale Lake; La-Farge Lake and Channel Improvement; Lukfata Lake; Meramec Park Lake; Richard B. Russell Dam and Lake; Tallahala Creek Lake; and Yatesville Lake."

On page 7, line 6, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for Cache Basin."

On page 11, line 16, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following projects: Narrows Unit and Oahe Unit."

On page 12, line 6, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following projects: Fruitland Mesa and Savery-Pot Hook: *Provided further*, That funds appropriated or otherwise made available for the Central Utah Projects, Bonneville Unit, shall be limited to work on the rehabilitation of the Strawberry Tunnel and Provo Reservoir Canal."

On page 25, line 18, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for Columbia Dam and Reservoir."

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts (Mr. CONTE).

There was no objection.

Mr. CONTE. Mr. Chairman, this amendment is a simple one, with potential savings for the public that are difficult to ignore.

I would first like to state that I am joined in this effort by my good friend and colleague, the gentleman from South Carolina (Mr. DERRICK) in whose district the proposed Richard Russell Dam is situated. I would like to take this opportunity to mention that I think it takes a tremendous amount of courage on the part of the gentleman from South Carolina (Mr. DERRICK) to stand up here on the floor of the House and say that he does not want a project in his own congressional district. This takes a lot of fortitude, and I want to commend him for it.

Our amendment would simply provide the funds appropriated in this bill from being obligated or expended for 16 spe-

cific water projects which do not meet realistic economic, environmental, or safety standards. The amendment further provides that funds appropriated or otherwise made available for the central Utah project, Bonneville unit be limited to the rehabilitation of the Strawberry Tunnel and Provo Reservoir Canal only.

I ask unanimous consent that the complete list of 17 projects to be terminated or modified and the potential savings through such termination or modification be made a part of my remarks at this point.

Projects to be terminated or modified by the Conte-Derrick amendment

[Total savings in millions]

Applegate Lake, Oreg	$74.0
Atchafalaya River and Bayous Boeuf, Black and Chene, La	10.1
Bayou Bodcau, La	10.0
Cache Basin, Ark	88.5
Hillsdale Lake, Kans	38.6
Lafarge Lake, Wis	36.9
Lukfata Lake, Okla	29.6
Meramec Park Lake, Mo	88.7
Richard B. Russell, Georgia and South Carolina	254.9
Tallahala Creek, Miss	52.0
Yatesville Lake, Ky	42.7
Columbia Dam, Tenn	110.4
Fruitland Mesa, Colo	82.5
Narrows Unit, Colo	139.2
Oahe Unit, S. Dak	414.4
Savery Pot Hook, Colorado and Wyoming	71.3
Central Utah Project, Bonneville Utah, Utah (major portions modified)	659.8
Total	2,203.6

Mr. Chairman, our amendment would provide for the termination of these projects. However, our amendment will retain the appropriation amounts, that the committee recommended, thus providing for some unearmarked funds. These unearmarked funds would be available for termination or maintenance of these deleted projects estimated to be approximately $35 million by the Office of Management and Budget. The remainder of this unearmarked amount, approximately $115 million, would then be available to be redirected to those worthy and essential water resource projects that we all agree merit continued funding. Finally, Mr. Chairman, our amendment would save the taxpayers, over the succeeding years, an aggregate of $2.203 billion through the termination of these 16 projects and the one modification.

Clearly, Mr. Chairman, this is an amendment which will allow this body to bring back the merit system to the decisionmaking process on these expensive projects. This amendment is a step toward the day when all such projects will be free of suspicion that they owe more to politics and bureaucratic self-interest than to economic and environmental benefits. Hopefully, with the adoption of this amendment, we will reestablish prudent fiscal principles for the future consideration of these projects.

Our amendment is not an attempt to defeat the entire measure. On the contrary, we are strongly in support of those 489 projects that will continue to receive funding under this bill. Our amendment goes one step farther, it restores some of the funds that the subcommittee arbitrarily removed from this bill, in order to keep the totals in line with the President's budget request. This action by the subcommittee is another example of how we appropriate billions for these projects, not based on the merits of the funding requests for each individual project, but rather on an arbitrary and unfair approach, that of reducing every appropriation in the bill in order to provide funds for these wasteful projects.

That action by the subcommittee penalized those essential projects that are needed to provide the water and power to those areas where they are situated, not to mention the reductions in the ERDA appropriation. These projects are economically sound, possessing favorable cost-benefit ratios; they are environmentally sound; and lastly, they have been judged to be safe. This last criterion is of paramount importance, especially in the wake of the Teton Dam disaster, which eventually helped bring about this review of all budgeted projects.

I would like to say a word about the threats that have been circulating around here today, to the effect that if a Member votes for the amendment that he will forfeit the funding of his worthy water project in the future. As a member of the Appropriations Committee, I can assure you that I personally, will make every effort to provide the required funding for those projects which merit construction. I hope that the Members of this body will not succumb to such blatant threats of "you scratch my back or I'll stab yours."

Mr. Chairman, I urge the adoption of our amendment.

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the public works appropriation bill (H.R. 7553) just under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

THE WATER PROJECTS VOTE

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, as my colleagues are well aware, when the House takes up the public works appropriations bill later today, my colleague, the gentleman from South Carolina, Mr. DERRICK, and I will offer an amendment to delete funding for 16 controversial water projects and to modify the appropriation for another.

As always, the eyes of the Nation will be upon our deliberations here and I believe that we have the opportunity today to show the American people that their Representatives in Congress can act on this important matter with responsibility.

The responsible action on this bill today will be to vote in favor of the Conte-Derrick amendment and by that action to say, in effect, that this parcelling out of the taxpayers' money for economically unsound and environmentally damaging water projects has got to stop. We can stop it, and we can begin with our votes here today.

This morning's edition of the Washington Post contained an editorial, supporting our action, that makes eminently good sense along these lines. I recommend it to my colleagues and introduce it into the RECORD at this time.

THE WATER-PROJECTS VOTE

The House is about to vote, perhaps today, on funding for 17 of the 18 water projects that President Carter has asked Congress to stop. The vote has developed into an important battle between prodevelopment interests and environmental groups. It will also be a test of presidential influence in a field in which Congress and individual legislators have traditionally held sway.

One thing this vote *is not* is a final referendum on the projects themselves. Even as the House girds for a confrontation, key senators are trying to tie down a compromise that might quell White House thoughts of vetoing the appropriations bill. Thus some tacticians regard the House vote mainly as a gauge of whether a veto could be sustained if it comes to that.

There is, however, an issue of considerable substance facing the House. In recommending funds for the 17 projects, the House Appropriations Committee declared that the question is not whether water resources should be developed, but "how rapidly." We would put it another way. The question is not how rapidly, but *how*. Should the nation continue to rely so heavily on dams and dredging to furnish water for agriculture and communities, reduce flood damage, augment power supplies and stimulate economic development? Or is it time to take a sharper look at how well this approach works, to recognize that most of the best projects have been built, and to modify or halt those that are environmentally damaging and economically unsound?

One can, of course, endorse a thoroughgoing review and still maintain that these particular 17 projects are sound and should not be stopped arbitrarily in midstream. One can argue, too, that Mr. Carter has tackled the subject in a hurry, with a heavy hand and perhaps more attention to the projects' budgetary impact than to their economic import for the areas concerned. Yet even if one concedes a lot along these lines, two points remain that, in our view, justify House support for Mr. Carter's stand.

The first is that, while some of the political thrashing-about may have been unnecessary, it's impossible to mess around with water policy without, shall we say, making waves. Large projects have such a long lead-time that any review with practical effect is bound to upset something that is under way and that agencies, communities and legislators have been counting on.

The second and more substantial point is that the administration's review has

fetched up, in general, at the right place. The projects at the center of this year's fights have been perennially controversial—and in many cases marginal—on economic and environmental grounds. Indeed, the pulling and hauling over the "hit lists" has already produced important truncations of the Central Arizona Project and the Garrison Diversion Project, the two largest endeavors of all. Mr. Carter's initiative also spurred at least one congressman. Butler Derrick (D.-S.C.), to reassess a project in his own district (the Russell project) and conclude that it can no longer be justified.

Such rethinking needs to be continued. Water, after all, is not an inexhaustible resource, especially in the West, painful choices among competing uses and beneficiaries have to be made. Conservation of water, of environmental assets and of public funds is as desirable as conservation of energy. Unfortunately, there is no perfect way or time to launch the policy changes that this view entails. The forthcoming House vote will indicate how many legislators are willing to start somewhere—and to start now.

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut, Mr. SARASIN, is recognized for 5 minutes.

Mr. SARASIN. Mr. Speaker, on June 9, 1977, I was absent from part of the legislative session in the House. Had I been present, I would have voted in the following fashion:

Rollcall No. 325: H.R. 7636: Interior Appropriations—the rule (H. Res. 616) waiving points of order against the bill, "yea";

Rollcall No. 326: H.R. 7636: Interior Appropriations—the McCormack amendment that sought to increase operating expenses of the Energy Research and Development Administration by $39.8 million, "aye" and

Rollcall No. 327: H.R. 7636: Interior Appropriations—final passage of the measure making appropriations for the Department of the Interior and related agencies for fiscal year 1978, "yea."

FEDERAL ADVISORY COMMITTEES AND CONGRESSIONAL RESPONSIBILITIES

The SPEAKER. Under a previous order of the House, the gentleman from Illinois, Mr. ANDERSON is recognized for 30 minutes.

Mr. ANDERSON of Illinois. Mr. Speaker, in 1972 the Congress enacted the Federal Advisory Committee Act (P.L. 92-463) to authorize the establishment of a system governing the creation and operation of advisory committees in the executive branch of the Federal Government. In that act the Congress declared that:

> New advisory committees should be established only when they are determined to be essential and their number should be kept to the minimum necessary.

The act requires both the Congress and OMB to review and recommend reorganization or termination of existing advisory committees. and to follow certain guidelines in creating new advisory committees. It also required advisory committees to file a charter. open their meetings and records to the public, and to terminate after 2 years. In short, the aim of the act was to prevent the needless proliferation of advisory committees and to insure that those in existence serve their intended purpose.

The initial inventory of advisory committees at the end of 1972 revealed some 1,439 in existence. In each of the succeeding 3 calendar years the number averaged around 1,250. And at the end of the last calendar year, 1976, the number stood at 1,159. I am informed by OMB that their most recent tabulation shows some 1,189 advisory committees in existence, costing about $65 million annually.

President Carter is making a concerted effort through OMB to eliminate many of the remaining advisory committees. A May 25 Washington Post article by Edward Walsh indicates that when OMB targeted some 304 advisory panels for extinction in a memorandum, President Carter responded, "I believe more can be done. . . ."

Ironically, at the same time the President is trying to eliminate unnecessary advisory committees, the Congress seems intent on creating new advisory committees or recreating old ones at an even greater rate. Senator METCALF's Governmental Affairs Subcommittee on Reports, Accounting and Management, which oversees the FACA, estimates that some 400 bills have already been introduced in this Congress which would in effect, create new advisory panels or extend old ones. The American Government Division of the Congressional Research Service estimates that four new advisory committees have already been created by statute in the 95th Congress. Countless others have already cleared various committees and some have passed one House or the other. It seems that the Congress has quickly forgotten its intentions and responsibilities under the Federal Advisory Committee Act and has fallen back on its old ways of sticking these advisory committees in legislation as a matter of boilerplate.

A quick examination of bills pending in the Rules Committee, of which I am a member, or which have just cleared that committee and are awaiting floor action, reveals that most of those which do contain authority for the creation of advisory committees completely ignore the requirements of section 5(b) of the Federal Advisory Committee Act that committees include certain information and assurances in their bills and reports on such legislation. To quote directly from section 5(b) of the Advisory Committee Act:

> (b) In considering legislation establishing, or authorizing the establishment of any advisory committee, each standing committee of the Senate and of the House of Representatives shall determine, and report such determination to the Senate or to the House of Representatives, as the case may be, whether the functions of the proposed advisory committee are being or could be performed by one or more agencies or by an advisory committee already in existence, or by enlarging the mandate of an existing advisory committee. Any such legislation shall—
>
> (1) contain a clearly defined purpose for the advisory committee;
>
> (2) require the membership of the advisory committee to be fairly balanced in terms of the points of view represented and the functions to be performed by the advisory committee;
>
> (3) contain appropriate provisions to assure that the advice and recommendations of the advisory committee will not be inappropriately influenced by the appointing authority or by any special interest, but will instead be the result of the advisory committee's independent judgment;
>
> (4) contain provisions dealing with authorization of appropriations, the date for submission of reports (if any), the duration of the advisory committee, and the publication of reports and other materials, to the extent that the standing committee determines the provisions of section 10 of this Act to be inadequate; and
>
> (5) contain provisions which will assure that the advisory committee will have adequate staff (either supplied by an agency or employed by it), will be provided adequate quarters, and will have funds available to meet its other necessary expenses.
>
> (c) To the extent they are applicable, the guidelines set out in subsection (b) of this section shall be followed by the President, agency heads, or other Federal officials in creating an advisory committee.

As Senator METCALF noted in a floor statement on February 10, 1977:

> All too often, I am afraid, the 94th Congress did not follow these guidelines. I call attention to these guidelines at the outset of the 95th Congress in the hope and expectation that it will not lose sight of them . . . . The only way that the Congress can prevent the statutory proliferation of advisory committees, whether it is considering old proposals or new ones, is to insist that its standing committees follow the guidelines contained in section 5(b) of the Federal Advisory Committee Act. If Congress does not show restraint in the establishment of Federal advisory committees, it can hardly expect the President and agency heads to do so.

This, of course, raises the interesting question of how we can go about insisting that congressional committees follow the section 5(b) requirements in creating advisory committees. And I would stress the word "requirements." Congressional committees are presumably bound by mandatory language in the law which states that they "shall determine, and report such determination" to their respective Houses as to whether the functions of the proposed advisory committee could be better handled by existing agencies or advisory committees. Moreover, the law goes on to state, "Any such legislation shall" contain information on the five criteria listed above.

And yet, no attempt has been made to date to enforce these binding requirements on committees and penalize those committees which clearly ignore those requirements in reporting legislation containing proposed advisory committees. Obviously, the only way to enforce those requirements would be to raise a point of order against the consideration of any bill which is not in compliance with the requirements of the Federal Advisory Committee Act. And one would think that this is what the Congress had in mind in writing such mandatory language and, according to the legislative history, in intentionally discarding the discretionary language of the House passed Federal advisory committee bill. It is completely illogical to argue that Congress did not intend for these bind-

ing requirements on congressional committees to be enforceable, especially when you consider that the law is binding on the President, OMB agency heads and advisory committees themselves.

In view of the question raised about the enforceability of the FACA requirements through the use of a point of order, I asked my Rules Committee assistant to prepare a background memorandum on the applicability of the FACA under House rules and procedures. His conclusion was that a point of order would lie against a bill not in compliance with the FACA since the Congress had "impliedly" enacted that provision an exercise of its rulemaking power and it is thus to be deemed a part of the House rules, as are other "applicable provisions of law," unless they are subsequently repealed or altered by the adoption of a contrary rule.

Mr. Speaker, while this opinion is obviously not the final word on the question—that would ultimately be in the hands of the Speaker if a point of order is raised, and everyone recognizes that precedents can be marshaled on either side of any question—the argument nevertheless is a logical and powerful one which committees should ignore at their own peril. I, for one, intend to keep a close eye on every bill coming through the Rules Committee which creates an advisory committee and measure it against the guidelines set down in the Federal Advisory Committee Act. I would hope that from this time forward every committee will take special care to see to it that their legislation is in compliance with the FACA before they report it to the House. Otherwise, we will continue to create advisory committees faster than the President can abolish them, and at great and often questionable expense to the taxpayer.

At this point in the RECORD, Mr. Speaker, I include the full text of the memorandum to which I referred, and commend it to the reading of my colleagues and especially to committee chairmen and staff. The memorandum follows:

MEMORANDUM

JUNE 4, 1977.

Re: Federal Advisory Committee Act's Relation to House Rules.

To: Congressman ANDERSON.

From: Don Wolfensberger.

I. Facts: Section 5(b) of the Federal Advisory Committee Act of 1972 (PL 92-463, 86 Stat. 770, 5 U.S.C. App. I) requires standing committees of the House and Senate, when considering legislation creating an advisory committee, to report to their respective bodies whether the functions of the proposed advisory committee could better be handled by an existing agency or advisory committee. Moreover, the law requires that "any such legislation shall" contain certain information and assurances.

II. Question: Are the section 5(b) reporting requirements for standing House Committees deemed to be part of the Rules of the House and would a point of order lie against the consideration of any bill which did not fully comply with the section 5(b) requirements?

III. Answer: Yes, so long as the House does not adopt a subsequent rule altering or repealing those requirements, in which case the rule would supersede the statutory enactment under the Constitutional right of the House to change its rules at any time.

IV. Reasons: The resolution providing for the adoption of the Rules of the House of the 95th Congress (H. Res. 5, Jan. 4, 1977) states that the Rules of the House of the 94th Congress, "including all applicable provisions of law which constituted the Rules of the House at the end of the Ninety-fourth Congress," together with certain additional amendments, shall be the rules of the 95th Congress.

The question thus arises, which "applicable provisions of law" constituted the Rules of the House at the end of the 94th Congress? The rules resolution adopted at the beginning of the 94th Congress (H. Res. 5, Jan. 14, 1975), only makes reference to the Legislative Reorganization Acts of 1946 and 1970, as amended, and the Budget Act of 1974. Thus it would seem, at first blush, that only those three acts, plus any laws enacted during the 94th Congress which specifically contain language indicating that their provisions shall be deemed part of the House Rules, would be the "applicable provisions of law" as part of the House Rules in the 95th Congress.

But a closer reading of the House Rules and Manual reveals that other provisions of law may be considered as part of the House Rules. Section 1013 of the Manual, "Congressional Disapproval." Provisions Contained in Public Laws lists three categories of disapproval resolutions. The first category, (A), is those in which the resolution must be acted upon by either or both Houses, and which is privileged under certain conditions for consideration.

With reference to this first category, the Manual states: "It should be noted with respect to category (A)—privileged resolutions—that such laws are enacted expressly or impliedly as an exercise of the rulemaking authority of the House and/or Senate, acknowledging the Constitutional right of either House to change its rules at any time. (emphasis added) Therefore, all such provisions should be read in light of subsequent rules adopted by the House and Senate which might be inconsistent with provisions contained in those statutes."

The key word here is "impliedly"—that is, there may be some laws which do not expressly indicate that their provisions shall be deemed a part of the House Rules, and yet it can be implied that the provisions were enacted as an exercise of the rulemaking authority of the Congress and are thus to be deemed a part of the rules of the House and Senate until such time that they are superseded by the adoption of rules which are inconsistent with those statutory provisions.

A cursory examination of the 17 statutes listed under category (A) in section 1013 of the Manual, for instance, reveals that 6 do not contain express language indicating their enactment by the rulemaking power of the Congress and their incorporation under the Rules of the House. These statutes include: The War Powers Act (PL 93-148), the Sinai Early Warning System (PL 94-110), the Child Support Standard in Title IV of the Social Security Act (PL 94-88), the Arms Export Control Act (PL 94-329), the Federal Election Commission Regulations (PL 94-283), and the Federal Land Policy Management Act (PL 94-579).

Thus, there are numerous provisions in law which are either expressly or impliedly deemed part of the House Rules, even though, for instance, they give privileged status to certain resolutions which are not otherwise privileged under the standing rules of the House (e.g., Rule XI, clause 4(a)).

By the same token, a statutory provision which mandates a committee to meet certain requirements in reporting legislation of a certain type must be considered a binding rule on the committee under the House Rules, even though its status as a rule is implied rather than explicitly stated in the statute. Thus, in those circumstances in which a committee reports a bill containing a provision affected by an implied rule in a statute, the committee is not only bound by the standing rules requirements for including certain information in its report (e.g., Rule XI, clause 2(1)(3)&(4)), but it is also required to include the additional information required by that statute.

If it is clear from the statute that the Congress intended for the requirements to be mandatory rather than discretionary on standing committees in reporting a certain type of bill (e.g., one creating an advisory committee), then it must be implied that the Congress intended for this requirement to be deemed a part of its rules. Otherwise, the mandatory language would have no meaning in the context of the legislative process and would be unenforceable. The only situation in which the statutory requirement could be considered not an applicable provision of law to the House Rules is in the event that a subsequent Congress adopts a specific rule which is inconsistent with that statutory requirement. In such an instance, it is clear from the precedents and court cases that the new rule takes precedence and supersedes the law under the Constitutional right of either House to change its rules at any time.

In the case of section 5(b) of the Federal Advisory Committee Act of 1972, there can be no question, from reading the statute and the legislative history, that Congress clearly intended for that provision to be binding on the standing committees of the House and Senate in reporting legislation creating an advisory committee.

The provision states that, "In considering legislation establishing, or authorizing the establishment of any advisory committee, each standing committee of the Senate and the House of Representatives shall determine, and report such determination to the Senate or to the House of Representatives, as the case may be, whether the functions of the proposd advisory committee are being or could be performed by one or more agencies or by an advisory committee already in existence, or by enlarging the mandate of an existing advisory committee." Moreover, the provision goes on to state that, "Any such legislation shall" contain certain information, provisions, requirements and assurances (section 5(b)(1)-(5)).

The original bill reported and adopted in the House (H.R. 4383) contained discretionary language in this regard: "each standing committee of the Senate and the House of Representatives shall endeavor to assure that" certain requirements are met in reporting legislation creating advisory committees.

The bill reported and adopted in the Senate (S. 3529) contained the mandatory reporting requirement—"shall determine, and report such determination," and "any such legislation shall" meet certain conditions. The Senate report on the bill (S. Rept. 92-1098) states: "Section 5(b) establishes certain guidelines to be followed by any congressional committee considering legislation which establishes advisory committees. It shall determine and report. . . . In addition, its legislation shall contain. . . ."

During Senate debate on the bill, its principal sponsor, Sen. Metcalfe, indicated: "it is the intent of the Senate Government Operations Committee that there be a congressional mandate to deal with the proliferation of these advisory committees." (Congressional Record, Sept. 12, 1972).

The conferees agreed to the mandatory Senate language over the discretionary House language. In other words, they made a conscious distinction and choice between encouraging and requiring committees to comply with the guidelines. In calling up the Conference Report in the Senate, Sen Muskie said: "Although the Senate members were not able to convince their House colleagues on all points, they were able to reach agree-

ment on a workable bill. Among other things, the legislation would: (1) require Congress to make a continuing review of existing advisory committees to determine which should be abolished, merged or revised, and to follow certain guidelines in the creation of any new committees." (Record, Sept. 19, 1972)

In calling up the conference report in the House, Rep. Monagan stated: "The conference substitute adopts the provision of the House bill which requires the President or any agency head who creates an advisory committee to follow the guidelines laid down for standing committees of Congress when they are considering legislation establishing advisory committees." (Record, Sept. 20, 1972)

In conclusion, section 5(b) of the Federal Advisory Committee Act must be considered "an applicable provision of law" under the Rules of the House of the 95th Congress. The Congress made a conscious decision to make the 5(b) reporting requirements binding rather than discretionary on standing committees. As such, the Congress "impliedly" enacted the provision as an exercise of its rulemaking authority and intended for the provision to be deemed a part of the rules of the House and Senate. If it had not intended to make the provision enforceable through the rules, the conferees on the bill would have chosen the discretionary language originally adopted in the House.

Just as certain statutes contain provision for the consideration of certain resolutions as privileged, even though the House Rules make no allowance for such resolutions to be privileged, and just as these provisions are either "expressly or impliedly" enacted as an exercise of the rulemaking authority of the Congress and thus deemed a part of the rules until superseded by a subsequent rule, so too should section 5(b) be considered an additional reporting requirement on committees under the Rules of the House, even though the House Rules contain no such reporting requirement.

As such, a point of order would lie against any bill creating an advisory committee which does not fully comply with the requirements of section 5(b) of the Federal Advisory Committee Act, just as such a point of order would lie against consideration of a bill which fails to comply with certain requirements contained in the standing Rules of the House (e.g., Rule XIII, clause 3 & 7).

SUGAR TAX

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, come next April, if the President and the sugar barons have their way, every American taxpayer will be shelling out part of his tax return for a new kind of tax—a sugar tax. They will not find it listed anywhere on their 1040, but they sure will be paying it—a quarter billion dollars worth of it.

Sugar growers around the world have gotten themselves into a jam. After the price of sugar went through the roof 3 years ago, they decided to expand their production, and cash in on the sky-high profits that came their way. Well, it turned out to be real pie in the sky, as any good economist could predict. Production in the last few years has exploded. Today the world, and the United States, is awash in a tremendous glut of sugar. And the laws of supply and demand have worked just as the textbooks say they would.

As this tremendous surplus built up, many sugar dependent nations took to making sugar the loss-leader in the international grocery store—bailing their growers out of their sea of sugar. In America that is not the way we have done it—until the other week. Now the President wants to hand out tremendous sums to sugar farmers who gambled and lost. And lest we forget, some of these farmers are not so small—sugar plantations are big business. One company farms over 75,000 acres.

We do take many steps to protect the farmer, because we all recognize our dependence on his good works. But nowhere in our agricultural policy is it stated that we are going to guarantee the farmer a profit, or that we will cover his losses from a bad business venture.

Now, the President wants us to do this, and to use a quarter billion dollars of the taxpayers' money to do it with. Well, it may sound like a good way out of the pickle to the sugar grower, but to the taxpayer, it sure tastes sour.

A GROWING OUTRAGE

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, I want to call to our colleagues' attention the serious problems resulting from a provision of the Tax Reform Act of 1976—the carryover of basis provision. It is already causing extensive and costly administrative actions in connection with estates and is a time bomb of confusion and exasperation.

Under the act the cost basis on inherited property sold by an heir must be its value at the time of the decedent's acquisition, or December 31, 1976, if acquired prior to that date. This was a radical departure from prior law, which provided that the basis of property inherited by an heir was the value of the property at the time of the decedent's death.

The recordkeeping requirements of the new law are staggering. To adhere to this requirement, taxpayers should carefully inventory all their assets and update them regularly, a tremendous and continuing task. In order to be useful, an inventory should include a description of each asset, its date of acquisition and how it was acquired, the ownership status, the total cost of property purchased, its tax basis and its market value on December 31, 1976. Failure to provide this information can result in a substantial penalty.

Since we all know there is little likelihood of that being done by most taxpayers, the problems being created by this provision promise to be overwhelming. As a result, I have introduced legislation to restore the cost basis provisions of the tax law to their former status. Close to 50 colleagues have joined me in cosponsoring the measure and I welcome others to do likewise. I hope Members will realize that this provision of the 1976 act spells trouble for the administration of estates in every area of the country, and will agree that we should act to remove these unnecessarily burdensome conditions from the tax law.

HOW TO INCREASE COMPETITION IN THE ENERGY INDUSTRY

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I believe that the recent action of the Energy and Power Subcommittee, in voting for immediate decontrol of new natural gas, is a very important step, not only in assuring adequate supplies of this vital fuel to heat homes and run businesses, but in bringing competition to the energy industry.

MAJOR OIL COMPANIES OPPOSE DECONTROL

After long and careful study, I have come to the conclusion that one of the major impediments to decontrol of oil and natural gas prices in this country is—amazingly—the oil industry itself. More specifically, the large, multinational, fully integrated energy firms have learned to live with controls to such an extent that many of them no longer desire a competitive situation. While it is not true in all cases, of course, it is certainly true of companies like Mobil which are considered "crude poor," or lacking significant oil and gas reserves of their own. It is also true of companies like El Paso Natural Gas and Exxon which are heavily committed to exotic fuel sources, such as liquid natural gas—LNG—synthetic natural gas—SNG—or atomic energy.

The fact is that big companies do not depend solely on domestic exploration and production of energy for their cash flow, since they are so heavily committed to foreign energy sources and derive so much of their income from refining, marketing, and distribution activities. Consequently, they feel that price controls are a relatively small price to pay for maintaining full integration of their most profitable operations and, at the same time, eliminating competition from the more aggressive independent oil and gas producers. And insofar as the controls reduce domestic supplies of conventional fuel, it makes it more likely that companies who have invested in expensive exotic fuels will be able to justify their investment.

REGULATION REDUCES COMPETITION

It is a fact of Government regulation, unfortunately, that the greatest burden falls upon smaller companies and independents. They do not have the resources to comply with many of these regulations and cannot spread their cost out over as large a volume of sales as the larger corporations can. And in the case of price controls, the big companies can better afford to absorb the losses until such time as the controls are removed, or to find complex ways of getting around the controls. Thus, historically, Government regulations have tended to reduce competition and increase industrial concentration in the hands of a few large firms who then become dependent on controlled markets.

Today, close to 90 percent of all onshore oil and gas exploration in America is being done by smaller independent companies. Thus Phillips Petroleum—a major firm—has scheduled only one domestic wildcat well drilling for all of 1977. Yet despite this fact, and the reality that America is dangerously dependent on foreign energy, present Government policies are not only discouraging the independents from finding new domestic energy sources, but actually encouraging imports.

GOVERNMENT POLICIES ENCOURAGE OIL IMPORTS

A recent study by Profs. Robert E. Hall and Robert S. Pindyck, of MIT, estimates that Government policies have depressed the domestic price of energy by about 30 percent. As a result, consumption is about 8 percent higher, and supply 6 percent lower, than it would otherwise be. This means that imports are approximately 5 million barrels per day higher than they would be in the absence of price controls. Since total imports are about 7 million barrels per day at present, this represents about $6.2 billion per year which is being unnecessarily spent to buy OPEC oil.

Furthermore, Government policies instituted in 1974 to prevent windfall profits to domestic oil producers actually subsidize the importation of foreign oil at the expense of domestic production. This is done through an entitlement system which taxes every barrel of domestic crude $2, while subsidizing every imported barrel $3. The goal is to equalize the price of foreign and domestic oil at $9.50 per barrel; the effect is to increase demand for foreign oil and reduce demand for domestic.

Hall and Pindyck also estimate that price controls on interstate shipments of natural gas, which have been in existence for 23 years, increase demand for foreign oil by about 2 million barrels per day, by increasing demand and reducing supply. This translates into another $2.5 billion per year in OPEC imports.

BIG COMPANIES BENEFIT FROM NATURAL GAS CONTROLS

The big oil companies have never been especially upset with natural gas controls. Until recently, natural gas was produced almost exclusively as a byproduct of oil production. Consequently, its artificially low price did not affect its supply. Indeed, the artificially low price of natural gas was not altogether in the worst interest of the big oil companies, due to the fact that they use so much gas themselves to manufacture petrochemicals and to run their refineries. Thus, if one were to study the cash flow, it would probably be found that the major oil firms are net purchasers of natural gas.

Furthermore, any shortage of natural gas which may develop in the consumer market only increases demand for more foreign oil or exotic alternatives such as liquid natural gas or synthetic natural gas. Major firms like El Paso Natural Gas and Mobil, for example, are deeply committed to importing LNG from Algeria and Indonesia, and Exxon is investing billions of dollars to develop synthetic natural gas derived from coal. Deregulation would clearly be harmful to these investments.

The problem is that the prices necessary for development of LNG and SNG on a commercial scale would have to be in the range of $3, $4, or even $5 per thousand cubic feet. This compares with a price of $0.52 per thousand cubic feet which has prevailed for most of the last 23 years. Such prices for alternative natural gas sources are completely unjustified as long as there is plenty of conventional natural gas still available in the continental United States at prices in the $2 to $3 per thousand cubic feet range.

LARGE QUANTITIES OF GAS STILL AVAILABLE

There are, for example, tremendous quantities of conventional natural gas available which are not associated with oil production. Only recently have companies begun to explore exclusively for natural gas. Much has been discovered, but its development awaits a higher price. In Texas alone, there are companies withholding many trillions of cubic feet of natural gas from the interstate market in order to sell in the unregulated intrastate market. Yet even in this unregulated market natural gas is only selling at about $2 per thousand cubic feet currently.

There are many additional trillions of cubic feet of natural gas available in somewhat unconventional areas. Some estimates say that if one takes into consideration geopressurized methane, Devonian shale, Western "tight sands," and other known gas reserves, there may be as much as 100,000 to 250,000 trillion cubic feet of natural gas still in the continental United States. This compares to about 20 trillion cubic feet per year of current consumption in the United States. Thus there is plenty enough gas to last for a considerable amount of time if it is needed. However, since much of this gas lies at depths of 15,000 feet or more and requires very sophisticated technology, it cannot begin to be exploited at the present regulated price. But at prices just over $2 per thousand cubic feet much of this gas could begin to be brought on line in quantities sufficient to last the United States for some time to come.

GOVERNMENT POLICIES MISDIRECTED

The Government knows that this gas is available at reasonable prices, yet it continues to enforce price regulations and subsidize the development of atomic energy, LNG, and SNG which will cost many times the deregulated price of conventional natural gas. This is a particularly misdirected policy when one also considers that natural gas is by far the most environmentally safe fuel in existence, while many of these other fuels have serious environmental side effects.

Recently, the Energy Research and Development Administration conducted a study called the market-oriented program planning study which estimated the availability of natural gas at various prices above the regulated price. This study concluded that at $2.25 per thousand cubic feet the country would be sufficient in natural gas; from $2.50 to $3 we would be at surplus. But since this conclusion ran counter to the doomsday scenario used to justify continued Government controls and expenditures for exotic fuels, it was immediately suppressed and disputed by two additional studies. In fact, one of the engineers who worked on the first study was subsequently fired as a result of its conclusions. Nevertheless, all MOPPS studies show vast supplies of gas available at a decontrolled price. Thus, it is hard to understand how the President and his chief energy adviser, James Schlesinger, can be so adamant in their refusal to believe that higher prices lead to greater supplies—indeed, Dr. Schlesinger has all but given up, as he calls our situation a typical Malthusian crisis. The notion of relying on supply, demand, and economic incentives was explicitly denied by Dr. Schlesinger—who holds a Ph. D. in economics—in a recent speech at the University of Virginia. And the President's press secretary has been quoted as saying President Carter believes—

> That even if we increased the price of oil to provide an additional $20 per barrel, there would be very little, if any, increase in our production . . . and the same is true in the price of natural gas.

Well, they are both wrong and wrong premises lead to wrong conclusions.

THE ROLE OF VESTED INTERESTS

Perhaps what is involved here, both on the part of the Government and the big energy companies, is simply the action of vested interests. The energy companies reacted to the price controls on oil and natural gas by moving their exploration and production overseas. Now that they are committed to these foreign energy sources they are perfectly happy to see price controls continued on the United States, since it stimulates demand for imports by reducing domestic supply and makes it difficult for the independents to compete with them. The Government, on the other hand, has fostered a huge bureaucracy dependent on the existence of complex and cumbersome regulations for its existence.

Furthermore, the depletion of oil and gas reserves resulting from price controls makes exotic alternatives requiring huge Government expenditures more viable. This, in turn, means more power for energy bureaucrats who administer the research programs, and more profits for the big energy companies that receive the contracts and subsidies for developing atomic energy, synfuel, and other energy sources.

Thus we see that big oil, big gas, and big Government's vested interests support one another to maintain price controls and develop expensive exotic alternatives. The losers in this arrangement, unfortunately, are the workers, consumers, and small businessmen who will suffer from shortages of energy, pay higher prices for energy, and pay higher taxes to subsidize exotic fuel development.

A COMPETITIVE MARKET SERVES THE CONSUMER BEST

I have no doubt whatsoever that the best interest of all consumers—and especially those in western New York and the

Northeast—would be served by immediate and complete decontrol of all oil and natural gas prices. Although this may lead initially to some increase in fuel prices above what presently exist under controls, such increases will be strongly mitigated by other factors and within a short time result in lower prices.

In the case of natural gas, for example, the declining availability is requiring many gas pipelines to run at considerably less than full capacity. Since high fixed costs must be spread out over a declining volume of gas transported, transmission costs have had to rise. This cost is then passed on to the consumer who, in many cases, is already paying $3 or $4 per thousand cubic feet for natural gas at the retail level. Consequently, if decontrol results in larger quantities of natural gas—as it certainly would—this would lower transmission costs and help hold down prices at the consumer level. In addition, the existence of so many multiyear contracts for gas delivery—which in some cases set prices as low as $0.07 per thousand cubic feet—would hold down prices even in the absence of price controls.

I believe that with decontrol, the United States would have lower oil and natural gas prices than now exist within 2 to 3 years as new supplies come into the market. Without decontrol, I expect to see a strengthening of OPEC, increased reliance on expensive and environmentally questionable fuels, higher energy prices, and increasing shortages. If this happens, the people are unlikely to blame the real cause—Government controls—but rather, turn their wrath on the oil companies and demand divestiture or nationalization.

This is why I say that the only choice the oil companies have is decontrol or divestiture.

American industry and the American people must have adequate supplies of energy at reasonable prices if they are to be prosperous. That energy exists in plentiful supply, but we must remove the barriers to its development.

HIRING, PROMOTION POLICY CHILLS MORALE AT JUSTICE

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WALKER) is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, the Washington Post of June 11, 1977, contained a most interesting and alarming article on hiring and promotion practices within the Department of Justice. The Post story reveals that the Justice Department is implementing a policy that denies equal opportunity for all and has had a "chilling effect" on the morale of staff attorneys.

The denial of equal opportunity and the promotion of preferential treatment is discriminatory. To find our chief law enforcement agency, an agency supposedly in the lead in guaranteeing civil rights, using the tools of discrimination within its own walls, is appalling.

If ever there was a classic example of how wrong quotas and preferential treatment can be in hiring and promotion the system at the Department of Justice is it.

The June 11 Washington Post story follows:

HIRING, PROMOTION POLICY CHILLS MORALE AT JUSTICE

(By John M. Goshko)

A bitter controversy has broken out within the Justice Department over a new personnel policy that many department attorneys contend is a "reverse discrimination" system to give blacks and women preference in hiring and promotions.

The charge is denied by top aides to Attorney General Griffin B. Bell. They say the policy's intent is to ensure equal career opportunities within the department to all qualified lawyers, regardless of race or sex.

Despite these denials, the new policy reportedly has had a chilling effect on morale among the department's approximately 3,500 staff attorneys. Although precise numbers could not be immediately obtained yesterday, the great majority of these staff lawyers are white males.

Many of them say privately that the policy, as stated in internal department memos, is an open invitation for any white male who is refused a job or promotion to sue the federal government on charges of employment discrimination.

At issue is a May 20 memo sent to all U.S. attorneys by Associate Attorney General Michael J. Egan. It announced establishment of an Employment Review Committee to be jointly headed by Assistant Attorneys General Barbara A. Babcock, head of the Civil Division, and Drew S. Days III, chief of the Civil Rights Division. Babcock is a woman, and Days is black.

The memo said that U.S. attorneys "will be required to notify the committee before hiring or promoting a person at the salary level of $24,300 or above who is neither a woman nor a minority and explain to the satisfaction of the committee that there was no discrimination against women or minorities in selecting the person for promotion or hiring."

It added that any hiring or promotion recommendations in these categories must "include an appropriate explanation" of why the person recommended had been selected.

In the view of many department lawyers, including some who are specialists in prosecuting and defending employment discrimination suits, many U.S. attorneys and other department supervisors are certain to interpret this language as a veiled instruction to give preference to women and blacks.

Some also contend that the presence of Babcock and Days at the head of the committee raises conflict-of-interest questions about how the department will react to any suits that might be brought by white male lawyers.

The Civil Division is responsible for defending the department and other federal agencies damage suits. But the Civil Rights Division has far-reaching responsibilities under federal law for investigating allegations that a person's civil rights have been violated.

The question of where the line is drawn between government efforts to promote minority employment opportunities and illegally discriminating against others has not been decided by the courts.

In the meantime, many department lawyers ask, where would Babcock and Days, who are responsible for implementing the new policy, put their emphasis if a white male attorney raised the question by charging discrimination?

Some department sources charge that Babcock already has gone beyond Egan's memo. They point to a recent memo in which she stated that the Civil Division is devoting its entire law student summer intern program "to minority hiring and has succeeded in filling the program with blacks and Latinos."

In a telephone interview yesterday, Babcock said these various charges were due to misunderstandings, and expressed dismay that "this program has scared people." She added: "Drew and I intend to demonstrate, both in the workings of the review committee and in actual hiring and promotion practice, that the futures of qualified white men in the Justice Department are bright."

She conceded that the purposes of the policy was to rectify "the gross under-representation" of women and minorities within the department. But she continued:

"There is no intention of doing that by denying promotions to those who deserve them on merit. The sole purpose is to force those who do the hiring and promoting to think in terms of a wider pool of potential talent and to take women and minorities into consideration when they're making recommendations."

Babcock acknowledged that department policymakers did not seek an opinion about the legality of the policy, and conceded that it "very likely could touch off suits by white male attorneys." She expressed hope, though, that much of the tension could be defused as the program goes into operation and is explained better to department employees.

She also said that the summer intern program traditionally has been used as a recruiting device to get young lawyers interested in the department and that she therefore felt it was permissible to use it in the recruitment of minorities.

MEDICARE AND MEDICAID FRAUD AND ABUSE MUST END

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, since initial enactment of the medicare and medicaid programs in 1965, our administration and delivery of health services in the United States has changed enormously. This year medicare reaches almost 20 million persons in this Nation. The State-operated and administered medicaid program insures improved health care to millions more.

But these programs do not come cheaply. Medicare outlays for fiscal 1978 are expected to reach $26.1 billion, which is a 18.0-percent increase over the $22.1 billion that was spent in 1977. Medicaid outlays as well will increase from $18.0 to $20.8 billion in the coming year, an increase of 15 percent.

As health care costs rise so much faster than the inflation rate, we all suffer—in the form of higher payments or premiums we all must pay. And worse, various investigative studies have found that the system is in need of administrative changes for efficiency and economy, as well as more stringent procedures regarding fraud and abuse. These reforms are overdue, and the Congress must pass the necessary legislation while maintaining the equity and quality of our health care systems.

I am a cosponsor of H.R. 3020, the medicare-medicaid antifraud and abuse amendments, and naturally, the legislation is still subject to further revisions, but I would like to take this opportunity to stress the urgency and need for the provisions in the bill.

Various investigations have found repeated and flagrant examples of fraud in the health area that included: Billing for services not rendered, misrepresentation of services rendered, kickbacks, deliberate duplicate billings, false, or misleading entries on cost reports, and so forth. It is true that providers engaged in fraudulent activities are subject to criminal penalties under present law, but too often the culprits are never caught or punished.

Program abuse is a more hazy area under the present law, but includes evidence that providers, practitioners, and suppliers of services operated in a matter which is inconsistent with accepted, sound medical or business practices resulting in excessive and unreasonable financial cost to either medicare or medicaid. Included in the area of abuse are the provisions of unnecessary health services and provisions of necessary care in unnecessarily costly settings. Individuals abusing the programs under medicare and medicaid are also subject to various legal and administrative action short of criminal prosecution.

Many aspects of abuse were found in my own city of Chicago, especially in the area of clinical laboratories. A recent report, "Fraud and Abuse Among Clinical Laboratories," published by the Subcommittee on Long-Term Care of the Senate Special Committee on Aging, concentrated its investigation in Illinois, where it found that 21 laboratories controlled 80 percent of public funds spent for lab services in the State. Kickbacks are found to be so prevalent that laboratories refusing to make them are practically unable to secure the business of physicians or clinics treating medicaid patients. Many other States showed similar patterns of questionable and outright fraudulent practices.

H.R. 3020 would tighten up many of the regulations and hopefully clear up many of the most flagrant abuses. It includes a prohibition against reassignment of claims—the factoring we all have heard so much about—in medicaid bills; it would mandate disclosure of ownership, make fraud a felony instead of a misdemeanor, and require suspension from the programs of those convicted. This proposal may not completely wipe out fraud and abuse—we need a concerted effort on the part of our providers and administrators, but hopefully it will serve as a first step in a strong and continuing cooperative effort to upgrade our health care while containing prices.

FARM PRICE SUPPORTS IN H.R. 7171

The SPEAKER. Under a previous order of the House, the gentleman from Nebraska (Mr. CAVANAUGH) is recognized for 5 minutes.

Mr. CAVANAUGH. Mr. Speaker, I am greatly concerned that the price supports currently contained in H.R. 7171, the omnibus farm bill of 1977, may not be adequate to deal with the severe credit and cash flow crisis that farmers in my district, the State of Nebraska and throughout the Plains States are experiencing.

H.R. 7171 calls for a loan rate on wheat of $2.25 a bushel for 1977 and $2.35 for 1978 to 1981. It calls for a target price on wheat of $2.65 for 1977 and $3 for 1978 to 1981. The bill calls for a loan rate on corn of $1.75 a bushel for 1977 and $2 for 1978 to 1981. The target price for corn would be $1.85 a bushel for 1977 and $2.10 for 1978 to 1981.

The Nebraska farmer finds himself in the bind of accelerating costs of production and a very poor market for his crop. Storage bins are full, a potential bumper crop of wheat is in the field and prospects for an improved market in the near future are dim. Recent harvests around the world have eliminated the foreign market as a potential safety valve for our overflow of crops. The farm policy of the last few years has been to encourage full production. The farmer complied and the result is plummeting prices for wheat and corn.

As a member of the House Committee on Banking, Finance and Urban Affairs, I undertook last month to determine the reason behind the general unavailability of farm credit—or the farm credit crunch. If the problem was found to be with the banking system, I intended to bring this to the committee's attention and initiate legislation to deal with the problem.

I sought information from a broad range of banks in Nebraska on their situation regarding farm credit and their views on the credit crunch. The consensus from the responses I received from the bankers was not that there is scarcity of money to loan, but that the weakened financial position of the farmer made him a poor credit risk. The farmer has become a poor credit risk because of a combination of adverse conditions: low commodity prices, high production costs and 3 years of reduced yields from drought conditions.

I am including for the record an article from May 26, 1977, Omaha World-Herald which summarizes my findings and includes informative quotations from the bankers on this subject.

My findings on the cause of the farm credit crunch is corroborated by an April study by the U.S. Department of Agriculture into the matter. This report is utterly shocking in its assessment of the severity of the farm credit crunch. I quote from the summary of the USDA report:

If such depressed prices continue, bankers surveyed expect more than one-fourth of all bank borrowers in the area (Montana, North Dakota, South Dakota, Minnesota, Nebraska, Colorado, Kansas, Oklahoma, and Texas) or about 59,000 farmers to be forced to refinance their loans or dispose of some farm assets to meet their debt payments. Six percent or another 14,000 will not be able to repay their debt from expected income. They thus have the prospect of selling out or facing further action by lenders. Oklahoma bankers reported that if prices remain at present levels they do not expect 3,200 farmer-borrowers to be able to repay their loans. Nebraska lenders said that 2,200 borrowers won't be able to pay. In Kansas, 3,200 farmers with bank operating loans face an equally uncertain future.

Lest we overlook the magnitude of the stakes involved here, I remind my colleagues that the area surveyed includes one-fourth of all U.S. farms and accounted for $26 billion in cash receipts from farming in 1976, or 27 percent of the total U.S. farm receipts. Urban areas, too, in these States are heavily dependent on the general well-being of their farm counterparts for healthy economic conditions.

The cost of production of a bushel of wheat in 1977 is estimated at $3.29. The cost of producing corn is estimated at $2.28. This high cost of production has the potential of driving farmers from their land because they simply cannot afford to continue to pursue a losing financial venture. After 3 consecutive bad farm years immediately past, we cannot in this bill ask the farmer to accept supports that will hardly allow him to pay his taxes, maintain his machinery and buildings, and buy seed and fertilizer for next year's crop.

The American farmer is looking to us, his elected leaders, for assistance in coping with a difficult situation that is not of his making. We have the legislative vehicle coming before us this summer, the omnibus farm bill, to measurably improve his financial condition. With higher price supports, the farmer would in most cases, close the gap between the price of production and the price he receives for his commodities.

A decent level of price supports are essential to insure a solid farm economy and the continuation of a system of agriculture which has served this Nation well throughout our history.

The article follows:

[From the Omaha World-Herald, May 26, 1977]

BANKERS SAY THEY TAKE HARDER LOOK AT FARMER LOANS

(By Darwin Olofson)

Washington—Problems Nebraska farmers have in obtaining credit are largely the result of their weakened financial position, a number of bankers in the state have informed Rep. John Cavanaugh of Omaha.

"I think there is a general feeling among bankers that there is not a critical lack of availability of funds," Cavanaugh said Wednesday.

"On the other hand, there seems to be a consensus that there is a credit crunch, but that it relates more to a problem of credit worthiness among Nebraska farmers. The farmer is in a real cash bind," he said.

Cavanaugh, a member of the House Banking Committee, received reports from nearly 20 banks in Nebraska that responded to his inquiries about the availability of farm credit.

EQUITY DEPLETED

"There is an unusually high number of Nebraska farmers whose equity is depleted and whose need for additional loans for operating purposes continues to rise," he said.

He said bankers in all parts of the state cited many of the same causes of the situation, the main ones being:

Inflation has driven up operating and production costs, jacking up the cost of everything from energy to equipment.

Livestock prices are depressed and crop prices have not been sufficient to offset the impact of inflation on production costs.

Many farmers have been holding crops in hopes of getting a better price.

Three years of dry weather has reduced yields for some farmers.

"The reasons for increased demand for agricultural credit is the combination of three dry years and depressed commodity prices, plus continual increase in cost of operation," Glenn Adair, vice president of the Springfield State Bank, wrote Cavanaugh.

"Yes, we are looking at all credit applications more critically this year," Adair said, a comment similar to those made by a number of bankers.

Robert Hamilton, vice president of the Omaha Branch of the Federal Reserve Bank of Kansas City, said there are some Nebraska banks with "very tight liquidity."

"However, those cases appear to be relatively isolated and few in number," he wrote. "In general, money is available across the state for agricultural lending needs."

MANY HOLD GRAIN

Hamilton cited the holding of grain by many farmers, then added: "They are therefore needing extensions on their past loans as well as new funds for current operating needs."

John D. Woods, chairman and president of the Omaha National Bank, said applications for agricultural credit are being more closely analyzed this year. "The declining prices for commodities produced on the farm versus the escalating costs of producing these commodities has forced many marginal operators to seek additional or increased sources of credit," he said.

He also said his bank is carrying a "very high" level of agricultural loans.

Cavanaugh said he has concluded that the availability of funds for loans to farmers is "not the source of the problem," and that "bankers and banks are ready, willing and able to serve the farmer's credit needs."

He said the farmer's cash and credit positions are being destroyed because crop prices have not kept up with inflation.

CHARLES TOWNE RETIRES AFTER 47 YEARS WITH COURANT

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, Charles Towne, editor of the Hartford (Conn.) Courant's editorial page, retired on May 31 after 47 years as a reporter and editor. He witnessed some of the most significant events in the city's history, and he watched the Courant grow into the largest and most influential daily in the State.

I would like to recognize Charlie's years of service, and take this opportunity to insert a story that appeared in the Courant on the occasion of his retirement:

TOWNE'S YEARS AT COURANT SPELL CROWDED CAREER

He nearly lost his life as a young reporter when blinded by smoke while trying to cover a Church Street furniture store from inside the burning Hartford building.

He saw blood and violence, then, riding cruisers with city police, winced at the sound of gunshots, heard the screams of drowning victims and rode Market Street in a speedboat to witness the evacuation of east side residents trapped in the 1936 flood.

In retrospect, Charles L. Towne, 65, of West Hartford—who retired as associate editor and editor of The Courant's editorial page Tuesday—thinks his four years on the police beat in the 1930s helped toughen him for major catastrophes and disasters he was to encounter in the years that followed.

He was night city editor when he helped direct coverage of the collapse of the unfinished Charter Oak Bridge that killed 15 workmen Dec. 5, 1941.

He pitched in to help report the 1944 Hartford circus fire in which 168 persons perished.

Also as night city editor, he assigned reporters and photographers and coordinated coverage of a Niles Street convalescent home fire that took the lives of 19 patients Christmas Eve, 1945.

He had been city editor 10 years in 1961 when he became uneasy and decided to send a team of reporters to check out what was described as a "small fire" in a waste chute at Hartford Hospital. The reporters found the ninth floor a holocaust in which 16 patients died.

SAW PAPER'S GROWTH

Towne was part of the steady growth of the newspaper during his 47 years on The Courant. The daily circulation was 40,000 when he started while a student at Trinity College, and 210,000 when he left.

He trained hundreds of reporters between 1941 and 1966 when he was night city editor and editor. Many went on to other newspapers or writing careers, including Pulitzer prizewinner David Halberstam.

As night city editor during the World War II years, he conducted what was tantamount to an academy for female journalists as the draft took its toll of male reporters.

"The girls not only covered stories as well as the men, but they often got away with questions that would have netted the boys a punch in the nose," said Towne.

Reporters remember Towne as intolerant of slipshod writing and a stickler for accuracy.

During his years on the city desk, Towne faithfully kept a log of anything and everything that happened. He interwove this record with pieces of unusual information he gathered. The collection of data enabled him to flabbergast callers seeking information they probably never thought they'd get.

"Invariably, the response would be a long silence, an incredulous 'thank you' and possibly lasting suspicion that the answer was an instant invention," Towne chuckled.

With his sense of history and patience for research, it was no surprise when Towne was chosen to plan and edit the 200th-anniversary editions of The Courant in 1964. Text and pictures on about 450 pages published four consecutive Sundays presented a complete and comprehensive picture of Connecticut's development, people and customs between 1764 and 1964.

Towne directed the 75 writers who contributed to the special editions. He did considerable research himself and, while digging into early records, uncovered his own family history.

"I turned up two aunts, several times removed, Rebecca and Mary Towne, both hanged as witches in Salem, Mass.," he said.

He also found a distant grandfather who, for more than a century, operated a Revolutionary-era ferry at South Hadley Falls, Mass., and a great uncle who fell in the Battle of the Wilderness in Pennsylvania during the Civil War.

Reflecting on the newspaper business he was a part of all his adult life, Towne has nostalgia for the early years and admiration for journalism today.

"The most marked and significant change in newspapering is the completeness, the depth, the intimacy, the forthrightness of today's news report," he said. "This is particularly true where human drives and social crises are concerned. What was once hinted at, either shyly or slyly, is now met head-on and today's candor, while it often hurts, more often cleanses. I'm proud to have been a part of journalism's coming of age."

He watched radio and television emerge as competitors for public attention and acceptance.

"There's room and need for all three," he said. "Invent a fourth and fifth means of communication and there's room for them too. No limit should ever be contemplated where the capacity and ability to inform the public is concerned. All media play a part . . . It's just that the newspapers do it best."

Like most newsmen, Towne enjoys recalling stories he covered. He takes particular pride in the completeness of his reporting from 1930 to 1934 when his beat was the Town of Wethersfield. He chugged to and from The Courant office on State Street in a 1931 Ford 'that cost me $630 brand new."

He did some general-assignment reporting, too, during the era referred to as "the good old days."

"Actually," he said, "there were no good old days. They were just simpler. Take religion, for instance. The city editor, John R. Reitemeyer, had his own approach to simplification. Jack Kelly, an Irish Catholic, covered Protestant affairs; Nate Garfin, a Jew, covered the Catholics; yours truly, a WASP, was sent to the synagogues. I even had my own yarmulke."

With transportation what it was, reporters often called in their stories.

Towne was on the scene almost immediately when a tenant shot and killed his landlord in a north end tenement house. Dictating from a phone in the victim's apartment, Towne called his story into the city room.

"Where was he shot?" the rewrite man asked.

Towne had only to glance down at the half-clad body at his feet to reply: "Right through the heart."

"There I was, covering some inane assignment in Hartford some 40 years ago, instead of eyewitnessing the zeppelin blowing up at Lakehurst (N.J.,)" he said.

Shifted to the police and fire beat in 1935, Towne was surprised to meet policemen who remembered his grandfather, Charles H. Lloyd, who had been a member of the force in the 1880s.

Fires fascinated Towne and in his later years on the city desk compiled a history of Hartford's 100 worst fires, starting with a fatal explosion in a downtown powder arsenal in 1766.

This history and other catalogs he put together over the years have been turned over to the Courant library.

Towne made some "kooky" junkets during his years on The Courant, he said, like covering the giveaway of a Caribbean island from which he returned with a gold-lettered flight bag as a souvenir. But he also made some trips that were to him were unforgetable.

He made a glider flight over volcanic peaks in Iceland, fished with cormorant in Japan, heard Syrian guns boom in the Golan Heights, walked across the blocked Suez Canal into Africa, was trapped by a sandstorm in the Sinai Desert and viewed the "grand slam" Army airlift into Puerto Rico as the U.S. miltiary tested its capability.

Towne left the city desk in 1966 when he was promoted to assistant managing editor. He was made associate editor and editor of the editorial page in January 1974. For him, the transition from the news department to the editorial offices was difficult.

"For 33 years I had disciplined myself to have no opinion on anything," he said. "Suddenly, I was expected to have an opinion about everything."

Towne was born in Hartford and attended Wethersfield schools where he set track and

field records. As a boy, he did farmwork and caddied at the Wethersfield Country Club He once got a job taking tickets at a local "petrified man" carnival sideshow.

"I learned later he was the victim of a loathsome fatal disease," he said.

When he retired Tuesday, Courant employees gathered at the officer's lounge in the State Armory to salute the man who had made the newspaper his life.

Towne didn't make a long speech. He simply repeated what had always been his credo: "I will always respect The Courant and The Courant will be respected always."

SUBCOMMITTEE ON MONOPOLIES AND COMMERCIAL LAW TO HOLD HEARINGS ON H.R. 6001

The SPEAKER. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary will hold 1 day of hearings on Thursday, June 16, 1977 to consider H.R. 6001. This bill would extend the jurisdictional reach of section 7 of the Clayton Act to matters "affecting" commerce. The hearing will be held in room 2141 Rayburn House Office Building commencing at 9:30 a.m. Testimony will be received from the Antitrust Division of the Justice Department, the Bureau of Competition of the Federal Trade Commission, the Defense Bar and a professor of antitrust.

The record will remain open through June 30, 1977 and additional comments for the record are welcome.

LOSS OF TEXTILE, APPAREL, AND SHOE JOBS IN THE NORTH: CAUSED BY IMPORTS OR BY MOVEMENT OF PLANTS TO SOUTHERN STATES?

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, as chairman of the Ways and Means Trade Subcommittee, I daily receive complaints about the loss of jobs in the American tile, apparel, and footwear industries. The New England region and my own State of Ohio appear to be particularly hard hit by the loss of industrial plants.

The question is, Why are these jobs and plants being lost? Is it due to competition from imports produced in incredibly low-wage countries such as South Korea—or is it due to the flight of industry to the "sun belt" and away from some of the older, more energy scarce and higher wage parts of the Nation?

Recently, during one of the Trade Subcommittee's hearings, the president of the American Footwear Industries Association, Mr. Mark E. Richardson, was asked whether the shoe industry had problems "which are occasioned by movement within the United States as well as by competition from the outside?" He replied:

There has not been that much of a movement out of the New England States into the South since many, many decades ago.

Following this testimony, I asked the U.S. International Trade Commission for available data on the location of textile, apparel, and footwear plants in the United States. While somewhat dated, the data clearly shows that a large part of our concern in the North about plant loss in these industries cannot be blamed just on imports. Rather, it appears that the North has suffered from a movement of plants to the Southern States.

Obviously, anyone who walks into a clothing store or shoe store can see from the volume of imports that foreign competition is impacting domestic employment—but imports should not be blamed for all of New England's or the North's problems. There are problems caused by differences of economics within the United States. It may be that we can solve some of these problems easier than we can deal with conditions overseas, and that we should be making a better effort to remove the disincentives to production in the older industrial areas of the Nation.

Between 1958 and 1972, the total number of: First, nonrubber footwear; second, textile; and third, apparel plants in the United States declined from 38,086 to 32,465, a decline of about 15 percent. The average employment per plant was up, however, and total employment of the three industries increased from nearly 2.3 million workers to nearly 2.5 million—despite a decline of nearly 48,000 in the shoe industry. But the decline in plants was much more severe in certain parts of the country—and the number of plants in the West and South increased by 838 and in the South by 2,662.

PLANTS IN UNITED STATES FOR 3 INDUSTRIES

	Total	North east	North Central	South	West
1958	38,086	26,152	3,474	5,448	3,012
1972	32,465	17,730	2,775	8,110	3,850
Change	−5,621	−8,422	−699	+2,662	+838

JOBS IN UNITED STATES FOR 3 INDUSTRIES (IN THOUSANDS)

1958	2,297.6	1,078.8	241.9	896.9	80
1972	2,488.6	838.4	201.5	1,307.6	138
Change	+191.0	−240.4	−40.4	+410.7	+58

Source: U.S. International Trade Commission.

ACTS ADOPTED BY COUNCIL OF DISTRICT OF COLUMBIA

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

Mr. DIGGS. Mr. Speaker, the Council of the District of Columbia has adopted a number of acts since last I reported to the House on February 7, 1977.

The House Committee on the District of Columbia has in its files Council Committee reports and copies of the Council's acts, if Members desire further information.

The material follows:

ACTS ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA AND TRANSMITTED TO THE SPEAKER FEBRUARY 1, 1977–JUNE 7, 1977

Act 1–221.—Taxicab Insurance—To amend present law (D.C. Code, Tit. 44, Sec. 301 et seq.) to provide for transfer of approval of taxicab liability insurance rates from the Council to the Superintendent of Insurance. Adopted by the Council on December 7, 1976. Returned without signature of the Mayor. Transmitted to the Speaker on February 7, 1977.

Act 1–222.—Nuisance Elimination Act of 1976—To amend present laws (Act of March 1, 1899, 30 Stat. 959; D.C. Code, Tit. 6, Sec. 902 et al.) to correct and abate nuisances on private property, requiring the elimination of litter, high grasses, and other debris on property; remove dangerous and unsafe buildings, etc. Adopted by the Council on December 7, 1976. Returned without signature of the Mayor. Transmitted to the Speaker on February 7, 1977.

Act 1–223.—Rental Units to Vacate—To protect the habitability of rental units subject to notices to vacate by making permanent legislation of emergency acts No. 1–126 and 1–149 by prohibiting alterations to structures, plumbing, or electrical apparatus that would cause such rental units to be in substantial violation of the D.C. Housing Regulations. Adopted by the Council on November 22, 1976. Returned without signature of the Mayor. Transmitted to the Speaker on February 7, 1977.

Act 1–224.—Resocialization Furlough Act of 1976—To authorize the Mayor to operate a program of resocialization furloughs for individuals confined, after sentencing and conviction, in D.C. facilities under Department of Corrections. The acts makes ineligible for furlough those convicted of 1st or 2nd degree murder, rape, or induced acts with minors. Adopted by the Council on November 23, 1976. Returned without signature of the Mayor. Transmitted to the Speaker on February 7, 1977.

Act 1–225.—Elections and Latino Community Development Amendments Act of 1976—To amend D.C. Law No. 1–86 (effective Sept. 29, 1976) in order (1) to require the Commission on Latino Community Development to submit at least 3 names to the Mayor for consideration for appointment as Director of the Office of Latino Affairs; (2) to amend the D.C. Campaign Finance Reform and Conflict of Interest Act (D.C. Code, Tit. 1, Sec. 1121 et seq.) (a) regarding employee filing of confidential personnel financial statements; (b) authorizing a 60-day period during which impeachment proceedings of Board members may be initiated (per D.C. Law 1–79); and to amend the D.C. Election Act of 1955 as amended (D.C. Code, Tit. 1, Sec. 1101 et seq.); (c) providing for primary elections in even-numbered years in September rather than May; (d) redefining qualified votes to allow civil enfranchisement of ex-felons; (e) redefining lobbying and public officials, etc. Adopted by the Council on December 7, 1976. Returned without signature of the Mayor. Transmitted to the Speaker on February 7, 1977.

Act 1–227.—Day Care—To provide policies re provisions of day care services, governing eligibility for subsidized day care and the level of the District's financial support. Adopted by the Council on December 7, 1976. Signed by the Mayor on February 3, 1977. Transmitted to the Speaker on February 10, 1977.

Act 1–228.—Exhaust Emission Standards—To amend the D.C. Motor Vehicles Regulations (Title 32, Chapter VI) to reduce, prevent, and control motor vehicle exhaust pollution; to provide certain exhaust emission standards; and to require mandatory equipment, inspection and maintenance thereof.

Adopted by the Council on December 7, 1976. Transmitted to the Speaker on February 15. Signed by the Mayor on February 1, 1977. 1977.

Act 1-229.—D.C. General Hospital Commission—To reorganize the administration of D.C. General Hospital, establish a commission to govern same, and for other purposes. Adopted by the Council on December 17, 1976. Vetoed by the Mayor on January 24, 1977. Reenacted by the Council on February 8, 1977, and approved by the President on March 4, 1977. Transmitted to the Speaker on March 17, 1977.

Act 1-230.—Motor Vehicle Safety Responsibility—To amend the District's Motor Vehicle Safety Responsibility Act, as amended (68 Stat. 1221; D.C. Code, Tit. 40, Sec. 420) and the District's Traffic Act, as amended (D.C. Code, Tit. 40, Sec. 302) re applicability of D.C. Administrative Procedure Act (D.C. Code, Tit. 1, Sec. 1501, et seq.) to cases involving suspension or revocation of motor vehicle permits and registrations, to guarantee right to hearing in connection therewith; to registration, tag and transfer requirements, and to judgments and traffic regulations. Adopted by the Council on November 23, 1976. Signed by the Mayor on February 14, 1977. Transmitted to the Speaker on February 18, 1977.

Act 2-12.—Additional Teachers' Salary Act Amendments of 1976—To amend the D.C. Teachers' Salary Act of 1955 (D.C. Code, Tit. 31, Sec. 1501 et seq.) to (1) provide an across-the-board salary increase of 4.83% effective Oct. 1, 1976; and (2) establish summer school and hourly rates for certain classes of educational personnel. Adopted by the Council on February 28, 1977. Signed by the Mayor on March 16, 1977. Transmitted to the Speaker on March 24, 1977.

Act 2-18.—Clinical Health Services Act of 1977—To amend the D.C. Appropriations Act of July 9, 1946 (60 Stat. 511; D.C. Code, Tit. 32, Sec. 322) to establish free health services to be furnished at D.C. health clinics, and authorize the Mayor to charge fees therefor. Adopted by the Council on March 8, 1977. Signed by the Mayor on March 30, 1977. Transmitted to the Speaker on April 22, 1977.

Act 2-19.—General Public Assistance for Unemployables Benefits Limitation Act of 1977—To amend the D.C. Public Assistance Act of 1962 (D.C. Code, Tit. 3, Sec. 210) by establishing a 6-month limitation on the payment of benefits under the General Public Assistance Program. Passed twice in 1976 as an emergency measure. Adopted by the Council on March 8, 1977. Signed by the Mayor on March 30, 1977. Transmitted to the Speaker on April 22, 1977.

Act 2-21.—Closing Public Alley System—To order the closing of the public alley system in Square 551, bounded by Florida Avenue, 1st, Q, 3rd and R Streets, N.W. (Plat File S.O. 74-152), as per Sec. 4, Street Readjustment Act of Dec. 15, 1932 (47 Stat. 749; D.C. Code, Tit. 7, Sec. 404), so as to carry out urban renewal objectives in accordance with the present Shaw School Urban Renewal Plan. Adopted by the Council on March 22, 1977. Signed by the Mayor on April 4, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-22.—Closing of Portner Place.—To order the closing of Portner Place, N.W. between U and V Streets, N.W., and of the public alleys in Square 204, bounded by 14th, U, 15th, and V Streets, N.W. (Plat File S.O. 75-280), as per Sec. 4, Street Readjustment Act of Dec. 15, 1932 (47 Stat. 749; D.C. Code, Tit. 7, Sec. 404), so as to carry out urban renewal objectives in accordance with the present Shaw School Urban Renewal Plan. Adopted by the Council on March 22, 1977. Signed by the Mayor on April 4, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-23.—Closing 9th Street, N.E.—To order the closing of 9th Street, N.E., between G and H Streets, N.E., and of the public alleys in Squares 912 and 934, bounded by G, 8th, H and 10th Streets, N.E. (Plat File S.O. 74-268, as per Sec. 4, Street Readjustment Act of Dec. 15, 1932 (47 Stat. 749; D.C. Code, Tit. 7, Sec. 404), in order to carry out urban renewal operations in accordance with the approved Urban Renewal Plan for the H Street Corridor. Adopted by the Council on March 22, 1977. Signed by the Mayor on April 4, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-24.—Closing Clifton Street, N.W.—To order the closing of Clifton Street, N.W., between University Pl., N.W., and the north-south public alley in Squares 2662 and 2663 (Plat File S.O. 71-220), as per Sec. 4, Street Readjustment Act of Dec. 15, 1932 (47 Stat. 749; D.C. Code, Tit. 7, Sec. 404), in order to carry out urban renewal objectives in accordance with the present 14th Street Urban Renewal Plan. Adopted by the Council on March 22, 1977. Signed by the Mayor on April 4, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-25.—Closing of Neal Place, N.W.—To order the closing of Neal Place, N.W., between 4th and 5th Streets, N.W.; of 4th Street, N.W. between Neal Place and O Street, N.W.; and of the public Alleys in Square 512, bounded by 4th, N, O, and 5th Streets, N.W. (Plat File S.O. 74-208) as per Sec. 4, Street Readjustment Act of Dec. 15, 1932 (47 Stat. 749; D.C. Code, Tit. 7, Sec. 404), so as to carry out urban renewal objectives in accordance with the present Shaw School Urban Renewal Plan. Adopted by the Council on March 22, 1977. Signed by the Mayor on April 4, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-27.—Outdoor Sidewalk Cafe Act of 1977.—To amend the Police Regulations of the District (Subsection (a) of Sec. 3 of Commissioner's Order 61-1206, Sec. 3 of Art. 43), to allow rental of public space for use as sidewalk cafes in districts zoned R and SP upon approval of the Board of Zoning Adjustment. Adopted by the Council on March 22, 1977. Signed by the Mayor on April 4, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-28.—Consumer Goods Repair Board Act of 1977—To abolish the Board of Consumer Goods Repair Services, established by Consumer Goods Repair Regulation (approved March 15, 1974; Reg. No. 74-3), and to transfer the Board's powers, duties and functions to the D.C. Office of Consumer Protection (D.C. Law 1-76, effective July 22, 1976). Adopted by the Council on March 22, 1977. Signed by the Mayor April 7, 1977. Transmitted to the Speaker on April 20, 1977.

Act 2-32.—Residential Parking Tax Exemption Act of 1977—To amend the D.C. Sales Tax Act (D.C. Code, Title 47, Sec. 2601, par. 14(a)(12)) in order to exempt certain D.C. residents from sales and use taxes or charges made for parking, storage, motor vehicles or trailers in a garage or lot within ½ mile radius of the individual's residence. Adopted by the Council on April 4, 1977. Signed by the Mayor on April 25, 1977. Transmitted to the Speaker on May 3, 1977.

Act 2-33.—Volunteers Services Act of 1977—To provide for the use of volunteers by the D.C. Government by: (1) removing the restrictions in the current laws which generally restrict the use of such volunteers; (2) giving authority to the Mayor to promulgate rules and regulations governing the use of volunteers by all District agencies, except that the Board of Education and the Council; and (3) providing protection for volunteers against third party lawsuits, claiming negligence in the exercise of volunteer duties "within the scope of their volunteer employment". Adopted by the Council on April 5, 1977. Signed by the Mayor on April 26, 1977. Transmitted to the Speaker on May 5, 1977.

Act 2-35.—Dr. Martin Luther King, Jr.'s Birthday—To amend the Act approved Aug. 30, 1964 (78 Stat. 671; D.C. Code, Tit. 28, Sec. 2701) to provide for celebrating Dr. King's birthday on Fridays when January 15th falls on Saturdays. Adopted by the Council on April 5, 1977. Signed by the Mayor on May 2, 1977. Transmitted to the Speaker on May 12, 1977.

Act 2-42.—Employees' Garnishment Act of 1977—To provide for garnishment against the D.C. Government for enforcement of a judgment, order, or decree to enforce child support and alimony obligations from employee wages, salaries, annuities, retirements and disability benefits. Adopted by the Council on May 3, 1977. Signed by the Mayor on May 23, 1977. Transmitted to the Speaker on June 7, 1977.

SUPREME COURT STRIKES ANOTHER BLOW AT FUNDAMENTAL RIGHTS OF AMERICANS

The SPEAKER. Under a previous order of the House, the gentleman from New Jersey (Mr. THOMPSON) is recognized for 5 minutes.

Mr. THOMPSON. Mr. Speaker, I note that Mr. Justice Rehnquist and a majority of his colleagues on the Supreme Court struck another blow this past week against the fundamental rights of Americans. In the case of *United States* v. *Ramsey*, 45 U.S.L.W. 4577, the Court upheld the right of customs inspectors to open incoming first-class international mail and inspect its contents without either a search warrant or probable cause.

As stated by Mr. Justice Stevens in a dissenting opinion, the decision opens the door "to the wholesale, secret examination of all incoming international letter mail."

Since I find such a prospect intolerable and incompatible with American democratic traditions, I am introducing today a bill removing such authority from customs inspectors in the absence of a warrant issued upon probable cause.

Freedom of communication through the mails has long been considered a basic right of Americans. Such a right is meaningless if Government inspectors can secretly look into the contents of the envelope in which a letter is transmitted—whether or not the inspector also has a right to read the contents of the communication.

The fact that such inspections are limited by an ambiguous standard of "reasonable cause" is an insignificant restraint on such authority in the absence of required notification to either the sender or addressee of the inspection.

Nor is the distinction between foreign and domestic mail a significant one. Our globe has now shrunk to a point where international communication among American citizens is probably as commonplace as nationwide correspondence was 50 years ago. The freedom to communicate cannot be limited by our national borders today without seriously impairing the right itself.

We have just recently been shocked to our democratic roots by revelations of wholesale prying into mail from abroad by the CIA.

The digression from American tradition which this newly revealed customs office practice represents, is emphasized by the fact that it was not until 1971 that

the Department of the Treasury and the Post Office Department even claimed such a right to inspect foreign mail without the consent of the addressee or a warrant issued upon probable cause. This is so even though the statute under which the inspection authority is now claimed has been on the books since 1866.

I now call on my colleagues to join with me to swiftly amend 19 U.S.C. section 482 to withdraw from the Customs Bureau this highly dangerous and antidemocratic authority which the Supreme Court has now legitimated.

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from West Virginia (Mr. RAHALL) is recognized for 5 minutes.

Mr. RAHALL. Mr. Speaker, on rollcall 326, an amendment offered by Mr. McCORMACK to the Interior Department and related agencies appropriations, I was delayed in getting to the House floor because I was with the majority leader discussing flood related relief legislation. Had I been able to vote I would have voted "no."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALLEN (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. JEFFORDS (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. EMERY) to revise and extend their remarks and include extraneous material:)

Mr. SARASIN for 5 minutes today.

Mr. ANDERSON of Illinois for 30 minutes today.

Mr. MICHEL for 5 minutes today.

Mr. CONABLE for 5 minutes today.

Mr. KEMP for 15 minutes today.

Mr. WALKER for 10 minutes today.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO for 5 minutes today.

Mr. GONZALEZ for 5 minutes today.

Mr. DRINAN for 5 minutes today.

Ms. HOLTZMAN for 30 minutes today.

Mr. CAVANAUGH for 5 minutes today.

Mr. COTTER for 5 minutes today.

Mr. RODINO for 5 minutes today.

Mr. VANIK for 5 minutes today.

Mr. DIGGS for 10 minutes today.

Mr. THOMPSON for 5 minutes today.

Mr. RAHALL for 5 minutes today.

Mr. BRADEMAS for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BOB WILSON to revise and extend his remarks under the 5-minute rule in the Committee of the Whole today on the Holtzman amendment on LEAA on H.R. 7556.

Mr. WHITTEN to revise and extend his remarks and include extraneous material during general debate in the Committee of the Whole today on H.R. 7553.

Mr. CONTE to revise and extend his remarks and include extraneous matter during general debate on H.R. 7553.

Mr. BROWN of California to revise and extend his remarks in connection with the Flowers amendment to H.R. 7553.

(The following Members (at the request of Mr. EMERY), and to include extraneous matter:)

Mr. DERWINSKI in three instances.

Mr. STEIGER.

Mr. SYMMS in three instances.

Mr. THONE.

Mr. KEMP.

Mr. ABDNOR.

Mr. COHEN.

(The following Members (at the request of Mr. WEISS), and to include extraneous matter:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. ANNUNZIO in six instances.

Mr. BROWN of California in 10 instances.

Mr. BINGHAM in 10 instances.

Mr. VENTO in two instances.

Mr. COTTER.

Mr. MURTHA.

Mr. MURPHY of Pennsylvania in two instances.

Mr. LEHMAN.

Mr. SIMON.

Mrs. SCHROEDER.

Mr. MURPHY of Illinois.

Mr. JACOBS.

Mr. JOHNSON of California.

Mr. DELANEY.

Mr. NOLAN.

Ms. MIKULSKI.

Mrs. BURKE of California in three instances.

Mr. WHITE.

Mr. DRINAN.

Mr. EDWARDS of California.

Mr. VANIK.

Mr. MYERS of Pennsylvania.

Mrs. SPELLMAN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 263. An act to provide for interim regulatory reform as to certain independent regulatory agencies; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5840. An act to amend the Export Administration Act of 1969 in order to extend the authorities of that act and to improve the administration of export controls under that act, and to strengthen the antiboycott provisions of that act; and

H.R. 6206. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 14, 1976, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1682. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of June 1, 1977, pursuant to section 1014(e) of Public Law 93-344 (H. Doc. No. 95-171); to the Committee on Appropriations and ordered to be printed.

1683. A letter from the Comptroller General of the United States, transmitting his review of the proposed rescission, deferral, and revised deferrals of budget authority contained in the message from the President dated May 18, 1977 (H. Doc. No. 95-158), pursuant to section 1014 (b) and (c) of Public Law 93-344 (H. Doc. No. 95-172); to the Committee on Appropriations and ordered to be printed.

1684. A letter from the Director, Office of Legislative Affairs, Department of the Navy, transmitting notice of the Navy's intention to sell certain naval vessels to the Government of Italy, pursuant to 10 U.S.C. 7307; to the Committee on Armed Services.

1685. A letter from the Director of Personnel, Overseas Private Investment Corporation, transmitting notice of a proposed change in a records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1686. A letter from the Assistant Secretary of State for Congressional Relations, transmitting the annual report on the Department's Special Domestic Assignment Program, pursuant to section 576(e) of the Foreign Service Act of 1946, as amended; to the Committee on International Relations.

1687. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 1 U.S.C. 112b; to the Committee on International Relations.

1688. A letter from the Director, Defense Security Assistance Agency transmitting notice of the Army's intention to offer to sell certain defense services to Saudi Arabia (Transmittal No. 77-35), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1689. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to Jordan (Transmittal No. 77-43), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

1690. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act (66 Stat. 182); to the Committee on the Judiciary.

1691. A letter from the Comptroller General of the United States, transmitting a report on problems Federal law enforcement agencies have in handling seized drugs, firearms, currency, and vehicles (GD-76-105, May

31, 1977); jointly to the Committee on Government Operations, Interstate and Foreign Commerce, the Judiciary, and Ways and Means.

1692. A letter from the Comptroller General of the United States, transmitting the second report on the National Aeronautics and Space Administration's Landsat project (PSAD-77-58, June 10, 1977); jointly, to the Committees on Government Operations, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DELANEY: Committee on Rules. House Resolution 624. H. Res. 624, resolution waiving certain points of order against H.R. 7554. A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95-406). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 7737. A bill to amend title IV of the National Housing Act to require an affirmative vote of the shareholders of an insured institution owning at least two-thirds of its voting stock or voting power before the Federal Home Loan Bank Board may approve the acquisition of control of the insured institution by any savings and loan holding company or any other company; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BINGHAM (for himself, Mr. WHALEN, Mr. IRELAND, and Mr. CAVANAUGH):

H.R. 7738. A bill with respect to the powers of the President in time of war or national emergency; to the Committee on International Relations.

By Mr. BUTLER:

H.R. 7739. A bill to require the preparation of small business impact statements in connection with Federal agency rules, and for other purposes; to the Committee on Small Business.

By Mr. DELANEY (for himself and Mr. GARY A. MYERS):

H.R. 7740. A bill to prohibit the use of appropriated funds to carry out or assist nontherapeutic research on living human fetuses; to the Committee on Interstate and Foreign Commerce.

H.R. 7741. A bill to amend title 18 of the United States Code to make it a Federal crime to carry out any nontherapeutic research activity on a human fetus or to intentionally take any action to kill or hasten the death of a human fetus in any Federally supported facility or activity; to the Committee on the Judiciary.

By Mr. FORD of Michigan (for himself, Mr. BONIOR, Mr. CONTE, Mr. FOWLER, Mr. KOCH, and Mr. SCHEUER):

H.R. 7742. A bill to amend title I of the Higher Education Act of 1965 to establish a system of grants for urban universities; to the Committee on Education and Labor.

By Mr. HYDE (for himself, Mr. COUGHLIN, Mr. ASHBROOK, Mr. EDWARDS of Oklahoma, and Mr. ROUSSELOT):

H.R. 7743. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and papers of the United States, involving an element of identification; to the Committee on the Judiciary.

By Mr. JOHNSON of California (for himself, Mr. HARSHA, Mr. ROBERTS, Mr. HOWARD, and Mr. COCHRAN of Mississippi):

H.R. 7744. A bill to amend the acts of August 11, 1888, and March 2, 1919, pertaining to carrying out projects for improvements of rivers and harbors by contract or otherwise, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. LONG of Louisiana:

H.R. 7745. A bill to amend section 98 of title 28, United States Code, to eliminate the divisions in the Western District of Louisiana; to the Committee on the Judiciary.

By Mr. MADIGAN (for himself, Mr. GILMAN, Mr. HAGEDORN, Mrs. MEYNER, and Mr. STARK):

H.R. 7746. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. MAZZOLI (for himself, Mr. MANN, Mr. COLEMAN, Mrs. COLLINS of Illinois, and Mr. RISENHOOVER):

H.R. 7747. A bill to amend title 23 of the District of Columbia Code with respect to the release of detention prior to trial of persons charged with certain violent or dangerous crimes, and for other purposes; to the Committee on the District of Columbia.

By Mr. MITCHELL of New York:

H.R. 7748. A bill to amend the Tariff Schedules of the United States in order to increase the rate of duty on certain boxes, cases, and chests lined with textile fabrics; to the Committee on Ways and Means.

By Mr. MURPHY of New York (for himself, Mr. LEGGETT, Mr. FORSYTHE, Mr. AUCOIN, Mr. HUGHES, Mr. MCCLOSKEY, Ms. MIKULSKI, Mr. TRIBLE, and Mr. AKAKA):

H.R. 7749. A bill to implement the Agreed Measures for the Conservation of Antarctic Fauna and Flora of the Antarctic Treaty and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

By Mr. NOLAN:

H.R. 7750. A bill to enact the National School-Age Mother and Child Health Act of 1977; to the Committee on Interstate and Foreign Commerce.

By Mr. RAILSBACK (for himself, Mr. KASTENMEIER, and Mrs. MEYNER):

H.R. 7751. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

By Mr. ROE (for himself and Mr. BLANCHARD):

H.R. 7752. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. PREYER, Mr. SCHEUER, Mr. WALGREN, Mr. CARTER, Mr. BROYHILL, Mr. MADIGAN, Mr. SKUBITZ, and Mr. MARTIN):

H.R. 7753. A bill to direct the Institute of Medicine of the National Academy of Sciences to conduct a 1-year review and evaluation of all available information respecting the toxicity and carcinogenicity of food additives, including information respecting the ability to predict the effect on humans of food additives found to cause cancer in animals and whether there should be a weighing of risks and benefits in making regulatory decisions respecting such additives, and to direct the Secretary of Health, Education, and Welfare to permit the continued use of saccharin as a food, food additive, drug, and cosmetic for 18 months; to the Committee on Interstate and Foreign Commerce.

By Mrs. SMITH of Nebraska (for herself and Mr. THONE):

H.R. 7754. A bill to amend title XVIII of the Social Security Act to provide payment for rural health clinic services; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. STEERS (for himself, Mr. FAUNTROY, Mr. WALKER, Mr. QUILLEN, Mr. LAGOMARSINO, Mr. WAMPLER, Mr. EILBERG, Mr. MURPHY of Pennsylvania, Mr. BADILLO, Ms. LLOYD of Tennessee, Mrs. FENWICK, Mr. MINETA, Mr. HARRINGTON, Mr. ROSE, Mr. QUIE, Mr. EMERY, Mr. NEAL, and Mr. BAUCUS):

H.R. 7755. A bill to amend the Internal Revenue Code of 1954 to provide cost-of-living adjustments to the adjusted gross income limitation on the exclusion for certain disability payments; to the Committee on Ways and Means.

By Mr. THOMPSON:

H.R. 7756. A bill to protect the privacy of letter mail originating outside the United States; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 7757. A bill to dedicate the Indiana Dune National Lakeshore to the memory of Paul H. Douglas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VANDER JAGT:

H.R. 7758. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. WALSH (for himself, Mr. BURGENER, Mr. DERWINSKI, Mr. GRADISON, Mr. GRASSLEY, Mr. HAGEDORN, Mr. HORTON, Mr. HYDE, Mr. KETCHUM, Mr. KINDNESS, Mr. LOTT, Mr. MURPHY of Pennsylvania, Mr. RAHALL, Mr. ROBINSON, Mr. RUPPE, Mr. SEBELIUS, Mr. BOB WILSON, Mr. YOUNG of Florida, Mr. LATTA, and Mr. ZEFERETTI):

H. R. 7759. A bill to prohibit the expenditure of Federal funds for the conversion to the metric system of measurements posted on highways without a direct authorization by the Congress for such expenditures; to the Committee on Public Works and Transportation.

By Mr. ADDABBO (for himself and Mr. LONG of Louisiana):

H.J. Res. 513. Joint resolution requesting the President to commemorate the 20th anniversary of the date of the enactment of the Small Business Act and the establishment of the Small Business Administration; to the Committee on Post Office and Civil Service.

By Mr. BURLISON of Missouri:

H.J. Res. 514. Joint resolution proposing an amendment to the Constitution of the United States to prohibit automatic increases in compensation payable for goods and services, and other moneys payable for any purpose, by reason of increases in the cost of living; to the Committee on the Judiciary.

By Mr. EILBERG (for himself, Mr. PHILLIP BURTON, Mr. MAZZOLI, Mr. MONTGOMERY, Mr. MURPHY of Pennsylvania, Mrs. FENWICK, Mr. EVANS of Georgia, Mr. ERTEL, and Mr. MICHAEL O. MYERS):

H.J. Res. 515. Joint resolution to designate the calendar week beginning February 5, 1978, as National Electrical Safety Week; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN:

H.J. Res. 516. Joint resolution recognizing the contributions of school volunteers; to the Committee on Education and Labor.

By Mr. NOLAN (for himself, Mr. ADDABBO, Mr. BADILLO, Mr. BRODHEAD, Mr. CORMAN, Mr. DRINAN, Mr. FLIPPO, Mr. GILMAN, Mr. GORE, Mr. HANNAFORD, Mr. HAWKINS, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LLOYD of California, Mr. MARLENEE, Mrs. MEYNER, Mr. OTTINGER, Mr. PANETTA, Mrs. SPELLMAN, Mr. STARK, Mr. VENTO, and Mr. ZEFERETTI):

H.J. Res. 517. Joint resolution authorizing the President to proclaim the third week of July of 1977, 1978, and 1979, as National Architectural Barrier Awareness Week; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.J. Res. 518. Joint resolution to make Flag Day a legal public holiday, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BOLLING:

H. Con. Res. 248. Concurrent resolution requiring an investigation by the Joint Economic Committee of certain economic changes; to the Committee on Rules.

By Mr. SOLARZ (for himself, Mr. ADDABBO, Mr. AUCOIN, Mr. BADILLO, Mr. BALDUS, Mr. BEARD of Rhode Island, Mr. BEARD of Tennessee, Mr. BEILENSON, Mr. BOWEN, Mr. BROWN of Michigan, Mr. BROWN of California, Mr. PHILLIP BURTON, Mr. CARNEY, Mr. CLAY, Mr. CONTE, Mr. CORMAN, Mr. ROBERT W. DANIEL, Jr., Mr. DE LUGO, Mr. DORNAN, Mr. DOWNEY, Mr. EDGAR, Mr. EDWARDS of Oklahoma, Mr. EILBERG, Mr. ERTEL and Mr. FAUNTROY):

H. Res. 625. Resolution to declare a state of war against the dreaded disease, amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

By Mr. SOLARZ (for himself, Mr. FISHER, Mr. GIBBONS, Mr. GILMAN, Mr. GLICKMAN, Mr. GUYER, Mr. HOLLENBECK, Mr. HORTON, Mr. KEMP, Mr. KOSTMAYER, Mr. LEACH, Mr. LAGOMARSINO, Mr. LLOYD of California, Mr. LUNDINE, Mr. MARTIN, Mr. MARRIOTT, Mr. MAZZOLI, Mr. MCFALL, Ms. MIKULSKI, Mr. MOORHEAD of California, Mr. MOAKLEY, Mr. MOFFETT, Mr. MURPHY of Pennsylvania, Mr. NEDZI, and Ms. OAKAR):

H. Res. 626. Resolution to declare a state of war against the dreaded disease, amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

By Mr. SOLARZ (for himself, Mr. O'BRIEN, Mr. OTTINGER, Mr. QUILLEN, Mr. RAILSBACK, Mr. RICHMOND, Mr. RODINO, Mr. ROE, Mr. ROYBAL, Mr. SIMON, Mr. SKELTON, Ms. SPELLMAN, Mr. STARK, Mr. STEERS, Mr. TRIBLE, Mr. VAN DEERLIN, Mr. VANDER JAGT, Mr. VENTO, Mr. WAXMAN, Mr. WEISS, Mr. CHARLES H. WILSON of California, Mr. CHARLES WILSON of Texas, Mr. WINN and Mr. WON PAT):

H. Res. 627. Resolution to declare a state of war against the dreaded disease, amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

By Mr. SOLARZ (for himself, Mr. BEDELL, Mr. BONIOR, Mr. BURKE of Florida, Mr. COTTER, Mr. DICKS, Mr. DRINAN, Mr. DUNCAN of Oregon, Mr. FISH, Ms. FENWICK, Mr. GOLDWATER, Mr. GORE, Mr. GUDGER, Mr. HAMILTON, Mr. HAWKINS, Mr. HOLLAND, Mr. IRELAND, Mr. KELLY, Mr. KOCH, Mr. LAFALCE, Mr. LEVITAS, Mr. MITCHELL of Maryland, Mr. NICHOLS, Mr. NIX, and Mr. NOLAN):

H. Res. 628. Resolution to declare a state of war against the dreaded disease, amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

By Mr. SOLARZ (for himself, Mr. PATTERSON of California, Mr. RONCALIO, Mr. ROSE, Mr. STOKES, Mr. STUMP, Mr. WALGREN, Mr. BOB WILSON, Mr. WHITEHURST, Mr. YATRON, Mr. YOUNG of Florida, Mr. YOUNG of Alaska, and Mr. ZEFERETTI):

H. Res. 629. Resolution to declare a state of war against the dreaded disease, amyotrophic lateral sclerosis; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4, rule XXII, memorials were presented and referred as follows:

185. By the SPEAKER: Memorial of the Legislature of the State of Arizona, relative to the withholding of Federal funds; to the Committee on Government Operations.

186. Also, memorial of the Legislature of the State of North Carolina, relative to the Food and Drug Administration's decision to ban the use of saccharin; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. PHILLIP BURTON introduced a bill (H.R. 7760) for the relief of Theresa Macam Alcalen, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

125. The SPEAKER presented a petition of the city council, Dallas, Tex., relative to revisions to the Federal Water Pollution Control Act Amendments of 1972, which was referred to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7553

By Mr. CONTE:

On page 26, after line 18, insert the following:

Section 503. None of the funds appropriated or otherwise made available in this Act shall be obligated or expended for land acquisition or construction for the following new construction starts (1) under the Corps of Engineers-Construction, General: St. Lucie Inlet (Sec. 201); Port Everglades (Sec. 201); Barbers Point Harbor (Deep Draft); Honolulu Harbor; Milan; Mississippi River, Baton Rouge to the Gulf of Mexico (Southwest Pass and Bar Channel); Mississippi River, Agri. Area No. 8 (Elsberry); Arkansas-Red River Basins Chloride Control Area X; and Big Pine Lake; or (2) under the Bureau of Reclamation-Upper Colorado River Storage Project: Central Utah Project, Unitah Unit; Central Utah Project, Upalco Unit; and Animas-La Plata.

H.R. 7554

By Mr. BEARD of Tennessee:

Page 37, immediately after line 16, insert the following new setcion:

SEC. 409. None of the funds appropriated under this Act may be obligated or expended by the Veterans Administration, pursuant to the Special Discharge Review Program established by the Secretary of Defense on April 5, 1977 for individuals who served in the armed forces of the United States during the Vietnam era, except that the Administrator of Veterans Affairs may exercise his existing authority to determine eligibility for benefits in accordance with sections 101(2), 3103, and 210 of title 38, United States Code.

By Mr. FLORIO:

Page 13, lines 16 and 17, strike out "$425,573,000" and insert in lieu thereof "$428,073,000, of which $2,500,000 shall be available for grants under section 4008(e) of the Solid Waste Disposal Act".

By Mr. WEISS:

Page 17, before the period in line 2, insert the following: ": provided, That no part of the appropriations made by this Act shall be available to the National Aeronautics and Space Administration for the preparation of an overall program plan relating to technology for Advanced Supersonic Transports, or for any other study, analysis, planning, research, or development relating to such transports."

H.R. 7555

By Mr. ERTEL:

Page 40, immediately after line 7, insert the following new section:

SEC. 211. None of the funds appropriated under this title shall be obligated or expended for purposes of providing a personal cook or chauffeur for the Secretary of Health, Education, and Welfare or for any other appointed official of the Department of Health, Education, and Welfare.

SENATE—*Monday, June 13, 1977*

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 12:30 p.m., on the expiration of the recess, and was called to order by Hon. EDWARD ZORINSKY, a Senator from the State of Nebraska.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, King of Kings and Lord of Lords, the only sovereign Ruler of all mankind, we acknowledge Thee as the giver of life and freedom. As we have been inspired and uplifted by the presence of the Magna Carta in this Capitol, may the memory of its visit ever remind us of man's divinely given aspiration for self-fulfillment and self-government. May the people who loaned it and the people who received it deepen their devotion to its eternal truths. Grant that as this symbol makes its homeward way the two peoples of a common heritage may be drawn closer together in a more enduring friendship. May the spirit of the year of the jubilee be fused with the spirit of the Bicentennial to unite us firmly in the cause of human freedom. May the everlasting truth of man's dignity and worth under Thy sovereignty permeate the hearts and minds of every race and nation until, in Thy providence,

all men shall dwell in peace and justice in an order like unto Thy kingdom.

And to Thee we offer praise and thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 13, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. EDWARD ZORINSKY, a Senator from the State of Nebraska, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ZORINSKY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, June 10, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. CRANSTON. Mr. President, I ask unanimous consent that all committees may be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GOOD WORK AT BRUSHY MOUNTAIN

Mr. BAKER. Mr. President, the Nation's attention was focused this weekend on Brushy Mountain Prison's inmate escape, an accomplice to which was the confessed assassin of the late civil rights leader Martin Luther King, Jr., James Earl Ray. Ironically, during the time James Earl Ray and his associates were at large, Dr. Martin Luther King, Sr., was in Knoxville, Tenn., to address a religious gathering.

All of us are aware of the importance of any prison escape, particularly one where the escapees are confined to a maximum-security prison. Dealing with any such situation is extraordinarily difficult; this one even more so because of the notoriety of one of the prisoners involved.

Rarely have I been more proud of Tennessee's law enforcement efforts than I was this weekend immediately following the escape of six prisoners.

I discussed this matter on Saturday with Tennessee Gov. Ray Blanton and he assured me that all law enforcement officials would do their utmost not only to capture James Earl Ray, but also to return him to prison alive. Governor Blanton, Brushy Mountain Prison Warden Stonny R. Lane and State Corrections Commissioner C. Murray Henderson are to be heartily commended for their successful efforts in capturing and returning James Earl Ray to prison. Also I was very impressed with the calm and deliberate response to this escape by east Tennessee citizens, particularly those of the Cumberland Mountain community of Petros, Tenn.

Mr. President, this escape again brings to mind the tragic loss of Dr. King and the national violence which it spawned.

I am indeed thankful that this weekend's response was not one of violence, but rather, one of professional responses to a serious condition. Indeed, let us all pray that we, as a people, have moved beyond a time of violent racial confrontation to a time of meaningful dialog and cooperation in the fullest sense.

I am certain, from the national response, that many thousands of Americans thoughts were with the family of Martin Luther King, as well as with officials in Tennessee responsible for dealing with the Brushy Mountain escape. The response of all concerned was laudatory, and I appreciate their positive efforts.

THE PRESS AND ITS MYTHS

Mr. BAKER. Mr. President, I would like to bring to the attention of this body a column carried in the June 12 edition of the Washington Post entitled "The Press and Its Myths."

The column is written by the publisher of the Nashville Tennessean, Mr. John Seigenthaler. Under the leadership of John Seigenthaler, the Tennessean has attained recognition, not only in my State, but across the country for the reporting of national news. A noted journalist himself, Mr. Seigenthaler provides unique insight into the responsibilities of the press as his personal experience has provided him in this article, and I feel his remarks merit special attention today. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PRESS AND ITS MYTHS

(By John Seigenthaler)

Over these 200 years the American press has performed some great public services and some outrageous public disservices. But we have created about our industry a web of myth designed to create false impressions about the way we are. And, sadly, we have come to believe the myth.

Come National Newspaper Week, editors and publishers like me will go before civic clubs and college forums brandishing the First Amendment, wrapping ourselves in the American flag and declaiming in ringing tones how downright upright we are in serving the public interest. We recite a litany of saintly qualities which we insist are inherently ours: We serve the public interest; we represent "the people"; we are objective, above all else. And there is a new claim: We provide the public access to our columns.

But I will tell you this. As a reporter, I can't ever recall sitting down at a typewriter and thinking, as I drafted a story, that I was the voice of the people. I think such an attitude by a reporter is presumptuous and by an editor or publisher is dangerous. Reporters must never be allowed to use that crutch to replace credibility.

The reporter stands initially alone—and fortunate the reporter is who has a paper that stands with him or her. It is more than enough for a reporter to believe that there are matters the paper's readers have a need to know—perhaps even a right to know. But except in rare, occasional news stories, it is misrepresentation to assert that we are the press of the people. We speak for our own interests. And sometimes—hopefully often—they serve the interests of some in the society who need a voice.

When we boast of our "objectivity," we deal in semantics. There is little pure objectivity in the American press. If reporters are industrious and probing and honest in gathering facts, then their *subjective* judgments may be vital to the news story. Indeed, in the most crucial work we do—reporting on areas of societal controversy and conflict—the reporter's subjectivity, not his objectivity—and by that I mean his or her sense of facts developed, his or her conclusions, indeed his or her trained instinct—may make the difference in the reader's comprehension of issues.

We have an obligation to be fair and honest. But I can never recall an important story about a controversial area of reporting in which the paper took the initiative to expose some inadequacy or some wrong when my subjective sense of things did not take hold. Seeing the wrong righted and the evil cured was undeniably part of why we exposed the problem.

A no when we declare that we provide our readers with the news they need to know, we state it as if we actually provide them *all* the news they need.

The pretension of The Chicago Tribune to be "the greatest newspaper in the world" is now gone from the masthead of that newspaper, but The New York Times clings to the myth that it provides "all the news that's fit to print." We don't come close to providing the readers with all the news they need. Let me not condemn the rest of the industry. Let me speak of The Tennessean.

We cannot begin adequately to cover city government in Nashville with two reporters who are assigned there. Nor can we adequately cover state government with two reporters assigned there. Nor can one reporter adequately cover the federal beat in Nashville. Nor can one, with an occasional backup, cover the courts. But that is all we can afford—and if we had adequate manpower, we would not have an adequate news hole to provide our readers with all they need to know.

I remember working in the Justice Department in Washington during the Kennedy administration. I would walk past the press room and there see Tony Lewis of The New York Times, Jim Clayton of The Washington Post, Miriam Ottenberg of The Washington Star, plus two wire service reporters. They were assigned all of the administration of Justice—the criminal division, the antitrust division, the civil rights division, the civil division, the lands division, the tax division, the FBI, the Immigration Service. In addition, Lewis, Clayton and Ottenberg all covered the Supreme Court and Ottenberg also covered the Depratment of Health, Education and Welfare.

How many reporters do you think it would really take to cover the Pentagon and/or the State Department? But if any paper had the reporters, what paper has the news hole? And if they could fill it, does anybody think there would be all that much reader interest?

The truth is that we are inadequate and won't admit it to ourselves. We are so overcommitted to personal coverage that we fail, as an institution, to use what resources we have to meet responsibilities for broader coverage. We over-cover "events" and ignore thereby much of what is important. The reality is that we do not have the manpower—and womanpower—or the space to provide our readers with all they need to know. But we will not admit that—to ourselves or to the public.

What about the question of providing the public access to the columns of a newspaper? The Supreme Court in the Tornillo case ruled that we cannot be required to give access. Let's tell the truth. At most, we provide minimal access to our pages. We say, "write us a letter" or "do us a guest column" or "we have an ombudsman, call him," or "we have a press council." That isn't the sort of access special interest groups want; it isn't the access minority groups want.

The truth is, they don't have access and we are going to give them damned little because we don't think they are entitled to it—and maybe just because we don't want to. Not every day, perhaps, but, sadly, during times of controversy in which our positions are unpopular. At such times, we can be at our worst. We can run from retractions and admissions of error. Sometimes, under pressure, we "stand by our story," knowing that it is less than a full and completely truthful explanation. We take ourselves too seriously, at times. We get nervous and even a bit afraid. At times we are hasty, half-right, and as a result we feel threatened. At times we are abrasive and contentious—sometimes, that may mean we do our best work. Once in a while, we are vague and vapid. But most of all, the great American press is inadequate—and, more often than not, impotent.

Having made all my criticisms, I still find the press today better than ever. Its people are more aware, better educated, more alert, more committed, more dedicated, more selfless than when I came into the business almost 30 years ago.

The press has survived one economic threat after another in the last quarter century—shifting advertising markets, a decline in the number of hometown dailies, the loss of advertising revenues to television.

And yet after two centuries, we continue to live with myths. We should finally face up to the truth about ourselves. For, our economic viability notwithstanding, we may find that the truth is all that will keep us free another hundred years.

Mr. BAKER. Mr. President, I have no further requirement nor requests for time under the standing order. I yield back the remainder of my time.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, there are three nominations on the Executive Calendar that have been cleared on this side of the aisle, one under the Judiciary and two under the Department of Justice: Calendar Orders No. 263, 264, and 265. I ask unanimous consent, if these nominations are cleared on the other side of the aisle, that the Senate go into executive session to consider those three nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, reserving the right to object, and I shall not object, I am happy to report to my friend, the majority leader, that those nominations are clear on this side of the aisle. There is no objection to proceeding to their consideration and their confirmation.

Mr. ROBERT C. BYRD. I thank the minority leader.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

THE JUDICIARY

The second assistant legislative clerk read the nomination of Finis E. Cowan, of Texas, to be U.S. district judge for the southern district of Texas.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations of Jamie C. Boyd, of Texas, to be U.S. attorney for the western district of Texas; and Rodolfo A. Garza, of Texas, to be U.S. marshal for the western district of Texas.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, are there any special orders for today?

The ACTING PRESIDENT pro tempore. There are not.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. BAKER. Mr. President, I ask unanimous consent that Mike Crisp of my staff may have the privilege of the floor during consideration of and rollcall votes on the ERDA bill today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. I ask unanimous consent that Kathy Files and James Forcier of my staff may have the privilege of the floor throughout all consideration of the ERDA bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are three measures that have been placed on the Unanimous Consent Calendar for passage by unanimous consent. I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 205, 222, and 223.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BORROWING AUTHORITY OF THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1061) to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, and for other purposes, which had been reported from the Committee on Governmental Affairs with an amendment on page 2, beginning with line 17, strike the following:

(2) by striking out "subsection (b)(4)(D)" and inserting in lieu thereof "paragraph (3)(E)"; the following:

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 723 of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code, sec. 47–241) note is amended—

(1) in subsection (a) by striking out "the effective date of title IV" in the first sentence and inserting in lieu thereof "October 1, 1979"; and

(2) by adding at the end thereof the following new subsection:

"(d) The authority contained in this section to make loans shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.".

SEC. 2. Section 448(4) of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code, sec. 47–226(4)) is amended by striking out "November 1" and inserting in lieu thereof "February 1".

SEC. 3. (a) 431(e)(1)(C) of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code, title 11 App. 431(e)(1)(C)) is amended—

(1) by striking out "subsection (b)(4)(D)" and inserting in lieu thereof "paragraph (3)(E)".

(b) Section 434(b)(1)(C) of such Act (D.C

Code, title 11 App. 434(b)(1)(C)) is amended—

(1) by striking out "202" and inserting in lieu thereof "102"; and

(2) by striking out "subsection (b)(4)(D)" and inserting in lieu thereof "paragraph (4)(E)".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-224), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

PURPOSE OF THE BILL

The purpose of the bill, H.R. 14971, which was requested by the government of the District of Columbia, is (1) to provide the District government with authority to borrow from the U.S. Treasury until it can finance its capital works projects via bond issues, or other sources of revenue; (2) to require the Mayor of the District of Columbia to submit to the Council of the District of Columbia a complete financial statement and report for the fiscal year by February 1 instead of November 1, for the District's preceding fiscal year (which now corresponds with the changed date of the Federal fiscal year), October 1 to September 30; and (3) to make technical and clerical corrections in Public Law 93-198 (The Home Rule Act) with regard to the qualifications for appointment to the Commission on Judicial Disabilities and Tenure and to the Judicial Nomination Commission.

The committee amendment merely strikes repetitious language.

BACKGROUND AND NEED FOR LEGISLATION

The District Government is presently without any means to finance its capital works and related projects. The District has been unable to obtain loans for new construction projects since the expiration of the pre-Home Rule Act borrowing authority.

Prior to Home Rule, the District Government was given authority to borrow from the U.S. Treasury to fund new construction for capital works projects—including those funded by the Water Fund, the Sanitary Sewage Works Fund, the Highway Fund, and the General Fund.

However, section 743 of the Home Rule Act (D.C. Self-Government and Governmental Reorganization Act, D.C. Code, title I, section 743) terminated the District Government's authority to borrow from the Treasury and authorized the Treasury to loan the District only those sums required to complete capital projects for which construction and construction service funds were authorized or appropriated "prior to the effective date of title IV"; i.e., January 2, 1975.

Accordingly, since passage of the House Rule Act, no loans for new construction have been made for these four programs financed by the funds referred to above.

The Congress included the interim borrowing authority provision in the Self-Government Act to prevent undue disruption in the District's building and improvement programs during the transition from Treasury borrowing to the municipal bond market as the source of financing the District's capital program. Because of unexpected delays in the development and implementation of the District's bonding authority, an extension in the period for which Treasury loans may be made is necessary; otherwise, vital ongoing improvement efforts will be halted and new projects may be delayed.

Continuing projects in the District for which financing may not otherwise be available include a vocational center for the handicapped; renovation and improvements to the Children's Center at Laurel, Md.; a major program of modernization and roof and boiler repairs and replacements for the public schools, major repairs to water and sewer mains, installation of new water and sewer mains and fire hydrants, major repairs to city highways, streets, and bridges, and street-lighting installations, modernization and replacement of Fire Department station houses.

Financing for such new projects approved by the District for inclusion in the 1978, 1979, and also 1980 fiscal year budgets may not be available in a timely manner unless the interim borrowing authority is revised and extended as requested.

DISTRICT'S BORROWING AND FINANCIAL SITUATION

The city's borrowing authority was terminated under section 743 of the Home Rule Charter because the Self-Government Act (section 723(a)) also provided the city with authorization to finance its capital projects through its own general obligation bonds. However, the recurring financial problems of New York City had negative implications for many urban areas. The Senate disapproved the issuance of bonds by the District on December 6, 1975, and while the House of Representatives did not concur, the action of the Senate effectively made public marketing of such bonds impossible.

The District was precluded from both borrowing authority from the Treasury and its own expected bonding authority. This total blockage of funds led to the District's drafting and submission to the Congress of legislation which was designed to extend the authority to borrow from the Treasury until January 1977. This additional time was to provide an interlude until the economic climate permitted a determination to authorize the sale of municipal bonds. But, the 1976 Arthur Andersen report, which was done under contract with the District of Columbia Committee, revealed that it would be months, if not years, before accurate and reliable data could be provided which would justify a decision to issue bonds.

Since that request to extend the borrowing authority was submitted, it has become apparent that the District may not be in a position to issue bonds until sometime after October, 1978. That is the earliest date at which an audit of the city's financial reports can be undertaken according to the schedule set forth in the report of Arthur Andersen & Co. and included in the conference report on H.R. 11009 (to provide for an independent audit of the financial condition of the government of the District of Columbia). While the city may be legally able to issue bonds without audited reports, such action would, in the committee's view, be highly undesirable. Without an audited financial statement, the city would have to pay a substantial interest premium for any bonds issued. In addition, future legislation may require that municipal issues have audited financial statements in support of general obligation bond issues. Accordingly, the District government requested the committee to extend the interim borrowing authority at least until October 1, 1979.

The present bill was, therefore, introduced to authorize an extension of the borrowing authority from the Treasury until October 1, 1979—the beginning of the fiscal year. It is hoped that this will allow time for a complete audit and other prerequisites for the issuance of bonds by the city. A similar bill passed both Houses of Congress in the last Congress, but non-germane amendments precluded resolution of the differences in the final days of that Congress.

If authority to secure further loans from the Treasury Department is not granted to the District, it will impair the District's ability to meet its obligation for prior Treasury loans. As of June 30, 1976, Treasury loans outstanding to the District for capital programs under the loan authority amounted to $1,071,131,370, including $213,956,000 advanced under the interim loan authority. It will be difficult, if not impossible, for the District to continue its capital projects if the borrowing authority from the Treasury is not extended as is provided in S. 1061.

PROVISIONS OF S. 1061

Section 1 of the bill, as stated, amends the Home Rule Act to extend until October 1, 1979, the District's interim authority to borrow from the Treasury of the United States to finance the District's capital improvements projects.

Section 2 of the bill amends section 448 (4) of the Self-Government Act to change the date by which the Mayor must submit to the Council of the District of Columbia a complete financial statement and report for the preceding fiscal year. Present law requires the submission of such an annual report by November 1 of each fiscal year. The change in the end of the fiscal year of the District from June 30 to September 30, effective October 1, 1976, leaves insufficient time for the preparation of the required financial statements and reports by November 1. The proposed amendment will conform the reporting requirement with the change in the fiscal year by changing the date of submission from November 1 to February 1 of each fiscal year.

Section 3 of the bill simply makes procedural and technical changes to the existing law (Public Law 93-198, Home Rule Act) respecting qualifications for appointment to the Commission on Judicial Disabilities and Tenure, and to the Judicial Nomination Commission.

HEARING AND COMMITTEE VOTE

The Subcommittee on Governmental Efficiency and the District of Columbia held a hearing on S. 1061 on April 27, 1977. The Committee on Governmental Affairs unanimously ordered the bill reported on May 12, 1977, after discharging the subcommittee from further consideration of the legislation.

CONGRESSIONAL BUDGET OFFICE ESTIMATE AND COMPARISON

No estimate and comparison of costs has been received by the committee from the Director of the Congressional Budget Office, pursuant to section 403 of the Congressional Budget and Impoundment Control Act of 1974. See cost estimate below by this committee.

COSTS

The enactment of this proposed legislation will involve no added costs to the District of Columbia government nor to the Federal Government.

REGULATORY OR PRIVACY IMPACT

In accordance with rule XXIX there is no regulatory or privacy impact caused by this legislation.

INFLATIONARY IMPACT

The bill, if enacted into law, will have no foreseeable inflationary impact on prices or costs in the operation of the national economy.

LEASING OF FLUE-CURED TOBACCO MARKETING QUOTAS

The bill (H.R. 3416) to amend section 316(c) of the Agricultural Adjustment Act of 1938 to provide that leasing of Flue-cured tobacco acreage-poundage marketing quotas after June 15 of any year be permitted only between farms on which at least 80 percent of the farm acreage allotment was planted for such year, was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to haye printed in the RECORD an excerpt from the report (No. 95–240), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

SHORT EXPLANATION

H.R. 3416 increases to 80 percent from 50 percent the amount of the farm acreage allotment for Flue-cured tobacco which must be planted on farms desiring to lease acreage-poundage quotas after June 14 of any year.

BACKGROUND AND NEED FOR LEGISLATURE

Section 316 of the Agricultural Adjustment Act of 1938, as amended, governs the lease and transfer of Flue-cured tobacco acreage allotments. Under the provisions of this section, if the Secretary of Agriculture determines that it will not impair the effective operation of the tobacco marketing quota or price support program, the owner and operator of any farm for which a Flue-cured tobacco acreage allotment is established may lease all or any part of such allotment or quota to any other owner or operator of a farm in the same county for use in such county on a farm having a current Flue-cured tobacco allotment or quota. Such leases may be for terms of up to 5 years.

The leasing program is designed to permit producers to obtain additional quotas temporarily to market unanticipated increases in yield or to increase production and thereby cause their operations to become more efficient. The demand for such leases of marketing quotas increases in the fall when producers who have increased production to improve efficiency or who have larger than anticipated yields must lease additional quotas in order to sell their tobacco. On-farm storage is not a practical alternative because Flue-cured tobacco is subject to beetle infestation difficult to prevent or control except in commercial warehouses.

In order to discourage speculation in or brokering of Flue-cured tobacco marketing quotas, particularly in the fall, section 316 (c) of the Agricultural Adjustment Act of 1938 does not permit leasing of such quotas between large farms (quotas over 2,000 pounds) after June 14 in any year unless as much as 50 percent of the acreage allotment has been planted on both the lessor and lessee farms. Nonetheless, in recent years, there has developed a practice on the part of some to lease quotas in the spring with the intention not of covering unanticipated increases in yield or increasing production, but rather of releasing such quotas bring a considerably higher price. The competition of such speculators has reduced the quantity of quotas available to legitimate producers for spring planting and increased their costs when they have been forced to lease quotas during the marketing season at exorbitant rates.

H.R. 3416 is designed to curtail these abuses by, in effect, prohibiting fall leasing after June 14 of Flue-cured tobacco quotas unless as much as 80 percent of the acreage allotment has been planted on both the lessor and lessee farms.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., March 15, 1977.

Hon. THOMAS S. FOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR MR. CHAIRMAN: This replies to your request of February 14 for a report on H.R. 3416, a bill "To amend section 316(c) of the Agricultural Adjustment Act of 1938 to provide that leasing of Flue-cured tobacco acreage-poundage marketing quotas after June 15 of any year be permitted only between farms on which at least 80 percent of the farm acreage allotment was planted for such year."

The Department does not oppose passage of the bill.

H.R. 3416 provides that any lease of Flue-cured tobacco acreage-poundage marketing quota from a farm having an acreage-poundage marketing quota of more than 2,000 pounds filed with the appropriate county ASCS committee on or after June 15 of any year, shall not be effective unless the acreage planted on both the lessor and lessee farms during the year was as much as 80 percent of the farm acreage allotment in effect for such year. Under present legislation, such leases are not effective unless the acreage planted was as much as 50 percent of the farm acreage allotments in effect for the year.

Flue-cured tobacco is not planted as late as June 15. Accordingly, leases of acreage-poundage marketing quota to transfer production from one farm to another are necessarily effected before that date and leases filed on or after June 15 are for transferring marketing quota from one farm to another for the marketing of tobacco which is already at least partly produced. Higher than expected yields per acre frequently result in production in excess of a farm's marketing quota and create substantial demand for leasing marketing quota during the marketing season. In many instances, the prevailing prices for leases are higher during the marketing season than during the preplanting season. In such situations, a producer can profit by leasing acreage-poundage quotas early in the year solely for re-leasing later in the year. The provisions that leases filed on or after June 15 shall not be effective unless the acreage planted on both the lessor and lessee farm was a specified percent of the acreage allotment, limits leasing solely for the purpose of re-leasing and thus, makes a greater proportion of the leasing opportunities available for leasing for the purpose of producing tobacco. It has been reported to the Department that the practice of leasing for the purpose of re-leasing is increasingly limiting the availability of acreage-poundage marketing quotas for leasing by farmers who desire to increase their production and escalating such farmers' leasing costs.

An increase from 50 percent of the farms' acreage allotment to 80 percent of the farms' acreage allotment which must be planted as a condition for leasing on or after June 15 would curtail to a considerable extent the practice of leasing solely for the purpose of releasing at higher prices. At the same time, it would not preclude the releasing in instances where changes in circumstances result in moderately less tobacco being planted on a farm than had been planned.

The enactment of this bill will require only minimal, if any, additional expenditures.

The quality of the environment will not be effected by the adoption of this proposal.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's objectives.

Sincerely,

BOB BERGLAND, *Secretary.*

REGULATORY IMPACT EVALUATION

In compliance with subsection 5 of Rule XXIX of the Standing Rules of the Senate, the committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 3416.

I.

This bill does not impose any additional regulatory procedures. Instead it modifies a detail provided in current law for the regulation of the transfers of Flue-cured tobacco marketing quotas from one farm to another by leases entered into between the farm operators.

Under current law, a Flue-cured tobacco producer may, not later than June 14 of any year (planting has been completed before that date), increase his acreage allotment and marketing quota by acquiring by lease all or part of the acreage allotments and marketing quotas of other farms. Also, under current law, a producer may increase his marketing quota after June 14 by leasing the quota of other farms, if the planted acreage on both the lessee and lessor farms was not less than 50 percent of their respective acreage allotments. Thus, in instances where high yields per acre result in production in excess of a farm's marketing quota, the marketing quota may be increased by leasing part of the quota of other farms on which at least 50 percent of the acreage allotment was planted. This bill increases to 80 percent the percentage of the farms' allotments which must have been planted on both the lessor and lessee farms for marketing quotas to be leased after June 14.

It is estimated that under current law 14,000 farmers lease 43 million pounds of Flue-cured quota to 18,000 other farmers after June 14, and that earlier in the year 81,000 farmers lease to 29,000 other farmers 392 million pounds of Flue-cured quota along with the acreage allotment for producing such poundage of Flue-cured tobacco. The paperwork involved in determining that a farmer planted 80 percent of his allotment will be identical to that now involved under current law in determining that the farmer planted 50 percent of his allotment.

II.

However, this bill will have indirect regulatory impact as follows:

1. It will tend to cause producers who do not desire to plant 80 percent of their acreage allotments to lease to others prior to June 15 such part of their acreage allotments and marketing quota as necessary to result in their plantings being at least 80 percent of their allotments remaining after the leasing.

2. Producers who increase their acreage allotments and marketing quotas by leasing, prior to June 15, with the expectation of releasing quotas at higher prices after June 14,

will be unable to effect any re-leasing unless they have planted at least 80 percent of their acreage allotments including that acquired by lease prior to June 15.

3. Producers whose production is less than expected or even destroyed by disaster will be unable to lease to others any part of their quota unless they have planted at least 80 percent of their acreage allotments.

4. Leasing after June 14 will tend to be more directly between farmers whose high yields per acre have resulted in production in excess of their marketing quotas and farmers for whose farms the acreage allotments and marketing quota are permanently established, with a corresponding reduction in lessees' leasing acreage allotments and marketing quotas prior to June 15 and re-leasing part of the marketing quota after June 14 at higher prices.

III.

As flue-cured allotments and quotas are established in the amounts determined necessary to result in production levels compatible with disappearance estimates, the bill will have no significant effect on the quantity of tobacco produced or the market prices for the tobacco. If production in any year should be increased due to larger amounts of allotments being leased before June 15 and planted, such production, increases would be offset by quota reductions the following years. Because the bill will tend to result in farmers who do not plant as much as 80 percent of their acreage allotments leasing unplanted part before June 15, the availability of leases of acreage allotments will be increased. This should tend to reduce the prices paid for leases for planting. However, greater utilization of the available leases for planting will reduce the quantity available for leasing after June 14 and thus tend to increase leasing prices after June 14. With lease prices lower during the planting season and higher during the marketing season, there will probably be little or no net change in the overall leasing costs.

No personal information is required, except that a copy of the lease must be filed in the county ASCS office.

COST ESTIMATE

In accordance with section 252 of the Legislative Reorganization Act of 1970, the committee submits the following estimates of costs to be incurred by the Federal Government as a result of the enactment of this legislation.

The Department of Agriculture estimates that enactment of this bill will require only minimal, if any, additional expenditures.

The Congressional Budget Office estimates that no additional costs to the Government would be incurred as a result of enactment of this bill.

The committee agrees that no additional costs will be incurred because of this bill.

The cost estimate prepared by the Congressional Budget Office reads as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 30, 1977.

Hon. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 3416 (as ordered reported by the Senate Committee on Agriculture, Nutrition and Forestry), a bill to amend Section 316(c) of the Agricultural Adjustment Act of 1938 to provide that leasing of flu-cured tobacco acreage-poundage marketing quotas after June 15 of any year be permitted only between farms on which at least 80 percent of the farm acreage allotment was planted for such year.

Based on this review, it appears that no additional cost to the Government would be incurred as a result of enactment of this bill.

Sincerely,

ALICE M. RIVLIN, *Director.*

AMENDMENT OF RULE XLIX OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 223 on the Unanimous-Consent Calendar, which has been cleared on both sides.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 188) to amend rule XLIX of the Standing Rules of the Senate.

The resolution was considered and agreed to, as follows:

Resolved, That paragraph (1) of rule XLIX is amended to read as follows:

"1. No officer or employee of the Senate may receive, solicit, be a custodian of, or distribute any funds in connection with any campaign for the nomination for election, or the election, of any individual to be a Member of the Senate or to any other Federal office. This prohibition does not apply to two assistants to a Senator, at least one of whom is in Washington, District of Columbia, who have been designated by that Senator to perform any of the functions described in the first sentence of this paragraph and who are compensated at an annual rate in excess of $10,000 if such designation has been made in writing and filed with the Secretary of the Senate and if each such assistant files a financial statement in the form provided under rule XLII for each year during which he is designated under this rule. The Secretary of the Senate shall make the designation available for public inspection.".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-241), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The committee considered and approved an amendment to paragraph 1 of rule XLIX of the Standing Rules of the Senate, which would permit those two assistants of a Senator designated pursuant to rule XLIX to solicit campaign funds in addition to receive, be the custodian of or distribute such funds. Rule XLIX, as adopted by the Senate in Senate Resolution 110 on April 1, 1977, prohibits solicitation of campaign funds by those assistants specifically designated to otherwise receive, hold or distribute such funds.

Pursuant to Senate Resolution 110, the Senate requested the Committee on Rules and Administration to make recommendations with respect to the use of official staff of the Senate in campaigns for nomination or election to the Senate. The adoption of rule XLIII in 1968 and new rule XLIX in 1977 reflects the view of the Senate, and this committee, that there is a proper role for specifically designated members of a Senator's staff to participate in the process of raising funds for a political campaign. Prior to the adoption of existing rule XLIX, Senate Rule XLIII had permitted designated assistants to receive, solicit, be the custodian of or distribute political funds.

The committee is not aware of any laws which prohibit individuals who are part of a Senator's staff from participating in a Senator's reelection campaign as long as they do not neglect their Senate duties, and the committee does not feel there should be such proscriptions. Furthermore, it is neither illegal nor a violation of Senate Rules for a member of a Senator's staff to work full time in political campaigns while on annual leave or vacation time or while on leave of absence from his or her Senate duties, and the committee feels there should not be any proscription of such actions.

The Senate has, however, imposed a limitation on one area of political activity with respect to which Senate staff may become involved—the actual handling of campaign funds. Consequently, except for two designed assistant on a Senator's staff, all officers and employees of the Senate are prohibited from receiving, soliciting, holding or distributing campaign funds.

Upon review of rule XLIX, the committee determined that to prohibit the solicitation of funds while permitting the other fund-raising activities was both inconsistent and unworkable, as all these activities are integral parts of the same process. A rule permitting specific individuals to handle political funds has been part of the Senate Rules since 1968 (see old rule XLIII). New rule XLIX for the first time draws a line between receiving, being the custodian of and distributing political funds on the one hand and soliciting such funds on the other. The committee feels such a fine line is unrealistic and creates inevitable hairsplitting and uncertainties as to when or whether a solicitation may have occurred while the designated assistant is otherwise engaged in handling of campaign funds. This is unfair to the designated assistants, subjecting them to needless fear of violations. In those limited instances where a Senator designates an assistant to handle campaign funds, he or she should be permitted to engage in the entire fund-raising process. The committee further notes that the receipt, solicitation, holding and disposition of campaign funds is subject to detailed regulation by the Federal Election Commission, pursuant to the Federal Election Campaign Act of 1971, as amended. The committee therefore recommends the rule be changed and that this resolution be agreed to.

PRIVILEGE OF THE FLOOR

Mr. CHURCH. Mr. President, I ask unanimous consent that during the consideration of S. 1340, a bill to authorize appropriations for the nonnuclear energy research, development, and demonstration programs conducted by ERDA, the following staff members of the Energy and Natural Resources Committee be granted the privileges of the floor:

Dr. Dan Dreyfus, Mr. Ben Yamagata, Dr. Granville Smith, Dr. Willis Smith, Ms. Katherine Reese, Ms. Nancy Fussell, Mr. Tom Imeson, Mr. Charles Trabandt, Mr. Fred Craft.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CLEAN AIR AMENDMENTS OF 1977

Mr. RANDOLPH. Mr. President, I ask unanimous consent that H.R. 6161 be laid before the Senate.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

H.R. 6161, an act to amend the Clean Air Act, and for other purposes.

Mr. RANDOLPH. Mr. Presdent, I move that the Senate insist on its amendments to H.R. 6161 and request a conference with the House of Representatives on the disagreeing votes of the two Houses; and that the Chair be authorized to appoint conferees on behalf of the Senate.

The motion was agreed to; and the Chair appointed Mr. RANDOLPH, Mr. MUSKIE, Mr. CULVER, Mr. HART, Mr. ANDERSON, Mr. STAFFORD, Mr. BAKER, Mr. MCCLURE, and Mr. DOMENICI conferees on the part of the Senate.

FRAUDULENT HEALTH INSURANCE

Mr. CURTIS. Mr. President, a potentially very serious and shocking situation, concerning the possible widespread sale of fraudulent health insurance, has recently been brought to my attention. Two of my constituents in Nebraska appear to have been victimized by a most callous operation that now appears to be one of many operating in several States.

These so-called health and retirement schemes offer unsuspecting individuals what appear to be health insurance policies allegedly under the terms of the Retirement Income Security Act of 1974. Insufficiently capitalized and operating, reportedly, almost entirely on a mail-order basis, they try to pretend that they are outside the purview of State insurance codes and regulations. Their total modus operandi appears to be one of an intensive advertising campaign, the scooping up of premiums, and then departure from the scene. An injunction against further operation has already been secured by the insurance commissioner in one State, but there is no telling how many other States may be the situs for this mobile endeavor.

This victimization of innocent individuals, many of whom may have dropped their former health insurance coverage, appears to be of such potential magnitude that I am addressing letters to the Secretary of Labor, the Attorney General, and the Postmaster General requesting an immediate thorough investigation to determine: First, if, in fact, State insurance commissioners may assert jurisdiction and bring these operations to a halt; second, if not, what is being done federally to stop this kind of reported deception; third, if any criminal statutes, including those for mail fraud, have been violated; and fourth, if remedial legislation is required to stop such practices once and for all.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:36 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 5840. An act to amend the Export Administration Act of 1969 in order to extend the authorities of that Act and improve the administration of export controls under that Act, and to strengthen the antiboycott provisions of that Act.

H.R. 6206. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ZORINSKY).

At 1:10 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 6138) to provide employment and training opportunities for youth; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. PERKINS, Mr. HAWKINS, Mr. DENT, Mr. BEARD of Rhode Island, Mr. MICHAEL O. MYERS, Mr. LE FANTE, Mr. WEISS, Mr. CLAY, Mr. CORRADA, Mr. QUIE, Mr. SARASIN, Mr. JEFFORDS, and Mr. PURSELL were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC–1495. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, notice of the intent to obligate $52.1 million of funds available in the Army Stock Fund for additional war reserve inventories; to the Committee on Appropriations.

EC–1496. A letter from the Deputy Secretary of Defense transmitting, pursuant to law, notice that the plan to dispose of the remaining M–139 and E–139 bomblets at the Dugway Proving Ground, Utah will commence approximately 1 July 1977, but in no event less than 30 days after 7 June 1977; to the Committee on Armed Services.

EC–1497. A letter from the Director of Personnel of the Overseas Private Investment Corporation transmitting, pursuant to law, notice of the intent to change a system of records from a manual to a computerized system, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–1498. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Landsat's Role in an Earth Resources Information System" (PSAD–77–58) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1499. A letter from the Acting Staff Director of the United States Commission on Civil Rights transmitting, pursuant to law, a report on the administration of the Freedom of Information Act during the calendar year 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–1500. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals for June 1977 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations; the Budget; Foreign Relations; Commerce, Science, and Transportation; Armed Services; Environment and Public Works; Environment and Natural Resources; the Judiciary; Agriculture, Nutrition, and Foresty; Human Resources; Finance; Governmental Affairs; Banking, Housing, and Urban Affairs; and the Select Committee on Small Business, and ordered to be printed.

EC–1501. A letter from the Chairman of the Board of Governors of the Federal Reserve System transmitting, for the information of the Senate, a copy of the Sixty-Third Annual Report of the Board of Governors of the Federal Reserve System for the calendar year 1976 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC–1502. A letter, dated June 9, 1977, from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–1503. A letter from the Commissioner of the Immigration and Naturalization Service of the Department of Justice transmitting, pursuant to law, orders in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC–1504. A letter from the Director of the Community Services Administration transmitting, for the information of the Senate, specifying the state's allocation for the emergency funds for mitigation of the increased energy and fuel cost burden upon the poorer of the citizens of this Nation (with an accompanying letter); to the Committee on Human Resources.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

POM–228. Legislative resolution 96 adopted by the Legislature of the State of Nebraska memorializing the Congress of the United States to reject any proposed legislation to amend the McCarran-Ferguson Act by pro-

viding for federal regulation and limiting state regulation of the insurance business; to the Committee on the Judiciary:

"LEGISLATIVE RESOLUTION 96

"Whereas, in 1945 the McCarran-Ferguson Act, 15 U.S.C. ss. 1011 to 1015, inclusive, was enacted into law; and

"Whereas, in that Act it is stated, 'Congress declares that the continued regulation and taxation by the several states of the business of insurance is in the public interest'; and

"Whereas, in the course of such regulation, the several states have encouraged and required continued improvements in insurance coverages and the provision of insurance at reasonable rates; and

"Whereas, the several states have continually reviewed, experimented with, and altered various approaches to regulation in an effort to assure the public of the availability of insurance at the lowest practicable cost; and

"Whereas, the business of insurance has developed a competitive structure which includes a wide variety of organizations and many small businesses providing policies and services directly to the public; and

"Whereas, the public has benefited from the competitive structure of the insurance business and from the regulation of the business by the several states; and

"Whereas, federal regulation has repeatedly been shown not to be a panacea; and

"Whereas, it is clear that the establishment of federal regulation increases the cost of government and often increases the cost of products and services to the consumer without providing offsetting benefits to the public; and

"Whereas, federal regulation often adds confusion and delay; and

"Whereas, there has been no showing that the several states cannot continue to provide effective regulation of the insurance business; and

"Whereas, there has been no showing that federal regulation of the insurance business, by applying federal antitrust laws and limiting state regulation, will have a salutary effect upon the business or otherwise benefit the public; and

"Whereas, two or more insurance companies often pool their resources and coordinate their actions under state regulation in order to provide effective insurance coverage of certain risks, to provide reasonable prices and efficient services for the public, and to make available innovative coverages and services; and

"Whereas, officials of the Federal Government have publicly, although unofficially, recommended amendment of the McCarran-Ferguson Act so as to limit state regulation of the business of insurance

"Now, therefore, be it resolved by the Members of the Eighty-Fifth Legislature of Nebraska, first session:

"1. That the Legislature hereby memorializes the Congress of the United States to reject any proposed legislation to amend the McCarran-Ferguson Act by providing for federal regulation and limiting state regulation of the insurance business.

"2. That copies of this resolution be prepared and transmitted by the legislative counsel to the Vice President as presiding officer of the Senate, to the Speaker of the House of Representatives, and to all members of the Nebraska congressional delegation.

"3. That this resolution shall become effective upon passage and approval."

POM-229. House Concurrent Memorial 2001 adopted by the Legislature of the State of Arizona praying that the Congress of the United States refrain from withholding, withdrawing or threatening to withhold or withdraw Federal funds from a State as a means of requiring a State to implement policies which the Federal Government has no authority under the Constitution to impose or implement; to the Committee on Governmental Affairs.

"HOUSE CONCURRENT MEMORIAL 2001

"To the Congress of the United States of America:

'Your memorialist respectfully represents:

"Whereas, the powers delegated to the Federal Government by the United States Constitution are limited, and those powers not delegated to the Federal Government are reserved to the States;

"Whereas, it is becoming increasingly the practice of the Federal Government to require States to enact State laws to implement Federal policies by threatening to withhold or withdraw Federal funds for failure to do so; and

"Whereas, the Federal Government has imposed upon the States many programs and obligations which require funding in excess of State means, thereby making the states subservient to and dependent upon the Federal Government for financial assistance; and

"Whereas, through the coercive force of withdrawing or withholding Federal funds, or the threat of withdrawing or withholding federal funds, the Federal Government is indirectly imposing its will upon the States and requiring implementation of Federal policies which neither Congress nor the President nor any administrative agency is empowered to impose or implement directly; and

"Whereas, this coercive power of the purse is being used to extend the power of the Federal Government over the States far beyond the powers delegated to the Federal Government by the United States Constitution; and

"Whereas, the power of the Federal Government should be exercised directly by the enactment, implementation and enforcement of Federal laws governing only those areas in which the Federal Government is empowered to act by the United States Constitution, and the Federal Government should be prohibited from usurping the authority of the States and imposing its will indirectly in those areas in which it has no power to act directly; and

"Whereas, the federal government has imposed upon the states many programs and obligations which require state administration and such programs or other programs may lose federal financing if certain conditions attached to the program are not met.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays.

"1. That the Congress of the United States refrain from withholding, withdrawing or threatening to withhold or withdraw federal funds from a state as a means of requiring a state to implement policies which the federal government has no authority under the Constitution to impose or implement.

"2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States, the President of the United Senate, the Speaker of the House of Representatives of the United States and to each Member of the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Rules and Administration:

S. Res. 191. An original resolution designating certain rooms in the United States Capitol as the Hugh Scott Room and the Harry Flood Byrd, Sr., Room.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Andrew W. Danielson, of Minnesota, to be U.S. attorney for the District of Minnesota.

James W. Byrd, of Wyoming, to be U.S. marshal for the district of Wyoming.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BARTLETT:

S. 1679. A bill to authorize the Secretaries of the military departments to retain on active duty or to return to active duty certain disabled members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. THURMOND:

S. 1680. A bill for the relief of Ronald L. Outlaw and his wife, Carolyn H. Outlaw, of Lee County, S.C.; to the Committee on the Judiciary.

By Mr. SCOTT:

S. 1681. A bill to amend the Communications Act of 1934 in order to increase the authorized term of broadcasting station licenses to 6 years, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BIDEN (for himself and Mr. BENTSEN):

S. 1682. A bill to provide for the implementation of treaties for the transfer of offenders to or from foreign countries; to the Committee on the Judiciary.

By Mr. HELMS:

S. 1683. A bill to expand the medical freedom of choice of consumers by amending the Federal Food, Drug, and Cosmetic Act to provide that drugs will be regulated under the act solely to assure their safety; to the Committee on Human Resources.

By Mr. DECONCINI:

S. 1684. A bill to amend the Public Health Service Act to provide financial assistance to medical facilities for treatment of certain aliens; to the Committee on Human Resources.

By Mr. HATHAWAY:

S. 1685. A bill to establish a Department of Education and Training, and for other purposes; to the Committee on Governmental Affairs.

By Mr. STONE (for himself and Mr. CHILES):

S.J. Res. 62. A joint resolution recognizing the contributions of school volunteers; considered and passed.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BARTLETT:

S. 1679. A bill to authorize the Secretaries of the military departments to retain on active duty or to return to active duty certain disabled members and former members of the Armed Forces; to the Committee on Armed Services.

DISABLED VETERANS

Mr. BARTLETT. Mr. President, today I am introducing legislation which will, I hope, restore a sense of dignity to a group of citizens in this country who are too often overlooked. I am talking about the disabled American veteran.

The legislation I propose authorizes the Secretaries of the various military departments to retain on active duty or to return to active duty certain disabled members and former members of the Armed Forces.

There are thousands of disabled American veterans in our country, many of whom would welcome the opportunity to make a meaningful contribution of their lives to the country they have faithfully served. What better way for a former soldier to make such a contribution than to serve in the military?

My legislation makes it voluntary for a disabled veteran to apply for return to active duty, if otherwise qualified. However, there would be no "double-dipping" allowed since he will draw either his disability pay or his active-duty pay, but not both.

I recognize the potential problems that confront the military service in reenlisting a disabled veteran; it is for that reason that I have outlined limitations on the duties to be performed:

First. The duty performed shall be noncombative in nature;

Second. The duty shall not be performed in a combat or direct combat support unit;

Third. The duty shall not be performed in a combat zone or in an area which the Secretary concerned considers to be vital to the security of the United States; or

Fourth. The duty shall not be performed in a locale that is outside the geographic limits of the United States.

With these limitations I believe that many of the problems that the service Secretaries may envision in allowing disabled veterans to serve on active duty will be obviated.

Mr. President, in conclusion I urge the Armed Services Committee to look into this important area and to have hearings on this legislation as soon as possible.

By Mr. SCOTT:

S. 1681. A bill to amend the Communications Act of 1934 in order to increase the authorized term of broadcasting station licenses to 6 years, and for other purposes; to the Committee on Commerce, Science, and Transportation.

BROADCAST LICENSE RENEWAL

Mr. SCOTT. Mr. President, I am today introducing legislation that would amend the Communications Act of 1934.

In my opinion, broadcast owners and managers often are forced to operate their businesses with no reasonable assurance that their licenses will be renewed in the future, regardless of the fact that their stations have served the "public interest, convenience, and necessity." Management assumes a high risk in making long-term capital investments to improve the quality of service to the public, and it seems logical, therefore, that changes be made in the law to provide a greater degree of certainty and stability to the approximate 9,000 radio and television licensees around the country.

My proposal would extend the time period for the Federal Communications Commission to review pending renewal applications from the present 3 years to 6 years but would couple the doubling of the term of the license with a requirement for the annual filing with the Commission of a report on the operation of the individual station. This action should facilitate a more thorough FCC review of each licensee by reducing the number of renewal applications the Commission must process each year.

The annual report provided for in the bill would be a compilation of material presently required to be collected and maintained by each licensee. It would not mandate the preparation of any additional material. In fact the measure provides that to the extent possible, it be condensed and consolidated but would tend to show that the station has served the public interest, convenience, and necessity for the year preceding the filing of such report. In other words, the Federal Communications Commission would have material available in its files that could be examined at any time in the event a question should arise about the operation of an individual station, but the Commission would not need to examine into the facts or pass upon the operation of the station more often than once every 6 years. This would appear to be helpful to both the operating stations and the Commission. I believe it would serve the public interest and hope that serious consideration can be given to the proposal.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1681

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307(d) of the Communications Act of 1934 (U.S.C. 307 (d)) is amended by striking out "three years" in each place it appears therein and inserting in lieu thereof "six years".

SEC. 2. (a) Section 307 of the Communications Act of 1934 is further amended by inserting at the end thereof the following:

"(f) Each holder of a license for a broadcasting station shall file an annual report with the Federal Communications Commission, consisting of material required to be retained by such station prior to the date of enactment of this subsection, not later than the anniversary date of the granting of such license or of the last renewal if different, on how the operation of such station has served the public interest, convenience, and necessity during the preceding year, except no such report shall be required in the year that the license renewal application is to be filed. All forms, documents, and other data required to be filed by a licensee shall, to the extent possible, be condensed and consolidated into such annual report, but nothing in this subsection shall require a greater amount of information or filing of documents than was required prior to the enactment of this subsection.".

(b) The amendment made by this section shall be effective immediately for the purpose of prescribing regulations therefor but shall not be effective until 180 days after the date of enactment of this Act for the purpose of filing reports thereunder.

SEC. 3. (a) The Federal Communications Commission shall review its rules and regulations relating to the broadcast license renewal process to determine whether the paperwork presently required of each licensee by the Commission for renewal considerations can be reduced and consolidated. In carrying out this review, the Commission shall give special consideration to reducing and consolidating the forms, documents, and other data presently required for license renewal consideration of small broadcast stations.

(b) This review shall be completed within six months after the date of enactment of this Act, and the Commission shall report to the appropriate Congressional Committees on the progress made in reducing overall paperwork requirements and on any changes it has made in its rules, regulations, and procedures as a result of such review.

By Mr. BIDEN (for himself and Mr. BENTSEN):

S. 1682. A bill to provide for the implementation of treaties for the transfer of offenders to or from foreign countries; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, I am pleased today to join with Senator BENTSEN in the introduction of legislation to implement treaties between the United States and other nations for transfer of offenders convicted in foreign nations back to their home nation. The Senate is presently considering treaties with Mexico and Canada, and ratification hearings will be held later this week before the Senate Foreign Relations Committee. This legislation, which is being introduced today, would provide those changes in statutory law necessary to implement these treaties, and others which we may enter into with other nations in the future.

The greatest attention has been focused to date on the status of American citizens incarcerated in Mexico. I am pleased to note that all congressional action has been completed by our sister nation, and if the Senate should ratify the treaty, and if implementing legislation such as I am introducing today is enacted, the process will be complete and the transfer of prisoners can begin.

In its concern over the international traffic in narcotic and abusable drugs, the United States encouraged vigorous enforcement of drug laws by other nations. One of the results of this enforcement has been arrest and conviction of many American citizens, and their incarceration in foreign jails and prisons. Many of those arrested were guilty of possession of only small quantities of these drugs for their personal use.

The number of Americans in Mexican institutions has exceeded 600, and about half of them may be eligible for transfer under the treaty and legislation. Many who would not be considered under this legislation are already near their

date of release. Approximately four out of five of these prisoners have been convicted of drug-related offenses.

This implementing legislation does present problems which Congress will have to look very carefully at. If this legislation should be referred to the Judiciary Subcommittee on Penitentiaries and Corrections, of which I am chairman, I intend to schedule hearings as soon as possible so that these issues can be looked at.

In some cases, these citizens were convicted without benefit of our ideals of the due process of law, and this is something which Congress and our courts cannot overlook. There are also problems that must be considered as to how this legislation relates to Federal and State criminal process, because this legislation anticipates that transfers would take place in both directions, and foreign nationals in U.S. prisons would be returned to their home nations.

I am pleased to join with my colleague in the introduction of this legislation today, and look forward to working closely with all of those who have an interest in the problems and opportunities which these treaties present. President Carter and Attorney General Bell have shown significant leadership in this area, and I look forward to working with the administration on this important matter.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18, United States Code, is amended by inserting after chapter 305 the following new chapter:

"Chapter 306.—TRANSFER TO OR FROM FOREIGN COUNTRIES

Sec.
4100. Scope and limitation of chapter.
4101. Definitions.
4102. Authority of the Attorney General.
4103. Applicability of United States Laws.
4104. Transfer of offenders on probation.
4105. Transferred offender serving sentence of imprisonment.
4106. Transfer of offenders on parole; parole of offenders transferred.
4107. Verification of consent of offender to transfer from the United States.
4108. Verification of consent of offender to transfer to the United States.
4109. Right to counsel, appointment of counsel.
4110. Transfer of juveniles.
4111. Prosecution barred by foreign conviction.
4112. Loss of rights, disqualification.
4113. Status of alien offender transferred to a foreign country.
4114. Return of transferred offenders.

4100. Scope and limitation of chapter.

(a) The provisions of this chapter relating to the transfer of offenders shall be applicable only when a treaty providing for such a transfer is in force, and shall only be applicable to transfers of offenders to and from a foreign country pursuant to such a treaty. A sentence imposed by a foreign country upon an offender who is subsequently transferred to the United States pursuant to a treaty shall be subject to being fully executed in the United States even though the treaty under which the offender was transferred is no longer in force.

(b) An offender may be transferred from the United States pursuant to this chapter only to a country of which the offender is a citizen or national. Only an offender who is a citizen or national of the United States may be transferred to the United States. An offender may be transferred to or from the United States only with the offender's consent. If at the time of transfer the offender is under 18 years of age the transfer shall not be accomplished unless consent to the transfer be given by a parent or guardian.

(c) An offender shall not be transferred to or from the United States if a proceeding by way of appeal or of collateral attack upon the conviction or sentence be pending, nor shall an offender be transferred until the prescribed time for appeal of the offender's conviction and sentence has expired.

(d) The United States upon receiving notice from the country which imposed the sentence that the offender has been granted a pardon, commutation, or amnesty, or that there has been an ameliorating modification or a revocation of the sentence shall give the offender the benefit of the action taken by the sentencing country.

(e) A decision of the United States to consent or refuse to consent to a transfer of an offender is a discretionary decision and shall not be reviewable by any court.

§ 4101. Definitions

As used in this chapter the term—

(a) 'imprisonment' means a penalty imposed by a court under which the individual is confined to an institution;

(b) 'juvenile' means:

(1) a person who is under eighteen years of age; or

(2) for the purpose of proceedings and disposition under this chapter because of an act of juvenile delinquency, a person who is under twenty-one years of age;

(c) 'juvenile delinquency' means:

(1) a violation of the laws of the United States or a state thereof or of a foreign country committed by a juvenile which would have been a crime if committed by an adult; or

(2) noncriminal acts committed by a juvenile for which supervision or treatment by juvenile authorities of the United States, a State thereof, or of the foreign country concerned is authorized;

(d) 'offender' means a person who has been convicted of an offense or who has been adjudged to have committed an act of juvenile delinquency, or who is accused of an offense but has been determined to be mentally ill;

(e) 'parole' means any form of release of an offender from imprisonment to the community by a releasing authority prior to the expiration of his sentence, subject to conditions imposed by the releasing authority and to its supervision;

(f) 'probation' means any form of a sentence to a penalty of imprisonment the execution of which is suspended and the offender is permitted to remain at liberty under supervision and subject to conditions for the breach of which the suspended penalty of imprisonment may be ordered executed;

(g) 'sentence' means not only the penalty imposed but also the judgment of conviction in a criminal case or the adjudication of delinquency in a juvenile delinquency proceeding;

(h) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

(i) 'transfer' means a transfer of an individual for the purpose of the execution in one country of a sentence imposed by the courts of another country and also the transfer of a mentally ill person accused of an offense in one country to the country of which he is a citizen or national for the purpose of treatment;

(j) 'treaty' means a treaty under which an offender sentenced in the courts of one country may be transferred to the country of which he is a citizen or national for the purpose of serving the sentence.

§ 4102. Authority of the Attorney General

The Attorney General is authorized:

(1) to act on behalf of the United States as the authority referred to in a treaty;

(2) to receive custody of offenders under a sentence of imprisonment, on parole, or on probation who are citizens or nationals of the United States transferred from foreign countries and as appropriate confine them in penal or correctional institutions, or assign them to the parole or probation authorities for supervision;

(3) to transfer offenders under a sentence of imprisonment, on parole, or on probation to the foreign countries of which they are citizens or nationals;

(4) to designate citizens of the United States to verify the consent of convicted offenders who are citizens or nationals of the United States to be transferred to the United States;

(5) to make regulations for the proper implementation of such treaties;

(6) to render to foreign countries and to receive from them the certifications and reports required to be made under such treaties;

(7) to make arrangements by agreement with the states for the transfer of offenders in their custody who are citizens or nationals of foreign countries to the foreign countries of which they are citizens or nationals and for the confinement, where appropriate, in state institutions of offenders transferred to the United States;

(8) to make agreements and establish regulations for the transportation through the territory of the United States of offenders convicted in a foreign country who are being transported to a third country for the execution of their sentences, when a treaty is in force between the United States and the foreign country provides for such transit;

(9) to make agreements with the appropriate authorities of a foreign country and to issue regulations for the transfer and treatment of juveniles who are transferred pursuant to treaty;

(10) in concert with the Secretary of Health, Education, and Welfare, to make agreements with the appropriate authorities of a foreign country and to issue regulations for the transfer and treatment of individuals who are accused of an offense but who have been determined to be mentally ill; such agreements and regulations may also provide for the return of the accused person to the country in which he is charged upon his recovery from the mental illness;

(11) to designate agents to receive, on behalf of the United States, the delivery by a foreign government of any citizen or national of the United States being transferred to the United States for the purpose of serving a sentence imposed by the courts of the foreign country, and to convey him to the place designated by the Attorney General. Such agent shall have all the powers of a marshal of the United States in the several districts through which it may be necessary for him to pass with the offender, so far as such power is requisite for the offender's transfer and safe-keeping; within the territory of a foreign country such agent shall

have such powers as the authorities of the foreign country may accord him;

(12) to delegate the authority conferred by this chapter to officers of the Department of Justice.

§ 4103. Applicability of United States Laws.

All laws of the United States, as appropriate, pertaining to prisoners, probationers, parolees, and juvenile offenders shall be applicable to offenders transferred to the United States, unless a treaty or this chapter provides otherwise.

§ 4104. Transfer of offenders on probation.

(a) Prior to consenting to the transfer to the United States of a convicted offender who is on probation, the Attorney General shall determine that the appropriate United States District Court is willing to undertake the supervision of the offender.

(b) Upon the receipt of an offender on probation from the authorities of a foreign country, the Attorney General shall cause the offender to be brought before the United States District Court which is to exercise supervision over the offender.

(c) The court shall place the offender under supervision of the probation office of the court. The offender shall be supervised by a probation officer, under such conditions as are deemed appropriate by the court or probation officer, as though probation had been imposed by the United States District Court.

(d) The probation may be revoked in accordance with section 3653 of this title and Rule 32(f) of the Federal Rules of Criminal Procedure. A violation of the conditions of probation shall constitute grounds for revocation. If probation is revoked the suspended sentence imposed by the sentencing court shall be executed.

(e) The provisions of sections 4105 and 4106 shall be applicable following a revocation of probation.

(f) Prior to consenting to the transfer from the United States of an offender who is on probation, the Attorney General shall obtain the assent of the court exercising jurisdiction over the probationer.

(g) The decision of the court to undertake or not undertake the supervision of an offender on probation referred to in (a) and of the court to assent or not assent to the transfer from the United States of an offender on probation referred to in (f) shall not be reviewable by any other court.

§ 4105. Transferred offender serving sentence of imprisonment

(a) Except as provided elsewhere in this section, an offender serving a sentence of imprisonment in a foreign country transferred to the custody of the Attorney General shall remain in the custody of the Attorney General under the same conditions and for the same period of time as an offender who had been committed to the custody of the Attorney General by a court of the United States for the period of time imposed by the sentencing court.

(b) The transferred offender shall be given credit towards service of the sentence for any days, prior to the date of commencement of the sentence, spent in custody in connection with the offense or acts for which the sentence was imposed; except that, if the judgment or other documents officially certified by foreign authorities indicate that this time spent in custody prior to sentence has been taken into account in the length of sentence imposed, credit shall not be given by the Attorney General for such pre-sentence custody.

(c)(1) The transferred offender shall be entitled to all credits for good time, for labor, or any other credit toward the service of the sentence which had been given by the transferring country for time served as of the time of the transfer. Subsequent to the transfer, the offender shall in addition be entitled to credits for good time, computed on the basis of the time remaining to be served at the time of the transfer and at the rate provided in section 4161 of this title for a sentence of the length of the total sentence imposed and certified by the foreign authorities. These credits shall be combined to provide a release date for the offender pursuant to section 4164 of this title.

(2) If the country from which the offender is transferred does not give credit for good time, the basis of computing the deduction from the sentence shall be the sentence imposed by the sentencing court and certified to be served upon transfer, at the rate provided in section 4161 of this title.

(3) A transferred offender may earn extra good time deductions, as authorized in section 4162 of this title, from the time of transfer.

(4) All credits toward service of the sentence, other than the credit for time in custody before sentencing, may be forfeited as provided in section 4165 of this title and may be restored by the Attorney General as provided in section 4166 of this title.

(5) Any additional sentence for an offense against the United States, imposed while the transferred offender is serving the sentence of imprisonment imposed in a foreign country, shall be aggregated with the foreign sentence, in the same manner as if the foreign sentence was one imposed by a United States district court for an offense against the United States.

§ 4106. Transfer of offenders on parole; parole of offenders transferred

(a) Upon the receipt of an offender who is on parole from the authorities of a foreign country, the Attorney General shall assign the offender to the United States Parole Commission for supervision.

(b) The United States Parole Commission and the Chairman of the Commission shall have the same powers and duties with reference to an offender transferred to the United States to serve a sentence of imprisonment or who at the time of transfer is on parole as they have with reference to an offender convicted in a court of the United States except as otherwise provided in this chapter or in the pertinent treaty. Sections 4201–4204; 4205 (a), (d), (e), and (h); 4206–4215; and 4218 of this title shall be applicable.

(c) An offender transferred to the United States to serve a sentence of imprisonment shall be eligible for parole under section 4205(a) of this title subject to the provisions of section 4205(h) of this title.

(d) An offender transferred to the United States to serve a sentence of imprisonment who was under the age of twenty-two years at the time of the conviction shall be eligible for parole at any time.

§ 4107. Verification of consent of offender to transfer from the United States

(a) Prior to the transfer of an offender from the United States, the fact that the offender consents to such transfer and that such consent is voluntary and with full knowledge of the consequences thereof shall be verified by a Federal magistrate as defined in Rule 54(c) of the Federal Rules of Criminal Procedure.

(b) The consequences of consenting to the transfer which must be brought to the attention of the offender are:

(1) Only the appropriate courts in the United States may modify or set aside the conviction or sentence and any proceedings seeking such action may only be brought in such courts, and by his consent he waives all rights to institute proceedings in the courts of the country to which he is to be transferred seeking to challenge, modify or set aside his conviction or sentence; and

(2) The sentence shall be carried out according to the laws of the country to which he is to be transferred and that those laws are subject to change; and

(3) If a court of the country to which he is transferred should determine upon a proceeding initiated by him or on his behalf that his transfer was not accomplished in accordance with the treaty or laws of that country, he may be returned to the United States for the purpose of completing the sentence.

§ 4108. Verification of consent of offender to transfer to the United States

(a) Prior to the transfer of an offender to the United States, the fact that the offender consents to such transfer and that such consent is voluntary and with full knowledge of the consequences thereof shall be verified by a United States Magistrate, or by a citizen of the United States specifically designated by the Attorney General. The designation by the Attorney General of a citizen who is an employee or officer of a department or agency of the United States other than the Department of Justice shall be with the approval of the head of that department or agency.

(b) The consequences of consenting to the transfer which must be brought to the attention of the offender are:

(1) Only the country in which he was convicted and sentenced may modify or set aside the conviction or sentence and any proceedings seeking such action may only be brought in the courts of that country, and by his consent he waives all rights he might have had to institute proceedings in the courts of the United States seeking to challenge, modify or set aside his conviction or sentence; and

(2) The sentence shall be carried out according to the laws of the United States and that those laws are subject to change; and

(3) If a United States court should determine upon a proceeding initiated by him or on his behalf that his transfer was not accomplished in accordance with the treaty or laws of the United States he may be returned to the country which imposed the sentence for the purpose of completing the sentence.

§ 4109. Right to counsel, appointment of counsel

In proceedings to verify consent of an offender for transfer, the offender shall have the right to advice of counsel. If the offender is financially unable to obtain counsel;

(a) counsel for proceedings conducted under section 4107 shall be appointed in accordance with the Criminal Justice Act (18 U.S.C. 3006A). Such appointment shall be considered an appointment in a misdemeanor case for purposes of compensation under the Act;

(b) counsel for proceedings conducted under section 4108 shall be provided by the Secretary of State, under regulations to be prescribed by him. The Secretary may, without regard to Section 3106 of Title 5, United States Code, employ counsel and pay counsel fees and other expenses incident to the representation. Appropriations available to the Department of State for the salaries and expenses of persons under its jurisdiction may be used to carry out the provisions of this subsection.

§ 4110. Transfer of juveniles

An offender transferred to the United States because of an act which would have been an act of juvenile delinquency had it been committed in the United States or any State thereof shall be subject to the provisions of Chapter 403 of this title except as otherwise provided in the relevant treaty or in an agreement pursuant to such treaty between the Attorney General and the authority of the foreign country.

§ 4111. Prosecution barred by foreign conviction

An offender transferred to the United States shall not be detained, prosecuted, tried, or sentenced by the United States, or any State thereof for any offense the prosecution of which would have been barred if the conviction upon which the transfer was based had been by a court of the jurisdiction seeking to prosecute the transferred offender.

§ 4112. Loss of rights, disqualification

An offender transferred to the United States to serve a sentence imposed by a foreign court shall not incur any loss of civil, political, or civic rights nor incur any disqualification other than those which under the laws of the United States or of the State in which the issue arises would result from the fact of the conviction in the foreign country.

§ 4113. Status of alien offender transferred to a foreign country

(a) An alien who is deportable from the United States but who has been granted voluntary departure pursuant to 8 U.S.C. 1252(b) or 8 U.S.C. 1254(e) and who is transferred to a foreign country pursuant to this chapter shall be deemed for all purposes to have voluntarily departed from this country.

(b) An alien who is the subject of an order of deportation from the United States pursuant to 8 U.S.C. 1252 who is transferred to a foreign country pursuant to this chapter shall be deemed for all purposes to have been deported from this country.

(c) An alien who is the subject of an order of exclusion and deportation from the United States pursuant to 8 U.S.C. 1226 who is transferred to a foreign country pursuant to this chapter shall be deemed for all purposes to have been excluded from admission and deported from the United States.

§ 4114. Return of transferred offenders

Upon a final decision by the Courts of the United States that the transfer of the offender to the United States was not in accordance with the treaty or the laws of the United States and ordering the offender released from serving the sentence in the United States, the offender may be returned to the country from which he was transferred to complete the sentence if the country in which the sentence was imposed requests his return.

The procedures for the extradition of fugitives shall apply to the return of the offender with the following limitations:

(1) The offense for which the offender was sentenced shall be deemed to be an extraditable offense included in the treaty of extradition; and

(2) A certified copy of the sentence shall constitute evidence sufficient to sustain the charge under the provisions of the proper treaty or convention; and

(3) The proceedings for the return of the offender must be initiated within sixty days from the date on which the decision ordering his release became final; and

(4) An offender returned under such proceedings shall not be deemed for any purpose to have been extradited; and

(5) The return of an offender shall be conditioned upon the offender being given credit towards service of the sentence for the time spent in the custody of or under the supervision of the United States.".

SEC. 2. That section 636 of title 28, United States Code, is amended by adding a subsection (f) as follows:

"(f) A United States magistrate may perform the verification function required by section 4107 of title 18. When a treaty requires or upon the request of the Attorney General, a magistrate may be assigned by a judge of any United States District Court to perform the verification required by section 4108 of title 18 and may perform such function beyond the territorial limits of the United States. A magistrate assigned such function shall have no authority to perform any other function within the territory of a foreign country.".

SEC. 3. That chapter 153 of title 28, United States Code, is amended by adding the following section:

"§ 2256. Jurisdiction of proceedings relating to transferred offenders

When a treaty is in effect between the United States and a foreign country providing for the transfer of convicted offenders:

(1) The country in which the offender was convicted shall have exclusive jurisdiction and competence over any proceedings, regardless of their form, seeking to challenge, modify or set aside convictions or sentences handed down by a court of such country;

(2) All proceedings instituted by or on behalf of an offender transferred from the United States to a foreign country seeking to challenge, modify or set aside the conviction or sentence upon which the transfer was based shall be brought in the court which would have jurisdiction and competence if the offender had not been transferred;

(3) All proceedings instituted by or on behalf of an offender transferred to the United States pertaining to the manner of execution in the United States of the sentence imposed by a foreign court shall be brought in the United States District Court for the district in which the offender is confined or in which supervision is exercised and shall name the Attorney General and the official having immediate custody or exercising immediate supervision of the offender as respondents. The Attorney General shall defend against such proceedings.

(4) All proceedings instituted by or on behalf of an offender seeking to challenge the validity or legality of the offender's transfer from the United States shall be brought in the United States district court of the district in which the proceedings to determine the validity of the offender's consent were held and shall name the Attorney General as respondent.

(5) All proceedings instituted by or on behalf of an offender seeking to challenge the validity or legality of the offender's transfer to the United States shall be brought in the United States district court of the district in which the offender is confined or of the district in which supervision is exercised and shall name the Attorney General and the official having immediate custody or exercising immediate supervision of the offender as respondents. The Attorney General shall defend against such proceedings.".

SEC. 4. That chapter 48, title 10, United States Code, is amended by adding the following sections:

"§ 955. Prisoners transferred to or from foreign countries

"(a) When a treaty is in effect between the United States and a foreign country providing for the transfer of convicted offenders, the Secretary concerned may, with the concurrence of the Attorney General, transfer to said foreign country any offender against chapter 47 of this title. Said transfer shall be effected subject to the terms of said treaty and chapter 306 of title 18.

"(b) Whenever the United States is party to an agreement on the status of forces under which the United States may request that it take custody of a prisoner belonging to its Armed Forces who is confined by order of a foreign court, the Secretary concerned may provide for the carrying out of the terms of such confinement in a military correctional facility of his department or in any penal or correctional institution under the control of the United States or which the United States may be allowed to use. Except as otherwise specified in such agreement, such person shall be treated as if he were an offender against chapter 47 of this title.".

SEC. 5. (a) The Department of Justice is authorized to be appropriated in each fiscal year those sums which may be necessary to carry out the responsibilities assigned to the Attorney General under this Act.

(b) The Attorney General shall certify to the Secretary of State the expenses of the United States related to the return of an offender to the foreign country of which the offender is a citizen or national for which the United States is entitled to seek reimbursement from that country under a treaty providing for transfer and reimbursement.

(c) The Attorney General shall certify to the Administrative Office of the United States Courts those expenses which it is obligated to pay on behalf of an indigent offender under 18 U.S.C. 3006A and similar statutes.

Mr. BENTSEN. Mr. President, Senator BIDEN and I are today introducing the legislation required to implement the treaty with Mexico on the execution of penal sentences; the legislation would also apply to a similar treaty negotiated with Canada, and others that may be negotiated, signed, and ratified by the Senate in the future.

During a recent visit to Mexico as chairman of the Senate delegation to the 17th Interparliamentary Conference, I was impressed both by the importance of prisoner exchange as an issue in Mexican-American bilateral relations and by the plight of the some 600 American citizens incarcerated in Mexican prisons.

Mr. President, the majority of American citizens in Mexican prisons are being held on drug-related charges, some for possession, others for trafficking. Most appear to be guilty of an offense; they deserve to be punished just as any user or drug runner would be punished in this country. The fact that there are so many Americans in Mexican prisons is largely attributable to Mexico's commendable efforts to crack down on drug traffic, an attitude that has been encouraged by our own Government and one that I fully support.

I strongly believe that a major objective of any rational criminal justice system is rehabilitation where rehabilitation is possible. Punishment should look to the conduct of the criminal and the seriousness of the offense. Once the decision to punish has been made, we should do what we can to insure that the offender does not resume a life of crime. We should encourage his staking a lawful claim in American life. And I believe that the American offenders incarcerated in Mexico—most of whom are young, increasingly desperate, and far from family and friends—should be permitted to come home to serve the remainder of their sentences in an atmosphere that increases their chances for rehabilitation.

The Mexican Prisoner Exchange Treaty and the implementing legislation I am cosponsoring is not an amnesty or forgiveness package for Americans in Mexican jails. Rather, it provides the opportunity for those prisoners who wish to be transferred to American institutions to serve out their sentences and pay their debt to society at a prison in this country. The treaty and implementing legislation present an opportunity to temper punishment with an element of humaneness.

The treaty on the execution of penal sentences was negotiated and signed in good faith by both parties; it was ratified by Mexico on December 30, 1976. I believe that prompt consideration and ratification by the Senate will help remove a major obstacle in Mexican-American relations and will provide a more favorable environment for the rehabilitation of hundreds of American citizens currently held in Mexican jails.

By Mr. HELMS:

S. 1683. A bill to expand the medical freedom of choice of consumers by amending the Federal Food, Drug, and Cosmetic Act to provide that drugs will be regulated under the act solely to assure their safety; to the Committee on Human Resources.

MEDICAL FREEDOM OF CHOICE ACT

Mr. HELMS. Mr. President, present law requires that a new drug must be determined by the Food and Drug Administration to be both safe and effective in order to be approved for use in the United States. The requirement that a drug be found to be "effective" by an agency of the Federal Government was established by the 1962 amendments to the Food, Drug and Cosmetic Act of 1938. The tremendous difficulty in proving a drug "effective" has resulted in greatly increased costs to the consumer, decreased competition and innovation in the drug industry, and significant delay in the marketing of new drugs. Most importantly, the "drug lag" caused by Federal regulation has resulted in untold death and suffering for thousands of Americans. American production of new drugs has fallen from an average of 43 per year before the 1962 amendments to 13 per year. Major drug breakthroughs enter the American market on the average of 2 to 5 years after widespread use in Europe.

As our drug regulatory system is now structured, medical freedom of choice is available only to those wealthy enough to travel outside the United States to obtain treatment with drugs generally recognized as safe, but still banned in this country. For example, over 23 million Americans suffer with hypertension—a condition which causes thousands of deaths yearly—yet America has not produced a single new antihypertension drug since 1963. While more than 20 such drugs have been developed and are widely used in Europe, only one is available in the United States.

Mr. President, the United States is the only Nation in the world which requires that its Government determine a new drug to be "effective" before it can be used. No doubt the framers of the 1962 amendments thought it was a good idea to keep ineffective drugs off the American market. However, the result of this law has in fact been a disaster for the American public in that it has kept many safe, effective new drugs from sick and injured Americans. The legislation that I am introducing today will go far to remedy this situation. The Medical Freedom of Choice Act repeals the "effectiveness" provision of the 1962 amendments to the Food, Drug, and Cosmetic Act of 1938. This legislation will benefit the American consumer by correcting the monopolistic consequences of excessive Federal regulation.

The Medical Freedom of Choice Act will in no way affect the "safety" provisions of the present law. The American public will still be assured of drugs which have been rigorously tested for safety. Safety will be assured, but "effectiveness" will again be determined where it should always be determined—within the context of the individual doctor-patient relationship.

Mr. President, I believe that it is time for Congress to review the effects of the 1962 amendments to the Food, Drug, and Cosmetic Act. I believe further that a careful study of the many problems posed by present law will lead to the conclusion that enactment of the Medical Freedom of Choice Act will most effectively meet the health needs of the American people.

AMERICA'S "DRUG LAG" SUBSTANTIALLY CAUSED BY 1952 AMENDMENTS

During 1974, the house of delegates of the American Medical Association resolved that the association support amendment or repeal of the 1962 amendments "so as to make safe and effective drugs readily available to the American people."

The resolution is consistent with the AMA's earlier position on the "effectiveness" requirement. In testimony during hearings on the 1962 amendments, the spokesman for the AMA stated:

> That because a drug's efficacy varies from patient to patient . . . any judgment concerning this factor can only be made by the individual physician who is using the drug to treat an individual patient.

The 1974 AMA action is part of an increasing and substantial criticism by members of the medical and scientific community of the adverse effects of the 1962 amendments. A brief review of the findings of several of these studies clearly illustrate the problems created by present law.

Prof. Sam Peltzman of the University of Chicago found in his study, "Regulation of Pharmaceutical Innovation," that the 1962 amendments—

> Have reduced the annual flow of new drugs by about 60 percent, have reduced total new drug sales by a comparable amount, and have delayed by two years or more the marketing of those drugs which have been introduced.

He concluded:

> If the Food, Drug and Cosmetics Act was intended to benefit consumers, the inescapable conclusion to which this study points is that the intent is better served by reversion to the status quo ante 1962.

Professor Peltzman is not alone in finding that there is a significant "drug lag" in the United States.

In an article published by the Center for the Study of Drug Development, Frederick Roll recounted an enlightening example of the adverse impact of the present administration of the 1962 amendments by the FDA. Roll states that during 1968, the FDA frustrated a drug firm from going forward with a study to determine whether aspirin in normal doses would prevent heart attacks and death in patients who had had previous heart attacks. Because of repeated demands for additional data, animal studies, and for all the papers in the world literature on aspirin, the drug firm finally gave up. Six years later, in 1974, the National Institutes of Health initiated a $16 million investigation of precisely the same effects of aspirin.

Meanwhile, reports from Germany, where aspirin is marketed by one company for this usage, support the beneficial effects of aspirin in such treatment. If the information continues to be favorable, the FDA will have been responsible for delaying the use of aspirin to prevent heart attacks in thousands of patients—"Roll, Of Politics and Drug Regulation," 23–24, 1977.

Richard Crout, Director of the FDA Bureau of Drugs, recently conceded before the Seventh Bethesda Conference of the American College of Cardiology in Washington, D.C., that—

> There were no approvals of new molecular entities in the United States between 1968 and 1973 for any cardiovascular, renal, or pulmonary drug. (Private Practice, Feb. 1975 at 37)

During 1974, the FDA finally admitted the existence of a "drug lag" in the United States. When Richard Crout testified before the Senate Subcommittee on Health—

> That there is no question that a "drug lag" exists in the United States in the sense that a significant number of drugs marketed in foreign countries are not available here.

In 1973 the doctor's magazine, Medical Times conducted a nationwide poll of family physicians regarding how FDA regulations implementing the 1962 amendments have affected their practice. It found that 86 percent of the doctors questioned felt that the FDA regulations overprotect their patients and "deprive them of important therapeutic drugs." The survey also found that 81 percent stated that Government action had deprived them of drugs which they had found both safe and effective in their practice of medicine—November 1973 at 132.

An analysis of United States drug development involving new chemical entities between 1962 and 1974 by Louis Lasagna and William Wardell of the University of Rochester School of Medicine found that—

> The mean time required for clinical study and approval has risen steadily from 2.5 to 6 years.

The study also revealed the surprising fact that no drug which as been clinically studied in humans since 1968 has yet been approved for marketing. It concluded:

> If the present trend continues, by 1979 it will require ten years for a drug to be evaluated in man and approved in the United States. (An Analysis of Drug Development Involving New Chemical Entities, unpublished study at 4, 5)

Private Practice magazine reports that in the United States, during the 10 years prior to the adoption of the 1962 amendments, the pharmaceutical industry produced and marketed an average of 43 new chemical entities per year. Be-

tween 1962 and 1970, this figure dropped to 17, while the average between 1968 and 1973 has fallen to 13 per year—November 1973 at 61.

In a study of the introduction of new drugs in the United States and Great Britain, Prof. William M. Wardell of the University of Rochester School of Medicine found that the United States is lagging seriously behind Great Britain and other countries in the introduction of new therapeutic drugs—Private Practice, November 1973 at 61. In a comparison of 82 drugs which are now available in both countries, Wardell found that only 14 of these drugs were introduced into both countries during the same year; while 43 were introduced into Britain first and only 25 were introduced into the United States first. When expressed in terms of a single index there were 59 "drug-years" of prior availability in the United States, while there were 120 "drug years" of prior availability in Britain. In a comparison of 98 drugs which became available in only one of the two countries, Wardell found that 77 of the drugs were exclusively available in Britain while only 21 drugs were exclusively available in the United States. In terms of "drug years" of exclusive availability, the figures were 256 for Britain and 68 for the United States. Thus, when considering exclusively available drugs, whether expressed in terms of drugs available or in "drug years," the British figures are nearly four times those of the American.

The 12th International Congress of Diseases of the Chest conducted by the American College of Chest Physicians concluded that the FDA's implementation of the "effectiveness" clause of the 1962 amendments deprived American physicians and their patients of valuable and safe new drugs for an unnecessarily long time—3 British Medical Journal 541, 1974.

Louis Goldman, writing in Modern Medicine, also concluded that the U.S. method of approving drugs has kept many U.S. patients from receiving treatment with useful, new medications. He found that—

> Physicians in the United States simply do not have access to a large number of drugs that their colleagues abroad find useful, if not essential. (June, 1975 at 44)

A study reported in Barron's Weekly found that, during the years 1958 through 1962—

> It generally required about two years and a little over $1 million to develop a new drug in the U.S. Now it takes eight to ten years and up to $20 million; the average probably runs around $12 million. (June 28, 1976)

Professors Wardell and Lasagna conclude their book, "Regulation and Drug Development," with the observation that—

> It is difficult to argue that the United States has escaped an inordinate amount of new drug toxicity by its conservative approach; it has gained little else. On the other hand, it is relatively easy to show that Britain has gained by having effective drugs available sooner. Furthermore, the costs of this policy in terms of damage due to adverse drug reactions have been small compared with the existing levels of damage produced by older drugs. There appear to be no other therapeutic costs of any consequence in Britain. In view of the clear benefits demonstrable from some of the drugs introduced into Britain, it appears that the United States has lost more than it has gained from adopting a more conservative approach than did Britain. (at 105)

In this extensive study of the adverse impact of the 1962 amendments, Wardell and Lasagna detailed the amazing extent to which the United States has lagged behind the other medically advanced countries after 1962. The following tables listing new cardiovascular, respiratory, and gastrointestinal drugs and the dates of their introduction in the United Kingdom and the United States clearly depict the extent of America's self-imposed drug lag—at 60, 67, 75.

Introduction of cardiovascular drugs

Drug	Date of introduction U.K.	U.S.
Antihypertensive:		
Pargyline	1963	1963
Methyldopa	1962	1963
Bethanidine	1963	----
Guanoxan	1964	----
Guanoclor	1964	----
Beta-blockers	1965	----
Debrisoquin	1967	----
Clonidine	1971	----
Beta-adrenoreceptor antagonist:		
Propranolol	1965	1968
Practolol	1970	----
Oxprenolol	1970	----
Antiarrhythmic:		
Bretylium tosylate	1959	----
Beta-blockers (not propranolol)	1970	----
Anti-anginal and miscellanous:		
Isoxuprine	1963	1959
Prenylamine	1961	----
Benziodarone	1962	----
Trimethazidine	1964	----
Beta-blockers	1965	----
Verapamil	1967	----
Moxisylyte	1968	----
Hypolipidemic:		
Dextrothyroxine	1961	1967
Cholestyramine	1970	1965
Clofibrate	1963	1967

Introduction of respiratory drugs

Sputum liquifiers:		
Acetylcysteine	1965	1963
Bromhexine	1968	----
Bronchodilators:		
Isoetharine	1970	1961
Metaproterenol	1962	1973
Proxyphylline	1967	----
Acefylline piperazine	1968	----
Albuterol	1969	----
Terbutaline	1971	----
Antiallergic: Cromolyn sodium	1968	1973

Introduction of gastrointestinal drugs

Peptic ulcer:		
Carbenoxolone	1963	----
Deglycyrrhizinated licorice	1963	----
Gefarnate	1968	----
General:		
Metoclopramide	1967	----
Mebeverine	1967	----
Lactulose	1969	----

Dr. Theodore Klumpp, writing in the Journal of Legal Medicine made the following observations on FDA procedures:

> The cost of getting a new drug through the FDA has risen to prohibitive levels. This has created an unfortunate and very serious byproduct: Many pharmaceutical firms now cannot afford to develop new drugs for rare diseases or minor conditions where the market potential does not look as if it would cover the cost of getting them through the FDA. For the same reason, improved modifications of old drugs and new as well as useful combinations of such drugs may never see the light of day. The cost of discovery, development, and obtaining FDA approval is now estimated at as much as $8-million to $10-million, and it ordinarily takes from eight to 10 years from basic discovery to FDA clearance. I know of applications that have rested on FDA desks for four and five years.
>
> Even more important, illness and prolonged suffering are continued and lives are lost while the FDA sits on new drugs that often have been available for years in other countries. For example, an important new medicine, Motrin, intended for patients with arthritis who, for one reason or another, cannot take aspirin, was available in Great Britain and Canada for five years before finally released by the FDA at the end of 1974.
>
> A remarkable procedure developed by Doctor John Charnley in Manchester, England, for the replacement of broken or damaged hips was withheld from general use in the United States for over 10 years by the FDA. Americans who needed this operation had to go to England if they wanted to walk again. A limited number of American orthopedic surgeons was able to obtain the plastic material used in the operation under an FDA investigational license. During this period, I wanted to refer a patient for the operation and found these few surgeons could take no new patients, as they had waiting lists that would keep them operating uninterruptedly for over two years. At long last, the procedure was cleared by the FDA, and now thousands of people have new hip joints and are walking as a result of one of the greatest advances in orthopedic surgery. But in celebrating this new triumph, let us not forget that 10 years was a long time to sit and wait in pain and not be able walk while the FDA bureacracy stumbled through its muddle of red tape, inefficiency, and—in this case—lack of good judgment. (Sept. 1976 at 25.)

SELF-IMPOSED "DRUG LAG" COSTING THOUSANDS OF LIVES

America's self-imposed "drug lag" resulting from the 1962 amendments is of concern to more Americans than just researchers, scientists, and pharmaceutical companies. According to many experts studying this problem, thousands of Americans are needlessly suffering and even dying as a result of this delay.

Dr. Ray Gifford, president of the American Society for Clinical Pharmacology and Therapeutics, recently stated that the existence of a "drug lag" in the United States is undeniable and that "it would be naive to deny that the drug lag has cost some Americans their lives or well being." Dr. Myrvin Ellestad of the American College of Cardiology Bethesda Conference Committee is more emphatic. He charges that FDA implementation of the 1962 amendments "is costing thousands upon thousands of American lives."—Private Practice, February 1975 at 41.

At a recent conference on Pharmaceutical Innovation sponsored by American University in Washington, D.C., Professor Wardell observed:

If even one new drug of the stature of penicillin or digitalis has been unjustifiably banished to a company's back shelf because of excessively stringent regulatory requirements, that event will have harmed more people than all the toxicity that has occurred in the history of modern drugs development.

Of course, it is publicly admitted by some drug experts, that if penicillin, digitalis and aspirin were today presented as new drugs, their toxic properties would prevent them from receiving FDA approval.

A graphic example of the adverse effect of the 1962 amendments in terms of human suffering is the delay they have caused in the introduction of a new family of drugs called beta-blockers. These drugs have been developed over the past 15 years and are proving to be very effective in the treatment of high blood pressure, irregular heartbeats, chest pain and other symptoms of heart disease—conditions which afflict over 23 million Americans.

Although more than 20 beta-blocker drugs have been developed, only the oldest is presently available in the United States, and that one was approved before the effectiveness rule became law. Frederick Roll, in his study of drug regulation makes the following observation regarding the introduction of beta-blockers in the United States:

The modern use of beta blockers for a variety of important new indications has been pioneered abroad, with the U.S. following 10 years behind. Current studies are showing that beta blockers can prevent heart attacks and sudden death. The estimated potential saving in the U.S. is *at least 10,000 lives per year*. The use of these drugs for that indication is at least five years away in the U.S. (Of Politics and Drug Regulation, Jan., 1977 at 20).

Mr. President, it would seem difficult to overemphasize the conclusion of this noted researcher, that as a direct result of present law over 50,000 Americans will lose their lives because of a delay in the introduction of one new drug alone.

Elsewhere, Professor Wardell estimates that the 5-year delay in approving another new drug, this time a new sedative—benzodiazepine—to replace older, more dangerous medications cost 1,200 lives—Business Week, June 30, 1975, at 114.

Wardell and Lasagna then make the following observation:

The point is obvious. Introduction of a new drug that produced fatalities anywhere approaching this magnitude would be regarded as a major disaster, but the undoubted occurrence of deaths through failure to introduce a drug has so far gone unremarked. It would not take many examples of this type to show that earlier introduction of some new drugs might more than counterbalance all the new drug toxicity of the past decade. (Regulation and Drug Development at 73)

When the impact of the 1962 amendments on American society is considered in economic terms the result is no less substantial. Professor Peltzman estimates that the cost to society of the present law amounts to about $400 million each year—Regulation of Pharmaceutical Innovation 81, 1974. While Private Practice magazine estimates that the economic impact of the 1962 amendment in the first 12 years of operation is $12 billion.

Prof. David Schwartzman in his study on the rate of return from pharmaceutical research estimates that the average research and development cost of a new chemical entity in 1973 was almost $25.5 million even when excluding the cost of capital investment. This compares with an estimated cost of only $1.3 million for research and development in 1960. This amazing 18-fold increase in costs could have been cut in half by industry and the savings passed along to the American consumer in the absence of the 1962 amendments according to two independent studies conducted by Prof. Sam Peltzman in 1974 and Prof. Martin Baily in 1972—Grabowski, Drug Regulation and Innovation 4, 1976.

Prof. Joseph Cooper of Howard University includes the results of a study in his book "The Economics of Drug Innovation" which concludes that before the 1962 amendments it took aproximately $1.5 million to produce a new single entity drug. It now takes over $15 million—more than 10 times as much—at 125.

PRESENT LAW INVADES DOCTOR-PATIENT RELATIONSHIP

Mr. President, the "effectiveness" provision of the 1962 amendments invades the highly personal doctor-patient relationship that is the hallmark of advanced and effective medical practice. The delay in introduction of many new drugs handcuffs the American physician while his patients pay with their health and their lives, unless they are lucky enough or wealthy enough to obtain medical treatment in another country. The decision of whether to administer a particular drug is an intensely personal one which should be made by an individual physician treating an individual patient. For example, is a new drug which cures 20 percent of the patients who take it more "effective" than another one that helps 90 percent but cures no one? Is a high-risk drug "effective" when it provides the only, even if slight, possibility for recovery? These decisions should be made by the doctor, the patient and his family, not a Federal bureaucrat.

During consideration of the 1962 amendments, the American Medical Association criticized the proposal that a Government bureaucracy should approve a drug's effectiveness. The AMA asserted:

A drug's efficacy varies from patient to patient. . . . Hence any judgement concerning this factor can only be made by the individual who is using the drug to treat an individual patient.

Expanding on this view, Professor Wardell stated at a recent seminar sponsored by American University:

The primary need of a sick patient is to have a competent sympathetic and knowledgeable physician who can make best use of the diagnostic, therapeutic and general resources available in the current state of the art of medicine and who can bring them to bear on the particular needs of that patient. . . . Decisions on how to balance a drug's benefits against its disadvantages are the fundamental issues in the present debate. Ultimately these decisions must be made in the context of an individual patient being treated by an individual physician. Since a national body cannot anticipate all the situations that will arise, any action to exclude or delay the access of a potentially useful drug to the market will inevitably infringe upon the rights of some physicians and their patients.

PRESENT LAW REDUCES COMPETITION IN DRUG INNOVATION

Aside from increasing the monetary costs of drugs to the American consumer, the 1962 amendments have fostered a monopolistic trend in the drug industry. Various studies indicate that before the restrictions of the 1962 amendments a considerable portion of drug innovation was occurring as a result of the actions of relatively small companies. Since 1962, while the total number of drug innovations have dropped the proportion of new drugs developed by large corporations has dramatically increased. The reason is indeed very simple. The smaller drug companies can no longer afford to develop new drug innovations under the present circumstances when Government mandated research costs and time commitments have increased as much as 5 to 10 times the pre-1962 level.

Frederick Roll, in an article published for the Center for the Study of Drug Development found that the increased regulatory costs which resulted from the 1962 amendments fall most heavily on small firms. He cited a recent study conducted under a grant from the National Science Foundation which showed that in the period from 1955 to 1960—

The rate of innovation was greatest in those markets where small firms were innovating and taking market shares away from the leading sellers. This was not the case for the period 1963 to 1973, when the data show that innovation occurred most rapidly in markets dominated by a few large producers.

The study concluded:

It would be desirable to find ways to reduce the cost disadvantages for small drug firms which seem to have been created by the 1962 amendments. A reduction of cost barriers for small firms would be expected to have the effects of increasing both the market rate of innovation and the degree of price competition in specific drug markets. (Of Politics and Drug Regulation 20, 1977)

Professor Peltzman found that the 1962 amendments—

Have erected a barrier to new competition for producers of established drugs and have made the demand for the output of established producers higher than it would otherwise be. (Business Week June 30, 1975 at 116)

Prof. Henry Grabowski of Duke University finds that the results of his studies on drug regulation and innovation also—

Clearly show not only that the rate of innovation has significantly declined in the post-amendment period, but that it also has become concentrated in fewer and larger firms. (Drug Regulation and Innovation 58, 1976)

In testimony before the Senate Subcommittee on Health during 1973, Joseph Stetler, president of the Pharmaceutical Manufacturers Association, explained that since the adoption of the 1962 amendments, fewer U.S. firms are

introducing new drugs and pharmaceutical research is being concentrated in a smaller number of large companies. He stated that in 1972—

The number of firms that introduced new drugs was two-thirds less than a decade ago.

As a result of these trends, he further maintained that we could—

Anticipate that a major pharmaceutical research effort will continue in this country; but, unless incentives remain and unless existing impediments to innovation are reduced, the effort will tend to be concentrated in fewer and fewer hands.

Turning to the effects of this concentration of American research on the international market, Mr. Stetler testified:

For the period from 1940 to 1970, U.S. firms originated 70 percent of the 809 drugs introduced in this country. From 1971 to 1973, U.S. firms originated only 37 percent or ten out of the 27 introductions.

"DRUG LAG" REQUIRES IMMEDIATE CONGRESSIONAL ATTENTION

As Professor Grabowski points out, Government regulation in general and of the drug industry in particular, entails both costs and benefits. He explains:

One therefore cannot justify regulation solely by enumerating the failures of the market. The benefits and costs of regulation must be compared to the benefits and costs of the "market failure" situation the regulation is designed to correct.

Mr. President, I believe that the scientific and economic studies which I have reviewed in my remarks today, at the very least point to the conclusion that it is unclear whether the benefits derived by the American public from the operation of the 1962 amendments outweighs the detrimental results which these studies outline. Being neither a scientist nor a doctor, I am not prepared to say, for example, that a certain drug is more or less effective than its counterpart used in Great Britain or that test requirements developed by the FDA to determine "effectiveness" are totally unreasonable. But the fact remains that the 1962 amendments affect thousands of lives in the United States each year and if the reasonable possibility exists that this law is delaying or prohibiting the use of new lifesaving drugs in this country, then Congress has the responsibility to make an extensive, objective, and prompt study of this question.

Mr. President, the Medical Freedom of Choice Act provides such an avenue for investigation. I hope that it receives careful and quick consideration from the appropriate committee of the Senate and that the hearings held on this issue provide an opportunity for representatives of all those affected by the 1962 amendments to testify and discuss their impact.

Mr. President, I ask unanimous consent that the Medical Freedom of Choice Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Medical Freedom of Choice Act."

(b) Sections 201 (p) and (w) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 (p) and (w) are each amended by striking out (1) "and effectiveness" each place it occurs, and (2) "and effective" each place it occurs.

(c) Section 502 of such Act (21 U.S.C. 352) is amended by adding at the end thereof the following new paragraph:

"(u) If it is a drug and its labeling does not contain the following statement: 'This drug has not been tested or reviewed for efficacy by the Federal Government.' ".

(d) Section 505 of such Act (21 U.S.C. 355) is amended—

(1) by striking out "and whether such drug is effective in use" in subsection (b);

(2) in subsection (d)—

(A) by striking out clause (5);

(B) by redesignating clause (6) as clause (5);

(C) by striking out "through (6)" and inserting in lieu thereof "through (5)"; and

(D) by striking out the last sentence;

(3) by striking out the first clause (3) in subsection (e) and by redesignating the first clause (4) as clause (3); and

(4) by striking out "and effectiveness" each place it occurs in subsection (l).

(e) Section 512 of such Act (21 U.S.C. 360) is amended—

(1) by striking out "and effective" in subsection (b) (1);

(2) by striking out subparagraph (E) of subsection (d) (1) and by redesignating subparagraphs (F), (G), and (H) of such subsection as subparagraphs (E), (F), and (G), respectively;

(3) by striking out "through (H)" in the last sentence of subsection (d) (1) and inserting in lieu thereof "through (G)";

(4) by striking out paragraph (3) of subsection (d);

(5) by striking out subparagraph (C) of subsection (e) (1) and by redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively;

(6) by striking out "and effectiveness" each place it occurs in subsection (j); and

(7) by striking "or effectiveness" in subsection (m) (4) (A) (ii).

By Mr. DECONCINI:

S. 1684. A bill to amend the Public Health Service Act to provide financial assistance to medical facilities for treatment of certain aliens; to the Committee on Human Resources.

Mr. DECONCINI. Mr. President, hospitals throughout the United States, both in border areas of the country, as well as in major metropolitan areas, have been extremely concerned about the rising cost of emergency health services provided to illegal aliens. The cost of rendering this care ultimately must be borne by the patients and communities which these health care institutions serve through increases in the cost of hospital services.

I am, therefore, introducing a bill which would amend the Public Health Services Act to provide financial assistance to medical facilities for emergency treatment of certain aliens. The bill would accomplish its objective by amending title III of the Public Health Service Act with a new section entitled "Medical Treatment of Aliens." The bill provides that the Secretary of Health, Education, and Welfare may reimburse a medical facility which provides emergency health care for illegal aliens for the portion of the cost of the care rendered that is not reimbursable under other public assistance or other payment programs.

In a preliminary survey conducted by the Arizona Hospital Association, 12 hospitals which collectively had rendered care to 4,200 patients in this category, the estimated uncollectable cost to date is $1,750,000. In Tucson alone, the losses were calculated at approximately $750,000 last year. In Tucson's University Hospital, losses will amount to about $350,000 this year. To look at these numbers another way, the hospital expects to admit about 480 Mexican aliens this year. Of these, over 300 will be indigents for whom no collections will be possible.

Arizona is not the only State having these difficulties. Los Angeles County recently estimated the figure at about $21 million per year, and Jackson Memorial Hospital in Miami, Fla., indicates a 1976 expenditure of approximately $35,000 for emergency health care for illegal aliens. Likewise, the Harris County Hospital in Houston, Tex., estimates that it provides emergency medical services for illegal aliens at a cost of $250,000 annually. In a one-page document issued by HEW last year entitled, "Estimated Cost of Providing Emergency Medical Treatment of Illegal Aliens," the total cost of providing such treatment, on an outpatient basis, was $462 million per year. A recent telephone survey conducted by the American Hospital Association indicates that the problem is significant and creates a burden on hospitals, private patients, and local taxpayers in many parts of the Nation.

Emergency health care for illegal aliens should be a Federal, not a State or local, responsibility. This seems appropriate since the immigration law and its enforcement is a matter of Federal authority not subject to control or jurisdiction exercised by local or State authorities. The Federal Government should be responsible at a minimum for the emergency health care services rendered by private and public hospitals to aliens residing within the United States who do not have legal status for residency.

Mr. President, I send this bill to the desk and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Public Health Service Act (42 U.S.C. 201) is amended by adding after section 328 the following new section:

"MEDICAL TREATMENT OF ALIENS

"SEC. 329. (a) If—

"(1) any alien unlawfully in the United States is provided emergency medical treatment and is unable to pay the cost of such treatment or can pay only a portion of such cost; and

"(2) the alien or the medical facility which provided such treatment is not eligible under any public assistance program for payment of or reimbursement for such cost or is eligible under such a program for payment of or reimbursement for only a portion of such cost,

the medical facility which provided such treatment may apply to the Secretary for reimbursement for that portion of such cost which is not paid.

"(b) An application for reimbursement under this section shall be submitted in such form, and contain such information, as the

Secretary may prescribe. The Secretary may not approve such an application unless (1) Attorney General has determined that the alien with respect to which the application is submitted is unlawfully in the United States, and (2) the Secretary finds (A) the treatment for which reimbursement is sought was given for a medical emergency, and (B) the medical facility which provided such treatment is unable to recover from the alien or any public assistance program its costs in providing such treatment for the alien.

"(c) The amount of any payment under this section for the cost of emergency medical treatment shall be determined by the Secretary, except that no payment may exceed the value of such treatment as determined under regulations of the Secretary.

"(d) The Secretary shall take such action as may be necessary to make an alien for whom a payment is made under this section eligible for treatment and care as authorized by section 322(c).".

ADDITIONAL COSPONSORS

S. 514

At the request of Mr. RIBICOFF, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of S. 514, to amend title XVIII of the Social Security Act.

S. 991

At the request of Mr. RIBICOFF, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 991, to establish a Department of Education.

S. 1011

At the request of Mr. ROTH, the Senator from West Virginia (Mr. ROBERT C. BYRD) was added as a cosponsor of S. 1011, to amend title 18, United States Code, to prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation.

S. 1385

At the request of Mr. HELMS, the Senator from Idaho (Mr. McCLURE) was added as a cosponsor of S. 1385, to amend title XVIII of the Social Security Act.

S. 1556

At the request of Mr. HANSEN, the Senators from Nevada (Mr. CANNON and Mr. LAXALT), the Senator from Montana (Mr. MELCHER), the Senator from Alaska (Mr. STEVENS), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 1556, to amend title 38, United States Code.

S. 1623

At the request of Mr. McGOVERN, the Senator from Alaska (Mr. GRAVEL) and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of S. 1623, to amend the Energy Reoganization Act of 1974.

S. 1636

Mr. ABOUREZK. Mr. President, on June 7 I introduced S. 1636, a bill to extend the authorization for the American Folklife Center in the Library of Congress. Inadvertently, the names of several Senators who have supported the work of the center, and who wished to be added as original cosponsors, were not included. I ask unanimous consent that the Senator from South Dakota (Mr. McGOVERN), the Senator from Kentucky (Mr. FORD), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Alaska (Mr. STEVENS) be added as cosponsors of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. CRANSTON, the Senator from New Hampshire (Mr. McINTYRE), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. THURMOND), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of Senate Concurrent Resolution 26, relating to amyotrophic lateral sclerosis.

AMENDMENT NO. 376

At the request of Mr. SCHWEIKER, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of Amendment No. 376, to be proposed to H.R. 5262, the Omnibus Multilateral Development Institutions Act.

SENATE RESOLUTION 191—ORIGINAL RESOLUTION REPORTED DESIGNATING CERTAIN ROOMS IN THE CAPITOL

(Placed on the Calendar.)

Mr. HATFIELD, from the Committee on Rules and Administration, reported the following resolution:

S. RES. 191

Resolved, That room S–120 in the United States Capitol is designated as the Hugh Scott Room and room S–114 (dining room for Democratic Senators) in the United States Capitol is designated as the Harry Flood Byrd, Sr., Room.

SENATE RESOLUTION 192—SUBMISSION OF A RESOLUTION AUTHORIZING CERTAIN PRINTING

(Referred to the Committee on Rules and Administration.)

Mr. MUSKIE submitted the following resolution:

S. RES. 192

Resolved, That the committee print prepared by the Subcommittee on Intergovernmental Relations of the Committee on Governmental Affairs entitled "Compendium of Materials on Zero-Based Budgeting in the States" be printed as a Senate document, and that there be printed one thousand two hundred additional copies of such document for the use of that committee.

AMENDMENTS SUBMITTED FOR PRINTING

FEDERAL MINE SAFETY ACT—S. 717

AMENDMENT NO. 395

(Ordered to be printed and to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill (S. 717) to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes.

AMENDMENTS NOS. 401 THROUGH 404

(Ordered to be printed and to lie on the table.)

Mr. McCLURE submitted four amendments intended to be proposed by him to the bill (S. 717), supra.

OMNIBUS MULTILATERAL DEVELOPMENT INSTITUTIONS—H.R. 5262

AMENDMENT NO. 396

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK (for himself, Mr. HATFIELD, Mr. ANDERSON, and Mr. DeCONCINI) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 5262) to provide for increased participation by the United States in the International Bank for Reconstruction and Development, and for other purposes.

AMENDMENT NO. 397

(Ordered to be printed and to lie on the table.)

Mr. HATFIELD submitted an amendment intended to be proposed by him to the bill (H.R. 5262), supra.

FOREIGN ASSISTANCE—S. 1520

AMENDMENT NO. 398

(Ordered to be printed and to lie on the table.)

Mr. HATFIELD (for himself, Mr. BELLMON, Mr. LUGAR, Mr. PELL, Mr. STEVENSON, Mr. HATHAWAY, Mr. METZENBAUM, Mr. BROOKE, Mr. SCHWEIKER, and Mr. KENNEDY) submitted an amendment intended to be proposed by them jointly to the bill (S. 1520), to amend the Foreign Assistance Act of 1961, and for other purposes.

DEPARTMENT OF STATE AUTHORIZATIONS—H.R. 6689

AMENDMENT NO. 405

(Ordered to be printed and to lie on the table.)

Mr. HEINZ submitted an amendment intended to be proposed by him to the bill (S. 6689) to authorize fiscal year 1978 appropriations for the Department of State, and for other purposes.

JUVENILE JUSTICE AND DELINQUENCY—S. 1021

AMENDMENT NO. 399

(Ordered to be printed and to lie on the table.)

Mr. DeCONCINI. Mr. President. The increasing incidents of delinquency and disorderly behavior among juveniles is a serious problem nationally. Indeed, the problem is getting worse, not better. National recidivism rates are now around 80 percent, young people are becoming delinquent at younger ages, and delinquency has spread beyond the inner city neighborhoods into suburban streets and schools.

Several years ago, an LEAA project which investigated a neuropsychological cause of delinquency found that over 70 percent of adjudicated Rhode Island delinquents had significant learning disabilities, and had these disabilities since an early age. Moreover, these disabilities had never been diagnosed, and the resultant frustrated and humiliated young people became early school problems,

dropouts, and frequently later became delinquent.

The first established link between learning disabilities and juvenile delinquency produced some controversy and resulted in a number of research projects around the Nation. To date, all reported further research on the matter, including a recent report by the U.S. Government Accounting Office, continue to support the evidence piling up linking early learning disabilities to the development of the lifestyle that ultimately results in delinquency.

If these findings can be accepted, and if their implications stand up to continued scrutiny, the implications are vast. If delinquency is rooted in early frustrations and failures resulting from school learning disabilities, the method of preventing and rehabilitating delinquents would be quite different from that suggested in most views of the problem.

There are over 8 million handicapped young people in this country, only some of whom are being schooled adequately. The recent report of the National Advisory Commission on the Handicapped reported that 87 percent of learning disabled youngsters are not receiving any type of service or treatment. Thus, despite the literature linking learning disabilities to juvenile delinquency, the vast majority of learning disabled children are receiving no treatment, and destined for lives of humiliation and school failure. These youngsters have normal or above normal intellectual ability, yet they will undergo failure and misery in school. The research mentioned above suggests that many of these young people will end up as school dropouts or delinquents.

I submit an amendment to S. 1021 to authorize the awarding of grants to establish programs relating to juvenile delinquency and learning disabilities.

DEPARTMENT OF EDUCATION—S. 991

AMENDMENT NO. 400

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to the bill (S. 991) to establish a Department of Education, and for other purposes.

RIVERS AND HARBORS PUBLIC WORKS—S. 1529

AMENDMENT NO. 406

(Ordered to be printed and to lie on the table.)

Mr. DECONCINI. Mr. President, I am submitting for printing an amendment to S. 1529, proposed legislation authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control.

This amendment authorizes the Corps of Engineers to take the necessary remedial measures to assure the structural integrity and flood control capacity of the Trilby Wash Detention Basin—McMicken Dam. Also, authority over McMicken Dam would be transferred from the Secretary of the Air Force to the Secretary of the Army.

Trilby Wash Detention Basin—McMicken Dam—is located near the Lower Agua Fria River in Maricopa County, Ariz. The dam, built to protect Luke Air Force Base—west of Phoenix—from flooding, was constructed in 1956. Since then the land between the dam embankment and the Air Force base has been graded and leveled for crop irrigation.

Inspections of McMicken Dam conducted by the Corps of Engineers exposed transverse cracks within the earthen embankment. Further, during the period of March 28 to April 18, 1977, the Maricopa County Flood Control District conducted additional investigations and attempted temporary remedial repairs to the embankment using its own manpower and equipment. The work was discontinued as it appeared that a satisfactory repair of the embankment could not be made in an economical or timely manner.

Catastrophic failure of the embankment occurring with a relatively large amount of water in storage could result in large flows going through Luke Air Force Base or along the Atchinson, Topeka, and Santa Fe Railroad tracks and impacting populated areas. The corps estimates that of the 3,800 people living in communities along the railroad, about 1,000 could be affected directly by flood inundation. The remainder could be adversely affected by utility and transportation damage and disruption along with an attendant threat of income loss due to damage inflicted on surrounding agricultural industries. If dam failure were to occur at night without warning, many people could lose their lives. Also, about 1,000 people living in and around Luke Air Force Base could be affected directly by flood inundation.

Presently the storage basin is dry. However, according to the corps, the potential for significant flooding in this area is believed to be several thousand percent higher after the first week of July than it is during May and early June. This flood potential continues high throughout August and most of September.

A partial filling of the basin that could affect embankment stability might easily occur in less than 1 day. The forecast leadtime for the possible occurrence of such a storm would be less than a day. Thus, the quantity of water in the Trilby Wash Detention Basin could increase from zero to a large fraction of the basin's design capacity within a very short period.

The Corps of Engineers and Maricopa County have developed a plan to alleviate the potential for large scale human suffering and property damage should heavy rains occur. The corps through controlled breaching of the embankment will eliminate the possibility of large amounts of water being impounded. The county has developed an emergency plan to minimize property losses and eliminate hazards to human life. Due to the nature of this emergency, and the fact that the Corps of Engineers has no authority to perform permanent repairs to the structure, this temporary plan was developed.

Mr. President, my amendment would simply start the process for permanent repair to McMicken Dam by giving the corps authority to initiate such repairs. At this time no appropriation would be required by this amendment. However, an appropriation would be necessary at a later date.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMDT. NO. 406

On page 34, between lines 13 and 14, insert the following:

SEC. 130(a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to take necessary remedial measures to assure structural integrity and flood control capacity of the Trilby Wash Detention Basin (McMicken Dam) and Outlet Channel, Maricopa County, Gila River Basin, Arizona, constructed under authority of section 304 of Public Law 83-209 (67 Stat. 449) approved August 7, 1953, at an estimated cost of $7,000,000.

(b) All authority of the Secretary of the Air Force over such detention basin and channel is transferred to the Secretary of the Army.

On page 34, redesignate sections 130 and 131 as sections 131 and 132, respectively

NOTICES OF HEARINGS

SPENDING PRACTICES OF THE SMALL BUSINESS ADMINISTRATION

Mr. CHILES. Mr. President, the Governmental Affairs Subcommittee on Federal Spending Practices and Open Government will hold hearings on irregularities in the spending practices of the Small Business Administration in regard to the 8(a) program.

The hearings are scheduled for July 6, 7, and 8 beginning at 10 a.m., in room 3302, Dirksen Senate Office Building.

Any person wishing to testify or submit a statement for the record should contact either Bob Harris or Peter Roman of the subcommittee staff at 202/224-0211.

SUBCOMMITTEE ON PARKS AND RECREATION

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of a public hearing before the Subcommittee on Parks and Recreation of the Senate Energy and Natural Resources Committee.

The hearing is scheduled for June 28, 1977, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited on the following measures:

S. 491—To amend the act entitled "An Act to authorize establishment of the Fort Union Trading Post National Historic Site, North Dakota and Montana, and for other purposes," approved June 20, 1966 (80 Stat. 211), and for other purposes.

S. 1045—To change the name of the Indiana Dunes National Lakeshore to the Paul H. Douglas National Lakeshore.

S. 1104—To direct the Secretary of the Interior to establish the Legionville National Historic Site in the State of Pennsylvania.

S. 1326—To designate the Thaddeus Kosciuszko Historic Site, and for other purposes.

S. 1505—To authorize the Secretary of

the Interior to assist in the preservation of the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the State of Alabama, and for other purposes.

H.R. 2437—To amend the act of April 17, 1954, which preserved within Manassas National Battlefield Park, Virginia, important historic properties relating to the battles of Manassas, and for other purposes.

For further information regarding the hearing you may wish to contact Mr. Thomas Williams of the subcommittee staff on extension 47145. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Parks and Recreation Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JACKSON. Mr. President, I wish to announce that the hearing on various territorial matters scheduled before the Committee on Energy and Natural Resources for June 15 at 7 a.m. will be held in room 3110, Dirksen Senate Office Building.

The subject of the hearing will be:

H.R. 6550—To authorize certain appropriations for the territories of the United States, to amend certain acts relating thereto, and for other purposes.

S. 1033—To amend section 2 of the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands, and for other purposes;

S. 950—To authorize the appropriation of $12,400,000 for rehabilitation and resettlement of Enewetak Atoll, Trust Territory of the Pacific Islands, and for other purposes;

S. 1192—To provide for the relief of certain residents of the Trust Territory of the Pacific Islands;

S. 1193—To authorize $15 million for the Government of Guam;

S. 1032—To authorize a program of grants to Government of Guam for capital improvements of public facilities, and for other purposes;

S. 1327—To amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands, and for other purposes.

CORRECTION

Mr. ABOUREZK. The Judiciary Committee will hold a day of hearings on S. 270, the "Public Participation in Federal Agency Proceedings Act of 1977," on June 14, at 10:30 a.m. in room 6226 of the Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

THE SENATE HISTORICAL OFFICE

Mr. ROBERT C. BYRD. Mr. President, recently, Mr. Richard A. Baker, historian for the Senate in the Office of the Secretary of the Senate, prepared a paper for delivery at the annual meeting of the Organization of American Historians. The paper discusses problems and opportunities for historical research in committees and the personal papers of the Senate. It also explains the role of the Senate Historian's Office as a clearinghouse for research.

I believe that this paper is deserving of consideration by the Senate, and I therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

THE SENATE HISTORICAL OFFICE: WHY, WHAT, AND FOR WHOM?

(By Richard A. Baker)

Let your imagination transport you to the U.S. Capitol Building. Upon arriving, determine on which side the Senate wing is located. Enter and ask for the back elevator to the Law Library. Take the elevator to the attic level. Leaving the elevator, turn right and follow the narrow nineteenth century corridors until you have crossed through the senators' private library. At that point, assuming you were not misdirected to the House wing—where there is not yet a comparable office—you will have arrived at the recently established U.S. Senate Historical Office.

If you notice the worn crimson carpet, we will tell you that sixteen years ago it covered the inaugural platform of a senator who became President. You might also notice, assuming that are not totally bewildered by your journey, that you are seated near the top side of a skylight. Through it you could peer down two stories into a magnificently-restored hall that from 1810 to 1859, was the Senate Chamber. Clearing your mind of the images of the Golden Age of Webster, Clay and Calhoun, you begin your questioning with the present day. Why did the Senate wait until 1975 to join the dozen or so federal agencies that maintain historical offices? What is the office's primary purpose? Who is it designed to help? When can we expect to see some tangible results?

The Senate Historical Office currently has a staff of five, including a director, an associate historian, a photo historian, and two research assistants. It has two major purposes. The first is to facilitate access to the primary source material created by the Senate and its 1,700 members over the past 188 years. The second is to serve as a clearing house for Senate-related research activity. The office does not plan to write an official history of the Senate, nor does it intend to become an archive for senatorial papers.

Before elaborating on these objectives, I would like to tell you something of the climate in which the Senate created Washington's first legislative historical office.

Criticism of congressional organization and procedure has been a favorite indoor sport since the days of the First Continental Congress. Again and again public opinion surveys disclose that, although individual members are often highly regarded, the House and Senate rank among the least esteemed of American institutions. Will Rogers once remarked after he had read that Ancient Rome had a Senate, too, that he knew why Rome had declined. These sentiments may not be unique to the American experience. You may recall Metternich's alleged maxim that "those who love sausage and the law should never be permitted to see how either is made."

Congress clearly operates at a disadvantage in relation to the presidency. So do researchers who seek to understand the legislative role in national policy formulation. There is a strong temptation for one's flirtatious glance at Capitol Hill to become a transfixed stare in the direction of the White House and Foggy Bottom. There is no single member who can personify the Congress, so deliberately fragmented by the Founding Fathers. Perhaps their intent is most evident in the designation of the Vice President to be the Senate's presiding officer. After the first week of his term, he is rarely seen in the Senate chamber, and he may address the Senate only at the sufferance of a majority of its members.[1] Thus, the Senate appears to lack the regimentation and common purpose that might stimulate public affection and researchers' interest.

Yet, closer examination reveals that this individualism has been subject to strong counterpressures. The need for cooperative action over the years has strengthened internal organization, division of labor, and leadership.[2] Thus, the task awaiting the researcher of the legislative process is not at all as hopeless as it might first appear.

The Senate in recent years has taken several promising steps toward internal modernization and improved responsiveness to public needs. Two months ago the Senate accomplished the first major overhaul since 1946, of its committee system.[3] In 1975, the Senate created a commission of private citizens to make a "comprehensive and impartial study of the organization and operation of the Senate." The commission's final report has already become a blueprint for the reconstruction of outmoded administrative structures.[4] There are other hopeful signs. Many previously restricted committee working sessions are now open to the public.

The Secretary of the Senate recently initiated a program to improve the design, and thus the utility, of Senate publications. Finally, within the past two years, the original chambers of the Senate and the Supreme Court in the Capitol have been restored to their mid-nineteenth century glory.[5] Padlocked for many years, these rooms have become once again a leading public attraction.

Thus, the Historical Office, created in a spirit of openness, was assigned objectives to support that spirit, and is restrained only by the accumulated traditions of the past 188 years. Its backers recognized that the interests of the Senate and historians will be equally well served by the availability of a full and accessible record.[6]

Our interest extends beyond the final roll call vote. We want to focus attention not only on the product, but the *process* by which specific issues achieve legislative attention. Committees, of course, make available their voluminous printed record of hearings, reports, and documents. But, we also need internal staff memoranda, preliminary drafts of bills, and closed session transcripts so essential to an understanding of the give and take of legislative activity.

Prior to 1946, committees were not required to keep transcripts of their closed meetings. The Legislative Reorganization Act of that year made mandatory the transcription of both closed and open sessions. That same act required House and Senate committees to transfer to the custody of the National Archives and Records Service their so-called "non-current" records.[7] Since 1946, a large volume of significant records, including unpublished transcripts, has been created, and much of this material now rests in the Legislative Records branch of the National Archives. Many transcripts, however, remain scattered throughout committee storerooms on Capitol Hill.

Access to this important source material is at best unpredictable. In the House of Representatives, jurisdiction over all non-current committee records has been given to the Clerk of the House.[8] Permission of the Clerk is necessary to use any unprinted material more than 50 years old.

The Clerk may also close records considered detrimental to the public interest. Members of Congress, committees, staff, and the public must apply for access to non-current records through the Clerk. The National Archives furnishes records only to the Clerk, who in turn provides them to the person making the request. The Clerk has no au-

Footnotes at end of article.

thority to grant access to unprinted material less than 50 years old, except by House resolution.[9]

There is no comparable procedure in the Senate. Noncurrent Senate committee records are made available at the discretion of the individual committees. By custom, jurisdiction rests with the sitting chairman of the originating committee, or with the chairman of the designated successor in the case of defunct committees.

Restrictions on access to Senate committee records vary widely. The Foreign Relations Committee has authorized the National Archives to open all its records, including executive sessions and confidential material, through 1952. Records of the Committee between 1953 and 1965 are also available with the exception of executive sessions and confidential documents. The Banking, Housing and Urban Affairs Committee has recently opened all of its non-current records at the National Archives except personal financial and income tax records. In contrast, the Senate Finance Committee has closed to research all of its records at the Archives, dating back to 1816 requiring case-by-case authorization of the Committee.[10]

Despite the extreme differences between the handling of the records of the various Senate committees, such flexibility is greatly preferable to the rigid 50-year rule in the House. The House system permits no differentiation between sensitive and non-sensitive material. For example, it closes the records of the House International Relations Committee after 1927, while State Department copies of identical or similar records are open through 1949.

The Foreign Relations Committee has taken major steps toward systematic access to its valuable records. Its so-called "Historical Series" began in 1973, thanks to the efforts of a determined and articulate group of diplomatic historians, the receptivity of committee members, and the failure of the State Department's *Foreign Relations* series to stay on schedule. The "Historical Series" now runs to more than a dozen volumes.[11] They contain selected transcripts of closed-door sessions since 1947. At present, the series has reached 1953. It will continue at the rate of four or five volumes per year until reaching twelve years from the present.

The Historical Office's initial mandate from the Senate is to encourage other committees to follow the practice of the Foreign Relations Committee.[12] I emphasize "encourage". In theory, the right of public access does not extend to unprinted committee records. Records are stored at the National Archives for the convenience of Congress, subject to recall at any time. In practice, however, committees, acting in the spirit of "open government", have been supportive of the public's "right to know". Although the Freedom of Information Act applies only to the Executive Branch, individual Senate committees have sought to abide by its spirit.[13]

The Historical Office is prepared to advise each committee on a program of publication for its records. We will provide editorial assistance when it is not otherwise available. At present, we are in various stages of negotiation with the Armed Services Committee, the Governmental Affairs Permanent Subcommittee on Investigations, and Judiciary's Internal Security Subcommittee to develop systematic programs of access and publication.

We have also been serving as intermediary between committee and researcher. We will examine specifically requested records and recommend release or continued restriction. This saves valuable time for the out-of-town researcher and the harried committee staff. The response of committee chairmen has been generally favorable to researchers. As mentioned earlier, one such request led Senator William Proxmire to open most previously restricted records of the Banking, Housing and Urban Affairs Committee, which he chairs. On the other hand, the committees depend upon us to prevent invasion of privacy, by keeping closed such records as income tax returns and personnel files, and to screen out material whose premature release would violate national security. The more recent the record, the more difficult such a task obviously becomes.

While seeking to promote access to and preservation of official Senate records, we are also concerned with the individual papers of past and present senators.

Since 1789, 1,175 men and women have served in the United States Senate. Perhaps four hundred of them have left what might be described as "collections" of papers. The letters of an additional one thousand are dispersed among collections of the notables with whom they corresponded. In earlier days it was a simple matter for senators to pack up their diaries, letter press copy books, and correspondence when they left office.

Until the twentieth century, few had staff. This limited their capacity to produce a large written record. The volume of file material increased very slowly until 1946. Repositories, ranging in size from the Library of Congress to the smallest historical society, were generally delighted to accept whatever a senator wished to give them.

The Legislative Reorganization Act of 1946, reflecting Congressional frustration at a powerful executive, provided larger and better paid staffs for individual members and committees.[14] Today, the Senate's twenty-two committees, 150 subcommittees, and six thousand employees are awash in a sea of paper. The average Senate office accumulates more paper in a year than a senator retiring in 1947 would have amassed over the previous thirty years.[15] New York and California offices report receiving as much as twelve thousand pieces of mail per week. Internally produced correspondence adds significantly to this mass. The availability of microfilm and the wastebasket are the best weapons for controlling the paper problem. However, most offices follow the path of least resistance in the battle for space between staff and files. They ship noncurrent records to a nearby federal records center for temporary storage. This postpones the problem until the senator is overtaken by defeat, death, or retirement. It is impossible to transfer efficiently the records of a long career in the few weeks or months available at its end. Much is lost or destroyed in the process.[16]

Let me cite two of many examples. The majority of Senator Harry Truman's papers are lost. We have searched the attic of the Old Senate Office Building without hope or success. These records would almost certainly have given historians a sharper picture of Truman's formative political years. At the other extreme, when Senator Richard Russell died in 1971, the University of Georgia received three tractor trailer trucks filled with the files of his thirty-eight years in the Senate. It may take as long to process the papers as Russell took to create them. The problem is compounded today by the tendency of overzealous staff members to destroy or remove some files before senators have had an opportunity to establish their preferences. Years later it is not always clear that significant files are missing. The residue is often of little value to those who wish to study senators, the issues or the social and economic character of their constituencies.

The Historical Office has been working with staffs of senators, recently elected, retiring, and suddenly defeated, to minimize the delay in identifying and opening to researchers truly valuable papers. Those with experience working in the papers of recent senators recognize that only a small portion of the total volume, perhaps ten to fifteen percent, is of research value.[17] The remainder, including constituent mail, case work files, and routine position statements are best brought under control when microfilmed or sampled.

Before long, researchers are going to have to sharpen their skills to deal with the increasingly large amount of machine-readable data finding its way into archives. Within the past five years the Senate has made available to its members advanced automated information systems. The day may come when a senator's office files may fit in two boxes, one for the microfilm and the other for the computer tapes.

That day, perhaps fortunately, is still beyond the reach of most current senators. So we are working to advise them to make arrangements for their papers as soon as possible. We believe the best time is at the end of a senator's second year in office. The recipient institution is more likely to make available the costly staff and space that a senator's collection demands if the papers are transferred in manageable increments over an extended period of time. The dividend for the senator is the assurance that papers will be carefully organized, with individual files generally available for recall on short notice. The researcher benefits by earlier and more precise access to a carefully arranged collection. At several universities, graduate students in history are already working in the earlier papers of currently sitting senators.

We encourage senators seriously to consider sending their papers to libraries or archives in the state from which they were elected. If they choose a repository associated with a research institution, the opportunities for researchers to use their papers will be greater. The ideal environment, in my judgment, would be an institution owning the papers of previous senators as well as other public officials, or one that was successful in attracting those of many congressmen whose service spanned a common era.

In recent years several senators, or their heirs, have established separately endowed research facilities, either in association with a university library or independently. Most notable among these are the Richard Russell Library at the University of Georgia, the John S. Stennis Collection at Mississippi State University, the Everett Dirksen Congressional Leadership Research Center at Pekin, Illinois, the Frank Carlson Library in Concordia, Kansas, and the Margaret Chase Smith Library being organized at Skowhegan, Maine. We hope that each of these facilities will be able to attract the collections of other members of Congress and thus, serve as regional congressional research centers.

I shall mention briefly a third category of papers of potential value to historians. They are the minutes, files, and for more recent years, transcripts of Senate party caucuses and political policy committees. These records exist with varying degrees of fullness from the early years of this century down to the present. Until the end of World War II, they consist mostly of caucus minutes.

In 1947, the Senate created Republican and Democratic legislature policy committees. Outgrowths of the 1946 Congressional reform movement, these committees represented an effort to coordinate and strengthen party positions on major national issues.[18] Since then, each senatorial party organization has kept either transcripts or detailed minutes of policy and strategy meetings. No party records, regardless of age, are yet open to research. We have proposed to the respective party leaders that their records be closed only during the lifetime of all participants. We hope that each party will respond favorably to specific requests for records at least through the New Deal period.

A final major source of documentation is oral history. Since 1948, oral history has become invaluable to the historians of twentieth century America. In the preface of his

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magnificent biography of Huey Long, T. Harry Williams reminds the prospective political researcher that "the full and inside story of politics is not in any age committed to the documents." [19]

Former senators are obvious targets for the oral historians. Regardless of their own individual contributions to the public weal, senators' associations draw them to the wellsprings of power. The Senators, as their state's "ambassador" to Washington, serve in effect as a prism through which their constituency's unique problems are refracted. The senatorial experience is rich in exposure to regional problems, from flood control in Pennsylvania to the migrant farmer in California. At least two dozen former and a handful of current senators are participating in oral history interviews. One Washington-based group, Former Members of Congress, Inc., has retained the distinguished oral historian Charles Morrissey. He is designing a system that will select from that organization's five hundred members at least several dozen who are blessed with full experience and total recall. Morrissey hopes to organize a line of questioning that can be uniformly applied by diverse interviewers.[20]

Standardization in oral history interviews of congressmen is highly desirable. The researcher needs to compare the candid views of contemporaries on controversial issues. Congressional Record or public hearings transcripts are likely to yield an incomplete story. Lines may be spoken in response to temporary frustrations or for tactical advantage rather than reflecting real beliefs. Words exchanged in anger on the Senate floor rarely survive the cleansing process incident to their publication. Historians of the nineteenth century have the added problem of reporters of debate who fell asleep during one speech, awoke during another, and continued to record the two as one.

So in the twentieth century we have the luxury of creating a supplementary historical source material. But, this process is more often executed poorly than well. Users of oral history transcripts will quickly attest to the frustration of a line of questioning that ends prematurely, that takes a detour never to return to the main highway. Some public figures are particularly adept at obfuscation. They are well accustomed to jousting with journalists. A successful politician, by definition, has learned to control the interview process. The oral historian must, therefore, be both persistent and well-prepared.[21]

At present, the Senate Historical Office does not intend to interview senators. We believe that particular act is already overcrowded. One recently retired senator is participating in at least three oral history programs and now declines numerous requests for others. His case is closer to the rule than the exception. Our major interest is with Senate staff members who have served in positions of responsibility for two, three or even four decades. I believe our office is uniquely situated to identify staff candidates, persons generally unknown outside of the Senate. These individuals often have wielded enormous power, delegated by party leaders and committee chairmen. Most have served several masters and thus, are able to compare and evaluate performance against a wide continuum of experience.

We started interviewing last year. Our first interviewee joined the staff of Senator Carl Hayden in 1933. One of his first duties was to travel to the London Economic Conference of that year in the care of Foreign Relations Committee chairman Key Pittman.

Our subject subsequently held a number of positions that kept him close to the Senate floor and cloakrooms. His recollections, combinations of observed reality and backroom gossip, shed additional light on the activities of Huey Long, Alben Barkley, Joseph T. Robinson, Joseph R. McCarthy, Lyndon Johnson, and many others. He and subsequent interviewees will be allowed to set access restrictions. This seems a small price to pay for candor. Tapes and transcripts will be deposited at the Library of Congress. We plan to send duplicate transcripts to each archive or library having a related collection of senatorial papers.

Thus far, I have discussed our efforts to encourage the creation, identification, and access to documentary source material including official committee records, individual senators' papers, and oral history interviews. Our second major function derives from the first. We are working to establish an effective clearing house for Senate-related research. To that end we have compiled a one thousand entry, illustrated bibliography of books, articles, and dissertations.[22] Its focus is on the Senate as an institution and on two hundred of its more prominent former members. The bibliography should highlight opportunities for further research. Copies are available from the Historical Office.

Our second major publication will be a catalog of locations of senators' papers. We have culled from the "Hamer Guide to Archives" and the Library of Congress' "National Union Catalog of Manuscript Collections" all references to significant collections of senators' papers. At present we are contacting several thousand likely repositories to learn of additional collections, access restrictions, and the scope of their holdings. We plan to issue the first edition of this catalog next year.

The catalog should permit researchers to maximize their limited funds and time, by avoiding trips to collections that are insignificant, poorly organized, or closed. We hope that it will be of particular value to historians of the nineteenth century Senate by tying together scattered secondary collections. Above all else, it should facilitate parallel research in the papers of senators who served together.

A bibliography and a catalog of senatorial collections are obvious projects. They were suggested by the many historians and archivists we have spoken with since 1975. The central question at this stage of our development becomes what next?

Daily we add to an informal list of suggested projects. These range from preparing a microfilm edition of older Senate records at the National Archives to developing a catalog of all non-printed hearing transcripts to establishing a scholars-in-residence program. Each of these suggestions bears a substantial cost. The Senate Appropriations Committee is not easily convinced to add to a Senate budget which in fiscal 1977 ran to 137 million dollars. We need sound, well-documented proposals, otherwise our credibility and thus, our effectiveness will be in jeopardy.

These concerns led us, in 1976, to establish a temporary advisory committee.[23] Its chairman is Forrest C. Pogue of the Smithsonian's Eisenhower Institute for Historical Research. The Committee's four members include senior representatives of the Library of Congress, National Archives, and the historical offices of the State Department and the Energy Research and Development Administration. We are now planning to broaden the Committee's representation beyond the Washington historical establishment to include historians, archivists, and political scientists.

Our temporary committee has suggested a project that appears to have a considerable merit.[24] It has proposed that the Senate sponsor, but not control, a conference on the "Historical Prerogatives of the Senate." The day and a half session would allow scholars as well as current and former senators to discuss issues inherent in the Senate's constitutional role to advise and consent. At least one session might be devoted to an analysis by scholars of opportunities for Senate-related research. The 1966 and 1971 conferences on the "Truman Period as a Research Field" may serve as a useful model.[25] The Senate might wish to publish the conference papers and commentary. We hope that similar suggestions will be forthcoming from our expanded advisory committee.

The Senate has taken a strong forward step. It has invested a good deal of money and faith in the proposition that a Senate historical office can stimulate independent historical study of legislative policy development. Here I must acknowledge a considerable debt to Harold Hyman. Professor Hyman, in a recent essay, chides political historians who "unlike the hapless Coxey, . . . have kept resolutely off Congress' grass." [26] He argues that "historians have failed almost completely either to consider Congress as an institution or to analyze its major elements of governance in detail much less in broad synthesis." [27]

For altogether too long historians have taken the easy path, around rather than through the national legislature. Along the way they have paused to glance at readily available printed congressional documents and perhaps even a collection or two of individual papers.

Having given Congress a wide berth, historians eventually complete their journey toward an understanding of federal policy issues at the doors of the White House. The concept of the "Imperial Presidency" owes much to the devotion of historians and journalists. Sooner or later historians will recognize that there is work to be done at locations other than those nicely-organized archives at Hyde Park and Independence and Abilene and Austin and perhaps Plains.

As we prepared our bibliography, we observed that many books bearing titles with clear historical connotations were in fact written by political scientists. This experience reenforced our suspicion that historians have yielded the congressional field to their colleagues in the other social sciences. There are exceptions. No bibliography of Congressional history could ignore the published work of Michael Benedict, Herman Belz, Allan Bogue, and James Hilty, or the forthcoming studies by William Leuchtenburg and David Shannon.[28] But the fact remains that discussions of the historical work-a-day Congress generally bring blank stares from seminars of graduate history students in search of dissertation topics.

Recently, a nationally prominent historian of voting behavior wrote to us in recognition of this problem. He confessed, "One particular area of which I know very little is the day-to-day functioning of the legislative process, the manner in which the various nuances and, sometimes, the personal idiosyncrasies of the senators, influence the policy making process. Much has been made of the club-like atmosphere of the Senate, but only a few have studied it systematically." [29]

From our perspective there are a number of research opportunities. George Haynes' two volume history of the Senate, published in 1938, is out-of-date and incomplete.[30] No one, to my knowledge, has followed up on James Sterling Young's pioneering study of early nineteenth century Senate voting patterns.[31] Donald Matthews' 1960 study entitled *United States Senators and Their World* needs to be updated and given a more solid historical base.[32] Our bibliography is noticeably thin on studies of individual Congresses. What was the world view of the average senator in 1789, or 1863, or 1910? With the exception of the Senator Foreign Relations Committee, there is an absence of first-rate committee histories.

To summarize, here is what we are prepared to do to assist researchers, whether they be historians, political scientists, Senate aides or the general public.

We have compiled and will continue to pre-

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pare extensive bibliographies on the history and processes of the Senate.

We are assembling a computer-based catalog of locations of Senators' papers. Until the catalog is published, we will be happy to undertake individualized searches.

Our photo historian is developing an extensive archive of Senate-related photographs and engravings. We hope eventually to locate likenesses of nearly all former senators. We will conduct searches and provide limited copies on request. We are also photographing current Senate activities of potential future interest.

We will search for non-current records of Senate committees at the National Archives.

We will intercede on behalf of researchers with committees regarding access to closed records. I must caution you that we will not automatically recommend access. In recent weeks we have advised committees to deny requests for records containing information damaging to persons possibly still living.

We will prepare inventories of committee records to assist researchers to sharpen the focus of their inquiries.

We will provide limited copies of bills and other Congressional documents. We will also prepare legislative histories of bills when they are not otherwise available through local university libraries.

We will answer questions of a factual nature drawing upon the excellent documentary resources of the Senate Library.

So now it is up to you. We are ready and waiting. I have brochures summarizing our general services. I have a preliminary list of collection locations for those members who left the Senate since 1947. I have copies of this paper. And finally, I have a staff second to none in its knowledge of Washington research facilities and in its willingness to assist you.

I hope that we can draw to the study of Congress the historian's creative imagination and skillful use of sources. The Senate deserves and expects nothing less.

FOOTNOTES

[1] U.S., Congress, Senate, *Senate Procedure: Precedents and Practices*, S. Doc. 93–21, 93d Cong., 1st sess., 1973, p. 395.

[2] Donald R. Matthews, *U.S. Senators and Their World* (Chapel Hill: University of North Carolina Press, 1960), p. 118.

[3] U.S., Congress, Senate, *Committee Systems Reorganization Amendments of 1977*, S. Rept. 95–2 to accompany S. Res. 4, 95th Cong., 1st sess., 1977, pp. 1–13.

[4] U.S., Congress, Senate, *Toward A Modern Senate*, S. Doc. 94–278, 94th Cong., 2d sess., 1976, pp. 1–20.

[5] U.S., Congress, Senate, Commission on Art and Antiquities, *The Supreme Court Chamber, 1810–1860*, and *The Senate Chamber, 1810–1859*, 94th Cong., 2d sess., 1976. Copies available from the Office of Senate Curator.

[6] U.S., Congress, Senate, Committee on Appropriations, *Legislative Branch Appropriations for Fiscal Year 1976, Hearings on H.R. 6950*, 94th Cong., 1st sess., 1975, pp. 1251–60.

[7] 44 U.S.C., sec. 2114.

[8] H. Res. 288, 83d Cong., 2d sess. (1953).

[9] Clerk of the House of Representatives, "Legislative Records of the House of Representatives: A Paper Presented to the National Study Commission on the Records and Documents of Federal Officials," October 29, 1976.

[10] Letters from Senate committees and memoranda of telephone conversations on file at the Legislative Records Branch of the National Archives and Records Service. See also letter of November 17, 1976, from Senator William Proxmire to Mr. George Perros regarding files of Senate Banking Committee.

[11] U.S., Congress, Senate, Committee on Foreign Relations, *Executive Sessions of the Senate Foreign Relations Committee*. Issued irregularly since 1973.

[12] U.S., Congress, Senate, Committee on Appropriations, *Legislative Branch Appropriations*, pp. 1258–59.

[13] U.S., National Study Commission on the Records and Documents of Federal Officials, "Memoranda of Law," (February, 1977). See section "B" 'The Public's Right To Know.'

[14] Legislative Reorganization Act (1946), 60 Stat. 834.

[15] Robert M. Warner, "The Papers of Members of Congress," paper prepared for the Panel on Congressional Papers, National Study Commission on the Records and Documents of Federal Officials, Washington, D.C., December 15, 1976, p. 3.

[16] U.S., National Study Commission on the Records and Documents of Federal Officials, "Panel on Congressional Papers" (transcript), December 15, 1976, p. 1 passim.

[17] Ibid.

[18] Hugh A. Bone, *Party Committees and National Politics* (Seattle: University of Washington Press, 1958), pp. 166–67.

[19] T. Harry Williams, *Huey Long* (New York: Alfred A. Knopf, 1969), p. ix.

[20] Charles Morrissey, "How Do Members of Congress Dispose of Their Papers When They Leave Office?" Report submitted to the National Study Commission on Records and Documents of Federal Officials on behalf of Former Members of Congress, Inc., January 31, 1977.

[21] William W. Moss, Oral History Program Manual (New York: Praeger, 1974), pp. 32–41.

[22] U.S., Congress, Senate, *The United States Senate: A Historical Bibliography*, 95th Cong., 1st sess., 1977.

[23] See Richard W. Leopold, "Historians and the Federal Government: Historical Advisory Committees; State, Defense, and the Atomic Energy Commission." *Pacific Historical Review* 44 (August, 1975): 374–94; Walter Rundell, Jr., "Uncle Sam the Historian: Federal Historical Activities." *The Historian* 33 (November, 1970): 1–20.

[24] U.S. Senate Historical Office Advisory Committee, Minutes of Meetings, meetings of April 1, 1976, and September 16, 1976.

[25] Richard S. Kirkendall, ed., *The Truman Period As A Research Field: A Reappraisal, 1972* (Columbia, Missouri: University of Missouri Press, 1974), pp. 1–9.

[26] Harold M. Hyman, "Lincoln and Congress: Why Not Congress and Lincoln?", *Illinois State Historical Journal* (February, 1975), p. 60.

[27] Ibid., p. 61.

[28] See Belz, *Reconstructing the Union: Theory and Policy During the Civil War* (Ithaca: Cornell University Press, 1969); Benedict, *A compromise of Principle: Congressional Republicans and Reconstruction, 1863–1869* (New York: Norton, 1974; Bogue, "Some Dimensions of Power in the Thirty-Seventh Senate," in *The Dimensions of Quantitative Research in History*, ed., William Aydelotte, *et al* (Princeton: Princeton University Press, 1972), pp. 285–318; Hilty, "The Dimensions of the New Deal Policy Agenda: Senate Voting, 1933–1945," paper prepared for the Social Science History Association Meetings, Philadelphia, Pennsylvania, October 29–31, 1976; Shannon and Leuchtenburg each have major studies in progress related to the Senate's policy role during the New Deal.

[29] Letter dated August 17, 1976, in Senate Historical Office files.

[30] Haynes, *The Senate of the United States: Its History and Practice*, 2 vols. (Boston: Houghton Mifflin Co., 1938).

[31] Young, *The Washington Community: 1800–1828* (New York: Columbia Uuiversity Press, 1966).

[32] Matthews, *U.S. Senators and Their World* (Chapel Hill: University of North Carolina Press, 1960).

THE DANGERS OF COMMUNISM

Mr. GOLDWATER. Mr. President, last week, on June 9, the former Secretary of State, the Honorable Henry Kissinger, delivered an address before the American Enterprise Institute and the Hoover Institution on War, Revolution and Peace. The title of the paper is "Communist Parties in Western Europe; Challenge to the West," and because it is so timely, because it is so well written and prepared by a man who has always recognized the dangers of communism and who, while Secretary of State, had the courage to stand up to them, I think it is something that should be read by my colleagues. Therefore, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMUNIST PARTIES IN WESTERN EUROPE: CHALLENGE TO THE WEST

(By Hon. Henry A. Kissinger)

Ladies and Gentlemen: The cohesion of the industrial democracies of Western Europe, North America, and Japan has been for thirty years the bulwark of peace and the engine of global prosperity.

This unity has been the keystone of our foreign policy in every Administration from President Truman to President Carter. The first permanent peacetime security alliance in American history was with the democratic nations of the Atlantic Community; it was soon followed by our commitment to the security of Japan. Since then, the agenda of cooperation among the industrial democracies has spread from collective defense to common action on energy policy, economic recovery, the international economic system, relations with the Communist countries, and with the Third World. This cohesion rests not simply on material considerations of wealth and power but on a common moral foundation as well—on the shared conviction that the consent of the governed is the basis of government and that every individual enjoys inalienable rights and is entitled to constitutional liberties.

It is ironic that at the moment when the industrial democracies are most cohesive in their opposition to external threats, at a time when our cooperative efforts cover a broader range than ever, the unity developed with so much effort and imagination over a generation should be jeopardized by an internal danger—the growth of Communist parties and the danger of their accession to power in some of the countries of Western Europe.

In Italy, in the parliamentary elections of June 1976, the Communist Party obtained 34% of the vote, strengthening its position as the second largest party and as a powerful rival of the Christian Democratic Party which has governed Italy throughout the post-war period. The Communists' growth since the 1972 election has been primarily at the expense of the democratic socialist groups, and is part and parcel of an increasing and dangerous polarization of Italian politics. The Communists have already achieved a virtual veto over government programs in the Italian Parliament.

In France, in the Presidential election of April 1974, a coalition of the Communist and Socialist Parties came within one percentage point of victory on the final ballot. A majority for this coalition in the parliamentary elections which must take place by March 1978 would bring Communist leaders into key ministerial positions. It would do so, moreover, in conditions of constitutional crisis, for the Constitution of the Fifth Republic has not yet faced the test of a President and a Prime Minister from different parties.

In the Iberian peninsula, where hopeful steps are being taken towards democracy, Communist Parties have fought with ruth-

lessness and disciplined organization to increase their already considerable influence. Portugal is a member of NATO; Spain is strategically crucial and tied by special agreements to the United States. Communist participation in the government of either country would have serious consequences for Western security.

And these Communist challenges do not exist in isolation from each other. There is no doubt that a Communist breakthrough to power or a share in power in one country will have a major psychological effect on the others, by making Communist parties seem respectable, or suggesting that the tide of history in Europe is moving in their direction.

Most of the causes of this phenomenon are indigenous to the individual countries. And by the same token, the response to this challenge must come in the first instance from European leaders and voters who are persuaded that democracy is worth the effort. America cannot make their choices for them or decide the outcome of free elections.

But America must recognize the significance of what may lie ahead. We must not delude ourselves about what the accession of Communist leaders to execute power will mean to the most basic premises of American foreign policy. We must not confuse either our own people or those in allied countries who take our judgments seriously about the gravity of the threat. We must not weaken their resolve either by treating a Communist victory as inevitable—which it is not—or by imagining that a Communist electoral victory would be an accidental, transitory or inconsequential phenomenon. The ultimate decisions are for the voters of Europe to make. But they—and we—would be indulging in wishful thinking if we all did not acknowledge now:

That the accession to power of Communists in an allied country would represent a massive change in European politics;

That it would have fundamental consequences for the structure of the post-war world as we have known it and for America's relationship to its most important alliances;

And that it would alter the prospects for security and progress for all free nations.

THE COMMUNIST PARTIES AND WESTERN DEMOCRACIES

Those who take a less grave view of these prospects often claim that the European Communist Parties are independent of Moscow, that they have been effectively democratized and assimilated, and that they therefore pose no international issue in the broader East-West context.

It is true enough that the centrifugal and polycentric tendencies in the Communist world are one of the most striking developments of our age. These schisms, moreover, are made doubly intense by the passions of a quasi-religious battle over what is true dogma and what is heresy. Symptomatic is the fact that the Soviet Union has used military force in the post-war period only against other Communist countries—in East Berlin, in Hungary, in Czechoslovakia, and on the Sino-Soviet border. The Sino-Soviet conflict may indeed be the most profound and potentially explosive current international conflict. Nor is there a serious observer who disputes that the Communist parties in Western Europe have in fact occasionally demonstrated some degree of independence from the Soviet Union.

But this hardly exhausts the issue. For we must ask: In what sense and on what issues are they independent? And what are the objective consequences for the West of their policies and programs?

We are entitled to certain skepticism about the sincerity of declarations of independence which coincide so precisely with electoral self-interest. One need not be a cynic to wonder at the decision of the French Communists, traditionally perhaps the most Stalinist Party in Western Europe, to renounce the Soviet concept of dictatorship of the proletariat without a single dissenting vote among 1700 delegates, as they did at their Party Congress in February 1976, when all previous Party Congresses had endorsed the same dictatorship of the proletariat by a similar unanimous vote of 1700 to nothing. Why was there not at least one lonely soul willing to adhere to the previous view? Much was made of this change as a gesture of independence. Now it turns out that the new Soviet Constitution, in preparation for years, drops the phrase as well.

Throughout their existence, the guiding principle of the Communist parties has been their insistence that a minority had to seize power as the vanguard of the working class and impose its views on the rest of the population. This disdain for democratic procedures—whether it is presented in the traditional form of the "dictatorship of the proletariat" or wrapped in Gramsci's more elegant phrase, "the hegemony of the working class"—is precisely what has historically distinguished the Communist from the Socialist parties.

I find it hard to believe that after decades of vilifying Social Democracy and treating it as their mortal enemy, especially in every Communist country, Communist parties have suddenly become Social Democrats. Whether or not they are independent of Moscow, Communists represent a philosophy which by its nature and their own testimony stands outside the "bourgeois" framework of Western constitutional history; they are a movement that appeals to a different tradition and uses a largely misleading vocabulary.

To be sure, the French, Spanish, and Italian Communist parties have all recently declared their resolve "to work within the pluralism of political and social forces and to respect guarantees and develop all individual and collective freedoms." Enrico Berlinguer and Georges Marchais pledged their devotion to national independence and political pluralism at a conference of Communist parties in East Berlin in June 1976.

But can we take these declarations at face value? After all, Marchais has listed Bulgaria, Poland, and East Germany as countries having a "pluralistic" party system. As recently as 1972, French Communist doctrine was that "there can be no return from Socialism to Capitalism." And a few weeks ago, to the great irritation of their Socialist allies, the French Communists estimated the cost of the economic program of the two parties at over 100 billion dollars. The Communist program—by definition—calls for the radical transformation of society; by the very nature of their beliefs Communists will be driven to bring about institutional changes that would make their ascendance permanent.

Moreover, are these professions of the national road to Communism and of devotion to democratic principle really so new? Let me read some quotations from European Communist leaders:

First: "The crux of the matter, and we Marxists should know this well, is this: every nation will effect its transition to Socialism not by a mapped-out route, not exactly as in the Soviet Union, but by its own road, dependent on its historical, national, social, and cultural circumstances."

That was from a speech by Georgia Dimitrov, leader of the Bulgarian Communist Party, in February 1946.

Second: "We take the view that the method of imposing the Soviet system on (our country) would be wrong, since this method does not correspond to present-day conditions of development. . . . We take the view rather than the overriding interests of the . . . people in their present-day situation prescribe a different method . . ., namely the method of establishing a democratic anti-Fascist regime, a parliamentary democratic republic with full democratic rights and liberties for the people."

That is from a proclamation of the (East) German Communist Party in June 1945.

Third: "The great national task facing the country cannot be solved by either the Communist Party or by any other party alone. The Communist Party holds that it does not have a monopoly, and it does not need the monopoly, to work among the masses for the reconstruction of the new (nation). The Communist party does not approve of the idea of a one-party system. Let the other parties operate and organize as well."

That is a statement by Erno Gero, Communist Party leader of Hungary, in November 1944.

Fourth: "In (our country) there is a division of functions, and State power is based on parliamentary democracy. The dictatorship of the proletariat or of a single party is not essential. (Our country) can proceed and is proceeding along her own road."

That is from a speech by Wladyslaw Gomulka, Communist Party leader of Poland, in January 1946.

Fifth: "The Community Party seeks to attain Socialism, but we are of the opinion that the Soviet system is not the only road to Socialism. . . . The coalition of the Communists with other parties is not opportunistic, a temporary limited coalition, but the expression . . . of all strata of the working people. . . . We seek at present to make certain that our new democratic parliamentary methods . . . be expressed in constitutional law. If you want the view of the Communists, I can only say that they will be the strictest guardians of the new Constitution."

That is a statement by Klement Gottwald, Communist Party leader of Czechoslovakia, in January 1947.

Sixth: Marchais speaks of "Socialism in the colors of France." But in 1938, George Orwell described French Communist strategy as "marching behind the tricolour."

In short, what the leaders of the Western Communist Parties are saying today about their affection for the processes of democracy is not significantly different from what East European Communist leaders declared with equal emphasis in the 1940's—before they seized the total power which they have never relinquished since.

Certainly Communist parties are willing to come to power by democratic means. But could they permit the democratic process to reverse what they see as the inevitable path of "historical progress?" Would they maintain the institutions—press, parties, unions, enterprises—that would represent the principal threat to their power? Would they safeguard the freedoms that could turn into instruments of their future defeat? No Communist Party that governed alone has ever done so, and the vast majority of those democratic parties which entered coalitions with European Communists are now in the indexes of history books rather than in ministries or Parliaments.

The Italian Communist Party, to be sure, left the government following its disastrous defeat by the Christian Democrats in 1948. But the situation today is greatly changed. In 1948, the Communists were a far smaller party, with little regional or municipal power. They had to contend with a younger and more united Christian Democratic Party, a strong Socialist Party, and a determined Western alliance alarmed by Stalin's adventures in Greece and Czechoslovakia. Today, Italian Communists participate in the governments of most major cities and regions, have enormous trade union strength, substantive support from intellectuals and the popular culture, and have reduced the

strength of the Socialists to a fraction of what it was three decades ago.

The French Communists were similarly removed from the government in 1947, following the intensification of the cold war. But, just as in the Italian case the following year, the popular revolt against the Communists took place within the framework of a united West with a clear perception of an external and internal threat to its survival. By contrast there are now many people on both sides of the Atlantic who have permitted themselves to be convinced that European Communism is only Social democracy with a Leninist face.

We cannot know, with certainty, whether a fundamental change has occurred in these parties' traditional goals and tactics. But their internal organization and management speak against such a view. It is not democratic pluralism but the stern Leninist precept of "democratic centralism" which continues to guide the internal structure of all European Communist Parties. This is a doctrine of iron discipline, not a principle of free and open dialogue. It is a system of dogma, of a "party line", of authority and obedience, of suppression of dissent and purge of dissenters. There are too many recent instances of resorts to violence, attempts to censor newspapers and broadcasting, and efforts to control the functioning of universities to be optimistic about their character.

Only in Western Europe and the United States are there still illusions about the nature of Communist Parties. In Eastern Europe Boredom, intellectual emptiness, inefficiency, and stultifying bureaucratism have been obvious for decades. Countries which used to be leading industrial powers have been reduced to mediocrity and stagnation; nations with long democratic traditions have seen the destruction of civil liberties and democratic practices. The countries of the West would mortgage their future if they closed their eyes to this reality. Societies that try to avoid difficult choices by making comforting assumptions about the future win no awards for restraint; they only speed their own demise.

COMMUNIST PARTIES AND THE ATLANTIC ALLIANCE

It is sometimes asked: If the United States can deal with Communist governments in the Soviet Union, China, Eastern Europe, and even Cuba or Vietnam, why can we not accept and learn to deal with Communist Parties seeking power in Western Europe? Is not the Soviet Union uneasy about the prospect of new Communist regimes that they may not be able to control?

These questions miss the central point. There is a crucial difference between managing conflict with adversaries and maintaining an alliance among friends, particularly when the prospects for stable East-West relations depend vitally on the cohesion of the Western Alliance. And even if some West European Communist parties should prove more difficult than the better disciplined satellites of East Europe, and thus pose new problems for Moscow, they would pose far more serious problems for the West.

For the key issue is not how "independent" the European Communists would be, but how Communist. The dynamics of the Communist Parties and the program on which they would be elected suggest that their foreign and domestic policies are not likely to be consistent with the common purposes of the Atlantic Alliance.

The solidarity of the great industrial democracies has maintained global security for thirty years. Western collective defense provided the shield behind which the United States, Western Europe and Japan developed the institutions of European unity and the progressive world economic system. All these relationships would be severely jeopardized if Communists came to power in allied governments.

Specifically:

The character of the Alliance would become confused to the American people. The signatories of the North Atlantic Treaty pledged in 1949 that "they are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law." If Communists entered governments in allied countries, the engagement to help maintain the military balance in Europe would lack the moral base on which it has stood for a generation. The American people would be asked to maintain their alliance commitment on the basis of two highly uncertain, untested assumptions: That there is a new trend of Communism which will in time split from Moscow, and that the West will be able to manipulate the new divisions to its advantage.

Both of these propositions are open to the most serious doubt. No major Communist split has even been generated or maintained by deliberate Western policy—in fact the Soviet Union's disputes with Yugoslavia and with China had been festering for months and even years before the West became aware of them.

But even such a split—which would surely take years to develop—would hardly diminish the danger to current Allied relationships. By the time it occurred the damage to the NATO structure would probably have become irreparable. And the character of the Atlantic relationship would be totally transformed, even should the United States, for its own reasons, eventually decide to support a revisionist Communism. While the United States can never be indifferent to the extension of Soviet hegemony to Western Europe, the permanent stationing of American forces in Europe could hardly be maintained for the object of defending some Communist governments against other Communist governments. Such a deployment could be justified only on the crudest balance of power grounds that would be incompatible with American tradition and American public sentiment.

This is not a personal recommendation as to a desirable policy, but a judgment of stark reality. Significant participation by Communist Parties in West European governments will over time undermine the moral and political basis for our present troop deployment in Europe.

The effect on Alliance cohesion generally would be disastrous. The Western Alliance has been held together by a system of close consultation based on shared goals and compatible philosophies. President de Gaulle cherished France's independence from the United States, but in major crisis, over Berlin or Soviet missiles in Cuba, he stood firmly with his allies. By the same token, Communist governments in Western Europe, however independent of Moscow they may be on intraparty issues, can be expected to demonstrate their basic Communist convictions on major international issues.

If Communist Parties come to power in Western Europe, significant divergences on foreign policy would be bound to develop between Europe and the United States and between European states in whose governments Communists participate and the others.

In February 1976, Italian Communist leader Berlinguer stated to a London Times interviewer that "the Soviet Union's peace policy is in the general interest of mankind." The Italian Party newspaper denounced NATO last year as "one of the fundamental instruments for American manipulation of the politics and economy of our country and Western Europe," and urged that "the relations between the countries of Western Europe and the two superpowers must be rediscussed."

A leading member of the Italian Party's Central Committee was asked in a recent interview with Radio Free Europe: If the French and Italian Communist Parties were in power, what would you do in the event of "a grave international crisis between the Soviet Union and the West?" He answered: "We would choose the Soviet side, of course." Such "support" of NATO as is expressed is explicitly tactical, and rests upon a distortion of detente. It is coupled with the proposition that a Soviet threat against Western Europe is inconceivable. No European Communist party suggests that it wishes to be part of a Western alliance to withstand Soviet expansion. And, indeed, how could Leninist parties dedicate themselves with any conviction to a military alliance whose primary purpose was and remains to counter Soviet power?

To be sure, these parties have had their differences with the Soviet Union, but in practically every case it has been on a matter of relations within the Communist movement. They have rarely, if ever, diverged from the Soviet position on an international issue. The Italian Communist Party has hailed the Cubans in Angola as "freedom fighters," condemned the Israeli rescue of hostages at Entebbe as an "intolerable violation of Uganda's national sovereignty," applauded Soviet policy in Africa and denounced America's diplomatic efforts in Southern Africa as an attempt to "save the neocolonial and military-strategic interests of imperialism."

At best, West European Communist Parties can be expected to steer their basic policies closer to the so-called non-aligned bloc and in an anti-Western direction. Yugoslavia—whose independence from Moscow on East European issues is by now traditional—has emerged as a champion of anti-Western and anti-American positions on most international issue outside of Eastern Europe. Why should we expect that Communist parties in Western Europe would be more friendly to us than the most independent East European state which has been engaged for nearly three decades in an open dispute with Moscow and whose government the Kremlin has sought repeatedly to undermine?

The strong role our allies play in defending Western interests in many regions of the globe—such as President Giscard's courageous actions in Zaire—could not be expected from a nation where Communists share power. In the Middle East, in Southern Africa, in relations with the Third World, on Berlin, on arms control and European security, the parallelism of views that has existed between the United States and its European allies would almost certainly be eroded. On the contrary, active opposition especially in regions of traditional European cultural and political influence is probable. In our common efforts to improve the world economy and stimulate progress in both the developed and developing worlds, in the OECD, in the Paris Conference on International Economic Cooperation and at Heads of Governments Summits, divisions would soon be apparent. How could Atlantic unity possibly be maintained in such circumstances, even on the security issue?

The military strength and unity of NATO would be gravely weakened. The Communist Parties of Western Europe pay lip service to NATO. In fact, it is hard to visualize how the present NATO structure could continue, with its exchange of highly classified information, its integrated military planning and political consultation, if Communists had a significant share of power.

The participation of Communist Parties in West European governments would force a major change in NATO practices, as occurred temporarily with Portugal, which had to exclude itself from classified discussions within the Organization when its own political future was in doubt. These parties are unlikely to give NATO defense a high budgetary priority. Communist Parties would surely use their power to diminish the com-

bined defense effort of Western Europe and inevitably sap our own will to pay the costs of maintaining US forces in Europe.

Furthermore, if Communists participate in a significant way in the governments of key European countries, NATO may turn by default into a largely German-American alliance. This specter could then be used in other West European countries to undermine what remains of Atlantic cohesion. With NATO thus weakened, while the Soviet Union continued to increase its strategic and conventional strength and maintained its grip on the Warsaw Pact, the essential equilibrium of power between East and West in Europe would be fundamentally threatened, the freedom of many European countries, allied or neutral, to chart their own future would be diminished in direct proportion as the fear of Soviet power grows. Eventually massive shifts against us would occur, not because a majority freely chose such a course, but because the upsetting of the overall balance left them no alternative.

The hopeful progress toward European unity would be undermined. The French and Italian Communist Parties oposed the creation of the European Common Market as a conspiracy of monopoly capitalism. Until quite recently, they have consistently fought progress toward European unity. Lately they have come to accept the European Community as a fact of life; they now say they seek to make it more "democratic" and to transform it, by "a process of innovation . . . in the spheres both of institutions and of general orientations," as Berlinguer expressed it. They can be counted on to re-orient the Common Market towards closer relations with the state economies of Eastern Europe and toward the more extreme of the Third World's demands for a "new international economic order." It can be assumed that they will not encourage European political unity to foster cooperation with the United States; rather they will urge it, if at all, to encourage Third Force tendencies. And over time either governments with Communist participation will pull the others towards them, or deep fissures will open up between the traditional Atlanticists and the "New Left" in the European Community. Either outcome would be destructive of European unity and Atlantic solidarity.

Thus whatever hypothesis we consider, Communist participation in governments of Western Europe will have a profound impact on the international structure as it has developed in the post-war period. We cannot be indifferent or delude ourselves that the advent of Communists to a significant share of power in Western Europe would be less than a watershed in Atlantic relationships.

THE AMERICAN RESPONSE

The attitude of the United States towards such developments must of necessity be complex. The crucial role must be that of European governments; the final decision must be that of the European voters. We cannot substitute for either.

In the end, the Communist Parties in Western Europe find their opportunities less in their inherent strength than in the demoralization, division or disorganization of their opponents; they succeed only when the democratic system seems unable to solve the social problems of the day; when the center does not hold and societies become polarized. Violence—such as that currently tormenting Italy—drives many to support Communism in desperation, convinced that drastic remedies are required to end a state of siege which has now spread to the press and other media.

The basic causes of Communist gains thus go deep and are not easy to remedy. In many European countries disillusionment with democratic government and democratic leaders is pervasive. In an era of peace, in a world of bureaucracy and mass production, there is no galvanizing crisis and little opportunity for heroic performance. A relativist age debunks authority and puts nothing in its place as an organizing principle of society. Massive impersonal bureaucracy disillusions the citizen with the responsiveness of his government, and simultaneously makes the task of elected officials more difficult. In too many democratic countries the young are offered too little inspiration; their elders too often have lost confidence in their own values. Too frequently democratic leaders are consumed by winning and holding office and are unable to demonstrate the force of conviction and philosophical self-assurance of their radical opponents.

The very success of Western societies in maintaining property at a level undreamt of even forty years ago sometimes contributes to their malaise. Intellectuals condemn society for materialism when it is prosperous and for injustice when it fails to insure prosperity. The widespread economic difficulties of the last four years—recession and inflation unparalleled in a generation, to a large extent induced by the extraordinary increase in oil prices—fuel the frustration of all whose hopes for economic advancement are rebuffed. The interdependence of economies causes inflation and recession to surge across national boundaries, compounding the sense of individual impotence.

And yet, with all these difficulties, the democratic forces of the West have it in their power to determine whether the Communist Parties have opportunities to succeed. They have the capacity to put their economies on the path of steady non-inflationary expansion. They have the intellectual capital and the resources to usher in a new period of creativity. Anti-Communism is not enough; there must be a response to legitimate social and economic aspirations, and there must be reform of the inequities from which these anti-democratic forces derive much of their appeal. With able leadership—and Western cohesion—the democracies can overcome their challenges and usher in a period of dramatic fresh advance.

In this process it is vital that the United States encourage an attitude of resolve and conviction.

First of all, we must frankly recognize the problem that we will face if the Communists come to Power in Western Europe and we must understand the practical decisions this will impose on us as a nation. We must avoid facile projections which seek to escape difficult choices by making the most favorable assumptions about what might happen. We must have a program for encouraging the forces of moderation and progress in this critical period and for rallying them should a Communist Party nonetheless prevail.

Second, we must avoid giving the impression that we consider Communist success a foregone conclusion by ostentatious association or consultation with Communist leaders or by ambiguous declarations. Communist success is not a foregone conclusion; United States hesitation or ambiguity can, however, contribute to it. Communist parties are riddled with weaknesses and internal strains, and marked by a fundamental flaw: parties that do not speak for the humane values which have inspired the peoples of the West for centuries, are unlikely to appeal to a majority in a Western nation except in a moment of unsettling crisis. In no Western European country has the Communist party ever fairly won more than about a third of the vote. Their most powerful weapons are fear, distrust and discouragement; their principal asset is the myth of their inevitability. Therefore, we do our friends in Europe no favor if we encourage the notion that the advent of Communists and their allies into power will make little or no difference to our own attitudes and policies. I am talking less of formal statements—which depend on tactical judgments difficult for any outsider to make—than of a clear and unambiguous US attitude.

Some have argued that such a policy would be counterproductive, that it would encourage Communist protest votes. I believe the opposite to be true. On balance, I consider it important that Europe know of America's interest and concern. Many voters in allied countries value the friendship of the United States and appreciate the security supplied by the Atlantic Alliance. We should not ignore them, or demoralize them, or undercut them. The gradual gains scored by the Communist Parties over the past years occurred—by definition—at the margin, among voters who had not voted Communist before; who did not vote by anti-American reflex; who for one reason or another were persuaded that the Communists have now become acceptable or indispensable.

There is no evidence that voters are influenced to vote Communist by American attitudes. On the contrary, the real danger may well be the other way; many usual opponents of the Communist parties may be lulled by voice, attitudes and arbiguities in this country implying that our traditional opposition has changed. Paradoxically, we even weaken whatever moderate elements may exist in Communist movements by settling too eagerly for verbal reassurances.

If the United States has a responsibility to encourage political freedom throughout the world, we surely have a duty to leave no doubt about our convictions on an issue that is so central to the future of the Western Alliance and therefore to the future of democracy. Human rights is not an abstraction concerned only with judicial procedures and unrelated to basic questions of political and geopolitical structure. We cannot fail to reckon the setback to European freedom that will result if Communist minorities gain decisive influence in European politics; we must not close our eyes to the effect on freedom throughout the world if the global balance tips against the West.

Thirdly, the United States should conduct its policies toward its allies in a way that strengthens the moderate, progressive and democratic governments of Western Europe. We must, on the one hand, avoid demands or lecturing which, whatever the intrinsic merit, magnify domestic fissures in European countries or the sense of impotence of European governments. At the same time, the United States can contribute to a sense of accomplishment by offering vigorous cooperation in joint efforts to solve common problems in the fields of diplomacy, arms control, energy, and economic growth. This was the purpose of the economic summits among Western leaders begun by President Ford at Rambouillet and Puerto Rico, and continued so successfully in London by President Carter.

The unity and cooperative action of the democracies is crucial to all that America does in the world. Western unity defends not only our security but our way of life and the most basic moral values of our civilization. On this we cannot be neutral. To foster these principles deserves the same dedication and commitment that inspired the most imaginative periods of American diplomacy.

The stagnant socities of the East to which I have referred serve as both a warning and a hope. They remind us that the West's latent intellectual and political vitality, even more than its material prosperity, is the envy of the world. The winds of change are ultimately blowing from the West. The men and women of Eastern Europe are certainly aware that the West, for all its doubt and sense of spiritual dilemma, is the vanguard of modernization, the vital source of learning and of much of modern culture, and the haven of the free human spirit. The developing countries yearning for progress also turn to the West, not the East, for assist-

ance, support, and the measure of what man can achieve when he aspires. Our technology, our creativity, our unequaled economic vigor, not some bureaucratic doctrine of economic determinism, are the forces that will shape the future if we mobilize the energies of free peoples.

This is not the time for resignation or acquiescence. It is a time for confidence, determination and hope. The power of free men and women and free nations acting in concern, confident of their strength and of their destiny, cannot be matched by any totalitarian regime or totalitarian movement. The spirit of freedom can never be crushed. But freedom can be lost gradually. Such a danger exists today in Western Europe, and that threat could have consequences not only in Europe but throughout the community of democracies and the world.

If we cherish freedom, we will face the peril, marshal joint efforts to overcome it and begin a period of new fulfillment for our peoples. Western Europe, and closest partner and the cradle of much of our civilization, is too precious to us for us to do otherwise.

GAO REPORTS ON ARMY COMBAT READINESS

Mr. CULVER. Mr. President, earlier this year I reported to the Senate Armed Services Committee on deficiencies in U.S. combat readiness. Since that time our committee has approved several measures to improve readiness and the various services, with the strong encouragement of the Carter administration, have also given these problems greater attention.

The readiness crisis in the Army has been confirmed in a report just released by the General Accounting Office, including information on one base which I visited during my investigative trip. Although the body of the report is classified, the unclassified summary points out that—

It is still doubtful that strategic Army forces could deploy quickly and in a fully combat ready condition.

Among other things, the GAO found that—

Much of the forces' combat essential equipment was not kept up, although it was reported to be. As a result, a considerable amount of maintenance would be required in a deployment to make it combat ready.

Mr. President, the Armed Services Committee will continue to monitor readiness in the months ahead so that we can be assured of adequate combat power.

I ask unanimous consent that the summary of the GAO report on Army readiness be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS—ANOTHER LOOK AT THE READINESS OF STRATEGIC ARMY FORCES, DEPARTMENT OF THE ARMY

DIGEST

The Army maintains certain active units in the United States which are to be constantly available on short notice for deployment in an emergency—either to reinforce and support forces stationed overseas or to be deployed elsewhere to support national commitments. These units, the strategic Army forces, consisted of eight divisions and three brigades at the time of GAO's review. Three new divisions are being formed.

GAO first reviewed the readiness of these forces in 1971, when they had 4 and ⅓ divisions. GAO's report, "Need for Improvement in Readiness of Strategic Army Forces" (B-146896, May 8, 1972), concluded that it would be difficult for these forces to deploy quickly and at full strength because many units were not combat ready. Much of their equipment was not kept up and repair parts were in short supply. High turnover of personnel and a lack of qualified personnel were other problems. (See p. 2.)

This followup review disclosed that it is still doubtful that strategic Army forces could deploy quickly and in a fully combat ready condition. Although these units were reporting much higher readiness ratings than before, readiness reports were inaccurate and, therefore, did not provide a realistic basis for evaluating the units. (See p. 19.)

GAO found, among other things, that:

Much of the forces' combat essential equipment was not kept up, although it was reported to be. As a result, a considerable amount of maintenance would be required in a deployment to make it combat ready. (See p. 4.)

Funding problems continue to constrain maintenance and training programs. Although the stock of repair parts has improved since GAO's last report, shortages still exist. (See p. 25.)

Personnel problems were less severe than previously reported; however, personnel and training problems still persist. (See p. 10.)

Revisions in the criteria for reporting personnel and training readiness are needed. (See p. 19.)

Planning for contingency deployments needs to be improved and strengthened. (See p. 29.)

Since 1972 the number of strategic Army units grew to "eight plus" divisions. However, the deployability of these units remains low because many of the problems reported earlier still exist. During 1970–71, the diversion of resources—funds, equipment, and personnel—to South Vietnam contributed to the low readiness for the then 4 and ⅓ divisions. Because of the limited availability of resources at that time, GAO recommended that the Army restructure these forces. Two alternatives were suggested:

Reducing the strategic forces to the number of divisions that could be equipped, staffed, and supported with the resources available. Political considerations and international commitments could, of course, limit the extent to which this could be done.

Retaining existing divisions but concentrating the available personnel in selected organizational components that would be kept fully ready. The remaining components could retain their identity and the basic equipment allowances under reduced staffing and could be expanded with reserves, if necessary.

Today, all divisions are competing for the limited resources available. The Army admittedly has improved the readiness of strategic forces since GAO's 1972 report; however, major problems still exist.

The Army should continue its efforts to remedy the deficiencies that remain. However, if limits on resources continue for a prolonged period, the Army should consider the recommendations made in GAO's earlier report, thus, guaranteeing that forces which are ready for combat and which can be deployed quickly will be available.

The Secretary of the Army should require that resources needed to deploy strategic forces units be compared to the availability and capabilities of existing transportation assets and should adjust deployment plans accordingly. Recommendations on the condition of equipment (p. 8), personnel and training (p. 17), the readiness reporting system (p. 23), and funding (p. 28) are contained in the report.

AGENCY COMMENTS

The Army responded constructively to GAO's findings. It advised GAO of actions taken or being taken to alleviate funding shortages and improve personnel and training conditions. The Army also informed GAO that its readiness reporting regulation was being revised and that it would incorporate some of the changes GAO is recommending.

The Army disagreed with GAO's recommendation to consider restructuring strategic Army forces. The Army believes its program to increase combat power from 21 to 24 divisions is necessary to provide a realistic deterrent to war in Europe.

GAO acknowledges that political considerations and international commitments are the overriding factors in determining the size of the Army's force structure; however, until adequate resources become available to support that structure, GAO believes that reducing the number of strategic forces divisions is a valid alternative. Likewise, GAO still believes that the Army should consider, as a possible alternative, GAO's recommendation to concentrate available personnel and resources in selected units that would be kept fully combat ready.

With regard to GAO's recommendations to compare transportation requirements and capabilities, the Army and the Joint Chiefs of Staff said a detailed strategic movement analysis was currently being made under the provisions of the Joint Strategic Planning System.

ARTS IN TROUBLE

Mr. GOLDWATER. Mr. President, one of the ways that we can enrich the quality of life in our communities is through the maintenance of facilities like museums, theaters, and concert halls. Every survey taken in recent years shows that the American people feel the same way and have an appreciation for the role played by the arts in our society. I believe all of us understand that these facilities do not come free and that the people responsible for them often encounter difficulties in making ends meet. This whole question was the subject of an interesting commencement address to the College of Fine Arts, Arizona State University, by Mr. William E. Arnold, chairman of the school's Department of Communication and Theater. I ask unanimous consent that a copy of this address, delivered May 14, 1976, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ARTS IN TROUBLE

As many of you know I have served as Acting Dean of the College of Fine Arts at Arizona State for the past academic year. Therefore it is not surprising that at the last minute due to a cancellation, that I serve as the acting commencement speaker. Usually in a commencement address the speaker gives a charge to the graduating class. With the current employment prospects for students, not only in the Fine Arts, but in many disciplines, you may choose to charge us. However, I am sure that you will look back on the many years that you have had here as good years and recognize that some of us, particularly those on the faculty, like it so much that we stay on forever. In fact it's suggested that we may never graduate.

Except for some of the basic skills you have developed, you will not remember all of the specific information given to you in the forty-two courses that you have taken at this institution. You will not remember the year of the Franco-Prussian War. You will not remember Mathematical Set Theory. You will not remember the five themes of the novel "The Red Badge of Courage." You will not even have memories of the local hang out, art store, the theatre, and even your memory of dorm food will fade. While these memorials fade, let us hope that you will not forget everything that you have learned.

Let us hope that you will remember at least three basic skills that you have or will learn as you go through life. First, let us hope that you have learned what you need to know with regard to basic information. As you look around society today, you will soon see that there is too much information. There are too many magazines, too many newspapers, and too much information coming through other forms of the mass media. None of us have enough time in any one day to absorb all of the information that is being directed toward us. Within all of this information, you have the right to know just about anything that you want to know. Although the issue of National Security is being debated right now, an informed electorate is the best. Coupled with your right to know, you have the right not to know. You have the right to select the information that you want to receive and leave other information on the wayside. You may already know too much about the Patty Hearst trial or Watergate. You have the right to select the information you want to be exposed to.

The second basic skill that I hope that that you have developed is that you have learned how to find out what you need. Let us hope that the University has given you the skills necessary to discovery. With all of the information that is around, you need to know how to select, analyze, and discover. Hopefully you will have also developed skills in critical analysis.

Finally, let us hope that you have learned how to cope with the rapid changes that our society is undergoing. Toffler has talked about "future shock" and what happens when our society moves too rapidly. Although a few people are tuning out as the world is moving too fast, this doesn't look like a viable option for many of us. Hopefully you will be able to cope with the change that you will be facing in your lifetime.

With these basic skills in mind, let me be more specific as to where you are right now, and where I hope that you will go. Each of you should be proud of the accomplishments that you have made this year. I could spend all of my remaining time just listing these accomplishments, but I won't. I won't because I am worried that while we are being creative in the arts, our environment to express this creativity is in danger. Why do I feel this way? Let us look briefly at the national picture for fine arts.

It was quoted that "The arts are not only intrinsical and basically enjoyable, but they serve a purpose beyond themselves. They are not luxuries of education but experiences which make education worthwhile." Later "There is a general awakening to the importance of the arts; their value is being realized industrially, educationally, commercially, artistically as never before . . . With this awakening of interest it becomes increasingly clear that the arts are soon to be accorded the importance they deserve an instruments of education and that they will have their definite values not as ends in themselves so much as means in fitting for life." These sound like statements that have been made in the press recently about the arts. Unfortunately, these statements were made in 1899 by John Dewey and in 1960 by the President of the Western Drawing and Manual Training Association, respectively. Similar feelings are still being expressed today and these feelings are in the same hopeful tones. Recently, the New York State Commission on Cultural Resources declared, "The arts not only belong in the schools but the schools and curriculums are incomplete without them." It is frightening to believe that we have made so little progress on integrating the arts in education.

In a survey conducted by Louis Harris in 1973 and then another survey in 1975, we get a feeling for how the general American public deals with the arts. The American people are looking for quality of experience to fit the quality of life. In this they have used the arts as the central part of that quality. In the Harris national survey that was conducted in 1973, 89% of the people left it important to the quality of life in their communities to have access to facilities like museums, theatres, and concert halls. When the study was updated by the National Committee for Cultural Resources, they found 93% felt that the facilities were important. Looking at those individuals who gave the facilities top rating of very important, the quality of life rose from 57% in 1973 to 69% in 1975.

Americans not only view the arts as important to their quality of life, but to the healthy economic environment. In 1973, 80% of the public felt that the facilities were important to the business and to the community. Two years later that proportion increased to 85%.

In the April 10, 1976 issue of the San Antonio Light, the editorial writer suggested as did the representative in state government, that "unless drastic action is taken, hundreds of college and thousands of community theatre groups, school music and art programs, museums, symphony orchestras and dance companies will be forced to shut down." They went on to suggest that in San Antonio many of the community arts projects face financial difficulty. Their conclusion was that they hoped that in a short period of time that they will hear the residents of their community saying, "Pay your taxes and support the arts." Thus on a local level, the concern is there for the arts, but the funds have not yet been forthcoming.

Obviously, the pictures indicate that on one hand we feel that the arts are important but on the other hand, we are not willing to support them financially. A brief look at the federal level of expenditure is also revealing. The current federal appropriation of $189 million represents an outlay of 29 cents per capita spent on the arts and humanities. This is a meager sum when compared with the per capita outlay of $380 for defense, $110 for health, $50 for education and $4 for public transportation. We have a long way to go at the federal level.

While we at the university do not accept the plight of the arts, we are now forced to work with restricted budgets, crowded studio space, potential limited enrollment in many of our courses, and restricted travel funds for our bands and choirs. The situation does not look promising for the arts.

The situation is not going to change unless we, each and every one of us, are willing to do something that we have generally considered distasteful, become political. If we are wanting support for the arts, we are going to have to go out and politic for them. This is essential for our survival.

Attitudinally, we can see that we all support the arts and feel that they are worthwhile. Behaviorally, we are attending arts related activities in record number. The question then becomes: would we support the arts financially? In a poll taken by Harris, he indicated that 64% of the American tax paying public would be willing to pay $5 a year to support the arts, while 47% would pay $25 a year and 36% would pay $50 a year. It is very apparent that Americans are ready to support the arts and humanities in this way.

Fortunately, we have an opportunity at the national level to do something about our desires to contribute to the arts. Representative Frederick Richmond, Congressman from New York, has introduced House Resolution 8274. This bill would provide an opportunity for individuals to make financial contributions, in connection with the payment of their federal income tax, for the advancement of the arts and humanities. Believe it or not, he introduced this bill in June 1975. This would be similar to the funding check off box on the IRS form where taxpayers can indicate willingness to make a contribution to the endowments, member organization of the National Council for Arts and Humanities, a federal agency. Taxpayers could have a portion of their tax over payment contribution to the endowment or could make an outright contribution. In either way the funds would be tax deductable and would go directly to endowment projects rather than to federal administrative budgets. Obviously, such a bill cannot be passed without enthusiastic support from across the country. Representative Richmond feels that the bill could raise $1.8 billion annually for the arts. However he needs our support for the bill and endorsements from local arts and educational organizations and prominent individuals. He would also like names and addresses of supporters to be sent for a national mailing list. He would like events and meetings organized to discuss the bill. He would like media used to highlight the bill's unique funding concept.

Frankly, that's only a beginning. I would like to go a step further. I plan to seek through our local legislatures a similar bill to be amended to our State income tax provisions. We need to act now.

Each of us needs to create, communicate, and cultivate. We need to create new friends and supporters for the arts. We need to communicate our needs and our concerns for the arts to our constituents and to our legislators. And finally, we need to cultivate financial support so that the arts can serve in America. I ask that you join in and take part and support your arts.

Let me thank each of you for being our students and sharing your ideas and information. Let me thank each of your parents in the audience for trusting us with your children who are now adults.

As you leave the university look on your departure not as an end, but as a beginning. Represent and support your disciplines of art, communication, dance, humanities, music, and theater. We will prosper from your support.

APPOINTMENT OF FREDERICK IRVING TO BE AMBASSADOR TO JAMAICA

Mr. PELL. Mr. President, I wish to express my strong support for Mr. Frederick Irving of my State of Rhode Island who is being sworn in today as Ambassador to Jamaica. Born in Providence and educated at Brown University, Ambassador Irving has served with great distinction as a career Foreign Service officer since 1954.

Most recently, Ambassador Irving served as Assistant Secretary of State for Oceans and International Environmental and Scientic Affairs. The creation of this Bureau, which I first proposed, came about only as a result of legislation. Prior to Ambassador Irving's appointment to head the Bureau in March of 1976, the post of Assistant Secretary had been left

vacant for 80 percent of the time the Bureau had been in existence, and the Bureau was neglected and downgraded in importance.

It is to Ambassador Irving's great credit that under his skilled leadership, the disparate functions of the Bureau were tightly knit into a truly single entity; and, for the first time, the Bureau developed influence and respect. In the process, the Department of State has been able to play its rightful role in the complex areas of oceans, environment, nuclear energy, and science and technology policy, thus fulfilling the congressional mandate for the Bureau.

Prior to taking on the truly Herculean task of making the Oceans Bureau a going concern, Ambassador Irving served as Ambassador to Iceland from 1972–76 and was responsible for successfully concluding very delicate negotiations for the continued use of important Icelandic base facilities by the United States. In his new post, Ambassador Irving will be grappling with several important issues under discussion with Prime Minister Manley's government which is experimenting with a system of "democratic socialism" and maintains close ties with Cuba.

I know that Ambassador Irving will do a superlative job in promoting and defending American interests in Jamaica. As a fellow Rhode Islander and former foreign officer myself, I am pleased that Ambassador Irving's nomination was confirmed unanimously by the Senate on May 25. Fred Irving is representative of the finest that the career foreign service offers to our Nation, and I wish him all the best in his new post.

SENATOR KENNEDY ADDRESSES THE WORLD HEALTH MEDICAL SOCIETY

Mr. JAVITS. Mr. President, the distinguished chairman, and my colleague of the Senate Health Subcommittee, Senator KENNEDY, recently delivered a major address on "International Health Care in an Interdependent World," before the World Health Organization's Medical Society in Geneva.

Speaking from his experience as longtime chairman of both the Senate Subcommittees on Health and Refugees—and after extensive joint hearings and study of world hunger, health, and refugee problems—Senator KENNEDY's address and recommendations deserve the special attention of the Senate.

Mr. President, I ask unanimous consent that the full text of Senator KENNEDY's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[Address of Senator EDWARD M. KENNEDY]

INTERNATIONAL HEALTH CARE IN AN INTERDEPENDENT WORLD

It is a special honor for me to be here today and have the opportunity to address this outstanding international audience of the Medical Society of the World Health Organization. I want to express my deep appreciation to your distinguished Chairman, Dr. Gunn, not only for the most welcome invitation to be with you today, but also for the extensive efforts he has made to arrange this occasion.

I am delighted to be here in Geneva again. In 1967, almost exactly ten years ago today, I came here to address the Twentieth WHO Assembly. I spoke of the worsening plight of sickness and hunger in the world. I spoke of the shadow cast over all nations by our global inability to deal with the serious challenge of caring for the poor and the sick, the destitute, the downtrodden of the world, the refugees whose cries we hear but seldom heed.

If, in 1977, we find too little progress over the past decade, it is not for lack of effort by the World Health Organization. I have great respect for your achievements and for the tireless efforts you continue to make on behalf of the four billion people of the world.

Through your extraordinary efforts, we stand today on the threshold of one of the great medical achievements in history, the eradication of smallpox from the face of the earth. For many other diseases in many parts of the world, your work is bringing new hope and health to people condemned by history, and the accident of birth, to lives of squalor and disease.

And so I express my strong support and admiration for the pioneering role of the World Health Organization. I praise the distinguished work of your two outstanding leaders, Dr. Halfdan Mahler of Denmark, your Director General, and Dr. Thomas Lambo of Nigeria, your Deputy Director General. And I pledge my own efforts to this organization, by assuring you that I will do all I can to achieve a strengthened American commitment for your work, with a deeper involvement by the government—and the people—of the United States in your worldwide effort to ease the burden of human suffering.

Over the past few years, as Chairman of both the Health Subcommittee and the Refugee Subcommittee of the United States Senate, I have become deeply involved in the issues you are facing.

Two years ago, a special study mission of these Subcommittees travelled to more than twenty nations in Africa, Asia, and the Middle East, gathering the facts and data on conditions of health care in these lands.

I have personally witnessed the great need and the even greater failure of nations that could and should respond. I have seen the need first hand. I have walked through the refugee camps in Bangladesh and the Middle East. I have seen lifetime of hunger packed into lives of children too young to understand their condition. I have seen their small figures, warped and deformed from malnutrition. I have seen their parents aged before their time, hollowed eyes peering out of bodies wracked with disease. Let me cite a few examples that are vividly in my mind:

I have seen children suffering from schistosomiasis, bellies swollen with the hard and ugly tumors caused by infestations of the worm.

A seven-year-old boy in Dacca was weak and dehydrated from disease brought on by malnutrition and his vulnerability to infection.

A woman tended by her husband was suffering from tetanus. She was being treated in a hospital in Bangladesh—one of the few lucky enough to reach a hospital in time.

A red-haired, bright-eyed girl in Eastern India had swollen limbs from Kwashiorkor, caused by famine and malnutrition.

A young boy had a face forever scarred by smallpox.

A Bengali mother held her two children, one aged fourteen months and the other seven years. But there was no difference in their size.

Young children, seemingly healthy, squinted in the sunlight, a sign of early degeneration of their eyes through vitamin insufficiency.

For most of us, the worldwide pain, debility and misery inflicted by preventable illness cannot be understood by facts and figures alone. You have to see the victims yourself, to understand the horror of their plight, and to realize the enormous waste in human life that is taking place today in many lands.

The landscape is not entirely barren. On rare occasions, I have seen inspiring oases in the desert, examples of hope and courage and achievement, men and women defiantly asserting themselves against the worldwide deprivation that engulfs them.

I have walked through the Cholera Center in Dacca, where they have reduced the mortality rate from 50% to less than 5%. It was inspiring to see villagers in India constructing their own health centers under the guidance of the Institute of Medical Sciences in Delhi. In many other areas, I have seen the miracles that even modest efforts in preventable health care can achieve.

And I have continued to speak out for a more effective role by the United States in dealing with the conditions we have found. I have also called for better nutrition, better economic opportunities, and better health care and education in America. Conditions of poverty, disease, and illiteracy can easily be found in the midst of the prevailing affluence in the United States. But these problems, distressing and unacceptable as they are in my own nation, grow pale by comparison to the international health care crisis that confronts us on an enormous worldwide scale.

How can organizations like WHO hope to deal with the morass of poverty, malnutrition and disease which affect so many millions of people around the world? Too few in America are aware of the overwhelming dimensions of the problem. Too few in other industrial nations understand the enormous burden placed on developing countries by their elemental needs for food, water, and minimum medical care.

Children are those who suffer most, whose suffering is the least excusable. They are the innocent victims. They are the victims of the negligence and unconcern—if not the outright unthinking inhumanity—of nations that could ease the burden, if only they understood the need.

The Bengali poet Tagore wrote that, "Every child comes with the message that God is not yet discouraged of man."

But in many corners of the world, death is never far from the baby's crib. In one nation in Latin America, 80 percent of all deaths are accounted for by children under five years of age. In the developing nations as a whole, young children account for half of all the deaths. How many parents in Europe know that? How many parents in the United States know that children in Latin America are dying in vast numbers because of malnutrition? How many of us realize that the visit these children most often pay is to the mortician, not the pediatrician?

It is astonishing, and it is an enormous human tragedy, that one-fourth of the people on this earth—one billion men, women and children—have no access to any health care whatever. Another billion have only the most rudimentary and ineffective care. In some nations, four persons out of every five receive no health care at all throughout their lives.

We talk about a shortage of primary care physicians in the United States. But compared to the developing nations, America is glutted with physicians. Eighty percent of all the doctors in the world live in the industrial nations. And they serve only one-quarter of the world's population. On the average in the United States, there is one physician for every 750 persons. But in the developing nations, there are almost no doc-

tors at all in vast regions—and the average in rural areas is only one physician for every 50,000 people.

The poet T. S. Eliot spoke of those who come and go, talking of Michelangelo. In the United States, parents worry because physicians are no longer willing to make house calls. In our nation, one of the emerging issues is the decline in the vaccination rate for American children.

But worldwide, countless parents do not have the luxury of worrying over house calls. Instead, they fear for the very lives of their children, or despair of ever having them well again.

For others, simple immunization is an unknown luxury. Only four million out of the eighty million children born each year are ever immunized. Tetanus, measles and polio, for which safe and inexpensive vaccines exist, rank among the leading childhood killers throughout the world.

In the United States, we worry about epidemics of influenza, outbreaks of measles, and the possibility of chickenpox in our children. But the real killers and crippling diseases in the world go by strange names that are unfamiliar to most Americans:

300 million people throughout the world suffer from filariasis. In Africa, one person in ten will be affected by the "river blindness" form of this disease.

Malaria affects 200 million people. In tropical Africa, every child over one year old will catch this disease, and one million children will die of it each year.

Statistics like these are well known to the experts here. Behind the figures are the people, the hundreds of millions of human being living lives of desperation. Fear and hunger, sickness and death are the horsemen of their daily living apocalypse.

Mothers watch undernourished children succumb to diseases that could have been prevented. Villages are decimated by illnesses that strike young and old alike. Drought destroys the land and consigns entire generations to even deeper levels of poverty and malnutrition.

Why isn't more being done? Why do the experts tell us that the situation will get worse by the year 2000? Why is it that the people of the United States and the European nations do not rise up in outrage at these conditions, and demand that governments work together to end this global blight?

The answer has been partly that the facts were less well-known. The crisis is a silent one, seldom intruding into our living rooms, rarely in our newspapers and magazines or on our television screens.

In part, we also turned away, fearing the enormity of the challenge. And, in part, the people of the industrial nations were too often preoccupied with crises of their own—inflation, recession, and unemployment, energy, pollution of the environment, and many other problems. But large and difficult as these issues are, they are not an excuse for ignoring the vastness of the challenge of international health we are addressing here today, especially when concrete steps are available to be taken.

One area for obvious and rapid attention is the growing discrepancy between the world's burden of illness—which is borne by the developing countries—and the world's biomedical research priorities—which are set by the industrial nations.

In the United States, very little research is being carried out on tropical diseases. Yet these diseases are the primary cripplers and killers in developing nations. The pharmaceutical industry does not give a high enough priority to the development of drugs for these diseases. Our research dollars, our research capacities are not targeted adequately on these international concerns. It is difficult enough to encourage our research programs to reflect even our own domestic priorities; it is almost impossible, at the present time, under the present system, to encourage them to reflect the priorities of the world at large.

And yet, if the wealthy nations do not carry out this research it will not be carried out at all. If we do not apply our technology to these problems, who will do so?

It is time we recognized this aspect of the interdependence of people on this planet. We depend on the scarce resources of other nations. The world is beginning to learn to share its oil, its food, its precious metals, its engineering skills. We must do more in these areas. But we also must learn to share our biomedical research.

The United States bears a special responsibility for another reason here. We drain thousands of skilled physicians and scientists from developing nations every year. When they arrive, they are absorbed into America's health care system. Our priorities become their own. Who takes their place in their native countries? As long as the industrial nations monopolize biomedical research and public health resources, as long as we lure their best minds with our siren call, while ignoring the probems they leave behind, we have made their crisis worse. We have added to the blight of other lands and deprived their peoples of the hope of a better future.

I pledge to you today that I will do more to challenge the people of the United States to deal with the real and very human dimensions of this international health crisis. I believe that America as a nation must be prepared to extend more of a helping hand than we have in the past. And with your assistance, we can convince other nations that there are things to be done together, steps that can be taken quickly and inexpensively if we apply our pooled resources.

I know that President Carter shares these feelings and is committed to these ideals. He has given to American foreign policy an historic new emphasis on human rights. Other nations have rallied to the call. And in his definitive address last week on America's new policy, our Secretary of State, Mr. Cyrus Vance, spoke eloquently of health care as a basic human right.

So a new American commitment exists, and it is waiting to be carried out. In this task, we extend our hand in friendship to all nations in these health programs. In this endeavour, there is neither Jew nor Gentile, neither male nor female, neither authoritarian, nor democratic nation, neither liberal nor conservative. There is only illness to be cared for, hunger to be fed, death to be driven off,

In this effort, perhaps more than in any other undertaking of which we may be capable, we are all one people, harnessing our talents for the benefit of others in this struggling world we share.

It is not a question of bricks and mortar. No single nation has all the skills or answers. The real solution lies in the development of a closer partnership among all our nations, including those we seek to help.

The developing nations know best what their problems are. They know what can work in their urban and rural areas and what cannot. We in other nations must work more closely with them in their efforts to bring changes to their health care systems.

That means training local people to solve local problems. It means emphasizing the problems that are identified by the countries themselves. It means letting them make their own decisions, instead of forcing decisions on them from outside. It means building a new structure of health care in the only way it can be built—from the ground up, not from the penthouse down.

We know that significant improvements in health care can be achieved by developing countries, even though income levels remain extremely low. In Sri Lanka, for example, the average income is less than $150 per year, but the life expectancy of their people is greater than that of the citizens of Washington, D.C. Kerala, in India, has made similar progress. It can be done elsewhere.

To its credit, this partnership approach has been the method of the World Health Organization, and I commend you for both your foresight and your success.

In this connection, I take special note of two current WHO initiatives. First is the wisdom of your concentration on primary care. Here, more than in any other field of health, the development of permanent reforms in each of the developing countries is the key to change. Primary care focuses on small steps that can bring great progress—simple initiatives like improvements in sanitation and nutrition. The effectiveness of your expanded immunization program depends on this approach. I can think of no greater goal than the one you have set for yourself in that program—to immunize all the children of the world by 1990.

The second initiative I commend is your tropical disease research program. There is a desperate need for both basic and applied research in this area. It holds the key to success in many other efforts. But until the talents of the world's biomedical research community are directed more effectively toward the problems of the developing nations, we will be unable to use this key to free their citizens from the chains of disease and poverty.

These two programs are only a part of the World Health Organization's continuing demonstration that concrete steps can be taken now to deal with problems once regarded as overwhelming. To succeed, you will need a fuller participation of member states. America itself must shoulder a greater share of the responsibility in this area.

For us, it is a challenge of a different sort than the ones to which we are accustomed. The United States has responded well to short-run challenges in the past. An obvious example is the successful effort that put the footprints of America in the valleys of the moon.

Now, however, we are beginning to learn whether we have the comparable ability to respond to longer-range challenges—where the problem seems less immediate and more impersonal, where progress is slow, where results lie in the distant future.

The energy crisis is one such challenge—and the international health crisis is another. In areas like these, a new kind of American national commitment and sophistication is required. A new level of national leadership is also needed, if we are to generate the active support of the American people that is indispensable to the success of the work we must undertake.

President Carter has stated his commitment and pledged his leadership in these areas. All of us can draw support from his example, as we vow to make a greater effort of our own.

Already, it is possible to define the outlines of an agenda. We can begin to improve the quality of health care among nations and peoples of the world. Let me mention briefly a few of the areas where I believe the United States ought to move forward now, in support of the efforts of WHO.

First, the United States should embark on a substantially increased basic research effort into the special health care problems of the developing nations. We must provide incentives to our research scientists to work in this field. We must attract young people to this work. The issues themselves are scientifically challenging. We have not yet, however, made it possible for research workers to obtain adequate support for studies in this area.

Today, the United States spends vast sums to develop cures for our own self-inflicted wounds—the diseases we cause to ourselves by the excesses in our life-style and the damage to our environment. The gap is too great; the need is too enormous. It is unreasonable and unfair for the United States to devote so little research attention and resources to the diseases of developing nations. Even a modest shift in the current balance could bring great benefits to other lands.

Second, we must support the establishment of more extensive research efforts based in the developing nations themselves. A greater share of America's wealth should go for foreign aid, and a greater share of our foreign aid should go for health research in critical areas of need.

Third, we must support the development of training programs for health personnel and scientists. Those programs should be based in the developing nations to the fullest possible extent. But to meet the remainder of the need, other nations must fill the gap. A greater effort for manpower development is essential if the primary care program of WHO is to be successful.

Fourth, there should be a major cooperative international effort to adapt our available knowledge and technology to the special circumstances of developing nations. It is not enough to have a new drug—as we now do—for schistosomiasis. We must also learn how to use it and distribute it. We must insure that it is taken with proper doses and procedures. The same is true for other skills and products. We must adapt them to the circumstances in which people live if we expect them to be effective.

Fifth, there must be a new international effort to draw upon the resources of the private sector in dealing with the health care problems of the developing nations. In the coming weeks, I will make a special effort to encourage the United States pharmaceutical industry to direct greater attention to these problems. Later this month, I plan to meet personally with the leaders of that industry. Our discussions will include such basic questions as how we can direct more private research toward the diseases of developing nations, and how we can assure the greater availability and more effective use of drugs already developed.

We must also reduce the large portion of the total health dollar now spent on drugs in developing nations. In some countries, the cost of drugs runs as high as 35 percent of the health budget, far too much to be consistent with other needs.

There is a further dilemma here that we have hardly even begun to solve. In the United States, the clearance procedures for drugs are based in analyses of the benefits and risks from the viewpoint of the American patient. But the risk benefit equation in the United States may be grossly inappropriate for other nations. How do we deal with a drug that may be ruled unsafe in America, because it causes cancer in later life, but that may mean the difference between survival and death for a child in another land?

The challenge is not intended to fall solely on the shoulders of the pharmaceutical industry. It is a challenge to see if industry and government can work together on urgent problems whose solution will require a pooling of our talents and resources—public and private.

Sixth, the United States should make a separate and more personal commitment of its own, by expanding the health care component of the Peace Corps. A much more active effort should be made to attract young physicians and other health care personnel to the program. Our government should provide additional economic incentives to make this service attractive for health professionals. And WHO can help us develop the program in ways that will make this new effort as relevant as possible to world health needs.

Seventh, I would respectfully suggest that WHO consider forming an International Health Service Corps, modeled on our Peace Corps and bringing together individuals from many nations to carry out your programs in the field. This service corps would transcend national boundaries. It would be composed of people with many different skills—scientists, nurses aides, community workers, physicians and engineers. The participants would be united by their mission and by their common commitment to the people they are serving.

The new organization would be more than a symbol. Like our Peace Corps, its value would go far beyond the actual services the members would perform. A coalition of individuals and health professionals would be established in many lands, with new expertise and understanding of the health care problems of developing nations. When they return home, their experience will help generate new support for a greater effort in this cause. That support will be essential to the sustained effort that will be required before the work is done.

Overall, the time is right for these and other efforts to meet the crisis of international health. The peoples of the world are closer now than ever before. The modern miracles of travel and instant communication are generating a deeper understanding of the meaning of phrases like spaceship earth and global interdependence.

As my brother Robert Kennedy liked to say, it is individuals who make the difference. As he told the students at the University of Capetown in South Africa on his visit there in 1966:

"Each time a man stands up for an ideal or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring, these ripples build a current which can sweep down the mightiest walls of oppression and resistance."

None of us in any nation can ignore the plight of the two billion people who languish in poverty, hunger and disease. A world that spends $300 billion a year for arms can spend a little more for health. And it may well be that what we do in health will be as important to world peace and cooperation in the long run as we achieve in arms control, and at a tiny fraction of the cost.

It is tragic to realize that this unbelievable human suffering will not be easily or immediately relieved. But there is hope as well. The results we can achieve will exceed our expectations as we begin to meet the challenge. The rewards will far surpass the cost of burden of the effort. Our generation has a commitment to make and keep. We owe it to ourselves to begin this task, as part of our respect for human rights and for our brothers and sisters and neighbors of this globe.

I believe it can be done. I am proud of the trail the World Health Organization has blazed in showing us the path, and I am honored to be with so many here who have labored so nobly in this cause.

THE NUCLEAR WASTE ISSUE

Mr. McGOVERN. Mr. President, Senators RIEGLE and GRAVEL have asked that their names be added as cosponsors to S. 1623, a bill I have introduced to give local populations more say in the nuclear waste repository site selection process.

I am particularly pleased to be joined by these men who have shown informed concern and leadership in the area of nuclear power. At a time when reservations about the way we are handling nuclear power raises political problems for an elected official, these men have not hesitated to confront the disturbing facts that we will all soon have to face, whether we choose to or not.

Senator GRAVEL has become a veritable library of information on this issue, and he has served as one of the most reliable of the sources which provide some balance against the resources of an extraordinarily powerful industry.

Senator RIEGLE submitted the first Senate bill this session which would have limited ERDA's absolute control over site selection for nuclear wastes. I welcome these distinguished cosponsors.

THE B–1 BOMBER

Mr. GOLDWATER. Mr. President, recently President Carter has had an audience with two groups of people. The first group he visited with were those of us who believed the B–1 bomber must be made a part of our strategic forces to complete the triad concept so that we may continue by deterrents to maintain peace in the world. The second group was those Members of Congress opposed to the B–1.

This whole argument takes me back to the late 1930's when the Congress was going through pretty much the same strains and arguments over the B–17. Now the B–17 did not win World War II all by itself, but it was certainly a major part of the strategic effort to subdue Germany and bring that country to its knees.

In spite of this, it took several years to get the B–17 in our inventory and we are now going through pretty much the same arguments again.

Before appearing before the President I tried to sum up in my own mind what the opposition group to the B–1 might say, so when the President asked me for my opinions I mentally ticked off those things I thought the opposition would bring up and, sure enough, those matters were exactly the gist of their opposition. The Secretary of the Air Force prepared a letter to one of the Members of Congress pointing out some of the errors of this group's thinking and the Air Force went further and offered a position paper on the allegations made by this group. I ask unanimous consent that the letter and the Air Force's position on the allegations against the B–1 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., June 8, 1977.

DEAR MR. MARRIOTT: Attached is the Air Force response to Congressman Carr's allegations concerning the B–1, as requested. While Mr. Carr's letter to President Carter is lengthy and appears substantive, the claims laid against the B–1 are inaccurate. To state that the B–1 is inadequate to meet the future threat and that the Air Force has failed to consider all significant facets of the future threat, are allegations that are not based on facts—and they will be difficult for knowledgeable people to accept.

Exhaustive, detailed studies and in-depth analyses have verified the unique and outstanding characteristics of the B–1 weapon

system design and its ability to perform against projected severe threats. Many of these studies involved participation or review from persons and agencies outside the DOD (Mr. Nitze, Mr. David, Dr. May, the Government Accounting Office and the Air Force Scientific Advisory Board). From the very early 1960 design explorations to the detailed performance evaluation completed last Fall in preparation for the DSARC III review, intelligence projections of the threat have played a key role in defining the requirement to modernize the bomber force. Intelligence estimates have always postulated that the Soviets probably could develop and deploy, advanced air defenses such as Airborne Warning and Control Systems with look-down radar with an overland capability, look-down shoot-down interceptors, and improved low altitude capable surface-to-air missiles. The B-1 has been designed to cope with these advanced defenses, as well as having performance growth potential to counter future defensive developments. The cumulative effects of low altitude and high speed penetration plus employment tactics present formidable and complex problems to even the most advanced defenses, as the detailed studies have shown.

Cruise missiles are not a direct alternative to the B-1 because they cannot do the total job of the bomber. A wide body standoff cruise missile carrier, such as a militarized 747, would be less capable and less cost-effective than the B-1 in performing the strategic mission of the future. A wide body standoff cruise missile launcher would be slower in base escape and less able to withstand nuclear effects than a B-1 and therefore more vulnerable to almost any form of attack including SLBMs. Also, a force composed solely of cruise missiles and standoff launchers simplifies Soviet defensive problems. The capacity of a 747 carrier, for example, would provide an extremely lucrative target for Soviet defenses. AWACS and long range interceptors could be deployed on the periphery, and low altitude capable surface-to-air missiles could be deployed as barriers to be concentrated around high value targets. Such reasonably attainable defense options by the Soviets could severely attribute an all cruise missile force.

Unlike the penetrating bomber, which is capable of carrying a large number of weapons (conventional and nuclear) to fixed or mobile targets anywhere in the world under a variety of circumstances, the standoff-only launch platform is limited to benign launch environments and the cruise missiles must fly over areas which have been accurately mapped and transformed into a numerical representation of the terrain profile.

The cruise missile once launched will follow its preplanned course regardless of any changes in the Soviet defensive order of battle; consequently, it cannot adjust to unplanned contingencies as can the penetrating bomber. A stand-off launch platform with ALCMs cannot provide the same real-time strike assessment and flexibility of striking alternate planned targets, imprecisely located targets, or withholding unnecessary attacks that the penetrating bomber can.

However, the cruise missile, when employed as a complement to the penetrating bomber, has significant military potential. Launched from penetrating bombers against lightly defended or undefended targets, cruise missiles will reduce bomber threat exposure, expand target coverage, dilute, complicate and perhaps saturate the defenses, and will enhance the effectiveness of the entire force.

In summary, the requirement for the B-1 is based on the need to modernize an aging bomber force to maintain a high confidence deterrent against nuclear attack or coercion. The design of the B-1, which has proven its capability through flight test, will fulfill the future strategic deterrent role required of a modernized bomber force. The B-1 is ready for production now.

The House Armed Services Committee Staff has also requested that the Air Force prepare comments on Congressman Carr's letter. We are providing them a copy of the attached indicating that a copy has been provided to you.

We are pleased to be of assistance in providing this information, and hope it will be of use to you. If we may be of further assistance, please do not hesitate to contact us.

Sincerely,

JOHN C. STETSON,
Secretary of the Air Force.

AIR FORCE POSITION ON CONGRESSMAN CARR ALLEGATIONS AGAINST THE B-1

CONGRESSMAN CARR

"Even if we assume the B-1 will be a successful program in that it will produce airplanes capable of many thousands of flight hours, it is clear that its life as a useful deterrent weapon will be extremely short, if it has any at all; when its deterrent life is exhausted, we will have a choice between retiring it early and cutting our losses as we did with the B-58, or draining additional tens of billions from our Treasury for continued operation of a known invalid weapon."

AIR FORCE POSITION

History does not support this assertion. Despite rapidly advancing technology, the B-52 has remained a credible deterrent for over two decades because of the B-52's built-in growth potential and ability to adapt operationally with changes in the threat. The B-58 was retired primarily because its maintainability resulted in prohibitive operational and support costs and not because of advancing technology. Considerable engineering has been incorporated into the B-1 to produce a reliable, relatively easily maintained system and one that has growth provisions, such as, space, electrical and hydraulic power, cooling capacity, and weapons carriage options to address the uncertainties of future years.

CONGRESSMAN CARR

"But just as the B-70 would have been vulnerable to Soviet technology of the late 1960s, so the B-1 will be vulnerable to Soviet technology of the 1980s."

AIR FORCE POSITION

The basic mission and design of the B-70 called for only high altitude, Mach 3 penetration of the Soviet Union and its design was optimized for that role. The development of a high altitude nuclear burst SAM had the potential of reducing the effectiveness of the B-70 as a high altitude penetrator. The B-70, because it was designed for the high altitude mission, could not effectively fly the low level penetration mission under surface-to-air missile defenses.

Since the days of the B-70 there has been extensive, detailed study of bomber penetration of the Soviet Union. The results have consistently shown that a high speed bomber capable of flying at very low altitudes and equipped with air-to-surface missiles such as the SRAM poses an almost insurmountable problem to the Soviet defenses. The result is the B-1.

The flexibility of design and payload capability of the B-1 is the result of the threat-counter-threat synthesis. Not only can it fly supersonic at high altitude, but it can also fly at high subsonic speeds close to the terrain thereby allowing it to adjust to changes in Soviet technology. Additionally, the B-1 design incorporates features such as complete self-sufficiency for dispersal to austere airfields, quick reaction capability during alert postures, fast escape profile from its base, and hardness to the effects of nuclear detonations which provide a very high level of survivability and dispersal potential—important qualities the B-70 lacked.

The B-1's high penetration speed, approaching the speed of sound at near tree top level, combined with its very small radar detection characteristics and advanced electronic countermeasures will severely complicate enemy detection, tracking and interceptor attack problems and will provide an enhanced capability to avoid or confuse enemy terminal defenses. Employing Short Range Attack Missiles (SRAM) the B-1 could strike defended targets or destroy those defenses if precise delivery of a gravity weapon is required.

The B-1 was designed from the onset as a flexible weapon system, able to counter the projected threats and to have the growth potential to face future threat developments.

CONGRESSMAN CARR

"While it is true that Soviet look-down technology is primitive compared to ours, it would be imprudent to assume that by 1985 they will not have systems roughly comparable to ours of 1975. Even against defensive weapons somewhat less capable than the AWACS, F-14, and F-15—

The ability of the B-1 to fly low will be of no use.

The smaller cross-section of the B-1 will not be small enough to inhibit Soviet detection, tracking, and destruction.

The higher speed of the B-1 will complicate Soviet peripheral defense problems, but it will not make them unduly difficult.

Although a lookdown shoot-down defense will be the principal threat faced by the B-1, we recall no briefings in which B-1 advocates have raised this question. If, as we suspect, the B-1 advocates have similarly avoided this issue in their presentations to you we suggest this is a confession of the weakness of their case. We also sugget that although the B-1 supporters have had some success protecting it from the Soviet look-down threat in debate, they cannot expect to protect it against the real thing in combat."

AIR FORCE POSITION

Intelligence projections of the threat, including a look-down shoot-down defense, have been considered and have strongly influenced the requirement to modernize the bomber force. Intelligence projections have continuously postulated that during the time frame of the B-1 the Soviets could develop and deploy advanced air defense systems, such as look-down shoot-down interceptors, improved low-altitude SAMs and an AWACS with a look-down overwater capability. Therefore, the B-1 has been designed to cope with these advanced defenses. Since the mid-to-late 1960s, both DOD and a significant portion of the aerospace industry have used these intelligence projections in a series of studies and analyses to define the available technology and the system design/effectiveness required to insure a viable B-1 weapons system.

The three characteristics of low altitude, high speed, and small radar cross-section are individually identified by the critics and then summarily dismissed. Admittedly, none of the three characteristics cited will, in isolation, insure B-1 survivability. It is the combined effect of the three plus two not mentioned, electronic countermeasures (ECM) and employment tactics, that produce the overall effectiveness of the B-1. To begin with, low-altitude penetration delays detection by the defenses. If detected, the high penetration speed stresses the defenses by reducing the reaction time available to intercept and attack the B-1. Add to these effects the benefits of low radar cross-section plus sophisticated ECM and the defenses become further stressed adding additional time delays and uncertainty which significantly degrade the capability of countering the B-1. Finally, employment tactics such as defense dilution through force massing and selection of weak areas in the defense network also

increase bomber survival. The B–1 is capable of passive detection of active defenses at ranges sufficient to allow avoidance of a large number of defensive systems. Those few that cannot be avoided can be neutralized with SRAMs carried by the B–1.

In summary, the cumulative effects of B–1 characteristics and employment tactics produce a complex problem to even a sophisticated defense. There are a large number of effectiveness studies available which support this assessment. The 1974 "Joint Strategic Bomber Study," which has been widely briefed to many agencies including members of Congress, incorporated very large numbers of look-down shoot-down interceptors of F–14/F–15 quality operating with AWACS of E–3A quality. The study assumed only 50 percent ECM effectiveness for the B–1 against AWACS (use of more sophisticated B–1 ECM capabilities against AWACS could have resulted in a greater degradation). The study showed that B–1s are survivable and that B–1 dominated forces were the most cost-effective alternative against such advanced defenses.

CONGRESSMAN CARR

"We are told our AWACS will be able to function effectively in the intense non-nuclear war in the European theatre. If this is true, it must also be true that a Soviet AWACS, even if less capable than ours, will be able to function effectively against our B–1s, for the Soviet AWACS will have by far the easier task."

AIR FORCE POSITION

The large Soviet border area that must be covered by look-down radars is a much more difficult problem than the detection of air attacks in the relatively constricted area in which opposing forces would have to penetrate in the European theater. To provide the Soviet perimeter with the same type of redundant coverage provided by U.S. AWACS in Europe would likely be prohibitive due to immense investment in new look-down capable aircraft. The number of Soviet AWACS orbits that could be mounted by the projected numbers of AWACS aircraft that might be available in the 1980s would allow penetration by a large percentage of the B–1 force. If the Soviet look-down capability is indeed less capable than the E–3A, this would allow even more undetected penetrations.

Since the distances involved in the strategic air defense mission require the fighters to position themselves many hundreds of miles from their airfield, the time on station is significantly reduced from that of a European tactical scenario. Additionally, the required number of fighter aircraft needed to maintain both AWACS orbit coverage and homeland defense would be a drastic increase over that of the tactical mission.

Unlike tactical aircraft engaged in performance of their primary mission in the NATO environment, during the perimeter penetration phase of the B–1 mission, the B–1 crew can devote total crew resources to avoidance and/or degradation of the Soviet defensive threat. Further, the B–1 is not operating in total isolation but can expect, through careful SIOP mission planning, mutual ECM support from other bombers in the area. Finally, AWACS itself is not a lethal threat to the penetrating B–1 but rather a control system. The interceptor, even if provided attack information by the AWACS, still has to solve his portion of the intercept problem. His ability to do so is significantly degraded by the B–1's high speed, low altitude terrain-following penetration, changes in course profile, and combination of ECM and low radar cross section. It is the combined contributions of all the B–1 design and performance characteristics that mesh into a formidable and effective penetrating system.

CONGRESSMAN CARR

"The B–1 will have only whatever jamming equipment it can carry itself. In contrast, Soviet fighter/attack aircraft, seeking to penetrate our AWACS screen will have internal jammers plus dedicated jamming aircraft plus ground jammers to help them."

AIR FORCE POSITION

Studies and tests of the E–3A show that overlapping coverage by E–3A orbits with suitable coverage geometry can unmask a jamming attack in central Europe where ingress options are limited. However, the large land mass that must be protected by Soviet AWACS coverage, makes such coverage very demanding on the defense. The B–1's jamming capability will be more effective than that carried by smaller fighter and ECM escort aircraft. In addition, the B–1 will have a dedicated crew member to operate its countermeasures systems and can benefit from mutual ECM support which is part of careful mission planning procedures.

CONGRESSMAN CARR

"Thus, even if the Soviets are ten years behind us, they will still be able to neutralize the B–1 only two or three years after it enters the force in substantial strength. We are sure you will agree that so minuscule a useful deterrent life cannot begin to justify the cost of so expensive a program."

AIR FORCE POSITION

For the reason stated earlier, the Soviets will not be able to neutralize the B–1 in the foreseeable future much less in two or three years after it enters the force. But even if the technology were available, the resources needed to develop a defense in sufficient numbers to counter low flying B–1s would divert considerable Soviet engineering and production capacity from offensive systems to defense which is to our overall benefit.

An implication of the above quote is that the Soviets have the technology and the resources to counter every US capability.

Conceptually, an offense may eventually be countered by some defense if enough resources are expended on defense and if offense remains static. However, we should not unilaterally abdicate the offense/defense struggle to the Soviet Union by throwing up our arms and crying "it's no use."

Despair is not a rationale premise upon which to base a nation's defense program.

CONGRESSMAN CARR

"In addition, the cruise missile force has an advantage which, while unrelated to the look-down threat, is highly significant. Its combination of extreme accuracy and low unit cost makes it the ideal vehicle for destroying large numbers of hard targets—that is, for countering whatever Soviet industrial hardening program may exist. At the same time, its long warning time precludes its use in a first strike, and renders it non-destabilizing."

AIR FORCE POSITION

The look-down defense represents only a limited portion of the overall defense in depth concept utilized by the Soviets. We believe that several current Soviet SAMs have a capability to engage cruise missile sized targets flying in the low subsonic speed/low altitude regime. We additionally recognize the Soviet potential to upgrade current SAM systems. The various known modifications to the existing SAMs illustrate Soviet ability to improve systems.

With regard to the future, the Soviets have under development a new, transportable, strategic SAM which we believe will have significant capability against the cruise missile. Against SAMs the cruise missile lacks the classic operational defense tactics to avoid, degrade, and/or destroy. They cannot avoid SAM's defending targets or SAMs whose location is unknown, cannot degrade because they lack a defensive countermeasures system, and cannot destroy the SAM site as the B–1 does with the SRAM. A number of transportable systems are projected for 1986 and are expected to have a large engagement zone against cruise missiles.

We believe that if the U.S. were to employ only cruise missiles, production of the new SAM could be accelerated as was the SA–2 when many new sites were deployed in a single year.

The B–1 will inherently have the ability to detect and avoid SAM sites or degrade SAM capability with ECM. Additionally, the Short Range Attack Missile (SRAM) may be utilized by a bomber crew to suppress SAM sites as required.

Likewise, the B–1 with its long time of flight precludes its use in a disarming first strike, and renders it nondestabilizing.

CONGRESSMAN CARR

"We have under development the ramjet-powered Advanced Strategic Air Launched Missile (ASALM), which offers essentially the same range, size and cost of the present cruise missile but which flies at very high supersonic speed throughout its flight profile."

AIR FORCE POSITION

The ASALM, currently a technology development program, is sequenced for procurement no earlier than the mid-1980s if the technology feasibility demonstrations in FY 1979 are successful. The current ASALM program is time phased for an ASALM system development decision in FY 1979 when results will be available from the ASALM "proof-of-concept" flight demonstrations.

If employed in a high altitude flight profile, the ASALM is expected to have approximately the same range as the short range version of the air launched cruise missile (ALCM), and thus will be incapable of covering the total target system when employed as a standoff weapon. If employed in a low altitude profile, the ASALM's low altitude range will be less than 100 nautical miles at low level penetration altitudes.

When carried on a penetrating bomber SRAM, ALCM, and ASALM provide a substantially increased bomber footprint and versatility of weapon delivery to match the targetting requirements and maximize bomber capability. When carried on a non-penetrating aircraft, these weapons lose much of their versatility and become easier to defend against.

CONGRESSMAN CARR

"The cruise missile is criticized for lack of countermeasures (ECM). It is possible to incorporate ECM into a cruise missile; we did it in the early 1970s and are now developing a new improved cruise missile ECM. Whether ECM in a cruise missile justifies its cost and size penalties remains to be seen; we suspect it does not. But it can be done. In any case, we simply cannot afford to rely on ECM. Even the B–1 advocates concede this point, since if ECM were sufficient to insure penetration there would be no need to replace the B–52. In the race between our electronic countermeasures and Soviet electronic counter-countermeasures, it is impossible to predict with confidence who is ahead at any given point until the battle has actually taken place. Our deterrent is far more secure if it relies on the certainties of large numbers."

AIR FORCE POSITION

ECM can be included in the cruise missile as had been planned in the 1970 Subsonic Cruise Army Decoy (SCAD) program. However, once again, the cost and range penalties must be taken into account.

Although ECM confidence cannot be defined, two things are certain: (1) ECM and radar grow from the same technological base; (2) since we have developed AWACS and Advanced Interceptors (F–14 and F–15) today, we are ahead in the technological base which

also supports ECM against these advanced systems.

ECM by itself cannot insure penetration but must be matched with the basic air vehicle characteristics. When compared to the B–52, the B–1's lower penetration altitude, lower radar-cross section, and higher speed complement its ECM to produce a higher level of overall vehicle effectiveness. While future ALCMs might use some form of basic electronic countermeasures, weight and power requirements will most certainly preclude them from having the sophisticated, multi-purpose capability of the B–1 ECM equipment.

We agree that a deterrent based on large numbers enhances security. We must, however, add that a diversity, within the large number of weapons, further enhances the deterrent force. By presenting the Soviet defenses with a mix of weapons, each presenting a different problem, we limit their ability to negate that force of whatever size with a single initiative.

CONGRESSMAN CARR

"Vulnerability of the launch vehicle is cited as a problem. This can be handled in two ways. First, we can easily increase the range of the missile to enable the mother aircraft to stand back out of range of Soviet defenses. This involves some cost and size penalties, but these are not prohibitive. Neither is the cost of a new launching rack designed to carry a larger missile. Second, we can incorporate ECM into the mother vehicle. As we have said, we do not want to rely exclusively on ECM. But there is reason to believe ECM can be more effective for a cruise missile launcher than for a penetrating bomber, and we find it strange that B–1 advocates are willing to allow ECM for their vehicle but not for its competitor."

AIR FORCE POSITION

Although longer cruise missile range and ECM on the carrier aircraft are possible, the impact (cost and performance) of each must also be assessed. The longer range cruise missile would cost more and increase its vulnerability to defenses. Increasing missile range, and therefore size, could result in a larger radar cross-section and require higher penetration altitudes. This would offer the Soviets a better incentive to point defend critical targets with surface-to-air missiles. Additionally, increased cruise missile size would decrease the number of cruise missiles that could be carried or the effective range capability of the carrier.

ECM can be installed on the carrier; however, because of the carrier's large radar cross-section, slower speed and relatively high flight altitude and lack of high maneuverability and evasive capacilities, it would be impractical to defend with ECM alone. Even if ECM is installed, the standoff carrier presents a less demanding defensive problem than a penetrating bomber. The standoff only carrier may be countered by extending the defended air space further and further beyond the Soviet borders through forward-based long-range interceptors, and picket ships equipped with surface-to-air missiles. As a result, ALCM accuracy becomes degraded because of long flights over open ocean or ice packs where TERCOM navigation updates cannot be performed.

To mount such an extended perimeter defense, major sacrifices in defense depth over the homeland would be required. However, with the threat of a mix of penetrating cruise missiles and penetrating bombers that together could attack the entire target system, defense depth would regain its importance over an extended perimeter. The initiative would remain with the offense, and successful penetration would be far less sensitive to cruise missile range.

The cruise missile is not a competitor to the B–1. It complements the manned bomber. When the cruise missile is employed as a complement to the penetrating bomber, concentration of defenses solely to counter cruise missiles is prevented. Cruise missile employment, which allows launch before or after penetration of Soviet radar coverage, provides high operational flexibility.

CONGRESSMAN CARR

"The cruise missile does not have a human to guide it, and is therefore unable to look at its targets and make last minute adjustments in targeting plans. This is true, but the B–1 pilot does not see his target either. The B–1 is unable to penetrate Soviet terminal defenses; therefore, against high-value targets it must standoff several tens of miles and fire Short Range Attack Missiles (SRAM)."

AIR FORCE POSITION

The effective range of the B–1 radar exceeds the lethal range of Soviet SAM systems. The B–1 crew can, therefore, perform radar damage assessment decisions and withhold weapons or fire SRAM either forward, laterally or behind the aircraft if it is determined that the target has not been destroyed.

The B–1 is able to penetrate SAM defenses. However, no vehicle should be exposed to any defense unless necessary. Even the cruise missile, whose radar cross-section is significantly less than the B–1, is susceptible to attrition by SAM systems. For that reason, the cruise missile will be applied against the lesser defended targets. The B–1, on the other hand, can penetrate to the near vicinity of defended targets, suppress terminal SAM defenses with SRAM and then penetrate to the target. Alternatively, the B–1 can launch the virtually invulnerable SRAM through the terminal defenses, thereby enhancing its chance of approaching subsequent targets.

CONGRESSMAN CARR

"As cruise missile technology has progressed in giant strides over the past five years, the B–1 advocates have been forced to retreat to suggestions that the B–1 should be used as the cruise missile launcher. For several reasons, this is a very poor and costineffective solution."

AIR FORCE POSITION

The employment concept of the B–1 does not include use as a standoff-only cruise missile carrier. There are indeed cost-effective reasons to use the compatible cruise missile (ALCM) with the B–1 operating as a penetrating bomber. Once the B–1 penetrates enemy defenses, the ALCM could be used to increase the foot print of the B–1 on the target system as well as decrease B–1 contact with area defenses. The essential point is the flexibility provided by a penetrating manned bomber. As new munitions are developed, like ALCM, ASALM, or precision guided bombs, they can be carried by the B–1 thereby improving the capability of the bomber force. A standoff-only force lacks this flexibility.

CONGRESSMAN CARR

"Assume the B–1 and the 747 in cruise-missile-launching configuration cost the same, although this probably overstates the cost of the 747 by at least 50%. The 747 will nevertheless carry twice as many cruise missiles as the B–1, and therefore, provides twice as much capability per dollar."

AIR FORCE POSITION

The concept of cost-effectiveness is used incorrectly in the above statement. Capability is not simply dollars per missile; rather, it is dollars per weapon on target. The results of numerous studies performed on the subject of modernizing the strategic force indicates that the B–1 is the most efficient modernization concept. It is significant to note that as the threat increases the cost effectiveness of the B–1 increases relative to alternative systems, including the standoff cruise missile launcher.

The current B–1 unit flyaway cost in 1977 dollars is $57.7M for a highly sophisticated military aircraft with complete offensive and defensive avionics systems. The current cost for an unmilitarized, less sophisticated commercial 747 model is $43.8M. Militarizing the 1977 model 747 would add considerable cost, yet it would be a less flexible and capable system than the B–1.

CONGRESSMAN CARR

"Loiter time of the 747 is very substantially longer than the B–1 at any level of aerial tanker available from zero to infinite. This could be important in maintaining airborne alert during a crisis of several days' duration. The placing of a fleet of 747 cruise missile launchers on airborne alert would provide a dramatic counter-threat, for example, to a Soviet civil defense evacuation. And it could be maintained at far less cost than the Soviets could maintain the industrial shut-down which would accompany their evacuation."

AIR FORCE POSITION

This statement indicates a misunderstanding of the impact of aerial refueling. With refueling, either the B–1 or the 747 could be maintained on orbit. Airborne alert is a design feature of the B–1 and has long been proven in B–52s. In fact, the B–1 is twice as fuel efficient as the CMC–747 and, therefore, would require approximately half the tanker support that the CMC–747 would require.

Airborne alert is a very costly mode of operation for extended periods of time in terms of resources, fuel, maintenance, and flight crews. To compensate for this expensive mode of alert, high prelaunch survivability has been designed into the B–1 and can be maintained through a combination of basing, upgrade ground alert posture options and generally taking full advantage of the B–1's improved base-escape characteristics. In addition the B–1's prelaunch survivability is further enhanced by its self-sufficiency and wide dispersal capabilities.

INTERNATIONAL COMMUNICATIONS ISSUES EXAMINED

Mr. McGOVERN. Mr. President, unfortunately, we do not yet know the implications of the so-called "Information Age" we now live in. Maybe one of the reasons the United States does not have an overall international communications policy or set of goals—and there appears to be no drive to develop them—is that we do not yet know the right questions to ask.

Last week the International Operations Subcommittee of the Foreign Relations Committee conducted 3 days of hearings on international communications and information questions.

The subcommittee set out to discover the pressing issues that face our Nation in a world where information and communication have become one of the most binding links of mankind—and a world in which a breaking of those links can severely endanger human rights, jobs, the flow of news and even national security itself.

I have been told that no congressional committee has previously looked at communications in such an all-inclusive manner.

Therefore, because I believe that the perceptions expressed will be of interest to other Members of the Congress, I ask unanimous consent that the prepared statements of the Wednesday June 8 hearings, which laid the groundwork for

the next 2 days' testimony, be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT: SENATOR GEORGE MCGOVERN

Today's hearing is the first of three this week in which the International Operations Subcommittee will for the first time examine implications of international communications and information.

As far as we know, no one on Capital Hill or in the Executive Branch has taken such a broad brush overview of international communications issues as will be attempted in these hearings.

We will look at current and future issues in relation to the media, business, banking, labor, national security and the government itself. At the conclusion we hope that there will be an evident pattern that shows the interrelationships of many issues that so far have been discussed as if they existed solely in rather isolated compartments.

These hearings are meant to be educational in the sense that there are new complexities to international communications and information issues and we must be able to formulate the proper questions, before knowing the appropriate answers . . . although we do expect to get some suggested answers during the next three mornings.

We already know that a number of people in the academic community have been saying for some time now that we have entered what they call the "Information Age." Recently one of the world's largest companies has been running ads with bold headlines proclaiming (quote) Information; there's growing agreement that it's the name of the age we live in. (end quote). When ideas get into popular advertising its one sign they have arrived on the scene.

Another factor to consider is that several respected spokesmen of the developing world have been talking of a corollary to the "New International Economic Order" which they call the "New International Information Order." Among the points they make is that information and energy are about equal on the scale of priorities in the development of a nation. In the category of information they include newsmedia, education, scientific information, farming information, technical knowledge . . . the whole spectrum of information.

So, starting today we will try to find out what the current situation is in regard to international communications issues. What trends are developing? What future problems lay ahead?

Tomorrow's hearing will be totally devoted to media issues. Friday's hearing will cover business, banking and labor questions.

Today we get an overview.

Our lead-off witness, Leonard Marks has held a number of positions in and out of government which deal directly with communications issues. His statement will introduce us to the current situation.

Mr. Marks will be followed by William Colby, former CIA director who will discuss national security.

Our third witness, William Harley, is President Emeritus of the National Association of Educational Broadcasters and possibly the leading expert in the U.S. on Second and Third World actions in the international media area.

The final witness today, Professor Anthony Oettinger from Harvard University's "Program on Information Resources Policy" has contended that information is a valuable resource, which should be treated as a resource, and protected against a crisis such as the energy crisis. He will present us with an agenda to consider and attempt to show how our first three witnesses' ideas might mesh together.

Each witness has been asked to give a 15 minute oral presentation. Following all four statements we will open up the questioning and discussion.

STATEMENT BY LEONARD MARKS—THE ROLE AND CONTROL OF INTERNATIONAL INFORMATION AND COMMUNICATIONS

I want to thank you for the opportunity of appearing as the opening witness in a series of hearings which I believe can have a vital influence on the future of international communications.

I shall attempt first to give you an overview of some of the critical problems which we face in international communications, and second, point out the need for greater coordination of policy by governmental agencies and private enterprise.

At the outset, let me stress that the subject you are considering is a complex one for which there are no simple solutions. Billions of dollars have been invested in the cable, radio, and satellite facilities which comprise the worldwide network linking the United States to all parts of the world. U.S. companies have played a dominant role in creating this structure and have been responsible for the revolutionary changes that have taken place since World War II. We pioneered with television broadcasting; we took the lead in creating Intelsat which today serves approximately one hundred countries. We perfected the transistor and miniaturization techniques; we are in the forefront in experimenting with fiber optics, wave guides and other challenging inventions designed to bring the world better and cheaper communications.

On the philosophic side, for more than two hundred years, the United States has been the champion of the principle that ideas and opinions must be freely exchanged. At home we have defended this principle so that the First Amendment has become a sacred protection. Similarly, we have fought for the free flow of information as a means of achieving better understanding between nations. Although we cannot legislate our philosophical or political views for other countries, it is our responsibility to seek the enforcement of those principles when they have been adopted in international agreements. In 1948 the Universal Declaration of Human Rights was adopted by the United Nations General Assembly. Article 19 specifically provides—

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

Thirty years ago this provision was endorsed and applauded throughout the world. Yet today we find that the free flow of information principle is observed in relatively few countries and that Article 19 is honored in the breach more than in the observance.

At this time I would like to refer to three specific international areas where the free flow of information principle has been attacked.

UNITED NATIONS PEACEFUL USES OF OUTER SPACE

In 1962—just fifteen years ago—the first communications satellite was launched. It heralded a new era in international communications and offered the opportunity of instantaneous communication between distant points throughout the world. In addition, the satellite offered the possibility for inexpensive communications since distance was erased and the connection of any two points on the globe could be accomplished at the same expense regardless of the number of miles separating the origin and the termination point for the message.

It soon became apparent that satellite technology would also permit the transmission of radio and television programs directly into a home receiver without the necessity of a relay operated by the country receiving the signal. This technology would do for television programs what short-wave broadcasting has permitted for years with radio programs. Via satellite, televisions programs could be beamed through Voice of America, BBC, Radio Moscow, or any other national entity.

This exciting possibility did not stir the imagination of political leaders but aroused their anxieties. They quickly translated the tremendous power of television into a political reality. They envisioned the interference by other nations in their national affairs and the alarming possibility that their citizens might receive facts and opinions contrary to those reported by their national news outlets. The Soviet Union took the leadership in arousing these fears at the United Nations through the Committee on Peaceful Uses for Outer Space. Hearings were held and arguments debated. Finally, when the critical question was considered, the United States stood alone in defending the principle of "free flow of information."

This issue resulted in an acrimonious exchange in the legal committee meeting which recently was concluded. At that time the Soviets insisted upon a clear-cut provision which would permit censorship in the country of reception. They bragged that they had won the day at the WARC meeting in Geneva (to which I will refer later on), and that the same principles should apply at this conference.

No resolution was adopted, and the issue will be again debated at a meeting in Vienna of the full committee commencing June 20th. We must be steadfast in our resolve to protect the principle of the free flow of information and enlist our allies in this fight for the preservation of the principles of Article 19.

UNESCO CONFERENCE IN NAIROBI

Another attack on the free flow of information was introduced by the USSR in UNESCO meetings with the proposal that UNESCO adopt a policy governing the conduct of mass media.

In December, 1976, when the UN General Assembly met at Nairobi the principle item on the agenda was a declaration which, if adopted, would have meant a complete victory for the proponents for totalitarian control of the media.

The title betrays its bias: "Draft declaration on fundamental principles governing the use of mass media in strengthening peace and international understanding and in combating propaganda, racism and apartheid."

Article 12 became the focus of the debate. It provided, "States are responsible for the activities of the international sphere of all mass media under their jurisdiction." Those who favored this provision contend that a journalist should serve the interests of the state in supporting official political, economic, and moral objectives. The opposing view defends the philosophy of the free expression of ideas, asserting that a journalist performs not as a mouthpiece for the state, but as an independent voice reporting freely with the right to criticize actions of the state.

Essentially, developing countries must rely on foreign organizations for their news. The international news agencies—AP, UPI, Reuters, and Agence France-Presse—are based in the United States, England, and France. Third World leaders complain that these news services reflect the values of the advanced Western countries rather than those of the developing countries. They complain that news about these countries printed or broadcast in Western Europe or the United States features catastrophes, deficiencies, and calamities. They also argue that since they have no news service of their own the reports that developing countries receive from the media about each other are equally adverse to their national interests.

The dependence of the Third World is not just limited to news. Films and television programs, books and magazines flow into the developing world, but very little comes out of it to the United States or the major industrial powers. The Third World has labeled this "cultural imperialism" and condemns its dependence on such sources.

Some of the complaints of developing nations may indeed be justified, but the deficiencies in reporting do not constitute justification for the state control of the media. Moreover, it is fundamental that our free press have "access" to these countries so that we in the United States receive independent reports of their activities rather than rely upon the handouts of government information offices.

The draft declaration supported by the USSR was not adopted at Nairobi. Instead over the bitter objections of the Soviet Union and its Eastern European allies, the issue was postponed for two years and will arise again in 1978 when the next UN General Assembly meets.

The Third World nations are not going to wait until the next UNESCO conference in order to achieve their objectives. They have organized their own news agency which will be operated by Tanjug of Yugoslavia. Initially, this service will distribute news handouts and reports from one country in Africa to the others. Later, it hopes to serve all of the continents.

I support multiple news services. Our national interests are served by the free flow of information, and "Third World News Services" and "Fourth World News Services" are consistent with this principle. Competition in the exchange of ideas is a healthy phenomenon. However, I am apprehensive that these services could lead to a restraint on the free press, since the developing nations have threatened to oust all Western news agencies and require them to rely on these new national news services. Is the Third World news news agency the prelude to such an action?

Between now and the UNESCO meeting in Paris, United States policy must be determined. What will our policy be at the next UNESCO meeting? Who will determine it?

THE HELSINKI DECLARATION

A great deal has been written about Basket III of the Helsinki Declaration and its protections for human rights and the free expression of ideas. Shortly after his inauguration, President Carter began to emphasize the importance of these ideas and has been the champion of this issue.

Basket III covers many topics, but it stresses the importance of freedom of thought, freedom of speech, freedom of the press, and the freedom to express opinions.

On June 15—just one week from today—the thirty-five nations that sighted the Helsinki Declaration will meet in Belgrade to prepare an agenda for a second conference later this year. The Basket III issues will play an important role in these discussions. It is imperative that our negotiators stress the principles of free flow of information and seek opportunities for better understanding as well as point out the shortcomings of the USSR.

Time does not permit a catalogue of our Basket III complaints against the USSR, but I would like to enumerate several which are critical:

1. Radio Free Europe and Radio Liberty broadcasts are regularly jammed.

2. Newsmen are not free to travel or to interview sources.

3. Newspapers, magazines, and other information materials cannot be obtained in the USSR except under controlled situations.

These failures must be discussed and strong efforts made to correct the deficiencies. If we fail to do so, we have deserted the principles for which we have fought so long and so vigorously.

On the positive side, I would recommend that we sponsor projects to further our communication links. To illustrate, we should—

1. Expand cultural and educational exchange: The Soviets have demonstrated a willingness to step up academic and professional contacts. The State Department should respond by an enlarged official program and by stimulating more private exchanges.

2. Insist on a free flow in informational materials into Eastern Europe: Where there is a great demand for Western publications, films, recordings, etc. The establishment of a currency convertibility program similar to the former Informational Media Guaranty Program administered by the U.S. Information Agency would promote this end and demonstrate U.S. adherence to the "spirit of Helsinki."

3. Increase circulation of "America" magazine: This USIA publication has for over 30 years been an effective interpreter of American ideas and events, and demand for copies far exceeds the number (60,000 per month) we are allowed to distribute. It would seem logical to press the Soviets to allow, "in the spirit of Helsinki," an increase in circulation.

4. Open an American bookstore in Moscow and other capital cities of Eastern Europe: The Soviets have always discouraged this project by insisting on controlling the selection of books for it. Perhaps the time is ripe to remind them that no censorship is imposed on Russian books imported into the United States, and that the Helsinki signatories specifically agreed "to promote wider dissemination of books."

These are merely a few illustrative suggestions which will permit better understanding consistent with the spirit of Helsinki.

In these brief comments I have attempted to sketch some of the problems which must be overcome if we are to have a free flow of information and a fulfillment of Article 19. We have a long way to go, but unless we are conscious of the problems and emphasize their importance, the gulf in understanding will be widened.

PART TWO—GOVERNMENTAL COORDINATION

Let me now turn to a discussion of the governmental structure and illustrate the need for greater coordination.

A recent Congressional study revealed that there are more than forty separate government entities which have a responsibility in the field of telecommunications. The most important are the Federal Communications Commission, the Department of State, Department of Defense, Department of Commerce, NASA, HEW, National Science Foundation, and the Office of Telecommunications Policy of the White House. Theoretically, coordination is attempted by these organizations, but practically it has been impossible to bring together all entities to determine policy. Experience has demonstrated that frequently one arm of the government, unaware of what another is doing, will be administering regulations which hinder, thwart, or contradict the policy of another. This conclusion is not an indictment of those involved, but a recognition of the complexity of our governmental structure. I can state unequivocably that at the present time the United States government does not have an international communications policy nor is there a single agency which has been successful in coordinating our efforts internationally or in planning for the future.

WORLD ADMINISTRATIVE RADIO CONFERENCES

The International Telecommunications Union (ITU) is the oldest international agency antedating even the postal union. It was created as a traffic policeman to assign lanes of communications to the nations of the world. It has been free of controversy and has performed its mission with technical proficiency. With the advent of satellites, the problems facing the ITU have become extremely complex and has placed a heavy burden upon its limited capabilities to keep order in the spectrum.

Let me give you an illustration of the inadequacy of the present international regulatory machinery in the field of telecommunications. A number of years ago, the Soviet Union placed in orbit a manned space ship. As it circled the globe, it was suddenly cut off from communication with the master control in the Soviet Union. Interference from a terrestial base blacked out the communications from the space ship.

In great distress, the Soviets enlisted the cooperation of other countries in an effort to determine the source of the interference. There was no machinery at the ITU which could be used to identify the cause of the interference nor to eliminate it if discovered. I am informed that the source of the problem was never determined. This situation can occur again and the next time the result may be fatal.

Several months ago under the auspices of the ITU, a World Administrative Radio Conference (WARC) was concluded as assign frequencies for satellite communications in the Band 11.7 GHZ to 12.5 GHZ. I will not dwell on the technical questions involved nor on the policy questions relating to the use of this portion of the spectrum. However, I do believe that it is significant to note that the WARC agreed on a division of frequencies in regions of the world other than the Western Hemisphere. In doing so it subscribed to the principle that no satellite communications could be beamed into a country without its consent. As a result, in this band there cannot be any international communication comparable to the BBC, Radio Moscow, Deutsce Welle, and, of course, the Voice of America. And, surprisingly, the principle of Article 19 was forgotten.

In 1979 there will be a WARC to assign frequencies and propose regulations for the remaining portion of the spectrum. What will be our policy? Will we agree to the restrictions of WARC '77, and the philosophy that each nation shall determine which communications its citizens may receive? If we do so, Article 19 of the UN Declaration of Human Rights has no meaning. If we do so, the philosophy of "free flow of information" becomes an empty phrase.

The ITU does not provide a forum in which U.S. communications interests can resolve philosophic, political or economic problems. Similarly, there is no entity within the United States government which will have the authority to resolve such issues. In my introduction, I pointed out that there was a need for coordinated effort. Let me illustrate:

1. The State Department is responsible for negotiations with other nations in international forums relating to communications. State Department officers are spokesmen in ITU and UNESCO and instruct private industry on positions to be taken in Intelsat. Yet, State has no regulatory authority over the international carriers or the facilities they use in international communications.

2. The Office of Telecommunications Policy (ATP) is charged under Executive Order 11556 with coordinating interdepartmental activities. Yet, OTP has no authority to regulate the U.S. communications industtry.

3. The Department of Commerce (OT) is responsible for spectrum management studies, research in science and technological matters, and for the preparation of economic analyses. Yet, the Department of Commerce has no authority to formulate U.S. positions on the economic aspects of our telecommunications industry.

4. The Department of Justice through its

antitrust division carefully monitors the competitive relationship of our international common carriers—ATT, ITT, RCAC, COM SAT, Western Union—and prohibits any consortium planning or price fixing. Rates for their services are established by the FCC. For satellites, the U.S. position that these carriers must follow is set by Department of State and transmitted to Comsat, which then acts as a wholesaler to these carriers. Yet, all other countries of the world with whom these carriers contract act as a single entity and play one U.S. carrier off against the other. Some carriers lease both cable and satellite circuits; the submarine cables for Atlantic and Pacific are owned jointly by U.S. carriers and foreign entities—usually governmental organizations such as PTTs (postal, telephone and telegraph agencies) who have joined with U.S. private companies to construct and operate the facilities. The U.S. partner must follow FCC guidelines in calculating rates of return, depreciation, and business practices even though they disagree with the concepts of the foreign entities.

These illustrations demonstrate the complexity of our business relationships and the need for coordination within the government and with industry.

At the present time the House Interstate and Foreign Commerce Committee is engaged in a major study of all aspects of the communications industry. Option papers have been prepared on this subject and I recommend them to your attention.

CONCLUSION

I have attempted in this brief presentation to illustrate the philosophic problems which we face in trying to establish the princple of free flow of information and the technical and procedural handicaps which are encountered in the administration of international communications. Although these illustrations may seem foreboding, in practice a great deal is accomplished through the imagination of those engaged in governmental regulatory work and their desire to reach our goals with a minimum of bureaucratic delay. But, their task would be much easier if Congress created the machinery to reduce these obstacles and to permit a simplified approach to problem solving.

I have no easy solution to these problems and do not appear before you today with all the answers. My personal preference would be the creation of either a Department of Telecommunications which would unite in a cabinet level agency the activities of the forty separate agencies which today regulate the industry.

As a second option I would recommend the formation of a Council of Telecommunications Policy in lieu of the present Office of Telecommunications Policy attached to the White House. Such a Council chosen on a bipartisan basis would not replace the Federal Communications Commission, but would provide a forum for the exploration of these problems and the determination of a unified policy.

We live in an interdependent age. We are linked together by common problems regardless of our national origin, the color of our skin, the clothes that we wear, or the language we speak. But we must speak to each other if we are to understand our differences. The channels of communications must be kept open. To this objective I hope your committee will dedicate itself.

STATEMENT OF WILLIAM E. COLBY (DIRECTOR OF CENTRAL INTELLIGENCE 1973–1976), COMMITTEE ON FOREIGN RELATIONS

Mr. Chairman, thank you for this opportunity to contribute to your consideration of a communications and information policy. With my background in intelligence I obviously have an interest in the subject and I congratulate the Committee for arranging this interesting set of hearings to discuss the problems involved.

Each nation state obviously has a need for international communications for itself. Its embassies abroad, its military forces, and its own functioning require dependable communications for the transmission of the masses of information required for the internal business of a modern government. This involves not only communications with our forces and representatives abroad, but also the vast amount of information which must flow within our country to enable our government to operate, from shipping information to weather information, to the necessary data to conduct our social welfare and economic programs. Not only must we have the basic capability of transmitting such information, we must have a redundancy of channels, so that this information can be assured to move in order to permit our government to operate and to ensure our safety. By the facts of technology, the facilities and frequencies needed require negotiations with other states to insure adequate access to the physical characteristics of the electromagnetic spectrum and other scientific limitations which impose themselves on the world of communications.

Government obviously has another dimension of interest in the flow of communications and information. This comes from its responsibility to represent, protect, and promote the use by its citizens of these facilities for their own private purposes. Adequate access to the electromagnetic spectrum, protection against interference from other sources, and encouragement of new technology to increase the volume of communications in the future, are all a responsibility of our government. As technology improves, our government's tasks will increase to arrange orderly access to the new forms of communication and information exchange which are just over the horizon, from the satellite to the data stream to the computer. We are told by excellent estimates that the volume of new information in the world will increase at least ten fold in the next 10 to 15 years. It is obvious that governments must have policies with which to face this explosion of information and negotiate the comparative interests of our citizens and others in this rapidly shrinking world. It is in this area that difficulties can arise between the developed nations, such as the United States, which have an immediate heavy demand for technological facilities and communications, and the less developed nations which fear that the available spectrum and facilities will be entirely taken by the developed countries and nothing remain for them into which to grow, consigning them indefinitely to a dependent state. This is an area of potential conflict which requires sensitive and imaginative diplomacy in order to satisfy both needs.

But there is another question to which I would like to address my remarks. A major problem in communications is less technical than philosophical. Clearly information is power, and traditionally the country or individual who controlled it unilaterally had an advantage over his fellows and adversaries. From this concept over the centuries has developed the secrecy of government policies, military weapons systems, and even private trade secrets, with variations in intensity between authoritarian and democratic societies. This situation also stimulated intensive efforts to ferret out such secrets, which we call intelligence. In the days in which intelligence constituted only espionage, this was a rather small effort and many secrets remained secret,

But the modern world and modern technology are changing the basis upon which those old concepts rested. Information advantage today does not consist of a few quiet secrets but of masses of data which must be distributed broadly throughout government staffs in order that they may make their contribution to national policy. A nation's security concerns have extended from purely military and diplomatic matters to complex problems of political dynamics, economic relationships, and social inequalities, all of which can produce major security problems. The role of the public in democratic countries, of course, has expanded with universal suffrage and universal education, and even in authoritarian countries it has become essential to inform, or sometimes indoctrinate, the public in the logic of a nation's policy, and its demands for sacrifice. Thus, in addition to information growing in scope, it has also grown in distribution. We have many examples in which a government's policy has failed because it has done an inadequate job of informing its public of the basis for that policy. And on some occasions the public perception of the correct policy has differed from that of the government. The role of information has changed—it is essential that our philosophy and policies with respect to it change also.

As we see it, these concerns—as you have heard them expressed today and as you will hear more in the next two days—are over issues which our nation—and all others—must address if we are not to slip into crisis management. The following agenda headings, developed by our colleague William Read, help organize these issues so that they might be addressed:

Telecommunications: Development and control of international telecommunications for individuals, for organizations, for rich nations, for poor;

National Security: The use of information resources for military, for arms control, for intelligence, and for counterintelligence purposes;

Traditional Information Issues: Media industry structure, free flow of news, free flow and privacy of business and personnal information;

"Intermestic" Issues: Issues whose resolution, in an interdependent world, impacts domestic interests. Among these, the flow of knowledge as related to strategic export controls and to unemployment;

Organization of the U.S. Government: How should government organize itself to formulate and implement information resources policies?

Time does not permit our spelling out here and now all of these issues in concrete detail. With your permission, Mr. Chairman, may we submit for the record Mr. Read's paper "Communications Policy: An Agenda,"* which gives the details as he sees them. We will limit ourselves here to the question of government organization.

If the testimony of the other witnesses in these hearings persuade you of the seriousness and importance of the substantive issues, we think you will then find that the government is poorly equipped to address them. A principal reason for this is that within each agenda heading and across them, the issues are so intertwined as to cross the traditional boundaries between domestic and international, public and private, or civilian and military issues or, for example, between the jurisdictions of the Senate's Commerce Committee and that of your own committee over Foreign Relations.

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* Read, William H. Communications Policy: An Agenda, Harvard University, Program on Information Resources Policy, Working Paper W–77–4, May 1977.

May we illustrate that with one specific example.

Banks are in the money business, but their production line is information processing. Electronic Funds Transfer systems expedite this processing. As soon as more than one bank is involved, several familiar questions pop up. Is EFTS a service or a facility? Must it become a common carrier and take on all comers? Who shall own the lines? Who controls the service offerings? Who gets the profits from operation? Who sets the standards? Which national bodies? Which bilateral or multilateral agreements? Which international organizations?

These are not speculative questions. To the contrary, these are questions already being faced by the free world's banking community as it moves to establish international electronic banking networks.

EFTS is a major threat to the chief non-electronic funds transfer system. Over half of the first class mail—the most profitable kind of mail—is financial: bills and payments. What will happen to the United States Postal Service if these vanish into wires? Who will subsidize the remaining money-losing services? Should the Post Office fight back with reduced rates for major billing industries? Should it fight back by forbidding EFTS as a violation of the Private Express Statutes? Should it levy a surcharge on these transactions, just as it does on courier services?

A more general question: Should the Post Office offer a competitive service over wires? If so, should it compete as well with electronic transfer of other traditional postal business such as messages? How do we distinguish between such an effort and an operation already in existence, known to the world as the telephone system? How will these issues be handled by the government monopolies that run the Postal, Telegraph and Telephone services abroad? Will this be compatible across borders? On whose terms? For whose trade or military advantage?

Domestically alone, these matters cut across the jurisdictions of multiple federal and state banking regulators, the Federal Communications Commission, the telecommunications regulators in fifty states and the U.S. Postal Service and Postal Rate Commission. Multiple private interests have stakes in them. Internationally, the mixed public/private, supplier/consumer interests in the U.S. are finding it increasingly difficult to work among themselves and through the Department of State to develop a "U.S. position" in bilateral or multilateral negotiations with other countries or in such international bodies as the International Telecommunications Union. And all this touches only one example.

How should the U.S. government act in these circumstances?

Can it create the organizational instruments to identify issues, develop policy alternatives and take appropriate action on the long-term opportunities and dangers inherent in the rapid changes in information industries?

Can it deal with the complex issues involved by considering inputs from diverse interests without developing a rigid bureaucratic structure?

Can the government actively establish an international information resources policy before it must react to a global information resources crisis like the energy problem?

A first step in addressing these questions is to examine how the government is now organized to establish and execute policies in this area. For example, what are the roles of the Defense and State Departments in this area? How do these organizations interact? Where do regulatory bodies such as the FCC fit into this organizational pattern? Where also do international organizations such as ITU and Intelsat fit?

Second, this organizational pattern must be analyzed to assess the government's ability to act on a changing communications environment. In what areas is it especially responsive? Especially weak? Why is this so, i.e., what are the organizational bases of its characteristic response patterns? For example, what is the impact of the State Department's stress on geographical rather than functional organization for its attentiveness to the strategic significance of global information resources? What are the structural problems that confront government information agencies? What are the areas in which overlapping mandates create jurisdictional conflicts?

The final step is to propose alternatives to the current map that might alleviate existing problems. How can agency structures and/or processes be modified to facilitate monitoring a changing information resources environment? How can structure and/or processes be modified to encompass the complexity of the interests comprising such an environment and still allow for rapid and effective decision-making? What organizational alternatives exist to prevent decision-making on global information resources from deteriorating into crisis management?

These are, we believe, the critical questions for your agenda.

INTERNATIONAL OPERATIONS SUBCOMMITTEE OF THE SENATE COMMITTEE ON FOREIGN RELATIONS, STATEMENT BY WILLIAM G. HARLEY

I am a former vice-chairman of the U.S. Commission for UNESCO and was a communications specialist on the U.S. Delegation to the last two general conferences of UNESCO. I have attended many other international conferences on communications and have recently been present at two world meetings dealing with the media and the Third World.

It is from this perspective, Mr. Chairman, that I wish to talk to you today about the matter of free flow of information and press freedom as they are linked with the issue of media balance and how these issues, as viewed by the Third World and exploited by the Second, constitute a grave threat to human rights and to the stability of the world.

In 1968—largely at the initiative of the United States—the concept of "balanced and free flow of information" was adopted as part of UNESCO's amended Declaration on Human Rights. However, the question of how a balanced and free flow of information is to be brought about has engendered strong controversy, particularly between the East and the West, and it has become a topic of major international concern.

At the 19th General Conference of UNESCO this past November, at Nairobi, there were two and a half days of heated debate on the international role of the media. Spokesmen for the Third World deplored the West's overwhelming dominance of the world's news and assailed its global news agencies for assorted sins of omission and commission. They called for a drastic rebalancing of the free flow of information as part of the new economic order. The Socialist countries maintained that the press must be a part of the social system, devoting its efforts to social progress and the achievement of national goals and aspirations. Spokesmen for the West, on the other hand, maintained that the press must be free and independent of government, that it should not be used to further state policy, and that the way to establish a more effective press in the Third World was certainly not through greater government control.

In effect, it was a confrontation between those who believed in an unfettered press and those who felt that the press, in order to serve national interests, must be responsible to the state.

The issues of free-versus-controlled and Third-World-versus-Western press are not new. They have been raised again and again in international forums. Beginning in the '70's there was a growing feeling among the developing countries that there could be no true free flow that was mainly a one-way flow. The mass media of the industrialized world, they felt, were so pervasive as to threaten national goals, cultures, and social and political institutions. Developing nations voiced concern that events within their borders were not given fair or balanced treatment by international wire services and media; and they charged that while positive aspects of their development are seldom reported, their problems invariably are.

Third World countries depend primarily upon four Western news agencies—AP, UPI, Reuters, and Agence France-Presse—for news about each other and for news of the world. The location of these global news agencies in a very few industrialized nations determines both the direction of information flow and its content, which inevitably tends to reflect the viewpoints and values of the countries in which these agencies have their headquarters. It is this circumstance that prompts the demand by Third World countries for a better balance in the production and dissemination of news so that they can articulate their own cultural values and points of views.

Increasingly, developing nations view communications as essential support to their development efforts; hence, when they perceive foreign media as hampering these efforts, many feel impelled to organize to counteract such influence. Accordingly, resolutions concerning the mass media have been approved by the last four UNESCO General Conferences.

The 1970 and 1972 General Conferences directed UNESCO to assist member states in formulating mass communication policies as an integral part of the national development process. The 1974 General Conference called for a series of regional intergovernmental meetings on communication policies. But UNESCO's attempts to carry out these mandates have created widespread controversy. Let me cite three examples.

The first was UNESCO's effort to deal with a present response to a future possibility—the advent of direct broadcasting satellites, capable of being received in the home. For the first time in history it will be possible for one nation to send video signals directly to citizens of another without passing through any domestically-controlled gate. It is this possibility that has given rise to so much apprehension and heated debate within the United Nations system. The concerns are of two kinds. Direct satellite broadcasting may:

(a) provide citizens of a receiving country with information incompatible with their mores, disruptive of their culture, and meddlesome with their political system, and

(b) become a monopoly of advanced countries, with the result that smaller counties will be exposed to massive incursions of foreign ideas and influence. Their only recourse, small nations feel, is interposing international controls.

Accordingly, in 1971 UNESCO developed a draft resolution on guiding principles governing the use of satellite broadcasting which contained a stipulation that direct satellite signals must not be transmitted without prior consent of receiving countries. It was strongly supported by the Soviet bloc and Third World countries.

The United States opposed the resolution as a basic violation of free speech and a contravention of the Universal Declaration of Human Rights. At the 17th General Conference of UNESCO, in 1972, the United States stood alone on a procedural vote (100 to 1),

and subsequently the resolution was overwhelmingly adopted. The Soviets promptly submitted a similar resolution in the UN, which turned it over to the UN Committee on Peaceful Uses of Outer Space. Its legal subcommittee has been meeting periodically ever since in efforts to reconcile the basic difference between the Soviet position—that failure to obtain prior consent is a violation of national sovereignty—and the U.S. position—that such control is censorship at the source and an abridgement of free flow.

In the meantime, the International Telecommunications Union (UN) has been holding meetings at which satellite frequency allocations and orbital space assignments are being made on the basis of five channels per country. Such allocations have now been made for Region 1 (Europe, Africa, the USSR, and part of Asia) and for Region 3 (China, Japan, and the Pacific area). The U.S. had proposed that no decisions be taken at this time, because they were being made on the basis of outmoded data and, considering the speed of technological development, should be implemented as part of an orderly evolution as changes occurred and needs emerged. However, at the 1977 World Administrative Radio Conference, the fear of the Third World nations that somehow they would be left out prevailed, and the U.S. lost again. And it may lose again in 1982, when there will be a meeting concerned with satellite allocations for the United States' own Region 2 at which—unless it can demonstrate compelling reasons for adopting its go-slow policy—a similar plan guaranteeing a fixed number of channels per country is likely to be adopted for the American region.

The British, for one, think this approach makes a declaration on "prior agreement" unnecessary since it would be virtually impossible to use any country's assigned domestic satellite frequencies for international transmission purposes. In any case, later this month the UN legal subcommittee will convene for another round of discussions on direct satellite broadcasting, with the U.S. presumably maintaining its unalterable opposition to prior consent as an obstacle to free flow.

The second major international communications confrontation resulted from a Soviet initiative—a resolution formulated at an UNESCO meeting in Paris in 1975: "A Draft Declaration on Fundamental Principles Governing the Use of Media in Strengthening Peace and International Understanding and in Combatting War Propaganda, Racism, and Apartheid." This was clearly a Soviet ploy to extend the USSR philosophy of state control of the media into the international sphere and thereby give it UNESCO sanction. The Declaration was little more than a set of directives on what the media of the world should say or do to foster these objectives under state control.

Representatives of 85 nations came to the Paris meeting. On the third day, when a vote was taken on a Yugoslav resolution amending the preamble to the Declaration so as to reference the UN resolution equating Zionism with racism, the United States and 12 other nations walked out. The meeting, of course, continued and finally adopted a Draft Resolution, which was submitted to the 19th General Conference of UNESCO, held in Nairobi last November.

I'll return to the Nairobi debate in a moment, but before that I think it will be useful to show how the controversial issues involved in the satellite and use-of-media declarations have evolved in recent years.

Despite the explosion in communications technology in the last two decades, it was not until their political decolonization was well along that the Third World countries became aware of the importance of information and communication at the national and international levels. The first official manifestation of this awareness came at the Summit Meeting of Foreign Ministers of Non-Aligned Countries in Algiers in 1973. At this meeting, the demand for decolonization of information flow was seen as a phase of the emancipation process.

A Non-Aligned Conference in Lima in 1975 recommended accelerated cooperation among Non-Aligned Countries with a view to reorganizing domestic mass media still dependent upon foreign countries. It also urged various forms of cooperation in the use of mass media. These themes were rearticulated last year at symposia of information specialists from Non-Aligned Countries meeting in Tunis in March and in Mexico City in May. The drive to break the monopoly of international communications by transnational corporations was reflected at a July meeting of 58 nations convened at New Delhi; and the recommendations of that meeting were ratified at a meeting of Foreign Ministers held in Colombo, Sri Lanka, in August.

The principal action item called for was the establishment of a pool of Third World press agencies, most of which are owned or controlled by governments. As discussed, this pool of news agencies would represent official versions of events in member countries and would enjoy exclusive rights to disseminate domestic views within a given territory. Subsequently, Third World spokesmen have denied that this is their intention; however, this possibility remains a concern of the Western media.

The third example of UNESCO's problems in carrying out media mandates was an occurrence last summer in Costa Rica, where UNESCO held the first of its regional intergovernmental conferences on communication policies. This conference aroused great controversy even before it began, partly due to reports of preliminary meetings of experts in Bogota (1974) and in Quito (1975), but mostly because background papers submitted in preparation for the San Jose meeting suggested alternatives that implied government control of the press. UNESCO vehemently denies that these submissions represented its policy. They were merely views of experts who were commissioned to write working papers. At the same time UNESCO reaffirmed its traditional stand in favor of free flow of information and freedom of expression.

During the conference, conferees dwelt upon the advanced countries' dominance of information channels—calling it "cultural aggression"—and spoke harshly of the failure of private media to serve rural needs. What finally emerged from the nine-day meeting, however, was ambiguous.

While all 46 San Jose resolutions (of which 32 were adopted) called for greater government participation in every area of communications, some defended principles of press freedom and free flow of information and some called for varying degrees of control over foreign and domestic media.

Most of the recommendations dealt with such matters as a more just criterion for exchanges between nations and assertions that a "free flow of information will really exist only when all countries have equal access to all the sources of information and take part on an equal footing in the control over and use of international channels of dissemination". Nevertheless, there were enough denunciatory things said and enough draft resolutions of a restrictive and manipulative nature offered to show an ominous trend.

Perhaps the most troublesome is the theme that news media should be used to help bring about social change. Communication was seen not as an end in itself but as a means to preconceived ends. Few would quarrel with the logic that communications should be integrated into overall national development plans, and this is what UNESCO has been urging; but a problem arises if the pursuit of such planning leads to suppression of news that is considered harmful to the national development, and circulation of news is limited to that considered nationally beneficial.

The repeated call for a balanced flow of information, too, is related to development of the new international economic and social order. But since the achievement of these ends is the role of government, it may also tend to foster government control of the news. Government control of regional or national news agencies may not in itself threaten freedom of the press. The threat arises when one of them acts as the exclusive disseminator of news for a country or region, and access to information is denied to foreign or other domestic media.

In any case, the attitudes expressed at San Jose reflect the fact that a majority of nations in the world have a much more restrictive concept of freedom of the press and of speech than ours. Fragile young governments, lacking firmly established institutions and educated peoples, feel they are not ready for freedom of speech and the press; hence, government control of media is necessary for their viability. An alarming extension of this philosophy is a growing tendency for the Third World countries to emulate the Soviet bloc countries in closing themselves off from outside scrutiny. This brokers a marriage of convenience between authoritarian Communism and Third World nations whose fear of foreign domination can be exploited in the direction of government control of communications. This alliance was abundantly evident at the Paris conference on use of the media when the Soviets were able to gain the support of 41 of 85 nations attending for a decidedly restrictive declaration.

The draft adopted at Paris expressly or implicitly calls for state control of media systems and the ideas and information they convey, *i.e.*, Article XII: "States are responsible for the activities in the international sphere of all mass media under their jurisdictions." This was repugnant to all counties that place a high value on freedom of expression since it dictated how the media should act and made governments responsible for their conduct. It is understandable, therefore, that the United States and other countries of the free world mounted an extraordinary effort to have this Declaration set aside—and they succeeded. However, it was only postponed for two years and, in some form or other will come up before the 1978 General Conference of UNESCO for decision. Hence, those championing unfettered flow of information have merely won a delay in an open-ended contest. In fact, if anything, developments and discussions on the international scene concerning media are accelerating.

The UNESCO Secretariat is establishing a panel of experts who will conduct a two-year study of the major issues of modern communications with the objective of publishing a definitive report to guide international behavior in this area.

The Coordinating Council for Information of Non-Aligned Countries held a meeting in Tunis in April and meetings of its news agency pool committee in Cairo in January and its technical committee in Baghdad in March. Also this spring there was a conference to establish a Pan African News Agency Pool. And just last month UNESCO conducted a conference of world journalists in Florence to discuss free and balanced flow of media, and the Edward P. Murrow Center for Communications and Public Policy sponsored a meeting in New York on Press Freedom and the Third World.

Other meetings will follow. A similar meeting is planned by the Murrow Center for next year. UNESCO will hold its second regional conference on communications in Kuala Lampur this next August and a third in Africa in 1980. A First Conference of Radio and Television Representatives of Non-Aligned Countries is scheduled for the end

of this year. And so it goes. International conference after international conference.

And always, the Third World theme is the same: their intolerable dependence upon the industrialized world for information and communication and the need to redress the overwhelming world media imbalance and make a "fair" distribution of information wealth the top priority for world communication policy.

The Soviets, with their passion for promoting the concept of state sovereignty as superseding all else, are working energetically in these troubled waters seeking to turn the news media of the world into tools of the state. And the Third World nations are readily attracted to the concept of controls as a way of making the press responsible. Their frustrations at not being able to respond with news gathered and transmitted by themselves is behind the growing dissatisfaction and, in some cases, outright hostility toward the West in general and the Western news agencies in particular.

The fact that these news agencies are not socially or legally responsible for their acts internationally has crystalized determination to create a new information order for the world in which accountability is guaranteed. Consequently, Soviet proposals such as the use-of-the-media declaration find a ready response among many fragile and authoritarian regimes; thus, control of news in their own countries as well as control of the flow of international news across their boundaries seems in developing countries not only a reasonable but a desirable policy.

It should be clear now to every partisan of liberty, says Chicago *Tribune* Editor Clayton Kirkpatrick, that the free press—indeed, all free news media—are in trouble in the Third World. The scope of that trouble can be measured by the Third World's claim to represent two-thirds of the earth's humanity. Roger Tatarian, former UPI vice-president, asserts that no more than one-fifth of the globe has freedom of expression, and the trend is downward. And the International Press Institute reports that during 1976, "Restraints on the media and the persecution of journalists throughout the world intensified to an unprecedented degree."

Kirkpatrick, admonishing the American Newspaper Publishers Association recently that indifference to this situation would be a mistake, warned: "We may find our reporters barred from access to the news in vast regions of the world. We may find it impossible to send our news into their countries. Even more serious, we may find the virus of authoritarian controls spreading wider and wider with ever-increasing threat to us and our fellow democracies."

The stark data of a summary report on Foreign Press Developments prepared for the National Newspapers Association underscore the gravity of the situation. These data were compiled by W. Terry Maguire, a lawyer on the staff of the FCC, from a variety of sources, including the London publications Amnesty International and Index on Censorship, as well as from personal contacts and investigations abroad. This partial summary covers incidents between July 1, 1976, and May 9, 1977:

Reporters killed	3
Foreign journalists (including U. S.) refused entry, detained, imprisoned, or deported, and foreign media offices closed	51
Domestic media seized, temporarily banned, expropriated, closed, or folded	81
Domestic journalists detained, imprioned, or denied press credentials	101
Incidents of bombing, kidnapping, wounding, or missing	11

And so on—a disturbing summary of incidents of violation of human rights and press freedom. The country-by-country details behind these summary statistics are even more disturbing.

The prospects for preserving and enlarging freedom of the press in today's world are indeed grim. But are they doomed? No.

No, not if we in the West will undertake to react by swift and concerted action to eliminate the causes of legitimate Third World grievances about the industrialized nations' dominance and control of world news and the developing countries' present inability to bring about a "fair" distribution of information wealth. There are clues to be found in the Nairobi and Murrow Center conferences.

The victory at the Nairobi conference demonstrated conclusively what can be done against great odds by mounting a concerted campaign on a major issue. It was the consequence of a widespread effort that involved the U.S. State Department working with our allies and contacting 106 other countries. In the private sector, the U.S. National Commission for UNESCO convened a group of media executives to brief them on the Nairobi "crisis" and arouse them to launch a counter-campaign. The World Press Freedom Committee, a council of American and international organizations, persuaded members to print editorials, write letters to friends in other parts of the world, and even travel to Nairobi to talk with delegates in the corridors. And the U.S. National Commission also induced the Director General of UNESCO to send two top asides to Washington to assess the seriousness of American concern over this media issue and, later, to come himself to confer with Mr. Kissinger. The result of these visits convinced the Director General and staff that ways had better be found to shelve the media issue lest it blow up the whole conference. The victorious outcome demonstrated that a concerted effort focused on a specific issue can succeed within the international structure.

But this was a counter-campaign—a negative response to a Soviet initiative. It is more important that the U.S. take the initiative in leading an affirmative response to Third World media concerns.

Here again there is a clue in the Nairobi experience. During the debate the Western representatives listened sympathetically to the problems outlined by emerging countries and acknowledged that the Western press agencies were not without fault. They argued, however, that the way to improve the world media situation was neither restriction of the media capacities of the industrialized countries nor embrace of self-defeating controls for developing countries that would strangle their own communications and cut them off from free international exchange of information. A better way was to improve their own communications capacities so that they could make a larger contribution to the world's free flow of news and ideas—not reduce the capacities of *some* but increase the capacities of *all*. This, the West argued, was the way to redress the admittedly enormous imbalance in the international media. And to help bring this about, the Western representatives offered technical assistance to improve the quality and quantity of media production and provide professional assistance to increase the competence of media management and performance.

This approach was employed in a subsequent debate at Nairobi over the so-called Tunisian Resolution, which provided UNESCO funds for a series of studies and research activities designed to strengthen communications in developing countries. The U.S. strongly supported this measure as exemplifying the proper focus of UNESCO activity in the media: namely, practical assistance to developing nations to help them help themselves in improving their communication capabilities in line with their own needs.

At the recent New York meeting sponsored by the Edward R. Murrow Center, the Western press people were able to talk frankly and directly with fellow journalists from the Third World and get their candid views on the kind of help they would really like to have. Their responses were stimulated, in part, by the announcement of the formation of the World Press Freedom Development Committee, funded by private contributions to keep the promises made in Nairobi that the developed media were ready to help their professional colleagues in the less developed areas of the world.

Among the goals of the Committee are establishing a manpower pool of experts, donating equipment, and setting up a clearinghouse for information on exchange and intern and technical training programs which journalists from developing nations might utilize. Organizers of the project said it is an attempt to alleviate the legitimate concerns of the Third World about the communications gap which exists in the world and to head off a growing trend toward increased control of media that threatens free press access in many areas of the world.

So, I submit, we do have some clues as to what can be done:

(1) concerted action in cooperation with our allies and Third World friends on specific actions;

(2) joining with other industrialized nations in providing, through government and private channels and through bi-national or multi-national arrangements, pracical assistance to developing countries to help expand and strengthen their communications capacities; and

(3) gaining an understanding of grievances about the media and ascertaining what the real needs are, and then responding in the most practical ways possible to help developing countries fulfill their potential in communications development.

If the United States is to exert world leadership in this pressing aspect of human rights, it will have to be constantly vigilant wherever and whenever freedom of the press and expression is threatened; to oppose actions within the UN system that would diminish free communications; and to take the lead in initiating and supporting programs in the international area which will demonstrate that free flow of information is not a subterfuge for commercial exploitation, as has been charged, but a concept vital to the well-being of all peoples of the world.

Our response, together with our allies, to this challenge will determine whether relations between the advanced and less advanced countries go forward in the spirit of continued confrontation or in the spirit of Horambee—that is, in the spirit of practical cooperation for the common good.

The world is in a gathering crisis of resource imbalance, and one of the most important of resources and one of those most out of balance is communications. This disparity strains the international system of communications as well as the stability of the globe.

In these few minutes, Mr. Chairman, I hope I have been able to focus your attention on the issues of international flow of media and underscore their urgency and vital importance to this country and the welfare of the world.

STATEMENT OF ANTHONY G. OETTINGER AND JOHN C. LEGATES BEFORE THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS, COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE

Mr. Chairman, my name is Anthony G. Oettinger. I am a professor at Harvard University, where I am also Chairman of the Program on Information Resources Policy. Here with me is Mr. John LeGates, Director of the Program.*

Quietly and, for most people, imperceptibly, the world has entered what some call an "Information Age". Once this was purely an academic concept. Several years ago, my

*Biographies appended.

colleague Daniel Bell noted that just as steam and electrical energy have enabled agrarian societies to industrialize, information today is the transforming resource of a new age. No longer purely academic, this concept is now echoed in advertisements by IBM and discussed in banking trade journals.

What does being in the "Information Age" mean to our foreign policy? The witnesses who've preceded us today and those who will follow are expressing concerns about information stemming from their experiences in government and business. Some are concerned with traditional information products like American magazines which circulate abroad. Others are concerned with information hardware in terms of import and export of telephone, computer, television and other electronic equipment. Still others are concerned with computerized information networks which are a key to global operations, most notably for multinational banking but also for every other kind of transnational enterprise.

Distilling from such experiences, we've come to see that in the "Information Age" the world is beginning to rely on information as a basic resource. Like energy and materials, information is a fundamental resource on which is based the well-being of every individual in every nation.

Let me illustrate the role of information as it relates to that condition of international affairs known as "interdependence."

Just twenty years ago, very little information flowed between the United States and Europe by telephone. The reason is simple: it was not until 1956 that the first transatlantic telephone cable came into service, replacing the unreliable and costly radiophone. That first cable had about fifty circuits. The newest transatlantic cable, which came into service in 1976, has 4000 voice-grade circuits. In all, we now have six transatlantic telephone cables, and they, together with satellites, can provide up to 18,000 circuits between this country and Europe. In the short span of twenty years, we went from scarcity to abundance in telecommunications across the Atlantic. What is significant about that rapid rise is not merely the technological achievement; the fact is that those thousands of circuits have enabled the flow of information between Europe and America by telephone alone to change from a trickle to a torrent, from ——— calls both ways in 1956 to 7,100,000 calls in 1970, and 24,500,000 in 1975.

The financial data of multinational banks flow through those circuits. The technical information for operating nuclear power plants built by American firms abroad flows through those circuits. The command and control interdependence of America and Europe is fostered by the flow of information through those circuits.

What we see in examples like this is a growing dependence on "information resources". What that dependence means—domestically, internationally—is the question that the Harvard Program on Information Resources Policy has geared itself up to address since it was established four years ago.[1]

Last year, we had the pleasure of sharing some of our findings with your parent committee, which commissioned us to prepare a report entitled "Foreign Policy Choices for the 1970's and 1980's: Information Resources, Strategic Strengths-Strategic Weaknesses."[2]

Two months ago, we described the domestic significance of information resources at the request of the Subcommittee on Communications of your chamber's Committee on Commerce, Science and Transportation. With your permission, Mr. Chairman, we'd like to submit that testimony for your record. Since one of our points will be that domestic and foreign affairs in information resources are closely linked, that prior testimony will help anchor today's comments to the domestic realities that bound foreign policy concerns.

The old tactical advantage that was thought to exist in secrecy has diminished as the spread of information has made it clear how important it is that the information be circulated broadly, how difficult secrets are to keep, and how vital it is that the public be informed. Trends in technology and in world culture indicate that this process will only accelerate in the next ten to twenty years. Later in this century we will undoubtedly be in a position where most of our information is handled on an automated basis and transferred at electric speeds throughout the world. This will make the change in the role of information even more striking. It is essential that we have a policy of encouraging innovative methods not only of handling and absorbing this information, but of conducting the human and state relationships which this new phenomenon in world history will require.

Mr. Chairman, I believe that we should eagerly look forward to this new world of information exchange and not decry the passage of the old one. There are great potential advantages in this kind of increased information, both for the state and for the individuals who make it up. There is also major advantage in the prospect of more open access to information. The long history of arms control probably forms one of the best examples of this. Starting in 1946, the United States has been concerned with the danger of nuclear weapons and at that time offered to internationalize them through the United Nations, under the so-called Baruch Plan. We could not obtain the necessary assurances, however, that the restraints we would impose upon ourselves in such a situation would be adhered to by other nations, and so this dramatic step was not taken. President Eisenhower sought to solve the dilemma when he suggested a program of "open skies," by which unarmed Soviet aircraft could fly over the United States and unarmed American aircraft fly over the Soviet Union, to monitor and provide assurance that an agreement on these weapons would be adhered to. But this also was rejected, as were proposals for inspection teams to circulate freely through nations which agreed to limit their weaponry. It was not until our technological intelligence through space photography and electronics enabled our Director of Central Intelligence to assure our President and our Congress in 1972 that we could monitor strategic arms limitations that we were able to make the SALT Agreement of that year. A feature of that agreement was the mutual undertaking by the Soviets and the United States not to develop nationwide anti-ballistic missile systems. We have not done so, and we know the Soviets have not done so, and out of this we have saved our taxpayers something between 50 and 100 billion dollars, which we would otherwise have spent in these past few years. A similar contribution of information through technological intelligence devices can be found in the middle of the Sinai Desert, where sensors reassure both Egyptian and Israeli forces against surprise movements up to the line by hidden forces on the other side, preparing for a sudden attack. This kind of information can remove the suspicions and misunderstandings of the past which have led to conflict. Further, however, the wide spread of information available today, analyzed and assessed by the corps of scholars in our modern intelligence institution, can lay out on international negotiating tables the difficult political, economic, and social problems of the future for mutual discussion and resolution, permitting us to find solutions rather than seeing them fester and grow into violence.

Thus, a fundamental element of a forward-thinking information policy should be to encourage maximum exchange of the increased information which will be available in the years ahead. In order to obviate the challenge that this material will only be used for the tactical advantage of the developed nations or their multinational corporations, this information should be made available to all parties. International centers for the analysis and dissemination of such information, such as the many specialized organs of the United Nations, can ensure that this is made available and tailored for all, and especially for the improvement of the lot of the less-developed world. And a portion of international development assistance should be devoted to improving the facilities and expertise of the less-developed countries so they may exploit and utilize the information thus made available.

Within this posture of open information and communications, there is at the same time a requirement for some restraints. The legitimate privacy of individuals must be protected from unwarranted exposure. Confidential negotiations and internal discussions of governments and enterprises must be recognized. And the secret sources necessary to learn the secret dangers of a state refusing to recognize the obligations of participation in an increasingly open and interdependent world must be preserved. But these restraints would be relatively minor, however important, and will not conflict with the over-all new philosophy and, I hope, policy.

MENACHEM BEGIN

Mr. PACKWOOD. Mr. President, on a trip to Israel a number of years ago, it was my privilege to spend several hours talking with Menachem Begin. I found him an erudite, articulate, passionate, fair spokesman. Shortly after my trip to Israel, Menachem Begin came to the United States. It was my privilege to host a luncheon for him attended by approximately 25 U.S. Senators. Mr. Begin spoke and answered questions for about 2 hours. In this meeting, as in Israel, Mr. Begin evidenced intelligence, courtesy, and all other traits that one would hope to find in a political leader.

Today. Mr. Begin is on the verge of becoming Prime Minister of Israel. There are those in the United States who are muttering that the election of Mr. Begin threatens stability and peace in the Middle East.

The selection of Menachem Begin as Prime Minister does not significantly change the chances for an Arab-Israel peace. He has indicated his endorsement of U.N. Security Council Resolutions 242 and 338, which form the basis of U.S.

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[1] A listing of the affiliates who support the Program's work is appended. They included competitors, competing industries and their customers, as well as government agencies.

[2] LeGates, John C., Anthony G. Oettinger, William H. Read and Carol L. Weinhaus, "Foreign Policy Choices for the 1970's and 1980's: Information Resources, Strategic Strengths-Strategic Weaknesses," Harvard University, Program on Information Resources Policy, Publication P-76-6, October 1976.

peace efforts. He has called for direct negotiations to achieve a settlement. He is insistent on the need for recognized, secure and defensible borders. In all these stands, he has the backing of the great majority of the people of Israel—and the runner-up Labor Party.

Suggestions that Mr. Begin's election may "stall" the peace process are made with ignorance or with malice. In fact, the absence of a settlement has never been due to any imagined Israeli "intransigence." For 29 years, the Arab States have refused to sit down and negotiate with Israel. They have refused to meet face to face. For 10 years, the Arab states—the instigators of the 1967 Six-Day War—have demanded that Israel retreat from territories which the Arabs used as bases of attack. Since Israel's birth the Arab states have refused to talk of reconciliation or to normalize relations. How then by any rational standard can Israel be considered intransigent?

What is needed now is not pressure on Israel to want peace. What is needed now is a forceful American policy which insists that face to face negotiations finally begin. Ambiguity in American policy only encourages the Arab belief that our Nation will acquiesce in the isolation of Israel, or will pressure Israel into a precipitous retreat. Such an action would be a formula for war, not peace. It would be a disaster for our country if we were to act in such a fashion. This country must make that crystal clear to the Arab States, who even today plan on an American squeeze on Israel, and thus justify their refusal to meet and compromise.

As for Mr. Begin's stand on the future of the West Bank, I would observe that his policy has been shown to be flexible. Moreover, he has asked a question which needs to be asked: Why should Jews not be allowed to live in their ancient homeland? Whatever future is negotiated for the West Bank, it should not once again be off-limits to Jewish citizens. Such was the case from 1948 through 1967. Israel today is home to nearly 500,000 Arab citizens. Simple equity demands that Jews, like any other people, be allowed to live freely where they choose.

THEODORE M. HESBURGH'S COMMENCEMENT ADDRESS AT GEORGETOWN UNIVERSITY LAW CENTER

Mr. KENNEDY. Mr. President, on May 29, 1977, the Reverend Theodore M. Hesburgh, President of Notre Dame University, delivered an address at the commencement exercises at Georgetown University Law Center here in Washington.

In addressing the law center graduates, Father Hesburgh spoke eloquently of three of the most essential qualities for young lawyers entering their profession—compassion, competence, and conscience.

As an example of a person who achieved excellence in the law by combining these qualities, Father Hesburgh spoke at length of the life of St. Thomas More, the "man for all seasons." Urging the graduates to incorporate these qualities in their professional lives, he asked them to spend their lives as lawyers hungering for justice.

Mr. President, I believe that Rather Hesburgh's inspiring address will be of interest to all of us, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GEORGETOWN UNIVERSITY LAW CENTER COMMENCEMENT ADDRESS TO THE GRADUATES BY THE REVEREND THEODORE M. HESBURGH, C.S.C., MAY 29, 1977

Father President, Dean McCarthy, members of the faculty, fellow honorees, dear members of the graduating class of 1977 in the Law School, and families, and friends:

First, on behalf of all my fellow honorees, I would like to say how pleased we are to join your class today and to receive this wonderful honor from the nation's oldest Catholic university. We are indeed honored. And, from a smaller institution in the West, I also bring you greetings.

What does one say to young lawyers just about to be graduated that they might remember tomorrow—maybe even next year? To simplify the task, I give you only three words: compassion, competence and integrity. Or, if you find it easier to remember three words all beginning with a "c", for integrity, you can read, conscience. I would like to speak, briefly, on the first two, compassion and competence, and then at greater length on the third, conscience or integrity, especially as exemplified in the life of a great and good lawyer.

First, compassion. What does this word, which means, to suffer with, have to do with lawyers as one of their highest qualities to be desired? Lawyers more than any other professional group in our society are committed to justice. And, justice and right and law are practically the same word in most romance languages. But despite the widespread development of law, despite the new consciousness worldwide concerning human rights, and despite constant appeals to justice here and there about the world, the world today is full of people who suffer injustice. In some countries, this means torture and summary execution. In other countries, it means imprisonment without charge or without the right of habeas corpus. In some countries, it means restriction of movement. Restriction of expression, personal or publication expression. And, in many countries of the world, in fact worldwide, it means a whole variety of deprivations. In our own country, where most of you—practically all of you—will practice the law, we have a whole variety of deprivation. And, I think it fair to say that the right to life and liberty and the pursuit of happiness, our national goals, is abridged in many ways today often depending upon one's color or nationality, one's age if one happens to be very young or still unborn, one's sex if one happens to be a woman, one's economic status if one happens to be poor. And, of course, it is abridged by many other human conditions. When I say that all lawyers should first and foremost be compassionate, I mean that no one person anywhere in this country or in the world should suffer injustice without each one of you, as lawyers, suffering, without your automatic concern for the injustices being committed and, wherever possible, it shouldn't happen without your effort to do what you can to relieve the injustice. That is your real calling your real omnipresent task—to defend and establish justice whatever the cost. That is the meaning of being compassionate as a lawyer. You cannot be a good lawyer without being compassionate. You may make a lot of money. You may become famous in the process. But, if you are not compassionate in the matter of justice and injustcie, here and there about the world, then you will be a failure as a lawyer, at least as a good lawyer.

Secondly, a word about competence. The worst that anyone could say of you today is that today this ceremony marks the end of your study of the law. The law is a jealous mistress. She demands constant attention. You can learn, and you will learn from experience in practicing the law, but real competence in the law is the fruit of constant reading in the law. I was once dining in Justice Frankfurter's Supreme Court chambers with a brilliant young lawyer friend of mine. In the course of our discussion during lunch, Justice Frankfurter was constantly jumping up and down picking off a well-marked book from his shelves and using it to underline a point of law with some apposite quotation from the book. And, each time as he sat down he would querry my friend, have you read that book, John? And, as John had to say for the twelfth time that he had not read the book, Justice Frankfurter said, "My friend, on graduation day you gave promise of becoming a brilliant and a great lawyer. If you aren't reading books like these, just forget it." And, I think as people entrust the welfare of their souls to me and my fellow priests and ministers, and they entrust their health to a physician, people will entrust to you the vindication of that which is very precious to them—their human rights. And, in the face of such a trust, it would be a devastating betrayal to fail to vindicate their rights because of incompetence.

One more word about compassion and competence. Compassion itself, good though it be, is a cruel hoax unless it is joined in your life with competence. And, competence alone is sterile in a lawyer's life without compassion. You need; and the world needs, both competence and compassion in your life. We need them together and never alone.

And now to integrity of conscience, of you will. As the history of the early seventies in Washington enlarged upon for all of us, here was a story of competence without integrity. I hope all of you will make a point of reading John Dean's book entitled Blind Ambition,, and see the undoing of a bright young lawyer who admittedly compromised his integrity, thus proving the truth of Marlowe's words in Child Herald, "Oh, what a tangled web we weave when first we practice to deceive."

The result of this lack of integrity or this abusing of conscience was, as you well know, disaster, both personal in the lives of many people, and national in the life of our nation. The real test of integrity is not just what we are personally willing to live for, but more importantly, what we are willing to die for.

I give you now the life of a man who was willing to live and to die for integrity. Not just as a man, a good man, but, professionally, as a lawyer. In doing so, he became the prototype of what a great lawyer should be and he became as well a great man, indeed a saint who can become your patron if you wish. While he lived some 400 years ago, there is a contemporaneity about his life and his legal career that makes it highly relevant to each one of you today. His name, of course, is Thomas More, and Robert Bolt has aptly called him "a man for all seasons."

In thinking of Thomas More on this warm day in Washington, D.C. in the year nineteen hundred and seventy-seven, one can easily make the necessary transposition of time and circumstance, and picture Thomas More when he was your age, starving his way through Oxford and his early legal education at the inns of court. One can imagine the penury of his first years of practice. His enthusiasm at those first triumphs of justice.

And, the growing maturity of the man, and the lawyer, as he rose in importance from post to post until he had been named by the king to be chancellor of the whole realm, the highest legal position in England.

He faced political tensions at home, the pressure of international crises abroad, the long conferences to settle high policy, the hurried trips and the successive triumphs, the friendship of kings and emperors, and with it all, the inner hunger for a few moments at home with his wife and children whom he loved. Yes, here in Thomas More is a lawyer's lawyer. A judge's judge. A politician's politician. A diplomat's diplomat. And, with it all, a saint whose sanctity was part and parcel of all these activities for all the years of his life. If his sanctity was, in the providence of God, crowned by martyrdom, that martyrdom merely confirmed the achievement of his life, for St. Thomas More spoke these last words from the scafford, "I die the good servant of the king, but God's first."

The words sanctity and martyrdom may scare you at first. But, he was no less a man of the world. A good lawyer, for being as well a saint and a martyr. There must always be men and women of the world, good lawyers. As all of you are to be men and women of the world; to face the same crying need for justice in the affairs of men; for the rearing of good families; for order in the legislative process; for the maintenance of true liberty for all those who would injustly hinder it; and, for the promotion of peace on earth both here and abroad.

All of these tasks call for you, as they called for Thomas More to be a man of the world, a good lawyer. Thomas More did all of these things superlatively as a lawyer. And, his memory remains today highly cherished in his native England and throughout the English-speaking world because he did all these things also as only a saint might do them, as only a good lawyer who is also a saint, might do them. And, he did them all with a passion for justice.

Now, Thomas More was born to greatness as the sparks fly upward. I must say a word to you about his family life because it is in that that he seems most human and then I'll say a word about his professional life.

At first, as a young man, Thomas More thought of becoming a monk. And, after much reflection and prayer he decided that his strongest yearning was for marriage and for a family and for a public, professional life. There is a homely tale of More taking his young wife back to her home in the country to try to cure her homesickness and to seek her fathers' advice on how he might stop her crying and to make her a good London housewife. Use your rights and give her a good beating, said her father. I know what my rights are, said More, but I'd much rather have you use your paternal influence. More's young wife died after their four children were born. And, to provide them with a mother and himself a wife, he married a widow. And, in due time with the marriage of all his children, the household numbered 21 children and grandchildren. And, here in that house was his real delight. We are told that like a loving father today, whenever he was abroad he always brought back a gift for each one of the children. He tried to get his youngsters to write him everyday when he was gone and under his influence that house became both holy and happy. More himself used to rise at two each morning to pray and to study until seven and each day for him began in the family chapel with mass and holy communion. And, we're told that even an urgent call from the king would not budge him out until that early morning family offering was offered.

Visiting European scholars like Erasmus and Holbein would spend months at a time in his household. Fortunately from Holbein, we have a fine portrait of Thomas More. And, of course, Erasmus has left us a verbal portrait about More later. More's children were the best educated in the land because he took a hand in their education, especially that of his three girls who otherwise would not have been educated in that age. Only his favorite daughter, Margaret, knew that under his velvet gown, Thomas More always wore a hair-shirt to curb his unruly flesh. She knew it because he entrusted it to her for washing from time-to-time, thank God. The hair-shirt did nothing to curb his infectious laughter which always rang, we are told, throughout his house like music. And, his family was naturally proud of his success and his prosperity. But, like a good father, he always warned them against the evil days ahead, and, I quote. "If you live the time that no man will give you good counsel, nor no man will give you good example, when you will see virtue punished and vice rewarded, if then you will standfast and firmly stick to God, upon pain of my life, though you be only half-good, God will allow you for a whole-good. We may not look to our pleasure and go to heaven in our feather beds for the Good Lord Himself went thither with great pain and many tribulations."

One would hope that his family remembered these words when his property was confiscated and he, himself, locked up in the Tower of London while men rigged a phony trial to condemn him to death. There is a wonderful poetess, a dear friend of mine, named Phyllis McGinley, and I think she has said what I have been trying to say of the humanity of Thomas More better than I could say it because she said it in poetry. It's a small thing of four verses, but let me quote it to you today:

"Of all the saints who have won their charter
Holy man, hero, hermit, martyr
Mystic, missioner, sage or wit
Thomas More is my favorite.
For he lived these bounties with might and mane
God in his house and his little wife, Jane
And the four fair children his heart throve on
Margaret, Elizabeth, Cicily and John.

That More was a good man, everybody knows
He sang good verses and he wrote good prose
He enjoyed a good caper and liked a good meal
He made a good master of the privy seal
A friend to Erasmus, Lily's friend
He lived a good life and he had a good end
And, he left good counsel for them to con
Margaret, Elizabeth, Cicily and John.

Some saints are alien, hard to love
Wild as an eagle and strange as a dove
To near to heaven for the mind to scan
But Thomas More was a family man
A husband, a courtier, a doer and a hoper
Admired in his son-in-law, Mr. Roper
Who punned in latin like a Cambridge don
With Marget, Elizabeth, Cicily and John.

It was less old Henry than Anne Boleyn
Who hailed him to the Tower and locked him in
But even in the Tower he saw things brightly
And spoke to his jailer most politely
And while the sorrowers turned their backs
He rallied the headsman who held the ax
Then blessed them with a blessing of Thomas More
God in his garden and his children, four
And I fear they missed him when he was gone
Margaret, Elizabeth, Cicily and John."

Now, a word about More's professional life as a lawyer. His extraordinary succes was due, I think, mainly to a very pleasing personality, intellectual talent, which you need, absolute integrity, but especially hard work. The latter quality is best illustrated to this gathering by mentioning that when he became chancellor, he inherited a neglected backlog of untried cases, some which had been pending for twenty long years. And, within a year of being appointed he cleaned up the whole docket to the last case.

We get the best glimpse of More's personality and intellectual talents from Erasmus, that wondering scholar who was the forerunner of humanism and classical culture in Europe. Erasmus calls More one of the two most educated men in England. Needless to say, Erasmus was the other. England recognized this by making More the High Steward of the universities of Cambridge and Oxford. Erasmus tells us that More dresses simply, avoids wearing the ponderous chain of his office, loves equality and freedom for everyone and shuns the high society of the royal court whenever possible.

Especially Erasmus stresses that talent of More's that he, himself, Erasmus, has experienced so often. More has a gift for friendship. He will take over his friends' affairs, though careless of his own. His gentle and merry talk cheers the low spirited and distressed. He loves to jest with women, especially his own wife. And, quarrels are practically unknown in that household of More where Erasmus spent so many months.

There was another great contemporary scholar-friend of More's, a Spaniard, Vives, who gives this thumbnail sketch of the Saint's virtues: More is characterized by keenness of intellect, by the breadth of his learning, by his foresight, his moderation, his integrity. While other words are at times used in describing him by his contemporaries, there is no doubt about his commitment to those three virtues that I appeal to in you today: compassion and competence and conscience.

There are many other highlights of his career that might be noted, strange highlights in a way. For example, he wrote a book called Utopia, which added a new word to the English language, and was startling prophetic in regard to new concepts in political theory. He wrote a history of Richard III which influenced greatly Shakespeare's play of the same title. I could speak of his career as the king's ambassador abroad and the very important central role he played in negotiating peace between the emperor Charles of Spain and King Francis of France. One could speak of his offices as under-treasurer of the realm, as speaker of the House of Commons, his knighthood, and finally, his succeeding Cardinal Wolsey as Lord Chancellor of England, the second highest rank in the realm, beside the king.

In all of this, from the day he began his legal work to the day he resigned as chancellor, the striking virtue we find most throughout his professional life is his personal integrity, his deep consciousness of the sacredness of his own conscience. In his early legal practice, he urged litigants to avoid expense by making up their quarrels. If they did not, he showed them how to keep down costs—and that is really something for a lawyer. As a judge and a public official, he never accepted gifts. Once, at New Year's, however, he did take a pair of gloves to avoid hurting a lady's feelings, but only after he had emptied into her hands all the gold coins she had stuffed inside the gloves. And, after a long career of public office on the highest level, he was characterized as a worthy and incorrupt magistrate, a holy and a righteous judge.

But, amid all of these high plaudits of success, More awaited the day when he would have to pay the price for conscience and integrity. And, he was not unduly impressed with the favor of princes or his own personal importance. And, after King Henry visited his home one evening and walked arm-in-arm with him in the garden, Thomas remarked to his family, "If my head could

win him a castle in France, it would not fail to go."

It was not the castle in France which caused the break, but Henry's great matter, the disillusion of his marriage to Katherine so that he might marry Anne Boleyn. At first the king counselled with Thomas More about the great matter. He almost had to because Thomas was the highest legal officer in the land. After much study and advisement from the best authorities in the land, More decided that here was a great matter that he had to decide one of two ways—either for the king or for his own conscience. He could not satisfy both the king and his conscience: for the answer that the king wanted was not the answer that More's conscience gave him.

The king asked him pointedly where he stood soon after he became chancellor and More tells us that he fell on his knees that he would gladly give up one of his limbs if he could serve the king in that great matter with a safe conscience, but he could not. The king promised to respect his freedom of conscience; yet, as the months passed, the pressure increased. When the Pope gave a negative answer to Henry's request for divorce, Henry decided that he could ease the matter by declaring himself the supreme head of the church and the clergy in England.

And, then all of the yes-men began to fall into line. First, the universities bowed their heads disgracefully; the Parliament approved Henry's action; the final blow came when the official defenders of orthodoxy, the clergy and all the bishops save one, John Fischer of Rochester who died for his act, took the oath of allegiance and the oath for the divorce.

The following day, Thomas More resigned his office as chancellor and gave up the great seal. There was an interval during which his successor, the new chancellor, tried to convict him of treason, but so loyally and so discreetly had he conducted himself that the case failed for want of any convincing evidence. More made no public demonstration as was popular then and now, but neither would he compromise his position in any way. When the bishops presented him with a magnificent collection of $350,000 to repay him for his services to the church, he politely refused to take the money even though at that time his family was burning ferns from the garden in the fireplace because they had no money for firewood. And, when three of Henry's bishops invited him to be their guest at the coronation of Anne Boleyn, again, he politely declined.

Finally, Henry lost patience with this one layman who was a living though silent rebuke to the action of the king. He was asked to take the oath or take the consequences. Who was he to hold out against the universities, the bishops, the Parliament, and especially his dear friend and benefactor, the king? Who was he to forfeit his position, to jeopardize his family and his property, to incur the wrath of the king to the point of being hanged, drawn and quartered? All for a point of conscience. All in the name of personal integrity. Who did he think he was?

More's response to the judges was a summary of his lifelong integrity. You must understand, sir, that in things touching conscience, every true and good subject is more bound to have respect for his said conscience and to his soul than to any other thing in all the world besides. I do nobody any harm. I say no harm. I think no harm, but wish everyone well. And, if this be not enough to keep a man alive in good faith, then I long not to live.

The trial wore on. There was no question about the ultimate sentence, but somehow it had to be justified before the public, and when in desperation a key witness, one Richard Rich, perjured himself to fabricate a suspicious conversation with More, the accused replied: "My lord, if I were a man who did not regard an oath, I needed not, as it is well known in this place, at this time or in this case, to stand here as an accused person. And, if this oath of your's, Master Rich, be true then I pray that I never see God in the face which I would not say were it otherwise to win the whole world." Strong words from a strong and honest man.

During his long months of imprisonment in the Tower of London, More meditated on the passion of Christ and prayed that he would be granted the strength to bear his own passion. Henry commuted the sentence of disembowelment to beheading. More joked that he hoped such kingly kindness would not be extended to many of his other friends. It is said that as a man lives, so does he die. More died cheerfully, bravely, and with all the urbane courtesy that had characterized his life. He leaned on the lieutenant of the guard as he climbed the scaffold. "I pray you, see me safe up," he said, "as for my coming down, let me shift for myself." He embraced the embarrassed executioner, gave him a gold coin. And, he asked the ax man to spare his beard, which he put outside the block, saying that certainly his beard had committed no treason. And, his last words from the scaffold were few as the king had requested, but they rang throughout Europe and they must have thundered in Henry's ears. He asked the bystanders to pray for him in this world and he would pray for them elsewhere. He then begged them to pray earnestly for the king, that it might please God to give the king good counsel, protesting that he died the king's good servant, but God's first.

I do not pray this day that all of you will have as distinguished a career as a lawyer as did Thomas More. But, who knows? There are still laurels to be won in the world of law and diplomacy and letters and government. I do pray that each one of you may share in your personal and professional lives the deep integrity and compassion and competence that characterized the life of Thomas More. To settle for anything less would be unworthy of your calling which each one of you shares today with Thomas More. And, as you begin today your professional careers with the degrees you are now about to receive, may I give you my deepest prayer that all of you will spend your lives as lawyers hungering for justice. God bless and keep you.

THE BELGRADE CONFERENCE ON HELSINKI ACCORDS

Mr. CASE. Mr. President, even as the time approaches for the convening in Belgrade on Wednesday of the signatories to the 1975 Helsinki Accord, there have been a series of disturbing reports about violations of human rights in the Soviet Union.

The Belgrade meeting of the 35 signatory nations is a preliminary to the main session later this year. In the June meeting, the signatories to the 1975 Final Act on Security and Cooperation in Europe will work out the agenda and procedures for the followup meeting. As laid out in the Helsinki Accord, the followup meeting is to include a thorough exchange of views on the implementation of the Final Act signed in Helsinki in August 1975.

I mention this because there have been numerous indications in press reports, testimony, and statements that the Soviet Union and some of the other signatories have not fully complied with the provisions of the accords, especially those pertaining to the pledges on unification of families and other aspects of human rights.

It is, therefore, particularly important that before the conference takes up new proposals, it discusses fully the implementation to date. Already there is a growing concern about the Soviets' willingness to abide by their past agreements.

Surely, it would be a mark of minimal respect for those promises if the U.S.S.R. were to release those people who were arrested merely for monitoring Soviet compliance. The list includes: Yuri Orlov, Aleksandr Ginzburg, Anatoli Scharansky—Moscow—Mykola Rudenko, Oleksa Tykhy, Miroslav Marinovich, Mykola Matusevich—the Ukraine—Zviad Gamskhurdia, Merab Kostava.

I cite these specific cases because the arrest of these people—and especially the treason charges against Scharansky—can be taken as another sign that the Soviet Union does not want people even to try to keep track of whether it lives up to the Helsinki Accords.

The report President Carter submitted last week to the Commission Security and Cooperation in Europe, commonly known as the Helsinki Commission, noted in discussing the human rights provisions of the Basket Three of the Helsinki Accord:

> While accepting the Third Basket at the Helsinki Summit, the Soviet Union and its allies have since tried to diminish the full extent of its obligation upon them. They have advanced arguments and interpretations which seek to blunt the purpose of Basket Three through token and selective implementation of its provisions.

This can only raise serious doubts about the Soviet's intentions and attitudes in general, not only toward their own people, but toward other nations.

Therefore I am pleased that the administration is considering withholding export licenses for sophisticated computers to the Soviet Union. I hope the U.S. Government, and our allies, hold up export licenses for advanced computers and other technologies until discussions in Belgrade and other forums give us a clearer idea of Moscow's intentions.

In the specific context of the Belgrade meeting, I also urge the U.S. delegation and the delegations of the other nations to stand firm in insisting that the agenda to be worked out this month deal with the implementation of the 1975 Helsinki Accords.

The Warsaw Pact nations are expected to try to put the focus on new proposals dealing with East-West relations. They must not be allowed to sweep under the rug the matter of violations and cases affecting the lives of thousands of persons. If the Warsaw Pact nations try to do so, the West must not allow diplomatic niceties to keep them from dealing with the matter as frankly and bluntly as necessary.

Only thus can we hope to build a realistic basis for confidence and cooperation between the East and the West.

In a statement released this weekend, on the forthcoming review sessions at Belgrade, the 15 member U.S. Commission on Security and Cooperation in Europe, of which I am a member, said:

The Commission believes that the conclusions to be drawn from the review must form the basis for the participants' discussion of proposals for further implementation of the final Act. There is no advantage to be gained from arousing fresh hopes about the future without careful examination of the past.

The recent past includes the Soviet Government's efforts to make it increasingly difficult and dangerous for dissidents and would-be emigrants to maintain contacts with foreigners, especially diplomats and journalists.

This was dramatized when, on June 1, Anatoli Scharansky's mother was informed that her son was to be charged with treason.

One can easily surmise when the Soviet Government made this shocking move almost on the eve of the Belgrade conference. Scharansky's excellent command of English made him a key link between Jewish activists and Soviet dissidents and western newsmen and diplomats. If on the eve of the Belgrade conference there is such a flurry of repressive acts, what will happen when international attention slackens?

The efforts by Soviet Jews to emigrate, partly as a result of the antisemitism in the Soviet Union, has attracted considerable attention and has been one of the longest struggles in the human rights arena in the Soviet Union.

There also are other groups affected, including Soviet Germans seeking to emigrate to West Germany and the Crimean Taters who are trying to return to their historic areas in the Crimea. Severe repressions including long prison sentences have often resulted. I am indebted to the staff of the Helsinki commission, of which I am a member, for compiling the following summary.

The movement for freer emigration continues to grow, perhaps most spectacularly among Protestant fundamentalist sects, such as the Pentecostal and the Evangelical Baptists. A member of the Soviet Pentecostalist movement who finally managed to emigrate to the West, Evgeny Bressenden, in recent testimony before the Commission on Security and Cooperation in Europe, described the systematic discrimination—including denial of access to higher education—and persecutions—such as long prison terms for membership in "unregistered" church groups—to which fundamentalist Christians have long been subjected in the Soviet Union. In the face of all this, many Pentecostalists have decided that the only solution is for them to emigrate from the U.S.S.R. to any country in which they can practice their religion freely.

In order to protect the rights of Christians in the Soviet Union, a Christian committee was formed by three members of the Russian Orthodox Church—Father Gleb Yakunin, Archdeacon Varsonofi Khaibulin and Viktor Kapitanchuk—on December 27, 1976. This committee, although composed of Russian Orthodox believers, pledged itself to defend the rights of all oppressed Christians regardless of denomination and works closely with Moscow branch of the Public Group to Promote Observance of the Helsinki Accords in the Soviet Union.

Father Gleb Yakunin not only has been active in the newly formed Christian committee, but he, together with Lev Regelson, has written several open letters protesting the situation of the Russian Orthodox Church to the World Council of Churches. Such activities resulted in an attack on Yakunin, Regelson, and two other Russian Orthodox dissenters—Aleksandr Ogorodnikov and Father Dmitri Dudko—in the April 13 and 20 issues of the Literaturnaya Gazeta. Mr. Bresenden has submitted to the CSCE commission a list of 26 Pentecostalists and 72 Evangelical Baptists who, as of late 1976, were known to be imprisoned in the U.S.S.R. for offenses such as repeatedly taking their children to "unregistered" church meetings.

Another new area of activity among Soviet dissidents, is the formation of a group affiliated with the Public Group To Promote Observance of the Helsinki Accords in the U.S.S.R.—The Working Committee To Investigate Abuses of Psychiatry for Political Purposes—formed in January 1977. In the initial announcement of this committee, they point to seven cases of forcible confinement to a psychiatric hospital for political freethinking which had occurred in the previous 3 months.

On March 14, 1977, the KGB conducted an illegal night search of the apartment of one of the committee members—23-year-old Aleksandr Podrabinek—and confiscated his book manuscript, Punitive Medicine, on which he had been working for 3 years. The KGB also took all the documents for that book, including the case histories of more than 200 political prisoners who are being held in involuntary confinement for "treatment" in psychiatric hospitals in the U.S.S.R. today.

Another method which the Soviet authorities use against dissident activity is the apparent fabrication of criminal charges. At the end of May Malva Landa was tried in court. She is a 58-year-old retired geologist and founding member of the Moscow branch of the Public Group To Promote Observance of the Helsinki Accords in the U.S.S.R., and was sentenced to 2 years in exile to a remote area of the Soviet Union for arson—the authorities claim that she set fire to her own apartment on December 18, 1976. The wife and infant son of Zviad Gamsakhurdia, leader of the Georgian branch of the Public Group To Promote Observance of the Helsinki Accords in the U.S.S.R., were evicted from their house by the KGB after Gamsakhurdia's arrest on April 7. It was only several days later that they were allowed to return to their home.

INADEQUACY OF FARMERS HOME WATER AND SEWER GRANT AND LOAN PROGRAM

Mr. ABOUREZK. Mr. President, I recently received a copy of a memorandum summarizing much of the national demonstration water project's exhaustive and authoritative study of the effect of the Farmers Home Administration's water and sewer grant and loan program on rural water needs in America. NDWP has performed the study under an EPA grant.

The memo provides convincing evidence that the FmHA program is not accomplishing its goals. The program was intended to provide financial assistance for poor communities in rural areas to acquire water and sewer facilities. While many communities have benefited from the program, the poorest communities have received far from their fair share of funds. Moreover, when these poor communities do receive funds, their residents end up paying a larger percentage of their median income for the resulting projects than do residents in wealthier communities. Finally, FmHA has not even used the full amount of funds available to it—a large percentage of projects were underfunded, even by restrictive FmHA rules.

Along with Senator THURMOND and 18 other colleagues from both parties, I have introduced legislation, S. 1200, which would address these problems. It is our hope that the Senate will give its attention to this matter as soon as possible.

I ask unanimous consent that the text of the memorandum be printed in the RECORD.

There being no objection, the memo was ordered to be printed in the RECORD, as follows:

THE FmHA GRANT PROGRAM FOR WATER AND WASTE DISPOSAL FACILITIES: PROMISE AND PERFORMANCE

PURPOSE OF THE GRANT PROGRAM

The U.S. Department of Agriculture has given financial assistance in the form of loans to rural communities for the development of water and waste disposal facilities since 1937, and the program has been operated by the Farmers Home Administration since 1946. In 1965, a grant program was established by Congress to supplement the loan program, and the former was expanded by the Rural Development Act of 1972 (P.L. 92–419). Grant outlays have increased significantly since the inception of the program, from roughly $19 million in 1966 to $147 million in 1976.

The legislative histories of the relevant pieces of legislation clearly indicate that the purpose of the grant program, as seen by the Congress, was to provide assistance to financially-needy communities that could not be served through the loan program alone. Congress was concerned, the record shows, with helping rural communities realize their full economic potential, maintaining healthful living conditions in rural areas, and establishing an approximate parity of services between urban and rural areas. Water and waste disposal facilities were seen as essential means to these ends.

Since 1965, FmHA has assured Congress that grant funds would be used to build facilities at affordable costs for rural users that were not financially able to pay the entire cost of such facilities. Present FmHA regulations adopt this rationale as the purpose of the grant program:

"Grants will be used for water and waste disposal projects serving the most financially needy communities to reduce user costs to a reasonable level." (FmHA Instruction 442.13, Para. 1823.472(b).

To underline the point, this provision embodies three important rules of FmHA funding decisions: (1) the most financially needy communities are to be assisted; (2) user costs in these communities are to be reduced to a reasonable level; and (3) grant funds will be used to accomplish these goals.

There is ample evidence that the target population for the grant program is not only

large but of far greater magnitude than the program designed to serve it. Some 25 million rural residents, perhaps more, lack adequate water and waste disposal facilities now, and the number of inadequate facilities, as well as the cost of adequate facilities, is rising and will surely rise higher as new, stricter standards for water and wastewater disposal systems are enforced. The cost increases are likely to be greatest in the small, rural communities least able to absorb them, given their typical income level. The FmHA grant program was established precisely to deal with this kind of situation.

CONSTRAINTS IN THE GRANT PROGRAM

Unlike the loan program, the FmHA grant program includes a number of significant constraints. First, total annual obligations cannot exceed $300 million, a limit that is considerably out of proportion to the size of the problem. Secondly, grant funds may not cover more than fifty percent of eligible project costs. These two limitations are included in the legislation authorizing the grant program.

FmHA regulations spell out further how the grant funds are to be expended. First, grants (and loans) are allocated to states by a formula based on the size and income of the state's rural population, with a weighting of two to one, respectively. Not all funds are subject to formula, however, because some funds are reserved at the national level and funds not obligated by states during the fiscal year are returned to the national office, pooled, and reallocated. FmHA nationally carried over $63 million in fiscal year 1977, although funds were not in fact pooled until April 1977.

National regulations also established the rules for awarding grants to particular projects. However, there are no express requirements concerning the minimum amount of grant funds that should be used to meet the needs of a particular community. Instead, the scheme followed in the regulations focuses exclusively on limiting the excessive use of grant funds in particular cases. For example, "needy communities" is not defined in the regulation and "reasonable user rate" is defined as an amount not less than that prevailing in similar communities, a definition that only permits a determination that user costs are too low, not that they are too high.

In addition to the fifty-percent rule in the authorizing legislation, FmHA further limits grants by the "one-percent rule" in its regulations. No grant funds will be applied in a given project until each user assumes an annual debt service burden in his water-sewer bill equal to one percent of the community's annual median family income. Note that the one percent pertains only to debt service, not to the total user cost, which includes amounts for operation and maintenance and reserves. If the one-percent formula does not result in a reasonable user cost, FmHA may make a grant to reduce user payments to a reasonable level. Even under this exception, there is no requirement that a grant be made in these circumstances.

PROMISE VERSUS PERFORMANCE

The intent of the Congress was to assist needy rural communities in obtaining adequate and affordable water-sewer service. The FmHA grant program was established for this purpose. The key question to be answered is whether the constraints embodied in the grant program, by legislation and regulations, are consistent with the purposes of the program. That is, are the various rules governing the grant program followed and, if so, do they result in assistance to the most financially needy communities?

The question can only be answered by an examination of specific funding actions over a period of time, and this NDWP undertook to do in the most scientific manner possible. Three previous studies of FmHA funding patterns commissioned by NDWP strongly suggested that the grant program was not operating in accordance with its stated purpose. Thus a larger study was commissioned, a study of all FmHA funding actions involving grants in FY76. The data was taken directly from FmHA application forms and processed electronically. The first hurdle faced in the study was the need to "clean" the data; that is, correct errors and inconsistencies—which were legion—on the forms; some projects actually had to be discarded because the forms contained information too garbled and inexplicable to process. A total of 650 projects (488 water, 162 sewer) were subjected to analysis and the computer program was written with a view to answering the basic question posed above—whether the grant program is operating in accordance with its purpose.

The basic conclusion of the study was that it is not. Funds are not targeted on the neediest communities, rates are not reduced to reasonable levels, and grant funds are not used to the fullest extent possible in an attempt to achieve these goals. The typical project receiving FmHA grant funds in FY76 had the following characteristics:

TABLE 1.—PROFILE OF THE "AVERAGE" PROJECT

Item	Water	Sewer
Median income	$6,230	$7,595
Total users	466	361
Residential users	445	327
Total project costs	$744,958	$1,336,920
FmHA loan	$390,552	$552,330
FmHA grant	$235,862	$332,498
Average annual user cost	$140.37	$140.78
User cost as percent of median income	2.39	1.84

THE TARGETING ISSUE

FmHA's specific target population is not clearly defined. To be eligible for assistance, communities must be "rural," and that is defined (open countryside and population concentrations of up to 10,000) but the income level for eligibility is not. In practice, whether funding with loans ("lender of last resort" is the phrase commonly used by FmHA officials) or grants, FmHA rarely funds projects in communities where the annual median family inome is $10,000 or over. The most financially needy communities are presumably those with median family incomes below $5,000, since this is close to the "poverty" definition currently in use.

Study of the 650 projects receiving some grant funds in FY76 revealed that grant funds are not targeted on the neediest communities. On the contrary, only 17 percent of the projects funded were in communities with median incomes below $5,000. Figure One shows the number of projects, water and sewer, that were funded at income levels from $1,000 to $12,000 and above in increments of $1,000. Only 102 water projects (of 488 total) and 12 sewer projects (of 162 total) were in communities where the median income was below $5,000.

In addition, in the great majority of cases, the average annual median family income of projects funded in a given state was very close to the annual average median family income for the state as a whole. It should be noted that NDWP took into account the size of projects in examining the targeting issue.

Number of FmHA Funded Projects by Income Category

	Percent
650 total projects:	
114 under $5,000	17.5
536 over $5,000	82.5
488 water projects:	
102 under $5,000	21
386 over $5,000	79
162 sewer projects:	
12 under $5,000	7
150 over $5,000	93

First, the number of connections in a projection was multiplied by the median family income of the community. Then the total connections for the state was divided into the total of the communities' income. Thus it cannot be said that while the poorer communities had fewer projects funded, they actually had more connections that were assisted. The NDWP computation took this possibility into account and the basic conclusion remained the same: funds were not targeted on the most financially needy communities. Table Two lists the number of projects funded, the number of residential connections in these projects, and the weighted median incomes of the communities on a state-by-state basis. In no state was the average weighted community median income below $5,000.

THE REASONABLE RATE ISSUE

FmHA grant funds were not used to produce reasonable rates in FY76. What is "reasonable" depends upon the definition used, but the FmHA definition is not adequate for this purpose because it only establishes a minimum in reasonableness (not less than similar communities), not a maximum; the user is obviously more concerned with the latter.

TABLE 2.—MEDIAN FAMILY INCOME OF FmHA PROJECTS

State	Number of projects	Residential connections	Weighted median income
Alabama	24	13,878	$6,403
Alaska	1	262	13,276
Arizona	6	1,797	5,843
Arkansas	35	7,623	5,050
California	18	7,548	8,119
Colorado	9	2,258	8,258
Connecticut	2	281	11,668
Florida	8	7,548	7,620
Georgia	19	11,926	6,830
Hawaii	1	235	9,639
Idaho	6	849	7,769
Illinois	23	7,147	7,225
Indiana	7	3,563	8,488
Iowa	17	2,833	7,340
Kansas	7	1,25	7,305
Kentucky	18	11,014	5,706
Louisiana	20	4,068	5,135
Maine	3	1,269	7,880
Maryland	6	2,684	7,549
Massachusetts	3	2,263	9,799
Michigan	8	290	9,040
Minnesota	19	4,456	7,041
Mississippi	40	11,924	5,239
Missouri	12	2,944	6,164
Montana	5	327	7,462
Nebraksa	12	1,837	6,349
New Hampshire	1	714	8,512
New Jersey	1	1,333	8,063
New Mexico	13	8,713	7,237
New York	10	5,585	9,324
North Carolina	20	11,561	6,241
North Dakota	6	1,854	7,525
Ohio	22	20,676	8,190
Oklahoma	30	8,188	5,836
Oregon	17	5,993	8,435
Pennsylvania	11	6,024	8,897
Puerto Rico	11	7,804	1,868
South Carolina	21	10,909	5,773
South Dakota	1	1,679	5,386
Tennessee	42	21,204	5,932
Texas	42	18,686	6,146
Utah	4	783	7,009
Virginia	12	10,445	6,421
Washington	9	1,437	9,407
West Virginia	11	6,682	6,986
Wisconsin	27	3,184	7,774
Wyoming	10	714	8,503
Total	650	270,243	6,724

One obvious way to establish reasonableness is to relate user payments for water-sewer service to income level; the level of income of individuals or communities is a widely-used standard in other areas where social services are involved. Looked at from this standpoint, FmHA grants did not achieve their objective in the time period studied. Instead, average annual user payments varied inversely with the median family incomes of the communities, i.e., the poorer communities paid a higher proportion of their in-

comes for water-sewer service than the more affluent communities.

Figure Three—A, B, and C shows the number of projects—water, sewer, and total—at each level of average annual user cost as a percentage of median income and for five categories of community median incomes. Note the extreme variability in each of the levels of community income. The bulk of the water projects had average annual user costs of between 1.5 and 2.5 percent of median income. However, whereas most people in, say, the $5,000–7,000 category paid between these ranges, there were some projects in which users paid nearly 5 percent. No sewer projects and few water projects were funded in communities in the lowest income category. (Editor's note: these figures cannot be duplicated here, but are available from Senator Abourezk's office.)

However, as shown by Figure Three within each income segment in which a ratio of user payments to income was established, there were significant numbers of projects that went above and below the average. It is not reasonable that one community with a $4,000 annual media family income pays a significantly larger portion of its income for water-sewer service than another community whose income is the same. It can not only be concluded that poorer communities were under-assisted in the matter of rates but also that there seems to be considerable arbitrariness in the way grant funds and rates are related to each other.

THE UNDERFUNDING ISSUE

If FmHA awarded grants to applicant communities to the fullest extent possible under law and regulation, the debt service portion of the user's water-sewer bill would not be over one-percent of community annual family median income, his rates would be roughly the same as those in similar communities, and as much in grant funds as necessary, up to fifty percent of eligible project costs, would be applied to bring about the first two ends. Such a grant could be called the "optimum" grant in the sense that it would be the most that FmHA could provide under existing regulations.

The NDWP study indicated clearly that FmHA fell far short of the optimum grant mark in FY76. Of the 650 projects examined, 429, or 66 percent of the total, were "underfunded," i.e., they did not receive the optimum. They fell short either under the fifty-percent, one-percent, or similar community rules—or a combination of these. And the study used the most conservative definition for underfunding; where there was underfunding on more than one count, the figure representing the smallest amount of underfunding was used. With this conservative measure, the 429 projects were underfunded to the tune of $28 million dollars; the figure would have been much higher otherwise. (See Table Three for state-by-state breakdown.)

TABLE 3.—FmHA UNDERFUNDING, 1976

	Total Number of projects	Number of underfunded projects	Total amount underfunded
Alabama	24	22	$838,632
Alaska	1	0	0
Arizona	6	3	168,300
Arkansas	35	33	992,358
California	18	9	1,132,428
Colorado	9	7	246,920
Connecticut	2	2	43,500
Florida	8	5	465,000
Georgia	19	9	103,960
Hawaii	1	0	0
Idaho	6	0	0
Illinois	23	18	1,124,900
Indiana	7	3	69,663
Iowa	17	7	50,687
Kansas	7	6	259,626
Kentucky	18	14	653,065
Louisiana	20	13	70,805
Maine	3	2	237,774
Maryland	6	2	84,417
Massachusetts	3	0	0
Michigan	8	2	$548,304
Minnesota	19	16	1,869,769
Mississippi	40	36	1,811,223
Missouri	12	5	78,450
Montana	5	4	54,751
Nebraska	12	11	1,093,496
New Hampshire	1	0	0
New Jersey	1	1	90,150
New Mexico	13	3	15,500
New York	10	6	997,030
North Carolina	20	8	920,377
North Dakota	6	5	797,751
Ohio	22	13	1,017,509
Oklahoma	30	15	712,490
Oregon	17	11	696,133
Pennsylvania	11	11	1,833,490
Puerto Rico	11	0	0
South Carolina	21	14	809,601
South Dakota	1	1	479,229
Tennessee	42	34	1,898,609
Texas	42	27	1,367,991
Utah	4	2	1,550
Virginia	12	6	1,269,819
Washington	9	8	454,802
West Virginia	11	9	1,138,372
Wisconsin	27	24	1,897,928
Wyoming	10	2	2,005
Total	650	429	28,398,365

The underfunding was not due to a lack of grant funds. Nationally, over $60 million in grant funds were carried into FY77 from FY76 and the three-month transition quarter. Some of the states that failed to obligate a significant portion of their grant funds during the fiscal year are among the neediest states in terms of water-sewer facilities (Mississippi, for example). Some states did use all their grant funds, but since additional funds could have been sought under the reallocation procedure used by the agency, this is no real explanation for underfunding. In Arkansas, for example, FmHA obligated all the grant funds allocated to it for FY76 and the transition quarter but did not receive subsequent allocations. The agency funded 35 projects in the state during the period and 33 of them were underfunded. (See Table Four for state-by-state breakdown on underobligation.)

THE NEED FOR CHANGE

The FmHA grant program, the study indicates, is not achieving the purpose for which it was intended. Funds are not targeted on poorer communities, rules are not kept reasonable, and project after project is underfunded. If Congressional purpose is to be honored, there is a need for change in agency practices.

First, the agency's record-keeping and reporting procedures should be improved. The agency does not study its operations from the vantage point of purpose versus performance; it does not assess its success or lack thereof. And those who attempt to do so must contend with a maze of restrictive practices and poorly-prepared documents that frustrate even the most determined researchers. More staff would probably help, but it should be more in terms of quality as well as quantity.

TABLE 4.—GRANT FUNDS NOT OBLIGATED IN FISCAL YEAR 1976 (INCLUDING THE TRANSITION QUARTER)

State	Allocations	Obligations	State balance
Alabama	$8,538,000	$4,795,100	$3,742,900
Arizona	1,891,000	1,096,400	794,600
Arkansas	6,383,800	6,383,800	
California	7,564,000	7,344,000	220,000
Nevada	194,000		194,000
Hawaii	1,502,000	1,400,000	102,000
Guam			
Colorado	2,904,500	2,904,500	
Delaware	555,000		555,000
New Jersey	3,363,000	2,875,000	488,000
Maryland	2,837,000	2,440,100	396,900
Florida	6,893,000	4,783,000	2,110,000
Georgia	9,460,000	8,790,000	670,000
Idaho	$2,403,600	$1,908,400	$495,200
Illinois	7,322,000	6,863,000	459,000
Indiana	7,083,000	3,878,300	3,204,700
Iowa	5,132,000	4,996,200	135,800
Kansas	3,912,400	3,883,400	29,000
Kentucky	8,641,000	8,217,500	423,500
Louisiana	7,587,000	4,325,000	3,262,000
Maine	2,911,000	2,911,000	
Michigan	9,158,000	9,152,600	5,400
Minnesota	6,600,000	6,410,000	190,000
Mississippi	7,919,000	4,845,300	3,073,700
Missouri	6,979,400	6,967,300	12,100
Montana	1,581,000	536,900	1,044,100
Nebraska	2,785,000	2,468,400	316,600
New Mexico	2,017,000	1,745,000	272,000
New York	8,842,000	8,352,660	489,340
North Carolina	16,399,400	16,399,400	
North Dakota	2,972,000	2,869,000	103,000
Ohio	9,896,000	8,668,500	1,227,500
Oklahoma	5,750,100	5,350,100	400,000
Oregon	3,732,200	3,732,200	
Alaska	579,000	100,000	479,000
Pennsylvania	13,466,000	8,078,400	5,387,600
Puerto Rico	10,154,000	3,267,000	6,887,000
Virgin Islands	218,000		218,000
South Carolina	7,610,000	5,382,500	2,227,500
South Dakota	2,416,500	2,332,000	84,500
Tennessee	8,997,000	5,833,000	3,164,000
Texas	12,566,000	10,855,800	1,710,200
Utah	1,146,000	966,000	180,000
Vermont	1,272,000		1,272,000
Connecticut	1,707,000	222,000	1,485,000
Massachusetts	3,072,000	1,340,000	1,732,000
New Hampshire	1,117,000	250,000	867,000
Rhode Island	401,000		401,000
Virginia	8,672,600	8,618,400	54,200
Washington	3,249,000	2,410,800	838,200
West Virginia	5,744,000	5,744,000	
Wisconsin	9,817,000	9,817,000	
Wyoming	1,269,400	1,269,400	
Total	275,181,900	223,778,360	51,403,540
National reserve balance			12,318,900
Total unobligated money			63,822,440

Secondly, new rules are needed. With the present $300 million per year and fifty-percent per project limitations, FmHA cannot solve the rural water-sewer problem in anything approaching a reasonable amount of time. And the one-percent and similar community rules fence needy communities off from grants rather than targeting grants in their direction.

Thirdly, whatever rules are established, they should be strictly adhered to and not interpreted with a view to minimizing the use of grant funds but of maximizing their use. Only in this way can the performance of FmHA with regard to its grant program match the promise of the Rural Development Act.

WHERE ARE THE PRESIDENT, THE SECRETARY OF STATE, AND AMBASSADOR YOUNG WHEN HUMAN RIGHTS NEED THEM?

Mr. HATCH. Mr. President, how do we stand for human rights when mass exterminations are underway in Cambodia and we remain silent? We abet our own demise when we acquiesce in the use of human rights as a weapon against non-Communist governments. To remain silent means that we condone the mass murder and brutal atrocities that the Communists have brought to Cambodia. Why are we so exercised about Chile and so silent about Cambodia?

Is it because those who so shrilly displayed their moral conscience over American involvement in Vietnam, Laos, and Cambodia have been proved so wrong that they are embarrassed even to mention Indochina? The Wall Street Journal in its editorial about the harvest in Vietnam, concludes, optimistically, that perhaps in the future we can be

spared our peculiar kind of blindness about Communist repression. I wish it were so, but until I hear an official condemnation of the Cambodian horror, I will know it is not so.

The Washington Star reports that the Cambodian Communist leader, Khieu Samphan, "like so many revolutionaries around the world, learned his Marxism in the West. A thesis he wrote when he was a student at the Sorbonne stressed social purification at any cost." No doubt he made an A. And no wonder there is so little protest over applications of the Communist doctrine of violence when it is learned in the West's classrooms and lecture halls. As so many of our intellectuals have often said, "You can not make an omelet without breaking eggs."

As the Washington Star points out:

The cost in broken eggs for this particular omelet of idealism has been variously estimated. Time magazine says a tenth of the Cambodian population has been executed or has died of starvation and disease. Other guesses at the number of casualties range from 200,000 to two million. On-the-spot executions and beatings make prisons unnecessary.

One reason for widespread death due to disease, the Star reports, is that "anyone trained as a doctor is regarded as a class enemy."

Marxism teaches that there is no such thing as good will among men; there are only class interests, and violence is what mediates between differing interests. "Social purification" at the expense of executing a tenth of the population and shooting medical doctors as class enemies are consistent with the Marxist doctrine that violence is the only effective force in history.

The question is whether our starry-eyed foreign policy of building a new world order in tandem with the Communists is consistent with the Communist view of the role of violence. How are we idealistic when we accommodate mass murderers?

I ask unanimous consent to have printed in the RECORD articles about the situation in Cambodia from the Washington Star and Human Events and an editorial about Vietnam from the Wall Street Journal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WITHHOLD AID FROM CAMBODIA

[From the Washington Star, May 14, 1977]

The consensus is that Cambodian Communism is the most extreme in Asia. Even so disinterested an observer as the Swedish ambassador to Peking, Kaj Bjork, has pronounced it more revolutionary than the People's Republic of China.

What the ambassador is talking about is a Communism in which all private ownership has been abolished. No money, no wages, no private property. Food via rations and barter.

The leadership of the new Cambodia is a little shadowy, but the presumptive head of the government is Khieu Samphan, and such policies fit with what is known of his ideas. Like so many revolutionaries around the world, this man learned his Marxism in the West. A thesis he wrote when he was a student at the Sorbonne stressed social purification at any cost.

What he meant by purification has been translated into action not only in executions of known opponents of the regime but in measures to destroy an 'educated bourgeoisie' which turns out to include anybody with as much as a 5th grade education. One would have to go back to the liquidation of the kulaks in the Soviet Union of the 1920s for anything comparable.

The cost in broken eggs for this particular omelet of idealism has been variously estimated. Time magazine says a tenth of the Cambodian population has been executed or has died of starvation and disease. Other guesses at the number of casualties range from 200,000 to two million. On-the-spot executions and beatings make prisons unnecessary.

However, Cambodian Communism departs from the Soviet model in that it does not favor industrial workers over peasants. There has, in fact, been an anti-urban trend to government policy. The moving of people to work in the rice fields has been such that the population of Phnom Penh, which was 2.5 million a few years ago, is now no more than 200,000.

In spite of forced labor on the farms, the food supply is lower now than while the country was at war. Two meals of rice gruel a day are the average diet, except for party leaders who have access to meat and vegetables. There is little of the fish which was once important in the national food supply; the use of fishing boats is restricted because they have been used for escapes from the country.

As might be expected, the limited diet contributes to widespread health problems. Malaria, cholera and dysentery have been particularly hard to control because anyone trained as a doctor is regarded as a class enemy.

Cambodia, with its more sweeping approach to executions, is believed to have fewer of its citizens in reeducation camps than Vietnam, where the estimated numbers range between 200,000 and 500,000. Where Cambodians are being reeducated, though, the themes are the same: work and patriotism.

In the exercise of social discipline, Cambodia does not seem to have adopted the Laotian system of 'older and younger brothers' who come in unannounced to check on what people are thinking and doing. Rather, there is more the style of control used by the Chinese during the Cultural Revolution. Very young people with machine guns are said to roam both city streets and countryside, questioning and penalizing any who seem out of line with national objectives.

There is a certain instability in the regime, as with any new revolutionary government. But Cambodia, like its neighbors, has on its long-range agenda, the hope of help from outside. With money and technology from the West, the Phnom Penh government should be able to imbue its brand of Communism with the staying power of the Soviet Union's. And there is, after all, that 'incursion' for the United States to atone for.

What's the message? That if a humane Communism is possible, Southeast Asia is not the place to look for it. And if we are sincere in our concern for human rights, we should hold on to our checkbooks when we are asked to help consolidate its power.

[From Human Events, May 21, 1977]

WHY WON'T ADMINISTRATION SPEAK OUT ON CAMBODIA?

It has received scant attention in the press, but *Reader's Digest* Senior Editor John Barron, interviewed this week in Human Events (see page 10), recently testified on the Cambodian situation before the human rights subcommittee of the House International Relations Committee.

Barron's statement disclosed in gruesome detail how the Khmer Rouge, Cambodia's new ruling class, forced hundreds of thousands of people to their deaths when they marched millions of people from the cities to the countryside immediately following the defeat of the Lon Nol regime.

Appended to Barron's own testimony before the subcommittee, headed by Rep. Donald Fraser (D.-Minn.), was a recent letter to Barron by Anthony Paul, a roving editor for the *Digest* who coauthored *Murder of a Gentle Land* with Barron.

Paul's letter, dated March 28 of this year, said he had just returned from a 1,200 kilometer swing through Thailand's camps for Cambodia refugees—at Aranyaprathet, Trad, Kamput and Laem Sing. "I had expected some evidence of slackening of terror in Cambodia," he wrote. "It's true that fewer refugees are escaping from that country into Thailand—the present rate about 100 a month—but the stories they bring suggest the killings have not yet stopped.

"Daily, acts of unspeakable barbarism continue to be perpetrated in the name of this once-gentle country's Communist revolution. As Ian Ward of the London *Daily Telegraph* recently put it, after a tour of the same camps, 'At least two million Cambodians have probably perished by now, in the most gruesome display of man's inhumanity to man since World War Two.'"

Paul tells of Mam Hom, a 27-year-old philosophy student whose studies at a Phnom Penh pre-university school were interrupted by the city's fall to Communist forces in April 1975. He was taken north by train to Preah Neth Preah, near Sisophon town, in late May or early June 1975. At the time he arrived, he remembers seeing perhaps a hundred bodies in the fields around Preah Neth Preah village.

There was no rule of law, Mam told Paul. The slightest form of irregular behavior was punished with summary execution, which, says Paul, "often took especially brutal forms."

In January of this year, for instance, a girl of about 20 years was caught reading an English language textbook. Khmer soldiers seized her, tied her arms behind her back and led her away.

Two days later, while walking along a jungle trail about a kilometer from the village, Mam spied the girl about 15 feet away. She had been buried up to the neck. "She was still alive—her head and mouth were moving," said Paul, "but no words came. Afraid of suffering a similar fate if he helped her, Mam hurried past. Other villagers said that the girl had later died."

Judging from his recent studies, said Paul, "our earlier estimates of the death toll in Cambodia since April 1975 are underestimated—indeed, grossly underestimated."

When Barron appeared before the Fraser subcommittee, he said: "In our judgment a tragedy of terrible proportions has befallen and continues to afflict the people of that land [Cambodia]. And I fear that so long as democratic legislatures throughout the world remain silent about their plight, most are condemned to suffer in inhumane conditions bereft of elementary human rights."

Rep. Stephen Solarz (D.-N.Y.), an anti-war liberal, was appalled by the testimony of Barron and others, some of whom, such as Gareth Porter, actually defended the butchery. "This is one of the most monstrous crimes of the century," said Solarz. "I would compare it to Hitler's killing of 6 million Jews. Just think . . . if the Soviets systematically exterminated three million Jews . . . would the rest of the world be silent? . . .

"I have talked with many of our Foreign Service people. One in Bangkok who has monitored the Cambodian situation since the takeover—his judgment is that the allegations are absolutely correct. . . . The question is, what can we do about it? We have to bring this criminal regime to its senses."

Despite the rising recognition of what is going on, the Carter Administration—an Administration so concerned with human

rights, it is said—has not uttered a single, official word of protest in condemnation of the horror that is now being visited upon the Cambodian people. Where is President Carter when his voice is really needed? Where is Secretary Vance?

HARVEST IN VIETNAM

During the last months of Lyndon Johnson's presidency, when our national debate over the Vietnam war had entered its ugliest phase, Mr. Johnson sometimes used to defend his policies by warning about the Communist tyranny that would descend on South Vietnam if we withdrew our war efforts. His opponents would reply that his picture of Communism was a paranoid fiction, that the harsh conditions of North Vietnam were hardly likely to be replicated in the south, or that it was hard to imagine anything worse than the repressive South Vietnamese regime that the Americans were already supporting.

For better or for worse, history has given us the opportunity to judge the debate; and in recent months even some of the most vocal antiwar protestors of a decade ago have shown signs of now knowing that Mr. Johnson's prediction was not so paranoid after all.

A few weeks ago The New York Review of Books reprinted without editorial comment an interview given to the French newspaper L'Express by Andre Gelin, a priest expelled from Vietnam by the new regime after he had lived and worked there for 28 years. Father Gelin told in some detail how the South Vietnamese revolutionaries had been displaced by rulers from the North. He described a regime without even the remnants of shame about its complete lack of political liberties. He recounted massive violations of human rights—imprisonments, forcible deportations, executions, forced migrations and their attendant deaths. And he described an economy in ruins, with the South Vietnamese reduced to physical misery.

It was remarkable that such a document should appear in the New York Review, a journal that had printed some of the most violent of the opposition to the American anti-Communist effort in Vietnam. But the latest issue of Worldview Magazine makes clear that this article was only one sign of the distress in the old antiwar movement.

Worldview gives us another description of life in postwar South Vietnam—this one by Theodore Jacquency, who quit the State Department in protest over continuing American support of Nguyen Van Thieu. Mr. Jacqueney describes the conditions in South Vietnam's "re-education" camps for the politically retrograde and dangerous.

The camps house some 300,000 souls, at a widely accepted minimum estimate, and their guests include many of the prominent opponents of the Thieu regime. By now, reports are numerous and reliable enough for one to conclude that conditions in many of the camps are nothing less than disgusting, and that those who run them must be called despicable.

We also learn from an article by James Finn in this same issue of Worldview that such reports have come to disturb more and more of those who protested our involvement in Vietnam. Mr. Finn says that antiwar concern over human rights violations by the Communists began to show effect about six months ago, when several antiwar activists started writing private letters to the Vietnamese observer to the UN to ask for an accounting of all the stories of arrests and detentions. There were no answers. Finally the activists made their request public in a petition signed by a collection of antiwar luminaries, including Joan Baez, Daniel Ellsberg and Staughton Lynd.

The petition was no denunciation of the new regime; it was merely a request for an inquiry. And the Vietnamese, needless to say, did not make a cooperative response. But this public act was enough to touch off a controversy among doves that is still growing. On one side, some from the antiwar movement—Richard Falk, Cora Weiss—replied that the present suffering of the Vietnamese people should be laid at the doorstep of America and its war. On the other, movement participants have produced more news of atrocities and more protest against them.

The present awakening is not without its interest to those of us who watched antiwar protest grow during the 1960s. One sees, first of all, that many of its leaders were well-meaning men and women who are now willing to voice their doubts about the new regime despite a certain embarrassment to some of their past political declarations.

But one sees even more clearly that the embarrassment—and more—is richly deserved. These atrocities in the new Vietnam are not universally surprising accidents of history; these were things that were predicted and could have been known. Our experience of the postwar years has quite clearly been that Communist regimes practice repression on a larger, more irreversible and thus more monstrous scale than that of less ideologically inspired tyrants; one could not have trusted this experience and at the same time reviled America and American motives in Vietnam as the antiwar movement came to do. Perhaps next time around in our debates about foreign policy, we can be spared this particular kind of blindness about the nature of the world we have to deal with.

NICHOLAS CARBONE WORKS TO ACHIEVE PROGRESS IN HARTFORD

Mr. RIBICOFF. Mr. President, for Senator WENDELL R. ANDERSON of Minnesota and myself, I wish to call attention to an article from the Minneapolis Sunday Tribune of June 5, 1977.

The article, by Neal R. Peirce, describes the very fine work Nicholas Carbone is doing as a political leader in Hartford, Conn., where he is serving as majority leader of the city council.

Both Senator ANDERSON and I commend Nick Carbone for his effective and responsible efforts to bring about constructive change in the city of Hartford.

Mr. President, I ask unanimous consent that the article about Mr. Carbone from the June 5 Minneapolis Sunday Tribune be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Sunday Tribune, June 5, 1977]

GOALS OF A POWERFUL URBAN POLITICIAN

(By Neal R. Peirce)

HARTFORD, CONN.—When Connecticut and former National Democratic Chairman John M. Bailey died two years ago, Sen. Abraham Ribicoff said: "There will never be the likes of him again. John Bailey was an original. He was a political genius."

Ribicoff may have spoken too quickly. Another politician has emerged from the Hartford wards who may well prove to be Bailey's equal. Indeed, he may be setting a model for effective urban politicians across America.

His name is Nicholas R. Carbone. A tough, aggressive political operator, he had already taken control of Hartford from Bailey in the old master's declining years. Nick Carbone's only title is majority leader of the Hartford City Council. But everyone agrees that he runs the city, totally eclipsing a figurehead mayor. He controls the local Democratic Party, his candidates occupy all council seats and he enjoys strong political ties that reach to the White House. At 40, he's emerged as America's most powerful city councilman.

But, as bosses go, there's a profound difference between Bailey and Carbone. Bailey savored political power for its own sake, and used it honorably. Carbone likes power, too, but what matters, he says, "is the ends to which it's used."

Carbone's ends are clear: to fight for the survival of beleaguered Hartford and its heavy population of poor white ethnics, blacks and Puerto Ricans. Hartford is a famed insurance, banking and government center, the capital of one of America's wealthiest states. But the city bears 43 percent of Connecticut's welfare case load. Poverty levels are extraordinarily high. Unemployment is estimated as high as 23 percent.

Richard Nathan of the Brookings Institution found the economic disparity between Hartford and its suburbs—measured in unemployment, poverty, education and housing overcrowding—third worst in the nation, behind only Newark and Cleveland.

The stakes for Hartford, Carbone concluded in the early '70s, were nothing less than the fiscal survival of the city. "So we had a vow, which then became a policy of local government—advocacy on behalf of the have-nots."

The result was a string of court suits brought by Carbone and his city council colleagues. The first suit blocked seven Hartford suburbs from receiving $4.4 million in federal community development block grant funds. Congress, the city argued, had required that the money be used for the benefit of low- and moderate-income families.

But the Department of Housing and Urban Development was letting the suburbs earmark their grants for roads, sewers and parks and ignore the pressing regional need for low-income housing. Hartford housed more than 90 percent of the region's poor people, the city contended. Manufacturing jobs and retail stores were fleeing to the suburbs. Said Carbone: "They were taking the profitable tax-paying businesses, but not the housing for low-income workers. Through zoning, they had closed the door." Lower federal courts upheld the city's position, arousing angry protest in suburbs whose grants were cut off.

To get more jobs for its people, Hartford also filed a complaint to force 14 suburban towns accepting federal money to follow the city's lead in adopting affirmative-action plans for vendors, construction contractors and internal hiring.

Discovering an electricity rate structure that discriminated against the poor and gave big discounts to suburban all-electric homes, Carbone's council began numerous court suits. In one negotiated settlement, the utility agreed to rebates of $5.8 million to cities and residential consumers.

Upset by its immense revenue loss from tax-exempt properties—government offices, universities and charitable institutions represent 35 percent of the property value of the city, but only 17 percent in the suburbs—Hartford has brought a court case to declare the state's tax-exempt law unconstitutional. Carbone argues so much property is tax-exempt that city property owners have to pay confiscatory taxes, triggering broad-scale property abandonment.

Transportation, Carbone says, is "critical to the city's survival" because 48 percent of Hartford residents have no cars. Present bus service brings suburban commuters into the city, but provides scarcely any service for city workers trying to get to expanding job opportunities in the suburbs. Noting that suburbanites have 60 percent of the jobs in the city while Hartford residents have only 19 percent of the jobs in suburbia, he

is fighting for new bus lines from inner-city neighborhoods to suburban factories.

Connecticut state government, Carbone says, is responsible for a high share of the city's ills because it forces heavy reliance on a property tax that hits poor people the hardest, while providing parsimonious aid to the city.

"I'm using my skills as a politician—just as I'd build a constituency to get elected to office—to build a constituency for changing the Legislature," Carbone says.

Keystones of that effort are a lobby of Hartford residents before the Legislature, a big-city "coalition for municipal aid" in the Legislature, a statewide "have-nots" conference to push for increased welfare benefits, a coalition of municipal unions to fight for city interests and, amazingly enough, persuading suburban mayors and state legislators to help the city on some issues.

The dividends are already evident in the passage of numerous bills favorable to the city. Hartford itself acts as employment agency for the jobless, and under Carbone's leadership it built a civic center that has rejuvenated the downtown—including restaurants and night life—with many new jobs for residents. In addition, Carbone negotiates hard with municipal unions, instituted a residency law for new city workers and is seeking to reform an encrusted civil-service system he feels causes callous treatment of the city's underprivileged.

From court suits to lobbying to economic revival steps within the city, Carbone says it all adds up to this: "Our people can't really be part of the democratic process unless they're treated with respect, unless they have income, unless they have a job."

PRESIDENT CARTER'S ENERGY PROPOSALS

Mr. HATCH. Mr. President, many things can be said about President Carter's energy proposals. But the most important question to be examined is the fact that the so-called energy crisis is being used to greatly expand the Federal Government's revenues and powers. Here is a scheme that could take $70 to $90 billion out of the American economy. Supposedly these taxes would be returned to the American people in a way that has not been made clear. We have just witnessed the Carter administration reverse its position on the much-ballyhooed $50 per person tax rebate.

It is very likely that the President, at some point after imposition of the new energy taxes, will come up with a rationale for dropping all or part of the rebate proposals.

Dr. Schlesinger has indicated that after several years this might indeed be a possibility. President Carter is coming under increasing attack from the Americans for Democratic Action and other left-wing elements of the Democratic party to increase spending on social welfare programs such as national health insurance.

It is not possible to finance these programs through the regular budget process because the deficit for the fiscal year 1978 budget is $63 billion, on top of a $70 plus billion deficit for fiscal year 1977.

What better way for the administration to raise its revenue for new spending programs—and still keep the pledge to balance the budget by 1980 than taxes levied in the name of conserving energy—the "moral equivalent of war"? President Carter's energy program is really a program for the largest tax increase in American history.

But there is another aspect to the President's plan. The creation of the Department of Energy will consolidate a number of existing agencies and programs, centralizing power that is now dispersed, and warehousing thousands of Federal bureaucrats under one roof. As was the case in so much of the President's reorganization schemes in Georgia State government, he will reduce the number of agencies without reducing the number of employees or the amount of total spending.

What the new Department of Energy will do is increase the likelihood of Government domination of the energy field by increasing the efficiency and the frequency with which Government intervenes in our economy and our private lives. I believe that the Department of Energy could be the engine for backdoor nationalization of the energy industries.

Our people are currently very suspicious of the domination of the energy industry by a dozen or so giant companies. But if you think that is bad, consider what the situation would be like if energy were controlled by just one entity, the Federal Government?

The largest source of monopoly power does not come from giant labor unions or companies in the private sector. The market system puts real pressure on these entities to lower costs, improve productivity, and reduce or hold down price increases, if only to meet the pressure from foreign imports. But the Federal Government has no competition and no pressure to hold down costs or improve the quality of its services. Look at the Post Office, the Department of Defense, EPA, the Department of Health, Education, and Welfare. These giant Federal bureaucracies are the real monopolies in America today. Can you imagine the Department of Energy acting in any other way?

A bureaucracy measures its success by the increasing size of its budget, the number of its employees, the scope of its power. It has a positive incentive to overdramatize the extent and severity of the problems with which it deals in order to convince the public and the Congress to increase its size, budget, and powers.

That is why we should view with great skepticism the President's claim that the reserves of oil and gas are much less than previously estimated. The alarming tone of the recent CIA study—conveniently released to coincide with the President's message—flies in the face of the recent U.N. conference of energy experts from all over the world that suggests the world has a large enough supply of oil and gas to last 100 years.

It is remarkable that the President uses the most pessimistic estimates of oil and gas available, and does virtually nothing to increase supplies. Instead his plan maintains and expands the existing counterproductive, wasteful scheme of price controls.

Actually the amount of oil left in so-called exhausted or old oil wells is 50 percent to 70 percent; and the technology to recover the bulk of that oil exists, but not at the unrealistically low price at which oil is currently controlled. And the task of discovering new supplies of oil and gas rests not with the giants like Exxon and Mobil, but with independent producers who drill 87 percent of all new wells each year. Yet our regulatory and taxing policies have made it increasingly difficult for these independents to attract the capital to finance their exploratory activities.

The ways in which President Carter claims to want increased production—from coal and light water reactors fueled by uranium—his policies in other areas make it virtually impossible to achieve the increased production he calls for. There is a bitter joke around Washington about coal—the only trouble with coal is that you cannot mine it and you cannot burn it.

The new strip mining legislation and the new Clean Air Act amendments backed by President Carter will make it virtually impossible to increase coal production or to burn it in powerplants and industrial boilers if it is mined.

As for his policies on nuclear energy, he concedes they are not likely to achieve the goal of curbing nuclear proliferation. By terminating our breeder reactor and fuel reprocessing programs, we have increased the likelihood of each individual nation developing its own programs in this area. Other nations have their own programs and they must develop the breeder in order to end their dependence on foreign sources of energy. The only chance to prevent plutonium from being diverted to nuclear weapons is for the United States to take the lead in establishing a few closely controlled, internationally supervised nuclear reprocessing facilities. Otherwise each country will continue to develop its own.

President Carter forecasts plentiful and reasonably priced supplies of uranium, relying on the most optimistic estimates of uranium supplies available. The reality is that uranium has escalated in price even more rapidly than oil and that Federal environmental and land management policies make it increasingly difficult to mine the stuff.

The only hope for adequate supplies of nuclear energy and reasonable safeguards in controlling the use of uranium and plutonium is in continued U.S. development of the breeder and reprocessing of nuclear fuels. Otherwise we will face critical energy shortages at home and declining influence among the countries of the world that must develop the breeder reactor and must look to themselves for enriched and reprocessed nuclear fuels.

SOLAR ENERGY

Mr. ABOUREZK. Mr. President, the Congress was an early and serious believer in the value of solar energy. We passed the Solar Heating and Cooling Demonstration Act in 1974, established and funded ERDA, and gave the Agency the responsibility of fostering the spread of solar energy. We understood that the processes for using solar energy to heat homes and hot water were ready, and that solar cooling technology and electrification required more work. Many of us

expected to see solar heating equipment become available on a wide scale, where it would begin to offset the high cost of fuels for average families, and free them from complete dependence on their electric utilities.

The results so far are not at all what Congress intended or expected. Three years later, we are still struggling to get solar heat and hot water into the marketplace. Solar heat seems to have moved farther out of reach of the average consumer. As Congressman MAX BAUMAN pointed out in the CONGRESSIONAL RECORD of June 1, ERDA and HUD have supported fewer demonstrations of high priced products over tests of cheaper systems of equal efficiency. The solar program has emphasized high-technology-big-corporate expensive systems. And the data from Federal demonstration programs reflects this bias—solar heating seems to be less and less economical.

The "chilling effect" of this approach is clear. Solar use is slowed up, or confined to the wealthy, or becomes the province of big entities who offer you the benefit of solar energy on a lifetime payment plan.

I recently received a letter from an individual who has been building and selling solar heating equipment since 1974, despite the policy of the Government with its tilt toward big money and big business. The letter shows what the ERDA approach does to the very people we intended to assist.

Piper Hydro sold its solar system to an apartment project which planned to use natural gas as a back-up. The local gas utility then classified the apartment complex as a nonresidential "interruptible" customer. That means that the gas supply could be turned off at any moment so the contractor may be forced to abandon an economical, energy efficient system because of this procedure.

Second, the same gas utility is asking that the costs of its own investment in solar research be incorporated into its rates and collected from its customers.

I found Mr. Piper's comments instructive, and I ask unanimous consent that his letter, along with testimony delivered before the California Public Utilities Commission, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PIPER HYDRO INC.,
May 26, 1977.

Senator JAMES ABOUREZK,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR ABOUREZK: As you are aware, I participated in the Hearings on Energy Research and Development (Solar) and small business held by the Select Committee on Small Business of the Senate. Subsequent to that time I have maintained a dialogue with Ray Watts and forwarded much information to him for use by the Committee.

Currently, our system is being installed in Ventura del Sol, a 254 unit apartment project in Ventura, California. The add-on cost above the cost of a conventional system is ZERO. The first cost of our system with solar is no more than a conventional system without it. Incidentally, we are told that this is the biggest solar project constructed to date, and utilizes no government money.

We have now in place some 400 space heating/domestic hot water Solar Systems. They are in 15 states, Canada, Mexico, Switzerland, and Iran. To the construction cost of a single family home, they add between $1,500 to $3,000.00. In multifamily they add nothing. In commercial, sometimes they are lower cost.

As for our government doing something about solar, it appears to us they are going to try and hang a meter on the sun and let the utilities sell the energy.

We are afraid of E.R.D.A., and H.U.D., and O.M.B., and the Seven Sisters. Not necessarily in that order. We view them as one, because they act as one. They certainly do not have the interest of the public at heart.

I suggest if you doubt the seriousness of what I say, you obtain the latest hearing transcript from the California Public Utilities Commission on the rate case before it for Southern California Gas Company's operation "Sunflower". Note the testimony about the seven Gas Companies and G.E. doing the market studies on "selling solar energy", not Solar Systems.

The problem in the solar area is the monopoly of the Seven Sisters and the political influence they can bring to bear countering any positive solar program.

Lots of luck with the tax incentives. I expect them to find the same fate as in the last Congress.

I hope this letter is of some help to you, and if there is anything else I can do for you please call.

Very Truly yours,

JAMES R. PIPER,
President.

TESTIMONY BEFORE CALIFORNIA PUBLIC UTILITIES COMMISSION—CASE 10150 ERCDC 76–R. & D.–1

Recently I had occasion to visit Iran and install some solar systems for the government there. I found myself sitting atop one of the largest reservoirs of oil and natural gas in the world, contemplating the installation of solar systems with American technology which had been essentially rejected and demanded by the American Government. The systems were being purchased by Iranians with dollars spent by Americans for Iranian oil. The irony of the situation was overwhelming.

My name is Jim Piper and I represent Piper Hydro Inc., a small business in Anaheim, California. We produce and sell an energy conserving low temperature hydronic system, with, and without solar input.

With solar there are over 300 separate installations of our patented system in operation in 15 States, Canada, Mexico, Switzerland, and Iran.

Ventura Del Sol, a 254 unit, 5½ million dollar project in Ventura, California is currently under construction with our system. We believe it to be the largest solar space and water heating system yet installed in the world. The developer, Spriggs and Co., will tell you that the cost of the Piper Hydro Solar System in this project, is exactly the same as a conventional system would have been without solar.

To be specific, the phantom "high cost" of solar that so many "experts" quote as the barrier to its widespread utilization does not exist on this project. Not at all!

If you investigate, you will find that Mr. Spriggs had other barriers to the use of solar energy on this project, but high cost was not one of them.

In fact, the myth of high cost is one perpetuated by a combination of the Federal Government and the conventional energy industry. And I am not the only one with this belief. I quote from the hearings before the Select Committee on Small Business of the United States Senate, appendixes 2–A, solar energy:

"In 1975 ERDA ignored the Solar Demonstration Act authorized by Congress and handed out millions to huge conglomerates. 15 of these corporations, which are benefiting directly from prime contracts, are interlocked over and over again with big oil, big electric power, and the biggest banks and insurance companies in the world. Included are Standard Oil of California, Gulf, Royal Dutch Shell, Texaco, Continental, Atlantic Richfield, and Getty. And for the record I'll add Exxon. Power Company directors come from Consolidated Edison, Allegheny, Potomic Edison, Southern California Edison, Cities Service, Northeast Utilities, Union Electric, and Canadian Niagara. A smidgen of coal and gas company directors who are not already under the umbrella of big oil are scattered among the big companies. These are Washington Gas Light, Trans Canada Pipeline, Hanna Mining, Hillman Coal and Coke, Arctic and Western Gas, Trans Mountain Pipeline, Texas Gas Pipeline, and Unotex Petroleum with far flung interests in Indonesia, the North Sea, Canada, Argentina, and the Far East.

"The interests who had the most to lose by widespread and universal application of the Sun's energy, were put in charge of solar research and development. Patents developed with Federal money would probably be the property of these 15 companies. Their decision would determine their use, or non-use."

And from a few paragraphs later on:

"In 1975 a new vision took the place of (Congress' previous) vision of a solar collector in every home. Solar was only for the rich. It was too expensive. It was impractical. The evidence paraded before Congress was ignored by ERDA and the administration. The new agency (ERDA), loaded with atomic energy experts and oil men pretended that solar energy was not yet developed. A little bit of solar in 1985, a little more by the year 2000, but really not much until 2020."

So said ERDA.

And I believe so said the utilities in their briefs before this commission. I quote from the Southern California Gas Company response to this case:

"Description of objection (dated) July 13, 1976. Paramount is the question of initial cost versus the amount of gas energy savings experienced. Today's technology has brought to the marketplace systems that can gather and store solar heat, but the costs of these systems are still very high compared to the gas energy saved."

This statement was written after Bill Spriggs announced that our system was going to be utilized in Ventura Del Sol. I submit to you now, either our system is being installed in that project for the cost that we claim, or it is not. If it is, this statement by the gas company and similar statements by Exxon, the Federal Government, and other utilities are hogwash. They are perpetuated only to protect and preserve the monopoly at the public's expense by eventually installing all the solar equipment on the utilities side of the meter.

That is the reason that I am appearing here today. On May 13, 1975, I testified before that same Select Committee on Small Business of the U.S. Senate. In my testimony I told them:

"Being blunt about it, we do not want your sympathy but only the right and opportunity to compete on a fair and even basis."

Well, I am going to add something to that today. Since we have not received the right to compete on a fair and even basis, we are now prepared to fight for it.

If you, as representatives of the public of the State of California, allow the Southern California Gas Company to roll eleven million dollars into the rate base as they ask, you will in our opinion, provide our, and the public's deadliest enemy in the solar area

with the financing to control our industry, and the Sun.

No-one, in our opinion, will be allowed the opportunity to own their own solar equipment if the gas company program is successful. Only the utility will own solar equipment, from which they will sell solar energy.

In other words, the announcement by the gas company in their latest bill stuffer that home gas costs are going to increase to pay for their R. & D. in solar, amounts to a tax on the public, which when collected and spent, will take away the public's right to own and operate their own solar equipment.

We are against the premise. If any utility wants to get into the solar business let them borrow the money or take it out of profits to do so. Or, if you're going to tax the public in the name of solar, split the funds and provide the companies in our industry who have spent the years of blood and sweat to develop systems with an equal share measured by accomplishment. But do not, I warn you, restrain trade by supplying a big business with a tax to control the Sun.

We believe the public will not stand for it. We believe the courts will not uphold it. And we can guarantee you they will have the opportunity.

Specifically, as far as Mr. Spriggs project is concerned, it now resides in category P–3, placed there by the Southern California Gas Company, because they have decided that under their interpretation of CPUC decision No. 85189 systems with central boilers are not residential. The gas company has admitted that if Mr. Spriggs had utilized 254 gas fired forced air furnaces, with their attendant higher fuel usage, Mr. Spriggs project would reside in category one. The difference is that category P–three is interruptible and category one is not. Mr. Spriggs now finds himself in the position of having the auxiliary gas supply for his project turned off as early as next November because he utilized a system that would conserve energy. Let me ask you, if you were a builder would you react to an incentive like that one? What would you do?

As members of this Commission I ask you to remember that the gas company that put Mr. Spriggs solar project into category P–3 and now threatens him with an interruptible gas supply is the same one that just asked you for eleven million dollars out of the taxpayers pocket to study solar.

I submit that the gas company has already put the million and a half dollars of public money they have received in the name of solar to their good use, and that it has shown them how to create negative incentives like the P–3 category for Mr. Spriggs. I submit to you that it takes a pretty determined man to stand up to the threat of an interruptible gas supply when he has a five and a half million dollar project on the line.

If this Commission wants the actions of the public utilities in the area of alternate energy sources and conservation of energy reversed, so that Mr. Spriggs does not have to face these same problems in the future, it is possible for you to do so.

In our opinion, you must restructure the utility incentives to do so. As it now stands, a utility makes more money for selling more energy at a higher price. The greater their investment, the greater their dollar profit. As long as that condition exists, we expect them to hire first class advertising and public relations firms to convince the public that they are taking actions which in actual fact would lower their profitability. If in fact, you reversed the incentive so that they made more profit by selling less energy, I believe you would be taking a step which would benefit not only the public but the utilities as well.

With that suggestion, I'll end my statement and answer any questions you might have.

March 18, 1977.

Mr. JAMES R. SCHLESINGER,
Assistant to the President, National Energy Policy Recommendations, Washington, D.C.

DEAR MR. SCHLESINGER: I am sorry that I have not been able to answer your inquiry sooner, but I was in Iran installing Solar Systems.

From the enclosed material, you will find that I have provided my Government with my comments at some length for some time. Those comments have been completely ignored.

I do not know if I fall within your "outstanding expert" category but at least I have been able to invent, develop, productize, and market a Solar System. Which, of course, my own Government says must wait until the year 2,000 to be done.

Currently, as the enclosed testimony before the California P.U.C. will disclose, our system is installed in over 300 separate locations in the world. We have bids out on nearly 20,000 dwelling units and currently we are delivering equipment to Spriggs and Co. for what we believe to be the largest Solar space and water heating system yet installed in the U.S.

And we are deathly afraid of our own Federal Government and your energy policies. So far you have done nothing to help us. You have only hindered us. Why this is so we can only guess, but that it is so is a certainty.

Appendixes 2–A of the Select Committee on Small Business of the U.S. Senate "Energy Hearings" includes a paper entitled "Solar Energy in Washington," by Angus McDonald. That paper certainly describes our experiences to date. The last paper in 2–A, by Amory Lovins which previously appeared in Foreign Affairs, is the treatise on energy that you need to read if you really are serious.

Lovins' paper exactly describes the situation. If you want to create an energy policy that will work without destroying the American economy, we suggest you take a close look at what he says.

The technology for the utilization for low grade heat produced by Solar Energy is in place. It needs implementation, not research and development.

The technology for conservation of low grade heat in space and water heating systems is in place. We have been doing it for years with nearly 10,000 dwelling units in operation showing very low energy consumption.

If you are interested in an energy policy that will benefit the American Public, investigate what I say, instead of discarding my letter.

Very truly yours,

JAMES R. PIPER,
President.

SMALL BUSINESS SUPPORTS CONSUMER AGENCY

Mr. METZENBAUM. Mr. President, recently, the long-awaited Consumer Protection Agency has come under a barrage of attack from a concerted and highly organized business lobby. The blows have been devastating already. While the House bill struggles to regain its foothold, we in the Senate must not lose sight of the importance of the creation of an Agency for Consumer Protection at the Federal level.

I read just last week, in the Baltimore Sun, an article by Garry Wills which presents an interesting view of lobbies with respect to consumers. I think Mr. Wills' point is well taken and deserves attention from those of us in the Congress who are about to consider this significant legislation.

On the same day that this article was published, I received a letter from A. Vernon Weaver, Administrator of the U.S. Small Business Administration, which concludes with the statement, "SBA supports the enactment of S. 1262 and H.R. 6805, consistent with the President's position on this matter."

Mr. Weaver elucidates the provision of the Consumer Protection Act of 1977 which protects small business from discrimination or hardship resulting from any anticipated action by the Agency for Consumer Protection.

This letter declaring support for an independent Agency for Consumer Protection is crucial for two reasons. First, it clarifies the content of the bill itself and, second, it dispels the plethora of misleading arguments against the bill generated by a lobby bent on destroying this much-needed legislation.

Mr. President, I ask unanimous consent that the article, "Lobbyists for Consumer Are Long Overdue," by Gary Wills, and the letter from A. Vernon Weaver, Administrator of the U.S. Small Business Administration, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SMALL BUSINESS ADMINISTRATION,
Washington, D.C., June 9, 1977.

Hon. HOWARD M. METZENBAUM,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR METZENBAUM: Since Congress will soon consider S. 1262 and H.R. 6805, legislation to create an Agency for Consumer Protection, I want to take this opportunity to call to your attention the Small Business Administration's support for this important consumer measure.

When the concept of an advocacy agency was first proposed eight years ago, there was concern that the agency's information-gathering powers could impose an undue burden on the resources of small businesses. However, in recent years the bills have been altered in both the House and Senate to accommodate this concern. Small businesses are now exempt from the interrogatory authority of the consumer agency in both the House and Senate bills.

In addition, section 17 of S. 1262, as reported, directs SBA to provide small business with information concerning ACP procedures and activities of other agencies related to ACP. It further provides that ACP is to seek the views of small business in establishing its priorities and to give due consideration to the unique problem of small businesses so as not to discriminate or cause unnecessary hardship. Under an amendment recently adopted by the Senate Governmental Affairs Committee, this section also provides that ACP's Administrator must notify SBA prior to intervening in a proceeding which is likely to have a substantial impact on small business.

These provisions, added to the bills over the course of legislative consideration, reflect the sensitivity to small business which SBA considers essential. With the provisions discussed above, SBA supports enactment of

S. 1262 and H.R. 6805, consistent with the President's position on this matter.

Sincerely,

A. VERNON WEAVER,
Administrator.

[From the Baltimore Sun, June 8, 1977]

LOBBYISTS FOR CONSUMER ARE LONG OVERDUE

(By Garry Wills)

People often complain about "the permanent government," by which they mean the bureaucracy. But there is another permanent government, that of the lobbyists. Roughly the same cast of characters maintain their conduits to Capitol Hill and the federal agencies.

Of course, lobbyists have a legitimate role to play in the passing of laws—as the bureaucracy has a legitimate role in the administration of those laws, once passed. But lobbyists money and special interests have an even greater effect on public life than does bureaucratic inertia.

Yet, it is probably wrong to make any too neat division between the agencies and Capitol Hill staffs and the lobbyists. They trade personnel back and forth and often make common cause (e.g., against Common Cause). As Georgia's Gov. Jimmy Carter said in his 1974 Law Day speech. "The regulatory agencies in Washington are made up not of people to regulate industries, but of representatives of the industries that are regulated. Is that fair and right and equitable? I don't think so."

There are some so-called people's lobbies—Ralph Nader's group, or Common Cause itself. But these operate with small amounts of money, and they have been most effective when following the strategy of the National Association for the Advancement of Colored People—challenging government rules in the courts, not by direct lobbying of agencies or the Congress.

Successful work for the disadvantaged has been accomplished by lobbies—but they were the old established ones (e.g., the civil rights bill of 1965 was helped along by the labor and religious lobbies).

President Carter spoke with a special fervor last week when he said there should be a public advocate for those who cannot afford their own lobbyists. In fact, as he pointed out, lobbying by the Chamber of Commerce had already endangered his bill on the matter because it would supply a platform for speaking out against special interest groups.

President Carter, himself a businessman, is not blind to the immense leverage business interests have in government. In large part, the business of American government is still business—and all the "anti-government" talk by businessmen is merely camouflage for the power wielded by their spokesmen. Mr. Carter put it this way last week: "Individually, the business leaders of our country are fair. They want to be sure that their own customers are protected. Unfortunately, when business leaders organize and hire a lobbyist, they lose that individual commitment to their customers."

I was glad to hear that note struck by the President, since it recalled one of Mr. Carter's most eloquent statements as governor. Speaking in that same Law Day address, he said:

"I see the lobbyists in the state Capitol filling the halls on occasion. Good people, confident people, the most pleasant, personable, extroverted citizens of Georgia. These are the characteristics required for a lobbyist. They represent good folks. But I tell you that when a lobbyist goes to represent the Peanut Warehousemen's Association of the Southeast, which I belong to, which I helped to organize, they go there to represent the peanut warehouseman. They don't go there to represent the customers of the peanut warehouseman. "When the State Chamber of Commerce lobbyists go there, they go there to represent the businessman of Georgia. They don't go there to represent the customers of the businessman of Georgia.

"When your own organization (of lawyers) is interested in some legislation there in the Capitol, they're interested in the welfare or prerogatives or authority of the lawyers. They are not there to represent in any sort of exclusive way the client of the lawyers.

"The American Medical Association and its Georgia equivalent—they represent the doctors, who are fine people. But they certainly don't represent the patients of a doctor.

"As an elected governor, I feel that responsibility. . . ." Mr. Carter thinks of elected officials as, in effect, lobbyists for the general interest over the special interests. All he asks for, in his bill for a consumer protection agency, is a set of helpers in this task of his. Business spends far more making sure its interests have lobbying spokesmen than Mr. Carter proposes to spend for the public advocates. Business, that is, is well protected, even when it needs little protection. It is time to start protecting those who do need it.

COMPUTER MANAGEMENT

Mr. RIBICOFF. Mr. President, Wayne G. Granquist is Associate Director for Administrative Management in the Office of Management and Budget. One of the many responsibilities of Mr. Granquist has to do with fiscal and policy control regarding the 10,000 computers used in Federal programs.

The Senate Governmental Affairs Committee has a special interest in OMB's management of computers in Federal programs.

On February 2, 1977, for example, the committee issued a staff report, "Computer Security In Federal Programs." In addition, legislation stemming from that staff report is now being drafted. It is hoped that this measure will strengthen the Government's ability to control, detect, and prosecute crime by computer and computer-related crime in Federal programs and private industry.

Owing to some extent to the committee's investigation of computer problems, OMB is in the process of reexamining its efforts in computer management and is taking steps to improve computer operations throughout the executive branch.

Mr. Granquist discussed some of these efforts in a speech he gave June 7, 1977, before the Interagency Committee on Automatic Data Processing.

Mr. President, I ask unanimous consent that Mr. Granquist's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

A NEW LOOK AT FEDERAL ADP

It is a pleasure to be here today and to have this opportunity to meet with the members of the Interagency Committee on Automatic Data Processing. As Jim mentioned, within OMB I am responsible for the area of administrative management, a term that basically embodies the "M" in OMB. It is an "M" that has been very much a lower case letter for the past few years—and so one of my jobs is to address the management concerns of government in an effective manner. In essence, I am trying to capitalize the "M" in OMB.

One way we are getting at the identification and resolution of administrative management problems is through the President's Reorganization Project, which is, as you know, housed within OMB and is now gearing up to study issues like civil rights, law enforcement and many more. The reorganization issues that are primarily management matters fall within the purview of my responsibility. Thus, I will be the Vice Chairman of the Federal Personnel Reorganization Project with Scotty Campbell, the new Chairman of the Civil Service Commission, and I am placing a high priority on ADP policies and problems.

Today, I would like to briefly discuss the direction we hope to move in during the next year or so in order to improve the Federal Government's management and utilization of ADP resources. Since I arrived at OMB I have met frequently with Wally Haase, Joel Solomon, some of our friends on the Hill and others, including agency people, about ADP in the Federal Government. I have learned a lot more about the extent to which computers are used by the various departments and agencies and the magnitude of resources involved. I am now more truly appreciative of the complex environment and the multiplicity of policies, procedures and rules within which you—as ADP managers—must operate. You can be proud of what you have accomplished and I applaud the contributions you have made to improving the delivery of Government services.

But we all know—and especially you—how much more there is to be done. Recently there have been numerous criticisms leveled at the management of Federal ADP resources. For example, last year Congressman Brooks' Committee on Government Operations conducted three days of oversight hearings on the administration of P.L. 89–306 (the Brooks Act). These hearings, and the subsequent Committee Report, identified some signifícient problems in the way ADP resources have been managed. These include:

The procurement lead time for ADP systems, which needs to be drastically reduced.

The large number of noncompetitive procurements.

Inadequate planning which results in a need for interim upgrades and add-on systems.

A need to make greater use of high-level languages.

Also during the past year, Senator Ribicoff's Committee on Governmental Affairs has addressed the issue of computer security, and been critical of the lack of policy attention to the matter.

In all these areas, OMB has taken its share of criticism. But, we believe that these hearings and reports have been extremely valuable for two reasons: First, because many of these criticisms are valid; and second, because they have provided a vehicle for identifying and discussing the problems which confront us.

Our job now is to expand upon these efforts by making sure that everyone with an interest in the efficient and economic use of data processing resources has an opportunity to participate in the solution to those problems. In some areas this process has already begun. For example, the IAC is addressing the issue of long-range planning and how to integrate it with the budget. But there is much more that remains to be done. If we are to obtain the full benefits of our computer resources we must address these problems now—and we must do it together.

President Carter has publicly stated on several occasions that he is committed to improving the management of Federal data processing resources. That goal is a major objective for OMB this year. To accomplish it, we will work within the framework of the President's Reorganization Project that is now underway. We have put together an action plan for an ADP Reorganization Project which will focus on:

1. Improving productivity in the delivery of governmental services through the effective application of computer technology.

2. Improving the acquisition, management and use of data processing resources, and

3. Eliminating duplication and overlap in agency jurisdiction dealing with computer questions.

This effort will be a comprehensive re-examination of Federal data processing programs, processes and procedures and we estimate that the project, including initial implementation, will take approximately 10–12 months. However, the project will be structured so that pieces can be split off and acted upon independently. This will permit us to address those problems which are of an immediate, high priority nature without having to wait for those issues which will take a longer time to resolve. As someone once said, "Just because you are planning the perfect crime doesn't mean you can't knock off some gas stations in the meantime."

The President has established three ground rules for his reorganization project: there should be careful and comprehensive analysis; there should be participation by as many people as possible; and each project should be decision-forcing and action-oriented. We will, of course, adhere to those guidelines, with special emphasis placed on obtaining maximum participation.

Structurally, the study will be organized into a small full-time project management staff and a number of issue oriented task forces. The project management staff will be responsible for coordinating and monitoring the task groups. The task forces will be composed of individuals from the private sector, agency detailees and OMB staff. Each task force will have a specific area of study and will work independently of the others.

The first step, therefore, will be to reach agreement on what the major problems and issues are and how they should be addressed by the task forces. Input will be sought from all persons and parties interested in the management of Federal ADP resources. This includes Congress, the user agencies, the central management agencies, organizations such as IAC, private sector groups representing the computer industry, such as hardware, software and service suppliers, the public and yourselves. Once this input is received it will be organized into a plan of action, task forces will be created and milestones established.

Although the specific number of task forces established will be contingent upon the input received, we are initially recommending a minimum of six. The first four groups will study ADP management as it is practiced in the agencies with each group taking five or six agencies. Among the issues we have identified are:

Linking program requirements to ADP capacity.

The ADP planning process.

The use of economic analyses for ADP justification.

Integration of program and ADP budgets.

Application and design control.

Management audits of ADP operations.

There will be another task force to study the complex issue of ADP acquisition. It would be charged with providing recommendations on issues such as:

How to evaluate alternative sources of computer support.

The processing of agency procurement requests.

Delegations of procurement authority.

The jurisdictional limits between the central management agencies.

The policy on interim upgrades.

Software conversion cost policy.

The sixth group would address the area of ADP standards. Among the specific issues are:

Identifying the goals and objectives of the standards program.

Establishing a standards development process.

Establishing an enforcement mechanism.

As I indicated earlier, we intend to operate in a fashion which will permit high priority problems to be spun off and dealt with separately. Some, such as computer security policy and improved ADP planning, we are already addressing. As opportunities arise and other high priority problems are identified, they will be given immediate attention. Throughout this project our goal will be to identify a problem or set of issues and create a task force to address them. As soon as each task force presents its recommendations—there will be strict deadlines for all groups—that group will be disbanded and implementation of appropriate recommendations initiated. From each task force we expect to get recommendations, as appropriate, on:

New regulations and policies for issuance as appropriate by OMB, GSA and NBS.

Structural reorganizations of the ADP function to be considered within departmental reorganization studies.

Legislative proposals, if required.

Possibly an overall reorganization proposal.

Major policy changes will not be implemented until they have been published and subjected to public review, in line with our goal of obtaining maximum participation.

In these brief remarks, I presented a brief overview of our project for improving the management of Federal data processing resources. Beginning June 15, we will be calling on you, in your roles as members of IAC, representatives of your agencies and as ADP professionals, for three things:

1. Ideas and input for consideration by the task forces;

2. Active membership and participation on the task forces; and

3. Your personal support for this effort. I have committed myself and my staff to this project; I hope you will do the same.

Working together we can assure that maximum benefits are realized from our data processing technology and thereby assist President Carter in keeping his commitment to improve the delivery of Government services.

Thank you.

THE BALTIC STATES REMEMBERED

Mr. METZENBAUM. Mr. President, this week marks the anniversary of two tragic events for the Baltic States of Estonia, Latvia, and Lithuania. On June 15–17, 1940, the Soviet Union invaded and occupied these small, independent republics and annexed them soon thereafter. One year later, the Soviets began mass deportations of Baltic peoples to Siberia.

Every year at this time, Baltic-American communities in Ohio and throughout the United States commemorate these events. Mr. President, in order to show our continuing concern for the tragic fate of these brave states, I ask unanimous consent that the following article be printed in the RECORD. The article, which was prepared by the Joint Baltic American Committee, underscores the tragic significance of this June week.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BALTIC STATES REMEMBERED

This week, Baltic-American communities throughout the United States will be commemorating the two tragic events of the June 15–17, 1940, occupation of the Baltic States by the Soviet Union, and the subsequent mass deportations of Baltic peoples to Siberia on June 14–15, 1941. With the Belgrade Conference imminent, remembrance of such events should serve as apt reference points. So many small nations have been crushed under the Soviet steamroller that there is a tendency to forget that original Soviet military takeover of the three independent countries of Estonia, Latvia and Lithuania.

The Baltic hope for freedom was embodied in President Woodrow Wilson's Fourteen Points and the Baltic nations began their independence following World War One. This was brutally challenged by the newly established Bolshevik regime in the Soviet Union, and the three countries successfully defended their right to national independence against the Red Army. In 1920, the Soviet Union signed treaties recognizing Estonia, Latvia and Lithuania as sovereign nations. Later each of the three countries signed non-aggression pacts with the Soviets.

Nonetheless, in June, 1940, the Baltic States were issued with ultimatums demanding unlimited occupation rights of their lands. Within a matter of days, Estonia, Latvia and Lithuania had been conquered by the onrushing Red Army. Their once free governments had been purged, farcical elections were staged, and within forty days the Baltic nations were forcibly incorporated into the Societ Union against the bitter opposition of the Baltic people. They were thus placed under the direct control of Moscow. Unlike the Soviet satellite captive nations of Eastern Europe, the Baltics lost even nominal sovereignty. The Baltic economies became subject to the central Soviet plan, and the police, school systems and judiciary came under Soviet ministries. Their people are governed almost exclusively by Soviet Russian overlords. All of the Baltic States rights as once independent nations have been completely eliminated.

The frightful pattern of the early years of Soviet occupation was essentially the same in each of the states: terrible mass deportations and arrests, abrupt and total collectivization of agriculture, nationalization of industry and private property, and the attempt to exterminate the Baltic States as national entities through a program of Russification. To replace those victims deported to the far reaches of the Soviet Union, the Soviet authorities sent in large numbers of non-Baltic peoples, an ever ongoing process. As throughout all of the Soviet Union, a great emphasis was put on the eradication of religion and the strong advocacy of atheism. Despite these crimes against human rights, the spirit and national feeling of the Baltic peoples has not been broken and they have joined with the many other nationalities of the Soviet Union in unrelenting resistance to that unnatural entity.

The Soviet experience in the Baltic States shows that it requires more than physical control of the administrative machinery of a country in order to thoroughly incorporate it. A successful incorporation must have its basis in the opinion of the people. Unless this is achieved by the people themselves, foreign intervention can only superimpose a government on the people. Such a government can only endure by means of force, a costly and inefficient form of administration, having no credible base and no credible future. Such was the status in the Baltic States of 1940–1941, and what still remains in the Baltic States today.

THE WEATHER MODIFICATION CONTRADICTION

Mr. ABOUREZK. Mr. President, ongoing weather modification programs have continued and grown unabated over the last 20 years in this country. The supposed purpose and effects of these programs on our environment have remained unchecked and unchallenged

until recent years. Contrary to popular belief, research now emerging shows that, indeed, cloud seeding is hindering rather than helping to increase rainfall.

This is an issue of crucial importance to the plight of not only my own State, but of an increasing number of States also being devastated by severe drought. In order to bring this situation to the attention of my colleagues and our constituents, today, I ask unanimous consent to have printed in the RECORD this article from "Acres, USA."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RAIN-MAKING MYTH

It is a popular belief that cloud-seeding is synonymous with rain-making. Unfortunately, this belief has been the result of myriad of articles and stories published in the news media throughout the country. The basis of these stories have been public relations efforts by the practitioners of cloud seeding to create a gracious and benevolent image for themselves. This can be expected because they are in a business that grosses hundreds of millions of dollars each year.

The real truth of cloud seeding is found in the scientific literature. A case illustration is *Operation Whitetop* which was a five year scientific project, combining the efforts and resources of a federal government agency and a large midwestern university to test the hypothesis "that cloud seeding would significantly increase precipitation." After five years of research the hypothesis was rejected and the conclusion was that cloud seeding actually diminished precipitation by as much as 30% in the immediate target area, and that there were lesser amounts of precipitation than would have normally fallen for at least 125 miles downwind.

A basic law of the atmosphere is "precipitation must equal evaporation and transpiration." No one can make rain! The amount of precipitation can be altered by shifting and guiding storm systems from one area to another, or vice versa. Question the credibility of anyone who claims that he can produce rain by cloud seeding. Any fundamental text in meteorology or physical geography will definitely state that precipitation cannot exceed evaporation plus transpiration.

WEATHER MODIFICATION

What is cloud seeding or weather modification? The discussion here will be limited to the chemical process which uses silver iodide as the nucleating agent. Of the many chemical agents used in cloud seeding, silver iodide is used by more than 95% of all commercial practitioners because of the simplicity in its technical applicability and because of its efficiency in altering local weather conditions. Anyone who has access to a twin-motored plane can set himself up in the cloud seeding business with an investment of as little as $3,000. Small metal racks to hold the pyrotechnic flares impregnated with silver iodide—and the flares—are the essential equipment to set up a practitioner in business. It is known that some cloud seeders do not even bother to install the visible incrimination evidence that are thrown from the plane's window.

To describe what silver iodide does in cloud seeding will, first, necessitate a brief description of the natural precipitation process. It can be generally stated that precipitation depends on falling temperatures, a sufficient moisture content of the air, and the presence of microscopic nuclei. These nuclei may be dust or ice particles, and their presence is essential in the rain-making process. A typical summer thunderstorm generates its own nuclei in the form of ice crystals near the top of the cumulo-nimbus cloud. The moisture in the cloud has an affinity for these ice crystals and therefore condenses on them. The process of condensation continues until each drop of rain sufficiently increases in size and then falls to the earth's surface by gravity.

Cloud seeding involves the introduction of additional artificial nuclei, silver iodide crystals, into the thunderstorm system. Silver iodide crystals and ice crystals have similar characteristics. As a result the moisture in the cloud will also condense on a silver iodide crystal as it does on an ice crystal. Silver iodide usually is introduced into the air by aircraft which flies sufficiently close to a thunderstorm, but not into it. Silver iodide from the burning flares is pulled into the storm system by the convectional air current. Introduction of the silver iodide nuclei together with natural nuclei already present in the thunderstorm has the effect of stopping the cycle of the rain-making process. When too many nuclei are present, natural or artificial, the limited amount of moisture in the cloud is not sufficient in quantity to condense on all the nuclei to form sufficiently large rain drops that will fall to the earth. The rain-making process is stopped. Condensing moisture is re-evaporated and carried downwind where it will be taken into another storm system and fall in quantities sometimes sufficient to produce disastrous floods.

The incidence of many floods in the United States is obviously connected with cloud seeding in adjacent areas. It may be difficult to prove, but the fact remains that cloud seeding is often involved. Promoters and practitioners of cloud seeding always say "prove it!" On the other hand, they have yet to prove that cloud seeding does not cause floods. In the Senate Hearings of the 89th Congress, Bills S. 23 and S. 2916, a prominent practitioner of cloud seeding boasted that he carried very little liability insurance for possible damages because it would be very difficult for a plaintiff to prove in a court of law that cloud seeding had caused damage. This demonstrates why cloud seeders can act with such arrogance.

Throughout the years since 1957, there have been continuous summer droughts in the Potomac Basin, but, there have been torrential downpours and flooding only 75 or 100 miles downwind in eastern Pennsylvania, Maryland and New Jersey. Another example of a flood is the Rapid City disaster of 1972. It is a documented fact that a cloud seeding run had been made less than one hour before the torrential downpour in the Black Hills.

More and more law suits are being brought before the courts seeking flood damages in areas downwind from cloud seeding activities. As recently as January 1975, *Farm Journal* listed court action seeking flood damages in Michigan and Oklahoma, all the result of cloud seeding in adjacent areas. In both states the suits were brought against Irving P. Krick of Palm Springs, California, who is a practitioner of cloud seeding and whose lucrative operations extend beyond the boundaries of the United States.

AN ECOLOGICAL MASSACRE

Cloud seeding is a science—a science of doom, devastation and desecretion. The specter of cloud seeding indicates destructive floods, unprecedented droughts and the key to many pollution problems in the United States. This ecological problem has evolved because pseudo-scientists are dumping lethal doses of poisonous materials into the atmosphere to change it for their own purposes.

Seldom in history has a scientific blunder been conducted with such total fraud and deceit, according to the Tri-State Natural Weather Association. The generalized procedure of the cloud seeder is to make exaggerated claims of rain making when drought is the desire. Federal bureaucrats conduct experiments creating severe drought, but tell legislators they increased rainfall and need more money. Probably the greatest boondoggle ever was the specially created five year drought in the northeast, the result of irresponsible cloud seeding. Cloud seeding is being carried out extensively and intensively over the entire nation. The build-up of pollutants used during the past decade are frightening. Whenever clouds are seeded, layered air inversions occur. These hold man's air pollution next to the earth's surface and create a "sewer in the sky" effect. Man is not emotionally stable under this biological situation created by heavy cloud seeding. He will riot, murder, rape, steal, commit suicide, and in general fail to live compatibly. Natural weather is the only way mankind can live happily and in biological compatibility with his environment.

NATURAL WEATHER IMPORTANT

First it should be explained in more detail why our weather is so important in its natural state. To begin with, it brings us the rains so essential for food production and industrial growth. It is only by the natural weather patterns that fresh air is available to sustain life. Man's pollutants are washed out of the atmosphere by rainfall. Thunderstorms with their updrafts and concurring downdrafts, mix the air and dilute the poisonous wastes. Lightning, a product of thunderstorms, is the world's greatest producer of nitrogen Without it there would be no life on this earth. Even the most destructive storms have a purpose. It is the release of excess energy, and if not occurring regularly would be utterly catastrophic. Tampering with these storm systems by cloud seeding can do nothing more than upset the delicate balance of nature. Storm systems are, in reality, nature's giant washing machines.

RAIN-MAKING IS A MYTH

There is not one shred of evidence that cloud seeding ever produced one drop of additional rain. We are also told by scientists that there are rivers of water in the sky. Yet they admit that *the air around the globe cannot hold more than one inch of moisture at any given time.*

A summary of five cloud seeding experiments evaluated by Neyman and Scott of the University of Berkeley, with results presented at the Fifth Berkeley Symposium, had this to say:

The evidence that cloud seeding *decreases* rain comes from five American experiments. These five randomized experiments were conducted with unchallenged reliability over a number of consecutive years with considerable care and foresight—the results are a decrease in precipitation due to seeding and the estimated decreases amount to 53%.

Project *White Top* centered in Missouri presented nothing but bad news. Increases of rainfall were hoped for, but final results were most conclusive—with decreases of 21 to 23%. There are of course exceptions in any type of scientific endeavor. When cloud seeding takes place during extremely wet periods, floods are bound to occur. Probably the reason for this is the shortage of natural nuclei in the air necessary for water droplet formation. Whatever the circumstance, rain-making just sounds good.

Twenty years ago cloud seeding started making great and exaggerated claims of increased precipitation. It was soon found that the exact opposite occurred. It didn't take long for those with greedy intent to take advantage of this interesting discovery.

One can only guess as to the amount of money spent annually for cloud seeding. Some estimates place it at nearly $3 billion, which includes both governmental and private projects. This insidious tampering apparently has served its purpose. This country is now at its dryest in 8,000 years.

DROUGHT NOT MENTIONED

Almost to a man, the weather community has adopted the policy of emphasizing the positive approach, that of "making it rain," as it will be welcomed by the general public.

"Making rain" sounds good to congressional appropriation committees. Can one imagine a United States Senator voting for funds to make droughts? How would farmers, gardeners and townspeople whose reservoirs get low vote in the next election?

However, both scientists and federal scientific literature now speak casually and openly of lightning suppression, fog dispersal, hail suppression, snow suppression—all accomplished by drying up the clouds by overseeding with dry ice or silver iodide.

Dr. Schaefer, a father of weather modification, told This Week Magazine in 1968 "We know that a certain amount of silver iodide introduced into a cloud can cause precipitation, but we also know that a very large amount suppresses rain by creating so many particles that they are often too small to fall, or if precipitation does develop, it is not normal rain but those tiny particles that look more like fog or mist."

DRY WEATHER?

The reasons for seeding are as varied as man's desires, but the liking for dry, clear weather seems more prevalent than the desire for rain. Clear weather is wanted for recreation, for airports, to prevent hail damage to fruit during the maturing months of June, July and August, to maintain a dry earth bed for pouring concrete for footings, roads and parking lots. Dry weather is devoutly to be wished for constructing high-powered electric plants and for pouring concrete for large apartment and office buildings.

The Insurance Federation claims that weather modification will save them $186,000,000 annually if the storms that bring the necessary rains are destroyed. The construction industry will save $500,000,000 annually if it is not delayed by the weather. Utility companies don't want damage to their power lines, and they don't like to pay overtime.

POLLUTION CLOUD SEEDING

Cloud seeding is responsible for 90 percent of all air pollution problems in the United States. A statement of Dr. E. J. Workman helps point up this fact. Generalized seeding of immature cumulus clouds will result in a stabilization of the atmosphere that will prevent the development of mature clouds to produce rain. This sets the stage. Under this condition air pollution becomes a problem. There is no turbulence in the atmosphere to dilute man's poisonous pollutants, no rain to wash the filth out of the air. Thermal inversions occur and do not cease until weather patterns regather their momentum.

Silver iodide used for nearly all cloud seeding under these conditions is dangerous to man. For instance, what knowledge have the scientists on how cloud-seeding materials relate to other substances, and is that taken into consideration before dumping it on the clouds and ultimately on the people?

Silver iodide breaks down quickly, but the iodine atom appears to recombine with other substances such as resins from pine trees, which yield a terpene vapor which in turn produces an unintentional seeding material capable of continuing the drought in the area.

A tiny trace of iodine is needed to combine with the lead pouring from auto exhaust pipes to make another deadly poison. These materials fallout onto grass eaten by cows, then travel into all dairy products, then to man. Iodine concentrates in the thyroid gland. It can produce cancerous nodules years later.

The death rate in 1966—the year of heaviest seeding in southern Pennsylvania counties—from lung diseases reached the highest number since vital statistics were kept, according to the Pennsylvania Department of Health. Cases of emphysema and lung cancer rose alarmingly in the last decade.

Silver from silver iodide as it flows into the ecosystems will concentrate in various organisms and thence to man, causing a buildup in the human system to a toxic level. Silver iodide is a vicious corrosive and carcinogenic substance. Inhalation or ingestion of this material will lead to respiratory or gastric ailments and cancer.

An accepted principle in the use of dangerous materials is that anything that can go wrong will eventually go wrong if the materials are used often enough.

In operation, silver iodide is usually mixed with acetone and pyrogallic acid. These poisons are described in the U.S. Dispensatory, *Merck Manual*. Silver causes argyria, skin lesions; pyrogal attacks liver and kidneys; acetone, pulmonary congestion and death by ketoses. Idium salts are also used as tracers. They have a toxicity of five or six and symptoms include anorexis, paresis, spasmodic respiration, asphyxial convulsions, widespread inflammation and fatal hemorrhages in lungs, liver, kidney and heart. The organ most severely affected is the liver, and death may occur from hepatic necrosia.

RAIN MAKING FRAUD

Cloud seeders say: "We increased rainfall by 14%." This sounds good until figures are analyzed. Cloud seeding takes place before the clouds begin to rain. In the process of dissipating, a few drops of rain fall. Since this precipitation drops after seeding the cloud seeder tries to pawn his crime off as one of rain making. Had no seeding taken place, all of the available potential rain would have fallen. This represents 100% but that cloud seeding decreases rainfall by only 14% fell. It can conclusively be stated that cloud seeding decreases rainfall by 86%.

SEEDING TECHNIQUES

Underseeding may make cloud rain or snow, but at the expense of farms and towns downwind.

Over-seeding does several things, depending partly on the materials and the technique used, and the size of the cloud.

Over-seeding with silver iodide may cause the cloud to rain or snow slightly, then to break up and drift into mist within 10 to 30 minutes. Depending on the size of the cloud and the silver iodide dosage, it will not rain for 10 miles or 50 to 150 miles, but meanwhile the unexpected energy builds up and eventually the rain comes down as a cloudburst on a distant city.

Dry ice and silver iodide will make the clouds freeze up, that is, "glaciate" and hang motionless in the sky for a number of hours. Sometimes the clouds will build up enormously, but it will not rain.

THUNDERSTORMS

Nearly 4,000 thunderstorms have been lashing the earth 24 hours a day, year in and year out, through all of time since the world began.

Without these storms, there would be no life on earth. There would be no mixture of the air between layers. Pollution from dust, smoke and other foreign matter would increase to the point of causing death.

Lightning is the world's greatest producer of nitrogen compounds, the vital soil ingredient without which most plant life could not exist.

This is the only source of nitrogen for the forests which cannot grow without it. Notice that trees and plants in seeded areas look droopy, tired, and in many places entire kill is noted. Scarlet oak is one variety that died.

This nitrogen breaks down easily in soils and water and causes no problems.

Weather modification people have plunged into spraying and shooting the clouds to control lightning without once studying the contributions that lightning makes to the earth. No where in all the pseudo-scientific literature is there a mention of the value of lightning strokes to man.

HURRICANES

Project *Storm Fury*, conducted by E.S.S.A. and the U.S. Navy, has kept hurricanes from coming up the eastern seaboard for nearly ten years. These massive storms are necessary for man's survival. They bring 30% of the moisture to this area—moisture that is so desperately necessary to grow food. Even more important, it is necessary for this type of system to disperse the high temperatures found near the equator. Hurricanes travel towards the north pole, and this eventually tends to equalize high temperature variation. If hurricanes are not allowed to go their full life cycle, nature will find some other way to maintain heat balance, and this new method undoubtedly will be more disastrous than the hurricane. These systems also help tremendously in eliminating air pollution problems that are so serious on the east coast.

Hurricane *Camille*, the most destructive tropical storm to ever transverse the east coast was without question due to the blunderings of inept science. Inquiries indicate *Camille* was seeded over water, and factual visible evidence of seeding was indeed observed as she passed over land. What happened in this situation is a cloud seeding experiment getting out of hand. It represents a situation where reversible or cascading effects on atmospheric processes take place. The people who died from this hurricane were killed by scientific blunders. Hurricanes must be allowed to run their natural course since they are the good fairy for the northeast, and are one of the great water wheels in nature's water cycle.

MYSTERIOUS PROGRAM

A massive program of cloud seeding—apparently entirely outside of the official federal programs on weather modification—funded from unknown federal sources, has been going on spasmodically since 1954, and steadily since 1962. This program has resulted in severe-to-extreme drought in virtually every area where conducted.

The Appalachian mountains should guarantee the Atlantic coastal plains a healthy quota of rain each summer. No drought showed in the weather statistics with the single exception of 1930, which emphasizes statistically that present droughts are manmade.

Senatorial and departmental sources state that the U.S. Army was cloud seeding behind military secrecy in Pennsylvania counties in 1962–1966 and in Tennessee in 1964–1966.

Since the seeding in Pennsylvania took place during the months of growth of June, July and August, the principal effect was aimed at the farmer to drive him off the land. The areas of severe drought coincide exactly with the areas the federal government plans to devote to population and light industry. With a few, limited exceptions the

farmer is to be eliminated. The same plan applies on the Pacific coast.

Federal agencies with giant land-acquisition programs want farmers and rural people put into a depressed economic state so that they are willing to accept any price for their lands for parks and reservoirs. For verification, send for the Jury Trial Hearings, 1968, before the U.S. House of Representatives Public Works Committee, Washington, D.C. and read what happened in Tennessee.

POTOMAC RIVER BASIN

The Potomac River Basin or Mid-Potomac includes the states of Maryland, Virginia, West Virginia and South Central Pennsylvania. This area also encompasses a large fruit growing belt. A number of fruit producers of this section engineered their orchards for irrigation. Then with prodding from the Insurance Company of North America, they organized a Weather Modification Corporation, and hired a cloud seeding firm to destroy the rain storms. The desire of the fruit growers was to eliminate competition from the other growers who could not irrigate. The insurance company's interest was pocket padding by not having to pay storm damages that might occur.

A state of war finally developed in the four-state area between the fruit growers and the rest of the population. Finally the fruit growers formally deactivated, but merely took their seeding activities into underground organization. They continued to carry out cloud seeding more intensely than ever, trying to eliminate all agriculture in the area, and to retaliate against those who thought law and order was part of our democratic society.

The federal government, thinking the fruit growers would abide by their commitments, began their own program of weather tampering in the four-state area. The Corps of Engineers wanted to lace the Potomac with giant dams. How else could the citizens of the area be convinced that they needed dams, and wouldn't it be much easier to enforce giant land acquisition projects when the population is economically depressed? Cloud seeding has continued ever since on a year-around basis. Results have been devastating. Target areas have been experiencing ten-inch rainfall deficits annually. Certain areas of the five states have become virtual deserts. Air pollution has increased to extremely high levels. *As expected, cancer has grown by leaps and bounds.* Emphysema and chronic respiratory diseases have become a galloping epidemic. Cloud seeding chemicals have burnt the foilage on the trees and eventually killing them. It has poisoned domestic animals as they eat the cultivated crops. Air inversions prevent an influx of fresh air, creating an atmosphere biologically incompatible with all living matter.

ACCOMPLISHMENTS OF CLOUD SEEDING

1. Cloud seeding has been responsible for the great five-year drought in the northeast United States.

2. Isolated sections in the northeast have experienced 18 years of drought due to cloud seeding.

3. Weather disturbances in the south Atlantic have been eliminated and has reduced the east coast's rainfall by 30%—rain that is needed if agriculture is to be successful.

4. The average dairy farmer on the east coast, living in an area of cloud seeding, has averaged a net financial loss because of seeding.

5. Crop production losses in Franklin County, Pennsylvania, alone, have amounted to $50,000,000.

6. When effects of seeding wears off, cloudbursts occur, causing floods, destroying crops, buildings, and drowning people as well as livestock.

7. Seeding has been responsible for the serious air pollution problems.

8. Mental retardation and insanity are traceable to cloud seeding chemicals.

9. Poisoning of all living matter is directly related to cloud seeding.

10. Emphysema is three times higher in areas of heavy cloud seeding.

11. Cancer is virulently out of proportion.

12. Financial losses to agriculture and related industries run into the billions.

13. Forest trees as well as cultivated orchards are dying from chemical reactions taking place in the air due to the addition of cloud seeding agents.

14. The atmosphere has been rendered completely biologically incompatible with all living matter, which includes animals, plants and humans.

WHO IS IN FAVOR

Cloud seeding success is determined by its acceptance by the general public. Here is where we put the chips on the table. Under no circumstances has there been one report of anyone ignoring this new activity without greed as a goal. Congressional hearing, private studies, newspaper articles, etc., all have the same request: please stop cloud seeding. The reasoning is quite simple, because seeding is grand larceny and international robbery.

A problem analysis sponsored by the U.S. Department of Interior, Bureau of Reclamation, Office of Atmospheric Resources, May 1969 can be quoted as follows: "Fog dispersal agents may have detrimental effects on plants and animals over a long period. As a matter of public policy, aerial distribution of unknown proprietary compounds would not be allowed on any but a strictly experimental basis, even if tests convince health agencies that the materials pose no immediate threat to human welfare. Full disclosure of the composition of any such material added to the environment is necessary in order that the scientific community as a whole may evaluate the possible long term effects."

HAVOC

Unless cloud seeding is brought under control, total disaster lies ahead. This is the statement of a distinguished scientist, Gordon J. F. MacDonald, writing in *How to Wreck the Environment: Geophysical Warfare*, in *Unless Peace Comes*. Massive and repeated attacks on natural weather coincide with a dislocation of the atmosphere so grievous that the world's weather is "going crazy." And this "crazy weather" has played a major role in food shortages.

In one specific instance, typical of the rest, "eight tons" of nucleating chemical—seeding agents—were seeded over the Punjab, India, July 16 to September 18, 1954. In this case, as in the Rapid City disaster, the hygroscopic, common salt, was used. Salt expands enormously in these experiments, more so than the poison commonly used, silver iodide. Salt and soapstone were the seeding agents used over the Indian sub-continent. Result? Disastrous floods.

BEER VS. FOOD

On March 5 and 6, 1973, hearings were held at Alamosa, Colorado, on the petition of Atmospherics, Inc., of California, to seed the San Luis Valley for Coors Brewing Company and Valley Growers, Inc. The purpose: suppress hail and "increase" rain. The evidence that the suppression of hail means suppression of rain as well, and therefore drought follows, was so clear that the petition was denied. Thus the 85% of area population who were on record as against seeding were given respite from a disastrous man-induced drought.

The testimony of Charles B. Moore, Professor of Atmospheric Physics, New Mexico School of Technology, Secoro, New Mexico, was crucial. Seeding is no way to modify the weather, he said. The amount of poisonous silver iodide used is "appalling" in its effects. If modification is desired, electrical charges should be used, following nature. Intense rainfall follows after lightning. Lightning is the best "rain-maker" there is.

The amount of seeding proposed for this valley would be a catastrophe, he said. Also, the "rainfall" shown on radar as tiny droplets would be recorded as precipitation. In fact, the dry air evaporates such drops, and none reach the ground. In addition, rain cannot be "made." Seeding decreases rainfall well beyond the target area. So, seeding the Tucson, Arizona target area, results in an apparent 49% loss of rainfall. Down wind, in Walnut Gulch, there was also significant decrease in rainfall. Moore agreed with the distinguished hydrologist, Dr. H. B. Osborn, that seeding accounts for a 34% loss of rainfall. It can never, said Moore, be predicted that the seeding chemicals will remain in the target area. It also appeared in the testimony that whoever reads and reports the rain guage record controls the data. Such a person's honesty controls the record.

A recent report from the San Luis Valley states that the Valley Growers, Inc., are growing more barley than ever are paid more for it, to not have to store it, and have not had to pay out $100,000, the fee for cloud seeding. Tom Henderson of Fresno, California, was applying for a permit to seed the Valley for the growers by demand from Coors! He fraudently applied on the basis of rain-making, although Coor's admitted, under oath, that drought was the desired result.

SCREWBALL WEATHER

The intricate complexities and unknown dangers, especially of irreversible changes involved in cloud seeding, demand carefully monitored local, small-scale operations. To date, this mandate remains unheeded.

That this is no idle threat is revealed by the fact that "silver iodide is toxic and must be handled with care." Yet tons of this poison are dumped over the country in a decade, as Charles Hosler, Penn State Meteorologist, admits in his pamphlet, *Why is it Dry?* The distinguished cloud seeder, Irving P. Krick notes that "The Government will be putting out thousands of pounds of seeding material, and we put out one-fifth of an ounce per hour. That shows how little you have to use . . . The Government thinks it can do more by using more." Krick calls such folly "screwball situations." In spite of dangers, known and unknown, "It is highly unlikely that seeding with silver iodide will be abandoned." Charles B. Moore, Professor of Atmospheric Physics, New Mexico School of Technology, says that no one really knows how long seeding chemicals stay around, and that the amount used is appalling."

One of the worst droughts, that of the entire region of sub-Sahara, a catastrophe unprecedented, lasting seven years, coincides with intensive seeding in Kenya for the Tea Industry. Seeding chemicals are effective for many hours, and hundreds of miles; the trade winds, easterlies (flow east to west), carried these agents of death over that fragile ecology. The drought killed countless thousands, and ruined the economy of the nations. The tea crop has never been better. Small wonder Maurice Strong, head of the U.N. Environmental Program, warns that theft of rain could lead to world battle. Time is running out.

It is fairly well known that midwest drought coincides with the annual and massive cloud seeding programs in the Rocky

Mountain States. Not so well known is the fact that after any huge seeding program, or even a modest one, the *chemicals that are not used up will move clear around the globe and trigger effects that are completely unpredictable.* Flood and drought are the inevitable companions of weather modification. Severe droughts are causing not only severe global food shortages from crop failure. The slightest change of a degree or two in ocean temperature off the coast of Peru started a chain reaction that practically wiped out commercial fishing there.

SOUTH DAKOTA

The enclosed "Letter to the Editor," printed in a local newspaper in South Dakota, summarizes the rain-making in that state. Most areas were 7 to 8 inches short in rainfall during the growing season since cloud seeding started.

Being a farmer-rancher on the north Buffalo County line, I have watched weather modification for several years. We got more rain than they did under their modification program until the plane started to fly farther north. Many times I have seen what looked like a rain cloud coming, until the plane went through it, and then the cloud would promptly disappear. They also had several bad hailstorms go through Buffalo County during their modification program.

If modification would produce one-to-two inches more rainfall, I suppose we might have a chance to win ten-to-one, but what if we lose one or two inches of rainfall or more? It looks to me like another smooth-talker has made suckers of us.

Last year we had the driest spell I've seen for a long time, from June 4 until August 18 we had about three-quarters of an inch of rain in small showers, not enough to help much. We had clouds that looked good but the rainmakers flew through and took care of them.

The rainmakers quit August 15 and on the 18th we got a half-inch of rain. About the 30th we had three inches and a rather wet fall from there on out. This, of course, could be coincidence or just plain South Dakota. But I think we should save millions of dollars a year to help the drought stricken, because even with the Chamber of Commerce, counties and state financing this modification program, under South Dakota's present economy agriculture will finance at least 50% of it.

The Rapid City, South Dakota, disaster of June 9, 1972, was an unprecedented flood which cost 250 lives and destroyed $100 million worth of property. Intensive research by *Environmental Action* of Washington, D.C. (see issue for May 12, 1973) shows that the five runs of seeding storm clouds with salt apparently turned them into four huge rain generators held stationary over the victimized area for hours. So great was this man-induced deluge that the record shows *"more than ten times the flow of any previous flood on record"* for that area. The article suggests that the steadfast denials of responsibility by the seeders South Dakota School of Mines, Institute of Atmospheric Sciences, the federal Interior Department commercial seeders comes from their "determination to convert our skies into their own experimental laboratories." This results of course in "their self-serving twisting of facts and conclusions," which smacks "of nothing less than a meteorological Watergate." Thus the conclusion of Britain's leading meteorologist, Dr. Brian J. Mason—"The last 20 years of effort in cloud seeding have been a waste" (*Science News*, Earth Sciences," volume 97)—is the understatement of the decade. The Stockholm Conference on the Economy of 1973 concluded that the three greatest dangers to the survival of man are SST, the dredging of rivers, and at the top of the list: *weather modification.*

RECOMMENDATIONS

It is recognized the United States must continue with weather modification research to find out what should be controlled and what should be left to nature, and how to protect the country militarily. However, the cloud seeding community have been too indifferent of the people's welfare, both health and economic, and too careless of their responsibility to take scientific precautions to protect the people, the economy, the ecology, and the global atmosphere against adverse effects of weather modification.

Therefore, Congress should establish a federal regulatory body that regulates the traffic but does not manage the scientific activity. In fact, the Commission should be expressly forbidden to engage in any aspects of management. The chairman and half of the commission members should represent the public interest in view of the overwhelming concern, interest and investment in the geographical area as compared to the cloud seeder's slight financial and emotional interest.

An advisory body composed of scientists of every discipline should be maintained on a permanent status as a "watch-dog" over cloud seeding activities. They should be required to look for possible damage to the economy, the public health, the ecology, the global physics and to search for international methods and practical methods to insure against foreign control of the nation's weather.

This is a large federal employment project, but the damage is far more serious. To restore the citizens' confidence in the federal and state governments, every cloud seeder should be required to register with the Federal Commission and to pay the costs to the Federal Commission of advising the County Commissioners of every county affected, of the project, of its nature and its duration and of inserting a public notice in one newspaper in each county. Cloud seeding in any agricultural area should not be permitted more than one-fifth period of time of the total growing season, as the possibility of increasing rain appears dim at this time. An environmental impact statement with substance should be required.

The Tri-State Natural Weather Association has requested the President of the United States announce a ban on all cloud seeding on or over the Appalachian Mountains and the Atlantic Coast Plain for three years or until a federal regulatory commission is established, this to permit the economy to recover.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Richard Blumenthal, of Connecticut, to be U.S. attorney for the District of Connecticut for the term of 4 years vice Peter C. Dorsey, resigning.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, June 20, 1977, any representations or objection they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF POSITION—CLEAN AIR ACT

Mr. CRANSTON. Mr. President, Senator TALMADGE of Georgia was necessarily absent on Friday during the vote on final passage of the Clean Air Act.

If he had been present, the Senator from Georgia would have voted "yea," and I ask that the permanent RECORD reflect the Senator's position.

The PRESIDING OFFICER. The permanent RECORD will so reflect.

IS JIMMY CARTER PRESIDENT OF THE ARABS OR PRESIDENT OF THE AMERICANS?

Mr. HATCH. Mr. President, when I look at the crude oil equalization tax, an important and perhaps the main part of President Carter's energy plan, I wonder who the President thinks his constituents are. The plan provides a guarantee to OPEC that American producers cannot undersell the cartel's price and, also, places American heavy crude oil at a price disadvantage with Saudi light crude.

As the Wall Street Journal puts it in today's editorial:

> The practical result would be to reduce American oil production, increase oil imports, make the U.S. more dependent on OPEC, add credence to Arab political pressures, transfer more American wealth to the Middle East and keep the cartel in business.

The editorial concludes that President Carter's equalization tax "will benefit no one but foreign producers, and we hope Ways and Means will think twice before writing an OPEC subsidy into the American tax code."

The United States has done a better job of advancing the interests of other countries than it has its own. When I look out into the world, I do not see other countries busy trying to advance our interests. This "better-thou-neighbor" business, carried on by the U.S. Government, is not reciprocated. Through negligence and neglect of our own, we have lost our commanding positions in the world. We no longer hold the predominant economic, military, and diplomatic positions that we once did. We can no longer afford to advance the interests of foreigners at the expense of Americans—as President Carter's energy plan does.

Mr. President, the interest of Americans has got to take precedence over the interests of the OPEC cartel. What kind of a situation have we got ourselves into when a U.S. Senator has to point this out?

I ask unanimous consent that the Wall Street Journal editorial of June 13 be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. CARTER'S OPEC SUBSIDY

The House Ways and Means Committee, which has been working its way through the

tax parts of President Carter's energy package, will today or tomorrow come to the heart of the plan, the crude oil equalization tax. We hope the committee recognizes that it is being asked to extend OPEC a guarantee that its cartel price cannot be undersold by American producers.

Mr. Carter's proposal would continue the present three-tier price control system, with a ceiling of $5.25 on "old" oil, and $11.28 on "new" oil. "New, new" oil could sell at the world market price, and the various ceilings would be updated for inflation. On each barrel of "old" or "new" oil, the government would levy a tax of the difference between the control price and the world market price. Thus U.S. producers could receive no more than the control price, but U.S. consumers and refiners would always pay the OPEC price.

We know this because it is already happening under the existing entitlements program. Like Mr. Carter's wellhead tax, the entitlements program is intended to "equalize" the cost of crude oil to refiners. Anyone who buys low-cost oil has to purchase an "entitlement" to refine it, while anyone who buys high-cost receives an entitlement equalizing the cost. Refiners have no incentive to seek out cheaper oil, and it doesn't matter from whom they buy.

If crude oil is going to cost refiners the same no matter what, they will naturally buy the best crude oil available. They will want light crudes, which make a lot of valuable gasoline and jet fuel. They will not want heavy crudes, which produce more residual fuel oil. Instead of buying American heavy crudes they will buy OPEC light crudes. Anyone about to vote on the Carter tax proposals should seek out a briefing on the problems of the oil industry in California, where the heavy crudes are produced.

The heavy crudes have to sell for less than other crudes, both because they don't produce as much of the high-value end products, and because refiners need the lower price to recapture investment in expensive equipment to process it. The market had adjusted nicely to these problems in pre-price-control days, but the FEA bureaucrats have been struggling with them vainly for four years.

Saudi Arabian light crudes land in Long Beach at $13.74, and the refiner using them gets entitlements worth $2.78 a barrel. To refine heavy crude from the Wilmington field around Long Beach, a refiner has to buy entitlements at a net of $6.33. Under Mr. Carter's proposals, the Saudi crude would be $13.74, tax-free; the Wilmington crude would pay a tax of $8.49. Either way, the competition of light Saudi oil will force the price of heavy Wilmington crude below the official control price of $5.25. It currently sells for $4.48 a barrel.

Unfortunately, much of the remaining oil in the Wilmington field can be recovered only through water flooding, which can easily cost more than $4.48 a barrel just to get the oil out of the ground. Until the FEA gave Long Beach an "exemption," arbitrarily allowing it to count some "old" oil as "new," the city had shut in two of its fault-blocks, some hundreds of oil wells. Long Beach couldn't afford to produce its own oil to sell at $4.48, even though tankers were sailing into the port of Long Beach to unload Saudi oil at $13.74.

Independent producers in the Wilmington field have not been as successful as the city of Long Beach in obtaining exemptions; one was told by the FEA he simply wasn't a large enough entity to worry about. Many California wells tend to get clogged with sand, and the producers can't afford to redrill them at present prices. The Washington price controls threaten to gradually close down California production, replacing it with OPEC oil.

For some reason—perhaps out of the conviction that no fate is worse than price decontrol—President Carter wants to continue on this course. His equalization tax will benefit no one but foreign producers, and we hope Ways and Means will think twice before writing an OPEC subsidy into the American tax code.

THE LEGAL SERVICES CORPORATION ACT

Mr. HATCH. Mr. President, the Senate will soon consider S. 1303, legislation to extend and revise the Legal Services Corporation Act. I oppose this bill and I hope that my minority views on this subject have been read with some interest by my colleagues.

As many of my colleagues will recall, the history of the legal services program under the Office of Economic Opportunity was one of widespread controversy, misappropriation of public funds, and ineffectiveness in dealing with the legal problems of poor individuals. The involvement of the program in efforts to achieve broad social reform or changes, in the advocacy of political and social causes, and in other controversial areas of social engineering are still fresh in our minds.

With this background in mind which almost caused the end to the property legal services program, Congress in 1974 imposed in its wisdom certain restrictions and prohibitions on the Legal Services Corporation as the successor to the OEO program to attempt to curb the rampant abuses. The 95th Congress must now determine whether, and to what extent these restrictions will be removed or modified. To make the sweeping substantive changes called for by the Human Resources Committee will only insure that the legal services program will revert to its old abusive ways to the detriment of poor people who need and deserve legal representation.

Mr. President, I ask unanimous consent that an article entitled "Legalizing Leftwing Revolution," authored by Jeffrey St. John be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ST. JOHN'S JOURNAL LEGALIZING LEFT-WING REVOLUTION

(By Jeffrey St. John)

WASHINGTON.—"His attitude as a lawyer," wrote the historian Otto J. Scott of Robespierre, the French revolutionary radical of 1789, "was mixed with the goal of a politicians; the courtroom was his podium for reform and his clients merely symbols."

While the above work by Scott, "Robespierre: The Voice of Virtue" (Mason Lipscomb, N.Y., 1974), describes in detail the bloody role played by lawyer Robespierre in carrying out the French Revolution, most Americans would be astonished to discover that the Federal government since 1966 has been subsidizing radical left-wing lawyers in this nation who want to bring about, and from the same premises, a legal revolution along the French model!

During the Lyndon Johnson "Great Society" boom, the Office of Economic Opportunity (OEO) in 1965 created a legal services program allegedly to aid the poor. But in less than a decade OEO funds were used to finance an entire cadre of left-wing causes. It grew to such scandalous proportions that Congress in 1973 instituted a "reform" measure and detached legal services from OEO and created the Legal Services Corporation. One of the prime movers was then Minnesota Senator Walter Mondale. Now four years later, with Mondale as Vice President and OEO architect Joseph Califano as HEW Secretary, what do we find? The administration is currently pushing Congress hard to fund Legal Services Corporation for a staggering sum of $300 million for Fiscal 1979.

Former OEO Director under Nixon, Howard Phillips, now heading the 200,000-member Conservative Caucus, contends that Legal Services Corporation should be abolished. He argues that virtually every liberal cause for the last thirteen years has been paid for by taxpayers through the Federal Legal Services program and this is a clear violation of the free speech guarantee of the First Amendment. 'Legal Services' is not a poor people's program," he maintains, "it is a lawyers' program. It is not a program impartially to seek justice, but one which uses public funds to seek political change outside the electoral process—not just in the courts, but through grass roots lobbying organizations, paid legislative agents, voter registration efforts, political publications, and lobbying the personnel of state and federal agencies.

"Both under the corporation and at OEO, employees of taxpayer-funded legal services projects have been in the forefront of action for radical political change—advancing the priorities of those who control the program, all the while self-righteously proclaiming to speak for the classes of humanity, from a perspective that can only be characterized as Marxist in its premises."

Phillips maintains, moreover, that Federal Legal Services has funded with taxpayer monies government quotas in jobs and schooling, welfare rights, unions of the unemployed, student protests, homosexual demands, graduated income taxes for the states, passage of the Equal Rights Amendment, rent strikes, anti-business regulation, Ralph Nader consumer causes, voting rights for convicted felons in prisons, state takeover of local education, land use control laws and no-growth environmentalism.

The most famous Federal Legal Services case was the suit brought against the State of Maine by the Passamaquoddy and Penobscot Indians who demanded that two-thirds of the state be turned over to them by reason of ancient treaties. Attorneys for the Pine Tree Legal Assistance, Inc., the litigating group, were subsidized by Federal Legal Assistance funds, as was a similar court challenge in Colorado. The director of Legal Services saw nothing wrong in a suit that crippled construction in the state and threw the always fragile Maine economy into panic because of the uncertainty cause by the Indian suit.

What all this clearly indicates is that the radicalism that go its start in the 1960's during the Johnson era has not, as many believe, ended just because cities and campus buildings are not ablaze. In fact, the Legal Services Corporation and its activities—sanctioned by Vice President Mondale and President Carter—indicate that the revolutionaries of the 1960's, having berated the establishment from the streets, are now taking over the Federal government to continue their revolution from within and with money from the American taxpayer.

AIRLINE DEREGULATION

Mr. EAGLETON. Mr. President, the Senate will soon be considering a bill to reform regulations of the ariline industry. While there is an obvious need for some modernization of CAB rules, many are concerned that total deregulation will deprive small communities regular air service and create serious financial problems for several air carriers. Those concerns are expressed in a resolution recently adopted by the Kansas City Council, and I ask unanimous consent that a copy of said resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

"RESOLUTION

"A resolution expressing the concern of Kansas City that regulatory reform legislation now being considered by the Congress of the United States is detrimental to the interest of the citizens of Kansas City, and urging the Congress to reject this legislation as presently drafted, and to remedy specific regulatory shortcomings within the framework of the Federal Aviation Act of 1958.

"Whereas, the Congress of the United States is considering legislative proposals, S. 689 and S. 292, which would substantially alter the regulation of the commercial airline industry by the Fedreal Government; and

"Whereas, these proposals purport to provide less regulation and encourage greater competition in an industry that has, under existing regulation by the Civil Aeronautics Board, grown to be the dominant form of inter-city public passenger transportation in the United States carrying more than 200 million passengers annually or approximately 80 per cent of common carrier inter-city passenger miles, as well as more than five billion ton miles of freight services annually and 80 percent of all first class mail; and

"Whereas, certain elements of the proposed legislation could bring about excessive change resulting in an unstable airline environment threatening the existing airline system along with much of the employment in the industry, damaging the economies of many cities which depend on the continued strength and stability of the existing scheduled airline industry and resulting in a reduction of service to smaller cities and the prob..bility of massive Federal subsidies to maintain air service to remote areas; and

"Whereas, the livelihood of thousands of citizens of Kansas City is dependent upon the economic health of the commercial airline industry; and

"Whereas, the new legislation does not address the possibly disastrous consequences to airport facility operation and financing which could result from the proposed liberal airline entry and exit policies, nor is the new legislation in its federal preemption provisions clear and concise as to guaranteeing that no additional and harmful constraints will be placed upon local airport proprietary powers; and

"Whereas, since most of Kansas City's major air destinations are not pleasure and discretionary travel markets and do not enjoy a high degree of price elasticity, Kansas City air travelers will not receive the benefits of price competition as a result of the proposed legislation but will most likely be subjected to unregulated price increases to offset air carrier losses resulting from fare competition in vacation markets in other parts of the country; and

"Whereas, a number of changes which would update and streamline the existing regulatory process can be achieved without such drastic and damaging changes to the present law, such as transfer of dormant operating authority, removal of obsolete airline certificate restrictions, award of competitive nonstop service in monopoly markets, and expedited procedures for handling route applications; now, therefore,

"Be it resolved by the Council of Kansas City:

"That the City of Kansas City, Missouri, hereby urges the Congress of the United States to reject sweeping and dangerous aviation regulatory changes now proposed in legislation before it, and in lieu thereof, to focus on changes that can be achieved within the basic framework, philosophy and mandate of the Federal Aviation Act of 1958, with the view of assuring continued commercial airline service to the public, the attainment of a healthy airline industry, and the fostering of an expanding air transportation system, as required in the national interest."

LEGAL SERVICES CORPORATION

Mr. McCLURE. Mr. President, very shortly, the Senate is expected to take up a bill amending the law which established the Legal Services Corporation. The new legislation relaxes most of the restraints imposed upon this controversial program by Congress 4 years ago.

Sunday, on the Mutual radio network, Mr. Howard Phillips, former head of OEO, was interviewed on the program, Reporter's Roundup. Those providing the questions were Donald R. Larrabee, bureau chief of the Griffin-Larrabee News Bureau; Barry Hager, Congressional Quarterly News Service; and Jeffrey St. John, the columnist who also acts as moderator, on the program.

Mr. Phillips' presentation was a stinging indictment of the legal services program. After hearing it, I am more convinced than ever that the proposed legislation is unwise. Because of the timeliness of the program, I ask unanimous consent that the transcript of Reporters' Roundup for June 12, 1977, be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

REPORTERS' ROUNDUP, JUNE 12, 1977

ST. JOHN. Twelve years ago the Federal government under President Johnson created the War on Poverty with the creation of the Office of Economic Opportunity, OEO for short. One program for the poor was Federally-funded legal assistance. Over the last dozen years the program has been praised and condemned. Congress is considering funding the Federal Legal Assistance Corporation for fiscal year 1979 by $300 million.

Our guest on Reporters' Roundup is the former director of OEO, Howard Phillips. Today, Mr. Phillips is the Executive Director of the Conservative Caucus, a 200,000-member grass roots organization founded in 1974.

Mr. Phillips, you have called for the abolition of the Federal Legal Assistance Corporation. Why would a former OEO director do a thing like that?

PHILLIPS. Well, because it's a bad program. Beginning back in 1965, when the program had $1.3 million to spend through today when it has roughly $125 million, the program has been a means by which those funded under it—and I don't mean the poor, I mean the roughly 300 projects, roughly 5,000 employees—those people have had the power to influence and direct the course of public policy, with public funds, without the recourse to the electoral process.

Legal Service attorneys have been involved in organizing groups that have pushed for forced busing, increased welfare, more food stamps, abortion on demand, Indianland claims, gay liberation, and what have you.

HAGER. Mr. Phillips, you have just articulated some of the reasons why you oppose the Legal Services Corporation amendments of 1977. I would like to refer you to a committee report, the House Judiciary Committee has suggested in its report of this act that most of the work done by the Legal Services lawyers are done in such areas as domestic relations, obtaining divorces for poor people no more than 25 percent above the poverty line in income.

I'd like to ask you, are you then in a position of opposing legitimate needs of poor people in opposing this corporation?

PHILLIPS. I am opposing a program which vests controls, not in the consumer of legal services, but in the provider of legal services. When you nave an attorney with a guaranteed annual income, which he receives from a board of directors of a private organization, as is the case with Legal Services attorneys—they work for roughly 300 private organizations—then they are required to heed the dictates of those who run those private corporations without economic restraint. If they wish to spend their time researching fine points of law, bringing test cases, lobbying or organizing groups, they are free to do so.

Reporters' Roundup, June 12, 1977

And it is, in fact, the case that this has happened throughout the country. The Supreme Court decision on abortion came about as a result of a series of test cases and an orchestrated strategy that came out of the National Health and Environmental Law Project, a Legal Services funded program in California.

The Welfare Rights movement was organized through Legal Services programs like the National Employment Law Project, which has on its board of directors, to this day, Richard Clawer who wrote a book called "Regulating the Poor" which promoted this kind of thing. So, even though, certainly, the attorneys do represent many individual clients . . . I think it's interesting to note that in one of the proposed changes in the legislation this year, with respect to lobbying, the authors would even remove the requirement that attorneys represent particular clients. And they do represent their own views with impunity.

HAGER. If I could follow up on that, Mr. Phillips. It occurs to me that you are stating that you object to lawyers and Legal Service programs having brought cases which have had success in the courts, including in the Supreme Court. Is it not true that you are objecting to the findings of the courts; that these suits were justified and were correct suits to bring under United States law and the Constitution?

PHILLIPS. What I object to is arbitrary grants of power. If you have what is, in effect, a nationwide law firm, with several thousand attorneys in it, you are in a position to determine which jurisdictions will hear your cases. You are able to say 'We will raise this point here' and 'that point there' and research 'this issue over here.' And that is in fact what they have done on a number of issues, wether it's forced busing, abortion, or Indian land claims or whatever it may be. And what I am saying is, it is unfair for the government funded people who, invariably, have one point of view—a left-wing point of view—and let them say we are going to push our point of view wherever we wish to do so.

The other side of the coin is that they have a tremendous amount of power. Because, even though their point of view is funded, which represents a particular interest—a special interest, their interest, their point of view—the other side, the side of the general interest, is not funded. If they sue a particular individual or organization that individual either has to acquiesce to their demands, or face the prospect of a very expensive law suit.

LARRABEE. You say that the Indian claims are being supported by some of these funds. As you may know, the State of Maine is confronted with a massive Federal suit on behalf of two tribes. They are trying to recover land and untold millions of dollars. The Indians, of course, say their land was illegally taken. Now do I understand this group that is pressing the case for the Maine Indians tribes, The Native American Rights Fund, is getting money under this Federal program?

PHILLIPS. The Native American Rights Fund has for a number of years been supported by the Federal Legal Services program with tax dollars. It also receives funding from private sources, such as the Ford Foundation and the funds go together in one big pot. Tom Tureen, who works for the Native American Rights Fund, and who has been the principal attorney in those Maine land claims suits, has been associated with the Legal Services program for many years. And the Massapique suit, in Massachusetts, is another Native American Fund or Legal Services suit.

LARRABEE. Do you have any idea how much Federal money has gone into supporting these suits?

PHILLIPS. Well, several hundred thousand dollars a year is the amount N.A.R.F. does receive. Of course, there is more to it than simply the suits. The South Dakota Legal Services program had in its organizational charge the mandate to organize chapters of the Marxist criminally controlled American Indian Movement, which has been operating all over the country. That program has received literally hundreds of thousands of dollars in support from the American taxpayer.

LARRABEE. You wouldn't, of course, characterize this movement in Maine as a left-wing effort, would you?

PHILLIPS. Well, it certainly is a fact that many key people in the Legal Services program, like Allen Housemain, for examples, who is head of their research unit in the corporation office in Washington, are associated with the National Lawyers Guild—which is an avowedly Marxist organization, declared by the House Internal Security Committee to be the legal arm of the Communist Party of the United States for many years. And the National Lawyers Guild has, in fact, for many years advocated precisely this kind of suit.

ST. JOHN. I understand from Governor Meldrim Thomson of New Hampshire that the problems he had recently with demonstrators over a nuclear power plant had some connection with the Legal Services Corporation. Do you have any information about it?

PHILLIPS. I have no evidence that Legal Services lawyers organized that demonstration. But the Governor has said that there are numerous provable incidents in which the Clam Shell Alliance anti-nuclear power demonstrators received help from taxpayer funded assistance from the New Hampshire Legal Assistance program.

HAGER. Mr. Phillips, you have made several references to a consistently quote, 'left-wing point of view' of the Legal Services attorneys and Legal Services programs. And you have also used the word 'Marxist' to describe some of the people or associated the word 'Marxist' with some of the people in the Legal Services Corporation. How do you square that notion of a left-wing point of view for Legal Services with the fact that the American Bar Association has consistently supported the idea of a Legal Services program? And, indeed, the idea of this Legal Services Corporation Amendment of 1977 in testimony before Congressional committees, and also through actions of the House of Delegates [of ABA]? And specifically, how do you square this with the fact that former ABA presidents, as current Supreme Court Justice Lewis Powell, have also explicitly supported this program? Are they also Marxists or left-wing in their viewpoint?

PHILLIPS. Well, Mr. Hager, as you know, the policy of the ABA is, to a very great degree, a reflection of the recommendations of the committees which have expertise in particular areas. It is a fact that those committees which offer recommendations to the ABA with respect to the Federal Legal Services program are dominated by people who are associated with that program. In fact, the American taxpayer has, for many years, subsidized the participation of hundreds and in fact thousands of attorneys in ABA meetings where they have been voting their own interests and where they have not been effectively opposed.

HAGER. Again then...

PHILLIPS. By the way, please don't put words in my mouth. At no point did I suggest that every lawyer in the program is a Marxist. I stated the fact that the National Lawyers Guild, which is a Marxist organization by its own description, has heavy influence in the Legal Services program and that many of the people in key positions in the program are associated, or have been in the past, with the National Lawyers Guild.

HAGER. Again, Mr. Phillips, if I may press you on that point. You are in agreement to the fact also that all ABA presidents including Mr. Justice Powell and including Leon Jaworski and Chesterfield Smith of Florida, have in fact supported the concept of staff attorney Legal Services Corporation and continue to do so?

PHILLIPS. Well, I am not sure whether they continue to do so. I see that Mr. Jaworski has recently declared himself against the concept of a Federal Consumer Protection Agency on the grounds that such an agency would only arbitrarily be speaking in the interest of the consumer. And I think a parallel argument can be used against the Legal Services program. Why should the people, who happen to be employed by these Legal Services projects, be in a position to aggregate to themselves the power to speak for the poor? Under the Legal Services program the attorneys do more than represent individual clients. In most of state legislatures of the country there are paid Legal Services lobbyists who draft legislation and lobby that legislation through. Just as there are lobbyists who lobby with Federal agencies and with the Congress, paid by taxpayers' funds through the Legal Services program.

They are also heavily involved organizing in other areas like economic development, and they're involved in community education. But my principal attack on the Legal Services program is a structural one which says that it is a violation of the civil liberties of the American taxpayer when his taxes are used to fund private individuals who are pushing for changes in public policy and without recourse to the ballot box.

LARRABEE. Mr. Phillips, am I correct that Legal Services was originally part of OEO that you headed?

PHILLIPS. Yes, sir; it started back in 1964 administratively and then by statute in 1965.

LARRABEE. And you were instrumental in the effort to dismantle OEO, de-fund it really. How successful were you?

PHILLIPS. I was not very successful at all, unfortunately.

LARRABEE. The agency is out of business.

PHILLIPS. The agency in its old name is out of business. But the programs which it funded are receiving more money and have less constraint on them than had been the case in the past. It was the original expressed intention of President Richard Nixon to disapprove further funding for the Office of Economic Opportunity beyond midnight June 30, 1973. Several days before the close of that fiscal year, however, the White House made a decision, which it communicated to me, that the President would sign the extension of OEO.

* * * * *

HAGER. Yes. I have one question regarding the hearings for this act. As it now stands there have been hearings among the Senate and the House. A number of groups and individuals have come to testify in favor of the Legal Services Corporation Amendment Act of 1977. Neither you nor any of your associates, to my knowledge, have participated in those hearings. That would be a chance for you to address the Congress directly with your objections. Why have you not done so?

PHILLIPS. Well, we have addressed the Congress directly, in the sense we have dispatched communications to every member of the House of Representatives and every member of the United States Senate expressing our views. And we work closely with Congressman John Ashbrook of Ohio, who filed minority views on this in the House Judiciary Committee.

LARRABEE. Mr. Phillips, when President Jimmy Carter appeared before the National Press Club in 1973, as Governor of Georgia, I happened to be presiding and so I can recall vividly his emphasis on the fact that he considers himself a fiscal conservative. Do you think his presidency, thus far, has shown him to be that?

PHILLIPS. Well, I agree with editorial recently in the Wall Street Journal that indicated that Mr. Carter was not their kind of a fiscal conservative. I think President Carter recognizes that many people voted for him because he sent out conservative smoke signals. And one of those signals was limiting the size of the bureaucracy, balancing the budget and what have you. But President Carter's proposed power grabs in the energy area, his plan to introduce Federalization of welfare, his plan for national health insurance are not what I would call fiscally conservative approaches. And frankly I think he is guilty of perpetuating a great fraud on the American people.

ST. JOHN. A final question, Mr. Phillips. I recently read a remarkable book by the historian Otto J. Scott, it was called "Robespierre: The Voice of Virtue." And in it Scott pointed out that fundamentally the French Revolution was carried out by two groups principally in French society in 1789. One were journalists and the other were lawyers. You seem to strike a similar chord in the indictment of the Legal Services. Is there a connection? Is this a revolutionary group whom you call Marxists—or some of them are Marxists? Is there a parallel in your opinion?

PHILLIPS. There is a parallel in the sense that the theme of the French Revolution was elitism. And the theme of the Federal Legal Services program is elitism: the idea that you cannot trust the voter at the ballot box to set public policy. If the voter makes a mistake there should be people who know what's best for him, who are in a position to change public policy.

For example, in the area of Food Stamps we have seen, from 1965 where one out of 439 Americans was on Food Stamps growth to the point where there is one out of eight Americans on Food Stamps. The Legal Services program has had a lot to do with that through the Food and Research Action Center which has pushed to get more people on Food Stamps, to increase Outreach programs so that every one who is conceivably eligible should be on it. All of these efforts, whether

it's to increase the Food Stamps rolls, to increase the number of people on welfare, to promote forced busing, to promote racial and religious quotas, all of these things reflect a basic elitism, an unwillingness to trust the people, an unwillingness to trust the legitimate political process and a demand for special treatment for special interests where they get funded to push their point of view and are subsidized by the American taxpayer—who disagrees with almost everything they are doing.

VOLUNTEER INTERPRETER: A POLICE ASSET

Mr. HOLLINGS. Mr. President, as all of us know, local police departments are called on for many and sundry services which often range far afield from their central law enforcement mission. Last year, during the Bicentennial, they were called upon as never before to provide interpreter services for non-English-speaking visitors. This is not a new problem. It has been around for a long time and it is growing worse. But it took the vast influx generated by our Bicentennial observances to bring it to wider public attention.

I am proud to report that Charleston, S.C., has long led the way in alleviating this problem. Police departments there began in the 1950's to compile lists of bilingual volunteers who were available to provide emergency assistance and general help to non-English-speaking persons. Today, the Charleston Area Interpreters List includes 77 people who speak 37 languages, and thanks to it, hundreds of visitors to our State are helped each year.

The volunteer interpreter program is discussed in an article in the current June number of FBI Law Enforcement Bulletin. Written by Chief John H. Ball and Deputy Chief S. M. Meyer, III, two widely-respected police officials from our Charleston County Police Department, the article provides the kind of information other communities can utilize to address the problem and find some solutions.

Because it is such a helpful and instructive story, I ask unanimous consent that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VOLUNTEER INTERPRETER: A POLICE ASSET

(By Chief John H. Ball and Dep. Chief S. M. Meyer, III)

Because most Americans are taught at an early age to call upon "their friend, the policeman," the public often looks to the local police department for miscellaneous and sundry information, such as how to obtain municipal services, medical treatment, emergency assistance, and other referral information. The conscientious police administrator is therefore obliged, in the best interests of the community, to provide information which will direct the citizen according to his or her particular need.

A special police problem, however, is presented by the non-English-speaking person or the foreign visitor who requires attention but is unable to ask for assistance by virtue of the language barrier. This problem was emphasized during America's Bicentennial year when large numbers of visitors from other countries traveled to the United States to join in the celebration. Police departments, the international symbols of protection and service, were frequently besieged with requests for emergency services or simply for advice pertaining to special programs and events. Few departments were prepared to cope with voluminous inquiries; the need for interpreters was underscored.

"A special police problem . . . is presented by the non-English-speaking person or the foreign visitor who requires attention. . . ."

The importance of interpretive services has long been recognized in historical Charleston County, S.C., which for years has attracted the cosmopolitan to its ante bellum homes and plantations, slave markets, military installations, Fort Sumter, and busy Charleston Port; police departments there have been able to avail themselves of a unique service provided by a group of volunteer interpreters—civic-minded individuals who serve wherever and whenever requested on a 24-hour basis. This pool of interpreters has proven itself to be a valuable police asset for the past 19 years.

The service originated as a result of an incident which occurred in 1958. A Dutch sailor in obvious pain had been taken from his ship in Charleston Harbor to a local hospital. Due to the language barrier, he was unable to describe his mysterious ailment to doctors there. A community-oriented woman began a canvass of the surrounding neighborhood and located, to the relief of the sailor and distraught hospital staff, a native of Amsterdam who was able to act as an interpreter.

Recognizing the desperate need for interpreters in the Charleston area, she then began compiling a list of foreign-speaking volunteers from personal contacts and by advertising in local newspapers, magazines, and other media. Bilingual or multilingual residents willingly volunteered to be added to list. They invariably responded to her suggestion that a volunteer could be of assistance to his or her country folk in a time of need.

Currently, 1,000 copies of the Charleston Area Interpreters List are distributed to local and Federal law enforcement agencies, the State Ports Authority, hospitals, churches, and the like. The list is comprised of approximately 77 people who communicate in a variety of 37 languages, including Friesian and deaf mute. It is estimated that 1,300 foreigners a year receive assistance through this program.

An interpreters list is a viable resource for any department. It can be compiled by anyone willing to take the initiative. In an age of mobility and high-speed transportation, it is possible to locate and recruit foreign visitors and foreign-speaking residents in almost any community. Police departments, which often need interpreters at odd hours of the day and night, are well advised to maintain a list of this type for unexpected emergencies.

"An interpreters list is a viable resource for any department. It can be compiled by anyone willing to take the initiative."

In addition, an interpreter is sometimes able to determine if an individual is legitimately unable to speak English. On one occasion, the Charleston County Police Department had arrested a suspect who claimed to speak only a foreign language. A volunteer interpreter, however, quickly ascertained that the man spoke English as well, but was avoiding its use to evade questioning.

Clearly, the law enforcement and service aspects of police work can be facilitated through the services of the volunteer interpreter.

S. 1238—MILITARY LEGAL ASSISTANCE

Mr. THURMOND. Mr. President, sometime ago, I joined Senator MCINTYRE as a cosponsor of S. 1238. S. 1238 is our effort to provide a statutory basis for the legal assistance program of the Armed Forces. This program is utilized primarily by soldiers, sailors, airmen, and Marines of the lower ranks. A morale builder, the various services, by regulation, have operated outstanding legal assistance programs since World War II. The objective is to give military personnel assistance relating to their personal legal problems. This service is provided by military lawyers. S. 1238 is a good bill. It requires no additional funding. Should the bill pass, it will be a visible benefit, expression of concern and goodwill from the Senate to our servicemen.

Recently, the National Council of the Federal Bar Association, passed a resolution in support of S. 1238. Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION IN SUPPORT OF A STATUTORY BASIS FOR MILITARY LEGAL ASSISTANCE

Whereas, military assistance concerning personal legal problems has been provided to members of the Armed Forces and their dependents since World War II; and

Whereas, military legal assistance is important to achieve the purposes of the Soldiers' and Sailors' Civil Relief Act, to maintain a high degree of military operational readiness, and to enhance the morale and welfare of military members; and

Whereas, the absence of a statutory basis for such legal assistance permits reduction of such assistance to the detriment of members of the Armed Forces; and

Whereas, Senate Bill 1238 has been introduced to provide a statutory basis for existing military legal assistance;

Now Therefore, Be It Resolved that the Federal Bar Association endorses and supports in principle Senate Bill 1238 and other legislative proposals which would provide a statutory basis for military legal assistance; and

Be it further resolved that the President of the Federal Bar Association transmit this resolution to the President of the United States and to the appropriate committees of the United State Senate and House of Representatives.

MRS. L'NORA C. WELLS OF COLUMBIA, MO.

Mr. EAGLETON. Mr. President, it is with pleasure that I call to the attention of my colleagues today an accomplished and distinguished Missourian, Mrs. L'Nora C. Wells. This Missouri resident and public servant is to be installed as president of the American Society for Medical Technology, ASMT, on June 24, 1977. This honor will be bestowed by 29,000 laboratory professionals during their 45th annual meeting in Atlanta, Ga.

Mrs. Wells, who is administrative technologist for Boone County Hospital in Columbia, Mo., is also the founder of the School of Medical Technology at the University of Missouri Medical Center. She served at the university medical center as chief technologist of laboratories and distinguished herself as an able and effective teaching technologist during her tenure.

Her extensive activities have also included numerous publications and papers presented at conventions and conferences as well as seminars conducted. In

addition, Mrs. Wells has been serving her State and national societies in a leadership capacity including the elected offices of board member and president of the Missouri Society for Medical Technology and as a member of the board of directors for ASMT, the society's president-elect, and now will serve 1 year as president.

Mr. President, I know that all of my colleagues will want to join in extending heartiest congratulations to Mrs. Wells and wish her a most productive year as president of the American Society for Medical Technology.

(This concludes additional statements submitted.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

ERDA NONNUCLEAR AUTHORIZATIONS, 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 1340, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with sec. 261 of the Atomic Energy Act of 1954, as amended, sec. 305 of the Energy Reorganization Act of 1974, and sec. 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources with an amendment in the nature of a substitute.

The ACTING PRESIDENT pro tempore. Time for debate is limited to 1 hour to be equally divided and controlled by the Senator from Washington (Mr. JACKSON) and the Senator from Wyoming (Mr. HANSEN); with 30 minutes on any amendment, and with 20 minutes on any debatable motion, appeal or point of order.

Who yields time?

Mr. CHURCH. Mr. President, does this time agreement relate to S. 1340?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. CHURCH. Mr. President, I want to acknowledge the assistance in this matter of the distinguished senior Senator from Oregon (Mr. HATFIELD), who has been extremely helpful in the committee during all the hearings and mark-up sessions relating to this bill, and I defer to Senator HATFIELD at this time for the purpose of his making a unanimous-consent request.

Mr. HATFIELD. I thank the Senator from Idaho. Mr. President, I ask unanimous consent that Kirby Holt and Tom Imeson be given the privileges of the floor during the debate on this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I also ask unanimous consent on behalf of Senator HAYAKAWA that Katherine Bruner and John Bacher be given the privileges of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. CHURCH. Yes, I will be happy to yield.

Mr. MELCHER. Mr. President, I ask unanimous consent that during the consideration of this bill and amendments and votes thereon Ben Stong and Bill Whitsitt of my staff be allowed the privileges of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 requires and the Energy Research and Development Administration receive annual authorizations to carry forth programs of that agency. S. 1340, which was introduced by Senator JACKSON—by request—and referred to the Senate Committee on Energy and Natural Resources, would authorize funds for the nonnuclear research, development, and demonstration programs being conducted by ERDA.

The bill which was introduced in April reflected the first authorization request made by the incoming Carter administration. President Carter's request amended the original authorization request submitted by the departing Ford administration. In addition to both the Ford and Carter budget requests, the present administration, after further evaluation of ERDA's programs, submitted a revised request on April 20, 1977. The Committee on Energy and Natural Resources has incorporated into S. 1340 these latest revisions.

I might also add for the benefit of my colleagues that the committee reorganization which occurred earlier this year within the Senate transferred to the new Committee on Energy and Natural Resources the nonmilitary legislative and oversight functions of the Joint Committee on Atomic Energy. This transfer of functions has meant that the Energy and Natural Resources Committee now has jurisdiction over the entire civilian ERDA program, including both the nuclear and nonnuclear programs.

As originally introduced, S. 1340 included authorizations for both the nuclear and nonnuclear programs. In the interim period between the President's first and second submittals for authorizations for ERDA, a policy has been determined to redirect and restructure the entire nuclear R. & D. program. Because this change in our nuclear R. & D. policy will have far-reaching effects, it was determined by the committee that a careful analysis be made of the advisability and potential impacts of the President's new nuclear energy program. As a result, this bill contains authorizations for the ERDA nonnuclear programs and certain support activities for both nuclear and nonnuclear programs. The committee intends to report out an original bill authorizing funds for the ERDA nuclear programs in the very near future.

For the past several months the Subcommittee on Energy Research and Development of the Senate Committee on Energy and Natural Resources has carefully examined the authorization request made by ERDA for fiscal year 1978. In the committee's judgment, the Carter administration's budget, while forward-looking and aggressive, is deficient in certain important areas. For this reason, the committee is recommending to the Senate that the ERDA authorization be increased by $181,600,000 for R. & D. now being done in nonunclear programs. These increases mean that the total authorizations made in S. 1340 are $2,465,024,000.

Congress, in enacting the Federal Nonnuclear Energy Research and Development Act of 1974, mandated a major public effort in the development of nonnuclear energy technologies. The thrust of this law and subsequently enacted authorizations has been to dedicate the United States to a national commitment to provide the necessary financial and scientific and technical resources for this major undertaking and to accord proper priority toward building new nonnuclear energy options.

In accordance with the primary objectives stated above, and to provide ERDA with the necessary funding to assure that energy alternatives will be available at the earliest possible date, the committee makes the following recommendations:

First. A $45.0 million increase in authorizations for the fossil energy development program;

Second. A $65.5 million increase in the solar energy development program;

Third. A $30.8 million increase in the geothermal energy development program; and

Fourth. A $35.5 million increase in the conservation research and development program.

In addition to providing increased funds for ERDA's nonnuclear programs, the bill also includes authorizations for low-Btu fuel gas small industrial demonstration plants; a solvent-refined coal demonstration plant; a 50-megawatt geothermal energy demonstration plant; total funding for the 10 megawatt central receiver solar thermal powerplant; and, increased authorizations for previously authorized demonstration plants utilizing low and high Btu gas. I want to also note that the committee has authorized a low-head hydroelectric demonstration program by which ERDA is expected to initiate the demonstration of advanced turbines in the generation of electricity from low head dams.

I ask unanimous consent that certain tables reflecting the actions of the Energy and Natural Resources Committee appear at this point in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FOSSIL ENERGY DEVELOPMENT

	Fiscal year 1977		Fiscal year 1978		Committee action	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Coal:						
Liquefaction	72,957	84,983	107,000	109,800	107,000	109,800
Gasification:						
High Btu	44,054	58,704	51,200	42,800	51,200	42,800
Low Btu	33,052	39,952	73,900	47,200	73,900	47,200
Advance power system	22,500	12,800	25,500	23,800	25,500	23,800
Direct combustion	51,901	56,826	53,200	56,900	65,200	64,900
Advance research and support technology	37,070	36,570	40,000	42,000	45,000	42,000
Demonstration plants	53,000	50,600	50,900	36,200	50,900	36,200
Magnetohydrodynamics	34,990	25,989	45,800	33,000	70,800	46,000
Total coal	349,524	366,424	447,500	391,700	489,500	412,700
Petroleum and natural gas:						
ENH oil recovery	23,782	21,682	46,100	40,100	46,100	40,100
ENH, gas recovery	14,874	11,274	27,000	23,500	30,000	25,500
Drill exploration and offshore recovery	2,400	1,600	1,600	2,000	1,600	2,000
Process and utilization	1,831	1,831	1,400	1,400	1,400	1,400
Total petroleum and natural gas	42,887	36,387	76,100	67,000	79,100	69,000
Oil shale and in situ technology:						
Oil shale	22,278	13,323	28,000	21,500	28,000	21,500
In situ coal gasification	8,236	6,736	11,000	12,000	11,000	12,000
Total oil shale and in situ technology	30,514	20,059	39,000	33,500	39,000	33,500
Total operations	422,925	422,870	562,600	492,200	607,600	515,200
Total capital equipment	1,020	840	5,500	3,500	5,500	3,500
Total plant	59,200	21,700	349,350	35,300	351,050	35,300
Total fossil	483,145	445,410	917,450	531,000	964,150	554,000

GEOTHERMAL ENERGY DEVELOPMENT PROGRAM, FISCAL YEAR 1978 BUDGET

	Fiscal year 1977		Fiscal year 1978		Committee action	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Engineering research and development	13,500	12,500	15,500	13,600	17,100	14,800
Resource exploration and assessment	9,000	8,600	17,600	15,800	17,600	15,800
Hydrothermal technology applications	14,000	10,800	24,900	19,700	32,000	35,000
Advanced technology applications	11,900	11,100	20,400	16,100	23,500	18,600
Utilization experiments	0	0	12,000	3,500	16,000	4,300
Environmental control and institutional studies	4,800	4,800	8,100	7,100	8,100	7,100
Low head hydro demonstration	0	0	0	0	15,000	12,000
Total operating expenses	53,200	47,800	98,500	75,800	129,300	97,600
Total capital equipment	1,500	1,200	2,500	2,200	2,500	2,200
Total geothermal	54,700	49,000	101,000	78,000	13,800	99,800

SOLAR ENERGY DEVELOPMENT, FISCAL YEAR 1978 BUDGET

	Fiscal year 1977		Fiscal year 1978		Committee actions	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Thermal applications:						
A. Heating and cooling of buildings	84,800	60,100	93,900	88,000	97,400	90,800
B. Agricultural and industrial process heating	7,800	5,000	10,300	7,600	10,300	7,600
Total thermal applications	92,600	65,100	104,200	95,600	107,700	98,400
Technical support and utilization	11,500	7,200	9,000	6,000	12,000	8,300
Solar electric applications:						
A. Solar thermal	51,300	30,700	55,600	45,700	55,600	45,700
B. Photovoltaics	59,400	36,000	57,200	45,000	57,200	45,000
C. Wind energy	20,500	14,500	28,300	20,800	35,300	24,300
D. Ocean thermal	13,500	9,500	25,300	17,000	25,300	17,000
Total solar electric applications	144,700	90,700	166,400	128,500	173,400	132,000
Fuels from biomass	9,700	4,500	19,500	11,300	19,500	11,300
Total operating expenses	258,500	167,500	299,100	241,400	312,600	250,000
Total capital equipment	7,400	3,650	7,900	5,200	7,900	5,200
Total plant	24,500	11,950	6,250	13,000	58,000	23,500
Total solar energy development	290,400	183,100	313,250	259,600	378,500	278,700

CONSERVATION RESEARCH AND DEVELOPMENT, FISCAL YEAR 1978 BUDGET

	Fiscal year 1977		Fiscal year 1978		Committee actions	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Electric energy systems:						
A. Bulk power delivery	14,180	12,340	22,522	20,215	22,522	20,215
B. Power systems structure and control	2,900	2,215	3,200	2,600	3,200	2,600
C. New technology integration	2,620	2,090	4,300	3,300	4,300	3,300
D. Field test and evaluation	3,300	2,575	6,678	5,985	6,678	5,985
Total electric energy systems	23,000	19,220	36,700	32,100	36,700	32,100
Energy storage systems:						
A. Battery systems	13,300	9,920	16,320	12,675	16,320	12,675
B. Chemical and thermal energy storage systems	10,000	8,400	12,480	9,975	12,480	9,975
C. Mechanical energy storage systems	4,400	3,700	6,050	4,900	7,550	6,025
D. Technical and economic analysis	2,100	2,000	4,150	3,250	4,150	3,250
E. Utility applications	1,200	2,400	9,400	9,100	9,400	9,100
Total energy storage systems	31,000	26,420	48,400	39,900	49,900	41,025
Industrial energy conservation:						
A. Waste energy reduction and utilization	2,625	2,174	5,410	3,500	5,410	3,500
B. Industrial process efficiency	5,865	5,536	13,580	9,910	13,580	9,910
C. Agricultural and fuel process efficiency	3,430	1,975	4,800	3,570	4,800	3,570
D. Technology transfer and industrial impact analysis	2,510	2,275	1,210	1,120	1,210	1,120
E. Electrical cogeneration demonstration	0	0	0	0	15,000	10,400
Total industrial energy conservation	14,430	11,960	25,000	18,100	40,000	28,500

CONSERVATION RESEARCH AND DEVELOPMENT, FISCAL YEAR 1978 BUDGET—Continued

	Fiscal year 1977		Fiscal year 1978		Committee actions	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Buildings and community systems:						
A. Building design and structure	11,280	9,160	19,000	15,580	19,000	15,580
B. Community energy utilization	5,945	5,450	14,750	13,600	14,750	13,600
C. Urban waste	4,450	3,700	7,500	6,000	7,500	6,000
D. Technology and consumer products	3,905	3,425	9,570	6,070	9,570	6,070
E. Consumer materials and behavior	395	375	980	750	980	750
F. Economic analysis and technology transfer	625	500	2,200	1,800	2,200	1,800
Total buildings and community systems	26,600	22,610	54,000	43,800	54,000	43,800
Transportation energy conservation:						
A. Heat engine highway systems	16,385	14,740	30,000	23,200	30,000	23,200
B. Alternative fuels utilization	1,785	1,550	2,380	1,900	2,380	1,900
C. Electric/hybrid vehicle systems	5,000	4,000	46,900	26,250	46,900	26,250
D. Nonhighway transport systems	500	500	2,800	1,700	2,800	1,700
E. New concepts/impact assessments	3,500	3,000	3,920	2,900	3,920	2,900
Total transportation energy conservation	27,120	23,790	86,000	55,950	86,000	55,950
Improved conversion efficiency:						
A. Fuel cells	19,000	9,450	31,200	28,900	46,200	39,300
B. Heat cycles	1,850	1,250	13,800	8,790	13,800	8,790
C. Combustion	850	580	7,200	5,960	9,200	7,360
D. Supporting technologies for end-use applications	1,450	1,170	8,000	5,050	8,000	5,050
Total improved conversion efficiency	23,150	12,450	60,200	48,700	77,200	60,500
Appropriate technology program	0	0	0	0	2,000	2,000
Energy extension service	7,500	5,000	8,000	6,000	8,000	8,000
Total operating expenses	152,850	121,450	318,300	244,550	353,800	271,850
Total capital equipment	8,000	3,500	6,170	3,970	6,170	3,970
Total plant	0	0	800	200	800	200
Total conservation research and development	160,850	124,950	325,270	248,720	360,770	276,045

ENVIRONMENT AND SAFETY, FISCAL YEAR 1978 BUDGET

	Fiscal year 1977		Fiscal year 1978		Committee actions	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Environmental research and development:						
A. Overview and assessment	37,148	32,820	43,010	38,626	43,010	38,626
B. Biomedical and environmental research	131,606	123,951	143,970	137,069	143,970	137,069
Total environmental research and development	168,754	156,771	186,980	175,695	186,980	175,695
Life sciences research and biomedical applications	43,484	40,723	38,113	36,854	38,113	36,854
Total operating expenses	212,238	197,494	225,093	212,549	225,093	212,549
Total capital equipment	13,613	11,999	18,825	15,670	18,825	15,670
Total plant	7,700	13,326	11,200	10,548	6,000	10,548
Total environment and safety	233,551	222,819	255,118	238,767	249,918	238,767

PROGRAM MANAGEMENT AND SUPPORT, FISCAL YEAR 1978

	Fiscal year 1977		Fiscal year 1978		Committee actions	
	Budget authority	Obligation	Budget authority	Obligation	Budget authority	Obligation
Program direction	218,760	236,560	257,100	257,100	257,100	257,100
Institutional relations	26,451	26,775	24,341	24,741	26,141	26,091
Supporting activities	35,469	36,738	54,460	51,994	54,460	51,994
International cooperation	0	0	5,000	4,000	5,000	4,000
Total operating expenses	280,680	300,073	340,901	337,835	342,701	339,185
Total capital equipment	5,440	4,795	5,155	5,155	5,155	5,155
Total plant	7,200	6,087	21,530	8,936	21,530	8,936
Construction, planning, and design					10,000	10,000
Total program management and support	293,320	310,955	367,586	351,926	379,386	363,276
Council on Environmental Quality	500	0	500	0	500	0

These are the final numbers put in the report.

Total operating	$1,971,594,000
Plant and capital equip. (includes CPD but no GPP)	493,430,000
Total	2,465,024,000

Mr. CHURCH. Mr. President, many will recall during the early 1960's, President Kennedy's decision to embark this country upon a program to land an Army on the Moon by the end of the decade. Few may have thought it possible when the President made the announcement. The development of new energy sources requires the same aggressive commitment and optimism. The expenditures we make now toward the development of new energy options for tomorrow, while costly, will provide the country with an opportunity to achieve energy independence; the alternative choice—increased dependence—is no choice at all.

Mr. President, I ask unanimous consent that the amendments of the Senate Committee on Energy and Natural Resources be agreed to and considered as original text for the purpose of further amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I want to commend my colleague, the distinguished Senator from Idaho (Mr. CHURCH) and the members of the Subcommittee on Energy Research and Development, for the work they have done in preparation of Senate consideration of the nonnuclear portions of the fiscal year 1978 ERDA authorization bill.

As chairman of the newly constituted Energy and Natural Resources Committee, I am very much aware of the vital tie between our present energy policies and our future energy supplies. Many of the difficulties which we have encountered in the last 3 years as a result of rising fuel prices and OPEC embargoes can be traced directly to our shortsightedness in planning for this Nation's energy future. This year, under the new administration, the Congress has been working on a national energy policy which will help to centralize and coordinate this country's efforts in planning our energy strategy. Part of this effort involves the Energy Research and Development Administration and the work being done by that agency to help this country examine alternative energy sources, thereby helping to reduce the

U.S. dependency on foreign sources of oil.

Toward that end, we are today considering the authorization of funds for fiscal year 1978 for ERDA's nonnuclear research, development, and demonstration programs. The committee is recommending to the Senate the addition of $181,600,000 to the administration's request of April 1977. These additional funds bring the total authorization request to $2,465,024,000. In the committee's judgment, these funds are necessary to insure that energy alternatives will be examined and developed as rapidly as possible.

Mr. President, I ask that the Senate favorably consider the nonnuclear portions of S. 1340.

Mr. HATFIELD. Mr. President, I am pleased to join with the Senator from Idaho (Mr. CHURCH) in support of S. 1340 as approved by the Committee on Energy and Natural Resources. As a result of several days of hearings and detailed subcommittee and full committee discussions, I believe that we have substantially improved the administration's proposed authorization for the nonnuclear programs of the Energy Research and Development Administration. The increases the committee provided, which total some $181 million, reflect the committee's view that we must intensify our research and development efforts for both near- and long-term programs if we are to reduce dependency upon oil and gas and utilize our abundant coal resources and inexhaustible energy resources.

Following extensive review of the administration's proposed budget authorization, the Subcommittee on Energy Research and Development proposed significant increases in the fossil, solar, geothermal, and conservation areas. The full Energy and Natural Resources Committee made some additional modifications and I believe the result of the process is a well-balanced bill.

The Senator from Idaho has outlined the provisions of the bill as approved by the committee and I will not repeat his statement. I would, however, like to touch on just a few of the major increases agreed to by the committee. In the fossil energy development program, a $25 million increase was provided for the magnetohydrodynamics—MHD—program to keep it on schedule. Other increases in the fossil fuels program recognize the near-term potential for increasing coal utilization through fluidized bed combustion by using coal oil slurries.

Although the President's proposed authorization provides a doubling of funds for the conservation research and development programs, the committee agreed to increase funds for the fuel cells program by $15 million and to authorize electrical cogeneration demonstration program with another $15 million.

In the area of solar energy, which represents an opportunity to utilize inexhaustible energy resources, the committee approved a $55 million increase for the solar central receiver pilot plant, a 10-megawatt facility which would have been delayed by 1 year under the President's budget. Increases were also provided in the area of heating and cooling of buildings and in the wind energy program.

For geothermal energy research and development, the committee decided to approve a demonstration plant in addition to the one proposed by the administration. The second facility would utilize another kind of conversion system in a different geothermal reservoir so that we are not duplicating. Increases approved by the committee will also accelerate the Raft River thermal loop experiment and intensify efforts in the hot dry rock program and in very hot hydrothermal resources.

A new low head hydroelectric demonstration program within the geothermal program was also approved by the committee, although I believe the committee report is in error on this point.

One other increase I would like to point out, which is small in dollars but significant in its intent, provides $1.8 million for implementation of the present inventors program, whereby the National Bureau of Standards evaluates proposals developed by inventors all over the country. Presently, those inventions which have potential for saving energy or helping to meet future energy needs and are given a favorable report by the National Bureau of Standards must compete for funds with all of the various programs ERDA is undertaking. If the invention reflects a different approach than that being taken by the particular ERDA program to which it corresponds, it is unlikely that it will be funded. With the $1.8 million specifically for followup from the NBS program, ERDA will be able to fund some of these worthwhile projects directly.

In conclusion, Mr. President, I believe that the authorization measure as approved by the Energy and Natural Resources Committee represents a strong commitment to the development of new energy resources and to energy conservation. I urge my colleagues to join me in supporting this measure.

I take this opportunity to commend the Senator from Idaho (Mr. CHURCH) for his extraordinary able performance and job in bringing this bill to the floor through many hours of hearings and markup sessions.

Mr. President, at this time on behalf of Senator BAKER I ask unanimous consent that Mike Crisp be given the privilege of the floor during proceedings on the bill and on behalf of Senator DOMENICI that Mr. Dick Getzinger be given the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, for many years I have emphasized our country's need for energy independence, and stressed that a vital part of the solution lies on our increased reliance on domestic coal.

If we are ever going to develop a definitive national coal policy from the mine face to the ultimate energy user, it must be bulwarked with strong research and development programs. Only through an adequate assessment of new technologies for coal use can we assure that our Nation's fossil fuel resources are extracted, utilized, or otherwise converted to useful forms of energy in a manner suitable to both our environment and economy.

I commend our colleagues Senator JACKSON, chairman of the Energy and Natural Resources, and Senator CHURCH, chairman of the Subcommittee on Energy Resources and Development, for their recognition of coal and other fossil fuel research and demonstration projects, so essential to the adequate development of a nonnuclear energy strategy.

The authorization bill before us today authorizes approximately $965 million for the Energy Research and Development Administration's fossil energy program for fiscal year 1978. This represents an increase of about $481 million for total fossil energy development, and an approximately $140 million jump in budget authority for increased coal technology compared with fiscal year 1977. This increase in funding is in line with the administration's policy for increased coal utilization. The figure the Committee on Energy and Natural Resources recommends for the coal program is $45 million more than requested originally by ERDA for fiscal year 1978. This increase was made to assure the objectives outlined in ERDA's request which calls for the construction of a synthetic fuels-from-coal industry, responsible for developing low- and high-Btu gas and coal derived liquids as well as improved methods of direct coal utilization.

The pattern of coal consumption has changed significantly since 1945. At the end of World War II, coal had major markets in the railroads, manufacturing industries, home heating, and in coking plants for steel. Since then, however, America has changed its pattern of coal use, and is not likely to bring coal back as originally used. Homes, businesses, factories, and transport systems today require energy in three basic forms: Electricity, pipeline gas, and a variety of petroleum products. Thus, coal must be converted to these forms. Why? Because our coal reserves are sufficient to last for several hundred years and can supply power, gas, and oil in large commercial volumes.

Coal is the one fossil fuel that is likely to remain in abundant supply for the remainder of this century and into the next. It is the one major alternative replacement fuel that can bridge the gap from our current dependence on oil and gas to a future era of renewable energy resources.

In 1976, U.S. coal production reached 665 million tons, up 10 percent from the 1974 level but only 3 percent over 1975. Those most closely involved with energy problems have stressed the need for a coal production increase to at least 1.2 billion tons per year. Realizing coal's potential will, however, depend on a recognition of the need to use coal, and the necessary policies to make such use possible.

Mr. President, the pending measure recognizes the need to use coal, and establishes part of the policy necessary to make widespread coal use a reality. One example of this was the committee's re-

programing of $40 million from the coalcon project to be used for a program to cooperate with private industry in the use of existing gasifier technology to install up to 30 low-Btu gasifiers in small industries. This type of program can provide vital assistance to small industries in West Virginia as well as the nation as a whole.

There are other examples of utilities and industries converting to coal. Utilities have already reported to the Federal Power Commission—FPC—their plans for bringing on line 250 new coal-fired electric generating units during the period of 1977–85. A January 1977 FPC report—based on data available in October 1976—indicates that 211 of these 250 units will require about 335 million tons of coal in 1985. The other 39 units, not covered in the FPC study, should require 50 to 55 million additional tons—for a total of about 385 to 390 million tons of coal.

Chapter 9 of the National Energy Plan released by the President on April 29, 1977, shows a potentially larger role for coal by 1985 than suggested by the 400 million figure. It shows that coal use can increase from a 1976 amount equivalent to 7.9 million barrels of oil per day:

By 54 percent to the equivalent of 12.2 million barrels per day in 1985 without the President's plan;

By 83 percent to the equivalent of 14.5 million barrels per day in 1985 with the President's plan.

Last Friday, the Senate passed the Clean Air Amendments of 1977. I believe we arrived at a legislative conclusion which established a strong, consistent, and certain environmental policy and will help provide the stability needed to encourage investment in new energy facilities. I hope the Energy Research and Development Administration will continue to work closely with the Environmental Protection Agency in making sure that coal development and conversion technologies are fully implemented.

Mr. President it is clear that coal technologies for the most part will involve long leadtimes. Decisions must be made now if the Nation is to rely on increased coal use in the future. We must make the national commitment for increased coal use. The ERDA authorization bill for 1978 is a part of that commitment.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that Ric Fenton be accorded the privilege of the floor during consideration of and votes on this measure.

The PRESIDING OFFICER (Mr. BUMPERS). Without objection, it is so ordered.

Mr. FORD. Mr. President, will the Senator yield for a like request, please?

Mr. RANDOLPH. I yield.

Mr. FORD. Mr. President, I ask unanimous consent that Jim Fleming, of my staff, be granted the privilege of the floor during debate and votes on this piece of legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. HATFIELD. I thank the Senator.

Mr. President, I ask unanimous consent that Mike Hathaway and Kit Caples be given the privilege of the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I thank the Senator from West Virginia.

UP AMENDMENT NO. 401

Mr. RANDOLPH. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. RANDOLPH for himself, Mr. ROBERT C. BYRD, Mr. HUDDLESTON, Mr. FORD, and Mr. DOMENICI, is as follows:

On page 29, after line 25, insert the following:

SEC. 310. (a) Section 7(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (5),

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(7) Federal loan guarantees and commitments thereof as provided in section 19.".

(b) The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.) is further amended by adding at the end thereof the following new section:

"LOAN GUARANTEES FOR ALTERNATIVE FUEL DEMONSTRATION FACILITIES

"SEC. 19. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a demonstration program to produce alternative fuels from coal, oil shale, and other domestic resources;

"(2) to authorize assistance, through loan guarantees under subsection (b) for construction and startup and related costs, to demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels; and

"(3) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) Except as provided in paragraph (5) of this subsection, the Administrator is authorized, in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee, in such manner and subject to such conditions (not inconsistent with the provisions of this Act) as he deems appropriate, the payment of interest on, and the notes, and other obligations issued by, or on principal balance of, bonds, debentures, behalf of, any borrower for the purpose of financing the construction and startup costs of demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels: *Provided*, That no loan guarantee for a full sized oil shale facility shall be provided under this section until after successful demonstration of a modular facility producing between six and ten thousand barrels per day, taking into account such considerations as water usage, environmental effects, waste disposal, labor conditions, health and safety, and the socioeconomic impacts on local communities: *Provided further*, That no loan guarantee shall be available under this subsection for the manufacture of component parts for demonstration facilities eligible for assistance under this subsection.

"(2) An applicant for any financial assistance under this section shall provide information to the Administrator in such form and with such content as the Administrator deems necessary.

"(3) Prior to issuing any guarantee under this section the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(4) The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(5)(A) The Administrator is authorized, in the case of a facility for the conversion of oil shale to alternative fuels which is determined by the Administrator pursuant to the proviso in paragraph (1)(A) of this subsection, to be constructed at a modular size, to enter into a cooperative agreement with the applicant in accordance with section 8 of this Act and the other provisions of this Act to share the estimated total design and construction costs, plus operation and maintenance costs, of such modular facility. The Federal share shall not exceed 75 per centum of such costs. All receipts for the sale of any products produced during the operation of the facility shall be used to offset the costs incurred in the operation and maintenance of the facility. The provisions of subsections (d), (e), (k), (m), (p), (s), (t), (u), (v), (w), and (x) shall apply to any such modular facility. The provisions of this section shall apply to any loan guarantee for such modular facility.

"(B) After successful demonstration of the modular facility, as determined by the Administrator, the facility is eligible for financial assistance under this section for purposes of expansion to a full sized facility and the applicant may purchase the Federal interest in the modular facility as represented by the Federal share thereof by means of (i) a cash payment to the United States, or (ii) a share of the product or sales resulting from such expanded operation, as determined by the Administrator. If expansion of such facility is determined not to be warranted by the Administrator, he may, at the option of the applicant, dispose of the modular facility to the applicant at not less than fair market value, as determined by the Administrator as of the date of the disposal, or otherwise dispose of it, in accordance with applicable provisions of law, and distribute the net proceeds thereof, after expenses of such disposal, to the applicant in proportion to the applicant's share of the costs of such facility.

"(6) To the extent possible, loan guarantees shall be issued on the basis of competitive bidding among guarantee applicants in a particular technology area.

"(c) The Administrator, with due regard for the need for competition, shall guarantee or make a commitment to guarantee any obligation under subsection (b) only if—

"(1) the Administrator is satisfied that the

financial assistance applied for is necessary to encourage financial participation;

"(2) the amount guaranteed to any borrower at any times does not exceed—

"(A) an amount equal to 75 per centum of the project cost of the demonstration facility as estimated at the time the guarantee is issued, which cost shall not include amounts expended for facilities and equipment used in the extraction of a mineral other than coal or shale, and in the case of coal only to the extent that the Administrator determines that the coal is to be converted to alternative fuel; and

"(B) an amount equal to 60 per centum of that portion of the actual total project cost of any demonstration facility which exceeds the project cost of such facility as estimated at the time the loan guarantee is issued;

"(3) the Administrator has determined that there will be a continued reasonable assurance of full repayment;

"(4) the obligation is subject to the condition that it not be subordinated to any other financing;

"(5) the Administrator has determined, taking into consideration all reasonably available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed demonstration facility have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such facility under this section, under other provisions of law, or by other means;

"(6) the maximum maturity of the obligation does not exceed twenty years, or 90 per centum of the projected useful economic life of the physical assets of the demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator;

"(7) the Administrator has determined that, in the case of any demonstration or modular facility planned to be located on Indian lands, the appropriate Indian tribe, with the approval of the Secretary of the Interior, has given written consent to such location.

"(8) the obligation provides for the orderly and ratable retirement of the obligation and includes sinking fund provisions, installment payment provisions or other methods of payments and reserves as may be reasonably required by the Administrator. Prior to approving any repayment schedule the Administrator may consider the date on which operating revenues are anticipated to be generated by the project. To the maximum extent possible repayment or provision therefor shall be required to be made in equal payments payable at equal intervals; and

"(9) the obligation provides that the Administrator shall, after a period of not less than ten years from issuance of the obligation, taking into consideration whether the Government's needs for information to be derived from the project have been substantially met and whether the project is capable of commercial operation, determine the feasibility and advisability of terminating the Federal participation in the project. In the event that such determination is positive, the Administrator shall notify the borrower and provide the borrower with not less than two nor more than three years in which to find alternative financing. At the expiration of the designated period of time, if the borrower has been unable to secure alternative financing, the Administrator is authorized to collect from the borrower an additional fee of 1 per centum per annum on the remaining obligation to which the Federal guarantee applies.

"(d) Prior to submitting a report to Congress pursuant to subsection (m) of this section on each guarantee and cooperative agreement, the Administrator shall request from the Attorney General and the Chairman of the Federal Trade Commission written views, comments, and recommendations concerning the impact of such guarantee or commitment or agreement on competition and concentration in the production of energy and give due consideration to views, comments, and recommendations received: *Provided*, That if either official, within sixty days after receipt of such request or at any time prior to the Administrator submitting such report to Congress, recommends against making such guarantee or commitment or agreement, the proposed guarantee or commitment or agreement shall be referred to the President, and the Administrator shall not do so unless the President determines in writing that such guarantee or commitment or agreement is in the national interest.

"(e)(1) As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee or cooperative agreement is sought under this section, he shall inform the Governor of the State, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility. The Administrator shall not guarantee or make a commitment to guarantee or enter into a cooperative agreement under subsection (b) of this section, if the Governor of the State in which the proposed facility would be located recommends that such action not be taken, unless the Administrator finds that there is an overriding national interest in taking such action in order to achieve the purpose of this section. If the Administrator decides to guarantee or make a commitment to guarantee or enter into a cooperative agreement despite a Governor's recommendation not to take such action, the Administrator shall communicate, in writing, to the Governor reasons for not concurring with such recommendation. This Administrator's decision, pursuant to this subsection, shall be final unless determined upon judicial review initiated by the Governor to be unlawful by the reviewing court pursuant to 5 U.S.C. 706(2) (A) through (D). Such review shall take place in the United States court of appeals for the circuit in which the State involved is located, upon application made within ninety days from the date of such decision. The Administrator shall, by regulation, establish procedures for review of, and comment on, the proposed facility by States, local political subdivisions, and Indian tribes which may be impacted by such facility, and the general public.

"(2) The Administrator shall review and approve the plans of the applicant for the construction and operation of any demonstration and related facilities constructed or to be constructed with assistance under this section. Such plans and the actual construction shall include such monitoring and other data-gathering costs associated with such facility as are required by the comprehensive plan and program under this section. The Administrator shall determine the estimated total cost of such demonstration facility, including, but not limited to, construction costs, startup costs, costs to political subdivisions and Indian tribes by such facility, and costs of any water storage facilties needed in connection with such demonstration facility, and determine who shall pay such costs. Such determination shall not be binding upon the States, political subdivisions, or Indian tribes.

"(3) There is hereby established a panel to advise the Administrator on matters relating to the program authorized by this section, including, but not limited to, the impact of the demonstration facilities on communities and States and Indian tribes, the environmental and health and safety effects of such facilities, and the means, measures, and planning for preventing or mitigating such impacts, and other matters relating to the development of alternative fuels and other energy sources under this section. The panel shall include such Governors or their designees as shall be designated by the Chairman of the National Governors Conference, Representatives of Indian tribes, industry, environmental organizations, and the general public shall be appointed by the Administrator. The Chairman of the panel shall be selected by the Administrator. No person shall be appointed to the panel who has a financial interest in any applicant applying for assistance under this section. Members of the panel shall serve without compensation. The provisions of section 106 (e) of the Energy Reorganization Act of 1974 (42 U.S.C. 5816(e)) shall apply to the panel.

"(f) Except in accordance with reasonable terms and conditions contained in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such a guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

"(g)(1) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of, the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the guarantee or related agreements), including the authority to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or any other property of the borrower (of a value equal to the amount of such payment) to the extent that the guarantee applies to amounts in excess of the estimated project cost under subsection (c)(2)(B), without regard to the provisions of the Federal Property and Administrative Services Act of 1949, as amended, except section 207 of that Act (40 U.S.C. 488), or any other law, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the demonstration facility if the Administrator determines that this is in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(3) In the event of a default on any guarantee under this section, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under paragraph (1) including any payment of principal and interest under subsection (h) from such assets of the defaulting borrower as are associated with the demonstration facility, or from any other security included in the terms of the guarantee.

"(4) For purposes of this section, patents, including any inventions for which a waiver was made by the Administrator under section 9 of this Act, and technology resulting from the demonstration facility, shall be treated as project assets of such facility. The guarantee agreement shall include such detailed terms and conditions as the Administrator deems appropriate to protect the interests of the United States in the case of default and to have available all the patents and technology necessary for any person selected, including, but not limited to the Administrator, to complete and operate the defaulting project. Furthermore, the guarantee agreement shall contain a provision specifying that patents, technology, and other proprietary rights which are necessary for the completion or operation of the demonstration facility shall be available to the United States and its designees on equitable terms, including due consideration to the amount of the United States default payments. Inventions made or conceived in the course of or under such guarantee, title to which is vested in the United States under this Act, shall not be treated as project assets of such facility for disposal purposes under this subsection, unless the Administrator determines in writing that it is in the best interests of the United States to do so.

"(h) With respect to any obligation guaranteed under this section, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligations, for and on behalf of the borrowers, from the fund established by this section, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such demonstration facility; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.

"(i) Regulations required by this section shall be issued within one hundred and eighty days after enactment of this section, except as provided in subsection (t) of this section. All regulations under this section and any amendments thereto shall be issued in accordance with section 553 of title 5, of the United States Code.

"(j) The Administrator shall charge and collect fees for guarantees of obligations authorized by subsection (b)(1), in amounts which (1) are sufficient in the judgment of the Administrator to cover the applicable administrative costs, and (2) reflect the percentage of projects costs guaranteed. In no event shall the fee be less than 1 per centum per annum of the outstanding indebtedness covered by the guarantee. Nothing in this subsection shall be construed to apply to community planning and development assistance pursuant to subsection (k) of this section.

"(k)(1) In accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purpose of financing essential community development and planning which directly result from, or are necessitated by, one or more demonstration facilities assisted under this section to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of, obligations for such financing issued by eligible States, political subdivisions, or Indian tribes,

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such demonstration facilities by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the applicant for assistance for a demonstration facility under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the State, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the facilities for such payments by such applicant.

"(2) Prior to issuing any guarantee under this subsection, the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this subsection, the Administrator shall pay out of the fund established by this section such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paid plus interest.

"(4) If after consultation with the State, political subdivision, or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this subsection will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible States, political subdivisions, or Indian tribes for such purposes: *Provided*, That such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: *Provided further*, That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances there will be net adverse impacts resulting from such demonstration facility that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such demonstration facility and which are determined by the Administrator to be appropriate for such inclusion shall be included in the total costs of the demonstration facility.

"(5) The Administrator is further authorized to make grants to States, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of demonstration facilities, and for establishing related management expertise.

"(6) At any time the Administrator may, with the concurrence of the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more States, political subdivisions, or Indian tribes would be eligible for assistance under this subsection, but for the fact that construction and operation of the demonstration facilities occurs outside its jurisdiction, the Administrator is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this subsection.

"(10) In carrying out the provisions of this subsection, the Administrator shall provide that title to any facility receiving financial assistance under this subsection shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee such facility shall not be considered a project for the purposes of subsection (g) of this section.

"(l)(1) The Administrator is directed to submit a report to the Congress within one hundred and eighty days after the enactment of this section setting forth his recommendations on the best opportunities to implement a program of Federal financial assistance with the objective of demonstrating production and conservation of energy. Such report shall be updated and submitted to Congress at least annually and shall include specific comments and recommendations by the Secretary of the Treasury on the methods and procedures set forth in subparagraph (B)(viii) of this subsection, including their adequacy, and changes necessary to satisfy the objectives stated in this subsection. This report shall include—

"(A) a study of the purchase or commitment to purchase by the Federal Government, for the use by the United States, of all or a portion of the products of any alternative fuel facilities constructed pursuant to this program as a direct or an alternate form of Federal assistance, which assistance, if recommended, shall be carried out pursuant to section 7(a)(4) of this Act; and

"(B) a comprehensive plan and program to acquire information and elevate the environmental, economic, social, and technological impacts of the demonstration program under this section. In preparing such a comprehensive plan and program, the Administrator shall consult with the Environmental Protection Agency, the Federal Energy Administration, the Department of Housing and Urban Development, the Department of the Interior, the Department of Agriculture, and the Department of the Treasury, and shall include therein, but not be limited to, the following:

"(i) information about potential demonstration facilities proposed in the program under this section;

"(ii) any significant adverse impacts which may result from any activity included in the program;

"(iii) the extent to which it is feasible to commercialize the technologies as they affect different regions of the Nation;

"(iv) proposed regulations required to carry out the purposes of this section;

"(v) a list of Federal agencies, governmental entities, and other persons that will be consulted or utilized to implement the program;

"(vi) the methods and procedures by which the information gathered under the program will be analyzed and disseminated;

"(vii) a plan for the study and monitoring of the health effects of such facilities on workers and other persons, including, but not limited to, any carcinogenic effect of alternative fuels; and

"(viii) the methods and procedures to insure that (I) the use of the Federal assistance for demonstration facilities is kept to the minimum level necessary for the information objectives of this section, (II) the impact of loan guarantees on the capital markets of the United States is minimized, taking into account other Federal direct and indirect securities activities, and any economic sectors which may be negatively impacted as a result of the reduction of capital by the placement of guaranteed loans, and (III) the granting of Federal loan guarantees under this Act does not impede movement toward improvement in the climate for attracting private capital to develop alternative fuels without continued direct Federal incentives.

"(2) The Administrator shall annually submit a detailed report to the Congress concerning—

"(A) the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including, but not be limited to (i) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility, including byproduct production therefrom, and the distribution of such products and byproducts, (ii) a detailed statement of the financial conditions of each such demonstration facility, (iii) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate such impacts, (iv) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (v) such other data as may be helpful in keeping Congress and the public fully and currently informed about the program authorized by this section; and

"(B) The activities of the funds referred to in subsection (n) of this section during the preceding fiscal year, including a statement of the amount and source of fees or other moneys, property, or assets deposited into the funds, all payments made, the notes or other obligations issued by the Administrator, and such other data as may be appropriate.

"(3) The annual reports required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports and the one-hundred-and-eighty-day report required in paragraph (1) of this subsection shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate.

"(m) Prior to issuing any guarantee or commitment to guarantee or cooperative agreement pursuant to subsection (b) of this section, the Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a full and complete report on the proposed demonstration facility and such guarantee, agreement, or contract. Such guarantee, commitment to guarantee, cooperative agreement, or contract shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees: *Provided,* That, where the cost of a demonstration facility to be assisted with a guarantee or cooperative agreement pursuant to subsection (b) of this section exceeds $50,000,000, such guarantee or commitment to guarantee or cooperative agreement shall not be finalized unless (1) the making of such guarantee or commitment or agreement is specifically authorized by legislation hereafter enacted by the Congress or (2) both Houses pass a resolution stating in substance that the Congress favors the making of such guarantee or commitment or agreement.

"(n)(1) There is hereby created within the Treasury a separate fund (hereafter in this section called the 'fund') which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purpose of carrying out the program authorized by subsection (b)(1) and subsections (g), (h), and (k) of this section.

"(2) There are hereby authorized to be appropriated to the fund for administrative expenses from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this section, including, but not limited to, the payments of interest and principal and the payment of interest differentials and redemption of debt. All amounts received by the Administrator as interest payments or repayments of principal on loans which are guaranteed under this section, fees, and any other moneys, property, or assets derived by him from operations under this section shall be deposited in the fund.

"(3) All payments on obligations, appropriate expenses (including reimbursements to other Government accounts), and repayments pursuant to operations of the Administrator under this section shall be paid from the fund subject to appropriations. If at any time the Administrator determines that moneys in the fund exceed the present and reasonably foreseeable future requirements of the fund, such excess shall be transferred to the general fund of the Treasury.

"(4) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities as authorized by subsections (b)(1), (g), and (h) of this section, the Administrator shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Administrator from Appropriations or other moneys available under paragraph (2) of this subsection for loan guarantees authorized by subsection (b)(1) and subsections (g), (h), and (k) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection.

"(5) The provisions of this subsection do not apply to direct loans or planning grants made under subsection (k) of this section.

"(o) For the purposes of this section, the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, or any territory or possession of the United States,

"(2) 'United States' means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa, and

"(3) 'borrower' or 'applicant' shall include any individual, firm, corporation, company, partnership, association, society, trust, joint venture, joint stock company, or other non-Federal entity.

"(p)(1) An applicant seeking a guarantee or cooperative agreement under subsection (b) of this section must be a citizen or national of the United States. A corporation, partnership, firm, or association shall not be deemed to be a citizen or national of the United States unless the Administrator determines that it satisfactorily meets all the requirements of section 802 of title 46, United States Code, for determining such citizenship, except that the provisions in subsection (a) of such section 802 concerning (A) the citizenship of officers or directors of a corporation, and (B) the interest required to be owned in the case of a corporation, association, or partnership operating a vessel in the coastwise trade, shall not be applicable.

"(2) The Administrator, in consultation with the Secretary of State, may waive such requirements in the case of a corporation, partnership, firm, or association, controlling interest in which is owned by citizens of countries which are participants in the International Energy Agreement.

"(q) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section.

"(r) Inventions made or conceived in the course of or under a guarantee authorized by this section shall be subject to the title and waiver requirement and conditions of section 9 of this Act.

"(s) Nothing in this section shall be construed as affecting the obligations of any person receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.

"(t) The information maintained by the Administrator under this section shall be made available to the public subject to the provision of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination: *Provided,* That upon a showing satisfactory to the Administrator by any person that any information, or portion thereof, obtained under this section by the Administrator directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18, United States Code: *Provided further,* That the Administrator shall, upon request, provide such information to (A) any delegate of the Administrator for the purpose of carrying out this Act, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Federal Energy Administration, the Environmental Protection Agency, the Federal Power Commission, the General Accounting Office, other Federal agencies, or heads of other Federal agencies, when necessary to carry out their duties and responsibilities under this and other statutes, but such agencies and agency heads shall not release such information to

the public. This section is not authority to withhold information from Congress, or from any committee of Congress upon request of the chairman. For the purposes of this subsection, the term 'person' shall include the borrower.

"(u) Notwithstanding any other provision of this section, the authority provided in this section to make guarantees or commitments to guarantee or enter into cooperative agreements under subsection (b)(1), to make guarantees or commitments to guarantee, or to make loans or grants, under subsection (k), to make contracts under subsection (h), and to use fees and receipts collected under subsections (b) and (j) of this section, and the authorities provided under subsection (n) of this section, shall be effective only to the extent provided, without fiscal year limitation, in appropriation Acts enacted after the date of enactment of this section.

"(v) No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with assistance made available under this section: *Provided*, That Indian tribes are exempt from the operation of this subsection: *Provided further*, That such exemption shall be limited to the planting and provision of public facilities which are located on reservations and which are provided for members of the affected Indian tribes as the primary beneficiaries.

"(w) In carrying out his functions under this section, the Administrator shall provide a realistic and adequate opportunity for small business concerns to participate in the program to the optimum extent feasible consistent with the size and nature of each project.

"(x)(1)(A) Recipients of financial assistance under this section shall keep such records and other pertinent documents, as the Administrator shall prescribe by regulation, including, but not limited to, records which fully disclose the disposition of the proceeds of such assistance, the cost of any facility, the total cost of the provision of public facilities for which assistance was used and such other records as the Administrator may require to facilitate an effective audit. The Administrator and the Comptroller General of the United States or their duly authorized representatives shall have access, for the purpose of audit, to such records and other pertinent documents.

"(B) Within 6 months after the date of enactment of this section and at 6-month intervals thereafter, the Comptroller General of the United States shall make an audit of recipients of financial assistance under this section. The Comptroller General may prescribe such regulations as he deems necessary to carry out this subparagraph.

"(2) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c))."

Mr. RANDOLPH. Mr. President, this amendment, which is being considered at this time, has the cosponsorship of our able majority leader, Senator ROBERT C. BYRD of West Virginia. Joined in the cosponsorship also are Senator HUDDLESTON, Senator FORD of Kentucky, and Senator DOMENICI, of New Mexico.

I call special attention to the cosponsorship of Senator ROBERT C. BYRD, of West Virginia, because I think it is very important that the record indicate the feeling of the leadership in the Senate to move constructively and realistically, toward the implementation of energy subject matter during the present Congress.

I believe that it is important, and Senator ROBERT C. BYRD'S cosponsorship I think emphasizes, that here on the Hill there is a feeling among those who are in a leadership position in the Senate and those persons that are managing this bill, Senator CHURCH and Senator HATFIELD feel the necessity of energy independence in the United States. Those who are most knowledgeable in energy related programs are managing this legislation and I commend them for their efforts in behalf of this appropriations program.

Mr. President, the pending amendment would utilize loan guarantee assistance on a project by project basis to advance research, development, and demonstration of nonnuclear energy technologies.

The amendment does not authorize funds for Federal loan guarantees, as several similar measures considered by the Senate over the last 3 years but makes such authorizations part of the annual budgetary and appropriation activities carried out by the Congress. This amendment to the 1978 Energy Research and Development Administration appropriations bill would enable ERDA to request loan guarantees for new energy technologies on a project by project basis. Through such a procedure each proposal submitted by ERDA would be subject to normal checks and balances involved in the authorization and appropriation of funds. This amendment, therefore sets forth the necessary conditions for the receipt of loan guarantees and the procedures to be followed by ERDA in their administration.

The amendment I present is identical to the loan guarantee provision contained in the House passed version of the ERDA authorization bill (H.R. 6796). A complete explanation of the amendment can be found on page 261 of House Report No. 95–349, part I.

We as a congressional body created, in 1974, the Energy Research and Development Administration to assure that nonnuclear energy alternatives would receive their equitable share of Federal moneys associated with energy development programs. I have introduced legislation providing for loan guarantees a total of three times since 1974. My Senate colleagues have acted positively on three occasions to bring this legislation into being.

Since creation of ERDA, however, expenditures on nuclear power have continued to dominate the Federal energy budget. Approximately $1.1 billion and $1.3 billion were spent in fiscal years 1975 and 1976, respectively, on nuclear related research and development. And approximately $1.3 billion are programed for fiscal year 1977 for a total of approximately $50.7 billion since 1948.

The economic incentives available to ERDA must be restructured and broadly applied to assure the commercial development of synthetic natural gas and oil in the United States. We must act.

Flexible Government incentives are essential to remove the uncertainties surrounding commercialization of many new energy technologies. ERDA needs a range of incentives, or combination of incentives, so that it can tailor Federal support to enable the minimum general support required to attract proposals from qualified operators.

General authority is not available to ERDA to minimize Federal participation by such means as loan guarantees or possible grants which are convertible to commercial demonstration facility.

Natural gas production, now supplying 28 percent of all the energy used in this Nation, has been declining for about 3 years. Deregulation and conservation programs, as suggested by President Carter, will help, but in final analysis supplemental sources must be developed. The White House now recognizes and is emphasizing the need for increased coal utilization and benefits which can be derived from gasification and liquefaction.

The United States presently has over $100 billion invested in its gas transmission, distribution, and end-user equipment system. On an economic basis, keeping these gas pipelines full, even with higher priced synthetics, may be cheaper for the American consumer. Extension of the useful life of present pipeline systems is cheaper than creating new systems. Synthetic natural gas, while more costly than natural gas from the suppliers' point of view, is significantly cheaper than electricity—one-third the cost—for home cooking, clothes drying, space and hot water heating. The production, transportation, and distribution of natural gas also is more efficient—67 percent for synthetic natural gas compared to 37 percent for electricity.

The capital required to produce and deliver a unit of energy in the form of synthetic natural gas from coal also is less than that required to produce electricity from coal.

We also need to look in the longer term toward coal liquefaction in the production of chemicals and similar specialty products.

Our transportation, as we have allowed it to develop in this country, runs on liquid fuels. I have stated:

> We must not, for the sake of our national security, come to depend on foreign countries. We must plan for the conservation of our national oil resources and the immediate development of practical methods for the commercial production of synthetic fuels, so that it cannot be said in the future—"too little and too late".

Such a quotation is commonplace today, but I made the above comment on January 15, 1944, in an edition of Aero Digest. Currently 95 percent of the petroleum consumed by our U.S. Pacific Command is foreign oil; 81 percent of that used by our European Command is foreign also. If foreign oil becomes un-

available our Armed Forces would have to look to a homeland where domestic production of oil meets only one-half our needs.

Because of the small Federal nonnuclear energy research programs both the President's energy proposal and the Energy Policy and Conservation Act suggests strategic reserve system of close to a billion barrels of oil.

These emergency stockpiles will cost about $12.5 billion. An identical Federal investment could construct coal gasification facilities capable of supplying the equivalent of 1 million barrels of oil per day for at least 20 years.

The principal obstacle to the commercialization of synthetic fuels is the scale of the capital required. This was graphically set forth by the Congressional Budget Office which estimates that the total investment in every production needed to keep petroleum imports in 1985 at current levels is $560 billion. Individual projects are also costly. A single high-Btu synthetic gas plant will cost approximately $1 billion.

To place those costs in context, the Budget Committee notes that in 1975 only 162 industrial corporations have assets greater than $1 billion, and only 30 have assets over $4 billion.

Among the regulated natural gas utility companies, 10 had net plant and stockholder equities in 1975 greater than $1 billion. The largest has a net worth of only $1,063 million, compared to the capital investment for a full-scale coal gas plant costing $1.3 billion.

Mr. President, development of a synthetic fuels capability in the United States is in the national interest. Faced with present uncertainties this development is not proceeding in a timely manner as a replacement for oil imports. Among the more significant impediments are:

First. Legislative and regulatory uncertainties;

Second. Financial uncertainty. Synthetics are inherently capital intensive. Investors also may be unwilling to provide capital because of the uncertain legislative and regulatory environment;

Third. Technological uncertainties. Although processes have been proven in laboratory or even pilot-scale operations, substantial uncertainties remain about commercial-scale operations;

Fourth. Timing uncertainties. Abnormally long lead-times complicated by delays in approvals, environmental reviews and litigation.

These uncertainties compound the risks inherent in the tremendous investments required by private industry to advance new energy technologies beyond the precommercial stage.

Loan guarantees are modest incentives, particularly applicable to utilities-type operations wherein costs can be rolled into a rate structure. Federal loan guarantees are important and necessary aids to encouraging energy industries to invest in new energy technologies.

Other aids such as investment tax credits and accelerated tax writeoffs are available to all industries, not just energy industries. As such they do not provide the added incentives needed to foster adoption of new, as opposed to conventional energy alternatives.

By utilizing Federal loan guarantees the Government enters the private financial market in such a way as to reduce or remove the risks associated with financial obstacles, thereby allowing the private sector to proceed with the capital investment.

With guarantees the Federal Government can assure the ultimate financial viability of a particular enterprise and at the same time avoid direct Federal expenditures. A major private role also is assured.

I also believe that guarantees would stimulate competition between the pipelines and major oil companies. For this reason, in part, Exxon opposed such legislation. On the other hand, the expertise on synthetic fuels technologies resides in the larger companies. To restrict their participation in Federal programs would not provide the Government with the best expertise and would increase the risk of failure and default on federally guaranteed loans. Moreover, the profits of interstate natural gas pipelines are regulated by the Federal Power Commission. The consumer would be protected against windfall profits associated with Federal loan guarantees.

I recommend this amendment, and I hope that the managers of the bill can agree to its inclusion.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. RANDOLPH. I yield to the able majority leader.

Mr. ROBERT C. BYRD. Mr. President, I am very pleased to be one of the sponsors of the amendment, and I thank my senior colleague for allowing me to be a cosponsor of this amendment to the Federal Nonnuclear Energy Research and Development Act which he has proposed. This measure will strengthen the development and demonstration component of our national energy program.

The loan guarantees for new energy technologies which the legislation provides for can be applied to projects in such diverse and important areas as biomass, solvent refined coal, and coal gasification. These projects are needed to help safeguard our collective energy future.

I am especially satisfied with the approach of this legislation. The loan guarantees are on budget. They will be subject to authorization and appropriations consideration on an annual basis.

The concept of this legislation was endorsed in February 1975 by the Pastore committee of the Democratic policy committee. Clearly, it can be said that it is a concept whose time has come.

Mr. RANDOLPH. Mr. President, I thank my colleague the able majority leader. Of course, his joining in the amendment lends it the credence associated with the leadership in attempting to be creative, innovative, and responsive, and to do the jobs faced by the Congress.

Mr. ROBERT C. BYRD. I thank my colleague.

Mr. CHURCH. Mr. President, I wonder if the distinguished author of the amendment would respond to a question or two, just for the purposes of clarifying the record.

Mr. RANDOLPH. Certainly.

Mr. CHURCH. As I recall, the Senate in years past has approved loan programs in one form or another on three different occasions. Is that correct?

Mr. RANDOLPH. The Senator is correct in that statement.

Mr. CHURCH. So this amendment does not offer a program of a character that the Senate has not considered and approved in the past?

Mr. RANDOLPH. The Senator is correct. The record of debates on the subject matter is not one of slight concern. It was deeply debated and understood by the membership.

Mr. CHURCH. Since the Senator's proposal is in the nature of an amendment that would authorize a loan guarantee program, it will have no budgetary impact on this bill, is that correct?

Mr. RANDOLPH. The Senator is also correct in this further question. That is exactly as the amendment is intended.

Mr. CHURCH. Thirdly, it is my understanding that the proposal is identical to one that has already been approved by the House Science and Technology Committee.

Mr. RANDOLPH. That is correct.

Mr. CHURCH. Mr. President, it seems to me that this proposal improves upon earlier versions of loan guarantee programs that have been considered and adopted by the Senate in years past, because of the requirement it contains that no guaranteed loan of $50 million or more may take effect without the express authorization of Congress.

In other words, as this authority is implemented, it will be necessary for ERDA to bring back guaranteed loans that it may propose for the scrutiny of Congress, and the express authorization of Congress will be required before those loan guarantees could take effect.

I ask the Senator if that is also his understanding of the proposal.

Mr. RANDOLPH. The Senator is correct again. It is a project-by-project review. I would want the scrutiny to be very close to assure that any decision made to finance 75 percent of an investment in new energy technology with Federal dollars will help the country with our energy problems. I believe that safeguards, not just the restrictions, are built into the proposal which is now pending.

Mr. CHURCH. Mr. President, since this amendment has no direct budgetary impact, it would involve no additional authorization beyond the limits of the bill, and since it represents, in my judgment, a distinct improvement on the loan guarantee programs which have been considered and approved by the Senate in the past, I see no reason why we cannot accept the amendment. I have conferred with the distinguished minority manager (Mr. HATFIELD). I believe he concurs in that judgment.

I see another sponsor of the amendment in the Chamber. I will be glad to invite him to make such comments as he may wish in the time which is available. As I have said, this amendment is acceptable to the managers of the bill.

Mr. DOMENICI. Mr. President, I will not take much time of the Senate, other than to commend the floor manager and the ranking Republican for their willingness to accept this amendment.

As I understand it, we already have in existence a national policy of encouraging gasification, liquefaction biomass conversion and oil shale. What the Senator from West Virginia is doing today is merely adding generically to that basic thrust subject to the conditions which have been outlined here in the questions from the floor manager to the distinguished Senator from West Virginia. This includes within that generic language loan guarantees.

I agree it is a good approach. We are not going to proceed without major projects coming back to the Congress under the bill to which we are adding this language. It seems to me while we are in the midst of this energy crisis and suggesting solutions to it, we should not leave this out as a possibility in the area of coal gasification. We might just need to bring some of them on board. The kind of authority found here could be extremely shortsighted.

I commend the senior Senator from West Virginia for proposing this amendment, and the floor managers for their consideration of it. I honestly believe over the long run we will have to move in this direction. When we look at countries which have tried it, we are somewhat behind schedule, as the good Senator from West Virginia so repeatedly reminds us. In fact, decades ago we should have started on it, if I understand the history of it. I believe this will add to the potential for getting some coal gasification plants on board, on stream, so that we can properly assess how they will fit into the overall energy picture in the future. I commend the Senator for it. It is a privilege to be a cosponsor.

Mr. RANDOLPH. The use of Federal incentives for this purpose is not a new idea.

The first congressional initiative to develop nonnuclear energy technologies was in the mid-1940's when Senator Joseph O'Mahoney of Wyoming and I introduced in the Senate and House the Synthetic Liquid Fuels Act, which was signed into law on April 5, 1944. That law authorized the first Federal programs for gasification of coal, liquefaction of coal and lignite, and production of synthetic crude oil from oil shale.

Under the Synthetic Liquid Fuels Act of 1944 the Bureau of Mines continued preliminary investigations begun in 1916 on oil shale and begun in 1926 on synthetic oil from coal. Demonstration was undertaken of coal gasification and oil shale extraction.

In conjunction with the Department of Agriculture, the Bureau of Mines initiated new technologies to produce alcohol and other liquid fuels from agricultural residues.

Experience under this program led Secretary of the Interior Julius Krug to conclude in January 1948 that—

> The establishment of a synthetic fuel industry is far too large an operation . . . to be undertaken under emergency or war conditions . . . It should be undertaken now when the country is at peace and completed over a period of five to ten years.

The extensive knowledge and skill acquired in the conversion of coals and oil shale into liquid and gaseous fuels, for the most part, has been lost in the intervening years. This is sad to remember.

These nonnuclear technologies did not become realities in the United States due to economic factors. But these same technologies were pursued to commercial realities in such oil deficient but coal abundant countries as South Africa. The American corporation, M. W. Kellogg Co., designed and supervised construction of the facilities in South Africa that are often cited as an example of the potential for coal liquefaction. But we did not proceed in the United States. We should have done so.

During the 11 years of the program under the Synthetic Fuels Act about $82 million of Federal moneys were expended out of appropriations totaling $85.2 million. So little done, my colleagues, and then came the realization, in part, of the wasted years from the standpoint of an energy policy and a national security posture.

I do not talk of the past in any sense except to say, as I have often said, that there is a tendency, even in legislative bodies and throughout the country, to act after the fact rather than before the fact.

Here we do think in terms of the immediacy of the problem in research, in developments, and in demonstration. What we do on this amendment, and generally in the effort being made in the wider scope of the authorization and the appropriation, will serve the country well. I just hope that in this instance through unanimity of support, we can serve notice to the people of this country. This will enable them to state, "The Congress is at its work helping the Nation with both short- and long-term energy problems."

The PRESIDING OFFICER. Who yields time?

Mr. MELCHER. Will the Senator yield to me?

Mr. RANDOLPH. I yield to my able colleague from Montana.

Mr. MELCHER. I would like to direct two or three questions to the Senator from West Virginia, the principal author of this amendment, if the Senator will yield.

Mr. RANDOLPH. I am very glad to yield.

Mr. MELCHER. Is it the intent of the amendment to have partial or complete loan guarantees for demonstration plants?

Mr. RANDOLPH. The amendment would guarantee loans with Federal backing up to 75 percent of the project cost. Industry would be responsible for the other 25 percent.

Mr. MELCHER. There are technologies which are closer at hand, of course, for the utilization of coal or other energy resources which are more practical than some that may be farther down the road. Coal gasification has been mentioned. Coal liquefaction has been mentioned. There are variances in the techniques and how costly they are to attain.

Is it the purpose and the intent of the sponsors of the amendment that the loan guarantees that ERDA will consider and recommend will be on the basis of those techniques which might yield energy at the least cost to consumers?

Mr. MELCHER. Would that be a major consideration of ERDA before their recommendations to Congress?

Mr. RANDOLPH. It would be a major consideration.

Mr. MELCHER. And would it also be the intent of the authors of the amendment that the use of the loan guarantees would not be in the form of a large subsidy to private industry but more in the form of seed money to assist in the necessary research, rather than a long-term subsidy program for private industry?

Mr. RANDOLPH. That statement is correct.

Mr. MELCHER. I thank the Senator. That is very enlightening.

The PRESIDING OFFICER. Who yields time?

Is all time yielded back?

Mr. RANDOLPH. I yield back my time.

Mr. CHURCH. If there is no further discussion, Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GLENN. There is a provision in the Randolph amendment which the committee has accepted which provides that no guarantee in excess of $50 million can be issued without additional authorization of Congress. Does this mean that if the guarantee is less than this amount, no additional authorizing legislation will be necessary for a guarantee to be issued?

Mr. CHURCH. That is correct.

UP AMENDMENT NO. 402

Mr. STEVENSON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read, as follows:

The Senator from Illinois (Mr. STEVENSON), for himself and Mr. MAGNUSON, proposes unprinted amendment numbered 402.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, following line 25, insert the following:

TITLE IV—AUTOMOTIVE TRANSPORT RESEARCH AND DEVELOPMENT

SHORT TITLE

SEC. 401. This title may be cited as the "Automotive Transport Research and Development Act of 1977".

FINDINGS AND PURPOSES

SEC. 402. (a) The Congress finds that—

(1) existing motor vehicles, on the average, fall short of meeting the long-term goals of the Nation with respect to environmental protection, safety, and energy conservation;

(2) advanced alternatives to existing motor vehicles could, with sufficient research and development effort, have the potential of being mass produced at reasonable cost and could operate with significantly less adverse environmental impact and fuel consumption than existing motor vehicles, while meeting all of the other requirements of Federal law;

(3) insufficient resources are currently being devoted to both research on and development of advanced motor vehicle technology;

(4) an expanded Federal research and development effort with respect to advanced motor vehicle technology would complement and stimulate corresponding efforts by the private sector and would encourage motor vehicle manufacturers to consider seriously the incorporation of such advanced technology into motor vehicles and motor vehicle components; and

(5) the Nation's energy, safety, and environmental problems are urgent, and therefore advanced motor vehicle technology should be developed, tested, demonstrated, and prepared for manufacture within the shortest practicable time.

(b) It is therefore the purpose of the Congress in this title to—

(1)(A) insure the development of advanced motor vehicle propulsion subsystems, other advanced motor vehicle subsystems, and integrated test vehicles within 5 years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques, and (B) evaluate and disseminate information with respect to advanced motor vehicle technology;

(2) preserve, enhance, and facilitate competition in research, development, and production with respect to existing and alternative motor vehicles, motor vehicle propulsion subsystems, and other motor vehicle components; and

(3) supplement, but neither supplant nor unnecssarily duplicate, the motor vehicle research and development efforts of private industry.

DEFINITIONS

SEC. 403. As used in this title, the term—

(1) "Administrator" means the Administrator of the Energy Research and Development Administration;

(2) "advanced motor vehicle" means a motor vehicle (as defined in section 102(3) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 139)), which is fuel-propelled and is energy-efficient, safe, reliable, damage-resistant, and environmentally sound and which—

(A) requires, consistent with environmental requirements, the least total amount of energy to be consumed with respect to its fabrication, operation, and disposal, and represents a substantial improvement over existing motor vehicles with respect to such factors;

(B) to the extent practicable, is capable of utilizing different types of fuel;

(C) can be mass produced at the lowest possible cost consistent with the requirements of this title;

(D) has a projected life cycle ownership cost which is competitive with motor vehicles of the same size and class which are produced using standard technology, taking into account the other features of such advanced motor vehicle which may justify costs different than those associated with standard technology;

(E) operates safely and with sufficient performance with respect to acceleration, cold weather starting, cruising speed, and other performance factors;

(F) to the extent practicable, is capable of intermodal adaptability; and

(G) at a minimum, can be produced, distributed, operated, and disposed of in compliance with any requirement of Federal law, including requirements for fuel economy, exhaust emissions, noise control, safety, and damage susceptibility;

(3) "advanced motor vehicle propulsion subsystem" means an energy conversion system, including engine and drive train, which utilizes advanced technology and is suitable for use in an advanced motor vehicle;

(4) "other advanced motor vehicle subsystem" means a subsystem which impacts materially the performance of the motor vehicle in terms of fuel economy, the environment, safety, damage susceptibility, reliability, and for which there is promise of technological improvement over existing motor vehicles in such performance through research and development;

(5) "damage susceptibility" refers to the ability of a motor vehicle to withstand physical damage when involved in an accident;

(6) "developer" means any person engaged in whole or in part in research or other efforts directed toward the development of advanced motor vehicle technology;

(7) "fuel" means any energy source capable of propelling a motor vehicle;

(8) "fuel economy" refers to the average distance traveled in representative driving conditions by a motor vehicle per unit of fuel consumed, as determined by the Administrator of the Environmental Protection Agency in accordance with test procedures which shall be established by rule and shall require that fuel economy tests be conducted in conjunction with the exhaust emissions tests mandated by section 206 of the Clean Air Act (42 U.S.C. 1857f–5);

(9) "integrated test vehicle" means a vehicle which incorporates an advanced motor vehicle propulsion subsystem and other advanced motor vehicle subsystems which have not gone through production engineering and have not been made ready for mass production, and which are used to determine, when functioning in an integrated manner, the compatibility and performance characteristics of these advanced subsystems over their useful life (A) consistent with the Nation's need to increase substantially motor vehicle fuel economy, to reduce substantially environmental impact, to conform to Federal requirements, including safety and damage susceptibility standards, and otherwise to provide motor vehicles satisfactory to consumers without unduly compromising the advanced motor vehicle propulsion subsystem and other advanced automobile subsystems; and (B) compatible with the criteria for an advanced motor vehicle;

(10) "intermodal adaptability" refers to the features of a motor vehicle which enable it to be operated or carried, or which facilitate its operation or carriage, by or on an alternative mode or other system of transportation;

(11) "reliability" refers to (A) the average time and distance over which normal motor vehicle operation can be expected without significant repair or replacement of parts, and (B) the ease of diagnosis and repair of a motor vehicle, its subsystems, and parts in the event of failure during use or damage from an accident;

(12) "safety" refers to the performance of a motor vehicle or motor vehicle subsystem or equipment in such a manner that the public is protected against unreasonable risk of accident and against unreasonable risk of death or bodily injury in case of accident;

(13) "Secretary" means the Secretary of Transportation; and

(14) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States.

DUTIES OF THE ADMINISTRATOR

SEC. 404. (a) The Administrator shall, within the Energy Research and Development Administration, insure the development of advanced motor vehicle propulsion subsystems within 5 years after the date of enactment of this title, or within the shortest practicable time, consistent with appropriate research and development technique. In administering such program, the Administrator shall—

(1) establish and conduct new projects and accelerate existing projects which may contribute to the development of advanced motor vehicle propulsion subsystems; and

(2) give appropriate attention to those advanced propulsion subsystems which can use more than one type of fuel.

(b) The Administrator shall, in fulfilling his responsibilities under this title, enter into contracts with, and make grants to, any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual for research and development leading to advanced motor vehicle propulsion subsystems which are likely to help meet the Nation's long-term goals with respect to fuel economy, environmental protection, and other objectives.

(c) In providing financial assistance under this title, the Administrator shall give full consideration to the capabilities of Federal facilities, except that not more than 60 percent of the funds appropriated pursuant to the authorization under section 411(a) shall be directly expended in Federal laboratories. In accordance with section 407, such laboratories shall be available for testing components and subsystems which, in the Administrator's judgment, are likely to contribute to the development of advanced motor vehicle propulsion subsystems.

(d) The Administrator shall intensify research in key basic science areas in which the lack of knowledge may limit development of advanced motor vehicle propulsion subsystems.

(e) The Administrator shall insure that the conduct of the program as defined in subsection (a) of this section—

(1) supplements the motor vehicle research and development efforts of private industry;

(2) is not formulated in a manner that will supplant private industry research and development or displace or lessen private industry's research and development; and

(3) avoids unnecessary duplication of private industry research and development.

DUTIES OF THE SECRETARY

SEC. 405. (a) The Secretary shall insure that—

(1) advanced motor vehicle propulsion subsystems are evaluated for their potential impact on the safety, damage susceptibility, fuel economy, noise, exhaust emissions, and other characteristics of future motor vehicles;

(2) other advanced motor vehicle subsystems and integrated test vehicles are developed;

within 5 years after the date of enactment of this title, or within the shortest practicable time, consistent with appropriate research and development techniques.

(b) The Secretary shall, in fulfilling his responsibilities under this title, enter into contracts with, and make grants to, any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual for—

(1) research on and development of advanced motor vehicle subsystems which are suitable for inclusion in an integrated test vehicle; and

(2) the integration of advanced motor vehicle propulsion subsystems developed under section 404, with other advanced motor vehicle subsystems developed under this section, or elsewhere, into integrated test vehicles, which will be fully tested to determine

the characteristics of such advanced propulsion subsystems and other subsystems when integrated.

(c) In providing financial assistance under this section, the Secretary shall give full consideration to the capabilities of Federal laboratories, except that not more than 60 percent of the funds appropriated pursuant to the authorization of appropriations under section 411(b) shall be directly expended in Federal laboratories. In accordance with the provisions of section 407, such laboratories shall be available for testing components and subsystems which, in the Secretary's judgment, are likely to contribute to the development of advanced motor vehicles.

(d) The Secretary shall intensify research in key basic science areas in which the lack of knowledge may limit development of advanced motor vehicle subsystems.

(e) The Secretary shall insure that the conduct of the program specified in subsection (a) of this section—

(1) supplements the motor vehicle research and development efforts of private industry;

(2) is not formulated in a manner that will supplant private industry research and development or displace or lessen industry's research and development; and

(3) avoids unnecessary duplication of private industry research and development.

COORDINATION AND CONSULTATION

SEC. 406. (a) The Secretary and the Administrator shall consult and cooperate with each other with respect to their respective duties and responsibilities under this title, and shall coordinate their respective activities, in areas of shared concern, to the extent practicable, in order that the duties and responsibilities of the Secretary and the Administrator under this title will be performed in a manner that will lead to the most meaningful and effective results for the programs established under this title.

(b) The Secretary or the Administrator may obtain the assistance of any agency, department, or instrumentality in the executive branch of the Federal Government on a reimbursable or nonreimbursable basis and with the consent of such agency, department, or instrumentality, such personnel, facility, or other assistance as the Secretary or Administrator determines is necessary to carry out the purposes of this title.

(c) In carrying out their duties under this title, the Secretary and the Administrator shall consult with the Administrator of the Environmental Protection Agency and shall establish procedures for periodic consultation with representatives of science, industry, and other groups having special expertise in the area of motor vehicle research, development, and technology.

(d) Nothing contained in this title shall be construed to reduce in any way the responsibilities of the Secretary or Administrator under any other provision of law.

EVALUATION, TESTING, AND INFORMATION DISSEMINATION

SEC. 407. (a) The Secretary and the Administrator, as appropriate, shall, for the purposes of performing their responsibilities under this title, consider any reasonable new or improved technology, a description of which is submitted to the Secretary or Administrator in writing, which could lead or contribute to the development of advanced motor vehicle technology.

(b) The Administrator of the Environmental Protection Agency shall test, or cause to be tested, in a facility subject to Environmental Protection Agency supervision, each integrated test vehicle developed in whole or in part with Federal financial assistance under this title, or referred to the Administrator of the Environmental Protection Agency for such purpose by the Secretary, to determine whether such vehicle complies with any exhaust emission standards or any other requirements promulgated or reasonably expected to be promulgated under any provision of the Clean Air Act (42 U.S.C. 1857 et seq.), the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.), or any other provision of Federal law administered by the Administrator of the Environmental Protection Agency. In conjunction with any test under this section for compliance with exhaust emission standards, the Administrator of the Environmental Protection Agency shall also conduct tests to determine the fuel economy of such vehicle. The Administrator of the Environmental Protection Agency shall submit all test data and the results of such tests to the Secretary and the Administrator.

(c) The Secretary shall test, or shall cause to be tested in a facility subject to supervision by the Secretary, each type of integrated test vehicle developed in whole or in part with Federal financial assistance under this title, or referred to the Secretary for such purpose by the Administrator, to determine whether such vehicle complies with any standards promulgated as of the date of such testing, or reasonably expected to be promulgated in the future, under any provision of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381 et seq.), the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.), the Automobile Information Disclosure Act (15 U.S.C. 1232), and any other statute enacted by Congress and whose provisions are applicable to motor vehicles where testing would be appropriate. All test data and the results of all tests conducted by the Secretary shall be made available to the Administrator.

(d) The Secretary and the Administrator shall collect, analyze, and disseminate to developers information, data, and materials relevant to their responsibilities under this title.

PATENTS

SEC. 408. Section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908) shall apply to any contract (including any assignment, substitution of parties, or subcontract thereunder) or grant, entered into, made, or issued by the Secretary or the Administrator under this title.

COMPTROLLER GENERAL AUDIT AND EXAMINATION

SEC. 409. Section 306 of the Energy Reorganization Act of 1974 (42 U.S.C. 5876) shall apply with respect to the authority of the Comptroller General to have access to and rights of examination of books, documents, papers, and records of recipients of financial assistance under this title; except that, for the purposes of this title, the term "contract" (as used in section 166 of the Atomic Energy Act (42 U.S.C. 2206), insofar as it relates to such section 306) means "contract or grant".

ANNUAL REPORT

SEC. 410. At the time the annual report is submitted to the Congress under section 15(a) of the Federal Nonnuclear Energy Research and Development Act of 1974, the Secretary and the Administrator shall jointly submit to the Congress an annual report of activities under this title. Such report shall include—

(a) a program plan for achieving the objectives of this title;

(b) a brief description of contracts and grants, entered into or made under this title, including the amounts of such grants and contracts and the identity of the recipients of such funds;

(c) an analysis of how activities under this title contribute to achieving the purposes of this title, as described in section 402(b); and

(d) recommendations, if necessary, for improvement in the programs administered under this title, including any appropriate recommendations for legislation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 411. (a) There are authorized to be appropriated to carry out the purposes of section 404 of this title, in addition to any amounts made available for such purposes pursuant to title I of this Act, not to exceed $15,000,000 for the fiscal year ending September 3, 1978.

(b) There are authorized to be appropriated to carry out the purposes of section 405 of this title, in addition to any amounts made available for such purposes under other authorities, not to exceed $15,000,000 for the fiscal year ending September 30, 1978.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. STEVENSON. I am happy to yield to the Senator from Idaho.

Mr. McCLURE. I ask unanimous consent that Mr. Mike Hathaway and Kit Caples of my staff have the privilege of the floor during all consideration and proceedings on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, this amendment recognizes that the automobile is the principal source of energy waste. It would increase the authorization for research on automobile propulsion systems by $15 million. Recognizing that such propulsion systems, when made more efficient, must be integrated into vehicles it also provides for authorization of $15 million to the Department of Transportation for the development of the appropriate vehicles to accompany the propulsion systems. Similar legislation has passed the Senate four times.

I am confident that the distinguished manager of the bill recognizes the potential for energy savings through increased efficiency in the propulsion systems of automobiles, which now waste enormous quantities of energy. He is, I believe, sympathetic to the purpose of this amendment but, Mr. President, I also understand that there are certain budget constraints within which the Senate and the committee must act today. Recognizing those constraints, it is not my intention to press this amendment if the distinguished manager will assure me of some essential points concerning the jurisdiction between the Committee on Commerce, Science, and Transportation and the Committee on Energy. The Energy Committee has an obvious interest in energy conservation, but the Committee on Commerce, Science, and Transportation has a deep interest in the automobile as a major transportation system of this Nation which impacts safety, consumer protection, and other transportation systems as well. The committee thus exercises jurisdiction over many aspects of the automobile which go far beyond energy conservation. This amendment would resolve some jurisdiction uncertainty between the Department of Energy and the Department of Transportation with respect to the development of propulsion systems and the vehicles for them; uncertainty which, unfortunately, will continue without further direction from the Congress.

We shall have opportunities in the fu-

ture to resolve the jurisdictional dispute within the executive branch and to provide additional meal funds, and I believe it is the intention of the chairman of the Committee on Commerce, Transportation, and Science to consider this subject in the near future. I hope that the distinguished floor manager can assure me that when that time comes we shall not be disadvantaged in that endeavor by any, perhaps unintended, questions of jurisdiction arising out of the Senate's consideration today of the ERDA authorization and my withdrawal of the amendment.

So, if the distinguished manager of the bill can give me some assurance that there is no intention or expectation or possibility that the jurisdiction of these two committees is going to be affected by what we do today, I shall, as I say, withdraw this amendment reluctantly.

Mr. CHURCH. Mr. President, I give the distinguished Senator from Illinois that assurance, that no interpretation will be placed upon his decision to withdraw the amendment that would affect the respective jurisdictions of the two committees in one way or another. They would be left as they are.

I appreciate very much the willingness of the Senator to withdraw his amendment at this time, because we do face very serious budgetary restraints on this bill. The committee has already added $181,600,000 to the administration requests and we have very little leeway, under the budget which permitted $200 million in possible additions to the nonnuclear portion of the ERDA authorization bill.

I appreciate the Senator's cooperative spirit and I assure him that the action he takes at this time will in no way reflect upon the jurisdiction of the Commerce Committee or of the Energy Committee in connection with this subject.

Mr. STEVENSON. Mr. President, I am most grateful to the Senator from Idaho for that explanation and also for his assurance. I look forward to working with him on this matter in the future, to assure that there is adequate attention given to increased efficiency in the propulsion systems for vehicles; also, that we resolve the jurisdictional questions between the agencies through further legislation.

I thank the Senator.

Mr. President, I withdraw my amendment.

The amendment was withdrawn.

UP AMENDMENT NO. 403

Mr. FORD. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kentucky (Mr. FORD) proposes unprinted amendment No. 403.

On page 18, at the end of line, insert the following:

": *Provided*, That of those funds authorized, funds as may be necessary are hereby authorized for the Energy Research and Development Administration to conduct a study to determine the feasibility of utilizing existing distillery facilities in the implementation of programs to extend the supply of gasoline by means of a mixture of gasoline and alcohol."

Mr. FORD. Mr. President, this amendment does not call for an increase in authorization. It mandates a study by ERDA under the transportation energy conservation program.

My amendment fits in with the committee action relating to extending the supply of gasoline by a mixture of gasoline and alcohol.

The committee discussed the possibility of extending the U.S. supply of gasoline through the production of gasohol. Gasohol is a mixture of 90 percent gasoline and 10 percent alcohol. Either methanol or ethanol can be used as the gasoline additive, but the committee indicated its preference for investigating the ethanol-gasoline mixture. Ethanol can be distilled from grain, leaving a usable high protein foodstock, whereas methanol comes almost exclusively from natural gas.

The committee rejected a suggestion to build an ethanol from grain demonstration plant, because the State of Nebraska is already involved in such a demonstration. The committee suggested further study of the possibility of a demonstration of gasohol using Government vehicles.

Mr. President, I believe that the committee acted wisely. We are, I fear, overlooking a possible implementation of this program by the use of existing distilling facilities. Many of our distilleries are now underutilized or inactive.

I have corresponded with the new head of the Energy Agency, Dr. Schlesinger, and his staff on this matter, and I ask unanimous consent that this correspondence be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

MAY 5, 1977.

HON. JAMES R. SCHLESINGER,
Assistant to the President,
The White House Office
Washington, D.C.

DEAR DR. SCHLESINGER: Yesterday our subcommittee marked up the ERDA/FY 78 authorization. One item touched on was the proven use in Nebraska of a one-to-ten alcohol-gasoline mix. This brings up a thought that I have had for some time.

In World War II, Kentucky distilling plants contributed materially to the war effort. I believe that they can now be called on in the energy effort. Most of the large plants are under-utilized. Many small and medium plants have been closed in recent years. The plant is in place; the technique and labor are there; the leadership and incentive are needed.

I wish you would seriously consider this possibility and stand ready to cooperate in the fullest.

Sincerely,

WENDELL H. FORD.

EXECUTIVE OFFICE
OF THE PRESIDENT,
ENERGY POLICY AND PLANNING,
Washington, D.C., June 4, 1977.

HON. WENDELL H. FORD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FORD: Mr. Schlesinger has asked me to respond to your letter of May 5.

I have asked the Energy Research and Development Administration for a report on the usage of the one-to-ten alcohol-gasoline mix and the possibility of using Kentucky distilling plants for alcohol production. I have asked for the report as promptly as possible but no later than June 13. When we receive ERDA's report, we will write you again.

Thank you for calling this option to our attention.

Sincerely,

S. DAVID FREEMAN.

Mr. FORD. Mr. President, our distilleries have been doing what this program calls for—the converting of grain into alcohol. They have been doing it for close to 200 years. They made a distinct contribution in World War II. They should not be overlooked in our energy program.

My amendment simply directs ERDA to examine the feasibility of utilizing distilleries in the production of alcohol for our gasohol program. They well may be built-in demonstration plants and there are hundreds of them.

Mr. CHURCH. Mr. President, I have a suggestion to make to the Senator from Kentucky.

Mr. FORD. We are not going to mix bourbon, just alcohol. [Laughter.]

Mr. CHURCH. I do not know how broad an application distilleries can have in the solution of the energy problem. However, I know from the discussions we have had in committee how important the contribution may be of alcohol that is grain based being mixed with gasoline to reduce the amount of gasoline required.

The Senator will recall that we discussed the need not only for a feasibility study of the possible use of distilleries for this purpose, but also, the Senator from Hawaii (Mr. MATSUNAGA) suggested that ERDA also should look at the use of sugar refineries—the waste product in sugar refineries—for this purpose.

I am wondering whether we could combine the Senator's amendment with an amendment I understand Mr. MATSUNAGA will propose and an amendment to be proposed by Senator HELMS, which would authorize some additional money, to make the whole package work. If we could combine those three amendments, we would have an understanding of what we were doing. Since the amount of money to be added is so limited, it would be possible to accept that package without serious effects upon the budgetary constraints that otherwise apply to this bill.

Mr. FORD. I ask the floor manager of the bill what the amendment of the Senator from North Carolina provides.

Mr. CHURCH. I was going to suggest that we might hear now from the Senator from North Carolina, so that we might put this trilateral proposition together.

Mr. FORD. I say to the floor manager that I am not opposed to using this, but we have to take into consideration the fact that grain is very much in evidence here; that the distilleries proved their worth in World War II. I have talked to the Chief of Alternate Fuels at ERDA, and they are very anxious to move, because we may have hundreds of demonstration plants across the country now

that are making grain alcohol, and it goes to 200 proof.

I am very interested in this. I come from a State that generates alcohol from grain. I am also very much interested in agriculture in this country. I have worked and talked with the distinguished Governor of Nebraska with respect to their program. I think it is a program that could be well utilized. I do not want to do anything to dilute this, but I also would like to cooperate with my colleague from North Carolina and my colleague from Hawaii.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. FORD. Mr. President, how much time do we have?

The PRESIDING OFFICER. Thirty minutes total, 15 minutes to a side, on each amendment.

Mr. FORD. I yield a few minutes to the Senator.

Mr. HELMS. Mr. President, I am entirely content with the suggestion by the able floor manager of the bill. My amendment deals with the use of the product. The amendments of the Senator from Kentucky and the Senator from Hawaii deal with the production of it. If the distinguished manager of the bill would prefer that the three amendments be combined, it will be satisfactory insofar as I am concerned.

Mr. FORD. I will be glad to ask that my amendment be set aside.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. FORD. I yield.

Mr. CURTIS. Mr. President, I commend the distinguished Senator from Kentucky for his interest in this matter. It is something that the Senator from Nebraska has been interested in a long time.

It was during the 1950's that Congress adopted an amendment of mine that called upon a commission appointed by President Eisenhower to bring in a report with respect to industrial uses of agricultural surpluses. My interest has continued since that time.

The Senate should take note of the fact that in the agricultural bill that was passed this year—just a few weeks ago—provision was made for grants to universities for a study of the manufacture of alcohol from agricultural and forest products, including sugar cane, and provision for four pilots plants to be financed by loan guarantees of the Rural Development Administration.

I have no objection to any program that would utilize existing facilities for the production of alcohol from grain. What we want is an outlet for agricultural products and a contribution to the needs for energy.

I ask this question of the distinguished Senator: Will what he proposes in any way retard or interfere with or be in conflict with what was contained in the agricultural bill calling upon the Rural Development Administration to proceed with some pilot plants in this regard?

Mr. FORD. I say to the distinguished Senator from Nebraska that we were very careful in our language not to disturb the language of the agricultural bill.

The only intent of my amendment is to proceed with operations in place that have a history, as they did in World War II, to develop a much needed resource and, two, to help develop the increased sale of an agricultural product. I also want to help the farmer.

As the distinguished Senator said, we want to make a contribution to the energy problems we have in this country. I think it is going in the right direction.

Mr. CURTIS. Yes. I commend the Senator, and I ask a further question: Would it be the intent of the Senator, if his proposal becomes law, as well as if the proposal in the agricultural bill becomes law, that the two agencies involved should cooperate with each other, to the end that the goal is reached with a minimum of duplication and overlap?

Mr. FORD. As I understand what we probably will do, we will take all three of these amendments and combine them into one. We should insist that the two agencies involved cooperate; because many times we find that the left hand does not know what the right hand is doing, and we have waste. Therefore, I think we could incorporate in this amendment the provision that those agencies involved should cooperate to the fullest extent.

Mr. CURTIS. I commend the Senator. I shall support his proposal.

Mr. FORD. Mr. President, in line with the suggestion presented by the distinguished floor manager of the bill, I ask unanimous consent that my amendment be set aside temporarily, until such time as the distinguished Senator from Hawaii and the distinguished Senator from North Carolina and I can get together and incorporate our three amendments.

Mr. CHURCH. Mr. President, I ask the sponsors of the three amendments to assist me in holding down the additional money to be added to this bill, because we are in very tight circumstances here.

I believe that the original Helms amendment is a $3 million amendment. I ask that $1 million be stricken from the amendment, so that no more than $2 million is added for this purpose. That should be adequate for the feasibility studies. It also should be adequate for the purpose of financing the Federal demonstration project that we would like to launch, particularly inasmuch as there is some money already in the bill that could be applied to such project.

So if the Senator would cooperate with me in that respect and then combine the three amendments and bring them back together, it would be acceptable to me.

Mr. FORD. I say to the distinguished floor manager that I have no problem with 1, 2, or 3. What I am asking for requires no additional funds.

Mr. CHURCH. I understand.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. FORD. I have a couple more minutes.

The PRESIDING OFFICER. Without objection, the Senator's request to set aside his amendment is agreed to.

Mr. HELMS. Mr. President, I have two unanimous-consent requests.

First, I ask unanimous consent that Dr. James P. Lucier be granted the privileges of the floor during the discussion of S. 1340 and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I ask unanimous consent that the name of the distinguished Senator from Kansas (Mr. DOLE) be added as a cosponsor of amendment No. 367 and amendment No. 368.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION OF AMENDMENT NO. 367

Mr. HELMS. Mr. President, I ask unanimous consent that my amendment No. 367 be modified as follows:

On line 2, "$89,000,000" should be changed to read "$88,000,000".

The PRESIDING OFFICER. Without objection, it is so ordered.

The modified amendment is as follows:

On page 18, beginning on line 8, strike out "$86,000,000," and insert in lieu thereof "$88,000,000, of which $2,000,000 shall be available to the Alternative Fuels Utilization Program for study of automotive utilization of alcohol fuels and blends.".

UP AMENDMENT NO. 404

Mr. FORD. Mr. President, I have another amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kentucky (Mr. FORD) proposes an unprinted amendment numbered 404:

On page 19, line 9, insert the following:

": *Provided*, That of those funds authorized, funds as may be necessary are hereby authorized for the following purpose:

(a) The Administrator shall conduct a feasibility study of the technology and the commercial applications of the process of fine-grinding of coal and dry vegetable residues to four micron-size particles for the purpose of preparing these substances as clean burning fuels.

(b) In carrying out the feasibility study, the Administrator may provide for adequate participation by individuals, corporations and private and public research facilities, colleges and universities.

(c) A report of the findings together with recommendations for advancing the technology, if deemed appropriate by the Administrator, shall be submitted to the Congress as soon as possible but not later than January 1, 1978."

Mr. FORD. Mr. President, the amendment now before the Senate is one that I think could mean a great deal to us.

Mr. President, the committee in its report correctly stressed the importance of research and advanced technology as a vital adjunct to the fossil energy program. The committee authorized an additional $5 million for work in materials and exploratory work and, if appropriate, some more work in program planning and analysis, environment and safety and long-range strategy.

I believe that my amendment follows this direction. My amendment would mandate a feasibility study of the technology and the commercial applications of the process of fine-grinding of coal and dry vegetable residues to four micron-size particles for the purpose of

preparing these substances as clean burning fuels.

As I understand it, conventional coal grinding processes have difficulty in the separation of particles below the 25 micron size. I have read the testimony, studied the documents and have had my staff look into the proposals. I also understand that Ohio State University is examining a specific proposal in this area.

I am uncertain at this point as to the feasibility of the process. That is the purpose of my amendment. But I do feel that if we can develop a process that results in small particles that burn all surface and removes the pollutants, we will have made a real breakthrough in both energy efficiency and environmental protection.

That is why I offer my amendment.

Mr. CHURCH. Mr. President, I understand this amendment deals with the use of very fine particles——

Mr. FORD. Four microns.

Mr. CHURCH (continuing.)—of coal that offer us some potential for the future if the proper technology can be devised. Since the amendment does not add to the authorization level of the bill, ERDA having money for the purpose of conducting such a feasibility study, and since the objective is one that the committee can heartily endorse, I have no objection to the amendment.

Senator HATFIELD indicates he has no objection to the amendment and, therefore, we are happy to accept it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. FORD. I yield back my time.

Mr. CHURCH. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

Mr. FORD. I have one more amendment.

Mr. METZENBAUM. Mr. President, may I ask the Senator from Kentucky this question, is this one that will go into extended debate? I have a very minor amendment.

Mr. FORD. This might involve a little debate, may I say to the Senator. We are trying to save the Federal Government several millions of dollars and 2 years in time. I am not sure everybody wants to agree to that, but I will be happy to yield to the Senator, providing I do not lose my right to the floor.

Mr. METZENBAUM. I would appreciate if the Senator from Kentucky would do that. My amendment is noncontroversial and it will be accepted.

Mr. FORD. Without losing my right to the floor. The Senator will have his usual time, is that correct?

The PRESIDING OFFICER. The Senator is correct. Without objection, it is so ordered.

UP AMENDMENT NO. 405

Mr. METZENBAUM. Mr. President, I call up an unprinted amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposed an unprinted amendment No. 405.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, line 25, strike out the period and insert in lieu thereof the following: "*: Provided*, That if the solar electrical generating facility hereby supported contributes electricity to a distribution network serving the public on a commercial basis and if any Federal monetary contribution is included in the rate base for the purpose of computing return on capital investment to such utilities, that portion of the capital costs derived from Federal funds and included in the rate base shall be recovered with interest from the revenues of the solar facility.".

Mr. METZENBAUM. Mr. President, this amendment requires the payback of Federal funds contributed to the construction and operation of the solar electrical demonstration facilities if such funds are included in the utility's rate base.

The amendment would preclude ratepayers from paying twice, once through the Federal tax dollars and once again when they pay their electrical bills.

This amendment was approved unanimously by the Senate Energy and Natural Resources Committee but, inadvertently, the amendment was included in the committee report but not in the bill as intended.

I have cleared the amendment, will the floor managers of S. 1340, Senators CHURCH and HATFIELD, and they have agreed to accept the amendment.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. METZENBAUM. I am very happy to yield to the Senator from Oregon.

Mr. HATFIELD. As I understand the thrust of this amendment it, in fact, prohibits the Federal participation in amounts of money that the Federal Government may contribute to this 10 megawatt project being utilized in any rate modification or rate change.

Mr. METZENBAUM. The Senator is correct in his interpretation of the amendment.

Mr. HATFIELD. Mr. President, will the Senator yield further?

Mr. METZENBAUM. Yes.

Mr. HATFIELD. If this then is a sound principle as it relates to a solar project in which the Federal Government is participating, along with a consortium of private interests, would the same principle apply, in the mind of the Senator from Ohio, to, say, the breeder reactor, in which the Federal Government is funding, say, 90 percent, and as it would relate to any impact upon the rate structures for electricity or other power, energy that might be developed out of such a breeder reactor project?

Mr. METZENBAUM. The principle of this amendment is that when the Federal taxpayers' dollars are used those Federal dollars should not provide a base for the determination of rates which the consumers are to pay and, therefore, 90 percent of the Federal dollars used in connection with the breeder reactor or any other kind of energy-producing resource, it is my position that those dollars, Federal dollars, taxpayers' dollars, should not be used by a utility in order to gain a return on their funds since it would not, in fact, be their funds but would be the Federal taxpayers' dollars.

Mr. HATFIELD. So it is the Senator's intention if the Senate adopts this amend.nent that we are setting a precedent as it relates to any other source of energy as far as development, demonstration projects that produce energy in some form that is sold to the general public is concerned?

Mr. METZENBAUM. The Senator from Oregon interprets the Senator from Ohio's position accurately.

Mr. HATFIELD. I thank the Senator from Ohio.

Mr. CHURCH. Mr. President, will the Senator from Ohio yield to me?

Mr. METZENBAUM. I would be happy to yield to the Senator from Idaho.

Mr. CHURCH. Just so there can be no confusion on this score, supposing the Federal Government were to contribute 90 percent, let us say, to the completion of this particular solar project, and a privately held utility company were to contribute 10 percent. Then the electricity generated at the project were to be fed into the grid. The effect of the Senator's amendment would be that the utility company could claim no more than 10 percent, that is, the amount of its own contribution, for purposes of determining the rate it might ask from the State public utility commission?

Mr. METZENBAUM. The Senator from Idaho interprets my amendment correctly.

Mr. CHURCH. Well, I have no objection to this amendment. It is sound and, therefore, with the concurrence of the Senator from Oregon we are happy to accept it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. CHURCH. I yield back my time.

Mr. METZENBAUM. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

UP AMENDMENT NO. 406

Mr. FORD. Mr. President, I have an amendment at the desk and ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky (Mr. FORD) proposes unprinted amendment No. 406:

On page 26, between lines 15 and 16, insert the following:

"SEC. 203. The Administrator of the Energy Research and Development Administration, or its successor agency, is hereby authorized to enter into a cooperative arrangement with an interstate pipeline organization for participation in the construction and operation of a high Btu pipeline gas demonstration plant, utilizing the HYGAS steam-oxygen process and Illinois Basin coal. The Administrator is further authorized to adopt a cost-sharing approach for this project consistent with the objective of early commercialization of the HYGAS steam-process and

the financial resources of the industrial participant."

The PRESIDING OFFICER (Mr. DECONCINI). The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, I am offering an amendment to S. 1340 authorizing the Administrator of ERDA to enter into a cooperative agreement for the construction and operation of a high-Btu pipeline gas demonstration plant utilizing the HYGAS steam-oxygen process and Illinois Basin coal.

Earlier this year, the Administrator rejected a proposal jointly sponsored by the Commonwealth of Kentucky and Texas Gas Transmission Corp. to cost-share the design, construction, and operation of a pipeline gas demonstration plant utilizing the HYGAS steam-oxygen process and Illinois Basin coal. This decision, I understand, was not because of technical concerns, but due solely to the fact that the cost-sharing arrangement proposed by the Commonwealth of Kentucky and Texas Gas was not as attractive, in the opinion of ERDA, as two other proposals utilizing different gasification processes.

ERDA was established for the purpose of developing new energy resources—something we all know is a vital need if the United States is to reduce its dependence on foreign oil suppliers and eliminate the shortage of gas supplies of the interstate markets. Coal gasification is one of the most promising and reliable means we have to achieve this objective. The benefits to be derived from the direct interchangeability of pipeline gas from coal with natural gas, and, therefore, its ability to be directly substituted for petroleum products, dictate the commercialization of coal gasification as soon as possible.

Since 1946, the Federal Government and the gas industry have cosponsored research and development of coal gasification processes, including the HYGAS steam-oxygen process. Approximately $47,000,000 has gone into the development and testing of the HYGAS process. The technology is all in the public domain. Since 1971, the Federal Government and the gas industry have financially supported a pilot plant utilizing the HYGAS steam-oxygen process. ERDA's fiscal year 1977 budget includes $8,200,000 for continued operation of this pilot plant.

Recently this pilot plant completed a very successful test on Illinois Basin coal. Also, an ERDA- and AGA-sponsored report by C. F. Braun & Co., a leading engineering firm, concluded that the HYGAS steam-oxygen process was the most economical, by a significant margin, of the several gasification processes analyzed in that report for processing Western coal. Moreover, Dr. Philip G. White, Assistant Administrator for Fossil Energy at ERDA, has acknowledged that the HYGAS steam-oxygen process should be developed because it offers the greatest potential for the lowest-cost gas to the consumer of any of the gasification processes now under consideration.

The purpose of my amendent is to try to prevent an unnecessary duplication of effort, loss of time, and the waste of money already expended by the Commonwealth of Kentucky and the Texas Gas Transmission Corp.

ERDA on May 25, 1977 announced that Procon, Inc., Des Plaines, Ill., had been awarded a contract for design of a coal gasification plant to demonstrate the HYGAS process developed by the Institute of Gas Technology—IGT—and ERDA. As I understand it, the contract is for $24 million for design of a coal conversion plant.

Mr. President, a substantial amount of engineering work, including time-consuming environmental impact base line studies, has been completed for Texas Gas and the Commonwealth of Kentucky on a HYGAS demonstration plant. I believe it important to expedite the demonstration of gasifying Illinois Basin coal of the type included in their proposal to ERDA. Such gasification will solve the environmental problems on utilizing such coal and would be instrumental in attaining many of the objectives set by President Carter.

Mr. President, I share the concerns set forth by Daniel D. Drake, administrator of Kentucky's Center for Energy Research, in a June 7 letter to Dr. Philip G. White, Assistant Administrator for Fossil Energy, ERDA. I would like to quote at length from the letter:

It is my understanding that the recent ERDA HYGAS procurement action that selected Procon, Inc., is intended to put the development of HYGAS technology on the same time schedule as the Conoco Slagging Lurgi and the ICGG Cogas demonstration projects. Since a contract for detailed engineering design has recently been signed with Conoco, and one is apparently about to be signed with ICGG, it is difficult to understand how the development of these technologies is going to be synchronized.

Even if the Procon contract is negotiated and signed in the projected interval, there would seem to be substantial questions as to how HYGAS could possibly be on the same schedule as Conoco and ICGG. One of these questions is the site. Both the fact that the work for Conoco and ICGG is site specific, and that these sites are already selected tend to put these designs substantially ahead of HYGAS.

Another area of question is the ultimate financing of the demonstration plant. Since both Conoco and ICGG are established consortia with given developmental objectives, the financial arrangements can be established long before the need to proceed with Phase II. With the procurement approach to HYGAS, no consortium will exist, there will be no financial agreements established, and there will be a resulting delay to establish a consortium. It would appear that after the procurement action contract is complete, it will be virtually necessary to initiate another RFP in order to obtain a viable, whole project for ERDA's participation.

At best the time lost would be in RFP preparation, response, evaluation and negotiation; at worst it would result in a "start from scratch" situation. Furthermore, the means by which HYGAS is to be brought to commercialization under this procedure is unclear.

As you are aware, the Commonwealth of Kentucky committed $35 million to a previous HYGAS project and has already expended $1 million. We remain extremely interested in HYGAS and would like to continue to pursue its development and realize benefits from our previously expended $1 million.

Mr. President, I shall request that a copy of Mr. Drake's letter and a letter from Texas Gas Transmission to Dr. Philip G. White be printed in the RECORD.

In conclusion, Mr. President, the importance of this amendment is to save the taxpayers many months in design preparation and literally millions of dollars already committed by the Commonwealth of Kentucky in its effort to help the Nation resolve its energy problems. As the amendment unequivocally states, this is a request to ERDA giving them the opportunity to save the American taxpayer substantial sums of money and, more importantly, time because of work already accomplished as I have stated in my remarks.

Mr. President, I ask unanimous consent that a letter from Kentucky's Center for Energy Research and Development of Lexington, Ky., by David D. Drake, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KENTUCKY CENTER
FOR ENERGY RESEARCH,
Lexington, Ky., June 7, 1977.

DR. PHIL WHITE,
Assistant Director, Fossil Energy Program, Energy Research and Development Administration, Washington, D.C.

DEAR DR. WHITE: It is my understanding that the recent ERDA HYGAS procurement action that selected Procon, Inc., is intended to put the development of HYGAS technology on the same time schedule as the Conoco Slagging Lurgi and the ICGG Cogas demonstration projects. Since a contract for detailed engineering design has recently been signed with Conoco, and one is apparently about to be signed with ICGG, it is difficult to understand how the development of these technologies is going to be synchronized.

Even if the Procon contract is negotiated and signed in the projected interval, there would seem to be substantial questions as to how HYGAS could possibly be on the same schedule as Conoco and ICGG. One of these questions is the site. Both the fact that the work for Conoco and ICGG is site specific, and that these sites are already selected tend to put these designs substantially as ahead of HYGAS.

Another area of question is the ultimate financing of the demonstration plant. Since both Conoco and ICGG are established consortia with given developmental objectives, the financial arrangements can be established long before the need to proceed with Phase II. With the procurement approach to HYGAS, no consortium will exist, there will be no financial agreements established, and there will be a resulting delay to establish a consortium. It would appear that after the procurement action contract is complete, it will be virtually necessary to intiate another RFP in order to obtain a viable, whole project for ERDA's participation.

At best the time lost would be in RFP preparation, response, evaluation and negotiations; at worst it would result in a "start from scratch" situation. Furthermore, the means by which HYGAS is to be brought to commercialization under this procedure is unclear.

As you are aware, the Commonwealth of Kentucky committed $35 million to a previous HYGAS project and has already expended $1 million. We remain extremely interested in HYGAS and would like to continue to pursue its development and realize benefits from our previously expended $1 million.

Our intention is to consider a similar commitment to another HYGAS project. However, the statutory authority to make such a commitment expires in mid-1979. If the time table for the development of HYGAS is not able to accommodate this, we must seek alternate uses for our funds while adequate time to do so remains. With the very limited information available regarding ERDA's intentions and based on past experience, it does not appear that the development of HYGAS will proceed rapidly enough, particularly if another RFP or similar selection and evaluation process is to be employed.

I am also disturbed by the brief description of the work that Procon is to perform that was contained in a May 25 ERDA press release. The release is unclear as to what work is to be done. Will a design coal be selected? Will a demonstration site be selected? What will be the basis of coal selection and how will this relate to site selection?

At best much of what seems to be required is duplicative of work that we have already done and makes the Commonwealth's $1 million expenditure and Texas Gas' $1 million expenditure useless. We urge that a mechanism that would avoid this duplication and waste be used.

Any information that you can supply that will enlighten me will be greatly appreciated as I must make a report to our Board of Directors the third week in July. You will shortly receive an invitation to our laboratory dedication on July 8th. I hope you can attend and look forward to seeing you then.

Sincerely,

DAVID D. DRAKE,
Administrator.

Mr. FORD. Mr. President, I ask unanimous consent that a letter from Texas Transmission Corp. to Dr. Philip G. White, signed by the president of the company, Mr. Dennis Kendricks, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEXAS GAS TRANSMISSION CORP.,
Owensboro, Ky., June 6, 1977.

DR. PHILIP G. WHITE,
Assistant Administrator for Fossil Energy, Energy Research and Development Administration, Washington, D.C.

DEAR DR. WHITE: I note that Procon, Inc., has been selected by ERDA to negotiate a contract for the design of a HYGAS process coal gasification demonstration plant. We are most pleased this program is now under way.

As you know, a substantial amount of engineering work, including time-consuming environmental impact base line studies, has been completed for Texas Gas and the Commonwealth of Kentucky on a HYGAS demonstration plant. We believe it important to expedite the demonstration of gasifying Illinois Basin coal of the type included in our proposal to ERDA. Such gasification will solve the environmental problems on utilizing such coal and would be instrumental in attaining many of the objectives set by President Carter.

We propose to ERDA that the Procon work utilize the specific coal reserves and specific site which were included in the original Ken-Tex proposal. The specifications of this coal is included in our original proposal. Texas Gas and the Commonwealth of Kentucky will make available to Procon and ERDA the primary design work and environmental studies which have been completed. The utilization of this work would reduce the time required for Procon to complete its design work. Since several million dollars has been expended on these studies, this work could represent significant cost savings to ERDA.

We believe our Kentucky location offers many advantages to the ultimate construction of a demonstration plant. Our state government has evidenced many times its willingness to encourage and financially support such projects. We would appreciate your consideration and response on this matter.

Very truly yours,

DENNIS.

Mr. FORD. Mr. President, I modify my amendment to strike out the last sentence beginning "The Administrator is further authorized to adopt a cost-sharing approach."

The PRESIDING OFFICER. The amendment is so modified.

Mr. CHURCH. Mr. President, I ask the distinguished Senator from Kentucky if he would also strike from his amendment the words "and Illinois basin coal" so that the amendment would read:

The Administrator of the Energy Research and Development Administration, or its successor agency, is hereby authorized to enter into a cooperative arrangement with an interstate pipeline organization for participation in the construction and operation of a high-BTU pipeline gas demonstration plant, utilizing the HYGAS steam-oxygen process.

The reason I ask the Senator to strike the words "and Illinois Basin coal" is that this is a site specific; it violates the principle that we have always tried to adhere to in the bill not to designate given sites in the statutory language, and it is my understanding that the ERDA administration has in mind a HYGAS steam-oxygen process and a cooperative arrangement which will bring in an interstate pipeline organization.

So the Senator can accomplish his purpose, and it may very well be that the ERDA agency will decide to use Illinois Basin coal in connection with the project, but we do violate a principle that we have tried to observe if we begin to designate the sites in the law, and if we start that there is no stopping.

Mr. FORD. I say to the distinguished floor manager that we call upon our States to do everything they possibly can do. Here is Nebraska working on a project that is going to cost roughly $25 million. Kentucky has committed $66 million, and it is not the richest State in the Nation, to new synthetic fuels from coal. We have committed some $34 million to a HYGAS process using Illinois Basin coal.

Everyone says that ERDA, and Dr. White will tell you, that the HYGAS process by Illinois Basin coal is probably the best we have on line for the least amount of cost to our consumer.

We are willing, as I state in my statement, and we have given $2 million already that we have spent that will help expedite the construction and design of the HYGAS process. As indicated in my statement, ERDA is going to throw away 2 years of experience and 2 years of environmental impact study that we are ready to give them and give Procon, Inc. of Illinois $24 million to start 2 years later.

So I think if we are going to make an effort to put a HYGAS process on line, then we should go ahead and say, "Let us use the Illinois Basin coal."

It is not restricted to Kentucky. It is not restricted to Illinois. It cuts across many States, for example, Indiana and Ohio.

So this coal is located in several States. But we have offered to ERDA all of the work over 2 years and millions of dollars. Now we are ready, if it comes to our State, to put in as much as $34 million. That is more than ERDA and the Federal Government put into it up until now.

Mr. CHURCH. The Senator makes a very strong argument, and it represents part of the legislative history for this amendment. But I see serious problems ahead if we begin to specify in the language of the statute itself given sites, even though they be regional and not restricted to a single State.

For that reason, I would hope that the Senator could agree to striking the last four words from the amendment, and then it would be acceptable.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. FORD. Mr. President, I withhold the suggestion of an absence of a quorum.

I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, is there another way to define the particular kind of coal the Senator is talking about that he wishes to utilize rather than getting into the language that he has used? Is there a characteristic of such coal, high sulfur and high Btu coal, or something of this kind?

Mr. FORD. The Senator is correct. We could call it that, but the Illinois Basin coal does cut across all the lines of the States.

Mr. HATFIELD. As the Senator from Idaho indicated, we get into a geographic name which carries a connotation that we are giving a site location which does violate the committee's principle.

Mr. FORD. Some call it "derby" and some call it "darby," and they run in different places. But "Illinois Basin coal" is a terminology that is used within the fossil fuel industry.

Mr. HATFIELD. I understand, but if there is some way that we could say "this type of project," and then give a characteristic of whatever Illinois Basin coal is, we could get around, I think, the objection of the Senator from Idaho which I would have to support because of the strong commitment of the committee. I do not know enough about it, but I understand that there is this characteristic of high sulfur and high Btu that is synonymous with Illinois Basin coal. If the Senator from Kentucky could make that into his language in the amendment. I do not think we would have the problem we now have.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I would like to further modify my amendment at the desk to have it read "Illinois Basin type coal."

The PRESIDING OFFICER. The amendment will be so modified.

The amendment, as modified, is as follows:

On page 26, between lines 15 and 16, insert the following:

"SEC. 203. The Administrator of the Energy Research and Development Administration, or its successor agency, is hereby authorized to enter into a cooperative arrangement with an interstate pipeline organization for participation in the construction and operation of a high Btu pipeline gas demonstration plant, utilizing the HYGAS steam-oxygen process and Illinois Basin type coal.

Mr. FORD. I yield to the floor manager of the bill.

Mr. CHURCH. Mr. President, in this final modified form, the amendment is acceptable, and I am prepared to yield back the remainder of my time.

Mr. FORD. Mr. President, before the Senator does that, is there any question about the funding as it relates to this amendment? The staff questioned the possibility of funding before appropriations are made.

I suggested to them that the funds that have already been allocated to HYGAS process and not used under previous contracts, amounting to $5 million, are in the budget for that, plus we in the committee are willing to give $2 million for work that is already done, plus we have some additional that, if it works out, can be put in as seed money.

Mr. CHURCH. Yes, I would think the money is available, as the Senator suggests, and this amendment, as such, would have no additional budgetary impact on the bill.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. FORD. Yes.

Mr. HATFIELD. What would be the estimated cost of such a plan?

Mr. FORD. It varies. It started at about $300 or $400 million, and could be beyond that now, but you have to get it into perspective and get it to design, and then it is budgeted beyond that. We could actually go into the loan guarantee.

Mr. HATFIELD. I was going to ask about that.

Mr. FORD. Yes. The reason this process was not accepted in the beginning is that they proposed an innovative financing plan a little heavier at the front, but it would wind up costing the Government 17 percent, instead of 50–50 straight through. That was knocked out. I think the 25 percent being asked under the loan guarantee would be just fine, and can be worked out. There would be no problem with it.

I yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Kentucky.

The amendment, as modified, was agreed to.

AMENDMENT NO. 367, AS MODIFIED

Mr. HELMS. Mr. President, I call up my amendment No. 367, as modified.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 367, as modified.

The amendment, as modified, is as follows:

On page 18, beginning on line 8, strike out "86,000,000," and insert in lieu thereof "$88,000,000, of which $2,000,000 shall be available to the Alternative Fuels Utilization Program for study of automobile utilization of alcohol fuels and blends.".

Mr. HELMS. Mr. President, this is one of two amendments that the Senator from North Carolina discussed earlier on the floor with the distinguished managers of the bill. The Chair will recall that the suggestion was made by the Senator from Idaho that amendments submitted by the Senator from Kentucky and the Senator from Hawaii be incorporated into amendment No. 367, which is perfectly acceptable to the Senator from North Carolina.

Mr. President, amendment No. 367 is not at all complicated. It, along with amendment No. 368, which I shall call up presently and then withdraw in accordance with an understanding with the distinguished manager of the bill, will accelerate the programs which ERDA has to investigate the impact of alternative fuels on the future of our society. In particular, we are talking about the use of alcohols either alone or in mixture with gasoline.

There are a number of projects which are studying processes for the production of alcohols such as methanol and ethanol. At the present time, most methanol is produced from natural gas, but studies are now underway for producing it from coal, shale, municipal waste, agricultural products, peat, and wood. Much of the laboratory technology is already in existence.

Experimental projects are already going forward in North Carolina, Nebraska, Minnesota, Maine, and other States. Moreover, the Senate version of the farm bill also provided for the Secretary of Agriculture to make grants to colleges and universities for the study of making industrial hydrocarbons from wood and agricultural products, and loans of up to $15 million for pilot plants, I was pleased to be cosponsor of this amendment.

It appears therefore that within 24 to 36 months, and perhaps sooner, we will be into widespread fleet testing of automobiles and other vehicles using straight alcohol and alcohol blends, and perhaps into commercial use in test markets.

Yet today, a lot of questions remain unanswered. Even if we had commercial quantities of methanol and/or ethanol ready for use today, we still would not know enough about the impact of such use upon our automobiles, our air quality, and upon the safety and health of our people. Unless these problems are solved, the introduction of synthetic fuels containing alcohols could well be delayed many months.

I have discussed this problem with the relevant officials in ERDA, and they have assured me that they have already recognized the problem, and are already working on it to a limited degree. Yet Congress has not provided the needed sense of urgency on this matter. There are many energy proposals competing for the Nation's attention. The Senate should go on record now as wholeheartedly supporting the work on alternative fuels.

The proposals I am suggesting would not increase the amounts currently planned for this work over the next 3 years, but it would contemplate accelerating authorizations from 3 years to 2. In other words, it would not increase the overall spending, but it would increase spending authority in this budget. Because of the critical nature of the energy situation, however, I think that the acceleration is justified.

AMENDMENT NO. 367

My first amendment would increase the funds authorized for transportation energy conservation in fiscal year 1978 from $86 to $88 million.

The $2 million increase would be intended to speed up scheduling for the alternative fuels utilization program in the Division of Transportation Energy Conservation. It would also contemplate a like amount in fiscal year 1979, thereby accelerating technical solutions by 1 year. With this approach, reliability fleet tests on alcohol blends could be started during fiscal year 1979 so that the end of these tests could be achieved at least 18 months earlier that presently programed.

Mr. President, I repeat that the overall program costs would not be increased by this approach, but the results would be obtained sooner.

I should point out that the alternative fuels utilization program determined 3 years ago that the only domestic resources sufficient to replace petroleum fuels for highway vehicles are oil shale and coal. The best candidate fuels in the time frame of 1985–2000 and beyond were identified as liquids from so-called "synfuels," alcohol from coal, and, circa 2000, hydrogen—separated from water by use of an abundant energy resource. Since synfuels have not been readily available for test and experimentation, and since alcohols can be made using existing technology, the alternative fuels utilization program has been concentrating on alcohol fuels. This work has covered straight alcohol and alcohol/gasoline blends.

However, if alcohols are used as automotive fuels, the supply can come from any resource that is economically viable, including, as I have already pointed out, agricultural products and residues, wood and wood waste and perhaps eventually municipal solid waste. The largest alcohol ingredient used would be either methanol from coal, wood, or waste, or ethanol from agricultural crops. Both are good fuels; ethanol a bit better than methanol, though considerably more costly. However, the cost of a 10-percent blend by volume would not likely be more

than 4 to 7 cents a gallon increase over present gasoline prices. The potential benefit, of course, would be the extension of our petroleum supplies.

Assuming the availability of fuel, a 10-percent alcohol blend with gasoline can readily be used by a motorist with probably minor risk and possibly no difficulty. But it is quite another matter for the Federal Government to recommend such a fuel, or for the industry to offer it, as a result of Government policy, and then assume the responsibility to guarantee results. The latter requires a great deal of knowledge about a lot of details.

This has been the goal of the alternative fuels utilization program. It is my understanding that work on both blends and straight alcohol for use in automobiles started in fiscal year 1975, and although most of the program's funds have been concentrated in this area, they have been spread over a considerable time frame. On the basis of present budget considerations, it appears likely that the technical solutions regarding automotive utilization of alcohol blends will not be completed until about the end of fiscal year 1980, and the reliability fleet tests about the end of fiscal year 1983. Commercialization could not follow until then. However, as I have said, my amendment would speed up program funds so that the work on utilization will be finished by fiscal year 1979.

Mr. President, I desire to set aside this amendment under the conditions agreed to between the Senator from Idaho and the Senator from North Carolina. Perhaps, for the sake of orderly procedure, it would be best to withdraw it until such time as the texts of the other two amendments can be added to it.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. CHURCH. Mr. President, the able Senator from Hawaii is on the floor, and also the able Senator from Kentucky; so we are ready now to proceed with the modified version of the amendment.

Mr. HELMS. Very well. Mr. President, just for the RECORD, I would like to call up amendment No. 368, and ask that it be stated.

AMENDMENT NO. 368

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 368.

On page 24, beginning on line 14, strike out "$143,970,000" and insert in lieu thereof "$145,520,000".

On page 24, line 19, strike out the period and insert in lieu thereof a comma and the following: "and of which $1,550,000 shall be made available to the Office of the Assistant Administrator for Environment and Safety for research and analysis of the environmental and health impacts of conventional and advanced engines with conventional and alternative fuels.".

Mr. HELMS. Mr. President, my second amendment complements the first. It provides funds for environmental research needs to support the alternative fuels utilization program. It contemplates spending $1.55 million in fiscal year 1978 and a like amount in fiscal year 1979. The work would be done in the office of the Assistant Administrator for Environment and Safety. It would be essentially research and analysis of environmental and health impacts of conventional engines with conventional and alternative fuels—such as methanol—and of advanced engines with conventional and alternative fuels.

Specifically, it would include the following:

First. Characterization and measurement of regulated and nonregulated pollutants; $500,000 for fiscal year 1978.

Second. Impact on air quality—transport and air quality modeling, reactivity, and fate of pollutants in the environment; $400,000 for fiscal year 1978.

Third. Animal and human studies to determine health effects; $400,000 for fiscal year 1978.

Fourth. Tradeoff analysis considering fuel economy, cost, health, and safety; $250,000 for fiscal year 1978.

This makes a total of $1.55 million for fiscal year 1978. This would be a new initiative, but it is necessary to support the speedup of the alternative fuels utilization program. Without it, the environmental R. & D. would be delayed until fiscal year 1979. Moreover, it is a relatively modest amount when compared to the $143.97 million total being authorized for biomedical and environmental research.

Mr. President, I would like to point out that this initiative has been fully coordinated within the office of the Assistant Administrator for Environment and Safety and with the alternative fuels utilization program. The need for this work has been foreseen for some time in ERDA, and the planning has already been done. What is needed is the funding to implement it. and I urge my colleagues to support my amendment.

Mr. FORD. Will the Senator yield?

Mr. HELMS. I yield.

Mr. FORD. Mr. President, I ask unanimous consent that I be included as a cosponsor of the amendment of the Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I will point out that the distinguished Senator from Kansas (Mr. DOLE) is a cosponsor also.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that I be included as a cosponsor to the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, this amendment, as it has evolved, would provide an additional $2 million to that modest amount of money which is already in the bill for the purpose of furthering the demonstration of the utility of using alcohol as a supplement to gasoline.

The committee felt very strongly that, in view of the success the State of Nebraska has had in using grain alcohol for such a purpose, the time had come to demonstrate the feasibility of such a gasoline supplement on a national scale.

The amendment in its present form would authorize $2 million for that purpose, and, in addition, would contain the amendments originally proposed by the able Senators from Hawaii and Kentucky, to the effect that the funds authorized would be available for considering the feasibility of utilizing existing distillery facilities or other types of refineries included but not limited to sugar refineries. Thus we accomplish the purpose of all three amendments at once.

Mr. HELMS. Mr. President, if the Senator will yield, I commend the able manager of the bill, Mr. CHURCH, and on the minority side, Mr. HATFIELD, and thank them for their cooperation.

To set the record straight, this amendment, as amended and modified, involves both production and use of the alcohol-gasoline combination.

Mr. CHURCH. Yes. That would be the nature of the demonstration project, to include both aspects.

Mr. HELMS. Mr. President I ask unanimous consent that a statement by the distinguished Senator from Kansas (Mr. DOLE) be printed at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR DOLE

I am glad to join as a cosponsor to the amendments offered by Senator Helms to S. 1340, the non-nuclear ERDA authorization bill. Both of these amendments have the same goal of saving our country precious petroleum by expediting the utilization of alternative fuel sources. In particular, these amendments are directed at the use of alcohol as a primary energy source.

Congress has a clear responsibility to make every effort possible to conserve our nonrenewable energy resources, such as oil and gas. As the supplies of petroleum products dwindle in the future, America will rely more and more on natural fuels which can be replaced endlessly. One fuel which is certain to become of increasing importance is grain alcohol.

Ethyl alcohol, ethanol, can be derived from a variety of agricultural products including grain, forest products, and sugar crops. As long as the sun is shining, the basic building blocks in the production of ethanol will be available. Both fuel and petrochemical substitutes can be provided by renewable biological resources.

INITIAL PROJECTS ARE WORKING

Activity has significantly increased recently in the production of grain alcohol. Two recent projects in my home state of Kansas illustrate the potential for this process. Far-Mar-Co in Hutchinson, Kansas has been testing a wheat fractionation plant to determine its economic feasibility. Preliminary results have been encouraging. Within this one plant, bran, starch, vital gluten and germ are extracted from the wheat kernel with little damage to the nutritional qualities of these constituent elements. The starch is further distilled into ethanol and the other by-products sold for further processing. The ethanol produced can be competitively priced because of the related sales.

In another approach, Pratt, Kansas has a pilot project under consideration to convert the straw and stubble left after wheat is harvested into a form of grain alcohol. Other by-products may be utilized for other agricultural purposes. Besides producing a substitute for oil, these plans mean greater use of the entire wheat or corn plant.

CONTINUED INTEREST

I first became interested in the potential for commercial production of grain alcohol over eight years ago. Since that time, I have supported legislative initiatives to make a viable new market for excess grain used in ethanol productions.

The most recent example is in the Talmadge/Dole Food and Agriculture Act, S. 275, which the Senate has passed. As part of that bill, I was pleased to help include authorization for funds to research the energy-efficient production of grain alcohol. The Secretary of Agriculture will make grants to colleges and universities for research into the marketing and production of various industrial hydrocarbons, including alcohol for a blended motor fuel and as a substitute for alcohol made from petroleum products. The Secretary will also guarantee loans for the private sector to build three pilot projects for the production and marketing of industrial hydrocarbons made from agricultural commodities. This amendment is identical to one in the House farm bill and we are very hopeful that it will be retained in the conference on the farm bill.

COMMERCIAL PRACTICABILITY NEAR

Many experts feel that the commercial practicability of large-scale manufacture of grain alcohol is near. The underlying technology has existed for many years. A recent study of the use of ethanol as an extender for gasoline has proven an unqualified success. In a 10% blend with unleaded gasoline, "gasohol" has been road tested over two million miles. The engines of the test vehicles suffered no unusual wear, experienced no major problem, and performed as well or better than on regular gasoline.

Another project in the state of Nebraska has found that consumers were willing to use the blend in their own cars. The original supplies for this project, estimated to continue a year, were used up in the first two weeks. Almost five times the original years estimate was consumed within two months.

While gasohol has received more publicity than other uses of grain alcohol, there are a variety of applications for ethanol outside of blending it with gasoline. American industry uses a vast amount of synthetic ethanol and methanol derived from petroleum each day. One of the major producers of industrial synthetic methanol and ethanol, Union Carbide, recently raised the price of ethanol it produces from petroleum. With the price of crude oil increasing, necessarily the price for the by-products from its distillation will rise proportionately. As this occurs, industry will find ethanol derived from agricultural commodities more and more attractive.

NEED TO PREPARE FOR EXPANDED USE OF GRAIN ALCOHOL

The technology which will make production of alcohol derived from grain economically feasible is gaining momentum. One major impediment may be the lack of information possessed by the government on environmental, economic, and health impacts of large-scale use of grain alcohol as a gasoline extender and for other purposes.

These are the types of problems addressed by the amendment before us now. The amendment would authorize $2 million to speed up the Alternative Fuels Utilization Program in ERDA's Division of Transportation Energy Conservation. The current thrust of this program is to test replacement and extender fuels for petroleum fuels for highway vehicles. The extra money in this amendment would enable necessary reliability tests of fleet use to start 1½ years earlier than currently scheduled.

ERDA has indicated that the study program as presently planned could be accelerated without any loss in efficiency. Completion of this program is a necessity prior to any significant promotion of gasohol.

ADOPTION URGED

America currently possesses a vast surplus of grains, including wheat, corn and grain sorghum. The two largest harvests of these crops on record have been produced in the last two seasons. Some estimates place the wheat surplus alone at over 1 billion bushels. Development of a significant grain alcohol production industry would give America's farmers an alternative market for their goods and provide them with extra market flexibility during times of large surplus.

The primary task of our farmers will continue to be feeding the world and no advancements in the area of grain alcohol should detract from this goal. Yet, a viable grain alcohol industry would help stabilize farm prices and increase incentives for production of grain and related products. Therefore, I urge that the Senate act favorably on these two amendments.

Mr. McCLURE. Will the Senator yield?

Mr. CHURCH. I yield.

Mr. McCLURE. It is not my purpose to belabor the subject of the amendment, which will be agreed to. But I do want to underscore that this is a serious proposal. There are some people who are tending to look at this and brush it aside, to make jokes about it or belittle its potential. Yet at a time when the Federal Government is prepared to spend hundreds of millions and perhaps billions of dollars to support the price of farm commodities, it makes good fiscal sense to try to find a constructive alternative use for those agricultural products.

If I recall correctly, back in 1968 or 1969 I cosponsored a similar amendment when I was a Member of the other body. I thought then, as I think now, that there is both an energy crisis and a farm production crisis. Here is one of the places where we marry the two in a very constructive way for the taxpayers and the consumers of this country. I commend the Senator from North Carolina for having focused on this problem, and the committee for having accepted the amendment.

Mr. HELMS. I thank the Senator. The able Senator from Idaho is exactly right. The energy crisis in this country is no joking matter. The mix of gasoline and alcohol in whatever form will certainly represent a real potential for helping solve the problem.

The Senator mentioned agricultural products being used in the production of alcohol. I would emphasize that municipal waste is likewise a very real opportunity. The Senator from North Carolina was in Taiwan a couple of years ago. They are proceeding there with experimentation and study of this potential.

I sincerely believe that the Federal Government, if it is going to approach this problem realistically, must explore all avenues, including this one, in terms of additional sources of energy.

Mr. FORD. Will the Senator yield?

Mr. HELMS. I yield.

Mr. FORD. I do not believe our modified amendment is at the desk. The only one at the desk is the amendment called up by the distinguished Senator from North Carolina.

Mr. HELMS. The Senator from North Carolina was just going to register a parliamentary inquiry to see precisely where we stand on that. Writing legislation on the floor of the Senate can sometimes be confusing.

Mr. FORD. I would ask unanimous consent that my amendment, as altered, be part of the modification of the amendment of the Senator from North Carolina, if that is acceptable.

Mr. CHURCH. Mr. President, I ask the Chair to modify the amendment now at the desk.

The PRESIDING OFFICER. That amendment was withdrawn. Another amendment is now pending, No. 368.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Will the Senator withhold that momentarily?

Mr. HELMS. Certainly.

ORDER THAT NO ROLLCALL VOTES OCCUR BETWEEN 2:45 P.M. AND 3:30 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, the leadership on both sides of the aisle will have to be away from the Chamber today from 2:45 until 3:30 p.m. I ask unanimous consent that no rollcall votes occur during the period of 2:45 p.m. to 3:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for the amendment of the Senator from North Carolina, as amended by the addition of the amendments of the Senators from Kentucky and Hawaii respectively, be submitted as quickly as it can be prepared and that the Senate then act on the amendment, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, the figure in that amendment, I understand, has been reduced $1 million. That is, from $3 million to $2 million, from $89 million some odd to $88 million some odd. Is that correct?

Mr. HELMS. That is correct.

UP AMENDMENT NO. 407

Mr. HELMS. Mr. President, to facilitate the procedure, the Senator from North Carolina withdraws amendment No. 368. I now ask unanimous consent that amendment No. 367, as modified, be considered the pending amendment, to which the amendments of the Senator from Kentucky and Hawaii have been added.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) for himself, Mr. DOLE, Mr. FORD, Mr. MATSUNAGA and Mr. DECONCINI proposes an unprinted amendment No. 407.

On page 18, beginning on line 8, strike out "$6,000,000" and insert in lieu thereof "$88,000,000 of which $2,000,000 shall be available to the Alternative Fuels Utilization Program for study of automotive utilization of alcohol fuels and blends.".

": Provided, that, of those funds authorized, funds as may be necessary are hereby authorized for the Energy Research and Development Administration to conduct studies to determine the feasibility of utilizing existing distillery facilities or other types of refineries including but not limited to sugar refineries in the implementation of programs to extend the supply of gasoline by means of a mixture of gasoline and alcohol."

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Will the Senator yield for a unanimous-consent request?

Mr. HELMS. I am happy to yield to the able Senator.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Ark Monroe and George Jacobson of my staff may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. CHURCH. Mr. President, I am also prepared to yield back the remainder of my time, but before doing so, I wish to explain this amendment.

I think we shall see the time, before the end of this century, when all automobiles in this country will be operating on fuels that are derived from replenishable resources. I think petroleum will no longer be the basic fuel for the automobile fleets of this country in another 20 years. This is the beginning of a movement in that direction.

Mr. MATSUNAGA. Will the Senator yield?

Mr. CHURCH. I am happy to yield.

Mr. MATSUNAGA. Mr. President, I wish to commend the Senator from Idaho (Mr. CHURCH), the distinguished chairman of the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources for his farsightedness in accepting this amendment. I wish also to commend the Senator from North Carolina (Mr. HELMS), and the Senator from Kentucky (Mr. FORD) for joining with me in offering this amendment which, as the Senator from Idaho (Mr. CHURCH) pointed out, will contribute greatly to the necessity that we continue to look to nondepletable, renewable sources of energy.

Mr. President, my own State of Hawaii is a case in point. Hawaii's tremendous dependence on imported petroleum products for well over 90 percent of its energy requirements continues in the midst of a wealth of alternate energy sources such as one of the highest incidences of sunlight in the United States, optimum conditions for ocean thermal energy conversion, steady trade winds for wind energy, and large amounts of land planted in various crops, primarily sugar, for biomass.

Fuels from biomass research constitutes a major portion of Hawaii's very substantial support for renewable energy research efforts. In a sense, biomass energy is already being utilized in Hawaii; 8 percent of the State's energy requirements are currently being met through the burning of bagasse, the waste product from the processing of sugar. While this process can be expanded to provide for an increased share of Hawaii's energy requirements, the utilization of sugar and other Hawaii crops for the production of fuels such as alcohol is increasingly looked to as of great potential for Hawaii's energy needs.

Mr. President, $929,000 have been expended in Hawaii in the period 1972–76 on the funding of bioconversion and solid waste products. The breakdown of this amount indicates the importance which the State, its counties, and private concerns attach to continued research in the areas to which the amendment just accepted is addressed: $320,000 from private industry, $410,000 from the State, $145,000 from the Federal Government, and $75,000 from the counties. One of the best uses to which these funds were put was for a recently completed study entitled "Biomass Energy for Hawaii," through the joint efforts of the Stanford Institute for Energy Studies and the Hawaii Natural Energy Institute. The basic conclusion of the study was that the production of ethanol from sugar byproducts remained feasible, and should be pursued. An article in the Hawaii Tribune-Herald of May 15, 1977, summarizes the study's findings, and I ask unanimous consent that the text of the article be included in the RECORD immediately after my remarks.

In summary, Mr. President, the pending amendment is an excellent one, and I have no doubt but that it will bear fruit in the very near future. I again thank my colleagues with whom I have collaborated on the amendment, with the sincere hope that the Congress will follow this initiative through to the fullest extent.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRODUCING ETHANOL FROM WASTE SYRUP: HIGH PRICE OF ETHYLENE PROVIDES THE IMPETUS FOR ETHANOL PRODUCTION

The high cost of petroleum products has caused scientists to look back 50 years to find cheaper types of fuel.

In 1935, some 90 per cent of the United States' supply of industrial alcohol was produced from natural sources of carbohydrates, namely by fermentation of molasses, sulfite liquors and grain.

During World War II, the fermentation process flourished in the wartime economy with government subsidy.

When petroleum became available as a cheap energy source around 1950, synthetic ethanol began to take over the alcohol market, according to a recent report on "Biomass Energy for Hawaii" published by the Institute for Energy Studies at Stanford University.

Ethylene derived from petroleum is used to manufacture the ethanol used in industrial applications.

By 1965, there were few large fermentation plants in the United States because petroleum was cheaper and in greater supply than blackstrap molasses.

The price of blackstrap molasses was variable and supplies dwindled in the United States after the embargo on Cuban products.

But now, "the high price and scarce supply of ethylene has brought back the possibility that fermentation could become a significant source of ethanol," the report said.

A task force on the use of molasses in Hawaii concluded: "Ethanol produced from molasses could replace a significant amount of Hawaii's gasoline requirements if used as a motor fuel."

And the task force said that by regulating the level of fermentable sugars in molasses, the sugar industry could respond to unfavorable changes in the sugar market without cutting back on cane production.

Using 1970 gasoline consumption figures and molasses production on the Big Island, researchers calculated that fermentation ethanol could replace 23 per cent of the Big Island's gasoline needs.

Ethanol can be used as an anti-knock ingredient when combined with regular gasoline for use in vehicles. Ethanol also is a fuel itself but has a somewhat lower energy content per unit volume than gasoline.

Blackstrap molasses is the waste syrup remaining after the extraction of crystallized sugar from the cane juice obtained in commercial sugar mill operations.

About 28.7 pounds of molasses would be required to produce one gallon of ethanol.

Estimates of the cost of producing ethanol from sugars by fermentation range from 53 cents to as high as $1.10 a gallon.

But the report says, "In Hawaii, the production costs should be relatively low since the ethanol would be produced at a sugar mill. Some sugar mills have adequate steam generating capacity already installed, as well as facilities for providing cooling and process water and waste-water treatment. Molasses is readily available as a by-product of the sugar milling process."

Using the Pepeekeo Mill as an example for a pilot plant, the task force designed a plan for ethanol to replace about 4 per cent of the Big Island's gasoline requirements. The pilot plant could handle 412 gallons of molasses an hour and would cost $4.1 million to build.

The task force concludes that federal money be sought to develop a pilot plant.

"Because of the small scale of the pilot plant and the high risks involved with such a venture, the return on investment would probably be too low for the sugar company to undertake on its own," the report said.

"A partnership between the company and the State of Hawaii is therefore recommended to share the capital costs and the risks," the report concluded.

The facility would be owned and operated by the company with the state sharing in the profits. The report also said that if the pilot plant is found to be economically feasible, some sugar companies might find it more attractive to produce ethanol rather than sugar.

Mr. CHURCH. I thank the Senator from Hawaii very much.

I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that Gary Klein may have the privilege of the floor during consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that Mr. Ed Case of my staff may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished occupant of the chair be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator yield back his time?

Mr. HELMS. I yield back my time.

The PRESIDING OFFICER. Does the Senator from Idaho yield back his time?

Mr. CHURCH. I am happy to yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHURCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 408

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read as follows:

The Senator from Arkansas (Mr. BUMPERS), for himself and Mr. DURKIN, proposes unprinted amendment numbered 408.

Mr. BUMPERS. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, lines 6 and 7, strike "$54,000,000," and insert in lieu thereof, "$56,000,000: *Provided*, That $2,000,000 of such sum are hereby authorized for a research and development program in residential gas furnaces."

Mr. BUMPERS. Mr. President, I shall take just a few moments to explain the purpose of this amendment. It provides $2 million in budget authority that will allow ERDA to initiate a new program to develop very high efficiency residential gas furnaces. I must say at the outset that the genesis of this amendment is very personal, because when I bought a home in 1962, I learned shortly thereafter that I probably had the least efficient gas furnace in the United States. I daresay that, in the last 14 years, I have probably spent enough for natural gas, because of the inefficiency of that furnace, to have bought two more like it.

In any event, there are now 34 million residential gas furnaces in place and we are building another million each year to replace those that are wearing out and, also, for new construction. Compared to traditional gas furnaces in typical installations, very high efficiency furnaces could be offering to consumers somewhere between 25 and 30 percent more efficient furnaces than we are now getting. In other words, we can save 25 to 30 percent of the gas we are now using for space heating.

The traditional gas furnace has an efficiency rating of about 75 percent. The 25 percent energy loss is due to: First, providing a sufficiently high flue temperature to avoid moisture condensation and also to provide buoyancy forces to vent the combustion products; second, using excess air for combustion control; and third, not recovering the latent heat of condensation of the moisture in the flue products. The seasonal performance efficiency of a gas heating system in a residential dwelling is in the range of 55 to 65 percent, because additional heat energy is lost from the heating system by: First, loss of some furnace heat up the stack when the furnace shuts off; second, loss of conditioned building air up the flue during the long periods when the furnace is not operating; and third, nonutilization of heat from pilot lights for part of the year.

But, residential and commercial furnace, and boiler, heating systems can be inherently very efficient. The current situation reflects the recent era of low-priced gas, a very competitive furnace market based on first cost—not life-cycle cost, and applicance performance and building codes that have reflected the realities of low-priced gas.

ERDA's furnace program should stress new technical concepts that would provide 90 percent steady-state furnace operating efficiency and a seasonal performance efficiency target of 85 percent.

I point out that ERDA would like to have increased authorization in this area. It is an area where they can develop technology to utilize the pilot lights in furnaces, which is, essentially, wasted heat now. A good portion of all heat going into furnaces is going out in the stacks, and it becomes thermal pollution at that point.

I think that it is an area where we can do the consumers of this country a great service. I strongly urge my colleagues and, hopefully, the managers of this bill, to accept this amendment, in the belief that we can develop a much more efficient natural gas furnace and do the consumers of this country a great service in the process.

Mr. CHURCH. Mr. President, I am not accustomed to jousting with the distinguished Senator from Arkansas, because he is the vice chairman of the subcommittee that has jurisdiction over this bill. I am very much indebted to him for his help throughout all of the committee hearings.

Mr. BUMPERS. I thank the Senator.

Mr. CHURCH. But I have a problem, of which, I am sure, he is very much aware. The subcommittee and the committee as a whole added $181,600,000 to the administration's request and, under the budget resolution as approved by the Senate, we have only limited flexibility.

As the Senator knows, we have yet to take up the nuclear bill and already we have come within $18.4 million of the budget limit for the nonnuclear programs.

My understanding is that the distinguished Senator has five amendments, of which he has given me notice.

The first amendment will only cost $2 million; but the next amendment would cost $5 million, the third amendment would cost $12 million, and the fourth amendment would cost $5.5 million.

So that if I were to accept these amendments, they would total $24.5 million, and we would have already exceeded the budget.

I wonder if the Senator would be amenable to withholding certain of his more expensive amendments. I would like to accommodate him because he is vice chairman of the subcommittee. But it does place me in a very awkward posture. Since I have to resist amendments, sizable amendments, from any other quarter, I am obliged to apply the same standard to the amendments offered by the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I thank the chairman of the subcommittee for his kind remarks about me. I also want to assure him and other members of the subcommittee and my colleagues that I am not insensitive to the budgetary constraints under which he operates.

I would like to point out that I am willing to reduce a couple of my amendments. As a matter of fact, I would probably be willing to forego one of the amendments, the $5 million amendment, and reduce another amendment by perhaps as much as $2 million, which would make them all-told, roughly, $18 million.

The fifth amendment to which the distinguished Senator did not allude would save, in the event the Senate chose to agree to it, roughly $16 million.

So that all of my amendments totaled would, in fact, only cost $2 million to $3 million as a whole.

I cannot ask the floor manager, of course, to accede to any of these amendments without offering that one. I had understood that this particular amendment might be acceptable. I had really intended to offer the budget-cutting amendment first before I went into the others because I recognize the budgetary constraints and would like to honor them.

But I feel so strongly about four of these items that I feel compelled to offer them.

Mr. CHURCH. Mr. President, I would feel much better about it if the Senator would combine those portions of the amendment he wishes to offer with the budget-cutting amendment, and then put that to the vote of the Senate.

At least, in that way, we might continue to operate within the budgetary constraints to which I have referred.

I am afraid that even if the Senator were to modify his package of amendments, he would be offering in the neighborhood of $18 million of additional authorization. We have accepted one $2 million amendment which is the only amendment I have accepted that had any budgetary impact so far.

I think I am prepared to proceed in any way the Senator thinks best on one amendment at a time, or in some other fashion if he chooses to do so. But I really have to emphasize the limitations I feel obliged to uphold here.

The Senator may be assured I will take the same position with respect to amendments offered by other Senators.

There may be a little leeway, but we do not have $18 million worth, by any means.

Mr. BUMPERS. Mr. President, I ask unanimous consent that this amendment be set aside to some time later this afternoon after I have had an opportunity to reassess my amendments, including the one that would reduce the budget $16 million, and try to at least get them in harmony, and then, perhaps, offer the budget cutting amendment, so the Senator would have a better idea about how much leeway he wants to use in accepting any of the additional amendments.

Mr. CHURCH. Mr. President, I appreciate very much the Senator's offer to do

that. I hope we might have some discussion before he brings his amendment back to the floor.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Arkansas is set aside.

The bill is open to further amendment.

UP AMENDMENT NO. 409

Mr. McCLURE. Mr. President, I have an amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE), for himself and Mr. CHURCH, proposes an unprinted amendment numbered 409.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following: That in order to provide economic farm units to qualifying farmers whose land is economically infeasible to reclaim from damages resulting from the Teton flood of June 5, 1976, and who are unable to find suitable land for their flood damaged farm, and in order to restore the economic and agricultural base of the flood damaged region, there is hereby transferred 5,955 acres of land, hereinafter described, in the State of Idaho presently under the jurisdiction of the Energy Research and Development Administration, to the Secretary of the Interior who, acting through the Bureau of Reclamation, shall make such lands available for sale to qualifying farmers according to the terms hereafter provided.

Part I. As used in this Act, the term:

(a) "Teton flood" means the flood resulting from the collapse of Teton Dam of the Lower Teton Division of the Teton Basin Federal Reclamation Project on June 5, 1976.

(b) "Energy Research and Development Administration land" means those public and acquired lands in the State of Idaho identified as Sections numbered Fourteen (14), Twenty-Three (23), Twenty-Four (24), Twenty-Five (25), and Thirty-Six (36), in Township Six (6) North, of Range Thirty-Three East of the Boise Meridian; Sections numbered Nineteen (19), Thirty (30), and Thirty-One (31) in Township Six (6) North, of Range Thirty-Four (34) East of the Boise Meridian; and the Southeast Quarter, the South Half of the Northeast Quarter, the East Half of the Southwest Quarter and the Southeast Quarter of the Northwest Quarter, of Section numbered Eight (8) and the South Half of the North Half of Section numbered Nine (9) in Township Five (5) North, of Range Thirty-Four (34) East of the Boise Meridian, all situated in the County of Jefferson and State of Idaho, and containing 5,955 acres, more or less, which would be transferred for the purposes of this Act.

(c) "Qualifying farmer" means the resident, owner-operator of a farm who resides in the immediate locality, whose livelihood is derived from his farming operation and whose land was damaged due to the collapse of the Teton Dam on June 5, 1976, to the extent that in the opinion of the Secretary of the Interior, it is not economically feasible to reclaim such land so that it produces an income commensurate with that earned prior to the Teton flood.

(d) "Irrigable land" means farm land that is suitable for irrigated agriculture and has been certified as irrigable by the Secretary of Interior.

Part II. For a period of not more than five years after transfer to the Bureau of Reclamation, the land heretofore described shall be available for purchase by those who, on or before October 1, 1978, are determined to be qualifying farmers pursuant to regulations issued in accordance with Part V of this Act by the Secretary of the Interior.

Part III. Energy Research and Development Administration land as described in Part I (b) of this Act shall be certified as irrigable by the Secretary of the Interior, and lands so certified shall be made available in a manner to be prescribed by the Secretary for purchase by qualifying farmers at its current fair market value as determined by a board of appraisers composed of a Federal appraiser, a State appraiser, and one appraiser from the disaster region: Provided, That irrigable land transferred to a single ownership shall not exceed one hundred sixty acres of Class I land as defined by the Secretary or the equivalent thereof in other land classes as determined by the Secretary. The United States, through the Secretary, shall convey fee simple title of the Energy Research and Development Administration land to the qualifying farmer. The cost of developing the replacement land for farming shall be borne by the qualifying farmer who purchases the land.

Part IV. Any part of the Energy Research and Development Administration land remaining in the possession of the Bureau of Reclamation at the end of the five year period, except land needed for public rights-of-way, as determined by the Secretary, shall be returned to the Energy Research and Development Administration.

Part V. Within ninety days after the enactment of this Act the Secretary shall prescribe and publish in the Federal Register such rules and regulations as may be necessary and proper to carry out the provisions of this Act.

Part VI. Full recovery for the loss of all or part of flood-damaged farms shall be obtained by owners pursuant to the Teton Dam Disaster Assistance Act of 1976, P.L. 94-400, 94 Stat. 1211, and the Supplemental Appropriation Act of 1976, P.L. 94-438, 90 Stat. 1415.

Part VII. Actions taken pursuant to this Act are in response to emergency conditions and depend for their effectiveness upon their prompt completion and, therefore, are deemed not only to be major Federal actions significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (83 Stat. 852, as amended, 42 U.S.C. 4321).

Part VIII. There is hereby authorized to be appropriated such sums as may be necessary for the purposes of administration of this Act.

ERDA LAND TRANSFER TO TETON FARMERS

Mr. McCLURE. Mr. President, I am hoping the Senate will consider passing this amendment today which will make almost 6,000 acres of Energy Research and Development Administration land in Idaho available to farmers who lost their farms in the Teton Dam disaster. As many of you recall, the Teton disaster of June 5, 1976, caused considerable destruction to both lives and property in the upper Snake River agriculture region. Congress and the administration acted quickly and the replacement of lost homes and businesses through special legislation is being carried out today.

There are a handful of farmers, however, whose farms were in the immediate path of the flood and whose farms today are under deposits of gravel or stripped to bedrock. To continue farming on this land is impossible and while they may be compensated for the loss of their land, they must have the opportunity to reinvest that money into other farmland. Efforts to try to locate suitable farmland in the same region have not been successful. While the Bureau of Reclamation did a survey of real estate and located around 25,000 acres of farmland, a closer look revealed that much of the land has been overfarmed, is too far from the upper Snake River region, is either scab land or alkaline, and is basically unsuitable as productive farmland. State and other Federal land are not available.

In order to try to provide these farmers with an opportunity to continue farming in this part of Idaho, I have proposed that a small portion of the Energy Research and Development Administration site be released for farming. ERDA retains 572,000 acres in southeastern Idaho at their Idaho Nuclear Engineering Laboratory. Their facilities cover approximately 1 percent of this land. My bill transfers 5,955 acres of ERDA land to the Bureau of Reclamation and after 3 years, if eligible farmers have not purchased this land, it will be returned to ERDA. The 6,000 acres are on the eastern edge of the site, adjacent and south of highway No. 88, are bordered by farmland and have no ERDA facilities on them.

The entire INEL site is designated an ecological research area and many research projects are located throughout these sagebrush flatlands. The area provides habitat for antelope, deer, upland game birds, and other smaller animals. Both the Environmental Division of INEL and the Idaho Fish and Game Department has assured me that the acreage selected is not in a migration path of antelope nor other game, is not critical habitat for any species, and is the best land suited for farm use with respect to the wildlife concerns. Any research that may be conducted on this land is also being conducted on other INEL lands and my proposal will not jeopardize the research program.

Both the administration and ERDA have promised their cooperation in this program if other alternatives could not be found for these farmers. Unfortunately, time is of the essence and no alternatives have been found. For generations these families have farmed this area and they want to continue farming but they must be able to begin soon. This proposal makes Federal land available to be purchased by farmers whose land was taken away from them by the Federal Government through the Teton disaster. It is justice to provide them with the opportunity to continue their life's work, that of farming in eastern Idaho.

Mr. President, this amendment is brought up at this time on my behalf and that of my distinguished colleague from Idaho dealing with the Teton Dam devastation of just a little over a year ago. It is pertinent to this bill only from the standpoint that it involves some lands that are situated in the State of Idaho in the region where the Teton Dam burst.

To make a relatively long story very short, there are a few farmers in the area whose lands were totally destroyed. The lands were destroyed either by the strip-

ping of the land to the bedrock or by the deposit of tons of gravel on top of the farmland.

The land is totally beyond any rehabilitation. Because those farmers on those lands would like to continue in the same community in the farming business, we looked around for some available land that was in private hands. After some effort, we determined that suitable lands were not available in the immediate vicinity, but there are some Federal lands in the Idaho nuclear energy site.

After some discussion with the Idaho Fish and Game Department, we determined that one portion of this massive site could be set aside without any adverse effects upon the fish and wildlife.

We have settled upon a description of the land contained in this amendment, which would simply authorize under very strict guidelines the making available up to 6,000 acres of this land out of a reserve of over 500,000 acres for the replacement of the land lost in the Teton Dam flood.

Mr. President, I would be pleased to respond to any questions, if there are any, that deal with the thrust of this amendment. But I think perhaps that explanation might suffice.

Mr. CHURCH. Mr. President, I join in the cosponsorship of this amendment. I have had, along with Senator McCLURE, very keen interest in finding some additional ground that joins the flood plain which was so seriously damaged when the Teton Dam burst a year ago.

I know of no strong objection to this bill. It is my understanding that the Secretary of the Interior has it under consideration and, to my knowledge, he is favorably disposed toward the measure.

The Senator from Oregon (Mr. HATFIELD) has indicated that the minority has no objection to the amendment. Speaking for the committee, I find it to be acceptable.

Mr. President, if the Senator from Idaho will relinquish the remainder of his time, I will do the same.

Mr. McCLURE. I am happy to yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHURCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHURCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. RIEGLE). Without objection, it is so ordered.

Mr. GLENN. Mr. President, I rise to suggest a clarification in some of the language that has already been passed today.

The PRESIDING OFFICER. Will the Senator suspend for just a moment?

Who yields time to the Senator from Ohio?

Mr. CHURCH. I yield such time as the Senator might require.

Mr. GLENN. I do not think this will require more than 5 minutes. I believe the floor manager of the bill is aware of and is in agreement with what we are attempting to do here, and I appreciate his cooperation.

UP AMENDMENT NO. 410

Mr. GLENN. Mr. President, I have sent to the desk a handwritten copy of an unprinted amendment to this bill and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator wish to have it read?

Mr. GLENN. I do not wish to have it read. I ask unanimous consent that it not be read. I will explain the bill if that is satisfactory.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. GLENN) proposes unprinted amendment No. 410.

Mr. GLENN. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, after line 25 (and after the approved language offered by Mr. Randolph) add the following new subsection.

"(y) For purposes of this section 'biomass' shall include, but is not limited to, animal and timber waste, urban and industrial waste, sewerage sludge, and oceanic and terrestrial crops.

Mr. GLENN. Mr. President, one of the concerns of the past few years with regard to energy and our urban problems has involved the disposition of urban waste and how we might use that to create energy.

Earlier this year we passed S. 37 which dealt with biomass-to-energy demonstration programs and included a statement to the effect that urban waste would definitely be considered part of biomass, and that is what the amendment I am proposing this afternoon will deal with.

On page 29 after line 25, after the language added by Mr. RANDOLPH and already agreed to, I would add the following new subsection (y):

For purposes of this section "biomass" shall include, but is not limited to, animal and timber waste, urban and industrial waste, sewerage sludge, and oceanic and terrestrial crops.

That was the exact language also passed in S. 37 earlier this year, and I wish to include it in S. 1340 so there will be no misunderstanding about the definition of biomass, and that biomass consideration should also be extended to urban waste.

I hope the floor manager of the bill will accept that and urge its passage.

Mr. CHURCH. Mr. President, I have no difficulty with the language. It is an acceptable definition of "biomass." But I suggest to the Senator that, if this language is added to the bill, then the whole question of a loan-guaranteed program that could cover biomass as well as other fuel projects is open to the deliberations of the conference.

The amendment as proposed by the distinguished Senator from West Virginia (Mr. RANDOLPH) is identical to one that has already been approved by the committee in the House of Representatives and, therefore, would not be subject to further modification in the conference if it is passed by the Senate in that form.

I am wondering if the Senator from Ohio would consider the possibility of including in the conferees' report his proposed definition so that there would be no question but what his concern would be attended to and any possible ambiguity in connection with the use of the term "biomass" could be avoided?

As a conferee I assure the Senator that I will endeavor to get the definition he suggests included in the conference report, and I do not anticipate that that should occasion us much difficulty.

Mr. GLENN. I say to the floor manager of the bill that would be one way to proceed. I do feel that the other way, the way I have proposed, would be the more certain, obviously, and the reason I was proposing it was because it does express the will of the Senate as already expressed in S. 37 as passed by the Senate earlier.

Mr. CHURCH. The Senator is certainly within his rights to press his amendment if he wishes to do so. I am not going to oppose the amendment. But it does mean that the whole section of the bill relating to loan guarantees becomes a subject for the conferees.

Mr. GLENN. As I understand it, as to the difference so far between the House version and the Senate version of the bill, this would be the only difference between the two. Is that correct?

Mr. CHURCH. That is correct.

Mr. GLENN. Why does the floor manager of the bill feel that this would open up other sections of the bill? I do not see how this would open up other parts of the bill under consideration.

Mr. CHURCH. It is my understanding that the addition of this language would mean that the Senate provisions relating to the loan guarantee program would differ in this respect from those of the House of Representatives. Therefore, the whole subject would be open for discussion and possible modification. The only way that that can be avoid is when the language of the Senate bill and that of the House bill are identical.

Mr. GLENN. I believe I would prefer to put this in the language of the bill. I appreciate the consideration of the floor manager of the bill. I wish, however, to get this into the bill if the floor manager will accept the provision.

Mr. CHURCH. I need to check the matter with the minority. Senator HATFIELD should pass on it before we accept it. I do not think we will have any problem.

Mr. GLENN. All right.

Mr. CHURCH. Mr. President, Senator HATFIELD has indicated that the amendment is acceptable to him, and it is ac-

ceptable to me. I yield back the remainder of my time.

Mr. GLENN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. CHURCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair would state to the Senator from Idaho that his time on the bill has expired, and to have a quorum call would require that the time come out of someone else's time, or that it proceed by unanimous consent.

Mr. CHURCH. Mr. President, I ask unanimous consent that the quorum call may proceed without being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time to the Senator from Maryland?

Mr. CHURCH. Mr. President, do I have any time left?

The PRESIDING OFFICER. The Senator has no time. The minority has 22 minutes remaining.

Mr. HATFIELD. Mr. President, I yield 3 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. MATHIAS. I thank the distinguished Senator from Oregon for yielding to me at this time to comment very briefly on the action of the committee which is reflected in the committee report on S. 1340 which directs ERDA to perform preliminary engineering design work on the 5-megawatt OTEC pilot plant which has been developed by the Johns Hopkins University Applied Physics Laboratory.

For this purpose, as I read the report, it would seem that the committee intends for ERDA to provide funds in the amount of $500,000. It is my belief, and I believe that that belief is shared by my distinguished colleague from Maryland (Mr. SARBANES), that the action of the committee in this regard really does not adequately reflect the promise and the priority that this project and this technology should have in the Nation's energy program. This is an innovative and hopeful project which I think gives us promise of greater return.

Mr. CHURCH. Will the Senator yield?

Mr. MATHIAS. I am happy to yield to the distinguished Senator.

Mr. CHURCH. I would like to say I am aware of this project and the support which has been given to it by the members of the Maryland delegation and others, both here in Congress and in the scientific community.

Mr. SARBANES. Will the distinguished Senator from Maryland yield?

Mr. MATHIAS. I am happy to yield.

Mr. SARBANES. I join my distinguished colleague (Mr. MATHIAS) in pointing out that the development of OTEC necessitates careful examination by ERDA of various research options in the OTEC program. To date, ERDA's primary mission in OTEC has been direct transmission of electricity to shore. It is our belief that the goals of the Johns Hopkins University APL pilot plant program are compatible with ERDA's objectives and would enhance our Nation's OTEC development program.

Many knowledgeable scientists within the OTEC community, as well as the Congressional Office of Technology Assessment, share in this belief.

I would like to note that the House Science and Technology Committee has authorized $10.1 million in the ERDA fiscal year 1978 authorization bill specifically for the Johns Hopkins APL pilot plant project. The House Appropriations Committee has earmarked the same amount for the same purpose.

I yield to the chairman to comment further on this matter, if he will.

Mr. CHURCH. Mr. President, I appreciate the statements that have been made on this matter, both by Senator MATHIAS and Senator SARBANES. I can assure them that I will personally give careful consideration to any increase in the authorization to a level which would enable this worthwhile project to be appropriately funded. Consideration of this matter can be given in the conference committee meeting on the ERDA authorization bill.

Mr. SARBANES. I thank the chairman for his assurances. They are very helpful.

Mr. MATHIAS. I, too, thank the chairman. I believe his assurances are enormously helpful. I know the prominent role he will play in the conference committee.

Perhaps for those Members of the Senate who are not on the committee, I should say that OTEC is a very important project. It is an acronym standing for ocean thermal energy conversion. It is a source of limitless energy constantly replaced every day the sun shines on the ocean surface. The chairman's assurance gives me great optimism about the possibility of tapping this source.

Mr. CHURCH. The program has real potential. I understand the French have experimented with it and successfully so, excepting only that they have not yet managed to solve the problem of hurricanes.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. HATFIELD. I yield 1 additional minute to the Senator from Maryland.

Mr. MATHIAS. The chairman is exactly right. The French actually had a successfully working version of this principle. They did place it in the hurricane zone. The climate has been carefully studied by Johns Hopkins. By moving to one of the more calm parts of the Earth's surface, that kind of difficulty will not recur. This is the contemplation.

Mr. JACKSON. Mr. President, I share the interest which my colleagues have expressed in moving forward aggressively in the area of developing alternative renewable energy sources and spefically in the promising technologies which have emerged for ocean thermal energy conversion OTEC. I understand that the Johns Hopkins University Applied Physics Laboratory plan to build a 5 megawattt OTEC pilot plant has attracted favorable comment within the scientific and engineering community around the Nation including a group of engineers from my home State of Washington. Over the years the applied physics laboratory has produced some fine work for the Federal Government. I am pleased that once again APL is pioneering in an area of technological development which can prove to be of inestimable value to the Nation.

I will certainly work with Senator CHURCH on this matter to assure that careful consideration is given to the authorization level of the APL and other OTEC research programs when the conference committee meets to resolve Senate and House differences on this legislation.

Mr. MATSUNAGA. Mr. President, I rise to indicate my continued support for ERDA's ocean thermal energy conversion—OTEC—programs. As a member of the Energy Committee's Subcommittee on Energy Research and Development, I had intended to offer an amendment to the pending bill to increase the authorization for OTEC by "19.8 million to $45.1 million. Acceptance of my amendment would have authorized the OTEC program at the same level as is included in H.R. 6796, the other body's companion bill which was reported from its Committee on Science and Technology on May 16. However, I decided not to do so upon the assurance of the Senator from Idaho, the chairman of the subcommittee (Mr. CHURCH) that this matter would be given full consideration in conference.

Mr. President, OTEC involves the utilization of the temperature differential between the Sun-warmed surface waters and the colder deeper waters of the ocean. The principal application of OTEC technology at this time are the production of either electricity, or energy intensive products such as chemicals—ammonia for fertilizer and other uses, as one example—metals—such as aluminum—and fuels. Additional possible applications include the promotion of aquaculture through the supply of nutrients—phosphates and nitrates—contained in the cold ocean water, and the production of fresh water.

OTEC is one of the six solar technologies that constituted the original U.S. solar energy program. These technologies were selected by the National Science Foundation's research applied to national needs program as being options which met the basic test of clearly having the potential, if properly supported, of supplying a substantial portion of U.S. energy needs for electricity and energy-intensive products.

Research into OTEC utilization for electricity is of particular importance to my own State of Hawaii, where the required temperature differentials exist in

abundance along with a current dependence on imported petroleum products for over 90 percent of our energy requirements. This side-by-side overwhelming dependence on an exhaustible product and existence of excellent natural conditions for the development of a renewable energy source has bred a great deal of support for the OTEC program. The University of Hawaii has put together an excellent team of scientists knowledgeable in the OTEC field who are involved in several projects ranging from the construction of a small working model of an OTEC powerplant, to environmental baseline studies of Keahole Point on the Island of Hawaii, which was identified in a separate ERDA-funded study as one of the three most favorable sites in the United States for a prototype OTEC installation.

The Federal Government is not alone in its support of OTEC research efforts in Hawaii; of the $552,000 expended in Hawaii from 1971 to the present on ocean energy research and development, including OTEC and wage energy, the State has contributed $171,000 to the Federal Government's $371,000, with the balance made up of county and private funds.

The basic technology for OTEC is nothing new; in 1881 a French physicist showed that a heat exchange engine could be built to operate on temperature differences between surface and deep ocean water. What is required is an extensive additional amount of research into the various engineering problems associated with the utilization of OTEC on a practicable and cost-competitive basis, and it is to these areas that the bulk of OTEC research and development funds have been directed. Current research is concentrating on the development of a durable, low cost heat exchanger, at minimizing the biofouling and corrosion which is inherent to operations in a marine environment, and in several related problem areas. This basic research has proceeded to a point at which continuation of the OTEC program requires the procurement of large scale hardware for testing at sea. The primary focus for this next step will be the Hughes mining barge, which is being outfitted with the technology developed to date for towing to various potential OTEC sites, Hawaii included.

Complementing the electricity transmission application research of OTEC is the potential sited by a study by Johns Hopkins University for the application fertilizer through an "ocean grazing" process. In this area, ERDA is ready to move into detailed system engineering for an OTEC tropic ocean grazing pilot plant.

Mr. President, the progression of funding of the OTEC program has been encouraging as the potential for OTEC has increasingly been realized. For fiscal year 1978, the administration requested $25.3 million for OTEC out of a total request for solar energy development of $313.25 million, and the Energy Committee's bill which is presently before us retains that amount for OTEC, although increasing the overall authorization for solar by $65.3 million.

However, in action on H.R. 6796, the other body's version of the bill, that body's Science and Technology Committee recommended an increase for OTEC of $19.8 million to a total of $45.1 million. Of this amount, the committee stipulated that $10.1 million was intended to further the tropic ocean grazing program for the production of ammonia, and the remaining $9.7 million was intended for increased research into the technological problems currently associated with OTEC utilization for the transmission of electricity to shore, particularly for an expansion of the scope of the Hughes mining barge experiments. The commitment of the other body to the full support of the OTEC program was not confined to the authorization process, however, for in its bill H.R. 7553, appropriating funds for energy research for fiscal year 1978, the House Committee on Appropriations included a full appropriation of the administration's budget request of $25.3 million, and then added $14.5 million, in accordance with the additional authorization of $19.8 million provided by the Science and Technology Committee, for a total appropriation of $40 million for the OTEC program. The House committee suggested a general allocation of this increased $14.5 million as follows: $10.1 million for ocean grazing projects, and $4.6 million for longer range OTEC programs, such as the Hughes mining barge.

Mr. President, OTEC has my fullest support not only because of its recognized potential for my own state of Hawaii, but because it can and will contribute to the energy needs of other regions of the country, and because I am sure that there are applications of OTEC of which we are not yet aware. I therefore urge the continuation of this valuable program to the fullest extent possible, and commend this matter to the Senator from Idaho (Mr. CHURCH) with the hope that he and other Senators who may represent this body in conference with the other body on S. 1340 H.R. 6796 will assure that a decision on the other body's suggested increased appropriation will not be limited by the amount allocated OTEC in the authorizing legislation.

The PRESIDING OFFICER. Does the Senator from Oregon seek recognition?

Mr. HATFIELD. Not right now, Mr. President.

The PRESIDING OFFICER. Does the Senator from Massachusetts seek recognition?

AMENDMENT NO. 394

Mr. BROOKE. Yes. Mr. President, I call up my amendment No. 394 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. BROOKE) proposes amendment No. 394.

On page 18, line 13, strike "$2,000,000" and insert in place thereof "$10,000,000".

Mr. BROOKE. Mr. President, I call up this amendment which would provide $10 million in authority for startup of the appropriate technology program which would have been authorized last year but for the Senate's failure to pass the ERDA authorization. This would be the same amount provided by the House committee for fiscal 1978, and $8 million more than the $2 million proposed by the Senate Energy Committee. As many of my colleagues know, appropriate technology means those technologies which can make effective use of local natural resources, local capital, and local labor.

When we deal with energy, appropriate technology:

First. Utilizes locally available materials, skills, and energy sources, with a primary emphasis of those energy sources which are renewable.

Second. Is generally more labor intensive than more advanced technologies.

Third. Is simple to install and easy to maintain.

Fourth. Emphasizes decentralized technological application.

Fifth. Decreases community dependence on external sources of energy, and

Sixth. Is environmentally sound.

It is important to move ahead on establishment of this program because of its potential both to reduce energy usage and to advance renewable or local energy sources. For some appropriate technologies experiments, the risk of failure is high and conventional private sources of funds for commercial development may not be available in the amounts needed to prove the worth of these proposals. Public funds are temporarily needed to establish the technical viability and usefulness of these "appropriate" technologies.

Within the past 2 years, two Federal programs and one State program in appropriate technology have been started, but the emphasis has not been solely on energy. The Agency for International Development has set up a program to spend $20 million in foreign assistance over the next 3 years and the Community Services Administration has a new National Center for Appropriate Technology to work solely with community action agencies. During 1976, the first State office of appropriate technology was established in California.

ERDA has prepared an implementation plan for a program of $10 million. It will rely on its regional offices to screen and evaluate proposals for small inventions. $7 million will be spent on grants of no more than $50,000 to try out experimental techniques and devices for which application has been made directly to the ERDA regional offices for appropriate technology.

The other $3 million authorized will be used to fund small experiments in areas which the ERDA Administrator has designated as special priority because of the potential contribution to national energy program goals and/or because of their special promise.

Without the full authorization, ERDA will have to limit the program to only one or two regions. Since there is no way for us to anticipate where the important inventions may now be germinating, and since it is essential that in order to in fact be "appropriate," technologies ap-

plicable to all our climates, terrain, and communities should be developed and implemented, patrial funding of this program would be shortsighted indeed. And I find the administration's move to eliminate the program truly incomprehensible.

Mr. President, the encouragement of small scale, decentralized, labor-intensive technologies must continue to provide an alternative to an energy economy based solely on megasystems locked into giant technologies and structured into large central production units. For a few smaller investments, we may be able to keep our options open so that, in the long run, we have a heterogeneous, flexible, and efficient energy system which makes the best possible use of a wide variety of energy resources and of human resources. I hope the committee can see fit to adopt the House figure of $10 million.

Mr. CHURCH. Mr. President, as I have opposed other amendments which have been offered, which increase the level of authorization in this bill, so I shall have to oppose the amendment being offered now by the distinguished Senator from Massachusetts. The committee added $181.6 million to the request of the administration for ERDA's nonnuclear research and development program. We now are very close to the budgetary allocation for the nonnuclear programs within the Senate budget resolution.

I agree with the Senator from Massachusetts that it is very important to think small as well as big, and there are many different experiments, authorized under this bill, presently being pursued by ERDA, which look to small generating plants, electrical cells, small hydro projects based on the run of the river rather than the construction of large dams, and many other technologies, including geothermal and windpower, which operate on the principle of the small generating plants rather than the large plants—which might very well, like the dinosaurs, become extinct because of their high cost. So I do want to assure the Senator that there are various technologies within the framework of the ERDA program that look to the objective of thinking small as well as big.

This particular program is new. Up until now, no money has been spent on it. Guidelines have just been developed, and it was our impression in the committee, when we asked the appropriate witnesses, that $2 million would be all the money that ERDA could usefully spend on this new program during the coming year. But I want the Senator to know that if the House finally approves the $10 million figure, then the subject of an appropriate level of funding for this new program will be in conference and, no doubt, a figure will be struck somewhere between the $2 million limit in this figure and the $10 million limit, should that be approved by the House.

Mr. BROOKE. Will the Senator yield?

Mr. CHURCH. Yes.

Mr. BROOKE. As the Senator knows well, the appropriate technology was in the authorization bills of both the houses in fiscal 1977. ERDA operated under a continuing resolution after the authorization died in the Senate. In the Appropriations Committee, I was able to get report language allowing ERDA to reprogram funds to start up. And they did put up $200,000, in the west coast region, to start up.

The $2 million that the Senator from Idaho has indicated that ERDA has said it can spend, would nearly all be spent in California. I feel that this is a program that should be nationwide.

I think the ERDA proposal is a very good, appropriate technology program. I think it has many advantages and I shall not repeat all that I said in my opening statement. But it is so important that it ought to be a program that is given sufficient funding in order to be fully operative.

Frankly, I flew back all the way from Boston, because I wanted to propose this and ask the Senate to vote upon this, so strongly do I feel about it. I know that the distinguished floor manager of the bill and the ranking minority member are trying to hold the line. But it seems to me that we do have some $240 million, as I read the committee's account, that could be available. Although I know they have not gotten to the nuclear bill yet and I suspect they want to preserve some of that for that purpose.

Eight million dollars I shall not call peanuts, because $8 million is $8 million. It is a lot of money. But in the context of the massive ERDA budget we are talking about, especially since the House came in at a $10 million figure, the Senate is low at the $2 million figure. This is a program that the Senators themselves agreed was an important enough program to authorize fully in 1977. I should think that they would give more serious consideration to the authorization of a more realistic amount than $2 million.

I respect and understand what happens in a conference. I know that if we go in with the House at 10 and the Senate at 2, there is some likelihood, or some hope. I would say, that the program would get some additional funding.

But I do not know. I should hate to see the House recede to the Senate in this case, frankly, because I think $2 million is—I shall not say a waste, but it certainly will not begin to address itself to the problems that I think would be addressed if we had a more realistic figure.

Mr. HATFIELD. Will the Senator yield?

Mr. BROOKE. Yes, I yield.

Mr. HATFIELD. I want to make certain that the Senator understands that we are now down to within $15 million of the amount apportioned for the nonnuclear programs. In other words, we are within that amount of reaching our budget ceiling, and we do have to consider further additions and modifications.

The second thing I would like to indicate to the Senator from Massachusetts is that we have added to this budget $1.8 million for what we call the inventors program.

This is not appropriate technology, as such, but it includes small inventions which do take into consideration some, perhaps, of the same constituency the Senator is concerned about, and which I share.

In fact, it was my amendment that had the $1.8 million for the inventors program.

I would only reiterate what the chairman said, that we are struggling to maintain the budget limitations and, where we are within $15 million now, it is very difficult to look favorably upon any additions, even though they may be provisions worth undertaking.

Mr. BROOKE. I thank my colleague.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. I say to the Senator from Arkansas that there is an amendment pending.

Mr. BUMPERS. I apologize, Mr. President, I thought that it had been withdrawn.

The PRESIDING OFFICER. It has not been withdrawn.

Mr. BUMPERS. Whose amendment is pending, Mr. President?

The PRESIDING OFFICER. The amendment of the Senator from Massachusetts (Mr. BROOKE).

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BROOKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, I ask unanimous consent that my amendment may be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is laid aside.

Mr. BROOKE. Mr. President, I yield the floor.

The PRESIDING OFFICER. Does the Senator from Arkansas now seek recognition?

Mr. BUMPERS. I thank the Chair.

UP AMENDMENT NO. 411

Mr. BUMPERS. Mr. President, I had previously sent an amendment to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS) proposes an unprinted amendment No. 411:

On page 18, lines 8 and 9, strike $86,000,000," and insert in lieu thereof "$70,000,000: *Provided*, That no funds herein authorized shall be made available for the purchase of

electric vehicles as provided in Public Law 94-413."

Mr. BUMPERS. Mr. President, it will not take very long for me to describe the amendment and the purpose of it.

The amendment eliminates $16 million which I think would be a terrible waste of taxpayers' money.

This money has been placed in the budget to purchase 2,500 electric vehicles. But the problem with this is that nobody really wants to do this. Nobody wants it. ERDA does not want it, the administration does not want it, and I assure Senators that I do not want it. I do not think a majority of the Members of the Senate will want it. The legitimate question to be asked here is, "What are we demonstrating by buying 2,500 electrically operated vehicles?"

All we are demonstrating is that we are willing to throw away $16 million of the taxpayers' money for no technological advantage in dealing with the energy crisis in this country.

As a matter of fact, there are those who believe that electric vehicles, in the present state of the art, are almost as energy intensive as our present combustion engines.

But the point made by ERDA, and it has a lot of merit, is that we cannot move toward an electrical vehicle transportation society until we develop a storage battery that will allow these automobiles to get some mileage.

Right now, a 50-mile range or a maximum of 75 miles is the most that anybody will claim for any electric vehicle I know anything about. That is just a cut above what our golf cart will give out on the golf course.

The point is very simply made that we are not buying these things to give to the postal department. The postal department will acquire 1,300 electrical vehicles in addition to this. But we are going to buy 2,500 vehicles with a goal of 7,500 vehicles by the early 1980s. The question is, What are we getting in return for these vehicles? The answer is, Nothing.

Let us assume for a moment that we had a storage battery that was a vast improvement over the batteries we have now. Let us assume further they could guarantee us a range of 100 miles. Would there be any legitimate reason to buy 7,500 of them, or 2,500 of them?

I have never heard of this body, or the House, or the Congress, appropriating such sums of money for no visible benefit.

These vehicles are going to cost $10,000 apiece, and they are nothing more than a modified golf cart.

I do not know what golf carts are, but I bet we can buy them for $2,000. If we want to use them, we can drive from here to home and back just as easily as in one of these $10,000 vehicles.

Mr. President, I want to reiterate, here is a place where we can save ourselves a lot of money, give ourselves $16 million of additional flexibility in budget authority to do some things that really need to be done and save the taxpayers a great deal of grief by not spending $16 million we do not need to spend.

This Congress adopted a bill in 1976. We are all familiar with it. There was not anybody who wanted it then, but it just passed, because everybody said, "Let us do something."

Doing something was spending money and throwing it at a problem which defied solution at that time, and still does.

We are an impatient society, Mr. President. We have become so used to instant tea, instant coffee, minute rice, and TV dinners, we simply cannot cope with problems, and our minds are set to devising immediate solutions.

That is the reason we are proposing to buy 2,500 or 7,500 vehicles that prove absolutely nothing.

I hope, Mr. President, that the chairman and the managers of this bill will agree with this and give us some flexibility to add two or three programs that really would serve a useful purpose.

I reserve the remainder of my time.

Mr. CHURCH. Mr. President, I appreciate the strong feelings of the Senator from Arkansas in this matter. He raised the argument in the committee. The committee did not see fit to adopt the amendment he now proposes.

Whatever the merits of the argument one way or the other, I feel obliged to oppose this amendment, because Congress already has decided this issue. Last year, Congress extensively examined the need for the demonstration of electric vehicles and decided in the affirmative. The determination was made through extensive hearings in the House and in the Senate, through legislation calling for such demonstration, which was passed by the House overwhelmingly, and similar legislation was passed by the Senate by a vote of 72 to 16.

The demonstration provisions were then reviewed and refined in conference, and the House and Senate again confirmed the need for rapid demonstration by overwhelmingly supporting the conference report.

It will be recalled that Gerald Ford then vetoed the measure, citing the demonstration aspects of the bill as one of the reasons for the veto. Congress then overrode the President's veto. with the House voting almost three to one and the the Senate voting 53 to 20 to override the President's veto and maintain the provisions of the measure.

That is the record. Since Congress has enacted the law that authorizes—indeed, requires—the purchase of these vehicles, since we have run the full legislative gamut, including an override of the President's veto, I am not in a position to vote for the amendment; because I think the matter has been settled and the law has been written, and the committee did not choose to change the law or to recommend any change to the Senate as a whole.

For these reasons, I am constrained to oppose the amendment of the Senator from Arkansas.

Mr. McCLURE. Mr. President, will the Senator yield to me?

Mr. CHURCH. I am happy to yield.

Mr. McCLURE. I thank the senior Senator from Idaho for yielding this time, because I want to go just a step beyond the arguments given by the distinguished Senator from Idaho, to talk about the merits of the electric vehicle as an alternative to what we are doing now and as a constructive step forward.

Perhaps the Senator from Arkansas has the same set of advisors that President Ford had last year, because in his veto message, President Ford said that until we had new battery technology, there was no future for electric vehicle propulsion.

The argument of the Senator from Arkansas has convinced me that we need this legislation, because apparently we do have to demonstrate to at least a minority that current battery technology is sufficient to give an opportunity for an intrusion into the market of at least a portion of the transportation policy.

I live 9 miles from the Capitol. My typical day calls for me to drive here; typically, one or two stops on the way home; very seldom more than 25 or possibly 30 miles in a day's travel. There is absolutely no reason, technological reason, why I could not be using an electric vehicle to commute.

There are thousands upon tens of thousands upon hundreds of thousands of commuters in the United States today who could be using electric vehicles to commute, with current battery technology.

Certainly, in the use of batteries, in the use of electric vehicles, we also will improve the art of the control mechanisms of the recharging cycle; and we may even begin to phase in some of the more exotic batteries as substitutes for the lead acid battery which is now the current mode because it is cheaper.

There is no reason why we should not be moving to get away from the pollutant that is the byproduct of the internal combustion engine in many of the most congested areas of this country. That is where the health effects problems of air pollution are most severe, and that is one of the areas that would be most benefited by a conversion of at least a substantial portion of the transportation in those air sheds from the internal combustion automobile engine to an electric vehicle propulsion system.

There are a number of such systems on the drawing boards. A number of such alternatives are being experimented with. But the myth that must be laid to rest is that the battery technology of today makes it impossible to have one today. That simply is not the fact.

The Senator from Arkansas indicates that what we have to do is to close up a golf cart and drive it. I defy him to drive a golf cart on the beltway. He would be run over. There are alternatives that would have a higher speed than golf carts have. They are available and can be made available on the market today. It requires some kind of economic breakthrough, some kind of demonstration to the people of this country that it can be done, and it can be done now; that it does not have to wait for 2 years or 10 years or 20 years. It can be done this year or next year.

When are we going to wake up to the opportunity to make a massive assault

on the air pollution in the Los Angeles basin? They said that mass transit will not work in the Los Angeles basin. I have been told that it is impossible to get an electric car that will go over 35 miles an hour. I have driven them. I drove them on the autobahns in Germany, and they were not golf carts. They were standard automobiles that had been converted and would go over 55 miles an hour, and they would do that well within commuter ranges; and that can be done with current battery technology.

If ever I saw a step backward in the Nation's effort to solve air pollution problems in critical air sheds and to provide an alternative for transportation, it would be the adoption of this amendment.

The Senator from Arkansas has indicated that we should spend a few million dollars on home furnace technology. He recited in the committee some of the reasons why he felt that way. He has a furnace that is very inefficient, and indeed it is, I suspect, because it has been cheaper to waste the energy than it has been to build an efficient furnace.

I know how to build a better furnace. I had a friend some years ago who built one that was so efficient that you had to use a fan to get the flue gases up the flue, because it had taken all the heat out by the time it got to the chimney. That is not impossible to do. All you have to do is to build enough mechanical contraptions on it to exchange the heat and extract it before it gets to the chimney. It is a simple matter of economics. It is cheaper to do it the way we are doing it than to make it more efficient than it now is, and we are going to change that.

I do not object to the amendment of the Senator from Arkansas, if he wants to increase the energy efficiencies of a furnace; but there is no mystery about that, just as there is no mystery about propelling an automobile with a lead-acid battery.

More than 50 years ago, electric automobiles were operating in this country, and for 50 years we have been putting them back, because the other was cheaper, not because it was more efficient in terms of air pollution or energy.

They have been in terms of cheap energy but not in terms of gross consumption of energy. It is time for the country to maintain the commitment it made last year when the President's veto of this measure was overridden, and I participated in that effort to override President Ford's veto of that, and it is for much the same reason and much the same basis that I urge the rejection of the amendment of the Senator from Arkansas.

There is more that can be done with current technology than is being accepted, and that is the reason for a demonstration program.

I thank the Senator from Idaho for yielding at this time.

Mr. BUMPERS. Mr. President, how much time is left for both sides?

The PRESIDING OFFICER. The Senator from Arkansas has 10 minutes remaining; the other side has 5 minutes remaining.

Mr. BUMPERS. Mr. President, I would like to make a couple of observations regarding the arguments directed by the Senator from Idaho (Mr. McCLURE).

In response to the illustration he used about driving 9 miles to and from work and driving 2 miles to and from work, there are electrical vehicles on the market now—I see them on occasion. I expect you can buy them for less than the $10,000 that these are going to cost, and if he or anybody else wants to drive an electrical vehicle to and from work, I recommend that he go buy one. This amendment has nothing to do with that.

It is true that the President vetoed the bill last year. I might say that this is the only time I have ever voted to uphold the President's veto. I might also say that the veto was overridden in the heat of the campaign. I know nobody in this body could be accused of partisan politics, but it did happen in the middle of the campaign.

Now, however, we are all thinking more rationally, I think, and we can see this for what it is. The bill to fund all of that act that we passed last year does not just go to the procurement of electric vehicles. In the authority we are about to approve here, there is $46.9 million in there to fund that act. We are not vitiating the entire act, by a long shot. As a matter of fact, there is $1.4 million in there for studies to establish specifications for such a vehicle; there is $11.1 million in there for vehicle systems research and development; there is $8.2 million in there for subsystems research and development; $1.2 million for engineering support and assessments; and $9 million for batteries, improved battery energy storage research and development.

We are leaving everything in there that makes a grain of sense. The only thing we are saying is we are not going to buy 2,500 vehicles to demonstrate anything. You would not vote for 2,500 of anything to demonstrate any technology. The salient point that needs to be made, Mr. President, is that under another provision of this act the Energy Research and Development Administration has authority to buy electric vehicles. under another section.

Now, how many they would buy under that authorization I do not know, but they are authorized under this bill to buy that amount.

I want to restate that the bill last year was passed in response to the clamor in this country that we have got a terrible crisis, and let us do something. The response of doing something was to say let us throw $16 million at this thing and buy 2,500 modified golfcarts, and that is what this body is about to approve if we do not agree to this amendment.

I reserve the remainder of my time, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. CHURCH. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. CHURCH. Mr. President, it is my understanding that the electric vehicle demonstration program is defined by Public Law 94-413, which is the Electric and Hybrid Vehicle Research and Demonstration Act, and contains provisions to assure that vehicles demonstrated will provide useful and necessary information to the Government.

ERDA is required under that law within 15 months of the enactment to develop performance standards for electric vehicles. These standards are to be minimum standards as to safety, cost, insurability, energy conservation, and other relevant considerations which the administrator of ERDA determines are necessary to promote the acquisition of such vehicles.

No electric vehicles will be purchased unless they can meet these performance standards. Although this law allows for the demonstration of 2,500 vehicles, all vehicles must meet these standards before they are purchased.

Also if the administrator of ERDA finds that the demonstration electric vehicles would displace electric vehicles that otherwise would have been purchased, he can lower the number of vehicles to be demonstrated accordingly, although in this circumstance he is to purchase at least or lease at least 1,000 electric vehicles which meet the performance standards.

I am wondering if the discussion of this amendment might not provide some guidelines for ERDA to prevent the useless acquisition of vehicles that do not advance the objective of ERDA which, of course, is to improve the technology to make the use of electric vehicles more practical; and if we cannot, through legislative history, indicate to ERDA that the Senate certainly expects that all 2,500 vehicles, satisfying the performance standards will be purchased.

Mr. BUMPERS. Let me say to the Senator I certainly hope that would be true, and I hope that ERDA would agree with that statement by the Senator.

Another thing about the bill troubles me. I am not sure whether this was in the committee report of the bill or whether it is in the language of the bill itself. One of the reasons for what I consider the inordinate number of vehicles to be purchased for demonstration purposes, was to stimulate the industry. That is one of the things that has concerned me.

If we buy a lot more than we need to demonstrate a given technology simply to stimulate the electrical vehicle manufacturing industry——

Mr. McCLURE. Will the Senator yield on that point?

Mr. BUMPERS. Yes, I will be happy to yield.

Mr. McCLURE. The Senator in his rebuttal a moment ago, in his rebuttal remarks, made a somewhat similar point that if you want to buy a car go and buy one. Well, unfortunately, 3 years ago there were a lot more being manufactured in this country than there are today. We are right at the edge of being able to move from the theory into the practice, and that requires a demonstration to the public that that can be done. If you attempt to go out on the market now you can buy from domestic sources

only those automobiles which are really, in essence, beefed up or built up from the golf cart, except for the $28,000 model which is manufactured out in California.

Unfortunately, there is nothing in between being currently produced for the passenger transportation in this country. You can buy an electric van, which is a delivery van concept on a van body, in this country. But if you want to buy something different from that you have to go outside this country to buy something from a foreign manufacturer out of an experimental fleet on something that is not being offered in the market in this country.

But we have a big problem in some of these air sheds, air quality requirements, and if this industry is to be kicked over the edge from simply knowing there is a technology involved to being a technology that is applied, it requires some commitment of the Federal Government at this time. That is the major argument for the 2,500-vehicle purchase and, I think, remains a valid argument for that figure.

ERDA has demonstrated in the past they are not interested in the application; they are not interested in the demonstration. That is why you passed the bill past year. If we do not pass the bill, if it does not have in it a strong mandate from Congress to go out and do this, they have indicated they do not intend to do it. They will give another $1.5 million grant to General Electric, for instance, instead of getting down into the application, and they will want some more esoteric research and some laboratory experimentation with alternatives, and it is time for us to go beyond that.

The PRESIDING OFFICER. All time has expired.

Mr. BUMPERS. Mr. President, just a moment. Was he speaking on my time?

The PRESIDING OFFICER. No, the Senator was speaking on the time of the Senator from Idaho. The Senator from Idaho was speaking on the time of the Senator from Idaho, and the time of the Senator from Idaho has expired.

Mr. BUMPERS. I am very pleased to hear that, Mr. President.

The PRESIDING OFFICER. The Senator from Arkansas has 7 minutes remaining.

Mr. McCLURE. I would be happy to yield to the Senator from Arkansas, and I hope we can have some time yielded on the bill to complete the colloquy.

Mr. BUMPERS. Mr. President, I do not like jousting with windmills, and maybe that is what I am doing here. I think it would be virtually impossible to explain to individual Senators. If all 100 Senators were seated here, I would certainly ask for a rollcall vote, and I would be very pleased to give it that test. But since they are not and since it is the sort of an amendment that is very difficult to explain to Sentaors as they come in the Chamber, I shall point out that we are dealing with an authorization. It is not written in stone that the Appropriations Committee must appropriate that amount of money. Certainly it is not written in stone that ERDA, even if they had the appropriations, must purchase these vehicles, because, as the able senior Senator from Idaho has already pointed out, there are certain guidelines which ERDA is supposed to use in the procurement of these vehicles.

I still feel just as strongly as I did when I started making the argument and just as strongly as I felt when I voted to sustain the President's veto. This is one of those areas where we really are about to waste a lot of money unnecessarily. I cannot overemphasize it. There is so much to be done in the field of solar applications for industrial and agricultural uses and, in the amendment that I have temporarily set aside, to improve the efficiency of gas furnaces, which would make a significant contribution.

There are so many other areas where we could spend this money effectively and efficiently, getting something in return. Despite the fact that I recognize there is honest disagreement, it is my honest belief that we are not going to be getting anything demonstrated until ERDA tells us that they have a much more efficient storage battery than they have now.

All we are doing is buying something that we already have. I have no objection to the money in here for the research of these storage batteries. I would increase it if ERDA requested it. But until such time as we have such technology and batteries that will make an electrical vehicle viable, this is a waste of money.

There is not anyone here who believes that the people of this country, with no infrastructure whatever, are going to use an electrical vehicle as long as there is an ounce of gasoline that can be bought at any price.

Mr. MATSUNAGA. Mr. President, will the Senator yield?

Mr. BUMPERS. I yield.

Mr. MATSUNAGA. In listening to the arguments of the Senator from Arkansas, I am led to believe that an amendment to the effect that no electric vehicle may be purchased unless it has a minimum range of 100 miles before being recharged might be in order. I would support such an amendment for this reason:

Several years ago a representative of the producers of the electric car of Colorado came to see me and showed me beautiful pictures and slides of an electric car about the size of a Pinto. I was then told that within 2 or 3 years they would have storage batteries which would yield mileage up to 200 or 250 miles.

He anticipated having service stations throughout the country wherein the electric cars would pull in, the service station attendant would pull out the old set of batteries and put in a new set of recharged batteries which would provide another cruising range of 200 miles or so. This battery change could be made within a matter of 3 or 4 minutes. I am dismayed that that situation has not yet come into being.

If the Senator from Arkansas will offer an amendment which would require that Government-purchased electric vehicles have a minimum range of 100 miles or more, then I would be happy to support him.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. CHURCH. Mr. President, I ask unanimous consent that there be another 3 minutes extended to the Senator.

Senator HATFIELD can yield time on the bill. He has generously agreed to.

Mr. HATFIELD. Mr. President, I yield the Senator from Arkansas 2 minutes or 3 minutes on the bill.

Mr. BUMPERS. Mr. President, as I have already stated, I have never been quite so torn as I am on this, because I really would wish to have a vote on it, but with the knowledge of what the chances are because of the past legislative history on the item, I am reluctant to take the Senate's time.

Based on the exchange of comments between the floor manager and myself, I would hope that we could talk to the Appropriations Committee about how much money should be appropriated for this purpose.

Mr. CHURCH. Let me say to the distinguished Senator that it is my understanding of the underlying acts that the language does oblige ERDA to purchase 2,500 demonstration vehicles, that the language authorizes ERDA to purchase 2,500 vehicles but only those vehicles that meet ERDA's standards and advance ERDA's goals which, of course, has to do with the improvement of the technology.

Therefore, I think that with that understanding written into the legislative history of this measure, plus the scrutiny that should be given in the Appropriations Committees for actually making the money available, the Senator has effectively made his point.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BUMPERS. On my time.

The PRESIDING OFFICER. The Senator has no time remaining.

Mr. BUMPERS. I thought 2 minutes were given to me and 2 minutes to the floor manager under the bill.

Mr. CHURCH. Mr. President, I ask unanimous consent that the quorum call may proceed without time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. BUMPERS. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, the amendment is withdrawn.

The question recurs on agreeing to the unprinted amendment No. 408 offered by the Senator from Arkansas. Who yields time?

Mr. BUMPERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. Is it mandatory that the amendment that I originally set aside be brought up at this time?

The PRESIDING OFFICER. Under the precedents of the Senate, an amendment temporarily laid aside for the consideration of another amendment will automatically come back before the Senate after disposition of the latter unless laid aside still further.

Mr. BUMPERS. Then I ask unanimous consent that it be further set aside until some later time this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered. The question then recurs on agreeing to amendment No. 394 of the Senator from Massachusetts (Mr. BROOKE). Who yields time?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HATFIELD. I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendment of the Senator from Massachusetts (Mr. BROOKE) continue to be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill is open to further amendment.

Mr. METCALF. Mr. President, there is no question of our Nation's continuing insistent and urgent need for new energy sources. I commend Senator CHURCH and his Subcommittee on Energy Research and Development for their successful efforts at bringing to the floor of the Senate an effectively balanced Energy Research and Development Administration authorization bill for fiscal year 1978. The bill provides research, development, and demonstration for new short-term coal conversion and other energy conversion processes and long-range new alternate energy concepts. It is imperative that the Nation attempt, in concert with appropriate conservation efforts, to develop those processes that will make our Nation self-sufficient over the long term in energy resources. I am particularly interested in the committee's efforts concerning the magnetohydrodynamics, MHD, program.

For the last 9 years, since 1969, my former colleague Senator Mansfield and I have consistently requested that the MHD technology be given the opportunity to prove its potential advantage over conventional electric generation methods. My colleague, Senator MELCHER, has pursued development of this technology for several years in the House of Representatives and is continuing his efforts here in the Senate. Since February of 1975 there has developed within ERDA the framework of a national MHD program.

I have never believed that the validity of the MHD technology has ever been in question, either within the committee, Congress, or the scientific community. If there were doubts, however, they should have been eliminated by the energy conversion alternatives study, ECAS, recently completed by the executive branch. This study, which was to be a guide in formulating Federal research and development strategy, evaluated competing technologies for projected cost of electricity, overall efficiency, emissions, and required resources.

The basis was to be baseload electric power utility service using coal or coal-derived fuels. Common technical and economic ground rules were specified. Open cycle MHD was one of two technologies found to offer substantially higher efficiencies and lower costs than present methods.

MHD was also one of two advanced midterm technologies whose "economical and technical attractiveness as indicated now justify continued development." By the way, Mr. President, the other technology referred to is fuel cells and I wholeheartedly support the $46 million authorization in this bill for the national fuel cell program.

I appreciate this committee's strong support for the national MHD program as evidenced in the committee report on the bill. The report states:

> In compliance with earlier Congressional mandates the Committee recommends in the strongest possible manner that ERDA continue an aggressive program in the development of this technology.

I am concerned, however, by language contained in H.R. 6796, the House ERDA authorization bill for fiscal year 1978, in section 203. This language would directly affect previous congressional intent as expressed in Public Law 93-404, passed in August of 1974, which directs "the design and construction of an engineering test facility in Montana." Section 203 would leave siting of the ETF to the discretion of the Administrator of ERDA.

For many years, Mr. President, Montana's congressional delegation has struggled to fund development of the MHD technology. We recognized its advantages for the West, and particularly Montana, as the technology promises minimal water usage and protection of our environment through low-pollution levels while providing needed electrical supplies. It is a great increase in efficiency over conventional generation methods; also, would increase the length of time our abundant fossil fuels would be available. Even more than that, Mr. President, the people of Montana will not tolerate the boom-and-bust cycle of coal development. If Montana is expected to supply enormous amounts of coal to feed the Nation's energy needs until the development of alternate energy technologies, then we must have simultaneous development of stable industry to counterbalance the eventual decline in the coal industry as our coal disappears. Research and development efforts can partially fulfill that need. In Montana where unemployment is higher than the national average and national energy requirements are demanding strip mining of our coal, it is not outlandish to suggest the Federal Government provide needed replacement growth industry which provides some discretionary spending thereby adding to stabilization of the local economy and helping curb rapid growth social service costs. Both the potential of this technology and the economic impact of its development in the West are and have been sound reasons behind our support for this technology.

I would urge my colleague, Senator CHURCH, to strongly oppose section 203 of H.R. 6796 during the Senate-House conference on the ERDA authorization bill for fiscal year 1978. Is it the Senator's understanding that both the component development and integration facility, now under construction, and the engineering test facility have been mandated by Congress for construction in Montana?

Mr. CHURCH. Public Law 93-404 contemplated the construction of an MHD engineering test facility be constructed in Montana. The simple fact that names to these facilities have been changed should not cloud the intent of Congress that Montana be a center of excellence for the development of the technology. I believe the legislative intent is clear on that point. I would ask, however, if either of my Montana colleagues can provide any technical or economic information as to why the ETF should be built in the proximity of the CDIF?

Mr. MELCHER. I would tell the distinguished chairman that in anticipation of that question I have consulted with the national MHD community and find that the location of the ETF in the same general vicinity of the CDIF will result in reduced costs, continue an accelerated program, and increase the effectiveness of the personnel involved. Savings, in dollars, time, and people will result for the following reasons: First, there will be closer and more centralized MHD program coordination through the expensive equipping phase; second, tighter test schedule management will be possible; three, there will be a reduction in administration and management costs by use of a single support contractor; fourth, there will exist more effective use of the shared technical services such as computer models, data acquisition equipment, instrument calibration facilities, and trained operating specialists; fifth, a smaller engineering staff will be needed to modify facilities, test hardware, and support equipment; sixth, joint diagnostic equipment, facilities, and personnel will increase workload for specialists and prevent duplication of effort; seven, there will be major increases in training effectiveness—at less cost through cross training—due to the ease of movement of trained personnel from smaller to larger equipment; and eighth, there will be more effective development of utility operating experience and will allow provision for a larger core of training facilities with common practices for future utility operation. Essentially, this means there will be a faster transfer of experience from the CDIF to the ETF as the program progresses.

Although neither ERDA nor the MHD community has attempted to compute actual cost increases due to siting of the ETF other than in close proximity to the

CDIF, the general consensus seems to be that the increased cost would be in the neighborhood of 10 to 20 percent. On a $400 to $500 million facility that is no small cost differential.

I, too, would strongly urge, Mr. President, that the Senate hold firm in disagreement with the House over inclusion of section 203 of H.R. 6796 when the ERDA authorization bill goes to conference.

Mr. CHURCH. Mr. President, I would say to my colleague from Montana that as a neighbor I appreciate and share your concern for the future of Montana's environment and the impacts of a rapid growth coal industry. I appreciate your pointing out for the record the technical and economic consequences of the location of the ETF other than in proximity to the CDIF. It was and still is my understanding that the legislative intent behind the development of the national MHD program direct that Montana be a center for MRD development. I can assure you that the Senate will do all possible to maintain that legislative direction during the upcoming conference with the House on the ERDA authorization bill for fiscal year 1978.

AMENDMENT NO. 357

Mr. MELCHER. Mr. President, I call up for immediate consideration my printed amendment No. 357.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER), for himself, Mr. EASTLAND, Mr. HEINZ, and Mr. BAKER proposes an amendment numbered 357.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 11, strike out "$70,800,000" and insert in lieu thereof "$106,800,000".

On page 24, line 3, strike out "$7,200,000" and insert in lieu thereof "$18,200,000".

On page 24, beginning on line 3, strike out "$12,200,000" and insert in lieu thereof "$23,200,000".

Mr. MELCHER. Mr. President, I ask unanimous consent that the names of the Senator from Tennessee (Mr. SASSER) and the Senator from Utah (Mr. HATCH) be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. I yield to the Senator from Tennessee.

Mr. SASSER. Mr. President, I ask unanimous consent that Mike Walker and Paul Clark of my staff have the privileges of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MELCHER. Mr. President, there were parts of the energy program proposed by President Carter in April that were disappointing to almost every American. There are parts of any energy package that people find fault with. But basically, I had grave concern about the lack in the Carter proposals of a strong element of support for going forward with technology that we are already embarked on, of pressing forward with the needed research and engineering to find out how better to utilize the energy resources of this country.

One of those resources is magnetohydrodynamics or MHD. If there is to be a good solid energy program for this country, the Senate and the House of Representatives, working together with the President, are going to have to develop that process. We can do a part of that this afternoon by doing the right thing with respect to funding MHD research and engineering.

The committee has done a good job. It has come forward with a package, presented it to the Senate, and they have presented a balanced approach, and one which incorporates, they tell us, the amounts of money that the administration, be it President Ford's budget or the Carter budget, has recommended for nonnuclear ERDA research.

But we are not going to have a proper program unless we address properly MHD engineering and research this coming fiscal year. The constraints of the committee should not bar the Senate from authorizing an adequate amount for MHD.

Coal is our strong suit. Coal is the resource that we have the most of, of all of the sources of energy. So we look to what we are doing with coal, and when we do that, we are looking at MHD.

If you look at coal gasification, is it practicable? Is it within our reach? Or coal liquefaction; is it practicable or within our reach? That is rather doubtful. But MHD is within our reach. If we fund it properly during the next several years, sometime in the 1980's we will have the blueprints for generating electricity using that process.

What is so good about it? Consider this: You are burning the coal in tiny particles in an electromagnetic field, at extremely high temperatures. It is a Faraday principle by which you generate electricity. The results are these: No air pollution, and there is very little water used. And get this: 40 percent more energy is developed out of each ton of coal that is utilized.

That is conservation of the greatest magnitude: 40 percent more kilowatts of electricity out of every ton of coal burned as compared to the conventional, steam-generating methods we use now. It meets air pollution standards. It is far below EPA standards. Utility companies have noted this for years. They participate in MHD research. In fact, this is an occasion where the environmental policy center and the utility companies come together, backing one amendment—this amendment.

And for good reason. How can we better conserve our energy resources? How can we better answer the problems of generating electricity from coal, than by developing a process where we do not have the inherent problems that are found in steam generating plants today?

I ask Senators to consider now why we should approach this matter on the Senate floor.

ERDA recommended a budget of $36 million. That was about a year ago. In the process of developing the budget, President Ford's people backed that off to $50 million. The Carter budget picked up the same amount, $50 million.

ERDA did not press this as hard as I think they shuold have pressed it before the committee. The committee, recognizing that it was extremely important, increased the amount. The bill we have before us is about $76 million or $78 million, but it is not enough. There are more than 20 different institutes. private or university, which are conducting parts of the research and engineering for MHD.

What is known as the component development integration facility is now under construction near Butte, Mont. The component parts developed at more than a score of different institutions will be gathered there as they are ready to be tested, to find out what works, what does not work, and what will make it work better. It is that part which is so significant now.

Unless we fully fund the potential use of these various research centers, their manpower and their engineering, which is going on right now, we will not have the components developed as quickly as they otherwise could be. So the CDIF, this component development integration facility, the structure, the engineering facility where we put the components together in Butte, is finished first. Then not all the components are ready so the testing does not take place as soon as possible.

It is to avoid that delay that I strongly urge the Senate to increase the authorization level in this bill.

I ask for a $50 million increase because that is what the MHD community has related to all of us is the amount of money they can wisely and prudently use during the next fiscal year. We should do no less than that in authorizing it in the bill.

If it is authorized, we will approach the Appropriations Committee and ask them to fund it with the highest level possible. We must do that. An energy package is not any good unless we pursue as rapidly as possible the right technique for turning coal into electricity.

Senators will find, if they review the literature, that the Russians, of course, are way ahead of us. They are using natural gas. They have natural gas in abundance. We do not have natural gas in abundance so we use coal. But the engineering is similar. We can catch up, we must catch up, and when we do we will have the technique for converting coal into a cheaper and cleaner form of electricity than we now have.

The urgency is there. We must fund it adequately this year and in the following 3 and 4 years. We will have the blueprint sometime in the 1980's to utilize this form of technology.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CHURCH. Mr. President, does the Senator from Tennessee wish to speak on behalf of the amendment or against it?

Mr. SASSER. In behalf of the amendment.

Mr. CHURCH. I will be happy to defer my remarks until the Senator from Tennessee has completed.

Mr. MELCHER. How much time have I remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. MELCHER. I yield 3 minutes to the Senator from Tennessee.

Mr. SASSER. Mr. President, I commend the Senator from Montana for his interest in magnetohydrodynamics research.

I would also like to point out, for the benefit of my colleagues, the tremendous strides that are being made in this program throughout the country.

I commend those scientists at Stanford and Mississippi State University and the University of Tennessee Space Institute for their fine work and contributions.

In particular, I want to point to the recent strides which have been made at the University of Tennessee, their Space Institute, which has been the domestic pioneer in this field.

Mr. President, I would like to ask the distinguished Senator from Montana if his amendment would provide for continuing and accelerating these university programs I have just mentioned at the University of Tennessee, at Stanford, and Mississippi State University?

Mr. MELCHER. If the Senator will yield, the answer is yes, emphatically.

Mr. SASSER. Mr. President, I thank the Senator for his remarks.

MHD can be a very important part of this Nation's energy future, and I will be pleased to support his amendment which I feel recognizes the need for continuing and increasing the research mentioned.

I thank the distinguished Senator from Montana for yielding time to me on this question.

Mr. CHURCH. Mr. President, I have no quarrel with the proponents of this amendment with respect to the promising possibilities of MHD. I remember when the distinguished majority leader, Mike Mansfield, first came to me to discuss this program. Congress appropriated a very generous amount of money at that time because we did feel that the program had great potential. I must say the committee has continued to treat the program with immense generosity.

This year the administration came to us with a request for $50 million which, in the view of the administration, was adequate for the purpose of continuing the program this year. But the committee was not satisfied. There is no other item in this bill which has been increased in the measure that the MHD program was increased by the committee. In fact, we have already approved a 50-percent increase over and above the amount requested by the administration, boosting the figure from $50 million to $75 million. We did that at the behest of the Senators from Montana (Mr. METCALF and Mr. MELCHER) and we did it only after ascertaining from the witnesses before the committee that ERDA could not possibly spend more money than that on the program this year without waste.

Indeed, the committee was persuaded that further authorization this year would be useless, that it would not further the program. This is all that we can force-feed the program and not waste the money.

I should think the committee's action in increasing the administration's request by 50 percent would be enough. Now the Senator from Montana wishes to increase that $75 million figure another $50 million so that we will have $125 million allocated to this purpose for MHD alone, when we have no testimony before the committee that would substantiate that this amount of money could possibly be used in the coming year.

As I have said in connection with this bill for the past 5 hours, we are operating under a very severe budgetary constraint. We have brought a bill to the floor that is $181,600,000 above the administration request for the ERDA program. That is all the committee could justify. But we are very close to breaking the budgetary allocation for increases in the nonnuclear programs if we do not restrain ourselves in the addition of still more funding through the amendments being proposed to this bill.

I have to plead with the Senate not to adopt this amendment. No sufficient case has been made for it.

We all have high hopes for MHD, but it is the judgment of the committee that we cannot possibly force-feed the program any faster than we have already done by adding another $25 million to the $50 million requested by the administration.

I want to put the distinguished Senator from Montana on notice that it is my intention to offer a motion to lay this amendment on the table; yet I want to be certain that he has had a full opportunity to use his time before I do so. If he wishes to speak further, I shall withhold the motion.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana has 1 minute.

Mr. MELCHER. Mr. President, I am saddened to hear the distinguished Senator from Idaho, the floor manager for the bill before us, speak with such firmness, because it is an occasion where none of us can be certain when we are doing enough for energy research and engineering.

He says that there is no justification for the increase, but our check with ERDA and with the MHD community, those people who are involved in this engineering research, tells us that, yes, they want increased funding and need it now. They are only existing this year at the level they are by reprograming, and that is not a policy that we should encourage. Certainly, it is not necessary in an authorization bill, and certainly, it does not show leadership, and leadership is certainly needed now in energy.

All of the institutes, universities, and private, involved in MHD research projects tell us that if the full amount is authorized—and when I say full, I mean the $125 million figure that the MHD community says they can use in the coming fiscal year—all of them can use more than what they have used this year and can wisely and prudently use that amount which would be their share in the coming fiscal year. I hope, if the motion is made to table the amendment, that we defeat that motion and then get on with the positive business of voting affirmatively, yes, for increasing the amount.

The PRESIDING OFFICER. The time of the Senator from Montana has expired. The Senator from Idaho has another minute remaining.

Mr. HEINZ. Mr. President, will the distinguished Senator from Idaho yield me 3 minutes?

Mr. CHURCH. Is the Senator speaking on behalf of the amendment or is he opposed to it?

Mr. HEINZ. The Senator will be speaking on behalf of the amendment.

Mr. CHURCH. I wonder if Senator HATFIELD could release some time on the bill itself for that purpose.

Mr. HATFIELD. I should be happy to comply with my chairman's request, except I first wish to ask the Chair what the time situation is.

The PRESIDING OFFICER. The Senator from Oregon has remaining on the bill 17 minutes.

Mr. HATFIELD. What is the time remaining on the amendment?

The PRESIDING OFFICER. All the time of proponents of the amendment has expired. The opponent, Mr. CHURCH, has remaining 7 minutes.

Mr. HATFIELD. I shall be happy to yield to the Senator from Pennsylvania 3 minutes on the bill.

Mr. HEINZ. I thank the Senator and I shall try not to take all 3 minutes.

I compliment the Senator from Montana (Mr. MELCHER) on this amendment. I think he has made a very persuasive argument, not only on the question of the merits of the technology itself, but for the increased funding. He has mentioned the components that could be developed, but I should like to point out what the overall effect of this amendment means—not simply to MHD, not simply to our ability to burn coal in an environmentally clean way, not only to those States that have coal and that would like to see it burn cleanly, but to President Carter's energy program.

The net effect of this amendment is to accelerate by some 2 years the time at which MHD technology comes online. Every single one of us in this Chamber knows that in the 1980's, sometime between 1985 and 1990, a tremendous amount of coal conversion—conversion from oil and natural gas to coal—is going to be required by law in this country. We are going to force people to spend hundreds of millions of dollars on conversion. I hope, for the sake of the consumers of power, for the sake of those people who

manufacture it, and for ourselves, that we have available to them at that time the right technology. Without the additional $50 million proposed in this amendment, Mr. President, I fear that we may very well hamstring ourselves and our energy policy by not having available as Congress requires coal conversions, the necessary forward-looking, efficient, clean technology that MHD provides.

Mr. President, I urge my colleagues to support the amendment. I thank the distinguished Senator from Oregon for yielding me time.

Mr. HATCH. Mr. President, I am delighted to support and cosponsor the amendment by the distinguished junior Senator from Montana to increase the funding for ERDA's magnetohydrodynamics, MHD, program to $125 million. We are at a point in the energy crisis where we must take the risk that we may be overfunding a program, because to continue the starvation appropriations for such a promising technology as MHD will be far more costly. The promise of MHD technology is multifaceted. It offers us a dramatic increase in the efficiency of our electrical generating facilities. Current fossil fuel programs have an efficiency of 40 percent; nuclear plants achieve on the average of only 32 percent; MHD plants will achieve about 60-percent efficiency, which means that loss of energy in the conversion process in the form of waste heat will be reduced from 60 to 40 percent. This remarkable technology, which utilizes a process of passing ionized gases through a magnetic field at very high temperatures, was first developed in the private sector by a consortium of private utilities and in applications of research from the early days of the space program. We could have actually built a pilot plant in 1967 if the Federal Government had possessed the foresight to participate in a joint private-public effort. Instead, as happens so often, the Soviets borrowed technology to build a pilot plant using natural gas, and they plan to have a commercial demonstration plant operational by 1982. Now our scientists are reduced to the hope that America can test some of our components in the Soviet facility.

We have dragged our feet long enough. MHD has been studied to death at the Federal level. The program to bring a demonstration facility on line by 1978 has fallen 1 to 2 years behind. This kind of delay has a bump effect, delaying other phases of the project even longer. And, of course, we have to contend with the ubiquitous problems of cost escalation due to project delay. Progress has slowed in the development of the critical component parts: the coal combustor, air preheaters, slag control processes, the superconducting magnets, and seed recovery and recycling processes.

The current recommendations by the committee for funding of $76 million for fiscal year 1978 is certainly better than the pinch-penny $50 million asked for by the administration and duly provided by the House of Representatives. But it is below even the bare-bones figure of $86 million that ERDA specialists testified was essential to keep the program limping along its delayed development program.

By providing the $125 million asked for in this amendment we can have the component development integration facility at Butte, Mont., operational by late 1979 or early 1980. This will involve testing a number of coal combustors, MHD channels, and other key component parts. This will lead to the engineering test facility, a model smaller version of a total commercial facility. This step is necessary to resolve engineering, control, and operational problems. The design was originally authorized in 1974. Yet it was not begun until February of this year. Other funds would be provided for component development, such as coal combustors integrated with generator channels. This hardware testing will occur in the CDIF at Butte. The rest of the money will go to develop and analyze advanced research and development of MHD technology and equipment. This level of commitment is essential both to maintaining the current level of skilled personnel and to training and expanding the specialized pool of scientists and technicians required to achieve widespread commercial adoption of this technology. That is the final goal of this program, to build a commercial demonstration program by the late 1980's or early 1990's that will show public and private utilities what economic studies in both the public and private sectors have made clear: that MHD is a technically feasible, economically competitive, and environmentally beneficial technology.

There are two other significant benefits that will accrude to our country by accelerated development of MHD. Its development will allow us to utilize our vast coal deposits and reduce our growing dependence on foreign oil. MHD technology will particularly increase the use of high sulfur coal because the process greatly reduces gas stack emissions without the need for expensive scrubbers and the attendant sludge disposal problems that are the nasty byproduct of scrubber installation. Additionally, MHD technology reduces the need for water in the cooling process and greatly limits the amount of thermal pollution. This is particularly important to us in the West, who, by a combination of the influence of drought and President Carter's waste not, want not approach to water development, are daily increasing our efforts to conserve water.

Let us put aside our hesitancy that an additional $50 million for MHD is extravagant. In comparison to past expenditures it seems large, indeed. But in actuality our past expenditures for this crucial, promising technology have been woefully inadequate. If we had sensibly funded this program the level of $125 million would appear to be a logical level instead of a dramatic increase. Let us demonstrate now our commitment to finding the way to utilize America's coal in an economically sensible and environmentally sensible manner.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum; I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHURCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I hope that the Senate will reject this amendment. As we have said several times over today, the budget allocation for increases for the nonnuclear programs in this bill is $200 million. The committee has already increased it by $181,600,000. One small amendment, I think in the amount of $2 million, has already been adopted. So we have $16 million left which, in the committee's view, is all that is left on the nonnuclear side of this program without busting the budget. This amendment will just bust the budget wide open. If the Senate wishes to do that, of course, it is the Senate's prerogative. I do not know why we pass budget resolutions if we are then going to ignore them with every major bill that comes up afterwards.

We have been exceedingly generous with this MHD program. We have been more generous with it than any other feature of this bill. We have added 50 percent to what the administration has requested, and we have been told that this is all the money that can be usefully spent without waste during the coming year. That ought to be enough to satisfy the most enthusiastic proponents of MHD.

On that basis, and with the plea that the Senate abide by its own budgetary constraints, I now move to lay the amendment on the table.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on that motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Montana. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Alaska (Mr. GRAVEL) and the Senator from North Carolina (Mr. MORGAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from Colorado (Mr. HART) are absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. STEVENS. I announce that the

Senator from Oklahoma (Mr. BELLMON), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from New Mexico (Mr. SCHMITT), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 43, nays 40, as follows:

[Rollcall Vote No. 191 Leg.]

YEAS—43

Abourezk	Glenn	McGovern
Allen	Goldwater	Metzenbaum
Bartlett	Hatfield	Muskie
Biden	Hollings	Nunn
Byrd, Harry F., Jr.	Huddleston	Pearson
Byrd, Robert C.	Humphrey	Proxmire
Cannon	Inouye	Randolph
Church	Jackson	Ribicoff
Clark	Johnston	Sarbanes
Cranston	Kennedy	Stafford
Culver	Long	Stennis
Danforth	Lugar	Stevens
Domenici	Magnuson	Thurmond
Ford	Matsunaga	Zorinsky
	McClure	

NAYS—40

Baker	Eastland	Packwood
Bayh	Garn	Percy
Bentsen	Hansen	Riegle
Brooke	Hatch	Roth
Bumpers	Hathaway	Sasser
Burdick	Heinz	Schweiker
Case	Helms	Scott
Chafee	Javits	Sparkman
Chiles	Laxalt	Stone
Curtis	Leahy	Talmadge
DeConcini	Mathias	Weicker
Dole	Melcher	Williams
Durkin	Moynihan	
Eagleton	Nelson	

NOT VOTING—17

Anderson	Hayakawa	Schmitt
Bellmon	McClellan	Stevenson
Gravel	McIntyre	Tower
Griffin	Metcalf	Wallop
Hart	Morgan	Young
Haskell	Pell	

So the motion to lay on the table was agreed to.

UP AMENDMENT NO. 412

Mr. HUMPHREY. Mr. President, I have an amendment, which I send to the desk.

The PRESIDING OFFICER (Mr. SARBANES). The Senate will be in order. Senators will please clear the aisles and take their seats.

The clerk will suspend until we have order in the Chamber.

The clerk will report the amendment of the Senator from Minnesota.

The assistant legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) proposes unprinted amendment No. 412:

On page 20, line 9, insert a new subsection (d) as follows:

"(d) Solar Energy Research Institute and Regional Centers—There is hereby authorized from funds made available under subsections (a), (b), and (c) of this section an amount no less than $10,000,000 for the operation of the Solar Energy Research Institute and its associated Regional Centers."

The PRESIDING OFFICER. Will the Senator suspend for just a minute until we maintain order in the Chamber? Will Members please take their seats.

Mr. HUMPHREY. This amendment does not propose an increase in the solar authorization level. It does seek—in a very straightforward fashion—to broaden the scope of ERDA's solar energy demonstration and research program by giving States and regions more control over the development of solar energy.

Some of us have been around here so long we think the only way to run things is from Washington. We forget sometimes that broad, excellent resources, and capabilities exist within every region, every State, and university—resources able to plan and execute research activities as well or better in many instances than Washington bureaucrats.

One of these examples is solar energy.

The potential application of solar energy varies enormously across our Nation.

The Pacific Northwest and our broad Midwest plains are excellent areas for the use of wind energy. The fertile hills and plains of the upper Midwest and the Mississippi River Valley are ideal areas for solar biomass applications—the solar drying and then burning of agricultural waste, for example.

Our great Southwest is ideal for the use of solar cells.

Southern California, Hawaii, and the Florida coasts are ideal locations for solar ocean thermal applications. And so on.

My point is that we run the risk of not utilizing potentially major resources in a timely or efficient fashion in our development of solar energy if we ignore State and regional inputs on what research should be conducted.

And we run the risk of seeing important local solar resources not utilized, as well, because complete control over solar R. & D. programs rests in Washington.

The agriculture research program proves this point, I believe. We have made a conscious effort in this program to fully utilize State and regional resources; and to put control over some portions of agriculture R. & D. outlays where it belongs—at the State and regional level.

For example, the Hatch Act of 1887 governing our agriculture experiment stations sets aside 25 percent of all funding and program control to regional activities.

I believe that is a good idea and a good precedent.

Solar energy is a national resource with varied State and regional applications.

As a result, some of our solar R. & D. programs should be run by State and regional organizations—and that is what my amendment is designed to do.

It builds upon the regional solar R. & D. programs now being developed as components of the new Solar Energy Research Institute.

You will recall that I fathered SERI back in 1974. It was established in the Solar Energy Research, Development, and Demonstration Act of 1974 which I authored and which passed with the close cooperation of Senator CHURCH and Senator JACKSON.

ERDA has decided to split SERI into four regional R. & D. programs with a small headquarters in Colorado—one program each for New England, the Southeast, the Midwest, and the West.

These regions are being formed right now as States decide in which region their unique characteristics fit best.

As they are formed this summer, regional solar planning programs will be developed with input from each State. The regions will then go hat-in-hand to SERI and to ERDA for funding—and therein lies the need for my amendment.

Neither SERI nor its regional centers has a separate, specified line-item authorization. There are only vague program plans for fiscal year 1978 at ERDA for SERI and its regional activities, but nothing is firm.

This uncertainty concerns me for two reasons:

First, it leaves the door wide open for SERI and its important State and regional activities to be left high and dry by ERDA. I have no specific reason to believe this will occur, but it is a chance I for one am not willing to take.

Second, it places an insurmountable burden before technicians and planners at SERI and its regional centers. They cannot develop a realistic, efficient program plan for State and regional solar activities—a plan including local input and resources—in a vacuum. These plans are being pieced together right now.

My amendment would solve both problems.

It establishes a line-item authorization for SERI and its regional centers in fiscal year 1978 of $10 million. These funds will come from other program categories and will not increase the solar budget.

This amendment is designed to achieve two purposes.

It is to clarify for ERDA the intent of Congress that SERI and, especially, its regional centers are to play a major and progressively larger role in solar R. & D. activities in future years.

Second, it is our intent that the State and regional centers of research within SERI shall receive the overwhelming bulk of funding for SERI. And by overwhelming, I am talking of 80 or 90 percent of SERI's funding being controlled by the regional activities. It is not congressional intent to establish a large solar bureaucracy at SERI. Its role is as a conduit—acting as a central administrative mechanism—with its R. & D. activities being conducted on a State and regional level.

I have talked over this amendment with my good friend, Senator CHURCH, and he has indicated a willingness to accept this clarifying amendment to next year's ERDA authorization.

Mr. CHURCH. Mr. President, if I may have the attention of the Senator from Oregon, this amendment does not increase the level of funding. The committee has already increased the administration's request by $181,600,000. We are very close to the budgetary limit we have allocated to the nonnuclear aspects of the ERDA program. But since it does not increase the limit of funding, since it clarifies the purpose for which the $10 million already in the bill will be used, I certainly have no objection to the amendment. I would be happy to support it. Senator HATFIELD indicates concurrence and, therefore, I am willing to yield back the

remainder of my time and move to a vote.

Mr. HUMPHREY. Mr. President, I want to thank the Senator from Idaho and the Senator from Oregon, both of them, for their consideration.

I yield back the remainder of my time and I ask for a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHURCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 413

Mr. MELCHER. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER), for himself, Mr. EASTLAND, Mr. HEINZ, Mr. SASSER, Mr. HATCH, and Mr. BAKER, proposes unprinted amendment No. 413:

On page 19, line 11, strike out "$70,800,000" and insert in lieu thereof "$80,000,000".

On page 24, line 3, strike out "$7,200,000" and insert in lieu thereof "$8,200,000".

On page 24, beginning on line 3, strike out "$12,200,000" and insert in lieu thereof "$13,200,000".

Mr. BARTLETT. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MELCHER. I yield to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Erich Evered, of my staff, be accorded the privileges of the floor during the vote and consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President and Members of the Senate, the tabling motion on the amendment we had for MHD that was sponsored by myself and Senator EASTLAND, Senator SASSER, Senator BAKER, Senator HATCH, and Senator HEINZ was a successful tabling motion. I think the vote was 43 to 40, and I think it was with great reluctance that many Members of the Senate voted to table, because it is known that it is necessary to press forward as rapidly as we prudently can with the engineering and research for magnetohydrodynamics, the type of technology that will permit us to utilize coal without air pollution, using very small amounts of water, and yet gaining 40 percent more kilowatts out of every ton of coal that is burned.

I think many Members of the Senate were reluctant to vote for the tabling motion, but also knowing the budgetary constraints that we have to work with, accepted the recommendation of Senator CHURCH and Senator HATFIELD.

So now the same group of us present for your consideration a more limited amount for the same purpose. It is about $88 million now, an increase of about $13 million over the committee bill, about what ERDA asked a year ago, asked the Ford administration a year ago, for budget figures for this coming fiscal year, but had to be backed off by OMB.

Remember this: The leadership for developing an energy policy rests with us just as much as it rests with the President. We need it for the country, and we have to go to the areas of ongoing research and engineering development to get quick answers. Part of that is MHD.

There are over a score of different universities and institutes across the country in 12 different States that are involved in MHD research. They have all indicated they could use up to $125 million in the coming fiscal year. This is for each a certain amount in the particular type of component engineering work they are doing.

This lesser amount will not go nearly as far as $125 million would have, but at least it will get back to the point where ERDA told the Ford administration what they thought the spending level should be for the next fiscal year. It will be money prudently spent and wisely spent in ongoing engineering and research facilities.

I ask all of you to favorably consider this lesser amount. You will not be wasting the money; you will not under any circumstances be throwing it to groups who cannot possibly use it. They can use it.

This research and engineering that is going on now, if we fund them up to a good level, we will find we are moving the MHD research and engineering work in this country forward that much quicker. To do less just holds us back.

I reserve the remainder of my time, Mr. President.

Mr. CHURCH. Mr. President, the issue presented here is no different than the issue that we have just faced. The amounts of money are a little different. But I emphasize, as I did before, that there is no program in this whole bill that has been more generously treated than the MHD program.

I do not know whether this technology is going to prove feasible. No one can say for sure. But one thing I do know is it has been very generously funded.

We began with large initial appropriations for this program. This year we have continued to give it the same preferential treatment. The administration asked $50 million to continue the program. We added $25 million in committee. That is a 50-percent increase over what the administration requested.

When the Senator from Montana says that the industry wants more money, I am certain the industry does. The coal industry would be happy to have us appropriate an unlimited amount of money, I suppose.

But the real question is how much money can we efficiently spend? And here we have the testimony of the ERDA witnesses, and they said, in effect, we cannot force feed this program without wasting money beyond the level approved by the committee, which is 50 percent above the administration figure of $75 million.

The Senator from Montana asks an additional $13 million for a total of $88 million as compared to an initial request of $50 million.

If we treated every program in this bill in a similar fashion, we would have no claim to any sort of budgetary responsibility whatever.

We brought this bill to the floor with about $18 million which represents the amount of latitude we have for adding more money to this bill. Already the committee has added $181,600,000 to the administration's request.

If this amendment is agreed to we will break our ceiling. We will be disregarding what should constitute the budgetary ceiling for the nonnuclear aspects of the energy program, and there are still many other amendments to consider that Senators are pressing on us.

So I hope that the 50-percent increase would be considered enough and the evidence laid before the subcommittee would in my judgment be wasteful.

For that reason I would hope that the Senate would reject this amendment.

The PRESIDING OFFICER. Who yields time?

SEVERAL SENATORS. Vote!

Mr. MELCHER. Mr. President, I yield such time as he may consume to the Senator from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr. President, I only wish to make one very simple point about this amendment which was so narrowly tabled on the preceding vote, and the point I wish to make is this: During the 1980's dozens and dozens of people of utility companies, and of business firms in this country—probably hundreds of them—are going to be asked, if not required, to change from natural gas and oil to coal. And the coal conversion that in all likelihood this Congress will require is going to mean billions of dollars, both in conversion and in ultimate costs to consumers.

The effect of Senator MELCHER's amendment is to advance the day when MHD technology for the clean, efficient conversion of coal to electricity will be available. That technological choice will be available much sooner with this amendment even though it is much more modest than the one the Senator offered just a few moments ago. As a result, the choices of technology made available could very well mean billions of dollars of savings to consumers in lower electric power bills in the 1980's and beyond.

For that reason, Mr. President, I think this amendment is tremendously important, and I hope that this body will adopt it.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I think that we have to look beyond what we are doing here at this moment and look at the possibility of what will be funded in this coming fiscal year.

May I shift my hat for a moment and speak not as a member of the authorization committee but now may I speak as a member of the Appropriations Subcom-

mittee which will be required to fund the programs of energy development? Let me say, categorically and as clearly as I can, we are only prepared to fund the amount that has been authorized by the authorization committee. Any amount over that would have to be subtracted from other energy projects and programs.

So I think we have to look not only at this question that is before us at this time but realistically look at what we are able to fund in this coming fiscal year.

So I think for those who are interested in solar and other projects we have to recognize that we do have limitations. So I can only say to the Senate at this time that as a member of the Appropriations Subcommittee which fund ERDA we cannot go higher than the amount that has been authorized by the Energy and Natural Resources Committee that is now pending before the Senate without deducting amounts from other important energy projects.

The PRESIDING OFFICER. Who yields time?

Mr. FORD. Mr. President, will the Senator from Idaho yield me a couple minutes?

Mr. CHURCH. Yes; I am happy to yield.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, I understand the dilemma of the Senator from Montana and others who are interested in the MHD process. I am very much interested in gasification, liquefaction, and other uses of coal.

I would wish to have been in a position to see the full committee in a position to report out huge sums. But that is not the way we have to play this game, because there are only so many dollars to use.

If I had been increased by 50 percent of the moneys going into gasification and liquefaction I would have been tickled to death. Here we have a program of $50 million that the committee increases to $75 million and now he wants more.

If we give him more for this project, then we are going to have to take away from something else. Maybe it is solar. Maybe it is gasification. Maybe it is liquefaction. Maybe it is grinding of coal to four microns and other things.

I am very hopeful that the committee's postion be sustained and that the admonishment of the Senator from Oregon be heeded about the Appropriations Committee, that this is the maximum, the $75 million, and that colleagues will uphold the position of the floor manager of the bill.

Mr. CANNON. Vote!

Mr. CHURCH. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. BROOKE. Mr. President, how much time remains?

Mr. MELCHER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Montana has 7 minutes. The Senator from Idaho has 10 minutes.

Mr. MELCHER. I yield the Senator from Massachusetts 5 minutes.

Mr. BROOKE. Mr. President, may we have order? If I may have the attention of the distinguished floor manager of the bill——

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until order is restored.

The Senator from Massachusetts may proceed.

Mr. BROOKE. Mr. President, I introduced an amendment which was laid aside. One of the reasons why it was laid aside was that there was some conflict as to just how much of the funds available to the Energy Council under the budget resolution were remaining for commitment. My staff has been working with the Energy Committee staff and the Budget Committee staff since I laid aside my amendment. I had reported to the distinguished floor manager at the time that I thought there was $240 million available.

We still believe there is at least $200 million, and probably $240 million, of potential flexibility for ERDA funding. This works out as follows: The first budget resolution put $20.7 billion in function 300, energy and natural resources. The working assumptions of both the Budget and Energy Committee staffs were that $5.068 billion would be used for ERDA.

Clearly the Budget Committee does not officially define line items, but we all know that this is a fiction, and that in practice targets are adopted.

Within that $5.068 billion for ERDA, this bill, S. 1340, allocates $2.465 billion, and the Carter nuclear budget would take up another $2.36 billion.

That means that $240 million of the $5.068 billion remains unspent. As I see it, the committee has not $15 million, which they indicated in our colloquy, but $240 million. Unless it has been otherwise firmly committed, that is, unless the committee has firmly committed itself to put all the money into the nuclear bill, and the chairman did mention that he did have the nuclear bill that he was concerned about. Or, alternatively, it may be committed to spend less on ERDA and more on some other energy or natural resources program.

In any even, Mr. President, it does seem to me that the committee clearly has the flexibility to permit the spending of some additional money for other programs. I put that to the chairman.

Of course, we are on the amendment of the Senator from Montana, and he is concerned about how much is available. I had asked for $8 million to increase the authorization for appropriate technology from the $2 million that we had in the Senate bill to the $10 million that they had in the House bill. Could I have a response from the distinguished chairman on that?

Mr. CHURCH. Yes. Mr. President, through the day we have been conferring with the Budget Committee staff and the distinguished Senator from Maine (Mr. MUSKIE) for the current budgetary figures. We have sought in good faith to try to remain within the budgetary limits as established by the Senate itself.

The Senator is correct; the latest figures that he has cited are correct, but in approaching the budgetary problem, we have had to take into account that we have two major programs under ERDA. One is the nonnuclear program and the other is the nuclear program. However, there are several other energy and natural resource bills to be considered as well. We have allocated $200 million to the nonnuclear aspects of the program in the bill before us, and $200 million would be reserved for the nuclear program and perhaps other energy and natural resource programs which we will bring to the floor within the next few months. We know there will be additions to the nuclear bill, so we are trying to stay within the budget.

If we do not do that, it is obvious we will run out of money, and there will be no flexibility at all in dealing with other legislation including the nuclear aspects of this program. That is how we came to the $200 million figure, relating it to the nonnuclear aspects of the ERDA program, reserving some latitude for the nuclear bill, which we will presently commence on.

That is my explanation. The Senator is technically correct; we can exceed the $200 million reserved for the nonnuclear bill, but in the end we have a budgetary limit which we must respect.

The PRESIDING OFFICER. The 5 minutes of the Senator from Massachusetts have expired. Who yields time?

SEVERAL SENATORS. Vote!

Mr. CHURCH. Mr. Prseident, I am prepared to yield back the remainder of my time.

Mr. MELCHER. Mr. President, it is apparent that what we are offering now does not exceed any budget. It is within the budget set up by the authorizing committee. It is within the budget resolution of the Budget Committee.

I think it is important that we recognize that we can do this for MHD, that it is an extremely important segment of our efforts for an energy program, and that this modest amount in the second amendment deserves the support of all Senators. It should not be rejected at all.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MELCHER. Mr. President, does the Senator from Massachusetts desire more time? I yield the remainder of my time to the Senator from Massachusetts.

Mr. BROOKE. I appreciate the Senator from Montana yielding me his time, though I will use it to argue for my amendment.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. CHURCH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Montana (Mr. MELCHER). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HASKELL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Colorado (Mr. HART) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL) and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from New Mexico (Mr. SCHMITT), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 51, nays 30, as follows:

[Rollcall Vote No. 192 Leg.]

YEAS—51

Abourezk	Hatch	Nelson
Baker	Hathaway	Packwood
Bayh	Heinz	Proxmire
Bentsen	Helms	Randolph
Brooke	Hollings	Ribicoff
Burdick	Huddleston	Riegle
Byrd, Robert C.	Inouye	Roth
Case	Javits	Sasser
Chafee	Kennedy	Schweiker
Chiles	Laxalt	Scott
DeConcini	Leahy	Stafford
Dole	Long	Stennis
Durkin	Mathias	Stone
Eagleton	Matsunaga	Talmadge
Eastland	McGovern	Thurmond
Goldwater	Melcher	Weicker
Hansen	Metzenbaum	Williams

NAYS—30

Allen	Curtis	Morgan
Bartlett	Danforth	Muskie
Biden	Domenici	Nunn
Bumpers	Ford	Pearson
Byrd, Harry F., Jr.	Glenn	Percy
	Hatfield	Sarbanes
Cannon	Jackson	Sparkman
Church	Johnston	Stevens
Clark	Lugar	Zorinsky
Cranston	Magnuson	
Culver	McClure	

NOT VOTING—19

Anderson	Hayakawa	Schmitt
Bellmon	Humphrey	Stevenson
Garn	McClellan	Tower
Gravel	McIntyre	Wallop
Griffin	Metcalf	Young
Hart	Moynihan	
Haskell	Pell	

So the amendment was agreed to.

Mr. MELCHER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 414

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read as follows:

The Senator from Washington (Mr. BUMPERS) proposes on behalf of himself and Mr. DURKIN unprinted amendment 414.

Mr. BUMPERS. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, lines 8 and 9, strike "$86,000,000," and insert in lieu thereof "$72,000,000: *Provided*, That no funds herein authorized shall be made available for the purchase of electric vehicles as provided in Public Law 94-413."

Mr. BUMPERS. Mr. President, I think this is going to require a rollcall vote. If my colleagues will listen for about 5 minutes, I shall try to summarize my argument in 5 minutes.

I have already made all the arguments on an amendment that I withdrew earlier. Stated very precisely: In the so-called Electric and Hybrid Vehicle Act of 1976, there was a provision that mandated that the Administrator of ERDA to buy 2,500 electric vehicles.

The PRESIDING OFFICER. The Senator will suspend for a moment.

After examination of the amendment, the Chair has to inform the Senator that it is out of order, because the figure he seeks to amend has already been amended.

Mr. BUMPERS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. The figure that I seek to amend—how has it been amended?

The PRESIDING OFFICER. The Chair informs the Senator that the figure "86" was stricken and the figure "88" substituted therefor by the amendment of the Senator from North Carolina (Mr. HELMS), which was agreed to.

Mr. BUMPERS. A parliamentary inquiry: Can that figure not be amended again for an entirely different purpose?

The PRESIDING OFFICER. Only by unanimous consent.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ZORINSKY. I ask unanimous consent that my administrative assistant, Mr. Chip Terrill, be granted the privilege of the floor during debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

The KENNEDY. Will the Senator yield?

Mr. ZORINSKY. Yes.

Mr. KENNEDY. I make a similar request for Jerry Brady.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURKIN. Will the Senator yield so that I may make a similar request for Mark Coven, Ed Tanzman, and Chris Burke?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ZORINSKY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. The amendment as just modified by this Senator is now in order?

The PRESIDING OFFICER. It is.

The clerk will state the amendment.

The legislative clerk proceeded to read as follows:

The Senator from Arkansas (Mr. BUMPERS) proposes unprinted amendment No. 414, as modified.

Mr. BUMPERS. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the conclusion of the language added by the amendment of the Senator from North Carolina (Mr. HELMS) No. UP. 407 insert the following:

"*Provided further*, That no more than 200 electric vehicles may be purchased within the provisions of P.L. 94-413 utilizing funds made available in this section."

Mr. McCLURE. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Does the Senator from Arkansas yield for an inquiry?

Mr. BUMPERS. Yes.

Mr. McCLURE. Is this an amendment to an amendment that has already been adopted?

The PRESIDING OFFICER. The Chair informs the Senator that it adds language to an amendment, at the end of the amendment, that was already adopted. That is not an amendment to an amendment.

Mr. McCLURE. That is adding new language to the bill; am I correct?

The PRESIDING OFFICER. That is correct.

The Senator from Arkansas.

Mr. BUMPERS. Mr. President, the argument I make in behalf of this amendment is precisely the same one I made this afternoon. The law presently mandates that the Energy Research and Development Administration purchase

2,500 electric vehicles to demonstrate an electrical technology that will presumably make electrical vehicles economically feasible and practical.

My point is this: We are putting $16 million into the purchase of these vehicles with no known technological advancement in the energy storage systems of this country. In other words, we are mandating that ERDA buy, whether they have any legitimate reason for it or not, 2,500 glorified golf carts.

Now, there are electrical vehicles available in this country right now, and anybody that wants one can buy it.

It is estimated under this authorization that these vehicles will cost roughly $10,000 each, which sounds like an exorbitant price for a small, all-electric vehicle.

This point needs to be made. ERDA does not want it. The administration has not requested it. Nobody seems to want it. I can only conclude that this is nothing more nor less than a reaction to the energy crisis when everybody was saying, "Let us do something," and our response in doing something is to throw $16 million at a problem which has absolutely nothing to do with its solution.

I am not trying to strike the entire $16 million, as my earlier amendment did. What I am doing is cutting the number of vehicles they can purchase, to demonstrate whatever technology they have that they may want to demonstrate, to 200. The amendment simply provides that after the authorization for these vehicles there is a proviso that in no event shall the Administrator purchase more than 200 of these vehicles.

In my opinion, that is acceptable to everybody. I do not know of anything we have ever done in trying to cope with energy problems in this country where we have suggested demonstrating anything 2,500 times.

In addition, that same bill that was passed in 1976, which incidentally President Ford did, indeed, veto and it was overidden, provides that by 1980 they have to buy another 5,000 vehicles.

This amendment does not strike any of the research money. The money that was in there for improved battery storage systems is still there. All the research and development to develop an electrical vehicle is still there.

The point is very simply made. Why buy 2,500 vehicles no matter how improved the technology is? Two hundred vehicles is an arbitrary figure. But, if that is arbitrary, certainly 2,500 is arbitrary.

I just cannot conceive of any legitimate reason for buying 2,500 of anything to demonstrate something. Once it is demonstrated and everybody says, "This is the greatest thing since night baseball, let us get with it," then I can see buying 2,500. But that time has not arrived, and it will not arrive in the foreseeable future.

So let us save the taxpayers $14 million and let the Senate of the United States take the lead in saying that we will not try to solve this problem by throwing money out. We will do it realistically. We will do it sensibly. If the Administrator feels he needs 200, let him buy them, but not 2,500 for no good reason.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, will the Senator from Idaho yield 2 minutes in opposition?

Mr. CHURCH. Yes, I am happy to yield to the Senator.

Mr. McCLURE. Mr. President, this is an appealing amendment on its face because, as the Senator from Arkansas so aptly described, who would buy 2,500 to demonstrate anything?

Yet the rationale for the measure when it was adopted by the Congress last year was that before we can determine whether or not this mode of transportation has the promise which has been held out to the people of this country that is necessary in cleaning up the air in some of the metropolitan areas, in providing an alternative transportation mode in a whole variety of settings, we must do two things.

We do not have to demonstrate the technology in quite the way we would demonstrate the technology of a scrubber or an MHD plant. But we do have to demonstrate the capability to produce and market an automobile, and produce and market an automobile that can be used in a whole variety of settings around the United States.

Not everyone lives as I live, just 9 or 10 miles away from my point of work. Not everyone lives in an area where commuting is just 20 miles. Some live in the Los Angeles basin who may commute 30 miles each way. There are those who live in Connecticut that commute into Manhattan. There are a whole variety of different settings.

In addition to placing vehicles out in a variety of settings in all of the 50 States, we also have to set up a purchase that is large enough so we do not get down to the hand-tooled, hand-produced, single item costs we would get with 200.

The Senator from Arkansas is totally opposed to this program. He has made that very plain. He wants to kill it. He has made that plain.

If we adopt this amendment we have succeeded in doing what he wants. That is, to kill the movement toward a clean, nonpolluting, efficient means of transportation in a number of settings in this country where that is absolutely essential.

Let us make no mistake about it, this Congress did not move blindly last year when it passed a bill. It did not move blindly, and I hope not simply from partisan motivations, in voting to override the President's veto.

Certainly, the Senator from Arkansas does not mean that all his friends on that side of the aisle voted to override the President's veto just because the President vetoed it, just for partisan reasons. I would hope they had a little judgment that they exercised at the time they voted to override the veto.

If the Congress really meant what it said last year, if this body really meant what it said and it does not want to indict itself with that kind of partisan tinge, it will vote to reject this amendment as it did last year to override the President's veto.

Mr. BUMPERS. Mr. President, I went through the RECORD last year and I found that there were some very good arguments made at the time.

One was made by my distinguished colleague from Ohio (Mr. GLENN). Incidentally, I consider him one of the experts, certainly, in electrical systems. He has dealt with them and he understands them. He made a very cogent argument last year that the most crying, pressing need in this country is for an improved battery storage system. I could not agree with that more. That is the simple point I make here.

ERDA, with all the experts they have, make that very simple point. They do not need to demonstrate anything until they have an improved storage system.

The Post Office Department is using electrical vehicles now. I think they are going to purchase 1,300 this year.

There are all kinds of electrical vehicles on the market if anyone wants to drive 9 or 10 miles. But right now, as of this moment, there is not a battery in this country that will carry any car more than a 50-mile range.

What we are trying to do is develop a storage system that will carry an electrical vehicle far enough to make it feasible, not just 9 miles to and from work. We need a vehicle that people will be willing to buy. We need to be willing to build the infrastructure to support the vehicle and make it economically practical.

Of course, they are nonpolluting. Golf carts are the electrical cars we have now.

All I am saying is, What justification is there for buying 2,500 to demonstrate anything? Why are 200 not more than adequate?

I ask the Senator from Idaho that question, unless he is going to tell me that it is to stimulate the industry. Of course, it will stimulate the industry to buy 2,500, but that is not the business of the U.S. Government. It is to develop the technology to make this car viable. Other than that, I ask the Senator from Idaho why we need 2,500 instead of 200.

Mr. McCLURE. I say to the Senator from Arkansas, as I said earlier, that there are a variety of settings in this country. Unless you want to have it all concentrated into two or three or half dozen large cities, unless you want to have it demonstrated across the country in a variety of settings, you are not going to get it done with 200 demonstration vehicles. Also, the unit cost of those vehicles will be much higher than it would be if you were to make a larger purchase.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. BUMPERS. I yield.

Mr. BROOKE. Is the Senator, by his amendment, merely trying to eliminate the production of these vehicles with current technology?

Mr. BUMPERS. No. If that were the

case, I would be trying to strike all of them. When they come up with a new design or a new system that is not now available to us on the market or in laboratories, they should be allowed to purchase vehicles with that particular system.

Mr. BROOKE. It is a fact that the current technology does not warrant production of these vehicles. Is that correct?

Mr. BUMPERS. The Senator is correct.

Mr. BROOKE. And the Senator wants to continue the R. & D. so that the technology, the state of the art, can be advanced and developed. Is that correct?

Mr. BUMPERS. Not only is the Senator precisely correct, but also, the exact figure for the continuing research and development on these vehicles and the storage system is $32.9 million. I would not presume to strike one penny from that. If anything, I would be willing to put additional money into research and development because I think it is a laudable goal.

What I am saying is that until that goal is reached, we do not need to purchase so many demonstration vehicles.

Mr. BROOKE. The Senator from Arkansas is not opposed to electric vehicles. He is just opposed to production under the current technology. Is that correct?

Mr. BUMPERS. The Senator is correct.

Mr. McCLURE. Mr. President, will the distinguished Senator from Idaho yield?

Mr. CHURCH. Mr. President, how much time remains to me on this amendment?

The PRESIDING OFFICER. The Senator from Idaho has 12 minutes remaining and the Senator from Arkansas has 6 minutes remaining on the amendment.

Mr. CHURCH. I yield to the Senator from Idaho.

Mr. McCLURE. I thank the Senator for yielding.

Mr. President, I do not mean to prolong this debate. This matter has been raised three or four times.

The Senator from Arkansas is not correct when he says you can go out and buy an electric vehicle off the market today that meets the passenger commuting needs of the people who commute in this country. It is not available, except for one model in California that last year—I have not looked this year—marketed for $28.000 a copy. Other than that, which is produced in this country, we do not have available on the market a commuting vehicle.

We have an upgraded golf cart called "the city car," built by Sebring, and it is not an adequate vehicle for freeway speeds.

We can demonstrate now—and that is the point—that existing technology will meet the needs of commuters. It is not being done. It will not be done unless something like the Electric Vehicle Demonstration Act of last year not only is passed but is funded. It will not be done, and those who say that current battery technology will not do it simply do not know what the facts are, because it is being done, and it can be done now.

I do not deny, I do not minimize the need for developing better battery technology. I fully support the Senator from Ohio in that objective. It is needed very badly. But we do not have to wait until that is done in order to be able to develop a commuter automobile that can meet the needs of hundreds of thousands of people in this country. All we lack is the demonstration of that technology in something that a commuter could go out and buy and use. That is not on the market today.

Mr. BUMPERS. Mr. President, I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I wish to respond to the Senator from Idaho by saying that I think there is one reason why we have so few vehicles of this type in the country—namely, they have not become economically feasible to use with current technology.

I have followed the development of electric automobiles very closely, and when they are technically feasible, I am going to be on the floor of the Senate, along with a number of other people, advocating that we get going with them as soon as possible. But their range with the lead acid battery and the best batteries we have available now has not been sufficient.

As the Senator indicated a moment ago, the only available reasonably sized automobile in this country costs, I believe he said, $28,000, on the west coast. That is because by the time you get to the battery capacity necessary to get the range desired, you have built such an expensive thing that people will not buy it. I cannot see the United States subsidizing that.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. GLENN. I yield.

Mr. FORD. It is in the back of my mind that the Senator referred to the west coast.

Mr. GLENN. The Senator from Idaho referred to the west coast.

Mr. FORD. I did not hear him. I listened to the Senator from Ohio; I paid attention to the Senator from Ohio.

He said there was a tremendous breakthrough on that electric car which increased the distance by some large percentage. Inasmuch as the Senator has studied the matter closely, can he say that it is true that they have made a tremendous breakthrough?

Mr. GLENN. Not with current batteries. The people who estimate these markets figure that when we have an electric car that has an available range, in cold weather and warm weather, of about a hundred miles, we have something.

Mr. FORD. What was the mileage in California recently that was so good?

Mr. GLENN. I do not know.

Mr. McCLURE. Mr. President, if the Senator will yield, as a matter of fact, current lead acid batteries and the technology that has been used can propel an automobile at speeds in excess of 55 miles an hour for in excess of 50 miles.

Mr. FORD. I recall that the Senator related it to the west coast, that they had a tremendous breakthrough, that they were increasing the mileage tremendously.

Mr. McCLURE. I did not make any such reference. I said there is only one model now available, and it is on the west coast. That happens to be made virtually by hand, for the select few who can afford a luxury item. It is not a vehicle for the average person in this country.

Mr. GLENN. The Postal Service is using small vehicles for delivering mail, and they are using them at the most extended range they can. Those figures show what can be done with lead acid batteries. That is a good demonstration of what weight can be taken, what mileage by certain capacity batteries, and it should give us a good indication of when we are ready to move forward, unless a new technology comes forward and gives us greater range.

Mr. McCLURE. The reports are incomplete. The operating costs are slightly higher than an internal combustion engine. But remember that those are intermittent service, slow speed, short-range vehicles. They do not really meet the need, nor do they suffice as a test for a commuter automobile. The average speed would be higher, and the average range would be about two trips a day, about 50 miles.

Mr. GLENN. When you get to the higher speeds, it is far more demanding on the system than at slow speeds. The required battery power becomes much greater at freeway speeds. It complicates the problem more.

Mr. McCLURE. Certainly. Mr. President, if the Senator will yield further, I have driven such an automobile at better than 54 miles per hour, and I know its range is better than 50 miles. It can be built, but those are hand built. Of course, the cost of that hand-built model is higher.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 2 minutes remaining, and the Senator from Idaho has 9 minutes remaining on the amendment.

Mr. BUMPERS. Mr. President, I would like to make one final point, and that is assuming that every argument the Senator from Idaho (Mr. McCLURE) has made is correct, there can be no justification for demonstrating that technology 2,500 times. Two hundred times would be more than adequate. We could do it geographically; you can do it almost any way you want to with 200 vehicles and prove anything you want to prove.

Second, any technology that ERDA comes up with or the college laboratories in this country come up with, it is not a problem to adapt that to a vehicle. We can do that any time. Putting any kind of a storage system we may find into a vehicle is no problem. The problem is in developing the storage system that makes an electrical vehicle economically feasible and viable and one that people can afford to use.

They are highly desirable, and I would not suggest they are not for a moment. But, as I say, we are leaving $32.9 million here to continue intensive research in this whole battery research program. These automobiles ought not be be

bought until we have something new to demonstrate.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired. The Senator from Idaho has 9 minutes remaining.

Mr. CHURCH. Mr. President, as I explained earlier when the Senator from Arkansas offered his original amendment, I felt that as the representative of the committee I would have to oppose it since the matter had been raised in the committee and the committee had not approved the amendment.

I have listened to this debate, and I think the Senator from Arkansas makes a good point. He has revised his amendment. I am not in position to accept it because the committee did not so vote.

I will personally cast my vote for the Senator's amendment, but I want it understood that I cannot accept it as manager of the bill because the committee had taken a different position at the time the subject was originally discussed.

Mr. BUMPERS. I thank the Senator very much.

Mr. McCLURE. Mr. President, will the Senator from Idaho yield for one other comment?

Mr. CHURCH. I yield.

Mr. McCLURE. The whole debate today demonstrates the need for a demonstration program because there is so much understanding in this body of what can be done.

In Dusseldorf, Germany, they operate city buses on city routes that are totally electrically powered. The longer routes require a generator on a trailer on the back in order to take them longer routes, so there are limitations on range just as there are limitations on speed.

The Senator from Ohio is exactly correct that as speed goes up the demand for energy multiplies. That is true of electrical energy as it is true of the internal combustion engine or any propulsion scheme.

But the fact is if we really want to make a quantum difference in the kind of transportation we have in some of the most congested and some of the most polluted areas in this country, we are going to have to make some shifts in modes of transportation. Now, do you care about that or do you not? If you care about it you will vote against it. If, on the other hand, you vote for the amendment you will have demonstrated once again that you do not really care about the pollution in the Los Angeles basin or the Pittsburgh area or New York City or Washington, D.C.; that somehow we can keep right on going ahead depending upon the oil industry and the automotive industry in Detroit to solve our problems without anything new. I challenge the Senate to take that action.

The PRESIDING OFFICER. The Senator from Idaho has 6 minutes remaining on the amendment.

Mr. CHURCH. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired. The question occurs on agreeing to the amendment of the Senator from Arkansas on which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. McCLELLAN), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Rhode Island (Mr. PELL), the Senator from Michigan (Mr. RIEGLE), the Senator from Montana (Mr. METCALF), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Colorado (Mr. HART) are absent on official business.

Mr. STEVENS. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from New Mexico (Mr. SCHMITT), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 63, nays 19, as follows:

[Rollcall Vote No. 193 Leg.]

YEAS—63

Abourezk	Durkin	Morgan
Allen	Eagleton	Moynihan
Bayh	Glenn	Muskie
Bentsen	Goldwater	Nelson
Biden	Hatch	Nunn
Brooke	Hathaway	Percy
Bumpers	Heinz	Proxmire
Burdick	Helms	Randolph
Byrd, Harry F., Jr.	Hollings	Roth
	Huddleston	Sarbanes
Byrd, Robert C.	Humphrey	Sasser
Cannon	Inouye	Schweiker
Case	Jackson	Scott
Chafee	Johnston	Sparkman
Chiles	Kennedy	Stafford
Church	Leahy	Stennis
Clark	Long	Talmadge
Culver	Lugar	Thurmond
Curtis	Matsunaga	Williams
Danforth	McGovern	Zorinsky
DeConcini	Melcher	
Dole	Metzenbaum	

NAYS—19

Baker	Hatfield	Pearson
Bartlett	Javits	Ribicoff
Cranston	Laxalt	Stevens
Domenici	Magnuson	Stone
Eastland	Mathias	Weicker
Ford	McClure	
Hansen	Packwood	

NOT VOTING—18

Anderson	Haskell	Riegle
Bellmon	Hayakawa	Schmitt
Garn	McClellan	Stevenson
Gravel	McIntyre	Tower
Griffin	Metcalf	Wallop
Hart	Pell	Young

So, Mr. BUMPERS' amendment was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ALLEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 408

Mr. BUMPERS. Mr. President, I have an amendment at the desk, which was temporarily laid aside this afternoon, which I call up at this time.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS), for himself and Mr. DURKIN, proposes unprinted amendment No. 408.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, lines 6 and 7, strike "$54,000,000," and insert in lieu thereof, "$56,000,000: *Provided*, That $2,000,000 of such sum are hereby authorized for a research and development program in residential gas furnaces."

The PRESIDING OFFICER. The Senator has 11 minutes remaining on the amendment. The Senator from Idaho has 10 minutes.

Mr. BUMPERS. Mr. President, I shall take just 2 minutes to add to what I said this afternoon before the amendment was temporarily laid aside.

There are 34 million gas-fired residential furnaces in this country, and that on an average they are 75 percent or less efficient. They could be made more efficient to the extent of at least 15 percent to 25 percent. When you consider the magnitude of the energy savings and the costs to the consumers that could be saved, the $2 million, which ERDA says it can use very effectively to develop a more efficient furnace, is a very small amount. I recognize that the Government is doing something here that industry ought to do, but the point is industry will not do it, because, very simply stated, industry will always opt to produce a furnace that has a low initial cost, because that is what the consumer will opt for. The consumer very seldom looks at the final cost.

Admittedly the more efficient furnaces will probably cost more money, but there is a possibility that we can get them down to where they will be more acceptable. As energy becomes increasingly scarce, the consumer will probably opt to buy the more efficient furnace to save money and energy at the same time.

I hope the managers of the bill will be favorably inclined toward accepting this amendment.

Mr. CHURCH. Mr. President, it is my understanding that the American Gas Association is prepared to participate on a cost-sharing basis in research to improve the efficiency of furnaces. The amount the Senator requests for this purpose is very modest, about $2 million. The amendment just approved by the Senate could mean a saving of as much as $12 million or $14 million. In the light of that accomplishment, and in the belief that improved furnace efficiency would contribute immensely to the con-

servation effort, I am happy to accept the amendment.

Mr. BUMPERS. I thank the floor manager very much.

Mr. CHURCH. Mr. President, I am prepared to relinquish the remainder of my time.

Mr. BUMPERS. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

UP AMENDMENT 415

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I say to my colleagues that this is my last amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS), for himself and Mr. DURKIN, proposes an unprinted amendment numbered 415.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 20, line 8, strike "$173,400,000,'" and insert in lieu thereof, "$178,900,000: *Provided*, That $7,500,000 of such sum are hereby authorized for design work for Small Community applications."

Mr. BUMPERS. If I may have the attention of my colleagues for 3 or 4 minutes, I will explain this proposal very briefly.

The Energy Committee voted to restore the so-called solar tower electrical generating system scheduled to be built at Barstow, Calif. The Senator from Oregon (Mr. HATFIELD) has been vitally concerned with that.

I supported the amendment in committee against my better judgment ERDA indicates that this may not be the latest nor best application of solar technology for the generation of electricity. Nevertheless, we restored the funds that the Carter administration had deleted on that project, and I am not here to debate that subject.

What I am here to say is the ERDA indicates now that a much more efficient, cheaper solar system for the generation of electricity is going to be found in very small grid systems. This is a system where you would use a few collectors that would focus on a gas turbine engine—a sealed, self-contained system—that would heat the gas. Through an exchange system, the heat would be used and the gas turned back to be heated again, just like the kind of sealed, self-contained system as a refrigeration unit.

There are somewhere in excess of eight possible technologies by which this system can be used in small communities, where you have a series of small collectors. They feed into a grid that would supply the electricity for a small community. It could be used by a few industries which would want to pool their resources. It could be used by three or four farms which would elect to pool their resources. But it is a small-scale application of solar energy to generate electricity. It has great potential according to ERDA.

The present budget provides only enough money for one feasibility study, and the money that I am asking for here, $5.5 million, would give ERDA at least the money to make three feasibility studies. Bear in mind that they would have three feasibility studies for the application of a technology where there are probably 8 to 12 possible applications.

Mr. CHURCH. Mr. President, I think more than one feasibility study is required, in view of the varying technologies that are available, and I am prepared to accept the amendment.

Mr. DURKIN. Mr. President, will the Senator from Arkansas yield for a question?

Mr. BUMPERS. I yield.

Mr. DURKIN. I believe that it is very important to devote some of its budget to helping communities, businesses, and even individual homeowners to achieve energy self-sufficiency. To achieve this goal, it will be necessary to demonstrate projects which combine several alternate energy sources, such as solar and small-scale hydroelectric or solar and wood fuels. Would designs for such integrated systems be appropriate under the terms of this amendment?

Mr. BUMPERS. They would not only be appropriate, but I believe they should be encouraged.

Mr. DURKIN. The past history of ERDA has not shown it to be as interested in a regionally equitable distribution of its demonstration projects as many would like. Those of us who represent the ends of the energy pipeline often have found our States at the bottom of ERDA's list as well.

Is it your intent in proposing this amendment that ERDA should consider all regions in awarding its design grants so that this important technology can be tested under a variety of weather conditions and economic circumstances?

Mr. BUMPERS. Yes.

Mr. DURKIN. In that case, I am happy not only to support but also to cosponsor your amendment. By increasing the funds available to these small community applications, Congress can direct the Nation's energy research and development effort in a more equitable and diverse fashion. I support the proposed "power tools" targeted for New Mexico and California. In addition, it is necessary to fund other approaches so that each region and each type of community can do the best for itself.

Mr. President, the solar programs contained in this year's ERDA authorization bill are the beginnings of an important new initiative to reduce our dependence on foreign oil and its risky alternatives. The Energy and Natural Resources Committee has recommended a total solar budget of $378.5 million—a huge step forward from the token efforts of the past.

Yet it is important to assure that the new solar programs be as evenhanded as possible. In an area with as much promise as solar energy, the Congress should not authorize efforts which unfairly favor one region or one type of technology. Diversity will have to be an important feature of our solar program if we are to attack our energy problems on all fronts.

That is why I have worked with Senator BUMPERS to introduce an amendment to S. 1340 to increase by $5.5 million the funds for preliminary designs involving applications of solar thermal electric receivers to small community systems. These are an alternative to the large-scale "power tower" approach to generating electricity from the Sun's heat. Ranging in size from 100 kilowatts to 5 megawatts—5,000 kilowatts—such systems have the potential for permitting small businesses, local communities, or even individual homeowners to become more energy self-reliant. These designs could involve integrated systems such as solar/hydroelectric or solar/wood combinations. They could have application across New England and the Northern Tier, as well as the South, Southwest, and Midwest.

The present construction effort is confined to two small demonstration projects in a single region. Both would use the electricity generated by distributed collectors for irrigation. The only other efforts are at a very preliminary study stage.

The commercial and technological barriers to this potentially important energy source will never be overcome with a half-baked effort. Experience with solar heating and cooling research has revealed that it is necessary to demonstrate feasibility on a wider scale than this before consumers and producers will invest heavily in these new energy systems.

I do not intend by this amendment to attack other solar thermal electric efforts. I supported the Energy Committee's move to increase the funding of the proposed 10 MW central solar thermal receiver to be built in Barstow, Calif. It is necessary to give all solar energy approaches an equal chance so that each region and each type of community can do the best for itself. This amendment will go a long way to giving the crucial solar energy program a better balance.

The PRESIDING OFFICER. Do Senators yield back their remaining time?

Mr. BUMPERS. I yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

UP AMENDMENT NO. 416

Mr. BAKER. Mr. President, I call up my amendment at the desk, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for himself, Mr. SASSER, Mr. DOMENICI, Mr. SCHMITT, and Mr. JACKSON, proposes an unprinted amendment numbered 416.

Mr. BAKER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, line 24, insert the following: Strike $26,141,000 and insert $30,179,000

COMMUNITY ASSISTANCE FOR THE CITY OF OAK RIDGE AND ANDERSON AND ROANE COUNTIES

Mr. BAKER. Mr. President, the proposed amendment will provide needed community assistance to Anderson and Roane Counties and increase the amount of assistance to the city of Oak Ridge.

For a number of years the AEC, and later ERDA, has made such payments to compensate these communities for the loss in property tax revenue that has occurred as a result of the tax exempt status of the large Government installation located at Oak Ridge.

The citizens of Anderson and Roane County are proud that they were selected as the site of laboratories which contributed to the shortening of World War II and the development of the peaceful uses of atomic energy. However, the Federal Government land holdings in these two counties is so extensive that they all but preclude the establishment of a private industrial base that could provide tax revenues.

The impact of the Federal Government facilities on Anderson and Roane Counties has been to transform them from their original rural agricultural character to predominantly urban environment.

The size of the Government-owned complex at Oak Ridge makes demands for housing, schools, and services on the counties without providing them with the compensating property taxes which would result from private development.

Mr. President, all that this amendment does is provide funds so that the burden that was placed on these communities can be relieved by in lieu of tax payments made to local governments to help them meet the needs of the people who compose Anderson and Roane Counties.

The dollar figures used in the amendment are based on the original ERDA recommendations to the Office of Management and Budget.

Mr. President, this amendment was originally introduced by my distinguished junior colleague from Tennessee (Mr. SASSER)—in which I was happy to join him—on behalf of himself and me and the other cosponsors of the amendment, Senators DOMENICI, SCHMITT, and JACKSON.

In summary, the effect of the amendment is to strike the figure "$26,141,000" on page 24, line 24, and insert in lieu thereof "30,179,000".

This is to restore money that was recommended by ERDA and then deleted by OMB, for community support in certain cities and counties in Tennessee, New Mexico, and the State of Washington.

This is not a new program; it is a continuation of an old program. It is something that local communities have come to depend on, and have budgeted over the years. If we did not do it at the level recommended, that would cause extreme hardship. I hope that the distinguished managers on both sides of the aisle will view and consider this measure favorably.

Mr. CHURCH. Mr. President, I have discussed this measure with Senator HATFIELD. In the light of the fact that these communities have received such funding in the past, have come to budget for it, and are now dependent on it, I think it would be a mistake suddenly to leave them without this form of Federal assistance for the coming year.

On that basis, I am prepared to accept the amendment.

Mr. BAKER. Mr. President, I would be happy to yield to any other cosponsors.

Mr. SASSER. Mr. President, our amendment is very simple. It restores to the ERDA budget the community assistance payments which have been made for the past several years to the city of Oak Ridge and Anderson and Roane Counties, Los Alamos, and Richland, Wash.

These payments are authorized under the Atomic Energy Act as amended. They are necessary because of the burdens placed on these communities by the extensive ERDA facilities which pay no property taxes.

Mr. President, already Oak Ridge has the highest city tax rate of any city in Tennessee. Anderson and Roane Counties, likewise, have the highest county taxes in the State.

These tax rates make it very difficult to attract private industry which the local people want. I know that the community leaders long for the day when these community assistance payments are no longer needed.

However, for the present time these funds are necessary if these localities are going to provide the needed municipal services.

Without these payments, the local tax rates, already the highest in Tennessee, would be increased or necessary public services curtailed.

ERDA initially recommended full funding for these localities to the Office of Management and Budget.

OMB deleted any funding request for Anderson and Roane Counties and provided only $680,000 for Oak Ridge.

The amendment restores full funding for this program.

The amendment would provide a total of:

Oak Ridge: $2,150,000, an increase of $1,470,000.

Anderson County: $627,000.

Roane County: $623,000.

These funds have been authorized in the ERDA bill and reported by the House Committee on Science and Technology. In addition the House Committee on Appropriations has provided these funds in the public works bill reported last week.

I hope our amendment will be accepted.

Mr. DOMENICI. Mr. President, the amendment I am proposing on behalf of Senators BAKER, SASSER, SCHMITT, and myself would add a total of $4.038 million to the fiscal year 1978 ERDA budget for community assistance. Of this total, $918,000 is intended to provide impact aid for operation of the county government and the school system in Los Alamos, N. Mex.

The community assistance program was established by the Atomic Energy Community Act of 1955, as amended, to provide in lieu of tax relief for the operation of three communities, Richland, Wash., Oak Ridge, Tenn., and Los Alamos, N. Mex., heavily impacted by facilities and activities of the Atomic Energy Commission—now ERDA. The program was intended for, and continues to serve the purpose of assisting in the recruitment and retention of the high quality scientists, engineers, and technicians needed to sustain this Nation's vital energy and nuclear weapons endeavors.

It is intended that the $918,000 figure be divided as follows: Los Alamos County, $268,000, and Los Alamos Schools, $650,000.

Los Alamos County: ERDA's fiscal year 1977 assistance payment to the county amounted to $1.8 million, which was 21 percent of the local budget. The proposed fiscal year 1978 payment is $1.0 million, which will amount to only 11 percent of the budget. We wish to increase that figure to $1.268 million.

Los Alamos County has done all that it can to cut local expenditures and increase local revenues in order to minimize this deficit. This includes an agreement to impose the ¼ percent sales tax increase authorized by the New Mexico state legislature.

Los Alamos schools: We are asking for an increase of $650,000. Restoration of these funds, which were cut out by the OMB, will assure that impact aid under the Public Law 874 program will be available to the schools in fiscal year 1978. For some years it has been ERDA's policy to provide a backup, or guarantee, that these 874 funds would be available. Schools in Richland, Oak Ridge and Los Alamos count on these funds in making their budgets balance each year. Should the 874 money become available, as I understand has always been the case in recent years, this backup, or guarantee money is returned to the Federal Treasury. Thus by agreeing to authorize these funds we are only providing assurance to local community leaders that the money will be available in meeting fiscal year 1978 obligations.

Mr. President, I am pleased to be a cosponsor of this amendment. I hope my Senate colleagues will agree that these funds should be added to the fiscal year 1978 ERDA budget.

Mr. CHURCH. Mr. President, I yield back the remainder of my time.

Mr. BAKER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

UP AMENDMENT NO. 417

Mr. GLENN. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. GLENN) proposes an unprinted amendment No. 417.

Mr. GLENN. Mr. President, I ask that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 11, strike the "$77,200,000" and insert in lieu thereof "$79,200,000".

Mr. GLENN. Mr. President, if I indicated to this body that I found an area where we could save the potential of 62 million barrels of oil per year, I am sure I would have the attention of all of the Senate.

Mr. President, this past April, President Carter announced that the next increment of nuclear fuel enrichment capacity in the United States would be obtained through the construction of a centrifuge facility as opposed to a gaseous diffusion plant. This decision was made on the grounds that gaseous diffusion plants are highly inefficient, as indeed they are. In fact, if one were to take all of the waste heat of the three gaseous diffusion plants at Oakridge, Paducah, and Portsmouth when they are operating at full capacity, and add the even greater waste heat generated by the heavy water facility at Savannah River, one obtains a total amount of waste heat equal to 12,000 megawatts of thermal energy. This is the equivalent of the energy found in nearly 62 million barrels of oil per year. In fact, in these plants, Mr. President, one of our biggest problems is heat dissipation, getting rid of the heat.

Despite such waste, these plants are expected to operate indefinitely. ERDA has recently begun addressing the problem of utilization of this waste heat. In the fiscal 1978 budget, there is allocated $2 million to study this problem out of the total of $13.8 million recommended by the Energy Committee under the heat cycles line item in the conservation R. & D. portion of the budget. The main avenue of approach to be taken by ERDA in utilizing this waste heat is to examine the feasibility of constructing things like industrial parks or residential communities in the vicinity of these fuel production facilities so we can make use of this heat. In conjunction with such studies, the States involved would have to carry out detailed investigations of institutional barriers that might exist toward making such utilization of the waste energy. They would also have to consider the socioeconomic impact of the suggested solution. This, of course, does cost money.

My amendment simply brings the ERDA budget back up to that amount originally requested by adding $2 million. This can aid the States involved in studying this specific waste heat problem so a solution can be found in minimal time. If the suggested solutions turn out to be feasible, the projected increase in energy efficiency of the gaseous diffusion plants could rise by as much as 50 percent. The savings in terms of equivalent barrels of oil will be similarly spectacular. This was, as I said a moment ago, the original request by ERDA to OMB. Hence, my amendment simply restores the original requested level of funding.

Mr. President, this amount of waste heat is equal to 12 billion watts of electrical power. It is equal to 41 billion Btu's per hour, or, as I said, 62 million barrels of oil per year. In this generation in this gaseous diffusion process we use only about one-third of the total heat generated. Two-thirds of this tremendous amount of heat we now face as a problem dissipating in the oceans, the rivers, or into the air, in fact enough that it actually changes the climate immediately around these plants by heat dissipation, at the very time when we are trying to make the maximum in conservation in this country, when the main thrust of the President's program has been in the area of conservation.

In Germany, for instance, they are using this type heat to irrigate areas near some of the nuclear plants so they can grow crops year round on these plots of ground. In New Hampshire we have had pickets preventing the construction of a nuclear plant because it generates enough heat in the waters surrounding that area that it changes some of the ecology.

So at a time when we have the maximum effort being put forward by the President for conservation, and that is the main thrust of his program, it seems to me literally unconscionable for us to do anything except to make every effort to use all of this heat in the best way we possibly can use it.

Mr. President, I would hope we can restore this extra $2 million. It seems to me as though this is a very minimal amount. Then we can get going with using this energy. We have put all sorts of other efforts into saving energy in other areas, and yet there is probably the biggest single area of energy waste in this country. We are spending millions of dollars on how we dissipate this heat and get it away from practical use.

Just this additional $2 million, bringing it up to the recommended total to look into the use of this energy, is well warranted. I hope the floor manager of the bill will accept this $2 million increase since we now have some budget flexibility as of a few moments ago.

Mr. CHURCH. Mr. President, we are rapidly using up, indeed we have already used up, that budget flexibility. I am wondering if the Senator would consider revising his amendment to ask for an additional $1 million. I grant to him that the gaseous diffusion plants are highly inefficient, and that an enormous amount of heat is being generated that today is being wasted. I also grant to him that there is a vast amount of electricity required to operate those plants. However, there is $2 million in the bill for this feasibility study. There is some question as to how much money is really needed for a feasibility study which does not really require highly complicated technology. It is a question of how to convert that heat and use that heat in rather practical ways, perhaps space heating, perhaps using it for irrigation purposes, as the Senator suggested.

If he will revise his amendment to $1 million, I would be happy to accept it. I am trying to avoid breaking the budget with this bill. I would appreciate the Senator's cooperation.

I am going to have to make a similar request of the Senator from Massachusetts in a few minutes. If both Senators would join in a cooperative spirit, it would be possible to move forward quickly to final passage of this legislation before the hour of 7:30 arrives.

Mr. GLENN. I might ask the floor manager, if we add $1 million, would he entertain an amendment to add the second $1 million onto the nuclear budget when it comes up a few weeks?

Mr. CHURCH. Mr. President. I think we could hear the case. If any more money is felt to be needed, there will be an opportunity for ERDA to present that case at the time we consider the nuclear bill.

Mr. DURKIN. Will the floor manager yield for a few questions? I think I might be able to help solve the problem of the Senator from Ohio and also the Senator from Massachusetts.

I have an amendment which would knock out the $28.3 million that is in the bill for Exxon for their donor solvent coal liquefaction plant. I hardly think that Exxon, the largest corporation in the world, needs a Government handout of $28.3 million. If the chairman can accept my amendment knocking out the giveway program to Exxon, there would be more than enough money from my amendment for the amendment of the Senator from Massachusetts and the Senator from the State of Ohio.

Mr. CHURCH. Mr. President, I believe we will have to consider these amendments one at a time. I know the Senator from New Hampshire was present when the committee discussed the amendment. I thought that matter had been settled in the committee. I would hope the Senator would not press his amendment tonight. However, that is his privilege. Rather than to get into complicated bilateral arrangements, let us take these amendments one at a time.

Mr. GLENN. I would say I appreciate the views of the Senator from New Hampshire and his efforts to help, and I appreciate the statement of the floor manager. I would be willing to go along with the $1 million the floor manager is willing to accept with the proviso that I will be back when the nuclear portion of the budget is considered and we can make our case at that time. Perhaps, as the floor manager indicated, we will have additional information from ERDA as to how they see this money going by that time.

Mr. CHURCH. If there is evidence to warrant any additional money, I con-

cede that the purpose to be served is praiseworthy. I should certainly be disposed to cooperate should further funding prove necessary.

Mr. GLENN. In the meantime, in 2 or 3 weeks, we shall be getting additional information.

I appreciate the consideration of the floor manager. I yield back my time.

Mr. CHURCH. Will the Senator modify his amendment?

Mr. GLENN. Yes.

Mr. President, I ask unanimous consent that the amendment at the desk be modified so that the total amount will be $1 million less than shown there. If the clerk will state that to us, we shall all be sure what the total amount is.

The PRESIDING OFFICER. The Senator has the right to modify his amendment without unanimous consent.

The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

On page 18, line 11, strike the "$77,200,000" and insert in lieu thereof "$78,200,000"

Mr. SASSER. Mr. President, I rise in support of the amendment of the Senator from Ohio.

I believe that this program, which is aimed at capturing and using the waste heat of the gaseous diffusion plants at Portsmouth, Oak Ridge, and Paducah, is very worthwhile.

I support his amendment, which restores $1 million to the ERDA budget for this program.

Mr. CHURCH. Mr. President, I yield back the remainder of my time.

Mr. GLENN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment as modified.

The amendment, as modified, was agreed to.

Mr. GLENN. I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. CHURCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 394

Mr. BROOKE. Mr. President, I call up my amendment No. 394.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. BROOKE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 13, strike "$2,000,000" and insert in place thereof "$10,000,000".

Mr. BROOKE. This had been debated at some length by the ranking minority member and me earlier in the day. It would provide an $8 million increase from the $2 million authorization of the Senate to the $10 million authorization of the House. The Senate had authorized $2 million in 1977, the House had authorized $10 million in 1977, and because we were on a continuing resolution, the authorization died. This is an amendment to move this up from the $2 million, which is presently in the Senate bill, to $10 million.

I was very pleased to hear the chairman say to the distinguished Senator from Ohio that he was reducing the amount by 50 percent.

Is that correct?

Mr. CHURCH. Yes, and I hope that the same formula might be acceptable to the Senator from Massachusetts.

Mr. BROOKE. I would accept the 50-percent reduction which is being agreed to. I ask that that be an additional $4 million, which would mean that the Senate version would go in at $6 million; is that correct?

Mr. CHURCH. I understand that it would go in at $5 million.

Mr. BROOKE. Fifty percent would be four of my eight. It would go in at six.

I hope that the floor managers will agree to the 50 percent.

Mr. CHURCH. May I just confer for a moment with Senator HATFIELD, who, I believe, negotiated this settlement with the Senator from Massachusetts?

Mr. BROOKE. I agree with it. The Senator came in like an auctioneer, raised his hand and had five. Then I understood the Senator from Idaho was agreeing to about 50 percent for both of us. I would just as soon have the larger figure, since we picked up additional money, which I pointed out to the distinguished floor leaders this afternoon.

Mr. CHURCH. The Senator from Oregon tells me that this was the understanding that he had reached with the Senator from Massachusetts. I certainly want to honor that understanding.

Mr. BROOKE. He did. He put up his hand at five. When I came in, I heard the distinguished Senator say 50 percent of it. If the Senator from Oregon would agree with that 50 percent, that would be $4 million in addition, and give us $6 million. I pointed out to the distinguished floor leaders where the additional money came from. I am hopeful that they will consider that.

We are only talking about a million dollars. Will that be agreeable?

Mr. CHURCH. Yes; that being the understanding reached between the Senator from Massachusetts and the Senator from Oregon (Mr. HATFIELD), to whom I am deeply indebted for all his support during the day. I am happy to accept that.

Mr. BROOKE. Oh, I am indebted, too.

Mr. CHURCH. Does the Senator modify his amendment?

Mr. BROOKE. Yes.

Mr. President, I ask unanimous consent that my amendment be modified from $8 million to $4 million.

The PRESIDING OFFICEP. The Senator has the right to modify his amendment without unanimous consent.

Mr. BROOKE. The increase would be from eight to four. The total figure would go from $10 million to $6 million.

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

On page 18, line 13, strike "$2,000,000" and insert in place thereof "$6,000,000".

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. BROOKE. Yes, I yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. All time being yielded back, the question is on agreeing to the amendment as modified.

The amendment, as modified, was agreed to.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open for further amendment.

UP AMENDMENT 418

Mr. DURKIN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read as follows;

The Senator from New Hampshire (Mr. DURKIN) proposes unprinted amendment No. 418.

Mr. DURKIN. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 18, strike "$107,000,000" insert in lieu thereof the following: "$78,700,000, *provided however*, that the funds authorized in this section shall not be used to support the construction of any pilot plants with respect to the donor solvent liquefaction process involving coal."

Mr. DURKIN. Mr. President, the development of clean and efficient coal liquefaction is one of the important alternative sources of petroleum for the future. Exxon is currently planning a 250 ton per day donor solvent coal liquefaction plant adjacent to its Baytown, Tex., refinery. The donor solvent process produces synthetic coal liquids, which can be converted by conventional petroleum refining into products such as LPG, gasoline, turbine fuel, and fuel oil.

Authorized in the fiscal year 1978 budget is $28.3 million for the Government's 50-percent share of the initial phases of this liquefaction plant. Close scrutiny has led me to believe, however, that this expenditure is unnecessary, and indeed wasteful of tax dollars since this project could be completed without Government subsidy.

Exxon is involved in this project with Phillips Petroleum, the Electric Power Research Institute, and possibly private consortiums of foreign and domestic companies. There appears to be more than adequate interest and backing within the private sector for financing this project. Production of liquid petroleum products from coal will be a wise investment for Exxon, given their current extensive marketing and transportation

systems, and their extensive coal holdings.

Exxon's own official policy on commercialization of synthetic fuel is that they would prefer that it be done without Government involvement. Yet Exxon wants Government money for this project because they say the price of oil is not high enough to make synthetic fuel competitive in the marketplace. However, the 600 barrels per day of petroleum product that would be produced by this plant would be refined through the Baytown complex, which is expanding to a capacity of 600,000 barrels per day. If Exxon rolls in the cost of its synthetic fuel with its enormous profits generated from conventional crude refining, the company will still realize a healthy profit.

Therefore, I am proposing this amendment to delete the unnecessary expenditure of $28.3 million for this project, which can be financed privately and redirect this money to a critical program with greater need and benefit, namely demonstration of passive solar heating.

Mr. President, this amendment is very, very simple. The biggest corporation in the world, Exxon Corp., if my amendment is not adopted, will receive $28.3 million in the fiscal year 1973 budget for the initial phases of planning and construction of a coal liquefaction plant adjacent to its Baytown, Tex., refinery. I believe the authorization is unnecessary.

It does seem strange that the same gigantic corporation that is responsible for all those TV ads, saying, "Keep Government out of the energy crisis, the energy crisis has been created by the Government," is now in with a tin cup, now in with its hand out, looking for $28.3 million from the same Federal Government that they do not want interfering with the energy situation.

This is not a process that is taking into consideration the size of Exxon and their desire to have the patents and retain the patents, their desire to sell the product at unregulated prices. They can get a consideration so that in the year 2000, this might well be the only process by which we could have gasoline. Exxon would have the only process for producing gasoline from coal; they would have the patent; and they would have the $28.3 million that Uncle Sam and the taxpayers have been forced to pay by virtue of this authorization.

Private financing for this project is available. Exxon's partners in this venture include Phillips, Electric Power Research Institute, and others. Even Exxon admits that if four backers come in, they will reduce their share. Exxon's own policy on synthetic fuels is that they oppose Government intervention. The project is already underway on a cost-sharing basis. The ERDA money is to finance projects that have merit that otherwise would not be funded or commenced. This project is already underway.

The synthetic crude produced by the plant would be refined at Baytown, which is being expanded to handle 600,000 barrels a day.

Exxon has extensive coal holdings which justify Exxon's continued and expanding interest in this area without a Government subsidy. Exxon wants the Government to subsidize 50 percent of the cost of the plant; yet Exxon is now lobbying ERDA to make sure that the patents are retained by Exxon. If Exxon wants to control the patents, then Exxon should control the contributions and not ask the hardpressed taxpayer to finance this proposition.

Exxon says that the uncertainty over the future oil crisis justifies the Government involvement in its project. Let us face it: Even the President's projections clearly indicate that the price of oil and the price of oil products is going to continue to go up.

I know that the distinguished floor manager and others are concerned that the ERDA authorization excedes the budget.

But this is the way to pay for some of the increases on the floor today, and this is the way to eliminate what can be classified as nothing more than the Exxon Relief Act of 1977.

I think everyone, every cab driver in America, every Ph. D. in America, every Phi Beta Kappa in America, fully appreciates that Exxon does not need a Government handout.

Mr. President, I reserve the remainder of my time.

Mr. CHURCH. Mr. President, I had not regarded this bill as an Exxon relief act. I have done my share in investigating the big oil companies, including Exxon, and I do not think I am generally regarded as a patron of the international oil companies.

But I think the Senator overstresses his case when he labels the act in that manner and when he singles out Exxon for special treatment, for the truth is that we passed over this bridge a long time ago.

One might have argued at the time ERDA was first established whether it was necessary for the Government to put up public money to develop new technologies and to enter into arrangements with large companies for the purpose of constructing pilot plants and demonstration plants, but we did decide to do so.

Exxon is not the only company here with which ERDA will contract for these purposes. There are many other oil companies.

One could argue with equal force, why should we help General Motors and Ford develop a more efficient gasoline engine and use public funds for that purpose? But we are doing it out of the feeling that the energy crisis is sufficiently serious that the Federal Government should make funds available to accelerate the development of new technologies.

In this case, it happens that the technology is a very promising one, donor solvent coal liquefaction technology.

We all know we have to develop technology to convert coal to oil if we are ever to put the use of coal in this country to applications that will enable us to reduce our importation of foreign oil.

The arrangements here are similar to other arrangements into which ERDA enters with other big companies. It is a 50/50 proposition. Half the money for the pilot plant will be put up by Exxon and half by the Government. As far as the patent rights are concerned, they are handled under this agreement in ways that conform with the basic law.

Therefore, Exxon has not been singled out for any special treatment. I would think it would be unfair to proceed in this manner with other large companies of every kind, but not to do so with Exxon.

For that reason, the committee approved this provision of the bill and I hope the Senate will support the committee in its action.

Mr. DURKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes.

Mr. DURKIN. I thank the Chair.

Mr. President, if I understand the reasoning behind ERDA, it is to provide public money for worthwhile projects, worthwhile technologies, that would otherwise not be funded, and otherwise could not receive funding from the private sector.

But here we have a situation where the project is already underway. Exxon has several large partners—Phillips Oil, for one—in this venture. It is a process that is going on. Exxon has not indicated they would not go forward with the project if they did not receive the ERDA funds. In fact, as I say, the project will go on. But the problem here is that Exxon is going on with the project.

We do have a tight budget. We are taking from solar and other areas of promise to give to Exxon, and then Exxon wants to keep the patents and Exxon wants to be able to sell the product at an unregulated price.

We are not singling out Exxon and we are not indicating that the whole act is an Exxon relief act. But I think this section is an unjustified giveaway to the biggest corporation in the world.

I cannot be too concerned with the allegation that we are being unfair to Exxon. In fact, if on my tombstone it reads:

Here lies a man that was unfair to Exxon.

I would think, for the most part, my life had been a worthwhile expenditure of time.

As I say, it is the biggest corporation in the world. We are here looking for a handout from the Government that is unjustified, uncalled for, because Exxon is getting this money. This money is not going to be available for alternative energy sources, for solar and some other very worthwhile projects.

So if it is the will of the Senate to provide a CARE package, a $28.3 million CARE package for Exxon, so be it.

There may be other problems in this authorization, but at least, as of today, I did not notice any of sufficient clarity to proceed to knock them out.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. DURKIN. I yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New Hampshire. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PELL), the Senator from Illinois (Mr. STEVENSON), the Senator from Michigan (Mr. RIEGLE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Colorado (Mr. HART) are absent on official business.

Mr. STEVENS. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from New Mexico (Mr. SCHMITT), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 5, nays 75, as follows:

[Rollcall Vote No. 194 Leg.]

YEAS—5

Abourezk	Durkin	Zorinsky
Biden	Melcher	

NAYS—75

Allen	Glenn	Morgan
Baker	Goldwater	Moynihan
Bayh	Hansen	Muskie
Bentsen	Hatch	Nelson
Brooke	Hatfield	Nunn
Bumpers	Hathaway	Packwood
Burdick	Heinz	Pearson
Byrd, Harry F., Jr.	Helms	Percy
Byrd, Robert C.	Hollings	Proxmire
Cannon	Huddleston	Randolph
Case	Humphrey	Ribicoff
Chafee	Inouye	Roth
Chiles	Jackson	Sarbanes
Church	Javits	Sasser
Clark	Johnston	Schweiker
Cranston	Kennedy	Scott
Culver	Lavalt	Sparkman
Curtis	Leahy	Stafford
Danforth	Long	Stevens
DeConcini	Lugar	Stone
Dole	Magnuson	Talmadge
Domenici	Mathias	Thurmond
Eagleton	Matsunaga	Weicker
Eastland	McClure	Williams
Ford	McGovern	
	Metzenbaum	

NOT VOTING—20

Anderson	Haskell	Schmitt
Bartlett	Hayakawa	Stennis
Bellmon	McClellan	Stevenson
Garn	McIntyre	Tower
Gravel	Metcalf	Wallop
Griffin	Pell	Young
Hart	Riegle	

So Mr. DURKIN's amendment was rejected.

UP AMENDMENT NO. 419

Mr. CHURCH. Mr. President, I send a technical amendment to the desk and ask that it be read.

The PRESIDING OFFICER (Mr. MATSUNAGA). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. CHURCH) proposes unprinted amendment No. 419.

Mr. CHURCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, between lines 15 and 16, insert the following:

"SEC. 203. The Administrator of the Energy Research and Development Administration, or its successor agency, is hereby authorized, to the extent and in such amounts as are provided in appropriation acts, to enter into a cooperative arrangement with an interstate pipeline organization for participation in the construction and operation of a high Btu pipeline gas demonstration plant, utilizing the HYGAS steam-oxygen process and Illinois Basin type coal."

Mr. CHURCH. Mr. President, we earlier passed an unprinted amendment No. 406. The purpose of this technical amendment is to clarify the nature of the funding contemplated in the original amendment. This is an amendment technical in nature. It has the support of the original sponsor, the distinguished Senator from Kentucky (Mr. FORD), and there is no objection to it. It simply clarifies the intent of what the Senate has previously done, and I hope it may be adopted at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. CHURCH. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 1340.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURKIN. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I would be glad to yield.

Mr. DURKIN. I have another amendment with respect to the encouragement by ERDA of passive solar systems.

The chairman of the subcommittee and the floor manager has indicated that he is concerned that the budgetary ceiling——

The PRESIDING OFFICER. The Senate will be in order. The Senate will please come to order. Senators will cease conversations and will please take their seats.

The Senator from New Hampshire.

Mr. DURKIN. I thank the Presiding Officer.

Very briefly, passive solar systems are those that require no moving parts. There is nothing to be engineered. They are an important source of energy, important for the utilization of solar energy.

Inasmuch as the budget ceiling that the chairman has set forth has been very closely approached, if not, in fact, breached, I would not call up the amendment with the assurance from the Senator from Idaho and with the understanding that it is the sense of the committee that ERDA give more emphasis to passive solar systems, and that ERDA find from otherwise appropriated funds some money to find a demonstration project somewhere in this country with respect to the several passive solar systems that offer so much promise.

Mr. CHURCH. I would say to the Senator that passive solar systems are certainly an important aspect of solar energy potential and ought not to be overlooked by ERDA in connection with its general research in this field.

Mr. DURKIN. Mr. President, the solar heating and cooling program may prove to be one of the most successful programs ERDA has ever administered. This critical program has great potential for businesses and homeowners across the country—especially in oil-hungry New Hampshire and the Northeast.

In the years ahead solar energy will be one of the few energy sources not subject to inflationary fuel price increases.

Unfortunately, ERDA has not stressed an important aspect of solar energy, namely so-called passive energy systems. My concern is that ERDA give more emphasis to passive systems. Passive systems are solar energy collectors without moving components, requiring no electrical or generated power to operate since they operate solely on solar energy and/or gravity. Passive systems include devices similar to aluminum siding on existing structures that concentrate and retain heat, or water bags beneath southern exposure windows which provide night-time heat. Designs such as these are readily available for both old and new buildings. A recent cover story in December 1976, Popular Science demonstrates the importance of passive solar heating with graphic illustrations. I ask unanimous consent that this article be included in the RECORD, at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. DURKIN. As this article illustrates, passive systems require less initial cost for installation, making them more cost effective and a good solution to the workingman's family fuel bills. Passive systems can be installed for approximately $4,000 per residential structure, compared with a $9,000 to $13,000 price range for active systems. Because there are no moving parts, passive systems cost little or nothing to maintain and operate. In case of difficulties with outside power generation passive systems will continue to operate, whereas active systems that are reliant on electricity for pumps or fans will fail. Another major advantage of passive systems is that they are a better investment since they generally last the life of the structure. Active systems depreciate and usually after 20 years represent a total loss. Passive systems can recover their initial costs in 7 to 10 years, compared with roughly 12 years needed for recovery of costs for an active system. This is partially because of their greater efficiency, which can supply nearly 90 percent of a structure's heating load whereas 75 percent is the normal maximum for an active system.

Our Government has recognized the advantages of passive rather than active solar systems, but unfortunately this is not reflected in our policy. An ERDA report entitled, "Passive Solar Heating of

Buildings," documents the superior cost effectiveness of this form of solar heating. However, in ERDA's most recent solar demonstration program, 3 out of 80 demonstration grants, representing less than 2 percent of the $12.5 million expended, were devoted to passive systems. Similarly in HUD's programs about 10 out of 169 grants for residential solar demonstrations were for passive systems, and HUD has never organized a program for passive systems. Certainly Congress must rectify this distortion of technical priorities, to facilitate the use of low cost simple passive solar systems for homes and businesses.

To meet the need for demonstration of passive solar systems I am urging that ERDA specifically authorize a demonstration project for residential and commercial passive systems. The fledgling solar industry, which is especially underdeveloped in the demonstration of passive solar techniques, will continue to emphasize active at the cost of passive, unless we take the initiative to redirect this vital program.

EXHIBIT NO. 1

LOW-TECHNOLOGY SOLAR HOMES THAT WORK WITH NATURE

(By Travis Price)

(NOTE.—Photos and sketches not reproducible in RECORD.)

The high-cost, high-technology approach to solar heating is not the way to develop this important energy source. But that's the approach advocated by government agencies such as ERDA, FEA, and HUD, and reflected in many of the costly solar heating products offered by the new solar industry.

The right approach is to do it as simply as possible, letting nature do the work to keep a house comfortable and using simple, existing building materials and techniques. I think that future architecture will, as much as possible, heat and cool itself independently of outside energy sources. If you work with the environment and off-the-shelf hardware, you can build homes that are livable, attractive, affordable, and low in energy consumption.

Recently, we—Herman Barkmann, Peter Goodwin, Keith Haggard, William Lumpkins, Wayne Nichols, David Wright, and I—formed Sun Mountain Design, a Santa Fe-based group of architects, planners, and engineers. We set out to prove that energy-conserving homes could be built using available energy sources and well-known construction techniques. The houses shown on these pages are examples of the type of architecture we developed.

EVERY ASPECT SAVES

The key to our design philosophy was the belief that every aspect of building a house could save or produce energy. Our principal considerations in designing the houses:

A location that would provide natural heating and cooling.

Use of indigenous materials in its construction.

Direct (or passive) solar heating, achieved by constructing the hourse to be it own collector and storage system.

Indirect solar heating using simple home-built or off-the-shelf components with the structure of the house.

Sunscoop typifies many of our design concepts. Nestled into the south slope of a hill, earth is bermed against its north wall to help shield it against winter winds. A south-facing wall of glass is provided with an overhang to shield it from high summer sun angles. Materials used in its construction are indigenous to the Southwest: vigas (rough-hewn logs) for structural support, and adobe. Both are low-energy-consuming materials (simple to make locally, with little transportation cost) and blend with the environment.

Adobe, with its great heat-retention qualities, acts as the heat-storage sink. On the other hand, it's a poor insulator. We made these characteristics work for us by insulating the adobe on the outside with two inches of rigid plastic foam. During the day, the adobe absorbs heat via the south-facing glass; at night it radiates heat back into the living space.

Temperatures in Sunscoop vary by 15° to 20° on a typical winter day, from about 60° to about 80°. But remember that this is radiant heat—and besides, the temperature changes are slow and gradual, so the house is quite comfortable. The abrupt temperature changes you can get with convective heating are absent.

The banco—adobe bench—at the foot of the glass wall, with its imbedded water-filled drums, can reach 100° by early evening. It's a pleasant spot to lie down and relax.

ACTIVE/PASSIVE

Some of the homes Sun Mountain designed combine an indirect or active space heating system with the passive design because room locations did not allow for direct solar gain. Stored heat from collection was then essential.

For these active/passive houses we determined that air-to-rock storage was the best approach to space heating, for these reasons:

It's simple.

It can most easily be integrated into the house's structure.

It's lowest in cost.

It's easiest to maintain.

A good example is Danny and Renee Martinez' house. The collector is the roof itself: Sheet metal, painted black, is nailed to the rafters, which are glazed on top. Metal lath, placed between these two layers, breaks up the air flow and provides more metal-to-air heat transfer. The heated air is ducted to rock storage. The result is a low-cost, extremely reliable space-heating system that is very easy for the homeowner to understand and maintain.

While the houses Sun Mountain designed are located in and around Santa Fe and Albuquerque, their basic principles could be applied to homes built in any part of the country—with compensation, of course, for special climatic conditions and indigenous materials. If adobe is used in the Southwest, for example, then stone could be used in New England. Or brick, in other places. Earth-berming or building partly underground to provide added insulation, on the other hand, is widely applicable.

The approaches to building design I've described produce simpler, cheaper, and longer-lasting homes than conventional approaches. The solar heating systems are reliable and require very little research.

We found the houses we designed to be extremely successful. But in 1974, when we asked the National Science Foundation for a small grant ($10,000 to $15,000) to monitor three of the houses—the same year they gave half-million-dollar grants to TRW, Westinghouse, and GE to study whether or not a solar industry was feasible—we were turned down. We did check fuel bills, however, and found that they were so low that the building design and simple do-it-yourself collectors were providing 80 to 90 percent of the heating requirements.

VALID RESEARCH

Basic research is needed in photovoltaics—using solar cells to generate electricity [PS, Dec. '74, May '76]—and in using sun power to generate high temperatures for industrial processes (steel production, for example) or air conditioning [PS, Sept. '75, Aug. '76]. Concentrating collectors [PS, Oct. '76] are another promising area for research.

The need for high-technology, specialized research in such areas is one thing; the need for passive conservation of energy and production of on-site, low-temperature heat is another. It's a question of the shape of the geometry and the kind of materials used: This is an architectural/engineering problem rather than one of basic research.

I think the NSF didn't want to validate such knowledge—that you don't need sophisticated, expensive, high-technology equipment to conserve energy.

It would mean that subsidies and grants—our tax dollars—could go directly to taxpayers and homebuilders instead of large corporate researchers. People should understand that as far as heating their homes with solar energy is concerned, their tax dollars could be helping them a lot more directly than at present.

ADDITIONAL STATEMENTS SUBMITTED

Mr. KENNEDY. Mr. Chairman, I wish to commend the distinguished Senator from Idaho and his committee for the work they have done on the ERDA budget. We are today paying the price of our failure in years past to look ahead. Had we begun even a few years earlier to emphasize research in conservation and renewable resources we might not today be rushing to make up for lost time with crash programs which are inevitably wasteful and expensive. It is to the great credit of the Senator from Idaho that he recognized the nature of the impending crisis and, immediately upon assuming the chairmanship of the Subcommittee on Energy Research and Development, emphasized a broad research program which substantially increased, for example, research in solar energy.

As chairman of the Energy Subcommittee of the Joint Economic Committee I have held hearings on the national energy plan and it is from that experience that I wish to raise several questions about the ERDA budget.

First, it seems clear that administration has been highly optimistic in its forecasts regarding our ability to convert utilities and industrial plants from oil and gas to coal by 1985. Testimony before our committee and studies by our staff and by the Congressional Budget Office indicate the shortfall could be as much as a third of the intended growth in coal usage. Moreover, there is at least some question as to whether we should be converting to conventional coal-fired boilers so rapidly when, with longer leadtimes, we have a chance to introduce technologies which are cleaner and more efficient. It seems clear that scrubbers used with coal boilers are at best an interim technology, necessary perhaps, but expensive.

If available today a number of technologies would replace conventional combustion systems and scrubbers. One of these is fluidized bed coal combustion which eliminates 95 percent of sulfur dioxide emissions and results in substantially improved efficiency. ERDA has invested in this technology for years and its use is well advanced in Europe but my question is whether we are moving with sufficient speed toward commercial utilization. Industrial leaders with whom I have discussed the subject say the technology is sound but that it awaits a demonstration of the operation of several large, utility-size plants before moving

into commercial application. This technology deserves our full support. The irony is that President Carter has called for increased support but provided none. On page 68 of the national energy plan we read that "* * * Research into fluidized-bed combustion systems for the direct burning of coal in an environmentally superior manner is being expanded" yet the budget was not expanded. It was left to the Energy and Natural Resources Committee to add $8 million to provide funding for component parts testing for a demonstration plant in Rivesville, W. Va.

The real test will come with a decision whether or not to go forward with a utility-scale demonstration plant in 1979. It seems to me that if this is the "moral equivalent of war" we cannot afford to go slow with the technology which is closest to being of real benefit.

My second point is this: I anticipate a shortfall in meeting the President's target of reducing oil imports from a potential level of 16 million barrels per day to 6 million. This will occur either because of the problems inherent in coal conversion—such as problems of transportation, manpower or environmental standards—or because of exemptions granted to certain types of energy users. We will therefore have to make up the difference somewhere. It would seem to me appropriate to look for greater conservation in the utility, industrial and commercial sectors to make up the difference. Since I believe such a shortfall to be inevitable we should get on with the task of greater conservation by improving industrial processes and hardware.

Frankly, the budget for this purpose, even with increases from the previous year, does not look like a large amount. We all know by now that conservation is more cost-effective than new production and we know the real dangers that lie in hoping for new production; one-third of the oil we intend to use from the United States sources in 1985 has not even been discovered yet. So while I will not offer an amendment at this late hour, I do believe ERDA should increase its work in this area which has great promise for achieving substantial energy savings.

The committee's increased funding for a cogeneration demonstration program likewise deserves our support. The institutional obstacles to cogeneration are formidable and only a vigorous Federal program will help overcome years of movement toward exclusive reliance on centralized utility systems for the generation of electricity.

Third, I would like to commend the Senator for his approval of a 40 percent increase in the budget for wind power—increasing funding from $20 to $28 million. I am particularly pleased that both the committee and the President want to emphasize small wind units which hold the promise of providing individual families and small communities energy independence. I am particularly pleased to learn that the Bureau of Reclamation is considering adding wind units to supplement hydropower in Western States reclamation projects.

Finally, I would urge that your committee and ERDA give increased attention to institutional as well as technical barriers in our energy system. Cogeneration is an obvious example. The need for national standards of efficiency of machines, the need for greater uniformity among States in utility and transportation regulation, and the need for research on how to build energy grid systems are three other examples of the problem. Because we are a federal system we build electricity distribution systems which stop at State or city boundaries. We offer our utilities exclusive territories but do not require them to maximize energy neighboring utilities.

What I am suggesting, Mr. Chairman, is that energy research is only half completed when the hardware is designed or the technology perfected. Acceptance depends upon how our institutions respond and here ERDA must demonstrate more imagination and initiative.

Mr. MUSKIE. Mr. President, at this time I would like to comment on S. 1340, the authorization bill for the nonnuclear programs of the Energy Research and Development Administration, in regard to the first budget resolution for fiscal year 1978.

S. 1340 authorizes $2.5 billion in budget authority for fiscal year 1978, with estimated outlays of $1.2 billion in that year.

As I have stated before, the Budget Committee is not a line-item committee. In our deliberations on the first budget resolution we did not try and specify a detailed mix of energy research technologies, nor did we address the question of nuclear versus nonnuclear technologies, or the question of how much to spend on solar energy programs as against fossil fuel programs.

What the Budget Committee did do was to recommend a target amount for function 300: natural resources, environment, and energy in which ERDA energy research programs are classified. The budget resolution contains targets of $20.7 billion in budget authority and $2 billion in outlays in this function. While these amounts are sufficient to fund major energy programs at levels well above last year, the committee recognized that congressional review of the President's energy proposals may require these targets to be adjusted in the second budget resolution.

Recognizing that many uncertainties exist, I believe that the authorizations in S. 1340 are consistent with the targets of the first budget resolution and with an effective congressional energy program.

I therefore support S. 1340. I believe the bill is necessary to continue and expand this Nation's quest for new and improved energy technologies.

Mr. HATFIELD. Mr. President, as I mentioned, I believe that the committee report on the new low head hydroelectric demonstration program approved by the committee is in error. It is far more detailed than actually approved by the committee. For example, the report reads, on page 38, that "the new demonstrations will consist of the ongoing Idaho Falls, Idaho, demonstration project, plus at least five new projects in at least one State." Now, the committee specifically discussed the Idaho Falls program but did not prescribe a specific number of other projects in a different State.

The report goes on to state, "The new demonstrations will consist of at least five projects ranging up to 3 megawatts which should include:

First. An industrial application which will displace oil or other critically scarce fuels; and

Second. A municipal power development utilizing low-head hydroelectric energy with the option of providing baseload power demands of residential users, streets, and public buildings."

These requirements were never discussed by the subcommittee or the full committee. I believe that they could be unduly restrictive in developing an effective program. The Senator from Idaho (Mr. CHURCH) stated during the markup that "we should just put the money in for financing appropriate suitable demonstration projects" and I agree with that statement. The problem is that the report language goes farther than what I believe was intended by the committee.

Of greater concern to me is the fact that this language was specifically rejected by minority staff during the drafting of the report and majority staff agreed upon new language which made it clear that the numbers in the report, if they have to be included at all, were examples or suggestions only.

The minority staff and minority members of the Committee on Energy and Natural Resources were not advised of the changes until after the report was filed.

We have enjoyed an excellent working relationship among the majority and the minority in developing the ERDA authorization bills in the past and it is my hope that this cooperative spirit can continue. I am concerned, however, when committee reports are altered without the minority having an opportunity to comment.

Mr. CHURCH. I thank the distinguished Senator from Oregon. I want to assure the Senator that staff has been advised to clarify procedures on the filing of reports. A joint memo of understanding has been prepared and will be submitted for the committee's approval at an early business meeting.

In the very heavy business schedule the committee has, it is difficult to get the work of the committee out without some latitude for the staff to get paperwork done. We must be sure, however, that the directions of the committee are carried out and that the Members on both sides of the aisle are protected.

Finally, I share the Senator's view that the language in the report provides guidelines and suggestions rather than strict requirements.

Mr. NELSON. Mr. President, I would like to ask the distinguished chairman of the Energy Research and Development Subcommittee, the Senator from Idaho, (Mr. CHURCH) several questions regarding the superconducting energy storage program.

First, it is my understanding that the committee has increased funding for this

program by $1.5 million to a total level of $3.4 million. Is this correct?

Mr. CHURCH. The Senator is correct.

Mr. NELSON. Second, it is my understanding that this additional authorization is designed to enable a small scale demonstration program to be constructed at Los Alamos. Is that correct?

Mr. CHURCH. The Senator from Wisconsin is correct.

Mr. NELSON. Finally, am I correct in assuming that it is the intent of the committee that the remaining $1.9 million be used to continue programs in magnetic energy storage research and component technology?

Mr. CHURCH. The Senator is correct.

Mr. NELSON. I thank the distinguished Senator from Idaho. I ask unanimous consent that a June 10, 1977 letter from George Pezdirtz, Director, Division of Energy Storage Programs of the Energy Research and Development Administration, on this subject be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION,
Washington, D.C., June 10, 1977.

Hon. GAYLORD NELSON,
U.S. Senate.

DEAR SENATOR NELSON: I am writing in response to a telephone conversation with Ms. Judy Affeldt of your staff regarding Superconducting Magnetic Energy Storage (SMES) R&D.

Superconducting Magnetic Energy Storage is one of several storage technologies which we are sponsoring. It has a high potential for very efficient storage of electric energy. It is, however, the highest risk project that we are undertaking. SMES was originally sponsored by the National Science Foundation, and later transferred to the Energy Research and Development Administration (ERDA). I personally believe we should continue work in this area, even though several of our analytic studies show that the payout is likely to occur after the year 2000.

Currently, we are employing two of the best superconducting magnetic laboratories in the country to conduct this work. One is at the University of Wisconsin and one is at the Los Alamos National Laboratory. During the past 18 months, we have been successful in bringing these two efforts into close coordination and focus with each other. We believe we now have a balanced program in all aspects—theoretical, experimental, and engineering. The funding level for this year is $500,000 in budget authority for the University of Wisconsin and $900,000 in budget authority for the Los Alamos National Laboratory. We anticipate a comparable balance in the program in the future and are striving to extend the work to a small-scale demonstration device at the earliest possible date. Senator Domenici's amendment to the authorization is certainly a necessary part of moving this program forward in a timely fashion.

We appreciate your support and encouragement and would be happy to brief you or your staff on future technical details of the program, if your schedule permits.

Sincerely,

GEORGE F. PEZDIRTZ,
Director, Division of Energy Storage Systems.

Mr. HATCH. Mr. President, one of the real problems in meeting the energy crisis is the decision of how to invest limited funds wisely in carrying out the needed research and development programs. It has been the history of technological breakthroughs that they often occur in the areas in which a dramatic advance is the least anticipated. Because our knowledge of advanced technologies is often limited, a broadly based research effort dealing with fundamental problems can often produce the most useful results. I think we need to keep this in mind as we formulate and fund programs for energy research and development. There is a real concern in my State of Utah among the energy experts at our universities that too much emphasis is placed on applications of technology and that not enough funding is provided for basic research. With this trend in mind, I ask unanimous consent to place in the RECORD some brief remarks made by Dr. Leo P. Vernon of the Brigham Young University in a presentation to the Utah congressional delegation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A NEED FOR A BALANCED RESEARCH PROGRAM FOR ENERGY DEVELOPMENT

No one questions that the country has a drastic need to identify and utilize new energy sources in order to provide long-term security for the country. It would be foolish to believe that with our present state of knowledge the extent of funding of technological developments alone would be sufficient to allow us to retain our long-term goals in terms of energy development. What is needed is the well rounded program, including a foundation of basic research, upon which applied research and technological development can proceed in logical sequence in the years to come. This is the only way we can maintain our scientific position in the world as well as provide for our own means.

One or two examples should suffice to indicate the need for an on-going basic research component within the ERDA organization. It is generally agreed that nuclear fusion will become the energy resource of the world. The development of a practical and economical process to use this energy should have high priority. It would be a mistake to think that we presently have the broad base of fundamental knowledge which is required to proceed with the technological development of an economical fusion process. A large share of the funding in the fusion area is going to support the Tokamak development in three locations within the country. With this large infusion of money, it is possible to refine the present technology relating to this basic procedure and it may well be that the first demonstration of a controlled thermonuclear reaction may be achieved in one of these low-beta machines. This will demonstrate the scientific feasibility of fusion but in all probability, the Tokamak cannot be perfected and refined to a state where the fusion process will become commercially useful. This is because of the low-beta characteristics of this machine. This means that along with the refinements of technology leading to larger and larger Tokamak machines, we should be supporting basic research which can lead to different and perhaps more economical ways of accomplishing thermonuclear fusion. We cannot say now what these might be, but it would be foolish to place all of our emphasis upon the refinement of only one approach to this important process.

Another example is in the area of utilization of solar energy. The present technology for direct conversion of solar energy into electrical energy involves the use of solar cells which have a theoretical efficiency limitation of approximately twenty percent. An alternate way of converting solar energy into electrical energy involves the collection of solar energy and heat which is then used to drive a turbine to produce electricity. This is also an inefficient process. Basic research should be continued, looking for other ways of converting solar energy into electrical energy which would free us from the inherent low-efficiency of the present day technology. Refinement can undoubtedly be made, but what we need are some radical breakthroughs based upon new fundamental discoveries.

This same need applies to all areas of research today and one can cite similar examples in the biological sciences as well as the behavioral and educational areas. All of the money spent on educational innovations in the past decade has not had a profound effect on educational accomplishments because the funding was spent manipulating secondary and tertiary parameters without really getting down to fundamental elements controlling the educational process.

It is very easy to expend vast sums of money in the developing of technology in important areas. In some cases, such as the Manhattan Project, it paid off immediately because all of the basic and fundamental knowledge required was already known before the technology development began. This is not the case in many of the important problems facing us today. What we need is a well-rounded and balanced approach to these important problems, facilitating the technological development when this appears feasible, but never abandoning the basic and fundamental work which will always be required for the production of scientific breakthroughs which are so necessary for the major advances which are made in our society in the future.

Mr. RANDOLPH. Mr. President, I commend our colleagues on the Energy and Natural Resources Committee and the Subcommittee on Energy Research and Development for inclusion of funding for ERDA's "gasifiers in industry" program in the 1978 ERDA Authorization Act.

I also note that the Committee on Science and Technology in the House also included a similar provision in their authorization bill for ERDA which was reported from committee on June 8, 1977.

Funding for the program is provided by a reprograming of $40 million from the Coalcon project. This money became available as a result of unanticipated technical problems with the hydrocarbonizer, a key component of the clean boiler fuel demonstration plant. ERDA informed both Senate and House committees that it would not proceed with the design and construction of the Coalcon project and recommended the reprograming of funds to the small industrial gasifiers effort. Reauthorization of these funds will accelerate the use of low Btu gasifiers in industrial settings.

Use of small gasifiers represents a significant opportunity to convert from the use of oil and natural gas. The program involves the direct use of low-Btu gas in one or more industrial processes, or as fuel for steam boilers, unit heaters, and industrial drvers. The objective is to demonstrate the integration of a gasification system, with an industrial end-use for the gas produced. Coal is prepared for gasification and converted to a fuel gas in a gasifier located at the industrial plant. The gas is then purified and used in the industrial plant, since

the grade of Btu gas produced cannot be economically transported over long distances. The program objective is to get gasifiers operating and producing gas during the next 3 years.

Small-sized individual gasifiers are currently available and will be the first application of synthetic fuel conversion from coal in industry. The Government involvement in this area is of short duration and focuses on the use of these gasifiers for caking coals and evaluating environmental safety. Cost of these projects will be shared by industry.

Mr. President, I feel that ERDA involvement in this program may help grassroots acceptance of this technology. It will provide small industries in States such as West Virginia the opportunity to participate in development of a national energy policy by attempting to achieve the following objectives.

Demonstrate low Btu gasification technology by integrating and evaluating coal gasification systems in some varied operating environments,

Accumulate and analyze technical data on component and system operating parameters which will assist in the design and development of coal gasification systems, and

Decrease the consumption of natural gas and coal oil in the near term through application of state-of-the arts systems until advanced second generation coal gasification systems are available.

I ask unanimous consent that the Energy Research and Development Administration's program outline for the small industrial gasifiers—SIG—be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SMALL INDUSTRIAL GASIFIER—SIG—PROGRAM OUTLINE, APRIL 4, 1977

I. SUMMARY

The principal objective of the proposed Small Industrial Gasifiers Program is to demonstrate to small industrial and commercial users of natural gas, the commercial viability of utilizing currently available "state-of-the-art" coal gasifiers. It will accomplish this in the immediate future by providing financial incentives to induce industry to build a limited number of coal gasifier systems sized to supply individual plants. In doing so, the program will encourage the greatest possible diversity in terms of types of coal utilized, available gasifier designs, as well as in location and industrial applications.

II. OBJECTIVES

The objectives of the Small Industrial Gasifier Program are:

To identify and quantify the constraints that now inhibit private sector construction of small industrial gasifiers without Federal financial support. These constraints are further identified in Section IV, Current Problems.

To provide through demonstration of small industrial gasifiers, a federally supported opportunity for industrial "self-help", and to do so in a short time period.

To offer rapid assistance to a limited group of small plants and factories that have been hardest hit by natural gas shortages.

To stimulate the small industrial gasifier industry by providing a "catalyst" for future gasifier purchases.

To establish the environmental acceptability of small gasifiers using a wide range of coals and pollution control systems.

To preserve jobs and to reduce second order impacts of natural gas shortages, such as unemployment and price increases related to energy interruptions.

To demonstrate use of coal types that otherwise might not be useful for many years.

To reduce gasifier construction lead times and acquisition costs.

To achieve the long-term results stated in Section III.

III. EXPECTED RESULTS

The long-term results which are expected to be achieved by the program include establishing or initiating the following:

Evolution of the small industrial gasifier to the point where:

There is user confidence that the gasifiers will operate cleanly, effectively, and reliably.

It is an accepted commercial product.

It can be reliably produced.

Standardized performance specifications are established.

A reduction in demand on interstate pipelines, and a freeing of natural gas for high priority users.

An industrial base for volume production, and more competitive pricing of small coal gasification systems.

A & E (architects and engineers) cost reduction for future systems to be accomplished as a result of small coal gasification system selection and installation design becoming more routine and of knowledge about them becoming diffused throughout the A & E community.

Total system marketing—that is, "turnkey" sales of small industrial gasifiers and associated feed, gas clean-up and other auxiliary equipment.

Broadened public acceptance of small industrial gasifiers as a clean energy alternative to natural gas.

Potential for widespread introduction of small industrial gasifiers.

Increased economic stability and job security in gas dependent industries.

Independence from the potential long-term cost impact of natural gas deregulation for gas-dependent industries.

IV. CURRENT PROBLEMS

The current problem is to overcome the principal barriers now preventing commercial application of low Btu gasifiers. These include:

Potential users appear unwilling to commit substantial funds without prior resolution of the economic and other uncertainties presently attending installation and reliance on these systems.

Most potential users of small industrial gasifiers are not knowledgeable in the technology and economics of gasifiers even though many of these firms are high volume and sophisticated energy users.

Regulation of the price and supply of natural gas has inhibited development of a market for small industrial coal gasifier systems.

Uncertainty about Federal policies regarding natural gas deregulation has generally discouraged private investment in alternate energy systems.

The price of gas from currently available small gasifier systems is perceived by potential users to be high.

Uncertainties exist regarding environment requirements for gasifiers' installation, operation and support.

Coal availability, long-term pricing and supply are uncertain.

V. DESCRIPTION OF THE PROPOSED PROGRAM

Minimal Government administrative and supervisory involvement in program details which will reduce commercial market distortion.

Grantee selection criteria will ensure a wide diversity of coal types, technology, geographic location and industrial uses.

ERDA analyses indicate target processes and industries include:

Metals—heat treating, carburizing, annealing.

Grain drying.

Meat packing.

Brick and clay tile manufacture.

Flat glass and container manufacture.

Other ERDA analysis indicate a potential for 4,000 or perhaps more gasifier installations in near-term retrofit applications.

Supporting parallel efforts of market segment penetration analysis, cost reduction studies may be undertaken.

Program data capture and analysis will provide the basis for program management, evaluation, and control.

A programmatic EIS will be prepared. The need for site specific assessments is still being analyzed. Environmental problems are not expected to constrain the program.

An analysis of the potential for significant impact on water resources pursuant to Section 13(b) of P.L. 93-577 has been initiated. Significant impact on water resources is not expected, and should not constrain the program.

An analysis of the potential for significant impact on water resources pursuant to Section 13(b) of P.L. 93-577 has been initiated. Significant impact on water resources is not expected, and should not constrain the program.

ACCELERATED PHOTOVOLTAIC PROGRAM NEEDED AT ERDA

Mr. HUMPHREY. Mr. President, Senator DOMENICI and I had intended to offer an amendment to the fiscal year 1978 ERDA authorization for the accelerated procurement of solar photovoltaic systems. Budget constraints force us to withhold it, however, until fiscal year 1979. It is our hope that ERDA will initiate its own accelerate photovoltaic procurement program later this year and avoid the necessity for us to introduce this amendment next year.

In my opinion, there is no more appropriate step ERDA can take today in promoting the widespread utilization of solar energy than to accelerate its procurement of photovoltaics.

Such a program was examined during several days of hearings in early April by the House Public Works and Transportation Subcommittee on Public Buildings and Grounds. No action was taken then in order not to preempt the administration's Federal solar program which appeared shortly thereafter.

PHOTOVOLTAIC PROCUREMENT PROGRAM FILLS A GAP IN THE ADMINISTRATION'S FEDERAL SOLAR ENERGY PROGRAM

The administration's solar program for Federal structures is presented in sections 741-746 of the proposed National Energy Act. It calls for a $100 million, 3-year program, focusing only on the use of solar energy for heating and cooling, plus water heating.

It is incomplete. It does not address the application of solar energy to electricity production at all—an area which receives fully 60 percent of the solar R. & D. funds at ERDA.

There is no doubt that the administration will come forward soon to complete this portion of the Federal building solar program.

The administration's delay in developing the solar electric component of its Federal program to use solar energy is understandable. This is a complex area. And, they have had much to do in the past 4½ months. That is why the admin-

istration has taken no official position on this program.

However, let me tell you that John O'Leary of the FEA on May 4 did indicate publicly that the Administration supports the general concept of accelerated photo voltaic pronouncements.

Fortunately, the Federal Energy Administration has had under evaluation a solar-electric program for over 1 year. The program focused on the use of solar cells to reduce Government energy costs. And that program was embodied in Senator DOMENICI's amendment. In fact, the Senator's program has been analyzed in far more depth and detail than we usually find on programs we have been approving year after year.

SOLAR CELL PROGRAM

The program is a straightforward one. It is designed to reduce Government energy costs by substituting solar cell electric systems for more expensive small generators used in remote locations by the DOD, Park Service, FAA beacons, DOT highway call boxes, and the Coast Guard buoys.

The program calls for 153 megawatts of solar cells to be installed at these remote sites over the next 6 years.

These installations would include storage systems and would cost a total of $450 million, $37 million in fiscal year 1978.

The initial cost would be entirely recovered by 1986, says the FEA.

Over the program's life of 20 years, the Government would save a net amount of $1.5 billion. Even including the cost of installation, in other words, the Government would still save $1.5 billion from this program. And, even if you discount these savings for inflation at 10 percent a year, as the economists at FEA did, the savings still total $500 million.

And, by enabling producers to automate solar cell production, it will reduce their costs to a level competitive with electricity from powerplants by 1983—3 years before the present ERDA plan will do so.

There are several major questions about this program I want to address now.

Can the Government use the solar cells acquired under this program?

ERDA would administer this program in concert with DOD and other agencies. The potential applications of these cells is large.

In fact, a recent DOD study revealed that an annual market potential exists just within DOD of 200 megawatts—that is an annual market. Senator DOMENICI's amendment calls for a smaller total procurement over 6 years than the DOD could use in 1 year.

Have hearings been held on this program?

Last year, the Joint Economic Committee conducted a hearing on solar cells and, again, this past April, a House Public Works Committee held 2 days of hearings on this specific program.

The administration supports the general concept.

The industry is convinced that the cost reductions projected by the FEA are accurate.

The DOD is enthusiastic in private, is not in public.

It is up to ERDA, now. And if they fail to act, it is my intention to offer legislation next year to carry out the thrust of this amendment put aside this year.

How does this proposed program fit with ERDA's solar program?

ERDA's solar cell program calls for a total annual domestic private production of 500 megawatts by 1985—that is annual production. The Domenici amendment would have to provide for 152 megawatts in total between now and 1983.

The amendment, in other words, will strongly reinforce ERDA's supply objective—and even insure that it is met.

ERDA's price goal for solar cells is 50 cents per peak watt by 1986. Senator DOMENICI's amendment would have achieved that goal by 1983—3 years earlier.

The goal is the same; it would just be achieved 3 years sooner—and save the Government money as well—with the Senator's proposed amendment.

Senator DOMENICI and I put aside the proposed amendment for photovoltaic procurements to hold the budget. But the evidence is strongly on the side of such a program. And I repeat that if ERDA fails to initiate such a program, we will be back next fiscal year to put that program into law.

The PRESIDING OFFICER. Are there any further amendments? If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The Senate will be in order. Senators will cease conversation and take their seats.

The Senator from Oregon has 14 minutes remaining on the bill.

Who yields time?

Mr. HATFIELD. Mr. President, I am ready to yield back the remainder of my time.

Mr. CHURCH. I yield back my time, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, this is the last rollcall vote today. The Senate will come in early tomorrow and will take up the bill H.R. 5262, an act to provide for increased participation by the United States in the International Bank for Reconstruction and Development. There will be rollcall votes on amendments thereto during the day, and we will be in early.

I assume there will be a rollcall vote on this bill?

Mr. CHURCH. I do not think it has been ordered yet, but I anticipate——

Mr. ROBERT C. BYRD. If everybody is going to vote for it——

The PRESIDING OFFICER. It has not yet been ordered.

Does the Senator from Idaho request the yeas and nays?

Mr. CHURCH. All right.

I wonder if we can have a 10-minute rollcall?

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. This will be the last rollcall vote.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PELL), the Senator from Michigan (Mr. RIEGLE), the Senator from Illinois (Mr. STEVENSON), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Colorado (Mr. HART) are absent on official business.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), the Senator from Minnesota (Mr. ANDERSON), and the Senator from New Hampshire (Mr. MCINTYRE) would each vote "aye."

Mr. STEVENS. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from California (Mr. HAYAKAWA), the Senator from New Mexico (Mr. SCHMITT), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Wyoming (Mr. WALLOP) would each vote "yea."

The result was announced—yeas 79, nays 1, as follows:

[Rollcall Vote No. 195 Leg.]

YEAS—79

Abourezk	Eagleton	Melcher
Allen	Eastland	Metzenbaum
Baker	Ford	Morgan
Bartlett	Glenn	Moynihan
Bayh	Hansen	Muskie
Bentsen	Hatch	Nelson
Biden	Hatfield	Nunn
Brooke	Hathaway	Packwood
Bumpers	Heinz	Pearson
Burdick	Helms	Percy
Byrd, Harry F., Jr.	Hollings	Randolph
	Huddleston	Ribicoff
Byrd, Robert C.	Humphrey	Roth
Cannon	Inouye	Sarbanes
Case	Jackson	Sasser
Chafee	Javits	Schweiker
Chiles	Johnston	Scott
Church	Kennedy	Sparkman
Clark	Laxalt	Stafford
Cranston	Leahy	Stevens
Culver	Long	Stone
Curtis	Lugar	Talmadge
Danforth	Magnuson	Thurmond
DeConcini	Mathias	Weicker
Dole	Matsunaga	Williams
Domenici	McClure	Zorinsky
Durkin	McGovern	

NAYS—1

Proxmire

NOT VOTING—20

Anderson	Haskell	Schmitt
Bellmon	Hayakawa	Stennis
Garn	McClellan	Stevenson
Goldwater	McIntyre	Tower
Gravel	Metcalf	Wallop
Griffin	Pell	Young
Hart	Riegle	

So the bill (S. 1340), as amended, was passed, as follows:

S. 1340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "ERDA Authorization Act of 1978—Civilian Applications".

SEC. 2. In accordance with section 261 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5915), there is hereby authorized to be appropriated to the Energy Research and Development Administration subject to titles I and II of this Act, the following:

TITLE I—FOR NONNUCLEAR ENERGY RESEARCH, DEVELOPMENT, DEMONSTRATION, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 101. For operating expenses, for the following programs, a sum equal to the total of the following amounts:

(1) Conservation research and development;

Electric energy systems and energy storage:

(a) Electric energy systems, $36,700,000.

(b) Energy storage systems, $49,900,000.

End use of conservation and technologies to improve efficiency:

(a) Industrial energy conservation, $40,000,000.

(b) Buildings and community systems, $56,000,000: *Provided,* That $2,000,000 of such sum are hereby authorized for a research and development program in residential gas furnaces.

(c) Transportation energy conservation, $88,000,000, of which $2,000,000 shall be available to the Alternative Fuels Utilization Program for study of automotive utilization of alcohol fuels and blends: *Provided,* That, of those funds authorized, funds as may be necessary are hereby authorized for the Energy Research and Development Administration to conduct studies to determine the fessibility of utilizing existing distillery facilities or other types of refineries including but not limited to sugar refineries, in the implementation of programs to extend the supply of gasoline by means of a mixture of gasoline and alcohol: *Provided further,* That no more than two hundred electric vehicles may be purchased within the provisions of Public Law 94–413 utilizing funds made available in this section.

(d) Improved conversion efficiency, $78,200,000.

(e) Small grants for appropriate technology, $6,000,000.

Energy extension service:

(a) Energy extension service, $8,000,000.

(2) Fossil energy development:

Coal:

(a) Liquefaction, $107,000,000.

(b) High Btu gasification, $51,200,000.

(c) Low Btu gasification, $73,900,000: *Provided,* That the sum of $40,000,000 which represents the portion of the appropriations heretofore made in the total amount of $56,000,000 for project 76–1–a (clean boiler fuel demonstration plant (A–E) and long-lead procurement) which remains unobligated and is no longer needed is hereby authorized to be made available instead, in addition to any amounts appropriated for the purposes involved pursuant to this act for the low Btu gasification program.

(d) Advanced power systems. $25,500,000.

(e) Direct combustion, $65,200,000.

(f) Advanced research and supporting technology, $45,000,000: *Provided,* That of those funds authorized, funds as may be necessary are hereby authorized for the following purpose:

(1) The Administrator shall conduct a feasibility study of the technology and the commercial applications of the process of fine-grinding of coal and dry vegetable residues to four micron-size particles for the purpose of preparing these substances as clean burning fuels.

(2) In carrying out the feasibility study, the Administrator may provide for adequate participation by individuals, corporations and private and public research facilities, colleges and universities.

(3) A report of the findings together with recommendations for advancing the technology, if deemed appropriate by the Administrator, shall be submitted to the Congress as soon as possible but not later than January 1, 1978.

(g) Demonstration plants, $50,900,000.

(h) Magnetohydrodynamics, $80,000,000.

Petroleum and natural gas:

(a) Enhanced oil recovery, $46,100,000.

(b) Enhanced gas recovery, $30,000,000.

(c) Drilling, exploration and offshore technology, $1,600,000.

(d) Processing and utilization, $1,400,000.

Oil shale and in situ technology:

(a) Oil shale, $28,000,000.

(b) In situ coal gasification, $11,000,000: Provided, That, of those funds authorized for fossil energy development, and funds as may be necessary are hereby authorized for the Energy Research and Development Administration to conduct a study to determine the extent of the Nation's coal reserves, the general geographic location of such reserves and the cost of extracting said reserves.

(3) Solar energy development:

(a) Thermal applications, $107,700,000.

(b) Technology support and utilization, $12,000,000.

(c) Solar electric application, $178,900,000: *Provided,* That $7,500,000 of such sum are hereby authorized for design work for small community applications.

(d) Solar Energy Research Institute and Regional Centers. There is hereby authorized from funds made available under subsections (a), (b), and (c) of this section an amount no less than $10,000,000 for the operation of the Solar Energy Research Institute and its associated regional centers.

(e) Fuels from biomass, $19,500,000; and under such rules and regulations as he may establish, the Administrator is authorized to guarantee a loan or loans for the demonstration of a 50 MW wood-fueled power generating facility.

(4) Geothermal energy development:

(a) Engineering research and development, $17,100.000.

(b) Resource exploration and assessment, $17,600.000.

(c) Hydrothermal technology applications, $32,000,000.

(d) Advanced technology applications, $23,500.000.

(e) Utilization experiments, $16,000,000.

(f) Environmental control and institutional studies, $8,100,000.

(g) Low head hydroelectric demonstration, $15,000,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. For plant and capital equipment, including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Conservation Research and Development:

Project 78–1–a, high bay addition, Los Alamos Scientific Laboratory, New Mexico, $800,000.

(2) Fossil Energy Development:

Project 78–2–a, analytical research, chemistry and coal carbonization laboratory, Pittsburgh Energy Research Center, Pennsylvania, $6,600,000.

Project 78–2–b, modifications and additions to Energy Research Centers, various locations, $3,000,000.

Project 78–2–c, low Btu fuel gas small industrial demonstration plants, sites undetermined (A–E and long-lead procurement only), $6,000,000.

Project 78–2–d, solvent refined coal demonstration plant, site undetermined (A–E and long-lead procurement only), $2,000,000.

(3) Capital Equipment Not Related to Construction:

(A) Conservation research and development, $6,170,000.

(B) Fossil energy development, $5,500,000.

(C) Solar energy development, $7,900,000.

(D) Geothermal energy development, $2,500,000.

AMENDMENTS TO PRIOR YEAR ACTS

SEC. 103. (a) Public Law 94–187, is amended by:

(1) Striking from subsection 101(b)(1), project 76–1–b, high Btu synthetic pipeline gas demonstration plant, the words "(A–E and long-lead procurement)" and the figure, "$20,000,000", and striking from subsection 201(b)(1) "project 76–1–b, high Btu synthetic pipeline gas demonstration plant (A–E and long-lead procurement) $5,000,000", which authorized appropriations for this project totaling $25,000,000, and substituting therefor in subsection 101(b)(1), project 76–1–b, high Btu synthetic pipeline gas demonstration plant, the figure "$220,000,000".

(2) Striking from subsection 101(b)(1), project 76–1–c, low Btu fuel gas demonstration plant, the words "(A–E and long-lead procurement)" and the figure "$15,000,000", and striking from subsection 201(b)(1) the words and figures, "project 76–1–c, low Btu fuel gas demonstration plant (A–E and long-lead procurement), $3,750,000," which authorized appropriations for this project totaling $18,750,000, and substituting therefor in subsection 101(b)(1), project 76–1–c, low Btu fuel gas demonstration plant, the figure $"150,000,000".

(3) Striking from subsection 101(b)(2), project 76–2–a, five megawatt solar thermal test facility, the figure "$5,000,000", and striking from subsection 201(b)(2) the words and figures "project 76–2–a, five megawatt solar thermal test facility, $1,250,000", which authorized appropriations for this project totaling $6,250,000, and substituting therefor in subsection 101(b)(2) the figure "$21,250,000", which is an increase of $3,000,000 over the amount authorized by Public Law 94–355, as amended.

(4) Striking from subsection 101(b)(2), project 76–2–b, ten megawatt central receiver solar thermal powerplant (A–E and long-lead procurement), the words "(A–E and long-lead procurement)" and the figure "$5,000,000", and striking from subsection 201(b)(2) the words and figures "project 76–2–b, ten megawatt central receiver solar thermal powerplant (A–E and long-lead procurement), $1,250,000" which authorized appropriations for this project totaling $6,250,000, and substituting therefor in subsection 101(b)(2), the words "Barstow, California," and the figure "$61,250,000": *Provided,* That if the solar electrical generating facility hereby supported contributes electricity to a distribution network serving the public on a commercial basis and if any Federal monetary contribution is included in the rate

base for the purpose of computing return on capital investment to such utilities, the portion of the capital costs derived from Federal funds and included in the rate base shall be recovered with interest from the revenues of the solar facility.

(b) Project 77-1-d, MHD component development and integration facility, authorized by Public Law 94-373, is increased by $8,200,000 for a total authorization of $13,200,000.

TITLE II—FOR NONNUCLEAR ENVIRONMENTAL RESEARCH AND DEVELOPMENT, PROGRAM MANAGEMENT AND SUPPORT, AND RELATED PROGRAMS

OPERATING EXPENSES

SEC. 201. For operating expenses for the following programs, a sum equal to the total of the following amounts:

(1) Environmental research and development:

(a) Overview and assessment, $43,010,000.

(b) Biomedical and environmental research, $143,970,000, of which $1,000,000 shall be made available to the Water Resources Council to carry out the provisions of section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912), as amended.

(2) Life sciences research and biomedical applications, $38,113,000.

(3) Program management and support:

(a) Program direction, $257,100,000.

(b) Institutional relations, $30,179,000, including funds to reimburse the National Bureau of Standards for costs incurred in carrying out the provisions of section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913), as amended; and $1,800,000 is authorized to be appropriated pursuant to this paragraph (3) for financial awards by ERDA to independent inventors for the purpose of carrying out section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913), as amended.

(c) Supporting activities, $54,460,000.

(d) International cooperation, $5,000,000.

(4) Funds to carry out the provisions of Research and Development Act of 1974 (42 U.S.C. 5910) in the amount of $500,000 for the Council on Environmental Quality.

PLANT AND CAPITAL EQUIPMENT

SEC. 202. For plant and capital equipment, including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Environmental Research and Development:

Project 78-9-a, modifications and additions to biomedical and environmental research facilities, various locations, $6,000,000,

(2) Program Management and Support:

Project 78-1-b, chiller modifications for energy conservation, Bendix Plant, Kansas City, Missouri, $830,000.

Project 78-1-c, process waste heat utilization, gaseous diffusion plant, Paducah, Kentucky, $5,700,000.

Project 78-19-a, program support facility, Argonne National Laboratory, Illinois (A-E and long-lead procurement only), $5,000,000.

(3) Project 78-22, Construction Planning and Design, $10,000,000.

(4) Capital Equipment Not Related to Construction:

(A) Environmental research and development, $18,825,000.

(B) Program management and support, $5,155,000.

SEC. 203. The Administrator of the Energy Research and Development Administration, or its successor agency, is hereby authorized, to the extent and in such amounts as are provided in appropriation acts, to enter into a cooperative arrangement with an interstate pipeline organization for participation in the construction and operation of a high Btu pipeline gas demonstration plant, utilizing the HYGAS steam-oxygen process and Illinois Basin type coal.

TITLE III—GENERAL PROVISIONS

SEC. 301. Funds appropriated pursuant to titles I and II of this Act may be used for the construction or acquisition of any facilities or major items of equipment, which may be required at locations other than installations of the Administration, for the performance of research, development and demonstration activities. Title to all such facilities and items of equipment shall remain in the United States, unless the Administrator or his designee determines in writing that the research, development and demonstration authorized by this Act shall best be implemented by permitting title or other such property interests to be in an entity other than the United States.

SEC. 302. Except as otherwise provided in this Act—

(a) no amount appropriated pursuant to this Act may be used for any program in excess if the amount actually authorized for that particular program by this Act,

(b) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless (1) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the receipt by the appropriate committees of the House of Representatives and the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (2) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 303. The Administration is authorized to start any project set forth in title I, subsections 102(1) and (2), and in title II, subsection 202(1) and (2), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for the project. Further, the total cost of any project undertaken under these subsections shall not exceed the estimated cost set forth for that project by more than 25 per centum unless and until additional appropriations are authorized: Provided, That this subsection will not apply to any project with an estimated cost less than $5,000,000.

SEC. 304. Subject to the applicable requirements and limitations of this Act, when so specified in appropriations Acts amounts appropriated for the Administration pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriations for the Administration.

SEC. 305. When so specified in appropriations Acts, amounts appropriated pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may remain available until expended.

SEC. 306. Amounts appropriated pursuant to this Act for activities under subsections 201(3) and 202(3) are available for use, when necessary, in connection with all Administration programs.

SEC. 307. The Administrator is authorized to perform construction design services for any Administration construction project whenever (a) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administration, and (b) the Administration determines that the project is of such urgency in order to meet the needs of national defense or protection of life and property or health and safety that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

SEC. 308. When so specified in appropriations Act, any moneys received by the Administration may be retained and used for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)), notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended.

SEC. 309. When so specified in appropriations Acts, transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred, may be merged with the appropriations to which transferred.

SEC. 310. (a) Section 7(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (5),

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(7) Federal loan guarantees and commitments thereof as provided in section 19.".

(b) The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.) is further amended by adding at the end thereof the following new section:

"LOAN GUARANTEES FOR ALTERNATIVE FUEL DEMONSTRATION FACILITIES

"SEC. 19. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a demonstration program to produce alternative fuels from coal, oil shale, and other domestic resources;

"(2) to authorize assistance, through loan guarantees under subsection (b) for construction and startup and related costs, to demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels; and

"(3) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) Except as provided in paragraph (5) of this subsection, the Administrator is authorized, in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee, in such manner and subject to such conditions (not inconsistent with the provisions of this Act) as he deems appropriate, the payment of interest on, and the principal balance of, bonds, debentures, notes, and other obligations issued by, or on behalf of, any borrower for the purpose of financing the construction and startup costs of demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels: *Provided*, That no loan guarantee for a full sized oil shale facility shall be provided under this section until after successful demonstration of a modular facility pro-

ducing between six and ten thousand barrels per day, taking into account such considerations as water usage, environmental effects, waste disposal, labor condition, health and safety, and the socioeconomic impacts on local communities: *Provided further*, That no loan guarantee shall be available under this subsection for the manufacture of component parts for demonstration facilities eligible for assistance under this subsection.

"(2) An applicant for any financial assistance under this section shall provide information to the Administrator in such form and with such content as the Administrator deems necessary.

"(3) Prior to issuing any guarantee under this section the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and condition of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(4) The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(5)(A) The Administrator is authorized, in the case of a facility for the conversion of oil shale to alternative fuels which is determined by the Administrator pursuant to the proviso in paragraph (1)(A) of this subsection, to be constructed at a modular size to enter into a cooperative agreement with the applicant in accordance with section 8 of this Act and the other provisions of this Act to share the estimated total design and construction costs, plus operation and maintenance costs, of such modular facility. The Federal share shall not exceed 75 per centum of such costs. All receipts for the sale of any products produced during the operation of the facility shall be used to offset the costs incurred in the operation and maintenance of the facility. The provisions of subsections (d), (e), (k), (m), (p), (s), (t), (u), (v), (w), and (x) shall apply to any such modular facility. The provisions of this section shall apply to any loan guarantee for such modular facility.

"(B) After successful demonstration of the modular facility, as determined by the Administrator, the facility is eligible for financial assistance under this section for purposes of expansion to a full sized facility and the applicant may purchase the Federal interest in the modular facility as represented by the Federal share thereof by means of (i) a cash payment to the United States, or (ii) a share of the product or sales resulting from such expanded operation, as determined by the Administrator. If expansion of such facility is determined not to be warranted by the Administrator, he may, at the option of the applicant, dispose of the modular facility to the applicant at not less than fair market value, as determined by the Administrator as of the date of the disposal, or otherwise dispose of it, in accordance with applicable provisions of law, and distribute the net proceeds thereof, after expenses of such disposal, to the applicant in proportion to the applicant's share of the costs of such facility.

"(6) To the extent possible, loan guarantees shall be issued on the basis of competitive bidding among guarantee applicants in a particular technology area.

"(c) The Administrator, with due regard for the need for competition, shall guarantee any obligation under subsection (b) only if—

"(1) the Administrator is satisfied that the financial assistance applied for is necessary to encourage financial participation;

"(2) the amount guaranteed to any borrower at any time does not exceed—

"(A) an amount equal to 75 per centum of the project cost of the demonstration facility as estimated at the time the guarantee is issued, which cost shall not include amounts expended for facilities and equipment used in the extraction of a mineral other than coal or shale, and in the case of coal only to the extent that the Administrator determines that the coal is to be converted to alternative fuel; and

"(B) an amount equal to 60 per centum of that portion of the actual total project cost of any demonstration facility which exceeds the project cost of such facility as estimated at the time the loan guarantee is issued;

"(3) the Administrator has determined that there will be a continued reasonable assurance of full repayment;

"(4) the obligation is subject to the condition that it not be subordinated to any other financing;

"(5) the Administrator has determined, taking into consideration all reasonably available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed demonstration facility have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such facility under this section, under other provisions of law, or by other means;

"(6) the maximum maturity of the obligation does not exceed twenty years, or 90 per centum of the projected useful economic life of the physical assets of the demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator;

"(7) the Administrator has determined that, in the case of any demonstration or modular facility planned to be located on Indian lands, the appropriate Indian tribe, with the approval of the Secretary of the Interior, has given written consent to such location;

"(8) the obligation provides for the orderly and ratable retirement of the obligation and includes sinking fund provisions, installment payment provisions or other methods of payments and reserves as may be reasonably required by the Administrator. Prior to approving any repayment schedule the Administrator may consider the date on which operating revenues are anticipated to be generated by the project. To the maximum extent possible repayment or provision therefor shall be required to be made in equal payments payable at equal intervals; and

"(9) the obligation provides that the Administrator shall, after a period of not less than ten years from issuance of the obligation, taking into consideration whether the Government's needs for information to be derived from the project have been substantially met and whether the project is capable of commerical operation, determine the feasibility and advisability of terminating the Federal participation in the project. In the event that such determination is positive, the Administrator shall notify the borrower and provide the borrower with not less than two nor more than three years in which to find alternative financing. At the expiration of the designated period of time, if the borrower has been unable to secure alternative financing, the Administrator is authorized to collect from the borrower an additional fee of 1 per centum per annum on the remaining obligation to which the Federal guarantee applies.

"(d) Prior to submitting a report to Congress pursuant to subsection (m) of this section on each guarantee and cooperative agreement, the Administrator shall request from the Attorney General and the Chairman of the Federal Trade Commission written views, comments, and recommendations concerning the impact of such guarantee or commitment or agreement on competition and concentration in the production of energy and give due consideration to views, comments, and recommendations received: *Provided*, That if either official, within sixty days after receipt of such request or at any time prior to the Administrator submitting such report to Congress, recommends against making such guarantee or commitment or agreement, the proposed guarantee or commitment or agreement shall be referred to the President, and the Administrator shall not do so unless the President determines in writing that such guarantee or commitment or agreement is in the national interest.

"(e)(1) As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee or cooperative agreement is sought under this section, he shall inform the Governor of the State, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility. The Administrator shall not guarantee or make a commitment to guarantee or enter into a cooperative agreement under subsection (b) of this section, if the Governor of the State in which the proposed facility would be located recommends that such action not be taken, unless the Administrator finds that there is an overriding national interest in taking such action in order to achieve the purpose of this section. If the Administrator decides to guarantee or make a commitment to guarantee or enter into a cooperative agreement despite a Governor's recommendation not to take such action, the Administrator shall communicate, in writing, to the Governor reasons for not concurring with such recommendation. This Administrator's decision, pursuant to this subsection, shall be final unless determined upon judicial review initiated by the Governor to be unlawful by the reviewing court pursuant to 5 U.S.C. 706(2) (A) through (D). Such review shall take place in the United States court of appeals for the circuit in which the State involved is located, upon application made within ninety days from the date of such decision. The Administrator shall, by regulation, establish procedures for review of, and comment on, the proposed facility by States, local political subdivisions, and Indian tribes which may be impacted by such facility, and the general public.

"(2) The Administrator shall review and approve the plans of the applicant for the construction and operation of any demonstration and related facilities constructed or to be constructed with assistance under this section. Such plans and the actual construction shall include such monitoring and other data-gathering costs associated with such facility as are required by the comprehensive plan and program under this section. The Administrator shall determine the estimated total cost of such demonstration facility, including, but not limited to, construction costs, startup costs, costs to political subdivisions and Indian tribes by such facility, and costs of any water storage facilities needed in connection with such demonstration facility, and determine who shall pay such costs. Such determination shall not be binding upon the States, political subdivisions, or Indian tribes.

"(3) There is hereby estbalished a panel to advise the Administrator on matters relating to the program authorized by this section, including, but not limited to, the impact of the demonstration facilities on communities and States and Indian tribes, the environmental and health and safety effects of such facilities, and the means, measures, and planning for preventing or mitigating such impacts, and other matters relating to the development of alternative fuels and other energy sources under this section. The panel shall include such Governors or their

designees as shall be designated by the Chairman of the National Governors Conference, Representatives of Indian tribes, industry, environmental organizations, and the general public shall be appointed by the Administrator. The Chairman of the panel shall be selected by the Administrator. No person shall be appointed to the panel who has a financial interest in any applicant applying for assistance under this section. Members of the panel shall serve without compensation. The provisions of section 106(e) of the Energy Reorganization Act of 1974 (42 U.S.C. 5816(e)) shall apply to the panel.

"(f) Except in accordance with reasonable terms and conditions continued in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such a guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

"(g)(1) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of, the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the guarantee or related agreements), including the authority to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or any other property of the borrower (of a value equal to the amount of such payment) to the extent that the guarantee applies to amounts in excess of the estimated project cost under subsection (c)(2)(B), without regard to the provisions of the Federal Property and Administrative Services Act of 1949, as amended, except section 207 of that Act (40 U.S.C. 488), or any other law, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the demonstration facility if the Administrator determines that this is in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(3) In the event of a default on any guarantee under this section, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under paragraph (1) including any payment of principal and interest under subsection (h) from such assets of the defaulting borrower as are associated with the demonstration facility, or from any other security included in the terms of the guarantee.

"(4) For purposes of this section, patents, including any inventions for which a waiver was made by the Administrator under section 9 of this Act, and technology resulting from the demonstration facility, shall be treated as project assets of such facility. The guarantee agreement shall include such detailed terms and conditions as the Administrator deems appropriate to protect the interests of the United States in the case of default and to have available all the patents and technology necessary for any person selected, including, but not limited to the Administrator, to complete and operate the defaulting project. Furthermore, the guarantee agreement shall contain a provision specifying that patents, technology, and other proprietary rights which are necessary for the completion or operation of the demonstration facility shall be available to the United States and its designees on equitable terms, including due consideration to the amount of the United States default payments. Inventions made or conceived in the course of or under such guarantee, title to which is vested in the United States under this Act, shall not be treated as project assets of such facility for disposal purposes under this subsection, unless the Administrator determines in writing that it is in the best interests of the United States to do so.

"(h) With respect to any obligation guaranteed under this section, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligations, for and on behalf of the borrowers, from the fund established by this section, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such demonstration facility; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.

"(i) Regulations required by this section shall be issued within one hundred and eighty days after enactment of this section, except as provided in subsection (t) of this section. All regulations under this section and any amendments thereto shall be issued in accordance with section 553 of title 5, of the United States Code.

"(j) The Administrator shall charge and collect fees for guarantees of obligations authorized by subsection (b)(1), in amounts which (1) are sufficient in the judgment of the Administrator to cover the applicable administrative costs, and (2) reflect the percentage of project costs guaranteed. In no event shall the fee be less than 1 per centum per annum of the outstanding indebtedness covered by the guarantee. Nothing in this subsection shall be construed to apply to community planning and development assistance pursuant to subsection (k) of this section.

"(k)(1) In accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purpose of financing essential community development and planning which directly result from, or are necessitated by, one or more demonstration facilities assisted under this section to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of, obligations for such financing issued by eligible States, political subdivisions, or Indian tribes,

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such demonstration facilities by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the applicant for assistance for a demonstration facility under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the State, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the facilities for such payments by such applicant.

"(2) Prior to issuing any guarantee under this subsection, the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this subsection, the Administrator shall pay out of the fund established by this section such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paids plus interest.

"(4) If after consultation with the State, political subdivision, or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this subsection will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible States, political subdivisions, or Indian tribes for such purposes: *Provided*, That such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: *Provided further*, That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances there will be net adverse impacts resulting from such demonstration facility that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such demonstration facility and which are determined by the Administrator to be appropriate for such inclusion shall be included in the total costs of the demonstration facility.

"(5) The Administrator is further authorized to make grants to States, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of demonstration facilities, and for establishing related management expertise.

"(6) At any time the Administrator may,

with the concurrence of the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more States, political subdivisions, or Indian tribes would be eligible for assistance under this subsection, but for the fact that construction and operation of the demonstration facilities occurs outside its jurisdiction, the Administrator is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this subsection.

"(10) In carrying out the provisions of this subsection, the Administrator shall provide that title to any facility receiving financial assistance under this subsection shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee such facility shall not be considered a project asset for the purposes of subsection (g) of this section.

"(l)(1) The Administrator is directed to submit a report to the Congress within one hundred and eighty days after the enactment of this section setting forth his recommendations on the best opportunities to implement a program of Federal financial assistance with the objective of demonstrating production and conservation of energy. Such report shall be updated and submitted to Congress at least annually and shall include specific comments and recommendations by the Secretary of the Treasury on the methods and procedures set forth in subparagraph (B)(viii) of this subsection, including their adequacy, and changes necessary to satisfy the objectives stated in this subsection. This report shall include—

"(A) a study of the purchase or commitment to purchase by the Federal Government, for the use by the United States, of all or a portion of the products of any alternative fuel facilities constructed pursuant to this program as a direct or an alternate form of Federal assistance, which assistance, if recommended, shall be carried out pursuant to section 7(a)(4) of this Act; and

"(B) a comprehensive plan and program to acquire information and evaluate the environmental, economic, social, and technological impacts of the demonstration program under this section. In preparing such a comprehensive plan and program, the Administrator shall consult with the Environmental Protection Agency, the Federal Energy Administration, the Department of Housing and Urban Development, the Department of the Interior, the Department of Agriculture, and the Department of the Treasury, and shall include therein, but not be limited to, the following:

"(i) information about potential demonstration facilities proposed in the program under this section;

"(ii) any significant adverse impacts which may result from any activity included in the program;

"(iii) the extent to which it is feasible to commercialize the technologies as they affect different regions of the Nation;

"(iv) proposed regulations required to carry out the purposes of this section;

"(v) a list of Federal agencies, governmental entities, and other persons that will be consulted or utilized to implement the program;

"(vi) the methods and procedures by which the information gathered under the program will be analyzed and disseminated;

"(vii) a plan for the study and monitoring of the health effects of such facilities on workers and other persons, including, but not limited to, any carcinogenic effect of alternative fuels; and

"(viii) the methods and procedures to insure that (I) the use of the Federal assistance for demonstration facilities is kept to the minimum level necessary for the information objectives of this section, (II) the impact of loan guarantees on the capital markets of the United States is minimized, taking into account other Federal direct and indirect securities activities, and any economic sectors which may be negatively impacted as a result of the reduction of capital by the placement of guaranteed loans, and (III) the granting of Federal loan guarantees under this Act does not impede movement toward improvement in the climate for attracting private capital to develop alternative fuels without continued direct Federal incentives.

"(2) The Administrator shall annually submit a detailed report to the Congress concerning—

"(A) the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including, but not be limited to (i) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility, including byproduct production therefrom, and the distribution of such products and byproducts, (ii) a detailed statement of the financial conditions of each such demonstration facility, (iii) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate such impacts, (iv) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (v) such other data as may be helped in keeping Congress and the public fully and currently informed about the program authorized by this section; and

"(B) the activities of the funds referred to in subsection (n) of this section during the presiding fiscal year, including a statement of the amount and source of fees or other moneys, property, or assets deposited into the funds, all payments made, the notes or other obligations issued by the Administrator, and such other data as may be appropriate.

"(3) The annual reports required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports and the one-hundred-and-eighty-day report required in paragraph (1) of this subsection shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate.

"(m) Prior to issuing any guarantee or commitment to guarantee or cooperative agreement pursuant to subsection (b) of this section, the Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a full and complete report on the proposed demonstration facility and such guarantee, agreement, or contract. Such guarantee, commitment to guarantee, cooperative agreement, or contract shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees: *Provided*, That, where the cost of a demonstration facility to be assisted with a guarantee or cooperative agreement pursuant to subsection (b) of this section exceeds $50,000,000 such guarantee or commitment to guarantee or cooperative agreement shall not be finalized unless (1) the making of such guarantee or commitment or agreement is specifically authorized by legislation hereafter enacted by the Congress or (2) both Houses pass a resolution stating in substance that the Congress favors the making of such guarantee or commitment or agreement.

"(n)(1) There is hereby created within the Treasury a separate fund (hereafter in this section called the 'fund') which shall be available to the Administrator without fiscal-year limitation as a revolving fund for the purpose of carrying out the program authorized by subsection (b)(1) and subsections (g), (h), and (k) of this section.

"(2) There are hereby authorized to be appropriated to the fund for administrative expenses from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this section, including, but not limited to, the payments of interest and principal and the payment of interest differentials and redemption of debt. All amounts received by the Administrator as interest payments or repayments of principal on loans which are guaranteed under this section, fees, and any other moneys, property, or assets derived by him from operations under this section shall be deposited in the fund.

"(3) All payments on obligations, appropriate expenses (including reimbursements to other Government accounts), and repayments pursuant to operations of the Administrator under this section shall be paid from the fund subject to appropriations. If at any time the Administrator determines that moneys in the fund exceed the present and reasonably foreseeable future requirements of the fund, such excess shall be transferred to the general fund of the Treasury.

"(4) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities as authorized by subsections (b)(1), (g), and (h) of this section, the Administrator shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under paragraph (2) of this subsection for loan guarantees authorized by subsection (b)(1) and subsections (g), (h), and (k) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection.

"(5) The provisions of this subsection do not apply to direct loans or planning grants made under subsection (k) of this section.

"(o) For the purposes of this section, the term—

"(1) 'State' means any State of the United

States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, or any territory or possession of the United States,

"(2) 'United States' means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa, and

"(3) 'borrower' or 'applicant' shall include any individual, firm, corporation, company, partnership, association, society, trust, joint venture, joint stock company, or other non-Federal entity.

"(p)(1) An applicant seeking a guarantee or cooperative agreement under subsection (b) of this section must be a citizen or national of the United States. A corporation, partnership, firm, or association shall not be deemed to be a citizen or national of the United States unless the Administrator determines that it satisfactorily meets all the requirements of section 802 of title 46, United States Code, for determining such citizenship, except that the provisions in subsection (a) of such section 802 concerning (A) the citizenship of officers or directors of a corporation, and (B) the interest required to be owned in the case of a corporation, association, or partnership operating a vessel in the coastwise trade, shall not be applicable.

"(2) The Administrator, in consultation with the Secretary of State, may waive such requirements in the case of a corporation, partnership, firm, or association, controlling interest in which is owned by citizens of countries which are participants in the International Energy Agreement.

"(q) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section.

"(r) Inventions made or conceived in the course of or under a guarantee authorized by this section shall be subject to the title and waiver requirement and conditions of section 9 of this Act.

"(s) Nothing in this section shall be construed as affecting the obligations of any person receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.

"(t) The information maintained by the Administrator under this section shall be made available to the public subject to the provision of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination: *Provided*, That upon a showing satisfactory to the Administrator by any person that any information, or portion thereof obtained under this section by the Administrator directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18, United States Code: *Provided further*, That the Administrator shall, upon request, provide such information to (A) any delegate of the Administrator for the purpose of carrying out this Act, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Federal Energy Administration, the Environmental Protection Agency, the Federal Power Commission, the General Accounting Office, other Federal agencies, or heads of other Federal agencies, when necessary to carry out their duties and responsibilities under this and other statutes, but such agencies and agency heads shall not release such information to the public. This section is not authority to withhold information from Congress, or from any committee of Congress upon request of the Chairman. For the purposes of this subsection, the term 'person' shall include the borrower.

"(u) Notwithstanding any other provision of this section, the authority provided in this section to make guarantees or commitments to guarantee or enter into cooperative agreements under subsection (b)(1), to make guarantees or commitments to guarantee, or to make loans or grants, under subsection (k), to make contracts under subsection (h), and to use fees and receipts collected under subsections (b) and (j) of this section, and the authorities provided under subsection (n) of this section, shall be effective only to the extent provided, without fiscal year limitation, in appropriation Acts enacted after the date of enactment of this section.

"(v) No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with assistance made available under this section: *Provided*, That Indian tribes are exempt from the operation of this subsection: *Provided further*, That such exemption shall be limited to the planting and provision of public facilities which are located on reservations and which are provided for members of the affected Indian tribes as the primary beneficiaries.

"(w) In carrying out his functions under this section, the Administrator shall provide a realistic and adequate opportunity for small business concerns to participate in the program to the optimum extent feasible consistent with the size and nature of each project.

"(x)(1)(A) Recipients of financial assistance under this section shall keep such records and other pertinent documents, as the Administrator shall prescribe by regulation, including, but not limited to, records which fully disclose the disposition of the proceeds of such assistance, the cost of any facility, the total cost of the provision of public facilities for which assistance was used and such other records as the Administrator may require to facilitate an effective audit. The Administrator and the Comptroller General of the United States or their duly authorized representatives shall have access, for the purposes of audit, to such records and other pertinent documents.

"(B) Within 6 months after the date of enactment of this section and at 6-month intervals thereafter, the Comptroller General of the United States shall make an audit of recipients of financial assistance under this section. The Comptroller General may prescribe such regulations as he deems necessary to carry out this subparagraph.

"(2) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c)).

"(y) For purposes of this section 'biomass' shall include, but is not limited to, animal and timber waste, urban and industrial waste, sewerage sludge, and oceanic and terrestrial crops.".

SEC. 311. In order to provide economic farm units to qualifying farmers whose land is economically infeasible to reclaim from damages resulting from the Teton flood of June 5, 1976, and who are unable to find suitable replacement land for their flood damaged farm, and in order to restore the economic and agricultural base of the flood damaged region, there is hereby transferred 5,955 acres of land, hereinafter described, in the State of Idaho presently under the jurisdiction of the Energy Research and Development Administration, to the Secretary of the Interior who, acting through the Bureau of Reclamation, shall make such lands available for sale to qualifying farmers according to the terms hereafter provided.

Part I. As used in this Act, the term:

(a) "Teton flood" means the flood resulting from the collapse of Teton Dam of the Lower Teton Division of the Teton Basin Federal Reclamation Project on June 5, 1976.

(b) "Energy Research and Development Administration land" means those public and acquired lands in the State of Idaho identified as sections numbered fourteen (14), twenty-three (23), twenty-four (24), twenty-five (25), and thirty-six (36), in township six (6) north, of range thirty-three (33) east of the Boise meridian; sections numbered nineteen (19), thirty (30), and thirty-one (31) in township six (6) north, of range thirty-four (34) east of the Boise meridian; and the southeast quarter, the south half of the northeast quarter, the east half of the southwest quarter and the southeast quarter of the northwest quarter, of section numbered eight (8) and the south half and the south half of the north half of section numbered nine (9) in township five (5) north, of range thirty-four (34) east of the Boise meridian, all situated in the county of Jefferson and State of Idaho, and containing 5,955 acres, more or less, which would be transferred for the purposes of this Act.

(c) "Qualifying farmer" means the resident, owner-operator of a farm who resides in the immediate locality, whose livelihood is derived from his farming operation and whose land was damaged due to the collapse of the Teton Dam on June 5, 1976, to the extent that in the opinion of the Secretary of the Interior, it is not economically feasible to reclaim such land so that it produces an income commensurate with that earned prior to the Teton flood.

(d) "Irrigable land" means farm land that is suitable for irrigated agriculture and has been certified as irrigable by the Secretary of the Interior.

Part II. For a period of not more than five years after transfer to the Bureau of Reclamation, the land heretofore described shall be available for purchase by those who, on or before October 1, 1978, are determined to be qualifying farmers pursuant to regulations issued in accordance with part V of this Act by the Secretary of the Interior.

Part III. Energy Research and Development Administration land as described in part I(b) of this Act shall be certified as irrigable by the Secretary of the Interior, and lands so certified shall be made available in a manner to be prescribed by the Secretary for purchase by qualifying farmers at its current fair market value as determined by a board of appraisers composed of a Federal appraiser, a State appraiser, and one appraiser from the disaster region: *Provided*, That irrigable land transferred to a single ownership shall not exceed 160 acres of class I land as defined by the Secretary or the equivalent thereof in other land classes as determined by the Secretary. The United States, through the Secretary, shall convey fee simple title of the Energy Research and Development Administration land to the qualifying farmer. The cost of developing the replacement land for farming shall be borne by the qualifying farmer who purchases the land.

Part IV. Any part of the Energy Research

and Development Administration land remaining in the possession of the Bureau of Reclamation at the end of the five year period, except land needed for public rights-of-way, as determined by the Secretary, shall be returned to the Energy Research and Development Administration.

Part V. Within ninety days after the enactment of this Act the Secretary shall prescribe and publish in the Federal Register such rules and regulations as may be necessary and proper to carry out the provisions of this Act.

Part VI. Full recovery for the loss of all or part of flood-damaged farms shall be obtained by owners pursuant to the Teton Dam Disaster Assistance Act of 1976, Public Law 94-400, 94 Stat. 1211, and the Supplemental Appropriation Act of 1976, Public Law 94-438, 90 Stat. 1415.

Part VII. Actions taken pursuant to this Act are in response to emergency conditions and depend for their effectiveness upon their prompt completion and, therefore, are deemed not only to be major Federal actions significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (83 Stat. 852, as amended, 42 U.S.C. 4321).

Part VIII. There is hereby authorized to be appropriated such sums as may be necessary for the purposes of administration of this Act.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I congratulate the distinguished Senator from Idaho (Mr. CHURCH) and the distinguished Senator from Oregon (Mr. HATFIELD) on their superb joint management of this extremely important measure today.

Mr. CHURCH. I thank the majority leader.

Mr. ROBERT C. BYRD. I also wish to thank them on behalf of the Senate for the service that they have rendered.

Today the Senate has taken another step forward in our continuing efforts to meet our country's energy needs. Facing the energy crisis requires our Nation to continue to underwrite innovative approaches in the field of energy research and development. To assure our future we must invest today in the new technologies that by the next century will account for an ever-increasing share of the energy we consume. Research and development of solar energy and of geothermal energy are in their infancy, and their progress can be accelerated with the Federal support provided by S. 1340. Such research and development efforts are key components of the comprehensive energy program and policy we need in order to foster energy self-reliance.

At the same time, we must go forward with fossil energy research and development. Recognizing that coal is both our most abundant fuel and the obvious substitute for our more limited supplies of oil and natural gas, we must focus our efforts in this area on the development of liquefaction and gasification processes that are economically feasible and will allow for minimal adverse impact on the environment of increased coal use. Part of this development effort must include demonstration projects to test commercial soundness of liquefaction and gasification processes.

Mr. President, I believe we recognize that such programs form one of the basic building blocks of the national energy program. A national energy program without a research and development component will fail us in the future. The passage of S. 1340 supplies that vital ingredient to the energy package.

Again I compliment the members of the committee on both sides of the aisle, and all Senators, for the development of this legislation and its enactment by the Senate today.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I am happy to.

Mr. BAKER. Mr. President, I am happy that the majority leader has expressed his admiration for the handling of this bill by both the manager on behalf of the majority and the manager on behalf of the minority, because I think it is entirely appropriate to note for this RECORD and for our colleagues the extraordinarily good job they did and the diligent, effective, and careful work they did in connection with this legislation. So I join the majority leader in expressing my thanks for a job well done.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

WAIVER OF CONGRESSIONAL BUDGET ACT WITH RESPECT TO THE CONSIDERATION OF S. 1231

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Maine (Mr. MUSKIE), I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 246, Senate Resolution 178. That is the Congressional budget waiver resolution with respect to S. 1231, a bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 178) waiving sec. 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1231, a bill to raise the limitation on appropriations for the United States Commission on Civil Rights.

Mr. MUSKIE. Mr. President, the Committee on the Budget to which was referred the resolution, Senate Resolution 178, waiving section 402(a) of the Congressional Budget and Impoundment Control Act of 1974 with respect to consideration of S. 1231, a bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights, has carefully considered the resolution. Without dissent, 14 members of the committee have voted to report favorably and recommends to the Senate that the resolution be agreed to.

BUDGET IMPAIRMENTS

S. 1231 provides an authorization for appropriations beyond the present expiration date of September 30, 1977, so that the U.S. Commission on Civil Rights can effectively carry out its statutory duties in fiscal year 1978.

The program provided for in this bill is classified to function 750: Law enforcement and justice. The first budget resolution for fiscal year 1978 provides $3.7 billion in budget authority and $3.85 billion in outlays for programs in this function.

The amount authorized in S. 1231 is slightly below the administration's budget request of $10.5 million in budget authority, and it is only slightly above the $10.1 million appropriated for the Commission in fiscal year 1977.

Full funding of this authorization bill will not breach the totals of the first budget resolution for function 750, since the amount is small and it is within the assumptions of the resolution. Therefore, consideration of S. 1231 will not delay the regular appropriations process.

The Budget Committee notes, in favorably reporting the resolution, that although this bill was prepared for report by the Committee on the Judiciary by May 15, unique and peculiar circumstances prevented committee action to report the bill until May 19, 1977.

Under these circumstances, the Budget Committee recommends that Senate Resolution 178 be adopted.

PURPOSE OF RESOLUTION

For the information of the Senate, Mr. President, let me briefly review the purpose of such resolution.

Section 402(a) of the Congressional Budget Act provides that it shall not be in order in either the House or the Senate to consider any bill or resolution which directly or indirectly authorizes the enactment of new budget authority for a fiscal year unless that bill or resolution is reported in the House or Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year. Because S. 1231 which authorizes enactment of new budget authority which would become available in fiscal 1978, was reported by the Committee on the Judiciary on May 19, 1977, Senate Resolution 178, waiving section 402(a) of the Budget Act with respect to S. 1231 must be adopted before this bill can be considered by the Senate.

Mr. President, in reporting favorably on the resolution, the Budget Committee is simply recommending that the Senate proceed to consideration of S. 1231, and is not prejudging the merits of that bill.

COMMITTEE CRITERIA

Mr. President, the Budget Committee is extremely reluctant to recommend the adoption of resolutions waiving section 402(a) of the Budget Act. In each case where a waiver has been recommended, the committee has weighed the circumstances on the late reporting against rigid criteria based on the legislative origins of section 402(a).

This section was included in the Budget Act to insure that all authorizing legislation is considered as far as possible in advance of the fiscal year in which it

will take effect so that it could be considered in the formulation of the first concurrent resolution. Moreover, this section was included to provide the Appropriations Committee with some reasonable advance notice of needed appropriations for the coming year and to avoid delaying enactment of appropriations bills past the Budget Act deadline for the appropriations process.

Mr. President, the legislative history of the Budget Act indicates that the May 15 reporting deadline is not to be lightly waived. Under these circumstances, the Budget Committee in deciding whether to favorably report resolutions waiving section 402(a) of the Budget Act has considered the following factors:

First. The effect of defeating consideration of the bill;

Second. The reporting committee's effort to meet the May 15 deadline;

Third. The delay in the appropriations process engendered by the untimely reporting of the authorization; and

Fourth. Whether enactment of the authorization will significantly affect the priorities established in the congressional budget.

CONSIDERATIONS AFFECTING WAIVER DECISION

Mr. President, the effect of not considering S. 1231 would be to prevent the U.S. Commission on Civil Rights from receiving funds to continue its statutory duties. From the time of his appointment, the distinguished chairman of the Subcommittee on the Constitution, Senator BAYH, worked diligently and prepared this bill for timely full committee action, but unique and peculiar circumstances prevented its report until May 19.

The Budget Committee is advised that S. 1231 was on the Judiciary Committee's agenda at its meeting of May 12 and would have been reported by that committee had not the number of Senators present been reduced below the point of a quorum by the time the point on the agenda was reached at which S. 1231 had been placed. The bill however, had been reported from the Subcommittee on the Constitution and had been ready for full committee action but for the failure of the quorum toward the end of the full committee meeting on May 12. The committee then reported the bill at its next called meeting on May 19.

Mr. President, if this were not a unique case, the Budget Committee might well have recommended against the consideration of S. 1231 after May 15. But in this case, the Judiciary Committee was prepared to report the bill which was on its full committee agenda and was ready for action prior to May 15. The committee did report the bill as soon as possible. It failed to meet the May 15 deadline because Senators critical to continuing a quorum established at the May 15 meeting left the meeting before S. 1231 could be taken up.

Mr. President, I wanted to make very clear that the Budget Committee considers this a unique circumstance. There is no other bill on the calendar which meets these standards. This bill was ready for report before May 15. It was reported immediately thereafter. Under these special circumstances, no precedent is established by the Budget Committee's action in this case which is applicable to any other bill we will confront this year.

Mr. President, I would add that the Budget Committee was notified by the Committee on the Judiciary in its March 15, 1977 report that funds in the amount authorized in this bill would be requested in legislation.

Further, the amount of the appropriations authorized by S. 1231 for fiscal 1978 can be accommodated within the function 750 totals of the first budget resolution. It will not delay the regular appropriations process as the funds can be easily included in the State, Justice, Commerce, the Judiciary and related agencies appropriation for 1978.

Mr. President, in the view of an overwhelming majority of Budget Committee members, these circumstances compelled waiver of the Budget Act deadline to permit the Senate to fully consider this important legislation. For the same reasons, I urge the Senate to adopt the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 178) was considered and agreed to, as follows:

Resolved, That, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1231, a bill to authorize appropriations for fiscal year 1978 in the amount of $10,420,023 and such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law. Such waiver is necessary in order to insure that the Commission on Civil Rights will be able to carry out its statutory duties during the fiscal year 1978, on the last day of which its final report is due. The authorization involved is sufficiently small that its consideration will not significantly affect the congressional budget. Because the Committee on the Judiciary was engaged in substantial efforts to reorganize itself during the first three months of this session of the Congress, the committee was prevented from giving timely attention to the authorization of appropriations for the Commission on Civil Rights.

CIVIL RIGHTS COMMISSION AUTHORIZATION ACT OF 1977

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 1231, Calendar Order No. 204.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1231) to raise the limitation on appropriations for the U.S. Commission on Civil Rights, reported from the Committee on the Judiciary with an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 1, line 10, strike "$10,540,000" and insert "$10,420,023"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Commission Authorization Act of 1977".

SEC. 2. Section 106 of the Civil Rights Act of 1957 (42 U.S.C. 1975e), as amended is further amended to read as follows:

"SEC. 106. For the purposes of carrying out this Act, there is hereby authorized to be appropriated for the fiscal year ending September 30, 1978, the sum of $10,420,023 and such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law which arise subsequent to the date of the enactment of the Civil Rights Commission Authorization Act of 1977.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BAYH. Mr. President, more than 2 months ago, the Senator from Maryland, Mr. MATHIAS, and I introduced S. 1231 in a bipartisan effort to assure adequate funding for the U.S. Commission on Civil Rights. This was necessary, as many Senators will remember, because the Senate changed the Commission's authorization period last year to allow the Commission to spend only until the end of fiscal year 1977, rather than to the end of its current life, fiscal year 1978. The Commission eventually had appropriated for its use in 1977 a total budget of $10,078,000.

Our bill, S. 1231, originally authorized the Commission to spend up to $10,540,000 in fiscal year 1978. This represented only a small increase—$462,000—over the 1977 appropriations level. In fact, most of that increase involved dealing with so-called built-in cost increases, brought on by inflationary pressures.

We, of course, went through the regular legislative process, which, in this session unfortunately, was slowed down both by the reorganization of the Senate and the Judiciary Committee. Nevertheless, we attempted to speed up the Senate's consideration of S. 1231 by forgoing referral to the subcommittee once a bill was introduced and having the full Judiciary Committee hold hearings on it. After that hearing, on April 27, we were prepared to vote and report the bill, but we were unable to do so since we could not get a quorum in committee until 4 days after the May 15 deadline.

At the May 19 meeting of the Judiciary Committee, we amended the bill to reduce the authorization by $119,977, a sum equal to the salaries and other benefits for employees hired to fill eight new positions in fiscal year 1978. That amendment reduced the increase over the 1977 levels to $342,023 and was reported out of the committee by a vote of 10 to 3. The Budget Committee was then asked to recommend a waiver of section 402 of the Budget Act and granted it by a vote of 14 to 0.

Mr. President, I cannot understand the opposition here to funding the Civil Rights Commission, an agency known both for its scholarship and thrift.

The Commission has always made the most of its budget and given the country much in return. In fact, I believe the Commission is one of the best investments in Government today. There is not

another agency, that comes to mind, whose ratio of spending to output is as high as the Commission's. On an extremely small budget, in relative terms, it has been able to produce impeccably researched, scholarly works on a whole range of civil rights topics. The series on the "Federal Civil Rights Enforcement Effort," the succession of reports on school desegregation capped by the August 1976 publication of "Desegregation in the Nation's Public Schools," the hearings on the civil rights problem of American Indians, the investigation of the question of bilingual-bicultural education, and, of course, the work on voting rights, especially "The Voting Rights Act—Ten Years After" shows just part of the Commission's diversity of studies that help point the way—for the President and the Congress—toward a more equitable society in the United States.

It seems to me, that we in the Congress owe a debt to the Commission for their fine work in the past. We need to support and encourage such activities in the future. It is especially important at this time—a time when the President has made a commitment for human rights internationally and set America out as the best example for all people to follow. However, our commitment to human rights should not lull us into thinking that the United States is now free of civil rights violations or threats. We must not falter here by ending our own battle for equality for all Americans. If this occurred we would betray both the world's trust in America and our heritage of freedom itself. Therefore, we still need a watchdog to tell us exactly where the vestiges of racism and discrimination lie so we can rid the country of them. This gratefully, is what the Commission has been doing since 1957 and is uniquely qualified to continue to do. It seems apparent to me, then, that this authorization is clearly justified by the Commission's past performance and present mission. For those reasons and more, I urge the Senate to vote favorably on Senate Resolution 178, and, ultimately, the civil rights authorization bill, S. 1231.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 212, the companion House bill.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 5645) to raise the limitation on appropriations for the U.S. Commission on Civil Rights.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all after the enacting clause be stricken; that the language in S. 1231, as amended, be inserted in lieu thereof, and that the bill be passed, and that a motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that S. 1231 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. BAYH, I move that the Senate stand by its amendment to the House bill, that it request a conference with the House of Representatives, and that the Chair be empowered to appoint the Senate conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. BAYH, Mr. METZENBAUM, Mr. ABOUREZK, Mr. MATHIAS, and Mr. SCOTT conferees on the part of the Senate.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the Senator from South Dakota (Mr. MCGOVERN) as a congressional adviser to the Strategic Arms Limitation Talks Delegation, in Geneva, Switzerland, during 1977.

RECOGNIZING THE CONTRIBUTIONS OF SCHOOL VOLUNTEERS

Mr. STONE. Mr. President, today the senior Senator from Florida and I are introducing a joint resolution recognizing the invaluable role played by the thousands of volunteers in America's schools. Our distinguished colleague and fellow Floridian, Representative WILLIAM LEHMAN, is introducing identical legislation today in the House of Representatives. This resolution expresses the support of Congress for the outstanding work being done by school volunteers, and requests that the President publicly acknowledge their contribution to our education system. Last year this same resolution passed the Senate unanimously without being referred to committee. I would like very much to see it given the same unqualified support in this Congress.

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. STONE, for himself and Mr. CHILES, I send to the desk a joint resolution which I believe has been cleared on the other side, and I ask the clerk to state the title of the joint resolution. Then I will ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 62) recognizing the contributions of school volunteers.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

The PRESIDING OFFICER. Without objection the joint resolution will be considered as having been read the second time at length, and the Senate will proceed to the consideration of the resolution.

Mr. BAKER. Mr. President, I simply wanted to say that the majority leader is correct, the measure is cleared on this side. We have no objection to the immediate consideration of the joint resolution.

The joint resolution (S.J. Res. 62) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

SENATE JOINT RESOLUTION 62

Whereas school volunteers contribute significantly to the extension and enrichment of the education of American youth, and both utilize and serve a broad spectrum of Americans of all ages, interests and political persuasions;

Whereas there is a need and desire for continued expansion of the school volunteer movement, for continuing nationwide review and assessment of the impact of school volunteer programs, and for further study and analysis of future directions for such programs;

Whereas the recognition of the school volunteer movement would focus attention on the efforts and contributions of school volunteers for millions of Americans of all ages; and

Whereas the recognition of school volunteers would provide a basis for a continuing commitment by all interests in education to increase and protect the utilization of school volunteers in the classrooms of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that the Congress:

(1) recognizes the worth and contributions of school volunteers;

(2) encourages all Americans to continue and support the nationwide effort toward utilization of school volunteers, to review and assess the impact of school volunteer programs on the quality of education, and to detremine further steps required to renew the commitment and dedication of each American to increasing the participation of volunteers in the educational process; and

(3) authorizes and requests the President to issue a proclamation recognizing the contributions made by the thousands of Americans who are voluntarily working to improve the quality of education in the United States of America.

ORDER FOR CONSIDERATION OF H.R. 5262 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 10 a.m. tomorrow, the Senate proceed to the consideration of the bill which was ordered to be considered following the final action on the ERDA bill, Calendar Order No. 133, H.R. 5262, an act to provide for increased participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, and the Asian Development Fund, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—H.R. 5262

Mr. ROBERT C. BYRD. Mr. President, I believe this unanimous-consent request has been cleared on both sides.

I ask unanimous consent that the time on this bill, H.R. 5262, be limited to 4 hours, to be equally divided between Mr. HUMPHREY and Mr. CASE; that there be a time limitation on an amendment by Mr. DOLE of 2 hours; a time limitation on each of two amendments by Mr. HELMS of 1½ hours; a time limitation on each of four amendments by Mr. HARRY F. BYRD. JR., of 1½ hours; a time limitation on each of two amendments by Mr. ALLEN of 1½ hours; a time limitation on any other amendment of 1 hour; and that there be a time limitation on any amendment in the second degree, debatable motion, or appeal if such is submitted to the Senate for its consideration of 30 minutes, and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, is is so ordered.

The text of the agreement is a follows:

Ordered, That during the consideration of H.R. 5262, an act to provide for increased participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, and the Asian Development Fund, and for other purposes, debate on any amendment in the first degree (except an amendment by Mr. DOLE on which there shall be 2 hours; 2 amendments by Mr. HELMS, 4 amendments by Mr. BYRD of Virginia, and 2 amendments by Mr. ALLEN on which there shall be 1½ hours each) shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any amendment in the second degress, debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Minnesota (Mr. HUMPHREY) and the Senator from New Jersy (Mr. CASE): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal or point of order.

TRANSFER OF CERTAIN MEASURES TO THE UNANIMOUS CONSENT CALENDAR.

Mr. ROBERT C. BYRD. Mr. President, there are three measures on the calendar that have been cleared for unanimous-consent action. They are Calendar Orders Nos. 242, 243, and 244. I ask that the clerk transfer those to the Unanimous Consent Calendar.

The PRESIDING OFFICER. They will be so transferred.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:45 A.M. TOMORROW

Mr. CRANSTON. Mr. President, I ask unanimous consent that, when the Senate completes its business tonight, it stand in recess until the hour of 9:45 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. CRANSTON. Mr. President, I ask unanimous consent that, when the Senate convenes tomorrow morning, after the two leaders, or their designees have been recognized under the standing order, there be a period for the transaction of morning business, with speeches therein limited to not more than 2 minutes, not to extend beyond the hour of 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 9:45 A.M. TOMORROW

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate at this time, I move, in accordance with the previous order, that the Senate stand in recess until 9:45 a.m. tomorrow.

The motion was agreed to; and, at 8:19 p.m., the Senate recessed until 9:45 a.m. on Tuesday, June 14, 1977.

NOMINATIONS

Executive nominations received by the Senate June 13, 1977:

THE JUDICIARY

Russell G. Clark, of Missouri, to be U.S. district judge for the Western District of Missouri vice William H. Becker, retired.

DEPARTMENT OF JUSTICE

Williiam T. Moore, Jr., of Georgia, to be U.S. attorney for the Southern District of Georgia for the term of 4 years vice R. Jackson B. Smith, resigning.

George M. Anderson, of North Carolina, to be U.S. attorney for the Eastern District of North Carolina for the term of 4 years vice Thomas P. McNamara, resigned.

Henry M. Michaux, Jr., of North Carolina, to be U.S. attorney for the Middle District of North Carolina for the term of 4 years vice N. Carlton Tilley, resigned.

DEPARTMENT OF TRANSPORTATION

Richard Stephen Page, of Washington, to be Urban Mass Transportation Administrator, vice Robert E. Patricelli, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13, 1977:

DEPARTMENT OF JUSTICE

Jamie C. Boyd, of Texas, to be U.S. attorney for the Western District of Texas for the term of 4 years.

Rodolfo A. Garza, of Texas, to be U.S. marshal for the Western District of Texas for the term of 4 years.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Finis E. Cowan, of Texas, to be U.S. district judge for the Southern District of Texas.

EXTENSIONS OF REMARKS

BILL SIMON DISCUSSES THE PRESIDENT'S ENERGY PROGRAM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. KEMP. Mr. Speaker, the Honorable William Simon, former Secretary of the Treasury and first Federal Energy Administrator, recently dissected the administration's energy program. He pointed out that the program is based upon numerous fallacies and is likely to make the situation worse than it is now. I hope that my colleagues will take the time to read this sober and expert analysis of the energy situation which, as he points out, can only get worse if the President's energy proposals are adopted by Congress:

THE ENERGY POLICY CALAMITY

(By William Simon)

"Our National Energy Plan is based on 10 fundamental principles," President Carter soberly announced. "The first principle is that we can have an effective and comprehensive energy policy only if the government takes responsibility for it. . . ."

From that statement onward, it's all been downhill for the President's proposals. Why? Fundamentally because the President and his advisers, although acting with the best intentions, have chosen the worst of the solutions. Instead of relying upon the dynamism of a free market and a free people, they have nominated the government as our national energy savior.

Let's look at 10 basic fallacies that, in my judgment, lie at the foundation of this 10-part plan.

Fallacy No. 1: The country has no comprehensive policy for dealing with energy.

Contrary to the President's frequent assertions, the country has long had a comprehensive energy policy. It's just been the wrong policy. For more than 20 years the government has increasingly tried to regulate the energy industry so that prices were artificially held below market levels. Consumers, the intended beneficiaries, have naturally increased their demands, but producers have gradually curtailed their output.

Demand for natural gas, the most clearcut example, has risen spectacularly since the Phillips decision of 1954 (legalizing well-

head price regulation of natural gas), but drilling for new domestic wells peaked in 1961 and production has been sliding downward since 1970.

Fallacy No. 2: More governmental control is the only solution to the current crisis.

History shows that the more the government has tinkered with the intricate marketplace machinery, the worse things have become. Quotas, tariffs, price controls, taxes, regulations each has taken a toll. It is folly to believe that the same people who created this mess can now improve the situation by tightening their grip over every single energy resource.

SENSIBLE ANSWER

The only sensible answer is to begin dismantling existing controls, beginning with price controls over oil and natural gas and including repeal of the energy bill that President Ford, in a tragic error, signed in December 1975.

Fallacy No. 3: The United States has almost exhausted its supplies of fossil fuels.

The President is crying wolf the same way that other governmental agencies have in the past. In 1914, 1939 and again in 1949, responsible governmental officials predicted a quick end to domestic oil supplies, and every time they were wrong.

What we have learned over time is that increases in demand, when allowed to work in the marketplace, have brought increases in supply. Between 1950 and 1970, for example, the known oil reserves of the U.S. increased by over 500 percent. Even now, as the National Academy of Engineering has pointed out, we have only recovered by relying on low-cost technologies; with higher prices and greater return on investment, it should be possible to recover much of the remainder.

To hold prices below market levels, as we have in the past, will only increase reliance on OPEC and leave us more vulnerable to foreign blackmail. We can impose a windfall profits tax on funds that aren't plowed back into new investment. It may not be popular to support higher profits, but it makes no sense to continue pouring our money into OPEC so that we can withhold it from our own producers.

Fallacy No. 4: Because our fuels are almost exhausted, we must rely primarily upon rigid conservation.

Conservation is critical, and in recent years the U.S. has made important progress in that direction. Recent FEA figures show that from November 1973 to November 1976, energy consumption dropped by 6 percent in the industrial sector. While some of that drop may be due to economic conditions, there is also some evidence that energy/GNP ratios have improved, indicating significant conservation. Further progress can and should be made through better home insulation, more efficient auto engines and the like.

Conservation alone, however, is only half an answer; the other half must be a determined national effort to increase production and accelerate development of new technologies. Even Professor Lawrence Klein, the President's chief economic adviser during the 1976 campaign, has said that "the energy package is very negative in being so wholly concentrated on restricting demand. . . . It might have been better to tailor it more to increasing supply."

Fallacy No. 5: The President's program contains ample incentives for new oil and natural gas production.

By permitting higher prices for newly obtained oil and natural gas, the NEP does indeed represent a step forward. But if this is deregulation, as proposed by candidate Carter, then understanding the proposal requires more imagination than I possess.

Consider the position of the producers. In the case of "new, new oil," the price is to be raised over three years to the world price and thereafter tied to domestic inflation. If the recent past is any guide, however, energy production costs will rise more rapidly than the national inflation rate, so that the government will once again be artificially depressing prices. In the case of natural gas, the new price proposed by Mr. Carter is still below the market price and the price controls he wants to extend to intrastate natural gas would bring its prices down—and provide a disincentive for producers.

Fallacy No. 6: On questions of energy and the environment, it is possible to have our cake and eat it, too.

It is misleading for the administration to pretend that our energy goals can be met without some relaxation of overly strict existing environmental and pollution standards.

Strip mining legislation, non-degradation standards for air pollution and a generally activist approach to environmental issues will all inhibit production of new coal, which is the keystone of the President's production plan. How can industries and utilities be expected to switch to coal if they can't burn it because of pollution restrictions, and producers can't produce it because of environmental restrictions?

It is clearly necessary to protect the environment, but it is also imperative to strike a sensible balance between economic and environmental tradeoffs.

Fallacy No. 7: The President's program will introduce greater certainty into energy production.

In view of the regulatory explosion of the past decade, this claim is baffling. By definition, more bureaucracy means more uncertainty. In just three years' time, the FEA has tied producers and consumers in knots. They can never be certain what they can do and what they can't. The petroleum industry already must file about 600,000 forms a year with the FEA.

Fallacy No. 8: The President's program will be equitable to consumers.

Where is the equity in a program in which consumers of heating oil get rebates but other home owners do not? Where consumers of natural gas continue to receive governmental subsidies but electricity users do not? Where larger industrial users of gas and oil are heavily taxed but small firms are not? And where industries and utilities pay widely different taxes depending on how well they fare in extracting exemptions, exceptions and special permissions from a GS–15 in Washington?

THE BIGGEST TAX INCREASE

Moreover, the administration has signified that it intends to put the $70 billion or more of rebates to other purposes—perhaps to pay for welfare reform, tax reform, or just to balance the budget. It would be more honest if it admitted this could be the biggest tax increase in U.S. history.

Fallacy No. 9: Adoption of the Carter plan will have only minor economic impact.

There is a gathering consensus that the NEP would mean higher inflation, lower productivity, a cutback in energy usage and more stagnation. Indeed, those who have recognized the similarities between the recommendations of the NEP and a Ford Foundation study earlier in the '70s think that the NEP will inevitably bring the same result envisioned by the Ford Foundation study: an era of "no growth."

Fallacy No. 10: The free market cannot be expected to overcome the energy crisis.

Of all the mistaken notions underlying the President's program none is more egregious than this one, for it assumes that our country no longer has the ingenuity or the dynamism to work its way out of crisis. This view, timid and cramped, is fair neither to our past nor our future.

Our recovery from the whale oil crisis a century ago and breakthroughs in electricity and then in petroleum are striking examples of what the U.S. can accomplish in relying upon individual initiative and private enterprise. We can do it again today if we reject this unhappy vision of America and affirm once again our commitment to a free, dynamic society.

On one point, at least, I find myself in agreement with the National Energy Plan. The President has predicted a calamity in energy. By adopting this program, that's exactly what we'll get.

THE CASE AGAINST THE B–1

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. BINGHAM. Mr. Speaker, last week, President Carter met separately with two delegations of Members of the House and Senate to review the pros and cons of the B–1 bomber. Although I was not a member of either delegation, I have been deeply involved for some time with the effort to block production of this unnecessary and wasteful new weapons system. The staff of Members of Congress for Peace Through Law prepared an excellent summary of the case against the B–1 in connection with the White House meeting, and I would like to share part of it with my colleagues:

I. WHY MODERNIZATION OF THE STRATEGIC AIR COMMAND—SAC—BOMBER WOULD BE PREMATURE AT THIS TIME

The current SAC bomber force composed of B–52s and FB–111s are more than sufficient to perform their missions in the event of war with the Soviet Union until 1990 or beyond. Perhaps the most important characteristic of the decision about whether to build the B–1 or not is that the decision simply does not have to be made in 1977 or even in the next two or three years. The current forces will suffice perfectly adequate for more than a decade.

The conclusion of the Brookings Institution study, painstakingly put together by two retired Air Force officers and edited and revised with the help of dozens of other defense experts, is that

"The arguments advanced so far that favor the retention of an adequate strategic bomber force do not present compelling reasons to build a new force now. . . . The B–52 G/Hs are thoroughly modern aircraft even though their lineage can be traced back to the mid-1950s. They are equipped with modern armaments—both SRAMs and bombs. The weapon loads on the B52G/Hs could be more than doubled by loading wing pylons with twelve more SRAMs, air-launched cruise missiles, or armed decoys. Furthermore, the B–52G/Hs are undergoing modernization of their electronic countermeasures systems . . . The B–52G/Hs have been equipped with quick-start accessories to improve prelaunch survivability with electro-optical viewing systems (TV) to improve low-altitude performance by providing a view outside and forward of the aircraft when the cockpit is hooded to protect the crew from bright flashes created by nuclear explosions. The B–52/Hs are expected to remain structurally sound into the 1990s. Current Defense Department plans call for retaining the B–52G/Hs even after the B–1s are deployed. Thus the B–52G/H appear capable of performing all the desired roles of a

manned strategic bomber force for many years." *

U.S. Defense officials concede that the B–52G/Hs will last through the 1980s and will still be able to fulfill their missions. They also concede that the aircraft may last much longer. Improved Soviet air defenses in the 1980s and 1990s are frequently cited by those who advocate the B–1. Yet, most of the countermeasures used to frustrate a Soviet AWACS, an improved Soviet interceptor force, and an improved Soviet surface-to-air defense system would be aboard the B–52s as well as the B–1s. Electronic countermeasures, chaff, tailings, SRAMs, and low-level approaches all increase penetration and are available to both the B–52G/Hs as well as to the B–1 bomber.

Furthermore, U.S. bombers would be accompanied in any strike against an aggressor country by U.S. ICBMs, SLBMs, and attacks by hundreds of U.S. fighter-bombers from carrier decks and forward-bases in Europe and Asia. Intermediate-range ballistic missiles fired from Western Europe would further create holes and chaos in the Soviet air defenses, overloading or destroying them, and opening a path for the slower bomber forces launched from SAC bases. Bombers would have their way cleared by the faster missiles.

Nor are these Soviet air defenses of the future off the drawing board. There is no dependable Soviet air-borne warning system in place yet. There are large holes in the Soviet radar network. The experience of U.S. bombers flying into massed airdefenses around Hanoi and elsewhere in North Vietnam augers well for the penetrating ability of aircraft today even against the thickest airdefenses in single strikes, such as nuclear missions would be.

Only 3% of the B–52s over Hanoi in the 1972 raids were destroyed by the SA–2 and SA–2A ground-based air defenses that ringed that city in depth. This is in a conventional war. During a nuclear war, missiles would already have destroyed many of the airfields, SAMs, and radars of the Soviet air defense forces, allowing even clearer penetration for SAC and other U.S. bombers.

Further, the U.S. does not need to produce the B–1 now or make a B–1 bomber decision now, because many of the technological innovations of the future in airdefenses quite likely would make the B–1 obsolete if they would eventually make the B–52 obsolete. A workable Soviet Airborne Warning and Control System (AWACS) would likely be as potent against a B–1 as against a B–52. So would some breakthrough in surface-to-air guns or missiles. To produce a B–1 bomber that has only such marginal improvements over the B–52G/Hs at such high costs makes little sense when both may be obsolete in the 1990s. A wiser course would be to hold off production on the B–1 and utilize the time that exists to monitor the developments in the Soviet air defense system. Then, when the Soviets seemed on the verge of a major improvement, countermeasures could be specifically designed into the next follow-on bomber which might then look very different than the present B–1 bomber design. This would also allow the U.S. the possibility of introducing the very newest and most effective technology at a time when it is most clear what was needed. And the lifetime of that aircraft would then last beyond the lifetime of B–1s that are rushed prematurely into production this year and in the following several years.

Finally, the B–1 decision does not have to be made now, because even if B–52G/Hs were becoming obsolete, which they are not, the U.S. needs the bomber force mainly as a hedge against ineffectiveness of the ICBM, SLBM, and forward-based systems. These components of the strategic deterrent force are all being modernized to improve their effectiveness. The Minuteman ICBM force has been MIRVed, will be receiving the MK–12A warhead, the NS–20 guidance system, terminal-homing MARV, and has been coupled with the command data buffer system. The SLBM force is getting the new Trident submarine and the Trident I and Trident II missiles as well as being MIRVed and modernized to have increased yield, RVs, and accuracy. The forward-based systems have more capable aircraft than they had a decade ago and more nuclear-capable and nuclear-loaded aircraft have recently been stationed in England within range of Soviet territory. With the other two legs of the strategic triad being modernized, and the forward-based systems gaining added muscle, it is difficult to make the addition case for bomber modernization. Such a decision need not be made now and will not need to be made for five years or more.

* Alton Quanbeck and Archie Wood, Modernizing the Strategic Bomber Force (Washington. D.C. The Brookings Institution, 1976), pp. 20–21.

II. WHY THE B–1 IS NOT THE MOST EFFECTIVE FOLLOW-ON BOMBER EVEN IF A NEW BOMBER WERE NEEDED IMMEDIATELY

As the Brookings Institution study "Modernizing the Strategic Bomber Force, Why and How" (Washington, D.C., 1976) concludes,

(1) "The effectiveness of the current bomber force is more than adequate now, and with minor force modifications, will remain so in the future under foreseeable conditions. With the planned deployment of ten Trident submarines, U.S. strategic forces will rise approximately to the limits established in the Vladivostok guidelines. Thus, there is no urgency to make major changes now, although modernization will be necessary eventually."

(2) "There are marked economic advantages for a bomber force that carries standoff missiles, which would be an alternative to the B–1 in modernizing the bomber force."

(3) "There appear to be no significant military advantages to be gained by deploying a new penetrating bomber such as the B–1 in preference to this alternative."

(4) "In light of these findings, we see no reason to make a commitment to produce the B–1, and we believe there is a considerable justification for exploring alternatives based on the standoff missiles."

The advantages of alternative strategic bombers to the B–1 are evident.

III. MILITARY TRADE-OFFS WITH THE B–1 BOMBER

Part I: Tank alternatives:

The United States needs more and newer conventional weapons in many areas more than the B–1 bomber. Perhaps the most striking of these is the "tank gap" in Europe. The Warsaw Pact countries currently maintain approximately 19,000 tanks (including reserves, which are held in the divisions) in Central and Northern Europe. The NATO countries, on the other hand, have approximately 7,000 tanks stationed in the same, region, with 3,000 tanks held in readily available reserves. A tank gap, therefore, exists of 9,000–12,000 vehicles (depending upon whether or not the NATO reserves are counted) in favor of the Warsaw Pact countries.

The M–60 tank currently costs 530,000 dollars each. A tank gap figured at 9,000 tanks could be rectified by the cost of approximately 47 B–1 bombers.

The XM–1 tank will cost approximately 1 million dollars apiece; or, 100 XM–1 tanks could be procured for every B–1 bomber. The tank gap could be closed by the procurement of XM–1 tanks at a cost equal to only 90 B–1 bombers.

Part II: Byrd's Basket Proposals:

Senator Robert Byrd has pointed out the following alternatives to B–1 funding, military items that are needed more:

1. Navy conventional alternative No 1:

Pay for the expansion of the Navy from its present size to about 600 ships during the next 10 years as recommended by Navy leadership.

[Fiscal year 1977 budget dollars]

		Millions
Additional attack submarines (SSN 688 class)	19	$5,861.5
Guided-missile frigates (FFG 7 class)	51	8,450.7
Landing docks	5	750.0
Replenishing ships	11	1,616.8
Auxiliary ships	4	1,042.1
	*90	17,721.1

*These ships are in addition to those already authorized.

2. Navy Conventional alternative No. 2:

Pay for replacement of destroyers coming due for retirement because of obsolescence before 1990 for which funding would ordinarily have to be provided by 1986.

Replace 68 destroyers: $16,414.7 million (FY 1977 budget dollars).

3. Navy conventional alternative No. 3:

Repace aircraft carriers, cruisers, and attack submarines coming due for retirement because of obsolescence before 1990 for which funding would ordinarily have to be provided by 1986.

	Millions
Replace 4 aircraft carriers	$8,081.2
5 cruisers	5,078.0
10 attack submarines	3,085.0
Total	16,244.2

4. Multi-service conventional alternative No. 4:

Pay for additional weapons and equipment for Army, Navy, Air Force and the Marines:

[Dollars in Millions, then year dollars]

M113A1 Armored Personnel Carrier	3,000	129
M60 Deisel-powered tank with 105 mm gun	3,000	1,002
MICV Mechanized Infantry Combat Vehicle	3,000	825
Harpoon Ship/air launched anti-ship missile	1,000	458
ATCA Advanced Tanker Cargo Aircraft	50	3,505
A–10 Close air support aircraft	500	2,600
UTTAS Tactical infantry helicopter	500	1,300
AAH Attack Helicopter w/ missiles and cannon	100	490
CH–53E Shipboard troop/cargo helicopter	100	730
P–3C Anti-submarine warfare patrol plane	50	710
F–18 High performance carrier based fighter	100	1,370
A–7E Carrier based light attack aircraft	100	440
F–16 Light-weight high performance fighter	200	1,660
EA–6B All weather electronic jamming aircraft	10	200
		$15,419

Total then-year cost is a function of the base-year cost plus adjustments for inflation spanning the procurement cycle. Therefore, then year costs for different weapons systems are not necessarily comparable.

5. NATO conventional alternative No. 5:

Three additional Army divisions could be equipped and supported in NATO in addition to the presently authorized 16 divisions:

COST

[In millions of dollars]

Type division (number)	Nonrecurring		Annually recurring		
	Equipment	O. & M.	Equipment	Mil per appropriation	O. & M.
Infantry (1)	172	45	16	181	58
Armored (1)	313	50	26	184	68
Infantry (mechanized) (1)	275	48	22	179	64
Divisions (3).	760	143	64	544	190
Combined total	903			798	

Total cost of three new divisions for 12 fiscal years would aggregate to $10,479 million in fiscal year 1976 dollars. This amount would approximate the estimated B–1 project funding yet to be appropriated—approximately $18.5 billion in "then year" dollars—if provision for inflation is made. Each new division would continuously employ about 16,000 combat-ready troops.

There are two types of costs that must be considered: Initial, or nonrecurring costs, and costs which are annually recurring. In addition, it should be noted that although equipment and personnel are funded from different accounts, both are supported by the operation and maintenance appropriation. Equipment costs shown in the chart include ammunition and essential replacement spares based on average unit cost of the last lot purchased. These costs do not provide for modernization items and their projected costs or potential adjustments in equipment density for modernization items. The MPA costs include pay, PCA costs, and the MPA associated with MOS training and are shown in fiscal year 1976 budget dollar values. No nonrecurring MPA costs are shown since the situation assumes a steady-state Army and the nonrecurring MPA costs would not apply. The O. & M. costs are shown in fiscal year 1976 budget dollar values.

IN SUPPORT OF THE CONSUMER COMMUNICATION REFORM ACT OF 1977

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. MURPHY of Pennsylvania. Mr. Speaker, as a cosponsor of the Consumer Communications Reform Act of 1977, I would like to share with my colleagues in the House the following resolution of the Charleroi Borough Council, Charleroi, Pa. This is just one of many such resolutions that I have received from local governments and other concerned groups throughout the 22d Congressional District of Pennsylvania in support of this legislation.

The resolution follows:

BOROUGH OF CHARLEROI,
Charleroi, Pa., April 29, 1977.

Hon. AUSTIN J. MURPHY,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN MURPHY: This letter is to inform you that Charleroi Borough Council passed the following Resolution No. 3, dated April 12, 1977:

Whereas, a complex and controversial issue has arisen which may well threaten the quality of the Nation's telecommunications service; and

Whereas, this issue centers on the relative merits of the "regulated monopoly" concept versus competition in the industry; and

Whereas, industry representatives assert that present federal regulatory policies encouraging competition may ultimately drive up home telephone rates; and

Whereas, industry representatives claim the over-all quality of telephone service will suffer to the extent that competition fragments responsibility for the telecommunications network; and

Whereas, in counter-argument, industry competitors maintain that their presence in this market will make available to the subscriber better, more innovative, and more economical telecommunications services; and

Whereas, competitors claim that the industry's position is based not on protection of their own monopoly; now, therefore be it

Resolved, That the Congress of the United States be urged to examine expediently and in depth the issues involved, study the potential effects on consumers and competitors alike, and finally decide in its wisdom precisely what will be the direction of national telecommunications policy in future years.

Motion by Anthony Ross and seconded by Charles Ziska that Charleroi Borough Council go on record to pass Resolution No. 3 for 1977.

Rollcall vote showed six members of council voting "yes", Donald Podwika absent.

Motion Carried.

Yours truly,

ELAINE T. MARTINKO,
Borough Secretary.

REGULATION AND DRUG DEVELOPMENT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. SYMMS. Mr. Speaker, I would like to further clarify past statements that have been made regarding the American Medical Association and its views on the 1962 amendments to the Food, Drug and Cosmetic Act. Drs. William M. Wardell and Louis Lasagna, in their book "Regulation and Drug Development," outline a very good history of the AMA's position:

When, in 1959, Senator Kefauver began his hearings on the prices of drugs and the practices of the drug industry, the AMA lined up against the proposals for a change in the laws. The crucial provision that a drug manufacturer had to prove his claims of efficacy before he could market a drug drew fire from the AMA because "a drug's efficacy varies from patient to patient. . . . Hence any judgement concerning this factor can only be made by the individual physician who is using the drug to treat an individual patient.". . .

The AMA also opposed that portion of the proposed law which required the secretary of health, education and welfare to make determinations of what was, in effect, the relative efficacy of structurally related drugs. . . . Up to the 1950s, it [the AMA] encouraged and supported the federal government in the regulation of drugs. Since then, it has been increasingly critical, particularly of over-regulation. . . . This is a convenient point to bring up to date the story of the AMA's views on the 1962 extension of the regulation of drugs by government.

The new attitude culminated at the 1973 meeting of the AMA. Six draft resolutions, from three state delegations and a specialty section, were introduced censuring the Food and Drug Administration for interfering in the practice of medicine or for not consulting with physicians specifically about drug matters. Two of the resolutions pertained primarily to the effect of the FDA on new drug development. Three of them dealt with the effects of the FDA on the availability of drug products. One alleged interference with the practice of medicine because of the agency's interpretation of the legal power of official package inserts and other labelling materials. The California state delegation proposed that the AMA seek the repeal of the 1962 Kefauver-Harris amendments and the transfer of the administration of drug matters to nongovernmental organizations such as the National Academy of Sciences.

The resolutions finally adopted were much watered down from the radical tone of the drafts. Nevertheless, they reflected the profession's continuing and growing concern with the incursion of government into the therapeutic relationship of physicians to their patients, and with the question of the proper and desirable scope of authority for a drug regulatory agency.

The most recent development was in June 1974, when the *AMA's House of Delegates actually voted to exert all efforts to amend or repeal the Kefauver-Harris amendments,* one of the arguments being that new drugs were being prevented from reaching the market. [emphasis added]

The resolution that the American Medical Association adopted in 1974 was resolution No. 57, "Arbitrary Actions of Food and Drug Administration" and stated:

Resolved, That the American physicians and the American Medical Association pledge to devote their resources to contributing to the ready availability of safe and effective drugs; and be it further

Resolved, That the American Medical Association exert all efforts to amend or repeal the Kafauver-Harris Amendment, P.L. 87–781, so as to make safe and effective drugs readily available to the American people.

The American Medical Association's position on the 1962 amendments from 1959 to 1974 seems quite clear. The AMA position in 1959 was:

A drug's efficacy varies from patient to patient . . . Hence any judgment concerning this factor can only be made by the individual physician who is using the drug to treat an individual patient.

The position in 1974 was:

That the American Medical Association exert all efforts to amend or repeal the Kefauver-Harris Amendment, PL 87–781, so as to make safe effective drugs readily available to the American people.

Since 1974, the AMA has not made any formal statements to repudiate, modify, or clarify its past formal positions.

I am in complete agreement with the AMA's assessment of the 1962 amendments to the Food, Drug and Cosmetic Act. Although the legislation that I have introduced, H.R. 54—medical freedom of choice—does not repeal the 1962 amendments entirely, it does significantly amend Public Law 87–781 by deleting the "effectiveness" provisions in the law.

I am hopeful and confident that the AMA will once again strongly reaffirm its earlier statements on the 1962 Kefauver-Harris amendments by adopting resolution No. 78, medical Freedom of Choice Act (H.R. 54), A–77 that will be introduced by the Idaho delegation to the American Medical Association's House of Delegates Convention in San Francisco June 19.

The Idaho delegation's resolution reads as follows:

Whereas, the 1962 amendments to the Food, Drug and Cosmetic Act have substantially increased the development time and cost required to develop a new drug, thereby discouraging drug innovation; and

Whereas, there is no indication that the 1962 amendments have reduced the number of ineffective drugs available; and

Whereas, the American Medical Association House of Delegates called for repeal of the 1962 amendments in 1973 and reaffirmed that action in 1974; and

Whereas, the Medical Freedom of Choice Act, H.R. 54 (Symms-Idaho), would delete the phrase "and effectiveness" from the 1962 amendments while leaving the safety requirements for all new drugs intact, therefore be it

Resolved, That the American Medical Association officially endorse H.R. 54, Medical Freedom of Choice Act, which would delete the "effectiveness" requirements for drugs from the 1962 amendments to the Food, Drug and Cosmetic Act, and actively work for its legislative enactment.

The Louisiana delegation to the AMA Convention will be introducing a resolution similar to the Idaho resolution in that it calls for legislation to be introduced in the current Congress "to declare null and void the 1962 Kefauver-Harris amendments to the Food and Drug Act." Unfortunately, the Louisiana delegation had not been made aware of the medical freedom of choice bill, H.R. 54, before submitting their resolutions.

Although I am not a lawyer and can, therefore, not speak with absolute certainty, it appears to me that the words, "exert all efforts" in the 1974 American Medical Association resolution supporting amendment or repeal of the 1962 amendments would include supporting a U.S. House of Representatives bill. The AMA now has the golden opportunity to put all its past resolutions, promises and hopes into action by supporting the medical freedom of choice bill, H.R. 54.

TRIBUTE TO BOB HARRISON

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. THONE. Mr. Speaker, it is with regreat that I inform you of the death of a former member of this body from Nebraska—the Honorable Robert Dinsmore Harrison. Known almost universally as Bob Harrison, he served in Nebraska's former third congressional district. The area included in the district is now largely in the first district, which I represent.

Bob Harrison was born on a farm in Lancaster County, Nebr. in 1897. During World War I, he reached the rank of sergeant in the U.S. Army Engineers during service in France.

He graduated from Peru—Nebraska—State Teachers College in 1926, from the University of California in 1928 and received his masters degree from the University of Nebraska in 1934.

Bob Harrison was a superintendent of schools in Bradshaw and DeWitt, Nebr. He later operated an oil business in Norfolk, Nebr., and a farm in Cedar County, my home county.

Upon the death of Representative Karl Stafan, Bob Harrison was elected to the House for a short term beginning December 4, 1951. He was elected to full terms in 1952, 1954, and 1956.

In 1959, and 1960, Bob Harrison was adviser to the Board of Directors of the U.S. Department of Agriculture's Commodity Credit Corporation. From 1960 through 1962, he was Nebraska State Director of the Federal Crop Insurance Corporation.

In 1975, Bob Harrison received the "Mr. Republican" award from the Nebraska State Republican central committee. He was a dedicated Republican Party member, serving as a delegate to three Republican national conventions.

More importantly, Bob Harrison was dedicated to the free enterprise system. He worked diligently in the House and in Nebraska to improve our Federal Government and to keep a fast-growing big government from stifling small business.

For more than 25 years, Bob Harrison has been a very close friend to me. I shall miss him sorely. I sincerely salute his many accomplishments.

Mr. Speaker, I ask Members of the House to join me in extending sympathy to Bob's wife, Mary, and to his daughter, Mrs. Bob Lingenfelter. We can best pay tribute to him by fighting the battle he fought for individual freedoms and against over-powering government.

HELSINKI'S UNFULFILLED PROMISES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. DERWINSKI. Mr. Speaker, a year ago, I participated in a vigil on behalf of those families which remain separated by political boundaries. All the nations which signed the Helsinki Final Act, including the Soviet Union, pledged to do everything possible to reunite families separated by political beliefs; but because the Soviets are not living up to that promise, we in the Congress are once again conducting this vigil to bring attention to the plight of these valiant prisoners and their families.

The case of my "adopted prisoner," Ilya Shostakovsky, is typical of those who have been repeatedly harrassed and persecuted simply for their desire to emigrate to Israel to join their families.

Ilya Shostakovsky, 32, is a bachelor, living in Leningrad without any family since 1973. In 1973, Ilya and his parents applied for permission to emigrate to Israel where many of their relatives were living. Four months after applying, he was called to the visa office and told that his parents would be allowed to leave right away, but that he would have to wait a year and a half before he could join them. When only 7 months of that period were left, the waiting period was extended 5½ more years. He has been repeatedly refused ever since.

Ilya's refusals can hardly be justified on the basis of his being a security risk. Nine years ago when he graduated from the institute with a degree in nuclear physics, he was not allowed to enter the field. For the next 2 years, he was a junior engineer at a geological project and had no access to strategic or secret information. After being fired from that job, he has had no connection with science or technology and has been reduced to employment as night watchman in a milk store—punishment for having applied to leave the Soviet Union.

In the meantime, Ilya's father has had a heart attack and the family is despondent at the long separation they have endured with no hope for an immediate reunion.

Shortly after this unfortunate incident, Ilya's telephone was disconnected and he came under tremendous pressure at work. This culminated in his being dismissed from his job. Five days after, he was summoned to the KGB who threatened him with either a charge of parasitism or conscription into a hard labor gang. This threat still stands—a "Catch 22" situation which so many Soviet Jews find themselves caught up in.

From last reports, Ilya's health and welfare are very poor. He has suffered for no other reason than for being a Jew and wanting to emigate to Israel.

Ilya Shostakovsky's parents anxiously await his arrival in Israel. It is my hope that they will be able to reunite with him very soon.

SCHOOL VOLUNTEERS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. LEHMAN. Mr. Speaker, today I am introducing a resolution which recognizes the value of school volunteers.

This joint resolution was also introduced last year by myself in the House and by Florida's Senators in the other Chamber. Although it was passed in the Senate on the same day it was introduced, time constraints in the House did not allow for its full consideration.

School volunteers have come to play a vital role in our education system. They provide individual tutoring and counseling which teachers are too often unable to give. Studies have shown that students who were tutored by volunteers have been able to raise their math and reading scores.

I might add that the students are not the only beneficiaries of these programs. Many volunteers are persons who have rediscovered how much they have to give to others. Although volunteers are of all ages, I think these programs can be especially helpful to older persons who might have forgotten how needed they are by the rest of the community.

Mr. Speaker, my proposed resolution recognizes the contributions of school volunteers, encourages all citizens to participate in and support such programs, and authorizes and requests the President to issue a proclamation recognizing the contributions made by those

who voluntarily donate their time and energy toward improving the quality of education in the United States.

I look forward to speedy consideration and passage of this joint resolution. A copy of the bill is as follows:

H.J. RES. ——

Whereas school volunteers contribute significantly to the extension and enrichment of the education of American youth and both utilize and serve a broad spectrum of Americans of all ages, interests, and political persuasions;

Whereas there is a need and desire for continued expansion of the school volunteer movement, for continuing nationwide review and assessment of the impact of school volunteer programs, and for further study and analysis of future directions for such programs;

Whereas the recognition of the school volunteer movement would focus attention on the efforts and contributions of school volunteers for millions of Americans of all ages; and

Whereas the recognition of school volunteers would provide a basis for a continuing commitment by all interests in education to increase and protect the utilization of school volunteers in the classrooms of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress—

(1) recognizes the worth and contributions of school volunteers;

(2) encourages all Americans to continue and support the nationwide effort toward utilization of school volunteers, to review and assess the impact of school volunteer programs on the quality of education, and to determine further steps required to renew the commitment and dedication of each American to increasing the participation of volunteers in the educational process; and

(3) authorize and requests the President to issue a proclamation recognizing the contributions made by the millions of Americans who are voluntarily working to improve the quality of education in the United States of America.

DR. WILLIAM ARGY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. CONTE. Mr. Speaker, one of the most prominent men in this city's medical circles, and a former resident of the town of Turners Falls in my congressional district, Dr. William Argy, Sr., passed away recently while visiting his family in Massachusetts.

I take this time to call the attention of my colleagues to the accomplishments of this distinguished member of the medical profession, a man who literally dedicated his entire life to providing quality health care to the residents of Washington, D.C. While his passing is surely marked with sadness by his family, his colleagues, and his friends, I believe, too, that all of us who live and work here in the Nation's Capital and who are benefitting from his "legacy" of care for the members of this community, will want to take this opportunity to reflect on Dr. Argy's contributions.

At this time, I express my sincere condolences to his family and ask that this article on Dr. William Argy, Sr., which appeared in the June 4, 1977, edition of the Washington Post, be inserted in the RECORD:

DR. WILLIAM ARGY, 80, PROFESSOR AT GEORGETOWN MEDICAL SCHOOL

Dr. William Argy Sr., 80, professor emeritus of medicine at Georgetown University School of Medicine, died Thursday at Cooley-Dickinson Hospital in Northampton, Mass.

A resident of Chevy Chase, he was visiting relatives in Turners Falls, Mass., when he became ill.

Dr. Argy's long career in medicine was mainly with the Georgetown Medical Center but he also had served at other medical facilities here.

Born in Palmer Falls, N.Y., he graduated from Georgetown University in 1921, and received a degree from the medical school a year later.

He was appointed an instructor of medicine at the medical center in 1924, and was named associate professor of clinical medicine in 1927. He held that position until he became professor emeritus of medicine in 1948.

Dr. Argy served as director of the center's clinics in the early 1930s and set up the first insulin clinic at the hospital. He was on the hospital's board of directors from 1928 to 1947.

He also was chief of staff at the old Gallinger Hospital, now D.C. General Hospital, from 1928 to 1932, and from 1931 to 1954 he was chief of medicine at Providence Hospital where he was on the board of directors.

Dr. Argy served as medical director of the D.C. Society for Crippled Children from 1950 to 1972.

A diplomate of the American Board of Internal Medicine, he was a fellow of the American College of Physicians and the American Academy of Cerebral Palsy.

He belonged to the D.C. Medical Society, the American Medical Association, the American Academy of Neurology and the Washington Society of Pathologists. He had published articles in numerous medical journals.

Dr. Argy also had been active in Rotary International, the Merrick Boys Camp and the Catholic Youth Organization and was a former director of the Criminal Justice Association of D.C.

He is survived by a son, Dr. William P. Argy Jr., of Chevy Chase; a brother, Thomas, and two sisters, Florence and Blondena, all of Turners Falls.

THE FLAG'S BICENTENNIAL

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Ms. MIKULSKI. Mr. Speaker, 200 years ago today, the Second Continental Congress created a symbol for their new Nation. They authorized a design for the flag of the United States. On this Bicentennial Flag Day, I would like to take a moment to note the importance of the flag in our heritage.

The design which was authorized on June 14, 1777, stated "that the flag of the United States be 13 stripes, alternate red and white, that the Union be 13 stars, white on a blue field, representing a new constellation." That flag accompanied the Revolutionary Army as it achieved our independence. And, in various forms, the flag has accompanied every Army which has maintained our freedom.

The symbolic meaning of the flag was perhaps best demonstrated in the Baltimore Harbor on the morning of September 14, 1814. British ships had spent the night bombarding Fort McHenry. Yet when dawn first broke, Francis Scott Key, a temporary captive on a British ship, saw that the flag was still standing. To him, the sight of the Star-Spangled Banner meant that the country had survived. The emotion he felt at that time became our national anthem.

Today the flag still shows that the country has survived. But it has come to represent more. Those ideals for which the Continental Army fought and for which our country still stands are embodied in the flag. Unlike the political parties and Presidents, the flag alone stands as a symbol of unity. No other symbol has been so constant or permanent.

The flag provides us with both a reminder of our past and a guide to the future. As we enter our third century as a nation, we should follow those principles which have made our country great. Flag Day, and National Flag Week, is sponsored by the Star-Spangled Banner Flag House in Baltimore. It provides us with a time to remember the heritage which the flag represents, and to remind ourselves of the goals which we seek.

SCHLESINGER TESTIFIES ON THE BREEDER REACTOR

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. BROWN of California. Mr. Speaker, I support the President's decision to defer the $2 billion Clinch River Breeder Reactor. The ERDA authorization bill as reported by the House Science and Technology Committee contains $150 million to continue this project, which I feel is a grave mistake. The United States cannot credibly negotiate for a limitation on nuclear weapons proliferation if we proceed now with a premature and unnecessary commercialization program for breeder reactors, which use the bomb making material plutonium as a fuel. When the ERDA authorization bill comes to the floor, I will offer an amendment to remove funding for the Clinch River Breeder Reactor except for the $33 million design and termination costs recommended by the President.

The administration budget provides funds to continue research and development on the breeder reactor at roughly half a billion dollars yearly, so this energy option will be maintained as insurance. The pause in the commercialization program will not harm our future energy supplies; in fact a pause is totally justified by our present information, as outlined by Dr. Schlesinger in his testimony before the Science and Technology Committee on June 7. I am inserting that testimony for the information of all the Members and hope that you will

support my amendment to defer the Clinch River Breeder Reactor, as recommended by the President. It is crucial that the President's nonproliferation policy be given a chance to work; funding the Clinch River project would undermine these efforts.

The testimony follows:

TESTIMONY OF JAMES R. SCHLESINGER, BEFORE THE SUBCOMMITTEE ON FOSSIL AND NUCLEAR ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION, JUNE 7, 1977

Mr. Chairman and members of the committee: This morning I shall discuss the basis for the President's proposal for the Clinch River Breeder Reactor Breeder Reactor Demonstration Project.

The Clinch River Project is not primarily an R&D program. It is an essential part of a program to produce a commercial breeder. To examine whether to proceed with this project, it is necessary to consider the need for a commercial breeder. The most critical factors affecting when a commercial breeder is needed are the projected nuclear power capacity and the amount of uranium resources available to provide fuel for light water reactors.

The forecast nuclear power growth has been declining. When the Congress approved the Clinch River Breeder Project in 1972, the AEC estimated that by the year 2000 the United States would have 1200 gigawatts of nuclear power generating capacity. In 1975 the estimate had dropped to 800 GW. The current estimate is that the United States will have between 300 and 400 GW of nuclear power in the year 2000. This reduction was not primarily a revised estimate of the attractiveness of nuclear power, but rather a result of a drop in the estimated total power demand. AEC or ERDA 1977 estimates for total energy, electrical capacity, and nuclear capacity are substantially lower than earlier estimates.

The current estimate for nuclear capacity in the year 2000 is less than one-third of what the estimate was when the Clinch River breeder project was authorized.

The other major factor is the amount of uranium available. There is considerable debate over what amount of uranium can be produced at a given cost. However, there is considerable confidence that 1.8 million tons of uranium oxide can be mined in the United States. The ERDA resource estimate includes an additional 1.8 million tons of potential uranium resources.

The substantial reduction in projected need for uranium, coupled with the uranium resource estimates, permits a pause in the commercialization program. The long range ERDA program had concentrated on the LMFBR as the next major source of electrical energy. The analyses justifying this program were based on assumptions that led to requiring an early decision date for the breeder. However, there are alternate assumptions that lead to later dates.

In the recent review of the breeder program, a case was examined using 3.7 million tons of uranium, 400 GW of nuclear capacity in 2000, and a 3.3% growth rate in electrical power in the years past 2000. This led to the first breeder being required in 2000, 7 years later than in the current program.

Another illustrative set of assumptions is that:

Nuclear capacity will be 380 GW in 2000;

The total energy nuclear growth rate will decline after 2000 to 10 GW per year.

Future enrichment facilities could enable operations at 0.1% tails assay and that existing tails will be recycled;

Plants will last an average of 40 years, with a 56% lifetime capacity factor;

Replacement plants will use the cores of decommissioned plants.

These more optimistic assumptions lead to a substantially later date for the breeder decision. As shown in the chart, the breeder program in this scenario need not begin until after 2000, with the first commercial breeder coming in around 2020.

With a large number of breeders operating at a high breeding ratio, the plutonium produced becomes a very low cost fuel. In previous cost-benefit analyses, utilities were assumed to make early commitments based on knowing that large amounts of low cost plutonium would become available in later years. These favorable cost benefit calculations were based on much larger nuclear capacity in 2000, no other alternatives available, and the production of large amounts of plutonium.

The President has proposed to change many facets of national energy planning. He has stressed conservation, the increased use of coal, and the development of alternative energy sources. He has also expressed his deep concern over the proliferation of nuclear devices.

I believe commercialization of the LMFBR should be deferred and the construction of the Clinch River breeder reactor should be cancelled. The Clinch River breeder reactor cannot be justified solely as an R&D project. To proceed now requires being fairly confident this type of breeder is going to be used as the next large source of energy and that it will be needed in the early 1990's. There are now serious doubts that scenario is appropriate. The President proposes to seek alternatives to this breeder but also to maintain a base program for the LMFBR. The United States has the time to examine alternative methods to meet future energy needs and, in particular, to develop approaches that may reduce the dangers of proliferation. If we cannot find desirable alternatives, there will be time to return to the LMFBR.

AMERICAN LITHUANIANS REMEMBER SOVIET INVASION OF THEIR HOMELAND

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. COTTER. Mr. Speaker, on June 15, 1940, Soviet troops ended Lithuanian independence and inaugurated a reign of terror that persists today. Lithuanian Americans throughout the country will commemorate this event Wednesday.

The anniversary of the Soviet Union's destruction of Lithuanian independence is an appropriate occasion for us to remember that the Baltic peoples are still struggling for human rights. At this point, with your permission, I would like to insert a report on human rights in Lithuania for the attention of my colleagues:

PRISONERS OF CONSCIENCE PATRIOTS FOR HUMAN RIGHTS

Political repression, religious persecution, cultural genocide, deportation to Siberia and the denial of basic human rights—these are the indignities suffered by the Lithuanian people over the last 37 years at the hands of their Communist occupiers, the Soviet Union.

Lithuanians have not suffered in silence. The Western World has seen and hears of the many sacrifices of Lithuanian patriots for human rights, despite attempts by the Soviet Union to suppress all such communications with the Western World. The underground publications, "The Chronicle of the Lithuanian Catholic Church" and "Ausra" (The Dawn), are published and disseminated by Lithuanians, in spite of the constant threat of arrest and imprisonment by their Russian occupiers. Indeed, Russian prisons are filled with such prisoners of conscience.

The Soviet Union has blatently ignored the human rights provision of its own constitution, the provisions for human rights in the United Nations Charter, and most recently it has ignored the implementation of the provisions of the Final Act of Helsinki.

Lithuania, a sovereign nation since 1251, established its independence on February 16, 1918, but was invaded and occupied by the Soviet Union on June 15, 1940, and subsequently, more than 300,000 freedom-loving Lithuanians were deported to Siberian forced-labor camps. These tragic events are commemorated by Lithuanians throughout the Free World on June 15th.

This summer, the United States will be attending the follow-up Conference on European Security and Cooperation in Belgrade, Yugoslavia. The people of Lithuania are anxiously awaiting the outcome of the Belgrade Conference, because it represents the only foreseeable means for them to benefit from the provisions of the Final Act of the European Security and Cooperation Conference in Helsinki.

There is world-wide concern for Soviet Jewry, and justly so, however, Lithuanians, Latvians, Estonians and the people of the other Captive Nations also deserve our concern, and action.

The Belgrade Conference presents a unique opportunity to bring the force of world public opinion and the diplomatic power of the Western World to bear on the Soviet Union's disregard of the human rights provisions of the Final Act of Helsinki. The Commission on Security and Cooperation in Europe, established by the United States Congress last year, has documented evidence of the Soviet Union's non-compliance with these provisions.

We urge the President of the United States, and the Secretary of State to direct our representatives to the Belgrade Conference to confront the Soviet Union about their noncompliance and evidence of bad faith. Since the Soviet Union seeks better relations with the Western World for its own purposes, let us make compliance with the Final Act of Helsinki a condition on which those relations depend.

COMMUNICATIONS GAP BETWEEN DEPARTMENTS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. TEAGUE. Mr. Speaker, just over a week ago President Carter made a decision not to sell some 100 A–7E aircraft to Pakistan—a decision which I believe was a mistake.

Pakistan shopped throughout the world before selecting the A–7E, built by the Vought Corp. in Texas, as the aircraft which best met the Pakistani defense needs. Pakistan offered to purchase the aircraft for cash.

In denying that sale, I believe the White House chose to ignore the true military and political situation in South Asia. Robert E. Baskin, senior political writer for the Dallas Morning News, also believes there were some important facts ignored in this decision, and I would like to have his excellent column of June 10, 1977, appear in the RECORD.

Mr. Speaker, I believe the sad truth of the situation is that Mr. Baskin, writing for a newspaper 1,500 miles away, has a

better understanding of what the State Department experts are saying about India and Pakistan than the people at the White House here in Washington.

The article follows:

COMMUNICATIONS GAP BETWEEN DEPARTMENTS

(By Robert E. Baskin)

If Rep. Dale Milford's assessment is correct—and there is no reason to believe it is not—the White House and the State Department are having severe communications problems.

The Grand Prairie Democratic congressman charged this week that the State Department had not been advised of the Carter administration's decision to bar the sale of 100 A7 aircraft to Pakistan and was actually "embarrassed" by it.

The A7 is manufactured by LTV's Vought Aeronautics division, and loss of the Pakistan contract may put as many as 5,000 aircraft workers at the Grand Prairie plant out of work. Milford and Sen. Lloyd M. Bentsen have been pushing hard for approval of the contract.

Diplomatic considerations are heavily involved in this situation, and the State Department through several administrations has endeavored to maintain a military balance in southern Asia to prevent both major warfare there and an extension of Russian power throughout the area.

Pakistan is menaced on the east from time to time by India and on the north by Afghanistan, which is supported by the Soviet Union and which could be an avenue for penetration of its influence into the Indian Ocean and the Arabian Sea.

American policy has been aimed at reducing the potentials for war in this area, and part of that policy has been directed toward strengthening Pakistan sufficiently to discourage Indian adventurism and incursions from the north.

There is recent history on this policy that has bearing on the present situation. During the Nixon administration India was determined to foment a war with Pakistan, which did not want conflict with an obviously stronger nation, and Washington was endeavoring to cool the climate.

The Nixon administration was accused of "tilting" toward Pakistan, but it had good reason to do so. The CIA had a source at the highest level of the Indian government which reported fully on Prime Minister Indira Gandhi's determination to go to war and of her utter contempt for the United States.

Mrs. Gandhi resented American efforts to stabilize the situation and at one point reportedly said she was "not going to be dictated to by white men 9,000 miles away." She apparently was motivated by both racial antagonisms and her own developing tendency toward dictatorship and her desire for broader power in Asia.

She finally went too far. She became a dictator and established a repressive government. But in the end she had to relent under world pressure and call an election. The result was disastrous for her, and a democratic regime of sorts has been restored in India.

But the antagonisms between Hindu India and Moslem Pakistan are still there, and American policy, as developed by the State Department, has been to keep as much of a military balance of power as possible in the area.

Sen. Bentsen quite correctly points out that India now has a nuclear bomb capacity and has an air force equipped partly with Soviet MIG-21's. India also is maintaining sizable ground forces on the Pakistan border.

Pakistan, Bentsen notes, has mostly obsolete aircraft and is vulnerable to attack from both the east and the north. Supplying Pakistan with A7 aircraft would do much, he contends, to deter hostilities by either India or Afghanistan and its Russian overlords.

It is a long way from the assembly lines of Grand Prairie to the airfields of Pakistan, but there is more at stake in this situation than just military procurement. Involved here is the matter of keeping the peace in southern Asia.

The State Department has reckoned for a long time that it was essential for the United States to bolster Pakistan whenever Indian or Soviet threats were made against that nation. Pakistan obviously needs the A7s, but the White House apparently has not perceived the reasons for the United States to supply them.

Failure to approve the A7 sale to Pakistan can be viewed as another concession by this administration to the Soviet Union in an area of the world that remains volatile.

HUTCHINSON NAMED OUTSTANDING PROFESSOR

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. JOHNSON of California. Mr. Speaker, it is with great pleasure that I note that Prof. W. H. Hutchinson of California State University, Chico, has been selected as one of two outstanding professors of the State college and university system. "Old Hutch" as he is known to me and to his many friends and acquaintances, is certainly most deserving of this special recognition.

Hutch is a special kind of professor. His training certainly did not begin in the classroom and that, I think, is one of the main factors which makes him so widely admired and respected by his colleagues and his numerous students.

W. H. Hutchinson is officially a professor of western history. He comes by his knowledge first hand, however, not by having read about it. Hutch, during his career, has worked as a cowboy, a harvest hand, an air cadet, a globe-traveling merchant mariner, and in various other capacities. He regularly uses the experiences to augment his knowledge gained from study of western history, a subject which he greatly loves. He is truly the type of professor which makes history come alive in the classroom.

His talents have not been limited to the college campus. He has written several papers and articles on culture of the American West and is widely recognized as an authority in this field. Hutch has also shared his experience and his expertise with the community of Chico, where he lives so that they, too, may benefit from his experience and wise counsel.

As a professor, Hutch rates among the best according to both scholars and students. He is not the easiest and he does not give all "A's," but he does accomplish his most important task—assuring that the students learn something—with certainty and with flair.

It pleases me greatly that the California State University and Colleges System has recognized the important contributions of this unique man and has appropriately awarded him by designating him as one of their outstanding professors for the year.

So that my colleagues may better understand the important role which "Old Hutch" plays in northern California, I am pleased to include at this point in the RECORD a copy of the editorial recently published by the Chico Enterprise-Record. The editorial follows:

A FITTING HONOR FOR OLD HUTCH

The members of the Board of Trustees of the California State University and Colleges occasionally have their ups and downs in the fields of budgeting, dealing with legislators and trying to figure out the policies and positions of Gov. Jerry Brown.

But the trustees proved their ability to understand and evaluate the important fundamental aspects of higher education again last week when they named Chico State University's W. H. Hutchinson as one of the state system's "outstanding professors" for the year.

Considering the fact that the faculty members of the 19 universities and colleges total more than 17,000, the selection of only two for "outstanding professor" awards amounts to quite a task. And it follows that to be chosen for such an award amounts to an exceptional honor indeed.

Yet we must say that the selection of "Old Hutch" for that signal honor came as no surprise to those of us at The Enterprise-Record who have been following his career for the past quarter of a century. Both as a professor of western history in particular, and as a teacher in general, Hutchinson richly deserves the honor that has been accorded him.

We hasten to remind that Hutchinson is not cast in the classic mold of a "professor," one associated with academia throughout his entire life—starting as a student, moving into years of post-graduate work and then into the faculty realm.

Rather, Hutchinson lived a full life—and more than most—of hard work and adventuring before he ever even dreamed of academic endeavor. He was a cowboy, a harvest hand, an air cadet, a globe-traveling merchant mariner along the way—with an insatiable appetite for western history eating at him constantly.

By the time Hutchinson began serving as a part-time lecturer at Chico State in the middle 1950s, he was already a widely-recognized authority on western history and had published a host of special articles and several definitive volumes. And by the time he became a full-time member of the Chico State history faculty in 1964, Hutch was widely respected in academic circles throughout the west (that fact manifested itself with special impact in 1966 when the University of Texas "borrowed" Hutchinson from Chico State for a year's service on their faculty in Austin).

Of primary importance in the process of education, of course, is the ability of the professor to communicate his knowledge and enthusiasm to students. In this realm, Hutchinson has excelled. Many of his students—even some who may have disapproved his tart and tough style—have told us that they learned more from Hutch than from "easier" instructors. And in almost all cases, their study under Hutchinson inspired a lifelong interest in western history.

In the bargain, Hutchinson has been able to serve as a superb line of communication between the campus and the people of the community. Recognized as "one of us" by both scholastic and community segments of the population, Hutch has thus functioned as a factor for mutual trust and cooperation. Yet all along he has cherished his status as "his own man," so to speak—evaluating freely as his conscience dictates—thus retaining both his self-respect and the respect of others.

Here at the E-R, we have worked with Hutch on a great many projects and programs over the years, and have found ourselves on "the other side" on occasion. We frankly admit the former was the most enjoyable because Hutch amounts to a formidable opponent in any tussle. Either way, however, we have always acknowledged his key importance to the entire community.

Now it is good news that the state college trustees are equally aware of W. H. Hutchinson's importance to California's higher education system. We commend them on their selection of him as one of the state's two "outstanding professors" for this year. He richly deserves it.

MEDICAL FREEDOM OF CHOICE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. SYMMS. Mr. Speaker, I want to take this opportunity to draw to the attention of my colleagues two letters that have been sent to me in reference to my bill, H.R. 54, the medical freedom of choice bill. H.R. 54 repeals the "effectiveness" provisions from the 1962 amendments to the Food, Drug, and Cosmetic Act. The effectiveness provisions have dramatically increased the time, money, and paperwork necessary to get a new drug to the American market. The 1962 amendments have virtually eliminated drug research, innovation, and development. The truly unfortunate aspect of the 1962 amendments is that there is little evidence that they have improved the effectiveness of new drugs. The American consumer has been the loser, both economically and medically, as a result of the effectiveness provisions.

H.R. 54 now has 110 House of Representative cosponsors. I urge my colleagues to read the following letters and to join in my efforts for regulatory reform by cosponsoring H.R. 54.

The first letter is by Dr. Raymond P. Ahlquist, Charbonnier professor of pharmacology at the Medical College of Georgia. Dr. Ahlquist received the prestigous Lasker Award in 1976 for his studies on beta blockade. The second letter is from Dr. William A. McGarey, clinic director of the A.R.E. clinic in Phoenix, Ariz.

The letters follow:

MEDICAL COLLEGE OF GEORGIA,
Augusta, Ga., April 26, 1977.

Mr. STEVEN D. SYMMS,
Washington, D.C.

DEAR MR. SYMMS: I have read with interest the material related to H.R. 54 that you sent me. I strongly support any measure that will speed up the release of new drugs to the American physician.

My efforts of more than 30 years to prepare physicians to practice rational drug therapy seem futile when the FDA by withholding drugs prevents the physician from doing his best. The FDA presumes that physicians are ignorant and untrustworthy. Only the physician is competent to judge how to treat an individual patient; this cannot be done by a remote agency. Therefore the physician should be free to use any drug. Ethical and legal restraints should encourage physicians to do their best.

I am most familiar with the beta blockers, for which I have recently shared the Ciba and Lasker Awards with James Black of London. We introduced the concept and the drugs about 25 years ago. Yet only one (propranolol) out of a possible dozen is available to American physicians and patients. At one time in the past it could be argued that only one drug out of a general class of drugs was needed. We now know! We now know that each drug is different. All of the beta blockers have the same general action. But all are different in their other actions. Some are local anesthetics, some have a stimulating action on the heart, some can penetrate the central nervous system, some are more specific on the heart, all are different as to how they are metabolized in the body (this determines how many doses per day will be needed). Since every patient is different, their exact drug need is different.

Although propranolol is an excellent drug it cannot be given to patients with asthma. In hypertension large doses of propranolol may be needed. The local anesthetic effect may now appear causing cardiac depression. A drug known as sotalol may be needed instead.

All of the beta blockers have been proved to be effective and safe in thousands of patients. Only one, practolol, turned out to have a significant adverse effect. This turned up in a few patients after about 2 years of continuous use. This drug has been withdrawn from the market.

As you suggest the removal of the effectiveness proof requirement would be of benefit to the FDA, physicians and patients. Obviously toxicity testing of a reasonable nature must be retained. And post-marketing testing must be improved.

If there is any way I can help you please let me know.

Sincerely yours,
R. P. AHLQUIST, Ph. D.,
Charbonnier Professor, Pharmacology.

THE A.R.E CLINIC,
Phoenix, Ariz., May 31, 1977.

Hon. STEVEN SYMMS,
House Office Building, Washington, D.C.

DEAR SIR: In the recent May 25th issue of Medical Tribune, a story was printed about your bill dealing with the curbing of FDA powers. I want to speak briefly about this.

Throughout the history of medical care it has been obvious that a drug or a therapy that works for one physician may not work for another. This does not mean that the therapy is no good. It means that there are other factors aside from just the therapy itself that are involved in the total picture. The patient may not be responsive to that particular therapy. The physician may be well trained or well motivated in giving this therapy and no one has ever yet been able to measure how much value there is to the faith that a patient has in a doctor or the confidence that a physician has in his own particular approach to healing the patient's ills and ailments.

There are so many things involved in efficacy that it seemed to me to be utterly ridiculous for the FDA or any governmental power to determine as a matter of law the efficacy of a drug or a therapy of any kind.

Thus, I want to congratulate you and add as much power as I can to the impetus to get this particular bill passed in the House, in the Senate and signed by the president.

The FDA has bothered and actually mistreated and coerced individuals in the health care field who have been trying to do a good thing for the people whom they serve. This kind of activity becomes a threat to the welfare of the whole country—not only as far as health is concerned but as far as freedom of speech and of ideas and of creativity are concerned.

I am enclosing some material from a monthly Medical Research Bulletin that I have been writing regularly for the past seven years to give you other aspects of my own feelings on this subject which, as you can understand, are fairly strong.

It seems to me that the individual who is ill and who needs help has priority over any bureau of any government and any formulation of that particular government where the individual lives. Creating rules by fiat that limit the possibilities of assistance that that individual may gain seems to me to be a miscarriage of bureaucratic power, which always should be limited by those people representing us in Congress.

This did not turn out to be a short letter but it gives you an idea of how sincerely I and many other physicians support your particular bill. We wish you success.

Sincerely,
WILLIAM A. MCGAREY. M.D.,
Clinic Director.

H.R. 7555

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. EDWARDS of California. Mr. Speaker, floor action is scheduled for Wednesday, June 15, on H.R. 7555, the Labor-HEW appropriations bill, and its controversial Hyde amendment.

I am opposed to this amendment because it interferes with constitutionally protected rights.

Thomas I. Emerson, professor emeritus at Yale University Law School and distinguished constitutional scholar, also is opposed to the Hyde amendment. It would prohibit the use of medicaid funds for nontherapeutic abortions.

All women are constitutionally protected in their decisions to terminate pregnancies, as defined by the law. If the Hyde amendment passes, all women will still be constitutionally entitled to abortions, but poor women will be burdened financially because legitimate medical expenses will not be reimbursable through medicaid benefits. Wealthier women will not be burdened financially since they have private money at their disposal. I believe this unjustly discriminates against low-income women.

With Professor Emerson's permission, I would like to reprint his recent letter which clearly states the constitutional arguments against the Hyde amendment:

YALE UNIVERSITY LAW SCHOOL,
New Haven, Conn., April 7, 1977.

Hon. DANIEL FLOOD,
Chairman of the Labor-HEW Subcommittee of the House Appropriations Committee, Washington, D.C.

DEAR CONGRESSMAN FLOOD: I am writing in opposition to the proposed amendment to the Labor-HEW appropriations bill which would prohibit the use of Medicaid funds to perform abortions, except where the life of the mother would be endangered. In my judgment such a provision is definitely unconstitutional.

In the first place the provision clearly places an unjustifiable burden on a constitutional right, and thereby violates that constitutional right. In *Roe* v. *Wade*, 410 U.S. 113 (1973), the Supreme Court held that the right of a woman to choose to have an abortion was part of her constitutional right of privacy and was protected against abridgment or denial by any form of government action. The proposed amendment would

plainly invade that constitutional right. There is, of course, normally no obligation on the government to provide funds for the exercise of a constitution right. But when the government sets up a comprehensive program of medical aid to the indigent, but excludes from that program funds for medical aid for abortions, it is obviously imposing a burden on the right to have an abortion. The fact is that the provision was specifically designed to discourage or prevent abortions and would in practice operate to do so. Indeed it has no other purpose or justification. The proposed amendment is therefore an unconstitutional condition imposed on a constitutional right. It is invalid under a long line of cases striking down similar conditions, including *Speiser* v. *Randall*, 357 U.S. 513 (1958); *Williams* v. *Rhodes*, 393 U.S. 3 (1968); *Planned Parenthood of Missouri* v. *Danforth*, 96 S.Ct. 2831 (1976).

Secondly, the proposed amendment violated equal protection of the laws, as guaranteed by the Fifth Amendment. It provides different treatment for women who have abortions for certain reasons as distinguished from women having abortions for other reasons; also different treatment for women having abortions from all others covered by Medicaid who have other medical treatment; and finally different treatment for women who can afford abortions from those who cannot. These classifications are unconstitutional. Since the right to an abortion is a constitutional right it is also clearly a fundamental right, and hence these distinctions can be made only if the government can demonstrate a compelling interest and show that it has adopted the least drastic means to achieve its ends. Here the government can make no such showing. The proposed amendment cannot be justified as a method of saving money because it will cost the government more money if an indigent women bears a child than if she has an abortion. No justification can be based upon moral grounds because the moral view of some members of the legislature cannot override a constitutional right. Hence no compelling reasons exist. Moreover, the end sought to be accomplished—the discouragement of abortions—is not a legitimate one in view of *Roe* v. *Wade*. Consequently the provision violates the constitutional right to equal protection of the laws. The Supreme Court has held comparable provisions invalid in many cases, including *Shapiro* v. *Thompson*, 394 U.S. 618 (1969); *Dunn* v. *Blumstein*, 405 U.S. 330 (1972); *Memorial Hospital* v. *Maricopa County*, 415 U.S. 250 (1974).

Almost all the courts which have ruled on the matter have held provisions like the one before your Committee unconstitutional. The issue is now pending in the Supreme Court. I submit that the constitutional validity of the provision is so dubious that Congress should not undertake to enact it into law.

Sincerely,

THOMAS I. EMERSON,
Lines Professor of Law Emeritus.

NEUTRON BOMB THREATENS THE NUCLEAR THRESHOLD

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. SIMON. Mr. Speaker, I am opposed to the production or deployment of the enhanced radiation warhead—the so called neutron bomb.

Production and deployment of this weapon would reduce our security rather than increase it for three reasons:

First. It would increase the danger of a general nuclear war by eroding the existing threshold between conventional and nuclear weapons. As the distinction between the two types of weapon diminishes, the temptation and indeed the probability of the use of nuclear weapons increases. The idea that nuclear weapons can be made sufficiently small to avoid the danger of nuclear escalation is an assumption which is unsupported by any logic. It is an irresponsible and unlikely assumption, and I do not think that we should bet our future on it.

Second. Our production of this weapon will engender the production of similar weapons by other countries thus contributing to the proliferation of nuclear weapons and therefore to the increased likelihood of their accidental use or their theft. The smaller the weapons the greater the danger of theft and terrorist use.

Third. The neutron warhead is also dangerous in that it suggests radiological warfare—something which it has been our policy to oppose. The deployment of this warhead would seriously undermine that policy.

On June 2 Representative BINGHAM of New York urged, in an important speech in the House, that the time had come for qualitative controls on strategic weapons. I strongly agree with this point of view. Although not a strategic weapon, the neutron warhead is a good example of qualitative advances in weaponry which are destabilizing and dangerous.

Mr. Speaker, I would like to call the House's attention to the editorial on this weapon which appeared in Washington Post on June 8 which follows my remarks:

A NEW WARHEAD WE DON'T NEED

It is a relief to learn that President Carter does not plan automatically to approve production of the controversial neutron warhead for the Army's Lance missile. The Lance, a short-range (56-mile) tactical weapon already equipped with a nuclear warhead, has been deployed by American forces attached to NATO. The neutron warhead, also known as the "enhanced radiation" warhead, would have this advantage, according to Gen. Alfred D. Starbird, an official at the Energy Research and Development Administration: "You reduce the blast effect and get the kill radius you want." That is, this so-called "antipersonnel" weapon tends to leave buildings and things intact, but to kill people—ideally, in the view of its proponents, only those people (enemy forces) who are within the proposed and limited "kill radius."

Military men have argued for the neutron warhead on the ground that it will tend to confine the carnage to the battlefield, as distinct from civilian centers, and that it is therefore more humane than ordinary tactical nuclear weapons. Further it is claimed that this weapon, being relatively precise as a killer and benign as an explosive, is less likely than other nuclear weapons to start a nuclear war. And so it will also be more credible as a deterrent to war. The reasoning here is that a prospective enemy will show it more respect as a weapon we would have less hesitation about using than regular tactical nuclear explosives.

These arguments strike us as devilishly seductive—and dead wrong. Two aspects of the case for neutron weapons seem to deserve special attention. The first is that "enhanced radiation" weapons could be construed as another form of the chemical warfare that this country has joined others around the world in seeking to eliminate from practice or possibility. (Chemical and biological weapons, we note, have traditionally been argued for on grounds that they were, in some grisly respects, more practical and humane than the alternatives.) The other is that just about the last thing anyone should want for the American arsenal is a nuclear weapon regarded by the military as being sufficiently small, "safe" and controllable to be used without fear of starting a general nuclear war. The distinction is a false and dangerous one.

Evidently President Ford, in 1976, approved a request for production money for the new weapon, and the request is in the ERDA budget currently before Congress. But Jimmy Carter, according to a White House spokesman, will reach no judgment on whether to go ahead until two important pending studies of American military needs have been completed. We hope he will then say no to the neutron warhead.

ON TRUMAN, MOYNIHAN, AND YOUNG

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mrs. SCHROEDER. Mr. Speaker, this city has a fickle attitude about candor.

Harry Truman, whose blunt and commonsense approach to just about everything drove the Republicans into fits, found himself involuntarily and posthumously embraced during the last campaign by an ex-vilifier, Gerald Ford.

DANIEL MOYNIHAN was lionized in many circles for the fiesty, outrageous, and often accurate comments which he cheerfully delivered from his pulpit at the United Nations. Now we have the rowdy spectacle of Andrew Young, occupying the same post and making similar remarks on an equally wide range of subjects, being pelted by criticism. MOYNIHAN's candor is Young's heresy. Here in the House Members stumble all over themselves larding the record with their latest broadsides. Carping and yahooing are the order of the day.

Even the usually sharp and witty George Will is hooting. If criticism was football they would all be called for piling on.

For example, Young observed that "once the Xerox copier was invented, secret diplomacy died. There is no such thing as secrecy." Will dismisses that as extravagant silliness." Yet it is an entirely accurate statement. The Xerox copier was Daniel Ellsberg's getaway car. And it feeds Jack Anderson's typewriter.

The Christian Science Monitor recently ran several thoughtful commentaries on Young which are set out below:

AMBASSADOR YOUNG'S INDISCRETIONS

(By Joseph C. Harsch)

It is now customary to refer to America's UN Ambassador, Andrew Young, either with deprecating noises or stern disapproval, al-

though President Carter has declined to repudiate any specific thing he has said.

I have been prompted by the above to look over the public record of things he has said. I find that he has stepped on sensitive toes and violated shibboleths of the times. But I also find that what he has said is either true or reflects a point of view justified by some facts. For example:

Mr. Young has called the Russians "the worst racists in the world." The use of "worst" is controversial. There are plenty of racists and it would be difficult to measure degrees of racism. I am not at all sure that the Russians are the "worst." But that they do not get along easily with persons of other ethnic or racial groups is a well-known phenomenon. It is also a major reason why the Rusians make such poor imperialists. Black students who have been to Moscow's Lumumba University come away usually with anything but happy memories of their treatment in the capital of supposed communist fraternalism. Chinese and Egyptians who once welcomed Russians to their midst—ended up throwing them out.

Mr. Young has said that the Swedes are "terribly racist." Again, the adjective is open to question. But the Swedes are not famous for welcoming into their homes persons of different race and color. Danes and Norwegians, being more inclined to roam the world, are tolerant of strangers of various hues and colors. Swedes tend to cling to each other. Sweden does not have many non-Scandinavians within its borders.

Mr. Young says the Swedes treat blacks as badly as they are treated in the New York Borough of Queens. Well—comparisons are difficult. No one to my knowledge has made a detailed study of the matter which would justify a scientific conclusion. But it is a fact attested by scores of violent episodes in the recent history of Queens that the movement of blacks into Queens has resulted in racial friction along the fringes of black advance. They are not made welcome in Queens any more than they are in sections of any large American city where they are reaching for more space into areas inhabited by earlier economic communities of Irish, Jews, Italians, Poles, etc.

Mr. Young thinks that Britain's "old colonial mentality" is still strong. I presume he means the British habit, resulting from having long ruled a vast colonial empire, of thinking that there resides in the British nature a unique and superior ability to think for other peoples. It would be a hard proposition to prove one way or the other, but having myself resided among the British for some 10 years of my life I feel that Mr. Young again has a point. Many of my British friends do seem to think that they could run American affairs better than Americans.

Mr. Young's most startling remark, made back in February, was that Cuban soldiers in Angola had contributed an element of stability to that country. He has since said much the same thing about Cuban soldiers now reported in Ethiopia. Offhand it would seem to be outrageous for an American ambassador to sound as though he were condoning an act of Soviet imperialism carried out with Cuban troops.

But if there were no Cuban troops in Angola there might be a three-cornered civil war still going on in Angola among the three major tribal groupings of that country. So long as that civil war continued there could be no resumption of business or trade. It is a fact that when Cuban troops ended the fighting in Angola the Gulf Oil Co. resumed the flow of oil from Angola to the Western world.

Cubans are now reported in Ethiopia. Mr. Young says they may stop the killing there. They may. They are the only troops from outside which might be used right now for such a purpose. The killing in Ethiopia has been brutal and massive. It ought to be stopped. Americans are not going to do it. Americans are getting out of Ethiopia. No white country is going to do a thing to stop that killing in Ethiopia. Besides, the United States and its allies are more interested right now in Somalia than in Ethiopia. If they can trade off a new position in Somalia for their old one in Ethiopia they will count themselves ahead of the game.

The Cubans can operate in Angola and Ethiopia because their troops are mostly dark skinned, being either black or of mixed blood. They don't look white. Besides, they themselves have cast off two former imperial yokes, first Spanish, then American.

It is ironic, of course, that American business could benefit from having Soviet-backed Cuban troops provide law and order in Angola—and perhaps soon in Ethiopia. Russians could not do it themselves any more than Americans could; Russians are also white. But Cubans can.

Mr. Young is having fun saying things in overstrong terms. Obviously, he enjoys shocking others. But there is usually some truth behind his startling statements.

Quiet Effects of the Vocal Mr. Young

(By Daniel Southerland)

Washington.—Once again Andrew Young makes news for what he's said, not for what he's done.

Judging by the latest headlines, the U.S. Ambassador to the United Nations has just completed a trip to Europe and Africa in which his main accomplishment was to have upset the State Department, the British, the Russians, the Swedes, and the residents of New York's borough of Queens.

But State Department specialists on Africa say Mr. Young accomplished much more than that—in a quiet way—at the United Nations-sponsored international conference that was held recently in Maputo, the capital of Mozambique. What he achieved there was of a subtle nature, not easily described in the few words allotted to headlines. Yet it may have been of considerably more importance than the controversial and highly publicized remarks he made concerning an alleged Cuban presence in Ethiopia and the "racism" of the British, Russians, and Swedes.

American experts feared that harsh rhetoric and support for nothing but armed struggle would come out of the conference in Rhodesia and Namibia (South-West Africa) held in Maputo.

"Actually, the program of action was a lot less militant and radical than should have been expected," one State Department official said. "And we got a lot of cooperation from a few people we didn't expect any cooperation from."

"You can attribute that to the rapport Andy Young has built with the black nationalists and the message he's got across," the official said. "Some of it's just personal diplomacy—which a lot of people don't like—but it works."

One danger at this point, the same official said, is that Mr. Young may be raising expectations for a negotiated settlement in Southern Africa which have little chance of being fulfilled.

In Maputo, Mr. Young met with Marxist Mozambique's President Samora Machel, a leader noted for his skepticism over U.S. intentions in Africa, and with Sam Nujoma, leader of the Southwest African People's Organization.

Mr. Machel later declared: "I'm not saying the United States has a solution, but it has a great contribution to make, this is why I say welcome."

Mr. Young's efforts were hardly an unalloyed success, however. His appeal to black Africans to bring change through negotiation, rather than violence, irritated some African leaders and diplomats, including Leslie Harriman, Nigeria's Ambassador to the United Nations.

Andrew Young's Style

We would like to see Andrew Young stay on in his job and be an effective Ambassador to the United Nations. That is why we also wish he would learn to temper his impetuous—or are they calculated?—outbursts that often cause anguish in world capitals and confusion in Washington. It seems to us pointless and needless that so much time be spent by the State Department and the White House "correcting" the latest Young indiscretion. The process is wearying.

Nor do we see much diplomatic value in irritating allies or adversaries by comments designed to outrage. Surely there is a way of making a justified point strongly and persuasively without calling people "racists." If Mr. Young persists in using such immoderate terminology, he will open himself to the very same charge of being a "racist," for he will come to be perceived not as a diplomat who seeks a just, multiracial world community and happens to be black, but as a black diplomat partisanly espousing only the cause of blacks. In the end, that will hardly serve to harmonize relations.

That said, however, we appreciate what Mr. Young is trying to do in such a volatile region as southern Africa. For too long the United States has stood aloof from the problems there. It has given lip service to the principle of political integration of blacks and whites in South Africa, for instance, but its policies have constituted a benign acceptance of apartheid. Mr. Young is shaking up stalemated concepts, stirring debate, and putting the whole African question before the American and indeed world public in its full urgency and seriousness. Unless the black-white conflict is resolved peacefully, he is saying, the consequences could be dire on both sides of the ocean.

This message need to be heard. And, for all Mr. Young's controversial style, his recent mission to Africa apparently was deemed helpful by Western diplomats. He broke the ice, so to speak. With white leaders he bluntly stressed the imperative of change and with black leaders the advantages of negotiation over armed struggle. Whether his unconventional tactics yield results remains to be seen of course. But at least he has made clear South Africa cannot count on American support if its policy of apartheid leads to bloodshed.

In diplomatic circles, Ambassador Young will no doubt go on ruffling some feathers. But few will deny that there is often a large measure of truth in what he says even if, in the interest of diplomacy, it were best left unsaid. Most of us, for instance, don't mind much when Mr. Young calls the Russians "racists" but object when the same term is applied to whites in the West. Yet if that term indeed means, as Mr. Young put it, a lack of understanding of the problems of colored people, there still is a good deal of "racism" about.

So, on balance, we would not discourage Mr. Young from "talking straight." But even candor, if purposely abrasive and insulting, can be counterproductive and damaging to the national interest. Ambassador Young can certainly learn and practice the art of diplomatic finesse—without putting on the proverbial striped pants.

ALASKAN NATURAL GAS: PART II—ECONOMIC IMPACT

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. MURTHA. Mr. Speaker, a key element in the final decision by Congress on how to transport Alaskan natural gas to the lower 48 States involves economic impact on the United States.

I insert into the RECORD a letter to me from Mr. Howard Boyd, chairman of the board, of the El-Paso Co. outlining the impact of taxes, employment, and purchases on the U.S. economy by building the El-Paso route paralleling the Alaskan oil pipeline and moving gas by tanker to the west coast.

The letter follows:

EL PASO CO.,
Houston, Tex., April 25, 1977.

The Honorable JOHN P. MURTHA,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MURTHA: Sometime this summer the President is expected to make a decision, subject to Congressional review, on which project to move Alaskan natural gas to market best serves the national interest. Because of your interest in this important decision, it might be helpful to summarize the economic benefits of the El Paso project, compared with the two trans-Canadian alternatives.

First, El Paso's commitment to purchase all possible goods and services within the American economy will provide a direct infusion of $8 billion—$4–5 billion more than either of the trans-Canadian projects.

Second, the El Paso proposal (over the 20-year financing "life" of the project) will pay more taxes to American entities than will either of the trans-Canadian projects—by a margin of up to $10 billion.

Third, El Paso will avoid an outflow of taxes to Canadian authorities (at present tax rates) of up to $7 billion.

There is no question where these dollars come from—the American gas consumer's pocket. But where the dollars end up shows a difference of more than $20 billion lost or added to the American economy.

I am enclosing a study just completed by Robert R. Nathan Associates, detailing by region and state the new American jobs to be created by the El Paso project. The total of 765,000 man-years of additional jobs—three times that provided by either trans-Canadian project—would be generated wholly within the private sector.

You will be particularly interested in knowing that the projected expenditures of the El Paso project in the Middle Atlantic region amount to $1,186 million. This will result in 119,800 man-years of additional employment. To put this employment figure in perspective, the creation of the equivalent of 119,800 new jobs in the Middle Atlantic region for one year corresponds to a reduction in the unemployment rate to 8.8% from its 1976 level of 9.6%.

As the decision-making process proceeds, I think you will agree that, in addition to delivering the Alaskan natural gas at the earliest date, minimizing adverse environmental impacts, and maintaining U.S. control of costs to the consumer, the El Paso project certainly benefits the American economy much more than either of the trans-Canadian schemes.

Thank you for your continuing interest in this important decision. Should you wish any additional information on any aspect of our proposal, please let me know.

Sincerely yours,

HOWARD BOYD.

PROTECTING OUR NATION'S DEDICATED FIREFIGHTERS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. DRINAN. Mr. Speaker, on Sunday, June 12, I was proud to take part in the Fitchburg, Mass. Firefighters' Memorial Service for their comrades who have given their lives to protect others from the ravages of fire.

We in the United States unfortunately tend to take for granted the tremendous courage and dedication of firefighters. The job of fighting fires is by far the most hazardous in the Nation. One of the reasons for this is the intolerably high rate of fires in the United States, a rate unexcelled among all Western nations.

The best way for us to express our deep appreciation to these courageous public servants is to reduce the extreme hazards associated with their work. We in the Congress can and should act to encourage the development and distribution of the most advanced firefighting equipment. We should also encourage research to devise improved means of on-the-spot treatment of burns, smoke inhalation, and other injuries commonly suffered by firefighters. We should set up programs to educate the American public to the urgent need for the utilization of basic fire prevention techniques. We should act to halt the epidemic of arson which plagues our Nation.

The National Fire Academy and the Department of Commerce have taken important initial steps in establishing programs such as these to reduce the incidence of fires and the hazards associated in combating them. We in the Congress must also take appropriate action to achieve these goals. There is much we can do to repay our profound debt to the dedicated firefighters who risk their lives to protect us all.

My remarks at the Fitchburg Firefighters' Memorial Service follow:

PROTECTING OUR NATION'S DEDICATED FIREFIGHTERS

(By Congressman ROBERT F. DRINAN)

The work of the firefighter continues to be the most hazardous occupation in the United States. While virtually every occupation in America has experienced a decline in the rate of on-the-job fatalities during the past few years, the grim reality is that the job of the firefighter has become more and more hazardous.

The work of firefighters is almost twice as dangerous as that of policemen. During 1975, 196 firefighters lost their lives in fires or from injuries directly traceable to a fire. Almost 50 percent of all firefighters in the United States suffer at least one injury in the line of duty each year.

According to a comprehensive 1976 study of firefighter mortality, Massachusetts in 1975 ranked second among all of the states in the number of firefighter fatalities and first in the number of per capita deaths.

The United States continues the scandal of ranking number one among all Western nations in per capita fires, fire injuries, fire deaths and monetary losses due to fires. In 1975, fire claimed over 12,000 lives and injured 300,000 people.

In 1975, the number of all fires increased by four percent over 1974. Similarly, the cost of fires in 1975 rose by 9.5 percent over the previous year.

The United States continues to have a number of fires scandalously higher than any other nation of the earth. The United States last year had 55.7 fire deaths per million population. Great Britain had only 18.6 percent, France 6.8 percent, and Italy 3.8 percent. Why is it that Italy has only one-tenth the number of fires that the United States has and that Japan, as highly industrialized as America and much more densely populated, had only one-twentieth the rate of fires in the United States?

One of the reasons for the dramatic increase in fires is the growing incidence of arson. In the past 15 years arson has increased more than 300 percent. In 1975, arson jumped 25.5 percent, causing a total of 144,100 fires. The cost of these fires set by arsonists cost $634 million—up 12.5 percent from the previous year.

Unfortunately, the national conviction rate in arson cases hovers around one percent. Arson clearly is the nation's most neglected crime.

This nation has a history of being able to solve problems when it wants to. During the 1950's, the nation was determined to eliminate polio, and by millions of dollars and tremendous determination it was able to do so. But consider the fact that polio in its peak year claimed only about one-third as many people as died of fire during that year. Since fires, moreover, are caused by people and not by a mysterious virus, it would seem much easier to attack fires rather than polio. Unfortunately, most of the money we put into fires goes primarily to put them out.

Recently the Congress and the federal government have begun to move on the awful problem of fire. The Department of Commerce has recently awarded a major contract to develop over the next two years the most technologically advanced protective equipment available. In addition, a major research effort has now been launched to develop means of immediate, on-the-spot emergency treatment of burns, smoke-inhalation, and other injuries commonly suffered by firefighters.

The National Fire Academy, formed in 1970 by the Congress in the Federal Fire Prevention and Control Act, has now developed plans to provide training programs for firefighters. The Academy is also considering seriously the possibility of grant programs for local and state fire departments.

In addition, two bills are under consideration by the Congress; they would authorize the Secretary of Commerce to provide financial aid to the local fire departments for the purchase of advanced firefighting equipment, improved firefighting clothing and self-contained breathing apparatus for firefighters. I am a cosponsor of both of these bills and will continue to work vigorously for their enactment.

It is indeed sorrowful to note that American society has been very slow indeed to recognize the perils and dangers which each day firefighters assume for the protection of the people of America. For many years—indeed, many decades—the American govern-

ment has neglected to extend to firefighters that basic training and equipment which is essential if deaths and serious injuries to firefighters are to decline.

Today we pay tribute to all those firefighters who have given their lives in order to save the lives of others. This memorial today is a remembrance not only of the ultimate sacrifice made by so many firefighters but also a grateful acknowledgement of the deep and continuing debt owed by every citizen to all firefighters. We pause to venerate their memories, to pray that the scourge of deaths and accidents will not visit our country or our community in the year to come and that finally, at long last, our great nation, which sent a man to the moon and conquered dreadful diseases, will set its mind to the elimination of those flames and fires which have taken the lives of those brave men whom we honor here today.

LOCAL PUBLIC WORKS ACT FALLS SHORT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. STEIGER. Mr. Speaker, a controversial "antirecession" program adopted by the 94th Congress has proven to be a costly failure.

The Local Public Works Capital Development and Employment Act was hailed as a quick and effective program for putting the unemployed back to work. The original funding was $2 billion, and additional billions have since been appropriated.

A June study of the situation in Milwaukee, Wis., by the Milwaukee Journal reveals that only 13 new jobs have been created in the year since the program was passed. Milwaukee received $8.45 million, but has been able to spend only $5.77 million to date. I am unable to report on the impact of the program on my area, the sixth district, because none of my communities qualified even though unemployment has reached the 6-percent range. I hope Congress will have enough sense not to expend any new, nonexistant revenues in the future on this kind of program.

The following is the article which appeared in the Milwaukee Journal:

JOB BILL FALLS SHORT IN CREATING WORK HERE

(By Yael Abouhalkah)

A $2 billion program partly designed to reduce national unemployment has created only 13 new jobs so far in the Milwaukee area almost a year after Congress passed it.

The Public Works Employment Act of 1976 became law last July 22 and eventually $8.45 million was appropriated for eight projects in the Milwaukee area. Of that amount, contracts worth $5.77 million have been let out to date to 37 contractors.

The Milwaukee Journal interviewed each contractor, the four project coordinators, and local and federal officials to determine the program's effect on the Milwaukee area.

The major findings were:

The $5.77 million contracted so far will eventually create only 52 to 60 jobs for unemployed people, causing almost no decline in the unemployment rate. Thirteen new jobs have been created to date.

Between 92 percent and 95 percent of the $8.45 million remains to be spent. Only one project is near completion.

Each job eventually needed to complete the projects will probably cost $19,600 to produce, compared with original federal government estimates of $13,700 each nationwide.

Congressional supporters originally said that the bill—introduced in March, 1975—would directly produce enough work to require 146,000 jobs. The measure was finally passed after 16 months of fights with a hostile administration.

Proponents also claimed that the program would produce an equal number of spinoff jobs for material and equipment manufacturers. The Journal's survey could not measure that spinoff locally.

PROXMIRE CRITICIZED

While the bill was being considered, Milwaukee Mayor Maier heatedly criticized Sen. William Proxmire (D-Wis.) for his continued opposition to the bill, saying that the area needed the employment and the completed projects. Proxmire contended that the bill would produce too few and too costly jobs.

The contractors here predicted that the work awarded them so far could be handled by their existing work forces, and that eventually just 52 to 60 new employes would be hired.

"Yes, (the public works program) enables the people who are working to work more," said Richard Snow, director of public affairs for Allied Construction Employers Association, 2733 W. Wisconsin Ave.

"But in terms of physically taking someone off the unemployed list—no, it is doing that in very few cases."

PROGRAM ASSESSED

Paul Kendall, a project engineer in the Chicago office of the Economic Development Administration (EDA), said of the program:

"I'm not sure we're seeing new jobs being created. It didn't really relieve the unemployment rate like we thought it might. . . . There are a lot of contractors starved for work."

In the Milwaukee area, work is underway on five projects in the city, one in Brookfield, one in Brown Deer and one on Milwaukee Area Technical College (MATC) campuses.

FEW LOCAL JOBS

The only jobs created so far locally were a supervisory position for the MATC project and six new employes each for firms working on the City of Milwaukee's ramps for the handicapped and on its new fire stations.

"Right now, we're getting every job we can just to keep our own people busy," said Mark Laubenstein, president of A. J. M. Construction Services, West Bend.

A spokesman at the Metropolitan Milwaukee Association of Commerce pointed out that 60 new jobs would not even dent the area's unemployment figure of 35,000 people.

Several of the companies with the largest public works contracts said they would be hiring new employes temporarily to help them complete their contracts.

JOB PREDICTIONS

Shappert Engineering Co., of Belvidere, Ill., has the biggest contract locally—$2 million for construction of the Michigan St. vertical lift bridge. According to EDA estimates that each $1 million in public works money produces about 75 jobs, the $2 million would be expected to produce 150 jobs.

However, the company's president, Frank Shappert, said only 25 to 30 workers would be needed for the project, including 20 to 25 new employes hired from the Milwaukee area. Most of the workers would be those with skilled jobs calling for $22,000 to $25,000 salaries annually, he said.

James Luterbach Construction Co., 2880 S. 171st St., New Berlin, has two public works jobs totaling $455,235. Herbert Klug, accountant, estimated that the firm would hire about eight new employees to fulfill the contracts.

"(The program) is just getting mired down in red tape," he said. "You have to fill out so many forms for federal jobs that it's ridiculous and time consuming."

There were some large discrepancies in figures estimating how much it would cost to produce each job, both nationally and locally.

And an ERDA program analyst in Washington, D.C., questioned the government's claim that $2 billion would produce 146,000 jobs.

"Really, there's no way to measure how many jobs these bills create," he said, on condition that his name not be used. "But that figure (of 146,000) is way too high. You also have to remember that our figures supposedly measure jobs held by people who work maybe one or two days total on a project. That's ridiculous. That's not really a job."

Using the EDA's figures, though, it can be calculated that each job would cost about $13,700 to produce. (This would not solely be an employee's salary; rather, that figure also would include money spent on machinery and material to produce the job.) Scaled down, Milwaukee's $8.45 million in grants would thus produce about 620 jobs, according to that calculation.

Project coordinators, though, originally estimated that 432 jobs would be created by the area grants or $19,600 to produce each job.

The job determinations for area projects showed large variances that were in no way related to a project's cost, coordinators explained, because each project required different amounts of labor by blue collar and highly skilled workers, and different costs for materials.

BROWN DEER PROJECT

Richard Halfman, coordinator for the Brown Deer project, said estimators had predicted that 132 jobs would be produced by a $745,000 library there, a cost of $5,640 for each job.

Hiller said the City of Milwaukee had estimated that the bridge improvements involving highly skilled workers and a lot of material would have a per job production cost of $48,000, while it would cost $19,700 for each job connected with the city's two new fire stations.

Henry Jenkins, an EDA public affairs official in Washington, said there had been no time to study the accuracy—even on a sample basis—of the EDA's prediction.

Another large contractor ($368,700) is Joseph J. Jansen Co., 6333 W. Douglas Ave. Robert Reasnor, production manager, said no new employes would be hired for the impending job.

"We're winding up other jobs. We'll have men on the loose soon," he said.

Robert Tubesing, president of Tubesing Construction Co., 16813 W. Greenfield Ave., New Berlin, hired six new temporary employes in April to help pave handicapped ramps.

"But after we're done," he said, "they'll have to look elsewhere for work unless we get some more jobs."

The EDA designed the program as the quickest federal way of helping specific communities reduce their high unemployment rates and providing money for projects that needed funding. Ideally, each of the 1,988 projects was to be approved by January of this year; construction was to start 90 days after approval.

Still, area project coordinators and contractors estimated that only 5 percent to 8 percent of the $8.45 million granted here has been spent.

They said that only Brookfield's fire station was near completion. Because of normal time delays in awarding bids as well as construction time, they said, most of the projects won't be completed until sometime in the fall and some work—like the bridge improvements—would stretch into mid-1978.

EDA officials in Washington, D.C., said that $97,233,000 of the $2 billion had been spent nationally as of June 1, or about 5 percent. They said that most of the money would be spent in late 1977 and early 1978, and that it would take 18 to 24 months before all of the money was out.

WAR IN KOREA?

HON. STEVEN D. SYMMS

OF IDAHO

Monday, June 13, 1977

IN THE HOUSE OF REPRESENTATIVES

Mr. SYMMS. Mr. Speaker, it is very appropriate that the House is now turning an increasing part of its attention to the question of American troop presence in South Korea. The importance of South Korea to the American and allied position in Asia is central, and any American actions which might seriously affect that position should be examined with the greatest scrutiny by this body. A recent article in the Wall Street Journal has commented very cogently on the possible implications of a major withdrawal of American ground forces from Korea; it reflects not only on the repercussions of such a withdrawal for South Korea, but also on the geopolitical considerations involved. I strongly commend this article to the Members:

WAR IN KOREA?

We're glad to see that the House subcommittee that heard Maj. Gen. John Singlaub last week focused less on the prerogatives involved in his firing than on the substance of his views. Will in fact the planned withdrawal of U.S. troops from Korea lead to a war?

While we hesitate over anything so definite as General Singlaub's statement that war "will" result, it does seem to us that an American withdrawal would significantly increase that likelihood. Beyond that, even without a new war on the Korean peninsula, Mr. Carter's withdrawal plans are likely to do considerable damage to the American position in the world.

South Korea is of course scarcely a popular nation in current American opinion, and for no small reasons, given bribery in this country and the Park regime's violations of human rights at home. But while the withdrawal promises appeal to a certain sector of Mr. Carter's constituency, they seem a strange way to retaliate for bribery and human rights violations, for they put the entire South Korean population at a military and psychological disadvantage against a well-armed neighbor that consistently threatens invasion, and pays even less respect to human rights. Opposition leaders and other Korean critics of the Park regime are also strongly opposed to a U.S. troop pullout.

Withdrawal of U.S. ground troops would remove an important psychological deterrent to North Korea. Under the Carter plan American airpower would remain, but as one U.S. source in Korea told The Washington Post, "Warplanes are like geese. They can honk and fly away." If that should happen, North Korea would add air superiority to its growing list of military advantages over its southern neighbor.

The North, which has undertaken a massive military buildup during the past year, already leads in tanks, armored personnel carriers, artillery pieces, multiple rocket launchers, submarines and naval coastal vessels. South Korea lags in all these areas precisely because U.S. defense policy has been to integrate Seoul's conventional forces beneath a U.S. defense umbrella. That is, Washington has deliberately limited the ROK's offensive capability, while the Soviets and Chinese have practiced no such restraint in arming the North.

The spectacle of the U.S. withdrawing in the face of these risks would reach beyond the Korean peninsula. In particular, it would greatly unnerve Japan. The Japanese government is paying lip service to the Carter plan, because of pressure from Washington. But the nation's real feelings were expressed in a recent resolution sponsored by seven Japanese cabinet ministers and more than 235 legislators from the nation's two leading political parties. The resolution declared that a pull-out would be "an invitation to instability in the Korean peninsula . . . and northeast Asia as a whole."

Mainland China, somewhat similarly, publicly supports North Korean ambitions. But its foreign policy, and above all its relations with the U.S., are dominated by the need for a counterweight to the Soviet Union. A unilateral U.S. withdrawal from Korea, on the heels of the American flight from Vietnam, could scarcely be a good omen as seen from Peking. The show of American irresolution might even nudge a reluctant China back toward the Soviets.

The Carter administration is making a mistake to treat our 1954 mutual defense treaty with South Korea as something that can be altered without risk by applying the proper cosmetic. The purpose of that treaty is not to keep U.S. troops in Asia forever but to keep them as long as necessary to curb Communist aggression, maintain the regional balance of power and give South Korea the chance to work out its own political system free from outside domination. It is the same reason U.S. troops have been in Europe for more than 30 years, not out of habit but because they are an anchor of stability that serves American interests.

OSTEOGENESIS IMPERFECTA—THE HIDDEN DISEASE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. VENTO. Mr. Speaker, I want to bring to the attention of my colleagues a most serious disease which affects some 30,000 men, women and children in the United States but which is not well known or understand. Osteogenesis imperfecta is a genetic defect with many manifestations and variations. The most common characteristic is fragility of bones, commonly called "brittle bones." Osteogenesis imperfecta congenita is the most severe form and is usually diagnosed at birth because of the presence of multiple fractures, some occurring in the womb before birth. Many of the severely affected do not survive and those who live can expect numerous fractures, multiple deformities, and growth retardation. They usually lead a life confined to bed or a wheelchair.

I recently met with two of my constituents from Minnesota whose young child is afflicted with this disease. They provided me with many insights about the disease and the need for more public awareness. I would like to include the following article on osteogenesis imperfecta, reprinted from the Exceptional Parent, January/February 1974, in the CONGRESSIONAL RECORD:

OSTEOGENESIS IMPERFECTA FOUNDATION

A little girl lies awake trembling in the dark loneliness of night, afraid that if she sleeps she may turn and fracture her arm.

The mother of an infant shudders at the thought of holding her baby in the closeness of her arms or of changing her diaper. She is only too familar with the dreadful, heart-wrenching sound of tiny bones snapping like dry, hollow twigs.

An eight-year-old girl in Ohio cannot go to public school though she is bright and has a pleasing personality. School officials in the small town will not risk having her in their classrooms.

In Canada a mother is suspected of child beating because her three children suffer frequent, unexplained fractures.

These are only a few of the many real and frightening problems common to the more than 15,000 osteogenesis imperfecta sufferers (O.I., a genetic disorder characterized by extreme fragility of bone) and their families.

Looking back, it is not difficult to understand why O.I. is so often referred to as a very rare disease. For centuries it was described in medical textbooks as just that—a rare bone disease for which there was no known cause or cure. Medical students usually passed it over quickly. To most of them it represented words in a textbook and nothing more.

As is often the case with anything rare or unfamiliar, osteogenesis imperfecta eventually became surrounded by myth. For instance, it was believed by some that females were the sole carriers of the disease and that they passed it only to male offspring. This was a totally false assumption made by those who thought O.I. resembled hemophilia. Others, unknowingly suffering mild forms of O.I. actually believed that they were simply clumsy or accident-prone because they seemed to fracture often.

Children severely afflicted with the disorder were rarely expected to live past infancy. Therefore, little effort was put forth to care for or treat these infants since "they were going to die anyway." Despite these dire predictions, many mothers of O.I. babies tried various home remedies. When the child did survive, the remedy was given the credit.

Other mothers blamed themselves for not taking enough vitamins during pregnancy, while some thought the terrible affliction to be a curse placed upon them for some past sin. Here again, there was no one to tell them that they were wrong. So they suffered silently with their fears and guilts.

DIAGNOSTIC UNDERSTANDING

Gradually, more about the condition became known and some of the symptons began to be recognized. In recent years, in *Heritable Disorders of Connective Tissue*, Dr. Victor A. McKusick of Johns Hopkins described O.I. as a heritable disorder of connective tissue characterized by blue sclera (a coating that covers part of the eyeball), multiple fractures, loose-jointedness, growth retardation and sometimes deafness. Though other symptoms have been discovered, these characteristics still make up the most important signs in the diagnosis of O.I.

Two definite forms of the condition have been separated. *Osteogenesis imperfecta congenita*, the severest of the two, is recognizable at birth because of the presence of multiple fractures, often ranging from several to as many as three or four hundred, some having occurred in the womb before birth. Understandably, many of these babies do not survive. Those who do can expect numerous fractures, intolerable pain, grotesque bone deformities and serious growth retardation. They must lead their lives either bedfast or confined to a wheelchair.

Osteogenesis imperfecta tarda is known to be milder and it sometimes is not diagnosed

until a fracture occurs, days, months, or even years after the patient's birth. Those affected with this type are near normal in height and weight and usually suffer a minimum of fractures.

Often it is difficult to differentiate between the two types since many of the cases fall in between them. Severity ranges from extreme to mild to no signs of the disorder other than blue sclera. In fact some are so mildly affected that they are not aware of the presence of O.I. until they suffer a fracture or pass it on to an offspring. In one case, a middle-aged man undergoing his first full annual check-up was found to have suffered over seventeen fractures unknown to him because they had been so mild.

The inheritance pattern, too, is very confusing. Sometimes O.I. is seen in several variations in the same family. Yet, it often strikes where there is no known history of it.

Obviously, the children with the severest form, O.I. congenita, are the ones who have needed help so desperately. Shortly after World War II, in an effort to help these severely crippled, Dr. Harold A. Sofield, then Chief Surgeon at Shriners Hospital for Crippled Children in Chicago, devised a surgical procedure known as "rodding" or fragmentation surgery for correcting the deformities caused by fractures. In the procedure, a length of bone is removed and cut into sections. The sections are strung on a stainless steel rod like tubular beads are strung on wire, and placed back into the body. The parts grow together and provide support. This procedure is widely used around the world today. However, for many years, hardly anyone other than the few who were directly involved in its research and development knew much about it. Across the country, parents of O.I. children continued to believe that they were alone in their misfortune. In laboratories and hospitals, interested doctors despaired because they had so few cases to study.

PARENT POWER

Then something did happen. Early in 1968 a small group of mothers of O.I. children were brought together by an article in a national magazine. As these mothers became acquainted through their letters, they discovered that they shared a dream, a dream that someday, somehow, the emotional and physical suffering of O.I. patients and their parents could be eased. It was a discovery that was to lead to the founding of the only national voluntary health agency devoted exclusively to osteogenesis imperfecta.

In 1970, after more publicity in the same magazine, hundreds of O.I. families wrote to the mothers to ask for their help and to offer support. As a result of this response, a small group of parents met in Chicago in April 1970 to discuss O.I. associated problems. At the same time they determined to band together to stimulate public and professional interest in O.I. This meeting was the beginning of the Osteogenesis Imperfecta Foundation, Inc. (OIF).

Today, only three years after the initial meeting, the OIF functions effectively. OIF provides an opportunity, through area chapters and through direct mail contact, for families of O.I. patients to share experiences and resolve mutual problems. OIF disseminates information to afflicted families, physicians and the public through brochures, articles and a quarterly newsletter, *Breakthrough*. OIF encourages all phases of medical research and participates in treatment programs and pilot studies associated with O.I.

A Board of Directors comprised mainly of parents and patients determines the policies of the organization. A Medical Advisory Board advises the directors on how to cope with the many dimensions of the O.I. problem, particularly where it pertains to medicine and research.

But for O.I. families, OIF is more than all of this. It is a close-knit circle of people who have taken the welfare of all O.I. patients and made it their concern. There is no idea, project or therapeutic invention to help an O.I. child that is not shared. One might say that the OIF has already conquered the major most dreaded problem of osteogeneiss imperfecta—the loneliness.

As a group, they have bridged the gap that often exists between parent and doctor by helping them better understand both sides of the problem. In many instances, they have helped the family physician by talking to parents of newborn O.I. babies, giving them the much needed moral support and attention that a busy practitioner or pediatrician cannot always give.

A young mother from Alaska recently wrote. "It was surely a stroke of luck to find out about the O.I. Foundation. Our doctor is now in contact with a member of the Medical Advisory Board, and is learning all about O.I. right along with us."

Banded together, parents have encouraged other parents to fight for their children's education by insisting that they attend public school whenever physically possible, and with good results. A little boy named Joey was born seven years ago with so many fractures he was not expected to live. In fall of 1971, weighing in at only sixteen pounds. Joey entered first grade. "I don't think I would have had the courage to put him in school if I had not known that others had tried it and succeeded," his mother says.

Many more years of research and hard work stretch out ahead. There will no doubt be many trials and errors before all the puzzles are solved and all the questions are answered. But it is the belief of those who founded OIF that. "Far better it is to dare mighty things, to win glorious triumphs, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much nor suffer much because they live in the gray twilight that knows not victory or defeat (Theodore Roosevelt)."

NEW SULFUR COAL PROCESS PURIFIES POLLUTANTS

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. MURPHY of Pennsylvania. Mr. Speaker, I would like to announce to my colleagues that the Pittsburgh Environmental and Energy Systems, Inc., has near commercial readiness the Sulf-X flue gas treatment process for sulfur and nitrogen oxides control. This new technology will again enable the use of high sulfur coal, the Nation's most abundant energy source without endangering the air quality. Utilization of high sulfur coal will enable the United States to make great strides toward solving our energy problems.

I commend to the attention of my colleagues the following article from the Pittsburgh Press which explains this process in detail:

NEW SULFUR COAL PROCESS PURIFIES POLLUTANTS

Mix mine acid drainage, pickle liquor from steel mill processing plants and high-sulfur eastern coal and what do you get?

Commercially pure sulfur, fly ash and an environmentally safe fuel, according to a Pittsburgh research organization.

And the process developed by Pittsburgh Environmental & Energy Systems, Inc., 67 Old Clairton Road, Pleasant Hills, has been "bought" by the governors of 13 Appalachian states.

The governors have agreed to fund the initial stages of the process, a spokesman for the firm announced today.

The governors, as members of the Appalachian Regional Commission, also are expected to take the process, known as "Sulf-X," before the recently formed Northeast Coalition of state executives and congressional delegations.

The "Sulf-X" treatment proved more than 90 per cent efficient in tests by state agencies, the U.S. Army, universities and other private and public research institutions, the spokesman said.

The method was tested last year by the Army in pilot experiments at Fort Benjamin Harrison in Indianapolis, Ind.

Taking principal credit for the development of the process are Dr. Henry C. Bramer, vice president and technical director, and Edward Shapiro, chief engineer of the new company.

"The genius of Sulf-X lies in its low cost, nearly 100 percent efficiency in pollutant removal, and in its ability to recycle for perpetual use hitherto considered contaminating agents to the environment," the spokesman noted.

Operating costs amount to about $1.27 a ton, plus 30 cents a ton royalty, compared with $4 a ton for current limestone processes, according to the spokesman.

Machinery for the Sulf-X process is inexpensive and already in wide use, he indicated.

"It can operate with proven mechanical devices employed in other fuel gas treatment systems and it requires only standard grade steel and relatively inexpensive components," he said.

The spokesman explained briefly how the system works:

A liquid slurry is formed, vaporized and mixed with waste flue gases from coal, oil, lignite or any other fuel containing sulfur and nitrogen oxides.

The clean gases pass to the air and the sulfides react chemically, producing pure sulfur, iron sulfide which can be recycled and a small residue—almost all of the ingredients ready for another round of fuel purification treatment.

Westinghouse Electric Corp.'s Advanced Energy System Division has announced it will participate in the Sulf-X program.

"We are interested in system development immediately on a 100-megawatt demonstration unit," M.T. Johnson, general manager of the Westinghouse division said. "Our participation means commitment of key personnel in system engineering, process design, instrumentation and testing."

The research firm spokesman pointed out the Sulf-X method would eliminate the necessity of burning low-sulfur, metallurgical grade coal in power plants.

Pointing out that metallurgical coal, which makes up half the coal burned in power plants, costs upwards of $40 a ton while higher-sulfur coal sells for $12 to $18 a ton, the spokesman noted that the impact on electric customers would be substantial.

"One of the most unusual features of the process," the spokesman said, "is that it takes pollutants we have been trying to dispose of as industrial wastes (acid mine drainage and pickle liquors) and uses them as a resource to clean up coal, hence the environment."

In addition to the support of the Appalachian governors, the spokesman said the Pennsylvania Governor's Energy Council has agreed to seek funds for a 100-megawatt demonstration project which would operate as a state-owned facility.

HAUNTED BY GREAT ABSENCES

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. JACOBS. Mr. Speaker, this article by our former colleague speaks better for itself than I can speak of it:

[From the Washington Star, June 8, 1977]

HAUNTED BY GREAT ABSENCES

(By Allard K. Lowenstein)

How long ago it seems since the three most beloved and promising figures in America all died within five years, all murdered strangely, all having lived only half their lives. And how easy it is to think that what has happened to us since then was somehow inevitable, to forget that these deaths changed the national mood and direction, and that much that has happened might not have happened were it not for this series of events that left us haunted by great absences through years made difficult in part by those absences.

Perhaps because Robert Kennedy was the last of the three to die, his death seemed the cruelest—bearing the cumulative freight of the preceding horrors, multiplying the doubt that there was any place for hope in a society where the best spokesmen for hope could not survive. He was not a prophet like Martin Luther King Jr., nor a President like his brother, but he touched his countrymen in a special way, reaching large numbers of people who were least sure that they belonged, and so were hardest to touch. That was a boon to this country, and to democracy itself.

Robert Kennedy meant as much as he did to as many as he did partly because he was his brother's brother, and his death hurt as much as it did partly because he died so early and so wrongly. But the totality of loss was far greater than these parts, for with him went the spirit of a generation. When he was killed, so was something generous and electric in us and in the nation, something not yet reborn and possibly not to be reborn in our lifetime. We were left instead with a scar too close to the heart to be forgotten with the changing of faces in high places; and with leaders whose bleakness was to remind us through a damaging decade of what might have been.

As a politician, Robert Kennedy was less than heroic, and as a hero he was uncomfortable and uncertain. But by the end he was blending in common purpose not just the rich and poor and black and white and young and old that he invoked too often during his last campaign, but toughness and gentleness, and the pragmatic and the uplifting as well.

More than anyone since FDR, he brought people together at the price of driving others away. But in a time of great divisions he brought more people together than any of his contemporaries, and he made more people believe that they could, as he liked to say, "make a difference." He wanted everyone to see what seemed so obvious to him; that if people couldn't be roused to try to make a difference in the effort to "reclaim" their country, they would make a difference anyway by not trying.

Before and better than anyone else, he understood the realities of power in the U.S. Almost alone, he saw the nature of the lassoes that were hobbling the machinery of democracy, and he set out to weaken the hobblers and strengthen the hobbled.

And somehow, through all the commotion, he managed to keep growing. He died just as the sense of promise that he inspired had overtaken the resentments and suspicions that he aroused. He was getting better as the nation's problems were getting worse, and in retrospect almost everyone saw that he was needed more than anyone had understood he was gone.

I was never close to Robert Kennedy. Our relationship was political, and sometimes adversary at that. In the early days there were some very basic conflicts. And of the only year I knew him at all well, it would be accurate to say that I spent one half arguing that he should run for President when he wouldn't, and the other half supporting an opponent when he did. Yet he meant more to me, as to so many others, than any other political figure of the time, and the awful facts of his unnatural death will shadow events as long as we are a part of them.

But there is at least again an administration struggling to revive hopes and excite energies, struggling with the problem that is connected to so many others, the problem of how a spirit once aborted can be born again. Old battle cries drift back, but they are harder to hear now through the tired litany of My Lai and wheat deals and Elizabeth Ray and Spiro Agnew and "I am not a crook." The mind wanders past jaded words, there is no radiance, nothing is clear-cut. We have learned that Camelot was not quite Camelot, and that America is neither as innocent nor as easily changed as we once thought. It has become sensible to be cynical.

But anybody who thinks about it knows that it is sensible, too, to remember that greater sophistication is not the same thing as greater wisdom, that an immobilizing cynicism is no cure for what has gone wrong; knows that it is past time to try to do better.

And anybody who finds himself wishing on this occasion that Robert Kennedy were still around knows what Robert Kennedy would be saying if he were—knows that we have dallied long enough, and that it is past time to try again to make a difference, to dream again of things as they ought to be and to ask again why they are not.

HANDICAPPED INDIVIDUALS

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. NOLAN. Mr. Speaker, the past few weeks have been historic ones for handicapped Americans—indeed for all Americans. They have witnessed the signing by HEW Secretary Califano of the regulation implementing section 504 of the Rehabilitation Act of 1973 prohibiting discrimination on the basis of handicap in programs receiving Federal assistance and they have seen the convening of the White House Conference on Handicapped Individuals.

One of the principal speakers during the conference proceedings was Secretary Califano who told the assembled delegates that "we are now entering a new era of civil rights for the handicapped individuals of America. And we will not turn back."

The Secretary's remarks deserve the attention of each of us in Congress. I include them to be reprinted at this point in the RECORD:

WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

Good evening, and a very warm welcome to the White House Conference on Handicapped Individuals.

A White House Conference is a catalytic event—one that focuses concerns and develops an agenda for action on matters of the greatest national importance.

Tonight you embark on this Conference with three vital goals:

First, to provide a national assessment of the problems and the potentials of individuals with mental or physical handicaps;

Second, to generate a national awareness of these problems which have meant that handicapped individuals have in the past been an oppressed minority, subject to unconscionable discrimination, beset by demoralizing indignities, detoured out of the mainstream of American life and unable to secure their rightful place as full and independent citizens; and

Third, to make recommendations to the President and to the Congress which, if implemented, will enable individuals with handicaps to lead proud and productive lives, despite their disabilities.

Too often, however, the promise of a White House Conference has not been realized after the hotels have emptied and the media have carried away their cameras and typewriters.

But I know that this Conference will be different.

I know it will be different, in part, because of the fine leadership provided to you by Henry Viscardi, Jr., Chairman of the White House Conference, and by Jack F. Smith, Executive Director of the Conference. They, and their many co-workers, have been sensitive to the strong demands from all of you here tonight—and from the millions of handicapped citizens whom you represent—that the Conference emphasize practical, substantive issues that directly affect the lives of Americans with disabilities.

But the promise of this Conference will be realized for another, more profound reason.

We are now entering a new era of civil rights for the handicapped individuals of America.

And we will not turn back.

For too long, America's handicapped individuals have been victimized by demeaning practices and injustices. But now there is recognition that unjust obstacles to self-determination and fair treatment must fall before the force of law—an understanding that the nation as a whole must end the shameful neglect of handicapped citizens and help translate many of their legitimate needs into legal rights and meaningful programs.

Last month, I signed a regulation implementing Section 504 of the Rehabilitation Act of 1973. As you know well, Section 504 prohibits discrimination solely on the basis of handicap against otherwise qualified handicapped individuals, in programs receiving federal financial assistance.

The 504 regulation is a landmark in the quest of handicapped citizens for equal treatment, and it will be a fundamental guidepost to the new era of civil rights for the handicapped. It calls for the following dramatic changes in the actions and attitudes of institutions and individuals who are recipients of funds from the Department of Health, Education and Welfare:

All new facilities must be barrier-free, i.e., readily accessible to and useable by handicapped individuals.

Programs or activities in existing facilities must be made accessible to the handicapped within 60 days, and, if no other alternatives—such as reassignment of classes or home visits—will achieve program accessibility, structural changes in the facilities must be made within three years. No exceptions to the program accessibility requirement will be allowed.

Employers may not refuse to hire handicapped persons, if reasonable accommodations can be made by them to an individual's handicap and if the handicap does not

impair the ability of the applicant or employer to do the specific job.

Employers may not require pre-employment physical examinations and may not make a pre-employment inquiry about whether a person is handicapped, or the nature or severity of a handicap, although employers may make a pre-employment inquiry into an applicant's ability to perform job-related functions.

Every handicapped child will be entitled to free public education appropriate to his or her individual needs, regardless of the nature or severity of the handicap. In those unusual cases where placement in a special residential setting is necessary, public authorities will be financially responsible for tuition, room and board.

Handicapped children must not be segregated in the public schools, but must be educated with the non-handicapped in regular classrooms to the maximum extent possible.

Educational institutions and other social service programs must provide auxiliary aids, such as readers in school libraries or interpreters for the deaf, to ensure full participation of handicapped persons.

All recipients of HEW funds must complete within one year a self-evaluation process, in consultation with handicapped individuals and organizations, to determine which of their policies and practices need to be changed to assure equal opportunity for handicapped Americans.

Section 504 and the 504 Regulation constitute a striking recognition of the civil rights of America's handicapped citizens, just as Title VI of the Civil Rights Act of 1964 and Title IX of the Education Amendments of 1972. and their companion regulations, are critical elements in the structure of law protecting the civil rights of racial minorities and women.

But we must now begin the process of making the new regulations a reality for handicapped Americans.

I pledge that this process will be monitored forcefully, fairly and expeditiously by HEW. There are firm timetables in the regulation. We should stick to them.

Let me briefly share with you some of the steps we have taken or will take to assure compliance with the 504 regulation.

We have an outstanding new team of leaders in HEW's Office for Civil Rights, headed by David Tatel, a distinguished attorney with broad civil rights experience.

We have begun work with the other Federal agencies and departments which will be issuing regulations similar to the 504 regulation and that will apply to all recipients of federal funds.

We have already begun last week to mail out 36,000 assurance of compliance forms to HEW recipients. These are due back on July 5th. And, if we do not get a timely and adequate response. we will move immediately to enforce this requirement.

We will be ready to begin processing complaints brought under Section 504 by June 1st. Over 200 complaints have been filed with the Department.

We have prepared and begun to distribute, braille and recorded copies of the 504 Regulation so that handicapped citizens can learn firsthand of their rights.

We have planned—and will soon begin—a major public awareness campaign that will inform handicapped individuals of their rights, recipients of their obligations, and the American people, including business and labor, about the striking new change in law. School should understand mainstreaming; colleges should learn about the program accessibility requirements; other recipients should understand how to restructure jobs; and myths about handicapped and disabled people must be dispelled. A manual explaining 504 will soon be ready for wide distribution.

We will develop a technical assistance unit to assist recipients in complying with important requirements like mainstreaming and program accessibility.

We have established a new position in the Office for Civil Rights—the Deputy for Program Review—who will work directly with the other divisions of HEW so that program officers include civil rights compliance requirements in their basic operations.

Through these and other measures, the Section 504 regulation can work.

But voluntary compliance, aided by deep involvement of handicapped citizens and groups, will make the regulation work far more quickly. If handicapped individuals, recipients, leaders in public and private life, and the Federal government can be guided by sensitivity, fairness and common sense, then the regulation can immediately become a charter of equal opportunity, not an invitation to litigation.

But ending discrimination is only the first step in assuring that handicapped citizens can assume their rightful role as participants, to the fullest extent possible, in American society.

As the next three days will demonstrate, the task of guaranteeing that handicapped individuals have equal opportunities in fact, and not just under the law, will require initiatives in many facets of our social and economic life.

For example, the Disability Insurance program, part of HEW's Social Security Administration, faces serious financial problems.

The program provides monthly cash payments to severely disabled adults who have work experience covered by Social Security. Four million disabled individuals and their families receive benefits from the Disability Insurance program. More than $7 billion is paid out annually to these beneficiaries.

As you know, President Carter has recently sent Congress a proposal for restoring the sound financial status of the social security system, and the most urgent priority in that package is restoring the fiscal integrity of the Disability Insurance program. Without the legislation which we are sending to Congress, the Disability Insurance Trust Fund would be in default in 1979, bankrupting the Disability Insurance program.

President Carter plans to correct the deficit in the Disability Trust Fund, not by adding to the tax burdens of the low-income worker, but by raising the wage base for employers and more equitably spreading the costs.

With your support, President Carter's proposals can ensure that disabled individuals covered by Social Security continue to receive cash benefits. Millions of handicapped Americans deserve to have their confidence in the Social Security system restored.

During the next few days, you will discuss and debate many issues that, like the health of the Disability Insurance program, are of great significance to handicapped Americans.

On Thursday, I hope to return to you and discuss the work of the Conference and where we go from here.

But for now I just want to stress the warmth of my welcome to you, to echo President Carter's strong words of support, and to thank you—for the wisdom you will share with us and for the courage you have shown us, and all the American people.

H.R. 5400

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. DERWINSKI. Mr. Speaker, there has been a great deal of testimony and debate by officials in many governmental units over President Carter's proposal, the Universal Registration Act of 1977.

However, what is needed is grass roots commentary, especially from individuals whose professional expertise equips them to objectively analyze this proposal.

Robert F. Spindell, an outstanding civic leader and attorney of the Chicago metropolitan area, recently wrote to me to express his views on this bill. I believe his letter deserves the attention of the Members as it is a penetrating analysis of H.R. 5400:

SPINDELL, KEMP & KIMMONS,
ATTORNEYS AT LAW,
Chicago, Ill., June 8, 1977.

DEAR REPRESENTATIVE DERWINSKI: For nearly 40 years I have had first hand unofficial experience with and observation of voting procedures in Cook County, Illinois. Before permanent registration it was estimated that between 250,000 and 400,000 fraudulent votes were cast in Cook County in every election.

If the proposed I.D. card system now being considered in Congress becomes law, I can categorically state, on the basis of my experience, that it would result in even greater fraudulent voting than before. I say "greater" because the earlier polling officials personally knew many of the voters in the precinct, while now they do not and multiple voting is easier.

Before permanent registration, people simply walked into the polling place, signed a request for a ballot, voted and left. There was no way to check whether he had voted before, whether he was a citizen, or whether he lived in the precinct.

Permanent registration is a very simple procedure: at specified times an individual goes to the polling place and signs a card that states that he is a citizen of the U.S. and sets forth his address and his date of birth. Or he can register at any time at the local election authority. He does this only once during his entire residence in the precinct. If he lives at the same address all his life, he need register only once in his lifetime. A list of voters in the precinct is then prepared. It is brought up to date before each election.

With the I.D. card system he would enter the polling place, sign a request for a ballot and flash his I. D. card. As under the old system there would be no way to check whether he lived in the precinct, was a citizen or was the person he purported to be. The 7 points I discuss below are not merely probabilities; they have happened in the past and they will happen again as sure as night follows day.

Before demonstrating in detail the impossibility of controlling the voting, I should point out that the U.S. League of Women Voters does not speak for the local, statewide Leagues. I am familiar with League matters because I have been general counsel for the educational arm of the Illinois League for 20 years. The Illinois League was in the forefront of the effort to control fraudulent voting through permanent registration and is now very much against the I.D. system and has so gone on record. The Illinois League has made this clear to Mrs. Ruth Clusen, President of the U.S. League, who has been the main force behind the I. D. card system and is probably the one who brought it to Mr. Mondale's attention originally.

I have a well founded suspicion that the U.S. League's efforts along this line grew out of its experience in 1972 when, with Ford Foundation money, the League sponsored voter registration drives in Cleveland and one or two other large cities. Since that in-

volved a great deal of hard work and cost money, they doubtless thought the I. D. card system would produce the same—or better—results on a national scale and with no effort on their part.

Here are some of the more obvious ways the honest electorate would be cheated if the I. D. card system were in effect:

1. Anyone can make an I. D. card. If the law provides that it contain a photograph and address and signature, there will be hundreds of small printing outfits in Chicago that will prepare such cards. The preparation of multiple or otherwise fraudulent I. D. cards would be simple and easy.

2. If no photographs are required on the I. D. card, the possibilities for multiple voting would be unlimited. If a photograph is required, deliberate, poor-grade photographs could be made by those over-zealous precinct captains who have a personal, economic interest in the election. Each of the 3,000 precincts in the City of Chicago has 5 paid city workers, whose jobs depend on producing votes on election day. In two-thirds of these precincts they could have 20 or more I. D. cards made for each of their helpers, but with addresses in 20 different precincts. The helpers are, of course, given a cash consideration. And on election day who is going to discover this multiple voting? They are very ingenious and I would not be surprised if they would have sets of wigs and mustaches so that their friendly worker could vote several times in succession before moving on to the next precinct to repeat his voting!

3. When a voter moves to another precinct, what would be more obvious than keeping his old card and voting in both precincts? A dead person's card could be used for years without being detected.

4. What evidence will there be that the voter who presents himself is a citizen of the United States, as the law requires? When I. D. cards are printed the word of the applicant as to his citizenship will be accepted; and is the election judge going to question it? This can be checked under a permanent registration system but not under the I. D. card system. The precinct captains would have a field day making I. D. cards for the thousands of foreigners in every large city and rounding them up to vote on election day.

5. The verification of the cards would be non-existent in the wards dominated by one party, for all election judges would actually be of that party although, because of the law, half of them have to be nominally of the other party. In probably 2000 of the 3000 precincts no election judge would dare act impartially. Back in the 1930's if he did so act, he would have been cursed or jeered at; but today he would be subject to intimidation by the threat of physical violence, and he would know that it was no idle threat. But even in the honest precincts it would not be physically possible to go back over 300 slips to check the signature of a suspected repeater given under a different name. To repeat, without the ability to check, fraudulent voting will be uncontrollable.

6. The new I. D. card voting system is not going to help very many poor voters who have not registered. It is going to help the precinct captain who will herd uninterested voters together, by car or bus, and drive them to the polls to vote. In some cases he will give each—or some—of them a present, in cash or otherwise. Before permanent registration there were photographs at every election showing precinct captains making cash payments to voters, usually in an alley near a polling booth. There would be a replay if permanent registration were discarded.

7. No matter how honest the election judges may be, it would be extremely difficult for them to verify photographs and addresses while there is a long line of people waiting to register and vote.

To conclude, after long soul-searching I see not one solid fact or argument that can justify the adoption of this obviously uncontrollable method of voting.

I have not mentioned the effect widespread fraudulent voting would have on the electorate. The newspapers and television and radio would be filled the day after election reciting the fraud committed at the election. This cynical, disillusioned attitude toward our electoral system runs 100% counter to President Carter's deep feeling that government be run the honest way.

With kindest regards, I am

Yours very truly,

ROBERT F. SPINDELL.

DR. CONANT RETIRES

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mrs. SPELLMAN. Mr. Speaker, tomorrow evening, a most distinguished member of the Prince George's County educational community, and a very dear friend of mine, Dr. Margaret Conant, supervisor of teacher and parent-child study programs, will formally retire from office. Dr. Conant's retirement marks the end of a special era in our county's educational history and her presence will be deeply missed by everyone familiar with her extraordinary contributions to the citizens of our community.

Beginning in 1958, as coordinator for parent study programs, and her subsequent promotions to assistant supervisor, and finally, supervisor of the teacher and parent-child study programs, Dr. Conant has been one of the primary forces for the betterment of our community's educational system. It would be impossible to chronicle Dr. Conant's total list of achievements, but the programs which she has struggled to implement, improve, and strengthen now provide a cornerstone for the education of our county's youth. Her programs, which have served as models for school systems throughout the United States have provided guidance and direction for educators and parents and have had a positive and lasting influence on the lives of the children.

Dr. Conant's close affiliation with the University of Maryland's Institute of Child Study has brought to the classroom teacher a broader understanding of child development. Her enthusiastic pursuit of educational goals and her unselfish efforts to achieve them created a learning climate which today provides enrichment and achievement.

I was privileged to work with Margaret Conant when she was president of the County Council of PTA's in Prince Georges County. Many were the meetings we attended together and many were the projects we launched. She was a superb leader and a great inspiration to me. Together we worked to bring about kindergartens, to encourage the initiation of programs for handicapped children, to intensify the emphasis on foreign languages, to increase the salaries of teachers and improve the general quality of education. Together we worked to bring about an awareness for the need of libraries, and were among the vanguard of those establishing a full library system. And Margaret led all the way.

Dr. Conant then moved on into the school system where she pioneered early childhood education, Head Start, Operation Moving Ahead, the Right to Read program, and RISE.

Her championship of mental health services will long be remembered. During her inspirational term as chairman of the Mental Health Study Center, she, for the first time, brought together the myriad agencies which provided people services, thereby acquainting each with the others. This enabled the various providers to share information and develop a cooperative spirit which greatly benefitted those in need of services.

Mr. Speaker, if time permitted, there is so much more which could be said about Margaret Conant's contribution to children and adults alike. Perhaps by the many she will be revered as an outstanding educator, but those of us who know her well, know there is still another facet to this fascinating woman. With all that she has done for others, Margaret Conant has always to her three children been an ideal mother.

Tomorrow night I will bring greetings from this body to a celebration in her honor, and our wish that her justly deserved retirement will bring to her joy, contentment, and the knowledge of our appreciation for all that she has done.

Mr. Speaker and my colleagues, knowing Dr. Margaret Conant, I am willing to bet that retirement for her will merely be the threshhold of new horizons.

PERSONAL ANNOUNCEMENT

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 13, 1977

Mr. DELANEY. Mr. Speaker, on June 7, 1977, my name was inadvertently added to the list of cosponsors of H.R. 7638, a bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, on a guaranteed renewable basis.

For the RECORD, I would like to make it clear that I did not cosponsor this measure nor so authorize the use of my name.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 14, 1977, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 15

7:00 a.m.

*Energy and Natural Resources
To hold hearings on H.R. 6550, to authorize funds for United States territories, and related bills (S. 1033, 950, 1192, 1193, 1032, and 1327).
3110 Dirksen Building

9:30 a.m.

Judiciary
To hold hearings on S. 1651, to establish guidelines for court-ordered busing.
2228 Dirksen Building

10:00 a.m.

Agriculture, Nutrition, and Forestry
To hold a business meeting.
322 Russell Building

Banking, Housing, and Urban Affairs
To mark up S. 1433, 895, 71, and 73, bills dealing with Federal regulation and supervision of financial institutions.
5302 Dirksen Building

Energy and Natural Resources
To resume mark up of S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

Environment and Public Works
To hold hearings on the nomination of Robert W. Scott, of North Carolina, to be Federal Cochairman of the Appalachian Regional Commission.
4200 Dirksen Building

Foreign Relations
To hold hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building

Governmental Affairs
To hold a symposium on U.S. participation in the specialized agencies of the United Nations and other similar international organizations.
3302 Dirksen Building

Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
6226 Dirksen Building

Special Aging
To resume hearings to explore alternatives to institutional health care for older Americans.
1318 Dirksen Building

2:30 p.m.

Foreign Relations
Arms Control, Oceans and International Environment Subcommittee
To resume hearings on S. 897 and 1432, proposed Nuclear Nonproliferation Act.
4221 Dirksen Building

3:00 p.m.

Appropriations
HUD-Independent Agencies Subcommittee
To mark up proposed appropriations for fiscal year 1978 for the Department of Housing and Urban Development and Independent agencies.
S-128, Capitol

JUNE 16

9:00 a.m.

Energy and Natural Resources
To continue markup of S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

Veterans' Affairs
Compensation and Pension Subcommittee
To hold hearings on proposed increases in veterans' pensions.
6226 Dirksen Building

9:30 a.m.

Appropriations
Interior Subcommittee
To mark up H.R. 7636, making appropriations for fiscal year 1978 for the Department of the Interior.
S-126, Capitol

Judiciary
To continue hearings on S. 1651, to establish guidelines for court-ordered busing.
2228 Dirksen Building

10:00 a.m.

Agriculture, Nutrition, and Forestry
Rural Development Subcommittee
To resume oversight hearings on the implementation of the Rural Development Act of 1972.
322 Russell Building

Commerce, Science, and Transportation
To hold oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on general conditions of the intercity motorbus industry and suggestions for increased ridership.
235 Russell Building

Finance
Social Security Subcommittee
To resume hearings on proposals for maintaining the financial soundness of the social security system.
2221 Dirksen Building

Foreign Relations
To continue hearings on treaties with Mexico and Canada on prisoner exchanges (Execs. D and H, respectively, 95th Cong., 1st sess.).
4221 Dirksen Building

Governmental Affairs
Intergovernmental Relations
To hold hearings to discuss ways in which State legislatures may become more involved in allocating Federal funds for expenditure within their State.
3302 Dirksen Building

Human Resources
To consider S. 995, to prohibit discrimination based on pregnancy or related medical conditions; S. 705, to revise and strengthen standards for the regulation of clinical laboratories; and S. 1217, to establish guidelines for regulating research of Recombinant DNA.
4332 Dirksen Building

Judiciary
Juvenile Delinquency and Criminal Laws and Procedures Subcommittees
To hold joint hearings on S. 1011, 1499, and 1585, bills protecting children against sexual exploitation.
6226 Dirksen Building

Select Small Business
To hold hearings on S. 1526, to establish the position of Associate Administrator for Women's Business Enterprise within S.B.A.
424 Russell Building

2:00 p.m.

Appropriations
Agriculture Subcommittee
To mark up proposed appropriations for fiscal year 1978 for the Department of Agriculture.
S-126, Capitol

Appropriations
State, Justice, Commerce, and Judiciary Subcommittee
To mark up proposed appropriations for fiscal year 1978 for the Departments of State, Justice, Commerce and the Judiciary.
S-146, Capitol

2:30 p.m.

Foreign Relations
Foreign Economic Policy Subcommittee
To hear Under Secretary of the Treasury for Monetary Affairs Anthony Solomon on the outcome of the recent "North-South" Conference held in Paris.
4221 Dirksen Building

JUNE 17

9:00 a.m.

Energy and Natural Resources
To hold hearings on the nomination of Esther C. Wunnicke, of Alaska, to be a member of the Joint Federal-State Land Use Planning Commission for Alaska.
3110 Dirksen Building

Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 1538, proposing reform in the administration of the black lung benefits program.
2221 Dirksen Building

9:30 a.m.

Energy and Natural Resources
To receive testimony from Department of the Interior officials on their Department's perceptions of Alaska natural resource issues, including proposed disposition of certain public lands in Alaska.
3110 Dirksen Building

Environment and Public Works
Regional and Community Development Subcommittee
To hold oversight hearings on the Disaster Relief Act.
4200 Dirksen Building

Veterans' Affairs
Health and Readjustment Subcommittee
To hold oversight hearings on veterans' employment-unemployment situation.
Until 12:30 p.m. 6226 Dirksen Building

10:00 a.m.

Banking, Housing, and Urban Affairs
To resume hearings on S. 1594 and H.R. 5959, bills to revise and extend for 5 years the Renegotiation Act.
5302 Dirksen Building

Commerce, Science, and Transportation
To continue oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

Judiciary
Constitution Subcommittee
To hold hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
2228 Dirksen Building

10:30 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume hearings on S. 1391, Hospital Cost Containment Act of 1977.
Until 1 p.m. 4232 Dirksen Building

1:00 p.m.
Judiciary
To hold hearings on the nominations of John M. Harmon, of North Carolina, and James W. Moorman, of California, each to be an Assistant Attorney General.
2228 Dirksen Building

JUNE 20

7:00 a.m.
Energy and Natural Resources
To hold hearings on S. 499, 500, and 1500, proposed Alaska National Interest Lands Conservation Act.
3110 Dirksen Building

9:30 a.m.
Finance
Energy and Foundations Subcommittee
To hold hearings on Federal incentives for developing new energy sources.
2221 Dirksen Building
Human Resources
Handicapped Subcommittee
To hold hearings on proposed extension of the Rehabilitation Act of 1973 and Education of the Handicapped Acts.
Until 1 p.m. 4232 Dirksen Building
*Judiciary
Criminal Laws and Procedures Subcommittee
To resume hearings on S. 1437, Criminal Code Reform Act of 1977, and the following criminal sentencing bills: S. 31, 45, 181, 204, 260, 888, 979, and 1221.
2228 Dirksen Building

10:00 a.m.
Energy and Natural Resources
To consider pending calendar business.
3110 Dirksen Building

10:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 687, 121, 1187, 182, and 898, proposals to establish a system of liability and compensation for oilspill damage.
235 Russell Building

11:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To hold hearings on S. 1664–1669, relating to financial institution reform.
5302 Dirksen Building

JUNE 21

7:00 a.m.
Energy and Natural Resources
*Energy Conservation and Regulation Subcommittee
To receive testimony on proposals embodied in parts A, B, C and G of S. 1469, the proposed National Energy Act.
3110 Dirksen Building

9:30 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To continue hearings on S. 1664–1669, relating to financial institution reform.
5302 Dirksen Building
Finance
Energy and Foundations Subcommittee
To continue hearings on Federal incentives for developing new energy sources.
2221 Dirksen Building
Human Resources
Handicapped Subcommittee
To continue hearings on proposed extension of the Rehabilitation Act of 1973 and Education of the Handicapped Acts.
Until 1 p.m. 4232 Dirksen Building
* Human Resources
Health and Scientific Research Subcommittee
To resume hearings on S. 1391, the proposed Hospital Cost Containment Act.
Until 1 p.m. 1202 Dirksen Building
* Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1437, Criminal Code Reform Act of 1977, and the following criminal sentencing bills: S. 31, 45, 181, 260, 888, 979, and 1221.
2228 Dirksen Building
Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To resume hearings on the safety and effectiveness of over the counter sleep-aids.
6202 Dirksen Building

10:00 a.m.
Energy and Natural Resources
To consider pending calendar business.
3110 Dirksen Building
Select Small Business
To hold hearings on alleged late payments by Government agencies to small business contractors.
424 Russell Building

JUNE 22

7:00 a.m.
* Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To receive testimony on proposals embodied in parts A, B, C, and G of S. 1469, the National Energy Act.
3110 Dirksen Building

9:00 a.m.
Veterans' Affairs
Health and Readjustment Subcommittee
To hold hearings on the effectiveness of VA programs on mental health, alcohol and drug abuse, readjustment counseling, and health.
Until 2 p.m. 6226 Dirksen Building

9:30 a.m.
Banking, Housing, and Urban Affairs Financial Institutions Subcommittee
To continue hearings on S. 1664–1669, relating to financial institution reform.
5302 Dirksen Building
Human Resources
Handicapped Subcommittee
To continue hearings on proposed extension of the Rehabilitation Act of 1973 and Education of the Handicapped Acts.
Until 1 p.m. 4232 Dirksen Building
Select Nutrition and Human Needs
To hold hearings on nutrition as it relates to mental health and development.
Until 1 p.m. 6202 Dirksen Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
Rural Development Subcommittee
To continue oversight hearings on the implementation of the Rural Development Act.
322 Russell Building
Energy and Natural Resources
To consider pending calendar business.
3110 Dirksen Building
Judiciary
Constitution Subcommittee
To resume hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
2228 Dirksen Building
Joint Economic
Subcommittee on Economic Growth and Stabilization
To hold hearings to receive testimony from public pollsters on the current status of and future conditions affecting the economy.
1202 Dirksen Building
Select Small Business
To continue hearings on alleged late payments by the Federal Government to small business contractors.
424 Russell Building

JUNE 23

7:00 a.m.
Energy and Natural Resources
To continue hearings on part D (natural gas pricing) of S. 1469, National Energy Act, and S. 256, proposing deregulation of the wellhead price of natural gas.
3110 Dirksen Building

9:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To continue hearings on S. 1664–1669, relating to financial institution reform.
5302 Dirksen Building

9:30 a.m.
Select Small Business
To resume hearings on S. 1306, authorizing $50 million through October 1, 1977, for emergency drought assistance loan to small businesses.
424 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1547, to assure that all those providing communications services are able to use existing communications space on poles which are owned by regulated utilities, and to simplify FCC forfeiture provisions.
235 Russell Building
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on S. 1188, to create expeditious and fair claims—settling procedures for loss and damage sustained in the interstate transportation of property
5110 Dirksen Building
Energy and Natural Resources
To consider pending calendar business.
3310 Dirksen Building
Finance
Social Security Subcommittee
To resume hearings on proposals for maintaining the financial soundness of the Social Security program.
2221 Dirksen Building
Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on the President's proposed energy programs.
2228 Dirksen Building
Judiciary
Constitution Subcommittee
To continue hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
1202 Dirksen Building

JUNE 24

9:00 a.m.
Energy and Natural Resources
Energy Production and Supply Subcommittee
To resume hearings on S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
3110 Dirksen Building

Veterans' Affairs
Health and Readjustment Subcommittee
To hold hearings on proposed increases in rates of veterans' education benefits.
Until 2 p.m. 6226 Dirksen Biulding

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 1547, to assure that all those providing communications services are able to use existing communications space on poles which are owned by regulated utilities, and to simplify FCC forfeiture provisions.
235 Russell Building

Finance
Social Security Subcommittee
To continue hearings on proposals for maintaining the financial soundness of the Social Security system.
2221 Dirksen Building

JUNE 27

9:30 a.m.
Judiciary
Citizen and Shareholder Rights and Remedies Subcommittee
To hold hearings on methods to improve shareholders participation in corporate decisionmaking.
2228 Dirksen Building

Veterans' Affairs
Health and Readjustments Subcommittee
To hold hearings on proposed legislation to amend the Veterans' Physician and Dentists' Pay Comparability Act.
Until noon 6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on legislation to amend the Truth in Lending Act, including S. 1312 and S. 1501.
5302 Dirksen Building

Commerce, Science, and Transportation
To resume oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

JUNE 28

9:00 a.m.
Veterans' Affairs
Housing, Insurance, and Cemeteries Subcommittee
To hold hearings on S. 718, to provide veterans with certain cost information relating to the conversion of Government-supervised insurance to individual life insurance policies.
6202 Dirksen Building

9:30 a.m.
Judiciary
Citizen and Shareholder Rights and Remedies Subcommittee
To continue hearings on methods to improve shareholders participation in corporate decisionmaking.
1202 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on legislation to amend the Truth in Lending Act, including S. 1312 and S. 1501.
5302 Dirksen Building

Commerce, Science, and Transportation
To continue oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To resume hearings on a report of the Commission on Postal Service.
3302 Dirksen Building

Energy and Natural Resources
Parks and Recreation Subcommittee
To hold hearings on S. 491, 1045, 1104, 1326, 1505, and H.R. 2437, bills dealing with National Historic sites.
3110 Dirksen Building

Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To resume hearings jointly with Select Committee on Small Business on the Administration's report and investment policies under the Employee Retirement Income Security Act; S. 285, diversification of investment of private pension fund assets; and S. 901, to eliminate dual Treasury and Labor Department jurisdiction over the administration of ERISA.
2221 Dirksen Building

JUNE 29

9:00 a.m.
Select Small Business
Government Regulation and Small Business Advocacy Subcommittee
To review an SBA study of small business problems.
424 Russell Building

Veterans' Affairs
Health and Readjustment Subcommittee
To resume hearings on proposed increases in rates of veterans' education benefits.
Until 2 p.m. 6226 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To continue hearings on legislation to amend the Truth in Lending Act, including S. 1312 and S. 1501.
5302 Dirksen Building

Commerce, Science, and Transportation
To continue oversight hearings on the effects of radiation on humans, i.e., health, safety, and environment.
5110 Dirksen Building

Select Small Business
Government Regulation and Small Business Advocacy Subcommittee
To hold hearings on small business investment policy.
424 Dirksen Building

JUNE 30

9:00 a.m.
Veterans' Affairs
Housing, Insurance, and Cemeteries Subcommittee
To continue hearings on S. 718, to provide veterans with certain cost information relating to the conversion of Government-supervised insurance to individual life insurance policies.
6226 Dirksen Building

9:30 a.m.
Select Small Business
To resume hearings on S. 972, authorizing the Small Business Administration to make grants to support the development and operation of small business development centers.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To mark up H.R. 5294, S. 918, and S. 1130, to amend the Consumer Protection Act so as to prohibit abusive practices by independent debt collectors.
5302 Dirksen Building

Judiciary
Constitution Subcommittee
To resume hearings on S. 1393, to authorize actions by the Attorney General to redress deprivations of constitutional rights of institutionalized persons.
2228 Dirksen Building

JULY 12

9:30 a.m.
Human Resources
Health and Scientific Research Subcommittee
To hold hearings to evaluate information upon which the FDA based its decision to ban Laetril from interstate commerce.
Until noon 4232 Dirksen Building

10:00 a.m.
Foreign Relations
To hold hearings on the Vienna Convention on the Law of Treaties (Exec. L, 92d Cong., 1st sess.).

JULY 13

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the international telecommunications system.
235 Russell Building

Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 14

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To receive a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building

Human Resources
Health and Scientific Research Subcommittee
To hold oversight hearings on the cost of drugs.
Until noon 4232 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the international telecommunications system.
235 Russell Building

Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 15

10:00 a.m.
Finance
Social Security Subcommittee
To resume hearings on proposals for maintaining the financial soundness of the Social Security system.
2221 Dirksen Building

Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 18

10:00 a.m.
Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To resume hearings jointly with Select Committee on Small Business on the Administration's report and investment policies under the Employee Retirement Income Security Act; S. 285, Diversification of investment of private pension fund assets; and S. 901, to eliminate dual Treasury and Labor Department jurisdiction over the administration of ERISA.
2221 Dirksen Building

JULY 19

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To review a report from the National Commission on Supplies and Shortages on materials policy research and development.

5110 Dirksen Building

10:00 a.m.

Foreign Relations

To hold hearings on the following five tax treaties: Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with the United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P, 94th Cong., 2nd sess.); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).

4221 Dirksen Building

JULY 20

10:00 a.m.

Commerce, Science, and Transportation

Communication Subcommittee

To hold hearings on S. 1162, to repeal section 222 of the Communications Act of 1934, which governs the interrelationship among communications common carriers providing international record services.

235 Russell Building

Foreign Relations

To hold hearings on the following five tax treaties: Convention with Israel (Exec. C, 94th Cong., 2d sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with the United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P, 94th Cong., 2nd sess.); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).

4221 Dirksen Building

JULY 21

10:00 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To continue hearings on S. 1162, to repeal section 222 of the Communications Act of 1934, which governs the interrelationship among communications common carriers providing international record services.

235 Russell Building

JULY 26

10:00 a.m.

Foreign Relations

To hold hearings on protocol to the Convention on International Civil Aviation (Exec. A, 95th Cong., 1st sess.), and related protocols (Exec. B, 95th Congress, 1st sess.).

4221 Dirksen Building

CANCELLATION

JUNE 16

10:00 a.m.

Energy and Natural Resources

Energy Production and Supply Subcommittee

To mark up S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.

3110 Dirksen Building

11:00 a.m.

Human Resources

Health and Scientific Research Subcommittee

To resume hearings on S. 1391, Hospital Cost Containment Act.

Until 1 p.m. 4232 Dirksen Building

HOUSE OF REPRESENTATIVES—*Tuesday, June 14, 1977*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

We will rejoice in Thy salvation and in the name of our God we will set up our banner.—Psalms 20: 5.

O God, our Father, who has made and preserved us as a nation and who has favored us with Thy spirit all our days we thank Thee for an hour like this when we open our minds to Thy presence and unfurl again the flag of our beloved country. Grant that this experience may kindle in our minds a greater love for our Republic and a deeper loyalty to the lofty principles which are the foundation stones of our American way.

We pray that as leaders of our land we may be aware of our responsibilities to keep our Nation strong and free and that our citizens may be conscious of their responsibilities to make our country good and true and just. Together may we strengthen the moral and spiritual life of our day and do all we can to protect our free institutions, preserve our liberty, and promote peace and justice in our world. Amen and amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3416. An act to amend section 316(c) of the Agricultural Adjustment Act of 1938 to provide that leasing of flue-cured tobacco acreage-poundage marketing quotas after June 15 of any year be permitted only between farms on which at least 80 per centum of the farm acreage allotment was planted for such year.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 5645. An act to raise the limitation on appropriations for the U.S. Commission on Civil Rights; and

H.R. 6161. An act to amend the Clean Air Act, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5645) entitled "An act to raise the limitation on appropriations for the U.S. Commission on Civil Rights," request a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAYH, Mr. METZENBAUM, Mr. ABOUREZK, Mr. MATHIAS, and Mr. SCOTT to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6161) entitled "An act to amend the Clean Air Act, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. MUSKIE, Mr. CULVER, Mr. HART, Mr. ANDERSON, Mr. STAFFORD, Mr. BAKER, Mr. MCCLURE, and Mr. DOMENICI to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1061. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, and for other purposes; and

S.J. Res. 62. Joint resolution recognizing the contributions of school volunteers.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule 27, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

REQUIRING INVESTIGATION BY JOINT ECONOMIC COMMITTEE OF CERTAIN ECONOMIC CHANGES

Mr. BOLLING. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 248) requiring an investigation by the Joint Economic Committee of certain economic changes.

The Clerk read as follows:

H. CON. RES. 248

Whereas in the thirty-one years that have elapsed since passage of the Employment Act of 1946 there have been numerous and profound changes in the United States and world economies;

Whereas such changes have brought about substantial alterations in the nature and functioning of the United States economy that profoundly affect the economic well-being of the United States;

Whereas such changes have rendered ineffective traditional remedies for achieving aims of the Employment Act of 1946 and made necessary the formulation of new policy approaches; and

Whereas the Joint Economic Committee is charged by law with the responsibility of carrying on a continuing study of matters relating to the Economic Report of the President and with providing guidance to the several committees of the Congress dealing with legislation relating to the Economic

Report of the President and with providing guidance to the several committees of the Congress dealing with legislation relating to public economic policy: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Joint Economic Committee, or any subcommittee thereof as authorized by the Employment Act of 1946, shall undertake as soon as possible an investigation of past and prospective changes in the United States and world economies and the impact of such changes on the economies of the United States and other nations.

SEC. 2. The Joint Economic Committee shall provide the Congress with recommendations for meeting the economic policy requirements of the United States, taking account of the economic consequences of demographic trends; the economic impact of materials, prices, availability and shortages; long-range trends in public sector finances; capital formation; research, innovation and productivity; changing patterns of industrial organization; international money markets, trade and investment; and the economic consequences of wars, natural disasters and other disruptions.

SEC. 3. (a) In carrying out its functions under this concurrent resolution, the committee may—

(1) employ expert professional staff and supporting clerical assistants, individual consultants or organizations thereof, authorize travel as required and pay expenses inherent in such pursuits;

(2) sit and act during sessions of the House or Senate and during the present Congress at such times and places whether or not the House or Senate has recessed or adjourned; and

(3) require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary.

(b) For the purpose of its activities under this concurrent resolution, a majority of the members of the Joint Economic Committee shall constitute a quorum for the transaction of business, except that two or more shall constitute a quorum for the purpose of taking evidence, and at least one member of the minority must be present at the first meeting of the committee to conduct business under this concurrent resolution.

(c) The chairman of the Joint Economic Committee or any member designated by such chairman may administer oaths to any witness. The rules of the Joint Economic Committee shall govern the practices and procedures followed in the course of this investigation.

SEC. 4. The Joint Economic Committee is authorized from July 1, 1977, through December 31, 1978, to expend under this concurrent resolution not to exceed $900,000 of which amount not to exceed $250,000 may be expended in the period prior to December 31, 1977.

SEC. 5. The expenses of the Joint Economic Committee under this concurrent resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Joint Economic Committee except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

The SPEAKER. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) and the gentleman from Maryland (Mr. BAUMAN) are recognized for 20 minutes each.

Mr. BOLLING. Mr. Speaker, this resolution is a product of a number of months of work in the Joint Economic Committee. It is designed to make it clear to the Congress that the Joint Economic Committee is going to exercise its responsibility to make some studies into the changes that have taken place in the United States and world economically in the last 25 years.

They are very profound. I believe, and so do the other members of the Joint Economic Committee, that they require an indepth effort to arrive at some conclusions as to the differences which exist today between now and the time 31 years ago when the Employment Act was passed. This matter has been very carefully cleared with the leadership on both sides of the aisle. The Speaker is in support of it.

I see my friend, the gentleman from Arizona, has arisen, and I will be glad to yield to him.

Mr. RHODES. I thank the gentleman for yielding.

Mr. Speaker, I do approve of the resolution. I think it is high time that somebody looked into the present relevancy of the facts which founded the original Employment Act of 1946. I have reason to believe, as I am sure the gentleman from Missouri does, that perhaps some of the assumptions made at that time are no longer valid, and I believe that the gentleman's committee, the Joint Economic Committee, is the proper body to conduct such an investigation and return to the House and the Senate with its findings.

Mr. Speaker, I support the resolution.

Mr. BOLLING. I thank the distinguished minority leader.

Mr. Speaker, I do not propose to go into this at any great length. As I say, it has been cleared by everybody directly involved, really, on both sides of the Hill. We feel that the Joint Economic Committee which is not under the pressure of doing something legislatively at a certain time is the right forum in which to do this kind of fundamental study. A whole series of very important matters need to be looked at. There are some things that, had we done them a few years ago, we might have been able to prevent some of our difficulties.

Since I know of no one who opposes this resolution, I now yield to the gentleman from Maryland (Mr. BAUMAN) for whatever purpose he has in mind.

Mr. BAUMAN. Mr. Chairman, I want to address a few questions regarding the more mundane housekeeping details of this resolution.

As the gentleman from Missouri knows, since he serves with distinction on the Committee on Rules, there have been any number of requests to create ad hoc or select committees in this session. So many, I understand, a special subcommittee has been created to handle these requests. I notice that in this resolution the Joint Economic Committee is given a general authorization, which appears to be unlimited, in section 3, to employ additional staff, and also is given $900,000, which I assume is in addition to funding previously authorized.

I would like to ask the gentleman from Missouri, does he not feel that this new economic investigation may overlap other existing committees and their activities? What is the present work force of the Joint Economic Committee, how many staff members does it now have, and how many more will it have?

Mr. BOLLING. If the gentleman will yield, to answer the question in a series, we have the jurisdiction already. We could argue that. But we have a very broad jurisdiction. The reason we are doing it by resolution instead of going and asking for extra money and never coming to the floor is that we wanted to make very clear what we had in mind, in terms of long-range studies over and above the statutory duties. The Joint Economic Committee, of course, as the gentleman knows, is a statutory committee created by the Employment Act. We have a whole series of prescribed duties. Those are the duties which are carried out by the regular staff. While we intend to use the regular staff as much as we can, we know that we will be unable to function exclusively with the regular staff, and in addition to the regular staff of 45 to 50 people, which costs the people of the United States $1.5 million a year to do our statutory duties and other studies, we wanted to handle separately this particular set of long-range studies. And we are providing for specific money. This is for a year and a half. The $250,000 is for this year, $650,000 for next year, when we will be able to function more effectively, because we will have gotten underway. And the purpose of the resolution is to segregate the two, one from the other, so that we will not do that accretion job which so often is done by committees.

We will not lift the amount of the normal budget over historical amounts; we will not lift the amount on a permanent basis. We are trying to make this a temporary.

I should be frank with the gentleman and say this: I am not sure we will finish all the work that is involved in a year and a half. We have a specific provision for the budget. It is in detail, and if the gentleman wishes, I will be glad to read it. It provides for four or five top staffers, some assistants, and some clerks in addition to the current staff. A good deal of the work, however, will not be done by new members of the staff or by new consultants; it will be done by old members of the staff and it will draw upon the resources that are available already through congressional research, GAO, and perhaps some executive agencies.

This is going to be a very major approach to a series of enormously difficult problems, and even collecting together, the work that has already been done, for example, on demography and on resources, and so on, represents a very major initial task. What we are trying to do is set up a study that might conceivably go into another Congress. But it will not be a permanent part of the role of the Joint Economic Committee.

Mr. Speaker, this is a special study. We have done this, I suppose, about every 10 or 20 years, and it has proven to be a very useful approach to the problem.

Mr. BAUMAN. Mr. Speaker, as a more specific response, the gentleman is saying, in addition to the 40 or 50 employees now on the Joint Economic Committee staff, we will be adding how many new employees?

Mr. BOLLING. Let me check the number proposed. I hesitate to say that these employees will all be used, because we are going to use as few as possible.

We provide for the period of July to December of 1977 a staff payroll of $165,000, which includes a director, three senior staff, two middle-level staff, and three support staff, including the housekeeping matching contribution, and so on. That adds up to nine.

Then there is a relatively generous allowance for consultants. The use of consultants enables us to get the greatest experts, not only in this country but in the world, to participate in the study.

Some of this money will be used to pay for the preparation of papers, and some of it will be used to pay for appearances. In the next year there is a substantially larger amount involved, and that is because we will then be able to use more consultants and to follow the studies through in succeeding years and to a greater degree than we can during the first year.

Mr. BAUMAN. Mr. Speaker, I appreciate the gentleman's answer.

I would only observe that we were not given the privilege of having a report on the concurrent resolution, and it is a bit difficult to get all the details without a report. We must formulate our decision on the merits of the concurrent resolution just from the four corners of the gentleman's statement.

I would also observe that continued deficit spending and the national debt is a great concern of a great many Members of Congress. This resolution adds to that inflation and debt. I understand the gentleman's committee will be going into these matters.

It is also difficult to judge whether this additional $900,000 is needed on top of the already authorized $2 million the committee now has, and whether this will provide a solution to our economic problems, most of which can be traced to the spending habits of the Congress.

But, Mr. Speaker, as quite often happens, we have to take this on faith, and I will say that I would rather take it on faith on the statement of the gentleman from Missouri than on the statement of some others. Nevertheless, I must oppose this resolution.

Mr. BOLLING. Mr. Speaker, I thank the gentleman for his contribution.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman for yielding.

I would like to advise the gentleman that had I been present here as this matter came up, I would have demanded a second myself as the ranking Republican in the House on the Joint Economic Committee in order to discuss the proposition and to lend my support to it.

The issue has been fairly thoroughly explored with all the minority and majority members of the Joint Economic Committee, and it has the unanimous support of the minority members on both House and Senate sides of the Joint Economic Committee. As the gentleman knows, that includes Senator JAVITS as the ranking Republican during this Congress under the chairmanship of the gentleman from Missouri (Mr. BOLLING). It also includes Senators ROTH, HATCH, and MCCLURE on the minority side.

On the House side it includes not only myself but the gentleman from California (Mr. ROUSSELOT), who, I understood, would be here if he were not testifying on the Senate side—and he might also have demanded a second on this issue to express his support for it—the gentleman from Michigan (Mr. BROWN), and the gentlewoman from Massachusetts (Mrs. HECKLER).

The purpose of this concurrent resolution and the purpose of the funds, which have been discussed also with the minority leader and with the Speaker, of course, is to move the Joint Economic Committee into a long-range study of the problems of our society with reference to the economy rather than only give immediate responses to immediate problems and address those problems in terms of the politics of the moment.

Without raising criticisms specifically aimed at any individuals, let me just say that under the past leadership of the committee there has been a tendency to have most of the studies done by the Joint Economic Committee; done on a month-by-month basis, to address immediate problems that really were in the jurisdiction of other committees, and discuss those problems on a somewhat more immediate basis of partisan politics of the moment rather than in the Joint Economic Committee tradition of nonpartisan longrun economic considerations.

Mr. Speaker, I think both Senator HUMPHREY, who was the chairman of the committee during the last Congress, and certainly the gentleman from Missouri (Mr. BOLLING), who is the chairman during the present Congress, have seen the need to try to move us away from that immediate and partisan frame of reference and to restore the committee to the position which it enjoyed at the beginning of its existence and for many years thereafter, a respected committee that looked at the long-range problems and dealt with them on an intellectual basis of fact, option, and philosophical approach, and which had the opportunity to present to the full Congress, House and Senate, and the appropriate committees the choice of decisions for action by those substantive committees.

In the plan of the chairman and of the current ranking member, we hope to look at such things as the changing organization of the independent business structure in the United States and in the world.

Also included is an area of interest that is mine specifically, and that is what we do about the variety of pension and retirement systems that we have in our Nation. I am sure the gentleman from Maryland (Mr. BAUMAN) would agree with me that one of the major problems this country faces today is the viability of the social security system.

Mr. BAUMAN. Mr. Speaker, just to reclaim my time, the gentleman is starting to prove the point I raised earlier, and that is that this committee is going to duplicate action of other committees.

We have a special subcommittee headed by the gentleman from Pennsylvania (Mr. DENT) which has gone into pension plans exhaustively.

I have some serious doubts as to whether this study is warranted and whether it is a waste of money. If we are going to have a catolog, though, of all of the things that other committees are already doing which the gentleman proposes his committee to do, I think perhaps we should decide whether it is a waste or not.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield further?

Mr. BAUMAN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I agree thoroughly that there are committees studying these specific problems.

However, had I completed my thoughts a moment ago, I also would have said that there are other areas of our Nation's retirement and pension structures, not now being studied that should be studied. And there is no individual committee which addresses itself to all of these problems together.

Mr. Speaker, that would be the objective of the Joint Economic Committee's long-term study approach.

If the gentleman from Maryland (Mr. BAUMAN) yields back his time and supports the measure, I would be most appreciative of his support.

Mrs. HECKLER. Mr. Speaker, I fully support the request of the gentleman from Missouri, the Honorable Mr. RICHARD BOLLING, chairman of the Joint Economic Committee.

First, I should emphasize that the request has been bipartisan, in both Houses of the Congress. The minority has been kept up to date on the progress of this proposal for a new economic study and the proposal itself is the result of a recent executive session of the entire committee. The chairman has agreed to recognize minority concerns in the staffing and choice of outside specialists. His announced intention to appoint Charles Sheldon to head this effort has the support of minority members.

Second, and more important, we sorely need such a study. This is because we stand at a watershed in the course of economic thought, and need a base from which to proceed to the next generation of economic concepts and policy devices.

Each period of our history has seen significant developments in economic thought, and in the understanding of our complicated economy. From the time of Adam Smith to the present, we have seen economics progress from an inexact set of concepts to a complicated body of knowledge. Nevertheless, despite the tremendous gains in our understanding of complex economic forces, the "science" of economics still eludes us. We are—as Herbert Stein told a recent

meeting of Joint Economic Committee Republicans last month—as devoid of guiding principles of economic policy as we have been for 30 years or more. There is considerable skepticism, according to Dr. Stein, over virtually all the policy tools which were generally accepted during the 1960's; for example, "fine tuning," econometric models. And so here we are, in 1977, with both high unemployment and high inflation, and with no orthodox solutions in sight.

One of the major problems—and here is here the resolution at hand fits in—is that we do not even have many of the facts on which the base new economic theory. We do not know, for example, what "full employment" really is. We state loosely that changes in the composition of the labor force have affected the unemployment rate, but we have made no serious attempt to project these changes into the future. We have suffered from a fourfold rise in crude oil prices, but we have no overall idea of the availability of raw materials and the effect which nonavailability will have on prices. We have lurched through the New York City financial crisis—and come close to crisis in my own State of Massachusetts—without taking a hard look at whether the tax base of State and local governments is equal to the responsibilities we have placed on them. We complain that the United States has very low rates of capital formation, and we associate that in part with the weakening of the dollar over the past decade; yet we have no firm grasp on the factors which encourage capital formation, or on the consequences for our life style of raising substantially the amount of output which is channeled back into capital investment. We have no practical knowledge about the effect which conglomerate business organization has on prices and employment. Many of the mysteries of international lending—which is so important in view of the massive amount of "petrodollars" passing through the banking system today—remain to be solved.

The list of unanswered questions is almost endless. And yet each of these has peculiar relevance to the economy of today, where rapid changes have left policymakers behind.

As I have stated, here is where the proposed study can be invaluable. The study would go into the areas I have alluded to above—indeed, the major issues I described correpsond to the issues listed in section 2 of the resolution—and lay out a baseline of facts on which debate could take place. For example, it would attempt to chart the demographic changes which are affecting our labor force today, it would survey the relation between materials availability and prices, it would go into capital formation, Government finance, business organization, and other important subjects.

This is an appropriate task for the Joint Economic Committee. In my 3 years on the committee I have heard testimony from virtually every prominent economist in this country, and from many in other countries. We have the power to attract outstanding staff and consultants. Throughout its history, the committee has produced precedent-setting work, whether it be in the field of full employment policies, welfare—our welfare study of 1974–76 is the first and only one of its kind—or budget procedures, efficiency of Government programs, or monetary policy. We would make full use of the committees resources, including the additional subpena power, in order to make this project equal to the problems besetting the economy.

This is not the kind of project which can be undertaken with the present staff, whose efforts must still be taken up with the committee's current business. The committee still has its statutory functions in the Congressional Budget Act and in the Employment Act of 1946. A project of this magnitude requires separate staffing, which is what the resolution at hand would authorize us to assemble.

I am realistic. I expect no miracles from this project. The Joint Economic Committee has not been chosen to lead us into the Promised Land. What we are able to do, however, is provide the new factual base, which we need so badly, on which to fashion the economic policies for the next decade. As I have implied, history has overtaken the economics profession; we are, in many respects, in a state of future shock. The responsibility of the Congress is to help lay the practical foundation for the significant advances in theory and policy which we need to catch up. We should expect no less.

For these reasons, I fully support the resolution introduced by the gentleman from Missouri.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. SISK). The question is on the motion offered by the gentleman from Missouri (Mr. BOLLING) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 248).

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

PUBLIC ASSISTANCE AMENDMENTS OF 1977

Mr. CORMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7200) to amend the Social Security Act to make needed improvements in the programs of supplemental security income benefits, aid to families with dependent children, child welfare services, and social services, and for other purposes, as amended.

The Clerk read as follows:

H.R. 7200

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Assistance Amendments of 1977".

TITLE I—SUPPLEMENTAL SECURITY INCOME PROGRAM

FOOD STAMP ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME RECIPIENTS

SEC. 101. Effective July 1, 1977, section 8 of Public Law 93-233 is amended by striking out "June 30, 1977" where it appears—

(1) in the matter preceding the colon in subsection (a)(1), and in the new sentence added by such subsection, and

(2) in subsections (a)(2), (b)(1), (b)(2), (b)(3), and (f),

and by inserting in lieu thereof in each instance "October 1, 1978".

ATTRIBUTION OF PARENTS' INCOME AND RESOURCES TO CHILDREN

SEC. 102. (a) Section 1614(c) of the Social Security Act is repealed.

(b)(1) Section 1612(b) of such Act is amended—

(A) by striking out "a child who" in clause (1) and inserting in lieu thereof "under the age of 22 and";

(B) by striking out "a child" in clause (9) and inserting in lieu thereof "under age 18"; and

(C) by striking out "a child who is not an eligible individual" in clause (10) and inserting in lieu thereof "an individual who is not an eligible individual or eligible spouse".

(2) Section 1614(a)(3)(A) of such Act is amended by striking out "a child" and inserting in lieu thereof "an individual."

(3) Section 1614(f)(2) of such Act is amended by striking out "a child under age 21" and inserting in lieu thereof "under age 18".

MODIFICATION OF REQUIREMENT FOR THIRD-PARTY PAYEE

SEC. 103. The second sentence of section 1631(a)(2) of the Social Security Act is amended by inserting before the period at the end thereof the following: ", unless, and only so long as, the Secretary determines, upon the certification of the physician attending such individual or spouse in the institution or facility where such individual or spouse is undergoing treatment as required by such section, that the payment of benefits directly to such individual or spouse would be of significant therapeutic value to him and that there is substantial reason to believe that he would not misuse or improperly spend the funds involved".

CONTINUATION OF BENEFITS FOR INDIVIDUALS HOSPITALIZED OUTSIDE THE UNITED STATES IN CERTAIN CASES

SEC. 104. The second sentence of section 1611(f) of the Social Security Act is amended by striking out the comma after "preceding sentence" and inserting in lieu thereof "(1)", and by inserting before the period at the end thereof the following: ", and (2) an individual shall be treated as being inside the United States during any period of absence from the United States which is demonstrated to the satisfaction of the Secretary to be necessary in order to obtain inpatient hospital services, as defined in title XVIII for purposes of section 1814(f), if (A) the requirements of subparagraphs (A) and (B) of section 1814(f)(1) are met, or (B) the inpatient hospital services are emergency services and the requirements of subparagraphs (A) and (B) of section 1814(f)(2) are met".

EXCLUSION OF CERTAIN GIFTS AND INHERITANCES FROM INCOME

SEC. 105. Section 1612(a)(2)(E) of the Social Security Act is amended by inserting ", except that the Secretary may by regulation provide that gifts and inheritances which are not readily convertible into cash are not income" immediately after "inheritances".

INCREASED PAYMENTS FOR PRESUMPTIVELY ELIGIBLE INDIVIDUALS

SEC. 106. Section 1631(a)(4)(A) of the Social Security Act is amended by striking out "a cash advance against such benefits in an amount not exceeding $100" and inserting in lieu thereof "one or more cash advances against such benefits, the aggregate amount of which may not exceed the aggregate amount of the benefits for which he is presumptively eligible under this title, including any federally administered State supplementary payments, for the first three months of such presumptive eligibility".

TERMINATION OF MANDATORY MINIMUM STATE SUPPLEMENT IN CERTAIN CASES

SEC. 107. Effective October 1, 1977, section 212(a)(2) of Public Law 93-66 is amended—

(1) by striking out "or" at the end of subparagraph (C);

(2) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof a comma; and

(3) by striking out the matter that follows subparagraph (D) and inserting in lieu thereof the following:

"(E) the first month after September 1977 for which such individual is not a resident of the State to which the provision of subparagraph (B) applies,

"(F) the first month after September 1977 for which the sum of such individual's title XVI benefit plus other income (as determined under paragraph (3)(C)) and any periodic State supplement is equal to or exceeds the amount of such individual's December 1973 income (as determined under paragraph (3)(B)) as reduced by the amount, if any, by which the amount of the supplementary payment payable under the agreement entered into under this subsection to such individual has been reduced under the provisions of paragraph (3)(D),

"(G) the first month after September 1977 for which such individual is ineligible to receive supplemental security income benefits under title XVI of the Social Security Act by reason of the provisions of section 1611(e)(1)(A) (except in the case of an individual who is in a public institution which is a hospital, extended care facility, nursing home, or intermediate care facility), 1611(e)(2) or (3), 1611(f), or 1615(c) of such Act, or

"(H) the first month after September 1977 for which such individual is ineligible to receive supplemental income benefits under title XVI of the Social Security Act by reason of the provisions of section 1611(a)(1)(B) or (2)(B) of such Act;

except that no individual shall be eligible to receive such supplementary payment for any month, if, for such month, such individual is ineligible to receive supplemental security income benefits under title XVI of the Social Security Act by reason of the provisions of section 1611(e)(1)(A) of such Act as they apply in the case of an individual who is in a public institution which is a hospital, extended care facility, nursing home, or intermediate care facility.".

MONTHLY COMPUTATION PERIOD FOR DETERMINATION OF SUPPLEMENTAL SECURITY INCOME BENEFITS

SEC. 108. (a)(1) The first sentence of section 1611(c)(1) of the Social Security Act is amended to read as follows: "An individual's eligibility for benefits under this title and the amount of such benefits shall be determined for each month.".

(2) The second sentence of section 1611(c)(1) of such Act is amended by striking out "quarter" and inserting in lieu thereof "month".

(b)(1) Section 1612(b)(3)(A) of such Act is amended—

(A) by striking out "quarter" and "calendar quarter" wherever they appear and inserting in lieu thereof "month"; and

(B) by striking out "$60" and inserting in lieu thereof "$20".

(2) Section 1612(b)(3)(B) of such Act is amended—

(A) by striking out "quarter" and "calendar quarter" wherever they appear and inserting in lieu thereof "month"; and

(B) by striking out "$30" and inserting in lieu thereof "$10".

(c) The amendments made by this section shall be effective on such date as the Secretary of Health, Education, and Welfare determines to be administratively feasible, but not later than September 30, 1978.

ELIGIBILITY OF INDIVIDUALS IN CERTAIN MEDICAL INSTITUTIONS

SEC. 109. (a) Section 1611(e)(1)(A) of the Social Security Act is amended by striking out "subparagraph (B) and (C)" and inserting in lieu thereof "subparagraphs (B), (C), and (D)".

(b) Section 1611(e)(1) of such Act is amended by redesignating subparagraph (C) as subparagraph (D), and by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(B) Except as set forth in subparagraph (C), in any case where an eligible individual or eligible spouse is in a hospital, extended care facility, nursing home, or intermediate care facility, such individual's benefit for the period ending with the third consecutive month throughout which he is in such hospital, home, or facility shall be determined as though he were continuing to reside outside the institution under the same conditions as before he entered the institution.

"(C) In any case where an eligible individual or eligible spouse is throughout any month in a hospital, extended care facility, nursing home, or intermediate care facility, receiving payments (with respect to such individual or spouse) under a State plan approved under title XIX, and such month is either—

"(i) the first month in any period of eligibility under this title based on an application filed in or before such month, or a month in a continuous period of months beginning with first such month, throughout which such individual or spouse is in a hospital, extended care facility, nursing home, or intermediate care facility (whether or not receiving payments with respect to such individual or spouse for each month in such period), or

"(ii) the fourth consecutive month throughout which, or a month in a continuous period beginning with such fourth consecutive month throughout which, such individual or spouse is in a hospital, extended care facility, nursing home, or intermediate care facility (whether or not receiving payments with respect to such individual or spouse for each month in such period),

the benefit for such individual for such month shall be payable—

"(iii) in the case of an individual who does not have an eligible spouse, at a rate not in excess of $300 per year (reduced by the amount of any income of such individual which is not excluded pursuant to section 1612(b));

"(iv) in the case of an individual who has an eligible spouse, if only one of them is in such a hospital, home, or facility throughout such month, at a rate not in excess of the sum of—

"(I) the rate of $300 per year (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the one who is in such hospital, home, or facility), and

"(II) the applicable rate specified in subsection (b)(1) (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the other); and

"(v) in the case of an individual who has an eligible spouse, if both of them are in such a hospital, home, or facility throughout such month, at a rate not in excess of $600 per year (reduced by the amount of any income of either spouse which is not excluded pursuant to section 1612(b));

except that for purposes of any provision of law other than this subparagraph, any benefit determined under clause (iv) shall be deemed to be payable at a rate equal to the sum of the rate of $300 per year and the applicable rate specified in subsection (b)(1), reduced by any income of either spouse which is not excluded pursuant to section 1612(b).".

COST-OF-LIVING ADJUSTMENTS IN SUPPLEMENTAL SECURITY INCOME PAYMENTS TO INDIVIDUALS IN CERTAIN INSTITUTIONS

SEC. 110. (a) Section 1617 of the Social Security Act is amended by inserting ", and (e)(1)(B)" after "(b)(2)".

(b) The amendment made by subsection (a) shall apply as provided in section 116, taking into account determinations made under section 215(i) of the Social Security Act in and after 1977.

EXCLUSION FROM INCOME OF CERTAIN ASSISTANCE BASED ON NEED

SEC. 111. (a) Section 1612(b) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (11) the following new paragraph:

"(12) any assistance which is based on need and is furnished by any private entity described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code unless such assistance is furnished in fulfillment of an obligation described in subsection (a)(2)(A)(ii).".

(b) The amendments made by subsection (a) shall become effective on the first day of the second calendar quarter beginning after the date of the enactment of this Act, but no later than September 30, 1978.

EXCLUSION OF CERTAIN ASSISTANCE PAYMENTS FROM INCOME

SEC. 112. Section 1631(b) of the Social Security Act is amended by inserting "(1)" after "(b)", and by adding at the end thereof the following new paragraph:

"(2) No part of any benefit paid to an individual under this title for any month beginning before October 1, 1976, shall be considered an overpayment by reason of assistance paid under any provision of law with respect to a dwelling unit in which such individual was living if, under section 2(h) of the Housing Authorization Act of 1976, the value of assistance paid under that provision of law would not be considered as income or a resource for purposes of benefits under this title on or after that date.".

DEFINITION OF ELIGIBLE SPOUSE

SEC. 113. Effective with respect to months after September 1977, the first sentence of section 1614(b) of the Social Security Act is amended by striking out "for more than six months" and inserting in lieu thereof "for more than one month".

COORDINATION WITH OTHER ASSISTANCE PROGRAMS

SEC. 114. Effective October 1, 1978, section 1633 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(c)(1) The Secretary shall take such actions as may be necessary and appropriate to coordinate the administration of the pro-

gram under this title with the administration of the medical assistance program under title XIX and the food stamp program, in a manner which will facilitate the filing of claims for and receipt of benefits under all such programs.

"(2) In carrying out paragraph (1), the Secretary is authorized to enter into arrangements with the agencies administering the medical assistance and food stamp programs to provide that, whenever possible, claims for assistance under such programs may be filed at the same office where claims for benefits under this title are filed.

"(3) The Secretary is authorized to reimburse any public agency for any additional administrative expenses incurred by such agency under or by reason of an agreement or arrangement made between such agency and the Secretary for the purpose of implementing the provisions of this subsection.".

ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIENS

SEC. 115. Section 1614 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Income and Resources of Alien's Sponsor

"(g) For purposes of determining eligibility for and the amount of benefits for any individual who is an alien and whose permanent residence in the United States begins after the date of the enactment of this subsection, there shall be imputed to such individual the income and resources of any person who, as a sponsor of such individual's entry into the United States, executed an affidavit of support or similar agreement with respect to such individual, for the duration of the assurances of support contained in such affidavit or agreement but for no longer than a period of three years after such entry; except that the preceding provisions of this subsection shall not apply with respect to any individual who is an 'aged, blind, or disabled individual' for purposes of this title by reason of blindness (as determined under subsection (a)(2)) or disability (as determined under subsection (a)(3)), from and after the onset of the impairment involved, if such blindness or disability commenced after the date of such individual's admission to the United States.".

EFFECTIVE DATE

SEC. 116. Except as otherwise specifically provided in this title, the amendments made by this title shall apply with respect to months after the month following the month in which this Act is enacted, or with respect to months after September 1977, whichever is later, but shall in any event become effective no later than September 1, 1978.

TITLE II—PUBLIC ASSISTANCE PROGRAMS IN PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM

EXTENSION OF SUPPLEMENTAL SECURITY INCOME BENEFIT PROGRAM TO PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

SEC. 201. (a)(1) Section 1614(e) of the Social Security Act is amended by striking out "and the District of Columbia" and inserting in lieu thereof ", the District of Columbia, Puerto Rico, the Virgin Islands, and Guam".

(2) Section 1101(a)(1) of such Act is amended—

(A) by inserting "XVI," after "XI," and

(B) by striking out the last sentence (as added by section 18(z-2)(1)(A)(ii) of Public Law 93-233).

(3) Section 303(b) of the Social Security Amendments of 1972 is repealed.

(b) Section 1108 of such Act is amended by adding at the end thereof the following new subsection:

"(e)(1) In applying the provisions of—

"(A) subsections (a), (b), and (e)(1) of section 1611,

"(B) subsections (a)(2)(D),(b)(2), and (b)(3) of section 1612,

"(C) subsection (a) of section 1613,

"(D) section 1617, and

"(E) section 211(a)(1)(A) of Public Law 93-66,

the dollar amounts to be used shall, instead of the figures specified (or referred to) in such provisions, be dollar amounts bearing the same ratio to the figures so specified as the per capita incomes of Puerto Rico, the Virgin Islands, and Guam, respectively, bear to the per capita income of that one of the States which has the lowest per capita income; except that in no case may the amounts so used exceed the figures so specified.

"(2)(A) The amounts to be used under such sections in Puerto Rico, the Virgin Islands, and Guam shall be promulgated by the Secretary between October 1 and November 30 of each even-numbered year, on the basis of the average per capita income of each State for the most recent calendar year for which satisfactory data are available from the Department of Commerce. Such promulgation shall be effective for each of the two fiscal years in the period beginning October 1 next succeeding such promulgation.

"(B) The term 'State', for purposes of subparagraph (A) only, means the fifty States and the District of Columbia.

"(3) If the amounts which would otherwise be promulgated for any fiscal year for any of the three States referred to in paragraph (1) would be lower than the amounts promulgated for such State for the immediately preceding period, the amounts for such fiscal year shall be increased to the extent of the difference; and the amounts so increased shall be the amounts promulgated for such year.".

(c) The first sentence of section 1615(c)(3) of such Act is amended by striking out "(and for purposes" and all that follows and inserting in lieu thereof "bears to the under 7 population of all the States.".

(d) The amendments made by this section (except subsections (a)(3) and (c)) shall apply with respect to supplemental security income benefits payable under title XVI of the Social Security Act for months after March 1978. Subsections (a)(3) and (c) shall become effective April 1, 1978.

(e) The initial determination and promulgation of dollar amounts with respect to Puerto Rico, the Virgin Islands, and Guam under section 1108(e) of the Social Security Act (as added by subsection (b) of this section) shall be made as soon as possible after the enactment of this Act and shall be conclusive for the six quarters in the period beginning April 1, 1978, and ending September 30, 1979; and the initial promulgation of the limitations applicable to Puerto Rico, the Virgin Islands, and Guam under section 1615(c)(3) of the Social Security Act (as amended by subsection (c) of this section) shall be made as soon as possible after the enactment of this Act and shall be conclusive for the portion of the fiscal year ending September 30, 1978, which begins on April 1, 1978.

SOCIAL SERVICES ENTITLEMENT FOR PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

SEC. 202. (a) Section 2002(a)(2)(B) of the Social Security Act is amended—

(1) by inserting "(i)" after "(B)";

(2) by striking out "at the earliest practicable date after the commencement of such fiscal year" and inserting in lieu thereof "prior to the commencement of such fiscal year";

(3) by striking out "is greater or less than" each place it appears and inserting in lieu thereof "exceeds or is less than"; and

(4) by adding at the end thereof the following new subdivision:

"(ii) If—

"(I) any State which certified under subdivision (i) that its limitation for any fiscal year is equal to or less than the amount needed by the State (for uses to which the limitation applies) subsequently determines that the amount of such limitation exceeds the amount so needed, or

"(II) any State which certified under subdivision (i) that its limitation for any fiscal year exceeds the amount needed by the State (for such uses) subsequently determines that the amount of such limitation exceeds the amount so needed by more than the amount of the excess so certified,

such State shall certify to the Secretary the amount, or the additional amount, by which the limitation exceeds such need.".

(b) Section 2002(a)(2)(C) of such Act is amended to read as follows:

"(C) If any State certifies—

"(i) in accordance with subparagraph (B)(i) that the amount of its limitation for any fiscal year as promulgated under subparagraph (A) exceeds its need for such year, or

"(ii) in accordance with subparagraph (B)(ii) that the amount of its limitation for such fiscal year as so promulgated exceeds its need for such year or exceeds such need by an additional amount,

then such limitation shall be reduced by the amount of such excess or such additional excess; and the amount of the reduction shall be available for allotment as provided in subparagraph (D).".

(c) The proviso in section 2002(a)(2)(D) of such Act is amended—

(1) by striking out "the amounts made available" and inserting in lieu thereof "the amounts which have been made available as of any time during the fiscal year"; and

(2) by striking out "such amounts as are available" and inserting in lieu thereof "such amounts as have theretofore been made available".

(d) The amendments made by this section shall be effective with respect to fiscal years beginning after September 30, 1977.

REMOVAL OF CEILING ON FEDERAL MATCHING FUNDS FOR AFDC IN PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

SEC. 203. (a) Subsection (a) of section 1108 of the Social Security Act is repealed.

(b) Section 2002(a)(2)(D) of such Act is amended by striking out "in addition to amounts available under section 1108 for purposes of matching the expenditures of such jurisdictions for services pursuant to sections 3(a)(4) and (5), 403(a)(3), 1003(a)(3) and (4), 1403(a)(3) and (4), and 1603(a)(4) and (5)" and inserting in lieu thereof "in addition to any other amounts available for purposes of matching the expenditures of such jurisdictions for services pursuant to section 403(a)(3) and for purposes of providing services under plans approved by the Secretary for aged, blind, and disabled individuals in such jurisdictions who are receiving supplemental security income benefits under title XVI or who, within such period or periods as the Secretary may prescribe, have been or are likely to become applicants for or recipients of such benefits".

(c) The amendments made by this section shall take effect on April 1, 1978.

TITLE III—SOCIAL SERVICES PROGRAM

INCREASE IN CEILING ON FEDERAL SOCIAL SERVICES FUNDING, EXTENSION OF SPECIAL PROVISIONS RELATING TO CHILD DAY CARE SERVICES

SEC. 301. (a)(1) Effective with respect to fiscal years beginning after September 30, 1977, section 2002(a)(2)(A) of the Social Security Act is amended by striking out "$2,500,000,000" and inserting in lieu thereof "$2,700,000,000".

(2) Notwithstanding the amendment made by paragraph (1), the amount of the

limitation (imposed by section 2002(a)(2) of the Social Security Act) which is applicable to any State for the fiscal year ending September 30, 1978, shall not exceed an amount equal to (A) the limitation (so imposed) which would be applicable to such State for such fiscal year without regard to such amendment, plus (B) an amount equal to the sum of (i) the total amount of expenditures (I) which are made during such fiscal year in connection with the provision of any child day care service, and (II) with respect to which payment is authorized to be made to the State under title XX of such Act for such fiscal year, and (ii) the aggregate of the amounts of the grants, made by the State during such fiscal year, to which the provisions of section 3(c)(1) of Public Law 94-401 are applicable.

(3) Section 3(b) of Public Law 94-401 is amended by inserting after "the provisions of such subsection" the following: ", or which become payable to any State for the fiscal year ending September 30, 1978, by reason of section 301(a) of the Public Assistance Amendments of 1977,".

(b)(1) Section 7(a)(3) of Public Law 93-647 is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1978".

(2)(A) Section 3(c)(1) of the Public Law 94-401 is amended by inserting after "fiscal year specified in subsection (a)," the following: "or during the fiscal year ending September 30, 1978,".

(B) Section 3(c)(2)(A) of Public Law 94-401 is amended—

(i) by inserting "(i)" after "the amount, if any, by which"; and

(ii) by inserting after "such fiscal period or year," the following: "or (ii) the aggregate of the sums (as so described) granted by any State during the fiscal year ending September 30, 1978, exceeds the amount by which such State's limitation for that fiscal year is increased pursuant to section 301(a) of the Public Assistance Amendments of 1977".

(3)(A) Section 3(d)(1) of Public Law 94-401 is amended by inserting before the period at the end thereof the following: ", and during the fiscal year ending September 30, 1978".

(B) Section 3(d)(2) of such Public Law is amended—

(i) by striking out "such fiscal year" in the matter preceding subparagraph (A) and inserting in lieu thereof "either such fiscal year"; and

(ii) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) the amount by which the limitation (imposed by section 2002(a)(2) of such Act) which is applicable to such State for such fiscal year is increased pursuant to subsection (a) or pursuant to section 301(a) of the Public Assistance Amendments of 1977, over".

(4) Section 50B(a)(2)(B) of the Internal Revenue Code of 1954 (definition of Federal welfare recipient employment incentive expenses) is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1978".

(5) Section 5(b) of Public Law 94-401 is amended by striking out "September 30, 1977" and "October 1, 1977" and inserting in lieu thereof "September 30, 1978" and "October 1, 1978", respectively.

(6) Section 4(c) of Public Law 94-120 is amended by striking out "September 30, 1978" and "October 1, 1977" and inserting in lieu thereof "September 30, 1978" and "October 1, 1978", respectively.

(c) Section 2002(a)(9)(B) of the Social Security Act is amended by striking out "July 1, 1977" inserting in lieu thereof "April 1, 1978".

TITLE IV—CHILD-WELFARE SERVICES PROGRAM

AMENDMENTS TO CHILD-WELFARE SERVICES PROVISIONS

SEC. 401. (a)(1) Section 420 of the Social Security Act is amended by striking out "the following sums are hereby authorized to be appropriated" and all that follows and inserting in lieu thereof "there is authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part (other than sections 428 and 429).".

(2) Section 421 of such Act is amended—

(A) by striking out "The sum appropriated pursuant to section 420 for each fiscal year shall be allotted by the Secretary for use" and inserting in lieu thereof "The sum of $266,000,000 shall be allotted by the Secretary each fiscal year for use"; and

(B) by striking out "the remainder of the sum so appropriated for such year" and inserting in lieu thereof "the remainder of such sum".

(3) The first sentence of section 422(a) of such Act is amended—

(A) by striking out "From the sums appropriated therefor and the allotment available under this part, the Secretary" in the matter preceding paragraph (1) and inserting in lieu thereof "For each fiscal year the Secretary";

(B) by inserting ", approved by the Secretary for such fiscal year," after "a plan for child-welfare services" in the matter preceding subparagraph (A) in paragraph (1);

(C) by striking out "an amount equal to the Federal share (as determined under section 423) of the total sum expended under such plan (including the cost of administration of the plan) in meeting the costs" in the matter following paragraph (2) and inserting in lieu thereof the following: "an amount equal to the allotment of the State for that fiscal year under section 421 (or, if less, an amount equal to the total sum expended under the plan for the purposes involved) for use under and in accordance with the plan in meeting the costs"; and

(D) by inserting before the period at the end thereof the following: ", and in meeting the cost of administration of the plan".

(4) Section 422(b)(2) of such Act is amended by striking out "From the allotment available therefor, the Secretary" and inserting in lieu thereof "The Secretary".

(5)(A) Section 423(b) of such Act is repealed.

(B) Section 423(c) of such Act is amended—

(i) by striking out "Federal share and"; and

(ii) by striking out the proviso.

(b)(1) Section 422(a)(1)(B) of such Act is amended—

(A) by striking out "and the services provided" and inserting in lieu thereof ", the services provided"; and

(B) by inserting after "part A of this title," the following: "and services provided under title XX and under State programs having a relationship to the program under this part,".

(2) Section 422(a)(1) of such Act is further amended by striking out "and" at the end of subparagraph (B), and by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraphs:

"(C) contains a description of the services to be provided and specifies the geographic areas where such services will be available,

"(D) contains a description of the steps which the State will take to accomplish the purposes enumerated in section 425 and to make progress in—

"(i) covering additional political subdivisions,

"(ii) reaching additional children in need of services, and

"(iii) expanding and strengthening the range of existing services and developing new types of services,

along with a description of the State's child-welfare services staff development and training plan, and

"(E) provides that the agency administering or supervising the administration of the plan will furnish such reports, containing such information, and participate in such evaluations, as the Secretary may require, and".

(3) Section 422(a)(2) of such Act is amended by striking out "that makes a satisfactory showing" and all that follows down through "provided by the staff" and inserting in lieu thereof "that (with respect to child day care services provided under this title) it is in compliance with the standards and requirements imposed with respect to child day care under title XX except insofar as eligibility for such services is involved and except as provided in section 426(b), and that child-welfare services will be provided by the staff".

(c) Section 425 of such Act is amended to read as follows:

"DEFINITION

"SEC. 425. For the purpose of this title, the term 'child-welfare services' means public social services which are directed toward the accomplishment of the following purposes: (1) protecting and promoting the welfare of all children, including handicapped, homeless, dependent, or neglected children; (2) preventing or remedying, or assisting in the solution of problems which may result in, the neglect, abuse, exploitation, or delinquency of children; (3) preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible; (4) restoring to their natural families children who have been removed, by the provision of services to the child and the natural families; (5) placing the child in a suitable adoptive home, if restoration to the natural family is not possible or appropriate; and (6) assuring adequate care of children away from their homes, in cases where the child cannot be returned to his natural home or cannot be placed for adoption using all known and available techniques to do so.".

(d) Part B of title IV of such Act is amended by redesignating section 426 as section 429, and by inserting after section 425 the following new section:

"REQUIREMENTS AND LIMITATIONS APPLICABLE TO EXPENDITURE OF FEDERAL FUNDS

"SEC. 426. (a) No amount paid to a State under this part may be expended in making payments for foster care of the type described in section 408, except to the extent that the total amount of such payments (in the fiscal year for which such amount is paid to the State) does not exceed the total amount of the State's expenditures for foster care of that type (with respect to which Federal payments were made under this part) in the fiscal year ending September 30, 1977, as established by the Secretary on the basis of reports submitted by the State.

"(b) No amount paid to a State under this part may be used for child day care which is provided solely because of the employment of a parent.

"(c) No amount paid to a State under this part may be used—

"(1) for the purchase, construction, or major modification of any land, building, or other facility, or fixed equipment; or

"(2) for the provision of any educational service which the State makes generally available to its residents without cost and without regard to their income.

"(d) The total amount of State and local funds expended in any State for child welfare services (including adoption services and subsidies) other than foster care of the type described in section 408, in any fiscal year, shall not be less than the total amount of State and local funds so expended in such State in the fiscal year ending September 30, 1977; and compliance with this requirement by a State in any fiscal year, as

determined by the Secretary, shall be a condition of such State's eligibility for Federal payments under this part for such fiscal year.".

(e) Effective October 1, 1978, part B of title IV of such Act is further amended by inserting after section 427 (as added by section 402(a) of this Act) the following new section:

"ADOPTION INFORMATION SYSTEM

"SEC. 428. The Secretary shall take such steps as may be necessary and appropriate to provide for the establishment and operation of a national and regional adoption information system to assist in the location of children in need of adoption and in the placement in adoptive homes of children awaiting adoption, and for the promotion of cooperative efforts with and among similar programs.".

(f)(1) Subject to paragraph (2), the amendments made by this section (except subsection (e)) shall be effective with respect to fiscal years ending on and after September 30, 1978.

(2) Notwithstanding paragraph (1) or any other provision of law, the Secretary of Health, Education, and Welfare shall have authority, in such cases and to such extent as he may deem appropriate, to waive the application with respect to the fiscal year ending September 30, 1978, of any of the conditions, limitations, and requirements imposed under part B of title IV of the Social Security Act (other than those imposed under sections 426 and 427 of such Act) by the amendments made by this section.

FOSTER CARE PROTECTION

SEC. 402. (a) Part B of title IV of the Social Security Act is amended by adding after section 426 (as added by section 401(d) of this Act) the following new section:

"REQUIREMENT OF STATE ACTION TO ASSURE FOSTER CARE PROTECTION

"SEC. 427. No payment shall be made to any State with respect to expenditures made after September 30, 1979, under this part that State has in effect such laws, regulations, standards, practices, and procedures, approved by the Secretary for purposes of this section, as are necessary and appropriate to assure that—

"(1) No child (except in a situation described in paragraph (2)(A) or (2)(C) will be placed in foster care either voluntarily or involuntarily unless the child and his family have been provided adequate preventive services which are designed to avoid unnecessary out-of-home placements (and which may include homemaker services, day care, twenty-four-hour crisis intervention, emergency caretaker services, emergency temporary shelters and group homes for adolescents, and emergency counseling), or such preventive services have been made available but refused by the family;

"(2) no child will be involuntarily removed from a home shared with a parent and placed in foster care, except on a short-term emergency basis either in the case of a situation described in subparagraph (A) of this paragraph or in the case of an alleged delinquent or an alleged status offender, unless there has been a judicial determination, by a court of competent jurisdiction, that—

"(A) the situation in the home presents a substantial and immediate danger to the child which would not be mitigated by the provision of preventive services,

"(B) the child is dependent, neglected, or in need of supervision or has committed a status offense, and preventive services have been provided to the family pursuant to paragraph (1) but have failed to alleviate the crisis necessitating an out-of-home placement, or have been made available but refused by the family, or

"(C) the child has committed a delinquent offense;

"(3) no child will be placed in foster care by the voluntary action of a parent unless preventive services have been provided to the family but have failed to alleviate the crisis necessitating an out-of-home placement or have been made available but have been refused by the family, and a voluntary placement agreement, containing such provisions as the Secretary shall by regulation require for purposes of this section, has been developed and approved by the placement agency and the parents, signed by both, and a copy given to any foster parent or guardian;

"(4) with respect to each child accepted for placement—

"(A) the child will be placed in the least restrictive setting which most approximates a family and in which his special needs, if any, may be met in accordance with such criteria as the Secretary shall by regulation establish,

"(B) the child will be placed within reasonable proximity to his or her natural home, taking into account any special needs of the child, and

"(C) where appropriate, all reasonable efforts will be taken to place the child with relatives;

"(5) the State will establish and make available to each child in placement, his parents, and other members of his family, family reunification services which are designed to alleviate the conditions necessitating placement and to insure the swiftest possible return of the child to his natural home and which may include transportation services, family and individual therapy, psychiatric counseling, homemaker and housekeeper services, day care, consumer education, respite care, information and referral services, and services to assist in postplacement adjustment;

"(6) the State has provided for the development of a written individualized case plan for each child receiving foster care, and has established procedures for an impartial review of each case plan by an experienced and objective person not directly involved in the provision of services to the family (which may be a court of competent jurisdiction) no less frequently than once every six months, the purpose of such review to be—

"(A) to determine the extent of progress which has been made toward alleviating or mitigating the causes necessitating placement, and project a likely date by which the child may be returned to the natural home, and

"(B) to insure compliance by all parties with the requirements of the case plan and voluntary placement agreement, and modify those documents where necessary;

"(7) the review referred to in paragraph (6) will—

"(A) be conducted no less than two weeks after the parent and the child have been notified in writing of the review, advised of the status of the case and agency recommendations, and provided the opportunity to appear by or with representation of their choice, and

"(B) result in written findings and conclusions and, if necessary, modifications of the case plan, which shall specify the obligations and duties of all parties during the continued period of placement, a copy of which must be provided to the agency and to the child's natural parent and guardian, foster parents, or other party having responsibility for the maintenance of the child.

"(8) The State has established procedures for a dispositional hearing to be held, in a family or juvenile court or another court of competent jurisdiction, or by an administrative body appointed by a court, no later than eighteen months after the original placement, which hearing—

"(A) shall determine whether the child—

"(i) should be returned to the parent,

"(ii) requires continued placement for a specified period of time not to exceed six months unless extended by the court (or administrative body) because of special needs or special circumstances which prevent immediate reunification,

"(iii) should be freed for legal adoption through termination of parental rights proceedings and placed in an adoptive home, or

"(iv) requires a permanent long-term foster care placement because the child cannot be returned home or placed in an adoptive home due to special needs; and

"(B) shall be preceded by notification to all interested parties, including the agency having responsibility for the child, the child in care, the child's parents, and the child's foster parents, which notification—

"(i) shall be given to each such party no less than two weeks prior to such dispositional hearing,

"(ii) shall fully inform all parties of the nature of the dispositional hearing, of its possible consequences, and of their right to participate therein with or by representation of their choice, and

"(iii) shall fully inform the parents and the child of their right, if they cannot otherwise afford or obtain representation, to receive court-appointed representation;

"(9) a child will remain in foster care after the dispositional hearing only if—

"(A)(i) the court (or administrative body) determines that continuation in temporary foster care for a specified time period is necessary because there is a strong likelihood that restoration with the parent will be achievable during that time, or

"(ii) the agency documents to the court (or administrative body) no less frequently than once every six months that it is diligently undertaking procedures to free the child or to place the child for adoption, or

"(iii) the court (or administrative body) determines that the child's special needs necessitate a permanent long-term foster care placement and the agency documents that such a placement has been made or that it is diligently undertaking to secure such a placement; and

"(B) there continues to be a review by the court (or administrative body) on a periodic basis to insure that the disposition rendered pursuant to paragraph (8) is being carried out: *Provided*, That once the court (or administrative body) determines that a child has been placed in a permanent long-term foster care placement pursuant to paragraph (8)(A)(iv) and clause (iii) of subparagraph (A) of this paragraph, the review may be conducted by the agency charged with responsibility for the child, but not by an individual directly involved in the provision of services to the child or the child's family;

"(10) the State has established a fair hearing procedure under which—

"(A) any parent, foster parent, guardian, or child who believes that he has been aggrieved by any governmental action under this section will be afforded a prompt fair hearing before an impartial hearing officer who has not previously been involved in the care and supervision of the credit;

"(B) if such a hearing is requested by any party, the parent, foster parent, guardian, and child will each be afforded notice of the hearing and the opportunity to participate as a party;

"(C) all parties to the hearing shall be accorded (i) the right to be accompanied by a representative of their choice including, (ii) the right to present evidence and confront, cross-examine, and compel the attendance of witnesses, (iii) the right to a written or electronic verbatim record of such hearing, and (iv) the right to obtain written findings of fact and conclusions and a written decision based on those findings;

"(D) the hearing decision will be final and binding on all parties except that any party dissatisfied with the decision may reopen a pending State court proceeding or may institute a civil action which may be brought in any State court of competent jurisdiction or in a United States district court; and in any such action the court shall conduct a

trial de novo, except that the record of the administrative hearing may be introduced into evidence, and shall grant appropriate relief;

"(E) the district courts of the United States shall have jurisdiction of actions brought under this paragraph without regard to the amount in controversy, and shall hear such actions notwithstanding the pendency of any State court proceeding; and

"(F) in any State court proceeding in the nature of dependency, neglect, termination, or guardianship, no claim or defense of a parent shall be affected in any way by the failure of a party to request a fair hearing, by the pendency of a fair hearing, or by any determination at a fair hearing; and

"(11) the State will comply with any regulations promulgated from time to time by the Secretary pursuant to his duties under this part.".

(b) The amendment made by subsection (a) shall apply with respect to expenditures made after September 30, 1979; but any State, as a part of its participation in the programs under title IV of the Social Security Act, may establish and place in effect the laws, regulations, standards, practices, and procedures described in section 427 of such Act (as added by such amendment) at any time prior to that date.

TITLE V—AID TO FAMILIES WITH DEPENDENT CHILDREN

FEDERAL PAYMENTS FOR DEPENDENT CHILDREN VOLUNTARILY PLACED IN FOSTER CARE

SEC. 501. (a) Section 408(a) of the Social Security Act is amended—

(1) by striking out "as a result" in clause (1) and inserting in lieu thereof "at the specific written request of such child's natural parent or legal guardian or as a result";

(2) by striking out "such determination" in clause (3) and inserting in lieu thereof "such request or determination";

(3) by striking out "the month in which" in clause (4)(A) and inserting in lieu thereof "the month in which such request was made or in which"; and

(4) by striking out "in which such proceedings were initiated" in clause (4)(B)(ii) and inserting in lieu thereof "in which such request was made or such proceedings were initiated".

(b) The amendments made by subsection (a) shall be effective with respect to fiscal years ending on or after September 30, 1978, but shall apply only with respect to payments of aid to families with dependent children, under the plan of any State approved under part A of title IV of the Social Security Act, in the case of children whose removal from the home of a relative (within the meaning of section 408(a) of such Act) occurs pursuant to requests made (or renewed in such manner and form as the Secretary of Health, Education, and Welfare may prescribe) on or after the first day of the earliest month (after the month in which this Act is enacted and after September 1977, but no later than October 1, 1979) in which such State has established and placed in effect the laws, regulations, standards, practices, and procedures described in section 427 of the Social Security Act (added by section 402(a) of this Act), as demonstrated by the State to the satisfaction of the Secretary of Health, Education, and Welfare on the basis of such evidence as he may require.

FEDERAL PAYMENTS FOR FOSTER HOME CARE OF DEPENDENT CHILDREN IN CERTAIN PUBLIC INSTITUTIONS

SEC. 502. (a) The last paragraph of section 408 of the Social Security Act is amended by inserting after "a nonprofit private child-care institution" the following: ", or a publicly operated child-care institution which serves no more than 25 resident children,".

(b) The amendment made by subsection (a) shall be effective with respect to quarters beginning on and after October 1, 1977.

ADOPTION SUBSIDY PAYMENTS UNDER AID TO FAMILIES WITH DEPENDENT CHILDREN FOSTER CARE PROGRAM

SEC. 503. (a) Part A of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"ADOPTION SUBSIDY PAYMENTS

"SEC. 411. (a) Notwithstanding any other provision of this part, each State having a plan approved under this part shall make subsidy payments, in amounts determined under subsection (d), to parents who adopt a child qualifying on the basis of special need (as determined under subsection (b)) on or after the date of the enactment of this section. Parents who adopt a child qualifying on the basis of special need shall be eligible for subsidy payments under this section (beginning with the month in which the adoption becomes final) for the period determined under subsection (e). An appropriate written agreement between the adopting parents and the State or local agency supervising the adoption must have been entered into before the final decree of adoption was issued; and procedures and requirements for the periodic payment of the subsidy under this section in any State shall be established by the State agency administering or supervising the administration of the plan of such State approved under this part. Each State plan approved under this part shall be deemed to incorporate the provisions and requirements of this section.

"(b) For purposes of this section, a child qualifies on the basis of special need if—

"(1) such child has been receiving aid to families with dependent children as a 'dependent child' in foster care under section 408 for a period of at least six months;

"(2) such child is determined (by the State or local agency administering the plan in the political subdivision) to be 'hard to place' because his ethnic background, race, color, language, age, physical, mental, emotional, or medical handicap, or membership in a sibling group has made him difficult to place in an appropriate adoptive home; and

"(3) after diligent efforts have been made, no appropriate adoptive family willing and able to adopt such child without the assistance of payments under this section or other aid under the plan has been located.

"(c) For purposes of this part (but for no other purposes), the term 'aid to families with dependent children' shall, notwithstanding section 406(b), include adoption subsidy payments made under and in accordance with this section.

"(d) The subsidy payments made with respect to any adopted child under this section shall not exceed in amount the payments of aid to families with dependent children which would have been made with respect to such child under the applicable State plan approved under this part if such child had remained in foster care (in a foster family home of an individual) subject to section 408; except that such subsidy payments may include additional amounts to cover specific costs related to medical, psychiatric, emotional, or severe dental conditions existing prior to the adoption.

"(e)(1) Subsidy payments with respect to any adopted child under this section may be made for a period of time not to exceed the period during which such child was receiving aid to families with dependent children as a dependent child in foster care under section 408 prior to the adoption, or for a period of one year, whichever is longer.

"(2) At the close of the period for which subsidy payments are made with respect to any adopted child under paragraph (1), and annually thereafter in any case where further payments are made as permitted under this paragraph, the State or local agency administering the plan in the political subdivision shall review the condition of the child; and if it is determined as a result of any such review that the child continues to suffer from a medical, psychiatric, emotional, or severe dental condition, referrred to in subsection (d), such payments may continue, in amounts not exceeding the amounts necessary to cover specific costs related to such condition, until such child ceases to be a minor within the meaning of applicable State law or a subsequent annual review indicates that all such conditions have ceased to exist.".

(b) The amendment made by subsection (a) shall become effective in any State on the first day of such month during the period beginning October 1, 1977, and ending September 30, 1978, as the State may designate, but shall in any event be effective in all States no later than September 1, 1978.

CHILD SUPPORT ENFORCEMENT PROGRAM

SEC. 504. (a) Section 455(a) of the Social Security Act is amended by striking out "to individuals under section 454(6) during any period beginning after June 30, 1977" in the matter following paragraph (2) and inserting in lieu thereof the following: "to an individual under section 454(6) in a family the total income of which exceeds 200 per centum of the standard used by the State in determining need for aid to families with dependent children under the State plan approved under part A, during any period beginning after September 30, 1977, or to any individual under section 454(6) after September 30, 1979".

(b) Section 454(6) of such Act is amended by striking out clauses (B) and (C) and inserting in lieu thereof the following: "(B) an application fee for furnishing such services shall be imposed in an amount not exceeding $20, unless the imposition and collection of such fee would have the effect of making such individual eligible for assistance under the State plan approved under part A, and (C) any costs in excess of the fee so imposed shall be collected from such individual by deducting such costs from the amount of any recovery made, except that (i) in the case of an individual in a family the total income of which does not exceed 200 per centum of the standard used by the State in determining need for aid to families with dependent children under the State plan approved under part A, the amount so deducted shall be equal to the lesser of 10 per centum of the child support collected or the average cost to the State per applicant of providing such services under this paragraph (or such lower amount as the State may determine to be appropriate on the basis of annual reviews of the costs which it incurs in providing services to individuals under this paragraph), and (ii) no deduction shall be made under this clause if the collection of the amount deducted would have he effect of making the individual eligible for assistance under the State plan approved under part A".

(c) The amendments made by this section shall apply with respect to services provided on and after October 1, 1977.

FEDERAL FINANCIAL PARTICIPATION IN CERTAIN RESTRICTED PAYMENTS UNDER AFDC PROGRAM

SEC. 505. (a)(1) Section 403(a) of the Social Security Act is amended by striking out "10" in each of the last two sentences and inserting in lieu thereof "20".

(2) Section 406(b) of such Act is amended—

(A) by striking out the semicolon at the end of clause (2)(E) and inserting in lieu thereof a period; and

(B) by adding at the end thereof (after and below clause (2)(E)) the following new sentences:

"Payments with respect to a dependent child which are intended to enable the recipient to pay for specific goods, services, or items recognized by the State agency as a part of the child's need under the State plan may (in the discretion of the State or local agency administering the plan in the political subdivision) be made, pursuant to a determi-

nation referred to in clause (2)(A), in the form of checks drawn jointly to the order of the recipient and the person furnishing such goods, services, or items and negotiable only upon endorsement by both such recipient and such person; and payments so made shall be considered for all of the purposes of this part to be payments described in clause (2). Whenever payments with respect to a dependent child are made in the manner described in clause (2) (including payments described in the preceding sentence), a statement of the specific reasons for making such payments in that manner (on which the determination under clause (2)(A) was based) shall be placed in the file maintained with respect to such child by the State or local agency administering the State plan in the political subdivision.".

(3)(A) Section 406(b) of such Act is further amended by adding at the end thereof (after the new sentences added by paragraph (2)(B) of this subsection) the following new paragraph:

"In addition, payments with respect to a dependent child to cover the cost of utility services or living accommodations or any part thereof may be made (in the discretion of the State or local agency administering the plan in the political subdivision but without regard to any determination under clause (2)(A)) in the form of checks drawn jointly to the order of the recipient and the person furnishing such services or accommodations and negotiable only upon endorsement by both such recipient and such person, if such child or the relative with whom he is living specifically so requests in writing; but not more than 50 per centum of the amount of the aid which is payable with respect to such child for any month may be paid in that form, and any such request shall be effective until revoked by the child or relative.".

(B) The last sentence of section 403(a) of such Act is amended by inserting before the period at the end thereof the following: ", or any individual with respect to whom payments of the type involved are made (without regard to clause (2) of section 406 (b) or the second sentence of such section) upon request as provided in the last paragraph of such section".

(4) The amendments made by this subsection shall apply with respect to payments of aid to families with dependent children made for months beginning on or after October 1, 1977; except that the amendments made by paragraph (3) shall be effective only with respect to payments of aid to families with dependent children made for months during the twenty-four-month period beginning October 1, 1977.

(b) Notwithstanding any other provision of law, Federal financial participation in aid to families with dependent children under a State plan approved under section 402 of the Social Security Act, for quarters (with respect to which expenditure reports were timely filed by the State) during the period beginning with the calendar quarter in which Public Law 90-248 was enacted and ending with the first calendar quarter of 1977, shall not be denied, on or after October 1, 1977, by reason of the provision of goods, services, or items in the form of a check which is drawn jointly to the order of the recipient and the person furnishing such goods, services, or items and which shows the purpose for which the check is drawn, or by reason of the failure of the State to meet the requirement of the last two sentences of section 403(a) of such Act or the failure of the State (or any political subdivision thereof) to carry out the functions and duties prescribed in clauses (A), (B), (C), and (E) of section 406(b)(2) of such Act, regardless of the form in which the aid involved was paid, if (and to the extent that) the amount of such aid was correct and the payment of the aid in that form did not result in assistance in cases or in amounts not authorized by or under part A of title IV of such Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. GRADISON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. CORMAN) and the gentleman from Ohio (Mr. GRADISON) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 7200, the Public Assistance Amendments of 1977, was unanimously approved by the Subcommittee on Public Assistance and Unemployment Compensation on May 16. On June 2, with only one substantive amendment, the subcommittee bill was approved on a voice vote by the full Committee on Ways and Means.

Because the bill deals with several programs that expire on June 30, and others that expire on September 30, it is imperative that House action be expedited. For this reason we are bringing the bill before the House today under a suspension of the rules.

H.R. 7200 contains a number of necessary amendments to present public assistance and social service programs. It deals with both temporary and permanent provisions of present law. I will first summarize the bill then provide a more detailed explanation of each section.

Title I of H.R. 7200 contains a series of amendments to the supplemental security income—SSI—program most of which were included in SSI legislation (H.R. 8911) which was approved by the House but not the Senate in 1976. These amendments primarily provide for administrative simplification and other technical improvements in the SSI program. There is also an amendment dealing with the eligibility of legal aliens for SSI. Under this provision the income and resources of any person who sponsored an alien's entry into the United States would be imputed to that legal alien if he applies for SSI benefits.

Title II of H.R. 7200 extends SSI to Puerto Rico, Guam, and the Virgin Islands and contains other provisions aimed at providing more equitable treatment of these areas under other public assistance and social services programs.

Title III of H.R. 7200 makes permanent the $200 million increase in title XX social services funds enacted on a temporary basis last year. It also extends for 1 more year a number of temporary provisions related to day care, including the moratorium on Federal day care staffing standards.

Title IV of H.R. 7200 provides critically needed additional entitlement funds under title IV-B of the Social Security Act for the improvement and expansion of the Nation's child welfare system. Title IV also includes a number of protections and services for children and families related to the foster care program. The new requirements are intended to provide children and families with improved protection against unwarranted removal of children from their homes and added protection against inappropriate and unnecessarily prolonged foster care placement. A State must have these protections and services in place by October 1, 1979, or lose its title IV-B child welfare services funds.

Title V of H.R. 7200 allows Federal matching funds for foster care provided for an AFDC child that has been removed from his home without the judicial determination required by present law, if the removal was at the specific written request of his natural parent or legal guardian. This procedure may be used only after the Secretary has determined that the State is in compliance with the "foster care protection" provisions added by section 402 of this bill. Title V also allows Federal matching for AFDC foster care provided in public community based institutions which serve 25 or fewer children.

Section 503 of title V provides Federal matching funds for adoption subsidies for AFDC foster care children. These subsidies would be limited to AFDC children determined to be "hard-to-place" because of special health or other needs. The amount of the subsidy would be limited to amounts paid for foster family home care, except in the case of special health problems, and would have a limited duration.

Section 504 provides Federal matching funds for the cost of child support enforcement services provided by States to non-AFDC individuals whose incomes are not more than double the States' AFDC standard of need. This would be for the 2-year period beginning October 1, 1977.

Section 505 makes several changes in the conditions under which AFDC vendor and protective payments are allowed. It increases (from 10 to 20 percent of the AFDC recipients in a State) the limitation on such payments that can be made pursuant to a determination that the recipient is unable to manage AFDC funds. Also, on a 2-year trial basis this section allows States, at the specific written request of the AFDC recipient, to make payments for utilities and accommodations in the form of a two-party check that is negotiable only upon endorsement by the AFDC recipient and the person providing utilities or accommodations. These voluntary, two-party vendor payments would not be subject to the 20-percent limitation on other vendor and protective payments and they would not require a determination regarding the ability of the recipient to manage funds. The total amount of such voluntary, two-party payments cannot be more than 50 percent of the family's AFDC monthly payments.

This section also prohibits HEW from denying Federal matching funds to States that have not complied in the past with certain requirements pertaining to vendor and restrictive payments.

The Congressional Budget Office estimates that the total cost of the changes contained in this bill is $19.8 million less than was allocated to the Ways and Means Committee for such purposes in

the first fiscal year 1978 budget resolution. Furthermore, all the provisions of H.R. 7200 are in compliance with all procedural requirements of the Budget Act, with the exception of section 101. The change provided in section 101 was anticipated in the third fiscal year 1977 budget resolution, and I have a letter from the chairman of the Budget Committee stating that a waiver would be granted for this critical section of the bill if necessary. Mr. GIAIMO's letter also states that he does not object to the consideration of this bill under suspension of the rules.

The primary reason we have brought this bill before the House today under a suspension of the rules is to prevent the expiration on June 30 of present temporary provisions pertaining to the eligibility of SSI recipients for food stamps. If the House and Senate have not acted on this matter, as of July 1 every SSI recipient in the country will have to be called into the welfare offices to have his or her eligibility for food stamps redetermined. Under the eligibility requirements that will automatically take effect if present law is not extended, this redetermination will have to be made on the basis of the SSI recipients December 1973 income.

These eligibility determination requirements are viewed by most as unworkable and excessively expensive. Congress has legislated on two previous occasions to prevent them from going into effect.

It is estimated that if present law is not extended, the eligibility provisions that would automatically take effect would add $100 million to the administrative costs of the food stamp program. One large State estimated that it would cost an additional $35 million in that State alone; and another State estimated the added administrative costs at $12 million. Another State said that if present provisions are not extended, they will have to add 500 new administrative personnel to administer the provisions that will automatically take effect.

The House must approve H.R. 7200 today so that the Senate can act in time to prevent these unworkable and expensive procedures from going into effect.

TITLE I: SUPPLEMENTAL SECURITY INCOME PROGRAM

SECTION 101. FOOD STAMP ELIGIBILITY FOR SSI RECIPIENTS

Section 101 would extend from July 1, 1977, until October 1, 1978, present temporary provisions pertaining to the eligibility of SSI recipients for food stamps. Under current temporary provisions (Public Law 94–365), all SSI recipients are eligible for food stamps—except in California and Massachusetts where an increased State supplementary payment is made in lieu of food stamps. Upon expiration of this provision, on July 1, 1977, food stamp eligibility determinations will be made by relating current income to December 1973 income as required under Public Law 93–86.

SECTION 102. ATTRIBUTION OF PARENTS' INCOME AND RESOURCES TO CHILDREN

Present law requires that the parents' income and resources must be deemed to a child in determining the child's eligibility for SSI and amount of SSI benefit. The term "child" is defined to include an individual age 18 through 21 who is in school or in a training program. Section 102 would provide that for purposes of the deeming requirement the term "child" applies only to individuals under age 18, whether or not the individual is in school or training. This makes uniform the SSI eligibility requirements for blind and disabled individuals aged 18 through 21.

SECTION 103. MODIFICATION OF REQUIREMENT FOR THIRD-PARTY PAYEE

Under present law, an SSI recipient who is a drug addict or an alcoholic must be undergoing appropriate treatment, and the Secretary is required to make the recipient's payments to a third party interested in his welfare. Section 103 would allow the direct payment of SSI benefits to drug addicts or alcoholics if the attending physician at the institution where the individual is undergoing treatment certifies that such a direct payment procedure would have significant therapeutic value for the individual and that there would be little risk of misuse of the funds involved.

SECTION 104. CONTINUATION OF BENEFITS FOR INDIVIDUALS HOSPITALIZED OUTSIDE THE UNITED STATES IN CERTAIN CASES

Under present law, persons outside of the United States for more than 30 days are ineligible for SSI benefits. Section 104 would authorize the continuation of SSI benefits to an individual hospitalized outside the United States on the same basis as currently provided for in the medicare program.

This section would amend section 1611 (f) of the Social Security Act, which presently prohibits payments of SSI benefits to otherwise eligible individuals who are outside the United States. It would permit such payments in the case of an individual whose absence from the United States is necessary in order to obtain inpatient hospital services, so long as the applicable requirements imposed by section 1814(f) of the Act—for corresponding purposes under the medicare law—are met.

SECTION 105. EXCLUSION OF CERTAIN GIFTS AND INHERITANCES FROM INCOME

Under present SSI law, inheritances, gifts, etc. are considered income in the quarter received and, to the extent that they are not expended in that quarter, become resources in the next quarter. As a result, the receipt of such gifts or inheritances may result in ineligibility even though a reasonable cash value may not be readily available. Section 105 would allow the Secretary to provide by regulation that gifts and inheritances which are not readily convertible into cash are not to be considered income for purposes of the SSI payment.

SECTION 106. INCREASES PAYMENTS FROM PRESUMPTIVELY ELIGIBLE INDIVIDUALS

Under present law, presumptively eligible individuals facing a financial emergency are entitled to a SSI cash advance of $100. Section 106 would allow one or more cash advances to be made to a presumptively eligible individual for an amount up to the maximum monthly benefit payable—including State supplementary payments—for a period of 3 months.

SECTION 107. TERMINATION OF MANDATORY MINIMUM STATE SUPPLEMENTATION IN CERTAIN CASES

Under present law all persons who received assistance under the former aid to the aged, blind and disabled programs in December 1973 are guaranteed under the "grandfather" provisions of Public Law 93–66, that they will receive no less income under SSI. Section 107 would eliminate the requirement for mandatory minimum State supplementation for those individuals who, after September 1977, are: first, no longer residents of the State to which such rules apply, second, receiving income greater than their December 1973 income, third, ineligible for SSI because they are in a public institution or because of other specific restrictions on SSI eligibility, and fourth, ineligible because of excess resources.

SECTION 108. MONTHLY COMPUTATION PERIOD OF DETERMINATION OF SUPPLEMENTAL SECURITY INCOME BENEFITS

Under present law eligibility for SSI and amount of SSI benefits are determined for a calendar quarter—except the quarter in which an initial application is made. Section 108 would amend various provisions of sections 1611 and 1612 of the Social Security Act to provide that determinations of an individual's SSI benefits, and of an individual's income for SSI benefit purposes, will be made monthly—so as to reflect changes in income and resultant changes in need on a more nearly current basis—rather than quarterly.

SECTION 109. ELIGIBILITY OF INDIVIDUALS IN CERTAIN MEDICAL INSTITUTIONS

Under present law a recipient's SSI benefit is reduced to a standard $25 monthly payment for any month during all of which he is in a medical facility that receives medicaid payments on his behalf. Section 109 would provide that the reduction in the monthly SSI benefit payment to $25 not occur until a SSI recipient has been in a medical facility for over 3 full months.

SECTION 110. COST-OF-LIVING ADJUSTMENTS IN SSI PAYMENTS TO INDIVIDUALS IN CERTAIN INSTITUTIONS

There is no provision in present law for cost-of-living adjustments in the SSI standard $25 monthly payment to individuals in medical facilities receiving medicaid reimbursement. Section 110 would provide for such a cost-of-living adjustment.

SECTION 111. EXCLUSION FROM INCOME OF CERTAIN ASSISTANCE BASED ON NEED

Present SSI law excludes from income assistance based on need provided by a charitable or philanthropic agency to an individual who is a resident of a nonprofit retirement home or similar institution. Section 111 would eliminate any reduction in SSI resulting from assistance based on need that is given to an individual by a private charitable entity, whether or not he lives in an institution.

SECTION 112. EXCLUSION OF CERTAIN ASSISTANCE PAYMENTS FROM INCOME

The Housing Authorization Act of 1976 provides that certain subsidies under the act shall not be counted as income for determining the amount of the SSI benefit, effective October 1, 1976. Section 112 would cancel any SSI overpayments at-

tributable to such subsidies received prior to October 1, 1976.

SECTION 113. DEFINITION OF ELIGIBLE SPOUSE

Under present SSI law, an eligible spouse is defined as an aged, blind, or disabled individual who is the spouse of another aged, blind, or disabled individual and who has not been living apart from such other individual for more than 6 months.

This section would amend section 1614 (b) of present law to reduce the waiting period for eligibility for individual SSI benefits, and would allow couples in which both the husband and wife are SSI recipients to qualify for SSI benefits as single individuals after living apart for 1 month rather than 6 months.

SECTION 114. COORDINATION WITH OTHER ASSISTANCE PROGRAMS

Section 114 would require the Secretary of HEW to take such actions as may be necessary and appropriate to coordinate the administration of the SSI, food stamp, and medicaid programs. It would authorize the Secretary to enter into arrangements, where possible, that would allow individuals to file claims for all three programs at the same office. Beginning in fiscal year 1979, the Secretary would be authorized to reimburse any public agency for any additional administrative expenses incurred as a result of such arrangements.

To the extent feasible, this would include providing SSI recipients with information about the medicaid and food stamp programs which advises them of their potential eligibility for benefits under these programs, and directs them to the office or offices where they can apply for benefits under these programs.

Where possible, the Secretary is authorized to make arrangements so that an individual can apply for benefits under some or all of these programs at the same office. It is not the intention of the committee that this entail having the SSI claims representative take applications or determine eligibility for the medicaid or food stamp programs. It is expected that, to the extent feasible, the Secretary will arrange for eligibility workers from the medicaid and food stamp programs to be detailed to the SSI office, and that when possible the offices of the different agencies involved in administering these programs will be located within close proximity to each other.

SECTION 115. ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIENS

Under present law, to be eligible for SSI a person must be a resident of the United States and either a citizen or an "alien lawfully admitted for permanent residence in the United States or otherwise permanently residing in the United States under color of law." Section 115 would further require that, for the purposes of determining eligibility for SSI and amount of SSI benefits paid to a legal alien, the income and resources of any person who sponsored the alien's entry into the United States be imputed to the alien for the duration of the assurances of support contained in any executed affidavit or similar agreement of support up to a maximum period of 3 years. This would not apply, however, in the case of an alien who is eligible because of blindness or disability if the blindness or disability commenced after his admission to the United States.

Those aliens who are permanently and legally residing in the United States prior to the enactment of this legislation will not be affected by the above provision. The section would also not apply to any individual who is eligible on the basis of blindness or disability and whose blindness and disability occurred after entering into the United States.

The intent of this provision is to provide for the same allocation of income and resources to the sponsor as is now allowed by regulations under present law in determining that portion of a parent's income and resources to be deemed to a disabled child for purposes of determining his or her eligibility for and amount of assistance under SSI.

SECTION 116. EFFECTIVE DATE

Section 116 provides that October 1, 1977, would be the effective date for the SSI amendments in title I for which no other effective date is specified.

TITLE II: PUBLIC ASSISTANCE PROGRAMS IN PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

SECTION 201. EXTENSION OF SUPPLEMENTAL SECURITY INCOME BENEFIT PROGRAM TO PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

Under present law, U.S. citizens living in Puerto Rico, Guam, and the Virgin Islands are not eligible for SSI benefits. They are eligible for benefits under the former matching programs of aid to the aged, blind and disabled. Section 201 would extend SSI to Puerto Rico, Guam, and the Virgin Islands, effective April 1, 1978. Benefit levels would be adjusted so as to bear the same ratio to the SSI benefit rates in the States as the per capita income in each of these three areas bears to the per capita income of the State with the lowest per capita income.

SECTION 202. SOCIAL SERVICES ENTITLEMENT FOR PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

Under the title XX social services program, Puerto Rico, Guam, and the Virgin Islands receive an allotment for social services only from amounts that the States and the District of Columbia certify, after the beginning of the program year, they will not need from the formula allotments for that year. Such an allotment cannot exceed $15 million for Puerto Rico and $500,000 each for Guam and the Virgin Islands. The actual amount available to the territories is not known until approximately 3 months after the beginning of the fiscal year. Section 202 would require States to certify prior to, as well as after, the beginning of the fiscal year the amount of their title XX allotment they do not expect to spend and would therefore be available for reallocation to Puerto Rico, Guam, and the Virgin Islands; thus providing these three areas with more advanced notice of the amount of title XX funds that will be available to them.

SECTION 203. REMOVAL OF CEILING ON FEDERAL MATCHING FUNDS FOR AFDC IN PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS

Section 203 would remove, as of April 1, 1978, the dollar ceiling on Federal matching funds for AFDC in Puerto Rico, Guam, and the Virgin Islands. The current 50 percent matching requirement imposed on these territorial jurisdictions would remain in effect.

Under section 201 of the bill these jurisdictions are brought into the supplemental security income program and the present law provisions imposing dollar limits on Federal matching for cash payments to the aged, blind and disabled would no longer be applicable. It is the view of the committee that the dollar limits should also be removed in the case of the program of aid to families with dependent children. These limits have had the effect in the various jurisdictions both of encouraging unreasonably low assistance payments and of placing an inequitable financing burden on the local populations. The States, by contrast, are subject to no ceiling on their expenditures for AFDC.

The bill would retain the present Federal matching percentage of 50 percent for AFDC in Puerto Rico, Guam, and the Virgin Islands. In this respect the territories would continue to be treated differently from the States, which may receive from 50 to 83 percent Federal matching, depending on per capita income.

The amendment in the bill makes clear that Puerto Rico, Guam, and the Virgin Islands may continue to supplement their expenditures for social services under the AFDC programs with any funds made available to them under title XX. In addition, funds made available under title XX may continue to be used for services to aged, blind, and disabled individuals in these territories.

TITLE III. SOCIAL SERVICES PROGRAM

SECTION 301. INCREASE IN CEILING ON FEDERAL SOCIAL SERVICES FUNDING: EXTENSION OF SPECIAL PROVISIONS RELATING TO CHILD DAY CARE PROVISIONS

The $200 million added by Public Law 94–401 to the $2.5 billion statutory ceiling on Federal funds for title XX expires September 30, 1977. There is no State matching requirement for this additional title XX money, all of which must be used by the States for child day care services.

Section 301 raises the statutory ceiling on Federal funds for title XX from $2.5 to $2.7 billion beginning fiscal 1978, with the requirement that, in fiscal 1978, $200 million be used for child day care services with no State matching requirement as originally provided in Public Law 94–401.

Section 301 extends for 1 year those temporary provisions of Public Law 94–401 related to day care standards, matching rates for day care, hiring of welfare recipients for day care services, and modifications in requirements for services to drug addicts and alcoholics.

When Congress enacted title XX (public Law 93–647) the Secretary of HEW was directed to submit an evaluation of the appropriateness of the requirements for child day care established under the act. Such a study was also to include any recommendations for modifications of the requirements with such findings to be submitted to the Congress after December 31, 1976, but no later than

June 30, 1977. The Secretary was also authorized to modify the day care requirements by regulation no earlier than 90 days after the submission of the report. The Department of HEW has requested that the submission date for the report be extended. The bill would extend the deadline until April 1, 1978.

The bill would give the Department until April 1, 1978, to submit its report. However, the Department is urged to submit the report at the earliest possible date prior to the deadline. An earlier submission would allow maximum time for public comment on the study and on any regulations the Secretary may propose to modify the current day care standards.

TITLE IV: CHILD WELFARE SERVICES

SECTION 401. AMENDMENTS TO CHILD-WELFARE SERVICES PROVISIONS

Under present law, title IV–B authorizes $266 million in Federal matching funds to be allotted to the States from sums appropriated for a wide range of child welfare services and for foster care payments. There is no federally mandated income test for receipt of services provided under title IV–B.

Section 401 would establish under IV–B of the Social Security Act a child welfare services entitlement program for States with $266 million in Federal funds per fiscal year, beginning with fiscal year 1978. This would replace the present IV–B authorization for child welfare services, funded at $56.5 million in fiscal year 1977.

Under current law, the Federal matching rate for IV–B funds is based on a formula related to the per capita income of the State, with low per capita income States receiving a higher Federal matching. In no case is the Federal matching less than 33⅓ or more than 66⅔ percent. From the amount appropriated each State receives a uniform grant of $70,000 a year, plus an additional amount which varies directly with the number of children under age 21 and inversely with average per capita income.

Section 401 would continue the present IV–B formula for allocation of funds to States based on the number of children under 21 and per capita income of the State. However, the State matching requirement in IV–B would be eliminated. At this point I will include in the RECORD a chart showing the increased allocations to States for child welfare services that will be provided under this bill.

ESTIMATED INCREASED ALLOCATIONS TO STATES FOR FISCAL YEAR 1978 FOR CHILD WELFARE SERVICES (TITLE IV B) UNDER H.R. 7200

States	Fiscal year 1977 allocation	Fiscal year 1978 estimated allocation	Increase
Alabama	$1,180,089	$5,526,000	$4,345,911
Alaska	154,230	389,000	234,770
Arizona	686,376	3,153,000	2,466,625
Arkansas	712,954	3,180 000	2,467,046
California	4,420,291	21,858,000	17,437,708
Colorado	699,752	3,175,000	2,475,248
Connecticut	634,935	2,925,000	2,290,065
Delaware	191,614	678,000	486,386
District of Columbia	184,564	626,000	441,436
Florida	1,790,153	9,382,000	7,591,847
Georgia	1,492,687	7,136,000	5,643,313
Guam	$118,238	$31,000	$191,762
Hawaii	258,371	1,027,000	768,629
Idaho	322,254	1,264,000	941,746
Illinois	2,345,843	11,380,000	9,034,157
Indiana	1,414,892	6,803,000	5,388,108
Iowa	770,259	3,365,000	2,594,741
Kansas	587,103	2,600,000	2,012,897
Kentucky	1,068,569	4,952,000	3,883,431
Louisiana	1,287,954	6,033,000	4,715,046
Maine	378,764	1,594,000	1,215,236
Maryland	956,876	4,524,000	3,567,124
Massachusetts	1,328,601	6,503,000	5,174,399
Michigan	2,169,716	10,796,000	8,626,284
Minnesota	1,059,188	4,915,000	3,855,812
Mississippi	892,309	4,158,000	3,265,691
Missouri	1,230,106	5,961,000	4,730,894
Montana	276,073	1,073,000	796,927
Nebraska	444,627	1,893,000	1,448,373
Nevada	195,403	710,000	514,597
New Hampshire	282,704	1,161,000	978,296
New Jersey	1,438,211	7,211,000	5,782,789
New Mexico	459,706	1,980,000	1,520,294
New York	3,479,774	17,881,000	14,411,226
North Carolina	1,600,954	7,680,000	6,079,046
North Dakota	232,419	820,000	587,581
Ohio	2,654,867	13,108,000	10,453,133
Oklahoma	800,588	3,630,000	2,829,412
Oregon	628,487	2,800,000	2,171,513
Pennsylvania	2,729,585	13,282,000	10,552,415
Puerto Rico	1,505,158	7,222,000	5,716,842
Rhode Island	284,076	1,142,000	857,924
South Carolina	967,275	4,456,000	3,488,725
South Dakota	266,025	1,010,000	743,975
Tennessee	1,258,768	5,890,000	4,631,232
Texas	3,475,706	16,494,000	13,018,294
Utah	493,593	2,155,000	1,661,407
Vermont	209,004	749,000	539,996
Virgin Islands	112,530	282,000	159,470
Virginia	1,298,321	6,102,000	4,803,679
Washington	889,983	4,064,000	3,174,017
West Virginia	577,528	2,549,000	1,971,472
Wisconsin	1,265,928	5,939,000	4,673,072
Wyoming	171,163	534,000	362,837

In present law there is a requirement that a State have a plan pertaining to the use of title IV–B funds which is to be developed jointly with HEW. The present plan requirement deals primarily with certain administrative mandates which the State must adhere to.

Section 401 would strengthen the State plan requirement under IV–B by mandating annual approval by HEW of a State plan that contains a description of the services that will be provided, a staff development plan, and an explanation of the steps the State will take to accomplish the purposes of title IV–B and to expand the scope and increase the recipients of available child welfare services.

The additional child welfare service funds provided under this section would be available to the States for fiscal year 1978, which begins on October 1, 1977. Because it is unlikely that this legislation will become law much before October 1, 1977, the Secretary of HEW is given authority to waive for fiscal year 1978 certain conditions and requirements contained in this section. This waiver is directed primarily to the new requirements regarding the development and annual approval of a State child welfare services plan.

Under section 401 the definition of "child welfare services" would be modified to read: " 'child-welfare services' means public social services which are directed toward the accomplishment of the following purposes: First, protecting and promoting the welfare of all children, including handicapped, homeless, dependent, or neglected children; second, preventing or remedying, or assisting in the solution of problems which may result in the neglect, abuse, exploitation, or delinquency of children; third, preventing the unnecessary separation of children from their families by identifying family problems, assisting families in resolving their problems, and preventing breakup of the family where the prevention of child removal is desirable and possible; fourth, restoring to their natural families children who have been removed, by the provision of services to the child and the natural families; fifth, placing the child in a suitable adoptive home, if restoration to the natural family is not possible or appropriate; and sixth, assuring adequate care of children away from their homes, in cases where the child cannot be returned to his natural home or cannot be placed for adoption using all known and available techniques to do so;"

This modified definition suggests a hierarchy of objectives beginning with the prevention of child abuse or neglect or amelioration of other family problems, and emphasizes the role of child welfare services in preventing the removal of children from the home, restoring children to their natural home, and finding appropriate adoptive parents if restoration to the natural home is not possible.

Section 401 prohibits use of title IV–B funds for child day care which is solely related to the employment of the parents.

In order to place emphasis on preventive, restorative, adoptive and other types of child services, and to insure additional IV–B funds are used to expand such services, States would be prohibited from using more Federal IV–B funds for foster care maintenance payments than were used for such purposes in fiscal 1977. HEW has provided the committee their estimates on a State-by-State basis as to the amount of Federal title IV–B funds which were used for foster care maintenance payments in fiscal year 1976. These estimates were extrapolated from reports from States on their expenditures for child welfare activities and should, with an adjustment to reflect the increase in Federal funds for IV–B from fiscal years 1976 to 1977, form the basis for this limitation.

To prevent the substitution of new Federal funds for existing State outlays, States would be prohibited from spending less for child welfare services, including adoption services and subsidies but excluding foster care payments, than the total amount of State and local funds spent for such purposes in fiscal 1977. In determining the amount of State and local funds spent for child welfare services in a State—including adoption services and subsidies—other than foster care in fiscal year 1977, the Secretary would not be limited to counting only those expenditures reported for the purpose of matching under title IV–A, IV–B or title XX, but would take into account all State and local public funds for child welfare activities under such a definition as may be established by the Secretary. Also, the Secretary can require such reports or conduct such investigations as may be necessary to gather information to establish for each State the dollar amount for the maintenance of effort base year—fis-

cal year 1977—and to determine compliance in future years.

As part of the proposed expanded Federal leadership role in improving child welfare services, section 401 directs the Secretary of HEW to take such steps as may be necessary and appropriate to provide for the establishment and operation of a national and regional adoption information system. Forty States now have adoption exchanges or listing services. The proposed national adoption exchange, in addition to operating an exchange of national scope, would also assist such State exchanges and facilitate the development of a communication network.

SECTION 402. FOSTER CARE PROTECTION

Under current law, section 408 of title IV–A of the Social Security Act provides Federal matching on an open-ended entitlement basis for foster care maintenance payments for eligible children as a component of the State's AFDC program. Eligibility is limited by the requirements that the child:

Was either receiving AFDC, was eligible to receive AFDC, or lived with a specified relative and received or would have been eligible to receive AFDC within the previous 6 months; and

Was removed from the home as a result of a judicial determination that continuance in the home would be contrary to his or her welfare for any reason.

Current title IV–A foster care law requires that:

An individual plan be developed for each child to assure that he receives proper care and that services to improve his home conditions or make possible placement with a relative are provided; and

That the need for foster care be reviewed periodically.

Section 402 of H.R. 7200 would require that, as a condition for a State to receive after September 30, 1979 Federal funds under title IV–B, the State foster care program must provide and insure:

That no child will be placed in foster care, except in emergency situations, either voluntarily or involuntarily unless services aimed at preventing the need for placement have been provided or refused by the family;

That no child will be involuntarily removed from his home, except on a short-term basis in emergency situations, unless there has been a judicial determination that the child should be removed.

That no child will be placed in foster care by the voluntary action of his parents unless a "voluntary placement agreement" has been signed by the parent and the agency;

That a child who has been removed from his home will be placed in the least restrictive setting, within reasonable proximity to his family, and with relatives where appropriate;

That reunification services are made available to the child and his parents after removal from the home;

That there will be a written individualized case plan developed for each child placed in foster care; an administrative review of each case plan at least every 6 months; and a dispositional hearing by a court or a court appointed administrative body within 18 months of the child's placement to determine whether the child should be returned home, remain in foster care—but for no more than 6 months unless there are special circumstances which necessitate continued placement for a longer period—made eligible for adoption, or placed in long-term foster care;

That a due process procedure be established whereby a parent, foster parent, guardian or child may appeal if he has been denied a foster care procedure, service or right required by this section.

These protections are necessary because of the potential for expanded eligibility for AFDC foster care resulting from changes included in this bill and because of deficiencies in the current child welfare and foster care programs. They are intended to provide children and families with improved protection against unwarranted removal of children from their homes and added protection against inappropriate and unnecessarily prolonged foster care placement.

TITLE V: AID TO FAMILIES WITH DEPENDENT CHILDREN

SECTION 501. FEDERAL PAYMENT FOR DEPENDENT CHILDREN VOLUNTARILY PLACED IN FOSTER CARE

Present law allows Federal matching for States to provide foster care for a child who: (1), meets the State AFDC eligibility requirements, and (2), "was removed from the home as a result of a judicial determination that continuance in the home would be contrary to his or her welfare for any reasons." Section 501 would allow Federal matching for foster care in the case of an AFDC child removed from his home without the judicial determination required under present law, if the removal was voluntary and at the specific written request of his natural parent or legal guardian. This procedure could be used only after the Secretary of HEW had determined that the State was in compliance with the foster care protection provisions required under by section 402 of this bill.

A court determination would still be necessary to remove a child where there is not a specific written request from the parent.

SECTION 502. FEDERAL PAYMENT FOR FOSTER HOME CARE OF DEPENDENT CHILDREN IN CERTAIN PUBLIC INSTITUTIONS

Present law provides Federal IV–A matching funds for foster care provided in foster family homes and nonprofit private institutions. Section 502 would also allow Federal matching for foster care provided in public institutions or group homes which care for 25 or fewer children.

The purpose of this amendment is to provide an additional option for the States as they develop a broader range of foster care settings. Authorizing AFDC Foster Care payments in such settings will require more diligent efforts by HEW and the States to insure that placements are consistent with the intent that a child be placed in the least restrictive setting where his needs can be best met and which resembles as closely as possible a family setting.

By limiting the size of such facilities to 25 or fewer residents, we clearly intend to continue the prohibition against the placement of children in large public institutions. Thus, this amendment would not allow the placement of children in a portion of a larger public institution even though there may be only 25 or fewer residents in a particular wing of the institution or in a dormitory or cottage on the grounds of the institution. On the contrary, the intent of this amendment is to allow for the placement of children in community-based facilities whenever it is appropriate to the special needs of the children involved. This is consistent with the intent of the amendments to the SSI program enacted in the last Congress which made residents of public community-based group homes with 16 or fewer residents eligible for SSI benefits.

Concern was expressed during the hearings about the proposed maximum size of 25 for such public group foster homes as exceeding the generally recognized standards for a foster group home. The number 25 was meant to be a maximum and was not intended to convey a preference for facilities of that size.

SECTION 503. ADOPTION SUBSIDY PAYMENTS UNDER AFDC FOSTER CARE PROGRAM

Under present law, Federal AFDC matching funds are not available for adoption subsidies under the IV–A, AFDC foster care program. Section 503 of this bill would amend section 408 of present law to require States to include adoption subsidies as a part of the State AFDC foster care program. Federal matching funds would be available for adoption subsidies under the following conditions and limitations:

If an AFDC child had been in foster care for at least 6 months and was determined by the State to be "hard-to-place" because of ethnic background, race, color, language, age, physical, mental, or emotional handicap, medical condition—including mental retardation—or membership in a sibling group, an adoption subsidy could be paid after diligent efforts had been made to find appropriate adoptive parents for the child without a subsidy.

The amount of the subsidy payment would be determined by the State agency but could not exceed the amount paid for foster care—in a foster family home—in the State, plus an additional amount for costs related to special health conditions existing prior to the adoption.

The duration of the subsidy payment could not exceed 1 year or the length of time the child was in AFDC foster care, whichever was longer; except that payments for costs related to special health conditions could continue until the child reached maturity, if it is determined on an annual basis by the State that the child continues to have the special health conditions that existed at the time of adoption.

It is not our intent to take over adoption subsidy programs from the States with this new authority, but to complement and allow for the expansion of existing State efforts. By providing Federal matching funds for adoption subsidies for AFDC foster care children,

under the conditions and limitations prescribed, H.R. 7200 makes it possible for the States to use State adoption subsidy funds and Federal IV–B funds to provide adoption subsidies for non-AFDC children. State funds and Federal IV–B funds can also be used to supplement the duration or amounts of the adoption subsidies allowed for AFDC foster care children under this section.

SECTION 504. CHILD SUPPORT ENFORCEMENT PROGRAM

Under present law States are required to have a program of child support collection and paternity establishment services for both AFDC families and non-AFDC families. Seventy-five percent Federal matching is available for services to AFDC families on a permanent basis; matching for services to non-AFDC families—other than parent locator services—expires June 30, 1977. Present law allows States to impose an application fee for services to non-AFDC families and to collect any costs in excess of the fee by deducting the costs from the amount of any recovery.

Section 504 would make available for a 2-year period beginning October 1, 1977, Federal matching funds for the cost of child support collection and paternity establishment services provided by States to non-AFDC individuals whose total family income does not exceed twice the State AFDC standard of need. It would require States to charge an application fee of no more than $20 to all non-AFDC individuals who request child support services, unless as a result of paying this fee the applicant would qualify for AFDC payments. And, for all non-AFDC individuals, it would require States to collect any costs which are in excess of the application fee by deducting such cost from the amount of any child support money that is collected, unless this deduction would result in the individual qualifying for AFDC payments. For non-AFDC individuals whose total family income does not exceed twice the State AFDC standard of need, the amount deducted in order to recover costs in excess of the application fee must be the lessor of: 10 percent of the amount of any child support money collected; or the average cost in the State of providing child support enforcement services to non-AFDC individuals.

SECTION 505. FEDERAL FINANCIAL PARTICIPATION IN CERTAIN RESTRICTED PAYMENTS UNDER AFDC PROGRAM

Section 505 would increase from 10 to 20 percent—of the number of other AFDC recipients in a State for any month—the limitation on protective and vendor payments that can be made pursuant to a determination by the State agency that the relative or guardian who receives AFDC payments on behalf of a dependent child is not able to manage funds in the best interest of the child. This section would also allow such vendor payments to be in the form of two-party checks which would be negotiable only upon endorsement by the AFDC recipient and the person supplying goods, services or other authorized items. In addition, it would stipulate that, whenever an AFDC payment is made, pursuant to a determination of the inability to manage funds, in the form of a protective, vendor, or two-party vendor payment, a statement of the specific reasons for making such a payment must be placed in the AFDC recipient's file.

While these changes will enable States to make determinations of mismanagement in a greater number of cases and still receive Federal reimbursement, they do not in any way lessen the obligation of the States to comply with the requirements of section 406(b)(2) of the Social Security Act with respect to determination of mismanagement.

Indeed, since the committee has been informed that at least one jurisdiction has made restricted payments without such a finding, the bill expressly requires that a statement of the specific reasons for making such payments be placed in the family's case record where, of course, it may be reviewed by the recipient or his representative. This statement would be a copy of the statement provided to the recipient at the time of the initial determination.

H.R. 7200 would also allow Federal matching for a new kind of restricted payment on a temporary, 2-year trial basis. Section 505 of the bill would allow State or local agencies, at the specific written request of the AFDC recipient, to make payments for utilities and accommodations in the form of a two-party check, negotiable only upon endorsement by the AFDC recipient and the person providing utilities or accommodations. These voluntary, two-party vendor payments would not be subject to the provision in present law which, for the purposes of determining Federal financial participation for any month, limits the number of protective or vendor payments in a State; or, the provision which requires a determination by the State agency regarding the ability of the recipient to manage AFDC funds. A request for such a voluntary, two-party vendor payment would remain in effect until revoked by the AFDC recipient and could be revoked on a monthly basis. The total amount of any such voluntary two-party vendor payments could not be more than 50 percent of the family's AFDC monthly payment. The provision allowing voluntary, two-party vendor payments would be effective for 2 years, beginning October 1, 1977.

I want to make it very clear, and emphasize, our intention that the request for such payments be truly voluntary. Recipients must not be coerced by landlords, utility companies, or welfare agencies into requesting such payments, nor penalized for making a request.

I must say that this was a matter that concerned the committee greatly. The intent is to benefit the recipient by providing an alternate method of receiving payments. Some of the evidence before the committee revealed a potential for abuse, however, and some recipient representatives were very concerned.

During our deliberations on this provision we were advised of actual abuse in the past. Under a system used in Rochester, N.Y., in the early 1970's, recipients could sign a "power of attorney" to authorize direct payments of their welfare grants to landlords or utility companies. An HEW investigation found that landlords and utility companies frequently coerced recipients into requesting that the local agency make such payments, and that a form lease was in use which actually required recipients to request direct payment to the landlord as a condition of the lease.

The committee is very concerned that its authorization of two-party checks not result in this type of abuse. It therefore expects HEW to adopt regulations to assure that these voluntary two-party payments are being sought by recipients as a means of personal budgeting or money-management, and not because they have been demanded by landlords, utilities, welfare agency staff, or others. We are not seeking to enact a federally subsidized housing allowance through the AFDC program, for, if we were, we would have considered the need for specific housing standards as a prerequisite to participation.

In line with the desire to assure the voluntary use of these two-party payments in the interests of the recipient, it is provided that a recipient's authorization for such payments may be revoked at any time. This revocation must be reflected in the next payment of benefits if there is any method available to the agency for doing so. In addition, if the landlord or utility company is not furnishing adequate services as promised to the recipient, or if the recipient should move and no longer be obligated for the rent or utility costs for which two-party checks were provided, the agency will of course be required to make a prompt exchange of the two-party check for an unrestricted check.

The authorization for these payments is for a 2-year period only. Prior to the expiration of this 2-year period, HEW will report to the committee on the manner and extent to which these payments have been utilized in each State, and the advantages to recipients, and any problems or abuses, that have resulted from this change.

In proposing these changes in the current, law, we recognize that we are making changes in the "money payment" principle which as been at the heart of the categorical assistance programs for over 40 years. The 2-year limitation of voluntary vendor payments will insure that this matter will be considered further once experience has been gained, so that we can be sure that the program operates in the best interests of all concerned.

Section 505 would also stipulate that Federal matching funds cannot be denied to any State for the period between January 1, 1968, and April 1, 1977, because a State exceeded the 10-percent limitation on protective and vendor payments or failed to comply with other specified requirements pertaining to restricted payments, if the amount of the payments under question was correct.

The language of the bill makes it clear that forgiveness applies to vendor or protective payments in whatever form made. The bill does not forgive future noncompliance with the law, and requires

that persons receiving protective or vendor payments in the future are subject to the safeguards of current law. It must also be clearly stated that this measure is not intended to allow any jurisdiction to go back through its records and make additional Federal claims for protective and vendor payments above the 10-percent limit which were not made in official reports for reimbursement.

I urge the Members to vote in support of H.R. 7200 so that the Senate can begin consideration of the changes that it makes in our public assistance and social service programs.

I am including in the RECORD at this point a table prepared by Congressional Budget Office showing estimated costs of H.R. 7200 for fiscal years 1977 through 1982:

H.R. 7200: CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

[In millions of dollars]

	Fiscal year—				
	1978	1979	1980	1981	1982
Title I:					
Sec. 101	0	0	0	0	0
Sec. 102	−1.7	−2.3	−2.6	−2.9	−3.2
Sec. 103	0	0	0	0	0
Sec. 104	0	0	0	0	0
Sec. 105	0	0	0	0	0
Sec. 106	0	0	0	0	0
Sec. 107	0	0	0	0	0
Sec. 108	−2.7	−2.7	−2.7	−2.7	−2.7
Sec. 109	4.3	5.5	5.7	6.0	6.3
Sec. 110	3.8	7.6	11.3	15.1	18.6
Sec. 111	1.0	1.0	1.0	1.0	1.0
Sec. 112	0	0	0	0	0
Sec. 113	2.9	3.0	3.2	3.3	3.4
Sec. 114					
Sec. 115	−2.9	−3.6	−3.8	−4.0	−4.2
Total	4.7	8.5	12.1	15.8	19.2
Title II:					
Sec. 201	81.8	185.2	189.8	201.3	208.8
Sec. 202	0	0	0	0	0
Sec. 203	1.5	2.9	4.4	6.0	7.8
Total	83.3	188.1	194.2	207.3	216.6
Title III: Sec. 301	200.0	200.0	200.0	200.0	200.0
Title IV	209.5	209.5	209.5	209.5	209.5
Title V:					
Sec. 501	16.7	17.5	18.5	19.4	20.5
Sec. 502	10.0	10.5	11.1	11.6	12.3
Sec. 503	0	0	0	0	0
Sec. 504	8.5	9.0	0	0	0
Sec. 505	5.0	5.2	5.5	5.8	6.1
Total	40.2	42.2	35.1	36.8	38.9
Total, H.R. 7200	537.7	648.3	650.9	669.4	684.2

Mr. GRADISON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. Mr. Speaker, I am most pleased to join my distinguished colleague, the outstanding chairman of the subcommittee, the gentleman from California (Mr. CORMAN), in bringing H.R. 7200, the Public Assistance Amendments of 1977, to the floor of the House. I would like to commend the subcommittee chairman for the outstanding leadership that he has displayed in developing this legislation. As we all know, Mr. Speaker, this is a rather tedious and complicated and complex subject matter, and the gentleman has been thoughtful, skillful, and patient in developing this legislation which merits, I believe, the unanimous support that it received from the subcommittee and the virtually unanimous support that it received from the full committee.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. I am happy to yield to the gentleman from California.

Mr. CORMAN. I thank the gentleman for yielding.

I must say to the gentleman from Michigan, the ranking Republican on the subcommittee, if it were not for him I would not look nearly so good. This is a tremendously difficult subject matter, and it was the gentleman's cooperation that made it possible for us to reach a consensus that satisfied all of the rather diverse views on the subcommittee. I thank him for it.

Mr. VANDER JAGT. I thank the gentleman for his generous words. In his remarks he indicated that it was difficult, indeed, to get a consensus that developed unanimity among the whole subcommittee. I do not think any one of us, including myself, agreed with each and every decison that the subcommittee made. I had reservations as to the timing and appropriateness of policy initiatives that we were making in the adoption subsidies under AFDC, and I regretted that the full committee did not have more of an opportunity for us to explore this and other issues, but on balance it is an extremely constructive piece of legislation. The bulk of the amendments are amendments that HEW requested on the basis of experience that they have had with this relatively new program which the House passed last August and which is desperately needed, but which got hung up in the Senate. The corrections are needed to make the program more efficient, equitable, and fair.

There is also a very innovative bold step forward, I believe, developed by an outstanding member of the subcommittee, the gentleman from California (Mr. KETCHUM), in the area of benefits to aliens. I am sure he will explain that in detail in just a few moments.

There are also some extensions of deadlines especially in the food stamp and the day care staffing centers where those extensions of deadlines are absolutely essential. Without those extenions we will run into havoc and chaos in those programs.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

I take this time to commend the chairman of the subcommittee, the gentleman from California (Mr. CORMAN) and the ranking minority member, the gentleman from Michigan (Mr. VANDER JAGT) for bringing this legislation to the floor. We in New York know the very importance of this needed legislation, of the corrections in the law that have to be made, and the subcommittee is, indeed, to be commended for bringing this legislation so early to the floor. I do hope that the Senate will move it expeditiously.

I rise in support of H.R. 7200 which amends the Social Security Act to make needed improvements in supplemental security income benefits, aid to families with dependent children, child welfare services, and social services.

I compliment the Ways and Means Committee for bringing out this bill which is desperately needed, especially by the senior citizens of our Nation. Particularly in the large cities, the cost of living has grown so much over the last few years that older Americans find it almost impossible to maintain a decent standard of living. This bill will help ease their burden, although we must be candid and say openly that it is only a small easing of the problem, not a remedy.

One of the important provisions of the bill are those that extend until October 1 of next year the eligibility of SST recipients to receive food stamps, that permit the Secretary of HEW to exempt gifts and inheritances from being considered income for SSI recipients, the language that provides SSI eligibility and benefits be determined on a monthly rather than quarterly basis and—most importantly—the provision which provides cost-of-living adjustments in medical facilities.

I think it is important that the law changes the definition of an eligible spouse in regard to SSI payments. Under the present law, an eligible spouse is defined as an aged, blind or disabled individual who is the spouse of another aged, blind, or disabled individual and who is not living apart from the spouse for more than 6 months.

The tangles that resulted from the language are understandable. Thankfully, under the bill before us, the definition would be changed to provide that an eligible spouse is one who has not been living apart from the SSI recipient for more than a month. This will allow couples in which both the husband and wife are SSI recipients to qualify for SSI benefits as single individuals by living apart for a single month rather than 6 months. Should one of the spouses require extended medical care away from home, this would provide the immediate assistance that is needed rather than forcing the extended wait for basic benefits.

In other provisions of the bill, $200 million would be set aside for child care services with no State matching funds required and it generally upgrades requirements for child care services.

But the provision of this bill that I believe is long overdue is the section that directs the Secretary of HEW to take the necessary steps to coordinate the administration of the medicaid, food stamps, and SSI programs in such a way as to permit individuals to file claims for all three programs at the same office. Elderly citizens who qualify for these programs and who need the assistance that the programs offer have up to now been forced to run a bureaucratic maze in order to file the necessary forms. This bill is a step in the right direction and I would hope that it would eventually extend to all other programs which affect the lives of senior citizens.

This bill is only a small start in welfare reform and I sincerely hope major reform including Federal take over will be forthcoming.

Mr. Speaker, I support this bill and I urge my colleagues in the House to vote for it today.

Mr. VANDER JAGT. I thank the gentleman.

Mr. Speaker, I am pleased to join with the distinguished subcommittee chairman, Congressman CORMAN, in bringing H.R. 7200, the Public Assistance Amendments of 1977, before the House of Representatives. I urge the adoption of this legislation. The members of the Subcommittee on Public Assistance and Unemployment Compensation unanimously recommended this measure to the full Ways and Means Committee, and with bipartisan support the committee is bringing that bill, in only slightly modified form, to the House floor.

My only regret, Mr. Speaker, is that the process under which we are today considering this bill may not permit us to give some of its provisions the attention they deserve. Its relatively brief debate within the full Ways and Means Committee has led a number of Members to express their concern over the decision to bring this bill up under the suspension procedure. I appreciate their concern, even as I recognize the reasons underlying that decision.

The bill contains a number of provisions which have stimulated discussion, and the views of the administration on some sections of the bill have not been as clearly asserted as one would have liked.

Consideration of this measure under suspension of the rules should not be interpreted as proof that the bill is of purely routine nature, for it contains significant policy initiatives, particularly in the fields of child welfare services and foster care. These provisions will have a notable impact upon existing facilities and practices.

Title I of the bill contains 15 amendments to the supplemental security income program, the majority of which were approved by the House of Representatives on August 11, 1976, as a part of H.R. 8911 of the 94th Congress. Most of these amendments have been requested by the Department of Health, Education, and Welfare over the past several years.

Among the significant new amendments to the SSI program is the provision, embodied in section 115, which attributes a sponsor's income and resources to an alien for the purposes of determining the alien's eligibility for SSI and the amount of his benefits. The imputation would run for the duration of the assurances of support, but for no longer than 3 years. The provision would not apply in the case of an alien who became eligible for SSI on account of blindness or disability developing after his admission to the United States. We believe that this is an effective means of structuring alien eligibility for SSI.

Title II of H.R. 7200 would extend SSI to Puerto Rico, Guam, and the Virgin Islands under appropriately adjusted benefit levels, effective April 1, 1978. The House of Representatives twice has passed legislation of this nature. In order to improve social welfare programs in these areas, other provisions of this title would facilitate a more advanced notice to the possessions of their annual funds under the title XX social services program, and remove the dollar ceiling on Federal matching funds for aid to families with dependent children.

Title III of the bill relates solely to the social services program under title XX of the Social Security Act. It raises the statutory ceiling on Federal funds under title XX from $2.5 billion to $2.7 billion, with the requirement in fiscal 1978 that $200 million be used for child day care services with no State matching requirement. The proposal also extends for 1 year all the other provisions of Public Law 94-401, including the moratorium on Federal day care staffing requirements. A delay in HEW's completion of its evaluation of the appropriateness of the Federal day care standards contained in title XX led to the inclusion of a postponement of that deadline until April 1, 1978.

The provisions of titles IV and V are among the most important portions of this bill. Title IV, relating to child welfare services, establishes an entitlement program for States under IV-B of the Social Security Act with a ceiling of $266 million. This is the authorized ceiling under the existing IV-B program, but funding has been limited to about one-fifth of that level.

The provision seeks to encourage States to devote greater emphasis to preventive services for children as a means of lessening prolonged foster care. It prohibits States from using additional Federal IV-B funds for foster care payments beyond their fiscal 1977 level. In order to prevent States from reducing their commitment to child welfare services in response to the expansion in the Federal effort, the provision prohibits States from spending less for such services, including adoption services and subsidies but excluding foster care payments, than State and local funding of this nature in fiscal 1977.

The principal aim of the bill's title IV is set forth in a redefinition of child welfare services, emphasizing services to prevent the removal of children from their homes, to encourage the reunification of children with their families, as well as the placing of children in adoptive homes where natural family restoration is not possible.

Section 402 of the bill sets forth certain requirements which States must meet in order to receive, after September 30, 1979, both title IV-B funds and the Federal matching funds for foster care under title IV-A of the Social Security Act. These are important protections, and we believe that they will overcome deficiencies that have been identified in the existing foster care system.

Title V of the bill relates to the aid to families with dependent children program. Section 501 would allow States to obtain Federal matching funds for foster care for an AFDC child that has been removed from his natural home at the specific written request of the child's parent or guardian, without the judicial determination that the law presently requires. This "voluntary placement" procedure could be employed only if the State has in place the foster care protections mandated by section 402 of this bill.

Perhaps the most important of the title V provisions is section 503, which requires States to include adoption subsidies as a part of their AFDC foster care program. Prior to paying an adoption subsidy under this program, a State must diligently seek to locate, without the incentive of subsidy, appropriate adoptive parents for an AFDC child. The subsidies would be directed to children that have been in foster care for at least 6 months and who have been determined to be "hard to place" on account of ethnic, racial, color, language, age, physical, mental or emotional factors, or membership in a sibling group. The subsidies under the AFDC program could not exceed the foster family home rate in the State, plus an additional amount for costs related to special health conditions existing prior to the adoption. The subsidy payments would be limited to 1 year or to the period of time that the child has been in foster care, whichever is longer, except that payments for costs relating to special health conditions can continue until the child reaches majority if an annual State review reveals that the child continues to have the special health condition.

Title V also extends until September 30, 1979, under a modified basis, Federal matching funds for the costs of child support collection services provided by States for non-AFDC individuals.

Federal support of such services would be available only to persons whose incomes are not more than double a State's AFDC standard of need.

Section 505 increases the limitation—for the purposes of determining Federal matching costs—on the number of vendor and protective payments from 10 to 20 percent of the number of other AFDC recipients in a State for any month. It specifically allows vendor payments to be made in the form of two-party checks which must be endorsed by both the AFDC recipient and the person supplying goods or services in order to be cashed.

An additional provision allows States, at the specific written request of an AFDC recipient, to make utility or rent payments in the form of two-party checks without being subject to the percentage provision limiting the number of protective payments in any month—for purposes of determining Federal financial participation. The authorization of these voluntary, two-party vendor payments is for a period of 2 years, beginning October 1, 1977. The total amount of any such voluntary vendor payments could not be more than 50 percent of the family's monthly AFDC payment, and the issuance of voluntary two-party checks for rent and utilities would be revocable at the request of the recipient. I believe that the voluntary vendor payment provision is an important innovation which will prove to be a helpful tool of money management for participating AFDC recipients.

A final provision of title V provides that Federal financial participation cannot be denied to a State because it failed to comply with the 10-percent limitation on protective and vendor payments or failed to comply with other specified requirements relating to restricted payments during the period between January 1, 1968, and April 1, 1977.

Provisions of this bill will improve the administration of our basic assistance programs, improve benefits in certain geographic areas, and protect the interests of recipients. While there were many compromises during its development within the subcommittee, the breadth of its support both among subcommitee members and the members of the full committee reflects solid assessment that this is a constructive piece of legislation. I recommend its adoption by the House of Representatives.

Mr. CORMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Speaker, I rise in support of H.R. 7200.

I would like to commend the distinguished chairman of the committee, Mr. ULLMAN, and the ranking minority member, Mr. CONABLE, for the expeditious and able manner in which they have handled this legislation. I would also like to commend the gentleman from California (Mr. CORMAN), chairman of the Subcommittee on Public Assistance, as well as the members of the subcommittee for their diligence and hard work on this very important piece of legislation.

Mr. Speaker, H.R. 7200 is an extremely important piece of legislation for thousands of aged, blind, and disabled in Puerto Rico who will, if this bill becomes law, receive for the first time, benefits under the supplemental security income program—SSI.

The supplemental security income program—SSI—was created by Public Law 92-603, the 1972 amendments to the Social Security Act. The amendments replaced the old age assistance program, aid to the blind, and aid to the permanently and totally disabled.

Puerto Rico was excluded from the legislation, and its aged, blind, and disabled remained covered separately under the old welfare related provisions. A ceiling of $24 million for the aged, blind, disabled, in addition to income maintenance, was placed, as well as a 50–50 matching requirement.

The SSI program is a Federal supplement to whatever income may be available to the aforementioned group of citizens, from all sources, including social security.

Extending the benefits of the supplemental security income program—SSI—to the aged, blind, and disabled residents of Puerto Rico, would cover over 100,000 citizens and would represent an estimated $135 million in Federal funds.

At present in Puerto Rico, an aged person eligible for assistance receives an average monthly benefit of $18.91, with a maximum of $21.60, while the SSI recipient in the States receives an average monthly Federal payment of $177.80. Under this bill, an SSI recipient in Puerto Rico would receive $102.40.

During the last Congress, the House approved a similar bill but the provisions relating to Puerto Rico were not approved by the Senate.

In addition, H.R. 7200 provides, for the first time, that the ceiling placed on AFDC payments to Puerto Rico be lifted, a move that would benefit mothers and children receiving public assistance in Puerto Rico.

The limits placed on Puerto Rico severely restrict benefits to those who because of their condition, be it age or physical impairment, are least able to help themselves. At a time when Puerto Rico faces a 20-percent unemployment rate, and has been subjected to an unprecedented hike in the cost of living, due in part to the energy crisis, it is just and proper that these past injustices be rectified.

Mr. Speaker, these ceilings and restrictions have created serious inequities in the benefits received by the U.S. citizens residing in Puerto Rico and other offshore territories. For example, although per capita income in Puerto Rico is less than 40 percent of the U.S. level and 60 percent of all families have incomes below the Federal poverty level, only about 13 percent of the population receives cash assistance due to funding limitations. Also due to funding limitations Puerto Rico pays only 40 percent of its AFDC need standard. The Federal share of the AFDC grant is a disproportionately low $4.73 versus a U.S. average of $39 and the higher matching rates have been a burden to Puerto Rico given our limited fiscal capacity.

These ceilings have remained static since 1972, and if we take into consideration the high rate of inflation, we find that the real value of Federal payments have been reduced to less than 60 percent of the 1972 level.

Faced with these blatant inequities and obvious discrimination, the Under Secretary of Health, Education, and Welfare named an advisory group on Puerto Rico, Guam, and the Virgin Islands, to make recommendations regarding this situation.

The Advisory group recommended that:

The Department should move toward a posture that reflects the dominant treatment of Puerto Rico under all Federal legislation: that is as a State.

In President Carter's message to Governor Carlos Romero-Barceló of Puerto Rico, on the occasion of the Governor's inauguration on January 2, 1977, the President expressed his commitment to the people of Puerto Rico in the following words:

> Too long have some sectors of Washington approached Puerto Rico on a dividing "we and you" basis, forgetting that Puerto Rico is an island where over three million American citizens live. As President of the United States, you can be assured that I will be conscious of the needs of all American citizens, wherever they may be.

The President also stated that:

> The Constitution of the United States does not distinguish between citizens. We do not have in our country first and second class citizens.

Puerto Ricans, Mr. Speaker, particularly the poor, are treated as second class citizens under parts of the Social Security Act.

I hope, Mr. Speaker, that Congress, in its wisdom will adopt this kind of attitude toward the U.S. citizens residing in Puerto Rico, particularly the poor, the elderly, and the disabled, people who by their circumstances look upon their Government to provide them with adequate assistance to upgrade the quality of their lives.

Mr. Speaker, I urge my colleagues to support this legislation, parts of which are crucial to my constituents, particularly the most needy and helpless. Your support will be an act of justice to the poor, the elderly, the disabled and the blind, who should have been covered by the SSI program years ago.

Mr. GRADISON. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I regret that the Ways and Means Committee has chosen to bring H.R. 7200, the Public Assistance Amendments of 1977, before the full House under a suspension of rules, thus denying the Members an opportunity to offer amendments or to debate the bill under the 5-minute rule.

While I would first like to join my colleagues in praising the chairman of the subcommittee and the ranking minority member of the subcommittee for bringing to the House a good bill, I must then be a thorn among roses or an onion in the petunia patch and say that even though it is a good bill, the fact that it is brought to us under what I consider to be a gag rule procedure, has made it impossible for me to support this bill.

As I have said, it is on balance a good bill which should in the normal legislative process be worthy of my support and the support of most of the Members of this House, but the bill is not going to be presented to us under the normal process. It is being brought to us under a suspension of the rules which denies us the right to amend the bill or to debate it under the 5-minute rule.

This process also creates the illusion that the Ways and Means Committee spent a good deal of time on it, or even knows what is in this bill. There are 26 important sections in this bill. The full committee spent about 40 minutes debating 2 or 3 of the most controversial amendments and then moved the bill out. It is hardly worthy of consideration before this full House under this suspension process.

Suspensions are a form of closed rule. They ought to be used only for a good reason. In this case the good reason is solely that the subcommittee and the Ways and Means Committee do not trust the full House to legislate responsibly. It is afraid that some amendments might be discussed, or even adopted, which would tend to disturb the delicate balance of the bill. That is pretty good rea-

soning if one believes in an elitist political philosophy that only the small number of persons who serve on the subcommittee really understand the situation. That philosophy holds that the rest of us in the Congress, who are supposed to represent people, do not know anything, or, if we do know anything, whatever we know should not be made part of this particular bill.

This suspension of the rules reflects to me an arrogance that is reminiscent of the old politics, a throwback to the era of closed doors and smoke-filled rooms. It implies that this committee has a monopoly on wisdom and good judgment and the rest of us in the House of Representatives should not be allowed to speak up. It is a system that says, "a boy should know his place."

It seems to me that this is not the way the House of Representatives should work. This procedure is, in fact, antithetical to the traditions of representative government and to the traditions of the House of Representatives.

The use of a gag rule is particularly abhorrent when it is used to shield controversial legislation from the careful scrutiny of all Members, and I would invite the attention of House Members to the fact that in H.R. 7200 we have a bill that exceeds 50 pages in length. The committee report runs to 106 pages. Other than the members of the subcommittee I will bet there are very few Members of this House that know all of the 26 sections of this bill and what their importance is.

The chairman of the subcommittee has already pointed out that it is absolutely necessary that some changes in food stamp eligibility for SSI recipients be made. I agree with the subcommittee chairman it is necessary that we make that change. Otherwise $100 million of expenses would be dumped back onto the States. But, that is the kind of significant change we are talking about in this bill. That is one of the 26 provisions that involve hundreds of millions of dollars of the taxpayers' money.

Most of the decisions that the subcommittee and the committee reached are good ones; nevertheless, they are important ones that deserve to be challenged in debate on this floor.

In addition to that one, there is another feature on aliens that has already been discussed.

The SPEAKER pro tempore. The time of the gentleman from Minnesota (Mr. FRENZEL) has expired.

Mr. GRADISON. Mr. Speaker, I yield 5 additional minutes to the gentleman.

Mr. FRENZEL. Mr. Speaker, there is an additional feature on aliens that has already been referred to by the gentleman from Ohio and will be discussed later by the gentleman from California (Mr. KETCHUM). This says that aliens will be able to be eligible for certain welfare benefits if their sponsor does not have assets that meet the traditional assets test, but that affiliation between the sponsor's assets and the alien's assets terminates after a few years.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. CORMAN. Mr. Speaker, I think the gentleman implies that we were granting them a right which they do not have. On the contrary, we are restricting a right.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for that contribution.

It is a restriction, in my judgment, and it is being applied here because the subject has been highly controversial. In my judgment, the restriction that has been supplied, or applied, in this bill is absolutely insufficient.

There were other amendments offered, one defeated in the full committee, which would have gone to quite another remedy, which in my judgment was a good one. That was voted down, but the sponsor, the distinguished gentleman from Missouri (Mr. GEPHARDT) is denied by this suspension process the opportunity to raise that amendment. The gentleman does not believe that we should be quite so open-handed with aliens. The subcommittee believed that we should be. I think that is something the House really ought to hear about in full and free debate on the floor of this Chamber.

There is another question on the subject of adoption, to which the distinguished gentleman from New York (Mr. CONABLE) and I directed some of our attention in the supplemental views:

> We are particularly distressed that the Ways and Means Committee devoted virtually no attention to the provision relating to adoption subsidies. This legislation goes beyond merely providing Federal financial assistance to States who wish to include adoption subsidies among their child welfare services. It mandates States to utilize these subsidies as a part of their foster care programs under Aid to Families With Dependent Children. The apparent cost effectiveness of this significant policy initiative is important, but it is only one of the implications which the innovation may carry.

Again, there was a feature which involves a very important policy decision which has not been discussed, except in the subcomittee.

There is another feature extending day care expenditures by $200 million. I think that is a worthwhile feature. I like it; some other Members do not like it. I think they would like to have the chance to try to eliminate that by amendments. Others might want to try to raise it. It seems to me the House ought to have this ability.

These are some of the major decisions made for us in this bill by the subcommittee. We are not being allowed to participate in this decision. All we can do is vote the bill up or down.

Mr. Speaker, I am going to have to vote against this bill because of the process. I may be the only person in this Chamber to do so, because if this bill were presented even without amendments in the normal process, I would vote for it, and most other Members would. It is a pretty good bill.

It is a balanced product and the subcommittee had done excellent work in producing it. But, since it did not come to us under the normal process, I am going to have to vote against it. I do not believe in legislating by a small elite group, while the rest of us, who are supposed to represent the people in this country who sent us here to make decisions for them, have not been allowed to be involved in the process. Because I can find no good reason to apply a gag rule in this bill, and because I do not pretend to comprehend fully all the 26 major policy decisions, I shall have to vote against it.

Mr. Speaker, let me remind everyone that welfare reform obviously is not going to pass this year. So we really have before us this year's welfare reform bill. It may not be the reform you want, but its all you are going to get this year. If anyone can understand it and can explain it to his other constituents, then I think it is a good idea to vote for the bill. If like me, some Members of this House are not fully appraised, and would like more full debate and a chance to make amendments, I suggest they might want to vote against it.

Mr. CORMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. BRODHEAD).

Mr. BRODHEAD. Mr. Speaker, I will not take the full 5 minutes.

I was much impressed with what the gentleman from Minnesota, who just preceded me, had to say.

He said he thought this was a good bill and one that he would probably vote for if brought up under a different procedure. I can understand his feelings and his concerns. Nevertheless, I urge a vote in favor of the bill. I certainly would agree with him that it is a good bill and worthy of the support of every Member of this House.

It makes a number of changes and improvements in the way our welfare system operates. It also makes a number of changes which will bring about greater efficiency in the system. I am particularly impressed with what has been done in the adoption area; there are some major steps forward there.

Mr. Speaker, I think it is an excellent bill, and I urge each Member to support it.

Mr. CORMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Speaker, I rise to speak in favor of passage of H.R. 7200. This bill contains, among other things, many needed changes in the law which relate to foster care for children. It is because of these improvements in present law that I am going to vote for H.R. 7200.

There is one provision in this bill about which I am concerned and to which I offered an amendment in committee. That is section 115 which relates to eligibility of legal aliens for supplemental security income, commonly called SSI. This provision in H.R. 7200 is a vast improvement over present law, which as you have undoubtedly learned, has allowed legal aliens in America to apply for and receive SSI benefits after being in the United States for as little as 30 days.

Under present law, a legal alien must have a financial sponsor to be admitted to the country, but the administrators of the SSI program are not forcing alien sponsors to back up their promises and legal aliens are receiving SSI benefits after 30 days. As of February 1977, 43,000 legal aliens received SSI benefits. Undoubtedly, many legal aliens have been residing in this country for many years and their claim to SSI benefits is both equitable and appropriate. I think most fairminded people would agree, however, that there is a minimum amount of time that a legal alien should spend in this country before being able to claim and receive SSI benefits.

Accordingly, in committee, I offered an amendment to this bill which would have imposed a 5-year residency requirement on legal alien SSI recipients. This amendment failed by a small margin.

The compromise provision embodied in this bill is a step in the right direction. It would require that for the first 3 years of residence of a legal alien in the United States, he would have imputed to him the financial resources of his financial sponsor for SSI eligibility purposes. This will prevent much of the publicized abuse of SSI. It will be particularly effective if the Immigration Service will faithfully carry out its own regulations which require a complete financial evaluation of an alien's sponsor before admittance. The obvious possible flaw with this approach is that while a sponsor may be financially responsible at the time of admittance, his financial picture may quickly change for the worse. It is my understanding that the Department of State is in the process of amending its regulations to require a legal contract to bind an alien's sponsor to repay to the U.S. Government any public assistance money which the Government pays to a sponsored alien.

If this bill becomes law, I intend to carefully monitor, on a regular basis, our experience with legal aliens and SSI. If this provision proves to be ineffective, I will again, with others, push for a change in the law to require 5 years of residence before an alien can claim SSI benefits.

I hope this new provision works. Our constituents cannot understand when we tell them the social security fund that they have paid into for a lifetime is nearing bankruptcy, but we can pay legal aliens SSI payments after they have been here for 30 days. Never mind that social security is funded by payroll taxes and SSI by general revenue. It is the basic fairness of the situation that galls our constituents and makes them cynical and bitter about their Government and their country. We must correct such basic abuses and return hope to our people that our Government and its programs are fair and sensible. I hope H.R. 7200 does that. If it does not, I hope we will find a majority to change the law further.

Mr. CORMAN. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Speaker, I rise in strong support of H.R. 7200.

The foster care and adoption reform provisions of H.R. 7200 fall into three major categories: Additional Federal financial support for preventive services; procedural and due process protections for children in foster care; and the initiation of an adoption support payment system for federally eligible children under title IV-A of the Social Security Act, AFDC.

This section would increase funding for title IV-B, child welfare services, to full funding, $266 million, and convert the program to an entitlement. Last year, appropriations were only about $50 million, about 19 percent of the authorized amount, and about one-seventh the amount which States are currently spending. The opposition of the administration to H.R. 7200 is tied, in large part, to this supplemental funding, which is substantially above the amount in the President's budget.

Despite the appearance, in the last 2 years, of numerous studies which unanimously testify to the general inadequacy and excessive expense of the present foster care system, the President's budget nearly ignored this issue. Such inattention also has a price: It perpetuates the present wasteful system in which tens of millions of dollars are spent on maintaining children in foster placements while only paltry amounts are expended to prevent their entering this largely one-way system, or to facilitate their exits from care.

The administration, instead, recommended an additional $2 million for the Children's Bureau for use in studying possible alternatives to foster care. This is money wasted. In fact, HEW has already largely completed work on model termination of parental rights legislation, and has been working with the States on model adoption support legislation for several years. More directly, HEW has helped to fund preventive service programs which have clearly demonstrated that such comprehensive programs, when adequately supported—as is impossible at present but achievable with full funding for title IV-B—there does exist the ability to drastically reduce the need for, or duration of foster care. The model program was the comprehensive emergency services program—CES—in Nashville, Tenn. During its 4 funded years of operation in the early 1970's, Nashville CES:

Number of neglect and dependent petitions filed: down 56 percent;

Number of children removed from their homes: down 51 percent;

Number of children institiutionalized: down 85 percent;

Number of children under age 6 institutionalized: down 100 percent; and

Recidivism rate: down 88 percent.

In addition, over $68,000 was saved during this program.

Nor is this program unique to Nashville; similarly administered programs, with similar cost savings and program results, have appeared in New York, San Francisco, and several other cities. Each child who receives services in his own home, or who leaves foster care because appropriate reunification services were offered to him and his parents, represents a savings to Federal, State and local taxpayers of from several hundred to many thousands of dollars monthly. Rather than continuing the demonstration program route, we should utilize the expertise we have developed and encourage the States to replicate these successful service programs, as would be possible with the additional support contained in H.R. 7200. HEW's own report, "Foster Care in Five States," indicates that over half of the children reviewed had been offered no preventive services prior to being removed from their homes. Those are the children who become the expensive cogs in the foster care system.

These provisions have been lifted word-for-word from H.R. 5893:

Right to preventive and reunification services;

Right to placement in the least restrictive environment appropriate, in the home community, with relatives if possible;

Individualized case plan and voluntary placement agreement;

Semiannual impartial review of the placement to insure appropriateness and to modify the plan, where necessary;

Dispositional review by a court—or court appointed officer—not later than 18 months after placement to determine long-term placement in natural home, adoptive home, or extended foster care; and

Fair hearing procedure for children and parents.

The widespread, and nearly total absence of adequate procedural protections for foster children, and their parents, has resulted in well documented violations of basic civil liberties. A system designed to provide short-term care for a child, while family difficulties—in over 90 percent of the cases, parental problems—are addressed with appropriate services has become, instead, a system of indeterminate, long-term placements in which little if any effort is made to restore the original family or, failing that, to place the child in a suitable adoptive home.

Within the past 2 years, a number of studies have been published pertaining to foster care. These reports were prepared by individual States, HEW, welfare research groups, the New York City comptroller's office, and by the General Accounting Office. Altogether, over 20 States in every region of the country have been reviewed, and each of their foster care systems have been found to suffer from nearly identical ills:

Substantial numbers of children are inappropriately placed, perhaps as many as two-thirds of the children in foster care;

As many as one-third of these children could be returned to their natural homes;

Perhaps as many as 100,000 children are lost in the foster care system because of poor tracking procedures; and

Existing, vague Federal requirements that each child have a case plan, and that the plan be reviewed each 6 months, are widely ignored, with the result that children remain in foster care placements—often inappropriate ones—excessive periods of time of substantial cost to taxpayers and to the children, the recent New York comptroller's study found that 65 percent of the foster children studied had been in excessive foster care an average of 5½ years.

Some may argue that, with these provisions, we are moving toward Federal foster care standards similar to those which have caused such rancor in the day care area. But there are important distinctions. The day care controversy stemmed from trying to establish standards before the program was in place; in foster care, the system has been in place for 40 years, and by everyone's account is failing miserably. The procedures included in H.R. 7200 are those specifically recommended in various studies, and similar to those enacted by such States as California, New York, Virginia, and Ohio, which are attempting to introduce greater accountability to their own systems. Some administrators and professionals may argue that these standards amount to excessive Federal intervention in State and private activities. However, many State administrators are supporting H.R. 7200, as are major child welfare and social work organizations who have been laboring for years for these types of program reforms. Lastly, some may argue that these procedures are too detailed and would cost a great deal of money. In fact, the simplistic guidelines in current law and regulations have been so universally ignored as to be virtually nonexistant. As to cost, most experts agree that serious reviews, such as those conducted by the children in placement project of the National Council of Juvenile Court Judges, are enormously cost effective by identifying and removing from foster care children who do not belong there. In some States, the CIP project has been able to move over half the children reviewed out of foster care at great financial savings.

If one argues that agencies intend to do these sorts of processes anyway, as the record clearly indicates they should, there is no handicap in their being written into the statute, as they should be in order to indicate that the Congress is truly disturbed with the present crisis in foster care and intends that reform occur.

The federal system currently has a tremendous disincentive for the adoption of children in foster care, children for whom we already have financial responsibility. If a couple keeps a foster child, we will pay them a monthly maintenance payment until that child reaches majority; however, if they adopt that child, payments from the Federal Government cease.

Over 40 States have enacted some form of adoption support payments, and studies have demonstrated the cost-effectiveness of adoption over continued foster care. Even if the payment to the parents is identical to that under foster care, adoption obviates the need for most of the administrative cost associated with foster care, which can total over 20 percent of the costs of maintaining a child in placement. But, these States' programs are restricted by the lack of Federal support.

I have recently mailed a questionnaire to each State concerning foster care and adoption. The nearly 30 States which have responded have indicated substantial numbers of their foster children have been in care for over 2 or 3 years, and that many thousands are awaiting adoption, many of them with parental rights already terminated. These children can either remain in foster care, as the present system virtually guarantees they will, or they could be adopted at less of a cost to government than if they remained in foster care. This provision in H.R. 7200 does not alter eligibility, does not provide for additional children or greater payments, and does not represent additional costs to the Federal Treasury. It does offer thousands of children in foster care, who can never return to their natural home, the possibility of a home with a permanent, adoptive family. The work of States and private adoption groups have clearly indicated that, with adoption support payments eliminating the financial fears of adopting even the most severely handicapped child, virtually any foster child can find an adoptive home.

Mr. Speaker, I am enormously pleased that the bill before us this morning mandates a due process grievance procedure virtually identical to the procedure required by the Foster Care and Adoption Reform Act of 1977 which I have introduced. As we recognized in the last Congress in providing parents with a similar due process grievance procedure in Public Law 94–142, HEW does not have the capacity to insure that all of these vulnerable children receive the care and protection to which they are entitled. Thus, this bill provides for a fair hearing before an impartial hearing officer for any natural parent, guardian, foster parent or child who believes that he has been denied any right or benefit guaranteed by Federal law.

The hearing decision will be binding except that, if a party is dissatisfied with the decision, he has the right to judicial review. To obtain such review, he may either reopen a pending juvenile court proceeding, or if he would prefer, bring a new civil action in either State or Federal court with respect to his original complaint and any matters relating thereto.

Mr. Speaker, we would hope and anticipate that the great majority of grievances will be solved at the fair hearing stage. However, it is important to stress that, in cases where taking a fair hearing would be futile, either as a legal or practical matter, such administrative exhaustion would not be required prior to filing a judicial action. Nor, in the case of a class action to redress class-wide violations of Federal law, will exhaustion be required for the mmebers of the class.

Mr. Speaker, I would like to draw special attention to the outstanding work by John Lawrence of my staff and of several Members on behalf of this critically needed legislation. Most importantly, Chairman JIM CORMAN of the Public Assistance Subcommittee deserves the praise of his colleagues, and the gratitude of foster children and their parents, for his commitment to this legislation. He not only contributed important legislative ideas to the preparation of the legislation, but also expertly coordinated the subcommittee to assure swift passage.

Several subcommittee members, also, deserve congratulations for the role they have played in shaping this legislation. I am especially grateful to BILL BRODHEAD for his work on behalf of the adoption subsidy provision, and to MARTHA KEYS for her introduction of amendments containing the critical due process protections and procedural reforms. Congressmen RANGEL and JACOBS also were instrumental in improving the foster care and adoption provisions of this bill, and I am very grateful for their work.

In addition, I want to acknowledge the outstanding work performed by several members of the minority who have been key supporters of this bill. The ranking minority member of the subcommittee, Mr. VANDER JAGT, and Congressmen KETCHUM and GRADISON were major contributors to this legislation. I would also like to note the contribution made by Congressman BURGENER in laying the groundwork for H.R. 7200 several months ago when he strongly supported full funding of title IV–B in the Budget Committee.

The great contributions made to the drafting and perfecting of H.R. 7200 by Members from both sides of the aisle indicate the soundness and bipartisan nature of this bill.

There can be no excuse to delay enactment of this legislation. To delay even for 1 year will see the entry, according to State figures, of as many as 20 percent more children entering foster care next year than in 1977. Many of these children could remain at home, with proper preventive services, or could return home, or enter adoptive homes, with the modifications in law contained in H.R. 7200. These provisions are the result of 2 years of investigation and 6 months of drafting, having solicited the views and recommendations of every group in the child welfare field. They represent the best existing opinions of the experts, and address a clear and growing problem.

I urge my colleagues to support this legislation.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. CORMAN. Mr. Speaker, I would like to thank the gentleman for his contribution. The gentleman from California (Mr. MILLER) knows more about foster care and adoptive care than any other Member of the House, and he was extremely helpful to the subcommittee when we moved to consideration of this portion of the legislation. I thank the gentleman for his assistance.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for his kind remarks.

Mr. GRADISON. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, I am not going to go into all the details of this bill. I only wish to remind the Members of the House that this is not the first bill that is somewhat complex that has been brought up under suspension of the rules. The good Lord knows we have had as many as 14 or 15 suspension bills come up on a Monday around here at a time

when most of the Members of the House do not totally understand the bills. To a great degree we rely on the committee that brings the bills to the floor, and such is the case with this bill. I would under normal circumstances agree with my good friend, the gentleman from Minnesota (Mr. FRENZEL), in his repugnance toward the practice of bringing bills to the floor under a gag rule. This is not a gag rule, though. This is a very, very complex piece of legislation, and the gentleman does understand it. He has, as a matter of fact, told us that it is a good piece of legislation.

Giving credit where credit is due, I wish to observe that the gentleman from California (Mr. MILLER) contributed greatly to the construction of this bill. The gentleman from California (Mr. SISK), who is now sitting in the chair, made great contributions to the bill as far as the subject of aliens is concerned. The gentleman from California has probably done more in this field than any other Member of the House.

There were literally hundreds of individuals involved in pieces of input during the deliberations of the subcommittee on this piece of legislation.

Had we brought this bill to the floor under a rule and not under suspension, I would submit to the Members that we would be on this bill for the next 3 weeks, because we would open up all of the welfare issue for amendment, and I do not think this body is ready at this point to do that. The administration is doing its very best to prepare a welfare reform package, and I congratulate the administration for that. By the time that package is prepared, hopefully more of the Members of the House will have an interest in the subject matter, to the point that we will not go through a lot of demagogic speeches about the "bums on welfare" and, on the other hand, about the charge that we are not giving enough to welfare people.

Hopefully, the bill will be well constructed by that time and we will know what we are doing, and we will be able to deal with the question of welfare reform.

That is not the issue in this bill. This bill is not a "welfare reform bill." There are some sections of this bill that the committee and the subcommittee have considered before, but, unfortunately, they did not have time in the other body to get them passed.

So I do not believe that we have Members supporting this bill who belong to an elitist group. At least I have never been accused of belonging to an elitist group, and I have never been accused of being a bleeding-heart liberal when it comes to welfare. I think the chairman of the subcommittee will bear that out. However, I do profess that I know a little about the subject matter.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California.

Mr. CORMAN. Mr. Speaker, I certainly concur with the gentleman's statement concerning his not being a bleeding heart.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I really am distressed about the fact that we have no opportunity to offer amendments to this bill.

I spoke to the principal sponsor of this bill concerning the adoption issue. I worked on adoption legislation in my State, and the bill we finally got through was not everything I hoped it would be, although it does provide something better than what this bill does.

We must further the idea of adoption, particularly for children in foster care. We must provide for adoption in foster homes where the children flourish and where families want to adopt children. We should make it possible for a foster family to adopt a child who has done well in its care.

Mr. KETCHUM. Mr. Speaker, I am going to have to reclaim my time. I hate to interrupt the gentlewoman from New Jersey (Mrs. FENWICK), but we have very little time at our disposal.

This bill does, I believe, address the subject of adoption in a constructive manner.

There were some parts in this bill about adoption that I was somewhat uneasy about. I am really not uneasy anymore.

I want to say that we have to do a little better. We have to try a different way, so I accepted that and so, in totality, did the members of the committee.

Mr. Speaker, I think it is an enormous achievement, all by itself, on the part of the chairman of the subcommittee in trying to get all the divers views on that subcommittee to agree. I congratulate the chairman. I congratulate the members of the subcommittee and of the full committee.

Mr. Speaker, this is a good bill, and I certainly hope that the Members will support it.

Mr. CORMAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I would just like to tell the gentleman who raised objections as to whether or not we should come to the floor with a rule that I share his concern. However, as the gentlewoman from New Jersey (Mrs. FENWICK) was saying, this matter has been a very complex one that all of us have wrestled with. When we take a look at this package, we can see, from conservative to liberal, that there are beginnings in this package.

Mr. Speaker, I can only assure the gentleman that some of the efforts we have attempted to make through this legislation are just for a start. If, in fact, it does not work out, we will have an opportunity to work together, as members of the subcommittee, with the full committee in order to improve what we tried to do.

However, Mr. Speaker, if there was nothing else in the bill except the opportunity to give children a permanent residence, the savings that are involved, not only in dollars and cents, but the savings involved in having children able to get into homes where there is love and affection, certainly, I hope, would persuade the gentleman to withdraw his objections to this bill.

Again, Mr. Speaker, I can assure the gentleman and assure every member of the committee that if there are specific parts of this particular bill about which there are serious objections, we can work together; but it was much easier for a smaller committee to wrestle with the problems. No one of us said that we had all of the answers, and I think it is a tribute to the Republicans and the Democrats that we were able to come up with this final package.

Mr. Speaker, I support the reported bill H.R. 7200 which amends several sections of the Social Security Act. This legislation goes a long way to correct some of the inequities which have come to light while at the same time breaking new ground in the area of child welfare services. The bill covers four key areas of the Social Security Act: supplemental security income, aid to families with dependent children, child welfare services, and social services under title XX.

Under the supplemental security income program—SSI—the committee has taken several remedial actions and undertaken one new step which should help the blind, the old and the disabled get those benefits which they are entitled to. Some of the actions taken by the Ways and Means Committee under the SSI program were:

First. To extend for another year the categorical eligibility of SSI recipients for food stamps. Without this extension, those who are on SSI would have had to undergo a means test in order to receive food stamps. It is my feeling that since those who are on SSI are indigent by definition and since the Congress is currently working on revising the food stamp law, there is little reason to require SSI recipients to go through the process of certification when the rules will be changed in the near future. The administrative costs clearly do not warrant the effort involved.

Second. To extend a cost-of-living adjustment to SSI recipients who are institutionalized. Currently, SSI recipients who are in medical facilities, where the facility is being reimbursed by medicaid, receive a monthly stipend of $25 for their personal needs. This grant has remained at the same level since it originated during the 92d Congress. I feel that there is no justification for denying to those SSI recipients who are institutionalized, the same right to a cost-of-living escalator as all other social security recipients are entitled to.

Third. Attributing to the sponsor of a legal alien, the sponsor's income for the purpose of determining an alien's eligibility for SSI. A legal alien sponsor's income would be imputed to the alien during the first 3 years of the alien's residence in the United States. After that time a legal alien would be entitled to SSI benefits under the same conditions as American citizens. This provision can not be viewed in an overly favorable light, however the committee was convinced that fiscal restraints and the needs of American citizens took precedence over the needs of legal aliens.

There are two areas under the SSI program where the Committee took significant new steps. They are:

First. Permits the Secretary of HEW to undertake action to coordinate the administration of the SSI, food stamp,

and medicaid programs and authorizes the Secretary to enter into contracts and arrangements that will allow individuals to file claims for all three programs at the same office. All too often, SSI recipients go to the Social Services Administration office, apply for SSI, and are not told of their eligibility for food stamps and medicaid. If people are entitled under the law to receive assistance they should be told whenever they enter the system. Additionally, the elderly, blind, and disabled find it very difficult to get from place to place because of their disabilities. Yet because SSI is administered in one place, medicaid in another and food stamps in still a third, we have set up often insurmountable physical barriers for exactly the people we are trying to help. It is hoped that this amendment will tend to ease some of the illogical hurdles we have inadvertently set up for those who are receiving public assistance and stand as a model for the much anticipated welfare reform proposals of the President.

Second. To extend the SSI program to Puerto Rico, Guam, and the Virgin Islands as of April 1, 1978. This is action that the House has taken on two occasions in the past only to be forced to recede to the Senate's reluctance in conference. It is hoped, that, on this, our third try, the Senate will realize the House's resolve on this issue and be so moved as to accept this most important provision. For who else, but those who qualify for SSI are more needy and deserving of our assistance. They are the most vulnerable to the ravishes of poverty and inflation as they are unable to work because of their physical infirmities.

Under the aid to families with dependent children—AFDC—program, the committee took two significant actions. First, we took a major step in helping to place AFDC foster care children in permanent homes by providing the States with matching funds for an adoption subsidy. This program would provide a 1-year financial subsidy for those who are willing to adopt children who are in foster care. The subsidy would be limited to those children who are deemed hard to place because of ethnic background, race, color, language, age, physical, mental, or emotional handicap, medical condition or membership in a sibling group. The subsidy is intended to help alleviate some of the fiscal burden of initial medical or other special needs of the children. It is my view that it is unhealthy for children to remain in foster care situations for extended periods of time. This program is an effort to provide a permanent secure home for those hard-to-place AFDC foster care children. Several witnesses heard by the committee testified that not only would such an adoption subsidy enhance the chances of finding permanent homes for these children, it would also cut costs significantly since on the average it costs about half as much per year to provide an adoption subsidy as it does to keep a child in foster care.

One of the most controversial actions of the committee was over the issue of restricted payments under the AFDC program. While many legal aid lawyers believe that welfare recipients should almost never have their benefit payments restricted because they should have the right of controlling the benefits that they are entitled to under law, there are many State and local welfare officials, landlords and recipients themselves who feel that those on welfare are unable to obtain services such as living quarters and utilities because they are discriminated against by those who provide these services. In many cases landlords will refuse to rent to those who are on welfare for fear that they will not receive their rent. For those who are on welfare, the benefit levels are often inadequate for the expenses they must meet. The cost of living has escalated significantly in the past few years, yet all too often because of financial pressures on Government the benefits have not kept pace with the costs. Under these circumstances, it is not incomprehensible that welfare recipients in many cases will find themselves with the hard choice of whether to meet their rent or to pay other pressing bills. When they fail to meet their rent obligations, it is left to the local government to pick up the tab with no Federal or State reimbursement. This diverts funds from other social service programs and in so doing cripples programs designed to meet the needs of the underprivileged. To alleviate this problem, the committee took action by expanding the Vendor Restricted Payments section of the AFDC program. Under current law, when a recipient is determined to be incapable of handling his funds, that is, he has not been paying his rent or utilities for a period of time, he may be placed on restricted payments.

By increasing the number of allowable vendor payments from 10 to 20 percent of the welfare rolls and by including the concept of a two-party check—one which is made out to the vendor, but which must be signed by both the recipient and the vendor in order to be valid—we have given State and local welfare agencies more control and certainty in the case of those who have been shown to be incapable of handling their funds. However, we specifically required that for the recipient's protection and in order to provide a record for any future court action the recipient may wish to take, that the basis for placing him on vendor payments must be placed in his file.

At the same time the committee decided to introduce a new concept which is the "voluntary two-party check." This would allow the recipient, on his own volition, to place himself on two-party checks for up to 50 percent of his benefits. By so doing, the Ways and Means Committee in no way intends to abridge the original intent of the AFDC program which was to provide an adequate money payment to those who qualify for the AFDC program. The provision is designed to help recipients who wish to use this device for budgeting their meager benefits by providing them with an alternative method of receiving payments. It is very important that recipients be aware that such payments are voluntary and that payments in this form cannot be required by landlords, utility companies, or welfare agencies.

In order to be sure that recipients are informed of the voluntary nature of these payments, it is expected that the State welfare agency will periodically provide clear and written notice to recipients that requests for such payments are voluntary and can be revoked at any time. This can be done, for example, by printing such a notice directly on the two-party check or by including with such checks a separate notice form. It is expected that State welfare agencies will adopt either of these, or similar methods for providing notice to recipients, and that HEW will assure that this is done.

Because of the uncertainty inherent in this provision, the committee has only enacted it for a 2-year period. Prior to the expiration of this provision, I fully hope that HEW will submit a report on how these payments have been used in each State, the benefits they have provided to recipients, and any abuses or problems that have resulted.

Under the child welfare services program the committee established a $266 million entitlement program under title IV–B which is a major jump over the $56.5 million authorization during fiscal 1977. These funds are intended for programs which would provide services directed toward preventing the removal of children from their homes, reuniting children with their families, placing children in suitable adoptive homes where restoration to the natural family is not possible, as well as generally protecting and promoting the welfare of all children. All too often, we neglect the needs of families until it is too late. Studies have shown that if we helped families before they disintegrated in many cases we could have prevented the family's breakup. In other words, this is another instance where a little preventive medicine could help a lot and in many cases end up costing less in terms of human suffering and real dollars than waiting until the family falls apart.

Finally, under the social services program—title XX—we have made the temporary $200 million fiscal 1977 increase a permanent one and have provided $200 million in a 100-percent Federal match to the States for day care centers.

H.R. 7200 is a bill which provides something for everyone who is concerned about our social welfare programs under the Social Security Act. This legislation deserves your support and I call on all my colleagues to join me in voting for it.

Mr. CORMAN. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Speaker, I rise in support of this legislation, and I commend the gentleman from California (Mr. CORMAN) for bringing this very worthwhile legislation to the floor.

Let me say that this bill is within the targets of the first budget resolution. It is within the section 302 allocation of new entitlement authority to the Committee on Ways and Means.

Mr. Speaker, I would like to specifically point out two of the very worthwhile things that this legislation does. It extends SSI benefits to Puerto Rico, Guam, and the Virgin Islands.

I think the committee should be commended for doing this; and also, of

course, for bringing forth the title IV(b) child welfare program and changing it to an entitlement program rather than an authorization program.

Mr. Speaker, I think this is very worthwhile legislation, and I urge its adoption.

Mr. GRADISON. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in our concluding statement on this issue, let me indicate that I hope that the concerns about the procedure under which we are considering this bill do not stand in the way of overwhelming House approval of this measure.

Seldom do we have a chance to vote on a matter which touches the lives of so many people. This is a bill in that category. It touches the lives of young people who are living with foster families and who are perhaps eligible for adoption. Furthermore, the bill serves to encourage further use of the adoption approach. At the other end of the age spectrum, it continues Federal SSI recipients' eligibility for food stamps.

Mr. Speaker, this bill represents a very conscientious effort within the time limits involved; and recognizing the termination dates of certain past legislation to deal with these critical problems, I believe the bill deserves the full support of the House.

Mr. CORMAN. Mr. Speaker, I yield myself 1 additional minute.

I would like to respond to the gentlewoman from New Jersey (Mrs. FENWICK), unless she has had her questions answered.

I only have 1 minute, but I did want to say this to the gentlewoman: This bill puts a substantial amount of money into adoption subsidies, under title IV–B, and that money is not restricted or limited in any way. The States may use it as they see fit.

There are some additional moneys under AFDC, which may be used to encourage foster parents to become adoptive parents and to give them 1 year of the same payments that they were getting as foster-care parents.

Mrs. FENWICK. Mr. Speaker, if the gentleman will yield, I thank the chairman. I know of his deep concern. Nobody cares more about these matters than does our chairman. However, what I would like to call to his attention is that some States have subsidized adoption with humiliating annual checks as to income. Once a child is adopted, there should be no humiliation of the persons who adopt the child.

Many of the States have imposed requirements upon the adopting parents which are improper, in my opinion, and are imposed because the States do not want to relinquish the hold they have over the parents.

Mr. SISK. Mr. Speaker, on Sunday, May 22, the CBS program "60 Minutes" focused on a problem which has angered many Americans—newly arrived immigrants on welfare.

The Ways and Means Committee considered this issue recently and section 115 of the bill before us today attempts to deal with the problem. It would impute to the alien for SSI entitlement and benefit purposes the income and resources of any person who sponsored the alien's entry into the United States if an affidavit of support or similar document was executed, but for no longer than a period of 3 years after such entry. Aliens already on the SSI rolls would be exempt.

While this is a step in the right direction, it does not, in my opinion, go far enough. First of all, aliens who enter the United States without promises of support from relatives or friends, but because they claim they have jobs waiting for them, would still be eligible to apply for SSI shortly after their arrival here if they decide not to take the waiting job. Secondly, newly arrived immigrants would still be eligible for AFDC, medicaid, or other public assistance.

Before obtaining an immigrant visa, every alien must prove to the satisfaction of an American consular officer that he is not likely at any time to become a public charge in this country. To meet this requirement the alien may present evidence that he will have a job, that he has income or assets of his own to support himself, or that relatives in the United States will provide adequate support. Thus, not every alien is issued a visa on the basis of a promise of support from a relative in the United States. As a matter of fact, I would estimate that the vast majority do not.

Unfortunately, there are aliens who decide that welfare is better than working, and instead of taking the job they claimed to have to enter the country, they apply for AFDC or SSI instead—no strings attached. In a case cited in "60 Minutes" an alien couple applied for welfare in New York City shortly after their arrival here and the wife indicated that they had no intention of getting off until the husband had finished his schooling. In other cases, relatives in the United States, some with considerable income or assets, who promised to provide support, claim that they cannot provide that support once the alien arrives here. Some people sponsor numerous families, and even if they could support one family, they could not support all of the families they have sponsored. So imputing the income of the sponsor to each and every family would make little difference in their SSI or welfare eligibility.

I am certainly not opposed to immigration, but I believe that aliens should be required to live up to the conditions of their admission and remain off welfare. Our public assistance programs must be reserved for citizens and those who are most like citizens, not for aliens who have made no contribution to this country, have no equity here or have paid few, if any, taxes. Those who have a sincere interest in this country may apply for U.S. citizenship after they have resided here for 5 years. An alien who is married to a U.S. citizen may apply for his citizenship after 3 years.

What is needed, therefore, is a 5-year alien residency requirement for all public assistance programs—a residency requirement which the Supreme Court has unanimously held the Congress has every constitutional right to impose.

On the whole, I consider H.R. 7200 a good bill and I intend to support it today. But I did want to explain to my colleagues my position on section 115 in the hope that we might work to close this loophole once and for all.

As soon as H.R. 7200 is passed by the House, I intend to contact Members of the Senate to urge that they modify the bill to impose a 5-year alien residency requirement on all public assistance programs and I invite the Members who agree with me to join in that effort.

Mr. WON PAT. Mr. Speaker, on behalf of the 100,000 U.S. citizens residing on the U.S. territory of Guam, I urge my colleagues to approve title II of the Public Assistance Amendments of 1977 (H.R. 7200) as it has been reported out of the Ways and Means Committee. Title II of this bill would significantly improve the equality of the Federal public assistance treatment afforded the citizens of the United States residing in Guam, the Virgin Islands, and the Commonwealth of Puerto Rico.

Under present law, residents of these jurisdictions are not eligible for supplemental security benefits, but rather, are still burdened with the former matching programs of aid to the aged, blind, and disabled. Section 201 of this bill would finally extend SSI to Guam, the Virgin Islands, and Puerto Rico. While we would, of course, prefer to have 100-percent funding of the program for the territories, in order to insure passage of this vital legislation I hope my colleagues in the House will accept section 201 with the benefit level limitation it now contains. Under this limitation formula, the amount of funds available to the islands would be tied to the per capita income levels on each of the islands. As Guam is committed to American-style capitalism and is working hard to improve its economy, I am confident that our per capita income will soon catch up with that of the lowest State and thus allow Guam to receive full funding under SSI.

Section 203 of the bill would remove the ceiling on the 50-percent Federal matching funds requirement for aid to families with dependent children in Guam, the Virgin Islands, and Puerto Rico. Although the islands are still not treated on the same basis as the States and the District of Columbia, which are allowed up to 83 percent Federal matching based on per capita income, at least this provision is a step in the direction of better treatment for the territories by removing the dollar ceiling on the Federal matching funds.

Section 202 of the bill simply allows the territories to more efficiently plan the use of their present allotment of social services entitlements under title XX, by requiring the States and the District of Columbia to certify which funds they will not need from the annual formula allotments before the beginning of the fiscal year. We fully support this provision, which will greatly assist the budget management for this program in Guam.

The provisions of title II will be of great help to those Americans living on Guam who are in need of public assistance. All U.S. citizens who are in need of assistance should be helped without discrimination based on their domicile. As title II of H.R. 7200 represents an important step toward realization of equality of treatment for the territories under

Federal assistance programs, I urge my colleagues to support these provisions.

Mr. COHEN. Mr. Speaker, the bill we have before us makes numerous changes in present public assistance and social service programs. I would like to indicate my strong support for one of those amendments which has particular significance in my State of Maine. At present, no individual who is institutionalized for medical services outside the United States for more than 30 days is eligible for supplemental security income benefits. H.R. 7200 permits persons who are receiving inpatient hospital, physician, and ambulance services to continue to receive SSI benefits.

Eligibility would be determined according to the same criteria used in the medicare program. Under the existing medicare statute, these services are furnished to U.S. residents in a border State who live closer to a suitable foreign hospital than to a U.S. hospital that is adequately equipped to meet their needs.

Last year medical care was delivered to only 272 U.S. residents under this provision in the medicare law. I would suspect that SSI recipients would not employ such a provision in greater numbers than have medicare patients. As a result, the costs of this change will be relatively low. Nevertheless, this provision for continued payment of SSI abroad is very important to the few aged, blind, and disabled U.S. citizens who would be involved. In northern Maine, many towns are without hospitals and health care is routinely sought in Canada. For those who lose their SSI eligibility because they require hospitalization abroad, financial hardship is virtually certain.

This amendment would insure that SSI recipients who have been out of the country for documented reasons of institutionalized medical service may not lose their eligibility status. I commend the committee for their foresight in approving this amendment.

Mrs. KEYS. Mr. Speaker, I rise in support of the legislation. This bill contains a number of provisions of great importance to children including an increase in funding for children's services under title IV–B of the Social Security Act and the establishment of adopton subsidies to remove children from long-term foster care.

Of particular interest to me, however, are the provisions which I offered in the Public Assistance Subcommittee to reduce the need for children to be placed in foster care. Under this measure, States are required to offer preventive services for children aimed at keeping children with their families. Protections are offered to children to prohibit agencies from involuntarily removing a child from his home except in emergency situation or upon court review.

If a child is placed in foster care, his case must be reviewed regularly to determine whether he should be returned to his home, placed in adoptive home, or in another permanent living arrangement. Services aimed at reunifying a child with his family must be made available to a child and his parents after removal from the home.

All of these provisions are designed to assure that children receive the kind of care and attention they deserve. Too often children are removed from their families and placed in foster care with little attention given to resolving the problem which precipitated their removal. No services are provided to the family in an effort to keep it together.

Likewise, once a child is in foster care, he is often left there without review to determine how he is getting along or if he might be returned to his family or placed in an adoptive home. Nationwide, children are left far too long in foster care and too little attention is paid to whether that type of care is really the most appropriate and beneficial for the child.

This legislation provides the State with substantially increased funding to offer expanded services to children. The preventive care provisions would assure that States spend a portion of these funds to reduce the need for foster care. While many States have already recognized the need for such services and regularly offer them to children, the infusion of significant new Federal funds should carry with it an assurance that all children will be entitled to the benefit of such protections.

I urge my colleagues to support this important measure.

Mr. BIAGGI. Mr. Speaker, I am most gratified to rise in support of H.R. 7200, the Public Assistance Amendments of 1977. This is an extremely important piece of legislation providing for substantial reforms to benefit America's reforms to benefit America's children, especially our foster children.

There are two major thrusts in this legislation. First, the measure greatly increases funding levels for child welfare services and programs, primarily by transforming title IV–B of the Social Security Act into an entitlement program, and by providing for an increase of some $200 million in funding.

The second major thrust of this legislation is directed at making major reforms in the spending priorities of the Federal Government with respect to child welfare services. Of particular concern to me, is the great emphasis which this Nation has been placing on foster care. Foster care is, and must be considered to be, a temporary form of care. Yet the policies of the Federal Government as reflected in expenditure policies, seem to be in direct conflict with this premise. In fact, we spend almost 10 times more for foster care than we do for adoption services. The disparity between our expenditures on foster care and preventative services for families, is even greater. This may help to explain why today in this Nation we have some 250,000 children in foster care.

I have long been involved in the effort to reform Federal spending priorities in this area. In 1975, I conducted extensive hearings in New York City on the foster care industry. In response to these hearings, I developed and introduced legislation in the 94th Congress, H.R. 11185, to promote greater adoption opportunities for eligible children. A key feature of my bill was that it provided new accountability procedures for the expenditure of title IV–B moneys. Specifically, my bill called for reviews of children in foster care, as well as individualized case plans.

H.R. 7200 embodies a great deal of what I proposed in H.R. 11185. In addition to increased funds for title IV–B, the bill establishes new policies with respect to expenditures. States seeking title IV–B funds must provide preventative services to the family before placing a child in foster care. Further, these services must continue to be provided after the child is placed in foster care, in an effort to eventually reunite the child with his or her natural parents.

The bill also mandates that all States receiving title IV–B funds, provide each child in foster care with 6-month administrative review. This is a requirement of Federal law, but States have been lax in enforcing it. A recent GAO study made of the foster care systems in the States of New York, New Jersey, California, and Georgia, found that less than one-half of all the children in foster care, had received the 6-month review which is required. More than 40 percent had not been visited by their families in a 6-month period. This overall lack in monitoring of State activities by the Federal Government, has caused thousands of children to be locked into the foster care system. It is also worth noting that H.R. 7200 provides for individualized case plans for each child in foster care.

Financial problems for prospective adoptive parents, represent one of the major barriers to increased adoptions in this Nation. H.R. 7200 recognizes this problem and provides that States participating in AFDC foster care programs, give adoption subsidies. These subsidies are limited in nature and would apply only to those children who have been in foster care for at least 6 months and who are determined to be hard to place. The amount of the subsidy payment cannot exceed the amount paid for foster care, in a foster family home in the State. Further, the duration of the subsidy payment cannot exceed 1 year, or the length of time the child was in foster care, whichever is longer.

Finally, I would like to briefly mention another provision contained in this bill which was also a main feature of my bill, H.R. 11185. This measure calls upon the Secretary of DHEW to take such steps as are necessary to provide for the establishment of a national and regional adoption information service. This is absolutely essential if we are to expand adoption opportunities for the eligible foster children and orphan population in this Nation. My legislation proposed a data bank of adoption information. I would hope that whatever model is developed by the Secretary, it will provide all relevant information, including special characteristics of the adoptable children and any financial assistance which might be available to adoptive parents. I am aware of thousands of prospective adoptive parents who are in the dark about children who are eligible for adoption and how best to obtain assistance in meeting necessary costs. Logically, the Federal Government should be leading the way to increased adoption opportunities.

The rights of America's children are

gaining increased recognition. This is due in part to the fact that one of the greatest friends of our Nation's children is now the Vice President of the United States. His influence is clearly imprinted on this legislation. It was Vice President MONDALE who conducted hearings while in the Senate, during which it was disclosed that not only was this Nation spending some $350 million a year on foster care services, but that Federal officials could not provide a specific figure on the amount being spent to promote adoptions. Vice President MONDALE is to be commended for his work in the Congress, and now in the White House, on behalf of children.

I am greatly heartened by this legislation. We are undertaking a basic and fundamental task. We are ridding this Nation of the notion that foster care is designed to be permanent. We are no longer allowing the expenditure of Federal dollars to contribute to the imprisonment of children in foster care.

I had the pleasure recently to appear on the "Good Morning America" television program, where the topic of discussion was: "Has Foster Care Become a Dumping Ground For Children" I took the position that it has. My views were based on the fact that expenditures by Federal, State, and local governments, are considerably higher for foster care than they are for adoptions or family care services. I pointed to the fact that 26 percent of all foster children in New York State have been foster children their entire lives. I pointed to the profit-making incentives for certain child care agencies to keep children as helpless hostages. I pointed to the thousands of children who qualify for, and desire, a more permanent life either through adoption or reunification with their natural families.

I was asked; what is the solution? My reply at that time and now, is this: Federal legislation must be passed and enacted to restructure the status quo of Federal expenditures for foster care. I am most pleased to note that H.R. 7200 is such legislation, and strongly urge its adoption.

Mr. BINGHAM. Mr. Speaker, I rise in enthusiastic support for the passage under suspension of the rules of H.R. 7200, Public Assistance Amendments of 1977, which makes many vital changes in SSI, child welfare and protective services, AFDC, and title XX social services programs. Many of these changes were passed by the House last year but were not acted upon by the Senate before adjournment of the 94th Congress. While I fully understand the concern of some Members about bringing such an important bill up under suspension of the rules, which does not allow floor amendments, I must appeal to my colleagues to consider the administrative nightmare which will occur in these public assistance programs if certain deadlines extended in H.R. 7200 are allowed to expire.

The most pressing deadline, of course, concerns the often extended provision allowing automatic food stamp eligibility for SSI recipients due to expire June 30 of this year. If this provision is not extended further, SSI recipients will have to qualify on a case-by-case basis and their current income will have to be related to December 1973 income—prior to implementation of the SSI program in 1975. The old case-by-case procedure has been suspended periodically by Congress and automatic food stamp eligibility for SSI recipients provided in anticipation of enactment of major food stamp reform legislation. That work is still going on. H.R. 7200 extends this deadline from July 1, 1977, until October 1, 1978, which should give Congress adequate time to enact a food stamp reform law.

Another deadline of great concern to States is the expiration this September 30 of title XX day care support legislation (Public Law 94-401) enacted last year. It provided $200 million in Federal nonmatching social services aid under title XX to States for day care so they could upgrade their day care programs and implement minimum Federal health and safety requirements. Public Law 94-401 also suspended controversial Federal day care staffing requirements until September 30 and required HEW to complete an appropriateness study of these requirements and report to Congress by June 30. HEW indicated early this May that it could not meet the June 30 report deadline. If Congress does not extend the September 30 suspension deadline then the strict staffing requirements will automatically go into effect, at great cost and confusion to the States. I testified May 2 before the House Public Assistance Subcommittee in favor of such an extension and I am pleased to see it included in H.R. 7200.

Other provisions of H.R. 7200 will improve the administration of the SSI and AFDC programs, and they reflect extensive subcommittee hearings in the last Congress and reform recommendations submitted by the administering agencies and concerned groups involved. I commend the Subcommittee on Public Assistance and the full House Ways and Means Committee for acting so quickly on this comprehensive public assistance reform bill and I urge overwhelming approval by my House colleagues and appeal for quick passage by the other body before the June 30 SSI-food stamp eligibility deadline.

Before I close, I would like to summarize those provisions in H.R. 7200 which are of special interest to me and the people I represent in Bronx, N.Y.

SSI

Title I of H.R. 7200 contains a number of technical administrative improvements in SSI passed by the House last year in H.R. 8911 plus some important additional changes. The title I provisions include:

Extension of food stamp eligibility for SSI recipients until October 1, 1978 (section 101).

Reform of the definition of blind and disabled child, for the purpose of determining SSI eligibility, to exclude students 18 to 21, and thus eliminate the disincentive for higher education for such individuals (section 102).

Modification of the third-party payee requirement for drug addicts or alcoholics to allow direct payments to such individuals upon certification of an attending physician that direct payments will not be misused and will be beneficial to the patient's treatment (section 103).

Continuation of SSI benefits to an individual hospitalized outside the United States on the same basis as currently provided under medicare (section 104).

Exclusion of certain gifts and inheritances not readily convertible into cash from consideration as income for the purpose of determining SSI eligibility or the amount of payment (section 105).

Authorization of up to 3 months in cash advance payments—up from a one-time payment of $100—to presumptively eligible aged and disabled individuals (section 106).

Extension of the requirement for monthly computations of underpayments to include overpayments as well—existing law requires overpayment computation on a quarterly basis (section 108).

Continuation of full SSI benefits to individuals in certain medical facilities for 3 months before the reduction of benefits to $25 in existing law can take effect (section 109).

Extension of cost-of-living protection in existing law to SSI recipients in medical facilities to allow for adjustments in the $25 monthly payment (section 110).

Exclusion from consideration as income of certain housing subsidies plus forgiveness for any overpayments due to compatibility problems between housing assistance laws and SSI (section 112).

Elimination of any reduction in SSI resulting from assistance based on need given to an individual by a private charitable agency regardless of whether the individual is living in an institution (section 111).

Allowance for couples who are both SSI recipients to qualify for SSI benefits as single individuals after living apart for 1 month rather than 6 months (section 113).

Requirement that the Secretary of Health, Education, and Welfare take such actions as may be necessary and appropriate to coordinate the administration of SSI, food stamp, and medicaid programs; and authorization for the Secretary to enter into arrangements where possible that will allow individuals to file claims for all three programs at the same office—effective October 1, 1978 (section 114).

Reform of eligibility requirements relating to aliens who enter the country in the future—requiring the imputing to an alien the income and resources of the alien's sponsor for a maximum of 3 years except if blindness or disability occurs after entry (section 115).

If you add these excellent reforms to the ones enacted last year after the Senate attached several of H.R. 8911's major provisions on to separate legislation, you have substantial progress being made on eliminating the shortcomings in the SSI program. The 1976 reforms I refer to include: a cost-of-living pass through guarantee for SSI recipients in States which supplement benefits; emergency replacement of improperly drawn or lost benefit checks and immediate advance payment of up to 3 months in benefits to presumptively eligible blind individuals while their application are being proc-

essed; a stipulation that the value of a home should not count toward the limit on assets an SSI recipient can hold; authorization of additional Federal aid to States to rehabilitate eligible disabled and blind preschool children; extension of SSI eligibility to persons living in community-based homes with no more than 16 residents; and disregarding the income of a spouse for the purpose of determining SSI-medicaid eligibility for an individual in a hospital or other medical facility.

While I am very pleased with what has been done by the Congress and the House in the area of SSI reform, more must be accomplished in regard to providing adequate income for urban aged, blind, and disabled if we are to close the gap between the promise of income security and the program's performance. I am particularly concerned about the problem of extraordinary housing costs due to the lack of adequate housing supply or high utility and maintenance costs. Last year the House defeated a supplemental SSI housing allowance bill similar to legislation I introduced earlier in the Congress, but it was defeated on budgetary grounds.

I also believe we should eliminate the one-third reduction of SSI benefits for individuals living with others and receiving in kind support. It is a myth that two can live cheaper than one, and the Federal Government should not discourage relatives and friends from providing in kind assistance to aged, blind, or disabled individuals, by arbitrarily reducing benefits by one-third.

Both of these items require our attention and consideration later this year or early next for correction before the end of the 95th Congress.

SOCIAL SERVICES, TITLE XX

Title III would make permanent last year's $200 million increase in title XX social services funds—raising the annual ceiling to $2.7 billion—and reaffirm that in fiscal 1978 $200 million for child day care services will not require State matching funds. It also would extend for 1 year through fiscal 1978 the moratorium on enforcement of day care staffing standards and other temporary provisions which expire September 30, 1977, including grants and tax credits for hiring of welfare recipients for day care services, standards for family day care homes, and services to drug addicts and alcoholics. The due date for the HEW day care standards appropriateness study required under title XX would be extended to April 1, 1978.

Inclusion of this title in H.R. 7200 is especially gratifying to me because it represents the major portion of legislation (H.R. 3845) I introduced earlier this year and testified in favor of on May 2 before the House Public Assistance Subcommittee which prepared H.R. 7200. I do regret the subcommittee's decision to drop the automatic cost-of-living escalator provision in my bill to allow for annual increases in the $2.7 billion ceiling. However, I understand it was defeated by only one vote, because of problems with the Budget Act this year. Since such a provision will not be incompatible with the Budget Act next year, I intend to pursue this matter in fiscal year 1978 for automatic cost-of-living triggering beginning in fiscal year 1979, as my bill provides. Annual cost-of-living adjustments in allotments to States under title XX are vital to maintain the value of Federal participation in the provision of social services which States can count on.

CHILD WELFARE AND PROTECTIVE SERVICES

Title IV would establish a $266 million entitlement child welfare program in lieu of the existing $56.5 million authorization program, require States to spend no more for foster care and no less for child welfare than in fiscal 1977, and emphasize services aimed at retaining children in their natural homes and reuniting families. Annual approval of State plans would be required. States by September 30, 1979, would be required to adopt new foster care protection standards, including maximum prior effort to retain the child in its natural home, a requirement for the least restrictive fostercare setting, provision of family reunification services, and periodic reviews to prevent unnecessary continuation in foster care.

I am pleased that the committee has recognized the need for improvements in these programs and for additional Federal aid to keep children safe and with their families to the greatest extent possible. New York State and others, which have been doing much in this regard on their own, will welcome this additional Federal commitment to assist them in solving these kind of problems.

AID TO FAMILIES WITH DEPENDENT CHILDREN

Title V would allow Federal matching funds to be used for welfare—AFDC—children voluntarily placed in foster care—as well as for those placed by courts—and would make AFDC foster care funds available to public institutions and group homes for 25 or fewer children. State AFDC foster care programs would be required to include adoption subsidies, eligible for Federal matching funds, for "hard to place" children. Title V would extend for 2 years through fiscal 1979 Federal matching funds for child support collection and paternity establishment services for families whose incomes are not more than double the State AFDC standard of need; increase from 10 to 20 percent the number of AFDC recipients in a State for which some portion of AFDC assistance may be furnished as protective—to a concerned individual caring for the beneficiaries—or vendor—to providers of goods and services—payments; and would allow the recipient to request housing and utilities payments in the form of two-party checks to the recipient and the provider.

This last provision dealing with the two-party check procedure established in New York to protect both landlords and tenants is of particular importance, and follows recommendations I made to members of the subcommittee. The two-party check procedure which will now be authorized under H.R. 7200 will allow tenants to withhold rental moneys if proper services are not provided but not allow them to spend the moneys for other purposes.

The voluntary procedure in the bill which allows recipients to request housing and utility payments in the form of two-party checks will be for a 2-year trial period. To insure against coercion, a recipient can revoke the two-party check procedure on a monthly basis or withhold the checks and return them if basic services in question are not provided.

These new provisions, I hope, will open up more housing to needy families by encouraging landlords to accept welfare tenants. Also, by improving the procedure for the payment of rents by welfare clients, we can help reverse the present trend toward housing deterioration and abandonment in areas like the Bronx, which I represent.

The last part of this section on vendor and protective payments grants forgiveness to any State that had made protective or vendor payments beyond the present 10-percent limit or had made use of the two-party check procedure not specifically authorized by previous legislation. New York State especially benefits from this forgiveness, because it used the unauthorized two-party check procedure beyond the 10-percent limit and without forgiveness is subject to the loss of a significant amount of Federal AFDC matching funds as punishment.

In conclusion, H.R. 7200 is a most worthy piece of legislation making needed changes in our complex public assistance programs. With the reporting of H.R. 7200 by the House Ways and Means Committee followed by, I hope, overwhelming approval by the full House and Senate, perhaps we can show our constituents that we have the ability and will to tackle the problem of meaningful welfare reform.

Mr. BIAGGI. Mr. Speaker, I would like to indicate my very strong support for one of the provisions contained in H.R. 7200, the Public Assistance Amendments of 1977. I refer to the provision which increases from 10 to 20 percent the payments under the AFDC program.

Very early in the 95th Congress I introduced H.R. 192—legislation which called for the elimination of the ceiling. Obviously a proposal such as this merits very lengthy consideration by Congress. Time constraints prevented this consideration and while I am still hopeful for passage of H.R. 192, I believe H.R. 7200 represents a positive step in the right direction.

For the past 10 years, our major States, especially New York have been burdened by an arbitrary ceiling on the number of AFDC recipients they could impose vendor restricted payments on. In recent years, the numbers of public assistance clients found to be unable to manage their own finances effectively have steadily risen. As a result landlords and utility companies were incurring large sums of unpaid rents and bills. For some landlords who depend on a monthly cash flow for their existence, the problem was reaching crisis proportion.

As a result the State of New York for the past several years has been forced to exceed the 10-percent limitation. Fortunately Congress saw to it to pass legislation in effect forgiving New York. Yet one simple fact emerged. The 10-percent ceiling was too low.

H.R. 7200 recognizes this and provides for a reasonable 10-percent increase in the ceiling. The bill also provides that vendor payments can be in the form of two-party checks. There are sufficient safeguards in this bill to protect the rights of the AFDC recipient including the right to a hearing.

Overall, this provision makes good economic sense. It allows landlords and utility companies to be paid in a prompt fashion. It will prevent evictions and cuts in service imposed against recalcitrant AFDC recipients. I commend the initiative taken by the committee and urge passage.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California, Mr. CORMAN, that the House suspend the rules and pass the bill H.R. 7200, as amended.

The question was taken.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill H.R. 7200, just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING SECRETARY OF AGRICULTURE TO PERMIT GENERAL RECREATIONAL ACCESS AND GEOTHERMAL EXPLORATIONS FOR 6 MONTHS WITHIN A PORTION OF THE BULL RUN RESERVE, MOUNT HOOD NATIONAL FOREST, OREG.

Mr. RONCALIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7606) to authorize the Secretary of Agriculture to permit general recreational access and geothermal explorations for 6 months within a portion of the Bull Run Reserve, Mount Hood National Forest, Oreg.

The Clerk read as follows:

H.R. 7606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 1862 of title 18, United States Code, and without prejudice to any appeal pending or which may be taken from any decision based thereon, and in accordance with all other laws applicable to the National Forest System, the Secretary of Agriculture is authorized to manage under the provisions of the Multiple Use-Sustained Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528–531), for six months after the date of this Act, that area comprising approximately forty-two thousand five hundred acres depicted as the "Special Management Area, Bull Run Reserve, Mount Hood National Forest, Oregon" on a map dated June 1977, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture.

The SPEAKER pro tempore. Is there a second demanded?

Mr. JOHNSON of Colorado. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wyoming, Mr. RONCALIO, and the gentleman from Colorado, Mr. JOHNSON, will be recognized for 20 minutes each.

The Chair recognizes the gentleman from Wyoming, Mr. RONCALIO.

Mr. RONCALIO. Mr. Speaker, I yield myself such time as I may consume.

(Mr. RONCALIO asked and was given permission to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, H.R. 7606 concerns the 142,080-acre Bull Run Reserve which was established in 1892 to protect the proposed water supply of the city of Portland, Oreg. In 1959 an administrative order opened 42,500 acres within the reserve, but outside the Bull Run watershed, to public use without a permit. Subsequent to this order, recreational use of the 42,500-acre area has expanded to the point where there are now 94 miles of trails, nine campsites, three developed campgrounds, 62 miles of roads, one horse camp and one trail with special ramps and other features built for the handicapped within the area. The area's use is in excess of 174,000 recreation visitor days annually. In addition, the area shows promise for geothermal exploration, continued timber harvest, and research activities.

As of November 1, 1976, all these uses were enjoined by a U.S. District Court ruling that timber harvesting, recreation, and other so-called "multiple uses" are inconsistent with a 1904 trespass statute. As a result, no one, other than authorized Forest Service and State personnel or their agents, can currently set foot anywhere within the 142,080-acre Bull Run Reserve.

While legislation (H.R. 7074 and H.R. 7457) has been introduced by members of the Oregon delegation to deal with the problem in toto, it is controversial in certain respects, and is not likely to pass in time to permit use of the trail for the handicapped and recreational or other multiple uses during the current summer season. The Forest Service, members of the Oregon delegation and the committee unanimously determined that H.R. 7606 which essentially provides only a 6-month hiatus in the court's injunction, can best afford temporary relief and avoid the hardship associated with the court's ruling until the problem can be dealt with in depth. The bill in no way applies to the actual 68,074-acre Bull Run watershed which supplies the water for the city of Portland, nor does it attempt to deal with the problem in a piecemeal fashion or attempt to delay consideration of permanent legislation. For all of these reasons, the committee is aware of no opposition to the bill from any party.

Due to the time factors involved, I urge my colleagues to vote for passage of H.R. 7606.

Mr. JOHNSON of Colorado. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas, Mr. SKUBITZ.

Mr. SKUBITZ. Mr. Speaker, I rise in support of H.R. 7606. This bill authorizes the Secretary of Agriculture to permit general recreational access and other multiple uses within the Bull Run Reserve in the Mount Hood National Forest in Oregon for a period of 6 months. Only a 42,500-acre portion of the 142,000-acre reserve would be affected by this legislation. The area is highly developed for recreation with more than 94 miles of trails, many campsites and campgrounds, and some 62 miles of road. It also features a trail which has been specially designed for use by the handicapped. Use of the area averages 174,000 visitor days annually.

Mr. Speaker, without the temporary authority provided in this bill, all these facilities will be closed to the public in accordance with a court injunction.

The Subcommittee on Indian Affairs and Public Lands and the full Committee on the Interior agreed with the bill's sponsors, the entire Oregon delegation, that there is no reason to deny citizens temporary access to this area for the summer months while Congress works to enact a comprehensive, permanent solution for use of the entire reserve.

H.R. 7606 was considered and reported without opposition from any quarter. It costs no money; it is utterly noncontroversial; and I urge this body to accept the bill.

Mr. RONCALIO. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon, Mr. AUCOIN.

Mr. AUCOIN. I thank the gentleman for yielding.

I want to thank the gentleman from Wyoming, the chairman of the subcommittee, as well as the ranking minority member, for the cooperation they have given to handicapped people of Oregon in the expeditious treatment of this bill. As has been stated, this bill is an interim relief measure that allows the handicapped, who are really "noncombatants" in a dispute that has been created over the management of the Bull Run Reserve near Portland, to be exempt from a recent court ban on all activity within the reserve. Their area is located totally outside the environmentally crucial watershed that is Portland, Oregon's major water supply. By allowing such recreational activity on a 6-months basis, which is, I believe, a noncontroversial act, we will provide relief for people who have had access to a wilderness experience almost unparalleled in the country for handicapped people, due to the special trails and facilities that have been built especially for them.

I want to make clear to my colleagues that as the principal sponsor of the original bill, this legislation does not prejudice in any way any possible appeal of the court decision I have referred to, nor does it prejudice in any way the consideration of the permanent bill that has been introduced by my friend and colleague from Oregon (Mr. DUNCAN) which is designed to deal with the broad, comprehensive problems of management of the

complete Bull Run Reserve, including the watershed. That bill has been introduced; it is in subcommittee and, because of differences of opinion, it will take time for Congress to pass it—perhaps as long as September or October. This bill is a temporary relief measure which insures that this summer will not pass away while the other bill is being worked out. Such a development would freeze the handicapped and other recreationists out of the area during the prime recreational time of the year. That would be simply unthinkable.

Again, I thank the subcommittee chairman for the way he has handled this bill. I thank the ranking minority member as well, and I yield back the remainder of my time.

Mr. JOHNSON of Colorado. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know of no controversy surrounding this bill. The Oregon delegation, I believe, should be supported. I support the bill and recommend its passage.

Mr. Speaker, I yield back the balance of my time.

Mr. RONCALIO. Mr. Speaker, I yield 5 minutes to my colleague, the gentleman from Oregon (Mr. DUNCAN).

Mr. DUNCAN of Oregon. I thank the gentleman from Wyoming for yielding.

Mr. Speaker, I express my appreciation both to the subcommittee and to the full committee for the expeditious fashion in which this bill has been handled.

As my colleague, the gentleman from Oregon, has said, this bill is no permanent solution to the management of the Bull Run Reserve. It does take an area that is outside the geographical area of the watershed, in the peripheral area, and open it up to full management. As a practical matter, because of the duration attached to this bill, I think it will be useful only to the handicapped and would make it available to them for their picnic area.

If the Forest Service could gear up in time, they can have some timber sales or geothermal exploration, in fact the full gamut of uses. But I frankly doubt that there will be time for any such.

The only problem is the speed with which the bill has been handled and whether everyone has had a chance to be heard. But my colleagues and I have carefully gone over the list of interested parties in Oregon to notify them of the hearings. We have assured them if there are any substantial substantive objections we will see that they get full and complete hearings in the Senate. So far none have arisen.

We choose to look upon this as not too speedy treatment but as a prompt response by a benevolent Government to the handicapped and restricted citizens of our Government. We support the bill wholeheartedly. We thank our colleagues and urge the passage of the bill.

Mr. RONCALIO. Mr. Speaker, we have no further requests for time.

The SPEAKER pro tempore (Mr. SISK). The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill (H.R. 7606).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 7606) just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order: House Concurrent Resolution 248, on which the yeas and nays were ordered; and H.R. 7200, on which the yeas and nays were ordered.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

REQUIRING INVESTIGATION BY JOINT ECONOMIC COMMITTEE OF CERTAIN ECONOMIC CHANGES

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution (H. Con. Res. 248).

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. BOLLING) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 248), on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 324, nays 79, not voting 30, as follows:

[Roll No. 336]

YEAS—324

Abdnor	Blouin	Carr
Addabbo	Boggs	Carter
Akaka	Boland	Cavanaugh
Alexander	Bolling	Cederberg
Allen	Bonker	Chisholm
Ammerman	Bowen	Clausen, Don H.
Anderson, Calif.	Brademas	Clawson, Del
Anderson, Ill.	Breaux	Clay
Andrews, N. Dak.	Brinkley	Cleveland
Annunzio	Brodhead	Cochran
Applegate	Brooks	Cohen
Ashley	Broomfield	Coleman
AuCoin	Brown, Calif.	Collins, Ill.
Bafalis	Brown, Mich.	Conable
Barnard	Brown, Ohio	Conyers
Baucus	Broyhill	Corman
Beard, R.I.	Buchanan	Cornell
Bedell	Burgener	Cornwell
Bellenson	Burke, Calif.	Cotter
Bevill	Burlison, Mo.	Cunningham
Biaggi	Burton, John	D'Amours
Bingham	Burton, Phillip	Danielson
Blanchard	Butler	Davis
	Byron	Delaney
	Carney	
Dellums	Koch	Risenhoover
Derrick	Krueger	Roberts
Derwinski	LaFalce	Robinson
Dickinson	Lagomarsino	Rodino
Dicks	Latta	Rogers
Dingell	Le Fante	Roncalio
Dodd	Leach	Rooney
Dornan	Lederer	Rose
Downey	Leggett	Rosenthal
Drinan	Lehman	Rostenkowski
Duncan, Oreg.	Lent	Rousselot
Edgar	Levitas	Roybal
Edwards, Ala.	Long, La.	Rudd
Edwards, Calif.	Long, Md.	Russo
Eilberg	Lott	Ryan
Erlenborn	Luken	Santini
Evans, Colo.	Lundine	Sarasin
Evans, Ga.	McCloskey	Sawyer
Fary	McCormack	Scheuer
Fascell	McDade	Schroeder
Fenwick	McEwen	Schulze
Findley	McFall	Seiberling
Fish	McKay	Sharp
Fisher	Madigan	Shipley
Flood	Maguire	Simon
Florio	Mahon	Sisk
Flowers	Mann	Skelton
Flynt	Markey	Slack
Foley	Marlenee	Smith, Iowa
Ford, Mich.	Mathis	Smith, Nebr.
Ford, Tenn.	Mattox	Snyder
Forsythe	Mazzoli	Solarz
Fowler	Meeds	Spellman
Fraser	Metcalfe	Spence
Gaydos	Meyner	St Germain
Gephardt	Mikulski	Staggers
Giaimo	Mikva	Stanton
Gilman	Mineta	Stark
Ginn	Mitchell, Md.	Steed
Glickman	Mitchell, N.Y.	Stockman
Goldwater	Moakley	Stokes
Gonzalez	Moffett	Stratton
Gore	Mollohan	Studds
Gradison	Moorhead, Calif.	Taylor
Grassley	Moorhead, Pa.	Thompson
Gudger	Murphy, Ill.	Thone
Guyer	Murphy, N.Y.	Thornton
Hagedorn	Murtha	Traxler
Hamilton	Myers, Gary	Trible
Hanley	Myers, Michael	Tsongas
Hannaford	Natcher	Tucker
Harkin	Neal	Udall
Harrington	Nedzi	Ullman
Harris	Nichols	Van Deerlin
Harsha	Nix	Vander Jagt
Hawkins	Nolan	Vanik
Heckler	Nowak	Vento
Hefner	Oakar	Volkmer
Heftel	Oberstar	Walgren
Hightower	Obey	Walsh
Holland	Ottinger	Wampler
Hollenbeck	Patten	Watkins
Holt	Patterson	Waxman
Holtzman	Pattison	Weaver
Horton	Pease	Weiss
Howard	Pepper	Whalen
Hubbard	Perkins	White
Huckaby	Pettis	Whitley
Hyde	Pickle	Whitten
Ichord	Pike	Wilson, Bob
Ireland	Pressler	Wilson, C. H.
Jacobs	Preyer	Wilson, Tex.
Jenrette	Price	Winn
Johnson, Calif.	Pritchard	Wirth
Johnson, Colo.	Pursell	Wolff
Jones, N.C.	Quie	Wright
Jones, Tenn.	Quillen	Wylie
Jordan	Rahall	Yates
Kastenmeier	Railsback	Yatron
Kazen	Regula	Young, Mo.
Kemp	Reuss	Young, Tex.
Ketchum	Rhodes	Zablocki
Keys	Richmond	Zeferetti
Kildee	Rinaldo	
Kindness		

NAYS—79

Ambro	Corcoran	Gammage
Andrews, N.C.	Coughlin	Gibbons
Archer	Crane	Hall
Armstrong	Daniel, Dan	Hammer-schmidt
Ashbrook	Daniel, R. W.	Hansen
Badham	Devine	Hillis
Bauman	Duncan, Tenn.	Jeffords
Beard, Tenn.	Early	Jenkins
Benjamin	Edwards, Okla.	Jones, Okla.
Bennett	English	Kasten
Bonior	Ertel	Kelly
Burke, Fla.	Evans, Del.	Kostmayer
Burleson, Tex.	Evans, Ind.	Krebs
Caputo	Fithian	Lloyd, Calif.
Chappell	Fountain	Lloyd, Tenn.
Collins, Tex.	Frenzel	Lujan
Conte	Frey	

McClory	Moore	Stangeland
McDonald	Mottl	Stump
Marks	Murphy, Pa.	Symms
Marriott	Myers, Ind.	Treen
Martin	O'Brien	Waggonner
Michel	Panetta	Walker
Milford	Satterfield	Whitehurst
Miller, Calif.	Shuster	Young, Alaska
Miller, Ohio	Sikes	Young, Fla.
Montgomery	Skubitz	

NOT VOTING—30

Aspin	Flippo	Rangel
Badillo	Fuqua	Roe
Baldus	Goodling	Runnels
Breckinridge	Hughes	Ruppe
Burke, Mass.	McHugh	Sebelius
de la Garza	McKinney	Steers
Dent	Minish	Steiger
Diggs	Moss	Teague
Eckhardt	Poage	Wiggins
Emery	Quayle	Wydler

The Clerk announced the following pairs:

Mr. Fuqua with Mr. Teague.
Mr. Baldus with Mr. McKinney.
Mr. Dent with Mr. Wydler.
Mr. Diggs with Mr. Goodling.
Mr. Eckhardt with Mr. Quayle.
Mr. Flippo with Mr. Emery.
Mr. Rangel with Mr. Wiggins.
Mr. Minish with Mr. Roe.
Mr. McHugh with Mr. Breckinridge.
Mr. Burke of Massachusetts with Mr. Runnels.
Mr. de la Garza with Mr. Ruppe.
Mr. Hughes with Mr. Steiger.
Mr. Badillo with Mr. Sebelius.
Mr. Moss with Mr. Aspin.

Messrs. ENGLISH, HILLIS, SIKES, BENNETT, McCLORY, LUJAN, CONTE, BADHAM, BONIOR, FITHIAN, SHUSTER, COUGHLIN, and FREY changed their vote from "yea" to "nay."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that he will reduce to 5 minutes the period of time within which a vote by electronic device may be taken on the remaining motion to suspend the rules, on which the Chair has postponed further proceedings.

PUBLIC ASSISTANCE AMENDMENTS OF 1977

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 7200, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CORMAN) that the House suspend the rules and pass the bill H.R. 7200, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 335, nays 64, not voting 34, as follows:

[Roll No. 337]

YEAS—335

Abdnor	Allen	Anderson, Ill.
Addabbo	Ambro	Andrews, N. Dak.
Akaka	Anderson, Calif.	Annunzio
Alexander		
Applegate	Frey	Moffett
Ashley	Gammage	Mollohan
AuCoin	Gaydos	Moore
Bafalis	Gephardt	Moorhead, Calif.
Barnard	Giaimo	Moorhead, Pa.
Baucus	Gibbons	Mottl
Beard, R.I.	Gilman	Murphy, Ill.
Beard, Tenn.	Ginn	Murphy, Pa.
Bedell	Glickman	Murtha
Beilenson	Goldwater	Myers, Michael
Benjamin	Gonzalez	Natcher
Bennett	Goodling	Neal
Bevill	Gore	Nedzi
Biaggi	Gradison	Nichols
Bingham	Grassley	Nix
Blanchard	Gudger	Nolan
Blouin	Guyer	Nowak
Boggs	Hagedorn	Oakar
Boland	Hall	Oberstar
Boiling	Hamilton	Obey
Bonior	Hammerschmidt	Ottinger
Bonker	Hanley	Panetta
Bowen	Hannaford	Patten
Brademas	Harkin	Patterson
Breaux	Harrington	Pattison
Brinkley	Harris	Pepper
Brodhead	Harsha	Perkins
Brooks	Hawkins	Pettis
Broomfield	Heckler	Pickle
Brown, Calif.	Hefner	Pike
Brown, Mich.	Hightower	Pressler
Broyhill	Hillis	Preyer
Buchanan	Holland	Price
Burgener	Hollenbeck	Pritchard
Burke, Calif.	Holtzman	Quillen
Burke, Fla.	Horton	Rahall
Burlison, Mo.	Howard	Rangel
Burton, John	Hubbard	Regula
Burton, Phillip	Huckaby	Reuss
Byron	Hyde	Rhodes
Caputo	Ireland	Richmond
Carney	Jacobs	Rinaldo
Carr	Jeffords	Risenhoover
Carter	Jenkins	Roberts
Cavanaugh	Jenrette	Rodino
Cederberg	Johnson, Calif.	Rogers
Chappell	Johnson, Colo.	Roncalio
Chisholm	Jones, Okla.	Rooney
Clausen, Don H.	Jones, Tenn.	Rose
Clay	Jordan	Rosenthal
Cleveland	Kastenmeier	Rostenkowski
Cochran	Kazen	Roybal
Cohen	Ketchum	Russo
Coleman	Keys	Santini
Collins, Ill.	Kildee	Sarasin
Conte	Koch	Sawyer
Conyers	Kostmayer	Scheuer
Corcoran	Krebs	Schroeder
Corman	Krueger	Schulze
Cornell	LaFalce	Seiberling
Cornwell	Lagomarsino	Sharp
Cotter	Latta	Shipley
D'Amours	Le Fante	Sikes
Daniel, Dan	Leach	Simon
Danielson	Lederer	Sisk
Davis	Leggett	Skubitz
Delaney	Lehman	Slack
Dellums	Lent	Smith, Iowa
Derrick	Levitas	Smith, Nebr.
Derwinski	Lloyd, Calif.	Solarz
Dicks	Lloyd, Tenn.	Spellman
Dingell	Long, La.	Spence
Dodd	Luken	St Germain
Downey	Lundine	Staggers
Drinan	McClory	Stanton
Duncan, Oreg.	McCloskey	Stark
Duncan, Tenn.	McCormack	Steed
Early	McDade	Stokes
Edgar	McEwen	Stratton
Edwards, Ala.	McFall	Studds
Edwards, Calif.	McKay	Thompson
Eilberg	Madigan	Thone
English	Maguire	Thornton
Ertel	Mahon	Traxler
Evans, Colo.	Mann	Trible
Evans, Del.	Markey	Tsongas
Evans, Ga.	Marks	Tucker
Fary	Martin	Udall
Fascell	Mathis	Ullman
Fenwick	Mattox	Van Deerlin
Findley	Mazzoli	Vanik
Fish	Meeds	Vento
Fisher	Metcalfe	Volkmer
Fithian	Meyner	Waggonner
Flood	Michel	Walgren
Florio	Mikulski	Walsh
Flowers	Mikva	Wampler
Foley	Milford	Waxman
Ford, Mich.	Miller, Calif.	Weaver
Ford, Tenn.	Mineta	Weiss
Forsythe	Mitchell, Md.	Whalen
Fowler	Mitchell, N.Y.	White
Fraser	Moakley	Whitehurst
Whitten	Wolff	Young, Mo.
Wilson, Bob	Wright	Young, Tex.
Wilson, C. H.	Wylie	Zablocki
Wilson, Tex.	Yates	Zeferetti
Winn	Yatron	
Wirth	Young, Fla.	

NAYS—64

Andrews, N.C.	Flynt	Pursell
Archer	Fountain	Quie
Armstrong	Frenzel	Railsback
Ashbrook	Hansen	Robinson
Badham	Holt	Rousselot
Bauman	Ichord	Rudd
Brown, Ohio	Jones, N.C.	Runnels
Burleson, Tex.	Kasten	Ryan
Butler	Kelly	Satterfield
Clawson, Del	Kemp	Shuster
Collins, Tex.	Kindness	Snyder
Conable	Lott	Stangeland
Coughlin	Lujan	Stockman
Crane	McDonald	Stump
Cunningham	Marlenee	Symms
Daniel, R. W.	Marriott	Taylor
Devine	Miller, Ohio	Treen
Dickinson	Montgomery	Walker
Dornan	Myers, Gary	Whitley
Edwards, Okla.	Myers, Ind.	Young, Alaska
Erlenborn	O'Brien	
Evans, Ind.	Pease	

NOT VOTING—34

Ammerman	Fuqua	Ruppe
Aspin	Heftel	Sebelius
Badillo	Hughes	Skelton
Baldus	Long, Md.	Steers
Breckinridge	McHugh	Steiger
Burke, Mass.	McKinney	Teague
de la Garza	Minish	Vander Jagt
Dent	Moss	Watkins
Diggs	Murphy, N.Y.	Wiggins
Eckhardt	Poage	Wydler
Emery	Quayle	
Flippo	Roe	

The Clerk announced the following pairs:

Mr. Fuqua with Mr. Teague.
Mr. Heftel with Mr. Ammerman.
Mr. Diggs with Mr. Emery.
Mr. Dent with Mr. McKinney.
Mr. Moss with Mr. Vander Jagt.
Mr. Minish with Mr. Long of Maryland.
Mr. Baldus with Mr. Wydler.
Mr. Badillo with Mr. de la Garza.
Mr. Burke of Massachusetts with Mr. Flippo.
Mr. Eckhardt with Mr. Wiggins.
Mr. Murphy of New York with Mr. Hughes.
Mr. Breckinridge with Mr. Ruppe.
Mr. Roe with Mr. Watkins.
Mr. Skelton with Mr. Sebelius.
Mr. Aspin with Mr. Steers.
Mr. McHugh with Mr. Steiger.

Mrs. SMITH of Nebraska and Mr. THONE and Mr. BYRON changed their vote from "nay" to "yea."

Mr. KEMP changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT DURING 5-MINUTE RULE TODAY

Mr. REUSS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs may sit during the 5-minute rule today to continue markup of energy legislation referred to the Committee on Banking, Finance and Urban Affairs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RECESS

The SPEAKER pro tempore. Let the Chair state that pursuant to the order of the House of June 10, 1977, the Chair declares the House in recess for the purpose of observing and commemorating Flag Day. The program will begin at approximately 12:15 p.m.

Accordingly (at 11 o'clock and 47 minutes a.m.), the House stood in recess subject to the call of the Chair.

FLAG DAY

During the recess the following proceedings took place in honor of the U.S. flag, the Speaker of the House of Representatives presiding.

FLAG DAY PROGRAM, U.S. HOUSE OF REPRESENTATIVES, JUNE 14, 1977

The U.S. Army Band and the all-city chorus of the Boston public schools entered the door to the left of the Speaker and took the positions assigned to them.

The honored guests, Mr. and Mrs. Johnny Cash and son, the Joint Chiefs of Staff, and the Commandant of the Coast Guard entered the door to the right of the Speaker and took the positions assigned to them. Mr. Johnny Cash was seated at the desk in front of the Speaker's rostrum.

The SPEAKER. The meeting will come to order.

Today is the 200th anniversary of Flag Day. The Chair has informally designated the following Members as members of the Flag Day Committee. They have made the arrangements, and we are very grateful to them:

The gentleman from Oklahoma (Mr. RISENHOOVER), chairman of the committee;

The gentleman from Alabama (Mr. FLIPPO), who is not with us today, because of a serious operation he had recently;

The gentleman from Tennessee (Mr. BEARD); and the gentleman from Maine (Mr. EMERY), who is ill today.

We have a unique first on our program this year. This is the first time in history that a group from any public school system has participated in Flag Day ceremonies. We have with us Marion J. Fahey, superintendent of the Boston schools; Kathleen Sullivan, president of the school committee, who are honored guests in the audience.

We are proud of the distinguished young people from the Boston school system. Particularly, I want to thank Peter C. Siragusa, who is their director.

Ladies and gentleman, it is a great privilege for me to introduce to you the Boston Public School All-City Chorus, which will sing a patriotic medley, including "Let's Build A Nation" and "A Nation's Prayer Hymn."

The All-City Chorus of the Boston Public Schools—conducted by Robert Winfrey—presented a patriotic medley—"Let's Build a Nation" and "A Nation's Prayer Hymn."

The Doorkeeper (Hon. James T. Molloy), announced the flag of the United States.

The historical colors were carried into the Chamber under the command of Col. Lloyd L. Burke, U.S. Army, with 1st Lt. John M. Schluep; Sgt. Kenneth E. Parker, Pfc. Gerald A. Sommers, Pfc. Dan P. Schaible, Sp4c Douglas J. Long, Pfc. Lance W. Boissevain, Sp4c Silven F. Wolf, and Spc4 Ronald L. Manning, Jr.

The flag was carried into the Chamber by the color bearer, and a guard from each of the branches of the Armed Forces: S. Sgt. Charles G. Rhinehart, U.S. Army; Sgt. Craig A. Mann, U.S. Army; Cpl. Richard A. Banks, U.S. Marine Corps.; SRA Raymond Clark, Jr., U.S. Air Force; PO3 Willie E. Pugh, U.S. Navy; and SN Kenneth A. Morrow, U.S. Coast Guard.

The color guard saluted the Speaker, faced about, and saluted the House.

The flag was posted and the Members were seated.

Mr. RISENHOOVER. Mr. Speaker, colleagues of the House and honored guests, because of illness, two members of our Flag Day Committee this year, the gentleman from Maine (Mr. EMERY) and the gentleman from Alabama (Mr. FLIPPO), are absent. I am happy to report that they are both doing very well. I have taken the liberty of asking a new Member of the House of Representatives, the Honorable DAVID CORNWELL from Indiana, to lead the House in the Pledge of Allegiance to our Flag this afternoon.

The gentleman from Indiana (Mr. CORNWELL) is a little unique in that he is the only Member of the House of Representatives whose birthday falls on Flag Day. That is almost as good as being born on the Fourth of July.

Mr. CORNWELL. Ladies and gentleman, please join me in the pledge to our Nation's flag.

The Members and guests, led by the Hon. DAVID CORNWELL, recited the Pledge of Allegiance to the flag.

Mr. RISENHOOVER. Mr. Speaker, the Flag of the United States of America flies today over a nation that is free, prosperous, and strong.

The Stars and Stripes have been the inspiration to our greatness—but it is the American people and bounty of this land, with the blessing of God, which have been the sustenance of our growth, the source of our strength.

Today is the 200th anniversary of the time that the Continental Congress passed the resolution declaring: "That the Flag of the United States shall be of 13 stripes of alternate red and white, with a union of 13 stars of white in a blue field, representing a new constellation."

That constellation was not easy to form—nor is it easy to preserve. People died in battle and fought for peace—always inspired to great principles by the Flag. In times ahead, we can expect more tests and we must not veer from our time-honored principles.

We have dedicated today's program to some of those who have given the most—our Congressional Medal of Honor recipients. I ask your consent to place the names of those 288 living heroes in the RECORD.

Those names follow:

CONGRESSIONAL MEDAL OF HONOR RECIPIENTS

Lucian Adams, Stanley T. Adams, Lt. Col. (Ret.), Beauford T. Anderson, Webster Anderson, Thomas E. Atkins, John P. Baca, Nicky D. Bacon, S. Sgt., William Badders, Cmm. (Ret.), John F. Baker, Sgt., and John H. Balch, Cdr. (Ret.).

Donald B. Ballard, William E. Barber, Col. (Ret.), Van T. Barfoot, Col. (Ret.), H. C. Barnum, Jr., Maj., Carlton W. Barrett, Stanley Bender, Edward A. Bennett, Maj. (Ret.), Gary B. Beikirch, Sgt., Melvin E. Biddle, and Arnold L. Bjouklund, Lt. (Ret.).

David B. Bleak, Orville E. Bloch, Col. (Ret.), Paul L. Bolden, James L. Bondsteel, S. Sgt., Gregory P. (Pappy) Boyington, Patrick H. Brady, Lt. Col., Herschel F. Briles, Maurice L. Britt, Capt. (Ret.), Paul W. Bucha, and John D. Bulkeley, R. Adm. (Ret.).

Francis X. Burke, Lloyd L. Burke, Col., Herbert H. Burr, James M. Burt, Richard E. Bush, Robert E. Bush, Hector A. Cafferata, Donald Call, Jose Calugas, Capt. (Ret.), and Jon R. Caviani, S. Sgt.

Justice M. Chambers, Col. (Ret.), William R. Charette, Ernest Childers, Lt. Col. (Ret.), Clyde L. Cloate, Francis J. Clark, R. Mike Clausen, Jr., Mike Colalillo, James P. Connor, Charles H. Coolidge Clarence B. Craft, W. J. Crawford, M. Sgt. (Ret.), John R. Crews, Jerry K. Crump, M.Sgt., Francis S. Currey, Edward C. Dahlgren, Peter J. Dalessandro, Michael J. Daly, Charles W. Davis, Col. (Ret.), Raymond G. Davis, Gen. (Ret.) Sammy L. Davis, George E. Day, Col. William F. Dean, M.Gen. (Ret.), Jefferson J. De Blanc, Col. (Ret.), E. H. Dervishian, Col. (Ret.), M. H. Dethlefson, Col. Duane E. Dewey, Drew D. Dix, Capt., Carl H. Dodd, Maj. David C. Dolby, Roger H. Donlon, Lt. Col., James H. Doolittle, Gen. (Ret.), Desmond T. Doss, Jesse R. Drowley, Kern W. Donagan, Maj., Russell Dunham, Robert H. Dunlap, Maj. (Ret.), Walter D. Ehlers, Henry E. Erwin, Forest E. Everhart, Frederick E. Ferguson, Capt. John W. Finn, Lt. (Ret.), Almond E. Fisher, Lt. Col. (Ret.), Bernard F. Fisher, Col. (Ret.), M. J. Fitzmaurice, James P. Fleming, Maj. Eugene B. Fluckey, R. Adm. (Ret.), Robert F. Foley, Maj. Joseph Foss, B. Gen. (Ret.), Wesley L. Fox, Maj., Harold A. Fritz, Capt. Leonard A. Funk, Samuel G. Fuqua, R. Adm. (Ret.), Harold A. Furlong, Col. (Ret.), Robert E. Galer, Brig.Gen. (Ret.), Harold A. Garman, Robert E. Gerstung, Nathan G. Gorrdon, Lt. Cdr. (Ret.), Stephen R. Gregg, Charles C. Hagemeister, Maj., William E. Hall, Pierpont N. Hamilton, M.Gen. (Ret.), and H. H. Hannaken, B. Gen. (Ret.).

Raymond Harvey, Lt.Cdr. (Ret.), John D. Hawk, George P. Hays, L. Gen. (Ret.), James R. Hendrix, Frank A. Herda, Rudolfo P. Hevmandez, Silvestre Herrera, Rufus G. Herring, Lt.Cdr. (Ret.), Ralyn M. Hill, Joe R. Hooper, Freeman V. Horner, Maj. (Ret.), James H. Howard, Br.Gen. (Ret.), Jimmie E. Howard, 1stSgt. (Ret.), Robert L. Howard, Capt., William R. Huber, Lt. (Ret.), Thomas J. Hudner, Capt. (Ret.), Paul B. Huff, Sgt.Maj. (Ret.), Einar H. Ingman, E. V. Izac, Cdr (Ret.), Arthur J. Jackson, Joe M. Jackson, Col. (Ret.), Jack H. Jacobs, Maj., Douglas T. Jacobson, Maj. (Ret.), Don J. Jenkins, S. Sgt., Delbert O. Jennings, 1st Sgt., Lawrence Joel, Sgt.F.Cls. (Ret.), Leon W. Johnson, Gen. (Ret.), Oscar G. Johnson, William J. Johnson, John R. Kane, Col. (Ret.), Phillip C. Katz, Benjamin Kaufman, Kenneth M. Kays, Leonard B. Keller, Thomas G. Kelley, Cdr., Allan J. Kellogg, G. Sgt. Charles E. Kelly, Thomas J. Kelly,

Robert S. Kennemore, Joseph R. Kerrey, Thomas J. Kinsman, Gerry H. Kisters, A. W. Knappenberger, E. R. Kouma, M.Sgt. (Ret.), George C. Lang, Clyde E. Lassin, Lt., W. R. Lawley, Jr., Col. (Ret.), Robert E. Laws, Daniel W. Lee, Howard V. Lee, Lt.Col. (Ret.), Hubert L. Lee, J. H. Leims, Capt. (Ret.), Peter G. Lemon, John L. Levitow, Jake W. Lindsey, Angelo J. Litkey, Gary L. Littrell, S.Sgt., J. E. Livingston, Maj., James M. Logan, Jose M. Lopez, Sgt.F.Cls. (Ret.), George M. Lowry, R. Adm. (Ret.), Jacklyn H. Lucas, and Allen J. Lynch.

George L. Mapry, M.Gen. (Ret.), Charles A. Mac Gillivary, Walter J. Marm, Maj. (Joe), Robert D. Maxwell, Melvin Mayfield, David Mc Campbell, Capt. (Ret.), Joseph J. McCarthy, Col. (Ret.), Finnis D. McClerry, Richard M. McCool, Capt. (Ret.), Charles L. McGaha, Maj. (Ret.), Vernon McGarity, John C. McGinty, Capt., William L. McGonagle, Capt. (Ret.), John R. McKinney, A. L. McLaughlin, M.Sgt. (Ret.), David H. McNerney, John W. Meagher, Gino J. Merli, Edward S. Michael, Lt.Col. (Ret.), John Mihalowski, Cdr.(Ret.), Franklin D. Miller, Lewis L. Miller, Col. (Ret.), Hiroshi H. Miyamura, Ola L. Miz, Lt.Col., R. J. Modrzejewski, Lt.Col., Jack C. Montgomery, John C. Morgan, Charles B. Morris, M.Sgt., Raymond G. Murphy, Capt. (Ret.), Charles P. Murray, Col. (Ret.), R. B. Myers, Col. (Ret.), Ralph G. Nepple, Robert B. Nett, Col. (Ret.), Beryl E. Newman, Henry N. Nickerson, Thomas R. Norris, Lt. (Ret.), Michael J. Novosel, George H. O'Brien, Lt.Col. (Ret.), Carlos C. Ogden, Richard H. O'Kane, R.Adm. (Ret.), Robert E. O'Malley, Richard H. O'Neill, Nicholas Oresko, Mitchell Paige, Col. (Ret.), Robert M. Patterson, S.Sgt., Archie A. Peck, Richard A. Penry, Francis J. Pierce, John A. Pittman, Richard A. Pittman, S.Sgt., Everett Pope, Thomas A. Pope, L. P. Ramage, V.Adm. (Ret.), Ronald E. Ray, Gordon R. Roberts, Louis R. Rocco, WO, Cleto L. Rodriguez, M.Sgt., Joseph C. Rodriguez, Lt.Col., Charles C. Rogers, M. Gen., Donald K. Ross, Capt. (Ret.), Wilburn K. Ross, M.Sgt. (Ret.), Ronald E. Rosser, and Carlton R. Roush, Capt. (Ret.).

Donald E. Rudolph, M.Sgt. (Ret.), Alejandro Ruiz, Samuel M. Sampler, Clarence E. Sasser, Joseph E. Schaefer, Henry Schauer, C. F. Schilt, Lt.Gen. (Ret.), H. E. Schonland, R.Adm. (Ret.), E. R. Schowalter, Jr., Col., Robert S. Scott, Col. (Ret.), William Seach, Lt. (Ret.), Charles W. Shea, Lt.Col. (Ret.), William A. Shmo, Lt.Col. (Ret.), David M. Shoup, Gen. (Ret.), Franklin E. Sigler, Robert E. Simanek, Carl L. Sitter, Col. (Ret.), John C. Sjogren, Maj. (Ret.), Maynard H. Smith, William A. Soderman, Richard K. Sorenson, James M. Sprayberry, Capt. Junior J. Spurrier, James B. Stockdale, R.Adm., James L. Stone, Col., George L. Street, Capt. (Ret.), Kenneth E. Stumpf, Sgt.F.Cls., James E. Swett, Col. (Ret.), James A. Taylor, Maj., Brian M. Thacker, Max Thompson, Michael E. Thornton, Eng1/c, Leo K. Thorsness, Col. (Ret.), John J. Tominac, Col., John J. Treadwell, Col. (Ret.), Donald L. Truesdell, CWO (Ret.), Louis M. Van Jersel, Archie Van Winkle, Lt.Col. (Ret.), Jay R. Vargas, Maj., Dirk J. Vlug, Forrest L. Vosler, Reidar Waaler, George E. Wahlen (Ret.), Kenneth A. Walsh, Lt.Col. (Ret.), W. D. Watson, Ernst L. West, Gary G. Wetzel, Eli Whiteley (Ret.), Paul J. Wiedorfer, William H. Wilbur, Br.Gen. (Ret.), Charles H. Willey, Charles Q. Williams, Maj. (Ret.), Hershel W. Williams, J. Elliott Williams, Benjamin F. Wilson, Maj. (Ret.), Harold E. Wilson, CWO (Ret.), Louis H. Wilson, Gen., Raymond R. Wright, Gerald O. Young, Lt.Col., Fred W. Zabitosky, 1stSgt., Jay Zeamer, Lt.Col. (Ret.), and William Zuidrveld, Lt. (Ret.).

Mr. RISENHOOVER. Several Medal of Honor recipients are present today and I ask them to stand.

[Applause, the Members rising.]

Mr. RISENHOOVER. I note with pride that, just last Saturday, the Secretary of the Army restored the Medal of Honor to the late Dr. Mary Walker, who was a contract physician during the Civil War and was held for some time as a prisoner of war. She was the first woman awarded the Congressional Medal of Honor. Dr. Walker's Medal of Honor was rescinded in 1917, but that action was recently reviewed in the history of her service to the sick and wounded of both armies. I share the conviction of most of my colleagues that Dr. Walker, indeed, deserves the Congressional Medal of Honor.

I welcome members of the Joint Chiefs of Staff to our ceremonies and I thank the Army Band and the Boston Schools All-City Choir, whose medley was composed for this special occasion, for their outstanding, patriotic performances.

Our flag, the symbol of our patriotism, is important to our Nation. The House, under the chairmanships of our colleagues, the gentleman from Texas (Mr. BROOKS) and the gentleman from Alabama (Mr. NICHOLS), has commendably marked Flag Day with this ceremony. I believe it of utmost importance that we continue to pause in reflection here each June 14. I commend our Speaker, THOMAS P. "TIP" O'NEILL, for continuing this ceremony.

Our flag today flies over a country that enjoys the serenity of peace. But we remain mindful of the specter of war. We have been—and will remain—a peaceful people. But we are resolved to fight for peace if necessary, to die for justice, and to live with liberty for all.

The flag is our reminder of past sacrifices for those causes. It is our inspiration in facing whatever tests may come.

Those 13 original stars have grown to 50—nestled in blue, which is significant of the covenant of the United States against oppression.

Our stripes are unchanged: Red remains our symbol of defiance and daring; white denotes purity.

Such is our Nation, such are our people, and Johnny—when boys or girls who grow up on small farms in Oklahoma, Arkansas, or anywhere else can attain the privilege of honoring our flag in this Chamber, it is, indeed, a great and good Nation.

Our President now is risking our trade and bristling tyrants in his demand for human rights for all people everywhere. That also is not uncommon in the history of this Republic, and is a high and honorable purpose, for the flag—and its principles it represents—emerged at a time when those fledging Thirteen Colonies were denouncing, fighting, and defying oppression of our own people.

The United States of America gave the world a new example of human liberty and responsible personal freedom. Those promises still shine brightly today.

We commemorate the flag this afternoon, but more, we rededicate ourselves to those principles it represents. It is a "Grand Old Flag," alive and meaningful, because of the people who are its defenders.

May it wave for another 200 years and more.

Thank you.

And now, ladies and gentleman, our distinguished colleague from Tennessee, the Honorable ROBIN BEARD, will introduce our principal guest.

Mr. BEARD of Tennessee. Mr. Speaker, ladies and gentlemen, it is a great pleasure and honor for me today to introduce to my colleagues a man who really needs no introduction. For the name Cash is synonymous with the country music that has been so much a part of our national heritage.

A native of Arkansas, Johnny Cash has adopted the great State of Tennessee as his home since joining the Grand Ole Opry there in the 1950's. As an entertainer, he has been a leading figure in the growth of Tennessee's country music industry. As a musician and poet, he has articulated the hopes, the frustrations, the dreams, the tragedies and the joys of Americans in such a way as to make the spokesman for those whose voices might otherwise be drowned out by the overpowering rhetoric of those who presume to know what's best for us all.

Johnny Cash is truly a man of the people. His autobiography, "Man in Black," is a sensitive account of a man who came from humble beginnings and encountered a personal tragedy that overshadowed much of the success of his later years. Yet with the help of family and friends who believed in the strength of his character—a strength of character sustained by a personal devotion to God—Johnny Cash conquered his problems to become an inspiration to just trying to "make it" in the face of what it seems, at times, are overwhelming obstacles.

Johnny Cash has returned to the American people many times over the gift that was given to him. In addition to being a great musician and entertainer, I know him as a patriotic American who has given his time to entertain American soldiers in Vietnam during the height of the conflict there. His deep feelings about his country and its history as symbolized by our flag, have been immortalized in his sensitive poem, "The Ragged Old Flag."

I would like to welcome Johnny's lovely wife, June Carter Cash; his father, Ezra Cash; his sister, Reba Hancock; and his son, John Carter Cash; and his nephew, Cmdr. Roy Cash, who are with us for our program today.

And now I would like to give you the man in black—Johnny Cash.

Mr. CASH. Mr. Speaker, ladies, and gentleman of the House, Joint Chiefs of Staff, honored guests, friends from Tennessee: What a pleasure it is to be here today to take part in this celebration honoring the 200th anniversary of our great flag.

The last time I was in Washington was July 4, 1976, at another big celebration honoring the 200th birthday of our country. We did a concert over here in front of the Washington Monument, and that night we had about 1 million people, as best they could count. June was not with me at that time, and I thought that was a pretty good crowd for me to have when I did not have my

wife with me, with the name of Carter. It was really a high time for us.

I thank you for this great honor to be here with you today.

Last February 1976, my father was talking about wanting to put a flagpole in his yard. He is 80 years old now. Daddy is a World War I veteran, and he likes to see the flag go up and down every day. He asked me to see if I could find him one, and I went to hardware stores in Gallatin, Tenn., and all around our county. I came back to him a couple of days later, and I said, "Daddy, I can't find one. Everybody is sold out of flagpoles." Sold out of flagpoles. I thought that spoke very well for the country, for the mood and for the spirit that our country was feeling then, and what was going on in the country, and how the mood had turned to the positive. There was a positive force and a positive power going on, but we knew that was going to happen all along—Johnny Carter and I did—because about 3 years before that, one afternoon I took him to a matinee, and that was when there was a lot of bad news coming out of Washington every day. There was a pall of negativity hanging over this place, and it was extended throughout the land. So we, like what a lot of Americans were doing, escaped to a movie one afternoon. There was John Carter and myself, and about 500 other kids, watching "Herby Rides Again." We forgot it all. We forgot it all for a few minutes. And as I watched those kids running up and down that aisle, and jumping and playing—all that laughter and youth and energy—I just knew that things were going to get better in this country, because here was the future of our country watching, "Herby Rides Again," and running and laughing and playing and feeling good about it all, and knowing that there was a future for them.

When we put John Carter to bed that night, I thought a lot about it, and I got up and I walked the floor. Before I could go to sleep, I sat down and wrote this:

RAGGED OLD FLAG

(By Johnny Cash)

I walked through a county courthouse square
On a park bench an old man was sitting there
I said, "Your old courthouse is kinda run down."
He said, "Naw, it'll do for our little town."
I said, "Your old flag pole is leaned a little bit,"
And that's a ragged old flag you got hanging on it."
He said, "Have a seat." And I sat down.
"Is this the first time you've been to our little town?"
I said, "I think it is." He said, "I don't like to brag,
But we're kind of proud of that ragged old flag."
'You see, we got a little hole in that flag there
When Washington took it across the Delaware
And it got powder burned the night Francis Scott Key
Sat up watching it, writing 'Say Can you see'
It got a bad rip in New Orleans
With Packingham and Jackson pulling at it's seams
And it almost fell at the Alamo,
Beside the Texas flag, but, she waved on though
She got cut with a sword at Chancellorsville
And she got cut again at Shiloh Hill
There was Robert E. Lee, Beauregard and Bragg
The South wind blew hard on that Ragged Old Flag
On Flanders field in World War One
She got a big hole from a Bertha gun
She turned blood red in World War Two,
She hung limp and low by the time it was through
She was in Korea and Viet Nam
She went where she was sent by her Uncle Sam
She waved from our ships upon the briny foam
And now they've about quit waving her back here at home
In her own good land she's been abused
She's been burned, dishonored, denied, refused
And now the government for which she stands
Is scandalized throughout the land
And she's getting threadbare and she's wearing thin
But she's in good shape for the shape she's in
Cause she's been through the fire before
And I believe she can take a whole lot more
So we raise her up every morning
Bring her down slow every night
We don't let her touch the ground
And we fold her up right.
On second thought, . . . I do like to brag,
Cause I'm mighty proud of that ragged Old Flag."

[Applause, the Members rising.]

Mr. RISENHOOVER. Johnny, we did not know about the flagpole down at Gallatin, but we thought as a small token of our appreciation for your rearranging a very busy schedule and being with us here on Flag Day, 1977, we would take the liberty to have a flag flown over the Capitol. You can present this to Ray in your own good time, and let him fly it on that pole with the certification that accompanies the flag, which says:

This is to certify that the accompanying flag was flown over the United States Capitol on June 14, 1977, for Johnny Cash, at the request of the Flag Day Committee: The Honorable Thomas P. O'Neill, Jr. Speaker, of Massachusetts; Ted Risenhoover, Chairman, of Oklahoma; Robin Beard of Tennessee; David Emery of Maine, and Ron Flippo of Alabama. Certified by George M. White, Architect of the Capitol.

We are very proud to present this flag to you.

Mr. CASH. Thank you.

[Applause.]

The U.S. Army Band and the Boston Public Schools All-City Chorus rendered "America, The Beautiful."

The Colors were retired from the Chamber, the U.S. Army Band playing the "National Emblem."

The SPEAKER. On behalf of the Members of the House, may I thank our distinguished guest for today. We were delighted to meet with his wife and family, and we are very proud to have had him with us.

To all the students from the Boston Public School Chorus, we are very grateful for the beautiful job you did. We are grateful to the U.S. Army Band and to all of those who participated.

To the chairman, TED RISENHOOVER, ROBIN BEARD, and the other members of the committee, we say that we are grateful to all of you. With that, the program is concluded.

The U.S. Army Band and the Boston Public Schools All-City Chorus retired from the Chamber.

The honored guests retired from the Chamber.

At 12 o'clock and 57 minutes p.m., the proceedings in the honor of the U.S. flag were concluded.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that the House will continue in recess until 1:15 o'clock p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1:15 o'clock p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD, and that all Members have permission to extend their remarks on Flag Day.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ENERGY RESEARCH APPROPRIATION ACT, 1978

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7553), with Mr. BROWN of California in the chair.

The CHAIRMAN. When the Committee rose on Monday, June 13, 1977, the Clerk had read through line 11 on page 6 and pending were the amendments, en bloc, offered by the gentleman from Massachusetts (Mr. CONTE).

Mr. JOHNSON of Colorado. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, I know that the disposition of this amendment is probably going to go as the votes have indicated in the past. It wil be defeated, but, of course, we are all concerned about whether or not there will be enough opposition to override a Presidential veto if there is one involved.

The gentleman from Massachusetts (Mr. CONTE) is a great proponent of mental health facilities. I can say to the gentleman from Massachusetts that there will be a need for many more mental health facilities in the West if the gentleman's amendment passes because he is driving us all crazy with his amendment and the attitude that he has exhibited because, Mr. Chairman, the amendment he has offered is one which is reflective of a total lack of understanding on the part of the people who are speaking for it, of the problems of the arid West.

I do not want to make a big, long harangue about this, but it is so frustrating for those of us from the West who live in a country where you do not have water if you do not impound it, to try to deal with people coming from a part of the country who do not understand that basic, simple fact that if you do not have impoundment you do not have water. You cannot have drinking water if you do not impound it where I come from. In its natural state that land only supported a few thousand Indians. We would not have the cities of Denver and other of the western cities and we would not have agricultural development if we had not impounded water. We would not have industrial development if we had not had that water.

I do not know how many have read the book "Centennial" by Michener, but it tries to explain the need for water in our area.

We would not have toilet facilities if we would not have impounded water. That has environmental consequences that are not particularly desirable in the West. I do not know what kinds of facilities they use in Massachusetts, but in our area we prefer flush toilets to privies.

These are the kinds of alternatives the gentleman's amendment is presenting us with. We do not have lawns to water if we do not have water to utilize.

Some of the objections which have been raised are that the impounded water covers the land. There is no way to impound water if we do not cover land.

It sounds as if I am talking to junior high school students, I know, but it is such a basic problem with us in the West and we do not understand why the problem is not understood here in the Congress. If we do not impound the water, we do not have any kind of growth. Those who want to have coal developed in western Colorado must realize we cannot have the coal unless we impound water for the people who will be living there. Those who want to develop the billions and billions of barrels of oil from shale cannot have it unless we have water for the people and for the processes as they are developed.

In some case the impounded water takes farmland. Some people object to that and say if it is going to cover farmland they object to it. They do not want to take the farmland. But the only alternative is to cover rangeland, and the same people object to that.

The thrust of this amendment insofar as the western water projects are concerned is that it will curtail population from moving into the areas where the impoundments and the dams are to be built. Why the gentleman wants to adopt that kind of policy I do not know. So I urge those Members who are perhaps on the fence, if there are any, to consider not placing themselves in a position where they cannot vote to override a Presidential veto. We are not concerned about the defeat of the amendments today, but if the President sees fit to veto this bill, it will be very difficult for those Members who vote for the Conte amendment to switch and then to vote to override a Presidential veto, so we urge the Members to recognize that they will be participating in a thrust against the West that is totally unjustified.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman for yielding.

I was just wondering in the gentleman's discussion of the political arithmetic we face today, is the gentleman taking the traditional Republican stand that we need a veto-proof Congress? Is that his suggestion?

Mr. JOHNSON of Colorado. I understood that was suggested at one time.

Mr. BAUMAN. There is a certain sense of déjà vu in this situation. I believe there was a widely publicized election last November and there even was a change in administrations. I just wanted to make sure for the RECORD that these historic events are noted since the rhetoric today seems so familiar though the cast of characters seems to have changed.

Mr. JOHNSON of Colorado. Yes, and as far as the water situation is concerned I think certain people are disillusioned with the result.

Mr. MILLER of California. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. MICHEL. Mr. Chairman, I rise in support of the pending amendments.

Mr. Chairman, the moneys provided in the bill before us support a major effort by the Federal Government to develop and manage one of our nation's most valuable resources. Water is a priceless commodity, essential to the future of our country, and I have always supported a sound and balanced policy for managing this precious resource.

At the same time, however, I am concerned about our ability to manage an equally precious resource—our monetary resources. With another $60 to $70 billion deficit staring us in the face, we have got to start doing a better job of spending those valuable tax dollars. The committee report says "we cannot take our supply of water for granted." I agree wholeheartedly with this assertion, but I also feel that we cannot take the American taxpayer for granted either.

Unless we foolishly believe that Federal spending can continue to flow in an unending stream, we have all got to face up to our responsibility and make concerted judgments about how those dollars are doing to be spent. It is time for all of us in Congress to take the bull by the horns and make good on those high-toned campaign promises we made and cut spending where spending is not necessary.

We cannot look at Federal appropriations amounting to billions of dollars only in terms of their vote-gathering potential. Our first priorities ought to be their worth in terms of social, economic and environmental impact. In our review of the projects affected we question whether there really is sound economic justification for some of them.

These projects were not singled out to penalize individual districts. Rather they have been selected for deletion after careful review of their benefits in terms of cost, environmental impact and other related factors. I have no doubt that after further review, other projects will be identified which do not meet appropriate standards and which may be recommended for elimination. At that time, I think we will again have the obligation to review those projects and make an informed decision as to how we ought to be spending our money.

It is not surprising that such witnesses as the Corps of Engineers testified during the hearings that these projects ought to be funded. The corps can always be counted on to offer overwhelming evidence in favor of the projects they are involved with. But just 2 years ago, the corps was pushing a project in my own congressional district to the tune of $600 million.

That was a project that was authorized back in the days of my predecessor, the late Everett Dirksen. While the project may have been justified in those days, a completely different view is held by people today as to what ought to be done with the Illinois River.

After reviewing all the facts, it was obvious to me that it was a bad project; it had questionable benefits; it had serious environmental problems, and I opposed funding the project. Fortunately, we were able to keep any money from being appropriated for that proposal.

I know this is not an easy decision for Members to make. Clearly no one wants to stop worthwhile projects from proceeding. However, I do not think we are doing this in our amendment. We are simply asking our colleagues to vote for fiscal responsibility as well as sound wa-

ter management by voting to delete these particular projects from the bill.

President Carter, in proposing that we cut out some of these projects, has departed from the ways of his predecessors. Presidents Kennedy, Johnson, Nixon, and Ford, all products of this Congress at one time or another, were well aware of what the public works bill was and were aware of where the "pork" was. That every Member had his chance in this bill to "promote some goodies for the folks back home."

"You scratch my back, I'll scratch yours"—you all know this thing has been going on for years. It was the accepted way of life. I sympathize with those members of the subcommittee who have had to put up with this practice day after day listening to endless rhetoric and justifications.

I happen to think that we have to have a check-rein on this log-rolling process. I look upon the new President's position as serving this role, and since it is consistent with my own view. I am supporting the President. More importantly, I support the principle that there ought to be a constant review of these costly projects, for times do change.

Mr. Chairman, to illustrate the point, I will conclude by reminding my colleagues of the experience of one of our former Members from the State of Kansas whom some of the older Members will remember. I refer to Mr. Al Cole. He ran for reelection four or five times on the construction of a dam in Kansas and repeatedly got reelected. When the dam was finally built and the water started backing up, dispossessing the farmers, all hell broke loose, and the next time Al ran, he lost his election. Our friend, Al Cole, coming from a good Republican State, went by the board in the Republican State of Kansas, because times had changed over that 10-year period. Sometimes it takes longer, with feasibility studies, the authorization, the planning, engineering and all the rest.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

(By unanimous consent, Mr. MICHEL was allowed to proceed for 1 additional minute.)

Mr. MICHEL. Mr. Chairman, I just want to take this extra moment to conclude by saying I feel this is a reasonable approach the President has proposed. He is forcing us to take another long hard look at these projects one by one. This is why I rise in support of the pending amendment and commend my colleague, the gentleman from Massachusetts (Mr. CONTE) and others for the good job they have done in offering this amendment.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Kansas (Mr. SKUBITZ), since he comes from that great State that I just mentioned.

Mr. SKUBITZ. Mr. Chairman, I do come from that great State of Kansas, yes, and I want to tell my colleagues that I thank them for the support they have given the projects in my State.

The gentleman is correct—times have changed. When the Hildale project was authorized it was authorized as a flood control project. Today, six rural communities and one city are looking to this dam to get their water supply. That dam serves more than six communities.

I want to say to the gentleman that it is just as important for the people of Miami County, Kans., to get drinking water as it is for other areas of this country to get gas and oil for winter heat.

Mr. MICHEL. Mr. Chairman, the gentleman undoubtedly has a worthwhile project in his district, and I commend him for that.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to say a few words in support of the Derrick-Conte amendment. Of the 16 projects for which funding would be deleted by the Derrick-Conte amendment, three are in Colorado—the Narrows, Fruitland Mesa, and Savery-Pothook. As a result, I have discussed the merits of these projects with groups on both sides of the issue and have concluded that the arguments in favor of the projects are not as strong as those against. I, therefore, think that the President's desire to delete funding for these projects is, on balance, reasonable and worthy of support.

A brief analysis of each of the projects deleted in Colorado bears this out:

The Narrows project would dislocate 642 people and their community. Moreover, water quality problems associated with the reservoir could negate recreation benefits, the safety/seepage issue remains unsolved, over 40 historical and archeological sites would be destroyed, 15,000 acres of agricultural and wildlife lands would be regularly inundated by the reservoir, 15 miles of free-flowing river would be lost, and flood control benefits associated with the project are questionable. Also, the remaining costs and benefits at the current rate of 6⅜ percent is 0.9; at the authorized rate of 3¼ percent, the total costs and benefits, although above unity, is still only 1.4.

The Fruitland Mesa project would provide water at an irrigation investment per acre at the very high rate of $4,615, of which only $208 will be repaid by irrigators. The project area is farmed or ranched by only 69 landowners, which amounts to an irrigated investment per landowner of about $1.2 billion. In addition, increased salinity from irrigation return flows would decrease water quality in the lower Colorado River basin. It would also inundate 584 acres of land and 4.5 miles of a good fishing stream while converting 12,000 acres of rangeland to irrigated cropland. This cropland, however, is located at altitudes of 6,000 to 8,000 efet and has a short growing season. The benefits to be gained from this conversion of rangeland to cropland is therefore questionable. Moreover, the cost/benefit ratio at both the current and authorized rates is below unity. At the current rate, the cost/benefit ratio is 0.3; at the authorized rate it is 0.5.

The Savery-Pothook project, as planned, will benefit only 106 existing farms at an average irrigation investment per farm of almost $700,000. These project lands are at an altitude of 6,500 feet, and thus have a short growing season similar to that of the lands proposed to be irrigated by the Fruitland Mesa project. In addition, high dissolved-salt concentrations in project return flows would increase existing water quality problems downstream in the Colorado River. Also, approximately 20,100 acres of wildlife habitat would be modified or eliminated, affecting deer, elk, antelope, and sage grouse. While these losses are substantially mitigated by development of additional habitat, significant losses in the sage grouse and antelope populations would occur. Finally, the cost/benefit ratio at both the current and authorized rates is again below unity. At the current rate, the cost/benefit ratio is 0.4; at the authorized rate it is 0.7.

Overall, the reaction to the President's request for deletion of these water projects has been met with cries of foul play by many Members. After taking stock of the situation, my sense is that, to many Members, foul play only involves knocking out a project in that Member's district. Projects outside a Member's own district become dispensable in the minds of many, and knocking out those projects becomes a good way to save the taxpayer some money. In short, the water projects have become another classic example of Members being willing to gore everyone else's ox, but being reluctant to gore their own.

I think the key is looking beyond one's self-interest. Nothing in the Federal budget ought to be sacrosanct, whether it is a congressional pay raise, a dam, a highway, or whatever. The reason the Federal budget is so bloated is that it is filled with many costly and perhaps mostly worthwhile expenditures. But we cannot ask the taxpayer to buy everything for everyone. There just simply are not enough tax dollars to go around.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Derrick-Conte amendment to prohibit funding of 16 water resources projects includes a program vital to the State of Missouri and the 10th Congressional District. That is, the Meramec Park Lake project. I have been a strong advocate of this program for the past several years for four specific reasons. First, there is a very real and recurring flood control problem in much of my district. The Meramec Park Lake project and the Meramec Basin programs contribute in alleviating flood damage. Second, there is getting to be a concern in Jefferson County, Mo., about an adequate water supply. As the population and industrialization accelerates, we are required to go deeper and deeper to acquire water. The projects of course would provide for a reservoir of water for water supply purposes. Meramec Park Lake will provide 207 million gallons per day of water to shortage areas.

Mr. Chairman, I would like to read a letter from Floyd E. Sutterfield, manager of two of these water supply districts in Jefferson County. The letter is as follows:

ANTONIA-OTTO PUBLIC WATER
SUPPLY DISTRICT NO. 9,
Jefferson County, Mo., April 6, 1977.

Re Meramac Dam Construction

I am Manager of Public Water Supply Districts Nos. 9 and 4 in Jefferson County. These Districts have experienced an extremely rapid rate of growth, gaining 400 new families during 1976.

Deep wells owned by the Districts were placed in operation at high costs with production rates that have been disappointingly low.

In an effort to improve production, one of the Districts wells was drilled to a depth of 1,830 feet at a cost of $90,000.00. Initial production of 160 gallons per minute has dropped to 50 G.P.M. because of the increased demands and a diminished sub-surface supply of water. We are advised by the State Geologist that sites for higher production wells are unlikely within the areas of Districts 9 and 4.

In addition to the demands for water for ever increasing new families in Jefferson County, a number of Fire Districts have been created adding further to the water supply problems of Districts 4 and 9.

During the summer of 1976 the entire available water supply of Public Water Supply District No. 2 was exhausted because of a fire in High Ridge, Missouri. Public Water Supply District No. 6 in House Springs, Missouri was also without water in the fall of 1976 because of a similar experience.

To meet demands, Public Water Supply Districts 9 and 4 are compelled to purchase water through short term contracts from St. Louis County Water Works Company through the existing mains of Districts 1, 3 and 10.

I urge the immediate construction of Meramec Park Lake. Water from that source is desperately needed to accommodate the water supply needs of Jefferson County as well as many other Communities in the Meramec Basin Area. Regulation of the flow down-stream from the dam would make the extension of a transmission water main feasible to the Public Water Supply Districts of Jefferson County.

FLOYD E. SUTTERFIELD,
Manager.

Third, the St. Louis area is in great need of more adequate water recreation facilities which the project would provide. Still yet another important factor is that of construction employment opportunities the project would supply.

This spring, due to the controversy surrounding this program, I conducted a poll in the three counties in my congressional district which would encounter the greatest impact if the project was, or was not, completed. The results overwhelmingly reinforced my position in support of the project: 65.3 percent of those responding were in favor of continuation of Meramec Park Lake; 26.6 were against; and 8.1 had no opinion. My colleague, RICHARD ICHORD, also conducted a poll in the specific counties in his district in which the Meramec project is being built and his results indicated 62.5 favored completion of the project.

The project has passed all phases of the administration's review criteria except for the possible impact of the project on two endangered species: The gray bat and the Higgins eye pearly mussel. The review by the administration brought about the first knowledge that these two species were present. According to law, the Governor of the State is to be notified when an endangered species is located in his State, and apparently this has never been done in Missouri. On this same note, the U.S. Court of Appeals for the Eighth Circuit did rule in April 1976 that the corps had adequately measured the environmental impact of the project and ruled against a Sierra Club suit which contended that the project violated the Endangered Species Act by threatening the Indiana bat.

Meramec Park Lake has met all the administration's tests for safety, environmental balance, and economic soundness.

At present, the lake is nearly one-fourth complete and construction has been in progress for almost 3 years. Approximately three-fourths of the needed land has been acquired and to date Congress has appropriated a total of $35.3 million for the project. The House Appropriations Committee in this bill has approved an amount of $10 million to continue the construction.

The benefits of continuation of the Meramec Park Lake project far outweigh any of the objections raised to halt the program. The benefit-cost ratio of remaining costs to remaining benefits to be realized at 6⅜ percent of interest is 1.5 to 1. I stand in strong support of this program and in opposition to amendments to prohibit funding.

Mr. ICHORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the Chair's recognition so as to continue the discussion on the Meramec Park Lake project which is located in my district, the Eighth District of Missouri.

Mr. Chairman and members of the committee, like the gentleman from Massachusetts (Mr. CONTE), my good, but not always loyal, friend on the issues, I do not know too much about the projects in other Members' districts. In short, they know more about their projects than I do; and I am fairly certain that they know more about their projects than does my good friend, the gentleman from Massachusetts (Mr. CONTE).

Therefore, Mr. Chairman, I rise not only in support of my own project, but also in support of the projects of the gentleman from Kentucky, the gentleman from North Dakota, the gentleman from Oklahoma, the gentleman from Tennessee, and all of the others.

Let me advise my good friend, the gentleman from Massachusetts (Mr. CONTE), if I may obtain his attention, about the Meramec Park Lake project. I do not know—I will leave that up to the gentleman from Massachusetts to answer, but I would wager that he has never been on the Meramec River. I have known it from the age of memory to the present. I have fished it. I have skinny-dipped in it, Mr. Chairman. I have waded it. I have swum it. I have canoed it, I have kayaked it, I have jon-boated it. I have plugged it. I have fly-fished it from the headwaters to the mouth, all 220 miles of it, from where it starts to where it flows into the Mississippi River.

Mr. Chairman, I worked on the Meramec Park Lake project for 15 years, along with the former senior Senator from Missouri, Stuart Symington, the father of our former colleague in this body, Jim Symington.

To date, Mr. Chairman, we have appropriated $35.3 million on the project. Twenty-two percent of the project has been completed—and listen to this—71 percent of the land has already been purchased.

Mr. Chairman, even the gentleman from Massachusetts (Mr. CONTE) should realize the chaos that would be created in the sparsely settled area where the lake is located.

This land has already been taken off the tax rolls in an area where tax money is in short supply.

Let me ask the gentleman from Massachusetts and the gentleman from South Carolina, are they so enamored with the indiana bat, the gray bat, and the higgins pearly eyed mussel that they do not care anything about people at all?

Let me tell the gentleman from Massachusetts and the gentleman from South Carolina that water in this section of Missouri 10 years from today will be just as precious and perhaps just as scarce as it is in some of our more arid Western States.

I repeat, I cannot understand the gentleman from Massachusetts and the gentleman from South Carolina.

I would suggest they listen to this: The Meramec Park Lake project has a cost benefit ratio of 1.9 to 1, at the authorized benefit rate. It is about one-quarter completed. Even at the President's rate, it has a cost-benefit ratio of 1.5 to 1. In my own opinion, Meramec can be justified on the sole ground of water supply alone without having to consider the flood control, recreational, and other benefits that will be derived.

I state to my great friend, and my highly respected friend, the gentleman from Massachusetts (Mr. CONTE) it is my understanding that the gentleman has voted for all of the water projects built overseas where, it is my understanding, that we have no cost-benefit-ratio criteria whatsover. How can we eliminate the development of our resources in our own country and appropriate billions of dollars for water resources development in foreign nations? I fear that the gentleman from Massachusetts is listening to the voices of those alleged ecologists who unfortunately have taken the word "logic" out of the word "ecological."

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BURLISON of Missouri, and by unanimous consent, Mr. ICHORD was allowed to proceed for 5 additional minutes.)

Mr. ICHORD. Mr. Chairman, I thank my colleague, the gentleman from Missouri for yielding me this additional time.

Let me say that I will be glad to yield to anyone who wishes me to do so, if they have any questions about the validity of the Meramec project. If not, I will yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Chairman, I would like to speak again on this crucial amendment that the gentleman from South Carolina is cosponsoring with me. This amendment will terminate those projects that were approved in the past because they possess less relationship to economic necessity than to the political clout that the district's Representative wields on Capitol Hill.

Look at the proposed Lukfata Lake project in Oklahoma, home of our former Speaker, the Honorable Carl Albert. The aerial map here shows that there are six other reservoirs in the vicinity of this proposed project. The map also shows that the State is saturated with these federally supported projects. That boondoggle will provide 70 percent of its water benefits for one catfish farm, with the current estimate of its total cost being $31.5 million and its benefit-cost ratio being only 1.02 to 1, using the current 6⅜-percent rate. How can such a project be justified?

Look at the three proposed projects in Colorado, the home of the former chairman of the Interior Committee.

The Fruitland Mesa project, costing $97.9 million, will be for the benefit of 69 landowners, which amounts to an irrigation investment per landowner of about $1.2 million. The telling tale on this one is the remaining benefit-cost ratio, 0.3 to 1, using today's rate of 6⅜ percent. Even the irrigation investment per acre amounts to $4,615 of which only $208 will be repaid by the irrigators. How can this be justified?

Another project also located in the State of the former Interior Committee chairman is the Savery-Pothook project, which will cost the taxpayers $75.8 million, with a remaining benefit-cost ratio of 0.4 to 1, again using, the generous 6⅜-percent rate. This little pork-barrel project will benefit only 106 existing farms, which works out to be an average irrigation investment of almost $700,000 per farm. And for what? I will tell you what this $75 million buys—it will irrigate marginal meadowlands and alfalfa growing areas, at the 6,500-foot level, and with short growing seasons. Seems like a lot of money—$700,000 per farm or $4,000 per acre, for some hay.

The last Colorado project that is terminated by our amendment is the Narrows Unit, costing $145.7 million. This is another boondoggle that did not reach the remaining benefit-cost unity rate of 1 to 1, this one being 0.9 to 1, again at the 6⅜-percent rate.

This project is a classic example of "robbing Peter to pay Paul" since 825 people will be forced to relocate, along with several farm communities, as a result of this project, in order to benefit another group of well-to-do farms.

The proposal would destroy over 40 historical sites. And consider this, the proposal will utilize the same earthfill concept that was employed in the Teton Dam with its disastrous results. And, just as in the Teton Dam case, there are experts who are warning that the dam will fail to anchor the slurry trench in bedrock. One such expert is the Colorado State Engineer.

Finally, this project would regularly inundate 15,000 acres of agriculture and wildlife lands, lands which are the habitat for millions of migratory birds, and lands which are used each spring for the nesting grounds for many other species of birds. In return, the project proposes to create a new wildlife area. I ask, how can one improve on the one provided by nature?

The final word on these Colorado projects is that all three are to be constructed by the Bureau of Reclamation. That is the same Bureau of the Interior Department that was under the "guidance" of the former Interior Committee chairman from Colorado.

While considering the benefit-cost ratios, I must also bring another project to your attention. This one happens to be in the State of Tennessee. I am speaking of the Columbia Dam, which will cost the taxpayers $142 million, and which has a remaining benefit-cost ratio of 0.8 to 1. The supporters of this project cite the recreational benefits of the reservoir. They fail to mention that the State already has over 638,000 acres of flatwater recreation, and 11,000 miles of lakefront shoreline, which is more than in the State of Michigan, with its great lakes. All of this water recreation development in Tennessee is with the compliments of the taxpayer through the Corps of Engineers. I really do not believe that the State of Tennessee is in dire need of these additional water recreation facilities, nor will the demand for the water be as great as what the TVA estimated since the recent census figures revise the regional population figures downward from 370,000 to 275,000, a sizable drop.

These are just a few of the glaring examples of the uneconomical decisions behind these extravagant projects. I cannot justify the continued funding of such waste, especially not in light of the demands from the public to be more prudent with our expenditures, and with the President sincerely trying to turn the budget around in the direction of balancing rather than spending and wasting.

I would like to bring to your attention some examples of the environmental consequences of this bill.

First, I want to emphatically state that I do not subscribe to the doctrine that is clearly enunciated in this bill—that of "the environment be damned."

The most glaring example is the Cache River channelization in Arkansas, where for $93.2 million we will accelerate the clearing and drainage of over 110,000 acres of bottomland forest and wooded swamp, destroying the heart of the delta hardwood forest. At present, nine States are joined in a lawsuit to stop this environmentally unsound project. This project would destroy an important wintering ground for migratory waterfowl, pollute downstream areas including farms, designated wilderness areas, and a national wildlife refuge; and deplete an already low groundwater level. And for what? For facilitating the clearing and drainage of land for the production of soybeans and rice. Ten percent of the landowners will receive 50 percent of the benefits. As the U.S. Geological Survey map here shows, the area has been virtually cleared of forest area since 1935, the first map, and 1967, the second map, indicated by the reduction in green-colored areas. The only remaining greenbelt area is along the Cache River, which will be cleared by this project. I firmly believe that the environmental considerations outweigh the benefits that 10 percent of the landowners will receive.

Another environmentally destructive proposal is the Meramec Park Lake in Missouri where for $124 million we will destroy 75 miles of Ozark streams, forest habitat, archaeological sites and fisheries, and 100 scenic caves including the one pictured here. All of this for a supposed benefit of recreation and flood protection. According to the corps' own statement, half of the recreation benefits in this destructive proposal would be derived from sightseeing, those who are looking in awe or disgust at what the corps has built. This hardly justifies the inundation of 12,600 acres of which half is prime farmland, supposedly to protect only 11,900 acres of land from flooding.

I must also bring up the Bayous Boeuf, Black and Chene project in Louisiana, which will cost $20.3 million. This project would benefit only two companies which need the enlargement of the channels in order to transport their large oil and gas drilling rigs. If this is so badly needed, one might ask what are they using now?

I believe that if the two major companies in the area, who desire this project, would invest a small portion of their annual incomes, which are reported to be in excess of $200 million, or 10 times the cost of this project, then the taxpayer would be spared this unjust expense.

The project would eliminate or severely degrade over 7,500 acres of productive wood swamp, marsh, and shallow open water. In addition, the dredging and disposal of over 30 million cubic yards of spoil material would also disrupt highly productive marsh and wetlands, including the endangered southern bald eagle, and the threatened American alligator. It is estimated that the annual losses to fisheries would amount to over 1 million pounds.

I do not believe that the merits of this project, and the benefits that will be derived by the two corporations and whoever they subcontract to, outweigh the destruction of an area which holds enormous renewable resource potential.

In reviewing these projects we should realize that our environment has repeatedly been the victim of these and other projects in the past. It cannot continue to bear this abuse. We should deliberately and cautiously decide on what burdens we want to inflict on the fragile

environment in the future. In my opinion, these unwise projects merits do not offset their potential destructive environmental impact.

Mr. Chairman, we have been deluged, or maybe the proper word is "flooded," with all sorts of slick, expensive advertising gimmicks which are to persuade us to vote for the continuation of this boondoggle. This massive lobbying effort is a boondoggle in itself. It raises a question in my mind of why are these interests and Members of this body so vocal in their opposition to our amendment if these proposed expenditures can indeed be easily justified?

I think the question answers itself. They cannot. But, if our amendment to terminate 16 projects and modify one additional project is agreed to, there still will be 489 meritorious projects that will be continued under the committee bill. Enough, I believe, to have one situated in each Members' district and still have a surplus.

If this is the object of the opponents of our amendment, I would urge them to change their position and support us, since our amendment will restore some of the funds the subcommittee deleted, and these funds would be available to be redirected to their districts' project.

Finally, Mr. Chairman, I would like to comment on some faulty reasoning that surrounds this issue. For one, the water resource projects are capital intensive and, therefore, create fewer jobs than spending on almost any other Federal program. Directing money to mass transit, national clean water efforts, and other general construction would create more long-lasting jobs than these water projects. In fact, just plain tax relief will create more jobs than these water projects.

The argument is made that these projects are needed in the West in order to counter the current drought. It should be noted that these projects will not be in use, by everyone's estimate, in time to assist in this current drought. Further, these projects do not make water, they only store what has been deposited by the rains. And when it does not rain, there just plain is nothing to store. This is the situation in the Northwest, where they have the reservoirs, but do not have the rainfall needed to fill them. Maybe a better approach would be to encourage individuals, who make large demands on water resources, to live in those areas that receive adequate rainfall, rather than situating in an arid area, and then expect the Government to provide the water they need.

In conclusion, Mr. Chairman, I would like to urge my colleagues to disregard those tainted threats, and the slick P.R. campaign, and to vote the merits of the issue.

And the issue is whether these projects merit continued Federal funding based upon available information about their economic, environmental, and safety soundness; tests that the other 489 projects have been through and passed.

I think the facts speak for themselves. I urge my colleagues to support the amendment.

Mr. ALEXANDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Massachusetts and I have had a long association as sportsmen, I have high regard for the gentleman as both a sportsman and as a Member of Congress; but, I must say to the gentleman from Massachusetts that I am surprised that he has been misled by the factual misrepresentations that have been made to him that have led him into the position that is bound to be embarrassing to him. The gentleman has stood in this well today and grossly misrepresented data alleged to relate to a well-balanced project in my congressional district.

Mr. Chairman, let us take some of the points the gentleman attempted to make. First of all, the gentleman said that the Cache River project would accelerate the clearing of 110,000 remaining acres of wetlands. Actually, there are only about 85,000 acres of privately owned flood plain forest and fewer than 14,000 acres of wetlands remaining. The State of Arkansas owns another 16,000 acres.

During the last 70 or 80 years the woods in the Cache Basin have fallen to the blade of the ax and the buzz of the saw, because those lands are privately owned, not because of this project.

There is no State or Federal law that would prevent the private landowners from continuing to clear that land. It is only through this project that we have the hope of preserving the remaining flood plain forest and wetlands, up to the 70,000 acres that stand there today.

The gentleman from Massachusetts and my friends in the environmental area are grossly in error when they oppose this project. It is only through this project that we have the hope of preserving the balance of those wetlands and forest acres.

Mr. Chairman, I quote from the ecology magazine in Arkansas, The Monitor, the publication of the Arkansas Department of Pollution Control and Ecology, when they say:

> The most lopsided environmental issue the (Arkansas Pollution Control and Ecology) Commission has had, or probably ever will have, under consideration is the Cache River Controversy. It undoubtedly is also the most misunderstood.
>
> On the one side is the preservation of 70,000 acres of additional woodlands. On the other side there is no guarantee of the preservation of a single acre of woodlands which would be in addition to those which have been acquired by the (Arkansas) Game and Fish Commission.
>
> . . . Although it may be ironic, the only real hope of preserving a substantial part of the remaining woodlands is in connection with the Corps project. . . .

The gentleman goes on to say that to complete this project would pollute the downstream and especially the White River Wildlife Refuge. I would quote to the gentleman from pages 224 and 225 of volume 9 of the subcommittee hearing record where it says that "Exhaustive studies of this matter indicate that only 0.13 percent of additional sediment will be deposited in the lower 30 miles of this flood plain over the next 100 years." That could be caused by natural erosion without the project.

The gentleman goes on to make the argument that only 10 percent of the landowners would benefit from this project.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

(By unanimous consent, Mr. ALEXANDER was allowed to proceed for an additional 2 minutes.)

Mr. ALEXANDER. Mr. Chairman, the record documents that of the 6,400 land owners in the basin that have an average of 160 acres per farm, that over half of the people would benefit, and that of the some 1,449 people that attended, and registered at, the Corps of Engineers' March 28 public hearing, 1,356 registered in support of this project.

The record concluded that: "It was evident that these people—from this basin—were interested in not only reducing the flood damages—that are caused from flooding every spring—but also in preserving hunting, fishing, and remaining natural environmental areas, as planned in the project. . . ."

Mr. Chairman, one final point of rebuttal. The gentleman says that to go on with the Cache project would destroy the duck hunting in this basin. Heaven forbid. I have hunted with the gentleman from Massachusetts on the eastern shore.

Our findings in this subcommittee hearing record conclude that even if the entire mallard population were destroyed within the Cache basin that the total duck population within the Mississippi flyway would only be reduced by 1.6 percent.

There is no evidence to support the proposition of the gentleman from Massachusetts. According to the Ecology magazine in Arkansas, the only hope, even though it is at the hands of the Corps of Engineers, for preserving the remaining wetlands in the Cache basin is through this project.

Mr. ABDNOR. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by my good friend from Massachusetts.

Mr. Chairman, again I ask the House to keep in mind the real issue pending before it. The question of the specific water projects is only the context for this broader issue. The broader issue, of course, is the integrity of congressional decisionmaking and congressional prerogatives.

Each one of the projects that has been marked for extinction has been subjected to years of analysis and review by Congress. Each has been thoroughly studied for benefits, impacts, and outcomes. The decision to fund these projects resulted only from systematic and extensive deliberation.

It is little wonder that many of my colleagues reacted strongly against President Carter's proposal to stop these projects. Like them, I wonder how this new administration in its early days of office can reach an informed decision contrary to that taken by Congress after 20 years of review and analysis.

Some of us are skeptical that this decision was an informed one. Indeed, our skepticism is reinforced when we look at the comments circulated among our colleagues by supporters of efforts to cut these projects. Some have cited the OAHE project which I am most familiar with. Unfortunately, what we have seen is misrepresentation of facts concerning this project. It is indicative of the very issue at hand—rash, hasty decisionmaking by newly elected individuals versus the reasoned deliberations of Congress.

Allow me to use my knowledge of the OAHE project to demonstrate this.

One of the major points brought out by critics is that the project will take 110,000 acres out of production in order to irrigate 120,000. This is woeful misrepresentation. Some 70,000 acres will be used for the project. Of this, currently 13,000 acres are not being used for agricultural production. As a consequence, 57,000 acres will be used in a project serving 190,00 acres. I do want to note that 40,000 acres are to be used for wildlife mitigation and enhancement. But this is a different issue from that of project utilization.

A second major contention used by opponents is to say that a majority of local residents of the Oahe area oppose the project. The Oahe Conservancy Board supposedly represents this opposition to the project. The fact is that a majority of farmers who receive direct project benefits favor the project. They live in the two irrigation districts affected by the project—the West Brown and Spink County Districts. It is true that there is an organization of farmers opposed to the project. They represent neither the general feeling of South Dakotans nor the feeling of farmers who will benefit from the project. By a combined majority of 95 to 6, the South Dakota Legislature adopted legislation that declared it the "public policy * * * that the Oahe unit be continued and completed * * *."

Third, several arguments have been raised that construction of the Oahe unit will significantly alter water availability for other functions of the dam, especially navigation and electricity production. First, I want to note that the Oahe unit will divert only 2.5 percent of the water in the river system and will ultimately consume only 1.5 percent. The Oahe unit will take only 300,000 acre feet per year. The Bureau of Reclamation reports that some 23 million acre feet per year are released above Sioux City. In short, only 1.5 percent of the total released is consumed by Oahe. This is interesting to note that nearly three times that amount—over 1 million acre feet—are lost every year to evaporation.

As far as electricity generating capacity is concerned, again only 2½ percent potential will be lost. But there is more to this story. The nondevelopment of the OAHE unit will adversely affect hydroelectric rates. Approximately $144 million of moneys already expended to provide the power facilities and storage reservoirs for the OAHE project are to be repaid from revenues from the developed OAHE project. That money was made available interest free with the project to repay it later. The conclusion is obvious. Nondevelopment of the OAHE unit will result in at least a 12.4 percent rate increase from the Bureau of Reclamation which translates into millions of dollars of increased electric bills. Only 11 percent of the electricity is used in South Dakota. The remainder goes to other adjacent States. My colleagues should bear in mind that support of this amendment means higher utility rates for their constituents.

It is argued that the land to be included in the irrigation district is unsuitable for irrigation. I ask that you consider the unfounded assertions of a Member of the House in relation to scientific studies which demonstrate just the opposite. This land has been certified as able to remain permanently productive under sustained irrigation by the Secretary of Interior as a result of thorough and extensive reclamation detailed land classification. Neither the Soil Conservation Service nor South Dakota State University soil scientists find any substantive reason to differ with Reclamation's findings. I remind you that this is scientific evidence which directly counters the assertions—and that is all they are, assertions—of Members of this body.

Finally, a number of arguments are made that could loosely fall under the heading of environmental concern. It has been argued that the project would destroy much of America's remaining prairie pothole wetlands. It is true that the Oahe unit will alter prairie pothole wetlands. It will take approximately 23,768 acres. This is approximately 1 percent of existing prairie pothole wetlands in the United States. Further, a revised wildlife plan for the Oahe unit will, if approved, compensate for these losses by restoring wetlands that have been previously drained.

Other critics charge that the project will require the channelization of the James River. While initial plans did call for this, the matter has been under study since 1974. Currently six alternatives are under consideration. The Bureau of Reclamation has determined that channelization of the James River should no longer be considered a prerequisite to successful development of the Oahe unit. In short, the environmental impact on the James River is being fully considered and by no means does completion of the project mean environmental degradation of the river.

It is important to note these points, ladies and gentlemen, for it indicates well the point that all my colleagues have been making. This project as well as the rest of the projects have been subjected to a thorough and systematic review. They are being criticized by individuals who lack facts and analysis and who are launching a critique without knowing all the facts. The issue, as I said before, is the integrity of the congressional decisionmaking process. And what we are seeing today is a good witness to the need to preserve it. The future benefits for America depend on it and can only be threatened by giving into these pressure tactics.

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as an old country preacher would say down in my district, "I am here today to spread a little truth" on a little matter concerning a water project in Oklahoma. I want to spread a little truth, I say to my friend, the gentleman from Massachusetts (Mr. CONTE), because I think we need to hear the good news based upon the facts instead of the news from Ohio based upon falsehoods.

Just as one of the Members of the opposing groups stated awhile ago, there are a number of lakes in that area, and there is one more needed to fulfill the honor and the word of this body established a number of years ago. I am referring to the decision by the Congress in 1958 to authorize the Lukfata Dam. I would like to present to this body the criteria that was brought out by the Presidential task force, which had a closed mind. They never came to my area of the State to review the project. But for purposes of the record, the Presidential task force held a hearing on March 28, in Broken Bow, Okla., just about 10 miles from the Glover River on which Lukfata Dam would be built. Ironically, that day this river flooded. And it would not have if the Lukfata Dam had been built. It flooded, causing over $2 million worth of damage.

The project we are talking about today would only cost about $30 million. We are only asking for $200,000 to continue the project. Only $200,000. The Members can figure as well as I can. If this project is delayed 1 year at $30 million, at 5-percent interest, we have increased the cost by $1,500,000. Yes, by the task force's criteria it does not post the greatest margin of profit or margin of economy. However, it does exceed the minimum cost-benefit ratio mandated by the Congress. But let me asure the Members that many of us have witnessed a number of these projects going to foreign countries which do not have to meet any economic criteria—$50 million going to Communist Rumania, which does not have to meet any criteria. I think it is an insult to the people of the Third Congressional District of Oklahoma to say, "Oh, this project is not the greatest one," when we do not even ask for the economic criteria for those projects we are helping build in Communist countries.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. I thank the gentleman for yielding.

Mr. Chairman, that point has been made before. I would like to direct the gentleman to section 101 of the Foreign Assistance Act, which says that none of the moneys appropriated can be used to fund water projects overseas that do not meet the standards that are applied domestically, according to the President's memo.

That is exactly the same criteria we have here.

Mr. WATKINS. Mr. Chairman, one of the great concerns I have is that these foreign projects do not help the taxpayers of this country who are being asked to pay for them.

There is one other point I would like to make. The task force says the Lukfata project would inundate 1,680 acres of wildlife and of the native timber. I would like to particularly point this out to the body that if the Lukafata Dam project is built, there will be preserved approximately 20,000 acres of land as a corridor around the reservoir that the Corps of Engineers would acquire.

In the immediate vicinity of this project one of the major landowners is a timber company. That company is performing a tree-farming operation, and it is clearing all the native land.

The one way that we can save the needed native land is to have a project here that will preserve around 20,000 acres.

Criteria No. 3 of the criteria that were brought out by the Presidential task force was that the project would affect the habitat of a proposed threatened species. Mind you, the word is "proposed." This is a proposed threatened species.

I have a specimen of that little threatened species here in this small jar. This is called the Leopard Darter—commonly known down home as the "Carter Darter." This Leopard Darter is a mutation of the Black Darter and the Snail Darter.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. WATKINS) has expired.

(By unanimous consent, Mr. WATKINS was allowed to proceed for 2 additional minutes.)

Mr. WATKINS. Mr. Chairman, this little darter is found in locations not just around Lukfata Creek but in all the tributaries of southeast Oklahoma, along with tributaries in my neighboring areas in southwest Arkansas. According to the environmental impact statement of the project, Lukfata Reservoir would affect only 3 percent of the Leopard Darter's habitat. So we are not talking about an endangered species.

Let me talk about Criteria No. 4. The task force indicates there will be a severe water quality problem. Commonsense will tell us that if we preserve the 20,000 acres of native land around this project, we will be doing more to preserve water quality than if we continue to farm the trees right up to the edge of the bank. That is a fact. I would like to encourage those Members who support this amendment to keep an open mind on that particular problem.

This is Criteria No. 5. It refers to the water supply. One of my good friends mentioned a while ago that it would only go to one fish farmer and to one small town. Let me bring these facts to the attention of this body.

Because of the Pine Creek Dam that was built a few years ago 20 miles away, we were able to secure the location of a paper mill that is now a major employer in this area. This is the fastest growing area and the fastest growing county in my entire Third Congressional District. The economic level of the people there is mighty low now, but this project will be serving a community that has enjoyed a rapid growth. This is a county seat town that has grown faster than all predictions and is 10 years ahead of its population projections.

Criteria No. 6. They say that Glover Creek is the last free-flowing river in the area. Let me say to the Members of this body that I was raised in this area. I have walked across this creek many times. Often I could walk across the creek barefooted and not even get my feet wet. It does not flow freely the year around, and in many months of the year it does not flow at all.

Mr. Chairman, I bring these six points to the attention of the Members. These are the criteria, and three of them I was not even aware of before now, because they did not bring these points up through the Presidential task force in the beginning; they brought these criteria out at the last minute.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. WATKINS) has expired.

(On request of Mr. DICKS and by unanimous consent, Mr. WATKINS was allowed to proceed for 1 additional minute.)

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I just want to make one point and commend the gentleman from Oklahoma (Mr. WATKINS), with whose remarks I want to associate myself.

The section 101 that the gentleman from Massachusetts (Mr. CONTE) refers to does not apply to international organizations, and it is through the international organizations such as IDA and the World Bank that we are spending $250 million of this country's money to finance these foreign water projects. What the gentleman is talking about is direct bilateral aid. Most of our funds for foreign water projects go to the international organizations, and I think that point ought to be clarified.

Mr. WATKINS. Mr. Chairman, the gentleman's point is well taken.

Mr. Chairman, I want to conclude by appealing to the Members who might oppose my position to keep an open mind.

I would like to show the Members what happened at the time of the last flood on Glover Creek. I ask the Members to think about the people in that area who are depending on us and who are looking for our votes today. I ask the Members to give their consideration to this particular vote today and to support the needed money to build these projects.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. WATKINS) has again expired.

(On request of Mr. EDWARDS of Oklahoma and by unanimous consent, Mr. WATKINS was allowed to proceed for 1 additional minute.)

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I thank my colleague for yielding.

I would like to commend the gentleman from Oklahoma (Mr. WATKINS) for his excellent statement and give my complete support to everything he has said. I urge the defeat of this amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I support the public works appropriations bill as it was reported to the House by the Committee on Appropriations. I commend my friend from Alabama, Mr. BEVILL and the gentleman from Indiana (Mr. MYERS) and the members of the subcommittee for bringing us a well balanced bill below the budget. This is a bill that will build America. When I think of the millions of dollars that we spend in foreign aid to build dams and waterways in foreign countries, then I am proud of the little money we spend in this bill each year for the benefit of our own people. This bill takes full cognizance of environmental concerns and again I say it is well balanced.

I urge Members to vote down the amendment of the gentleman from Massachusetts (Mr. CONTE) and to support the bill as reported.

Mr. MIKVA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, let me first thank the distinguished gentleman from Alabama (Mr. BEVILL) for his courtesy and sense of order in formulating the terms of this important debate. There has been a lot of discussion so far by the opponents of this amendment which suggests that if this amendment is agreed to, we will lose the solution to the drought problems that is contained in this bill; that these water projects are needed to insure more water.

We do not have to be engineers and we do not have to tread barefoot through the creek that the gentleman from Oklahoma (Mr. WATKINS) describes to know that these dams are not going to cause more rain to fall. We are not going to create any more water as a result of these dams. We are going to redistribute it to some extent; sometimes that is good, and sometimes that is bad.

Unfortunately, what this argument portends is that these dams are somehow part of an overall water problem solution that is contained in this bill.

Unfortunately, the way we have handled these kinds of projects makes it impossible to achieve that result.

That is why I am in support of this amendment, which seeks to remove the 17 projects that have been found wanting.

The fact of the matter is, as my distinguished colleague, the gentleman from Illinois (Mr. MICHEL), said earlier, these projects have been decided on the basis, from time immemorial, of the particular Member who has pushed hard and who is a well-liked Member. If he pushes hard enough and comes back often enough—and sometimes he has to come back for 15 years—he will get his project.

Mr. Chairman, as my distinguished colleague, the gentleman from Missouri (Mr. ICHORD), said:

> We do not know as much about projects in somebody else's districts, but I know a lot about mine. Therefore, you ought to support it because I support yours and you should support mine.

That is pretty good in terms of scratching each other's back, but it is very bad in terms of our getting any kind of coordinated policy that is good for the country.

Mr. Chairman, that is what this fight is all about. This fight has to do with the question of whether or not there is to be a coordinated policy with respect to our public works or whether it is to continue to be a policy which says, "What is good for me and my district is good for you. You take care of me, and I will take care of you, and the country will have to worry about itself."

The fact of the matter is that we have not had an opportunity such as this to finally let the legislative process work so that we can be U.S. Representatives from the State of Illinois and from the State of Missouri rather than representative delegates to the United States from the State of Illinois or from the State of Missouri. This is one of the first times we have had a chance to say that we are going to decide the fate of these projects not because they are good back-scratching but because they are good for the country.

Mr. Chairman, I do not know as much about all 17 projects as some of the other Members do; but I do know, I think, enough about the process to know that after all of the painstaking reviewing and reviewing by the Department of the Interior and others who have looked at these projects, that these 17 are found wanting.

Therefore, Mr. Chairman, we would be well served and the country would be well served to finally allow the real priorities of this country to take effect.

There are billions of dollars involved here that perhaps could redress water and other problems which we have and that are not going to be redressed if each one of us scratches each other's back.

I would suggest that the opportunity to support this amendment is an opportunity to, once and for all, support a coordinated national public works policy rather than the bifurcated, individual, parochial policy of the past.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I would like to take exception to two points the gentleman has made, and I take serious exception to them.

I agree that these projects are not going to stop the drought. Obviously, that is true, but the gentleman is not familiar with the arid West, and I am.

Projects like these are not going to stop the drought, but I know of cities in my State, which, were it not for projects previously built, would be out of water today, and that is a fact.

No. 2—and this really deeply concerns me—as to those of us who have worked with the Committee on Public Works and Transportation and with the Subcommittee on Public Works of the Committee on Appropriations for years in trying to put together projects we believe are desperately needed, we have observed, time after time, the judgment of two hard-working committees which, I suggest to the gentleman, have not had a "You scratch my back and I will scratch your back" point of view in any respect.

These projects have been dealt with not exactly in the terms the gentleman has suggested. The criterion has been, What is best in terms of national policy?

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MIKVA) has expired.

(On request of Mr. EVANS of Colorado and by unanimous consent, Mr. MIKVA was allowed to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield further, year after year requests have been made for projects which have been turned down and never funded because they were not in the best interests of the United States. Projects have been approved because they were felt to be in the best interests of the United States, and I think it does these committees, with all due deference to the gentleman's remarks, a disservice to suggest that for years these projects have been developed and funded on the basis of "You scratch my back and I will scratch yours."

Mr. MIKVA. Mr. Chairman, let me say to my distinguished colleague, the gentleman from Colorado (Mr. EVANS), that I certainly do not want to imply that everything that has been built in this country which has been authorized or had moneys appropriated for it by these two committees has been bad.

I do suggest, though, that sometimes the considerations are not quite as national as one might like.

Let me just state in response that I recall, for example, last year when we had a dispute—not the gentleman from Colorado and I—but there was a dispute on the floor about a particular project in Illinois.

I opposed that project and several of my colleagues supported me and later they were told that they were going to have great trouble with projects in their own States because they supported opposition to the committee's position.

Let me state to the gentleman from Colorado, and that gentleman knows that I have great affection and regard for him, but the facts are that there have been parochial inputs into this decisional process; it asks too much of the way this body is constructed to assume there will not be such inputs in that process. This amendment is at least the first chance to say that we are well aware of these temptations and we are making a positive effort to resist them. If we take out the 17 projects that are now in the bill, that will be a first step in that direction but, I am sure that in the bill there are still a number of such projects that will remain; even if we knock out the 17 projects there are still a few that smack of parochialism.

Mr. EVANS of Colorado. Obviously there is parochialism involved in this. I am certainly not going to wait for the gentleman from Illinois now in the well to come and suggest projects that should be built in my district.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. SKUBITZ, and by unanimous consent, Mr. MIKVA was allowed to proceed for 5 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield still further?

Mr. MIKVA. Let me yield to the gentleman from Kansas who was instrumental in giving me this additional time.

Mr. SKUBITZ. Mr. Chairman, when the gentleman from Illinois said that he had little or no knowledge of a number of these projects. I am sure that he had in mind the Hillsdale project in Kansas.

I ask the gentleman from Illinois did he vote for the Indiana Dunes bill, the bill to save the Indiana Dunes?

Mr. MIKVA. Yes, I did, and I do not come from Indiana.

Mr. SKUBITZ. But by so voting the gentleman was able to provide a nice recreational facility for the people of Illinois, under the guise of a slogan "Save the Dunes."

We have a project in my district, the Hilldale project. It was not started by me. I inherited the project. I have never supported projects if I did not think they would provide flood control or water for people. There are six cities in Miami County that are looking forward to getting their water supplies from this lake. We do not have an underground water supply in this area to provide people water for industrial development or home purposes. Evidently this is not as important as providing places where people can spend their Saturday and Sunday afternoons swimming and laying on the beach.

Mr. MIKVA. Let me say to my colleague from Kansas, when my distinguished senior Senator, the late Paul Douglas suggested a National Lakeshore at the Indiana Dunes, that the rest of the Senators did not think much of it because he was suggesting a project that was not in his own turf. That is how parochially the other body responds. Even though there was a section of the

country, the Indiana Lakeshore, that could serve the whole country, it made no difference, because it was assumed that unless somebody from Indiana sponsored it then it was a bad idea.

I would suggest to the gentleman from Kansas that he should come up to the Indiana Dunes area and see it, and they will not even ask where he is from when he does.

Mr. SKUBITZ. I can say to my colleague, the gentleman from Kansas, as a member of the committee that enacted and passed on this project, it was sold as a hoax and the gentleman knows it. The dunes worth preserving were already in the State parks.

Mr. MIKVA. It was controlled by a lot of steel companies.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, the gentleman from Illinois has touched on a sore subject with those of us who come from the West.

Mr. MIKVA. I obviously touched on several very sore subjects.

Mr. JOHNSON of Colorado. The gentleman stated there had been a detailed analysis and review on the part of the Carter administration. As a matter of fact, those of us who are familiar with this know that the argument was made, shortly after they did this, that the reason they cancelled the projects was that though they had been under study, review, authorization and appropriation for 20 or 30 years, that they cancelled nothing but the worst ones. When subsequent questioning involving when the analysis and determination had been made, the testimony was that, as a matter of fact, there had been no analysis and there had been no thorough study. Subsequently they came along and they made what they called a water project review which contained information totally different from what the gentleman from Massachusetts has given us as his justification.

I do not know where the gentleman from Massachusetts got his information, but it was not from the Water Projects Review Commission that we had in the West.

I would just say to the gentleman that when he talks about parochialism, it seems to me that those who come from wet areas, who have no problem getting drinking water, are the ones who are parochial when they pay no attention to the problems of people who have to impound water if they are going to have any kind of civilization in their area.

Mr. MIKVA. Let me assure my colleagues that there has been plenty of evidence of parochialism in Illinois. We have some dams even where there are no rivers.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding.

Several speakers have gotten up and challenged some of the figures I have used. Those figures we stand behind 100 percent. They come from the Army Corps of Engineers, the Bureau of Reclamation, the Tennessee Valley Authority, the Council on Environmental Quality, and the Office of Management and Budget.

Mr. MIKVA. I would just say further that the second review taken by the administration was an effort to see whether they had made any mistakes, and they did restore some of the projects back to the approved list. But here are these 17 projects which reliable authority has found to exceed any kind of reasonable cost-benefit ratio, and for us to proceed with them is unwise. We ought to support the Derrick-Conte amendment.

Mr. FLYNT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the bill under consideration and I oppose the amendment offered jointly by the gentleman from South Carolina, Mr. DERRICK, and the gentleman from Massachusetts, Mr. CONTE. With all due respect for their views, I just happen to believe that they are wrong in moving to strike funding for these 17 projects.

I shall not attempt to speak on the merits of the other 16 projects involved in this amendment, but I do want to speak in support of the Richard B. Russell project, formerly known as the Trotters Shoals project on the Savannah River which forms a border at that point between my State and the State of the gentleman from South Carolina, Mr. DERRICK. I strongly support the Richard B. Russell Dam and Lake project, and I hope that this amendment will fail and that funds provided in the bill for the continuation of this project will be provided. This project was authorized by the 89th Congress in 1966 and funds were approved for planning in each of the fiscal years 1971, 1972, and 1973, as well as funds for land purchases and construction funds in fiscal year 1974, 1975, 1976, and 1977. To date some $21 million has been spent on construction and land acquisition. Land has been acquired; two cofferdams have been built; the Savannah River Diversion Channel has been constructed; and bridges and roads have been built. This project is not just on the drawing boards; it is well on its way to fruition and reality.

Mr. Chairman, from the time that the Russell project was just an idea, it has been subjected to rigid and precise scrutiny, and this is as it should be. Whenever public funds are committed for any use, the public interest should be ascertained in very critical detail. Appropriate studies have shown, and still show, that the Richard B. Russell Dam and Lake project is economically attractive, structurally safe, and environmentally sound.

I support construction of this project as being a far-sighted project, one which would provide for energy needs of our section of the country.

Mr. Chairman, I would like to include as a part of my remarks, under permission obtained by unanimous consent in the House earlier today, the contract entered into between the State of Georgia and the U.S. Government in connection with this very project. First of all, let me say that it is some 12 pages long. It is replete in every way, and the signature page at the place provided for the assent of the State of Georgia reads as follows:

The State of Georgia through the Georgia Department of Natural Resources.

However, the Governor of Georgia thought so much of this project that he did not simply authorize his Commissioner of the Department of Natural Resources to sign on behalf of the State of Georgia. The then Governor of the State of Georgia thought so much of this project that he went to the signing ceremony himself and signed it, and his name appears on this contract as signed "Jimmy Carter, Governor."

In that same connection he spoke on that very day, the 2d of October 1972; his remarks were widely quoted and circulated in the State and in the adjoining States at that time. I think it would be well to quote some of the statements of the Governor, now President Jimmy Carter on October 2, 1972.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. FLYNT was allowed to proceed for 5 additional minutes.)

Mr. FLYNT. Mr. Chairman, I quote from the front page of The Elberton Star, issue of October 2, 1972, in which the headline reads: "Contract Signed for Russell Dam," and subheadline reads: "State Takes Last Step Needed To Start Work." I now read from the article itself:

The purpose of this brief ceremony today is to set in motion one of the most important developments in Georgia's history, the building of the Richard B. Russell Dam and Lake on the Savannah River.

I read further from the article:

With this opening statement Governor Jimmy Carter yesterday led State and Federal officials in signing a contract between the State of Georgia and the U.S. Government agreeing that the State will participate on a 50–50 basis with the Federal Government in the cost of providing parks and recreational facilities on the Russell Lake.

Other State officials who signed the document were Attorney General Arthur K. Bolton and Commissioner of Department of Natural Resources Joe D. Tanner.

Signing for the U.S. Army Corps of Engineers was the Savannah district engineer, Col. Howard L. Strohecker.

Mr. Chairman, under leave granted earlier, I include at this point in the RECORD the entire contract:

THE GEORGIA DEPARTMENT OF NATURAL RESOURCES

This contract entered into this 2nd day of Oct. 1972 by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") represented by the Contracting Officer executing this contract and the STATE OF GEORGIA acting by and through the GEORGIA DEPARTMENT OF NATURAL RESOURCES (hereinafter called the "Department"), WITNESSETH THAT

Whereas, the Department is authorized to administer project land and water areas for recreational purposes, and operate, maintain and replace facilities provided for such purposes and is empowered to contract for such purposes, and is empowered to contract in these respects; and

Whereas, construction of the Trotters Shoals Lake project (hereinafter called the

"Project") was authorized by the Flood Control Act approved 7 November 1966 (Public Law 89-789, 89th Congress), and

Whereas, the Government is authorized by the Federal Water Project Recreation Act, (Public Law 89-72, 16 U.S.C. 4601-12, et seq) to make contracts with non-Federal public bodies for development, management and administration of the recreation resources of Federal water resources pojects;

Now Therefore, the parties agree as follows:

Article 1. *Definition of Terms.* For the purpose of this contract certain terms are defined as follows:

a. *Joint costs.* The total cost of the project minus the sum of the separable costs for all project purposes.

b. *First costs.* Used interchangeably with the terms "capital costs" and "project costs," is the initial capital cost of the project, including: planning after execution hereof; land acquisition; construction; and interest during construction, on the value of land, labor, and materials used for planning and construction of the project.

c. *Separable costs.* As applied to any project purpose, means the difference between the capital cost of the entire multi-purpose project and the capital cost of the project with the purpose omitted.

Article 2. *Lands and Facilities.*

a. The Government agrees to design, construct and operate the project to provide for optimum enhancement of general recreation consistent with other authorized project purposes in accordance with a plan mutually agreed upon by the parties. Details on lands necessary for such enhancement are shown in the project Land Requirements Plan—Public Use; Design Memorandum 7, as concurred in by the Department and incorporated herein by reference.

b. In addition to the lands to be acquired for other authorized purposes, the Government will acquire certain lands specifically to enhance the recreation potential of the project as shown in Exhibit B in accordance with a plan mutually agreed upon by the parties. The lands anticipated for acquisition for all project purposes, including recreation, are those lands shown on Plate Nos. 1 and 2 of the above referenced approved Land Requirements Plan—Public Use; Design Memorandum 7.

c. The Government in cooperation with the Department will prepare a mutually acceptable Plan of Recreation Development and Management which will depict and identify the types and quantities of facilities which the Government and the Department will construct in accordance with this contract. The presently estimated cost of facilities to be so provided is contained in Exhibit A attached hereto and made a part hereof. Such estimate of facility cost is subject to reasonable adjustment as appropriate upon completion and approval of the above "Plan of Recreation Development and Management."

d. The facilities shown in Exhibit A, as it may be adjusted in accordance with paragraph c above, shall be constructed jointly by the parties through mutually satisfactory division of responsibility for construction which takes into account direct and indirect cost savings which may be gained by the parties in the public interest for certain specific facilities, provided, that the facilities to be constructed by each party shall be formally agreed upon by the two parties prior to construction, consistent with the provisions of Article 3.

e. The Government will make available by lease to the Department, for Department management and administration, the use and occupancy of approximately 14,000 acres of land and the water area of Trotters Shoals Lake, together with facilities located thereon and acquired or constructed pursuant to this contract. No provision of this contract, including this subparagraph e, shall merge into any such lease, but each and every obligation of each party hereto shall remain in full force and effect unless altered by mutual agreement or Article 10 hereof.

f. Title to all lands and facilities specifically acquired, developed or constructed by or with Government assistance to enhance the recreation potential of the project shall at all times be in the United States.

Article 3. *Consideration and Payment.* Each party hereto will pay or contribute in kind fifty percent (50%) of the separable first costs of initial recreation development and fifty percent (50%) of the separable first costs of future recreational development. In addition, as between the parties hereto and except as may be specified to the contrary in any separate contract between the parties, the Government will pay one hundred percent (100%) of the joint costs of the project allocated to recreation. Under the statute, payment by the Department may be immediately in cash, may be in kind, or may be on an installment basis over a period not exceeding fifty years. A combination of these payment approaches may be used, however, prior approval of the method of payment must be obtained from OCE.

a. *Initial Development.* Each party's share of the estimated separable first costs for initial recreation development at the Project is estimated to be $1,871,000. The Department's share of such estimated separable first costs shall be paid to the Government as follows:

(1) There shall be deducted from the Department's share an amount equal to the sum of the fair market value of any lands or facilities provided by the Department, such value computed from date such land or facilities were provided and not including enhancement due to the Project, and any cash expenditures made by the Department towards separable first costs of the Project.

(2) The amount remaining after such deduction shall be paid to the Government, with interest during construction and with interest on the unpaid balance within fifty (50) years of the first use of the initial facilities, in cash or in kind, or in the alternate, repayment may be made in fifty (50) consecutive annual installments.

(3) Interest during construction and interest on the unpaid balance shall be at a rate to be determined by the Secretary of the Treasury of the United States as of the beginning of the fiscal year in which Project construction is initiated, pursuant to the formula prescribed by Section 301(b) of the Water Supply Act of 1958 (Public Law 85-500), 43 U.S.C. 390b(b). Such interest rate shall not change during the repayment period.

(4) The estimated schedule of repayment for this Project, based on the current estimate of separable first costs, the interest rate in effect on the date of execution hereof 3.649% and for the fifty (50) yearly repayments, is contained in Exhibit C of this contract. This repayment schedule will be recomputed by the parties upon completion of construction on the basis of actual separable first costs incurred, the interest rate in effect for the Government fiscal year in which Project construction is initiated, and the amount of the Department's share remaining unpaid at the time the Contracting Officer notifies the State in writing that the lands and facilities are available for useful operation. Interest during construction shall be paid at the time the first installment is payable, and subsequently accruing interest shall be paid with the installments due at the end of the period in which such interest has accrued.

(5) The initial installment shall be due and payable within thirty (30) days after the Department is notified in writing by the Contracting Officer that the lands and facilities are available for useful operation. Subsequent installments shall be due and payable to the Treasurer of the United States within thirty (30) days of the yearly anniversary date of such notice.

(6) The Department may, without penalty, prepay at any time or times any part or all of the principal and interest due and payable under this contract. Interest with respect to any prepaid principal shall accrue only through the date of repayment.

b. *Future Development.*

(1) Each party's share of the estimated future development cost of the project is currently estimated to be $2,981,000. The aforesaid amount may be subject to future adjustment pending final determination of the actual costs of constructing the scheduled facilities.

(2) Future development will be constructed in three equal increments in accordance with the plan mutually agreed upon by the parties. The first phase of development would commence 10 years after completion of the initial recreation facilities. The next two phases would be developed in five year increments. The Department's share of cost for construction for each phase of development is currently estimated at $993,700, as shown in Exhibit A.

(3) Future recreation development as provided in this subparagraph shall be contingent upon and subject to the availability of funds on the part of the Government. Upon completion of construction of such facility or facilities, an adjustment will be made to reflect any increase or decrease in the actual costs of construction.

(4) In the event there shall not be available sufficient funds to provide the Government's share of future development as the need arises, the Department may develop or continue to develop the necessary facilities, provided prior approval of such development is received in writing from the Government. Upon receipt of notice that Government funds are again available for such development the Department may withhold payment of additional amounts until such time as the payment of funds from each party is balanced at fifty percent (50%) of the total separable construction expenditures for this purpose to that time. If the Department has completed the future development at its own expense due to the unavailability of Government funds, upon such Government funds again becoming available the Government shall reimburse the Department for the Government's share of such development expense. Nothing herein shall be construed as obligating the Government to make payments in excess of funds appropriated and allocated for this particular purpose or to appropriate and allocate funds for this purpose, or as authorizing the Department to withhold making installment payments under paragraph a of this Article.

c. *Other Federal Funds.* No repayment credit of any kind whatsoever will be allowed the Department for expenditures financed by involving, or consisting of, either in whole or in part, contributions or grants of assistance received from any Federal agency, in providing any lands or facilities for recreation or fish and wildlife enhancement hereunder.

Article 4. *Construction and Operation of Additional Facilities.* Certain types of facilities, including but not necessarily limited to restaurants, lodges, fishing barges, duck blinds, cabins, clubhouses, overnight or vacation-type structures, fee shooting areas and such similar revenue-producing facilities, may be constructed by the Department or third parties and may be operated by the Department or by third parties on a concession basis. Any such construction and operation of these types of facilities shall be subject to the prior approval of the Contracting Officer. However, the Department shall not receive credit for costs of such facilities against amounts due and payable

under Article 2, and such facilities shall not be deemed to be developed or constructed with Government assistance for purpose of Article 2f.

Article 5. *Fees and Charges.* The Department may assess and collect fees for entrance to developed recreation areas and for use of the project facilities and areas, in accordance with a fee schedule mutually agreed to by the parties. An initial mutually acceptable fee schedule is set forth in Exhibit D of this contract. Not less often than every five years, the parties will review such schedule and, upon the request of either, renegotiate the schedule. The renegotiated fee schedule shall, upon written agreement thereto by the parties, supersede Exhibit D without the necessity of modifying this contractual document.

Article 6. *Federal and State Laws.*

a. In acting under its rights and obligations hereunder, each party agrees to comply with all applicable Federal and State laws and regulations, including but not limited to the provisions of the Georgia Water Quality Control Act (Ga. Laws 1964, p. 416, as amended), 40 U.S.C. 276 a–a(7); 40 U.S.C. 327–330; and Title 29, Code of Federal Regulations, Part 3.

b. The Department furnishes, as part of this contract, an assurance (Exhibit E) that it will comply with Title VI of the Civil Rights Act of 1964 (78 Stat. 241, 42 U.S.C. 2000d, et seq) and Department of Defense Directive 5500.11 issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations. The Department agrees also that it will obtain such assurances from all of its concessionaires.

c. The Department also agrees that it will comply with Sections 210 and 305 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91–646) and will provide any assurances that may be required.

Article 7. *Operation and Maintenance.*

a. The Department shall be responsible for operation, maintenance and replacement of all facilities developed to support project recreation. The Department shall maintain without cost to the Government all project lands, waters and facilities in a manner satisfactory to the Contracting Officer and pursuant to the provisions of any lease or license which may subsequently be entered into between the parties hereto, with the exception of lands required for operation of the project structures as described in paragraph c below.

b. For the lands and waters to be made available pursuant to this contract, the Department will prepare, and upon approval of the Contracting Officer, implement plans and programs for effective management of the forest and range resources of the project, including but not limited to measures to control soil erosion, suppress wild fires, control vectors and pests, and maintain the shoreline of the reservoir in attractive condition.

c. The Government or its assignees will operate and maintain those lands, structures, and facilities such as dams, dikes, spillways and outlet works required for control and regulation of the waters stored in the reservoir, the access road to the dam, and any project visitor facilities constructed in conjunction with these works. The Government will accomplish shoreline debris removal for a period of two years after initial impoundment of water to elevation 475 feet.

Article 8. *Release of Claims.*

a. The Government and its officers and employees shall not be liable in any manner to the Department for or on account of damage caused by the development, operation, and maintenance of the general recreation facilities of the project. To the extent that it may legally do so, the Department hereby releases the Government and agrees to hold it free and harmless and to indemnify it from all damages, claims, or demands that may result from development, operation and maintenance of the general recreation areas and facilities, except with respect to those functions reserved to the Government under paragraph c of Article 7.

b. The Department shall require its concessionaires to obtain from an insurance company licensed in the State of Georgia and acceptable to the Government, liability or indemnity insurance providing for minimum limits of $50,000 per person in any one claim, and an aggregate limit of $150,000 for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, and $5,000 for damage to property suffered or alleged to have been suffered by any person or persons resulting from operations under any agreement between the Department and its concessionaires.

Article 9. *Transfer or Assignment.* The Department shall not transfer, or assign this contract nor any rights acquired thereunder, nor grant any interest, privilege or license whatsoever in connection with this contract without the approval of the Secretary of the Army or his authorized representative except as provided in Article 4 of this contract.

Article 10. *Default.* In the event the Department fails to meet any of its obligations under this agreement, the Government may terminate the whole or any part of this contract and any lease or license granted to the Department for accomplishing the purpose of this agreement. The rights and remedies of the Government provided in this Article shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

Article 11. *Examination of Records.* The Government and the Department shall maintain books, records, documents, and other evidence pertaining to costs and expenses incurred under this contract, to the extent and in such detail as will properly reflect all net costs, direct and indirect, of labor, materials, equipment, supplies, and services and other costs and expenses of whatever nature involved therein. The Government and Department shall make available at their offices at reasonable times, the accounting records for inspection and audit by an authorized representative of the parties to this contract during the period this contract is in effect.

Article 12. *Relationship of Parties.* The parties to this contract act in an independent capacity in the performance of their respective functions under this contract and neither party is to be considered the officer, agent or employee of the other.

Article 13. *Inspection.* The Government shall at all times have the right to make inspections concerning the operation and maintenance of the lands and facilities to be provided hereunder.

Article 14. *Officials Not to Benefit.* No member of or delegate to the Congress, or Resident Commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

Article 15. *Covenant Against Contingent Fees.* The Department warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the State of Georgia for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to add to the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

Article 16. *Environmental Quality.*

a. In furtherance of the purpose and policy of the National Environmental Policy Act of 1969 (Public Law 91–190, 42 U.S.C. 4321, 4331–4335) and Executive Order 11514, entitled "Protection and Enhancement of Environmental Quality", March 5, 1970 (35 Federal Register 4247, March 7, 1970) the Government and the Department recognize the importance of preservation and enhancement of the quality of the environment and the elimination of environmental pollution. Actions by either party will be after consideration of all possible effects upon the project environmental resources and will incorporate adequate and appropriate measures to insure that the quality of the environment will not be degraded or unfavorably altered. In furtherance of this policy, the Government agrees to comply with the Georgia Water Quality Control Act (Ga. Laws 1964, p. 416, as amended.

b. During construction undertaken by either party, specific actions will be taken to control environmental pollution which could result from construction activities and to comply with applicable Federal, State and local laws and regulations concerning environmental pollution. Particular attention should be given to (1) reduction of air pollution by control of burning, minimization of dust, containment of chemical vapors, and control of engine exhaust gases and smoke from temporary heaters; (2) reduction of water pollution by control of sanitary facilities, storage of fuels and other contaminants, and control of turbidity and siltation from erosion; (3) minimization of noise levels; (4) on- and offsite disposal of waste and spoil resulting from construction activities; and (5) prevention of landscape defacement and damage.

Article 17. *Value of Land and Facilities.* If the parties hereto cannot agree on the fair market value of any lands or facilities and cannot otherwise resolve such differences, each party shall name an appraiser and the two appraisers so named shall name a third appraiser, and the decision of at least two of such three appraisers as to the fair market value shall be final and conclusive upon both parties.

Article 18. *National Recreation Area.* In the event Trotters Shoals Lake is authorized for development as a National Recreation Area or a part of a National Recreation Area this agreement with the Department is subject to termination and further recreation construction would be accomplished by the Government in accordance with rules and regulations for development of a National Recreation Area.

Article 19. *Effective Date.* This contract shall take effect upon approval by the Secretary of the Army or his authorized representative.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written.

For the United States of America: By Howard L. Strohecker, Colonel, Corps of Engineers, District Engineer, Contracting Officer.

For the State of Georgia through the Georgia Department of Natural Resources: By Jimmy Carter, Governor.

By Joe D. Tanner, Commissioner, Department of Natural Resources.

Date: October 2, 1972.

This agreement is reviewed and approved as a binding legal obligation on the State of Georgia consistent with Public Laws 89–72 and 91–611, and with the Georgia Executive Reorganization Act of 1972 (Ga. Laws 1972, p. 15).

Approved: By Arthur K. Bolton, Attorney General, State of Georgia.

Date: September 25, 1972.

Approved: By Howard H. Callaway, Secretary of the Army.

Date: May 20, 1974.

EXHIBIT A

ESTIMATED COST OF RECREATION FACILITIES FOR GEORGIA (JULY 1, 1972 PRICE LEVEL)

Facilities	Account 14 initial construction	Account 711 future construction	Ultimate development
1. Roads	$765,100	$1,528,000	$2,293,100
2. Parking	154,500	300,400	454,900
3. Launching ramps	94,500	147,100	241,600
4. Structures	301,900	352,600	654,500
5. Utilities	305,000	581,500	886,500
6. Picnic facilities	179,800	534,900	714,700
7. Camping facilities	278,200	1,078,100	1,356,300
8. Miscellaneous	40,800	29,600	70,400
Subtotal	2,119,800	4,552,200	6,672,000
Contingencies, 15 percent	$318,000	$682,800	$1,000,800
Subtotal	2,437,800	5,235,000	7,672,800
Engineering and design 7.5 percent	182,800	392,600	575,400
Supervision and administration, 6.4 percent	156,000	335,000	491,000
Total	2,776,600	5,962,600	8,739,200

EXHIBIT B

ESTIMATED COST OF LAND ABOVE THE GUIDE ACQUISITION LINE PUBLIC USE, OPERATIONAL, AND ADMINISTRATIVE SITE

Site and name	Use	Acres above guide acquisition line	Value per acre	Estimated total cost
29—Cedar Creek	Access	28	$100	$2,800
31—Pickens Point	Park	187	100	18,700
33—Coldwater Park	do	1,518	100	151,800
35—Van Creek Point	Access	79	100	7,900
36—Pearl Marina	P.S.A	106	100	10,600
37—Dan Tucker Park	Park	216	100	21,600
38—Heardmont	do	164	100	16,400
40—Middleton	Access	51	100	5,100
43—Beverly	do	131	250	32,750
44—Beaver Dam Marina	P.S.A	58	250	14,500
Do	P.S.A	79	100	7,900
46—Elbert	Park	241	250	60,250
Do	do	70	500	35,000
Subtotal				385,300
Timber				$117,600
Improvements (buildings)				96,600
Total land, timber, and improvements				599,500
Severance damages				8,400
Subtotal				607,900
Contingencies (20 percent)				121,600
Acquisition cost 60 tracts at $1,850				111,000
Resettlement cost 24 tracts at $5,215 under Uniform Relocation Act of January 1971 (Public Law 91-646).				125,200
Total cost recreational areas				965,700

EXHIBIT C

GEORGIA: SCHEDULE FOR AMORTIZATION OF THE ESTIMATED INITIAL AMOUNT OF $1,871,000 AT THE CURRENT INTEREST RATE OF 3.649 PERCENT OVER A 50-YR PERIOD

Payment No.	Interest payment	Principal payment	Total payment	Principal balance
0				1,871,000.00
1	68,272.79	13,650.61	81,923.40	1,857,349.39
2	67,774.68	14,148.72	81,923.40	1,843,200.66
3	67,258.39	14,665.01	81,923.40	1,828,535.65
4	66,723.27	15,200.14	81,923.40	1,813,335.52
5	66,168.61	15,754.79	81,923.40	1,797,580.72
6	65,593.72	16,329.68	81,923.40	1,781,251.04
7	64,997.85	16,925.55	81,923.40	1,764,325.49
8	64,380.24	17,543.17	81,923.40	1,746,782.33
9	63,740.09	18,183.32	81,923.40	1,728,599.01
10	63,076.58	18,846.82	81,923.40	1,709,752.19
11	62,388.86	19,534.55	81,923.40	1,690,217.64
12	61,676.04	20,247.36	81,923.40	1,669,970.28
13	60,937.22	20,986.19	81,923.40	1,648,984.09
14	60,171.43	21,751.97	81,923.40	1,627,232.12
15	59,377.70	22,545.70	81,923.40	1,604,686.42
16	58,555.01	23,368.40	81,923.40	1,581,318.02
17	57,702.29	24,221.11	81,923.40	1,557,096.91
18	56,818.47	25,104.94	81,923.40	1,531,991.97
19	55,902.39	26,021.02	81,923.40	1,505,970.96
20	54,952.88	26,970.52	81,923.40	1,479,000.44
21	53,968.73	27,954.68	81,923.40	1,451,044.76
22	52,948.66	28,974.74	81,923.40	1,422,071.01
23	51,891.37	30,032.03	81,923.40	1,392,038.98
24	50,795.50	31,127.90	81,923.40	1,360,911.08
25	49,659.65	32,263.76	81,923.40	1,328,647.32
26	48,482.34	33,441.06	81,923.40	1,295,206.26
27	47,262.08	34,661.33	81,923.40	1,260,544.93
28	45,997.28	35,926.12	81,923.40	1,224,618.82
29	44,686.34	37,237.06	81,923.40	1,187,381.75
30	43,327.56	38,595.84	81,923.40	1,148,785.91
31	41,919.20	40,004.21	81,923.40	1,108,781.71
32	40,459.44	41,463.96	81,923.40	1,067,317.75
33	38,946.42	42,976.98	81,923.40	1,024,340.77
34	37,378.19	44,545.21	81,923.40	979,795.56
35	35,752.74	46,170.66	81,923.40	933,624.90
36	34,067.97	47,855.43	81,923.40	885,769.47
37	32,321.73	49,601.68	81,923.40	836,167.79
38	30,511.76	51,411.64	81,923.40	784,756.15
39	28,635.75	53,287.65	81,923.40	731,468.50
40	26,691.29	55,232.12	81,923.40	676,236.38
41	24,675.87	57,247.54	81,923.40	618,988.85
42	22,586.90	59,336.50	81,923.40	559,652.35
43	20,421.71	61,501.69	81,923.40	498,150.66
44	18,177.52	63,745.89	81,923.40	434,404.77
45	15,851.43	66,071.97	81,923.40	368,332.80
46	13,440.46	68,482.94	81,923.40	299,849.86
47	10,941.52	70,981.88	81,923.40	228,867.98
48	8,351.39	73,572.01	81,923.40	155,295.97
49	5,666.75	76,256.65	81,923.40	79,039.32
50	2,884.14	79,039.26	81,923.40	.06

EXHIBIT D

PRICE SCHEDULE FOR ACCOMMODATIONS, SERVICES, AND SUPPLIES—RESERVOIR: TROTTERS SHOALS LAKE

[Effective for 6 mo—Beginning: May 1, 19— beginning: Nov. 1, 19—]

	Rates			
	Hourly	Daily	Weekly	Monthly
1. Rentals:				
1. Boats:				
(a) Fishing boat 14 ft or less with oars and life preservers:				
(1) Wooden	$1.00	$2.00	$12	
(2) Fiberglass/metal				
(b) Fishing boat over 14 ft with oars and life preservers:				
(1) Wooden				
(2) Fiberglass/metal	.75	4.00	16	
(c) Ski boat with fuel and safety equipment				
(d) Power pleasure boat with fuel and safety equipment				
2. Equipment:				
(a) Outboard motors:				
(1) Less than 5½ hp	6.50		30	
(2) 5½ hp through 7½ hp				
(3) Over 7½ hp				
(b) Water skis				
(c) Aquaplane				

EXHIBIT D—Continued

PRICE SCHEDULE FOR ACCOMMODATIONS, SERVICES, AND SUPPLIES—RESERVOIR: TROTTERS SHOALS LAKE—Continued

[Effective for 6 mo—Beginning: May 1, 19—, beginning: Nov. 1, 19—]

	Rates			
	Hourly	Daily	Weekly	Monthly
3. Spaces for boat storage:				
(a) Wet:				
(1) Covered to 25 ft			8.00	$27.50
(2) Open over 20 ft $20 includes launch		.75	5.00	15.00
(b) Dry:				
(1) Covered				25.00
(2) Open				
(c) Lake mooring:				
(1) Inboard				15.00
(2) Outboard				15.00
(d) Customer-owned boathouse or slip				
4. Locker storage				
5. Cabins:				
(a) Regular:				
(1) Air-conditioned		10	60	
(2) Not air-conditioned				
(b) Deluxe—Air-conditioned		12	72	
6. Trailer spaces:				
(a) With firewood and individual water, electricity, sewage connections (charges ☐ are ☐ are not extra)		2.50	17.50	
(b) With firewood and central community facilities				
7. Tent camping spaces:				
(a) With firewood and individual water, electricity, sewage connections (charges ☐ are ☐ are not extra)		2.50	17.50	
(d) With firewood and central community facilities				
8. Other—Swimming:				
Adults		.50		
Children		.25		
Campers		.25		

	Rates	
	Hourly	Daily
II. Services:		
1. Guide		
2. Sightseeing		
3. Boat launching (mechanical or personal)		
4. Labor for boat repairs:		
(a) Mechanical		
(b) Structural		
(c) Painting		
5. Other		

	Cost
III. Sales:	
1. Gasoline (per gallon):	
(a) Regular	39.9
(b) High test	50
(c) Mixed	65
2. Oil (per quart)	70
3. Other	

NOTES

1. All products, such as bait, meals, supplies, and equipment, other than those shown above, will be sold at price levels currently charged for comparable goods or services furnished or sold on privately owned lands in the general area.
2. Daily rate is established as being from sunrise to sunset, except on ski boats, for which daily rate is based on 8 h.
3. Rental of all motors includes 2 gal of gasoline.
4. Delete inapplicable services in items 6 and 7.

Signature: (Lessee) (manager) _____ Approved by _____

EXHIBIT E

ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF DEFENSE DIRECTIVE UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The Georgia Department of Natural Resources (hereinafter called the Department) HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Directive of the Department of Defense (32 CFR, Part 300, issued as Department of Defense Directive 5500.11, Change 3, dated 11 April 1966) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and the Directive, no person in the United States shall on the ground of race, color, or national origin be excluded from participation in, be denied the benefits, of, or be otherwise subjected to discrimination under any program or activity for which the Department receives Federal financial assistance from the Department of the Army and HEREBY GIVES ASSURANCE THAT it will immediately take any measure necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Department by the Department of the Army, assurance shall obligate the Department, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Department for the period during which the Federal financial assistance is extended to it by the Department of the Army.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance which were approved before such date. The Department recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Department, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Department.

By Joe D. Tanner, Commissioner, Department of National Resources, State of Georgia.

Date October 2, 1972.

Mr. Chairman, in concluding my remarks in opposition to the Conte-Derrick amendment, I want to talk a little bit about the energy aspect of this and many of the other projects which would be stricken by this amendment. I would like to say that the President himself has established in the minds of most Americans the energy crisis which the entire country faces. There is no doubt about it. This is a crisis which touches upon every aspect of economic life in America. The imbalance created by the necessity of importing large amounts of foreign oil has placed a great burden on the Nation's economy. Today we are staggering under the load of the highest balance of payments deficit in recent years. Last quarter, due in no small part to oil imports, we shipped abroad $2.8 billion more than we received. Last year we spent at least $32 billion for imported oil; before the embargo in 1973, that figure was less than a half billion dollars.

What do we do? We can conserve, as the President suggested, and I agree this is important; but in addition to conservation measures, we must develop new energy sources; but reliable estimates indicate that any contribution by solar, geothermal, or synthetic fuels, is at least 10 years away. We can encourage oil companies to spend more of their resources and find new supplies of gas and oil.

Yes, Mr. Chairman, we can develop other sources in our own backyards, such as hydroelectric power, which is a major element in the Richard B. Russell project.

Mr. Chairman, I urge the defeat of the Conte-Derrick amendments and I urge passage of the bill.

Mr. HARSHA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, first let me say that I have no project involved in this issue. Therefore, I have no parochial interest. The issue is not spending more money. The issue is not whether we are going to provide more flood control or less, nor is the issue whether we are going to reclaim or irrigate more of our arid lands.

The issue is very simple. That is, the issue is whether this Congress is going to play a viable role in the water resource development of this Nation.

The issue is, Is this Congress, the so-called greatest deliberative body in the world, going to continue to have a part in the development of this country?

Now, I am not about to stand here and take part in any single-shot debate over individual projects—cost-benefit ratios, interest rates, environmental objections—nor am I going to go along with abandonment of long-planned projects 1 or 2 dozen at a time.

This procedure is wrong and does an injustice to the projects involved, the individuals, communities and regions

relying on their benefits, the Congress which authorized them, and ultimately the needs of the country.

From a policy standpoint, it is wrong in two respects: First, it says that no major construction project in this Nation, under any program, authorized by any committee, will be immune from second-guessing. By definition, a major construction undertaking implies great cost, long leadtime, and some inevitable environmental consequences.

These projects have been under consideration and authorized for years, perhaps decades, and studied and restudied by executive agencies and authorizing and appropriating committees of the Congress. They have become the basis of decisions; planning and funding decisions by State and local governments, decisions by business, labor and industry, and by individuals to acquire and plan for the use of land. This has all been in the rightful expectation that these projects, though long in coming, eventually will come to be.

As commitments by Government, they have triggered other commitments, and must be honored. To say otherwise, to scrap these projects and the work that has gone into them on the basis of a quick, hurry-up cursory review, in which the Congress which authorized them has no real role, is to weaken further the credibility of Washington and this Congress.

My second objection is that abandonment of these projects would short-circuit and, in effect, abandon efforts of longstanding by Congress to upgrade and overhaul the standards and principles for water resource policy and evaluation of projects.

We are not exactly new to this business, nor have we failed to recognize the need to take all benefits and costs into account when we are refining water resource policy; but we have done so in a way to assure that Congress will assert, or reassert its responsibilities.

Under section 80 of the Water Resources Development Act of 1974, we called on the President to study and report to the Congress with his recommendations on water resource project criteria. Our thought was to get the best thinking the administration could come up with, and then exercise our responsibility to set the policy for the executive branch to administer.

The purpose was to say that too much had been delegated to the executive branch in past years, and that changes were necessary, that the Congress would call the tune. The outgoing administration failed to provide the study mandated by section 80, and I in no way fault the Carter administration for that. But, what the new administration should have done was to take the data assembled for that study by the Water Resources Council and come up with recommendations for the Congress to consider in a regular, sound and orderly process. It is that failure that confronts us here today.

I would invite the President to recall his own statement before our committee at a hearing in Atlanta in 1974, on the subject of transportation.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent Mr. HARSHA was allowed to proceed for 2 additional minutes.)

Mr. HARSHA. Because of cost, lead time and environmental consequences, has parallels in the water resources field. I quote:

> It's almost impossible for a governor or a major local or State agency to deal effectively anymore with the Federal Government in the effectuation of long-range plans because of the uncertainty of carrying out congressional laws and appropriations since the president had initiated a regular portion of his own attitude, the impoundment of funds which Congress has directed to dispense.

Now, if the President's action is allowed to stand, local and State governments will never be able to effectuate long-range planning. Let me offer my colleagues this caveat: If this move is successful, what about the next group that falls within the so-called hit list? Members whose projects are not involved today have no assurance that tomorrow their projects will not be placed on such a list. If this move is successful, there will be no need for those who find their projects on the next hit list to come to us for help, because the precedent will have already been established that Congress has no viable role in water resources development.

I urge the Members to join the authorizing committee and the Appropriations Committee in defeating this amendment.

Mr. MOFFETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think that the comment of the gentleman who preceded me is very pertinent for those of us who do not have projects on today's hit list, and perhaps that is one of the reasons I am standing here—I do not know. I do not have a project on today's hit list; I may on tomorrow's hit list. The important thing, it seems to me, is to recognize that all of us are inconsistent.

The gentleman from Kansas was suggesting that he believed that the gentleman from Illinois (Mr. MIKVA) was being inconsistent. There have been some statements made that perhaps the President himself is inconsistent, given his past record.

What I would suggest is that we are all inconsistent on this, because we are all part of an institution in which, with all due respect to the gentleman from Colorado, my impression is one that agrees with the impression the gentleman from Illinois has, which is that we do not have a merit system or anything resembling a system of merit consideration, and that the system could be greatly improved.

I have not studied in depth all the projects that have been discussed here. In fact, I have been impressed, as I usually am, when Members talk about things in their districts, such as the statements made by the gentleman from Arkansas, the two gentlemen from Missouri, the gentleman from South Dakota, the gentleman from Kansas, the gentleman from Oklahoma, and more recently the gentleman from Georgia. I think they have made very good presentations, and I am not a Member who is insensitive to what they are trying to say or to their unhappiness, or even to the anger, that the attempt of the gentleman from Massachusetts and the gentleman from South Carolina seems to create in a body such as this.

But what I would urge is that we step back a little bit. I know it is difficult for those who have projects on this list, but this is a golden opportunity to bring some changes to this system. I am not suggesting that it is the old politics to judge these projects the way we have been doing. I think it is the old politics and the new politics both. It is politics. To the extent that it is wound up in politics almost totally, we are not going to get the legitimate consideration that we need. I do think it is old politics, however, to go beyond the gentle art of persuasion within our own body in dealing with each other as Members on this, to exert something a little stronger than the gentle art of persuasion. I do not think anyone in this body can deny that something a little stronger than the gentle art of persuasion has been exerted on some Members of this body. I would urge that we at least take that out of the old politics and at least deal with each other as human beings and respect the positions of each other if we do disagree on a particular project or set of projects. None of us are immune. None of us are consistent, I will say to my friend, the gentleman from Kansas. We are all hooked on this, like a bunch of addicts. Like a bunch of addicts, we are the last ones in the world who think we need help. The President, with all his own inconsistencies is in a position to remind us that we are addicted to the process and we need help. And in essence, he is offering us a methadone program to try and see our way out.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman. I would not like to think we are going to have a hit list as a result of anyone's vote on this measure, because a hit list would not be in anyone's best interest.

In talking about old politics and new politics, I cannot say which of these two variants have the most to commend it, but, we do have a political process, on our side of the aisle, which we deal with every December in even numbered years.

I am certain that when the history of this Congress is written there will be no Member discriminated against because of their vote on this issue—because the world is round—and we in support of the amendment also have our rights.

We just exercise them at different points during the course of the congressional cycle.

I do not expect a hit list to be in order. I do not expect reprisals to be taken.

I do not think that is what we should—or will—indulge in.

Mr. MOFFETT. Mr. Chairman, I thank the gentleman for his remarks.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. I thank the gentleman for yielding.

Mr. Chairman, let me say to my colleague that every project that is on the hit list has been carefully scrutinized by the authorizing committee and the Appropriation Committee. It must first meet the cost-benefit test. Witnesses for and against have been heard. The Government agencies submitted their views. Projects are not passed upon in a haphazard manner. Frankly I cannot think of any better method to pass judgment on these projects. If we are to give the Executive the right to defeat projects by submitting a hit list, then go the whole route—and give the President the authority to item veto.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. MOFFETT) has expired.

(On request of Mr. SKUBITZ and by unanimous consent, Mr. MOFFETT was allowed to proceed for 2 additional minutes.)

Mr. SKUBITZ. If the gentleman will yield further, the President has been getting bad advice. People in advisory positions with 120 days experience now set themselves up as experts in the field. I think it is a slap in the face if the Congress accepts such action on the part of the administration. I say to my colleague that I inherited the Hillsdale project. It was authorized before I came to Congress. Whether it is or is not built will not affect the career of the gentleman from Kansas. He has already announced that he is going to retire. But I strongly feel that the Hillsdale project is needed. There are six communities which are looking to it for water supply in the future.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. I thank the gentleman for yielding, and I would like to associate myself with the remarks of the gentleman.

Mr. Chairman, would the gentleman agree with me that maybe if apportioned the armed services bill State by State and district by district, we might be able to see this additional interest that has been demonstrated here today?

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Conte-Derrick amendment, prohibiting the expenditure of funds on 16 water projects, and limiting the expenditures on another project for a total savings of over $2.2 billion in construction costs. I commend my colleague, Mr. CONTE, on the Republican side for pursuing this matter so diligently.

There are over 500 water projects funded for construction in this coming year by the public works appropriations bill. The majority are justified, even vital. The projects high-lighted by the President's review and proposed for deletion by the amendment under consideration, however, are not in the category of facilities that provide valuable flood control, water supply and irrigation benefits, or navigation around the country. The projects the amendment seeks to cut are "bottom of the barrel" construction projects of dubious value, narrow beneficiaries, and substantial disastrous environmental impact. An analysis of these projects shows great expense for a small return, or worse, a windfall for a few; and whatever benefits that might result could be achieved by alternative actions less costly and less environmentally damaging. Most are only fractionally completed, and none should be funded any further.

In February of this year, I joined over 70 of my colleagues in requesting the President to trim the fat from the Federal water development program. I am pleased today to lend my support toward the implementation of this request, which is so clearly in the public interest.

This amendment has the support of the Coalition for Water Projects Review which includes the Environmental Policy Center, Friends of the Earth, Sierra Club, National Wildlife Federation, and the Wilderness Society.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to thank the gentleman from New York for yielding.

The gentleman from Arkansas (Mr. ALEXANDER) disputed a great many of my figures on the Cache River. I would like to point out that the channelization of the Cache River will take in 232 miles of that river. It will require the loss of 170,00 acres of productive hardwood forest, it will offset the loss of prime fish, water fowl, and wildlife wetlands habitats, and it will mean the creation of a downstream and flood and water quality problem.

Mr. Chairman, let me tell the Members how popular the Cache River channelization is. The Arkansas State Legislature this year passed a resolution against channelization of the Cache River. The legislature commended President Carter for his action. There is strong statewide opposition to the channelization, with nine States involved in litigation against the Cache River channelization project.

Mr. Chairman, I would like to tell the Members of the House how I got so deeply involved in this issue. On February 14 I joined 72 of my colleagues in the House and Senate, asking the President to look at the water projects that were not economically sound and that would destroy the environment. For the first time one of our Presidents answered us positively and went out on a limb and, as they call it, put 18 of these project on the "hit list."

I think it behooves me and any other Members of this House who signed that letter of February 14 to stand up here and be counted on the side of the President for fiscal responsibility and for the protection of the environment of this great country of ours.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. Mr. Chairman, I thank the gentleman for yielding.

I wish to associate myself with his remarks and with the remarks made earlier by the gentleman from Illinois (Mr. MIKVA).

I also want to congratulate a number of my colleagues on their courage—the gentleman from South Carolina (Mr. DERRICK), the gentleman from Iowa (Mr. BEDELL), and others—because they are taking the heat on projects they are asking to be phased out in or near their home districts. I think they deserve the plaudits of the Members of this House for acting in the national interest. It is not easy to do, and I hope the House as a whole will follow their lead.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding.

I, too, wish to rise in support of the Conte-Derrick amendment.

We must think about what we are going to do. Tomorrow, this week, or in the next few days we are going to be considering public assistance amendments. We will be wondering whether we can afford more educational grants, more cancer research, more day care, and more help for our elderly people.

Are we really going to be able to afford an extra $2.2 billion for these dams, on top of the 489 projects which will still be on the books?

Mr. EDGAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Derrick-Conte amendment, and I do so as an "endangered species" myself.

As a member of the authorizing committee, the Committee on Public Works and Transportation, I stand in the well today having some knowledge over the past 2 years as to how that particular committee authorizes public works projects and, in particular, the very important water resource projects throughout this Nation.

First. Mr. Chairman, I think we have four basic problems. I think our first problem is the problem of popularity.

As I have listened to some of the testimony presented by the Army Corps of Engineers and listened to the testimony of our colleagues as they have come before our committee to demonstrate their interest in their projects, and as I have looked at the work of our Subcommittee on Water Resources and of the full committee, I have noticed that we have a great deal of difficulty in getting angry with our colleagues, whether they are Democratic or Republican colleagues. We have a great deal of difficulty in judging a project to be negative, even when the cost-benefit and the environmental impact and the reports and analyses of Federal agencies have been negative, in saying to that colleague who sits before us that his project is somehow not worthy to be brought through the process.

Mr. Chairman, I have discovered that those Congressmen who happen to be the most popular, who are willing to make the most commitments to the system, are able to get their projects into the legislation.

Second. The second major problem that we face, besides popularity, is the process of boondoggling; and that process starts in a very innocent way. It starts before our committee by just asking for simple resolutions to study whether or not a particular water project is needed in a particular area.

In many cases, there is a great deal of justification for that study and for that process; but unfortunately, when the study is initiated, it is almost tantamount to accepting that project as being a reality 4, 5, 6, 7, or 10 years down the line. Once it gets into the study phase, regardless of the merits of the study and regardless of whether the study is positive or negative, the project seems to proceed.

Mr. Chairman, I know that I have a reputation that puts me on that endangered species list. On our committee I happen to raise the environmental questions, and I happen to ask those questions about cost-benefit and about the impact of the projects on local communities.

Many times, out of courtesy, the questions are answered, but, in fact, the projects time and again get approved.

Therefore, Mr. Chairman, I think we have those two problems of popularity and of boondoggling.

Third. We have a problem with the process; and I think that the President of the United States should be commended for standing up and being counted on these 17 projects out of 300 or 400 projects in helping us to face up to the fact that we have a process problem. How can we, as a nation, do the whole Nation's public works and resource projects in an equitable, fair, and environmentally sound way in the 1970's?

Mr. Chairman, I do hope that, win or lose, this amendment—win or lose the debate on the 17 projects—or win or lose on the specific merits of an individual project, that we in the House will initiate today a new process whereby we would determine that no new projects may get started if they fail to meet the basic requirements of equity and environmental impact and also, the cost-benefit ratio, which is very important.

Fourth. Finally, Mr. Chairman, I think most of us are futurists; and we have to recognize the impact of the future.

I have heard my colleagues talk about the energy aspects and the jobs aspects and the construction aspects of the projects. I would hope that we would also do a future-impact study on our Nation and recognize how easy it is for us to put together brick and mortar.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

(By unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. As I was saying, Mr. Chairman, I think it is important and critical for us to recognize the future impact of our decisions. If, in fact, we support the Conte-Derrick amendment at this time, we are simply saying that these 17 projects are in question. They have doubtful cost-benefit and environmental qualities to them, but they represent not just 16 or 17 projects, but they represent a process that has to be stopped today and changed so that we have a positive impact on the future.

Mr. KOSTMAYER. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, I am a new Member here; but it seems to me that the proponents of this amendment have tried to compromise and to reach a fair accommodation.

First of all, the President has reduced the number of projects. He had proposed 32 originally, but he cut that to almost half, and that was a compromise.

Some weeks ago the gentleman from Maine offered an amendment to cut $100 million to eliminate a number of these projects.

Many of these projects will still go on. We are not trying to eliminate all of these projects. We are not against those projects which are truly worthwhile, nor are we against those projects which provide legitimate flood control and irrigation. Some are important projects.

We wish to eliminate the very worst, only the most offensive, only those which fail in the areas of safety, which fail in the area of cost, which fail in the area of the environment.

I would certainly like to say to my friend the gentleman from Kansas who says that he regards this as a slap in the face of Congress, that I think that that is just what the Congress needs. I commend our President for doing that. I have not been here long enough to be offended by having our faces slapped. I think that is what we need. I believe someone has to cut. I do not think that the Congress often enough has the courage to cut in our collective greed. I think we should stop the damming, I think we should stop the dredging, I think we should stop the drilling and start the saving.

Mr. DON H. CLAUSEN. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. DON H. CLAUSEN was allowed to proceed for 5 additional minutes.)

Mr. Chairman, I rise in opposition to the amendment and urge the Members to join in rejecting it as well as any others that may be offered to delete funds approved by the Committee on Appropriations for water resource projects.

Like the chairman of the Committee on Public Works and Transportation, the gentleman from California (Mr. JOHNSON), I both represent an area heavily dependent upon water resource projects and at times we have had problems in the past in order to deal with flooding and in times of drought to deal with problems affecting drought, in addition to which I serve on the Committee on Interior and Insular Affairs, dealing with water resource projects.

First of all, I would like to discuss some of the comments that have been made with respect to the Members themselves who come before our committee and the authorizing committee asking for support of projects. I want to remind every one of the Members that there is no project that is authorized unless it has the support of the local officials who will guarantee that local support will be assured before any project goes forward. So it is not just a popularity contest among Members of Congress, but one of representing what the people in that particular area have asked their Congressman to advance.

Personally, Mr. Chairman, I feel that the President has been ill served by bad advice from people who have too little appreciation of the role of water resource projects, particularly in the Western States. I think it is also going to happen in other sections of the country. How else would the administration claim cost savings in statements ignoring the fact that water supply, power and half of reclamation costs are reimbursed to the Federal Government?

This bad advice placed him, in my judgment, in a needless confrontation with the Congress and it became inevitable that we wind up with a list, though not identical to the original, of projects to be deleted.

The Committee on Appropriations has taken a good look, as they have over the years, at the projects and, to its credit, they have rejected the notion of wholesale deletion while agreeing to accommodate certain priority concerns of the administration. This was the proper congressional response. I commend the committee for it.

Mr. Chairman, the work of building in this country is not yet done. The committees on which I serve have a responsibility for substantial public investment in the basics, the fundamental facilities underlying our prosperity and well-being.

Flood control at a time of flooding, water supply at a time of drought, power at a time of energy shortage, and all their implications for community development, recreation for an urbanizing population, transportation and agriculture, both in terms of employment and supply of food at prices the consumer can afford. Balanced against these are costs in terms of both the environment and the burden on the taxpayer.

I urge my colleagues to reject this and similar amendments—not just to preserve these projects, but we must also preserve and protect the ability of the Congress to legislative in this important field and set the stage for genuine cooperation between the Congress and the administration in refining the process of balancing conflicting demands which will always confront us in any areas that we address.

I would like to remind my colleagues of the kind of circumstances and situations we in the committee have had to face as we held hearings and inspection trips throughout the country as a followup to major floods, be they in Penn-

sylvania, Louisiana, Texas, California, or all over the United States, in response to major disasters, and floods in particular. We have had to legislate in response to those disasters that would promote the recovery of those areas.

In California we have become a land of contrasts. I have a congressional district where in 1964 I had a major flood with 920,000 cubic feet per second rolling out the river to the sea. And this year all of California is suffering from unprecedented drought.

We have had projects authorized in my district since 1962, and because of the Vietnam era some of these projects were not able to be funded because of major international commitments that were beyond our control.

Let me talk a little bit about the process. A few years ago this Congress supported the committee by the adoption of a section that required a revision of the criteria for reevaluating projects. Just recently when we had the Secretary of the Interior, Mr. Andrus, come up before our committee in response to a request by the gentleman from Arizona (Mr. UDALL) relating to the "hit list," I made a suggestion to him; "I want you to know that this Congress is not a Johnny-comelately when it comes to changing the process."

Consistent with this discussion, the gentleman from Texas (Mr. ROBERTS), chairman of the Water Resources Committee and I met with the Director of the Office of Management and Budget, Mr. Roy Ash, wherein we made suggestions for changes in the process. It used to be a survey resolution would be the first step, and then we moved in the direction of advanced engineering and design for the second stage in the appropriation process, and then construction would follow that.

Prior to the changing of our process, we had a simple procedure for projects that authorized simultaneously the advanced engineering design and the construction on the basis of recommendations and suggestions from environmental organizations, as well as the exchange we had with the Director of the Office of Management and Budget. We changed the process to the point where we do not authorize the advanced engineering design and the construction at the same time. We stage the authorizations in such a way that only the preconstruction engineering is authorized, and then in this way the committee can more comprehensively evaluate the engineering, the economic and the environmental factors, which heretofore have not been given full consideration.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

I think the gentleman is making a good point. I would like to say to my dear friend, the gentleman from Illinois (Mr. MIKVA) and my good friend, the gentleman from Connecticut (Mr. MOFFETT) that this process is not an "old boy process." It is not a "You scratch my back; I will scratch your back" process.

I have just chatted with the distinguished chairman of the subcommittee, the gentleman from Texas (Mr. ROBERTS) and I asked him, "Out of the total number of projects requested to be funded, how many actually have funding authorization?" He said, "I cannot give you an exact figure, but I think a ball-park figure would be about 50 percent."

Then I asked the staff of the Committee on Appropriations, "How many of those that would get authorization have been funded?" There are about 5,000 that have been authorized that the committee has not, for one reason or another, in its judgment seen fit to authorize or to appropriate funds for.

So I think what the gentleman says is most important. We do have a serious process. Judgments are made, and they are not made on the basis of "You scratch my back; I will scratch yours."

Mr. DON H. CLAUSEN. I thank the genlteman for his comments.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Is it not true, too, that when we talk about the process, the Carter administration has not even sent a bill up to the Committee on Public Works to change the process to send us what they want in terms of a new authorizing process? Is that not accurate?

Mr. DON H. CLAUSEN. Mr. Chairman, that is absolutely correct. Let me add something to what the gentleman said, before my time runs out.

When Mr. Andrus was before the committee, I said to him that as far as I was concerned over the years the methodology for evaluating projects was outdated and need to be addressed. As they attempt to deauthorize projects on the basis of the interest or discount rate that is applied, I said the new rate ought to apply to anything in the way of newly authorized projects. The one thing that has not been addressed adequately is for the Congress and/or the executive branch to start to identify and quantify the environmental factors as part of the cost-benefit ratio. We have had cost-benefit ratios as they appy to flood control, hydropower, water supply, and recreation. I think we ought to get rid of the primary and secondary aspects and start to develop a total benefit criteria and restructure it so as to address the economic, the engineering, and the environmental factors.

Mr. HEFTEL. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I yield to the gentleman from Hawaii.

Mr. HEFTEL. Mr. Chairman, I represent Hawaii but I do not rise on behalf of Hawaii. I spent about 20 years of my life in Utah and Arizona and that experience makes one very much aware of what the dam projects mean once an individual has lived there and has lived with those projects.

I have heard the words "compromise" and "commonsense" used today as words. When the original deletion list came out, central Arizona and central Utah were both deleted. Neither of those deletions made sense. Then we got a compromise and central Arizona was restored and central Utah was still deleted.

The CHAIRMAN. The time of the gentleman from California has expired.

(On request of Mr. HEFTEL, and by unanimous consent, Mr. DON H. CLAUSEN was allowed to proceed for 1 additional minute.)

Mr. HEFTEL. Mr. Chairman, if the gentleman from California will yield further, that is not compromise that I can understand and it certainly is not commonsense. I know of nothing that one can distinguish between the two projects that would tell us we would have either one or the other. We would have either both or none at all.

And there is something wrong with the administration's process that has been used to date and the manner in which they decided the projects will or will not go forward. I suggest there is a reason for it: A lack of time and judgment and knowledge that went into the manner with which this administration approached the problem originally.

Mr. DON H. CLAUSEN. Mr. Chairman, I want to say that Mr. Andrus agreed with the suggestion I made and the proper way to proceed on this is for the executive branch to work with the committee that has the expertise and the jurisdiction and work out the kind of criteria that more appropriately identifies and quantifies all the factors we are dealing with. In this way, we can minimize the confrontation and better screen out the projects that do not qualify on the basis of an agreed-to and updated methodology for evaluating projects.

I am going to ask our committee to take the initiative toward this objective.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(By unanimous consent, Mr. WHITTEN was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, as we listened to the debate here on the one bill that more than any other looks after our country, we have heard it described as a back-scratching bill or a division of benefits, and many, many other things. But as we study our country, and I hope we may have the attention of the membership, and to all of my colleagues I attribute the very highest of motives, I hope they will take the time to reach under their seats and take yesterday's RECORD and look at page 18591. On that page Members will find a list of projects that were subjected to a veto by President Eisenhower in 1959.

It took the Congress two tries to override the President's veto, but I wish Members would look at this and think what condition our country would be in today if the Congress had not overridden President Eisenhower in 1959. Get out the RECORD and look at it. The projects are in Arkansas, Alaska, California, Connecticut, Florida, Hawaii, Illinois, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, Nebraska, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania,

Texas, Virginia, West Virginia—and so it goes, and there were 63 of them.

We would be in a desperate condition today if the Congress had not in this second effort overridden the President back then.

In this country when our forefathers founded it they found more raw materials and more natural resources than any country in history and we wasted more in a shorter period of time than any nation in history.

Though I have rated against such appropriations we have spent $194 billion trying to help foreign countries. There are two types of countries we aid; those at this late time in history who have not developed their natural resources. We call them the developing countries now, because with American dollars they are beginning to make a little start. Others are the wornout countries, such as we find in much of Asia, China, India, and elsewhere, where they developed their resources and then let them go to pot.

Now, what do we find in this country? We find a population of around 220 million people, most of whom do not know—I happen to live in the hills—but 41 percent of the water of the continental United States except Alaska drains down through the Mississippi River system, which includes the Missouri, Ohio, and many other streams. Week by week, day by day, and year by year, every time they build a shopping center or parking lot in Pittsburgh or Lincoln, Nebr., it speeds more water down the river and more topsoil by the city of Memphis and moves New Orleans further from the gulf.

Not only do we have to start facing up, but as I said yesterday, during a recent visit to an eastern city, restaurant signs said, "We will serve water if requested, but we are trying to cooperate with the Government in the water shortage."

Now, we are going to have 150 million more people in another generation. Where will they get water? We will not have any more water.

It has been intriguing to me to hear my colleague, the gentleman from Washington, put in this report today, "Hear this, my young friends that just got here," and I was rather young when I got here, "They have not made mention of the fact on page 109 of the millions of dollars this country has spent in Afghanistan, in Bangladesh, Burma, India, Korea, Liberia, Malaysia, the Philippines, Kenya, Morocco, and Nepal. I agree with them when they say they have courage. It would take courage to get up here and not criticize using American dollars in those countries, while cutting out the same thing in our own country."

Mr. Chairman, far from their homes, far from where I live and far from where my friend who offered the amendment lives, if we had not overriden President Eisenhower years ago, we would not have the 35-foot harbor at Boston, because it was one of the projects eliminated by President Eisenhower in 1959.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I share the concern the gentleman has. On Monday of this next week we are going to ask the gentleman to join with us on another project, similar to the projects mentioned here and in other parts of the country.

Mr. WHITTEN. May I say to my friend, I have long experience in cooperating with the gentleman in this effort.

Mr. YOUNG of Florida. Yes, the gentleman has, and I thank the gentleman very much.

Mr. WHITTEN. Now, Mr. Chairman, in 1959 President Eisenhower was faced with having to veto the bill or not. He had no right of item veto. Listen to the difference today. He either had to veto it or let it become law. He vetoed it. We tried to override and failed. When it went to the committee, we reduced the projects by 2½ percent, then listed the projects and kept the 63 listed in yesterday's debate on the bill. Then we overrode it, but that was only for some of those.

What is the situation now? We passed a legislative budget control and impoundment bill, which now lets the President item veto. If by chance the President, as he has indicated, says that certain projects are not up to present-day standards, do not come up to his standards, he has the right when he signs this bill to point those out and to do one of two things, to rescind the funds for particular projects in the bill and then if Congress does not act in 45 legislative days, the funds have to be released.

Or, he can defer those funds, and if he defers them, then Congress has to affirmatively release the funds. I firmly believe selection of projects for the welfare of this country is, under the Constitution, placed as a responsibility of the people's branch, the Congress. So, I say to the Members that our Legislative Committee, having selected these projects, and the Appropriations Committee having recommended funding, the Corps of Engineers having approved them, the Bureau of Reclamation having approved them, certainly we need to keep in our hands the right to select public works projects of the next generation.

Members who vote against this amendment are not slapping at their President. He has the right to make this determination, and I am not slapping at those Members who have projects in trouble—I do not happen to have any on the hit list—because this course will probably enable us to save those projects, by a vote of the majority of the Members of Congress, which is the people's branch, with whom I feel any President should wish to work.

So, I point out these things in urging the Members to vote against this amendment, leaving it to the President to express his displeasure or express his disapproval, and let it come back to the Congress and let us deal with these items separately, which is to the interest of any Member whose project may be in this situation.

Now, let us move back again. We have in another bill quite a long list of similar situations, but in times past there have been other countries that have been shortsighted and that did not take care of the land. They did not take care of the timber. They did not take care of the soil. I have here the debate we had yesterday, in which I quoted this item. I have another report that has hundreds of examples such as this. If we study the past, we find Mesopotamia in the Middle East, which went down because the people failed to protect the resources they had. Mesopotamia had about 25 million people in a prosperous country centuries ago. Because of lack of care of the land, they now have only about 4 million people who are poverty stricken.

Let me describe to the Members the words of the man who went and looked at that area:

> The landscape is dotted with mounds, the remains of forgotten towns; the ancient irrigation works are filled with silt, the end product of soil erosion; and the ancient seaport of Ur is now 150 miles from the sea, its buildings buried under as much as 35 feet of silt.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. DUNCAN of Oregon. Mr. Chairman, I ask unanimous consent that the gentleman be given 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. MIKVA. Mr. Chairman, reserving the right to object, and I will not object, but I do want to say that we have been debating for some time. Obviously, the chairman of the committee is going to be compelled to limit debate pretty soon.

I think I will object to any further requests to extend time beyond the 5 minutes.

I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Mr. Chairman, I think the gentleman is making a good point with respect to the failure of other nations in this world to take care of their resources. I would ask the gentleman to think back to the early days of the Franklin D. Roosevelt administration, when our great public works program got its first impetus.

I would ask the Members of this House to think of the kind of treatment we were giving to our environment when we saw most of the Western United States vanishing in dust clouds; when we saw those same dust clouds spur a migration from Oklahoma, Arkansas, and Texas to the west coast of people who could not earn a living on the land in the western part of the United States.

So, these public works projects became part of the environmental soil program, for which I do not think Congress need apologize. Indeed, I think we can be proud of it. I can recall those great dams on the Columbia River being referred to as white elephants, that we would never

be able to use the power produced. As the gentleman well knows, without the power produced by those hydroelectric projects we would still be fighting World War II.

So, I thank the gentleman for calling attention to the plight of the foreign countries. I would further ask the gentleman to think about the plight of this country.

Mr. WHITTEN. I appreciate my colleagues statement. You might go, if you will, down to the city of New Orleans and see how far it is from the sea and it will get further and further away.

My friends, there are lots of places where we can start to economize. But do not economize at the expense of taking care of our country, because all of the rest of what we are able to do is dependent upon the land. If we let our resources waste away, truly we will end up like the worn out countries of the world.

Mr. BURGENER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I yield to the gentleman from Utah (Mr. MARRIOTT) to speak on the importance of the Bonneville project.

Mr. MARRIOTT. I thank the gentleman for yielding.

Mr. Chairman, several Members of Congress, in an attempt to persuade us that the water projects are unnecessary and too costly, have perpetrated upon us a rationale so preposterous as to shock reasonable thinkers. The arguments against the Utah project are so inaccurate that they could not survive any test of reason, including the smell test.

First, they argue that we should strike the central Utah project because there are alternative means at far less cost and environmental impact. This statement is absolutely false.

The Pacific Southwest Interagency Committee, that is made up of Federal and State technicians, concluded after comprehensive studies that there are no alternative sources of water for rapidly growing areas of Utah that are to receive water from this unit.

Second, the opponents of the water project argue that this project would aggravate downstream salinity problems in the Colorado. That too is simply incorrect.

The Colorado water quality improvement program is currently studying 15 salinity control projects. The Colorado River salinity control project, Public Law 93-320, is presently constructing three salinity control projects which more than make up for a slight increase in salinity caused by the central Utah project.

There is also under construction a half-million dollar desalting plant which will be operational in the future.

Third, they argue that this project would rob high quality trout streams of essential water, degrade important water fowl and wildlife habitat, and damage Utah Lake. These claims are absurd.

The facts of the matter are that this project would increase the fishing in Utah by 160,000 man days. There are no high quality self-sustaining trout streams in Utah except the Green River, which is a product of the Flaming Gorge Reservoir. The biggest trout in the State of Utah, some reaching record weights, are caught in the reservoirs, many of which are a part of the central Utah project. There is no real danger to wildlife habitat by diking Utah Lake. This process would save enough water from evaporation to supply a city of 100,000, and would reduce wildlife habitat by less than one-tenth of 1 percent.

Fourth, they say that in March of 1977, the Salt Lake County attorney stated that there is no strong conclusive evidence that the Bonneville unit is the best available alternative for meeting area water needs.

It is interesting that this group should draw their conclusions from a statement by Mr. Van Dam's assistant, and disregard the fact that the following people in the State of Utah directly affected by the project are unanimously in favor of it: the county commission, the Utah Legislature, the Governor of the State of Utah, all four members of the congressional delegation, the Attorney General, the National Association of County Commissioners, not to exclude the National Association of County Commissioners and the AFL-CIO and affiliates.

Finally, they argue that the Bonneville unit steals a substantial amount of Ute Indian water for shallow promises of a new project in the future, and that part of the tribe believe that the Bureau of Reclamation has swindled them out of their water.

The facts of the matter are that the central Utah project and the Bonneville unit are developed jointly by Indians and non-Indians alike and the Indians are overwhelmingly in favor of the project.

The members of the tribe they refer to are 13 dissident Indians out of almost 1,600. The only thing that would happen if this project were taken away would be the creation of a civil war between the Indians and non-Indians over their future lifeblood, water rights.

All of the opponents' so-called facts have been gathered from Dr. David Raskin, an extreme environmentalist who is publicly opposed to these projects. The good doctor has no formal background in water matters or problems. He is not a hydrologist; he is not an economist. He is not even an engineer. He is a psychologist from the University of Utah, a 6-year import to the State of Utah. It's interesting that at a time when Members of Congress should be working together to solve the problems of this country, these opponents of the water projects never once contacted Mr. McKay or myself or other members of the Utah delegation to find out our view on the water projects, and I would dare to say none of them have even seen the project or know the first thing about it.

In the name of commonsense and conscience, I ask you to strike down the Conte-Derrick amendment. As the late Senator Robert Kerr said, "We can bequeath our children cities of iron and stone and aluminum, but we had better be sure we can give them the water to make them livable."

Mr. McKAY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, in 1847, after Father Escalante, the first Anglo-Saxons arrived in the Great Basin. On the 24th of July, 1847, the next day after they arrived, they turned a stream of water out on the arid, parched land. They opened it up, because it was hard to plow, and they planted potatoes that grew to a tiny size. They survived on those potatoes during the first winter.

Since that time there have been many acts and many decisions which have come to a point of agreement as a result of the arguments of the Western States about the allocation of existing water. This is altogether a matter of life. There are many arguments pro and con; the Members have heard some of them and they will hear a lot more. But from 1922, up to 1948 and through 1956 and 1968 these acts and agreements have been refined in order to allocate to each State its share of water of the Upper Colorado and the Colorado Basin. If these projects are not completed, each State will not be allowed its share.

In the high mountains of the West we get our water in the wintertime snowstorms, and if we do not manage it in the spring when it comes out, we have no fishing streams. The water dries up on the 15th of July or the 1st of August, and after that there is no free flow. As a result of prior projects, in the Weber Basin area and the Ogden River area, where people a long time ago built projects, we now have a continuing flow of water for fish that never existed before. After claims of the environmental impact on that Bonneville unit, the projects have survived the test in the district court and in the Tenth Circuit Court of Appeals, and the environmentalists were wrong, because in 1973 the environmental impact statement of the Department of Interior upholds the project all the way.

As far as the cost-benefit ratio of the project is concerned, it is 1 to 1, which is better than the 8 of 9 projects that the President finally approved. Where is the politics in that if you are talking about test review of Presidents. It would appear to me that it is more politics than fact.

On this project there are 300,000 acre-feet of water to serve 12 counties out of 29. There will be 320 million kilowatts of power generated, and that amounts to 120,000 tons of coal annually, 500,000 barrels of oil, or 3 billion cubic feet of natural gas. If this project goes down, that much energy will be lost.

Let us also remember that Secretary Andrus indicated before the Committee on Appropriations that the cost-benefit ratio was equitable. He made a different recommendation to the administration the one that the President accepted.

Mr. Chairman, my time is going to go by very rapidly, but let me make a few more points. As far as the wildlife is concerned, there is a marsh that will be dried up, but we will create 14,000 acres of marsh that will be permanent. The present marsh dries up every year. So we are managing the water in the West, and this is environmentally sound. It creates

more fishing streams. It does all of these things. It meets the needs of the people.

Someone has said that it is a boondoggle. If it is a boondoggle to provide water, if it is a boondoggle to assist in the development of energy through the use of coal, oil shale, and tar sands in my State and in this area where the water is developed, that is a new definition of the word to me. This project helps us to manage our resources for the use of this Nation, not just Utah.

Without water, we cannot dig a ton of coal. In Carbon County today they are tapping the water out of a mine, and it is not usable for culinary purposes. They do not know what to do. All new hookups are cut off. There is no more water.

One can say that we cannot create any more water. That is true. But we can manage what we get.

The CHAIRMAN. The time of the gentleman from Utah (Mr. McKAY) has expired.

Mr. McKAY. Mr. Chairman, I ask unanimous consent to be allowed to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

Mr. MIKVA. Mr. Chairman, reluctantly, I object.

The CHAIRMAN. Objection is heard.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. McKAY. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Utah.

Mr. McKAY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the Conte-Derrick amendment reminds me of a little story. When I was on the board of directors of a hospital, the chief doctor came in and he said: "We would like a fetal respirator."

"How much will it cost?" he was asked.

"It will be $15,000 or $20,000," he said.

The Board said, "We cannot afford that. That will raise room rent and hospital costs. There is just no way we can afford that."

One of the members of the Board asked, "How many infants would it have saved last year?"

The doctor said, "Maybe five."

The members said, "We could not afford that just for five, obviously."

As the doctor went out of the room, he said, "That is right, unless it was yours."

Mr. DICKS. Mr. Chairman, I come from the State of Washington, and we do not have any projects on the so-called hit list. Therefore, I do not know why I should take such a personal interest in this matter.

I do serve on the Public Works Subcommittee on Appropriations; and I frankly feel rather strongly about these projects.

The gentleman from Illinois (Mr. MIKVA), a man for whom I have a great deal of respect, earlier today said, "So what about water projects? You cannot save the water."

We have a spring thaw, and the water runs off the mountains. We need reservoirs in the State of Washington to save that water. We can save that water and use it later in the year for irrigation and hydroelectric power when it is necessary, but only if we have reservoirs.

Mr. Chairman, the thing that has always bothered me about this situation is that if the President of the United States feels so strongly about it, why has he not sent up a new bill to the public works authorization committee to change the process? He has not even shown the Congress the courtesy of giving us his ideas on this matter. He has not said what we should do about the interest rates. He has not sent to the authorizing committee a bill to change the process. I respect President Carter, but he has had poor advice on this issue.

He also has the authority, if we pass this bill, to send up rescissions and deferrals. In that case, I do not see why he has to dictate to this Congress when he has a right, after the bill is passed, to send up rescissions or deferrals.

Mr. Chairman, I am very much concerned about taking the advice and the judgment of 60-day wonders when we have a chance to rely on the judgment of people on the authorizing and public works subcommittee who have been here and who have looked at these projects for many years.

I do want to say one thing about what the gentleman from California (Mr. PHILLIP BURTON) said about any fears that there will be any attack on those people who oppose this amendment on the merits. I certainly would never engage in anything like that. But I certainly hope that each of you will look at these projects on the merits.

Mr. Chairman, I can tell the Members that in the State of Washington these projects produce 85 percent of our hydroelectric power and the electricity in our State, and we have irrigated hundreds of thousands of acres and produced tremendous benefits to our State.

Therefore, Mr. Chairman, with this background and with this experience, I can truly say that the projects in this bill are certainly ones that deserve our support; and I strongly oppose the pending amendment.

Mr. ERTEL. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Pennsylvania.

Mr. ERTEL. Mr. Chairman, I would like to agree with the comments made by the gentleman from Washington (Mr. DICKS) especially the comments concerning one of the previous speakers here who indicated that we are all being pressured one way or another, and that is why we were going to vote one way or the other. Mr. Chairman, if we have been subjected to pressures which would be unreasonable, then I suggest the gentleman get up and label those individuals by name, rather than by painting everybody with such a broad paintbrush.

I happen to agree with the gentleman from Washington on his comments, but I would like to say that I have not been unreasonably pressured by anybody.

So I would hope that the person who suggests that would be very specific.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the hour in the afternoon grows late and I hesitate to burden the members of the Committee with the remarks that I would make on the subject of this amendment. Yet I think that I am duty bound, in good conscience, to do so, if for nothing else than to demonstrate that the ratio of speakers against this amendment as compared to those who would support it, is not really reflective of the support that I feel this amendment will have when a vote is taken.

I say that notwithstanding the fact that a decision on this amendment poses a very, very difficult question for all of us. One would almost wish that he could take refuge in that old bromide that some of my friends are for it, some of my friends are against it and in this case I am for my friends.

I respect, as others do, Mr. Chairman, the expertise of those who have spoken, particularly on the projects that are located in their districts. There is not anyone, I believe, that can duplicate the knowledge, the intimate, expert, detailed knowledge that they have about these projects. They have raised the art of advocacy in these halls to a new and very distinguished level. But I must remind all of the Members by saying I think it is a fact that on many occasions they sometimes can be so close to the trees that they cannot see the forest.

Here the universe that confronts us is not project A or project B or any one of the individual 16 projects that would be affected by this amendment. I see the universe before us as the totality of the Federal budget. Therefore I have to go with the position that I took a few weeks ago when I voted for the amendment that was offered by the gentleman from Maine (Mr. EMERY) that would reduce the funding level in the House budget enough so it would accommodate the very amendment today that has been offered by my friend the gentleman from Massachusetts (Mr. CONTE) and the gentleman from South Carolina (Mr. DERRICK).

I have noted that threading through this argument on this amendment this afternoon has been the question of the environmentalist on one side and those who are maybe not so concerned about the environment on the other. I want to suggest to the Members that some of us are taking a little bit different perspective. I am looking at this, too, in terms of fiscal realities that confront us not only in view of the budget deficit for the past fiscal year but the budget deficit that will face us in fiscal year 1978. I expect to be one of the Members of this body who is going to be very, very hard on President Carter if he does not fulfill the promise that he has made to the Nation and to the Congress that he is going to in his state of the Union message, or in his budget message of 1980, propose a balanced budget for fiscal year 1981.

I do not want to leave the President any loopholes. If he does not keep that promise to submit a balanced budget, I

do not want to hear him say, "I gave you a chance to have $2.2 billion in 1977 and you would not help."

"You would not give me the assistance that I asked for to balance the Federal budget; now do not come and complain to me because I have not kept my promise to you."

I repeat: I intend to be one of those who will watch the President and who will remind him over and over again if he is not successful in the pledge that he has made. I would agree that the administration has not handled this matter perhaps with the delicate art of diplomacy as it might. To some extent I believe that it is unfortunate that over and over again this afternoon we have heard that very pejorative expression used that a project is on a "hit list," as if the President were somehow out to wreak vengeance against those who had not supported him in the last campaign, so their projects are on a "hit list."

I was one of those who was invited down to the White House—I suppose as a member of our leadership—when this matter was discussed, and I was struck at the time and so noted by the fact the most outraged voices of all at that initial meeting, after the 32 projects had been announced were the voices of the Democratic Members of the House and Senate who were there present in the room.

Mr. Chairman, I would urge the House Members to vote in favor of the amendment.

Mr. McFALL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the distinguished gentleman for yielding.

Mr. Chairman, I rise in support of the Committee on Appropriations and their effort to provide for the needs of water resources development in this country.

Mr. Chairman, I cannot sit quietly by and see the diligent and carefully studied work of this House, the Public Works Committee and the Appropriations Committee gutted by this ill-conceived amendment. All down the line these projects have passed every legitimate test set by the Corps of Engineers and other Federal agencies involved. Those of us who have a direct interest in one or more of these projects in our home States have made every effort to see to it that the proper criteria has been followed. They meet the high standards required because they are not only worthwhile, but crucial projects that benefit the people in the areas touched and they benefit the economy of the country as a whole.

I am totally opposed to the Conte-Derrick amendment. I am also opposed to any piecemeal effort to dismantle and destroy the public works projects in any fashion.

The committee is to be commended for its long, hard work in studying each of these projects in detail. Their work has not been something done in haste. Many of the projects go back a number of years and represent months of testimony from experts and the efforts of some of the most qualified people in the country. In short, the committee has earned the right to stand in judgment on the qualifications of each individual project because it has done its homework.

Suddenly, with a quick scan of complex projects, we are told that they should be shot down. This recommendation is based on faulty, inaccurate and misleading information. It may make some political sense to some Members to support this amendment. But we should not be talking politics today. We should be talking economic sense and common sense, and this amendment falls flat on both counts.

None of our colleagues who are here today proposing that we scrap the Bodcau Bayou flood control project in my district have asked me for my evaluation of the project's worth. They have not talked to the thousands of people in that area of Louisiana whose homes and property are periodically threatened by flooding. Ask a family whose home has been washed away how they feel about controlling floods, and they will tell you the truth. They know first hand what can happen if we allow this particular project or others to die because we want to play politics. Certainly, I am concerned because I have seen close-up what can and does happen in our area when the waters rise.

Mr. Chairman, we are talking about lives and property. And those people were not consulted by the authors before this amendment was thrust on the House. We are talking about the lifeblood of future generations, and that is water. We have been so shortsighted about energy, it is inconceivable to me that we could be equally shortsighted about water needs for the future.

Let me tell you about just one of the projects and its benefits to our citizens, the Bodcau Bayou project. This project is composed of three major features, all related and interconnected. The plan of improvement is designed to provide protection against flooding from Red River backwater. The first phase, providing for intercepted drainage, is virtually completed. However, phase two, providing interior drainage channels, control structures, and culverts to complete intercepted drainage requirements, is in the preliminary construction stage now. Not to complete any one of the three phases of this project would result in very definite adverse economic situations, in addition to the loss of property protection.

The local Levee District Commissioners have determined that approximately 2,000 building sites now being completed would be improved immediately by the completion of this project. Further, another 5,000 homesites would be improved. One-fourth of the total project is already completed and 31 percent will be completed by the end of fiscal year 1977. Louisiana Department of Public Works officials and Corps of Engineers officials have pointed out that construction already completed in the upper portion of the project would in itself cause flooding downstream if the remainder of the project is not completed.

Although the administration argued that the net benefits of the project were insufficient to compensate for the project's adverse impacts on wetlands and fisheries, the Corps of Engineers stated in their position papers of March 11 and March 23 that:

> No additional major adverse environmental impacts would result from project completion, the ratio of remaining direct benefits to remaining direct costs exceeds unity when discounted at a rate of 6¾ percent and no credible question remains to be resolved concerning the safety of project structures.

The corps went on to state:

> The area of crops and grazing lands that will be eliminated as a result of project implementation will have negligible impacts locally and regionally and that production lost from these lands will be offset many times over by project induced agricultural gains.

Also pointed out in the corps paper were the facts that adverse effects on the wildlife, wetland, and fisheries areas were "insignificant." An example given was that bottom land hardwood acreage eliminated by the project would represent "less than 1 percent of the bottom land hardwoods in Louisiana and less than 2 percent of the bottom lands in the affected parishes." The Corps of Engineers concludes that:

> No solutions exist which will adequately provide needed drainage improvements and flood protection that is within the capabilities of local interests. Substantial benefits of the project cannot be obtained without completion of the Flat River (tributary comprising phases two and three) channel enlargement and related levee works.

I do not say this to press the Bodcau project at the expense of other beneficial projects. I stand completely behind the committee's recommendations that all the projects be funded.

Mr. Chairman, this amendment does not deserve the debate it has been given today. It is so poorly thought out that it should be defeated out of hand. I am convinced that my colleagues will agree with the wisdom of the committee in its thoughtful request and scrap this amendment—not scrap the public works projects.

Mr. McFALL. Mr. Chairman, I rise in opposition to the amendment. The project in California, the Auburn Dam project in which I am vitally interested is not a part of the amendment, but I respect the knowledge of the other Members who are presenting evidence in favor of their projects, and I support them and oppose the amendment.

Mr. Chairman, I now yield to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. I thank the gentleman for yielding. I particularly thank him because of the fact that we have different views on this particular legislation.

Mr. Chairman, what we have seen today is a parade of people here supporting projects in their districts. I think that is not at all surprising. There are not many people who would want to say the Federal Government should not come into a district to spend Government money.

My involvement in this came about because many of my constituents came to me and told me that they surely hoped I would support the Oahe irrigation project, because if I did not support it, it

would result in a raise in their electric rates. It was kind of hard for me to believe that, taking water for irrigation and taking it away from electricity would increase their electric rates. So I started to look into it very much more to find out what was the situation. I could hardly believe what I found.

First of all, let me tell the Members about the project. There are two parts of it. The first part has to do with the reservoir, the dam, and the electric generation that is completed. The second part has to do only with the irrigation. The question now is whether we will go ahead with the irrigation part of the project. Actually it will decrease the amount of electricity available.

First of all, there is great question as to whether the land can be irrigated. Many specialists have indicated that because of the salinity of the soil, it will not even take irrigation for a long time. It will decrease the water available for downstream barge traffic, for cooling of electric utility plants.

I had a plant just last year that thought they would have to close down because they thought they did not have adequate flow in the river.

We already face overproduction of feed grains and food grains. If we go ahead with this to increase production, it is quite likely, after spending all this money, we will turn around and pay farmers not to plant crops and grow crops on that land.

Six hundred farmers are involved, at an average subsidy of over $700,000 per farm. In this project it all goes to irrigation.

Ninety percent of the cost is charged to electric generation. The reason for that is pure and simple. It is only worth 10 percent of the cost to the people getting the irrigating, and the only way they could get it through was by assigning 90 percent to the cost of electric generation. But the way they are getting away with it is they said they do not have to start paying for it for 50 years, so people do not worry about it right now. It is our grandchildren who are going to have to pay for the project.

Finally, the farmers in the area have indicated that they do not particularly like the project.

I want to tell the Members about a telephone call I received in my office today. That telephone call came from a member of the staff of this Subcommittee on Public Works Appropriations. The first question was:

Do you have a public works project in your district?

My staff person asked why this person wanted to know. He said:

Well, on three different occasions Mr. BEDELL has voted against public works spending.

He then listed the three different occasions. He then asked again whether Mr. BEDELL has a public works project in this bill, and the answer is; yes, I have a flood control project. He then asked if the project was a corps project and he was told yes, and then he proceeded to tell how much was involved.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, no member of this committee's staff has called the gentleman.

Mr. BEDELL. The gentleman who called my office was Mr. Rex Mook.

Mr. BEVILL. I do not even know the gentleman.

Mr. BEDELL. He was identified as a staff member. I understand that he is a staff person assigned to one of the minority members.

In any event, it seems to me the question we have to determine is whether we are going to have to worry about the pressures brought on us or whether we are going to vote on the projects on their merit.

Mr. Chairman, I support the Derrick-Conte amendment to H.R. 7553, the fiscal year 1978 public works appropriations bill. The amendment would prohibit use of funds in the bill for any of the 17 water projects for which the administration has requested funding be terminated or deleted.

Last February, as part of his revision of the Ford administration budget, President Carter touched off a controversy in Congress by recommending that 19 irrigation, flood control, navigation, or hydroelectric power projects be terminated if they could not be justified on economic, safety, or environmental grounds. By the end of March, the list of endangered projects had swollen to 33, and President Carter announced that each unit would be reviewed and reevaluated before a final decision would be made. In April, the administration released its final recommendations which reduced to 15 the number of projects to be terminated and designated 5 more for modification and 3 for postponement.

Because of the heated discussion which the President's proposal engendered within the Congress and because of the large volume of mail I have received urging me to vote for the Oahe irrigation project in South Dakota, I have researched the water project issue in general and the Oahe case in particular in considerable detail. I am convinced that there is no reason to proceed with the Oahe project at this juncture, and that it is time for the Congress to establish new procedures and standards for authorizing and funding water resource projects. I would like to take this opportunity, as the House considers the Derrick-Conte amendment, to outline my reasons why.

My first impression upon learning about the Oahe project was skepticism as to whether it makes sense to spend $500 million to irrigate 600 farms when many Midwestern farmers are already suffering from low grain prices due to overproduction, when a majority of the farmers affected by the irrigation project do not support it, and when the project would decrease the volume of electricity at a time when the country is short on energy. My research has borne out my initial reservations.

Consider the following facts:

First, experts who have studied the soils in the project area maintain that over half the land intended for irrigation may be unsuited for such use because of its high saline content, and Government officials have acknowledged the need for further investigation of this problem.

Second, the implications of the Oahe project extend beyond the limited scope of its irrigation design. Last year a powerplant located south of Sioux City, Iowa, on the Missouri River downstream from the Oahe dam came very close to shutting down because of lack of an adequate water supply. A diversion system for irrigation at the Oahe reservoir would contribute to a reduction of water supply downstream which would, in turn, adversely affect barge traffic, electric generation, and cooling for conventional powerplants.

Third, the Government intends to acquire 110,000 acres of land on which to build the maze of canals and storage pools designed to irrigate some 190,000 acres. The land to be irrigated is now estimated to be worth about $300 an acre and after irrigation will be worth almost $1,100 an acre.

This $800-an-acre increase in the value of land will cost the Government $2,323 an acre. Approximately 600 farms will benefit at an estimated cost of $735,655 per farm. President Carter has stated that he will not accept further action on Oahe unless 70,000 acres on the east lake plain are dropped from the plan. If this is done, 110,000 acres would be taken out of production to irrigate 120,000 acres of land. Both the amount of land required for construction of the project and the direct subsidy for a small group of farmers raise significant questions about the wisdom and the equity of the project.

Fourth, a majority of the local residents of the Oahe area, many of whom are farmers who seemingly have the most to gain from construction of the irrigation project, have gone on record in opposition to the continuation of the project. In elections last fall, five out of six open seats on the Oahe Conservancy Board, which is the local sponsoring authority for the project, went to candidates who were opposed to Oahe. Each candidate received between 65 to 70 percent of the vote, indicating a wide degree of local support for delay of the project. Also, the board recently voted 6 to 2 to request no funding for it.

Fifth, the project proposes to divert water from the Oahe system for irrigation purposes which will result in less water for production of electricity both at the Oahe dam and at the three dams downstream. It should be recognized that our Nation's needs and priorities appear quite different today than they did in the late 1940's and the early 1950's when the plans for the Oahe project were conceived. Irrigation projects should be considered in light of contemporary conditions and realities. Their short-range benefits should be evaluated within the context of the current overproduction of grains and our Nation's energy needs. When viewed from this perspective, the Oahe project makes little sense.

Finally, commercial buyers of electricity from the Oahe system have indicated that their greatest concern is not loss of energy which will result from the implementation of the irrigation plan, but rather the potential for increases in their power rates if the plan is not completed.

However, under close examination, it is evident that the benefits which the power users are claiming from the irrigation system are nonexistent. Their prediction is based on the unusual accounting system which the Bureau of Reclamation uses to compute costs for the total Pick Sloan Missouri River Basin, of which Oahe is a part.

Under present law, the payment of the costs now assigned to the Oahe irrigation system are deferred without interest until payment for the first phase of the project is completed. However, if the entire project is cut back, the Congress could still mandate retention of this deferral. Such action, coupled with termination of the irrigation project, would actually reduce electric rates. It would decrease by about 50 percent the total amount to be paid by electric users, and save the taxpayers over $1 billion.

It is also important to recognize that the irrigation project is not expected to pay for itself. On the contrary, it is understood that those purchasing power from this system will be paying over 90 percent of the cost of the irrigation system while the beneficiaries of the irrigation will pay less than 10 percent of the cost. Thus, for example, revenues from power consumption will repay $2,147 of the cost per acre to the Government for each farm irrigated, and the irrigated farm will repay only $176 per acre.

These facts are revealing. It would be worthwhile for all Members to reflect for a moment on their implications—for the Oahe project and for our national water resource program.

When President Carter unexpectedly announced his review program last February, the initial reaction of many Members of Congress was defiance at and resistance to any Executive interference with their water resource projects. The President was invading their traditionl preserve, and, in many Members' eyes, he had no cause to challenge congressional judgment on the merits of specific water projects, no matter how wasteful of taxpayers' money they might be.

This reaction was understandable. Congress is a venerable institution which, in many respects, is terribly set in its ways. Yet, it is also an institution which is capable of change and which is reforming its procedures and perspectives to respond more effectively to the needs and problems of contemporary America. It is my hope that, with 4 months to reflect on the water project issue, the Congress will rationally consider the intent of the President's water project review and attempt to work with him to devise a sensible and effective water resource program.

In my judgment, the Congress must take a long, hard look at the manner in which it considers water projects requests. It should examine projects objectively and also reevaluate them on a periodic basis. And, it should implement only those projects which are clearly needed and which would be truly effective in improving the quality of life in the affected area. Projects which do not meet this criteria should not be approved. To act otherwise is a disservice to the American taxpayer. Oahe is a case in point.

Over the years, the national perspective has all too often been sacrificed to political expediency as Congress has rather routinely approved and funded water resource projects which have considerable political mileage for individual Members in their home districts and States, but which may not be justifiable in terms of our overall national spending priorities. To be sure, some public works projects are legitimate Government investments. The task before the Congress is to devote greater effort to determining which projects actually meet this criteria. Pork barrel considerations should be separated from the tangible economic and social benefits which might accrue to our Nation.

I believe that today, as the House considers H.R. 7553, each of us in this Chamber has a significant opportunity to reorient national policy. The House Appropriations Committee has provided funding in this legislation for 17 of the 18 projects which the administration would terminate or postpone. In my view, this committee proposal constitutes "pork barrel as usual," and is not a meaningful attempt to meet the President's criteria of economically justifiable and environmentally sound water projects. A vote for the Derrick-Conte amendment, which would delete funding for unwarranted projects, would send a signal to the American people that the Congress is prepared to rethink traditional procedures and standards in light of current and conditions and needs, and to place a higher priority on societal value than on individual political advantage. In the process, it will save taxpayers $200 million in fiscal year 1978 and $4 billion in future years in projected development funds, not to mention the massive interest subsidies which the American taxpayer must underwrite for many of these projects.

I urge passage of the Derrick-Conte amendment.

Mr. ANDREWS of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not often feel constrained to take the floor after my good friend, the gentleman from Illinois (Mr. ANDERSON), has made a speech, and I am not objecting to the principle he spoke for because it is important for all of us to realize that we have to get our budgetary affairs in order. That is extremely important, but I do think the point he did not quite make, that could be added to the great speech he made in his 5 minutes, would be a point that might swing him around to be opposed to this amendment instead of supporting it. That is the point that every thoughtful individual realizes that he makes an investment in his farm, in his company, in his business, for a stronger future. Similarly an investment in his Nation pays dividends in the years ahead, dividends in the form of an adequate water supply but also dividends in the form of a better basic structure of America so that we can pay the taxes that make a country move.

I would suspect if Members of the House took a look at the fact that the western reclamation projects have returned more into the U.S. Treasury in the form of additional Federal taxes than they have ever cost the Federal Treasury, that with this return on investment, the need for balanced budgets might well be turned around to making us look at the fact that we should be making these investments in the future of America.

Now again addressing myself to the remarks of my colleague, the gentleman from Illinois (Mr. ANDERSON), the fact has to be faced: Are these projects then worthy projects and on whom can we count other than the committees of the Congress, the Public Works Committee and the Interior Committee and the Appropriations Committee?

My colleague and I were sitting and looking at a telegram he had gotten from a State signed by some "friends of such and so." They do not have to stand for election. The Members of Congress do stand for election. They are Democrats or they are Republicans, both sides of the aisle, all political divisions, conservatives and liberals.

The committees of the Congress hold hearings. Anybody in these great United States can come and testify for or against any project. And after they listen to the testimony from both sides, from all sides, the Members weigh the evidence against yardsticks, the cost-benefit ratios, the environmental impact studies, and a host of other things, and come out with projects that they say meet the test of an adequate investment in the future of this country.

Until, Mr. Chairman, someone gives me some better substitute for the people's branch deciding where these projects should be, deciding on an orderly basis where the public of this great Nation of ours can appear, can testify, and can be heard, I am going to vote in favor of the rights of the people of this country to be heard and for their testimony to be judged by a bipartisan committee of those who have been elected by the people, rather than by some unseen wonders hiding someplace from the true light that would reveal who they actually are.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman from North Dakota for yielding. I compliment the gentleman on his remarks and I share his point of view.

As far as the balance of payments is concerned, the same administration has added $20 billion in social welfare programs, and then to try to say this $360 million in this project is going to unbalance the budget when added to the amount for social services, it just does not hold water.

Mr. ABDNOR. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from South Dakota.

Mr. ABDNOR. Mr. Chairman, I want

to associate myself with the gentleman's remarks and concur with them.

I just want to point out to the previous speaker that when talking about the cost of the program, most of the figures show 1.6–1 for direct benefits, 3.0–1 for other benefits. May I say that the irrigation cost is only being considered at 10 percent of the total cost. I would like to point out those are interest free. With the programs of hydroelectric energy, which represent 10 percent, it will cause the rates to go up 12 percent greater than what the people are paying for their electricity rates today.

I think we should pay some attention to that. If it is only 10 percent shifted in payment to hydroelectric energy, it is going to cost the users over 12 percent.

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

Mr. Chairman, I doubt if I am going to agree with much of what the distinguished gentleman will say, but I yield to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding to me. We have here an attempt by this administration to get a handle on a number of projects that are questionable in a number of areas. Some projects have environmental problems. Some projects have fiscal problems. Some projects have management problems. Some projects have safety problems.

I think it is very necessary that we give the administration a chance to do this. In a recent major address in St. Louis, Secretary Andrus noted that the administration has placed "a very high priority on water policy," and that President Carter intends to stress conservation and proper management as an alternative to capital development.

That is a crucial fact. The tunes are very different from when these projects were authorized. Several of which are now under consideration for future building were conceived in an era of cheap energy, boundless water and extravagant public works projects. I would suggest that many of these projects are dinosaurs of a bygone era.

About 80 percent of the Nation's water is used for irrigation. Most of these projects would be used for providing more agricultural water. However, a recent GAO study concluded that of the 8.54 billion gallons of Federal bureau water delivered in 1973, "less than half of water delivered to farms for irrigation is productively used by the crops."

I suggest that we would do far better, instead of continuing with these capital-intensive projects, to help the farmers bring themselves into the modern era of irrigation. Rather than let the water flow down an open ditch, where 25 percent evaporates or percolates into the soil, we should begin a national policy of agricultural water conservation which would require the use of pipe and drip irrigation systems to conserve water. This is what we have to consider as alternatives to some of these extravagant projects.

Traditionally, these projects have been designed for the benefit of special groups. But many of these projects benefit the wealthiest, the most powerful, the few and everybody else is asked to subsidize them.

In my own State of California, we find that the wealthiest and largest are often those that receive the most water, water that cost $21, water that cost $30 to develop, is delivered for $7. Their payments are deferred until the last project is finished before anyone pays and the original beneficiary who has sold his land and must pay nothing. Interest is forgiven completely in many instances. Water pricing is another major question: There are projects where water from a State project costs $21 an acre-foot, but across the street, where it comes from the Federal Government, it costs only $7.50 an acre-foot. So, the total cost of the projects is not limited to the construction costs, but continues to be paid by the public even after construction is complete.

We also should recognize the relationship of water delivery to the national energy crisis. There is a high cost associated with moving enormous quantities of water, because very often these projects do not produce as much hydroelectric energy as they were supposed to and we must actually expend additional energy just to deliver water. These projects cannot make it rain, and when there is insufficient runoff to fill the reservoirs, which have been depleted because of poor conservation and improper management, we have to turn to oil or other fossil fuels to transport that water. It takes five barrels of oil to deliver every acre foot of water shipped through California.

A recent proposal by the city of San Diego to implement improved water conservation techniques, could have saved 70,000 barrels of oil annually. The State has similarly shown that with a vigorous retrofitting program, it would be possible to conserve 575,000 acre feet of water annually, conserving over $83 million and 5.58 million barrels of oil. In addition, the annual saving to each homeowner whose home had been retrofitted would be about $6, far more than the actual cost of the conservation devices. But the proposal in San Diego was turned down, because there was not enough money for water conservation programs. Instead, we are told to spend tens of millions of dollars on the traditional, expense option of energy, water, and environmentally intensive water projects which do not get to the real heart of the issue—excessive demand and wasteful consumption.

It has been suggested in the recent issue of Scientific America that we can double the amount of water made available to agriculture by using the process of mining underground, aqua system. It does not cost anything to build those plants, as it does the dams.

We must begin to consider seriously these alternatives to expensive water projects, and this amendment is the proper place to begin. I urge my colleagues to vote for the Derrick-Conte amendment.

Mr. PRESSLER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, members of the Committee, I rise in strong support of the Oahe project in South Dakota, which has been discussed here this afternoon, and in some ways in response to the remarks of the gentleman from Iowa (Mr. BEDELL) in regard to that project.

There are needs for modification in the Oahe project but it represents the best hope South Dakota has to utilize the Missouri River water for both irrigation and for our Eastern cities, which are very short of water. Let me say that I do not believe that the downstream passthrough of electricity rates would be adversely affected, however, because the same water would return to the Missouri River through the James River, which is now dry for several months of the year, and through the Sioux River, which is also dry for some months of the year.

In South Dakota, the best hope we have for development is through utilization of Missouri River water. We lose most of our young people to other States because we do not have jobs. The problem has been very much that we are short of water for industrial development in our cities. The fact is, in terms of irrigation, the dry cycles that occasionally occur in South Dakota can be addressed only through irrigation, and this is the first major project that has been authorized and appropriated.

I support full funding of this project because it offers South Dakota benefits through irrigation, increased and stabilized crop production, wildlife areas, recreational as well as municipal and industrial water supplies. Insofar as the effect on electricity rates are concerned, let me say that there is substantial evidence that if the project did not go forward, it would cause an increase in electricity rates, because a certain amount of the cost of the Oahe Dam project has been charged to future electricity users, and would be paid for by the irrigation project, which would then be transferred to be paid for by strictly electricity users.

Let me say also that the administration's concerns about water projects similar to Oahe are well taken in some respects. There can be improvements and changes. The President, in his letter to Congress dated March 16, 1977, stated that many of these water resource projects present economic, environmental or safety problems. I have questioned the Oahe project on some of the same grounds for a number of years, but most of these objections can be resolved by modification. To completely halt the project would leave us without irrigation before we can work out the best use with this particular water. I believe modifications can be made within the present authorization to make the project more environmentally and economically sound.

It is my feeling that our State legislature, our local boards, our local conservancy subdistrict boards and our congressional delegation must work together to present comprehensive modifications in this project. It is also my

feeling that no one board or group should be able to veto the entire project because of objections.

My office has presented Secretary Cecil Andrus with a four-point plan to take the sting out of the land condemnation procedures used by the Bureau of Reclamation and the U.S. Fish and Wildlife Service. It includes, for instance, the willing buyer/willing seller arrangement where land acquisition is absolutely necessary. Second, the creation of a "partnership concept" whereby the farmer would continue to own the land, but would get a tax credit or payment for creating a wildlife area. Third, the suggestion of working for a shelterbelt program to compensate private landowners for planting and cultivating trees. Finally, the suggestion that we concentrate land mitigation in those areas that actually benefit from irrigation. Many of our people in Day and Marshall Counties, for example, receive no benefits from the irrigation, but are having much land mitigated.

In conclusion, let me say that I urge that funding be granted for the Oahe project in order to allow the people of my State to have options on how to make water development a sound resource for South Dakota, for I can assure the Members that eliminating funds for this project will not eliminate the need for water development. The existing authorization for this project would permit us to adequately address and solve some of the problems expressed by the administration when it requests that funding for the project be cut.

Mr. Chairman, I support full funding of a major water development project in South Dakota—the Oahe project. However, I shall continue to support modifications in that project. This project offers South Dakotans benefits through irrigation, increased and stabilized crop production, wildlife areas, recreational as well as municipal and industrial water supplies.

I have continued to maintain, however, that the present plan also is in need of environmental modifications. It is my belief that there are alternatives to be considered to keep the money in South Dakota. If South Dakota is to lose the authorization and funding for this project, we will close the door on any possible modifications of this project which would make it environmentally sound.

Should the Oahe project lose its funding, as is suggested by the administration, the possibility of reinstituting funds for water development in South Dakota at a later date would be a long and arduous process. Indeed, it may take 5 to 10 years before a reauthorization for a similar project could be obtained.

I have held meeting after meeting on the Oahe project in an effort to get modifications that will make it more acceptable to our people. I have gone so far as to propose altering the place and types of irrigation to urging the use of pipelines east of the Cresbard Canal and on laterals. I have proposed a specific wildlife mitigation plan to lessen the impact in northeastern South Dakota and elsewhere that is causing so many problems. Many of my proposals have been subjected to criticism, but my goal has been to preserve the authorization for South Dakota. Our Eastern cities are badly in need of water—that does not mean that farmers should have to pay the bill. But it does mean that as a responsible legislator, I must work out some way to move forward with utilizing the Missouri River water. I am open to suggestions. How can we get water eastward for both municipal use and irrigation, as well as other uses if we lose their basic authorization and appropriation?

The Administration's concerns about water projects similar to Oahe are well-taken in some respects. There can be improvements and changes. The President, in his letter to Congress dated March 16, 1977, stated that "many of these water resources projects present economic, environmental or safety problems. . . ." I have questioned the Oahe project on some of the same grounds for a number of years but most of these objections can be resolved by modification. However, before we throw the baby out with the bath water, I believe modifications can be made within the project's present authorization in order to make the project more environmentally and economically sound.

It is my feeling that our State legislature, our local boards, our local conservancy subdistrict boards and our congressional delegation must work together to present comprehensive modifications in this project. It is also my feeling that no one board or group should be able to veto the entire project because of objections.

Since coming to Congress, I have probably had more meetings with the Bureau of Reclamation and other groups on the Oahe project than any other issue. Some of the proposals I have set forth to modify the project include: modifying the place and types of irrigation; developing a specific wildlife mitigation program to lessen the impact in certain South Dakota counties; developing alternatives to the condemnation and subsequent purchase of land; allowing more canalside irrigation; and allowing more flexibility in getting into and out of the irrigation project.

With respect to irrigation modification, I have urged the increased use of pipelines and laterals to replace ditches. One of the great complaints in my home State has been the loss of farmland that would result from irrigation ditches, and farmland is our most important resource. Canals would also be run, where possible, alongside railroad rights-of-way and alongside the Missouri River.

My office has presented Secretary of the Interior Cecil Andus with a four-point plan to take the sting out of the land condemnation procedures used by the Bureau of Reclamation and the U.S. Fish and Wildlife Service. The four-point plan includes: First, a focusing on the willing buyer/willing seller arrangement where land acquisition is absolutely necessary; second, the creation of a "partnership concept" whereby the farmer would continue to own the land, but would get a tax credit or payment for creating a wildlife area; third, the suggestion of working for a shelterbelt program to compensate private landowners for planting and cultivating trees; and fourth, the suggestion that we concentrate land mitigation in those areas that actually benefit from irrigation. Many of our people in Day and Marshall Counties, for example, receive no benefits from the irrigation, but are having much land mitigated.

Recently, I held public listening meetings in Aberdeen and Webster, S. Dak., two towns that are located in the heart of the proposed land mitigation area in northeastern South Dakota. Farmers and citizens at these meetings deeply impressed me with their testimony and by the degree of opposition that many of these citizens in northeastern South Dakota have voiced regarding any form of arbitrary or forced wildlife mitigation plans. The people in Webster particularly have received no benefits from the irrigation and believe strongly that wildlife mitigation plans currently offered by the Bureau of Reclamation and the U.S. Fish and Wildlife Service are a prime source of opposition to funding for Oahe in South Dakota.

By the same token, it is my belief that if the four-point plan I have presented regarding land mitigation and some other modifications were made in the project, much of the opposition to this project would fade away. The job is now ours to make sure that we work with the local people of this area to assure them that their Government is concerned for their well-being and will cooperate in bringing about this most necessary modification.

Modifications could be made to increase the use of Oahe water to ease municipal water shortages in South Dakota. If funding is lost for this project in its present form, all discussion of possible alternatives to make Oahe a more environmentally sound, equitable resource for our State will be lost.

I urge that funding be granted for the Oahe project in order to allow the people of my State to have options on how to make water development a sound resource for South Dakota, for I can assure you that eliminating funds for this project will not eliminate the need for water deevlopment. The existing authorization for this project would permit us to adequately address and solve some of the problems expressed by the administration when it requests that funding for the project be cut.

Mr. KOCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. TSONGAS. Mr. Chairman, will be gentleman yield?

Mr. KOCH. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. TSONGAS).

Mr. TSONGAS. Mr. Chairman, I support the Conte-Derrick amendment now before the committee. As has been stated, the amendment will result in a potential $2 billion savings to the taxpayer. However, in the context of the coming energy crisis, I am most concerned about real economic energy development. It is even more important than ever before that

the Government direct its resources to the most economically and environmentally sound energy development programs. I believe that these water projects that we consider today are economically wasteful and, in some cases, environmentally unacceptable. Perhaps in a previous era we could accept such folly; given the seriousness of the situation we now face, we cannot.

Mr. Chairman, there are other potentially more productive and environmentally sound uses for these Federal funds—uses more consistent with the President's energy program and the needs for the coming decades. For example, as my colleague and good friend, RICHARD OTTINGER has pointed out, in the past, a Federal Power Commission survey shows that there are 49,000 dams which are 25 feet or higher in the United States. These are existing dams. Only 800 of these dams are licensed by the FPC to produce power. An FPC document entitled, "Hydroelectric Power Resources of the United States" dated January 1, 1976 identified 19 to 23 million kilowatts of potential electrical power in such dams. In New England alone, the Mitre Corp. has estimated that there are over 3,000 sites which might provide hydro-electric power for 10 mills/kWh. While I cannot, at this time, state that the economics involved in the development of existing small dam sites around the country is certain, Mitre's figures and other suggest that such development is economic in the post-oil-embargo energy economy.

Smaller hydro developments such as these, using existing dam sites, would face comparatively little opposition on environmental grounds. With low-head turbines, free-flowing streams would be protected while producing energy. Such sites in the aggregate offer a significant amount of renewable, environmentally acceptable energy development. For example, officials at the FPC have estimated that if only about 10 percent of these dams could be developed at only 1,000 kilowatt each and operated at a 50 percent plant factor, the installed capacity would be 4,900 megawatts and would be capable of producing an annual output of about 22 billion kilowatt-hours. This would be equivalent to about 36 million barrels of oil annually. The American Public Power Association in a memorandum to Dr. Schlesinger has estimated that the potential of small hydro developments is 14,000 megawatts. Additionally, the FPC has noted that there are 750 retired hydroplants where power could be reinstalled.

Mr. Chairman, my point is not to argue that all of the details have been worked out or to present an alternative full-scale program to the dam sites now under consideration. The case against these projects stands on its own merit. In my view, they represent bad public policy. However, I have tried to point out one alternative use of these funds which has considerable merit and promise. The President has ordered the Corps of Engineers to study this problem and a report is expected soon. I would urge my colleagues to consider this in voting on this amendment.

Mrs. BOGGS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. TREEN. Will the gentlewoman yield?

Mrs. BOGGS. Mr. Chairman, I yield to the gentleman from Louisiana.

Mr. TREEN. I thank the gentlewoman for yielding.

Mr. Chairman, I want to say at the outset that I share the feeling of many who have spoken in support of this amendment that the authors of the amendment are sincere in their purpose. I believe that the gentleman from South Carolina (Mr. DERRICK) and the gentleman from Massachusetts (Mr. CONTE) are sincere. I believe, though, that sincerity requires that we look at the merits of each of the projects including the Atchafalaya project in Louisiana.

I am willing to have this project, which is located in the Third District of Louisiana, stands or fall on the basis of its merits. I will ask the Members to vote for my project and against the amendment if they think the project is meritorious. If they do not think it is meritorious, then they can vote the project down.

Let me explain briefly what it is. This is a navigation project. Its cost is very small in comparison to other projects we have heard about today. This is a project in coastal Louisiana that is approximately—or will be after the contracts that are in being now are fulfilled—65 percent complete. This diagram, to which I direct the attention of the Members, depicts this project near New Orleans.

The purpose of the project is to enlarge an existing channel in order to get large offshore drilling rigs out to the Gulf of Mexico and hopefully some day out to the Atlantic coast and the Pacific coast in order to drill for oil and gas. Most of this project, as I indicated, has been completed. I am referring to these portions at the upper end and the portion out in the Atchafalaya Bay which extends out into the gulf. The remaining work to be done is to widen the existing channel from about 250 feet to about 400 feet in order to get these platforms out to the gulf.

Mr. Chairman, I will make six points, and then I will sit down.

My first point is, as stated, that the project is 65 percent complete.

Second, it is energy-related. I have here some pictures of some of the giant rigs, and these are average sized rigs today, considering the depth of the water in which we must drill. These rigs are trying to negotiate the narrow channel.

Here is another one I am showing the Members. This is an average sized rig, for drilling in about 500 feet of water.

The third point I want to make is that in this area there are some 14,000 people employed directly in the fabricating industry and in related industries. Many, many jobs are at stake.

Fourth. It has been suggested by the administration—and this bears on one of the false allegations that have been circulated against this project—that these rigs could be built on the Mississippi River and floated out to the gulf because the Mississippi River is wide enough. The fact of the matter is that even average sized rigs could not get under the two bridges at New Orleans from the shipyards at which the administration would propose they be built.

This diagram shows an average sized rig, 189 feet in width, and it cannot get under either of the existing bridges. Here is a picture of a rig that is being built now in this area; it is 345 feet across at its base. It will stand higher than the Empire State Building. That rig will be used for drilling in waters 1,000 feet deep in the outer gulf, and, hopefully, off the Atlantic coast.

My fifth point is this: If these rigs are not built here where we have existing facilities and floated out to the gulf in this almost completed channel, channels are going to have to be built somewhere else in the United States, because they cannot build these rigs on the beach or on the waterfront; they must be built inland where there is enough land to support the industry.

The sixth point I wish to make is that under the present suggested discount rate of 6⅜ percent, this project has a 1.4 to 1 cost-benefit ratio.

Let me make one final point. It has been suggested by the administration—and this is contained in the letter in support of this amendment—that the improvement of this channel will encourage industrialization in a flood plain, in the Atchafalaya Basin flood plain. This industry is not located in the Atchafalaya Basin; it is outside the Atchafalaya Basin, and the industry already exists there.

Mr. SHIPLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. DERRICK. Mr. Chairman, will the gentleman yield?

Mr. SHIPLEY. I yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Chairman, I thank the gentleman very much for yielding.

Mr. Chairman, I want to tell the Members that I stand here with no apology. I believe I have the credentials to stand before the Members on this issue, because I have a dam in my district that is going to cost the taxpayers of this country, by the time it is completed, one-half of $1 billion. You can have it back; we do not want it.

The people in the Third Congressional District of South Carolina do not want this dam. and it is my opinion that the people of South Carolina do not want it.

I want to say further that I think we all have the right to stand in judgment of all these projects, regardless of what district we might represent. The citizens who live in my district and who work in the textile mills—the people who go in every morning and work an 8-hour shift are going to be paying for these projects for the rest of their lives and for the rest of their children's lives. That, I believe, gives each one of us a right to make a judgment on each one of these projects as to whether it is meritorious or not.

Mr. Chairman, I was elected in 1974. I came here and joined many fine men and women who were already here, and some other Members joined us in 1976. I think there is a new wind that is blowing throughout this Nation. It is a breeze, a fresh breeze that was created by President Jimmy Carter when he took office the first of this year, and it was epitomized when he said that he was going to balance the budget by 1981 with the help of the Congress.

I am going to try to help the President, and the Members can help him this afternoon by voting for this amendment and saving $2.2 billion.

Mr. Chairman, it is difficult to vote against a project in one's own home district. It is difficult to vote against a project in someone else's home district. But let me say this: We have to start where it is hard first. We cannot start with the easy job. We are trying to start with the hard job this afternoon.

If we can pass this amendment and say to the administration, say to the American people, and say to ourselves, "Yes, we are willing to make a sacrifice, to balance the budget," then what we say in the future is no longer just rhetoric.

Mr. Chairman, that is what this matter is about, balancing the budget. We could say to the American people, "Yes; we meant what we said. We meant what we said when we said we were willing to examine all projects, not just projects that do not affect us, not just projects in some State other than ours, but those projects back home that affect our constituents."

Mr. Chairman, I commend our President. He has given to us 32 projects that he felt were questionable. He cut that down to 17 projects.

Now we have 17 projects, and these are not all of the water projects that are under construction in the United States. These are 17 water projects out of 500 water projects.

I say, let us have confidence in ourselves; let us have confidence in our administration; and let us have confidence in our people in knowing that we can do what we set out to do, and that is to balance that budget by 1981. Let us do it not by starting out on the easy road, but by starting out on the hard road and saying, "Yes, we are willing to look at those projects back home."

Mr. Chairman, the issue is not Congress versus the administration. The issue is not antiwater projects. What is at issue here today is good water projects versus bad water projects.

The committee cut all projects across the board by 3 percent in order to be in line with the administration's funding level request. Good projects were penalized in order to include funding for questionable projects.

The amendment I am offering with my friend and colleague from Massachusetts, Mr. CONTE, addresses only 17 projects out of a total of 506 which the committee has recommended. Clearly, we are not against water projects in general, but rather, are supportive of good projects which are economically and environmentally sound and which meet all the safety factors. We are, however, against those water projects which do not measure up.

In its report to the Congress, the Committee on Appropriations stated:

> The committee does not question the administration's right to review the public works projects. In fact, we encourage such reviews. However, the committee must be guided by the laws of the land and judge the projects on the basis of authorizing legislation that have been passed by the Congress and signed into law.

I claim that it is the responsibility of each and every Member of Congress to judge these projects on their merits and demerits and determine whether or not funding for them is justified. As I look about this body, I cannot help but notice that more than half of my colleagues have been elected to the House since many of the 17 projects in question were authorized. I cannot help but believe that our constituencies sent us to Washington not to echo past mistakes or be parties to blind approval of expenditures which they, the taxpayers, will ultimately have to pay for. In short, we were elected to make such decisions as we are confronted here today to make.

Further, it is not unheard of for projects to be authorized and yet, never see a penny of money appropriated. In fact, the Army Corps of Engineers, booklet on projects, lists 350 projects which were authorized, but for which money has never been appropriated.

All of our taxpayers are being asked to "foot the bill" for these projects. We have an obligation to stand up and not allow them to have to pay for projects which are at best marginal, which raise serious questions as to economic benefits, environmental impact, and safety factors. I cannot ask taxpayers in California, New York, or Nebraska to pay for a project located in my district which is not worthy of further construction. Nor do taxpayers in my district want to pay for an unworthy project in another district or State.

The President of the United States was asked by 63 Members of Congress on February 14 to proceed with a review of environmentally and economically questionable projects in an effort to "trim off the waste of tax dollars on unnecessary water projects." The President has done that, and we must be willing to meet the obligations as a legislative body and trim the waste also.

Our amendment will allow for termination costs of the 17 affected projects and will allow for the remaining fiscal year 1978 funds to be used for those water projects which do meet the necessary tests.

The Office of Management and Budget—OMB—has estimated that termination costs for these 17 projects would be approximately $35 million. That would allow for $115 million in the committee's bill to be used for the good water projects that were penalized as a result of the funding of projects considered by the administration to be unworthy of funding.

The long-term savings to the country if we do not fund these 17 projects would amount to $2.2 billion.

There are some who will say that we have made an investment in these 17 projects and rather than turn back now, we should continue to fund and complete them. I disagree.

I question continued funding of a bad project to justify money already spent.

The average completion for the 17 affected projects is just 11 percent, and much of this cost has been for land acquisition or for features which are complete and usable. The argument of throwing good money after bad is not a good one.

The factor to consider is the choice confronting each and every one of us: We can spend $2.2 billion for 17 bad projects to justify the $271 million which has already been spent—or we can save $2.2 billion and demonstrate that the Congress can rise to the responsibility given us by the people of this Nation.

These 17 projects will not, if they are permitted to remain intact, provide jobs.

Studies have indicated that spending money on these highly capital intensive water projects creates fewer jobs than spending on almost any other Federal program. Putting money, for example, into mass transit, social security, or sewage treatment plant construction, would create more jobs. Not spending the money on anything at all and being able to provide plain and simple tax relief, in fact, would create more jobs nationwide through personal consumption expenditures.

Richard B. Russell Dam and Lake, a project in my district, would cost my area more jobs than would be realized. Thirty-five permanent jobs would be created and during the construction years, employment would temporarily rise. However, the loss of jobs in the pulpwood industry in the area would be greater than the temporary rise in employment through construction and the net result would be a loss, rather than a gain, in jobs.

When looking at the 17 projects on the whole, the issue is not energy. Only two projects are recommended on the benefit of hydropower—RBR and the Bonneville unit in Utah. The Oahe project in South Dakota would actually reduce hydro capacity and the Richard B. Russell project would provide for peak-load power at a time when this Nation is looking for alternatives to reduce peak demand.

None of the 17 projects were rejected by the President in his review solely on the basis of a higher discount rate. Clearly, however, many of the projects are at best, marginal, when addressed in this light, and we need to look closely at the cost of these projects in terms of today's dollars and expected benefits. Ten of the seventeen projects do not meet the benefit cost ratio figure of 1.1 when computed in terms of current rates. Three of the projects were below unity at the authorized rate.

Clearly, the drought problem in the West is a serious one which will have an effect throughout the entire Nation. However, building more dams cannot catch rain that does not fall. Many of the projects being criticized would bene-

fit only a handful of farmers at all taxpayers' expense.

For instance, the Fruitland Mesa project would benefit only about 60 farmers at a cost of over $1 million per farm.

The Oahe diversion project in South Dakota would irrigate less than 1 percent of the cropland in that State, so that project cannot pretend to make any major difference with drought. One hundred thousand acres of presently productive farmland would be consumed by the project in order to irrigate just 190,000 acres.

What is needed instead are comprehensive land treatment programs of the Soil Conservation Service to avert another dust bowl, not the Bureau of Reclamation projects which benefit only a handful.

Many of the corps' projects among the 17 in question, address the issue of flood control. Since the 1936 Flood Control Act, we have spent more than $7 billion on flood control projects, yet flood damages have continued to show upward trends. Part of the reason for this is that a number of projects are designed to promote more flood plain development rather than to protect existing development. The argument of building airplanes to keep people from falling from the sky.

Environmentally, forest land, scenic recreational streams and rivers will be irreversibly damaged by these 17 projects. Destruction of wildlife habitat, farmland and water quality will occur at rates not justified by the benefits.

Many of the areas directly affected by some of these projects have come to believe that with the completion of the projects, their area will develop into a thriving, economic community. These projects will not be the panacea for the rural communities as some envision.

We can better invest in rural America by increasing rural development programs and such programs as the Farmers Home Administration loan programs. Through improved education and health care, better transportation, and the attraction of private industry, will these rural areas develop—a dam or a water project will not hold the key. Our investment toward this goal can be better made.

To be certain, the issue of whether or not to continue these 17 projects as recommended by the committee, is an emotional one back home. Citizens who feel they will benefit from the projects have been vocal in indicating their strong approval. Citizens who want to see their countryside remain intact, wildlife unharmed, and who do not want to see land inundated and people displaced, have been just as vocal in their disapproval.

I for one, having been on both sides of the issue, have heard the arguments both pro and con for over 2½ years. Emotions are high. Yet there is a heretofore unmentioned group of people we must also consider—the people of this country who are indirectly or directly affected by these bad projects who do not want to be burdened with the responsibility of having to pay for an unmeritorious project that once built, cannot be unbuilt; that once the money has been spent, cannot be unspent; and once the environment is damaged, cannot be restored to its original beauty. These are the people who rise every day and work for 2 hours and 45 minutes just to pay taxes. These are the people who can see through the politics of the issue and want this legislative body to exercise sound judgment on water projects and who ask that the projects be judged on the basis of whether or not they are worth the expense. It is for these people that I rise and ask for passage of the Derrick-Conte amendment.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SHIPLEY) has expired.

Mr. BEVILL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto cease at 4:45 p.m. and that I may be permitted to reserve the last 10 minutes by allotting 5 minutes to the gentleman from Indiana (Mr. MYERS), the ranking minority member, and 5 minutes to myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. CHAPPELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BEVILL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto cease at 5 o'clock p.m. and that 10 minutes be reserved for the chairman and the ranking minority member of the committee, with each being allotted 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. ASHBROOK. Reserving the right to object, Mr. Chairman, I merely say that we are again following the same procedure that we followed in the early part of the debate. Members of the committee get all of the time they want. Those of us who wait patiently get no time.

Mr. Chairman, I am constrained to object. I will not object, but I am going to be on the floor and object to any restricted use of time from now to the end of this session. I am tired of it.

Mr. EDGAR. Further reserving the right to object, Mr. Chairman, I wonder whether, under the unanimous-consent request, at the end of a half hour, 5 minutes should go to either the gentleman from Massachusetts (Mr. CONTE) or the gentleman from South Carolina (Mr. DERRICK) and then 5 minutes to the committee, as opposed to 5 minutes to the minority and 5 minutes to the majority.

The CHAIRMAN. The Chair will state that the gentleman from Alabama (Mr. BEVILL) would have to change the terms of his unanimous-consent request.

Mr. EDGAR. Mr. Chairman, I withdrew my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. RONCALIO. Mr. Chairman, reserving the right to object, I would be delighted not to object if you can assure us that the Member from each area where a project is involved might be afforded 5 minutes.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. EDGAR. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, there is indeed a new wind blowing in this country. It is a wind from present generations which has seen little hardship. The older generations developed the resources and in the process in many cases plundered the land, cut the hardwood timber in the Midwest, ploughed up the soil, mined coal and almost depleted our gas and oil and used these resources to build factories, housing and make life easier for us. We have constructed and do construct parking lots, houses, and factories. Every time we do this more and more surface is covered which formerly absorbed water so more water goes into the rivers that were never made to absorb that much abuse.

Now some of the present generations, with all these things having been done, and having had their ice cream and cake, come along and say two-tenths of 1 percent of our national production is too much to spend to try to offset some of the abuse that has been done.

That is all we are talking about.

Two-tenths of 1 percent of our national production.

Mr. Chairman, I am amazed that some people from the cities where most of these problems have been caused are now saying that they do not want to do anything about it.

When we build a parking lot, or when we build an apartment building, or whenever there is a new development, the rain cannot sink into the ground on that space, instead, they just put it into the storm sewer and send it down to that river as fast as possible. As a result, the ground water table goes down and there is less surface water to evaporate and become rain. That is one of the reasons we are having a drought in some of the places of our country. One Member even suggested closing ditches to prevent evaporation, but that would only decrease rainfall and cause more drought.

The abuse to our rivers and environment is caused by the fact that we do not require an impact statement from urban developers. If developers had to file impact statements and comply with all the requirements for public works projects, there would be less floods and drought and the need for these projects.

If we really required an impact statement and made every developer hold the water back on their own land, or to have a pond in order to hold it back, there would be less floods and drought.

The very people who have gotten the most benefits out of the construction in our country should be the ones in favor of establishing holding ponds and reservoirs for the water. Yet they do not even want to spend two-tenths of 1 percent

of our national production to try and overcome some of these tremendous abuses that they have heaped upon the rivers and upon the lower riparian lands. To do so little is bad enough, but to not feel guilty about resisting using some resources to help rivers absorb the abuses we have heaped upon them is sad. I urge Members to vote against this amendment.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman from Iowa for yielding to me, and I wish to associate myself with his remarks.

I rise in strong opposition to the gentleman's amendment.

Mr. Chairman, much has been said in the area of water resources in the past few months, but I believe it all hinges on some basic issues.

It is still the responsibility of the Congress to meet national needs in the area of water resources. These projects which the gentleman's amendment seeks to delete have been authorized by the Congress and have received appropriations after careful scrutiny by the Appropriations Committee and most importantly of all are badly needed by the people they will benefit.

I would like to give one example of what I am talking about: Right here in the Washington metropolitan area there is a danger of a severe water shortage. It has been well publicized that the water supply situation for the District of Columbia and the surrounding Virginia and Maryland communities is at best tenuous.

I mention this only to point out that had there not been opposition to some type of water resources project for the Washington area 10 or 15 years ago then the area's water supply problems would be well on their way to being solved. It is opposition of this nature that the gentleman's amendment expresses to me. The gentleman's amendment would ratify some hastily conceived policies in the administration with regard to water resources projects which have been authorized by the Congress and either planned or under construction for years.

I urge the Members to defeat this amendment.

Mr. BEVILL. Mr. Chairman, I move that all debate on these amendments, and all amendments thereto, cease at 4 o'clock and 45 minutes p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The motion was agreed to.

Mr. CLEVELAND. Mr. Chairman, I rise in strong support of the amendment offered by my colleague from Massachusetts, Mr. CONTE, that would signal to the American people our commitment to set aside self-serving politics in favor of the economic and environmental interests of the Nation.

The amendment removes the appropriations for 16 water resource projects that the administration recommended for termination, and modifies the funding for one other. It is by no means a frivolous or symbolic amendment, for it would mean a net savings to the budget of over $2 billion. The projects chosen for deletion were not picked from thin air, but were very carefully considered, based on information provided by the Army Corps of Engineers, the Bureau of Reclamation, TVA, CEQ, and OMB over several years. They were chosen and recommended for termination by the President for the elementary reason that they are not good investments of the taxpayers' dollars, and in several cases represent possible severe damage to our environment and natural resources.

Despite the wealth of information demonstrating the waste involved in continuing these projects, however, the Appropriations Committee has indulged in politics as usual in ignoring recommendations and restoring funding for them. Personal geographic jealousies and narrow political considerations have conspired together in the best "you scratch my back, I'll scratch yours" tradition, much to the detriment of the American public and the bloated Federal budget.

Mr. Chairman, when the House had the 1978 budget resolution under consideration in April, I was one of 143 Members who voted in favor of an amendment offered by the gentleman from Maine (Mr. EMERY) that would have reduced the budget by $100 million to reflect the deletion of these projects. I sincerely hope that many more of our colleagues will join with us today in adopting the Conte amendment. It is time we started considering these public works projects with more objectivity and fiscal responsibility, and with less concern for our own selfish interests. These 16 projects out of more than 500 in the entire appropriations bill represent a solid start in that direction, and in that regard I commend the gentleman from South Carolina (Mr DERRICK) for the courage and vision to support the deletion of funding for a large project in his own congressional district.

I might add, Mr. Chairman, that my concern about spending money unnecessarily on public works projects is not a new one. It dates back at least to 1970, when I was able to have inserted in the Omnibus Rivers and Harbors Act a provision specifically deauthorizing a dam project in my district. That project, although inactive and unwanted, nevertheless posed a threat to the community involved, because its authorization was still on the books and could have been reactivated at any time That case led me to fight for a general provision that became law in the Water Resources Development Act of 1974, mandating automatic review of all Corps of Engineers projects at least once every 8 years, and a recommendation every year for deauthorization of any projects considered unnecessary. This is a systematic means of clearing deadwood from the books, and it is a system the Congress ought to utilize more often.

Mr. Chairman, I urge my colleagues to adopt the Conte amendment. Our constituents expect us to judge these projects on the basis of their individual economic and environmental merit, not on the basis of friendships made in this Chamber.

Mr. VANIK. Mr. Chairman, I hope that my colleagues will oppose the amendment to H.R. 7553 to strike funds for the demonstration project on the Illinois Waterway. It is to test the feasibility of increasing water diversions from the Great Lakes.

As most of my colleagues have known, most of the Great Lakes have been plagued with high water problems since the historical highs of 1972–1973. While individuals can take steps on their own, breakwalls, jetties, and seawalls are beyond the budget of most all of us. The Corps of Engineers is able to help, but only where the land being threatened is public.

Because of the abnormally high water levels, lakeshore erosion has taken a terrible toll. In my own congressional district, one of the worst hit in the Great Lakes, entire homes have been lost to the winds and waves of spring storms. While the lakes and their sandbars and natural geography are normally enough to contain this erosion, water levels up to 2 feet above long-term averages have drowned the sandbars and put beaches far underwater. The result is that storm driven waves can roll all the way into beaches and land to vent their full energies.

The project in question on this amendment would simply grant funds for a demonstration project, to be run and supervised by the Corps of Engineers to experiment to see if larger amounts of water could be diverted from the Great Lakes system to the Mississippi River system through the Chicago Canal—and the Illinois Waterway. This concept has been in existence for years. The Chicago Canal currently diverts 3,200 cubic feet per second of Great Lakes' water. The diversion would only allow increased diversion at times of high Great Lakes water levels.

The supporters of the amendment are wary of the downstream effects of increasing Illinois Waterway flow, despite assurances in the authorization bill, H.R. 15636, and its report in the 94th Congress. Our former colleague from Michigan (Mr. O'HARA) thoroughly answered those concerns in the last Congress when the issue came up then.

But it is very clear that this is an experiment and only an experiment. The corps has since then made clear that they will work to not allow any kind of downriver water excesses.

I oppose this amendment. It would strike out a program which may be able to help the lower Great Lakes decrease their extremely high water levels and thereby help reduce the terrible amounts of erosion destruction that we see along Lake Erie, as one example. In addition, I believe that adequate provision has been made to prevent downstream erosion damage in the State of Illinois.

Although the Corps of Engineers obviously cannot take a position for or against a particular piece of legislation, my office spoke with the North Central Division office of the corps in Chicago, and found that the corps felt that an end to funding at this point would delay

an initial and important part of developing the program. The program the corps anticipates, originally 5 years, will include public involvement programs, and data gathering for baseline conditions and their comparison. If the appropriation is removed this year, it will reduce the 5-year projected study, obviously, and undermine the results of any subsequent study.

I urge my colleagues to oppose this amendment. There is more than adequate assurance that Illinois downstream constituents will be protected. My own, as well as many other Great Lakes districts, currently have no such assurance and have had to fight shoreline erosion for 5 years. It is not an easy battle.

Mr. BRODHEAD. Mr. Chairman, I rise in favor of the Derrick-Conte amendment, which I cosponsored, to delete funding of 17 unneeded water projects.

Congress has often been criticized because, once programs are legislated, they tend to continue in existence long after their usefulness has ended. Once a program is created, it becomes extremely difficult to end it, even if there are compelling reasons to do so.

This is the kind of situation we face today as we consider funding for 17 water projects that the President has asked Congress to stop.

There is no question that this country faces serious water problems, as evidenced by the drought in the West and flooding in the East. But we are not voting on this issue. Nor are we voting on the issue of whether or not people need jobs, or whether hydroelectric power or irrigation are desirable.

Purely and simply, we must decide whether the benefits to the public of these 17 projects justify the outlay of millions of the taxpayers' dollars. In the long run, we are deciding whether or not Congress has the courage to change its mind when new evidence indicates that a past decision is no longer valid.

The projects the President has targeted have serious flaws. One project which affects my home State of Michigan would destroy irreplaceable wintering habitat for migratory water fowl. One would be built in an earthquake zone, jeopardizing the lives of thousands of people; one is apparently in violation of a treaty between the United States and Canada, and Canada has repeatedly asked our country to suspend contruction; another project would have resulted in a Federal investment of $1.4 million for each individual landowner benefiting from the project, and only about 60 landowners would be benefited; several projects would have worsened the water shortages and salinity concentrations in the Colorado River, causing increased problems for downstream users.

Mr. Chairman, we cannot afford to continue extravagant projects that are wasteful, unsafe or economically or environmentally unsound. There are simply too many worthwhile projects waiting to be begun. A spendthrift society could afford to spend the taxpayers' dollars any way it wishes. Today, however, we must make careful choices on how to spend public money.

It has been said that "foolish consistency is the hobgoblin of little minds." The House has often been accused of this "foolish consistency" in the past. It is increasingly clear, however, that we need not adhere to decisions that, although perhaps wisely made in the past, do not stand up under the light of the present.

To date, over 130 of us have cosponsored legislation to require periodic reviews of Government spending programs at regular intervals so that we will not be stuck year after year pouring good money into bad programs. We have a chance to put the policy goals of this legislation in effect today.

I urge my colleagues to vote to halt funding for these unnecessary projects.

Mr. SIMON. Mr. Chairman, the water projects amendments now being considered by the House do not include one Bureau of Reclamation project that has been, over the last 4 years, one of the most intensely debated in the country—the Garrison diversion project in North Dakota. As many Members are aware, the controversy over this project has not only been national, but international in scope, with the Government of Canada, which fears that the project will result in degradation of Canadian water quality, having requested a moratorium on construction.

In light of the intense controversy that has surrounded this project in the past, it is important that Members be aware that litigation brought against it by the National Audubon Society has resulted in an important out-of-court settlement between the society and the Department of Interior. That settlement will provide an opportunity for Congress and the parties involved to evaluate and hopefully resolve the controversy surrounding Garrison diversion.

Under the terms of the settlement, a stay has been granted in further judicial proceedings. Construction on the nearly completed McClusky Canal portion of the project will be allowed to continue. A series of plugs will be left in the canal, however, to prevent water from flowing, via the canal, from the Missouri River drainage to the Hudson Bay drainage. While these plugs are in place, they will prevent the possible transfer of rough fish from Missouri River waters into Canadian waters. Construction and land acquisition on further portions of the project will be deferred until the Department has prepared a comprehensive environmental impact statement, including the investigation of a number of alternative forms of project development. Following the preparation of this document, the Secretary of the Interior will send legislation to Congress requesting authorization of one of the options for project development described in the impact statement, or reauthorization or deauthorization of the project.

In the case of Garrison, I doubt if many of the Members who voted for it in good faith in 1965 could have anticipated problems so severe that the Government Operations Committee last year, 11 years later, would recommend a moratorium on project development beyond the McClusky Canal until pending problems were resolved. I doubt that in 1965 any Members expected that the Government of Canada would request a construction moratorium on the project, or that the Province of Manitoba would ask that rivers flowing from North Dakota into Canada be dropped from project plans entirely.

Yet that is the situation. The Government Operations Committee, after a thorough investigation by its Subcommittee on Conservation, Energy and Natural Resources, recommended a moratorium on land acquisition and construction beyond the McClusky Canal in their report No. 94–1335, dated July 2, 1976. The Government of Canada first requested a moratorium on the project in 1973. The issue was eventually assigned to the International Joint Commission. The Commission's Garrison Diversion Study Board made its report public in January of this year, and the information it contained apparently confirmed many Canadian fears. Following release of the report, the Province of Manitoba, in hearings before the IJC in March of this year, asked that rivers flowing into Canada from North Dakota be dropped from the project plan—changes that would drastically alter the project.

The out-of-court settlement, with its requirement for detailed studies of alternatives to the present project, is a good means of addressing the difficult questions raised by the unique problems facing Garrison Diversion. Because of this settlement, Garrison is not included in the amendments we will consider today. It will be addressed by this body sometime early next year, however, when we will have an opportunity to consider project alternatives that, for at least this one project, might lessen the national water project controversy.

I urge my colleagues to keep abreast of developments on the Garrison issue, and to be ready to resolve the problems the project has encountered when the Interior Department submits its proposals early next year.

Let me add that it has been my pleasure to work with proponents and opponents of this proposal, as well as my colleagues Representative MARK ANDREWS, Representative DON FRASER, Representative RICHARD NOLAN and Representative BRUCE VENTO.

Mr. FRENZEL. Mr. Chairman, the Derrick-Conte amendment to the Public Works appropriation bill, which would delete 16 water projects from the bill, poses a very interesting challenge for this body.

Part of that challenge is that the facts, or some of them, are in dispute. What seems abolutely necessary for some areas seems abolutely wasteful for others. What some people feel is environmentally damaging is considered to be wise management of resources by others.

Those of us who do not have water problems, and do understand the areas where they are considered necessary are, perhaps, only pious when we attempt to

save the taxpayers' money by stopping someone else's projects.

Nevertheless, the 16 projects included in this amendment have been pretty carefully reviewed. It is hard to find a project there, the abandonment of which would render irreparable harm. Surely, the saving of $150,000,000 for our taxpayers makes the amendment terribly attractive.

But the amendment has an even greater attractiveness for me. It gives this body a chance to vary slightly from the log-rolling or back-scratching for which we have become famous. This vote does not represent a reputation of that congressional tradition, but it would show that this House is not locked solidly in to that system.

Our reputation for back-scratching is not wholly deserved, but it is hard to escape the impression here that if a Member goes along with other Members' requests, his or her own special project will find favor. Described in its least flattering terms, the system means that if a Member wants any project, or even expects to want any, he or she must go along with everybody else's projects.

The element that gave this systems whatever credibility it possesses was that no project was supposed to pass through the system's sieve unless it was meritorious—both sound policy and cost effective—in the first place.

Now the President and the OMB has challenged this element of the system. The system is apparently not as discriminating as we had been lead to believe.

Back-scratching makes us all nervous to begin with, but if our system seems to be approving non-cost-effective water projects, then the system ought to be altered. In my judgment, it is time to alter our system. We need a finer mesh for our sieve, and the Derrick-Conte amendment gives us a convenient method to install one.

The sponsors of this amendment do not expect to see it prevail. They seek enough votes to make the threat of a veto work for them in the creation of a compromise in the other body. My vote for this amendment is not a guarantee of a vote to sustain a veto, or to support an unknown compromise created elsewhere in this building, but it is a sign of encouragement.

Mr. JOHNSON of California. Mr. Chairman, I rise in opposition to the amendment by the gentlemen from Massachusetts and South Carolina.

If the gentlemen's amendment were to succeed, Congress would be abandoning commitments it had made for many years to State and local governments that these projects would be completed.

Each one of these projects was authorized by a committee of the House of Representatives after meeting the test of congressionally authorized standards.

Each year they were funded by the House of Representatives and construction was carried out by the administration.

This amendment therefore disrupts an orderly procedure that we have used to meet the national needs for water resource programs essential to the prosperity and economic development of the entire Nation.

The Committee on Public Works and Transportation enacted as part of the 1974 Water Resources Act a mandate to the administration to present a new set of principles and standards for water resources development to the Congress.

We took the lead by stating that the changing times mandated a new and different set of criteria which would make it possible to justify flood control development in more urban areas particularly the East.

The study that we had asked for has never been sent to Congress.

In correspondence with the President this year, I have urged him to complete this study and send it to Congress so that we can work together on water resource development and not in the way that we have ended up here today.

In closing I would just like to remind the Members that we in Congress have the right to decide what projects should be authorized and funded.

To agree to this amendment today would be a clear signal that Congress is willing to give up its right under the Constitution and turn over the right to legislate to the administration.

I urge all the Members to support the efforts of the Appropriations Committee on this matter and reaffirm Congress' right to legislate.

Mr. TUCKER. Mr. Chairman, I support the deletion of funds from the public works appropriations bill for the Cache River-Bayou DeView Basin channelization project in Arkansas. After much study, I have concluded that this project has insufficient economic justification, possible design deficiencies, and potential adverse effects on fish and wildlife, particularly waterfowl, and recreation.

I understand the very real water management problems of landowners in the Cache Basin and sympathize with them. But, the current project which is projected to channelize 232 miles of free-flowing stream at a cost of $93.2 million would facilitate clearing and drainage of only a small number of rice and soybean fields. I believe the funds allocated to the Cache River-Bayou DeView Basin project could be more wisely spent for broader public benefit.

Proponents of this project are correct in arguing that there is an urgent need for a resource management plan in the Cache River Basin. There is no question about that. Water is Arkansas' greatest natural resource and, used wisely, will be vitally important and a unique asset for us in the future. But the present proposal is too narrowly directed to flood control. Flood control is an important element of any water resource plan in the Cache Basin. But other considerations, such as water tables, the protection of 170,000 acres of bottomland hardwood timber, and downstream water quality must be addressed. Alternative plans for flood control such as the use of levees on the upper reaches of the Cache or flood plain management could be developed.

The present plan for the Cache Basin would destroy 170,000 acres of bottomlands which not only function as natural floodways but also help control water quality. This is particularly true for the bottomlands bordering streams which drain agricultural areas, where they filter out sediment and agricultural chemicals eroded from the fields. The bottomlands also provide water storage to reduce downstream water uses, including flood control, urban and industrial water supply, navigation, and estuarine fisheries.

Moreover, the bottomlands provide invaluable areas for recreation and natural habitats for fish and wildlife. Channelization preempts all of these to a great extent and frustrates downstream water resource management programs.

Even using the formula preferred by proponents of the Cache project, the costs outweigh the benefits by more than a 2-to-1 ratio. This estimate does not include the destruction of 170,000 acres of prime bottomland hardwood forest, the costs of complying with downstream water quality and groundwater supply, and the loss of several hundred thousand migrating waterfowl. The present project concept of clearing hardwoods and channelizing the river only pushes greater flood problems downstream and in the long run is more damaging than beneficial.

Work done on the Cache River-Bayou DeView basin project is not irrevocable. With only 5 percent of the total project completed, it is not too late to reorganize and redirect water management in the Cache basin with a revised multiuse plan, including both structural—channel works, dikes—and nonstructural—floodway easements, acquisition of public lands—elements. In short, the present plan for the Cache River-Bayou DeView area is not the best. Let us wait until a more comprehensive water management plan, taking into consideration all water uses in the Cache basin, is developed.

Mr. LUNDINE. Mr. Chairman, I rise in support of the Derrick-Conte amendment.

A major concern of this Congress and this administration is reducing the soaring levels of unemployment in our Nation. We all realize that unless, and until, full employment is reached, we will face continued Federal deficits, we will be unable to lower taxes, we will be unable to afford many of the programs this Nation needs: welfare reform, expanded public transportation and assistance for our senior citizens. Unemployment imposes economic losses on our population, but just as importantly, it imposes deep personal hardships that lead to destruction of families, alcoholism, crime, and mental illness.

It may be argued today that the Derrick-Conte amendment will cause the loss of jobs. This is untrue, and it can be shown that, in fact, the amendment may produce jobs or maintain higher levels of employment. Derrick-Conte does not reduce funding for water projects by 1 cent. It simply reallocates funds from water projects that have little or no merit to those which have been proven to be cost-

effective, environmentally sound and safe. There will be a shifting of jobs, but no less total employment. We should keep in mind that the persons who are typically employed in the construction trades, those who would build these projects, are mobile and highly skilled.

In addition, it may be shown that some of the projects which would be eliminated by the Derrick-Conte amendment would actually cause declines in employment. For example, a South Carolina-Georgia project, the Richard B. Russell project, would use 60,000 acres of farm and timber land and destroy 600 permanent jobs while it would replace those with only 35 jobs needed to maintain the completed project.

A net loss of 535 jobs would result from the project, most of those low-income employment opportunities. A Colorado project would eliminate 350 permanent, agriculturally-related jobs. In return, we were offered 250 temporary construction jobs over a brief 7-year period.

A South Dakota project which would be eliminated by this amendment would impose benefits and costs on an equal number of farmers, leaving no net increase in agricultural employment. A Louisiana project would damage the local shrimp and shellfish waters, threatening the jobs and incomes of the employes of that industry. Half of those employes in the fisheries are minority citizens. And a Kansas project would protect 7,000 acres of farmland from flooding by taking 14,000 acres of farmland permanently out of production. There are more horror stories which the Derrick-Conte amendment would end, just as the administration's review of these projects was designed to do.

These projects were reviewed for safety, environmental impact and economic feasibility. A major water project deeply affecting my own district, fortunately, passed this test and I feel that my constituents would not accept or want an unsafe project in their neighborhood. Passage of this amendment reflects the fiscal responsibility of this body rather than a self-protecting attitude we otherwise seem to exhibit. These projects on the so-called "hit-less" are not harmless. If allowed to continue, they threaten the safety of our constituents, the safety of our environment and the sanctity of our wallets. They would make the kinds of problems which we may find irrevocable. For these reasons, I urge your support for the Derrick-Conte amendment.

Mr. ASHBROOK. Mr. Chairman, I am very pleased to see that this bill appropriates $1,000,000 for an important flood control project in Newark, Ohio. This project is a local protection measure for the city of Newark, the county seat of Ohio's Licking County.

A serious flood problem exists in the Upper Licking River Basin, with Newark being the major damage center. During 1959 a flood in this area caused extensive damage. It is essential that we take steps to prevent this from happening again in the future.

The Newark project has strong backing from the Ohio Department of Natural Resources. Last year, in testifying before the House Appropriations Subcommittee on Public Works, the director of the department called the project "one of our top priority flood control projects in Ohio."

I agree with the views of the director of the Ohio Department of Natural Resources. This flood control project is vitally important to the city of Newark and I commend the members of the Committee on Appropriations for approving the full amount recommended in the fiscal year 1978 budget.

Mr. GEPHARDT. Mr. Chairman, I rise in support of the Derrick-Conte amendment to H.R. 7553, Public Works Appropriations for fiscal 1978, which would prevent the use of funds for 17 water projects the administration has proposed halting. I do so as an expression of concern about the Meramec Park Lake in Missouri.

This project has been the subject of considerable controversy in eastern Missouri and particularly the St. Louis area. Because of its importance to my constituents, I have spent considerable time studying all available material and talking with representatives of many interested groups. In addition, I visited the area where the dam would be built to see firsthand the land to be flooded and the condition of the river itself.

On the basis of this study, I concluded that some work on the Meramec is needed to assure public access for recreation and to prevent development which may be damaging to the river and its environs. I am not convinced, however, that the best action would be construction of the Meramec Dam and Lake.

In this regard, I have three major concerns. The first is the estimated cost of the project. Thirty-five million dollars has already been allocated by the Federal Government and the total cost is expected to rise to $124 million. This is a very high price tag for a project whose benefits are in considerable doubt. Serious questions have been raised about the ability of the Meramec Dam to provide flood control without construction of four other dams, as proposed in the original basin plan. In addition, professionals disagree about the water supply needs of the area due to the abundance of high quality ground water in the Meramec Basin area. An engineering consultant study of the city of Sullivan water system, completed in the past year, found the cost of drawing water from an above-ground source considerably higher than that of renovating existing wells. Finally, the recreational preferences and demands of eastern Missouri have been the subject of considerable debate. While large numbers would be attracted by the boating, fishing and water skiing that would be possible on a lake, the types of activities offered by a free-flowing stream are also in great demand.

A second major concern I have about authorizing construction of the Meramec Dam is environmental. The project would severely damage the Onondaga Cave, a truly spectacular and unique natural attraction. In addition, construction of the dam would mean the loss to Missouri of some 50 miles of free-flowing Ozark stream in the Missouri, Huzzah, and Courtois Rivers.

My final reason for questioning the advisability of the Meramec Park Lake project is the deep split in public opinion. Various efforts to determine the position of a majority of eastern Missourians on this issue have produced conflicting results. My colleagues, Mr. BURLISON and Mr. ICHORD, surveyed voters in their districts and found support. On the other hand, I mailed a questionnaire to the 170,000 households in my district asking the question, "Are you in favor of the construction of the Meramec Dam?" Of the 10,000 people who responded, 40.3 percent said they supported the project, 53.1 percent expressed their opposition and 6.6 percent said they were undecided.

The findings of no survey undertaken to date, however, can be considered conclusive. Because of the continued uncertainty about support for the Meramec Dam among eastern Missourians, I have called for a referendum so that all residents of the areas affected can voice their opinions. Legislation providing for such a vote is now pending before the Missouri General Assembly. I would hope that a referendum is ultimately authorized. However, since June of 1976, and throughout my campaign for Congress, I made it clear to the voters of my congressional district that I would vote to discontinue Meramec Dam funding for the reasons listed above and others unless a referendum indicated otherwise. I have favored the construction of recreational parks around the Meramec River both at Sullivan, Mo., and in St. Louis County in lieu of the dam. I have consistently made it further clear that if such recreational parks could not be built for whatever reason, I favored the construction of the dam over leaving the river as is.

One may ask why I am voting against all of the water projects covered by the Derrick-Conte amendment when my specific objection is only against the Meramec Dam. I would have preferred an amendment singling out the Meramec but I do not wish to cause a situation where the entire House of Representatives must labor though amendments on each water project. While the vehicle of the Derrick-Conte amendment is not as precise as desired for my promised vote, it is the most appropriate alternative to register a vote that my constituents expect.

Mr. RONCALIO. Mr. Chairman, after years of planning, the Savery-Pot Hook project was authorized for construction in September 1964. After another 12 years of delay, the final environment impact statement is expected this month and construction was scheduled to begin this year. Within only a few years, the Little Snake River Valley would enjoy storage of flood waters for dependable irrigation on a total of 28,740 acres. Despite this current review process and questions which have been raised, I strongly support the project and urge this review panel to look at the broad

spectrum of total worth of Savery-Pot Hook and the desire to proceed.

This review is concerned with three basic factors, economics, environment, and safety. These three factors are particularly closely intertwined at Savery-Pot Hook and have influenced one another.

ECONOMICS

When Savery-Pot Hook was authorized, it carried a benefit/cost ratio of 1.28/1.00 direct and 2.40/1.00 total. Since that time efforts have been made to reduce both environmental impacts and safety questions. Responsible actions to address these problems before construction have resulted in substantial increased costs, costs which have adversely affected the benefit/cost ratio, but costs which are in the public interest.

In fact, the cost of this project has increased within only the past few months by nearly $5 million and through the course of this review by $1,484,000 alone. When Secretary Andrus appeared before the House Interior Committee on February 23, he cited a total cost of $74,216,000. Now we are told less than a month later that the total cost of the project is $75,700,000. Every effort has been made to locate costs through this review and with the employment of the 6⅞ discount rate, the benefit/cost ratio has been determined to be 0.4/1.00. If the potential for increased benefits had been analyzed as closely as have the increased costs, and if the project would have been constructed without the steps being taken to assure safetv and minimize environmental impacts, the ratio would be much higher.

The relocation of the dam on Savery Creek to the Sandstone site was done in the public interest to remove any reservations about the safety of that structure. That move alone increased the cost of the project by $2,100,000. At the request of the Wyoming Game and Fish Commission and several concerned environmental groups, it was decided to acquire 17,000 acres of land, not necessary for the project itself, for purposes of mitigating any losses of wildlife habitat. This has meant a recent new cost of $800,000 alone. Indexing of construction costs have increased projected costs by 7 to 8 percent a year. There are many costs involved in the project aside from storage and delivery of water for agriculture—including recreation development, big game land acquisitions, access easements for fishing, and fencing of stockyards. These costs alone total $3,145,000.

Each of these costs is substantial but none is reflected significantly in the benefit column. These are costs which have been included for the benefit of the public at large. In other projects efforts have been made to mitigate wildlife damage, but not to the extent nor at the cost which is involved here. This is one of the first projects to initiate construction after the collapse of Teton Dam, and it was in the public interest that Sandstone was determined to be a better, though more expensive site.

It should not be surprising that the benefit/cost ratio has declined. It has not been a question of economic feasibility, though, it has been repeated efforts to make this project responsible to safety and environmental considerations that have reduced the ratio.

Several items, however, have not been included in benefits which could better demonstrate the worth of the project. We have passed in the Congress, with the support of the Carter administration, massive public works jobs programs which provide billions of dollars for construction projects throughout the Nation. There is no determination of benefit/cost ratios on these projects. There is no repayment on these projects. There is employment, there is economic stimulus, and there is after completion a facility for the public good. There is no difference with Savery-Pot Hook—except the notable difference that $73,670,000 of the project's construction costs will be repaid, through power revenues and sales of water to irrigators on the project. How can anyone say that this is a bad investment when all but $2 million will be repaid, when the established and included benefits will accrue, and when 2,614 man-years of employment will result directly from construction.

Furthermore, benefits which have been calculated do not include the newly enacted provisions for payment-in-lieu of taxes, whereby payments for acquired lands will be made to the local governments. Substantial and inevitable increases in prices for farm goods are not demonstrated in the benefits, and neither are the employment factors during construction, and enhancement of the quality of life along the Little Snake River Valley, nor the importance of maintaining an agricultural base.

ENVIRONMENT

Any criticism of Savery-Pot Hook from an environmental standpoint fails to recognize the efforts and expense which have been taken to mitigate any loss of wildlife habitat and to enhance recreational and fish and wildlife potential for the area.

The 17,000 acres are to be acquired for big game habitat to assure that there will be continued game areas directly adjacent to the project. Maintained and more constant stream flows should enhance fisheries and new fisheries will be established through the creation of the two new reservoirs. Throughout the project, steps have been taken, with much greater care than in the past, toward environmental considerations. Additional fall and winter forage will actually be provided through the additional acreages brought under cultivation. This is an arid region and I submit that the new grain and alfalfa fields will be welcomed by deer and elk. By the same token, cover along ditches and drains as well as the two reservoirs may enhance the area for waterfowl and some other bird life.

We have had concerns about the salinity levels of the Colorado River downstream and I am pleased to note that Savery-Pot Hook will only contribute 0.1 percent of the salinity levels at Imperial Dam, far below most projects on the Colorado.

Of particular concern is what will happen to this valley and the surrounding area if Savery-Pot Hook is not constructed. There are currently industrial water filings upon this water amounting to 237,791 acre-feet. Some of these water filings include plans for construction of reservoirs in nearly the same locations.

They envision strip mining of coal near the valley and the construction of coal-fired powerplants within the Little Snake River Valley. For those who express concern about environmental impacts from this irrigation project, I ask them to consider the environmental impacts which will surely occur if Savery-Pot Hook is denied.

We, in Wyoming and the West, value water as our most precious resource. If it is not used within our borders, it will be used downstream. I have long believed that agriculture is one of the highest uses of our scarce water in the arid West with its long-term contributions in food and fiber, employment and stability. I would much rather see this water used for irrigation of 28,000 acres than have it committed to coal-fired powerplants when that coal can be converted where the power is needed and where there is more water. A denial of this project will be a green light to the energy companies and to those who hold water filings for industrial speculation. The environmental impacts of Savery-Pot Hook have been minimized wherever possible and are far less than what may otherwise follow.

SAFETY

Valid questions arose about the Savery Dam site and, in turn, the new Sandstone Dam site was selected away from any slide activity. Questions about the safety of the Pot Hook Dam location have been addressed as well and construction plans include procedures to remove any question about the stability and safety of that structure's location.

No figure can be attached to the quality of life inherent in the traditional ranch and farm base of Wyoming and Colorado. Both States face massive energy development and population growth with massive demands on their water from the energy industries. There are few opportunities left in our States to develop water for agricultural production, yet the demands upon agriculture for the necessary food and fiber for a growing population will greatly intensify in the next decades.

Every effort has been made in this project to eliminate questions of safety and mitigate environmental concerns. The cost has increased as a result, but that cost will nearly all be repaid directly through power revenues and water sales.

Increased income from the valley, from economic stimulus in the construction stage and later and tax revenues which will result will more than make up the difference in repayment and interest over the years.

Votes in both the Little Snake and Pot Hook Conservancy Districts this month soundly endorse the project and the repayment schedule. I strongly support the project. We have a clear decision here: Will water in Wyoming and Colorado be utilized for people and agriculture, or will it be stored, diverted, piped and carried for the coal compa-

nies and industry? This water will be used—let it be used for food production and recreation.

Mr. LEGGETT. Mr. Chairman, I rise in indignation over some of the remarks I have heard on this floor today regarding water resources development projects and pork barrel politics and I oppose the Derrick-Conte amendment. Water is one of our Nation's most precious and valuable resources, and rational development of these water resources has been, and will continue to be, vital to the continued growth and prosperity of America—particularly in our West.

I have long been troubled by the myth that Federal expenditures in water resources projects are motivated solely by what many misinformed political observers have referred to as log rolling, back scratching, and the pork barrel. Let me attempt to set the record straight by briefly addressing the initiation and review of such projects.

To begin with, water projects are in virtually every case conceived by local farmers, communities, or cities who have a genuine problem. It is the local farmer whose parched land is drying up for lack of adequate water. It is the small local community that suffers from unpredictable floods caused by factors beyond its control, whether by act of God or by poorly planned development upstream or elsewhere in the watershed area. It is the local population already living in the area that suffers from inadequate water supplies, insufficient power generating capacity, or lack of recreational opportunities. It is these people who have genuine needs and concerns that band together at the local level to initiate action on water-related projects. It is not, I might add, a Member of Congress fabricating or seeking out a boondoggle to insure his next reelection.

Second, the project justification and review process is appropriately stringent, long and thorough. It takes many years and many rounds of review before a contractor actually begins construction. Moreover, well-established guidelines exist for project justification. Indeed, the current state of the art in economic or benefit-cost analysis is mainly attributable to the pioneering work done over the years in this important area. Nowhere else in the Federal budget do we so meticulously evaluate in monetary terms both the costs and the benefits to be derived from the expenditure of our scarce tax dollars as we do for water resources development projects. The benefits to be derived from welfare programs, for instance, are never questioned or costed out. Nor are the benefits of an adequate defense ever truly costed out and compared with outlays.

This leads me to another important area which I would like to discuss with you today and that is the magnitude of the benefits which this great Nation has already derived from previously approved and funded investments in water-related projects.

Through the U.S. Army Corps of Engineers civil works program alone, over $36 billion has been invested since the Congress first authorized $75,000 to improve navigation over Ohio River sandbars and remove snags from the Ohio and Mississippi Rivers in 1824. More than half of this overall investment has occurred in the last 15 years—a period in which civil works expenditures averaged only about 0.6 percent of our Federal budget. Although relatively small in the context of total Federal expenditures, these capital investments in such water projects as dams, canals, levees and reservoirs have beneficial effects that touch almost every facet of modern American society today. For instance, navigation projects provide the Nation with its lowest cost mode of transportation for bulk commodities. Flood control projects protect the lives, homes and businesses of thousands of Americans, open up vast areas for vital agricultural production, and make possible residential and industrial development to provide homes and jobs for the American people. And reservoir projects provide for hydroelectric power generation, make available recreational opportunities for millions of rural and urban residents, and finally, provide our communities and industries with abundant and clean water supplies.

In addition, we must not forget the overall benefits to the Nation resulting from the Federal reclamation program administered by the Bureau of Reclamation in our 17 Western States which, in addition to its major contribution to the Nation's food production, provides numerous other benefits such as nonpolluting hydroelectric power, recreation, flood control, water for domestic and industrial uses, and habitat for fish and wildlife. In fact, reclamation just may be one of the best investments ever made by the Federal Government. In the 70 years since crop statistics were first compiled, western farms irrigated by reclamation projects have produced food, fiber, and forage worth nearly $50 billion—or more than eight times the total $6 billion invested over this same period. This is not a bad return on investment.

A more telling case in favor of water projects can be made when one looks at the aggregate present value to the Nation of all completed projects for water supply, power generation, flood control, navigation, recreation, and reclamation. A brief summary of these total benefits is presented in table 1 below:

TABLE 1

Project benefits

Annual water supply benefits:
Gallons of water furnished, 12.2 billion.
Number of people served, 23.5 million.
Annual power benefits:
Installed generating capacity (kilowatts), 50.9 million.
Net generation (kilowatt hours), 226.1 billion.
Gross revenues, $1.55 billion.
Flood control benefits to date:
Estimated value of flood damage prevented, $50.6 billion.
Expenditures for flood control facilities, $8.4 billion.
Annual navigation benefits: Annual traffic tonnage, 2.3 billion.
Reclamation benefits:
Acres irrigated, 9.4 million.
Annual value of crops produced, $4.6 billion.
Recreation benefits: Annual visitor days, 490.8 million.

The value to the Nation of water resources development projects is truly overwhelming.

Moreover, they are motivated out of a sense of genuine need at the local level—and not political greed. They generate barrels of tangible and worthwhile benefits—and not barrels of pork.

Therefore, in the face of an intransigent President who has taken it upon himself to challenge the collective wisdom of the Congress, it behooves us to rise to the occasion and accept responsibility for preserving the vitality of the Federal water resources program. Thank you.

Mr. LEVITAS. Mr. Chairman, I commend the President for having called to the attention of the Congress the need to reevaluate some of these water projects being funded by this bill. For that reason, among others, I supported the Emery amendment to leave these funds out from the budget.

Now I have carefully studied the information the President has given us, as well as information from a number of other sources.

I have concluded that some of the projects are a total waste of money and are environmental and safety nightmares. On the other hand, there are others which appear to be justified and should be continued, especially in light of our continuing painful experiences with serious drought and water shortages in parts of the country and the need to provide additional energy in the form of hydroelectric power to avoid total dependence on imported oil and nuclear energy. Finally, in another category are a few of the projects which are really very close questions, falling into a gray area. They certainly have benefits but also have disadvantages. The pros and cons seemed closely balanced in these situations.

The Richard B. Russell Dam, formerly known as Trotters Shoals Dam, is an example of a closely balanced project. It has certain hydroelectric power benefits, especially in providing needed peaking power; but at the same time it has certain negative environmental consequences which are of concern to me. These environmental problems first came to public attention officially when I requested and received a report on this project in 1975 from the Council on Environmental Quality.

To illustrate the closeness of the Trotters Shoals question, I need only to point out that while President Jimmy Carter was Governor of Georgia, he gave his approval to the construction of the Trotters Shoal Dam, although now he has concluded against the project. Also, about that same time, when President Carter was serving as Governor of Georgia, I remember very well supporting his efforts and voting with him to stop the construction of the so-called Sprewell Bluff Dam; and so I know that at the time the Trotters Shoals question was before him, he was aware of the pro and con problems which have to be taken into account when passing on such mat-

ters. I still have some reservations and concerns about this project and believe the final decision is one for me on this particular project if a separate amendment is offered dealing only with the Trotters Shoal Dam alone, not including projects I believe are clearly justified, I might vote to delete the funds.

Nevertheless, since I think some of these projects are needed and should be built, although there are others which I think should not be, I am today voting against the amendment to delete them entirely.

However, I reserve the right to reconsider this position and reevaluate it in the future, especially since this is an all or none choice. Therefore, if this bill should pass with the water projects still included and President Carter then determines to veto the bill, I will very definitely consider voting to sustain his veto.

For these reasons and other considerations as well, I have decided, for the present, to oppose the entire deletion of the funds for the water projects.

Mr. ASHBROOK. Mr. Chairman, I rise in support of the Derrick-Conte amendment to the Public Works appropriations bill. This amendment would save the American taxpayers an estimated $2.2 billion by terminating a number of water projects and providing partial funding for another. Some I would support but we do not get a separate vote on each so I am constrained to vote aye. At some future time I can hope we will vote separately on many of these projects.

The Derrick-Conte proposal to cut out these water projects flows from an earlier recommendation by President Carter. I go along with the President's recommendation. Let me make it clear, however, that I support these cuts in the hope that President Carter will not just reduce projects at home but also abroad.

Unfortunately the present administration has thrown its support behind proposals to give away vast sums of money to international organizations and foreign countries. It backed the foreign aid bill which authorized $1.7 billion for various international development assistance programs. This bill included, among other things, $200 million for drought relief for some nations in Africa and $272 million for international organizations, primarily United Nations programs. Just last month this same House voted for a foreign aid bill which called for irrigation projects in Africa.

And this is only just the beginning of our attempted financial bailout of the world. President Carter has promised "to reduce the chasm between the world's rich and poor." As part of that pledge, the United States has joined in what has become known as the North-South dialogue between the industrialized nations and the less developed nations.

At the end of a recent 4-day conference, the industrialized nations spearheaded by the United States agreed to increase the financial resources of the International Monetary Fund and the World Bank in order to help poor countries meet their balance of payments deficits. They also agreed to set up a special fund to help the poorer nations pay their oil bills and to increase assistance for the development of Third World agriculture.

Is there any doubt who will pay for these commitments? The American taxpayer, as always, will end up financing a large part of the bill.

Frankly, these foreign expenditures would not be deserved even if we had money to spare. Given our present huge budget deficits and overly high taxes, however, such giveaways are absolutely ridiculous.

Again, I support the administration's effort to save some money by cutting out several water projects. But the administration should not then turn around and use the money saved for foreign giveaway schemes. Let us keep the money where it belongs, in American pockets.

Mr. PHILLIP BURTON. Mr. Chairman, I would like to share with my colleagues the insight reflected in the following article by the distinguished senior editor of the New York Times of June 9, 1977:

BOONDOGGLES

(By John B. Oakes)

If a few key members of Congress had voted to hand out some $3 billion in public funds to a select number of politically potent constituents as a reward for committing permanent and irreversible mayhem on the nation's natural resources, the average American voter on learning of such venality would resolve to throw the rascals out at the next election.

But that's just about what the Appropriations Committee of the House of Representatives did a few days ago in following its time-encrusted custom of endorsing a string of flagrantly extravagant and senseless boondoggles disguised as navigation, irrigation, flood control, power or recreation projects, every one of them economically indefensible and environmentally destructive.

The great difference now is that—for the first time in many, many years—there is a President in the White House who has had the courage (and the knowledge) to declare that such "activities which are wasteful, unsafe or economically and environmentally unsound [as so many of them are], simply cannot be pursued."

Yet, despite the implied threat of veto, the old pols of the Appropriations Committee took their traditional annual plunge into this particularly briny pork barrel, voting funds for no less than 17 of the 18 projects President Carter had rejected, as well as a number of others—equally if not more objectionable—on which he had already retreated.

Here are details of a random selection of but a half-dozen of the 17 projects "recommended for deletion" by Mr. Carter, but reinstated by the Appropriations Committee and now up for the usual routine approval by House and Senate:

Richard B. Russell Dam on the Savannah River (Georgia-South Carolina) to produce electricity at a cost of approximately $1 million per megawatt, inundating at least 25,000 acres of forest, farm, pasture land and prime wildlife habitat and threatening water quality of a major energy reservoir with such obviously harmful economic and enviornmental impact that even the local Congressman, Representative Butler Derrick of South Carolina, originally a supporter of the project, now recognizes that there is "no justification" for it.

Meramec Park Lake, Missouri: an even more outrageous Corps of Engineers project than the Russell Dam; inundating 12,000 acres (about half of it prime farmland) to protect less than 12,000 downstream acres, meanwhile flooding out one of the finest systems of caves in the country, destroying important archeological sites and fishery resources—to create one more "recreational" flatwater lake, in which the region already abounds.

Atchafalaya River and Bayous, Louisiana: a totally unnecessary channelization project of the Corps of Engineers, wrecking at least 7,500 acres of productive wetlands, damaging major commercial shell fisheries, destroying wildlife habitat, for the almost exclusive benefit of two large corporations building oil rigs.

Cache River Basin, Arkansas: another Corps of Engineers channelization, flood control and drainage project—231 miles of it, costing over $93 million—eliminating 90 percent of the area's fishery resources, clearing and draining at least 100,000 acres of wetlands and hardwood forest while severely degrading water quality, in order to improve rice and soybean production for the principal benefit of relatively few large landowners.

Fruitland Mesa, Colorado: an $88 million Bureau of Reclamation irrigation project to benefit 69 landowners, amounting to an investment by the taxpayer of about $1.2 million per landowner, and a cost/benefit ratio—even by the bureau's own notoriously phony standards—of only 0.5, not to mention the resultant big-game range destruction and serious water degradation in the Lower Colorado basin.

These examples, by no means the worst, give only an inking of the enormity of the traditional water-resource pork barrel that the President is attempting to overturn. They do not include even more outrageous (and expensive) projects on which he has yielded in whole or in part, or has succeeded only in slightly modifying—such as the $1.5 billion Tennessee-Tombigbee Waterway, the boondoggle supreme of the very powerful Senators from Mississippi; or the $600-million Garrison Diversion in North Dakota which, the White House points out, would involve "conversion or destruction of 220,000 acres of productive land to irrigate only 250,000" or the $1.5 billion Central Arizona Project, which only panders (at the taxpayers' expense) to Arizona's gross mismanagement and wasteful misuse of groundwater resources.

As one observer recently put it: "No other Administration has had the guts—even though they had the evidence—to say 'That's enough!' " But unless individual members of Congress can be induced to show an equal amount of guts, it will also be to no avail; and the American public, for generations to come, will be the loser.

Mr. KEMP. Mr. Chairman, I oppose the Derrick-Conte amendment to delete funding for 23 water projects around the country, for a number of reasons, for as the AFL–CIO has stated:

Besides providing many job opportunities, these projects have and will contribute significantly to the economic development of the nation in such areas as improved inland water transportation, energy power generation, flood control, water storage and irrigation and recreation. Indeed, the recent western droughts which caused crop failures, water rationing and other problems clearly show the need for continued funding of such projects.

Mr. Chairman, the public works bill before use today is the center of a great deal of controversy in the Halls of Congress, as well as in the Executive Mansion down the street. The questions of congressional prerogatives in the legislative process are clashing with President Carter's sincere desire to cut back wasteful Government spending programs, and I think that this discussion is good.

Above all, we must be willing to work together to achieve the greatest good for the greatest number of people, whether this good can be furthered by canceling a prospective project or accelerating the pace of another.

In reviewing this public works bill, I have tried to be objective and look at the environmental as well as the economic benefits and costs involved, specifically in the funding of the 18 water projects that President Carter has recommended for deletion and deauthorization.

There is no question in my mind that uppermost in the minds of the Nation in the review of these projects must be a sincere concern for the environmental consequences of their implementation, coupled with a full understanding of the ramifications for the many people who will benefit from their continuation and construction. Unquestionably the main purpose of the original construction of these and other projects like them around the country has been, and should continue to be, the safety and welfare of those citizens who are now faced with crop failures because of a lack of irrigation, or floods because of the threat of too much water. And, with the impending exhaustion of our conventional nonrenewable energy fuels, the development of hydroelectric power is the most efficient and environmentally sound source of power to be obtained on a short-term basis. As the recent massive crop damage and water rationing the drought in the Western States has so graphically caused, we cannot take our supply of water for granted.

Yet an integral part of our Nation's well being and future planning is also a nonrenewable resource—our Nation's wilderness—our fields, our streams, our wildlife, and our magnificent natural scenery. Priceless resources such as the Grand Canyon, Yellowstone National Park, and the Colorado River must be considered when we tally the inheritance that will be left for our children and grandchildren in the centuries to come.

It is of crucial importance, therefore, to bring a balanced perspective to the projects under review today in the public works appropriations bill.

The people of western New York know that there does not have to be a tradeoff between economy and the environment. Indeed, crucial soil erosion prevention programs are valued along Lake Erie chiefly because they are helping to save precious topsoil that is needed to preserve the ecology of the area. The Ellicott Creek flood control project is receiving the wholehearted support of Tonawanda and Amherst residents who were fearful that this year's heavy snows would melt too soon and cause a devastating flood throughout the area. This danger still exists for at least the next 2 years, as the Weather Service predicts equally harsh winters for the Buffalo area until at least the winter of 1978–79.

Mr. Chairman, the public works appropriations bill for fiscal year 1978 contains funding for the following projects that affect my district:

Ellicott Creek flood control project;

Scajaquada Creek flood control project;

Cattaraugus Creek small boat harbor project;

Lake Erie wastewater management study;

Harbor and channel maintenance for Black Rock Lock and Tonawanda Harbor;

Harbor and channel maintenance for Buffalo Harbor; and

Great Lakes to Hudson River waterway.

These do not comprise a complete list of projects that affect my district, since there are a number of others which are approved on a continuing basis, and do not need additional funding at this time.

Each of these projects has been thoroughly examined both from an evironmental and a technological point of view, and each was given a clean bill of health on all fronts. The Scajaquada Creek flood control project will aid the city of Buffalo, and the people of Cheektowaga, Lancaster, and Depew in a much needed public works project; the citizens of Springville, Cattaraugus, and Gowanda will be significantly aided by the Cattaraugus Creek and harbor project; and the entire western New York area will benefit from the Lake Erie wastewater management study. Municipal and commercial interests need the locks and piers maintained and the harbors improved. And, of course, we are hopeful that the Great Lakes to Hudson River waterway study by the New York district of the Corps of Engineers will add positive evidence to my proposal for an all American transportation system.

These projects have all been subject to repeated and updated review, and in my mind they are necessary to the economic and social well-being of the Buffalo area.

There has been intense pressure on all Members of Congress in the last month regarding the 18 water projects that President Carter has recommended for deletion and deauthorization; and in some ways this has been good. There has been more public participation in these discussions than in any other measure before the House this session—private citizens have joined together to bring their side of the story to Congress in a way that underscores the life and death importance of the continuation or noncontinuation of these projects.

For example, I have received convincing evidence that the Garrison diversion project in North Dakota will provide life-giving irrigation to land so parched that no water is found in the soil even after digging down to a level beneath the foundations of most of the houses. The North Dakota Legislature has endorsed this project unanimously.

Mr. Chairman, these are hard choices facing us today, choices that will affect significant areas of our country's environment and economic base. My research indicates that the benefits of these projects do outweigh their disadvantages, and I will vote to support the committee's recommendations for funding of the water projects at this time.

I do so for jobs, for economic growth and stability, and for the environmental concerns of adequate water supply.

The CHAIRMAN. The Chair has before him a list of more than 25 Members to occupy the next 10 minutes. It has been suggested that it would be possible for the Chair to recognize the gentleman from Alabama (Mr. BEVILL) and the gentleman from Massachusetts (Mr. CONTE) to allocate those 10 minutes.

Accordingly, the Chair will recognize the gentleman from Massachusetts (Mr. CONTE) for 5 minutes, and the gentleman from Alabama (Mr. BEVILL) for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. JOHN T. MYERS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JOHN T. MYERS. How did the Chair make that decision?

The CHAIRMAN. The Chair has the authority to allocate time under a limitation, and it is obvious to the Chair that this is the most rational way to handle the 10 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I yield 1 minute to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. I thank the gentleman for yielding. I really appreciate his courtesy.

Mr. Chairman, I could go over the environmental reasons as to why I support this amendment. There are many. I could go over the economic reasons why this amendment should be supported. They are valid. Much has been said about these reasons. But I would like to talk about one of the aspects which we have neglected to talk about, and that is a commitment that I think everyone made last year on the campaign trail. It was a pledge to zero-based budgeting. Remember that phrase that we all used to tell everybody out there that we were going to make sure that we took all the waste out of government? We were going to make sure every program was justified anew. "Sunset legislation" was another phrase used, and we stated:

> We are going to do it. We are going to go down to Washington, and we are going to get rid of all those wasteful projects. We are going to do it to cut taxes on the one hand, and we are going to do it to take care of all of those needs that we have not taken care of, on the other hand.

Here is our chance. Here is our first test. Here is the test to see whether we will do it, whether we will live up to our promise of zero-based budgeting. And what better place to do it than in somebody else's district.

Let me say if we cannot do it now, if we cannot cut wasteful projects when they do not exist in our district, then we will never be able to do it. We will never be able to cut programs, no matter how wasteful, that in any way bring money to our own districts.

I would like to say this: I would love to be out on the campaign trail the next time. I would love to be out running against all of the Members who took that pledge to support zero-based budgeting and who voted against this amendment. I would like to ask each one how he voted on the Lukfata project in Oklahoma, where 70 percent of the benefits go to one catfish farm, or the Cache River

channel basin in Arkansas, where 50 percent of the benefits go to fewer than 10 percent of the landowners, or the Fruitland Mesa project in Colorado, which would benefit only 60 landowners to the tune of $1 million each. How will you be able to explain a "no" vote with all your talk about zero-based budgeting?

If we cannot face this test on zero-based budgeting, there is no hope at all that we will be able to cut out the waste in government. I urge you to vote "yes."

Mr. CONTE. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I wanted to say more when I spoke earlier. I was going to talk about the environment, too, about the plains, about the long-rooted grass that we plowed up until we made a dust bowl, about the rivers and unnecessary dams, and the dams that have broken and killed pepole. We have made mistakes. We are going to have to listen to nature. We should not be building in flood plains; we should not be building on the watersheds. We are going to have to listen to nature or we are not going to be able to live on this Earth.

I do not want to run for office against, any Member, because I imagine each is a much better campaigner that I am. But I think we heard something this afternoon that we all ought to think about, and that is what the gentleman from South Carolina said about patriotism. Do we really mean it? Do we really mean that we are going to try to get hold of the spending in this House? I hope we do, because I do not know what we are going to hand on to our children and grandchildren if this continues. If we are going to spend an extra $2.2 billion for 17 extra dams, where do we end?

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. WINN).

Mr. WINN. Mr. Chairman, I object to the Conte-Derrick amendment. I am concerned about people—people who have put their good faith in the U.S. Government.

I talk about the very critical water shortage which my constitutents in southern Johnson County are facing.

Let me give you several examples. The community of Spring Hill has been forced to clamp a number of restrictions on water use, subject to $100 per day fines for noncompliance. Standby plans exist to close a number of businesses to further curtail water use. At this time of year, normally considered the "rainy season," the intake valve at the Spring Hill city lake is 28 feet under water.

Now, however, a mere 29 inches of water covers the intake. That's about 30 to 50 days of water, providing they use all the existing restrictions.

This project has been on the boards for more than 20 years. Four Republicans and two Democrats have worked in behalf of the project. This has not been a popularity contest. It has not been always popular politically, but the people of the communities need the water—they need the flood protection.

Most of all, Mr. Chairman, the people need faith in their Government—faith in the plans and promises of their Government.

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee (Mr. BEARD).

Mr. BEARD of Tennessee. Mr. Chairman, once again, I appreciate the opportunity to appear before my colleagues to make what I hope is a final plea that the wisdom of the subcommittee and committee that have given their stamp of approval will prevail in fulfilling a commitment by the Federal Government to the people of the Duck River Valley in Tennessee that the Columbia Dam will be completed.

The total Duck River project includes two dams and reservoirs. The first dam, Normandy, is complete and was dedicated last year. The second dam, Columbia, the dam now in question, is already one-third complete.

Every argument concerning the merits of the Columbia Dam has already been debated in full in the committees of this House. in public hearings, and in the press. The arguments are already part of the record, and I will not waste my colleagues' time by going through them again.

Instead, I will focus my remarks on so-called facts presented by the Carter administration in reviewing this project. These so-called facts, Mr. Chairman, are misleading. In some cases, they are blatantly incorrect, and most importantly, they exclude considerations that simply cannot be ignored in the benefits this dam will provide.

A primary benefit of the Columbia Dam, Mr. Chairman—and I urge my colleagues not to take this lightly—is flood control. I have personally witnessed the devastating floods that occur with regularity in this area every spring, resulting in the loss of human lives and millions of dollars in personal property damage. These floods are not occasional quirks. They are a regular annual occurrence.

The financial data presented hastily within these last few weeks by the Carter administration states that the local share of the Columbia Dam is zero. This is grossly incorrect. More than 5 years ago, the people of the Duck River Valley agreed to pay $16.2 million plus interest toward the cost of the project for the allocation of water supply among five systems in the area. Since 1971, they have collected and paid into a trust fund $1.16 million toward this obligation. The people have been planning and constructing their water distribution systems on the assumption that the Duck River will be their long-term water supply source. In short, Mr. Chairman, these people have lived up to their part of the contract with the expectation that the Federal Government would live up to its part in the same good faith.

Another primary benefit is the assurance of an adequate clean water supply that the Columbia Dam will provide. An adequate water supply is absolutely essential to the quality of life and the economic development in this area.

This area is already in the midst of a drought right now. The entire rural water system has been rated as polluted by the local health department. The health, environmentally safe water supply that will be provided by the Columbia Dam is needed for the grid system supplying water to all our farmers in this area.

And without the adequate water resources to attract new business and industry, our greatest resource of all—our young people—will continue their exodus from this area in search of jobs elsewhere, placing an even greater burden on the already strained resources of our Nation's urban areas. To ignore this benefit, as the Carter administration in its review of this project has done, is shortsighted.

Finally, Mr. Chairman, I cannot put enough emphasis on the total commitment to the completion of this dam by the people living in this area. When the Columbia Dam was authorized by Congress several years ago, some 200 people voluntarily left their homes without protest for a project they believed would be constructed for the public good. These people can never return to their homes, many of which had been in their families for generations. To force people out of their homes with the false promise of improving the quality of life in the community is a clear breach of faith by the Government.

Again, I want to emphasize there is virtually no opposition to this project among the residents of the community. Everybody in this area believes this dam will make life better for the people living there.

Some environmentalists would have you believe the Columbia Dam would cause the total disruption of a free-flowing stream and destroy the natural beauty of that area. That is simply not so.

The Duck River is not a free-flowing stream. There already are at least three or four smaller dams on the river, and there is no beauty in the aftermath of a flood that annually inundates the heavily populated area of Columbia as well as the surrounding productive farmland, taking literally months from which to recover.

We are environmentalists, too, Mr. Chairman. The only difference is that we are also concerned about the quality of human life in this area. With the completion of the Columbia Dam we see an unpolluted, uncrowded area in which people can raise their families without adding to the burdens of our larger cities.

These are truly valid considerations, Mr. Chairman. Funding for this project should be continued, and I ask that the Members of this House give full consideration to the entire scope of what this project means to the residents of this community.

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. BADHAM).

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. HAGEDORN).

Mr. HAGEDORN. Mr. Chairman, I rise in opposition to the gentleman's amendment to delete funding for the 17 water resource projects on the President's so-called "hit list."

Congress has established a process for evaluating, authorizing, and funding water resource development activities. Under this process the President is a partner with the Congress. Federal agencies conduct investigations of proposed projects and forward their analysis to the President who reviews the investigation and sends to Congress his recommendation concerning the project. Congress then acts and before the legislation becomes the law of the land, the President again reviews the project and either signs the legislation into law or vetoes it. If for any reason following the project authorization the President feels it necessary to change or abolish the project, he can send a request to Congress reflecting his views. In fact, in 1974, the Congress authorized a study which provides the President the vehicle to do just that—with all existing water resource projects. This is the so-called section 80 study which was not acted upon by the previous administration although the study has been completed. I feel that if the President had seized this opportunity to do what he wanted we might face a different situation today.

However, with these 17 projects the President has demanded the Congress not appropriate funds for these authorized projects. Yet, he has not sent legislation to Congress requesting deauthorization. He has not allowed Congress to be a partner in deciding what will be done with regard to these projects. He has demanded that Congress accept his 60-day review of these projects. He has demanded that Congress accept his 60-day review of these water resource activities and has threatened to hold up all water resource projects by vetoing any bill which does not follow his wishes.

The Congress and the President must work as partners if this country is to be well served by an "open Government." One partner cannot dictate to the other. Unfortunately, I feel the President is dictating to the Congress and thus I feel the individual questions raised concerning these projects must be set aside to deal with a larger challenge the President is placing upon the Congress and the American people. It is in this context that I urge my colleagues to defeat the amendment.

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. Mr. Chairman, I rise in opposition to the gentleman's amendment. I cannot conceive of my colleague offering this amendment except for one reason, to raise the blood pressure of those of us who have projects on "hit list." If that is the purpose, may I say my colleague has achieved his goal.

I am not personally familiar with any of the other so-called "hit-list" water projects, however, I am very familiar with the Hillsdale Lake project which is in my congressional district. I do know that—

Hillsdale project was authorized in 1954.

The benefit-cost ratio for water supply, flood and recreation benefits was favorable at that time.

The objections then were as they are now, on—

First, environmental impact, but after consideration this body took a commonsense approach and concluded that the benefits exceeded the loss and authorized this project.

Today five rural communities and three rural water districts are depending on this reservoir as a sole source of water supply.

The estimated Federal cost of this project is $37 million. Already the Government has obligated itself to $17 million for planning, land acquisition, and construction work.

There is a common bond which all of the "hit-list" projects share—they were all authorized and funds were appropriated as the law prescribed—hearings on these projects have been held by the appropriate committees of Congress, and each has undergone an extensive review.

One of the strongest arguments which can be made for these projects and their continued funding is—that each and every one has been funded according to the law.

I repeat, according to the law, not some number or standard that was pulled out of the air by members of the administration seeking ways to delay projects in the name of saving money. I want to save money, too. My record here will bear testimony of that fact. But to delay projects already under construction and start new ones—projects that are authorized but no funds spent for construction, is stupid, unwise, uneconomical and an insult to the intelligence and wisdom of this body.

More than 20 percent of the work on the Hillsdale Lake project has been completed. At the end of this fiscal year, approximately $17 million will have been expended on the project. The argument for continuing the funding of this project goes far beyond the simple economics—of an already sizable Federal commitment to the project.

The State of Kansas has in the past few years been suffering from drought and the area surrounding Hillsdale has not been spared. Last year there was more than a 14-inch shortfall of rain. The area in which the project is located does not have an adequate amount of water to develop deep wells—nor can it depend upon any other source to supply its water needs.

If there are other available water sources to the area which would be served by Hillsdale—I wish some member, anyone, to identify for me just precisely where the other available water supplies are.

This offer also goes for any of our Washington bureaucrats and environmentalists. Someone please tell me where these good people can get their water if not from Hillsdale, and I will be glad to provide the newly discovered information to my State, the Corps of Engineers office in Kansas City—and the tens of thousands of residents in the area—who are so desperately depending upon the construction of Hillsdale to supply them with drinking water.

One of the problems we have faced is that the administration and the environmentalists keep saying that there are alternate sources of water available, but no one has said where these water supplies are.

The State of Kansas, through its water resources board, has signed a contract to purchase $18.4 million worth of water. This is how much emphasis the State has placed on the Hillsdale project.

The Hillsdale project has been classified along with the other deleted projects as a "pork-barrel." I want to point out to any Member who makes this charge, that until 1971, the county in which Hillsdale is located was not even in my congressional district, and that the project was authorized in 1954.

I would like to read a few lines of a letter which I received from a group of people who are very much interested in the development of the Hillsdale Lake project.

The letter says in part:

In a nutshell, members of the committee were astounded that this project had been placed on a recommended list of President Carter for halting further building.

The letter goes on:

With the desperate need for a water supply critical at Edgerton, Spring Hill, and Gardner, and with Paola and its rural water district also in danger of a continuing drought, this project should be completed without further interruption.

There is more;

Leaving out the flood protection control value of this dam—the need for water by thousands of people in this area is sufficient reason to continue this badly needed project.

And finally, the letter reads:

As chairman of the Democratic Central Committee and in a complete nonpartisan viewpoint, I personally, along with my fellow committee members, urge Congress to save this valuable reservoir for the 30,000 or more persons to whom a satisfactory water supply is imperative.

Mr. Chairman, this letter is signed by Mr. Karl A. Brueck, chairman of the Miami County Democratic Central Committee:

MIAMI COUNTY DEMOCRATIC
CENTRAL COMMITTEE,
Paola, Kans., April 23, 1977.

Hon. JOE SKUBITZ,
Congressman Fifth District, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN SKUBITZ: At a recent meeting of the Miami County Democratic Central Committee, a strongly-worded resolution was unanimously adopted calling on Congress to reinstate funds for construction of the Hillsdale Dam reservoir.

In a nutshell, members of the committee were astounded that this project had been placed on a recommended list of President Carter for halting further building. The Hillsdale Dam was started 20 years ago, has been checked and rechecked and is now about one-third complete.

With the desperate need for a water supply critical at Edgerton, Spring Hill and Gardner and with Paola and its rural water districts also in danger with a continuing drought, this project should be completed without further interruption. If permanently halted, over 17 million dollars will go down the drain and leave cities in Franklin, Miami and Johnson counties in constant danger of desperate water shortages.

Leaving out the flood protection control value of this dam, the need for water by thousands of people in this area is sufficient reason to continue this badly needed project.

As chairman of the Democratic Central

Committee and in a complete non-partisan viewpoint, I personally, along with my fellow committee members, urge Congress to save this valuable reservoir for the 30,000 or more persons to whom a satisfactory water supply is imperative.

Sincerely,

KARL A. BRUECK,
Chairman.

Mr. Brueck's letter is not unlike any of the hundreds of other letters I have received since the President announced his decision on Hillsdale. I also have received petitions bearing the names of thousands of citizens in the Hillsdale area who also support the project, and I have received resolutions from all of the communities and counties affected by the President's decision calling on the Congress to continue the construction of this project.

This does not sound like a "pork barrel" project to me—from the support of the local citizenry. A logical man would conclude that it's a "bread and butter project."

I would like to answer the objections that the President made on the benefit-cost ratio for this project. The administration will tell you that we have a benefit-cost ratio of 1.2–1—and they say that this is not good enough to warrant continued funding.

In addressing this question of a benefit-cost ratio—the administration has made the point that if the Hillsdale project were built today at 6⅜ percent money, it would not even qualify for construction because it would have a negative benefit-cost ratio. They do, however, concede that on the work remaining the benefit-cost ratio is 1.08–1.

This is very important, Mr. Chairman. Even after the rules of the game were changed midstream on Hillsdale's construction—it still returns more benefits than it would cost.

Now if one examines the benefit-cost ratio at the rate used when the Corps testified in favor of the project before the Public Works Appropriations Subcommittee last winter—the benefit-cost ratio was 1.2–1—this ratio was for the entire project—not the work remaining—as it should have been.

The fact of the matter is—we are not talking about building a project from scratch.

Hillsdale is 20 percent complete—and as such the return on Federal dollars will be much greater than a benefit-cost of 1.2–1.

As more work is completed on the project—the greater will be the return on the taxpayers' dollars for the amount invested in its completion.

The benefit-cost ratio on the work remaining to be completed for this project is 1.7–1.

Mr. Chairman, I urge the defeat of the gentleman's amendment—so that the men, women, and children of Hillsdale Lake area—will have an adequate drinking water supply.

I urge defeat of the gentleman's amendment so that the communities and businesses depending upon the water from Hillsdale Lake will continue to grow and prosper.

And I urge the defeat of the gentleman's amendment—so that simple commonsense will prevail.

Mr. CONTE. One thing I did fail to mention, one of the most elaborate and expensive campaigns I have seen since I have been in the U.S. Congress has taken place against knocking out the 16 water projects. If these projects can stand on their own two feet and can stand the scrutiny of this Congress, why do they have to spend these thousands and thousands of dollars to defeat the amendment?

I hope the amendment is passed.

The CHAIRMAN. If the House will permit the Chair an observation, the Chair recognizes when the House decides on a 10-minute limitation with 30 people seeking recognition, the Chair understands there will be no satisfactory solution. However, I think this procedure, after 3 hours of debate, is probably as satisfactory as anything.

The Chair recognizes the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Chairman, I yield 5 minutes, by agreement with our colleague, the gentleman from Indiana (Mr. MYERS), to our majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I yield to my friend, the gentleman from Wyoming (Mr. RONCALIO), such time as he may consume.

Mr. RONCALIO. Mr. Chairman, I thank my beloved majority leader, and I will take only 30 seconds or less.

We have heard about the new wind blowing with the younger Members of the House and the new breed developing in the land.

Last fall the President said, when he was campaigning, that: "I will cut the B–1 bomber" and he mentioned nothing about cutting the water projects in Wyoming. Now that he has been elected, we find we will have the B–1 bomber and not have the water projects. If that is the new wind and the new breed, we will have the contempt of the people of this country.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Tennessee (Mr. GORE).

Mr. GORE. Mr. Chairman, I urge my colleagues to vote against the amendment.

Mr. Chairman, I rise to urge my colleagues in the House to vote today to allow the completion of the Columbia Dam, the second dam in the Upper Duck River development program. This project is of great importance to the people of a four-county area in middle Tennessee, who are looking to it to guarantee an adequate water supply, to prevent floods, to provide recreation, and to create jobs. To terminate or delay this project would be to break faith with the people of this area, who have supported it since it was in the planning stages more than a decade ago.

The first half of this project, the Normandy Dam, has already been completed, and work on the Columbia Dam itself is well underway. The people of this area, including three countries in the district which I represent, joined to form the Upper Duck River Development Association and to establish an overall plan for the economic development of the area. My distinguished predecessor, Congressman Joe L. Evins, worked for many years to win approval and funding for this project. He recognized, as did the business and political leaders of these four counties, the critical importance of an assured water supply to the future industrial expansion of the area.

As a new Member of Congress, I reviewed this project thoroughly. I listened to the arguments which have been raised against the project, and I weighed them carefully. I listened to the many strong statements of support from the people affected by this project, and I weighed them carefully also. Based on this review of the arguments on both sides, I came to the unequivocal conclusion that it would be a travesty not to go forward with this project and finish the work that has been started.

President Carter, of course, is very sincere in reaching a different conclusion, but I believe he has been given bad advice about the value of this project.

The cost-benefit analysis which apparently influenced the President's decision contains factual and conceptual flaws. The White House has now conceded, for example, that the summary fact sheet on the Columbia Dam overstated the amount of land to be flooded by the impoundment. It also ignored the fact that the people of this area are paying a surcharge on their monthly water bills to go into a trust fund which will eventually repay $16.2 million of the cost of this dam. In addition, no consideration was given in the cost-benefit analysis for the additional employment this project will generate. We are facing a very high rate of unemployment in this country today, and we have a method right here of dealing with this problem. This project will produce private jobs, jobs that will contribute to the entire economy.

I believe President Carter would not have been so unaware of the vital contribution this project will make to this area in middle Tennessee if he had had the opportunity, as I have, to meet the people who live and work there. I wish all of my colleagues in the House could have the opportunity to personally visit this area and familiarize yourselves with this project because, I am sure, you would come to agree with me on the importance of this project. Since that is not possible, I want to speak for the people I was elected to represent and urge you in the strongest possible terms that you keep faith with them and vote to continue funding for the Columbia Dam. Thank you.

Mr. WRIGHT. Mr. Chairman, this puts me in a rather awkward position, as I am sure many of my colleagues can appreciate. My job as majority leader usually is to stand here and defend the position of the President of the United States. As many Members know, I have done that. I was here Friday opposing

amendments that would tie his hands in foreign relations, and I will be doing that in the future.

In this instance I believe some of the President's advisers have given him extremely bad advice.

I want to say three or four things.

The first thing is that this bill is not a budget buster. This bill is below the President's budget request for these functions, and it is below the congressional budget resolution that the House adopted.

The second thing is that every single project in this bill has met the test of environmental impact statements. Every single project in this bill has passed the stern economic benefits cost criteria that are established by law. Every one of them.

The third thing is that the administration is trying to establish an entirely new and an unbalanced system of evaluating projects, one that would arbitrarily add to the cost side but would not recognize any additions on the benefits side. That is manifestly inequitable.

One other thing I want to suggest involves the issue of economy. It is false economy, Mr. Chairman, to discontinue work on projects that are underway, some halfway completed and some nearing completion. More than $1 billion already has been invested in these projects. Is it economy to throw that investment away?

This bill contains fewer new starts than almost any bill in recent years. Without some new starts the development of the water resources of the Nation would come to a halt. With it would come to a halt the hopes and dreams of many communities and many areas throughout this Nation which have gone through the long necessary process of qualifying, working, and planning for decades, only now to find that having met the tests of law, someone arbitrarily selects them out.

The final thing I want to suggest is that what is being attempted here is to grant to the administrative branch of Government a line-item veto, in effect. Congress has never permitted any administration the power to dictate individual items in an appropriation bill. This committee has bent over backward in an effort to please the administration. It has arbitrarily reduced all projects by 3 percent. It has eliminated one. It has modified five others. To embrace administration demands in toto would be to surrender the legislative responsibility.

So I suggest that we should support the committee and vote against this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONTE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 218, not voting 21, as follows:

[Roll No. 338]

AYES—194

Addabbo	Fithian	Murphy, Ill.
Ambro	Florio	Murphy, Pa.
Ammerman	Ford, Tenn.	Myers, Gary
Anderson, Ill.	Forsythe	Neal
Annunzio	Fowler	Nedzi
Archer	Fraser	Nolan
Ashbrook	Frenzel	O'Brien
Ashley	Frey	Obey
Aspin	Gephardt	Ottinger
Baucus	Glaimo	Pattison
Bauman	Gilman	Pease
Beard, R.I.	Gradison	Pike
Bedell	Gudger	Pritchard
Beilenson	Hamilton	Pursell
Bingham	Hannaford	Quayle
Blanchard	Harkin	Railsback
Blouin	Harrington	Rangel
Bolling	Harris	Reuss
Bonior	Heckler	Richmond
Bonker	Hillis	Rinaldo
Brademas	Holland	Rodino
Brodhead	Hollenbeck	Rogers
Broomfield	Holtzman	Rosenthal
Brown, Calif.	Hyde	Rostenkowski
Brown, Mich.	Ireland	Ruppe
Broyhill	Jacobs	Russo
Burton, John	Jeffords	Ryan
Burton, Phillip	Kasten	Sarasin
Byron	Kastenmeier	Sawyer
Carr	Kelly	Scheuer
Cavanaugh	Keys	Schroeder
Cederberg	Kildee	Schulze
Cleveland	Kindness	Seiberling
Cohen	Kostmayer	Sharp
Coleman	LaFalce	Simon
Collins, Ill.	Latta	Solarz
Collins, Tex.	Le Fante	Spellman
Conable	Leach	St Germain
Conte	Lehman	Stanton
Conyers	Lent	Stark
Corcoran	Luken	Steiger
Corman	Lundine	Stockman
Cornell	McCloskey	Stokes
Cornwell	McDonald	Studds
Coughlin	Madigan	Thompson
D'Amours	Maguire	Traxler
Delaney	Mann	Tsongas
Dellums	Markey	Tucker
Derrick	Marks	Vander Jagt
Derwinski	Martin	Vanik
Devine	Mattox	Vento
Dingell	Mazzoli	Volkmer
Dodd	Metcalfe	Walker
Downey	Meyner	Walsh
Drinan	Michel	Waxman
Early	Mikulski	Weiss
Eckhardt	Mikva	Whalen
Edgar	Miller, Calif.	Wilson, C. H.
Edwards, Calif.	Miller, Ohio	Wolff
Evans, Del.	Minish	Wydler
Evans, Ind.	Mitchell, N.Y.	Wylie
Fascell	Moakley	Yates
Fenwick	Moffett	Young, Fla.
Fish	Moorhead, Pa.	Zeferetti
Fisher	Mottl	

NOES—218

Abdnor	Burlison, Mo.	Fary
Akaka	Butler	Findley
Alexander	Caputo	Flood
Allen	Carney	Flowers
Anderson, Calif.	Carter	Flynt
	Chappell	Foley
Andrews, N.C.	Chisholm	Ford, Mich.
Andrews, N. Dak.	Clausen, Don H.	Fountain
		Gammage
Applegate	Clawson, Del	Gaydos
Armstrong	Clay	Gibbons
AuCoin	Cochran	Ginn
Badham	Cotter	Glickman
Bafalis	Crane	Goldwater
Barnard	Cunningham	Gonzalez
Beard, Tenn.	Daniel, Dan	Goodling
Benjamin	Daniel, R. W.	Gore
Bennett	Danielson	Grassley
Bevill	Davis	Guyer
Biaggi	de la Garza	Hagedorn
Boggs	Dickinson	Hall
Boland	Dicks	Hammer-schmidt
Bowen	Dornan	
Breaux	Duncan, Oreg.	Hanley
Breckinridge	Duncan, Tenn.	Hansen
Brinkley	Edwards, Ala.	Harsha
Brooks	Edwards, Okla.	Hawkins
Brown, Ohio	Eilberg	Hefner
Buchanan	English	Heftel
Burgener	Erlenborn	Hightower
Burke, Calif.	Ertel	Holt
Burke, Fla.	Evans, Colo.	Horton
Burleson, Tex.	Evans, Ga.	Howard
Hubbard	Moore	Sisk
Huckaby	Moorhead, Calif.	Skelton
Hughes		Skubitz
Ichord	Moss	Slack
Jenkins	Murphy, N.Y.	Smith, Iowa
Johnson, Calif.	Murtha	Smith, Nebr.
Johnson, Colo.	Myers, Michael	Snyder
Jones, N.C.	Myers, Ind.	Spence
Jones, Okla.	Natcher	Staggers
Jones, Tenn.	Nichols	Stangeland
Jordan	Nix	Steed
Kazen	Nowak	Stratton
Kemp	Oakar	Stump
Ketchum	Oberstar	Symms
Krebs	Panetta	Taylor
Krueger	Patten	Teague
Lagomarsino	Patterson	Thone
Lederer	Pepper	Thornton
Leggett	Perkins	Treen
Levitas	Pettis	Trible
Lloyd, Calif.	Pickle	Udall
Lloyd, Tenn.	Pressler	Ullman
Long, La.	Preyer	Van Deerlin
Long, Md.	Price	Waggonner
Lott	Quie	Watkins
Lujan	Quillen	Weaver
McClory	Rahall	White
McCormack	Regula	Whitehurst
McDade	Rhodes	Whitley
McEwen	Roberts	Whitten
McFall	Robinson	Wilson, Bob
McKay	Roncalio	Wilson, Tex.
Mahon	Rooney	Winn
Marlenee	Rousselot	Wirth
Marriott	Roybal	Wright
Mathis	Rudd	Yatron
Meeds	Runnels	Young, Alaska
Milford	Santini	Young, Mo.
Mineta	Satterfield	Young, Tex.
Mitchell, Md.	Shipley	Zablocki
Mollohan	Shuster	
Montgomery	Sikes	

NOT VOTING—21

Badillo	Fuqua	Roe
Baldus	Jenrette	Rose
Burke, Mass.	Koch	Sebelius
Dent	McHugh	Steers
Diggs	McKinney	Walgren
Emery	Poage	Wampler
Flippo	Risenhoover	Wiggins

The Clerk announced the following pairs:

On this vote:

Mr. Burke of Massachusetts for, with Mr. Fuqua against.

Mr. Rose for, with Mr. Diggs against.

Mr. McHugh for, with Mr. Sebelius against.

Mr. Badillo for, with Mr. Wampler against.

Mr. Emery for, with Mr. Jenrette against.

Mr. McKinney for, with Mr. Risenhoover against.

Mr. MOLLOHAN changed his vote from "aye" to "no."

Mr. ASHLEY changed his vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. RISENHOOVER. Mr. Chairman, I was called to the White House on official business and missed the vote on the Conte-Derrick amendment. Had I been present I would have voted "no." If the bill comes back for further vote, with amendment, I will vote against the amendment in the future.

PERSONAL EXPLANATION

Mr. JENRETTE. Mr. Chairman, at the time of the vote on the Conte-Derrick amendment I had been called to the White House on official business. Had I been present I would have voted "no."

AMENDMENT OFFERED BY MR. ROONEY

Mr. ROONEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROONEY: On page 5, line 24, strike out "$1,512,072,000" and insert in lieu thereof, "$1,510,572,000".

On page 6, line 11, strike the period and add immediately thereafter the following: ": *Provided further*, That no part of the funds herein appropriated shall be available for land acquisition for or construction of the Trexler Lake Project in Pennsylvania."

Mr. ROONEY. Mr. Chairman, over a period of years I have urged the Committee on Appropriations and its Subcommittee on Public Works Appropriations to provide necessary funds to advance the planning and design of the Trexler Lake project in Lehigh County, Pa., in my congressional district. Recognizing the apparent need for this project, the subcommittee and committee have graciously included the necessary funding and have advanced this project to the point where land acquisition and development can begin.

In the past, the project has enjoyed broad local support because the Trexler Lake project was intended to serve as the future source of water supply for Lehigh County, to provide some flood protection along the Jordan Creek, on which the project is to be developed, and along the Lehigh River beyond where the Jordan flows into it. Additionally, the lake and surrounding land is to provide recreational opportunities for citizens of the region.

Recently, however, some questions have developed regarding the Trexler Lake project, its potential impacts on the region, and its purposes. One question is whether this lake, to be created behind an earthfill dam, is the best solution to meet Lehigh County's future water needs.

The county board of commissioners, which in years past was among the leading advocates of the project and was fully committed to contract for purchase of the water to be provided by the dam, has been succeeded by a newly elected board whose members are uncertain that Trexler Lake is the best solution. Officials of some of the county's municipalities also have expressed some doubts and concerns, as have most of the members of the county's delegation in the Pennsylvania Legislature.

In view of this, the current county board of commissioners has initiated steps to have the voter's of Lehigh County determine whether development of Trexler Lake should be pursued to meet the county's water supply needs and serve the related but lesser purposes of flood protection and recreation, as well.

Because first line responsibility for meeting the county's water needs rests with the elected county officials, and because they believe the course to be followed to meet those needs warrants concurrence by the county electorate, I have pledged my cooperation to seek to defer funding for land acquisition and development until the referendum has been held and the county has made a judgment.

My amendment, which I offer because it is my judgment that under the circumstances the start of land acquisition and development should be delayed for a time, is intended to do simply that. I am asking that no funds in this public works appropriation bill for fiscal year 1978 be expended for land acquisition or construction of Trexler Lake.

I understand, Mr. Chairman, and invite your comment on this point, that deletion of funding for this project at this time would in no way prejudice consideration of a funding request to proceed with the project?

I earnestly urge the support of my colleagues on both sides of the aisle to defer funding for this project at this time.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, I accept the amendment as is. We have no objection to the amendment.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, the amendment is as agreeable to this side as it is to the chairman of the subcommittee.

I think we can accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ROONEY).

The amendment was agreed to.

Mr. BOLAND. Mr. Chairman, I rise in support of H.R. 7553 in general and in support of the funding for the 17 water projects in particular. I recognize the concern of many Members about these projects and their cost. I want to assure my fellow Members that I share that concern. But I believe that the best course right now is to approve the funding for the water projects as recommended by the committee.

These are not new projects, Mr. Chairman. The authorizing committee closely examined the feasibility and desirability before recommending the projects for funding. In some cases, these projects have been in the planning and construction stages for years. Similar intensive study was carried out by the Appropriations Subcommittee on Public Works and the full Appropriations Committee. No one can believe these projects are being hurriedly rammed through this Congress. This body has gone to great lengths to insure that these 17 projects have received the study they require.

Based on that careful study, the Appropriations Committee has recommended that these water projects be funded. Mr. Chairman, I concur in that judgment. I freely admit that cutting funds in this area is a very attractive move when we look at the budget as a whole. Like the rest of the House, I want to cut the budget to place us in the best economic situation possible for the future. But we must look at more than economics when we consider these water projects. That is what the committees which considered these projects did. Based on all the factors, and I emphasize the word "all," the best course for these projects, as determined by the committees, is approval.

Many areas of this Nation are facing severe water shortages. Many areas annually face the threat of devastating floods. Many areas of productive farmland go untilled because of lack of irrigation. We have it within our power to correct those situations, and we must take that action. There has been a lot of talk of cost-benefit ratios in this regard. Mr. Chairman, these ratios are interesting debating points, but I think their use clouds rather than clarifies the issue. What are the cost-benefit ratios of the present situations in those areas where these projects are needed? I do know that without these projects, the benefits of irrigation, flood control, water supply, and recreation will not be forthcoming. Other benefits, less easily qualified, will also be lost. Jobs, for instance, will result from these projects, and I do not think anyone in this House will deny the need for that benefit.

I commend the committee for their work on this bill, Mr. Chairman. It is a balanced bill, one in which the House can take justifiable pride. The testimony alone taken in the preparation of this bill is staggering—10 volumes of hearings transcripts. The committee members put a great deal of time and thought into this bill and it reflects it. The funding levels set here represent an effective, realistic compromise between the demands of economy on one side and regional and national water needs on the other. This bill is $316 million below the administration's budget request—it can not be characterized as excessive spending. Nor can it be viewed as an indiscriminately slashed hodgepodge of special interest projects. Instead, the committee has reported a bill which recognizes the demand that the budget be brought under control, while at the same time preserving those water projects this Nation needs.

Mr. Chairman, I applaud those who question the need for these projects. In the past, this House may not have been as discriminating, as inquiring, as realistic as it might have been in this regard. That situation has changed—that is not the case with these projects. I do not think it will be so in the future. We all recognize that projects must be closely examined to determine their impact on both the local areas and on the country as a whole.

But it is precisely because I do believe these projects were closely examined that I support the funding for these projects. A great number of qualified and concerned Members have spent a great deal of time—measured in years, not hours—studying the funding proposals. They have determined these projects are needed. The chairman of the subcommittee has termed this bill "a capital investment in America which will pay generous dividends to present and future generations of Americans." Mr. Chairman, it is an investment we must make.

Mr. McDADE. Mr. Chairman, the public works appropriations bill for fiscal year 1978 is a critical piece of legislation for the people of Pennsylvania's 10th Congressional District. The bill includes funds for two essential flood control

projects on the North Branch of the Susquehanna River and resolution of hardship cases in the Tocks Island Lake project.

I want to take this opportunity to commend subcommittee chairman, my good friend from Alabama, Mr. BEVILL, and Mr. MYERS, for the careful, meticulous, and reasonable attention given this controversial measure.

Like so many other areas of the Nation, my district derives substantial benefit from the projects funded under this bill.

The bill provides a total of $44.4 million for continuation of construction on two major flood control projects which will benefit the entire watershed of the North Branch of the Susquehanna River. It includes $21.4 million for the Tioga-Hammond Lakes project and $23 million for the Cowanesque Lakes project in the northern tier of my district.

The funding for Cowanesque Lakes includes $1 million for the relocation of the village of Nelson which will be acquired by the corps for the dam project. The Congress approved the authorizing legislation in the water resources development bill last year. I am extremely pleased that funds which will enable relocation efforts to proceed on schedule are included in this bill. Without expeditious completion of the Nelson relocation, progress on the dam project will be curtailed. I urge the committee to keep a close watch on the corps' activities in Nelson to assure timely and satisfactory completion of the relocation.

These two projects are the key to flood control in the Susquehanna River Basin. As the committee and the House is aware residents of the Susquehanna River watershed have been the victims of two major disasters so far this decade—Agnes in 1972 and Eloise in 1975. It is vital to prevention of future flooding disasters that these projects be completed with all due haste.

In addition to those flood control projects the bill contains approximately $5 million for problems associated with the Tocks Island project in the eastern portion of my district.

Most importantly the bill allows $2.9 million for land acquisition for the relief of 36 cases of financial hardship within the project area. I am most grateful for the committee's approval of this request. When the Congress cut off funds for the controversial Tocks project in 1974 we did so with the assessment that the project was undesirable and should not be completed. Unfortunately, as is so often the case, when Congress addressed one problem, it created others. My constituents and others living within the project area have suffered dramatic changes to their lifestyles and family fortunes since the project was first authorized. Property has been condemned and acquired; families have been uprooted and plans for the future altered. I believe it is very important that we not forget the rights of those who remain "in limbo" now that funds for construction of the project have been eliminated.

This appropriation is an attempt to address the issue of those persons for whom our 1974 decision created severe financial hardship. The Army Corps of Engineers can document 36 cases where people whose property is located within the project area have requested that their lands be acquired to relieve financial hardship. Many of these persons are elderly; some have purchased replacement housing and have been paying two mortgages since the fund cutoff. Many were in negotiations for the acquisition of their property when the money for land acquisition was eliminated. Surely the Congress did not intend this result when it determined that construction of the project was no longer merited.

I believe it is imperative that when Congress makes a decision to eliminate funding for a project of this magnitude which has been on the books for some time, it takes time to address the impact such a decision has on those who must live with the Government's actions on a daily basis. Here we have people who relied in good faith on the authorizing legislation and Government promises to purchase their property and who are suffering prolonged financial hardship. These are precisely the type of problems which lend credence to the arguments making this bill so controversial today.

I would urge the committee to instruct the Army Corps of Engineers to conduct a thorough study to identify further cases of financial hardship in the Tocks project area. The cases included in today's appropriations are only those which have come to our attention because they have been forced to ask for acquisition. This information should be made available to the committee as soon as possible to determine how severe the impact of the fund cutoff is.

By authorizing the project and then years down the road cutting off construction funds, we have created unique problems for the residents of this area which must be addressed. I commend the committee for beginning this process today.

Mr. FRASER. Mr. Chairman, I had to take this opportunity during debate on the public works appropriations bill to comment about another project which has been of concern to President Carter and myself, the Garrison Diversion unit.

Over the past 3 years, I have followed closely the developments surrounding construction of this irrigation project in North Dakota. A recent court order will, hopefully, prod the Interior Department into giving Congress the information we need to consider the merits of the Garrison Diversion unit as a whole. With the backing of the court's order, we felt that an amendment to delete funding for the project would not be necessary at this point.

Over a year ago, the National Audubon Society filed a complaint charging violation of the National Environmental Policy Act, the Fish and Wildlife Coordination Act, and the Migratory Bird Treaty and Act by continued construction of the Garrison Diversion unit in North Dakota. An important development came recently in the case of the National Audubon Society, Inc. versus Cecil D. Andrus before the U.S. District Court, District of Columbia.

Action came May 11, 1977, when the National Audubon Society and the Secretary of the Interior signed a stipulation which was approved by an order of Judge Charles Richey. The Interior Department agrees to halt all further construction and land acquisition for the project except for completion of the McClusky Canal. The agreement states that in order to continue the project, a comprehensive environmental impact statement describing all reasonable alternatives must be completed and the Department must come to Congress next year with the import statement and proposals to reauthorize, deauthorize, or authorize the project.

Supporters of the project have contended that an appropriation by Congress would serve to overturn the court's order. We asked the Library of Congress Congressional Research Service to give us an opinion on this question. Kenneth Merin, an attorney in the American Law Division, has given us his legal analysis of the effect of an appropriations committee action on an agreement entered into by the U.S. Government in a Federal district court.

Mr. Merin concludes that an appropriation for the project "seems irrelevent to the terms of the settlement." If Congress goes ahead and votes the $18.660 million recommended by the House Appropriations Committee for fiscal year 1978, these funds can only be spent to develop a comprehensive, overall environmental impact statement and to finish construction of the McClusky Canal. Furthermore, the funds could not be spent, under terms of the agreement, until the Interior Department has submitted to Congress the EIS along with proposed legislation for reauthorization, authorization, or deauthorization of the project.

The U.S. district court Stipulation and Order and CRS's legal interpretation follow:

[In the U.S. District Court, District of Columbia, Civil No. 76-0943]

STIPULATION AND ORDER

National Audubon Society, Inc., plaintiff, v. Ceicil D. Andrus, et al., Defendants.

National Audubon Society filed its complaint in May 1976, raising issues relative to the environmental assessment of the Garrison Diversion Unit (the project) presented in a final environmental statement (FES 74-3, as supplemented by FES 74-21) issued in January 1974 by the federal defendants, the Secretary of the Interior and the Commissioner of the Bureau of Reclamation, as well as issues relative to alleged violations of the Fish and Wildlife Coordination Act and the Migratory Bird Treaty and Act. Pending before the court are cross-motions for summary judgment and plaintiff's motion for preliminary injunction, plus ancillary matters. The parties to this agreeemnt recognize that the issues raised in the complaint are difficult and complex, and that their resolution in judicial proceedings is uncertain. A judgment entered in this case at this time may be a less than satisfactory conclusion for the parties, or any of them, due to the range of relief available to the court. In light of the difficulties associated with the litigation noted above and the uncertainties raised by the President's recommendation that the Garrison Diversion Unit be substantially modified, as well as the issues pending in regard to the Boundary Waters Treaty of 1909 between Canada and the United States, the parties deem a stay of this judicial proceeding to be warranted.

The parties recognize that the issues raised by plaintiff may become altered as a result of the actions of the federal defendants under this agreement and subsequent congressional action.

Accordingly, to conserve judicial resources and afford the Secretary of Interior and the Commissioner of the Bureau of Reclamation an opportunity to undertake the commitments made herein, the parties agree to a stay of all proceedings in this action, in accordance with the following terms and conditions:

A. With the exception of the actions described in paragraph B, no further construction will be carried out; no further contracts will be entered into; no advertisement for bids on contracts will be published; no further land will be purchased, or otherwise acquired, or negotiated for; no survey will be made and no detailed engineering plans leading to the preparation of construction specifications shall be developed until the conditions set forth in paragraph D have been complied with.

B. Plaintiff agrees that:

(1) McClusky Canal may be completed, provided that: the headgates located at the west end of the McClusky Canal shall remain as presently sealed and the canal plugs located at Stations 3135+00 (between Hoffer Lake and Skunk Lake), 3137+00 (Skunk Lake), at the end of Reach 3A and in Reach 2 at the Chain-of-Lakes, and coffer dams implaced for repair of the large slide shall remain in place until Missouri River water is required for orderly development of irrigation service areas outside of the Missouri River Basin; but in any event, these barriers shall not be removed until the conditions described in paragraph D are met. It is not the intent of this agreement to prevent work related to McClusky Canal for the following and similar activities: slide repair, erosion control, road and utilities relocation, completion of the existing fish screen complex contracts, landscaping and parking areas, and operations and maintenance buildings.

(2) This agreement is not intended to prevent work related to or execution of contracts for research, operation and maintenance equipment, and office supplies, preparation of an environmental statement and preparation of studies supporting authorizing legislation.

(3) Further, acquisition of land relating to the Lonetree Reservoir from a maximum of eight landowners may be completed, provided that this land may only be acquired if the contracts for this acquisition have already been executed prior to the date of this agreement, the Department of the Interior notifies each landowner that he or she need not sell his or her land, and the landowners continue to desire to sell their land. Plaintiff will be notified of the names and addresses of each landowner, including, if more than one person has an interest in a particular piece of land, each such person. Plaintiff will have the right to discuss with each landowner whether he or she desires to sell the land. The Department of the Interior shall not acquire any such land until at least 14 days from the date of above notification to plaintiff.

C. The federal defendants agree to complete a comprehensive supplementary environmental statement in compliance with NEPA that describes all reasonable alternatives for the project, including but not limited to the project as currently authorized by Congress, the project as proposed by President Carter (including modification of that proposal by elimination of the East Oakes Service Area and Taayer Reservoir), utilizing a sand filter for water entering the Red River Basin from the McClusky Canal (designated primarily for municipal and industrial use and perhaps other uses), use of a pipeline to connect the McClusky Canal to a point on the James River, use of the McClusky Canal without further significant construction, and no project. The Bureau of Reclamation, within its reasonable discretion, will consult with plaintiff and others concerning the scope and content of the environmental statement before and during its preparation. The draft environmental statement shall be completed on or about January 1, 1978, filed with the Council on Environmental Quality and accompany proposed legislation by the Secretary of Interior to Congress requesting authorization of an option for project development described in the environmental statement, or reauthorization or deauthorization of the project. Defendants will endeavor to complete and transmit to Congress the final environmental statement within 90 days after filing of the draft with the Council on Environmental Quality. A fish and wildlife mitigation plan will be submitted with the proposed legislation to Congress. The plan will include a discussion of compensation for losses resulting from wetland drainage, stream channelization, cultivation of native prairie, creation of hazardous nesting cover, adverse impacts on national wildlife refuges, introduction of rough fish, increased flows, and alteration of water temperatures.

D. No action prohibited by paragraph A will be undertaken until the actions taken pursuant to paragraph C have been completed and Congress has thereafter reauthorized the project or authorized an option for project development and an additional 60 days have elapsed.

E. The Secretary of Interior will notify Congress of this stipulation and order by transmitting a copy thereof to the appropriate committees of Congress. In the letters of transmittal, the Secretary will indicate that it is the belief of the parties that consideration of authorizing legislation relative to the Garrison Diversion Unit should await submittal and consideration by Congress of the proposed legislation and environmental statement described herein.

F. Nothing in this stipulation and order shall be construed as precluding any party from taking any position relative to the project or its alternatives it deems appropriate, or as conceding any of the legal issues or defenses thereto raised by the pleadings. The parties agree not to take any action to attempt to nullify this agreement.

G. All pending motions and responses thereto are hereby withdrawn without prejudice by the parties upon approval of this stipulation and entry of this order by the court. The pleadings shall remain filed.

H. This agreement is non-severable. If any portion of the agreement becomes unenforceable, is violated, or is nullified, the other party to this agreement may abrogate the entire agreement or any portion of it. This agreement shall be enforced by the United States District Court for the District of Columbia as part of the pending litigation.

So ordered:

CHARLES R. RICHEY.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., June 13, 1977.

To: Honorable Donald Fraser.
From: American Law Division.
Subject: Effect of Appropriations Committee Action on an Agreement Entered into by the U.S. Government in a Federal District Court.

This memorandum is in response to your request of June 10, 1977 for an analysis of the effect of Appropriations Committee action on a settlement, entered into by the Secretary of the Interior and the Commissioner of the Bureau of Reclamation with the National Audubon Society, before the United States District Court, District of Columbia. The agreement was reached and entered into on May 11, 1977, and the Appropriations Committee action occurred some three weeks later.

Paragraph "A" of the agreement provides that the government will cease all construction and other actions on the Garrison Diversion Unit until certain conditions have been complied with. Paragraph "B" sets forth exceptions to the prohibitions of paragraph "A." In paragraph "C," the government agrees to complete a comprehensive supplemental environmental impact statement. The defendant government agrees to file a draft statement with the Council on Environmental Quality by early 1978. Department of the Interior pledges that the draft statement will accompany proposed legislation it submits to Congress for authorization, reauthorization, or deauthorization of the project. Other plans must also be seasonably submitted to Congress under the terms of this paragraph. Paragraphs "F", "G", and "H" are procedural in nature, and the latter paragraph provides that the agreement is nonseverable; that is, that if any portion of the agreement is violated, the other party may abrogate the remainder of the agreement.

Paragraphs "D" and "E" provide:

D. No action prohibited by paragraph A will be undertaken until the actions taken pursuant to paragraph C have been completed and Congress has thereafter reauthorized the project or authorized an option for project development, and an additional 60 days have elapsed.

E. The Secretary of Interior will notify Congress of this stipulation and order by transmitting a copy thereof to the appropriate committees of Congress. In the letters of transmittal, the Secretary will indicate that it is the belief of the parties that consideration of authorizing legislation relative to the Garrison Diversion Unit should await submittal and consideration by Congress of the proposed legislation and environmental statement described herein.

Approximately eight million dollars will provide the capital necessary to complete those actions permitted the government under the agreement. Prior to the settlement, the Bureau of Reclamation had requested $15,260,000 for construction. The Appropriations Committee recently allocated $18,660,000 for construction purposes. H. Rep. No. 95-379, 95th Cong., 1st Sess. 87 (1977).

Paragraph "D" requires that reauthorization of the project occur after the actions required by paragraph "C" have been completed. Therefore, passage by the Congress of this appropriation should have no effect on the court settlement. The parties appear to have contemplated that reauthorization come from the legislative committees who would review the environmental impact statements. Such a statement has not yet been developed, much less submitted. Thus, the recent appropriation seems irrelevant to the terms of the statement.

If the House were to reject an amendment to cut funding, the result would be the same. Any funds over and above the amount necessary for those actions permitted under paragraph B, would not be utilized until the Secretary of the Interior proposes legislation to Congress requesting ". . . authorization of an option for project development described in the environmental statement, or reauthorization of the project."

Title X (Impoundment Control) of the Congressional Budget and Impoundment Act of 1974 (P.L. 93-344) is not operative in the present situation. Under the requirements imposed by section 1013 of that Act, ". . . The President must notify Congress . . . when HE PROPOSES to defer funds . . ." (emphasis added). Any amount appropriated for purposes other than those covered by section "B" of the settlement agreement will not be spent because of the court order—*not* because of executive action.

If we may be of further assistance on this matter, please contact us.

KENNETH MERIN,
Legislative Attorney.

The CHAIRMAN. If there are no further amendments to the bill at this point, the Clerk will read.

The Clerk continued to read the bill.

Mr. BEVILL (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, may I inquire how much remains in the bill that has not been read?

The CHAIRMAN. The Chair will state that approximately four pages remain unread.

Mr. BAUMAN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. Are there any points of order to the remainder of the bill?

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MILLER of Ohio. I am, in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of Ohio moves to recommit the bill H.R. 7553 to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 356, nays 54, not voting 23, as follows:

[Roll No. 339]

YEAS—356

Abdnor	Coughlin	Hillis
Addabbo	Cunningham	Hollenbeck
Akaka	D'Amours	Holt
Alexander	Daniel, Dan	Holtzman
Allen	Daniel, R. W.	Horton
Ambro	Danielson	Howard
Anderson, Calif.	Davis	Hubbard
	de la Garza	Huckaby
Anderson, Ill.	Delaney	Hughes
Andrews, N.C.	Dellums	Hyde
Andrews, N. Dak.	Derwinski	Ichord
	Dickinson	Jeffords
Annunzio	Dicks	Jenkins
Applegate	Dingell	Jenrette
Armstrong	Dodd	Johnson, Calif.
Ashbrook	Dornan	Johnson, Colo.
Ashley	Drinan	Jones, N.C.
Aspin	Duncan, Oreg.	Jones, Okla.
AuCoin	Duncan, Tenn.	Jones, Tenn.
Badham	Eckhardt	Jordan
Bafalis	Edwards, Ala.	Kastenmeier
Barnard	Edwards, Calif.	Kazen
Baucus	Edwards, Okla.	Kelly
Bauman	Eilberg	Kemp
Beard, R.I.	English	Ketchum
Beard, Tenn.	Erlenborn	Keys
Benjamin	Ertel	Kildee
Bennett	Evans, Colo.	Krebs
Bevill	Evans, Del.	Krueger
Biaggi	Evans, Ga.	LaFalce
Bingham	Fary	Lagomarsino
Blanchard	Fascell	Le Fante
Blouin	Findley	Leach
Boggs	Fish	Lederer
Boland	Fisher	Leggett
Bolling	Fithian	Lehman
Bonker	Flood	Lent
Bowen	Florio	Levitas
Brademas	Flowers	Lloyd, Calif.
Breaux	Flynt	Lloyd, Tenn.
Breckinridge	Foley	Long, La.
Brinkley	Ford, Mich.	Long, Md.
Brooks	Ford, Tenn.	Lott
Broomfield	Fountain	Lujan
Brown, Calif.	Fowler	Lundine
Brown, Mich.	Frey	McClory
Brown, Ohio	Gammage	McCloskey
Buchanan	Gaydos	McCormack
Burgener	Gephardt	McDade
Burke, Calif.	Giaimo	McEwen
Burke, Fla.	Gibbons	McFall
Burleson, Tex.	Gilman	McKay
Burlison, Mo.	Ginn	Madigan
Burton, Phillip	Glickman	Mahon
Butler	Goldwater	Mann
Byron	Gonzalez	Markey
Caputo	Goodling	Marks
Carney	Gore	Marlenee
Carter	Grassley	Marriott
Cavanaugh	Gudger	Mathis
Cederberg	Guyer	Mattox
Chappell	Hagedorn	Mazzoli
Chisholm	Hall	Meeds
Clausen, Don H.	Hamilton	Metcalfe
	Hammer-schmidt	Meyner
Clawson, Del		Michel
Clay	Hanley	Mikulski
Cleveland	Hannaford	Milford
Cochran	Hansen	Mineta
Cohen	Harkin	Minish
Coleman	Harrington	Mitchell, Md.
Collins, Ill.	Harris	Mitchell, N.Y.
Conte	Harsha	Moakley
Conyers	Hawkins	Mollohan
Corcoran	Heckler	Montgomery
Corman	Hefner	Moore
Cornwell	Heftel	Moorhead, Calif.
Cotter	Hightower	
Moorhead, Pa.	Roberts	Stump
Moss	Robinson	Symms
Murphy, Ill.	Rodino	Taylor
Murphy, N.Y.	Rogers	Teague
Murphy, Pa.	Roncalio	Thompson
Murtha	Rooney	Thone
Myers, Gary	Rosenthal	Thornton
Myers, Michael	Rostenkowski	Treen
Myers, Ind.	Rousselot	Trible
Natcher	Roybal	Tucker
Neal	Rudd	Ullman
Nichols	Runnels	Van Deerlin
Nix	Ruppe	Vander Jagt
Nowak	Ryan	Vanik
O'Brien	Santini	Vento
Oakar	Sarasin	Volkmer
Oberstar	Satterfield	Waggonner
Obey	Sawyer	Walgren
Panetta	Scheuer	Walsh
Patten	Schroeder	Watkins
Patterson	Seiberling	Waxman
Pease	Shipley	Weaver
Pepper	Shuster	Whalen
Perkins	Sikes	White
Pettis	Simon	Whitehurst
Pickle	Sisk	Whitley
Pike	Skelton	Whitten
Pressler	Skubitz	Wilson, C. H.
Preyer	Slack	Wilson, Tex.
Price	Smith, Iowa	Winn
Pritchard	Smith, Nebr.	Wirth
Pursell	Snyder	Wolff
Quie	Solarz	Wright
Quillen	Spellman	Yates
Rahall	Spence	Yatron
Railsback	St Germain	Young, Alaska
Rangel	Staggers	Young, Fla.
Regula	Stangeland	Young, Mo.
Reuss	Stanton	Young, Tex.
Rhodes	Steed	Zablocki
Richmond	Stockman	Zeferetti
Rinaldo	Stokes	
Risenhoover	Stratton	

NAYS—54

Archer	Fraser	Mottl
Bedell	Frenzel	Nedzi
Beilenson	Gradison	Nolan
Bonior	Holland	Ottinger
Brodhead	Ireland	Pattison
Broyhill	Jacobs	Quayle
Carr	Kasten	Russo
Collins, Tex.	Kindness	Schulze
Conable	Kostmayer	Sharp
Corneli	Latta	Stark
Crane	Luken	Steiger
Derrick	McDonald	Studds
Devine	Maguire	Tsongas
Early	Martin	Walker
Edgar	Mikva	Weiss
Evans, Ind.	Miller, Calif.	Wilson, Bob
Fenwick	Miller, Ohio	Wydler
Forsythe	Moffett	Wylie

NOT VOTING—23

Ammerman	Emery	Rose
Badillo	Flippo	Sebelius
Baldus	Fuqua	Steers
Burke, Mass.	Koch	Traxler
Burton, John	McHugh	Udall
Dent	McKinney	Wampler
Diggs	Poage	Wiggins
Downey	Roe	

The Clerk announced the following pairs:

Mr. Burke of Massachusetts with Mr. Badillo.

Mr. Fuqua with Mr. Koch.

Mr. Diggs with Mr. Traxler.

Mr. McHugh with Mr. Rose.

Mr. Flippo with Mr. Roe.

Mr. Dent with Mr. Udall.

Mr. John L. Burton with Mr. Wiggins.

Mr. Emery with Mr. Downey.

Mr. Baldus with Mr. Steers.

Mr. Wampler with Mr. Ammerman.

Mr. Sebelius with Mr. McKinney.

Messrs. KOSTMAYER, STARK, EDGAR, WALKER, RUSSO, and LUKEN changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Conte amendment and to include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and that I be permitted to include extraneous material on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

RESIGNATION AS MEMBER AND ELECTION AS MEMBER OF COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER laid before the House the following resignation as a member of the Committee on Government Operations:

WASHINGTON, D.C.,
June 9, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: As of today, June 9, 1977, I resign from the House Committee on Government Operations.

Sincerely,

JOEL PRITCHARD,
Member of Congress.

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 630) and ask for its immediate consideration.

The Cerk read the resolution, as follows:

H. RES. 630

Resolved, That John E. Cunningham, of Washington, be and he is hereby elected a member of the Committee on Government Operations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REQUEST FOR PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATION BILL, FISCAL YEAR 1978

Mr. LONG of Maryland. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the foreign assistance and related programs appropriation bill for fiscal year 1978.

Mr. YOUNG of Florida reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman tell us why we need unanimous consent for this purpose?

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, the reason for the request is so we will have the report ready and so it will be filed.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, will the gentleman tell us why it is so important to have that report filed tonight?

Mr. LONG of Maryland. Mr. Speaker, this is in order to go to the Committee on Rules on Thursday. We have to get a rule waiving points of order, in view of the fact that the authorization bill has not yet passed the Congress and has not been enacted. The authorization bill has not been enacted.

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, on Monday, June 13, 1977, I attended, in my capacity as a Member of the Congressional Delegation to the Law of the Sea Conference, several conference meetings held in New York at the United Nations. I was unavoidably detained at these meetings, thus, missing part of yesterday's legislative session. Had I been present, I would have voted in the following fashion: H.R. 7556, State-Justice-Commerce-Judiciary Appropriations, Roll No. 335: "Yes;" An amendment to H.R. 7556 seeking to increase the appropriation for the Law Enforcement Assistance Administration by $104.5 million, Roll No. 334: "Yes."

PERMISSION FOR SUBCOMMITTEE ON SPECIAL SMALL BUSINESS PROBLEMS OF COMMITTEE ON SMALL BUSINESS TO SIT ON JUNE 15 AND JUNE 16, 1977, DURING THE 5-MINUTE RULE

Mr. KOSTMAYER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Special Small Business Problems of the Committee on Small Business may be permitted to sit on June 15 and June 16, 1977, during the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman tell us what the purpose of the request is? Is it just for a hearing, or will there be a markup of a bill?

Mr. KOSTMAYER. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Speaker, these sessions will be for hearings only. The request has been cleared with the minority.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, will the gentleman assure us that there will be no markup of any bill during these times?

Mr. KOSTMAYER. Mr. Speaker, I do give the gentleman that assurance.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HELSINKI'S UNFULFILLED PROMISES

The SPEAKER pro tempore (Mr. WRIGHT). Under a previous order of the House, the gentleman from New York, Mr. WYDLER is recognized for 5 minutes.

Mr. WYDLER. Mr. Speaker, tomorrow will mark the seventh anniversary of the date on which my "adopted prisoner," Wulf Zalmanson, was arrested for desiring to leave the Soviet Union and emigrate to Israel. Tried the following January by a harsh military tribunal on charges of "treason, anti-Soviet agitation and propaganda, anti-Soviet organization, and stealing government property," this young engineer and army lieutenant received the very heavy sentence of 10 years at strict regime. As the Soviet authorities themselves know, Wulf Zalmanson's real "crime" was his desire to go to another country, Israel, to live. It is because of this desire that he is still imprisoned to this day.

And yet, in signing the Helsinki Final Act, the Soviet Union declared its commitment to a range of human rights, including the right to emigrate. This commitment on paper is not being observed in practice by the Soviet Union, and it is to call attention to the Soviet breach of this international agreement that the House is conducting this vigil on "Helsinki's Unfulfilled Promises."

I want to emphasize the fact that the focus of this vigil is the breach of an international agreement. With or without a Helsinki Final Act, the persecution of Wulf Zalmanson—and thousands of others like him—is an act of tyranny and a human tragedy of immense proportions. But following the Helsinki Final Act, it is one thing more: It is a violation of the letter and spirit of a document approved by 35 signatories, of whom the Soviet Union was one.

It is altogether proper that, as elected officials of a government that also signed the Helsinki Accords, Members of the House bring this Soviet violation to public attention. The Soviet Union must not be allowed to think that we are apathetic and indifferent to their failure to live up to an international agreement.

Waiting in Israel, eager to welcome him, are Wulf Zalmanson's sister and uncle. It is my fervent hope that the Soviet Union will rethink its policy on emigration rights, will reconsider its obligations as a signator to the Helsinki Final Act, and that Wulf Zalmanson will soon be released from prison and allowed to join his relatives in Israel.

LEGISLATION REFORMING EXCESSIVE AND OUTDATED REGULATIONS OF INTERSTATE COMMERCE COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 10 minutes.

Mrs. FENWICK. Mr. Speaker, today, I am introducing a bill which will benefit the consuming public as well as all users of motor carrier services by reforming some of the excessive and outdated regulations of the Interstate Commerce Commission. This legislation, the Motor Carrier Act of 1977, will stimulate and promote competition in the motor carrier industry, eliminate restrictions requiring wasteful transportation practices, regulate the private sale or transfer of ICC operating certificates and permit the motor carrier industry to adjust to the needs of the consuming public for an efficient and low-cost transportation system.

The problem with the present motor carrier regulations is not that they were misconceived, but that they are antiquated. They were designed in 1935 when the general belief was that the economic problems of the depression could be solved by Government intervention in the private sector. There was also a need felt to protect the struggling trucking industry, which lacked the technological sophistication of today.

The question which Congress must address in 1977 is whether this particular exercise of Federal regulation is still an appropriate and responsible policy. Whenever Congress intervenes in business it must choose its role with great care. The involvement in the motor carrier industry which was defined over 40 years ago must now be reexamined and shaped according to the present needs of the industry and the changing needs of the consuming public.

The present regulatory scheme frustrates innovation, impedes competition and impairs the efficiency and health of the motor carrier industry. The need for reform has been well documented. Former Chairman of the Federal Trade Commission, Louis Engman, estimated in 1974, that, through regulation and law, Government was costing the public $16 billion—unnecessarily—every year, in transportation alone. The Council on Wage and Price Stability, on January 19, 1977, reported that the present system of ICC regulation creates "enormous inefficiencies and inequities" and demanded reform. The information accompanying its latest report, of June 9, speaks "higher freight rates for consumers and windfall profits for truckers."

Under the present ICC regulations entry of new carriers can be easily blocked by an existing carrier—and an application may be denied if it threatens the financial health of an existing carrier. Thus while Congress must have intended to protect the entire motor carrier industry, the present regulations protect the already established firms. The survival of the existing companies is virtually guaranteed by the present regulatory policy at the expense of the individual entrepreneur who is barred from providing services to a willing customer. It is especially unfortunate as this agency of the Federal Government acts in a de facto manner to discriminate against minority truckers, and certainly against women who did not have the resources in 1935 to benefit from the grandfather clause of the original ICC legislation. Few "general commodity" certificates have been issued in the past few years. Most of the new authorities granted have been very specific with respect to origins, destinations and commodities. And countless thousands of would-be truckers who would like to compete are discouraged from even applying to the ICC due to the expense and time involved, with little likelihood of success as a result of the difficult standard presently imposed.

The bill I am introducing today will provide liberalized entry into the trucking industry. It will shift the focus of entry proceedings away from the present concern of protecting the existing carriers to providing the public with better service. The applicant will still have to demonstrate that it is "fit, willing, and able" to provide the requested service. But the protesting party will have the burden of proving that such service is not in the public interest. This bill establishes a declaration of policy which is based upon promoting competition and developing an efficient and economical form of transportation. It is this policy which is to govern the ICC policy in the entry proceedings. This bill will not plunge the trucking industry into chaos, but rather will benefit all honest competitors and encourage new entrants—all to the benefit of the consumer.

There are also claims that this legislation will severely limit the service to smaller communities and shippers. Yet these parties are suffering under the present regulation and increased entry will allow entrepreneurs to compete for this business. Certainly, there is no validity to the claim that the small, independent trucker cannot adequately service these small rural communities. For it is these same truckers who presently deliver all the "exempt" commodities to these same small towns—and I know of no area which is without agricultural products in its stores.

This bill also addresses the problem of the private transfer and sale of ICC operating rights. This issue is intricately connected with the lack of entry in the industry and demonstrates, I believe, the high concentration level in the trucking business.

Over the past 4 years more than $80 million have been paid for Federal licenses. In a sample of 43 transactions—provided by the ICC itself—these licenses were purchased for $776,800 and within 4 years were sold for $3,844,100. One such certificate was bought in 1969 for $29,370 and was sold 1 year later for $151,627. The Council on Wage and Price Stability declared in its report that these operating rights command such a high price only because excess or monopoly profits exist in this industry. These transactions prove that the ICC is in fact barring those who cannot raise such large sums of money, to purchase these franchises privately, from getting into the trucking business—and the consumer pays the price because these expenditures are passed on in the form of higher rates which increases the cost of almost all goods consumed. Something must be done about this excessive rate of return on a single asset—a public operating right, no less. Clearly, through a policy of increased entry into the motor carrier industry, with access to certificates through application to the regulatory agency, such trafficking in operating rights should stop. In addition, this bill provides policy guidelines for ICC approval of such transfers or sales.

Finally, we can no longer afford the wasteful use of energy caused by the existing regulations. This waste is exemplified by restrictions on the motor carrier industry to use its resources efficiently. Truckers may move agricultural commodities without ICC certificates, but on the return trip they may not move regulated commodities without leasing themselves out to a franchise holder. Thus, many trucks move only partially loaded or entirely empty, and valuable fuel is wasted. This legislation, while recognizing the importance of the regulated carriers, would allow small truckers, who own three trucks or less, to carry regulated commodities subsequent to the movement of agricultural items. Not only would this save fuel, but it would lower the cost of goods being carried.

I am hopeful that the House will consider this legislation in the near future. I believe it is an equitable solution to many of the problems plaguing the motor carrier industry. The Motor Carrier Entry Liberalization Act of 1977 will not only benefit consumers, but once studied and understood, will be welcome by those currently regulated by the Interstate Commerce Commission. A brief section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS

SECTION 3. DECLARATION OF POLICY

Section 2 amends Section 201 of the Interstate Commerce Act to add a new declaration of policy setting forth public interest considerations for the Commission to consider in carrying out its duties with respect to entry into common and contract motor carriage. In determining entry, the Commission must consider an efficient system of carriage, reliance on competitive market forces, the encouragement of new carriers, and the provision of the quantity and quality of service needed by the public.

SECTION 4. BACKHAUL

Section 3 allows agricultural carriers to haul regulated commodities subsequent to an exempt agricultural move without ICC authorization provided certain conditions are met.

SECTION 5. APPLICATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

This section provides that common carrier certificate applications may contain information on cost and rates. The Commission does not presently allow such information to be submitted by applicants in justification of common carrier certificates except under special and limited circumstances.

SECTION 6. ISSUANCE OF CERTIFICATES

First, this section adds new standards by which the Commission shall be guided in determining whether to issue a certificate

to a qualified applicant. Public interest and necessity includes new, innovative, more efficient or low cost methods of operation. Where the proposed service would be reasonably likely to lessen competition or to reduce the total quality or quantity of service available to the public it shall be deemed not to be consistent with public convenience and necessity.

Second, Section 5 specifies that an applicant shall have the burden of proving that he is qualified, and the protesting party shall have the burden of proving that the proposed service is not within the public convenience and necessity. This proof must be supported by a preponderance of the evidence.

This provision would reverse the burden of proof under present ICC practice.

SECTION 7. PERMITS FOR CONTRACT CARRIERS BY MOTOR VEHICLES

This section adds additional standards by which the Commission shall be guided in determining whether to issue a contract carrier permit. These additional standards as well as the burden of proof requirements are the same as those in Section 5, which apply to common carrier cases.

SECTION 8. REMOVAL OF RESTRICTIONS ON EXISTING COMMON AND CONTRACT CARRIERS

This section requires the Commission to remove by regulation restrictions on common and contract operating rights certificates which result in inefficiencies and uneconomical operations. Such restrictions are to be found in Section 203 (commodity and route restrictions), Section 209 (commodity, route and number of persons served), and Section 210 (dual operations). The Commission shall be guided in the policies set forth in the Act.

SECTION 9. PROCEDURES FOR MOTOR COMMON AND CONTRACT CARRIERS

This section sets up time requirements to expedite the Commission's consideration of entry applications, failure of the Commission to act within the required period results in the application being automatically granted as applied for.

SECTION 10. REMOVAL OF RESTRICTIONS ON EXISTING COMMON AND CONTRACT CARRIERS

This section requires that within 180 days, the Commission, by rulemaking, must remove many of the unnecessary and wasteful restrictions on existing authorities which do not serve the public convenience and necessity as set forth in this bill. This will eliminate many of the energy wasting circuity and gateway restrictions that presently exist.

SECTION 11. TRANSFER OF CERTIFICATES AND PERMITS

This section requires that the Commission, in cases involving the sale, exchange or transfer of a certificate or permit, to approve such transfers only if it finds that the transaction will not substantially lessen competition or tend to create a monopoly.

SECTION 12. MERGER

This section requires that the Commission approve a merger between two carriers only if it is shown that the merger will not substantially lessen competition or tend to create a monopoly.

SECTION 13. INTERSTATE COMMERCE DEFINED

This section provides that goods that are moved within a State (even after their arrival from another state), and goods moved to any point within 50 miles from their place of arrival within a state, may be moved without being considered in interstate traffic, and therefore not under the regulations of the Interstate Commerce Commission. Under present law, goods which arrive at a port must be carried to a warehouse, often just a few miles away, by a certificated carrier, before they can be moved by a non-certificated carrier. This provision would remove this unnecessary and wasteful movement of goods.

SECTION 14. STATE FILING REQUIREMENTS

This section requires that a study and recommendations be submitted to the Congress dealing with ways that the present state regulations and requirements over the motor carrier industry can be made to promote an efficient and equitable system. It is strongly argued that the present system is in many cases lacking in uniformity, unnecessarily duplicative and burdensome. It seems that it is in the national interest to minimize the burdens of such regulations while preserving the legitimate interests of the State.

FEDERAL GOVERNMENT SHOULD AID DOMESTIC INDUSTRIES THREATENED BY IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania, (Mr. WALKER) is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, several vital American industries are being clobbered in the marketplace by imports from foreign countries. Among others, I am speaking of the domestic mushroom, footwear, and most recently, our steel industry.

I do not have to go into the very human problems emanating from unemployment, layoffs, and general corporate decline. The handiwork of these hardships on the American people is painfully obvious to us all.

The Federal Government can and should help these industries now. They are not looking for a massive handout—only our help to remain stable and competitive in the marketplace.

To prevent the spread of more economic misery it is only commonsense that we should move swiftly to aid our domestic industries by limiting the entry of those foreign-made products into American markets which threaten to eliminate or severely cripple their U.S. competition.

PROFESSIONAL LIABILITY AND H.R. 7711, THE PRODUCT LIABILITY INSURANCE TAX EQUITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, on June 9 I introduced H.R. 7711, the Product Liability Tax Equity Act—PLITE. When the bill was introduced, I placed in the CONGRESSIONAL RECORD an explanatory statement and the full text of the bill.

My remarks last week focused mainly on the way PLITE would help manufacturers with their product liability insurance problems by facilitating self-insurance. Today, I want to explain how H.R. 7711 offers relief also to those who are having difficulty with professional liability insurance.

Functionally, PLITE addresses the same problem with regard to both product liability and professional liability in that Federal tax law today discriminates against those who self-insure. This imposes a substantial, additional burden on those who cannot afford or cannot obtain commercial coverage or who are too small to establish so-called captive insurance companies. It also burdens those who try to reduce their liability insurance premiums by taking a high deductible on their policy and then self-insuring for the deductible portion.

As I have noted before, the Federal tax laws hurt the self-insured in two basic ways. First, money paid into a self-insurance reserve fund cannot be taken as a business deduction, even though a comparable amount paid out as an insurance premium can be deducted. Second, in the case of corporations, there is considerable question about the tax status of a reserve fund, with particular concern about its potential vulnerability to undistributed dividends charges.

The Product Liability Insurance Tax Equity Act makes two simple corrections in the tax code. First, it defines a product liability trust fund and specifies that money placed in a qualified trust shall be tax exempt so long as it remains in the trust or is used only for approved purposes. Second, it provides that money paid into the self-insurance trust may be taken as a business deduction.

Moreover, PLITE defines the term "product liability" to include:

. . . in the case of any person engaged in any trade or business of providing any service, any liability arising from the providing of (or the failure to provide) such service.

Thus, professional liability for doctors, lawyers, engineers, architects, and others is covered by this legislation.

We are all too familiar with the recent surge in medical malpractice costs. What we may not be as aware of is the concommitant rise in the number of doctors who now are self-insuring. The popular term for this practice is "going bare," but this is misleading. Those doctors generally are not going entirely without any protection against law suits. Rather, a substantial number of doctors is setting aside funds and self-insuring, because commercial policies have become prohibitively expensive.

Current estimates are that about $1 billion a year is now being paid by doctors for malpractice insurance premiums. Our colleague, MILLICENT FENWICK, reports that one hospital in her district in New Jersey calculates that $10.50 of each patient's daily bill goes directly to malpractice insurance costs.

A study done for the California Medical Association last year by the Rand Corp. estimated that between 19 and 25 percent of all physicians practicing in southern California are now doing so without commercial insurance. The American Medical Association will have a new nationwide study available in about 2 months. In the meantime, the best current estimates are that of all physicians practicing in the United States, between 10 and 15 percent are working without name insurance.

In the case of architects and engineers, their principal national organizations, the American Institute of Architects and the National Society of Professional Engineers, have what is known as an endorsed insurance program that is offered by only one or two companies. In 1975 the cost of the endorsed insurance policy was doubled—and an estimated 25 percent of the architects in the program dropped out.

For architects participating in the endorsed insurance program, the best estimates are that professional liability premiums commonly run as high as 5 to 8 percent of gross income. Most architects take policies with deductibles of $10,000 or $15,000 on their liability coverage and many are now opting for higher deductibles, because of premium costs.

In recent years, professional liability insurance costs for practicing attorneys have risen between 200 and 400 percent, depending on region. The premiums for the endorsed plan offered by the California Bar Association, for instance, rose more than 380 percent 3 years ago.

However, for lawyers who want legal malpractice insurance the real problem is not the cost of the premium, which is still relatively inexpensive compared to those paid by other professionals. Instead, the problem is lack of availability.

Five years ago there were 10 insurance companies selling legal malpractice policies nationwide. Today there are only two companies in the national market. Some lawyers are fearful that a monopoly may occur by default.

H.R. 7711, PLITE, helps alleviate the problems of all of these professional groups by removing the tax penalty for self-insuring for all or part of one's potential liability.

For those who have gone bare, PLITE offers the opportunity to get more self-insurance for each dollar allocated to a qualified trust fund. And for those who take a commercial policy with deductibles, PLITE offers the opportunity to build up to a high deductible, thus reducing the size of the premium and stabilizing its cost.

Mr. Speaker, while it might appear as if those seeking professional liability insurance coverage are the only ones to gain from this aspect of PLITE, the fact is that the public also stands to benefit directly.

Many of our colleagues were practicing lawyers before coming to Congress, and there are several doctors and engineers among us. They all can verify from personal experience that any increase in overhead or operating costs is passed through, almost immediately, to the consumer who must pay for their services.

Thus, it is clear that at least part of the recent rise in medical costs and building expenses is directly attributable to increasingly expensive professional liability premiums. Similarly, a study I directed earlier this year showed that one out of every three manufacturers say they have raised the price on at least one product line as a direct consequence of rising product liability costs.

The Product Liability Insurance Tax Equity Act is not a panacea for all product and professional liability problems. It does not get into the sticky area of tort law reform, but perhaps that is a matter best left alone by the Congress for the time being. PLITE seeks simply to correct the Federal tax code so as to stop discrimination against those who self-insure.

This bill is cosponsored by a number of Members who have carefully studied the product liability insurance problem, and we urge our colleagues to join us as sponsors of this measure.

HELEN MILBERGER CITIZEN OF THE YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, recently the Pennsylvania State AFL–CIO gathered in Philadelphia for their annual statewide convention. At that time, Helen G. Milberger, one of northeastern Pennsylvania's outstanding citizens and one of my dearest friends, was recognized as Citizen of the Year by her peers. In receiving this award, Helen became the first trade union member in the history of the award to be so honored.

Helen Milberger is truly a remarkable woman. She is an example of a union leader whose concerns for her community and her country go far beyond the bounds of her day-to-day union responsibilities. She has shown the attributes of courage and loyalty to her fellow workers that make all of us who know her proud. The award she received from the State AFL–CIO calls statewide attention to her many achievements.

Mr. Speaker, I am attaching to my remarks a copy of the speech given by the Honorable Harry Boyer, president of the Pennsylvania State AFL–CIO, at the award ceremony, It forthrightly summarizes the career and the achievements of a great lady. I know all of the Members of this House will join me in saluting Helen Milberger, Citizen of the Year:

CITIZEN OF THE YEAR, 1977

When the Good Citizen of the Year Award was established in 1963, it was decided that the honor should go to someone other than a trade unionist—for various understandable reasons.

However, this year we depart from that policy to honor a trade unionist because of certain extenuating circumstances; among which is that this year is for the first time identified as an International Women's Year.

The person being honored today, has indeed earned it by overcoming adversity and by diligent devotion to the cause of improving conditions for other people. She now becomes one of the following list of persons who have received this Award:

April 3, 1963—Milton J. Shapp.
May 26, 1964—Dr. George W. Taylor.
May 11, 1965—Thomas McBride.
April 26, 1966—Reverend Frank W. Ruth.
April 4, 1967—Edward M. Green.
April 2, 1968—Jesse D. Reber, D.D. (former Executive Secretary, State Council of Churches).
June 4, 1969—Bayard Rustin, Executive Director, A. Philip Randolph Institute.
April 14, 1970—Dr. Gaylord P. Harnwell, President University of Pennsylvania.
Dr. Eric A. Walker, President Pennsylvania State University.
May 25, 1971—Hon. Juanita Kidd Stout, Judge of the Common Pleas Court in Philadelphia.
February 29, 1972—Joseph V. Paterno, Head Football Coach, Pennsylvania State University.
June 12, 1973—Taylor Grant, Newscaster and Commentator.
March 26, 1974—Dr. Frederick Lewis Bartlett, Staff Psychiatrist, State Mental Hospital.
June 10, 1975—Marian Anderson, Noted Singer and Concert Artist.
April 6, 1976—Rev. Dennis J. Comey, S.J., Director, St. Joseph's College Institute of Industrial Relations.

Our Honoree was widowed in February, 1940, at the age of 25, leaving her with two daughters aged two and four. She is from Scranton and attended Blakely High School and the University of Scranton Night School from 1946 to 1950; and, the Pennsylvania State University Night School from 1954 to 1960.

She is an extremely active member of the Hickory Street Presbyterian Church.

She has received numerous awards from the Red Cross, Heart Association, Cancer Society, Mental Health-Mental Retardation, Lackawanna United Fund, to name some.

She is on the Board of Directors of: Lackawanna County Department of Public Assistance, President's Committee on the Handicapped, Federated Chest and United Way, Blue Cross-Blue Shield, and is Secretary of the Lackawanna Heart Association.

She was the first worker hired in the Scranton Plant of the American Tobacco Company as a cigar machine operator and attended her first union meeting in May, 1944 and was fired from her job the next morning.

Her boss and the then Republican Mayor of Scranton watched from the Hotel Casey as the workers went to the union meeting held across the street.

Through the efforts of Representatives of the Cigar Makers, the ILGWU, the IBEW, the Plasterers, and the President of the Central Labor Union, she was reinstated in her job under the Wagner Act.

Largely through her efforts the plant was organized and the union recognized by an election held in January, 1945.

She held the following positions in the Cigar Makers Union: Secretary-Treasurer and Business Agent of the Local in 1945, Special International Representative in August, 1945, Regular International Representative in 1949 and in September, 1952 was elected First International Vice President of that Union, being the only woman ever elected to the position held by Samuel Gompers when he became President of the American Federation of Labor.

When President James McDevitt left the Pennsylvania Federation of Labor to head up the Labor League for Political Education in the American Federation of Labor, he wanted our Honoree to go with him to Washington to head up the Women's Division. She declined thinking such a position should be held by someone not from Pennsylvania—preferably from the West. McDevitt chose Margaret Thornbaugh from Oklahoma, who later shared the position with Esther Murry following the merger of the AFL and the CIO in 1955.

She has been a Vice President and member of the Executive Council of this State Central Body since its formation in 1960.

Our Honoree is an Honorary Member of the IBEW and Ironworkers Local 3 of Pittsburgh.

In April, 1974, when the Cigar Makers merged with the Retail, Wholesale and Department Store Union, she was elected to that Executive Council and has since been an International Representative of that Union.

Our Honoree has been recognized in Who's Who in Labor, and Who's Who of American Women to name a few.

She is truly a distinguished leader among women in the trade union movement, who through diligent effort, many times at great personal sacrifice and inconvenience, worked her way up to the second highest office in her International Union. What a great record for a women in the Labor Movement.

It is because of these great achievements, over a period of 33 years, that we today honor with our Citizen of the Year Award, a truly great lady, Mrs. Helen Milberger. It reads as follows:

Helen G. Milberger
1977 Good Citizen Award of the
Pennsylvania AFL–CIO

Her devoted dedication, for over 30 years, to those who toil, and her support of Labor's cause has encouraged our efforts; her belief in justice for the oppressed has sustained Labor's struggle for the betterment of the common person. She epitomizes Labor's aspirations, and hopes for a better world for those who will follow; and of great importance, is her persevered attitude to continue the good struggle.

HUMAN RIGHTS IN POLAND UNDER ATTACK BY COMMUNIST OVERLORDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, many valiant and heroic Polish people, as they have done throughout the years of Communist repression, are currently demanding government recognition of basic human rights and civil liberties. According to the Polish American Congress—

Events in Cracow and mass reprisals instituted by the government against striking workers and intellectuals demanding justice and protesting widespread abuses of police power, has caused a great concern for all freedom loving people.

Some 80 people active in the human rights movement were arrested in the last few days, among them some of the leaders of the Worker's Defense Committee.

Several prominent writers and artists protested these arrests in an open letter appealing to world public opinion to denounce use of police methods and to demand release of political prisoners in Poland. They, on May 25th, started a seven day hunger strike in a Chapel of St. Martin's Church in Warsaw as a protest against reprisals.

Mr. Speaker, freedom-loving people from across the Nation and around the world must stand firm with Polish-Americans in condemning the escalating terror campaign of repression, intimidation, and harassment in Poland. A copy of the May 25, 1977, Declaration of the Hunger Strikers in St. Martin's Church follows:

DECLARATION OF THE HUNGER STRIKERS IN ST. MARTIN'S CHURCH, MAY 25, 1977

Today marks the passing of 11 months since a wave of united protest actions and demonstrations swept through a society confronted with an unjust and arbitrary decision to raise prices. The stand of those making their protest evident proved effective. The people responsible for raising prices withdrew their decision; nevertheless, there immediately followed very numerous instances of repression against many of those taking part in the protest action. Instead of the so many times announced dialogue with the community, attempts were made to create an atmosphere of intimidation. We recall the unusually numerous detentions, arrests, firings, beatings, and even torture during interrogation, court cases conducted in an atmosphere outraging any elementary feeling of objectivity and justice, the campaign of slander and lies, as well as coercion and threatening the lives of people who felt themselves to be wronged. Throughout the country, people from all walks of life stood up in defense of the victims of the June events. Appeals signed by thousands flowed in to the authorities. Community assistance was organized spontaneously; there were demands that the basic rights of citizens be respected.

To date, these efforts have not produced the expected results. Many people are still out of work, while five workers have been in prison ever since: Czeslaw Chomicki, Wieslaw Skrzypek, and Zygmunt Zabrowski from Radem, and Marek Majewski and Adam Zukowski from Ursus. What is more, in the last few weeks, a number of the people who have displayed the greatest dedication in providing assistance to the imprisoned and their families have been arrested. We have also learned that the shadow of yet another trial of the innocent hangs over the community. In this situation, the undersigned, motivated by a profound feeling of solidarity with the imprisoned, appeal once more for the immediate freeing of the victims of the June events and of those who stood up in their defense.

In view of the futility of all appeals to date and of the gravity of the situation, we are accompanying our pronouncement with a publicly undertaken, voluntary, seven-day hunger strike. For those who are believers, it will be a form of prayer; so far as we all are concerned, it will be an appeal to the community and to the authorities. We are consciously choosing the form of a hunger strike as a method of fighting for the right to strike, for right and justice, a fight for the dignity of man, a fight against force, a fight without resorting to the use of force and violence. We have many precursors in this type of fight, beginning with Mahatma Gandhi, running through Martin Luther King, up to the hunger strikers who, by staging hunger strikes in Spanish churches, fought the dictatorship for freedom and democracy in their own country, and up to all those persecuted for their convictions who, in many parts of the world, are right now undertaking this form of protest.

We most particularly cast our lot with those imprisoned victims of the post-June repressions who, on May 25, have begun a hunger strike to protest against their fate. This form of protest and appeal seems to us to be the most seemly and intelligible way of calling attention to the danger and to the profoundly immoral character of violence and disrespect for the dignity, rights, and freedom of man. These instances of disrespect strike straight at the nation at all levels of its existence. We have asked Mr. Tadeusz Mazowiecki to agree to be our delegate, and it is through him that we send this declaration to the Council of State of the Polish People's Republic, to the Polish Episcopate, to the Committee for the Defense of the Workers, and to public opinion.

Signed: Boguslawa Blajfer, Lucyna Chomicka, Danuta Chomicka, Bohdan Cywinski, Jerzy Geresz, Aleksander Hauke-Ligowski, Barbara Torunczyk, Henryk Wujec. Warsaw, St. Martin's Church, 25 May 1977.

The undersigned joined the hunger strike and signed the declaration on the evening of May 25: Eugeniusz Kloc and Ozjasz Szechter. May 26th: Joanna Szczesna.

Comment: Ozjasz Szechter is the father of Adam Michnik; a former communist, he is 76 years old, a seriously ill man who has had to undergo two stomach operations.

UNIVERSITY OF CHICAGO BIO-MEDICAL COMMUNITY ON BELGRADE CONFERENCE AND HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, the Carter administration has given special prominence to issues of human rights. Tomorrow, meetings begin in Belgrade, Yugoslavia, to review the agreements concerning European affairs made at the Helsinki Conference in 1975.

The Helsinki Accords covered three areas, all of which will be reevaluated in Belgrade. The first was security, and centered on the inviolability of borders. The second major topic was the development of economic and scientific cooperation, and the third was "cooperation in humanitarian and related fields," that is, human rights. These meetings will test our Government's resolve in addressing the denial of individual freedom as an international problem.

President Carter has indicated his determination to press the Soviet Union and the Warsaw Pact nations to be more respectful of the rights of their citizens. Individual liberty and civil rights are goals that must always be pursued. I agree that such concerns should be given great attention in Belgrade, for national sovereignty, expanded East-West trade, and freer cultural exchange have little meaning for individuals who are not free.

Some of my constituents, over 760 faculty members and students of the University of Chicago Medical School, recently compiled a petition to voice their views of the upcoming Belgrade Conference. These scholars believe in open cultural and scientific exchange. Yet they declared that the Russian Government must offer greater freedoms for its people to match the continued relaxation of barriers to the East-West traffic in ideas.

The head of the project, medical Professor Rory Childers, considers it especially significant that the petition constitutes the first instance in which a U.S. medical school has gone on record against the abuse of psychiatry in the Soviet Union. He also noted in a communication to me that the list of signatures includes a Nobel Prize winner and several members of the American National Academy of Sciences.

Mr. Speaker, I would like to request that the declaration which I have described be included in the RECORD as a testimonial to the depth of concern that exists today on the issue of human rights in other nations:

HUMAN RIGHTS IN THE SOVIET UNION

By signing the Helsinki Agreement in August 1975, the Soviet Union and other participating governments agreed: ". . . to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction . . . to promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms . . ."

We, the undersigned members of the University of Chicago Bio-medical Community:

1. Protest the continuing incarceration of "Prisoners of Conscience" in the USSR, and the violations of Soviet Constitutional Law associated with their detention and trial.

2. Condemn the recurrent use of Soviet psychiatric hospitals as detention centers for political dissidents.

3. Deplore the restrictions on travel and emigration as applied to Soviet scientists and health professionals, both Jewish and non-Jewish.

4. Regret the failure of the Soviet government to fulfill as yet, the obligations of the Helsinki Agreement.

Mr. Speaker, I would like to add one more thing. While this expression of sentiment is certainly a significant one, it is not an official statement of policy by the University of Chicago.

Thank you.

MRS. CARTER'S SUCCESSFUL TRIP TO LATIN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, I was among those who had the privilege of talking to Mrs. Carter about her mission to the Caribbean and Latin America before she left. I was convinced, after meeting with her, that the doubters and skeptics were going to be disappointed. She worked very diligently preparing for her trip in every way possible. Her intelligence, sincerity, and resolution to do a good job were very evident, and it certainly paid off: in every country she visited, her mission was fulfilled.

The Nation owes Mrs. Carter a debt of gratitude for her important undertaking. I know that she will continue her interest in, and cooperation with, our friends and neighbors to the south.

She has earned their respect and admiration. And, above all, she has much to contribute to the development and implementation of this administration's Latin American policy, which is off to a good start.

A very excellent editorial and article in the Miami Herald, perhaps best describe the success of Mrs. Carter's trip. I commend these to the attention of our colleagues:

THE FIRST LADY DOES U.S. PROUD

President's wives usually are seen and not heard—that is, on any controversial subject. Rosalynn Carter is, as we predicted she would be, an exception.

Touring Latin America more as a diplomat than as a visitor Mrs. Carter has, in a word, wowed them. Using that word, the sprightly *Tico Times* of San Jose, Costa Rica, observes that she displayed "the guts for which she is already famous. Those who sat back skeptically, fingers tapping, to see if she was up to the rigors of international diplomacy came away impressed . . . and humbled."

This was an easy stop on the seven-country tour, for friendly Costa Rica has no problem with the United States save our general appearance of disinterest in it. The visit there may have satisfied that.

Brazil, though, was a different stop. It has resented State Department criticism of its loose regard for human rights and President Carter's attempts to get West Germany to cancel a contract for advanced nuclear technology.

The President's wife as his emissary addressed herself frankly to both problems and sympathetically interviewed two U.S. missionaries who had sampled the practiced brutality of Brazil's political prisons. Rosalynn talked. Brazil's government listened.

What will come of all this in the Caribbean and in Central and South America we do not know. But it will be more, we suspect, than after the usual fatuous showing of the flag and avoidance of possible unpleasantness.

Well done, Ambassador Carter.

ROSALYNN A WINNER AT DIPLOMACY AS SHE ENDS LATIN AMERICA TOUR

(By William Montalbano and Don Bohning)

She set forth tense and uncertain, awed by an alien world called diplomacy.

Before long the jitters passed. She loosened up. The politician inside came bounding forth.

As Rosalynn Carter flies home from Latin America today she leaves behind dictators and democrates convinced that the quickest way to the President of the United States is through his wife.

For 14 days in seven countries, Mrs. Carter successfully has challenged the Latin American notion of what a first lady is supposed to be. In the process she also gave a needed boost to better understanding between the United States and Latin America.

Mrs. Carter caught the Latin Americans off stride at first. For them, after all, *La Primera Dama* is traditionally a mother-of-us-all who is gracious over tea, attentive on inspections of orphanages and as wary of politics as she is of crumbs from cucumber sandwiches.

Rosalynn Carter—hold the sugar, please—came to talk business. She arrived in one country after another as well prepped as a soccer player for Sunday afternoon.

She spoke knowledgably of American foreign policy, human rights, arms, nuclear proliferation, internaitonal trade, narcotics and oil.

"The First Lady and Second President," concluded a Brazilian newspaper.

"El Mani de Hierro," said a Colombian paper, "The Iron Peanut"—a sweet and gutsy lady.

Assaying results of a diplomatic mission is an imprecise science, more like judging boxing than scoring baseball. However, even on the most conservative scorecard, her encounter with Latin America belonged to Rosalynn Carter.

For seven countries, call it 5–1–1.

Mrs. Carter carried Jamaica, Costa Rica, Ecuador, Peru and Venezuela. She lost Colombia. It is safe to call Brazil a draw, although in the context of the rather glacial U.S.-Brazilian relations of recent months even that is a moral victory.

What came across most tellingly to Latin Americans, skeptical that a First Lady's visit could be substantial, is that there is no better direct channel to Jimmy Carter than Rosalynn Carter.

Costa Rican President Daniel Oduber said it most succinctly. Her visit, said Oduber, was "very important" to Costa Rica "because to us it was exactly the same as if President Carter had arrived and made a personal contact. . . ."

"What we tell Rosalynn, she will tell Jimmy, even if it is only pillow talk. That is effective communications," said a South American official.

"Vance can't call the President without going through Brzezinski. Rosalynn can," said a member of Mrs. Carter's staff, referring to Secretary of State Cyrus Vance and White House Security Adviser Zbigniew Brzezinski.

A key reason for the effectiveness of the trip is that since it was the First Lady traveling and not the President himself, the visit raised minimal advance expectations.

That is a sharp departure from previous high-visibility efforts to persuade Latin America that Washington really does care.

It is hard to recall, for example, any rounds that Nelson Rockefeller and his entourage of experts managed to salvage on a ballyhooed swing through Latin America for Richard Nixon in 1969.

The Carter mission carefully was concocted by the State Department for maximum symbolic impact.

The intention was to stress American support for democratic governments, subtly and not so subtly, and to underline the Carter Administration's commitment to human rights.

What the returns of the tour will be are still to be assessed, but the initial impressions are generally positive.

In Costa Rica and Venezuela she further cemented friendships. In Jamaica and Brazil she arrived at a time when strained relations with Washington had bottomed out, and she contributed to the upturn. In Ecuador and Peru she gave encouragement for returning to the constitutional democracy.

Only in Colombia, the shortest of the seven stops, did the momentum falter. The Colombians, preoccupied by internal economic and political problems of their own, also were burning over Washington's choice of ambassadors to Bogota.

One Latin American specialist cautioned against drawing too great a distinction between the substantive and goodwill implications of the trip.

"The kind of substance that can be dealt with by anyone on a trip of that nature is at the level of general purpose and over-all policy, not negotiations," he observed.

That, he said, is how he believed the trip was conceived.

Mrs. Carter, he suggested, played to four very diverse audiences, the first of which was the governments of both the countries she visited and those she didn't. She bypassed some of the more authoritarian military regimes, notably those of Chile and Uruguay.

A second audience was the common folk along the way. To them, it largely was goodwill but it helped underline, through local press attention, such things as the Carter Administration's commitment to human rights.

A third audience was U.S. officials, in Washington and Latin America, mobilized to maximum in preparing for and dealing with the tour.

Finally, and perhaps most important, was the U.S. public, accused of a willingness to do anything for Latin America except read about it. "Every morning on the 'Today' show there she was in Latin America along with a two or three minute primer of some of the basic problems of the country she was visiting," the specialist said.

Most any other U.S. official, with the exception of the President himself, could spend an infinite number of days in Latin America attracting at best only limited notice to the area.

If Rosalynn began her Latin American odyssey with a modicum of uncertainty she finished with a surge of confidence.

Seven hours of conversations with Michael Manley, Jamaica's beguiling prime minister, eased some of the nervousness on the first stop. And the warmth of the welcome in friendly Costa Rica did the rest as confidence increased at each successive stop.

"After a stop or two she realized it wasn't anything she hadn't seen in South Georgia," said one of the 27 reporters traveling as part of the First Lady's entourage.

By the time she arrived in the mountainous Ecuadorean capital of Quito, in the words of one of her party, "she was glowing and it wasn't just from the altitude."

In Peru, she impulsively gave Foreign Minister José de la Puente a buss on the cheek to celebrate his birthday and affectionately called him "Pepe" after a day's acquaintance.

She held her own, with no serious gaffes, during press conferences at stop after stop including Brazil, where the sensitive issues of human rights and nuclear proliferation received top billing.

En route from the interior capital of Brasilia to the northeast coastal city of Recife, she announced that she would meet two American missionaries who had been jailed for three days earlier in the month.

The meeting, in the words of one diplo-

matic veteran, was "deftly and boldly handled."

"There's a profound skepticism about presidential wives," said a career foreign service officer watching from Washington, "but I think this one is something else. She's different. She's been on the team for a long time in a substantive way and she obviously believes in the work ethic. I see a lot of steel there."

On the basis of her performance in Latin America, said a senior U.S. official traveling with her, he was certain "she would be able to do this in other parts of the world. She has the dedication and the ability to come to grips with complex issues. Her sincerity is unquestioned and she has the ability to communicate."

"By the nature of this trip, specific accomplishments are not a fair measure," said the same senior official. "This was a trip to build blocks of communications."

In that, Mrs. Carter appears to have succeeded admirably with her visits and her performance, hailed from Kingston to Caracas and stop in between.

Venezuelan President Carlos Andrés Pérez conferred with her an hour Friday night after her arrival in Caracas from Colombia. He later declared himself to be "pleasantly surprised by Mrs. Carter's knowledge of our problems and even more important, by a new style of diplomacy that I liked—frankness and not half-truths."

Calling her an "extraordinary woman," President Pérez said he found the U.S. First Lady to be a woman who "fervently concerns herself with world problems."

His observations echoed those made by other officials in other capitals.

"She's won us all by her sympathy, sweetness, simplicity and with the frank manner she treats us," said Peru's de la Puente. "At the same time she's a very well-prepared woman."

"We feel immediately at home with her," said Costa Rica's Oduber, after meeting with Mrs. Carter in San Jose. "She's very natural and she got directly to the point. She's well informed. She knows exactly what the (Carter) Administration can do and what they cannot do, which is most important."

Still it was Rosalynn's access to the President—coupled with her own ability—that spelled the difference throughout in her meetings with Latin American leaders.

"They realized that she clearly represented Jimmy's personal interest in Latin America and that anything that was said to her would get directly back to him," said a high ranking U.S. official.

Mrs. Carter herself made that unmistakably clear in Costa Rica when one of the American reporters asked on whose authority was she dealing with foreign heads of government.

"I am closer to the President than anybody," she responded icily.

It was a point she was to reemphasize at subsequent stops, going out of her way to note that she speaks with Jimmy several times a day.

In some ways, Rosalynn's visit to Latin America may have been more advantageous than one by President Carter.

She had more time to prepare than the President might have had. And she did just that, taking nine hours of Spanish lessons a week in the White House and getting a series of intensive briefings from specialists on the area.

"I was asked to deliver a report on Ecuador and Peru history from the pre-Columbian times to the present, but not to talk more than 20 minutes," said Dr. Paul L. Doughty, chairman of the anthropology department at the University of Florida and one of the briefers. He described it as "sort of a millenium a minute."

He said Mrs. Carter listened attentively and took notes constantly. "I was impressed by her seriousness and single-mindedness. There was nothing frivolous about her."

Such briefings and her capacity to absorb them enabled her to hold informed discussions on specific issues—ranging from Ecuador's concern with an arms buildup in neighboring Peru to Jamaica's economic problems—in each country she visited.

Jamaica was targeted as the first stop because Washington wanted to identify with a parliamentary democracy even though Manley's government is one of self-claimed "democratic socialism." The discussions were primarily economic. The message Rosalynn left was that the United States was willing to help but the island's problems should be resolved by the Jamaicans.

The Daily Gleaner, Jamaica's leading newspaper, hailed Mrs. Carter's visit as a departure by the Carter Administration from that of previous administrations in attempting to demonstrate their interest in the area.

"This," said the Gleaner, "is a typical Carter move . . . instead of sending a high level team of technocrats, he has taken a different route. He has sent, as it were, a message from his heart rather than his head."

Costa Rica, as expected, was an easy stop with cheering crowds, a government friendly to the Carter Administration. It was enough to bring out the politician in her.

"She Wowed 'Em," proclaimed the headline over an editorial in the English-language Tico Times. It went on to say that Mrs. Carter "impressed local reporters with her straightforward responses to their questions. And she impressed Costa Ricans with her attitude of genuine warmth and friendliness."

Next stop Ecuador and a scheduled 90 minute meeting with the ruling military junta. The conference turned into a three hour tete-a-tete. She went in prepared to talk about U.S. trade legislation that discriminates against members of the Organization of Petroleum Exporting Countries. However, the Ecuadoreans wanted to talk about concern with neighboring Peru's growing military arsenal, some of it purchased from the Soviets.

Rosalynn took the message to Lima where Gen. Francisco Morales, Bermúdez, Peru's military president, assured her of Peru's peaceful intentions and described plans for a return to constitutional democracy.

On to Brasilia where it had taken some persuading to convince the Brazilians her visit was to talk about substantial matters. Once convinced, they accepted it as an important opportunity for some straight talk by both sides on the issues that separate Washington and Brasilia.

The Recife interlude with the American missionaries got Mrs. Carter's trip on Page One of The New York Times for the first time. The meeting with the missionaries, however, did not negate what had been accompanied in Brasilia.

Colombia had been anticipated as the coolest reception and not because of Bogota's altitude. The tradition-steeped Colombians were still remembering the Ford Administration's politically appointed ambassador, Philip Sánchez. The California Chicano had gotten off to a bad beginning when he arrived to present his credentials at the palace wearing a tropical white suit and blue suede shoes.

Then they had been told by the Carter Administration that José Carbanes, Puerto Rican born professor at Yale University, would be the new ambassador to Bogota. It was another selection not to their liking, and has been withdrawn.

Mrs. Carter's tour closed on a high note in Venezuela—except for a brief period of nausea Saturday afternoon—where the warm welcome was matched by President Pérez's words of praise.

Rosalynn arrived at each stop with the message that "Jimmy wanted me to come early in his administration to show his interest and concern with Latin America." By the time the trip neared an end, she had her listeners believing it.

She mixed the serious pronouncements with such personal admissions as the fact that "Brazil messed up the little Spanish I know with Portuguese."

She impressed the 27 reporters, the majority of them women, who traveled with her and paid $3,500 each for air fare and ground transportation.

"I have canonized her," said one.

U.S. officials, some of whom had been skeptical at the beginning, were largely convinced by the end.

One disbeliever wondered aloud, however, if the whole thing was worth it.

"What with the Secret Service putting up antennas on downtown buildings and turning local governments inside out and American Embassies coming to a screeching halt two weeks before the trip, it wouldn't surprise me if this thing cost a $1 million per country," he grumbled.

Other officials insisted it was a low budget production, compared to similar trips in the past and the anticipated returns.

HUMAN RIGHTS ARE OLD HAT FOR CAPTIVE NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, with our 19th observance of Captive Nations Week this July 17–23, the national climate of human rights discussion is about the most conducive to thinking about the captive nations in central Europe, within the U.S.S.R., in Asia, and Cuba. The Captive Nations Week Resolution, which our Congress passed in 1959 and President Eisenhower signed into Public Law 86–90, is, simply put, all about human rights in their total meaning—personal, civil, and national. Let us reread the congressional resolution and also the current, official volume on "The Bicentennial Salute to the Captive Nations," and we will find that the captive nations concept and the human rights one are supremely intertwined.

There is no area in this world that can compare with the totalitarian, Communist area in terms of the gravest deprivation of human rights. The record right up to the present is solid on this. This is the area of the captive nations, from the Danube to the Pacific and into the Caribbean. July 17–23, Captive Nations Week, provides us with the forum to discuss human rights, especially while the Belgrade conference on the Helsinki Accord remains underway.

Mr. Speaker, a clear analysis of the relationship between captive nations and human rights is provided in an article on "Human Rights Are Old Hat for Captive Nations." For publication in the internationally renowned journal the Ukrainian Quarterly, the article was written by Dr. Lev E. Dobriansky, who authored the Captive Nations Week Resolution and is a professor at Georgetown University. He is also the chairman of the National Captive Nations Committee. For the meaning of human rights, its priority application to the totalitarian world, its place in Belgrade and our for-

eign policy, I strongly commend this article to the reading of every American concerned with freedom and the future of America:

HUMAN RIGHTS ARE OLD HAT FOR CAPTIVE NATIONS

(By Lev E. Dobriansky)

Literally for decades, the vital issue of human rights has been at the very core of the dynamic issue of captive nations. At its highest point of relevancy and applicability it is still there. As far back as 1920, when the non-Russian nations now held captive in the Soviet Union were the first to be victimized by Soviet Russian imperialism, colonialism and an across-the-board deprivation of human rights, the two issues have been inextricably interlocked. In plain fact, human rights are old hat for the captive nations.

Closer to our day, this outstanding fact is clearly crystallized in the current Congressional document which selectively portrays the place of the captive nations issue in our own Bicentennial.[1] This compact volume, which is available through your Congressman or Senator, adequately summarizes the background and scope of the two interrelated issues. It serves as an excellent source for understanding the new President's emphasis on human rights in our foreign policy.

The recent tirade by Moscow against the President's U.N. address and its stress on human rights can in some measure be compared with the Khrushchevian outbursts, almost twenty years ago, against the Captive Nations Week resolution, which Congress passed in 1959 and President Eisenhower signed into Public Law 86-90. This is no historical accident, for the two are in subdamental question is whether, for want of will and knowledge, we will cringe with each growl from the Russian bear and make our confused retreat or, with courage and intellectual certitude, we will develop the interwoven issues into a winning foreign policy that would preclude any hot global war. This does not mean a revival of vacuous and threatening Cold War rhetoric but rather a stance intertwined. As then, so now, the funknowledgeable and programmed concentration on the deep vulnerabilities of the USSR, which basically rest on human rights considerations. Imperialism, colonialism, Russification, religious genocide, suppressed non-Russian nationalism are just a few phenomena within the empire/state of the USSR that require a global airing. An adversary whose fundamental weaknesses and vulnerabilities are systematically revealed to the world would scarcely be in position or any credible posture to advance its global designs by whatever means.

FACING REALITY FOR HUMAN RIGHTS: THE CNL

It is obviously not enough just to espouse human rights in an aimless and moralistic fashion. For a maximum, effective instrumentation of rights and values two basic prerequisites must be met and amply satisfied. One is an accurate and viable framework of understanding and perspective with regard to the present structure of global, politico-economic reality. The second prerequisite is a philosophically sound concept of human rights that can be realistically adapted to that framework. Failing in either of these, our pursuit of human rights as a basis for our foreign policy will itself be doomed to failure. In short, if we have the sensible courage to speak up for human rights globally and with a single standard, we must also possess equal courage and insight to face up to differential reality in the world structure, especially within the Soviet Union.

On this 19th Observance of Captive Nations Week (July 17-23) the occasion is a most fitting one to give serious thought to these two prerequisites, particularly in view of the Belgrade conference and its evaluation of compliance with the Helsinki Accords. As to the framework of understanding, it can be said with scarcely any rational argument that the only real threat to the U.S. and the nontotalitarian world is the USSR. Further, it can also be easily maintained that as concerns the denial of human rights in toto nowhere in this world does it compare with that of the so-called communist, totalitarian states.[2] There is a vast difference between imperialist-totalitarian rule and any authoritarian dictatorship in Africa, Latin America and elsewhere, a paramount fact that must be taken into account in any policy applications of human rights. These general facts, which are supported by abundant detailed empirical evidence, can be best perceived by a careful review of the CNL (Captive Nations List) which is a solid measure of the success or failure of our foreign policy:

The Captive Nations—Who's Next?

Country, people, and year of Communist domination:

Armenia	1920
Azerbaijan	1920
Byelorussia	1920
Cossackia	1920
Georgia	1920
Idel-Ural	1920
North Caucasia	1920
Ukraine	1920
Far Eastern Republic	1922
Turkestan	1922
Mongolia	1924
Estonia	1940
Latvia	1940
Lithuania	1940
Albania	1946
Bulgaria	1946
Yugoslavia (Serbs, Croats, Slovenians, etc.)	1946
Poland	1947
Romania	1947
Czecho-Slovakia	1948
North Korea	1948
Hungary	1949
East Germany	1949
Mainland China	1949
Tibet	1951
North Vietnam	1954
Cuba	1960
Cambodia	1975
South Vietnam	1975
Laos	1975

Who's next Angola? Thailand? Republic of China? South Korea? Rhodesia? Ethiopia? Panama?

Outlining how the totalitarian domain of the world structure has evolved, the CNL is based on a firm, genetic analysis of Soviet Russian takeovers, directly or indirectly, of foreign non-Russian governments since World War I. The vehicles for these takeovers have ranged from overt Soviet Russian military aggression in the first wars against so-called international communism in the 1918-22 period to syndicate proxy and armed assistance in Angola in 1976.[3] We Americans are not given to this kind of perspective, but if human rights are to assume operational meaning, this perspective becomes intellectually indispensable for the framework that is the first prerequisite.

A bit of reflective thought on this outlined evolution stands to reveal many inescapable truths. First, for insight, if there were no CNL, logically there would be no need for NATO, SALT, Helsinki and numerous other issues which many believe to be primary problems. Another, the expressions of Solzhenitsyn, Sakharov and Amalrik for the withdrawal of Russian power to the national borders of Russia within the present USSR, for the self-determination of the non-Russian nations in the USSR, or a possible upheaval in the empire/state through its captive non-Russian nations—these and similar expressions reflect the CNL. Also, the appearances of so-called polycentrism in the Red bloc, the Sino-Russian communist conflict, and the maverikism of a Romania or Yugoslavia scarcely qualify the CNL. The concept distinguishes between the imposed communist regimes in all of these cases and the nations as such, subjected to the more or less totalitarian rule of the basically illegitimate government. The CNL is a people's concept entailing the values of human rights, but going beyond them in structuring the commitment in the struggle for world peace and freedom.

More reflective thought on the CNL would show, too, its focus on the real force of Soviet Russian imperio-colonialism, parading in the guise of socialism and communism. Just as we carefully distinguished between Nazi German imperialism and the German nation and people themselves, so here this similar totalitarian force is distinguished from the Russian nation at large, which in another sense has been captive for centuries to Czarist authoritarianism, imperialism, messianism and militarism that Marx himself clearly perceived a century ago.[4] Moreover, it doesn't require much intellectual imagination to see that if there were no first generation of captive nations, there would have been no successive generations as shown in the CNL. About one-half of the captive nations are in the forced union of the USSR, whose economic resources are exploited by Moscow for its global adventures. Without these imperialized resources, Russia itself couldn't possibly attain to super-power status. The USSR is Moscow's empire within an empire, an imperium in imperio. The last bastions of imperialist rule in this world are Moscow and Peking, and the subjects of imperialism and colonialism still are prime items for human rights analysis and action.

The importance of a sure grasp of the CNL was nationally demonstrated in the last presidential campaign. Any misunderstanding of it can take its heavy toll and, according to most analysts, the unforgettable Ford gaffe on no Soviet domination over Eastern Europe lost him the presidency. For example, the President's own campaign pollster said, "the second debate—the one in which Ford made his mistake on Soviet domination of Eastern Europe—left us dead in the water for about 10 days."[5] Another analyst stated, "it seems highly probable that had the President not stumbled over a question about Eastern Europe in the second debate, costing his campaign 10 days of momentum, the outcome would have been reversed . . . the Eastern Europe affair, which cost the one irreplaceable asset—time."[6] Still another observed, "What apparently had happened is that the discussion of the debate, and of Ford's admitted 'mistake' on Eastern Europe, in the press and in ordinary social intercourse had built a swelling consensus against the President."[7] Numerous others commented in the same vein, with the conclusion that, given the voting blocs on each side, the marginal effect of vote swings in New York, Pennsylvania and Ohio proved to be decisive.

Mention is made of this poignant lesson because it is conceivable that a free nation also could be lost if we persist with our myths regarding the USSR, Eastern Europe and so forth; if, for whatever reason, we refuse to face the realities of Eurasia while advancing the cause of human rights. In our highest places, as also during the campaign, "Eastern Europe" is mistakenly viewed as ending at the borders of the USSR rather than the Urals. An attempt was made to pan off the Ford gaffe as a slip-of-the-tongue while in reality it was a reflection of a mental attitude similar to that prior to the Czecho-Slovak eye-opener in 1968, when in

Footnotes at end of article.

high places it was claimed that there were no more "satellites" in Central Europe. Desperate recourse to the President's Captive Nations Week proclamation confirmed this further because its vague generalities represented just another version bearing little resemblance to Congress' resolution of 1959. Plainly, if the human rights campaign is to succeed, our prevailing framework of understanding the totalitarian structure in the greater part of Eurasia requires basic adjustment. This is the first prerequisite; the second is a clear and sound conception of human rights.

THE GENERIC SCALE OF HUMAN RIGHTS

On several occasions the President has reaffirmed his firm commitment to human rights, globally and on a single standard basis. This has been done with such definitiveness and moral dedication that at this or some subsequent stage any substantial retreat from this position and posture would be a source of deep embarrassment and difficulty both to this Administration and the country at large. Morever, it is manifestly evident at this stage that the second prerequisite must be developed into a clear and working concept if human rights are to play the role the President himself has already defined.

On all levels confusion persists, typifying the same condition that has persisted in the United Nations, with almost every aspect of human life carved into a right. Exploding in all directions, with doubtless delight to word-playing totalitarian representatives, human rights are vaguely interpreted as political, social, economic, scientific, artistic, racial, sexual and what have you. The first serious attempt to define human rights by an Administration spokesman was undertaken by Secretary of State Cyrus Vance at the University of Georgia, but as concerns the highest generic level of these rights his address was found wanting. [8]

Both qualitatively and quantitatively, human rights lend themselves to a metaphysically-based generic ordering. There is first the category of personal rights, basic to the individual person. So far, the President has tended to over-emphasize this category. These rights, centering on the person, cover a broad range of the right to live, to multiply, hold property, develop, to express oneself, etc. in the ways of personal choices for free action, always without encroachment or coercive effect upon others endowed with the same rights. Anyone reared in the philosophy of the soul, the unique human personality, perceives this foundational level instantly.

For fulfillment no person can live alone and isolated. This is what Aristotle meant by saying that every man is a political animal. When personal rights to mobilize, associate and socialize are exercised, the sphere of civil rights is entered into. Civil rights in their accurate Latin sense—civilis—the rights of a citizen of a state entity, and not in any narrow sense, form the second generic category of human rights. On this higher and broader plane of collective expression, civil rights of group assembly, workship, work, oral and written speech, opportunity for development, representation and the like come into more aggregative play on a quantitative scale. It is into this category where most of the political, social, economic and other expressions of rights fall into, though derived from and anchored in the more fundamental personal rights. Vance, U.N. exponents, so-called minority groups and others tend to stress this category in human rights discussion.

Finally, and still more extensive, is the highest category of human rights, namely, national rights. Also derived from the preceding categories, these rights are expressive of a moral organism called a nation, a still greater aggregate, with all its attributes of geographical territory, history, language, religion and so on. With the same objective rules of noncoercion and encroachment, these rights are crystallized rights to existence, development and growth, the balanced and responsible exercise of which safeguards the expression of personal and civil rights and also contributes to international order, law, peace and an expanding community of free and responsible nations in whatever form of chosen state.

Strangely enough, and especially for our own country which originated and has developed beyond man's dreams on the principles of national independence, self-determination and liberty, this last category isn't even mentioned as an integral part of human rights. We went through the rituals of a Bicentennial, but its prime significance seems to have escaped us. This defect in our understanding of the generic scale of human rights goes a long way in explaining the present confusion and our muddled and even absent treatment of a whole array of particular issues. Let's just consider a number of dominant examples of this.

One example is the prevalent attitude toward the Baskets of the Helsinki Accords, which will be handled for compliance at the Belgrade Conference. In terms of our generic scale of human rights, there is an almost exclusive emphasis on Basket Three, which deals with personal and civil rights. Basket One, which deals with national rights, the third level of human rights, is scarcely mentioned by our leaders. And yet for the captive nations, not to speak of the prime character of our own American tradition, this is the most important form of human rights. Having lost this form, they have lost also much of their civil and personal rights. If we maintain this topsied attitude in Belgrade and elsewhere, the totalitarian Red representatives will have a Roman holiday with us in dialectical play.

Another example, rife in our media as well as in officialdom, is the indiscriminate lumping of all dissidents as one. Here, too, the generic scale of human rights enables us to view this situation with objective clarity by virtue of its conformity with the historically-founded captive nations analysis. This example in itself clearly illustrates the need for reconciling our two prerequisites, which in content means here the captive nations framework and an adequate human rights concept. Factually, dissidents in the USSR differ in the emphasis they place on human rights, regardless of degrees of overlap and cooperation. One prominent group, the Jewish dissidents, seeks chiefly the exercise of personal rights to mobilize and emigrate. Russian dissidents, however, express on the whole their civil rights to assemble, to criticize without fear of imprisonment, to be democratically represented; in short, to become free citizens of Russia proper and presumably respectful of the national rights of others.

The third, large group of dissidents consists of non-Russians, such as Lithuanians, Ukrainians, Georgians and others, for whom national rights to preserve their respective cultures and languages, to govern and determine for themselves, and in some instances to secede from the so-called Union are uppermost. Imperialist rule by Moscow, colonialism and Russification under the guise of migration and economic relocation measure the deprivation of these human rights in the non-Russian republics. In Ukraine, for instance, the heroic protests of Vyacheslav M. Chorovil, a journalist, Valentyn Moroz, a historian, Yuriy R. Shukhevych and hundreds of others are marked by national rights advocacy, identical in substance with the past nationalist campaigns against Western forms of imperialism and empire.

Clearly, the conceptual formula employed here can be flexibly and accurately used in all captive nations situations and for all examples, extending from the Danube to the Pacific and into the Caribbean. Thus Polish or Slovak dissidents may tactically strive for civil rights, though in the background national rights directed at the surcease of Soviet Russian domination are of equal importance. Croatian and Slovenian dissidents would be in the same position, except that their national rights expressions would be directed against communist Belgrade centralism. In Cuba a human rights campaign would be carried on both the civil and national levels in view of the entrenched Soviet Russian power on the island. Red Chinese dissidence would be largely personal and civil, but Tibetan and Mongolian would also be national. In non-communist areas of the world, i.e. outside the world of the captive nations, the major thrust is on the personal and civil rights levels, though in an Angola it would also be national.

Applying the same formula to specific actions, outstanding violations of human rights, or to moves for legal and contractual accountability, the need for our two prerequisites becomes even more evident and pressing. Taking, for example, the most immediate action of evaluation of the Helsinki Accords in Belgrade, it should be clear from what has been described above that the types of dissidence in the USSR, with admitted degrees of cross-reference as to advocacy, obviously relate to both Baskets One and Three of the Accords, dealing respectively with national rights and civil/personal rights in the structure of human rights. To emphasize exclusively the one and to neglect the other would reflect unfavorably on our human rights stand.

H. CON. RES. 165

Concerning outstanding violations of human rights, there is now pending in the Congress a measure that deals with a unique and unparalleled case of religious genocide. House Concurrent Resolution 165, sponsored by Representative Daniel J. Flood and several of his colleagues, seeks the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine. These national Churches of Ukraine were genocided by Stalin. The Ukrainian Autocephalous Orthodox Church was liquidated in the 30's, and its properties were absorbed in a wave of Russification by the Russian Orthodox Church. The Ukrainian Catholic Church suffered the same genocidal fate in 1945.[9] There is on contemporary record no such combined case of religious genocide anywhere and relevant to all three generic categories of human rights. Yet, one may ask, why all the silence with respect to this case?

A distinguished writer on religious subjects recently wrote, "The Flood Bill asks the Soviet Union to permit the two churches to have legal existence in accord with the provisions of the Soviet constitution, the United Nations Charter and Declaration of Human Rights and the Helsinki Accords. Such a measure in the American Congress is unusual . . ." [10] The writer is really the first to focus popular attention on this case. Where are our religious councils, all sorts of human rights advocates, indeed, the World Council of Churches and the Vatican itself? Unless our Government and these bodies show some courage in raising their voices on this outstanding case of religious genocide, which affects the largest non-Russian nation in Eastern Europe, the crusade for human rights will be of hollow value. Individuals are one thing, the soul of a nation of 50 million is quite another matter. Brezhnev recently pledged no return to Stalin-era repressions. Let's test him on this case of Stalinist religious genocide.

To repeat, if the two prerequisites on structural understanding and the generic scale of human rights are not met, this Administration's crusade is doomed to failure. If they are met with objectivity and knowledgeability, a successful and winning for-

Footnotes at end of article.

eign policy can be forged. Again, human rights are old hat for captive nations analysis.

FOOTNOTES

1. *The Bicentennial Salute to the Captive Nations*, USGPO, Washington, D.C., 1977.
2. See the comprehensive *Case Studies On Human Rights and Fundamental Freedoms, A World Survey*, The Foundation for the Study of Plural Societies, The Hague, Netherlands, V. 1–5.
3. See L. E. Dobriansky, *U.S.A. and the Soviet Myth*, Chapter 2. Old Greenwich, Connecticut, 1971.
4. J. A. Doerig, Ed. *Marx vs. Russia*. New York, 1962.
5. David S. Broder. *The Washington Post*, November 6, 1976.
6. R. W. Apple, Jr. 'The Election Outcome," *The New York Times*, November 10, 1976.
7. Jack W. Germond. *The Washington Star*, October 21, 1976.
8. "Human Rights and Foreign Policy," *Congressional Record*, May 2, 1977, p. 13201.
9. For background, see "Imperialism, Religious Persecution and Genocide," *The Ukrainian Quarterly*, Autumn, 1976.
10. William F. Willoughby. "Congress Bill Asks Soviets to 'Resurrect' Two Churches," *The Washington Star*, May 28, 1977.

"OSHA REACHES OUT TO SMALL BUSINESSES"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. LE FANTE) is recognized for 10 minutes.

Mr. LE FANTE. Mr. Speaker, as an indication of the new administration's efforts to assist small businesses in providing safe and healthful working conditions for their employees, I urge my colleagues to read the article "OSHA Reaches Out to Small Businesses" which appeared in the May 1977 issue of Job Safety and Health. I applaud the attempts on the part of the new administration to provide an atmosphere of trust and understanding between independent business operators and the regulatory agencies of the Federal Government. I feel it is time for the Department of Labor's Occupational Safety and Health Administration and small business operators to bury the hatchet and embark on a mutual endeavor to assure that working men and women in the Nation's small businesses are provided the highest quality protection for injury and illness.

Mr. Speaker, I include the aforementioned article in the RECORD:

OSHA REACHES OUT TO SMALL BUSINESS

(By James Weidman)

Worker safety and health is not the preserve solely of big business and unions. Small business owners employ fully 30 percent of the American workforce, and their responsibility under OSHACT is not one whit less than that of the large conglomerates' boards of directors.

In the Occupational Safety and Health Act of 1970, Congress announced its intent "to assure so far as possible every working man and woman in the Nation safe and healthful working conditions. . . ." Theortically then, people working for a "Mom and Pop" outfit are entitled to the same jobsite protection expected of a multi-billion-dollar conglomerate. In reality, however, protecting employees is often problematic both for the small business operators, charged with providing safe workplaces, and for OSHA, charged with assuring such protection is provided. In an attempt to meet this challenge to the small business workers' wellbeing, OSHA has launched the Small Business Assistance Program (SBAP), a pilot program which seeks to establish a cooperative attitude and effort between small businesses and the occupational safety and health agencies that regulate them.

THE PROBLEM WITH SMALL BUSINESSES

Impetus for the Small Business Assistance Program came largely from a July 1976 study conducted by OSHA's policy analysis and integration staff. That report, "OSHA's Impact on Small Business," pinpointed the major problems small businesses have with OSHACT and OSHA. A crucial problem identified by the report is one of attitude—the way OSHA is perceived by small business. "Small business employers have clearly indicated that they perceive the recent surge of new regulatory responsibilities with which they are required to cope as detrimental to their primary business responsibilities," the report states. "Their time is limited and therefore must be devoted to producing their product or delivering their service." According to the analysis staff, "The objections of small businesses can be reduced to these key points:

They have difficulty determining specifically what they must do to comply;

They lack the safety or health engineering expertise to abate violations once detected;

They may, in many cases, lack the financial resources to comply within a short period of time.

In many instances," the report continues, "this has resulted in an 'avoidance' philosophy on the part of small business employers. They want to avoid being fined and cited and are therefore mainly interested in what standards are being enforced rather than what is unsafe or unhealthful in the workplace."

The report concludes that, on a purely practical level, "[i]n the OSHA context the firms most needing assistance are those which are not large enough to be able to afford any 'overhead' personnel, let alone a safety or health officer, even on a part-time basis. These firms typically depend on the owner/manager to be familiar with and to enforce safety and health requirements and regulations. It is this owner/manager whom OSHA most needs to reach with its information and education programs."

OSHA's problem in dealing with small businesses is complex. Like the small businesses that must comply with OSHA standards, OSHA itself suffers from limited resources. Of the more than 5 million business establishments regulated by the federal and state OSHA programs, 90 percent fall in the small business category. With only about 2600 state and federal compliance officers in the field, the task of effectively covering all small business workplaces is enormous. In viewing this situation, Bill Stock, a principal architect and field liaison officer for the SBAP, flatly states "The OSHA program will go nowhere unless it is backed by efforts for voluntary compliance by employers. If they correct the problems voluntarily, then our job is done." The Small Business Assistance Program is one attempt by OSHA to encourage voluntary compliance by small business operators and to assist them with their compliance efforts.

SBAP TAKES SHAPE

"The pilot program is designed to explore the feasibility and potential effectiveness of establishing working relationships with small business through their trade, service, and other business organizations and affiliations." So states the SBAP policy paper. The program's ultimate objective: to determine how such a program can effectively integrate public and private efforts in a reasonable, sensible program to protect workers employed in small businesses. Its largest audience; the small business operator who want to provide a safer and more healthful place of employment.

Those most responsible for reaching this audience and listening to what the audience says are five federal safety and health officers in OSHA's Region V (where the pilot program is being conducted) who are to function as "contact points." between OSHA and the small business operators.

The key personnel in the program, these five SBAP coordinators will be dealing directly with small business operators, their trade associations, and any other groups or individuals with a vested interest in the program. The performance of these five people—two in Ohio, two in Illinois, and one in Wisconsin—will make or break the pilot program. "The guys on the firing line," they are called by John Seline of OSHA's policy analysis and integration staff. Essentially, their job is to discover what questions small business has about job safety and health and then to direct those with questions to the people who have the answers.

"This is not a purely consultative program," says Jim Wenzel, one of the Ohio SBAP coordinators. "Our job is mostly to provide direction and guidance." While SBAP officers may be able to handle some questions over the phone—identifying where to find appropriate standards, interpreting standards, etc.—they will not be able to conduct onsite consultations. Often their job will be to direct the employer to available consultation services or sources which can provide information on and assistance with specific problems. Their job, then, is much like that of a referral service, requiring them to be aware of the myriad of safety and health materials and services offered by organizations such as safety councils, unions, trade associations, service organizations, insurance companies, colleges, state agencies, and federal agencies such as NIOSH, OSHA, and the Small Business Administration. Another aspect of the job will be to encourage and assist the creation of new safety and health activities or the expansion of preexisting efforts among such organizations. All in all, the task is immense.

Key words of the Small Business Assistance Program are "contact" and "communication." Bill Stock describes it as "a feeler program. We want to find the small businessman, the little guy, and say, 'We want to help you.' They are the ones who can best identify where there are problems."

NOTHING NEW

The idea behind the Small Business Assistance Program—to prcvide personal contact between OSHA and independent business owners and their associations—is nothing new to OSHA. Regional and area office staff members have done this sort of thing for years. The SBAP is simply an effort to "formalize" this sort of activity, coordinate it, and, following a trial period, evaluate it objectively.

To help identify some of the basic problems which the SBAP will have to address, a meeting was held in Rosemont, Illinois on January 24, 25, and 26. At that meeting were representatives of small business, labor, insurance carriers, associations, the Small Business Administration, and state and private job safety and health consultants. All were invited to submit suggestions and comments on what specific activities OSHA could conduct that would be of immediate and substantial aid to the small operator. The open exchange of ideas and candid discussion of problems which occurred in these sessions typify the cooperative atmosphere OSHA hopes to build through the pilot program.

One participant in the meeting was Robert Hawley, owner/president of American Lifting Systems, Inc., and a member of the In-

dependent Business Association of Wisconsin. In many ways he typifies the small business operator who must be manager, sales representative, bookkeeper, and accountant all in one. "I couldn't really afford the time to go to the meeting," Hawley says, "but I went because no one had ever asked my opinion before. I felt that, if the government cared enough to ask my opinion, then it was my duty and in my interest to respond." Hawley's opinion of OSHACT, with a few reservations, is that "the idea behind the Act is good. Let's face it: Many people needed that kind of nudge to get them to do something about the hazards in their workplace."

At the Rosemont meeting, Hawley relates, "I found the people from OSHA and SBA to be far more reasonable than I expected. I was impressed by their sincerity and by their grasp of the small businessman's problems." One concrete result of the meeting is that Hawley has volunteered to act as a go-between for anyone who cares to ask a question of the Milwaukee area office but who prefers to remain anonymous.

A major problem the Small Business Assistance Program will have to overcome, according to Hawley, is that "The average small businessman is often unaware of whether something constitutes a hazard—especially when new technology has been introduced into the shop or when there has been a rapid expansion in the operation (for instance, where he has gone from 15 to 60 employees in a period of months)." The problems occasioned by such changes demand expert counseling and reliable information. Under the SBAP, the small business operators have someone to go to (in the person of one of the five designated compliance officers) to find out where they can get such services.

But, if independent operators are to take advantage of the SBAP, they must first be made aware of its existence, and that is something not easily accomplished. One way to reach small business owners is through newsletters published by their trade associations. Most small business owners, however, are not association members. Hawley's organization, for instance, though growing rapidly, has only 400 members out of about 12,000 businesses in the state. "The 'independent businessman' is pretty independent," Hawley notes. "He is not a joiner, and reaching all of these people is a major problem I'm not sure we can meet." The program's biggest challenge, according to Hawley, is to "Get the word out that OSHA isn't trying to put you out of business."

Echoing this sentiment is Dudley Robinson, director of government affairs for the Printing Industry of Illinois. Robinson, who also attended the Rosemont conference, puts the situation bluntly, "OSHA's got a hell of an image." One reason for this, he claims, is that OSHA has done next to nothing for the small operators. Robinson dismisses as "a gesture" the exemption for employers of 10 or fewer workers from OSHA recordkeeping requirements. "It's baloney," he argues. "It only saves maybe 5 or 10 minutes out of the year for most small employers."

Robinson's main gripe with OSHA is the way the standards are written. "I would guess," he says, "that only one out of 100 small businessmen have read past the first few pages of the OSHA regulations." This, he claims, is because so many of the regulations are inapplicable to the operator's own industry that the small business owner despairs of ever finding and understanding the pertinent standards. Ideally, what Robinson would like to see is a complete rewrite of OSHA standards on an industry-specific basis—the so-called "vertical" standards.

Bill Stock cautions, however, that the SBAP is not designed to change the law or OSHA regulations. He points out that, if an industry wishes to have a set of vertical standards of its own, it can develop the regulations internally with assistance from OSHA and other sources. Under those circumstances, the SBAP could be of assistance, rounding up experts and information resources from both within and outside of OSHA which can offer technical guidance to an association interested in developing vertical standards for its industry.

OSHA has done something like this in the past with the National Restaurant Association. With OSHA assistance, the N.R.A. developed a safety and health checklist dealing with all of the violative conditions commonly found in food service establishments. The checklist also contains a basic primer on OSHA and rights and responsibilities under the Act.

Vertical standards already exist for many other industries. NIOSH has published several industry-specific guidelines which are readily available. And often, industry associations have developed such materials entirely on their own. Stock tells of discussing the SBAP with officials of the National Home Improvement Council at their New York City headquarters. Enthused at the prospect of developing a safety and health handbook for its own members, the New York representatives planned to bring up the matter at the association's national convention in San Francisco several weeks later. Upon arriving at the convention, however, they discovered that the California chapter of the organization had already developed such a handbook, including vertical standards using California State OSHA regulations. Stock finds nothing surprising in that development. "Everywhere you look," he says, "the wheel has already been built. All we need to do is to adjust a few spokes."

In Robinson's organization, the skeleton of the wheel is already there; they have been involved with safety and health matters in the past. "When specific problems come up, we deal with them," Robinson says. "Often there are problems most of our members aren't aware of, which OSHA cites during inspections. For instance, a lot of our people were being cited for not using proper tags for the lock-out of machinery. We alerted our members to this in our weekly newsletter. And sometimes one of our members will come up with a solution to a special problem. For dealing with one problem, we developed a training film, a manual, and a system for reporting annually on the problem to the association office. We got the idea for that program from a member's program and then applied it to our whole, strongly homogeneous group."

These same capabilities could be brought to bear in developing a set of voluntary vertical standards for Robinson's organization. Stock reports that the group has offered to put up $25,000 toward such an effort. In such an operation, OSHA's SBAP designate would function as a contact point, directing the printers' representatives to experts within OSHA and other concerned organizations such as the National Safety Council's branch on the printing industry. The whole idea of the program is to create, establish, and coordinate meaningful communication between interested parties so that preexisting resources and expertise can be used to the fullest possible extent.

Robinson has talked about the SBAP with people in his own organization and with other association managers. The response? "I don't think enthusiasm is the right word," he says, "but they do feel that this kind of thing [the SBAP] is going in the right direction, and if it can get going, I'm sure I can get 100 percent support for it from within my organization. The state's whip-cracking approach has gone on for years, and it hasn't worked. We need a cooperative effort rather than a policeman's effort."

The key to a successful Small Business Assistance Program, in Robinson's eyes, lies in fostering "an attitude among small businessmen similar to that found in some of the larger corporations: that safety is a natural part of doing business."

ON THE FIRING LINE

In Wisconsin, the compliance officer "on the firing line" is Lloyd Johnson. He finds it generally more difficult to convince independent operators of the need for a workplace safety program than convincing large conglomerates who can more readily afford to devote time and staff to safety concerns. Echoing Bob Hawley's sentiment, he notes, "The independent businessman is just that—independent. Oftentimes, he has scratched his way up from nothing to running a profitable business, and he resents any bureaucrat coming in and telling him how he should be running his operation."

Recently Johnson helped a small business owner set up a safety committee for a 16-worker shop. How did he do it? "I had to sell him on the economic and psychological benefits of having a safety committee," says Johnson. "I pointed out that, if he got the workers involved, they would be more aware of and interested in safety and safe work practices. You can't sell safety to a small businessman from a strictly humanitarian point of reference. You have to present it as a matter of cold, hard dollars and cents."

Bill Stock heartily endorses this approach. A former small businessman himself [He has owned and operated an independent contracting firm, an insurance business, and a piano and organ business.], Stock agrees, "You've got to talk profit and loss. You have to show the businessman that reasonable safety is a sound management principle of loss control which will result in increased productivity. Safety and health is part of a well-managed shop, an element of effective supervision which leads to a more efficient and profitable operation."

THE BARRIER OF FEAR

Getting this simple message across is made difficult by the small business owners' latent distrust of OSHA, their fear that any dealings with OSHA personnel will trigger an inspection of their workplace. "People are gun-shy," says Lloyd Johnson. "We get a lot of flak from people who have heard OSHA horror stories on the golf course or in the gin mills or wherever, and they are fearful that any contact with us will bring a black cloud over their heads." However, Johnson notes, "When people are actually inspected or have some other contact with compliance personnel, they change their tune about OSHA." Helping to change that tune is one aspect of his job in the SBAP. "We are trying to establish a pyramid of communication. By contacting trade associations and service organizations, we can change the small businessman's perception of OSHA and encourage him to do something about safety and health." To allay the independent operator's fear that calling for assistance may actually trigger an inspection, those involved with the SBAP stress that all calls will be kept strictly confidential, and that any caller may remain anonymous if he or she so desires. "Our [SBAP] operation will be kept 100 percent segregated from OSHA inspection activities," promises Ohio's George Kunz.

As one of the SBAP designates, Kunz also sees personal contact as the means to break through the small operators' fear of OSHA. "I want to encourage them to use our area office for reference purposes, drawing on our library resources and on the knowledge of our personnel," he says.

Just how successful the Small Business Assistance Program will be remains to be seen. Certainly before some of the grander possibilities may be realized, much work needs to be done in the basic area of informing independent business owners of the services readily available to them. In speak-

ing before 280 people at a meeting of the Milwaukee Kiwanis in March, Lloyd Johnson polled the audience and found that only six people were aware of the state's consultation service. Other compliance officers involved in the SBAP believe that situation to be fairly representative of the general level of awareness about safety and health resources. Unless this situation can be changed, the vision of widespread voluntary compliance among small business which is conjured by SBAP proponents may remain little more than pie-in-the-sky.

Still, hope for the success of the SBAP runs high. Jim Wenzel says, "I think we've got a bright future. Small industry wants a program like this, and somebody's got to help them." John Seline notes, "If we just use a little ingenuity in provoking the presently existing associations and organizations into doing a little more for their members in the area of safety and health, then we've made great strides." Not so restrained in his expectations for the program is Lloyd Johnson. "It's the kind of thing I've been trying to do on my own for several years," says the man from Wisconsin. Speaking as a full-fledged Milwaukeean, Johnson opines, "The Small Business Assistance Program could be the greatest thing since bottled beer."

SBA AND THE SBAP

In conjunction with the Small Business Assistance Program, OSHA's Region V office and the SBA's regional office drew up the following memorandum of understanding. It was signed in Chicago on March 2 by OSHA Regional Administrator Barry White and Harold L. Aronsen, Regional Director of the Small Business Administration.

General purpose

The purpose of this agreement between parties is to: Increase the awareness of small businesses of technical assistance programs available to them under the OSHA program; ensure a fair, impartial and sympathetic review of safety and health matters affecting small businesses; and educate small businesses regarding the importance of providing for worker safety and health.

Specific objectives

1. OSHA will establish in each state in Region V a Small Business Assistance Program Representative.

2. OSHA recognizes the role of SBA in acting as an intermediary in presenting to OSHA the problems of small business employers.

3. OSHA and SBA will plan and execute on a pilot basis within Region V a series of seminars, clincs, or workshops to:

a. Disseminate informational publications about matters of health and safety.

b. Inform, through open discussion, business persons regarding use of technical data as it pertains to OSHA compliance.

c. Involve all agencies and groups which can aid small business employers in understanding OSHA regulations and complying with them; groups such as:

1. Chambers of Commerce
2. Trade Organizations
3. Public Information Groups
4. Insurance Groups
5. State OSHA Agencies
6. TU Specialists of SBA
7. SCORE
8. Bankers.

4. OSHA and SBA will publicize broadly and immediately the above objectives.

5. SBA and OSHA will meet no less than every 60 days to reveiw objectives, ascertain effectiveness of effort, and determine future effort

PRODUCT LIABILITY: THE INSURANCE QUESTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 15 minutes.

Mr. LAFALCE. Mr. Speaker, for the past few months, the Subcommittee on Capital, Investment, and Business Opportunities of the House Small Business Committee has been investigating the perceived "crisis" in the availability of essential product liability insurance at reasonable rates. As chairman of the subcommittee, I have sought to focus our attention on the root causes of the product liability problem rather than on the pros and cons of various short term, stopgap palliatives that might ameliorate the problem for some manufacturers over an interim period, but possibly thereby hinder thoughtful cosideration of the larger issues that must be weighed.

Discussion of the product liability problem is necessarily complex since it involves issues such as insurance company ratemaking procedures, intricacies of the tort system, and the impact of higher insurance rates on the pricing policies and new product development efforts of a wide array of manufacturers. Numerous trade associations have testified before our subcommittee and elsewhere in the Congress that drastically increasing product liability rates are causing some profound dislocations for their industries. Some companies are electing to go "bare" rather than pay the increase in premiums, leaving themselves open to collapse at the first large settlement in favor of a plaintiff.

There is much disagreement as to the pervasiveness or seriousness of the product liability insurance problem. The insurance industry adamantly maintains that there is no crisis per se, and that only in a very few cases do product liability insurance premiums exceed 2 percent of any insured's gross annual sales. Manufacturers retort that the rate situation is severe right now for a number of industries and that the rate increase problem shows no sign of abatement.

The product liability debate is critically hampered by a lack of hard data in terms of actual increases in rates, actual increases in settlements which form the basis for increased rates, and the impact of rate increases on product costs. The insurance industry itself is the only reliable repository of specific information along these lines—excluding the product pricing issue—but there are additional complications due to the fact that insurance companies have not always kept separate product liability insurance data, pooling this data instead with data on other property casualty lines of insurance.

I believe that before the Congress or any other legislative body at the State level should consider alterations to our tort system that would effectively make it more difficult for injured parties to recover damages, that we should have in our possession more specific information about the range of rate increases that the Nation's manufacturers have been forced to bear. We should also know the specific factors contributing to the rate increases. To derive this information, we must go to the source—the private insurance companies—because the information is not available from any other sources.

The Insurance Services Office is a nonprofit, unincorporated association of insurance companies that serves as the primary source of ratemaking information for companies that underwrite product liability insurance. ISO provides specific suggested rates for a number of different types of product liability policies, and yet, according to the representative of the Insurance Services Office who appeared at the subcommittee's June 6 hearing, ISO has no way of knowing to what extent the suggested ISO rates are adhered to by the actual providers of the insurance coverage. In short, we have no way of knowing trends in rate increases, and no method of determining whether the rates being charged today are reasonable or excessive.

The witness at the same hearing representing McKinsey & Co., Inc., a consulting firm which produced the insurance study for the Federal Interagency Task Force on Product Liability Insurance, allowed that:

We are dealing with something where nobody can know for sure whether the prices are too high or too low. I would just have to believe that in some individual rates, a lot of them perhaps have been the result of panic reactions (on the part of insurance companies providing the coverage).

In order to properly address the insurance problem, to determine to what extent the problem is attributable to insurance company rating and reserving practices, I formulated an extensive list of questions provided to some of the largest underwriters of product liability insurance in the country for them to address in prepared statements to be presented at an upcoming hearing of the subcommittee. I am also sending the questions to the remaining companies that together comprise the 15 largest underwriters of product liability insurance in the country. I would like at this point to have the survey questions printed in the RECORD:

LIST OF QUESTIONS FOR WITNESSES

(1) Provide the name(s) of the witness(es) appearing on behalf of your company, the background and position of each, and the individual's experience and knowledge of the company's underwriting of product liability insurance.

(2) By your estimates and information obtained from Best's, the Insurance Services Office (hereafter ISO), and other sources, how does your company rank within the industry as a whole as a provider of product liability insurance? What percentage of all product liability insurance of all types is written by your company?

(3) In which states are you presently admitted for product liability insurance? Has the company withdrawn from any states within the last seven years, and if so, please identify the state and the year withdrawn.

(4) What is the total number of policies of all types of product liability insurance written by your company and the total dollar volume of these policies for each of the last seven years? Please indicate the number of policies and the total dollar volume of primary policies and excess or umbrella policies, and please further indicate the total number of policies and dollar volume for each of the following classifications (1) monoline product liability insurance; (2) (a) rated product liability insurance; (3) comprehensive general liability insurance; (4) commercial multi-peril insurance; and (5) other types of policies with product liability cover-

age not included in items 1 through 4. In those policies that include coverage for items other than product liability, please indicate the percentage attributable to product liability.

(5) What has been the company's profit or loss rate for all forms of product liability insurance for each of the last seven years? Please supply this information for primary and excess policies and by the types of policies identified in sections 1 through 5 of question No. 4. In responding to this question, define the process of determining profits and/or losses and define what is included in the terms "profits" and "losses" as used in this analysis. Also, please list the company's total assets and net worth for each of the years.

(6) If the company is a subsidiary, parent or holding company of or affiliated with any other company providing product liability insurance in any form, identify that company or those companies and provide the information requested in questions No. 4 and No. 5 for each.

(7) What is the company's basic unit of exposure which forms the basis of your rate structure?

(8) Please list by year for the last seven years the number of product liability exposure units your company has maintained. If there has been any significant increase or decrease in the company's product liability exposure units in a given year, please describe the underlying causes.

(9) How much of your product liability coverage, by numbers of policies and premium dollar amounts, is written on a prospective or guaranteed basis, and how much is written on a retrospective basis? Please distinguish by line of insurance and identify if such is a part of a primary or excess policy.

(10) To what extent does your company utilize rates established by the Insurance Services Office? If you use them as a base, what adjustments do you make to them? If you do not utilize ISO rates, describe in detail your own rating mechanism and the source for the actuarial data that you use.

(11) The subjectivity of the rating process is perhaps one of the most controversial elements of the product liability discussion. In their report for the Interagency Task Force on Product Liability, McKinsey & Company states: "Both the selection of risks and the determination of premiums for product liability coverages are highly judgmental . . . Although the pricing process often begins with statistically derived 'basic limits' rates, the insurer usually determines the final rate by applying one or more judgmental modifications." To what extent do you rely fully on data, and to what extent are your underwriters utilizing their best subjective judgment?

(12) Do you apply the ISO trend factor? If not, how is your trend factor calculated and what is it? Is the trend factor that you use confined to an inflation factor, or does it include other factors such as increased settlement payments? What trend factor have you used for each of the last seven years, and what are your best estimates as to growth of the trend factor over the next five years?

(13) How do you obtain loss settlement information, and how is it aggregated by product line of insurance coverage?

(14) Please construct a table listing for each of the last seven years the number of product liability claims you have paid in each of the following amount categories:

Percentage of total number of paid claims in that policy year.

(1) Above $1 million.
(2) $500,000—$1 million.
(3) $100,000—$500,000.
(4) $50,000—$100,000.
(5) $10,000—$50,000.
(6) Under $10,000.

(15) Please supply information listing, by year, the number of product liability lawsuits initiated, the number of such suits won by the plaintiff, the number of out-of-court settlements and the amounts of the settlements, and the number of suits rendered for the defendant.

(16) What is the company's loss development factor and how is it calculated?

(17) Are increased premiums directly proportional to greater frequency and higher amounts of claims? Please describe the relationship.

(18) Over the last seven years, what has been the average annual increase per unit of exposure in product liability insurance rates?

(19) Are there any products for which your company does not provide product liability insurance?

(20) To what extent is the size of the insured company a factor in the rating process and the company's willingness to insure?

(21) For each of the years from 1970 to the present, how many policies were canceled by the company due to factors relating to the product liability exposures in the policies?

(22) What ratio of total risk exposure to paid-in surplus or stockholders' equity does the company strive for? What has the ratio for each of the last five years been?

(23) What percentage of product liability policies written within the last two years contain deductibles? What has been the average size of the deductibles employed?

(24) How do investment decisions guide or determine assumptions of risks? Does the company, for example, seek to create the highest cash flow (used for investment purposes) commensurate with the least amount of risk?

(25) Please supply pie graphs similar to that found on page 2-4 of the McKinsey study giving the estimated allocation of your typical product liability premium dollar for the years 1974, 1975, and 1976. Anticipated losses should be noted apart from the graph. Also, please note the breakdown of paid claims, reserves for known claims, and reserves for claims incurred but not reported.

(26) Does the company allocate higher percentages of overhead costs (including fixed costs, commissions, investment activity, etc.) to particular lines of insurance, or are the overhead costs assessed against lines of insurance according to the percentage of total premium intake the particular lines represent?

(27) Many companies have been reporting combined ratios (loss ratios plus underwriting expense ratios) for miscellaneous liability insurance in excess of 110 percent for the past seven years. Some have estimated that this might typically be broken down to 33 percent for overhead costs (including commissions), 33 percent for claims paid, and 44 percent for reserves for known claims and IBNR's. Given the size of trend factors, reserves must account for more than half of the loss ratio. Are these estimates consistent with your company's own experience? Please amplify.

(28) Please describe the company's reserving practices in detail, and address the following specific questions:

(1) What has been the dollar amount for the following categories of reserves for each of the last seven years: (a) reserves for known product liability claims; (b) reserves for product liability claims incurred but not reported (IBNR's)?

(2) List the investment income or loss on reserves for a) known claims and b) IBNR's for the last seven years. What are the expense categories assessed against investment income to arrive at the above figures and the amounts of each category?

(3) What is the disposition of these reserves over a number of years? That is, how are reserves phased out for old risks and replenished for new risks? How are reserves carried forward from one year to the next?

(4) How and when are funds that are allocated to reserves later transferred, and to what accounts are they transferred?

(5) How and when are underwriting profits or losses readjusted to reflect changes in amounts of claims paid from reserves for known claims and IBNR's?

(29) Would your company object to reporting product liability insurance as a separate line item on its annual statements submitted to State insurance departments as was done with medical malpractice data? If so, explain the reasons in detail.

(30) Please supply copies of the company's magazine and newspaper advertising for product liability insurance used over the course of the last three years.

(31) Please supply any statements or speeches by corporate officials given on the subject of product liability insurance used by your company within the last three years. Also, submit any published annual reports to shareholders or policyholders.

If there are any questions which the company is unable to respond to for any reason, please give a full explanation of the reasons why the information is unavailable and provide as much information that may partially respond to the question as possible.

The responses to the survey will give the subcommittee and the Congress a much clearer view of what information is available, how companies are basing their rates, and whether panic pricing rather than responsible underwriting is characterizing the market for product liability insurance today. If analysis of the data should indicate that rates are being set equitably and are in direct response to increasing awards and larger amounts of settlements, then it will be time for the Congress to seriously and expeditiously consider what reforms could be made that would have the least effect in depriving injured parties of their right to fair recovery while yielding the greatest result in reducing insurance rates for vital manufacturing industries. However, should the data collected reveal that rates are excessive, the Congress should consider methods of making the industry more accountable for its rates.

PERSONAL STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I was unavoidably absent on rollcall No. 333, on June 13, 1977, a vote on a motion by the gentleman from West Virginia (Mr. SLACK), that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of H.R. 7556, the Departments of State, Justice, and Commerce, the judiciary and related agencies appropriations bill, fiscal year 1978.

The motion was passed by a vote of 354 to 2, 77 not voting. Had I been present, I would have voted for the motion.

ON EQUAL RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, Members of

Congress are beginning to receive correspondence as a result of the referendum held in Dade County on a local ordinance which had been enacted to prohibit discrimination in housing, employment, and public accommodations based on affectional preferences. Regrettably, that legislation was repealed in the referendum. And one of the reasons for the repeal was the scare tactics used by the opposition, insisting that that legislation required employers to engage in affirmative action which would result in the compulsory hiring of homosexuals in order to make up for the prior years of discrimination. That same allegation is being made against H.R. 2998, and while the bill would in fact not do that, in order to make certain that this false charge is not introduced as an argument in opposition. H.R. 2998 is being amended with specific language which would prohibit such affirmative action or quotas.

To eliminate the misconception that if H.R. 2998 is successful, employers would be required to engage in affirmative action which would result in the compulsory hiring of homosexuals to "make up" for prior years of discrimination, I am amending H.R. 2998 with specific language which would prohibit such affirmative action or quotas. The amended language reads as follows:

TO PREVENT MISINTERPRETATION

SEC. 12. No amendment made by this Act shall be construed to permit or require—

(1) the determination that discrimination exists to be based on any statistical differences in the incidence of persons of a particular affectional or sexual preference in the general population as opposed to in the activity wherein such discrimination is alleged; or

(2) the fashioning of any remedy requiring any sort of quota for the activity wherein such discrimination is alleged for persons of any particular affectional or sexual preference.

I have taken up the cause of human rights not only here in Congress but beginning with my entry into the U.S. Army when I fought in World War II against the Nazis and the Fascists who were repressing other people who they deemed to be inferior. And when I became a Member of Congress I undertook to fight against repression in the Soviet Union of Jews, Ukranians, and other dissenters and minorities who continue to suffer; as I have said on so many occasions, I see no difference between the repression existing in countries that are totalitarian on the left and those like Chile, that are totalitarian on the right. I oppose repression and seek to support the cause of human rights wherever I can in this country and abroad. If I fight for the rights of blacks, Hispanics, women, and other minorities that are oppressed in the United States, and fight for the rights of oppressed minorities in other countries, then surely I must also fight for the rights of men and women making up the estimated 10 percent of our population that are homosexual. They are sons and daughters of people we all know and it is simply wrong to turn our backs upon them and deprive them of equality before the law. As Prime Minister Trudeau of Canada said long ago, "the state has no business in the bedrooms of the nation."

FARMERS HOME ADMINISTRATION AMENDMENTS TO THE AGRICULTURE APPROPRIATIONS BILL, H.R. 7558

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AuCoin) is recognized for 15 minutes.

Mr. AuCOIN. Mr. Speaker, when the House considers the agriculture appropriations bill this week, I shall offer three amendments to strengthen the programs of the Farmers Home Administration, an agency that is woefully understaffed but is depended on by small communities and rural areas across the country for economic stability.

I want to recognize the Agriculture Appropriations Subcommittee for its record over the years in restoring funds to vital community development and rural housing programs that the previous administration sought to end. The subcommittee has done so again this year in restoring funds for rural development grants and mutual and self-help housing. Significant increases also have been provided for rural water and waste disposal programs.

But while the subcommittee and the full Appropriations Committee have done a fine job, I feel I would be remiss in my responsibilities as an advocate for rural housing programs on the Housing Subcommittee if I did not suggest that the Farmers Home Administration has additional needs that should be addressed.

The most critical of these needs is an increase in the FmHA's administrative funding level for full-time staff positions. Clay Cochran, chairman of Rural America, says:

I am more concerned about the potential destruction of the FmHA through poor management and inadequate administrative funds than any other thing.

I share that concern and am proposing increasing the FmHA administrative funding by just slightly less than 7 percent to allow the hiring of 500 more full-time employees during fiscal year 1978.

My other two amendments also speak to serious needs:

For establishing a research capability within the FmHA to pinpoint rural housing needs and to better target programs to meet those needs; and

For awarding grants to public and private nonprofit agencies and institutions that will assist the FmHA in counseling borrowers and supervising loans, providing added insurance against delinquencies.

Following is a more detailed explanation of what the amendments say, why they are needed and what they will allow:

ADMINISTRATIVE FUNDING

To add 500 new positions in FmHA. At line 15 on Page 25, strike "$182,600,000" and substitute "195,100,000." At line 19 on Page 44, strike "7440" and substitute "7940."

Nothing illustrates the FmHA's severe staff shortage more clearly than the statistic that as of January 1 of this year the agency had a backlog of unprocessed farmownership loan applications totaling 15,348, or about a 16-month backlog. There also was a backlog of 79,720 applications of individual home loans, the equivalent of an 8-month backlog. Five or 6-month delays are all too common in the FmHA loan processing.

The Farmers Home Administration enjoys a well-earned reputation as the Federal Government's major credit agency for agriculture and rural development. But that reputation today is in danger of being tarnished, if not completely destroyed, unless Congress acts to give the FmHA the full-time, qualified manpower it needs to do its job.

Through the years, loan counseling and credit supervision have been the hallmarks of the FmHA—enabling the agency to serve farm families and rural residents in a personal way.

Now, both the amount and the quality of such counseling and supervision are suffering because the agency is strangling because of insufficient manpower at the local level. Moreover, getting a loan is taking longer and longer. As the FmHA program expands and, out of necessity, becomes more sophisticated and complex, the outlook if no action is taken appears grim.

I have great confidence in Gordon Cavanaugh, the new Administrator of the FmHA, whose record shows he is sensitive to the housing needs of rural residents. In discussions with him, I am encouraged that he intends to move ahead with reorganization within FmHA to bolster the FmHA district offices so better service can be provided.

To accomplish that, however, will require manpower.

For example, the State of Pennsylvania has more rural households than any State in the Nation and has one of the highest rates of substandard housing. Yet the FmHA is only able to man offices in 27 of the State's 67 counties. The FmHA is meeting only a fraction of the need in Pennsylvania.

Mingo County in West Virginia has an FmHA office which is open 4 hours a month, manned by a supervisor who drives 80 miles from an adjoining county.

Nationwide, there are 1,000 rural counties without FmHA offices. Many more are served, like Mingo County, by part-time supervisors.

Equally disconcerting is that in counties that have supervisors, many times their manpower is insufficient to handle the workload. The situation has gotten so bad that State governments in New Jersey, Delaware, and Maryland furnish State employees to the FmHA to assist in processing loan applications. In at least 15 States, CETA employees are assigned to assist the FmHA. In my home State of Oregon, Polk County has loaned its CETA employees full time to the county's FmHA supervisor. In still other States, VISTA workers are called on to bail out overworked FmHA supervisors.

While such intergovernmental cooperation is commendable, it is shocking to think that an agency with $18 billion in outstanding loans and guarantees is jury-rigged together. If a president of

a large corporation tried to run a business like that, the stockholders would fire him without a second thought for being fiscally irresponsible.

And, that exactly is what the Federal Government is being by trying to Scotch tape together an FmHA staff in this fashion.

I appreciate the administration's desire to cut waste in the Federal Government and to discourage adding more staff to the bureaucracy. But this is a case in which the Federal Government has a large stake and a broad responsibility it cannot shirk. A well-intentioned directive can be transformed into an inflexible dictate that fails to recognize serious needs and serious consequences.

The Farmers Home Administration has grown from an agency primarily responsible for supervising credit for low-income farmers to a rural housing program that had a loan volume annually of $300 million in 1960. Now, the FmHA channels more than $7 billion into rural America through credit programs for farm families, for rural housing, for community facilities, for water and waste treatment, and for business and industry loans. That does not count the growing level of emergency loans handled by the FmHA. Most disaster loans are for 7 years and require the same supervision and servicing as other loans.

The following chart graphically depicts what is happening as the FmHA's outstanding loan and guarantee balance is exploding while its appropriation for manpower is lagging. The first column shows statistically what is happening to the FmHA's ability to counsel borrowers and supervise loans in a personal way.

COMPARISON: DOLLARS OUTSTANDING, DOLLARS LENT SALARY AND EXPENSE VERSUS MAN-YEARS PER MILLION DOLLARS LENT AND SERVICED

	Number [1]	Principal [2]	Fiscal year amount [3]	Salaries and expenses (millions)
1962	2.7	1.620	0.637	39.720
1963	2.2	2.038	.796	40.800
1964	2.0	2.353	.747	44.218
1965	1.9	2.753	.800	49.563
1966	1.7	3.221	1.088	57.826
1967	1.5	3.913	1.390	62.214
1968	1.4	4.778	1.359	67.861
1969	1.2	5.552	1.431	72.354
1970	1.1	6.525	1.639	86.159
1971	.95	7.896	2.414	103.422
1972	.83	9.622	2.789	113.888
1973	.65	11.206	3.749	121.766
1974	.49	12.977	3.591	128.724
1975	.39	15.836	5.466	142.828
1976	.36	18.456	5.144	158.692

[1] Number of man-years for loaning or servicing per million dollars.
[2] Principal outstanding, June 30 (billions).
[3] Fiscal year amount of loans and grants (billions).

In fiscal year 1971, the FmHA had 7,700 permanent full-time employees. By fiscal year 1976, the permanent full-time employment level had fallen to 6,798. The result was predictable. The delinquency rate for the FmHA rose to 20 percent and the backlog of unprocessed applications ballooned to 141,431.

The appropriations bill for the FmHA we are considering for fiscal year 1978 provides for 7,392 full-time employees, fewer full-time staff than the FmHA had in 1971. I believe that is unacceptable.

The Housing and Community Development Act of 1977 contains a title I had the pleasure of sponsoring which expands the FmHA's responsibilities so that rural residents have more equity in housing programs with their urban neighbors.

However, we cannot expect the FmHA, which already is grossly undermanned, to handle new responsibilities with less manpower. I have calculations suggesting that the FmHA needs another 2,000 full-time staff positions. Because of the difficulties attendant to recruiting quality people, training them and supervising them properly, my amendment would add only 500 slots this year.

I believe none of us want to retreat from our aggressive interest in meeting severe rural housing needs. So there is but one course open—and that is to give the FmHA the help it needs to do the job we in Congress have told it to do. My amendment is a responsible step in that direction.

RURAL RESEARCH

To add $1,000,000 for research. Following line 23 on Page 23, add: "Rural Housing Research: For grants and/or contracts pursuant to section 506(d) of the Housing Act of 1949, as amended (42 USC 1476(d)), $1,000,000."

The House last month passed the Housing and Community Development Act of 1977 (H.R. 6655) which directed the Secretary of the Agriculture to "establish a research capacity within the Farmer's Home Administration * * *."

I believe that was a long overdue directive by Congress. The Department of Housing and Urban Development has an annual research budget in excess of $60 million. The FmHA does not have a penny now, never has had and will not unless my amendment is passed.

Congress cannot in good conscience direct a Federal agency to do something in authorizing legislation, then withhold the money to accomplish it.

In keeping with the spirit of the gentleman from Mississippi I rejected attempts to raise the FmHA research authorization, which has never been funded,to $10 million, believing that new programs should start up slowly. I believe the sum of $1 million I have suggested is modest and in keeping with that spirit.

COUNSELING SERVICE

To add $5,000, for low-income counseling services. Following line 8 on page 24, add: "Supervisory Assistance for Low-Income Families: For grants and/or contract pursuant to section 525(a) of the Housing Act of 1949, as amended (42 U.S.C. 1490(e)), $5,000,000 to remain available until expended."

The Farmers Home Administration is the Federal Government's largest lending agency dealing directly with borrowers. Since its establishment back in the New Deal days, it has loaned more than $35 billion and currently has nearly $18 billion in outstanding loans in its portfolio. Yet the very success of the FmHA programs has created problems.

It started as a "supervised" loan program, and even today the chief official in each county is called the county supervisor. It was, and is, his responsibility not only to make the initial loan to farmers and homeowners, but to provide counseling, advice, and technical assistance to borrowers in new farming techniques, budgeting, financial management, and any assistance suitable for the borrower. It was this direct personal assistance that distinguished FmHA programs from all others, and which almost guaranteed success.

Beginning in the late sixties, however, the number and complexity of the FmHA programs increased, and the number of personnel decreased. There were fewer people to do more work. And, because the county supervisor not only originates the loan but also services it—for as long as 40 years—there has been less and less time available for the counseling and supervision that was such an integral part of the FmHA programs.

The Congress recognized this problem and in 1974 amended the basic rural housing to provide the Secretary with the authority to:

Make grants or enter into contracts with public or private nonprofit corporations, agencies, or institutions, organizations or other associations approved by him, to pay part or all of the cost of developing, conducting, administering or coordinating effective and comprehensive programs of technical and supervisory assistance which will aid needy low-income individuals and families in benefiting from Federal, state and local housing programs in rural areas.

Five million dollars was authorized for this program, but no moneys have yet been appropriated.

The delinquency rate—mind you, I do not say default—has been rising among FmHA borrowers. There are many reasons for this—higher taxes, increased fuel costs, a less than robust economy—but for whatever reason, when delinquencies occur, the already overburdened FmHA staff must then drop ongoing work and attempt to get families back onto a regular repayment schedule. Should staff fail to do this, the delinquencies might well turn into defaults. And in defaults every one loses—the family, the Government, and the taxpayer.

My amendment may well indeed ultimately save money.

The $5 million appropriation suggested to fund section 525(a) of the Housing Act of 1949, might fairly be compared with section 106(a) of the Housing and Urban Development Act of 1968.

Section 106(a), with a budget request in fiscal year 1978 for $7 million, provides authority for HUD to contract with public or private organizations to provide information, advice counseling and technical assistance to tenants and homeowners "with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership."

HUD has been involved in the development of counseling programs since 1969, largely on a demonstration/study basis. The feeling there is that they are now in a position to undertake a major expansion of counseling effort. There is a housing counselor in each of HUD's 77 field offices, and 72 of those offices have counseling agencies functioning within their jurisdiction. About 400 private and pub-

lic agencies provide counseling to approximately 50,000 families.

There is an organization—National Federation of Housing Counselors, Inc.—which is prepared to train and certify counselors for individual organizations, but quite apart from that federation, there exist hundreds of local agencies which can provide housing counseling.

For a very modest sum, university extension services with housing specialists and offices in most counties, local community action agencies, housing development corporations, self-help housing groups, and many others could expand their service to additional families. In some areas the local visiting nurse association, or the home extension agency may do it. A welfare agency, a voluntary school tutoring program or any of thousands of church groups may be appropriate in some areas.

HUD has done at least five different studies of counseling and concluded that counseling is desirable. The House Committee on Government Operations published a report concluding that counseling is cost-effective.

CONCLUSION

At the core of all three of these amendments is a commitment to give farmers and rural residents the same deal in housing as is available to urban dwellers.

Poverty, substandard housing, and a lack of sophistication and knowledge about homeownership is as prevalent in rural areas as it is in many inner city areas in America.

My amendments call for increases that are modest. When viewed for their value at achieving equity and helping restore the FmHA's vitality, I think they stand as fair and necessary.

LEGISLATION TO HELP PERSONS ON FIXED INCOMES PENALIZED BY SOCIAL SECURITY BENEFIT INCREASES BEING OFFSET BY REDUCTIONS IN OTHER PENSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, I have introduced legislation this year to help those persons on fixed incomes who are penalized by having social security benefits increases offset by reductions in other pensions they receive. I have always felt that one of the most glaring inconsistencies in Government today is the fact that we grant these social security increases with one hand and then take money back again with the other hand. I do not think this was the original intent of Congress and I feel we must correct it.

This session I introduced a bill which attempts to deal with the problem on a comprehensive basis, H.R. 3998. I am not satisfied, however, that approach is the only one we should rely on and consequently, I have today introduced another bill which deals specifically with the biggest group affected by increases in social security benefit increases, veterans receiving nonservice connected disability pensions.

When a person gets both social security and veterans' benefits, as the social security goes up, the veterans' pension is adjusted downward. The exact way this happens requires some explanation. It is important to realize that the veterans' pension is what is known as a needs based pension. In other words, it depends on what other sources of income, including social security, are. If the other sources go up, your "need" correspondingly, goes down. I think this principle is basically sound. There have been proposals, however, which would simply ignore all social security increases, for the purposes of determining veterans' pension. I think this goes too far because it creates a "false need" by pretending that the recipient does not have certain income.

My bill would permit certain adjustments in a person's veterans' pension, but the veterans' pension would never be allowed to drop below what it was before the increase in social security. The general principle is this: Any increase in social security benefits shall be taken into account in determining the eligibility and the amount of benefits provided under nonservice connected disability, except that this process would not allow a decrease in the level of pension benefits prior to the social security increases. I think in this way, we can keep the principle of needs based programs, while at the same time insuring that no one ends up worse off because of a social security benefit increase.

Mr. Speaker, I know that a large number of my colleagues share my concerns over this matter and many have introduced bills to address the problem. I hope that we can convince the Veterans' Affairs Committee to hold hearings on the problem in the very near future.

COMMUNITY RESTORATION ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN), is recognized for 5 minutes.

Ms. HOLTZMAN. Mr. Speaker, today I am introducing legislation to assist responsible community organizations, including nonprofit corporations, in their efforts to improve housing in their own communities and prevent neighborhood deterioration.

The bill authorizes funding for neighborhood improvements by community organizations. The Secretary of Housing and Urban Development would be empowered to make community restoration grants to local governments which in turn would allocate this money to help neighborhood residents identify housing goals, participate in decisions affecting neighborhood development, identify and publicize available housing services, and secure financial assistance for their neighborhood improvement efforts.

The bill authorizes a maximum of $5 million a year for the next 3 fiscal years and contains auditing and evaluation provisions to insure the efficient and honest use of funds.

Neighborhood preservation activities of community groups deserve Federal support for two reasons.

First, there is ample evidence that local community groups, when they have sufficient financial resources, can make impressive strides toward community restoration. For example, a neighborhood in my congressional district, Prospect-Lefferts Gardens, dramatically reversed its physical and economic decline and is well on the way to becoming a viable integrated residential community. Similar successes in other cities were recorded in recent congressional hearings on the National Neighborhood Policy Act.

Unfortunately, neighborhood groups that can develop adequate private funding sources are the exception, not the rule. Community residents and institutions are often not willing to lend significant financial support to their neighborhood organization until it achieves visible results—results that it, ironically, cannot achieve without such support. Also, funding for restoration activity is generally least available in neighborhoods where it is most needed. The bill seeks to alleviate these financial problems by providing needed money to organizations that show a real capacity for neighborhood improvement.

Second, the bill will foster resident interest in the process of community restoration, an interest that will be crucial to the success of future Federal programs. Recent months have seen a growing congressional and executive branch commitment to neighborhoods. Secretary Harris has pledged to make HUD programs more responsive to neighborhood development and restoration, and a recent law has established a National Commission on Neighborhoods. These initiatives aim to produce future Federal policies and programs more attuned to neighborhood objectives.

To be effective, however, these new initiatives will have to be coordinated with other private community development efforts at the neighborhood level. Effective neighborhood organizations can be the essential point for this coordination.

The bill I introduce today is consistent with the approach of the 1974 Housing and Community Development Act. It allows power over disbursement of grant funds to be retained in the hands of local elected officials. It maximizes the options available to local governments by permitting them to invest in neighborhood preservations efforts without jeopardizing their current usage of community development block grants. The bill employs the 1974 act's criteria for determining the eligibility of local government units.

I hope the bill will receive careful and favorable consideration.

The text of the bill follows:

H.R. 7772

A bill to amend the Housing and Community Development Act of 1974 for the purpose of authorizing grants to be used to fund local programs designed to improve housing and prevent neighborhood deterioration

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Community Restoration Act".

SEC. 2. The Housing and Community Development Act of 1974 is amended by add-

ing the following new section at the end thereof:

"FUNDING OF NONPROFIT NEIGHBORHOOD ORGANIZATIONS

"SEC. 119. (a) The Secretary may make grants to units of general local government for the purpose of funding the activities, as described in subsection (b), of any nonprofit community organization which, as determined by the unit of general local government receiving the grant, (1) has a demonstrated record of effective action in providing neighborhood service or improving housing or preventing neighborhood deterioration within the jurisdictional boundaries of such unit of general local government, and (2) has demonstrated a capacity for administering grants effectively and honestly.

"(b) Funds received by a unit of general local government under this section shall be made available by such unit to any nonprofit community organization described in subsection (a). Such organization shall use such funds to support activities (including the payment of salaries and incidental expenses) by the organization which are designed to—

"(1) unite the community in support of specific housing goals for a neighborhood;

"(2) encourage and facilitate community participation in planning community development activities and making community development decisions;

"(3) inform homeowners, landlords, and tenants of available housing services; and

"(4) stabilize neighborhoods and assist neighborhood residents in securing Federal, State, and local financial assistance and in securing aid from private lending institutions for improving housing and community development.

"(c) In making grants under this title, the Secretary shall consider—

"(1) whether the proposal contained in the application by the unit of general local government is reasonably calculated to have a positive effect on the preservation, stabilization, or improvement of neighborhoods; and

"(2) the actual, or potential for, deterioration within the neighborhoods located in such unit of general local government.

"(d) Any grant made by a unit of general local government to any nonprofit community organization under this section may not exceed $50,000 in any fiscal year, and no more than one such grant may be made to the same organization within a fiscal year.

"(e) In addition to other authorizations for appropriations in this title, there is authorized to be appropriated not to exceed $5,000,000 for each of the fiscal years 1978, 1979, and 1980 for the purpose of carrying out the previsions of this section.

"(f) For purposes of this section, the term 'nonprofit community organization' means any organization, whether incorporated or not, which meets criteria prescribed, by rule, by the Secretary for the purposes of this section, as determined by a unit of general local government.

"(g) The Secretary shall insure that the effectiveness of each grant made under this section is evaluated and that appropriate procedures are created for auditing, and accounting for, all moneys received and spent by units of general local government and nonprofit community organizations funded under this section. As a condition of receipt of any funds under this section, the Secretary shall require that a unit of general local government and a nonprofit community organization shall agree to make available books or other records which pertain to the receipt and expenditure of any funds so received."

Mr. Speaker, tomorrow the House will consider a very important issue—whether to strike language in the HEW appropriations bill which would deny poor women the right to have medicaid pay for abortions.

I commend to my colleagues a thoughtful editorial on the subject that appeared on June 13 in the New York Times.

The text follows:

MR. CARTER'S CRUEL ABORTION PLAN

Faithful to the strong personal views of both the President and his Secretary of Health, Education, and Welfare about abortion, the Administration is engaging in a curious and misguided legislative maneuver. It has included language in an appropriation bill for the Departments of Labor and Health, Education, and Welfare that would prohibit the use of any of that money for abortions. The principal effect would be to ban Medicaid abortions for the poor.

The merits aside, this legislative gambit is curious because similar language in last year's appropriation was immediately challenged and suspended by a Federal District Court pending trial. In issuing its injunction, the court cast serious doubt on the constitutionality of the prohibition, on two grounds.

The first is that it probably violates the equal protection clause of the Fourteenth Amendment by making an irrational distinction between groups of pregnant women; Medicaid could pay for pre-natal care and births, but not for abortions. The judge's second problem was that he perceived an attempt to enact one view in the continuing debate about when life actually begins, in apparent violation of the First Amendment. The legislative history makes clear that the prohibition is based upon the Roman Catholic view that life begins at the moment of conception.

On the merits, the Carter Administration's position is deplorable social policy. The issue is not whether some language in an appropriation bill will prevent some abortions. Many women will continue to have them no matter what Congress does. The affluent will continue to buy them, the poor will seek them at bargain rates. So the real question is whether poor women will obtain safe abortions or whether they will be forced to choose between back alley butchers and the birth of children they do not want or cannot afford.

Pregnancy among youngsters has reached epidemic proportions. There are more than a million teen-age pregnancies a year and over two-thirds of them are unintended. Government should be seeking multiple ways to prevent unwanted births as well as ways to provide better for such children. The Administration is following neither course.

Despite Mr. Carter's campaign pledges to expand family-planning assistance, his Administration has proposed no increased spending in that area. At the same time, the Department of Health, Education, and Welfare is said to be weighing welfare-reform proposals that would make it more difficult for teen-age mothers to receive assistance.

A brief visit to inner-city neighborhoods and schools would quickly instruct Secretary Califano in the pain inflicted on unwanted children and the damage they often do. To mandate their birth by discriminatory, arbitrary and backdoor legislation is the height of irresponsibility.

TOM C. CLARK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, Tom C. Clark served this Nation honorably and well for a half century, first in his native Texas in the great tradition of Lyndon Johnson and Sam Rayburn, then with the Department of Justice and, ultimately, as Associate Justice of the Supreme Court of the United States.

Even after his retirement from the court, 10 years and 1 day before his death, Mr. Justice Clark continued his public service as director of the Federal Judicial Center and as a visiting circuit judge.

I said a moment ago that Tom Clark served this Nation. I could have said that he served the principles of justice, for this great man saw no difference between those cherished principles and his cherished country. He believed that America was founded on such obvious and clear-cut premises that anyone who looked closely could see the solution to difficult and vexing problems. Indeed, in Mapp versus Ohio, which excluded illegally obtained evidence from State criminal trials, Mr. Justice Clark wrote:

There is no war between the Constitution and commonsense.

It was an abundance of commonsense, expressed in scholarly terms, that Tom Clark brought to all his duties as a public servant. As Attorney General he reorganized the Department of Justice and fought against wartime black markets.

As an Associate Justice, Tom Clark stood for the integrity of the legal process and the dignity of the individual. He was unmoved by the arguments of those who would have altered that process or limited those rights, however slightly.

Mr. Speaker, Tom Clark devoted his life to improving our system of justice. His wisdom, his humility, and his compassion graced his work.

I was honored to be numbered among the many friends of this kind and understanding man. Every age is blessed with a few people of great stature, rare ability and unusual insight. Such a man was Tom Clark. We are fortunate to have known him.

PUBLIC UTILITY REGULATORY POLICIES

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, as the Members of the House know, the Subcommittee on Energy and Power is proceeding to mark up portions of the President's National Energy Act. We have today begun consideration of part E of title I, public utility regulatory policies, and at this time, insert in the RECORD the subcommittee print being used as the markup vehicle for title I, part E:

PART E—PUBLIC UTILITY REGULATORY POLICIES

Chapter 1—GENERAL PROVISIONS

Sec. 501. Purposes.
Sec. 502. Definitions.
Sec. 503. Application to Federal Power Act.

Chapter 2—IMPROVING EFFICIENCY OF USE OF ELECTRICITY

Sec. 504. Coverage.
Subchapter B—National Minimum Standards for State Regulated Electric Utility Rate Regulation
Sec. 511. Minimum standards for rates of service.

Sec. 512. Minimum standards respecting advertising.
Sec. 513. Minimum standards respecting pollution control costs.
Sec. 514. Automatic adjustment clauses.
Sec. 515. Relationship to other applicable law.
Subchapter C—Other Requirements for State Regulated Electric Utilities
Sec. 521. Load management techniques.
Sec. 522. Standards for information to consumers.
Sec. 523. Minimum procedures for termination of electric service.
Subchapter D—Nonregulated Utilities
Sec. 526. Requirements.
Subchapter E—Administration, Enforcement, Review
Sec. 531. Prohibitions.
Sec. 532. Enforcement.
Sec. 533. Compliance determination authority for State regulated electric utilities.
Sec. 534. Determination of costs of service.
Sec. 535. Alternative load management techniques.
Sec. 536. Master metering.
Sec. 537. Participation in regulatory proceedings by States and by electric consumers.
Sec. 538. Judiciary review.
Chapter 3—IMPROVING EFFICIENCY OF, AND PRESERVING COMPETITION IN, GENERATION AND TRANSMISSION OF ELECTRICITY
Sec. 541. Interconnection, pooling, wheeling, and central dispatch.
Sec. 542. Continuance of service.
Sec. 543. Consideration of proposed rate increases.
Sec. 544. Automatic adjustment clauses.
Sec. 545. Preservation of competition.
Sec. 546. Electric utility reliability.
Sec. 547. Cogeneration.
Sec. 548. Interlocking directorates.
Sec. 549. Applicability of antitrust laws.
Chapter 4—CONSUMER REPRESENTATION AND ASSISTANCE TO STATE AGENCIES
Sec. 551. Financial assistance to State agencies and for consumer representation.
Sec. 552. Representation of consumer interests before Federal Power Commission.
Sec. 553. Responsibilities of Administrator.
PART E—PUBLIC UTILITY REGULATORY POLICIES
Chapter 1—GENERAL PROVISIONS
PURPOSES
Sec. 501. The purposes of this part are—
(1) to increase the efficiency of generation, transmission, and distribution of electric power through encouragement of competition, through incentives for efficiency, and through prescription of reliability standards;
(2) to establish national minimum standards for electric ratemaking to encourage efficient use of electric energy by—
(A) insuring that electric utility rates are designed to encourage energy conservation by minimizing (i) energy consumption and (ii) the need for new generating capacity,
(B) providing for reasonable rates to electric consumers, and
(C) assuring that States which implement rate reforms are not placed at a competitive economic disadvantage by reason of the failure of other States to implement such reforms; and
(3) to provide for greater consumer representation in regulatory proceedings, to provide notice procedures respecting termination of service to electric consumers, and to provide technical and financial assistance to State regulatory authorities.
DEFINITIONS
Sec. 502. As used in this part:
(1) The term "Administrator" means the Administrator of the Federal Energy Administration.
(2) The term "Commission" means the Federal Power Commission.
(3) The term "electric consumer" means any person, State agency, or Federal agency, to which electric energy is sold other than for purposes of resale.
(4) The term "electric utility" means any person, State agency, or Federal agency, which sells electric energy.
(5)(A) The term "State regulated electric utility" means any electric utility with respect to which a State regulatory authority has ratemaking authority, other than a nonregulated utility as defined in subparagraph (B).
(B) The term "nonregulated utility" means a nonregulated public system or a nonregulated cooperative.
(C) The term "nonregulated public system" means an electric utility which is a State agency or Federal agency unless a State regulatory authority has the same ratemaking authority respecting the rates of such utility as such authority has with respect to other electric utilities subject to its jurisdiction.
(D) The term "nonregulated cooperative" means a private cooperatively organized electric utility unless a State regulatory has the same ratemaking authority respecting the rates of such utility as such authority has with respect to other electric utilities subject to its jurisdiction.
(6) The term "Federal agency" means any agency or instrumentality of the United States, but does not include the District of Columbia.
(7) The term "rate" means any (A) price, rate, charge, or classification made, demanded, observed, or received with respect to sale of electric energy, (B) any rule, regulation, or practice respecting any such rate, charge, or classification, and (C) any contract pertaining to the sale of electric energy.
(8) The term "ratemaking authority" means authority to fix, modify, approve, or disapprove rates.
(9) The term "rate schedule" means the designation of the rates which an electric utility charges for electric energy.
(10) The term "sale" includes an exchange of, or a charge for transmission of, electric energy.
(11) The term "State" means a State or the District of Columbia.
(12) The term "State agency" means a State, political subdivision thereof, or any agency or instrumentality of either.
(13) The term "State regulatory authority" means any State agency which has ratemaking authority with respect to the sale of electric energy by any electric utility (other than by such State agency).
(14) The term "bulk power facility" means a bulk power generating facility or a bulk power transmission facility.
(15) The term "bulk power generating facility" means electric generating equipment (and associated facilities) designed for, or capable of, operation at a single site with an aggregated capacity of 200 megawatts or more.
(16) The term "bulk power transmission facility" means an electric transmission line (and associated facilities) designed for, or capable of, operation at a nominal voltage of 200 kilovolts or more, between phase conductors for alternating current or between poles for direct current.
(17) The term "evidentiary hearing" means (A) in the case of a State agency, a proceeding (i) which includes notice to, and an opportunity for, participants to present direct and rebuttal evidence and to cross-examine witnesses, and a written decision based upon evidence appearing in a written record of the proceeding, and (ii) which is subject to judicial review; and (B) in the case of a Federal agency, a proceeding conducted in accordance with section 556 of title 5 of the United States Code.
APPLICATION TO FEDERAL POWER ACT
Sec. 503. Section 3 of the Federal Power Act is amended by inserting "(a)" after "Sec. 3." and by adding the following at the end thereof:
"(b) For purposes of this Act, the term 'bulk power facility', 'bulk power generating facility', 'bulk power transmission facility', 'electric utility' and 'evidentiary hearing' have the same meaning as when used in part E of the National Energy Act.".
Chapter 2—IMPROVING EFFICIENCY OF USE OF ELECTRICITY
Subchapter A—Coverage
COVERAGE
Sec. 504. (a) Application of Chapter.—The requirements of this chapter (other than section 531(c)) apply only to sales of electric energy by an electric utility for purposes other than resale, except that such requirements shall not apply to such sales by an electric utility—
(1) in any calendar year beginning less than 2 years after the date of enactment of this Act, or
(2) in any calendar year unless such sales of electric energy for purposes other than resale by such utility during the second preceding calendar year exceeded 200 million kilowatt-hours.
(b) Extension.—Upon application to the Commission by an electric utility, and for good cause shown, the Commission may provide that the 2-year specified in subsection (a)(1) may be extended for one additional period of not more than 2 years with respect to such utility.
Subchapter B—National Minimum Standards for State Regulated Electric Utility Rate Regulation
MINIMUM STANDARDS FOR RATES OF SERVICE
Sec. 511. (a) Minimum Standards for Rates.—Each State regulated electric utility shall, in making sales of electric energy subject to this chapter, comply with the following minimum standards respecting the rates at which such energy is sold:
(1) Except to the extent permitted under subsection (b), rates for providing electric service to each electric consumer (or class thereof) shall be designed, to the maximum extent practicable, to reflect the costs of providing electric service to such consumer (or class). For purposes of carrying out this paragraph, the rate per kilowatt, or per kilowatt-hour, for electric service during any period to any electric consumer (or class thereof) shall not decrease as kilowatt, or kilowatt-hour, consumption by such consumer increases except to the extent that such utility shows in an evidentiary hearing that such decrease reflects the decrease in such costs of providing electric service to such consumer (or class) as such consumption increases.
(2)(A) The rates for providing electric service to each class of electric consumers shall be on a time-of-day basis which reflects the costs of providing service to such consumers unless such rates have been determined (in an evidentiary proceeding by the State regulatory authority, or the Commission in any case in which such authority has not assumed responsibility under section 533) with respect to such class not to be cost-effective.
(B) The rates for providing electric service to each class of electric consumers shall be on a seasonal basis which reflects the costs of providing service to such consumers unless such rates have been determined (in an evidentiary proceeding by the State regulatory authority, or the Commission in any case in which such authority has not as-

sumed responsibility under section 533) not to be cost-effective.

(C) A rate for a class of electric consumers shall be treated as cost-effective only if the long-run benefits of such rate are likely to exceed the metering costs associated with the implementation of such rates.

(D) If any time-of-day rate has been determined not to be cost-effective under subparagraph (A) for any class of consumers, each electric utility shall offer such rate to each consumer in such class willing to pay the costs of metering associated with such rate.

(E) Each electric utility shall offer each electric consumer (or class thereof) an interruptible rate which reflects the cost of providing interruptible service to such customers.

(3) For purposes of this subsection, costs shall be determined as provided in section 534.

(b) LOWER RATES.—(1) No provision of this title shall prevent an electric utility, a State regulatory authority, or other State agency from fixing, approving, or allowing to go into effect a rate for electric energy for essential needs of residential electric consumers (as defined by the State regulatory authority) which is lower than that otherwise required by paragraph (1).

(2) A State regulatory authority which has enforcement responsibility may, upon application of any electric consumer, prescribe a temporary exception pursuant to which an electric utility rate schedule which does not comply with the requirements of this subpart will be fixed, approved, or allowed to go into effect, with respect to such consumer. Any such exception shall comply with the following requirements:

(A) such exception may apply only to the type of use and amount of use of electric energy as does not exceed the amount the electric consumer used prior to the date of enactment of this Act;

(B) the electric consumer who applies for such exception demonstrates to such State regulatory authority in an evidentiary proceeding that such exception is necessary to avoid extreme economic hardship to such consumer; and

(C) such exception does not remain in effect more than five years after the date of enactment of this Act.

(c) GATHERING INFORMATION ON COSTS OF SERVICE.—(1) Each State regulated electric utility which makes sales of electric energy subject to this chapter shall gather information under such rules promulgated by the Commission as the Commission determines necessary to allow State regulatory authorities (and other persons) to determine the costs associated with providing electric service. For purposes of this section and section 534, such rules shall include requiring the gathering of the following information—

(A) the costs of serving each electric consumer class and of serving different consumption patterns within such class, based on voltage level and time of use; and

(B) representative daily kilowatt demand load curves for all electric consumer classes combined, and representative daily kilowatt demand load curves for each electric consumer class for which there is a separate rate; and

(C) annual capital, operating, and maintenance costs—

(i) for transmission, and distribution services of such utility, and

(ii) for each generating unit to meet kilowatt demand on such electric utility.

Such rules shall provide that information required to be gathered under this subsection shall be presented in such categories and such detail as may be necessary to carry out the purposes of this subsection.

(2) The Commission, by rule, within 180 days after the date of enactment of this Act, shall prescribe the methods, procedure, and format to be employed by each electric utility in gathering the information described in this subsection. Such a rule may exempt an electric utility from gathering all or part of such information, if such utility shows and the Commission finds, after public notice and opportunity for the presentation of written data, views, and arguments (and so states in such rule) that gathering such information is not likely to further the purposes of this chapter, The Commission shall periodically review such finding and revise such rule.

(3) Not later than 2 years after the date of enactment of this Act, and every 2 years thereafter, each electric utility shall file with—

(1) the Commission, and

(2) any State regulatory authority which has ratemaking authority for such utility the information gathered pursuant to this section (if such information is not otherwise required to be filed with such authority), and publish or otherwise make such information available to the public, in such form and manner as the Commission shall prescribe.

MINIMUM STANDARDS RESPECTING ADVERTISING

SEC. 512. (a) RECOVERY OF EXPENSES.—For purposes of rate determinations, no rate of a State regulated electric utility which makes sales of electric energy subject to this chapter shall be determined to be in compliance with this subchapter if such utility recovers, directly or indirectly, from its electric consumers any expenditure by such utility—

(1) for promotional advertising, or

(2) for political or institutional advertising.

(b) CERTAIN ADVERTISING NOT COVERED.—Subsection (a) shall not apply to—

(1) advertising which informs electric consumers how they can conserve energy or can reduce peak demand,

(2) notices required by law or regulation,

(3) public information regarding service interruptions, safety measures, or emergency conditions,

(4) advertising concerning employment opportunities with such utility, and

(5) public distribution or explanation of existing or proposed rate schedules, or hearings thereon.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "advertising" means the commercial use, by an electric utility, of any media, including newspaper, printed matter, radio, and television, in order to transmit a message to a substantial number of members of the public or to such utility's electric consumers.

(2) The term "institutional advertising" means any advertising which is designed to create, enhance, or sustain an electric utility's public image or goodwill with the general public or such utility's electric consumers.

(3) The term "political advertising" means any advertising for the purpose of influencing public opinion with respect to any legislative, administrative, or electoral matter, or with respect to any controversial issue of public importance.

(4) The term "promotional advertising" means any advertising for the purpose of inducing the public to select or use the service or additional service of an electric utility or to select or install any appliance or equipment designed to use such utility's service.

MINIMUM STANDARDS RESPECTING POLLUTION CONTROL COSTS

SEC. 513. (a) RECOVERY OF COSTS.—Each State regulated electric utility which makes sales of electric energy subject to this chapter may recover from its electric consumers the reasonable costs incurred by such electric utility for any pollution control facility.

(b) DEFINITION.—For purposes of this section, the term "pollution control facility" means a facility which is used to remove, alter, dispose of, or store pollutants, contaminants, waste, or heat.

AUTOMATIC ADJUSTMENT CLAUSES

SEC. 514. PROHIBITION.—(a) Except as otherwise provided in subsection (b), no increase in any rate may be made by any State regulated electric utility which makes sales of electric energy subject to this chapter unless—

(1) opportunity for consideration of the lawfulness of such increase in an evidentiary hearing is afforded prior to the date such increase takes effect,

(2) such rate increase is pursuant to an automatic adjustment clause which has been determined, after evidentiary hearing, to effectively provide incentives for efficient use of resources (such as incentives for economical purchase and use of fuel) and to be necessary to enable such utility to meet its immediate short-term financial obligations, or

(3) such increase reflects an increase in the cost of electric power purchased from a centrally dispatched power pool (as defined in section 202(b)(3) of the Federal Power Act).

(b) INTERIM RATES.—The prohibition contained in subsection (a) shall not apply to interim rates which take effect subject to a later determination of the amount of such rates and to a requirement of refund of any overcharge with interest.

(c) REVIEW OF CLAUSE.—(1) No automatic adjustment clause shall be treated as meeting the requirements of subsection (a)(2) unless the rate schedule containing such clause is reviewed by the State regulatory authority having ratemaking authority with respect to such utility (or by the Federal Power Commission in cases to which section 553(a)(2) applies) not less often than every 2 years to insure the maximum economies in those operations and purchases which affect such rates. No such automatic adjustment clause may be treated as meeting such requirements for any period in excess of 4 years after such clause has been reviewed in an evidentiary hearing unless such clause is again reviewed in an evidentiary hearing before the expiration of such period and the State regulatory authority makes the finding required under subsection (a)(2).

(2) In making a review under this subsection, the reviewing authority shall examine and, if appropriate, cause to be audited the practices of such utility relating to expenses subject to an automatic adjustment clause. Each such utility shall provide reports on such practices as required by such authority, which shall be made available to the public, and shall contain such information as such authority may require to implement the purposes of this subsection (including a disclosure of any ownership or corporate relationship between such utility and the seller of fuel or other items).

(d) DEFINITION.—As used in this section, the term "automatic adjustment clause" means a provision of a rate schedule which provides, without prior evidentiary hearing, for increases and decreases in rates reflecting increases and decreases in the amount of operating expenses.

RELATIONSHIP TO OTHER APPLICABLE LAW

SEC. 515. Nothing in this subchapter shall be construed as authorizing or requiring the recovery by an electric utility of revenues or of a rate of return, in excess of the amount of revenues or a rate of return determined to be lawful under otherwise applicable State or Federal law.

Subchapter C—Other Requirements for State Regulated Electric Utilities

LOAD MANAGEMENT TECHNIQUES

SEC. 521. (a) PRACTICABLE AND COST EFFECTIVE TECHNIQUES.—Each State regulated elec-

tric utility which makes sales of electric energy subject to this chapter shall—

(1) promptly implement such alternative load management techniques which have been determined (as provided in section 535) to be practicable and cost-effective; and

(2) submit, as a part of any application for a rate increase, an analysis of the cost-effectiveness of such other load management techniques as have been identified under section 563(2)(A) prior to 1 year before the date of application.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "load management technique" means any technique to reduce maximum kilowatt demand on the electric utility. Such techniques may include ripple or radio control mechanisms, energy storage devices, interrupted or interruptible electric service, load-limiting devices, and techniques to minimize inefficient end uses of electric energy.

(2) A load management technique is cost-effective if—

(A) such technique is likely to reduce maximum kilowatt demand on the electric utility, and

(B) the long-run benefits of such reduction are likely to exceed the long-run costs associated with implementation of such technique.

STANDARDS FOR INFORMATION TO CONSUMERS

SEC. 522. (a) PROPOSED RATE SCHEDULES.—Each State regulated electric utility which makes sales of electric energy subject to this title shall transmit to each of its electric consumers—

(1) not later than 60 days after the date of commencement of service or 90 days after this title takes effect with respect to such utility, whichever last occurs, and

(2) not later than 30 days (60 days in the case of a utility which uses a bimonthly billing system) after such utility's application for any change in a rate schedule applicable to such consumer,

a clear and simple statement of the existing and any proposed rate schedule applicable to such consumer.

(b) EXISTING RATE SCHEDULES.—Each such State regulated electric utility shall transmit to each of its electric consumers not less than once each year a brief, clear, and simple summary of the existing rate schedules applicable to each of the major classes of its electric consumers, and identification of any classes whose rates are not summarized. Such summary may be transmitted together with such consumer's billing or in such other manner as the utility deems appropriate.

(c) STATEMENT OF CONSUMPTION.—Unless such information is otherwise provided as part of a bill for electric service (or in any other manner which has been determined to be adequate, makes such information available to the consumer), on request of an electric consumer of such an electric utility, such utility shall transmit to such consumer a clear and simple statement of the actual consumption (or degree-day adjusted consumption) of electric energy for each billing period during the prior year (except when such consumption data is not reasonably ascertainable by the utility).

MINIMUM PROCEDURES FOR TERMINATION OF ELECTRIC SERVICE

SEC. 523. No State-regulated electric utility which makes sales of electric energy subject to this title may terminate electric service to any consumer of electric energy except pursuant to procedures prescribed by the State regulatory authority (or the Commission, in any case in which such authority has not assumed responsibility as provided in section 533). Such procedure shall—

(1) provide that no electric consumer may be terminated until reasonable prior notice has been given to such consumer and such consumer has had a reasonable opportunity to contest such termination,

(2) take into account the need to continue service to individuals if abrupt termination of such service would result in death or serious injury, and

(3) shall be prescribed by such authority (or Commission) within 30 days following assumption of enforcement responsibility.

Subchapter D—Nonregulated Utilities

REQUIREMENTS

SEC. 526. (a) APPLICATION OF SUBCHAPTERS B AND C.—The provisions of subchapters B and C (other than section 521 and, in the case of nonregulated cooperatives, sections 521, 512, and 514) shall apply to each nonregulated utility in the same manner as to each State-regulated electric utility, except that any action required to be taken by a State regulatory authority under such provisions shall, in the case of a nonregulated utility, be taken by such utility.

(b) LOAD MANAGEMENT.—Each nonregulated utility shall consider alternative load management techniques (as defined in section 521(b)) and shall promptly implement those which are practicable and cost effective (as determined under section 521(b)(2)).

(c) Each such utility shall establish and utilize methods for determining cost of service in accordance with section 534.

Subchapter E—Administration, Enforcement, Review

PROHIBITIONS

SEC. 531. (a) STATE REGULATED UTILITIES.—No State-regulated electric utility may increase any rate at which it sells electric energy subject to this subchapter unless such utility has been determined to be in compliance with the requirements of subchapters B and C. Such determination shall be made as provided in sections 533 and 534 at the proceeding at which such rate is fixed, modified, or approved by the State regulatory authority (or by the Commission after such proceeding in any case in which the State has not assumed responsibility as provided in section 533).

(b) NONREGULATED UTILITIES.—(1) No nonregulated public system (as defined in section 501(5)(C)) may increase any rate at which it sells electric energy unless such system has determined that it meets the requirements of subchapter D.

(2) No nonregulated cooperative (as defined in section 501(5)(D)) may violate the requirements of subchapter D.

(c) CONTRACTS.—No contract between a Federal agency and an electric utility for sale of electric energy by such Federal agency for purposes of resale may contain any provision inconsistent with the requirements of this chapter. Any such inconsistent provision shall be null and void.

ENFORCEMENT

SEC. 532. (a) INJUNCTIONS.—Upon petition of any Federal agency or State agency referred to in section 537(a), the appropriate United States district court shall have jurisdiction to enjoin an electric utility from violating any prohibition contained in section 531. Each electric consumer of an electric utility (1) who may not maintain an action against such utility in a State court or (2) who is a consumer of a nonregulated public system which is a Federal agency may petition the United States district court to enjoin such utility from violating any such prohibition.

(b) NONREGULATED COOPERATIVES.—Any person who is a member of a nonregulated cooperative may bring a civil action in the appropriate United States district court against such cooperative for purposes of obtaining enforcement of the requirements of the prohibition contained in section 531(b)(2) if such action may not be brought by such person against such cooperative in a State or local court.

COMPLIANCE DETERMINATION AUTHORITY FOR STATE REGULATED ELECTRIC UTILITIES

SEC. 533. (a) DETERMINATION BY STATE.—A State regulatory authority which has ratemaking authority with respect to an electric utility may determine whether or not such utility is in compliance with the requirements of subchapters B and C if—

(1) such authority notifies the Commission (at such time, and in such manner, as the Commission shall prescribe by rule) that such authority assumes such responsibility with respect to such utility and certifies that it has adequate authority to carry out the requirements of sections 534 and 535,

(2) such authority makes such determination in an evidentiary proceeding, and

(3) complies with the requirement contained in subsection (c)(1).

(b) DETERMINATION BY COMMISSION.—If such State regulatory authority has not notified the Commission that it assumes such responsibility with respect to such utility and certifies that it has adequate authority to carry out such requirements, if such determination is not made in an evidentiary proceeding, or if such authority withdraws such assumption, the Commission shall, upon the application of any State regulated electric utility, determine in an evidentiary proceeding whether or not such utility is in compliance with such requirements and shall carry out the requirements of sections 534 and 535, until such time as such State regulatory authority notifies the Commission that it assumes such responsibility and certifies that it has adequate authority to carry out the requirements of sections 534 and 535.

(c) ASSUMPTION OF RESPONSIBILITY BY THE COMMISSION.—(1) Not later than 2 years after the date of enactment of this Act (and every 2 years thereafter), each State regulatory authority which has assumed responsibility under this chapter shall submit to the Commission a report (containing such information as the Commission by rule may require), describing the extent to which such authority has implemented the requirements of this part.

(2) If upon complaint to the Commission, or upon the Commission's own motion, and after notice and an evidentiary hearing, the Commission finds that utilities regulated by a State regulatory authority that has assumed responsibility pursuant to subsection (a) hereof exhibit a pattern of noncompliance with subchapters B and C, the Commission shall publish such finding which shall be prima facie evidence in any court that the rates of any utility regulated by such authority are not in compliance with subchapters B and C of this chapter.

(3) The fact that the Commission does not make the finding specified in paragraph (1) shall not be treated as evidence of any finding in any court or administrative hearing that the rates of any utility regulated by any State regulatory authority are in compliance with subchapters B and C.

DETERMINATION OF COSTS OF SERVICE

SEC. 534. (a) METHODS TO DETERMINE COSTS OF SERVICE.—(1) Each State regulatory authority which has assumed responsibility under section 533 shall prescribe methods for determining costs associated with providing electric service to electric consumers (and classes thereof) by each electric utility over which it has ratemaking authority. The Commission shall prescribe such methods for each State regulated utility with respect to which no such assumption has been made.

(2) Such methods shall, to the maximum extent practicable and to the extent consistent with section 511(b), reflect differences in cost-incurrence, for each electric

consumer (or class thereof), attributable to daily and seasonal time of use of service. In prescribing such methods, there shall be taken into account the extent to which total costs to an electric utility are likely to change if—

(A) additional capacity is added to meet peak demand,

(B) additional kilowatt-hours of electric energy are delivered to electric consumers, and

(C) additional electric consumers are connected to the electric utility.

(b) FINDINGS REQUIRED.—A State regulatory authority which has assumed responsibility under section 533 (or the Commission in the case of an electric utility with respect to which no such assumption has been made) may not make a determination of compliance with section 511 unless—

(1) such authority (or the Commission, as the case may be) has made findings of fact respecting—

(A) the factors which cause changes in the daily and seasonal peakloads of such utility and of the electric consumer classes served by such utility;

(B) the costs of serving each electric consumer class and of serving different consumption patterns within such class, based on voltage level and time of use; and

(C) such authority (or Commission, as the case may be) bases the determination of such compliance on such findings and on the methods prescribed under paragraph (1) of subsection (a).

ALTERNATIVE LOAD MANAGEMENT TECHNIQUES

SEC. 535. Each State regulatory authority which has assumed responsibility under section 533 (or the Commission in any case in which such authority has not assumed such responsibility) shall consider in an evidentiary hearing, initially within 2 years of the date of enactment of this Act and thereafter no less often than once during each subsequent 2-year period, alternative load management techniques for purposes of carrying out the requirements of section 521.

MASTER METERING

SEC. 536. The Administrator shall prescribe rules requiring each State regulatory authority which has assumed responsibility under section 533 to prohibit or restrict the use of such bulk or master meters in buildings as he deems necessary to carry out the purposes of this chapter. Such a rule may apply to a building construction of which commenced less than 1 year after the date of promulgation thereof only to the extent the Administrator determines that such application is economically feasible.

PARTICIPATION IN REGULATORY PROCEEDINGS BY STATES AND BY ELECTRIC CONSUMERS

SEC. 537. (a) INTERVENTION.—Any electric consumer or State agency may intervene as of right as a party in any evidentiary hearing or other proceeding of a State regulatory authority which has assumed the authority to make determinations under this chapter (or of the Commission in any case in which the State authority has not assumed such authority) if such hearing or other proceeding affects such consumer or State agency and relates to the determination of compliance with the requirements of this chapter.

(b) COMPENSATION FOR COSTS OF PARTICIPATION.—(1) (A) Unless an alternative means for assuring electric consumer representation is adopted in accordance with paragraph (2), if an electric consumer of an electric utility (who is a person described in paragraph (2)) prevails in a rate-making proceeding before a State regulatory authority (or before the Commission where responsibility has not been assumed by such authority under section 533) in which such consumer has alleged that any rate proposed by an electric utility is not in compliance with the requirements of subchapters B and C, such utility shall be liable to compensate such consumer for reasonable costs of preparing for, and participation in, such proceeding (including fees and costs in obtaining judicial review of such proceeding). Such consumer may collect such fees and costs from such utility in a civil action in any court of competent jurisdiction, unless such State regulatory authority (or the Commission, as the case may be) has adopted a reasonable procedure pursuant to which such authority—

(i) determines the amount of such fees and costs, and

(ii) includes an award of such fees and costs in its order in the proceeding.

(B) For purposes of subparagraph (A), an electric consumer shall be deemed to have prevailed in a proceeding if such consumer's participation in the proceeding substantially contributed to disapproval or modification of a rate proposed by an electric utility on grounds that the rate did not comply with any requirement of subchapter B or C.

(C) A State regulatory authority may prescribe reasonable requirements that persons with the same or similar interests have a common legal representative in the proceeding, as a condition of receiving fees and costs under subparagraph (A).

(2) Paragraph (1) shall not apply to proceedings before a State regulatory authority if the State or such authority has provided an alternative means for providing adequate compensation to, or representation of, persons—

(A) who have, or represent, an interest (i) which would not otherwise be adequately represented in ratemaking proceedings, and (ii) representation of which is necessary for a fair determination in the proceeding, and

(B) who are unable effectively to participate in such proceeding because such persons cannot afford to pay fees and costs of preparing and making oral presentations, conducting cross-examination, and making rebuttal submissions in such proceeding.

(c) TRANSCRIPTS.—Each electric utility shall make available at cost of reproduction to parties in a proceeding before a State regulatory authority transcripts of such proceeding.

JUDICIAL REVIEW

SEC. 538. (a) STATE OR FEDERAL AGENCIES.—Any Federal agency or State agency referred to in section 537(a) may obtain review of any determination referred to in section 531 made by a State regulatory authority or a nonregulated public system by commencing a civil action in the United States court of appeals for any circuit in which such authority or system is located. Such court shall have jurisdiction to review such determination in accordance with chapter 7 of title 5, United States Code.

(b) UTILITIES AND CONSUMERS.—(1) Any electric utility or electric consumer of an electric utility with respect to which a determination referred to in section 531 has been made may obtain review of such determination by commencing a civil action in the United States court of appeals for any circuit in which such authority or system is located if such determination was made—

(A) by a nonregulated public system which is a Federal agency.

(B) by a State regulatory authority or nonregulated public system whose determination is not reviewable by a State court of competent jurisdiction in which review proceeding—

(i) the Commission may not intervene as a matter of right, or

(ii) the court does not treat any finding under section 533(a) as prima facie evidence of noncompliance with the provisions of this chapter.

Such court shall have jurisdiction to review such determination in accordance with chapter 7 of title 5, United States Code.

(2) Except as provided in subsection (c), nothing in this subsection or section 532 shall be construed to prohibit any consumer from obtaining review in any State court of competent jurisdiction in the case of any determination referred to in section 531 made by a State regulatory authority or nonregulated public system which is a State agency, or to affect the jurisdiction of the United States Supreme Court to review any decision of a State court on writ of certiorari in accordance with section 1257 of title 28, United States Code.

(c) REMOVAL.—In the case of any action brought by a State or Federal agency under subsection (a), the court may order that any action respecting the same matter brought by any electric consumer in a State court shall be removed to, and consolidated with, the action brought under subsection (a) where such removal and consolidation will result in a more expeditious determination of such actions.

(d) FEDERAL COURTS.—Notwithstanding any other provision of law, no opportunity for review in the courts of the United States shall be available except as provided in this chapter.

Chapter 3—IMPROVING EFFICIENCY OF, AND PRESERVING COMPETITION IN, GENERATION AND TRANSMISSION OF ELECTRICITY

INTERCONNECTION, POOLING, WHEELING, AND CENTRAL DISPATCH

SEC. 541. (a) REGIONAL DISTRICTS.—Section 202(a) of the Federal Power Act is amended:

(1) by striking the word "voluntary" from the first sentence; and

(2) by inserting "for the purpose of assuring the goals set forth in this part and to assure maximum competitive opportunities for the purchase and sale of electric energy at wholesale at the lowest possible cost" immediately after "districts" in the third sentence.

(b) Section 202(b) of such Act is amended to read as follows:

"(b)(1) Whenever the Commission, on its own motion or upon application of any State commission or of any electric utility or the owner or operator of any qualifying cogeneration facility (as defined in section 547(b)(2) of the National Energy Act), and after public notice and notice to each State commission and electric utility directly affected and after evidentiary hearing, finds it necessary or appropriate in the public interest, it shall by order direct an electric utility to—

"(A) establish physical connection of its transmission facilities with the facilities of any other electric utility or qualifying cogenerator, or

"(B)(i) sell or deliver energy to or exchange energy with,

"(ii) provide pooling for,

"(iii) provide wheeling, or otherwise transmit energy for, or

"(iv) otherwise coordinate with such utility or cogenerator.

"(2) Whenever the Commission, on its own motion or upon application of any electric utility within a regional district established under this Act, and after public notice and notice to each State commission and electric utility directly affected and after evidentiary hearing, finds such action necessary or appropriate in the public interest it may by order direct any electric utility owning or operating any bulk power transmission facility located (in whole or in part) within such area to increase the transmission capacity of such facility.

"(3)(A) With respect to each regional district established under this Act in which a centrally dispatched power pool is not operating, the Commission shall commence a proceeding to determine whether requiring operation of such a power pool in such area is technologically and economically feasible and in the public interest. To the extent that

the Commission determines, after public notice and notice to each State commission and after evidentiary hearing, that operation of such a pool is technologically and economically feasible and in the public interest, the Commission shall by order require operation of such a pool.

"(B) For purposes of subparagraph (A), the term 'centrally dispatched power pool' means—

"(i) a power pool which utilizes a central dispatch system for all generation facilities in a regional district and in which, to the extent technologically and economically feasible as determined by the Commission, each electric utility which owns or operates a bulk power generation facility in such region participates, or

"(ii) an exchange or other system which the Commission determines is more effective or substantially as effective as a power pool referred to in clause (i) in assuring the most economical utilization of generation and transmission facilities in such area.

Clause (i) shall not apply as provided in regulations under section 547.

"(C) For purposes of subparagraph (B), the term 'central dispatch system' means a centrally coordinated system for the generation and transmission of electric power in an area which system is designed to obtain the most economical utilization of generation and transmission facilities in such area.

"(4) The Commission shall prescribe the terms and conditions of the arrangement to be made between the persons affected by any order under this subsection, including the apportionment of cost between them and the compensation or reimbursement reasonably due to any of them if the parties fail to agree to such terms and conditions.

"(5) The Commission shall have no authority under this subsection to compel the enlargement of generating facilities for purposes of this subsection, nor to compel an electric utility to take any action under paragraph (1) if the Commission determines that to do so would impair the ability of the electric utility to render adequate service to its customers.".

(c) APPLICATION OF FEDERAL POWER ACT.—(1) The first sentence of section 201(b) of such Act is amended by inserting "(other than sections 202 (b) and (g) and 205(i))" after "Part" and by adding the following at the end thereof: "The provisions of sections 202 (b) and (g) and 205(i) shall apply to the electric utilities and other persons specified therein."

(2) Section 201(e) of such Act is amended by inserting "(other than facilities subject to such jurisdiction solely by reason of sections 202 (b) and (g) and 205(i))" after "Part.".

CONTINUANCE OF SERVICE

SEC. 542. (a) CONTINUANCE OF SERVICE.—Section 202(c) of the Federal Power Act is amended by inserting "(1)" after "(c)", by designating the last sentence thereof as paragraph (3), and by inserting the following new paragraph after the first sentence thereof:

"(2) In order to insure continuity of service to retail and wholesale customers, the Commission—

"(A) shall require, by rule, each public utility to report promptly any anticipated shortage of electric energy which would affect such utility's capability of serving its wholesale customers,

"(B) shall require, by order, such utility to accommodate such shortage in a manner which affects the retail customers of the utility and the retail customers of such utility's wholesale customers in a nondiscriminatory manner, and which gives due consideration to public health and safety,

"(C) shall require, by order, such connection of facilities and such generation, sale, delivery, exchange, or transmission of electric energy, pooling, wheeling, or other transmission service or other coordination as in its judgment will best serve the public interest, and

"(D) shall, by rule, require each public utility to submit contingency plans respecting electricity supply shortages.

No order may be issued under this paragraph, except after evidentiary hearing.".

(b) CONFORMING AMENDMENT.—The last sentence of section 202(c) of such Act is amended by striking out "affected by such order" and inserting in lieu thereof "affected by any order under this subsection".

CONSIDERATION OF PROPOSED RATE INCREASES

SEC. 543. (a) NEW SCHEDULES; INTERIM EFFECT.—Section 205(e) of the Federal Power Act is amended to read as follows:

"(e)(1)(A) Whenever any such new schedule is filed, the Commission shall upon complaint, and may upon its own initiative without complaint, at once, and, if it so orders, without answer or formal pleading by the public utility, but upon reasonable notice, enter upon a hearing concerning the lawfulness of such rate, charge, classification, or service. Pending such hearing and the decision thereon, the Commission shall suspend the operation of such schedule and defer the use of such rate, charge, classification, or service until such schedule and any such rate, charge, classification, or service is determined to be lawful by an order issued by the Commission and takes effect pursuant to such order.

"(B) If, at any time after the notice period under subsection (d) and prior to issuance of such an order, such public utility applies to the Commission for a preliminary proceeding with respect to such new schedule, the Commission shall hold such preliminary proceeding. The Commission shall initiate such proceeding not later than sixty days after the date of application by the public utility for such proceeding. On its own motion or application of any interested person, the Commission shall order such utility to submit, at least ten days before such proceeding, such additional information as the Commission determines may be material to the lawfulness of such new schedule. To the extent that such utility shows in such proceeding that it is likely to prevail on the merits on the issue of the lawfulness of any part of such schedule and it is necessary to avoid financial hardship to such utility, the Commission shall order into interim effect any such part of such schedule. Such an order shall be entered within sixty days after the date of initiation of the preliminary proceeding, and shall take effect as soon as practicable thereafter. Such order shall not be deemed an order of the Commission for purposes of section 313.

"(C) In case of an increased rate or charge resulting from such preliminary proceedings, the Commission shall by order require the public utility which applied for such proceeding to keep accurate account in detail of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts are paid, and upon completion of the hearing and decision shall by further order require such public utility to refund, with interest, to the persons in whose behalf such amounts were paid, such portion of such increased rates or charges as by its decision shall be found not justified.

"(D) At any hearing involving a rate or charge sought to be increased, the burden of proof to show that the increased rate or charge is just and reasonable shall be upon the public utility, and the Commission shall decide the same as speedily as possible.

"(2) For purposes of this subsection:

"(A) The term 'preliminary proceeding' means a proceeding during which interested persons are given an opportunity to submit written (and, if the Commission so provides, oral) data, views, and arguments.

"(B) The term 'lawful', with respect to a new schedule filed by a public utility under subsection (d), means just, reasonable, and otherwise lawful. Such schedule shall not be considered lawful if differences between such utility's wholesale rates under such schedule and its retail rates are unreasonable or anticompetitive.".

(b)(1) CERTAIN NEW SCHEDULES PROHIBITED.—Section 205(d) of such Act is amended by adding at the end thereof the following:

"(2) Except as provided in paragraph (3), a public utility (A) may not file a new schedule which seeks to increase a rate or charge, which rate or charge is the subject of a prior schedule which is pending before the Commission but which has not taken final effect or any amendment to such pending schedule (other than a technical or clerical amendment) and (B) may not apply for more than one preliminary proceeding respecting such pending rate or charge.

"(3) Paragraph (1) shall not apply in the case of an amendment or preliminary proceeding if the Commission finds that such amendment should be filed or that such a preliminary proceeding should be held on the basis of extraordinary circumstances which may cause such utility irreparable financial injury and on the basis of a determination that the applicant has not caused or contributed to any unreasonable delay in the Commission's determination respecting such rate or charge.".

(2) Section 205(d) of such Act is amended by inserting "(1)" after "(d)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to schedules filed after the date of the enactment of this Act under section 205(d) of the Federal Power Act.

AUTOMATIC ADJUSTMENT CLAUSES

SEC. 544. (a) AUTOMATIC ADJUSTMENT CLAUSES.—Section 205 of the Federal Power Act is amended by adding the following at the end thereof:

"(f)(1) Except as otherwise provided in paragraph (2) of this subsection, the Commission may not allow to go into effect any increase in any rate of any public utility unless—

"(A) opportunity for consideration of such increase in an evidentiary hearing is afforded prior to the date such increase takes effect, or

"(B) such rate increase is pursuant to an automatic adjustment clause which the Commission has determined, after evidentiary hearing, effectively provides incentives for efficient use of resources (such as incentives for economical purchase and use of fuel) and is necessary to enable such utility to meet its immediate short-term financial obligations.

"(2) The prohibition contained in paragraph (1) shall not apply to interim rates which take effect under subsection (e)(1)(B).

"(3)(A) If a rate schedule of a public utility contains an automatic adjustment clause, the Commission shall review such schedule not less often than every two years to insure the maximum economies in those operations and purchases which affect such rates. No such automatic adjustment clause may be effective for any period in excess of 4 years after such clause has been reviewed by the Commission in an evidentiary hearing unless such clause is again reviewed in such an evidentiary hearing before the expiration of such period and the Commission makes the finding required under paragraph (1)(B).

"(B) In making a review under subparagraph (A), the Commission shall examine and, if appropriate, cause to be audited the practices of such public utility subject to an automatic adjustment clause. Each public utility shall provide such reports on such practices as may be required by the Commission, which shall be made available to

the public, and shall contain such information as the Commission shall require to implement the purposes of this subsection (including a disclosure of any ownership, corporate relationships, and other legal or financial relationships between the utility and the seller of such fuel or other items).

"(C) Any purchaser of electric energy for resale which purchases electric energy subject to such adjustment clause may examine the records of the public utility from which it purchases electric energy to insure compliance with applicable schedules and Commission rules.

"(g) On its own motion or upon complaint, the Commission shall, after affording an opportunity for evidentiary hearing, issue an order directing a public utility to cease or modify any practice which does not result in the most economical purchase and use of fuel or other items.

"(h) As used in this section the term 'automatic adjustment clause' means a provision of a rate schedule which provides, without evidentiary hearing, for increases and decreases in rates reflecting increases and decreases in the amount of operating expenses.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date one year after the date of enactment of this Act with respect to public utilities which file a schedule containing any rate increase after the expiration of such one year period.

PRESERVATION OF COMPETITION

SEC. 545. (a) GENERAL AUTHORITY OF COMMISSION.—Section 205 of the Federal Power Act (as amended by section 544 of this Act) is further amended by adding at the end thereof the following:

"(i) Whenever the Commission determines on its own initiative or upon complaint, after affording an opportunity for evidentiary hearing, that an electric utility is engaging in any unfair method of competition, or that an electric utility has filed any contract, agreement, tariff, or schedule which would result in an unfair method of competition, it shall issue an order prohibiting any such unfair method of competition, or reject such a filing.".

(b) NEW BULK POWER FACILITIES.—Section 202 of such Act is amended by adding at the end thereof the following new subsection:

"(g)(1) If any bulk power facility is proposed to be constructed in any regional district, any electric utility may apply to the Commission for an order under paragraph (3) if such utility is engaged in the generation, transmission, or sale of electric energy within the regional district in which such facility is proposed to be constructed. This subsection shall not apply to a utilization or production facility required to be licensed under section 103 of the Atomic Energy Act of 1954.

"(2) Whenever an application is received under paragraph (1), it shall be transmitted to the Attorney General, who shall, within a reasonable period of time (but not to exceed 60 days) advise the Commission as to whether (absent an order under this subsection) the ownership or use of such facility may create or maintain a situation inconsistent with the antitrust laws (as defined in section 549 of the National Energy Act).

"(3) If the Commission, after giving consideration to the advice of the Attorney General and after public notice and an opportunity for the submission of written data, views, and comments, determines that such ownership or use is likely to create or maintain a situation inconsistent with such laws, the Commission shall issue an order conditioning the construction of such facility on compliance with such requirements as it determines appropriate to prevent or remedy such a situation (including providing for joint ownership of such facility). The Attorney General may participate as a party to any proceeding concerning such application.

"(4) The Commission may prescribe such rules as it determines appropriate to carry out this subsection.".

ELECTRIC UTILITY RELIABILITY

SEC. 546. (a) RELIABILITY RULES.—(1) Not later than 2 years after the date of enactment of this Act, after consultation with representatives of State regulatory authorities, and after a reasonable opportunity for interested persons to submit oral and written data, views, and agruments, the Commission shall prescribe rules respecting electric utility reliability.

(2) The Commission shall base such standards on the availability of electric energy to a consumer at the point of use. The Commission shall, in prescribing such standards, require a level of reliability—

(A) sufficient to meet the demonstrated public need; and

(B) not in excess of that which is cost-effective (except where necessary for purposes of subparagraph (A)),

as determined by the Commission.

(3) The Commission, in prescribing such standards, shall—

(A) give consideration to the technological feasibility, energy conservation, and environmental impact of such standards;

(B) minimize capital costs and operational and maintenance expenses related to such standards;

(C) recognize different requirements of reliability of different consumers due to use, need, alternative sources, location, and other matters;

(D) provide that the relationships between the reliability of generating, transmission, and distribution equipment and operating and maintenance procedures are consistent with the reliability of the entire electric system; and

(E) consider the availability of emergency electric energy from nonutility sources.

(4) Such rules may require minimum standards of quality in the purchase, construction, operation, and maintenance of bulk power facilities.

(5) Not less often than every 5 years, the Commission shall review and, after consultation with representatives of State regulatory authorities and after a reasonable opportunity for the presentation of oral and written data, views, and arguments, make appropriate amendments in such rules.

(b) IMPLEMENTATION RULES.—The Commission, after consultation with representatives of State regulatory authorities, and after a reasonable opportunity for interested persons to submit oral as well as written data, views, and arguments, shall prescribe such rules (and may issue orders and take such other action) as may be necessary or appropriate to assure implementation of subsection (a). Such rules (and other actions) under this subsection may include—

(1) sampling, testing, and other quality control requirements applicable to facilities (or components thereof) to which rules under subsection (a), apply, and

(2) provisions, relating to performance warranties and measure of damages, which shall be included by electric utilities in contracts between such utilities and their suppliers.

(c) ENFORCEMENT.—For the purpose of enforcement, a rule, order, or other action under this section shall be treated as a rule or order under the Federal Power Act.

(d) DELEGATION TO STATES.—The Commission may authorize (on such terms and conditions as it determines appropriate) any State regulatory authority to exercise any part of the Commission's authority under subsection (b) if the Commission determines that such State authority has the capability to effectively exercise such authority within its jurisdiction.

COGENERATION

SEC. 547. (a) COGENERATION RULES.—Not later than 1 year after the date of enactment of this Act, the Commission shall, after consultation with representatives of State regulatory authorities, and after a reasonable opportunity for other interested persons to submit oral as well as written data, views, and arguments, prescribe rules requiring electric utilities to offer to sell electric energy to the owner or operator of a qualifying cogeneration facility and to offer to purchase electric energy from such owner or operator. Such rules shall insure that rates for such sales and purchases are just, reasonable, in the public interest, and do not discriminate against cogeneration. Such rules shall include—

(1) rules for allocating costs of a qualifying cogeneration facility between those incurred in generating electric energy and those incurred in generating other forms of energy;

(2) rules respecting the interconnection of a qualifying cogeneration facility to the distribution system of any electric utility or to a centrally dispatched power pool as defined in section 202(b)(3)(B) of the Federal Power Act;

(3) rules respecting the responsibility of the owner or operator of a qualifying cogeneration facility during periods of electric shortage;

(4) rules respecting the minimum reliability standards for the qualifying cogeneration facility; and

(5) rules which specify the reliability of emergency electric energy service available to the qualifying cogeneration facilities.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "cogeneration facility" means a facility which produces—

(A) electric energy, and

(B) other forms of useful energy (such as steam or heat) which is, or will be, used for industrial, commercial, or space heating purposes.

(2) The term "qualifying cogeneration facility" means a cogeneration facility which the Commission determines—

(A) meets such requirements respecting minimum size and fuel efficiency as the Commission, by rule, prescribes; and

(B) in the case of a cogeneration facility which is not owned by a utility and which is, or will be, directly connected to an electric utility, the owner or operator of such facility has offered such utility an opportunity to construct and operate such facility on terms which are agreed upon by the parties.

(c) ENFORCEMENT.—For the purposes of enforcement, a rule under this section shall be treated as a rule under the Federal Power Act.

(d) DELEGATION TO STATES.—The Commission may authorize (on such terms and conditions as it determines appropriate) any State regulatory authority to exercise any part of the Commission's authority under this section if the Commission determines that such State regulatory authority under the capability of effectively exercising such authority within its jurisdiction.

(e) EXEMPTION FROM FEDERAL POWER ACT.—Not later than 1 year after the date of enactment of this Act, the Commission shall, after consultation with representatives of State regulatory authorities, prescribe rules exempting qualifying cogenerators in whole or part from the Federal Power Act, the Public Utility Holding Company Act, and from State laws and regulations respecting electric utility regulation, if the Administrator determines such exemption is necessary to carry out the purposes of this part. No such exemption shall be modified with respect to any such cogenerator after such exemption takes effect with respect to such utility.

INTERLOCKING DIRECTORATES

SEC. 548. (a) PROHIBITIONS.—Section 305 of the Federal Power Act is amended by striking out subsection (b), and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2), it shall be unlawful for any person to—

"(A) hold the position of officer or director of more than one public utility; or

"(B) hold the position of officer or director of a public utility and the position of officer, director, partner, appointee, or representative of—

"(i) any bank trust company, investment bank, banking association, bank holding company, mutual savings bank, savings and loan association, foreign bank or subsidiary thereof doing business in the United States, insurance company, or any other organization primarily engaged in the business of providing financial services or credit;

"(ii) any company, firm, or organization that is authorized by law to underwrite or participate in the marketing of securities of a public utility;

"(iii) any company, firm, or organization which produces or supplies electrical equipment or coal, natural gas, oil, nuclear material or other fuel, for the use of public utilities;

"(iv) a company, firm, or organization which, during any of the three immediately preceding calendar years, was one of the 20 largest purchasers of electric energy sold by such public utility (or by any public utility which is part of the same holding company system), or

"(v) any company, firm, or organization which is controlled by any company, firm or organization referred to above;

unless the holding of such positions shall have been authorized by rule or order of the Commission, upon a showing in form and manner prescribed by the Commission, that neither the public nor private interests will be adversely affected thereby.

"(2) Paragraph (1) shall not prohibit any person from holding any position with more than one company which is a part of a holding company system, any company of which is a registered holding company.

"(3) No authorization of the Commission under paragraph (1) of this subsection may be used as a defense to any action brought under section 8 of the Clayton Act (15 U.S.C. 19).

"(4) For purposes of this subsection—

"(A) a term 'public utility' includes any company which is a part of a holding company system which includes a registered holding company, unless no company in such system is an electric utility, and

"(B) the terms 'holding company', 'registered holding company', and 'holding company system' have the same meaning as when used in the Public Utility Holding Company Act of 1935.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date 1 year after the date of the enactment of this Act.

APPLICABILITY OF ANTITRUST LAWS

SEC. 549. (a) APPLICATION.—Nothing contained in this chapter or the amendments made thereby shall—

(1) be deemed to convey to any person immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws, or

(2) restrict any authority the Commission may have under the Federal Power Act to regulate unfair methods of competition.

(b) DEFINITIONS.—For purposes of this section, the term "antitrust laws" includes—

(1) the Sherman Act (15 U.S.C. 1, and following);

(2) the Clayton Act (15 U.S.C. 12, and following);

(3) the Federal Trade Commission Act (15 U.S.C. 41, and following);

(4) the Wilson Tariff Act (15 U.S.C. 8 and 9); and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21A).

Chapter 4—CONSUMER REPRESENTATION AND ASSISTANCE TO STATE AGENCIES

FINANCIAL ASSISTANCE FOR STATE AGENCIES AND FOR CONSUMER REPRESENTATION

SEC. 551. (a) GRANTS.—Title II of the Energy Conservation and Production Act is amended by striking out section 203 and inserting in lieu thereof the following:

"ESTABLISHMENT OF PROGRAM

"SEC. 203. (a) The Administrator is authorized, in accordance with the provisions of this title, to make grants to State utility regulatory commissions—

"(1) for purposes of section 203A (relating to staffing);

"(2) for purposes of section 205(d) (relating to participation in proceedings); and

"(3) for purposes of section 204(1)(B) (relating to innovative rate structures).

"(b) No grant shall be made under this title unless an application therefor has been submitted to the Administrator in such form and manner as the Administrator may require. The Administrator may not approve an application of a State agency unless such authority assures the Administrator that funds made available under this title will be in addition to, and not in substitution for, funds made available to such State agency from other sources.

"(c) No grant may be made under this title after September 30, 1980.

"GRANTS TO IMPROVE STAFFING

"SEC. 203A. The Administrator may make grants to assist any State utility regulatory commission in improving its staff capacity to effectively regulate electric utilities. No grant may be made under this section unless the Administrator determines that such State utility regulatory commission—

"(1) requires additional staff in order to effectively carry out its regulatory authority, and

"(2) agrees to institute a system for assessing and collecting fees in a just and equitable manner from every electric utility subject to its jurisdiction, or otherwise secures the funds, to maintain the additional staff made possible under such grant following expiration of the grant.".

(b) FUNDING FOR INNOVATIVE RATE STRUCTURES.—Section 204(1)(B) of such Act is amended by inserting the following before the comma at the end thereof: "which encourage the development and operation of innovative rate structures which encourage conservation, are equitable and nondiscriminatory among the various classes of electric consumers, promote the efficient use of electric energy, and comply with the requirements of chapter 2 of the part E of the National Energy Act".

(c) PARTICIPATION IN PROCEEDINGS.—(1) Section 204(2) of such Act is amended by inserting "or nonregulated public system (as defined in section 502 of the National Energy Act)" before "which relates".

(2) Section 205 of such Act is amended by adding the following new subsection at the end thereof:

"(d) The Administrator may make grants to State utility regulatory authorities to provide for the establishment and operation of programs which meet the requirements of 537(b)(2) of the National Energy Act (respecting participation in proceedings) and which meet such other requirements as the Administrator shall prescribe by rule.".

(d) AUTHORIZATIONS.—Section 207 of such Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 207. There are authorized to be appropriated—

"(1) not to exceed $40,000,000 in any fiscal year for grants under section 203A (relating to staffing);

"(2) not to exceed $5,000,000 for grants under section 205(d) (relating to participation in proceedings); and

"(3) not to exceed $5,000,000 for grants under section 204(1)(B) (relating to innovative rate structures).".

(e) ALLOTMENTS.—Such title II of such Act is amended by adding the following new section at the end thereof:

"ALLOTMENTS OF SUMS

"SEC. 208. (a) In each fiscal year the Administrator shall allot the sums appropriated under this title equitably among the States on the basis of population, except that—

"(1) no State which qualifies for a grant under section 203A (relating to staffing) or section 204(1)(B) (relating to innovative rate structures) may receive less than one-half percent or more than 5 percent of amounts appropriated for grants under section 203A (relating to staffing) or section 204(1)(B) (relating to innovative rate structures), respectively, for any fiscal year; and

"(2) no State which qualifies for a grant under section 205(d) (relating to participation in proceedings) may receive less than 1 percent or more than 3 percent of amounts appropriated for grants under such section for any fiscal year.

"(b) The Administrator may withhold any part or all of any grant under this title if such Administrator finds that the State regulatory authority or other person is not carrying out the program as described in the application or has violated assurances contained in the application.".

(f) CONFORMING AMENDMENTS.—The table of contents for title II of such Act is amended by striking out the item relating to section 203 and inserting in lieu thereof the following:

"Sec. 203. Establishment of program.
"Sec. 203A. Grants to improve staffing."

REPRESENTATION OF CONSUMER INTERESTS BEFORE FEDERAL POWER COMMISSION

SEC. 552. The Federal Power Act is amended by redesignating sections 319 and 320 as 320 and 321, respectively, and by inserting the following new section under section 318:

"OFFICE OF PUBLIC COUNSEL

"SEC. 319. (a)(1) There shall be established, within sixty days after the date of enactment of this section, an independent office in the Commission to be known as the Office of Public Counsel (hereinafter in this section referred to as the 'Office').

"(2)(A) The Office shall be administered by a Director. The Director shall be appointed by the President, by and with the advice and consent of the Senate.

"(B) The term of office of the Director shall be 4 years. The Director shall be responsible for the discharge of the functions and duties of the Office. He shall be appointed and compensated (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, classification, and General Schedule pay rates) at a rate not in excess of the maximum rate prescribed for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code.

"(3) The Director may appoint, fix the compensation, and assign the duties of employees of such Office, and he may procure temporary and intermittent services to the same extent as is authorized under section 3109 of title 5, United States Code. Each bureau, office or other entity of the Commission and each department, agency, and instrumentality of the executive branch of the Federal Government and each independent regulatory agency of the United States shall provide the Office with such information and data as it requests. The Director is authorized to enter into, without regard to section 3709 of the Revised Statutes of the United Sates (41 U.S.C. 5), such contracts, leases, coopera-

tive agreements, or other transactions as may be necessary in the conduct of his functions and duties.

"(4) In addition to any other duties and responsibilities prescribed by law, the Office—

"(A) shall have standing to become a party to any proceeding, formal or informal, which is before the Commission;

"(B) may petition the Commission for the initiation of proceedings on any matter within the jurisdiction of the Commission;

"(C) may seek judicial review of any Commission action, to the same extent such review is authorized by law for any person;

"(D) shall solicit, study, evaluate, and present before the Commission in any proceeding, formal or informal, the views of those States and political subdivisions thereof and consumers of electric energy affected by proceedings before the Commission, whenever the Director determines, for whatever reason (such as size or location), that such State or political subdivision or consumer might not otherwise be adequately represented before the Commission in the course of such proceedings; and

"(E) shall evaluate and represent, before the Commission and before other Federal agencies (when their policies and activities significantly affect public utility matters subject to the jurisdiction of the Commission) and by other means assist the representation of the interest of States and political subdivisions thereof and consumers of electric energy in safe, efficient, reliable, and economical electric utility services.

"(5) The budget requests and budget estimates of the Office of Public Counsel shall be submitted concurrently to the Congress and to the President.

"(6) There are authorized to be appropriated to the Office of Public Counsel for the purpose of carrying out the provisions of this subsection not to exceed $500,000 for the fiscal year 1978, not to exceed $2,000,000 for the fiscal year 1979, not to exceed $2,200,000 for the fiscal year 1980, and not to exceed $2,400,000 for the fiscal year 1981.

"(b)(1) The Director of the Office may, pursuant to rules prescribed by him, provide compensation for reasonable attorneys fees, expert witness fees, and other costs of participating in any proceeding before the Commission to any person—

"(A) who has, or represents, an interest (i) which would not otherwise be adequately represented in such proceeding, and (ii) representation of which is necessary for a fair determination of the proceeding taken as a whole, and

"(B) who is unable effectively to participate in such proceeding because such person cannot afford to pay costs of preparing or making oral presentations, conducting cross-examination, and making rebuttal submissions in such proceeding.

"(2) The aggregate amount of compensation paid to all persons in any fiscal year under this subsection may not exceed $2,000,000.".

RESPONSIBILITIES OF ADMINISTRATOR

SEC. 553. The Administrator, for the purpose of carrying out his functions under title II of the Energy Conservation and Production Act, shall—

(1) publish a list identifying the State regulatory authorities and nonregulated utilities to which the provisions of this title are applicable;

(2) inform, on a continuing basis, the State regulatory authorities and nonregulated utilities identified pursuant to paragraph (1) with respect to—

(A) the identification and development of load management techniques, including the results of experiments in load management;

(B) developments and innovations in electric utility ratemaking throughout the United States, including the results of experiments in rate structure and rate reform;

(C) methods for determining cost of service under section 534; and

(D) any other data or information which the Administrator determines to be of assistance in carrying out the provisions of this title; and

(3) State agency having responsibility with respect to planning and siting of bulk power facilities such technical assistance (including assistance in developing demand forecasting methods and in using techniques for choosing the desired degree of reliability) as he determines is appropriate; and

(4) provide on a formal or informal basis such appropriate technical assistance as is requested by a State regulatory authority, electric, utility, or nonregulated utility.

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

DR. REYES INSPIRES NATURALIZED CUBAN REFUGEES

Mr. PEPPER. Mr. Speaker, I would like to call the attention of our colleagues to the copy of a speech by Dr. Manolo Reyes in the Dade County Auditorium in Miami upon the occasion of naturalization of a great number of Cuban refugees as U.S. citizens.

My very good and close friend, Dr. Reyes, has distinguished himself in the past by speaking out against the denial of human freedoms to some of the peoples within our hemisphere. In this speech, which he delivered during April of this year, he contrastingly praises and outlines the freedoms and responsibilities we find right here at home. It is a truly inspiring valuable document in my view.

Dr. Reyes has appeared before many of the committees of the House and Senate in the past, where he shared his experienced testimony on several issues affecting my area. In such a fashion as well as in his profession as Latin American news editor at WTVJ/Miami he has continually demonstrated an eloquent grip on what is important. He does the same in the following address:

NATURALIZATION CEREMONY SPEECH
(By Dr. Manolo Reyes)

Welcome to America.

I know that all of you have been here enough time, according to the law, to become American citizens. But for me it is really a great privilege and an honor to welcome all of you as American citizens.

This is a day of rebirth.

You were born in your native country, for those who came to the United States looking for refuge, you were born for the second time in the same life when you were sheltered and protected by the government, the people and the laws of this country. And today, as you become American citizens, you are having the rare privilege of being born for a third time in a one-time-life. Today, when you leave this auditorium, you will enjoy a lot of new rights.

But do not ever forget that each new right—you also have a new duty. Only the balance between rights and duties and the fulfillment of both will make a society free.

Also, in this re-birth, with your new citizenship you are fully equipped to be an integral, a complete part of your community. Years ago we came to this country, some of you to make a new life, others seeking refuge.

And this wonderful nation responded properly.

The American people gave us a place under the sun. They gave us a position in the community.

What should be the answer given by us? Isolation?

No! Because if we isolated ourselves, we do not count. We are not helping the development of our community. We are negating our thoughts, our efforts, our company and our love to the place in which our children have been growing, becoming men and women.

Isolation is not and will never be the answer. Because with isolation we are contributing to the death of our community.

The only way a community can be healthy is with the participation of each and every one of its citizens. And a nation could be in progress and betterment when that nation has healthy communities.

Now as full American citizens you can participate, you can help others, you can be involved.

If you have a P.T.A. meeting go; If there is a meeting of the community to discuss matters concerning the well-being of it—go! If you have ideas which you believe are good for the community or the nation, talk or write to the legislators locally or to your congressman or senator!

If you are not registered to vote, go and register!

And when the election comes, go out and vote! Do not ever forget those who gave their lives so you could have the privilege of voting!

Remember that citizenship is not a piece of paper which guarantees rights, privileges and duties. Citizenship is a belief—a firm belief.

And we believe! That is why you are here today.

But citizenship is also gratitude, which is one of the most beautiful forms of love.

We have to look back and see our children growing in freedom in this unique land. We have to look back and remember that America opened its arms to us at the time we needed it the most.

And what about our past?

The past cannot be changed. It's there and cannot be negated or renounced. The past is a prologue of today. Without the past nobody could reach the rebirth of this morning. You have to feel very proud of your past, of your tradition, of your history, of your ideas, as the Pilgrims did when they came to this land to form a new nation. You are rewriting another first chapter on the American history.

I repeat: Citizenship is a matter of love.

You love the women who gave you birth—but you also love the women who helped your children to grow.

For all the reasons I have told you, America is unique! America—the land of the free and the brave—is the first and the last hope of all humanity.

There are many political doctrines, there are many governments in the world, but despite errors, mistakes and criticism—from within and abroad—there is no form of life better than the one you live in the United States of America!

Here the system works! It has been proven many times before and now!

So from now on that is your new heritage! Be proud of it, be a custodian of it, and enlarge your tradition with it!

Love your American neighbor—help him—work with him—because as Lincoln said: "You can depend on the American people when they know".

This morning with this ceremony America has been enriched with one thousand more sons and daughters.

I hope and pray that the future generations will feel as proud of all of you as each one of you feel proud this morning of those who make America possible to all of you.

From the bottom of my heart I congratulate each new citizen and ask in this day of

rejoice in which applause has been granted in this auditorium to different personalities and presentations—to give the biggest applause of all to the one which deserves it the most—the United States of America!

TALENTED POET

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, Mr. Gene Griener, a very talented poet in Miami, has written many beautiful poems which are not only excellent from a literary standpoint but reflect deep understanding and feeling. Recently Mr. Griener wrote a short poem about President Carter, emphasizing the President's identification with the people. He dated his poem March 5, 1977, that being the day President Carter answered public telephone calls on television. I think it is an excellent poem reflecting a deep understanding of the President's compassion and concern for people. I have sent the poem to President Carter and I am sure he is very grateful for being the subject of his poem.

Mr. Speaker, I include this excellent poem in honor of the President by Mr. Gene Griener in the body of the RECORD following my remarks:

PRESIDENT JIMMY CARTER

MARCH 5, 1977.

A man of the people
And for the people
A man who understands
For on this day in history
Our nation's minds held hands.

GENE GRIENER,
CRM,
U.S. Navy-retired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. MICHAEL O. MYERS (at the request of Mr. WRIGHT, for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BADHAM) and to revise and extend their remarks and include extraneous matter:)

Mr. WYDLER, for 5 minutes, today.
Mrs. FENWICK, for 10 minutes, today.
Mr. WALKER, for 4 minutes, today.
Mr. WHALEN, for 5 minutes, today.
Mrs. HECKLER, for 5 minutes, today.
Mr. MCDADE, for 5 minutes, today.
Mr. ASHBROOK, for 30 minutes, today.

(The following Members (at the request of Mr. KOSTMAYER) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. METCALFE, for 10 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. LE FANTE, for 10 minutes, today.
Mr. LAFALCE, for 15 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. AUCOIN, for 15 minutes, today.
Mr. BEDELL, for 5 minutes, today.
Ms. HOLTZMAN, for 5 minutes, today.
Mr. RODINO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DINGELL, to extend his remarks in the body of the RECORD, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,415.

Mr. FLYNT, during consideration of H.R. 7553 in Committee of the Whole, to include as part of his remarks extraneous material.

Mr. ASHBROOK, to revise and extend his remarks just prior to the vote on the Conte amendment.

(The following Members (at the request of Mr. BADHAM) and to include extraneous material:)

Mr. ERLENBORN.
Mr. GRADISON.
Mr. MCCLORY.
Mr. COLLINS of Texas in two instances.
Mr. SCHULZE.
Mr. DORNAN.
Mr. BADHAM.
Mr. HYDE.
Mr. O'BRIEN.
Mr. SYMMS.
Mr. WALKER.
Mr. ABDNOR in two instances.
Mr. LAGOMARSINO.
Mr. COLEMAN.
Mr. DERWINSKI in three instances.
Mr. KEMP in four instances.
Mr. JEFFORDS in three instances.
Mr. ROUSSELOT in two instances.
Mr. ASHBROOK in three instances.

(The following Members (at the request of Mr. KOSTMAYER) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mrs. BURKE of California in three instances.
Mr. FASCELL in two instances.
Mr. FARY.
Mr. BLOUIN in five instances.
Ms. CHISHOLM.
Mr. SMITH of Iowa.
Mr. LAFALCE.
Mr. SIMON.
Mr. LEGGETT.
Ms. SCHROEDER in three instances.
Mr. MOAKLEY in two instances.
Mr. DICKS.
Mr. TEAGUE.
Mr. HANNAFORD.
Mr. MINISH.
Mr. WON PAT.
Mr. WHITE.
Mr. RYAN.
Mrs. SPELLMAN.
Mr. CORNWELL.
Mr. BRADEMAS in 10 instances.
Mr. BEILENSON.
Mr. DELANEY.
Mr. GEPHARDT.
Mr. KOSTMAYER.
Mr. CARR.
Mr. RANGEL.
Mr. EARLY.
Mr. PEPPER.
Mr. MANN in eight instances.
Mrs. OAKAR.
Mr. ZEFERETTI.
Mr. DAN DANIEL.
Mr. HARKIN.
Mr. WEISS.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 62. Joint resolution recognizing the contributions of school volunteers; to the Committee on Post Office and Civil Service.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on June 13, 1977, present to the President, for his approval, bills of the House of the following title:

H.R. 5840. An act to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, and to strengthen the antiboycott provisions of that act; and

H.R. 6206. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out the Commercial Fisheries Research and Development Act of 1964.

ADJOURNMENT

Mr. KOSTMAYER. Mr. Speaker. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 48 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 15, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1693. A letter from the Chairman of the Board of Governors, Federal Reserve System, transmitting the 63d Annual Report of the Board of Governors, covering calendar year 1976, pursuant to section 10 of the Federal Reserve Act, as amended; to the Committee on Banking, Finance and Urban Affairs.

1694. A letter from the Chairman, National Labor Relations Board, transmitting a report on cases heard and/or decided by the Board during fiscal year 1976, pursuant to section 3(c) of the Labor Management Relations Act of 1947, as amended; to the Committee on Education and Labor.

1695. A letter from the Administrator, Office of Federal Procurement Policy, Office of Management and Budget, Executive Office of the President, transmitting the annual report of the Office for calendar year 1976, pursuant to section 8(a) of Public Law 93-400; to the Committee on Government Operations.

1696. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Defense Mapping Agency, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1697. A letter from the Acting Assistant Administrator for Legislative Affairs, Agency

for International Development, Department of State, transmitting a report on programing and obligation of funds for Lebanon relief and rehabilitation as of May 31, 1977, pursuant to section 495C(e) of the Foreign Assistance Act of 1961, as amended (90 Stat. 762); to the Committee on International Relations.

1698. A letter from the Chairman, Federal Power Commission, transmitting copies of regional maps entitled "Principal Electric Facilities, 1977"; to the Committee on Interstate and Foreign Commerce.

1699. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on Laguna Canyon, Orange County, Calif., authorized by section 4 of the Flood Control Act of 1941; to the Committee on Public Works and Transportation.

1700. A letter from the Secretary of State, transmitting the State Department's views on the proposed termination of the Clinch River Breeder Reactor project; jointly, to the Committees on Science and Technology, and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBERTS: Committee on Veterans' Affairs. A report on allocation of budget totals to subcommittees of Committee on Veterans' Affairs (Rept. No. 95–407). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Veterans' Affairs. H.R. 1678. A bill to name the Veterans' Administration hospital located at 13000 North 30th Street, Tampa, Fla., the "James A. Haley Veterans' Hospital" (Rept. No. 95–408). Referred to the House Calendar.

Mr. ROBERTS: Committee on Veterans' Affairs. H.R. 7643. A bill to name the Veterans' Administration hospital located at 200 Springs Road, Bedford, Mass., the "Edith Nourse Rogers Memorial Veterans' Hospital" (Rept. No. 95–409). Referred to the House Calendar.

Mr. ROBERTS: Committee on Veterans' Affairs. H.R. 7678. A bill relating to the assignment of retired military personnel to the American Battle Monuments Commission (Rept. No. 95–410). Referred to the House Calendar.

Mr. ROBERTS: Committee on Veterans' Affairs. H.R. 7345. A bill to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes (Rept. No. 95–411). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Veterans' Affairs. H.R. 7658. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing (Rept. No. 95–412). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER (for himself and Mr. METCALFE):

H.R. 7761. A bill to amend the retirement provisions of title 5, United States Code, to include as creditable service for purposes of the civil service retirement system certain periods of public-school service outside of the Canal Zone by individuals who become subject to such provisions for public-school service within the Canal Zone; to the Committee on Post Office and Civil Service.

By Mr. ASHBROOK:

H.R. 7762. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. BEDELL (for himself and Mr. EDGAR):

H.R. 7763. A bill to amend title 38, United States Code, to alter the method by which the Administrator of Veterans' Affairs computes cost-of-living increases in social security benefits for purposes of determining the amount of a veteran's pension or dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. CONABLE:

H.R. 7764. A bill to amend the Internal Revenue Code of 1954 to eliminate the excise tax on tread rubber; to the Committee on Ways and Means.

By Mr. DE LUGO:

H.R. 7765. A bill to convey mineral rights in certain submerged lands to the governments of Guam and the Virgin Islands; to the Committee on International Relations.

By Mr. DIGGS (by request):

H.R. 7766. A bill to authorize the Mayor of the District of Columbia to enter into an agreement with the U.S. Postal Service with respect to the use of certain public air space in the District of Columbia; to the Committee on the District of Columbia.

By Mr. EDGAR (for himself, Mr. CORRADA, Mr. EILBERG, Mr. GEPHARDT, Mr. GIBBONS, Mr. HEFTEL, Mr. HOWARD, Mr. MEEDS, Mr. MIKVA, Mr. MOAKLEY, Mr. PEPPER, Mr. RODINO, and Mr. SEIBERLING):

H.R. 7767. A bill to authorize the Environmental Protection Agency a Federal program of research, development, and demonstration designed to advance the technology of removing oil spills; to the Committee on Science and Technology.

By Mrs. FENWICK:

H.R. 7768. A bill to amend the Interstate Commerce Act to liberalize entry into motor carrier and contract carrier operation, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FISH (for himself, Mr. EILBERG, Ms. HOLTZMAN, Mr. HALL, Mr. HARRIS, Mr. EVANS of Georgia, and Mr. SAWYER):

H.R. 7769. A bill to authorize the creation of a record of admission for permanent residence in the cases of certain refugees from Vietnam, Laos, or Cambodia; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself, Mr. BINGHAM, Mr. CARNEY, Mr. CORNWELL, Mr. COTTER, Mr. EILBERG, Mr. EMERY, Mr. HILLIS, Ms. HOLTZMAN, Mr. HOWARD, Mr. KOCH, Mr. LAFALCE, Mr. LENT, Mr. MARKEY, Mr. MCKINNEY, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MURPHY of Pennsylvania, Mr. NIX, Mr. RICHMOND, Mr. SEIBERLING, Mr. THOMPSON, and Mr. TRAXLER):

H.R. 7770. A bill to authorize the head of any Federal department or agency to set aside the total amount of any procurement by such department or agency for a labor surplus area; to the Committee on Government Operations.

By Mr. HEFTEL:

H.R. 7771. A bill to control volcanic activity; to the Committee on Public Works and Transportation.

By Ms. HOLTZMAN:

H.R. 7772. A bill to amend the Housing and Community Development Act of 1974 for the purpose of authorizing grants to be used to fund local programs designed to improve housing and prevent neighborhood deterioration; to the Committee on Banking, Finance and Urban Affairs.

By Mr. JOHNSON of Colorado (for himself, Mr. WEAVER, Mr. MOFFETT, Mr. BAUCUS, Mr. BEDELL, Mr. GLICKMAN, Mr. RICHMOND, Mr. FRASER, Mr. PATTERSON of California, Mr. GEPHARDT, Mr. ARMSTRONG, Mr. ULLMAN, Mr. WEISS, Mrs. SMITH of Nebraska, and Mr. RONCALIO):

H.R. 7773. A bill to amend the National Trails System Act of 1968 (82 Stat. 919), as amended, to designate the Oregon National Historic Trail and Travelway as a unit of the National Trails System; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of Colorado (for himself, Mr. PANETTA, Mr. SYMMS, Mr. COLEMAN, Mr. YOUNG of Alaska, Mr. SIMON, Ms. HOLTZMAN, Mr. SEBELIUS, Mr. HUGHES, Mr. AUCOIN, Mr. EDWARDS of Oklahoma, Mr. MCCORMACK, Mr. BEILENSON, and Mrs. SPELLMAN):

H.R. 7774. A bill to amend the National Trails System Act of 1968 (82 Stat. 919), as amended, to designate the Oregon National Historic Trail and Travelway as a unit of the National Trails System; to the Committee on Interior and Insular Affairs.

By Mr. KOCH:

H.R. 7775. A bill to prohibit discrimination on the basis of affectional or sexual preference, and for other purposes; jointly, to the Committees on Education and Labor, and the Judiciary.

By Mr. NOLAN (for himself, Mr. ANDERSON of Illinois, Mr. BLOUIN, Mr. BOWEN, Mr. CORCORAN of Illinois, Mr. CORNELL, Mr. CORNWELL, Mr. ENGLISH, Mr. ERTEL, Mr. GLICKMAN, Ms. KEYS, Mr. KREBS, Mr. KRUEGER, Mr. MONTGOMERY, Mr. NEAL, Mr. PRESSLER, Mr. RICHMOND, Mr. SIMON, and Mr. CHARLES WILSON of Texas):

H.R. 7776. A bill to provide that in compiling unemployment statistics, the Bureau of Labor Statistics shall include farmers reporting net income losses for the preceding taxable year and shall include certain of their dependents, and to provide that Federal assistance distributed on the basis of unemployment shall take into account such farmers and dependents; to the Committee on Education and Labor.

By Mr. OBERSTAR:

H.R. 7777. A bill to amend the Great Lakes Pilotage Act of 1960 to limit the liability of U.S. registered pilots so as to provide for reciprocal and equitable participation by United States and Canadian citizens in the pilotage of vessels on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. PEASE (for himself, Mr. ADDABBO, Mr. SISK, Mr. CORNWELL, and Mr. STUMP):

H.R. 7778. A bill to amend chapter 2 of title II of the Immigration and Nationality Act to change affidavits of support signed by sponsors on behalf of incoming aliens from a moral obligation to a legal obligation; to the Committee on the Judiciary.

By Mr. ROONEY (for himself and Mr. RAHALL):

H.R. 7779. A bill to make Flag Day a legal public holiday, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING (for himself, Mr. CONYERS, Mr. CORRADA, Mr. DELLUMS, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. PEASE, Mr. VENTO, and Mr. WEAVER):

H.R. 7780. A bill to amend the Clayton Act to prohibit the suppression of certain technology, and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING (for himself, Mr. CONYERS, Mr. DELLUMS, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. MOAKLEY, Mr. PEASE,

Mr. SIMON, Mr. VENTO, and Mr. WEAVER):

H.R. 7781. A bill to establish classes of bidders for the acquisition of new Federal coal leases, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. DELLUMS, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. HARRIS, Ms. HOLTZMAN, Mr. VENTO, and Mr. WEAVER):

H.R. 7782. A bill to amend the Mineral Leasing Act of 1920 to prohibit any company from acquiring control over more than one major energy resource on Federal lands after 1979, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. CORRADA, Mr. DELLUMS, Mr. EDWARDS of California, Mr. EILBERG, Mrs. FENWICK, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. MOAKLEY, Mr. VENTO, and Mr. WEAVER):

H.R. 7783. A bill to place the mining of uranium on Federal lands under the Mineral Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. CONYERS, Mr. DELLUMS, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. HARRIS, Ms. HOLTZMAN, Mr. MOAKLEY, and Mr. WEAVER):

H.R. 7784. A bill to amend the Clayton Act to prohibit restraints of trade in the transportation of petroleum, and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING (for himself, Mr. CONYERS, Mr. D'AMOURS, Mr. DELLUMS, Mr. DRINAN, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. MOAKLEY, Mr. PEASE, Mr. SIMON, Mr. VENTO, and Mr. WEAVER):

H.R. 7785. A bill to amend the Clayton Act to maintain competition among the energy-producing industries, and for other purposes; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.R. 7786. A bill to amend section 703 and section 704 of the Railroad Revitalization and Regulatory Reform Act of 1976 with respect to the completion of fencing, station parking, and station access as part of the Northeast Corridor railroad improvement program; to the Committee on Interstate and Foreign Commerce.

By Mrs. SPELLMAN (for herself and Ms. HOLTZMAN):

H.R. 7787. A bill to amend title VIII of the act commonly called the Civil Rights Act of 1968 with respect to the awarding of attorney's fees and the authority of the Department of Housing and Urban Development to initiate a civil action to enforce the provisions of such title; to the Committee on the Judiciary.

By Mr. STEERS:

H.R. 7788. A bill to amend the Clayton Act to provide that the existence of a contract or agreement between the person alleged to be injured and the defendant need not be proven in order for the person to recover in an action for treble damages under the act; to the Committee on the Judiciary.

By Mr. STRATTON:

H.R. 7789. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or for his dependents; to the Committee on Ways and Means.

By Mr. THONE:

H.R. 7790. A bill to require that imported meat and meat food products made in whole or in part of imported meat be subjected to certain tests and that such meat or products be identified as having been imported; to require the inspection of imported dairy products and that such products comply with certain minimum standards of sanitation; to require that the cost of conducting such tests, inspections, and identification procedures on imported meat and meat food products and on dairy products, as the case may be, be borne by the exporters of such articles; and for other purposes; to the Committee on Agriculture.

H.R. 7791. A bill to amend the Internal Revenue Code of 1954, to provide a basic $5,000 exemption from income tax, in the case of an individual or married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. UDALL (for himself and Mr. PREYER):

H.R. 7722. A bill to amend title 39, United States Code, to establish certain limitations on the use of the frank, and for other purposes; to the Select Committee on Ethics.

By Mr. WHITEHURST (for himself, Mr. FRENZEL, and Mr. HORTON):

H.R. 7793. A bill to permit the private, noncommercial ownership of feral burros and wild horses; jointly to the Committees on Interior and Insular Affairs, Merchant Marines and Fisheries.

By Mr. NOLAN (for himself, Mr. BALDUS, Mr. BOLAND, Mr. BURGENER, Mr. CARNEY, Ms. CHISHOLM, Mr. CLEVELAND, Mr. D'AMOURS, Mr. DUNCAN of Tennessee, Mr. FISHER, Mr. JENRETTE, Mr. KETCHUM, Mr. LENT, Mr. MCHUGH, Mr. MARKEY, Mr. MIKVA, Mr. NEAL, Ms. OAKAR, Mr. O'BRIEN, Mr. RAHALL, Mr. ROSENTHAL, Mr. WATKINS, Mr. WAXMAN, Mr. WEISS, and Mr. CHARLES WILSON of Texas):

H.J. Res. 519. Joint resolution authorizing the President to proclaim the third week of July of 1977, 1978, and 1979, as National Architectural Barrier Awareness Week; to the Committee on Post Office and Civil Service.

By Mr. FASCELL (for himself, Mr. ZABLOCKI, Mr. DERWINSKI, Mr. YATRON, Mr. BEILENSON, Mr. GILMAN, Mr. BURKE of Florida, Mr. BINGHAM, Mr. LAGOMARSINO, Mr. WHALEN, Mr. WOLFF, Mrs. FENWICK, Mr. BUCHANAN, Mr. SOLARZ, and Mr. SIMON):

H. Con. Res. 249. Concurrent resolution with respect to the preparatory meeting in Belgrade of the Conference on Security and Cooperation in Europe; to the Committee on International Relations.

By Mr. SCHULZE (for himself, Mr. BADILLO, Mr. BEILENSON, Mr. BONIOR, Mr. BURGENER, Mr. DELLUMS, Mr. EMERY, Mr. FRASER, Mr. GOODLING, Ms. HOLTZMAN, Mr. JENRETTE, Mr. KOCH, Mr. MAGUIRE, Mrs. MEYNER, Mr. MITCHELL of Maryland, Mr. NOLAN, Mr. PRESSLER, Mr. STARK, Mrs. SPELLMAN, and Mr. WALGREN):

H. Con. Res. 250. Concurrent resolution to reduce the threat of chemical warfare; to the Committee on International Relations.

By Mr. HANNAFORD:

H. Res. 631. Resolution to commence hearings on the Nation's future telecommunications policy; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

187. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to an investigation by the Federal Communications Commission of the use of the public airways to disseminate pornography; to the Committee on Interstate and Foreign Commerce.

188. Also, memorial of the Legislature of the State of Arizona, requesting that Congress propose an amendment to the Constitution of the United States requiring balanced Federal budgets; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN of Tennessee:

H.R. 7794. A bill for the relief of Piphat Phuntamala; to the Committee on the Judiciary.

By Mr. KOSTMAYER:

H.R. 7795. A bill for the relief of Veronica Judith Hudson; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7073

By Mr. MATHIS:

On the first page, after line 11, add the following new section:

SEC. 2. Section 25(a) of the Federal Insecticide, Fungicide, and Rodenticide Act is amended by adding the following new paragraph at the end thereof:

"(4) RULE AND REGULATION REVIEW—

"(A) CONGRESSIONAL REVIEW.—Notwithstanding any other provision of this Act, simultaneously with promulgation or repromulgation of any rule or regulation under this Act, the Administrator shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. Except as provided in subparagraph (B), the rule or regulation shall not become effective, if—

"(i) within 90 calendar days of continuous session of Congress after the date of promulgation, both Houses of Congress adopt a concurrent resolution, the matter after the resolving clause of which is as follows: 'That Congress disapproves the rule or regulation promulgated by the Administrator of the Environmental Protection Agency dealing with the matter of , which rule or regulation was transmitted to Congress on .', the blank spaces therein being appropriately filled; or

"(ii) within 60 calendar days of continuous session of Congress after the date of promulgation, one House of Congress adopts such a concurrent resolution and transmits such resolution to the other House, and such resolution is not disapproved by such other House within 30 calendar days of continuous session of Congress after such transmittal.

"(B) EFFECTIVE DATE.—If at the end of 60 calendar days of continuous session of Congress after the date of promulgation of a rule or regulation, no committee of either House of Congress has reported or been discharged from further consideration of a concurrent resolution disapproving the rule or regulation, and neither House has adopted such a resolution, the rule or regulation may go into effect immediately. If, within such 60 calendar days, such a committee has reported or been discharged from further consideration of such a resolution, or either House has adopted such a resolution, the rule or regulation may go into effect not sooner than 90 calendar days of continuous session of Congress after its promulgation unless disapproved as provided in subparagraph (A).

"(C) For the purposes of subparagraphs (A) and (B) of this paragraph—

"(i) continuity of session is broken only by an adjournment of Congress sine die; and

"(ii) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are

excluded in the computation of 30, 60, and 90 calendar days of continuous session of Congress.

"(D) Identical new rule.—The Administrator may not promulgate a new rule or regulation identical to one disapproved pursuant to this paragraph unless a statute is adopted affecting the agency's powers with respect to the subject matter of the rule or regulation.

"(E) New rule on same subject matter.—If the Administrator proposes a new rule or regulation dealing with the same subject matter as a rule or regulation disapproved pursuant to this paragraph, the Administrator shall comply with the procedures required for the issuance of a new rule or regulation.

"(F) Effect of congressional inaction.—Congressional inaction on or rejection of a resolution of disapproval shall not be deemed an expression of approval of such rule."

H.R. 7554

By Mr. HAGEDORN:

Page 37, immediately after line 16, insert the following new section:

SEC. 409. None of the funds appropriated under this Act may be obligated or expended by the Secretary of Housing and Urban Development to provide housing or other assistance to persons who are eligible for such housing or assistance solely by reason of having evidenced a stable family relationship (as referred to in 24 CFR 821.2(d)) and who are not related by blood, marriage, or operation of law.

By Mr. WEISS:

Page 17, before the period in line 2, insert the following: "*Provided*, That no part of the appropriations made by this Act shall be available to the National Aeronautics and Space Administration for the preparation of an overall program plan relating to technology for Civilian Advanced Supersonic Transports, or for any other study, analysis, planning, research, or development relating to such transports."

H.R. 7555

By Mr. HARRINGTON:

Page 9, line 8, strike out "$80,857,000, of which" and insert in lieu thereof "$105,857,000, of which $25,000,000 shall be for expansion of programs for labor-force statistics, and".

By Mr. HYDE:

On page 39, after line 23, add the following new section:

"SEC. ——. None of the funds appropriated under this Act shall be used to pay for abortions or to promote or encourage abortions, except where a physician has certified the abortion is necessary to save the life of the mother."

By Mr. JEFFORDS:

On page 35, insert the following new paragraph on line 20:

"COMPLIANCE ASSISTANCE

"In carrying out the provisions of section 504, of the Vocational Rehabilitation Act of 1973, as amended, $2,400,000,000 of which amount at least one-half shall be for educational purposes."

By Mr. MILFORD:

Page 39, line 18, insert "(a)" immediately after "Sec. 208.".

Page 39, immediately after line 23, insert the following new subsection:

(b) None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school pursuant to any plan involving the merger or consolidation of two or more schools in the same area (including any plan for the allocation of grade levels between or among such schools and any plan using any technique commonly referred to as the "pairing" or "clustering" of schools) in order to comply with title VI of the Civil Rights Act of 1964.

By Mr. STOKES:

Page 39, line 24, after section 208, strike section 209:

"None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term."

By Mr. WALKER:

Page 40, immediately after line 7, insert the following new section:

SEC. 210. None of the funds appropriated under this title may be obligated or expended in connection with the issuance, implementation, or enforcement of any rule, regulation, standard, guideline, recommendation, or order which requires any individual or entity, for purposes of compliance with any timetable, goal, ratio, quota, or other numerical requirement related to race, creed, color, national origin, or sex to take any action with respect to (1) the hiring or promotion policies or practices of such individual or entity, or (2) the admission policies or practices of such individual or entity.

H.R. 7558

By Mr. AUCOIN:

Following line 8 on page 24, add:

"SUPERVISORY ASSISTANCE FOR LOW-INCOME FAMILIES

"For grants and/or contracts pursuant to section 525(a) of the Housing Act of 1949, as amended [42 USC 1490(e)], $5,000,000, to remain available until expended."

Following line 23 on page 23, add:

"RURAL HOUSING RESEARCH

"For grants and/or contracts pursuant to section 506(d) of the Housing Act of 1949, as amended [42 USC 1476(d)], $1,000,000."

At line 15 on page 25, strike "$182,600,000" and substitute "$195,100,000"

At line 19 on page 44, strike "7440" and substitute "7940"

SENATE—*Tuesday, June 14, 1977*

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of our Fathers and our God, who has made and preserved us a nation, we thank Thee for the flag of the United States and all that it symbolizes in heritage and heroism. We thank Thee for all who for two centuries have followed it in paths of service and deeds of greatness. Help us to unfurl the red, white, and blue against the skyline of every high endeavor, that it may float in majestic silence over this Republic in times of prosperity and adversity, in peace and in war. Invest the flag with fresh beauty and new meaning, that it may be to us and to all mankind a banner of freedom, compassion, helpfulness, and love. Rally all the people to this ensign of the Nation, that with purer lives and deeper reverence we may ever witness to "one nation under God."

In Thy holy name we pray. Amen.

Mr. ROBERT C. BYRD. Mr. President, I compliment our Chaplain on his beautiful prayer, which calls attention to this Nation's reverence for our flag on this very important day of June 14, Flag Day.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 14, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Monday, June 13, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there are two nominations, which have been cleared on this side of the aisle, beginning with the Department of Justice. If they are cleared on the other side of the aisle, I will then ask unanimous consent that the Senate go into executive session to consider the nominations beginning with the Department of Justice.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes. They are under "New Reports," may I say.

Mr. BAKER. Mr. President, the nominations for the Department of Justice which appear as Calendar Orders 267 and 268 have been cleared on this side, and we have no objection to proceeding to their confirmation.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations under "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Andrew W. Danielson, of Minnesota, to be U.S. attorney for the district of Minnesota.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The second assistant legislative clerk read the nomination of James W. Byrd, of Wyoming, to be U.S. marshal for the district of Wyoming.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished minority leader desire recognition?

ERDA NONNUCLEAR AUTHORIZATION BILL

Mr. BAKER. Mr. President, I am pleased that the Senate passed the nonnuclear portion of the ERDA authorization bill yesterday.

In addition to allocating funds for many worthwhile conservation projects, this bill funds research and development that will be necessary in order to tap new energy sources. The bill provides funds to improve the techniques of oil and gas recovery and provides for the development of new technologies such as oil shale, coal gasification and liquefaction, geothermal and solar energy.

America needs to utilize all of her energy resources and develop new technologies in order to decrease our dependence on foreign supplies.

This bill is a step toward building a base of energy technology which will provide a firm foundation for the future growth of the American economy.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I have no further requirement or formal request for time and I yield back the remainder of my time under the standing order.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, there will be a period for the transaction of routine morning business, with speeches by Senators limited to 2 minutes, and the period to conclude not later than 10 o'clock.

Is there morning business to be transacted at this time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RETURN OF MAGNA CARTA TO GREAT BRITAIN

Mr. ROBERT C. BYRD. Mr. President, yesterday the U.S. Congress returned to the Parliament of the United Kingdom of Great Britain and Northern Ireland, represented by Her Britannic Majesty's Ambassador to the United States, Sir Peter Ramsbotham, the Wymes copy of Magna Carta. This copy of Magna Carta was loaned to the American people in celebration of our Bicentennial. It was remanded to the custody of the U.S. Congress a year ago.

Mr. President, the distinguished majority leader of the House of Representatives, JIM WRIGHT, delivered an eloquent statement on behalf of the House on this occasion, and I ask unanimous consent that his remarks be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF REPRESENTATIVE JIM WRIGHT

Mr. Ambassador and distinguished representatives of the United Kingdom of Great Britain and Northern Ireland: On behalf of Speaker O'Neill and my colleagues in the House of Representatives I welcome you to the Rotunda of the United States Capitol, where for the past year we Americans have had the cherished honor of guarding, exhibiting and living with one of the great documents in the history of man's quest for freedom.

The people and the Government of Great Britain could not have performed a more gracious or more meaningful gesture of their friendship than they have done by lending us for display in the year of our Bicentennial this historic parchment which surely is one of the most priceless treasures of our common inheritance.

We have held it in loving care, while an estimated five million of our countrymen have viewed it in varying degrees of awe and wonderment. Perhaps we have gained from it a renewed inspiration.

If we except only the Ten Commandments, the Magna Carta is quite possibly the most consequential legal instrument of all times. It surely was the most revolutionary. This document, signed by King John in the meadow at Runnymede on the 15th of June in 1215—762 years ago this week—established an entirely new precedent in government. It restricted the power of the sovereign over his subjects.

For the first time in our common history, citizens were guaranteed formally against arbitrary imprisonment or the seizure of their personal property. No longer could any British ruler tyrannize and oppress at his whim, force people off their land, press them into services, strip their barns and fields or make them do his total bidding. A new day had dawned. People had rights. Government had limits. Statesmen ever since have been reaffirming and refining these principles.

These 63 articles of the Magna Carta provided the seed soil in which are rooted our own Declaration of Independence and our Bill of Rights. From that very soil have sprung the great liberating reforms of your country and of ours, including the civil and voting rights laws of our own time.

Quite apart from our Bicentennial, it is fitting that the Magna Carta should have come to the United States at this moment in our history. It came to us at a time when in increasing numbers thoughtful Americans are awakening to the very real limits of what even the best motivated of governments effectively can do—or should try to do—in regulating the lives of people. Those limits are practical as well as moral.

We like to believe that our two governments today are not basically avaricious. Their motives for the most part are pure. They want to do things for people rather than to them. But in this also, there can be arrogance. In trying to do too many things, to make too many decisions, and too many regulations, in too great a detail, on too many subjects, for too many separate purposes, our government has become ever bigger, unwieldy and cumbersome, inflexible and unyielding, more clumsily intrusive, and sometimes just intolerably meddlesome.

We live in an age of disillusionment with society's institutions. And yet I believe that this great tradition our two peoples have given to the world—the belief that all power stems from the people and that government is their servant dependent upon their pleasure, and not the reverse—remains the most important idea in the world today.

And so, Mr. Ambassador, we return this priceless treasure to its rightful owners for its journey to its rightful home, we express to you our gratitude for this magnificent demonstration of your friendship and for the heritage you have shared with us, and we admonish ourselves in the prayer of the poet who wrote:

> God of our fathers, known of old
> Lord of our far-flung battle line,
> Beneath whose awful Hand we hold
> Dominion over palm and pine—
> Lord God of Host, be with us yet,
> Lest we forget—Lest we forget!

Mr. ROBERT C. BYRD. Mr. President, I was privileged to speak on behalf of the Senate, expressing our gratitude to the British people for this magnanimous gesture to the American people. I ask unanimous consent that the program for yesterday's ceremony, as well as my remarks, be printed in the RECORD at this point. But especially do I want to ask that the remarks of His Excellency Sir Peter Ramsbotham be printed herein. This occasion was Sir Peter's last official meeting with the U.S. Congress. His statement was a very gracious reflection of a very gracious man—a man who has so well represented his government in the United States. We appreciate his remarks thanking us, the U.S. Congress, "* * * for taking such good care of this priceless document," and we thoroughly understand his closing sentence: "But we do want it back."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CEREMONY TO MARK THE RETURN OF MAGNA CARTA TO THE PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, JUNE 13, 1977

MAGNA CARTA

The United Kingdom's foremost Bicentennial gift to the United States of America, the loan of one of four existing copies of the 761-year-old Great Charter of England, symbolizes the right of free men everywhere to call to account arbitrary governments.

Granted to the Barons by King John at Runnymede in 1215, Magna Carta foreshadowed the development of such fundamental rights and privileges as freedom of religion, equality before the law, and due process.

Subsequently revised and reissued by a succession of English Kings, Magna Carta has come to be regarded by all those who have inherited English legal traditions as their initial constitutional defense.

This historic document was produced more than two and one-half centuries before the New World was discovered. It was drafted at a time when the English and those who were to become Americans were the same people.

Within a week after King John affixed his seal of office to the original document, additional copies were made for distribution to every abbey and large city in the Kingdom. No one knows what became of the original. Four of the official copies sent out soon afterwards, also legitimized by the King's seal, remain in existence.

Her Majesty, The Queen, directed that an original copy of the Magna Carta be loaned to the people of the United States, to be held by their representative, the Congress of the United States, for a period of one year, in recognition of the Bicentennial celebrations of the United States of America. This is the Wymes copy, normally kept in the British Museum, which has been on display for the past year in the Rotunda of the Capitol.

Representatives of the United Kingdom of Great Britain and Northern Ireland

Sir Peter Ramsbotham, GCVO, KCMG, H. M. Ambassador.

Lord Llewellyn Davis, House of Lords.

Mr. Jim Marshall, MP, Labor.

Lt. Gen. Sir Rollo Pain, KCB, MC.

Leadership of the Congress of the United States

House

The Honorable Thomas P. O'Neill, Jr., Speaker.

The Honorable Jim Wright, Majority Leader.

The Honorable John J. Rhodes, Minority Whip.

The Honorable John Brademas, Majority Whip.

The Honorable Robert H. Michel, Minority Whip.

The Honorable Clement J. Zablocki, Chairman, Committee on International Relations.

The Honorable William S. Broomfield.

Senate

The Honorable James O. Eastland, President Pro Tempore.

The Honorable Hubert H. Humphrey, Deputy President Pro Tempore.

The Honorable Robert C. Byrd, Majority Leader.

The Honorable Howard H. Baker, Jr., Minority Leader.

The Honorable Alan Cranston, Assistant Majority Leader.

The Honorable Ted Stevens, Assistant Minority Leader.

The Honorable John J. Sparkman, Chairman, Committee on Foreign Relations.

The Honorable Clifford P. Case.

PROGRAM

2:45 p.m. Musical program by the "Pershing's Own" Army Band.

Members of Congress arrive at Rotunda.

3:00 p.m. Representatives of the United Kingdom of Great Britain and Northern Ireland, and the congressional leadership of the United States enter and proceed to platform.

Changing of the Guard.

Remarks by The Honorable Jim Wright, Majority Leader of the House of Representatives.

Remarks by The Honorable Robert C. Byrd, Majority Leader of the United States Senate.

Acceptance speech by the Ambassador of the United Kingdom of Great Britain and Northern Ireland, Sir Peter Ramsbotham, GCVO, KCMG.

Her Majesty's Military Guard enters Rotunda and takes place alongside United States Honor Guard.

National Anthems of Great Britain and the United States played by the United States Army Band.

United States Guard relieved by British Guard.

3:30 p.m. Ceremony concluded. Proceed to Statuary Hall for reception.

REMARKS BY MAJORITY LEADER OF THE SENATE ROBERT C. BYRD

Mr. Ambassador, Mr. Speaker, ladies and gentlemen.

It has been said that in a world which is constantly changing, nations do not have permanent friends, but only permanent interests. As a general principle, perhaps, this may indeed be true. But it is a happy variation on that principle, Mr. Ambassador, which unites our two countries and which shall, I am certain, continue to do so for a very long time to come. For it happens that the most fundamental "permanent interest" of both of our countries is to protect and to nourish the free, democratic institutions which have been built upon the foundation of our common heritage. And it is because we share this same "permanent interest", Mr. Ambassador, that a "permanent friendship" between our two countries is assured.

One year ago, to mark the bicentennial of our independence as a nation, the British people honored us by entrusting to us this document which represents the bedrock of our common heritage of freedom under law. I think it fair to say that nothing during our year of celebration has meant more to us than this. Indeed it may be true that we did not fully understand the significance of 1776 until your Lord Chancellor, Lord Elwyn-Jones, arrived here in this Rotunda last year to present us with the Magna Carta and to explain to us the current British view. We gave the Lord Chancellor both our laughter and our applause when he told us how the British people—adaptable and resourceful as ever—have now decided to interpret that minor squabble between us. What happened two hundred years ago, we learned, was not a victory by the American colonies over Britain but rather a joint victory for freedom by the English-speaking world. For such a marvelous spirit of compromise, we shall remain forever in your debt.

As we now prepare to return Magna Carta to you, Mr. Ambassador, I ask on behalf of my colleagues that you convey to your Government to your people—and with special warmth to Her Majesty, Queen Elizabeth, in the year of her silver jubilee—our heartfelt gratitude for sharing with us this treasure for a year and for leaving with us this beautiful replica which shall be a source of both inspiration and pride—and a permanent symbol for the American people of the "permanent friendship" which joins our two nations.

We thank you.

REMARKS OF THE AMBASSADOR OF GREAT BRITAIN, SIR PETER RAMSBOTHAM, AT THE CEREMONY MARKING THE RETURN OF MAGNA CARTA TO GREAT BRITAIN

Congressman Wright, Senator Byrd, Distinguished Guests,

One of the highlights of my term as Ambassador to the United States occurred just a year ago, when Magna Carta was presented to the United States Congress by the Lord Chancellor and the Speaker of the House of Commons as the British Parliament's contribution to the American Bicentenary.

Leaders of Congress have told me that for them, too, that presentation was one of the most moving ceremonies of the whole Bicentennial year.

It was one of the moments during the past memorable year when America and her friends throughout the world almost stood still, as it were, took stock of themselves.

The showcase behind me was opened to reveal one of the priceless treasures of democracy placed in the centre of this magnificent Rotunda—or I should say almost in the centre. It was a striking declaration of the spirit of the Bicentenary, to which the presence of Her Majesty The Queen later in the summer gave an added dimension. This country had only recently undergone a severe constitutional crisis. But the principles of the rule of law and human freedom had prevailed triumphantly. What better statement could there have been of the lasting nature of the principles which govern both our countries than the loan of this document, over seven hunrded and fifty years old? The document is old. But I am glad to say its principles are intact, healthy and flourishing as ever: rooted in the stability of British democracy; and given a new strength and a broad purpose by the dynamism of American leadership.

I am here today not to take back the principles for which Magna Carta stands. These we shall always share; and they will continue to flourish on both sides of the Atlantic. We are leaving the showcase and the golden replica as a permanent momento of your Bicentenary and the happy year during which Magna Carta was here.

I am here today to offer the heartfelt thanks of the British people and Parliament to you, first, for cherishing and nuturing the principle enshrined in Magna Carta. Second, and particularly on behalf of the British Library, whose representatives are here today, for taking such good care of this priceless document and for displaying it so admirably to the public. Third, I would like also to congratulate you, and to thank you and all your colleagues most warmly for the dignified and moving ceremonies you have arranged, both for the presentation last year, and the return of the document today.

We are proud to have loaned Magna Carta to commemorate the Bicentenary. We are delighted it has been seen by so many hundreds of thousands of visitors. We are honoured it has been displayed in such a distinguished setting. We are gratified that it played a significant part in the Bicentennial celebrations. But we do want it back.

Mr. ROBERT C. BYRD. Mr. President, this occasion was assured of success by the assistance and efforts of Mr. Paul Miller and Capt. Thomas Groppel of the Public Affairs Office, Military District of Washington, and Capt. Thomas McHamar of the 4th Infantry Division, U.S. Army, and the following members of the Honor Guard. We are most grateful to all of them, and to the U.S. Army Band and the U.S. Marine Corps String Ensemble.

The U.S. Honor Guard are:

Captain Ronald G. Guilliams, U.S. Marine Corps.

Lt. Emery G. Maynard, U.S. Army.

SH2 Bradford S. Miller, USN.

Sr.A (E-4) Kenneth J. White, USAF.

SN Kirby K. Sniffen (U.S.C.G.)

Sgt. Arthur W. Clark, U.S.M.C.

Seaman Daniel M. Carlton, U.S.C.G.

Sr.A (E-4) Renne SanJurjo, USAF.

BM2 James R. Bishop, USN.
Sgt. Warren L. Kalkhof, U.S.A.

Last, but not least, we would like to thank the British Guardsmen who came to America to resume custody of this magnificent document for their government—Lt. J. Patrick Hargreaves, Guardsmen Robert Nicholson, Richard Waugh, Gerard Strachan, Jan Biggs, and Brian Jordan.

The ACTING PRESIDENT pro tempore. Is there further morning business?

FORMER ASSOCIATE JUSTICE TOM C. CLARK

Mr. BAKER. Mr. President, I am sure my colleagues share with me a feeling of sadness on learning of the death of former Justice Tom Clark. Justice Clark was distinguished in public service and private life for many reasons and in many ways. The one that was pointed out to me, and of which I was reminded by our distinguished chaplain, was that he was a trustee and officer of the National Presbyterian Church. I am sure that all my colleagues will join me in expressing our sympathy and condolences to Justice Clark's family, and in expressing our shared feeling of loss on his passing.

200TH ANNIVERSARY OF ADOPTION OF THE AMERICAN FLAG

Mr. BAKER. Mr. President, the distinguished majority leader commented on the Chaplain's prayer this morning, a commendation that I certainly share in, and point out that today is the 200th anniversary of the adoption of the American flag as we know it. So in this Bicentennial season, it is appropriate to note that this is the flag's birthday.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—H.R. 5262

Mr. CLARK. Mr. President, I ask unanimous consent that Pauline Baker, who serves on the staff of the Committee on Foreign Relations, and Bruce Van Voorst, of my staff, be permitted the privileges of the floor during the consideration of H.R. 5262.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 1:39 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House has passed the following bill in which it requests the concurrence of the Senate:

H.R. 7556. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC–1505. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report on the rescissions and deferrals contained in the President's 12th special message for fiscal year 1977; jointly pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Armed Services, Environment and Public Works, and Energy and Natural Resources, and ordered to be printed.

EC–1506. A letter from the chairman of the Resource Conservation Committee transmitting, pursuant to law, the first report of the Resource Conservation Committee covering the committee's activities over the next 18 months (with an accompanying report); to the Committee on Environment and Public Works.

EC–1507. A letter from the Director of the U.S. General Accounting Office transmitting, pursuant to law, a report entitled "Problems in Planning and Constructing Transmission Lines Which Interconnect Utilities" (EMD–77–21) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1508. A letter from the Administrator of the Office of Federal Procurement Policy, Office of Management and Budget, Executive Office of the President transmitting, pursuant to law, a report of the activities and accomplishments of the Office of Federal Procurement Policy for the year ending December 31, 1976 (with an accompanying report); to the Committee on Government Affairs.

EC–1509. A letter from the Chairman of the National Labor Relations Board transmitting, pursuant to law, cases heard and/or decided by the Board for fiscal year 1976 (with an accompanying report); to the Committee on Human Resources.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

POM–230. House of Elected Members Joint Resolution No. 77(3S)–11 adopted by the Sixth Palau Legislature, Western Caroline Islands requesting the U.S. Senate to consider favorably and to enact H.R. 6110 authorizing certain appropriations for the territories of the United States; to the Committee on Energy and Natural Resources:

A HOUSE OF ELECTED MEMBERS JOINT RESOLUTION NO. 77(3S)–11

Respectfully requesting the United States Senate to consider favorably and to enact H.R. No. 6110 authorizing certain appropriations for the territories of the United States, including funds to fully satisfy all adjudicated claims and final awards made by the Micronesian Claims Act of 1971 (85 Stat. 96).

Whereas, pursuant to the United States Public Law No. 92–39, as amended, the Micronesian claims Commission was established and mandated to adjudicate all claims arising out of the hostilities between the United States and Japan during the Second World War and the period immediately thereafter; and

Whereas, the Commission under the control and direction of the United States Foreign Claims Settlement Commission began its work in 1972 and closed its doors on July 30, 1976, having processed and certified awards in the total amount of $34,349,509.00 under Title I and $32,634,401.00 under Title II of the Act; and

Whereas, only ten million dollars was set aside for adjudicated claims under Title I and twenty million dollars was set aside for adjudicated claims under Title II of the Act, and as a consequence additional sums of over twenty-four million dollars for Title I and over twelve million dollars for Title II of the Act are now needed to fully satisfy these adjudicated claims; and

Whereas, on May 2, 1977, the United States House of Representatives passed and sent to the United States Senate H.R. No. 6110 to authorize such sums as may be necessary to satisfy all adjudicated claims in Micronesia pursuant to Public Law No. 92–39, as amended; and

Whereas, the enactment of H.R. No. 6110 by the United States Senate will further advance the social and economic well-being of the people of Micronesia, including the people and government of Palau District; now, therefore,

Be it resolved by the House of Elected Members, Sixth Palau Legislature, Third Special Session, 1977, the House of Chiefs concurring, that by means of this Joint Resolution and on behalf of the people and Government of Palau District the United States Senate be and it is hereby respectfully requested and urged to enact H.R. No. 6110. "A Bill to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes," particularly Section 103 of the said Act relating to authorization for full payments of all adjudicated claims awarded under the Micronesian Claims Act of 1971, as amended; and

Be it further resolved that certified copies of this Joint Resolution be transmitted to the President Pro Temp of the United States Senate, the Chairman of the Senate Committee on Energy and Natural Resources, the Chairman of the Senate Subcommittee on Energy and Conservation and Regulation, Senate Committee on Energy and Natural Resources, and the Secretary of the United States Department of the Interior.

Adopted: May 11, 1977.

POM–231. House Concurrent Memorial 2003 adopted by the Legislature of the State of Arizona urging an amendment to the Constitution of the United States to require that Federal appropriations not exceed estimated Federal revenues except in an emergency; to the Committee on the Judiciary.

HOUSE CONCURRENT MEMORIAL 2003

A concurrent memorial urging an amendment to the Constitution of the United States to require that Federal Appropriations not exceed estimated Federal Revenues except in an emergency

To the President and the Congress of the United States of America:

Your memorialist respectfully represents:

Whereas, with each passing year this nation becomes more deeply in debt as its expenditures grossly and repeatedly exceed available revenues, so that the public debt now exceeds hundreds of billions of dollars; and

Whereas, attempts to limit spending, including impoundment of funds by the President of the United States, have resulted in strenuous objections that the responsibility for appropriations is the constitutional duty of the Congress; and

Whereas, the annual federal budget repeat-

edly demonstrates an unwillingness or inability of both the legislative and executive branches of the federal government to curtail spending to conform to available revenues; and

Whereas, unified budgets do not reflect actual spending because of the exclusion of special outlays which are not included in the budget nor subject to the legal public debt limit; and

Whereas, knowledgeable planning, fiscal prudence and plain good sense require that the budget reflect all federal spending and be in balance; and

Whereas, fiscal irresponsibility at the federal level, with the inflation which results from this policy, is the greatest threat which faces our nation; and

Whereas, constitutional restraint is necessary to bring the fiscal disciplines needed to reverse this trend; and

Whereas, under article V of the Constitution of the United States, amendments to the constitution may be proposed by the Congress whenever two-thirds of both houses deem it necessary or on the application of the legislatures of two-thirds of the states the Congress shall call a constitutional convention for the purpose of proposing amendments. Wherefore, your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

1. That the Congress of the United States prepare and submit to the several states an amendment to the constitution requiring, in the absence of a national emergency, that the total of all federal appropriations made by the Congress for any fiscal year not exceed the total of the estimated federal revenues, excluding any revenues derived from borrowing, for that fiscal year.

2. That, in the alternative, the Congress of the United States call a constitutional convention to prepare and submit such an amendment to the constitution.

3. That this application continue in effect until the will of the Legislature of Arizona to the contrary is communicated to the Congress of the United States.

4. That the Secretary of State of Arizona transmit certified copies of this memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, to each member of the Arizona delegation to the United States Congress and to the presiding officers of each house of the legislature of each of the other states of the union with the request that it be circulated among leaders in the executive and legislative branches of the state governments.

POM-232. House Concurrent Resolution No. 22 adopted by the Legislature of the State of Louisiana memorializing Congress to cause the Federal Communications Commission to investigate the use of the public airways to disseminate pornography; to the Committee on Commerce, Science, and Transportation:

HOUSE CONCURRENT RESOLUTION No. 22

A concurrent resolution to memorialize Congress to cause the Federal Communications Commission to investigate the use of the public airways to disseminate pornography

Whereas, the airways of the United States of America are public property to be used for the benefit of all the citizens of this great nation; and

Whereas, the use of the airways of the United States of America is regulated by the Federal Communications Commission; and

Whereas, certain elements in our society have been using and are continuing to use the airways of the United States of America to disseminate pornography, particularly through the playing of suggestive records; and

Whereas, the use of the public airways to disseminate pornography is offensive to the vast majority of the citizens of the United States of America; and

Whereas, the use of the public airways to disseminate pornography has a deleterious effect on the youth of the United States of America; and

Whereas, the Federal Communications Commission, by virtue of its regulatory powers is the proper agency to investigate the use of the public airways to disseminate pornography.

Therefore, be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the United States Congress is hereby memorialized to cause the Federal Communications Commission to prohibit the use of the public airways of the United States of America to disseminate pornography.

Be it further resolved, that copies of this Resolution shall be transmitted to the presiding officers of each house of the United States Congress, to the members of the Louisiana Congressional Delegation, and to the Federal Communications Commission.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ZORINSKY, from the Committee on Agriculture, Nutrition, and Forestry:

S. Res. 193. An original resolution relating to the need to increase the loan levels for the 1977 crops of wheat and feed grains (Rept. No. 95-266).

By Mr. CHILES, from the Committee on Appropriations:

With amendments:

H.R. 7552. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95-267).

By Mr. BAYH, from the Committee on Appropriations:

With amendments:

H.R. 7557. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95-268).

By Mr. EASTLAND, from the Committee on the Judiciary:

Without amendment:

S. 455. A bill for the relief of Ermelinda Rossi (Rept. No. 95-269).

With an amendment:

S. 1142. A bill for the relief of Kam Lin Cheung (Rept. No. 95-270).

Without amendment:

H.R. 1440. An act for the relief of Eun Kyung Park and Sang Hyuk Park (Rept. No. 95-271).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

Jule M. Sugarman, of Georgia, to be a Civil Service Commissioner.

Ersa H. Poston, of New York, to be a Civil Service Commissioner.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Frank M. Tuerkheimer, of Wisconsin, to be U.S. attorney for the western district of Wisconsin.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Joseph Coolidge Wheeler, of Virginia, to be an Assistant Administrator of the Agency for International Development.

Goler Teal Butcher, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development.

Richard M. Moose, of Arkansas, to be an Assistant Secretary of State.

Edward R. Fried, of Maryland, to be U.S. Executive Director of the International Bank for Reconstruction and Development.

Alexander Shakow, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development.

Wilbert John Le Melle, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Wilbert J. Le Melle.
Post: Ambassador.
Contributions and amount:
1. Self: None.
2. Spouse: None.
3. Children and Spouses: None.
4. Parents: None.
5. Grandparents: None.
6. Brothers and Spouses: None.
7. Sisters and Spouses: None.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

WILBERT J. LE MELLE.

HOUSE BILL REFERRED

The following bill was read twice by its title and referred as indicated:

H.R. 7556. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1978, and for other purposes; to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGOVERN:

S. 1686. A bill to amend the Civil Rights Act of 1964 to provide that, except in certain limited circumstances, it shall be an unlawful employment practice for an employer to request that an employee or an applicant for employment provide military discharge papers or other service-connected records; to the Committee on Human Resources.

S. 1687. A bill to amend title 10, United States Code, to provide for the regionalization and traveling of discharge review panels; to establish guidelines for review and correction of military discharges; to provide for

legal counsel for discharge applicants; to provide for the recognition of exemplary post-service conduct through the issuance of an Honorable Discharge (Limited); and to otherwise expand and enhance the effectiveness of the Armed Forces discharge review procedures; to the Committee on Armed Services.

S. 1688. A bill to amend title 38, United States Code, to provide special psychological adjustment therapy, counseling services, and followup treatment to veterans of the Vietnam era and their dependents who are in need of such assistance because of military service performed during the Vietnam era; to the Committee on Veterans' Affairs.

By Mr. HAYAKAWA:

S. 1689. A bill for the relief of Jenny Flores; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1690. A bill to amend the Federal Boat Safety Act of 1971 to extend authorization for appropriations for financial assistance to State boating programs; to the Committee on Commerce, Science, and Transportation.

S. 1691. A bill to implement the agreed measures for the conservation of Antarctic Fauna and Flora of the Antarctic Treaty and for other purposes; jointly, by unanimous consent, to the Committees on Commerce, Science, and Transportation; Foreign Relations, and Environment and Public Works.

By Mr. MELCHER (for himself, Mr. McGOVERN, and Mr. BURDICK):

S. 1692. A bill to amend title 39, United States Code, to alter the organizational structure of the U.S. Postal Service, to revise the procedure for adjusting postal rates and services, and for other purposes; to the Committee on Governmental Affairs.

By Mr. CRANSTON (for himself, Mr. RANDOLPH, and Mr. DURKIN):

S. 1693. A bill to amend title 38, United States Code, to improve the quality of hospital care and medical services in Veterans' Administration health care facilities, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RIEGLE (for himself, Mr. GRIFFIN, Mr. JAVITS, Mr. LONG, Mr. LUGAR, Mr. MATHIAS, and Mr. RIBICOFF):

S. 1694. A bill to amend the Federal Water Pollution Control Act in order to extend the availability of certain sums appropriated for the construction of treatment works; to the Committee on Environment and Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGOVERN:

S. 1686. A bill to amend the Civil Rights Act of 1964 to provide that, except in certain limited circumstances, it shall be an unlawful employment practice for an employer to request that an employee or an applicant for employment provide military discharge papers or other service-connected records; to the Committee on Human Resources.

S. 1687. A bill to amend title 10, United States Code, to provide for the regionalization and traveling of discharge review panels; to establish guidelines for review and correction of military discharges; to provide for legal counsel for discharge applicants; to provide for the recognition of exemplary postservice conduct through the issuance of an honorable discharge—limited—and to otherwise expand and enhance the effectiveness of the Armed Forces discharge review procedures; to the Committee on Armed Services.

S. 1688. A bill to amend title 38, United States Code, to provide special psychological adjustment therapy, counseling services, and followup treatment to veterans of the Vietnam era and their dependents who are in need of such assistance because of military service performed during the Vietnam era; to the Committee on Veterans' Affairs.

GIVING VIETNAM VETERANS A CHANCE

Mr. McGOVERN. Mr. President, for many, the passing of another Memorial Day meant that certain memories have become just a little less painful than they were the year before. But for others, Memorial Day brought with it more pain and more bitterness—not necessarily in their reflections of the past, but in their recognition of the present and their fear of the future.

I am speaking of the veterans of the Vietnam years—those who have, for the most part, been neglected or forgotten by this country. When Memorial Day rolls around, they are not struck by visions of past glory or future hope, but by the dismal reality that their efforts have gone unheralded, unrewarded, and perhaps even unnoticed.

This is not true for all Vietnam veterans, of course. Many thousands of them served and returned without any serious readjustment problems and without needing help from the country that sent them to war. But that does not give us reason to forget the other veterans who were not so lucky.

We speak often of putting the era of Vietnam behind us. But until we come up with thoughtful and complete solutions to the problems that still plague thousands of Vietnam veterans, the business of that eager-to-be-forgotten war will forever remain undone.

In March, the Department of Defense announced the implementation of the special discharge review program—another phase of President Carter's plan to relieve us of a Vietnam-ridden past and to restore integrity to the lives of thousands of Americans who were left downcast and downtrodden by the war in Vietnam.

His administration was barely a day old when President Carter pardoned selective service offenders. He followed that first step with a proposed program to increase the employment of Vietnam veterans. And now he has approved a program to expeditiously review for possible ungrading the less than honorable military discharges delivered to thousands of servicemen during the Vietnam era.

But have any of these programs lived up to their expectations? That is the question we now face, and if we cannot answer "yes," then we must do something about it.

For years I have advocated improvements in the procedures followed by veterans desiring to have their less than honorable discharges reviewed and upgraded, similar to those of the new discharge program. During the past two sessions on Congress I introduced legislation which would have updated the standards for review and broadened the criteria for approval. The inadequacy and futility of the discharge review policies demanded change and this legislative package would have established more equitable procedures and finally given these veterans a real chance to be relieved of the unjust or undeserved burdens of a stigmatic discharge.

President Carter's proposal adopts many of the same criteria and provisions which my bills contained, including the requirement that specific extenuating and mitigating circumstances be considered as part of the review procedure. In some respects the new DOD plan goes further by introducing a speedier system of review whereby automatic upgrading is essentially contemplated in a number of situations. Yet in other areas it does not address all the conditions and circumstances which led veterans into the frustrating quagmire of less than honorable discharges. If such a program is to reflect the spirit of compassion and forgiveness consistent with the President's pledge to bind the divisions that were produced by the war, then it must go just a little further.

Why is such action so significant, so vital to any efforts to throw off the burdensome memories of Vietnam that have weighed on our lives for so long now? We all know of the tragic and bitter legacy left by our involvement in the war. We know it was responsible for the loss of some 50,000 American lives and the physical and mental impairment of countless others. We know of the strife and alienation it caused on our campuses and in our cities. We know of the years and miles of separation forced upon families because they were not willing to deny the dictates of their consciences.

But there are others whom we have overlooked for too long now—the veterans of the war who received less than honorable discharges. They did survive and they did return, but because of the stigma of the discharges they received, for them the war has not ended. They still fight it every day—every time they apply for a job, every time they are forced to accept menial work just so they can pay the bills and every time they have to get back into another unemployment line.

They left the desperation of a war in Southeast Asia only to meet the desperation of joblessness in the United States.

Less than honorable discharges, both general and undesirable, are issued for a variety of reasons, but rarely for any offenses considered serious. Violent or flagrant criminal conduct has almost always elicited dishonorable or bad conduct discharges as well as court martial proceedings. But less than honorable discharges are usually tendered for petty offenses or even for minor medical and psychological reasons. Most of them are due to absence from duty, but many are also issued as punishment for minor infractions and misdemeanors, drug or alcohol use, financial irresponsibility, political dissension, and unusual sexual or social behavior. It is not uncommon for a veteran to receive a bad discharge after having had a run-in with his superior officer. With no regard for length or overall quality of service, over 400,000 Vietnam veterans were issued less than honorable discharges. And without a real or effective system of redress, the veterans who received these discharges have had to face the reality that one mistake or misguided action, perhaps resulting

from immaturity or unparalleled personnel agitation, could mean disturbingly severe consequences for the rest of that ex-soldier's life.

Less than honorable discharges have proven to be one of the major problems faced by veterans seeking employment. Studies have confirmed that "bad papers", as they are often called, provoke discrimination by potential employers and virtually mark their holders unemployable. Often, if employers checking into job applicants' records find that they were discharged under less than honorable conditions, they automatically disqualify those persons as candidates for the jobs. If jobs can be found they are usually unskilled labor with little hope for advancement. And minus the ability to obtain GI bill educational benefits because of undesirable discharges, these men and women have been further discouraged from realizing their full potential in the civilian world.

Despite what seems to me an overwhelming need and justification for discharge review and upgrading, there has not been a matching measure of support. In discussing this issue, quite often veterans with spotless service records strongly defend prejudicial characterizations and oppose any efforts to ease the upgrading procedure. Why, they argue, should the servicemen who failed to perform adequately be awarded the same "honorable" status as those who always followed the rules, who managed to cope and who, in many cases, performed above the level of expectation? I can see their point, but I think it is a negative approach. I am proud of my own honorable discharge and of my military service for which I received it. But I do not believe that my record would be in any way tarnished if another veteran who, for whatever reason, was unable to adjust to the required measure of discipline and duty, was allowed to receive some of the same opportunities to which I was entitled as a veteran with an honorable discharge.

In saying this, I speak as an advocate of the men and women who successfully completed their tours of duty, who received honorable discharges and who followed their Government's call. Their courage and devotion are unquestioned. Our Nation owes them the respect that good soldiers deserve. But in remembering those who have been honored for their service, we must not forget those who also served, but who have received only dishonor.

For the minor violations or misbehavior they may have been guilty of, veterans with less than honorable discharges have been relegated to bear severe consequences, some for as many as 13 years. Even if there is to be punishment for the failures of these men and women, have they not already suffered enough?

I can see no justification for allowing the military this measure of control over the lives of private citizens for their past inabilities to conform with or adapt to military life. I think we owe them at least a promise of opportunity, respect and relief, and I sincerely hope that the special discharge review program will provide this. But I feel I must add that I do harbor some concern that the program may not provide full assurance of the brighter future that the less than honorable dischargees deserve. For instance, as I understand it, undesirable discharges will in many cases be upgraded only one step, to the category of general. While veterans with general discharges can receive veterans' benefits, I am afraid that in terms of potential employers, it will make no difference. The dire less-than-honorable stigma may just attach itself to the general discharge. Although veterans with general discharges may also apply for upgrading under this program, there is insufficient criteria for effective adjudication of these more than 300,000 general discharges.

Another possible failing of the program is the requirement that veterans desiring to participate must make application to the Department of Defense. Too often, in similar situations, the word never gets around to the potential beneficiaries of such programs until it is too late. As it stands now, the program is to last only until October and that leaves little time to widely circulate the information. Because of the less than expected number of applicants so far, DOD has announced plans for an advertising campaign, yet there is little evidence that an effective means of outreach to the eligible veterans has been initiated.

Further complicating the issue has been the effort by several members of Congress to deny VA benefits to anyone whose discharge is upgraded under this program. It has created a serious dilemma for veterans who are rightfully entitled to participate in the program. The mere threat that it may be passed has deterred many of them from even looking into the program for fear that if they follow this route and are denied benefits they will be precluded from ever obtaining them through the more traditional methods.

But despite these concerns, I remain optimistic about this plan as far as it goes. I see reason to hope that it will mark a substantial improvement in the lives of many Vietnam veterans. Nevertheless I am today introducing a form of the discharge review legislation which I have offered in the past. I think this legislation is still necessary because it would codify procedures very similar to those that are part of the new discharge program and make the improvements prospective rather than merely applicable to veterans who were discharged during the Vietnam era. In addition it provides the opportunity for counsel and it establishes the honorable discharge limited, which does not change the character of service but would help remove the stigma of the bad discharge. I am optimistic that the Congress will be considering this legislation in light of the anticipated success of the special discharge review program. Together these steps will mean great strides for Vietnam veterans. But however successful any improved discharge review program may ultimately be, I fear it still cannot heal all of the aggravated scars of Vietnam veterans.

Closely related to the problem of less than honorable discharges has been another source of trouble commonly known as SPN codes—the separation code numbers which appeared on discharge papers of former service personnel. SPN's are numercial codes designating the reason for separation from the service and quite often they have contained disparaging connotations and characterizations of a veteran's service, regardless of the type of discharge he or she received. Although the specific SPN code meanings were supposed to remain confidential, in actuality employers seemed to have easy access to the list of designation and the most pejorative SPN's soon became common knowledge. This allowed potential employers to form prejudicial judgments about the abilities of a veteran seeking employment on the basis of a simple number. Not surprisingly, the result was usually a quick rejection of the veteran by the employer, even though the so-called offenses represented by the SPN code were not unlawful under military or civilian law.

Several years ago the Department of Defense wisely decided to remove the codes from separation reports and orders, but the job discrimination problems persist, due to the use of the DD Form 214, the Report of Separation from Active Duty. The copy of this form that the discharged veteran receives, as well as those sent over to the Veterans' Administration and the Selective Service, no longer contain any code identifying the reason for discharge. But that information is entered on additional copies of the DD 214 which are kept on file. Moreover, the services keep a narrative description of the reason for the veteran's discharge, but copies may be provided to that individual, in accordance with the law, upon request. A potential employer on the other hand, may not receive the same narrative without the authorization of the dischargee.

DOD contends that these safeguards are sufficient to insure that the privacy of the former service member is properly protected. But what measure is there to prevent an employer from insisting that a veteran furnish a copy of the narrative statements? And what measure is there to convince an employer that a veteran who refuses to disclose the information from the summary has nothing diabolical to hide? It is easy to see that an employer's simple ability to make that request undermines a veteran's right either to maintain privacy or to disclose documents at will.

For this reason I am also introducing today a bill to protect the privacy of veterans seeking meaningful employment by preventing employers from demanding that employees or job applicants furnish information concerning their military service or discharge. This is the same proposal that Congressman Ed Koch and I offered last year, and he has already reintroduced this measure in the House this session of Congress as H.R. 430.

The aim of our bill is to prevent veterans from being held subject to any closer scrutiny by employers than are nonveterans. It does provide protective measures for the employer as well. For instance, questions regarding court martial convictions and criminal history while in the military are not prohibited under this legislation, and neither are requests for information relating to work

experience and training if appropriately connected to the prospective job.

The situation as it now stands is unfair and many thousands of veterans have suffered because of it. But we can remove the injustice and repair the damage by finally providing veterans in the job market the guarantees of equal treatment, protection and consideration to which they are rightfully entitled.

Another obligation we owe to Vietnam veterans but have yet to fulfill concerns the serious and prolonged psychological problems suffered by many of them as a result of their war experiences, not to mention the tragic and often violent domestic controversy surrounding our involvement. Sometimes known as PVS, the post-Vietnam syndrome, these emotional disorders have been responsible for hundreds of thousands of psychological and psychiatric casualties of the Vietnam war. Therefore services which offer psychological counseling and treatment for Vietnam veterans are appropriate and directly in line with a long standing national commitment to help those who served this country in time of war cope with and overcome the residual tensions, frustrations, and mental disorders imposed on them by their wartime experiences.

Because of the unique and controversial nature of the Vietnam war and the unusual stress and frustration encountered by so many veterans of this conflict, it is clear in numerous cases that the war did have a profoundly adverse effect upon their mental well-being and their interpersonal relationship with their families.

Of course, the war has been over for several years now. But psychologists have demonstrated that individuals who undergo a traumatic experience that requires a drastic readjustment will not feel the impact for some time.

So it is no wonder that so many veterans are still finding it difficult to settle into a comfortable, satisfying life. Unless we take positive steps to provide the needed assistance for the individuals who are now experiencing severe readjustment problems, there will be more emotional breakdowns, more broken families, more arrests, more unfortunate consequences of the Vietnam war.

The VA's present authority restricts it from assisting a veteran unless he or she has a specific mental disability which requires hospitalization. Therefore, regardless of how severe or debilitating their problems may be, veterans not requiring hospitalization for psychological or psychiatric reasons are denied any assistance by the VA.

The onus for justifying the need for help is, therefore, placed on the shoulders of the veterans. They must prove that they need help and in order to do that, they must have officially diagnosed problems. Veterans who know they have emotional difficulties but fear the consequences of hospitalization for psychological or psychiatric reasons have nowhere to turn. This denial of preventative care increases the probability that a veteran's first hospital admission for a psychological problem would be the result of a violent act, drug abuse or perhaps an attempted suicide. The VA should be able to provide therapy, counseling services, and any necessary followup treatment for veterans whether they have officially diagnosed problems or not.

One person who has expressed support for some kind of program along these lines has been Max Cleland, the new head of the Veterans' Administration. In a recent profile of him that appeared in the Washington Post, it was reported that Mr. Cleland, because of his own personal frustrations in trying to get help from the VA to overcome the physical and emotional handicaps he was suffering upon his return from the Vietnam conflict, "places strong emphasis on upgrading rehabilitation and readjustment counseling." Therefore, I am also introducing today legislation designed to deal with these problems by providing the prevention necessary to preclude the need for a cure. This bill would give the Veterans' Administration the authority it needs to provide care for the so-called post-Vietnam syndrome and readjustment difficulties of veterans. Veterans would be able to come to the VA and ask for and receive psychological help and counseling. They would be treated as clients, not as patients.

This proposal also extends authority to assist dependents of veterans with emotional problems since they are the ones who share the problems the veterans may experience. Mental health professionals recognize that it is ineffective to treat a veteran's psychological problem if his mental well-being is substantially affected one way or the other by his relationship with others, unless the treatment involves those other individuals. Therefore it is necessary that these services be extended to veterans' dependents.

The bill gives the VA the authority to contract outside of the administration when the necessary personnel facilities are not available within the VA. It also provides for studies and research to be done in the area of psychological readjustment administering the treatment may more fully understand the scope of the problems they will be dealing with.

The experience of war has always brought with it a certain pain and horror and loneliness which no person can ignore. So there has always been some period of difficult readjustment for most veterans after every war. But the Vietnam war seemed to add an unusually powerful load to the emotional burden on the veteran of this last war.

Vietnam veterans have been met so often with indifference and alienation from the very Nation that sent them to war. Unfortunately the problems of readjustment—the less than honorable discharge, the post-Vietnam syndrome, the job discrimination, and, in general, society's attitude toward Vietnam veterans—have bestowed, upon them a negative image which has been difficult to rectify. In turn, an adverse public impression has worked to reinforce negative self-images in the minds of many veterans and to dissuade those with valid and serious readjustment problems from seeking assistance for fear of the social consequences and stigma. But I believe that the legislative proposals I am introducing today, as well as the steps President Carter has already taken, will help veterans counter and conquer that image by offering them the opportunity to shake off the prolonged burdens of the Vietnam war.

There were recently two editorials and an article by Mr. Don Winter in the Washington Post concerning the plight of the Vietnam veterans. Mr. President, I ask unanimous consent that these be printed in the RECORD, along with the text of my bills.

There being no objection, the bills and material were ordered to be printed in the RECORD, as follows:

S. 1686

A bill to amend the Civil Rights Act of 1964 to provide that, except in certain limited circumstances, it shall be an unlawful employment practice for an employer to request that an employee or an applicant for employment provide military discharge papers or other service-connected records

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 704 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–3) is amended by adding at the end thereof the following new subsection:

"(c)(1) It shall be an unlawful employment practice for an employer—

"(A) to request any employee or applicant for employment to provide copies of military discharge papers or other records of service in the Armed Forces; or

"(B) to make any inquiries with respect to the nature of, or reason for, any discharge from the Armed Forces of an employee or applicant for employment.

"(2) Notwithstanding any other provision of this title, it shall not be an unlawful employment practice for an employer to make specific requests or inquiries (including requests or inquiries described in paragraph (1)) about any service in the Armed Forces of an employee or applicant for employment if—

"(A) such requests or inquiries are for the purpose of ascertaining (and are restricted to)—

"(i) the education, training, or work experience in the Armed Forces of such employee or applicant for employment; or

"(ii) any convictions by a court-martial of such employee or applicant for employment;

and do not call for or require disclosure of information not needed for that purpose; and

"(B) such requests or inquiries are reasonably related to the position held by such employee or for which such employee or applicant for employment has applied or is being considered.

"(3) For the purposes of this subsection, the term 'Armed Forces' means the Army, Navy, Air Force, Marine Corps, and Coast Guard.".

SEC. 2. The amendment made by the first section of this Act shall take effect ninety days after the date of enactment of this Act.

A bill to amend title 10, United States Code, to provide for the regionalization and traveling of discharge review panels; to establish guidelines for review and correction of military discharges; to provide for legal counsel for discharge applicants; to provide for the recognition of exemplary post-service conduct through the issuance of an Honorable Discharge (Limited); and to otherwise expand and enhance the effectiveness of the armed forces discharge review procedures

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section

1553 of title 10, United States Code, is amended to read as follows:

"1553. Review of discharge or dismissal

"(a) ESTABLISHMENT AND ORGANIZATION OF DISCHARGE REVIEW BOARDS AND DISCHARGE REVIEW PANELS.—(1) The Secretaries of the various services concerned after consulting with the Secretary of Defense and the Administrator of Veterans' Affairs and such other persons deemed appropriate shall each establish a board of review and under the jurisdiction of such board of review as many review panels (hereinafter in this section referred to as 'review board/panels') as are necessary and appropriate to carry out the functions prescribed under this section. The headquarters of the review boards/panels shall be located for administrative purposes only in the Department of Defense.

"(2) The Secretaries of the services concerned shall—

"(A) determine the number of review panels in session at any time;

"(B) determine the locations where review panels shall conduct their business, such locations to be geographically disbursed on the basis of population concentrations of discharge applicants; and

"(C) to convene and dissolve review panels in accordance with the number of discharge review applications pending at any time.

In any area in which a review panel is not permanently located and a reasonable number of applications for review are filed from such area, a review board shall schedule and conduct review panel hearings in such an area to enable personal appearances by discharge applicants, their counsels, and witnesses on their behalf. Hearings shall be scheduled in penal institutions if there are sufficient discharge applicants to merit a hearing. When necessary and appropriate a review board may delegate hearing examiners to record personal statements and testimony of an applicant for subsequent presentation to a full panel of the board.

"(3) Each review board/panel shall be composed of five members to be appointed by the Secretary of the service concerned. Members shall be detailed on a full-time basis and their terms of office shall be determined by the Secretary of the service concerned. Membership on review boards need not be restricted to commissioned officers and may include civilians and enlisted personnel.

"(4) A review board/panel will be convened at the call of its president at the time and place indicated by him and will recess or adjourn on his order. A review board/panel will assemble in open or closed (at the applicant's request) session for the consideration and determination of cases presented to it. Open sessions at the applicant's request shall be open to the press and public. Determinations of findings shall be made in closed sessions. Cases in which no request for hearing in person is made by the applicant will be considered in closed session on the basis of all documentary evidence presented to the board/panel, including any briefs submitted on behalf of the applicant.

"(5) For the purpose of maintaining a board/panel of five members at all times as many additional members as are necessary may be appointed to the board/panel. In any proceeding before a board/panel a member who has not been presented at a prior session of the board/panel may participate thereafter if that member has read or has read to him the record of the proceeding held during his absence or prior to his participation.

"(6) Members of review boards/panels appointed from private life (if any) shall receive compensation at a rate comparable to military members of the board, but not to exceed $100 for each day they are engaged in the work of the review board/panel and shall be reimbursed for travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in Government service who are employed intermittently. Members of review boards/panels who are officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the official duties of the review boards/panels.

"(7) A vacancy on a review board/panel shall not affect its powers, and shall be filled in the same manner as the original appointment.

"(8) The Secretary of the service concerned shall appoint the senior military officer president of each review board/panel. The president of each review board/panel shall—

"(A) employ such additional personnel as may be necessary to carry out the functions of the review board/panel but no individual so appointed may receive compensation in excess of the maximum rate for GS–17 of the General Schedule under section 5332 of title 5, United States Code, and

"(B) procure temporary and intermittent services to the same exent authorized by section 3109 of title 5, but at rates for individuals not to exceed $75 per diem.

"(9) Each review board/panel shall have a legal advisor who shall serve full time and advise the board/panel on all legal matters relevant to the functions of the review board/panel. The legal advisor may also serve as a member of the review board/panel.

"(10) The head of any executive department or agency of the Federal Government may detail, on a reimbursable basis, any of its personnel to assist review boards/panels in carrying out their work.

"(b) DUTIES OF DISCHARGE REVIEW BOARDS/PANELS.—(1) Notwithstanding any other provisions of this title and regardless of any decision previously made by any discharge review board or board of correction of military records, the review boards/panels shall, upon application filed in accordance with regulations prescribed by the Secretaries of the services concerned, review any discharge or dismissal from the armed forces granted under other than fully honorable conditions (other than a dishonorable discharge or dismissal by sentence of a general court-martial) of any former member of an armed force under the jurisdiction of their department, upon their own motion or upon the request of the former member or, if he is dead, his surviving spouse, next of kin or legal representative. In reviewing the discharge or dismissal of a former member of the armed forces, a review board/panel shall determine whether such discharge was fair and equitable, or in the interest of justice, by standards current at the time of review, taking into consideration all of the circumstances of the case. The Secretary of Defense in cooperation and consultation with the Secretaries of the various services and such other persons deemed appropriate shall establish such guidelines and directives as are necessary to insure equity and uniformity among the various services and review boards/panels in the review and upgrading of other than fully honorable discharges. Such guidelines shall include but not be limited to the following mitigating and extenuating factors. The presence of strong mitigating factors shall normally warrant the upgrading of an other than fully honorable discharge to an honorable discharge, unless offset by serious aggravating factors which have a direct relationship to the issuance of the other than fully honorable discharge. In making such determination the review boards/panels shall consider as guidelines the following mitigating circumstances—

"(A) denial of constitutional, legal, and administrative rights and safeguards inherent in administrative processes involving stigmatization and property loss;

"(B) physical, mental, or emotional incapability of meeting standards or performing assignments required of an applicant by military service;

"(C) discharge or dismissal was primarily of inaptitude, unsuitability, or convenience of the government;

"(D) applicant's inability to know or understand because of lack of education or otherwise, his rights or obligations under law, or affects of, alternatives to his other than honorable discharge;

"(E) serious personal or family hardship that contributed to the circumstances for which an other than fully honorable discharge was issued;

"(F) any honorable tour of service in a combat zone, and/or meritorious and faithful performance of hazardous and/or demanding duty assignments;

"(G) personal or procedural unfairness which influenced the issuance of the other than fully honorable discharge;

"(H) the denial on improper grounds, on grounds which have been held by the courts to be unlawful, or on grounds no longer used by the services, of a valid claim or request made under military law, regulation, directive, or custom for a hardship discharge, compassionate reassignment, emergency leave, conscientious objector status or discharge, or other relief, which significantly contributed to the issuance of an other than fully honorable discharge;

"(I) behavior which reflects physical or mental stress caused by combat or hazardous duty ('combat exhausition' or 'acute situational maladjustment');

"(J) lack of 'constructive enlistment' in the armed forces;

"(K) an other than fully honorable discharge was issued because of sexual preference, sexual orientation, or homosexual behavior unrelated to criminal conviction;

"(L) discharge was issued because of or possession for personal use of a narcotic drug, marihuana, or alcohol, or for dependency on a narcotic drug or alcoholism;

"(M) a significant service-connected or aggravated disability of the applicant;

"(N) successful completion or excuse from completion of alternative service and/or receipt of clemency or pardon under the Presidential clemency program, without regard to the offense or offenses for which the clemency or pardon was granted;

"(O) discharge or dismissal was issued in violation of or without compliance with appropriate regulations;

"(P) received an honorable discharge from a previous tour of military service;

"(Q) record of satisfactory active military service for 24 months prior to discharge;

"(R) personal decoration and/or commendation received, by applicant while in the service, exclusive of service medal;

"(S) was wounded as a result of military action; and

"(T) any other facts, precedents, circumstances, or information the review board deems appropriate to consider as mitigating circumstance guidelines.

"(2) The presence of the following extenuating factor guidelines while not having the force of mitigating circumstance guidelines shall be considered favorably by the review boards in making their determination:

(A) immaturity, educational or social disadvantage, or category IV AFQT (Armed Forces Qualifications Test) scores;

"(B) entry into the armed forces under 'new standards' ('Project 100,000') program;

"(C) evidence that the applicant acted as a matter of conscience and not for selfish and manipulative reasons;

"(D) applicant's voluntary submission to authorities;

"(E) substantial period of creditable military service;

"(F) failure to the armed forces to abide by commitments and promises made to the applicant regarding his enlistment, assignments, choice of station, training, or other factors which may have contributed to the

grounds for which other than fully honorable discharge was issued;

"(G) evidence that racial, political, religious, sexual, or other prejudice affected the discharge or contributed to the grounds for which an other than fully honorable discharge was issued;

"(H) applicant's discharge was influenced by disciplinary, racial, or political problems within the separating command which otherwise might not have led to his separation from the service;

"(I) applicant's discharge was influenced by a reduction in force which otherwise might not have led to his separation;

"(J) applicant's discharge for 'unfitness' was caused or affected by the applicant's 'unsuitability' or 'inaptitude' for military service;

"(K) preservice history of applicant which reflects a history of problems or adverse circumstances which may have contributed to the grounds for which an other than fully honorable discharge was issued;

"(L) postservice history of applicant which reflects exemplary conduct;

"(M) postservice history of applicant which reflects serious consequences, burdens, or stigmas imposed by an other than fully honorable discharge; and

"(N) any other facts, precedents, circumstances, or information that the review board deems appropriate to consider as extenuating factor guidelines.

"(3) In making its determination a review board/panel shall not only consider whether a discharge was fair and equitable in its issuance, but also that it is in the best interest of justice, society, and the armed forces that the original character of the appicant's discharge remain in effect.

"(A) A 'general' discharge though considered by the armed forces to be issued 'under honorable conditions' is stigmatizing in its effects and thus punitive in its consequences, and shall be considered as such by the review boards/panels.

"(5) Participation in the Presidential clemency program, or acceptance or denial of clemency or pardon therefrom shall not be considered adversely by the review boards/panels.

"(c) HONORABLE DISCHARGE LIMITED.—(1) In the case of any individual heretofore and hereafter discharged or dismissed from any of the armed forces under conditions other than honorable (other than a discharge or dismissal by sentence of a general court-martial) the appropriate board/panel may issue to such individual an honorable discharge (limited) if, after taking into consideration in each case the reasons for the nature of the original discharge or dismissal, including, but not limited to—

"(A) all of the mitigating and extenuating factors in subsections (b)(1) and (b)(2) of this section;

"(B) the conditions that prevailed at the time of the incident, statement, attitude, or act which led to the original discharge or dismissal;

"(C) the age of the individual at the time of the incident, statement, attitude, or act which led to the original discharge or dismissal;

"(D) the normal punishment and length of sentence that might have been adjudged had the act or incident been committed in civilian life; to include but not limited to pardon, probation, suspension of sentence, sealing of records relevant to the offense, the setting aside of convictions, and the application of the provisions of the Federal Youth Corrections Act (18 U.S.C. 5021); and

"(E) the moral turpitude, if any, involved in the incident, statement, attitude, or act which led to the discharge,

it is established to the satisfaction of the board/panel by oral or written evidence, or both, which may include but shall not be limited to—

"(A) a statement from the chief law enforcement officer of the city, town, or county in which the individual resides attesting to the individual's general reputation insofar as police and court records are concerned;

"(B) a statement from the individual's employer, if employed, attesting to the individual's general reputation and employment record;

"(C) statements from individuals attesting that they have personally known the individual as a person of good reputation and exemplary conduct, and further attesting to the actual contact with the individual concerned;

"(D) and by such independent investigation as the board/panel may make;

that such individual has rehabilitated himself, and that his character is good, and that his conduct, activities, and habits since he was granted his original discharge have been exemplary for a reasonable period of time.

"(2) Applications and reapplications for correction of records under this subsection may be filed at any time, but not before eighteen months have elapsed following the original discharge.

"(3) No benefits under the laws of the United States (including but not limited to pension, compensation, hospitalization, education loan guaranty, job preference) shall automatically be afforded any individual issued an honorable discharge (limited) under this subsection unless he would be entitled to such benefits under his original discharge or dismissal. The Veterans' Administration and other agencies of the Federal Government shall provide such benefits and services that an individual issued an honorable discharge (limited) would otherwise be entitled to had the character of his original service been under honorable conditions, and are deemed necessary and appropriate for such individual's readjustment or rehabilitation from problems evolving from such person's service in the armed forces.

"(4) Under no circumstances shall an honorable discharge (limited) be issued in lieu of consideration and relief to which an individual might otherwise be entitled.

"(5) An individual issued a general discharge under honorable conditions and to the satisfaction of the board/panel fulfills the requirements for an honorable discharge (limited) shall normally be issued a fully honorable discharge.

"(6) An honorable discharge (limited) certificate shall be the same as a fully honorable discharge certificate and all records and information pertaining to the individual's original conduct and characterization of service shall be considered confidential.

"(d) PROCEDURES AND CONDUCT OF HEARINGS.—(1) A review board/panel may review the discharge or dismissal of any former member of an armed force under its jurisdiction on its own motion or on the written request of the former member or, if the former member is dead, his surviving spouse, next of kin, or legal representative. Applications for review shall be submitted in accordance with such rules and regulations as the Secretaries of the services concerned may prescribe. When appropriate, or as directed, a board/panel shall review and upgrade a discharge or classes of discharges on its own motion or upon the request of an applicant or his counsel, without a formal hearing. Under no circumstances shall an applicant(s) be denied a favorable decision without full benefit of the procedures prescribed under this section. Cases reviewed on a board/panel's own motion or upon applicant(s) request without benefit of formal hearing shall be reconsidered without prejudice upon request for a more favorable decision.

"(2) After an application has been submitted to a review board/panel for review, the review board/panel shall within one hundred and twenty days give thirty days' notice in writing to the applicant and his counsel of the date and place (and any other information relevant to the case) of the hearing to be conducted in connection with the requested review. Such hearing to be completed within one hundred and eighty days of the review board/panel's receipt of the applicant's initial request for review, unless an extension is deemed necessary and appropriate.

"(3) In any case in which the applicant requests an opportunity to appear in person before a review board/panel the board/panel shall do everything practicable to insure the applicant such opportunity. However, an applicant, who requests a personal appearance before a board/panel and fails to appear at the appointed time and place, without previous satisfactory arrangement with the board/panel shall be considered to have waived his right to personal appearance and his case shall be reviewed on the evidence contained in his military records and such other evidence as may be presented on behalf of the applicant.

"(4) An applicant may appear before a review board/panel in his own behalf or may be represented by counsel of his choice, by an accredited representative of a veterans' organization recognized by the Administrator of Veterans' Affairs under chapter 59 of title 38, United States Code, or by such other persons not barred by law, who in the opinion of the review board are considered competent to present equably and comprehensively the claim of the applicant for review. In cases of clear need the Government shall provide such counsel and/or assistance as is necessary to insure that an applicant is competent to present equitably and comprehensively his claim for review. Legal assistance as provided by the Legal Services Corporation Act (Public Law 93-355), title X of the Economic Opportunity Act of 1964, may be used by an applicant before a review board/panel. The Secretaries of the services concerned and the discharge review boards/panels when necessary and appropriate shall assist in the development and implementation of programs, information and training to facilitate sufficient and effective counsel before discharge review boards/panels.

"(5) An applicant and/or his counsel shall be given copies of all records, documents, and information seen by the review board/panel relating to the case. The Secretaries of the services concerned shall make appropriate arrangements in cases involving classified information but under no circumstances shall an applicant be denied a favorable determination by a review board/panel on the basis of information unknown to the applicant or his counsel. The testimony of witnesses may be presented in person, by deposition, or by sworn statements. If a witness testifies in person he shall be subject to examination by members of the review board/panel.

"(6) A review board/panel may continue a hearing on its own motion. A request for continuance by or on behalf of an applicant may be granted, at the discretion of a review board/panel, if a continuance appears necessary to insure a full and fair hearing.

"(7) An applicant may withdraw his request for review under this section at any time before the scheduled hearing without prejudice.

"(8) After all testimony and evidence has been received by a review board/panel in any case it shall assemble in private to make its findings and recommendations. Cases in which no request was made for a personal appearance by the applicant shall be decided on the basis of all documentary evidence presented to the review board/panel. The board/panel shall make a determination whether the nature of the discharge or dismissal under review should be changed and a new discharge issued.

"(9) A review board/panel shall promptly notify the applicant, his counsel, and the Veterans' Administration in writing with respect to the decision in his case. A review board/panel shall specify in writing the findings of facts and, reasons on which the deci-

sion was based. This requirement should not affect the confidentiality of the subjective decisionmaking process of the review board/panel in any case.

"(10) Whenever a review board/panel has reviewed the discharge or dismissal of any person as provided in this section and its recommendations have been approved or disapproved no rehearing shall be granted unless the basis of the request is the availability of material evidence that was not known to the applicant at the time of the regular hearing and such evidence could reasonably result in a decision contrary to the one reached at the original hearing, or unless a review board/panel determines there was a legal error which would likely change the decision reached at the original hearing, or such occasions deemed in the interest of justice or warranted by a review board/panel.

"(e) EFFECTS OF DECISIONS ON OTHER CASES.—(1) Whenever a decision or policy change by a review board/panel, a civilian or military court, the Department of Defense or other entity, affecting the functions of the review boards/panels is of such a nature that it will have general application to other cases similar to the one in which the decision was reached or the policy change made, the Secretary of the services concerned shall have the review boards/panels apply the ruling to all other such cases on the review boards/panels own motion or to a specific case at the request of the appropriate party. Such rulings and policy changes shall be published in the Federal Register.

"(2) The Secretaries of the services concerned concerning any ruling or policy change referred to in paragraph (1) shall take appropriate action to notify former members of the armed forces who would be affected by such ruling or policy change.

(f) GENERAL POWERS OF REVIEW BOARDS/PANELS.—Review boards/panels shall have the power to—

"(1) administer oaths;

"(2) require from the head of any executive department or agency of the Federal Government available information which the board deems useful in the discharge of its duties; and

"(3) prescribe such regulations and procedures as may be necessary to carry out the purposes of this section.".

SEC. 2. The Secretary of Defense in cooperation with the Secretaries of the services concerned shall carry out a public information program designed to inform former members of the armed services of the new discharge review program provided for in the amendment made by this Act. In formulating and carrying out such a program the Secretary shall consult with the Administrator of Veterans' Affairs and other relevant Government agencies. The Veterans' Administration and other relevant Government agencies shall use their personnel, services, and facilities to assist the Department of Defense in contacting veterans service organizations, former members of the armed forces, the news media, and other persons and organizations that would have an interest in such new program. The Secretaries of the services concerned shall prepare a semiannual report on the functions, problems, and accomplishments of the review boards/panels established under this Act. Such report shall include a request for appropriations or changes necessary and appropriate to carry out the functions of this Act.

EFFECTIVE DATE

SEC. 3. The amendment made by this Act shall become effective sixty days after the enactment of this Act. Any cases pending before any board of review under section 1553 of title 10, United States Code, prior to such effective date shall be transferred to a new review board/panel established under this provisions of this Act.

S. 1688

A bill to amend title 38, United States Code, to provide special psychological adjustment therapy, counseling services, and followup treatment to veterans of the Vietnam era and their dependents who are in need of such assistance because of military service performed during the Vietnam era

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 17 of title 38, United States Code, is amended by adding after section 620 a new section as follows:

"§ 620A. SPECIAL PSYCHOLOGICAL READJUSTMENT THERAPY AND COUNSELING SERVICES

"(a) The administrator shall provide special psychological readjustment therapy and counseling services, and such followup treatment as may be necessary, to any veteran of the Vietnam era and to the dependents of any such veteran who is having emotional problems in adjusting to civilian life as the result of psychological disturbances experienced during the Vietnam era. Such therapy, counseling services, and followup treatment shall be provided upon the request of the veteran or dependent. No veteran or dependent shall be required to receive or participate in any therapy, counseling services, or followup treatment authorized under this section.

"(b) The therapy, counseling services, and followup treatment required to be made available under this section shall be provided through the personnel and facilities of the Veterans' Administration to the maximum extent practicable; but whenever such personnel and facilities are inadequate to provide proper care and treatment authorized by this section, the Administrator is authorized to contract for the necessary personnel and facilities from sources outside the Veterans' Administration.

"(c) The Administrator shall carry out a program to inform veterans of the Vietnam era of the assistance available to them and their dependents under this section and encourage those veterans and dependents in need of such assistance to avail themselves of such assistance.

"(d) The Administrator shall conduct a comprehensive study of the psychological and sociological effects of military service in the Vietnam War and the readjustment and rehabilitation problems related thereto, for the purpose of making recommendations for more effective psychological readjustment services available to the veteran and his dependents.

"(e) The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by adding
after
"620. Transfer for nursing care."
the following:

"620A. Special psychological readjustment therapy and counseling services.".

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the amendments made by the first section of this Act.

"BAD PAPER" DISCHARGES

In late March, the Department of Defense moved in the right direction by creating a program for reviewing the discharges of Vietnam-era veterans. The review, to be done in "a spirit of forgiveness and compassion," listed six categories under which servicemen with other than honorable discharges would have those discharges automatically upgraded. This special consideration was to be extended to veterans who had a satisfactory record for 24 months prior to discharge, for example, or had been wounded in action, or had been honorably discharged from an earlier tour of service. In addition, eight other considerations were listed, such as whether personal distress "may have contributed to the acts which led to discharge," or whether the person "entered the military service from a deprived background."

Two responses to the Carter review program have materialized in Congress. The first, articulated by Rep. John P. Hammerschmidt (R-Ark.), is that the administration has established "give-away criteria" that would allow less than honorably discharged servicemen to receive the educational, health and other entitlements that the honorably discharged enjoy. Rep. Hammerschmidt finds it "ludicrous" that "non-performers" should be automatically entitled to the same benefits of those who never fell in the first place. He believes that the "upgraded" veterans should be directed to the Veterans Administration to have their individual appeals for benefits heard under already existing standards.

With support from such groups as the Veterans of Foreign Wars, Rep. Hammerschmidt has accordingly introduced legislation to deny automatic veterans benefits from being passed out to those whose discharges are upgraded under the review program. Similar bills have been offered by Rep. David E. Satterfield III (D-Va.) and Sen. Strom Thurmond (R-S.C.).

A second reaction comes from Reps. Thomas J. Downey (D-N.Y.) and Robert W. Kastenmeier (D-Wis.). Their bill seeks to make the administration's current program more comprehensive. One provision, for example, calls for all servicemen, not merely those of the Vietnam era, to be given the opportunity to seek relief. Except for drug abuse cases, the reasons for other than honorable discharges during the Vietnam era were generally the same in earlier wars. A second provision would allow an applicant to receive assistance from a Legal Services Corporation lawyer. A third provision would allow the review boards to issue what is called an "honorable discharge (limited)." This means that the individual's military record did not warrant a full honorable discharge and its entitlements. But the stigma of that record would be removed, with only the proper authorities knowing of it, on a confidential basis. Finally, the Downey-Kastenmeier bill lists a considerable number of specific categories under which persons can base their appeals for upgrading, an approach that would increase the chances for uniformity and equity among the various services.

Of these three solutions to one problem, the least helpful, to our mind, is the Hammerschmidt-Satterfield-Thurmond approach. It is an axe where a scalpel is needed. A large portion of the affected 550,000 exservicemen affected by the discharge review procedures are already so burdened by unemployment, poverty and lack of education that the additional stigma of a less than honorable discharge is needlessly severe punishment. If we are talking about "forgiveness" and "compassion"—as the President is—then holding down those who are already at or near the bottom is a repugnant form of vindictiveness. These are mostly the men who went into service out of a sense of duty, or who lacked the means, scholarship—or influence—to avoid military service by college deferment or whatever.

The argument is not that full absolution should be given—and still less that it should be given thoughtlessly. At issue are the criteria and the methods by which these exservicemen can be given a chance to be upgraded. The Downey-Kastenmeier proposal addresses this issue. Its provisions can be readily adopted by the Department of Defense; in fact, some of them (the call for the review boards to be regionalized) already have been. In addition, it is flexible because it calls for the department to upgrade those discharges that clearly deserve it. This avoids the "blanket pardon" approach that arouses the fears of some of the older veterans groups.

The Department of Defense is evidently committed to respond to President Carter's

call for "forgiveness and compassion" and is willing to do the work. Thousands of ex-servicemen are in urgent need of being restored to first-class citizenship. All that remains is for the letter of the law to be effectively and sensitively defined. It should not be too much to ask of Congress that it produce procedures and a set of rules that reflect both the complexity of the problem and the spirit in which the President professes to be attempting to put the Vietnam tragedy behind us—once and for all.

Representative Robin Beard (R-Tenn.) is a member of the Marine Corps Reserve who recently did a two-week stint of active duty. Having talked with everyone from two-star generals to boot-camp recruits, he claims to have discovered strong sentiments against President Carter's program for reviewing Vietnam-era veterans' discharges. This is the review, to be done in a spirit of "forgiveness and compassion," that lists at least six categories under which ex-servicemen with other than honorable discharges would not only have those discharges automatically upgraded but would also regain eligibility for various benefits—the G.I. bill, disability payments and other aid—available to veterans who originally received honorable discharges. According to Rep. Beard, in comments made to the Army Times, the military people he talks to are upset that "some of their contemporaries who go booted out on an undesirable [discharge] because they were just nothing but incompetents in many cases or troublemakers are now going to be eligible for veterans benefits."

Rep. Beard has come back to Congress so fired up that today he plans to ambush the administration on this issue by offering an amendment to the Housing and Urban Development and Independent Agencies Appropriations bill. The amendment would bar the use of Veterans' Administration funds for paying veterans' benefits to those whose discharges had been upgraded. Rep. Beard's proposed end run of the usual legislative process has a number of drawbacks, any one of which would be enough to warrant the defeat of his amendment.

First, hearings on the discharge-upgrade program have already been scheduled (June 20 and 21) in the House. The administration, apparently caught off guard by the opposition to its program, has not performed well in explaining the issues. The hearings are the time and place for the administration to make its case and to explain that its program is anything but the casual "giveaway" that its opponents make it out to be. Before Congress acts, it ought to hear the argument.

Second, Congress has before it two important pieces of proposed legislation on the subject. One, offered by Reps. Thomas J. Downey (D-N.Y.) and Robert W. Kastenmeier (D-Wis.), provides a thoughtful, though not entirely adequate, alternative to administration policy. The other, introduced by Rep. John P. Hammerschmidt (R-Ark.), would carry out Rep. Beard's desires by denying benefits automatically to veterans whose discharges have been reviewed and upgraded. Rep. Hammerschmidt's capacity for compassion is reflected in his stated view that "our citizens have incurred no debt to those who turned their backs, or did not perform up to the minimum standards of the service." As Don Winter wryly observes in an article on the opposite page today, you would think that a 10-year veteran of Congress like Rep. Hammerschmidt, who by virtue of his tenure bears *some* responsibility for U.S. policy over some part of the Vietnam era, "would be shy of mentioning 'minimum standards of performance' in the same breath as Vietnam."

Third, though Rep. Beard may find it convenient to dismiss as "incompetents" or troublemakers" those ex-servicemen who have undesirable discharges, a calmer look at the situation would reveal that two general categories of deserters exist: men who served honorably in Vietnam but who, under one pressure or another, deserted upon return to the United States. (According to the administration, only a few dozen deserters actually fled the scene of battle in Vietnam.) The other category comprises individuals who perhaps shouldn't have been accepted in the military in the first place: the undereducated, victims of broken homes, the poor and those who had civilian records.

The spirit of forgiveness and compassion of which the President speaks can be defended on its own terms. Moreover, it is not without precedent; earlier administrations had similar programs for "bad paper" discharges. Finally, it is not as though the review boards will be eliminated and the money tap turned on indiscriminately. The issue turns on the manner and criteria by which ex-servicemen with "bad paper" discharges can receive the full benefits that would normally come from having their records reviewed and the slate wiped clean. Rep. Beard's amendment is wrong on both the merits and the method by which he would ram it through without even a semblance of a hearing or a debate. We hope it is defeated if it comes up for a vote as expected today.

UPGRADED DISCHARGES: WILL A DOUBLE STANDARD APPLY?

(By Don Winter)

Four years after the last American soldier left Vietnam, there are some 55 members of Congress who are the right age (from 26 through 37) to have served there. In point of fact, three did, according to the Congressional Directory. Whatever the causes, it's a pattern in striking contrast to those found in directories of the late 1940s and 1950s, when almost every member of the right age had seen active duty during World War II or Korea.

Those were different wars, of course. Times have changed. But it seems to me that the pattern suggests Vietnam-era veterans are correct in speaking of themselves as outcasts, of having been forgotten.

The pattern may have practical consequences, too. Now that draft resisters have been offered pardons—something I approve of wholeheartedly—there has been more discussion of the problems Vietnam-era veterans face, especially wounded veterans and recipients of less-than-honorable discharges. Unfortunately, for all the discussion, I've heard no voice in Congress speak in tones I recognize.

For instance, a recent news story reported that Rep. John Paul Hammerschmidt (R-Ark.), the ranking minority member of the House Veterans' Affairs Committee, had introduced a bill with the support of his chairman and six veterans' groups (the Fleet Reserve Association, the American Legion and others) that would create two kinds of honorable discharge. The first would be good for Veterans' Administration loans and college money and a flag on the casket. The second kind and 25 cents would buy a cup of coffee.

Hammerschmidt's "honorary" honorable discharge would be given to former servicemen whose inferior tickets-to-leave had been "upgraded" for "compassionate" reasons by President Carter's discharge-review program. It ought not be redeemable in benefits, Hammerschmidt believes, because "our citizens have incurred no debt to those who turned their backs, or did not perform up to the minimum standards of the service."

That's interesting. I'd think the government of the United States, of which Hammerschmidt has been a part for the past 10 years, would be shy of mentioning "minimum standards of performance" in the same breath as Vietnam.

Who fought in Vietnam? To an extent, it was the sons of families that did not retain orthopedic surgeons or lawyers versed in the dialetic of conscientious objection. The American soldier of the late 1960s began his military career in an induction center where only the most blatant anomalies were officially noticed, unless they were accompanied by extensive private medical opinion.

And as it became obvious that the better universities of America were populated by asthmatic hypertensives with trick knees, the Army responded by lowering its mental standards. It was a small-minded decision and contributed to the situation the Hammerschmit bill addresses so peevishly.

If Vietnam-era veterans were present in Congress in any significant number, they might be able to make that point felt. In their absence even sympathetic efforts, such as the alternative to the Hammerschmidt bill offered by Reps. Thomas J. Downey (D-N.Y.) and Robert W. Kastenmeier (D-Wis.), burden those least inclined to cope with more bureaucratic complexity.

I first heard of the reasons behind the Hammerschmidt bill in January. A friend, editor of a weekly newspaper down South, came to Washington to cover Jimmy Carter's inauguration. He stopped by Capitol Hill to visit his congressman. They got to talking about the pardon. The congressman, my friend told me, had no misgivings about the pardon if Carter really wanted to go through with it. It would cost nothing. A blanket upgrading of discharges was another matter. Think of the money!

It happens that my friend's congressman is young but lucky enough never to have been in uniform, much less in Vietnam. In a way that's a shame: He has no firsthand knowledge of the money it cost to fight the war, nor, apparently, does he realize it may be healthy to be as generous in defeat as in victory.

Magnanimity is a virtue normally displayed by victors. After World War II the Congress funded the Marshall Plan as well as the GI Bill. The United States lost the war in Vietnam and John Paul Hammerschmidt wants to create an additional obstacle for veterans claiming benefits.

I don't understand his rancor against men trapped in the administrative maws of a stupid war. All I know is that he doesn't speak for me, and perhaps more Vietnam veterans in Congress wouldn't either.

I do think it ill becomes a government without the wit to avoid defeat to penalize those it drafted to fight its losing battles.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1690. A bill to amend the Federal Boat Safety Act of 1971 to extend authorization for appropriations for financial assistance to State boating programs; to the Committee on Commerce, Science, and Transportation.

Mr. MAGNUSON. Mr. President, I introduce today, at the request of the Department of Transportation and on behalf of myself and my colleague, Mr. PEARSON, a bill to amend the Federal Boat Safety Act of 1971 to extend authorization for appropriations for financial assistance to State boating programs.

I ask unanimous consent that the text of the bill and the transmittal letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A bill to amend the Federal Boat Safety Act of 1971 to extend authorization for appropriations for financial assistance to state boating programs

Be it enacted in the Senate and the House of Representatives of the United States of America in Congress assembled, That the Federal Boat Safety Act of 1971 as amended

(46 U.S.C. 1451 *et seq*) is further amended in section 30(b)(3) by striking the words, "for each of the fiscal years 1977 and 1978," and inserting in lieu thereof the following: "for each of the fiscal years 1977 through 1979,".

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., May 20, 1977.

HON. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill "To amend the Federal Boat Safety Act of 1971 to extend authorization for appropriations for financial assistance to State boating programs."

In the Federal Boat Safety Act of 1971 (FBSA), the Congress mandated a cooperative Federal-State effort to improve the safety of recreational boating in the United States. In the five years the program has been in operation, all but four states and territories have instituted approved state boating safety programs. With Federal assistance, approved state boating safety programs have resulted in increased state responsibility for recreational boating. Federal funding has enabled states to increase their efforts in boating safety, education, and law enforcement each year. Educational programs have reached hundreds of thousands of recreational boaters, increasing both their enjoyment of boating and their safety. The expanded state boating safety programs have resulted in collateral benefits to the Federal government, for individual states are increasingly able to meet boating safety and other law enforcement needs in areas that might otherwise require Federal resources.

The effectiveness of the cooperative approach to boating safety is graphically illustrated by the boating fatality rates per 100,000 boats during the last 6 years The boating fatality rate in 1971 was 20.6 per 100,000 boats, having remained relatively constant for the 10 previous years. The post-FBSA fatality rate for the 4 year period through 1975 is 12 percent lower than in 1971. Preliminary data from the 1976 boating year indicates the fatality rate has decreased further from the pre-FBSA levels. There is a strong basis for the belief that the increased state efforts, induced by federal matching funds, and the working relationships that the FBSA has established between the Coast Guard and the states, are largely responsible for the decline.

The proposed bill continues the present authorization of $10 million through fiscal year 1979. Though $7.5 million per fiscal year was authorized in the first five fiscal years, a total of only $22.6 million was appropriated. Public Law 94–34 authorized $10 million for fiscal years 1977 and 1978 though only $5.8 million was appropriated for fiscal year 1977.

Despite the relatively modest Federal investment, state expenditures in boating safety programs have grown by almost 50 percent in the past three years alone. In FY 1974, total state expenditures had grown to $25.7 million, and state expenditures on boating safety in FY 1976 are estimated to be 36.7 million. In contrast, Federal appropriations in the state grant program were $3.5 million and $5.8 million for FY 1974 and 1976 respectively.

A two-year extension of the state grant program was authorized in July 1976, in part, to enable the Coast Guard to obtain additional data on the effectiveness of the program and the need for its continuance. While the Coast Guard has initiated a detailed study of the grant program, the analysis of the data provided by the states has not been completed. When available, the results of this study will provide the basis for a zero-based budgeting review of the grant program. At the completion of this review, a decision will be made as to the future of the program.

It is recommended that the proposed legislation be enacted by Congress.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely,

BROCK ADAMS.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 1691. A bill to implement the Agreed Measures for the Conservation of Antarctic Fauna and Flora of the Antarctic Treaty and for other purposes; jointly, by unanimous consent, to the Committees on Commerce, Science, and Transportation; Foreign Relations; and Environment and Public Works.

Mr. MAGNUSON. Mr. President, I introduce today, at the request of the Department of State and on behalf of myself and my colleague, Mr. PEARSON, a bill to implement the Agreed Measures for the Conservation of Antarctic Fauna and Flora of the Antarctic Treaty and for other purposes.

I ask unanimous consent that the text of the bill and the transmittal letter be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1691

A bill to implement the Agreed Measures for the Conservation on Antarctica Fauna and Flora of the Antarctica Treaty and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antarctic Conservation Act of 1977."

SEC. 2. (a) The Congress finds that—

(1) The Antarctic Treaty and the Agreed Measures for the Conservation of Antarctic Fauna and Flora, adopted by the Third Antarctic Treaty Consultative Meeting have established a firm foundation for the continuation of international cooperation and the freedom of scientific investigation in Antarctica.

(2) The study of Antarctic fauna and flora, their adaptation to their rigorous environment, and their interrelationships with that environment has special scientific importance for all mankind;

(b) The purpose of this Act is to implement the Antarctic Treaty Agreed Measures for the Conservation of Antarctic Fauna and Flora; to provide an effective program for the conservation and protection of the fauna and flora of Antarctica and provide a means whereby the ecosystems upon which Antarctic fauna and flora depend may be conserved and protected.

(c) All Federal departments and agencies whose activities affect Antarctica shall utilize their authorities in furtherance of the purposes of this Act, and shall cooperate with the Director and Secretary in carrying out the purposes of this Act.

SEC. 3. For the purposes of this Act, the terms—

(a) "Agreed Measures" means the Agreed Measures for the Conservation of Antarctic Fauna and Flora, recommended to the parties for approval by the Third Antarctic Treaty Consultative Meeting under the Treaty as now or hereafter amended in accordance with Article IX(1) of the Treaty;

(b) "Antarctica" means the area south of 60 degrees South latitude, including all ice shelves, as defined in Article VI of the Treaty;

(c) "Director" means the Director of the National Science Foundation or a person designated by him;

(d) "Hazardous substance" means any substance liable to create hazards to human health, to harm living resources or marine life, to damage amenities or to interfere with legitimate uses of Antarctica.

(e) "Native bird" means any member, at any stage of its life cycle (including eggs), of any species of Class Aves indigenous to the Antarctic or occurring there through natural agencies of dispersal.

(f) "Native mammal" means any member, at any stage of its life cycle, or any species belonging to the Class Mammalia indigenous to the Antarctic or occurring there through natural agencies of dispersal, excepting whales.

(g) "Native plant" means any kind of vegetation at any stage of its life cycle (including seeds), indigenous to the Antarctic or occurring there through natural agencies of dispersal.

(h) "Participating Government" means any Government for which the Agreed Measures have become effective.

(i) "Person" means an individual, corporation, partnership, trust, association, or any officer, employee, agent, department, or instrumentality of the Federal Government or of any State or political subdivision hereof.

(j) "Secretary" means the Secretary of Interior or a person designated by him.

(k) "Sites of special scientific interest" means an area of unique scientific value for scientific investigations needing protection from interference, as designated now or hereafter in accordance with recommendation VIII–3 of the Eighth Antarctic Treaty Consultative Meeting and the regulations promulgated under section 6 of this Act.

(l) "Specially protected area" means an area of outstanding scientific or ecological interest, designated for special protection under article VIII, paragraph 1, of the Agreed Measures and the regulations promulgated under section 6 of this Act.

(m) "Specially protected species" means any species or sub-species of native mammals or native birds accorded special protection under article VI, paragraph 5 of the Agreed Measures and the regulations promulgated under section 6 of this Act.

(n) "Take" means to harass, molest, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct.

(o) "Treaty" means the Antarctic Treaty signed at Washington on December 1, 1959.

(p) "United States" means all States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

SEC. 4. Prohibited Acts.

(a) It shall be unlawful in Antarctica, except as may be authorized by a permit issued pursuant to Section 5 of this Act or by regulation promulgated pursuant to Section 6 of this Act, for any person subject to the jurisdiction of the United States as provided in Section 13 of this Act to—

(1) take any native mammal or native bird; or

(2) collect any native plant in any specially protected area; or

(3) introduce any animal or plant not indigenous to Antarctica; or

(4) enter any Specially Protected Area or Site of Special Scientific Interest; or

(5) discharge any oil or hazardous substance into any waters adjacent to the coast and ice shelves in Antarctica.

(b) It shall be unlawful for any person to import into or export from or attempt to import into or export from the United States any native mammal or native bird taken or any plant collected in violation hereof.

(c) It shall be unlawful for any person subject to the jurisdiction of the United States as provided in Section 13 to possess, sell, offer for sale, deliver, receive, carry, transport, or ship by any means whatever, any native mammal or native bird taken or any plant collected in violation hereof.

(d) It shall be unlawful for any person subject to the jurisdiction of the United States as provided in Section 13 of this Act to violate any regulation promulgated under this Act.

SEC. 8. Permits

(a) The Director may issue permits, in accordance with the Agreed Measures and such regulations as he may prescribe, for any act in Antarctica otherwise prohibited by Section 4(a) of this Act. The Secretary may issue permits, in accordance with the agreed measures and such regulations as he may prescribe, for any other act otherwise prohibited by Section 4(b) and (c) of this Act.

(b) The Director and Secretary shall require the applicant for a permit under this section to provide such information as he may consider necessary to review and evaluate such application.

(c) The Director and Secretary may modify, suspend, or revoke in whole or in part any permit issued by him for reasonable cause. Where the Director or Secretary determines that such action is necessary he shall notify the permit holder of his intention to revoke. This notification shall include a brief statement of the reasons for the revocation, and the permit holder shall have 30 days in which to respond to the notice of revocation and shall be accorded a hearing on the record. The Director's or Secretary's decision shall be final.

(d) Consistent with the requirements of this Act, but in lieu of a requirement for specific permits in such case, the Director or Secretary may issue general permits.

(e) Any permit issued under this Act with respect to actions prohibited under subsection (b) of Section 4 of this Act must be in the possession of the person to whom it is issued (or an agent of such person) during the time any authorized activities under the permit are being conducted.

SEC. 9. Regulations and Administration

(a) The Director, in consultation with the Secretary of State and other appropriate Federal officials, shall promulgate such regulations as are necessary and appropriate to implement the Agreed Measures and the provisions of subsection (a) of Section 4 of this Act. The Secretary, in consultation with the Secretary of State and other Federal officials, shall promulgate such regulations as are necessary and appropriate to implement subsections (b) and (c) of Section 4 of this Act. Regulations promulgated under this section shall include provisions with respect to—

(1) The identification and protection of Specially Protected Species;

(2) The identification and protection of Specially Protected Areas;

(3) The identification and regulation of Sites of Scientific Interest;

(4) The prevention and control of the discharge of oil and hazardous substances in waters adjacent to the coast and ice shelves in Antarctica;

(5) The prevention and control of parasites and diseases in Antarctica;

(6) The filing of notices, declarations and reports by persons, vessels or other conveyances entering Antarctica;

(7) The control of animals and plants in Antarctica which are not indigenous to Antarctica;

(8) Other matters pertaining to the Agreed Measures;

(9) The application for permits authorized under Section 5, providing for such fees as the Secretary or Director deems reasonable. All such fees collected pursuant to this subsection shall be deposited in the Treasury to th credit of the appropriation which is current and chargeable for the cost of furnishing the services.

(b) The Director may by permit or regulation authorize such activities as he finds are necessary for the establishment, supply and operation of stations in Antarctica.

SEC. 7.—*Notifications.* All persons including the organizer of any expedition which proceeds to Antarctica from the United States or which is organized in the United States, shall notify the Secretary of State not less than 180 days prior to the planned arrival in Antarctica of their purpose, accompanying personnel and itinerary while in Antarctica. The Secretary of State shall provide notice in advance of such arrival to all participating governments and shall promptly inform the Director. When the Director has been so informed, the Director shall use the best efforts of the Foundation to inform persons so notifying the Secretary of State of any unusual and known risks to the safety of persons and property in Antarctica that the Director reasonably anticipates will occur during the period of the expedition.

SEC. 8. *Penalties*

(a) Any person who knowingly violates or who knowingly commits an act which violates, any provision of this Act, or any provision of any permit issued hereunder, or of any regulation prescribed to implement this Act, may be assessed a civil penalty by the Director or Secretary of not more than $10,000 for each violation. Any person who otherwise violates any provision of this Act, or any regulation or permit issued hereunder, may be assessed a civil penalty by the Director or Secretary of not more than $5,000 for each such violation. No penalty may be assessed under this subsection unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be remitted or mitigated by the Director or Secretary. Upon any failure to pay a penalty assessed under this subsection, the Director or Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action on the record made before the Director or Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(b) Any person who willfully commits an act which violates any provision of this Act, of any permit issued hereunder, or of any regulation prescribed to implement this Act shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than one year, or both.

(c) No person, vessel, or conveyance shall be subject to a civil or criminal penalty for any act done in an emergency to prevent loss of human life, or to safeguard a vessel or aircraft.

(d) Nothing in this section shall be construed as limiting the power of the Director or Secretary at any time to suspend or revoke any permits where suspension or revocation is authorized by this Act or to take any other administrative action he may believe necessary to prevent offenses against this Act or to prevent their recurrence.

SEC. 9. Proceedings

(a) Hearings held during proceedings for the assessment of civil penalties shall be conducted in accordance with Section 554 of title 5, United States Code. The Secretary or Director may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpoena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Director or Secretary or to appear and produce documents before the Secretary or Director, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) The several district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have jurisdiction over any actions arising under this Act. For the purpose of this Act, American Samoa and the Trust Territories of the Pacific Islands shall be included within the judicial district of the District Court of the United States for the District of Hawaii.

SEC. 10. Enforcement

(a) The provisions of this Act and any regulations or permits issued under it shall be enforced by the Director or Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, or all such Secretaries and the Director. Each such Secretary and the Director may utilize by agreement, with or without reimbursement, personnel, services, and facilities of any other Federal agency or any State agency for the purposes of enforcing this Act.

(b) The judges of the district courts of the United States and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and any regulation issued thereunder.

(c) Any person authorized by the Director or Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, to enforce this Act may detain for inspection and inspect any package, crate, or other container, including its contents, and all accompanying documents, upon importation or exportation. Such person may execute and serve any arrest warrant, search warrant, or other warrant or civil or criminal process issued by any officer or court of competent jurisdiction for enforcement of this Act. Such person so authorized may search and seize, with or without a warrant, as authorized by law. Any property, or item so seized shall be held by any person authorized by the Director or Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating pending disposition of civil or criminal proceedings, or the institution of an action in rem for forfeiture of such property, or item pursuant to paragraph (4) of this subsection; except that the Director or Secretary may, in lieu of holding such property, or item, permit the owner or consignee to post a bond or other surety satisfactory to the Director or Secretary.

(d) All mammals, birds or plants taken, exported, or imported contrary to the provisions of this Act, any regulation made pursuant thereto, or any permit issued hereunder shall be subject to forfeiture to the United States.

(e) All guns, traps, nets, and other equipment, vessels, vehicles, aircraft, and other means of transportation used to aid the taking, exporting, or importing of any mammal, bird or plant in violation of this Act, any regulation made pursuant thereto, or any permit issued thereunder shall be subject to forfeiture to the United States upon conviction of a criminal violation pursuant to Section 8 of this Act.

(f) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeiture, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act; except that all powers, rights, and duties

conferred or imposed by the customs laws upon any officer or employee of the Treasury Department shall, for the purposes of this Act, be exercised or performed by the Secretary, or by such persons as he may designate.

(g) The Director or Secretary, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating are authorized to promulgate such regulations as may be appropriate to enforce this Act, and charge reasonable fees for expenses to the Government connected with remits or certificates authorized by this Act including processing applications and reasonable inspections, and with the transfer, board, handling, or storage of mammals, birds or plants and evidentiary items seized and forfeited under this Act. All such fees collected pursuant to this subsection shall be deposited in the Treasury to the credit of the appropriation which is current and chargeable for the cost of furnishing the services. Appropriated funds may be expended pending reimbursement from parties in interest.

SEC. 11. Additional Law.

Nothing in this Act shall be interpreted to contravene or supercede the provisions of any existing international treaty, convention, or agreement or of any statute implementing the same.

SEC. 12. Authorization of Funds.

There is authorized to be appropriated to the National Science Foundation and the Dpartment of Interior such sums as may be necessary to carry out the Secretary's and Director's functions and responsibilities under this Act.

SEC. 13. Applicability.

(a) This Act shall apply to acts or omissions in the United States. It shall also apply to acts or omissions by persons in Antarctica who are:

(1) nationals of the United States;

(2) organizations incorporated or otherwise deriving their authority from the United States or any authority in the United States.

(b) In no event shall the United States assert jurisdiction;

(1) over any foreign national if the state or nationality of the accused foreign national asserts jurisdiction prior to trial and so advises the Secretary of State; or

(2) with respect to any person exempt under the provisions of the Treaty.

DEPARTMENT OF STATE,
Washington, D.C., May 23, 1977.

Hon. WALTER F. MONDALE,
President,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, "Antarctic Conservation Act of 1977."

In his Environmental Message of May 23, 1977, the President assigned great importance to continued U.S. leadership and international cooperation in the Antarctic. He emphasized the need to maintain the environmental integrity of the Antarctic, which underlies the condition and stability of the earth's oceans and atmosphere.

The purpose of this bill is to authorize the National Science Foundation and the Secretary of the Interior to promote the protection of flora and fauna in Antarctica. In 1959, with the signing of the Antarctic Treaty, a framework was established for peaceful international cooperation in the area. Since then the twelve Consultative Parties to the Treaty have met periodically to discuss issues. The Treaty has worked well in avoiding international discord, promoting scientific research and in protecting the unique Antarctic environment.

In 1964 the parties to the Treaty urged the adoption of "Agreed Measures For the Conservation of Antarctic Fauna and Flora." Under these measures, certain specially protected areas are to be closed to most activities, birds and mammals are to be protected from harmful interference, and the importation into Antarctica of exotic plants and animals is to be prohibited.

The National Science Foundation has applied the Agreed Measures as interim guidelines since they were first recommended. With increasing public interest and activity in Antarctica, legislation is needed. Enactment of this legislation will also underscore the continued commitment of the United States to the protection of Anarctica's unique environment.

The proposed bill would implement these Agreed Measures by authorizing National Science Foundation and the Department of the Interior to prescribe and administer regulations consistent with the provisions of the Measures. The National Science Foundation, which has primary responsibility for all U.S. activities in Antarctica, is given primary responsibility for implementing the Act in Antarctica. The Secretary of the Interior, who retains principal responsibility for wildlife protection, is given responsibility for ensuring compliance with the Act in the United States. In view of the interest of the United States in supporting efforts for the protection of the Antarctic environment, prompt consideration and early enactment of this legislation are respectfully urged.

A similar letter is being sent to the Speaker of the House.

The Department has been advised by the Office of Management and Budget that enactment of the proposed legislation would be in accord with the program of the President.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

Mr. MAGNUSON. I ask unanimous consent that the bill be referred jointly to the Committees on Commerce, Science, and Transportation; Environment and Public Works; and Foreign Relations.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, as to the joint referral, may I ask the distinguished chairman, has this request been cleared with the chairman and ranking member of those committees?

Mr. MAGNUSON. Yes, I understand it has.

Mr. ROBERT C. BYRD. There is no question about this?

Mr. MAGNUSON. No question as far as I am concerned.

Mr. ROBERT C. BYRD. Mr. President, could the Senator withhold that request until we can be sure?

Mr. MAGNUSON. Well, I can ask the chairmen. It deals with the environmental conditions, the Antarctic, and our relations with the other countries occupying the Antarctic, that is why Foreign Relations should have it, and Environment, they want it and we agree, that is why we have them.

Mr. ROBERT C. BYRD. The reason I am asking, I have had several chairmen instruct me to be sure that when these joint referrals are made, the chairmen of the committees involved have personally cleared the referrals.

I have no doubt on my part, but I do have a duty to determine this.

Mr. SPARKMAN. May I ask the chairman, is that the bill we were talking about a few days ago?

Mr. MAGNUSON. I think it is, the steps we were talking about.

Mr. President, I can withhold it.

Mr. ROBERT C. BYRD. If the chairman would withhold that request?

Mr. MAGNUSON. All right.

I thank the Senator.

The PRESIDING OFFICER. The request of the Senator from Washington is withdrawn.

(Subsequently the following occurred:)

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the bill I have introduced be referred jointly to the Committees on Environment and Public Works; Foreign Relations; and Commerce, Science, and Transportation. This request has been cleared.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I am duty bound to ask if this referral request has been cleared with the chairmen and ranking members of all committees.

Mr. MAGNUSON. Yes.

Mr. ROBERT C. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. MELCHER (for himself, Mr. MCGOVERN, and Mr. BURDICK):

S. 1692. A bill to amend title 39, United States Code, to alter the organizational structure of the U.S. Postal Service, to revise the procedure for adjusting postal rates and services, and for other purposes; to the Committee on Governmental Affairs.

Mr. MELCHER. Mr. President, I am introducing a bill today for myself, Mr. BURDICK and Mr. MCGOVERN which will partially correct a mistake we made in 1970 in establishing the so-called Postal Service as a public corporation. The bill, identical to H.R. 6520 by Representative WILSON and 18 members of the House Post Office and Civil Service Committee will abolish the Board of Governors; provide for appointment of the Postmaster General by the President, confirmed by the Senate; require 6-day mail delivery; provide a procedure for congressional determination of whether postage rate increases or increased subsidy is in the national interest; and in addition to the Wilson bill extends the moratorium on closing small post offices through 1979.

The bill does not provide for patronage appointments of postmasters or other personnel and does honor the labor management system currently in effect.

Mr. President, few of the national issues have so concerned my constituents as the constantly increasing failure of the Postal Service to carry out its mission. Businesses have suffered financial losses, farmers and ranchers have received information too late to be of use, families have had unnecessary anxiety for loved ones because of lost mail and machine mangled packages. Complaints to the Postal Service receive polite but useless replies. Small communities are constantly threatened with loss of the post office which often is the last remaining cohesive focal point in the community.

I am not opposed to technical progress if it improves service to all the people. I believe sincerely that such progress can be achieved better under a

system responsible to all the people, as represented by the President and the Congress, in a more efficient and humane fashion than exists under the present system.

I commend the Subcommittee on Energy Nuclear Proliferation and the Federal service for holding hearings on this issue. We submit this bill for their consideration. We have delayed too long already in correcting the mistake of the past.

By Mr. CRANSTON (for himself, Mr. RANDOLPH, and Mr. DURKIN):

S. 1693. A bill to amend title 38, United States Code, to improve the quality of hospital care and medical services in Veterans' Administration health care facilities, and for other purposes; to the Committee on Veterans' Affairs.

S. 1693: VETERANS HEALTH CARE AMENDMENTS OF 1977

Mr. CRANSTON. Mr. President, today I introduce on behalf of myself and the Senator from West Virginia (Mr. RANDOLPH), and the Senator from New Hampshire (Mr. DURKIN) legislation entitled the Veterans Health Care Amendments of 1977. This bill contains several provisions based on similar ones included in the Senate-passed version of the Veterans Omnibus Health Care Act of 1976, S. 2908 of the 94th Congress. Unfortunately, the House, because of the very short time for consideration prior to the adjournment of that Congress, was unable to deal with those provisions and they were not included in Public Law 94–581.

These provisions respond to some of the most important unmet health care needs of veterans. They would improve the Veterans' Administration drug and alcohol abuse treatment programs and establish new programs for the treatment and rehabilitation of veterans, including preventive health care and outpatient readjustment counseling programs.

Other provisions are designed to provide for increased coordination between the VA and the Department of Health, Education, and Welfare in order to improve the VA's assessment of care provided in its health care facilities; expand the term "discharge or release" to include in all cases the satisfactory completion of an individual's initial period of active-duty service where the individual "re-upped" for a new tour prior to such date; extend eligibility for health care for service-connected disabilities incurred in line of active duty to certain former military personnel who are presently ineligible by virtue of having received administrative discharges; and to correct an anomalous, inequitable restriction on the eligibility for dental care of persons who serve more than one period of active duty.

SPECIFIC PROVISIONS

Mr. President, specifically, the amendments contained in this bill would accomplish the following:

First. Establish a new program to provide outpatient readjustment professional counseling for veterans to assist with their readjustment problems arising within 4 years of discharge or 2 years after enactment, whichever is later.

Second. Establish a new program in preventive health care for veterans who have service-connected disabilities, and provide for a pilot program to determine the effectiveness of providing comprehensive preventive health care services in a health maintenance concept.

Third. Provide for the establishment of specialized medical programs to treat patients suffering from alcoholism or drug dependence and alcohol or drug abuse. These programs generally stress alternative treatment modalities, use of peer-group counselors, outreach activities, rehabilitation services, employment assistance, close coordination with the Armed Services and followup to demonstrate program effectiveness.

Fourth. Provide for increased coordination between the VA and the Department of Health, Education, and Welfare at national and regional levels so as to improve the VA's capacity to assess the quality and cost-effectiveness of care provided in VA health care facilities.

Fifth. Expand the term "discharge or release" to include the satisfactory completion by an individual of a period of service equal in length of time to his or her originally intended period of service when he or she did not receive a discharge or release at the end of that period because of having agreed to extended active-duty service before such date.

Sixth. Add a new definition of the term veteran for purposes of health care benefits so that any former active-duty serviceperson with an administrative discharge under less than honorable conditions is eligible for the treatment of a service-connected disability, incurred in line of duty.

Seventh. In the case of a person who has two periods of service separated by less than 1 year, reinstate, following the latter period of honorable active-duty service, the 1-year limitation following discharge or release within which a veteran is entitled to outpatient dental care under certain circumstances.

READJUSTMENT COUNSELING

Mr. President, this bill would establish a new program to provide readjustment professional counseling for veterans to assist with readjustment problems, generally those arising within 4 years of discharge from active military duty. Similar, generally broader measures have been passed by the Senate on three occasions in S. 2108 in 1972, S. 284 in 1973, and S. 2908 in 1976.

Under the provisions of this bill, the Administrator would be required to provide an in-house program of professional counseling for any veteran who served in the Armed Forces and who requests assistance with readjustment problems within 4 years from the date of his or her discharge or release from active duty. In connection with this counseling, the VA would also be authorized to make a general mental and psychological assessment of the veteran. Veterans discharged 2 or more years prior to the enactment date of this bill would receive 2 years from that enactment date within which to apply for counseling under this section.

Veterans in need of hospital care or medical services beyond the counseling authorized under this section would receive the needed care in VA facilities if eligible for such care under title 38, or, if not, would be referred to non-VA facilities. In providing counseling services under this section, the Chief Medical Director is required to make maximum use of paraprofessional and voluntary workers, as well as veteran GI bill students under the veteran-student services work-study program, to assist in initial intake and screening.

Mr. President, the purpose of this provision is to make fully available—and to encourage and facilitate the use of—the resources of the VA's health care system to those veterans who feel the need for professional counseling to help them in their readjustment to civilian life. In the sensitive field of psychological or psychiatric counseling, it is essential that services be available and accessible, on an outpatient basis, and that all unnecessary barriers to help be removed. A veteran recently discharged from active duty should know that such help is available, and that a request for readjustment counseling will be speedily honored, with a minimum of redtape, and, most importantly, without the need for prior hospitalization.

This is the essence of the program that would be established under this bill. The Administrator, acting in coordination with the Secretary of Defense, would also be responsible for notifying all veterans eligible for readjustment professional counseling of their eligibility for such services. Through the use of trained paraprofessional and lay personnel, the program could operate on a scale large enough to provide assistance to any veterans in need of counseling, without being prohibitively expensive or difficult to administer.

PREVENTIVE HEALTH CARE

Mr. President, one of the major new departures in VA health care proposed by this bill would be to expand the scope of health care offered by the VA to include provision of those preventive health care services which the Administrator determines are feasible and appropriate to veterans suffering from a service-connected disability.

Currently, health care in the Veterans' Administration is generally defined by statutory language as services to treat an already existing disability, except for a specific program for sickle cell screening and counseling. This definition follows the traditional practice in the medical community—treatment of disease and alleviation of pain. However, within the past generation, more and more thought has been given to shifting the emphasis in medical care toward the prevention of illness or disease. Many public health experts believe that such an emphasis would improve health in the long run, and result in significant long-run cost savings for individual patients and for the Nation as a whole.

This theory is being tested now in prepaid group health programs which provide a full range of preventive medical services to enrolled subscribers—the so-called health maintenance organization, or HMO's. This is in essence what I propose for veterans with a service-connected disability—that the Veterans' Administration Department of Medicine

and Surgery become their HMO, providing the full range of hospital care, medical services, and preventive health care benefits.

The bill, by directing the VA to provide only such preventive health care services as "are feasible and appropriate" and "necessary for providing effective and economical preventive health care," vests considerable discretion in the Chief Medical Director in establishing the program and phasing in various services.

TYPES OF PREVENTIVE SERVICES AUTHORIZED

Among those preventive health services which the legislation suggests be included are:

First. Periodic medical and dental examinations: This does not mean an annual physical—a costly procedure which experience has shown does not insure freedom from serious illness. Rather we envision preventive services packages geared to age groups as suggested in a report to the National Conference on Preventive Medicine by a prestigious task force, headed by Dr. Lester Breslow, dean of the school of public health at the University of California at Los Angeles.

This task force recommended a pattern of routine physicals for individuals during the following life periods; two from ages 18 through 30, three from ages 31 through 40; four in the next decade; and five between ages 51 and 60. Annual physicals are recommended for those over 60, with the nature of the tests included changing at specific ages. The task force also noted that above the age of 35, additional screening measures should be performed, such as screening for hypertension, cholesterol level, cancer, glaucoma, kidney disease, emphysema, and cardiac problems among others.

Second. Patient education and awareness heightened techniques: As medical science has conquered some of the serious and widespread diseases of previous generations, such as diphtheria, typhoid, and tuberculosis, today's citizen is more susceptible to other major diseases such as cancer and heart disease as well as chronic diseases—which are in many cases aggravated by personal habits—such as smoking, overeating, lack of exercise, alcohol abuse and drug abuse—or environmental hazards—such as pollutants. With a modest investment in health education programs, many experts believe substantial progress can be made toward the control of these diseases. In addition, counseling as to diet and personal health habits should be an integral part of every patient contack with a health specialist. Patient education programs are an integral part of a preventive health program and can chieve health care benefits well worth the minimal cost involved.

Third. Maintenance of drug use profiles, patient drug monitoring, and drug utilization education. Where clinical pharmacy services of this scope have been utilized, studies indicate that medication error rates have decreased substantially, that inappropriate drug utilization has been reduced, that adverse drug reactions have been averted, and that substantial dollar savings have been realized. I believe that including these clinical pharmacy services in a preventive health program is essential if the program is to deal with the high incidence of adverse drug reactions and interactions.

In fiscal year 1977, the VA will spend approximately $178 million on drugs and medicines. The effect of adverse drug reactions on the recovery of the patient, and the possibility of long-term injury or disability resulting from improper prescription or utilization of drugs, are extremely serious considerations in the provision of health care. Recent surveys of community hospitals have indicated that the incidence of adverse drug reactions is substantial. It is estimated by initial studies that from 3 to 6 percent of hospital admissions are due to adverse drug reactions, and that a minimum of 15 to 18 percent of all hospital patients suffer an adverse reaction subsequent to their admission. On the assumption that these adverse reactions on the average double the patient's hospital stay, the costs involved are overwhelming.

As the number and complexity of available prescription and nonprescription drug products increases, and the use, abuse, misuse, and overuse of drugs continues to rise, the need for improved pharmacy services becomes more urgent.

I have been concerned by the growing potential for needless illness and hospitalization due to adverse drug reactions and have addressed this problem in amendments I offered to the Comprehensive Health Manpower Training Act of 1971—Public Law 92-157. These amendments require each school of pharmacy, in order to qualify for capitation grant support, to carry out projects to provide for increased emphasis on, and training in, clinical pharmacy. As a result of this provision, every school of pharmacy currently provides each student with some training in clinical pharmacy, and at least half of recent graduates have had the training that would qualify them to play the role of clinical pharmacist in an institutional setting.

Clinical pharmacy training prepares the pharmacist for greater responsibility in direct relationship with the patient in drug misuse, abuse, toxicity, and nonprescription drug advice as well as in closer working relationships with physicians, dentists, and other health professionals. The specialized training of the clinical pharmacist will enable that professional to relieve a great many of the demands made upon physicians, freeing the physician for duties most appropriately performed by such a highly trained professional.

A study, carried out in 1972, entitled "An Application of Clinical Pharmacy Services in Extended Care Facilities," evaluated the impact of clinical pharmacy services on the apparent quality of patient care and cost-effectiveness of drug therapy in skilled nursing facilities. Three 91- to 99-bed facilities in Los Angeles County, which met a set of predefined criteria, were randomly selected for the study. A pharmacist with clinical training and experience was appointed to provide optimal pharmaceutical services, and care assuring safe and rational use of drugs in these facilities. Prestudy and poststudy evaluations were conducted and data were analyzed by expert consultants. The results of the study were as follows:

First. The medication error rate was reduced by 50 percent.

Second. Drug utilization was reduced by 20 percent through discontinuation of unnecessary and inappropriate drugs.

Third. Sixty or more clinically significant adverse drug reactions were detected and/or prevented.

Fourth. A cost-saving of $80,000 a year was projected in these three studied facilities.

Fifth. The pharmacist functioning in this capacity was well received by the patients, physicians, administrators, and especially by the nurses.

Preliminary data from a study at a VA outpatient clinic in Los Angeles indicated that 30 to 40 percent of VA patients who visited there were considered to be drug-related. The main reasons for visits to the clinic by this group of patients were:

First. Refill or renewal of prescriptions.

Second. Request for drug information or counseling because the patients were confused in taking their prescribed medications or complained of some undesirable responses.

Third. Seeking new treatment or new medications.

A clinically trained pharmacist was appointed to counsel this group of patients and to review their drug utilization from October 1, 1974, to December 31, 1974. The result showed that 27 percent of patients complied with the prescribed medication directions; 39 percent overutilized medications; 31 percent underutilized medications; 7 percent had excessive prescribed dosages; 2 percent had inadequate prescribed dosages; 2 percent had inappropriate prescribed dosing intervals; 7 percent had possible or probable prescribed drug interactions; 17 percent had possible or probable adverse drug reactions; and 23 percent had inappropriate combinations of drugs or duplications.

These findings indicate the dimensions of the demand made upon one VA facility by veterans with drug-related problems. I believe it is a problem which can be substantially corrected by including comprehensive clinical pharmacy services within a preventive health program, and I would expect that such services would be implemented at a number of facilities on a pilot basis to test their cost-effectiveness and total health care impact.

Fourth. Routine vision testing and eye care services. These services are important not only for early detection of eye disease, but also for detecting other illnesses, such as diabetes or cholesterol imbalance. Furthermore, since the average veteran is now an old veteran—14 million are World War II veterans with a median age of 55, and 1 million are World War I veterans all of whom are 75 or older—vision care services may be essential for daily living for many veterans. These services can be provided very effectively by an optometrist—a professional much underutilized by the VA.

Of course, total preventive health care should also address immunizations, prevention of musculoskeletal deformity, or

other gradually developing disabilities of a metabolic or degenerative nature, genetic counseling, and early intervention in mental illness, including family counseling.

This bill directs that interdisciplinary health care teams be utilized, to the maximum extent feasible, in carrying out preventive health care programs. In a large scale system such as the VA, free from the restrictions of State licensing laws, an opportunity exists to implement a major program of this nature, utilizing paraprofessionals in new roles and in ways which can reduce the demands made upon the more highly trained professional.

Public Law 94–123, which I authored in the Senate, enables the VA to hire physician assistants and expanded-duty dental auxiliaries on a more competitive basis with the community. I would hope such personnel would play a substantial role in the new preventive health care programs.

PILOT PROGRAM

Mr. President, in addition to providing these preventive health care services—as determined by the Chief Medical Director—for veterans with a service-connected disability, this bill authorizes the VA to carry out an experimental pilot program in preventive health care services, including a research component. In the pilot program, such services as the Chief Medical Director wishes to test out, in concert with the mandatory program being carried out in particular geographical areas, could be furnished to groups of individuals eligible for care in a VA hospital on an inpatient or outpatient basis. The size of this pilot program is limited to no more than 10,000 veterans, and it is limited to a 10-year period, and must include very carefully developed research and evaluation components.

The findings from such a program should have broad application to health care programs not only in the Veterans' Administration but also in the community. In view of the inevitability of some form of national health insurance program in the next few years, the experience gained from a preventive health program operating on a scale of sufficient size, as is possible in the Veterans' Administration, should provide a good estimation of the achievable benefits of preventive health measures.

ALCOHOL AND DRUG DEPENDENCE OR ABUSE TREATMENT AND REHABILITATION

This bill also would provide a mandate to the Veterans' Administration to provide a broader range of treatment modalities to veterans addicted to either alcohol or drugs.

In the case of alcohol treatment programs, the legislation stresses the use of recovered alcoholic counselors, halfway houses, and alternative treatment modalities, in a comprehensive program ranging from detoxification to recovery. In addition, the Administrator is authorized to provide halfway house facilities directly or by contract with other Government or approved private facilities.

There is an extraordinary and increasing prevalance of alcohol-related admissions to the VA hospital system—officially estimated by the VA at 1 out of every 10 admissions in fiscal year 1975, making alcoholism the most common of all listed admission diagnoses. But even more revealing are the results of a comparison between a 1970 and a 1973 census in VA health care facilities which included a special question to determine which bed-occupant patients were defined alcoholics or problem drinkers. Here are the startling results:

First. The proportion of defined alcoholics and problem drinkers increased from 1 out of every 5 patients in 1970 to 1 out of every 4 patients in 1973.

Second. Almost 25 percent of Vietnam-era veterans in the 1973 patient census were diagnosed as defined alcoholics or problem drinkers, as compared to 13 percent in the 1970 census.

Third. Within the 35 to 44 age group, 35.2 percent of all hospitalized veterans were defined alcoholics or problem drinkers in 1973, as compared to 26 percent in 1970.

In view of these data and the cruel hardship alcoholism can work on veterans and their family members, it is imperative that VA programs be expanded to face up to the virtually epidemic proportions of alcoholism among veterans and that these programs comprehensively treat the symptoms of alcoholism and aim to rehabilitate veterans suffering from this disability.

DRUG ABUSE

For veterans suffering from drug-related disabilities, the bill would set up special treatment and rehabilitation programs to seek out and counsel addicted veterans and provide them with help in obtaining review and correction of less than honorable discharges by the military. The scope of drug treatment and rehabilitation programs would by statute be required to include individual counseling, referral services, and crisis intervention, and the VA would be required to offer alternative modalities of treatment based upon the individual needs of the veteran.

The bill would also require the VA to provide treatment and rehabilitative services for any eligible veteran who has been charged with or convicted of a criminal offense, but who is not confined and is not required to participate in the program by a court. Also, such treatment and services are authorized in the case of a veteran who is under court jurisdiction as a result of a charge or conviction for a criminal offense and who is required to participate in a treatment program by the court, but the services may be provided only under conditions which will insure that the voluntary nature of the program with regard to other participating veterans would not be impaired.

Success in treatment and rehabilitation of an addicted veteran can be heightened if the veteran is in the work force and involved in a satisfying and fulfilling job. In order to assist recovered veteran addicts in finding productive employment, the bill would direct the VA to carry out a program with other Federal agencies to promote the Federal employment of recovered drug addicts—as well as alcoholics—and to cooperate with and assist the Secretary of Labor in placing these veterans with private employers.

In addition, the bill would provide procedures for the treatment of active duty service personnel suffering from drug dependence in VA health care facilities if they voluntarily, in writing, request such treatment. This transfer from the Armed Forces to a VA facility would be limited to the last 30 days of a tour of duty. The purpose of requiring a written voluntary request is to preserve the fundamental voluntary basis of VA drug treatment programs. If a headstart can be achieved on the voluntary treatment of service personnel in a VA program that should be and would be permissible under the bill.

In some cases, Mr. President, the problems of a veteran who suffers from alcoholism or drug addiction are aggravated by the existence of a close family member who suffers from the same addiction. In such cases, successful treatment programs can often be achieved only if treatment is provided to both the veteran and the family member in one program. Since treatment of a non-veteran family member in a VA facility raises numerous difficult questions, the bill would add a new authority to title 38 providing for the VA, when essential to the successful treatment and rehabilitation of a veteran, to furnish treatment and rehabilitative services to the veteran, at VA expense—limited to reasonable costs determined by the VA's Department of Medicine and Surgery (D.M. & S.) in a community facility approved by D.M. & S. where the veteran's family member is enrolled and where both can be treated together. In such cases, the VA would not cover any of the costs of treatment of the member of the veteran's family.

Mr. President, the bill also provides for a new section 5058 in title 38 which would direct the Administrator and the Secretary of HEW to attempt to coordinate the Professional Standards Review Organization (PSRO) program carried out pursuant to part B of title XI of the Social Security Act and comparable programs carried out by the Department of Medicine and Surgery, and provides that such coordination shall include sharing of information with regard to norms of health care services developed on a regional and national basis and arrangements for joint memberships on entities established under the two programs.

Subsection (b) would direct the chief medical director to report to Congress annually on the effectiveness of the coordination achieved pursuant to subsection (a) of the new section in improving the evaluation of the quality of patient care provided by the Department of Medicine and Surgery and in achieving the purposes of the PSRO program carried out under the Social Security Act.

Mr. President, the last section of the bill contains three provisions, which I would like to outline briefly.

EXPANSION OF THE TERM "DISCHARGE OR RELEASE"

This bill would expand the term "discharge or release" to include the satisfactory completion by an individual of a period of service equal in length of time to his or her originally intended

period of service when he or she did not receive a discharge or release at the completion of that period because of having agreed to extended active-duty service. In such cases, the individual may have received a "conditional discharge"—a discharge conditioned on immediate reentry into active-duty service. That conditional discharge has no standing in regard to veterans benefits and, consequently, if such a person's period of further service was not of such character as to warrant eligiblity for veterans' benefits, that person is denied eligibility even though he or she successfully completed a period equal to the first period of service agreed upon. Thus, this provision restores such individuals to the position they would have been in if they had not agreed to extend their active-duty service.

NEW ELIGIBILITY FOR HEALTH CARE SERVICE

This bill would grant eligibility for health care services to former active-duty personnel who presently may be precluded from treatment by virtue of an undesirable discharge. This provision recognizes the strong moral obligation of the Federal Government to provide treatment for service-connected disabilities incurred in line of duty. That obligation, I believe, becomes fixed at the time such an injury or illness occurs and is not vitiated by any circumstances short of those resulting from the sentence of a court martial. This provision is similar to provisions previously passed three times by the Senate and is identical to a provision included—as section 2—of the amendment—No. 414—I am submitting today with Senator THURMOND to S. 1307, except that the version in S. 1693 codifies the provision in section 101 of title 38.

MODIFICATION OF DENTAL CARE LIMITATION

Mr. President, this bill would also correct a minor, but clear, inequity in the provisions governing eligibility for the treatment of service-connected dental conditions and disabilities which are not compensable in degree. A veteran with such a condition or disability generally has 1 year from the date of discharge or release from active duty to apply for treatment. This 1-year limitation applies even when the veteran reenters active-duty service within that 1-year period. Obviously, upon reentry into the service, it is very unlikely to occur to the serviceperson to apply to the VA for treatment of any dental problem while on active duty. Nevertheless, under current law, such an individual would, upon discharge or release, be ineligible for VA dental treatment of the noncompensable, service-connected condition or disability if the 1-year period ran out while he was on active duty.

This bill would prevent such patently inequitable results by reinstating the 1-year limitation after a subsequent period of honorable active service in the cases of persons with less than a 1-year break in service.

Mr. President, I ask unanimous consent that the text of S. 1693 be printed in the RECORD at this point:

S. 1693

A bill to amend title 38, United States Code, to improve the quality of hospital care and medical services in Veterans' Administration health care facilities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Health Care Amendments Act of 1977".

SEC. 2. (a) Subchapter II of chapter 17 of title 38, United States Code, is amended by inserting after section 612 the following new section:

"§ 612A. Eligibility for readjustment professional counseling

"(a) The Administrator shall furnish initial readjustment professional counseling (including a general mental and psychological assessment in connection therewith) for any veteran with readjustment problems who within a period not to exceed four years after the date of such veteran's discharge or release from service or two years after the date of enactment of this section, whichever is later, requests such assistance.

"(b) If, on the basis of initial counseling furnished under subsection (a) of this section, it is determined by a physician employed by the Veterans' Administration that the provision of mental health services is necessary to facilitate the successful readjustment of the veteran, such veteran shall be furnished such services on an outpatient basis as a part of medical services provided under the conditions specified in clause (1) (B) of section 612(f) of this title. For the purposes of furnishing such services, the counseling furnished under subsection (a) of this section shall be deemed to have been furnished as a part of hospital care. Any hospital care and other medical services deemed necessary as a result of such initial counseling shall be furnished only in accordance with the eligibility criteria otherwise set forth in this chapter (including section 611(b) thereof), and, with respect to a particular veteran who is not eligible for necessary care or services, the Administrator shall provide referral services to assure, to the maximum extent practicable, that such care or services are provided from sources outside the Veterans' Administration.

"(c) The Chief Medical Director shall provide for such training of professional, paraprofessional, and lay personnel as is necessary to carry out this section effectively, and shall utilize, to the maximum extent possible, the services of paraprofessionals, voluntary (without compensation) workers, and veteran-students (under section 1685 of this title) in initial intake and screening activities.

"(d) The Administrator, in cooperation with the Secretary of Defense, shall take appropriate action, as provided in section 241 of this title, to insure that all veterans who may be eligible for assistance under this section are advised of such potential eligibility.".

(b) The table of sections at the beginning of chapter 17 is amended by inserting

"612A. Eligibility for readjustment professional counseling."

below

"612. Eligibility for medical treatment.".

SEC. 3. (a) Chapter 17 of title 38, United States Code, is amended by inserting at the end thereof the following new subchapter:

"SUBCHAPTER VII—PREVENTIVE HEALTH CARE SERVICES

"§ 661. PURPOSE

"The purpose of this subchapter is to provide for a preventive health care program under which the Administrator (1) shall attempt to insure the best possible health care for veterans with service-connected disabilities by furnishing them feasible and appropriate preventive health care services, and (2) may, in connection therewith, carry out a pilot program (including research) on a geographical or other basis to determine the cost-effectiveness and medical advantages of furnishing preventive health care services to veterans with service-connected disabilities.

"§ 662. Definition

"For the purposes of this subchapter, the term 'preventive health care services' may include, but is not limited to, any or all of the following services: Periodic medical and dental examinations; patient health education (including nutrition education); maintenance of drug use profiles, patient drug monitoring and drug utilization education; mental health preventive services (including family counseling); substance (including tobacco) abuse prevention measures; immunizations against infectious disease; prevention of musculoskeletal deformity or other gradually developing disabilities of a metabolic or degenerative nature; genetic counseling concerning inheritance of genetically determined diseases; routine vision testing and eye care services; periodic reexamination of likely target populations (high-risk groups) for selected diseases and for functional decline of sensory organs, together with attendant appropriate remedial intervention; and such other medical services as may be necessary for providing effective and economical preventive health care.

"§ 663. Preventive health care services; pilot program

"(a)(1) The Administrator, in accordance with regulations which the Administrator shall prescribe, may furnish, on an inpatient, outpatient, or ambulatory basis, nationally or geographically, such preventive health care services as the Administrator determines are feasible and appropriate to any veteran in connection with the treatment of a service-connected disability under this chapter and to any veteran described in section 612(f)(2) of this title.

"(2) In connection with preventive health care services furnished under paragraph (1) of this subsection, the Administrator, in accordance with regulations which the Administrator shall prescribe, may institute appropriate controls and carry out followup studies (including research) to demonstrate the medical advantages and cost-effectiveness of furnishing such preventive health care services.

"(b)(1) The Administrator shall provide for the planning, design, and conduct of a health maintenance pilot program to demonstrate the medical advantages and cost-effectiveness of furnishing comprehensive preventive health care services to veterans with varied types and degrees of service-connected disability. Such pilot program shall be undertaken as a controlled scientifically valid study involving the provisions of comprehensive preventive health care services not to exceed 10,000 veterans and shall be initiated on October 1, 1978.

"(2) The Administrator may not furnish comprehensive preventive health care services under paragraph (1) of this subsection after the last day of the tenth fiscal year following the fiscal year in which the pilot program is initiated.

"(c) In carrying out the preventive health care program provided for in this subchapter, the Administrator shall emphasize the utilization of interdisciplinary health care teams composed, to the maximum extent feasible, of various professional and paraprofessional personnel, such as public health nurses, psychologists, podiatrists, optometrists, technicians, physician assistants, and expanded-function dental auxiliaries.

"(d) The Administrator shall, not later than sixty days after the date of the enactment of this section, advise each veteran eligible for care under subsection (a) of this section of the nature and likely extent of such veterans' eligibility for such case.

"§ 664. Reports

"The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration of this sub-

chapter, including such recommendations for additional legislation as the Administrator deems necessary.".

(b) The table of sections at the beginning of such chapter is amended by inserting at the end thereof the following:

"SUBCHAPTER VII.—PREVENTIVE HEALTH CARE SERVICES

"661. Purpose.
"662. Definition.
"663. Preventive health care services; pilot program.
"664. Reports.".

(c) Except with respect to the pilot program provided for in subsection (b) of section 663 (as added by subsection (a) of this section) of title 38, United States Code, the amendments made by subsection (a) of this section shall be effective with respect to services furnished on and after April 1, 1978.

SEC. 4. (a) Subchapter II of chapter 17 of title 38, United States Code, is amended by inserting at the end thereof the following new section:

"§ 620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities

"(a) The Administrator, in carrying out the responsibilities to furnish hospital, nursing home, and domiciliary care and medical and rehabilitative services under this chapter, shall carry out specialized medical programs providing such inpatient and outpatient treatment (including treatment of the symptoms of detoxification, individual counseling and referral services, and crisis intervention), and rehabilitative services on a nationwide basis to eligible veterans suffering from alcohol or drug dependence or abuse disabilities as the Administrator determines to be reasonably necessary to bring about the veteran's recovery and rehabilitation from such a disability. In carrying out such specialized medical programs, the Administrator (1) shall utilize the most efficacious available treatment and rehabilitation modalities (stressing in such programs the utilization of satellite facilities, half-way houses, encounter-style therapeutic communities, and counselors who have recovered from such disabilities) extending beyond the detoxification period and designed to bring about the full recovery of the patient and the restoration of such patient to society as a productive, self-sufficient citizen, and (2) may utilize private half-way-house facilities for which the Administrator contracts in accordance with regulations which the Administrator shall prescribe.

"(b) If the Administrator determines that it is essential to the successful treatment and rehabilitation of a veteran receiving initial evaluation or treatment under this section that treatment and rehabilitative services (involving the furnishing of medication) be furnished in the same program to a member of the veteran's immediate family who is suffering from an alcohol or drug dependence or abuse disability, then the Administrator shall provide the veteran with like treatment and services, if requested, at Veterans' Administration expense (up to costs deemed reasonable by the Administrator), in a community facility, approved by the Administrator, for which the Administrator contracts and at which such family member has been accepted for treatment (not at Veterans' Administration expense) with the veteran.

"(c) In providing for treatment and rehabilitative services under this section to any veteran, the Administrator shall offer alternative modalities of treatment based upon the individual needs of such veteran.

"(d) The Administrator shall utilize all available resources of the Veterans' Administration, including the use of peer-group veterans, in seeking out and counseling toward treatment and rehabilitation, veterans eligible for treatment and rehabilitation services under this section.

"(e) The Administrator shall take all appropriate steps in consultation with the Secretary of Labor and the Chairman of the Civil Service Commission to (1) urge all Federal agencies, private and public firms, organizations, agencies, and persons to provide appropriate employment and training opportunities for veterans provided treatment and rehabilitative services under this section who have been determined by competent medical authority to be sufficiently rehabilitated to be employable, and (2) provide all possible assistance to the Secretary of Labor in placing such veterans in such opportunities.

"(f) The Administrator shall, upon receipt of an application for treatment and rehabilitative services under this section by any veteran who has been discharged or released from a period of active military, naval, or air service, with other than an honorable or general discharge—

"(1) advise such veteran of the right to apply to the appropriate military, naval, or air service for a review of the nature of such discharge or release for the purpose of correcting the nature of such discharge and thus removing any ineligibility to the receipt of benefits under this title or any other law;

"(2) advise such veteran of the policy of the Armed Forces with respect to review of the nature of any discharge received in connection with drug use or possession; and

"(3) advise such veteran of all program benefits under this title and any other law to which such veteran is entitled or would be entitled with a general or honorable discharge.

"(g)(1) The Administrator shall also provide for treatment and rehabilitative services in the case of any veteran eligible therefor under this section who has been charged with, or convicted of, a criminal offense by any court of competent jurisdiction in the United States, who is not confined and who is not required to participate in the treatment and rehabilitation program by any such court.

"(2) The Administrator may also provide for treatment and rehabilitative services to any veteran eligible therefor under this section who is under the jurisdiction of a court of competent jurisdiction as the result of having been charged with, or having been convicted of, a criminal offense and who is required to participate in a treatment and rehabilitation program by such court, but such services may be provided only under such conditions as the Administrator determines will ensure that the participation of such veteran in the program in question will not impair the voluntary nature of the treatment and rehabilitative services being provided to other patients in such program.

"(h)(1) Any member of the active military, naval, or air service who is determined by the Secretary of the military department concerned to have an alcohol or drug dependence or abuse disability, may, pursuant to such terms as may be agreed upon by the Secretary concerned and the Administrator, and subject to the provisions of the Act of March 4, 1915, as amended (31 U.S.C. 686), be transferred to any Veterans' Administration facility within the last thirty days of such member's tour of duty and be provided treatment and rehabilitative services under this section as if such member were a veteran.

"(2) No member of the active military, naval, or air service shall be transferred to any Veterans' Administration facility pursuant to paragraph (1) of this subsection unless such member requests such transfer in writing for a specified period of time within such member's tour of duty. No such member thereafter transferred shall be retained for treatment by the Administrator beyond such specified period of time within such member's tour of duty unless the member requests in writing treatment for a further specified period of time and such request is approved by the Secretary concerned and the Administrator.

"(i) The Administrator shall submit annually (as a part of the annual report submitted pursuant to section 214 of this title) a full report on the programs carried out under this section.".

(b) The table of sections at the beginning of such chapter is amended by inserting

"620A. Treatment and rehabilitation for alcohol or drug dependence or drug abuse disabilities."

below

"620. Transfers for nursing home care.".

SEC. 5. (a) Subchapter IV of chapter 81 of title 38, United States Code, is amended by inserting at the end thereof the following new sections:

"§ 5058. Coordination with programs carried out under title XI of the Social Security Act

"(a) The Administrator and the Secretary of Health, Education, and Welfare shall, to the maximum extent practicable, attempt to coordinate the Professional Standards Review program carried out under part B of title XI of the Social Security Act and the comparable programs carried out by the Department of Medicine and Surgery to assess the quality of patient care in Veterans' Administration health care facilities. Such coordination shall include sharing of information with regard to norms of health care services developed on a regional and national basis and arrangements for joint memberships on entities established by the Department of Medicine and Surgery and entities established under such Act.

"(b) Not later than one year after the date of enactment of this section, and annually thereafter, the Chief Medical Director, through the Administrator, shall report to the Congress on the effectiveness of such coordination in improving the assessment of the quality of patient care provided by the Department of Medicine and Surgery and in achieving the purposes of the program carried out under such Act.

§ 5059. Reports on coordination with other programs

"Not later than three months after the end of each fiscal year, the Chief Medical Director, through the Administrator, shall report to the Congress on all activities (and the results thereof) in which the Chief Medical Director or a designee, as a representative of the Veterans' Administration, has participated, as a result of a statutory requirement or otherwise, in an advisory or coordinating capacity with respect to programs carried out by other departments, agencies, or instrumentalities of the executive branch."

(b) The table of sections at the beginning of such chapter is amended by inserting at the end thereof

"5058. Coordination with programs carried out under title XI of the Social Security Act.
"5059. Reports on coordination with other programs.".

Sec. 6. (a) Paragraph (18) of section 101 of title 38, United States Code, is amended to read as follows:

"(18) The term 'discharge or release' includes (a) retirement from the active military, naval, or air service, and (b) the satisfactory completion of the period of active military, naval, or air service for which a person was obligated at the time of entry into such service in the case of a person who, due to enlistment or reenlistment, was not awarded any discharge or release from such period of service and who, at the expiration of such period of service, would otherwise have been eligible for the award of a discharge or release under conditions other than dishonorable.".

(b) Section 601 of title 38, United States Code, is amended by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively, and inserting after paragraph (1) the following new paragraph:

"(2) The term 'veteran', with respect to the furnishing of hospital care or medical services under this chapter for the treatment of a service-connected disability incurred in line of duty, includes (except as otherwise provided in section 3103 of this title) a person who served in the active military, naval, or air service and who was discharged or released therefrom with an administrative discharge under less than honorable conditions.".

(c) Clause (2) of section 612(b) of title 38, United States Code, is amended by inserting after "that" in subclause (B) "(i) in the case of a person who reenters active service in either the military, naval, or air service within one year after the date of such person's discharge or release from such service, the one-year limitation shall be measured from the date of such person's subsequent discharge or release, and (ii)".

By Mr. RIEGLE (for himself, Mr. GRIFFIN, Mr. JAVITS, Mr. LONG, Mr. LUGAR, Mr. MATHIAS, and Mr. RIBICOFF):

S. 1694. A bill to amend the Federal Water Pollution Control Act in order to extend the availability of certain sums appropriated for the construction of treatment works; to the Committee on Environment and Public Works.

Mr. RIEGLE. Mr. President, under the deadlines set by the 1972 Federal Water Pollution Control Act Amendments, many States will lose millions of dollars in sewage treatment facility construction funds already allotted to these States if the funds are not obligated by September 30, 1977. According to the Environmental Protection Agency's estimates, the total loss to the affected States could range from $300 to $800 million.

This huge backlog of unobligated funds has been caused by factors outside the States' control. President Nixon impounded $9 billion of the $18 billion authorized by Congress in 1972 for treatment works; the sudden, court-ordered release of this massive amount of impounded funds in February 1975 overwhelmed the construction grants program. The treatment works construction grants program was already behind schedule at that time because of delays in issuing final regulations for the program, and a lack of adequate staffing in EPA. Finally, we must consider the inherent complexity and difficulty of the 1972 act's ambitious program for a comprehensive cleanup of our Nation's waters—for example, localities must submit separate applications to EPA at different times for planning, then design, and finally construction of a treatment facility, and the 1972 act required project proposals to meet many new standards to insure environmental protection and cost-efficiency.

With these various delays and difficulties with the program, any additional complicating factors in a State could lead to problems in obligating the huge amounts of impounded funds. For example, some States happened to have needs for many small water pollution control projects, instead of just a few big treatment plants, and thus faced much greater administrative difficulties in obligating the funds. In other cases, a State's funds are tied up in legal suits over several projects. Finally, some States, such as South Carolina, has already submitted sufficient projects to EPA to use up their allotments, and there is simply a question of whether EPA can complete its review and approve the projects before the September 30, 1977, deadline.

There is a general consensus that the September 30, 1977, deadline should be extended by a year to September 30, 1978. In addition to helping those States that would otherwise lose money, an extension would allow States to obligate funds in a cost-effective manner, instead of rushing low-priority projects forward to meet the deadline. Both the Senate and House have already passed bills this year to extend the deadline to September 30, 1978, but final enactment has been blocked by disagreements over other proposed amendments to the 1972 act. A Senate-House conference in the 94th conference was unable to reach agreement on these controversial issues, which include the Army Corps of Engineers' permit authority over "dredge and fill" operations, and the use of property taxes or user fees for operating costs of treatment facilities.

This year, the Senate attached a simple 2-year extension of the construction grants program—including a 1-year extension of the September 30 deadline—to the Public Works Employment Act; the House attached a great many substantive water pollution amendments—and included the 1-year extension—in its version of the jobs bill. Disagreement over the controversial House water pollution amendments held up the public works jobs conference for a month, and eventually it was decided to drop all water pollution provisions from the conference report.

The Senate Environment and Public Works Committee has now begun a month-long series of hearings around the country and in Washington on the Federal Water Pollution Control Act, and I commend the committee for its efforts toward a comprehensive long-term extension and amendment of the 1972 act. But even the most optimistic estimates indicate a comprehensive bill cannot be reported out by the committee until near the end of July; the Senate could not then consider a bill until sometime in September. Given the past record of widespread disagreement between the Senate and House over our Nation's approach toward water pollution control, it seems extremely unlikely that a conference committee could reach agreement before the September 30 deadline, or even by the end of the 1977 session of Congress.

I am, therefore, introducing today, along with Senators GRIFFIN, JAVITS, LONG, LUGAR, MATHIAS, and RIBICOFF, a bill that would simply extend the September 30, 1977, deadline for the obligation of funds in a State by 1 year, to September 30, 1978. Both the Senate and House have already agreed that this extension is needed and justified, and I hope that the Environment and Public Works Committee will soon move toward separating out this noncontroversial issue from some of the hotly disputed issues surrounding the Federal Water Pollution Control Act.

One alternative to help resolve this problem would be a House-Senate agreement on an interim extension and package of amendments to the Federal Water Pollution Control Act, excluding some of the more controversial issues until later. The Senate and House came quite close to such an interim agreement in the public works jobs bill conference. I urge my colleagues on the Environment and Public Works Committee to continue their efforts in working toward such an interim agreement. In addition to helping those States that would lose money because of the September 30 deadline, an interim agreement is the only practical way to keep our Nation's water pollution control efforts moving forward on a timely basis.

Mr. President, I ask unanimous consent that the text of this bill to extend the September 30 deadline be printed in the RECORD at this point, along with EPA estimates of those States that may lose money if the deadline is not extended.

There being no objection, the bill and table were ordered to be printed in the RECORD, as follows:

S. 1694

A bill to amend the Federal Water Pollution Control Act in order to extend the availability of certain sums appropriated for the construction of treatment works

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 205 of the Federal Water Pollution Control Act is amended by inserting at the end thereof the following:

"(c) Notwithstanding any other provision of this section, sums made available between January 1, 1975, and March 1, 1975, by the Administrator for obligation shall be available for obligation until September 30, 1978.".

EPA PROJECTIONS OF STATES THAT WILL LOSE MONEY BECAUSE OF SEPT. 30, 1977 DEADLINE [1]

[In millions]

State	January projection	May	June
New York	$300	$315	----
Connecticut	70	50	$50
Massachusetts	50	----	----
Delaware	15	17	20
Maryland	100	137	50
Pennsylvania	100	50	----
Michigan	50	200	200
District of Columbia	----	19	19
South Carolina	----	30	----
Total	700	818	339

[1] Additional States that may lose money, according to State agencies and other sources, include Indiana and Louisiana.

ADDITIONAL COSPONSORS

S. 3

At the request of Mr. KENNEDY, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 3, the Health Security Act.

S. 49

At the request of Mr. MATHIAS, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 49, to establish a Small Business Administrative Review Court.

S. 247

At the request of Mr. GOLDWATER, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 247, to provide recognition to the Women's Air Forces Service Pilots.

S. 694

At the request of Mr. KENNEDY, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 694, to adjust the status of Indochinese refugees.

S. 819

At the request of Mr. MATHIAS, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 819, relating to interpreters for the deaf in judicial proceedings.

S. 1092

At the request of Mr. PELL, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1092, to amend title 23 of the United States Code.

S. 1150

At the request of Mr. HUMPHREY, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 1150, to amend title V of the Housing Act of 1949.

S. 1244

At the request of Mr. BIDEN, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 1244, relating to the authorization of new budget authority.

S. 1384

At the request of Mr. JAVITS, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 1384, the artists' tax bill.

S. 1407

At the request of Mr. MATSUNAGA, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1407, for the relief of Mr. Raymond W. Milling.

S. 1532

At the request of Mr. MAGNUSON, the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1532, a bill to authorize appropriations for the Federal Maritime Commission.

S. 1533

At the request of Mr. MAGNUSON, the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1533, a bill to amend the Federal Trade Commission Act.

S. 1534

At the request of Mr. MAGNUSON, the Senator from Kansas (Mr. PEARSON) and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1534, to amend the Interstate Commerce Act.

S. 1535

At the request of Mr. MAGNUSON, the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1535, to amend the Federal Power Act.

S. 1536

At the request of Mr. MAGNUSON, the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1536, to amend the Communications Act of 1934.

S. 1537

At the request of Mr. MAGNUSON, the Senator from Kansas (Mr. PEARSON), the Senator from Illinois (Mr. PERCY), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 1537, to amend the Federal Aviation Act.

S. 1614

At the request of Mr. HAYAKAWA, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 1614, to establish the Western States conservation program.

S. 1623

At the request of Mr. McGOVERN, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 1623, to amend the Energy Reorganization Act of 1974.

SENATE RESOLUTION 182

At the request of Mr. DOLE, the Senator from Idaho (Mr. MCCLURE), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of Senate Resolution 182, relating to relations with Cuba.

AMENDMENT NO. 300

At the request of Mr. DOLE, the Senator from Idaho (Mr. MCCLURE), the Senator from California (Mr. HAYAKAWA), the Senator from South Carolina (Mr. THURMOND), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Utah (Mr. HATCH), the Senator from North Carolina (Mr. HELMS), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of amendment No. 300, intended to be proposed to H.R. 5262, relating to international institutions.

AMENDMENT NO. 344

At the request of Mr. HAYAKAWA, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of amendment No. 344, to be proposed to S. 961, relating to the adoption of children.

SENATE RESOLUTION 193—ORIGINAL RESOLUTION REPORTED RELATING TO THE 1977 CROPS OF WHEAT AND FEED GRAINS

Mr. ZORINSKY, from the Committee on Agriculture, Nutrition, and Forestry, reported the following resolution:

S. RES. 193

Whereas a strong and vigorous agriculture is essential to the Nation's well-being; and

Whereas through the Federal price support program farmers may receive loans on the wheat and feed grains they produce, thereby affording them the opportunity to exercise greater independence in their marketing operations and benefit from price increases for such commodities that often come later in the season after harvest; and

Whereas under existing law the Secretary of Agriculture is authorized to establish loan rates for wheat and feed grains at levels that protect farm income; and

Whereas the announced loan levels for the 1977 crops of wheat and corn are $2.25 and $1.75 per bushel, respectively: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of Agriculture should exercise his authority under existing law to increase the loan levels for the 1977 crops of wheat and feed grains.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of Agriculture.

Mr. ZORINSKY. Mr. President, I am today reporting on behalf of the Senate Committee on Agriculture, Nutrition, and Forestry, an original resolution which was adopted by the committee during consideration of S. 275, the Food and Agriculture Act of 1977. This resolution expresses a sense of the Senate that the Secretary of Agriculture exercise his authority under existing law and increase the loan rates for the 1977 crops of wheat and feed grains.

Mr. President, during the last 3 years we have seen a dramatic decline in the market prices for wheat and feed grains. This decline has created a severe financial crisis for our farmers which threatens their very existence. While the commodity prices have dropped, the costs for fertilizer, fuel, machinery, and many other items necessary to our farmers have skyrocketed making it virtually impossible for any person involved in agriculture to break even, let alone make any profit. This year in Nebraska alone, farm sales and foreclosures have greatly increased over previous years. Among our farmers there is a growing sense of futility which we have not seen since the days of the great depression. Our people are crying for help from the Congress, the President and the Department of Agriculture to provide them with the necessary assistance in the form of higher loan rates in order for them to survive these hard times and provide them with the opportunity to continue to produce food on their family farm operations to supply this Nation and the world.

Should we fail to respond to their calls, in the future we in this Nation will witness the demise of the family farm as we know it today and experience the greatest increase in the cost of food on our market shelves, in the history of this Nation. The American people will spend a far greater portion of their income on foodstuffs than in the past and realize, too late, that had we responded to the needs of the American farmer when we had the opportunity, we could have saved them from extinction and ourselves from inflated food costs.

Mr. President, the U.S. Senate has begun to respond to agriculture in the passage of S. 275. But, this bill may be too late for many of our farmers in financial difficulty today. The Senate Agriculture Committee, recognizing this circumstance, adopted this resolution calling upon Secretary Bergland to act affirmatively and raise the loan rates to realistic levels to insure these financially hard-pressed farmers of a future.

SENATE CONCURRENT RESOLUTION 29—SUBMISSION OF A CONCURRENT RESOLUTION REQUIRING AN INVESTIGATION OF CERTAIN ECONOMIC CHANGES

(Referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. HUMPHREY submitted the following concurrent resolution:

S. CON. RES. 29

Concurrent resolution requiring an investigation by the Joint Economic Committee of certain economic changes

Whereas in the thirty-one years that have elapsed since passage of the Employment Act of 1946 there have been numerous and profound changes in the United States and world economies;

Whereas such changes have brought about substantial alterations in the nature and functioning of the United States economy that profoundly affect the economic well-being of the United States;

Whereas such changes have rendered ineffective traditional remedies for achieving aims of the Employment Act of 1946 and made necessary the formulation of new policy approaches; and

Whereas the Joint Economic Committee is charged by law with the responsibility of carrying on a continuing study of matters relating to the Economic Report of the President and with providing guidance to the several committees of the Congress dealing with legislation relating to the Economic Report of the President and with providing guidance to the several committees of the Congress dealing with legislation relating to public economic policy: Now, therefore, be it

Resolved by the Senate (the United States House of Representatives concurring), That the Joint Economic Committee, or any subcommittee thereof as authorized by the Employment Act of 1946, shall undertake as soon as possible an investigation of past and prospective changes in the United States and world economies and the impact of such changes on the economies of the United States and other nations.

SEC. 2. The Joint Economic Committee shall provide the Congress with recommendations for meeting the economic policy requirements of the United States, taking account of the economic consequences of demographic trends; the economic impact of materials, prices, availability and shortages; long-range trends in public sector finances; capital formation; research, innovation and productivity; changing patterns of industrial organization; international money markets, trade and investment; and the economic consequences of wars, natural disasters and other disruptions.

SEC. 3. (a) In carrying out its functions under this concurrent resolution, the Committee may—

(1) employ expert professional staff and supporting clerical assistants, individual consultants or organizations thereof, authorize travel as required and pay expenses inherent in such pursuits;

(2) sit and act during sessions of the House or Senate and during the present Congress at such times and places whether or not the House or Senate has recessed or adjourned;

(3) require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary.

(b) For the purpose of its activities under this concurrent resolution, a majority of the members of the Joint Economic Committee shall constitute a quorum for the transaction of business, except that two or more shall constitute a quorum for the purpose of taking evidence, and at least one member of the minority must be present at the first meeting of the Committee to conduct business under this concurrent resolution.

(c) The Chairman of the Joint Economic Committee or any member designated by such Chairman may administer oaths to any witness. The rules of the Joint Economic Committee shall govern the practices and procedures followed in the course of this investigation.

SEC. 4. The Joint Economic Committee is authorized from July 1, 1977, through December 31, 1978, to expend under this concurrent resolution not to exceed $900,000 of which amount not to exceed $250,000 may be expended in the period prior to December 31, 1977.

SEC. 5. The expenses of the Joint Economic Committee under this concurrent resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Joint Economic Committee except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE CONCURRENT RESOLUTION 30—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE FINAL ACT OF THE CONFERENCE ON SECURITY AND COOPERATION IN EUROPE

(Referred to the Committee on Foreign Relations.)

Mr. PELL submitted the following concurrent resolution:

S. CON. RES. 30

Concurrent resolution expressing the sense of the Congress with respect to the Final Act of the Conference on Security and Cooperation in Europe

Resolved by the Senate (the House of Representatives concurring),

Whereas the 1977 conference in Belgrade of the 35 states participating in the Conference on Security and Cooperation in Europe presents all the signatory states of the 1975 Helsinki accords with an unprecedented opportunity to improve East-West relations and to broaden the area of their cooperation; and

Whereas, progress toward such improvement and cooperation within the framework of the Helsinki accords cannot develop without a thorough and candid exchange of views of the two-year record of implementation of those accords; and

Whereas, such a review requires that specific practices of the participating states and their impact on specific individuals be constructively analyzed and discussed even when that discussion touches such matters of serious East-West contention as the application of the Final Act pledge to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief"; and

Whereas, representatives of the participating states will meet in Belgrade, beginning June 15, 1977, to "decide on the date, duration, agenda, and other modalities" of the substantive review meeting to be held in 1977; Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the United States delegation to the preparatory Belgrade meeting should make every effort to insure that the agenda adopted for the subsequent meeting provides for proper, straightforward and serious exchange of views among the participating states on the application of the principles of the Final Act as well as on compliance and non-compliance with all of its provisions, including the presentation and thorough discussion of all violations of the Final Act, especially those related to universal humanitarian ideals.

AMENDMENTS SUBMITTED FOR PRINTING

FEDERAL MINE SAFETY—S. 717

AMENDMENT NO. 407

(Ordered to be printed and to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill (S. 717) to promote health and safety in the mining industry.

STATE DEPARTMENT AUTHORIZATIONS—H.R. 6689

AMENDMENT NO. 408

(Ordered to be printed and to lie on the table.)

Mr. STONE. Mr. President, I submit an amendment to be considered by the Senate during consideration of H.R. 6689, to authorize fiscal year 1978 appropriations for the Department of State. This amendment strikes section 453 of that bill entitled, "Certain Trade with Cuba." Section 453 is an attempt to lift the current U.S. trade embargo against Cuba in order to allow the sale of food, agricultural supplies and medicine from the United States to Cuba.

I ask unanimous consent that the text of this amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 408

On page 51, lines 12 through 25 strike section 453, "Certain Trade With Cuba", continued on page 52 strike lines 1 through 13.

AMENDMENT NO. 409

(Ordered to be printed and to lie on the table.)

Mr. HATCH submitted an amendment intended to be proposed by him to the bill (H.R. 6689), supra.

AMENDMENT NO. 410

(Ordered to be printed and to lie on the table.)

Mr. WEICKER submitted an amendment intended to be proposed by him to the bill (H.R. 6689), supra.

FOREIGN ASSISTANCE ACT—S. 1520

AMENDMENTS NOS. 411 AND 412

(Ordered to be printed and to lie on the table.)

Mr. HARRY F. BYRD, JR., submitted two amendments intended to be proposed by him to the bill (S. 1520) to amend the Foreign Assistance Act of 1961, and for other purposes.

FOREIGN ASSISTANCE ACT—S. 1160

AMENDMENT NO. 413

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY (for himself and Mr. CHURCH) submitted an amendment intended to be proposed by them jointly to the bill (S. 1160) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes.

DENIAL OF VETERANS BENEFITS IN CERTAIN CASES—S. 1307

AMENDMENT NO. 414

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. CRANSTON. Mr. President, on behalf of Senator THURMOND and myself, I submit for printing and appropriate referral an amendment to S. 1307, a bill to amend title 38 of the United States Code to deny veterans' benefits to certain individuals whose discharges from service during the Vietnam era under less than honorable conditions are administratively upgraded under temporarily revised standards to discharge under honorable conditions, and I ask unanimous consent that the text of the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That section 3103 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(e)(1) Notwithstanding any other provision of law, no benefits under laws administered by the Veterans' Administration shall be provided on the basis of an award of an honorable or general discharge under revised standards for the review of discharges (A) as implemented on or after April 5, 1977, under the Department of Defense's special discharge review program, or (B) as implemented subsequent to such date and not made generally applicable.

"(2) With respect to any person who was discharged from active military, naval, or air service under less than honorable conditions and, under the revised standards described in paragraph (1) of this subsection has been awarded a general or honorable discharge, the board of review concerned under section 1553 of title 10, United States Code, subject to review by the Secretary concerned, shall, on its own initiative and in the absence of objection by such person after being duly notified of its intention to do so, make a separate determination whether such person would have been awarded an upgraded discharge under generally applicable standards for the review of discharges under such section 1553. Any such determination that a person would have been awarded an upgraded discharge shall entitle such person to benefits under laws administered by the Veterans' Administration just as though the upgraded discharge had been awarded under generally applicable standards. In the event that such board determines that such person would not have been awarded an upgraded discharge under such generally applicable standards, such person shall be entitled to notice thereof and appearance before the board as provided in section 1553(c) of such title.".

SEC. 2. Notwithstanding any other provision of law, the Administrator of Veterans' Affairs may, in the Administrator's discretion pursuant to such regulations as the Administrator shall prescribe, provide health care pursuant to chapter 17 of title 38, United States Code, for any disability incurred during active military, naval, or air service in line of duty by a person other than a person barred from receiving benefits by section 3103 of such title, but not, pursuant to this section, for any disability incurred during a period of service from which such person was discharged by reason of a bad conduct discharge.

SEC. 3. It is the sense of the Congress that the Administrator of Veteran's Affairs, in promulgating, or in making any revisions of or amendments to, regulations governing the standards and procedures by which the Veterans' Administration determines whether a person was discharged or released from active military, naval, or air service under conditions other than dishonorable, should, in keeping with the spirit and intent of this Act, not promulgate any such regulations or revise or amend any such regulations for the purpose of, or having the effect of, providing any unique or special advantage to veterans who have received upgraded discharges under the Department of Defense's special discharge review program or otherwise making any special distinction between such veterans and other veterans.

SEC. 4. Section 1 of this Act shall apply retroactively to deny entitlement to benefits, but the United States shall not make any claim to recover the value of any benefits provided prior to the date of enactment of this Act.

Amend the title so as to read "A bill to deny entitlement to veterans' benefits to certain persons who would otherwise become so entitled solely by virtue of the administrative upgrading under temporarily revised standards of less than honorable discharges from service during the Vietnam era, and for other purposes.".

NOTICES OF HEARINGS

S. 1393—CIVIL RIGHTS OF INSTITUTIONALIZED PERSONS

Mr. BAYH. Mr. President, the Subcommittee on the Constitution has scheduled hearings on S. 1393, a bill to grant the Justice Department standing to sue on behalf of institutionalized persons, for Wednesday, June 22, 1977.

This hearing will be held in room 2228 Dirksen, the Judiciary Committee hearing room on June 22, 1977, beginning at 1 p.m. rather than 10 a.m. as previously announced.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on the Constitution, room 102B, Russell Senate Office Building, Washington, D.C., 20510.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, the Committee on Veterans' Affairs plans to hold public headings on Friday, June 17, to oversee veteran employment programs. The committee will examine the Presidents veteran employment program, the mandatory job listing program, the veterans affirmative action program, specific performance standards, and other matters concerning veteran employment.

The hearing will begin at 9:30 a.m., in room 6226 of the Dirksen Senate Office Building. Persons wishing to testify should notify Jack Wickes at 224-9126, by Thursday, June 16.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, I should like to announce that the Committee on Banking, Housing, and Urban Affairs will hold a 3-day hearing, on June 27, 28, and 29, on title I, part A, subparts 1, 2, and 3 of S. 1469, a bill to establish a comprehensive national energy policy. Part A of S. 1469 relates to energy conservation programs for existing residential buildings, financing program and new buildings performance standards grants.

The hearing will begin at 10 each morning and will be held in room 5302, Dirksen Senate Office Building.

Persons interested in presenting oral testimony to the committee should contact Bob Malakoff, 5228 Dirksen Senate Office Building—224-6348.

The committee would also welcome statements for inclusion in the hearing record.

RESCHEDULED HEARINGS

Mr. RIEGLE. Mr. President, I wish to announce that the Consumer Affairs Subcommittee's hearings on truth-in-lending simplification and reform have been postponed from June 27-29 to July 11, 12, and 13 at 10 a.m. in room 5302 Dirksen Office Building.

ADDITIONAL STATEMENTS

THE KEARNEY AFFAIR: A CASE OF INJUSTICE

Mr. SCHMITT. Mr. President, my colleagues must certainly be aware of the case of John J. Kearney if their mail on this matter is running as heavy and is as impassioned as mine.

Mr. Kearney is the retired FBI agent who was recently indicted by a Federal grand jury in New York for heading an operation aimed at tracking down the notorious Weathermen Underground. Apparently his crime is that, on orders from his FBI superiors, his plan involved the use of illegal mail opening and secret phone taps, the same kind of intelligence and investigative methods that, rightly or wrongly, had been used by the Bureau and other security agencies for many years.

Public outrage over Kearney's prosecution by the Justice Department, despite pleas to Attorney General Griffin Bell, led to the formation of a Citizens' Legal Defense Fund for the FBI to provide Kearney and other FBI agents who may subsequently be indicted with the best available legal representation. This organization was started by former U.S. Senator James L. Buckley, former Congresswoman Clare Boothe Luce, and former Secretary of the Treasury William E. Simon.

Mr. President, from my limited knowledge of this case, I must agree with Senator Buckley and his group that "this is a viciously unfair prosecution." It must be remembered that Kearney's alleged activities were routine FBI procedure for many years, particularly in criminal investigation involving radical and subversive groups. These activities were carried out with the knowledge and approval of Attorneys General and Presidents. Disclosure of these operations resulted in the imposition of tough controls, some of which are necessary but which for the present have hampered the FBI's ability to cope with dangerous underground organizations.

Nevertheless, it is unfair to judge Kearney by the post-Watergate standards now being applied since he and other Government agents were acting at that time in good faith, under orders and with the understanding that the procedures were legitimate. The present rules should be enforced to the letter, but should not be applied retoractively.

As a sample of editorial and public opinion regarding the Kearney affair in New Mexico, I ask unanimous consent that the complete text of Ralph Looney's article "A Strange Kind of Justice in America" from the Albuquerque Tribune and the May 5 letter from Robert Corbett, chairman of Citizens Concerned With Crime of the Greater Las Cruces Area Chamber of Commerce be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Albuquerque Tribune]

A STRANGE KIND OF JUSTICE IN AMERICA

(By Ralph Looney)

Something is wrong in America.

On Thursday, a federal grand jury in New York indicted a retired FBI agent for illegal mail opening and phone taps used in trying to bring radical underground bombers to justice.

Two days earlier, the Justice Department dropped charges against deserters from the armed forces during the "Vietnam War era." The deserters will no longer be arrested. They will get discharges.

A few months ago President Carter issued a blanket pardon to all those young men who dodged the draft during the Vietnam War.

It doesn't make sense.

On one hand, we prosecute a man who was undoubtedly carrying out orders from Washington to protect his country from the Weather Underground, a group sworn to destroy it and us.

On the other hand we drop all charges against men who deserted from their military units which were serving their country in time of war and issue a blanket pardon to those who flatly refused to serve their country.

John J. Kearney, a FBI supervisor, served his country honorably for 25 years before he retired.

He was chosen to head a plan apparently directed from Washington to take mail from boxes, steam open private letters to read and copy the contents before returning them to the mails, and use secret phone taps to spy on New Yorkers thought to be in contact with the terrorists.

To refresh your memory, the Weatherman Underground was a radical movement claiming credit for many bombings, some of which resulted in the death of innocent people.

The Weathermen were terrorists, pure and simple. Their goal was destruction of life and property.

Of course it was wrong to break the law to ferret out these dangerous law violators, but those in the Justice Department who approved the scheme obviously considered the threat serious enough to warrant it.

Which doesn't mitigate the fact that the law was broken, even though the cause was worthy.

But then what mitigates the fact that the draft dodgers and the deserters also broke the law and are now being pardoned?

This is a nation built upon law.

The law is the nails and the glue that holds the house together. Take out the nails and the glue and the house falls down. So will the nation.

You may disagree with the law, or consider it unfair and undemocratic, but you must obey the law if the nation is to survive.

In a democracy there are ways set out to change the law if you don't like it.

You can protest it. You can put pressure on your elected representatives. You don't burn the house down to get rid of some of the glue that holds part of it together.

The Vietnam War was undoubtedly one of this nation's most enormous tragedies.

It was the wrong war in the wrong place at the wrong time. It resulted from monumental miscalculation by our political leadership, even though the aims of that leadership were doubtless well intended.

It was an unpopular war that frustrated many young people to the point they thought they should break the law. They dodged the draft, or deserted. They evaded their responsibility to their country under the law.

Now they're being told to come home. Apparently because their motives in the law-breaking were considered pure or something, they're advised it was okay. Forgive and forget.

But up in New York, they're not forgetting John J. Kearney.

No way. They're hauling him into the public dock on charges that could imprison him for 25 years and fine him $34,000 for violating the laws involving civil rights.

Of course those laws are important. Just as important to our survival as a free country as those which the draft dodgers and the deserters violated.

We have judged the latter lawbreakers by their motives.

And how about Kearney's motives?

Who is to say that his motives weren't as pure, as worthwhile, as important to the country, as those of the people who avoided their responsibility?

And John J. Kearney was doing his duty. To protect his country. The draft dodgers and the deserters weren't.

What kind of a nation is it where duty means nothing?

Must we crucify Kearney for violating the law to protect us at the same time we acquit and perhaps even reward those who broke the law because they disagreed with their government?

It doesn't make sense.

We are destroying not only a man, but an organization which has done more than most to preserve not only our country but our liberty as well.

GREATER LAS CRUCES AREA
CHAMBER OF COMMERCE,
May 5, 1977.

Hon. JIMMY CARTER,
President of the United States,
Washington, D.C.

DEAR MR. PRESIDENT: The Citizens Concerned With Crime, a committee of the Las Cruces Chamber of Commerce, is deeply troubled with the recent indictment of Mr. John J. Kearney, who was a supervisor of the New York Office of the Federal Bureau of Investigation.

A study of this particular case reveals that Mr. Kearney was acting in the best interest of the United States and there is no evidence of any personal gain or criminal intent by Mr. Kearney. It is strongly evident that he was trying to locate and apprehend Weathermen fugitives sought for actual acts of violence throughout the entire nation. We can well picture in our minds the many victims of their bombing acts, the closing of our university doors, the dastardly attacks on the Toley Square Courthouse in New York City, and the complete destruction of the Mathematics Building at the University of Wisconsin which are only a small fraction of their misdeeds.

We find it hard to reconcile the pardoning of the Vietnam draft dodgers and deserters followed by the indictment of Mr. Kearney a short time later. Furthermore, we strongly feel that the Congress of the United States must establish and implement much needed guidelines in the handling of subversive and terrorist activities to preclude any incidents in the future.

Mr. President, we appeal to your sense of fair play, as well as to your sworn duty, to protect and safeguard this country not only from enemies from without, but from within as well.

Respectfully,

ROGER B. CORBETT,
Chairman, Citizens Concerned With Crime.

Citizens Concerned With Crime Members: Gen. John H. Bell, Ret., Jim Carpenter, Martha A. Durrenberger, Henry Gustafson, Laurita Landry, Dr. and Mrs. John Nunemaker, Peggy F. Rogers, John Augustine, Leo Valdes, Hayden Wiley, Herb Greathouse, Major Eddie Jaramillo, Captain Bill Kruse, Tony Gomez, Eddie DiMatteo, Lalo Garza, Debbie Santerelli, Ernie Williams.

COMPUTER SECURITY

Mr. RIBICOFF. Mr. President, on February 2, 1977, the Senate Governmental Affairs Committee issued a staff report entitled, "Computer Security in Federal Programs."

This staff report, about 130,000 words long, documented many of the problems the executive branch faces in seeking to secure its 10,000 computers against penetration, compromise, and physical assault.

The committee's investigation into computer security in Federal programs is the first comprehensive evaluation the Congress has made in this very sensitive area.

Demonstrative of the dimensions of the problem of securing computers is the fact that our Government is not alone as it seeks to protect its automatic data processing systems. The Government of Canada, for example, is also concerned about computer security.

Mr. President, I ask unanimous consent that a June 8, 1977, letter written to me as chairman of the Governmental Affairs Committee from Mr. Stanley Goldstein, the legal adviser in the Canadian Department of Justice, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
Ottawa, Ontario, June 8, 1977.

Senator A. RIBICOFF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RIBICOFF: The staff's study prepared on Computer Security in Federal Programs is an excellent contribution to the study of the many problems that are raised by the application of computer telecommunications technology. The particular emphasis, in this study, on criminal activities is long overdue and is welcomed. In addition, it shall prove useful to government departments, including this Department of Justice.

Yours sincerely,

STANLEY GOLDSTEIN.

CARTER'S ELIXIR

Mr. CURTIS. Mr. President, if ever there were a case of the pot calling the kettle black, or jumping from the frying pan into the fire, or of living in a glass house and throwing stones—or any other metaphor which correctly illustrates the irony of the Federal Government now insisting that only it has the answer to rising medical care costs—it is found in

this ironic situation: The Federal Government has spent countless man-hours and dollars trying to explain and attempting to document the reasons for the spiraling costs in health care. Simultaneously, Federal policy planners insist that the problem can be resolved only through further Federal intervention. What they overlook is the fact that the Federal Government itself through its massive entry into the delivery of public medical care in an indiscriminate and unrestrained fashion has been one of the most, if not the most, significant cause of medical care inflation in the last decade.

Following the Federal urgings for further "control" and bureaucratic involvement can only worsen a situation of the Government's own making. The Congress would certainly be ill advised if it gives the taxpaying patients of America a further dose of the same potion that has made their economic situation so critical.

A recent editorial in the Richmond News Leader pointed this out in an insightful and illuminating way. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Richmond News Leader, May 16, 1977]

CARTER'S ELIXIR

The rising cost of medical care has caught the attention of America's opinion makers. The manufacturers of national crises are busy manufacturing a "health crisis." As in all such crises, a large dose of the federal government is touted as the only acceptable remedy.

President Carter, who campaigned against the inefficient federal bureaucracy, has proposed increasing the power of that bureaucracy to "control" hospital costs. He has recommended legislation to impose government-mandated ceilings on hospital costs. Sad to say, his plan—if adopted—would be but another step in the dreary march toward socialized medicine.

Candidate Carter's campaign against Washington made sense, but President Carter's federal elixir is bogus indeed. The feds, and they alone, are responsible for many of the problems in health care. Enlarging their role not only will exacerbate existing problems. It will create additional problems as well.

The case against federal intervention in the health industry is substantial. Per capita health spending has tripled during the past decade. The average American spent $212 a year for medical care in 1966; in 1976 he paid $638. Total health expenditures grew from $42.1 billion in 1966 to $139.3 billion in 1976.

What accounted for the rise? Harry Schwartz, a member of the New York Times' editorial board, has written, "Apparently something dreadful happened in 1966 which unleashed the inflationary monster. The solution would seem to be obvious: Find out what inflationary monster was let loose in 1966, get rid of it, and health spending would zoom down again. . . . And its quite clear what happened in 1966. That was the year Medicaid and Medicare got off the ground."

Last year the Council on Wage and Price Stability investigated the problem of rising health care costs. The Council's final report—The Complex Puzzle of Rising Health Care Costs: Can the Private Sector Fit It Together?—describes some of the problems associated with federal health programs.

In testimony before the Council, former Senator James Buckley of New York illustrated Medicaid's impact on health expenditures. He said that in Westchester County, New York, Medical costs for 1976 exceeded $110 million for an eligible caseload of 65,000 indigent persons. In other words, $1,700 in public funds were spent for the medical care of every person who was eligible for assistance—or almost three times the amount spent by taxpaying citizens.

The Council's report shows how Medicaid and Medicare significantly affect hospital costs. It says, "Another factor touched on by numerous witnesses relating to the [Consumer Price Index] as a measure of hospital inflation is that Medicare and Medicaid pay less than their full share of hospital costs, necessitating hospitals to increase their charges more than they otherwise would. The report quotes James Whitman, treasurer of the Hospital Management Association, "The subsidization of the Medicare/Medicaid patient is by itself one of the major causes of the 'inflationary spiral' of health care costs."

Medicare and Medicaid are not the only federal programs that have clobbered America's health care system. Excess hospital capacity—too many beds—contributes to higher costs. Each empty bed costs $20,000 a year, or 60 per cent of an occupied bed. And unused beds encourage increased hospitalization—if there is room, why not use it? So costs are driven up.

The Council reports that the federal Hill-Burton program was responsible for much of the excess-bed problem. In essence Hill-Burton subsidized hospital construction, but Washington's planning was so ineffectual that now there are far too many beds, and the taxpayers—of course—have paid for them.

The Council on Wage and Price Stability concludes that "cost-control incentives proposed by the private sector—that is, by industry and labor—promise to be more effective than those imposed by the multitude of government agencies which have attempted to tackle the problem. . . . The private sector is motivated by economic incentives which the government will simply never share."

The Council is correct. President Carter should seek ways to limit federal intervention in the health care industry. For example, the government should investigate ways to farm out its health programs to private insurers. Because Medicare and Medicaid stimulate unnecessary consumption, strict limits should be imposed on the coverage of these taxpayer-financed programs.

President Carter and the minstrels in the federal medicine show should heed the Council's advice. The President's hospital costs plan should be discarded. Mr. Carter's elixir is reminiscent of the medicine shows of yore—shows that sold expensive snake oil, and nothing more.

HUMAN RIGHTS AND THE JACKSON-VANIK AMENDMENT

Mr. JACKSON. Mr. President, because of the special concern of Congress for the right to free emigration, I ask unanimous consent that the text of my address on June 14, 1977, to the Congressional Forum of the National Conference on Soviet Jewry be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HUMAN RIGHTS AND THE JACKSON-VANIK AMENDMENT

(Remarks by Senator HENRY M. JACKSON)

In the area of the defense of human rights the new Administration has departed markedly from its predecessor. Those of us in the Congress who have labored long and hard on behalf of the rights of men and women everywhere to those basic liberties set forth in the Universal Declaration of Human Rights are gratified by the new American emphasis on these matters.

As a people we have been committed to human rights all along. But as a government we were too often too timid to speak out.

I believe that the Jackson amendment tying trade concessions to freer emigration from the Soviet Union and Eastern Europe is no longer an island in a sea of indifference on human rights. I am proud that the Congress took the lead in enshrining, as part of our public law, this commitment to that most fundamental of human rights, the right to emigrate to the country of one's choice.

The Congress has particularly emphasized this right to free emigration because the freedom to leave a country is the traditional final lifeline for victims of racial, religious, and political persecution. I remind you that the Senate made the Jackson-Vanik amendment the law of the land in the Trade Act of 1974 by a vote of 88 to 0. The amendment applies to Jews and Gentiles, without discrimination on the basis of race, religion, or national origin. The fact is that tens of thousands of people—Jews and non-Jews alike—have escaped from persecution and repression because of the amendment.

I want to commend President Carter for his commitment to implement the Jackson amendment. He wrote me on September 29, 1976:

"I share your deep concern over the protection of human rights and freedom of emigration in the Soviet Union and throughout the world. The legislation which you coauthored, which is now the law of the land and which is aimed at securing those rights, will be effectively implemented by a Carter-Mondale Administration. As the platform of our Party makes clear, 'America must take a firm stand to support and implement existing U.S. law to bring about liberalization of emigration policy in countries which limit or prohibit free emigration'."

* * * * * *

Now as before there are great pressures to weaken our resolve—to water down the Jackson amendment. Business groups who seek to profit from government-subsidized sales to the Soviets call for its repeal. The Soviets never miss an opportunity to argue that the amendment is "unwarranted interference in Soviet internal affairs." This is, of course, nonsense.

The truth is that the governments of the world have made the right to emigrate a matter of justified international concern and of recognized international responsibility. Article 13 of the Declaration of Human Rights—adopted without opposition in 1948—affirms the right to leave any country, including one's own. That declaration was reaffirmed in the International Convention on the Elimination of All Forms of Racial Discrimination of 1965 and the International Covenant on Civil and Political Rights of 1966, each of which was ratified by the Soviet Union. Most recently, in the Helsinki Final Act, the 35 signatories, including the Soviet Union, agreed to act in conformity with the Universal Declaration of Human Rights.

In supporting the Jackson-Vanik amendment for freer emigration we have international law on our side.

We simply ask the Soviet government to take seriously the right to free emigration established in international accords and conventions to which it is itself a party.

We are saying: if the Soviets and other Eastern bloc countries want U.S. trade concessions and special subsidies, they will have to moderate their restrictive policies on the emigration of their citizens and move substantially to respect the obligations on freer

emigration which they have subscribed to in solemn international agreements.

This is no time for a weak backbone or ambiguous declarations or unilateral concessions. It is a time for all of us to keep cool. We have to demonstrate the will to stay the course. When we embarked on this historic effort 5 years ago we knew that the road was long and hard. And so it remains. But we have taken a great first step. Our course is right and our will must remain strong.

I am convinced that as the Soviets face mounting economic problems, and a massive liquidity problem in their foreign borrowings, they will eventually decide that it is better to loosen their emigration policies than to continue the stalemate on trade and credits.

* * * * *

Meanwhile, the Soviets are testing President Carter—and they are testing the Congress—and they are testing the American people—with their preposterous imprisonment of the Helsinki group members—including Alexandr Ginzburg, Professor Yuri Orlov and Anatoly Shcharansky.

These human rights defenders have been exercising their internationally affirmed right to freedom of opinion and expression, informing the government signatories to the Helsinki Agreement, as well as the public at large, of cases of flagrant violation of the human rights articles. The Soviet authorities hear this criticism and comment, and they hope to have it silenced before the Belgrade meeting gives the truth a world audience.

Today, in your presence, I want to protest again the arbitrary arrest of the Helsinki group members. Soviet citizens must be free to monitor the observance of the humanitarian articles of the Helsinki accords. President Carter must convey this message to Secretary Brezhnev, and our delegation must take it to Belgrade.

Secretary Brezhnev himself signed the Helsinki Agreement, and that agreement affirms the obligation to respect freedom of opinion and expression.

Precisely in the name of this freely accepted international obligation, we call upon Secretary Brezhnev to release Anatoly Shcharansky and his heroic human rights colleagues, and permit them to exercise their elementary rights.

S. 790—OTHER SUBSIDIES TO THE BIG BARGE COMPANIES

Mr. DOMENICI. Mr. President, I believe that sound justification exists for establishing a system of waterway user charges to recover a portion of the full Federal subsidy of the inland barge industry. To place this need for equity in better perspective, I believe it is important to point out that the inland barge companies now receive a variety of subsidies from the American taxpayers, besides the subsidies covered by S. 790; the U.S. Army Corps of Engineers expenditures of about $400,000,000 a year to build, operate, and maintain the network of 25,000 miles of inland waterways. Of course, S. 790 recovers only a portion of this expenditure, and that recovery would be phased in over a decade-long period.

But there are other important subsidies provided to the barge industry, subsidies which enhance its ability to compete with other modes. The Congressional Budget Office has estimated that the Coast Guard spends some $250,000,000 yearly in subsidies to all classes of commercial shipping, including both inland and international vessels. This includes Coast Guard expenditures for aids to navigation, such as buoys and hazardous area warning markers, the vessel safety programs, the search and rescue efforts, and other programs. None of this taxpayer expenditure would, of course, be recovered under S. 790. They would remain as a full taxpayer subsidy.

In addition, the Maritime Administration provides a loan guarantee program to assist barge companies in the purchase of commercial vessels. The Maritime Administration presently has some $285,000,000 in guaranteed loans outstanding for the inland barge industry, covering the purchase of 1,207 barges and 94 river tugs. This guarantee program is open to any barge company.

I would note that the largest single user of this loan guarantee bonanza at the present time, according to Commerce Department figures, is the American Commercial Lines. American Commercial is presently financing 22 river tugs and 205 barges with this Federal assistance.

American Commercial is a subsidiary of the $900-million-a-year Texas Gas Transmission Co., whose waterway division has shown an increase in profits of 165 percent over the past 5 years to $35,300,000, with barge revenues that rose 98 percent over the same period to $91,700,000.

Mr. President, one can add this up any way you want to. But it still amounts to a major underwriting of the costs of the big barge companies by the American taxpayer. I believe it is only fair that it should be phased-down. S. 790 achieves that needed goal. I believe that bill should be enacted.

Mr. President, I ask unanimous consent that a list of the present recipients of the loan guarantee program be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

INLAND VESSELS—TITLE XI APPROVED APPLICATIONS AND CONTRACTS IN FORCE AS OF MARCH 31, 1977

Company	River tugs	River barges
Alter Co.	3	75
American Commercial Lines	22	205
Asphalt Barge Corp.	2	1
Bultema Dock & Dredge Co.		10
Canal Barge Co., Inc.	1	8
Central Marine Corp.	2	6
Flowers Transportation, Inc.	4	77
Foss Launch & Tug Co.	2	1
General Intermodal Logistics		29
Indiana & Michigan Electric Co.	8	100
Ingram Transportation Co.	6	48
Ingram River Equipment Co.	5	25
Intercity Barge Line		2
Liberty Bell Towing, Inc.	1	
LeBeouf Bros. Towing Co.	4	1
Magnolia Marine Transport Co.	2	15
M/G Transport Services		45
Marine Leasing Co.	1	30
Mid-South Towing Co.	1	71
NMS Chemical Corp.		3
National Marine Service, Inc.	6	30
Ohio Power Co.	8	160
Port Arthur Towing Co.	2	8
Port City Barge Line		20
Richards Towing Co.		2
Twin City Barge Towing Co.	1	27
Umpqua Navigation Equipment Co.		3
Upper Mississippi Towing	3	30
Wisconsin Barge Line, Inc.	10	175
Total	94	1,207

MINNEAPOLIS JOB TRAINING PROGRAMS SERVING THE POOR AND DISADVANTAGED

Mr. HUMPHREY. Mr. President, I have just received a letter from Mr. Greg Moore, the coordinator of manpower programs in the city of Minneapolis, pointing out that the job training programs in Minneapolis serve a greater percentage of poor and disadvantaged persons than do similar programs in the rest of the Nation. These programs are funded under title I of the Comprehensive Employment and Training Act of 1973, which we just voted recently to extend for another year. These programs provide many disadvantaged Americans with their only hope of escaping the vicious circle of poor educations, poor jobs, and low incomes, and I am pleased to see the city of Minneapolis use the money where the need is greatest.

For example, 95 percent of CETA program participants in Minneapolis are economically disadvantaged, compared to 79 percent nationally. In Minneapolis, 52 percent of participants are on public assistance, compared to only 28 percent elsewhere; and 65 percent have less than a high school education, compared to 51 percent for the Nation. This is an excellent record of helping those who need help the most, and I commend Minneapolis for its wisdom.

Mr. President, I ask unanimous consent that the letter from Mr. Moore and the accompanying table on characteristics of participants in CETA title I programs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF CITY COORDINATOR,
Minneapolis, Minn., May 25, 1977.

Hon. HUBERT H. HUMPHREY,
U.S. Senate, Dirksen Building, Washington, D.C.

DEAR SENATOR HUMPHREY: Knowing your interest in disadvantaged residents of the City of Minneapolis the following information is provided concerning the Minneapolis Employment and Training Program's participants in CETA Title I.

Enclosed is a copy of Characteristics of the Minneapolis Employment and Training Program's Participants of CETA Title I vs. the National Average for the First Quarter of fiscal year 1977. A simple comparison of the characteristics seems to indicate the following: Minneapolis serves younger and less educated people, more public assistance recipients, people with lower incomes and more minorities than CETA I Programs nationally. These above characteristics usually create higher dropouts and lower placement rates. However, preliminary placement data indicates that Minneapolis' Title I Program's placement rate will probably exceed the National average.

You might also notice that the program is serving approximately the same percentage of veterans, but a lower percentage of recently separated Vietnam veterans. We are making extensive efforts at this time to increase those percentages. If you have any questions concerning the City of Minneapolis' CETA Title I Program, please contact me at (612) 348-8488.

Sincerely,

GREG MOORE,
Minneapolis Manpower Coordinator.

Enclosure:

VERSUS NATIONAL AVERAGE, OCT. 1 THROUGH DEC. 31 1976

[Percent distribution]

	National [1]	Minneapolis
Total (cumulative enrollment) estimate	596,100	1,608
Percent	100.0	100.0
Male	51.0	55.3
Female	49.0	44.7
Age:		
Under 22	51.4	62.4
22 to 44	40.8	33.8
45 to 54	4.5	2.9
55 and over	3.3	.9
Education:		
8 grades or less	10.3	10.0
9 to 11	41.0	55.0
12 and over	48.7	35.0
On public assistance:		
AFDC	16.3	31.3
Other	11.5	20.5
Economically disadvantaged	78.7	94.9
Ethnic group:		
White	56.6	49.3
Black	34.6	37.8
American Indian	1.4	8.6
Other	7.4	4.3
Spanish American	13.2	1.2
Limited English-speaking ability	5.6	1.5
Migrants or seasonal farm workers	2.2	.2
Veteran:		
Total	9.4	10.0
Recently separated	3.3	1.4
Special	3.3	1.7
Disabled	.6	.2
Handicapped	4.5	3.0
Full-time student	25.0	46.6
Offender	6.0	3.3
Labor force status:		
Underemployed	5.1	4.5
Unemployed	69.9	54.9
Other	25.0	40.6
Receiving unemployment insurance	6.8	5.2

[1] Office of Administration and Management, Division of Information Analysis and Systems Development.

Source: Published in the "Employment and Training Reporter," vol. 8, No. 17, Apr. 27, 1977.

CLEAN AIR ACT AMENDMENTS OF 1977

Mr. HAYAKAWA. Mr. President, I would like to make a brief statement explaining my final vote on the Clean Air Act Amendments of 1977.

During the Senate's consideration of this measure, S. 252, I cosponsored the Stevens amendment to the nondegradation provisions of the bill, which would have deleted the 3-hour and 24-hour standards for class I areas. By instituting an 18-day exemption instead, while retaining the annual standards, the Intermountain Power Plant in Utah could be built as planned, in addition to two powerplants for northern California planned by Pacific Gas and Electric.

Senator JACKSON did not support this amendment, nor did Senator MUSKIE, and it failed in the Senate. A similar amendment passed in the House. Later during the course of the debate, Senator JACKSON offered his own amendment to the nondegradation provisions of the bill which in effect exempts two powerplants presently in the State of Montana which would provide power to the State of Washington. JACKSON's amendment although of a technical nature, exempts these plants from having to get certain permits from the Environmental Protection Agency as a precondition for construction or entering contracts. These plants would have been free to operate under the provisions of the Stevens amendment which Senator JACKSON did not support. Instead he chose to introduce special interest legislation, helping his own State. Senator MUSKIE was present on the Senate floor during consideration of this amendment, but did not object to its approval.

Although the State of Washington has been taken care of, California faces a most critical energy shortage as a result of the drought. Blackouts are already planned for this summer.

Pacific Gas and Electric's two plants in northern California could be denied strategic locations as a result of this overzealous legislation. Both of these plants have the capacity of 800 megawatts, or the potential to serve at least 800,000 people. The Intermountain Power Plant in Utah which would ultimately serve 4 million people in 6 California cities faces a similar situation.

The Stevens amendment would have offered a fair and practical solution, a reasonable compromise to the problem. Instead of supporting this amendment, Senators JACKSON and MUSKIE chose to support special interest legislation which I view as unfair and unreasonable. For this reason I did not support final passage of the Clean Air Act Amendments of 1977.

COMMENDATION OF THE NATIONAL FIRE PROTECTION ASSOCIATION

Mr. ROBERT C. BYRD. Mr. President, one of the most serious threats to the life and safety of the citizens of the United States comes from neither foreign enemies nor an incurable disease. It comes rather from fire. Each year in this country, at least 3 million separate fires and explosions kill an average of 12,000 persons; seriously burn another 300,000; and destroy nearly $4 billion in property. Fire is one of man's most essential tools, but it can also be one of his most cruel and indiscriminate foes.

Fortunately, we are not helpless against the potential dangers of fire. Some of our most effective defenses against the incidence and effects of fire are the results of the efforts of the National Fire Protection Association, an organization totally devoted to preventing and combating the ravages of fire.

The National Fire Protection Association was founded in 1896, and now numbers among its members 33,000 fire fighters, architects, fire marshals, educators, scientists, engineers, businessmen, and many other professional people concerned primarily with fire control. Largely through the actions and programs of the NFPA, a wide array of fire safety devices for domestic and commercial use has been developed; uniform standards in construction, electrical wiring, and fire protection have been adopted in the majority of our States; national and local campaigns promoting fire prevention and safety are conducted annually; and a continuing research program in prevention and protection against fire is being supported.

I want to commend all the members of the National Fire Protection Association, and especially its president, Mr. Charles S. Morgan, for the exemplary efforts and vital contributions they are making to American life. In some measure, the safety and well-being of every American and millions of people around the world have been enhanced by the work of the NFPA.

Recently, on May 16, it was my privilege to address the annual meeting of the NFPA here in Washington. Mr. President, I ask unanimous consent that my address on that occasion be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY ROBERT C. BYRD

Mrs. O'Leary's cow has become an integral and sometimes amusing part of American folklore. But few people remember that the Chicago fire of 1871 took an estimated 250 lives and cost approximately $200 million in property loss in the 3.5 square miles it destroyed, an enormous toll for that era.

The famous San Francisco earthquake and fire of 1906 together may have killed as many as 700 people, and left a quarter of a million homeless, with damages running over one-half billion dollars.

Fire has indeed left an indelible scar on American history.

According to Greek mythology, the Titan Prometheus stole fire from the gods and gave it to mankind, an act considered by the gods, in their jealousy and anger, so heinous that Prometheus was viciously punished. Fire is one of our most essential and useful tools, but it is also one of our most capricious, and, as thousands unfortunately learn each year, can be one of our deadliest enemies.

As Thomas Carlyle observed, "fire is the best of servants; but what a master!"

Annually in the United States alone, at least 3 million individual fires and explosions kill on the average of 12,000 persons; seriously burn 300,000 more; and destroy $4 billion in property. This country leads the industrialized world in fire deaths per capita. Statistics show that firefighting is the most hazardous occupation in America, with a 15 percent higher death rate than the next most dangerous work, mining and quarrying.

American technology is the most advanced that the world has ever known. We can split the atom, ram marvelous tunnels through prodigious mountains, cast bridges over yawning chasms, travel in space, and cure a multiplicity of diseases that once struck terror into millions of hearts, but our sense of helplessness in the face of raging fire is probably as deep as that felt by the citizens of Rome in 66 A.D. or London in 1666.

Fires still can and do have the power to consume large areas of urban and rural property, and to take scores of lives even in modern hotels and skyscrapers.

How can one explain the toll taken by fires in our sophisticated and complex society?

Apathy and ignorance ironically provide at least part of the answer. All of us have a tendency to want to overlook the unpleasant and the dangerous. For the average citizen, fire is a calamity that he reads about in the newspaper or sees reported on television, but it is a calamity which he assumes will never happen to him. Thus, he may know the rules of fire safety by heart, but he too often fails to apply them to his own home or business. He does leave combustible materials in his basement; he does fail to correct faulty wiring; he does smoke in bed. Too frequently, planners and architects do not design buildings with fire prevention and fire safety uppermost in their minds. In spite of the widespread concern over the presence of cancer-producing agents in our environment, most people appear oblivious to the fact that they are surrounded by an innumerable array of objects and

substances that can be deadly in their flammability.

Unfortunately, arson accounts for a significant number of fires each year. In many large cities, fire chiefs believe that almost half of all the fires they face are deliberately set. Schools present attractive targets for antisocial individuals who want to strike out at people around them; fire insurance tempts many persons in financial difficulty to set a torch to their own property; and demented thrillseekers have habitually found watching burning buildings a prime diversion.

The result is the tragic series of deaths that must be reported annually, the countless hours of hideous suffering and pain endured by burn victims, the irreplaceable losses of property and family treasures, and the disruption of the lives of thousands of workers who are thrown out of their jobs by fires each year.

In spite of the annual horror story that fire etches in America, this country's fire losses have not worsened appreciably over the years. I especially commend the National Fire Protection Association for the contributions that it has made toward establishing fire safety standards across the country, for the technical advances it has provided, for the advisory role it has played in the public and private sectors, and for the educational programs that it has sponsored to promote personal survival in the event of fire. These efforts have undoubtedly saved countless property losses and human lives. There is no way that the citizens of this country can adequately express their appreciation for the work and accomplishments of the NFPA.

A promising development in the field of fire prevention, protection, and safety is the establishment of the National Fire Prevention and Control Administration, which was authorized by Congress in 1974. Its goal of a 50 percent reduction of this Nation's fire losses in the next generation is laudable and encouraging.

However, I hope that the establishment of a Federal agency for the reduction of fire losses will in no way discourage the National Fire Protection Association from continuing and expanding its extensive efforts. The NFPA has set a precedent in the area of fire protection and safety that is in tune with the best American traditions. The NFPA was organized privately to meet the real needs of people and communities all over the country. It has acted efficiently, responsibly, and creatively to arrive at the best possible concensus on the appropriate procedures and standards to be used to stem the ravages of fire in our society. The NFPA has been a pioneer without parallel.

Often in recent decades, many people have been only too ready to wait for the Federal Government to solve their problems for them or to organize the only available programs for meeting their needs. This is not the spirit or attitude that made this the most powerful and productive nation in the history of the world. The loss of the tradition of private initiative and individual responsibility would certainly not allow us to maintain our position in world affairs or our leadership in international commerce. Nor would such a loss help us to save the lives of fire victims or stem the toll of property loss from fires.

I urge you, therefore, to continue the vigilence, research, and efforts that have made the National Fire Protection Association so valuable and effective. The collective experience that this organization affords has been of incalculable value to the citizens of the United States. The work that NFPA and its members are doing will help to provide future generations of Americans with greater safety, and it will insure that the conflagrations of Chicago and San Francisco will continue as frightful memories from our past and less likely loom as portents for our future.

RUSSIA: BECOMING A MODERN COLOSSUS

Mr. MATHIAS. Mr. President, Joseph Kraft, in an article which appeared in the Thursday, June 9, Washington Post, puts his finger on aspects of the Soviet scene which are too often neglected in this country. While we remain preoccupied by Moscows efforts in the military field, economic developments of significant importance are taking place in the Soviet Union. Mr. Kraft does a great service by reminding us that our relationship with the U.S.S.R. must span many issues and take into account many factors. I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIA: BECOMING A MODERN COLOSSUS

(By Joseph Kraft)

Moscow.—The Russians are coming, all right—but not over the top with nukes or even tanks in the fashion dear to the military analysts back home. On the contrary, the Russians are making slow but steady progress in such matters as technology, economic development and coping with social problems.

These gains are attributes of power and have implications for Washington. But they are largely obscured by the enormous exaggeration of Soviet military strength by the American hawks.

To the periodic visitor, the most obvious sign of progress lies in consumer goods. Clothes are a little more stylish this year than last and brighter in color. There are many more cars on the streets of Moscow; in the nearby countryside, at least, there are more television sets and refrigerators.

Fruits, meats and vegetables are in short supply, and the Soviet countryside is a grim place. Still, agriculture—the traditional Achilles' heel of the Soviet system—has clearly improved. Over the past 10 years the Russians have poured billions of rubles into mechanization, irrigation and fertilizer production. Though the collective farm system is undoubtedly wasteful, the huge investments inevitably pay off.

Last year's crop was a record, and this year the outlook is good. While the rural population has been shrinking, Soviet farm output—according to American experts here—has doubled since 1950. Growth in annual agricultural produce has been steady, and present output is over four-fifths of U.S. production compared to half 25 years ago.

In social development, a good example is city management. Though there are some acute urban problems in the Soviet Union, the Russians have integrated growth and transit in a truly impressive way. In the past few years, hundreds of new apartment buildings—some of them not even bad in design—have sprung up around Moscow and other cities. In Moscow, at least, subways and buses move more than six million passengers daily to and from town without any serious crushes.

In technology, a Soviet venture of special interest to the United States comes in the field of electrical generation. In the United States, water is heated by coal, gas or oil to make steam, which turns the turbines that generate power. The maximum efficiency of that operation is only slightly above 40 per cent.

Russia has now built two power plants that employ a device known as magneto-hydrodynamics. As I understand it, a form of the steam is passed through a giant magnet that transforms it directly into electrical power. If that operation proves successful, it is expected to be about 50 per cent more efficient than the traditional American method. Indeed, as part of the continuing exchange of technology, American scientists want to try to use their equipment in the experimental Soviet power plants.

Finally and most important there are the vast natural resources available to the Soviet Union, particularly in Siberia. Russia has billions of tons of coal lying close to the surface in veins said to be hundreds of miles thick. She has gold, timber, copper and other metals galore. Soviet officials scoff at the recent prediction by the Central Intelligence Agency that their country will soon be importing—not exporting, as now—oil and gas. They claim—and I think not wrongly—that Russia is the richest country in the world in natural resources.

Exploiting these resources requires huge, multi-year projects costing hundreds of billions of dollars. Foreign equipment and capital are obviously advantageous, if not absolutely required. Equally important are project organizations for particular developments that cuts across provincial authorities and central ministries back in Moscow. Developing Siberia, in other words fosters—if it doesn't force—reform of the incredibly inefficient central planning system.

All this contradicts the basic American stereotype of Soviet Russia as a 19th-century country with a 20th-century military establishment—a second-rate nation worrisome only because it has nuclear weapons.

The fact is that Russia is a colossus without feet of clay. It has the weapons, the people, the resources, the technology and the capacity to grow. It cannot be ignored, nor bullied, nor mastered, nor run into the ground. The Soviet Union has to be lived with, and the essence of any American foreign policy is a strategy that encompasses coexistence as well as competition with the other superpower.

U.S. POSTAL SERVICE

Mr. McGOVERN. Mr. President, I am pleased to join with my distinguished colleague, Senator MELCHER of Montana, in the introduction of legislation that will set aside those provisions of the Postal Reorganization Act of 1970 which experience has demonstrated are not working as envisioned when the bill was passed.

Last September, Congress enacted Public Law 94-421—the Postal Reorganization Act Amendments of 1976. One of the main provisions of that act was to create a Commission on Postal Service with the mandate to study the operations and organization of the U.S. Postal Service and report back to the Congress on specific changes that should be made in the 1970 legislation. That report is now at hand and includes the following recommendations:

More involvement by USPS in electronic communications;

Limitations on the closing of post offices;

Retention of the Board of Governors and continued appointment of the chief USPS officers, including the Postmaster General, by the Board;

Reduction in mail delivery to 5 days a week to cut costs—Saturday service to be eliminated;

Increased public service appropria-

tions based on 10 percent of expenses in the preceding fiscal year;

Retention of the Postal Rate Commission and final authority for the Commission on rate matters;

Permitting private couriers to carry mail covered by the private express statutes in cases where USPS cannot provide the needed expedited service;

Take steps to make parcel post more competitive with private parcel firms;

Permit USPS to contract directly for air transportation;

Greater emphasis on research and development;

Increase number of collection boxes available to the public;

Gradual increase in nonprofit mailing rates to bring them in line with other rates;

Expanded ZIP code to facilitate mechanical sorting and more use of optical character readers and bar code systems; and

More convenient post office and postal station hours and locations.

Many Americans will find that the Postal Commission appears to have sidestepped the very basic questions that they were asked to study. The Commission pays lipservice to the concept of service to the public, but fails to make the kind of recommendations that lead to that end result. By picking, essentially, the middle ground in their suggestions on a subsidy for postal operations, they permit the presently untenable financial situation confronting USPS to continue. The Commission failed to adequately address the problems of reorganization of USPS that will permit the Congress or the administration to have some checkrein on "runaway" postal administrators and managers, who—in the past—have not given adequate attention to the service element which I believe must be central to any mail dispatch and delivery system.

A case in point is the Commission's recommendations governing the closing of post offices. They list three criteria which should permit an existing office to be closed: First, by a majority vote of the patrons of the office; second, when a postmaster vacancy occurs; and third, when "changing circumstances" require the closing of the office. Apparently, the Commission is willing to leave it up to postal managers to determine what those "changing circumstances" are. In practical terms, it is little more than an invitation to USPS to close post offices as they please with no remedy available to the patrons who will be affected.

The Commission's recommendations to eliminate Saturday mail delivery would work a hardship on rural patrons and others who are dependent on mail delivery of their newspapers and other materials on a timely basis. The Commission report will be disappointing to those who felt, as I did, that at least we might be able to obtain a realistic and objective appraisal of postal operations with specific and meaningful recommendations for postal improvement.

Acting on the strength of the Commission's recommendations, we are now advised that postal officials are moving to implement that portion of the Commission report that will reduce service and increase postage rates.

The Congress passed the Postal Reorganization Act of 1970 on what then seemed to be the reasonable assumption that a professional semi-independent agency could do a better job in moving the mail than the old politically oriented Post Office Department. The expectation was that modern management techniques and sophisticated technology would enable the new agency created by the legislation—the U.S. Postal Service—to provide better service in the context of a break-even financial operation.

It goes without saying that these hopeful assumptions have not been justified in practice. Instead of improved efficiency, we have had a notable decline in the quality of service. The promise of financial self-sufficiency has given way to the reality of escalating postal rates and massive deficits. And what we hoped would be a businesslike operation has become one of the classic examples of precisely the reverse, combining the worst features of monopoly and unresponsive bureaucracy.

Questionable management moved some years back to encourage experienced postal managers to take early retirement, replacing them in many cases with individuals with textbook knowledge of management theories, but little sense for postal operations. USPS abandoned proven mail dispatch and delivery systems before workable alternatives were ready to come on line. Large amounts of money have been invested in expensive machinery of dubious utility and the USPS bureaucracy in Washington has tended to grow while services in the field have been constricted. The catalog of mismanagement is extensive and I am sure that the Commission has been exposed to it in great detail.

I do not believe that better management alone is the answer to our postal problems. Above all, it is necessary to provide postal management with clear definitions of priorities and responsibilities. It is also essential to reestablish a strong oversight mechanism to insure that postal management is, in fact, operating the USPS within these guidelines.

In my view, any definition of Postal Service responsibilities must begin with what would seem to be the obvious—that the primary objective of postal operations must be to provide universal, reliable, efficient, and reasonably priced service to the public. Financial considerations are of great importance, but in the event of conflict between cost cutting and maintaining essential services, I believe that the decision must go in favor of service. A balanced postal budget would be meaningless if purchased at the price of prohibitive rates or excessive reductions in service. Economic, political, and cultural life in our vast Nation depends on our ability to communicate easily with each other. Any lessening of our capacity to persuade and to educate, to buy, to sell, and simply to reach out to friends and family will cost us far more than what we might save in the short run.

To take only one area of concern, I believe that we have a fundamental national interest in making sure that newspapers, books, periodicals, and other such information materials have access to the postal system at reasonable rates for publisher and subscriber alike. Already, high postal rates and the promise of additional increases in the future have caused some major publications to begin to explore the possibility of abandoning the postal service altogether and to develop their own distribution systems. Unfortunately, newspapers and periodicals with relatively small circulations or specialized readerships do not have this option. For better or worse—and lately it has been the latter—the smaller publications and their rates are tied to the USPS.

Recent postal policies have tended to create a self-reinforcing downward spiral. Higher rates and poorer service lead to lower volume and therefore, to lower revenue. Faced with higher deficits, postal management has tended to respond by raising rates where possible and making even more cuts in service. This, in turn, tends to produce yet lower volume and an even weaker financial picture.

Another area in which shortsighted policy has created major problems—and one which is of particular concern to me—is in the erosion of postal service in rural America. Moves by the USPS to close small post offices and to consolidate rural routes have encountered the strongest resistance from the individuals and communities affected.

In parts of South Dakota and in rural areas across the country, the small post office is a unique institution. For many people, it is the only regular point of contact with the Federal Government and in many communities, it is a popular place for neighbors to meet and to socialize. Because it is often housed in a grocery store or some other small enterprise, the post office also plays an important economic role, attracting business and helping these retailers to remain viable. Without the post office, some merchants might have difficulty staying in business. And if the small stores fail, the small communities themselves will be in jeopardy.

Further, farmers and ranchers are more dependent than most other Americans on a functioning postal system. These days, farming and ranching are sophisticated pursuits, requiring exposure to the most up-to-date information. And in addition, great distances mean that business and personal purchases are often handled by mail. Inevitably, reducing the quality of postal service reduces the attractiveness of rural life for those we count upon to feed the Nation and much of the world. I believe that it is of the highest importance to maintain quality postal service for rural America.

I want to emphasize my strong feeling that lack of accountability is an important source of many of our current postal problems. Before the USPS was created, the Post Office Department, subject as it was to regular congressional oversight had every incentive to be responsive to

citizen concerns and complaints. If the USPS were a private firm, management would have to answer to the stockholders. But as things are, the USPS operates under neither of these constraints. Congressional oversight is ineffective and the ultimate private sector sanction—bankruptcy—cannot, in the end, be permitted to happen where this vital service is concerned.

In these circumstances, USPS officials seem often to have felt free to adopt an arbitrary and highhanded "take it or leave it" attitude toward the public. The incentive to service, in other words, is no longer there and in the end it has proved necessary for the Congress to reassert some element of control over postal operations.

The legislation which Senator MELCHER and I have introduced today will, I believe, provide the legislative vehicle to make the changes that are necessary in the present postal organizational structure—to ultimately make postal operations accountable to the Congress and responsive to the wishes of the American people.

ON THE EVE OF BELGRADE: LEST WE FORGET

Mr. SCHMITT. Mr. President, the month of June marks the anniversary of two tragic events for the Baltic States of Lithuania, Latvia, and Estonia.

On June 15–17, 1940, the Soviet army invaded and occupied these three independent republics. Soon thereafter these tiny countries were forcibly annexed into the Soviet Union, where they remain today as "Soviet Socialist Republics." One year later, on June 14–15, 1941, the U.S.S.R. carried out mass deportations of the Baltic peoples to Siberia as part of the campaign to break the spirit and resistance of these nationalists to Soviet domination.

As every year, these events of over 35 years ago will be commemorated in services held by Baltic-American communities throughout the United States. It is appropriate that we in the Congress remember these tragedies this week, on the eve of the Belgrade Conference.

The valiant struggle of the Lithuanians, Latvians, and Estonians against the tyranny and brutality of their Communist rulers and occupiers is a testimony to the courage and endurance of oppressed people everywhere who fight and have died for liberty and independence.

The experience of the Soviet Union in the Baltic clearly demonstrates that physical force and administrative control are not enough to destroy the spirit of freedom. An annexation of independent nations and societies into a larger government entity can only be successfully achieved with the support and cooperation of the people being incorporated and with the guarantee that their civil liberties, religious freedom, rights to private property, and local laws and customs will be preserved.

At a time when our Government has embarked on a foreign policy crusade for human rights throughout the world, we cannot overlook the widespread crimes against human rights in the Communist world. We must remember the tragic history and status of the Baltic States and pray that they are soon rejoined to the family of free nations.

OLDER AMERICANS AGENDA

Mr. HUMPHREY. Mr. President, last week the National Council of Senior Citizens held a 3-day legislative conference in Washington to discuss their concerns and to establish their legislative priorities.

Their enthusiasm and spirit demonstrated that their expectations are greater now than in a decade. But, they were realistic and down-to-earth about the goals of senior citizens; they seek high quality health care, affordable, adequate housing, and income security.

Older Americans are looking to this administration and this Congress to achieve these aims and to restore dignity to those least able to prosper independently, the elderly and the underprivileged.

I had the pleasure of addressing the representatives to this legislative conference on the last day of their meeting.

Mr. President, I ask unanimous consent that the text of my speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUBERT H. HUMPHREY TO THE NATIONAL COUNCIL OF SENIOR CITIZENS INC.

It is my pleasure to be among my fellow senior citizens. In 1949, at the age of 38, I introduced by first Senate bill in the 81st Congress to improve the quality of the lives of our elderly citizens. My perspective then was quite different from now, having just celebrated my 66th birthday.

But the need was there then, and the need still remains. Much progress has been made, but much more remains to be done. We still do not have a comprehensive national policy on aging. But by the end of this century, there may be over 35 million Americans 65 years of age or older.

America has a dismal record in caring for its aged. Over a century ago, the nation was awakened to a growing population of older citizens, many of whom were physically ill and uncared for. In 1854, Congress responded by setting aside ten million acres of land for use in their care. President Franklin Pierce vetoed this legislation.

From Mr. Pierce's veto until 1935, the federal government did little or nothing to help its elderly. In that year, Congress passed the Social Security Act which provides basic income maintenance for most Americans. In the mid-1960's, through Medicare and Medicaid, the federal government also became responsible for assuring health care for both the aging and the poor.

Looked at historically, this is hardly an impressive record.

There is a pressing need now to assure adequate income; to improve health care and make it more readily available; to expand housing opportunities; to improve social services; to provide employment opportunities and develop a national retirement policy responsive to the needs of older persons; and to develop policies to overcome age discrimination in all areas of our society.

America needs all the talent, experience and wisdom it can muster to achieve a better life for all our citizens. And the elderly need a range of services—not just sufficient income. The elderly must be brought back into the mainstream of national life.

This nation requires not just more money and services, but a profound change of mind and heart. Americans must come to respect and respond with dignity to the just claims of both young and old.

Other generations linked age and maturity. Gray hairs were the sign of growing wisdom. Robert Browning said:

"Grow old along with me
The best is yet to be
The last of life for which the first was made."

Today the emphasis is on youth, not on age and longevity. Ours is the "now" generation. In the country of the young, age becomes a sign of obsolescence, not of maturity.

There are many misconceptions about aging. Old age generally is associated with illness. We constantly need reminding that old age is not a disease.

We find negative attitudes toward aging everywhere. As a consequence, the elderly are becoming a more vocal and civic-minded political force. They are uniting to protect themselves against public indifference.

Organizations such as the National Council of Senior Citizens have given America's senior citizens a public voice. "Senior Power" is a political force to be reckoned with.

Yesterday most of you "fanned out" across Capitol Hill to remind your Senators and Representatives of your needs. I compliment you and I thank you for exercising your Constitutional right to lobby your lawmakers on behalf of all older Americans.

I realize that a trip to this National Legislative Conference is a financial and personal sacrifice for many of you. But I want to assure you that your representatives in Washington appreciate your bringing your concerns to their attention in such a clear and demonstrative fashion.

I believe, as you do, that older Americans should be able to live in dignity, independence and security. I have worked over the years to provide older persons with better nutrition and medical care, with improved access to transportation at reasonable rates, with adequate housing and services for those who are disadvantaged.

As America becomes more aware of the needs of its older citizens, we must redouble our efforts to guarantee their rights in this society.

The last eight years of the Nixon-Ford Administration witnessed some "backsliding" in meeting the needs of older Americans. For eight long years, most of the major programs to help the elderly which had been passed by the Congress were turned back.

It was as though the senior citizens had been exiled from the mainstream of American life—their needs and problems ignored by the Executive Branch of the United States Government.

With the election of President Jimmy Carter, older Americans felt that the long exile had ended. Their feelings of confidence are well-founded. Since January 20, this Administration has moved forward on more fronts to advance the cause of the elderly than did the previous Administration in eight years.

Most important of President Carter's initiatives in this area are his plan to strengthen the Social Security system and his proposal to put an end to skyrocketing health care costs.

In 1935, the House Ways and Means Committee recommended the Social Security system as a means of assuring "support for the aged as a right rather than a public charity, and in amounts which will insure not merely subsistence but some of the comforts of life." We must make this a reality.

President Carter apparently is headed in that direction. His proposal addresses the short- and long-term problems of the Social Security system in a creative and innovative way.

Briefly, the short-term problems are that

the high unemployment of recent years has curtailed Social Security revenues; but benefits have risen with inflation, and since 1975 expenditures have exceeded income. The long-term difficulty is that the Social Security system faces an estimated deficit of 8.2 percent of taxable payroll over the next 75 years.

I will let the expert on this subject, Mr. Califano, provide you with the specific details and the overall goals the President hopes to accomplish in this area.

I applaud the President's initiatives in setting up a study group on national health insurance and in his cost-containment policies.

Health care worries are an anxiety of all Americans, but especially of the elderly.

In the current fiscal year, Americans have spent $160 billion on health care, almost nine percent of the GNP. But this burden is not evenly distributed. Recent figures show that Americans over 65 account for 44 percent of hospital costs, 29 percent of personal health care costs, and 25 percent of prescription costs.

"A lot of Americans would rather die than get seriously sick," declared Business Week. "For millions, going to the hospital means going broke or close to it."

It was precisely for this reason that in 1949 I introduced a bill to make health insurance available under Social Security. It required repeated legislative efforts and a growing public awareness to finally get such a bill enacted into the program we know today as Medicare.

But Medicare and Medicaid are only partial answers to the growing problems of national health. In 1965, before Medicare, public funds paid only 30 percent of the health costs of the elderly, as compared to 61 percent in 1975.

Yet Medicare beneficiaries now pay more—in deductibles and co-insurance—than they did when Medicare was enacted. This is because of rising costs—hospital costs alone have more than quadrupled since 1965.

The burden of out-of-pocket costs and supplemental insurance premiums severely strains limited retirement incomes. But the biggest fear of older Americans is the long, costly illness that would reduce them to penury.

I have long supported national health insurance. I am a cosponsor of Senator Kennedy's proposal, S. 3, which would include catastrophic coverage. But the real impetus to such a national program will be the Administration's proposals.

The details of financing, access to care, coverage, delivery of services and cost must then be worked out in an exchange among Congress, the Executive branch, the general public and health care providers.

In the meantime, we must continue to address serious problems in our present system. Congress must confront the issue of soaring costs and the incidence of fraud.

As you know, there are two major cost containment proposals now under consideration: the Administration proposal to clamp a nine percent lid on hospital revenue increases, and Senator Talmadge's longer-range approach to curbing costs through prospective payments and incentives. There obviously is plenty of room for better management and new methods of health care delivery.

Interim measures may be required to expand Medicare to include outpatient drugs, home health care and catastrophic coverage. One great advantage of national health insurance is that it may permit a better balance among acute, preventive and chronic health care.

But the concerns of older Americans do not stop at improvements in health care and social security income.

Many Americans are both willing and able to work after age 65. I have supported legislation to prohibit age discrimination in employment, and I have urged that meaningful employment opportunities—on both a paid and volunteer basis—be made available so that the skills and experience of our older population can be utilized for the general good of society.

In addition, I support the development of job training programs to prepare women, who for one reason or another, are thrust unprepared into the job market. I have joined in sponsoring the Displaced Homemakers Act of 1977, which would address this problem.

Finally, we need a major effort to understand the increasingly important role of older Americans and to dispel some of the outmoded concepts which continue to exist.

We have a vast, unfinished agenda, including greater access to transportation and recreation and cultural activity, better housing, safe neighborhoods, consumer protection, and continuing educational and employment opportunities.

Centuries ago, the Psalmist cried out:

"Cast me not off in the time of old age; forsake me not when my strength faileth."

The well-being of our American civilization can be measured by our sensitivity to this plea and our recognition of the contributions of older persons in our society.

THE HATCH ACT

Mr. MATHIAS. Mr. President, one of the most significant questions facing the Congress is whether to repeal all or part of the Hatch Act. While I have long advocated a reform of the Hatch Act—specifically as it applies to political activity on the State and local level—I believe the question of complete repeal raises serious issues that deserve the most careful consideration.

In an editorial this morning, the Baltimore Sun addressed some of these issues, and I believe my colleagues will find the Sun's editorial of interest.

Mr. President, I ask unanimous consent that the Baltimore Sun's editorial entitled "The Hatch Act" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE HATCH ACT

The House has passed the first part of President Carter's electoral reform package—the worst part. This is a bill that in effect repeals the Hatch Act, the law adopted to insulate the Civil Service from politics. That 1939 law forbids career federal employees from such partisan political activities as running for elective office managing or helping in a candidate's campaign, holding party office, soliciting funds *or being solicited*.

We emphasize that phrase, because much of the rhetoric of the supporters of the bill amending the Hatch Act deals with giving federal civil servants their rights. But there is no clamor for such rights, because most civil servants prefer to be protected against the "right" of being coerced to support a party or a party's candidate with their time, energy, or money. The greatest concentration of federal servants anywhere is in metropolitan Washington. Two different radio station polls indicated recently that the overwhelming majority of them prefer to stay "Hatched." In one poll the sentiment against changing the act was four to one.

Even more important than the attitude of the career employees who would be affected by this change is that of the general public. Right now the federal government is regarded with distrust by the general public. A recent Gallup Poll showed most Americans believe federal employees are overpaid and underworked. Politicians are held in even lower esteem. If the public is given reason to believe politics now plays a key role in day-to-day operations of the federal bureaucracy faith in the government will sink to close to zero.

PRELIMINARY NOTIFICATION OF PROPOSED ARMS SALES

Mr. HUMPHREY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that two such notifications were received on June 6 and 7, 1977.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, Room S-116 in the Capitol.

MAC BOND SALE AT 7.5 PERCENT SHOWS NEW YORK CITY MAY MAKE IT WITHOUT ANY MORE FEDERAL HELP

Mr. PROXMIRE. Mr. President, I should like to draw the attention of my colleagues to an article appearing on the front page of today's New York Times which gives the clearest evidence to date of the progress New York City has made toward financial recovery and the improving prospects for the city's reentry into the private credit markets.

The article concerns a planned public offering of $250 million in long-term bonds of the Municipal Assistance Corp.—a New York State agency authorized to borrow on behalf of the city. It reports that the offering "was oversubscribed yesterday—even before it was formally made—at an interest rate of 7.5 percent, the lowest ever for long-term MAC securities."

Mr. President, there are several aspects of this MAC bond sale which are most encouraging, when viewed in the light of the financial difficulties both New York City and New York State have experienced in the last couple of years.

First, there is the simple fact that the Municipal Assistance Corp. can sell its bonds at all, and through normal marketing channels. When MAC was established by the State in June of 1975, after the credit markets closed to New York City, it was authorized to borrow up to $3 billion, with the backing of the city's sales and stock transfer tax revenues as security for investors. Nonetheless, by

August of that year, MAC had already succumbed to the contagion surrounding New York City and was unable to market its bonds, even at the hitherto unheard-of tax-free-interest rate of 11 percent. As recently as this April, when MAC planned an exchange offer for some of the city notes that had been under moratorium, the corporation could not persuade anyone to underwrite the bonds and had to go to market on its own—at a stiff 9.75-percent-interest rate.

Thus, the fact that there is an orderly underwriting of $250 million in 18-year MAC bonds, and a sellout crowd before the doors even open, is very welcome news.

Second, there is the 7.5-percent-interest rate. This is a remarkable improvement over the 10.25 percent paid on the last MAC offering to the public, which took place in November 1976, shortly after the Presidential election. While 7.5 percent is still high for a tax-exempt bond, it means the MAC issues now fall within the range of the regular municipal bond market, which is currently very strong. This is very tangible, dollars-and-cents evidence of steadily increasing investor confidence in New York State and New York City.

Third, it is important to note that the underwriting syndicate handling the MAC bond offering includes significant representation of out-of-State banks as well as New York banks. The California-based Bank of America, the largest bank in the country, is one of the managers of the underwriting, and the syndicate includes several other non-New York banks as well. This out-of-State participation is not only another indication of improved investor confidence; it is also a vital prerequisite to New York City full reentry into the municipal bond market, since the total volume of the city's borrowing needs is far greater than in-State banks alone can handle.

Fourth, the article reports that the success of the new MAC offering and the lower interest rate can be attributed in part to three recent court decisions, "two of which strengthened the rights of bondholders and one of which upheld the legality of MAC." The first two rulings should aid the prospects for future offering of new city bonds as well. The first was the State Court of Appeals decision last November which held that the moratorium on some $2.4 billion in short-term New York City notes—subsequently reduced to about $1 billion—enacted by the State legislature in late 1975 was unconstitutional. This decision reinforced the "faith and credit" pledge on both New York State and city bonds, and it underscored the traditional right of investors to be repaid through a first lien on revenues. The second decision, handed down by the U.S. Supreme Court in April, held that State legislatures cannot alter the terms of a bond after the fact, in ruling against an attempt by New Jersey to nullify a covenant written into 1962 bonds issued by the Port of New York Authority.

Looking beyond these immediate points, it must also be recognized that the substantial progress made by New York City, with accompanying efforts by the State, over the past 2 years is a major factor in the improved investor confidence demonstrated by the success of the current MAC bond offering.

Contrary to the many dire predictions, New York City has come a long way on the hard road to financial recovery. The mayor and city officials have made about $600 million in annualized budget cuts over the past 2 years, taken 60,000 employees off the city payroll, and produced a fiscal year 1978 budget which is balanced under the requirements in State law. While I might question some of the features of that budget, there is no question that it represents a remarkable achievement under the most difficult of circumstances.

The Governor and the various State officials have also played a key role, by throwing the resources of the State behind the effort to shore up New York City, and by working hard at the State level to produce a balanced budget and restore the financial condition of the State's former "moral obligation" agencies. The extent of the State's recovery is reflected in the fact that it was able to do close to $4 billion in short-term borrowing this spring at an interest rate of 4.5 percent, whereas last year it carried out a similar borrowing with great difficulty at a burdensome rate of 7 percent.

Mr. President, the Congress and the Nation have a direct interest in what happens with the market for New York City-related securities. Because of the fact that 2 years ago the market closed to anything with New York's name on it, for many good reasons, the U.S. Treasury now provides short-term loans of up to $2.3 billion a year to New York City to cover seasonal shortfalls in revenues that other cities meet through lower-cost borrowing in the private markets. The Federal loan program is scheduled to expire on June 30, 1978, at the end of the city's upcoming fiscal year. At that time, New York City is supposed to be able to cover all of its borrowing needs in the private markets.

The success of the MAC bond offering does not prove that New York City can reenter the credit markets with equal success, since there are important distinctions between MAC bonds and a prospective city bond. Nonetheless, this is an excellent sign that the market psychology is shifting in New York's favor.

Under the credit agreement with the Treasury, pursuant to the Seasonal Financing Act, New York City is required to "use its best efforts on and after July 1, 1977," to meet its short-term borrowing needs in the private market, without resorting to Federal loans. The Banking Committee, of which I am chairman, has urged strongly that the Secretary of the Treasury implement this requirement and force the city to "test the waters" to the fullest extent possible in the coming fiscal year, in hope that it will be back in the market completely after June 30, 1978. I understand from Secretary Blumenthal that he does intend to interpret this requirement literally and to require the city to do some private borrowing as soon as possible after July 1.

In sum, Mr. President, I welcome, I think we should all welcome, these signs of improvement in New York City's financial condition and in the way the bond market views New York. It is in the interests of all concerned to do everything possible to end the Federal loan program by June 30, 1978, and get New York City back in the private market.

Mr. President, I ask unanimous consent that the New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAC SPEEDILY SELLS $250 MILLION IN BONDS AT LOW 7.5 PERCENT INTEREST

(By Lee Dembart)

A public offering of $250 million in Municipal Assistance Corporation bonds for New York City was oversubscribed yesterday—even before it was formally made—at an interest rate of 7.5 percent, the lowest ever for long-term M.A.C. securities.

An underwriting syndicate of 15 banks and brokerage houses, headed by Salomon Brothers, was to report to the M.A.C. board of directors this afternoon, when the board will make the offering and the interest rate official.

The last time M.A.C. bonds were offered to the public was early last November, when they brought 10.25 percent. Analysts yesterday attributed the sharp drop in the interest rate in part to increased investor confidence in the state and the city. More important, they said, were three recent court decisions, two of which strengthened the rights of bondholders and one of which upheld the legality of the M.A.C.

A STUNNING REVERSAL

But it was clear that the trend to lower interest rates on the tax-free securities and the speed with which they were subscribed constituted a stunning reversal from a year or two ago, when interest rates were high and the bonds still were not attractive to investors.

Bond analysts said that the general strength of the tax-free municipal bond market had helped the latest M.A.C. offering. But they added that the fact that the bond market had an effect on New York City bonds was yet another sign of the renewed investor confidence in the city.

Until recently, the analysts said, M.A.C. bonds were considered so unique and their interest rates were so high that they were not influenced by the general market. Now that M.A.C. interest rates have come closer to all tax-free municipals, they can be helped by the state of the market, which is strong.

Persons close to the M.A.C. and to the underwriting syndicate, who did not want to be identified yesterday because no formal action had yet been taken, were close to ecstatic about the 7.5 percent interest rate, which they called "spectacular."

The interest rate on the M.A.C. bonds was a subject of speculation on Wall Street all of last week. At the beginning of the week, it was generally thought that they would go for 8 percent.

But by the end of the week, the talk was of 7.775 to 7.875.

BUYER RESPONSE ENTHUSIASTIC

Yesterday morning the underwriters met and decided to offer them to the market at 7.5. The response was enthusiastic.

The $250 million offering was designed to help raise $500 million that New York City needs to meet operating expenses this month. When it is approved today, it will consist of 18-year so-called first resolution bonds, meaning that they are backed by the city's sales and stock-transfer taxes.

M.A.C. approval of the offering is planned

today instead of tomorrow, as originally scheduled, because the issue sold out so rapidly.

A senior official of the M.A.C. said that if New York State were to offer 18-year bonds at this time, they would probably go for 6 to 6.5 percent, indicating that while the city was not on the same solid footing as the state in the mind of the investing public, it was well on its way to getting there. This official said it would be "easy" for the city "to finance now."

The last public offering of M.A.C. bonds at 10.25 percent was made just before one of the key court decisions that analysts credited yesterday with helping to lower the interest rate. That was the moratorium decision, in which the Court of Appeals held that the city could not renege on its obligations to its creditors.

BOND CONTRACTS UPHELD

In April, bondholders scored another victory when the United States Supreme Court held that New Jersey could not alter a covenant written into 1962 bonds issued by the Port of New York Authority.

The moratorium decision and the Port Authority decision upheld the sanctity of contracts—in these cases the contract between a borrower and a lender—as expressed in the bond.

The third court decision that strengthened investor confidence in the M.A.C. bonds and helped lower their interest rate was the April ruling by the Court of Appeals that the Municipal Assistance Corporation itself was legal, as was the assigning of New York City sales-tax revenue to pay off its debts.

Since the last public offering, the M.A.C. made an offering of so-called second-resolution bonds—which are backed by per-capita state aid that is due the city—in exchange for city notes. Those bonds brought an interest rate of 9.75 percent.

Allowing for 0.5 percent as the difference between the first-resolution and the second-resolution bonds, the rate for equivalent first-resolution bonds would have been 9.25 percent, further underlining the significance of the 7.5 percent on the newest round.

THE ADVANCEMENT OF HUMAN RIGHTS BY THE REPUBLIC OF CHINA ON TAIWAN

Mr. GOLDWATER. Mr. President, today the House Subcommittee on International Organizations held a hearing on the human rights situation in the Republic of China. In order to help provide the committee with some historical perspective on the subject, I suggested in a written statement presented to the committee that it bear certain points in mind that are directly relevant to its inquiry.

First, I believe it is obvious that we, as Americans, cannot expect a society which has enjoyed democratic institutions for less than a century to be exactly on the same level with the United States, where we have had 200 years of independence and another century or so of life under British law to develop our advanced form of democracy and freedom. We must recall that it was only in 1911 that the Chinese were able to overthrow some 4,000 years of history of rule by emperors and start upon their efforts at establishing a republic.

Second, I asked the committee to measure its examination of human rights in the Republic of China against the alternative choice of government offered by the People's Republic of China. Since the two Chinese governments are in direct competition with each other for the allegiance of the Chinese people, it is only fair and reasonable that a comparison must be made between the situation existing in the two societies or the study of the committee will be incomplete.

Third, I suggested that it is very important for the committee to give due recognition to the fact that the legal system of the Republic of China is modeled much more after the system of the civil law countries of Western Europe than the Anglo-American common law system with which we are familiar. Several differences between U.S. law and Chinese law, such as the absence of trial by jury, do not stem from any lack of devotion to human rights in the Republic of China, but are copied from modern continental European legal practices.

Mr. President, with these considerations in mind, I am confident the House subcommittee will find conclusively that there is at present an extensive range of human rights provided in the Republic of China and that there is a continuous, ongoing process of strengthening these safeguards.

The panel may be able to identify some isolated instances of abuses, just as any close observer of American society will uncover such abuses in the United States. Humankind has not yet reached the state of perfection.

What is important, however, is whether any cases of illegality represent a systematic policy of the government or society or are not truly representative of general practices. Certainly, on this practical test, the United States stands head and heels above every society in the world in the entire history of civilization; and similarly, when judged by the same realistic standard, the Republic of China on Taiwan clearly demonstrates its adherence to the nations of the world which provide and protect their citizens' rights.

Mr. President, the text of my statement includes a detailed discussion of the legal system in the Republic of China which has been updated for me by my staff from the most recent translations of Chinese statute and case law available in the Library of Congress. In order that my colleagues may have available the point-by-point comparison of the safeguarding of human rights in the Republic of China with the guarantee of those rights under the U.S. Constitution, I ask unanimous consent that my statement on law in the Republic of China may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BARRY GOLDWATER OF ARIZONA FOR THE HOUSE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS, JUNE 14, 1977

THE ADVANCEMENT OF HUMAN RIGHTS BY THE REPUBLIC OF CHINA ON TAIWAN

Mr. Chairman, I am pleased the Committee is conducting a hearing into the matter of human rights available to citizens of the Republic of China on Taiwan. I am confident that a thorough investigation by the Committee will disclose the fact that the Chinese people living in the Republic of China enjoy a wide variety of human rights.

In fact, I believe any objective and complete study will show that the Republic of China has modeled itself in many ways after the American form of government, our concept of human liberties and our system of free enterprise.

Mr. Chairman, in making your study, I hope that you will keep four points in mind. These will give your hearings the proper perspective.

First, I hope due recognition will be given to the fact that democratic institutions have not had as long a time to develop as in the United States. It was only in 1911 that the Chinese people were able to overthrow some 4,000 years of imperial rule and embark upon their efforts at establishing a republic.

During this span of 66 years, progress towards creation of a democratic and free society has been interrupted severely by warlordism, foreign invasion and then the Communist insurrection. It is impossible to set in place a complete, Western-type democracy immediately in these circumstances.

Second, I ask that practices and activities in the Republic of China be measured with realistic standards and not be tested against pure, abstract concepts which are not adhered to universally in the United States. In other words, I am saying that your hearing may be able to turn up some actions which do not meet the highest standards of Twentieth Century morality. The same would be true of any close investigation made of practices in the United States.

The important thing is not what happened in a few isolated incidents, but rather what is the general rule and what is the official policy.

Third, I suggest that the Committee weigh its examination of human rights in the Republic of China against the alternative choice of government offered by the People's Republic of China. Since the two Chinese governments are in direct competition with each other for the allegiance of the Chinese people, some comparison must be made between the situation existing among the Chinese living in the Republic of China and those living on the China Mainland or the report of your findings will be incomplete.

Fourth, it is very important that the Committee give adequate recognition to the fact that the legal system of the Republic of China resembles the civil law countries of Western Europe much more than it does the Anglo-American common law system to which we are accustomed.

Several differences between United States law and Chinese law, such as the absence of trial by jury, do not stem from any lack of devotion to human rights in the Republic of China, but are copied from Continental European legal practices. These differences, and there are several of them, in no way reflect an indifference to human rights and are merely differences between modern European law and modern American law. Unless the Committee is very careful to know when it is examining a legal doctrine or method which is part of the civil law system instead of the common law system, it may inadvertently mistake for backwardness or a lack of perfection what is in reality a modern system of procedure based upon the code of the civil law countries of Western Europe.

I. CONTRAST WITH COMMUNIST CHINA

Mr. Chairman, the true extent to which human rights are granted and safeguarded by the Republic of China can be more easily seen when contrasted with the denial of all recognized civil liberties by the People's Republic of China. It is no exaggeration to say that hundreds of millions of human beings are being enslaved under inhuman conditions on the China Mainland by the Communist government. The Chinese Communists have openly suppressed religion across the most heavily populated area of the world. For all practicable purposes, Christianity, Buddhism, indeed all open profession of faith in a Divine

and a good Supreme Being has been abolished by the Communists.

Priests and clergy have been brutally tortured and exterminated, symbols of goodness are banned and the mere possession of a cross can give cause for criminal punishment. In contrast, there are over 5,000 operating churches, temples and mosques on Taiwan. Religion is entirely free. Churches and temples can be built, religious schools and hospitals can be operated. Religions can broadcast over the radio and television and seek converts. In Taiwan, there are 775 Christian kindergartens and primary and secondary schools and 7 Christian colleges and universities. In Communist China, there are none.

On the Mainland of China, persons are educated to believe that individual freedom is a selfish indulgence. One is taught to submit his will to the dictates of the party rulers. Indoctrination is the hallmark of education. Political reliability, not personal skill, is the criteria for advancement.

In contrast, the Republic of China has more school students per 1,000 population than any other country in the world. The number of college students on Taiwan is equal to that of the entire Chinese Mainland.

Students are free to choose their own fields of specialization and are free to go abroad for advance study.

The Communist Chinese Regime accomplished a type of agrarian reform, by executing several millions of landowners. In contrast, the U.S. General Accounting Office has singled out the Republic of China for the success of its agricultural reform methods.

The GAO, in an official report issued last year, concluded that the Republic of China has maintained an average agricultural growth rate far above that achieved by any other developing nation. The report complimented the Republic of China for demonstrating that a country can successfully increase its food production by adopting the private enterprise method of providing rewards for initiative and hard work. The GAO report concluded by noting that the benefits of agricultural reform in the Republic of China have been spread among all farmers and not just to a few.

Mr. Chairman, you might also take note of the mass public trials that occurred under the so-called Communist legal system in 1951 at which at least two million political prisoners were executed. To these murders, you might also add the many reports by objective observers that the Communist Chinese have exterminated 50 to 60 million people during the first quarter century of their rule on the Mainland.

In judging the so-called "dignity" which the Communist regime is claimed to have given the Chinese people on the Mainland, you might also make note of the Communist practice of plowing up graves in an attack on the traditional veneration of ancestors. You might also make a study of the 30 million or so innocent Chinese people who are serving sentences today as political prisoners in "Reform Through Labor" and "Education Through Labor Camps," which are nothing other than slave labor camps.

To complete your study of the comparison among the competing Chinese political systems, you should note the absence of any independent judiciary, any right to travel, any free elections and any free press in the People's Republic of China.

There truly is no comparison between the utterly alien practices of the People's Republic of China and the progress of human freedom that has occurred on Taiwan under the Republic of China.

In Taiwan, there are 31 daily newspapers and 1,400 magazines which compete with 3 national television channels for the attention of audiences.

Newspapers are free to criticize the government and do. The only important limitation on press freedom is an emergency regulation against advocating Communism or the overthrow of the government by force and violence. Citizens of the Republic of China are free to travel anywhere in Taiwan or the Pescadores without permits and without requesting permission of any kind.

The Constitution of the Republic of China sets forth a complete system of elections from the level of the National Assembly and President down to the county and municipality. Although the separation from the Mainland makes true national elections impossible, they are held in as nearly representatives a form as possible for National Assembly, Legislative Yuan and Control Yuan Members.

Elections are by secret ballot. The franchise is extended to all at age 20, except for those who have been convicted of a felony.

In practice, the Nationalist party holds a majority in the more important elective bodies. But there are also elected members of other parties, plus a sizable number of independents.

Women are assured of 10% of the representation in elective bodies. Aborigines are guaranteed seats in proportion to their members.

No consideration of human rights in the Republic of China would be complete without recognition of the widespread economic development of the Chinese people on Taiwan. For if people are able to afford their own house, to be better clothed, to have the right and availability of work of one's own choice, and to be fed well, then major progress is being made in the advancement of human rights.

Mr. Chairman, objective visitors to Taiwan are uniform in applauding the tremendous advances in human welfare that are occurring on the island. In fact, a new study published by Oxford University Press finds the Republic of China to be "one of only few developing countries to have achieved both high growth and improved distribution of income." In support of this finding, an article in The New York Times of April 2, 1977, documents the great opportunities which ordinary citizens of the Republic of China have to advance their economic situation rapidly. Freedom from want must surely be put high on the list of human rights which the Republic of China has provided to its citizens.

II. LEGAL SYSTEM OF THE REPUBLIC OF CHINA

There is a proud and independent judicial system in the Republic of China having jurisdiction over both civil and criminal cases.

Rule under law and according to law is the general practice. As mentioned above, the modern Chinese system of criminal law and procedure of the Republic is modeled after the civil law systems of Western Europe. It is inquisitorial in the sense that proceedings are conducted first by a procurator with semi-judicial powers and then by a Court with an investigative function rather than as an adversary system between opposing counsel. Also, like the civil law countries, the Republic of China is without a jury system and the more extensive rules of evidence that apply in our common law system.

Under Chinese law in the Republic, as in other civil law countries, the court itself investigates into the truth and determines the value of evidence. Like a civil law court, a court in the Republic places great reliance upon documentary evidence which is the product of preliminary investigations, reports and depositions of witnesses and experts.

All the above procedures, however, are an adaptation of the code systems of continental Europe. The fact that the Republic of China has not adopted wholesale all American legal concepts and instead has chosen to select some procedures from the civil law must not be held against her.

What should be noticed is that the Republic of China is rapidly moving closer towards the American system. In fact, primarily due to the influence of its growing contacts with the United States, the Republic amended its Code of Criminal Procedure effective on January 28, 1967.

A striking feature of the new Code is its adoption of several rules of criminal procedure definitely of American origin. These procedures were established with the specific purpose of enhancing the protection of personal rights and feedoms. For example, an entire chapter XII was added to the Code restricting the admission of certain evidence harmful to the defendant.

The willingness of the Republic of China to reform its basic criminal system in order to bring it closer into line with honored American values should receive special attention from the Committee. What is important is the direction in which a country is moving in the area of human rights. The Republic of China on Taiwan is clearly moving towards the model of the United States, unlike the People's Republic of China which is dropping all pretense of operating under any Codes of Law or legal procedures.

With the above considerations in mind, I will now review the means by which human rights are safeguarded by the criminal law system of the Republic of China.

The following summary will reveal that all 21 of the rights considered most basic to American jurisprudence are granted by the law of the Republic of China. Eighteen of the rights are specifically and fully secured by law; three rights are qualified only by reason of the difference between civil and common law countries.

No similar analysis can be made of the legal procedure of the People's Republic of China since no current collection of laws and decrees, nor published cases, have appeared there, or been made available to foreigners, since 1964.

There are several references in the following analysis to the country law study relative to the Republic of China prepared under the direction of the Judge Advocate General of the U.S. Army, dated July 1959. The study was made in the interest of safeguarding the rights of U.S. personnel located in Taiwan, and it may reasonably be assumed that the findings contained therein are fair and objective, with any doubts of interpretation having been resolved against the foreign legal system in order to ensure U.S. personnel a fair trial.

1. The Right That a Criminal Statute Must Be Specific and Free of Vagueness.

According to the Army JAG study of 1959, each of the 257 articles of Part Two of the Chinese Criminal Code of the Republic specifies the elements of a single crime in detail comparable to the statutory definitions of similar offenses in the United States.

2. The Right to Protection Against *Ex Post Facto* Laws.

Article 1 of the Criminal Code of the Republic of China clearly provides that an act is punishable "only if expressly so provided by the law in force at the time of its commission." Article 2 contains additional safeguards from increased penalties or altered rules of evidence.

3. The Right to Protection Against Bills of Attainder.

Article 8 of the Constitution of the Republic of China expressly prohibits legislative bills of attainder inflicting punishment without the common forms and safeguards of trial. Trial by legislature is precluded in fact as well as by law in the Republic.

4. The Right to be Informed of the Nature and Cause of the Charges Against the Accused.

Article 8 of the Constitution of the Republic of China specifically requires that the accused shall be informed in writing of the grounds for his arrest or detention. Several articles of the Code of Criminal Procedure

secure this right, including articles 71, 77, 79, 85, 95, 102 and 264.

5. The Right to Bail.

Article 110 of the Code of Criminal Procedure provides that an accused or his representative may at any time apply for release on bond or suspension of his detention. Articles 111 through 115 and 120 provide additional authority for release on bond.

The 1959 Army JAG study concluded that the right to bail "is provided by Chinese law."

6. The Right of Habeas Corpus.

Articles 93, 107, 108, 110, 111, 114, 115 and 120 of the Code of Criminal Procedure provide ample authority to release an accused person. The Army JAG study concluded that the equivalent of our privilege of the writ of habeas corpus "is provided by the law of the Republic of China."

7. The Right to a Speedy Trial.

Tho Army JAG study concluded "that this right is substantially protected in proceedings under the Code of Criminal Procedure. . . ."

Article 8 of the Constitution of the Republic of China provides that an arrested person must be turned over by the police to a procurator, a semi-judicial official under the civil law, within 24 hours of the arrest. After that time, a person may be held in a court detention-house only by a writ of detention for the purpose of investigation by the procurator. The investigation must be started immediately.

No statutory limits are put on the duration of the investigation, but detention of an accused is limited by article 108 of the Code of Criminal Procedure to 4 months during the investigation, unless release on bond or otherwise is granted sooner.

8. The Right of An Accused to Have the Assistance of Counsel of His Own Choice for His defense.

Similar to the civil law countries, article 27 of the Code of Criminal Procedure of the Republic of China secures the right to employ counsel after the initiation of prosecution, but not during the procurator's investigation.

"II. If a witness or export witness is summoned on application of a party concerned, such witness shall be first cross-examined by such party or his advocate, then cross-examined by the opposing party or his advocate. . . ."

Also, Article 276 provides:

"A party and an advocate may be present at an examination of a witness, expert witness, or interpreter."

Article 248 (I) states that if the accused is present when a witness is questioned, he may ask questions.

However, article 169 appears to make the above provisions discretionary with the court. It provides that if a Presiding Judge foresees that a witness will not freely state what he knows in the presence of the accused, he may order the accused to leave the Court. When the testimony is concluded, he shall be brought back and the important points shall be related to him.

11. The Right of An Accused to Have Compulsory Process for Obtaining Witnesses in His Favor.

Article 2, 274 and 275 of the Code of Criminal Procedure provide ample authority for an accused to have witnesses summoned in his favor.

12. The Right of a Presumption of Innocense Until Proven Guilty.

Although criminal proceedings in the Republic of China are adapted from those in civil law countries and therefore are not adversary proceedings, article 301 (I) of the Code of Criminal Procedure requires that the Court must give a verdict of "Not Guilty" if the proceedings do not prove the defendant's guilt.

13. The Right to be Tried By an Impartial Court.

As the Republic of China is still basically a civil law country, there is no right of trial by jury. However, there is express provision in Article 8 of the Constitution of the Republic that "no person shall be tried or punished otherwise than by a law court."

Articles 80 and 81 of the Constitution guarantee that judges shall be impartial and independent of any other branch of the government.

Articles 17 through 24 of the Code of Criminal Procedure all provide various means for obtaining the withdrawal of judges who may have a personal interest in a case or otherwise be prejudiced. Thus, the right to trial by an impartial court is adequately safeguarded in the Republic.

14. The Right Against Use of Involuntary Confession.

Article 98 of the Code of Criminal Procedure provides that "no violence, threat, inducement, fraud, or other improper means [of examination] shall be used."

In Decision No. 1457 (1940), the Supreme Court of the Republic of China held:

"The confession of an accused . . . if it is obtained by violence, threats, inducement, fraud, or other improper means, has lost its evidentiary value and may not be used as evidence, without regard to whether it corresponds to the facts."

Based on this clear ruling, the Army JAG study concludes the Supreme Court of the Republic of China "would invalidate a conviction obtained through use of an involuntary confession."

Moreover, one of the basic changes made in the 1967 Code involves the right against use of an involuntary confession. Articles 98 and 156 expressly provide that any confession, *without corroborating evidence*, cannot be used as the sole evidence against an accused for purposes of an indictment or a conviction.

15. The Right to Be Secure Against An Unreasonable Search or Seizure.

Article 128 of the Code of Criminal Procedure requires that police must secure a search warrant from the procurator prior to searching the person or property of a suspect or seizing his property.

Articles 122(II), 146, and 150 include additional restrictions on searches and seizures.

If police officers do conduct an illegal search which fails to turn up incriminating evidence, the innocent individual is allowed to bring a civil suit against the police charging them with trespass and infringement of personal freedom.

However, if the police discover incriminating evidence during an illegal search which proves the person is not innocent, there is no restriction upon the admissibility of the evidence.

Following the Continental system more than the American one, the law of the Republic of China focuses on the guilt or innocence of the accused rather than on the illegality of the police conduct. But the police are always subject to being held responsible for their illegal conduct under Article 184 of the Civil Code.

Also, under the Supervisory Law of July 17, 1948, as amended on August 28, 1967, the Control Yuan can take corrective measures disciplining police officers for malfeasance.

16. The Right Against Self-Incrimination.

The Army JAG study of 1959 reported that under the law of the Republic of China "the accused does not have the duty to make self-incriminating statements and the judge or procurator does not have the right to make him speak."

In fact, the study notes that "an accused may not be punished for perjury . . ." Thus, "the accused not only enjoys the privilege against self-incrimination but also the privilege to make unpunishable false statements."

In summary, the study concluded "the privilege of a witness to avoid self-incrimination is as broad as in the United States and in addition he possesses an extensive privilege to avoid incriminating others."

17. The Right to An Interpreter.

The Republic of China has long extended a right comparable to the developing American right of a bi-lingual trial. Articles 211, 274, and 275 of the Code of Criminal Procedure make ample provision for the use of interpreters whenever needed. Articles 50 and 75 of the Law of Organization of the Court also completely satisfy this right.

18. The Right of an Accused to a Public Trial.

Article 65 of the Law of Organization of the Court requires that a trial be held in open court.

Furthermore, an open trial in public is the usual practice actually followed in cases under the Criminal Code. Rare exceptions exist, such as in certain cases involving national security secrets, where the judge is authorized to hold closed trials, but these are the exception and not the rule.

When a case is held *in camera*, article 68 of the above law requires that the Presiding Judge shall announce the reasons therefore. The Court's decision is then made subject to review by article 379(3) of the Code of Criminal Procedure which provides, upon appeal, that a judgment is "on its face contrary to law" if the trial "was held *in camera* contrary to provisions of law."

19. The Right to Be Free of Cruel and Unusual Punishments.

The Army JAG study concluded that this right "is adequately safeguarded under present law. . . ."

The pertinent provisions of the Criminal Code relating to types of punishment are found in articles 32 through 36, and in Chapters VI and VII. Articles 1, 466, 467, 468, and 469 and 471 of the Code of Criminal Procedure also relate to punishment and restrict it to modern norms.

It should be noted that far from imposing cruel and unusual punishment, the enlightened law of the Republic of China places great emphasis upon reformation of the wrongdoer.

The Criminal Code permits suspension of punishment and conditional release on fairly easy terms. Article 77 provides that when a person shows evidence of repentance, he may, after serving only 10 years of a life sentence or half the term for lesser offenses, be granted conditional release.

Article 57 of the Code requires a judge to consider not only the crime but the nature of the defendant and all extenuating circumstances that may have prompted the act.

20. The Right to Be Protected Against Double Jeopardy.

Under articles 252(1) and 303(2) of the Code of Criminal Procedure of the Republic of China, once a final judgment has been given in a case, a procurator may not again bring a prosecution and a Court must pronounce a judgment of "Exempt from prosecution."

Similar to civil law countries, the Republic of China does allow appeals by the prosecution for such reasons as prejudicial error. However, such appeals seeking a reversal and retrial have been held by the U.S. Supreme Court not to be the type of double jeopardy covered by our Fifth Amendment. *Palko* v. *Connecticut*, 302 U.S. 319 (1937).

21. The Right of Appeal.

Part III, including articles 344 through 402, of the Code of Criminal Procedure of the Republic of China grants extensive rights to an accused to appeal from a trial court to the High Court and then to the Supreme Court.

Part IV, including articles 403 through 419, of the Code provide a right to make interlocutory appeals from rulings of a Court.

Articles 420 through 440 provide for retrial of a case in the same court after final judgment.

In summary, the right of appeal is amply safeguarded under the law of the Republic of China.

III. MARTIAL LAW

United States Practice

When the Nationalist Chinese Government moved to the island and province of Taiwan in 1949, following the Communist seizure of the mainland, a general state of siege was proclaimed in order to secure the area from a Communist take-over. This proclamation carried with it the application of martial law in the area still under Nationalist jurisdiction.

The necessity for enforcement of a limited form of martial law during the continuation of a civil war against the legal government should be understandable to the people of the United States which experienced its own rebellion a century ago. At a time when the United States had to exert its naval and military powers to the fullest in order to save the government and union from destruction, President Lincoln and the U.S. Congress did not flinch from asserting extraordinary powers over the affairs and property of persons living in the loyal United States.

We should recall that an extensive system of military law was made applicable *in loyal States* by the U.S. Government during the Civil War. Military authorities possessed the power to arrest and try individuals in loyal territory who were committing, or who entertained the will and intention to commit, hostile acts against the government. Persons suspected of being spies or agents of the Confederacy, or of supplying arms and ammunition to the rebels, were subject to military arrest.

In March of 1863, Congress actually authorized President Lincoln to suspend the unit of habeas corpus and legalized his past actions of military arrests. For two years, Lincoln had suspended the writ of his own accord, and had made arrests without warrant, holding the suspect as long as he pleased, not only without express authority but in direct opposition to a ruling by U.S. Supreme Court Chief Justice Taney in *Ex parte Merryman*, Fed. Cases no. 9487 (1861).

Also, we might notice that in August of 1861, Postmaster General Blair ordered certain New York and Brooklyn newspapers excluded from the mails. In addition, the Baltimore Transcript, Metropolitan Record, Cincinnati Enquirer and Chicago Times were suppressed temporarily by the U.S. military. The New York World and the Journal of Commerce were seized and suppressed for three days in May of 1864 under orders of President Lincoln.

News control revived in the United States with the onset of World War I. By Executive Order of April 14, 1917, President Wilson created a governmental Committee on Public Information which operated a system of "voluntary" censorship and propaganda. By Executive Order of April 28, 1917, President Wilson established a rigid censorship over telephone, telegraph and cable messages sent to or received from points outside the United States.

The Espionage Act of 1917 provided additional sweeping controls over the press and free expression in the United States. As amended in 1918, this law made it a penal offense to hinder the success of the war effort of the United States or assist the enemy by making false reports, by inciting or attempting to incite disloyalty or mutiny, or by obstructing recruitment and enlistment. It also made it a crime to "willfully utter, print, write, or publish any disloyal, profane, scurrilous, or abusive language about the form of government . . . , or the Constitution . . . , or the uniform of the Army and Navy of the United States," or to use any language intended to bring into "contempt, scorn . . . or disrespect."

Other provisions of the U.S. Espionage Act declared nonmailable every publication "containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States."

Postmaster General Burleson publicly announced on October 9, 1917, that "if newspapers go so far as to impugn the motives of the Government and thus encourage insubordination, they will be dealt with severely. For instance, papers may not say that the Government is controlled by Wall Street or munition manufacturers, or any other special interests. We will not permit the publication or circulation of anything hampering the war's prosecution or attacking improperly our allies."

When viewed in the context of crises affecting our own country and compared with our own response to those crises, we should not find it surprising that the Republic of China found it necessary to institute a limited system of martial law, and to adopt a few statutes which read word for word as if they were taken from some of the above mentioned United States laws, during the struggle for its very survival. What may be surprising is the very limited extent to which martial law has actually been used.

Limitations on martial law

Above all else, the Committee will learn that martial law is *not* an umbrella for suppressing civil dissidence in the Republic of China. In fact, at the present, there are only 236 persons serving prison terms who have been convicted of espionage or other national security offenses. Only one has been sentenced to death. Of the others, most received sentences of less than 10 years.

Actually, martial law is strictly limited in its application to civilians. Non-military personnel are subject to military trial only if they commit one of three types of crimes: sedition and espionage; theft or unauthorized sales or purchase of military equipment and supplies; or stealing or damaging public communication equipment and facilities.

These restrictions upon the enforcement of military law are expressly provided and required by Article 2 of the law known as "Measures Governing the Classification of Cases to Be Tried by the Military Judicial Organs Themselves and Those Which Are To Be Turned Over to the Courts In the Region of Taiwan During the Period of Martial Law."

The "Measures" were first promulgated by the Executive Yuan of the Republic of China on May 10, 1952, and were most recently revised and promulgated on September 4, 1967. Any consideration of Martial Law in the Republic of China which fails to take account of the above "Measures" is without validity.

In actual practice, only 130 criminal cases involving civilians were tried by military court in 1976. This number represents less than one percent, a mere 0.29 percent, of the total of 44,818 criminal cases held in the Republic of China last year!

Rules of procedure in military court

The rules of procedure governing trial by military court in the Republic of China are set forth in the Military Trial Law. They are largely similar to those in the Code of Criminal Procedure and, in fact, many provisions of the latter code are applicable in military courts.

According to the Military Trial Law and applicable rules of the Code of Criminal Procedure, an accused, during the investigation period and trial, is entitled to the following principal protections:

(1) A person cannot be arrested without a warrant unless in *flagrante delicto*. (Article 88 of the Code of Criminal Procedure.)

(2) One who has no authority to investigate an offense and who arrests without a warrant a person in *flagrante delicto* shall immediately hand such person over to a procurator or a judicial police officer. (Article 92 of the Code of Criminal Procedure.)

(3) If an accused believes a military procurator or judge is subject to possible prejudice, he may request the withdrawal of the procurator or judge. (Articles 68, 69 of the Military Trial Law)

(4) No violence, threats, inducements fraud or other improper means may be employed during interrogation of an accused (Article 109 of the Military Trial Law)

(5) a. During detention, an accused may receive family members, closest relatives and lawyers. (Articles 23, 24 of the Detention Law)

b. An accused, while in the house of detention, may bring along his own food and other daily necessities in addition to the allotted military-like food provisions to which he is entitled. (Articles 20, 21 of the Detention Law)

c. An accused may send mail out and have his requests forwarded to the judge or prosecutor. (Articles 28, 29 of the Detention Law)

(6) When the person, property, dwelling house or other premises of an accused is searched, a search warrant issued by a procurator or judge is needed. In addition, the search shall be held secret and attention shall be paid to the reputation of the searched. Things which cannot be used as evidence must not be attached. (Articles 122, 124, 128, 133 of the Code of Criminal Procedure)

(7) An accused should not be arrested or detained unless:

(a) He has no fixed domicile or residence.

(b) He has absconded or if there are sufficient existing facts to justify an apprehension that he may abscond.

(c) There are sufficient existing facts to justify an apprehension that he may destroy, forge, or alter evidence, or conspire with a co-offender or witness.

(d) He has committed an offense punishable with death, life imprisonment, or with a minimum principal punishment of imprisonment for not less than five years. (Articles 76, 101 of the Code of Criminal Procedure)

(8) After initiation of prosecution, an accused has the right to choose his own attorney. The immediate superior, statutory agent spouse, blood relatives or collateral relatives within third degree may independently choose one or two counsel for his defense (Articles 73, 75, 77 of the Military Trial Law

(9) Where the minimum punishment for crime of the accused exceeds a five-year term of imprisonment and no attorney has been chosen, the court shall appoint a public defender. (Article 78 of the Military Trial Law)

(10) In addition to counsel, a spouse, lineal blood relative or collateral blood relative within the third degree of relationship, family head or family member of an accused may, after initiation of prosecution, apply to the court in writing, or verbally on the date of hearing, for permission to act as the representative of the accused or private complainant. A representative may state his opinion in court. (Article 74 of the Military Trial Law)

(11) A military court trial shall be held in open court. Only in cases involving national defense secrets may the court sit in closed session. (Article 53 of the Military Trial Law)

(12) Restraint may not be placed on the person of an accused when he is in court. (Article 282 of the Code of Criminal Procedure)

(13) A military court shall independently perform its functions of trial free from any interference whatsoever. (Article 160 of the Military Trial Law)

(14) After the investigation of evidence has been completed, arguments upon the law and facts shall be made by the military prosecutor, the accused and the advocate. (Article 171 of the Military Trial Law)

(15) The facts of the crime shall be established by evidence. A military court cannot take the lack of rebutting evidence as the ground of finding the accused guilty. (Articles 166, 167 of the Military Trial Law)

(16) If the accused is not satisfied with the judgment of the first trial, an application for an appellate review may be made within ten days from the day on which the service of the written judgment is effected. (Article 189 of the Military Trial Law)

(17) The parties concerned may take exception to rulings given by the military trial organization of first trial by appealing to a higher military trial organization. (Article 217 of the Military Trial Law)

(18) After a judgment of "guilty" has become final, an application for a retrial may be made if any one of the following circumstances exists:

(a) where the original judgment was based on exhibits which are proved to have been forged or altered;

(b) where the original judgment was based on testimony of a witness or expert, or interpretation which is proved to have been false;

(c) where the person found guilty is proved to have been maliciously prosecuted;

(d) where the decision of a judicial court or court-martial upon which the judgment was based has been altered by a final decision;

(e) where it clearly appears that some of the military judges who took part in the original or former judgment, or in the investigation before judgment, or any of the military prosecutors who took part in the preliminary investigation or prosecution are found to have been guilty of malfeasance in office in connection with the case in question;

(f) where incontrovertible new evidence is discovered showing that the person accused should have been adjudged "not guilty," "exempt from punishment," or that his crime was less serious than that specified in the original judgment; or

(g) where the original judgment was rendered without investigating or weighing some important evidence which otherwise might have affected the judgment. (Article 229 of the Military Trial Law)

(19) Where it is discovered after judgment has become final that the trial was conducted contrary to law, the chief military prosecutor of the supreme military trial organization may state his reasons in writing and file an application for an extraordinary trial with the same organization. Where the original judgment is contrary to law, the portion which is in contravention of the law shall be set aside; provided, however, that where the original judgment is prejudicial to the accused, another judgment for the case shall be given. (Articles 237, 244 of the Military Trial Law)

According to official statistics for 1976, military courts handled only 130 cases involving non-military persons all last year. There were 32 appeals from decisions in these cases of which 9 resulted in retrial and subsequently more lenient judgment.

In brief, military court trials are conducted under an extensive set of modern procedures which protect the rights of defendants.

The Wang Hsing-nan case

On January 28, 1977, Wang Hsing-nan, born in Taiwan and a citizen of the Republic of China, was convicted by a military court in Taipei of terrorist activities. Mr. Wang, who is also a permanent resident, but not a citizen, of the United States, was found guilty of mailing three letter bombs in an assassination attempt upon the lives of three government officials, one of which severely injured Hsieh Tung-min, the native born Governor of Taiwan Province.

Wang Hsing-nan had been a frequent visitor to his home in Taiwan. He returned in April of 1976, remained until June, and returned again in July, departing for the United States in October, the month the three bombs were mailed.

When Mr. Wang returned to Taiwan on January 7 of this year, he was detained and put under investigation. It is alleged by his sister and wife that he was forcibly removed to Taiwan from Hong Kong where he had come from the United States on yet another trip to the Pacific. It is further alleged that a confession to the crimes made by Mr. Wang was obtained by torture.

Actually, considerable supporting evidence other than the confession was presented at the trial tying Mr. Wang to the terrorist actions. This independent evidence had been shown to United States officials at least two weeks before Mr. Wang's arrest.

The incriminating evidence included Mr. Wang's fingerprints on all three bomb parcels and sworn testimony that he purchased materials needed for manufacturing the mail bombs. Thus, the confession was not the sole basis of his conviction.

The date of Wang's arrest was January 7, 1977. A subsequent investigation by the prosecutor lasted two weeks. The public prosecution was instituted on January 21 and the military court held an open trial on January 28.

At the trial, Wang's father, Meng-tung, and Mr. Hu Shi-wu, chosen by the father as defense counsel, first presented the case for the defense. The military court then examined all relevant exhibits which were admitted by the accused to be true. Upon consideration of argument, judgment was pronounced in the afternoon. The whole process of the first trial of the case, from investigation to judgment, took 21 days.

After the first trial, Wang filed an application for appellate review. On February 23, the supreme military trial organization confirmed the original judgment. The appellate review took 23 days.

According to Article 311 of the Code of Criminal Procedure (also applicable to military trials as stipulated in Article 186 of the Military Trial Law) "judgment shall be pronounced within seven days after conclusion of an argument." The intent of this article is to ensure a speedy trial by a court once the presentation of the case is concluded.

In Wang's case, apparently because of his own confession to the criminal acts as charged, including his admission in considerable detail of how he acceded to a certain Chang Chian-hung's instigation while in the United States to make mail bomb packages and how he used one in an assassination attempt on the life of Governor Hsieh, the accused, his attorney and his father all expressed no dissent to the evidence produced in court. It is, therefore, not unusual that the military court pronounced judgment on the same day of the trial, which is consistent with Article 311 of the Code and not uncommon in Chinese trial practice.

It is alleged that Mr. Wang's attorney, Hu Shi-wu, was forced upon the defendant's family. In truth, Mr. Hu and the defendant, Wang Hsing-nan, had attended the same middle school. The attorney knows the convicted man's father, Meng-tung, personally. The defendant's father engaged Mr. Hu in the case.

Having passed the Higher Civil Service Examination, Mr. Hu served as a court judge for ten years. In 1973, he followed the footsteps of his father Hu Yu-chieh (also a lawyer with a J.S.D. degree from the State University of New York) by joining his law firm. He has been a defense lawyer in quite a few major criminal cases and is considered one of the best known lawyers in southern Taiwan.

After agreeing to defend Wang Hsing-nan's case, the attorney twice met and discussed the case with the defendant. He argued the case at open court both on the facts and law with oral and written presentation. Immediately after the announcement of the verdict, attorney Hu again met and discussed the case with the defendant.

As a result, he prepared a written petition for requesting an appellate review. In the circumstances, Mr. Hu provided competent and diligent services as defense counsel.

Mr. Chairman, it is difficult to completely remove all doubt created by allegations and speculation. It is impossible to prove that in every case there has never been an instance of extreme police methods, especially in crimes involving heinous offenses such as terrorism.

While I cannot and will not attempt to show that there have never been illegal acts committed by police forces in the Republic of China, I will point out that nor could anyone make any such claim about the total purity of police practices in the United States. Indeed, the Committee may be aware of a series of articles published recently by the Philadelphia Inquirer describing what it called "a pattern of beatings, threats of violence, intimidation, coercion and knowing disregard for constitutional rights in the interrogation of homicide suspects and witnesses" committed by the Philadelphia Police Department.

Since 1974, the series reported, judges of the Common Pleas Court have ruled that Philadelphia police "acted illegally" during homicide interrogations in 80 cases, and that "in some of those cases suspects have been shackled, kicked, blackjacked, punched, and, in one case, stabbed." These news articles appeared in the Philadelphia Inquirer of April 24 through 27 and May 29, 1977.

Do these revelations, compiled from court records of homicide cases, mean it is the United States who has failed to protect human rights? Eighty cases of proven police illegality constitute a substantial number, but are they enough to conclude that this entire country, or even one of its major cities, is suppressing human rights?

Mr. Chairman, I think you will see the point I am making. My suggestion is that we must be very careful about condemning a whole society on the basis of actions which are not representative of the society at large.

For if we fail to have a true perspective about what we criticize, we will not only present an imbalance, but we will in fact lay the ground for others to depict our society before the world as denying human rights on the basis of a small percentage of cases and consequently undermine our ability to raise the issue as a foundation of our foreign policy. In other words, if we use a relatively small minority of accusations of the denial of human rights in the Republic of China to blame the entire country, then we are vulnerable to having the same reasoning used against us. I am confident the Committee will not fall into this mistake.

SUMMARY

In summary, there is an extensive list of human rights that are guaranteed by law and provided in practice by the Republic of China.

These freedoms not only include modern procedures of criminal law safeguarding accused persons from arbitrary treatment and assuring fair trials, but encompass a broad range of general rights, such as freedom of worship and freedom from want.

The Republic of China is an open society and these claims can easily be tested by the Committee through a first-hand investigation on the island of Taiwan. I am certain the results of any such direct study would impress the Committee and uphold the truth of tremendous progress by the Republic of China in safeguarding the people's rights and promoting their economic well being.

VENDING MACHINES IN SCHOOLS

Mr. CASE. Mr. President, in its mark-up of S. 1420, the School Lunch and Child Nutrition Act Amendments of 1977, the Senate Agriculture Committee has included my bill, S. 1436, as an amendment to the committee bill. This amendment would restore to the Secretary of Agriculture the authority to regulate what may be sold in vending machines in schools, in school cafeterias, in schools participating in the national school lunch program.

In this connection, I was pleased to see an objective report by Marian Burros in the Washington Post last week on the vending machine situation and I ask unanimous consent, Mr. President, that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A VICTORY FOR VENDING?

(By Marian Burros)

". . . . If, as may be suspected, there is a nationwide anticandy program being put together area by area, there is need everywhere for vigilance at the local level that will lead to quick and effective response by candy businessmen . . ."

According to the above excerpt from an editorial in "Candy and Snack Industry," a trade journal, attempts last year to remove "empty calorie" snacks from school vending machines were confined to local jurisdictions. Unable to get the federal government to confront the problem of such foods competing with the school lunch programs, the state of West Virginia, and cities including Bloomington, Ind., Milwaukee, and Washington, D.C., have taken it upon themselves to ban what they call "junk foods" from school property.

Actually, according to the same editorial, it was the confectionary industry that succeeded in keeping the federal government from banning such sales: "The National Confectioners Association and the National Candy Wholesalers Association have worked together effectively to prevent anticandy rulings from becoming part of the National School Lunch Act over the years . . ."

But now the battleground, to use a word from the editorial, is switching, or rather expanding to the national scene. An amendment to the Senate Agriculture Committee's version of the Child Nutrition Act (school feeding programs) would return discretionary powers to the Secretary of the Agriculture to decide what alternate foods could be sold at schools.

On September 26, 1972, the Child Nutrition Act was amended to permit the sale of foods in addition to those sanctioned by the Department of Agriculture in the school lunch and breakfast programs. The amendment said: ". . . Such regulations shall not prohibit the sale of competitive foods in food service facilities or areas during the time of service of food if the proceeds from the sales of such foods will inure to the benefit of the schools or of organizations of students approved by the schools."

Twice before, Sen. Clifford Case (R-N.J.) has introduced legislation to delete the amendment. Each time is has been defeated. Case is trying again.

Those who favor removing such foods as candy, soft drinks, chewing gum, potato chips and pretzels from school vending machines think they might win this time. They are encouraged for a number of reasons:

The attempts at local levels to deal with the problem have made themselves felt at the federal level. Secretary of Agriculture Bob Bergland has come out strongly in favor of a ban on junk foods. Sen. Robert Dole (R-Kan.) pushed for the Case amendment. In past years he had stopped the amendment from getting out of committee. Sen. Hubert Humphrey (D-Minn.) is expected to work hard for it.

So the counter-lobbyists are out in force. The Chocolate Manufacturers Association has written to all the members of the Senate Agriculture Committee protesting the Case amendment. The letter says that chocolate does not cause acne, obesity or tooth decay and is nutritious. It asks: ". . . Why deprive children of an enjoyable, nutritious food, the production of which strengthens our agricultural economy and provides employment to many Americans?"

The editorial from "Candy and Snack Industry" says that removing candy from schools just means children would go off school premises to purchase it where they would be "exposed to vehicular traffic and other hazards beyond the control of school authorities."

James Mack, president and general counsel of the National Confectioners Association, elaborated on the hazards in a letter. When children leave school grounds, Mack wrote, they "well may decide to acquire other items which actually are harmful to them such as tobacco, alcohol or drugs . . ."

Mack also wrote: "To most children candy is happiness."

When candy sales are banned, Mack added, "nothing is solved, but school authorities in effect, throw the matter out on the streets to be settled."

The National Automatic Merchandising Association offered some of the same arguments in material sent to members of the Senate last month.

Individual vendors and owners of soft drink bottling plants have been writing their congressmen saying the legislation would put them out of business.

Those who are working to get the nonnutritious snacks out of the schools agree that children may seek sweets elsewhere if they are not educated about the importance of a nutritionally well-balanced diet. According to Josephine Martin, president of the American School Food Service Assn. (ASFSA): "When children are given a choice between a filling food which gives little more than calories which tastes good, and a nutritionally adequate meal, it's very hard for a child who has had no nutrition education to choose a nutritionally adequate meal.

"The number one need is to have a nutrition education program so young people learn what they have to eat in the school cafeteria in relationship to health."

This year's Child Nutrition Act also contains an amendment that would require nutrition education in the schools; but as the bill stands now, no funds are appropriated in the bill to fund such a program.

Those who support the Case amendment along with ASFSA, such as the National Dental Assn., American Nurses Assn., American Dietetic Assn., Society for Nutrition Education, are lobbying for its passage on economic as well as health grounds. The dollar value of food wasted in schools annually has been estimated at between $400 and $600 million.

"We've declared war on waste," Martin said. "One of the reasons children do not eat the food in the school lunch program is because of the foods served in competition with it.

"We have to get rid of foods which are nonnutritious," she said.

Martin, a registered dietician, defines nonnutritious foods as those which supply "no significant amount of nutritional value beyond empty calories." She said she was putting herself "out on a limb" by listing such foods but she would classify candy bars, soda pop, pretzels, potato chips and corn chips as nonnutritious.

The candy industry, the chocolate manufacturers, the vendors who sell the products, do not argue the merits of nutrition as much as they do the issue of what Martin calls "states rights." According to Mack of the Confectioners Assn.: "States, local jurisdictions and individual school boards are capable of making such decisions . . ."

Martin said trying to combat that kind of argument is "like coming out against motherhood and apple pie."

The Senate Agriculture Committee has decided however, that the crux of the matter is how ". . . counterproductive (it is) for the federal government to attempt to provide nutritious health supporting meals through the child nutrition programs and, at the same time, permit foods of low nutritional value to directly compete with the nutritious meals."

The lobbyists who oppose the Case amendment often find allies among school principals who fear the loss of revenues from vending machines if "empty calorie" snacks are replaced by nutritious snacks.

That has not been the experience in West Virginia where a ban on junk foods went into effect at the beginning of the 1976-77 school year. According to an official of the state's child nutrition programs: "There has been no significant change in the money coming from the vending machines or in the attendance at school lunches. We consider the ban a success."

Rep. Albert Quie (R-Minn.), who, in the past, has forced the House-Senate conference on the Child Nutrition Act to delete amendments similar to the Case amendment, said he would not oppose legislation specifying that nutritious foods could be sold as alternatives to the regular school lunch. Quie said: "I don't mind cutting out the candy or the pop lobbies. I don't see that either of those two are good for kids."

Agriculture Secretary Bergland, with whom final authority would rest if the Case amendment passes, agrees with Quie. And according to the authors of the Agriculture Committee legislation, the bill would "permit the sale of nutritious foods, such as fruits, vegetables, dairy products, pure fruit and vegetable juices, and other items determined to be nutritious."

The bill is expected to go to the floor of the Senate sometime this summer.

HARRIS SURVEY ON THE DIRECT ELECTION AMENDMENT

Mr. BAYH. Mr. President, on May 30, the Harris Survey released the results of its latest poll of public opinion on a constitutional amendment to abolish the electoral college and replace it with direct popular election of the President and Vice President. The results nationwide, remarkably similar to those reached by the Gallup poll 3 months ago, were that 74 percent of the people support direct election; only 13 percent are opposed.

Mr. President, I consider these poll results highly significant and it seems to me that all of us in Congress should take good notice of them. Is there any other major issue in the United States in 1977 on which the American people are in such close agreement? If we take a look at the different categories of respondents, we see that overwhelming support for direct popular election transcends differences of region, education, race, political party and philosophy, income, religion, age, and type of employment. If we factor out those with no opinion the decisiveness of the poll results is even more dramatic. Eighty-five

percent of those responding with an opinion favored a constitutional amendment to abolish the electoral college and provide for direct popular election of the President.

We hear a few vocal opponents of the direct election amendment argue that big city voters are advantaged by the electoral college system, and that, therefore, they would never relinquish that advantage. Seventy-one percent of city respondents to the Harris survey favor direct election. Others argue the opposite: That rural voters would be hurt by direct election and therefore oppose it. Seventy-three percent of rural respondents favor abolishing the electoral college and replacing it with direct popular election. We hear that liberals are against direct popular vote, or that conservatives oppose it. The Survey shows that 78 percent of those identifying themselves as liberals favor direct election. The support is 71 percent among conservatives. Republicans are said to oppose abolishing the electoral college; the results are that 69 percent favor direct election. Seventy-four percent of those voted for President Ford last fall favor direct election; 79 percent of voters for Carter support direct election. The argument goes that the South, or the West, is aided by the electoral college system. Sixty-five percent of the people in the South and 81 percent in the West want direct election. I might mention here that 79.9 percent of the people responding to a recent opinion poll in the district of Congressman THAD COCHRAN of Mississippi said they favored direct election. That level of support is consistent with other congressional poll results from districts all over the country. These people know what is in their best interest and the interests of the country as a whole.

Mr. President, if there is no objection, I ask unanimous consent that the portions of the Harris survey of May 30 which deal with direct election, be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

[From the Harris Survey, May 30, 1977]

ABOLISH THE ELECTORAL COLLEGE

(By Louis Harris)

An overwhelming majority of the American people favors President Carter's plan to do away with the electoral college in presidential elections. . . .

Here is where the public stands on the key election reforms:

An overwhelming 74–13 per cent majority favors "passing a constitutional amendment to abolish the electoral college and have the President and Vice President elected by popular vote." As far as public opinion is concerned, the opponents of the electoral college system have won their battle.

The Harris Survey asked the cross section: "President Carter has asked that some major changes be made in the federal election law. Let me read you some of the changes he wants to make and tell me if you favor or oppose each."

Proposed Federal election law changes

(In percent)

Passing a constitutional amendment to abolish the electoral college and have the President and Vice President elected by popular vote. Favor, 74; oppose, 13; not sure, 13.

The responses to the question put in the Harris Survey, "Do you favor or oppose passing a constitutional amendment to abolish the electoral college and have the President and Vice President elected by popular vote were as follows:

[In percent]

	Favor	Oppose	Not sure	Favor (omitting not sure)
Region:				
East	77	10	13	89
Midwest	75	15	9	82
South	65	16	19	80
West	81	10	9	90
Area:				
Cities	71	14	16	83
Suburbs	76	15	9	84
Towns	75	11	14	87
Rural	73	12	15	86
Age:				
18 to 29	73	13	14	85
30 to 49	79	11	11	88
50 and over	69	16	15	81
Education:				
8th grade	53	13	34	80
High school	73	14	13	84
College	81	13	7	86
Type of work:				
Professional	80	14	6	85
Executive	75	17	8	81
Skilled labor	75	10	15	88
White collar	76	16	8	83
Union member	78	12	10	87
Sex:				
Men	76	14	10	84
Women	71	12	16	86
Race:				
Black	51	12	37	81
White	76	14	10	84
Income:				
Under $5 000	60	10	30	85
$5,000 to $9,000	70	15	15	82
$10,000 to $14,999	77	12	11	87
$15,000 and over	81	13	6	86
Political philosophy:				
Conservative	71	18	11	80
Middle of road	78	10	12	88
Liberal	78	12	10	86
Political party:				
Democrat	74	12	15	86
Republican	69	22	9	76
Independent	81	9	9	90
Voted:				
Ford	74	20	6	79
Carter	77	11	12	87
Religion:				
Catholic	82	9	9	90
Protestant	73	16	11	81
Jewish	88	9	3	91

THE SMALL BUSINESS WASHINGTON PRESENTATION

Mr. HATHAWAY. Mr. President, small business is the backbone of the American free enterprise system. Therefore, I was pleased to note that May 22–28 was designated by the President as Small Business Week. It is the small businessman who is the key to innovative and imaginative solutions to our Nation's problems and whose tireless efforts provide for our Nation's needs. It is distressing to see these indomitable entrepreneurs suffering under increased paperwork and decreased venture capital.

During the week preceding Small Business Week, a number of small business groups took the time to come to Washington to meet with Members of Congress and the executive branch, and discuss in detail the needs of small business. On May 18, these groups conducted their Washington presentation which highlighted the contents of their report entitled, "Capital Formation-Job Creation." It is an excellent paper on the needs of the small business community. The report contains 21 recommendations for changes in Federal laws and regulations to stimulate the expansion and further development of the small business of America. While I am not necessarily in agreement with each and every recommendation of the report, I would commend the study to my colleagues as a thought-provoking article worthy of our consideration as we endeavor to reduce paperwork burdens, stimulate the economy and provide tax equity and justice.

The Small Business Washington Presentation was begun over 30 years ago under the auspices of the Smaller Business Association of New England, Inc.—SBANE. Over the years, SBANE has been joined by the Independent Business Association of Wisconsin—IBAW, the Small Manufacturers Council—SMC, of Pittsburgh, Pa., the Council of Smaller Enterprises—COSE, of Cleveland, Ohio, and the Small Business Council of Syracuse, N.Y. I have been pleased to work with SBANE and its members for the last several years on a number of issues and initiatives to help small business in my home State and in New England.

Mr. President, I ask unanimous consent that the Small Business Washington presentation report, "Capital Formation-Job Creation," be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CAPITAL FORMATION—JOB CREATION—SBA TASK FORCE ON VENTURE AND EQUITY CAPITAL

Growth requires money.

Small businesses can't get money for growth.

So small businesses can't grow. Instead, they die.

It's as simple and distressing as that. Thanks to some profound changes in the nations' overall capital markets, small business faces a capital shortage estimated at $8 billion a year.[1] Venture capital, start-up capital, expansion capital—they are largely unavailable to small businesses anymore.

Factors behind the capital shortage are extremely complex, as the SBA Task Force on Venture and Equity Capital for Small Business, January 1977, found out after an intensive study headed by former SEC Chairman, William J. Casey. The results, however, are starkly simple:

In 1975, only four underwritings of new stock were successful for small businesses. They raised a total of $16.2 million. Eight years earlier, there were 548 offerings raising $16 billion.

Offerings under Regulation A plummeted to $49 million in 1975 from $256 million in 1972, and many of the offerings were unsuccessful. Meantime, large corporations were raising $41 billion in the public securities market—up 50 percent from 1972.

A new company nowadays must reach an annual sales level of $10 million before it can even think of public financing. It must attain annual revenues of $25 million before the full range of capital-formation tools are available to it.

Even the venture capitalists who specialize in high-risk investments are turning away from small business. In 1975, only 5 percent of venture-capitalists' investments were in

Footnotes at end of article.

start-ups of new ventures, and a paltry 2 percent went to first-round financings. Instead, venture capital is flowing to established companies, which don't face the severe capital-formation problems being encountered by small businesses.

In the meantime, new businesses are failing at an alarming rate: 80 percent die within a decade.

And the survivors don't fare much better. The alarming merger trend and concentration of assets in large corporations have come mainly at the expense of small businesses. Acquisitions of small companies account for 87 percent of recently completed and pending acquisitions. Many have been "shotgun weddings" brought about by the inability of small business investors to sell their shares to other investors. Instead, large corporations are the only available buyers—and they buy at discounted prices.

The problem is *capital formation*. Small businesses can't get enough new capital. What they do get can't be recycled effectively to benefit new ventures. Traditional capital markets have frozen out small companies even when they show high likelihood of success.

How can small businesses find the funding they need to survive? Last year, the Small Business Coalition recommended 18 changes in the tax code that would address the problem. Sixteen of these points eventually were packaged in the Nelson-Evins Tax Reform Bill. Congress offered to act especially in the area of estate and gift taxes and in job-creation.

At the same time, the Small Business Administration launched an important study of capital formation in the small business sector. The SBA Task Force was charged with producing a program to encourage capital formation for small business.

The Coalition is grateful for the far-reaching work done by the SBA Task Force. Their proposals deserve careful study. To facilitate that study, the Washington Presentation of 1977 focuses on the SBA report. We will attempt to elaborate on the Task Force's basic findings and to explain its specific proposals.

The 15-member SBA Task Force began work last summer amid signs of crisis in the small business sector. No longer was there room for skepticism about small business' pleas for help. These weren't wealthy entrepreneurs crying "Wolf" in order to get wealthier. These were struggling businesses barely able to stay afloat in the face of tax inequities and inadequate capital. This was a crisis crippling the sector that provides 56 percent of private-sector employment, 48 percent of business output, 43 percent of Gross National Product and over half of important industrial inventions and innovations.

Charged with investigating the crisis and recommending solutions, the SBA group started out with a narrow focus on venture capital for very small businesses. But it quickly became apparent that the capital-crunch was far more pervasive than that. So the Task Force took a broad look at what ails the small business sector.

Six months later, the SBA Task Force had reached this startling conclusion:

"A set of impediments have developed that are preventing smaller businesses from attracting the capital without which they cannot perform their traditional function of infusing innovation and new competition into the economy."

Subtle but profound changes in the U.S. capital markets have made venture and expansion capital for small businesses "almost invisible in America today," the Task Force said.

Government policy "discourages the public" from investing in smaller businesses "while it encourages the public to risk $17 billion a year in Government-sponsored lotteries."

IMPEDIMENTS

The Task Force identified "six impediments to small business growth." They are:

1. A public policy that tilts sharply toward encouraging consumption and discouraging savings and investment.

Capital requirements are met by private-sector saving. A study last year estimated private saving will fall $500 billion short of capital requirements between now and 1985.[2] The capital drought will hurt large businesses, as well as small, but the impact will be most severe in the small business sector.

2. An increasing and dangerously high ratio of debt to equity, arising in part from artificial tax advantages extended to debt financing.

New companies traditionally start out using debt and hope to work their way to equity financing, which enables them to build permanent capital. There has been a breakdown, however, at the point where transition from debt to equity traditionally has been made. For example, Small Business Investment Companies have been among the first sources of equity financing for a growing concern. Nowadays, however, the SBICs operate under Federal rules that favor investments via debt securities, rather than pure equity. Deprived of this former source of equity financing, the growing concern approaches another key growth step, long-term bank financing, with an unattractive balance sheet showing an overload of debt. The high debt ratio scares off conservative investors like banks. And the noose draws tighter.

3. Distinct impediments to raising equity and other forms of risk capital.

Individual investors who used to keep an eye out for promising new ventures got burned in the recent bear market and have pulled back from risk-taking. Meantime, capital gains tax rates have nearly doubled since 1970, drastically reducing the incentive for individuals to invest in high-risk equities.

The cost of entering the public securities market is enormous. The Task Force analyzed six small offerings made in 1976 and found that the average cost of registration alone was $122,350 per offering. That, the Task Force concluded, is an "insurmountable roadblock" for many small companies. On top of registration costs there are the mountains of government-related paperwork that are merely a nuisance to large companies but a back-breaking burden to thinly-staffed small companies.

4. Savings are gravitating toward larger institutions, which are discouraged from investing these savings in smaller and new businesses.

Large banks, mutual funds and pensions dominate today's investment activity. The 10 largest banks control 33 percent of all bank deposits, up from 20 percent in 1962. Pension fund assets have tripled since 1962. By 1985, it's estimated pension fund managers will control over half of all equity capital. Mutual fund assets have doubled since 1962. Altogether, institutions account for 70 percent of trading volume on the New York Stock Exchange.

As new saving takes place, it tends to flow into these lower-risk institutes. They, in turn, channel money into lower-risk, established investments. Small business, meanwhile, remains on the outside looking in, as savings become increasingly concentrated in markets from which small concerns are frozen out.

5. Well-intentioned efforts to protect investors inadvertently place small businesses at a disadvantage in competing for available funds.

High-risk ventures once accounted for a small but important portion of institutional investments. These special allotments were the life-blood for many new and smaller companies. Nowadays, however, institutions shy away from even token activity in high-risk investments. The 1974 Employee Retirement Income Security Act, for example, contains standards that turn out to be a disincentive for risk. As pension fund managers are interpreting the standards, investments must be solely in larger companies with proven earnings records. This succeeds in reducing lawsuits and liabilities, thus protecting the fund managers' flank. But it also shuts off another spigot that had been sending capital into the small business sector.

6. Attrition and concentration in the network of financial institutions and firms work against capital-formation in the small business sector.

The securities industry is shrinking. The number of registered securities broker/dealer firms dropped 35 percent over the past five years. The number of registered representatives shrank, too. This shrinkage makes access to capital even more difficult for smaller businesses than before. Major brokerage houses, which now handle most underwriting, generally won't touch a new offering unless the company has annual earnings of over $2 million. Some of the few remaining regional houses will go below that level, but they're still insisting on at least $1 million annual earnings. Such cut-off points eliminate the great majority of smaller businesses, not to mention companies still in the research, start-up or early growth stages, where profitability is still a few years down the road.

LIFE CYCLE OF A GROWING BUSINESS

To get inside the capital-formation problem, the SBA Task Force analyzed the "life cycle" of a growing business. The findings are extremely important, because they reveal how complex capital-formation has become in our sophisticated economy. Moreover, the Task Force found that to get the capital-formation system back into sync will require a series of remedies just as complex as the system itself.

Most people figure a new company will flourish if its product is sound and its management wise. The financial realities turn out to be quite different. Access to capital is the crux. The soundest product and wisest managers can't do a thing without capital.

Business growth occurs in a series of stages. At each stage, different types of capital are needed and different specialized sources of capital must be approached. Orderly movement through the growth cycle requires adequate financing at each stage. A breakdown at any one stage disrupts the others.

A new enterprise typically is born in the entrepreneur's own checkbook, augmented by a few small outside investments by family and friends. As the venture moves from research to start-up, the owner's checkbook goes dry. Friends and relatives start running low. At this stage, the owner's mid-morning coffee breaks with Banker Brown start to pay off. Based on his knowledge of the owner and his venture, the local banker starts making short-term loans to help build inventory and to handle multiplying accounts receivable.

Such friends-and-neighbors financing can only carry a company so far. Around start-up time, the owner starts looking outside his immediate circle. Investment firms such as Small Business Investment Companies get interested. If start-up is successful, the owner moves higher up the bank ladder and secures his first long-term corporate loan.

As growth reaches the $10 million annual revenue level, the owner and his increasingly professional management team start considering public financing. If the initial equity offering succeeds, then sustained growth is

Footnotes at end of article.

possible and long-term capital is sought from major institutions. Around $40 million in annual revenue, the company reaches maturity and has available to it the full variety of capital-formation tools.

The SBA Task Force likened this capital flow to a pipeline. If the flow is smooth, all types of investment capital can function. Company A taps a specific capital pool for as long as necessary and then moves on to the next, thus releasing those first funds for use by the next company to come along. If a clog develops at this point, however, capital dries up all along the pipeline. Savings that can't be pulled out of one venture won't be available for another.

As the SBA Task Force found out, clogs exist at every stage in the pipeline. A consumption-minded economy has trimmed savings generally. Tax laws penalize the investor who liquidates a new-venture investment, even if he re-invests the funds in another new venture. The small but vital corps of individuals who thrived on high-risk ventures is a shrinking force. Institutions have the money now, and they're increasingly prone to conservative investment practices. Most venture capitalists have adopted a policy of staying away from start-up ventures. The public securities market remains an illusive dream for virtually all small businesses.

In other words, the capital pipeline is practically dry, as far as small business is concerned. Recycling of investment funds, on which the whole pipeline depends, isn't occurring. Instead, capital remains trapped as the company stagnates and dies, or the owner gets frustrated and sells out to a larger concern, or the owner dies and his company gets consumed by estate taxes. As new capital sources come along, they see this unattractive scenario, and simply skip the small business sector altogether in favor of safer ground.

TASK FORCE RECOMMENDATIONS

What is to be done? The first thing, the SBA Task Force says, is to forget any thoughts of simple solutions. The remedies will need to be as specific and sophisticated as the problems. What the SBA group did was to identify specific remedies for each stage in the capital formation pipeline. The Task Force further recognized that there are two broad categories of small business: those that are local and probably will never need access to public financing, and those that can develop to the point where public financing will be necessary. Different remedies apply to each category.

Following are specific recommendations made by the SBA Task Force, with elaboration from their findings and from other documents. In general terms, Recommendations 1–11 apply mostly to small companies that aren't seeking access to public financing. They seek to facilitate development of internal capital, to attract institutional capital and to improve the Small Business Administration's role in long-term borrowing.

Recommendations 14–21 concern companies seeking access to public capital. These recommendations seek to make institutional funds more readily available and to improve small business' access to public securities markets.

Recommendations 12 and 13 concern the SBA's role as advocate and the development of University Business Development Centers. The Small Business Coalition believes these two recommendations also deserve consideration.

—concerning tax laws and IRS regulations:

1. Increase the corporate surtax exemption from the present level of $50,000 to $150,000.*

During the vital years of research, start-up and early growth, capital must come from internal cash flow and from borrowing. Congress recognized this in principle 39 years ago when it exempted a company's first $25,000 in earnings from the full 48-percent tax rate. Congress raised the exemption to $50,000 two years ago, when it became clear that 429 percent of inflation from 1938 to 1975 had made the $25,000 all but irrelevant.

The exemption still isn't adequate for modern needs, especially in view of clogs elsewhere in the capital pipeline. We recommend this schedule:

	Percent
First $50,000	20
$50,000 to $100,000	22
Excessive over $150,000	48

Allowing small business to use a larger portion of their first $150,000 of earnings would be the most direct and effective step that can help small business. The benefits would be passed on immediately in the form of new jobs and, before long, additional tax revenues for government and lower welfare and unemployment costs. Small businesses grow by hiring people. Large corporations grow by buying machines and reducing employment.

2. Allow greater flexibility in depreciating the first $200,000 of assets.

Writing off depreciable assets is an important method small business can use to improve cash flow. Several suggestions have been made for increasing flexibility in depreciation. The Treasury Small Business Advisory Committee recommended to the Secretary in December that any amount up to 100 percent of an asset value could be written off in the year of acquisition. This, in effect, is a tax deferral and does not effect over the long run the amount of tax paid. The limitation would be $200,000 a year.

3. Permit investors in qualified small businesses to defer the tax on capital gains if the proceeds of the sale on a profitable small business investment are reinvested within a specified time in other qualified small business investments.

There has been a 70-percent to 100-percent increase in capital gains tax rates over the past ten years. Because the capital gains tax at its higher limit approaches the tax on "earned" income, the once lower capital gains tax is "so high that it no longer serves as an incentive to provide long-term investment capital." Allowing investors to defer the tax if they keep recycling their investment would attract many individual investors back to the small business sector. The SBA Task Force pointed out precedents for such deferral in home sales, condemnation proceedings and retirement plan distributions. In terms of tax revenues, the initial cost of deferral would be more than offset by higher tax revenues paid by new and growing companies. "Small business is potentially the most rapidly growing part of the equity investment spectrum," the Task Force says.

4. Liberalize certain limits of Section 1244 of the Internal Revenue Code.

This section was enacted in 1958 to encourage the flow of new funds into small business. It provides that certain losses on small business investments can be treated as ordinary losses, not capital losses, for tax purposes. This larger tax offset makes the high risk of small business investment less of a disincentive. The limits set in 1958, however, have been overtaken by inflation and by sharply increased capital costs. The Task Force recommends that a taxpayer be permitted to deduct $50,000 in Section 1244 tax loss in any one year, up from $25,000. Two key criteria for qualifying under Section 1244 should be doubled, too, thus broadening availability of this investment incentive. The limit of issuer equity capital should be raised to $2 million from $1 million, and the size limit of eligible financing should be doubled to $1 million.

A Library of Congress analyst advised Congress last year that amending Section 1244 in this way "would greatly facilitate" the ability of small businesses to attract equity capital, which is what small businesses need most.

5. Permit underwriters of the securities of small business to deduct a loss reserve against the risks inherent in the underwriting and carrying of such securities.

This change could help reverse the flight of underwriters away from small business offerings. Admittedly, the risks are high in small business securities. Also, the secondary market has been weak since 1969. Consequently, initial offerings aren't attractive, to investors or to underwriters. This recommendation approaches the problem from the underwriter's point of view, by offering a tax incentive for handling small business offerings.

6. Revise methods by which revenue impact of tax changes is estimated to reflect revenue gains from the business use of tax savings and the stimulus of capital formation that tax incentives provide.

The SBA Task Force criticizes the method currently used by the Treasury to forecast the revenue impact of tax legislation. The Treasury only calculates the reduction in tax collections. It fails to consider how a tax measure would spur business activity, and thereby increase taxable income. Nor does the Treasury's method reflect the stimulus to capital formation and economic activity that tax incentives would provide. The Task Force urges the Treasury to review its revenue-impact methods and develop "a more accurate and balanced method."

Concerning the Small Business Administration:

7. Provide that some portion of the guaranteed borrowing available to SBICs take the form of debt with the interest partially subsidized if the funds are used to make equity investments.

Small Business Investment Companies are an important source of long-term debt financing and equity and venture capital for small business. SBICs secure long-term government-guaranteed loans and then invest in small businesses. Lately, the SBICs have swung away from equity investments and toward debt instruments. This reflects the increased costs at which SBICs obtain their funds. The swing adds to the debt burdens of small businesses, rather than providing badly needed permanent capital.

If the interest on loans made to SBICs were partially subsidized, the SBICs wouldn't be under such cash-flow pressure to recoup the interest costs through high-yield debt investments. Instead, they would be able to make the equity investments that may be lower-yield to the SBIC but are badly needed by small businesses for permanent capital.

8. Permit SBICs a deduction from ordinary income for loss reserves on both the equity and debt portions of their portfolios.

At present, SBICs may establish loss reserves only for investments made in debt securities. The Task Force would broaden that to include loss reserves for equity investments, too. This would encourage more equity investments.

9. Immediately make a substantial increase in the size standards for SBIC investments and also provide for either an annual revision of these standards or index them according to broadly accepted price indicators.

This is simply a matter of keeping up with inflation. Size standards used as criteria for SBIC investments tend to lag behind realities of the marketplace. Some adjustments are

*The Task Force report recommends a surtax exemption of $100,000. However, the Washington Presentation Coalition believes that since the Wholesale Price Index now is 474 percent higher than it was in 1938, the SBA Task Force's recommendation of the $100,000 exemption would be outdated before it went into effect.

needed immediately, and a method for continuing revision needs to be developed. The Task Force suggests either a plan for annual revision or an indexing method that would peg the standards according to inflation-tracking price indices.

10. The SBA should require and encourage commercial banks to assume a larger portion of the risk in SBA loans and change its guarantee fee from a one-time fee of 1% of the amount of the guaranteed debt to an annual fee which more nearly reflects the value and cost of the SBA's guarantee.

The Task Force recognizes a need to strengthen the financing role of the SBA, especially by putting its programs on a more self-sustaining and flexible basis. One laudable move already has been a shift in SBA emphasis from direct loans to the guarantee of bank financing. This has put loan management in the hands of local bankers, who know the customer more intimately and can supervise the loans more carefully. The government guarantee enables the local banks to extend long-term financing to risky ventures and still stay within regulatory requirements.

The recommendations would place SBA loan-guarantee operations on a more business-like basis. The commercial banks would take a larger portion of the risk and would more adequately compensate the SBA for its guarantee. The recommendations might well induce borrowers or lenders to do without the guarantee, thus reducing the cost of the borrowing to the small business.

11. Substantially expand SBA's Secondary Market Program by creation of a "Certificate" system for the sale of SBA-guaranteed loans.

Under the Secondary Market Program, banks making SBA-guaranteed loans can sell them to other investors. This improves the banks' liquidity and also increases the potential pool for small business loans by making government-guaranteed, high-yield loans available to institutions and other investors. The program has worked well so far and should be substantially expanded.

A "Certificate" system would transform the guaranteed portions of SBA loans into freely transferable market securities. This would tap additional sources of capital, remove bankers' reservations about liquidity and ease bank examiners' worries over long-term loans in bank portfolios.

The Task Force urges the SBA to launch a comprehensive public information program to make small businessmen more aware of the Secondary Market Program.

12. The SBA should expand its role as a catalyst and advocate within the government for changes reflecting the concerns of small businesses.

A prime role for the SBA is that of initiator. Rather than putting out brush fires, the agency should get involved in the implementation of new regulations before they're issued. The SBA should analyze the impact changes that government policy will have on small business. Concerns of the small business sector often seem fragmented among several agencies. The SBA should coordinate them and act as the small business community's principal voice within government.

13. Support development of University Business Development Centers, S.972.

These centers coordinate services of several government agencies for the benefit of small business. Potential entrepreneurs can get assistance in analyzing personal skills, evaluating business plans, employing technology, locating capital and obtaining further training. The centers use university facilities and faculty. S.972 would create 15 Small Business Development Centers at colleges and universities throughout the country. The program is similar to the Agricultural Extension Service for farmers.

Concerning institutional investors, ERISA:

14. Amend the Employee Retirement Income Security Act to encourage high-risk investments by pension funds.

Fiduciary standards created by ERISA have locked pension funds into blue-chip investments and fixed-income securities. The pension funds control $200 billion but don't feel free to invest any of it in the high-risk small business sector. That's because fund lawyers so far have naturally and correctly interpreted ERISA regulations conservatively. To avoid liability and protect investors' liquidity, the funds are reluctant to invest in companies without strong earnings records and capitalization of over $100 million.

One key obstacle is ERISA's so-called "prudent man" standard, which establishes normal prudence as a test of fund manager decisions. So far, funds have applied the "prudent man" rule to each individual investment.

Instead, the Task Force wants it expressly stated that the "prudent man" standard applies to the portfolio as a whole. Within the standard, the policy should be to invest in a broad spectrum of companies.

In addition, the Task Force recommends that up to 5 percent of a fund's assets, can be set aside in a special "basket" for higher-risk investments in companies whose net worth is below $25 million or whose securities have limited marketability.

15. The development of professionally managed pools of capital should be encouraged so that pension fund managers, otherwise constrained by time and expertise, may participate in the investment in new ventures and growing small companies.

Because pension fund managers have limited time to analyze potential investments, they tend toward safe, more readily evaluated investments. A specially managed pool would get around this lack of time and experience and enable pension funds to effectively invest in potentially rewarding but admittedly high-risk investments.

The Task Force recommends that the Securities and Exchange Commission exempt these special pools from the "time-consuming and cumbersome requirements of the Investment Company Act of 1940."

16. In cooperation with the SEC and other regulatory bodies, exempt the illiquid securities of small companies from the "market-to-market" or "fair value" accounting treatment.

As portfolio managers now interpret accounting rules, they must frequently value their holdings of unregistered securities and report changes in value even though no transactions take place. The result is substantial short-term profit and loss impact. But the Task Force views the fluctuations as arbitrary and time consuming. Most institutions avoid the whole matter by sticking to safe investments in large concerns. The Task Force recommends that fair value accounting be waived for investments made in the 5 percent "basket" provision. (See Recommendation 14.)

Concerning securities laws and regulations:

17. Increase the small offering exemption from $500,000 to $3 million.

To keep small ventures from being shut out of the public securities market entirely, the SEC created "Regulation A." It facilitates offerings of less than $500,000 by exempting them from the costly and time consuming process of full registration. The limit of $500,000, however, provides insufficient capital for a growing concern in today's business world. Moreover, most Regulation A offerings need to be underwritten. The SEC calculated that only 35 percent of Regulation A shares offered in 1972–74 actually were sold. Underwriters won't touch an offering of less than $3 million.

For both reasons the SBA Task Force recommends the $500,000 limit on Regulation A be substantially increased to $3 million.

18. Enact the limited offering exemption as proposed in the American Law Institute project to codify securities laws.

Also exempted from costly regulation procedures are certain private offerings. However, recent administrative and court decisions have undercut this useful exemption. The decisions seek to protect investors from fraud, by enabling them to demand return of their money simply because the stock was unregistered. Such protection from fraud already exists under Rule 10b(5).

The chief effect of the decisions has been to subvert the original purpose of the private offering exemption, which was to facilitate very small financings. Congress should restore the full breadth of the private offering exemption.

19. Retain and simplify Rule 146.

The SEC issued Rule 146 in 1974 in an attempt to provide a safe harbor for private offerings that claim the private offering exemption and do not register. The SEC was seeking to clear up difficulties caused by the administrative and court decisions cited in Recommendation 18. Rule 146 specifies criteria for qualifying for the private offering exemption. It requires that the issuer exercise "reasonable care" to insure that buyers have sufficient knowledge and experience to evaluate the offer. And the rule indicates the kind of information that should be provided to potential buyers.

The Task Force would amend the rule so that only material information would need to be provided, rather than the mountain of data that the Rule now seems to require. Also, the Task Force wants it made clear that a buyer who has been properly informed cannot later demand a refund simply because the stock was unregistered.

20. Amend Rule 144 to make volume and time limits less restrictive and thereby facilitate small offerings.

Rule 144 governs the resale of securities purchased by investors in transactions exempt from registration. The Rule seeks to insure that such offerings don't become simply a conduit for sale of unregistered, not-fully-disclosed securities to the public. Thus, a purchaser must hold the securities for at least two years. When he decides to sell, he may sell in any six-month period no more than 1 percent of the total shares outstanding or an amount equal to average weekly trading volume, whichever is lesser, in the case of an exchange-listed stock. For an over-the-counter security, the limit in six months is 1 percent of total shares outstanding.

As applied, Rule 144 has proved to be overly restrictive. Venture capitalists say the severe limits impair investors' ability to liquidate investments and thus free up capital for other investments.

The Task Force recommends, as a first step, that the time limit be shortened to three months, rather than six months, and that the limit on volume be set at 1 percent of outstanding shares or the average weekly volume over a four-week period, whichever is *higher* instead of whichever is lower.

Eventually, the Task Force would like the quantitative limits eliminated altogether or at least enlarged further. The Task Force applauds the SEC for initiating a re-evaluation of the need and justification for the limits on resale of unregistered securities.

21. Develop procedures under which small companies could develop and promote a good market for their stocks.

Rule 144 currently prohibits solicitation. This works against small-company issues, which need to be promoted in order to attract a sufficient market. The SBA Task Force recommends that, under SEC supervi-

sion, small companies be allowed to engage in the active selling necessary to develop a market for their securities.

FOOTNOTES

[1] Treasury Small Business Advisory Committee on Economic Policy, Report of Recommendations to the Secretary of the Treasury, December 1976, page 5.

[2] Testimony by Norman B. Ture, consulting economist, before the Select Committee on Small Business, September 23, 1975.

SENATOR STONE'S POSITIONS ON THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

Mr. STONE. Mr. President, S. 1523, the Housing and Community Development Act of 1977, passed the Senate on June 7, 1977, while I was on an official visit to the Middle East as chairman of the Senate Foreign Relations Subcommittee on Near Eastern and South Asian Affairs. Had I been present, I would have voted in favor of final passage of the bill. In addition, I would have voted in favor of Senator PROXMIRE's amendment No. 346, Senator MORGAN's amendment No. 314, Senator EAGLETON's amendment No. 335, Senator SASSER's amendment No. 362, Senator TOWER's amendment No. 343 and Senator MUSKIE's amendment No. 361.

The Housing and Community Development Act is the first legislative initiative proposed by the new administration that addresses the Nation's very serious housing and community rehabilitation needs. The President and the Secretary of the Department of Housing and Urban Development, Mrs. Harris, should be commended for the strong commitment they have made to get low and moderate income housing assistance programs operating efficiently, to convert reservations to housing starts and to obtain the number of new housing units that Congress has established as a national goal.

There is a great need, particularly among the elderly living on fixed incomes, for housing assistance. The bill sets aside 30,000 units in section 8 funds for the section 202 housing to provide adequate housing for all older and handicapped Americans.

The bill reauthorizes for 3 years the community development block grant program. This program provides financial assistance to local governments to improve housing and community facilities and provide services in support of community development projects.

Under the present system for determining block grants for metropolitan cities and urban counties, population and overcrowding factors are each weighted at 25 percent, and poverty at 50 percent. In addition, some communities are designated as "hold-harmless" in order to maintain them at the level of funding they received under previous aid programs. Beginning in fiscal year 1978, the "hold-harmless" category will be phased out.

A major issue of concern which is addressed by the bill is the loss of hold-harmless funding by small cities. In order to accommodate this concern and increase the effectiveness of the small city grant program, the bill authorizes HUD to make multiyear commitments to small cities, consider past and present performance of cities currently carrying out community development programs, and permit larger grants. These are desirable changes that recognize the need of smaller cities to know what moneys they can expect to receive from the program years in advance in order to plan long-range community improvements.

The bill makes significant changes in the block grant funding formula, which I feel will complicate the administration of the program and shift too much money away from the growing southern and southwestern regions of the country into the north and midwest. The new dual-formula approach allows cities to choose either the old formula, or two new formulas that use factors of population, growth lag, poverty, and the number of pre-1940 housing units. The need is to provide for the problems of both newer, growing cities as well as older, declining ones. That the balance unfairly favors older cities is shown by the distribution of the additional 25 percent funding that is going into the community development program.

Under the dual formula, 94 percent of this additional funding goes to cities in the northeast and midwest. So, even though southern and southwestern cities receive about the same amount of community development block grants in fiscal 1978 as they received in fiscal 1977, citizens in these regions will have to pay a large share of the additional taxes that need to be collected, thus resulting in a net loss. Furthermore, the third alternative funding formula, the new "impaction adjustment" formula, benefits almost exclusively the northern and midwestern cities.

These same cities will benefit most from the urban development action grant program—UDAG. This is because the criteria for eligibility for UDAG grants are specifically designed to direct additional funds to the older, economically distressed cities of the country. It seems to me that the UDAG eligibility criteria discriminate against the very real problems of the growing cities and specifically against individuals who live in economically distressed slums within growing cities. These areas will receive no money from UDAG because the UDAG formula looks only to "cities" which suffer loss of population, declining tax base and housing abandonment.

An amendment introduced by Senator TOWER, which I cosponsored and which the Senate rejected, would have extended UDAG eligibility to "areas" within cities suffering economic distress. This change would have recognized that growing cities like Miami contain areas of economic distress and would have provided them with at least the possibility of assistance from UDAG.

The Senate adopted an amendment calling for an examination of the housing and community development problems of cities with rapid growth rates. Based on the findings of this study, I hope that we will be better able to address the unusual problems of growing cities that have been neglected this year because of our concern with deteriorating cities.

Comprehensive planning is a vital ingredient in establishing long-range community development and housing strategies. A provision of the bill that is important to Florida extends the section 701 comprehensive planning program for 1 year. Many communities in my State have established regional planning councils which are creating successful community strategies involving land use, water resources, highways, recreation areas, schools sewage and other public facilities. Reauthorization of the section 701 program is important to assure that these activities continue at the State, regional and local levels.

The bill takes into account the impact of the inflated housing costs on homebuyers in several ways. First, it increases the maximum FHA loan from $45,000 to $60,000 for single-family homes, with proportional increases for multifamily homes. It decreases the downpayment requirements for FHA-insured loans and revises the section 245 graduated mortgage payment program. This program reduces monthly mortgage payments in the early years of a mortgage and increases those payments during the later years. This will provide greater opportunity for young and moderate-income people to buy their own homes. In addition, an amendment which I cosponsored was adopted to increase the maximum FHA mortgage insurance amounts for mobile homes, which constitute one-fifth of the new homes being purchased. These concerted actions will provide families a far greater opportunity for becoming homeowners in today's housing market.

Title V, which deals with rural housing, extends through fiscal year 1978 a number of housing programs administered by the Farmers Home Administration. It also provides several changes to strengthen these programs and make them operate as Congress originally intended. One such change makes it clear that rental and cooperative housing loans may be used to finance congregate housing for the elderly or handicapped with central dining facilities in place of individual kitchens. Many elderly or handicapped people are unable to prepare their own meals. They have little or no use for kitchen facilities in their units and would receive a greater benefit if central dining facilities were provided. This provision brings the FmHA programs in line with public housing assistance programs administered by HUD.

Mr. President, to conclude, I would like to commend the members of the Senate Banking, Housing, and Urban Affairs Committee and its distinguished chairman, Senator PROXMIRE, and the ranking minority member, Senator BROOKE, for the work that has been done to develop this vitally important legislation. I believe that its passage marks new and greater efforts on the part of Congress and the administration to achieve our national housing goals. It also reaffirms our strong commitment to help solve the serious economic development and rehabilitation problems that beset the Nation's cities.

A SIGNIFICANT ADDRESS DELIVERED BY SENATOR MOYNIHAN AT THE CAPITOL PAGE SCHOOL COMMENCEMENT EXERCISES

Mr. ROBERT C. BYRD. Mr. President, on Monday evening, June 6, the distinguished junior Senator from New York, the Honorable DANIEL PATRICK MOYNIHAN, addressed the graduating class of the Capitol Page School at the commencement exercises held in the caucus room of the Cannon House Office Building.

Senator MOYNIHAN has earned a much-deserved reputation as an eloquent and informative speaker, and he did not disappoint his audience at the commencement exercises. His remarks again demonstrated him to be an expert social scientist as well as a witty and absorbing speaker.

But Senator MOYNIHAN's address holds a significance that reaches far beyond that accorded to most commencement addresses. He calls attention to a series of demographic statistics the ramifications of which should be taken as not only food-for-thought for graduating pages but also for all men and women responsible for the future and destiny of this Nation and the world, as well. These statistics and Senator MOYNIHAN's application of them should be enlightening for this generation as we plan for the decades ahead. The challenge which Senator MOYNIHAN delivered to the Capitol Page School graduating class is one which all responsible American citizens should contemplate.

Mr. President, I ask unanimous consent that Senator MOYNIHAN's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR DANIEL PATRICK MOYNIHAN

Oscar Wilde, on having been taken to view Niagara Falls, turned and remarked that it would be more impressive if it flowed the other way. Surely there ought to be some ritual role reversal in the lives of Congressional Pages—some ceremonial occasion just such as this—at which the Members of Congress are required to listen to *them*. But evidently this is never to be. In this, as in all else, you are rather more loyal to your institution than bodes well for your future.

Even so, as I have read over some of the orations which predecessors of mine have inflicted on you in this final filibuster, I wonder that those responsible for your education have not protested.

In 1958, for example, John F. Kennedy urged you to solve problems, most of which conspicuously eluded his grasp, even as President. I give it to you: Solve, he said, "the prevention of business cycles which regularly throw millions of wage earners out of work." We have, of course, just gone through the worst recession since the Great Depression. Reverse, he said, "the trend toward bigger government." We are just now enacting the largest budget, with the largest deficit, in history. "Above all," he said, do something about "the knotty, complex problems of war and peace . . . untangling the strife-ridden, hate-ridden Middle East . . ." Dare we think of the number of good men (no girls then) now turning forty who must be judged failures by the standard of JFK's charge to the graduates of 1958.

On the other hand, you have had your moments. In June of 1965 Lyndon Johnson, in the Rose Garden, told the graduates that they faced "the brightest and most thrilling and the most hopeful prospects of any" who had preceded them.

For never before have young men like yourselves had so sure and so strong a prospect of being a part of the constructive building of a sane and a sensible and a rational world.

Two months later he announced he was sending 50,000 more troops to Vietnam and the Lord of Misrule reigned in the land.

I shall spare you further talk of government, and will rather bespeak your attention to a subject with which public policy has almost nothing to do, but which has almost everything to do with public policy. I will leave aside the talk of democracy, and speak instead to the subject of demography.

Now democracy, a word we get from the Greeks, of course, is a very old word and accordingly, has many meanings. Demography is also a Greek word, I suppose, but it is made up Greek word. It first appears, in French, in 1878, and in English in 1880 and it means the study of births and deaths, the incidence of diseases in populations and that sort of thing.

Perhaps it is unnecessary to say this—I'm not sure—but there is simply nothing so important to a people and its government as how many of them there are, whether their number is growing or declining, how they are distributed as between different ages, sexes (different groups are different in this regard) and different social classes and racial and ethnic groups, and, again, which way these numbers are moving. Moreover—as best I can tell—while these dynamics have a profound influence on government, government has almost no influence on them.

I have often wondered whether Government pays so little seeming attention to these issues for the simple reason that when it does so Behemoth must confront the fact that the great decisions of the world are made by solitary couples—male and female—and are made in bed to boot.

Let me hasten to say, however, that demography is a little like the weather. It is all very well to observe that everybody talks about it but nobody does anything about it. Even so, we spend a lot of effort forecasting it, and with good reason. The same is true of demography, and true in rather the same way. Long run forecasts aren't much good. But the near term is quite predictable, and rewards those who predict it.

I will go further. If I were to be asked what are the most important qualities a young man or woman can bring to public life and the participation in public affairs—matters which obviously interest you—I would say first, a sound knowledge of English composition; second, a modestly exact acquaintance with the birth rate.

Let me tell you of an event from your lifetimes, albeit one in which none of you was directly involved. There is a saying among demographers that society is regularly invaded by barbarians. This is true of any society, including, I suppose barbarian societies as well. Now who are these barbarians? You. Specifically they are young males and females—mostly, I fear, males—in that turbulent time which we arbitrarily define as the years sixteen to twenty-four, the period between being a child and being an adult. This is when people settle into their lives, and do or do not settle in about on the lines of those who preceded them. The question of how much change they make (which some would describe as how much trouble they make) very much depends on the ratio of their numbers to the adults who preceded them. Demographers refer to the latter group as the defenders, facing the former group, the invaders.

I should perhaps at this point note that there is much to be said for barbarians. These are the years when people do wonderful things: run the fastest, dance the longest—dance the best. In the very highest of arts—music and mathematics for example—this is when the most creative work is done, at least most often done. But, as I say, much turbulence accompanies this.

Now the 1960s was a period when the invaders almost overwhelmed the defenders—by sheer numbers. Not since Genghis Khan and his hordes came roaring out of the steppes have we seen anything quite like it.

If you go from 1890 to 1960, you find the size of this subgroup, fourteen to twenty-four, growing a little bit each succeeding decade: 10 percent, 8 percent, sometimes not at all, but usually growing a little bit. In the whole of that seventy years, 1890 to 1960, the total increase in the population of that age group, the total increase of the "cohort," as we say, was 12.5 million persons. Then, in the 1960s, it grew by 13.8 million persons, an increase of 52 percent in one decade, five times the average rate of the preceding seventy years.

Nobody was prepared for this, and many of our institutions were almost overwhelmed—or were overwhelmed. And this is the interesting point. Because it had all happened years before the effects were felt. And hence it would have been an easy enough matter to see it coming. But we didn't. I was a member of the President's Science Advisory Committee during 1971 and 1972 and it was only there—after the decade of the 1960s was over—that we began to see the demographic basis of so many of its so remarkable features.

But it did come to an end. What is more, during the 1970s this cohort will grow only by 600,000 persons—remember it grew by 13.6 million in the previous decade—and next decade it will decline.

At the beginning of 1973 I gave a lecture in Massachusetts entitled "Peace." I said that if demography is any guide to the future, all that teenage turbulence, especially on the campuses, was behind us. And indeed it was.

But unemployment was ahead of us. In May for example, teenagers made up 24.5 percent of all the unemployed. This is in part because from 1970 to 1975 the size of the teenage group increased by 4.4 million—that same cohort rolling into the work force. But in this half of the decade, the size increases only 2 million. Then a long decline commences. Take college age youth, age 18 to 21: there will be 2.5 million fewer such persons in 1990 than in 1980.

Now what does that mean? Well for one thing it means you are going to be lucky, much as persons born in 1927 when I was born have been lucky. The number of people following you is much smaller. Just as it was for us, because of the drop of births during the depression. There simply won't be that many people after your job once you turn forty. Similarly, youth unemployment will be much less a problem when you become young and middle-aged adults than it is today.

But there is a less than cheerful side to this. I hate to think what taxes you will be paying thirty or forty years from now to support the vastly enlarged number of old people we will have once those kids of the 1960s turn 65. The point I wish to make, however, is that keeping these numbers in mind is one of the very best ways of knowing anything about the future, and I sometimes think the only way.

There is more good news and bad news, if you will. The good news is that the world population explosion seems to be coming to an end.

In the period 1970–1975, the world population growth rate per annum was about 1.7 percent. This is a significant reduction from the 1.9 or 2.0 percent recorded in 1965–1970.

A large part of this drop was in Asia.

From 1965 to 1975, its rate slowed from 2.6 percent to 2 percent. China's rate is now thought to be down to 1.4 percent, from 2 percent in the 1950s. In Latin America, fertility has dropped 15–20 percent in the last decade. Population growth is accelerating in Africa, but this is due to increased life expectancy rather than to a higher birth rate, and is in any event much more than outweighed by the reductions in Asia and Latin America.

As a result, population projections are greatly reduced. The projection for 2000 used to be 6.5 to 7 billion, but it is now more likely to be 5.5 billion—a full billion less. Stability in world population was thought likely to be achieved in about 2030, at a population level of 10–13 billion.

Now, stability may be achieved in 2010 or 2015, at only 8 billion or so, and perhaps at a figure as low as 7 billion.

These are the estimates of my friend, and sometime Harvard colleague, the brilliant young demographer Nick Eberstadt.

No one knows just why it happened, although it's not government that did it, and yet it seems to be happening everywhere. Mr. Eberstdat, for example, notes that population movements in China and Europe were remarkably synchronized during periods when the civilizations had virtually no contact with one another.

What this comes to is that the population growth of the United States is slowing down rapidly. For those of you who have not altogether despaired of the wisdom of government let me add this perhaps final blow. Back in 1969 the President of the United States sent to the Congress the first message ever on the subject of population. I know because I wrote it. And it was a fearsome message. The world was drowning in people. America was drowning in Americans.

By some unwritten rule, almost at that very moment, the fertility rate for American females dropped below the reproduction rate.

In order for a population to reproduce itself, each female must have 2.1 children. The average, that is. In 1972 the rate for American females fell below this to 2.02 percent. The estimate for 1976 is 1.76 and it may be even lower.

In the whole of this decade, as a consequence, one quarter of the population increase in the United States will come from immigration.

This does not mean that our population will actually decline in the years immediately ahead (thanks in part to immigration), but it will decline eventually, and not that far off (again depending on our immigration statistics).

And what does that mean? I will offer you one guess. We will get glum. A people who don't reproduce themselves are saying something. I don't want to get into a lot of trouble by telling you what I think they are saying. I'll warrant it's not anything cheerful. The distinguished Johns Hopkins professor Margaret Bright had remarked, for example, that in the 1930s much of the gloom of the democratic nations, and much of the fury of the totalitarian nations, was a response to the thought that they were dying out.

Do not take this to be a personal plea for you individually to do anything about it. As I said, exhortation from govenments, or legislatures, seems to have precious little influence on such matters. And a good thing, too. But they are fascinating matters, and I hope in the years ahead you will give them occasional thought.

THE DEATH OF MRS. SATYRA PEARSON BENNETT

Mr. BROOKE. Mr. President, every community has its selfless, tireless servants, women and men who seek no headlines, no personal status, no personal gain, only a better place for their children, their friends, and their fellow citizens to live and work.

Such a woman was Satyra Pearson Bennett, who after a lifetime of giving to others, succumbed to a protracted illness on June 2. She was 84.

For those of us who were fortunate to know her, her death comes as a great loss. For we are losing a wonderful, vibrant human being, as well as a close and devoted friend.

Yet at that same time we can, and we should, rejoice in the glorious fullness and the sheer vitality of her life. For it was a marvelous life. Time nor space permit an adequate compilation of Mrs. Bennett's enormous contributions to the communities of Cambridge and Boston. But let me name a few. She was a trustee and member of the executive board of the Massachusetts Chapter of the Arthritis Foundation; cofounder and president for 16 years of the Citizens Charitable Health Association; vice president of the NAACP's Boston Branch; cofounder and member of the board of directors of the Cambridge Community Center; member of the advisory board of the Cambridge Civic Association; and a member of the Civic Unity Committee. She also was active for more than 70 years in Cambridge's St. Paul AME Church where she was a Sunday school superintendent for 25 of those years.

These activities, while by no means inclusive, serve simply as beacons, illuminating both the path Satyra Bennett traveled in her adult life and the extraordinary civic spirit she brought to these travels.

Mr. President, I was privileged to know and to work with Mrs. Bennett and, like all who knew her, I shall miss her dearly. For there is no replacing her in either our hearts or our minds. To her son, George Barrett Bennett; her devoted sister, Mrs. Ozeline B. Wise; and her granddaughter, Gail D. Bennett, I offer my prayers that God is with them to comfort them in their time of loss.

And for the benefit of those who could not share in the privilege of knowing her, I ask unanimous consent that the very eloquent obituary delivered at Mrs. Bennett's funeral be printed in the RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

OBITUARY

Satyra Pearson Bennett, the oldest daughter of four children born to the late Reverend William B. and Frances Lavina Pearson, was born in Rock Hill, Jamaica, West Indies during her mother's visit there with relatives.

Her late father was a former pastor of the old St. Paul A.M.E. Church.

Satyra Pearson Bennett's schooling began at an early age in Worcester, Massachusetts. When her father was transferred to Cambridge, she enrolled in Peabody School and after graduation attended Cambridge English High where she completed her secondary education. She then entered Wilberforce University, Ohio, and upon completion of her college course accepted a teaching position at McKinley Institute, Lynchburg, Virginia, where she taugh for many years. She also took special courses at Harvard University.

For many years she was employed as a Linotype operator for the Boston Chronicle, Cambridge Sun, Dedham Transcript Newspapers and the LaValle Press.

Satyra Pearson Bennett's keen interest in St. Paul A.M.E. Church program and membership span 70 years of faithful service, having served as Sunday School Superintendent for 25 years. She was a member of the Board of Christian Education, Class Leader, Treasurer of the Philathea Class, Trustee, and Secretary of the Layman's Organization of the First Episcopal District. For many years she served as Treasurer of the church.

Mrs. Bennett's affiliations and community participation included membership in the National Association of Colored Women's Clubs, Inc. of which she was a Life Member; Northeastern Federation of NACWC, having served as Chairman of the Victoria Earle Matthews Scholarship Fund; Massachusetts State Union of Women's Clubs, having served as Financial Secretary and also was a Past President of the Booklovers Club. Executive Board member of Massachusetts Chapter Arthritis Foundation, Trustee of the Foundation for 10 years; President and Co-Founder of the Citizens Charitable Health Association being elected its first president and served from 1950 to 1966. Chairman of Afro-American Group of Cambridge Tercentennary and member of its reception committee. Former Vice President of the Boston Branch NAACP during the presidency of Larkland F. Hewitt; Co-Founder of the Cambridge Community Center and member of the Board of Directors; Member of the Civic Unity Committee and also a member of the Advisory Board of the Cambridge Civic Association. Throughout the years, she was an active member of the Jamaican Associates.

She was appointed by the late Governor Paul A. Dever as a representative of the Commonwealth of Massachusetts for Freedom Day at Philadelphia, Pa.

Mrs. Bennett was the recipient of many plaques and citations which included plaques from the First Episcopal District Laymen's Organization of the African Methodist Episcopal Church for loyal and faithful service in the office of Recording Secretary; City of Cambridge for selfless contributions to the Civic Climate of Cambridge, Mayor Daniel J. Hayes, Jr. and Vice Mayor Thomas Coates; the Lambda Kappa Mu Sorority for outstanding community and civic contributions; Citations from Citizens Charitable Health Association in recognition of inspired and devoted service as clubwoman, civic leader and humanitarian; Massachusetts Chapter Arthritis Foundation for 13 years of unselfish and devoted leadership in the Chapter's effort to combat arthritic and rheumatic disease; and NACWC Life Membership plaque.

Satyra Pearson was married to Cyril George Bennett of Detroit, Michigan. To this union was born an only child, George Barrett Bennett.

On Thursday afternoon, June 2nd at 2:50 p.m., she departed this life at St. Monica's Nursing Home.

She leaves to mourn their loss in addition to her son, a sister, Ozeline B. Wise, a granddaughter, Gail Denise Bennett, a daughter-in-law, Olga R., all of Cambridge; two nieces, Effie Blandon of San Antonio, Texas and Harriett Raynor of Boston; two nephews, Hubert B. Wise of Roslindale and Vincent Pearson of Chicago, Illinois; three cousins, Constance Chambers, Elsie Polgren and Hilda Chambers of New York City, as well as a host of friends.

"Servant of God, Well Done
Rest from thy love employed
The battle fought, the vict'ry won
Enter Thy Master's joy!"

ABORTION FUNDING PROHIBITION—1978 FISCAL YEAR LABOR/HEW APPROPRIATIONS ACT

Mr. BARTLETT. Mr. President, as the Senate once again prepares to consider the 1978 fiscal year Labor/HEW Appropriations Act, and the difficult question of abortion funding with taxpayer dollars, I thought the following item might be of interest to my colleagues on the legal status of the so-called Hyde amendment prohibition enacted in last year's fiscal year 1977 measure.

In a letter to several Members of Congress concerned with the current status of the court challenge to 1977 fiscal year prohibition on Government funding of abortion—the so-called Hyde amendment—the attorneys for Senator HELMS and Congressman HYDE, among others, clearly point out no final determination by the U.S. Supreme Court has ever been rendered to date. No Federal court has ever ruled definitively that Congress must fund abortions with Federal tax dollars.

Mr. President, I ask unanimous consent that the text of this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BODELL & MAGOVERN, P.C.,
New York, N.Y., May 17, 1977.

Re: James L. Buckley, Jesse A. Helms, Henry J. Hyde, and Isabella M. Pernicone, as Guardian ad litem, Appellants v. Cora McRae, et al., Appellees, in the Supreme Court of the United States, Docket Number 76-694, filed November 17, 1976.

Hon. ————,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR: We are the attorneys of record for Appellants in the above-referenced litigation which challenges the constitutionality of Section 209 of PL 94-439 (90 Stat. 1418, September 30, 1976), the Labor-HEW Appropriations Act for Fiscal Year 1977. Our clients have requested us to inform you that, as of the date of this letter, there has been no final determination of this litigation in the Supreme Court of the United States.

The text of Section 209 of PL 94-439 is the same as the text currently proposed in the FY '78 Labor-HEW Appropriations Bill. It reads as follows:

"None of the funds contained in this Act shall be used to perform abortions except when the life of the mother would be endangered if the fetus were carried to term."

The purpose of this language is plainly stated in the conference report dated September 15, 1976 (House Report No. 94-1555), as follows:

"It is the intent of the conferees to limit the financing of abortion under the medicaid program to instances where the performance of an abortion is deemed by a physician to be of medical necessity and to prohibit payment for abortion as a method of family planning, or for emotional or social convenience."

There was, at the time of the adoption of Section 209, pending litigation in the Supreme Court of the United States related to the issue of public funding of abortions. On this matter the same conference report stated:

"The Congress is aware that there are three cases related to this issue to be heard by the Supreme Court of the United States this fall, and wishes to make clear that the Congress in its action upon this particular appropriations bill does not intend to prejudge any constitutional questions involved in those cases."

The three cases referred to in the conference report were argued before the Supreme Court of the United States on January 11, 1977, and presently await decision by the Court. The case previously referred to challenging Section 209 of PL 94-439 is the fourth case presently pending in the Supreme Court of the United States related to public funding of abortions. It has not yet been argued, and argument before the Court will probably depend upon final determination of the three earlier cases, all of which involve public funding of abortions on the state and local level.

None of the aforementioned cases presently pending in the United States Supreme Court should be considered to affect the authority of Congress in any way until there has been a final determination of the constitutional questions presented in that Court. Acts of Congress are presumptively constitutional and the preliminary injunction against enforcement of Section 209 of PL 94-439, now on appeal before the Supreme Court of the United States, is designed merely to preserve the status quo pending final determination of the constitutional issues by the Court. Obviously, Congress is also entitled to maintain the status quo pending final outcome of this litigaton by re-enacting the text of Section 209 of PL 94-439 in the 1978 Appropriations Bill.

Respectfully submitted,

GERALD E. BODELL,
Attorney for James L. Buckley, Jesse A. Helms and Henry J. Hyde, Appellants.
A. LAWRENCE WASHBURN, JR.,
Attorney for Isabella M. Pernicone, Appellant.

AIRLINE REFORM: IMPROVEMENTS POSSIBLE WITHIN OUR PRESENT REGULATORY STRUCTURE

Mr. MATSUNAGA. Mr. President, on May 11, 1977, Senator DANIEL K. INOUYE, my very distinguished and highly respected colleague from Hawaii, delivered a speech before a meeting of the Airline Pilots Association's executive board.

Senator INOUYE used the occasion of his speech to outline his views concerning airline deregulation, a topic much discussed in recent weeks here in Washington, and elsewhere throughout the Nation. He provided an insightful assessment of the airline deregulation proposals currently being considered in committee. His sensitive and sensible approach to the examination of the various aspects of the issue is both thoughtful and persuasive.

My position on S. 689, the Cannon-Kennedy airline deregulation bill, is essentially similar to that of my senior Senator from Hawaii. Foremost among my reservations is that the proposed bill does not provide adequate protection to insure that a truly competitive market will be maintained.

Under the bill, as currently written, I believe it would be entirely possible for the larger airlines to cut their fares first—thereby running the smaller airlines out of business—and then, simply increase their fares after the competition has been eliminated. If we permit this to happen, all concerned, except the few dominant airlines, will be the losers.

Furthermore, we have only to look at the recent experience of the two local air carriers in Hawaii to appreciate the stabilizing effect of the Civil Aeronautics Board's involvement in airline regulation matters.

A few years ago, both airlines—Aloha and Hawaiian—were overscheduling flights and flying ridiculously empty and, therefore, unprofitable planes back and forth between the six beautiful major islands which comprise our State. Each airline was attempting to obtain "a competitive edge" over the other carrier.

When it became apparent that help was needed, the CAB wisely stepped in and permitted the two carriers to work out an agreement, subsequently approved by the CAB, whereby both airlines adjusted their schedules to bring their passenger load factors up to economic levels. Had the CAB not intervened when it did, the State of Hawaii might now be served by only one noncompetitive, interisland carrier.

Mr. President, as indicated earlier, I share all of the many reservations concerning S. 689 which were expressed so convincingly by Senator INOUYE in his recent speech. I believe, moreover, that the very real problems which S. 689 attempts to resolve can be more adequately addressed within the present regulatory structure.

I commend Senator INOUYE's speech to my colleagues for their reading, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR DANIEL K. INOUYE BEFORE THE AIRLINE PILOTS ASSOCIATION, ARLINGTON, VA., MAY 11, 1977

I wish to thank Captain O'Donnel and the members of the Airline Pilots Association executive board for the opportunity to share my views on deregulation with you this afternoon.

As the senior Senator of a State which is separated from the mainland by over two thousand miles, and as chairman of the Senate subcommittee responsible for tourism, as well as ranking member on its aviation subcommittee, I am well aware of how important a viable commercial airline system is to the economic and social welfare of our Nation.

I am therefore committed to assuring its continued viability, expansion, and improvement.

The first serious Federal economic regulation of air carriers came with the enactment of the Civil Aeronautics Act of 1938, which established the civil aeronautics authority, whose regulatory functions were subsequently transferred to a civil aeronautics board in 1940.

In 1958, Congress created what is the present C.A.B., and charged it, among things, with the economic regulation of U.S. commercial aviation, including jurisdiction over routes, rates and fares, and certain business practices of the airlines. The board was also empowered to authorize air carriers to provide service between city pair markets (e.g. Chicago to Detroit) by issuing certificates of public convenience and necessity.

Over the years, the level of criticism of C.A.B. regulatory policies has ebbed and flowed.

It is, I believe, accurate to say that this criticism mainly holds that the C.A.B.'s route awards policy is too restrictive; and that its fare policies seek levels which are too high and fail to allow cost-service options to passengers.

In the last two years, criticism of the

C.A.B.'s policies has become increasingly more severe, and resulted in several bills before Congress proposing regulatory reform. The Senate Aviation Subcommittee is currently considering two of them—S. 689, the Cannon-Kennedy bill, and S. 292, the Pearson-Baker bill.

As a Member of the United States Senate and ranking on its Aviation Subcommittee, I believe my responsibility is to ensure adequate commercial air service at the lowest possible air fares consistent with maintaining a healthy U.S. commercial aviation industry.

In evaluating S. 689, which is the principal bill under consideration, I believe therefore it is necessary to consider its potential long range effects on three broad areas of your industry—fares; quality of service; and stability of the industry. To be sure there are other provisions in the bill relating to such important matters as charters, airline agreements, and entry into the cargo industry, but the three broad areas I have mentioned go to the very heart of the bill and it is on their merits S. 689 must stand or fall, in my judgment.

FARES

The proponents of S. 689 maintain that the present C.A.B. regulation which controls entry into airline markets results in higher fares. They contend that the airlines serving a particular market tend to channel their energies into "service competition" rather than "price competition".

That is, they offer greater flight frequencies, more convenient departure times, movies, food, etc. Rather than lower fares.

On the basis of the committee hearing record to date, however, it appears to me that these claims rest more on hypothesis than fact.

How, we might legitimately ask, will deregulation bring down the cost of borrowing money; make Arab oil less expensive; or reduce the price of new equipment.

These and many other items are, of course, part of the overall air industry cost index.

Moreover, under S. 689 as presently drafted, fares could be raised up to 10 percent until December 31, 1979, and up to 20 percent thereafter, without C.A.B. approval.

Many, including the C.A.B., and consumer groups are concerned that carriers would automatically take the increase, especially on monopoly or near monopoly routes.

I understand, however, the sponsors of the bill are re-drafting the provision which permits fare increases without C.A.B. approval.

In this connection, I also do not believe that S. 689 adequately safeguards against the possibility that due to excessive competition, a few of the stronger carriers would ultimately dominate various markets and raise fares to monopoly levels.

In any event, it seems much more likely to me that whether deregulation occurs or not, our normal inflationary spiral will prevent any major price cuts.

Finally, with respect to our present system of price/entry regulation, a study by Robert R. Nathan associates found that "Fares on equidistant routes carrying approximately the same number of passengers are substantially lower in the U.S. than in Western Europe."

QUALITY OF SERVICE

I am also greatly concerned that under S. 689, there may be a deterioration in the domestic airline service we enjoy today.

This deterioration could range from outright abandonment of routes to reduction in frequency of service.

S. 689 makes it much easier to abandon markets which generate little passenger traffic. Under the bill a Federal subsidy program would assure continuation of service to smaller communities which are the most vulnerable in this regard.

At the outset I should note that the exact form of the subsidy program is not yet known. I understand, however, it is in the drafting state, and will be completed shortly.

Even if such a program were able to assure continuation of service to smaller communities—and until I have an opportunity to analyze it I will reserve judgment—there is still a grave danger, in my opinion, that service to medium-sized cities will be seriously curtailed.

I share the concern of your association with respect to most of these medium-sized cities which are tied into the Nation's commercial and vacation centers with convenient one-stop or connecting service on the trunk and regional airline systems.

As the opportunities for entry into major markets become available—and they would under S. 689—carriers in these systems may very likely shift their resources from these one and two stop markets and concentrate on larger non-stop markets where the profit potential is greater.

Finally, while on the subject of service deterioration I would like to say a word about the very real possibility that deregulation might result in a reduction in the frequency of service.

The proponents of deregulation rest their argument against a reduction in frequency of service on the assumption that lower air fares will stimulate so much new traffic that the number of flights in a given market will increase rather than decrease.

Even they, however, must concede that if only small price decreases occur as a result of deregulation such decreases would not be a sufficient stimulus to have much impact on traffic volume.

If, therefore, as I believe, air fares will rise regardless of deregulation, we could look forward to a reduction in the frequency of service.

STABILITY OF THE INDUSTRY

The final effect which I feel must be considered in assessing legislation such as S. 689, relates to stability in the airline industry; and conversely, the threat of instability if S. 689 were enacted.

My concern on this point is twofold.

First, the kind of increased competition which S. 689 would encourage may well induce bankruptcies among the financially weaker air carriers, and thus cause service disruption.

Significantly, eight trunk carriers voiced their concern before the committee that only a few could survive a market free-for-all.

Moreover, given the choice of serving a market and the freedom to raise and lower fares, as S. 689 would do, the integrated airline network developed since the inception of regulation could very well be destroyed.

My second concern stems from the first, and relates to the impact of deregulation on airline industry employees, as well as others.

According to statistics, during the Arab oil embargo in 1973–74 airline employees suffered mass furloughs (10,000 to 12,000), and some of these people are still on layoff.

Your own association testified before my tourism subcommittee on an energy resolution at that time, and I well remember Captain Bonner's testimony that 2,000 pilots were furloughed within a 5 month period.

Some sources maintain that the hardship and tragedy of that period would pale before the consequences of the instability which would occur if S. 689 were enacted.

The subcommittee has testimony that predicts expected layoffs of 50,000 to 70,000 if S. 689 becomes law.

Moreover, I believe even proponents of deregulation would concede that substantial adverse changes in the fortunes of a given airline would cause severe labor dislocation.

Since airline employee practices are characterized by strong seniority benefits, it would be difficult for a laid-off senior employee to find employment with comparable benefits from another airline.

I note that in its 1975 report on regulatory reform the C.A.B. implicitly concedes this possibility by pointing out that the relative positions of the leading companies have been more stable over time than one would expect without regulation. (C.A.B., regulatory reform, pp. 55 N.1 (1975).

If S. 689 causes the instability many including myself fear it will, its impact will not only be felt by airline industry employees.

In addition to pilots, flight attendants, dispatchers, mechanics, ticket agents, and clerical workers, others will suffer as well.

Most assuredly there will be a domino effect, and jobs will be lost in such support industries as airports, manufacturers, suppliers, and the multitude of industries which make up the $100 billion tourism industry.

To me these risks are simply unacceptable. And they are especially so when we are asked to take them on the basis of hypothesis at a time when the unemployment rate is 7%.

CONCLUSION

On the matter of deregulation President Carter has said the Government must be careful to protect the legitimate interests" of the industry and its employees.

For the reasons I have outlined, I simply do not believe S. 689 does this.

I am aware that certain key provisions are currently being re-drafted, and it is always possible my reservations will be laid to rest.

I do not hold out much hope for this, however, because my misgivings go to the very heart of the bill, and it seems unrealistic to expect that its proponents would change it that significantly.

Although my remarks so far have been mostly negative, I much prefer to think affirmatively and act constructively.

I would therefore like to end my talk on a positive note.

There is room for improvement in your industry, and in the very valuable service it offers.

I believe there should be more responsive administration of existing law. It seems to me that there is a general regulatory lag at the CAB, and that the board could act faster on route cases. In the regulatory process, justice delayed is truly justice denied.

I also believe a case can be made for some degree of pricing flexibility.

I believe we should seriously consider allowing airlines to offer lower fears in individual markets to attract passengers during periods of low traffic demand, and to raise fares with sudden cost increases.

Such flexibility should, of course, have a specific ceiling and floor above and below a base fare level in order to prevent destructive competition or price gouging.

Such pricing flexibility might be one technique which would enable the air carriers to move progressively in the direction of greater reliance on competition to provide ever better and cheaper air service to the American public.

I am therefore committed to improvements within our present regulatory structure, even alterations in it, if demonstrably necessary.

Whatever its shortcomings, however, we have the finest commerical air transportation system in the world. As we proceed to remedy these shortcomings—and remedied they must be—I do not believe we should "throw the baby out with the bathwater."

Again, I wish to thank you for the opportunity to share my views with you.

COMMISSIONER JEROME KURTZ PROPOSES REFORMS IN IRS PROCEDURES

Mr. KENNEDY. Mr. President, on May 24, 1977, in Los Angeles, IRS Com-

missioner Jerome Kurtz delivered a major address to the American Institute of Certified Public Accountants, in which he made a number of constructive suggestions to improve the procedural fairness of our tax system.

One of the most significant suggestions is that a taxpayer should be required to report "questionable" positions on his tax return—that is, positions taken by the taxpayer that are known to be in disagreement with IRS rules or court decisions.

As Commissioner Kurtz notes, one of the problems undermining the confidence of average taxpayers in the tax system is the so-called "audit lottery," by which some taxpayers file returns taking positions contrary to those taken by the IRS. These taxpayers then gamble that their returns will not be audited, or that the issues will not be pursued even if the returns are audited. In the tentative "full disclosure" proposal under consideration by the Commission, taxpayers would be asked to disclose on their returns the fact that they are claiming such questionable positions.

Another important aspect of Commissioner Kurtz' address deals with the IRS approach to returns involving tax shelters. In his remarks, Mr. Kurtz notes a number of steps planned to increase the effectiveness of the IRS in identifying and auditing particular returns involving abusive tax shelter techniques. In 1978, for example, Mr. Kurtz states that the IRS will double the overall audit coverage of partnership returns, by increasing the audit coverage from 1.5 to 3 percent of such returns with coverage of 30 percent for returns in the highest loss category.

Mr. President, I welcome the interesting and thoughtful approach of Commissioner Kurtz to enhancing the fairness of the administration of our tax laws and improving public confidence in our tax system. I ask unanimous consent that the full text of his address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF JEROME KURTZ, COMMISSIONER OF INTERNAL REVENUE, BEFORE THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, LOS ANGELES, CALIF., MAY 24, 1977

I want to talk to you today about two particular aspects of what I regard as the Service's most important task—that of improving the level of voluntary compliance with the tax laws.

"Voluntary compliance" may be something less than a completely accurate description of the relation of taxpayers and government because obviously there is an element of compulsion to encourage volunteerism. Nevertheless, our tax system does depend largely on taxpayers computing and reporting their tax liability in the first instance.

The resources of the Internal Revenue Service are limited and therefore our audit coverage is quite small. As a result, for over 97% of taxpayers, their voluntary self assessment is not substantively verified by audit.

These facts present two challenges to the Service which in my view are inextricably related. One is to use our audit resources wisely and fairly, and the other is to promote the highest possible level of accurate and forthright taxpayer reporting.

The reason these two challenges are interdependent is because voluntary compliance requires a sense by taxpayers that they are being treated fairly by the system, which in turn depends on their sense that others are paying their fair share of the tax burden. The Service must therefore use its resources to ensure a high level of compliance, not only by the taxpayer whose return is audited, but for the others who must be assured that the system is operating fairly.

Older lawyers have been known to counsel younger lawyers that if they find themselves at a loss in summing up to jury it is always safe to quote the motto over the courthouse door. That's sometimes not bad advice because it has a way of getting the discussion back to fundamentals. The motto over the door at 1111 Constitution Avenue is "Taxes Are What We Pay for a Civilized Society." If taxpayers are to believe this and act on it, the Service has a great responsibility to see that civilization begins at home. Civilization means decency and fairness—in other words—civility.

I have heard complaints about the attitudes of some of our agents—that they are overly aggressive, suspicious, and hostile. While I believe that this description does not apply to many of our agents, I think it worthwhile to examine the underlying relationship of taxpayers and the IRS with a view to eliminating those factors which may foster this attitude.

Secrecy breeds suspicion and I firmly believe that taxpayer—tax collector attitudes will greatly improve with more openness on both sides. More openness should foster an increased sense of fairness—an advantage to taxpayers; increased mutual respect and trust—an advantage to both taxpayers and the Service; and increased voluntary compliance—an advantage to the Service directly and to all taxpayers indirectly in assuring a fairer distribution of the tax burden.

With that long preamble, I'd like to raise with you—for your consideration and comment—some thoughts that I've had about those problems. I emphasize that these are only thoughts and only in the formative stage. But I feel what I will suggest could go a long way towards opening the system, increasing taxpayer's compliance and sense of the fairness of the system and permit more effective allocation of audit resources. I know the proposal presents problems. My question is whether they can be solved fairly and without undue complexity.

I believe taxpayers, especially sophisticated taxpayers, and their preparers should be required to report on their returns "questionable" positions that have been taken on the return. By "questionable" I mean essentially a position that is knowingly inconsistent with published regulations, rulings or cases. The kind of positions that accountants reserve against—the kind of position lawyers would call to the attention of investors in a public offering. Why should the IRS be treated with less candor than investors.

The audit coverage of the Service is small so the taxpayer may well be playing the "audit lottery" when he buries a questionable item in his return. Moreover, even if the return is selected for audit, if the tax issues involved are complex, and the facts are presented on the return in an oblique manner, it may be quite difficult for a Revenue Agent to spot the issue, and of course, if we do not spot the issue, we cannot challenge the taxpayer's treatment of an item.

At the present time, it is unclear just how far the taxpayer and his or her tax advisor are required to go in making a full disclosure on the tax returns of items or transactions where the claimed tax treatment is of questionable validity. By the use of the term "questionable" I do not, of course, cast any aspersion. I mean simply that there has been reporting of sufficient facts to avoid the imposition of the negligence penalty under present standards, but yet tax treatment was claimed that is clearly inconsistent with a published revenue ruling, or outstanding judicial decisions. The idea we are now working on may make the return selection and issue-spotting part of our job somewhat easier especially when we are dealing with the more complex returns filed by businesses or by more affluent taxpayers. If we are able to develop this idea successfully, it should result in a fairer, more equitable tax system, since the filers of those returns will then be on a relatively more equal footing with the rest of the taxpaying population.

The reason that we have to struggle with the problem of how a questionable issue may be presented on the tax return is that our voluntary compliance system gives to the taxpayer who has entered into a transaction with uncertain tax consequences significant opportunity to decide how to report the transaction on his or her return. This opportunity is frequently taken advantage of by putting the most favorable interpretation on the law and the facts, and by disclosing the least amount that can be reported, without exposure to the 6653(A) penalty. This may be so even though the position of the Service on the tax consequences of the transaction is fairly clear. For example, there may be a published revenue ruling on point, or the Service may have litigated and won the issue in a number of circuits. Even in these fairly clear cases—cases in which any reputable attorney or accountant would advise what the Service's position is and that it may prevail in litigation, taxpayers frequently feel free to take the contrary position, on the basis of advice or a belief that a respectable argument can be made to the contrary.

If the taxpayer does take that contrary position, and reports the transaction in a manner that does not clearly disclose the issue and the position taken, he or she may be effectively "resolving" the disputed issue against the Service position simply because our limited audit resources do not provide for extensive audit coverage—we may never select the return and, even if we do, the issue itself may not be pursued on audit.

One thing with respect to this idea must be made clear—the Service recognizes that it does not have the last word on the meaning of a statutory provision or the allowability of a tax benefit. If a taxpayer disagrees with our interpretation, the taxpayer should have the opportunity to argue the point with the Service, and to litigate the issue in the courts if he or she so desires. However, there is no apparent reason why this right should depend on the chance of the return being selected for audit or necessarily carry with it the right to report a transaction in a cryptic way, intended to minimize the chance that he or she will actually get to litigate the questionable issue. As I have stated, one of the principles we use in the allocation of our audit resources is that resources should be allocated to returns most in need of audit. It hardly seems open to question but that a return reporting a transaction in a manner that is contrary to the public IRS position is a return that is "in need of audit" and if we are able to develop a satisfactory way of identifying returns of taxpayers who are knowingly claiming a questionable item, we should be able to allocate resources to those returns.

The proposal under consideration at the moment is that the way to identify returns that may need audit because they are claiming a questionable position is simply to require taxpayers to disclose on their returns the very fact that they are claiming a questionable position. We recognize that such a requirement would create significant definitional problems, and might call for difficult determinations as to whether the taxpayer or the tax practitioner was aware of the IRS position. However, we beleive that the pro-

posal holds sufficient promise to warrant further analysis and development.

We have already taken some steps in the area of requiring disclosure of significant issues on tax returns. For example, for some time we have had a question on the corporate tax return whether deductions were claimed for the use of an entertainment facility, such as a yacht or resort. We added the questions to the partnership return to alert us to the possibility that the partners are deferring adverse tax consequences that should properly be recaptured at a later date. The new proposal can be viewed as an extension of this type of requirement.

The service is aware that we have a complex tax system, and we are reluctant to take any steps that significantly increase the annual reporting burden. If we conclude that some steps must be taken, we should make a particular effort to see that the added burden is kept to a minimum, and targeted to those areas where there is a problem. We intend to keep these principles in mind in our consideration of any new reporting requirements.

For example, the new reporting requirements could be imposed only where gross income was in excess of a set figure, or in the case of a tax shelter type turn, where losses were in excess of a certain figure. Alternatively, we could make the new requirements applicable only in the case of the Form 1040, and leave out the 1040A population. We could also decide to impose the requirement only on filers of corporate and partnership returns, and individual filers who have to file Schedule C, the business schedule.

If we are to develop a workable new "full disclosure" system, we would probably have to revise the penalty structure to be sure that taxpayers and their advisors or return preparers have a sufficient incentive to comply, since the whole purpose of the exercise is to identify those returns where the taxpayer has taken a position with which we disagree. We are considering recommending a possible increase in the rate of the negligence penalty under section 6653(a), a reexamination of the definition of the statutory language "negligence or intentional disregard of rules and regulations" to make sure that it would encompass the taxpayer's (or the advisor's or preparer's) knowing failure to answer the new questions, and the creation of a "safe harbor" from the negligence penalty for those who do answer the question.

The full disclosure reporting requirements would be a significant departure from present rules. For this reason, there may be some delay in developing and implementing them. We may decide that we need additional legislative authorization, or that the regulations should be amended. We may decide it's a bad idea. In any event, I thought you would be interested in this proposed way to increase the efficiency and effectiveness of our audit and selection processes.

The adoption of some proposal along these lines may offer the promise of enabling us more efficiently to allocate audit resources and even more importantly, I feel, will reduce the sense of hostility that may exist between taxpayers and agents because agents will feel they are not as severely disadvantaged as today. Moreover, all taxpayers will feel better about paying their taxes if they believe that all taxpayers, rich and poor, are facing their responsibilities and not gaining undue advantage from the system.

Openness and civility is, of course, a two way street. On our side the service will move towards greater disclosure.

Subject to the overriding consideration of confidentiality of taxpayer information, we intend to operate as openly as possible—encouraged by legislation. Private rulings are currently open and the process of releasing prior rulings will shortly begin. We will, within a few weeks, make public our internal list of regulation projects and solicit guidance from taxpayers and professional groups on priorities. We will be examining other material, heretofore confidential, which may be helpful to taxpayers and their representatives for possible release to the public. All will have more confidence in the system if dark corners are lighted.

I started this talk by referring to two aspects of compliance. The second I want to discuss has to do with what are generally called "tax shelter" returns.

The Code for many years has contained certain preferential tax provisions—for example, accelerated depreciation, the deduction for intangibles, the cash method for farming, etc.—that have affected the form in which many taxpayers cast their transactions and, indeed, may have been the chief motivating reason for the transaction. The introduction of more and more tax preferences—or tax expenditures as they are more aptly called—caused tax planners to develop enormously complex transactions which were designed to make tax benefits available to wide segments of the taxpaying public. Competition led to further and further stretching of the tax laws and to the shaping of transactions where the tax benefits—not economic efficacy—became the sought for goal. Of course, growing awareness that many taxpayers were buying—through tax sheltered investments—deductions and other tax benefits worth far more than the dollars invested has caused deterioration in taxpayer confidence in the tax system, and, as such, no doubt has had a detrimental effect upon the level of voluntary compliance.

To remedy this the service simply must have an effective means of dealing with the identification, audit and selection for litigation of those returns which utilize what might be called abusive tax shelter techniques, let me tell you what our procedures have been to date, what problems we have encountered and how we are moving to correct and improve the situation.

We all know, of course, the tax shelter arrangements usually involve the partnership form—in fact, the limited partnership has been, almost exclusively, the vehicle for attempts by taxpayers to obtain significant tax benefits without the risk of personal liability. The service's current coordinated tax shelter program, a multi-functional task force approach, was designed as a *limited* examination program with a plan to examine less than 100 partnerships nationwide in each of four identified tax shelters areas. This program involved a closely coordinated national office effort to identify abusive tax shelter arrangements, to develop a service position on key issues and to mark cases for early litigation. We now believe that the present coordinated Tax Shelter Program has served its purpose. The announcement of an official service position with regard to many key abusive tax shelter issues and the new 1976 Act legislation which brings more objective rules to many shelter areas, make it appropriate for the service to now place the audit of partnership returns back into the regular return examination program.

The Audit Division examines in excess of two million returns annually and the Service's organization provides for the orderly flow of unagreed cases through an administrative appeals system, and ultimately, if necessary, to litigation.

We do not believe, therefore, that any form of National Office identification of specific cases will continue to serve a constructive purpose. Instead, each Assistant Regional Commissioner (Audit) will be requested to assign a program analyst to the Tax Shelter Program. The analyst will be responsible for coordination of Tax Shelter matters with the National Office Audit Division, District Offices, the Regional Appellate Office, Regional Counsel, and with his or her counterpart in other regions. In short, we believe that the Tax Shelter workload will flow most effectively and with the greatest priority and coordination by using the existing field organization, as we do, for example, for the equally important large case coordinated examination program, which not only crosses district and regional lines, but international boundaries as well.

The key to the future of the Service's Tax Shelter Program is the specific allocation of audit resources to the partnership returns, where the vast bulk of the tax shelter issues exist. In the past, partnership examinations have not received equal emphasis in comparison with individual and corporate audit classes. Partnership examinations were in effect, treated as "memo" entries in the annual examination plan—and there was, therefore, no requirement that the level of audit activity referred to in the partnership area be met. The FY 1978 Audit Examination Plan takes, however, an entirely different approach.

The plan will include a separate category for partnership returns. Returns of partnerships with ten or fewer partners and gross receipts of less than $500,000 will be classed pursuant to our DIF scoring system. If more than ten partners are involved—and this will be the case with most of the large partnership syndications—the partnership return will be looked at and classed by the size of the net income or loss. Returns falling within the larger loss categories will carry the greater probability of being audited.

In 1978, the Service is both doubling the audit coverage of partnership returns generally (increasing that coverage from 1.5 to 3% of all partnership returns) and allocating the distribution of that increased audit activity to returns which are most in need of audit. For example, in the highest loss category, audit coverage will be approximately 30% of partnership returns within that category. This classification process along with information obtained through SEC and state "blue-sky" liaison (which, by the way, the Service has just recently taken steps to improve) and computer applications designed to analyze and identify the "at risk" limitations of partners and basic issues and to retain data on partners' deferred adverse tax consequences from prior year transactions, will give the Service a much improved basis for identifying those partnership returns in need of examination. This latter aspect will be greatly assisted by the questions which were added to the Form 1065 and the Schedule K–1 in 1976. On the face of the Form 1065 itself, the question regarding whether the return is a "final return" will allow the Service to be aware of partnership terminations and to assert any income tax consequences that may result.

A number of new questions have been added to the Schedule K–1—some associated with the amendments made by the Tax Reform Act of 1976 and some not. For example, information regarding when a partner joined the partnership will assist the Service in identifying special or retroactive allocations. The question regarding the adjusted basis of the partners' interest in the partnership at the end of the year has, we know, caused some return preparers to express concern about the burden imposed upon the partnership as a result of the addition of this question to the Schedule K–1. Primarily in response to these concerns the Service, on March 2, 1977, indicated that it would require this information for returns filed in 1977 only for partners in any partnership which has a nonrecourse loan at any time during the year and any partner in any partnership which has a negative capital account at the end of the taxable year if such partner's interest in the partnership decreased or was terminated during the taxable year. As a result of this action the great bulk of partnerships were relieved of the obligation of supplying this information on

the Schedule K-1 for 1977. In order for the Service properly to administer the law in the future, however, this information will be needed and organizations should be using the time in the interim to develop procedures which will facilitate their response.

One of the most significant problems facing the Service in the audit of so-called tax shelter returns has been the coordination, between districts, when the audit of a partnership return with a large number of partners is involved. Currently, the partnership district—the district in which the partnership return itself is examined—uses a manifold assembly document for the purpose of notifying and advising other districts of the audit and instructing them to proceed with the audit of the individual partners' returns.

The approach the Service is adopting in the future will facilitate the examination of partners' returns in the other districts through the use of an improved computer system—the audit information management system (AIMS). This system, which will be designed in such a manner that the notification will automatically generate a request for the partners' returns and place them under audit control in the district where the partner is located, will solve the massive paper problem that is now involved in collateral audits. AIMS will also provide automatic notification to the partnership district if another district attempts to take independent action with respect to a partner's return.

Another of the difficulties involved in the existing program has been that it leads to a large number of cases being held in suspense for an extended period. Suspense action is usually taken pending the issuance of a revenue ruling, the adoption of a legal position, the outcome of litigation, or the receipt of other instructions, primarily technical advice, from the National Office. Not only does such an approach cause consent problems of major proportions but when the suspense issue is resolved—with the possibility that a glut of cases is released from suspense at the same time—the Service faces the prospect of a significant increase of individual tax audits in districts throughout the country and the possibility of judicial review of these cases could not only serve to deny to the Service the right to select for litigation those cases which it feels would best serve the development of law but could, also, considerably overburden the courts.

For these reasons the cases which are currently in suspense must be released in an orderly fashion. Cases involving a large number of partners will be resolved by the use of selected "pattern cases" during the appeals process, leaving the remaining partners in audit suspense until the case is resolved. Since uniform and consistent treatment of similar issues is regarded by the Service as essential, the Appellate Division is developing a centralized office concept in which the Director of the Appellate Division in the National Office will designate certain Appellate Field Offices to have control over Appellate "controlled issues" or Appellate "coordinated issues"—both of which have as their objective the uniform treatment of taxpayers. Under this approach, no Appellate "controlled issue" will be conceded or settled or otherwise disposed of without the approval of the Appellate office in which settlement jurisdiction and control is designated by the Director. Appellate "coordinated issues" will similarly be treated except that settlement authority will not be transferred. In the case of "coordinated" cases, the designated coordinating Appellate office will provide appropriate advice, guidance and assistance to the Appellate office having jurisdiction over the case.

As can be seen, this procedure will not quickly resolve the problems of large numbers of cases remaining in suspense. It may be that as the Service examines more partnerships and syndications with large numbers of investors, it will necessarily have to accept the fact that more cases will be in suspense inventories than in the past while the issues raised in those cases are resolved. Because of the fact that it is frequently difficult to conclude the examination of tax shelters within the three-year period of the statute of limitations—particularly where technical advice is sought—the problem of obtaining consents from each of the individual partners in large syndications becomes immense. The use of restricted consents has made it easier to convince taxpayers to sign a consent but has not eliminated the administrative difficulties involved in locating and obtaining signatures from those individuals who are affected.

The Service really has no solution to this problem except one which is legislative in nature. Consideration is being given to recommending legislation which will permit the Service to issue to a partnership a statutory "notice of determination" with respect to partnership taxable income, and its distributive shares of income, gain, loss, deductions or credits, at any time within three years after the filing of a partnership returns. Presumably, under such an approach the determination made by the Service would be reviewable by the Tax Court, with each partner having the right to intervene. A decision, however, woud be Res Judicata as to each of the partners. A solution of this sort would have the advantage, of course, of removing, to a considerable degree, the problem of suspending large numbers of cases for long periods of time; it would also relieve the Service of the extraordinary burden of obtaining individual consents from partners. I regard this proposal—which I have placed on the agenda for discussion and advice at the next meeting of the Commissioner's Advisory Group to be held in June—as one which would go a long way toward making tax administration in this difficult area more efficient and speedy while at the same time preserving for taxpayers their right to contest any proposed adjustment affecting their income.

Fair administration of the tax system requires that all taxpayers pay their fair share; that high income taxpayers not have the right to play the "audit lottery" to their disproportionate advantage, by reason of the complexity of their transactions.

As I said before, and as you all know, our system depends on voluntary compliance, and voluntary compliance depends on fairness, openness, and confidence. We all have a job to do.

A NATIONAL POLICY TOWARDS REGIONAL CHANGE

Mr. KENNEDY. Mr. President, the problem of regional disparities in economic growth has become a topic of much discussion over the past year. Those of us from the Northeast have been particularly concerned that Federal policy be designed to take into account the economic needs of our region. Our older urban areas must be revitalized. There remains an acute need for adequate housing. Unemployment and the costs of doing business remain unacceptably high.

A number of organizations have been formed to promote economic recovery in the Northeast. The Governors have formed the Coalition of Northeastern Governors—CONEG—and the Northeast-Midwest Economic Advancement Coalition was formed in the U.S. House of Representatives. The possibility of establishing a similar coalition in the Senate is now being explored.

These groups have been quick to point out that they are not promoting the interests of one region at the expense of another. Indeed, a strong national economy depends on the strength of every region of the country. National policy, therefore, must be responsive to a variety of regional economic needs.

This point was recently made by Walt Rostow in a speech at Western New England College in Springfield, Mass. His speech, reprinted in the May edition of New England Economic Indicators, explores the origin of this problem and outlines a national policy which would ease regional economic differences. Professor Rostow's remarks deserve careful consideration, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A NATIONAL POLICY TOWARDS REGIONAL CHANGE

(By W. W. Rostow)

I

As an economic historian I have given a good deal of thought to regional problems and their roots in the longer past. But perhaps my greatest qualification is that I am a loyal son of the Northeast who has been privileged to live and work and travel in the Sunbelt over the past eight years. I understand tolerably well, I trust, the problems of New York City, New Haven, and Boston but also those of El Paso, Houston, New Orleans, Memphis, and Atlanta, not to say Austin. I think I can reconstruct with human sympathy as well as reasonable technical comprehension the attitudes and anxieties of both the North and the South.

In this spirit I shall try to do three things: first, to explain the origins of the present problems and prospects of the major regions; second, to explore briefly the remedies now being suggested in different parts of the country; and, finally, to outline the kind of national perspective and policy which would ease the regional problems and permit the country as a whole to go forward in affluence and amity while continuing to improve the quality of our life.

II

The two phenomena to be explained are why the South and Southwest have been narrowing the historic gap in real income per head between the North and the South; and why the future prospects of the South and Southwest appear to be more promising than the prospects of the older industrial regions of the North.

The first phenomenon flows from one of the best established characteristics of economic growth: the tendency of latecomers to modern economic growth to catch up with those who began earlier. Economic historians have long been aware that, in the early stages of a country's development, regional differences in growth rates and real income are likely to increase. This happens because modern industrial technologies are picked up and applied, sector by sector, in areas endowed either with appropriate resources, location, or with particularly creative entrepreneurs. In the United States, for example, New England led the way with a modern textile industry in the 1820s; Pennsylvania with a modern iron industry in the 1840s and 1850s; Chicago with farm machinery; and, later, Detroit with automobiles. The northern regions of a number of countries industrialized before the south: in Britain, the United States, France, Germany, and Italy. Thus Stephen Potter's gamesman's ploy for breaking the flow of pretentious exposition at a cocktail party: "Ah, but it's different in the south."

Brazil was an interesting exception: São Paulo and Rio in the south led the way, while the Brazilian north, initially committed, like the American south, to a single crop (sugar), lagged. But with the passage of time and the availability of a diversified pool of unapplied technologies, the lagging regions begin to exploit their opportunities and to catch up. As one analyst of this problem (Jeffrey G. Williamson) concluded: "rising regional income disparities and increasing North-South dualism is typical of early development stages, while regional convergence and disappearance of severe North-South problems is typical of the more mature stages of national growth and development." The regional evolution of the United States conforms to that general proposition.

What has been true within countries has also been true among countries. The familiar cliché that the poor get poorer and the rich get richer is simply not true. Both historical and contemporary evidence suggests the opposite. I have recently reviewed and analyzed that evidence in an article whose sub-title is: "Reflections on Why the Poor Get Richer and the Rich Slow Down." For example, the average growth rate in income per capita of Britain, from the beginning of its industrialization in 1783 to 1967, was 1.3 percent per annum; for the United States, for the period 1843 to 1972, 1.8 percent. On the other hand, Japan, which started in 1885, and Russia, starting in 1890, both averaged 2.5 percent. Mexico, starting in 1940, has done even better: 3.4 percent.

The same broad result emerges if one looks at growth rates, in cross-section, for the 1960s. The poorest countries (under $100 per capita in 1967 dollars) averaged only 1.7 percent. The rate rises steadily to a peak at about $1000 per capita, where growth rates were 6.5 percent. The growth rate then declines for the richer countries, with the United States averaging in that decade only 3.2 percent.

The two basic reasons for this pattern are, I believe, these: first, the latecomers to industrialization have a large backlog of modern technologies to absorb, whereas the more advanced nations must depend on the flow of new technologies, while carrying a heavier weight of old or obsolescent industrial plant; second, as countries (or regions) get richer, they allocate more of their income to services which, in general, do not incorporate technologies of high productivity to the same extent as manufacturers. The relative rise of the Sunbelt flows from the fact that it was late in moving into sustained and diversified industrialization and the modernization of its agriculture; but once the process took hold, the South moved ahead faster than the older industrial areas because it had a larger backlog of technologies to bring to bear. Its more rapid increase in income and accelerated urbanization amplified the process.

In the long sweep of the South's history the turning point clearly came between 1930 and 1940, in the period of recovery from the Great Depression after 1929. Between 1840 and 1860, on the eve of the Civil War, the real income of the South, relative to the rest of the country, declined, as the North as a whole experienced its first rapid phase of industrialization; but, still, the southern regions stood at about two-thirds the national average in 1860, roughly the same level as the East North Central agricultural states. The southern states lost ground seriously after the Civil War. This was a result not only of wartime destruction and the vicissitudes of reconstruction but also because of a sharp decline in cotton prices and a slowing down in the expansion of the world's cotton consumption. There was some recovery from the mid-1890s to 1920, as the cotton price improved and some modest industrial development occurred in the South centered on the textile industry. In the 1920s the region again lost ground relatively, as agricultural prices sagged. In 1930 relative income per capita was only about half the national average. From the mid-1930s, however, four decades of sustained relative progress occurred. The states of the Southwest followed a similar path; although their relative income position in 1930 was a bit higher than in other parts of the South.

The rise of the Sunbelt in terms of relative income is, then, a phenomenon some 40 years old. It was accompanied by a large flow of black migrants to the North. Between 1940 and 1970, for example, the white population of the South increased by 59 percent, the negro population by only 21 percent. In the northeast and north central regions the negro population more than tripled in these years, and increased more than ten-fold in the west.

The process which brought about this striking movement of the South towards income equality with the rest of the country had these specific features:

A remarkable decline in agricultural employment accompanied by the technical modernization of agriculture, including a shift to the west and mechanization of cotton production;

A more than doubling of manufacturing employment, with a marked relative shift towards the production of durable as opposed to nondurable goods (e.g., textiles);

A large shift of labor to construction as the region's population moved into the cities and suburbs (37 percent of the population in the South was urban in 1940, 65 percent in 1970);

A rapid expansion of public and private services, including education. In Texas, for example, the proportion of the population in 1940 in institutions of higher education was .6 percent as opposed to the national average of 1.2 percent: in 1970 the proportions were 3.1 percent and 3.4 percent. Much more than the gap in income was narrowed between North and South in those 30 years.

In broad terms, then, the structural differences between the South and the rest of the nation were rapidly reduced over the period 1940–1970. It could no longer be said in the old way and to the same extent: "it's different in the South."

As of 1970, the uneven movement of the South towards rough homogeneity in income and structure with the rest of the country was a phenomenon little studied in the North; and, when noted, it was a source of gratification rather than anxiety. In particular, the success of the South in adjusting to the Civil Rights Acts of 1964 and 1965—ending Jim Crow and permitting a rapid increase in voting among southern blacks—was widely, if not universally, regarded as a victory for the Nation as a whole in dealing with its oldest and most difficult problem.

Meanwhile, what was happening in the North? In the 1950s and 1960s the North also moved ahead. It enjoyed higher levels of income per capita than the South, but growth was slower. There was, it is true, some concern about specific problems. In the 1950s, New England was troubled about the decline of the classic industries it had pioneered, for example, textiles and shoes. But the rise of electronics and other new sectors incorporating rapidly elaborating technologies, compensated rather well—a process symbolized by the plants that line Route 128 around Boston. In the Midwest, automobiles and steel faced increasing foreign competition from the second half of the 1950s; and there was a tendency for some industrial plants to grow obsolescent. But the high national growth rates of the 1960s, the rapid expansion of such service industries as education, health, and travel concealed these underlying potential problems. On the other hand, from the explosion in Watts in 1965 and the subsequent difficulties of the inner cities, the Nation became conscious that the south to north migration and the universal flight to suburbia had gradually created deep and intractable problems in the North.

Nevertheless, the affluent northern regions, taken as a whole, moved ahead in reasonable comfort, expanding social services at a rate which could only be sustained if regular growth yielded regularly expanding tax revenues. Then came the fifth Kondratieff upswing.

Over the past several years I have been mildly bewildering various audiences with titles for my talks which suggested that we are in the early phase of a fifth Kondratieff upswing. Who is Kondratieff and what is a Kondratieff cycle? N. D. Kondratieff was a Russian economist. Writing in the 1920s, he suggested that capitalist economies were subject to long cycles, some 40–50 years in length. His views were published in the United States in summary in the mid-1930s. They generated considerable professional discussion and debate, but dropped from view in the great boom after the Second World War. Most contemporary economists vaguely remember having run across his name and ideas in graduate school but have forgotten precisely what it was he said.

Looking back from the mid-1920s, Kondratieff saw two and one-half cycles in various statistical series covering prices, wages, interest rates and other data expressed in monetary terms. He sought but failed to find concurrent long cycles in production indexes. Kondratieff did not develop a theory of long cycles; but he asserted that a coherent explanation must exist. Since he wrote, the cycles he described have continued down to the present.

My own explanation for the phenomena Kondratieff identified centers on shifts in the prices of food and raw materials relative to the prices of manufacturers.[1]

The period since the end of 1972 is the fifth time in the past 200 years a rise in the relative prices of basic commodities has occurred; and on each of the other four occasions it has been accompanied by manifestations similar to those we have experienced over the past four years: an accelerated general inflation, an extremely high range of interest rates, pressure on the real wages of industrial labor, pressure on those with relatively fixed incomes, and shifts of income favorable to producers of food as well as energy. The other four occasions occurred in the 1790s, the early 1850s, the second half of the 1890s, and the late 1930s. On each occasion, food and raw material prices then fluctuated in a relatively high range for about a quarter-century. Approximately another quarter-century followed in which the trends reversed; that is, the prices of basic commodities were relatively cheap, as they were from 1951 to 1972. Each of these periods was, in an important sense, unique, and the trends did not unfold smoothly; but the fact is that the world economy for almost two centuries has been subject to a rough and irregular pattern of long cycles in which periods of about 20 to 25 years of high relative prices, for food and raw materials gave way to approximately equal phases of relatively cheap food and raw materials.

I am not wedded to the notion that these cycles will continue in the future. But I would guess that the inexorable pressure of excessive population increase in the developing world, the tendency of the poor to spend increases in income disproportionately on food, the rising demand for grain-expensive

[1] I analyze long cycles in "Kondratieff, Schumpeter, and Kuznets: Trend Periods Revisited," *Journal of Economic History*, Vol. 35, No. 4, December 1975, pp. 719–53. A full account of these cycles is included in Part Three of my forthcoming book *The World Economy: History and Prospect*, Austin: University of Texas Press.

proteins among the rich, the raw material requirements of a world economy where industrialization is spreading in the southern continents, and the high marginal cost of expanding the non-OPEC energy supply will persist for some time. Given these powerful and sustained forces operating on food, energy, and raw material prices and the costs we shall have to incur to achieve and maintain clean air and water, I believe we are in for a long period when the prices of these basic inputs to the economy will remain relatively high. Indeed, I would guess that we shall only have a fifth Kondratieff downswing if and when we create a new, cheap (hopefully infinite and non-polluting) energy source. As we all know, energy is a critical factor not only in its own right but also because of its role in agriculture and in the extraction of raw materials and, potentially, in rendering the conversion of salt water into fresh water economical.

Down to 1914 the classic response to a Kondratieff upswing was to open new agricultural and raw material producing areas: the American West, Canada, Australia, Argentina, and the Ukraine. The great movements of international capital during this era were, in substantial part, induced by the price system, combined with new technologies of transport and production, to bring new supplies into the market and to restore balance in the world economy. In the fourth Kondratieff upswing (say, 1936–51), the diffusion of new agricultural technologies, rather than the opening of new physical frontiers, reestablished a tolerable balance in food production without much conscious government intervention; although the exploitation of Middle East oil after 1945 ranks, in the field of energy, with the opening up of the American West in agriculture a century earlier. But in the 1970s and beyond we confront the fifth Kondratieff upswing period in a setting quite different from that of the past. I wish we could, but we cannot realistically rely to the same extent on the automatic workings of the price system and private capital markets to restore and maintain balance. All over the world, in one way or another, policy toward resources is in the hands of governments or is strongly influenced by governments. At every stage in the effort to restore balance, therefore, public policy will be involved. We shall have to think and consciously act our way through the fifth Kondratieff upswing.

Now, back to the American regions. It was the coming of the fifth Kondratieff upswing in 1972–3 which suddenly converted a relatively benign pattern of regional development into something of a national problem. This was the case because the relative rise in food and energy prices accelerated the development of a good many Sunbelt states which exported energy and agricultural resources to the rest of the country; while the relative price shift decelerated the already slower rate of expansion in the northeast and north central industrial states. The population shift to the Sunbelt picked up momentum; although about two-thirds of the recent population increase in that region is due to somewhat higher birth rates than in the North. But the fact is that more than half the Nation's population increase between 1970 and 1975 was in the South. And the flow of blacks from South to North reversed.

In the sharp recession of 1974–5, unemployment averaged in the latter year over 9 percent in New England, the Middle Atlantic, and East North Central states; 7.9 percent in the South Atlantic states, with Florida, dependent on tourism, as high as 10.7 percent; and 6.9 percent in the South Central states. Texas experienced in 1975 only 5.6 percent unemployment. The relatively higher levels of unemployment cut northern tax revenues and increased requirements for compensating social services at precisely the time the tax base was also being weakened by the initial impact on the North of the fifth Kondratieff upswing on real income and the accelerated flow of people to the South.

Thus, the shift in relative prices since the end of 1972 did not create the problems of the Northeast and North Central states; but it converted a slow-moving but livable erosion of their relative position into something of a northern crisis.

The role of the relative price shift in bringing about these changes is underlined by looking beyond the Sunbelt. Between 1970 and 1975 both the agricultural states of the West North Central area and the coal-rich Mountain states also enjoyed a rise in relative prices, a favorable relative shift in income, and lower than average unemployment. The Mountain states, in fact, experienced the highest rate of population increase (16.3 percent) of any of the Nation's regions over those five years.

The coming of the fifth Kondratieff upswing, then, hit hard the two northern regions. They had committed themselves to enlarged public and private services at a time when their manufacturing base, with high obsolescence in certain sectors, was decelerating or declining and the rate of population increase was slowing down. The unfavorable shift in the regions' terms of trade, as in Britain, reduced real income at just the time the North confronted unemployment rates about 2 percent higher than those in the South and Southwest. The fiscal problems posed for state and local government were only in degree less acute than for New York City. Meanwhile, as I said, the relative rise in energy and agricultural prices accelerated the flow of population to areas producing these products, widened growth-rate differentials, and still further weakened the foundations of the economies in the Northeast and North Central states.

III

Now, what about remedies? As this situation became apparent, the initial reaction of politicians in the North was to seek redress by inducing the Federal Government to reallocate Federal expenditures from South to North. That theme dominated the literature of early 1976 on the subject of regional change. In crude terms the argument was: the rise of the Sunbelt was a product of disproportionate outlays of the Federal Government financed by northern taxes; now is the time for the South to contribute disproportionately to the rehabilitation of the North. As experts dug into the data on Federal tax and expenditure flows, the evidence suggested a less straightforward picture of the past and less simple remedies for the future.

For example, when Federal tax contributions are calculated as a proportion of income per capita in the states (rather than on a per capita basis) the relative contribution of the still higher income northern states to Federal revenues is much reduced. And there is a good case for measuring taxes against income per capita. On the other hand, when present (inadequate) cost of living indexes are applied to the regions, the north-south real income per capita differential is further narrowed. But when the flow of Federal grants is systematically correlated with various indicators of economic development in the states, no significant association emerges. When Federal expenditures are broken out by categories and measured in terms of outlays per capita in the various states, the Northeast appears to have been drawing more from Washington than the South in: defense contracts, welfare programs, and, marginally, retirement programs. The more rapidly urbanizing South acquired somewhat more for highways and sewers, a great deal more in defense salaries due to the location of military bases. The midwestern states, both industrial and agricultural, fared worse than the South in all categories except highways and sewers; but the West (a high income area) far outstripped all other regions in defense contracts and salaries, highway and sewers, the latter category mainly because of the still expanding interstate highway program in the Mountain states.

The analysis and debate about Federal tax flows and expenditures can be expected to become more complex but to remain a lively part of the national political scene. My own view is, quite simply, that the major regional changes in the country have been determined by deep and understandable historical forces. They have been only marginally shaped by the balance of Federal tax and expediture flows. I believe the future of Federal policy and outlays in the regions should be determined by the requirements of the several regions, seen in terms of their structural problems and the larger interests of the Nation as a whole. It is a wholesome fact that, as analysis of the Nation's regional problems has gone forward in 1976–77, this is the direction of thought and prescription.

When, for example, the Northeast Governors Conference met in Saratoga in November 1976 they did, indeed, point to the apparent imbalance between tax revenues and Federal expenditures in which the South and West appear to profit at the expense of the North. But they went beyond to propose measures which would enlarge investment in energy production and conservation; to rehabilitate the region's transport system; and to expand and modernize industrial capacity in areas of particularly severe unemployment.

They proposed manpower training and public works programs, exhibiting considerable sensitivity to assure the latter were undertaken in sectors where investment would prove productive over the long run; e.g., transport rehabilitation, solid waste disposal plants, etc. The Conference also considered the complex problem of welfare reform on a national basis, but with an understandable emphasis on the extent to which slow growth, the long prior period of south to north migration, and higher than average unemployment since 1973 have converged to make the welfare problems of the Northeast particularly acute.

The institutions and policies, regional and national, do not yet exist to translate these directions of thought into lines of action; but the fundamental issues and remedies being explored are significant and hopeful. Over the past year similar analyses have been emerging in the North Central states; for example, the studies of the Academy for Contemporary Problems in Columbus, Ohio. The Academy has surveyed extensively the structural changes and problems of the whole East North Central region and prescribed in detail for Ohio. Its policy agenda includes special measures to expand local coal production and to reduce energy consumption; a modernization of the transport system; special incentives to stimulate high growth manufacturing and export industries as well as to rehabilitate aging or obsolete plants. As in the Northeast, there is a call for redirected Federal tax revenues, a national welfare plan, and intensified regional cooperation between the public and private sectors to stimulate investment in the directions necessary for further development.

The South and Southwest confront what may appear in the North an easier future; but analysis and policy are also increasingly addressed to their serious structural problems. The excellent report of the Task Force on Southern Rural Development, for example, measures the scale and character of poverty in the South relative to the rest of the country. In 1974 there were still 10.8 million poor Southerners, 13.5 million outside the South. Of the southern poor 54 percent are rural; only 38 percent are rural out-

side the South. Evidently, a massive problem of poverty still exists in the rural South roughly matching in scale the more visible urban poverty of the North, but constituting a higher proportion of the total southern population. The recommendations of the Task Force, notably with respect to retraining and bringing the poor effectively into the working force, are similar to the manpower proposals of the Saratoga program of the Northeast Governors Conference.

As the South and Southwest look to the future, analysts are beginning to perceive a set of investment and policy tasks quite as challenging, in their way, as those in the North and Northeast. For example, the whole irrigated area of the High Plains, from Northwest Texas to Nebraska, is endangered by the decline of the underground water basin which supplies it. The region produces a significant part of the American agricultural surplus. Large investments in surface water conservation and transfer will be required to preserve it.

On March 31–April 2, 1977, a conference of the Southwest American Assembly was held in Texas on "Capital Needs of the Southwest: The Next Decade." Its agenda will be familiar to analysts in the North, including among the major investment fields: energy and raw materials; plant and equipment for manufacturing; pollution and environmental controls; housing, public facilities, and education.

The challenge to the Sunbelt is, of course, to complete its transition to industrial modernization; to develop its resources in energy and agriculture in both its own interest and that of the Nation; to deal with its social problems, under conditions of rapid population increase; and to do all these things while avoiding to the degree possible the environmental degradation which marked the urbanization of the North. The problem of the North is to regather momentum by bringing to bear its enormous potentials in technology, finance, and entrepreneurship; to exploit its energy resources in the new price environment; to rehabilitate its transport system in cost-effective ways; and to modernize the industrial sectors which hold greatest promise for the future. This will require a new regional sense of purpose as well as intimate public-private collaboration.

But the central point I would make is this: once the debate shifts from the allocation of Federal revenues to the deeper structural problems of the several regions, the possibilities for national policies which would mitigate the tensions between the regions enlarge. I believe an appropriate reallocation of Federal revenues would flow naturally from an approach to regional problems in these basic terms. A symposium in this healing spirit will, incidentally, be held at the LBJ Library in Austin on September 24–27 which will be attended by northern and southern governors, Federal officials, and experts on regional problems.

IV

This brief survey of regional change and the directions of regional thought about future development is, of course, too simple. It cannot be over-emphasized that there are great differences among states and, even, within them. There are special problems and prospects in the Mountain states and Far West, Alaska and Hawaii. But six large general conclusions stand out.

First, a return to sustained full employment and high growth rates on a national basis would greatly ease the special problems of the northern states by simultaneously reducing welfare requirements and expanding tax revenues. Further, a view of the national situation in terms of the regions strongly reinforces the central argument I have been making up and down the land; namely, that sustained full employment is to be achieved not by unbalancing the Federal budget a little more, not by easing monetary policy a bit, but by expanded investment in energy and other resource developmen and conservation fields combined with outlays to re-accelerate the growth of productivity. Without full employment and rapid growth, it will be exceedingly difficult to sustain our welfare services and deal with our poverty problems, North and South.

Second, economic as well as social and human considerations require serious and sustained efforts to bring into the working force the large number of Americans now trapped in urban and rural poverty in both regions. The Nation should look with equal concern at the problems of the central cities and the impoverished margins of life in the southern countryside. We do not yet command the data to measure the scale of the Nation's special investment requirements over, say, the next ten years in agriculture, energy, raw materials, the environment, the rehabilitation of obsolescent industrial and transport facilities, research and development, manpower retraining. It seems palpable, however, that they will require us to use our manpower resources to the hilt. Through imaginative policies, stubbornly pursued, we must try to convert into a national asset the human beings now caught up in marginal lives of poverty.

Third, the case for a national energy policy which would both enlarge our resources in all the regions and economize their use is greatly heightened as one observes the differential regional impact of the energy crisis which has had us by the throat since the autumn of 1973. Here, with energy policy, we face the most potentially divisive issue in the Nation. I cannot convey to you with sufficient force the depth of the feeling in the southern energy exporting states about some of the attitudes of the North.

At one and the same time, the North appears to be demanding both low energy prices and refusing to develop its own energy resources on environmental grounds. This is seen in the South as a straightforward colonial policy of exploitation underlined by the fact that natural gas is much more expensive in producing states than for interstate commerce. That is why the Governor of Texas flirts with the idea of a refinery tax and the Governor of Louisiana, with a cutback in energy production. Some of the Western states already have a severance tax on coal production. It would not be difficult to split the Nation, yielding an OPEC within it. The only answer is to have the Nation as a whole face up to the fact that energy is and will be expensive; that conservation and economy are required of us all; and that the energy potentials of the country as a whole—not merely the South and the West—must be promptly and fully exploited under environmental rules of the game that are firmly settled.

Fourth, we require a national welfare policy which would render more uniform the criteria for public assistance; but this may be somewhat more expensive, and will certainly have to be introduced over, say, a 3–5 year period. And, once again, such a system will be viable and sustainable only in an environment of full employment and rapid growth.

Fifth, within the states and regions new forms of public-private collaboration will be necessary as well as at the national level. Obviously, there is no way the kinds of problems I have reviewed can be dealt with by antiseptic devices of fiscal and monetary policy. If we are to mitigate or solve our problems we must deal with particular sectors, regions, cities, and rural areas. We do not have and we do not want a fully planned and directed economy. On the other hand, a public role is inescapable. We have no other course than to learn how to make the public and private sectors work together.

Finally, it seems clear to me, at least, that these problems cannot be dealt with if the states and regions look merely to Washington for salvation. The basic analyses, investment plans, public-private consortia must be developed within the states and regions. Local capital and entrepreneurship must be mobilized; and for this to happen state and local governments may have to alter their taxation systems. I agree with James Howell, Senior Vice-President of the First National Bank of Boston, who said: ". . . I strongly believe that our region will be better served if we begin the task through self-help programming, leaving to the Federal Government its proper share." The revitalization of the North is a development task; and the firmest lesson of development economics is that it must be rooted in self-help. In the end, however, there is scope for Federal assistance in the form of tax incentive, investment capital, manpower retraining programs, and the direction of public service job programs towards areas judged of high priority within states and regions.

Although the creation of state and regional development corporations may have a role, it is likely that a national development bank will be required like the old Reconstruction Finance Corporation. Its authority should extend not only to the fields of energy and energy conservation (where such an institution was proposed to the Congress by the Ford administration) but also to the financing of water development, transport rehabilitation, and other projects judged of high priority national interest. Wherever possible, such a bank should use its authority to guarantee or marginally to subsidize funds raised privately or by state or local governments, rather than engage in full direct financing.

In addition, it would be wise, in the phase ahead, for both state and Federal governments to organize their budgets in ways which would separate out authentic investment outlays from conventional expenditures and transfer payments. There is a warning to be made about any proposal for an increased government role in the investment process: high standards of priority and productivity must be preserved. The experience of Great Britain and other countries with nationalized industries (which I would oppose) and with government loans to private industry suggests that there is an inherent danger of confusing criteria of productivity and simple job maintenance or creation. The latter can lead to increasing public subsidy and the drawing off of scarce investment resources to low productivity tasks. Public authorities tend to persist with lines of investment, even if of low productivity, because they do not face the competition of the market place and because political vested interests build up around such public ventures. But if I am right, the United States and the other industrialized nations have ample opportunities to generate full employment through high-priority and essential investment tasks. None can afford to compound existing tendencies towards declining rates of productivity increase in the advanced industrial world by committing public funds to essentially wasteful enterprises.

V

Now a final question. Do the Northeast and industrial Middle West have a future? As we have seen, their present positions are the result of deeply rooted structural differences which decree a greater relative load of obsolescent industries, a heritage of large past commitments to expensive social services, a large concentration of poor in the central cities reflecting a prior North to South population flow over a protracted period.

There are those who have concluded that the North, after a century and a half of leadership, should gracefully decline and surrender economic leadership to the South and Southwest. From newspaper accounts, a recent gathering of economists at Rutgers University developed some such consensus.

I do not share that mood of passive

pessimism about the North. For one thing, as the case of Britain illustrates, economic decline is not a graceful process. It is painful, socially contentious, and potentially quite ugly in the political moods and problems it generates. Nations or regions which choose to go down in the style to which they have become accustomed find it a difficult or even tragic path to follow. Moreover, I believe it is unnecessary. Surely, the pattern of economic development in the North will have to change. Surely, the North cannot go on doing what it has been doing if it is to cope with the special pressures of the fifth Kondratieff upswing. Surely, the antiseptic, easy devices of fiscal and monetary policy will not cure the ills of the North. But the lesson of economic development in many parts of the world is that it hinges mainly on the human resources available, mobilized around the right tasks. The North commands both the material and human resources for a great revival.

The problems of the North will not be resolved, then, by incantation or by somewhat enlarged flows of Federal funds. But there are a good many examples of nations which successfully recaptured momentum after falling behind under the weight of mature industries, with substantial obsolescent plant. Post-1945 France and Belgium accomplished such a transformation as, indeed, did post-World War II New England. The initial assessments of postwar Germany, the economy split in an historically unnatural way, burdened with refugees and great war damage, were exceedingly gloomy. Structural transformations are clearly possible if there is a common will to accomplish them, a sense of direction, and a general environment of rapid economic growth. Only those who live in the North can generate the common will and sense of direction. What the North—and all of us—have the right to demand of Washington are policies which would get the Nation as a whole back to full employment and rapid growth. Part of that process will prove to be the regathering of momentum in the North.

BELGRADE CONFERENCE OFFERS AN APPROPRIATE MOMENT FOR RATIFICATION OF THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the case for prompt Senate ratification of the Genocide Convention is growing stronger every day. International human rights are daily becoming a greater concern of the American people.

On Sunday NBC News televised a live coast-to-coast debate on the subject of "human rights" between a three-man citizens' team from the Soviet Union and a three-man citizens' team from the United States. This unrehearsed debate, moderated by correspondent Edwin Newman at the Georgetown University campus was aired from 1:30 to 3 p.m.

The Reverend Theodore M. Hesburgh, president of Notre Dame University, was captain of the American debating team, and Prof. Samuel Zives, senior researcher of the Institute of State and Law and a member of the Soviet Academy of Sciences, was captain of the Russian team.

The citizens' debate was scheduled just prior to the Belgrade, Yugoslavia Conference where representatives from 35 nations will review the human rights provisions of the Helsinki agreement of 1975, an important human rights document. The Belgrade Conference, scheduled to commence on June 15, provides an appropriate moment for a televised debate on human rights. But it offers an even more appropriate occasion for Senate action on the Genocide Convention.

Like the Helsinki agreement, the Genocide treaty takes positive action in the sphere of personal liberties. The 35 nations that participated in the Helsinki conference two summers ago formally recognized the universal significance of human rights and fundamental freedoms, respect for which, they concluded, is "an essential factor for the peace, justice, and well-being necessary to insure the development of friendly relations and cooperation among themselves as among all states." The participating nations vowed to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion.

The Genocide Convention is necessary to help fill a gap in international law: it attempts to safeguard the most fundamental human principle—the right to live. Neither the Genocide Convention nor the Helsinki agreement is a panacea for injustice. But we must support both because they represent calls for a higher standard of human conduct.

I urge the Senate to ratify the Genocide Convention immediately.

MINORITY STAFFING

Mr. GRIFFIN. Mr. President, on February 4, 1977, the Senate approved Senate Resolution 4, the Committee System Reorganization Amendments of 1977.

Buried in title VII of that resolution was a provision whereby the Senate agreed to take a giant step toward equity in the allocation of committee staff resources. I refer to section 703(e), which states that on the request of the minority:

> . . . one third of the funds of the committee for statutory investigative and clerical personnel . . . (shall) . . . be allocated to the minority members of such committee for compensation of minority staff.

It is clear that the efficacy of the Senate as a representative legislature depends upon the effective development and presentation of minority positions. Nowhere is this need greater than in committee, where so much of our substantive work is done. Senate Resolution 4 is a significant step toward meeting this need.

One provision of Senate Resolution 4 states that committees shall be allowed 4 years from July 1, 1977, to move from their present minority allocation to the stipulated one third. At my request, staff of the Rules Committee has solicited information from all the committees in order to establish a baseline from which progress in the future may be measured.

As the attached table indicates, a number of the committees are approaching the one-third minority staff allocation already, and several have either equaled or exceeded it. However, as the table also indicates, there was no response or an inadequate response from a few of the committees.

It should be noted that the table below is based on the budget requests as submitted by the various committees to the Rules Committee. It does not reflect the final action of the Rules Committee on those requests. Thus, it will be necessary to update this information in July once the committee budget period begins and salaries are actually being paid.

Mr. President, I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Minority staffing funds—1977 budget request

Committee:	*Percent funds allocated to minority*
Agriculture	30
Armed Services	29
Banking	31
Budget	31
Commerce	29
Energy and Natural Resources	28
Environment and Public Works	33
Finance	*
Foreign Relations	*
Government Affairs	34
Human Resources	31
Intelligence	48
Judiciary	*
Rules	30
Veterans' Affairs	25
Small Business	*
Nutrition	33
Aging	26

*No response.

(This concludes additional statements submitted by Senators today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 92-484, appoints the Senator from Utah (Mr. HATCH) to the Technology Assessment Board, in lieu of the Senator from Pennsylvania (Mr. SCHWEIKER), resigned.

OMNIBUS MULTILATERAL DEVELOPMENT INSTITUTIONS ACT OF 1977

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now proceed to the consideration of H.R. 5262, calendar order No. 133, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 5262) to provide for increased participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, and the Asian Development Fund, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with an amendment.

The ACTING PRESIDENT pro tempore. The time for debate on this bill is 4 hours, to be equally divided between the Senator from New Jersey (Mr. CASE) and the Senator from Minnesota (Mr. HUMPHREY).

The time on amendments will be 1 hour, except for one amendment by Mr. DOLE, on which there is a limitation of 2 hours; then 1½ hours each on two amendments by Mr. HELMS, four amendments by Mr. HARRY F. BYRD, JR., and two amendments by the Senator from Alabama (Mr. ALLEN).

There shall be 30 minutes on amendments in the second degree, debatable motions, points of order, and appeals.

Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against both sides of this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, as a point of information, am I correct in understanding that the pending business is H.R. 5262?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I ask unanimous consent that the following persons from the staff of the Committee on Foreign Relations and from my staff have the privilege of the floor during consideration and voting on H.R. 5262: Norvill Jones, Richard McCall, Constance Freeman, Rudolph Rousseau, and Gerald Decker.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, may I have the same privilege for Mike Kraft of my staff?

Mr. HUMPHREY. The Senator from New Jersey (Mr. CASE) makes the same request in behalf of Mike Kraft of his staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I make the same request for Dick Bryan of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I ask unanimous consent that the committee amendment in the nature of a substitute be agreed to, and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, the committee amendment in the nature of a substitute is agreed to, and will be considered as original text.

Mr. HUMPHREY. For the purpose of further amendment.

The PRESIDING OFFICER. For the purpose of further amendment.

Mr. HUMPHREY. I thank the Chair

Mr. President, H.R. 5262, the Omnibus Multilateral Development Assistance Act of 1977, is a multiyear authorization bill. Its purpose is to allow continued participation by the United States in six international development lending institutions.

I think I should carefully note that there is no new institution being established. This legislation merely relates to the continuity of our participation in the international financial institutions that have long been established and are organized entities.

The bill authorizes a total of $5.225 billion in subscriptions and contributions to these six international financial institutions—IFI's—to be paid out over the next 3 or 4 years depending on the institutions.

The multiyear authorizations are:

First, $1,570 million for the World Bank to be spread over 3 years;

Second, $2.4 billion to the International Development Association, or IDA as it is more commonly known, spread over 3 years;

Third, $112 million to the International Finance Corporation—IFC—spread out over 3 years;

Fourth, $814.2 million to the Asian Development Bank, spread out over 4 years;

Fifth, $180 million to the Asian Development Fund, spread over 3 years; and

Sixth, $150 million to the African Development Fund, to begin in fiscal year 1979 and spread over 3 years.

Of these six institutions, the three funds—IDA, the Asian Development Fund, and the African Development Fund—are particularly important for the very poorest countries. These funds provide capital on terms the countries can afford. For example, IDA historically has lent 92 percent of its funds to countries with a per capita income of less than $200. The terms are three-quarters of one percent interest, 10 years grace and 40 year repayment period. In most cases, the funds are the only major institutional source for transferring foreign exchange for development to the poorest nations. Because of the grant nature of these loans, each of these three funds must be periodically replenished. The total amount and percentage share of replenishments are negotiated between donor nations.

The funds for the World Bank and the Asian Development Bank serve two purposes. Ten percent, the paid-in capital, is contributed to the bank and is similar to capital in a commercial bank. Ninety percent, the callable capital, rests at the U.S. Treasury and stands as a guarantee for bonds issued by both of the banks on the world capital markets. Moneys acquired from both paid-in capital and callable capital are then loaned to more advanced less developed countries at close to commercial banking rates. The 90 percent of callable capital will only be called if a development bank defaults on a bond. There has never been such a case.

I want to emphasize that. We have never yet had to resort to what we call the use of callable capital, nor has any country ever defaulted on loans from any of the financial development institutions.

The International Finance Corp. is a unique financial institution. It finances private enterprise ventures in the less developed world and operates as a merchant bank. Like the World Bank and Asian Development Bank, it sells bonds to raise capital and transfers this capital, at commercial rates, to less developed countries. This is the Finance Corp.'s first capital expansion since its founding in 1956. It is a major promoter of private sector development in the less developed world.

In summary, these six institutions function in two ways. The three funds offer concessional loans to channel capital for economic development to the very poor less developed countries who have limited access to other capital sources. The other three institutions act as a bridge between the more advanced less developed countries and world capital markets. These countries are unable to borrow all they require for development purposes from commercial banks because major projects require long-term financing. The bank susbtitutes its credit rating, backed by the callable capital guarantee, for that of the less developed countries, and serves as a channel for loans, as I have noted, at near commercial rates.

Of the $5.225 billion authorized in H.R. 5262, $1.6 billion, or one-fourth would be included in the fiscal year budget.

Again, I think that is important to note: that while we are authorizing for periods of 3 to 4 years, depending on the respective fund or institution, insofar as the budget impact is concerned for fiscal 1978, it is $1.6 billion.

Previous multi-year authorizations have included $1 billion for the IFI's in fiscal year 1978—bringing the total amount for the IFI's in fiscal year 1978 to $2.6 billion. This figure was requested by the President and is recommended by the Foreign Relations Committee. It is the result of international negotiations to determine the level of IFI expansion of replenishment, the percentage of developed country shares, and the number of years over which payments will be made. This process of negotiation guarantees equitable burden sharing among the developed countries. The specified installments provide a proposed schedule of economic resource flows—a framework which is essential for effective planning in both the development institutions and in the developing countries themselves.

The fiscal year 1978 authorization figure of $2.6 billion for IFI's is an integral part of the President's overall foreign assistance program. The committee has recommended that this foreign assistance program be authorized at $8.5 billion. The additional authorizations are contained in the food for peace program, or Public Law 480, a part of the Food and Agriculture Act, S. 275, which recently passed the Senate, and two other bills scheduled for Senate action this year: the International Development Assistance Act, S. 1520, and the International Security Assistance and Arms Export Control Act, S. 1160.

JUSTIFICATION OF THE SUMS

Now, $5.225 billion over 4 years is a substantial sum of money. Nevertheless, the sums are well justified in respect to economic development and U.S. national interests. Members of the Foreign Relations Committee supported this bill by a 12 to 0 vote. On April 6, the House of Representatives approved the administration's request by a vote of 194 to 156.

As I mentioned previously in my remarks, the concessional lending institutions require replenishment periodically because of the high grant element in their loans. In the case of IDA and the Asian Development Fund, the new internationally agreed upon amounts represent roughly a 15-percent increase over the years in real resource flows to these institutions. It also must be kept in mind that the world inflation rate since 1974 has frequently averaged above 10 percent, thereby significantly reducing the real value of contributions to these institutions.

For example, in the case of IDA, an authorization of $2.4 billion in 1977 dollars is equivalent to $1.7 billion in 1973 dollars—the year when the United States authorized its last contribution to IDA of $1.5 billion. Thus, in constant 1973 dollars, the increase in IDA funding is about $200 million, or roughly 15 percent, not the $900 million or 60 percent represented by the nominal figure. Furthermore, the real value of this 15-percent increase will also be eroded by inflation. Thus, although the apparent increase seems large, the annual real money increases are small.

Mr. President, it is very important that we understand that, just as we have to with other areas of our private and public financing.

The impact of inflation has really placed all of these figures we use in an entirely new perspective. It is true of wage rates; it is true of taxation; it is true of costs, no matter what we touch today. While we may be asking for a substantial number of dollars, in terms of their purchasing power on any base line we wish to establish, much of that purchasing power has been eroded.

The African Development Fund is a relatively new concessionary fund. In authorizing $15 million for a multiyear contribution to this fund, the committee agreed the United States should be doing more to support economic development in Africa. This commitment reinforces the Carter administration's new policy initiatives in Africa. Increased U.S. participation in the fund is paralleled in the bilateral assistance bill by the new regional program to develop the Sahel countries and in supporting assistance programs by increased aid flows to southern African nations. However, because of the large total aid commitment this year—due in part to an overlapping of appropriations for past and present commitments—the committee decided to defer actual contributions to the African Development Fund until fiscal year 1979.

The sums negotiated for the hard loan windows of the World Bank and the Asian Development Bank reflect a similar policy to increase modestly the flow of real aid to the less-developed world. The figures for capital increases in the World Bank, the International Finance Corp., and the Asian Development Bank are all set at a level which will allow these institutions to continue to increase their lending volume at present rates.

A real increase in capital flows is critical if economic growth rates are to be maintained. Capital investment is the lifeblood of an economy. Sustaining a constant rate of growth, as the size of an economy grows, requires larger and larger increases in capital investment.

Skeptics make the point that although this is true in more stable economic periods, the rapid rise in oil prices have changed circmumstances. They maintain that a great proportion of increased aid funds simply offset OEPEC oil bills. However, the financial figures show that since 1974 it has been private bank borrowing which has increased substantially to finance OEPEC oil imports, not IFI loans. Whatever public funds have been made available to finance oil imports come from the International Monetary Fund, the special oil facility of the IMF, and the Bank for International Settlements. The IFI's are long-term development banks. They are not involved in financing short-term balance of payments deficits, even if these are larger than normal.

On a broad philosophical plane, the committee's support for economic development programs is based on human rights. As the committee report notes: "There is no freedom in poverty; and without freedom, there is little chance to exercise rights even if they are available." Economic development is a prerequisite to the evolution of human rights and human dignity.

But the United States also has very pragmatic reasons for participating in these institutions. The U.S. national interest is critically intertwined with the international economy.

First, 1 out of every 6 jobs in the United States depends on exports, and we export more to the LDC's than we do to Western Europe and the Soviet Union combined.

That is a point which is seldom understood, but it surely is a real fact.

Second, the United States is growing more dependent on the world market for raw materials. We depend on imports for 6 out of 13 key industrial raw materials and, by the year 2,000, we will be import dependent on all 13 critical raw materials. The less developed countries contain the greatest proportion of unexploited natural resources in the world.

Third. we have an interest in establishing effective diplomatic initiatives to counter the North-South economic rhetoric and to persuade moderate countries that they have an interest in maintaining the world market system. The alternative is confrontation and global economic instability, which severely threaten the quality of life of our own citizens.

Fourth, we have to encourage the very poor that there is hope and understanding in present international forums and that radical confrontation is not an avenue which will bring positive responses to their concerns.

Furthermore, U.S. participation in the IFI's means jobs in the United States. Funds expended on materials purchased in the United States which are financed by loans from these organizations have outpaced U.S. contributions to the organizations.

Again, I believe that is a point which is often overlooked, that the funds which are expended for materials purchased in our own country, which are financed by these loans from the development banks, have outpaced the amount of funds we put into these banks.

In the 30 years of World Bank activities, there has been a net favorable impact on the U.S. balance of payments of $1.6 billion. IDA, on the other hand, has received $2 billion from the United States since 1961, of which a little more than $1 billion has been returned to this country in the form of project procurement and other items.

Is the recommended fiscal year 1978 aid program of $8.5 billion too large? Is this multiyear authorization for the IFI's too big? These are the questions the committee pondered. We know these levels of funding will not turn all the poor into middle class. It will not even come close. But we do believe that these figures represent a realistic negotiated compromise between the vast needs of this world and the political will of the developed world, specifically the United States, to expend resources in attempting to solve pressing human problems.

HUMAN RIGHTS

Closely associated with the issue of a U.S. policy commitment to the international financial institutions is the issue of how U.S. participation in these institutions can be used to foster our national objective of improvement in human rights conditions around the world. Title VII of H.R. 5262 contains the recommendation of the Senate Foreign Relations Committee.

The title instructs the U.S. representatives to all IFI's to use their voice and vote to channel aid to countries that are not violating human rights. The language differs from the House mainly because it does not mandate a "no" vote. It was the feeling of the committee that a mandated "no" vote is counterproductive and eliminates the possibility of effective U.S. participation in negotiations over loans and projects. A recent Congressional Research Service study substantiates this conclusion after reviewing the history of past efforts by the Congress to instruct U.S. representatives at the IFI's. The study states:

The United States runs an almost inevitable risk, as it introduces its own policy concerns in the banks, that its actions might encourage other nations to also use the organizations for their own national purposes by interjecting other, less welcome issues in the multilateral institutions. For example, the Arab countries now attach no limitations on their contributions and loans to the banks and the Israelis have received several credits in recent years from the World Bank and International Finance Corporation. If non-economic criteria become legitimate grounds for allocating develop-

ment assistance from the banks, the Arab countries might be encouraged to use their financial leverage to discourage loans to countries that do not adhere to their line on Middle Eastern affairs.

The committee language is endorsed by the executive branch.

I hope this body will support the committee and the President in accepting our recommended language.

I ask my colleagues to study it with meticulous care. We believe it is the most effective language and the most effective policy.

THE CONTINUING IMPORTANCE OF MULTILATERAL AID

The importance of the international financial institutions is growing and they are an effective part of the U.S. development assistance effort. Secretary of State Cyrus Vance, at the recent North-South Conference in Paris, outlined the administration's expanded commitment to economic assistance. This commitment includes a substantial increase in assistance over the next few years with the intention of moving a large portion of these sums through international financial institutions.

By moving these funds through these institutions, the United States guarantees for each dollar it commits three or more dollars will be forthcoming from other donors. This is a result of the burdensharing formulas the executive branch and the Congress have encouraged over the past decade. The U.S. percentage of total contributions to the IDA have diminished since 1960 as international burdensharing has increased. It was 43 percent in 1960 compared with 29.9 percent for IDA V. For all eight IFI's, the U.S. percentage has fallen from 40 percent to an average of 24 percent.

(At this point, Mr. INOUYE assumed the Chair.)

Mr. HUMPHREY. The distinguished Senator from Hawaii (Mr. INOUYE), who is chairman of the Subcommittee on International Assistance of the Committee on Appropriations, has encouraged this line of reduction of our percentage of contribution, which is entirely desirable. It is what we should be doing and, I am happy to report, it is what we have been doing.

SOME CONCERNS OF THE FOREIGN RELATIONS COMMITTEE

At this point, I want to announce that I will accept the amendment offered by the distinguished senior Senator from Hawaii (Mr. INOUYE), who is chairman of the Appropriations Subcommittee on Foreign Operations. However, I do want to take this opportunity to discuss some concerns of the Foreign Relations Committee which are reflected in the amended version of H.R. 5262.

A. MULTIYEAR AUTHORIZATIONS AND THE BUDGET ACT

To get all donors to agree to funding formulas and to allow adequate forward planning in the IFIs and the less developed countries themselves, the United States and other countries have in the past pledged themselves to multiyear commitments.

Present interpretations of the Congressional Budget and Impoundment Act no longer make this possible for the United States. Therefore, the Senate Foreign Relations Committee included a preamble to H.R. 5262, section 101, expressing the intent of Congress to favorably consider the executive branch's annual appropriations requests and stressing the multiyear nature of the authorization as a demonstration of this intent.

The Foreign Relations Committee believes section 101 to be an expression of legitimate concern on our part. Since the United States could not make the traditional 3-year pledge under IDA V, the other donor countries insisted on two categories of membership, conditional and unconditional.

When calculating voting rights, conditional members, such as the United States, are credited only with the funds actually contributed. U.S. voting rights, therefore, are roughly one-third of our total pledge the first year, two-thirds the second year, and full rights only in the third year. Furthermore, because of the U.S. share in IDA, other donor countries stipulated that 80 percent of all contributions for any given year must be made before the World Bank is allowed to make IDA lending commitments. If the United States, with about 30 percent of IDA pledges, makes no contribution, IDA will die as a lending institution.

Consequently, because of the Budget Act, U.S. participation in IDA and the actual existence of IDA as an institution rests completely in the hands of the congressional appropriations process. Whether the U.S. commits itself to membership in an international organization and whether it contributes funds to achieve the objectives of that organization is a policy decision which should be made through authorizing legislation. If this policy decision necessitates a multiyear authorization, then this option should be available and not specifically conditioned on appropriation of funds.

In the past, the U.S. Government has been able to make commitments after the passage of authorizing legislation, even though Congress has not always fully appropriated the funds necessary to meet those commitments. The committee believes that, at a minimum, Congress should provide some indication of its intent by stressing that a multiyear authorization represents a firm commitment of the United States to these organizations.

B. THE IMPORTANCE OF AUTHORIZING LEGISLATION AND THE BUDGET ACT

The committee was also concerned that the Budget Act itself seriously diminished the importance of authorizing legislation in the foreign policy area. Section 401 (a) of that act basically precludes Congress from authorizing the President—by law—from making any commitment abroad under which the United States incurs a financial obligation. Further, section 401(a) erodes the historical relation in foreign policy between the President and the authorizing committees of Congress in the conduct of foreign policy. It precludes the acceptance of authorizing legislation as a firm commitment to a given policy. In the eyes of foreign observers, it now appears that there is no policy if there is no money.

The committee is concerned over how the United States of America can conduct effective foreign policy under the single year constraint of the Budget Act. I raise the issue of whether the debate over the Budget Act fully took into consideration foreign policy concerns. I do not believe it did. It almost seems more reasonable now to have the appropriation process precede the authorization process. Appropriations could set levels of expenditure and the authorizing committees could then allocate these sums between specific authorizations. At least this process would again make the authorizing legislation a meaningful tool.

C. CALLABLE CAPITAL AND THE BUDGET ACT

A final issue that must be faced in the practical interpretation of the Budget Act is whether callable capital is a guarantee under section 401(c). The Senate Foreign Relations Committee's counsel and that of the Treasury Department see it as such.

Mr. President, I ask unanimous consent that the Department of Treasury opinion on this issue be printed at this point in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

THE GENERAL COUNSEL
OF THE TREASURY,
Washington, D.C., August 7, 1975.

OPINION OF THE GENERAL COUNSEL

Subject: United States Subscriptions to Callable Capital in the ADB and the Appropriations Process

The question has been raised whether an appropriation is necessary, as a matter of law, to back the United States subscription to a portion of the callable capital stock included in the increase of capital stock of the Asian Development Bank made pursuant to Resolution No. 46, adopted November 30, 1971, by the Board of Governors of the Bank. It is concluded that there is no legal requirement for an appropriation until payment is required of the United States on a call made by the Bank.

I. United States subscriptions to callable capital pursuant to Resolution No. 46.

Under Resolution No. 46 the United States is entitled to subscribe to 30,000 shares of the total increase of 150,807 shares in the capital stock of the Asian Development Bank provided for in the Resolution. The United States subscription is in a ratio of 80 percent callable capital to 20 percent paid-in capital, as required by the resolution, so that 24,000 of the United States shares are to be callable and 6,000 paid-in. This ratio of callable to paid-in capital stock also applies to any partial subscription by the United States. Payment of subscriptions to paid-in shares specifically is provided by Resolution No. 46 to be made in three equal installments.[1]

Public Law 93-537 (88 Stat. 1735 (December 22, 1974)) authorized the United States Governor of the Bank, in accordance with Section 5 of the Asian Development Bank Act, as amended (22 U.S.C. 285-285p) to subscribe in full on behalf of the United States to the 30,000 shares in accordance with Resolution No. 46. In order to pay for the increased U.S. subscription, the law authorized to be appropriated without fiscal year limitation $361,904,726. Although the President requested an appropriation of

Footnotes at end of article.

$120.6 million ($96.5 million for the callable portion and $24.1 million for the paid-in portion of the U.S. subscription) for one-third of the U.S. share of the increase, Congress, in P.L. 94–11, appropriated $24,126,982 for paid-in capital, but did not appropriate funds for any callable stock.

On April 23, 1975, the Secretary of the Treasury informed the President of the ADB of the United States subscription to one-third of its share in the increased capital of the Bank, formally representing, as required by Resolution No. 46, that the United States had taken the appropriate action necessary to authorize such subscription. This subscription was accepted by the Bank on June 26, 1975.

II. There is no legal requirement for an appropriation to back the United States subscription to callable capital stock until payment is required of the United States on a call.

A. The Asian Development Bank Act.

Section 5 of the Asian Development Bank Act,[2] as amended, provides that:

"Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, . . . subscribe to additional shares of the Bank."

Public Law 93–537 authorized the U.S. Governor to subscribe to 30,000 additional shares of the capital stock of the Bank, subject to the terms and conditions of Resolution No. 46 of the Bank's Board of Governors. The U.S. subscription to callable capital is, therefore, consistent with the requirements of Sec. 5 of the ADB Act.

B. The Congressional Budget and Impoundment Control Act of 1974.

Failure to obtain an appropriation at the time an authorization for U.S. participation in callable capital is provided would not violate the rules of order of the houses of Congress established by the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344, 88 Stat. 297, July 12, 1974).

Section 401(a) of that Act provides that:

"It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority . . . unless that bill, resolution, or amendment also provides that such new spending authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts."

Specifically excepted from the definition of "spending authority" provided for in Section 401(c)(2) of the Budget Act is "authority to insure or guarantee the repayment of indebtedness incurred by another person or government."

Authority to subscribe to callable capital fits into this specific statutory exclusion from the requirement to obtain an appropriation at the time authorizing legislation is enacted. Like a guarantee, a subscription to callable capital is a highly contingent obligation.[3] Article 6, Section 5 of the ADB Articles of Agreement specifically provides:

"Payment of the amount subscribed to the callable capital stock of the Bank shall be subject to call only as and when required by the Bank to meet its obligations incurred [by the Bank] . . . on borrowings of funds for inclusion in its ordinary capital resources or on guarantees chargeable to such resources."

Treating callable capital in the same way as a guarantee under the Budget Act is wholly consistent with the intention of Congress in providing the exception for guarantees in Section 401(c)(2) of the Act. The Report of the Senate Committee on Rules and Administration (S. Rept. 688, 93d Cong., 1974), in discussing Section 401(c)(2) of the Budget Act, states that "guaranteed loans are not direct obligations of the United States, and a liability is incurred only in the case of default." The Report further provides that it would not be appropriate to regard "contingent liabilities as budget authority for purposes of determining the appropriate levels in the budget resolution. Nor should loan guarantees be subjected to the new procedures for handling backdoor spending authority. Of course, if the United States is required to make any outlays pursuant to its guarantee of loans, such outlays are included in the budget." Thus, the contingent liability of the U.S. in the form of a subscription to callable capital is not an obligation for which spending authority is required at the time authorizing legislation is obtained.

C. U.S. subscriptions to callable capital, which are authorized by law, are valid obligations of the United States.

Neither appropriations nor public debt authority is required under United States law to make U.S. callable subscriptions, authorized by law, binding obligations backed by the full faith and credit of the United States. There is a long line of Opinions of the Attorney General establishing that an obligation contracted by the United States pursuant to a congressional grant of authority for constitutional purposes is fully binding on the United States notwithstanding the fact that a future appropriation might be necessary in order to fund that obligation.

In a series of opinions, the Attorney General established that an obligation of any agency or officer of the United States contracted pursuant to a congressional grant of authority for constitutional purposes ". . . is an obligation fully binding on the United States despite the absence of statutory language expressly pledging its 'faith' or 'credit' to [, in those cases,] the redemption of a guaranty and despite the possibility that a future appropriation might be necessary to carry out such redemption . . ."[4]

For example, on September 30, 1966, the Attorney General ruled that the holders of participations guaranteed by the Federal National Mortgage Association (FNMA) under Section 302(c) of the FNMA Charter Act held valid obligations of the United States and were in a position to reach beyond the assets of FNMA to the United States for payment, if necessary. On the same day, the Attorney General ruled that Eximbank's guarantees of participation certificates and also the other contractual liabilities which Eximbank is authorized to incur under its governing statute, the Export-Import Bank Act of 1945, as amended, including its guarantee, insurance, co-insurance or reinsurance of exporters, are valid general obligations of the United States and that the holders thereof are in a position to reach beyond Eximbank and its assets to the United States for a source of payment, if necessary.[5]

Prior Attorney General Opinions[6] dealt with similar situations involving a Federal agency's guarantee or equivalent support of certain debt obligations of a local government agency or private person and it was held in each case that the holders of these guarantees had an obligation backed by the full faith and credit of the United States. In each case Congress had authorized the issuance of a guarantee but had not appropriated money fully to back the guarantee. This line of opinions is in full accord with case law to the same effect.[7]

A U.S. subscription to callable capital of the Asian Development Bank stands on the same footing as the guarantees dealt with in these opinions. The Attorney General has emphasized that "no specific formula is required to authorize an official or agency to incur obligations on behalf of the United States."[8] Thus, the statutory authorization (P.L. 93–537) of the U.S. to subscribe to ADB callable capital provides the same legal basis for a binding obligation of the United States as an authorization to issue guarantees. In addition, the line of Attorney General's Opinions cited above is directly in point since the authorization to subscribe to callable capital is essentially the same as authority to enter into guarantees.[9]

In addition, there is recent precedent in the form of programs based upon statutory authorization for the creation of contingent obligations that are binding upon the United States, even though appropriations subsequently are to be obtained as needed. Such programs are authorized by, for example, the Public Works and Economic Development Act of 1965,[10] the AID Worldwide and Latin American Housing Guarantee Program,[11] the Environmental Financing Act of 1972,[12] and the Housing and Community Development Act of 1974.[13] Authority to issue guarantees was provided for in the statutes establishing each of these programs, with authorization to obtain appropriations as necessary to meet the guarantees.

Thus, there is a well-established legal basis for creating contingent obligations of the United States, with appropriations authorized to be obtained subsequently as needed.

RICHARD R. ALBRECHT.

FOOTNOTES

[1] Resolution No. 46, Section II (1) and (5).

[2] Public Law 89–369, 80 Stat. 71 (March 16, 1966).

[3] In none of the development banks has there ever been a call on callable capital.

[4] 41 O. A.G. 363 (1958), 41 O. A.G. 403 (1959), and 41 O. A.G. 424 (1959).

[5] 42 O. A.G. No. 30 (September 30, 1966).

[6] 41 O. A.G. 138 (1953), FHA commitment in support of local public housing agency bonds; 41 O. A.G. 363 (1958), Commerce Department insurance of private ship loans; 41 O. A.G. 403 (1959), ICC guaranty of private loans to railroads; 41 O. A.G. 424 (1959), guaranty of certain housing mortgages by Secretary of Defense; 42 O. A.G. No. 1 (April 14, 1961) guaranty by Development Loan Fund of private loans to foreign borrowers.

[7] *United States* v. *Vulte*, 233 U.S. 509 (1914); *Ralston* v. *United States*, 91 Ct. Cl. 91 (1940), *cert. denied*, 311 U.S. 687.

[8] 41 O. A.G. 363 (1958); 41 O. A.G. 403 (1959); 41 O. A.G. 424, 430 (1959).

[9] *Infra* at pp. 3–4.

[10] Pub. L. 89–136, §§ 201–202, 79 Stat. 552, 556 (August 26, 1965).

[11] Pub. L. 87–195, § 221, as added Pub. L. 91–175, § 105, 83 Stat. 805, 807 (Dec. 30, 1969).

[12] Pub. L. 92–500, 86 Stat. 816, 900 (Oct. 18, 1972).

[13] Pub. L. 93–383, 88 Stat. 633, 637 (August 22, 1974).

Mr. HUMPHREY. If callable capital is a guarantee, a policy decision must be made about whether it should be fully appropriated or not. With few exceptions, all callable capital in the past has been appropriated. The executive branch's intention is to seek appropriations for multiyear callable capital in H.R. 5262. This amounts to $2.145 billion in the bill alone. In fiscal year 1978, the Congress will appropriate $1.214 billion in callable capital out of $2.6 billion for the IFI's, almost one-half of the total sum.

This money never goes to the lending institutions. It never goes to the less developed countries. It is placed in an account at the Treasury in case of possible default of the bank on their bonds. In 30 years, no development institution has ever defaulted, nor has any country ever defaulted on a loan to these institutions. Yet, the United States keeps socking away the callable capital. What commercial firm has a 100 percent contingency reserve against default of bonds?

I think this is a fundamental issue which I doubt we shall resolve here, but this kind of financial operation defies

all the laws of the capitalistic system. It defies all the laws of private lending institutions. It defies all the practices of modern corporations. I do not know of any instance in private finance where there is a 100-percent contingency reserve against default. I have never heard of it. There may be. I would be interested in having such information. But, apparently, the Government of the United States, in this instance, feels that it is necessary.

I do not argue against a reasonable contingency against default. That is necessary.

On foreign military sales, the United States keeps a 10-percent contingency. Is it not interesting that on military equipment, which is nonproductive, which is destructive, which adds not one bit to the productive capacity of a country, we take a 10-percent contingency reserve? That is good enough. That has been the law. Congress has never changed it. They just love it, go right along with it. But when it comes to development funds, where there is a record of 30 years with not a single default, where there is a record of 30 years and never has the World Bank at all called on the capital, we have a 100-percent reserve.

I learned a long time ago that Congress is not a body that works on the principles of reason and legitimate objective arguments. So I am not going to keep pounding away at this particular item. But it does defy what I call good sense, commonsense. It does defy tradition and practice in the so-called capitalistic, free enterprise countries.

Now, the Socialist, Communist countries do this. But I thought we had sort of gotten away from that, that we did not want to be Socialist and Communist. I thought we wanted to be free enterprise entrepreneurs and stand by traditional banking customs, but we are not doing so.

I repeat, I do not argue against a reasonable contingency against default. On foreign military sales, the U.S. keeps a 10-percent contingency. At last count, the Defense Department held $420 million in the foreign military sales fund to offset defaults of $4.2 billion in outstanding guarantees.

The April 7, 1977, CONGRESSIONAL RECORD lists 147 Federal guarantee programs. The Congressional Research Service estimates that not more than about five require a 100-percent reserve requirement of 100-percent appropriations.

I repeat, the Congressional Research Service estimates that not more than five require a 100-percent reserve requirement of 100-percent appropriations.

According to CRS, several of these programs have small revolving funds and require no appropriations at all prior to a default.

In essence, there appears to be no general logic or rule of thumb to the establishment of such reserve requirements, but they usually range from 10 to 25 percent of the total loan, a reasonable average. Other examples, other than foreign military sales, include the Export-Import Bank, of which 25 percent of the total program is appropriated; the Economic Development Administration, of which 20 percent is appropriated; and the Small Business Administration, of which 15 percent is appropriated.

My question is whether or not the Appropriations Committee will challenge each and every one of these guarantee programs and require full appropriations. Later this week, we are expected to consider the International Security Assistance and Arms Export Control Act of 1977. In order to know in advance of consideration of this measure, I would like to ask whether the distinguished chairman of the Foreign Operations Appropriations Committee will also be offering an amendment to fully appropriate funds for the foreign military sales program?

I think we will need to know that as we go along.

I know it can be argued that this is not outlay money, that in the end its does not really count. Well, I have yet to hear anyone in this Chamber argue that of the $5.225 billion involved in this authorization, $640 million is funny money and we should not worry about it. I do not see anyone discounting the President's fiscal year 1978 foreign aid budget by a $1.2 billion for callable capital. The fact is, the discussion, the debates, and the decision rest on total magnitudes, not just outlay budgets.

I have one last point to make on the Budget Act.

I repeat, this is basically the Budget Act we are talking about here—the law that we passed for control of our budget.

The International Affairs budget account, function 150, includes the Export-Import Bank. Presently, some $1 billion is budgeted for the Export-Import line item, but it is now estimated that as little as $400 million will be actually used.

The Foreign Relations Committee has found it very difficult to responsibly budget with $600 million in its main functional account which is unlikely to to be utilized. It is like trying to budget a floating poker game, and I hope this can be cleared up before Congress gets too deeply into an assessment of the President's foreign assistance package.

I know the distinguished chairman of the Budget Committee, Senator MUSKIE, will be addressing these points today. I want him to know my comments on behalf of the Foreign Relations Committee are in no way meant as criticism. They do reflect concern we have over problems of realistic budgeting in international affairs. The process is difficult and at present very troublesome.

Once again, I will emphasize that I will accept Senator INOUYE's amendment. However, the committee, in recommending the action it has in H.R. 5262, only raises these issues to have a full public airing of what we consider to be some very serious problems.

Despite this concern and the debate it will provoke, I hope the distinguished chairman of the Budget Committee and the distinguished chairman of the Appropriations Foreign Operation Subcommittee will both support H.R. 5262. It stands as a key part of President Carter's foreign economic assistance effort and our continuing relationships with the less developed world.

Mr. President, I have presented the overall justification as the Foreign Relations Committee sees it for the authorizations requested in H.R. 5262. I know there will be a series of amendments. Some of them, obviously, we will accept. We want to work with the distinguished chairman of the Foreign Operations Subcommittee on Appropriations and with the chairman of the Budget Committee.

I think it is imperative that we work these things out so that we have a set of standards we know we can accept and do not have to debate in the time to come.

Mr. BUMPERS. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Len Parkinson of my staff be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Will the Senator also yield for a question?

Mr. HUMPHREY. Yes.

Mr. BUMPERS. I have been reviewing some staff memos on these various amendments. I am curious as to what the committee report said regarding how representatives on these various financial institutions should respond on applications from countries that we feel are violating human rights. In other words, how would the committee deal with it?

Mr. HUMPHREY. We feel, first of all, that that is presently recorded by mandating, where there is any violation of the human rights, and to automatically vote "no" leaves us with no influence whatever. Everybody knows what we will do. Our vote is not big enough to stop them, anyhow.

We have a percentage of vote strength. So we cast our 25 percent, tell them "no," and they go right ahead with the 75 percent and make the loan.

The committee said that mandated language which is in the bill from the House is ineffective, that we feel our representative on these bank boards should be able to try to negotiate with the other members of the board, try to direct the funds to those countries that most need them in terms of the development of their economies, try to use the leverage we have to get some changes in the human rights issue in the recipient countries, and it has worked in some instances.

We have made progress in several countries where we have brought to bear our pressures, so to speak, or our concern on human rights, without denying the loan and, at the same time, have been able to get a change for the good.

It is a question of judgment. Our officer on the bank board can and in many instances will vote "no," but not automatically. He is instructed to give it the highest concern.

I think the language of the bill in title VII is most responsive to the Senator's question. It says, speaking of officers in the bank:

to use the voice and vote of the United States to endeavor to advance the cause of human rights to include seeking to channel economic assistance to governments other than

those which engage in a consistent pattern of gross violations of internationally recognized human rights, such as torture or cruel, inhumane, or degrading treatment or punishment, or providing refuge to individuals committing acts of international terrorism by hijacking aircraft.

(b) Further, the Secretary of the Treasury shall instruct each Executive Director of the above institutions to consider in carrying out his duties:

(1) specific actions by either the executive branch or the Congress as a whole or individual bilateral assistance programs because of human rights considerations;

(2) the extent to which the economic assistance provided by the above institutions directly benefit the needy people in the recipient country;

Not governments, but people. It goes on:

(c) In determining whether a country is in gross violation of internationally recognized human rights standards, as defined by the provisions of subsection (a), the United States Government shall give consideration to the extent of cooperation of such country in permitting an unimpeded investigation of alleged violations of internationally recognized human rights.

What we are trying to do, in other words, is to direct our officer to put the highest priority on this human rights issue, and, indeed, in many instances, he will vote "No." But we also give him some flexibility. That is the purpose of the Senate bill.

Mr. BUMPERS. One other question: Does the President name these representatives on these various boards?

Mr. HUMPHREY. Yes, that is correct.

Mr. BUMPERS. I thank the Senator.

Mr. HUMPHREY. Mr. President, I have completed my presentation, and I want now to yield to the distinguished Senator from New Jersey, the ranking member of our committee, and an invaluable help, and I say, on the Subcommittee on International and Foreign Assistance.

As the Senator knows, for a little period of time I must absent myself from the floor. I hope that during that period of time we could have some discussion and, if not, bring over by quorum call some of those who have amendments.

Mr. CASE. I thank the Senator.

Mr. JAVITS. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. CASE. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that Frank Ballance may have the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Case. Mr. President, the Senator from Minnesota is most kind and more than generous, and I wish that half of his encomiums were justified.

Mr. HUMPHREY. They are.

Mr. CASE. I reciprocate completely by saying that he has done, as he always does, a tremendous job in this area, and has been most helpful. Nobody can doubt Senator HUMPHREY's devotion to such causes as civil rights, his compassionate interests in the welfare of human beings everywhere in the world. So, when he says that this or that method of dealing with a problem is better than another, everyone knows that it is based upon his honest judgment, and that that judgment is entitled to be given the heaviest weight. I happen to agree with him on the substantive matters contained in the bill.

The senior Senator from Minnesota has covered this ground very well indeed, and I do not think it is necessary or appropriate to take the time of the Senate to duplicate his explanation of the bill contained in the committee report in very detailed fashion, and very fairly set forth.

The controversial matters—and there are such in here—are presented in a way that will give all our colleagues, I think, every possible and every reasonable aspect to consider in reaching their conclusions on the matter presented by the measure and the controversial issues that it contains.

For myself, I think the subcommittee and the full Committee on Foreign Relations have arrived at reasonable and right decisions. There are certain aspects of the bill I would like to emphasize. It is easy, because it is a tremendously large package, to be blinded by the big dollar signs and the flashy aspects of certain of the controversial issues, such as human rights.

It is certainly true that the $5,225 million the bill authorizes or will authorize if we approve it and it becomes law, is a great deal of money.

Some of us are not quite as devoted as others are to the use of multilateral aid or many-sided aid. But it is a useful channel, I think, Mr. President, both to the United States in working with other donor nations and to the recipient nations. I think it is especially useful to the poorest nations which, in many instances, can get loans only from these financial institutions.

It should be pointed out, too, that the authorizations which the bill contains are for money to be paid out over a period of 3 or 4 years.

It is not going to have its total impact in any single year. While the fact is that we are allowing, providing for, several years for the provision of the assistance which the bill authorizes in a more flexible and a more carefully planned and feasible way, it nevertheless increases the apparent impact, so it scares you.

It is unfortunate, perhaps—I think it is unfortunate in a way—that all these replenishments happen to fall due this year, because it makes the total amount look excessively large, and particularly large, to people who take too hasty a look at it and who oppose the whole idea, anyway.

In presenting it to the American people, who, after all, are the people who are paying the freight, I am concerned that we give the whole picture, the true picture, and the full extent of the burden we are asking them to pay, but not scare them to death by making it appear that it is several times larger than it really is, because its impact is to be spread over a period of 3 or 4 years.

On the other hand, of course, it does, from the standpoint of the impact upon the developing nations, the beneficiaries, the donees, emphasize, and properly so, that it is not peanuts; that we are dealing with substantial assistance, and not because we want to glorify ourselves, but because it is quite appropriate that these countries should be made aware to the fullest extent that the facts justify that we are concerned about their own needs, and that we are trying to help them to meet with and cope with their very many and difficult problems.

One of the problems we are trying to cope with in dealing with this bill is the question of multiyear authorizations.

Senator HUMPHREY dealt at some length with this problem. We are going to have, I am sure, the authoritative and magisterial pronouncements of the chairman of the Budget Committee, the Senator from Maine (Mr. MUSKIE) and, perhaps, some of his colleagues on that committee before we are through with this bill. We want them, and we need them, and we have to look at and take this thing apart. We have to analyze the problem. In the end, it seems to me, we are not going to permit ourselves to be tied up in knots by some technical language in a bill that has as its purpose proper constraints upon unwise spending and loose fiscal practices, but certainly one which is not intended in any way to stultify the carrying out of policy decisions at the highest level of Government by the United States of America, even though those decisions may involve implementation of our decisions over a period of more than 1 single year.

As the Senator from Minnesota pointed out, what possible relation does the fact that the Sun takes 1 year to traverse its orbit around the Earth have to do with the needs of human beings in other countries and with the importance of meeting or helping to meet those needs? All we can do is, in a very small way, give assistance. We cannot meet the needs ourselves, and we should not think we were doing it. We should not try to do it. It would not do them any good, and we would find ourselves bogged down in a slough of complete frustration and, as a matter of fact, fiscal insolvency, for that matter.

Well, this matter of the Budget Impoundment Act under a strict interpretation would require, it is said by some, the appropriation of funds, which is an annual process, before any commitment could be made to the International Development Association replenishment.

Now, replenishment is a fancy word. I do not know how it got into the language. I suspect that there are some people who find it necessary, in order to justify their existence and their jobs, to have an esoteric bit of wording which will make it a little bit tougher for the average outsider to question without the technical details of their trade.

Replenishment in this case just means we are going to subscribe some more stock, so that these international institutions will have more money for their purposes. That is all.

I suppose one could say "replenishment" is a proper word, certainly, but I

am always a little suspicious of these fancy nomenclatures that appear in some of our governmental institutions.

But this is what we are doing. We are authorizing a subscription by the United States to match other subscriptions by other nations to additional issues of stock of these financial institutions.

Part of the subscriptions is going to be for paid-in capital, and a part for so-called callable capital.

What we do in paid-in capital is that we put the money up and we get the stock. What we do in the case of callable capital is that we agree that if and when a call is made by the bank, this bank or that bank, any one of these institutions, we will come through and pay the amount for which we have agreed to be liable.

Of course, the fact is that in no case has any of the callable capital of the bank ever been called. But what the bank does is to take to the public markets the obligation of the various countries that have agreed to pay upon call and to borrow money on the credit of those commitments. So, since no default has ever been made by any of these institutions, the donor countries, so-called, have never been called upon to pay in any of the callable capital. This is a part of this picture which we must not forget in a fair understanding of what the issue is.

The way the issue is presented to the Foreign Relations Committee and the form of the House's version of the bill raised all sorts of problems about the ability of the United States to make a so-called multiyear financial commitment.

Mr. President, an exigency of some importance—namely, the need for a quorum on the Appropriations Committee—has been called to my attention. Being a member of that committee, I feel responsibility to do what I can to alleviate the tension that may exist downstairs and the concern.

I suggest the absence of a quorum.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the time be charged equally to each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, the House language, as it came to us, provided that any commitment to make such contributions—that is, contributions under these various agreements for subscriptions to capital—shall be subject to obtaining the necessary appropriations.

I suggest, Mr. President, that it clearly would be an absurd situation if the U.S. negotiators could not try to work out agreements, whether on contributions to international funds or on the right to bases, modernization of an ally's armed forces, or anything else, if the payments involved in those transactions cannot be stretched over more than 1 year.

The absurdity of that seems to me to be clear on its face, and the mere statement of it does not require any argument.

It may very well be that the Budget Act requires amending, and if it does, we ought to amend it. I do not think we should go into convolutions and contortions and twist ourselves out of shape so we do not even recognize each other, let alone become unrecognizable to the outside world, just because of language in a law which, after all, is manmade, and, though it has the highest purposes, nevertheless should not be allowed to constrict us in ways we have seemed to be constricted here.

Let us attack the Budget Act and not attack the appropriation process, the integrity of which our friend from Hawaii is so diligent to defend, and correctly so. As a member of the Committee on Appropriations, I value its prerogatives and its contributions to the work of our Government and our country. We should not, by any means, permit that process to become eroded.

I was glad to hear the Senator from Minnesota assure the Senator from Hawaii earlier this morning that he planned to support the amendment intended to be proposed by the Senator from Hawaii.

I see the Senator from Hawaii in the Chamber. Is that understanding correct?

The Senator nodded his head which, in our habit and tradition here, is a sign of assent. There should be no reason why assent should not be given, because it makes sense.

That does not say that the U.S. Government should be disabled from making a commitment that has to be performed over a period of more than 1 year. If the Budget Act requires amendment, it should be amended. Let us get at it the right way.

In the meantime, the Committee on Foreign Relations tried to deal with this matter with a declaration of intent to support the multiyear U.S. Government commitments to international financial institutions. This appears in section 101 of the bill.

It is important to make clear that it is possible to make agreements with our country on more than a year-to-year basis. Otherwise, an important tool of our foreign policy would be eroded. Yet, at the same time, it is important, too, that other nations understand how our Constitution and governmental processes work, and that Congress must approve the annual appropriations.

There is one other matter which I believe does justify as much emphasis as we can give it. That is the question of human rights. The human rights provision of the aid bill and the proposed amendments two of our colleagues have indicated an intention to offer for the consideration of the Senate, preferring the House's language, reflect the same basic goals but a difference in approach from that which the committee in its wisdom decided to take. I believe it was in its wisdom. I think its wisdom was sound.

The Foreign Relations Committee certainly cannot be faulted in any fashion for its commitment to human rights considerations. It has long felt that a greater priority should be given to human rights in our foreign aid programs and in our foreign policy generally than has been the case many times in the past.

The committee played a key role in getting human rights legislation on the books despite opposition from the previous administration. I, for one, supported the cause long before it became fashionable material for headlines. It is with a sense of regret that I find that some of our colleagues are seeking an approach which I believe is not as effective as the one recommended by the Foreign Relations Committee. A mandatory nonvote or no-vote approach which they would pick up and have us adopt sounds fine on the surface.

I have grave doubt, though, that it will work with multilateral institutions.

Mr. President, we do not have the veto power over loans by these institutions. It was never intended that we should have. This is a very basic fact and we have to accept it: Either we go into multilateral institutions with our eyes open and accept this condition, or we do not go into it and then try to coerce the institution by a greater leverage than our agreed-to voting participation provides, except as may be done by persuasion, which is always open to everyone involved in this process.

That, of course, I think, is a justification for the action that the committee is recommending to this body. Persuasion is most important. I think it is more important than a direct ability to veto would be, because you can, with one shot, kill the goose that lays the golden eggs if you operate on that approach. This way, you have a continuing relationship and a continuing, ongoing process, with which we are all involved.

We may be on one side of an issue at one time and on another side at another time, and the same is true of all our colleagues in these institutions. It is much better to emphasize the matter, the process of persuasion, than it is to do it by the attempted exercise of absolute veto power.

So the foreign relations bill directs the American representatives on these institutions to work toward human rights goals and to work toward them at all times, not just when the final vote comes—at all times not just at the end, when the decision has really been made in the negotiation and the decision-making processes. This is the time to head off loans to countries that are guilty of gross violation of human rights, when you are discussing the matter, at all stages of the discussion, not when the proposed loans have been negotiated and when the matter is finally ready for an up or down, final vote.

Then, in another respect, Mr. President, I think that the committee's bill is stronger, because it requires the directors' action to be consistent with steps taken by either the administration—the

President—or Congress on bilateral aid. The President and Congress may not always agree on these matters in specific institutions. What our bill does is to say that if either the President or Congress, in disagreement with the other, shall direct our representative to take action against aid to a particular country on a human rights violation ground, then our representative is bound to do it.

Congress is given a voice, therefore, that is larger than would be the case in the absence of the provisions of our bill, because our representative is subject to being directed, in those instances, by Congress, whether the President likes it or not. I am not saying we will have these disagreements, but in the past they have occurred. There is no reason to expect that we shall always be in agreement on particular issues.

The President has a different responsibility in regard to negotiations and relations with foreign countries from that of Congress. That is one reason why administrations, in the past—with some degree of justification, a considerable degree, I think, though I have disagreed with it—have insisted that they ought not to be told that they have to use blacklists, and so forth, in these matters. They have to get along with countries on a year-to-year basis, not just a single occasion.

Congress is not subject to this kind of disability, if you will. Congress can express itself in regard to a particular situation, and its will will govern. The President can rightly say to a foreign country, "I understand your position. I don't happen to agree with Congress, but we are bound." I think the result will be best all around in the circumstances.

I have touched on only two aspects of the pending bill in my own discussion. I think they are very important ones. The bill, as a whole, I think, is an important facet of our foreign policy, and I believe that it deserves the consideration seriously of this body. I believe it deserves the support of the Members of this body and the Senate of the United States.

Mr. PERCY. Mr. President, it is unfortunate that the matter under consideration now, because of the scheduling of the Senate, had to be brought up at a time when virtually all Senators are in committee meetings, because we are considering a tremendously important concept today.

No one could observe the tension that now exists and has existed for several years between the developing countries and the developed countries without realizing that this is a matter of explosive nature that affects the vital interests and security of the United States of America.

I can only liken it to the emotional feelings that existed in this country some years ago, when the "haves" and the "have nots," in a sense, were prone to violence, and when we saw our cities burning every night on color television, when we had riots in the urban areas, when Watts went up in flames, when Detroit went up in flames, when the West Side of Chicago went up in flames, and when Newark, N.J., went up in flames, simply because people were frustrated in their condition of under-education, unemployment, and low incomes, and because living in an affluent society, they felt they just simply were not getting a fair shake.

We had to deal with that. We came forward with all kinds of Federal programs to adjust these matters, and we still have in law today programs that are responsive to the compelling need to provide for human opportunity in this society.

We have, in a sense, the same situation existing today in the "have" and "have not" nations. The countries of the developed world are well organized into their particular group of nations. They work closely together, those in Europe in the Common Market. We have trilateral commissions and all types of organizations that deal with world problems.

We have just seen, in Paris, the completion of the North-South dialog, which was a dialog between the developed and the developing world, which broke up after long sessions, working into the early morning hours, without any real solution of the problem. Demands presented by some of the developing countries were simply unacceptable to the developed world, and many of them unacceptable for good reason. When you demand a process of indexation of commodity prices that has not been carefully thought through and would not work, it would be the height of irresponsibility for the developed countries to say, to smooth everything over, "Yes, we will try to work something out like that." When you call for a moratorium on all debts, you are not taking into account that when you have the same situation in the commercial word, if a bank is required to cancel its debts, it simply will never go back into the same debtor/creditor relationship again.

In the case of a country like India, I do recall that we did cancel several billion dollars in debts, when it became such a crushing burden for that subcontinental country that we had to take action. I think we have a situation today which must be dealt with in a rational and calm manner, and the bill before us today presents Congress with an opportunity to do that.

Today we are considering a very important authorization for much-needed contributions to several international development banks. I urge the strong support of my colleagues for the amounts contained in the bill. The U.S. contributions have been carefully negotiated in concert with other donor countries, and they deserve our full support.

The international financial institutions are a key factor in our efforts to build constructive relationships with Third World countries. There is no question that the economic well-being of the world's developed and developing countries are inextricably bound together, and will be even more so in the future. Developing countries need our resources to survive and grow. As they grow, we all benefit. These same countries represent important markets for our exports, and as their economies grow, these markets can expand and the opportunities for foreign investment increase. Given the present sluggish state of the world economy, increasing aggregate world demand through increasing monetary flows to the developing countries can provide an important stimulus to world economic recovery.

We cannot overlook the fact, Mr. President, that many of these developing countries are major suppliers of raw materials. The United States is already a have-not country when it comes to many raw materials, and in the years ahead we will become increasingly dependent on developing countries for supplies.

It is clear, then, that we have a tremendous stake in the international development effort. I would like to pay special tribute to the contributions made over the years by the World Bank's president, Robert S. McNamara. The World Bank is the leader in this global development effort, and Mr. McNamara has been its most eloquent spokesman and able advocate.

I have great faith in the multilateral approach to development assistance. Combining our resources with other donor countries provides a unique opportunity to maximize the benefits derived from the funds while minimizing the political and financial risks of any one donor. The banks also offer such services as expert economic analyses and valuable advice on prudent economic policies. They do so, Mr. President, without the kind of risks that we ran into with many of our AID programs, when, because of AID we were drawn into a country, and then, because of those AID programs, which extended economic aid to start with, then agricultural assistance, then military assistance, and then forces and troops of our own, we were sucked, through that route, into the quicksands of Vietnam, from which we have only recently extricated ourselves. Bilateral assistance involves the risk, many times, of making just as many enemies as friends in a country, and many times we make more enemies than friends. Multilateral assistance does not provide those dangers and offers us opportunities to lower costs, because many times when we put in a dollar, it is matched six or seven times by other developed countries.

Furthermore—and this is particularly appealing to me—the banks are intended to be free from the political considerations which often characterize country-to-country assistance. The Charter of the World Bank specifically instructs the Bank and its officers that "Only economic considerations shall be relevant to their decisions."

This does not, then, draw us into the implication that we are really giving aid to a country to buy their vote in the United Nations, or giving aid to particularly favor stabilization in that country at the expense of evolutionary forces

in that country that may rightfully attempt to unseat, through the political processes of that country, a government that is repressive and that is holding them down, whether it be a military junta or an ordinary, common dictatorship. Bilateral assistance often is fraught with dangers; multilateral assistance is freer from such dangers. I hope that my colleagues will keep this important point in mind today as various proposed amendments to this bill are debated. The overall record of the banks in adhering to these principles has been good, and I think it is vitally important that we preserve the emphasis on economic considerations to the maximum extent possible.

I believe there is room for serious efforts to promote the principles we cherish in our dealings with the members of the banks. In the area of human rights, the committee has developed language which is intended to promote these values in a very positive way while avoiding unintended disruptions of the operations of the banks. If our efforts take the form of mandated negative votes, however, we could be setting a precedent and encouraging a proliferation of mandated votes by other countries to promote their particular interests. The result would be very disruptive to the primary mission of the banks.

One final point I would like to stress is the crucial importance of approving the full amount provided in this bill for the International Development Association, the soft-loan window of the World Bank, which provides desperately needed development finance and expertise to the world's poorest countries of Asia, Africa, and Latin America. The per capita income of IDA borrowers is less than $200, and the economic growth rates for these "poorest" countries are the slowest among any group of countries in the world. Their needs are urgent, and they simply are unable to borrow on more stringent terms. After inflation, the real increase pledged by the donor countries over the last replenishment is only 5 percent. We would be callous not to approve the amount of our contribution in the bill. The percentage of U.S. contributions to the IDA relative to other donors has steadily declined since our original subscription. If we renege on our pledge for the IDA, we are abandoning the poorest countries of the world, some of whom have no other access to development assistance.

I urge strong support for this very worthwhile bill. Mr. President, I do so particularly in light of the crushing additional burden the poorest countries are facing now with increased petroleum prices.

Mr. CASE. Mr. President, I thank the Senator from Illinois for a very good speech and for a very sound presentation of the basic reasons for this legislation, with which, or course, I fully agree, and the committee as a whole agrees also.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CASE. I am very happy, for the time being, to yield to my colleague from New York.

Mr. JAVITS. Mr. President, as a member of the subcommittee which developed this bill, as a member of the Committee on Foreign Relations, and having been concerned with this particular item of business of the United States for 30 years, I wish to make one or two points which I think are critical in the consideration of this bill.

For one, I have just attended, as a delegate, the so-called North-South dialog in Paris, the so-called Committee of International Economic Cooperation, between the developing countries and the developed countries. Mr. President, I shall, on Thursday morning, report in detail to the Senate on that particular conference.

The deep feeling which I had when leaving it was one of grave concern about the condition in which we find ourselves because of the abyss of difference between the developing countries and the developed countries—involving, as has already been said here, in finite terms, let alone the struggle for peace and stability in the world, the indispensable resources which make possible the operation of the United States and, indeed, all other developed country industrial machines.

In that connection, Mr. President, there are two points which are critical in this debate. One is that we are contributing the full appropriation granted, according to the desires of my beloved friend, Mr. INOUYE, $5.25 billion out of—and this is the critical point—$22,391 million of world replenishment. In short, the critical point is that we are putting up a quarter instead of the whole thing. In Marshall plan days, we put it all up. Now, because of these international financing organizations, we put up 25 percent. That is an absolutely order-of-magnitude difference of the greatest consequence to the world.

So, in considering the U.S. share, let us remember that, in the World Bank, the total capital replenishment is $8,400 million. Our share of that is $1,569 million, or 19 percent. In the International Finance Corporation, the world replenishment is $540 million. Ours is $111 million, 23 percent.

In the International Development Association, this replenishment is $7,638 million. Our part of it is $2,400 million, 31 percent.

In the Asian Development Bank, the world replenishment is $5,004 million. Ours is $814 million, 16 percent.

In the African Development Fund, it shows us at $150 million, which is our particular replenishment at this time.

In short, we are putting up, in round figures, $5 billion, but the world is putting up $22,300,000,000, including our $5 billion. So the world is putting up about $17 billion. That is such a quantum jump from where we have been over all these years that it is of the most critical importance.

Mr. President, I ask unanimous consent that the whole table of the U.S. contribution, as compared to the world contribution, which is found at page 6 of the committee report, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—SUMMARY OF MULTIYEAR AUTHORIZATIONS IN H.R. 5262 AND U.S. SHARE IN EACH INTERNATIONAL FINANCIAL INSTITUTION

[Dollar amounts in millions]

Bill title/Institution	Worldwide replenishment, total	Proposed U.S. share of replenishments	Proposed U.S. share (percent)	Prior U.S. share (percent) (cumulative)	Paid-in or cash portion, U.S. contribution	Callable portion
I. World Bank	$8,400	$1,569	19	25	$157	$1,41
II. International Finance Corporation	540	111	23	32	111	
III. International Development Association	7,638	2,400	31	38	2,400	
IV. Asian Development Bank	5,004	814	16	16	81	733
Asian Development Fund	809	180	22	29	180	
V. African Development Fund		150			150	
Total	22,391	[1] 5,225			3,080	2,145

[1] Total authorization.

Mr. JAVITS. The second point, Mr. President, is the issue of what is called conditionality. When the United States says to a given country, "You have got to have rural reform; you have got to cease importing so much of your food; you have got to stimulate your own industrial capability so that you have import substitution instead of paying hard money for what you import," that is political interference. It is widely inveighed against by all our critics, including the demagogues—shallow, contradictory, and cynical—in the Communist bloc. But when the World Bank or the International Finance Corporation, or any of the international financing agencies, sets the comparable conditions—whether it is family planning or any one of a dozen other things—that is conditionality. It is a perfectly acceptable condition on which lending is to take place. It involves none of the political strain which has characterized bilateral relations between us and the developing countries.

Now, Mr. President, I am not going to duplicate all the arguments which go for why we should take the position that we do take respecting the developing

countries. There is no doubt about that in my mind. I do not see how there can be doubt about it in anybody's mind after all this time.

But the emphasis here is that the international financing agencies can bring about conditions under which this kind of lending power will be used which are absolutely unavailable to the United States or any other nation engaging in these bilateral proceedings.

Therefore, Mr. President, this is critical in that regard. It is also critical in regard to what we are always contending for, which is private enterprise investment in the developing countries and the conditions under which it will be made.

Private enterprise is very much concerned about the espousal by the developing countries of what is called the new economic order—that is, the right which they claim to expropriate even without compensation any property which is within their borders.

The international lending field in the private sector is very much reassured when these international financial institutions are operating in given countries, because they are an instrument for obedience to international law and international morality by their mere presence and the fact that the host government owes them a particular obligation.

Mr. President, these are aspects of our policy which are not very often referred to or considered in respect of our doing our share to support these international financing organizations, but they are critical and distinguish very sharply these lending operations from the bilateral operations which simplistically sound so good—the name, the United States of America, stamped on every bushel of corn or every sack of wheat. But the fact is, Mr. President, that it is not nearly as effective in terms of the reason for this kind of aid than the actions of international organizations which can set conditions for what they do.

Finally, Mr. President, I hope Americans will not forget that it is not much more than 50 or 60 years since we, ourselves, were in the same condition as those developing countries, meriting the traditional aphorism of:

There, but for the grace of God are we.

The fact is that we built up our railroads, our ports, our roads, the whole infrastructure of our country, just about until World War I, based up on enormous influxes of capital which came from abroad. That is exactly what we are doing with the developing countries now, except that we should want it run on a business and not a political basis.

Therefore, of all the bills which we have before us, Mr. President, from the hard-headed point of view of the value of money and what it will buy and what it will do most effectively to build up the economies of the world, of the so-called poor countries, I know of no more effective manner than what we are dealing with in this particular bill.

We have a number of bills before us—the AID bill, in terms of nonmilitary aid; the military assistance bill—all of which are essentially bilateral. But in this multilateral field, we have added to what we give, three times what we give. We have conditionality. That is the condition under which money is made available, which assures that it will be used very much more effectively than when it is on a political, bilateral basis. We have the precedent of the upbuilding of our own country to demonstrate that it can be done in the developing countries when done on, essentially, a business basis.

All this is incorporated in this particular measure. Again, Mr. President, I urge the Senate to approve it.

We are about to contend with respect to whether or not we should carry in the appropriations act so-called callable capital. Senator Humphrey has already introduced a legal opinion on that score. When we get to arguing that, I would like to point out certain of the considerations which obtained in the Marshall Plan, which I would like to call to the attention of my beloved friend from Hawaii (Mr. INOUYE).

In the Marshall plan—and I was a party to it when the legislation passed in 1948—we had a provision which also was not implemented by appropriations, but which said that the United States proposed to devote—I believe the figure was—$17 billion to the Marshall plan.

There, too, it could be said we were not obligated, not bound, the money was not appropriated. But the fact that the United States expressed its intention in that way, actually brought it to the operations in Europe in which the recipient countries combined for the purpose of distributing Marshall plan aid. They absolutely relied upon these assurances of the purposes of the United States, which also could have been backed away from or withdrawn if circumstances induced us to feel that we would not appropriate at a given time, but which they considered a sufficient expression of moral responsibility to go ahead and implement. I think that is what we are trying to accomplish here.

But if the callable capital concept is that when a great nation assures other nations that if there is need for it, the money will be there, then, whether appropriated or not, I believe they have a right to depend on it.

Because the 90 percent of callable capital is a very gifted concept, I hope that in the debate we will not miss the forest for the trees and that, while we may agree to some form of appropriation, we will not break down the feeling of confidence which other nations are entitled to have.

While they are very realistic about it, legalistically it is our opportunity or right not to appropriate if we do not wish to. We will not break down their confidence. When a great power like the United States, the greatest power on earth, says it proposes a certain concept as a certain course of action, it is highly unlikely that it will depart from that course of action even though legally it has a right to do so.

I emphasize that: It is highly unlikely that it will depart from that course of action even though legally it has a right to do so.

Therefore, I hope very much that we will do nothing in the debate to break down that which is beyond law, which is confidence, and which I believe these other nations have a right to have in the proposed concept which is contained in the noncallable capital idea.

Mr. President, I think also it is fair to say that our committee and the Appropriations Committee have made a great change in the relationship of the United States' contribution to all of these programs.

Our gross national product is 38 percent of that of all the other members of the international development authority; and our contribution has now dropped, as I read a minute ago, to the 30-percent level.

So this has been something we have contended for and which has now been done.

Mr. President, I hope very much, under all these circumstances, coupled with the arguments so eloquently made by my other colleagues, that the Senate will approve this bill.

Mr. CASE addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. Mr. President, I thank my colleague from New York, who is a valuable member of our committee and the subcommittee and of the Senate, for a masterful presentation. It is a joy to work with the Senator from New York in matters with which our committee has been deeply concerned.

I understand, Mr. President, that the Senator from Hawaii (Mr. INOUYE) wishes to be recognized for an amendment and for a general discussion.

Since I do have the responsibility, I had promised the Senator from North Carolina that he could discuss his proposed amendment.

He has been put off a couple of times and, if it is all right with the Senator from Hawaii, I suggest that the Senator from North Carolina be recognized for that purpose.

Mr. HELMS. Mr. President, if the Senator will yield, I would be delighted to yield, in turn, to the able Senator from Hawaii with the understanding that I follow him because he, too, has been waiting for some time.

Mr. CASE. That is a wonderful solution. It is nice to be dealing with these gentlemen from the South. (Laughter.)

The PRESIDING OFFICER. The Senator from Hawaii.

UP AMENDMENT NO. 420

Mr. INOUYE. Mr. President, I send to the desk my amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) for himself and Mr. SCHWEIKER proposes unprinted amendment No. 420.

Mr. INOUYE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning with "needing" on page 11, line 15, strike out all that follows through the

period on line 23, and insert in lieu thereof a period and the following new sentence: "It also notes that the availability of funds for the United States contribution to these international financial institutions is contingent upon future action by the Congress appropriating the necessary sums and thereby establishing the level of contributions for any given fiscal year.".

Beginning with page 12, line 13, strike out all that follows "That" through "Acts" on line 15, and insert in lieu thereof the following: "any subscription to additional shares shall be made only after the amount required for such subscription has been appropriated".

Beginning with page 13, line 10, strike out all that follows "That" through "Acts" on line 11, and insert in lieu thereof the following: "any commitment to make payment for such additional subscriptions shall be made subject to obtaining the necessary appropriations".

Beginning with page 14, line 2, strike out all that follows "That" through "Acts" on line 3, and insert in lieu thereof the following: "any commitment to make such contributions shall be made subject to obtaining the necessary appropriations".

Beginning with page 14, line 16, strike out all that follows "That" through "Acts" on line 19, and insert in lieu thereof the following: "any subscription to additional shares shall be made only after the amount required for such subscription has been appropriated".

Beginning with page 15, line 3, strike out all that follows "That" through "Acts" on line 5, and insert in lieu thereof the following: "any commitment to make such contribution shall be made subject to obtaining the necessary appropriations".

Beginning with page 15, line 18, strike out all that follows "That" through "Acts" on line 19, and insert in lieu thereof the following: "any commitment to make such contribution shall be made subject to obtaining the necessary appropriations".

Mr. INOUYE. Mr. President, the amendment I have sent to the desk appears, on the face of it, to involve no more than the restoration of language in the House bill bearing on provisions governing the commitment of resources to international financial institutions.

In essence, that is what the amendment does. But, I suggest that we must carefully attend to the consequences of this amendment, for it is of great significance to U.S. participation in agreements to replenish the resources of international financial institutions, and it goes to the heart of the conduct and operation of the U.S. Senate—the committee system.

My amendment to the bill reported by the Senate Foreign Relations Committee makes a clear statement of fact: the commitment of U.S. resources to international financial institutions, or, indeed, to any purpose, is subject to the appropriatior of those resources. This is an incontestable statement, grounded in the bedrock of the Constitution.

Mr. President, I believe that the adoption of this amendment is essential to the rational implementation of U.S. foreign policy and to the rigorous application of Senate procedure. In a moment I will suggest a number of the reasons which cause me to propose my amendment, but first there is one thing I would like to note in passing.

The Foreign Relations Committee report suggests that the committee went to great lengths to avoid having a point of order raised against sections of the bill which appear to be in violation of the requirements of the Congressional Budget and Impoundment Act. I am of the opinion that a point of order could be held against this bill, but I prefer to treat substantive issues which are directly linked to the commitment of U.S. resources to the international financial institutions. I leave it to the Budget Committee to decide whether or not to raise a point of order.

I would only note here that, according to the report:

> It was felt by a number of Members of the Committee that the Budget Act had been written without full consideration of its ramifications on the conduct of U.S. foreign affairs.

Once I have stated my objections to the reported bill, I believe that many here will agree that the reported bill, itself, was apparently "written without full consideration of its ramifications on the conduct of U.S. foreign affairs."

Mr. President, in a statement, notable both for its sweeping grandeur and for its departure from reality, the Foreign Relations Committee report declares, and I quote:

> The power of commitment rests with the authorizing committee.

I would like to most humbly say this is preposterous.

The authorizing committee has the power to recommend the authorization of U.S. participation in international funding arrangements;

The authorizing committee has the power to recommend the authorization of a level of participation;

The authorizing committee does not have the power to commit U.S. resources. To assert that it does is to invade terrain reserved to the Appropriations Committee. The commitment of U.S. resources follows from, and can only follow from, the appropriation, by law, of those resources.

For the United States to make a cogent, authoritative, and valid pledge to contribute resources to an international financial institution, that pledge must be subject to the appropriation of amounts necessary to fulfill the pledge. When there is no recognition of the requirement for an appropriation, intention is confused with aspiration.

Representatives of the United States in international negotiations can say that the United States hopes to contribute a certain sum—that is an aspiration. But, if by subscription, in the absence of an appropriation, they indicate that the United States intends to contribute a certain sum, they are making a hollow pledge. The commitment can be fulfilled only after funds are appropriated. It is, therefore, necessarily a conditional commitment.

What the administration sought to do—what my amendment seeks to do—what the House bill does—is to state, in the face of the law authorizing U.S. participation in international funding arrangements, this clear distinction between aspiration and intention, between hope and fulfillment, between the process of commitment as the Foreign Relations Committee would see it, and as it really is.

In the past the United States has, unfortunately, made pledges in advance of appropriations without fully expressing their contingent nature. Because of this, when the Congress has declined to appropriate the full amount pledged by administration officials in international meetings, confusion has been engendered at home, mistrust abroad.

In recent times, the highest authorities in the U.S. Government have declared publicly:

> We have up until now defaulted on the word of honor of our country . . . Other countries have kept their word. We have broken our word so far.

This ad hominum argument is repeatedly voiced in requests to the Congress for appropriations of ever increasing contributions to the international financial institutions. Allow me to quote the congressional presentation of the Agency for International Development:

> Failure of the United States to meet our commitments has been very damaging.

And again:

> Delay in fulfilling U.S. pledges has been taken . . . as a discouraging sign of the inability of the United States to honor its commitments. . . .

Mr. President, I submit that these statements, which question the honor of our country, put intense pressure on the Appropriations Committee to blindly approve whatever amounts are requested by the administration. We are told that our national honor must be upheld, that the United States has made commitments in international negotiations, that a failure of the Appropriations Committee to abide by these pledges is inimical to the interests of the United States.

Our national honor is at stake. But, with all of the talk about U.S. commitments in international agreements, I think that some may have forgotten that we have, indeed, made solemn commitments—to our own people.

Every appropriations bill which emerges from the Congress carries the phrase:

> That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated . . ."

There is much in that phrase. It says that the resources of the U.S. Treasury are limited—there is only so much money.

Others can go to London, to Paris, to Vienna, and Rome—to all of the grand capitals of the world, pledging U.S. support for a multitude of purposes, but it is the Appropriations Committee which must weigh, in its singular responsibility, the competing demands for money "not otherwise appropriated."

Some may regard U.S. participation in international financial institutions as a grand potlatch ceremony, in which the wealth of the United States is to be given away, but the Appropriations Committee must husband the resources of our country—that there may be enough to meet our national goals. The needs of our own people must be placed in the balance

when we weigh the needs of the international community; our goals at home must be balanced against our goals in the international arena. We cannot pledge what we do not have, and we do not have everything.

That is why U.S. contributions to international financial institutions are—and must be—subject to appropriations.

That there may be no doubt, let me state that it is the considered judgment of the Appropriations Committee that any pledge, commitment, or subscription to increase U.S. participation in any international financial institution, which does not specify that it is subject to appropriation, is not valid. This traditional position of the Appropriations Committee was amplified in a letter by its chairman, Senator JOHN MCCLELLAN, to the then Secretary of the Treasury, William E. Simon. The letter, sent on January 15, 1975, stated:

> It has been the longstanding view of the committee that only the enactment of an appropriation bill can obligate the United States to any given payment to the international development banks . . . it should now be clearly understood that the Congress is not committed to any given funding level until that figure is actually appropriated.

On April 30, 1976, the then chairman of the House Appropriations Subcommittee on Foreign Operations, Mr. Passman, and I joined in a letter to Secretary Simon. Our letter stated our belief that "the possibility of any misunderstanding" could be avoided by making pledges to international financial institutions "clearly contingent upon appropriation of the amount involved."

Mr. President, I ask unanimous consent that the text of these two letters be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

(See exhibit 1.)

Mr. INOUYE. Mr. President, perhaps I can make a further observation which will serve to cut away the thickets of ambiguity which have surrounded this issue.

The report of the Foreign Relations Committee notes that committee members were concerned that the President could be precluded from making "an unconditional, multiyear commitment under which the U.S. incurs financial obligations." Consequently, the reported bill provides for multiyear authorizations.

Now, were we to accept the proposition that authorization of U.S. participation in multiyear funding agreements is sufficient to enable the administration to unconditionally pledge, on behalf of the United States, payment of specific amounts in future years, future Congresses would be bound—de facto, if not de jure—to appropriate the necessary funds.

This proposition is antithetical to the traditional and established procedures of the Senate. It is, moreover, of doubtful validity on constitutional grounds. Neither the administration nor Congress can bind future Congresses to any given level of contributions. My amendment would avoid this legislative imbroglio by making U.S. contributions subject to the annual appropriations process.

Now let me turn to another reason that caused me to offer this amendment. It, too, is concerned with the nature of U.S. commitments to international financial institutions.

The reported bill does not require the appropriation of callable capital. The House bill does.

The administration and the Appropriations Committees of the House and the Senate have taken the position that all callable capital contributions should be appropriated by Congress. By restoring the language of the House bill, my amendment will insure that this is done.

The Appropriations Committees have long contended that to pledge callable capital in the absence of appropriations is to circumvent the established budgetary and appropriations processes and to contravene our concerted efforts to eliminate "backdoor funding" of Federal programs.

On April 30, 1976, Congressman Passman and I joined in a letter to the then Secretary of the Treasury in which we said:

> Although the callable capital of the banks may constitute a "virtually risk free obligation" it is very much an obligation.

On October 8, 1976, I wrote to Secretary Simon protesting his proposal to pledge callable capital "after the Congress—had—considered and specifically declined to appropriate the full amount requested by the President." I might add that Secretary Simon had not even informed the House Appropriations Committee of his proposed action. And, on February 2, of this year, the chairman of the House Appropriations Subcommittee on Foreign Operations joined me in a letter to Secretary of the Treasury Blumenthal, informing him that it was our collective judgment that all pledges of callable capital "should follow only upon the provision of budget authority in an appropriation bill."

Mr. President, I ask unanimous consent that the text of these letters be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. INOUYE. Secretary Brumenthal agreed with the position of the two Appropriations Committees and the administration amended the fiscal year 1978 budget presentation to incorporate requests for the appropriation of callable capital.

Now the Foreign Relations Committee has reported a bill which, for the first time, attempts to provide a legislative justification for pledging callable capital without an appropriation. It has done so notwithstanding the definition of callable capital found in its report:

> Callable capital is a guarantee and an obligation backed by the full faith and credit of the United States.

Mr. President, I hope I have made it abundantly clear that guarantees and obligations—if they are to be backed by the full faith and credit of the United States—if they are to have credibility and meaning—must be based on the appropriation of funds. My amendment, which, as I have said, restores the House language on this matter, would give meaning to pledges of callable capital by making them subject to appropriation.

If I may summarize at this point, the reported bill raises jurisdictional and procedural matters of consequence. The issues at hand do not stem from some petty squabble between two Senate committees, for they turn not only on how we are to conduct the business of the Senate, but also on how the United States is to give credibility and meaning to its position in international funding agreements. I believe that these issues can be resolved by the adoption of my amendment.

Before yielding the floor, Mr. President, I shall respond to several matters that have been brought up by our distinguished colleague from Minnesota.

As you recall, Mr. President, he was quite concerned that the Appropriations Committee would insist upon full funding of callable capital to international banks but just 10 percent for military sales.

There is a basic difference involved. In the case of military sales we are dealing with entities that are subject to the laws of the United States; in fact, for the most part they are agencies of the Government.

In the case of the international banks, we are dealing with international institutions over which we have no control and little ability to direct.

It may be of interest to colleagues to note, for example, that notwithstanding all of the demands we have made for austerity, for cutting down unnecessary expenses and bringing about greater efficiency, the international banks still insist upon paying the highest salaries of all international organizations.

For example, at the present time the Secretary of the Treasury, the man who is in charge of our involvement of international financial institutions, under the new pay raise receives a gross of $66,000. Our U.S. delegate, the man who is appointed by the Secretary of the Treasury to the World Bank, is now paid at an annual rate of $83,800. In this case the subordinate to the Secretary of the Treasury gets more than he. And the delegate's deputy gets paid $61,700. At this juncture, it might be well to note that the pay of a U.S. Senator is $57,000, which is incidentally equivalent the eighth pay level in the World Bank. The U.S. delegate to the International American Development Bank is paid at an annual rate of $77,750 and his assistance gets $56,000.

Furthermore, at the present time the World Bank has liquid assets in excess of $7.5 billion. I grant you that these are obligations against loans but they are amounts not yet expended. These funds have been placed on deposit throughout the world. I believe the location of these deposits should be public information. Can anyone answer why they are not?

These are reasons why we insist upon 100 percent funding of callable funds.

Mr. President, please note that my amendment has nothing to do with the level of funding. In fact, as a member of the Appropriations Committee, I have been always sympathetic with goals of our development banks. At the same time I have my responsibility as a Senator and as a chairman of my committee to point out that to permit the present bill to pass without amendment would be a travesty. Therefore, I ask that Senators agree with this amendment and support it.

Mr. President, I will be asking for a rollcall on this, and this is the first time in my many years in the Senate that I have insisted upon a rollcall. I am doing so, because the issue involved is a fundamental and significant one. It affects the Senate procedures and it affects the foreign policy of the United States.

EXHIBIT 1

WASHINGTON, D.C.,
January 15, 1975.

Hon. WILLIAM E. SIMON,
Secretary of the Treasury, Department of the Treasury, Washington, D.C.

DEAR MR. SECRETARY: This will acknowledge your letter of January 14, 1975, advising of the decision by the Executive Branch "to agree on behalf of the United States" to pay to the International Development Association (IDA) $1.5 billion in four equal annual installments, beginning in fiscal year 1976, as the United States contribution to the Fourth Replenishment of IDA.

As the Department should be well aware, it has been the longstanding view of the Committee that only the enactment of an appropriation bill can obligate the United States to any given payment to the international development banks. To be even more specific, last year's Senate report (93-620) concerning IDA stated the following:

". . . While it [the Committee] recognizes that projected funding levels are often reached only after negotiations with other member nations, it should now be clearly understood that the Congress is not committed to any given funding level until that figure is actually appropriated."

I am strongly of the opinion that neither the Executive Branch, nor the Congress itself for that matter, can bind future congresses as to projected appropriation levels, and I question the wisdom of action which, in my opinion, would inevitably create confusion in this regard.

With kindest regards and best wishes, I am,
Sincerely yours,

JOHN L. MCCLELLAN,
Chairman.

WASHINGTON, D.C.,
April 30, 1976.

Hon. WILLIAM E. SIMON,
The Secretary of the Treasury,
Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: This will acknowledge your letter of April 26, 1976, outlining your views on the new and ever increasing needs of the International Bank for Reconstruction and Development for an expansion of its resources.

As both committees have stated in the past, we are of the opinion that neither the Executive Branch nor the Congress itself can bind future Congresses to any projected level of future appropriations. This presents a problem in pledging which we believe can best be met by making such pledges clearly contingent upon appropriation of the amounts involved. Your willingness to do this should avoid the possibility of any misunderstanding in this regard.

In addition, it is a matter of mutual concern that the Treasury expects not only to continue but to greatly expand the highly questionable practice of pledging to the callable capital quotas of the international development banks without first seeking appropriations to support these pledges. In the instant case the full faith and credit of the United States would be committed to $1,560,000,000 in obligations of the IBRD whereas appropriations would be sought for only $156,000,000 or ten percent of this amount. Although the callable capital of the banks may constitute a "virtually risk free obligation" it is very much an obligation. We believe that upon reflection you will agree that the better and sounder practice is to seek and obtain appropriations in advance for the full amount of any such guarantees proposed to be extended to the international development banks.

Sincerely,

DANIEL K. INOUYE,
Chairman, Subcommittee on Foreign Operations.

OTTO E. PASSMAN,
Chairman, Subcommittee on Foreign Operations.

EXHIBIT 2

WASHINGTON, D.C.,
October 8, 1976.

Hon. WILLIAM E. SIMON,
The Secretary of the Treasury,
Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: Let me acknowledge receipt of your letter of September 29, 1976 which outlines a proposal to pledge callable capital contributions to the Asian Development Bank in excess of the amount appropriated.

In my opinion, the course of action you have proposed would unnecessary embroil appropriations for the international development banks in a dispute over Congressional responsibilities regarding commitments which invoke the full faith and credit of the United States. I would regard this as most unfortunate, particularly at a time when it appears that the Congress and the Executive Branch might move into fruitful exchanges concerning the level of future funding of United States contributions to such institutions.

That you would now make this proposal, after the Congress has considered and specifically declined to appropriate the full amount requested by the President, suggests that you do not fully appreciate the growing problems in the Congress relating to appropriations for the international development banks. As you know, the House conferees were adamant in their opposition and blocked full funding of the President's request for callable capital.

In view of the House opposition to the President's fiscal year 1977 request and the necessity of securing House support for future funding, I must say that I was astounded to learn that the House Appropriations Committee was not even advised of your proposed action.

This failure to inform the House is compounded by the fact that your proposal ignores the main point of a letter to you from Chairman Passman and myself dated April 30, 1976. This letter, which is printed in the Committee's fiscal year 1977 report and which I can only assume was not brought to your attention, records our opposition to the highly questionable practice of pledging callable capital contributions in the absence of necessary appropriations.

While you note correctly that an exception to normal funding practices occurred in 1975, this exception in no way invalidates the traditionally established Congressional policy with regard to appropriation of callable capital. The joint letter of Chairman Passman and myself is strongly in opposition to a repetition of what I regard as a one time exception.

Mr. Secretary, I hope you will review this matter and reflect on the concerns I have voiced above. I believe that you will then find yourself in agreement with me and abandon your plan. In the interest of harmony and our common goals, I urge you to do so.

Sincerely,

DANIEL K. INOUYE,
Chairman, Subcommittee on Foreign Operations.

WASHINGTON, D.C.,
February 2, 1977.

Hon. W. MICHAEL BLUMENTHAL,
Secretary of the Treasury,
Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: It is our collective judgment that pledges of United States contributions to the Callable Capital resources of International Financial Institutions engage the full faith and credit of the United States and that, therefore, such pledges shall follow only upon the provision of budget authority in an appropriations bill.

To pledge Callable Capital contributions in the absence of appropriations is to circumvent the established budgetary and appropriations processes of the Congress and to contravene our concerted efforts to eliminate "backdoor funding" of federal programs. It is our view that Congressional support for the development finance proposals of the Executive Branch will be enhanced by a commitment on your part to seek and obtain necessary appropriations in advance of pledging United States contributions.

Therefore, we hope that you will grasp the opportunity to correct the irregular and ill-advised actions of the previous Administration by amending the fiscal year 1978 budget submission to incorporate requests for the appropriation of all Callable Capital to be pledged to the International Financial Institutions.

Sincerely,

DANIEL K. INOUYE,
Chairman, Subcommittee on Foreign Operations, U.S. Senate.

CLARENCE D. LONG,
Chairman, Subcommittee on Foreign Operations, U.S. House of Representatives.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. INOUYE. I yield to the Senator from South Carolina.

Mr. HELMS. Mr. President, I commend the able Senator from Hawaii for the enlightening comments that he is making. I have an amendment which I shall submit later this afternoon with respect to the compensation, including fringe benefits, of the officers and employees of the World Bank.

In addition, I would say to the able Senator from Hawaii that the most frequent users of the Concorde include officials of the Bank, at the additional cost of something like $500 per trip, as I understand it.

The American taxpayer has a definite stake in this matter, and I congratulate the Senator for the information he is conveying to the Senate in this connection.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. INOUYE. With reference to salary

levels in the Banks I would like to point out that through Secretary Blumenthal, our present Secretary of the Treasury, has tried to convince his colleagues in the International Bank to listen to the anguish of the Members of Congress, and that we are very serious about these excesses. As a result we did have a minor victory in the recent meeting of the Inter-American Development Bank. As some Senators are aware, at this most recent meeting the delegates present wanted to have another pay raise for employees of the Bank. As a result of the statement made by Secretary Blumenthal, the pay raise was set aside, and I congratulate the Secretary of the Treasury for this accomplishment.

But my amendment has nothing to do with pay raises or with the level of funding. I just want a certain policy maintained.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. INOUYE. Yes.

Mr. JAVITS. Mr. President, the Senator says that he wants a certain policy maintained, to wit, appropriations, and that he has a right to contend for, as he has argued; but I have read his amendment, and he goes a lot farther than that. I do not know whether he intends to, but he does, and it is that part of his amendment which personally I must oppose with every power that I have.

The Senate has to vote on that, too, because it is just important if not more so than what the Senator has proposed.

The Senator proposes to strike practically all of the language on page 11 from line 14 through line 23. That language reads as follows:

> The Congress recognizes that economic development is a long-term process needing effective multiyear funding commitments. It also notes that funds, with the possible exception of callable capital, associated with these commitments must be subject to the appropriations process. Nevertheless, the Congress declares its intent and purpose to fulfill multiyear funding commitments of the United States Government to the international financial institutions by authorizing on a multiyear basis the appropriations necessary to meet United States payments to these institutions.

Now, I do not see anything whatever in that language which appropriates any money, and I think the Foreign Relations Committee is fully within its rights to bring that language here and to propose it to Congress and have it voted on. Either we mean it or we do not. We are subscribing to this international organization, to wit, the World Bank, and the others, with the understanding that everything we ever pay out has to be appropriated; but I do not see where the Appropriations Committee should inhibit us from making the assertion that we intend to do it.

We intend to seek the appropriations; we intend to go through with the procedure, but our purpose and intention is really only a sense of Congress. As a matter of fact, I personally would be more than willing to express it as the sense of Congress. I have written out an amendment to that effect. But I do not see how the Appropriations Committee can say to us, "No, you do not have the authority, only we do, to recommend to you a statement that you fully intend to carry out the callable capital obligations."

We will say that, that they are going to have to be appropriated; but a purpose expressed by Congress, it seems to me, is the only fair way that you can compromise the responsibilities of the authorizing committee and the President respecting the foreign policy of the country with those of the appropriations process, which I generally feel the Senator is right about. I would be perfectly willing to accept the Senator's amendment, myself, on appropriations, but I could not for the life of me accept the rest of it—and I will insist on it if no one else does. I think that even if the Senate vote is 99 to 1, we have got to go on the line for this one. We either express an intent to do what we are supposed to do when we subscribe to the capital in a great bank, or we do not even have the intent, let alone our internal processes. Either we do or we do not, and if not, we had better say so to the world.

When it comes to paying out the money, we should not pay out a dime unless it is appropriated by Congress; but when it comes to expressing an intent of what we hope to do, what it is our purpose to do and our general thrust in going into this thing, I cannot see any reason on Earth why the Senator would want to strike that out. If he does not like the language, I would be perfectly willing to say it is the sense of Congress, but I do not see how the Foreign Relations Committee can be denied the authority to present that, or how we can fail to consider it.

The Marshall plan has been mentioned. That is the way it was run. I will get the provision and show it to Senators in the RECORD. There we expressed our intention that over 4 years, we would put up, I think the figure was $17 billion. It had to be appropriated; I agree with that. But that is a very different thing from expressing our intention at this time to do it when and if it becomes required.

Mr. INOUYE. Mr. President, I am pleased that our distinguished colleague from New York has brought this matter up because this is a very important matter. This deletion was done with deliberation. I would like to read two sentences from this section:

> It also notes that funds, with the possible exception of callable capital, associated with these commitments must be subject to the appropriations process. Nevertheless, the Congress declares its intent and purpose to fulfill multiyear funding commitments of the United States Government to the international financial institutions by authorizing on a multiyear basis the appropriations necessary to meet United States payments to these institutions.

I grant, Mr. President, that it has very little legal effect. It is a sense of the Senate statement. But by voting for the sense of the Senate, we are committing ourselves before any obligations are made that we will honor them.

If that is the case, then I most respectfully suggest to the Senate that we do away with the Appropriations Committees, because each year the administration comes before us and says, "We have placed the name of the United States on the line; we have committed ourselves; our honor is at stake; you have no choice."

Are we to be rubber stamps? Our distinguished President, on February 24, had this to say:

> We are now going to the Congress to ask Members to honor this Nations' commitment for our pro rata share of support for some of these multilateral aid programs. We have up until now defaulted on the word of honor of our country. Other countries have kept their word. We have broken our word so far, so we are going now to the Congress and saying, "Would you honor the commitments our Nation has made?"

Mr. President, our Nation is made up of 217 million people. The statement that one President may make or one Secretary of the Treasury may make does not necessarily commit this Nation.

I say the Appropriations Committee must step into this process. To now come forward and say that we approve the language proposed by the Foreign Relations Committee would have the effect of saying, "Whatever agreements you make, you may count on a rubberstamp approval of the U.S. Congress."

However, I am pleased to note that the chairman of the subcommittee, my honored friend from Minnesota, has said that he will accept this amendment, but because of the importance of this amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will the Senator yield once more?

Mr. INOUYE. I am pleased to yield.

Mr. JAVITS. I heard the Senator very clearly saying it is to give a blank check. I am not asking for that, because I do agree that the language is different. I do not know that it is stronger or weaker, but it is different than the traditional language. I will propose an amendment which will be the traditional amendment, leaving in the whole amendment of the Senator and leaving out "nevertheless."

The issue I am trying to pose is a different one from what the Senator mentioned. The Senator himself negated, it seems to me, his own argument by saying, "Of course, this is not legally binding," and it is not, even if we left this language, "but nonetheless, it gives the administration a blank check."

It does not give the administration, for one, any such thing. The Senate is going to vote on this today. So will the House, and so will the conference. And the President will sign it.

There are no blank checks involved here. The Appropriations Committee does not have a blank check either. It is a servant of the Congress. It will recommend, and we can cut it or we can raise it as we choose. We have a right to do what is right to do, Appropriations Committee or no Appropriations Committee. Let us not have any idea that, "Because you do not want to see that we

have that power, you do. You do not have it either."

It is the Senate that must decide. Today is the day of decision. It is high time we came to grips with this. We can no longer be children in international affairs and hide behind all these subterfuges. The fact is that we are subscribing to the capital of the World Bank, and that we are paying in 10 percent. That is appropriated, or it will be. There is callable capital of 90 percent. We express a good faith intention of meeting the call when made.

As the Senator himself said, and as I say, it is not legal, it is not a contract, they cannot sue the United States and they cannot even get up in any international body and say the United States has defaulted, because we undertake no legal obligation. We say we have every present intention, this Congress and only this Congress, to see that if that capital is called it is paid. We will use our every effort to get it appropriated and to meet the obligation, if, as, and when it has to be called.

I do not see how we can run a foreign policy of this great country on any other basis. It is a fair compromise between the appropriation and the necessity for running some kind of a policy which gives people some assurance that if the United States says something there is at least the reasonable assurance that it will do it.

We have a security treaty with Japan. We have one with the Philippines. They are for 20 years or 30 years. We have a nonproliferation agreement with the Russians for 5 or 6 years. We do not seem to be afraid of that, and that is life and death, not money.

We are trying to work out some way in which we can run the foreign policy of the country and yet adopt the view that every year we have to appropriate. I am offering a way. If it is going to be rejected, it is going to be rejected by this Senate in full understanding of what it is doing and not by some kind of a just general rubric that, "Well, it has to be appropriated," period.

Let us see what we are doing here and let us take a day, 2 days, or 3 days, if we need to, and at long last come to grips with reality as to where we are in the foreign policy of this country. If we do not want to subscribe to the World Bank, turn it down. Do not do it. I would much rather Senators did not do it rather than go through these machinations which leave in doubt whether we really purpose to do what we say we are going to do.

Mr. President, I propose an amendment to the amendment, and I send it to the desk.

The PRESIDING OFFICER. Until the time has expired or is yielded back, the amendment would not be in order. Who yields time?

Mr. CASE. Will the Senator yield?

Mr. INOUYE. I do not know if I have any time left. How much time have I remaining?

The PRESIDING OFFICER. The Senator from Hawaii has 5 minutes remaining and the Senator from Minnesota has 20 minutes remaining.

Mr. HUMPHREY. Does the Senator want to yield back the remaining time on this?

Mr. CASE. No, I do not think so.

Mr. INOUYE. I have 5 minutes. Would the Senator wish some time?

Mr. CASE. I do not want to take the time the Senator may need. We have time here.

I ask the Senator if he will yield.

Mr. HUMPHREY. I yield such time to the Senator from New Jersey as he desires within our 20-minute limitation.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. CASE. Mr. President, I would like to use this time in a colloquy with the Senator from Hawaii. Would the Senator be willing to engage in a little colloquy with the Senator from New Jersey to see if we can understand each other and what we are trying to do?

Mr. INOUYE. I would be very happy to.

Mr. CASE. There are various possibilities. I think one thing we ought not to try to do is to say we are doing the impossible, making a commitment and not making a commitment at the same time. The Senator would agree to that, I would assume.

Mr INOUYE. We should not try to achieve the impossible.

Mr. CASE. But the question the Senator from New Jersey has in his mind is we thought we worked it out in the committee in a reasonable way, and I believe we did. But it involved, in effect, assuming an obligation. The nature of the obligation was a little bit fuzzy, but obligations are always a little bit fuzzy. They are not quite as easy to understand, and certainly to enforce, as a promise made to pay money, for instance, in private life under a contract.

Is the Senator's basic concern one that could be described as a concern that this country should not be obliged to do something in the future which at that time it thinks it is not in its best interest to do? Is that the basic concern?

Mr. INOUYE. That is not the basic concern. I have many concerns. One just came to mind. When the administration makes these commitments we oftentimes forget that there is another party involved, the Congress of the United States. I would hate to have the Congress leave itself with no flexibility. For example, as a sponsor of the United Nations development program, a program supported by many here, we understood at the time of its creation that all of the countries of the world who were capable of doing so would participate. It may interest the Senator to know that up until last year one of the beneficiaries of the United Nations development program was Saudi Arabia.

Mr. CASE. The Senator from New Jersey has been aware of that for some years.

Mr. INOUYE. I have long suggested, together with other Senators, that that was not the intent of the United States when we sponsored the creation of the United Nations development program. I should like to suggest that when situations such as that arise, we in Congress should question whatever commitments have been made years ago. I do not think that this Congress, the Congress of the year 1977, can bind the Congress of 1980 and tell the people who elect those in 1980, "You have no choice, because Congress in 1977 said we will obligate and commit ourselves to a billion dollars for this purpose."

Mr. CASE. If the Senator will yield, would it be possible—is it impossible—for the Government of the United States to promise to pay money in the future? Is that an impossibility of some fashion? Or is the Senator only saying that to create an obligation to pay money in the future does require a present appropriation of the full sum? Is that what the Senator is saying?

Mr. INOUYE. It is a possibility with annual appropriations, sir.

Mr. CASE. Well, wait. Is it not possible for the United States, today, to make a commitment to pay $1 a year for 10 years? Is that not possible to do without an appropriation each year necessary to create the obligation to make the annual payments? Can you not, by an appropriation now, appropriate money payable over a period of years?

Mr. INOUYE. We can do that if we appropriate the $10 now.

Mr. CASE. All right, this is just a matter of how we do it.

Mr. INOUYE. If we appropriate $1 for this year and a dollar for the next year, we cannot do that.

Mr. CASE. I am not sure I get the distinction.

Mr. INOUYE. The Senator said, is it possible for the United States to give $10——

Mr. CASE. To pay. Let us not use the word "appropriate." Let us say "to pay."

Mr. INOUYE. To make a $10 payment over a period of 10 years, $1 a year. That is possible if this Congress appropriates the full amount, $10.

Mr. CASE. Then all we are doing is going through the motions of doing something another way; is it not?

The Senator would not contend, would he, that this Government may not make an agreement with Great Britain and any number of other countries that each one will, over the years, pay a certain amount of money a year? Will the Senator say it is impossible to make such an agreement?

Mr. INOUYE. That commitment will be binding and legal if the money has been made available at the time.

Mr. CASE. Then we are not really talking about anything except method. That is almost a matter of—I do not want to use that word, "semantics." It is not quite the appropriate one.

If we went now to the Appropriations Committee and said, "Will you appropriate this money for the indefinite future, if you will, during the life of the agreement"—which we promise to be bound by—then it would be a binding commitment, would it not?

Mr. INOUYE. I believe that all of us are bound by the Constitution of the United States, article I, section 9, which says, "No money shall be drawn from the Treasury but in consequence of appropriations made by law."

Mr. CASE. I agree fully. Yet I would argue with the Senator—at least, I would suggest gently to him—that you do not have to use the word, "appropriation" in order to comply with the Constitution. We can make an agreement to pay money and have that agreement approved by Congress, and that will be fulfillment of the Constitution, I should say.

There is no magic about the division that we make among ourselves and allocation of authority by calling one committee an appropriations committee and another committee some other committee; one act an appropriations act, another act something else. There is no magic about that that responds to a necessity, to an imperative of the Constitution of the United States, I say to the Senator. These are agreements and arrangements made for our convenience, that is all.

I do not disagree that the Committee on Appropriations ought to get into the act. I think it is fine that we should all get into the act and have a very strong support for these things. Certainly, anything for the payment of money it is in order for the Committee on Appropriations to have a look at and say in.

I would not object if the Senator should say we need to appropriate the money before we can have a binding commitment. All I am saying is, do not tell me that this Government of the United States cannot make a commitment for the future, that it is disabled because of some rigmarole or some interpretation of the Constitution of the United States that says it cannot make such a commitment.

It is in the nature of nations that they be able to make commitments. We are certainly not going to put ourselves in second-class order in respect of the nations of the world.

Mr. INOUYE. I am suggesting, sir, that this Government, this Congress, can obligate itself to pay country X 5 years from now the sum of $100,000 if that $100,000 is appropriated in this Congress. But this Congress may not commit and obligate a Congress of 5 years from now and say, "You must pay country X that $100,000."

Mr. CASE. What I am really saying to the Senator is, do not let us get carried away by the magic of words. An appropriation is an appropriation even if we do not call it an appropriation. An appropriation is an authorization—there I go with another word—it is a direction that this Government shall pay and a promise that it shall pay, approved by Congress. That is just as much an appropriation as when we sit down and say, "This is hereby appropriated." It is not necessary to use those words.

And Congress acts even though the Appropriations Committee did not authorize it. If Congress takes the action to agree to a promise to pay money, that is just as much an appropriation under the Constitution as if it went through the Appropriations Committee and took the form of an appropriations bill. If I am wrong about this, I wish the Senator would correct me.

Mr. INOUYE. I most respectfully contend, sir, that an authorization is not an appropriation.

Mr. CASE. It is not intended to be; that is why it is not. It is a part of a process that we understand should have two acts, that is all. We can have an authorization that was an appropriation.

Mr. INOUYE. Furthermore, an authorization is not a commitment.

Mr. CASE. If the Senator will permit me just to say this, then I shall listen, of course, because I do want his judgment on this.

Congress has decided on a process of two steps: An appropriation following an authorization. The reason is historical; also, I think it is based in commonsense, to have two looks at a particular thing. But it does not have to act that way. Congress is able to act in any way it chooses to act.

So the Senator is right if what he is endeavoring to do is get the Appropriations Committee into the act. I would go along with him on this because of our tradition and so forth. But do not say, in order to get the Appropriations Committee into the act, that the United States of America is disabled for all purposes from making a promise to pay money that is binding in the future.

Mr. INOUYE. Sir, nowhere in my speech have I suggested that the Appropriations Committee is disabling this Government. In fact, the facts speak for themselves. I think the Appropriations Committee throughout the years—at least I can speak for the years I have served in the Senate—has generally been very generous, exceedingly generous.

Mr. CASE. It is hard for me to debate this. It makes me sound like I do not like the Appropriations Committee. I love it. I am the ranking Republican on that committee and second ranking member. I have served on it more years than many in Congress. I have great respect for it, for its traditions and responsibility and for the need for it.

But I do not think that we should say, because we have set this particular bit of machinery up, that we can disable the Government of the United States from making a commitment which the world has the right—legal right, not just moral right—to depend upon.

Now, international agreements, agreements of sovereigns, are always subject to the sovereigns saying, "No, I will not do it."

We are getting away from that a bit now with the World Bank machinery, and so forth, and other indirect ways besides bringing a suit to enforce a right against a sovereign power.

But I do object to the idea we are engaging in something that is fishy here.

Mr. INOUYE. Far from it. I am not suggesting that something is fishy. I am suggesting the language in the bill would cause much havoc and much confusion.

I would like to once again contend that in my mind, most respectfully, authorization is not commitment.

If the Senator would look at the committee report, it has this language which I think he will not agree to. This is from the report supporting this measure, and I quote:

> The power of commitment rests with the authorizing committee.

Does the Senator agree with that?

Mr. CASE. I would be glad to take a look at it before I answer. What page is that?

Mr. INOUYE. That is from the committee report.

Mr. CASE. What page is it? Would the Senator give me the page?

Mr. INOUYE. It is on page 14, line 13:

> The power of commitment rests with the authorizing committee.

Mr. CASE. I did not draft this language. I do not, certainly, want to criticize it. But I would not try to present the exigencies of it without a little bit more consideration of it.

It was done by very able people.

I think what I would say about this whole process we have been engaged in is that we have let ourselves get so tangled up with traditional forms and language that we have really gotten ourselves into a quite unnecessary slough. I mean——

Mr. INOUYE. I beg to disagree. I think this has been a very healthy exercise.

Mr. CASE. Yes.

Mr. INOUYE. I hope the administration is listening in. More importantly, I hope our friends abroad are listening in so they know that ours is a unique democracy where all of us participate, that the foreign policy is not necessarily made by one man, by a dictator.

Mr. CASE. The Senator and I are in complete agreement, as the Senator knows, on that issue.

Mr. INOUYE. And that the Executive does not necessarily commit this country.

Mr. CASE. As the Senator does know, I am right, and I agree with him on this. I will stand up for that proposition from now until kingdom come.

But I cannot accept the idea, with one caution that I will mention in just a second, that this Government cannot commit itself to make a payment in the future, or cannot subscribe to stock callable in the future, or any number of things, because of some inherent defect in the Constitution of the United States and in the American democracy which it found.

There is this one thing, any international commitment, whether it should be so or not, has to be understood to be performed only if in the interest of the country on whom the obligation rests, it is in the interest of the country under whom the obligation rests at the time performed.

That is a principle, whether of sound morals or not, but I am sure it is a principle which, in fact, governs the relationship between nations.

No country can be forced to do something which at the time it regards as deeply against its own interest, whether it be the payment of money, whether it be the going to war, whether it be any other obligation that it has taken upon itself, and all international obligations, therefore, are made on the understanding that that is so.

The Senator, I do not think, is directing his concern, his expression of concern, to that consideration. It is, rather, that the Congress has not been properly involved in this agreement. As to that, we can work it out.

But I cannot consent to any suggestion that the United States, because of its constitutional provisions, is disabled from making an agreement to pay money in the future.

Mr. HUMPHREY. Mr. President, I agree with the Senator from Hawaii that this discussion is very valuable, whether it produces the process some of us want, or not.

I think it is important, at least, that we ventilate the whole question because it gets to the basic problem of the budget and the Budget Control and Impoundment Act and, of course, the role of the Congress in the appropriations process.

I call the Senator's attention to this in his amendment, on the first part of it where he states:

Beginning with "needing" on page 11, line 15, strike out all that follows through the period on line 23, and insert in lieu thereof a period and the following new sentence.

Would the Senator give consideration to this, that if we had to take his insert starting on line 18, just before the word "nevertheless" so it would read as follows:

(b) The Congress recognizes that economic development is a long-term process needing effective multiyear funding commitments.

It says the word "effective," not the precise definition.

It also notes that funds, with the possible exception of callable capital, associated with these commitments must be subject to the appropriations process.

Then it also notes the availability of funds for the United States' contribution, et cetera.

As the Senator's amendment proceeds, striking out the word "nevertheless" on line 18 and all thereafter through line 23.

Mr. INOUYE. I would like to suggest to my distinguished friend that the phrase "with the possible exception of callable capital" would be contrary to what the administration has agreed to and what the Appropriations Committees of both Houses have insisted upon; namely, that callable capital be funded.

Mr. HUMPHREY. I understand.

Why do we not say, leaving those words "with the exception of callable capital" out.

It also notes that funds associated with these commitments must be subject to the appropriations process.

Leave out "with the possible exception of callable capital," and we will argue that later.

But, to read as follows:

The Congress recognizes that economic development is a long-term process needing effective multiyear funding commitments. It also notes that funds associated with these commitments must be subject to the appropriations process.

Then the language of the Senator "also notes that the availability of funds for the U.S. contribution to these international financial institutions is contingent upon future action by the Congress appropriating the necessary sums and thereby establishing the level of contributions for any given fiscal year."

The PRESIDING OFFICER. The time of the Senator from Minnesota on the amendment has expired.

Mr. HUMPHREY. Mr. President, I believe the Senator from Hawaii (Mr. INOUYE) has 5 minutes; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. Maybe he would share some of that time.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that it not be chargeable to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore (Mr. ALLEN). Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that a member of my staff, Wendy Grieder, be allowed the privilege of the floor during voting and debate on this legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CASE. Mr. President, I make the same unanimous-consent request on behalf of Steve Bryen of my staff.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Christine Cohagen, Allyn Kreps, and Bill Jackson, of my staff, be accorded the privilege of the floor throughout all phases of consideration of this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, the distinguished Senator from Minnesota is correct in conceding that multiyear commitments such as those involved in H.R. 5262 must comply with the Budget and Appropriations processes prescribed in section 401 of the Budget Act. That conclusion cannot be doubted. However, I take issue with the Senator's assertion that U.S. foreign policy requires that the U.S. Government be able to make binding multiyear international financial commitments without prior appropriations.

First, I am aware of no evidence which would suggest that the procedures established under the Budget Act have impeded the orderly conduct of U.S. foreign relations. I note that the State Department in the letter from Mr. BENNETT has refused to take a position on this important issue, and the administration has never indicated that it was unable to implement an effective foreign economic policy because of the procedural requirements of the Budget Act.

Also, I understand that the temporary small decrease in U.S. voting power caused by the qualified commitment being made by the United States to IDA will not have any appreciable impact on U.S. influence within IDA.

Nor do I accept the Senator from Minnesota's statement that, by requiring H.R. 5262 to conform to the requirements of the Budget Act, we threaten the viability of IDA as a lending institution. Other donor countries must be aware of our legislative processes and the mere fact that the United States cannot make any unconditional multiyear commitment without prior congressional appropriation does not imply that the word of our Representatives is of no consequence. For instance, this Nation's commitment to human rights and freedom of all people is one of our most important obligations. It is not enshrined in a firm contractual commitment but is obviously of considerable significance to all nations and all people throughout the world. Is that commitment rendered any less meaningful because it cannot be described as "firm" in a strict legal sense? I think the answer is self-evident. Clearly, the world can and does rely on the good word of the United States and should not hesitate to support an institution such as the IDA simply because the United States has not put its cash up front.

Furthermore, in view of our strong record in support of the concept of multilateral assistance and the international financial institutions which we helped create, it strikes me as rather strange that the other donor countries should now question the integrity of the U.S. pledge by insisting that 80 percent of all contributions for any given year must be made before the World Bank is allowed to make IDA lending commitments. The fault lies not in our legislative processes but rather in the myopic perceptions of other governments which seem to have adopted an inordinately conservative policy vis-a-vis the World Bank's soft-loan window—the IDA. Surely, the U.S. conditional commitment should not be considered a hollow promise in light of our long-term support for the World Bank and other IFI's.

Congress will continue to support our President's policies vis-a-vis the IFI's and the important work they carry out in underdeveloped countries. However, our Appropriations Committee must continue to have the last word on financial commitments if the integrity of our budget processes are to be maintained. I am confident that in carrying out their responsibilities, these committees will continue to take into consideration U.S. national interests.

Finally, I remind the distinguished Senator from Minnesota that it is virtually impossible for us to adopt special procedures for each function in the budget while maintaining a unified budget. Last week we heard a plea from the Banking Committee for a special accounting method for U.S. assistance to housing. Fortunately, we defeated that provision of the bill. Clearly, that debate showed that introducing exceptions to the Budget Act through authorizing legislation cannot be reconciled with the overriding policies which we are seeking to implement in the Budget Act. The Senator will recall that one of the rea-

sons for adopting section 401 of the Budget Act was to enable Congress to control back-door spending. That objective cannot be achieved if the United States is able to enter into multiyear financial commitments solely on the basis of authorizing legislation. The discipline of the budget resolution procedures would be completely subverted if what the Senator from Minnesota proposes for the foreign affairs function is allowed to go into effect.

Mr. BELLMON. Mr. President, the bill before us has raised some serious issues concerning the budget process and backdoor spending. The floor manager of this bill, Senator HUMPHREY, has stated in his opening statement his agreement to accept an amendment offered by Senator INOUYE which clarifies these legal issues. Nevertheless, the committee report on this bill includes statements which could easily lead to misunderstanding. In addition, Senator HUMPHREY has raised these issues again in his opening statement; hence, I would like to join with my colleague on the Budget Committee, my good friend Senator MUSKIE, to briefly set the record straight.

The fundamental issue is the suggestion that the multiyear authorization in this bill could bind the Congress to future-year spending. Mr. President, this is the kind of backdoor spending the Budget Act was designed to prohibit. The language and legislative history of the Budget Act make very clear that all authorizations must be subject to the appropriations process. Otherwise, they are subject to a point of order under section 401(a) of the Budget Act. No exception was envisioned for authorizations relating to international affairs. Statements to the contrary in the committee report or on the floor of the Senate cannot create a new interpretation which changes this.

The second issue involves the amount of money appropriated to back callable capital. It is not clear that the Budget Act mandates 100 percent appropriation in this case. However, there are sound historical and substantive reasons for the Congress to do so. Appropriating the full amount of the callable capital probably strengthens the international financial institutions involved and may make it easier for them to raise private capital at more reasonable interest rates.

In sum, Mr. President, I wholeheartedly support Senator INOUYE'S amendment. It is important to the integrity of the congressional budget process. I urge my colleagues to support it also.

Mr. SCHWEIKER. Mr. President, it is a pleasure for me to be a cosponsor of the amendment offered by the distinguished Senator from Hawaii. The senior Senator from Hawaii and I, as chairman and ranking minority member of the Foreign Operations Appropriations Subcommittee have worked closely on matters affecting foreign aid, and on this issue I especially support his viewpoint.

Mr. President, the Senator from Hawaii has done an excellent job in presenting his arguments in favor of this amendment. In going back to the House language as this amendment does, the integrity of both our committee system and the commitment of funds by our Government is intact. The administration has clearly stated, before the Foreign Operations Appropriations Subcommittee and elsewhere that any commitment it makes will be made subject to appropriations. This is a viewpoint supported by the House and hopefully with the passage of this amendment it will be supported by the Senate.

In addition to going back to the language in the House bill regarding commitments to IFI's being made subject to appropriation, this amendment also restores language requiring that callable capital be appropriated. This is also a position shared by the administration and the House. While I cannot speak for them, I am confident that the Budget Committee feels very strongly in favor of this position.

Mr. President, I hope my colleagues support the amendment by the Senator from Hawaii.

UP AMENDMENT NO. 421

Mr. INOUYE. Mr. President, I wish to modify my amendment. As it relates to page 11, line 14, subsection (b), the modification will read as follows:

The Congress recognizes that economic development is a long-term process needing funding commitments to international financial institutions. It also notes that the availability of funds for the United States contribution to international financial institutions is subject to the appropriations process.

Mr. President, I am pleased to advise you, sir, that this modification meets with the approval of the chairman of the Foreign Relations Subcommittee, the ranking members thereof, and the chairman of the Budget Committee.

The ACTING PRESIDENT pro tempore. Will the Senator send a copy of the modification to the desk? And the Chair will state at this stage of the proceedings it will take unanimous consent to modify his amendment.

Mr. INOUYE. I ask unanimous consent to so modify my amendment.

The ACTING PRESIDENT pro tempore. Is there objection?

Hearing no objection, the amendment is so modified.

The modified amendment is as follows:

On page 1 of Inouye UP-420, strike lines 1 through 7 and insert in lieu thereof the following:

On page 11, line 14, strike all down through line 23, and insert in lieu thereof the following: "The Congress recognizes that economic devlopment is a long-term process needing funding commitments to international financial institutions. It also notes that the availability of funds for the United States contribution to international financial institutions is subject to the appropriations process."

The ACTING PRESIDENT pro tempore. Does the Senator yield back his time?

Mr. INOUYE. I yield back the remainder of my time.

Mr. HUMPHREY. So that we may understand, then, the item which is listed on page 11, line 14 through line 23 is stricken. That entire paragraph is stricken and the amendment of the Senator from Hawaii is substituted therefor. Is that correct?

Mr. INOUYE. That is correct.

Mr. JAVITS. Mr. President, if the Senator will yield, the Senator substitutes what he sent to the desk for the first paragraph of his amendment which begins "viz: Beginning with 'needing' on page 11, * * *"

Mr. HUMPHREY. No. It has been changed.

Mr. JAVITS. I know. This is a substitute for it.

Mr. HUMPHREY. That is correct.

Mr. JAVITS. What has been sent to the desk is a substitute for that whole first paragraph beginning with "viz: Beginning with 'needing' " and ending with "any given fiscal year." Is that correct?

Mr. HUMPHREY. May I respectfully suggest because of the nature of the substitute that it is a complete substitute for the language on page 11, line 14, subsection (b), down through line 23.

Mr. INOUYE. The Senator is correct.

Mr. HUMPHREY. Yes.

The ACTING PRESIDENT pro tempore. All time has been yielded back.

The question is on agreeing to the amendment.

Mr. HUMPHREY. Does the Senator want a rollcall on this?

Mr. INOUYE. Yes.

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), and the Senator from Michigan (Mr. RIEGLE) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON) would vote "yea."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Kansas (Mr. DOLE), the Senator from Utah (Mr. GARN), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE) would vote "yea."

The result was announced—yeas 90, nays 0, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—90

Abourezk	Danforth	Inouye
Allen	DeConcini	Jackson
Baker	Domenici	Javits
Bartlett	Durkin	Johnston
Bayh	Eagleton	Kennedy
Bellmon	Eastland	Laxalt
Bentsen	Ford	Leahy
Biden	Glenn	Long
Brooke	Goldwater	Lugar
Bumpers	Gravel	Magnuson
Burdick	Griffin	Mathias
Byrd, Harry F., Jr.	Hansen	Matsunaga
	Hart	McClure
Byrd, Robert C.	Hatch	McGovern
Cannon	Hatfield	Melcher
Case	Hathaway	Metzenbaum
Chiles	Hayakawa	Morgan
Church	Heinz	Moynihan
Clark	Helms	Muskie
Cranston	Hollings	Nelson
Culver	Huddleston	Nunn
Curtis	Humphrey	Packwood

Pearson	Schweiker	Thurmond
Pell	Scott	Tower
Proxmire	Sparkman	Wallop
Randolph	Stafford	Weicker
Ribicoff	Stennis	Williams
Roth	Stevens	Young
Sarbanes	Stevenson	Zorinsky
Sasser	Stone	
Schmitt	Talmadge	

NAYS—0

NOT VOTING—10

Anderson	Haskell	Percy
Chafee	McClellan	Riegle
Dole	McIntyre	
Garn	Metcalf	

So Mr. INOUYE's amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that my staff member, Mr. John Backer, be granted the privileges of the floor during the consideration and votes on the pending measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that Lewis Ashley, of my staff, be granted the privileges of the floor during the consideration of the pending measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that Mr. Jack Robertson, of my staff, be granted the privileges of the floor during the consideration and votes on the pending measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the following staff members of various Senators be granted the privileges of the floor during the debate and votes on the pending measure: Jim Hinish, of the office of Senator SCHMITT; Kay Davies, of the office of Senator DOMENICI; Howard Segermark, of my office; and Carolyn Rendel, of the office of Senator HANSEN.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

At this time, the Chair recognizes the distinguished Senator from North Carolina.

UP AMENDMENT NO. 422

Mr. HELMS. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment No. 422.

At the appropriate place, insert the following new sentence:

"SEC. ( ). None of the funds authorized to be appropriated under this Act shall be granted to, loaned to, or otherwise used for the benefit of the nation of Uganda; and none of the funds authorized to be appropriated under Title VI of this Act shall be contributed to the African Development Fund during any period that such Fund is making any grants to, loans to, otherwise using the corpus of such Fund for the benefit of the nation of Uganda, or while any such grants, loans, or benefits are outstanding.".

Mr. HELMS. Mr. President, this amendment is designed to prohibit the use of even 1 dime of the $150 million contribution the United States will be making to the African Development Fund, directly or indirectly, to aid the nation of Uganda.

This amendment is not aimed at the long-suffering people of Uganda, who, I am sure, are like people everywhere, striving to lead fulfilling and peaceful lives. But as we are all well aware, Uganda is currently run and controlled by Idi Amin Dada, whom the former U.S. Ambassador to the United Nations, now the distinguished junior Senator from New York, correctly described as a "racist murderer."

More recently, the Prime Minister of Jamaica, Michael Manley, not especially known for either moderation or right-wing tendencies, called Amin "a cause of shame for all mankind," and accused the Third World of hyprocrisy in ignoring Mr. Amin.

Time will not permit the listing all the outrages committed by Mr. Amin. Suffice it to list but a few: First, it has been estimated that 25,000 to 250,000 Ugandans have been murdered since Amin seized power in 1971;

Second, he has called for the extinction of the State of Israel;

Third, he has stated that Zionists have infiltrated the CIA and turned it into a "murder squad";

Fourth, he has expressed profound gratitude to the Soviet Union and Communist China for their interference in the internal affairs of Africa;

Fifth, he has excuted the Chief Justice of Uganda, and murdered, beaten, and tortured many of his political opponents;

Sixth, he has expelled some 60,000 Asians by racist decrees. More recently, he has murdered an Episcopalian bishop and has bragged that he has often enjoyed feasting on human flesh, although apparently he has now given up the practice because it tasted "too salty."

Some would ignore Mr. Amin's atrocities. We cannot do so, however, without dire consequences, because eventually, Mr. President, we become a part of what we condone.

Does anyone in this body or anywhere else in this country doubt that any so-called foreign aid money given to Uganda will really do other than prop up the regime of Mr. Amin? Do we seriously believe that any money taken from the pocketbooks of the American taxpayer—and I dare say against his will—will do other than finance Mr. Amin's high style of living?

Mr. President, just one example: I note that Mr. Amin has ordered the construction of a $45 million Ugandan Mission Building at the U.N.; $45 million is 2.6 percent of the Ugandan total gross national product, equivalent to the U.S. spending $46.7 billion on such a mission. Surely, if Idi Amin Dada must pamper himself with such extravagances, we do not need to subsidize him with the earnings of hard-pressed American taxpayers.

The African Development Fund is relatively new, and so far, Mr. President, I am gratified to learn that Uganda has not yet received any of the funds, but I would nail that door shut just as tightly as I can.

So this amendment is designed to make it very clear that Uganda will receive not one thin dime of the American taxpayers' money in any shape, fashion, or form.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. CHILES). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. Yes, I yield.

Mr. MATHIAS. I ask unanimous consent that Casimir Yost of my staff may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, my good friend, the Senator from North Carolina, has chosen a very engaging topic on which to offer his amendment, namely, the antics of Idi Amin of Uganda.

There is not anybody here in this body who approves of the actions of Idi Amin. We abhor the tales of atrocities that have taken place in that country, and all that the Senator from North Carolina has had to say in reference to the activities of Idi Amin we could underscore and we could subscribe to.

But, Mr. President, here is the problem: If we start putting limitations on certain countries in these international institutions, the next thing we know, every other country is going to do the same thing. The advantage of an international financial institution is that it brings into foreign economic assistance a very substantial amount of capital over and beyond what we make available. For example, in the World Bank, for every $25 we put in, $75 comes in from other donors. The same thing is true to a lesser degree in the International Development Association.

It is very clear that there has to be help to the less developed countries unless we wish to have a worldwide revolution. Many times, the aid that these international financial institutions provide serves a peacekeeping function as well as an economic development function. What does the amendment of Mr. HELMS do? It says that none of the funds authorized to be appropriated under this act—that relates to the World Bank, International Financial Corporation, the International Development Association—none of the funds authorized to be appropriated under this act shall be granted to, loaned to, or otherwise used for the benefit of the nation of Uganda. That is the first part of it. I want to address myself to that part of it.

First of all, the World Bank has not made any loans to Uganda since 1971. Second, these banks were set up with strict economic principles governing their loans and credits. In fact, the World Bank has as good a record in the issu-

ance of credit and on repayment as any private bank. In fact, the World Bank has been a decided economic benefit to the United States of America. We have received back, in terms of goods and services purchased in this country, about $1,600,000,000 more than we have made available in terms of our replenishments or of our donations to the bank.

I pose this problem: The Arab countries are donors to the World Bank. What if the nation of Saudi Arabia were to say, because of its anti-Zionist views, because of its feelings about Israel, that none of the funds that Saudi Arabia authorizes can be made available to this bank as long as this bank makes any loans to Israel? The bank has made loans to Israel and not a single Arab country has raised a protest—not one. Even though the Arab countries do no business with Israel, even though they exercise boycotts, even though they have had, in the past at least, a very antagonistic attitude toward the State of Israel—even as an international entity—nevertheless, the countries that are members of the World Bank, including the OPEC countries, have not at any time imposed any restrictions upon the use of the funds of that bank to which these countries contribute.

We shall open up a Pandora's box here, and the last country in the world that ought to be doing this is the United States. We have more at stake in having a world in which there is a viable market system, in which international and private and public financial institutions can operate with safety, than any other country in the world. We are the largest capital country in the world. We have the largest gross national product, the largest personal, per capita income. We are the largest user of raw materials. Once we open up this Pandora's box of selecting out a particular country because we do not like it or we do not like its president—we do not know how long that president is going to be there. In that part of the world, presidents come and go rather rapidly, without the election process. For us to pin down in law such a restriction as this would be contrary to our national interest and, frankly, I think it would reveal us as being rather juvenile in our attitudes.

We are a mature, responsible country that understands management and finance. That is my understanding of America. And the World Bank has conducted itself, in the main, on very sound financial and commercial principles.

So, I have to oppose this amendment, as much as I would like very much to join in any condemnation of Idi Amin. It seems to me we ought not to mix up the personality of Idi Amin with the work of the World Bank and other international financial institutions.

The latter part of the amendment says that none of the funds authorized to be appropriated under title 6 of this act shall be contributed to the African Development Fund during any period that such fund is making any grants to, loans to, or otherwise using the corpus of such fund for the benefit of the nation of Uganda, or while such grants, loans, or benefits are outstanding.

First, the African Development Fund has not made any loans, credits, or grants to Uganda. Secondly, again, what we will be starting to do here is unravel a whole series of problems.

One of the hopes that we have today for international financing is to encourage much of this OPEC money, particularly from countries like Iran and Saudi Arabia, to be placed in these international institutions, to help finance the developmental needs of countries all around the world.

After all, these OPEC countries are building up huge cash surpluses. Within the last couple of years, these international financial institutions have been able to get larger donations from the OPEC countries. If we start picking out one country after another because we do not like what is going on due to its temporary head of state—and I repeat temporary; we do not know how long these people are going to last—then we are going to cause nothing but difficulty for our foreign policy, for the reputation of the United States, and for the ultimate effectiveness of these international financial institutions.

Therefore, Mr. President, I have to vigorously oppose the amendment. After all, the nation of Uganda is not Idi Amin. Idi Amin is the present head of state. I should venture to say that before too many years have gone by, he will not be there. We never know how long he will be there. For us to legislate in the Senate of the United States on the basis of a personality, selecting whether or not we like this person or that person, I think is a very serious mistake. At the proper time, I shall move to lay the amendment on the table.

Mr. HELMS. Mr. President, with all due regard for my dear friend from Minnesota, I am intrigued by his argument against the amendment. He expresses concern about opening Pandora's box inasmuch as this amendment would forbid the spending of the money of the American taxpayers to prop up the regime of Idi Amin.

I say to the Senator, if that is true, let us roll in all of the Pandora boxes and open them up. I say again to my dear friend that we become a part of what we condone. That is what we will be doing if in any way we agree to send even one thin dime to that corrupt regime; we are talking about a murderer, we are talking about a regime that has slaughtered so many thousands of their own innocent people, that records are impossible to maintain. The estimates range from 25,000 minimum to as high as 250,000. Are we to condone that, Mr. President, let alone subsidize it?

The Senator from Minnesota says the Senate should act in a mature and responsible way. I agree. I submit that by refusing to send the money of the American taxpayers to Uganda, directly or indirectly, we will indeed be acting maturely and responsibly. We will be in support of what I presume is the meaning of the declaration by the President of the United States earlier this year on behalf of human rights.

Mr. President, if human rights in Uganda have not been violated, then they have not been violated anywhere on the face of this Earth.

Mr. Amin and his regime are the perpetrators of the horrors. If we turn our backs, Mr. President, we will be condoning that, and we will be a part of it.

Contrary to the assertion of my dear friend, the Senate should take a clear, unequivocal stand. We should signal the world that we will not tolerate this. If our action results in other nations cutting off aid to Idi Amin, then this Senate can be proud of the nobility of its stand.

As for the Senator's reference to unraveling a whole series of problems, perhaps so. But it is a problem that mankind must face if we are to retain a spark of decency and honor.

I remember a couple of years ago, Mr. President, a distinguished citizen of the world came to my home. He spent several hours with me. His name is Alexandr Solzhenitsyn.

Here is a man who had endured tyranny. He had been persecuted by tyrants, and sent to a concentration camp where he almost lost all hope. But miraculously, Solzhenitsyn gained his freedom and he eventually came to this country.

As Senators may recall, this Senate on two occasions unanimously approved a resolution to confer honorary U.S. citizenship upon Mr. Solzhenitsyn.

As I sat with Solzhenitsyn that evening, he said to me "Senator, I don't know whether your people realize it"—meaning the American people—"but you are the last hope of freedom in the world. If you do not stand up for liberty, and against oppression, then there will be no liberty."

That is what this amendment is all about, Mr. President. We must take our stand.

I am willing to confront any problems that may arise from our saying to tyrants, murderers like Idi Amin, "We will have no part of you."

A Pandora's box? Let us open it wide and see what is there; if there are other countries receiving the money of U.S. taxpayers that perpetrate the kind of horrors of which Mr. Amin is guilty, then let us make haste to cut off the money to them, too. That is no problem, Mr. President. That is our duty.

We have spent almost $300 billion of the American taxpayers' money in one form or another of foreign aid since 1946. This figure includes the interest on the money that has actually been devoted to foreign aid. It is proper to include the interest because, all except 1 or 2 years of the period in which the foreign aid programs have been operated, this Government has been borrowing the money which we have been handing out all over the world.

Thus the principal and interest on funds we have spent for foreign aid comes pretty close to $300 billion, which represents nearly half of the current Federal debt of $671 billion.

I say, Mr. President, the Senator from North Carolina hopes that the Senate will not back down on the question of Idi Amin. Temporary, Amin may be as the head of the Government of Uganda. The Senator from Minnesota suggests that.

As the Prince of Denmark once remarked:

That is a consummation devoutly to be wished.

In any case, Amin is now the head of that government. His insanity continues. His regime is now imposing tyranny upon the people of that land. He is making mockery of every principle of civilized men.

I regret that the able Senator from Minnesota intends to move to table the amendment. I would hope he will reconsider and let Senators come in and face up to the real question. Vote our amendment up or vote it down. But let us not dodge the real issue.

Mr. President, I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, I am going to move to table simply because the amendment of the Senator from North Carolina really does not meet the problem he is seeking to remedy at all. I am going to show him why.

The Senator's amendment states:

None of the funds authorized to be appropriated under this act shall be granted to, loaned to, or otherwise used for the benefit of the nation of Uganda.

We do not make those loans. Those loans are made by the World Bank in which we have, I think, about a 10-percent voting stock, a voting right.

We can use our persuasive powers, but the World Bank is going to be making loans on the basis of the standards of that Bank. They are vigorous and very tight standards.

But the Senator is trying to tell the Senate that if we just pass his amendment, it says, "None of the funds authorized to be appropriated under this act shall be granted to, loaned to, Uganda."

The American Government places some funds in the World Bank. They are mixed with all the funds. We do not have a little pool that says, "These are American funds." They become part of the stock and part of the capital of the World Bank.

Now, what do we have in the bill which gets at the problem? Under title VII:

The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, International Finance Corporation, the Inter-American Development Bank, and the Asian Development Bank, and the Executive Director representing the United States at the African Development Fund to use the voice and vote of the United States to endeavor to advance the cause of human rights to include seeking to channel economic assistance to governments other than those which engage in a consistent pattern of gross violations of internationally recognized human rights, such as torture or cruel, inhumane, or degrading treatment or punishment, or providing refuge to individuals committing acts of international terrorism by hijacking aircraft.

Mr. President, that is effective language.

What the Senator from North Carolina is doing is exercising a pious hope. He says that none of the funds that are authorized to be appropriated under this act shall be granted to, loaned to, or otherwise used for the benefit of the nation of Uganda.

Those funds become the property of the Board of the World Bank or the International Development Association. Those are the instruments that might do business with Uganda. They have not done so since 1971. The African Development Fund has never made a loan or a grant to Uganda.

I am simply pointing out that we do not control those funds. If the Senator wants to offer an amendment providing that we should not contribute any funds to the World Bank as long as Idi Amin is around, that is another case that we can take up. But he is not doing that. He is trying to make us believe that his amendment will do something which it will not. The purposes of the World Bank are very broad, and they are good purposes.

I repeat the record of the Bank: Not a single default on a loan in 30 years; a huge economic benefit to the United States in terms of trade; the sale of our products, with a net favorable balance of $1.6 billion over all contribution we have made.

The Bank board makes the loans; we do not. Our representative on that board can be instructed by the President or the Secretary of State or the Secretary of the Treasury to vote against any loan to Uganda. That we could do. That would not stop it, but it might make someone feel better.

The purpose of the international financial institution is to take these economic matters out of the realm of politics and talk about development.

So I submit that the amendment of the Senator from North Carolina does nothing, because it simply says that none of the funds appropriated or authorized shall be granted to or loaned to or otherwise used for the benefit of the nation of Uganda. That presumes that we are in control, that we have the majority of the voting stock in the World Bank. We do not. We are just a member. We have 25 percent of the stock; that is all. Seventy-five percent is owned by others. However, our member on that Bank board will be and is instructed by the language of the bill before us to use his voice and his vote to enhance human rights and to channel funds to those countries that respect human rights, and to take away funds from those countries that engage in forms of cruelty and inhumane treatment.

The bill before us does what the Senator from North Carolina would like to have done. His amendment does nothing except to satisfy some yearning he may have that has no relationship to the operation of the international financial institutions.

So I submit that here is an instance in which the fiction does not relate to the fact and where the fact is that we are not in a controlling situation.

At the proper time, I shall move to table an amendment that would be ineffective, that would merely clutter up the international financial institutions, that possibly would bring some reprisals from other countries, and that will do absolutely no good.

Does the Senator wish to make further response?

Mr. HELMS. Mr. President, the Senator cannot move to table until all time has been yielded back or has been used.

I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I ask unanimous consent that Gene Larimore, of my staff, and John Bennett, of the Judiciary Committee staff, have the privilege of the floor during the consideration of this bill and votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, as I heard the able Senator from Minnesota defend his position, I was reminded of Lewis Carroll's "Through the Looking Glass," in which Humpty-Dumpty said:

When I use a word, it means just what I choose it to mean—neither more nor less.

The Senator recited the very clear language of the amendment and then said that it does not mean what it says. He says it means just what he chooses it to mean. I would say to my good friend that my amendment will indeed forbid sending U.S. tax dollars to Idi Amin. That is what the amendment says. That is what the amendment means.

If we have such incompetent people at the World Bank, or at any other giveaway agency, people who cannot understand and obey simple English language, then we had better bring them home and stop paying them the enormous salaries they receive.

Mr. HUMPHREY. The Senator should not call the Bank a giveaway. It charges commercial rates, and banks do not give away money at commercial rates.

Mr. HELMS. Where is the 1-percent interest?

Mr. HUMPHREY. Not at the World Bank.

Mr. HELMS. The Senator does not regard this as subsidized interest rates?

Mr. HUMPHREY. Not the World Bank. It makes money.

Mr. HELMS. Tell the Senate what the interest rate is.

Mr. HUMPHREY. The World Bank interest rates are basically the commercial rates of the private banks.

Mr. HELMS. They are what, as of today?

Mr. HUMPHREY. About 8¾ percent.

Mr. JAVITS. It is 6½ percent prime—6½ to 6¾ prime, going up to 8¾ percent.

Mr. HELMS. I suspect there are many observing this debate this afternoon who would like to borrow money at that rate of interest.

Here we have the language of an amendment which is as clear as it can be. Yet the Senator says the amendment does not mean what it says. He suggests that we continue to provide billions of American tax dollars to the World Bank, and let them do what they please with it. If we have no more effective control over the use of the money of the taxpayers of the United States than that, perhaps we ought to call it quits. If he wants to submit a substitute amendment to stop this folly, I will support it. On the basis of the description of the Senator as to how the Bank operates, that would be a good idea.

Mr. HUMPHREY. I do not want to withdraw from it.

I put money into a bank, the Senator

puts money into a bank, and we do not control how the banker makes the loans. When the Senator puts his money into a private bank in this country, he puts it in there in the hope that he will get some benefit from it. That is exactly what we do when we put money into the World Bank. We do not go around saying to any bank in which we put money, "You can't lend money to John Smith; I don't like him. Don't lend money to John Jones, because he just beat up his wife."

The Senator knows better than that. The Senator knows that the funds that go into the World Bank become a part of the capital of that bank. The Senator knows that we do not have a controlling voice in the bank. The Senator knows that the World Bank is a respected international financial institution.

The Senator knows that it is to our international benefit. He knows it, and his amendment does nothing but merely satisfy his yearning to get a good shot at Idi Amin.

Mr. HELMS. Well, even if that were the case, which it is not, what is wrong with that?

Mr. HUMPHREY. If the Senator wants to offer a resolution about Idi Amin, let us get one. But let us not fuss around with the World Bank, because the Senator is not going to get anything. He is shooting blanks. Whatever the target is, he is shooting blanks.

Mr. HELMS. Accepting the description of the World Bank as stated by the Senator, we had better shoot something besides blanks at the World Bank, if it operates as the Senator says.

In response to my dear friend, I say that, as a depositor in a bank, if I do not like the way they are lending money, if I think it is a bad risk, I have the option of taking my money out. The taxpayers of the United States have no such option. As Senators we are not sending our own money to the World Bank, we are sending the taxpayers' money. So the Senator's analogy is specious at best, and I say that with all due respect to him.

However, even if the amendment did nothing, as the Senator said, except express our disgust with Idi Amin, then the amendment would still be worthwhile. But it does far more than that.

The language is very clear. If the Senate approves this amendment, if Congress adopts this amendment, if it is included on final passage and goes through conference, then we can rest assured that the message will get to the operators of the World Bank, and to Idi Amin. If we cannot cut him off in any other way, we certainly can cut off the money. I hope the other countries of the world will do likewise.

Mr. President, in order to expedite matters, I am prepared to yield back the remainder of my time.

Mr. CLARK. Mr. President, will the Senator from Minnesota yield me 4 or 5 minutes?

Mr. HUMPHREY. I yield.

Mr. CLARK. First, I ask the Senator from North Carolina to point out where in his amendment it is indicated that the World Bank would be affected in any way.

I see nothing in the amendment that even deals with the World Bank.

Mr. HELMS. The first part of it, if the Senator will read the amendment, clearly covers that. It reads:

> None of the funds authorized to be appropriated under this Act shall be granted to, loaned to, or otherwise used for the benefit of the nation of Uganda.

I hope that is sufficiently clear to the Senator.

Mr. CLARK. The Senator specifically refers to title VI which says:

> None of the funds authorized to be appropriated shall be contributed to the African Development Fund.

Mr. HELMS. That is the second part, I would say to the Senator. I invite his attention to the first part, which I just read to him.

Mr. CLARK. In other words, that "none of the funds authorized to be appropriated under this act shall be granted to, loaned to, or otherwise used for the benefit of the nation of Uganda," and within this bill the World Bank would be included.

Mr. HELMS. Absolutely.

Mr. CLARK. All right. I thought the Senator was actually——

Mr. HELMS. I appreciate the Senator's question.

Mr. CLARK. Mr. President, it is understandable that Members of this body, including the Senator from North Carolina, would want to speak loudly and clearly against Idi Amin and the dictatorship of Uganda. We could debate for days and days on end the violation of human rights that goes on in that country, the despicable nature of that regime. I do not think any of us could stay here long enough to describe, let alone even list, the violations of human rights that have gone on here. That is clear. That should not be the issue in any sense of the word.

Amin is a dictator. Fortunately, he is as uncharacteristic of African leaders as Adolf Hitler or Benito Mussolini were characteristic of Western Europe. But that is not the point. The point is we have a human rights amendment in this legislation, and unless someone offers to strike that section, that human rights amendment says in no uncertain terms and instructs our delegates to vote against the particular issues that involve human rights, and certainly Uganda would have to be considered at the top of the list.

This Government has a clear position with regard to spending money in Uganda. Certainly the Senator from North Carolina does not assume for a moment that there is money designated in any of the foreign assistance programs, security assistance, military assistance, economic assistance, as far as this Government is concerned or this administration is concerned or this Congress is concerned. So there obviously is no intent in any of the legislation that is going to be coming before the Senate and the Senate Committee on Foreign Relations to commit funds to Uganda.

But this amendment would obviously be very harmful and, as the Senator from Minnesota has said, ineffective.

For one thing, if there is change of government in Uganda it may well be that for development reasons or because of the effectiveness of a new government that an international institution would want to make loans. Certainly we do not want to close the door to the possibility of a democratic government, or a government that is more sympathetic to the issues of human rights, emerging in Uganda, and we would have no way to change that absolute commitment before October 1978. Why should we, after all, as the Senator from Minnesota has said, politicize these institutions?

I wonder, for example, how the Senator makes the distinction between violations of human rights in Uganda from, let us say, violations of human rights in Chile or in Cuba or in North Vietnam or in Cambodia or in a dozen other states that he and I would agree from the beginning are gross violators of human rights? Yet we pick one and say this one, because it is most despicable, perhaps, should be included in the list, but no other government in the world.

We have never, to my knowledge, in one of the international development funds or banks, undertaken this action before. There was a particular action with regard to nuclear proliferation which had some effect on India. But with that one exception, in a very different way, we have never tried to politicize any of these funds or banks in terms of saying Cuba, yes, Chile, no; North Vietnam, yes; Rhodesia, no; South Vietnam, South Korea, South Africa, and it would be a great mistake.

I think the Senator was quite right in saying he would like to take the opportunity on this occasion to oppose and make known opposition to Idi Amin. I join him in that. If he would offer a sense-of-the-Senate resolution in which he expresses that, I think it would be a great idea. But he has not, and this amendment would certainly be detrimental.

Mr. HUMPHREY. Mr. President, does the Senator from New York wish to be heard?

Mr. JAVITS. Mr. President, the Senator from New York would just like 2 minutes to express something we have not said.

I generally do not like to repeat, and I fully adopt the views of my colleagues. I do not know that the Senator from North Carolina has really read this language in terms of its import.

The Senator will notice he uses the words "for the benefit of the nation of Uganda," both in general application to the financial institution itself and in the specific application to the African Development Fund.

I really feel if this passed and remained law we would not make any contribution to the World Bank, because "for the benefit of," for example, may involve a shipment by Kenya to Uganda of oil or, perhaps, even food essential to its people.

The Senator, as I heard him say, stated, in effect, so much the better. But this is pretty much a unilateral sanction, and it will not work. We saw that in Rhodesia. It is tough enough to make a multilateral sanction work.

So my suggestion—because I do not think I have to protest my sympathy for the Senator's position on this one—but my suggestion is that the Senator incorporate in this bill, and I think we will all vote 90 to nothing, as we did just a minute ago on something we had settled, a sense resolution expressing how we feel about Idi Amin, and I would rather——

Mr. HUMPHREY. I intend to do that.

Mr. JAVITS. But that is the way it goes, and if the Senator will join in that, that will be what the Senator very properly wishes and, at the same time, not involve these unbelievable complications.

The PRESIDING OFFICER (Mr. SARBANES). The Senator from North Carolina.

Mr. HELMS. I appreciate the comments of the distinguished Senator from New York.

I certainly would join at any time in a sense-of-the-Senate expression of contempt for Idi Amin. I have done so previously. But, for the legislative history, I will say that no such intent is involved in this amendment as the Senator said hypothetically in which he mentioned Kenya.

I take the position, Mr. President, that we should cut off the money, we should say—and mean it—that we are not going to send a dime of the American taxpayers' money directly or indirectly to the regime of Idi Amin. I am prepared to vote, and if the amendment is tabled, so mote it be.

Mr. HUMPHREY. Mr. President, does the Senator wish to yield back the remainder of his time?

Mr. HELMS. I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

I wish to offer a substitute.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HUMPHREY. I yield to the Senator.

Mr. HATCH. I ask unanimous consent for Peter Rinfret and Charles Moser of my staff have the privileges of the floor during the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 423

Mr. HUMPHREY. I send a substitute amendment to the desk.

The PRESIDING OFFICER. The Clerk will report the substitute offered by the Senator from Minnesota.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) proposes an unprinted amendment No. 423:

In lieu of the language proposed to be inserted by amendment No. 422—insert the following:

The Senate hereby expresses its sense of disgust for Idi Amin Dada.

Mr. HUMPHREY. Mr. President, that gets right at it. That is what this debate is all about. Just before the Memorial Day recess we agreed to a resolution here condemning Idi Amin Dada. That is the full name. So I thought we ought to keep it official.

My amendment in the nature of a substitute gets right at what we are talking about here. We do not like Idi Amin. We do not think he is a good man. We think he has engaged in outrageous activities. He has violated human rights, et cetera and, therefore, I figure we ought to get right at what we are talking about, because the amendment that had been proposed, for which the Humphrey amendment is the substitute, would really do nothing, because it works through the international financial institutions on which we have only a percentage of the voting stock and do not have controls.

I might add, further, that with title VII on the human rights title in this bill we have effective instruments to deal with the situation in Uganda, but if Senators want to express once again their feelings about Idi Amin I think we should do it.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, if the parliamentary situation were reversed and I wanted to prevent a vote on the question of the use of the American taxpayers' money I would use exactly the procedure that the able Senator from Minnesota is using. He knows that Senators cannot vote against even such an—innocuous, if the Senator will forgive me—such an innocuous substitute.

Mr. HUMPHREY. I sure do.

Mr. HELMS. I simply say, so there will be no mistake, that we will be avoiding the real question of whether we are going to risk the misuse of the money of the American taxpayers.

It is all very well and good to engage in rhetoric in the Chamber. We can approve a sense of the Senate resolution every day, every hour on the hour, but it will make no difference whatsoever to Mr. Idi Amin.

The only thing that is going to affect him is that he gets the message that money for his regime is going to be cut off.

Here we have a bloody tyrant who repeatedly mocks every decent human instinct. Yet we proceed with legislation that will make it possible for the World Bank to make American tax dollars available to the regime of Idi Amin.

That is the question.

I do wish that we would have an up or down vote on my amendment as originally presented. I think my able friend knows that my amendment would be approved by the Senate.

Mr. CURTIS. Mr. President, will the distinguished Senator from Minnesota yield for a question?

Mr. HUMPHREY. I will always yield to the Senator from Nebraska.

Mr. CURTIS. If we are going to have a field day in expressing our disgust, will the Senator amend his amendment to include a few individuals that I am disgusted with?

Mr. HUMPHREY. No. It has to be on human rights.

Mr. CURTIS. An amendment to the Senator's substitute is not in order; is that correct?

Mr. HUMPHREY. That is correct.

Mr. CURTIS. It seems to me if we are going to avoid high blood pressure and relieve our feelings by having the great U.S. Senate vote on an amendment that we hereby express our disgust of certain individuals we should make it all-inclusive. I am simply disgusted with so many people.

Mr. HUMPHREY. I am, too. But I just feel the RECORD did not have enough space for all that.

Mr. CURTIS. I want the RECORD to show there are more people I love than I am disgusted with.

Mr. HUMPHREY. I want you to know that you are amongst those that I love.

Mr. CURTIS. I thank my friend. I am honored, and I assure you that I have the same feeling.

Mr. HUMPHREY. And so is my friend from North Carolina, bless his heart.

Mr. President, I wish to reassure my friend from North Carolina that this debate has been useful, because it will back up title VII in the bill and the message should go clearly to the representative on the Bank from the United States that we want "no" votes on the part of our governmental officials for any Idi Amin regime, and I join the Senator in that with cheers.

Mr. HELMS. I thank my friend.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, will the Senator yield for a unanimous consent request?

Mr. HUMPHREY. I yield to the Senator.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that there be printed as part of this debate the resolution, which has been referred to already which the Foreign Relations Committee reported out and the Senate adopted some time back in condemnation of Amin.

Mr. HUMPHREY. That will be very helpful.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE RESOLUTION 175

A resolution expressing the sense of the Senate with respect to recent deaths in Uganda

Whereas there has been a history of murders in Uganda by officials of the government of President Idi Amin;

Whereas the Uganda Government has condoned a series of violations of human rights of its citizens and residents;

Whereas the Anglican Archbishop, Janani Luwum, and two government officials were reported killed under suspicious circumstances February 16 after having been arrested by Uganda authorities; and

Whereas such incidents have been of such frequency as to affront the sensibilities of the world: Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that the actions of the current regime in Uganda deserve condemnation by the world community, by the Organization of African Unity, and that the Senate urges those nations supplying lethal arms to Uganda to halt all such deliveries of weapons; and

(2) that the United States Ambassador to the United Nations should request that the situation be investigated by an appropriate agency of the United Nations.

Mr. HATFIELD. Mr. President, will the Senator yield first?

Mr. HUMPHREY. I yield.

Mr. CASE. Mr. President, does the Senator recall who the sponsor of that resolution was?

Mr. HUMPHREY. The Senator from New Jersey.

Mr. CASE. I thank the Senator very much.

Mr. HUMPHREY. I yield to the Senator.

Mr. HATFIELD. Mr. President, I have listened to the discussion here, and I appreciate the feeling of Senators toward the Idi Amin regime, but I think we should bear in mind that we are probable dealing with a mental cripple, and I would not want to do anything here in the Chamber that would further agitate or lay down the gauntlet for him to say execute 100 for every vote that we took in this Senate on any kind of a resolution.

I would hope that whatever we determine here be done by voice vote, because I think it in itself is somewhat a dangerous situation to engage in.

I am fully convinced the man is not other than a mental cripple. He has already shown time after time when people have challenged him, when people have tried to take issue that he retaliates against the very people we are seeking to protect.

Mr. HUMPHREY. May I respectfully note that on or about the 25th of May we passed a resolution introduced by the Senator from New Jersey (Mr. CASE) which declared unanimously the position of the Foreign Relations Committee in stronger condemnation much more specific than this.

Mr. HATFIELD. I think that resolution was very careful not to specifically name this man by name, as I recall the wording of that resolution.

Mr. HUMPHREY. No. The name is right there.

Mr. SPARKMAN. Idi Amin.

Mr. HUMPHREY:

Whereas there has been a history of murders in Uganda by officials of the Government of President Idi Amin;

It goes right down and names them off. It is right there.

Mr. HATFIELD. I think the Foreign Relations Committee was probably using some strategy in not bringing that resolution to the Chamber sooner, but whatever it might be, I hope that we could put this thing through and get it done as easily as possible without getting into a lot of specific voting patterns because I would not want to see anything done in this Chamber that would challenge him to exercise a sovereignty that he already has and to take resentment out against the very people we are seeking to protect.

Mr. HUMPHREY. Mr. President, if it is agreeable with our colleagues, I ask unanimous consent that we vacate the order on the rollcall and that we have a voice vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. Both rollcall votes are vacated.

The question is on agreeing to the amendment.

Mr. HUMPHREY. The question is on the substitute.

The PRESIDING OFFICER. All time has been yielded back.

Mr. HUMPHREY. I have yielded back my time.

The PRESIDING OFFCER. The question is on agreeing to the substitute offered by the Senator from Minnesota.

The substitute amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the substitute amendment was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now occurs on the amendment, as amended.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 424

Mr. HELMS. Mr. President, I send an unprinted amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes unprinted amendment No. 424.

At the bottom of page 17, add the following:

"(e) The President shall direct the United States Executive Directors of such international financial institutions to take all appropriate actions to limit the salaries and benefits of the employees of such institutions to levels not exceeding the levels of salaries and benefits of employees of the United States Government in comparable positions.".

Mr. HELMS. Mr. President, I yield myself such time as I may require.

Mr. President, this bill would provide $5.200 billion for what is variously known as foreign aid. That is roughly the equivalent of the entire lifetime earnings of 10,000 Americans of average income. In other words, by our actions on this piece of legislation we are in effect saying that our Government will devote the full lifetime earning capacity of 10,000 Americans for the international organizations covered under H.R. 5262.

The average income of a working American is approximately $14,000. But the salaries of the staff of these organizations covered in this legislation are often in a class reserved in our country for the heads of the biggest corporations, the tennis professionals, the rock and roll stars, and so forth. The president of the World Bank is paid a salary in excess of $116,000 a year, Mr. President.

The average vice president of the World Bank is paid an annual gross salary of $79,000.

The World Bank's so-called professional salaries range from $19,310 on the low side to $89,850 on the high side, as of May 1, 1976.

Mr. President, when the distinguished former Secretary of the Treasury, Bill Simon, appealed to the members of the World Bank to hold down the salary increases, those overpaid bureaucrats demonstrated. They were angry. There is no surprise about that, Mr. President, because they had a good thing going, and they did not have any notion of giving it up voluntarily.

This amendment would instruct the U.S. directors of the various international financial institutions to do everything they can to see that the salary and benefit levels do not exceed the levels of salaries and benefits presently received by U.S. Federal employees.

Let us level with the American people, Mr. President. These salaries are paid, in large part, by the American taxpayers. Regardless of any obfuscation, in the main these generous salaries are paid by the taxpayers of the United States. There is no reason why these officials should be given rewards exceeding those which we provide for the bureaucrats whose salaries are paid by the U.S. taxpayers exclusively.

Mr. President, let me give a few examples.

One employee of the U.S. Government was earning $38,000 a year when he accepted a job with the World Bank as executive director. And do you know what? His income jumped from $38,000 a year to $74,060 a year. That is quite a jump in pay.

The Senate Appropriations Committee has done an excellent job in documenting what clearly are abuses, Mr. President. In the committee report of just about a year ago, June 29, 1976, the following statement appeared:

Our investigations have led us to the distressing conclusion that, rather than the rewards of a career of service, there is found in the banks—

We are talking about the institutions covered by the bill before us, Mr. President,

a broad pattern of personal enrichment.

Mr. President, that may be an understatement, when you look at the simple arithmetic of the salary schedules of the officials of the World Bank. But let me continue the quotation:

The personnel management practices of the banks are suggestive of an institutionalized granting of lifetime sinecures where extraordinarily high salaries are commonplace and the pursuit of fringe benefits has been raised to a form of art.

That is the report of just about a year ago from the Senate Appropriations Committee with reference to the officials of the organizations covered by H.R. 5262, which is the pending legislation.

Mr. President, my amendment not only would require action on the part of the U.S. directors of these various organizations in terms of salaries, but of fringe benefits as well.

For example, it is well known that the employees of these institutions receive generous living allowances. They receive trips back home—and there is rather substantial evidence that they choose to fly by Concorde rather than just a plain old commercial jet—they have the use of subsidized dining rooms, where gourmet foods and wines are served, all at the expense of the American taxpayer who makes, on the average, $14,000 a year.

No wonder, Mr. President, that that average workingman out there is fed up. If we can make some legislative history here, I would certainly hope that in computing the value of fringe benefits, the immunity from traffic tickets in the Washington metropolitan area would be taken into account for some of these international bank employees who have diplomatic immunity as well as the big salaries and the fringe benefits. If these international organizations are truly set up to help the poor, as is so often proclaimed, let us at least see to it that the funds of the taxpayers of the United States going into these organizations do in fact go to the poor, and not to line the pockets of international bureaucrats.

Mr. President, I ask unanimous consent that excerpts from the Appropriations Committee report (No. 94–1009) be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. I thank the Chair, Mr. President, I reserve the remainder of my time.

EXHIBIT 1

INTERNATIONAL FINANCIAL INSTITUTIONS
SALARY LEVELS AND OTHER BENEFITS

The Committee believes the question of salary levels in the international banks to be a continuing problem and repeats the following commentary and tables from its fiscal year 1976 report. The tables on salaries in the World Bank have been updated to reflect March 1, 1976 increases.

The United States has been a most generous contributor to those international financial institutions providing assistance to the less developed nations of the world. In fact, our country has been the leading contributor and supporter of these institutions since their inception.

Our support has been founded in the belief that many of the problems in the developing world require a multilateral solution. We have also supported the ideal of a multinational corps of trained professionals and administrators, established to direct this assistance without thought of national or personal gain.

In the harsh light of reality, however, many of our conceptions prove to be but empty shadows. We find that there are favored nations when development assistance is parceled out. We also find that many who are said to be dedicated servants of the poor receive unseemly compensation for their service.

These charges are not made lightly. This Committee has taken as a starting point the belief that those who seek employment with institutions having direction over contributions made to assist the poorest of the poor should be embarking on a career of public service. To be sure, executives and professionals in the employ of the international development banks are entitled to compensation commensurate to their services and adequate to the purpose of ensuring that the banks are able to attract highly qualified personnel. We do not deny this.

Nonetheless, our investigations have led us to the distressing conclusion that, rather than the rewards of a career of service, there is found in the banks a broad pattern of personal enrichment. The personnel management practices of the banks are suggestive of an institutionalized granting of lifetime sinecures where extraordinarily high salaries are commonplace and the pursuit of fringe benefits has been raised to a form of art.

On this and the following pages the Committee presents several tables indicating the salaries paid to certain administrators and professionals of the international development lending institutions.

ASIAN DEVELOPMENT BANK

GROSS SALARIES OF PRESIDENT, VICE PRESIDENT, AND ALTERNATIVE EXECUTIVE DIRECTORS [1]

[In U.S. dollars]

Level	Gross salary [2]
President [3]	$51,500
Vice President	45,000
Executive Directors	[4] 38,500
Alternate Executive Directors	33,000

[1] These individuals may also receive a dependency allowance, for example $1,550 per annum for a family of four.

[2] As U.S. nationals are not reimbursed for U.S. federal tax payments, all ADB salaries are on a gross basis.

[3] Residence provided by ADB.

[4] Under the provisions of Section 3–B of the Asian Development Bank Act, the USED is entitled to compensation and allowances equal to those authorized for a Chief of Mission, Class E, within the meaning of the Foreign Service Act of 1946. The USED receives $1,500 per annum and a residence from the U.S. Treasury Department.

ASIAN DEVELOPMENT BANK

PROFESSIONAL SALARIES

[In U.S. dollars]

Level and responsibility	Gross salary range [1]
I. Other officer	$9,550–$21,715
II. Other officer	18,990– 25,530
III. Other senior officer	21,715– 29,220
IV. Senior officer	25,530– 32,725
V. Assistant director, manager or equivalent	29,220– 36,695
VI. Deputy director, or equivalent	32,725– 39,050
VII. Department director, or equivalent	36,695– 40,050

[1] Gross salary is defined as annual salary plus a dependency allowance for a family of 4 ($1,550). As U.S. nationals are not reimbursed for U.S. Federal tax payments, all ADB salaries are on a gross of tax basis. Salary ranges effective June 1, 1975.

THE WORLD BANK

NET AND GROSS SALARIES OF PRESIDENT, VICE PRESIDENTS, EXECUTIVE DIRECTORS, AND ALTERNATIVE EXECUTIVE DIRECTORS

[In U.S. dollars]

	Net salary	Gross salary [1]
President:		
Salary	60,000	116,050
Housing and representation allowance	16,000	-------
Senior vice president	58,030	106,950
Vice president (average)	45,350	78,940
Executive directors	45,305	78,830
Alternative executive director	35,865	57,840

[1] Gross equivalent salary is defined as net salary plus dependency allowance adjusted for Federal and State income taxes and for social security taxes. For purpose of these adjustments a family of 4 residing in the District of Columbia is assumed. Presidents expense allowance is in addition to gross salary. Standard deductions are assumed (dependency allowance: (1) for spouse, $530 plus 1½ percent of net salary over $10,000; (2) for child, $420).

THE WORLD BANK

PROFESSIONAL NET AND GROSS EQUIVALENT SALARIES

[In U.S. dollars]

Level	Net salary ranges [1]	Gross equivalent salary ranges [2]
J	$15,650–$22,850	$19,380–$31,170
K	19,410– 27,430	25,210– 39,920
L	23,610– 32,250	32,850– 49,710
M	28,150– 36,530	41,300– 59,190
N	33,060– 40,910	51,470– 68,910
O	37,930– 45,770	62,290– 79,710
P	39,390– 47,070	65,530– 82,600
Q	43,060– 50,330	73,690– 89,850

[1] Ranges after last salary adjustment, May 1, 1976.

[2] Gross equivalent salary is defined as net salary, plus dependency allowances assuming spouse and 2 dependents, District of Columbia residence, and grossing up with standard deductions.

THE INTER-AMERICAN DEVELOPMENT BANK

NET AND GROSS SALARIES OF PRESIDENT, VICE PRESIDENT, EXECUTIVE DIRECTORS, AND ALTERNATE EXECUTIVE DIRECTORS

Level	Net salary	Gross salary [1]
President:		
Salary	[2] $56,475	-------
Expense allowance	16,000	-------
Executive vice president	46,000	$90,300
Executive directors	42,000	74,750
Alternate executive directors	33,000	54,850

[1] Gross equivalent salary is defined as net salary plus an average of $1,475 dependency allowance adjusted for Federal and State income taxes and for social security taxes. For purposes of these adjustments a family of four residing in the District of Columbia was assumed. Standard deductions are assumed. The President's expense allowance is in addition to net salary.

[2] The incumbent is not a U.S. citizen and thus the gross salary is not relevant; the incumbent is paid the net salary indicated. Dependency allowance assuming spouse and 2 dependents is included.

THE INTER-AMERICAN DEVELOPMENT BANK

PROFESSIONAL NET AND GROSS EQUIVALENT SALARIES

[In U.S. dollars]

Level	Net salary ranges [1]	Gross equivalent ranges [2]
IX	$10,970–16,095	$14,900–22,400
VIII	12,316–18,067	16,700–25,500
VII	13,853–20,433	19,000–29,600
VI	15,584–22,912	21,600–34,200
V	17,792–26,131	25,100–40,000
IV	20,287–29,710	29,300–47,600
III	23,246–33,607	34,800–56,100
II	26,525–35,273	41,100–59,800
I	30,091–36,719	48,400–63,000
Deputy managers	37,517–39,500	64,800–69,200
Managers [3]	38,500–41,500	67,000–73,600

[1] Range as of January 1976.

[2] Gross equivalent salary is defined as net salary, plus a dependency allowance of $1,475 both adjusted for Federal and District of Columbia income taxes (assuming 2 dependents and standard deductions and for social security tax.

[3] Salary limited to $40,000 for Managers and $39,000 for Deputy Managers until June 1, 1976. Included in the Manager and Deputy Manager range are two individuals with the titles of Senior Manager and Senior Deputy Manager.

In reviewing these tables it is astounding to find that the President of the World Bank is paid an annual salary of some $114,060 (excluding certain additional benefits), an amount nearly twice the salary of the Secretary of the Treasury of the United States. Indeed, even a Division Chief in the World Bank may receive more for his services than our own Treasury Secretary.

It was even more astounding for the Committee to learn recently that a former assistant secretary of the Treasury (who left that position to assume his duties as an executive director of the World Bank) found that overnight his annual gross salaried income had increased from the $38,000 he earned as an official of the United States Government to the $74,060 paid to executive directors by the World Bank.

The Committee, in citing these instances, does not seek to embarrass individuals, nor do we wish to question their individual qualities. What we do question, and what must be an embarrassment to these institutions, is the perpetuation of a system providing unparalleled pay and allowances to those whose primary purpose is to assist the poor and needy peoples of the world. By its excesses, this system, in our opinion, denigrates the spirit of international cooperation and concern which underlies contributions to the banks.

The Committee is not alone in voicing its concern with these excesses. The following letter sent by Secretary Simon to World Bank governors records the Treasury Department's concern with unrestrained salary growth:

APRIL 13, 1975.

DEAR MR. GOVERNOR: I am writing to you in your capacity as governor for (host government) to express my government's serious concern about the proposals for large salary increases in the World Bank and the International Monetary Fund. I am fearful that the proposed compensation increases will undermine public and legislative support for these institutions in member countries and I urge your government, through its representatives on the respective boards of directors, to join the United States in seeking to exercise a greater degree of restraint in the upcoming compensation adjustments.

The salary issue has grave implications that transcend the immediate compensation question. At a time of worldwide economic difficulties it is especially important that publicly financed organizations reflect an appropriate sense of austerity. For the IMF and the World Bank now to give large salary increases, particularly at the higher levels, would be most untimely. During the next year member governments in all likelihood will be asking their legislatures to approve substantial quota increases and to concur in changes in the IMF articles. In addition, contributions to the IDA and other international development institutions require parliamentary approval. With many of our economies facing retrenchment we cannot afford the risk of unfavorable public reaction to salaries seen as excessively high. Therefore, the United States will propose that any overall increase in IBRD/IMF salaries be limited to no more than 5 percent. We will strongly urge a freeze on all salaries above US $30,000 net-of-taxes (approximately $47,000 gross) including salaries of executive directors and alternates. We will also urge a tapered increase on salaries below the freeze level. I hope you will be able to support either this proposal or one of along these general lines, including at least a freeze at the higher levels with considerable tapering below that.

The United States believes that the salary levels of these institutions should bear a reasonable relationship to the governmental salary levels of member governments if these institutions are to avoid serious criticism. As the result of past adjustments, employees in these organizations enjoy salaries which substantially exceed those of all member country governments. The low voluntary resignation rates and extraordinary high ratios of applicants to vacancies in these institutions confirm in our view that the large salary increases which have been proposed are not required to maintain the competitiveness of operational efficiency of these institutions.

I hope that, because of your concern for the future of these important organizations, you will seriously consider our proposal. The political consequences of substantial salary increases for staff of organizations intimately involved with the issues of poverty, income distribution, and monetary stability, could be most detrimental to these organizations and ultimately to their member governments.

I would appreciate any observations you may have on this matter and my executive directors will be in close contact with your representatives.

Sincerely yours,

WILLIAM E. SIMON,
U.S. Governor, IBRD/IMF.

In our investigations over the past year the Committee found that this lack of concern with the provident management of the banks' resources as reflected in their salary schedules, extends to the provision of a variety of special allowances. The Committee found, for example, that 22 officials of the Asian Development Bank and 23 officials of the Inter-American Development Bank are authorized to travel in first-class accommodations. The World Bank authorizes first-class travel for *all* of its employees traveling to Africa, Asia, or southern Latin America. In each of these institutions substantial cost savings could have been realized had economy class instead of first-class been used for business travel. The most costly expenditure was that of the World Bank which could have saved $1.3 million to $1.5 million during the period July 1, 1974, through June 30, 1975.

In normal times, expenditures for most first-class travel are, at best, difficult to justify; in these times of financial constraint, they become, especially for organizations engaged in development, the hallmark of a bureaucracy insensitive to the growing disparity between rich and poor. The Committee suspects that the banks, when pressed, are at a loss to explain this lack of sensitivity and the continued imprudent use of monies they hold in trust. We suggest that the banks demonstrate a commitment to frugal and prudent management by barring such luxury expenditures in the future.

Perhaps the most flagrant misuse of contributions made to help the poor is found in the banks' use of these contributions to finance travel by spouses of their employees. While in the Asian Development Bank only the wife of the President is authorized to travel at Bank expense, the Inter-American Development Bank and the World Bank each have employee benefit systems which provide for Bank financing of travel by guests of all employees. Under these systems the Bank employee earns points for each working day spent outside the United States on Bank business. When sufficient points have been

accumulated, the Bank will also pay subsistence expenses for the guest. During the period January 1, 1974 to September 30, 1975 these banks spent $740,241 on travel and subsistence costs of guests.

The Committee has, on several occasions, requested detailed reports on the expenditure of World Bank and Inter-American Development Bank resources to cover the cost of travel and subsistence for spouses of employees. The two Banks refused to honor the Committee's request, which was made through the U.S. Treasury Department. However, Treasury officials have made summary information available to the Committee. In abbreviated form, this information identified the following expenditures which we believe to be excessive:

World Bank

During the period January 1, 1974 through September 30, 1975 the Bank funded 268 trips by spouses; 224 involved only the cost of transportation and 44 both transportation and subsistence. Of those trips involving only transportation, the average cost of the 22 most expensive was $3,497. Of those trips involving both transportation and subsistence, the average cost of the four most expensive was $4,749.

Inter-American Developmnet Bank

During the calendar year 1974 the Bank funded 76 trips by spouses with the average cost of the 8 most expensive trips being $1,721. During the 9 month period January 1, 1975 through September 30, 1975 an additional 52 spouse trips were funded. The five most expensive of these averaged $1,768.

The Committee is unable to reconcile the expenditure of these funds with the mission of the banks. It may be argued that in relation to the total volume of the banks' business these costs are small. That may be true, but, in this case, small is not insignificant.

The international financial institutions are not self-sustaining institutions. Each requires periodic replenishments of capital resources to continue financial operations. And, herein lies the significance of the abuses we have identified in the banks' personnel management practices.

The ability of the banks to carry the promise of economic change to the developing world is largely dependent upon their prestige and authority. With regard to the banks, prestige and authority must be measured in terms of the trust recipient countries place in the advice of the banks and the assurance contributors have that the banks will use their resources in the most effective manner.

It is the opinion of the Committee that the interlocking systems of high salaries and extraordinary fringe benefits threaten to undermine the prestige and authority of the international financial institutions. There is the danger here of a breach of faith between contributors, recipients, and the banks' secretariats. It is a danger which the banks ignore at their own peril.

As a footnote to this section, the Committee presents the following table. Management studies have often used personnel turnover rates as guides to the health of institutions. Analysts have found that excessively high turnover rates *or excessively low turnover rates* are indicators of management problems. The Committee has spoken of lifetime sinecures; the table speaks for itself.

TURNOVER RATES AND APPLICATIONS/VACANCY RATIOS

	Turnover rate (professional staff)		Applications/vacancy ratio (professional staff)	
	1974	1975	1974	1975
World Bank	9.7	9.1	[1] 30.0 [2] 2.1	[1] 35.0 [2] 2.0
Inter-American Development Bank	9.2	6.1	26.1	45.1
Asian Development Bank	12.7	8.5	35.0	44.0
International Monetary Fund	9.3	7.6	20.0	18.8

[1] This ratio reflects the gross applications per vacancy prior to prescreening.

[2] This ratio reflects the number of viable candidates per position who have passed the prescreening process of the recruitment division.

The PRESIDING OFFICER. Who yields time?

Mr. CASE. Mr. President, the Senator from North Carolina has struck a chord which finds response in every breast I know about, including that of the Senator from New Jersey.

On the question of "perks," I am not so sure but that some people would say the Senator is not calling the kettle black. I read recently some scurrilous article in some magazine pointing out that we subsidize the Senate restaurant, that you can get things there for $2.50 that would cost $7.50 outside. It does not say that maybe they would be better outside, but that was not the point. I am not saying they would not be better, either.

The point is made that we can get our shoes shined for the matter of a tip that is in our control; that there are several swimming pools around the Hill in which we can cavort and engage in sportive exercises; that all manner of deference is paid to the denizens of this august body in which we have the honor to serve.

I guess that is true, is it not? I feel this is a most honorable position.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. CASE. I am happy to.

Mr. HELMS. The Senator from North Carolina cannot even tell the Senator from New Jersey where the swimming pool is. I have never seen it.

Mr. CASE. Wait until the Senator from North Carolina asks the Senator from New Jersey, before he worries about that. There is one on the first floor of the Old Senate Office Building. It is about as big, I should say, as the old one they used to kid us about. I should say it is about 8 by 10 feet, and hot—a most enervating experience.

Mr. HELMS. I heard someone say——

Mr. CASE. There is a new one, relatively—only about 20 years old—that is a little bit larger, but not very much.

I was not apologizing for these facilities, myself; I was only saying that a certain amount of this sort of thing goes on everywhere I know anything about, and I think it ought to be discouraged.

I do not think there is anything wrong with our providing space for a restaurant, but I think we ought to probably pay more for what we get, and at full prices.

I believe the same thing is true of the World Bank, I really do. I do not see any reason why anybody should have a soft, cushy spot that everybody does not have the right to have.

Mutatis mutandis. There is a difference between people doing one kind of work and those doing another kind. I am not here to say that the World Bank people deserve the higher salaries they are getting. The point is, of course, that they are getting them now, and I think it would be rather disruptive for us unilaterally to go into this thing.

We have word from the department that they are making every effort to hold the line on further increases in salaries, as noted by Senator INOUYE this morning. We have received some success in getting support from other governments concerning the Banks policies, that it will seek to hold the line in the future.

I believe I would be a little bit leary about saying that any international bank could not pay more than we are paying in our own Government. I believe that is a little bit too strict. I would think if the Senator wanted to put in something concerning comparable institutions, not necessarily Government institutions but private institutions, the Senator from New Jersey would be rather inclined to accept that as a goal. That is only my personal view. I have not consulted the Senator from Minnesota about this. He is my mentor, guide, as well as friend.

I think this jars on me a little bit, to say this bank cannot pay more than we pay our downtrodden public servants in the United States.

Does that bother the Senator a little bit?

Mr. HELMS. No, not one iota.

Mr. CASE. I do not mean we are paying them too little. I do not mean that at all. I just mean that this is a reach out into an area in which we should not attempt to be giving this kind of detailed direction, frankly.

Mr. HELMS. I understand what the Senator is saying, and I appreciate it.

We had a distinguished citizen of my State, who served in this body——

Mr. CASE. I have not known a single one who has served in this body who has not been distinguished.

Mr. HELMS. This Senator's name was Kerr Scott. He often said that when a lucrative Government job becomes available, there are always many patriots willing to serve.

I do not think the institutions covered by H.R. 5262 would have any difficulty finding patriots to serve at the salary levels stipulated in this amendment.

Mr. CASE. This is service to our Government. I am not sure the same lofty sentiments or the same high spirit should necessarily be expected from people who work for an international organization. The Senator and I might be suspicious of people who would call themselves world citizens. Would the Senator not have some such feeling?

Mr. HELMS. There are some whom I would call world citizens in the truest sense. Solzhenitsyn, for example.

Mr. CASE. Well, yes, entirely in a laudatory sense.

Mr. HELMS. That is correct.

Mr. CASE. What are we talking about? [Laughter.]

Mr. HELMS. I thought we were doing pretty well discussing the parameters of what the Senator considers the effect of this amendment and what I consider to be the effect of it.

Mr. HATCH. Will the Senator yield?

Mr. HELMS. I yield.

Mr. HATCH. As I understand what the Senators are talking about, basically the Senator is asking that we not pay any of these high level officials, who would be paid pursuant to this particular bill, more then we pay the higher level employees of the Federal Government.

Mr. HELMS. Precisely.

Mr. HATCH. I, for one, agree with this. I do not think they are worth one dime more than a United States Senator is worth. As far as perquisites are concerned, frankly I do not see too many perquisites. If one thinks we have perquisites, we should see what they have. My feeling is that Senators are worth whatever we are being paid, and the higher level Cabinet people are worth the $65,000 they are paid, or thereabouts. I do not see any reason why these representatives of our Government, who are funded by the taxpayers, cannot be paid the sums the Senator has been talking about. If I understand the Senator correctly, the President of this institution gets $116,000 a year.

Mr. HELMS. That is correct.

Mr. HATCH. It was not but a few years ago when the President of the United States did not receive that. Is that correct?

Mr. HELMS. That is correct.

Mr. HATCH. The vice president gets $79,000 and another man who was just making $38,000 last year is now making $79,000 a year. Is that correct?

Mr. HELMS. That is correct.

Mr. CASE. If the Senator will yield, the Bank is not competing with the Senate. The Bank is competing with other banks. The Bank is competing with people in the outside world.

Mr. HATCH. But this is funded and guaranteed, and it may be a success no matter what happens, by the American taxpayers' dollars.

Mr. CASE. I am talking about competing for help, for employees. They are competing with the New York banks, with the Washington banks, with the Los Angeles banks, with New Bern, N.C., banks. What do they pay down there?

Mr. HELMS. I do not know. Nothing like the World Bank salaries, I am sure.

Mr. HATCH. Who cares? I would submit I do not care what they pay. I think there would be a lot of people who would like the opportunity to serve, who are top bankers.

Mr. CASE. Maybe a lot of people would like to serve there, but would not be competent to do it.

Mr. HATCH. Just as they would like to serve as Secretaries in this Government, or serve in the U.S. Senate, and in other organizations of the U.S. Government. Look at Mr. Blumenthal, who made $400,000 last year as president of Bendix. He left there and entered Federal service as an advisor to the President for a fraction of that.

Mr. CASE. Does the Senator think he regards that as a sacrifice?

Mr. HATCH. No, I do not, and I do not think these others would regard it as a sacrifice.

Mr. CASE. He is probably making so much money that he would not take home much more from a larger salary.

Mr. HATCH. Does the Senator feel that these people serving this institution would feel the same, that they are serving the U.S. Government?

Mr. CASE. I think they are getting paid just right.

Mr. HATCH. So do I, and that is why I do not want it extended for those people any more than for anybody else.

Mr. CASE. I voted for this and I did it with the full realization that I am not a specialist; I am a generalist. When we want heads of a bank, people to do highly skilled financial work, as any other kind of highly skilled financial work, we must expect to pay them for that. If I were a lawyer, I would want more than I am getting as a Senator.

Mr. HATCH. I happen to have been a lawyer.

Mr. CASE. And the Senator did not feel any guilt about receiving more than he receives as a Senator.

Mr. HATCH. Maybe these other people would feel exactly the same as I do working for that institution. In fact, I submit that they would feel that way. We ought to consider giving people this great opportunity to feel that way and to feel like they are contributing something of themselves, rather than working for some salary that is above anybody in the Federal Government except the President.

Mr. CASE. I think I would not disagree with the Senator if he were talking about, say, his chance to serve in a church or a chance to serve in some calling of that sort. This is a hard-nosed business proposition, where these banks are competing with all other financial and similar institutions, private as well as public, for help. And they need it.

Mr. HATCH. So does the Secretary of the Treasury. I believe the Senator will agree that there is no more hard-nosed position than that held by the Secertary of the Treasury. Yet we have a man working there for $65,000 a year, happy to do it, because he is giving service to this country, he is helping the President of the United States, and he is proud to do it. I cannot see how some of these people would not feel the same way—the prestige and honor of that, the opportunity to help people all over the world. There is not any amount of money that can be paid to do that kind of work.

Mr. CASE. If the Senator will yield, I think we are both right to some extent. We are each pressing our positions too hard and too far. The answer is that the truth lies somewhere in between.

I have felt that these are pretty cushy jobs. It has annoyed me to see people working rather short hours and living on the fat of the land, and having certain income tax benefits and whatnot that are not available to ordinary citizens.

On the other hand, I am rather strongly of the feeling—and I do mean this. It is not that I just happen to be holding a chair, waiting for Senator HUMPHREY to get back. I do mean that I think we ought not to interfere to this extent with the direction of these international institutions.

Mr. HELMS. Let me just say, Mr. President, that there is no paucity of qualified applicants for these jobs.

Mr. HATCH. That is my understanding.

Mr. HELMS. The latest figures available show that for each position in the World Bank, there are 35 applicants; for each position in the Inter-American Development Bank, there are 45.1 applicants. For each position in the Asian Development Bank, there are 44 applicants. At the International Monetary Fund, for each position, there are 18.8. So there is no difficulty in finding competent personnel.

Mr. CASE. But that is at the present salary rate. Who can say that this might not drop off to zero if it were reduced to the pittance that is paid by our Government to people doing similar work?

Mr. HELMS. I doubt it.

Mr. CASE. Who knows? Nobody knows. As I say, neither the Senator from North Carolina nor I—nor the Senator from Utah nor I, sir—has any desire to perpetuate the life of Reilly for a bunch of parasites.

Mr. HELMS. Let me say this, and then I will yield back my time: if we take the precise wording of the amendment, it simply says that the President shall direct the U.S. Executive Directors of such international financial institutions to take all appropriate actions to limit the salaries and benefits of the employees of such institutions to levels not exceeding the levels of salaries and benefits of employees of the U.S. Government in comparable positions. That is a fair proposition for the employees. It is certainly a fairer proposition for the taxpayers of this country than the existing situation.

Mr. President, I ask for the yeas and nays on the amendment. Then I shall be glad to yield to the Senator from Utah.

The PRESIDING OFFICER. Is there a sufficient second for the request of the Senator from North Carolina?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I yield to the Senator from Utah.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. HATCH. Well, may I finish this unanimous-consent request?

The PRESIDING OFFICER. The time is under the control of the Senator from New Jersey and the Senator from North Carolina on the amendment offered by the Senator from North Carolina. Who yields time?

Mr. HELMS. I shall yield first to the able Senator from Utah, then to my friend from South Dakota.

Mr. HATCH. Mr. President, I ask unanimous consent that Mr. Robert Downen of the staff of Senator DOLE may be given floor privileges during debate and voting on H.R. 5262.

Mr. ABOUREZK. Will the Senator yield?

Mr. HATCH. May I finish my comment, then I shall be ready to yield?

I have great respect for Senator CASE and I certainly hesitate to take the opposite position from him in this matter. I do respect his particular viewpoint in this matter. But I submit that there will be many competent and outstanding people who would love to serve in these positions in the Cabinet level salary range. Therefore, I support the Senator from North Carolina in his amendment at this time.

Mr. ABOUREZK. Mr. President, I wonder if the committee would have any objection, or the Senator from North Carolina, if I ask unanimous consent that, as soon as the pending amendment is disposed of, amendment No. 396 be considered by the Senate?

I make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent that these members of my staff be permitted the privilege of the floor while H.R. 5262 and S. 1520 are being considered and voted on today: Mr. Art Chappa and Karen Krueger.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I send to the desk a modification of my amendment and ask unanimous consent that it be in order.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

The amendment, as modified, is as follows:

At the bottom of page 17, add the following:

"(e) The President shall direct the United States Executive Directors of such international financial institutions to take all appropriate actions to keep the salaries and benefits of the employees of such institutions to levels comparable to salaries and benefits of employees of private business and the United States Government in comparable positions.".

Mr. CASE. Mr. President, there are no further requests for time on our side. I think we can yield back the time.

Mr. HELMS. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question occurs on agreeing to the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the rollcall vote be vitiated and that we have a voice vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

All time having been yielded back, the question is on agreeing to the amendment of the Senator from North Carolina, as modified.

The amendment, as modified, was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that John I. Brooks, of my staff, and Christopher Lehman, of my staff, be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I make the same request for Bob Turner, of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent on behalf of Senator KENNEDY that Jerry Tinker, of his staff, be granted privilege of the floor during consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 396

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from South Dakota for the purpose of calling up his amendment No. 396, which the clerk will state.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. ABOUREZK), for himself, Mr. HATFIELD, Mr. ANDERSON, and Mr. DECONCINI, proposes an amendement numbered 396.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, between lines 17 and 18, insert the following new subsection:

"(d) In addition, the United States Government, in connection with its voice and vote in the institutions listed in subsection (a) is authorized and directed to vote against any loan, any extension of financial assistance or any technical assistance to any country which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhumane or degrading treatment or punishment, prolonged detention without charges, or other flagrant denial of the right to life, liberty, and the security of person, and including providing refuge to individuals committing acts of international terrorism such as hijacking of an aircraft unless such assistance is directed specifically to programs which serve the basic human needs of the citizens of such country.".

On page 17, line 18, redesignate "(d)" as "(e)".

On page 17, line 24, strike out "subsection (a)" and insert in lieu thereof "subsections (a) and (d)".

On page 18, strike out lines 1 through 5.

Mr. ABOUREZK. Mr. President, the amendment that has just been called up, No. 396, is language which is being proposed to be added onto this bill which has already been added on by the House by a very strong vote.

What this language will do, in effect, is require there be a negative vote on the part of the U.S. representative in international monetary funds and banks if the country for whom the loan is being considered has engaged in a consistent pattern of gross violations of internationally recognized human rights.

I think, Mr. President, that this language is extremely necessary to be put into this bill. The reason for it is that we have heard from our new President, President Carter, of his very strong stand on behalf of international human rights. He has consistently made the point he intends to stand behind them.

There are certain people, however, in his administration who object to this language going onto the legislation being considered. Why that is, I am not certain. The expressed reason is that it denies them flexibility in dealing with other nations so far as World Bank loans and other international monetary fund loans are concerned.

I want to point out what I think is the fallacy of that kind of an argument. Recently, Treasury Secretary Blumenthal was in Guatamala for the Interamerican Bank loan meetings and while he was there he notified the nation of El Salvador he was going to have to veto their loan request under this language for $90 million for a hydroelectric station unless they improve their human rights situation. The result was that El Salvador withdrew their loan request.

There is no rationale that I can think of or that anybody has offered me that would militate for giving the administration what they claim is flexibility to negotiate with these countries about their human rights situation.

It would seem to me that the backup given the administration by the Congress of the United States of saying that the administration's hands are tied, there is no way we can vote for a loan for that country so long as they are violating human rights in the manner in which they are doing it, seems to me that kind of backup would be the thing the administration would want so far as negotiating with those countries, so far as how they treat their own citizens.

I want to point out one more point which I think is very significant to this argument.

There are four countries, Argentina, Chile, Ethiopia, and Uruguay which have had their bilateral aid, their military and economic aid, cut by the administration, by President Carter, because of human rights violations.

However, in spite of the fact that under one standard of human rights enunciated by the administration, these four countries will get a total of $454 million from the World Bank in fiscal year 1979.

To me, that is a complete contradiction. It is a double standard which we ought not be engaging in.

I think if the President enunciates a policy on human rights, the Congress ought to back him up and make certain the administration is very serious about what they say is their policy.

I see no reason for a congressional retreat on the policy of trying to do something about the human rights of people living in other countries.

Incidentally, this amendment takes in all countries without exception. All countries that are found to engage in that consistent pattern of violation of internationally recognized human rights.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, there is one major difference between the language in the bill as reported by the committee and the language of the Senator from South Dakota and his cosponsors that have joined with him, namely, that the Senator from South Dakota would have it automatic that the representative of the U.S. Government on these bank boards would vote "no" in any instance where there was a country that had been ascertained as violating an established concept of human rights.

The language of the committee bill is very strong and, I think, effective.

It is the language which the President of the United States, who has taken the lead in the human rights field in foreign policy, fully endorses. He wrote to us as we were marking up this bill and directed a memorandum to me, as the chairman of the subcommittee, in which he said:

I support the human rights provision . . .

He said:

This provision, authored by you—

speaking to me, in this instance—

—and Senator Case, would require that the United States use its voice and its vote to advance the cause of human rights in all operations of the international financial institutions in which we participate.

I support that human rights provision . . .

At the same time I want to make it clear that I oppose the provision of Section 601(e), H.R. 5262, which would *require* us to vote against any loan to a country where human rights are violated. I oppose it because it will prove weak and ineffective. It would handicap our efforts to encourage human rights improvement in other countries . . .

While I appreciate and share the spirit in which this House amendment was offered—

speaking now of the bill as it came from the House—

I strongly believe it represents too rigid an approach to the problem. The automatic "no" vote will frustrate our human rights policy and damage these valuable international institutions in the eyes of the American people . . .

Mr. President, the language in the bill, section 701(a) states as follows:

The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, International Finance Corporation, the Inter-American Development Bank, and the Asian Development Bank, and the Executive Director representing the United States at the African Development Fund to use the voice and vote of the United States to endeavor to advance the cause of human rights to include seeking to channel economic assistance to governments other than those which engage in a consistent pattern of gross violations of internationally recognized human rights, such as torture or cruel, inhumane, or degrading treatment or punishment, or providing refuge to individuals committing acts of international terrorism by hijacking aircraft.

Mr. President, we can come into these banks in which we have a minority voting stock, and it is well known that prior to our even entering the bank board room, when the loans are being considered, if the language of the Abourezk amendment were adopted, we would automatically vote "No." We have no leverage. We clear our conscience, so to speak. We vote "No." No negotiations. It is automatic. And the 75 percent of the vote goes the other way. We do not get anything out of that.

What the language of the bill provides are instructions for the Secretary of the Treasury, who in turn takes them from the President, that our representative on these banks shall use the voice and the vote of the United States to endeavor to advance the cause of human rights, to argue, to negotiate, to say to the board members, "Wait a minute, let's take a look here, before we approve this loan or disapprove it. Let's have a chance to talk with the representatives of that country."

Already, we have seen instances in which this methodology is working. Political prisoners have been released in some countries. The President of the United States, through the State Department and our other diplomatic channels, is currently bringing pressure to bear upon a number of countries. Already, heads of state have said to our President and to the Secretary of State, "We will take another look. We will modify. We will make some corrections."

It is not going to be easy. It is not going to come quickly.

The only difference between these two positions—between the Abourezk amendment and the committee amendment—is that the Senator from South Dakota says, "We have determined that you have violated human rights." Automatically, on the day we enter the board room, before the loan is even being given negotiating consideration, we are required to vote "No." In other words, there is no need of our being present. It is automatic.

The language of the bill says that the members of the board who represent the United States, our executive directors, shall use their voice and their vote to enhance human rights, to convince, to persuade, to say, "Let's review this loan; let's call in the representatives of these governments before we make final decisions." I submit that it is a much more effective standard than just mandating.

This is not the same as bilateral aid. Bilateral aid is another picture. We are not taking in bilateral aid where our own money is the determining factor, where we have complete control over the loans and the grants and the technical assistance under our bilateral foreign aid program. That is another picture that will come up next week, we hope. This refers to the international financial institutions.

I repeat: If we are going to be an effective participant in enhancing the cause of human rights, it is not by coming in and saying automatically, "No, no, no," and walking out of the board room, because there is no need to stay. We have been instructed. It is mandated that you vote "No."

It is when we can tell our directors, who are instructed by our Secretary of the Treasury, to use the voice and the vote of the United States to endeavor to advance the cause of human rights and to include seeking to channel economic assistance to governments other than those which engage in a consistent pattern of gross violations of internationally recognized human rights.

I think the approach that the committee has taken is sound. It is more productive.

I have spent a lifetime of public service in the cause of human rights. I will take a back seat to no one in that respect. I was talking about human rights in the Senate when you could not get even a corporal's guard, when you could not get a telephone booth full of Senators. I put my political life on the line on this issue. The President of the United States came up here and advanced the cause of human rights and foreign policy, in the last few months, more than anyone could have dreamed possible 2, 3, or 4 years ago.

The Committee on Foreign Relations has done a responsible and creditable job. We have not ignored the issue. We have grappled with it.

What we are trying to do is not merely to express the conscience of America by a "No" vote but, rather, to express the conscience and the intelligence of America by trying to use our voice and our vote to enhance the cause of human rights, to get improvements, to get family reunification, to get these political prisoners out of jail, to see that torture and cruel and inhumane treatment are abandoned.

I believe that the bill as presented to the Senate by the Committee on Foreign Relations is a desirable approach.

I know of the Senator's deep sincerity in this. He has led the fight in this, together with the Senator from California (Mr. CRANSTON) and others. We are indebted to the Senator. I told him in the past, on the bilateral program, what we would do and we did. We set up in the Department of State a Coordinator of Human Rights and Human Affairs. In the Department of State, we have a separate division—which is concerned on human rights. We have gone a long way on human rights.

I say that this language represents the judgment of the Secretary of State, represents the judgment of the former Secretary of State, represents the judgment of the President of the United States, and represents the overwhelming judgment of the Committee on Foreign Relations. It is a special piece of legislation.

Mr. CASE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New Jersey.

Mr. CASE. Mr. President, long before the Senator from South Dakota was actively involved in the affairs of the world, Senator HUMPHREY showed that what he just alluded to was the truth.

Who will forget the flaming mayor from Minneapolis and the Democratic Convention of that year when civil rights was brought out of the closet? He did it. His passion for the rights of human beings existed before that, and it has never flagged one bit since.

His judgment about the wise thing to do in this circumstance is one that I think we all can follow, and we must

follow, knowing that it comes from a man who is without peer in his concern for the rights of human beings.

I can say this, because I watched him at that convention. I do not think I watched him. I think I heard him on the radio. I do not know whether it was televised then or not. This was a landmark.

He brought the Democratic Party out of the backwoods and out of the past and into the world. As a Republican, perhaps I should not be so happy about that, but anything good that happens to either of the two parties benefits the entire Nation.

Senator HUMPHREY was one of the good things to happen to the Democratic Party, and he has been a vibrant factor in it ever since, as it has been involved, under his leadership, in the enhancement of the quality of life, not just in this country but all over the world as well.

We can accept his judgment here. I share fully his views. I believe also that this is the right way to handle; that we are going to get more action cooperatively by Congress and the executive doing it this way than we ever would by trying to force a mandate upon our representatives to these international institutions. The Executive must be kept with the feeling that we regard him as a partner in this effort.

I hope the amendment, I am confident the amendment, will be defeated.

Mr. ABOUREZK. Mr. President, I want to yield to the other sponsor of this amendment, Senator HATFIELD, but I first want to just make a couple of responses to my colleague from New Jersey, Senator CASE.

I do not want to bring Senator HUMPHREY's personality into this. I like him very much, and I do not want to talk about him. I want to talk about the amendment. His judgment may be a bit flawed on this amendment, but I still admire Senator HUMPHREY very much for his record on human rights and civil rights.

Congressman HERMAN BADILLO attended the meetings in Guatemala with Secretary Blumenthal, and there were discussions going on with regard to loans from the Inter-American Development Bank. Now, this language is in the Inter-American Development Bank legislation, and the U.S. representative is mandated to vote "no" on a loan for any country that has been found to consistently violate or found to have been consistently in violation of human rights.

Let me read from the letter written by Congressman BADILLO:

> One of the arguments that has been used by the Administration against the "no" vote is that it leaves our representatives to the banks with a lack of flexibility. It was quite obvious in Guatemala that this is just not the case, and, in fact, the opposite appears to be true. It was present at discussions with representatives from Argentina, Uruguay and Paraguay, and it is quite evident that we were able to say "Look, we have the power to use this 'no' vote if you do not begin to do something about your human rights policies." It was clear to me that even the threat of the "no" vote has significant value.

In fact, that was the El Salvador loan that was eventually withdrawn, the application was withdrawn by El Salvador, because they made their choice. They decided not to do something about their violation of human rights within their country. As Congressman BADILLO and Secretary Blumenthal's action points out, it is a very potent weapon.

Now, the other point I wish to make is if you leave in the toothless language that is now in this bill, if you do not amend it, according to some stronger language similar to what we are offering, what it will allow the administration to do is sometimes selectively enforce a human rights policy and other times they will subvert that policy to some other consideration they might think is paramount. But it is exactly what the existing language in the bill intends to do, which is to allow them to subvert it to some other policy.

I have heard—and I have no evidence of this—but I have heard that some of the large commercial banks in this country are in trouble because they cannot get repaid on their loans from some of these little dictatorships, and that there are times when the administration might want to bail out those commercial banks by offering international banking loans to those countries so they can repay their commercial loans.

I do not know if that is the case or not, but that is a potential abuse of the language that is in the bill. I think we mandate against that when we adopt the language that Senator HATFIELD and I are offering.

I yield to the Senator from Oregon whatever time he wants. I yield whatever time he may need to Senator HATFIELD.

How much time do we have left, Mr. President?

The PRESIDING OFFICER. The Senator has 21 minutes remaining.

Mr. HATFIELD. Mr. President, inquiry as to how many minutes the proponents have left.

The PRESIDING OFFICER. Eighteen minutes.

Mr. HATFIELD. Mr. President, this legislation, the Omnibus Multilateral Development Institutions Act of 1977, emphasizes a multilateral approach to our foreign assistance programs. And the emphasis in terms of increased U.S. monetary support for international financial institutions under H.R. 5262 is impressive indeed. The bill authorizes an unprecedented $5.2 billion increase in U.S. funds for the World Bank group and the Asian Development Bank over the next 4 years. This is clearly a substantial expression of American charity and compassion for the less fortunate throughout the world who struggle against the tyrannies of poverty and deprivation.

But, Mr. President, there is yet another form of tyranny which is largely ignored in the bill we discuss today—the consistent, ominous growth of brutality and oppression worldwide. It would be ironic indeed if in a revitalized effort to help solve the awesome problems of hunger and malnutrition, the Congress should choose to step back from the progressive steps it has made in the field of human rights. It would also be ironic if the Congress, after the bitter struggle against Executive control during the Vietnam tragedy, chose to abrogate its responsibility in yet another vital foreign policy area. And yet, as reported to the Senate floor from the Foreign Relations Committee, H.R. 5260 critically abridges past U.S. actions against the growth of brutality and suppression worldwide, and gives the President total authority to selectively enforce human rights standards.

I have therefore joined with Senator ABOUREZK in sponsorship of an amendment to direct U.S. bank representatives in international financial institutions to vote against loans to a nation which has a "consistent pattern of gross violations of internationally-recognized human rights—unless such assistance will directly benefit the needy people of such a country." The language of this amendment is identical to that which passed the House by voice vote on April 6 of this year. The amendment represents a wholly constructive and flexible standard which has proven effective in the past. This language will help to institutionalize this Nation's historic concern over human dignity in a way that carries much more conviction than the discretionary provisions proposed by the committee and the administration. It will also retain congressional influence in an increasingly vital sector of our foreign assistance programs.

Mr. President, it is no pleasure to have to try and convince my colleagues not to back down from executive branch demands for maximum discretion in the human rights field. I had thought that the progress Congress had made in the last 2 years in this critical area was sufficient to insure that our concern over moral principle and human rights would continue regardless of the administration in power. I believed that we would effectively translate the rhetoric surrounding human rights into constructive action.

But if we accept the advisory, nonlanguage advocated by the administration and the Foreign Relations Committee we not only yield to total executive authority, we retreat on the constructive language passed by the last Congress as it applied to the Inter-American Development Bank and the African Development Fund. More to the point, we stand before the world and admit that we lack the courage to translate our ideals on human dignity into appropriate and positive action. To claim, as some will, that the language existing in the Senate bill is something other than a serious abrogation of congressional responsibility in the human rights field is to engage in an intellectual shell game without the shells.

The amendment introduced by Senator ABOUREZK and myself, however, sets a mandatory standard; the U.S. Representatives must vote against a loan to the government which consistently and grossly violates human rights "unless such assistance is directed specifically to programs which serve the basic human need of citizens of such country."

This standard has been tested and been found both reasonable and flexible. For example, in 1976 Congress accepted the identical language known as the Harkin amendment and applied it to the Inter-American Development Bank and

the African Development Fund. As a result, three loans to Chile went into effect. The United States voted for two of them which dealt with water development projects of benefit to the poor, and against a third loan to the central Chilean bank which was not felt to directly benefit needy people. This third vote was prompted by effective congressional action in this area. Although the United States view did not prevail on the third bank loan, this action has helped make human rights a more important factor in IDB considerations. Moreover, the United States has led in the initiative for such consideration and I am particularly proud of that fact.

Mr. President, for those who believe that the suppression of political dissent does not have its rewards, I would further point out the following: The Philippines have become four times more creditworthy since President Ferdinand Marcos imposed martial law; Indonesia, which, though increasingly authoritarian and cruel toward legitimate dissent, is seven times more creditworthy today than it was 5 years ago, despite the near bankruptcy of its state oil company because of scandal and mismanagement; and Chile, now that it is ruled by a repressive military dictator, has been found altogether creditworthy.

Thus, countries free from the political climate of serious dissent, able to carry out austerity programs, and determined to attract the private investment of banks' multinational corporations, all prove to be the most worthy of a good international economic credit rating. Policies and practices to oppress the poor and crush dissent are rewarded with international aid, rationalized in the name of assisting the disadvantaged. Foreign assistance, increasingly channeled through multilateral avenues, is far from free of political overtones. In all of these actions, the U.S. Government plays a major and at times decisive role. It is important then that congressional intent in this area be expressed clearly and definitively.

I think we ought to try to stay on the issue at hand here. I, too, would like to pay my respects and commendations to both Senator HUMPHREY and to Senator CASE as two men who have fought for civil rights and human rights throughout their whole political career, and I acknowledge they are without peer in this area.

I think the point we must make today, and I find it distressing to have to take issue with my good friends, particularly on this subject, is that I thought the Congress had progressed in the last 2 years in this critical area as it relates to the question of congressional-executive relations.

I felt after the Vietnam war experience this Congress and, particularly, the Senate, had seen fit to set down some parameters for the President of the United States to act in the field of foreign relations, and that we had finished advocating the senatorial responsibilities to a Chief Executive.

Yet that is exactly what we are asked to do by the same Senate Committee on Foreign Relations this year that last year we felt it was important to put some kind of language in this act when we had the Harkin amendment, which was approved or at least accepted, by the Senate Committee on Foreign Relations.

Then they come forth this year with a lot of fine-sounding words. I have to respect their rhetoric.

They have excellent rhetoric in the bill, and I would like to quote from page 16. This is all they have said. They said they had asked the Secretary of the Treasury be instructed to instruct the U.S. executive directors of these various multinational organizations "to advance the cause of human rights." It does not say how, when, what, why, just to advance the cause of human rights.

Then it asks "the Secretary of the Treasury shall instruct the executive directors of such institutions to consider, in carrying out their duties"—well, now, Mr. President, those are just words. They have very little meaning, if any at all and, in effect, this is an abdication by the U.S. Senate once again to a Chief Executive to conduct foreign relations in an area where we have not set parameters this year but we set them last year.

Did we set them last year because we had a Republican President, and we are not setting them this year because we have a Democratic President? It certainly is a legitimate question to raise, and I think it is one the committee ought to answer. What is wrong with the same language we used last year? Why must we make this shift of gears?

We say, "oh, well, we have a President who has made a lot of speeches about human rights." Well, speeches are one thing, but action is another. I have observed this same President has been very selective in his application of the doctrine of human rights.

All that Senator ABOUREZK and I are attempting to do is to set a mandatory standard that the U.S. Representatives must vote against a loan to a government which consistently and grossly violates human rights, unless such assistance is directed specifically to programs which serve the basic human need of citizens of such country.

Here is plenty of flexibility. We have heard the word "flexibility." Well, there is plenty of flexibility in Senator ABOUREZK's and my amendment because we say, in effect, this country that we vote against must consistently and grossly violate human rights. Even where they do such we give an exemption if that assistance is directly and specifically used in programs which serve the basic human needs of the citizens of such country which government has grossly and consistently violated human rights. What more flexibility does one want than that?

I think the issue here today is whether or not the Congress of the United States and, more specifically, the Senate, because the House of Representatives has already taken a position on this, shall exercise its responsibility in this area to set some parameters, some criteria, some ideal, some goal, some objective by which our representatives in these multinational organizations shall conduct themselves.

I think it is very interesting that on the floor of this very Senate this year the Senate voted 93 to 0 for the rights of Soviet citizens as we considered another measure.

So here we are not asking for a precedent; we are asking for the Senate to continue its devotion and its commitment to the principle of human rights.

Further, I think the world should know that even though we have three-branch Government we have policies, goals, and objectives that do not distinguish themselves as between the three branches.

I commend President Carter for his statements and I think Congress and most specifically the Senate should certainly support him and in so doing not tie his hands but give him this flexibility that our amendment does.

Some have argued that this language would lead to the politicization of the Banks. But the language is not a parochial, U.S. concern. It is drawn from numerous U.N. declarations dealing with human rights standards. Moreover, if recent history is the judge, the United States will not be alone among the nations of the world in its opposition to loans to repressive governments should this amendment be accepted and applied to the World Bank and the Asian Development Bank.

In Chile, for example, loans from the World Bank have been cautiously increasing since the military coup. In fiscal year 1976 a $33 million loan was made for the rehabilitation of Chile's copper industry. The loan was met by stiff political opposition from many member nations. In fact, within the Bank's own executive board, 9 of the 20 directors representing 41 percent of the Bank's voting stock either voted no or abstained on the loan. The countries they represented included such allies as Britain, France, Germany, Belgium, Holland, Austria, Luxembourg, Denmark, Norway, Sweden, Finland, Iceland—in addition to Rumania, Yugoslavia and many nations of the Middle East.

There are, of course, many worthy and innovative projects funded by agencies such as the World Bank which are carefully aimed at improving conditions for the poorest and neediest of the world citizens. By definition in the amendment, as I indicated before, these noteworthy projects would not be affected even were there human rights violations in the recipient nation. But what is commonly neglected is how the preponderance of these funds is directed toward stabilizing the economies and thus the regimes of less developed countries, including those most noted for the repression and torture of their citizens.

The administration argues that the language of this amendment will take away needed "flexibility" in foreign policy considerations. But the provisions of this amendment are far from inflexible and give the administration ample latitude regarding determination as to which country violates the standard of this amendment, one must look for a "consistent pattern" of human rights violations. The violations must be "gross" and the human rights must be "internationally recognized" as well. Moreover, not every human rights viola-

tion qualifies—specific reference is made to especially reprehensible action such as "torture," "cruel, inhumane, or degrading treatment," "prolonged detention with charges," and "flagrant denials of the right of life, liberty, and the security of the person."

It seems clear that we are specifically making reference to regimes who hold and wield political power through repressive tactics which are totally abhorrent to our sense of liberty and human dignity. We are not talking here about minor or sporadic violations, but serious, calculated, and coordinated efforts by the state to suppress or destroy all vestiges of democratic principle.

But even if a country is found to be a gross human rights violator, there is a broad exception, permitting U.S. support for the loan if it "is directed specifically to programs which serve the basic needs of the citizens of such country." Again, this specific consideration is determined by the administration. Thus, the amendment we offer today is about as flexible a language as can be advanced while still maintaining a consistent human rights policy with respect to international financial institutions.

There is far more at stake in this debate than a mere congressional versus Executive interpretation of when and how human rights should be applied to the rather substantial sums we authorize through this bill. No less than in the Vietnam era, we are today discussing a textbook case of yet another President—no matter how publicly well-intentioned—seeking maximum discretion to selectively apply foreign policy guidelines. The amendment offered today, on the other hand, seeks to place the Congress firmly on record as opposing the growth of torture and suppression worldwide through the application of consistent and reasonable standards.

Mr. President, these are complex times. It is perhaps understandable that, faced with administration pressure, some of my colleagues would hesitate in involving the Congress directly in the human rights issue. Perhaps, caught in an increasingly interdependent role among nations, we have become too preoccupied with the present. In the rush of day-to-day life, we may have come to believe that our ultimate national goal is simply to keep alliances intact, the flow of trade free, the diplomatic channels open, and the raw materials necessary for industrialization systematically moving. It may be too much to ask an industrialized nation plunging headlong toward the 21st century to recall the promise our forefathers held out to the oppressed and the tyrannized not only in this country, but throughout the world.

Our Nation's centuries-old commitment to human freedom and dignity can be reaffirmed today. This debate is on our willingness to clearly state, and then act upon the principles which created a nation 200 years ago and have sustained it through turmoil, uncertainty and revolution. As Secretary of State Vance has said:

We risk paying a serious price when we become identified with repression.

As my colleagues must surely be aware, the "price" to which the Secretary refers is our national honor. And beyond this, we today extend principles of human rights which have been both recognized and applauded by the United Nations and its members. If we back away from the positive steps we have taken we surely serve to strengthen the very tyrannies we abhor.

Mr. President, no one is so blind as to believe that, by an act of Congress, we can make perfect a deeply troubled world. We do not ask today for that which is beyond the power of men to provide. But through this action we can at least insist that the millions we spend will not go toward sustaining those who would hold power through the institutionalization of terror and violence. We can at least refuse to become accomplices to these crimes against both the human spirit and the very ideological foundations of this Republic. I ask colleagues today to make clear to the world our willingness to stand once again for the ideals that have sustained this Nation throughout its history and even today remain the truest hope in civilized man's constant struggle against tyranny and oppression, to remain constant to what we have already declared in this Senate on numerous other occasions.

Mr. President, having concluded my remarks related to the amendment, I wanted to bring to the attention of colleagues two informative documents which bear on the discussion today.

I first ask unanimous consent that a recent letter sent to Members of the Senate by Congressman BADILLO, who recently returned from a meeting of the Inter-American Development Bank, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.

DEAR COLLEAGUE: Early this week, the Senate will vote on H.R. 5262, the bill authorizing increased participation by the United Statets in the international lending institutions, such as the World Bank.

As you are probably aware, one of the major debates surrounding the bill is the kind of human rights language it will include. As you may know, I authored an amendment that has been included in the House-passed version of the bill. It mandates that the U.S. representatives to the Banks vote "no" on any loan to a country engaging in a consistent pattern of gross violation of the human rights of the citizens of that country unless the loan is going directly to serve the basic human needs of the citizens of that country. The House bill also contains language similar to that incorporated into the Senate bill that urges the U.S. representatives to the Banks to seek to channel assistance to those countries that are not in violation of the rights of their citizens. My amendment will be offered in the Senate by Senators Abourezk and Hatfield, and I urge you to support it. I think that the two provisions taken together, one that gives us the opportunity to reward those countries that honor the rights of their citizens, the other the responsibility to say "no" to those countries that do not, provide an excellent standard for our policy in this increasingly critical area.

I have just returned from the meeting of the Inter-American Development Bank in Guatemala that was attended by Secretary of the Treasury Blumenthal, and it has given me the opportunity to see firsthand just what the value of the "no" vote can be. I was impressed by the Secretary's commitment to our country's human rights policy, and his ability to negotiate and maneuver within the framework of my language, which already applies, through the Harkin Amendment, to the Inter-American Bank. One of the arguments that has been used by the Administration against the "no" vote is that it leaves our representatives to the banks with a lack of flexibility. It was quite obvious in Guatemala that this is just not the case, and, in fact, the opposite appears to be true. I was present at discussions with representatives from Argentina, Uruguay and Paraguay, and it was quite evident that we were able to say "Look, we have the power to use this 'no' vote if you do not begin to do something about your human rights policies." It was clear to me that even the threat of the "no" vote has significant value.

Let me give you one example of its potential effectiveness: El Salvador had applied for a loan from the Inter-American Bank for a hydroelectric plant. As you know, since the February elections in that country, there has been a pattern of arrests and torture that is considered to be in violation of the citizens of that country. El Salvador is not, at this time, planning electrification for the houses for the poor, but for industrial purposes, which will reach a very small percentage of the neediest people of the country. The State Department decided, in light of the language, to vote "no" on the loan. El Salvador, knowing that the loan is in trouble, has withdrawn its application. This happened because the State and Treasury Departments were mandated by law to take this approach. It can only wonder whether our decision would have been so readily forthcoming if the law were not so strong.

Another argument that has been used against this amendment is that our "no" votes are not taken seriously, and our human rights posture at the meetings of the various banks is not shared by other countries. Several weeks ago, at a meeting of the World Bank, a loan to the Philippines was about to be discussed. The day prior to the meeting, a leader of the opposition to the Marcos government was arrested. At the meeting, the Canadian representative asked for a postponement of consideration of the Filipino loan. The United States made representations to the Filipino government as to the status of the prisoner, and wtihin three days, the prisoner was released. The following week the loan was considered. I strongly believe that our position is not only being shared increasingly by many of our friends, but that we can only gain from solidifying our commitment to a forthright human rights policy.

And that is why I urge you to vote for the Abourezk-Hatfield amendment to H.R. 5262. President Carter has made a bold policy statement about human rights. It is incumbent upon the Congress to give the commitment teeth. It would be unfortunate if we were perceived abroad as saying one thing publicly, and doing another through our laws.

Thank you for your consideration and support.

Sincerely,

HERMAN BADILLO,
Member of Congress.

Mr. HATFIELD. As colleagues are aware, Mr. BADILLO got a first-hand look at the positive manner in which the language we discuss today can be applied in practice. The Congressman witnessed consideration of loans to a number of nations by the U.S. representative to the Inter-American Development Bank whose vote, as a result of action by the

last Congress, is governed by the identical language we are today trying to extend to the other international financial institutions. Congressman BADILLO saw nothing of the "inflexibility" which we hear so much of in theory and see so little of in practice. Indeed, the Congressman found the Harkin language extremely helpful in helping to influence El Salvador from officially submitting a loan which had little bearing on direct assistance to the poor. He also points out that the Canadian Government, by emphasizing the same human rights concerns in connection with a pending loan through the World Bank, was instrumental in the release of a political prisoner in the Philippines. Actions of this type are singularly meaningful in terms of anticipating the success by which we can apply the principles we discuss today.

Finally, I also bring to the attention of colleagues a recent study prepared by the Center for International Policy, which documents preliminary staff recommendations of the World Bank for the distribution of loans in fiscal year 1979. Of the total estimated loans of $9 billion nearly a third—or $2.9 billion—are scheduled to go to 15 of the most repressive governments in the world. Four of these governments—Argentina, Chile, Ethiopia, and Uruguay—have had their bilateral aid cut by President Carter or by Congress because of human rights violations. Yet these four governments are scheduled by this study to receive $454 million in loans from the World Bank—well over half of which—or about $260 million—cannot be related directly toward serving the basic needs of the poor.

In addition, the working paper reveals that World Bank loans to countries that have newly become repressive in the 1970's will rise more than twice as fast as those to all other countries. Loans to countries which have experienced military takeovers or martial law since the early 1970's will rise from an average total of $90 million a year in fiscal year 1971–1973, when the countries were still democratic, to $664 million a year in projected fiscal year 1979 loans. This dramatic, sevenfold increase, as outlined in this document, contrasts starkly to the threefold average increase to other nations receiving loans from the World Bank.

These figures have been drafted even as President Carter has done his best to stress human rights in foreign policy. With these future trends in sight, I ask that the Senate today give its closest consideration to whether it wishes to abrogate total congressional control over the increasing billions we are to spend through such international financial institutions as the World Bank.

Mr. HUMPHREY. Mr. President, hopefully I will not need to use up all of our time on this amendment.

I shall make one or two further observations.

First of all, let me once again say that the work of the Senator from Oregon (Mr. HATFIELD) and the Senator from South Dakota (Mr. ABOUREZK) in the field of human rights, in matters of international relations as well as domestic policy, is to be highly commended.

We know the sincerity of their purpose and also the efficacy of their actions, and I say that with complete sincerity.

I think what we are discussing here is which is the better way of enhancing the cause of human rights? We are not talking about the bilateral aid program. In the bilateral aid program we have even strengthened the language on the human rights field. That is where we have complete control over the loans and the grants of funds that are appropriated by Congress.

Now we are talking about in a different milieu, a different environment, namely, the World Bank, the Inter-American Development Bank, the International Development Association, the African Development Fund, and the Asian Development Bank. These are the international financial institutions, along with the International Finance Corporation. Assigned to each of these bodies is a Director from the United States of America.

Under the language that is proposed in the amendment, that Director would automatically be required to cast a "no" vote in every instance where there can be ascertained that a country has violated internationally accepted standards of human rights.

I might add that the Senator from Oregon is not quite sure what those standards are because he has an amendment, if I may call it to our attention which I imagine he will offer, that says:

> The Secretary of State and the Secretary of the Treasury shall initiate a wide consultation, beginning with the industrialized democracies, designed to develop a viable standard for the meeting of basic human needs and the protection of human rights.

So there is even some doubt as to what are the standards. But at least in our own State Department, in our own Government, we have set up a mechanism for evaluating the respect that countries have to what we believe are acceptable human rights and the guarantees to those human rights that should be established.

The Senators from South Dakota and Oregon want to have our representatives to the banks instructed to vote "no" immediately, so that that is known before anything else takes place that there will be an American "no" vote.

I do not think that enhances it. I do not think it enhances the advancement of human rights. I think it breaks the dialog. I think it breaks the communication.

What do we offer in the committee bill? It has been talked about as a toothless provision. I do not think it is toothless at all because it has everything in it that the Abourezk-Hatfield amendment has and more.

For example, the Secretary of the Treasury shall instruct—it did not say "may advise"—it says shall instruct the U.S. executive directors to the respective banks. Instruct them to do what? The Secretary of the Treasury shall instruct the U.S. executive directors to use the voice and the vote of the United States to endeavor to advance the cause of human rights to include seeking to channel economic assistance to governments other than those which engage in a consistent pattern of gross violations of internationally recognized human rights, and then we list out such as torture or cruel, inhumane or degrading treatment or punishment, et cetera.

Mr. President, our officers of the Bank shall be instructed to use their voice, their persuasive powers, the influence of this country, the voting stock of our country, yes, to use their voice and vote to advance the cause of human rights.

But it does not put us in chains. The language of the Senate bill does not send our Director in there with a sign on his back: "Today I am here to see you. I vote 'no.'"

That would be exactly like discussing issues here in the Senate and having our constituents back home say: "Don't think, Don't listen; Don't talk, Don't try to make any understandings; Don't try to advance anything. Just vote 'no.'"

Sometimes, of course, that is a safe way to just vote "no."

But I am here to tell Senators that is not the way we make progress. Diplomacy is a persevering business.

I remember a certain gentleman who used to say that you can tell the fellow to go to the hot spot, but it is difficult to make him go.

And what we say, so to speak, in the Abourezk amendment is we tell the World Bank "no," but we do not talk, we do not communicate, we do not argue, we do not try to bring in the finance officer of the country seeking the loan, the Prime Minister of the country seeking the loan, the president of the country seeking the loan and say: "Wait a minute. You need that loan. Well, listen. Let us see if we cannot do a little something about your human rights violations down there."

That is done suddenly. It is done frequently in closet, so to speak. It is done behind the scenes.

Surely we flatter ourselves that by being able to say "vote no," that gives us 100-percent human rights credentials. It proves we are pure, but it does not prove we are effective.

It is like legislation in this body; you can come in and demand all or nothing, and you generally get nothing. Or you can come in and say, "I am going to do the best I can," and you are going to make progress. I believe that is the way it ought to be done.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HATFIELD. Does the Senator not feel that this proposal is like the Harkin amendment?

Mr. HUMPHREY. In the Inter-American Development Bank. But may I say that the World Bank, IDA, the International Finance Corporation, and the Asian Development Bank never had any special requirement such as the Harkin amendment.

Mr. HATFIELD. Did the Harkin amendment prevent any loans in Chile from the Inter-American Bank?

Mr. HUMPHREY. It is my impression, from the information I have received and the testimony our committee received from the director of our Human Rights section in the State Department, Pat Derian, that we had reason to believe we would have been better off in the Inter-American Development Bank and any other effort if we had had the language we have in the Senate bill.

No one has marched up the line more often than I to demand totality of performance in human rights. If I have anything I can point, it is that.

But my question is, how do we advance the cause of human rights? Our provision in this bill gives the Secretary of the Treasury, acting for the President, acting for our Government, the power to instruct our delegate to vote "no," if that is the best way to do it. It gives him some flexibility and some options. But what the amendment before us, the Abourezk amendment, says is that there are no options, there is no flexibility; just vote "no." I submit that that makes a good stump speech, but not good policy.

Mr. ABOUREZK and Mr. MOYNIHAN addressed the Chair.

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. MOYNIHAN. Mr. President, I think the Senator from Minnesota may be the one person who can, by standing in this Chamber, attest to the example for human rights his life has been, to this Nation and to the world. I congratulate the Senator on what he properly deems to be the first formal enactment in a statute of the United States committing ourselves and the use of our influence through these financial institutions to that cause.

I would like to say that I support it completely. I have done this in the past, as I have come to him for counsel when I served as Ambassador to India and as permanent representative to the United Nations.

I would like to ask the Senator one clarifying question, and then make a point.

In the report of the committee, there is reference to the absolutely magnificent speech at the United Nations on March 17, in which the President noted, and accurately, that no member of the United Nations can claim that mistreatment of its citizens is solely its own business, because under the United Nations charter the members have pledged themselves to observe and raise basic human rights.

That charter was the work, in the main, of British and American constitutional lawyers in the year 1944, and the meaning of "fundamental human rights," as used in that charter, is clearly discoverable.

I would ask the Senator, does he not understand that by that term we refer to the notion of not just negative freedom, freedom from torture and imprisonment, but positive freedom, freedom of speech, freedom of assembly, and freedom to participate in the political process?

Mr. HUMPHREY. The Senator is absolutely right.

Mr. MOYNIHAN. Absolutely right?

Mr. HUMPHREY. Correct.

Mr. MOYNIHAN. I think that is a very important thing the Senator has said. I knew he would say this, but I would like it to be on the record that we are not just talking about torture and cruel and inhuman punishment, negative freedoms, or "freedom from," but about "freedom to": freedom to speak, freedom to assemble, freedom to worship——

Mr. HUMPHREY. Freedom of movement.

Mr. MOYNIHAN. Freedom of movement, and freedom to partake in the political process.

Mr. HUMPHREY. And to those freedoms that were referred to in the Helsinki Agreement.

Mr. MOYNIHAN. That is right. Only some; freedom of movement in particular.

But the record of this historic session should include that it is the political freedoms of which we complain. Now, I would like to say something to the Senator which cannot fill him with any great pleasure. The Senator speaks of progress, and I hope to see continued progress. But there are, I suppose, about 155 political jurisdictions in the world, of which perhaps 110 receive some form of assistance from these various international institutions. About that number.

Without asking the Senator to volunteer, would he accept as an approximate, not very distantly inaccurate statement, that of the approximately 110 jurisdictions, including nations, that receive aid from these international institutions, probably no more than 20 would meet the international standard of human rights?

Mr. HUMPHREY. The Senator is so right.

Mr. MOYNIHAN. Unhappily so.

Mr. HUMPHREY. Unhappily, democracy as we know it is an endangered species.

Mr. MOYNIHAN. Is an endangered species; and of those that do, they are the smaller units, with the exception of India.

I conclude with this point: Is it not the case that if the very well-intentioned amendment before us were to be adopted, it would commit the representatives of the United States to an almost totally negative position; they would have to vote "no" on 95 percent of the measures that came before their boards?

Mr. HUMPHREY. They would have to vote "no" on a very substantial portion, that is correct.

Mr. MOYNIHAN. They would have to vote "no, no, no," because there are only a handful of developing countries, such as receive this aid, which would meet the standard.

We hope they will. Only a few are brutal and hopeless. Many are in-between, and our encouragement is important. We would like to think that economic development would bring them more toward us than away. It is an unsettled issue, but it is a part of the belief with which we established these institutions in the first place.

Therefore, certainly, if this amendment were agreed to, we would not be adopting a measure which would be sparingly and infrequently used. To the contrary, I ask the Senator finally, would it not commit us to an almost wholly, total and persistent negative position in these institutions, such that we would have very little capacity to bring about improvement?

Mr. HUMPHREY. Let me just add that one of the objectives that today predominates in the Foreign Relations Committee's positions is that the director shall take into consideration the extent to which the economic assistance provided by the above institutions directly benefits the needy people in these countries. One of the great rights is the right to eat, the right to live, the right to have some economic benefits. This is a right.

However, if you have a mandate of "no" on the basis of what we call the established human rights which have been talked about here, we would have to vote "no" on about 75 or 80 percent of loan applications, if we were honest about it.

So we try to give our representative the flexibility to encourage and enhance the growth and progress of human rights. Some of that relates to human rights in that it gives the impoverished people some hope of an improving standard of living.

Mr. MOYNIHAN. May I say that that hope has been enhanced by the Senator's efforts.

Mr. HATFIELD. Mr. President, will the Senator from South Dakota yield?

Mr. ABOUREZK. I yield.

Mr. HATFIELD. Mr. President, I would like at this time to make sure that the record is clear about the statement made by the Senator from Minnesota that this amendment would put our representative in chains. I might remind the Senator from Minnesota that under the present Harkin amendment, there were three loans through the Inter-American Bank, on which, in two instances, our representative voted "yea" and in one instance he voted "nay."

He, in other words, demonstrated that under the Harkin amendment, of which our amendment is basically a duplication, it was flexible enough to exercise judgment. So it does not put the American representatives into any inflexible position.

I would reiterate one other point. That is simply that even where there is gross and consistent violation of human rights under our amendment, the American representative on these various international bodies can still vote for a project if that project goes directly to meet human needs.

I think there is an example, again, of the flexibility within our amendment which was deliberately so constructed. I just want to make the record on that particular point.

Mr. ABOUREZK. The language Senator HUMPHREY said was in the original bill is also in the amendment, which allows that kind of flexibility on the part of the administration.

There is a problem of people of the country applying for a loan needing to eat, as Senator HUMPHREY said. This language in this amendment allows that.

I do not subscribe to the theory that we are putting anybody in chains. In a

sense what we are trying to do is get some of them out of chains.

We are not talking about the head of the World Bank or anybody else. We are talking about trying to influence governments, those which really sorely oppress their own people, in an effort to get them to change. They cannot be influenced if the United States might see some other purpose in going ahead with the loan. They certainly will see a number of other purposes if they are not mandated to make the negative vote in the international monetary institutions according to this language.

Mr. MUSKIE. Mr. President, the Abourezk-Hatfield amendment to H.R. 5262, the Multilateral Development Institutions Act, would place an affirmative requirement on the U.S. representatives of the international financial institutions to vote against any loan to a country with a "pattern" of human rights violations unless such a loan served the human needs of its citizens.

It is an attractive sounding agreement. As a Nation constituted on the rights of individuals, the United States should not perpetuate or institutionalize repressive regimes which can maintain their power only by preventing the free expression of opinion by their own citizens. We should stand squarely for the rights of all people.

I believe it is long past time that we sold our philosophy of government articulately and effectively.

Nonetheless, I will vote against the amendment; not because I have any doubt about the importance of human rights, but because I do not believe this amendment will help secure those rights.

Only a fortunate fraction of the world's population lives under democratic government today. Most of the world's people are subjected to varying degrees of authoritarian rule: They are subject to the caprice of arbitrary edict, indiscriminate arrest and imprisonment, and censorship. They are placated by fictitious or unenforced political rights. But they suffer official corruption and in some cases outright terrorism. The inevitable burdens of closed government are well known. I will not belabor them.

In the face of this world, we have undertaken a new offensive on behalf of individual human rights.

Congress and the new administration—in a dramatic reversal from the past—have taken up the cause of Soviet and East European dissident citizens. We have spoken out against military dictatorships in Latin nations.

But this offensive is more than a drive against Soviet oppression or military rule. The human rights issue is worldwide.

The United Nations 29 years ago, in response to the leadership of Eleanor Roosevelt, adopted the Declaration of Human Rights. We are working to give new force to the principles of that declaration.

We recently moved to comply with U.N. sanctions against Rhodesia. Congress repealed the Byrd amendment that allowed importation of Rhodesian chrome ore. We are supporting other U.N. efforts to secure majority political rights throughout Southern Africa.

But human rights involve far more than political freedom. Without the basic right to adequate food, shelter, education and health, the right to free political expression is an empty one indeed.

We Americans too often forget that for the vast majority of the peoples of the world, these basic rights are simply not being met. The announcements of breakthroughs in "green revolutions" and disease eradication can sometimes blind us to the continuing physical deprivation which is the reality of life for well over half the world's people. How valid is the right to political expression for a woman with hungry children, a jobless husband and no food for the morrow? What priorities must such people face? But the entire thrust of the Abourezk amendment would be to make political rights a priority over every other need.

Language in this bill and other U.S. aid laws already stresses human rights concerns and makes them a part of U.S. policy. Existing language permits votes against loans to increase security police forces, for instance. The amendment would give no power to our representatives that they do not already have.

This administration has demonstrated no lack of good faith on human rights policy issues. In fact, the administration has earned some setbacks through its reiterated and clear support for human rights. Yet there is no evidence that these setbacks have moderated its commitment to the cause.

The administration does not support this amendment. The administration maintains that there is a need to retain flexibility in the U.S. bargaining position which the affirmative requirements of this broad language would negate. Our representatives should not in every instance be tied by congressional language. It seems to me that one way we can insure that the needy people of the world who also happen to live under authoritarian regimes are not worse off than they are already is to allow our representatives to use their judgments on a case-by-case basis when voting loans or assistance.

I am also concerned that the inadvertent effect of this language will be to provide a tool to those who oppose U.S. assistance programs to chip away at the level of our involvement in the international financial aid programs. This language passed the House with the support of many Members whose position on U.S. assistance programs has been one of opposition for many years. While no man can judge the intentions of another with certainty, it would be foolish to ignore the fact that some of the support generated for this amendment is predicated on the assumption that it will provide a means by which the U.S. commitment to developmental aid may be reduced. This is not, I know, the purpose of the amendment's sponsors. But it could well be the result.

It seems to me that we have an obligation in Congress not only to support policy directives which show the good intent of Congress, but to make certain that our policy directives will accomplish that intent. We have too often passed well-intentioned legislative language which has had counterproductive consequences. We should not do so in this case, where an active U.S. role can do so much to effect peaceful change in the developing world as we enter the last third of this century.

Mr. ROBERT C. BYRD. Mr. President, would the Senators be willing to yield back the remainder of their time and vote now?

Mr. HUMPHREY. I am willing to yield back whatever time we have.

Mr. ABOUREZK. I am willing to yield back the remainder of my time.

Mr. HUMPHREY. Has the Senator asked for the yeas and nays?

Mr. ABOUREZK. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), and the Senator from Minnesota (Mr. ANDERSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON) would vote "yea."

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "nay."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Utah (Mr. GARN) are necessarily absent.

The result was announced—yeas 43, nays 50, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—43

Abourezk	Dole	McClure
Allen	Durkin	McGovern
Baker	Goldwater	McIntyre
Bartlett	Gravel	Melcher
Bentsen	Hansen	Packwood
Brooke	Hatch	Proxmire
Burdick	Hatfield	Riegle
Byrd, Harry F., Jr.	Hayakawa	Roth
	Heinz	Schweiker
Church	Helms	Scott
Clark	Huddleston	Stafford
Culver	Laxalt	Stevens
Curtis	Leahy	Thurmond
Danforth	Lugar	Weicker
DeConcini	Matsunaga	

NAYS—50

Bayh	Griffin	Metzenbaum
Bellmon	Hart	Morgan
Biden	Hathaway	Moynihan
Bumpers	Hollings	Muskie
Byrd, Robert C.	Humphrey	Nelson
Case	Inouye	Nunn
Chiles	Jackson	Pearson
Cranston	Javits	Pell
Domenici	Johnston	Percy
Eagleton	Kennedy	Randolph
Eastland	Long	Ribicoff
Ford	Magnuson	Sarbanes
Glenn	Mathias	Sasser

Schmitt	Stone	Williams
Sparkman	Talmadge	Young
Stennis	Tower	Zorinsky
Stevenson	Wallop	

NOT VOTING—7

Anderson	Garn	Metcalf
Cannon	Haskell	
Chafee	McClellan	

So the amendment (No. 396) was rejected.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, may we have order?

The PRESIDING OFFICER. We will have order in the Senate, please. Senators conversing in the aisles will please take a seat.

The Senator from Utah.

UP AMENDMENT NO. 425

Mr. HATCH. Mr. President, I was disappointed to see that amendment fail, but I have a similar amendment which I think may close some loopholes.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, does the Senator have an amendment to call up?

Mr. HATCH. Excuse me.

Mr. President, I call up my unprinted amendment No. 425, which is already at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes an unprinted amendment numbered 425.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, beginning with line 2, strike out all through line 16, and insert in lieu thereof the following:

SEC. 701. (a) The President shall instruct the United States Executive Director of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, and the Executive Director representing the United States at the African Development Fund to vote against any loan, extension of financial assistance, or technical assistance to any country which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhumane, or degrading punishment or treatment, prolonged detention without charges, suppression of the right to emigration, or other flagrant denial of the right to life, liberty, and the security of person.

On page 16, strike out lines 23 through 25.

On page 17, line 1, strike out "(3)" and insert in lieu thereof "(2)".

On page 17, line 4, strike out "(4)" and insert in lieu thereof "(3)".

On page 17, line 12, strike out "consideration" and insert in lieu thereof "great weight".

On page 17, line 17, insert immediately before the period a comma and "Amnesty International, and the International Commission of Jurists".

At the bottom of page 17, add the following:

(e) In particular, the United States Executive Director to each such institution and the Executive Director representing the United States at the African Development Fund shall oppose by voice and vote any direct or indirect financial assistance to Cambodia, Cuba, Laos, Vietnam, at least until such time as any such country permits unimpeded investigation of alleged violations of internationally recognized human rights by such appropriate international organizations.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield to me briefly?

Mr. HATCH. Certainly.

Mr. ROBERT C. BYRD. Mr. President, the leadership hopes to complete action on this bill tonight. There remain several amendments to be disposed of. I wonder if we could get a reduction in the time on some of those amendments at this time.

Would the Senator be willing to settle for 30 minutes rather than an hour on this amendment?

Mr. HATCH. I believe we can do it.

Mr. ROBERT C. BYRD. Mr. President, 30 minutes, equally divided, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, the subject of human rights has become a very prominent one in recent years. Especially with the relatively large emigration of dissidents from the Soviet Union—and some from other Communist countries—the world's attention has been drawn very much to questions of the political treatment of individuals by their own governments. A number of Soviet dissidents have passed through Washington recently, and, as we have all noted, President Carter saw fit to receive one of the most fearless of them, Vladimir Bukovsky, at the White House. President Carter has repeatedly emphasized his commitment to the cause of human rights around the world. I believe this is a cause which, at least in principle, people of all political persuasions except totalitarians can applaud. I certainly do, and it is to this problem of human rights that my amendment is directed today.

An initial question to be resolved, of course, is that of defining what "human rights" are. I suppose this is a situation in which we all think we can recognize one when we see it, but we have a little difficulty in coming to agreement on what the basic human rights are. The language of my amendment, in part, seeks to address this question, and adopts language which has by and large been used in other legislation on human rights.

First of all, we affirm that the individual has an inherent dignity which must not be abused. Those of us who believe in a Creator who brought all humanity into being are persuaded that God himself has invested man with that dignity. Others may not agree with this derivation of human dignity, but all believers in human rights do agree in its existence, whatever its source may be. And if man has this dignity the deliberate degrading and desecration of the individual human being is an offense against all of humanity. Brutality against an individual is shocking enough when it is inflicted by a criminal—and by the way, one of the objections to the present criminal justice system in the United States is that a criminal's offense against human dignity is deemphasized, while the system is excessively concerned with the criminal's dignity. But such brutality is intolerable when a government—which purports to exist for the good of the people it governs—engages in systematic brutality against its citizens. That is why my amendment forbids "torture, inhumane or degrading treatment or punishment." The torture of a human being is in fact one of the most degrading things which can be done to individuals, and Governments which encourage or condone it should become pariahs in the community of nations.

Aside from defending the dignity of the individual my amendment also seeks to provide some protection for the individual as he may seek to participate in the political process in his country. Prohibition of "prolonged detention without charges," something which is usually done with political prisoners rather than criminal prisoners, provides minimal protection. Indeed, it may be desirable in the future to define political rights so as to condemn governments which, even if they present charges and bring an accused to public trial, imprison or execute their citizens who stand accused of nothing more serious than critizing the government, or government officials. And we should be very careful to distinguish this sort of "political offense"—the exercise of at least a limited right of free speech—from political offenses of quite another sort such as those offenses committed by terrorists or saboteurs, or those who plot or act to overthrow the government by force and violence. A government does have the right to protect itself against violence, and in the real world, violence can usually be countered only with force. We should, therefore, be careful in condemning governments which in effect are exercising the right of self-defense, as opposed to those who wish to suppress even intellectual dissent against their policies.

Mr. President, I have also added to my amendment a provision which I have taken from the United Nations Universal Declaration of Human Rights, which says, among other things, that the individual should be able to leave any country, including his own, at any time. This freedom of movement is essential to the protection of many other rights: if citizens truly possess this right, and if a government oppresses its citizens, then they will at least have the option of voting with their feet and leaving the country. This is one of the basic freedoms which is so lacking in the Soviet bloc, for instance. And this why we are so repelled by such monstrosities as the Berlin Wall, which is the concrete negation of the right to emigration, the symbol of the imprisonment of an entire nation, and its degradation. Speaking of the Berlin Wall, incidentally, I sometimes wonder how we in this country would react if we discovered that there existed a Federal prison in which

hardened murderers were confined behind a system of barriers which included minefields, automatic-firing weapons at body height, ferocious guard dogs, guards with orders to shoot on sight? I expect that such an uproar would be raised in this country that the prision would be closed down forthwith. And yet we close our eyes to an entire nation of innocent people imprisoned behind such barriers simply because, if they were not, they would exercise their basic human right to leave any country, including their own.

There are those who, in discussing the problems of human rights, make the argument that if a people exist in abject poverty and misery, the concept of human rights has no meaning. And there is a superficial plausibility to this argument, for it is true that a human being starving or dying of disease has little use for some of the human rights I have enumerated, and probably little enough interest in them either. Yet economic prosperity and human rights are by no means one and the same thing. My speaking today in favor of human rights does not at all mean that I do not wish to see the impoverished peoples of the world achieve a proper level of prosperity, and the human dignity that often, though not always, accompanies it. And yet, I suggest, there is a direct connection between a society's concepts of human rights and the economic prosperity which it enjoys. It is not always invariable, but a society which truly believes in the dignity and freedom of the individual will also establish an economic system which brings the greatest benefit to the individual. A society which negates the rights of the individual, on the other hand, will often establish a collectivist economy which brings neither dignity nor economic prosperity to the individual. We may see this, for instance, in the People's Republic of China, where an extreme, forced draft, collectivist economy has failed to bring prosperity to China's citizens, but at the same time has crushed and destroyed their human rights, to the point where hundreds of Chinese are willing to risk and suffer death to escape from the "prison" of the mainland.

Mr. CURTIS Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CURTIS. Does the Senator agree that for a nation or a government to have credibility in the field of human rights, those rights must not be selectively applied? Is not one of the basic human rights that all people have their basic human rights, rather than to take a position of selective application of such a doctrine?

Mr. HATCH. I agree with the Senator.

Mr. CURTIS. To those of us who voted for the previous amendment, how will we further the cause of human rights by voting for the Senator's amendment?

Mr. HATCH. No. 1, my amendment specifically mentions the suppression of emigration by a country; that we should not be fostering or giving foreign aid to a country that suppresses emigration, because if people cannot stand the lack of human rights in that country, they should be able to leave, pick up, and walk out. That is a considerable difference from even the prior amendment.

Second, I do away with the loophole in the prior amendment, which is directed specifically to programs which serve the basic needs of people. I think that is a loophole. If human rights are denied by that country, we should stand up and stand as a bulwark against that country's lack of human rights.

Third, we add in our amendment that great weight and consideration should be given with regard to an international inspection, rather than just consideration—that great weight should be given to determining whether or not the particular country has allowed international inspection.

Last, but not least, I am suggesting that we actually oppose by voice and vote any direct or indirect financial assistance to four countries—Cambodia, Cuba, Laos, and Vietnam—at least until such time as any such country permits unimpeded investigation by appropriate international organizations of alleged violation of internationally recognized human rights.

Mr. CURTIS. I believe that is very important.

I believe that a great many Americans have applauded the words and actions of President Carter in what he has said about human rights; but they have been left with disappointment and wonder about his failure to apply it in all places. Two of the places they mention frequently are Cuba and Vietnam, where not only human rights are denied, but also, life is snuffed out by the state, without just trial or cause.

Mr. HATCH. In Cuba and Laos, also. That is why they are mentioned in this amendment.

Mr. CURTIS. I commend the Senator, and I expect to support his amendment.

Mr. HATCH. I thank the Senator.

I suggest that we must reject the false dichotomy between economic prosperity and human rights. The two are not the same, but they are very closely interconnected.

Mr. President, I recognize that some of my colleagues may feel that a human rights amendment in legislation dealing with international economic development is inappropriate, that it constitutes undue interference in the internal affairs of other sovereign nations. In response to this, several points should be made.

The first is that even the most convinced noninterventionist is hard pressed to ignore extreme violations of human rights in other countries. The logic of history is such that a tyrant who succeeds in trampling upon the rights of his own citizens without protest from other nations soon becomes equally contemptuous of the rights of other nations and, therefore, may be tempted to engage in aggressive adventures. A shameful example of this in the past was our unwillingness to intervene in Germany for the rights of the Jewish population, which led not only to the holocaust but surely contributed to the most destructive war of modern times. Whether we like it or not, in an age of mass communications we must be ever more concerned for the rights of citizens in other nations. Our own rights eventually may depend upon our concern for the rights of other people across national borders.

A second consideration is that, in forming the United Nations and in agreeing to such treaties as the Helsinki agreements, nations have in fact conceded that human rights are a matter of international concern. Some nations no doubt made this concession merely as a cosmetic affair, not expecting it really to be troublesome, but the fact remains that the concession has been made, and the principle of international concern established in relations between nations.

A third consideration is that the United States has already imposed several conditions on our agreeing to the offering of financial aid through multinational lending institutions. One of these, the Gonzalez amendment, provides that the United States shall oppose loans to countries which expropriate the property of foreign nationals without compensation. The Long amendment requires us to oppose loans to nations which have detonated nuclear devices. And policy on human rights has already been set in previous legislation; policy which requires us to take into account the record of a particular country on human rights in voting on financial assistance to that country. So the policy has already been set for establishing certain conditions upon our agreeing to financial aid through multilateral international financial institutions. My amendment simply continues the policy line which is already established.

There is another argument to be made about "intervention" in another nation's affairs with amendments such as this. A nation which applies to an international financial institution for a loan—and in the cast of IDA, for what is effectively a grant—places itself in the position of a requestor, and by implication at least is willing to accept certain restrictions upon its freedom of action. If it finds such restrictions too much to stomach, it has the option of not applying for assistance. Certainly if the donor nations are to give, they have the right to impose certain conditions on loans and grants and expect compliance by recipient nations. My amendment would add human rights as one of those conditions.

Mr. President, some spokesmen for the administration and others have argued that human rights amendments deprive the United States of necessary "flexibility" in dealing with other nations. Actually, this is a variant of the "quiet diplomacy" doctrine so rife in the State Department. To be sure, "quiet diplomacy" often has it uses, but in my judgment in the area of human rights it is entirely preferable for the Congress to take a public and definite stand. There always seems to be a good deal of flexibility in the implementation even of clearly enunciated policies. If we err in this instance, let us err on the side of human rights rather than of diplomatic

flexibility, which ordinarily seems to result in defeats for the interests of the United States.

The amendment I am offering differs substantially from the Hatfield-Abourezk amendment in that it deletes the exception for projects which will directly benefit the people of a country. I offer this deletion after much deliberation, and with the belief that the exception is in fact such a large loophole that it negates the intent of the human rights amendment to a very large degree. Any government with much intelligence can manage to formulate loan applications in such a way as to make it appear that the loan funds would benefit their populations directly. Then they can use funds freed by such new loan assistance to pursue their policies which may be along the lines of further violations of human rights and the oppression of their citizens. Certainly, I think that if there were any modification of this policy, it should state that financial assistance provided to a country which violates human rights should only be channeled through nongovernmental institutions, if it can be shown that such projects benefit the people directly. If there are no nongovernmental institutions capable of receiving such loans, then financial assistance should not be extended.

Mr. President, some of those who are unhappy about human rights amendments argue that they are largely ineffective in achieving their objective of protecting human rights. Since we lack a veto in all but one of the international financial institutions, the argument goes, loans for the most part are made without reference to our opposition: we can oppose and vote against all we wish, but the loans will be made anyway.

To this, two answers may be made. The first is that, even if this observation is entirely valid, we still must adopt an appropriate stance on the issue of human rights. We need not agree that everything should be done by consensus. A wrong action may be taken, a bad decision may be made, but there is absolutely no reason why we should assent to it for the sake of a pleasant unanimity. And today's minority may well become tomorrow's majority. The important thing at this stage is to formulate the policy carefully and to set it in place.

Second, if in fact our policies toward the international financial institutions are ineffective as they are now implemented, we must seek methods of enforcing it in the future. Clearly the most effective way is, through the power of the purse, and I hope in the future to offer some ideas on ways in which U.S. financial support for international financial institutions may be keyed to the degree in which those institutions support our points of view on such matters as expropriation and human rights. Such organizations as IDA are free to ignore and reject our policy positions, but they would be free to do this as well with reduced contributions from the U.S. taxpayer.

Mr. President, my amendment also contains a section directing the U.S. representative to the various international financial institutions listed in the bill to oppose financial assistance to Cambodia, Cuba, Laos, or Vietnam, if those countries should request assistance from any of these international financial institutions.

The purpose of this addition to the amendment is to designate certain nations which—at least at this time—appear to be in violation of the human rights provisions of my amendment. Indeed, the present governments of these nations are based upon the systematic and fundamental violation of human rights. They do not permit independent inspection of conditions within their countries. It may very well be that some of these nations, such as Cambodia, may never request financial aid from any of these institutions. Nevertheless, it is well for us to be on record as saying that if a government such as the current Cambodian regime—which indulges in the most systematic, far-reaching, and frightful violations of human rights—were to request assistance, it would be refused. The world should know of our position on such issues as these, and it is the intent of my amendment to make that position clear.

I urge all my colleagues to vote for this amendment.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. SASSER). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Minnesota has 15 minutes remaining.

Mr. HUMPHREY. I yield such time as may be necessary to the Senator from New Jersey.

Mr. CASE. Mr. President, I think that the committee would be obliged to oppose this amendment on the same grounds, broadly, as it opposed the just defeated amendment by Mr. ABOUREZK and Mr. HATFIELD.

I have listened with the greatest understanding and sympathetic agreement to everything that the Senator has said. His position in regard to the kinds of breaches of human rights that he described does him credit and is entirely in accordance with the best traditions of this country. There is no question about that.

The only problem is, what is the best thing to do about it in these circumstances? I feel very strongly that it is much better that we handle it by the mechanism set out in the committee bill than by the kind of provision the Senator has suggested in his amendment.

So, for the same reasons, I think we should say "no" to this amendment. The matter, of course, will be in conference. If refinements to our amendment can be proposed in the meantime, we will be glad to consider them. I believe we had better go with the committee language.

Mr. HATCH. Mr. President, a parliamentary inquiry. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HUMPHREY. Mr. President, an amendment similar to this was brought up in the other body. I believe it was defeated by a majority of more than 15 votes.

Much of this amendment already has been discussed and voted upon in the Abourezk amendment, the first part of it. The second part of it, for all practical purposes, is the same, except that it lists certain countries.

Mr. President, I yield back the remainder of my time. We will have a rollcall vote.

I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

Mr. HATCH. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Montana (Mr. METCALF) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Missouri (Mr. DANFORTH), and the Senator from Utah (Mr. GARN) are necessarily absent.

The result was announced—yeas 58, nays 34, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—58

Anderson	Hart	Nelson
Bayh	Hathaway	Packwood
Bellmon	Heinz	Pearson
Bentsen	Huddleston	Percy
Biden	Humphrey	Randolph
Brooke	Inouye	Ribicoff
Bumpers	Jackson	Riegle
Byrd, Robert C.	Javits	Sarbanes
Case	Johnston	Schmitt
Chiles	Kennedy	Sparkman
Church	Leahy	Stafford
Clark	Long	Stennis
Cranston	Magnuson	Stevenson
Culver	Mathias	Stone
Domenici	Matsunaga	Wallop
Durkin	McGovern	Williams
Eagleton	McIntyre	Young
Ford	Metzenbaum	Zorinsky
Glenn	Moynihan	
Gravel	Muskie	

NAYS—34

Abourezk	Griffin	Nunn
Allen	Hansen	Proxmire
Baker	Hatch	Roth
Bartlett	Hatfield	Sasser
Burdick	Hayakawa	Schweiker
Byrd, Harry F., Jr.	Helms	Scott
	Hollings	Stevens
Curtis	Laxalt	Talmadge
DeConcini	Lugar	Thurmond
Dole	McClure	Tower
Eastland	Melcher	Weicker
Goldwater	Morgan	

NOT VOTING—8

Cannon	Garn	Metcalf
Chafee	Haskell	Pell
Danforth	McClellan	

So the motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the Senator from Arizona.

The PRESIDING OFFICER. May we have order in the Chamber, please?

Mr. DECONCINI. Mr. President, I ask unanimous consent that Jerry Bonham, of my staff, be accorded the privilege of the floor during votes on the remainder of H.R. 5262.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, will the Senator yield for a similar request?

Mr. HARRY F. BYRD, JR. I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that Douglas Racine, of my staff, be allowed the privilege of the floor for all votes and consideration of this bill for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR., addressed the Chair.

The PRESIDING OFFICER. Let us have order in the Chamber, please.

The Senator from Virginia is recognized.

AMENDMENT NO. 392

Mr. HARRY F. BYRD, JR. Mr. President, I call up amendment No. 392 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.) proposes amendment numbered 392.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, between lines 5 and 6, insert the following new title:

"TITLE VIII—REPORT

"SEC. 801. (a) Not later than January 15 of each year, the President shall submit to the Congress a complete report on the total amount of United States overseas loans and grants and also assistance from international organizations from July 1, 1945, up to and including an estimate for the fiscal year in which such report is made.

"(b) This report shall include a listing of all countries which have received any type of loans or grants from the United States since July 1945 and shall also include a cumulative total of those loans or grants. This report shall also include a listing of all countries which have received assistance in the form of loans or grants from any international organization in which the United States has been a member or to which the United States has contributed and shall include a cumulative total of those loans or grants. This report shall include such summary charts as may be useful in determining the total dollar value of United States foreign aid including a summary chart of total contributions or subscriptions by the United States to each international financial institution and such chart shall delineate between paid in and callable capital.

"(c) For purposes of subsection (b) the term 'international financial institution' means the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the International Finance Corporation, the Asian Development Bank, the Asian Development Fund, and the African Development Fund.".

On page 18, line 6, strike out "VIII" and insert "IX".

On page 18, line 7, strike out "801" and insert "901".

Mr. HARRY F. BYRD, JR. Mr. President, this amendment would require the President to provide a report to Congress on an annual basis. At present, it is difficult to obtain a complete and up-to-date picture of the overall commitment the United States has made to the various international financial institutions and it is difficult to discern how much of that commitment is in the form of paid in capital and how much in the form of callable capital.

Mr. President, I call the Senate's attention to what I think is a very important report which prompts, to some extent, this amendment. I shall read one paragraph from this report.

I might say that the paragraph is from an article entitled "Foreign Aid: Evading the Control of Congress" in the International Policy Report, vol. III, No. 1, published by the Center for International Policy in Washington, D.C. Among the members of the board of advisers are Arthur J. Goldberg, former Supreme Court Justice and Ambassador to the United Nations; Philip C. Jessup, former member of the U.S. Court of Justice and former Ambassador; Charles W. Yost, senior fellow, Brookings Institution, former Deputy Representative to the United Nations; and many other prominent individuals.

This is the paragraph that I think is worth calling to the attention of the Senate:

Some 69 percent of United States and multilateral foreign aid now reaching the Third World does so without benefit of any prior Congressional review of planned country-by-country allocations. In fiscal year 1976 the Third World got $24.9 billion in direct credits, government-guaranteed loans, government-insured investments, and official debt deferments from 15 U.S.-bilateral programs and U.S. supported multilateral agencies, of which Congress debated, authorized, and appropriated country allocations for $7.7 billion, only 31 percent of the total.

Mr. President, I think it is very important that Congress have accurate information, submitted annually by the executive branch of the Government, as to just how much in U.S. tax funds is going each year to the various nations throughout the world. I might say that we are in the business of making grants in aid to more than 100 different countries, and I think it would be very desirable for the pending legislation to carry the amendment which I have presented, which would require an annual report in this regard.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. HARRY F. BYRD, JR. I yield.

Mr. HUMPHREY. I have spoken to the Senator from Virginia about the amendment. It is a very good amendment. It only indicates the Senator's deep concern over the utilization and use of these funds. I compliment him on it. I think it ought to be a part of the bill. I am only sorry I did not think of it myself. I join him in support of his amendment, and, in behalf of the committee, I accept the amendment and will fight to keep it in conference.

Mr. HARRY F. BYRD, JR. I thank the able Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I yield back whatever time I have.

Mr. HARRY F. BYRD, JR. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARRY F. BYRD, JR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CASE. Mr. President, on behalf of the Senator from Missouri (Mr. DANFORTH), I ask unanimous consent that Mark Edelman of his staff be accorded the privilege of the floor during the consideration of this bill and all amendments and votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Minnesota yield me some time on the bill?

Mr. HUMPHREY. I am sorry; I did not hear the Senator.

Mr. HARRY F. BYRD, JR. Will the Senator yield the Senator from Virginia some time on the bill?

Mr. HUMPHREY. Yes, of course.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. ROBERT C. BYRD. The Senator from Virginia has three amendments which he intends to call up, on each of which there is an hour and a half time limit.

It is the desire and intention of the leadership to complete action on this bill today. Would the distinguished Senator from Virginia be inclined at this point to agree to a reduction in the time on each of his amendments?

Mr. HARRY F. BYRD, JR. Why do we not just take up this amendment, and then we will see how things develop? The Senator from West Virginia and the Senator from Virginia can discuss it at a later hour.

Mr. ROBERT C. BYRD. Is the Senator going to call up an amendment now?

Mr. HARRY F. BYRD, JR. I will call up an amendment, yes.

Mr. HUMPHREY. Mr. President, do I understand there is 45 minutes on each side?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I would be willing to

accept a limitation on our side, may I say to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Will the Senator agree to 15 minutes?

Mr. HUMPHREY. I agree to 15 minutes on our side.

Mr. ROBERT C. BYRD. On each of the three amendments?

Mr. HUMPHREY. On each of the three amendments.

Mr. HARRY F. BYRD, JR. Is that 15 minutes for each side?

Mr. HUMPHREY. No, 15 minutes on our side. I understand the proponent of the amendment may want more time.

Mr. HARRY F. BYRD, JR. I thank the Senator.

AMENDMENT NO. 393

Mr. HARRY F. BYRD, JR. Mr. President, I call up my amendment No. 393, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.) proposes an amendment numbered 393.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, lines 11 and 12, strike out "thirteen thousand and five" and insert in lieu thereof "five thousand three hundred and seventy-one".

On page 12, line 19, strike out "$1,568,856,318" and insert in lieu thereof "$648,000,000".

On page 13, line 25, strike out "$2,400,000,000" and insert in lieu thereof "$1,575,000,000".

On page 14, line 6, strike out "$2,400,000,000" and insert in lieu thereof "$1,575,000,000".

On page 14, line 15, strike out "sixty-seven thousand and five hundred" and insert in lieu thereof "thirty-five thousand, four hundred and seventy-eight".

On page 14, line 23, strike out "$814,286,250" and insert in lieu thereof "$428,000,000".

On page 15, strike out lines 11 through 24 and redesignate subsequent titles and sections accordingly.

Mr. HARRY F. BYRD, JR. Mr. President, now before the Senate is an authorization bill, which, if passed, would provide the sharpest single dollar increase in U.S. contributions to international financial institutions in history.

This legislation, if passed, would authorize a total of $5.225 billion dollars for U.S. contributions to the World Bank, the International Finance Corporation, the International Development Association, the Asian Development Bank, the Asian Development Fund, and the African Development Fund.

Mr. President, the United States has strongly supported international development institutions since their very start in the early postwar period.

The United States, in fact, was the initial sponsor of the World Bank and most of the other institutions now in existence, and is the largest single contributor to those institutions.

The United States has contributed over $7 billion dollars to the capital subscriptions of the World Bank since its inception in 1945 and has contributed over $3.1 billion to the International Development Association—IDA, the so-called "soft loan window" of the World Bank, since its founding in 1960.

The United States has also contributed over $35 million to the International Finance Corporation—another affiliate of the World Bank.

Other international financial institutions have also received large contributions from the United States. The Inter-American Development Bank has received over $5.7 billion in U.S. contributions for its operations, with over $3 billion of that amount going through the special fund for operations, the so-called "soft loan window" of that institution.

The Asian Development Bank and its special fund have received almost three-quarters of a billion dollars from the United States. The African Development Fund has received $15 million of an authorized $25 million contribution from the United States since its founding in 1976. The Carter administration now proposes a sixfold increase in the U.S. contribution to this Bank.

The people of the United States have clearly been more than generous with these institutions with the U.S. contribution now totaling over $15 billion.

Furthermore, over the past 15 years or so the United States has steadily increased its level of contributions to these institutions, as have other countries, and the international financial institutions have undergone a very rapid growth.

They have been maintaining at least 8 percent per year real growth rates in their loans outstanding for the past several years now, with the International Development Association having an annual rate of real growth of approximately 22 percent between 1967 and 1976.

Not satisfied with the continued growth of these institutions and the already large contributions the United States has been making, the Carter administration now proposes a dramatic increase in the U.S. contributions to international financial institutions by the United States. The Carter proposal is now embodied in this authorization bill.

Even in constant dollars, this proposal would more than double the recent level of contributions. The dollar amounts in this bill would, in fact, "enlarge by one quarter the cumulative paid-in total of all U.S. contributions to the banks since fiscal year 1960," according to the Congressional Budget Office.

In this category of paid-in contributions—those contributions paid directly to the Bank, the Congressional Budget Office estimates that the Carter proposal is "nearly four times as large as the average paid-in appropriations for the mid-1970's."

The largest segment of the proposed increase is the proposal to contribute $2.4 billion over the next 3 years to the International Development Association, and this represents an almost $1 billion increase over the U.S. replenishment to that institution in 1973.

In the area of callable capital contributions—those contributions not actually paid to the Bank but held in the U.S. Treasury as a guarantee of repayment—this legislation also calls for huge increases which would raise by approximately a third the cumulative total of such contributions since fiscal year 1960.

The total cost of this authorization bill is over $5 billion. More than $3 billion of this will go directly to the international banks in the form of paid-in contributions.

I do not believe that such a huge increase in our level of contributions to these development agencies is appropriate.

Mr. President, I do not believe that the American people should be asked to bear this additional burden at a time when the average American is already digging far too deeply into his pocket to underwrite the spending programs of his government.

Recently, the Subcommittee on Taxation and Debt of the Senate Finance Committee heard testimony on the difficulty of young Americans in affording the purchase of a home. Mortgage interest rates are now at 9 percent and higher, and this fact, coupled with the high cost of housing due to inflation, is keeping homes out of reach for many Americans.

Due to the rapidly rising cost of housing, many American families cannot save money as fast as the price of their "dream" home rises. By the time they save a thousand dollars, the price of the home goes up $2,000.

At the same time, our Government is going out into the money markets, competing for limited capital and borrowing that money at high interest rates.

The Government then turns around and gives this money to the international banks and then they in turn lend it to foreign governments at very low-interest rates, frequently lower than 1 percent.

Think about it: 9 percent money for American home buyers, and 1 percent money for foreign governments.

The loans from the International Development Association are a good example of international bank loan policy. These loans are in fact largely grants.

They are made for a term of 50 years with a 10-year grace period before any repayment begins. Can any American go to a bank in the United States and get such terms as that? After this grace period, 1 percent of the loan amount is to be repaid annually for 10 years while the remainder is to be repaid over 30 years. There is an annual service charge of 0.75 percent on the disbursed portion of the loan to cover administrative costs.

According to the Senate Foreign Relations Committee report on this bill, IDA loans are "in reality 85 percent grant funds," and that assumes that there will be no defaulting.

I do not believe that it is responsible to fund a huge increase in contributions to the international financial institutions by plunging this Nation further into debt.

The national debt is already approaching $700 billion; more than 20 cents of every tax dollar now goes to service that debt.

To add to this burden on the American taxpayer by approving these huge in-

creases in U.S. contributions to international financial institutions is not appropriate.

If this legislation is passed, the taxpayer will not only be forced to foot the bill for the $5.225 billion authorized in this bill, but will also be forced to bear additional hidden costs.

Actually, the American taxpayer will pay four times for this particular form of foreign aid:

First, for the actual dollar outlay; second, for the interest payments on the money the Government must borrow to give to the international banks; third, in higher interest rates Americans will have to pay; and fourth in inflation which is caused by the deficit spending of the Government.

I believe that the time has come to show some restraint, to show some fiscal responsibility.

Mr. President, I spent 5 hours in the Senate Finance Committee today presiding over hearings on problems dealing with the economy and taxes. Just today one of those who testified was Albert E. Singlinger, who, as many know, is a professional economic pollster. He polls every day and has been doing this for 22 years. He makes his living that way.

In his testimony, he said this, on page 16:

> From my conversations with people, increasing millions of American consumers have come to equate an unbalanced budget with more inflation, the root of inflation being deficit spending. This is what the people tell me.

Mr. Singlinger is not giving that as his own view; he is giving it as a reporter of the thousands and thousands of direct interviews which his company has with people all over the United States. They poll 7 days a week. Incidentally, he said also that the best way to restore confidence in the Government, and to cause consumers to spend again as a result of that restoration of confidence, is for the Government itself to put its financial house in order.

Then he said:

> That is why I implore Congress to take over the fight for inflation and start by balancing the budget.

Yet this bill goes in exactly the opposite direction. With a $65 billion deficit which this country will have in fiscal year 1978, how can the Congress even consider appropriating $5.2 billion to give away to other governments?

This money, which will be authorized by the legislation before us, will be given to governments. I have no way of knowing just what those governments will do with the money they receive. There is reason to believe, however, that in some of those governments the leadership is not above appropriating for the benefit of government leaders funds which get into their hands.

In fiscal year 1977, we have a projected deficit of $49 billion and it is expected to rise to $65 billion in fiscal year 1978.

No wonder it is going to rise to $65 billion when we have one bill here to give to foreign governments more than $5 billion.

Unless we get our own financial house in order we shall face a crisis far more serious than the problems to which we now address ourselves.

Aside from the fiscal effects, there are a number of other important reasons for opposing the huge increases proposed by the Carter administration and included in this bill.

There is reason to doubt whether these international financial institutions could accommodate such a rapid growth without suffering a substantial increase in overcentralization and inefficiency.

According to the Congressional Budget Office, the rapid growth of recent years has created problems of inefficiency and overcentralization and, therefore, the effectiveness of these institutions may not be best served by a new surge of growth at this time.

Further, a study recently released by the Senate Committee on Government Operations pointed to the already large number of projects administered by the World Bank and concluded that its effectiveness could be improved by concentrating on fewer programs.

At this time, it is not at all evident that a huge increase in contributions can be efficiently administered in the short term.

Furthermore, there are serious doubts as to whether the development programs of the international financial institutions are achieving any substantial improvements in recipient countries.

Yet, these institutions are not required to provide the Congress or the executive branch with any detailed reporting of their programs.

The Congress is expected to appropriate moneys to them but is not supposed to inquire too closely as to how it is spent.

In fact, Mr. Robert S. McNamara, President of the World Bank, refused in 1976 to testify before the Congress concerning World Bank programs.

This lack of accountability is a serious matter.

It is unfair to the American wage earner, who pays the taxes.

Congress should not continue to fund multilateral aid at such high levels, without some kind of assurance that American tax dollars are being wisely spent.

Earlier, I read a statement from the International Policy Report, published by the Center for International Policy, but this is so alarming that I want to read it again. The report is quoted from page 1, volume 3, No. 1, dated January 3, 1977. It is captioned "Foreign Aid: Evading the Control of Congress":

> Some 69 percent of U.S. and multilateral foreign aid now reaching the Third World does so without benefit of any prior Congressional review of planned country-by-country allocation. In fiscal year 1976 the Third World got $24.9 billion in direct credits, government-guaranteed loans, government-insured investments and official debt deferments from 15 separate U.S. bilateral programs and U.S.-supported multilateral agencies, of which Congress debated, authorized and appropriated country allocations for $7.7 billion, only 31 percent of the total.

I think that is a very serious indictment of the Congress of the United States.

I think that if Congress were to give greater attention to the vast sums which Congress has been so willing to vote for these international banking institutions, we would not be in the situation which this international policy report refers to. While I am not totally familiar with the Center for International Policy, I note that among its board of advisors are such outstanding individuals as former Gov. Terry Sanford, now president of Duke University; Charles W. Yost, senior fellow of Brookings Institution, former U.S. deputy representative to the United Nations; William Attwood, president and publisher of Newsday; Arthur J. Goldberg, former Supreme Court Justice and Ambassador to the United Nations; and Philip C. Jessup, former U.S. member of the International Court of Justice and former U.S. Ambassador.

I shall not do it now, but at the conclusion of my remarks, I shall ask unanimous consent that parts of this report be published in the RECORD.

We do not have a lot of detailed evidence on the effectiveness of these multilateral aid programs.

What we do know is not reassuring.

We do know that 40 percent of IDA funds have gone to India, a country which spent millions and millions of dollars on developing a nuclear bomb while its people were starving.

We do know that IFI aid is going to Ethiopia, which is ruled by a pro-Soviet military dictatorship which has repeatedly violated internationally recognized human rights. This same country has, this year, expelled all Americans, both military and civilian.

I understand that under the present bill, Ethiopia will not find it quite as easy to get contributions in the future. But I cite Ethiopia anyway, because, despite the vast amounts of aid that have gone to that country, we know that Ethiopia has expelled American citizens.

We also know that IFI aid in the past years has gone to Uganda, a country whose violations of human rights are well known.

Like President Carter, I question whether it is appropriate to provide American aid to countries which so abuse human rights, and I question whether it is appropriate to funnel billions to India, when that country sees fit to spend millions of dollars on developing a nuclear bomb, rather than spending those funds on aiding her people.

The Committee on Foreign Relations has tightened up the requirement on funds to countries which violate human rights. I do not think it goes nearly far enough, and I was pleased to support the amendment offered by the Senator from South Dakota (Mr. ABOUREZK) and, subsequently, the amendment offered by the Senator from Utah (Mr. HATCH).

I believe it is time for a major reassessment of the whole U.S. foreign aid program, including bilateral as well as multilateral aid. Our Government must review the foreign aid program as it has operated in the past and assess the real costs and benefits.

The Congress should not be asked to continually underwrite foreign aid as if it were a sacred cow. For too long, the case for foreign aid has been axiomatic—

foreign aid is good, more foreign aid is better.

One result of this kind of thinking is that, since their founding, IFI's have given some form of aid to over 120 countries with a total disbursement of over $52 billion as of fiscal year 1975.

The top 10 recipients of that multilateral aid are:

India, $5,150 million.
Brazil, $4,141 million.
Mexico, $3,356 million.
Colombia, $1,801 million.
Turkey, $1,606 million.
Pakistan, $1,570 million.
Argentina, $1,376 million.
Korea, $1,332 million.
Iran, $1,289 million.
Indonesia, $1,269 million.

This bill before us today is only one in a series of foreign aid bills which the Senate will be considering in the months ahead.

Following this bill, which deals with multilateral aid, will come the bilateral aid bill; following that will come the military aid bill; and following that will come several other bills which contain large amounts of money for what can reasonably be construed as foreign aid.

There will be upcoming the Public Law 480 or food for peace program, which will be funded through the Department of Agriculture.

A number of aid programs are funded through the State Department appropriation bill.

There was even money in the fiscal year 1977 Department of Transportation appropriations bill for continued construction of the Darien Gap Highway in Panama, and who knows what other bills will contain provisions for sending U.S. dollars, or equipment or know-how overseas in the form of aid.

(At this point, Mr. STONE assumed the chair.)

Mr. HARRY F. BYRD, JR. The expected total for foreign aid in fiscal year 1978 is now projected to be over $10 billion.

For many years now, the Congress has been funding a wide range of foreign aid programs in a piecemeal fashion. We have considered it one piece at a time and there is little relation of the parts to the whole.

To quote from a Senate Appropriations Committee report from last year:

> This separate and selective justification of individual programs frequently blinds the Congress and the American public to the totality of foreign assistance.

The Congress cannot continue, year after year, to appropriate the hard-earned dollars of American taxpayers to be invested in a disjointed series of foreign aid programs with uncomprehended cost and uncertain return.

The senior Senator from Virginia is not inclined to vote for a huge increase in funds for multilateral institutions; certainly he will not do so without the benefit of a comprehensive analysis of all our foreign aid programs, their total costs, and a redefinition of their purposes.

Mr. President, the amendment which is now before the Senate would authorize a total of $2.942 billion for the replenishment of international financial institutions. The legislation proposes to authorize $5.2 billion. My amendment would reduce that to $2.9 billion.

To state it another way, it would bring about a reduction of $2.3 billion in the overall authorization level of this bill.

This amendment, if approved, would have the effect of keeping U.S. contributions to international financial institutions at approximately the current level with an additional amount added to compensate for international inflation.

There would be no real growth in U.S. contribution, but at the same time, there would be no reduction in the amounts, as compared to amounts previously appropriated.

The dollar figures in the amendment are derived from calculating the U.S. contribution to each of the IFI's since the last replenishment and projecting those same contributions forward. Added to that total amount is a dollar figure to compensate for the inflation which has taken place since the last replenishment to each of the institutions.

The method used to estimate the rate of international inflation comes from a Congressional Budget Office study and is based on the annual increases in prices of goods exported from developed countries. The export prices were taken from the International Monetary Fund publication "International Financial Statistics."

I, personally, would prefer not to go as high as that amendment would permit. But in an effort to bring about some reduction, in an effort to get the Senate to give some consideration to cutting down this huge amount of $5.2 billion, the pending amendment would permit the authorization of $2.9 billion.

My amendment would authorize $648 million for the International Bank for Reconstruction and Development—IBRD—and would amount to a cut of $921 million from the Carter proposed level. However, this would still represent an increase of $401 million over the amount contributed by the United States for the 1971–72 replenishment.

The amount proposed for IBRD in this bill is $1,569 million and, if approved, it would raise the U.S. portion of the IBRD capital increase from 11 percent for the last capital increase to 19 percent for the current capital increase.

In this, I might say, I am dealing with both the callable and paid in capital contributions.

This amendment would authorize $1,575 million for the International Development Association (IDA) and as such would represent a cut of $825 million from the Carter proposed contribution of $2.4 billion.

The administration proposal would require the United States to contribute $800 million per year for 3 years to this so-called soft loan window. My amendment would cut the required yearly contribution by $275 million and would still authorize a greater amount than that required by the last replenishment.

This amendment would keep our contribution to the International Finance Corporation at $111 million which is the same amount as is presently in the bill.

For the Asian Development Bank, my amendment would authorize a contribution of $428 million which is an increase of $66 million over the amount pledged by the United States in 1974. This authorization would still cut the Carter proposal by $386 million.

My amendment would have no effect on the authorization in this bill for the Asian Development Fund, but would delete the authorization for the African Development Fund.

This deletion of funds for the African Development Fund is made, because the second replenishment of the AFDF has yet to be negotiated. I do not believe we should be authorizing funds for a contribution which is not yet even negotiated, and if negotiated, will not be due until more than a year from now.

The Senate Foreign Relations Committee itself acknowledges in the report on this bill that this is a "very unusual step." I believe that the Congress should consider authorizing a contribution to this institution only after the second replenishment has been negotiated.

Mr. President, as I said in my earlier speech, I do not believe this is the proper time to provide for a huge increase in our contribution to international financial institutions—IFI.

The bill as it currently exists would commit the United States to long-term funding of the IFI's at substantially higher levels than ever before and I do not believe this is wise.

At a time when our own deficit is expected to rise to a level of $65 billion in fiscal year 1978 it is not wise to boost our contribution to the IFI's by such a huge amount as President Carter has proposed.

Further, at a time when the Congress and the Executive are beginning to reconsider the balance between bilateral and multilateral aid it seems unwise to commit the United States to further emphasis of multilateral rather than bilateral aid.

If, after a careful review of our whole aid program the Congress decides that multilateral aid should be increased, then further authorizations could be approved next year.

However, if the Congress decides that increased emphasis should not be placed on multilateral aid then my amendment would avoid much of the unnecessary precommitment embodied in this bill.

In addition, there is reason to believe that the IFI's will not be able to accommodate these huge increases in funds and function efficiently in the short term. The international financial institutions provide the economic management and the development expertise for development projects and it is doubtful that the Banks' current staff expertise could handle the increased numbers of development projects without further problems of overcentralization and inefficiency.

A recent Congressional Budget Office study notes this possibility and suggests as one possible option that:

> . . . until the banks have fully consolidated their recent growth and until a reassessment has been made of the relative roles of U.S. bilateral and multilateral efforts, no real increase should be made in U.S. replenishment commitments to any of the IFI funds.

I do not propose here a cut in our current level of funding of international financial institutions. What I want to cut is the huge, unwarranted and inflationary increase in spending which is contained in this bill.

I do not believe that this is the time for boosting our contributions to IFI's by billions of dollars over the level of the past 2 or 3 years.

If my amendment is adopted, the bill would still authorize almost $3 billion for contributions to the international financial institutions, but my amendment would save the taxpayers more than $2 billion.

In light of President Carter's desire to achieve a balanced budget, in light of our current inflation, and in light of the already heavy tax burden on our citizens, I do not believe it is appropriate to approve this bill as it come to the floor, and I urge my colleagues to support the pending amendment.

Congress must exercise restraint in the handling of tax funds.

We must heed President Carter's recent admonition in a speech to the United Auto Workers Convention: "We cannot afford to do everything."

Mr. President, the time to start is now.

To recapitulate very briefly some of the things the amendment will and will not do, the measure, as it came to the floor from the committee, proposes to authorize $5.2 billion for international financial institutions. The amendment would reduce that figure to $2.9 billion, for a reduction of $2.3 billion.

My amendment would still provide authorization for funding of the various international financial institutions at current levels, but it would eliminate the huge, unwarranted and inflationary increase proposed by the Carter administration and presently included in the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD a table I have prepared providing a list of total U.S. overseas loans and grants to other nations for the period 1945–78.

I also ask unanimous consent that the article entitled "Foreign Aid: Evading the Control of Congress" in the January 1977 issue of the International Policy Report be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. OVERSEAS LOANS AND GRANTS—OBLIGATIONS AND AUTHORIZATIONS, 1945–78

[U.S. fiscal years; millions of dollars] [1]

	Economic assistance	Military assistance	Total
Post war relief period, 1946–48	12, 553	481	13, 034
Marshall plan period, 1949–52	18, 633	3, 320	21, 954
Mutual security pact period, 1953–61	24, 053	24, 243	48, 296
1962–65	17, 039	8, 564	25, 602
1966	4, 784	2, 205	6, 989
1967	3, 943	2, 497	6, 440
1968	4, 102	2, 792	6, 894
1969	3, 524	3, 267	6, 791
1970	3, 676	3, 111	6, 787
1971	3, 442	4, 635	8, 078
1972	3, 940	5, 303	9, 243
1973	4, 117	5, 758	9, 875
1974	3, 906	5, 073	8, 978
1975	4, 908	2, 331	7, 238
Fiscal year 1976	3, 866	2, 489	6, 355
Transition quarter 1977	1, 697	672	2, 369
Fiscal year 1977 [2]	5, 724	2, 452	8, 176
Fiscal year 1978 [3]	7, 717	2, 548	10, 265
Total	131, 624	81, 741	213, 364

[1] Figures rounded to nearest million.
[2] Estimated.
[3] Proposed.

Source: "U.S. Overseas Loans and Grants and Assistance From International Organizations: Obligations and Loan Authorizations," July 1, 1945–June 30, 1975, AID; and Congressional presentation documents, 1977, AID.

FOREIGN AID: EVADING THE CONTROL OF CONGRESS

Some 69 percent of U.S. and multilateral foreign aid now reaching the Third World does so without benefit of any prior Congressional review of planned country-by-country allocations. In fiscal year 1976 the Third World got $24.9 billion in direct credits, government-guaranteed loans, government-insured investments and official debt deferments from 15 separate U.S. bilateral programs and U.S.-supported multilateral agencies, of which Congress debated, authorized and appropriated country allocations for $7.7 billion, only 31 percent of the total.

The remaining $17.2 billion or 69 percent was allocated by 11 semi-autonomous, self-sustaining U.S. government corporations or international banks ranging from the Export-Import Bank of the United States to the World Bank and the International Monetary Fund. All are public agencies. All make obligations fully guaranteed by the public. Yet with few exceptions the selection of aid recipients by these agencies has gone unchecked by the U.S. Congress or any other national legislature, while their spending has doubled in the last six years.

These figures include both bilateral credits supplied entirely by the United States and multilateral air provided by the World Bank, the regional development banks and the IMF with partial U.S. government backing. The total figure of $24.9 billion represents the aggregate of official credits to the Third World provided by or participated in by the United States government in fiscal year 1976. It omits third-country bilateral programs and all private loans and investment not contributed to or guaranteed by the U.S. government.

For some countries whose repressive policies have made them unpopular with Congress and a sizable segment of American opinion, the proportion of foreign aid escaping Congressional control is even higher. Thus in fiscal year 1976:

South Korea where an authoritarian president has jailed the opposition, got $1.6 billion in credits, guarantees, and insurance through 12 U.S. bilateral and U.S.-supported multilateral agencies, more than any other U.S. aid recipient except Israel. Of that $1.6 billion, only $347 million, or 22 percent, came through outlets that are subject to prior Congressional control.

Chile where a military junta has unleashed a sanguinary reign of terror, got $357 million in credits, guarantees and insurance, of which Congress debated, authorized and appropriated for Chile only $74 million or 21 percent.

The Philippines where martial law persists after five years, got $1.5 billion, of which Congress approved specifically for the Philippines $94 million, or 6 percent.

Indonesia where a harsh military dictatorship rules, got $930 million, of which Congress approved specifically $133 million, or 14 percent.

South Africa where hundreds are shot down in the streets for demanding racial justice, got $310 million from two U.S. programs and the IMF, of which Congress approved specifically for South Africa not a penny.

This erosion of Congressional control over the allocation of foreign aid has gone virtually unnoticed by the press, the public and by Congress itself.

FIFTEEN MAJOR AID CHANNELS

Aid and official credits to the Third World are now channeled through 15 major agencies and programs—16, if the African Development Fund, which the United States joined in 1976, is counted. The four traditional bilateral programs—AID, PL-480, Peace Corps and military assistance programs—operate on funds directly appropriated by Congress. Every year they must submit a list of planned recipients with program justifications and dollar amounts. The other 11 official agencies—Eximbank, OPIC, the Commodity Credit Corporation, the Housing Guaranty Program, U.S. debt rescheduling, and the international financial institutions—operate for the most part on non-appropriated funds. Their funds come from original appropriated capital stock, service payments and premiums on loans and insurance outstanding, and borrowings from the U.S. Treasury and private capital markets. (However, the International Development Association—the World Bank's soft loan window—and the soft-loan programs of the regional development banks operate on U.S. and other member nations' appropriated funds.) In brief, each of these uncontrolled agencies constitutes a separate revolving fund that is from time to time replenished by Congressional appropriation. These agencies are not required to tell Congress in advance where they plan to distribute their money. They allocate their funds subject only to the general guidelines of the enabling legislation. The choice of recipient is in the hands of appointed bureaucrats, not elected legislators.

Exceptions to this pattern are minor. A 1975 amendment requires the Eximbank to notify Congress in advance of any allocations above $60 million.[1] A 1974 amendment requires prior notification to Congress of deferment of debts made pursuant to the Foreign Assistance Act.[2] Under these amendments the executive branch in fiscal year 1976 was required to report to Congress $1.2 billion in allocations, or 7.2 percent of the total from the 11 uncontrolled outlets in fiscal year 1976. Apart from these amendments, the 11 uncontrolled programs were not required to report their planned country allocations to Congress.

The decisions are left to bureaucrats and are made behind closed doors, far from the prying eyes of Congress, the press or the public. None of the 11 uncontrolled programs admits the public to the board meetings where the aid allocation decisions are made. On the ground that theirs is privileged commercial information, they insist that their meetings remain secret. Even the recently enacted Government-in-the-Sunshine Act is unlikely to change the secretive habits of these institutions, according to lawyers on their staffs.

If the process is undemocratic, so are the results. According to a 1975 Louis Harris poll, a lopsided 63–12 percent majority of Americans feel our government has no justification "to back authoritarian governments that have overthrown democratic governments"—a description that applies to such high-priority recipients as South Korea, Chile and the Philippines. An even larger 73–18 percent majority believe that it is "morally wrong for the U.S. to back a military dictatorship that strips its people of their basic rights, even if that dictatorship

Footnotes at end of article.

will allow us to set up military bases in that country." Responding to this public pressure, Congress has prohibited military aid to Chile and Uruguay and cut the appropriation for South Korea. But, as already noted, the total aid amounts up for Congressional consideration in fiscal year 1976 made up only 21 percent of the U.S. and multilateral package to Chile and 22 percent of that to South Korea. Public opinion reached Congress but was powerless to penetrate the Washington financial bureaucracy—the dozen government corporations and international financial institutions that provide President Park Chung-hee and the Chilean junta with the bulk of their foreign support.

Likewise in response to public pressure, Congress has passed human rights amendments on foreign aid legislation. Currently, six of 16 foreign aid channels are covered by the new legislation—AID, military aid, OPIC, the Housing Guaranty program, and the U.S. vote in the Inter-American Development Fund. In addition Eximbank and the Commodity Credit Corporation are covered by a different kind of human rights restriction—freedom of emigration legislation applicable only to Communist countries. That leaves eight agencies uncovered—10, if the emigration rights legislation, which does not affect the Third World, is not counted. Past experience indicates that even if public pressure succeeds in turning off the flow of support to an offending government from some of these agencies, the others may well fill the gap with larger grants.

FINDING LOOPHOLES

Indeed, the budgetary history of the Vietnam war in its last years is largely a chronicle of Congressional cutbacks on aid and Administration attempts to get around the cutbacks by finding loopholes in the worldwide PL-480 program, AID and excess defense article valuation regulations. In Chile the Administration during fiscal 1975 used undesignated funds in the PL-480 Title I program, the Housing Investment Guaranty program, the CCC and debt rescheduling options to open up the flow of life-giving credits to the military junta.[3] An aid cutback strategy that limits itself to the traditional bilateral programs of the "foreign aid bill"—the money directly appropriated by Congress—is therefore of greater moral than practical significance.

In the past six years the share of the traditional aid outlets in the total has dropped from 46 to 31 percent. The big spenders today are the Export-Import Bank, the World Bank, the regional banks and the IMF. Together they and the other uncontrolled agencies outspend the traditional programs of the foreign aid bill, 2 to 1. AID, PL-480 and military assistance programs have all come under increasing Congressional scrutiny in recent years. With the decline in Indochina military aid, the total from these sources has returned to the fiscal year 1971 level of $7.7 billion while spending of the 11 uncontrolled sources has more than doubled from $7.8 billion in fiscal year 1971 to $17.2 billion in fiscal year 1976.

CONGRESSIONAL INTENT CONTRAVENED

Not only is Congress powerless to control the aid allocations of the bilateral and multilateral financial institutions, it is not even aware of their activities. Instead, it has relied on the State Department to keep it informed. In 1967 it passed legislation requiring the State Department to submit presentation material giving a full picture, on a country-by-country basis wherever possible, off the total U.S. assistance program.[4] The material is to include "a chart showing on a country-by-country basis the full extent of all United States assistance planned or expected for each such country for the next fiscal year, including economic assistance and military grants and sales under this or any other Act and sales under the Agricultural Trade Development and Assistance Act of 1954, as amended . . ." The Senate report accompanying the 1967 legislation said:

This amendment will insure that the Congress has available in one place a listing on a country-by-country basis of all U.S. assistance, economic and military, which may be provided in the coming fiscal year, as well as the details of contributions which are expected to be made that year to multilateral financial agencies. This will help to give Congress a more nearly complete picture of the total U.S. development effort when it considers foreign assistance legislation.[5]

For fiscal year 1976 the State Department's chart purportedly showing the "full extent" of U.S. assistance listed:

6 percent of the total flow from the United States and the multilateral agencies in which it participates to the Philippines.

22 percent of such aid to South Korea.

21 percent of such aid to Chile.

With the rise of non-appropriated forms of assistance, the reporting requirement passed by Congress in 1967 has become dangerously obsolete. What counts today from both a political and a balance-of-payments standpoint is the *total package* either directly provided or indirectly mobilized by the United States to a given country. For the fiscal and political stability of the recipient country, the nature of the source—bilateral or multilateral—or degree of concessionality of the loan matters less than the size of the total package. What Congress reviews is only a small part of the total program; as a result, Congress is all but shut out of effective decisionmaking on foreign economic policy.

The Senate Appropriations Committee estimates the total transfer of U.S. resources to foreign nations in fiscal year 1976 including Export-Import Bank at $14.7 billion. The Committee report said, "In annual budget presentations, the multitude of agencies and departments which administer foreign assistance programs quite naturally justify only their part of the total program, often neglecting its relation to the whole. This separate and selective justification of individual programs frequently blinds the Congress and the American public to the totality of foreign assistance." [6] As a Senate Foreign Relations Committee aide is quoted as saying, "If Congress had to vote on a foreign aid bill of $9 billion or $13 billion, it wouldn't go through." [7]

BACKDOOR METHODS

The various backdoor methods of channeling official funds to the Third World exist for a variety of purposes, each with its own rationale. Eximbank promotes U.S. exports. The Overseas Private Investment Corporation insures U.S. foreign investments. PL-480 and the Commodity Credit Corporation export credit sales program dispose of U.S. agricultural surpluses. The Paris Club provides debt relief. The World Bank and regional development banks promote the development of poor lands. The IMF provides balance-of-payments help.

Yet divergent as their purposes are, these agencies do act in concert. In the showdown with the government of the late President Salvador Allende, the United States mobilized the massed power of all these financial institutions to cut the flow of resources to Chile in retaliation for that nation's nationalization of the Anaconda and Kennecott copper mines. In the Chilean episode, even such ostensibly international organizations as the World Bank and the Inter-American Development Bank joined in the Nixon administration's campaign to "make the economy scream." With the defeat of Allende-style economic nationalism, the various branches of the Washington financial bureaucracy have resumed their support of Chile. Representatives of the World Bank and IDB bristle at the suggestion that they have been manipulated for political purposes. Yet the Chilean episode offers a laboratory demonstration of just such political manipulation.

Neither the decision to turn off the aid spigots to Chile nor to turn them back on was ever placed before Congress or the American people; rather it was a White House decision implemented at the executive level. Congress was not consulted. It did not have to be consulted. It had already delegated away its power to the executive branch.

SUBORDINATE ROLE

Congress has assumed its subordinate role through a process it has scarcely perceived. It has approved ever larger authorizations for Eximbank even as its own watchdog agency, the General Accounting Office, warned that the export agency's exposure was dangerously outrunning its reserves.[8] It has voted billions to the international organizations even as the administrators of these organizations refuse to testify or produce records before Congress or any other national legislature. According to the Treasury Department, Congress might as well reconcile itself to its subordinate role and leave the decisions up to the international banks. As Assistant Secretary of the Treasury Gerald L. Parsky told the Senate Appropriations Committee last spring:

I know that some of you have felt the United States, especially the Congress, cannot make a sufficient review of the lending operations of the development banks in advance of loan approval. Unlike the situation for the bilateral aid program, we cannot present you with a list of specific projects that will be financed with the appropriations before you today. This situation is inherent in the nature of these multilateral institutions where the United States provides only one dollar out of every three, four or five they lend. It would obviously be infeasible for them to present their programs in advance to the governments and parliaments of all their members, or even to the 20 to 25 donor members. However, these institutions do not make sharp changes in the pattern and nature of their lending from year to year. Thus a review of last year's lending program will indicate quite accurately the nature and direction of their lending programs this year and next year.[9]

This Treasury Department statement is open to serious objection. First, while Parsky pleads inability to produce a list of specific projects of the international banks, in fact each bank maintains an operational summary of proposed projects that is updated monthly and shows country, nature of project and (in most cases) approximately dollar amount. Second, it is not infeasible, merely inconvenient for the international financial institutions to present their projects to the U.S. Congress or any other legislative body. Third, it is not true that these institutions do not make sharp changes in the pattern and nature of their lending from year to year. Following the imposition of martial law in the Philippines, IBRD loans rose abruptly from $11.6 million in fiscal year 1973 to $155.6 million the following fiscal year. On the other hand, after the election of Allende in Chile the IDB sharply cut its commitments to Chile and the World Bank cut its loans entirely. Fortunately for the World Bank and IDB, they were spared the inconvenience of having to justify their politically motivated loan allocations before Congress or any other democratic forum with legal authority to require the submission of testimony or records.

From time to time Congress has chafed under the restrictions of its subordinate role.

Footnotes at end of article.

Reviewing the World Bank's 1976 Chilean loan, in March 1976 Rep. Henry S. Reuss (D-Wis.), chairman of the House Banking and Currency Committee, charged that the World Bank "succumbed to political pressure to shore up an inhuman right-wing dictatorship tottering on the edge of bankruptcy." McNamara refused Reuss's invitation to appear before the committee, although in the early years of the World Bank its presidents and senior officers often testified before Congressional committees. On September 27, 1976, Reuss voted against the fiscal 1977 Foreign Assistance Appropriations Bill, which included $270 million for the IDB, with the comment, "I hope to signal by my vote today that the people of the United States wish to place limits on the aid they give any international organization which, in the words of the act of May 31, 1976, extends financial assistance, 'to any country which engages in a consistent pattern of gross violations of internationally recognized human rights.'" [10] The bill passed, 216–155.

THE NAC

With Congressional control weakening and public awareness at a low ebb, the executive branch has a free hand to use the massed power of the financial institutions as it pleases. The executive branch mechanism coordinating all 15 channels of foreign aid is a little-known but strategically located unit called the National Advisory Council on International Monetary and Financial Policies. The NAC reviews all U.S. foreign credits, including Department of Agriculture PL–480 and CCC credits (above $4 million). It includes representatives of the Treasury, State and Commerce (but not Agriculture) departments, the Eximbank and the Federal Reserve Board. It coordinates U.S. policy for the World Bank, IDB, ADB, African Development Fund and IMF, and it guides the operations of the Eximbank. It helps its member agencies reconcile the often divergent objectives of U.S. export promotion, disposal of agricultural surpluses, protection of U.S. private investment, and support of friendly governments abroad. Under Treasury Department guidance, it sets U.S. policy on debt negotiations, where U.S. assent to rescheduling of overdue debts can make the difference between stability and financial chaos for a foreign debtor nation. Its meetings are secret, and minutes are available only through a lengthy Freedom of Information request. Its reports, although comprehensive, are issued but once a year and reach Congress and the public on an average of 11 months after conclusion of the transactions they record. The NAC is obscure enough that its telephone number is not listed by the U.S. government switchboard or in the telephone book. Yet the NAC is, in fact, unmatched throughout the Washington financial bureaucracy in its tight intertwining of financial power.

AID DECISIONMAKING

The two types of foreign aid decisionmaking—Congressional and bureaucratic—are a study in contrasts. For the programs that go before Congress, AID submits detailed justifications in advance, setting aid levels by country and program. Descriptions of these programs are contained in a series of bulky vari-colored loose-leaf notebooks published by AID for each fiscal year and distributed to Congress and the public. These requests are worked over in 14 Congressional committees or subcommittees and at least four marathon floor debates. Administration witnesses submit to lengthy and occasionally exacting interrogation on planned country levels. Testimony is taken from diverse public groups and individuals. Sessions are usually open, and the press has an opportunity to report on planned aid levels before they happen. Activists and organizers from the plethora of movements and public interest groups formed since the 1960's can generate constituent pressure in advance of key votes. How the public will respond to such prodding is a decision only the public can make. The whole cumbersome process recalls Winston Churchill's remark that democracy is the worst form of government ever invented, except for all the others.

In contrast to the clumsy and sometimes comical process of Congressional decisions, decisionmaking in the closed bureaucracies of the NAC, Eximbank, OPIC, World Bank, regional banks and the IMF is streamlined, efficient and generally humorless. The public is barred from the board or staff committee meetings where the country allocations are made. There is a minimum of public posturing, for no public is present to be impressed by such posturing. Eight of these organizations keep their minutes secret.

INTERNATIONAL INSTITUTIONS

With regard to the international financial institutions, Congress has no power to require the submission of records or testimony by the organization's officers, except for the U.S. executive director whose strange double personality—U.S. government representative *cum* international bank employee—still has the legal experts of Congress baffled. In the late 1940's the president and senior administrators of the World Bank regularly testified before Congress, but today they disdain to do so. A Library of Congress study of the international banks says, "Congress must rely for any information it requests concerning the operations and policies of the banks upon whatever the executive departments choose to provide." The authors of the study, prepared for the House Foreign Affairs Committee in 1974, say they and the GAO were denied two basic categories of pertinent material—summaries of the meetings of the executive directors and reports to bank managements by outside consultants. This material, the authors say, "is needed for a complete appraisal of the U.S. role in the banks." [11]

The untouchable status of the international financial institutions has disturbed analysts outside of Congress as well. "As the number and activities of international organizations expand," writes Professor Karl Kaiser, "an area grows in which major decisions are made without much democratic control by the peoples and institutions which are affected or which support these activities financially." [12] Thus the great potential gain of institutions that transcend national boundaries and rivalries is lost by the failure to place them under democratic control. As a result, their international character is also fatally compromised. In the Chilean credit embargo, the Nixon administration made the World Bank and Inter-American Development Bank the vehicles for its own narrowly vindicative policies on behalf of American copper companies. No doubt these policies had many supporters in Congress as well—as the tough anti-expropriation language of the Gonzalez amendment indicates. Yet many others in Congress and in the public would have opposed the politicization of the World Bank had the decision ever been placed before them. Far from violating the international character of the World Bank, legislative scrutiny may be the only way to attain it.—JAMES R. MORRELL

FOOTNOTES

[1] Section 2(b)(3) of the Export-Import Bank Act of 1945.

[2] Section 4 of the Foreign Disaster Assistance Act of 1974.

[3] William Goodfellow, "Chile's Chronic Economic Crisis: 1976 and Beyond," International Policy Report, Vol. II, No. 2, pp. 4–8.

[4] Section 634(d) of the Foreign Assistance Act of 1961.

[5] U.S. Congress, Senate, Foreign Assistance Act of 1967: Report of the Committee on Foreign Relations on S. 1872 (90th Congress, first session, Report No. 499, 1967), pp. 38–39.

[6] U.S. Congress, Senate Foreign Assistance and Related Programs Appropriation Bill, 1976 Report (No. 94–704, March 18, 1976), p. 6

[7] Quoted in Donald L. Bartlett and James B Steele, "Foreign Aid: The Flawed Dream," Philadelphia Inquirer (a reprint of the Inquirer's series of November 24–29, 1974), Part I, p. 4.

[8] United States, General Accounting Office Weakened Financial Condition of the Export-Import Bank of the United States (ID–76–17, October 17, 1975).

[9] U.S. Congress, Senate, Foreign Assistance and Related Programs Appropriations Fiscal year 1977 Hearings (94th Congress, second session, April 8, 1976), p. 87.

[10] Congressional Record, September 27, 1976, pp. 32951–32952.

[11] United States, Foreign Affairs Division, Congressional Research Service, The United States and the Multilateral Development Banks (U.S. Congress, House Committee on Foreign Affairs, 93rd Congress, second session, March 1974), pp. 6, 137, 145.

[12] Karl Kaiser, "Transnational Relations as a Threat to the Democratic Process," Robert O. Keohane and Joseph S. Nye, Jr., eds., Transnational Relations and World Politics, p. 364.

Mr. HARRY F. BYRD, JR. Mr. President, I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, will the Chair tell us how much time remains?

The PRESIDING OFFICER. The Senator from Virginia has 7 minutes. The Senator from Minnesota has 15 minutes.

Mr. HUMPHREY. I thank the Chair. I shall try to use less than the time that is allocated.

Mr. President, I am sure that we know that the amendment offered by the able Senator from Virginia would drastically alter the projected programs of these international financial institutions.

I am sure we also know that, while the Senator from Virginia has quoted from President Carter's speech before the United Automobile Workers, President Carter has also placed heavy emphasis upon the approval of the funds in this bill. In fact, he considers these international financial institutions to be a part of protecting our overall national security. I thoroughly agree with that.

What happens here—as the Senator from Virginia, in his customary integrity has told us—is that he would reduce the total sums for the international financial institutions by approximately $2.3 billion. The sums provided for in this bill are approximately $5,275 million, and the sum provided for by the Byrd amendment is approximately $2.9 billion.

We have reason to be concerned, of course, about the size of any authorization. This is a large authorization, but I should like the Senate to take into consideration that there has been no replenishment of the World Bank fund since, I believe, 1971; that the previous replenishment was in 1960.

The demands of the world economy since 1971 have been immense. As we know in our own economy, the capital requirements are heavy. The inflation rates which have plagued the developing countries are much more severe than those that have plagued our own economy. It is not unusual for the developing countries to have inflation rates that run 35, 40, and 50 percent. Take a country such as Israel, where the inflation rates

are running 35 to 40 percent. It is a terrible burden upon the people and their economy.

The point I should also like to make is that, in the instance of the Asian Development Bank, the World Bank, the Inter-American Development Bank, the International Finance Corp.—which are all part of these international financial institutions—they are financially sound. They have a good record. Their lending and their credit policies are accepted as being of the highest order. As I noted earlier in the debate, there has not been a single default on a loan by the World Bank.

The World Bank is a well-administered organization. We have to take into consideration that that Bank does represent a large number of nations. It is not easy to make an institution made up of such disparate parts work in a harmonious and efficient manner. Yet, it is well organized and I believe it is operated efficiently.

The biggest increase we have is for the International Development Association, commonly known as IDA. Part of the reason for that is that we fell behind in our commitments. We put it off. We are 2 years behind. We are $750 million behind, and we are trying to catch up—in other words, get up to where we belong in that fund.

It has been said here that much of that money has gone to a country such as India, but I note that a good deal went to Mexico, that a good deal went to Brazil. We have a great stake in countries such as Mexico and Brazil. Brazil is one of our most important trading partners; Mexico is one of our most important trading partners. We have a very favorable balance of trade with both Brazil and Mexico.

It also is to be noted that money that went to India has helped that economy. India has just come out of a very serious problem, in which the hand of dictatorship seemed to be taking over. Finally, the strengthened democracy was recovered. This itself, I think, is worthy of our consideration.

The Senator from New York could tell me more accurately, but India is a nation of 600 million people, afflicted with incredible poverty. We have a great stake in a country of that size. It means a great deal to the United States—a free enterprise, capitalistic society—that we have a world economy that has some stability.

The amendment of the Senator from Virginia would eliminate the African Development Fund. I believe that would be most unfortunate. Our policy with Africa today is of critical importance. We have to make sure that we make no false moves. The countries in Africa today are capital short. It is necessary, whether we like it or not, to see some transfer of capital resources. If we do not see this, we are going to have a veritable revolution in the world, total chaos. It is not to the advantage of a well-ordered and established country like the United States to have that kind of world situation. The program represented in H.R. 5262 represents commitments on the part of our country for the next 3 to 4 years.

I think it should be noted that we are not going beyond what our own budget estimates are here. We are not breaking the budget line.

I am not going to take the time to answer all of the specific statements that have been made today in my oral presentation. But I do ask unanimous consent that a report which I have had prepared by the staff of the Committee on Foreign Relations; namely, "Arguments Against Cuts in Each Institution," be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ARGUMENTS AGAINST CUTS IN EACH INSTITUTION: IBRD

1. CBO bases its past levels plus inflation calculation on the 1971 capital increase. This was a selective increase to maintain parallelism with the IMF. The U.S. only subscribed to half its allocated shares. If the past levels plus inflation formula were to be accurately applied it should relate to the last real or general capital increase in 1960. The U.S. portion was $3.1 billion which if corrected for inflation would create a U.S. share of $8 billion in this capital increase in contrast to the current $1.5 billion.

2. The World Bank plays an internationally recognized leadership role among development institutions. Cuts in its financing would seriously undermine its capacity to continue to function effectively.

3. If there is no capital increase the IBRD would have to cut its lending by 25 percent and/or seriously tighten its lending terms. Both would have serious consequences on the international economic order.

4. The Bank increase is parallel with the IMF increase. IMF quota increases reflect comparative economic strength among countries. Stronger countries, as exemplified by IMF quotas should be contributing more to development assistance. It would be very awkward for the United States to have accepted the IMF quota increase and refuse to contribute its parallel share to the IBRD.

5. The United States share in this replenishment is only 19 percent—its overall share in the institution is 25 percent.

IDA

1. IDA is chief vehicle for development funds to the poorest countries and people. Just when they are hurting most is no time to slap them in the face further.

2. The U.S. current share of IDA is already down to 29.9 percent from its original 43 percent. In contrast the United States share of total IDA donor GNP is 38 percent.

3. IDA's real growth over the replenishment period will be roughly 5 percent. Thus what appears to be a large increase is small when discounted for inflation.

4. Byrd is proposing $1.575 million which is only $75 million more than the IDA IV replenishment. Clearly $75 million does not cover inflation over those years. In your floor statement you pointed out that about $700 million of the total $900 difference between IDA IV and V was due to inflation.

ASIAN DEVELOPMENT BANK

1. The Asian Bank cannot continue to lend beyond the end of this year without a replenishment.

2. The U.S. contribution is only 16.3 percent despite the fact that the United States has been a key sponsor and supporter of the Bank over the last decade. Decreases in our contributions now could cause the ADB to become a "Japanese Bank."

3. The paid in capital portion of Bank resources has decreased from an original 50 percent to only 10 percent in this increase.

AFRICAN DEVELOPMENT FUND

1. The current U.S. contribution to the Fund is only 5 percent—lower than in any other bank. Five other countries contribute more than the United States.

2. Support for an increased U.S. role in the African Fund is considered by African leaders as a serious indication of greater U.S. interest in African Development. Lack of support would send a contradictory message. This would be particularly serious in the light of on-going negotiations over southern Africa.

3. If the first $50 million is contributed in calendar 1978 (could be fiscal 1978) the United States together with Canada would become the biggest donors.

ASIAN DEVELOPMENT FUND

1. The United States is already only contributing 22 percent ($180 million) of the Asian Fund replenishment—the Japanese share is 33 percent ($272 million).

2. The Administration has already decreased the United States share in the Fund replenishment from the 150 percent of past contributions agreed to by other donors to only 120 percent for the United States. Consequently, our commitment to the development of the Asian region is already being questioned. Further cuts would seriously damage our diplomatic image there.

IFC

1. IFC is the only IFI assisting the private sector. A decrease in the U.S. share would directly contradict our oft repeated commitment to promoting private sector development.

2. The IFC increase only allows its commitment authority to grow at 9 percent a year—this hardly keeps pace with inflation. Only $180 million of the total $480 allocated increase represents a real increase over the original $100 million in capital subscribed 20 years ago.

3. Without an increase the IFC will exhaust its equity investment resources and almost reach its capacity to borrow by the end of 1978.

4. The United States share is only 23 percent. Our total participation with the replenishment would be 25 percent. This is parallel with the U.S. share in the World Bank. A decrease in our contribution would undermine this parallelism.

Mr. HUMPHREY. I also would note for the RECORD what I said earlier this morning, that a good deal of the money we are talking about here is money that is going to stay right here in the United States. It is what we refer to as callable capital. The administration is seeking appropriations for multi-year callable capital in H.R. 5262. This amounts to $2,145,000,000 in the bill alone. So almost half of that money we are talking about here never will leave this country. It is locked up in sort of a reserve fund in the Treasury of the United States.

In fiscal 1978 Congress will appropriate for all of these programs, let me repeat for all of them, $1,214,000,000 in callable capital out of $2,600,000,000 for the international financial institutions. In other words, almost one half of the total amount of money we are talking about here will never be appropriated in the sense of being expended. It is appropriated as a 100 percent reserve, on which I commented earlier today.

The money remains here. About half of it goes into the international financial institutions for purposes of loans, credits, and grants, and half of it remains here

as callable capital. So, Mr. President, it is not as bad as it sounds. When you take a look at the figures without understanding the details sometimes you can say, "My goodness, it seems like we are going too fast, too far, with too much."

But when you take a look at the world economic scene you will see that these figures have been carefully negotiated amongst donor countries. They represent the best judgment of the finance officers of the leading countries of the world. Further almost 50 percent of all we are being asked to appropriate never leaves this country, stays in our own treasury and has never been called upon since there never has been a default.

Then I would finally say it is good business for us. Most businessmen know, and surely bankers know, that when you lend money it is good business. We have a net trade balance out of the World Bank operations of $1,600,000,000. Even in this body that is a considerable sum of money.

It is to our advantage. When we help through the World Bank and other international financial institutions to improve the economic structure of a country such as Brazil or Mexico or Pakistan, whatever it is, we get the lion's share of the business. We know how to trade. A country such as ours, which has great productivity, massive agriculture, the finest in industry, the largest banking institutions in the world, also has a stake in growing in a world economy that is growing. The only way that world economy can grow is to have capital.

We put in a dollar and other countries put in four. That is what is happening, 1 to 4. We put in 25 percent, they put in 75 percent. Every one of these international financial institutions in terms of the percentage of the amounts that the American Government puts in is coming down and down and down. In the World Bank, if I am not mistaken, it is 19 percent. In the Asian Development Bank 16 percent. Even in the IDA, to which we were a major contributor, we have come down from 43 percent to the 30-percent level. This is exactly the trend that this Congress wants.

Therefore, Mr. President, I hope the Senate will stand with this committee, stand with its President, stand with its Secretary of the Treasury, stand with the budget office, and as you know the Office of Management and Budget is not exactly known as Santa Claus. If there ever was a group of tight-fisted public officials who could squeeze the last little drop of compassion and charity out of anything, they are the group in the Office of Management and Budget.

Yet they support this measure.

May I conclude by saying that we are a responsible world leader. If we back out, if we cut back, we cannot ask others to do more. But we are asking others to do more, and they are doing more. We are not the only ones who are contributing.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 3 minutes.

Mr. President, the facts on page 6 of the report show that the paid-in portion of this bill exceeds $3 billion. I think the overall point we need to keep in mind is that the U.S. Government is running very heavy deficits. We do not have a surplus that we can utilize to pay into these international banks. We have to go out and borrow the money to make these contributions.

The Government is paying high interest rates on the money which it is borrowing. Then under this proposal it will turn that money over to international financial institutions, and then those institutions, in turn, will lend that money to other countries at very low interest rates.

I think this multitude of giveaway programs is unwise. I believe them to be unwise. But I think they are particularly unwise when the Government is running such heavy deficits as it has been running. They are unwise when we do not have the funds, when we must go out and borrow the funds, and I think it is particularly unwise under those conditions.

Also the fact is this legislation now pending before us provides for a doubling of the contributions to the various international banks as compared to what has been done in the past.

The amendment which I have presented seeks not to eliminate the additional funding for the international institutions but to bring it down to some reasonable figure because I do not think it is reasonable to say that we must double our contributions to those banks.

If the Senator from Minnesota will give me his attention, Mr. President, I am prepared to yield back the remainder of my time.

Mr. HUMPHREY. The Senator from Virginia is very considerate. Mr. President, I am prepared, if the Senator from New Jersey is prepared, to yield back the remainder of our time.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I am voting for the Byrd amendment because I wanted to try one more time to reduce the expenditures for foreign aid. I tried in the Budget Committee to hold the line on these expenditures and lost on a split vote on eliminating water projects.

If you go down the President's budget requests from national defense to health to general government, you find President Carter cutting the Ford defense budget and generally holding the line on all categories—save one: Foreign aid. In category 150 "International affairs" last year we actually spent $5.1 billion, but President Carter now asks Congress for $7.8 billion—a $2.7 billion increase. The Byrd amendment would provide a 3-year reduction of $2.3 billion—a relatively small portion of the overall fiscal year 1978 increase proposed for the international affairs category.

The U.S. share of the current replenishment of the paid-in and callable capital of the World Bank is 19 percent and of the International Development Administration, 31 percent. Taken together, the U.S. share of both approaches $4 billion over the next 3 years.

Mr. President, I ask unanimous consent to have printed in the RECORD a listing entitled "Projects Approved for Bank and IDA Assistance in Fiscal 1976" that appeared in the World Bank's Annual Report for 1976. This listing is replete with water projects all over the world financed in large part by American taxpayers, who are at the same time being asked to forgo well conceived and necessary similar projects in their own country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROJECTS APPROVED FOR BANK AND IDA ASSISTANCE IN FISCAL 1976, BY SECTOR

AGRICULTURE

Afghanistan: IDA—$15 million. Fourteen sheep improvement centers will be established; wells and access roads built; credit, technical assistance, and training provided; two range improvement field stations set up; and veterinary services improved and extended. More than 1,000 sheep herders will directly benefit from this second livestock project, designed to raise export earnings from meat and livestock by-products, and improve the flocks and incomes of nomadic and semi-nomadic flock owners. Total cost: $18 million.

Afghanistan: IDA—$10 million. Supplementary financing will be made available to cover the increased costs of a project limited to the first phase of an irrigation modernization program for the Khanabad valley. Some $5 million in IDA funds were committed for the project in fiscal 1971.

Bangladesh: IDA—$22 million. An 18,600-hectare irrigation project in southeastern Bangladesh will increase rice production from 93,000 tons of paddy to 141,000 tons by 1983, and is expected to increase the per capita annual incomes of some 20,000 farm families from $90 to $120. Additional jobs will also be created for landless laborers and "marginal" farmers. Total cost: $30.3 million.

Bangladesh: IDA—$16 million. More than 900,000 people in seven counties in two districts will be aided by a project aimed at strengthening the Government's rural development programs in the areas. Improved working procedures for rural development will be provided, which, it is hoped, will serve as a model for a series of similar future projects in other areas of Bangladesh. Rural works will be undertaken, the areas' irrigation systems expanded and improved, agricultural credit provided, and rural services and institutions strengthened. Rural jobs will increase by 25%, and rice production could rise by as much as 75,000 tons. Total cost: $24.7 million.

Bolivia: Bank—$9.5 million. The standard of living of 10,000 rural families of the Altiplano will be improved through a rural development project involving the provision of agricultural inputs, infrastructure, and social services. Production by 4,000 project farmers will increase (vegetables, milk, cereals, and meat), and employment opportunities will be enhanced. The loan is on Third Window terms. Total cost: $12.8 million.

Brazil: Bank—$40 million. The Government-owned agricultural research corporation, Empresa Brasileira de Pesquisa Agropecuaria, will carry out a project designed to strengthen agricultural research aimed at accelerating production of rice, maize, sorghum, cassava, cotton, beans, rubber, dairy cattle, beef cattle, sheep, and goats, and at improving the efficiency of farming systems in the northeast, north, and center-west of Brazil. The overall project objective is to develop new technology suitable for adoption

by large numbers of farmers. Total cost: $189 million.

Brazil: Bank—$12 million. A rural development project in the northeast part of the country is designed to strengthen the institutional capability of the Government's new Polonordeste program to conceive, plan, and implement in a coordinated manner a variety of actions to increase the income and welfare of poor farmers at low levels of cost. Farmers' cotton income will double over a nine-year period, institutional credit will be made available to 8,000 farm families and technical assistance to 15,000 families. Health service will be made available to more than 40,000 families. Total cost: $30 million.

Burma: IDA—$30 million. Largely by protecting 50,000 hectares of land from flooding and salt water intrusion on which rice and jute are grown, and by reclaiming some 25,000 hectares of abandoned paddy land in the southern Irrawaddy delta, the incomes of about 18,000 poor or landless farm families will be more than doubled. Agricultural exports resulting from the project may yield foreign exchange earnings of $28 million annually by 1988. Total cost: $54 million.

Burma: IDA—$7.5 million. The incomes of about 250,000 small-scale farmers will be increased through quantitative and qualitative improvements to livestock in agricultural areas of central Burma. Increased milk and beef production will result in a yearly foreign exchange savings of about $4 million. Veterinary and livestock extension services will be developed, communal pasturelands improved, water points and a milk processing plant constructed, and livestock development centers built. Total cost: $12.8 million.

Burundi: IDA—$6 million. Fish production from Lake Tanganyika will increase by about 10,000 tons and about 3,000 fishermen (half of them new to the trade) will earn between $300 and $600 yearly as a result of this project, cofinanced with the help ($1 million) of a loan from the Abu Dhabi Fund. Total cost: $8.6 million.

Burundi: IDA—$5.2 million. More than 100,000 smallholder farmers of Ngozi Province will be provided with instruction in better coffee cultivation practices and with inputs such as fertilizers, insecticides, and tools. Extension work directed at food crops will also be initiated in the province and technical assistance will be provided. The project is co-financed with a $1.2 million loan from the Kuwait Fund. Total cost: $7.5 million.

Chad: IDA—$5 million. Irrigation and drainage networks on two polders—land reclaimed from Lake Chad and protected from the water by dikes—will be constructed or rehabilitated, and a package of services—resettlement assistance, training, extension, credit, and marketing—will be provided to those who work the land. The yearly incomes of the 1,200 families expected to benefit from the project could rise from $35 to about $145. Three co-financers are contributing $8 million toward the project costs. Total cost: $13 million.

Ecuador: Bank—$4 million. Technical assistance will be made available to improve planning, preinvestment, and project preparation in the agriculture and rural development sector. Total cost: $5.6 million.

Ecuador: Bank—$3 million. Government activities in the production and distribution of improved seeds will be better integrated through the installation of three seed processing plants, the expansion of seed storage facilities, the construction and improvement of seed warehouses, the training of additional personnel, and the provision of equipment. Total cost: $5 million.

Egypt, Arab Republic of: Bank—$50 million. Fruit and vegetable production will be developed for home use and export, especially through improvement of vegetable seed and seed potato inputs, and through packing and marketing facilities. The project will help build institutions related to horticultural production and marketing; drainage works will be undertaken to reduce waterlogging and salinity in the vegetable seed component area; and between 10,000 and 15,000 jobs will be created. Total cost: $108.1 million.

Egypt, Arab Republic of: Bank—$10 million; IDA—$40 million. Some 880,000 people, most of whom live on small farms, will benefit from this third Bank-assisted project designed to arrest the decline in agricultural yields due to waterlogging and salinity. Covered drains will be installed in about 200,000 hectares of farmland in Upper Egypt, and bilharzia control measures will be provided. The United States Agency for International Development is expected to participate in the project's financing. Total cost: $282 million.

Ethiopia: IDA—$27 million. Assistance in developing the country's vast rangelands region (500,000 square kilometers) will be made available. Each of the three subprojects in different areas of the country will be provided an integrated program of range management and veterinary services along with improved roads and water facilities. The subprojects will lay the foundation for a sound development of the country's livestock economy, hit hard by recent droughts. The African Development Fund will participate in the financing in an amount of about $5.5 million. Total cost: $43 million.

Fiji: Bank—$12 million. At full development, this sugar development project is expected to generate $13 million yearly in additional foreign exchange earnings, benefit some 3,500 farming families, and provide 3,500 new jobs during the crushing season. Total cost: $26 million.

The Gambia: IDA—$4.1 million. The per capita incomes of about 48,000 poor farmers living in 65 villages in the western part of the country will be doubled as a result of a project designed to increase cereal (rice, sorghum) and cash crop (peanuts) production through "package" programs, and boost cattle production through better husbandry practices, and marketing. The Overseas Development Ministry (United Kingdom) is granting $4.1 million and the Arab Bank for Economic Development in Africa is lending $3.3 million to help finance the project. Total cost: $11.7 million.

Ghana: Bank—$21 million. Through better support services and the provision of farm inputs and facilities, some 125,000 farm families living in the Upper Region will be able to increase agricultural production, and thus, their incomes. In addition, an Onchocerciasis Survey Unit will be established to prepare a 10-year development plan and feasibility studies for areas freed from the disease in the Upper and Northern regions. The United Kingdom is helping finance the project with a concessionary loan of about $11 million. The Bank loan is on Third Window terms. Total cost: $54.6 million.

Ghana: Bank—$14 million. The main components of this first phase of a program to revitalize the cocoa industry include provision of credit to smallholder cocoa farmers, farmer training in modern production techniques, and equipment for feeder road maintenance. Cocoa production is expected to increase by 10,000 tons annually, and about 10,000 families (70,000 people) will benefit. The Arab Bank for Economic Development in Africa is providing cofinancing of some $5 million. Total cost: $21.9 million.

Greece: Bank—$40 million. Irrigation facilities in the fruit-producing area of central Macedonia will be expanded and upgraded. The project will help increase fruit production by 40% and will double the harvest of vegetables and alfalfa. Per capita incomes of farmers are expected to rise an average of about $400 a year to about $700 in 1987. Dependable irrigation will help reduce annual fluctuations in farm incomes caused by adverse weather conditions. Total cost: $90 million.

Honduras: IDA—$14 million. Settlements formed as a result of a recent agrarian reform law, as well as private commercial agriculture, will be aided by a project designed to help finance investments for dual purpose beef/dairy farmers, livestock fattening operations, and for the production of annual and perennial crops. Two rice mills and four food processing industries also will be financed and technical assistance to strengthen Government supporting services for the agrarian reform will be provided. Total cost: $20 million.

India: Bank—$145 million. Production of rice and other crops on 72,000 hectares of land in Andhra Pradesh will increase about fivefold, 100,000 farms will be supplied with reliable irrigation, and as many as 1 million people will be provided employment and wages from a project which will complete the construction of irrigation and drainage canals in the Nagarjunasagar irrigation system and provide the first phase of command area development for four irrigation systems in the state. The loan is on Third Window terms. Total cost: $297 million.

India: Bank—$25 million. This second Bank-assisted project in support of seed production in India will focus on the development of quality cereal seeds (wheat, rice, maize, sorghum, and pearl millet)—and lesser amounts of cotton and vegetable seeds—in four states. Investments will be made in seed technology research, quality control, and production and storage facilities. Total cost: $52.7 million.

India: IDA—$18 million. About 120,000 farm families and 200,000 landless laborers are expected to benefit from this project, designed to pioneer key improvements in three representative cotton-growing areas in Haryana, Maharashtra, and Punjab states. Higher cotton productivity could add about 800,000 tons of higher quality lint and 1.5 million tons of cottonseed over a 20-year period in the three areas. Total cost: $36 million.

India: IDA—$4 million. Technical assistance is being provided to help develop and prepare the basis and resources for wood processing schemes in Madhya Pradesh. While ways to develop fast-growing trees on plantations are explored, a sound resource base for pulp, paper, and related industries will be identified. Total cost: $8.2 million.

Indonesia: Bank—$33 million. As many as 1 million people will benefit from an irrigation project designed to increase paddy yields on about 100,000 hectares in Java and Sulawesi. The main and secondary canals serving the project areas have already been rehabilitated under past IDA credits; the present project will, through better water control and distribution, help rehabilitate tertiary canal systems serving areas as small as 150 hectares each. Total cost: $60 million.

Indonesia. Bank—$22 million. A national food crops extension project, covering nine provinces in Java, Sumatera, Sulawesi, and Kalimantan, and benefiting some 12.8 million farm families cultivating more than 7 million hectares of paddy land, will be implemented. Additional extension staff will be hired, rural extension centers will be renovated and built, and training provided. Total cost: $44.2 million.

Korea, Republic of: Bank—$60 million. As many as 4 million people, or about 30% of the country's rural population, will benefit from this rural development project, designed to serve 15,000 rural villages with minor irrigation works, land reclamation, roads and bridges, water supply, electricity, and fuelwood plantations. Forty million dollars of the loan is on Third Window terms. Total cost: $143.5 million.

Korea, Republic of: Bank—$15 million. About 450 new dairy farms will be established and 400 existing farms improved and expanded; nearly 850 farm households will

benefit (and will be afforded year 'round employment), and on-farm employment will be created for as many as 1,000 permanent workers and 3,500 casual laborers. Total cost: $24.5 million.

Liberia: IDA—$6 million. Average net farm family incomes are expected to increase from $313 a year to $913 by 1987 as a result of this project centered in Voinjama in northwest Liberia. The project aims at raising the incomes and improving the quality of life of some 8,000 of the country's poorest farm families by introducing improved cultivation practices and better transportation facilities, and by providing reliable water supplies and disease control. Total cost: $17 million.

Malawi: Bank—$9.2 million. This second phase of a rural development project in Karonga continues support, for a four-year period, of the Government's rural development program designed to raise agricultural productivity and accelerate nationwide rural development. Some 10,000 farmers will double their incomes through a package of services. In addition, freight services on Lake Malawi will be improved. The loan is on Third Window terms. Total cost: $12.1 million.

Malaysia: Bank—$21 million. Smallholder farmers in the north Kelantan region (East Coast) will benefit from flood control, irrigation, and drainage works and the construction of access works (all in the Lemal area); elsewhere in the region, 190 kilometers of roads will be built, 25 farmers' development centers will be constructed or expanded, and an intensified program of agricultural extension covering the state of Kelantan will be instituted. Total cost: $48 million.

Mexico: Bank—$125 million. A fifth loan for agricultural and livestock credit will help raise the productivity of Mexico's small farmers as well as medium-income farmers, and will help increase their incomes and integrate them into the market economy. As many as 250,000 people stand to benefit from the credit which will be made available. Most of the beneficiaries are of the lowest-income strata and many will be receiving institutional investment credit for the first time.

Morocco: Bank—$30 million. About 3,300 farm families will benefit from a project designed to provide a rational use of the Oum-er-Rbia waters for irrigation development on 15,400 hectares of land in El Jadida Province, increase agricultural production, and ensure that a substantial share of the benefits from increased production go to the poorest members of the population. Fragmentation of land will be cured through a land consolidation component, and a bilharzia control program will be implemented. Total cost: $94.4 million.

Nepal: IDA—$8 million. A rural development project in two districts north of Kathmandu seeks to arrest the decline in agricultural yields and per capita production and to provide basic health services and infrastructure support. About 25,000 farm families will be able to meet their full yearly family subsistence requirements; today, production is sufficient to meet only eight or nine months' needs. Total cost: $10.9 million.

Niger: IDA—$10.7 million. As many as 50,000 farm and pastoral families will benefit from a rural development project designed mainly to increase peanut, millet, and cowpea production on 15 cooperatives. A host of project components will be provided—including credit for the purchase of livestock, roads, educational facilities, evaluation of means to develop irrigation potential, planting of trees for fuelwood production, among others—and by 1982, future average yields in the cooperatives may be close to those obtained in periods of favorable rainfall. Total cost: $13.2 million.

Pakistan: IDA—$23 million. Help in financing the first phase of the development of a seeds industry (capable of producing 100,000 tons annually of quality seeds at full production), including research, variety release, seed multiplication, processing, certification, storage, and marketing will be provided. The project will cover cotton, wheat, rice, maize, and to a lesser extent, pulses, oilseeds, and fodder. Total cost: $56.5 million.

Pakistan: IDA—$14 million. Farmers tending more than 14,500 hectares of land fed by irrigation waters from the Indus River in Sind will be able to restore and maintain the productivity of their land through a project designed to control waterlogging and soil salinization through installation of buried tile drainage. Existing canals will also be enlarged and remodeled to provide additional water for irrigation and for reclamation of saline soils through leaching. Agricultural extension services will be strengthened, and credit provided to farmers and contractors for land leveling in the project area. Total cost: $28.3 million.

Pakistan: IDA—$8 million. Help in financing the cost of repairs and additional works at the Tarbela Dam, seriously damaged in 1974, will be given. Contributions totaling $41.6 million from Australia, Canada, the Federal Republic of Germany, Italy, the United Kingdom, and the United States are also forthcoming. Total cost: $67 million.

Philippines: Bank—$50 million. Irrigation works by the Chico River in the potentially rich rice-growing Cagayan valley in northern Luzon will be both upgraded and expanded, and provincial roads in the area will be improved. (The Magat multipurpose project—see immediately below—will also benefit from the roads component.) Some 8,000 farm families and 2,000 landless families will benefit from the tripling of land under dry season irrigation, and increases in paddy production to 147,000 tons a year will provide enough rice to feed 600,000 persons. Total cost: $84 million.

Philippines: Bank—$42 million. At full development in 1982, the part of Stage I of the Magat River multipurpose project assisted by the bank will produce enough rice to feed about 825,000 people, and some 12,000 paddy farmers will directly benefit. More than 12,000 hectares of existing irrigation systems in northern Luzon will be rehabilitated, and 23,000 more will be included in the expansion of the system. Total cost: $84 million.

Philippines: Bank—$20.5 million. Money will be provided to the Development Bank of the Philippines for on-lending to livestock producers, particularly for smallholder pig and poultry operations. Technical assistance will be supplied to subborrowers, and municipal abatoirs will be upgraded. About 18,000 persons will directly benefit, and 5,800 full-time jobs will be created. Total cost $41.3 million.

Philippines: Bank—$12 million. The Development Bank of the Philippines will provide long-term loans and technical assistance to the private sector for construction of fishing and carrier vessels, fish pond rehabilitation and construction, ice plants, and a marine slipway. Fish production will increase by 26,000 tons (value: $11 million) and 1,750 permanent jobs will be created. Total cost: $23.5 million.

Philippines: Bank—$11.5 million. Yearly post-harvest grain losses of about 17,000 tons will be eliminated and $11 million annually in foreign exchange will be saved as a result of a project providing milling, drying, storage, and transport facilities needed to support increased rice and corn production. About 135 rice mills (producing more than 200,000 tons of rice a year) and 20 corn mills (72,000 tons of milled corn) will be financed. Total cost: $28.5 million.

Romania: Bank—$60 million. Through a combination of irrigation, on-farm development, and agro-industrial investments, this project will increase and stabilize production on about 65,400 hectares in a relatively undeveloped part of southeastern Romania. It would also provide water supply facilities to 17 rural communities and increase the income of some 6,000 members of cooperative farms within the project area. Total cost: $141.3 million.

Romania: Bank—$40 million. Agricultural credit will be extended to cooperatives and state farms which suffered serious losses in the floods of July 1975. Flood protection, irrigation, and drainage works will be repaired Total cost: $124 million.

Senegal: IDA—$6.3 million. Some 7,400 farm families (80,000 people) living in the southern part of the country will be able to adopt improved crop and livestock production techniques through the provisions of inputs, credit, and technical assistance. This second rural development project in the area will also help strengthen cooperatives through management training and by promoting the organization of cooperative unions. Total cost: $14.9 million.

Senegal: IDA—$4.2 million. Some 30,000 livestock owners will increase their incomes through a project in eastern Senegal (where the potential for crop production is low) which will increase livestock production through animal health and husbandry improvements. The Kuwait Fund for Arab Economic Development and the Arab Bank for Economic Development in Africa are providing $5.7 million towards the project's costs. Total cost: $13 million.

Senegal: IDA—$2 million. This resettlement project will benefit 6,000 people; 450 families will be resettled in nine new villages and 150 families installed in existing villages. Construction and rehabilitation of village wells, staff houses, village stores and classrooms, and about 100 kilometers of village access tracks and secondary roads are included. Technical assistance will be provided to prepare a plan for the integrated agricultural development of eastern Senegal. Total cost: $3.9 million.

Somalia: IDA—$10 million. Food production in the arid North-West Region will increase as a result of a project covering about 160,000 hectares, on part of which agricultural production, based on earthen embankments designed to maximize the use of rainfall, will be developed. Embankments, or bunds, will be constructed or rehabilitated, 50 small irrigated farms will be developed, and extension services upgraded. Some 2,500 farm families will benefit. Total cost: $13.2 million.

Somalia: IDA—$8 million. About 100,000 resettled nomads, victims of the 1973–74 drought, are expected to produce their basic food requirement as a result of the first emergency projects under the Government's drought rehabilitation program. In settlement areas in the south, land will be cleared for food (corn, sorghum, rice, vegetables) and technical assistance provided. In rangelands to the north, livestock development will be initiated, with various inputs and technical assistance provided. The rangeland development will be supported by the Kuwait Fund ($21 million), while the resettlement areas scheme will be co-financed by the Arab Fund ($22.4 million), IDA ($8 million), and the African Development Fund ($5.5 million). Total cost: $62.3 million.

Sri Lanka: IDA—$25 million. The credit will help increase food crop and sugar production and maintain employment and quality in the tree crop sector. Annual production of rice, pulses, other cereals, and sugar is expected to go up by 182,000 tons by 1982. Total cost: $60.5 million.

Tanzania: IDA—$18 million. Through a National Maize Project, Tanzania hopes to become self-sufficient in its staple grain by 1982, and thus achieve annual foreign exchange savings of about $10 million. Almost 1,000 villages in high-potential, maize-growing areas of the country are expected to take part in the program. Seed, fertilizers, insec-

ticides, herbicides, and essential storage and transport facilities will be provided to 380,000 participating families. Total cost: $38 million.

Tanzania: IDA—$10 million. Annual output of milk on commercial dairy farms will be more than doubled by 1987, imports of dairy products will be reduced, and dairy units will be established in villages. Commercial dairy farms in five regions will be rehabiliated and expanded; milk collection, processing, and distribution facilities will be improved; a pilot program will develop dairy units in 50 *ujamaa* villages; a breeding unit will be established; technical assistance will be provided; and research will be carried out. Total cost: $15.3 million.

Thailand: Bank—$95 million. Improved rice yields, double cropping, and crop diversification through irrigation, on-farm development, and supporting agricultural services near Phitsanulok in the north of the country will result from an irrigation project providing year 'round water for 97,000 hectares on the Nan River. A fisheries development scheme, annual surveys of water-associated diseases, and water resources studies are also included. Total cost: $210 million.

Thailand: Bank—$50 million. Overaged or low-yielding rubber trees on 160,000 hectares will be replaced with new, high-yielding varieties, thus helping to maintain and improve the incomes of rubber growers—mostly small-holders—in southern Thailand. The project comprises the Government's rubber replanting program for the period 1976–80. Total cost: $148 million.

Thailand: Bank—$21 million. As many as 400,000 farm families—some 2,500,000 people—will be provided either village access roads (about 1,300 kilometers of such roads will be built), water (4,000 tubewells will be constructed), or electricity (rural electrification extended to 346 villages). Improved agricultural techniques for upland farming will also be developed in northeast Thailand. The loan is on Third Window terms. Total cost: $45 million.

Thailand: Bank—$5 million. Some 170,000 farm families—over 1 million people—in 640 villages of northeast Thailand will benefit from a livestock development project designed to increase the quality and productivity of livestock through the improvement of village pastures, animal husbandry practices, and disease control methods, and through the expansion of cross-breeding programs, vaccine production, and livestock research. The loan is on Third Window terms. Total cost: $11.48 million.

Togo: IDA—$9.5 million. Some 20,000 farm families will benefit from a rural development project which will help improve and diversify crop production in both upland and lowland areas of the country's coastal region. Roads, village stores and markets, dispensaries, tube wells, and small earth dams will be built, and consultant services, to carry out an irrigation study and prepare investment proposals for areas cleared of riverblindness, will be provided. The Fonds d'Aide et de Cooperation is expected to provide a co-financing grant of some $2.2 million. Total cost: $15.7 million.

Turkey: Bank—$63 million. This first Bank loan for institutional agricultural credit to the country will affect about 120,000 people, most of whom are poor, rural dwellers. Some 18,400 farmers will be provided supervised investment and short-term input credit by the Agricultural Bank of Turkey (TCZB); in addition, the TCZB, which will receive technical assistance, will channel loan funds to support agro-industries. The loan will also enable the Turkish Cargo Lines to buy a ferryboat to help establish an integrated road-sea transportation system across the Mediterranean to Italy and Yugoslavia. Total cost: $172.8 million.

Turkey: Bank—$21.5 million. A five-year lending program by the Agricultural Bank of Turkey (TCZB), coordinated with technical assistance by the Livestock Directorate of the Ministry of Food, Agriculture, and Livestock, for on-farm dairy investments will be financed. About 10,500 purebred cattle for breeding purposes will be imported, and farm machinery and technical assistance will be provided. Annual milk production will increase by 45 million liters and some 10,000 quality cattle will be calved yearly. Total cost: $34.7 million.

Upper Volta: IDA—$9.4 million. The living standards of some 120,000 people in 600 villages will be boosted by a project to increase crop production and improve water supplies through the development of 2,700 hectares of low-lying alluvial land, the establishment of erosion control works, construction of wells, village grain warehouses and teaching centers, and credit for agricultural equipment. Studies on the development of areas rid of riverblindness will also be prepared. The Arab Bank for Economic Development in Africa is contributing some $4.5 million of co-financing. Total cost: $16.2 million.

Uruguay: Bank—$17 million. Pasture and other ranch improvements and technical assistance (for a credit program and for the training of technicians) will be provided by this project, designed to increase beef and dairy production and exports. More intensive use of pastures will free land for crop production, thus helping to diversify agricultural production and exports. Total cost: $32.7 million.

Yemen Arab Republic: IDA—$10.3 million. A supplement to the Tihama Development Project, approved in May 1973, and for which an IDA credit of $10.9 million was made. The Kuwait Fund for Arab Economic Development is providing co-financing of about $9.6 million.

Yemen Arab Republic: IDA—$5.2 million. The construction of a 20,000-ton grain silo at Hodeida, six grain warehouses, and two Government-run bakeries, and provision of credit to private bakers (combined with a nutrition component which includes vitamins and minerals for bread fortification) represent the beginnings of a long-term program designed to improve the handling, storage, and processing of grain. The Saudi Fund is expected to participate in the financing of the project with about $11 million. Total cost: $21.8 million.

Yemen, Peoples Democratic Republic of: IDA—$7 million. Some 5,000 farm families (30,000 people) in the Wadi Hadramawt are expected to benefit from a project aimed at increasing agricultural production through the provision of agricultural equipment and supplies, the construction of feeder roads, and the establishment of extension services. About 40,000 rural inhabitants will benefit from an assured supply of safe water. Total cost: $7.74 million.

DEVELOPMENT FINANCE COMPANIES

Bangladesh: IDA—$25 million. Foreign exchange will be made available to the country's industrial sector through the Bangladesh Shilpa Bank (BSB), an important source of medium-term and long-term financing for industry. BSB will give priority to financing investment in export industries and industries based on domestic raw materials.

Bolivia: Bank—$10 million. The Banco Industrial S.A. (BISA), Bolivia's largest private development institution, will be assisted in its financing of private mining and industrial enterprises—especially to medium-sized enterprises. The IFC is making a simultaneous investment of up to $550,000 equivalent in BISA's share capital.

Brazil: Bank—$85 million. The National Bank for Economic Development (BNDE) will relend the proceeds of this Bank loan to 22 state and regional development banks which, in turn, will sanction loans to small and medium-scale privately owned industrial enterprises. As many as 40,000 new jobs might be created and job skills of countless others will be upgraded through the various subprojects. Technical assistance is also being provided to BNDE to strengthen its capability to deal with state and regional development banks.

Cameroon: IDA—$3 million. This first Bank-assisted project in Africa designed to benefit relatively small enterprises will help about 80 small businesses, create employment for about 1,000 skilled workers, and increase the present 15% level of local ownership among total enterprises in the modern sector. Money provided by the credit will be relent by the Banque Camerounaise de Développement. The Caisse Centrale de Coopération Economique is lending $3 million to finance subproject costs.

Caribbean Region. Bank—$20 million. Development of several important economic sectors in the Caribbean Commonwealth will be supported by two loans to the Caribbean Development Bank (CDB). The loans will assist the CDB in financing public and private sector projects in eligible CDB and World Bank member countries for agriculture, agro-industry, maunfacturing, tourism, transportation, public utilities, "sites and services," and vocational education and training. The proceeds of the loans (one of $3 million, is on Third Window terms) extended to the CDB will be relent in borrowing countries with the guarantee of the Bahamas, Barbados, Guyana, Jamaica, Trinidad, and Tobago, and the United Kingdom, as relevant.

Colombia: Bank—$80 million. The proceeds of this sixth Bank loan to the country's various development finance companies (financieras) through the intermediation of the Central Bank, will be invested in productive private enterprises, mainly in the industrial sector. Preference will be given those enterprises which are export-oriented or have total assets under $3 million, and for projects involving industrial decentralization. The Inter-American Development Bank is making a parallel loan of $30 million toward the project's cost.

Cyprus: Bank—$6 million. About 60% of the foreign exchange requirements of the Cyprus Development Bank over the next 30 months will be met, permitting it to finance about 50 medium-sized industrial and service sector projects, including tourism; the loan is expected to assist in creating more than 1,500 jobs and increase exports. An initial amount of $750,000 will be utilized from the loan for the development of small-scale industries, a traditional subsector in an economy in which about 80% of existing manufacturing enterprises are small and family-operated.

East African Community: Bank—$15 million. This second Bank loan to the East African Development Bank will help meet the institution's foreign exchange requirements for the financing of import components for industrial projects in the three Community countries of Kenya, Tanzania, and Uganda.

Egypt, Arab Republic of: IDA—$25 million. This second credit to the Bank of Alexandria will help expand and diversify its development finance operations in support of small and medium-sized enterprises in the private sector and some public sector industrial enterprises as well.

Ghana: Bank—$10 million. The National Investment Bank (NIB), which gives major support to Governmental efforts to encourage Ghanaian initiative in the economy, will be provided foreign exchange to help it finance small and medium-scale enterprises in the industrial, agro-industrial, and tourism sectors. The institutional growth of the NIB is also to be assisted through the improvement of its project appraisal capabilities and continued staff training.

India: Bank—$40 million. Foreign exchange will be made available to the country's 18 state financial corporations (SFCs) for on-lending to small and medium-scale industries. The SFCs will receive the funds, which will cover their foreign exchange requirements for two years, through the Industrial Development Bank of India.

Ireland: Bank—$30 million. The Industrial Credit Company, Limited, will help provide industrial credit in the poorer regions outside County Dublin, where industrial enterprises are generally small. Accordingly, about 40% of the loan is to be used to help finance small industries. The project will, therefore, support the Government's efforts to reduce regional imbalance and unemployment.

Ivory Coast: Bank—$8 million. This first loan to the Banque Ivoirienne de Développement Industriel will help provide foreign exchange for industrial projects and create over 5,000 new jobs.

Ivory Coast: Bank—$5.6 million. As many as 130 small enterprises will be established or enlarged, and about 1,600 jobs created as a result of this loan to the Crédit de la Côte d'Ivoire (CCI). Three areas in which lending is suitable—woodworking, garages, and bakeries—have already been identified.

Jordan: IDA—$4 million. Part of the foreign exchange requirements of the Industrial Development Bank of Jordan for investment in medium-scale and small-scale industrial enterprises will be met. A study of small-scale industries and handicrafts will also be financed.

Kenya: Bank—$10 million. This second loan to the Industrial Development Bank (IDB) will help finance a portion of its foreign exchange requirements through 1978. IDB financing concentrates mainly on agricultural processing, including food and industrial raw materials, forestry, and textiles. IDB loans are made in accordance with the Government's policy of industrial decentralization.

Korea, Republic of: Bank—$55 million. The Korea Development Finance Corporation will have part of its foreign exchange requirements through 1977 covered under this fifth loan, which will be used to finance imports of machinery and equipment and the foreign exchange component of domestically produced capital goods and civil works.

Korea, Republic of: Bank—$30 million. Help in covering the foreign exchange requirements of the Medium Industry Bank (MIB), Korea's most important source of term finance and technical assistance to small and medium-sized industries, will be forthcoming. MIB plans to increase its lending in areas outside the Seoul/Pusan industrial complex, thus contributing to a more equitable regional distribution of jobs and income.

Mauritius: Bank—$7.5 million. This second loan (there has been one IDA credit) to the Development Bank of Mauritius will help the country reduce its dependency on sugar by creating new production and jobs in export-based, labor-intensive small and medium-scale industries and tourism

Mexico: Bank—$50 million. Fondo de Equipamiento Industrial (FONEI) is a trust fund managed by the Bank of Mexico. It provides term finance to industrial enterprises through commercial investment banks. This second Bank loan will provide resources to FONEI which will be on-lent to enterprises to finance their equipment needs. The enterprises selected will have a favorable impact on the balance of payments by increasing exports and substituting imports efficiently.

Morocco: Bank—$25 million. Foreign exchange sufficient to finance the import component of most hotel development projects to be undertaken in the country through mid-1978 will be provided through a Government-controlled DFC specializing in housing and hotel lending. Technical assistance aiming at the rationalization of development policies in the tourism sector will be provided. Total cost: $75 million.

Philippines: Bank—$75 million. Proceeds from this loan, made to the Government, will be relent to the Government-owned Development Bank of the Philippines. Finance will help cover foreign exchange costs of capital goods imports for medium-scale and relatively large industrial subprojects. Enterprises eligible for subloans will include those engaged in manufacturing, agro-industries, mining, ocean shipping, and tourism.

Sudan: IDA—$7 million. This credit, to the Industrial Bank of Sudan (IBS), will help provide medium-term and long-term credit for the country's industrial sector. The IBS will be able to help the Government meet its objective of diversifying exports and promoting import substitution.

Tanzania: Bank—$15 million. Resources will be provided to the Tanzania Investment Bank (TIB) for investment in industry, agribusinesses, and tourism. The loan will meet the TIB's remaining foreign exchange needs through 1977.

Tunisia: Bank—$20 million. This sixth loan to the Banque de Développement Economique de Tunisie (BDET) will provide part of the funds needed to help finance industrial development projects in the country. BDET's main function is to stimulate industrialization and tourism development through the financing of sound and productive investment projects.

Uruguay: Bank—$35 million. This first Bank-supported operation in the country's industrial sector will help support a lending program to industrial export enterprises through the newly established Industrial Export Promotion Fund (IEPF). The IEPF will relend the money to commercial banks which, in turn, will relend to enterprises for imported working capital items and capital goods. The project also provides funds for technical assistance to Government institutions in the industrial sector.

Yugoslavia: Bank—$50 million. The loan will finance the foreign exchange costs of small and medium-sized industrial projects (excluding agro-industries) in the country's four less developed regions. The loan is being made to the largest bank in each region, each of which is a mixed commercial and investment bank.

Zambia: Bank—$15 million. This loan to the Development Bank of Zambia (DBZ) will help industrial development and diversify the copper-dependent economy. The loan will amount to more than 40% of DBZ's foreign exchange requirements, and by filling in the remaining resource gap, will enable it to cover its operations through March 1978. The IFC is investing $550,000 in the share capital of DBZ, established with World Bank assistance in 1974.

EDUCATION

Algeria: Bank—$47 million. This follow-up to the first Bank-assisted education project in the country will help Algeria meet its growing demand for trained manpower in priority areas—basic education, vocational training, and general secondary and university education. Total cost: $78 million.

Bangladesh: IDA—$12 million. The quality of services provided to farmers will be improved through the construction of and the provision of equipment for seven agricultural training institutes, a graduate in-service training unit at the Bangladesh Agricultural University, the Regional Academy of Rural Development at Bogra, experimental field facilities for extension, in-service training of extension workers, technical assistance, and a number of studies of the extension system. Total cost: $16.5 million.

Botswana: Bank—$10.5 million. The country's education program, designed to meet the manpower needs of the economy in the early 1980s, will be supported. Secondary school places, as well as the numbers of trained secondary school teachers, will be increased; additional formal and nonformal educational opportunities for out-of-school youths and adults will be provided; a training program for primary school leavers will be expanded; and a rural education development center will be constructed. Some $3.5 million of the loan is on Third Window terms. Total cost: $15 million.

Cameroon: Bank—$17 million. This third education project will assist the Government in the creation or expansion and improvement of agricultural, rural health, and technical education facilities, which include three lower and three upper secondary agricultural schools, a higher agricultural and livestock technician training institute, and two lower secondary technical schools. These investments will support the Government's rural development program and plans for technical education. The loan is on Third Window terms. Total cost: $24.9 million.

Guatemala: Bank—$14.5 million. As many as 3,000 students annually—at the secondary, teacher training, and agricultural technical levels—will be graduated after having been provided a more practical education, thus equipping them with skills for further on-the-job training. Total cost: $22.14 million.

Haiti: IDA—$5.5 million. Designed mainly to increase educational opportunities in rural areas and to upgrade the qualifications of primary school teachers, the project includes site development, construction, furniture, and equipment for 65 new rural community learning centers, 10 new urban community learning centers, extension of one and construction of two new primary teacher training colleges, and technical assistance to undertake special studies and to help develop new curricula. Total cost: $6.5 million.

Indonesia: Bank—$37 million. About 3,600 skilled workers, or 10% of estimated country needs, and about 11,600 semi-skilled workers, or more than double the existing annual training potential of the country, will be trained annually in new education institutions built under the project. Total cost: $65 million.

Kenya: Bank—$10 million. A third Bank-assisted education project will provide facilities for 6,000 primary school teachers a year to attend the Kenya Institute of Education and 17 primary teacher colleges. A new Educational Broadcasting and Multimedia Service Station will benefit nearly 3 million primary pupils and 77,000 teachers. Total cost: $18 million.

Liberia: Bank—$4 million. Agricultural development will be aided by a project designed to improve rural education. Primary school buildings in about 50 villages in counties with low enrollment ratios will either be replaced, expanded, or constructed. A rural teacher training institute will also be improved and expanded, and specialized services (particularly curricula development, adult education, testing, textbook production, and education planning) of the Ministry of Education will be strengthened. Total cost: $5.4 million.

Malawi: IDA—$11.6 million. Twenty-two primary schools will be built as well as a like number of rural education centers, and one teacher training college. Equipment is also included. The project aims at assisting the Government's education strategy which gives priority to the growth of primary education, the improvement of rural, secondary schools, and the strengthening of nonformal schemes. Total cost: $14.5 million.

Morocco: Bank—$25 million. Morocco's comprehensive strategy for rural education will be enhanced through the expansion and reorganization of the country's general, rural health, and agriculture extension education. Technical assistance in preparing a national program for technical education and vocational training will be provided. Total cost: $59.54 million.

Nicaragua: Bank—$11 million. Supporting

the Government's rural education and training development strategy is this project to expand and improve educational and training opportunities through the establishment of basic schools and community learning centers. By 1981, almost 50,000 students will be enrolled in formal education courses, 7,000 youths and adults will receive nonformal training, and lower secondary schools to be established will be able to enroll some 8,600 students. Total cost: $19.8 million.

Paraguay: Bank—$4 million. The training program of the National Vocational Training Service will be expanded so that the urgent needs of the economy for skilled and managerial workers might be met. Accelerated training for rural youth, and in-plant training and management training will be emphasized. The loan is on Third Window terms. Total cost: $5.7 million.

Philippines: Bank—$25 million. Technical assistance, equipment, and facilities designed to increase the institutional capacity for the continuous development of relevant textbooks will be provided. About 27 million textbooks will be produced and distributed as a first phase of a program to introduce 98 million new texts into public primary and secondary schools by 1984. The project will help improve educational quality and redress imbalances in educational opportunities between urban and rural areas. The loan is on Third Window terms. Total cost: $51.6 million.

Sierra Leone: IDA—$7.25 million. This second IDA-supported education project in the country will continue efforts begun under the first project to diversify educational programs at the secondary level. It will also support rural and nonformal training and help improve educational planning, management, and management training. An Institute of Public Administration and Management will also be established. Total cost: $11 million.

Tanzania: IDA—$11 million. Training for 1,500 managers of ujamaa villages will be provided through a Village Management Technician Training Program, the first comprehensive program for in-service training in village development in the country. The managers—each will be responsible for about five villages—will help villagers assess priorities, prepare development plans, and will train village officials in administrative skills. The project includes provision for the improvement of 15 secondary schools. Technical assistance has also been provided by the aid agencies of Denmark, Finland, Iceland, Norway, and Sweden. Total cost: $15 million.

Thailand: Bank—$31 million. A project assisting two key areas of Thailand's educational system—secondary schools and adult education—in support of the Government's wide-ranging educational reforms program will be assisted. Diversified curricula will be introduced in 50 provincial secondary schools, and existing facilities will be equipped and expanded. The foundations of a nationwide adult education network will be set up through a national coordinating unit in Bangkok, four regional adult education centers, 24 provincial "Lifelong Education Centers," and 8,400 village reading centers. Total cost: $78 million.

Tunisia: Bank—$8.9 million. The project will help introduce a more relevant primary school curriculum and to increase the efficiency of the primary school system. Tunisia's prevocational training program, which provides employment-oriented education in agriculture and industry, will be expanded. Also, each year, about 1,600 primary school leavers who cannot find jobs will be trained and provided nonformal education in two regional training centers. Total cost: $27.6 million.

Yemen Arab Republic: IDA—$8 million. Four new district training centers will provide courses in literacy, basic occupational skills, and agriculture; in addition, women will receive instruction in health, hygiene, nutrition, child care, and domestic crafts. As many as 20,000 rural inhabitants yearly will receive training. The project will also strengthen and expand reform measures initiated through a previous (fiscal 1974) IDA-assisted project by introducing more relevant training programs in primary teacher training institutes, while expanding provisions for the training of women teachers. The UNDP will participate with about $2.24 million in the financing of the project. Total cost: $11.9 million.

Zaire: IDA—$21 million. The quality and efficiency of education in rural areas will be aided by a project comprising the construction, rehabilitation, and equipping of educational facilities located in rural communities throughout the country. Those facilities include primary teacher training institutes, training institutes for agricultural technicians, and the Higher Institute of Agricultural Studies. Total cost: $48.5 million.

ELECTRIC POWER

Afghanistan: IDA—$10 million. The purchase and installation of a 40 Mw gas turbine power station in the Kabul area will help avoid power shortages for the city's 50,000 electricity users; the project will also provide for the training of operation and maintenance personnel. Total cost: $11 million.

Algeria: Bank—$57.5 million. A loan to the Societe Nationale de l'Electricite et Gaz (SONELGAZ) will form part of SONELGAZ's 1976–80 construction program. The project consists of the transmission component, and studies designed to improve the company's organization and to further its development. Total cost: $575 million.

Bolivia: Bank—$25 million. Help in financing a part of the five-year (1976/77–1980/81) expansion program of the Empresa Nacional de Electricidad, S.A. (ENDE) will be forthcoming. The program consists of a series of investments to expand electric power generation and transmission in the ENDE operating area. Total cost: $28.8 million.

Brazil: Bank—$52 million. The growing requirements for electric power in the state of Parana will be met as a result of a project which includes needed investments in subtransmission and distribution facilities. As many as 141,000 new consumers, including 20,000 low-income households in the state's main cities, will be connected to the statewide system. Total cost: $188 million.

Brazil: Bank—$50 million. The project will help three state power distribution companies in northeast Brazil meet demand for electric energy resulting from the recent rapid growth of the industrial sector and the concomitant expansion of commercial and residential power demand. The project includes a pilot program to provide electric service to low-income urban households. Total cost: $145.4 million.

El Salvador: Bank—$39 million. Help in financing the foreign exchange costs (including interest during construction) of the expansion of the Ahuachapan Geothermal Power Plant will be provided. Studies will also be made of other geothermal fields in the country. Some $9 million of the loan is on Third Window terms. Total cost: $43.8 million.

Haiti: IDA—$16 million. This first IDA-financed power project in the country, which includes the construction of a power station, related transmission and distribution facilities, a training center, and technical assistance, is designed to increase the supply of electric power in the Port-au-Prince area and help the Government-owned power company become more efficient and financially independent. Total cost: $18 million.

India: IDA—$150 million. This fifteenth Bank/IDA-assisted operation for power development in the country will help finance a program of investment in high voltage transmission during the period 1976–79 in four states as well as in load dispatch facilities to be installed by two regional electricity boards. Total cost: $207.3 million.

India: IDA—$57 million. A rural electrification project will benefit about 55,000 smallholder farmers; power will be made available for irrigation pumping, small industries, and for houses and street lighting in over 6,000 villages. Total cost: $114 million.

Indonesia: Bank—$90 million. Electric power distribution facilities will be expanded and voltage levels standardized in Jakarta and neighboring cities in west Java. The project will provide part of the high priority requirements in this area from 1977 to 1980 to market the increased generation becoming available. The Kuwait Fund for Arab Economic Development may provide about $40 million. Total cost: $164 million.

Kenya: Bank—$63 million. This loan will help finance the construction of the Gitaru hydroelectric power station on the upper Tana River, thus completing the planned Seven Forks hydroelectric development of the river. The project will help meet Kenya's increasing need for electricity which, in the past decade, has grown by 8% yearly. Total cost: $135.9 million.

Liberia: Bank—$1.8 million. About 43 manyears of technical assistance will be provided the Liberia Electricity Corporation to help it prepare for increased demand for power over the remaining years of the decade. Management will be strengthened, long-range plans developed, and ways will be sought for the Corporation to earn a satisfactory return on investments.

Malaysia: Bank—$35 million. This seventh loan to the National Electricity Board (NEB) will help finance an increase of 360 Mw in generating capacity and associated transmission-distribution lines. The project consists of the final extension of the Prai thermal power station, installation of a 132 kv transmission line, extension of the 11 kv distribution system to two rural areas, and consulting service. Total cost: $171.3 million.

Morocco: Bank—$49 million. Through the construction of a dam and associated power facilities, electric power availability will increase, and water will be provided to irrigate 17,000 hectares of land and to meet the growth of demand for potable and industrial water in the Atlantic coastal zone to the year 2000 Total cost: $167.1 million.

Nepal: IDA—$26 million. A hydroelectric project 30 kilometers southwest of Katmandu will replace use of energy equivalent to about 65,000 tons of oil a year, saving about $8 million in foreign exchange. The Overseas Economic Cooperation Fund of Japan, the Kuwait Fund for Arab Economic Development, and the United Nations Development Programme are providing a total of $30.5 million towards the cost of the project. Total cost: $68 million.

Pakistan: Bank—$50 million. This project, which forms part of the country's 500 kv transmission system eventually interconnecting the large hydro facilities in the north with other thermal facilities, includes the equipment for and construction of more than 500 kilometers of transmission lines, the installation of a 220 kv switching station, and consulting services for engineering and accounting, including training in 500 kv operations. Total cost: $113.8 million.

Peru: Bank—$36 million. Assistance will be made available to help the state-owned power company expand its transmission and distribution systems, and technical assistance to and training for state enterprises in the power sector will be made available. By mid-1979, the number of households in poor suburbs of Lima with public service electricity will triple. Total cost: $137.4 million.

Portugal: Bank—$36 million. This sixth loan to the power sector in the country (but the first Bank operation in 10 years), will help finance a project consisting of the 1976–78 tranche of a 10-year investment program in the sector designed to improve and in-

crease generation capacity and transmission and distribution facilities. Total cost: $1,124 million.

Romania: Bank—$50 million. A hydroelectric power project on the Riul Mare and Strei Rivers (including the construction of a reservoir, a tunnel to convey its waters to a power station, an underground power plant and an above-ground powerhouse) will help the country meet its growing demand for power. Total cost: $250 million.

Turkey: Bank—$56 million. This loan will help finance the Turkish Electricity Authority's (TEK) transmission facilities and training needs for the years 1976–79. Substations will be built, TEK engineers will be trained in transmission system design and operation, a manpower study will be conducted of TEK's professional staff needs for the years 1977–81, and a nationwide power tariff study will be undertaken. Total cost: $146 million.

INDUSTRY

Algeria: Bank—$46 million. This loan to a state-owned construction materials enterprise will assist in financing the construction of a cement plant capable of producing a half million tons a year. The distribution system of the enterprise—Société Nationale de Matériaux de Construction—will be expanded through the acquisition of 260 silo-railway cars and 190 trucks and reorganized through the execution of a program of studies. Technical assistance will be provided to the state auditing and accounting enterprise. Total cost: $214 million.

Brazil: Bank—$60 million. This fifth loan for steel expansion in the country will help the Companhia Siderûrgica Paulista (COSIPA) finance its Stage III expansion of steel-making capacity. The project will expand COSIPA's ray steel production capacity from 2.3 million tons at the completion of Stage II to 3.5 million tons yearly. About 6,500 workers will be added to the mill's labor force of 7,600 when Stage III attains full production in 1982. Other external lenders are the Inter-American Development Bank ($40 million) and bilateral sources. Total cost: $1,446.4 million.

Brazil: Bank—$50 million. Assistance in financing a fertilizer plant with a capacity of 1,200 metric tons per day of ammonia (most of which will be converted to urea) will be forthcoming. The project will substantially improve the availability of low-cost fertilizer to Brazil's agricultural section, and reduce Brazil's current heavy reliance on costly imported fertilizer. Total cost: $272 million.

Chile: Bank—$33 million. Investment subprojects undertaken by two Government agencies, the Chilean Copper Corporation and the National Mining Enterprise, will be supported. The subprojects aim at maintaining, rendering more efficient, and, in a few cases, lightly expanding existing capacity to process copper ore and by-products. The project should result in an increase in foreign exchange earnings to more than $100 million a year by 1980. Total cost: $76.8 million.

Egypt, Arab Republic of: Bank—$52 million. The production capacity of two textile mills near Alexandria will be expanded and rehabilitated, and training and technical assistance to the textile sector, which accounts for about 50% of employment in the industrial sector and 52% of the value of output, will be provided to meet growing domestic and export demand. Parallel financing will come from the Arab Fund for Economic and Social Development. Total cost: $253.2 million.

India: IDA—$105 million. The project will help increase fertilizer production in the country's existing plants from about 60% of capacity to about 90% by 1979. It will assist in removing production bottlenecks, improving pollution control, and increasing the production of industrial chemicals. An additional 253,000 tons a year of nutrients is expected. Total costs: $239 million.

Indonesia: Bank—$70 million. The country's largest fertilizer company (PUSRI) will expand its present annual capacity to produce an additional 570,000 tons of urea. Single-train ammonia and urea units with capacities of 1,000 metric tons and 1,725 metric tons a day respectively will be built. Parallel financing in the amount of $70 million from the Saudi Fund for Development will be forthcoming. After this expansion, PUSRI's annual capacity will reach about 1.6 million tons of urea. Total cost: $186 million.

Peru: Bank—$40 million. Mining activities in the central Andean region of the country are to be improved through the replacement of obsolete facilities, expansion of production, increased processing, and a reduction of environmental pollution. The fourfold expansion of output at one copper mine and the construction of a mine water treatment plant at another will be financed. Total cost: $146.5 million.

Romania: Bank—$20 million. Investments in 223 enterprises to replace equipment and spare parts damaged by the serious floods of July 1975 will be made. About 120 kilometers of the national road system and 270 kilometers of the rail system will be reconstructed. Total cost: $221 million.

Togo, Ivory Coast, and Ghana: Bank—$60 million. A regional industrial complex, though located in Togo, will be owned jointly by the three Governments, and will supply high-quality clinker required for cement production in the three countries. The project will help reduce their dependence on clinker imports, and the plant will provide 600 jobs when in operation. A total of eight co-financers are helping finance the project. Total cost: $284 million.

Turkey: Bank—$70 million. Turkey's large but underutilized forest resources will be tapped by a newsprint project, designed to meet the country's growing need for newsprint. Integrated sawmill and newsprint manufacturing facilities will be built near the town of Balikesir in western Turkey, a town site with housing for 1,000 people will be provided, and technical assistance furnished. Total cost: $185 million.

NONPROJECT

Bangladesh: IDA—$100 million. Foreign exchange will be made available for the importation of industrial components, chemicals, raw materials, spare parts, and packing materials to enable selected industries, with particular emphasis on jute and textiles, to maintain or expand production.

India: IDA—$200 million.[1] Some 800 medium- and large-scale industries in key sectors of the economy will be able to maintain production and expand exports. The credit will meet part of the foreign exchange requirements during 1976–77 for imports of raw materials, components, and spare parts, and will provide $5 million for the foreign exchange costs of technical know-how and "balancing equipment" needed to modernize selected industries.

Korea, Republic of: Bank—$75 million. Funds will be made available to help meet the foreign exchange requirements of Korea's private sector for the importation of selected essential capital and intermediate goods. The goods to be bought with the proceeds of the loan are intended primarily for export industries.

Pakistan: IDA—$50 million. The credit will help meet the country's foreign exchange requirements for the importation of essential capital and intermediate goods needed for agricultural and industrial development. Most of the goods will be directly imported by private firms through normal commercial channels.

Paraguay: IDA—$4 million. The credit will help finance a preinvestment project consisting of various studies to be carried out mainly in the transportation, agriculture, tourism, and education sectors. The project is expected to improve budgeting and resource allocation, increase the number of high priority public sector projects, and contribute to a more effective coordination of external financial assistance. Total cost: $6.15 million.

POPULATION AND NUTRITION

Brazil: Bank—$19 million. This first ever Bank-assisted nutrition project, designed to strengthen Brazil's capability to upgrade the nutritional standards of the population, may improve, over the next four years, the health and performance of more than 100,000 children. Others benefiting will include pregnant and lactating women from low-income families. Studies will be undertaken to determine the magnitude of the malnutrition problems in the country; the effectiveness of different nutrition "delivery systems" will be tested; food fortificants and low-cost nutritious food will be developed, tested, and produced; and technical assistance will be provided. Total cost: $71.9 million.

Jamaica: Bank—$6.8 million. By supporting the National Family Planning Program, primarily through the construction and equipping of health centers, provision of technical assistance, and the purchase of vehicles, this second Bank-supported population project aims to reduce fertility rates (from 182 births per 1,000 women in 1974 to 150 per 1,000 women in 1980) by further development of health and family planning services, a reduction of malnutrition among pregnant and lactating women and small children, and technical assistance to the Ministry of Health and Environmental Control. Total cost: $13.2 million.

TECHNICAL ASSISTANCE

Bangladesh: IDA—$7.5 million. Technical assistance subprojects will be financed. The funds are expected to be used primarily for feasibility and engineering studies and other investigations required to prepare projects for external financing, with emphasis on the agricultural and water development sectors. Some of the proceeds will also be used to strengthen the institutions responsible for project preparation and implementation through staff training or management assistance.

Burundi: IDA—$1.5 million. Key personnel will be recruited in the planning ministries and the Bureau Technique d'Etudes (10 man-years of long-term advisory services and 15 man-months of short- and medium-term consultant services). Improvements will take place in preinvestment and feasibility studies needed for project preparation. Total cost: $1.7 million.

Indonesia: Bank—$13 million. A reliable natural resource data base, as well as a permanent institutional capability for updating and analyzing resource information required for planning agriculture, transmigration and land settlement, timber and mineral extraction, and related transportation investment, will be established through a national resource survey and mapping project. Base mapping, navigational charting, and resource evaluation will be substantially accelerated and improved through provision of aerial photography, geodetic control, remote sensor imagery, acquisition of equipment, construction of facilities, and training and technical assistance. Total cost: $46 million.

Sudan: IDA—$4 million. A three-year program of project preparation studies (involving as many as 130 man-years of consultants' services) will be financed. After expanding the capacity of local institutions to execute preinvestment work, projects will be selected for study from among various high priority sectors and subsectors, including railways, feeder roads, rural and livestock development, irrigation, and water supply. The Kuwait

[1] Categorized as "Maintenance imports" elsewhere.

Fund is lending $3 million towards the project's cost. Total cost: $8.5 million.

Tanzania: IDA—$6 million. To help the Government meet demands for skilled manpower, this technical assistance project includes consulting services for preparing preinvestment and feasibility studies in the industrial, mining, transport, and communications sectors, and for special studies designed to increase the utilization of existing investments. Overseas training for Tanzanians in project preparation, evaluation, implementation, and related skills will also be provided.

TELECOMMUNICATIONS

Fiji: Bank—$5 million. International telecommunications, telex, and local and long-distance telephone services will be improved, and automatic switching equipment for 5,400 additional lines will be provided. Total cost: $14 million.

Niger: IDA—$5.2 millfon. Designed to improve the quality of Niger's telecommunications facilities, especially its long-distance network, the project includes provision of trunk switching equipment, 3,800 lines of automatic switching equipment, overhead line and carrier equipment, three VHF links and one HF radio link, and, in addition, engineering and financial consultant services. Total cost: $6.5 million.

Syria: Bank—$28 million. The Syrian Telecommunications Establishment will be able to modernize and improve services to existing subscribers, connect over 80,000 new subscribers, and provide increased traffic capacity as a result of a project which also includes the establishment of a new telecommunications training center in Damascus. Total cost: $145.6 million.

Thailand: Bank—$26 million. The local network capacity of the country's telecommunications system in both the Bangkok area and the hinterland will be expanded; as many as 50,000 new connections will be made; the number of towns and villages with telephone service will increase by 40%; and, in rural areas, 42 small towns and villages will be provided telephone service for the first time. Total cost: $94.13 million.

TOURISM

The Gambia: IDA—$4 million. Help will be provided in financing infrastructure for tourism development. The Gambia hopes that its foreign exchange earnings, now heavily dependent on groundnut production, can be increased, and that additional employment will be created during periods of low agricultural employment. In addition to basic infrastructure (roads, sewerage system, telecommunications facilities, etc.), a hotel training school will be built, and a food storage and marketing program to encourage local production of foodstuffs will be implemented. The African Development Bank and the Kreditanstalt für Wiederaufbau (Germany) are also helping to finance the project. Total cost: $11.3 million.

Jordan: IDA—$6 million. Tourism facilities and supporting infrastructure at the ancient sites of Petra and Jerash (on the East Bank) will be upgraded. At the same time, the archaeological assets of those sites will be preserved, representing the first involvement of the Bank in a project designed to realize the earnings potential of historical monuments. Increased tourist flows and entrance fees will generate substantial foreign exchange benefits and create 1,200 new jobs. Total cost: $12.1 million.

Morocco: Bank—$21 million. Infrastructure works and public facilities for the development of a new tourism complex on the Bay of Agadir will be constructed. When all planned accommodations have become fully operational in 1989, foreign exchange earnings of about $37 million yearly will be generated and as many as 4,400 people will be directly employed, with an estimated additional 7,200 jobs provided through indirect employment. The project also includes funds for road construction and the elimination of harbor pollution, which would enhance Agadir's tourism assets and alleviate some of the city's problems caused by its rapid growth following the 1960 earthquake. Total cost: $44 million.

TRANSPORTATION

Bangladesh: IDA—$4.6 million. A supplement to the original credit (August 1973) for $4.1 million which included funds for the repair of the offshore oil terminal at Chittagong. Later studies revealed that damage to the terminal was more extensive than had been thought. This supplement will help finance a modified oil transfer system as recommended by consultants. Total (additional) cost: $7.2 million.

Benin, People's Republic of: IDA—$9 million. A supplement to the $11.8 million IDA credit of July 1973 for a second highway project.

Botswana: Bank—$5.8 million. This third road project will help finance the construction of the 52-kilometer Gaborone-Molepolole road, which serves about 60,000 people, most of whom are small farmers engaged in cattle raising and crop cultivation. Engineering for future road construction and technical assistance are also included. Total cost: $7.4 million.

Brazil: Bank—$75 million. Improvements to the São Paulo State Railway Company will be made. Especially affected by the project will be low-income residents of the city's suburbs who must ride on the line's obsolete and crowded commuter trains. Track will be rehabilitated, and locomotives and rolling stock purchased. The loan is seen as complementing recent Bank assistance to the federal railway system. Total cost: $762.4 million.

Brazil: Bank—$55 million. About 10,000 kilometers of secondary and feeder roads, linking existing agricultural areas to federal and state primary highway networks, will be constructed, rehabilitated, or improved. Agricultural development will be fostered, transport of essential farm inputs facilitated, and isolated communities opened up to economic opportunities. Total cost: $237 million.

Cameroon: IDA—$15 million. A supplement to the $24 million credit of September 1973 for a second highway project.

Cameroon: Bank—$2.3 million. A feasibility study will seek to determine the capacity demand for railway terminal facilities in the area of the country's major economic center, Douala; the project also includes final engineering studies of the new Douala railway station and marshalling yard. Consulting services will cover railway operation, commercial activities, and management; capacity restraints on the Douala-Yaoundé corridor will be studied. Total cost: $2.9 million.

Congo, People's Republic of the: Bank—$38 million. Through technical assistance provided to the Agence Transcongolaise de Communications, the agency responsible for the development of rail transport in the country, the Congo's role as a major transit country for exports from landlocked Central African Republic, southeastern Cameroon, southern Gabon, and southern Chad to the port of Pointe Noire on the Atlantic Ocean will be strengthened. Nine sources of co-financing will provide grants and loans totaling about $155 million. Total cost: $233.8 million.

Costa Rica: Bank—$39 million. With the construction of two new main highways, the first all-weather road from the capital, San José, to the Caribbean will be completed, helping to bring some previously isolated areas into the mainstream of the country's economic life. Total cost: $74 million.

Ecuador: Bank—$33.5 million. The institutional and operating conditions of the port of Guayaquil will be improved. Additional berths and facilities—including the country's first bulk cargo terminal—will relieve the congestion caused by faster-than-anticipated traffic growth, and will permit handling increases in cargo traffic forecast through the mid-1980s. Total cost: $83.6 million.

Ecuador: Bank—$10.5 million. About 49 kilometers of road through a rich, agricultural region will be improved. A road maintenance program will be set up, a program to improve the capabilities of the country's road construction industry launched agricultural studies undertaken for the area affected by the project, and a program designed to improve planning and coordination in the transport sector. Total cost: $21 million.

Egypt, Arab Republic of: Bank—$45 million. The port of Alexandria will be rehabilitated and modernized through dredging, construction of a new berth, the purchase of needed equipment, the opening of a new channel, establishment of a new cargo area, and other related activities. Technical assistance will also be provided to the Alexandria Port Authority. Co-financing is expected from USAID and the Overseas Economic Cooperation Fund of Japan. Total cost: $151 million.

Ghana: Bank—$18 million; IDA—$10 million. This two-fold project is designed to improve existing roads by implementing the first four-year phase of the Ghana Highway Authority's eight-year road maintenance program; and to help the domestic contracting industry through the Bank for Housing and Construction. The United Nations Development Programme, the United Kingdom, and Canada are contributing about $700,000 as technical assistance grants. Total cost: $35.8 million.

Greece: Bank—$30 million. The Patras-Pyrgos-Olympia highway will be reconstructed, and institutional reforms in the transport sector will be initiated so that benefits the country derives from its highway system can be maximized. Total cost: $64.7 million.

Guinea: IDA—$14 million. This project designed indirectly to enhance the Government's revitalization efforts in the agriculture sector, includes rehabilitation and initiates proper maintenance of almost 2,500 kilometers of roads, repair of equipment, purchase of highway equipment and spare parts, technical assistance to the implementing agency—the Ministry of Public Works, Mining, and Geology—and training of mechanics and equipment operators. Total cost: $18.6 million.

Honduras: Bank—$3 million. A supplement to the Bank's $6 million second port loan, made in June 1971.

India: IDA—$110 million. This thirteenth railways project to be supported by IDA will include the manufacture of 350 locomotives, about 300 electric multiple units, 1,500 coaches, and 20,000 freight cars. Electrical, track, and other works, as well as procurement of spare parts are also included. Total cost: $1,010 million.

Indonesia: Bank—$130 million. More than 1,000 kilometers of roads in Java, Sumatera, and Bali will be improved, detailed engineering made on more than 4,000 additional kilometers of roadways, and studies undertaken of the feasibility of future improvements to 7,000 kilometers of highways. Technical assistance to help strengthen the country's highway authorities in planning, budgeting, construction management, training, and mobilization of consulting and construction industries will also be provided. Total cost: $234 million.

Indonesia: Bank—$68 million. PUSRI, the Government-owned fertilizer company, will establish an integrated distribution system so it can effectively distribute its increasing fertilizer production from the south Sumatera plants to Java, north and west Sumatera, and other islands. Total cost: $130 million.

Indonesia: Bank—$54 million. Part of the first phase of the Government's Inter-Island

Fleet Development Program for the period 1974–79, the project is designed to modernize, expand, and improve the efficiency of the inter-island fleet. Ninety-four new and used ships, representing about 10% of the present Indonesian shipping fleet, will be acquired under the project. The project is being co-financed by Norway ($99.7 million) and the Japanese Overseas Cooperation Fund ($25 million). Total cost: $195.2 million.

Ivory Coast: Bank—$43 million. Pavement on about 200 kilometers of road will be strengthened, 27 kilometers on one road will be realigned, and 45 kilometers of highways will be constructed. Equipment for traffic counting, vehicle weight control, and pavement surveys will be bought, and technical assistance provided. Total cost: $69 million.

Korea, Republic of: Bank—$90 million. This third Bank-assisted highway project includes the construction and paving of about 195 kilometers on four national highways, paving and improvements on a total of about 600 kilometers on nine national highways, and feasibility studies of about 1,200 additional kilometers of roads, to be followed by detailed engineering if found to be justified. The project is designed to reduce freight and passenger transport costs, and to provide easier access to some isolated areas with high economic potential. Total cost: $220 million.

Lesotho: IDA—$5.5 million. Two road sections strengthening the link between Thaba Tseka, the commercial focus of the central mountain section, and Maseru, the capital, will be improved and reconstructed. A labor-intensive construction unit will be formed. This unit will gain experience with labor-intensive methods for coping with future employment emergencies and providing a basis for a long-term employment strategy. The hope is that job opportunities might be created at home which will attract would-be emigrant workers. (About 60% of the country's labor force now works in South Africa.) Financing for the project is also to be provided by the Overseas Development Ministry of the United Kingdom. Total cost: $8.61 million.

Liberia: Bank—$27.5 million. The agricultural heartland of the country will be opened up by the realignment of one principal road and the building of almost 250 kilometers of feeder roads, and access to the port of Monrovia will be aided by the construction of a highway bridge and the upgrading of a major thoroughfare in the capital. Additionally, technical assistance will be provided the Planning Division of the Ministry of Public Works, and a study of Monrovia's urban development and transport system will be made. Total cost: $46.4 million.

Madagascar: IDA—$22 million. An all-weather direct land connection between Tananarive and the western part of the country will be built and part of a major arterial highway reconstructed. An area with substantial agricultural potential will be opened up and transportation costs will be reduced. The Arab Bank for Economic Development in Africa is providing co-financing of $5 million. Total cost: $31.8 million.

Madagascar: IDA—$5.6 million. An amendment to the Bank loan and IDA credit ($15 million each) made in January 1973 in support of the Government's road construction program.

Mali: IDA—$10 million. The third IDA operation in the country's highway sector, the project will continue to help the Government's program for improvement of road maintenance and of agricultural feeder roads. It will help increase agricultural production, improve efficiency of the road transport industry, and reduce vehicle operating costs. Total cost: $13.4 million.

Mauritania: IDA—$8 million. The port of Nouadhibou will be improved through the construction of fishing and commercial berths, a sewerage scheme, various buildings, and the purchase of a harbor master's launch and navigation aids maintenance equipment. Co-financing will be obtained from the Kuwait Fund for Arab Economic Development and the Caisse Centrale de Cooperation. Total cost: $27.55 million.

Mexico: Bank—$100 million. The operating efficiency of Ferrocarriles Nacionales de Mexico will be improved, track rehabilitated, telecommunications modernized, and urgently needed rolling stock and machinery purchased. The project forms a part of Nacionales' $1,401 million five-year (1975–79) plan. Total cost: $576 million.

Nicaragua: Bank—$5 million. An amendment to a loan (increasing it from $11 million to $16 million) to the Corinto Port Authority for a port project approved in January 1973.

Niger: IDA—$15.6 million. This third IDA-assisted highway development project in the country aims at consolidating and expanding highway maintenance efforts and improving major trunk roads in the south which support agricultural development. The project is also designed to provide better transport connections for export-import traffic flowing via Nigeria. The Arab Bank for Economic Development in Africa and the African Development Bank are providing $10.6 million toward the project's costs. Total cost: $28.7 million.

Peru: Bank—$76.5 million. Help in financing a transport corridor linking the Pacific coast and the Peruvian hinterland will be made available. About 375 kilometers of roads will be improved, resurfaced, or paved, and 110 kilometers of feeder roads will either be improved or built. In addition, two new ports on the Amazon River will be constructed, and another improved. Total cost: $128.7 million

Rwanda: IDA—$9.5 million. A supplementary credit made in December 1975 in support of the country's road construction and highway maintenance program, with co-financing of $5 million by the Saudi Fund for Development.

Senegal: Bank—$15 million. This third Bank-assisted highway project aims at protecting past investments through the consolidation and expansion of maintenance of the existing highway network. The provision of technical assistance will help build up the Government's planning capacity in the transport sector and establish a program designed to improve the capacity of the domestic construction industry to participate in major road works. Total cost: $24 million.

Senegal: Bank—$6.6 million. About 1,250 kilometers of feeder roads will be improved and maintained. Technical assistance will also be provided for project implementation and monitoring. The loan is on Third Window terms. Total cost: $8.5 million.

Somalia: IDA—$5.2 million. The port facilities at Mogadiscio will be expanded by the extension of the breakwater and the addition of a berth When completed, the new port is expected to handle about two-thirds of the country's imports, and about one-third of all exports. Total cost: $6.45 million.

Sudan: Bank—$20 million: IDA—$9 million. Two new airports (at Port Sudan and Wau) will be built, the runway and terminal building of another (at Malakal) reconstructed, and a new terminal at yet another (at Juba) will be built, thus helping bridge the considerable distances between potential areas of production and consumption in Africa's largest country. The Bank loan is on Third Window terms. Total cost: $86.2 million.

Trinidad and Tobago: Bank—$7 million. Severe traffic congestion along the East-West Corridor, the main artery between Port-of-Spain, the manufacturing and commercial center, and the rest of the country will be alleviated. Almost 100 kilometers of paved rural roads will be strengthened, and technical assistance will be provided to the Government's Highway Division and the domestic contracting industry. Total cost: $28.5 million.

Tunisia: Bank—$28 million. The Bank's second highway project in the country will improve about 225 kilometers of primary and secondary roads and thus reduce transport costs. Also, technical assistance will be provided for updating the 1968 Transport Survey and for preparing a rural roads program in less developed regions. Total cost: $52.3 million.

Yemen, People's Democratic Republic of: IDA—$3.2 million. The port of Aden at the southern entrance to the Red Sea, underutilized during the closure of the Suez Canal, will be rehabilitated. The project will enable the port to resume safe and adequate servicing for the initial increase in shipping traffic through the now-opened Canal. The Arab Fund for Economic and Social Development is lending $13.6 million toward the rehabilitation costs. Total cost: $17.6 million.

Yugoslavia: Bank—$49 million. A 736-kilometer-long pipeline, capable of transporting up to $400,000 barrels of petroleum a day by 1979, will be built from the port of Omisalj on the Adriatic Sea to the town of Pancevo, near Belgrade, with a branch line to the Hungarian border, making possible the transit of oil to Hungary and Czechoslovakia. Storage tanks, pump stations, a control system, associated equipment, and engineering services are also included. The pipeline will serve five refineries in Yugoslavia. Co-financing is being provided by agencies in Czechoslovakia, Hungary, Kuwait, and Libya. Total cost: $377 million.

Yugoslavia: Bank—$40 million. Construction of highway sections totaling about 90 kilometers in three republics will relieve congestion on two highways of international importance and will help meet the heavy traffic generated by the country's growing manufacturing and tourism industries, and international traffic. Total cost: $117.4 million.

URBANIZATION

Malaysia: Bank—$26 million. Government measures to make more efficient use of existing and planned transport facilities in the Kuala Lumpur area will be supported. In addition, 2,100 squatter households, some of which were displaced by highway development, will be provided with infrastructure services near their old homes, and other households and businesses will be provided residential and business "sites and services." Technical assistance will be provided for the preparation of a national "sites and services" program, emphasizing integrated development of small-scale industries and low-cost housing. Total cost: $72 million.

Peru: Bank—$21.6 million. As many as 200,000 slum residents in Lima and Arequipa will benefit through provision of infrastructure for water supply, sewer, and electricity connections; the construction of access roads (in Lima); and health and nutrition centers (in Arequipa). Industrial "sites and services" will be included in both communities, while in Lima, core housing and commercial "sites and services" will be provided. Technical assistance for project components is also included. Total cost. $43.2 million.

Philippines: Bank—$32 million. About 180,000 residents of Tondo, one of Manila's worst slums, will benefit from an urban development project in which health, nutrition, and other social services improvements will be integrated with improvements in water supply, sewerage, and drainage facilities. In neighboring Dagat-Dagatan, the first phase of a "sites and services" settlement will be developed. Technical assistance will also be provided the new National Housing Author-

ity and the Manila Metropolitan Commission to help them develop urban programs. Some $10 million of the loan is on Third Window terms. Total cost: $65 million.

WATER SUPPLY AND SEWERAGE

India: IDA—$40 million. The quality of water supply and sewerage systems in five of the largest towns in the state of Uttar Pradesh will be raised, and the supply of water for 2,000 villages improved. About 5 million city dwellers and 1.2 million villagers will benefit. Total cost: $75 million.

Kenya: Bank—$35 million. An additional 300,000 people will be serviced with a reliable supply of water in Mombasa and nearby coastal areas, and existing services will be improved. Technical assistance to the Water Department of the Ministry of Water Development will be provided for improving the operation and management of the Coast Province water organization and for preparation of a countrywide rural water supply project. Total cost: $75 million.

Malaysia: Bank—$21.5 million. The population in the Federal Territory of Kuala Lumpur with sewerage service by 1981 will double to 400,000 as a result of this project, the first stage of a 30-year plan to extend sewerage facilities throughout the Territory. Total cost: $60.5 million.

Mexico: Bank—$40 million. This loan will cover part of the financial needs of a new program to improve water supply and sewerage services in medium-sized cities throughout Mexico. Eight cities have been selected to start the program; the cost of improving services for them is estimated at $100 million. About 580,000 people will benefit from improved water services and 642,000 from sewerage facilities. Technical assistance is also being provided. Total cost: $100 million.

Pakistan: IDA—$26.6 million. More than 2 million people living in Lahore will benefit from an improvement and expansion of the city's water supply, and an additional 250,000 people will benefit from a 20% expansion of the city's sewer system. Total cost: $47.9 million.

Panama: Bank—$12 million. The water supply systems in the cities of Panama, Colon, Arraijan, and Chorrera will be improved. Water will be supplied to the new fishing port at Punta Vacamonte, and both the water supply and sewerage systems of El Chorrillo, a low-income Panama City suburb, will be rehabilitated. Total cost: $20.5 million.

Syria: Bank—$35 million. The residents of Damascus will benefit, either through house connections or through public taps, from the first major expansion of the city's water supply and distribution system in more than 40 years. Supplies of water will be increased, and water shortages and related health hazards curtailed. The Arab Fund for Economic and Social Development is providing $40 million in cofinancing. Total cost: $137 million.

Yugoslavia: Bank—$45 million. Sarajevo's old water and sewerage systems will be rehabilitated and expanded. Existing pumping stations and reservoirs will be expanded and new ones built; water mains and distribution pipes will be installed or replaced; collectors and main sewers will be constructed; and new sewage treatment facilities installed. Implementation of the project is to be coordinated with the simultaneously approved air pollution control project. Total cost: $95.7 million.

Yugoslavia: Bank—$38 million. The use of low-grade lignite as fuel, which has resulted in Sarajevo's being one of the most polluted (with sulfur oxide) cities of its size (300,000) in the world, will be reduced through a project which will convert central heating plants and new household connections to natural gas. A natural gas transmission line will be built from near Belgrade to Sarajevo and a distribution ring and service connections constructed. Total cost: $74.9 million.

Yugoslavia: Bank—$20 million. Planning and management of water resources within the Morava River basin (in the Republic of Serbia) will be improved so that water-related problems can be overcome and economic development in the least developed areas of the region accelerated. Water and sewerage systems will be provided for the towns of Titovo Uzice and Cacak, two pilot irrigation projects will be undertaken, and studies on regional economic development, water quality, and flood hazards will be carried out. Total cost: $51.4 million.

Zaire: IDA—$21.5 million. The water supply systems of six major cities with an aggregate population of 1.5 million, only a third of which today have ready access to water, will be improved. The project, expected to reduce the high incidence of waterborne diseases among the urban poor, is being cofinanced by the Arab Bank for Economic Developments in Africa, the African Development Bank, and the United Nations Development Programme. Total cost: $70.4 million.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Virginia. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), and the Senator from South Dakota (Mr. ABOUREZK) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "yea."

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Missouri (Mr. DANFORTH), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Utah (Mr. GARN) are necessarily absent.

On this vote, the Senator from New Mexico (Mr. DOMENICI) is paired with the Senator from Missouri (Mr. DANFORTH).

If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Missouri would vote "nay."

The result was announced—yeas 29, nays 62, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—29

Allen	Hansen	Proxmire
Bartlett	Hatch	Randolph
Bellmon	Hayakawa	Roth
Burdick	Helms	Schmitt
Byrd, Harry F., Jr.	Hollings	Scott
	Johnston	Stennis
Byrd, Robert C.	Laxalt	Talmadge
Curtis	McClure	Thurmond
Eastland	Morgan	Young
Goldwater	Nunn	Zorinsky

NAYS—62

Anderson	Dole	Jackson
Baker	Durkin	Javits
Bayh	Eagleton	Kennedy
Bentsen	Ford	Leahy
Biden	Glenn	Long
Brooke	Gravel	Lugar
Bumpers	Griffin	Magnuson
Case	Hart	Mathias
Chiles	Hatfield	Matsunaga
Church	Hathaway	McGovern
Clark	Heinz	McIntyre
Cranston	Huddleston	Melcher
Culver	Humphrey	Metzenbaum
DeConcini	Inouye	Moynihan
Muskie	Riegle	Stevenson
Nelson	Sarbanes	Stone
Packwood	Sasser	Tower
Pearson	Schweiker	Wallop
Pell	Sparkman	Weicker
Percy	Stafford	Williams
Ribicoff	Stevens	

NOT VOTING—9

Abourezk	Danforth	Haskell
Cannon	Domenici	McClellan
Chafee	Garn	Metcalf

So, Mr. HARRY F. BYRD, JR.'s amendment was rejected.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. STONE). The Chair, on behalf of the Vice President, appoints the Senator from Colorado (Mr. HART) as a Congressional Adviser to the Strategic Arms Limitation Talks Delegation, in Geneva, Switzerland, during 1977.

OMNIBUS MULTILATERAL DEVELOPMENT INSTITUTIONS ACT OF 1977

The Senate continued with the consideration of the bill, H.R. 5262.

Mr. HATHAWAY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, the Senator from Arizona has been seeking recognition.

UP AMENDMENT NO. 426

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arizona (Mr. DECONCINI) offers an unprinted amendment numbered 426:

On page 15, strike lines 15 through 24 and add in lieu thereof:

"Section 212. 'In addition there is hereby authorized to be appropriated such sums as may be necessary, consistent with, and after consultation with, the other nations involved.' The Secretary of the Treasury is directed to begin discussions with other donor nations to the African Development Fund for the purpose of changing the voting structure within the Fund to reflect actual contributions by Fund members."

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a question?

Mr. DECONCINI. I yield for a question.

Mr. ROBERT C. BYRD. Mr. President, I have cleared this with the distinguished author of the amendment, but I ask the managers of the bill if they would be agreeable to reducing the time on this amendment to 15 minutes, to be equally divided.

Mr. HUMPHREY. That is agreeable.

Mr. CASE. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. If the Senator will yield further, I ask the managers if, on an amendment by Mr. MOYNIHAN,

they will likewise agree to a limitation of 15 minutes, to be equally divided.

Mr. HUMPHREY. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, far be it from me to consider myself an expert on African affairs, but it appears to me, as to the African Development Fund, under section 212 on page 15 of the pending bill, that we would be better served if we had the language in the original House bill. The amendment would simply restore that language.

The President of the United States and the administration have not seen fit to present to either House of Congress a sum that should be included for the African Development Fund. The executive branch is negotiating with the other members of the Fund to determine the respective national contributions. We should allow these negotiations, in my judgment, to go forward, and not prejudge what the U.S. contribution may be. It seems far better for us to let the new administration, with a new Ambassador to the United Nations and new ambassadors coming on continuously, come forward with a specific amount and program. This would allow for the President and for the Secretary to properly negotiate, and to come back with the actual money amount that may be needed.

This amendment would show that the Congress of the United States supports the administration in this area, and also prevents——

The PRESIDING OFFICER (Mr. BAYH). Will Senators please exhibit more courtesy toward our colleague? The Senate will be in order.

Mr. DECONCINI. The amendment would permit the administration to negotiate more favorably, I believe, for this country and for the betterment of the African Development Fund. I submit, as to the arguments that will be proposed that we need to put in a dollar amount to show our concern, that I do not think the dollar amount is what is important.

Quite frankly, if the proposal were here, I quite likely would support even a greater dollar amount. What is important is to show our willingness and the ability of our administration to be in a posture to negotiate and show goodwill toward this continent, toward its needs, and to support the African Development Fund. For that reason I hope this amendment will be agreed to. I reserve the remainder of my time.

Mr. DOLE. Will the Senator yield for a unanimous-consent request?

Mr. DECONCINI. I yield.

Mr. DOLE. Mr. President, I ask unanimous consent that Myron Kuropas of my staff be granted the privileges of the floor during the debate on the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HUMPHREY. Has the Senator completed his statement?

Mr. DECONCINI. I have.

Mr. HUMPHREY. I want to yield time to the Senator from Iowa.

Mr. DECONCINI. Mr. President, I have reserved the remainder of my time.

Mr. CLARK. How much time will the Senator yield?

Mr HUMPHREY. I yield 5 minutes to the Senator.

Mr. CLARK. Mr. President, I would like to say that in H.R. 5262, the authorization provided for in this bill for the African Development Fund, the newest of the financial institutions, of course, focuses on regional development in the Third World. There are two ways in which we can view the African Development Fund. The most obvious perspective is to see it as a multilateral agency with a promising future in promoting economic development in the poorest continent in the world.

This particular amendment Mr. DECONCINI has offered would, of course, put in the Senate language exactly what the House language, as I understand the intention of it, has provided. We considered that fact very carefully because the House had acted prior to the time the Senate Foreign Relations Committee acted.

At that time, the House concluded they should have more of what I would call a blank check or an open statement in which they, in effect, authorized the funds in a kind of open-ended way, so that it could, in fact, cost less than $150 million, or it might cost more than $150 million.

We felt that because they had not had hearings we ought to hear from the administration, the Treasury Department, the State Department, and other officials who wished to testify on the issue.

In holding these hearings—in fact, we held joint hearings on the African Development Fund with the Subcommittee on Foreign Assistance and the African Subcommittee—we concluded that it would be better and wiser to tie down a specific figure. Congressman PARREN MITCHELL in particular argued in favor of the $150 million authorization for 3 years.

As we know, the House passed this bill without designating an actual dollar figure, as I said, but the objection to specifying a particular amount for the African Development Fund focused on procedural questions.

First, as I say, the House had not held hearings on the matter, but we had.

Second, some Members of Congress, including Members of the Senate, often object to the fact that negotiations for the next contribution to the fund are not yet concluded.

This objection did not appear to be a convincing one to the majority of the members of the Foreign Relations Committee.

One hundred fifty million dollars is the amount which the Treasury Department intends to negotiate. They so testified. Their position to support the House version of the bill was based on the general principle that they would want all legislation to give them the greatest possible flexibility. I would argue that the time is right for the United States to act firmly and decisively to pledge our support in ways that are not subject to misinterpretation.

Our policy towards Africa must emphasize the economic and political initiatives. I believe we have to avoid getting embroiled, obviously, in military conflicts, but at the same time we must use the resources that we have to exercise some degree of influence on the continent. The African Development Fund is one of the most important vehicles through which to achieve this objective.

The Fund is relevant to African goals across the continent.

I know the Senator who offers this amendment agrees with that particular part of the argument. We felt the case was made to go ahead with the $150 million in fiscal 1979, 1980 and 1981, and that we would at least show some leadership in doing that.

As the Senator may know, we are the sixth ranking country in funding in the African Development Fund after Canada, Japan, Germany, the United Kingdom and Sweden.

At the present time, in fact, we do not even contribute enough to have a vote in that Fund. We think this would be a step in the right direction to specify the exact amounts.

Mr. HUMPHREY. Will the Senator from Iowa yield to me for a suggestion? I want to have the attention of the Senator from Arizona. What if we took $50 million for one year and then added the portion proposing a discussion with the donor countries for the second replenishment? That is a possibility, is it not? At present, there is $150 million for the 3 years starting in fiscal 1979, 1980 and 1981. If we put the $50 million in for the calendar year 1978, but effective for the fiscal year 1979—then this would represent an additional contribution to the first replenishment. As the Senator has indicated in his amendment, the Secretary of the Treasury is directed to begin discussions with other donor nations to the African Development Fund for the purpose of the amounts we would subscribe to the second replenishment and the question of changing the voting structure within the fund to reflect the actual contributions by fund members.

This is an in-between position and it would place us in conference. It would be an addition to our first replenishment. It would still leave open for negotiation the second replenishment both on funds and voting structure.

I have been listening to the dialog between the two sponsors.

Mr. DECONCINI. I would accept that compromise, if agreeable to the Senator from Iowa. But I hate to see us binding the administration by setting some fund level when I do not have any information that the administration appeared before the Foreign Relations Committee saying they wanted the type of language which is in the bill. That is why I offered this amendment. I would be willing to consider such an arrangement as the Senator from Minnesota would suggest.

Mr. CLARK. Mr. President, I would feel that authorizing the money for 3 years would be a stronger commitment, but I would be willing to accept that as a compromise position.

Mr. ALLEN. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ALLEN. I wonder what the rationale is for $50 million for 1 year when at present it is operating under an authorization of $25 million over a 3-year period.

Mr. HUMPHREY. The rationale is simply this: the testimony which came before our subcommittee headed by Senator CLARK, and before the full committee, indicated, as the Senator from Iowa has pointed out, that the administration intends to ask for the $50 million for each year for 3 years starting with fiscal year 1979.

However, because they have not presented it in a formalized manner, I thought it would be a middle ground for us, and a reasonable one without any fiscal irresponsibility, to have for the fiscal year 1979, $50 million, and then for the second replenishment we would have to negotiate the amount. The administration would have to come before the committee to ask for specific amounts, and also to negotiate the structure of voting which is a very important part of the American Development Fund.

Mr. ALLEN. What is the hurry in authorizing an appropriation for fiscal 1979? There is already an authorization, and the report says there is going to be a request for an appropriation of $10 million for fiscal year 1978.

Mr. HUMPHREY. That is correct.

Mr. ALLEN. And what is the use of adding 500 percent to that at the distant date of the fiscal year 1979? Why not wait until next year to make that authorization?

Mr. HUMPHREY. That is a very legitimate question. Let me give what I consider to be a reasonable answer.

It provides the African Development Fund with some assurance as to the amount of our participation as they look ahead for their programing. We have had assurance from the administration itself that they would ask for this amount. I think that it does represent even a little better language, may I say, than the House bill does, which leaves an open-ended amount; $50 million is an amount which is reasonable and fair.

Mr. ALLEN. Well, $25 million would be an amount that would be even more reasonable and fairer, would it not?

Mr. HUMPHREY. Not in my judgment, sir.

The PRESIDING OFFICER. The Chair advises the Senator from Minnesota that his time has expired. The Senator from Arizona has 4 minutes.

Mr. DECONCINI. I shall be glad to yield to the Senator from Iowa if he wants to discuss this further.

Mr. CLARK. Let me have 1 minute to discuss what Senator ALLEN was asking.

We went into this African Development Fund very recently. In this second replenishment, the donor countries are contributing an amount equal to 200 percent of the sum total of their past contributions. That is the reason we are increasing it at this rate. We started out as the sixth country and are now the sixth country, following Canada, Japan, Germany, the United Kingdom, and Sweden. The increases are to bring us up even with Canada, to increase our participation, as other countries are.

Mr. ALLEN. Other countries are increasing 200 percent. Yet the Senator is going to ask the United States to increase at the rate of 500 percent.

Mr. CLARK. Our total effect would be only to bring us even with the Canadian contribution.

Mr. ALLEN. But I understood the Senator to say they are increasing at 200 percent, whereas the Senator is asking, in the so-called compromise, for a 500-percent increase.

Mr. CLARK. Which would just bring us even with Canada, that is correct.

Mr. ALLEN. That is a 500-percent increase, is that right?

Mr. CLARK. Well, the Senator must remember that the first contribution was not intended to be the regular contribution. If we just take that one figure, certainly, that is the case.

Mr. ALLEN. We have added a 3-year authorization of $25 million. Now the Senator is suggesting a 1-year authorization of $50 million. Is that correct?

Mr. CLARK. That is right.

The PRESIDING OFFICER. The Senator's minute has expired.

The Senator from Arizona has 3 minutes remaining.

Mr. DECONCINI. Mr. President, I offer to amend my amendment, making it $50 million in 1979 and inserting the language that is presently at the desk for the balance of the 3-year period.

The PRESIDING OFFICER. Will the Senator please send his modification to the desk?

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. CASE. Take it out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, am I correct that the pending amendment is the amendment of the Senator from Arizona as modified?

The PRESIDING OFFICER. It has not been modified yet. The clerk will state the modification.

The legislative clerk read as follows:

On page 15, line 17, strike out "$150,000,000" and insert in lieu thereof "$50,000,000", which would represent an additional U.S. contribution to the first replenishment. The Secretary of the Treasury is directed to begin discussions with other donor nations to the African Development Fund for the purpose of setting amounts and reviewing the voting structure within the fund.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none, and the amendment is so modified.

All time having expired, the question is on agreeing to the amendment as modified.

Mr. ALLEN. Mr. President, I wonder whether I might ask the distinguished Senator from Minnesota to yield sufficient time so that we might suggest the absence of a quorum. I hate to talk to empty walls on this subject.

Mr. HUMPHREY. I would be glad to do that, but the Senator has a bigger crowd here right now than I have enjoyed all day. I want to do anything I can to accommodate my good friend from Alabama.

Mr. ALLEN. I thank the Senator.

Mr. HUMPHREY. We will have a short quorum call in order to alert the troops.

Mr. ALLEN. Five or six minutes.

Mr. HUMPHREY. Three or four minuts, because the majority leader is pushing me pretty hard tonight. My back is hurting.

Mr. ALLEN. I see the majority leader.

Mr. HUMPHREY. The Senator from Alabama does not realize the pressure under which I find myself.

Mr. GRIFFIN. Mr. President, I will support this amendment.

The amount authorized by the committee, $150 million, was never requested or budgeted by either the Ford or the Carter administration. Nor was it sought by the members of the African Development Fund.

Indeed, the authorization proposed by the committee would come even before the negotiations which are scheduled to take place later this year.

To authorize $150 million before those negotiations even begin is an unorthodox procedure, to say the very least. This is not a procedure we have pursued with respect to the other international financial institutions.

On the record, the African Development Fund has performed poorly with respect to assistance actually provided to needy African nations.

The Fund, a soft-loan lending operation of the African Development Bank, began operations in 1974. On December 31, 1974, the Fund had total assets of $99.6 million. Effective loan commitments amounted to $38.4 million. The Fund had cash of $4.6 million, short term investments and time deposits and government obligations totaling $32.4 million and demand obligations of subscribing members of $20.5 million. That was December 31, 1974.

Two years later—December 31, 1976—actual loan disbursements amounted to only $14.5 million or 38 percent of effective loans on the books at the close of 1974.

Meanwhile, the Fund has received additional resources through a special general increase and the first general replenishment of Fund resources.

As of December 31, 1976, the Fund had total assets of $216.7 million. Effective loan commitments amounted to $209.8 million. The Fund had cash of $16.5 million, short term investments of $136.8 million and $44.5 million in demand obligations from subscribing members.

At the start of 1977, the Fund was awash with liquidity in cash and cash equivalent resources totaling $197.8 million. This total will be augmented by the $10 million U.S. participation, which is payable and included in the U.S.

budget for fiscal year 1978. In addition, 12 other donor countries are committed to pay into the Fund $127.4 million on subscriptions not due at the close of last year.

The Fund does not really need additional resources at this time. With its present surplus the Fund is in a position to disburse on existing loan commitments and make new loan commitments at least until August 1978.

This situation is underscored by the fact that Secretary Blumenthal advised the Senate Foreign Relations Committee that even if the $159 million U.S. authorization proposed in title VI of the bill were enacted, the administration would not request appropriation of any of these funds until fiscal year 1979.

The fact is that the fund has been intolerably laggard in actually paying out funds on loans already committed. As of December 31, 1976 actual disbursements on loans committed amounted to only $14.5 million—a mere 6.95 percent of the dollar volume of $209.9 million signed loans on the books of the Fund.

Another problem is the voting arrangement in the African Development Fund.

So far as the other international financial institutions included in this bill are concerned, the vote of members is roughly proportionate to their financial participation.

However, this is not true with respect to the African Development Fund. It is the only one of the various organizations where it is impossible for a majority of the donors to control an operating decision. This is the situation because of the unusual control provisions in the articles of the African Development Fund.

The African Development Bank, membership in which is available only to African nations, is the parent of the African Development Fund.

The articles of the fund vest 50 percent of its voting power in the Bank. All other donors to the fund in the aggregate have the other 50 percent of the voting power in the fund.

Voting power of the other donor countries is diluted by a factor of one-half of proportionate financial participation. Moreover, a further provision of the articles of the fund requires 75 percent voting approval for all operational decisions.

The truth is that voting power of the donor countries is not of much real importance. The U.S. voting share turns out to be 2.26 percent, a share so small that we have virtually no control whatsoever over lending policy.

While $150 million would give the United States 35.1 percent of the fund's lendable resources, I am advised by the committee's staff that this would provide no guarantee that a U.S. Representative would even sit on the board of the fund. Now, we share a vote with the United Kingdom.

Let me suggest that real bargaining power lies primarily in the right to approve or disapprove additional contributions to the fund over a period of time.

Determining amounts of additional financial contributions is the only effective bargaining power the donor nations have. This is particularly true with respect to the human rights provision of the bill.

If we were to instruct our representative to vote for assistance only for countries that support human rights, the fund could say, "forget it"—for 75 percent approval is required to make an operational decision. However, if Congress were to condition further payments to the fund on constructive human rights action, the message would come through loud and clear: "Side-step human rights and there will be no more additional money."

The problem with title VI as now written is that it would give away in advance our bargaining power at the international conference this fall on replenishment of fund resources.

It would give away now any bargaining power we have with respect to the fund and the other donor countries. We would be the only country committed in advance to making an additional contribution in the fixed amount of $150 million—six times our present commitment and more than the next three largest contributors combined.

When the United States enters into international negotiations this fall concerning the second replenishment for the fund, we should do so without giving away in advance our complete bargaining power. To avoid this unfortunate occurrence, title VI should be deleted or at least the $150 million figure should be significantly reduced as proposed by the pending amendment.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that it be charged to time on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 427

Mr. ALLEN. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an unprinted amendment to the amendment of the Senator from Arizona (Mr. DECONCINI), No. 427:

I move to amend the amendment of the Senator from Arizona by striking $50,000,000 and inserting in lieu thereof $25,000,000.

Mr. ALLEN. Mr. President, in the first place, the DeConcini amendment, as modified, does not reduce in the slightest the amount authorized under the bill for the African Development Fund. All it does, in effect, is to make a 1-year authorization of the $50 million instead of a 3-year authorization of $150 million. So there is no reduction. When Senators consider whether my amendment should be adopted, they should consider whether the amount for 1 year should be set at $50 million or $25 million.

The amendment of the distinguished Senator from Arizona, as modified, does not effect a reduction. So it is a question of $50 million or $25 million. The authorization is not for the upcoming fiscal year starting October 1, 1977—in other words, the 1976 fiscal year. It is not for that. That is already provided for. There is a $10 million authorization, and the report says that they are going to come forward with a $10 appropriation, which would take care of 1978. This amendment is projected forward to the next fiscal year. It does not start, of course, until October 1, 1978. So what is the hurry? There is no hurry whatsoever in doing this. We could wait until this time next year and be well within time.

This agreement for the second replenishment for this fund by then could have been entered into, and we would know how much was to be appropriated.

Let us see the size of this authorization, $50 million, as compared with the rate at which we are appropriating for the fund now.

In 1976, an authorization of $25 million was made. It was voted by Congress. That has been voted now by way of appropriation, $5 million for 1976, $10 million for 1977, and another $10 million will be for the next fiscal year. So we are supporting this fund at present at the rate of $25 million over a 3-year period.

This amendment, which I am seeking to reduce from $50 million to $25 million would authorize $50 million for 1 year, thus, six times the rate of present expenditures. So, obviously, this money is not needed.

What would it be for? With respect to these international financial institutions, the distinguished Senator from Minnesota has said that never has there been a default in the World Bank.

I daresay if they have had a default, many of those first payments have not yet fallen due. That is the reason they have not had any default, Mr. President. Because there is so much of a moratorium on these loans that we could stay in business for many years and never have a default.

These foreign loans, each one of these institutions, has a soft loan window. The World Bank has the International Development Association. The Inter-American Development Bank has its fund for special operations. The Asian Development Bank has its Asian Development Fund. The African Development Bank has its African Development Fund.

These, in effect, Mr. President, are giveaway loans. Nobody expects them to be paid. They are for 40 years. Forty years maturity with another 10 years that can be added to that. Who knows who will be head of these governments tomorrow, much less 50 years from now?

There is no chance whatsoever this money is ever going to be paid back and why should we appropriate or authorize $50 million for this giveaway program?

Probably later on this week we are going to have some more giveaway funds in the foreign aid. But why multiply by 6 the amount of support that we are giving to this giveaway fund?

What a graphic expression it is that they use as to this type of loan—it is the soft loan window, Mr. President. That is

what they call the African Development Fund and all of these soft loan funds.

In other words, of course, it is just a giveaway. So why should we step up with an appropriation that is going now at the rate of $25 million over 3 years and double it to $50 million over just 1 year without an agreement among the nations who are donors to this fund having been reached as to who was going to put in what.

We have a whole year. A year from now in exactly this position. These other appropriations are for the upcoming fiscal year.

So there is no hurry about this and the matter will take shape between now and a year from now.

Mr. President, I think that this amendment I have offered would authorize as much in 1 year as we have been appropriating for 3 years. So what is the need of this?

Mr. President, the times are reminiscent of the period between World War I and World War II when this Nation was flooded with worthless bonds from foreign countries and nearly every one of them defaulted and helped contribute to the Great Depression we had in the 1930's.

We can read in the press today that the commercial banks of the United States in their international operations and in their domestic operations have lent to these very same countries that we are making appropriations for now the immense sum of $200 billion.

I feel the taxpayers of the United States and the depositors of the big banks in the United States are being taken for a ride with all of these tremendous sums that we are giving to these so-called developing nations.

Mr. President, as we accelerate these giveaway funds, we are putting the American taxpayer in greater jeopardy. As we see our tremendous banks here in this country lending to these countries up to $200 million, I say that we need to pause and consider just where we are.

Mr. President, this amendment of the distinguished Senator from Arizona needs to be cut down from $50 million to $25 million.

I hope that the amendment will be adopted. I reserve the remainder of my time.

Mr. CLARK. Will the Senator yield 5 minutes?

Mr. CASE. On the bill 5 minutes?

Mr. CLARK. On the amendment.

Mr. CASE. Do I have time on the amendment? We had, I believe 7½ minutes.

Mr. CLARK. Fifteen, I believe.

The PRESIDING OFFICER (Mr. BIDEN). That is correct. Fifteen minutes remaining.

Mr. CASE. Of course I yield.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. CLARK. Mr. President, the distinguished Senator from Alabama has raised the question of why we need to authorize additional funds for future years. The fact is that this entire bill does just that.

In each case, it authorizes in a multiyear period, not simply for this year, not simply for fiscal 1978. The African Development Fund is not treated in that regard any differently than any other national financial organizations.

Briefly, the history of the contributions we think in terms of the American participation has been disappointing. In fact, we made the first contribution in November 1976 of $15 million. In fiscal 1978, because we had an original authorization of $25 million, if that amount is appropriated, we will have made a total contribution of $25 million.

Now we are in the process of looking at the first general replenishment and most all of the donor countries are contributing an amount equal to 200 percent of the sum total of their past contributions.

If we were to do exactly the same, 200 percent of the sum total of our past contributions of $25 million would be $50 million.

Canada, I might say, has already committed itself to $75 million by July 1, 1978.

So we are not being excessive in the African Development Fund. Indeed, I doubt there is a single fund we belong to—the Asian Development fund, the Latin-American Development Fund—to which we contribute such a small amount.

In fact, we contribute at this point enough, as I understand it, to have a representation of only 5.2 percent of the total.

The Senator asked why the United States should increase its contributions to Africa. I think anyone who has followed African affairs in the last 2 or 3 years and seen the importance of that continent would realize that we have placed greater emphasis in this administration and, indeed, in the last year of the last administration on the importance of that continent.

This is simply an acknowledgement of it. It is in support of the administration's position. They have come before our committee, the two subcommittees, and testified that it is their intention to negotiate for $50 million a year.

So we think that this is an appropriate action. It fits the times. It moves us in the right direction. It will still not bring us up to the Canadian commitment by 1978. We are not going to contribute as much as they are.

I do not know of a single development bank where that is the case, where we are really the second donor, and we will do that only if we keep the $50 million contribution.

Mr. President, I would like to address H.R. 5262 and the authorization provided for in this bill for the African development fund, the newest of the international financial institutions focusing on regional development in the Third World.

There are two ways in which we can view the African development fund. The most obvious perspective is to see it as a multilateral agency with a promising future in promoting economic development in the poorest continent in the world. Founded in 1973, the fund has a current membership of 18 non-African states plus the African Development Bank, an affiliate of the fund which represents the interests of the 47 African states. Its greatest problem today is a lack of sufficient resources. The United States, which joined the fund last year, has thus far pledged a contribution of $25 million. But compared to other donors, the U.S. contribution is disappointing. We rank sixth in the rank order of non-African donors, after Canada, Japan, Germany, the U.K., and Sweden. If the $150 million multi-year contribution provided for in this bill is approved by Congress, it would put the U.S. contribution by the end of the calendar year 1978 up to $75 million, equal to that of Canada and representing 14.3 percent of total subscriptions.

The ADF is a multilateral agency whose development objectives are consistent with our own foreign aid guidelines—the "new directions" approach that forms the basis of the 1973 Foreign Assistance Act. The fund gives priority to the "poorest of the poor" of the African states which are dependent for the most part on export of a few primary commodities. The fund has also decided to guide its sectoral pattern of lending in favor of agriculture over the public utility sector, aiming at the poor majority in the rural areas.

The agricultural sector received 33.9 percent of the overall funding from 1974 to 1976 and, at present, agriculture and transport account for more than 80 percent of all commitments.

In addition, in recognition of their limited resources, both the fund and bank are now discussing ways to mobilize funds from capital surplus markets in western countries. What is significant about these discussions is that these institutions are attempting to preserve the African character of the lending agencies but, at the same time, are attempting to find ways to raise long-term financing from the major capital markets of the world. American banks have been keenly interested in this development and Congress should promote this linkage, not only to further the goals of Third World development, but also to bring American resources and institutions—particularly private enterprise—to bear in this important effort.

Another equally—if not more—important perspective in which we should look at the African Development Fund is in the political context. The African Development Fund provides us with the opportunity to demonstrate our commitment to African self-determination and self-reliance. I am sure my colleagues are all familiar with the new intiatives in Africa made by the administration. A significant contribution to the African Development Fund would be an unmistakable signal to the African countries that the United States can fulfill some of the expectations that these new initiatives have created. The Organization of African Unity has identified the Fund as the primary instrument for the mobilization of resources for African development. By our own standards, and by the standards of the African states, this is an appropriate way in which the United States can contribute toward reestablishing its credibility in Africa. Our contribution will show

that we are genuinely willing to commit our resources toward the goals of the continent, pursuing economic development in ways that the Africans define as acceptable and which we view as desirable.

Mr. President, the African Subcommittee and the Foreign Assistance Subcommittee held joint hearings on the African Development Fund on April 18 and we heard from four witnesses, three of whom were from the administration. All the witnesses supported an augmented contribution to the Fund from the United States. Congressman PARREN MITCHELL argued strongly in favor of this bill with a $150 million authorization for 3 years. As we know, the House passed this bill without designating an actual dollar figure. The objection to specifying a particular amount for the ADF focused on procedural questions. First, the House had not held hearings on the matter. This deficiency was corrected with our own hearings. Second, some Members of Congress—including Members of the Senate—object to the fact that negotiations for the next contributions to the Fund are not yet concluded. This objection does not appear to be a very convincing one since $150 million is the amount which the Treasury Department intends to negotiate. Their position to support the House version of the bill was based on the general principle that they would want all legislation to give them the greatest flexibility. I would argue, however, that the time is ripe for the United States to act firmly and decisively, to pledge our support in ways that are not subject to misinterpretation.

Mr. President, our policy toward Africa must emphasize economic and political initiatives. We must avoid getting embroiled in military conflicts but, at the same time, we must use our resources to exercise some degree of influence in the continent. The African Development Fund is one of the most important vehicles through which to achieve this. The Fund is relevant to African goals across the continent. It is consistent with our own foreign aid guidelines and objectives. It relates directly to the methods of self-help that the African states are themselves creating. And it is the vehicle through which the African states have said "help us."

To let them down would affect our entire effort to improve our relations with Africa. This point was established clearly in a communication from Ambassador Donald Easum, our Ambassador to Nigeria, to a State Department official, who forwarded his report to us in the subcommittee. I would like to read that communication into the RECORD:

Nigeria is perhaps the most influential country in all of Africa and the source of nearly 20 percent of our oil imports. Illustrating the importance of Nigeria as black Africa's strongest nation with a population of 80 million people and oil production of over 2 million barrels per day, Ambassador Easum cited Nigeria's Gross Domestic Production approaching $30 million; its $62 billion Five Year National Development Plan; its industrialization program including oil refineries, LNG plants and iron and steel mills; its ambitious infrastructure program including construction of 1500 miles of railroad and 3000 miles of highway; and its plans for Universal Primary Education and seven new universities. The role of U.S. enterprise in collaboration with these ambitious Nigerian undertakings would be significantly affected by the overall Nigerian attitudes towards the United States over the coming year. These attitudes had improved with the election of President Carter. In the political sphere Nigerians found the new Administration's stance on African questions, particularly with regard to southern Africa, to be highly gratifying. In the economic sphere, however, Nigerians were pushing for a new international economic order and in this connection were looking increasingly to the United States to make meaningful moves that would facilitate the transfer of greater resources of the developed world to the African continent. A major American commitment to the ADF would be precisely the kind of action that Nigerians expect of a U.S. Administration pledged to improve its relations with African countries. Nigeria has itself recently allocated $80 million to the African Development Fund.

Mr. President, during the course of our hearings on the African Development Fund to which I referred earlier, Senator PERCY made a strong case for American self-interest in giving assistance to Africa. In support of this theme, he requested a report from the State Department on 10-year projections of U.S. mineral imports from Africa and U.S. exports to Africa. I will not go into details of that report; I will simply indicate the highlights to provide a profile of Africa's economic importance to the United States. Among the noteworthy projections are the following:

Since 1974, U.S. imports of crude petroleum from Africa have been increasing from 14 percent up to the current percentage of about 38 percent of our total crude petroleum imports. Nigeria is presently our second largest supplier of overseas oil.

Most mineral supplies which come from Africa show large increases in United States needs by 1987. They include bauxite, cobalt, copper, columbium, iron ore, mercury, and tungsten. This list does not include our supplies from southern Africa—Rhodesia, Namibia, and South Africa, which in 1987 are likely to be under majority rule.

In the last 6 years, U.S. exports to Africa tripled in value. It is estimated that exports to Africa will increase by at least 10 percent yearly to reach $15 billion by 1987.

The increase in exports to Africa would mean an additional 490,000 additional U.S. jobs. Exports to Africa might well quadruple, creating 780,000 jobs in the United States.

Mr. President, I bring attention to these facts to indicate that our contribution to the African Development Fund would not only be advisable for our foreign policy interests, but would also be in our own economic self-interest. To contribute to the development of Africa is, in a direct way, to contribute to the development of a major overseas market for U.S. trade and investment. This point was also confirmed in a letter to me from Mr. Alfred Van Huyck, president of Planning and Development Collaborative International, a private consulting firm which prepared a report for AID on the lending operations of the African Development Fund. He indicated clearly that our poor record of support of the ADF has restricted the use of American consultants in ADF projects and has reduced the potential for projects eventually funded to be organized in a way conducive to the use of American commodities and hardware. He argues that our failure to support the ADF has a negative influence on American commercial interests in Africa.

Mr. Van Huyck also points out that the ADF presents us with an opportunity to permit American business to penetrate the Francophile countries through the Fund's projects, a subtle but little appreciated aspect of the subsidiary benefits that might accrue to us from our contribution to the Fund. I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PLANNING AND DEVELOPMENT
COLLABORATIVE INTERNATIONAL,
Washington, D.C., April 22, 1977.

Senator RICHARD CLARK,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR CLARK: I read in The Washington Post that you are holding hearings on the increase in United States' investment in the African Development Fund. I would like to record my support for such action and encourage a commitment to a significant increase in our participation.

I have recently had an opportunity to prepare a report on possible housing-sector lending activities for the African Development Bank and the African Development Fund. This work was sponsored by the Office of Housing, AID, but I worked in a private consulting capacity. Therefore, the opinions in this letter are entirely my own.

The ADB and ADF are operating at a very small scale today after eleven years of existence. Nonetheless, they have assembled an excellent African team of professionals and are a serious and reasonably competent organization. In short, largely without developed-country assistance (since all equity in the ADB is from African member countries), they have survived their growth pains and have built a modest level of expertise. I believe that this initiative is deserving of United States support.

The United States' interests in ADF, because they are so modest, are represented by the British delegate to the Board of Directors. I believe this is a very poor image for us to project to the African member countries.

Also, we should not view increased participation in the ADF purely as "aid" to the developing countries of Africa. By ignoring the ADF, for all intents and purposes, to date has restricted the use of American consultants in ADF and ADB projects. This, in turn, has reduced the potential for projects eventually funded to be organized in a way conducive to the use of American commodities and hardware. In short, our failure to support the ADF has a negative influence on American commercial interests in Africa.

The most disastrous part of this policy of non-support to ADF is that American business is losing a great opportunity to penetrate the Francophile African countries through ADB and ADF projects. As you know, France has not yet joined the ADF or given support to the ADB (through its influence with member countries); however, this is likely to change in the near future as France wakes up to what is happening to their commercial interests by staying out.

I feel this issue of support for the ADF

is an extremely important and visible part of our emerging foreign policy for Africa. Our failure to seize a great opportunity in the past should not cloud our ability to act now in support of the ADF.

Best regards,

ALFRED P. VAN HUYCK,
President.

Mr. CLARK. Mr. President, I urge my colleagues to lend their support to the full multiyear authorization of $150 million to the African Development Fund—for the economic development of the poorest continent on Earth, for the political credibility it will bring to the administration's policy in Africa, and for the commercial benefits that the United States will inevitably derive in contributing to the growth of a major developing market.

Mr. President, I reserve the remainder of my time.

Mr. ALLEN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Alabama has 5 minutes remaining.

Mr. ALLEN. I thank the Chair.

Mr. President, the distinguished Senator from Iowa, in stating that this authorization for the African Development Fund is being handled no differently than the authorizations for the other institutions and funds, indicates obviously that the distinguished Senator failed to read section 801 on page 18 which shows that an entirely different system is being applied to this fund because everything else in the bill starts October 1, 1977, but the African Development Fund, since the appropriation is coming forward of $10 million based on the authorization made in 1976, there is no need for an appropriation in fiscal 1978.

This bill does not make any authorization whatsoever until October 1, 1978, so there is a vast difference, a difference of 1 year. So we can wait until this time next year and not lose anything for the fund whatsoever.

It would get the $10 million that is already authorized, and the report, not my statement but the report, says that the request is going to be made for a $10 million appropriation to wind up that authorization.

This does not appropriate anything for 1978, so there is a vast difference here, and it is the very point I am making that $25 million appropriated now under my amendment could be used or be held in reserve pending the agreement on the second replenishment.

I would say we would get a much better trade with these other nations if we are sitting there with an authorization of $25 million than if we are sitting there with an authorization of $50 million. Obviously if they got $50 million, they will trade us out of every dime of the $50 million. But if we just got authorized $25 million, why, we will end up with an agreement for $25 million.

So I believe it would be good trading policy to put the authorization at $25 million instead of $50 million.

Mr. DECONCINI. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ALLEN. I yield to the Senator from Arizona.

Mr. DECONCINI. Mr. President, I ask unanimous consent that Romano Romani, of my staff, be permitted on the floor during the consideration of H.R. 5262, including votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HUMPHREY. Mr. President, I yield back the remainder of our time.

Mr. ALLEN. I yield back the remainder of my time and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second for the yeas and nays?

Mr. HUMPHREY. I wonder if we could, at this late hour, have an agreement to get a shorter time on the yeas and nays.

The PRESIDING OFFICER. There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Alabama. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), and the Senator from South Dakota (Mr. ABOUREZK) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Missouri (Mr. DANFORTH), the Senator from Utah (Mr. GARN), the Senator from Idaho (Mr. MCCLURE), and the Senator from Virginia (Mr. SCOTT) are necessarily absent.

The result was announced—yeas 31, nays 59, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—31

Allen	Gravel	Nunn
Bartlett	Griffin	Proxmire
Burdick	Hansen	Randolph
Byrd, Harry F., Jr.	Hatch	Roth
Byrd, Robert C.	Hayakawa	Schmitt
Curtis	Helms	Sparkman
DeConcini	Hollings	Thurmond
Dole	Johnston	Wallop
Domenici	Laxalt	Young
Goldwater	Lugar	Zorinsky
	Melcher	

NAYS—59

Anderson	Hatfield	Nelson
Baker	Hathaway	Packwood
Bayh	Heinz	Pearson
Bellmon	Huddleston	Pell
Bentsen	Humphrey	Percy
Biden	Inouye	Ribicoff
Brooke	Jackson	Riegle
Bumpers	Javits	Sarbanes
Case	Kennedy	Sasser
Chiles	Leahy	Schweiker
Church	Long	Stafford
Clark	Magnuson	Stennis
Cranston	Mathias	Stevens
Culver	Matsunaga	Stevenson
Durkin	McGovern	Stone
Eagleton	McIntyre	Talmadge
Eastland	Metzenbaum	Tower
Ford	Morgan	Weicker
Glenn	Moynihan	Williams
Hart	Muskie	

NOT VOTING—10

Abourezk	Garn	Metcalf
Cannon	Haskell	Scott
Chafee	McClellan	
Danforth	McClure	

So Mr. ALLEN's amendment was rejected.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MELCHER). The question now recurs on agreeing to the amendment, as modified, of the Senator from Arizona (Mr. DECONCINI).

The amendment was agreed to.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President I call to the attention of the Senate that the Senator from New York (Mr. MOYNIHAN) has been waiting a long time. He has an amendment which he wants to bring up. I hope he will do so now.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. I thank the Chair and the distinguished manager of the bill.

UP AMENDMENT NO. 428

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. MOYNIHAN) proposes an unprinted amendment numbered 428.

The amendment is as follows:

On page 17, strike lines 4 through 8.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a request at this point?

Mr. MOYNIHAN. I yield.

Mr. ROBERT C. BYRD. I ask unanimous consent that all remaining rollcall votes today except the last one—

Mr. JOHNSTON. Mr. President, will the Senator use his microphone?

Mr. ROBERT C. BYRD. That there be a time limitation of 10 minutes on each remaining rollcall vote today, except for the last one.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York may proceed. There is a time limitation of 15 minutes on the amendment, to be equally divided between the Senator from New York and the opponents of the amendment.

Mr. MOYNIHAN. Mr. President, if we may have order, I can dispose of the matter briefly.

I have stated, and others have also today, that the significance of title VII of the bill before us, entitled "Human Rights," is one of the very largest things we have considered in this Chamber this year.

The President has written to the beloved and cherished manager of the bill, the senior Senator from Minnesota, on this subject, and I think it is not wrong to say that the world is watching what we are doing—a world intensely alerted

to the President's concern for human rights, and a world which now sees this body writing that concern into the first major foreign policy legislation of this year. It is legislation that will add, if that were possible, to the role that HUBERT HUMPHREY has played in the history of liberty.

I find myself distressed that in this title, we find, following the most stirring and important assertions of our commitment to fundamental human rights, language directing the Secretary of the Treasury to direct the American directors of the financial institutions to determine, in subsection (b)(4), whether loans or other financial assistance that establish or expand the production for export of palm oil, cane sugar, or citrus crops in competition with the same or similar U.S. products will cause injury to U.S. producers.

This speaks to the appearance of the integrity of our commitment. How can we stand and ask the world to follow our example in the field of human rights, and diminish that concern with a proposition having to do with commerce of the most ordinary and everyday type?

It is important commerce. The people involved must necessarily pursue their interests, and have a right to do so. But to violate this section with such concerns seems to me inappropriate.

Mr. President, I ask the Senator, how would it have been thought of if the signers of the Declaration of Independence had concluded that immortal document by stating, "We mutually pledge to each other our lives and our sacred honor, and further promise to increase the tariff on soybeans"?

Mr. President, I move that this language by stricken.

Mr. STONE. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I yield to the Senator from Florida.

Mr. STONE. Mr. President, the distinguished Senator from New York makes a point that embraces the human rights provisions of this bill, which the Senator from Florida enthusiastically supports, supported in committee and supports now on the floor.

Nevertheless, the Senator from Florida is concerned about the taxpayers, who themselves have consulted many Senators and many Representatives with agitation that their taxes have been used originally, apparently, to stimulate the capacity for producing food substances for the domestic consumption of the developing societies, only to find that the capitalization of those domestic supplies was actually to be used not only for export, and not only for export competition, but for export competition in competition with the American taxpayers who contributed so generously to help the developing societies along the way.

Without bread, there cannot be either human rights or religion. The fundamental basis of food, the eating, comes first. Therefore, under those circumstances, and when we consider that the House of Representatives passed a much tougher provision in this bill—in fact, their provision simply says that if such loans go to finance that type of competition in export, our directors have to vote "No." They are not given discretion.

The Senate committee version, which the Senator from Florida drafted and then softened, in concert with the distinguished colleague of the Senator from New York (Mr. JAVITS), merely says that our directors have to take this into consideration.

I ask the Senator from New York, therefore, considering all of those sensitive points, and in order to continue the taxpayers' support of these institutions for aid to the developing world, would the Senator from New York consider that it should be expressed as the Senate's legislative intent that the conferees on this bill from the Senate endeavor to find another location for this provision within the bill, so as not to diminish the human rights impact so eloquently described by the Senator from New York?

Mr. MOYNIHAN. I thank the Senator from Florida. Under the circumstances, giving note to the purposes, and noting the balance of support that is necessary, I am not trying to diminish the support for the legislation, and am therefore prepared, on the gracious terms the Senator from Florida has stated, to withdraw my amendment; but before doing so, may I simply ask that our conferees, the incomparable Senators from Minnesota and New Jersey, who are managing this bill, will not simply request, but, in a genuine way, will insist that it would offend against the Holy Ghost to put such concerns in a title on human rights?

The PRESIDING OFFICER. The time of the Senator from New York has expired. The Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, the Senator from Minnesota will take just enough time to say, not in the name of the Holy Ghost but in the name of the junior Senator from New York—in this instance that carries a great deal of weight with me—we will work to see that this language is put in an appropriate place in the bill, rather than where it is now located.

Mr. STONE. Mr. President, I commend the concession of the Senator from New York to agriculture, and to the junior Senator from Florida.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

UP AMENDMENT NO. 429

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 429: On page 18, line 6—

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 6, insert the following:

SEC. 703. Whereas the Final Act of the Conference on Security and Cooperation in Europe, signed by the United States in 1975, committed the participating states to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion, or belief, for all, without distinction as to race, sex, language, or religion" and to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights"; and

Whereas specific provisions of the Final Act pledged the participating states to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with his own conscience,"; and

"Respect the rights of persons" belonging to national minorities "to equality before the law", to afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms" and to "protect their legitimate interest in this sphere,"; and

"Deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special consideration being given to request of an urgent character. . ."; and

"Examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating state;"; and

Whereas the United Nations Declaration of Human Rights assures all people the right to free emigration; and

Whereas the Congress of the United States established the Commission on Security and Cooperation in Europe in 1976 and directed it "to monitor the acts of the signatories which reflect compliance with or violation of the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to cooperation in humanitarian fields;"; and

Whereas, after hearing 56 witnesses in public hearings this year, the Commission on Security and Cooperation in Europe has called for a "thorough and candid review" of the two-year record of implementation of the Final Act by the signatory states, including discussion and analysis of "specific practices and their impact on specific individuals," and

Whereas the United States and other signatory nations have many citizens and residents with cultural and familiar ties to other nations participating in the Belgrade Conference on the Helsinki Accords; and

Whereas human rights is a cause which has long been a major concern of the people of the United States and has now become a cornerstone of our foreign policy; and

Whereas the Helsinki Final Act provides that the participating states meet in Belgrade beginning on June 15 "to decide on the date, duration, agenda, and other modalities" for a later meeting which will lead to "a thorough exchange of views both on the implementation of the Final Act and of the tasks defined by the (Helsinki) Conference;": Therefore be it

Resolved by the Senate, That it is the sense of the Senate of the United States and the American people that the official United States delegation to the Belgrade Conference should—

(1) reiterate in precise and unequivocal terms the commitment of the American people to human rights and to articulate the significance of this commitment to security and cooperation in Europe; and

(2) urge adoption of a comprehensive conference agenda which includes the presentation and thorough discussion of the extent of implementation of the Helsinki Final Act, especially those sections related to universal humanitarian ideals.

Mr. DOLE. Mr. President, let me state very briefly that the amendment which has just been called up on behalf of myself and the Senator from South Dakota (Mr. MCGOVERN) expresses the sense of the Senate concerning the human rights

provisions of the Helsinki Final Act signed by 35 nations, including Canada and the United States.

The reason I am bringing it up now is that the first meeting starts tomorrow.

The amendment which I am proposing today on behalf of myself and Senator McGOVERN expresses the sense of the Senate concerning implementation of the human rights provisions of the Helsinki Final Act signed by 33 European nations, Canada, and the United States during the summer of 1975.

As we are all aware, the first phase of the Conference to review implementation of the Helsinki Final Act is due to begin tomorrow in Belgrade. The first meeting of representatives of the 35 signatory nations will consider the date, duration, agenda, and other modalities for a later meeting which will lead to a thorough exchange of views both on the implementation of the Final Act and the tasks defined by the Helsinki Conference.

It is important, I believe, that the U.S. delegation at Belgrade reiterate to all participants at the preparatory meeting the commitment of the President, the Senate, and the American people to the humanitarian ideals expressed in the Helsinki Final Act. It is also important that our delegation make every effort to insure that the agenda adopted for the subsequent meeting provides for a frank and straightforward exchange of views on the application of the principles of the Final Act including, among other things, a thorough discussion of all violations. This amendment addresses itself to these two important concerns.

Human rights has become a cornerstone of American foreign policy. For the oppressed of the world, our crusade on behalf of individual dignity serves as a beacon of hope, and offers a new beginning. Our statements and our actions have renewed their faith in the American people and has strengthened their resolve. Given the formidable mission upon which we have embarked, it is obvious that the road which lies ahead will not be an easy one nor will we reach our objectives in the immediate future. Nevertheless, we must forge ahead, mindful of the resistance we will encounter but determined to continue the struggle for as long as it takes to achieve a just world order.

I know that my distinguished colleagues in the Senate share my views. Today, on the eve of the Belgrade Conference, we have an opportunity to act in concert with our beliefs.

This matter has been discussed with the distinguished floor leader, Mr. HUMPHREY. In fact, it contains much of the language suggested by the distinguished Republican floor leader, Mr. CASE. I believe it meets with their approval.

Mr. HUMPHREY. May I respond very quickly. It is an excellent amendment. I commend the Senator from Kansas and the Senator from South Dakota. We are happy to accept it on this side and I understand Senator CASE has indicated he will do the same. The Senator will speak for himself.

Mr. CASE. The Senator, taking only such time as necessary, agrees with his colleague from Minnesota. The Senator from Kansas has made a great contribution. I am especially happy to say that he has been, in his usual fashion, very cooperative in amendments with language of clarification which we thought were desirable. I enthusiastically and wholeheartedly support his amendment.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 300

Mr. DOLE. Mr. President, I now call up amendment No. 300 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) on behalf of himself and Mr. DECONCINI, Mr. MCCLURE, Mr. HAYAKAWA, Mr. THURMOND, Mr. BARTLETT, Mr. HATCH, Mr. GOLDWATER, and Mr. HELMS, proposes amendment No. 300.

The amendment is as follows:

On page 18, between lines 5 and 6, insert the following new sections:

SEC. 703. Notwithstanding any other provision of this Act or of any other law, the President shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, the Asian Development Fund, and the Executive Director representing the United States at the African Development Fund to vote against any loan, credit, or other utilization of the funds of such Bank, Association, Corporation, or Fund for the benefit of the Socialist Republic of Vietnam, the People's Democratic Republic of Laos, or Democratic Kampuchea (Cambodia).

SEC. 704. (a) Notwithstanding any other provision of this Act, an agreement on behalf of the United States to pay funds under this Act to any international financial institution named herein shall be conditioned on such funds being reduced by an amount equal to the amount of any extension, on or after the date of enactment of this Act, by such institution of assistance for the benefit of the Socialist Republic of Vietnam, the People's Republic of Laos, or Democratic Kampuchea (Cambodia).

(b) Notwithstanding any other provision of this Act, any contribution by the United States to such institution pursuant to such agreement to pay shall be reduced by an amount equal to the amount of any extension, on or after the date of enactment of this Act, by such institution of assistance for the benefit of the Socialist Republic of Vietnam, the People's Republic of Laos, or Democratic Kampuchea (Cambodia).

The PRESIDING OFFICER. Under the previous order, there is a time limitation of 3 hours on this amendment.

Mr. HUMPHREY. I would like to ask the Senator if we could not make a substantial reduction of time to accommodate our colleagues who cherish family and home and want to be with their loved ones, if the Senator will reduce his time on this amendment to 15 minutes and we will take what time we need over here, which will not be over 5 minutes.

Mr. DOLE. I will agree with the arrangement. I think 15 minutes is more than ample time on this amendment. It is such a good amendment that it does not need much discussion.

Mr. HUMPHREY. And I was of the opinion that 5 minutes on this side would be enough to defeat it.

[Laughter.]

Mr. President, I ask unanimous consent that the time be 20 minutes, 5 minutes on this side and 15 minutes for my able friend from Kansas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, on that note, and with that endorsement, let me proceed very directly to just what the amendment does. I have no desire to keep anyone here any length of time. I think the issue has been joined.

My amendment takes into consideration the extremely repressive and inhumanitarian character of the curent governments of Vietnam, Laos, and Cambodia. We have talked about these countries prior to the offering of this amendment. All of these countries maintain membership in the International Bank for Reconstruction and Development—the World Bank—and the Asian Development Bank.

I think I can state the purpose of this amendment in 30 seconds. It is twofold.

First, it would instruct the U.S. representatives to those organizations to vote against any requests for economic assistance by the Governments of Vietnam, Cambodia or Laos. That is the first thing. There is a precedent for that. I will ask unanimous consent to place these precedents in the Record. Previous amendments have been offered in this body by the distinguished Senator from Louisiana (Mr. LONG), the distinguished Senator from Illinois (Mr. PERCY), and others, calling for similar action by our representatives, so it is not unprecedented.

I ask unanimous consent that this information be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

In 1972, we required our representatives to oppose aid to countries that expropriate american investments:

In 1974, Congress mandated U.S. opposition to loans for countries which failed to sign the nuclear non-proliferation treaty after exploding a nuclear device:

In 1976, we voted to require U.S. representatives to certain of these organizations to oppose loans to countries that consistently violate internationally recognized human rights.

Mr. DOLE. Mr. President, I ask unanimous consent that a full record of congressional legislation affecting U.S. policy toward the International Monetary Banks be printed at this point in the RECORD:

There being no objection, the information was ordered to be printed in the RECORD, as follows:

TABLE 1

LEGISLATION AFFECTING U.S. POLICY TOWARDS THE BANKS

A. Required negative votes

1965 legislation requiring the U.S. representative at the IDB to oppose concessional loans to any countries where the U.S. has suspended its bilateral aid program under terms of the Hickenlooper Amendment fol-

lowing an uncompensated expropriation of U.S. foreign investments.

1967 legislation requiring the U.S. representatives at the IDB to oppose any loans that directly or indirectly assist a country to acquire sophisticated or heavy military equipment.

1972 legislation (Gonzalez Amendment) requiring the U.S. representatives to oppose loans to countries that expropriate American investments.

1972 legislation (Rangel Amendment) requiring the U.S. representatives to oppose loans by the banks to countries that fail to take adequate steps to suppress the illegal drug traffic or the sale of such drugs to U.S. servicemen.

1974 legislation (Long Amendment) requiring U.S. representatives to oppose World Bank concessional loans (IDA) for countries which fail to sign the nuclear non-proliferation treaty after exploding a nuclear device.

1976 legislation (Harkin Amendment) requiring the U.S. representatives to the Inter-American Development Bank and African Development Fund to vote against loans for countries that consistently engage in gross violations of internationally recognized human rights, unless the loan would explicitly benefit poor people of the borrower country.

1976 legislation (Domenici Amendment) requiring U.S. representatives at the African Development Fund to oppose any loans to countries that give refuge to international aircraft highjackers, unless the loan would explicitly benefit poor people in the borrower country.

B. Required advocacy on certain issues

1967 and 1973 legislation (Selden Amendment) directing the executive to seek the establishment of autonomous evaluation units within the international lending agencies.

1974 legislation in the foreign aid bill (Percy Amendment) directing U.S. representatives to seek action within the multilateral banks promoting the integration of women in national economies and improving the professional status of women within the banks themselves.

1975 legislation in the foreign assistance act requiring the President to seek new criteria in the banks evaluating countries in terms of their relative emphasis on aid to the poor and small farmers and their relative progress in things like infant health, population control, employment, and income distribution, and (by implication) new policies in the banks channeling more loans to countries with good performance records in these areas.

1976 legislation (another Long Amendment) directing the U.S. representative at the Inter-American Development Bank to seek a resolution making intermediate technology and light capital methods high priority emphases within the IDB's general program.

Mr. DOLE. The second objective would be that, should either of these organizations approve economic aid for any of these three governments—Cambodia, Laos, or Vietnam—the U.S. contribution to that organization would be reduced by a sum equal to the amount of that assistance.

I want to include in the RECORD a letter I received yesterday from the National League of Families of American Prisoners and Missing in Southeast Asia which fully supports this amendment's humanitarian objectives. I will ask unanimous consent that that letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, the purpose of my amendment is closely in accord with the pronounced objective of this administration and this Congress to promote the cause of human rights wherever we have a voice of influence in the world.

I might say at this point I have discussed this amendment thoroughly with representatives of the State Department. We share a common concern about accounting for the missing in action. I share all the concerns they expressed. Having had some close contact with the subject of Americans missing in action and others who have been in Southeast Asia for several years, 5, 6, 7, or 8 years, I just do not happen to believe the Vietnamese.

I am pleased at this point to add the distinguished Senator from Connecticut, Senator WEICKER, as a cosponsor of the amendment.

All we are suggesting to those who represent us in the World Bank and the Asian Development Bank is, "First of all, you vote against any aid, and then if you are overruled in the aid vote and money is loaned to Vietnam, Cambodia, or Laos, we simply reduce our contribution by that amount."

I am not talking about a great deal of money. We understand there may be applications pending which could be in the neighborhood of $100 million to $200 million.

The administration has already suggested that we curtail U.S. aid and commerce with traditional allies in Latin America and South Africa who violate certain human rights principles. The Congress has already complied with that recommendation in certain instances—most recently, with respect to the termination of remaining trade transactions with the Rhodesian Government.

In attempting to advance the cause of human rights abroad, it is important that Congress insure consistency in U.S. trade and aid policies, and avoid a hypocrisy that undermines that cause. This is important whether U.S. aid is extended directly or indirectly through an international loan organization like the World Bank or the Asian Development Bank.

APPLICATION TO VIETNAM, LAOS, AND CAMBODIA

Were I an American representative to one of these international monetary institutions, it would be clear to me that the Governments of Vietnam, Laos, and Cambodia do not qualify for consideration of assistance because of their repressive natures. Not only do they violate the rights of hundreds of thousands of their own citizens, but they have refused to comply with the most basic principle of full cooperation in accounting for missing American servicemen.

My amendment would make it clear that—under present conditions—the Governments of Vietnam, Laos, and Cambodia are in violation of internationally recognized human rights; that U.S. representatives are, therefore, specifically instructed to oppose any loan requests made by those governments; and that the United States intends to recoup a portion of its huge contribution to these organizations should aid be approved over our objections. This directive would apply for the duration of the period for which the funds in this bill are authorized.

It is my understanding that the Socialist Republic of Vietnam has active aid requests pending before both of these institutions at the present time, and it is likely that decisions will be made on those requests in the very near future. Therefore, it is vital that we take affirmative action in this direction immediately.

Under my amendment, the present U.S. agreement to contribute to these financial organizations is conditioned upon the understanding that we will reduce our contribution if aid is extended to Vietnam, Cambodia, or Laos. And the amendment clearly authorizes that reduction, which will be equal to the amount of assistance given to any of those three governments.

We do have the technical means of enforcing this condition. Although Congress authorizes the entire contribution now, actual appropriation of payments are made in equal annual installments over the duration of the agreement. In the case of the World Bank, this is 3 years; for the Asian Development Bank, it is 4 years. Based on the condition in this authorization, our actual appropriation of funds can be adjusted from year to year to reflect any necessary reductions in our overall contribution.

By this means, Congress can maintain better control over U.S. contributions to international lending insititutions. As duly designated trustees of taxpayers' dollars, we should do no less. A full 69 percent of the $24.9 billion in foreign aid dispersed by American agencies and by U.S.-supported international agencies in fiscal year 1976 was allocated without congressional review. This statistic was revealed in a study conducted by the Center for International Policy here in Washington, and released last January. This erosion of congressional authority over the use of foreign aid funds is deplorable, as it enables use of those funds for purposes alien to the interests of the American people. During 1976, U.S. funds were used in this manner to assist in aiding unfriendly regimes in Libya, Somalia, Uganda, and Algeria.

My amendment will be a move in the right direction toward restoring a portion of that authority, and will insure that American dollars are not being used to prop up the Communist regimes now ruling Vietnam, Cambodia, or Laos. And, of course, should conditions change before the next such authorization bill is due, this legislation can be easily amended to reflect different circumstances.

Earlier today the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) discussed our contribution. It seems to me that what we are saying, in effect, is we are going to dole out money to all these lending institutions, and we are going to sit back and say nothing when

they loan that money to Vietnam, Cambodia, or Laos—the very things we would not do if it were put to a vote in this body.

If someone proposed right now to loan Vietnam $100 million or $1 million, the Senator from Kansas would bet that the vote on this floor would be about 80 to 20, if there are 20 who might vote for that aid, that credit, or that loan. But, on the other hand, we are willing to give our money to the Asian Development Bank or the World Bank and suggest to them "Just go ahead and do anything you wish."

As duly designated trustees of taxpayers' dollars, I think we have a little more obligation than that. As Senator BYRD of Virginia said earlier today, a full 69 percent of the $24.9 million in foreign aid disbursed by American agencies and by the United States to support international agencies in fiscal year 1976 was allocated without congressional review. We did not have anything to say about it. Again the Senator from Kansas suggests that had we had something to say about it, it would be my guess that we would reject it. We would have rejected a great many of the applications that these banks have approved.

It just seems to this Senator that in all the talk about normalizing relations with Cambodia, Laos, Vietnam, and Cuba, it is time the Congress was heard. I am not suggesting any quarrel with the administration. That is the direction they have chosen to take and I appreciate their point of view. I appreciate their arguments. But it seems to the Senator from Kansas that there is a clearcut basis for leveling sanctions against Vietnam, Laos, and Cambodia at this time.

JUSTIFICATION FOR DENIAL

Mr. President, there is a very legitimate basis for leveling sanctions against Vietnam, Laos, and Cambodia at this time. First, there is ample evidence that all three Communist regimes are in extensive violation of the human rights of their own people. It is no secret that these regimes have total control of the press, elections, and education within their countries. There are credible reports that as many as 200,000 political prisoners are being held in "reeducation camps" within Vietnam, and the Vietnamese Ambassador to France himself admitted that about 50,000 were being "detained" because of political crimes. Tens of thousands are reported to be in forced labor camps in both Laos and Cambodia, and some sources indicate that hundreds of thousands of Cambodians may have died during mass relocation movements in that country since 1975. This physical and psychological cruelty should be thoroughly condemned by all those who would promote the cause of freedom and justice.

Furthermore, it is no insignificant matter that these governments have refused to cooperate in providing a full accounting for missing American servicemen in Southeast Asia. Laotian and Cambodian assistance has been nonexistent. Although Vietnam has given lip service to "full cooperation" in accounting efforts, they have provided very few tangible results. The President insisted throughout the campaign, and during the early days of this administration, that there would be no reconciliation with the Communist Vietnamese Government until as full an accounting as possible had been made for our MIA's. Yet, on May 2, "normalization" talks were opened in Paris and the administration announced it would not oppose U.N. membership for Vietnam. At the same time, Vietnamese officials have hardened their position toward the United States, insisting that U.S. aid is still a precondition to cooperation in accounting for missing American servicemen. Their stubbornness has increased, while the Carter administration's resolve has diminished.

The occasional release of a few more names and a few more bodies reflects nothing more than a token gesture designed to keep their request for U.S. aid alive.

It seems to this Senator that there is every good reason to stop and to reflect and to express the will of the Congress. Also, it seems to this Senator it might be of some help to the administration to know how the Congress feels on an issue of this kind.

The fact is that there has been little progress in accounting for the 2,500 missing Americans in Southeast Asia, and the lack of full cooperation by these three governments is undoubtedly one of the grossest forms of human rights violations by any government. The cruel manner in which Vietnamese officials have held back MIA information and remains in the past, and the manner in which they continue to utilize the accounting issue as leverage in seeking U.S. financial aid, has extracted immeasurable amounts of suffering and anxiety on the part of relatives and friends. It has constituted a violation of common decency and respect for the MIA's themselves, as well.

This Senator referred to that recently as "body blackmail." They said they had the remains of some 20 more. This Senator believes they have the names and locations of many, many more that they are holding back for some other ploy down the road.

IMPORTANCE OF ECONOMIC SANCTIONS

It seems clear to me that the Communist Governments of Vietnam, Laos, and Cambodia should be ineligible for economic assistance, direct or indirect, from any nation or international organization that cherishes humane principles. Economic sanctions seem to be the only language that Communist autocrats understand, and the only authority they respect. We have repeatedly told these governments that they would receive no American aid until they comply with an MIA accounting, and we must convince them that we intend to abide by this commitment, even with respect to U.S. aid through international organizations. Congressional approval of my amendment will give our representatives in Paris greater leverage in insisting upon further accounting for MIA's, and it will also discourage other members of the World Bank and Asian Development Bank from approving loans to these Communist regimes. Such loans would undermine our efforts to gain cooperation from Communist leaders. As the largest single contributor to these lending institutions, the United States should have the unchallenged auhority to have a predominant voice in the aid policies of those organizations.

Congress, as the duly authorized representative of the American people, has a solemn responsibility to place reasonable restrictions on authorized funding, in accordance with public opinion. My contact with the citizens of my home State and in other parts of the country as well, convinces me that sentiment is strong among American taxpayers to reject any form of U.S. aid or war reparations to the Communist Asian governments, at least so long as there is still some question about their sincerity in providing a full accounting for missing Americans. It would be a proper exercise of our legitimate responsibility to direct our representatives to the World Bank and the Asian Development Bank to vote against the use of American tax dollars for loans to these countries. And it would be our duty to reestablish control over those funds which could be used to subsidize aid extended by these international organizations. The threat of retracting a portion of our contribution would tell the other members of these monetary institutions that we mean business, and do not intend to allow our national policy to be subverted by institutional policy.

A POSITIVE INFLUENCE

Until the Congress of the United States, and the American people, are convinced—by actions as well as word—that these three Communist governments in Asia are living up to the same human rights standards which we expect of other nations, they should be positively excluded from any form of U.S. financial aid provided by the American taxpayer.

The House of Representatives reaffirmed this policy on May 12, when it overwhelmingy voted to prohibit use of any funds in the economic assistance bill for any form of aid or trade with Vietnam.

At present, the United States has a 23-percent subscription share in the financing of the World Bank, and a 15-percent share in the Asian Development Bank. If ever there was an opportunity for this administration, and this Congress to provide a positive influence for the furthering of human rights observance, it is through these channels. My amendment insures that our message on human rights and MIA's gets through loud and clear to the Governments of Vietnam, Laos, and Cambodia. I urge my colleagues to vote the will of their constituents, and to vote in favor of this amendment.

Let me say in answer to some who may raise objections: This does not violate the bank charters. There are some who suggest that, somehow, the amendment might contravene the charters of the World Bank and the Asian Development Bank and violate our own national responsibility to those organizations. It does not violate our responsibility. It does not violate the charter. This is a miscon-

ception of what my amendment is designed to do.

In the first place, we are not attempting to inject politics into the operations of these monetary institutions, nor do we attempt to dictate their policy. What we are doing, in fact, is defining U.S. policy.

It seems to me that Congress ought to have the right to define U.S. policy toward those organizations, which is entirely within our purview.

Second, we do not oppose aid to these countries just because they happen to be Communist, but because they have extremely repressive governments and because they have been uncooperative with this country.

Mr. President, finally, this amendment is not without precedent. The U.S. Congress has on several occasions legislated restraints on U.S. conduct within these international monetary organizations.

In 1972, we required our representatives to oppose aid to countries that expropriate American investments;

In 1974, Congress mandated U.S. opposition to loans for countries which failed to sign the Nuclear Nonproliferation Treaty after exploding a nuclear device; and

In 1976, we voted to require U.S. representatives to certain of these organizations to oppose loans to countries that consistently violate internationally recognized human rights.

Mr. President, all my amendment does is to condition our anticipated contributions to the World Bank and Asian Development Bank on certain developments. It is a statement of U.S. policy toward these banks, not an attempt to dictate the behavior of the banks. To be sure, I am hopeful that our policy statement will discourage decisions by the boards of directors to extend aid to Vietnam, Cambodia, and Laos. But it is hardly an unprecedented violation of the organization charters, as some would charge.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I wish to oppose the amendment of Senator DOLE, which would require U.S. representatives to the various international financial institutions to vote against loans to Vietnam, Cambodia, and Laos. The amendment further requires that the United States reduce its contribution to these financial institutions by the amount of any loans made by these institutions to any of these three countries.

The U.S. vote alone cannot prevent loans being made by the World Bank or the Asian Development Bank to these countries since the United States lacks veto power. The United States already has ample experience with a required "no" vote against loans to India; these loans continue to be made by IDA. The effect, however, is to remove the United States from the consultation process, so that we have no voice in the way the loan is made or the purposes for which it is used. We have achieved a moral self-righteousness at the cost of complete ineffectiveness. The same will be true of mandated "no" votes to Vietnam.

Senator DOLE argues that denying aid to Vietnam will somehow lead to a more substantial accounting for MIA's. In fact, the opposite is much more likely to be true. There has been some progress in the meetings between the United States and Vietnamese representatives in Paris, and on June 3 during the second round of meetings with the Vietnamese they provided the U.S. representatives with 20 more names of American MIA's. This is the third occasion on which the Vietnamese have provided lists of MIA's, the first being to a private group of Americans last September in Paris, and the second being the list given to Leonard Woodcock when he headed the official delegation to Hanoi in January. The Vietnamese are engaged in a slow process of the release of names, which Senator DOLE's amendment would very likely shut off.

It is worth quoting from the report of the Woodcock commission on this matter, as they had a firsthand opportunity to discuss this issue in Hanoi. The report states:

> They (the Vietnamese) were careful to say that none of these three points (i.e., MIAs, normalization, and aid) should be considered as preconditions to the other two and it was not the SRV's (Socialist Republic of Vietnam) intention to raise the question this way. But they did note that they were closely related to each other and that both sides should take them in an overall context and apply their positions in a flexible way. This appeared to go farther than previous SRV statements in reducing the specific linkage between the Vietnamese action on MIAs and U.S. agreement to provide aid. But it still suggests that actual Vietnamese performance on MIAs will probably be subject to our willingness to move concretely to implement the spirit of good will displayed by the Commission's visit.

Senator DOLE's amendment is hardly in the spirit of goodwill suggested by the Woodcock report.

Further, it will interest my colleagues to know that Representative SONNY MONTGOMERY, one of the members of the Woodcock mission, argued strongly against a similar provision in the House bill, which was defeated. Representative MONTGOMERY said that he thought that the amendment would slow down the work they had done in Hanoi. He said:

> The amendment is not workable. It could hurt our effort we had in Vietnam on the MIA's.

I want to point out that the administration is on record as having no plans to provide aid to Vietnam. There already exists a legislative prohibition against bilateral aid to Vietnam. We are not talking about a repeal of that legislation. But we did agree to open negotiations with the Vietnamese in Paris without preconditions, especially the precondition that would have linked aid and the accounting for MIA's. As a result of the Woodcock visit to Hanoi, the Vietnamese relaxed their previous insistence on linking the issues. That plus the release of additional names of MIA's represent a useful step forward in the negotiation process with the Vietnamese.

President Carter, at a news conference in March on the question of normalization of relations with the Vietnamese, said:

> In the past the Vietnamese have said that they would not negotiate with us nor give us additional information about the MIA's until we had agreed to pay reparations. They did not bring this up, which I thought was an act of reticence on their part.

The President also said, regarding the accounting for MIA's, that as far as he could discern, "they have acted in good faith."

In these circumstances, it is clearly unwise to meet the limited steps that the Vietnamese have taken with a legislative action that can easily be read as a lack of good faith on our part. Our negotiators have little enough flexibility to negotiate with the Vietnamese given the prohibition on bilateral aid. There is no need to limit further the flexibility that could produce further progress.

In one other way, the Vietnamese have shown a spirit of pragmatism. Citibank in New York sent a team to Vietnam in April 1977. One of the members was Edward Harshfield, vice president of Citibank, who was the first American businessman to be invited to Vietnam and who held a series of high level talks with various Vietnamese Ministers and other senior officials. He was given one of the first copies of Vietnam's new foreign investment regulations. Citibank describes these regulations in the following manner:

> The Vietnamese have displayed a fair measure of pragmatism in introducing the most unconventional foreign investment regulations to be published by any socialist government.

Citibank predicts that despite various hurdles, and given the keen desire to expand business links with the West:

> It is likely that Vietnam will succeed in generating investment activity over the next several years.

Senator DOLE argues for his amendment on the grounds of a strong human rights concern. The Foreign Relations Committee considered the human rights provision in the bill very carefully in committee. That provision deals effectively with human rights violations worldwide, and will certainly apply to the countries of Indochina. There is no cause to single out Vietnam on the basis of a human rights argument, as Senator DOLE does. To do so is to act before there has been any attempt to determine whether there is a consistent pattern of gross violations of basic human rights; in other words, to prejudge the issue, and thus undermine our own very strong human rights provision before we have given it a chance to work.

Perhaps the strongest argument against Senator DOLE's amendment has nothing to do with Vietnam, Laos, or Cambodia. It is that his amendment is one more effort to politicize the international financial institutions to suit U.S. purposes, without any consideration of the implications for similar actions by other donors. To date other countries have refrained from requiring their directors to vote in a specific manner for political reasons, but the actions by the

United States could encourage other countries to politicize their votes, thereby undermining the nonpolitical framework of these institutions. It would be a sorry day when the United States witnesses the proliferation of politically mandated votes on the basis of a trend we began.

The second provision of the Dole amendment would seriously impair our ability to continue to participate in these institutions by requiring that U.S. contributions be reduced by an amount equal to loans to these countries. Such a provision is entirely unworkable. U.S. contributions to these institutions are made in the context of internationally agreed upon capital increases or replenishments, and contain no provision for subsequent reductions based upon a loan at some future date. I have been advised by the Treasury Department that it would be legally impossible for the World Bank group and the Asian Development Bank to accept U.S. subscriptions to capital and undertakings by the United States to contribute soft funds if they were conditioned on terms not set out in the charters or the replenishment resolutions.

The United States should be extremely careful about undertaking actions that would come back to haunt us when they were emulated by other countries in the future. Senator DOLE's amendment is unworkable, counterproductive, and contrary to the very principles to which we agreed as one of the major founding members of these institutions.

Mr. President, nobody can quarrel with Senator DOLE about the MIA's. We have all worked on that—I shall not say as hard as he has, but we have all worked on it very hard. The difficulty with his amendment is that it cannot work and it is counterproductive.

It is unworkable, because once we make a subscription to one of these international institutions, there is no method by which it can be reduced. We either make it or we do not. We have either made the commitment for that particular amount which is appropriated by the way of a subscription, or we have not. So his amendment seeks a result which cannot be attained.

Second, his amendment is counterproductive because it will not encourage, it will discourage disclosures about the MIA's. There, I do not cite myself. I cite Representative SONNY MONTGOMERY, a Representative in the other body, who has been one of the leaders in this fight for the MIA's and who joined with Mr. Woodcock in going on the mission to Hanoi.

He said, in respect of a similar amendment to this one, which was defeated in the other body, the following. This is on page 3136 of the RECORD. He said:

> I think that this amendment will slow down the work we did in Hanoi, and I am told that the Paris talks, pertaining to the missing and other matters, will start within the next 3 weeks.

Then he ended up as follows, on the same page:

> The timing is wrong, and it is not going to help our situation as far as our finding out what happened to these Americans.

Mr. President, coming from a man like that, who has devoted much of his time as a Congressman to this struggle, it seems to me to be absolutely conclusive. For those reasons, I oppose the amendment.

Mr. HUMPHREY. Mr. President, I yield 3 minutes to the Senator from Ohio.

Mr. GLENN. I thank the manager of the bill. I need only a couple of minutes to make a couple of rapid points.

I think, as far as the human rights aspect of this is concerned, that I would not disagree on human rights in this respect at all with the Senator from Kansas, except, how do we define them? I do not think anyone has come up with a satisfactory definition yet of how we define human rights or how we apply them around the world.

The position the State Department takes on this in the critique they have had of this I think is very valid. They feel that right now, they are making very, very good progress with regard to MIA and the accounting for prisoners and getting some of the bodies back. They have that rolling. It has not gone fast enough, as I would like to see it and as fast, I am sure, as the Senator from Kansas and others would like to see it. I am sure all these accountings could have been done a long time ago. But they are moving now and they are making progress. I would hate to see that stopped. I think if we try to get tough, it seems to me we may be counterproductive in that area and may stop the progress that the State Department does have underway.

The No. 2 point is that the Vietnamese now are fully dependent on the Russians. I am not proposing that we are in any way, shape, or form going to buy our way out of that situation by giving aid to Vietnam. I would oppose that just as strongly as I am sure the Senator from Kansas would. But to come out with this type of thing and to say that even such considerations as humanitarian medical aid would be denied would not be realistic in this situation.

We are considering humanitarian-type medical aid as a possibility to Cuba, but we still would not go along with the agricultural trade that was suggested in the Committee on Foreign Relations. To eliminate everything that might be possible in this area would not be in our best interests.

The third point to be made is that other Asian countries depend upon the Bank in that area. We might say that, in a way, many of the Asian nations——

The PRESIDING OFFICER. The Senator's 3 minutes are up.

Mr. HUMPHREY. I yield a minute to the bill so he can complete his statement.

Mr. GLENN. Other Asian countries depend on the Bank. Just as we are pulling out of Korea, we do not want to make any more uncertainties in that area for other nations in that area. The United States cannot veto Bank loans to Vietnam. We would be, in effect, cutting loans to all these other nations in that area. We do not want to do that. We see the possibility of developments in other Asian nations that we would like. We want this Bank to be available for those people. This action would be taken as a way of cutting off those funds to the Bank and hurting our friends, as well as those we do still consider our enemies, or those in whom we have little faith; namely, the Vietnamese.

I think that, for all of these reasons, I would like to see these amendments defeated. I think the reasons I have just mentioned are ones which the State Department certainly feels are valid as reasons for their opposition to this bill. I agree with them.

I thank the floor manager of the bill for the time.

Mr. DOLE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. DOLE. I shall just take a minute or two.

First, in response to the distinguished Senator from New York, I might say I have the highest regard for those who speak in opposition to the amendment. I think we have a different point of view. But it does seem to the Senator from Kansas that we do have the technical means of enforcing this condition. Although Congress authorizes the entire contribution now, actual appropriation of payments are made in equal annual installments over the duration of the agreement. In the case of the World Bank, this is 3 years; for the Asian Development Bank, it is 4 years. Based on the condition in this authorization, our actual appropriation of funds can be adjusted from year to year to reflect any necessary reductions in our overall contribution.

The Senator from Kansas says, first of all, it can work, it can be enforced.

Second, I think perhaps the Senator from Ohio put his finger on it. He would oppose any aid to Vietnam. Well, the Senator from Kansas, maybe, has not defined it clearly enough. But it seems to this Senator that if we vote down this amendment, we are suggesting that it is all right to go ahead and extend credit to Vietnam, Cambodia, or Laos.

Since its inception, this country has contributed several billions of dollars to the World Bank, and several millions of dollars to the Asian Development Bank. We contribute a share of about 22.6 percent to the World Bank and about 11.6 percent to the Asian Development Bank. This is taxpayers' money. It does not belong to anyone in the Senate; it does not belong to the Foreign Relations Committee. It is money appropriated and taken from the taxpayers of this country.

Now, if this Senator knows anything about public opinion, it is that about 85 percent or more of the people are opposed to any kind of credit or aid, whether former President Nixon promised it or anyone else, to Vietnam.

This Senator is aware of the Nixon letter. This Senator is aware of the concern the State Department has now, and that is their point of view.

It is a new administration with a new program for normalizing relations. I am

aware of the efforts to try to pull some nations out of the Russian orbit. But this Senator is not convinced that this rather minor amendment would necessarily deter that effort. It might serve notice on the Vietnamese that, yes, we are getting tough in the Congress and standing up for the American taxpayers, and the American taxpayers say, "No, we left enough blood in Vietnam, let's don't start sending the cash to follow the blood."

There may come a time when it is necessary to make some arrangement, but as far as this Senator is concerned, it is a very clear-cut issue at this time. We instruct our representatives to vote "no" and if they do not prevail we say to the banks:

Fine, loan $100 million, but an equal sum of our contribution will be deducted from next year's appropriations.

That is not very difficult.

Those who want to vote to help Vietnam can vote against the amendment.

EXHIBIT 1

JUNE 13, 1977.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: On behalf of the members of the National League of Families of American Prisoners and Missing in Southeast Asia I would like to express our sincere appreciation for your continuous work to gain an accounting for our men who remain prisoners of war or missing in action in Indochina.

We are particularly appreciative of your efforts to amend H.R. 5262, by calling upon the United States to reduce payments made to international monetary institutions which provide loans or assistance to the Socialist Republic of Vietnam, Laos or Cambodia. As you are aware, it has long been the position of the League of Families that these Communist governments of Indochina should not receive U.S. assistance, financial or otherwise, direct or indirect, until they have lived up to the basic humanitarian principles and provided an accounting for our American servicemen and civilians who remain missing.

At a time in our history when the United States is championing the cause of human rights around the world, we find it inconceivable to even consider assisting countries who have so blatantly violated the basic principle of human rights—the right of a family to know the fate of their loved one.

Again, thank you so very much for your support of our missing men.

Sincerely,

CAROL BATES,
Executive Director.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. DOLE. Mr. President, I ask unanimous consent to add as cosponsors the distinguished Senators from New Mexico (Mr. DOMENICI and Mr. SCHMITT).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, there is no time to yield back, I think all time has expired.

Mr. President, I am going to move to table the amendment of the Senator from Kansas.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

Mr. HUMPHREY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Now, I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Kansas. The yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, this is a 10-minute rollcall with the bell to sound after the first 2½ minutes, is that correct?

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Nevada (Mr. CANNON), the Senator from Colorado Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Missouri (Mr. DANFORTH) are necessarily absent.

The result was announced—yeas 38, nays 55, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—38

Anderson	Hatfield	Muskie
Bayh	Hathaway	Nelson
Bellmon	Humphrey	Packwood
Biden	Inouye	Pell
Brooke	Jackson	Percy
Case	Javits	Randolph
Clark	Kennedy	Ribicoff
Cranston	Magnuson	Riegle
Culver	Mathias	Sarbanes
Eagleton	Matsunaga	Sparkman
Glenn	McGovern	Stevenson
Gravel	Metzenbaum	Williams
Hart	Moynihan	

NAYS—55

Allen	Goldwater	Pearson
Baker	Griffin	Proxmire
Bartlett	Hansen	Roth
Bentsen	Hatch	Sasser
Bumpers	Hayakawa	Schmitt
Burdick	Heinz	Schweiker
Byrd, Harry F., Jr.	Helms	Scott
	Hollings	Stafford
Byrd, Robert C.	Huddleston	Stennis
Chiles	Johnston	Stevens
Church	Laxalt	Stone
Curtis	Leahy	Talmadge
DeConcini	Long	Thurmond
Dole	Lugar	Tower
Domenici	McClure	Wallop
Durkin	McIntyre	Weicker
Eastland	Melcher	Young
Ford	Morgan	Zorinsky
Garn	Nunn	

NOT VOTING—7

Abourezk	Danforth	Metcalf
Cannon	Haskell	
Chafee	McClellan	

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Kansas.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

Mr. HUMPHREY. We can save time. We do not need the yeas and nays.

Mr. GRIFFIN. I ask for the yeas and nays, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, the votes are pretty clear. Why do we not settle for a voice vote?

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from Nevada (Mr. CANNON), the Senator from Colorado (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Montana (Mr. METCALF) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Missouri (Mr. DANFORTH), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 58, nays 32, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—58

Allen	Goldwater	Pearson
Baker	Griffin	Provmire
Bartlett	Hansen	Randolph
Bayh	Hatch	Riegle
Bentsen	Hayakawa	Roth
Bumpers	Heinz	Sasser
Burdick	Helms	Schmitt
Byrd, Harry F., Jr.	Hollings	Schweiker
	Huddleston	Scott
Byrd, Robert C.	Jackson	Stafford
Chiles	Johnston	Stennis
Church	Laxalt	Stevens
Curtis	Leahy	Stone
DeConcini	Long	Talmadge
Dole	Lugar	Thurmond
Domenici	Magnuson	Tower
Durkin	McClure	Wallop
Eastland	Melcher	Young
Ford	Morgan	Zorinsky
Garn	Nunn	

NAYS—32

Bellmon	Hatfield	Muskie
Biden	Hathaway	Nelson
Brooke	Humphrey	Packwood
Case	Inouye	Pell
Clark	Javits	Percy
Cranston	Kennedy	Ribicoff
Culver	Mathias	Sarbanes
Eagleton	Matsunaga	Sparkman
Glenn	McGovern	Stevenson
Gravel	Metzenbaum	Williams
Hart	Moynihan	

NOT VOTING—10

Abourezk	Danforth	Metcalf
Anderson	Haskell	Weicker
Cannon	McClellan	
Chafee	McIntyre	

So Mr. DOLE's amendment was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 397

Mr. HATFIELD. Mr. President, I have an amendment here that I have discussed with the leadership, and it will not take very long.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes amendment No. 397.

The amendment is as follows:

On page 18, between lines 5 and 6, insert the following new section:

SEC. 703. (a) The Secretary of State and

the Secretary of the Treasury shall initiate a wide consultation, beginning with the industrialized democracies, designed to develop a viable standard for the meeting of basic human needs and the protection of human rights, and a mechanism for acting together to insure that the rewards of international economic cooperation are especially available to countries which subscribe to such standard and which give evidence of moving toward making such standard effective in the governments of such countries.

(b) No later than one year from the date of enactment of this Act, the Secretary of State and the Secretary of the Treasury shall report to the President of the Senate and the Speaker of the House of Representatives on the progress made in carrying out this section.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I offer an additional amendment No. 397 dealing with human rights which has already been approved by both the House and President Carter. This amendment would direct the Secretary of State and the Secretary of Treasury to initiate wide consultation beginning with the democracies, designed toward the development of viable standards for the meeting of basic human needs and the protection of human rights. The Secretaries of State and Treasury are further directed by this amendment to report back to Congress in 1 year their progress in the course of these consultations.

As I mentioned in previous debate, I believe that the language as contained in the Hatfield-Abourezk amendment was clearly drawn from past international recognition of minimal standards of human rights. These standards are not now, and never have been, parochial U.S. concerns. To reemphasize this critical point, however, I believe that the Senate should move to adopt the language as proposed by Congressman BADILLO and contained in section 602 of the House bill with some minor modifications. I would stress that these changes in no way alter the impact of the Badillo language, but serve only to clarify its intent.

Mr. President, the purpose of the amendment is straightforward. It is to crystallize past concern expressed over human rights in a number of international forums including the universal declaration on human rights and most recently in "Basket Three" of the Helsinki Agreement. By stressing an international consensus in the human rights area, the amendment will have the beneficial effect of establishing minimum standards that could eventually be both recognized and implemented by a community of concerned nations. The amendment also initiates wide consultation toward this end and can significantly help to convince others that the interests this Nation has expressed over human rights are not ours alone, but those of all nations who wish to better the quality of life on this Earth.

President Carter, in a letter dated April 18, 1977, and addressed to the distinguished Senator from Minnesota, indicated his support for this language. The House adopted it unanimously by voice vote in early April. I strongly urge my colleagues to adopt this amendment in an effort to further strengthen the international commitment to human rights.

Mr. President, this amendment has been approved unanimously in the House of Representatives and also approved by President Carter. It would direct the Secretary of State and the Secretary of the Treasury to initiate wide consultation beginning with the industrialized democracies designed toward the development of viable standards for the meeting of basic human needs and the protection of human rights.

We have had a lot of discussion as to what really we are talking about when we mention this phrase "human rights," and this is the same amendment, as I say, in the House of Representatives, and they are to report back within a year to both the House and the Senate as well as to the President.

Mr. HUMPHREY. Mr. President, I want to say to the Senator from Oregon that it is a good amendment. I would accept it on behalf of the majority, and I believe the Senator from New Jersey may have a comment here.

Mr. CASE. The only question with this amendment I have is to one word. "Industrialized" is the word. Could we take that out?

Mr. HATFIELD. I would have no objection to taking it out, because it is the same language as the House used, and it would probably create less difficulty.

Mr. CASE. We have to go to conference anyway. I would be happy to accept the amendment if it is so modified.

The PRESIDING OFFICER. Did the Senator from Oregon modify his amendment?

Mr. HATFIELD. I ask to modify my amendment, to strike the word "industrialized" before the word "democracies."

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and it is so modified.

Mr. HATFIELD. I move the adoption of the amendment, as modified.

Mr. HUMPHREY. I yield back our time.

Mr. HATFIELD. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Oregon.

The amendment, as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I believe we have one additional amendment.

AMENDMENT NO. 376

Mr. SCHWEIKER. Mr. President, I call up my amendment No. 376 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SCHWEIKER) proposes amendment No. 376.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent to dispense with the reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, strike out lines 10 through 13 and insert in lieu thereof the following:

"(5) although continued United States participation in the international financial institutions is an important part of efforts by the United States to assist less developed countries, more of this burden should be shared by other developed countries. As a step in that direction, United States contributions to international financial institutions should not exceed 25 per centum of the total amount contributed to any such institution pursuant to any subscription agreement.".

Mr. SCHWEIKER. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. The clerk will report the modification.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent to dispense with the reading of the amendment as modified and I will explain it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

On page 11, strike out lines 10 through 13 and insert in lieu thereof the following:

(5) although continued United States participation in the international financial institutions is an important part of efforts by the United States to assist less developed countries, more of this burden should be shared by other developed countries. As a step in that direction, United States contributions to international financial institutions covered by this Act should not exceed 25 per centum of the total amount contributed to any such institution pursuant to any subscription agreement subsequent to the enactment of this Act.

Mr. SCHWEIKER. The amendment I am offering to the Omnibus Multilateral Development Institutions Act would declare that it is the sense of the Congress that U.S. contributions to each of the international financial institutions covered by H.R. 5262 be limited to 25 percent of the total amount contributed to each institution. This amendment also recognizes and supports continued American participation in the IFI's but calls on other developed nations to share more of the burden.

The reasons I am offering this amendment include my belief that Congress should become more of a partner with the administration in determining levels of appropriated funds which go to developing nations through the multilateral lending institutions. Previous to this time, administration negotiators have committed the United States to paying large amounts of money to these institutions and then told Congress the dollars must be appropriated because they have already been promised. This procedure is not peculiar to the present administration but has been the standard practice throughout our involvement with the IFI's. The most recent example of this process are negotiations concerning the fifth replenishment of the International Development Association. The administration is requesting authorization

of a staggering $2.4 billion which is to be funded over 3 years with an appropriation of $800 million each year starting in fiscal year 1978. Administration spokesmen have been telling Congress that in effect this request is an "uncontrollable" budget item, and anything less than the full $2.4 billion authorization, and $800 million appropriation for this year, would be a catastrophe. This is exactly the type of situation my amendment would prevent in the future. With the passage of my amendment, Congress would at least be assured of some limitation on the commitment of funds to these lending institutions.

Mr. President, I am aware of the criticism surrounding the requirement for an arbitrary percentage limit, but I would like to emphasize that at the present time no guidelines exist which define the level of American commitment of appropriated funds to the IFI's. In addition, I do not believe a valid argument can be made that 25 percent is too little. As a matter of fact, three of the institutions covered by this act call for U.S. contributions well below 25 percent.

Moreover, this is not a new position but is one that has been strongly advocated for quite some time by the Subcommittee on Foreign Operations of the Senate Appropriations Committee. The 25-percent limit likewise matches the U.S. share of assessed contributions to the United Nations.

Mr. President, it is my sincere belief that this amendment is a responsible one, representing an issue that should be faced during consideration of this legislation. There have been many suggestions that this position could be reflected in the appropriations bill, but I believe it would be wiser for Congress to state through this legislation that its policy regarding the level of U.S. contributions is an ongoing one and not simply aimed at individual line items in an appropriations bill. While such a move might well be successful, especially in view of administration urging that Congress use restraint in establishing funding levels for important health, education, farm, and water reclamation programs, I hope that the managers of this legislation would agree that the approach represented by my amendment is preferable.

Mr. President, many of the projects and programs funded by the international financial institutions are worthwhile ones, though Congress has very little control over how funds are spent or for that matter, which countries receive the funds. There is a strong argument that this latter point is one of the reasons why the IFI's are successful, even though many in Congress and elsewhere would like to see us exercise even a stricter control than is represented by my amendment. However, I believe that my proposal, by establishing firm guidelines on the level of U.S. commitments would be a hedge against stricter limitations against the use of these funds and insure present and future congressional support for American participation in these vital institutions.

I might say, Mr. President, that this does not apply to the Inter-American Bank fund because they are not covered by this bill and since we are a large economic entity in the Western Hemisphere I do not intend it to apply to that. My modification addresses itself to that intent of not applying to the Inter-American Bank fund and also not applying to what we have already negotiated IDA 5, but I certainly do intend it to apply to IDA 6, and I hope it will be a guide, a goal, and objective that we do not come back and present a fait accompli to Congress and say, "OK, we have negotiated $2.5 billion, and you are obligated to pay it, notwithstanding you have an authorizing and an appropriations process."

It seems to me that Congress has a role in spending the Government's money and this amendment is designed ahead of time to define the role, to delineate our responsibility, and to give us a say in the kind of money we are putting up for international development association funds or any other funds.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SCHWEIKER. I yield.

Mr. JAVITS. I understand this amendment will be accepted. I am not going to stand in the way of accepting it as a member of the committee. But I did think that the record should be kept clear so that it just does not look like we are being victimized here.

In the first place, every percentage is under 25 percent that relates to the financing organization in this bill, except the International Development Association.

Second, if we did it on gross national product, the United States has 38 percent of the gross national product of all the aggregate IDA donors.

Third, by an arrangement which has just been made, a special arrangement with certain other countries, our IDA contribution actually will be 29 percent.

So all of this is within reach of the figure which the Senator has mentioned.

As I say, I will not stand in the way of adopting this particular amendment. But I did think the record should be clear that we are not suckers, we are not being victimized, and the contributions have been declining.

I have read the Senator's amendment with care. I appreciate very much the fact that he leads it off by emphasizing the importance of these international financing organizations because, in my judgment—I will deal with this on Thursday in a rather extended speech—we face far beyond the billions—$5 billion—there are involved here, one of the gravest peacetime threats we have ever faced. It is apparently unrecognized. If we are going to be saved it is going to be these very international financing organizations that are going to have to do it.

So, for all of the things that I have just said—as I say I will not stand in the way—I will accept this, but I did want to make it clear that we are not a people who are fuzzy-headed, or anything like that, and there are very good reasons for what we are doing and there has been a very measurable decrease over the years consistent with our efforts to bring down our percentage.

I thank our colleague.

Mr. HUMPHREY. Mr. President, I shall make one comment.

I appreciate very much what the Senator from New York has said to establish the record because it is a good record where we have reduced our contributions percentagewise.

I thank very much the clarification the Senator from Pennsylvania has given. It does not apply to the Inter-American Development Bank. It does not apply to actions already taken. It would apply to IDA–6 and it would apply to any other replenishments under this act in subsequent years.

With that understanding, I will accept the amendment on behalf of the committee. I understand the Senator from New Jersey is in agreement, but he can speak for himself.

Mr. CASE. I agree.

Mr. HUMPHREY. The Senator from New Jersey agrees.

Mr. DOMENICI. Mr. President, will the Senator yield for a moment?

Mr. SCHWEIKER. I yield.

Mr. DOMENICI. I was listening attentively to the Senator from New York, and he did not tell us what the threat was that he was going to speak to on Thursday.

Mr. HUMPHREY. Let us wait until Thursday.

Mr. JAVITS. Let us wait until Thursday.

Mr. DOMENICI. Will the Senator share that with us?

Mr. JAVITS. I shall, come Thursday.

Mr. DOMENICI. Can the Senator not give us the title?

Mr. JAVITS. No. Pauline is clinging by her teeth to a small thistle on the mountainside.

Mr. DOMENICI. I thank the Senator.

Mr. SCHWEIKER. Mr. President, I do wish to respond.

I appreciate the remarks of the Senator from New York, and he is quite correct in the figures he gave.

I also wish the record to show that the past IDA contributions have ranged up to some 41.3 percent. So we have given 41, 40, 39, 33, and 31 percent in the past.

He is right about this bill. I do not quarrel with that. But I think we should show that.

Second, I think that we also should consider the fact that in addition to gross national product, which I agree with the figures, there are two other factors we have to consider. We have to consider percent of gross national product that this country and other countries pay for defense. I daresay we should add the defense and the economic contribution because, let us face it, we are propping up a good many of these countries by our expenditures on defense. They are not. We are paying their bill. They are getting a free ride, and they have a right to be a Third World country because we are there keeping their country and world free for them.

Second, on deficit trade balances here, the OPEC countries have a $41 billion surplus this year of 1976 in OPEC dollars. We are facing right now an annual rate of $24 billion annual rate of deficit for the first 3 months compared to Ger-

many that has an $18 billion surplus and Japan that has $9 billion surplus. So I do not mind looking at gross national product, but the record should show we should consider percent contributions for defense; we should consider trade deficits, trade balances, and who is carrying the share of the burden.

Mr. JAVITS. Mr. President, will the Senator yield for one correction?

Mr. SCHWEIKER. I yield.

Mr. JAVITS. I have only one correction for the education of our colleagues, $24 billion is the trade deficit. Our actual deficit on that figure would be $10 billion because of so-called invisibles—insurance, banking, payment of interest to American holders, et cetera. But it is a substantial amount.

Mr. SCHWEIKER. The Senator is correct.

Mr. JAVITS. It is a substantial deficit.

Mr. HUMPHREY. Let us accept the amendment.

Mr. SCHWEIKER. Mr. President, I wish to say that the OPEC surplus is $41 billion, Japan's surplus is $10 billion, and the Federal Republic of Germany's surplus is $18 billion.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. SCHWEIKER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question now occurs on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STONE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there a further amendment to be proposed?

Mr. HARRY F. BYRD, JR., addressed the Chair.

Mr. HUMPHREY. Wait a minute. I yield to my good friend from Virginia. What has he there?

Mr. ROBERT C. BYRD. Mr. President, may we have order in the galleries?

Mr. HARRY F. BYRD, JR. Mr. President, I ask for only one moment.

Mr. HUMPHREY. Please. The Senator may take two moments.

Mr. CASE. Let us get to third reading.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, could we have third reading first and then I yield to the Senator from Virginia.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

ADDITIONAL STATEMENTS SUBMITTED

Mr. MUSKIE. Mr. President, the bill now before us, the Omnibus Multilateral Development Institution Act of 1977, is a vital element of our Nation's commitment to peaceful economic and political development in the third world. As a former member of the Foreign Relations Committee, I can attest to the significant contributions international lending institutions have made to the developing countries. We must continue to support the valuable work of these organizations.

I firmly believe that since we have taken the leadership in establishing these multilateral institutions, we have a moral obligation—to meet our commitments to their continued success if we expect them to attract capital from other countries. International cooperation such as that promoted by the IFI's has a stabilizing effect on international affairs. Clearly, this is in the interests of the United States. In carrying out this commitment to the IFI's, the President and our representatives before the IFI's should have our support in order to meet responsibilities of leadership which we as a nation must continue to assume.

Mr. President, let me now address certain aspects of H.R. 5262 which involve the budget process.

First, the first budget resolution targets for the International Relations Function are $9.3 billion in budget authority and $7.3 billion in outlays. If fully funded, the six authorization bills reported by the Committee on Foreign Relations, including H.R. 5262, would exceed the budget resolution target by $200 million in outlays.

Mr. President, I ask unanimous consent that a table showing the potential status of function 150 be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[In billions of dollars]

	Budget authority	Outlays
Functional targets established in first budget resolution	9.3	7.3
H.R. 5262, Omnibus Multilateral Development Lending Institution Bill	1.6	0.2
Other authorization bills for international programs	5.7	3.5
Public Law 480, Food for Peace	0.9	1.1
Export-Import Bank	[1] 0.6	[1] 0.5
Programs not requiring current action and prior-year outlays	0.5	2.2
Possible total for function	9.3	7.5

[1] These amounts are tentative, pending overall re-estimates by the Congressional Budget Office. Higher levels for Export-Import Bank activity were assumed in the First Budget Resolution.

Mr. MUSKIE. While I continue to endorse our commitment to the international lending institutions, I must warn my colleagues that the international affairs function must conform to the same budget restraint and discipline as the other functions of the budget.

Mr. President, I ask the Senate to bear in mind that historically, the Appropriations Committee has made significant cuts from the authorized levels for these programs and this will undoubtedly take care of the possible outlay overrun. While I am not objecting to the levels authorized by H.R. 5262 and will not object to the levels authorized in the other Foreign Relations Committee bills which will be considered, I am prepared to vote for a lower appropriation level.

In the second budget resolution, significantly lower levels for the international affairs function will probably be set. Such reductions would take into account the cuts in budget authority which are necessary to meet the outlay target of the first budget resolution.

This brings me to the second issue which I want to raise. The Foreign Relations Committee report accompanying H.R. 5262 makes a number of oblique references to the Budget Act and specifically to section 401(A) which, the report contends, need not necessarily apply to U.S. contributions to IFI's. Specifically the report states:

It is not absolutely clear that this bill, without the various provisos, would be subject to a point of order under section 401(A).

Mr. President, let me be clear. This bill would be subject to a point of order without the various provisos making such commitments subject to appropriations acts. Section 401 was designed to deal with "back door" spending. The legislative history of the Budget Act reveals quite clearly a policy in favor of subjecting to the Budget and Appropriations procedures all, I repeat, all budget authorizations not specifically exempted under the act. Section 401(a) makes any legislative measure providing new spending authority subject to a point of order unless the bill or resolution contains a proviso making it effective "only to such extent or in such amounts as are provided in appropriation acts." I fail to find any reference in the legislative history of the Budget Act which would suggest that foreign affairs or U.S. contributions to IFI's justify a special exemption. No ambiguity exists. International obligations of the United States as well as domestic ones are subject to the appropriations process. I conclude therefore that the provisos contained in the House version of this bill are necessary to avoid violating section 401(A) of the act.

Furthermore, Mr. President, the report notes that only the paid-in portion of the capital contribution is subject to an appropriation. No convincing case has been made that callable capital should be exempt from congressional budget and appropriations processes. It is my opinion that appropriating the full

amount of callable capital helps the hard-loan IFI's by strengthening their overall financial integrity as well as their ability to attract private capital on reasonable terms.

I would point out that the first budget resolution assumptions for the international affairs function assumed full appropriation of any callable capital amounts. Should the Congress make a different assumption, it is my judgment that the second budget resolution ceilings would have to be adjusted downward accordingly, rather than allowing the budget authority to be used for new or expanded programs not included in the March 15 reports to the Budget Committee.

Mr. President, I remind my colleagues that a similar effort to carve out an exception to the Budget Act for Federal assistance to housing and community development in S. 1523 was defeated by an overwhelming majority on June 6. In supporting my amendment, the Senate has indicated that it unequivocally wishes to preserve the integrity of the budget and appropriations processes and that it will not brook efforts by any authorizing committee to directly or indirectly undermine the Budget Act. For these reasons, I support the amendments offered by my colleagues from the Appropriations Committee which are clearly consonant with the guiding spirit of the Budget Act.

Mr. BELLMON. Mr. President, the bill before us is the first of several major authorizations this year within function 150, International Affairs. Since these authorization bills are expected to be taken up in sequence, I believe this is an appropriate time to discuss the relationship between these bills and the targets set by Congress when it passed the budget resolution.

The targets set by Congress for function 150 are $9.3 billion in budget authority and $7.3 billion in outlays. If one assumes the pending authorization bills in this function will be fully funded, and then adds the official estimate for the Export-Import Bank, and prior year authorizations and offsetting receipts, then the total comes out above the functional targets in the first budget resolution by $0.5 billion in budget authority and $0.3 billion in outlays. This is a substantial discrepancy, Mr. President, and I want to share my concerns with my colleagues in the Senate.

This bill also raises a serious legal issue involving the proper role of any authorization bill versus the proper role of the appropriations process. This issue involves "back door" spending and prior commitments of future year resources—practices which led to and were presumably closed by the passage of the Budget Act in 1974. This issue has been debated as part of an amendment offered by members of the Appropriations Committee and my thoughts on this issue were more thoroughly detailed at that time.

So I would like to focus on the budget issues relating to this bill and this function of the budget. What happened during the establishment of the fiscal year 1978 targets is easily explained. The Budget Committee recommended to the Senate targets for function 150 which assumed modest cuts in the President's budget request. These targets were accepted by the Senate. At conference, the House receded from its slightly higher figures and accepted the Senate numbers without change—although it did not accept the whole Senate rationale on how these targets were set. The Congress then passed the conference report containing the original Senate targets for function 150. Now, when we look at the sum of all the authorizing bills in the function, we find they total not a little less than the President's request, but more than his request by about $200 million in both budget authority and outlays.

So, Mr. President, because the authorizations so far total more than the Presidential request while the budget intent was to total a little less than the President's requests, we cannot say that fiscal restraint has yet been exercised in this budget function. Yet, we cannot afford to have these budget targets exceeded, one function after another, without risking a significant increase in the deficit which is the product of those budget targets. That deficit is $64.65 billion and I do not wish to add pressure to increase that deficit.

Mr. President, some people will say there is no problem here. They will make two arguments: First, an expected downward reestimate of Export-Import Bank spending; and second, historic Appropriations Committee actions. The latter argument has some merit, but the former argument gives me concern and appears to be inconsistent with congressional efforts to get the budget under control. What is being suggested is that a new, and as yet unofficial, downward reestimate will allow this package of authorization bills totaling more than the President's request to fit within functional targets which are below the President's request.

I have trouble with this position. The Budget Committee has normally taken account of reestimates of uncontrollable programs in the second budget resolution by adjusting the target downward or upward as appropriate. We simply cannot take advantage of downward reestimates to expand programs or to insert new programs into the budget.

Furthermore, Mr. President, this argument also seems ill-advised from the point of view of authorizing committees. Reestimates will not always be downward. Surely these authorizing committees will not want to see their programs cut at the last minute to absorb "upward" reestimates which happen to take place between the first and second budget resolutions. The Budget Committee has not forced such action in the past and this has been a fair and appropriate procedure. We must be even-handed with both upward and downward reestimates in truly uncontrollable areas.

Where does this leave us, Mr. President? I think it means we have to recognize that the authorizing bills, if fully appropriated, push function 150 over the targets set in the first budget resolution. If this were the only consideration, I would feel duty bound to oppose one or more of the foreign affairs bills before us. Fortunately, however, there is another way budgetary discipline can be upheld. The Appropriations Committees have a history of not fully funding the bills in this function. This is especially true for the bill before us now, the Multilateral Development Lending Institutions Act. Traditionally, administration requests for these international financial institutions—IFI's—have been reduced by an average of 20 percent. This year the House Appropriations Foreign Operations Subcommittee has trimmed almost $500 million—about 20 percent—from the authorizations for international financial institutions—in addition to cutting small amounts from most other requests in function 150. If sustained in the full committee and on the House floor and concurred in by the Senate, this action would eliminate the overage in budget authority. However, this action alone will not bring the function's outlays down to the target level because of the slow spendout of IFI funds.

In view of the strong expectation that Appropriations Committee actions will eliminate the overage in budget authority and some of the overage in outlays, I will not oppose the bill before us now, which appears likely to bear the brunt of the Appropriations Committees' cuts in any case. However, as a member of the Appropriations Committee, I intend to work toward additional cuts on other appropriations bills involving function 150 so that the budget restraint intended for this function, as for all other functions, is fulfilled.

Mr. President, the multilateral development lending institutions, such as the World Bank group, make an important contribution to the efforts of many countries to develop their human and natural resources to meet their people's aspirations for a better life. The money the U.S. contributes to most of the institutions involved in this bill is probably more productive dollar for dollar in achieving lasting economic development than the funds in the other authorization bills in this function. The United States played a major role in setting up these lending institutions years ago. Now that other countries are increasing their share of the financial contributions, we should continue to keep our contribution sizable.

In conclusion, Mr. President, I would like to make clear my continuing concern over the budget pressures on this function as a whole. While I will not oppose this particular bill, it is not yet clear to me that subsequent authorizing legislation in function 150 will not cause spending problems and I intend to work for lower levels of spending in the corresponding appropriations bills.

Mr. MATSUNAGA. Mr. President, I rise in support of H.R. 5262 and wish to comment briefly on the relationship between U.S. participation in the replenishment of resources for the international financial institutions and our country's overall foreign economic interests in what has come to be called the North/South dialog. To fully appreciate this relationship, it is first necessary to

examine the present situation in the poor nations and detail Third World demands for a "new international economic order."

The past decade has seen conditions in the poorest countries, with populations totaling 1.2 billion, improve only marginally. Average incomes in these nations grew at an annual rate of only 1.5 percent or $2 per year during this period. By 1974, however, even these modest growth rates were endangered by the massive price increases in petroleum, food, and fertilizers and the onset of the most serious global recession since World War II. The conditions in the developing countries were aptly described in a speech delivered by World Bank President Robert McNamara in October 1976. Mr. McNamara stated:

Compared to those fortunate enough to live in the developed countries, individuals in the poorest nations have:

An infant mortality rate eight times higher;

A life expectancy one-third lower;

An adult literacy rate 60% less;

A nutritional level, for one out of every two in the population, below minimum acceptable standards; and for millions of infants, less protein than is sufficient to permit optimum development of the brain.

This is what absolute poverty means for some 750 million human beings in these nations. With an average per capita income of less than $100 today, and little more than a faint promise of a miniscule $2 annual increase over the next decade, they are locked into a set of circumstances that they cannot break out of by themselves.

The desperate nature of their situation has given rise to increasingly strident demands by the developing countries for a new international economic order. These demands include:

First. Preferential treatment of developing country exports;

Second. Linking—or indexing—of the prices of the goods they import and the prices they received for their exports;

Third. Generalized debt relief;

Fourth. Transfer of technology;

Fifth. Curbs on the activities of multinational corporations;

Sixth. And reform of the world monetary system.

In an address before the Conference on International Economic Cooperation, Secretary of State Cyrus Vance responded to the demands of the poor stating:

There should be a new international economic system: In that system there must be equity; there must be growth; but above all, there must be justice. We are prepared to help build that new system . . . But we will also demand that this aid be more effectively planned, delivered and administered.

The American people will support an effective aid program that is devised clearly and specifically to meet human needs. Such a (program) must deal with needs that directly affect the way people live their lives (and must include):

1. Essential health services, particularly in rural areas;

2. Increased food production and adequate nutrition;

3. Basic education, also in rural areas; and

4. A chance for a worthwhile job, to help people provide a better life for themselves and for their children.

The international financial institutions will play a key role in the fulfillment of Mr. Vance's pledge by helping to build a new international economic system and by insuring that development efforts meet the basic needs of the poor. In recent years, IFI lending has been directed toward projects which increase the productivity of the small farmer, promote family planning, provide health and educational services to the rural poor, and encourage the use of intermediate technology. The banks have been particularly helpful in convincing developing country governments to adopt basic needs development strategies.

At this point, I wish to draw my colleagues' attention to one institution which has been extraordinarily successful in meeting the needs of the poor—the Asian Development Bank. The ADB was created in 1966 to promote economic growth and cooperation in the developing countries of Asia and the Pacific. Of the 1.2 billion people living in countries with per capita incomes below $200, 88 percent live in nations serviced by the ADB. The ADB has approved almost 300 loans, with a cumulative value of over $3 billion to 23 Asian nations. ADB's loans were made for the following purposes:

For agriculture, 23.5 percent.

For industry and local development banks, 23 percent.

For public utilities, 33.1 percent.

For transportation and communications, 19.6 percent.

For education, 0.8 percent.

The International Development Banks, without a doubt, represent one of the most constructive means of providing economic assistance to countries that help themselves. Moreover, the cost to the donor countries is equitably shared among the wealthy countries. The funds are managed by able professionals for projects that are carefully drawn up, thoroughly scrutinized and designed to achieve their purpose.

Strengthening the role of the development banks can lessen demands for other far less effective types of economic assistance. The forum for the North-South dialog can also be shifted back to the Board rooms and annual meetings of the banks. It is there that developed and developing countries have been meeting continuously, not to argue about objectives, but to reach agreement on concrete programs that will strengthen the development process.

I am convinced that it is in the best interest of the United States to insure that this sound form of resource transfer is maintained by contributing our fair share. I, therefore, urge my colleagues to join me in voting in favor of H.R. 5262.

Mr. BIDEN. Mr. President, I am pleased to endorse H.R. 5262 which authorizes the continued U.S. participation in six international financial institutions and to resist any modification of the strong and effective human rights provision in title VII of the bill.

The basis for U.S. participation in these institutions is that a collective effort toward raising the economic standards of needy countries is the first step toward helping these countries establish for themselves democratic governments which protect the human rights of their own people.

Unlike previous bills authorizing these international financial institutions, H.R. 5262 now contains provisions to promote the cause of human rights. The U.S. Executive Directors who participate in each bank's decisions, will now be required to consider any gross pattern of violations in a given country that applies for economic assistance. These Directors are also required to consider the extent to which the needy people of that country would benefit from the particular economic assistance requested.

Some of my colleagues, however, with the sincerest of intentions would like to mandate the U.S. Directors to vote no to any assistance requested by a country that is deemed—by whom and how it is measured, no one knows—to be violating human rights. The U.S. vote, however, has no veto power and a manudated-no provision would prove a stumbling block rather than effective support for the cause of human rights. In short, by changing the language of the present bill, we would be requiring the U.S. representatives who sit on each board of each of the six international financial institutions to a posturing and ineffective participation.

There is often a fine line to be drawn between effective support and promotion of human rights and ineffective moralizing—moralizing even with the best of intentions. The U.S. promotion of human rights in the world by voice and example rather than by laying down inflexible and unworkable standards would seem to me a more effective world leadership role.

I would like to call my colleagues' attention to a story recounted recently in the New York Times on the dangers of a too-moralistic view of human rights:

In his first foreign policy speech after taking office, the new President proclaimed that the foreign policy of *his* Administration would be more concerned wtih 'human rights, national integrity and opportunity' than with 'material interest.' In implementing these goals, President Woodrow Wilson soon landed the Marines at Veracruz, Mexico.

So I would suggest that the United States not be simplistic in the manner in which human rights is promoted. Mr. James Chace in his New York Times article, goes on to say:

In this world, everything is impure, even ourselves, and everything is limited, even our possibilities. We do not always know what is good. When we know it, we do not always try to achieve it. When we try, we do not always succeed.

The United States, however, is committed to try to succeed. Let us, therefore, try to find the most effective means. And let us not lose our own humility and flexibility in the process.

In the particular instance of H.R. 5262, I wish to urge my colleagues to support the human rights language that is contained in title VII.

Mr. CRANSTON. Mr. President, the

lives and spirit of over 1 billion human beings who live in relative or absolute poverty depend upon this Senate to support fully U.S. participation in the funding of international financial institutions (H.R. 5262).

These are people without the very basics of human existence. Robert McNamara, the president of the World Bank, has noted how difficult it is for us, the privileged, to understand the lives of these fellow human beings:

> We must try to comprehend what we in fact mean when we speak of poverty in this context. The word itself has become almost incapable of communicating the harshness of the reality. The absolute poor are severely deprived human beings struggling to survive in a set of squalid and degraded circumstances almost beyond the power of our sophisticated imaginations and privileged circumstances to conceive.

What do the world's poorest nations—the so-called Fourth World—have compared to those people fortunate enough to live in the developed nations? First of all, they have an adult literacy rate 60 percent less, a life expectancy about one-third lower, an infant mortality rate that is eight times higher, and a nutritional level below the minimum standards for fully one-half of their population. Possibly 1 billion people—mostly women and children—suffer from hunger and chronic malnutrition. The effects are highly visible in retarded physical growth and human development.

The worldwide recession of the 1970's, along with the increase in world oil prices, and inflation in general, have taken a further grim toll on fourth world countries. Serious balance of payments difficulties persist, and the burden of debt financing has become acute. Fourth World countries had annual growth rates of only 2.8 percent between 1973 and 1975, the benefits of which were more than completely offset by population increases, and inflation.

These factors prevent the developing nations alone from providing the fundamental human needs of their people and improving the quality of their life.

Will the international financial institutions be able to meet the human requirements of the world's poor? Only if these institutions have adequate funding from all participating nations including the United States. With such funding, the World Bank can direct more loans into education, water supply, health, population and agricultural production. Already the Bank has earmarked more funds for rural development in the battle against rural poverty—a poverty physically harsh, culturally deprived, and spiritually barren. As stated by Secretary of Treasury Blumenthal:

> When the World Bank loans bring drinkable water to urban slums in Lima and Lahore, for the first time, humanitarian purposes are advanced. So are they when an Asian Development Bank loan brings water, health and education facilities to rural Bangladesh, and when an International Development Association (IDA) loan brings primary education to rural Malawi.

From a functional standpoint, the International Financial Institutions meet these human requirements of the Fourth World through the official concessional credit institutions—or the soft loan lending facilities of the banks. Each IFI has a soft loan "window." These concessional credit institutions are designed to allow the richest nations to channel their resources to the poorest countries for necessary development projects on loan terms the developing nations can meet. They often provide the last hope of financing for these countries by offering financing arrangements at lower interest rates and with longer repayment periods than regular bank loans. Their money assists developing countries to raise literacy levels, diversify agriculture, slow population growth, and increase employment. The dollars we vote to provide today will teach people to read, plant new needed farm crops, stabilize family life and put people to work tomorrow.

These loans are made particularly effective by the fact that they are made on the basis of economic need, and to date, the loan approval process has not been politicized by binding national directions from member states. We must resist any attempt, however noble or moral the directive, to inject national political policy into these economic decisions of the IFI's. The best hope for democratic government and human rights rests on a base of economic improvement and individual well being.

What will be the consequences if we do not authorize and appropriate the full replenishments requested for the six International Financial Institutions? Quite frankly, the banks will not be able to sustain their current levels of loan commitment, much less increase their lending activities. And if these developing nations are denied this needed help the resultant economic chaos will produce inevitable political and social upheaval directly affecting us. Our own self-interest and self-defense will be furthered by this necessary economic aid which will help prevent new dangers and difficulties for democracy and freedom and will prevent new opportunities for the growth of totalitarianism—whether Communist or of some other variety.

Indeed, the question is not whether to vote for the full funding recommended by the Foreign Relations Committee, but whether that amount is enough to achieve the ultimate goal of eliminating human poverty. It is not, of course, but the United States does not have unlimited resources. We all recognize that. The United States does have, however, enough resources to meet the full amount needed to keep these six institutions now. Although the total amount of $5.2 billion for the 3- to 4-year periods is a substantial sum, it amounts to about ¼ of 1 percent of our 1977 gross national product or less than $\frac{1}{8}$ of 1 percent of our gross national product for the time period involved. How can we refuse to meet the needs of so many at such a relatively small cost to so few? And even more important, the people of the United States and my colleagues in this Senate will meet the need because it is a need of our fellow inhabitants on this planet and because it is right.

Mr. GOLDWATER. Mr. President, I rise to protest the endorsement by the World Bank of illegal and discriminatory trade preferences against the United States which injure U.S. citrus exports.

The World Bank, through two of its components, the International Bank for Reconstruction and Development and the International Development Association—or the IDRD and IDA, as they are commonly known—have supported 17 projects with a total cost of $1.6 billion that are heavily reliant on the existence of illegal import duty preferences being operated by the European Economic Community.

Fully 81 percent of the citrus exports produced by this World Bank financing will be directed to Western Europe, mostly to the European Economic Community where every single exporting country aided by the Bank enjoys import duty preferences over the United States.

Mr. President, the World Bank is expected to provide loans or credits of $387 million, or nearly 24 percent of the total project cost mentioned above. The Bank's lending for citrus is a part of larger irrigation or agricultural projects, but in desert areas the citrus portion of the project is entirely dependent upon irrigation and thus is supported by a large portion of the project cost.

According to a paper delivered on May 6 of this year by the Director of the World Bank's Agriculture and World Development Department, the 17 projects supported by the Bank are expected to result in the production of 900,000 metric tons of citrus production above the output that would have occurred without the Bank's help. This means that the World Bank is openly promoting competition with U.S. exports.

Now, the World Bank claims that 40 percent of this additional production will be consumed in the countries where it is produced. However, the Bank concedes that an equal volume of at least 400,000 tons will be exported to Western Europe, with the remaining portion being shipped to neighboring countries and Eastern Europe.

While the Bank has not made clear exactly what kinds of citrus fruits are being supported in such great quantities, it is likely that the majority will be oranges. And, it is striking to note that the Food and Agriculture Organization's forecast of the 1980 orange surplus worldwide is 491,000 metric tons, almost the precise amount of exports the World Bank proposes to add through its production increases.

Mr. President, this additional citrus production will undoubtedly have an adverse effect upon the prospects of U.S. citrus exports. By bringing 500,000 metric tons onto the World export market that would not otherwise exist, the Bank is creating major competition for the U.S. industry, whose survival depends upon keeping and expanding its export markets.

Using data provided by the World Bank itself in a table dated April 22, 1977, I am even more disturbed to discover that the major portion of these 500,000 metric tons of citrus exports are destined for Western Europe, principally European Economic Community countries.

Now, this is detrimental to American

interests because the EEC has conducted an illegal preference system for fresh oranges and lemons since 1969 and has recently extended these preferences to citrus fruit juices and canned citrus fruit as well. Agencies of our Government have universally condemned the preferences, which are not available to U.S. citrus, as illegal and unjustifiable discrimination against U.S. citrus in violation of the most-favored nation provision of the General Agreement on Tariffs and Trade.

Yet, the success of the credit projects supported by the World Bank depends greatly on the existence of these same illegal duty preferences extended by the EEC to all of the citrus-exporting countries on the Bank's list of credit recipients.

Mr. President, I might point out that European Community imports of fresh oranges from the United States averaged about 110,000 metric tons in each of the past 3 years. This constituted 30 percent of U.S. offshore exports of fresh oranges. In comparison, the World Bank's proposed additions to the EEC market are almost four times greater than present U.S. exports to the same market. This visibility illustrates the major competition the World Bank will be creating for the United States in its primary overseas market for fresh oranges.

Mr. President, the EEC is a sizable market for the United States which has been fighting desperately to hold on to it in the face of the extensive illegal import preference system used by the EEC, and it is most improper for the World Bank to build its citrus expansion program around these illegal practices.

Mr. President, as further proof of the total disregard and lack of knowledge by the World Bank of the important citrus industry in the United States, the Bank is using the excuse that most of the exports from Bank-supported projects will be "seasonably complimentary" to shipments from the United States. The Bank also contends that most of the oranges to be exported would be "early season oranges," not in direct competition with fresh fruit exports from the United States.

Mr. President, the fallacy in this statement is that early oranges from the United States are not exported in any great amount now exactly because of the illegal preferences I have just described. These preferences are the highest in the early season. The fact is not that the United States lacks oranges for export during the time of year referred to by the World Bank. Actually, U.S. Department of Agriculture figures show that 54 percent of U.S. oranges are available in early and midseason. An accurate World Bank statement would have been that most Bank-supported exports "will occur early in the season because then they receive the greatest duty protection from the illegal system operated by the EEC."

Mr. President, I have raised this matter today because the bill before us, H.R. 5262, includes a provision specifically requiring the U.S. Executive Directors on the World Bank to consider voting against any Bank support that would establish or expand the production of certain agricultural products, including citrus, in competition with U.S. production when it will cause injury to U.S. producers. This appears in section 701 (b)(4) of the bill as reported in the Senate. Section 801(a) of the House bill contains even stronger language and, in my opinion, is preferable.

While I hope the final version of the bill will contain the House language, I did want to expain why there has to be any such provision in the bill at all. But I think it is plain to anyone that when the World Bank is sponsoring projects which not only create sizable new production in direct competition with needed U.S. exports, but is supporting projects which are dependent upon trade barriers which are clearly condemned by our Government as being illegal and in violation of trade agreements we have with other countries, then it is high time that the Congress tries to put a halt to these activities.

Mr. President, I hope that the U.S. representatives on the World Bank will take heed of what Congress is saying in this provision of the bill.

Mr. MATHIAS. Mr. President, I rise in support of H.R. 5262, the International Financial Institution's authorization bill. I wish to direct my comments, today, to one institution which I believe is particularly deserving of our support, the International Development Association.

The International Development Association was founded in 1960, primarily at U.S. initiative, to make loans available to the poorest nations of the world. IDA is an affiliate of the World Bank and shares with the Bank the same president, boards of governors and executive directors and staff. Membership in IDA consists of 116 countries.

IDA loans, or credits as they are referred to in the World Bank, are extended at concessional rates to countries with per capita GNP's below $520 per year. Since its establishement, IDA has committed approximately $10 billion to 650 development projects in 68 developing countries. More than 75 percent of its funds have been dispersed to countries where the annual income for more than a billion people ranges from $60 to $130 or between 16 and 36 cents per day.

Due to drastically reduced development prospects in the poorest nations, IDA lending in recent years has been increasingly directed toward meeting the basic needs of the rural poor. IDA gives high priority to "integrated rural development" which encompasses improved productivity, increased employment, minimum acceptable levels of food, shelter, education, and health. In the past 3 years, IDA has financed agricultural projects designed to approximately double the incomes of almost 30 million of the poor by expanding their productivity.

The legislation currently before us, authorizes $2.4 billion for the U.S. contribution to the fifth replenishment of IDA. The agreement, in which both the Ford and Carter administrations participated, totals $7.6 billion. Although the U.S. subscription to the fifth replenishment appears to be a significant increase over our $1.5 billion IDA IV subscription, it actually represents an increase of only $240 million when the inflation factor is applied.

Thus, to stay even with our previous level, it was necessary that the United States provide at least $2.16 billion. Moreover, it should be noted that the U.S. share of the fifth replenishment is 31 percent, down from an original 40 percent, indicating increased participation by other nations, including for the first time, Saudi Arabia and the United Arab Emirates.

Congress has indicated in years past that our aid should increasingly be focussed on those who are poorest in the developing world. The International Development Association has exactly this focus. In supporting it I believe we are sending American dollars not only where they can do the most good but also to that organization whose efforts best typify what is good and decent in the American spirit. I, therefore, urge my colleagues to join me in support of IDA and of H.R. 5262.

DIRECT BENEFITS TO U.S. PARTICIPATION IN THE IFI'S

Mr. HEINZ. Mr. President, there are many good reasons for supporting increased U.S. participation in the international financial institutions. Frequently, these reasons are cast in terms of humanitarianism, providing the world's desperate poor sorely needed assistance. This is an excellent reason; but sometimes our contributions are hard to justify when our own budget is running a deficit. The case can then be made that the developing countries represent a tremendous potential market for U.S. goods, and for this reason, assistance provided by the international financial institutions is in our long-term economic interest.

This is also a valid reason; but there are times when the phrase "long term" does not tell us much. After all, the expenditures are now. But there is another reason for the United States to support and contribute to the IFI's, and that is that such support makes sense in hard dollar terms, right now. The United States benefits directly from such support, and I would like to briefly elaborate on that.

Perhaps most obvious is that the United States benefits from procurement. This helps to provide jobs in the United States. For the International Development Association alone, the U.S. share of foreign procurement in fiscal year 1976 amounted to $152.7 million. From the time of its founding in 1960, the United States has received $795 million in procurement from IDA—through 1976. It is in recognition of such facts that the respected newspaper, American Banker, has called on the Congress to support the fifth replenishment of IDA. Let me quote from its editorial on the IFI's:

Most important the credits are granted to those who need the money most. More than three quarters of all IDA funds have been lent to 28 countries where the yearly income for more than a billion people ranges from

$60 to $130—16 to 36 cents a day. IDA is a sensible way to attack this tragic situation.

It goes on to say:

IDA credits are made available for sound projects, and the projects must meet the standards of loans offered by the World Bank and are overseen by the respected, international staff on the bank organization.

More to the point, the Banker explains:

Congressional approval of IDA V also will help provide jobs for Americans in the short run. America's share of IDA foreign procurement amounted to $152.7 million or 16.9% in fiscal 1976. In the long run, not subject to quantification, IDA is building trading partners for bankers and businessmen.

Now, Mr. President, American Banker is one of the most respected journals in the U.S. financial community. It is not interested in charity; it is not interested in give-aways; but it is interested in whatever is beneficial to that financial community. We should heed the no-nonsense advice of American Banker. And we should also take note that its support is echoed by another respected segment of the business community, the U.S. Chamber of Commerce. In a letter to Members of the House, dated April 4, 1977, Hilton Davis, the chamber's vice president for legislative action, states:

The Chamber of Commerce of the United States supports increased United States participation in the World Bank and International Finance Corporation as provided for in H.R. 5262. . . . We consider the World Bank to be an indispensable force in the economic development of the Third World. The Chamber believes that the principle of self help implicit in the Bank's programs has been the key to their overall success in generating growth in the less developed countries.

I do not think that I have to belabor the point that the Chamber operates on what makes good business sense, and it has decided that the World Bank and the IFC do indeed make good business sense.

Thus far, I have spoken in general terms citing the support expressed by the American financial and commercial communities, but the facts are the most persuasive argument. As a rule, U.S. firms get $1 out of every $5 in procurement contracts let out by the IFI's.

As of June 30, 1976, almost $7 billion was earned by American companies which received procurement contracts from these international banks. When you add to this the $1.4 billion paid to Americans for administrative expenses, and the $2.1 billion paid to American investors in the form of interest on bond holdings, we come to a total direct benefit to the American economy of over $10 billion. From our participation in the World Bank, we have received almost $4.8 billion in direct procurement contracts; from IDA—$795 million; from the Inter-American Development Bank—$1.2 billion; and from the Asian Development Bank—$76 million.

We often get direct payments from these development banks which equal or exceed our total contributions. For example, our paid-in contributions to the World Bank since 1946 have totalled $781 million, yet we have received $7.4 billion in administrative expenditures, procurement contracts, and interest payments: that is, we have gotten back $9.50 for every dollar we have paid in to the World Bank. Similarly, in the Asian Bank, we have paid in $60 million, and have gotten $148 million in return payments; $2.50 for every dollar contributed.

Mr. President, these are truly impressive figures. They demonstrate that the funds which the U.S. contributes to the IFI's are of direct benefit to the U.S. economy. And when these direct benefits are added to the benefits of international economic development, it becomes very obvious that these institutions deserve our support. Let me close by referring again to the editorial in American Banker. In the last paragraph, it tells of the gradually diminishing percentage of the U.S. contribution to IDA, and of the good IDA does for the United States and the world. It closes by saying:

It would indeed be tragic if these favorable trends and potential benefits where aborted or seriously damaged by political nonsense.

I think this can be applied to the U.S. participation in all the IFI's. They are just too important to us, and we are too important to them, to engage in political nonsense. I intend to support H.R. 5262, and I urge my colleagues to do the same.

DEVELOPMENT IN AFRICA

Mr. KENNEDY. Mr. President, I strongly support the pending legislation and want to commend the committee for its excellent report in a significant area of public policy and concern. The legislation continues our country's traditional support of the various multilateral development institutions. But even more importantly, it renews and strengthens our commitment to these institutions.

In this connection, I would like to comment briefly about the African Development Fund, the newest of the international financial institutions. Established in 1973, the Fund is the concessional loan affiliate of the African Development Bank. It was created by the Africans themselves, and is becoming a major vehicle in pursuing developmental goals. In addition to the countries of Africa, the Fund claims 17 non-African donor nations as members.

The United States joined the Fund in November 1976, with an initial contribution of $15,000,000. The pending legislation authorizes additional contributions of $150,000,000 over a 3-year period, beginning in fiscal year 1979.

Mr. President, the African Development Fund is deserving of our full support. Nowhere in the world are the issues of human need and development more sharply drawn, perhaps, than in Africa. Of the 24 countries identified by the World Bank as being the least developed in the world, 17 are in Africa. And in recent years, especially, this general situation has been compounded by many factors. The Sahelian countries and others, for example, have been hit by devastating drought, and the people who live in these areas have been ravaged by hunger and disease, and famine and death. The urgent rehabilitation, recovery and developmental goals of these countries need our support. And so do those of other countries, whose people are working to resolve the inevitable problems accompanying independence in recent years. There are returning refugees to resettle. Refugees from neighboring countries to help. Villages and towns to rebuild. There are aspirations for a better life and future to fulfill.

The African Development Fund supplies soft loans to the poorest countries in Africa. In 1976, the Fund made loans to 12 countries. Of these, only one, Mauritania, had a per capita GNP of over $300. In 1975, according to the World Bank, it was $310 for Mauritania. Of the 11 remaining countries, the same World Bank figures show that 9 of them have per capita GNP's of under $200. The Fund has been concentrating much of its lending on recovery and developmental efforts in the countries of the Sahel—such as Chad, Mali, Niger, Upper Volta, and Mauritania.

Even with its limited resources, the Fund is contributing significantly in helping countries meet some pressing problems. Loans are concentrated in sectors where they can do the most good for the largest number of people. Health, agriculture, and education are key sectors. Transportation loans make it possible for African countries to develop their considerable resources by making these resources more accessible through the building of roads and bridges. The loans are designed to aid the poorest people in the poorest countries. And hopefully the Senate's action today will help to expand the Fund's capabilities.

We will be joining with other countries—with Canada, Japan, Germany, the United Kingdom, Sweden, Saudi Arabia, Kuwait, and others—to better help the people of Africa to help themselves. The well-being and progress of Africa is in our interest, Mr. President, as it is in the interest of all countries. And with increased American contributions to the Fund, and given the needs of Africa, I share the feeling of many that the administration should actively encourage increased contributions from other countries that have the resources to spare.

Mr. President, in conclusion, let me say that, in addition to pledging our full support to such international institutions as the African Development Fund, we should also remain alert for opportunities to enhance our bilateral, people-to-people ties with the people and nations of Africa.

I believe there is a new opportunity for this in the proposal for an African Development Foundation, which is contained in S. 1348, introduced by myself and my colleague from South Dakota, Senator McGOVERN. This Foundation, as I noted last April, will respond to aspirations for active grassroot participation in meeting basic human needs. We envisage it as a nonprofit Government corporation along the lines of the very successful Inter-American Foundation established in 1969. Its central purpose will be to fund projects and programs sponsored and carried out by community groups, so as to expand their possibilities for self-help and local development. This proposal is one which we intend to

actively explore, with the appropriate committees of Congress and the executive branch, as another key dimension in this Nation's commitment to help the people of Africa help themselves.

Mr. President, my personal interest in Africa and my concern over U.S. policy go back many years. A good share of this interest and concern, especially in recent years, has involved my activities as chairman of the Subcommittee on Refugees and Subcommittee on Health. And a series of joint subcommittee hearings on several African problems, including those in southern Africa and the Sahel, were held during the 93d and 94th Congress. In this connection, a special study mission traveled in behalf of the subcommittee to several African countries in 1975. Many of their recommendations have been absorbed by the new directions Congress has chartered in foreign assistance, and others are being absorbed. I believe, however, that the recommendations remain a useful guideline, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS OF THE STUDY MISSION (WITH EMPHASIS ON AFRICA)

1. With the end of the era of massive United States assistance to Indochina, and the failure of our policy there, a re-evaluation of our entire foreign assistance program should be a priority issue—with a thorough review of programs, goals, and funding levels. To date, this has not even begun.

2. In the future, a cardinal principle of our foreign assistance effort must be based upon the needs of people, and humanitarian issues, and less on unrelated political considerations or the military importance of the country. In all instances, the commitment of the government to its own national development, and to raising the standard of living of its poorest people, should be an important consideration in our policy.

3. The primary goals of assistance should include a) an attempt to help poor countries become self-sufficient in terms of food production and economic stability, and b), to help the countries improve the quality of life of the lowest income groups of the country—not the highest.

4. The independent countries of black Africa having received pitifully little United States assistance in the past, deserve greater attention and concern in U.S. aid programs in the future.

5. Three major areas deserving special attention and warranting considerable assistance are: agricultural production, health services, and improved nutrition.

6. In order to aid development it is necessary to provide assistance to develop the infrastructure which will allow continuing developmental progress to be made—this infrastructure includes a body of well educated people; training in different professions; a reasonable communications and transport system; among many others.

7. Our foreign policy statements need to make it abundantly clear that our nation supports the independence, with majority rule, of the countries of southern Africa now ruled by white minority governments. Africa leaders have been concerned that the U.S. with its past tradition of espousal of independence movements based on its own history, has recently failed in its words and deeds to support this principle in Africa.

8. In supporting economic and human development in Africa, the U.S. must be sensitive to the following needs:

(a) to allow the African governments to search for themselves their own systems and models of political and economic development;

(b) to provide special help to the poorest people and to those who are disadvantaged, or made destitute by emergencies, such as drought;

(c) to recognize that each government is making difficult decisions regarding development, and that we must respect these decisions even if we sometimes disagree with them.

9. Our assistance programs need to be, so far as possible, in co-operation and in coordination with development assistance of the U.N. agencies, other donor countries, voluntary organizations, etc. United States assistance should be part of a broad pattern of development assistance to Africa, made more effective by our cooperation with others.

10. Our assistance program should assist African nations in development planning. The African nations themselves will and should do the planning, and we should, where possible, stimulate their best efforts and encourage the optimum use of scarce resources. On the whole, the Study Mission found many governments exceptionally pragmatic, and our programs should encourage that pragmatism, not dictate it.

11. There is a need to continue drought relief because serious drought related problems remain in the Sahel, and have developed elsewhere in Africa (notably in Ethiopia, Somalia, Tanzania, Sudan and northern Kenya). An "Emergency Drought and Rehabilitation Fund" which has recently been discontinued as a separate budget item, needs to be reintroduced immediately.

12. Assistance needs to be given to development of water resources, but special attention should be given to schemes that are likely not to have negative secondary effects. Simple irrigation projects deserve a higher priority than more elaborate schemes such as massive dam projects.

13. In support of health services it is important that we encourage the development of preventive services; the training of health auxiliaries, rather than highly trained specialists; and the construction of simple health centers and clinics and not elaborate western style hospitals.

14. Attention needs to be given to child spacing. Although family planning and population control have not been set as priority areas by most African governments nevertheless population increase is high in many countries. The U.S. should vigorously assist family planning programs in those countries having them. Elsewhere, the U.S. should help create the climate which will lead to the realization that population growth is impeding development, and the need for family planning efforts.

15. United States assistance efforts need to have the organizational structure to focus particular attention on crucial priority areas which have a Congressional mandate for action, such as population, food and nutrition. Without a centralized administrative structure, there is the danger that these areas will become diffused or even lost in Regional programs.

16. Our assistance efforts should include the use of people-to-people programs, such as the Peace Corps, and the help of the voluntary agencies which are often experienced in providing specific types of help at the grass roots level that bilateral, government-to-government programs can never achieve.

17. Our government should support the excellent work being done by the U.N. High Commissioner for Refugees in meeting the refugee needs in Africa. The long experience of the High Commissioner makes his office well equipped to handle the early stages of the refugee resettlement programs in Mozambique and Angola.

18. The present Agency for International Development structure, although it has some positive attributes, needs to be far more responsive to the following:

(a) to the Congressional mandate on food, nutrition, health, and family planning;

(b) to the felt and demonstrated needs of the developing countries; and

(c) to field initiatives; (often the A.I.D. bureaucracy in Washington has proven unable to respond to the initiatives and program proposals of its field offices).

19. A.I.D. and the foreign service should, wherever possible in Africa, use staff who are knowledgeable about the continent and who are sympathetic to the peculiar development goals of African nations. The tendency to utilize a staff who have gained their experience in A.I.D. programs of a very different kind and on other continents (such as Indochina) can create problems. It is recognized that there are constraints imposed by the civil service system, but these must be minimized, through a change of law or administrative practice.

20. The United States, in concert with other countries, and with U.N. agencies such as FAO, must develop a policy to ensure adequate grain reserves now and in the future. It would be extremely dangerous to allow market forces and grain merchants to determine how much grain reserve we have available for emergencies in other countries or in case of poor harvests in the U.S. The United States as the country having the greatest ability to produce surplus grain and oilseeds has tremendous power and responsibility (not too different from the oil power of the Arab countries) which we must use responsibly and morally.

21. The U.S. should not, except in the gravest circumstances, cease providing assistance to countries because of relatively minor or certain individual acts by specific governments. Examples of this in the past have unfortunately been numerous—such as in the Sudan and Somalia. Our tendency to be petty and punitive because we do not approve of some action or foreign policy stance by a Third World government, does not befit a country of the stature and with the moral standing of the United States.

22. Finally in stressing the need for increased assistance to Africa it should be realized that many parts of the continent have considerable potential in agricultural development and as food surplus areas; that the mineral and natural resources are largely untapped; that in some of the poorest countries, such as Mauritania, there are extremely rich fishing fields now being exploited by other nations; that programs in most countries will benefit the majority of the people and not merely a small elite class; and, lastly, that relatively small amounts of assistance are likely to be more cost-effective than in areas of the world where in the past we have wasted vast sums of money—such as Indochina. The funds for Africa should be available now, not later, because they can be usefully and effectively employed today.

U.S. DOMESTIC BENEFITS FROM PARTICIPATION IN MULTILATERAL DEVELOPMENT BANKS

Mr. WILLIAMS. Mr. President, I would like to join the esteemed Senator from Minnesota (Mr. HUMPHREY) and several of my other distinguished colleagues in supporting H.R. 5262, which continues and expands U.S. participation in several multilateral development banks.

As I indicated on May 11th, when I introduced Senate Concurrent Resolution 23 calling for a World Energy Conference, the American economy is be-

coming increasingly interdependent with the global economy in general, and with the economies of developing nations in particular. This means that American jobs are at stake when we deal with our exports to and imports from developing nations. Let me illustrate this with a few facts.

In 1975, the groups of nations which were the largest customers of U.S. exports were the developing nations; more than Europe and Japan combined. Developing nations purchased over $37 billion worth of U.S. exports in 1975, or over $1 out of every $3 in export value. U.S. exports to developing nations have been among the fastest growing sector of our export market, nearly tripling over the past 5 years. The largest part of our exports to these developing nations has been in manufactured goods, which keep American industry—and workers—employed.

So, Mr. President, the economic health of the developing nations is not something which is of passing interest to us. As Andrew Biemiller of the AFL-CIO wrote to Congressman HENRY REUSS, when the House was considering this same bill:

> The AFL-CIO continues to support legislation as contained in H.R. 5262. . . . We believe that helping the poorest countries of the world, as the IDA does, is a wise policy in terms of both humanity and security for the United States to follow.

By promoting economic development in the poor countries, we will not only be following in a long tradition of American generosity and compassion for less fortunate people, but we will be benefiting our own economy and employment prospects.

We should also consider another aspect of this question. There are new trends in the United States toward vastly increasing imports from the developing nations. Like many other Americans, I am concerned about the problems created for American workers when we allow the unrestricted importation of manufactured goods—particularly when they threaten to displace our own workers. But the majority of our imports from developing nations are not in this category. They are not manufactured goods; they are semimanufactured or raw materials. And raw materials, particularly minerals, are essential to our own economic growth and health. Unless these developing countries have the necessary capital, they will not be able to improve their own ability to supply us with the raw materials our industries need.

The list of raw materials which we import from developing countries is a long one—perhaps longer than we might wish. But it is a fact that we depended in 1976 on developing nations for 64 percent of our aluminum imports, 46 percent of our cobalt imports, 51 percent of our manganese imports, 18 percent of our nickel imports, 96 percent of our tin imports, and 21 percent of our zinc imports.

In each of these minerals, Mr. President, we rely on imports for a majority of our consumption. And the demands of our economy for these, and many other raw materials, will increase as the years go by. If we are to avoid supply shortages for these materials, with all the damage they do to our economy and unemployment levels, we are going to have to help the developing nations improve their economies. To ignore the need for multilateral loans to the developing nations is to increase the likelihood of a future of shortages in raw materials essential to our own economic health.

So, Mr. President, I believe that not only compassion for the world's poor, but also good economic sense, requires us to continue our support for the multilateral banks. Nearly one third of all official development assistance today goes through multilateral institutions, such as the development banks provided for in this bill. Their work is important not only to the world's poor and hungry, but also to all of us.

THE INTERNATIONAL FINANCIAL INSTITUTIONS AND THE NORTH-SOUTH DIALOG

Mr. HUMPHREY. Mr. President, it is important to consider the Multilateral Development Institutions Act in relation to the North-South dialog, especially the recently completed Conference on International Economic Cooperation, attended by Secretary of State Vance in Paris at the end of May. CIEC, as the Conference on International Economic Cooperation is called in shorthand, was an 18-month-long discussion between the countries of the North, the industrialized nations, and the developing countries of the South. In this period CIEC dealt with a broad range of economic issues of concern to both North and South: Transfers of resources to the South, the international monetary system, international commodity trade, preferential treatment for developing country exports, transfers of technology, and energy.

The present administration has made a clear commitment to the continuation of discussion of these issues, leaving open the question of the most appropriate forum. Speaking to the concerns of the developing countries in Paris, Secretary Vance said:

> There should be a new international economic system. In that system there must be equity; there must be growth; but, above all, there must be justice. We are prepared to help build that system.

The extremely broad scope of the agenda of CIEC made it quite difficult to achieve agreement on these issues. I do not think we should pretend that we have made great breakthroughs on these issues with the developing countries, but we should not discount the very real progress that has been made. For example, there has been considerable progress in the establishment of a common fund to provide buffer stock financing for a variety of commodies of interest to the developing countries. The United States has also expressed its willingness to consider individual negotiations of a variety of commodities.

There has also been substantial progress in more flexible monetary mechanism that would respond to the needs of the developing countries, while the United States has expressed its support for a new facility at the IMF to assist developing countries with short term balance of payments financing. The Conference agreed to the establishment of a $1 billion special action program to benefit especially the poorest developing countries. The Conference recognized that one of the key problems was the acute scarcity of capital in the poorest developing countries to finance needed imports of development goods. The U.S. share of this program will amount to $375 million, as part of the projected increases in our bilateral development assistance programs between fiscal year 1977 and fiscal year 1979. The administration emphasized that it did not intend to request a separate appropriation for this amount, as it was taken into account in the normal projected increase in the aid program. However, this program was an important element in the generally favorable outcome of the CIEC.

I do not think we should overlook the other side of this dialog, when the United States has taken a firm position against proposals that we see as essentially harmful to the world economy, including both to the United States and the developing countries. One such issue is indexing, which would link the price of raw materials to the price of industrial goods. This would build inflation into the world economy on a permanent basis, and actually harm the interests of the poorest developing countries, since it is the higher income developing countries and the industrial countries which are the primary commodity producers.

A second such issue is generalized debt forgiveness, which has been a key demand of the developing countries and which has been strongly resisted by the industrial countries. There is a clear recognition in the United States that past indebtedness should not be the criteria for future assistance, because of the need for incentives for countries to deal responsibly with their external debt. The industrial countries are quite right to wish to retain control over the system of debt relief—in any case, Congress would certainly find generalized debt relief a method of backdoor financing quite inconsistent with the budget process. However, that does not mean that debt renegotiation or a viable system of dealing with serious external debt problems before they reach a crisis point is not worthy of strong consideration.

A third broad set of issues concerns trade. The administration has tried to steer a careful course between the need to reduce barriers to trade and the need to assist U.S. industries injured by imports. Since trade is perhaps the most important vehicle by which the developing countries can lift themselves by their own bootstraps, it is most important to the world economy that the United States does not slip back into protectionism. As important as access to our markets is to the developing countries, access to foreign markets is quite important to the American economy. We

can not have it both ways: If we try to shut off imports, other countries will retaliate.

Some figures that we ought to keep in mind are that one out of every six manufacturing jobs produces for export; one out of every 3 acres of farmland produces for export; nearly $1 out of every $3 of American corporate profits derives from the international activities, exports and investment of the corporations. These figures show how intimately tied our prosperity is to the rest of the world, including the developing world, which now takes more of our exports than Western Europe and the countries of Eastern Europe combined.

The international financial institutions are important in this context because they provide the capital resources that finance development projects and the technical and managerial resources that assist the developing countries in using their capital wisely. Without the flow of resources from these institutions the growth rates of the developing countries would decline substantially. This would have a direct effect on their imports from the United States and would affect their long run ability to service their debts and play a constructive role in the international economic system.

We need to see the CIEC meetings as part of a long process in shifting the world economy away from the old Bretton Woods system set up after World War II to a new and yet shapeless world economic system with far more participant nations lacking the coherence of outlook that characterized the Allied powers after World War II. When one considers the confrontation atmosphere that pervaded the sixth special session of the U.N. in 1974, and the slow shift away from confrontation that occurred in the seventh special session in 1975 and in UNCTAD IV in 1976, it is clear that we have made rather remarkable progress in our dealings with the developing countries. Neither side has had a complete victory, but that would make future dialog untenable. We have made considerable progress on specific issues, and we have reduced the tensions between North and South to manageable levels. The developing countries themselves now understand better the role of oil price increases in their balance of payments problems, although it is difficult for them to admit this publicly for reasons of political solidarity. At the same time, the oil producers feel more pressure from the developing countries and have some better idea of the impact of their oil price increases on the world economy. There has also been some greater acceptance of the need for reciprocity in this sort of bargaining.

What we have to realize is that the process of restructuring world economic relations is a vastly complicated task that will be with us our lifetimes and even the lifetimes of our grandchildren. We shall not solve our problems tomorrow, and we shall not find one magic solution, but with patience and understanding, we can find the many solutions, each dealing with some part of the problem, that will build a better world for us all. Funding for the international financial institutions is a significant piece of that overall solution.

Mr. President, I yield whatever time the Senator from Virginia may need.

The PRESIDING OFFICER (Mr. MATSUNAGA). The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. Mr. President, I think this is an outrageous increase in the amount of tax funds of the wage earners of our country that are being delivered over to these international finance institutions.

I shall vote against this proposal.

Mr. HUMPHREY. Mr. President, we are ready to vote.

I thank our colleagues for their cooperation.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. Mr. President, all time is yielded back.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. (Mr. MATSUNAGA). The Senate will be in order. The clerk is unable to hear the response. The Senate will be in order.

The rollcall was continued.

At this point, Mr. FORD assumed the Chair as Presiding Officer.

The rollcall was resumed and concluded.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Nebraska (Mr. CANNON), the Senator from Colorado, (Mr. HASKELL), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), and the Senator from Wisconsin (Mr. NELSON) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Rhode Island (Mr. CHAFEE), the Senator from Missouri (Mr. DANFORTH), the Senator from Nevada (Mr. LAXALT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 59, nays 30, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—59

Anderson	Durkin	Javits
Baker	Eagleton	Kennedy
Bayh	Ford	Leahy
Bellmon	Glenn	Long
Bentsen	Gravel	Lugar
Biden	Griffin	Magnuson
Brooke	Hart	Mathias
Bumpers	Hatfield	Matsunaga
Case	Hathaway	McGovern
Chiles	Hayakawa	Metzenbaum
Church	Heinz	Moynihan
Clark	Huddleston	Muskie
Cranston	Humphrey	Packwood
Culver	Inouye	Pearson
Dole	Jackson	Pell
Percy	Schweiker	Stone
Ribicoff	Sparkman	Tower
Riegle	Stafford	Wallop
Sarbanes	Stevens	Williams
Sasser	Stevenson	

NAYS—30

Allen	Goldwater	Randolph
Bartlett	Hansen	Roth
Burdick	Hatch	Schmitt
Byrd, Harry F., Jr.	Helms	Scott
Byrd, Robert C.	Hollings	Stennis
Curtis	Johnston	Talmadge
DeConcini	McClure	Thurmond
Domenici	Melcher	Young
Eastland	Morgan	Zorinsky
Garn	Nunn	
	Proxmire	

NOT VOTING—11

Abourezk	Haskell	Metcalf
Cannon	Laxalt	Nelson
Chafee	McClellan	Weicker
Danforth	McIntyre	

So the bill (H.R. 5262) was passed as follows:

TITLE I—PURPOSE AND POLICY

SEC. 101. Declaration of Congressional Intent in Respect to Continued Participation of the United States Government in International Financial Institutions Fostering Economic Development in Less Developed Countries.

(a) It is the sense of the Congress that—

(1) for humanitarian, economic, and political reasons, it is in the national interest of the United States to assist in fostering economic development in the less developed countries of this world;

(2) the development-oriented international financial institutions have proved themselves capable of playing a significant role in assisting economic development by providing to less developed countries access to capital and technical assistance and receiving the most self-help and mutual cooperation from such less developed countries;

(3) this has been achieved with minimal risk of financial loss to contributing countries;

(4) such institutions have proven to be an effective mechanism for sharing the burden among developed countries of stimulating economic development in the less developed world; and

(5) although continued United States participation in the international financial institutions is an important part of efforts by the United States to assist less developed countries, more of this burden should be shared by other developed countries. As a step in that direction, United States contributions to international financial institutions covered by this Act should not exceed 25 per centum of the total amount contributed to any such institution pursuant to any subscription agreement subsequent to the enactment of this Act.

(b) The Congress recognizes that economic development is a long-term process needing funding commitments to international financial institutions. It also notes that the availability of funds for the United States contribution to international financial institutions is subject to the appropriations process.

TITLE II—INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

SEC. 201. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is further amended by adding at the end thereof the following new section:

"SEC. 27. (a) The United States Governor of the Bank is authorized—

"(1) to vote for an increase of seventy thousand shares in the authorized capital stock of the Bank, and

"(2) if such increase becomes effective, to subscribe on behalf of the United States to thirteen thousand and five additional shares

of the capital stock of the Bank: *Provided, however,* That any subscription to additional shares shall be made only after the amount required for such subscription has been appropriated.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there is hereby authorized to be appropriated, without fiscal year limitation, $1,568,856,318 for payment by the Secretary of the Treasury.".

TITLE III—INTERNATIONAL FINANCE CORPORATION

SEC. 301. The International Finance Corporation Act (22 U.S.C. 282 et seq.) is further amended by adding at the end thereof the following new section:

"SEC. 11. (a) The United States Governor of the Corporation is authorized—

"(1) to vote for an increase of five hundred and forty thousand shares in the authorized capital stock of the Corporation, and

"(2) if such increase becomes effective, to subscribe on behalf of the United States to one hundred and eleven thousand four hundred and ninety-three additional shares of the capital stock of the Corporation. *Provided, however,* That any commitment to make payment for such additional subscriptions shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the increase in the United States subscription to the Corporation provided for in this section, there is hereby authorized to be appropriated, without fiscal year limitation, $11,493,000 for payment by the Secretary of the Treasury.".

TITLE IV—INTERNATIONAL DEVELOPMENT ASSOCIATION

SEC. 401. The International Development Association Act, as amended (22 U.S.C. 284 et seq.), is further amended by adding at the end thereof the following new section:

"SEC. 16. (a) The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association $2,400,000,000 as the United States contribution to the fifth replenishment of the Resources of the Association: *Provided, however,* That any commitment to make such contributions shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution provided for in this section, there is hereby authorized to be appropriated, without fiscal year limitation, $2,400,000,000 for payment by the Secretary of the Treasury.".

TITLE V—ASIAN DEVELOPMENT BANK AND ASIAN DEVELOPMENT FUND

SEC. 501. The Asian Development Bank Act, as amended (22 U.S.C. 285–285r), is further amended by adding at the end thereof the following new sections:

"SEC. 22. (a) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to sixty-seven thousand and five-hundred additional shares of the capital stock of the Bank: *Provided, however,* That any subscription to additional shares shall be made only after the amount required for such subscription has been appropriated.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation $814,286,250 for payment by the Secretary of the Treasury.

"SEC. 23. (a) The United States Governor of the Bank is hereby authorized to contribute on behalf of the United States $180,000,000 to the Asian Development Fund, a special fund of the Bank: *Provided, however,* That any commitment to make such contribution shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution to the Asian Development Fund provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation $180,000,000 for payment by the Secretary of the Treasury.".

TITLE VI—AFRICAN DEVELOPMENT FUND

SEC. 601. The African Development Fund Act (22 U.S.C. 290g–4(a)) is amended by adding the following new section:

"SEC. 212. (a) The United States Governor is hereby authorized to contribute on behalf of the United States $50,000,000 to the African Development Fund which would represent an additional United States contribution to the first replenishment. The Secretary of the Treasury is directed to begin discussions with other donor nations to the African Development Fund for the purpose of setting amounts and of reviewing the voting structure within the Fund: *Provided, however* That any commitment to make such contribution shall be made subject to obtaining the necesasry appropriations.

"(b) In order to pay for the United States contribution to the African Development Fund provided for in this section there is authorized to be appropriated without fiscal year limitation $150,000,000 for payment by the Secretary of the Treasury.".

SEC. 602. The Senate hereby expresses its sense of disgust for Idi Amin Dada.

TITLE VII—HUMAN RIGHTS

SEC. 701. (a) The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, International Finance Corporation, the Inter-American Development Bank, and the Asian Development Bank, and the Executive Director representing the United States at the African Development Fund to use the voice and vote of the United States to endeavor to advance the cause of human rights to include seeking to channel economic assistance to governments other than those which engage in a consistent pattern of gross violations of internationally recognized human rights, such as torture or cruel, inhumane, or degrading treatment or punishment, or providing refuge to individuals committing acts of international terrorism by hijacking aircraft.

(b) Further, the Secretary of the Treasury shall instruct each Executive Director of the above institutions to consider in carrying out his duties:

(1) specific actions by either the executive branch or the Congress as a whole or individual bilateral assistance programs because of human rights considerations;

(2) the extent to which the economic assistance provided by the above institutions directly benefit the needy people in the recipient country;

(3) whether the recipient country has detonated a nuclear device or is not a state party to the Treaty on Nonproliferation of Nuclear Weapons or both; and

(4) whether loans or other financial assistance that establish or expand the production for export of palm oil, cane sugar, or citrus crops in competition with the same or similar United States products, will cause injury to United States producers.

(c) In determining whether a country is in gross violation of internationally recognized human rights standards, as defined by the provisions of subsection (a), the United States Government shall give consideration to the extent of cooperation of such country in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations including, but not limited to, the International Committee of the Red Cross.

(d) The Secretary of State and the Secretary of the Treasury shall prepare, in conjunction with the annual report of the National Advisory Council on International Monetary and Financial Policies, a report to be submitted to the Speaker of the House of Representatives and the President of the Senate on the progress achieved in implementing subsection (a) during the preceding fiscal year.

(e) The President shall direct the United States Executive Directors of such international financial institutions to take all appropriate actions to keep the salaries and benefits of the employees of such institutions to levels comparable to the levels, salaries and benefits of employees of private business and the United States Government in comparable positions.

SEC. 702. Section 28 of the Inter-American Development Bank Act, as amended (22 U.S.C. 283y), section 211 of the Act of May 31, 1976 (22 U.S.C. 290g–9), and section 15 of the International Development Association Act, as amended (22 U.S.C. 284m), are repealed.

SEC. 703. (a) Whereas the Final Act of the Conference on Security and Cooperation in Europe, signed by the United States in 1975, committed the the participating states to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion, or belief, for all, without distinction as to race, sex, language, or religion" and to "act in conformity with the purposes and principles of the charter of the United Nations and with the Universal Declaration of Human Rights".

(b) Whereas specific provisions of the Final Act pledged the participating states to—

(1) "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with his own conscience,"; and

(2) "respect the rights of persons" belonging to national minorities "to equality before the law", to afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms" and to "protect their legitimate interest in this sphere,"; and

(3) "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family, with special consideration being given to request of an urgent character. . .."; and

(4) "examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating state;".

(c) Whereas the United Nations Declaration of Human Rights assures all people the right to free emigration.

(d) Whereas the Congress of the United States established the Commission on Security and Cooperation in Europe in 1976 and directed it "to monitor the acts of the signatories which reflect compliance with or violation of the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to cooperation in humanitarian fields;".

(e) Whereas, after hearing fifty-six witnesses in public hearings this year, the Commission on Security and Cooperation in Europe has called for a "thorough and candid review" of the two-year record of implementation of the Final Act by the signatory states, including discussion and analysis of "specific practices and their impact on specific individuals,".

(f) Whereas the United States and other signatory nations have many citizens and residents with cultural and familial ties to other nations participating in the Belgrade Conference on the Helsinki Accords.

(g) Whereas human rights is a cause which has long been a major concern of the

people of the United States and has now become a cornerstone of our foreign policy.

(h) Whereas the Helsinki Final Act provides that the participating states meet in Belgrade beginning on June 15 "to decide on the date, duration, agenda, and other modalities" for a later meeting which will lead to "a thorough exchange of views both on the implementation of the Final Act and of the tasks defined by the (Helsinki) Conference;".

(i) It is the sense of the Senate of the United States and the American people that the official United States delegation to the Belgrade Conference should—

(1) reiterate in precise and unequivocal terms the commitment of the American people to human rights and to articulate the significance of this commitment to security and cooperation in Europe; and

(2) urge adoption of a comprehensive conference agenda which includes the presentation and thorough discussion of the extent of implementation of the Helsinki Final Act, especially those sections related to universal humanitarian ideals.

SEC. 704. Notwithstanding any other provision of this Act or of any other law, the President shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, the Asian Development Fund, and the Executive Director representing the United States at the African Development Fund to vote against any loan, credit, or other utilization of the funds of such Bank, Association, Corporation, or Fund for the benefit of the Socialist Republic of Vietnam, the People's Democratic Republic of Laos, or Democratic Kampuchea (Cambodia).

SEC. 705. (a) Notwithstanding any other provision of this Act, an agreement on behalf of the United States to pay funds under this Act to any international financial institution named herein shall be conditioned on such funds being reduced by an amount equal to the amount of any extension, on or after the date of enactment of this Act, by such institution of assistance for the benefit of the Socialist Republic of Vietnam, the People's Republic of Laos, or Democratic Kampuchea (Cambodia).

(b) Notwithstanding any other provision of this Act, any contribution by the United States to such institution pursuant to such agreement to pay shall be reduced by an amount equal to the amount of any extension, on or after the date of enactment of this Act, by such institution of assistance for the benefit of the Socialist Republic of Vietnam, the People's Republic of Laos, or Democratic Kampuchea (Cambodia).

SEC. 706. (a) The Secretary of State and the Secretary of the Treasury shall initiate a wide consultation, beginning with the democracies, designed to develop a viable standard for the meeting of basic human needs and the protection of human rights, and a mechanism for acting together to insure that the rewards of international economic cooperation are especially available to countries which subscribe to such standard and which give evidence of moving toward making such standard effective in the governments of such countries.

(b) No later than one year from the date of enactment of this Act, the Secretary of State and the Secretary of the Treasury shall report to the President of the Senate and the Speaker of the House of Representatives on the progress made in carrying out this section.

TITLE VIII—REPORT

SEC. 801. (a) Not later than January 15 of each year, the President shall submit to the Congress a complete report on the total amount of United States overseas loans and grants and also assistance from international organizations from July 1, 1945, up to and including an estimate for the fiscal year in which such report is made.

(b) This report shall include a listing of all countries which have received any type of loans or grants from the United States since July 1945 and shall also include a cumulative total of those loans or grants. This report shall also include a listing of all countries which have received assistance in the form of loans or grants from any international organization in which the United States has been a member or to which the United States has contributed and shall include a cumulative total of those loans or grants. This report shall include such summary charts as may be useful in determining the total dollar value of United States foreign aid including a summary chart of total contributions or subscriptions by the United States to each international financial institution and such chart shall delineate between paid in and callable capital.

(c) For purposes of subsection (b) the term "international financial institution" means the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the International Finance Corporation, the Asian Development Bank, the Asian Development Fund, and the African Development Fund.

TITLE IX—EFFECTIVE DATE

SEC. 901. This Act shall take effect on date of its enactment, except that no funds authorized to be appropriated by any amendment contained in title II, III, IV, or V may be available for use or obligation prior to October 1, 1977; and no funds authorized to be appropriated by any amendment contained in title VI may be available for use or obligation prior to October 1, 1978.

Amend the title so as to read: "An Act to provide for continued participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank and the Asian Development Fund, and for other purposes.".

The title was amended so as to read:

An Act to provide for continued participation by the United States in the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank and the Asian Development Fund, and for other purposes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 5262.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House, and that the Chair be authorized to appoint conferees.

The motion was agreed to; and the Chair appointed Mr. SPARKMAN, Mr. HUMPHREY, Mr. MCGOVERN, Mr. CHURCH, Mr. BIDEN, Mr. CLARK, Mr. CASE, Mr. JAVITS, and Mr. PERCY conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I will just take a moment to express my thanks to my colleagues for their fine cooperation. This is a very contentious and controversial piece of legislation. We have had the best of cooperation from all Members of the Senate.

I want to thank in particular Constance Freeman, who was primarily responsible at the staff level for her work in the preparation of the report and of material relating to amendments and all other matters concerning the international financial institutions legislation which we have just adopted. That also would include Chuck Meissner, who is acting director of our staff, and the chief economist for the Foreign Assistance Subcommittee and Mr. Frank Ballance, who is here with Senator JAVITS, who helped so much in the preparation of the report and other matters.

I would also like to include the other members of the Foreign Relations Subcommittee staff who worked with us. They did a remarkable job in light of the complexity of this legislation.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, this will be foreign relations week, and even more importantly will be Hubert Humphrey Week and Cliff Case Week. I will reserve my comments, which I hope will be adequate, until the completion of all the work on the five measures which have been reported by the Foreign Relations Committee, which I hope will be completed before this week has ended. Otherwise, I would have something more to say at this time. I believe I will just wait and say it all at once.

Mr. BAKER. Mr. President, I would only add to the remarks of the distinguished majority leader that it is now almost 8:30 in the evening. We began this morning at 9:45. I believe this bill was laid down as the pending business at 10 o'clock. It has been a long day. There are other long days this week yet to be negotiated on this matter; and hopefully on other matters on the calendar.

May I extend my thanks to the distinguished ranking member of the Foreign Relations Committee (Mr. CASE) for his diligence and efforts in this respect. My compliments to the distinguished chairman of the subcommittee, the Senator from Minnesota, for his efforts and agility in this matter.

Mr. HUMPHREY. If the Senator will permit me, I wish to thank him as the minority leader for his cooperation in the time agreements. It could not have been done without his help.

I am forever indebted to the Senator from New Jersey for his magnficent leadership. We are a team. We work together and it is a joy.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I just cannot help but say that the distinguished Senator from Minnesota is truly a remarkable man. How he could stand in his place as he did today, all

day long, and handle this most difficult legislation, legislation which is not only controversial but very hard for many Members to vote for. I must say I did not vote for it but I have my own particular reasons. I do salute and pay the highest tribute to the Senator from Minnesota.

Mr. HUMPHREY. I thank my colleague very much.

Mr. ALLEN. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. ALLEN. Mr. President, I would like to pay my respects to the distinguished Senator from Minnesota. I disagreed with him on practically every issue which came before the Senate today with respect to this bill, but I cannot help but admire the manner, the courteous manner, in which he handled the bill, the courtesy extended to all of us who disagreed with him, and the great expertise he demonstrated in steering the bill to its final passage.

He argued so eloquently about the bill that it made it somewhat less painful to those of us who opposed the bill to have it advocated by such distinguished person as the distinguished Senator from Minnesota (Mr. HUMPHREY). We all admire him and we love him and we wish for him the best of everything except passage of these other bills.

Mr. HUMPHREY. I thank the Senator.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. SASSER). The Chair, on behalf of the Vice President, appoints the Senator from Ohio (Mr. GLENN) as a congressional adviser to the Strategic Arms Limitation Talks Delegation, in Geneva, Switzerland, during 1977.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are three measures on the Unanimous-Consent Calendar that have been cleared for action by unanimous consent. I would ask that they be considered en bloc, but I see the distinguished Senator from Kentucky presiding and he is one of the authors of S. 422. Hence, I shall just ask that the Senate proceed seriatim to consider the three measures.

The PRESIDING OFFICER. The measures will be stated.

DUANE G. WEGNER

The bill (S. 760) for the relief of Duane G. Wegner, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Duane G. Wegner of Mobridge, South Dakota, the sum of $500, in full settlement of all claims against the United States for reimbursement for temporary living expenses for himself and his family incurred by him in connection with his transfer as an employee of the Bureau of Indian Affairs from Newton, North Dakota, to Mobridge, South Dakota, in April 1975, such expenses having been incurred for the thirty-day period after the thirty-day period for which reimbursement for such expenses is authorized by law as a result of a delay, through no fault of the said Duane G. Wegner, in the availability of a home in Mobridge, South Dakota, Personnel of the Bureau of Indian Affairs incorrectly issued to the said Duane G. Wegner an authorization for such expenses for such second thirty-day period and in reliance on that authorization, the said Duane G. Wegner moved his family to Mobridge, South Dakota, and incurred such expenses.

SEC. 2. No part of the amount appropriated by this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same is unlawful, any contract to the contrary notwithstanding. A violation of this section is a misdemeanor punishable by a fine in an amount not to exceed $1,000.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–260), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this legislation is to pay to Duane G. Wegner of Mobridge, S. Dak., the sum of $500, in full settlement of all claims against the United States for reimbursement for temporary living expenses for himself and his family incurred by him in connection with his transfer as an employee of the Bureau of Indian Affairs from Newtown, N. Dak., to Mobridge, S. Dak., in April 1975.

STATEMENT

This claim arises out of the expenses incurred by Mr. Wegner in connection with his transfer as an employee of the Bureau of Indian Affairs in April 1975. Such expenses were incurred during a 30-day period on the basis of an incorrectly authorized extension granted Mr. Wegner by the local BIA office, after the 30-day period authorized by law for such reimbursement.

The facts of the case are contained in the Department of the Interior's report to the Chairman, as follows:

On March 1, 1975, Mr. Wegner was officially transferred from the Bureau of Indian Affairs' Fort Berthold Agency in Newton, N. Dak., to the branch of Real Estate Appraisals in Mobridge, S. Dak. Mr. Wegner was issued a travel authorization which provided for temporary living quarters in Mobridge from April 9, 1975, to May 8, 1975, for which he was reimbursed.

Since Mr. Wegner was unable to take possession of a house he purchased in Mobridge before June 6, 1975, he had requested and received a 30-day extension for temporary quarters from the BIA Aberdeen, S. Dak., area office. Mr. Wegner moved his family to the temporary quarters in Mobridge, in April 1975, on the basis of the incorrectly authorized 30-day extension for the temporary living quarters. Mr. Wegner submitted a voucher for payment for the entire period, in the amount of $1,319.51, of which $823.01 was paid for expenses incurred during the first 30-day period in temporary living quarters.

When his voucher for payment of the 30-day extension was repeatedly denied, Mr. Wegner was told that officials in the Aberdeen area office had no authority to grant him the 30-day extension for temporary living quarters.

Following repeated attempts to be reimbursed in the amount of $496.50 for the erroneously authorized 30-day extension, Mr. Wegner appealed to the General Accounting Office in Washington, D.C. On February 27, 1976, the GAO advised (Claim No. Z–2616179) Mr. Wegner that payment of travel allowances may be made only in accordance with authority provided under governing regulations. Section 2–5.2(a) of the Federal travel regulations (FPMR 101–7, effective May 1, 1973) provides in pertinent part:

"LENGTH OF TIME ALLOWED AND LOCATION OF NEW OFFICIAL STATION

"Subsistence expenses of the employee for whom a permanent change of station is authorized or approved and each member of his immediate family shall be allowed for a period of not more than 30 consecutive days while the employee and family necessarily occupy temporary quarters. * * *"

The General Accounting Office added that Federal travel regulations are statutory regulations having the effect of law, and consequently, travel orders may not validly authorize what the law and regulations prohibit. Since it has consistently been held that the Government is not liable for the erroneous acts of its officers or agents, Mr. Wegner was informed by GAO that "there is no basis upon which your claim may be allowed."

Based on these facts, the committee believes it would be equitable to compensate Mr. Wegner for the expenses he incurred during the extension period. The committee takes special note of the fact that the departmental report states, "The Department of Interior shares in the responsibility for these expenses," since "Mr. Wegner incurred the additional expenses for temporary quarters on the basis of an incorrect approval by a BIA official who Mr. Wegner had every reason to believe was acting within the scope of his authority."

The committee considered the Department's position that while they consider it reasonable to compensate claimant for the additional expenses he incurred because of the Department's error, they do not believe the full $500 authorized by S. 760 represents additional cost to Mr. Wegner. They believe Mr. Wegner would have incurred some living expenses even if he had not moved his family to temporary quarters. The committee does not find this argument very compelling. Under the circumstances of this case, the extension granted by the BIA should not be considered any differently than the initial 30-day period for purposes of compensation for living expenses. Since no formula is used during the authorized 30-day period for offsetting expenses which a claimant would have incurred anyway, none should be used during the erroneously granted extension period. Therefore, the committee urges that the bill S. 760 be favorably considered by the Senate.

Attached to this report and made a part thereof is the August 4, 1976, report of the Department of the Interior to the chairman.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 4, 1976.

HON. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Your committee has requested the views of this Department on S. 3400, a bill "for the relief of Duane G. Wegner."

We would not object to enactment of S. 3400, provided it is amended to authorize payment of $500, less the living expense Mr. Wegner would have otherwise incurred if he had not moved his family to temporary quarters in April 1975.

Section 1 of S. 3400 would authorize and direct the Secretary of the Treasury to pay

to Duane G. Wegner of Mobridge, S. Dak., the sum of $500 in full settlement of all claims against the United States for reimbursement for temporary living expenses for himself and his family. Such expenses were incurred by him in connection with his transfer as an employee of the Bureau of Indian Affairs from Newtown, N. Dak., to Mobridge, S. Dak., in April 1975. Such expenses were incurred during a 30-day period after the 30-day period for which reimbursement for such expenses is authorized by law as a result of a delay, through no fault of Duane G. Wegner, in the availability of a home in Mobridge, S. Dak.

Section 2 is a standard provision that no part of the amount appropriated by the act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim.

On March 1, 1975, Mr. Wegner was officially transferred from the Bureau of Indian Affairs' Fort Berthold Agency in Newtown, N. Dak., to the branch of Real Estate Appraisals in Mobridge, S. Dak. Mr. Wegner was issued a travel authorization which provided for temporary living quarters in Mobridge from April 9, 1975, to May 8, 1975, for which he was reimbursed.

Since Mr. Wegner was unable to take possession of a house he purchased in Mobridge before June 6, 1975, he had requested and received a 30-day extension for temporary quarters from the BIA Aberdeen, S. Dak., area office. Mr. Wegner moved his family to the temporary quarters in Mobridge, in April 1975, on the basis of the incorrectly authorized 30-day extension for the temporary living quarters. Mr. Wegner submitted a voucher for payment for the entire period, in the amount of $1,319.51, of which $823.01 was paid for expenses incurred during the first 30-day period in temporary living quarters.

When his voucher for payment of the 30-day extension was repeatedly denied, Mr. Wegner was told that officials in the Aberdeen area office had no authority to grant him the 30-day extension for temporary living quarters.

Following repeated attempts to be reimbursed in the amount of $496.50 for the erroneously authorized 30-day extension, Mr. Wegner appealed to the General Accounting Office in Washington, D.C. On February 27, 1976, the GAO advised (Claim No. Z-2616179) Mr. Wegner that payment of travel allowances may be made only in accordance with authority provided under governing regulations (FPMR 101-7, effective May 1, 1973) provides in pertinent part:

"LENGTH OF TIME ALLOWED AND LOCATION OF NEW OFFICIAL STATION

"Subsistence expenses of the employee for whom a permanent change of station is authorized or approved and each member of his immediate family shall be allowed for a period of not more than 30 consecutive days while the employee and family necessarily occupy temporary quarters. * * *"

The General Accounting Office added that Federal travel regulations are statutory regulations having the effect of law, and consequently, travel orders may not validly authorize what the law and regulations prohibit. Since it has consistently been held that the Government is not liable for the erroneous acts of its officers or agents, Mr. Wegner was informed by GAO that "there is no basis upon which your claim may be allowed."

A copy of the GAO's February 27, 1976, "Settlement Certificate," is enclosed for your information.

Mr. Wegner incurred the additional expenses for temporary quarters on the basis of an incorrect approval by a BIA official who Mr. Wegner had every reason to believe was acting within the scope of his authority. We therefore believe that the Department of the Interior shares in the responsibility for these expenses. While, as GAO notes, there is clearly no basis in current law for the relief sought by Mr. Wegner, we would consider it reasonable to compensate him for the additional expenses he incurred because of this Department's error. We do not believe the full $500 authorized by S. 3400, however, represents additional costs since Mr. Wegner would have incurred some living expenses, even if he had not moved his family to temporary quarters.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

MORRIS THOMPSON,
Commissioner of Indian Affairs.

FIRST BAPTIST CHURCH OF PADUCAH, KY.

The Senate proceeded to consider the bill (S. 422) for the relief of the First Baptist Church of Paducah, Ky., which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, strike "$263,000" and insert "$207,740", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the First Baptist Church of Paducah, Kentucky, the amount of $207,740 in full settlement for all claims against the United States for damages arising in connection with the failure of the Federal Government to carry out its condemnation of the property of Fifth Street and Jefferson Street in Paducah, Kentucky, as proposed on September 9, 1964, by the General Services Administration.

SEC. 2. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. A violation of this section is a misdemeanor punishable by a fine in an amount not to exceed $10,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-261), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to provide compensation to the First Baptist Church of Paducah, Ky., in full settlement for all claims against the United States for damages caused by the failure of the Federal Government to complete its proposed condemnation of property belonging to the church.

STATEMENT

On March 23, 1964, a news release from Washington announced that the Post Office Department would expand and modernize the Federal Building in Paduah, Ky. The proposal would require the taking of the First Baptist Church property.

The General Services Administration (GSA), on July 7, 1964, sent John J. Kaspkyk to meet with church officials to explain the procedures involved in acquiring the property either through voluntary sale or eminent domain. This visit was confirmed by letter dated September 9, 1964, in which GSA told the church that the post office expansion would require the church's property and that GSA desired to purchase the property.

The First Baptist Church had begun construction on a new building in May 1963 on another site. The new building was to take 2 years to complete. The Government announcement of its intention to acquire the old property came while the church was considering its best method of selling the property. The church had several smaller organizations interested in purchasing the old property but all negotiations were terminated with the announcement that the GSA was taking the property.

At the request of the GSA, the church, on October 7, 1964, executed a right to entry form permitting appraisal of the property and a GSA Form 1226: Contract to Sell Property, in which the church granted a 360-day option to the GSA to buy the property for $267,000.

An independent appraisal of the property was conducted in December 1964. By letter of February 12, 1965, the GSA notified the church that the offer to sell for $267,000 exceeded the appraised value and requested the church to furnish a written offer to sell the property for $180,000. The church responded to this request by a letter dated February 22, 1975, offering to sell at a price of $198,000. This offer was personally delivered to Donald McDonald, Chief, Acquisition Branch, GSA, Chicago, Ill., by Jack P. Rottgering, as agent for the church, on February 24, 1965. Rottgering was informed the following day, February 25, 1965, that the offer had been approved.

The church, in April and October 1965, negotiated unsecured loans from two banks in Paducah, predicated on the announced plans of GSA, totaling $130,000. The money was used to complete the new church facility already under construction.

At this point, it appears from the record that the Post Office Department began to formulate new policies of mail distribution which rendered the plan to expand the existing post office in Paducah obsolete. In fact, the Post Office Department ultimately decided to make Paducah a major distribution point which required construction of a completely new building covering the city block across the street from the church property. However, neither the Post Office Department nor GSA informed the church that the project was undergoing such extensive revisions that the church property would not be acquired.

On March 21, 1966, the GSA told the church by letter that as a result of reevaluation, the extension and modernization for the post office had been canceled by the Postal Service and the old church property would not be acquired. However, on July 15, 1966, GSA, by a letter to Congressman Frank A. Stubblefield, stated that it had started a study to determine whether the old post office building could be used for housing other Federal agencies after the Post Office Department vacated it. GSA's plan would involve acquiring the church property for a parking lot. The church was told it would take a year or two for the plan to reach fruition and they should wait for this occasion.

In late 1966, representatives from the J. C. Penney Co. requested a meeting with church officials to discuss purchasing the church property for a tire center. The company expressed keen interest in the property until it learned of the continuing shadow of possible Government condemnation.

The church property remains vacant and incapable of being sold. In 1976, the GSA finally determined it would need to acquire

the property for a parking lot. Over the years, the property has been subject to vandals and the elements and has declined in value to the extent that GSA has offered $47,725 for the property.

The committee believes that the actions of the General Services Administration and the Post Office Department create an equitable obligation upon the United States to compensate the First Baptist Church of Paducah, Ky. The committee amends the bill to set compensation at $207,740, which reflects a reduction of the amount the church will receive upon final sale of the property by GSA and interest paid on loans by the church during the option year.

Accordingly, the committee considers the proposed legislation meritorious and recommends it favorably.

TRI-STATE MOTOR TRANSIT CO.

The bill (H.R. 3314) for the relief of Tri-State Motor Transit Co., was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-262), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 3314 is for the relief of Tri-State Motor Transit Co., of Joplin, Mo. It directs the Treasury to pay the company $1,725.60 in payment for work performed by the company in transporting a load of explosives to Fort Wolters, Tex., in May, 1968.

STATEMENT

Due to the loss of the original bill of lading by the Government, the issuance of an erroneous substitute bill or lading by the Government, and other administrative delays by the Government, the company presented its claim for payment too late. The General Accounting Office rejected the claim because it had not been filed within the 3-year period prescribed by 49 U.S.C. 66. The Department of the Army admitted responsibility for the delay which occurred, and reported that, under these circumstances, it was of the opinion that it would be equitable to make payment on this claim. The facts of the case, as contained in House Report 95-204, are as follows:

The Department of the Army in its report to the committee indicated it was not opposed to relief.

On April 30, 1968, a shipment of explosives was consigned from the Savannah Army Depot, on a standard Government bill of lading No. E-709-4398 (hereinafter referred to as GBL), to an artillery unit at Fort Wolters, Tex. Tri-State Motor Transit Co. was the carrier, and the shipment was duly completed on May 2, 1968.

On February 12, 1969, the carrier requested the transportation officer at Fort Wolters to complete and return the GBL, but this action could not be taken because the GBL had been lost. On April 16, 1969, the transportation officer requested the issuance of a certificate in lieu (hereinafter referred to as CIL) of the original GBL. However, the officer submitted an erroneous number for the GBL bill. Since the processing of the CIL through several Army agencies was delayed because the receiving unit of the shipment had been deactivated, the claimant did not receive the erroneous CIL until April 30, 1969. The carrier returned the erroneous CIL to Savannah Army Depot and asked that it be corrected.

Finally, after the exchange of various letters between Tri-State Transit and the interested Army installations, the claimant wrote to the Savannah Army Depot. The carrier stated that it had been informed that a corrected CIL had been sent to Fort Wolters, and it asked for a status report.

On June 25, 1971, another corrected CIL was prepared and processed by the Savannah Army Depot. However, the 3-year statute of limitations prescribed by 48 U.S.C. 66, as amended, has expired on May 2, 1971. Tri-State Transit Co. filed a voucher with the Army Finance Center in Indianapolis, Ind., on January 17, 1972, and it was sent to the General Accounting Office on January 31, 1972. On January 12, 1973, the General Accounting Office rejected the claim because it had not been filed within the 3-year period prescribed by 49 U.S.C. 66.

As has been noted, the Army has no objection to the bill. The Army report stated that the services were performed by the claimant and the delay in processing the voucher for payment was not due to its fault or negligence. Further, the Army observed that it would be equitable, under the circumstances of this case, to waive the statute of limitations and to make payment to the claimant in the amount due.

The committee agrees that this is a proper case for legislative relief, and recommends that the bill, with the technical amendment recommended by the committee, be considered favorably.

DEPARTMENT OF THE ARMY,
Washington, D.C., July 1, 1974.

Hon. PETER W. RODINO, Jr.,
Chairman, Committee on the Judiciary,
House of Representatives.

DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Department of the Army with respect to H.R. 11607, 93d Congress, a bill "for the relief of Tri-State Motor Transit Co."

This bill provides: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Tri-State Motor Transit Co. of Joplin, Mo., the sum of $1,725.60 in full satisfaction of its claims against the Department of the Army for transportation of a load of explosives to Fort Wolters, Tex., in May 1968. Such claim was presented too late for payment due to administrative delays by the Department of the Army in processing a certificate in lieu of lost Government bill of lading despite diligent efforts to obtain such certificate by the Tri-State Motor Transit Co."

Although the Department of the Army files were destroyed after 3 years, the following chronology of events was extracted from the claimant's files: On April 30, 1968, a shipment of explosives was consigned from the Savannah Army Depot, on a standard Government bill of lading No. E-709-4398 (hereinafter referred to as GBL), to an artillery unit at Fort Wolters, Tex. The present claimant, Tri-State Motor Transit Co, was the carrier, and the shipment was duly completed on May 2, 1968

On February 12, 1969, the carrier requested the transportation officer at Fort Wolters to complete and return the GBL, but this action could not be taken because the GBL had been lost in a manner not disclosed by the files. The file does not disclose why the carrier delayed this request. The following events then transpired:

On April 16, 1969, the transportation officer requested the issuance of a certificate in lieu (hereinafter referred to as CIL) of the original GBL. However, the officer submitted an erroneous number for the GBL. The processing of the CIL through several Army agencies was delayed because the receiving unit of the shipment had been deactivated. Accordingly, the claimant did not receive the erroneous CIL until April 30, 1969. The carrier returned the erroneous CIL to Savannah Army Depot and asked that it be corrected.

On January 28, 1971 (after the exchange of various letters between the claimant and the interested Army installations) the claimant wrote to the Savannah Army Depot. The carrier stated that it had been informed that a corrected CIL had been sent to Fort Wolters, and it asked for a status report.

On June 25, 1971, another corrected CIL was prepared and processed by the Savannah Army Depot. However, the 3-year statute on limitations prescribed by 49 U.S.C. 66, as amended, had expired on May 2, 1971.

The files do not disclose when the claimant received the CIL, but it filed a voucher with the Army Finance Center in Indianapolis, Ind., on January 17, 1971. The voucher was processed to the General Accounting Office on January 31, 1972.

On January 12, 1973, the General Accounting Office rejected the claim because it had not been filed within the 3-year period prescribed by 49 U.S.C. 66.

The Department of the Army is not opposed to the bill.

The evidence is undisputed that the services were performed by the claimant and that the delay in processing the voucher for payment was not due to its fault or negligence. The Department of the Army is of the opinion that it would be equitable, under the circumstances of this case, to waive the statute of limitations and to make payment to the claimant in the amount due.

The cost of the bill, if enacted, will be $1,725.60.

The Office of Management and Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely,

HOWARD H. CALLAWAY,
Secretary of the Army.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it may be in order to move to reconsider the votes en bloc by which the bills were passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I make that motion.

Mr. BAKER. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

COMMITTEE FUNDING RESOLUTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the resolutions beginning with Calendar No. 224 and going through and including No. 241 be taken from the calendar and be considered as having been proceeded to, amended where there are committee amendments, agreed to, and that motions to reconsider the votes by which they are agreed to be considered as having been laid on the table.

Mr. BAKER. Mr. President, I only intervene with a reservation long enough to say that these matters have been cleared with the ranking members of the jurisdictional committees on our side. There is no objection to proceeding in this manner.

The PRESIDING OFFICER. Without objection, it is so ordered.

The measures agreed to are as follows:

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY—S. RES 144

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $300,000, of which amount (1) not to exceed $17,302 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES—S. RES. 142

Resolved, That, in holding hearings, reporting such hearings and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Armed Services, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $475,000, of which amount not to exceed $36,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS—S. RES. 164

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee, or any subcommittee thereof, under this resolution shall not exceed $610,000.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE BUDGET—S. RES. 159

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on the Budget, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,514,300, of which amount not to exceed $50,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION—S. RES. 151

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,847,800, of which amount not to exceed $405,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ENERGY AND NATURAL RESOURCES—S. RES. 158

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Energy and Natural Resources, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $775,000, of which amount not to exceed $75,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS—S. RES. 157

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Environment and Public Works, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $858,500, of which amount (1) not to exceed $3,900 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (1) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $500 may be expended for the training of the professional staff of such com-

mittee, or any subcommittee thereof (under procedures specified by section 202(j) of such Act).

SEC. 3. The committee shall report it findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FINANCE—SENATE RESOLUTION 97

Resolved, That, in holding hearings, reporting such hearings, and making investigations authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Finance, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, and (2) to employ personnel.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $385,000, of which amount not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS—S. RES. 156

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency

SEC. 2. The expenses of the committee under this resolution shall not exceed $905,000, of which amount not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS—S. RES. 161

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Governmental Affairs, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,683,200, of which amount not to exceed $60,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee, or any duly authorized subcommittee thereof, is authorized to continue the study authorized under S. Res. 71, Ninety-fourth Congress, agreed to July 26 (legislative day, July 21), 1975.

SEC. 4. The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(1) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public: *Provided*, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of the particular branch of the Government under inquiry, and may extend to the records and activities of persons, corporations, or other entities dealing with or affecting that particular branch of the Government;

(2) the extent to which criminal or other improper practices of activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(3) syndicated or organized crime which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions which are in violation of the law of the United States or of the State in which the transactions occur, and, if so, the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, what facilities, devices, methods, techniques, and technicalities are being used or employed, and whether or not organized crime utilizes such interstate facilities or otherwise operates in interstate commerce for the development of corrupting influences in violation of the law of the United States or the laws of any State, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activities have infiltrated into lawful business enterprise; and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against the occurrences of such practices or activities;

(4) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety;

(5) riots, violent disturbances of the peace, vandalism, civil and criminal disorder, insurrection, the commission of crimes in connection therewith, the immediate and long-standing causes, the extent and effects of such occurrences and crimes, and measures necessary for their immediate and long-range prevention and for the preservation of law and order and to insure domestic tranquillity within the United States;

(6) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(A) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(B) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents, and

(C) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(D) legislative and other proposals to improve these methods, processes, and relationships;

(7) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(A) the collection and dissemination of accurate statistics on fuel demand and supply;

(B) the implementation of effective energy conservative measures;

(C) the pricing of energy in all forms;

(D) coordination of energy programs with State and local government;

(E) control of exports of scarce fuels;

(F) the management of tax, import, pricing, and other policies affecting energy supplies;

(G) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(H) the allocation of fuels in short supply by public and private entities;

(I) the management of energy supplies owned or controlled by the Government;

(J) relations with other oil producing and consuming countries;

(K) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(L) research into the discovery and development of alternative energy supplies;

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of the particular branch of the Government under inquiry, and may extend to the records and activities of persons, corporations, or other entities dealing with

or affecting that particular branch of the Government.

(b) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(c) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from July 1, 1977, through February 28, 1978, is authorized, in its, his, or their discretion (1) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and document, (2) to holding hearings, (3) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (4) to administer oaths, and (5) to take testimony, either orally or by sworn statement.

SEC. 5. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 6. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON HUMAN RESOURCES—S. RES. 146

Resolved, That in holding hearings, reporting such hearings and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Human Resources or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,624,000, of which amount not to exceed $45,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY—S. RES. 170

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on the Judiciary, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $3,111,700 of which amount not to exceed $56,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON RULES AND ADMINISTRATION—S. RES. 189

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from July 1, 1977, through February 28, 1978, its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $399,300, of which amount not to exceed $65,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS—SENATE RESOLUTION 149

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Veterans' Affairs, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $198,800, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE SELECT COMMITTEE ON SMALL BUSINESS—SENATE RESOLUTION 140

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by section 134(a) of the Legislative Reorganization Act of 1946, as amended, and S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, as amended and supplemented, in accordance with its jurisdiction under such Senate Resolution, the Select Committee on Small Business, or any subcommittee thereof, is authorized from July 1, 1977, through February 28, 1978, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (4) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946, as amended.

SEC. 2. The expenses of the committee under this resolution shall not exceed $174,500, of which amount not to exceed $1,500 may be expended for the procurement of the services of individual consultants, or organizations thereof.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE SELECT COMMITTEE ON INTELLIGENCE—SENATE RESOLUTION 148

Resolved, That the Select Committee on Intelligence, in carrying out the duties and functions prescribed by S. Res. 400, Ninety-fourth Congress, agreed to May 9, 1976, as amended by S. Res. 4 of the Ninety-fifth Congress, agreed to February 4, 1977, is authorized from July 1, 1977, through February 28, 1978, to make expenditures from the contingent fund of the Senate.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,150,000, of which amount not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

AUTHORIZING EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING—SENATE RESOLUTION 147

Resolved, That the Special Committee on Aging, established by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, is authorized from July 1, 1977, through February 28, 1978, in its discretion to provide assistance for the members of its professional staff in obtaining specialized training, in the same manner and under the same conditions as a standing committee may provide such assistance under section 202(j) of the Legislative Reorganization Act of 1946, as amended.

SEC. 2. In carrying out its duties and functions under such section and conducting studies and investigations thereunder, the Special Committee on Aging is authorized from July 1, 1977, through February 28, 1978, to expend not to exceed $407,000 from the contingent fund of the Senate, of which amount (1) not to exceed $50,000 may be expended for a study or investigation of health related issues, (2) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (3) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1978.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

EXPENDITURES BY THE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS—SENATE RESOLUTION 141

Resolved, That the expenses of the Select Committee on Nutrition and Human Needs, established by S. Res. 281, Ninetieth Congress, agreed to on July 30, 1968, and extended by S. Res. 4, through December 31, 1977, shall not exceed $231,500, of which amount not to exceed $12,500 shall be available for the procurement of the services of individual consultants, or organizations thereof for the period of July 1, 1977, through December 31, 1977.

SEC. 2. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ORDER FOR RECESS TO 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 9:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO CONSIDERATION OF S. 1520 AT 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at the hour of 10 o'clock a.m. tomorrow, the Senate proceed with the next measure that was included in the order several days ago, S. 1520.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees have been recognized under the standing order tomorrow, there be a period for the transaction of routine morning business, not to exceed beyond the hour of 10 o'clock a.m., with statements therein limited to 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—S. 1520

Mr. ROBERT C. BYRD. Mr. President, I believe this agreement has been cleared all around. I ask unanimous consent that, with respect to S. 1520, which is the first measure to be taken up tomorrow, there be a time limitation on debate of 4 hours, to be equally divided between Mr. CASE and Mr. HUMPHREY; that there be a time limitation on any amendment of 1 hour; on any amendment in the second degree, motions, and appeals of 30 minutes, with the following exceptions: That there be a time limitation on an amendment by Mr. McCLURE of 1½ hours; a time limitation on each of two amendments by Mr. HELMS of 1½ hours; that there be a time limitation on each of two amendments by Mr. HARRY F. BYRD, JR., of one-half hour; and that there be 1 hour on the bill allotted solely to Mr. HARRY F. BYRD, JR.; provided further that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That during the consideration of S. 1520 (Order No. 135), a bill to amend the Foreign Assistance Act of 1961, and for other purposes, debate on any amendment in the first degree (except an amendment by Mr. McClure on which there shall be 1½ hours; two amendments by Mr. Helms, on each of which there shall be 1½ hours, and two amendments by Mr. Harry F. Byrd of Virginia on each of which there shall be ½ hr.) shall be limited to one hour, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any amendment in the second degree, debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to four hours, to be equally divided and controlled, respectively, by the Senator from Minnesota (Mr. Humphrey) and the Senator from New Jersey (Mr. Case): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Provided further, That one hour under the bill be under the control of the Senator from Virginia (Mr. HARRY F. BYRD, JR).

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 9:45 a.m.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business, not to extend beyond 10 o'clock, with statements limited therein to 2 minutes each.

At the hour of 10 o'clock a.m., the Senate will proceed to consider S. 1520, a bill to amend the Foreign Assistance Act of 1961, and for other purposes.

There is a time agreement on that bill. Rollcall votes will occur on amendments and motions in relation thereto and on final passage of the bill.

If the final action occurs on the bill at a reasonably early hour tomorrow, the Senate will then proceed to the consideration of the next bill order in the sequence which was entered into some time ago, and that is S. 1160, Calendar Order No. 169.

So we have a full day tomorrow. Again, we will be early and late with rollcall votes throughout.

RECESS TO 9:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9:45 a.m. tomorrow.

The motion was agreed to; and at 8:35 p.m. the Senate recessed until tomorrow, Wednesday, June 15, 1977, at 9:45 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 14, 1977:

DEPARTMENT OF JUSTICE

Andrew W. Danielson, of Minnesota, to be U.S. attorney for the District of Minnesota for the term of 4 years.

James W. Byrd, of Wyoming, to be U.S. marshall for the District of Wyoming for the term of 4 years.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

ON THE HEALTH OF BLACK AMERICANS—LABOR-HEW APPROPRIATIONS FOR 1978

HON. SHIRLEY CHISHOLM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs. CHISHOLM. Mr. Speaker, this week, we will be considering a bill to provide funds for the Departments of Labor and Health, Education, and Welfare for 1978. I have been disturbed by the comments heard from both the legislative and executive branches about the need to cut back the appropriations in these areas.

I challenge my colleagues and friends to assess their priorities. In a year when we have already approved a $10 billion increase in defense spending, I find it unconscionable that now during consideration of funding for human resource programs we suddenly become so acutely aware of the need to "balance the budget." I, too, want to see a balanced budget, but I will not balance it on the backs of our poor, our elderly, our children, or our handicapped.

I am pleased to see that the appropriations bill, as approved by the full committee, includes needed support for those programs which address the health care needs of our disadvantaged. Congressman LOUIS STOKES eloquently supported the inclusion of $5 million for the construction of a medical school at Morehouse College—only the third black medical school in the entire country. In another measure these appropriations will provide full funding for the community health center program, which makes health care services available in low-income communities throughout the country.

These are two examples of programs which address the inadequate access to health care which so drastically affects black, minority, and low-income Americans. Recently, I read a powerful article from Ebony magazine which underscores the sharp disparity between the health of black and white Americans. I hope that the facts in this article will give some of my colleagues pause for thought as to what our priorities should be. If we are to make access to quality health care a reality for a broader segment of our society, I believe it is essential we support the full Labor-HEW appropriations bill, as a step in the right direction.

The article follows:

ON THE HEALTH OF BLACK AMERICANS

(By Therman E. Evans, M.D.)

In reviewing the latest available comprehensive document on the health of Americans, "Health United States 1975," it is clear that the current health of black Americans continues to lag far behind that of their white counterpart. In fact, in some categories there is strong evidence of actual mistreatment of blacks by the medical care system.

The health picture for black Americans is not a good one. And it all begins where, in my opinion, the poverty cycle begins, during pregnancy. Essential to a safe and healthy pregnancy and a healthy baby, is prenatal care. Yet prenatal care is received in the first three months of pregnancy by only 52 percent of pregnant black women as compared with 75 percent of pregnant white women. This situation contributes to the fact that black mothers die during childbirth (maternal mortality) three to four times as commonly as white mothers, and black babies die during their first year of life (infant mortality) twice as commonly as white babies. Maternal and infant mortality are higher when the mother is economically poor or poorly educated, when the birth is out of wedlock, or when the mother is under 20 or over 35 years old. Proper prenatal care with adequate nutrition—especially protein nutrition—will result in a reduced incidence of complications of pregnancy, premature deliveries, low birthweight babies, mental retardation and future generations of poverty cycled people.

Next we are concerned about the lasting damaging effects of inadequate care received during pregnancy and infancy. Dr. James P. Comer and Dr. Alvin F. Poussaint, in their book, Black Child Care, clearly describe these effects. They say, "A child's life chances are to an extent determined before his birth. The health of the mother while she is pregnant affects the well-being of the child. Black women have often carried their babies without the benefit of a balanced diet and adequate medical care. Children born of malnourished women are often weak and sickly, running a high risk of mental retardation and delayed physical development. The care received by the mother and infant at birth also affects a child's development. Black women have consistently lacked adequate access to doctors and medical facilities at the time of delivery. Prenatal complications and physical birth injuries have resulted in brain-damaged and otherwise handicapped children."

In addition to the above, the immunization of one- to four-year-old black children against such diseases as polio, diphtheria, typhoid, whooping cough and measles continues to lag far behind that of their white counterpart. In all instances, the number of black children in this age group protected against these communicable diseases ranges from slightly under to slightly over one-half, compared with the number of protected white children ranging from at least two-thirds to three-fourths.

Other communicable diseases that continue to be reported at a much greater frequency in blacks than whites are hepatitis, gonorrhea and syphilis. The devastating effects of these diseases have been chronicled many times in the literature.

Along with the continued prevalence of these very serious illnesses, there is significant evidence of mistreatment of blacks by the medical care system (i.e., doing them more harm than good).

For persons under 17 years, more whites (10 in 1,000) than blacks (8 in 1,000) have vision impairments. In the age group 17 to 44, the gap widens. Even more whites (33 in 1,000) than blacks (27 in 1,000) have vision impairments. However, in the next age group, 45 to 64, this trend is totally reversed as we find, surprisingly, that blacks have an overwhelmingly higher incidence of vision impairments (100 in 1,000) than whites (60 in 1,000). Perhaps during this time period their vision needed correcting but the expense made it prohibitive Or perhaps (and more likely) the vision correction received at the hands of both "qualified" and unqualified people was incorrect. To illustrate further, a recent study done by the National Center for Health Statistics pointed out that more black youths (77 percent) than white youths (69 percent) have 20/20 vision without glasses. However, when tested after they had been given glasses, a consistently larger proportion of white than black youths had superior vision. Why?

For persons 17 to 44 years old, many more whites (51 in 1,000) than blacks (33 in 1,000) suffer some impairment of the back or spine. In the next age group, 45 to 64, the picture is completely the opposite, with many more blacks (81 in 1,000) than whites (67 in 1,000) suffering from some impairment of the back or spine. I can surmise that this reversal results from a combination of the many years of hard, menial labor type of work for survival in which blacks predominate, and the economic and educational inability to deal with relevant medical and health problems. Otherwise my question would be, "Why?"

In addition to the above, blacks have twice the incidence of iron deficiency anemia; a higher incidence of arthritis, a very serious disabling disease; nearly twice the incidence of diabetes; a significantly greater incidence of heart conditions (heart disease is the number one medical killer of all people in this country); two to three times the incidence of high blood pressure, and a strikingly higher incidence of cancer (the number two medical killer).

These illnesses and diseases result in longer average hospital stays for blacks (11.3 days) than for whites (9.2 days). In addition, they have caused limitation of mobility (i.e., confined to house, need help in getting around or has trouble in getting around) in approximately 5 percent of the black work force between ages 18 to 64 compared with 2.7 percent of the white work force. Further, almost 1/10 (9.3 percent) of the black work force have been completely work disabled compared with about 1/20 (4.9 percent) of the white work force.

All of this and more is a part of the health picture for Black Americans. In 200 years, the health of blacks relative to that of whites has gone virtually unchanged. The gap that was, is.

How do we change this picture? It must be attacked at three levels: the individual (or consumer), the health professional, and the system.

At the individual or consumer level, each of us must begin to accept more responsibility for our own health. For example, we cannot continue to disregard what we eat as if our diet has no effect on our health status. In fact, what we eat is both directly and indirectly related to every major illness we know of, including heart disease, high blood pressure, cancer, diabetes and infectious diseases. We must, individually, take care of our bodies not only by putting nutritious food items on the inside but also by exercising it from the outside and by demanding to know what is being done to us by any medical personnel who touches us or writes us a prescription.

Our health professionals must assume the necessary roles in delivering health information to our people who need it. Black professionals in the various health disciplines have a responsibility and an obligation to be excellent, and to take the lead in the struggle to improve the health status of poor black people. Finally, they must head up the ongoing political struggle to secure more resources from the federal health establishment, and inform, motivate and recruit more black youth into the health professions.

ELKHART TRUTH PRAISES PRESIDENT CARTER'S NOTRE DAME ADDRESS ON FOREIGN POLICY

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD the text of an editorial which was published in the Elkhart, Ind., Truth on May 24, 1977 and entitled, "Going Beyond Fear," praising the foreign policy address that President Carter made at the University of Notre Dame on May 22, 1977.

The editorial follows:

GOING BEYOND FEAR

President Carter picked the commencement platform at Notre Dame to outline a new foreign policy. He called up noble themes, stressing human rights, cooperation with developing nations, and eliminating nuclear weapons.

In office only four months, Carter already has made those goals sound familiar. As a course charted for the nation, what makes this foreign policy new is what it is not.

In a word, it is not a policy based on fear. American foreign policy since World War II most often has been a series of reactions out of fear of the Soviet Union. It was built up from alliances with non-Communist nations for containment of Soviet power. Over thirty years our attitudes toward other nations became frozen on the axis of U.S.-Soviet confrontation.

Carter proposes a wider view of the world and a less preoccupied conception of our role in it. Responding to growing influence of non-industrial nations, he would have us expand our role to lead other countries in a cooperative spirit.

Our resources for leadership would come not from wealth and military power alone, but in great part from our historical concern for human development. From this tradition, Carter believes, we can replace an attitude of fear with optimism.

Carter wants the United States "to inspire and to persuade and to lead." Such talk might provoke skeptical smiles in a world more disposed to expect us to buy or bully our way into what we want. What right do we have, after all, to set ourselves up as the world's inspiration?

Too painfully aware of errors made in the policy of fear, we might be slow to answer the skeptics. Surely it is not that in only a few months we have erased our mistakes and become a nation without moral blemish.

The inspiration is in our history, alongside our imperfections. At Notre Dame, Carter put it in words:

"In ancestry, religion, color, place of origin and cultural background, we Americans are as diverse a nation as the world has ever known. What draws us together, perhaps more than anything else, is a belief in human freedom.

"We want the world to know that our nation stands for more than financial prosperity."

Translating the words into actions which will genuinely increase human freedom in the world is as difficult as ever, but we agree with Carter that "it is a mistake to undervalue the power of words and of the ideas that words embody."

CONGRESS MUST DEAL WITH ILLEGAL ALIEN PROBLEM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ASHBROOK. Mr. Speaker, the entry of illegal aliens into the United States is a growing problem. It is now estimated that between 7 and 10 million illegal aliens are within our borders. And every year hundreds of thousands more are illegally entering and taking up residence in our Nation.

According to the past head of the Immigration and Naturalization Service, Leonard Chapman, "We're facing a vast army [of illegal aliens] that's carrying out a silent invasion of the United States."

One national organization describes the flood of illegal immigration as a "human tidal wave," contributing to our unemployment problem and costing the taxpayers billions of dollars every year in lost earnings and taxes, in welfare benefits and public services.

I am especially concerned about the problem of job displacement. Millions of jobs that could be held by Americans have been taken by illegal aliens. This is unfair to the unemployed men and women of our Nation who need a job.

Also unfair is that the presence of illegal aliens in the job market tends to depress and maintain low wage levels for American workers. Illegal aliens compete most directly with unskilled American labor. In addition, because of their illegal status, illegal aliens are susceptible to exploitation. The result is to drive down wages for American workers.

I strongly believe that Congress must take firm steps to solve the illegal alien problem. That is why I am introducing my own bill on this subject.

The first part of my bill is designed to reduce the flow of illegal aliens by reducing their employment opportunities. Currently there is no penalty for knowingly hiring an illegal alien. My bill would reverse this policy and establish a three-step procedure for penalizing an employer who knowingly hires an illegal alien. This procedure consists of an initial citation without penalty; a $500 fine per alien if the employer knowingly hires illegal aliens within 2 years of the citation; and a $1,000 fine and/or 1 year imprisonment per alien for an additional violation.

The second part of my bill is intended to strengthen the border patrol so as to keep aliens from illegally entering into our Nation. It directs the Attorney General to increase the border patrol force from its present total of less than 2,900 officials to 4,000. It also directs the Attorney General to provide the border patrol force with such administrative and support services, including training and equipment, as may be necessary to enable the force to carry out its duties.

I urge the Congress to consider legislative solutions to the illegal alien problem as soon as possible. We cannot afford to delay any longer.

MOPPS I, II, AND III CONTRADICT THE ADMINISTRATION'S ENERGY POLICIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. KEMP. Mr. Speaker, as most Members of Congress are probably aware, the Energy Research and Development Administration recently undertook a study of energy supplies in the United States at various price levels. This study, known as the Market Oriented Program Planning Study, first came out with estimates showing that there was quite a lot of natural gas available at reasonable prices. But because these conclusions contradicted the administration's position—that the United States is running out of energy altogether and must carefully conserve all that is left—MOPPS I was disputed by MOPPS II, which was hastily put together by ERDA after MOPPS I's embarrassing (conclusions came out. MOPPS II showed considerably less gas at a much higher price, yet even this was not good enough. Hence we now have MOPPS III, which shows even less natural gas at an even higher price.

As the following editorial from the Wall Street Journal shows, however, all three MOPPS studies show considerable amounts of natural gas available at prices below those currently being paid for equivalent amounts of its nearest substitute, No. 2 fuel oil. Consequently, deregulation might very well break the OPEC cartel and it will assuredly increase the supplies of domestic oil and gas.

The editorial follows:

MOPPS STUDY

So President Carter is reduced to bewailing the "special interests" picking apart his energy program in Congress and winning House subcommittee votes to deregulate the price of natural gas. It really is a bit much, coming as it does from someone who only a few months ago won the presidency by carrying Texas and Louisiana on a pledge to deregulate the price of natural gas. But then, Jimmy Carter is on the run, badly losing his "moral equivalent of war."

As Congress discovers that the President's sweeping energy plan was stitched together with baling wire, he responds by taking press conference swipes at the "inordinate influence" of special interests and making speeches against the oil and auto companies. He sends his press secretary, Jody Powell out to give Ziegler-like performances; for example referring to the liberal Republican Ripon Society as "the ripoff society."

Mr. Powell has even been putting silly words into his boss's mouth, telling newsmen that President Carter believes "that even if we increased the price of oil to provide an additional $20 a barrel, there would be little, if any, increase in our production." Even sillier, he added, "the same is true in the price of natural gas."

If Mr. Carter really believes this we're really in trouble, for there is so much evidence to the contrary it would mean the

President simply does not want to be confused by the facts. We'd prefer to believe he has been temporarily confused by his energy bureaucracy, which has been hiding energy to make its case.

Now, though, the cat is out of the bag. The famous MOPPS study has been coughed up by Mr. Carter's Energy Research and Development Administration (ERDA). Although Jody Powell still won't believe it, ERDA did its best to back up his statement. But try as hard as its experts could to prove that higher prices wouldn't bring forth more energy, they just couldn't do it.

As the accompanying chart reveals, a group of 70 or so ERDA people in the Market Oriented Program Planning Study approached the question three times. The first time, April 1, the estimates came in embarrassingly high. So they tried again, and on April 6 found less gas, and on June 3 less still. But even with the most pessimistic estimate, what have they found? That potential reserves at $3.25 per thousand cubic feet (mcf) will be double the reserves at Mr. Carter's ceiling price of $1.75. If there is really an energy crisis, why is Mr. Carter opposed to having twice as much gas?

Note well that the chart covers only conventional supplies; potential supplies from unconventional production are even greater. ERDA has just brought in the first geopressurized methane well, bringing that absolutely immense resource a step closer. The third MOPPS estimate projects unconventional sources of natural gas at 600 trillion cubic feet at prices below $3.25 a mcf. At worst, the good people at ERDA have found us 55 years worth of natural gas at a reasonable price.

And to tell the truth, MOPPS executive director Harry Johnson says he isn't sure the higher estimates weren't the correct ones. Instead of talking of an "energy crisis," he talks of a "liquids crisis," meaning you can't make gasoline out of natural gas. And Philip White, MOPPS chairman, told The Washington Post that the original estimate might have been "a pretty good guess."

Our own guess, based on talks with independent gas producers, is that deregulation of natural gas would bring in so much of the stuff it would soon force down the price of its nearest substitute, No. 2 fuel oil, which now sells at the equivalent of $3 per mcf. Which is to say, deregulation of gas prices could very well break the OPEC cartel.

There's hope. We doubt that Mr. Carter's "special interest" rhetoric will incite the public against Congress, since a year ago the Harris Poll showed the public favoring deregulation by 51 percent to 17 percent. Representative Krueger of Texas last week got a deregulation bill approved by a House Commerce subcommittee. If he could get the environmentalists and consumerists to wake up to the fact that their causes would be served by deregulation, he could take it all the way, cleaning up with MOPPS.

Comparison of cumulative resource quantity/cost data—Total U.S. conventional gas

[Lower 48 and Alaska, onshore and offshore]

Producer cost	MOPPS I [1]	MOPPS II [2]	MOPPS III [3]
$1.00/MCF	550	330	120
2.00/MCF	800	490	275
3.00/MCF	990	590	465
5.00/MCF	1100	750	622
7.00/MCF	1140	810	700

[1] Estimate 1, April 1, 1977.
[2] Estimate 2, April 7, 1977.
[3] Estimate 3, May 24–26, 1977.

Note: Quantities are in quads representing moderate case estimates corresponding to indicated costs.

Quantities include proved, inferred and undiscovered.

NORTHEAST CORRIDOR IMPROVEMENT PROJECT

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs. SPELLMAN. Mr. Speaker, today, I introduced legislation to amend the Railroad Revitalization and Regulatory Reform Act of 1976, in order to eliminate certain matching requirements in the funding of safety fencing and station improvements along the Northeast Corridor.

The Northeast Corridor improvement project was created under title VII of the 1976 Railroad Act for the purpose of establishing an efficient, fast, energy-saving, and reliable means of mass transit along the Northeast Corridor, connecting Washington, D.C. to Philadelphia, Delaware, New Jersey, New York, and Boston. This was a most commendable action by the President and the Congress, especially coming at a time when we need to take the initiative in solving pollution and energy problems.

Unfortunately, the eight States and the District of Columbia which make up the affected participants of the upgrading project are faced with a serious obstacle. The present legislation calls for 50 percent participation in safety fencing and nonoperational station elements funding by these entities. Meeting this financial obligation will be an impossibility for many of these jurisdictions, and will be so onerous on others as to prevent any possibility of meeting the present upgrading schedule. Consequently, unless we can provide some assistance to these affected areas, it would appear that the Northeast Corridor improvements will take place without this complementary upgrading.

I am concerned, however, that inaction on our part and on the part of the Department of Transportation will mean that the completed improvements will not include the critical inclusions of safety fencing and station improvements, which would provide passenger access and parking. Such a finished project would cause a reaction exactly the opposite of the purpose of this legislation. Rather than encouraging more persons to forgo their automobiles and utilize energy efficient, nonpolluting mass transit systems, we would make it so difficult that people would continue to use their cars. This would make a waste of a wise, but expensive investment on the part of the Congress. For that reason, I believe the Congress should be concerned about assuring adequate station parking, and about providing access. Supplying intermodal transportation facilities at the stations is an important concept in transit alternatives, especially to the elderly and the handicapped. I would hope that Members would give this issue close consideration to insure the viability of this new project.

Second, it is unthinkable that we would permit the upgrading of the corridor roadbed and tracks so that our trains can move at 125 miles per hour without taking positive steps to assure the safety of children, animals, and pedestrians along the right-of-way. Commonsense would surely tell us that this small preventive, safety measure is a necessary investment, and one we would much rather make in dollars than in lives.

I believe that the Congress has an opportunity to continue its own commitment to interstate rail travel by accepting this safety responsibility, and by acting to insure the effectiveness of the completed corridor project. We have already indicated our support for the concept, and now we must accept the responsibility of providing the funding.

A TRIBUTE TO THE REVEREND DR. HENRY H. MITCHELL

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs. BURKE of California. Mr. Speaker, it is indeed an honor for me to join the brotherhood crusade in a tribute to Rev. Dr. Henry H. Mitchell in recognition of his community leadership and of his academic achievement that has focused upon worship and church administration in the black community.

Dr. Mitchell was, in 1969, honored to become the first Martin Luther King, Jr. Memorial Professor at the Colgate Rochester Divinity School, Bexley Hall and Crozer Theological Seminary at Rochester, N.Y. There he wrote two volumes which have become definitive works, "Black Preaching" and "Black Belief," followed in 1977 by a third work, "The Recovery of Preaching."

Prior to that, Rev. Dr. Mitchell had served as assistant at the Concord Baptist Church of Christ at Brooklyn, N.Y., as field secretary and missionary for the General Baptist Association of Northern California and as pastor of the Second Baptist Church of Fresno. While in Fresno, Rev. Dr. Mitchell was instrumental in building a large church facility for education and community activities. Further past achievements include: President of the County Economic Opportunity Commission and chairman of the Mayor's Biracial Committee.

Also, Rev. Dr. Mitchell served as pastor of Calvary Baptist Church in Santa Monica and served, nationally, as a private consultant in theological education for blacks and as consultant on religion and race to the World Council of Churches in London, England. Furthermore, he lectured at Boston University

School of Theology and Princeton Theological Seminary.

At present, Rev. Dr. Mitchell is serving as director of the Ecumenical Center for Black Church Studies. The center offers highly accredited work leading to advanced degrees in the practice of ministry in black culture. He serves as adjunct professor at LaVerne College, School of Theology at Claremont, Fuller Theological Seminary at Pasadena, and the American Baptist Seminary of the West. He maintains a national lecture and preaching schedule and conducts one to three revivals per year.

Rev. Dr. Mitchell's achievements are truly an inspiration to us all and stand as a monument for inspiration of all who follow him. It is a pleasure to be able to join in recognizing his prestigious work.

SEATTLE SLEW—A GREAT CHAMPION

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. DICKS. Mr. Speaker, by now the critics have been silenced. The question of whether Seattle Slew is or is not a great horse has been answered. Seattle Slew is not a fluke; Seattle Slew is, indeed a great champion race horse.

We from the State of Washington are especially proud of the unblemished record of this exceptional horse, which is owned by Mickey and Karen Taylor, of White Swan, Wash.

Seattle Slew now joins just nine other horses in history to win the Triple Crown; the Kentucky Derby, the Preakness, and the Belmont Stakes. However, Seattle Slew is the only horse in history to win the Triple Crown with an undefeated record.

Seattle Slew has nine victories in nine starts. He has earned more than $717,700 and has an estimated $12 million future as a stallion.

As in the Derby and the Preakness, there was no doubt that Slew would win the Belmont Stakes to capture the Triple Crown. He led from the opening gate to win the mile-and-a-half Belmont by four lengths.

But Seattle Slew is not yet ready to retire and settle for a niche in racing hisgreat pride in this outstanding racethis year and next. Still to come are the Travers at Saratoga, the Woodward, the Marlboro, and perhaps the Jockey Club Gold Cup or the Washington, D.C., International.

The ultimate test will come this fall when Seattle Slew faces 7-year-old Forego, the horse of the year since Secretariat retired in 1973. Next year the Taylors expect to bring back Seattle Slew as a 4-year-old to carry high weight in the 1978 handicaps.

On behalf of the people of the State of Washington, I would like to express our great pride in this outstanding racehorse, Seattle Slew, jockey Jean Cruget, trainer Bill Turner, and coowners Mickey and Karen Taylor and Dr. Jim Hill, who purchased the son of Bold Reasoning for $17,500 and trained him to be a multimillion-dollar champion and one of the great racehorses of all time.

BOSTON PUBLIC SCHOOLS ALL-CITY CHORUS PERFORMS FOR FLAG DAY CEREMONIES IN THE HOUSE CHAMBER

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. MOAKLEY. Mr. Speaker, I want to join my colleagues in extending the thanks of the House for the excellent performance in the Chamber this afternoon of the All-City Chorus of the Boston public schools. The musical offering by these fine young voices added greatly to the ceremony honoring our flag.

In tribute to the students and faculty who came from Boston to contribute their talent to the enjoyment of the House, I am including their names for the RECORD together with their musical program:

BOSTON PUBLIC SCHOOLS ALL-CITY CHORUS—1977

It is unprecedented for a non-military music group to perform for Congress. The participation of the Boston Public Schools All-City Chorus, as part of the official Flag Day Ceremonies in our Nation's Capitol, is a unique honor. The theme for the Chorus' presentation is, *"Let's Build a Nation."*

Funding for the 65 Boston Youngster's trip is through the Emergency School Aid Act for the Boston Public Schools, and therefore no cost was incurred by the City.

The history and traditions of the All-City Chorus, and other All-City musical ensembles in Boston, is well over 100 years old. The Chorus organized for the Washington, D.C. performance is composed of students from more than fifteen city high schools. Participants represent just about every racial and ethnic group in the school system.

Last year, as part of the *Youth Concert Series*, "All-City," along with staff of the department of music education, took part in six Symphony Hall concerts with the renowned Boston Symphony Orchestra. All the music for both the Chorus and Orchestra was composed and arranged by members of the department of music education.

SOPRANO

Bonita Baskerville, Dorchester High; Bernadine Blacknall, West Roxbury High; Donna Boschetto, Boston Latin Academy; Cynthia Brown, Dorchester High; Annmarie Carresi, West Roxbury High; Desiree Cayruth, Dorchester High; Maryanne Chinetti, Boston Latin School; Annmarie Clarke, Boston Latin School; Jaynemarie Connolly, Boston Latin School; MaryAnn Connolly, Boston Latin School; Blanca DeLeon, Brighton High; Kathleen Gorman, Boston Latin School; Carrie Hall, Dorchester High.

Gail Hart, English High School; Joyce Lai, Boston Latin School; Carol Mack, Div. of Music, MPHS; Roberta MacKinnon, Div. of Music, MPHS; Patricia McCluskey, Boston Latin Academy; Patricia Muise, West Roxbury High; Sharon Rogers, Brighton High; Carol Sheehan, English High School; Angela Simms, Brighton High; Yasmin Smith, West Roxbury High; Deborah Stokes; West Roxbury High; Christine White, West Roxbury High; Janell Whittaker, Dorchester High; Vanessa Williams, Boston Latin School.

ALTO

Brenda Bishop, Boston Latin School; Cordelia Braxter, Dorchester High; Elizabeth Chen, Boston Latin School; May Dambreville, Dorchester High; Carolyn DePascale, Boston Latin School; Kimberly Drummer, English High School; Karin Froom, Boston Latin Academy; Julie Hughes, Boston Latin School; Laverne Jacobs, Boston Technical High; Cheryl Kelly, Boston Latin School; Melissa Martin, Boston Latin School; Helen Scovel, Boston Latin School; Patricia Sligh, Dorchester High.

TENOR

John Almeida, Jr., West Roxbury High; Rouday Austin, Roxbury High; Van E. Campbell, Hyde Park High; Peter Davin, Boston Latin School; William Deare, Boston Technical; Stephen Fisher, Copley Sq. High; Al Forbes, Copley Sq. High; Victor Gomes, West Roxbury High; Gregory Layne, West Roxbury High; Kurt Michel, Boston Latin School; Rufus Napier, Jr., Boston Technical; Darryl Odom, Dorchester High; Kenneth Restuccia, Boston Latin School; Larry Smith, Hyde Park High; Rafe Taylor, Jr., Hyde Park High; Hubert White, Jeremiah E. Burke HS.

BARITONE/BASS

Evans Bontemps, West Roxbury High; David Brady, Boston Latin School; Anthony Clark, Hyde Park High; David DiDonato, West Roxbury High; Robert Djevelikian, West Roxbury High; Derek Gilmore, Div. of Music, MPHS; Teddy Hendricks, Div. of Music, MPHS; Emmanuel Jean-Georges, Dorchester High; David Jackson, Dorchester High; Ernest Kellough, Div. of Music, MPHS; Marvin Reddick, Div. of Music, MPHS; Dale Winspeare, Jeremiah E. Burke; Henry Wong, Boston Latin School.

Alternates: Carline Bruno, Gregory Davis, Cheryl Harding.

PROGRAM

The All-City Chorus of the Boston Public Schools: Robert Winfrey, *Conductor*, Charles Sego, *Accompanist*.

Bless This House.
*A Nation's Prayer Hymn.
The Pledge of Allegiance.
*Let's Build A Nation.
I Can Tell the World.

Conductor.

Assisting in preparing the chorus: Charlotte Fellman, Assistant Director of Music; T. Davis Dillon, Music Teacher, Dorchester High School; Doshia C. M. Dockett, Supervisor of Music Education.

Presented by the school committee of the city of Boston: Kathleen Sullivan, President; Atty. David Finnegan, Elvira Palladino, Atty. John McDonough, Atty. Paul R. Tierney, Marion J. Fahey, Superintendent.

Department of Music Education. Peter C. Siragusa, Director.

LET'S BUILD A NATION**

(Words and Music: Robert Winfrey, Department of Music, Boston Public Schools)

Let's build a Nation—where all people can live—free, safe and in peace
Let's build a Nation where ev'ry child can grow and become as great as can be

We can make this Land a place of dignity
Sharing our resources for humanity—Come!
Let's build a Nation—a Nation of worth
And we'll give birth to a Kingdom on earth.

Let's build a Nation where there is brotherhood
In ev'ry race and creed.
Let's build a Nation where in each neighborhood
There are friends helping those who're in need—

*Original Compositions by Robert Winfrey.
**City may be used in place of nation . . .

No more hungry people . . . no more poverty—
Open ev'ry heart, Let us brothers be—
Come! . . . Let's build a Nation—a Nation of worth
And we'll give birth to a Kingdom on earth.

Caring for each other, loving one another,
Always standing by to lift a fallen brother—
Come! Let's build a Nation—a Nation of worth
And we'll give birth to a kingdom on earth.

THE 250TH ANNIVERSARY OF THE TOWN OF UXBRIDGE, MASS.

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. EARLY. Mr. Speaker, on June 25, 1977, the town of Uxbridge, Mass., will be celebrating its 250th anniversary. This is the date in 1727 when it ceased to be part of its mother town of Mendon.

The young people of Uxbridge have chosen "Reminiscence of the Past" for an anniversary theme. Uxbridge likes to think it has some "Uniqueness" to match the letter "U." Uxbridge brick went into local buildings, Uxbridge granite is in the base of the Statue of Liberty and "Uxbridge Blue" became a color selection for a U.S. Army dress uniform.

"Reminiscences of the Past" also reflects that the town's woolen and worsted mills helped the Nation's war efforts in addition to achieving nationwide recognition on the commercial markets. Uxbridge also produced its share of individuals who reflected credit upon the town by their achievements in the "outside world" including an Olympic athlete.

Agriculture dominated its first century and this survived in a major truck garden and some dairy farms. Textiles ascended in the second century, and these survive in a local family mill producing high quality woolens. Diversity is an aspect of its third century, now midway through.

Uxbridge experienced slow growth, except for doubling its population when it established itself as a "textile town." Until 1772, Uxbridge encompassed the area that then separated to become the town of Northbridge.

Quakers were prominent among early settlers, and their heritage is preserved in a National Register building, the 1770 Friends Meeting House.

Uxbridge has developed slowly and steadily enough so as not to get out of step with itself, and the town still has residents who say, "We must not lose our autonomy." The last quarter century has seen a new-style cooperative growth in company with neighboring municipalities. This shows in flood control and some phases of education; is developing in health services and is an aim for commerce-industry-recreation.

Observance of the 250th milestone comes in a period of ethnic compatibility, growing participation in government, and determination for future improvements. Reminders of the milestone include the town's first commemorative coin, first town flag, and first publicly underwritten attempt at a narrative history.

I would like to take this opportunity to congratulate all the residents of the town of Uxbridge on reaching this milestone in their history. The towns of our great Nation are the backbones of our cities and the supporting forces of our entire structure. May the uniqueness that Uxbridge has displayed in the past continue into the future and may the young people of the town respect and carry on the traditions that have made this 250th anniversary possible.

FOURTH DISTRICT CONGRESSIONAL CLASSROOM

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. MANN. Mr. Speaker, on Sunday morning, 14 high school students were flown from their homes in the Greenville-Spartanburg area of South Carolina to Washington, D.C. for 4 days of briefings, tours, and seminars that are designed to give them a greater appreciation and understanding of our Government, its past, present, and future.

These students are carrying out a tradition that was started 9 years ago when I first became a Member of the House of Representatives, and when they return to their homes tomorrow night, they will become members of the Fourth District Congressional Classroom alumni which as of today is 126 strong.

Having the opportunity to introduce such fine, inquisitive young people to the day-to-day workings of their Government and to the beauty of their Capital City is one of the highlights of the year for me. I am most grateful for the community support which has made it possible for these youthful citizens to add a new dimension to their growth as citizens and custodians of our Nation's future.

Mr. Speaker, it gives me great pleasure to introduce into this RECORD the names of the 1977 Congressional Classroom scholars, their parents and the civic clubs, businesses, and service organizations in the Fourth Congressional District who have made this program possible:

Colin L. Bailey, son of Mr. and Mrs. Robert R. Bailey of Cowpens; Hoechst Fibers; Larry L. Baldwin, son of Mr. and Mrs. Jack Baldwin of Belton; Greenville Lions Club; William J. Brownlee, Jr., son of Mr. and Mrs. William J. Brownlee of Greenville; Sertoma Club of Greenville; Stanley Cunningham, son of Mr. and Mrs. Linward Cunningham of Spartanburg; Optimist Club of Hillcrest; Kathy Anne Elledge, daughter of Mr. and Mrs. Marvin E. Elledge of Duncan; M. Lowenstein & Sons, Inc.; Ronald Edward Foster, son of Mr. and Mrs. John J. Wesley of Inman; Jones Tractor Company; John Darden Griffin, son of Mr. and Mrs. Edwin M. Griffin of Spartanburg; WSPA, Spartan Radiocasting; Roxanne Renee Hickey, daughter of Mr. and Mrs. Roy Rickard Hickey of Greenville; Civitan Club of Greenville.

Joni Marie Jett, daughter of Dr. and Mrs. William Edward Jett of Greenville; Civitan Club of Greenville; Dwight A. Moore, Jr., son of Mr. and Mrs. Dwight A. Moore of Chesnee; North Spartanburg Rotary Club; Reginald Shields, son of Mrs. Peggy S. Shields of Chesnee; Hoechst Fibers; Walter Eric Sloan, son of Mr. and Mrs. Walter J. Sloan of Greer; The Liberty Corporation; Russell Stall, son of Mr. and Mrs. Edward H. Stall of Greenville; Greenville Kiwanis Club; William Carroll Wilson, son of Mr. and Mrs. William F. Wilson of Fairforset; Spartanburg Lions Club; A special acknowledgment to Fred Collins of Collins Music Company, Inc., of Greenville, and to all of the others who have helped to make this program possible.

TRIBUTE TO WILLIAM F. FARELL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ANDERSON of California. Mr. Speaker, the Long Beach Public Transportation Co. has long been considered one of the leading entities in South California mass transit. Its fine reputation has been due to a large degree to the outstanding leadership and professionalism of William F. Farell, vice president and general manager of the transit company.

When Bill retires on June 30, 1977, he will leave behind a solid legacy of accomplishment in the Long Beach community. He will also conclude one of the most colorful careers of any local government official that it has been my privilege to work with.

Born on a farm in East Texas on November 11, 1911, William Farell grew up picking cotton on the flat lands of his native State. After graduating from East Texas State College, he spent 3 years teaching school before seeking other types of employment.

Jumping a westbound freight train, he ended up in Dallas, Tex., where he soon became an employee of the Dallas Railway and Terminal Co. During the next 4 years he worked in various positions, including streetcar operator, which gave him a working knowledge of the transportation industry.

In 1948, Farell entered transit management with the National City Lines, where he spent the next 11 years operating properties in Eureka, Inglewood, and Stockton, Calif., and in El Paso, Tex. By 1950, he was well prepared when he purchased the transit systems in Santa Fe and Roswell, N. Mex.

Three years later, he took over the Santa Monica Municipal Bus Lines, which had been facing grave difficulties in keeping and increasing its ridership. At the time when public transportation was experiencing a decline in riders due to the automobile, Bill Farell reversed the trend through better service and an imaginative advertising campaign.

Farell's work in Santa Monica received nationwide notice in the industry publication "Busride" and the Wall Street Journal. So when a publicly assisted, nonprofit corporation was formed to take over a failing private transit operation in the city of Long Beach in 1963, William F. Farell was a natural choice to serve as general manager. Using the same techniques of modernization and aggressive

advertising, Farell was once again a success in improving public transportation service.

Since Farell took the helm 14 years ago, the Long Beach Public Transportation Co. has increased its passengers from 7 to 14 million annually. The 140 buses, none over 7 years old, have replaced the aging fleet of 104 vehicles that existed when Farell first arrived in Long Beach. At the same time, the old 50 cent one way fare has been lowered to a flat 25 cent systemwide rate, with special rates for the elderly and students and free rides for the blind.

Bill Farell's work has been of tremendous benefit to the community, and he has participated in other ways as well. He is a past president of the California Association of Publicly Owned Transit Systems; of the Western Public Transit Association; and International City Club. In addition, he has in the past or is currently serving as director of the Long Beach Chamber of Commerce, Rotary Club, American Public Transit Association, Kiwanis and the Long Beach Safety Council. Farell has also served as a committee member for the Southern California Association of Governments—SCAG.

Mr. Speaker, Bill Farell's work in the field of public transportation has been of tremendous benefit to the Long Beach community. His leadership and ability have proven to be of great benefit to transit authorities across the Nation, as he has proven that mass transportation can be provided to the public at a reasonable cost—and provided in an efficient and highly accessible manner.

My wife, Lee joins me in wishing William F. Farell the best of fortune in the years ahead. His lovely wife, Judy, and his sons, Bill, Chris, and Jim, must all be justly proud of his many outstanding achievements.

FLAG DAY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. FASCELL. Mr. Speaker, we, the American people, during the period of time between Flag Day, June 14, and Independence Day, on July 4, should take time to reflect on the history of this country and should recall two factors in discussing the importance of these annual celebrations. Our Nation remains the leader in pioneering world justice, equality, and a pursuit of freedom for all mankind. The United States represents a sanctuary and a haven for immigrants, refugees, exiles, and, more recently, for Eastern European dissidents. Second, our flag, one of the most beautiful and awe inspiring in the world, symbolizes this continual achievement. America's birth constituted a political and philosophical revolution with much of its Constitution and ideals being adapted or copied by other newly established democracies. It was inevitable that others followed in our footsteps.

America remembers Betsy Ross and how she played such a spiritual and patriotic role in the creation of an identity for our young Nation. Yet what she did not envision was the changing character that our first flag, the one she created, would take. The changes that our flag has undergone are a reflection of the many changes that our great Nation has experienced. As these United States increased in size, power, and glory, so too did this development reflect itself in the American flag. But purposes for which it stands today remain the same beacon of hope and light as the day our flag was first unfurled.

Let us celebrate these 21 days with the utmost enthusiasm. Let us wear our colors proudly; the red, the white, and the blue. Let us encourage patriotic ceremonies, historical events, and educational programs. Let us continue the spirit of last year's Bicentennial celebration by promoting our efforts to work for a greater nation, America, the greatest in the world.

Yes, the Stars and Stripes are truly forever.

THE AMERICAN SOKOL ORGANIZATION: DEDICATED TO PHYSICAL FITNESS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. HYDE. Mr. Speaker, in the past few years we have seen a renewed interest among Americans in the importance of physical fitness. Millions of Americans have started jogging, riding bicycles, and participating in more physically exerting sports, such as tennis, handball, swimming, and skiing, to name a few. Hopefully this renewed interest in physical exercise and activity is not just a fad, but will endure, because it certainly leads to better health and longevity.

Although the importance of physical fitness may be new to many Americans, it is not a new idea for the American Sokol Organization which is to be commended for promoting good health and physical fitness and which has long been dedicated to the physical, mental, and cultural well-being of its members.

The Sokol movement was founded in Prague, Czechoslovakia, in 1862 by Dr. Miroslav Tyrs. The first unit of the American Sokol Organization in the United States was formed in St. Louis, Mo., in 1865, by the many Czech immigrants who settled there and wished to continue their Sokol ideas and proud heritage in their new homeland. In a few years, Sokol units were organized in areas heavily populated by the Czechs such as Chicago, New York, Maryland, Michigan, Ohio, Iowa, Nebraska, Texas and the Pacific coast. Presently there are six districts: The eastern district has 12 units located in Maryland, New York, New Jersey, Florida, Pennsylvania, and Washington, D.C.; the northeastern district has 7 units located in Ohio, Michigan, and Pittsburgh; the central district has 22 units located in Illinois, Wisconsin, and Missouri; the Western district has 15 units in Texas and Oklahoma; and the Pacific district has 7 units located in California, Oregon, and Washington. The Sokol membership is well over 15,000 nationwide.

Most Sokol units conduct their own gym classes in their own gymnasiums which are not subsidized by any donations from State or Federal funds. Each unit maintains their own equipment and halls through various fundraising projects sponsored by their members. Annual gymnastic exhibitions are held by most units as well as an annual district exhibition with participation from all units from the district.

Every 4 years a National Gymnastic Exhibition—Slet—is held with gymnasts participating from all over the United States and Canada. These national slets are attended by over 3,000 participants demonstrating their skills at gymnastics, track, and field, volleyball and calisthenics.

The American Sokol Organization's XIV Slet will be held at Hoffman Stadium, Morton West High School, Berwyn, Ill. June 22 through June 26 this year. I am very pleased that, once again, this national slet is being held in my district. I am equally pleased that the American Sokol Organization's national headquarters is located in Berwyn.

The Sokols believe in physically fit, mentally alert, and culturally well-developed citizens and their guiding principle: "A Sound Mind in a Sound Body—Physical Fitness Through Gymnastics" is certainly a good motto for people of all ages.

I would like to share with my colleagues the American Sokol Organization's physical training goals:

1. To strengthen and improve the health of individuals,
2. to train people of strong will, capable of self-denial, people of firm and constant character who can put their plans into action,
3. to form of them more competent working units,
4. to teach them to work for society and in society,
5. to make them the basis of a healthier posterity,
6. to increase their defensive capacity,
7. to influence them by beauty, and to inculcate in them a sense for beauty,
8. to make them forever conscious that liberty and freedom are a priceless gift, its protection a sacred duty.

GERALD A. NORDSTROM

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. RYAN. Mr. Speaker, Chief Gerald A. Nordstrom retired from the Burlingame Police Department in May of this year. I would imagine that the impact of his departure will be felt for a long time to come. Chief Nordstrom has spent 22 years of his life devoted to law enforcement and is a lifelong resident of San Mateo County.

Gerald Nordstrom is an expert in the

field of crimes of violence and narcotics with extensive training and teaching experience in the field of criminal justice. It is these and many other admirable qualities which have enabled him to serve both the department and the county in such an efficient and outstanding manner over the past years.

Starting as an officer in 1954 and progressing through the ranks to police chief, Gerald Nordstrom has stressed in-service training of the entire force and has brought to the department a sense of strong management and supervision to promote efficiency throughout the organization.

His professional affiliations are numerous as might be expected of a man of his caliber. To name a few, he is a member of the California Narcotics Officers' Association, the Northern California Robbery Investigators' Association, the International Association of Chiefs of Police and the California Police Chiefs Association. He also organized and served as first chairman of the San Mateo County Training Officers' Association.

I know I join with family and friends in wishing Chief Nordstrom all the best in his future endeavors. He will be missed by many.

IRVING KRISTOL ON THE ECONOMICS OF GROWTH

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. KEMP. Mr. Speaker, Irving Kristol is one of America's most brilliant thinkers. Recently, he turned his attention to the economics of growth and concluded that the stock market does a better job of measuring growth than the economist's computers. The reason for this, he says, is that the computers are based on Keynesian economic theory, which says that increasing demand is what creates growth. On the contrary, Kristol argues, demand is infinite, growth depends on increasing productivity. This, in turn, creates jobs, more and cheaper goods and services.

Entrepeneurship is what increases productivity and creates prosperity, but it is being stifled by heavy taxes and burdensome Government regulations. A removal of these impediments to growth, therefore, will lead to prosperity.

Since the economist's computers are incapable of determining the incentive effects of, say, a tax cut, their policy prescriptions are inevitably demand-oriented. But if you increase demand without increasing supply the result is inflation. Likewise, you will get inflation if taxes and regulations lead to a reduction of supply and the same level of demand.

The stock market is an excellent measure of economic growth, because it is so capable of measuring the relative merit of a policy which will truly increase supply, by stimulating entreprenenrship and productivity, and one which merely stimulates demand. The fact that the stock market is stagnating ought to tell us something about the kind of economic policies the Government has been following.

I commend this article to my colleagues and hope that they will be influenced by the important implications of Mr. Kristol's analysis:

[From the Wall Street Journal, June 14, 1977]

THE FOXES VERSUS THE HEDGEHOG

(By Irving Kristol)

Most of our economists seem to be a cheerful lot these days. Paul Samuelson tells us that "the skies ahead look reasonably clear"; Alan Greenspan agrees. Business Week reports that ". . . economists are almost universally forecasting a favorable economic climate, at least until mid-1978." And Arthur Okun writes:

"If anybody back in December had forecast the figures we're seeing now, we'd have locked him up. . . . The administration, economic liberals and forecasters in general are being clobbered by good news."

The stock market, however, doesn't seem to believe these economists. It is apprehensive, discouraged and offers only melancholy price-earnings ratios. It appears to foresee minimal economic growth (or none at all) and the probability of greater inflation. It also seems to possess no faith whatsoever in the economic competence of our policy-makers in Washington.

So who is right? Well, though the economists give us "hard numbers," while the stock market gives us nothing but massive intuition, it is the market that is more often in the right. Not always, to be sure, but more often. One is tempted to apply the ancient distinction between the hedgehog and the fox: The clever fox knows a lot of little truths while the wise old hedgehog knows only one big truth. And adding up all those clever little truths never does bring you close to the one big truth—the simple wisdom—that counts.

The trouble with economists is that all of those "hard numbers" do not automatically carry their meanings with them. They acquire meaning only within the context of a theory, and if the theory is wrong, the numbers are either meaningless or positively misleading. And while the science of economics today may be in somewhat better shape than the science of medicine a century ago—when doctors, on balance, did more harm than good to their patients—it is still not in really good shape. Indeed, the great virtue of the so-called "Chicago School" is that it tries to insulate the economy from all fashionable economic theories.

ARE WE BEING DECEIVED?

Nevertheless, the theories generated by the dominant mode of economic analysis—neo-Keynesianism—carry great authority. One reason is that these theories at the present time are incarnated in expensive, computerized econometric models, and we find it hard to believe that so much intellectual and technological sophistication could deceive us.

But it is also true there does not exist an econometric model which, over these recent years, has consistently outperformed all the other models—nor do all the models taken together give us more accurate predictions than the stock market.

This is not really surprising, since any model is really nothing more than a complicated series of correlations—between employment and inflation, for instance, or interest rates and the money supply, or consumer spending and capital investment. These correlations are established by a theory—and if the theory is inadequate to the economic reality it is trying to explain, the correlations are chancy indeed.

Just how weak these theories are may be ascertained from the "anomalies" that turn up when you push the buttons of some of our most respected models. Thus, Craig Roberts has pointed out that, in the Wharton and Data Resources models, a cut in corporate taxes will result in *reduced* investment. Conversely, an increase in corporate taxes would presumably result in increasing investment! This is nonsense, of course—as even the model-makers admit. Dr. Roberts' explanation for this nonsense is that such models are based on neo-Keynesian theory, which emphasizes the primacy of consumer spending as the source of economic activity. He is very likely right. Indeed, it is this same neo-Keynesianism, simplified and vulgarized to be sure, which explains so much of the economic nonsense now being uttered in Washington.

Take Bert Lance, for instance, head of OMB and an experienced banker who informs us that he is a "low-interest-rate man." Since he made a lot of money as a banker, he obviously knows better than he speaks—he knows that interest rates, high or low, are not intrinsically good or bad.

So why should he say such a thing? Well, he presumably did so because his neo-Keynesian advisers all assure him that high interest rates stifle demand, that it is demand which makes the economic world go round, and that it is "underconsumption" which accounts for recessions.

We may simply dismiss out of hand the bizarre observation of our Secretary of Commerce (a former professor of economics!) that the United States "must learn to live with slower growth in order to maintain world economic balance." As if the world economy could hope to prosper while the American economy stagnates!

Similarly, one cannot get too excited over the discovery by Hobart Rowan, chief economic commentator for The Washington Post, who generally reflects the views of "liberal" economists around Congress that ". . . if this country is facing a 6% basic rate of inflation over which it has no control, then it seems only logical that money growth rates are going to have to range upward, rather than downward from 6%." In other words, the only cure for the problems caused by inflation is—more inflation.

One cannot, however, so lightly dismiss the ominous murmurings about a possible future need for "selective price controls" that are filtering down from the Council of Economic Advisers. Charles Schultze, chairman of the CEA, is unquestionably a distinguished economist with a first-class mind. So are his colleagues at Brookings, many of whom also serve as consultants to the CEA. What is striking about their economics, at the moment, is its candid avowal of intellectual bankruptcy. Their fiscal and monetary policies neither stimulate the economy nor slow down the rate of inflation; they freely confess to not knowing why; and more and more frequently, they are talking softly about price controls as "a last resort." They will tell you, again and again, that they don't really *like* controls—but since they keep telling you this without your having asked them, one gets the distinct impression that they are preparing themselves psychologically for such an eventuality.

STOCK MARKET PERSPECTIVE

Meanwhile, the stock market is seeing things from its own perspective. It notes that, after a decline in the federal deficit from $66 billion in 1976 to $48 billion in 1977, we shall in fiscal '78 have a substantial increase (to $65 billion). It notes that consumer spending is being sustained by consumer debt, rather than by a real, after-tax rise in earned income. And it notes that, in response to inflated demand, business output is up but that productivity is lagging omi-

nously. Above all, it notes that the economy is squirming between the two blades of a scissors: government-induced inflation on the one hand and high rates of personal and corporate taxation on the other.

The stock market notes all these facts and incorporates them into *its* economic theory, which is hardly a theory at all, but simply an old-fashioned diagnosis of the conditions of economic growth. This is the one big truth the stock market knows: the "secret" of growth—which is no secret at all, except from certain economists and politicians.

The stock market knows that it is not anyone's "demand" that creates growth—if it were, we would have perpetual growth, since demand is infinite. Rather, it is the man of ambition—especially the entrepreneur, individual or corporate—who generates growth. He does this by increasing productivity through innovation—i.e., he stimulates demand for existing goods by making them cheaper, and he stimulates demand for new goods by inventing them. And in the course of creating these new and cheaper commodities and/or services, he also creates jobs, which in turn create demand. The entrepreneur will do this—unless, of course, heavy taxation of incomes and of capital gains will remove all incentive for him to try.

In the economics courses of yesteryear, this theory used to be summed up as "Say's Law" ("supply creates demand"), since it was first articulated in 1803 by a French economist of that name. In 1936, John Maynard Keynes announced in his "General Theory" that he had repealed—or, rather, inverted—M. Say's law. The stock market is not convinced. It holds fast to its one, big, ancient truth. Economists will complain that the market is being "irrational." But the market goes its own way, indifferent to academic censure, secure in the knowledge that its truth will be there long after today's fashionable theories have become academic curiosities

NEW BLS FIGURES CHANGE BENEFITS IN H.R. 6923

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. KOCH. Mr. Speaker, on January 4, 1977, I introduced H.R. 952, the Minimum Income Maintenance Act—MIMA—which would consolidate the AFDC, SSI, and food stamp programs into one system of benefits to be administered and paid for by the Federal Government. MIMA was subsequently reintroduced as H.R. 6923 with minor amendments which I shall discuss shortly.

My bill would set 50 percent of the Bureau of Labor Statistics lower level urban family budget figure for a given locality as the maximum benefit. That figure represents the income level that BLS considers adequate to lead a modest life. According to the BLS computations, which were released in updated form last month, the lower level family budget for an urban family of four in New York City is now $10,835 yearly. The bill H.R. 6923, utilizing 50 percent of the regional BLS standard as the minimum benefit for a family of four which has no other income, would provide a maximum benefit of $5,417 in New York City.

The total cost of the bill has been recalculated in light of the new BLS data. House Information Services estimates that providing a minimum basic benefit for all needy family groups including "grandfathering" of all current recipients whose benefits exceed the MIMA grant, would cost $40 billion. Expected increases in cost are offset by recalculations based on more accurate demographic and population data. This cost would decrease to $33 billion a year during the third year of operation at which point, the grandfather clause would be phased out.

In response to many helpful suggestions from Governors and other welfare reform experts, some changes have been made in my original bill and are reflected in H.R. 6923. Reporting and accounting of earned income would now be done on a monthly basis to reflect income changes in each month's benefit.

Under the modified bill, the HEW Secretary would be required to draft recommendations regarding eligibility for social services and medicaid for all MIMA participants. Currently, AFDC and SSI participants are automatically eligible for medicaid and social services. Under MIMA, eligibility guidelines for medicaid and social services would have to be developed to measure the need of MIMA recipients for these services.

Under MIMA, the Secretary of HEW is to promulgate regulations defining work expenses to be deducted for the purpose of determining new income. Language has been revised in H.R. 6923 in order to allow the Secretary broad discretion to develop a deduction formula most equitable and administratively sound.

Now that the new BLS figures have been released and my revised legislation has been introduced I thought it would be helpful to conclude this statement with a summary of H.R. 6923.

SUMMARY OF THE MINIMUM INCOME MAINTENANCE ACT (MIMA), H.R. 6923

The Minimum Income Maintenance Act would replace the AFDC, SSI and Food Stamp Programs with a single national welfare system of benefits which would be administered by the federal government and for which all citizens and permanent residents of the U.S. would be eligible. The legislation would regionalize welfare benefits by utilizing the Bureau of Labor Statistics' (BLS) "lower budget" figure for both SMSA (Standard Metropolitan Statistical Area) and for non-SMSA areas. In determining maintenance payments, the bill would establish the applicable BLS figure as the eligibility standard and 50% of the applicable BLS figure as the maximum Koch payment. The Koch benefit would be that maximum figure reduced by ½ of income and work enabling expenses, as defined by the Act.

A sample of current BLS lower budget figures for a family of four is set forth below to convey an idea of what the level of benefits would be in different regions across the country.

New York City	$10,835
Pittsburgh, Pa	9,697
Cleveland, Ohio	10,023
Detroit, Mich	9,865
Atlanta, Ga	9,222
Baton Rouge, La	8,914
Denver, Colo	9,765
San Francisco, Calif	10,920

(Maximum payment would be 50% of these figures.)

NOTE: Currently, BLS provides lower budget figures for a hypothetical family of four and for a retired couple in 40 of the 276 SMSAs. The BLS hypothetical family of four consists of a 38-year-old husband employed fulltime, his non-working wife, a boy of 13 and a girl of 8. The Koch program would have BSA develop comparable figures for varying family size and compositions in SMSA and non-SMSA areas.

For the purposes of the bill, income is defined as including both earned and unearned income and all public payments such as veterans' benefits and social security in order to reduce the inequities created by some state welfare programs which reduce benefits by some government programs but not by others. The Secretary of HEW would determine which in-kind and vendor payments would be exempted in computing income. Medicaid is to be the only public payment explicitly exempted for that purpose. Work enabling expenses, as defined by regulations promulgated by the Secretary (including day-care expenses), would be deductible in establishing "income".

The definitions and formulas which follow indicate how the Koch benefit would be computed.

Eligibility Standard—The BLS lower budget figure for respective family size and SMSA, or comparable non-SMSA figure.

Maximum Payment—50% of the applicable BLS lower budget figure.

Koch Benefit equals Maximum Payment minus earned and unearned income plus public payments minus work enabling expenses divided by 2.

Total family income equals earned and unearned income plus public payments plus Koch benefit.

A significant aspect of the Koch benefit formula is the way in which it deals with the problem of work disincentive—a well-known failing of our current welfare system. Under the Koch bill, benefits decrease as the recipient's income increases by a benefit loss rate of 50% until the ceiling is reached. Thus program benefits are tapered off gradually until the benefit levels have been diminished to an insignificant amount before applying the cutoff. By doing so, the system avoids work disincentives created by an abrupt, though perhaps lower, cutoff point. Similarly, work enabling expenses such as day-care costs are deducted from income level in calculating benefits so as to avoid penalizing the recipient for having incurred the unavoidable costs of pursuing gainful employment.

Mandatory registration at local employment offices and active job seeking are a prerequisite to receiving benefits under the Koch bill. The elderly, the handicapped and mothers with preschool children would be exempt from that requirement.

Below are computations which show how the Koch benefit formula would create a rational work incentive scale. (Work enabling expenses are not considered for purposes of this chart.)

Income	Maximum payment	Minus ¼ income	Koch benefit	Total income
0	$5,000	—0	$5,000	$5,000
$4,000	5,000	—½($4,000)	3,000	7,000
$7,000	5,000	—½(7,000)	1,500	8,500
$9,500	5,000	—½(9,500)	250	9,750

Family is defined in the bill in such a way as to avoid the unfortunate family splitting which resulted from the AFDC program. Childless couples, intact families, individuals, retired couples, dependent children and step-parents (as they contribute to the support of dependents) are defined and included in the program.

Monthly retrospective accounting and reporting of income would be employed in administering the program. Though states that wish to participate in the program will be specifically prohibited from supplementing the Koch benefit, emergency needs will be covered by regulations promulgated by the Secretary. Assets shall be imputed to income by disregarding the first $10,000 of assets and counting each additional $10,000 of assets as $100 in income.

The Minimum Income Maintenance Act

contains a "grandfather clause" to insure that those families currently receiving AFDC, SSI and Food Stamps do not suffer immediate losses because of the transfer to a national welfare program. Those families for whom benefits under the Koch bill would be less than those which they currently receive from the programs listed above, would continue receiving their current level of payment for two years. Anyone who files an application for public assistance after the bill is enacted would not be entitled to the level of payment insured by the bill's "grandfather clause."

The Inspector General of HEW would be specifically empowered to investigate and where necessary, prosecute cases of both administrative and recipient fraud. In addition, the Inspector General will be empowered to audit the program for over and underpayments.

RIGHTS OF THE POOR

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs. SCHROEDER. Mr. Speaker, one of my favorite writers, Jane O'Reilly, has written an excellent article in which she alleges some Members of Congress are going to duck the hard issue of equal medical rights for the poor when the Labor-HEW appropriations bill comes up tomorrow. I hope her analysis is incorrect, and that Members will rise to the challenge.

I insert her article at this point:

TANGLING WITH THE RIGHTS OF THE POOR

Sometime this week, the House of Representatives will debate the Labor—Health, Education and Welfare appropriations bill. The money to be appropriated is the largest part of our national budget and it is spent, theoretically, to improve the lives of the disadvantaged and powerless fifth of our nation.

The moment is traditionally a time for powerful congressmen to speak of fiscal responsibility and public morality. This year they will do so while offering schemes to limit school desegregation and while demanding deep cuts in programs for low-income families.

The most disadvantaged, least powerful, most consistently excluded people in the United States are poor pregnant women. It is, therefore, no surprise to discover that this year's bill includes last year's infamous Hyde amendment which would deny Medicaid funds for abortion. To vote against the provision requires a vote against the entire bill.

To vote for the provision is clearly irresponsible. Last year's enactment of the amendment by Rep. Hyde, R-Ill., resulted in an immediate temporary restraining order from the Eastern District Court of New York on the grounds of unconstitutionality. The Supreme Court will probably be hearing arguments this fall, but a decision is not expected this year.

The Hyde Amendment is specifically designed to discourage abortions. The abortions discouraged are those of a certain class of women, because of their economic condition and because of other people's moral views The provision denies those women their constitutional right to choose abortion and to enjoy equal protection under the law.

Prof. Thomas I. Emercon, Lines professor of law emeritus at Yale University, as part of his attack on the amendment's constitutionality, has written: "There is, of course, normally no obligation on the government to provide funds for the exercise of a constitutional right. But when the government sets up a comprehensive program of medical aid to the indigent but excludes from that program funds for medical aid for abortions, it is obviously imposing a burden on the right to have an abortion."

If Congress passes the provision, the result will be administrative chaos, great personal hardship, and an almost certain reversal by the courts. In the meantime, some congressmen will have passed the buck and won a few points from the anti-abortion forces who are flooding their offices with letters and roses.

It is too bad that the vast majority of Americans who have come out in favor of the right to choose abortion in every poll taken on the issue are not as eager to defend the rights of poor women.

Perhaps the vast majority of Americans believe, with Congress, that poor women deserve what they get, which includes inadequate health care of any sort, inadequate contraceptive information, inadequate employment and inadequate welfare. Perhaps the majority of Americans—who regulate their consumer habits by response to sexually motivating advertisements—believe that some people's morality should be publicly legislated and punished.

The courts have already found unconstitutional requirements which demanded consent for abortion from a married woman's husband and blanket provisions for consent from the parents of an unmarried minor. The only group left to harass is poor women.

One out of five American women has had an abortion. Only three out of every 10 performed these days are Medicaid funded. If those three women are denied funds they will continue to seek abortions. But instead of safe $150 abortions, they will have dangerous $25 back alley abortions: an ironic consequence of a bill designed to equalize access to health care. The medical complications of those unsafe abortions will make those same women, ironically, eligible for Medicaid.

As a further irony, the very congressmen trying to deny poor women abortions are demanding cut-backs in child care.

Irony pervades our public policy. President Carter and HEW secretary Joseph Califano oppose public funds for abortion. They have also proposed welfare "reform" which would exclude teenage mothers. One million teenagers between 15 and 19 get pregnant every year. Most Medicaid abortions are for very poor, very young women.

President Carter speaks of human rights abroad. What about at home?

OSHA

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ZEFERETTI. Mr. Speaker, we hear countless stories everyday of various employers' experiences with OSHA. Unfortunately, most of these accounts are negative; the positive experiences are rarely heard, I would like to commend the following letters from small business emplovers who were pleased with an OSHA visit to my colleagues.

The letters follow:

PARAGON AUTO RADIATOR CORP.,
Brooklyn, N.Y., February 8, 1977.

Mr. IRVING KINGSLEY,
U.S. Department of Labor,
Brooklyn, N.Y.

DEAR MR. KINGSLEY: I wish to thank you for the recent OSHA inspection conducted by Mr. Irving Feinstein and Mr. Michael Paris. Most companies fear this type of inspection because of the financial costs and the inevitable interference (direct or indirect) with production. These pains hurt our company as much as any other company.

However, because of the professionalism of these two men, the financial drain to my company is well worth the investment. Interference with production was minimal, and even more important—the safety standards and habits of this company will reflect the quality of your investigation.

Thank you for sending these two men who upheld the high standards set by your department.

Very truly yours,
SEYMOUR NEWMAN, *President.*

TANNER BUILDING CO., INC.,
Elmira, N.Y., December 17, 1976.

Mr. ALFRED BARDEN,
Regional Administrator,
New York City, N.Y.

DEAR MR. BARDEN: We are a relatively small construction company and we move around the north east quite a bit.

Frankly we have been living in terror of our first inspection. We read the rules, attend seminars, read the newspaper and listen to inter company scuttlebutt. That source of information becomes quite forbidding.

It finally happened. We were inspected and a transcopy of the citation is attached for your information.

I feel compelled to write and say that it was a pleasant and satisfactory experience. The citations, some of which were not expected due to our lack of information, were quite legitimate. We expect to be able to comply with them in a timely manner. Some of the placards on the crane are hard to come by.

The whole affair sounded like one of my own trips to a job site. I was not there. I am sure the men feel that trip had more teeth in it. For that I thank you.

Our safety record must be on the plus side as we have enjoyed a discount on our compensation rates. The inspector serves a further purpose in that we all have blind spots. I have been known to look at situations over a period of time, knowing better but just not seeing it. I stand too close. A pair of fresh eyes as far as I am concerned will always be welcome, especially when they come in the manner of this our first inspection.

Whenever we can help let us know. Safety after all is primarily our concern.

Thank you,

SERENO S. TANNER,
President.

OUR NATIONAL BANNER

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. DANIEL of Virginia. Mr. Speaker, today we have been privileged to participate in what is always a moving ceremony to me—the recognition of the adoption of our national banner.

I have chosen this occasion to respectfully request that a poem which was written by Mr. Maury H. Moses, of Chatham, Va., and which appeared in the Star-Tribune, Chatham, on Memorial Day, be printed in the RECORD.

Mr. Moses is a graduate of Virginia Military Institute, and served with distinction during World War II. His son was following in the same tradition, when he was tragically struck down during the war in Vietnam.

Mr. Moses is a singular citizen whose reverence for the past and respect for

his fellowman is reflected in the following words:

CONFEDERATE GRAY AND UNION BLUE

The silent cannon stand all alone
They've roared their last loud blast;
The cannoneers who served are gone
To the glory of the past.
The battered muskets now covered with rust
Will flash no more their flame;
The gallant men who fired them
Have achieved immortal fame.

On the distant hill in the sunset's glow
The fallen warriors lie;
Their comrades paid their last respects
Then sadly marched on by.
Now all their battles are over

Each to his flag was true;
The men who wore Confederate Gray
And those of Union Blue.

No more will they arise at dawn
To answer the bugle's call;
For they lie deep in eternal sleep
These who gave their all.
No more will their hearts be thrilled
To see their colors fly;
It was the hope of victory
That kept their spirits high.

No more will they endure the cold
Nor sweat in sultry sun;
They served well until they fell
Their duty nobly done.
They'll hear no more the cannon's roar
Nor see their campfires burn;
For they gave all beyond recall
On the road of no return.

No more will they hail their chief
Whom they held in high esteem;
In fighting for their cause they made
The sacrifice supreme.
No more letters will they write
To loved ones far away;
The loving hearts that wrote them
Lie still beneath the clay.

Bravely each one met the charge
Midst hail of shot and shell;
Staunchly each espoused his cause
And bravely each one fell;
Valiantly each one joined the fight
And strove to turn the tide;
Fiercely each fought with all his might
And bravely each one died.

Though much debate of right and wrong
As history does attest;
Each believed his cause was just
And devotedly gave his best.
Now they rest in eternal peace
All their battles are through;
The men who wore Confederate Gray
And those of Union Blue.

PENSIONS FOR HOMEMAKERS

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. BADHAM. Mr. Speaker, I would like to call the attention of my colleagues to an article in the June 14, 1977 Wall Street Journal relating to pensions for homemakers:

A 1976 law lets workers include their spouses if they have set up their own individual retirement account. But an unusual coalition of conservatives and liberals backs a proposal to let homemakers create their own retirement plan even though they didn't earn any income. They would base the plan on their spouses' income, and could contribute up to $1,500 a year in funds deductible from current income taxes.

Freshman Rep. Paul S. Trible, Jr., a Virginia Republican who has been pushing the plan, argues it "recognizes the economic value of a homemaker's work." He finds support from conservatives, who think the plan stimulates savings, as well as from liberals who view it as a women's rights measure. Farmers whose wives haven't had a retirement plan are particularly excited, he says.

I would like to commend my colleague from Virginia, Mr. TRIBLE, for his initiative in this area and urge my fellow Members of Congress to support this needed legislation.

THE BENNINGTON FLAG

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. O'BRIEN. Mr. Speaker, today is the 200th anniversary of the first action by the Continental Congress to create an official flag for the United States. The Continental Congress specified that the American flag should have 13 stripes, red and white alternatively, and that the Union should be 13 white stars in a blue field.

This, obviously, left a good deal of latitude to flag makers as to the type of the stars, their arrangement and the arrangement of the stripes.

American folklore has it that Betsy Ross of Philadelphia, a known maker of flags, stitching the first "Stars and Stripes" American flag.

The evidence of history, however, indicates more strongly that the first "stars and stripes" was sewn in Vermont and carried by American soldiers at the Battle of Bennington, August 16, 1777. The Americans won a much-needed victory against British and German forces.

Nobody knows who fashioned the Bennington flag. It was made soon after word was received in Vermont that the Congress had passed the flag resolution. It was first owned by one Nathaniel Fillmore, a lieutenant in the Bennington militia company. The flag was presumably flown by this company at the Bennington battle.

The Bennington flag was the first "Stars and Stripes" flag used by American land forces and the first to be raised in victory.

The original Bennington flag or one made at very nearly the same time survives to this day. The Bennington flag has been in the hands of descendants of the Bennington Fillmores—one of whom became the 13th President of the United States—who settled in the Aurora and Joliet areas of Illinois.

The Bennington flag was flown in Aurora during the Centennial celebrations of 1876. The original Bennington flag was last flown in public at the Grand Army of the Republic national encampment at Minneapolis in 1887. Souvenir hunters there cut off one of the stars and tore off part of the top stripe. Since then the Bennington flag has not been used at public events.

The original Bennington flag, of homespun linen, measures 10 feet by 5½ feet. The stripes are alternating white and red, instead of the more common red and white. That is, the Bennington flag's top and bottom stripes are white. The stars are 7-pointed. Eleven stars are arranged in an arch over the numerals "76" with one star in each of the upper corners above the arch. This arrangement of the stars and stripes clearly met the specifications set forth by Congress in the flag resolution of June 14, 1777.

The famous story about the first Stars and Stripes being made by Betsy Ross at the request of George Washington is based merely on a tradition of the Ross family and was first made public in 1870. As history, the Betsy Ross story ranks with the Parson Weems tales of George Washington and the cherry tree. Interesting, but irrelevant.

Although Betsy Ross is known to have made flags, the one popularly called the Betsy Ross flag is not among the many that historians consider seriously as a contender for the honor of being "the first Stars and Stripes."

The Bennington flag has a much clearer claim on the distinction of being "the first Stars and Stripes."

Another scholar says:

The facts strongly indicate that Betsy Ross did not make the first U.S. Flag.

Nor was a Betsy Ross design the inspiration for the Congress' specification of a 13 stripe flag. Flags with stripes and the combination of colors red, white, and blue, were common in flags contemporary to the American colonial period. The East India Co., for instance, flew a flag of 13 red and white stripes, with the cross of St. George on a white field. This design is the basis of the so-called Cambridge Flag raised by John Paul Jones on the Flagship *Alfred* on December 3, 1775. The Cambridge Flag substituted the British Union Jack for the field along with the 13 red and white stripes.

This was the "Union Flag" that George Washington wrote about when he assumed command of the colonial army at Cambridge, Mass., on January 2, 1776. "We had hoisted the Union Flag in compliment to the united colonies," Washington wrote.

The Cambridge Flag was the recognized flag of the combined colonies until the adoption of the Stars and Stripes by Congress on June 14, 1777.

The Bennington Flag clearly has a superior claim to the distinction of being "the first Stars and Stripes."

The original Bennington Flag is now on display at the Bennington Battle Monument and Historical Association, Bennington, Vt. In 1926, the flag was presented to the Bennington Association as the gift of the late Mrs. Maude Fillmore Wilson of Joliet, Ill.

I am indebted to Mrs. Elizabeth Wilson Thomas of Minooka, Ill., for much of the fascinating history of the Bennington Flag.

TRIBUTE TO J. ROGER PORTER

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. SMITH of Iowa. Mr. Speaker, J. Roger Porter has earned a reputation in

the scientific world as one of the greatest experts in the field of microbiology. He earned his BS and MS degrees at Iowa State University and has been a professor at the University of Iowa since 1938 and head of the department of microbiology since 1949. A faculty recognition dinner was recently held at the University of Iowa and I include in the RECORD some remarks made at that time which describes his accomplishments in more detail. The remarks are as follows:

A TRIBUTE TO J. ROGER PORTER, FACULTY RECOGNITION DINNER—UNIVERSITY OF IOWA

It is a privilege for me to offer a very sincere tribute to Roger Porter this evening. I wish to include Marjorie Porter in my remarks of appreciation since it is very clear that Roger and Marjorie and their family (Roberta (Mrs. Walter W. Barbee), Carol (Mrs. Lee W. Hopkins), Katherine (Mrs. William H. Blessing) and John Roger, Jr.) are just exactly what it's all about when one reviews their respective roles in the local community, in the University and in the community of the nations of the world.

Roger belongs not just to us but also to the international community of scholars and scientists. In his own words—one of his objectives has been the promotion of microbiology at the national and international levels.

My statement is in two parts: 1. Facts. 2. Impressions. The first of these are in the record book, and I shall abstract a few high spots. The second is highly personal and is one person's opinion of another.

Now to the facts: John Roger Porter was born in Alma, Nebraska. He earned his B.S. and M.S. degrees in Bacteriology at Iowa State College and his Ph.D. at Yale, the last degree in 1938. He came to the University of Iowa in 1938 and progressed to Professor and Head of the Department of Microbiology by 1949. He has filled this position to date with a rare combination of accomplishment, compassion, and distinction. Among his major contributions to the science of Microbiology was his classic text, "Bacterial Chemistry and Physiology", published in 1946 by John Wiley and Sons, all 1073 pages of it—loaded with several thousand references to the original and review literature in this rapidly developing field. In preparing for this evening I spent a little time prowling through this book. It was a worthwhile brief journey, replete with many accurate insights and predictions of future progress.

Let me list several representative examples of what Roger has been doing. The entire list would require about two hours:

1. American Society of Microbiology, President, 1964, with a half a page of other major assignments in the Society before and after.
2. American Academy of Microbiology, Chairman, 1962–63.
3. American Association of Immunologists.
4. American Institute of Biological Sciences, President, 1967.
5. Editor-in-chief, Journal of Bacteriology, 1951–61.
6. Council of Biology Editors, 1962–76.
7. International Association of Microbiological Societies, 1963–75.
8. International Cell Research Organization, 1973—.
9. UNESCO Panel on Microbiology, 1966–69, U.S. Delegate to 18th General Conference, 1974.
10. Biological Abstracts, Board of Trustees, 1960–65.
11. U.S. House of Representatives; Panel on Science and Technology, 1970–74.
12. Many Major Assignments, University of Iowa and College of Medicine.
13. Distinguished Achievement Citation, Iowa State University Alumni Association, 1975.

The above incomplete list must be added to a long series of fundamental research papers, reviews and editorials.

To conclude my facts, let me say that Roger Porter in many ways is a microbiologists' microbiologist. He is a superb teacher and a thorough scholar.

Part 2 of my remarks deals with my personal impressions. These are those of a trusted and respected colleague; a warm and unselfish friend; a valuable ally when one is on a sound course and a perceptive critic when one is not. On many occasions Roger's colleagues have sought him out to gain the advantage of his judicious and thoughtful point of view. One was always certain that there would be no trace of self-serving in his analyses. One also was frequently treated to orienting vignettes, related in a charming way which served to establish needed perspective. In a word—Roger is a colleagues' colleague.

I conclude with a quotation from his address, "Microorganisms and the Biosphere", given in 1974 at an international symposium commemorating the 150th anniversary of the birth of Louis Pasteur and published in the Bulletin de L'Institut Pasteur:

"In my brief statements I have tried to indicate that microorganisms constitute a prime natural resource of mankind. The proper control of the harmful types and the utilization of beneficial ones are essential to the conservation of the biosphere and perhaps the preservation of civilization, because microorganisms are directly concerned with the most elementary of all human needs; namely, health, water, air, and food.

"Some persons are pessimistic about the preservation of the environment and even civilization. They may be right, but the future is not entirely bleak because the problems mentioned here are being widely discussed by diverse groups throughout the world, and some worthwhile actions are slowly being taken. But in a world where man faces so many moral, economic, political, and social problems as he does today, the basic needs to sustain life and to improve the environment are hardly sufficient. What is required, in addition, if we are to avoid returning to an uncivilized state, is a better rational humanitarian understanding among men. We must all strive to preserve and promote this great human quality."—CARL S. VESTLING.

A CANADIAN VIEW OF UNITED STATES/CANADIAN RELATIONS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. LAFALCE. Mr. Speaker, I recently had the pleasure of attending the Canada-United States Interparliamentary Conference which was held in Victoria, British Columbia. I believe that the discussions which took place between the Members of Parliament and the Members of our congressional delegation were quite fruitful in enabling both of our countries to gain a better perspective of the other's points of view.

In particular, I was most interested in the remarks made at the opening plenary session by Martin O'Connell, a Member of Parliament and cochairman of the Canadian section. I would like now to share with you his thoughts on the relations between Canada and the United States:

NOTES FOR REMARKS OPENING PLENARY SESSION

It is an innovation in our meetings that we begin this year with a broad statement by a member of each delegation of the domestic situation in each country and the state of the relationship between our two countries. We welcome this because it gives us an opportunity to get an overview of what is happening which we may miss if we go at once into three committees and then report back to a plenary session the findings of each particular committee. So I will try to assess our domestic situation as it may affect relationships between Canada and the United States. I will also highlight certain bilateral issues, and then comment on the adequacy of the means we as Parliamentarians and Congressmen have to consult each other prior to actions being taken which impact the other country without due consideration of the other's interests. Do we have an early warning system at our level; that is, the non-executive level—the level of Congress and Parliament?

In Canada, a number of stresses have been building up for a decade and have now come to a head simultaneously. Changes in population growth; a dynamic economic development in the west; a relative decline and weakening of the industrial heartland in Ontario and Quebec, and a profound social revolution now some 15 years old in Quebec (the so-called quiet revolution), all of these developments have eroded the old national consensus. We face a series of severe challenges to the status quo and I suspect that we will have to make some significant changes in our federal structure and in our economy if we are to emerge with our unity confirmed.

The most dramatic and therefore newsworthy of the challenges to our federation was the election last November in Quebec of a party committed to separating that province from Canada. The Parti Québecois muted its objective of separation by offering, if elected, to proceed to independence in two stages. First, it would hold a referendum on the question of separation, and secondly, only if that mandate were confirmed would it take direct steps to try to achieve independence. This device for allaying the fears of a majority of the Quebec electorate of a separation of Quebec from Canada, together with a strong and widespread resentment against the former government of the province, combined with support for independence among perhaps one-quarter of the Quebec electorate to allow the election of the Parti Québecois with a strong majority. As friends of Canada, you have an obvious and legitimate interest in what has come to be called the national unity issue in our country.

It would be comforting for me to be able to say that, if seen in its proper perspective, there is little to be concerned about in the longer view. But this is not so. Even if one admits that all federations, yours as well as ours, generate jurisdictional frictions as well as regional tensions and difficulties; and even if one concludes that Quebeckers were basically voting only for good government, or against bad government, and not in favour of separation; and even if one accepts that the great majority not only of Quebeckers but of all Canadians, are strongly committed to national unity and, finally, even if we confirm that we have both the commitment and the flexibility to solve our problems in a way that maintains Canada as a single federal country—even if we accept all this, we are still left with the realization that we face the most fundamental crisis in our history.

That which helps make this crisis so fundamental is the simultaneous convergence of basic economic, political and cultural factors. Not only, therefore, are we in Canada bound to be preoccupied with these challenges; but also the measures we may feel obliged to take, not least to cope with the economic aspects of these problems, will likely influence relationships between our two countries. This is so because our economies are so directly related to each other in terms of trade,

in terms of investment, in terms of technological dependency, and in terms of parent subsidiary relationships more pervasive than in any other country of the world. We may be led to take decisions some Americans may not like. For this reason we need a better early warning system. And I hope you will make an effort to understand the critical conditions in our country which make adjustments necessary. You may find adjustments throughout the range of our economic relations; in technology transfer, in tariffs that inhibit the further processing of primary products in the west and in central Canada to cite only two examples. You may find our adjustments for example in a range of cultural questions that arise because of our desire to reinforce a sense of national identity; for example, in measures we have taken in Canadian radio and television programming. I know that some of you have felt certain measures to be directed against the United States. This is not our intention. I can only ask you to understand that the objective of these measures is to reinforce a sense of unity and identity in our country. We work at it. And we think you believe that these are important objectives for the United States as well as for us. We do ask you, therefore, to understand that we may indeed be on the threshold of going through internal changes in our political constitution and the way our economy works more profound than have affected our country since Confederation. I know that, for our part, we will be trying to find a balance between essential accommodation of the internal pressures in the economy, in political and in cultural matters, and our desire to maintain at the same time an open market and the closest possible relationship with the United States of a kind that preserves the foundations of that relationship.

Let me now give you a few examples of problems that have been resolved in an ideal way, thus illustrating both the closeness of our association and our willingness and ability to take each other's interests into account.

Perhaps the best recent example is Canada's decision to provide additional gas supplies and energy to the United States last winter when you met an unanticipated and severe cold spell. This decision was not bargained against some other objective or some other issue. It was not linked. We did not treat our gas as a "bargaining chip" to use a term employed a couple of times in a recent Senate debate. It was the appropriate thing to do and was dealt with on its own merits and in its own context.

Of a different order, we in Canada have been pleased indeed with the manner in which the United States is dealing with the Garrison Diversion Project in North Dakota. This was a project that Canadians feared would have damaging ecological effects in Manitoba. You took our concerns into account on their merits, and in their own setting You did not link them into a multi-issue deal in which one objective was dealt off against another.

One can point to former irritants that now are fading into the background as understanding emerges of the objectives sought and of the manner of operating a new policy. For example, I believe that our Foreign Investment Review Act has ceased to cause you concern. Is it now true also that misunderstandings that arose when we felt obliged to cut back oil are subsiding? You no doubt perceive that Canada took reasonable measures to protect its own legitimate interests in an energy crisis and at a time when we realized our reserves were rapidly diminishing and were very much smaller than they were thought to be only a few years ago. We observe the strenuous efforts you are making to conserve energy supplies, and we believe that you are acting in your best interests and that both of us do so in ways that avoid taking advantage of each other's predicament.

These are examples of a rational discipline exercised in each country as it translates domestic pressures and interests into policies that can profoundly affect the other. A rational discipline of this kind is based necessarily on close communications and a willingness, indeed a desire, to take into account the interests and needs of the other, and to do this with each issue viewed in its own context. It is based on mutual trust.

I feel that is the spirit in which we begin our three days of meetings. Consider for a moment a few agenda items. There is the intricate question of establishing boundaries on the oceans where our respective extended jurisdictions will meet for the first time as the result of decisions taken by our two countries to declare a 200-mile economic zone outward from our shores. This entails much negotiating, government to government, and much understanding on the part of Parliamentarians and Congressmen. There is the question of raising the tolls on the St. Lawrence Seaway, a matter we deem urgent though we recognize your differing attitudes and needs. There is the question of protecting the environment, both in the air and in the water, and the problems we believe we may encounter with an oil tanker route from Alaska to the northern States. On your part, we know you have serious concerns about Canadian drilling in the Beaufort Sea and we each have concerns about the potential pollution or flooding that may be caused in the many rivers that cross our borders; the Flathead River, the Skagit and the Richelieu, to mention a few.

If I were to highlight a current and even urgent issue which may be a friction issue, though hopefully not, I would choose the problem of bringing your oil and gas from the Arctic to southern markets. Your requirements do enter into our decisions and their timing. For our part, we ask you to recognize that the exploitation of oil and gas in Canada's far north and in Alaska has substantially different social and economic implications. For example, you have found enormous quantities of oil and gas in Alaska and believe that there are equally large fields not yet identified. By contrast, the total amount of gas discovered and proven in Canada's Mackenzie Delta is small. It amounts to less than the discovery of new gas in each of the last three years in Alberta alone. Nor have we found oil in commercially viable quantities in the Mackenzie Delta. Accordingly, with the currently high rates of discovery of gas in Alberta we have, in Canada's temperate zone, at least 25 years of gas supply at current rates of consumption, even if we maintain our present level of exports to the United States. Yet we do want to give full consideration to your needs, to get your oil and gas to your markets, possibly overland through Canada.

Another difference relates to the situation regarding native claims in the north; you have settled but we have not. The Canadian public is sensitive to native claims. It wants justice done here, not only with respect to land claims but also with respect to the social as well as environmental and ecological impacts of a massive industrial project like a pipeline. And finally, the north, because it is so large in relation to southern Canada plays, I venture to say, a more central part in Canadian politics than I presume Alaska may do in the United States. The time of our north has come.

All this is to say that our perception of the urgency of piping our arctic gas southward is different from yours. At the same time, and I reiterate, as a good neighbour we cannot fail to be concerned about your urgent requirements. Prime Minister Trudeau has assured President Carter that we will try to make our decision within the time frame laid down by Congress so that your President can take that decision into account when he makes his decision. But this is not going to be easy for us. We await our National Energy Board report two months hence and have just now received the report of the Berger Commission recommending a ten-year moratorium before a Mackenzie Valley pipeline would be built, if at all. It will not be easy. The impact of what we decide to do will have major significance for the whole of our country.

I think it is fair to state that in general our relations at the highest levels have not been better for over a decade. Our Prime Minister and your new President have met both in Washington and at the recent summit conference in London. They apparently hit it off well together and each has made it clear that he attaches personal importance to maintaining good relations. President Carter has been continuing the good work undertaken by President Ford. To improve even further the excellent relationships between our two governments or administrations, we ourselves have just established in our external affairs department a new bureau to deal exclusively with Canada and United States relations not only with respect to bilateral questions but also with respect to world problems.

But there is also Congress with its own initiatives in legislation and its strong role in foreign affairs, answering to its constituency in a way that, because of our different parliamentary system, we do not. You may, for example, go along with your Administration or you may not go along with it. Our Parliament does go along or if it can't we have an election and we get a new administration and a new Parliament that will work together. I raise this because I think we ought to put on the table a question I feel is worth raising in the context of the relationship between our two countries as it may be influenced by Congress acting on its own with or without initiatives by the Administration.

It is more difficult for us to characterize Congress's perception of Canada than is the case when we consider your administration perception of Canada. I say this without wanting in the least to give offense. Let me ask, is it fair to say that there is not the same ongoing commitment—is it possible, indeed, to have the same operational commitment, on the part of Congress, to the development of good relations with Canada as is maintained by United States administrations? If this is so, is it so, in part, because Congress by its very nature finds it difficult to develop a unified policy? I think in Parliament we would find it very difficult to do so. Each of you must respond to the pressures within his own district or state, and it is usually, one presumes, only when problems arise in one part or another of the country in relation to Canada that you find yourself pressed to take a position.

Let me illustrate with two recent issues involving Congress which seem typical of the process to which I refer. One was the unanimous resolution to the two Houses of Congress condemning the practice of harvesting baby seal pelts in Canada; and the other concerns the decision of Congress to modify the tax regulations regarding the treatment of convention expenses This later decision was probably taken without much thought of its impact in Canada. Yet by mid-April of this year, we calculated that it had already cost us $24 million in cancelled U.S. convention business. Multiply this by three, which is the normal calculation of other dollars spent by delegates, and you have a $75 million loss in the first quarter. The estimated loss for the whole year is between $100 and $200 million and may be greater because many of these associations are North American in their membership and Canadians find it important to attend whether they are held in Canada or in the

United States. So they will continue to attend the conventions, but now they will be held in the United States, and this at a time when the balance of spending by tourists is already some one half billion dollars in your favour.

This is one aspect of the question I am raising; that is, the difficulty of consultation when the action taken is Congressional action. We do not seem to have appropriate mechanisms equivalent in some ways to those that we have when the decisions are taken by our respective administrations.

Having once taken your decision on conventions, it becomes difficult to reverse it or to make an exception for Canada. So, when Canadian authorities raise the issue, it is suggested that we have to pay for some exceptions by making some change in one of our laws or regulations to which you find objection. For the moment, some United States leaders seem to have fixed on a Canadian law concerning the treatment of advertising expenses for U.S. broadcasting stations which have in the past profited from selling advertising in Canada. It is suggested that both are tax measures and that they may therefore be compared, although otherwise they have nothing in common.

Let me suggest that this is a bargaining game that neither of us can win. For two countries with so many relationships, there is no end to the linkages which could be made. We have always felt that each issue should be examined on its own merits and that we have enough respect and trust in each other to be able to do this. That in fact seems to be the normal course we do take when resolving issues between us. This, then, is the second aspect of the question I wanted to raise: that is, not viewing each issue solely on its own context but moving it into a context where it is related to other issues and thus where difficulties spill over into each other and indeed cause problems across the whole spectrum of our relationship. We say that we do not wish to link issues one to the other and we therefore hope that we will be able to encourage means of prior discussion with respect to Congressional action so that these closely entwined connections will not be unduly bruised because of the way our respective systems operate.

In summary, I am sure we agree that there are many matters which cannot be left exclusively to our two administrations or executive. Many of the issues which affect our relationship are determined by Congress. We hope that our discussions during the next three days will help both delegations to see our specific problems in the larger context. I hope that on Monday afternoon we will revert again to the broader picture and discuss among ourselves how the issues that we have examined in each of the three working committees relate to the larger question of relations between our two countries. Perhaps discussions will lead us to modify the picture we have of the relationship. Perhaps our discussions of the things that we share will help us gain a better perspective of the problems which divide us and thus help us resolve them in a just way.

WHAT KIND OF ADVICE IS CARTER RECEIVING ON DRUGS?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ASHBOOK. Mr. Speaker, when President Carter announced his Cabinet-level appointments I stated although the appointments were not conservative they were not too bad and were what could be expected. Unfortunately, many of the appointments for what can be considered second- and third-level positions are open to much greater criticism.

This is particularly true of the appointment of Dr. Peter Bourne, a special assistant to the President. On June 3 the Washington Star detailed that Bourne "is slowly assuming the role of a roving health ambassador, helping to carry out the President's pledge that the United States should share its medical expertise with 'all nations regardless of politics or ideology.'" In addition to diplomacy Bourne is responsible for the White House Office of Drug Abuse. He has been sworn as its Director.

Bourne's views on marihuana and such hard drugs as heroin make one wonder about his ability to reduce the problems of drug abuse. According to the June 11 issue of Human Events, Bourne "enthusiastically supports the decriminalization of marihuana, and strongly sympathizes with the decriminalization of such hard drugs as heroin." The same article in Human Events quotes Bourne stating:

We regard heroin as the consummate evil and tend to forget that 50,000 die in the United States each year of lung cancer, half of all fatal automobile accidents are alcohol-related and alcohol is the fourth leading cause of death.

The Human Events article details more of Dr. Bourne's views and statements along with the views of Dr. Thomas Bryant who was recently appointed Chairman of the President's Commission on Mental Health.

The statements and views of both Bourne and Bryant raise justified concern. In my opinion the Human Events article "Carter Urged to Decriminalize Heroin" deserves the attention of all those concerned with the drug-abuse problem in this country. For that reason I am including its text at this point in the RECORD:

CARTER URGED TO DECRIMINALIZE HEROIN

President Carter may sound like a self-righteous Puritan at times, but the nation's Chief Executive is likely to become a counter-culture hero before his first term expires. Already, there are signs that the President, when he delivers his promised message on drugs to the Congress, may call for the decriminalization of small amounts of heroin as well as marijuana.

What the President will say is by no means certain at this point, but this is the kind of strong advice he is receiving from the drug "experts" within his Administration working on his speech. These individuals are telling Carter to relax the enforcement of drug laws clear across the board.

The permissive policy being urged on the President is hardly surprising. Dr. Peter Bourne, a left-wing radical and one of the President's closest friends, has been put in charge of the Office of Drug Abuse Policy, the most important agency dealing with drugs in the U.S. government. Though Human Events thought Bourne had a chance to be stopped if his statements on drugs had been widely known (see June 4 issue, page 3), his nomination slipped through the Senate on May 25, and he was sworn into office just this past week.

Dr. Bourne, whose office is in the Old Executive Office Building and who reports directly to the President on drug matters, enthusiastically supports the decriminalization of marijuana, and strongly sympathizes with the decriminalization of such hard drugs as heroin.

The Oct. 1, 1976, edition of *The Journal*, a Canadian monthly published by the Addiction Research Foundation in Toronto, carried a story by a reporter who interviewed Bourne in New Orleans. "The move to decriminalize heroin," the article began, "is gathering force and will ultimately be successful, predicts Peter Bourne, U.S. presidential candidate Jimmy Carter's chief campaign organizer and adviser on health affairs."

While emphasizing he was not calling for decriminalization but only predicting it, Bourne went on to virtually endorse its decriminalization anyway. He pooh-poohed the idea that heroin is very harmful. "We regard heroin as the consummate evil," he said, "and tend to forget that 50,000 die in the United States each year of lung cancer, half of all fatal automobile accidents are alcohol-related and alcohol is the fourth leading cause of death."

Happily, said Dr. Bourne, the attitude toward heroin is changing. "Now, states that have decriminalized marijuana, and a number of others, are moving to an awareness that not everybody that gets involved with heroin becomes addicted." We have got to move "towards eliminating legal distinctions between drugs," he urged, so that the users of tobacco, heroin, alcohol and marijuana are all treated in the same fashion—i.e., no more criminal sanctions against heroin users.

An article by Paul Fischer in the March 13, 1977, *National Catholic Register* quotes Bourne as saying, "There is no doubt that marijuana will be decriminalized in a few years. I'd like to see NORML [a pro-pot organization] switch its energies to working for lesser penalties for possession of other drugs." The same article says Bourne looks with favor on "an experimental heroin maintenance program," with the government providing free heroin at government clinics.

Dr. Bourne isn't the only Carter drug expert interested in decriminalizing heroin. The same can be said for Dr. Thomas Bryant, recently appointed chairman of the President's Commission on Mental Health. In that position, Dr. Bryant is also going to have great input into the President's drug policies.

Dr. Bryant is also head of the privately funded Drug Abuse Council, which is expected to come out with a study urging heroin decriminalization. The Jan. 1, 1977, issue of *The Journal* reports that Dr. Bryant's Council is preparing a major study on "the ramifications if criminal sanctions were altered for heroin. . . ." Dr. Bryant informed *The Journal* the study would probe the problem of decriminalization, "which is an unsatisfactory term, and then what would that mean? There are several things you could be talking about, such as removing criminal sanctions for possession of small amounts for personal use only, and for everything else you would use criminal sanctions.

"Or it could go all the way up to, and include, creating a very rigid, controlled distribution system which might, or might not, involve heroin maintenance [supplying users with low-cost heroin purchased by the taxpayer], and there would be no criminal sanctions other than for major trafficking."

Both Dr. Bourne and Dr. Bryant, it is noted, are very close to NORML, the key pro-pot organization in this nation and whose top-level staffers and advisers glorify drug use in general, including hard drugs. Dr. Bryant serves on the Advisory Board of NORML. Dr. Bourne is quoted in NORML literature as saying: "NORML has done a spectacularly effective job, and I think it's

appropriate for them to take the lead in marijuana reform."

Dr. Bourne is also a frequent speaker at NORML meetings and earlier this year, after a request from NORML's executive director, specifically asked President Carter's son, Chip, to testify in Santa Fe, N.M., for the decriminalizing of marijuana.

NORML's own attitude toward drugs is best exemplified by its top strategist, Keith Stroup, who admitted to *Playboy* magazine in February that he sees decriminalization of pot as only a first step; the eventual goal of his lobbying effort, he said, is legalization, when marijuana can be legally sold.

Stroup is almost euphoric when he speaks of drugs. Asked why he smoked "a lot of marijuana," Stroup was blunt: "Because it's fun. Because I enjoy it. Of the available recreational drugs, marijuana suits my lifestyle best." Drugs, he says, "can take you out of your hectic, trivial everyday life and into a cosmic level where you think about where the hell we all came from and where the hell we're all going. . . . I think drugs can have very positive, emotional and philosophical benefits."

Should Carter carry out the soft policies of his drug experts, say law enforcement officials, the use of hard drugs in this country will undoubtedly increase, especially among the young. But it will have some benefits as well: Keith Stroup and his friends in NORML won't have to worry about going to jail every time they want to get stoned.

President Carter's own attitude toward drugs may not only be shaped by Dr. Bourne, but may have been influenced by the fact that some of the important campaign money he received came from those who more than dabbled in the drug culture. *New Times*, for instance, featured an interesting article in 1976 on the tie-in between Phil Walden, the owner of a major recording firm, Capricorn Records, and Carter's rise to the presidency.

At first blush, the *New Times* said, "it is difficult to imagine a more unlikely relationship than that between the non-drinking born-again Christian candidate for President and the hard-drinking, non-believing, drug-taking proprietor of Capricorn Records.

Carter and Walden met in 1973 when Carter stopped by the Macon, Ga., offices on one of his "stop and listen" tours. Whatever Walden told Carter impressed him, and a year later Walden invited Carter to be the guest of honor at the Allman Brothers concert in Atlanta. Carter accepted. Carter, for his part, said *New Times*, "made a tough law against tape piracy, one of the plagues of the recording industry, a part of his legislative package. All of which benefited Phil Walden.

HYDE AMENDMENT

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. BEILENSON. Mr. Speaker, tomorrow the House will consider the Labor/HEW appropriation bill containing the "Hyde amendment," a provision prohibiting Federal funds for abortion services.

On December 17, 1976, the Los Angeles Times printed an editorial which I feel explains well the reasons for opposing the Hyde amendment. I submit this article for the RECORD.

ABORTIONS: A VICIOUS BAN

Sometime next year, the U.S. Supreme Court is expected to rule on the constitutionality of a new law that would largely prohibit the use of Medicaid money to pay for elective abortions.

It seems clear to us that the only proper decision the court can reach in this case would be to find that the law is plainly discriminatory, and therefore unconstitutional and void.

A federal district court has already reached that conclusion, and has issued an order prohibiting the new law from being used. The Supreme Court refused to overturn that order. The next step will be an appeal on the district court's constitutional finding that ultimately will permit the Supreme Court to settle the issue.

When Congress approved the virtual ban on elective abortions under the Medicaid program last September, we thought it acted irresponsibly, unfairly and in stubborn ignorance of the law. For what Congress did was to establish a means test on abortions, denying millions of women under Medicaid the same right that the Supreme Court has said belongs to all women—the right to decide on a medical termination of pregnancy under proper conditions and without interference by the state.

To have it otherwise, to limit the protections of the Constitution to women able to pay privately for elective abortions, would simply be unconscionable. Individual rights under the law are not, and must not be, determined by economic status. Access by the poor or anyone else to government-supported medical-care programs cannot, and must not, be made contingent on the theft of constitutional rights.

The ban on elective Medicaid abortions was worse than ill-conceived; it was vicious. In a desperate effort to circumvent Supreme Court rulings on abortion, it struck at a particularly vulnerable group of women in our society—vulnerable because of their dependence on public help, vulnerable because they are least able to bear the cost of unwanted children.

What Congress did was wrong and ignoble, and we hope that the Supreme Court will quickly rectify its mistake.

RICE DEFICIENCY PAYMENTS

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. BREAUX. Mr. Speaker, recently, our colleague, the Honorable PAUL FINDLEY, had printed in the RECORD a list of rice farmers who received deficiency payments under the rice program in excess of $20,000. The following letter from a constituent of mine, a deficiency payment recipient, I believe will help set the record straight in terms of the farmer's position on deficiency payments and the effectiveness of the rice program.

The letter follows:

On Wednesday April 27, 1977, The Crowley Post Signal carried an article from Washington, D.C. entitled "12 Acadia Farmers Receive Payments." This article in no way presented the true picture of deficiency payments as far as the farmer is concerned. We would like to set the record straight.

First, because $20,000 was the figure chosen as the cut-off point for publishing names and amounts paid out by the government, all large farmers were immediately discriminated against. In addition, their private business was disclosed to the public. Congressman Paul Findley, R-Ill. did not bother to inform you that these same farmers have approximately a two to three hundred thousand dollar investment to gamble on the every whim of the government and what it chooses to do for this year.

Secondly, the Congressman failed to state that the majority of farmers from the three largest rice producing states, California, Texas, and Louisiana, lobbied long and hard against the deficiency payments only to lose out to the minority producing states of Arkansas and Mississippi. The farmers of Acadia parish always sold their product, rice, at prices much higher than what the government set as a target price. For example, the paper published the amount of money received by farmers in excess of $20,000. What they failed once again to point out was that this was about $30,000 less income in many instances than the previous year before the government enforced the new rice law. Therefore, if a farmer sold for $140,000 last year, this year his total income including the deficiency payment was about $110,000. Now perhaps you can understand why the farmers were against this give away program that took more in the long run than it will ever give!

Third, if Congressman Findley feels it is necessary to disclose the private business of an individual, by name, in the Congressional Record, an individual who gambles every day with weather, government, market price, labor unions who strike and refuse to load the product, an individual who struggles to feed his family and the world, then why not disclose figures on those who receive payments of another kind? Why not, Congressman Findley, disclose those who receive welfare checks, those who receive food stamps, the large corporations like Amtrak, Penn. Railroad, Air Craft Manufacturers, and many more who give less and receive more per capita? Why do you feel it necessary to discriminate against the large farmer?

In 1976 Congress passed an invasion of privacy act to protect public and private individuals. I consider the article read into the Congressional Record and published in the daily newspaper an invasion of my privacy and I intend to act upon it. As a farmer, I have been pushed around by big government, big business, big labor unions, for the last time. Now, I demand that this situation be corrected and let the ax fall where it may.

ROBERT VALDETERO,
Acadia Parish Farmer.

SOUTH DAKOTA WANTS OAHE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ABDNOR. Mr. Speaker, during the debate on the public works appropriations bill I stated that the vast majority of the people of South Dakota want the Oahe irrigation project to be continued, and included for the RECORD a number of South Dakota newspaper editorials as partial documentation. Further evidence of South Dakota's desire and need for Oahe is presented herewith:

[From the Aberdeen (S. Dak.) American News, Apr. 20, 1977]

SUPPORT FROM SOUTH DAKOTA WILL BE DECISIVE IN ASSURING OAHE WATER BENEFITS

After sorting and evaluating conflicting reports from Washington about President Jimmy Carter's stand on the Oahe diversion project it appears he has not rejected it but has recommended it for additional study.

And after reviewing comments from members of Congress it appears that what the

President wants done with the water projects may not be what will happen. Many influential U.S. representatives and senators maintain that the decision on the funding of previously federally approved water projects is the responsibility of Congress and Congress will vote to continue their funding.

But at the White House level, in Congress and among South Dakota officials and others identified as both for and against the Oahe project there is agreement that the degree of local support will be a major factor.

The bearing local support will have upon the fate of South Dakota as to what benefits it will obtain from the water stored in Oahe reservoir places an awesome responsibility upon members of the Oahe Conservancy Subdistrict Board.

If that board wants to bid goodbye to the multiple benefits for South Dakota that are possible through the Oahe project it can continue to cite its questionable features, ignore its advantages and work toward killing it.

On the other hand if the majority of the board, as its members suggested when they were candidates for election, favors irrigation and the other advantages, but wants the plans modified and modernized, the board can perform a constructive service for which South Dakotans will be forever grateful.

Both friends and foes of the Oahe project have suggested changes for improvement. The friends have advocated keeping the federal funds flowing for basic construction. The foes have encouraged delay in funding and they have been charged with favoring killing the project.

A negative attitude by the Oahe conservancy board could very well end South Dakota's hopes for prosperity through irrigation. And it could destroy at the same time the opportunity for municipal water supplies for many Eastern South Dakota cities, large and small. It could mean that South Dakota could be deprived of precious Missouri River water and that other states could vie for its benefits.

When they were campaigning for election to the Oahe board last fall most of the successful candidates said they favored the water diversion project but believed some modification necessary.

Here are some of the answers they made in response to an American News survey:

"I believe the Oahe project idea is good but it is a 20- or 30-year-old plan. It needs updating, such as conveying the water through pipelines instead of canals to save land which, as well as water, is a basic human need."

"I feel we should be working with alternatives and improvements for the Oahe project. If these will eliminate the objections then I would be in a position to support the project."

"Yes, I would vote to support the project, but I would not bury my head in the sand. I do not believe the Bureau of Reclamation is infallible."

With South Dakota facing the dire consequences of the loss of use of Missouri River water there should be an end to bickering.

The goal continues to be full use of Missouri River water in South Dakota. In attainment of the goal there should be increased emphasis upon modification of plans.

[From the Mobridge Tribune, May 5, 1977]

OAHE HEARING MADE US SICK

We came away from the Oahe Conservance Sub-District hearing on Oahe alternatives at Gettysburg last Thursday a bit sick to our stomach.

Bureau of Reclamation spokesmen were first on the morning session and presented a lucid and complete answer to every point raised by board members at earlier meetings.

Board members responded by shooting from the hip with new and unrelated questions which couldn't be answered immediately, by making jokes about bureaucrats and engaging in character assassination completely out of place in such a meeting.

At one point board members charged Reclamation officials with writing editorials for newspapers, with playing politics, and with misrepresenting facts to give a mistaken impression of local attitudes.

It was appropriate that one of the Reclamation officials demanded an apology, stating that charges of that sort if true should be presented to his superiors and not simply thrown out at this sort of meeting.

John Sieh, Oahe chairman, responded by admitting that Oahe directors may use language that is a bit salty, "but there is no mistake about their meaning."

At the same time board members showed an amazing ignorance about the project they are supposed to be supervising. They questioned why the pumphouse was located at Pierre instead of Mobridge, not knowing only 120 feet of lift was required at Pierre while 400 feet would be required at Mobridge.

They acted as if plans in which irrigators would pay 100 percent of the cost could be considered as serious alternatives to the Oahe plan in which only ten percent would be paid by irrigators.

The board members also came across as obstructionists, seeking only to kill the Oahe irrigation plan rather than trying to understand it or make constructive changes.

It bothers us that the Dakotas gave up a million acres of prime bottom land for construction of Pick-Sloan plan dams and reservoirs, only to find the local board is now attempting to disrupt the irrigation plans South Dakota was supposed to get in exchange.

Sen. George McGovern and Rep. Jim Abdnor both report the Oahe plan passed all measurements used by the Carter review team, but that the Oahe irrigation plan was taken out of the Carter budget because the subdistrict asked funding stop until it completed its review.

The Gettysburg meeting Thursday was the final hearing that board is holding as part of its review. The performance we saw there, South Dakota will lose all benefits it was supposed to gain from the Pick-Sloan plan if the future of the Oahe project is in the hands of this board.

[From the Potter County News, May 5, 1977]

RESERVOIR DISTRICTS?

We have seen mavericks elected as board members and within a short time become practical and responsible, facing problems of a governing body realistically.

Perhaps it will be the same with the Oahe Conservancy Sub-District board, most of whom were elected on an anti-irrigation platform in protest against an unbending irrigation district outline.

We have long maintained that irrigation plans should be updated in accordance with new irrigation developments and practices, but if it is impossible re-evaluate irrigation plans, we're sure the board will work to kill the district.

However, if accommodations and compromise can be effected, we recommend the board reconsider its stand. Members completed seven hearings at Gettysburg Thursday, and John Sieh, chairman, told Rotarians that recommendations will be made in accordance with input at these hearings.

Sieh also outlined other duties of the board which include assistance to municipalities, farmers and individuals in water development, possible aid to the WEB pipeline to furnish water to cities along the line to Aberdeen, and help in forming Corps of Engineer small projects along Oahe Reservoir.

A total of 600,000 acres is possible for irrigation in small districts along the Reservoir, including a possible 44 quarters on Banana Flats in southwest Potter County.

These could be irrigated at less cost to tax payers than the big district of 150,000 to 190,000 acres in counties east of Gettysburg, it is estimated.

Money is available in the Bureau of Reclamation Small Projects Act, but only for districts that allow only 160 acres per family unit, it was reported.

The Oahe board will submit its recommendations to President Carter, and we hope they realistically represent the wishes of the people. We believe people want changes in Oahe plans, not death of the project.—WRO.

[From the Aberdeen (S.Dak.) American News, May 10, 1977]

IRRIGATION FRIEND HIPPLE REVIEWS POWER AND DUTY OF OAHE SUBDISTRICT BOARD

Opponents of irrigation benefits of the Oahe unit have added to current confusion about the Oahe project's funding possibilities by raising questions about the authority of the Oahe Conservancy Sub-district.

John Sieh, Groton, chairman of the board has asked Attorney General William Janklow if the legislature's creation of the Oahe task force will strip any powers from the subdistrict board.

According to Robert Hipple, a long-time member of the board and a booster for Oahe irrigation, the law is specific about the powers of the board. In an editorial in the Pierre Capital Journal, a newspaper of which he is publisher, Hipple said:

It is only natural that many South Dakotans have been wondering in recent months just what powers and what responsibilities the directors of the Oahe Conservancy Subdistrict have. Few people have read the law which prescribes those powers and responsibilities. But many people have been amazed by the political activities of some members of the board and the voluminous publicity emanating from the board office in the names of either the chairman, John Sieh, or the office manager, Curt Hohn, having as their objective direct defeat of the purpose and intent of the law they are partly responsible for administering.

The powers that the Subdistrict has are few and they are specific. They are set out precisely in the law. The subdistrict has no legislative, regulatory, or judicial authority whatever. It does have authority to enter into contracts designed to carry out the intent of the law, and it does have a very limited authority to levy a tax to meet the obligations it incurs pursuant to such legal contracts. It has no authority to engage in political activities.

It is the responsibility of the subdistrict to co-operate with agencies of the federal or state governments, with agencies and public entities of state government, with private corporations or persons in construction, operation, or maintenance of water resource projects, or for the purposes and intents of the basic law. Incidentally, a prime purpose and intent of that basic law is to assist South Dakotans in obtaining Missouri River water for beneficial purposes.

There certainly has been no cooperation on the part of the officers and employees of the subdistrict board with agencies of federal and state and local government since January of this year. On the contrary there has been an attitude of complete antagonism, and this has extended to the use of public funds in pursuit of the political objective of defeating public policy.

A very large majority of the people of South Dakota want Missouri River water to be used for beneficial purposes by South Dakota people. The South Dakota Legisla-

ture is the entity which prescribes public policy and all entities of government in South Dakota are required to conform to policy which the legislature prescribes. Departure from that conformity is something that should not and can not be tolerated for very long.

[From the Huron (S. Dak.) Daily Plainsman, May 12, 1977]

NO ALTERNATIVES

We can sympathize with irrigators on the James River from Huron north to the North Dakota border who have received orders from the State Water Rights Commission to shut off all irrigation until such time as flows in the river are sufficient to permit irrigation.

Huronians who have been subjected to water restrictions since March 28 can certainly appreciate the problems caused by a shortage of water. The fact is that there is simply not enough water in the James River to go around. And there never will be any assurance of enough water in the river until the Oahe Irrigation Project has been completed.

Ironically, the members of the Oahe Subdistrict Board, who represent the irrigators who have just been shut down and who were shut down last year, have taken the position that their constituents do not want that project and the additional water that it would provide. Directors representing the rural areas of Beadle, Spink and Brown counties have all voted for a majority board position which asks that the project be halted.

We don't believe that James River irrigators want to be put out of business any more than the potential irrigators in the Spink and Brown county irrigation districts who are investigating legal action against the Oahe board because of the position their representatives on that board have taken.

The Carter administration has repeatedly named local support as the central issue that will determine whether or not the project shall be continued. And each time local support is mentioned, the position of the subdistrict board is defined as the indicator of that local support.

We don't believe that the position of the Oahe board represents the sentiment of the majority of the people any more than it represents the opinion of the irrigation district boards nor the James River irrigators who have just been shut down. But the administration is looking for excuses to halt water development projects and the position of the Oahe board, unless modified, can provide that excuse in our case.

Water users in all three counties from here to the North Dakota border might try one more appeal to the individual directors who are supposed to represent them. The board has scheduled a vote on a final official policy position in Pierre on May 26. Those irrigators who do not want to be faced with intermittent shutdowns in future years whenever the river stops flowing should make their opinions known. There are no alternatives.

[From the Huron (S. Dak.) Daily Plainsman, May 4, 1977]

JOB FOR TASK FORCE

The average reader, we are sure, must be getting completely confused and more than a little bit tired of the conflicting reports about the status of the Oahe irrigation unit.

As an example, this newspaper reported last Friday that Subdistrict Board Chairman John Sieh told the directors meeting in Gettysburg that they should sift through the testimony from the seven board hearings, draw their own conclusions, and then send their conclusions to the subdistrict office. Presumably the board is to make a final decision on its recommendation for the Oahe project at a meeting in Pierre to be held May 26.

Today we received from Sen. George McGovern, a copy of a letter dated April 25—three days before the Gettysburg meeting—signed by John Sieh and, we are told, sent to members of the United States Congress which states: "As chairman of the Oahe Board, I feel that it is my responsibility to inform you of the official position we have taken regarding the project . . . In summary, the board takes the position that present construction funds should be impounded, construction halted, and recommends no funding for fiscal year 1978."

A formal memorandum from the Secretary of Interior to the Director, Office of Management and Budget about April 21 states: "The Board of the Oahe Subdistrict—the contracting entity for the project—has requested that contracting be halted until the board has had an opportunity to consider alternatives to the project." That, we assumed meant until after the meetings of April 28 and May 26.

The memorandum continued: "Should the Conservancy Board elect to proceed, the project as presently authorized should be modified to eliminate the proposed 65,000-acre East Lake Plain service area and associated supply works, which include the East Main Canal, Byron Reservoir and Dam, the James Pumping Plant, the Byron Pumping Plant, the James Canal and the East Lake Plain lateral and drainage system." This plan would provide ultimate irrigation service to the 125,000 acres presently proposed, plus an additional 25,000 acres along the canal rights-of-way.

According to the report compiled by the Water Project Review team, elimination of the East Lake Plain service area would reduce the total acreage in the project by about 22 per cent, reduce wetland losses by one-third and reduce the cost of completing the project by about 30 per cent. It would also improve the quality of return flows in the James River and increase the streamflow below the James Diversion Dam north of Huron. This could in fact be welcomed as a project improvement by potential irrigators along the canals and by irrigators and community water users along the lower James, below the diversion dam.

The project has already cleared the economic, safety and environmental hurdles, but these changes would make it even more desirable on these points.

Whatever the reason for the unpublicized congressional letter, it appears that Chairman Sieh is ignoring at least one viable compromise from the administration, the opinions of some of his own board members, and his own deadline of May 26, by informing the Congress in April 25 of an official opinion that we have been told will be arrived at on May 26.

It is this sort of tactic that has generated one legal action within the subdistrict questioning the constitutionality of the board, which is now in court; and brought the threat of a second action for damages by the directors of the irrigation districts, in Brown and Spink counties, the members of which are also ostensibly represented by Chairman Sieh and vice chairman, Glenn Overby.

In related development, Rep. James Abdnor has forwarded a copy of a letter from Bureau of Reclamation Commissioner R. Keith Higginson, a Carter appointee, which concludes: "Should drought jeopardize the municipal water supply of Huron and Mitchell in the future, Reclamation will renew its efforts to aid them in obtaining a supplemental supply of water. The Garrison Diversion and Oahe Units of the Pick-Sloan Missouri Basin Program, if completed, would insure a water supply for water users along the James River and many other areas in the Dakotas. Such investments to stabilize the future water supply appear to us to be the only viable alternatives."

It is this sort of comment that leads Rep. Abdnor to believe the administration has actually offered South Dakota an alternative as a compromise, and would probably welcome its acceptance.

All of this seems to indicate that there is still an excellent case for the Oahe project, at least a modified version, if the water users—town and country—can only get their message of support to the Congress and to the Department of the Interior. And the only hope for doing this now appears to rest with the governor's task force which was created by the last legislature for just such a contingency as the people of the Oahe subdistrict and the state now face.

[From the Madison (S. Dak.) East River Guardian, May 1977]

THE WAY IT IS!

(By Loren Zingmark)

Hearings! Hearings! Hearings!

It's hard to talk about the Oahe Project these days without mention of all the hearings that have been held in the past month.

President Carter's Water Projects Review Panel, the Oahe Conservancy Sub-District board, and now the various U.S. Senate and House Committees concerned with the future of Oahe have been holding hearings on the Project.

It is now more evident than ever before that solid support is going to have to come from many individuals, groups and organizations if the Oahe Project is going to be able to proceed with construction on schedule.

Members of our South Dakota Congressional delegation, including Sen. George McGovern and Congressmen James Abdnor and Larry Pressler, are leading the way in providing the kind of support we need on the federal level.

Governor Richard Kneip is to be commended for his strong endorsement for continued funding for Oahe. He has personally carried the issue to Washington and gone out of his way to pursue discussions with Administration officials and present testimony to Congress.

The South Dakota Legislature didn't let us down either as that body came out strongly in favor of proceeding with the project.

In accordance with policy set by the membership and board of East River Electric Power Cooperative, this organization has presented testimony favoring the project at every available opportunity. I urge you to read the information in this issue dealing with our position on Oahe.

It is rewarding to see this kind of strong support now being generated by these and many other individuals and groups. This is the kind of positive action it is going to take, if Oahe is to become a reality for this state.

Governor Kneip made a good point at a press conference in Washington recently when he told Washington reporters that it is vital for all the people in the United States to understand the importance of water development in this country.

"It's too bad that we have to keep coming to Washington every year to get this story across," he said. He emphasized that a great amount of work has been and is being done to 'get the word' through to the Carter Administration and they are finally beginning to realize that.

Water resource development is one area in which we tend to become complacent and sit back 'waiting for Harry to do it.' Well, we are finally waking up and finding out that 'Harry has been doing it' and furthermore he has been doing such a 'good job' that they are just about ready to fold up the whole business.

These are days that demand the best of men, not complacency. Someone once said

there are three kinds of people—those who make things happen, those who watch things happen and those who will wake up tomorrow and wonder what happened.

South Dakota will never get the Oahe Project if we fall into the last two categories.

Water development and power development go hand in hand. It has never been the policy of East River to stand around with our hands in our pockets on issues that affect the future of our rural electric members. The future of the Oahe Project has a significant impact on the future rates of rural electric cooperatives in South Dakota.

Very wisely, the East River board of directors and membership have taken a strong position in favor of the Oahe Project.

To do anything less would be to shirk our responsibilities to our 24 member systems and the more than 50,000 rural member-consumers they serve.

You and the rest of my colleagues may rest assured, Mr. Speaker, South Dakota does want Oahe continued.

WHISTLE-BLOWERS HALL OF FAME: ERNEST FITZGERALD

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs SCHROEDER. Mr. Speaker, most of us have been taught from childhood that nobody likes a tattle-tale, but that the truth never hurts. Neither is entirely true in the case of Government workers who "blow the whistle" on shady practices, mismanagement, and boondoggling in the agencies for which they work. The whistle-blowers more often than not are punished by their employer for their honesty and lauded by the public for tattling.

For the next couple weeks I shall be placing into the RECORD for the information of my colleagues what might be styled the Whistle-Blowers Hall of Fame. I hope these daily remarks will help us all focus on the problem. The selection today is from a May 1971 copyrighted article in the Washington Monthly by Taylor Branch entitled "Courage Without Esteem: Profiles in Whistle-Blowing:"

ERNEST FITZGERALD

Ernest Fitzgerald, whose exposure of a $2 billion overrun on the Air Force C–5A contract earned him the most expensive whistle yet recorded, is more typical . . . of the organizational maverick's life expectancy. Immediately after his testimony before Senator Proximire's Joint Subcommittee on Economy in Government in November, 1968, Fitzgerald was removed from his tasks of overseeing costs on major weapons programs and reassigned to audit functions on bowling alleys. His civil service tenure was rescinded, and the Pentagon's Office of Special Investigations began a probe into his background. This investigation, under Brigadier General Joseph Capucci, resulted in a thick file of unfavorable comment from informers identified only as T1, T2, T3, and T4. (One of these said that Fitzgerald's old Rambler marked him as a "penny pincher.") Jack Anderson ran a special report attacking the Capucci file in December, 1969, but it was not widely seen in Washington because The Washington Post refused to print it. Meanwhile, Fitzgerald contracted a normal case of foul organizational halitosis, with the result that his fellow employees talked a lot about him but not to him. "I just wasn't invited to meetings anymore," he says. "Isolation is the standard treatment. I can't think of anything that was invented just for me. Maybe a half dozen of my close friends kept up contact, but their careers haven't gone anywhere either. Everything changed very quickly."

About a year after his first testimony on C–5A, Fitzgerald's office underwent a reorganization and his job was abolished. Air Force officials defended his severence as an "economy move" before the Congress—with straight faces—and they withstood the questioning of incredulous Congressmen who criticized them for focusing their budgetary scissors on Fitzgerald rather than on his disclosures regarding the C–5A. The flap over the dismissal was rough, but the Air Force survived and those who handled the affair were promoted. Fitzgerald himself is now a part-time consultant to the Joint Economic Committee, with a decidedly dim future in his career field of cost management for manufacturers. "In fact, my consulting career out there is over for good," he says.

While not surprised that the majority of the uniformed Air Force and Lockheed personnel despised his deeds, Fitzgerald was a bit chagrined at the response of the "defense liberals" and leftover whiz kids.

"The liberal people in the Pentagon said that excess costs came from a deliberate policy of achieving goals other than efficiency," continued Fitzgerald. "They said it was all a welfare push based on humanism and reordered national priorities and that such things had to be sold to Congress disguised as weapons systems. Those goals are all right with me, but I don't think social reform should be accomplished by constructing a vast middle-class WPA through the Pentagon. Nor should you do it with concealment and lying before Congress."

One former high Air Force official reflected the disenchantment with Fitzgerald's methods. "I think the sense of annoyance with Fitzgerald really came from the complexity of the C–5A issue. His charges were so blunt that his motives were called into question. I'm not suggesting that he was wrong, but I do think you should make every effort to work things out internally before you blow the sides out of an organization."

Fitzgerald's initial decision to speak before Congress was not preceded by lengthy soul-searching. Perhaps he did not foresee the vitality of the Air Force reaction, but the major reason for his relative nonchalance about the decision seems to be his straightforward, somewhat homespun nature. A dedicated wastehater, he told them what he knew when they asked. The tactics of Air Force retaliation—especially the Capucci gumshoes act—hardened his resolve not to back down from the correct figures.

CHEMICAL WARFARE

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. SCHULZE. Mr. Speaker, I am reintroducing today a concurrent resolution with respect to an international ban on lethal and incapacitating chemical weapons. Joining me in this legislation are 20 cosponsors who recognize the importance of this weapons limitation. This now brings the total number of cosponsors of this resolution to 44. I am including this entire list at the end of this statement along with a copy of the text of the resolution.

As you know, the Conference of the Committee on Disarmament—CCD—has been considering, in Geneva, the conclusion of an international convention dealing with "the most dangerous, lethal means of chemical warfare." An affirmation of this intent was recently indicated by a joint communique released in Washington and Moscow on May 17, 1977.

In addition, I have been informed that the President has directed that the concerned U.S. Government departments and agencies review the U.S. position on chemical warfare limitations and develop recommendations for further U.S. Government action.

Mr. Speaker, my resolution is being reintroduced today as an expression of support for the President's initiative and in hopeful anticipation that the upcoming session of the CCD will result in a significant step toward effective chemical weapons control.

The list of cosponsors and the text of the resolution follow:

LIST OF COSPONSORS

Mr. Schulze (for himself, Mr. Anderson of Illinois, Mr. AuCoin, Mr. Badillo, Mr. Bedell, Mr. Beilenson, Mr. Blouin, Mr. Bonior, Mr. Burgener, Mr. Cochran of Mississippi, Mr. Corcoran of Illinois, Mr. Coughlin, Mr. Dellums, Mr. Drinan, Mr. Edgar, Mr. Emery, Mrs. Fenwick, Mr. Fraser, Mr. Goodling, Mr. Gradison, Mr. Hagedorn, Mrs. Holtzman, Mr. Jenrette, Mr. Kastenmeier, Mr. Koch, Mr. Kostmayer, Mr. Leach, Mr. Lehman, Mr. Long of Maryland, Mr. Maguire, Mr. McKinney, Mrs. Meyner, Mr. Mitchell of Maryland, Mr. Nolan, Mr. Ottinger, Mr. Pattison of New York, Mr. Pressler, Mrs. Schroeder, Mr. Simon, Mr. Stark, Mrs. Spellman, Mr. Vento, Mr. Walgren, and Mr. Walker).

H. CON. RES. 185

Resolved by the House of Representatives (the Senate concurring), That the Congress finds that——

(1) the policy of the United States is not to make first use of lethal and incapacitating chemical weapons in war;

(2) in 1972 the United States signed the Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction, and such Convention declared that "[e]ach State Party to the Convention affirms the recognized objective of effective prohibition of chemical weapons and, to this end, undertakes to continue negotiations in good faith with a view to reaching early agreement on effective measures for the prohibition of their development, production, and stockpiling and for their destruction";

(3) in 1975 the United States ratified the Geneva protocol prohibiting the use of chemical and biological weapons in warfare; and

(4) the United States supports the continuing negotiations being conducted by the Conference of the Committee on Disarmment toward this end of an effective chemical weapons treaty.

SEC. 2. It is the sense of the Congress that—

(1) the President should declare a moratorium of three years on the further United States manufacture of lethal and incapacitating nerve and mustard agents and the so-called binary agents;

(2) the President, as a sign of good faith to the world, should order the destruction of three thousand tons of lethal chemical

mustard agents from existing United States stockpiles over the three years of such moratorium, and invite interested international organizations, such as the Conference of the Committee on Disarmament to send delegations to view the destruction process;

(3) the President should invite the Union of Soviet Socialist Republics and other nations which possess quantities of lethal chemical weapons to indicate their sincerity in seeking a chemical weapons treaty by following the example of the United States, and should urge the Third World Nations to refrain from seeking the introduction of chemical weapons into their arsenals; and

(4) the President should urge the participants of the Conference of the Committee on Disarmament to rapidly conclude an international treaty banning the manufacture and possession of lethal chemical weapons. Such a treaty, in order to be meaningful, should provide for the destruction of existing stocks and production facilities over a specified period of time. Such a treaty must also provide independent, international procedures for verifying the disposal of stocks and facilities, investigating and challenging suspect activities, and establishing on-site inspections.

TEXAS PIONEER BROADCASTER OF THE YEAR

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. WHITE. Mr. Speaker, at this time I would like to take a moment to reflect upon the outstanding accomplishments of Karl O. Wyler of El Paso, Tex., who has been honored by the Texas Association of Broadcasters as the Texas Pioneer Broadcaster of the Year. Karl Wyler's broadcasting career began back when radio was a mere toddler. The year was 1921, and Karl Wyler and his four-piece orchestra, "The Merrymakers," made their radio debut on what would later be WDAH, El Paso. By 1929, Wyler was sprouting roots and was soon firmly entrenched in the world of broadcasting. It was that year that he joined the staff of a struggling station known as KTSM. To his listeners he was known as "Karl the Kowhand," and the strumming of his ukulele became a familiar sound to his El Paso audience. KTSM grew as Wyler grew, and 48 years later the NBC affiliate is not only an AM and FM radio station, but is one of El Paso's major television stations. And Karl O. Wyler has become one of Texas' top broadcast executives. Broadcasting has not been Wyler's sole passion, however. His many community activities are testament to his unflagging spirit and dedication. He has dabbled in politics, as a member of the El Paso City Council and as mayor pro tem of El Paso. He has been active in the business community, serving as president of the El Paso Chamber of Commerce and the Southwestern Sun Carnival Association. He is a past director of the Texas Association of Broadcasters, and founded the radio and television department at the University of Texas at El Paso. The list of his honors, awards, activities and interests goes on and on. Suffice it to say that El Paso, the State of Texas, and the entire broadcasting industry are better for having known Karl O. Wyler, and the Texas Association of Broadcasters has made an excellent and very obvious choice. El Paso joins the Texas broadcasters in honoring Karl O. Wyler for a half a decade of selfless dedication to his profession and to his community.

QUOTAS, GOALS, AND JUSTICE

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. WALKER. Mr. Speaker, in today's issue of the New York Times, well known columnist Tom Wicker discusses the issue of quotas and the views of Joseph Califano, Secretary of Health, Education, and Welfare. I commend Mr. Wicker's column to the attention of my colleagues because of his efforts to shed some light on what is meant, or should be meant, by the terms "goals" and "quotas."

This column and many other more in-depth articles on this issue reveal the unconstitutionality and discriminatory nature of imposed goals and quotas. The differentiation Mr. Wicker discusses between goals and quotas is quite interesting and it would do Secretary Califano a great deal of good to study it.

The article follows:

QUOTAS, GOALS, AND JUSTICE

(By Tom Wicker)

"Arbitrary quotas," Joseph A. Califano said the other day in his commencement address at the City College of New York, would not be part of the Federal Government's "affirmative action" program to achieve greater minority-group participation in professional and higher education. But, the Secretary of Health, Education, and Welfare added, the Government would rely "because we must rely, on numerical goals as benchmarks of progress."

"Goal or quota, it's really the same thing," Gloster B. Current, administrator of the National Association for the Advancement of Colored People, said later. "Blacks and Hispanic Americans have been discriminated against. We've got to correct the imbalance, possibly at the expense of those who have profited from the system."

No one denies that Mr. Current is right on the facts but there are at least two problems with his statement. Legally, as observed by Eleanor Holmes Norton, the new head of the Federal Equal Empoyment Opportunities Commission, quotas, although "the shorthand way" to deal with the problem, are "most susceptible to constitutional attack." In fact, the controversy over affirmative action was drawn to its current point by the California Supreme Court's refusal to sanction a quota of 16 places (out of 100) that the Medical School of the University of California at Davis had set aside for minority groups. The university has appealed the case to the United States Supreme Court, which will hear it argued in the fall term.

Recent high court decisions, however, are unpromising for those who believe quotas necessary. Several have held that in discrimination cases the intent to discriminate as well as the fact of discrimination had to be demonstrated. One held that in cases where the effects of a seniority system had been discriminatory, the discrimination did not have to be corrected if it had not been deliberate.

The other problem with Mr. Current's statement is that if the existing "imbalance" is corrected by quotas, that is not "at the expense of those who have profited from the system." It may be at the expense of a group—white males—who profited, but it is also at the expense of white male individuals (students) who bear no personal responsibility for past discrimination and who may not have profited from it. Individuals who do bear such responsibility and who did so profit (doctors, lawyers, etc.) pay no price for today's quotas.

This points to a valid distinction between "quotas" and "goals." A quota—16 places reserved for minority groups in a 100-person class, regardless of individual qualifications—is designed to benefit one group at the expense of another. A goal of bringing more qualified minority students into medical or legal education would be aimed at benefiting particular individuals without necessarily displacing others Mr. Califano said such a goal would require:

"New, more strenuous efforts by our colleges and universities to seek out minority students who possess the talent and desire to profit from higher education."

"Imaginative programs of compensatory training for students who have potential, but who have been hobbled by poor preparation."

"New institutional programs of financial aid and other help."

He might also have suggested that in some cases—medical education is a good example—a general expansion of opportunity would be useful. Not just doctors but nurses and paraprofessionals are needed—not, of course, to provide a lower level of professionalism for minority groups but to expand the levels and availability of medical services, particularly for the poor. And, as Mr. Current put it, "if the pie is big enough, no one will be hurt."

Mr. Califano was arguing that even if quotas like the one at issue in the California case are ruled out, a state-supported professional school could not merely accept the most qualified applicants, if that meant minority groups were generally excluded. Recruitment of students with the necessary potential, their preparation for higher education, financial assistance where necessary—all were part of the "affirmative action" that would have to be taken to end the present discriminatory situation.

Such programs would be designed to produce qualified individuals who could compete with more advantaged persons, negating the issue—inherent in a quota system—of "reverse racism," or discriminating in favor of less-qualified blacks over higher-qualified whites. And goals would become, in Mr. Califano's phrase, "benchmarks to measure the progress of affirmative action programs."

But in the absence of any specific and demonstrable intent to discriminate, would the current Supreme Court require even such affirmative action? Without too much difficulty, the Burger Court can be imagined holding that strict adherence to numerical ranking of applicants by grades—"meritocracy"—satisfies all requirements of fairness and nondiscrimination.

That would be to declare discrimination constitutional if carried out in nondiscriminatory fashion. And the Constitution itself would be held not just color-blind but sightless altogether.

SCORE HELPS SMALL BUSINESS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. GRADISON. Mr. Speaker, since 1964, chapter 34 of the Service Corps of Retired Executives has served struggling

small businessmen in the Cincinnati area. These retired executives donate their time and effort and, most important, their experience to small businesses in the area, to aid them in establishing and monitoring these businesses.

On April 29, 1977, Mayor James T. Luken of Cincinnati proclaimed May 1 through May 7 as "SCORE Week" in the city of Cincinnati.

I am including in my remarks an editorial from the May 18 Cincinnati Enquirer which expressed the pride of all Cincinnati in the work done by SCORE.

The editorial follows:

[From the Cincinnati Enquirer, May 18, 1977]

KNOWING THE SCORE

The observance of SCORE Week in Greater Cincinnati, during the first few days of May served the worthwhile purpose of honoring the contribution of those who have already put their time and talents to work in behalf of the Service Corps of Retired Executives (SCORE) and of making potential volunteers mindful of the deep satisfaction they could derive from a similar affiliation.

SCORE was created in 1964 with two purposes in mind: The most obvious was to make available to small businesses and community organizations seasoned counseling by those who have worked successfully in business and industry. The other purpose was to provide retired business and industrial executives an opportunity to invest their leisure time productively and rewardingly.

The result has been an enterprise in which some 6,000 volunteers are now at work across America.

Headquartered in Cincinnati in the offices of the Small Business Administration, 5524 Federal Building, SCORE has literally meant the difference between success and failure for a number of struggling business enterprises in the last dozen years. These are frequently enterprises whose founders have a marketable idea but little else—particularly in terms of experience. The counsel SCORE as made available has converted many of these enterprises into successful, flourishing operations that pay taxes and provide jobs. Coincidentally, such exercises give SCORE volunteers the personal satisfaction that comes with having contributed to success and proved the vitality of free-enterprise system.

No SCORE chapter in the nation has as many retired volunteers as it could productively use. The opportunity is one that no prospective recruit should overlook.

WHEN WILL LITHUANIANS REGAIN HUMAN RIGHTS?

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. McCLORY. Mr. Speaker, June 15 is a bleak day for Lithuanian-Americans and their friends and relatives remaining in Lithuania which has been under Soviet domination since June 15, 1940. On that date, Lithuania's independence ended and, subsequently, it is said that 300,000 Lithuanians were deported to the Soviet Union to be interred in labor camps.

The National Executive Committee of the Lithuanian-American Community of the U.S.A., in sad observance of this occasion, has issued a 160-page book entitled, "The Violations of Human Rights in Soviet Occupied Lithuania."

It is a compendium of the hopes and fears of a proud people. The Lithuanian-American Committee now looks hopefully to full implementation of the Final Act of the Helsinki Agreement signed in August 1975, pledging signatories, including the Soviet Union, to respect fundamental human rights.

This June 15, in Belgrade, Yugoslavia, a meeting will convene to prepare for a fall international conference in Belgrade at which implementation of that Final Act will be reviewed.

Within my own 13th Congressional District of Illinois are fine Lithuanian-Americans who have made great contributions to their local communities and to our Nation. I value them as fellow citizens—and as constituents.

Mr. Speaker, for them and for the Lithuanian-American Community of the U.S.A., I wish to share with my colleagues in the House of Representatives the important concerns of this group of Americans.

HELSINKI ACCORDS

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. HARKIN. Mr. Speaker, with the signing of the Helsinki accords, persons inside and outside of the Soviet Union hoped for a greater degree of individual freedom for the Soviet people. The evidence of time has shown that hope to be unfounded and false. Recent weeks have seen a "crackdown" by the Soviet authorities on dissidents who have tried to exercise freedoms contained in the Helsinki accords.

A group of Russian emigres now living in Iowa have written President Jimmy Carter to "ask for the continued support of the U.S. Government" on behalf of the Russian people who are struggling for their basic human rights. I wish to share their concern with my fellow colleagues:

AN OPEN LETTER TO PRESIDENT JIMMY CARTER, THE U.S. SENATE, AND THE U.S. HOUSE OF REPRESENTATIVES

It is hard to explain the feeling and hopes of the Soviet people as we awaited the signing of the Helsinki Accord. After Leonid Brezhnev executed this document in behalf of the government, the Soviet peoples' hope for an enlargement upon fundamental human rights was greatly heightened. We felt this to be a great moment in Soviet history, only to instantaneously see the spirit of the Act ignored with malice and disregard toward the Soviet people.

The Gulag Archipelago, built by Stalin, and depicted most vividly by Solzhenitzyn has never been erased from the map of the Soviet Union. Within the Gulag there are institutions to house the insane. The people that are housed in the sanitoriums are those who have persisted in demanding basic human rights, including the right to emigrate. Their feelings, hopes and love of life and freedom are not tolerated by Soviet leaders.

What Russian people have come to understand is that "paper has patience." The best intentions of the Helsinki Accord remain unfulfilled. Thus, the promises made on paper were just that, paper promises. The principle of highest human rights have been proclaimed at Helsinki, and the Soviet Union wishes the world to believe that she earnestly supports these principles. It simply is not true.

Every day brings more and more information and facts about the Russian police, the KGB, harrassing dissidents and suppressing human rights. The latest example of Soviet hypocrisy was the arrest of the Jewish activist, Anatoly Sharansky, on a fraudulent charge of espionage. Anatoly Sharansky's arrest is simply the culmination of a concerted effort by the KGB to suppress his activism for freedom. His initial application for an exit visa was not only his personal plea for his inalienable right to rejoin his family, now living in Israel, but unfortunately served as an unfounded warrant for his persecution and arrest.

Anatoly Sharansky is a spy, but not in the employ of any foreign power. He is a spy in behalf of the Russian people, and he has been arrested by the Soviet government to prevent further spreading of the truth regarding the blatant and malicious denial of basic human rights within Russia today.

We, recent emigrees from the Soviet Union, now living in the United States, ask all people who enjoy the benefits of freedom and basic human rights to help free Anatoly Sharansky and all activists who are being suppressed in the same way.

We especially ask for the continued support of the United States government and President Jimmy Carter in the struggle to put an end to such injustices. We demand Anatoly Sharansky's freedom from the Gulag along with the tens of thousands of other prisoners of conscience, who are demanding their birthright of basic human freedoms.

These wretched dissidents are our conscience. While they suffer we are not free.

TAMARA GOLDBERG,
(And 20 others).

MAY 24, 1977.

ELAINE STEINGER,
Executive Director, Community Relations Commission, Securities Building, Des Moines, Iowa

DEAR MS. STEINGER: Thank you for your letter and the copy of the "open letter" to President Jimmy Carter.

Please know that I share your concerns completely on this issue. I am most willing to comply with your request that the letter be inserted into the Congressional Record.

Again, thank you for calling this to my attention.

With warmest regards,

TOM HARKIN,
Member of Congress.

HELSINKI AND WARSAW—A CONTINUAL DENIAL OF HUMAN RIGHTS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. KEMP. Mr. Speaker, last year I joined with several of my colleagues in cosponsoring legislation to create a congressional commission on Security and Cooperation in Europe, to monitor the adherence of the signers of the Helsinki Conference agreement with that document's human rights stand. Fortunately, we succeeded in enacting this legis-

lation, and the Commission is now in full swing.

One of the most moving testimonies that the Commission has received to date was the recent statement by Adam Michnik, a noted Polish writer, which was read by countryman Gustaw Herling-Grudzinski after Michnik was arrested in Poland in May. This chilling exposé of what life is really like in Poland reveals a land whose citizens are crippled by police state tactics, psychological coercion, and a total absence of freedom. I would like to enter into the RECORD at this time Mr. Michnik's revealing testimony, as reprinted in the New York Times:

HELSINKI AND WARSAW

(By Adam Michnik)

(Following are excerpts from testimony presented to Congress Commission on Security and Cooperation in Europe by the Polish writer Gustaw Herling-Grudzinski on behalf of the writer Adam Michnik, arrested May 14 in connection with protests against the death of a student in Cracow.)

WASHINGTON.—As far as freedom of conscience is concerned, everyone in Poland is free, and for this purpose no resolution of the Helsinki Conference was necessary. However, many people act contrary to their conscience. They are forced to do so because of family circumstances, the need to earn a living, or to obtain an apartment. Contrary to their consciences, no doubt, many people inform against each other; members of the security police, perhaps against their consciences, torture people.

By law, freedom of religion is guaranteed. There are no laws prohibiting participation in religious activities. Nevertheless, a practicing Catholic's chances for professional advancement in the Polish state are about equal to those of an atheist in the Vatican state. A practicing Catholic cannot become an army officer, a functionary of the militia, or the head of a hospital department.

In fact, access to executive positions in the state administration as well as in the economy is limited to those outside the Catholic Church. State authorities regularly block the construction of new religious centers. Under the pretext of a lack of paper, the publication of Catholic periodicals is rigorously restricted. Publications of the Secretariat of the Episcopate and pastoral letters are often confiscated.

The state anti-church activities often border on the absurd: Religious sisters, who for many years worked unselfishly as nurses, have been barred from hospitals and clinics even though there is a shortage of people willing to work in these institutions.

Polish citizens enjoy freedom of thought, like everybody else. On the other hand, the expression of their thoughts encounters continuous obstacles. The free expression of thought at public meetings is a fiction. It may lead to police intervention even at private meetings. Arrests and searches regularly accompany meetings of the Workers' Defense Committee. Recently, a group of intellectuals who had gathered to hear Prof. Edward Lipinski discuss necessary economic reforms was arrested.

People who sign letters critical of Government policies are subjected to daily harassment. Many are denied the opportunity to practice their profession. Several members of the Polish Writers' Association were discriminated against in this way. What's more, any mention of them is censored from the news media.

Every Polish citizen is entitled to travel abroad. This right, too, is continuously violated. A citizen out of favor with the authorities is exposed to a refusal of the permit to travel abroad. The granting of a passport is often accompanied by a proposal that the applicant agree to cooperate confidentially with the police. In this manner the issuance of a passport becomes an instrument of police extortion.

Access to information from abroad is severely restricted. The number of distribution centers for foreign publications has slightly increased since Helsinki. However, copies containing information about Poland which does not meet with the authorities' approval are censored. This affects especially publications such as Le Monde, Unità, Der Spiegel, Newsweek, Nouvel Observateur, etc. Furthermore, only books approved by the "Office for Control of Publications" are allowed into Poland. As a consequence, Poles are cut off from important works of contemporary world literature, such as books by Sartre, Camus, Orwell, Solzhenitsyn, Pasternak, Popper, Aron and others.

The right to work is constantly violated. Workers are fired from jobs for participating in strikes and other forms of opposition to the authorities. Likewise, scientists who sign letters criticizing official policies often lose their jobs. Artists known for their independent views are also denied the chance to practice their profession. A student who participates in a protest will have no chance of obtaining a scholarly or scientific assignment after graduation. Anyone who criticizes the regime is a second-class citizen.

By signing the Final Act of the Helsinki Conference, the Polish Government committed itself once again to respect human rights. But the principles of Helsinki will have a positive influence on the situation in Europe only if any government's violations of human rights is publicly and unequivocally denounced by other signatory nations. This also applies to Poland.

LET US NEVER FORGET . . .

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. DELANEY. Mr. Speaker, my congressional district has a large number of citizens who are of Estonian, Latvian, and Lithuanian descent. Many of them have families, relatives, and friends still living in the Baltic countries. Nothing highlights Russian duplicity more than the unhappy anniversaries this month of the loss of Baltic freedom and forcible annexation of these States by the Kremlin.

By secret protocols attached to the Molotov-Ribbentrop agreement of 1939, the Baltic States had been left in the Soviet "sphere of influence." Between June 14 and June 17, 1940, Moscow presented them with ultimata, then invaded and occupied them. Ten thousand Estonians were exiled from their homeland in one night; in the months that followed, 33,000 more were deported. They were loaded into cattle freight cars like animals. Fifteen thousand Latvians and 34,000 Lithuanians were removed to Soviet labor camps and by 1959 the populations of the Baltic States had declined to a point one-sixth below prewar levels. In fact, in Vilnius, the capital of Lithuania, native Lithuanians actually became a minority. Political repression, religious persecution, cultural genocide, deportation, and denial of basic human rights have continued for some 37 years now.

During the 94th Congress, by a unanimous recorded vote, the House of Representatives passed House Resolution 864, declaring for all the world to hear that

. . . there has been no change in the long-standing policy of the United States on non-recognition of the illegal seizure and annexation by the Soviet Union of the three Baltic Nations. . . .

As we approach a biennial review of the Helsinki Accords—at the imminent Belgrade Conference—I trust our delegation will once again emphasize the nonrecognition of the forcible annexation of these brave peoples.

Let us once again demand Soviet compliance with the provisions of the Final Act of the Conference on Security and Cooperation in Europe . . . Let us never forget those Baltic patriots of yesterday and of today . . .

FLAG DAY

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. MINISH. Mr. Speaker, today is Flag Day and, in fact, marks the 200th anniversary of the adoption of the Stars and Stripes by the Continental Congress. As I am sure many of us remember, the 94th Congress passed a bill and it was subsequently signed into law, which sets aside the 21 days between Flag Day and Independence Day as a period in which to honor America.

In the spirit of that legislation, I submit for insertion into the RECORD, an interesting editorial compiled by the Honor America Committee of the American Historic and Cultural Society located here in Washington.

I recommend the reading of this article to all of my colleagues.

U.S.A. PROBLEMS OF 1977 COMPARED TO THOSE OF 1777

A year ago considerable numbers of us were beating the drums, hoisting the flags and lining up for the parades to Honor America on our nation's Bicentennial birthday.

Now the United States is nearly a year older and the fine dash and glitter has subsided from its 1976 apogee. Our country will soon be 201 years old, an odd figure that doesn't stir the imagination to congratulatory hoopla.

Most of us are back at our everyday tasks, trying to cope with mundane perplexities, politely applauding the new administration, but pershaps privately giving the future well being of the United States a slightly lower priority than we might have done a year earlier.

Ours is not the first generation to react this way. After the Declaration of Independence fervor dimmed, Alexander Hamilton complained of the fumbling young government, "The frail and tottering edifice seems ready to fall upon our heads and to crush us beneath its ruins."

Hamilton expressed himself at a time of dense gloom, and perhaps a similar mood exists today amid a large segment of the population. Nagging questions persist. Where can our government find individuals with the perception and skill to ferret out the answers to such intricate problems as the

energy shortage, Middle East strife, the budget, disarmament, unemployment, welfare, health insurance and countless other perplexities?

These are worrisome controversies which frequently seem bigger than the nation itself But fortunately, among the many gifts with which the United States was blessed were the qualities of resiliency, sturdiness and deep inner strength.

If today's issues appear insoluble, it might be worth examining the trauma our new country was undergoing two centuries ago. The Declaration proclaimed our independence, but the immature nation then confronted the cold, harsh realities of survival.

The war with Great Britain was to grind on for four more years. The Continental Congress, no more than a group of delegates from the thirteen states with dubious powers, acted as a central committee to carry on the conflict

A special congressional committee, of which John Dickinson was the leading activist, drafted the Articles of Confederation, but these did not become effective until 1881. And the longer they were applied the greater their limitations were demonstrated.

Congress was assigned certain powers, but it was denied the three most essential. It could not raise money directly, it could not muster troops directly and it lacked authority to regulate commerce.

Thus, Congress requested the states for funds which were never paid; pleaded for troops which filled no army ranks and asked for special powers which were never granted.

Without a firmly-established central government the life span of the republic was questionable. Incisive leaders warned of the danger.

"I do not conceive that we can exist long as a nation," George Washington wrote in 1786, "without having lodged *somewhere* a power, which will pervade the whole *Union* in as energetic a manner as the authority of the *State* governments extends over the several states."

These comments were underscored by Hamilton who noted, "We may be said . . . to have reached almost the last stage of national humiliation. There is scarcely anything that can wound the pride of or degrade the character, of an independent people, which we do not experience . . . the delinquencies of the states have at length arrested all the wheels of the national government."

Such assessments by persons of stature gave momentum to a demand for a constitutional convention. Obtaining such a charter was not an easy accomplishment. Advocates worked and debated and wrote and lobbied for a stronger form of government.

Sectional differences had to be settled. Small states had to be assured their rights would not be flouted by larger states. Many prominent figures, such as Patrick Henry, initially opposed the new concept.

Ultimately an agreement was hammered out and ratified by the states by 1789. For the first time in thirteen years the U.S. Government functioned with confidence in its own strength and thus began its ascent to world pre-eminence.

All of us can profit today by bearing in mind the circumstances which brought the Constitution into existence. It was not achieved by a dashing triumph in a clash of arms stimulated by martial music. Instead, it was predominantly a matter of intellect and persuasion. Dedicated, discerning Americans cut through the underbrush of resistance and inertia to accomplish their purpose

These judicious qualities have not vanished with the passing of two centuries. They are present today, and with sufficient diligence and effort on the part of American citizens can be applied as effectively to grapple with the problems of the 1970s as they were to contend with the problems of the 1770s.

TESTIMONY OF THE HONORABLE PARREN J. MITCHELL

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs. BURKE of California. Mr. Speaker, I am inserting into the CONGRESSIONAL RECORD the testimony presented by Congressman PARREN J. MITCHELL, chairman of the Congressional Black Caucus, before the Labor-HEW Appropriations Subcommittee on the issue of the Hyde amendment which would prohibit the use of Federal funds to perform abortions. The Congressional Black Caucus, as indicated in Congressman MITCHELL'S testimony, strongly opposes the Hyde amendment as patently discriminatory legislation which essentially institutes a means qualification in access to safe, legal abortions.

The testimony follows:

TESTIMONY OF THE HONORABLE PARREN J. MITCHELL

Mr. Chairman and Members of the Committee:

I am Parren J. Mitchell, a Member of Congress and Chairman of Congressional Black Caucus. I am grateful for the opportunity to present the views of the Caucus to this subcommittee on an extremely controversial and vital issue—the use of federal funds for the purpose of performing abortions.

The members of the Congressional Black Caucus are in strong opposition to language in the Labor-HEW appropriations bill prohibiting the use of federal funds for abortions. We believe the issue posed by the so-called Hyde Amendment which prohibits that use to be a fundamental question of rights in a democracy, and more pointedly, the rights of poor persons in our democratic system.

There is simply no denying that the effect of the Hyde Amendment would be to exclude only those of limited financial means from access to legal abortions. Medicaid funds are the primary federal monies used to pay for abortions, and according to the Department of Health, Education, and Welfare, some 250,000 to 300,000 abortions were paid for with federal funds in 1975. Those were women whose only alternatives without those funds would be to have an unwanted child, or obtain an unsafe abortion performed by a nonphysician. It is believed that at least a million abortions are performed each year, by far the largest number without federal funds.

I recognize the passionate nature of the opposition to abortion. It clearly stems from deeply held personal beliefs. But this is a nation of laws, a nation that protects the rights of its weakest citizens. It is our duty as legislators to resist the passions of individual feelings to the end of providing equality of opportunity and of access for all persons.

I would like to take special note of an analysis of the constitutional ramifications of the Hyde Amendment which has been provided to the Caucus by the distinguished Yale University Law School Professor Thomas I. Emerson, and which I understand is being provided to the committee by letter as well. Professor Emerson was unable to secure time to testify personally before this committee, but his views deserve special attention.

Professor Emerson finds that the Hyde Amendment clearly places an unjustifiable burden on constitutional right, and thereby violates that constitutional right. He cites as authority *Roe* v. *Wade*, 410 U.S. 113 (1973), in which the Supreme Court held the right of a woman to choose to have an abortion was part of her constitutional right of privacy and was protected against abridgement or denial by any form of government action. The proposed amendment would plainly invade that constitutional right. When the government sets up a comprehensive program of medical aid to the indigent, but excludes from that program funds for medical aid for abortions, it is obviously imposing a burden on the right to have an abortion. The fact is that the provision was specifically designed to discourage or prevent abortions and would in practice operate to do so. Indeed, it has no other purpose or justification. The amendment is therefore an unconstitutional condition imposed on a constitutional right.

Professor Emerson further points out that the amendment violates equal protection of the laws as guaranteed by the Fifth Amendment. It provides different treatment for women who have abortions for certain reasons as distinguished from women having abortions for other reasons; also different treatment for women having abortions from all others covered by Medicaid who have other medical treatment; and finally, different treatment for women who can afford abortions from those who cannot. These classifications are unconstitutional. Since the right to an abortion is a constitutional right, as part of the right of privacy, it is also clearly a fundamental right, and hence these distinctions can be made only if the government can demonstrate a compelling interest and show that it has adopted the least drastic means to achieve its end. Here the government makes no such showing.

The Hyde Amendment cannot be justified as a method of saving money because it will cost the government more money if an indigent woman bears a child than if she has an abortion. No justification can be based upon moral grounds because the moral view of some members of the legislature cannot override a constitutional right. Hence no compelling reasons exist. Moreover, the end sought to be accomplished—the discouragement of abortions—is not a legitimate one in view of *Roe* v *Wade*. Consequently, the provisions violates the constitutional right to equal protection of the laws

Mr Chairman, I have brought forth the views of Professor Emerson in such detail because they provide with exceptional force the constitutional underpinning for what each member of this panel knows—that the Hyde Amendment is discriminatory legislation. In fact, as you know, a court stayed enforcement of this provision soon after it was adopted in last year's appropriations bill.

The question facing the Congress is how we can stand against political pressures which would have us act against the Constitution and against the rights of those who have not succeeded in gaining economic security. Are we to stand firm or are we to sit silently and let the courts take the burden of decision?

It is worth pointing out that one-third of those who receive abortions are teenagers. It is important that you remember that it is the married who are already supporting several children, as well as the unmarried, who choose to have an abortion at the time of undesired pregnancy. And, as we know, Black women are disproportionately represented among the poor and are relatively more likely to need the assistance of Medicaid to obtain the same abortion that their wealthier sisters will be able to obtain in any case.

I began this statement by declaring that the issue presented by the Hyde Amendment is one of rights and equality, rather than a question of abortion. I believe that even those who have personal convictions in opposition to abortion can readily oppose the limitation on use of federal funds for abortion on constitutional grounds and a commitment against discrimination.

On behalf of members of the Congressional Black Caucus, I urge you not to include the limitation on use of federal funds for abortions in the Labor-HEW appropriations bill this year.

VFW OPPOSES ATLANTIC UNION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ASHBROOK. Mr. Speaker, the Atlantic Union resolution has been floating around Congress for years. This resolution would establish a delegation authorized to participate in a convention attended by representatives of the North Atlantic Treaty countries. The long-range objective would be a single, unified central government, an Atlantic Union.

I have consistently opposed this proposal since first being elected to Congress. Passage of the resolution could lead to a major reduction in American sovereignty. I am unequivocally opposed to the United States sharing its sovereignty with other countries.

The Veterans of Foreign Wars has taken a strong stand against the Atlantic Union resolution. In a letter to Members of Congress, R. D. "Bulldog" Smith, National Commander-in-Chief of the VFW, states the following:

The V.F.W. is in absolute opposition to all proposed forms of world government—including Atlantic Union.

I strongly agree with the position taken by the VFW. Following is the text of this hard-hitting letter:

INDEPENDENCE OR DEPENDENCE

Once again comes a "pig-now-poke-later" proposal, this year embodied in the innocent-sounding, yet deeply insidious H.J. Res. 460 being rapidly and covertly pushed for floor consideration in the House of Representatives, as soon as its sponsors believe they can put one over on us. The issue is *not* "Relating to the Thirtieth Anniversary of the Marshall Plan." The real issue is whether we Americans opt for independence or dependence upon others; sometimes called "interdependence."

The V.F.W. knows who voted which way on the issue last year when the House addressed it and the proposal lost by 194–165. In 1976, the issue was clearly identified as "To call an Atlantic Convention" and called for an effort to seek effective unity based upon federal principles between the U.S. and the undisclosed body of "Atlantic Community" countries. This year's effort, seeking the same goal, is more subtle, and is entitled "Relating to the Thirtieth Anniversary of the Marshall Plan." H.J. Res. 460 would: (a) have a thirteen (13) member U.S. delegation to meet with similar delegations from NATO countries, Japan, Australia, New Zealand "and other such countries as the President determines for the purpose of making a comprehensive assessment of existing institutions and to formulate recommendations for presenting and perfecting these institutions in order better to protect the general welfare, liberty and sovereignty of the people of the participating countries." Had enough?

Believe me, we will keep score this time around.

Why do we care?

We have in the Constitution of the United States a document setting forth the "federal principles" under which we order our affairs.

No one has called upon the American people to express their view as to whether or not we should properly "explore" diluting our hard-won liberties by association with any foreign nations in a wider federal system. The answer from our fellow countrymen, if asked, would be a resounding "NO!"

To the argument that H.J. Res. 460 would only set up a "delegation" that would report to the Congress, the $200,000 thus expended would be a boondoggle of the most obvious type. We aren't about to derogate our sovereignty to any shared federal arrangement with any nation. "Atlantic Union" supporters know they cannot get support if they make an honest disclosure of their real purpose.

"Atlantic Union" is but the latest incarnation of Clarence Streit's a 37-year effort—it was called "Union Now" in the 1930s and 1940s—to alter the political arrangement that has kept America free and sovereign for 200 years.

Here are the facts on "Atlantic Union:"

What is the Atlantic Union?

The Atlantic Union proposes to establish a limited world government composed of 14 nations that belong to the North Atlantic Treaty Organization (NATO) It would change NATO from a military alliance into a political organization that would control the political, trade and economic policies of the participating countries.

How would membership in the Atlantic Union affect the United States?

The American people could be forced to support a foreign policy which they oppose. Industry, the farmer and labor would be denied protection against the importation of low-priced European workers. The value of the American dollar would be further destroyed. American citizens would be subject to taxes levied by the Atlantic Union for the benefit of other member nations. The Atlantic Union would control American military forces and dictate the use of American troops abroad in peace or war.

How would membership in the Atlantic Union affect our established form of government?

The surrender of our sovereign powers to the Atlantic Union, or any other international government agency, would weaken or destroy many of the basic rights of the American people as set forth in the Constitution and the Bill of Rights.

What is the relationship between the Atlantic Union and the World Federation movement?

Atlantic Unionists generally oppose world government. They say it is impossible of attainment, not only because of the existence of Soviet Russia and its satellites, which operate on ethical, political and economic theories opposed to those practiced by the West, but also because of vast cultural differences. Atlantic Unionists believe the best way to insure peace, and defeat the forces of Communism in the event of World War III, is to form a powerful international government, a supernation made up of NATO and other countries, that have general unity of political, ethical, economic and cultural traditions, beliefs and practices.

What is the difference between the United Nations and the Atlantic Union?

The UN is an association of sovereign nations, that gives the U.S. the right to veto proposed policies and the right to withdraw from membership when it chooses. Atlantic Union would force member countries to surrender their sovereign powers as free and independent nations.

How would membership in the Atlantic Union deprive the President, Congress and the people of the United States of the opportunity to formulate our own foreign policies?

American delegates to the Atlantic Union could be out-numbered and possibly outvoted by the combined membership strength of other participating nations.

What is the official V.F.W. policy on Atlantic Union?

The V.F.W. is in absolute opposition to all proposed forms of world government—including Atlantic Union.

Once again, Members of the Congress stand up for our country and kill off this "pig-now-poke-later" once and for all

Sincerely,

R. D. "BULLDOG" SMITH,
Commander-in-Chief

WHAT'S MR. CARTER'S CUBA POLICY?

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. LAGOMARSINO. Mr. Speaker, the Washington Post's lead editorial June 7 called the President's decision to exchange diplomats with Cuba "puzzling." It is not only puzzling, in my opinion, but also alarming. For, as the editorial points out, it implies improved relations at a time when there remain serious, unresolved differences between our two countries.

[From the Washington Post, June 7, 1977]

WHAT'S MR. CARTER'S CUBA POLICY?

The administration's decision to exchange diplomats now with Cuba, after a 16-year lapse, is puzzling. For although the exchange of diplomats need not connote approval of either government for the other, this step in its political context conveys unmistakably an aura of improving relations. We had thought President Carter was concerned, as he has regularly said he is, about Cuban military intervention in Africa: Last year Havana put 20,000 troops, airlifted and supplied by the Soviet Union, into Angola. Yet no sooner does the State Department confirm that Cuba has sent military advisers to Ethiopia than the establishment of "interest sections" in Washington and Havana is announced.

Has Fidel Castro been told in effect that he can have the advantages of normalized relations even while continuing unabated the interventionist policy of which the Carter administration officially complains? Is the "real" policy the one spoken by Ambassador Young, who is quoted in Playboy as saying that "a thousand Cubans, or 20,000 Cubans or even 100,000 Cubans anywhere in the world are no threat to the United States"? Has the administration quietly accepted the Castro regime's reported contention that in Cuban dealings with Washington two particular issues are not negotiable—the Cuban military presence in Africa and human rights? Performance on human rights, of course, is the other criterion set by Jimmy Carter for improved Cuban-American ties.

The administration contends that it has lost none of its interest in restraining Cuban activity in Africa. One need not question whether it is losing interest to wonder whether it is losing leverage. The United States has a handful of good reasons, ranging from the strategic to the sentimental, to end its debilitating and anachronistic dispute with Fidel Castro. But it cannot blink away the Soviet-Cuban partnership in Africa. In Ethiopia, moreover, the Cuban cannot claim, as they did in Angola, that they are acting to oppose a move by South Africa. In Ethiopia, they are lending themselves to a Soviet power play, pure and simple, and they are doing it,

by the administration's own accounting, by a military move that the United States cannot condone. . . .

Cuba's intervention in Africa follows its previous subversive activities in Latin America. Looking at Castro's current actions, there is certainly no reason to believe that Castro will refrain from terrorist activity in this hemisphere in the future.

From the Washington Post, June 9, 1977

(By Jack Anderson and Les Whitten)

THE UNSEEN SIDE OF FIDEL CASTRO

Behind the famous beard and the flamboyant style, there is another Fidel Castro whom the world doesn't see.

The hidden Castro operates a worldwide intelligence network, directs a Vietnam-style intervention in Angola and practices imperialism on a global scale. He has transformed tiny Cuba into a world power, of course, with a $3.8 million daily subsidy from the Soviet Union. Without Soviet succor, he would have to close down his operation.

The establishment of diplomatic ties between Havana and Washington will also have its unseen side. With the exchange of diplomats will also come an exchange of spies.

Last year, we identified the Cuban spy chief in the United States as Julian Torres Rizo, who also doubles as secretary of Castro's U.N. delegation. Competent sources told us Rizo, while posing as a diplomat, has been developing contacts with radicals in this country.

Another top spy, who will join Castro's diplomatic mission in Washington unless our story stops her, is Alina Alayo Amaro. She is known inside Castro's Spy agency, the DGI, by the code name "Adelfa." Her assignment, according to intelligence sources, is to penetrate the U.S. government. She is an expert on the Senate.

She was assigned, for example, as interpreter for Sen. George McGovern (D–S.C.) when he visited Cuba last April. McGovern told us he didn't know she was a spy. He recalled that she was extremely intelligent, with a great command of English.

Adelfa is a pleasant woman, about 34 years old, 5–4, 120 pounds. The DGI has sent her on assignments to Canada, Czechoslovakia, England and Sweden. She also turned up on the Cuban delegation at the United Nations, where she concentrated on gathering information about U.S. senators. She has compiled detailed profiles on members of the Senate.

Castro functions, meanwhile, as an arm of the Kremlin. The Soviet KGB organized, trained and financed the DGI, which has become the KGB's eyes and ears in Latin America. Castro's troops in Cuba and Africa are paid and armed by the Soviet Union.

Castro sent a contingent of Cubans into Ethiopia immediately after the Marxist government expelled some 300 U.S. advisers. Cuban military advisers also helped to train the Katanga rebels who recently invaded Zaire.

Cubans reportedly are running guerrilla training camps for blacks who want to fight against Rhodesia and South Africa. The camps are located in Angola, Mozambique and Tanzania. Cuban military missions have also been reported in the Congo (Brazzaville), Equatorial Guinea, Guinea, Guinea-Bissau, Mozambique, Sierra Leone, Somalia and Tanzania.

For the Soviets, Castro is worth the $3.5 million a day he costs them. He is acceptable in the Third World, which would resist overt Soviet support. His Cubans have been able to infiltrate and subvert large tracts of the African continent, therefore, without the world uproar that would have been caused by direct Soviet intervention.

Yet those who have studied Castro closely say he doesn't regard himself as a puppet manipulated by Soviet financial strings. He apparently believes in his revolutionary role and feels a "moral obligation" to aid Communist movements. He views himself, say our sources, as a David who has stood up to the U.S. Goliath.

He seems to believe, therefore, that the Soviets are playing his game rather than the other way around.

Of great concern to Americans, also are the outstanding claims against the Castro government. In 1960 and 1961, property of American companies and individuals valued at $1.85 billion was expropriated without compensation. During these 17 years, the Cuban Government has made no attempt to discuss or offer compensation for this expropriated property. I firmly believe the negotiation of a settlement of these claims should be made an integral part of discussions regarding normalization of relations. Furthermore, continued disregard of these claims could affect the holdings of ten of millions of American citizens directly or indirectly through their ownership of shares in U.S. companies whose properties were confiscated. I oppose lifting the trade embargo on Cuba before we have a just settlement by Cuba of these claims.

Finally, I call to my colleagues attention, the June 5 editorial of the Los Angeles Herald Examiner. I think it places in proper perspective the whole question of normalizing relations with Cuba:

[From the Los Angeles Herald Examiner, June 5, 1977]

THE FOREIGN POLICY PUZZLE

(By William Randolph Hearst, Jr.)

NEW YORK.—Comes now the hardly surprising news of another "breakthrough" by the Carter administration in its drive to restore formal ties with Communist Cuba by kowtowing to Fidel Castro, the island's arrogant but dollar-hungry dictator.

Castro, it seems, has graciously agreed to Washington's proposal of a limited exchange of diplomats whereby each government will have a sort of consular office in the other's capital.

President Carter said he is "gratified" at the development, noting that while resumption of full normal diplomatic and trade relations may still be a long way off, "our friendship with Cuba is an ultimate goal." I hope that what the President meant was "the Cuban people" rather than Castro's Communist administration.

All this leaves me more than a little baffled. It certainly is sound diplomatic practice to get along as well as possible with any foreign government—particularly a neighbor—however hostile. What I can't understand is the one-sided urgency being shown by the administration in this notorious case and, coincidentally, with our recent war enemies in Hanoi, with whom negotiations were resumed in Paris last Thursday.

It is Castro who has really important reason to be gratified by the trend of recent events—all of which bolster his leadership and brighten his otherwise dismal economic prospects. It is he who should be seeking to restore normal relations with the United States and making concession to get them, not the other way around.

Cuba, after some 18 years of the Castro regime, is an economic basket case. It is being kept wobbling along solely by the estimated $3 million per day being infused by the Soviet Union, which pays three times the nomal world price for Cuban sugar and keeps a stranglehold on Castro as a result.

Despite all the trouble that Castro and his Kremlin-inspired plots have brought the U.S.—from the missile crisis of 1962 to Angola, from South America and Panama to Puerto Rican terror bombings in New York—the Carter administration seems so hellbent to help Castro financially that I've heard no objection to Castro's demand that talks cannot proceed until we lift the trade embargo. In other words, Castro is laying down the conditions under which he will accept financial salvation. The next condition might well be that we get out of Guantanamo. And the way things are going we well might.

Last March the State Department, by no accident, failed to renew expiring restrictions on U.S. travel to Cuba. American tourists, musicians, baseball players, plus droves of businessmen sniffing the likelihood of lowered trade barriers, have since been descending on Cuba in ever-increasing numbers and there spending ever-increasing numbers of the dollars Castro so desperately needs.

What is being soft-pedalled by all concerned is the fact that Castro, when he seized power in 1959, simultaneously seized more than $1.8 billion of U.S. property in Cuba—the largest expropriation in history—and since has not paid one cent in compensation for a debt which, with six per cent normal annual interest, now approaches $4 billion.

What about this? Is the U.S. so anxious for good relations with Castro, who cannot even begin to pay for all the American exports his people formerly enjoyed, that Washington will extend super-soft credits based on a comparative fistfull of cigars and a few bowls of sugar?

More important, morally, is the U.S. government going to default on its prime purpose of protecting the basic interests of American citizens because of some vague ideal of co-existence with a Communist government?

In effect, is the Carter administration pursuing a course which can only ultimately condone and reward the theft of American property on an unprecedented scale?

It would seem so—and, frankly, the thought leaves me baffled and disgusted.

Even more baffling, from the moral viewpoint, is the Carter administration push to recognize and do normal business with a ruthless despot whose violation of human rights is an arch example of what President Carter condemns as intolerable.

Mr. Carter, to be sure, said that Cuba's political prisoners are an "impediment" to restoration of full diplomatic and trade relations. Yet that's a mighty weak word to use for what looms as a Mount Everest if the President is being consistent in his policies.

Right now there are six of our Latin-American neighbor governments which have rejected U.S. military aid because of Washington criticism that they are violating the human rights of their citizens. Russia is sore at us for the same reason, as are the Chileans and Turks. Yet the same case against Cuba—and Hanoi—dwindles to an "impediment."

There is no doubt whatever that Castro has been as vicious in ignoring basic human rights as he has been active in stirring up terrorism and barbarism wherever possible. According to the International Rescue Committee, an estimated 40,000 political prisoners continue to rot in Cuban work camps and jails under unspeakable conditions.

The figure is placed even higher by Anna Galbis, former second secretary of the Communist Cuban embassy in Peking. As reported last week by King Features Syndicate columnist Jeffrey Hart, the now-exiled Ms. Galbis told a recent Dartmouth College audience that at least 50,000 such prisoners are

being held in 56 prisons, 26 concentration camps and 108 prison farms.

The speaker, who had seen with her own eyes what was going on, made a strong point of the fact that none of the Cuban prison centers had ever been open to outside inspection.

"Tell me one organization that has been able to inspect the Cuban political prisons," she said. "Tell me one. In 18 years."

Such is the situation that President Carter, champion of human rights, sees as a mere "impediment" in his avowed aim of full friendship with Castro's Cuba.

Much the same contradiction of ideals prevails in the Carter administration push for normal relations with Hanoi. The first Paris talks to this end bogged down a month ago, not because of the continuing gross inhumanity of the Communist oppressors, but because of their unyielding demands for some $4 billion in post-war U.S. financial help as the price for shaking our hand.

What seems to be happening here and in many other foreign policy spheres—notably Africa—is a dangerous collision between President Carter's commendable dedication to high moral principles and the hard, practical realities of a sadly imperfect world.

It may be speculated that Mr. Carter, who has had no previous experience in international diplomacy, is learning his leadership role in that area the hard way—by trial and error, sort of on-the-job training. This possibility at least might help explain a lot of curious events.

The fact is that our new President, and especially his foreign policies, continue to be more than a little engimatic—and to no people more than the veteran diplomats of our allies.

They, like myself, are favorably impressed by Mr. Carter's appearance and style but—at the same time—disturbed by a suspicion that he is not nearly as sure of himself as he might seem. The suspicion is heightened by his failure to observe many of the time-tested rules of cautious international politics.

An editorial which appeared recently in the London Sunday Telegraph may well have solved the puzzle of President Carter's diplomatic behavior and put it in its true perspective.

"No leader and no nation," it said, "can base their foreign policy, four-square and solid, on morality, however much they may yearn to do so. Vital interests will always take priority."

Maybe that's the basic lesson President Carter seems determined to learn the hard way. In any event I agree wholeheartedly with a comment made last week by former President Ford, who said:

"I can't imagine it is in our best interests to be seeking closer relations with Cuba at this time."

And that, in my book, goes double for Hanoi.

SCHARANSKY AND THE SOVIET JEWS ARE THE VANGUARD OF THE HUMAN RIGHTS MOVEMENT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. KEMP. Mr. Speaker, for the past decade, the nations of the West have witnessed a courageous effort by Soviet Jews to assert their demand to be accorded human rights by the Soviet Government. It should be understood that unlike the situation in some authoritarian states where political, but not human rights are denied, the totalitarian Soviet state denies all rights, both human and political, to its citizens. As a consequence of the efficiency of the Soviet police apparatus, it is extremely difficult for an oppressed Soviet citizen to assert his demand for the most minimal set of human rights without being given an invitation to reside in the Gulag Archipelago.

For this reason, it is particularly noteworthy that the most oppressed of national minorities, Soviet Jews have become the leaders in the fight for human rights in the Soviet Union. As a consequence of their efforts, the Volga Germans, a 2-million-strong German ethnic minority who seek to return to their German homeland which they left in the 18th century, have begun to demand their human rights after three decades of deportation, slave labor camps, and summary executions. The Soviets have been unable to suppress Jewish activists from promoting their cause inside and outside of the Soviet Union. Now, the Soviet authorities are resorting to the time-honored technique employed so successfully by Stalin—to accuse Jews of treason as a pretext for intensified persecution as they have done to Anatoly Scharansky.

Now that the United States is to join with other signers of the Helsinki Accords in Belgrade later this month, it is indeed necessary to call the Soviet Union to account. Soviet leaders cannot expect détente to continue unless the basis for mistrust and hostility is removed, namely the massive and persistent assault on human rights by Soviet authorities. How the Soviets treat Jewish human rights activists will be a measure of Soviet sincerity on détente and SALT.

MAJORITY LEADER BYRD ADDRESSES THE NATIONAL FIRE PROTECTION ASSOCIATION

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. MOAKLEY. Mr. Speaker, I would like to share with my colleagues the text of remarks delivered by the distinguished majority leader of the Senate, the Honorable ROBERT C. BYRD.

Majority Leader BYRD addressed the National Fire Protection Association on May 16, 1977. My colleagues and all interested individuals wil benefit greatly from Senator BYRD's remarks, a copy of which was forwarded to me by Bernard D. Flynn, congressional liaison officer for the National Fire Protection Association:

ADDRESS BY SENATOR ROBERT C. BYRD

Mrs. O'Leary's cow has become an integral and sometimes amusing part of American folklore. But few people remember that the Chicago fire of 1871 took an estimated 250 lives and cost approximately $200 million in property loss in the 3.5 square miles it destroyed, an enormous toll for that era.

The famous San Francisco earthquake and fire of 1906 together may have killed as many as 700 people, and left a quarter of a million homeless, with damages running over one-half billion dollars.

Fire has indeed left an indelible scar on American history.

According to Greek mythology, the Titan Prometheus stole fire from the gods and gave it to mankind, an act considered by the gods, in their jealousy and anger, so heinous that Prometheus was viciously punished. Fire is one of our most essential and useful tools, but it is also one of our most capricious, and, as thousands unfortunately learn each year, can be one of our deadliest enemies.

As Thomas Carlyle observed, "Fire is the best of servants; but what a master!"

Annually in the United States alone, at least 3 million individual fires and explosions kill on the average of 12,000 persons; seriously burn 300,000 more; and destroy $4 billion in property.

This country leads the industrialized world in fire deaths per capita. Statistics show that firefighting is the most hazardous occupation in America, with a 15 percent higher death rate than the next most dangerous work, mining and quarrying.

American technology is the most advanced that the world has every known. We can split the atom, ram marvelous tunnels through prodigious mountains, cast bridges over yawning chasms, travel in space, and cure a multiplicity of diseases that once struck terror to millions of hearts, but our sense of helplessness in the face of raging fire is probably as deep as that felt by the citizens of Rome in 66 A.D., or London in 1666. Fires still can and do consume large areas of urban and rural property, and take scores of lives, even in modern hotels and skyscrapers.

How can one explain the toll taken by fires in our sophisticated and complex society?

Apathy and ignorance ironically provide at least part of the answer. All of us have a tendency to want to overlook the unpleasant and the dangerous. For the average citizen, fire is a calamity that he reads about in the newspaper or sees reported on television, but it is a calamity which he assumes will never happen to him. Thus, he may know the rules of fire safety by heart, but he too often fails to apply them to his own home or business. He does leave combustible materials in his basement; he does fail to correct faulty wiring; he does smoke in bed. Too frequently, planners and architects do not design buildings with fire prevention and fire safety uppermost in their minds. In spite of the widespread concern over the presence of cancer-producing agents in our environment, most people appear oblivious to the fact that they are surrounded by an innumerable array of objects and substances that can be deadly in their flammability.

Unfortunately, arson accounts for a significant number of fires each year. In many large cities, fire chiefs believe that almost half of all the fires are deliberately set. Schools present attractive targets for antisocial individuals who want to strike out at people around them; fire insurance tempts many persons in financial difficulty to set a torch to their own property; and demented thrillseekers have habitually found watching burning buildings a prime diversion.

The result is the tragic series of deaths that must be reported annually, the countless hours of hideous suffering and pain endured by burn victims, the irreplaceable losses of property and family treasures, and the disruption of the lives of thousands of workers who are thrown out of their jobs by fires each year.

In spite of the annual horror story that fire etches in America, this country's fire losses have not worsened appreciably over the years. I especially commend the National Fire Protection Association for the contributions that it has made toward establishing fire safety standards across the country, for the technical advances it has provided, for the advisory role it has played in the public and private sectors, and for the educational programs that it has sponsored

to promote personal survival in the event of fire. These efforts have undoubtedly saved countless property losses and human lives. There is no way that the citizens of this country can adequately express their appreciation for the work and accomplishments of the NFPA.

A promising development in the field of fire prevention, protection, and safety is the establishment of the National Fire Prevention and Control Administration, which was authorized by Congress in 1974. Its goal of a 50 percent reduction of this Nation's fire losses in the next generation is laudable and encouraging.

However, I hope that the establishment of a Federal agency for the reduction of fire losses will in no way discourage the National Fire Protection Association from continuing and expanding its extensive efforts. The NFPA has set a precedent in the area of fire protection and safety that is in tune with the best American traditions. The NFPA was organized privately to meet the real needs of people and communities all over the country. It has acted efficiently, responsibly, and creatively to arrive at the best possible concensus on the appropriate procedures and standards to be used to stem the ravages of fire in our society. The NFPA has been a pioneer without parallel.

Often in recent decades, many people have been only too ready to wait for the Federal Government to solve their problems for them or to organize the only available programs for meeting their needs. This is not the spirit or attitude that made this the most powerful and productive nation in the history of the world. The loss of the tradition of private initiative and individual responsibility would certainly not allow us to maintain our position in world affairs or our leadership in international commerce. Nor would such a loss help us to save the lives of fire victims or stem the toll of property loss from fires.

I urge you, therefore, to continue the vigilance, research, and efforts that have made the National Fire Protection Association so valuable and effective. The collective experience that this organization affords has been of incalculable value to the citizens of the United States. The work that NFPA and its members are doing will help to provide future generations of Americans with greater safety, and it will insure that the conflagrations of Chicago and San Francisco will continue only as frightful memories from our past and less likely loom as portents for our future.

RENEGOTIATION BOARD CHAIRMAN MISLEADS THE PUBLIC

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. HANNAFORD. Mr. Speaker, as we are all well aware, enacting legislation concerning the future of the Renegotiation Board is now pending in the House and a similar measure is being considered by the Senate Banking Committee. It is understood that the merits of this legislation have been questioned on a number of counts. Furthermore, evidence has been presented showing the Board's performance to have been extremely cost-ineffective. The Defense Department, the Federal Paperwork Commission, the Joint Committee on Taxation, and many small defense contractors have expressed grave reservations about the potential benefits of this legislation, if any. Mr. Speaker, here is an agency which has proven beyond question that it is adding to unnecessary bureaucracy in this Nation and costing taxpayers and small businesses a considerable sum.

What is most regrettable, Mr. Speaker, is that the Chairman of the Renegotiation Board, Goodwin Chase, has attempted through quite successful publicity efforts and through his testimony before the Senate Banking Committee to somehow connect the Renegotiation Board with an ongoing Federal investigation of a large defense contractor, the Lockheed Corp. I am sure that we can all understand Mr. Chase's desire to push for the legislation which is before the Congress, yet his actions have raised serious questions of propriety concerning the use of confidential business data to sway legislation affecting an agency over which he presides.

This investigation of possible wrongdoing on the part of the firm in question has been carried out by the Justice Department and the FBI. In fact, this case, which was referred to Justice by the General Counsel of the Defense Department about 2½ years ago, has been investigated by the Justice Department and the FBI, and any participation by the Renegotiation Board has been minimal, indeed. In the misleading manner in which Mr. Chase attempted to picture the role of the Board, he suggests that had product-line reporting been in place, so-called excessive profits reaped by this contractor would have been easily uncovered. Yet, Mr. Chase makes the grave mistake of failing to realize that the investigation is still incomplete and that the discussion of details in which he has participated, and from which the Justice Department and the FBI have refrained, is clearly irresponsible.

In fact, in the case mentioned, product-line reporting is not the issue. If the current investigation by Justice and the FBI confirms the allegations of mismanagement, then the Government should and will take proper action. Yet, for the Chairman of the Renegotiation Board to imply that the revelations of the investigation to date are due to its work, is clearly misrepresentative and points to a lack of sound judgment.

Finally, it should be pointed out that if the Renegotiation Board did in some small way involve itself in this investigation, it did so without responsibility or authority to do so. The allegations against the defense contractor in question are of a criminal nature amounting to embezzlement of a grand scale and are certainly not within the purview of the Renegotiation Board. Rather the responsibility rests with the Justice Department where in fact the investigation has been conducted for these many months.

PAYMENTS TO SUGAR PROCESSORS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. SIMON. Mr. Speaker, I rise in support of my colleague from Illinois (Mr. FINDLEY) and his farm bill amendment to limit Government payments to sugar processors.

As I understand the situation, the administration has proposed a 2-cent-per-panel subsidy, payable to processors, with the understanding that 60 percent of the money received would be passed on to the farmer.

Mr. Speaker, this is an ill-advised plan that offers no guarantee of help to sugar producers while handing individual corporate processors huge sums of from $300,000 to $14 million.

I support my colleague's amendment, which will be before the House this week, to limit any payment to a processor to $20,000. If the law relating to price supports to sugar producers needs to be changed, then the issue should be thoroughly discussed and acted on in the Agriculture Committee, as Mr. FINDLEY suggests. The administration has chosen the wrong solution, a solution that would be of little help to the family farmer.

I do favor the idea of moving toward payments to producers, and would suggest that all farm sugar payments to individuals be limited to $5,000.

PRISONERS OF CONSCIENCE, PATRIOTS FOR HUMAN RIGHTS

HON. DAVID L. CORNWELL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. CORNWELL. Mr. Speaker, political repression, religious persecution, cultural genocide, deportation to Siberia, and the denial of basic human rights—these are the indignities suffered by the Lithuanian people over the last 37 years at the hands of their Communist occupiers, the Soviet Union.

Lithuanians have not suffered in silence. The Western World has seen and hears of the many sacrifices of Lithuanian patriots for human rights, despite attempts by the Soviet Union to suppress all such communications with the Western World. The underground publications, "The Chronicle of the Lithuanian Catholic Church" and "Ausra"—the Dawn—are published and disseminated by Lithuanians, in spite of the constant threat of arrest and imprisonment by their Russian occupiers. Indeed, Russian prisons are filled with such prisoners of conscience.

The Soviet Union has blatantly ignored the human rights provision of its own constitution, the provisions for human rights in the United Nations Charter, and most recently it has ignored the implementation of the provisions of the Final Act of Helsinki.

Lithuania, a sovereign nation since 1251, established its independence on February 16, 1918, but was invaded and occupied by the Soviet Union on June 15, 1940, and subsequently, more than 300,000 freedom-loving Lithuanians were deported to Siberian forced-labor camps. These tragic events are commemorated by Lithuanians throughout the free world on June 15.

This summer, the United States will

be attending the followup Conference on European Security and Cooperation in Belgrade, Yugoslavia. The people of Lithuania are anxiously awaiting the outcome of the Belgrade Conference, because it represents the only foreseeable means for them to benefit from the provisions of the Final Act of the European Security and Cooperation Conference in Helsinki.

There is worldwide concern for Soviet Jewry, and justly so, however, Lithuanians, Latvians, Estonians, and the people of the other captive nations also deserve our concern, and action.

The Belgrade Conference presents a unique opportunity to bring the force of world public opinion and the diplomatic power of the Western World to bear on the Soviet Union's disregard of the human rights provisions of the Final Act of Helsinki. The Commission on Security and Cooperation in Europe, established by the U.S. Congress last year, has documented evidence of the Soviet Union's noncompliance with these provisions.

We urge the President of the United States, and the Secretary of State to direct our representatives to the Belgrade Conference to confront the Soviet Union about their noncompliance and evidence of bad faith. Since the Soviet Union seeks better relations with the Western World for its own purposes, let us make compliance with the Final Act of Helsinki a condition on which those relations depend.

OLD GLORY TURNS 200

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. FARY. Mr. Speaker, on Flag Day, June 14, the Nation will mark the 200th anniversary of the enactment by the Continental Congress of the resolution of June 14, 1777, which gave us our first national flag and ensign: The Stars and Stripes.

The U.S. Congress has enacted only two statutes regulating the design of our national flag and ensign: the U.S. flag law of January 8, 1794, effective May 1, 1795, and our permanent flag law of April 4, 1818, effective July 4, 1818, and still in effect.

Our permanent flag law has given our Nation the design for all of our national flags and ensigns since the 20-star flag of July 4, 1818, to our present flag and ensign of 50 stars and 13 stripes of July 4, 1960, to date.

From a recent magazine I should like to quote an article describing the Army's traditional retreat ceremony from the point of view of a young veteran who wrote:

> You're all in it together, company commander and private, as the last light leaves the sky. The company is brought to Parade Rest, the bugles call To the Colors, the band strikes up our anthem, and the troops present arms and officers salute, the Flag is lowered and caught in the color sergeant's hands so that it never touches the earth. To the rookie, Retreat may be the one uplifting moment in a day of grind and homesickness. But I have seen old Army men with tears in their eyes, as if they'd never before seen the Flag come home for the night.

While few civilians observe the retreat ceremony with any regularity, there are, nonetheless, other occasions of similar nature with which all of us are familiar. Practically everyone has attended athletic events at one time or another, and there experienced the sudden and impressive hush of thousands of spectators in anticipation of the Star Spangled Banner; or stood silent on the sidewalk as the flag passed in parade, again amidst a throng of suddenly quiet onlookers; or participated in the modest, yet ever-powerful, flag-salute ceremonies at school.

All such occasions provide an unexplainable sense of drama, and I suspect the results are more far-reaching than is generally realized.

Of course there are those who think along different lines; those who determine America's national strength in so-called practical terms, such as manpower, mechanized equipment, and natural resources. Yet, how often I have wondered if their theorizing is not overinclined toward practical considerations.

We have no choice, I believe, but to recognize as valid the belief that there is, in fact, a moving force inherent in our flag; a democratic force that cannot be denied. And in view of that validity we must hail this occasion—Flag Day 1977—as a moment of the greatest consequence; for it is now that we honor not merely a symbol, but a people and a popular will, as well as our historic past, and our hope for tomorrow.

Few occasions throughout the year concern so many issues worthy of such consideration, and hope, and prayer. I believe my dear friend, the late James Metcalfe, poet laureate, expressed my feelings as to our flag so beautifully:

FLY OUR FLAG

> Raise high our glorious Flag today—For all the world to see—And let each mighty gun salute—Our stanch democracy—Today is Flag Day and the time—To show how proud we are—And reaffirm our loyalty—To every stripe and star—Old Glory is the banner bright—Of our United States—The symbol of equality—And freedom from all hates—Its beauty has inspired us—To struggle and to win—From Bunker Hill to Tokyo—And Yorktown to Berlin—So let us fly our Flag today—With spirit brave and true—And ask almighty God to bless—The great red, white, and blue.

UNITED STATES SPENDS $1 TRILLION ON DEFENSE IN 15 YEARS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. LEGGETT. Mr. Speaker, the intense competition for military power has reached such proportions that the world as a whole is spending more on arms than on either its education or health needs—all in the name of security. It is questionable, however, whether this aim of increased security can be reached merely through increased spending on military technology.

The United States and the U.S.S.R. have led the arms race, spending $1,090 billion and $860 billion, respectively, over the last 15 years. They so dominate the competition that their closest competitor, China, spends $130 billion, a comparative pittance. Such intense rivalry is fueled by the "worst case" assumption, where each superpower is forced to believe that its competitor already has the capability to exploit what it regards as newly discovered technology. This compulsion to update military technology increases a country's need to sell its relatively updated arms to less developed countries in order to keep its costs down. The "qualitative improvement" that all this advanced weaponry represents is a new degree of lethality and destruction in future conflicts.

Because of such emphasis on military strength, the sharpest increase in arms purchases since 1960 has been in developing countries—excluding OPEC nations—whose outlays have more than doubled in constant prices. Robert McNamara, in regard to this dynamic rate of increase in military expenditures, stated that—

> Indeed, to the extent that such expenditure severely reduces the resources available for other essential sectors and social services—and fuels a futile and reactive arms race—excessive military spending can erode security rather than enhance it.

Surely, in the face of faltering economies and potentially explosive social needs, security cannot be purchased through arms. Instead of spending on peaceful and constructive deterrents to a potential north-south conflict, developed nations are spending roughly 20 times more on their military programs than on economic assistance to poorer countries—$264 billion versus $14 billion.

The arms imported by developing countries are rising faster than their economic aid—300 percent between 1960–75 versus 65 percent—and twice as fast as their living standards as represented by the GNP per capita, thus canceling the absolute value of any increase in development aid.

The world's international peacekeeping expenditures for 1 year are equal only to 2 or 3 hours of its military expenditures.

Furthermore, the present emphasis on military spending is economically unhealthy in that the diversion of resources to nonproductive use impedes growth, fuels inflation, contributes to unemployment, and squanders the supply of resources already in short supply.

In both funding and talent, research on weapons dwarfs all other research projects combined.

More money is spent on space research than on research for health protection and/or improvement.

Even in view of the energy crisis that will face the world for years to come, the world's budget for military research is six times the size of the budget for energy research.

The development of military research and technology diverts capital, material,

and human resources that may otherwise develop sources of energy, increase food production, and/or improve health.

Education is a fundamental factor in world welfare. It tends to raise employment and productivity levels, moderate the population increase, and generally discourage the perpetuation of poverty. While the world as a whole spends less on education than on the military, the effect is most dramatic in the poorer countries where the level of education is traditionally much lower at the onset.

The following figures represent some of the per capita expenditures in the military, education, and health areas (U.S. constant dollars).

	Military	Education	Health
World	$74	$69	$40
Developed countries	237	232	140
Developing countries	17	13	4
Developed:			
U.S.A.	405	379	182
NATO: Europe	146	192	150
U.S.S.R.	333	166	63
Developing:			
Latin America	16	30	8
Middle East	150	42	15
Far East	17	22	16
Africa	11	14	4

While both developed and developing countries as a whole spend more on military than on either social service, there are some discrepancies. For example, among the developed countries, NATO Europe channels most of its fiscal resources into the social services, while the United States does the opposite. Also, while the developing countries are most in need of increased education and health programs, and could further stabilize their governments by so doing, as a group they continue to spend more on the military.

While the end of a continual arms race is not immediately foreseeable, if the world as a whole reduced its military expenditures by a mere 5 percent—$17.5 billion—a variety of social and humanistic programs could be initiated, insuring a better quality of life for its inhabitants. The proposed programs include vaccinating all infants against infectious disease, extending literacy, training medical auxiliaries, improving the Third World's food production, building adequate shelter for the urban poor, feeding malnourished children and expectant mothers, increasing the number of elementary schools, and providing hygienic water supplies by 1990. Services such as these would do more to insure security in some areas of the world than all of the present military technology.

Thomas Jefferson stated in 1809 that—

The care of human life and happiness and not their destruction is the first and only legitimate object of government.

I believe that this remains true today.

This noteworthy information was found in World Military and Social Expenditures: 1977, a report prepared by Ruth Leger Sivard under the sponsorship of the Arms Control Association, the Institute for World Order, the Members of Congress for Peace Through Law Education Fund, and the Rockefeller Foundation of the United States of America, and by the Peace Research Institute—Dundas of Canada.

GUIDANCE ON OSHA RULES

HON. MICHAEL O. MYERS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. MICHAEL O. MYERS. Mr. Speaker, the Occupational Safety and Health Administration, OSHA, has finally made a concerted effort to assist small business employers in understanding and complying with its regulations. A recent Wall Street Journal article describes OSHA's proposal to encourage the States to provide onsite consultation with employers requesting advice on eliminating workplace hazards. Currently, 36 States or jurisdictions provide this service; an increase in the Federal funding level for consultation from 50 to 90 percent of the cost is intended to encourage more States to offer consultative assistance. The public comment period for this proposal has ended and OSHA will shortly be issuing a final rule. This will be a long-needed improvement since many small business employers have been unable to understand exactly what they must do to provide hazard-free workplaces. I commend OSHA for its reasonable regulatory approach and submit the Journal article for insertion in the RECORD:

[From the Wall Street Journal, May 2, 1977]

LABOR AGENCY PROPOSES TO GIVE GUIDANCE ON OSHA RULES TO MORE SMALL CONCERNS

WASHINGTON.—Seeking to mend its political fences with Congress, the Labor Department is proposing to give more small businessmen guidance on how to comply with federal job-safety and health rules.

Under new proposed regulations, the department said it would pay 90% of a state's cost to send consultants to visit a workplace and identify unsafe conditions, up from the present 50% contribution.

The proposal, if adopted, is expected to encourage a number of states without consultation programs to adopt them. Sixteen states don't provide such help, and the cost is a major factor for many of them. In states that do offer such consultation, the extra money is likely to encourage them to promote this help more vigorously.

HOPES TO EASE CRITICISM

The Labor Department hopes the new program also will ease some criticism of its Occupational Safety and Health Administration. Business groups and Congress have pressured OSHA to provide small businesses with more guidance on how to meet safety and health rules.

In a letter sent Friday to all members of Congress, Eula Bingham, the Carter administration's new Assistant Secretary for Occupational Safety and Health, said the proposal was issued "in response to the wishes of Congress and because of our desire to assist employers, particularly small businesses, in their efforts to provide safe and healthful workplaces."

Despite congressional enthusiasm for onsite consultation programs, demand in the past from small businesses has been meager. In the past 18 months, in a dozen states with federal contracts to provide consulting visits, about 15,000 small businesses have sought such assistance. In the past three years, about 50,000 concerns have sought the visits in the 22 states that operate their own job-safety plans. There are more than three million small-business concerns in the U.S.

CONSULTATION CONTRACTS

Although $9 million has been appropriated for the Labor Department to pay for consultation contracts with states in the fiscal year ending next Sept. 30, only about $6 million has been spent because states haven't sought the additional funds.

The department's new proposal would permit states to hire one consultant for every four safety and health inspectors. Consultants would visit a workplace only when requested by the employer.

Although the consultants can't issue complaints if an employer is violating safety and health laws, the regulations require the consultant to request "immediate elimination" of any hazard threatening "imminent danger."

If a violation is considered serious, the consultant will give the employer "a reasonable time" to correct the problem. If corrective steps aren't taken, the consultant is supposed to notify OSHA. Nonserious violations aren't reported to the Labor Department.

PROLIFERATION

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. TEAGUE. Mr. Speaker, I wish to call to the attention of my colleagues the testimony of Mr. Llewelln King, editor and publisher of the Energy Daily, before the Senate Foreign Relations Committee's Subcommittee on Arms Control, Oceans and International Environment on Wednesday, June 8.

Mr. King, an expert on the international perspective of nuclear issues, testified on this Nation's proposed nonproliferation policy.

I believe his thoughts are worthy of serious consideration and ask permission that the text of his testimony be printed in the RECORD:

REPRESSIVE NON-PROLIFERATION POLICY IS BOUND TO FAIL, JOURNALIST SAYS

I am grateful that the committee has asked me to testify on these two bills but I am going to depart somewhat from my assignment by discussing proliferation in general rather than the bills in particular, in the hope that I can provide some perspective on proliferation as a factor in the dealings between nations and its impact on the foreign policy of the United States.

I have followed the reasoning on proliferation of the nuclear industry, represented, I believe, by my colleagues here today, and by both the Ford and Carter Administrations and I am reminded of these lines from the Rubaiyat of Omar Khayyam:

"Myself when young did eagerly frequent
Doctor and Saint, and heard great argument
About it and about: but evermore
Came out by the same door wherein I went."

It has been the fashion recently to repeat to exhaustion the homily that where proliferation is concerned, the genie is out of the bottle. Despite the repetition of this truth, it seems to be beyond the intellectual and moral capacity of those who are seeking to

resolve the problem to grasp the implications of this assertion.

In the 1940s, proliferation was understood and the history of the development of atomic power is replete with references to the impending problem. However in the 1950s, the time of the cold war and of placid confidence in the United States, the warnings of the late 1940s were forgotten.

It was a period of simple analysis of the world in which alliances were considered immutable and international friendships were considered eternal. Those nations who were aligned with the United States were viewed worthy of our munificence in every area of endeavor. This was a period in which the United States contributed substantially to encouraging the world along the path to civilian nuclear power. I do not note this in a pejorative way but only to illustrate how our national perception of our national interests changes; what a variable thing it is.

It is not clear that our openhandedness with nuclear technology during that period has seriously changed the balance in the struggle to control the spread of weapons. I suspect that it might have accelerated things somewhat but that is not really that important. What is important is to understand that in science, as in other areas of human endeavor, once a path has been established others will take it. Once a scientific goal has been reached, other scientists can again reach it, fortified in their endeavors by the knowledge of the feasibility of achievement. Once the mountain has been climbed others will climb it; once the mile was run in four minutes many others ran it in four minutes. That is the nature of evolution.

No matter how hard one might struggle to close the frontier, once it has been pioneered others will follow the trails that have been blazed in history. The reality of this is that there is no industrialized nation on earth which cannot proceed to develop a nuclear capability, if it is intent on its goal, prepared to make the investment, to pay the penalty in time and resources.

It is often noised around nowadays that a schoolboy could make an atomic weapon. That kind of assertion has created the atmosphere of hysteria that surrounds the nuclear issue today and which makes it so difficult to take a clear look at the issue of proliferation and to deal with it in innovative ways aimed at lowering the hysteria and enhancing the future of mankind.

The Congress of Vienna was one of the stellar achievements in human history. Its participants boosted the arts, extended hope to mankind and hammered out a peace that lasted nearly 100 years.

The historians tell us that the secret of a good peace is that it be a fair peace. The seeds of new wars are sown in bad peace treaties. A non-proliferation policy has all of the hallmarks of a peace treaty and it should be approached in the same light. It should seek justice for all through enlightened regard for the needs of the participants. Above all it should not be repressive. A repressive peace leads to war; a repressive regime leads to revolution; repressive laws lead to lawlessness.

So far the arguments advanced by the bills before this Congress are more or less repressive in their origins as in their intent. Their end result will most likely produce reaction, not collaboration. There is a fundamental arrogance in the American position that I fear bodes deep trouble for mankind. It is an arrogance, born of nobility of purpose but starved of comprehension of the aspirations of the rest of the world. It is an arrogance that, in its simplest terms, states: we the United States do not trust you, our friends and allies, therefore we are asking you to trust us. It is the noble but intolerable paternalism of the white man's burden in new scientific guise.

Above all, it is the approach from which bad peaces are made. It reeks of insult and innuendo; of an insinuation of moral and ethical superiority in this nation.

But the atomic weapons that endanger the world today, and which the world has reason to fear, are those of this nation and its counterforce in the world, the Soviet Union. We live under the shadow of these weapons, fearsome in their numbers and awesome in the ability of the two contestants to deliver them. The question is whether some addition, though undesirable on the face of it, to the world arsenal will lengthen the shadows. That is not proven.

But the shadows are lengthening and they are lengthening for reasons that the United States can materially affect. They are lengthening because the world is perilously short of energy and, as energy is the basis of the world's economic wellbeing, it holds the key to the future peace or war of much of the globe. The possibility of military adventures to secure a supply of energy will increase with each day as this century wears on. They are today only a possibility but when world oil production peaks, the price of that resource will begin to rise in a way that will make what we saw in 1973 appear to be only a minor perturbation.

I submit that until now the attitude of the United States to the world's energy supply has been cavalier and selfish. As a great and wealthy nation we will always be able to afford to buy what is left of the world's resources. But what of those nations less favored? Are we *de facto* to condemn Africa and Asia to a new dark age just when some of those people are beginning to see the faint glimmerings of their first dawn of hope?

Nuclear power, through the reprocessing and recycling of spent nuclear fuel and the use of the fast breeder reactor, represents the only viable renewable source of energy known today. As far as we can see today, the hope for mankind is in the nuclear fuel cycle. This is the only way the world knows of to generate electricity when every other fuel has failed. The United States is now in the process, in the name of non-proliferation, of limiting that possibility, of bringing down a curtain of darkness for those parts of the world which haven't yet grasped the benefits of civilization that we have known in our lifetimes.

We will become ourselves the largest single customer for the world's limited uranium resources and thereby condemn them to the same depletion that oil and natural gas now face. That is the kind of future in which the seeds of war will be nurtured—not in the orderly introduction of a complex but bountiful technology. That is the kind of action that will make for war in the time of our children and will unleash the holocaust.

What I have just said does not mean that I favor the creation of ever more nuclear weapons in the world, let alone the dissemination of nuclear weapons to nations that do not have them.

The self-interest of all humanity requires that nuclear technology remain under the strictest of safeguards. But before this Congress, this committee or this Administration rush into legislating what is no more than an unjust peace dictated by the strongest partner, I would implore you to consider these three great realities.

The first reality: In technology that which is initially difficult becomes easier with evolution. Therefore nuclear technology is likely to be increasingly within the grasp of nations that are anxious for it, whether or not they now have the industrial base that is necessary in the present state of the art. Nuclear technology is a diverse one with many routes to the same goal. Who knows, within five years laser separation of uranium isotopes may be the proliferation threat, so should not the United States therefore restrict the availability of laser technology?

The second reality: The President of the United States as the leader of the free world holds a whole panoply of cards when dealing with his allies. His ability to pressure his friends is without equal. A narrowly worded law decreases rather than increases the options of the United States in bringing about its international goals. The President can trade, say, sugar import policy for nuclear acquiescence. The wellbeing of the free world is one of the first responsibilities of the President of this nation and as a result the leverage of the President is almost incalculable. To define a narrow policy on nuclear power is to irritate our allies while limiting our negotiating position.

The third reality: Our foreign policies must recognze the fact that there will increasingly be more sophisticated weapons available to more nations with the passage of time. But this need not mean that the future is unremittingly stark. As the London *Economist* has noted, there is a saturation point in the development of weapons aimed at people. Our most sophisticated weapons systems are weapons to be used against weapons. In the 20th century the nature of hostilities changed to encompass war against people rather than war against armies. The very sophistication of weapons systems in some way redresses that situation. Small nations have less and less interest in bigger and bigger weapons and more interest in anti-weapons weapons.

We cannot prevent the spread of technology in a world that is hungry for it, any more than the mill owners of Lancashire were able to lock up the technology of the cotton ginny. We have to live in the world as it is, not as we would wish it to be. We cannot, as recent policy on proliferation has sought to do, deal with the intellectual and moral shock of learning that the world is round by declaring it flat.

In view of the foregoing I believe that we should pause in our haste to stop the unstoppable and deal with the prospect of the future as it will be and not as we would wish it to be.

This nation has lost its confidence in itself, hence the sudden preoccupation with morality. Our approach to nuclear power and to high technology in general, engendered by the lack of national confidence that is the aftermath of the Vietnam adventure and the Watergate episode, is to deal with the future by staving it off. Man can only deal with the future by meeting it. Munich was an attempt by Great Britain to stave off the future and, necessarily, it failed.

I believe that the weakness in both bills and indeed in our whole approach to nuclear power is a weakness of intellectual and moral courage in contemplating the world as it stretches ahead of us.

In order to gain a sound philosophical basis for a non-proliferation policy, this nation must accept a worst-case scenario; accept the concept that any nation wishing to join the nuclear club can do so and to recognize that our unilateral withdrawal from the benefits of breeder technology and nuclear fuel reprocessing is to repudiate our own technological heritage and to hand that advantage to others.

I have heard no convincing proof that castrating the development of nuclear power will change the world except for the worse by precipitating economic depression and cultivating the seeds of war. I am assured by my years of concern in this matter that any nation seeking to construct nuclear weapons would be best advised to proceed directly to that goal with a production reactor of some kind or through one of the many devices for enrichment rather than to take the long and unlikely route of diverting civilian nuclear fuel.

The best policy for this Administration is to proceed with strong bilateral agreements and a strong domination of the technology that it has fostered thus far. The safe and secure future of the free world lies in harnessing the bounty of technology, not in repressing it.

BALTIC STATES' GENOCIDE DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. DERWINSKI. Mr. Speaker, 36 years ago, on June 14, 1941, the Soviet Union began to execute its policy of genocide in the Baltic nations. This date marks the anniversary of one of the most tragic episodes in history, the mass deportation from their lands of the Estonians, Latvians, and Lithuanians by the Soviet Russian military authorities.

These small republics of Estonia, Latvia, and Lithuania had enjoyed a short-lived freedom, having secured their independence soon after World War I. However, the territory of the Baltic lands became a battleground first being invaded by the Soviet troops and subsequently the occupation by Nazi armed forces.

Toward the end of World War II, when Soviet troops reoccupied the Baltic States, the U.S.S.R. illegally incorporated these three small countries into its structure, an action which our Government has never recognized. Since then, the Baltic peoples have suffered from collectivization of their farms and the nationalization of their industries. They have suffered religious persecution and their children have been subject, through Communist educational institutions, to Communist brainwashing.

Tens of thousands of the Baltic peoples were killed and about a million were deported to slave labor camps in Siberia and other areas of the Soviet Union, to be replaced by peoples from other parts of the Soviet empire. This exchange of population has substantially altered the ethnic composition of the Baltic nations.

Mr. Speaker, it is not pleasant to have to invite the House's attention to such an occasion as Baltic Genocide Day. Unfortunately, we must take note of it, so long as the Soviet Union continues to oppress the Baltic peoples and to treat them as inferior creatures to be exported or exterminated.

However, I direct the attention of the Members to the fact that throughout the free world the peoples of Estonian, Lithuanian, and Latvian origins have maintained their traditional civic, cultural, and church organizations and continue their efforts on behalf of their enslaved compatriots held captive within the U.S.S.R. Protests by the Baltic peoples and other ethnic and religious minorities in the Soviet Union against religious and political persecution have attracted world attention.

Therefore, on the eve of the convening of the Belgrade Conference, I believe it is absolutely necessary for the policy of the United States to continue to be that of nonrecognition of the Soviet incorporation of Estonia, Latvia, and Lithuania, and to do everything it can to further recognition of human rights and to end political oppression in the Baltic States and Soviet Union.

I am confident that the legitimate aspirations and the perseverance of the Baltic peoples to gain their independence and the right to again reside in their historic lands will ultimately triumph over communism and freedom will be restored to Lithuania, Latvia, and Estonia.

THE 1962 AMENDMENTS TO THE FOOD, DRUG, AND COSMETIC ACT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. SYMMS. Mr. Speaker, I would like to take the opportunity at this time to insert into the RECORD the testimony of Hugh H. Hussey, Jr., M.D., chairman of the board of trustees of the American Medical Association and dean of the School of Medicine of Georgetown University in 1961, before the Senate Committee on the Judiciary Subcommittee on Antitrust and Monopoly regarding S. 1552, Drug Industry Antitrust Act in the 87th Congress.

S. 1552 later became what is now commonly referred to as the 1962 Kefauver-Harris amendments to the Food, Drug and Cosmetic Act. Dr. Hussey's testimony was given July 5, 1961. The portions of his testimony presented here deal with the "efficacy" provisions of S. 1552. Dr. Hussey's testimony was extremely pertinent and persuasive in 1961 and I feel his arguments hold true today.

I submit the testimony to my colleagues:

STATEMENT OF THE AMERICAN MEDICAL ASSOCIATION

(By Hugh H. Hussey, Jr., M.D.)

Mr. Chairman and Members of the Committee:

I am Dr. Hugh H. Hussey, Jr., of Washington, D. C. I am appearing here today as the Chairman of the Board of Trustees of the Americal Medical Association. I am also the Dean of the School of Medicine of Georgetown University. With me are Dr. Milford Rouse, Vice-Speaker of the House of Delegates, and Dr. Ernest B. Howard, Assistant Executive Vice President of the American Medical Association.

The American Medical Association, as the national association of the physicians of the United States, has a serious long-standing interest in drugs and any legislation concerning them. We have not, however, taken any position on S. 1552, as a whole inasmuch as certain of the proposals in the bill, such as the Sherman Act and patent law amendments, are outside our area of competence. We will direct our remarks primarily to several of the provisions in Section 4, dealing with proposed amendments to the Federal Food, Drug and Cosmetic Act. These proposals will, in our opinion, directly affect the practice of medicine and the public health and are therefore within the area of knowledge of physicians and the A.M.A.

I would now like to direct my comments to other provisions of S. 1552 which cause us serious concern. They are those parts of Section 4 of the bill which would grant to the Food and Drug Administration the authority to determine, evaluate and pass on the efficacy of new drugs. In the same vein, we are concerned with Part (b) of Section 3 of the bill, dealing with patent law amendments, which would give the Secretary of Health, Education, and Welfare the authority to determine whether the therapeutic effect of a drug modification or combination is "significantly greater" than that of the drug so modified. Under this latter authority, a patent could not be issued for the drug until the Secretary had determined that the therapeutic effect was significantly greater.

Our concern with these sections of the bill stems from many sources. As we understand them, they are intended to reduce the number of drug products on the market and to prevent a non efficacious drug from ever reaching the market. Although physicians do not want useless drugs cluttering up the practice of medicine and although it is difficult for physicians to become familiar with all of the drugs which have become available during the past two or three decades, we are convinced that the Food and Drug Administration cannot solve these problems for us. I would like, now, to discuss the basis for this conviction.

The first item to consider is the possibility of useless drugs appearing on the market because the Food and Drug Administration does not now have the authority to stop their production and distribution. In discussing this matter, it is well to remember that we are talking about products which will be consumed only if they are prescribed by a physician. Hence, his training and experience, his continually expanding knowledge of drug therapy, and his professional responsibility to his patient, act as powerful barriers to the sale of useless drugs. Secondary barriers exist in the adverse economic results which would generally follow for a pharmaceutical manufacturer who attempted to market a useless prescription drug.

A second and more important reason for our concern over these parts of Section 4 of the bill arises out of an understandable but nevertheless extremely important misconception on the part of many of the term "efficacy" as this term is used in medicine. Physicians seeking to treat effectively the medical problems of *individual patients*. A physician does not treat ten cases of hypertension, he treats ten individual patients, each of whom has a medical problem he has diagnosed as hypertension. This difference becomes especially important when he elects to use drug therapy in the treatment of these ten individual patients. He may find that the same dosage of the same form of the same drug will be efficacious in each and all of his ten patients. Or he may find that one or more of them need different dosages, or different forms of the same drug. He may, indeed, find that one, two or three of them are allergic to the non-active ingredients used in this brand of the drug and that a different brand, with other non-active ingredients, is the efficacious answer. Thus, in one patient, a specific dosage of a specific drug might be said to be efficacious. While in another, it would be described as totally ineffective.

The point I am making is this. A drug's efficacy varies from patient to patient, sometimes for known reasons such as allergy, and at other times for unknown reasons. Hence any judgment concerning this factor can only be made by the individual physician who is using the drug to treat an individual patient. A physician can be told many things about a drug, including its chemistry, its mode of action and, to some extent, its toxic properties. But he must judge its effi-

cacy. If this precise usage of the word "efficacy" is kept in mind, the considertaion of legislation which would request that an administrative agency of government determine the efficacy of drugs can proceed more fruitfully.

Unfortunately, even we physicians use the word "efficacy" in a different context when we compare drugs and when we compare drug therapy to other forms of treatment. It is not unusual for clinical investigators to say that drug X is more effective than drug Y in the treatment of a disease or that drug Z is ineffective. And in most instances they leave out the intended qualifying phrase "on the average" or "in general." Within the medical profession this omission is *not* critical since every physician understands its implication. But in discussing the legislation under consideration, these qualifying phrases are extremely important. A drug which is, on the average, less efficacious than another, must still be available to every physician since it may be completely efficacious in treating the medical problems of *one* of his patients. We do not practice medicine on the average—we seek to solve or alleviate the problems of each and every patient.

These considerations then are the basis for our concern with those parts of Section 4 of the proposed bill which would grant to the Food and Drug Administration the authority to determine, evaluate and pass on the efficacy of drugs.

We realize that the literal effect of the proposed amendments to the Food and Drug Act would be to give the FDA the power to evaluate the efficacy of a new drug only in light of its efficaciousness in use under conditions prescribed, recommended, or suggested in the labeling. We are concerned with this apparently limited grant of authority and with the very distinct possibility that, by granting a governmental agency the statutory authority to pass on the efficacy of a new drug, Congress will be enabling that agency through administrative interpretation of the law to decide the relative or comparative efficacy of a new drug in terms of drugs already on the market. We are apprehensive that the Food and Drug Administration would, under these amendments to the Act, decide that it had the authority to refuse to allow a drug to be marketed merely because it was, in their opinion, not the most efficacious drug or the purpose intended or was not as efficacious as one might ideally wish.

A physician is trained during his many years in medical school, internship and residency, and continuously learn after he enters into the practice of medicine, to use his professional judgment in determining what particular drug is best for a particular patient suffering from a particular disease or condition. We believe that only the physician has the knowledge, ability and the responsibility to make that decision in regard to that particular patient and that he should not be deprived of the use of drugs that he believes are medically indicated for his patient by a governmental ruling or decision. This would be the resulting situation, in our opinion, if these proposed amendments were enacted into law. Medical history and experinece clearly demonstrate that the only possible final determination as to the efficacy and ultimate use of a drug is the extensive clinical use of that drug by large numbers of the medical profession over a long period of time.

It is frequently impossible for any person or groups of experts or a governmental agency to determine beforehand that a drug is going to be efficacious or non-efficacious for a particular condition, or that a drug will be of no benefit in the treatment of other diseases and conditions. The history of medicine and pharmacology clearly indicates that only by extensive clinical experience in depth and wide usage can the true efficacy of a drug for the treatment of a particular condition be established. Moreover, and equally important, we know that many of the drugs we use today in treating particular conditions were never originally intended for such use and it was only through trial that the value of these drugs was discovered.

Even with the vast information resources at the disposal of the A.M.A. we realize that the patient's physician must still be free to decide which drug will be most effective in the treatment of his medical problem. It is for these reasons that the House of Delegates of the American Medical Association at its meeting in New York City just a week ago voiced its strong and unanimous opposition to the provisions of this legislation which would amend the Food, Drug and Cosmetic Act to authorize the Food and Drug Administration to determine the efficacy, as well as safety, of a prescription drug prior to the approval of the New Drug Application.

The report of the Board of Trustees, which was approved by the House of Delegates stated, in part: "This position is based on the conviction that a decision with respect to the effectiveness of drugs is dependent upon extended research, experimentation and usage. The medical knowledge which is necessary for a continuing opinion on the effectiveness of drugs would not be available to the Food and Drug Administration in arriving at a decision as to the effectiveness of a new drug if such decision had to be made at the time of the introduction and only on the basis of limited clinical testing. An important inherent danger in the unilateral determination of efficacy by government is the prevention of the manufacture and marketing of a drug, the efficacy of which might later be determined to be significant.

"The vesting of the authority suggested by this legislation in the Food and Drug Administration would operate to limit research, the marketing of drugs and the exercise of discretion by the medical profession.

"The marketing of a relatively useless drug is infinitely less serious than would be arbitrary exclusion from the market of a drug that might have been life saving for many persons."

Medicine is both a science and an art. Many of medicine's greatest discoveries have been made only after extensive clinical experience with a great number of physicians treating a great number of patients. As applied to drugs, we do not believe that a governmental authority, or any other authority, can act as an arbiter in deciding beforehand which drugs are going to be effective in a particular situation. Nor can it decide which drugs, with apparently little efficacy for a prescribed condition, will be found from experience to be highly valuable in the treatment of another, possibly totally unrelated disease.

It is this aspect of medicine, that leads the American Medical Association to oppose those sections of S. 1552 which would grant to the Food and Drug Administration the authority to determine, evaluate and pass on a drug's efficacy and thus determine beforehand that a drug should not be marketed.

We will now be pleased to attempt to answer any questions that the Committee may have.

TOM C. CLARK, A GREAT JURIST

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. RANGEL. Mr. Speaker, yesterday our country and the world suffered the loss of a great American jurist, Tom C. Clark, of Texas, a former Associate Justice of the Supreme Court.

Many of us will remember Mr. Justice Clark for his contributions as a member of the Supreme Court. None of us will forget his landmark decision, granting a retrial, for Dr. Sam Sheppard or his dissenting opinion, in opposition, to the public sale of the novel "Fanny Hill." Perhaps his most important achievement was in the area of the first amendment which he felt insulated motion pictures from attacks that they were not protected under the freedom of speech concept.

One of the most respected actions ever taken by a public official was his decision to step down from his seat on the highest court in the land, when his son, Ramsey Clark, was appointed Attorney General in 1967. He did that to prevent any conflict of interest. After leaving the Supreme Court he continued to serve the judiciary. He served so much that he eventually heard cases in every Federal judicial circuit in the United States. No other jurist has done this.

A fair and just man, he was once criticized by President Truman, the man who appointed him to the court, "as the biggest mistake I ever made." In reality he was one of Truman's greatest contributions to the people of the United States.

To this end I urge my colleagues on both sides of the aisle to take a few minutes out of their busy schedule to remember Tom C. Clark, one of the great jurists of our time.

GOBBLEDYGOOK

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. DORNAN. Mr. Speaker, Americans everywhere—Congressmen included—are often amused by "bloopers" and unintelligible statements which appear in newspapers and which are heard on radio and television. These statements are usually humorous and occasionally cause some embarrassment to their authors. But the statements are rarely harmful. That is why they can be laughed off easily.

But no matter how we laugh when an Al Kelly entertains us with gobbledygook statements, it is no laughing matter when unintelligible statements are made on Capitol Hill. Statements made here have a vital effect on the lives of every American and many people around the world. We in the Congress, and members of our staff who sometimes speak for us, have an obligation to make our arguments clear and intelligible to each other and to those whom we represent. The Halls of Congress should not become an inner sanctum in which a secret language known only to the initiated is spoken.

No one knows this better than the junior Senator from California, the Honorable S. I. HAYAKAWA who is also a former professor of semantics and an internationally renowned scholar of languages. The learned Senator is beginning a fight against the gobbledygook which he has encountered on Capitol Hill. The opening

salvo was made a few weeks ago and was reported in the Washington Post. I would like to share this report with my colleagues today and wish the Senator all good luck in his uphill battle:

HAYAKAWA WANTS TO CUT THROUGH VERBAL THICKETS

SAN FRANCISCO, April 25.—Sen. S. I. Hayakawa (R-Calif.) a former professor of semantics and an international scholar of languages, says he is "appalled at the lack of plain speaking" in the nation's capital.

Hayakawa said he recently wrote a staff member of the Senate Human Resources Committee to find out why it had recommended budget increases for every existing health, labor, education and welfare program under its jurisdiction.

He said he got back this reply: "The committee decision to recommend increases for its programs in my view represents judgments by members derived from previous consideration of these programs in the context of generic legislative responsibilities.

"In this respect, the Human Resources Committee implements these activities on a continuing basis and each of our existing programs represents the current product of years of deliberation to establish the enabling legislation, carrying out oversight and implement program through reauthorizing legislation."

"I get an awful lot of this jive," complained the plain speaking senator. "I'm collecting the most flagrant examples in order to plan a counterattack."

LEON JAWORSKI AND CONSUMER PROTECTION

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. ERLENBORN. Mr. Speaker, although much has been said on the subject of the so-called Consumer Protection Agency, few people have discussed the subject with such clarity, intelligence, and logic as has Leon Jaworski, the former Watergate prosecutor.

In the May 16, 1977, Washington Star. Ralph Nader and Mark Green attacked Mr. Jaworski's stand in opposition to the Agency for Consumer Protection bill. I would like to share with you Mr. Jaworski's comments on that article, which he enclosed in a recent letter to me.

Once again Mr. Jaworski's remarks are like a fresh breeze blowing away the fog of rhetoric created by sponsors of this unfortunate legislation.

The letter follows:

FULBRIGHT & JAWORSKI,
Houston, Tex., June 7, 1977.

Hon. JOHN N. ERLENBORN,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. ERLENBORN: Thank you for your letter of May 26, 1977, requesting my views on the article authored by Ralph Nader and Mark Green in The Washington Star of May 16, 1977.

Let me say that the substantive portions of the article are welcome. The consumer protection legislation is important, controversial, and ought to be debated.

Messrs. Nader and Green have done little, however, to allay my concerns about the creation of a new federal bureaucracy to represent "consumers" in all aspects of governmental activity.

There is, I believe, a misconception inherent in the legislation and in the Nader-Green article that the interest of consumers differs somehow from the interest of all citizens, and that consumers, therefore, need a special representative in Washington. Messrs. Nader and Green seem to view the government as a conglomerate of narrow-minded bureaus, each with its own special-interest constituency that it represents without regard for the public good. They use this distorted image to support the proposition that "consumers" need their own special-interest bureau.

It should be pointed out that there are many agencies whose express purpose is to deal with the specific problems of the average citizen. Among these are the Consumer Product Safety Commission, the Federal Trade Commission, the Food and Drug Administration, the Environmental Protection Agency, the Securities and Exchange Commission, the Occupational Health and Safety Administration, the Federal Aviation Administration, the Highway Safety Administration, and many others.

More importantly, however, it is the function of every governmental entity to take into account, as the fundamental premise of its existence, the needs of all the people. Messrs. Nader and Green tell us that, "Farmers have Agriculture. Business has Commerce." They would, no doubt, argue that laborers have the Department of Labor. But these assertions are not true.

The Department of Agriculture makes agricultural decisions based on the needs of all citizens, not just farmers. The same is true of the Department of Commerce and the Department of Labor. It is true of every other governmental entity. And it is the job of the President and the Congress to make certain that all agencies act on behalf of all the people all of the time.

My concern is that the Nader-Green view of government may lead to the creation of an agency that is *not* bound in any way to reflect the balanced judgment of the President and the Congress as the elected representatives of the people. The administrator of the consumer protection agency would be unaccountable to those whom we have chosen to assure that in every decision of government the voices of all the people are heard. Of course it is true, as Messrs. Nader and Green state, that the Attorney General is not an elected official. But he is directly accountable to the President, who is.

Not only would the agency be unaccountable, it would have the license to sue all other government agencies and to speak out as the officially-designated *representative* of every citizen in the United States. Messrs. Nader and Green regard this as a trifling responsibility, while I regard it as an extraordinary grant of political authority. My view, incidentally, seems more consistent with Mr. Nader's prior concept when he testified in 1969 that the legislation was intended to "reform the entire governmental apparatus" by creating a litigation "strike agency" to "revolutionize" the government.*

The power to represent any person or group of persons, whether in court or from a podium, carries with it the authority of the persons represented. If we vest in a government official the power to represent the people at any item in any forum, have we not granted that official the full political authority of the people? Obviously we have. If this is not an extraordinary and potentially dangerous grant of authority, then I cannot imagine what is.

Messrs. Nader and Green attempt to support their argument by asserting that the office of Watergate Special Prosecutor had "power, and the potential for political abuse." But their view of that power and potential for abuse reveals the *flaw* in their own argument and tells us why the consumer protection agency must ultimately be defeated.

The Watergate Special Prosecutor was vested with the legal authority to address a particular and extremely compelling national crisis. I have consistently advocated that it not be made a permanent position, and it was recently abolished because its job had been completed. If the carefully defined authority of the Special Prosecutor had the potential for political abuse, then the unbounded powers of the "consumer advocate" will have it to a far greater degree.

Furthermore, no national crisis mandates or justifies so radical a departure from our system of checks and balances. The government has flaws like every one of us. Its defects should be addressed and remedied by the President and the Congress. I know of few periods in our history when the institutions of government have undergone the scrutiny of the executive and legislative branches to the degree that they are now. This examination is timely, appropriate, and thoroughly consistent with the Constitution. There is no reason to abandon it and turn to an unprecedented, ill-conceived concept that simply adds more government.

Finally, you have asked that I address the personal remarks contained in the Nader-Green article. I do not feel that much discussion is warranted in this respect, except perhaps to respond to the inference that I attempted to avoid "cross-examination" by the House Government Operations Committee.

As you may know, I sought the opportunity to testify before the Committee shortly after the bill was introduced. Since the Committee's hearing schedule was very limited, I could not do so, and was graciously invited by Chairman Brooks to provide a statement in lieu of testimony. I regret that I could not participate in the proceedings because I am firmly convinced of my position and believe that the process of give-and-take before the Committee would have served it well.

I very much doubt that malice toward me was intended by Messrs. Nader and Green. They are in the frustrating position of pressing for legislation which is encountering increased resistance in the Congress and among members of the public. This has caused them to overstep the bounds of advocacy somewhat; and, to that extent, their approach is understandable.

I appreciate your kind remarks, and urge you to convey my views to any of your colleagues who may be interested in them.

Sincerely,

LEON JAWORSKI.

* Statement of Ralph Nader, Hearings on H.R. 6037 Before a Subcommittee of the House Committee on Government Operations, 91st Cong., 1st Sess., 175–76 (1969).

LETTER FROM THE AMERICAN ASSOCIATION OF UNIVERSITY WOMEN ON THE HYDE AMENDMENT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mrs. BURKE of California. Mr. Speaker, I would like to share with my distinguished colleagues the letter of Mrs. Harriet McGeehan to Dr. Marjorie Bell Chambers, president of the American Association of University Women. Mrs. McGeehan, a 67-year-old mother and the legislative program chairman of the

Pennsylvania Division of the AAUW, provides thoughtful commentary on the issues surrounding the Hyde amendment and states in clear and compelling language the position of the AAUW.

In view of the offering of a motion to strike the Hyde amendment language from H.R. 7555, the Labor-HEW appropriations bill, when it comes before the House on Wednesday, I commend this letter to my colleagues:

AMERICAN ASSOCIATION OF UNIVERSITY WOMEN,
Washington, D.C., April 9, 1977.

Dr. MARJORIE BELL CHAMBERS,
President AAUW,
Colorado Women's College,
Denver, Colo.

DEAR DR. CHAMBERS: Increasing efforts to amend the United States Constitution to guarantee "the right to life to the unborn fetus" makes it imperative that American citizens understand and support the right to choice position. The attempt to legislate the moral convictions of some citizens on all is clearly a violation of the separation of church and state as well as a callous disregard of the rights and welfare of the mother.

In this diverse society, the right to choice provides each of us with the right to exercise our own moral perceptions. We are free to live by our own convictions and to advocate those beliefs. It does not disregard those who are opposed to abortion. However, for those who perceive the issue differently, who believe this is not a one-dimensional issue, the position gives the right to act accordingly.

Any position on abortion needs to take into account the individual woman, her potential child, and her family. Every child has the right to be wanted and loved.

One of the most shocking aspects of contemporary society is the high incidence of child abuse. As undesirable as abortion may be to some, it is not infinitely less cruel than the suffering endured by thousands of children born into situations where they cannot be protected from unstable parents?

It is important to understand that the American Association of University Women does not advocate abortion. The long and proud history of the Association's efforts to encourage family planning, sex education, and research into safe contraceptive techniques, eloquently bespeaks our hope for the day when abortion will be largely unnecessary. However, in this less than perfect world, where choices are rarely between totally right and wholly wrong, abortion needs to be a choice.

Some of the present proposals would make abortion a criminal act under any circumstances, even when the life of the woman is at stake. There would be no room for extentuating circumstances; no escape for the raped or sexually abused woman, for the young girl who through ignorance or misadventure becomes pregnant, for the woman of fragile emotional stability or precarious physical health, nor for the woman who has learned that her child will be seriously defective from any of the 40–50 genetic disorders such as Tay-Sachs disease, sickle cell anemia or Down's Syndrome. There would be no room for a physician to exercise judgment.

Rarely in our nation's history have we successfully legislated moral judgments. Removing abortion from the realm of legal acts will have profound legal implications, but it will not stop the practice. It will simply drive it underground where the price may be the lives of women, particularly among the disadvantaged. The proposed HEW-Labor Appropriations Bill would ban the use of medicaid funds to pay for abortions. If adopted, the Congressional ban on financing would not prohibit legal abortion, but would deny poor women access to safe and legal facilities. Such legislation is, in the opinion of Thomas Emerson, Professor Emeritus of Constitutional Law at Yale "definitely unconstitutional" violating the 5th and 14th amendments of the Constitution as well as the Constitutional right to privacy as established by the Supreme Court.

I am a 67-year old mother whose grief over her own lost children would have made abortion an unthinkable act. But the circumstances of one life are not universal. Those of us who have never been sexually abused, who have never had to look upon children we could not adequately care for, who have not suffered emotional or physical ill health that would make an unwanted pregnancy intolerable, who have not grieved over the dying of a genetically damaged child—who are we to make a decision on such a personal matter for a woman in whose shoes we have not walked?

As rational, reasonable people, we must understand that each of us brings individual insights to the concerns of a pluralistic society but that no one can think for another in the realm of the moral and the religious. Regarding this issue, Americans must demonstrate the truth expressed by Russell Davenport's poem, My Country, when he states: "That truth in men (women) is relative to the truth in other men (women)—and no one owns the source of that which lights the cities of the mind."

Sincerely,
HARRIET MCGEEHAN,
Legislative Program Chairman,
Pennsylvania Division.

COVERAGE OF CONGRESSIONAL ACTIVITY

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. CARR. Mr. Speaker, a few weeks ago, at a meeting of the Western Wisconsin Press Association, our distinguished colleague from Wisconsin, Mr. OBEY, once again set forth an example of the type of clear thinking and outspokenness we have come to expect and appreciate from him.

DAVE OBEY has addressed an issue that others of us might have avoided. The national press and its coverage of congressional activity is something that in recent years has intrigued, interested, and even annoyed Members of Congress as well as the citizens of our country. Although the press generally does a fine job covering events in Washington, there have been instances where the priorities of the media have been somewhat bewildering.

We live in a day and age where Americans are being overwhelmed with news coverage. Mr. OBEY accurately points out the media's responsibility to inform our people of the events that affect their everyday lives and not just to sell newspapers or gain a share of air time. Members of Congress and the press have more in common than either of them realize in their need for public approval and, because of this need, abuses can occur on both our parts.

So that we might all have the benefit of his remarks, I include them at this point in the RECORD:

SPEECH BY CONGRESSMAN DAVID OBEY

When I was contacted to be with you tonight, I was asked to speak about my view of the National Press. Ordinarily that is not a smart thing for a politician to do, but since you asked, I'm willing to try.

To do that in a responsible way, however, I think it's necessary that we all try to forget political labels, forget that some of us may be Democrats and some of us Republicans, some of us Liberals, and some of us Conservatives and some just confused.

What I want to talk about tonight has nothing to do with political philosophy. It is an institutional problem. There have always been tensions between the press and politicians. That's normal. And if that tension does not degenerate into superficial cynicism or contempt it can be a healthy thing.

But I want to talk about something that goes beyond that. The problem I want to talk about is not so much related to local press as it is to National Press—although I would like to speak frankly for a moment about some short-comings that I see in the way local press I know deals with national issues.

I know that the first responsibility of local press is to report local news. Your readers and viewers can get information about national problems from other sources. If they don't get local news from their local press, they're not going to get it from anybody.

But I must say in all honesty that I am distressed when I go back into a few communities back home and the first question I get is always "What are you going to do for ——— County or ——— city". Any Member of Congress has a responsibility to do what he can to represent each locality and to help get its share of government programs.

But in the long run, actions that I take on national issues will have greater impact on local people than whether or not I get HUD or EDA to approve a local construction project.

We need to be held accountable by the local press not only on the basis of whether or not we bring home the bacon, but also on questions that will determine the shape of the national economy, the quality of our water and air, education and health programs that affect the well being of the communities you serve every bit as much as a local public works project.

In short, I would hope that in addition to being questioned on important local problems with which I deal every day, I would also be questioned on national and international questions which affect peoples' lives in each of your communities importantly and directly.

But my main job here tonight is to talk about my impressions of the National Press. Let me say that on balance the people I've dealt with in the National Press are bright, hard working, dedicated, fair and thoughful.

I've said many times that I believe the legislators I have worked with both in my days in the state legislature in Madison and in the eight years I have spent on Capitol Hill have exhibited a higher standard of ethics, a greater degree of concern about the country and a greater dedication to our country's welfare than almost any other group in society.

I think the same can be said for the vast majority of the members of the press with whom I have worked. It is a privilege to work in the company of many of the people who report and interpret the actions of the government to the country.

What disturbs me most when I think about the National Press is that I see the same developing pattern in the National Press that I see within the Congress itself.

You know, both the political profession and the news profession have the same potential weakness. We both need continuing public approval in order to survive. If I don't have

it, I don't get re-elected. If you don't have it, you don't sell newspapers or you don't get a very healthy share of the viewing or listening audience.

Because of that dependency, we are both susceptible to the same temptation—the temptation to overdramatize, to over-reach for stories and headlines and, I am sorry to say, pander to popular prejudices.

In Congress we see a growing number of politicians who legislate by press release, who are far more comfortable issuing daily denunciations and exposés about some stupid act of government than they are in doing something effective to change these acts.

These press releases are usually good for headlines but in most cases there is no follow-up, no action taken and the next day there is always a new revelation, a new expression of outrage, and a new headline.

It is disturbing to me to see that same tendency, that same cheap-shot, one-a-day style growing in the National Press. More and more, you see story after story of a titillating nature, carrying this or that revelation which upon investigation turn out to be something far different, far less dramatic, and far less important than they first seemed.

That kind of journalism generates tremendous amounts of misinformation and it shrinks the ability of thoughtful journalists to write and be heard about these same subjects. Let me give you an example.

Since the adoption of the new Congressional Code of Ethics, Gaylord Nelson and I are probably the two most unpopular men on Capitol Hill. My Commission on administrative reform has now turned to the job of re-organizing the way the House of Representatives is administered.

Right now we have the Clerk, the Doorkeeper, the Property Custodian, the Architect, the Sergeant-at-Arms, and many more who each has a separate job to do for the House.

The use of computers is growing like topsy at a cost of hundreds of thousands of dollars but we have no one in overall charge.

The administrative services and the administrative offices of the House are not coordinated in any thorough way.

We have no personnel policy.

If a Member's office is being painted, that Member has to call one office to have the nails pulled out of his walls before painting, and another office to have them put in again.

And there are other far more important problems.

There is no decent sick leave policy for employees. If my Administrative Assistant were to have a heart attack tomorrow and be out of commission for three months, I would have the choice as of the first of the month of either letting him go or being in violation of the law for keeping on the payroll someone who is not in the office performing his duties.

Salary structures allow committees to pay higher salaries than individual Members can. They allow the Senate to pay higher salaries than the House. That creates a situation in which different divisions within the same institution are continually outbidding each other for the services of qualified people.

That is a stupid situation.

In short, the House is mismanaged. That is an important story. My Commission is trying to do something about it. But are these the stories that get reported?

No.

What usually gets reported are out-dated stories about cut-rate meals (in fact, the House restaurants and cafeterias make money—they don't lose it)—free haircuts (there have been no free haircuts since I went to Congress—we pay $3.00 and usually $1.00 tip—about the going rate around town).

We see The Readers Digest attack Congress for being the billion dollar Congress.

Well, that's sure true if you think it is fair to charge to Congress all the cost of the Government Printing Office which does printing for the entire Government.

If you think it's fair to charge to Congress the entire cost of operating the Library of Congress when, in fact, only $23 million of the Libraries' $173 million budget is directly attributable to the cost of serving Congress. The rest of the cost supports a research center which serves scholars and researchers across the nation and around the world.

We can call it a billion dollar Congress if you think it's also fair to count the entire cost of the General Accounting Office—the GAO—which is the financial watchdog of the Government.

Or the entire $1.3 million cost of the Botanical Gardens which is primarily a Washington tourist stop and which spends only approximately $64,000 of its budget on matters directly relating to Congress.

We can count the $8.1 million for the U.S. Tax Court which has traditionally been included in the legislative budget although it has no connection whatsoever with Congress.

You can count the cost of the Capitol Guide Service which, the last time I looked, guided taxpaying visitors around Capitol Hill, not Members of Congress. It costs $390,000 to show the public around the Capitol without charge.

When you subtract from that billion dollars the cost which are attributable to other government-wide functions, the costs related directly and exclusively to running the Congress are no more than half of that figure which is bandied around by people who don't let facts get in the way of making a point.

You know, the Congress is damned if they do and damned if they don't. For years, while the bureaucracy and the executive grew in power and numbers Congress limped along with 18th Century procedures and staff.

When Congress lagged behind and did not equip itself to deal adequately with other branches of Government, it was called the sapless branch. Now that Congress has begun to equip itself in a modern way, it is attacked as being the billion dollar Congress.

Well, let me give you an example to show you why Congress often doesn't know what's going on in Government. Right now, the Labor-HEW Appropriations Subcommittee on which I serve, deals with the budget of the Department of Labor and the Department of Health, Education and Welfare. That is a $130 billion budget. Every time the Secretary of HEW comes up to testify, he brings with him an army of 15 or 20 assistants to help him answer every question about the way he is spending your money.

For just the National Institutes of Health alone, over 57 staff assistants accompanied the institute Directors to Capitol Hill to plead for their budgets.

Do you know how many staffers that subcommittee has to deal with that $130 billion budget—four people.

Do you really think money is saved when the Congress denies itself staff to probe into the spending of the public money?

Can you imagine the president of a major company with a budget of $130 billion making decisions on the basis of the policy analysis of four assistants? If you were a stockholder in that company, how confident would you feel in the quality and depth of the staff work done before those decisions were reached?

You will also see stories bemoaning the cost of running individual Congressional offices. "Can you imagine," the stories shout, "Members of Congress actually have offices, and desks, and typewriters and telephones and parking spaces!"

Well, what is so shocking about that?

Do you know of any business executive who doesn't consider that a normal part of doing business? Each Member of Congress, after all, represents 500,000 people.

I vote approximately 1,200 times a year in committee and on the floor. I receive about 50,000 letters from people from home each year and you know, it is funny. They have the damndest notion that the votes I cast should be well thought out and they expect me to answer their letters—occasionally they even expect a thoughtful response.

It doesn't get done with mirrors.

Last week I won passage of an amendment that increased by 400% the share of counter cyclical revenue sharing money which comes into my district. That just didn't happen. It took two weeks of hard work by a Legislative Assistant who worked with the Wisconsin State Office in Washington, badgered the committee staff, put the information together, drafted the amendment, explained it to me—that was the hard part—and figured out which other Congressional districts were similarly affected so that I could get additional support on the floor.

It took me ten minutes to win House approval. It looked easy. But, without the preliminary staff work it could not have been done. The money that amendment will bring to local units of Government in my district is enough to run my entire Congressional office for 4 years.

Congressional staff is not a prerequisite of office. It is a necessity if a Member of Congress is to do a decent job of representing the interests of 500,000 people from home. But to some Members of the National Press they're defined as perks.

But you know, it is surprising how fast the definition changes when one reviews the accommodations of the Press Gallery rather than the accommodations in a Congressional office. There are not many stories written about the amount of taxpayers money spent to support the Washington press.

Let's look at some of those costs:

Twenty-four employees of the House and Senate Press Galleries plus special doorkeepers and messengers, at a total cost during 1977 of $592,517.

One hundred eighty-one free, reserved parking spaces in choice locations on the Capitol grounds at a cost, based on comparable parking downtown of $130,000.

About 180 free telephones, adding up to approximately $23,000 a year in phone bills.

Desks, chairs, typewriters, and other equipment worth about $40,000.

Semi-private elevators (in the Capitol the same elevators that are reserved for Members of Congress are frequently reserved for members of the press as well).

Exclusive press tables in the House and Senate Dining Room.

Free stationery with Congressional letterhead.

Access to the same office supplies, meals, barbers, subways, and check cashing facilities available to Members of Congress.

Some of these privileges are hard to measure, but the cost to the taxpayer comes to way over $1 million a year.

Having told you what the costs of the Congressional Press Gallery is to the taxpayer, let me hasten to add that I think that cost is irrelevant. A million dollars is a lot of money and I don't want any of it wasted.

But a million dollars is a small price to pay to enable the press to do its constitutionally protected job of reporting to the American public of the activities of their elected public servants. They have an important job to do, and we ought to make it as easy as possible for them to do it well.

But the same is true of Congress.

I don't mind serious stories about Congressional waste. I welcome them because with a $60 billion deficit we cannot afford waste anywhere.

What I do mind is the misplaced sanctimony of some of the reporters who have populated the House and Senate Press Galleries in increasing numbers the last few years.

What I do mind is the national TV reporter who does a three-minute network clip on Congressional "perks" such as free parking without ever getting around to telling his viewers that he himself has a free space on that same Capitol Hill.

What I do mind is the celebrated habit of virtually all of the National Press of telling the nation that Congress has taken another "vacation" when we shut down the legislative shop to go home for a week over Easter, or Labor Day Recess, or Memorial Day. If anyone thinks I'm on vacation tonight, for instance, then they have a different understanding of the word than I do.

I remember a year ago when the press both in Washington and Wisconsin was shouting the story that Congress was on another "vacation." I finally sent a copy of my ten day schedule in the district to every newspaper editor in the state inviting them to accompany me on my "vacation" provided that they stick with me for the entire ten days.

I think that the National Press has been educated on that score, however, by the poll which my Commission did which showed that more than anything else the public wants us back in our districts more. They don't think the republic will crumble over night if Congress is not in session.

And what I do mind is the national reporter who produced a drumbeat of stories about the necessity of tough financial disclosure measures for Members of Congress but recoil in shock at the suggestion that financial disclosure for those who write the news is just as important as it is for those who make the news. Doesn't the public have a right to know if a science writer has large holdings in drug company stocks?

What I do mind is the well-known Washington reporter who writes a column of opinion opposing the effort of Congress to limit outside income for Members of Congress and then shifts roles and writes a series of supposedly objective news accounts of that same Congressional activity.

And what I mind even more is the knowledge that it has become far easier for working reporters to get the stories aired or printed if they are associated with private scandal than it is if they are about serious legislative struggles.

The most thoughtful man to serve in Congress in a generation was Bill Fulbright. I'd like to read you something he wrote in the Columbia Journalism Review.

"The press and television gave something like saturation coverage in 1974 to Congressman Wilbur Mills' personal misfortunes; by contrast I do not recall reading anything in the press about the highly informative hearings on the Middle East, and another set on international terrorism, held in the spring of that year by Congressman Lee Hamilton's House Foreign Affairs Subcommittee on the Near East and South Asia. The crucial ingredient, it seems, is scandal—corporate, political, or personal. Where it is present, there is news, although the event may otherwise be inconsequential. Where it is lacking, the event may or may not be news, depending in part, to be sure, on its intrinsic importance but hardly less on competing events, the degree of controversy involved, and whether it involves something "new"—new, that is, in the way of disclosure as distinguished from insight or perspective.

The national press would do well to reconsider its priorities. It has excelled in exposing wrongdoers, in alerting the public to the high crimes and peccadilloes of persons in high places. But it has fallen short—far short—in its higher responsibility of public education. With an exception or two, such as the National Public Radio, the media convey only fragments of those public proceedings which are designed to inform the general public. A superstar can always command the attention of the press, even with a banality. An obscure professor can scarcely hope to, even with a striking idea, a new insight, or a lucid simplification of a complex idea. A bombastic accusation, a groundless, irresponsible prediction or, best of all, a "leak," will usually gain a congressman or senator this heart's content of publicity; a reasoned discourse, more often than not, is destined for entombment in the Congressional Record. A member of the Foreign Relations Committee staff suggested that the committee had made a mistake in holding the 1974 detente hearings in public; if they had been held in closed session and the transcripts then leaked, the press would have covered them generously.

That makes the point better than I can. Working reporters have told me that it is far easier to convince their editors back home to make room for stories about the personal lives of Members of Congress than stories about the misdirection of OSHA, the waste of research dollars at the National Cancer Institute, or the immense social consequences of the hundreds of policy decisions found in an appropriation bill for the Health, Education, and Welfare Department.

One reporter came up to me after filing one of his cheap-shot stories and said to me "I know it's crap, but it'll get printed."

One inherent problem we have, I suppose, is that the main job of legislating is to resolve conflicts while the main interest of some segments of the press seems to be to dramatize conflicts.

Well, I've said enough for now, but let me end as I began, by making clear once again that I condemn the press no more than I condemn the Congress. Let me make it clear that I believe cheap-shot artists in the press are a distinct minority, just as I believe that the charlatans are a distinct minority in the Congress.

Members of Congress are expected to deal—if not intelligently at least adequately, with budgets, taxes, economics, environment, energy, foreign affairs, civil liberties, agriculture, health, education, housing, and a whole maze of other issues. You have to deal with the same issues. Both our jobs are almost impossible.

Members of Congress have essentially three functions: a legislative function, a service function, and an educative function. We do not do the latter very well. Although in a democracy that is perhaps the most important part of our job.

The public needs both its public servants and its press to do more than simply entertain them. It needs to have both of us deal with the stories that are important to tell, not just those that are easy to tell. It needs, from both of us, a sense of balance, a sense of fairness and, most importantly, a sense of perspective.

I hope that you and I and the people we both work with will do more in the future than we have done in the recent past to see to it that they get it.

SAVING THE BOUNDARY WATERS WILDERNESS AREA

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. BLOUIN. Mr. Speaker, over the past weekend I was privileged to attend the Iowa State convention of the Izaak Walton League, and as cosponsor of legislation introduced by my distinguished colleague from Minnesota (Mr. FRASER) to address the convention on efforts to protect the boundary waters wilderness area.

If there are no objections, Mr. Speaker, I would like to enter the text of my prepared remarks for the RECORD.

PREPARED REMARKS DELIVERED BEFORE THE STATE CONVENTION OF THE IOWA IZAAK WALTON LEAGUE, WAVERLY, IOWA, JUNE 11, 1977

Over 60 years ago, President Teddy Roosevelt, writing in an issue of Outlook Magazine drew a parallel which is no less dramatic and certainly no less correct today than it was then, in 1913.

"The civilized people of today," President Roosevelt wrote, "look back with horror at their medieval ancestors who wantonly destroyed great works of art or sat slothfully by while they were destroyed. We regard Attic temples and Roman triumphal arches and Gothic cathedrals as of priceless value . . . but we are, as a whole, still in that low state of civilization where we do not understand that it is also vandalism to wantonly destroy or to permit the destruction of what is beautiful in nature, whether it be a cliff, a forest or a species of mammal or bird."

Today, some 63 years later, and thanks in no small measure to people like Teddy Roosevelt and those who followed in his footsteps, we have made some obvious progress in terms of environmental programs, conservation programs and wildlife programs. And in terms, too, of the public awareness of the value and the necessity for such programs.

But it's a never-ending struggle—no one knows that better than you do. No one knows it better than that countless number of people who have been struggling for the better part of the present century to protect and preserve the boundary waters wilderness area in northern Minnesota.

President Carter, in his environmental message to Congress just last month, recognized the overwhelming importance of a meaningful environmental protection and conservation program.

"Americans long thought that nature could take care of itself," the President said, "or that, if it did not, the consequences were someone else's problem. As we know now, that assumption was wrong."

In a section on wilderness areas and wildlife, the President wrote: "In its land and its history, a nation finds the things which give it continuity. By preserving places that have special natural value, we can ensure that our children and grandchildren have a chance to know something of the America that we and our ancestors simply took for granted."

The President went on to endorse over 70 existing wilderness proposals now pending in Congress, recommending that five of those proposals be expanded. He said he will recommend the creation of five new national park wilderness areas and will give strong support for wilderness designation or protective study designations to all areas now covered by the endangered American wilderness bill, pending in Congress.

He announced that the administration will soon submit legislation adding some 1,303 miles to the national wild and scenic rivers system and 7,147 miles to the national scenic trails system.

The President said he has instructed the Secretaries of Commerce and Interior to accelerate the implementation of the Endangered Species Act and asked Congress to increase fiscal 1978 appropriations for the Fish and Wildlife Service by $318 million.

Those efforts are not, by any measure, insignificant. But the issue which may, more than any other, shape up as the landmark environmental issue in the 95th Congress is the debate over the status and future of the Boundary Waters Canoe Area Wilderness in northern Minnesota.

The Boundary Waters issue represents perhaps a classic confrontation between conservationists and commercial interests. It poses questions which reach far beyond the immediate issue—questions which speak to some very basic decisions about this nation's commitment to wildlife and wilderness preservation.

It's certainly not a new battle. In fact, the debate over the boundary waters wilderness dates back to 1902 when the Foresty Commission withdrew some 500,000 acres then in public domain from applications for homesteads, mineral or timber rights.

Another 659,000 acres were added over the next six years, culminating in 1909 when President Roosevelt designated one million acres as a national forest.

The first wilderness area—some 640,000 acres—was established in 1926, but the first no-cut areas were not established until some 20 years later, and only a few years before the extensive logging and road-building era began in the late 1940's and early 1950's.

In 1964, Congress passed the National Wilderness Act which included the boundary waters area, but gave the Forest Service unusual discretion to permit logging and motorboat activity within the area. Those exemptions have been the focal point of controversy ever since, culminating in 1976 and again this year in congressional efforts to provide full wilderness status to the area, thereby prohibiting logging, mining, and motorized carrier entirely.

We're talking about over one million acres, some of it marred by man-made scars, but much of it as pristine and virgin as it was a thousand years ago; a place of incredible beauty, natural variety, and ecological stability; a wilderness area one-third larger than the combined total of all wilderness areas this side of the Rockies.

We're talking about an area where the pine trees are over three centuries old, where the rugged terrain and jutting cliffs have been left virtually unchanged since the glaciers melted some 14,000 years ago; an area dotted by some 1,000 lakes and 1,200 miles of canoe routes; the Nation's largest and relatively complete example of a northern conifer forest; a place which has been called, and accurately, a living biological laboratory.

I think if you've ever had the experience of being out alone on a river early in the morning, when the sun is just starting to peek over the tree tops, or if you've been out camping with just a few other people in a secluded woods or on a quiet river island, then you can appreciate what we're talking about: that kind of indescribable communion with nature which man feels when he's left alone in the wilderness. It's that kind of experience, that kind of opportunity, that we want to preserve and protect in the boundary waters wilderness.

The Minnesota naturalist Sigurd Olson has called man's contemplation of nature "an infallible source of inspiration."

He wrote: "If wonder is one of man's greatest potentials, and unspoiled nature (is) a means of evoking it, here is reason enough for preservation."

The Natural Wilderness Act of 1964 established a national wilderness preservation system, but it included a special section which applies only to the boundary waters wilderness. While instructing the Forest Service to preserve the primitive character of the boundary waters area, it prohibits what the law calls "unnecessary restrictions on other uses, including that of timber" and allows "any already established use of motorboats" (which the Forest Service has interpreted to include snowmobiles).

One piece of legislation, introduced by Congressman Jim Oberstar of Minnesota would transfer about 600,000 acres of the boundary area to full wilderness status. But that bill leaves another 400,000 acres (designated as a national recreation area) open to logging, paved roads, resort development and motorized recreation, which are inconsistent with the efforts of most environmental, conservation and wildlife efforts to preserve the boundary waters area as a virgin wilderness.

A second bill, introduced by Congressman Don Fraser in 1976 and again this year, one which I am co-sponsoring, would preserve the entire boundary waters area. It totally outlaws logging, motorized carriers or mining within the area.

The House Interior Committee has scheduled field hearings for early next month on the Fraser bill and those hearings will be followered, probably early this fall, by full committee hearings in Washington. I am hopeful that we're going to get the bill through committee and onto the floor before the years is out Many supporters (the bill has 51 cosponsors in the House) are hoping that we can get the bill passed before the September 15 deadline, when the court injunction against logging in the area expires, but that date is probably impossible to meet at this time.

From time to time over the years, our efforts to protect and preserve our natural resources have required a special effort because the stakes were particularly high or because something special was involved. The boundary waters wilderness canoe area is one of those times. It's one of those issues where the stakes are particularly high.

An awful lot of people in this country think we simply cannot compromise on preserving the Nation's largest eastern wilderness area and our only lakeland wilderness. I happen to agree with them, and I think that when the time comes—with help from people like yourselves, here at the grassroots—we'll have the votes we need to pass the Fraser bill.

The very closing paragraph in a booklet published by an organization called Friends of the Boundary Waters Wilderness, summarized the issue well when it said: "There will always be those who would turn the last stands of virgin timber in the boundary waters into magazines and waste paper, who would trade its cold, clear waters for cold, clean cash. There will never be a law so perfect and immutable that the boundary waters can be considered 'saved' forever. But good protective laws and informed citizens can do the job."

I thought that said it best of all—until I read an editorial from a local Iowa paper, the Oelwein Daily Register. The editor and I don't agree very often on any issue, but we do on this one.

After outlining the pros and cons of the debate over the boundary waters area, he summed up his support for the Fraser bill by simply saying, "We're just old fashioned enough to yearn for protection of our natural beauty and native resources—for the sake of our kids."

It's very difficult to argue with that.

FAIRNESS FOR VICTIMS OF CRIMES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Ms. OAKAR. Mr. Speaker, H.R. 7010 would establish a program of Federal participation in the costs of State programs of financial compensation for innocent victims of crimes.

There is no desirable substitute for the eradication of crime, but our best and most vigorous efforts toward that end have not been successful. It is well known that periods of unemployment and recession are periods in which crime rates rise. The Nation's inability to smooth out the endless cycles of economic change means continuation of rises and declines in the rate of crimes.

Passage of H.R. 7010 is desirable for a number of reasons. It is within our cultural traditions to aid neighbors, even strangers, whose troubles are not their own fault. Communities and States accept responsibility for crime prevention. To the extent that victimization results from the inability of anticrime efforts, compensation of the victim is appropriate. It has already been observed that Federal and State funds are used to provide rehabilitative services for persons who commit crimes. It is fair and just that the victims of crimes be compensated.

I know of a situation in which a woman of many years was seriously injured while being robbed. She had less than a dollar. While losing small change, she was seriously injured. The medical costs consequent to her injuries exceeded $6,000.

No amount of money can compensate her pain, the long months of recuperation. No amount of money could restore her confidence in the safety of her neighborhood. But because her State has a program of compensation for innocent victims of crimes, she will not have to worry about paying bills she cannot afford.

Her inability to afford the costs of hospital and medical treatment may serve to remind us that many, probably most of the victims of crimes of violence are elderly persons and women, many of whom are raising families alone. It is the poor and the frail who live in areas where crime rates are highest. The easiest victims are also those least able to afford medical and dental treatment needed to heal their injuries. The most vulnerable are least able to afford the time needed for recuperation from injuries.

Refusal to provide compensation for these victims would be a cold act. They did not seek trouble. They rely on the anticrime agencies of their communities to provide safety. Failing to do so, the communities must accept their responsibility by providing programs of compensation for the victims.

But it is not entirely the fault of the community or the State. States and communities cannot regulate the economy, cannot provide employment for all who need and want it, cannot assure conditions conducive to lawfulness among all the citizenry. We all know what must be done to reduce crime. It is a Federal matter, a Federal responsibility because only the national government has the capacity to maintain the conditions which keep the economy healthy and workers employed.

Passage of H.R. 7010 is part of that responsibility.

IS HEW PLANNING NEW SCHOOL-BUSING EFFORT?

HON. E. THOMAS COLEMAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. COLEMAN. Mr. Speaker, evidence is mounting to indicate that the new administration through the efforts of Secretary of Health, Education, and Welfare Califano, is preparing for a new round of schoolbusing efforts. For many years, the Congress has expressed the will of the people of our Nation that Federal funds should not be used to force local school districts to use busing as a tool for desegregation of schools. However, in spite of the good efforts of many of you, the bureaucrats continue to try to make national policy in their own way at HEW.

The Robert C. Byrd amendments have been attached to several HEW bills and have been interpreted by past administrations as clear policy guidance against the usage of Federal funds to force local school districts to use busing in order to achieve school desegregation. Now, HEW, working with the Department of Justice, has decided that loopholes can be found to skirt the Byrd amendment's spirit, if not the letter of the law. Below are two recent articles that you should be aware of as we prepare to vote on H.R. 7555, the 1978 Labor-HEW appropriations bill.

The articles follows:

[From the National Observer, June 20, 1977]

CAN "PAIRING" BE A PATH TO BUSING?

(By Richard Egan)

Where there's a will, there's a way, the Carter Administration proved last week.

Joseph Califano, Jr., Secretary of Health, Education, and Welfare, has been determined to step up HEW's assault on segregated public-school systems. But there was one big hitch: a provision in recent legislation designed to bar HEW from requiring busing of students for desegregation purposes. So Califano turned to the Justice Department for help, and together Justice lawyers and the Secretary worked out a way around the antibusing provision. The probable first target in HEW's newly invigorated desegregation drive will be schools in Kansas City, Mo. And the device employed may be the "pairing" and "clustering" of schools—a device once thought illegal under the antibusing provision.

The antibusing provision, written in 1975 by Democratic Sen. Robert Byrd of West Virginia, has been included in legislation appropriating HEW funds. Its impact, however, has been slight; most busing of students has been done under order of Federal courts, rather than through HEW. Still, the Byrd amendment reflected growing congressional opposition in recent years to busing. The Byrd amendment reads:

"None of the funds contained in this account shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home and which offers the courses of study pursued by such student."

THE CRITICAL DISTINCTION

The Byrd proscription was presumed to block HEW from using the desegregation techniques of "pairing" and "clustering," which usually require some busing. Pairing involves a grade reorganization under which, for example, one elementary school in an area would teach only first through third grades while a nearby school would teach fourth through sixth grades, instead of the traditional practice of teaching all six grades in each school. Clustering involves a similar merging of grades involving three or more schools. Under both techniques students, at least for some grades, would have to attend a school that is not the nearest one to their home.

Enter Drew S. Days III, an assistant Attorney General who heads Justice's Civil Rights Division. In a 17-page memo released last week, Days lays out a legal basis by which HEW can, in effect, require busing.

In analyzing the Byrd amendment, Days contends that it "does not clearly state at what point in the desegregation process" the busing ban applies: whether the situation existing under a segregated-system or the situation arising under a proposed desegregation plan. Days says the distinction is critical. If the ban applies to the segregated situation, he says, it would mean that HEW would be unable to require busing and thus would be blocked from carrying out its mandate under the 1964 Civil Rights Act to end racial discrimination in schools. So to reconcile the Byrd amendment with the 1964 law, Days says, the busing ban should be applied only to the situation arising as a result of a school district's desegregation plan.

Now Califano. In a letter to Democratic Sen. Thomas Eagleton of Missouri, who had requested an HEW interpretation of the Byrd amendment, Califano says grade reorganization—pairing and clustering—are permissible under the Byrd amendment because though a student no longer may be attending the school nearest his home, he would be attending the school, as the Byrd amendment permits, "which is nearest to the student's home and which offers the courses of study pursued by such student."

THE NEAREST FOURTH GRADE

For example, say fourth-grader Johnny Black lives next door to and attends predominantly black School A. A mile away is predominantly white School B. Under a desegregation plan pairing the two schools, the first through third grades in each school are placed in School A, where Johnny has been going, and the fourth through sixth grades are placed in School B. School B thus becomes the school nearest to Johnny's home that offers the fourth-grade courses he is taking.

So, reasons Califano, it is legal to bus Johnny to School B if necessary and still comply with the Byrd amendment. What the amendment bans, says Califano, is busing Johnny to School C if that is farther from his home than School B.

The Carter Administration's reinterpretation of the amendment was aimed primarily at HEW's desegregation efforts in Kansas City. A Federal administrative judge has held that the Kansas City School District, one of 13 wholly or partly within the Missouri city, is racially segregated.

The school district, whose 51,000-student population is two-thirds black, has proposed to HEW a desegregation plan involving some pairing and clustering of elementary schools but not of high schools. The plan would require at least 30 percent minority enrollment in all schools but would leave some schools wholly black. HEW, which has final say on desegregation plans, wants greater desegregation than the school district proposes.

The school district also has filed suit seeking metropolitan-wide desegregation involving an exchange of students between the heavily black Kansas City School District and predominantly white school districts across the Missouri River in Kansas as well as in Missouri suburbs. The district contends that this approach would eliminate segregated schools in the area.

HEW officials object to this approach because they believe it might take up to 10 years before courts rule on the legality of the proposal. The Supreme Court has held that metropolitan-wide desegregation is Constitutional only if all districts involved are guilty of deliberate, illegal segregation.

A LOT OF THINGS

Paul R. Holmes, desegregation adviser for the Kansas City School District, told Observer Correspondent Robert P. Sigman that he is unsure of what impact the Carter Administration's reinterpretation of the Byrd amendment will have on the district's desegregation plan. "It could mean a lot of things," he said. "It depends on whether they reject everything in the plan, some of the plan, or suggest some modifications in it."

Most likely HEW soon will press for greater desegregation than the school district has proposed, probably urging greater pairing and clustering. Late last week Califano reemphasized his determination to crack down on racial discrimination in schools. Indeed, the Secretary said, the Administration is looking into the possibility of setting a deadline for desegregation of all the nation's public schools.

[From the Kansas City Times, June 8, 1977]

HEW SAYS LAW ALLOWS SOME BUSSING

(By Joseph A. Lastelic)

WASHINGTON.—Joseph Califano, Jr., Secretary of the Department of Health, Education and Welfare, informed Sen. Thomas F. Eagleton (D-Mo.) yesterday that HEW and the Justice Department have concluded that the Byrd antibussing amendment does not bar the department from using other methods coupled with bussing to achieve desegregation in public schools.

Califano did not mention the Kansas City school case in which his department is considering a desegregation plan proposed by the school district, but the new interpretation would affect the Kansas City plan. Reports at HEW are that the Kansas City plan is to be rejected and that could lead to the pairing or clustering of schools and bussing of students beyond the schools nearest their homes in order to achieve satisfactory desegregation. The Kansas City plan does include some pairing and clustering of elementary schools, but not high schools.

The view has been that HEW could not require bussing because of the amendment by Sen. Robert Byrd (D-W. Va.), which was approved by Congress and is included in the HEW appropriations bill for fiscal year 1977. The Ford administration took the view that bussing was prohibited.

The Byrd amendment is under consideration again for the fiscal 1978 bill and the Appropriations Committee, of which Eagleton is a member, is to report whether to keep the section in the bill this year. That decision is expected by June 16.

In order to learn the HEW interpretation of the Byrd amendment because of his interest in school desegregation in Kansas City and St. Louis in particular, Eagleton wrote to the HEW Secretary March 4. The letter he received yesterday from Califano was the reply to that letter.

"The language of the Byrd amendment could be read," Califano wrote, "as either allowing or forbidding grade reorganization under these circumstances. Unfortunately, the legislative history also fails to resolve the ambiguity in the amendment.

"I have reviewed this matter in detail with the general counsel of the department and have concluded that I should give the language of the Byrd amendment its most literal application."

HEW has concluded that it can require grade restructuring even if the reorganization results in bussing beyond the school nearest to the student. Attorney General

Griffin Bell agrees with that view. A 17-page memorandum was prepared by the Justice Department outlining the matter.

Under the civil rights act, HEW can bar federal funds to schools that do not comply with the law against discrimination. HEW may not order that a desegregation plan begin, but it can withhold funds when it finds a plan in violation. The problem arises as to how to desegregate and if bussing can be one of the tools used.

The Justice Department memo, which discusses the legislative debate on the Byrd amendment in detail, quotes the senator: "My amendment is strictly a bussing amendment. It addresses itself only to bussing and not to assignment of students—only to bussing." However, the ambiguity of the language of the Byrd amendment causes the problem today.

Califano said in his letter yesterday that he would adopt the more restrictive reading of the Byrd amendment, meaning he does not see it as barring the department from taking other actions, even when bussing results.

The Justice Department memo suggests that in other legislation, notably the education amendment of 1974, Congress intended that bussing be used along with other methods to achieve further desegregation in existing situations. Only after the new plan is approved and in effect is further bussing prohibited by the Byrd amendment.

Eagleton said he wants to study the HEW and Justice views further. A spokesman for Senator Byrd said he, too, would look closely at the interpretation.

The Byrd amendment has not been tested in federal court. The Justice Department noted that its interpretations are only in a theoretical context and said that the amendment may soon be subjected to judicial review because the Kansas City school system has sued HEW, alleging that deferral of federal funds has violated procedural requirements of the Civil Rights Act. Bell has said the Justice Department would support HEW's views on the matter.

AMENDMENT TO LABOR-HEW APPROPRIATIONS BILL

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 14, 1977

Mr. JEFFORDS. Mr. Speaker, tomorrow I am going to offer the following amendment to the Labor-HEW appropriations bill, H.R. 7555:

On page 35, insert the following new paragraph on line 20:

COMPLIANCE ASSISTANCE

"In carrying out the provisions of section 504, of the Vocational Rehabilitation Act of 1973, as amended, $2,400,000,000 of which amount at least one-half shall be for educational purposes."

Most Members first reaction to this amendment will probably be—"What?"—"How Much?"—"We simply can't afford it" and try to dismiss it by claiming the $2.4 billion figure is ridiculous.

Under normal circumstances I would completely agree. I could not see myself under any condition offering, let alone advocating an amendment for $100 million in new spending let alone $2 billion, but this is not an ordinary situation. This amendment represents a fundamental principle which we in the Congress, as well as the entire Federal Government must face: Are we going to pass laws which affect large segments of the population, cost billions and billions of dollars, and expect cities and States to bear 100 percent of the costs to carry out the Federal mandate?

In 1973 the vocational rehabilitation amendments were signed into law. That law contained one sentence at the end:

Sec. 504. No otherwise qualified handicapped individual in the United States, as defined in section 7(6) shall, solely by reason of his handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance.

Section 504 was a Senate amendment which was accepted in conference. Not one word of testimony was ever heard for or against the provision before it was added to the Senate bill. Not one word was written in the Senate committee report, spoken on the floor of the Senate or explained in the statement of managers report after the House-Senate conference. It was accepted because on its face Members agreed that discrimination in any form against the handicapped of this Nation should be eliminated. Although I, as well as 50 percent of the House, was not a Member of Congress when the provision became law, I am sure if this provision were offered today, it would pass overwhelmingly.

So what's the problem? Why are you being asked to vote for an amendment appropriating $2.4 billion?

Although section 504 became law in 1973, it was not until June 3, 1977 that final regulations took effect. The HEW regulations are extensive and cover virtually every area of life which HEW funds: Schools, hospitals, employment, and so forth. HEW projects the cost to be $2.4 billion to fully implement these regulations. There is no doubt in my mind that it will cost many billions more.

The regulations now have the force of law and Secretary Califano said that he intends to "vigorously enforce them." While the Secretary intends to bring about compliance, it must be completely understood that 100 percent of the costs to carry out the Federal mandate must be paid with State and local dollars. Not one new penny of Federal dollars has been requested or appropriated to carry out these regulations.

I think this is wrong. If we in the Congress believe that discrimination against the handicapped is wrong, and I do, and the Federal Government is going to direct how to end the problem, then the Federal Government has an obligation to put its money where its mouth—and regulations—is and pay at least part if not all of the costs to carry it out.

We cannot shift the burden to State and local taxpayers. State and local governments and every public and private agency or organizations who receives Federal funds. The Federal Government has a responsibility and an obligation if we are to be honest with the American people.

This is not a partisan issue.

This is not a liberal or conservative issue.

This is a fundamental issue of whether the Federal Government is willing to be honest as well as fair with the American people.

You might ask how I developed the $2.4 billion figure. The simple answer is that I did not, HEW did. As I said earlier, I believe the costs are going to be many billions higher. For the purpose of this amendment, rather than go with a higher figure I used HEW's study entitled "Discrimination Against Handicapped Persons, the Costs, Benefits and Economic Impact of Implementing Section 504 of the Rehabilitation Act of 1973 Covering Recipients of HEW Financial Assistance" by Dave M. O'Neill, dated May 4, 1977.

Mr. O'Neill summed up the weakness of HEW's projections in his concluding remarks when he said:

The nature and quality of the evidence on benefits varies considerably. In some cases, it is more straightforward and convincing than in others, as in the case of cost reductions due to shifts to less restrictive settings. In others, the empirical evidence is very sparse, but highly suggestive, as in the case of benefits from eliminating discrimination in employment, and the benefits from reduced mislabeling and the improved quantity and quality of special education.

By far the most substantial source of cost increase comes from the extension of special education to all handicapped children not now served. We estimated that the annual gross cost increment could fall anywhere in the range $1.3 to $4.8 billion, depending on assumptions about cost factors, incidence of the condition "Learning Disabled", and the age range of children covered. The two other sources of possible significant cost increase are program accessibility and complying with the reasonable accommodation of subpart B. On the basis of our analysis it is doubtful that the additional annual cost from these two sources would ever exceed $100 million.

Anyone who has dealt with the question of education of handicapped children knows that the cost projection for services to the "unserved" handicapped children nationwide will be many billions of dollars. The HEW study projections are without substance and rather self-serving by trying to minimize the cost implications of section 504. There is little doubt the costs will be higher than HEW projects simply because of the many existing buildings which will have to be modified. Ramps will have to be installed, doors will have to be widened, bathrooms will have to be modified, and in many cases, elevators will have to be installed. The cost of these modifications vary and in many cases can be done for a few thousand dollars.

To give you some idea of what costs are involved, let us say that a university in your district has a three story building which will be used by handicapped students and in order to serve them the university will have to modify the building by installing an elevator—not to mention ramps, widening doors, I asked the Otis Elevator Co. what it would cost to put a standard elevator in an existing three story building. They indicated that

"there is a wide variation due to the cost of materials and labor throughout the country", but their estimate ran $22,000 to $30,000. One university last year spent $40,000.

In order to modify the 3,200 institutions of higher education in America, it has been projected that the cost to make them barrier free through the implementation of this part of the regulations alone alone could cost $2 billion. Many universities in the past few years have already moved, without the section 504 regulations, to make buildings on their campuses barrier free. A study conducted by the National Association of Colleges and Universities business officers last year reported a survey of 26 universities who modified their campuses. The costs to these universities ranged from $1.53 per square foot to $2.76 per square foot. If only 500 million square feet presently in use have to be modified at an average of $2/square foot, the cost would be $1 billion. Even if it did not cost $2 and cost $1/square foot, it would cost $500 million. If it cost "only" 50 cents/square foot, it would still cost $250 million for 3,200 institutions of higher education. And the 3,200 does not include another 2,000 postsecondary vocational institutions receiving Federal support through student aid and other programs.

On top of these 5,200 institutions, there are over 16,500 school districts in the United States. It seems reasonable to assume that outlays comparable to those mentioned for colleges and universities will be necessary if all public schools were to be modified.

It must be noted that these cost estimates are for building modifications only. When one considers the other support services, equipment and procedures that recipients of HEW funds will have to spend to meet the proposed 504 regulations, the figure could well approach the $10 to $15 billion range for recipients of HEW educational funds alone.

Cost will occur in many forms. The Office of Education has just conducted a survey to determine how many public library buildings are inaccessible to the handicapped, and learned that literally thousands of libraries must be remodeled if they are to be accessible to the handicapped. The average cost per building is estimated to be just under $29,000. You all know how many libraries there are in this country.

In addition to accessibility costs, libraries will have to employ thousands of interpreters at $5 per hour to serve deaf users because of the requirement in the regulations that:

Auxiliary aids. (1) A recipient to which this subpart applies shall take such steps as necessary to ensure that no handicapped student is denied the benefits of, excluded from participation in, or otherwise subjected to discrimination under the education program or activity operated by the recipient because of the absence of educational auxiliary aids for students with impaired sensory, manual, or speaking skills.

(2) Auxiliary aids may include taped texts, interpreters or other effective methods of making orally delivered materials available to students with hearing impairments, readers in libraries for students with visual impairments, classroom equipment adapted for use by students with manual impairments, and other similar services and actions. . . .

I could provide many letters pointing out the high projected costs for implementing the 504 regulations, but the following letter from Mr. Charles B. Saunders of the American Council on Education explains the cost problems. His letter is also important because if this amendment passes I want it clearly understood that Federal grants would be made available directly to institutions, as well as to State and local governments.

AMERICAN COUNCIL ON EDUCATION,
Washington, D.C., June 13, 1977.

Hon. JAMES M. JEFFORDS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. JEFFORDS: On behalf of the American Council on Education, representing over 1,500 colleges, universities, and educational organizations, I would like to applaud your action in introducing legislation to help schools, colleges, state and local governments, and other public and private agencies carry out the mandate of Section 504 of the Rehabilitation Act of 1973.

The structural changes necessary to provide equal program access for the handicapped in postsecondary education alone are estimated to cost in the neighborhood of $2 billion. As you know, the higher education community has already developed cooperative plans for an informational and training program to speed compliance on the nation's campuses. However, the major costs eventually required for full implementation are beyond the capacities of our institutions to carry out entirely from their own resources.

Therefore we welcome the commitment of federal assistance in meeting the national objective which your legislation would provide, and assure you that it will have the support of the nation's colleges and universities.

In developing the legislation, we trust you will make clear that federal grants would be made available directly to institutions, as well as to state and local governments. This is necessary because of the constitutional prohibitions in about 25 states which would present an obstacle to the participation of private institutions if federal grants were to be made to the states for distribution. Congress has consistently determined that public and private institutions of higher education should be treated alike, and models for resolving this problem are available in the language of such laws as the Higher Education Facilities Act, which provides federal funds directly to recipient institutions which meet the requirements of state plans.

Please let us know if we can be of any assistance in the development of this important and necessary legislation.

Sincerely,

CHARLES B. SAUNDERS, Jr.,
Director of Governmental Relations.

Finally, I must point out that the HEW costs are only the tip of the iceberg. Section 504 applies to every department and agency of the Federal Government and it is safe to assume their projected costs will be comparable to HEW's as they develop their own regulations for 504. This week I am requesting every department and agency of the Federal Government to provide the date when each will issue final 504 regulations and asking each to provide the projected costs to fully implement their version of the regulations.

It is most important for me to emphasize that this is not new legislation. This amendment will provide money for regulations which now have the full force of law. This is not a new pie in the sky but affects handicapped people in every congressional district. It also will cost dollars if every congressional district is going to implement them.

No one is exempt from these regulations.

If we really want all arch barriers removed, let us provide the money to remove them.

If we really want all handicapped children to receive a free appropriate education, let us provide the money to guarantee that it will happen.

If we truly want the Federal Government to be partners with State and local governments, as well as public and private agencies, then we must put up—the money—or shut up.

I urge my colleagues to vote favorably on this amendment.